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Congressional Record

United States of America PROCEEDINGS AND DEBATES OF THE 104^{th} CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*September 14, 1995*

The House met at 1 p.m. and was called to order by the Speaker pro tempore [Mr. RADANOVICH].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 14, 1995.

I hereby designate the Honorable GEORGE P. RADANOVICH to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Reverend Dr. James Merritt, First Baptist Church, Snellville, GA, offered the following prayer:

Our Father in heaven, we praise You today because You are omnipotent, there is nothing impossible for You; for being omniscient, You are all wise and all knowing; for being omnipresent, which means that You are in this Chamber today.

You have blessed this Nation as no other nation in the history of the world. We thank You today for Your goodness and Your blessings upon us.

We pray today for the men and the women who represent our Nation, who give their lives to public service. We pray today that You will given them the wisdom to do what is good in Your sight and give them the courage to do what is morally right, rather than what may be politically expedient.

We ask Your forgiveness for our sins, for the times that we have rejected Your counsel, neglected Your commands. Remind us again today, blessed is the nation whose God is the Lord. Send a revival to this Nation. May it begin in these hallowed Halls.

We pray it in the name of Jesus Christ our Lord. Amen.

THE JOURNAL

The SPEAKER pro tempore (Mr. RADANOVICH). The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Tennessee [Mr. CLEMENT] come forward and lead the House in the Pledge of Allegiance.

Mr. CLEMENT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. This afternoon the Chair will recognize ten 1-minute speeches on either side of the aisle as agreed to by the leadership.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1530. An act to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 1530) "An Act to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. THURMOND, Mr. WARNER, Mr. COHEN, Mr. MCCAIN, Mr. LOTT, Mr. COATS, Mr. SMITH, Mr. KEMPTHORNE, Mrs. HUTCHISON, Mr. INHOFE, Mr. SANTORUM, Mr. NUNN, Mr. EXON, Mr. LEVIN, Mr. KENNEDY, Mr. BINGAMAN, Mr. GLENN, Mr. BYRD, Mr. ROBB, Mr. LIEBERMAN, and Mr. BRYAN, to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1124. An act to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes;

S. 1125. An act to authorize appropriations for fiscal year 1996 for military construction, and for other purposes; and

S. 1126. An act to authorize appropriations for fiscal year 1996 for defense activities of the Department of Energy, and for other purposes.

WELCOME TO REV. DR. JAMES MERRITT, GUEST CHAPLAIN

(Mr. LINDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LINDER. Mr. Speaker, it is my great good pleasure to welcome to the House today, Dr. James Merritt, pastor of the First Baptist Church of Snellville, GA.

Dr. Merritt is not my pastor—but he is my friend. I enjoy attending his church to listen to a man of God speak the truth.

His knowledge of the Bible, and his ability to share his understanding of it with others, has found an appreciative audience beyond Georgia as he has carried the eternal message to others.

His commitment to family has led him and his wife, Teresa, to home school their sons James, Jonathon, and Jushua.

His and Teresa's concern for their son's education is worth the immense commitment of time and energy required of them.

Last, it is always good politically to find myself in the company of such a

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

respected public person who is more conservative than me.

Dr. Merritt is truly committed to faith, family, and freedom and it is my good fortune to call him friend.

THE CRIMINAL WELFARE PREVENTION ACT

(Mr. CLEMENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLEMENT. Mr. Speaker, yesterday I, along with Congressmen HERGER and SHAW, introduced bipartisan legislation to address the problem of prisoners receiving Social Security and SSI benefits while incarcerated, a violation of public law and a huge waste of taxpayer money.

I originally became aware of this issue last month when an inmate in my district who had been convicted of selling drugs in prison bailed himself out of jail with a Social Security check he was still receiving from the Social Security Administration. This legislation will begin to address the primary problem—the reporting of criminals to the Social Security Administration.

In a time when we are working tirelessly to eliminate Government waste, to ensure the viability of the Social Security Program, and to provide benefits for those who truly need them, surely we all agree that we don't need to be paying prisoners for their drug habits and bail money.

I call on my House colleagues to cosponsor H.R. 2320 and end this flagrant abuse of taxpayer money.

NATIONAL DYSTONIA AWARENESS WEEK

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, I rise to bring to the attention of my colleagues National Dystonia Awareness Week, which will be commemorated nationwide September 16–23.

Dystonia is a neurological movement disorder that can take many forms—all of which are frequently misdiagnosed or even undiagnosed. It is characterized by involuntary muscular contractions which force certain parts of the body into abnormal, often painful movements or positions. Approximately 200,000 Americans suffer from dystonia, yet only about 5 percent of these individuals have obtained accurate diagnoses and proper treatment. Dystonia is a condition that fundamentally impacts the lives of nearly a quarter of a million Americans and their families, yet we have very little understanding of the condition, or of how we can ameliorate it.

The National Institutes of Health, through its researchers at NINDS, has increasingly recognized the importance of dystonia research, and I am pleased that the Appropriations Subcommittee on Labor-HHS has continued to urge continued NIH action in this area. It is my hope that, together with scientists and doctors across the Nation, our experts at NIH will be able to shed considerable insight into the mystery of dystonia.

Mr. Speaker, I would also like to recognize the diligent efforts of one of my constituents, Ms. Nancy Aldrich, who has worked tirelessly to bring the issue of dystonia to the Congress' attention. With the efforts of Ms. Aldrich and many individuals like her, we will one day put dystonia behind us.

FRENCH COLONIALISM IN TAHITI IN THE EVE OF THE 21ST CENTURY

(Mr. FALEOMAVAEGA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FALEOMAVAEGA. Mr. Speaker, despite international pleading, protests, and appeals, France resumed nuclear testing in the South Pacific on September 5, 1995, at Morurua Atoll, exploding a nuclear bomb 10 times more powerful than the bomb dropped on Hiroshima. Sixty miles away, 3 days before, on the island of Tureia, Tahitian children splashed and played in the ocean waves, unaware that a man named Chirac would forever mar their innocent way of life.

Chirac's decision to promote nuclear proliferation, at the expense of a peaceful people, is a chilling commentary on man's inhumanity to man. If fact, it is an atrocity, a crime against humanity, not unlike the French Government's earlier decision to forcibly deport 75,000 of its own French citizens to Nazi concentration camps where it is said that only 1,000 of those deported survived.

France's resumption of nuclear testing, especially in waters other than its own, is nothing less than a classic example of rancid colonialism; an old world ideology politicized by dominant cultures as a means to marginalize, oppress, and make expendable the lives of some 200,000 Polynesian Tahitians. Every enlightened French citizen should be ashamed that such atrocity reigns in the hands of its current leader, President Chirac.

THE LOST BATTALION

(Mrs. SEASTRAND asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SEASTRAND. Mr. Speaker, there they go again, the desperate leaders of the Lost Battalion of the Democrat Left, riding off today on another mean-spirited mission to misinform and terrorize the elderly.

What a pitiful sight it is to see the leaders of a party once entrusted with 40 consecutive years of control of this Congress now cowering and running away from the fight to save Medicare from bankruptcy.

Afraid to point the way with a plan of their own, they're content simply to point a misdirected finger of blame.

Surely, these so-called leaders don't speak for the dwindling membership of the Democrat caucus, the men and women whose loyalty belongs to the people who elected them to serve, to face the tough problems and find answers, not run and hide from the truth and blindly follow the Lost Battalion of the Left down the path of political retreat.

To those Members, we offer our hand and welcome you to join us in a mission worthy of this institution—a mission to ensure a comprehensive, secure, affordable health insurance plan for every retired American now and in the future.

THE BIG DAY IS FINALLY HERE

(Mr. DOGGETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOGGETT. Mr. Speaker, well, the big day is finally here and all of America is happy. The time is here. After months of being Medi-scared to level with the American people and tell them how much their pockets are going to be picked to provide the same level of health care, Mr. Speaker, today is the day that has finally been announced by the Republicans as the day they will unveil the details of their Medicare plan. The Speaker has put out notice on national TV that we would finally get the details of how deep into the pockets of our senior citizens they are going to reach in order to provide a tax break for the privileged few.

The Republican bright lights, and some of the not so bright lights, were all assembled. All the luminaries were gathered. And what details were provided? Absolutely none.

Mr. Speaker, after all this waiting, after all this attention to the great performance, it is as if they forgot the words to the song. Now we know absolutely nothing more than we did before, and that is only that it is going to cost American seniors billions of dollars to pay for this tax break for the privileged few.

JOIN TOGETHER TO SAVE MEDICARE

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, once again I listen with great interest to my friend from Texas, and so many folks on this side of the aisle, who once again are engaged in an active policy not of saving Medicare, but of Mediscare.

Mr. Speaker, there is one lesson I learned since coming to this Congress. It is a sad lesson, but I have to tell it in all sincerity to the American people. So often what we see happen on this floor has absolutely nothing to do with policy and everything to do with politics.

Mr. Speaker, it is a sad day when the guardians of the old order, so jealous of the majority that they once used to possess, will do absolutely anything to scare America's seniors.

Here is the fact: Even if the budget were balanced today, we would still have problems with Medicare. It is the role of every American, Republican, Democrat, and Independent alike, to step forward to save the program.

Once again, friends on this side of the aisle, join with us. Join with us and save this program.

"DON'T ASK, WON'T TELL"

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, well, now we know what their plan is for Medicare. It is, "Don't ask, won't tell."

They tell us they are going to save it, but they will not tell us one detail as to how they are going to save it. If they have got such a harmless way of saving it, why do they not tell us?

Mr. Speaker, there was just a 4-hour Republican conference in which they were telling them all sorts of things, but we still do not have one detail.

What do we hear we will find out? There is going to be 1 day of hearings. My word, there were days and days and days of hearings when this was put together.

Yes, we have a way to save Medicare. We save it by not killing it. They do not want us to know it is going to be killed. But when we ask them, when we ask them for one detail about Medicare, do not ask, because they will not tell. They just come down and scream politics, old order, and throw names around, but they will not throw the first fact out.

Stop throwing names around. Stop calling names. Throw facts out. That is what we want.

WASHINGTON POST AND WALL STREET JOURNAL PRAISE REPUBLICAN PLAN FOR MEDICARE

(Mr. HOKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOKE. Mr. Speaker, we have had more than 2 dozen congressional hearings, thousands and thousands of pages of testimony, dozens of town meetings and open forums. Every Member on this side of the aisle has solicited the advice, the consent, the input of their constituents to find out what is the best way to go about this. This notion that somehow this has been done behind closed doors is so pathetic and misleading and is another one of their tactics.

Mr. Speaker, I want to ask today, what exactly is it that the Washington Post and the Wall Street Journal have in common? Well, they have both applauded congressional Republicans for having the courage of attacking the impending bankruptcy of Medicare.

As I reported yesterday, the Post wrote the Republicans have, "forcefully taken the right position on the basic issue of controlling costs."

Then the Wall Street Journal said "the emerging GOP plan—to save Medicare—so far looks like the best news for American health care in years."

There we have it. The most liberal paper in America and the most conservative paper in America both agree that the Republicans are on the right track and they both chide the Democrats for playing partisan political games with one of the most important issues in the land.

It is not too late for my Democrat colleagues to put aside the partisan rhetoric and join us in saving Medicare.

☐ 1315

WHERE IS THE MEDICARE PLAN?

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, as the saying goes, the devil is in the details. Today was the day that the Republican leadership was supposed to reveal the details of their secret plan to cut $270 billion in Medicare to pay for a tax cut for the wealthy. But they lost their nerve. And, I do not blame them.

You see, the Republican leadership wants to keep this plan under wraps for as long as possible, because they do not want America's seniors to see a plan that would double their copayments and force them to give up their doctors.

The House leadership has also announced that they will only allow 1 day of hearings on Medicare. One day. This amounts to a gag order on America's seniors.

Instead of a plan, we got platitudes today. Instead of revealing the details of the GOP plan to cut $270 billion from Medicare, Speaker GINGRICH instead revealed his goal to, quote, "tell the truth." Well, Mr. Speaker, the truth is that 37 million Americans rely on Medicare for their health care. The truth is that they deserve to be heard. The truth is that they deserve to know how your plan will impact their lives.

GET OUT OF BOSNIA NOW

(Mr. BAKER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BAKER of California. Mr. Speaker, America is a great country because the Government is run by free people, bound by a great document, the Constitution.

Despite our overwhelming strength, our Nation walked softly and carried a big stick. But in Bosnia we changed all the rules. Lines were drawn creating a government which forced orthodox Serbians and Catholic Croatians to live presumably under Moslem rule. Ethnic rivalries and hatreds were inflamed by the thought of 500-year-old villages being ruled by long-time enemies.

Our Government now is bombing our World War II allies, the Serbs, one of the belligerents in the civil war started by the drawing of these lines.

What right do we have to use our military might 6,000 miles away from home? Has Congress been consulted?

Since there is no NATO country involved, how can it legally be a NATO action? Is this another unauthorized U.N. action? Who will pay the $5 billion for our involvement in this misguided war?

America will remain a free and great country only if we continue to live under our Constitution. Get out of Bosnia now.

SAVING MEDICARE: DO NOT HARM SENIOR CITIZENS

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEJDENSON. Mr. Speaker, I think we have to look at history when we are trying to examine a debate. Our friends on the Republican side of the aisle come today with a masked proposal, a hidden proposal to tell us they are going to save Medicare.

The Democrats over the years have repaired the Medicare system over and over again. This is not the first time the trust fund has had some problems. In the 1970's and 1980's, time and time again we repaired it. We started off from a position where we believed in Medicare. We wanted the system to serve our senior citizens.

Let us listen to the words of the gentleman from Texas [Mr. ARMEY], the majority leader. If he had his way, he would have no part in Medicare. If he had his way, I think what we would do is we would all have no Medicare.

Our mothers and fathers and grandparents worked hard, fought in the wars to protect this country. We now need to keep the contract with them, not put them into bankruptcy, not raid the Medicare system, but fix the program to make sure that it is there for future generations. We know there is a health care crisis in this country.

The good news has been seniors have not been part of it. The Republicans are going to put seniors in that crisis.

INTRODUCTION OF LEGISLATION INCORPORATING THE BUDGET RESOLUTION INTO LAW

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Michigan. Mr. Speaker, I wonder how many Americans feel that there is fraud and abuse, wasteful spending, that there is fat in this Federal Government, that the overspending of the Federal Government is leading us into a debt situation that is going to be intolerable for our kids and our grandkids.

Over the last couple of months, as Republicans have tried to cut spending, in every occasion the other side of the aisle says, "Well, you are cruel and mean-spirited." I am afraid that we are not going to reach a balanced budget; I think we need more legislative determination to assure that we do that.

I have introduced a bill called H.R. 2295 that incorporates the budget resolution that we passed, in the House and the Senate, into law. It changes the 1974 Budget Act to incorporate into law those spending caps that will last until 2002. That legislation is going to help give politicians the intestinal fortitude to do what we should do, and that is balance the budget.

THE REPUBLICAN STUDENT LOAN PLAN

(Mr. CHAMBLISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHAMBLISS. Mr. Speaker, I could not believe what I heard from my colleagues on the other side of the aisle the other day. They were saying that the Republicans are wrecking education and destroying millions of Americans' future. This is an issue very near and dear to my heart. Both my wife and daughter are public school teachers, my children grew up in public schools, and I know how important education is to future generations.

The problem is that President Clinton does not want to balance the budget. If he did, he would stop coming to Congress with his plans that only increase Government taking and Government spending. President Clinton believes in big Government. In fact, he thinks the solution to our student loan problems is to convert the Department of Education into one of America's largest banks and the IRS into a loan collection agency. One thing I have come to learn in my short time in Washington is that the Federal Government has failed miserably as a lender of money.

The Republicans balanced budget proposal does not cut a single student loan. In fact, more loans will be available next year than ever in the history of the program. This can be accomplished, not in the public, but the private sector.

What is the Democrat alternative? Well, as usual, big Government.

TAX CUT FINANCED BY MEDICARE CUT

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, during the closing weeks of this legislative debate, the people of the United States should focus on 2 numbers, 270 and 235. Keep those numbers in mind during the course of this debate about balancing the budget and the future of Medicare.

You see, the Republicans have proposed $270 billion in cuts in Medicare over the next 7 years, cuts which will raise the cost of Medicare for seniors, limit the medical procedures that are covered, reduce the opportunity for a senior citizen to choose his or her own doctor, reduce provider payments to hospitals and doctors, $270 billion in cuts. They tell us we need it to balance the budget.

Do not forget the other number, 245, $245 billion tax cut which the Republicans are proposing while we are trying to balance the budget. Is it not amazing how close those two numbers are, 270 and 245? If the Republicans would give up on the $245 billion tax cut, we would not have to cut Medicare.

THE REAL QUESTIONS ABOUT MEDICARE

(Ms. JACKSON-LEE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE. Mr. Speaker, my colleague on the other side of the aisle asked if we who have spoken about this very important issue of Medicare would simply join him in trying to fix it.

Let me share just a portion of the letters that I have gotten from senior citizens who say, "Yes, fix it, but save Medicare," and the real questions begin to come out, and those questions are, in fact, what the real issues are about Medicare's survival.

No, it is not bankrupt. Yes, we need to fix fraud and abuse. The real question is the $245 billion cut in Medicare that is being proposed to pay for tax cuts for the wealthy.

What are the other questions? No. 1, the increased premium costs that will go to your seniors and those working-class Americans who have to take care of their parents. The other question? The lack of choice by seniors and whether or not HMO's will be willing to take the least healthy of our seniors, those who are the most sick, and whether or not in rural and urban centers in America, those seniors will fall either upon you the taxpayer or fall upon hard times because of an inability to get proper health care. Those are the real questions I ask my colleagues on the other side of the aisle. Let us fix it for the seniors. Save Medicare the right way.

SENIORS CANNOT AFFORD INCREASED MEDICARE COSTS

(Mr. PALLONE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PALLONE. Mr. Speaker, I listened this morning to what the Speaker said about the Medicare issue. I was very upset because of this suggestion that somehow this is all politics, and I assure you it is not about politics.

If you talk to seniors in my district, they are very concerned because they do not have the extra money to spend for an increased premium in Medicare part B. They are concerned because they have had the same doctor or they have been able to go to a hospital that is close by for a number of years, and now all of a sudden they are hearing that they may have to go into an HMO or a managed care system where they will not have the choice of the doctor that they have had for years or the hospital that is close by. They cannot afford it. They have a budget, some of them, where $10 or $15 a month makes all the difference in the world because that is all they have to spend after they have figures out their budget for a month, and whether we talk about a $7 increase or a $30 increase or a $50 increase in Medicare part B, they cannot afford that difference, because they simply do not have the money on the fixed income they are living on.

I also have to tell you about the hospitals and providers.

PERMISSION FOR CERTAIN COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TODAY DURING 5-MINUTE RULE

Mr. HAYWORTH. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole House under the 5-minute rule: The Committee on Commerce, the Committee on Government Reform and Oversight, the Committee on the Judiciary, the Committee on Science, and the Committee on Transportation and Infrastructure.

It is my understanding that the minority has been consulted and that there is no objection to these requests.

The SPEAKER pro tempore (Mr. RADANOVICH). Is there objection to the request of the gentleman from Arizona?

There was no objection.

VACATING PROCEEDINGS ON SEPTEMBER 13, 1995, APPOINTMENT OF CONFEREES ON H.R. 2126, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1996

Mr. YOUNG of Florida. Mr. Speaker I ask unanimous consent to vacate the proceedings of September 13, 1995, in which the House of Representatives disagreed to the Senate amendment to the bill, H.R. 2126, making appropriations for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes and agreed to the conference requested by the Senate; provided that the order of the House of Representatives of the same day enabling closed meetings of the conference remain in effect.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2126, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1996

Mr. YOUNG of Florida. Mr. Speaker I ask unanimous consent to take from the Speaker's table the bill H.R. 2126, making appropriations for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

MOTION TO INSTRUCT CONFEREES OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill H.R. 2126 be instructed to insist on Section 8075 of the House bill, limiting the allowable cost charged to the government for individual compensation to not more than $200,000 per year.

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. OBEY] will be recognized for 30 minutes, and the gentleman from Florida [Mr. YOUNG] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, my motion to instruct is very simple. Last week the House adopted a motion which limited to $200,000 the amount that could be paid to any executive in any defense corporation from any contract which they had with the U.S. Government or any agency of the U.S. Government.

In plain language, this simply says that any dollars that any defense contractor wants to provide by way of compensation to any of their executives above the salary paid to the President of the United States should be paid out of their profits and not out of contract receipts with the U.S. Government.

If you take a look at the salaries of some of the CEO's of these corporations, you will see that, for instance, one of them was paid nearly $15 million in 1994. I do not really believe that, when we have the massive downsizing going on in the military, when we have the squeeze that we have not only in the military budget but on domestic budgets as well, I do not think we have any business encouraging the payment of those outlandish salaries. I do not see why anybody in this country ought to have to make more than the President of the United States.

□ 1330

Mr. Speaker, I urge the adoption of this motion to instruct.

Mr. YOUNG of Florida. Mr. Speaker, I yield myself such time as I might consume and simply say that, when the bill was before the House, we accepted the gentleman's amendment, and we accept his motion to instruct today, and, unless he has further speakers, I am prepared to yield back the balance of my time.

Mr. OBEY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. (Mr. RADANOVICH). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Wisconsin [Mr. OBEY].

The motion to instruct was agreed to.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. YOUNG of Florida, MCDADE, LIVINGSTON, LEWIS of California, SKEEN, HOBSON, BONILLA, NETHERCUTT, NEUMANN, MURTHA, DICKS, WILSON, HEFNER, SABO, and OBEY.

There was no objection.

GENERAL LEAVE

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2126.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 1817, MILITARY CONSTRUCTION APPROPRIATIONS ACT, 1996

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight, September 14, 1995, to file a conference report on the bill (H.R. 1817) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

FEDERAL ACQUISITION REFORM ACT OF 1995

The SPEAKER pro tempore. Pursuant to House Resolution 219 and rule XXIII, the Chair declares the House in Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1670.

□ 1333

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1670) to revise and streamline the acquisition laws of the Federal Government, to reorganize the mechanisms for resolving Federal procurement disputes, and for other purposes, with Mr. WELLER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, September 13, 1995, title III was open for amendment at any point.

Are there any amendments to title III?

AMENDMENT OFFERED BY MR. SPRATT

Mr. SPRATT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPRATT: At the end of title III (page 100, after line 12), insert the following new section:

SEC. 319. DEMONSTRATION PROJECT RELATING TO CERTAIN PERSONNEL MANAGEMENT POLICIES AND PROCEDURES.

(a) COMMENCEMENT.—The Secretary of Defense is encouraged to take such steps as may be necessary to provide for the commencement of a demonstration project, the purpose of which would be to determine the feasibility or desirability of one or more proposals for improving the personnel management policies or procedures that apply with respect to the acquisition workforce of the Department of Defense.

(b) TERMS AND CONDITIONS.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, any demonstration project described in subsection (a) shall be subject to section 4703 of title 5, United States Code, and all other provisions of such title that apply with respect to any demonstration project under such section.

(2) EXCEPTIONS.—Subject to paragraph (3), in applying section 4703 of title 5, United States Code, with respect to a demonstration project described in subsection (a)—

(A) "180 days" in subsection (b)(4) of such section shall be deemed to read "120 days";

(B) "90 days" in subsection (b)(6) of such section shall be deemed to read "30 days"; and

(C) subsection (d)(1)(A) of such section shall be disregarded.

(3) CONDITION.—Paragraph (2) shall not apply with respect to a demonstration project unless it—

(A) involves only the acquisition workforce of the Department of Defense (or any part thereof); and

(B) commences during the 3-year period beginning on the date of the enactment of this Act.

(c) DEFINITION.—For purposes of this section, the term "acquisition workforce" refers to the persons serving in acquisition positions within the Department of Defense, as designated pursuant to section 1721(a) of title 10, United States Code.

Mr. SPRATT. Mr. Chairman, I have been here for 7 terms now, and I have seen the cycles rise and cycles fall with respect to defense procurement policy making. In one period we get very prescriptive about the rules we make, and the next period we realize that we have been overprescriptive, we have been much too specific, and we back off and give the Department of Defense, in particular, more running room, more discretion, more flexibility, and more responsibility. But always mainly our effort is directed towards the black-letter rule, the procedures, and yet most of us who have ever been involved in running a business realize that when our businesses succeeded or failed, it was not the rule book or the policy manual we turned to first. It was the people who worked for us, and I think we should heed that own practical experience when we look at the defense procurement, and, in revisiting the rules one more time, making another cut at the rules to see if we cannot make defense procurement much more efficient.

I do not think we should overlook the fact that we have got to do something about the quality, the calibre, the incentives, the rewards, the accountability of the acquisition work force, and that is the purpose of my amendment. My amendment simply encourages the Secretary of Defense to set up pilot projects to improve acquisition or procurement by improving the people who manage the system. It will allow far greater flexibility in hiring, and firing, and promoting, and incentivizing the people who work in defense acquisition.

Frankly, Mr. Chairman, I would go further than this particular amendment does. I would actually impose upon the Secretary of Defense a requirement that he undertake certain demonstration projects to test out the viability or feasibility of flexing up his personnel policies in the acquisition work force, but in the interests of achieving a consensus this bill, this amendment, simply encourages the Secretary to do that and to use authority that is already on the books, title 5, section 4703, United States Code, which gives that same authority to the Office of Personnel Management.

This particular amendment simply starts out by saying the Secretary of Defense is encouraged to utilize that authority and to undertake demonstrational pilot projects that will experiment with, attempt on a broad scale, much more flexible and innovative procedures in hiring, and firing, and rewarding, and penalizing those who fail or succeed.

This is a first step, and is long overdue, towards implementing one of the key reforms that was recommended 10 years ago by the Packard Commission. In its report in 1986 the Packard Commission said DOD must be able to attract, and retain, and motivate well-qualified acquisition personnel. The Packard Commission recognized that acquisition reform would not happen if we just rewrite the rule book. This is an exercise that we do frequently, and we wonder why we do not get results. It is because we are not doing enough to change the people that implement and follow the rules. We have to upgrade the caliber of people who manage acquisition. We have got to reward them for good performance, penalizing or replacement for inadequate performance, and, above all, hold them accountable. My amendment would allow the DOD to restructure their personnel regulations for acquisition managers without regard to existing classifications in the Civil Service Code in order to attract better technical talent to keep people who are knowledgeable and capable, and reward them accordingly, and to motivate the whole work force better.

Mr. Chairman, this reform is not only recommended by the Packard Commission, but by the National Academy of Public Administration, once again more than 10 years ago, and our followup to it has been all too feeble.

Mr. CLINGER. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from Pennsylvania.

Mr. CLINGER. Despite the fact the gentleman opposed my position on title I, I would say what I consider to be a very generous example of noblesse oblige, we are prepared to accept the gentleman's amendment, and I understand that any problems have been worked out with all the parties, and we are pleased to accept the amendment.

Mr. SPRATT. Mr. Chairman, I thank the gentleman for his magnanimity, as well as his support. I appreciate it.

Mrs. COLLINS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentlewoman from Illinois.

Mrs. COLLINS of Illinois. I am more than happy that this is really a great amendment. It is one that a great deal of work has been done by the gentleman from South Carolina [Mr. SPRATT] and of course we on this side accept this most wonderful amendment.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from South Carolina [Mr. SPRATT]. The amendment seeks to implement a recommendation made in 1986 by the Packard Commission that the Secretary of Defense be given the authority to establish a flexible personnel system for DOD acquisition personnel.

I want to commend the gentleman for his efforts to perfect this amendment since the committee markup. His office worked closely with my staff and with the Office of Personnel Management [OPM] to produce language that enjoys bipartisan support.

The Spratt amendment encourages the Secretary to work with OPM to conduct this demonstration project under the framework of existing demonstration project authority, with a few minor changes. It waives the statutory cap which limits the number of employees involved to 5,000. This is necessary because there are about 6,500 individuals in DOD's civilian acquisition work force. The amendment also makes minor changes in some of the timeframes for notifications sent the affected employees and the Congress.

I believe this provision can lead to greater productivity on the part of acquisition personnel. I urge the adoption of the amendment.

Mr. SPRATT. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina [Mr. SPRATT].

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. CHAMBLISS

Mr. CHAMBLISS. Mr. Chairman, I offer two amendments and ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. CHAMBLISS:

AMENDMENT NO. 6: (1) Strike out title IV (page 100, starting on line 13, and all that follows through line 18 on page 143) and insert in lieu thereof the following:

TITLE IV—STREAMLINING OF DISPUTE RESOLUTION

Subtitle A—General Provisions

SEC. 401. DEFINITIONS.

(a) IN GENERAL.—The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) is amended by adding at the end the following:

"TITLE II—DISPUTE RESOLUTION

"Subtitle A—General Provisions

"SEC. 201. DEFINITIONS.

"In this title:

"(1) The term 'Defense Board' means the Department of Defense Board of Contract

Appeals established pursuant to section 8(a) of the Contract Disputes Act of 1978 (41 U.S.C. 607).

"(2) The term 'Civilian Board' means the Civilian Board of Contract Appeals established pursuant to section 8(b) of the Contract Disputes Act of 1978 (41 U.S.C. 607).

"(3) The term 'Board judge' means a member of the Defense Board or the Civilian Board, as the case may be.

"(4) The term 'Chairman' means the Chairman of the Defense Board or the Civilian Board, as the case may be.

"(5) The term 'Board concerned' means—

"(A) the Defense Board with respect to matters within its jurisdiction; and

"(B) the Civilian Board with respect to matters within its jurisdiction.

"(6) The term 'executive agency'—

"(A) with respect to contract disputes and protests under the jurisdiction of the Defense Board, means the Department of Defense, the Department of the Army, the Department of the Navy, or the Department of the Air Force; and

"(B) with respect to contract disputes and protests under the jurisdiction of the Civilian Board, has the meaning given by section 4(1) of this Act except that the term does not include the Department of Defense, the Department of the Army, the Department of the Navy, and the Department of the Air Force.

"(7) The term 'alternative means of dispute resolution' has the meaning given by section 571(3) of title 5, United States Code.

"(8) The term 'protest' means a written objection by an interested party to any of the following:

"(A) A solicitation or other request by an executive agency for offers for a contract for the procurement of property or services.

"(B) The cancellation of such a solicitation or other request.

"(C) An award or proposed award of such a contract.

"(9) The term 'interested party', with respect to a contract or a solicitation or other request for offers, means an actual or prospective bidder or offeror whose direct economic interest would be affected by the award of the contract or by failure to award the contract.

"(10) The term 'prevailing party', with respect to a determination of the Board under section 214(h)(2) that a decision of the head of an executive agency is arbitrary or capricious or violates a statute or regulation, means a party that showed that the decision was arbitrary or capricious or violated a statute or regulation.".

(b) CONFORMING AMENDMENTS.—The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) is further amended—

(1) by inserting the following before section 1:

"TITLE I—FEDERAL PROCUREMENT POLICY GENERALLY";

and

(2) in section 4, by striking out "As used in this Act:" and inserting in lieu thereof "Except as otherwise specifically provided, as used in this Act:".

Subtitle B—Establishment of Civilian and Defense Boards of Contract Appeals

SEC. 411. ESTABLISHMENT.

Subsections (a) and (b) of section 8 of the Contract Disputes Act of 1978 (41 U.S.C. 607) are amended to read as follows:

"(a) There is established in the Department of Defense a board of contract appeals to be known as the Department of Defense Board of Contract Appeals.

"(b) There is established in the General Services Administration a board of contract appeals to be known as the Civilian Board of Contract Appeals.".

SEC. 412. MEMBERSHIP.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 401, is further amended by adding at the end the following:

"SEC. 202. MEMBERSHIP.

"(a) APPOINTMENT.—(1)(A) The Defense Board shall consist of judges appointed by the Secretary of Defense from a register of applicants maintained by the Defense Board, in accordance with rules issued by the Defense Board for establishing and maintaining a register of eligible applicants and selecting Defense Board judges. The Secretary shall appoint a judge without regard to political affiliation and solely on the basis of the professional qualifications required to perform the duties and responsibilities of a Defense Board judge.

"(B) The Civilian Board shall consist of judges appointed by the Administrator of General Services from a register of applicants maintained by the Civilian Board, in accordance with rules issued by the Civilian Board for establishing and maintaining a register of eligible applicants and selecting Civilian Board judges. The Administrator shall appoint a judge without regard to political affiliation and solely on the basis of the professional qualifications required to perform the duties and responsibilities of a Civilian Board judge.

"(2) The members of the Defense Board and the Civilian Board shall be selected and appointed to serve in the same manner as administrative law judges appointed pursuant to section 3105 of title 5, United States Code, with an additional requirement that such members shall have had not fewer than five years of experience in public contract law.

"(3) Notwithstanding paragraph (2) and subject to subsection (b), the following persons shall serve as Board judges:

"(A) For the Defense Board, any full-time member of the Armed Services Board of Contract Appeals serving as such on the day before the effective date of this title.

"(B) For the Civilian Board, any full-time member of any agency board of contract appeals other than the Armed Services Board of Contract Appeals serving as such on the day before the effective date of this title.

"(C) For either the Defense Board or the Civilian Board, any person serving on the day before the effective date of this title in a position at a level of assistant general counsel or higher with authority delegated from the Comptroller General to decide bid protests under subchapter V of chapter 35 of title 31, United States Code.

"(b) REMOVAL.—Members of the Defense Board and the Civilian Board shall be subject to removal in the same manner as administrative law judges, as provided in section 7521 of title 5, United States Code.

"(c) COMPENSATION.—Compensation for the Chairman of the Defense Board and the Chairman of the Civilian Board and all other members of each Board shall be determined under section 5372a of title 5, United States Code.".

SEC. 413. CHAIRMAN.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 412, is further amended by adding at the end the following:

"SEC. 203. CHAIRMAN.

"(a) DESIGNATION.—(1)(A) The Chairman of the Defense Board shall be designated by the Secretary of Defense to serve for a term of five years. The Secretary shall select the Chairman from among sitting judges each of whom has had at least five years of service—

"(i) as a member of the Armed Services Board of Contract Appeals; or

"(ii) in a position at a level of assistant general counsel or higher with authority delegated from the Comptroller General to decide bid protests under subchapter V of chapter 35 of title 31, United States Code (as in effect on the day before the effective date of this title).

"(B) The Chairman of the Civilian Board shall be designated by the Administrator of General Services to serve for a term of five years. The Administrator shall select the Chairman from among sitting judges each of whom has had at least five years of service—

"(i) as a member of an agency board of contract appeals other than the Armed Services Board of Contract Appeals; or

"(ii) in a position at a level of assistant general counsel or higher with authority delegated from the Comptroller General to decide bid protests under subchapter V of chapter 35 of title 31, United States Code (as in effect on the day before the effective date of this title).

"(2) A Chairman of a Board may continue to serve after the expiration of the Chairman's term until a successor has taken office. A Chairman may be reappointed any number of times.

"(b) RESPONSIBILITIES.—The Chairman of the Defense Board or the Civilian Board, as the case may be, shall be responsible on behalf of the Board for the executive and administrative operation of the Board, including functions of the Board with respect to the following:

"(1) The selection, appointment, and fixing of the compensation of such personnel, pursuant to part III of title 5, United States Code, as the Chairman considers necessary or appropriate, including a Clerk of the Board, a General Counsel, and clerical and legal assistance for Board judges.

"(2) The supervision of personnel employed by or assigned to the Board, and the distribution of work among such personnel.

"(3) The operation of an Office of the Clerk of the Board, including the receipt of all filings made with the Board, the assignment of cases, and the maintenance of all records of the Board.

"(4) The prescription of such rules and regulations as the Chairman considers necessary or appropriate for the administration and management of the Board.

"(c) VICE CHAIRMEN.—The Chairman of the Defense Board or the Civilian Board, as the case may be, may designate up to four other Board judges as Vice Chairmen. The Chairman may divide the Board into two divisions, one for handling contract disputes and one for handling protests, and, if such division is made, shall assign a Vice Chairman to head each division. The Vice Chairmen, in the order designated by the Chairman, shall act in the place and stead of the Chairman during the absence of the Chairman.".

SEC. 414. RULEMAKING AUTHORITY.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 413, is further amended by adding at the end the following:

"SEC. 204. RULEMAKING AUTHORITY.

"(a) IN GENERAL.—Except as provided by section 452 of the Federal Acquisition Reform Act of 1995, the Chairman of the Defense Board and the Chairman of the Civilian Board shall jointly issue and maintain—

"(1) such procedural rules and regulations as are necessary to the exercise of the functions of the Boards under sections 213 and 214; and

"(2) statements of policy of general applicability with respect to such functions.

"(b) Board Procedures.—In issuing procedural rules and regulations for the exercise of the Boards' protest function under section 214, the Chairmen shall take due notice of executive agency procedures for the resolution of protests as a discretionary alternative to resolution of protests by the Boards and shall ensure that the rules and regulations governing the time for filing protests with the Boards make appropriate allowance for the use of such executive agency procedures by interested parties.".

SEC. 415. AUTHORIZATION OF APPROPRIATIONS.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 414, is further amended by adding at the end the following:

"SEC. 205. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated for fiscal year 1997 and each succeeding fiscal year such sums as may be necessary to carry out the provisions of this title. Funds for the activities of each Board shall be separately appropriated for such purpose. Funds appropriate pursuant to this section shall remain available until expended.".

Subtitle C—Functions of Defense and Civilian Boards of Contract Appeals

SEC. 421. ALTERNATIVE DISPUTE RESOLUTION SERVICES.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 415, is further amended by adding at the end the following:

"Subtitle B—Functions of the Defense and Civilian Boards of Contract Appeals

"SEC. 211. ALTERNATIVE DISPUTE RESOLUTION SERVICES.

"(a) Requirement To Provide Services Upon Request.—The Defense Board and the Civilian Board shall each provide alternative means of dispute resolution for any disagreement regarding a contract or prospective contract of an executive agency upon the request of all parties to the disagreement.

"(b) Personnel Qualified To Act.—Each Board judge and each attorney employed by the Board concerned shall be considered to be qualified to act for the purpose of conducting alternative means of dispute resolution under this section.

"(c) Services To Be Provided Without Charge.—Any services provided by the Board concerned or any Board judge or employee pursuant to this section shall be provided without charge.

"(d) Recusal of Certain Personnel Upon Request.—In the event that a matter which is presented to the Board concerned for alternative means of dispute resolution, pursuant to this section, later becomes the subject of formal proceedings before such Board, any Board judge or employee who was involved in the alternative means of dispute resolution shall, if requested by any party to the formal proceeding, take no part in that proceeding.".

SEC. 422. ALTERNATIVE DISPUTE RESOLUTION OF DISPUTES AND PROTESTS SUBMITTED TO BOARDS.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 421, is further amended by adding at the end the following:

"SEC. 212. ALTERNATIVE DISPUTE RESOLUTION OF DISPUTES AND PROTESTS SUBMITTED TO BOARDS.

"With reasonable promptness after the submission to the Defense Board or the Civilian Board of a contract dispute under section 213 or a bid protest under section 214, a Board judge to whom the contract dispute or protest is assigned shall request the parties to meet with a Board judge, or an attorney employed by the Board concerned, for the purpose of attempting to resolve the dispute or protest through alternative means of dispute resolution. Formal proceedings in the appeal shall then be suspended until such time as any party or a Board judge to whom the dispute or protest is assigned determines that alternative means of dispute resolution are not appropriate for resolution of the dispute or protest.".

SEC. 423. CONTRACT DISPUTES.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 422, is further amended by adding at the end the following:

"SEC. 213. CONTRACT DISPUTES.

"The Defense Board shall have jurisdiction as provided by section 8(a) of the Contract Disputes Act of 1978 (41 U.S.C. 601–613). The Civilian Board shall have jurisdiction as provided by section 8(b) of such Act.".

SEC. 424. PROTESTS.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 423, is further amended by adding at the end the following:

"SEC. 214. PROTESTS.

"(a) Review Required Upon Request.—Upon request of an interested party in connection with any procurement conducted by an executive agency, the Defense Board or the Civilian Board, as the case may be, shall review, as provided in this section, any decision by the head of the executive agency alleged to be arbitrary or capricious or to violate a statute or regulation. A decision or order of the Board concerned pursuant to this section shall not be subject to interlocutory appeal or review.

"(b) Standard of Review.—In deciding a protest, the Board concerned may consider all evidence that is relevant to the decision under protest. The protester may prevail only by showing that the decision was arbitrary or capricious or violated a statute or regulation.

"(c) Notification.—Within one day after the receipt of a protest, the Board concerned shall notify the executive agency involved of the protest.

"(d) Suspension of Contract Award.—(1) Except as provided in paragraph (2) of this subsection, a contract may not be awarded in any procurement after the executive agency has received notice of a protest with respect to such procurement from the Board concerned and while the protest is pending.

"(2) The head of the procuring activity responsible for award of a contract may authorize the award of the contract (notwithstanding a protest of which the executive agency has notice under this section)—

"(A) upon a written finding that urgent and compelling circumstances which significantly affect interests of the United States will not permit waiting for the decision of the Board concerned under this section; and

"(B) after the Board concerned is advised of that finding.

"(3) A finding may not be made under paragraph (2)(A) of this subsection unless the award of the contract is otherwise likely to occur within 30 days after the making of such finding.

"(4) The suspension of the award under paragraph (1) shall not preclude the executive agency concerned from continuing the procurement process up to but not including the award of the contract.

"(e) Suspension of Contract Performance.—(1) A contractor awarded an executive agency contract may, during the period described in paragraph (4), begin performance of the contract and engage in any related activities that result in obligations being incurred by the United States under the contract unless the contracting officer responsible for the award of the contract withholds authorization to proceed with performance of the contract.

"(2) The contracting officer may withhold an authorization to proceed with performance of the contract during the period described in paragraph (4) if the contracting officer determines in writing that—

"(A) a protest is likely to be filed; and

"(B) the immediate performance of the contract is not in the best interests of the United States.

"(3)(A) If the executive agency awarding the contract receives notice of a protest in accordance with this section during the period described in paragraph (4)—

"(i) the contracting officer may not authorize performance of the contract to begin while the protest is pending; or

"(ii) if authorization for contract performance to proceed was not withheld in accordance with paragraph (2) before receipt of the notice, the contracting officer shall immediately direct the contractor to cease performance under the contract and to suspend any related activities that may result in additional obligations being incurred by the United States under that contract.

"(B) Performance and related activities suspended pursuant to subparagraph (A)(ii) by reason of a protest may not be resumed while the protest is pending.

"(C) The head of the procuring activity may authorize the performance of the contract (notwithstanding a protest of which the executive agency has notice under this section)—

"(i) upon a written finding that urgent and compelling circumstances that significantly affect interests of the United States will not permit waiting for the decision concerning the protest by the Board concerned; and

"(ii) after the Board concerned is notified of that finding.

"(4) The period referred to in paragraphs (2) and (3)(A), with respect to a contract, is the period beginning on the date of the contract award and ending on the later of—

"(A) the date that is 10 days after the date of the contract award; or

"(B) the date that is 5 days after the debriefing date offered to an unsuccessful offeror for any debriefing that is requested and, when requested, is required.

"(f) The authority of the head of the procuring activity to make findings and to authorize the award and performance of contracts under subsections (d) and (e) of this section may not be delegated.

"(g) Procedures.—

"(1) Proceedings and discovery.—The Board concerned shall conduct proceedings and allow discovery to the minimum extent necessary for the expeditious, fair, and cost-effective resolution of the protest. The Board shall allow discovery only in a case in which the Board determines that the written submissions of the parties do not provide an adequate basis for a fair resolution of the protest. Such discovery shall be limited to material which is relevant to the grounds of protest or to such affirmative defenses as the executive agency involved, or any intervenor supporting the agency, may raise.

"(2) Priority.—The Board concerned shall give priority to protests filed under this section over contract disputes and alternative dispute services. Except as provided in paragraph (3), the Board concerned shall issue its final decision within 65 days after the date of the filing of the protest, unless the Chairman determines that the specific and unique circumstances of the protest require a longer period, in which case the Board concerned shall issue such decision within the longer period determined by the Chairman. An amendment that adds a new ground of protest should be resolved, to the maximum extent practicable, within the time limits established for resolution of the initial protest.

"(3) THRESHOLD.—(A) Except as provided in subparagraph (B), any protest in which the anticipated value of the contract award that will result from the protested procurement, as estimated by the executive agency involved, is less than $30,000,000 shall be considered under simplified rules of procedure. Such simplified rules shall provide that discovery in such protests shall be in writing only. Such written discovery shall be the minimum necessary for the expeditious, fair, and cost-effective resolution of the protest and shall be allowed only if the Board determines that the written submissions of the parties do not provide an adequate basis for a fair resolution of the protest. Such protests shall be decided by a single Board judge. The Board concerned shall issue its final decision in each such protest within 45 days after the date of the filing of the protest, unless the Chairman determines that the specific and unique circumstances of the protest require a longer period, in which case the Board concerned shall issue such decision within the longer period determined by the Chairman.

"(B) If the Chairman of the Board concerned determines that special and unique circumstances of a protest that would otherwise qualify for the simplified rules described in subparagraph (A), including the complexity of a protest, requires the use of full procedures as described in paragraphs (1) and (2), the Chairman shall use such procedures in lieu of the simplified rules described in subparagraph (A).

"(4) CALCULATION OF TIME FOR ADR.—In calculating time for purposes of paragraph (2) or (3) of this subsection, any days during which proceedings are suspended for the purpose of attempting to resolve the protest by alternative means of dispute resolution, up to a maximum of 20 days, shall not be counted.

"(5) DISMISSAL OF FRIVOLOUS PROTESTS.—The Board concerned may dismiss a protest that the Board concerned determines—

"(A) is frivolous,

"(B) has been brought or pursued in bad faith; or

"(C) does not state on its face a valid basis for protest.

"(6) PAYMENT OF COSTS FOR FRIVOLOUS PROTESTS.—(A) If the Board concerned expressly finds that a protest or a portion of a protest is frivolous or has been brought or pursued in bad faith, the Board concerned shall declare that the protester or other interested party who joins the protest is liable to the United States for payment of the costs described in subparagraph (B) unless—

"(i) special circumstances would make such payment unjust; or

"(ii) the protester obtains documents or other information after the protest is filed with the Board concerned that establishes that the protest or a portion of the protest is frivolous or has been brought or pursued in bad faith, and the protester then promptly withdraws the protest or portion of the protest.

"(B) The costs referred to in subparagraph (A) are all of the costs incurred by the United States of reviewing the protest, or of reviewing that portion of the protest for which the finding is made, including the fees and other expenses (as defined in section 2412(d)(2)(A) of title 28, United States Code) incurred by the United States in defending the protest.

"(h) DECISIONS AND CORRECTIVE ACTIONS ON PROTESTS.—(1) In making a decision on protests filed under this section, the Board concerned shall accord due weight to the goals of economic and efficient procurement, and shall take due account of the rule of prejudicial error.

"(2) If the Board concerned determines that a decision of the head of the executive agency is arbitrary or capricious or violates a statute or regulation, the Board concerned may order the agency (or its head) to take such corrective action as the Board concerned considers appropriate. Corrective action includes requiring that the executive agency—

"(A) refrain from exercising any of its options under the contract;

"(B) recompete the contract immediately;

"(C) issue a new solicitation;

"(D) terminate the contract;

"(E) award a contract consistent with the requirements of such statute and regulation;

"(F) implement any combination of requirements under subparagraphs (A), (B), (C), (D), and (E); or

"(G) implement such other actions as the Board concerned determines necessary.

"(3) If the Board concerned orders corrective action after the contract award, the affected contract shall be presumed valid as to all goods or services delivered and accepted under the contract before the corrective action was ordered.

"(4) Any agreement that provides for the dismissal of a protest and involves a direct or indirect expenditure of appropriated funds shall be submitted to the Board concerned and shall be made a part of the public record (subject to any protective order considered appropriate by the Board concerned) before dismissal of the protest.

"(i) AUTHORITY TO DECLARE ENTITLEMENT TO COSTS.—(1)(A) Whenever the Board concerned determines that a decision of the head of an executive agency is arbitrary or capricious or violates a statute or regulation, it may, in accordance with section 1304 of title 31, United States Code, further declare an appropriate prevailing party to be entitled to the costs of—

"(i) filing and pursuing the protest, including reasonable attorneys' fees and consultant and expert witness fees, and

"(ii) bid and proposal preparation.

"(B) No party (other than a small business concern (within the meaning of section 3(a) of the Small Business Act)) may be declared entitled under this paragraph to costs for—

"(i) consultant and expert witness fees that exceed the highest rate of compensation for expert witnesses paid by the Federal Government, or

"(ii) attorneys' fees that exceed $150 per hour unless the Board concerned, on a case by case basis, determines that an increase in the cost of living or a special factor, such as the limited availability of qualified attorneys for the proceedings involved, justifies a higher fee.

"(2) Payment of amounts due from an agency under paragraph (1) or under the terms of a settlement agreement under subsection (h)(4) shall be made from the appropriation made by section 1304 of title 31, United States Code, for the payment of judgments. The executive agency concerned shall reimburse that appropriation account out of funds available for the procurement.

"(j) APPEALS.—A final decision of the Board concerned may be appealed as set forth in section 8(g)(1) of the Contract Disputes Act of 1978 by the head of the executive agency concerned and by any interested party, including interested parties who intervene in any protest filed under this section.

"(k) ADDITIONAL RELIEF.—Nothing contained in this section shall affect the power of the Board concerned to order any additional relief which it is authorized to provide under any statute or regulation.

"(l) NONEXCLUSIVITY OF REMEDIES.—Nothing contained in this section shall affect the right of any interested party to file a protest with the contracting agency or to file an action in the United States Court of Federal Claims or in a United States district court.".

SEC. 425. APPLICABILITY TO CERTAIN CONTRACTS.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 424, is further amended by adding at the end the following:

"SEC. 215. APPLICABILITY TO CERTAIN CONTRACTS.

"(a) CONTRACTS AT OR BELOW THE SIMPLIFIED ACQUISITION THRESHOLD.—Notwithstanding section 33 of this Act, the authority conferred on the Defense Board and the Civilian Board by this title is applicable to contracts in amounts not greater than the simplified acquisition threshold.

"(b) CONTRACTS FOR COMMERCIAL ITEMS.—Notwithstanding section 34 of this Act, the authority conferred on the Defense Board and the Civilian Board by this title is applicable to contracts for the procurement of commercial items.".

Subtitle D—Repeal of Other Statutes Authorizing Administrative Protests

SEC. 431. REPEALS.

(a) GSBCA PROVISIONS.—Subsection (f) of the Brooks Automatic Data Processing Act (section 111 of the Federal Property and Administrative Services Act of 1949; 40 U.S.C. 759) is repealed.

(b) GAO PROVISIONS.—(1) Subchapter V of chapter 35 of title 31, United States Code (31 U.S.C. 3551–3556) is repealed.

(2) The analysis for chapter 35 of such title is amended by striking out the items relating to sections 3551 through 3556 and the heading for subchapter V.

Subtitle E—Transfers and Transitional, Savings, and Conforming Provisions

SEC. 441. TRANSFER AND ALLOCATION OF APPROPRIATIONS AND PERSONNEL.

(a) TRANSFERS.—

(1) ARMED SERVICES AND CORPS BOARDS OF CONTRACT APPEALS.—The personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to, or to be made available in connection with the functions vested by law in the Armed Services Board of Contract Appeals and the board of contract appeals of the Corps of Engineers established pursuant to section 8 of the Contract Disputes Act of 1978 (41 U.S.C. 607) (as in effect on the day before the effective date described in section 451), shall be transferred to the Department of Defense Board of Contract Appeals for appropriate allocation by the Chairman of that Board.

(2) OTHER BOARDS OF CONTRACTS APPEALS.—The personnel employed in connection with,

and the assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to, or to be made available in connection with the functions vested by law in the boards of contract appeals established pursuant to section 8 of the Contract Disputes Act of 1978 (41 U.S.C. 607) (as in effect on the day before the effective date described in section 451) other than the Armed Services Board of Contract Appeals, the board of contract appeals of the Corps of Engineers, and the Postal Service Board of Contract Appeals shall be transferred to the Civilian Board of Contract Appeals for appropriate allocation by the Chairman of that Board.

(3) COMPTROLLER GENERAL.—(A) One-quarter (as determined by the Comptroller General) of the personnel employed in connection with, and one-quarter (as determined by the Comptroller General) of the assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to, or to be made available in connection with the functions vested by law in the Comptroller General pursuant to subchapter V of chapter 35 of title 31, United States Code (as in effect on the day before the effective date described in section 451), shall be transferred to the Civilian Board of Contract Appeals for appropriate allocation by the Chairman of that Board.

(B) Three-quarters (as determined by the Comptroller General) of the personnel employed in connection with, and three-quarters (as determined by the Comptroller General) of the assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to, or to be made available in connection with the functions vested by law in the Comptroller General pursuant to subchapter V of chapter 35 of title 31, United States Code (as in effect on the day before the effective date described in section 451), shall be transferred to the Department of Defense Board of Contract Appeals for appropriate allocation by the Chairman of that Board.

(b) EFFECT ON PERSONNEL.—Personnel transferred pursuant to this subtitle shall not be separated or reduced in compensation for one year after such transfer, except for cause.

(c) REGULATIONS.—(1) The Department of Defense Board of Contract Appeals and the Civilian Board of Contract Appeals shall each prescribe regulations for the release of competing employees in a reduction in force that gives due effect to—

(A) efficiency or performance ratings;

(B) military preference; and

(C) tenure of employment.

(2) In prescribing the regulations, the Board concerned shall provide for military preference in the same manner as set forth in subchapter I of chapter 35 of title 5, United States Code.

SEC. 442. TERMINATIONS AND SAVINGS PROVISIONS.

(a) TERMINATION OF BOARDS OF CONTRACT APPEALS.—Effective on the effective date described in section 451, the boards of contract appeals established pursuant to section 8 of the Contract Disputes Act of 1978 (41 U.S.C. 607) (as in effect on the day before such effective date) other than the Postal Service Board of Contract Appeals shall terminate.

(b) SAVINGS PROVISION FOR CONTRACT DISPUTE MATTERS PENDING BEFORE BOARDS.—(1) This title and the amendments made by this title shall not affect any proceedings (other than bid protests pending before the board of contract appeals of the General Services Administration) pending on the effective date described in section 451 before any board of contract appeals terminated by subsection (a).

(2) In the case of any such proceedings pending before the Armed Services Board of Contract Appeals or the board of contract appeals of the Corps of Engineers, the proceedings shall be continued by the Department of Defense Board of Contract Appeals, and orders which were issued in any such proceeding by the Armed Services Board of Contract Appeals or the board of contract appeals of the Corps of Engineers shall continue in effect until modified, terminated, superseded, or revoked by the Department of Defense Board of Contract Appeals, by a court of competent jurisdiction, or by operation of law.

(3) In the case of any such proceedings pending before an agency board of contract appeals other than the Armed Services Board of Contract Appeals or the board of contract appeals of the Corps of Engineers, the proceedings shall be continued by the Civilian Board of Contract Appeals, and orders which were issued in any such proceeding by the agency board shall continue in effect until modified, terminated, superseded, or revoked by the Civilian Board of Contract Appeals, by a court of competent jurisdiction, or by operation of law.

(c) BID PROTEST TRANSITION PROVISIONS.—(1) No protest may be submitted to the Comptroller General pursuant to section 3553(a) of title 31, United States Code, or to the board of contract appeals for the General Services Administration pursuant to the Brooks Automatic Data Processing Act (40 U.S.C. 759) on or after the effective date described in section 451.

(2)(A) In the case of bid protest proceedings pending before the board of contract appeals of the General Services Administration on the effective date described in section 451—

(i) with respect to bid protests involving procurements of the Department of Defense, the Department of the Army, the Department of the Navy, and the Department of the Air Force, the proceedings shall be continued by the Defense Board of Contract Appeals; and

(ii) with respect to bid protests involving procurements of any other executive agency (as defined by section 4(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(1)), the proceedings shall be continued by the Civilian Board of Contract Appeals.

(B) The provisions repealed by section 431(a) shall continue to apply to such proceedings until the Department of Defense Board of Contract Appeals or the Civilian Board of Contract Appeals, as the case may be, determines such proceedings have been completed.

(3)(A) In the case of bid protest proceedings pending before the Comptroller General on the effective date described in section 451—

(i) with respect to bid protests involving procurements of the Department of Defense, the Department of the Army, the Department of the Navy, and the Department of the Air Force, the proceedings shall be continued by the Defense Board of Contract Appeals;

(ii) with respect to bid protests involving procurements of any other executive agency (as defined by section 4(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(1)), the proceedings shall be continued by the Civilian Board of Contract Appeals; and

(iii) with respect to bid protests involving procurements of an entity that is not an executive agency, the proceedings shall be continued by the Comptroller General.

(B) The provisions repealed by section 431(b) shall continue to apply to such bid protest proceedings until the Department of Defense Board of Contract Appeals, the Civilian Board of Contract Appeals, or the Comptroller General, as the case may be, determines that such proceedings have been completed.

SEC. 443. CONTRACT DISPUTES AUTHORITY OF BOARDS.

(a) Section 2 of the Contract Disputes Act of 1978 (41 U.S.C. 601) is amended—

(1) in paragraph (2), by striking out ", the United States Postal Service, and the Postal Rate Commission";

(2) by amending paragraph (6) to read as follows:

"(6) the term 'Defense Board' means the Department of Defense Board of Contract Appeals established under section 8(a) of this Act;";

(3) by redesignating paragraph (7) as paragraph (8); and

(4) by inserting after paragraph (6) the following new paragraph (7):

"(7) the term 'Civilian Board' means the Civilian Board of Contract Appeals established under section 8(b) of this Act; and".

(b) Section 6(c)(6) of the Contract Disputes Act of 1978 (41 U.S.C. 605(c)(6)) is amended—

(1) by striking out "court or an agency board of contract appeals" and inserting in lieu thereof "court, the Defense Board, or the Civilian Board";

(2) by striking out "an agency board of contract appeals" in the third sentence and inserting in lieu thereof "the Defense Board or the Civilian Board"; and

(3) by striking out "agency board" and inserting in lieu thereof "the Board concerned".

(c) Section 7 of the Contract Disputes Act of 1978 (41 U.S.C. 606) is amended by striking out "an agency board of contract appeals" and inserting in lieu thereof "the Defense Board or the Civilian Board".

(d) Section 8 of the Contract Disputes Act of 1978 (41 U.S.C. 607), as amended by section 411, is further amended—

(1) by amending the heading to read as follows:

"DEFENSE AND CIVILIAN BOARDS OF CONTRACT APPEALS";

(2) by striking out subsection (c);

(3) in subsection (d)—

(A) by striking out the first sentence and inserting in lieu thereof the following:

"The Defense Board shall have jurisdiction to decide any appeal from a decision of a contracting officer of the Department of Defense, the Department of the Army, the Department of the Navy, or the Department of the Air Force relative to a contract made by that department. The Civilian Board shall have jurisdiction to decide any appeal from a decision of a contracting officer of any executive agency (other than the Department of Defense, the Department of the Army, the Department of the Navy, the Department of the Air Force, the United States Postal Service, or the Postal Rate Commission) relative to a contract made by that agency."; and

(B) in the second sentence, by striking out "the agency board" and inserting in lieu thereof "the Board concerned";

(4) in subsection (e), by striking out "An agency board shall provide" and inserting in lieu thereof "The Defense Board and the Civilian Board shall each provide,";

(5) in subsection (f), by striking out "each agency board" and inserting in lieu thereof "the Defense Board and the Civilian Board";

(6) in subsection (g)—

(A) in the first sentence of paragraph (1), by striking out "an agency board of contract appeals" and inserting in lieu thereof "the Defense Board or the Civilian Board, as the case may be,";

(B) by striking out paragraph (2); and

(C) by redesignating paragraph (3) as paragraph (2); and

(7) by striking out subsection (h) and inserting in lieu thereof the following:

"(h) There is established an agency board of contract appeals to be known as the 'Postal Service Board of Contract Appeals'. Such board shall have jurisdiction to decide any appeal from a decision of a contracting officer of the United States Postal Service or the Postal Rate Commission relative to a contract made by either agency. Such board shall consist of judges appointed by the Postmaster General who shall meet the qualifications of and serve in the same manner as judges of the Civilian Board of Contract Appeals. This Act and title II of the Office of Federal Procurement Policy Act shall apply to contract disputes before the Postal Service Board of Contract Appeals in the same manner as they apply to contract disputes before the Civilian Board."; and

(8) by striking out subsection (i).

(e) Section 9 of the Contract Disputes Act of 1978 (41 U.S.C. 608) is amended—

(1) in subsection (a), by striking out "each agency board" and inserting in lieu thereof "the Defense Board and the Civilian Board"; and

(2) in subsection (b), by striking out "the agency board" and inserting in lieu thereof "the Board concerned".

(f) Section 10 of the Contract Disputes Act of 1978 (41 U.S.C. 609) is amended—

(1) in subsection (a)—

(A) in the first sentence of paragraph (1)—

(i) by striking out "Except as provided in paragraph (2), and in" and inserting in lieu thereof "In"; and

(ii) by striking out "an agency board" and inserting in lieu thereof "the Defense Board or the Civilian Board";

(B) by striking out paragraph (2); and

(C) by redesignating paragraph (3) as paragraph (2), and in that paragraph by striking out "or (2)";

(2) in subsection (b)—

(A) by striking out "any agency board" and inserting in lieu thereof "the Defense Board or the Civilian Board"; and

(B) by striking out "the agency board" and inserting in lieu thereof "the Board concerned";

(3) in subsection (c)—

(A) by striking out "an agency board" and inserting in lieu of each "the Defense Board or the Civilian Board"; and

(B) by striking out "the agency board" and inserting in lieu thereof "the Board concerned"; and

(4) in subsection (d)—

(A) by striking out "one or more agency boards" and inserting in lieu thereof "the Defense Board or the Civilian Board (or both)"; and

(B) by striking out "or among the agency boards involved" and inserting in lieu thereof "one or both of the Boards".

(g) Section 11 of the Contract Disputes Act of 1978 (41 U.S.C. 610) is amended—

(1) in the first sentence, by striking out "an agency board of contract appeals" and inserting in lieu thereof "the Defense Board or the Civilian Board"; and

(2) in the second sentence, by striking out "the agency board through the Attorney General; or upon application by the board of contract appeals of the Tennessee Valley Authority" and inserting in lieu thereof "the Defense Board or the Civilian Board".

(h) Section 13 of the Contract Disputes Act of 1978 (41 U.S.C. 612) is amended—

(1) in subsection (b), by striking out "an agency board of contract appeals" and inserting in lieu thereof "the Defense Board or the Civilian Board"; and

(2) in subsection (d)(2), by striking out "by the board of contract appeals for" and inserting in lieu thereof "by the Defense Board or the Civilian Board from".

SEC. 444. REFERENCES TO AGENCY BOARDS OF CONTRACT APPEALS.

(a) DEFENSE BOARD.—Any reference to the Armed Services Board of Contract Appeals or the board of contract appeals of the Corps of Engineers in any provision of law or in any rule, regulation, or other paper of the United States shall be treated as referring to the Department of Defense Board of Contract Appeals.

(b) CIVILIAN BOARD.—Any reference to an agency board of contract appeals other than the Armed Services Board of Contract Appeals, the board of contract appeals of the Corps of Engineers, or the Postal Service Board of Contract Appeals in any provision of law or in any rule, regulation, or other paper of the United States shall be treated as referring to the Civilian Board of Contract Appeals.

SEC. 445. CONFORMING AMENDMENTS.

(a) TITLE 5.—Section 5372a of title 5, United States Code, is amended—

(1) in subsection (a)(1), by striking out "an agency board of contract appeals appointed under section 8 of the Contract Disputes Act of 1978" and inserting in lieu thereof "the Department of Defense Board of Contract Appeals or the Civilian Board of Contract Appeals appointed under section 202 of the Office of Federal Procurement Policy Act or the Postal Service Board of Contract Appeals appointed under section 8(h) of the Contract Disputes Act of 1978"; and

(2) in subsection (a)(2), by striking out "an agency board of contract appeals" and inserting in lieu thereof "the Department of Defense Board of Contract Appeals, the Civilian Board of Contract Appeals, or the Postal Service Board of Contract Appeals".

(b) TITLE 10.—(1) Section 2305(e) of title 10, United States Code, is amended—

(A) in paragraph (1), by striking out "subchapter V of chapter 35 of title 31" and inserting in lieu thereof "title II of the Office of Federal Procurement Policy Act"; and

(B) by striking out paragraph (3).

(2) Section 2305(f) of such title is amended—

(A) in paragraph (1), by striking out "subparagraphs (A) through (F) of subsection (b)(1) of section 3554 of title 31" and inserting in lieu thereof "section 214(h)(2) of the Office of Federal Procurement Policy Act"; and

(B) in paragraph (2), by striking out "paragraph (1) of section 3554(c) of title 31 within the limits referred to in paragraph (2)" and inserting in lieu thereof "subparagraph (A) of section 214(i)(1) of the Office of Federal Procurement Policy Act within the limits referred to in subparagraph (B)".

(c) FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949.—(1) Section 303B(j) (as redesignated by section 104(b)(2)) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b(h)) is amended—

(A) in paragraph (1), by striking out "subchapter V of chapter 35 of title 31, United States Code" and inserting in lieu thereof "title II of the Office of Federal Procurement Policy Act"; and

(B) by striking out paragraph (3).

(2) Section 303B(k) (as redesignated by section 104(b)(2)) of such Act (41 U.S.C. 253b(i)) is amended—

(A) in paragraph (1), by striking out "in subparagraphs (A) through (F) of subsection (b)(1) of section 3554 of title 31, United States Code" and inserting in lieu thereof "section 214(h)(2) of the Office of Federal Procurement Policy Act"; and

(B) in paragraph (2), by striking out "paragraph (1) of section 3554(c) of such title within the limits referred to in paragraph (2)" and inserting in lieu thereof "subparagraph (A) of section 214(i)(1) of the Office of Federal Procurement Policy Act within the limits referred to in subparagraph (B)".

(d) OFFICE OF FEDERAL PROCUREMENT POLICY ACT.—The table of contents for the Office of Federal Procurement Policy Act (contained in section 1(b)) is amended—

(1) by inserting the following before the item relating to section 1:

"TITLE I—FEDERAL PROCUREMENT POLICY GENERALLY"; and

(2) by adding at the end the following:

"TITLE II—DISPUTE RESOLUTION

"SUBTITLE A—GENERAL PROVISIONS

"Sec. 201. Definitions.
"Sec. 202. Membership.
"Sec. 203. Chairman.
"Sec. 204. Rulemaking authority.
"Sec. 205. Authorization of appropriations.

"SUBTITLE B—FUNCTIONS OF THE DEFENSE AND CIVILIAN BOARDS OF CONTRACT APPEALS

"Sec. 211. Alternative dispute resolution services.
"Sec. 212. Alternative dispute resolution of disputes and protests submitted to Boards.
"Sec. 213. Contract disputes.
"Sec. 214. Protests.
"Sec. 215. Applicability to certain contracts.".

Subtitle F—Effective Date; Regulations and Appointment of Chairmen

SEC. 451. EFFECTIVE DATE.

Title II of the Office of Federal Procurement Policy Act, as added by this title, and the amendments and repeals made by this title shall take effect 1 year after the date of the enactment of this Act.

SEC. 452. REGULATIONS.

(a) REGULATIONS REGARDING PROTESTS AND CLAIMS.—Not later than 1 year after the date of the enactment of this Act, the Chairman of the Armed Services Board of Contract Appeals and the Chairman of the General Services Board of Contract Appeals, in consultation with the Comptroller General with respect to protests, shall jointly issue—

(1) such procedural rules and regulations as are necessary to the exercise of the functions of the Department of Defense Board of Contract Appeals and the Civilian Board of Contract Appeals under sections 213 and 214 of the Office of Federal Procurement Policy Act (as added by this title); and

(2) statements of policy of general applicability with respect to such functions.

(b) REGULATIONS REGARDING APPOINTMENT OF JUDGES.—Not later than 1 year after the date of the enactment of this Act—

(1) the Chairman of the Armed Services Board of Contract Appeals shall issue rules governing the establishment and maintenance of a register of eligible applicants and the selection of judges for the Department of Defense Board of Contract Appeals; and

(2) the Chairman of the General Services Board of Contract Appeals shall issue rules governing the establishment and maintenance of a register of eligible applicants and the selection of judges for the Civilian Board of Contract Appeals.

SEC. 453. APPOINTMENT OF CHAIRMEN OF DEFENSE BOARD AND CIVILIAN BOARD.

Notwithstanding section 451, not later than 1 year after the date of the enactment of this Act—

(1) the Secretary of Defense shall appoint the Chairman of the Department of Defense Board of Contract Appeals; and

(2) the Administrator of General Services shall appoint the Chairman of the Civilian Board of Contract Appeals.

(2) Page 12, lines 2 and 23, strike out "chapter" and insert in lieu thereof "title".

(3) Page 26, line 18, strike out "and" and insert in lieu thereof "but".

(4) Page 28, line 14, strike out "and" and insert in lieu thereof "but".

(5) Add at the end of section 302 (at the end of page 51) the following:

(c) POLICY OF CONGRESS.—Section 29 of the Office of Federal Procurement Policy Act (41 U.S.C. 425) is further amended by adding after subsection (a) the following new subsection:

"(b) CONSTRUCTION OF CERTIFICATION REQUIREMENTS.—A provision of law may not be construed as requiring a certification by a contractor or offeror in a procurement made or to be made by the Federal Government unless that provision of law specifically refers to this subsection and provides that, notwithstanding this subsection, such a certification shall be required.

Page 50, line 18, strike out "(b)" and insert in lieu thereof "(c)".

(6) Page 52, line 10, strike out "August 1, 1995" and insert in lieu thereof "October 1, 1996".

Page 52, lines 10 and 11, strike out "August 1, 2000" and insert in lieu thereof "October 1, 2000".

(7) Add at the end of section 306 (at the end of page 65) the following new subsection:

(e) REPEAL OF DATA COLLECTION REQUIREMENT.—Subsection (h) of section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759) is repealed.

(8) Strike out section 316 (page 75, line 15, through the end of page 81) and insert in lieu thereof the following:

SEC. 316. ADDITIONAL DEPARTMENT OF DEFENSE PILOT PROGRAMS.

(a) AUTHORITY TO CONDUCT DEFENSE FACILITY-WIDE PILOT PROGRAM.—The Secretary of Defense may conduct a pilot program, to be known as the "defense facility-wide pilot program", for the purpose of determining the potential for increasing the efficiency and effectiveness of the acquisition process in facilities.

(b) SCOPE OF PROGRAM.—At a facility designated as a participant in the pilot program, the pilot program shall consist of the following:

(1) All contracts and subcontracts for defense supplies and services that are performed at the facility.

(2) All contracts and subcontracts performed elsewhere that the Secretary determines are directly and substantially related to the production of defense supplies and services at the facility and are necessary for the pilot program.

(c) DESIGNATION OF PARTICIPATING FACILITIES.—(1) The Secretary may designate up to two facilities as participants in the defense facility-wide pilot program.

(2) Subject to subsection (g), the Secretary may determine the scope and duration of a designation made under this paragraph.

(d) CRITERIA FOR DESIGNATION.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary shall provide to the congressional defense committees a detailed description of the proposed criteria to be used in selecting facilities for designation as participants in the defense facility-wide pilot program. The Secretary may not select any facilities for participation in the program until at least 30 days have passed after providing such criteria.

(2) After selecting both facilities for designation as participants in the program, the Secretary shall notify the congressional defense committees of the selection and submit a description—

(A) of the management goals and objectives intended to be achieved for each facility selected; and

(B) of the method by which the Secretary intends to monitor and measure the performance of the selected facilities in meeting such management goals and objectives.

(3)(A) In developing the criteria referred to paragraph (1), the Secretary shall ensure that such criteria reflect the following objectives:

(i) A significant reduction of the cost to the Government for programs carried out at the designated facilities.

(ii) A reduction of the schedule associated with programs carried out at the designated facilities.

(iii) An increased used of commercial practices and procedures for programs carried at the designated facilities.

(iv) That the designation of a facility under subsection (c) does not place a competing domestic manufacturer at a significant competitive disadvantage.

(B) The criteria shall also require that, with respect to any facility designated under subsection (c), all or substantially all of the contracts to be awarded and performed at the facility after the designation, and all or substantially all of the subcontracts to be awarded under those contracts and performed at the facility after the designation, will be—

(i) for the production of supplies or services on a firm-fixed price basis;

(ii) awarded without requiring the contractors or subcontractors to provide certified cost or pricing data pursuant to section 2306a of title 10, United States Code; and

(iii) awarded and administered without the application of cost accounting standards under section 26(f) of the Office of Federal Procurement Policy Act (41 U.S.C. 422(f)).

(e) EXEMPTION FROM CERTAIN REQUIREMENTS.—In the case of a contract or subcontract that is to be performed at a facility designated for participation in the defense facility-wide pilot program and that is subject to section 2306a of title 10, United States Code, or section 26(f) of the Office of Federal Procurement Policy Act (41 U.S.C. 422(f)), the Secretary of Defense may exempt such contract or subcontract from the requirement to obtain certified cost or pricing data under such section 2306a or the requirement to apply mandatory cost accounting standards under such section 26(f) if the Secretary determines that the contract or subcontract—

(1) is within the scope of the pilot program (as described in subsection (b)); and

(2) is fairly and reasonably priced based on information other than certified cost and pricing data.

(f) SPECIAL AUTHORITY.—The authority provided under subsection (a) may include authority for the Secretary of Defense—

(1) to apply any amendment or repeal of a provision of law made in this Act to the pilot program before the effective date of such amendment or repeal; and

(2) to apply to a procurement of items other than commercial items under such program—

(A) any authority provided in the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355) (or in an amendment made by a provision of that Act) to waive a provision of law in the case of commercial items, and

(B) any exception applicable under this Act or the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355) (or an amendment made by a provision of either Act) in the case of commercial items,

before the effective date of such provision (or amendment) to the extent that the Secretary determines necessary to test the application of such waiver or exception to procurements of items other than commercial items.

(g) APPLICABILITY.—(1) Subsections (e) and (f) apply with respect to—

(A) a contract that is awarded or modified during the period described in paragraph (2); and

(B) a contract that is awarded before the beginning of such period and is to be performed (or may be performed), in whole or in part, during such period.

(2) The period referred to in paragraph (1) is the period that begins 45 days after the date of the enactment of this Act and ends on September 30, 1998.

(h) COMMERCIAL PRACTICES ENCOURAGED.—With respect to contracts and subcontracts within the scope of the defense facility-wide pilot program, the Secretary of Defense may, to the extent the Secretary determines appropriate and in accordance with the law, adopt commercial practices in the administration of contracts and subcontracts. Such commercial practices may include elimination of Government audit and access to records provisions; incorporation of commercial oversight, inspection, and acceptance procedures; use of alternative dispute resolution techniques (including arbitration); and elimination of contract provisions authorizing the Government to make unilateral changes to contracts.

(9) In sections 501 and 502 (page 143, line 23, through the end of page 146), strike out "title" each place it appears and insert in lieu thereof "Act".

Mr. CHAMBLISS (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. CHAMBLISS. Mr. Chairman, H.R. 1670, the Federal Acquisition Reform Act of 1995, which Chairman SPENCE introduced along with Chairman CLINGER and a number of other distinguished Members, will revamp the current regulatory morass which passes for an acquisition system. A significant part of the reform in H.R. 1670 concerns the consolidation of title IV of the 11 different agency administrative tribunals which currently resolve contract disputes and the two bid protests into two boards—one in the Department of Defense to handle DOD protests and disputes and one in the General Services Administration to handle civilian agency protests and disputes. A single set of efficient procedures will govern both.

The House National Security Committee amendment I propose will further refine and streamline the procedures of the two boards with a special emphasis on the efficient, fair, and cost-effective resolution of protests. Complaints about the current bid protest process have come from the administration and from some segments of industry. The detractors of the current protest system attack it as too complex, too intrusive, and too prudently intensive. Others argue that the current protest resolution process is an essential feature of the acquisition system and must be maintained with court-like procedures. H.R. 1670 creates a new consolidated protest resolution process that achieves a better balance between the need to ensure the fundamental fairness of the Government's acquisition system and the need to acquire the goods and services needed by the Government in an efficient manner.

The main point of the committee amendment is to inject further refinement into the new protest resolution system created by H.R. 1670. Among other things, it would simplify the standard of review to be used for the resolution of protest cases, ensure that board judges permit the use of discovery only where necessary to minimize costly litigation, increase the use of special simplified procedures for the speedy resolution of protests in appropriate cases, provide for the selection of judges by the Secretary of Defense for the defense board and by the Administrator of General Services for the civilian board, and simplify and clarify the process of transitioning from the current administrative tribunals to the two new consolidated boards.

Mr. Chairman, I would like to once again commend Chairmen SPENCE and CLINGER for their hard work on bringing this legislation to the floor. It represents a responsible, long-overdue approach to Government procurement.

I urge my colleagues to vote for this amendment which will strengthen the reforms already in H.R. 1670 by ensuring a robust, cost-effective, and efficient process.

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Mr. CLINGER. Mr. Chairman, will the gentleman yield?

Mr. CHAMBLISS. I yield to the gentleman from Pennsylvania.

Mr. CLINGER. Mr. Chairman, I thank the gentleman for yielding. I am pleased to rise in support of the amendment and I am willing to accept the amendment.

Mr. Chairman, this represents some items that were still left hanging after we reported the bill out of the Committee on Government Reform and Oversight. The gentleman from South Carolina [Mr. SPENCE] agreed that he would not take up the bill in his committee, and we worked together to resolve those issues, and I think they have now been resolved, and they are incorporated in this amendment, and I am pleased to accept the amendment on this side.

Mr. CHAMBLISS. Mr. Chairman, I thank the gentleman for his support.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in opposition to this amendment which would eliminate the ability of companies to protest against the improper cancellation of a contract by amending the definition of "protest."

Congress voted just last year to include this provision as a part of the Federal Acquisition Streamlining Act, after years of careful legislative consideration. That bill was overwhelmingly supported by Members on both sides of the aisle.

A business will typically protest the improper cancellation of a contract when an agency decides to cancel a contract because the agency doesn't like the company that won the contract, or in order to avoid litigation.

For example, suppose a small business wins a contract fair and square, but an agency cancels that contract because some contracting bureaucrat doesn't want it to go to a small business. Under existing practice that small business could protest. The Spence amendment would deny the right of that small business to protest.

No witness has come before the Government Reform and Oversight Committee raising any concerns about the ability of businesses to protest the improper cancellation of Federal contracts. There has been no allegation nor any evidence presented that protesting the improper cancellation of contracts is a problem.

I am also concerned that this amendment would allow discovery only if a judge determines it to be necessary. Once again, this amendment creates solutions for problems that don't exist. No one testifying before the Government Reform Committee has alleged any problems with the discovery process. In fact GAO, whose discovery process this bill is based on, has been hailed throughout our hearings as a model bid protest forum. Why are we now at the 11th hour substituting an untested system, for discovery process that works well?

We talk a lot around here about the need to have Government work in the sunshine, and forcing the bureaucracy to operate in the open. This amendment is a turn toward Government in the back room and bureaucracy operating in secret.

I urge the defeat of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. CHAMBLISS].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title III?

AMENDMENT OFFERED BY MR. ZELIFF

Mr. ZELIFF. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ZELIFF: At the end of title III (page 100, after line 12), add the following new section:

SEC. 319. COOPERATIVE PURCHASING.

(a) DELAY IN OPENING CERTAIN FEDERAL SUPPLY SCHEDULES TO USE BY STATE, LOCAL, AND INDIAN TRIBAL GOVERNMENTS.—The Administrator of General Services may not use the authority of section 201(b)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481(b)(2)) to provide for the use of Federal supply schedules of the General Services Administration until after the later of—

(1) the date on which the 14-month period beginning on the date of the enactment of this Act expires; or

(2) the date on which all of the following conditions are met:

(A) The Administrator has considered the report of the Comptroller General required by subsection (b).

(B) The Administrator has submitted comments on such report to the congressional committees as required by subsection (c).

(C) A period of 30 days after the date of submission of such comments to the congressional committees referred to in subsection (d) has expired.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Comptroller General shall submit to the Administrator of General Services and to the congressional committees referred to in subsection (d) a report on the implementation of section 201(b) of the Federal Property and Administrative Services Act of 1949. The report shall include the following:

(1) An assessment of the effect on industry, including small businesses and local dealers, of providing for the use of Federal supply schedules by the entities described in section 201(b)(2)(A) of the Federal Property and Administrative Services Act of 1949.

(2) An assessment of the effect on such entities of providing for the use of Federal supply schedules by them.

(c) COMMENTS ON REPORT BY ADMINISTRATOR.—Not later than 30 days after receiving the report of the Comptroller General required by subsection (b), the Administrator of General Services shall submit to the congressional committees referred to in subsection (d) comments on the report, including the Administrator's comments on whether the Administrator plans to provide any Federal supply schedule for the use of any entity described in section 201(b)(2)(A) of the Federal Property and Administrative Services Act of 1949.

(d) CONGRESSIONAL COMMITTEES.—The report required by subsection (b) and the comments required by subsection (c) shall be submitted to the Governmental Affairs Committee of the Senate and the Committee on Government Reform and Oversight of the House of Representatives.

(e) CALCULATION OF 30-DAY PERIOD.—For purposes of subsection (a)(2)(C), the calculation of the 30-day period shall exclude Saturdays, Sundays, and holidays, and any day on which neither House of Congress is in session because of an adjournment sine die, a recess of more than 3 days, or an adjournment of more than 3 days.

Mr. ZELIFF (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read.

The CHAIRMAN. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. ZELIFF. Mr. Chairman, first, I would like to state my strong support for H.R. 1670, the Federal Acqusition Reform Act of 1995. I would also like to commend Chairman CLINGER for his leadership on this bill. As a member of the Government Reform and Oversight Committee, I can say with confidence that we have an excellent bipartisan bill before us today.

Throughout the debate, I have heard numerous Members claim that the bill is not small business friendly.

I believe Chairman CLINGER has taken into consideration the interests of our Nation's small businesses and worked hard to create a reformed procurement system designed to assist all businesses.

With that said, I rise today, Mr. Chairman, to offer an amendment which seeks to address small business concerns set forth in FASA, the Federal Acquisition Streamlining Act of 1994. With my amendment, I intend to address a rule currently being promulgated by the General Services Administration [GSA] which would implement section 1555.

Section 1555 allows State and local governments to obtain procurement items directly from the GSA's Federal supply schedule [FSS]. Section 1555, if implemented, would prove disastrous for our small and local businesses. Currently, State and local governments obtain their items through their own procurement processes. This is almost always through local and small businesses.

It is those businesses that will suffer if suddenly their State and local governments do not purchase from them anymore.

In addition, there are serious concerns regarding the effect of guaranteed warranties and servicing agreements. Under section 1555, if implemented, there are very real concerns to be addressed as to how State and local governments would receive these services through a federally operated procurement system. I am afraid the answer would be a whole new bureaucracy at GSA in a time when we should be streamlining.

From the local car dealer who supplies and services police cars to the local office supply store that supplies the pencils, the effects of section 1555 could be disastrous.

My amendment would delay the opening of the Federal supply schedules to use by State and local governments for a total of 14 months.

It allows all businesses to continue to sell and lease to State and local governments—just as they do now.

It is worth noting that the Senate Treasury/Postal Appropriations Committee Report states: "[we] direct that GSA postpone rules to implement section 1555 until a comprehensive analysis of the effect of such rules, including the impact on private sector vendors, has been completed * * *." Passage of my amendment will put the House and Senate on a parallel course on this issue.

My amendment provides an acceptable compromise between those who would prefer a straight repeal of section 1555 and those who believe it still has merit. Specifically, my amendment establishes a mere 1-year moratorium on the GSA implementation of section 1555 while directing the General Accounting Office [GAO] to submit a report to Congress and GSA that includes an assessment of the effect on the industry, including small businesses, and local dealers, of providing the use of Federal supply schedules to State and local entities. Once GSA has commented on the report, Congress has a 30-day period in which to take additional action or allow GSA's implementation of section 1555. I might add that my amendment has the support of Chairman CLINGER.

Let me reiterate to my colleagues that this is a commonsense solution to a possible serious problem for our local small businesses. My amendment is certainly not harmful to State and local governments since they currently do not even have the ability to purchase from the Federal supply schedule.

Now that Congress is aware of the possible consequences for our local businesses, we can and should take a step back and examine the effects implementation of section 1555 would have on our Nation's small business community.

The purpose of this legislation is most eloquently stated in the Government Reform and Oversight's Committee Report, as one of the goals of this Congress, to curb the "Government's inflated cost of doing business." I believe my amendment is in step with this country's desire for less government, less bureaucracy.

Once again, I want to commend Chairman CLINGER for his dedicated effort in bringing this reform measure to the floor. And, I want to thank him for his continued leadership and support in working with me on this amendment.

Let's send a message to our local businesses back home by allowing them to continue to supply State and local governments their goods and services.

We, as responsible policymakers, should take time to review the potential negative impact of this regulatory action on those businesses.

Please support your small and local businesses and vote for the Zeliff amendment.

Mr. CLINGER. Mr. Chairman, will the gentleman yield?

Mr. ZELIFF. I yield to the gentleman from Pennsylvania.

Mr. CLINGER. Mr. Chairman, I first of all want to commend the gentleman for his hard work on this amendment and for his willingness and tenacity in negotiating what is truly a good compromise, which I think has been reached between two different positions.

I think it is a very good compromise, because it basically delays the implementation of this for 1 year. The amendment is well timed in that regard, because GSA has not at this point implemented the program as of yet or even published regulations to implement it. It is really anticipated it is going to take at least a year before GSA would be prepared to do this, and in the meantime we would have GAO doing the study, which would be very helpful. So I commend you again for your efforts in reaching this compromise and I am pleased to accept the amendment.

Mr. ZELIFF. Mr. Chairman, I thank the chairman for his comments and I urge my colleagues to support the amendment.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in support of the amendment. Last year the Congress passed the Federal Acquisition Streamlining Act. Through an amendment to the Federal Property Act, it gave the General Services Administration new discretionary authority to operate what is called the Cooperative Purchasing Program.

The law permits GSA to allow State and local governments, Indian tribes, and some others to purchase commercial goods and services through GSA's present Federal Supply Schedule Program, originally established for Federal agency use. Potentially eligible entities number in the thousands.

GSA soon plans to issue regulations to implement the new authority; but many businesses, including small businesses, are expressing serious concern about the impact the Cooperative Purchasing Program would have on them. GSA itself recognizes a potential impact on small business.

The Federal Supply Schedule Program's purpose is to serve Federal agency purchasers. Any incidental benefits to the Federal Government are, of course, secondary. We do not know at this time how great the impact on small business as well as other business will be.

Certainly, I would like to enable State and local entities to save money for their taxpayers, but I do not believe a purchasing program designed for Federal agencies should be broadened before it is known whether it is likely to be a substantial detriment to small business.

The amendment by the gentleman from New Hampshire [Mr. ZELIFF] requires at least a 14-month delay in putting the program into effect. Within a year, however, GAO must make a study and submit a report to GSA and concerned congressional committees. The report will include assessments of the potential effect that implementing the new program would have on industry, small businesses, and local dealers, as well as on the non-Federal entities that would use the program. GSA must then submit comments to the committees about plans for program use of any schedule.

The amendment will enable Congress, GSA, vendors, and participating entities to gain the understanding they now lack of pitfalls and promises in the new ground this program would open up. My decision, therefore, is to support the amendment.

Mr. ZELIFF. Mr. Chairman, I ask unanimous consent to strike the requisite number of words.

The CHAIRMAN. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. ZELIFF. Mr. Chairman, I would like to thank the gentlewoman from Illinois for her comments.

Mr. Chairman, I would like to join in a colloquy with the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Chairman, will the gentleman yield?

Mr. ZELIFF. I yield to the gentleman from West Virginia.

Mr. WISE. Mr. Chairman, the gentleman from New Hampshire [Mr. ZELIFF] has been very, very forthcoming, and he and his staff have been very helpful in working out this colloquy and also this amendment.

Mr. Chairman, Congress has developed positive legislation and programs in recent years in the spirit of H.R. 1670 designed to save precious fiscal resources of State and local governments. I, myself, have had the opportunity to sponsor legislation that enables State and local law enforcement agencies to purchase certain items for counter drug activities, through the Department of Defense and the GSA.

Mr. Chairman, I would like to express my support for the gentleman from New Hampshire's amendment which will put off implementation of section 1555 of the Federal Acquisition Streamlining Act of 1994 pending an investigation by GAO on how this provision would impact the private sector. This will help to ensure that the current sales system is not dismantled at the expense of small business which frequently represents a significant portion of these dealers' revenues.

Mr. Chairman, the gentleman from New Hampshire's amendment will preserve the ability of small businesses to sell and lease equipment to State and local governments, while ensuring that programs such as the 1122 Police Procurement Program will continue to offer sensible support for local governments.

□ 1400

Mr. ZELIFF. Mr. Chairman, I share the gentleman from West Virginia's view regarding the importance of this amendment. I agree it is important that we do not hamper small businesses or jeopardize effective existing programs as we search for practical solutions to the Federal Government waste. Mr. Chairman, it is our intent that this amendment would not affect existing programs like the 1122 Police Procurement Program that the gentleman is concerned about.

I thank the gentleman for bringing this important issue to the attention of the House. I compliment the gentleman on the excellent work he does on the Nation's work program, and will be happy to work with him.

Mr. WISE. Mr. Chairman, if the gentleman will yield further, I greatly appreciate the gentleman's efforts on this issue, and appreciate his joining me in this colloquy.

Mr. LAFALCE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from New Hampshire [Mr. ZELIFF] to postpone the implementation of the cooperative purchasing agreement for 1 year, until we have had time to study its effect on small businesses which stand to lose State and local government customers and on all government suppliers who have clearly stated that they cannot offer over the long term one set of terms and prices to diverse customers in innumerable locations.

The rationale for extending the GSA schedule to State and local governments was a good one, to help those governments save money. But if what we are hearing from businesses is correct, such an arrangement would be short-lived. Businesses are adamant that a one-price-fits-all approach will not work, and that prices will rise.

As a result, should we proceed to implement the cooperative purchasing agreement it is most probable that no government entity would save the amount of money envisioned; that it might will cost money; and most certainly would adversely impact the small business community.

So this cooperative purchasing agreement was a well-intentioned effort, but one which at a minimum should be studied further, which is precisely what the Zeliff amendment calls for. I urge support for this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Hampshire [Mr. ZELIFF].

The amendment was agreed to.

AMENDMENT NO. 3 OFFERED BY MRS. MALONEY

Mrs. MALONEY. Mr. Chairman, I offer an amendment, printed as No. 3 in the RECORD.

The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mrs. MALONEY: Strike out section 304 (relating to international competitiveness).

Mrs. MALONEY. Mr. Chairman, my amendment deals with what sometimes lies within so-called procurement reform legislation.

My amendment deals with a corporate subsidy in this bill that has nothing to do with procurement reform.

The subsidy in question is the elimination of a program that requires defense contractors to repay the Government for some of the $30 billion annually taxpayers invest in research and development for private military contractors.

The recoupment fee is intended to recoup some of the billions the taxpayers have paid to develop major military systems when the defense contractor sells this technology to a foreign nation.

The fee averages just 3 to 5 percent of the gross price of the contract.

The authors of this bill are eliminating the recoupment program calling it a tax on American defense contractors.

I say recoupment gives a fair return for the American taxpayer's investment in the research and development of new weapons and technology.

Taxpayer dollars help fund the research and development in the first place. There wouldn't be these new weapons systems if it wasn't for the american taxpayer.

This public-private partnership is one of the reasons the United States is the world's leading arms exporter, dominating the market with 70 percent of the world's share.

We sell more arms than all the other nations of the world combined.

Some people are saying recoupment makes the U.S. military less competitive in the international market.

My colleagues, over the last 4 years, sales of United States military equipment totaled more than the sales of all the most aggressive arms exporters—Russia, China, France, and Britain combined.

In fact, our share is still rising.

Between 1991 and 1994, our share of the world market increased 62 percent.

If the recoupment requirement is making American military equipment less competitive in the world market—as the authors of this bill are stating—why is our share growing, not shrinking?

And in cases where the contractor can demonstrate that an individual sale is jeopardized, the DOD will grant a waiver.

In fact, there is already a blanket waiver for all nonmajor items, as well as all NATO participants.

For all these reasons, the deputy inspector general of the Defense Department says, and I quote, and ask to place this letter in the RECORD:

Since the U.S. sales of military hardware exceed all other countries combined, there is in my mind a great deal of doubt about the need to eliminate the recovery requirement when it can be done through waivers, on a case-by-case basis."

There's still more.

The bill before us requires these recoupment losses of more than $1 billion to be offset from savings in the mandatory spending account at the Department of Defense.

What's in that account? The pensions of our veterans and military retirees.

So the bill before us has the American taxpayer funding research and development for private defense contractors, who can turn around and make a profit overseas, without returning a penny to the Treasury.

And—we'll pay for the lost revenue by cutting the pension benefits of our military retirees.

It's wrong.

It's unwise.

My amendment saves recoupment and the pensions of our veterans.

I ask for Members' support of the Maloney amendment.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, this amendment will preserve the current recoupment requirements eliminated by H.R. 1670. Recoupment will allow the Federal Government to continue to recover that portion of the over $30 billion in annual research and development costs that would otherwise be lost when foreign governments purchase our weapons.

The opponents of the Maloney amendment argue that recoupment fees raise the price of U.S. weapons and make them uncompetitive on the international market, but the facts indicate otherwise. According to the Congressional Research Service, the United States secured over 70 percent of all arms sales worldwide in 1993, and sold $12.8 billion of arms through foreign military sales in 1994. This hardly seems like an industry in need of more Federal assistance.

Moreover, at a time when we are considering severe cuts in Medicare and Medicaid, and the reduction in student loans and welfare benefits, how can we justify a massive new direct subsidy to the arms industry, which currently has 70 percent of all arms sales worldwide?

Eliminating recoupment fees also makes absolutely no sense in view of our current budget deficit. Over the past 5 years, foreign governments have paid nearly $1 billion in recoupment fees to the U.S. Treasury. Over the next 5 years, recoupment fees are expected to again amount to $1 billion. If we are serious about deficit reduction, the bill's provision eliminating recoupment fees is the wrong way to go.

Mr. Chairman I strongly support the Maloney amendment, and I urge its adoption.

Mr. GILMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to reluctantly oppose the gentlelady's amendment to strike the provisions in section 304 of H.R. 1670 which would restructure this country's current policy with regard to recoupment charges on military equipment sales to foreign governments.

Mr. Chairman, these recoupment charges were initially instituted in the early 1960's. The intent of these recoupment charges was to enable our Government to recover part of the cost of developing the technology needed to fight and win the cold war with our NATO allies. However, those allies—the British, French, Italians, and others have now become our economic competitors. Now when American corporations attempt to sell military goods, their products are burdened with a surcharge that makes American products less competitive.

Let us bear in mind that these exports create and protect thousands of American jobs and contribute billions of dollars to our national economy. Lowering barriers and expanding opportunities for American companies to trade abroad is critical to America's long term well being and international competitiveness.

Accordingly, Mr. Chairman, I urge my colleagues to vote in opposition to the gentlelady's amendment.

Mr. SPRATT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, for years and years the Department of Defense out of simple basic prudence has retained the right to recoup some of the billions of dollars that we invest, the U.S. Government invests, through the Department of Defense in the development of highly technical and highly sophisticated military systems. In order to facilitate the sale of nonmajor pieces of equipment, a blanket waiver has been in effect for some time so that these items, items of electronics gear and what have you of not major cost, can be sold without any issue of recoupment being collected.

In addition, the Department, out of ordinary prudence, has also said to defense contractors, if it is necessary to make the deal, if you need to have the recoupment waived in order to be price competitive, then you can apply to us. And in fact the record shows that recoupment is routinely waived, almost invariably waived. The Department of Defense has in fact waived $773 million in these nonrecurring cost charges from 1991 through 1994 alone. So whenever it is necessary to waive it, it is there, no further statutory authority is necessary for that purpose, and it is routinely and liberally granted in order to make the sale go.

So we have before us a statutory provision in a bill that is supposed to save the Government money that would waive this authority altogether.

Why do we want to wipe out the authority to recoup some of the investment that we, the United States, has made in these systems, that is about to be cashed in by the defense contractors when they sell the system abroad?

Let me give you one particular case why I do not think clearly we need to waive the recoupment. Let us assume we have a very unique system for which there is no competition, no match anywhere else in the world, there is not even a question of price competitiveness, and another country wants to buy that system, and they come to the Department of Defense for approval to make the sale. Why should not DOD, why should not the American people collect some percentage of what we invested to develop that unique system?

If we wipe out as a matter of statutory law the provision that allows DOD to exact this charge, 3 to 5 percent on military sales, then we will forego that opportunity altogether, willy-nilly across the board.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, as I understand it, the recoupment provision is waived only for our NATO ally countries, and the rest of the world it is not waived for, is that correct?

Mr. SPRATT. Mr. Chairman, reclaiming my time, that is my understanding. It is waived on a case-by-case basis obviously. It is not waived as a blanket matter except for nonmajor pieces of equipment.

Mr. BERMAN. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from California.

Mr. BERMAN. Mr. Chairman, I think it is important to respond to the point of the gentleman from Indiana [Mr. BURTON]. The only plausible argument that I have heard to justify providing this subsidy for arms exports is to make our products competitive with other nations. The gentleman from South Carolina [Mr. SPRATT] has pointed out very effectively that there are a number of items where we are essentially the best in the world, we are either the sole supplier or have such a qualitative advantage in the product, there is no other serious competitor, and, therefore, there is no need to remove this recoupment of the subsidy that that exporter has.

Mr. SPRATT. Mr. Chairman, reclaiming my time, especially when it is liberally waived in the discretion of the Secretary of Defense whenever required.

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Mr. BERMAN. The gentleman from Indiana sought to try and make a point, I think, by implication, that this is only done for NATO countries, not for other purchasers of arms. But that is not correct.

The law allows a case-by-case waiver anytime we want to give an advantage to our exporter over a competitive exporter from another country that perhaps is being subsidized by that country. The Department of Defense has the authority right now to waive this.

The strangest thing in the world, we are coming in the context of trying to balance the budget, our majority would say in 7 years, with massive cuts in all kinds of discretionary programs, with an effort to because they think it is important to expand what we are spending on defense, with major slashes in Medicare and other entitlement programs, and reinstating for the first time since the 1960's in commercial arms sales a subsidy to defense contractors, not just to win the particular sale but whether there is competition or not for that sale.

It is not just for NATO countries. It allows that waiver any other time. There is no reason in the world to go with this blanket repeal which will require an offset to make up for the loss of revenue.

The CHAIRMAN. The time of the gentleman from South Carolina [Mr. SPRATT] has expired.

(On request of Mr. BERMAN, and by unanimous consent, Mr. SPRATT was allowed to proceed for 2 additional minutes.)

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, this is really for informational purposes. Has any country outside of a NATO country benefited from the recoupment provision we are talking about? I know the gentleman is saying it is not limited just to NATO. What I would like to know is, has any other country really benefited because our own Government waived that provision?

Mr. BERMAN. Mr. Chairman, if the gentleman will continue to yield, I am told the answer is yes, that the recoupment provision has been waived in the case of arms sales, commercial arms sales to Israel. And the key thing is not what has happened in the past. The law allows case-by-case waivers. If the French notorious subsidizers of their defense industries decide in a product which they are competitive to compete with an American exporter and are subsidizing that sale, the law right now allows the Department of Defense to waive it so that the American company can make that sale. It is in there.

Why would we want to repeal the law which allows us to grab back the subsidies that otherwise the foreign country that wants to buy the goods is willing to pay when there is no meaningful competition? We are either the sole supplier or our particular weapons system is so much better than any other ones. This is really ridiculous.

I thank the gentleman for yielding to me.

Mr. SPRATT. Mr. Chairman, reclaiming my time, let me also point out that the cost of this waiver, depending, could be as much as a billion over the next 5 years. That has to be recovered under the budget rules from some source. The rule book solution to that is it must be recovered from mandatory spending. If it comes out of DOD's mandatory spending, that means it comes out of personnel retirement accounts. It is the only place we have got any real mandatory or direct spending in the DOD budget. The offset, therefore, requirement to make this waiver possible will be DOD retirement programs.

Mr. MINGE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the recoupment amendment. What we have here, it appears, is a type of corporate welfare. We have a sector of American industry which is faring extremely well in global competition. It has increased its market share dramatically.

At the same time we are attempting to balance the budget, we are asking veterans, we are asking students, we are asking farmers, we are asking seniors, we are asking many sectors of our society to take deep dramatic cuts in programs that they have historically found extremely important.

And here, over a 5-year period of time we are offering to essentially forgive, as a revenue opportunity for the Federal Government, $1 billion. I cannot see that, if we are asking the Nation to tighten its belts in the spirit of shared sacrifice, that we can with any credibility reject the amendment that has been offered. I urge support of this amendment.

Mr. LAFALCE. Mr. Chairman, I move to strike the requisite number of words.

First, I would like to praise the gentlewoman from New York for offering this amendment. I think that it is an excellent one, one that must be passed. Second, I noticed that the provision in the bill that would repeal the recoupment provision is under the title competitiveness.

Everything can be done under the umbrella of competitiveness, but I think very often improperly so. I just came from a luncheon meeting of the Competitiveness Policy Council which issued its fourth annual report today. I started promoting the creation of the Competitiveness Policy Council back in the early 1980's. The competitiveness issue has been near and dear to my heart.

Not once in the past decade and a half did I ever hear any contractor object to this provision of the law because it hindered their competitiveness, especially given the ability of the administration to waive it, if that ever was a factor.

Most importantly, perhaps, though, is we are dealing right now with the great problem of the budget deficit. We are hearing proposals from the GOP for cuts in Medicare of $270 billion over the next several years, cuts in Medicaid of about $180 billion, cuts in the earned income tax credit, et cetera. And now we want to increase the deficit by eliminating this recoupment fee. That is ironic. It is an anomaly, it ought not to happen.

In this morning's paper we saw that the GOP is now considering abolishing corporate welfare, primarily through provisions of the Tax Code which gives them tax incentives, their tax expenditures. If they bring such a bill to the floor, then perhaps we could consider the abolition of the recoupment fee in concert with the repeal of all the corporate welfare provisions, but not right now. Right now this is simply a gift to corporate America at the expense of the taxpayer. We should support the Maloney amendment.

Mr. CLINGER. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to this amendment.

Mr. Chairman, I would point out to the Members that one of the reasons we really decided to revisit procurement reform in the first place and the reason we have this bill on the floor is because that was an issue that was considered in the last Congress, one of the items that was not included in the bill that we brought to the floor last year.

This measure, this repeal of the recoupment provision is strongly, and I repeat that, strongly supported by this administration who feels that it has really been a very severe impediment to the ability to have military sales.

It was also supported prior to that by the Bush administration. So this is not a partisan issue. It has been one that has been supported by the executive branch under both Republicans and Democrats. So it is one that we felt needed to be addressed. I think it is important that we have this debate because I think there is no question in my mind that there is a strong disincentive for dealing with Americans on these issues because of the recoupment clause. I know that we have had testimony, discussion here the other way.

I think the other point I wanted to address was that the argument is made that this is somehow going to encourage arms sales. We are going to become an arms merchant, that we are going to contribute to the escalation of arms sales all over the world if this recoupment provision is repealed.

I think that is just absolutely not true. The fact is that the decision as to whether or not to buy a particular weapons system is not made in this context at all. This is an issue that arises only after the decision has been made to buy the system. Then it becomes a question of who do we deal with.

So the fact that we have somehow taken off the recoupment is in no way going to act as an incentive for a spur to additional arms sales. It will, however, have the result of making us much more competitive in terms of being able to compete with those people who used to be our allies in the world and are now our competitors. We really enacted this provision primarily for their benefit, to enable our NATO allies to have these weapons.

Now that is no longer the case. They are our competitors, and in many cases they are having us for lunch on some of these arms sales. This is a question of jobs, Mr. Chairman. We really are jeopardizing a number of jobs, many many jobs in this country by retaining this——

Ms. HARMAN. Mr. Chairman, will the gentleman yield?

Mr. CLINGER. I yield to the gentlewoman from California.

Ms. HARMAN. Mr. Chairman, is it not also a question of national security in this sense, that if we can keep these aerospace companies and defense contractors healthy doing things that are fully circumscribed by U.S. foreign policy constraints, then they will be alive to produce weapons and defense assets for the future in the event that we should need them in an increasingly unstable world?

Mr. CLINGER. The gentlewoman makes a very, very strong point. This is one way that we can help preserve the industrial base. If we see that shrink dramatically, it would, in fact, jeopardize us in the event we have hostilities somewhere else in the world. So it really has national security implications.

It has jobs implications, economic implications for this country. And it really will not, in any way, enhance or increase the number of sales. It just makes it more competitive in the world market. That is what we are dealing in. We are dealing in a world market in these areas.

I must regretfully oppose the gentlewoman's amendment.

Mrs. MALONEY. Mr. Chairman, will the gentleman yield?

Mr. CLINGER. I yield to the gentlewoman from New York.

Mrs. MALONEY. Mr. Chairman, one of the problems, when we say that it does not make us as competitive, No. 1, we dominate the world market with over 70 percent of sales. We have to remember that it is American tax dollars that create the research and development that makes our companies so successful in the world market.

We allocate well over $30 billion a year to research and development. The moneys that come back to the Department of Defense then go back into research and development. I must tell the gentleman that the offset would come out of a mandatory spending in the Defense Department, which would be military pensions.

Mr. CLINGER. Mr. Chairman, reclaiming my time, that is not the case. In fact, the offsets can come, when this happens, if the President decides to waive it now, he, under this bill, would be required to provide the offset.

We could make it very clear that they were not to be taken out of military spending or out of defense spending or anything else. I think it misrepresents to say it would necessarily work to the detriment of any group.

Mrs. MALONEY. Mr. Chairman, if the gentleman will continue to yield, the offset must come out of mandatory spending. Mandatory spending in the Defense Department is overwhelming, all mandatory spending is the quality of living.

Mr. CLINGER. But it does have to be the Defense Department.

Mrs. MALONEY. This comes from the staff of the Department of Defense.

Mr. CLINGER. But it does not have to be Defense Department. Mandatory spending is all across the board.

Mr. BURTON of Indiana. Mr. Chairman, I move to strike the requisite number of words.

Let me say first of all, one of the things that has not been discussed is the amount of jobs that would be lost. For each $1 billion in sales, these are big ticket items, these things cost 25, 30, 100 million a copy. For each $1 billion in sales that are lost, we lose 16,000 jobs.

I wish the gentlewoman would listen to this, the gentlewoman who has been involved in this discussion.

For each $1 billion in sales that are lost, we lost 16,000 jobs. If we put a pencil to it, for each 1 percent of unemployment, it costs the Treasury about $42 billion for each 1 percent of unemployment. So one of the things that needs to be factored into the equation is the number of jobs that are lost and what kind of an impact that has on the national unemployment rate which also has a bearing on the deficit that we face every year in the Treasury. So there are other things that need to be factored in.

Let me read something out of statutes. There has been some misunderstanding, I believe, on whether or not we can sell these products and of the recoupment provision being employed outside of NATO. Let me read what the law says. The law says: The President may reduce or waive the charge or charges which would otherwise be considered appropriate under paragraphs 1(b) and 1(c) for particular sales that would, if made, significantly advance the United States Government interests in the North Atlantic Treaty Organization standardization, standardization with the armed forces of other countries, Japan, Australia or New Zealand and in furtherance of the mutual defense treaties between the United States and those countries or foreign procurement in the United States under coproduction arrangements.

□ 1430

Even now, when the gentleman from California a while ago was talking about Israel, I believe that is as a direct result of a coproduction arrangement on weapons systems that we did sell and the recoupment feature was employed, because of that coproduction. But there are many countries, many countries, that we may sell products to that do not fall into any of these categories. If that is the case, then there is no latitude in the law for the recoupment provisions to be waived. This may involve billions of dollars of sales to countries that are not NATO, that are not part of an agreement that we have for a mutual defense treaty, or a country under which there was a coproduction arrangement. So the fact of the matter is there are limitations for the recoupment procedures to be employed outside of the countries I just mentioned.

Now, let us say that there is a large number of these countries that do want to buy products from the United States, but the French, for instance, are trying to sell us a French Mirage and we are trying to sell them an F–16 fighter plane. The French would have a distinct advantage if this recoupment provision was not able to be removed, and under current law, the way I read it, it cannot be removed. So the fact of the matter is this legislation which the gentleman from Pennsylvania has been talking about is necessary to make us competitive, not just with our NATO allies, not just with those that have a mutual defense treaty, and not with those where we have a coproduction agreement, but with the rest of the world.

Some of these bids, as I understand it, are time-sensitive. The French may say, "Hey, we want to sell you a French Mirage," and we may want to sell them an F–16, and there is a time frame under which they have to make an agreement in a fairly rapid manner. There is no provision in the law for the recoupment provision to be employed, so that sale by default would go to the French. And along with it would go American jobs, and along with those American jobs would be a higher rate of unemployment, which would translate into additional expenditures from the Treasury, which would exacerbate the deficit.

So the fact of the matter is my good friends, for whom I have the highest respect, are only telling half of the story. The other half is that the law needs to be changed in order to make us competitive worldwide.

Mrs. MALONEY. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentlewoman from New York.

Mrs. MALONEY. Mr. Chairman, the Department of Defense Deputy Inspector General, when he testified before the Committee on Small Business, stated that it could be waived on a case-by-case basis, and invariably it is always waived when you can show there is some detriment to achieving the sale.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. BURTON] has expired.

(By unanimous consent, Mr. BURTON of Indiana was allowed to proceed for 2 additional minutes.)

Mr. BURTON of Indiana. Mr. Chairman, I want to direct the gentlewoman's attention to page 725 and page 726 of title II of the U.S. Code. It is right there in black and white. I will be happy to bring it over to the gentlewoman and let her read it.

Mr. LAFALCE. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from New York.

Mr. LAFALCE. Mr. Chairman, I think there has been some problem in the course of this debate. First of all, if we are going to change the law we ought to be able to point out a problem. I do not see anyone who has identified a problem that contractors have had with these recoupment fees. I have yet to hear of a case where a contractor has lost a contract because of this recoupment fee. That is point No. 1.

Point No. 2, the gentleman is charging that the ability to waive under the law is narrowly circumscribed. We argue that it has invariably been granted. We know of no instance when a request for a waiver has been denied. If, however, the gentleman is correct on that issue, then the cure is to broaden the waiver authority.

Mr. BURTON of Indiana. That is what we are trying to do.

Mr. LAFALCE. Mr. Chairman, I would say to the gentleman, no, he is not broadening the waiver authority, he is repealing the fee. He is throwing the baby out with the bath water.

Mr. BURTON of Indiana. No, we are not.

Mr. LAFALCE. The totality of the argument went to what the gentleman saw is the narrowness of the waiver authority. We do not think it is narrow, we think it is extremely broad. If in fact you are correct, however, then come in with an amendment to broaden the waiver authority but not to repeal the basic recoupment fee.

Mr. BURTON of Indiana. If I may reclaim my time, I think we are splitting hairs here. The fact of the matter is that is what we are doing by repealing this law, what we are doing is we are making American industry competitive around the world with any foreign competitor. The people who used to be our allies, as the gentleman from New York [Mr. GILMAN] said a while ago, now are our economic competitors. We have to be competitive. This provision, which the gentleman from Pennsylvania [Mr. CLINGER] is trying to get repealed will make sure that takes place, that there is no advantage for any other country.

Mr. CLINGER. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Pennsylvania.

Mr. CLINGER. I would like to make two points. First of all, we are the only nation in the world that has a recoupment provision of this sort. Clearly it is making us noncompetitive.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. BURTON] has expired.

(By unanimous consent, Mr. BURTON of Indiana was allowed to proceed for 1 additional minute.)

Mr. CLINGER. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Pennsylvania.

Mr. CLINGER. Mr. Chairman, the fact of the matter is our competitors are getting better and better all the time. They are getting more and more competitive. This looms as a problem in the future much greater than perhaps it does now. It is really going to set us very much at a disadvantage in terms of world sales. Why should we be the only one that disadvantages ourselves and our American workers when we do not need to, and when we really need to be more competitive at this stage of the game.

Mr. BURTON of Indiana. Let me just conclude by restating what my colleague just said. I hope Members hear this very clearly. We are the only country that has this recoupment provision in law, the only country. Our competitors subsidize their military production, their military equipment, which they sell around the world, but they do not have that recoupment provision. As a result, it does give them a distinct advantage. So I think that my colleague's legislation is well founded. I hope my colleague will support it.

Ms. HARMAN. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentlewoman from California.

Ms. HARMAN. Mr. Chairman, I share the gentleman's view and want to associate myself with it.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. BURTON] has expired.

(By unanimous consent, Mr. BURTON of Indiana was allowed to proceed for 1 additional minute.)

Ms. HARMAN. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentlewoman from California.

Ms. HARMAN. Mr. Chairman, I see these advantages in promoting foreign military sales that are definitely circumscribed by our limitations on arms exports, and these are carefully circumscribed. We are not changing the rules with respect to what can be exported and to whom. We are just making it easier to export.

If we encourage appropriate commercial foreign military sales, we do three things. Jobs is one. The second thing is we save the industrial base, which, as I mentioned before, we can use to our advantage later as national security problems arise. Third, and this is very important in terms of saving money for the government, we are able to manufacture more units of whatever is exported, because of the exports, and we lower by that means of the per-unit cost of the airplane or whatever the item is, which means that when the U.S. Government purchases that item in the future, for example, the C–17, the per—

The CHAIRMAN. The time of the gentleman from Indiana [Mr. BURTON] has expired.

(By unanimous consent, Mr. BURTON of Indiana was allowed to proceed for 30 additional seconds.)

Ms. HARMAN. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I am happy to yield to the gentlewoman from California.

Ms. HARMAN. Mr. Chairman, the per unit cost of the C–17 or whatever it might be is lower to the U.S. Government so, bottom line, we save jobs, we save the industrial base, we lower the cost of defense purchases for the U.S. Government. For all these reasons I think this proposed change in the law is a good idea, and I oppose the amendment being offered by my very good friends over here.

Ms. PELOSI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in support of the amendment being offered by the gentlewoman from New York [Mrs. MALONEY] which strikes a section of the bill before us repealing the recoupment fees provision of the Arms Control Export Act. I would also like to commend our colleague, the gentleman from California [Mr. BERMAN], for his leadership, his ongoing leadership, on this important issue.

As we know, recoupment fees are intended to reimburse the U.S. taxpayer for some of the $35 billion spent annually on research and development costs for major weapons systems. These fees are then built into the cost of these weapons when they are sold to foreign countries.

Mr. Chairman, foreign governments have paid nearly $1 billion in recoupment fees for the last 5 years.

According to the Congressional Research Service, collections over the next 5 years will also amount to approximately $1 billion. Failure to pass this amendment will not only shortchange the U.S. taxpayer, but it will guarantee the highly successful defense industry yet another corporate subsidy.

Mr. Chairman, corporate recoupment fees also act as an important check on weapons proliferation. Without such fees we will in effect further subsidize foreign military sales and regional arms races. Our foreign military sales programs allows the United States control over who may take advantage of subsidized purchases of weapons systems.

By striking recoupment fees, we are relinquishing this control. Every potential purchaser would be able to take advantage of this taxpayer-funded largesse. A vote for this amendment is a vote for greater accountability and control over these weapons systems. It is also a vote for greater financial accountability and a vote against corporate welfare.

Mr. Chairman, I would like to, as I continue my remarks, comment on some of what I have heard from recent speakers, all of whom, let us all stipulate, we respect, and we are all distinguished representatives of our constituents.

Having said that, I would like to take issue with some of the statements that have been made. One is that this recoupment fee, eliminating it will make us more competitive. In fact, as it has been stated, does not the recoupment requirement make the U.S. military equipment less competitive in international markets, depriving our contractors of their foreign sales needed?

No, no, no, for several reasons. U.S. military equipment simply dominates the world market. It is just too good, dollar for dollar. Sales data confirms this. Each year sales of United States military equipment was more than the combined sales of all other countries combined, including France, Great Britain, Russia, China, the most aggressive arms exporters, referencing all of those countries combined. During the fiscal year 1991 to 1994 period, sales of U.S. equipment would increase 62 percent over the previous 4-year period, while total world purchases have declined 42 percent.

There is a case-by-case waiver authority. It is generally granted, so when others, in addition to the competitive argument, say there cannot be a waiver, in the law itself there is a case-by-case waiver. It is generally granted if the contractor can demonstrate to DOD that recoupment is the difference between making a foreign sale or no foreign sale.

The issue of jobs has come up. When are we going to stop having our economy be based on a military and defense economy only? Why are we not talking about developing other kinds of exports?

As far as the industrial base is concerned, we spend a quarter of a trillion dollars a year on defense. A great deal of that is invested into our industrial base. We do not need to have further underwriting and corporate welfare there.

Mr. Chairman, I would like to reference a letter from the deputy inspector general, who has confirmed some of what I have said. He said, "Since the U.S. sales of military hardware exceeds all other countries combined, there is in my mind a great deal of doubt about the need to eliminate the recovery requirement when it can be done through waivers of a case-by-case basis."

I say, referencing further his testimony before the Congress, he said "We disagree with the change," and this is the inspector general, the deputy inspector general of the Department of Defense, he said "We disagree with the change. The current law and regulations allow the charge to be waived if the charge is an impediment to the sale. Request for waivers are invariably granted."

The CHAIRMAN. The time of the gentlewoman from California [Ms. PELOSI] has expired.

(By unanimous consent, Ms. PELOSI was allowed to proceed for 30 additional seconds.)

Ms. PELOSI. Mr. Chairman, I urge our colleagues to support the Maloney amendment. The recoupment fee issue is corporate welfare, it is back door military assistance. It contributes to arms proliferation. It is not about competition, and it will be much more costly than its proponents suggests.

Let us not have this House of Representatives be the handmaiden of the military industrial complex. Let us have a strong national defense. Let us try to end the proliferation of weapons of mass destruction. Sure, here we are talking international, but we sell far too many of those and we have a moral responsibility to hold that in check.

The CHAIRMAN. The time of the gentlewoman from California [Ms. PELOSI] has expired.

(By unanimous consent, Ms. PELOSI was allowed to proceed for 30 additional seconds.)

Mr. CLINGER. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentlewoman from Pennsylvania.

Mr. CLINGER. Briefly, Mr. Chairman, I would like to make the point that the Defense Security Assistance Agency and the administration strongly support repeal of this. I would just question the appropriateness of the inspector general making policy in these kinds of areas. It seems to me it is the policymakers of the Department of Defense who really should be paid attention to in this area.

Ms. PELOSI. Mr. Chairman, I was referencing the letter from the deputy inspector general of the Department of Defense when I talked about the use of the waiver.

□ 1445

Mr. FARR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I really want to rise to question what is really broke here. If we say that the military defense industry is broke because they cannot compete in the world, then we have to look at the fact that 70 percent of the world market is controlled by U.S. industry, so we would not say that U.S. industry is really hurting there.

If we say, well, this is an impact on American industry that other foreign competitors do not have, we have to look at the way this industry generates its revenue. The taxpayers of this country have put forth $30 billion in R&D military research money. The law, which has been in effect for a number of years, estimates that in the next 5 years it is going to recoup from that $30 billion investment $1 billion. That is certainly not a very good return on the taxpayers' investment.

I think we have to also compare that we put a lot of money into universities. When universities come up with an idea and invent it, they patent it, and that goes into marketing that idea and the university is able to recoup over time the invention, the effort in that invention. I mean, they own it.

What we are saying here is that the American taxpayers own this invention. They put the money in and they ought to get something back for it.

The defense industry, I think this is a weak issue to be pleading on. I come from California where the majority of defense contract dollars go. We get 23 percent of the entire defense contracts, and I think New York was second with 12 percent. We got about as much in defense contracting a few years ago that equaled the entire State budget.

The industry has not been moving out of California. The tax base in California is very high. Labor costs in California are very high. The next thing we are going to hear is, let us repeal all of those local taxes and those job incentives because the industry has got to leave.

I rise in support of the Maloney-DeFazio-Berman amendment because I want to support the American taxpayers who are the real shareholders in the defense industry, and they ought to get a return on their investment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York [Mrs. MALONEY].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mrs. MALONEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 164, noes 259, not voting 11, as follows:

[Roll No. 662]

AYES—164

Abercrombie
Andrews
Baesler
Baldacci
Ballenger
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clement
Coleman
Collins (IL)
Collins (MI)
Condit
Costello
Coyne
DeFazio
Dellums
Deutsch
Dingell
Dixon
Doggett
Doyle
Duncan
Durbin
Ehrlich
Ensign
Eshoo
Evans
Farr
Fattah
Fawell
Fazio
Fields (LA)
Filner
Flake
Foglietta
Foley
Ford
Frank (MA)
Furse
Gibbons
Green
Gutierrez
Hall (OH)
Hastings (FL)
Hefner
Hinchey
Jackson-Lee
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kasich
Kennedy (MA)
Kennedy (RI)
Kildee
Kingston
Kleczka
Klug
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
LoBiondo
Lofgren
Lowey
Luther
Maloney
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McKinney
Meehan
Menendez
Mfume
Miller (CA)
Minge
Mink
Montgomery
Nadler
Neal
Ney
Oberstar
Obey
Olver
Owens
Pallone
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Petri
Pomeroy
Porter
Portman
Poshard
Rahall
Ramstad
Rangel
Reed
Rivers
Rose
Roth
Roybal-Allard
Rush
Sabo
Sanders
Sanford
Sawyer
Scarborough
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Shadegg
Shays
Skaggs
Slaughter
Spratt
Stark
Stenholm
Stockman
Stokes
Studds
Stupak
Tanner
Thurman
Torres
Torricelli
Towns
Traficant
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Whitfield
Williams
Wise
Woolsey
Wyden
Yates
Zimmer

NOES—259

Ackerman
Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clinger
Clyburn
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Diaz-Balart
Dickey
Dicks
Dooley
Doolittle
Dornan
Dreier
Dunn
Edwards
Ehlers
Emerson
Engel
English
Everett
Ewing
Fields (TX)
Flanagan
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hilliard
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kelly
Kennelly
Kim
King
Klink
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
Longley
Lucas
Manton
Manzullo
Martini
McCollum
McCrery
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Mollohan
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Norwood
Nussle
Ortiz
Orton
Oxley
Packard
Parker
Pastor
Paxon
Peterson (FL)
Pickett
Pombo
Pryce
Quillen
Quinn
Radanovich
Regula
Richardson
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Saxton
Schaefer
Schiff
Seastrand
Shaw
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Souder
Spence
Stearns
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Wicker
Wilson
Wolf
Wynn
Young (AK)
Young (FL)
Zeliff

NOT VOTING—11

Conyers
Frost
McDade
Meek
Mineta
Moakley
Reynolds
Sisisky
Solomon
Tucker
Velazquez

□ 1509

Mr. SHADEGG and Ms. JACKSON-LEE changed their vote from "no" to "aye."

Mr. PETERSON of Florida changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there any further amendments to title III?

Mr. FRANKS of New Jersey. Mr. Chairman, I move to strike the last word for the purpose of entering into a colloquy with the distinguished chairman regarding one specific area of Federal contracts, the acquisition and management of the cars and trucks used by the Federal Government.

Mr. HORN. Mr. Chairman, will the gentleman yield?

Mr. FRANKS of New Jersey. I yield to the gentleman from California.

Mr. HORN. Mr. Chairman, as chairman of the Subcommittee on Government Management, Information and Technology, I would be pleased to have a colloquy with the gentleman from New Jersey.

Mr. FRANKS of New Jersey. Mr. Chairman, earlier this year, I introduced a bill, H.R. 1981, that would bring much needed reform to the way that the Federal Government buys and manages its fleets of almost 400,000 vehicles at an annual cost in excess of a billion dollars. This bill, the Efficient Fleet Management Act of 1995, would require all Federal agencies to obey a 1985 law demanding a full account of their fleet operations cost and to make all related contract decisions based on fully developed cost comparisons of both public and private vendors.

Mr. Chairman, as the gentleman knows, at my request, the GAO submitted a report last December on the poor compliance with that 1985 law and the poor cost of accounting that still plagues the Government's fleet management. My bill would address many of the problems that the GAO identified in that report.

Instead of offering my bill as an amendment to the bill today, I look for assurances from the committee that it will address these problems.

Mr. HORN. I commend my distinguished colleague from New Jersey for his innovative bill, H.R. 1981. I agree with the gentleman that the current lack of clear cost accounting and real cost comparisons are a very troubling problem. Many agencies simply cannot track those costs by activity. Any business in America can do that, but only a handful of Federal agencies can make the same claim.

As the gentleman knows, the Committee on Government Reform and Oversight is in the process of reviewing how the General Services Administration and other agencies administer their fleets. The GSA fleet covers 30 percent of all Federal vehicles. This investigation is taking more time than we had hoped, since we are awaiting the release of the Arthur Anderson business line review of GSA's operations.

In due course, the Subcommittee on Government Management, Information and Technology of the Committee on Government Reform and Oversight will have a hearing on GSA's restructuring of its fleet management operations. In this context, we will certainly examine the gentleman from New Jersey's bill and see what the General Accounting Office has to say on the same subject. I am optimistic we can resolve this matter before too many months have gone by.

Mr. FRANKS of New Jersey. Mr. Chairman, I want to thank the gentleman from California and Chairman CLINGER, and I look forward to working with the gentleman on making certain Government agencies reform the way they conduct their fleet management operations.

Mr. HORN. I thank the gentleman.

□ 1515

The CHAIRMAN. Are there further amendments to title III?

If not, the Clerk will designate title IV.

The text of title IV is as follows:

TITLE IV—STREAMLINING OF DISPUTE RESOLUTION

Subtitle A—General Provisions

SEC. 401. DEFINITIONS.

(a) IN GENERAL.—The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) is amended by adding at the end the following:

"TITLE II—DISPUTE RESOLUTION

"Subtitle A—General Provisions

"SEC. 201. DEFINITIONS.

"In this title:

"(1) The term 'Defense Board' means the Department of Defense Board of Contract Appeals established pursuant to section 8(a) of the Contract Disputes Act of 1978 (41 U.S.C. 607).

"(2) The term 'Civilian Board' means the Civilian Board of Contract Appeals established pursuant to section 8(b) of the Contract Disputes Act of 1978 (41 U.S.C. 607).

"(3) The term 'Board judge' means a member of the Defense Board or the Civilian Board, as the case may be.

"(4) The term 'Chairman' means the Chairman of the Defense Board or the Civilian Board, as the case may be.

"(5) The term 'Board concerned' means—

"(A) the Defense Board with respect to matters within its jurisdiction; and

"(B) the Civilian Board with respect to matters within its jurisdiction.

"(6) The term 'executive agency'—

"(A) for purposes of contract disputes under section 213—

"(i) with respect to contract disputes under the jurisdiction of the Defense Board, means the Department of Defense, the Department of the Army, the Department of the Navy, or the Department of the Air Force; and

"(ii) with respect to contract disputes under the jurisdiction of the Civilian Board, has the meaning given by section 2(2) of the Contract Disputes Act of 1978 (41 U.S.C. 601(2)) except that the term does not include the Department of Defense, the Department of the Army, the Department of the Navy, and the Department of the Air Force; and

"(B) for purposes of protests under section 214—

"(i) with respect to protests under the jurisdiction of the Defense Board, means the Department of Defense, the Department of the Army, the Department of the Navy, or the Department of the Air Force; and

"(ii) with respect to protests under the jurisdiction of the Civilian Board, has the meaning given by section 4(1) of this Act except that the term does not include the Department of Defense, the Department of the Army, the Department of the Navy, and the Department of the Air Force.

"(7) The term 'alternative means of dispute resolution' has the meaning given by section 571(3) of title 5, United States Code.

"(8) The term 'protest' means a written objection by an interested party to any of the following:

"(A) A solicitation or other request by an executive agency for offers for a contract for the procurement of property or services.

"(B) The cancellation of such a solicitation or other request.

"(C) An award or proposed award of such a contract.

"(D) A termination or cancellation of an award of such a contract, if the written objection contains an allegation that the termination or cancellation is based in whole or in part on improprieties concerning the award of the contract.

"(9) The term 'interested party', with respect to a contract or a solicitation or other request for offers, means an actual or prospective bidder or offeror whose direct economic interest would be affected by the award of the contract or by failure to award the contract.

"(10) The term 'prevailing party', with respect to a determination of the Board under section 214(h)(2) that a decision of a contracting officer violates a statute or regulation, means a party that demonstrated such violation.".

(b) CONFORMING AMENDMENTS.—The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) is further amended—

(1) by inserting the following before section 1:

"TITLE I—FEDERAL PROCUREMENT POLICY GENERALLY";

and

(2) in section 4, by striking out "As used in this Act:" and inserting in lieu thereof "Except as otherwise specifically provided, as used in this Act:".

Subtitle B—Establishment of Civilian and Defense Boards of Contract Appeals

SEC. 411. ESTABLISHMENT.

Subsections (a) and (b) of section 8 of the Contract Disputes Act of 1978 (41 U.S.C. 607) are amended to read as follows:

"(a) There is established in the Department of Defense a board of contract appeals to be known as the Department of Defense Board of Contract Appeals.

"(b) There is established in the General Services Administration a board of contract appeals to be known as the Civilian Board of Contract Appeals.".

SEC. 412. MEMBERSHIP.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 401, is further amended by adding at the end the following:

"SEC. 202. MEMBERSHIP.

"(a) APPOINTMENT.—(1)(A) The Defense Board shall consist of judges appointed by the Chairman, without regard to political affiliation and solely on the basis of the professional qualifications required to perform the duties and responsibilities of a Defense Board judge, from a register of applicants maintained by the Defense Board.

"(B) The Civilian Board shall consist of judges appointed by the Chairman, without regard to political affiliation and solely on the basis of the professional qualifications required to perform the duties and responsibilities of a Civilian Board judge, from a register of applicants maintained by the Civilian Board.

"(2) The members of the Defense Board and the Civilian Board shall be selected and appointed to serve in the same manner as administrative law judges appointed pursuant to section 3105 of title 5, United States Code, with an additional requirement that such members shall have had not fewer than five years of experience in public contract law.

"(3) Notwithstanding paragraph (2) and subject to subsection (b), the following persons shall serve as Board judges:

"(A) For the Defense Board, any full-time member of the Armed Services Board of Contract Appeals serving as such on the day before the effective date of this title.

"(B) For the Civilian Board, any full-time member of any agency board of contract appeals other than the Armed Services Board of Contract Appeals serving as such on the day before the effective date of this title.

"(C) For either the Defense Board or the Civilian Board, any person serving on the day before the date of the enactment of this title in a position at a level of assistant general counsel or higher with authority delegated from the Comptroller General to decide bid protests under subchapter V of chapter 35 of title 31, United States Code.

"(b) REMOVAL.—Members of the Defense Board and the Civilian Board shall be subject to removal in the same manner as administrative law judges, as provided in section 7521 of title 5, United States Code.

"(c) COMPENSATION.—Compensation for the Chairman of the Defense Board and the Chairman of the Civilian Board and all other members of each Board shall be determined under section 5372a of title 5, United States Code.".

SEC. 413. CHAIRMAN.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 412, is further amended by adding at the end the following:

"SEC. 203. CHAIRMAN.

"(a) DESIGNATION.—(1)(A) The Chairman of the Defense Board shall be designated by the Secretary of Defense to serve for a term of five years. The Secretary shall select the Chairman from among sitting judges each of whom has had at least five years of service—

"(i) as a member of the Armed Services Board of Contract Appeals; or

"(ii) in a position at a level of assistant general counsel or higher with authority delegated from the Comptroller General to decide bid protests under subchapter V of chapter 35 of title 31, United States Code (as in effect on the day before the effective date of this title).

"(B) The Chairman of the Civilian Board shall be designated by the Administrator of General Services to serve for a term of five years. The Administrator shall select the Chairman from among sitting judges each of whom has had at least five years of service—

"(i) as a member of an agency board of contract appeals other than the Armed Services Board of Contract Appeals; or

"(ii) in a position at a level of assistant general counsel or higher with authority delegated from the Comptroller General to decide bid protests under subchapter V of chapter 35 of title 31, United States Code (as in effect on the day before the effective date of this title).

"(2) A Chairman of a Board may continue to serve after the expiration of the Chairman's term until a successor has taken office. A Chairman may be reappointed any number of times.

"(b) RESPONSIBILITIES.—The Chairman of the Defense Board or the Civilian Board, as the case may be, shall be responsible on behalf of the Board for the executive and administrative operation of the Board, including functions of the Board with respect to the following:

"(1) The selection, appointment, and fixing of the compensation of such personnel, pursuant to part III of title 5, United States Code, as the Chairman considers necessary or appropriate, including a Clerk of the Board, a General Counsel, and clerical and legal assistance for Board judges.

"(2) The supervision of personnel employed by or assigned to the Board, and the distribution of work among such personnel.

"(3) The operation of an Office of the Clerk of the Board, including the receipt of all filings made with the Board, the assignment of cases, and the maintenance of all records of the Board.

"(4) The prescription of such rules and regulations as the Chairman considers necessary or appropriate for the administration and management of the Board.

"(c) VICE CHAIRMEN.—The Chairman of the Defense Board or the Civilian Board, as the case may be, may designate up to four other Board judges as Vice Chairmen. The Chairman

may divide the Board into two divisions, one for handling contract disputes and one for handling protests, and, if such division is made, shall assign a Vice Chairman to head each division. The Vice Chairmen, in the order designated by the Chairman, shall act in the place and stead of the Chairman during the absence of the Chairman.".

SEC. 414. RULEMAKING AUTHORITY.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 413, is further amended by adding at the end the following:

"SEC. 204. RULEMAKING AUTHORITY.

"The Chairman of the Defense Board and the Chairman of the Civilian Board shall jointly issue and maintain—

"(1) such procedural rules and regulations as are necessary to the exercise of the functions of the Boards under sections 213 and 214; and

"(2) statements of policy of general applicability with respect to such functions.".

SEC. 415. AUTHORIZATION OF APPROPRIATIONS.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 414, is further amended by adding at the end the following:

"SEC. 205. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated for fiscal year 1997 and each succeeding fiscal year such sums as may be necessary to carry out the provisions of this title. Funds for the activities of each Board shall be separately appropriated for such purpose. Funds appropriate pursuant to this section shall remain available until expended.".

Subtitle C—Functions of Defense and Civilian Boards of Contract Appeals

SEC. 421. ALTERNATIVE DISPUTE RESOLUTION SERVICES.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 415, is further amended by adding at the end the following:

"Subtitle B—Functions of the Defense and Civilian Boards of Contract Appeals

"SEC. 211. ALTERNATIVE DISPUTE RESOLUTION SERVICES.

"(a) REQUIREMENT TO PROVIDE SERVICES UPON REQUEST.—The Defense Board and the Civilian Board shall each provide alternative means of dispute resolution for any disagreement regarding a contract or prospective contract of an executive agency upon the request of all parties to the disagreement.

"(b) PERSONNEL QUALIFIED TO ACT.—Each Board judge and each attorney employed by the Board concerned shall be considered to be qualified to act for the purpose of conducting alternative means of dispute resolution under this section.

"(c) SERVICES TO BE PROVIDED WITHOUT CHARGE.—Any services provided by the Board concerned or any Board judge or employee pursuant to this section shall be provided without charge.

"(d) RECUSAL OF CERTAIN PERSONNEL UPON REQUEST.—In the event that a matter which is presented to the Board concerned for alternative means of dispute resolution, pursuant to this section, later becomes the subject of formal proceedings before such Board, any Board judge or employee who was involved in the alternative means of dispute resolution shall, if requested by any party to the formal proceeding, take no part in that proceeding.".

SEC. 422. ALTERNATIVE DISPUTE RESOLUTION OF DISPUTES AND PROTESTS SUBMITTED TO BOARDS.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 421, is further amended by adding at the end the following:

"SEC. 212. ALTERNATIVE DISPUTE RESOLUTION OF DISPUTES AND PROTESTS SUBMITTED TO BOARDS.

"With reasonable promptness after the submission to the Defense Board or the Civilian Board of a contract dispute under section 213 or a bid protest under section 214, a Board judge to whom the contract dispute or protest is assigned shall request the parties to meet with a Board judge, or an attorney employed by the Board concerned, for the purpose of attempting to resolve the dispute or protest through alternative means of dispute resolution. Formal proceedings in the appeal shall then be suspended until such time as any party or a Board judge to whom the dispute or protest is assigned determines that alternative means of dispute resolution are not appropriate for resolution of the dispute or protest.".

SEC. 423. CONTRACT DISPUTES.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 422, is further amended by adding at the end the following:

"SEC. 213. CONTRACT DISPUTES.

"The Defense Board shall have jurisdiction as provided by section 8(a) of the Contract Disputes Act of 1978 (41 U.S.C. 601–613). The Civilian Board shall have jurisdiction as provided by section 8(b) of such Act.".

SEC. 424. PROTESTS.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 423, is further amended by adding at the end the following:

"SEC. 214. PROTESTS.

"(a) REVIEW REQUIRED UPON REQUEST.—Upon request of an interested party in connection with any procurement conducted by an executive agency, the Defense Board or the Civilian Board, as the case may be, shall review, as provided in this section, any decision by the head of the executive agency alleged to violate a statute or regulation. A decision or order of the Board concerned pursuant to this section shall not be subject to interlocutory appeal or review.

"(b) STANDARD OF REVIEW.—In deciding a protest, the Board concerned may consider all evidence that is relevant to the decision under protest. It shall accord a presumption of correctness to the decision under protest. The protester may rebut such presumption by showing, by a preponderance of the evidence, that the decision was arbitrary or capricious or violated a statute or regulation.

"(c) NOTIFICATION.—Within one day after the receipt of a protest, the Board concerned shall notify the executive agency involved of the protest.

"(d) SUSPENSION OF CONTRACT AWARD.—(1) Except as provided in paragraph (2) of this subsection, a contract may not be awarded in any procurement after the executive agency has received notice of a protest with respect to such procurement from the Board concerned and while the protest is pending.

"(2) The head of the procuring activity responsible for award of a contract may authorize the award of the contract (notwithstanding a protest of which the executive agency has notice under this section)—

"(A) upon a written finding that urgent and compelling circumstances which significantly affect interests of the United States will not permit waiting for the decision of the Board concerned under this section; and

"(B) after the Board concerned is advised of that finding.

"(3) A finding may not be made under paragraph (2)(A) of this subsection unless the award of the contract is otherwise likely to occur within 30 days after the making of such finding.

"(4) The suspension of the award under paragraph (1) shall not preclude the executive agency concerned from continuing the procurement process up to but not including the award of the contract.

"(e) SUSPENSION OF CONTRACT PERFORMANCE.—(1) A contractor awarded an executive agency contract may, during the period described in paragraph (4), begin performance of the contract and engage in any related activities that result in obligations being incurred by the United States under the contract unless the contracting officer responsible for the award of the contract withholds authorization to proceed with performance of the contract.

"(2) The contracting officer may withhold an authorization to proceed with performance of the contract during the period described in paragraph (4) if the contracting officer determines in writing that—

"(A) a protest is likely to be filed; and

"(B) the immediate performance of the contract is not in the best interests of the United States.

"(3)(A) If the executive agency awarding the contract receives notice of a protest in accordance with this section during the period described in paragraph (4)—

"(i) the contracting officer may not authorize performance of the contract to begin while the protest is pending; or

"(ii) if authorization for contract performance to proceed was not withheld in accordance with paragraph (2) before receipt of the notice, the contracting officer shall immediately direct the contractor to cease performance under the contract and to suspend any related activities that may result in additional obligations being incurred by the United States under that contract.

"(B) Performance and related activities suspended pursuant to subparagraph (A)(ii) by reason of a protest may not be resumed while the protest is pending.

"(C) The head of the procuring activity may authorize the performance of the contract (notwithstanding a protest of which the executive agency has notice under this section)—

"(i) upon a written finding that urgent and compelling circumstances that significantly affect interests of the United States will not permit waiting for the decision concerning the protest by the Board concerned; and

"(ii) after the Board concerned is notified of that finding.

"(4) The period referred to in paragraphs (2) and (3)(A), with respect to a contract, is the period beginning on the date of the contract award and ending on the later of—

"(A) the date that is 10 days after the date of the contract award; or

"(B) the date that is 5 days after the debriefing date offered to an unsuccessful offeror for any debriefing that is requested and, when requested, is required.

"(f) The authority of the head of the procuring activity to make findings and to authorize the award and performance of contracts under subsections (d) and (e) of this section may not be delegated.

"(g) PROCEDURES.—

"(1) PROCEEDINGS AND DISCOVERY.—The Board concerned shall conduct proceedings and allow such discovery to the minimum extent necessary for the expeditious, fair, and cost-effective resolution of the protest. The Board concerned shall limit discovery to material which is relevant to the grounds of protest or to such affirmative defenses as the executive agency involved, or any intervenor supporting the agency, may raise.

"(2) PRIORITY.—The Board concerned shall give priority to protests filed under this section over contract disputes and alternative dispute services. Except as provided in paragraph (3), the Board concerned shall issue its final decision within 65 days after the date of the filing

of the protest, unless the Chairman determines that the specific and unique circumstances of the protest require a longer period, in which case the Board concerned shall issue such decision within the longer period determined by the Chairman. An amendment that adds a new ground of protest should be resolved, to the maximum extent practicable, within the time limits established for resolution of the initial protest.

"(3) THRESHOLD.—(A) Except as provided in subparagraph (B), any protest in which the anticipated value of the contract award that will result from the protested procurement, as estimated by the executive agency involved, is less than $20,000,000 shall be considered under simplified rules of procedure. Such simplified rules shall provide that discovery in such protests shall be in writing only. Such protests shall be decided by a single Board judge. The Board concerned shall issue its final decision in each such protest within 40 days after the date of the filing of the protest, unless the Chairman determines that the specific and unique circumstances of the protest require a longer period, in which case the Board concerned shall issue such decision within the longer period determined by the Chairman.

"(B) If the Chairman of the Board concerned determines that special and unique circumstances of a protest that would otherwise qualify for the simplified rules described in subparagraph (A), including the complexity of a protest, requires the use of full procedures as described in paragraphs (1) and (2), the Chairman shall use such procedures in lieu of the simplified rules described in subparagraph (A).

"(4) CALCULATION OF TIME FOR ADR.—In calculating time for purposes of paragraph (2) or (3) of this subsection, any days during which proceedings are suspended for the purpose of attempting to resolve the protest by alternative means of dispute resolution, up to a maximum of 20 days, shall not be counted.

"(5) DISMISSAL OF FRIVOLOUS PROTESTS.—The Board concerned may dismiss a protest that the Board concerned determines—

"(A) is frivolous,

"(B) has been brought or pursued in bad faith; or

"(C) does not state on its face a valid basis for protest.

"(6) PAYMENT OF COSTS FOR FRIVOLOUS PROTESTS.—(A) If the Board concerned expressly finds that a protest or a portion of a protest is frivolous or has been brought or pursued in bad faith, the Board concerned shall declare that the protester or other interested party who joins the protest is liable to the United States for payment of the costs described in subparagraph (B) unless—

"(i) special circumstances would make such payment unjust; or

"(ii) the protester obtains documents or other information after the protest is filed with the Board concerned that establishes that the protest or a portion of the protest is frivolous or has been brought or pursued in bad faith, and the protester then promptly withdraws the protest or portion of the protest.

"(B) The costs referred to in subparagraph (A) are all of the costs incurred by the United States of reviewing the protest, or of reviewing that portion of the protest for which the finding is made, including the fees and other expenses (as defined in section 2412(d)(2)(A) of title 28, United States Code) incurred by the United States in defending the protest.

"(h) DECISIONS AND CORRECTIVE ACTIONS ON PROTESTS.—(1) In making a decision on protests filed under this section, the Board concerned shall accord due weight to the goals of economic and efficient procurement, and shall take due account of the rule of prejudicial error.

"(2) If the Board concerned determines that a decision of the head of the executive agency violates a statute or regulation, the Board concerned may order the agency (or its head) to take such corrective action as the Board concerned considers appropriate. Corrective action includes requiring that the executive agency—

"(A) refrain from exercising any of its options under the contract;

"(B) recompete the contract immediately;

"(C) issue a new solicitation;

"(D) terminate the contract;

"(E) award a contract consistent with the requirements of such statute and regulation;

"(F) implement any combination of requirements under subparagraphs (A), (B), (C), (D), and (E); or

"(G) implement such other actions as the Board concerned determines necessary.

"(3) If the Board concerned orders corrective action after the contract award, the affected contract shall be presumed valid as to all goods or services delivered and accepted under the contract before the corrective action was ordered.

"(4) Any agreement that provides for the dismissal of a protest and involves a direct or indirect expenditure of appropriated funds shall be submitted to the Board concerned and shall be made a part of the public record (subject to any protective order considered appropriate by the Board concerned) before dismissal of the protest.

"(i) AUTHORITY TO DECLARE ENTITLEMENT TO COSTS.—(1)(A) Whenever the Board concerned determines that a decision of a contracting officer violates a statute or regulation, it may, in accordance with section 1304 of title 31, United States Code, further declare an appropriate prevailing party to be entitled to the costs of—

"(i) filing and pursuing the protest, including reasonable attorneys' fees and consultant and expert witness fees, and

"(ii) bid and proposal preparation.

"(B) No party (other than a small business concern (within the meaning of section 3(a) of the Small Business Act)) may be declared entitled under this paragraph to costs for—

"(i) consultant and expert witness fees that exceed the highest rate of compensation for expert witnesses paid by the Federal Government, or

"(ii) attorneys' fees that exceed $150 per hour unless the Board concerned, on a case by case basis, determines that an increase in the cost of living or a special factor, such as the limited availability of qualified attorneys for the proceedings involved, justifies a higher fee.

"(2) Payment of amounts due from an agency under paragraph (1) or under the terms of a settlement agreement under subsection (h)(4) shall be made from the appropriation made by section 1304 of title 31, United States Code, for the payment of judgments. The executive agency concerned shall reimburse that appropriation account out of funds available for the procurement.

"(j) APPEALS.—A final decision of the Board concerned may be appealed as set forth in section 8(g)(1) of the Contract Disputes Act of 1978 by the head of the executive agency concerned and by any interested party, including interested parties who intervene in any protest filed under this section.

"(k) ADDITIONAL RELIEF.—Nothing contained in this section shall affect the power of the Board concerned to order any additional relief which it is authorized to provide under any statute or regulation.

"(l) NONEXCLUSIVITY OF REMEDIES.—Nothing contained in this section shall affect the right of any interested party to file a protest with the contracting agency or to file an action in the United States Court of Federal Claims or in a United States district court.".

SEC. 425. APPLICABILITY TO CERTAIN CONTRACTS.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 424, is further amended by adding at the end the following:

"SEC. 215. APPLICABILITY TO CERTAIN CONTRACTS.

"(a) CONTRACTS AT OR BELOW THE SIMPLIFIED ACQUISITION THRESHOLD.—Notwithstanding section 33 of this Act, the authority conferred on the Defense Board and the Civilian Board by this title is applicable to contracts in amounts not greater than the simplified acquisition threshold.

"(b) CONTRACTS FOR COMMERCIAL ITEMS.—Notwithstanding section 34 of this Act, the authority conferred on the Defense Board and the Civilian Board by this title is applicable to contracts for the procurement of commercial items.".

Subtitle D—Repeal of Other Statutes Authorizing Administrative Protests

SEC. 431. REPEALS.

(a) GSBCA PROVISIONS.—Subsection (f) of the Brooks Automatic Data Processing Act (section 111 of the Federal Property and Administrative Services Act of 1949; 40 U.S.C. 759) is repealed.

(b) GAO PROVISIONS.—(1) Subchapter V of chapter 35 of title 31, United States Code (31 U.S.C. 3551–3556) is repealed.

(2) The analysis for chapter 35 of such title is amended by striking out the items relating to sections 3551 through 3556 and the heading for subchapter V.

Subtitle E—Transfers and Transitional, Savings, and Conforming Provisions

SEC. 441. TRANSFER AND ALLOCATION OF APPROPRIATIONS AND PERSONNEL.

(a) TRANSFERS.—

(1) ARMED SERVICES BOARD OF CONTRACT APPEALS.—The personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to, or to be made available in connection with the functions vested by law in the Armed Services Board of Contract Appeals established pursuant to section 8 of the Contract Disputes Act of 1978 (41 U.S.C. 607) (as in effect on the day before the effective date of this Act), shall be transferred to the Department of Defense Board of Contract Appeals for appropriate allocation by the Chairman of that Board.

(2) OTHER BOARDS OF CONTRACTS APPEALS.—The personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to, or to be made available in connection with the functions vested by law in the boards of contract appeals established pursuant to section 8 of the Contract Disputes Act of 1978 (41 U.S.C. 607) other than the Armed Services Board of Contract Appeals (as in effect on the day before the effective date of this Act), shall be transferred to the Civilian Board of Contract Appeals for appropriate allocation by the Chairman of that Board.

(3) COMPTROLLER GENERAL.—(A) One-third (as determined by the Comptroller General) of the personnel employed in connection with, and one-third (as determined by the Comptroller General) of the assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to, or to be made available in connection with the functions vested by law in the Comptroller General pursuant to subchapter V of chapter 35 of title 31, United States Code (as

in effect on the day before the effective date of this Act), shall be transferred to the Civilian Board of Contract Appeals for appropriate allocation by the Chairman of that Board.

(B) Two-thirds (as determined by the Comptroller General) of the personnel employed in connection with, and two-thirds (as determined by the Comptroller General) of the assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to, or to be made available in connection with the functions vested by law in the Comptroller General pursuant to subchapter V of chapter 35 of title 31, United States Code (as in effect on the day before the effective date of this Act), shall be transferred to the Department of Defense Board of Contract Appeals for appropriate allocation by the Chairman of that Board.

(b) EFFECT ON PERSONNEL.—Personnel transferred pursuant to this title shall not be separated or reduced in compensation for one year after such transfer, except for cause.

(c) REGULATIONS.—(1) The Department of Defense Board of Contract Appeals and the Civilian Board of Contract Appeals shall each prescribe regulations for the release of competing employees in a reduction in force that gives due effect to—

(A) efficiency or performance ratings;

(B) military preference; and

(C) tenure of employment.

(2) In prescribing the regulations, the Board concerned shall provide for military preference in the same manner as set forth in subchapter I of chapter 35 of title 5, United States Code.

SEC. 442. TERMINATIONS AND SAVINGS PROVISIONS.

(a) TERMINATION OF BOARDS OF CONTRACT APPEALS.—On the effective date of this title, the boards of contract appeals established pursuant to section 8 of the Contract Disputes Act of 1978 (41 U.S.C. 607) (as in effect on the day before the effective date of this Act) shall terminate.

(b) SAVINGS PROVISION FOR CONTRACT DISPUTE MATTERS PENDING BEFORE BOARDS.—(1) The provisions of this title shall not affect any proceedings (other than bid protests pending before the board of contract appeals of the General Services Administration) pending on the effective date of this Act before any board of contract appeals described in subsection (a).

(2) In the case of any such proceedings pending before the Armed Services Board of Contract Appeals, the proceedings shall be continued by the Department of Defense Board of Contract Appeals, and orders which were issued in any such proceeding by the Armed Services Board of Contract Appeals shall continue in effect until modified, terminated, superseded, or revoked by the Department of Defense Board of Contract Appeals, by a court of competent jurisdiction, or by operation of law.

(3) In the case of any such proceedings pending before an agency board of contract appeals other than the Armed Services Board of Contract Appeals, the proceedings shall be continued by the Civilian Board of Contract Appeals, and orders which were issued in any such proceeding by the agency board shall continue in effect until modified, terminated, superseded, or revoked by the Civilian Board of Contract Appeals, by a court of competent jurisdiction, or by operation of law.

(c) BID PROTEST TRANSITION PROVISIONS.—(1) No protest may be submitted to the Comptroller General pursuant to section 3553(a) of title 31, United States Code, or to the board of contract appeals for the General Services Administration pursuant to the Brooks Automatic Data Processing Act (40 U.S.C. 759) on or after the effective date of this Act.

(2) In the case of bid protest proceedings pending before the board of contract appeals of the General Services Administration on the effective date of this Act, the proceedings shall be continued by the Civilian Board of Contract Appeals. The provisions repealed by section 431(a) shall continue to apply to such proceedings until the Civilian Board of Contract Appeals determines such proceedings have been completed.

(3) The provisions repealed by section 431(b) shall continue to apply to proceedings pending on the effective date of this title before the Comptroller General pursuant to those provisions, until the Comptroller General determines such proceedings have been completed.

SEC. 443. CONTRACT DISPUTES AUTHORITY OF BOARDS.

(a) Section 2 of the Contract Disputes Act of 1978 (41 U.S.C. 601) is amended—

(1) by amending paragraph (6) to read as follows:

"(6) the term 'Defense Board' means the Department of Defense Board of Contract Appeals established under section 8(a) of this Act;";

(2) by redesignating paragraph (7) as paragraph (8); and

(3) by inserting after paragraph (6) the following new paragraph (7):

"(7) the term 'Civilian Board' means the Civilian Board of Contract Appeals established under section 8(b) of this Act; and".

(b) Section 6(c)(6) of the Contract Disputes Act of 1978 (41 U.S.C. 605(c)(6)) is amended—

(1) by striking out "court or an agency board of contract appeals" and inserting in lieu thereof "court, the Defense Board, or the Civilian Board";

(2) by striking out "an agency board of contract appeals" in the third sentence and inserting in lieu thereof "the Defense Board or the Civilian Board"; and

(3) by striking out "agency board" and inserting in lieu thereof "the Board concerned".

(c) Section 7 of the Contract Disputes Act of 1978 (41 U.S.C. 606) is amended by striking out "an agency board of contract appeals" and inserting in lieu thereof "the Defense Board or the Civilian Board".

(d) Section 8 of the Contract Disputes Act of 1978 (41 U.S.C. 607), as amended by section 411, is further amended—

(1) by amending the heading to read as follows:

"DEFENSE AND CIVILIAN BOARDS OF CONTRACT APPEALS";

(2) by striking out subsection (c);

(3) in subsection (d)—

(A) by striking out the first sentence and inserting in lieu thereof the following:

"The Defense Board shall have jurisdiction to decide any appeal from a decision of a contracting officer of the Department of Defense, the Department of the Army, the Department of the Navy, or the Department of the Air Force relative to a contract made by that department. The Civilian Board shall have jurisdiction to decide any appeal from a decision of a contracting officer of any executive agency (other than the Department of Defense or the Department of the Army, the Navy, or the Air Force) relative to a contract made by that agency."; and

(B) in the second sentence, by striking out "the agency board" and inserting in lieu thereof "the Board concerned";

(4) in subsection (e), by striking out "An agency board shall provide" and inserting in lieu thereof "The Defense Board and the Civilian Board shall each provide,";

(5) in subsection (f), by striking out "each agency board" and inserting in lieu thereof "the Defense Board and the Civilian Board";

(6) in subsection (g)—

(A) in the first sentence of paragraph (1), by striking out "an agency board of contract appeals" and inserting in lieu thereof "the Defense Board or the Civilian Board, as the case may be,";

(B) by striking out paragraph (2); and

(C) by redesignating paragraph (3) as paragraph (2); and

(7) by striking out subsections (h) and (i).

(e) Section 9 of the Contract Disputes Act of 1978 (41 U.S.C. 608) is amended—

(1) in subsection (a), by striking out "each agency board" and inserting in lieu thereof "the Defense Board and the Civilian Board"; and

(2) in subsection (b), by striking out "the agency board" and inserting in lieu thereof "the Board concerned".

(f) Section 10 of the Contract Disputes Act of 1978 (41 U.S.C. 609) is amended—

(1) in subsection (a)—

(A) in the first sentence of paragraph (1)—

(i) by striking out "Except as provided in paragraph (2), and in" and inserting in lieu thereof "In"; and

(ii) by striking out "an agency board" and inserting in lieu thereof "the Defense Board or the Civilian Board";

(B) by striking out paragraph (2); and

(C) by redesignating paragraph (3) as paragraph (2), and in that paragraph by striking out "or (2)";

(2) in subsection (b)—

(A) by striking out "any agency board" and inserting in lieu thereof "the Defense Board or the Civilian Board"; and

(B) by striking out "the agency board" and inserting in lieu thereof "the Board concerned";

(3) in subsection (c)—

(A) by striking out "an agency board" and inserting in lieu of each "the Defense Board or the Civilian Board"; and

(B) by striking out "the agency board" and inserting in lieu thereof "the Board concerned"; and

(4) in subsection (d)—

(A) by striking out "one or more agency boards" and inserting in lieu thereof "the Defense Board or the Civilian Board (or both)"; and

(B) by striking out "or among the agency boards involved" and inserting in lieu thereof "one or both of the Boards".

(g) Section 11 of the Contract Disputes Act of 1978 (41 U.S.C. 610) is amended—

(1) in the first sentence, by striking out "an agency board of contract appeals" and inserting in lieu thereof "the Defense Board or the Civilian Board"; and

(2) in the second sentence, by striking out "the agency board through the Attorney General; or upon application by the board of contract appeals of the Tennessee Valley Authority" and inserting in lieu thereof "the Defense Board or the Civilian Board".

(h) Section 13 of the Contract Disputes Act of 1978 (41 U.S.C. 612) is amended—

(1) in subsection (b), by striking out "an agency board of contract appeals" and inserting in lieu thereof "the Defense Board or the Civilian Board"; and

(2) in subsection (d)(2), by striking out "by the board of contract appeals for" and inserting in lieu thereof "by the Defense Board or the Civilian Board from".

SEC. 444. REFERENCES TO AGENCY BOARDS OF CONTRACT APPEALS.

(a) DEFENSE BOARD.—Any reference to the Armed Services Board of Contract Appeals in any provision of law or in any rule, regulation, or other paper of the United States shall be treated as referring to the Department of Defense Board of Contract Appeals.

(b) CIVILIAN BOARD.—Any reference to an agency board of contract appeals other than the Armed Services Board of Contract Appeals in any provision of law or in any rule, regulation, or other paper of the United States shall be treated as referring to the Civilian Board of Contract Appeals.

SEC. 445. CONFORMING AMENDMENTS.

(a) TITLE 5.—Section 5372a of title 5, United States Code, is amended—

(1) in subsection (a)(1), by striking out "an agency board of contract appeals appointed under section 8 of the Contract Disputes Act of 1978" and inserting in lieu thereof "the Department of Defense Board of Contract Appeals or the Civilian Board of Contract Appeals appointed under section 202 of the Office of Federal Procurement Policy Act"; and

(2) in subsection (a)(2), by striking out "an agency board of contract appeals" and inserting in lieu thereof "the Department of Defense Board of Contract Appeals or the Civilian Board of Contract Appeals".

(b) TITLE 10.—(1) Section 2305(e) of title 10, United States Code, is amended—

(A) in paragraph (1), by striking out "subchapter V of chapter 35 of title 31" and inserting in lieu thereof "title II of the Office of Federal Procurement Policy Act"; and

(B) by striking out paragraph (3).

(2) Section 2305(f) of such title is amended—

(A) in paragraph (1), by striking out "subparagraphs (A) through (F) of subsection (b)(1) of section 3554 of title 31" and inserting in lieu thereof "section 214(h)(2) of the Office of Federal Procurement Policy Act"; and

(B) in paragraph (2), by striking out "paragraph (1) of section 3554(c) of title 31 within the limits referred to in paragraph (2)" and inserting in lieu thereof "subparagraph (A) of section 214(i)(1) of the Office of Federal Procurement Policy Act within the limits referred to in subparagraph (B)".

(c) FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949.—(1) Section 303B(j) (as redesignated by section 104(b)(2)) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b(h)) is amended—

(A) in paragraph (1), by striking out "subchapter V of chapter 35 of title 31, United States Code" and inserting in lieu thereof "title II of the Office of Federal Procurement Policy Act"; and

(B) by striking out paragraph (3).

(2) Section 303B(k) (as redesignated by section 104(b)(2)) of such Act (41 U.S.C. 253b(i)) is amended—

(A) in paragraph (1), by striking out "in subparagraphs (A) through (F) of subsection (b)(1) of section 3554 of title 31, United States Code" and inserting in lieu thereof "section 214(h)(2) of the Office of Federal Procurement Policy Act"; and

(B) in paragraph (2), by striking out "paragraph (1) of section 3554(c) of such title within the limits referred to in paragraph (2)" and inserting in lieu thereof "subparagraph (A) of section 214(i)(1) of the Office of Federal Procurement Policy Act within the limits referred to in subparagraph (B)".

(d) OFFICE OF FEDERAL PROCUREMENT POLICY ACT.—The table of contents for the Office of Federal Procurement Policy Act (contained in section 1(b)) is amended—

(1) by inserting the following before the item relating to section 1:

"TITLE I—FEDERAL PROCUREMENT POLICY GENERALLY";

and

(2) by adding at the end the following:

"TITLE II—DISPUTE RESOLUTION

"SUBTITLE A—GENERAL PROVISIONS

"Sec. 201. Definitions.
"Sec. 202. Membership.
"Sec. 203. Chairman.
"Sec. 204. Rulemaking authority.
"Sec. 205. Authorization of appropriations.

"SUBTITLE B—FUNCTIONS OF THE DEFENSE AND CIVILIAN BOARDS OF CONTRACT APPEALS

"Sec. 211. Alternative dispute resolution services.
"Sec. 212. Alternative dispute resolution of disputes and protests submitted to Boards.
"Sec. 213. Contract disputes.
"Sec. 214. Protests.
"Sec. 215. Applicability to certain contracts.".

Subtitle F—Effective Date; Interim Appointment and Rules

SEC. 451. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect on October 1, 1996.

SEC. 452. INTERIM APPOINTMENT.

(a) DEFENSE BOARD.—The judge serving as chairman of the Armed Services Board of Contract Appeals on the date of the enactment of this Act shall serve as Chairman of the Department of Defense Board of Contract Appeals during the two-year period beginning on the effective date of this title, unless such individual resigns such position or the position otherwise becomes vacant before the expiration of such period. The authority vested in the Secretary of Defense by section 203(a) of the Office of Federal Procurement Policy Act (as added by section 413) shall take effect upon the expiration of such two-year period or on the date such position is vacated, whichever occurs earlier.

(b) CIVILIAN BOARD.—The judge serving as chairman of the board of contract appeals of the General Services Administration on the date of the enactment of this Act shall serve as Chairman of the Civilian Board of Contract Appeals during the two-year period beginning on the effective date of this title, unless such individual resigns such position or the position otherwise becomes vacant before the expiration of such period. The authority vested in the Administrator of General Services by section 203(a) of the Office of Federal Procurement Policy Act (as added by section 413) shall take effect upon the expiration of such two-year period or on the date such position is vacated, whichever occurs earlier.

SEC. 453. INTERIM RULES.

(a) RULES OF PROCEDURE.—Until such date as rules of procedure are promulgated pursuant to section 204 of the Office of Federal Procurement Policy Act (as added by section 414)—

(1) for protests, the rules of procedure of the board of contract appeals of the General Services Administration, as in effect on the day before the effective date of this Act, shall be the rules of procedure for both the Department of Defense Board of Contract Appeals and the Civilian Board of Contract Appeals; and

(2) for contract disputes—

(A) the rules of procedure of the board of contract appeals of the General Services Administration, as in effect on the day before the effective date of this Act, shall be the rules of procedure for the Civilian Board of Contract Appeals; and

(B) the rules of procedure of the Armed Services Board of Contract Appeals, as in effect on the day before the effective date of this Act, shall be the rules of procedure for the Department of Defense Board of Contract Appeals.

(b) RULES REGARDING BOARD JUDGES.—(1) Until such date as the Department of Defense Board of Contract Appeals (in this paragraph referred to as the "Defense Board") promulgates rules governing the establishment and maintenance of a register of eligible applicants and the selection of Board judges, the rules of the Armed Services Board of Contract Appeals governing the establishment and maintenance of a register of eligible applicants and the selection of board members (as in effect on the day before the effective date of this Act) shall be the rules of the Defense Board governing the establishment and maintenance of a register of eligible applicants and the selection of Board judges, except that any provisions of the rules of the Armed Services Board of Contract Appeals that authorize any individual other than the chairman of such board to select a Defense Board judge shall have no effect.

(2) Until such date as the Civilian Board of Contract Appeals (in this paragraph referred to as the "Civilian Board") promulgates rules governing the establishment and maintenance of a register of eligible applicants and the selection of Board judges, the rules of the board of contract appeals of the General Services Administration governing the establishment and maintenance of a register of eligible applicants and the selection of board members (as in effect on the day before the effective date of this Act) shall be the rules of the Civilian Board governing the establishment and maintenance of a register of eligible applicants and the selection of Board judges, except that any provisions of the rules of the board of contract appeals of the General Services Administration that authorize any individual other than the chairman of such board to select a Civilian Board judge shall have no effect.

The CHAIRMAN. Are there amendments to title IV?

If not, the Clerk will designate title V.

The text of title V is as follows:

TITLE V—EFFECTIVE DATES AND IMPLEMENTATION

SEC. 501. EFFECTIVE DATE AND APPLICABILITY.

(a) EFFECTIVE DATE.—Except as otherwise provided in this title, this title and the amendments made by this title shall take effect on the date of the enactment of this Act.

(b) APPLICABILITY OF AMENDMENTS.—(1) An amendment made by this title shall apply, in the manner prescribed in the final regulations promulgated pursuant to section 502 to implement such amendment, with respect to any solicitation that is issued, any unsolicited proposal that is received, and any contract entered into pursuant to such a solicitation or proposal, on or after the date described in paragraph (3).

(2) An amendment made by this title shall also apply, to the extent and in the manner prescribed in the final regulations promulgated pursuant to section 502 to implement such amendment, with respect to any matter related to—

(A) a contract that is in effect on the date described in paragraph (3);

(B) an offer under consideration on the date described in paragraph (3); or

(C) any other proceeding or action that is ongoing on the date described in paragraph (3).

(3) The date referred to in paragraphs (1) and (2) is the date so specified in such final regulations. The date so specified shall be October 1, 1996, or any earlier date that is not within 30 days after the date on which such final regulations are published.

SEC. 502. IMPLEMENTING REGULATIONS.

(a) PROPOSED REVISIONS.—Proposed revisions to the Federal Acquisition Regulation and such other proposed regulations (or revisions to existing regulations) as may be necessary to implement this title shall be published in the Federal Register not later than 210 days after the date of the enactment of this Act.

(b) PUBLIC COMMENT.—The proposed regulations described in subsection (a) shall be made available for public comment for a period of not less than 60 days.

(c) FINAL REGULATIONS.—Final regulations shall be published in the Federal Register not later than 330 days after the date of enactment of this Act.

(d) MODIFICATIONS.—Final regulations promulgated pursuant to this section to implement an amendment made by this title may provide for modification of an existing contract without

consideration upon the request of the contractor.

(e) SAVINGS PROVISIONS.—(1) Nothing in this title shall be construed to affect the validity of any action taken or any contract entered into before the date specified in the regulations pursuant to section 501(b)(3) except to the extent and in the manner prescribed in such regulations.

(2) Except as specifically provided in this title, nothing in this title shall be construed to require the renegotiation or modification of contracts in existence on the date of the enactment of this Act.

(3) Except as otherwise provided in this title, a law amended by this title shall continue to be applied according to the provisions thereof as such law was in effect on the day before the date of the enactment of this Act until—

(A) the date specified in final regulations implementing the amendment of that law (as promulgated pursuant to this section); or

(B) if no such date is specified in regulations, October 1, 1996.

The CHAIRMAN. Are there amendments to title V?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

Mr. Chairman. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. DIAZ-BALART) having assumed the chair, Mr. WELLER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1670) to revise and streamline the acquisition laws of the Federal Government, to reorganize the mechanisms for resolving Federal procurement disputes, and for other purposes, pursuant to House Resolution 219, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. CLINGER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 423, noes 0, not voting 11, as follows:

[Roll No. 663]

AYES—423

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—11

Frost
Meek
Mineta
Moakley
Reynolds
Royce
Scarborough
Sisisky
Solomon
Tucker
Velazquez

☐ 1534

So the bill was passed.

The result of the vote was announced as above recorded

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CLINGER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material on the bill just passed.

The SPEAKER pro tempore (Mr. DIAZ-BALART). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 1670, FEDERAL ACQUISITION REFORM ACT OF 1995

Mr. CLINGER. Mr. Speaker, I ask unanimous consent in the engrossment of the bill, H.R. 1670, the Clerk be authorized to make technical corrections and conforming changes to the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

ANNOUNCEMENT BY COMMITTEE ON RULES REGARDING FILING OF AMENDMENTS ON H.R. 927, CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY ACT OF 1995 AND H.R. 1720, THE CAREERS ACT

(Mr. DREIER asked and was given permission to address the House for 1 munute.)

Mr. DREIER. Mr. Speaker, next week the Rules Committee is expected to meet to grant rules for several bills scheduled for floor consideration. As has been the practice in recent times, the Rules Committee may include a provision in these rules giving priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD.

On Monday the Rules Committee will meet at 4 p.m. to consider rules on two bills—H.R. 927, the Cuban Liberty and Democratic Solidarity Act, and H.R. 1617, the CAREERS Act. A preprinting option will likely be included in both rules.

With respect to the Cuban Liberty bill (H.R. 927), Members should be advised that the rule will likely make in order a new amendment in the nature of a substitute, taking into account the concerns of committees of shared jurisdiction, as base text for amendment purposes. For the convenience of Members, the text of the amendment will be printed in today's CONGRESSIONAL RECORD.

With respect to the CAREERS Act, Members should be advised that the Rules Committee has been asked by the Economic and Educational Opportunities Committee to make in order as base text an amendment in the nature of a substitute consisting of the text H.R. 1617 combined with the text of H.R. 1720, the Privatization Act of 1995.

That amendment in the nature of a substitute will be placed in today's CONGRESSIONAL RECORD for Members' convenience. It will also be introduced as a new bill for reference in the rule as an amendment in the nature of a substitute for amendment purposes. It is especially important that Members' pre-print their amendments for this bill since it involves several formulas that are complex in nature.

Members are requested to use the Office of Legislative Counsel for drafting their amendments to the new base texts for both bills to ensure they are properly drafted. It is not necessary for Members to file their amendments with the Rules Committee or to testify.

On Tuesday, September 19, the Rules Committee is tentatively scheduled to meet to consider rules on two bills, H.R. 2274, to designate the National Highway System, and H.R. 1323, the Pipeline Safety Act of 1995.

While we have not received specific rule requests on these bills at this time, Members should expect at the least that the amendment preprinting option for priority in recognition may be included in these rules.

As always, the continued cooperation of Members in preprinting their amendments in the CONGRESSIONAL RECORD is appreciated both by the committees of jurisdiction and their colleagues.

LEGISLATIVE PROGRAM

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Mr. Speaker, I ask the gentleman from California [Mr. DREIER], my friend, what the schedule will be for the next week.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, I thank my very dear friend, the gentleman from Mount Clemens, MI [Mr. BONIOR], for yielding.

Mr. Speaker, on Monday, September 18, the House will meet at 10:30 a.m. for morning hour and 12 noon for legislative business. We plan to take up the following 11 bills under suspension of the rules: S. 464, extension of district court demonstration projects; S. 532, clarifying rules governing venue; House Resolution 181, encouraging the peace process in Sri Lanka; House Resolution 158, congratulating the people of Mongolia; House Concurrent Resolution 42, supporting dispute resolution in Cyprus; H.R. 1091, the Shenandoah Valley National Battlefields Partnership Act of 1995; H.R. 260, National Park System Reform Act of 1995; H.R. 402, the Alaska Native claims settlement amendments; H.R. 1872, The Ryan White Care Act Amendments of 1995; H.R. 558, The Texas Low-Level Radioactive Waste Disposal Compact Consent Act; and H.R. 1296, providing for the administration of certain Presidio properties.

After consideration of the suspensions, we plan to take up H.R. 39, the Fisheries Conservation and Management Act, subject to a unanimous-consent agreement.

Members should be advised that there will be no recorded votes on Monday; any votes will be postponed until Tuesday. Members should not expect any votes on Tuesday before 11 a.m.

On Tuesday, the House will meet at 9 a.m. for morning hour and 10 a.m. for legislative business. On Wednesday and Thursday the House will meet at 10 a.m. for legislative business. Members should be advised that there will be no votes on Friday, September 22.

The House will consider the following bills next week, all of which will be subject to rules: H.R. 1617, the Careers Act; H.R. 927, the Cuban Liberty and Democratic Solidarity Act of 1995; H.R. 2274, the National Highway System Designation Act of 1995; and H.R. 1323, the Pipeline Safety Act of 1995.

Members should be advised that conference reports may be brought up at any time.

On Monday and Tuesday, we expect the House to conclude its business between 7 and 8 p.m. On Wednesday, we plan on working later, but we hope to adjourn between 10 p.m. and 12 midnight. It is our hope to have Members on their way home to their families and their districts by no later than 6 p.m. on Thursday.

Mr. Speaker, does my friend, the gentleman from Michigan, have any questions?

Mr. BONIOR. I certainly do, Mr. Speaker, I thank the gentleman from California [Mr. DREIER] for reading the schedule to us this afternoon.

Mr. DREIER. My pleasure.

Mr. BONIOR. Mr. Speaker, it would appear from the gentleman's reading of the schedule that it seems like a light week next week. I note that we are not having any recorded votes on Monday or Friday next week, and I was wondering if the leadership on the other side would not entertain a resolution that has been sponsored by over 200 Members of this body that would require that we have at least 4 weeks of debate and hearings on the Medicare issue since the Medicare issue is indeed the biggest, or if not the biggest, one of the biggest issues we will face not only in this session of Congress, but in the country, and I say to the gentleman to just let me finish, and then I would be happy to get an answer from my colleague here.

Mr. DREIER. If my colleague would yield, I would answer.

Mr. BONIOR. If the gentleman would withhold for a second, I will finish my point, and maybe it will become a little clearer to my friend from California so he can respond in a more full and understanding way.

Mr. Speaker, it seems to me that, if we are going to take this issue up next week after only 1 day of hearing, that when we are talking about the largest increases and cuts in Medicare and Medicaid in the history of this country, it seems to me that we are going to shortchange the American public, and I would ask the gentleman, with over 200 Members supporting this resolution, ask him for at least 4 weeks of debate.

Mr. DREIER. I ask my friend if that is the same question he asked about 90 second ago, or are there two questions?

Mr. BONIOR. This is the same. The gentleman can answer them both, but I have a feeling I know what the answer is.

Mr. DREIER. Mr. Speaker, I would say to my friend that we have gone through exhaustive hearings on the issue of Medicare, and to argue that this issue has not been debated either in Congress or in the public is obviously not the case.

I see the gentleman from Florida, my friend, here, the ranking member of the Committee on Ways and Means, and I understand that this particular piece of legislation will not have had the specific hearings on this bill, but for more than a day or so, but virtually every option, as we have looked at the proposal that came forward on April 3 from the trustees on the prospect of the entire Medicare system being bankrupt within 7 years, virtually every option has been addressed. We know the President has demonstrated a need to deal with this issue, and I believe that it is going to be timely for us to move forward, and so we will be proceeding just as rapidly as possible.

Mr. BONIOR. I am glad my friend, and I thank my friend, for his answer, although I am disappointed in it; I am glad that my friend from California acknowledges the fact that indeed there will be not more than a day or so, whatever or so means. I assume it is a day of hearings on this particular proposal that will be before this country, the biggest cuts in Medicare and Medicaid in the history of the country. But it seems to me that, if we could do a resolution next week congratulating the people of Mongolia, the least we could do is have a resolution on the floor to debate the appropriate amount of time for hearings on this most crucial issue to this country.

Mr. DREIER. If the gentleman would yield for just one clarification on this, the gentleman said that we are going to have the largest cuts when, in fact, we will over the next 7 years see an increase of from $4,800 to $6,700 per beneficiary, which is roughly about a 52-percent increase in the level of expenditures. We will be expending well over $1¼ trillion, or approaching $1¼ trillion, on Medicare over the next 6 to 7 years, and so to call it a cut is obviously an inaccurate statement.

Mr. BONIOR. That is what we would like to have the time to debate and discuss and have hearings about.

Mr. DREIER. We are doing it right now, have been doing it over the last several months.

Mr. BONIOR. We obviously are right now, and only in Republican Washington, DC, would someone characterize an individual having to pay perhaps $500 to $1,000 out of his or her pocket Medicare costs as an increase.

□ 1545

Only in Washington, DC, would that be termed as an increase.

Mr. GIBBONS. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Speaker, I appreciate the gentleman yielding.

Let me ask my distinguished friend from California a question about this. We have had 2 weeks of Waco hearings here sponsored by my Republican friends, 2 weeks of Waco hearings. We have had so many weeks of Whitewater hearings that everybody has completely lost interest in that nonsubject, and yet we are beginning to take up what I recognize is the toughest vote on the Republican side. How do you take as much money out of Medicare to give to a tax cut as is scheduled to be taken out of Medicare?

The majority has taken all of this money out of Medicare beneficiaries and poor people's pockets to give to the wealthy, and yet we are only entitled to perhaps 1 day of hearing. As of this moment we do not have your plan. The majority has been in charge of this body for 11 months, 10 months now, and we do not have a plan. We have never seen a plan. This is the only copy of your plan I have ever seen, this blank piece of paper that I hold here. Now, when are you going to let the American public in on what you are going to do to them? When are you going to let them see it?

Mr. THOMAS. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from California.

Mr. THOMAS. Mr. Speaker, I thank the gentleman from Michigan for yielding. The gentleman from Florida [Mr. GIBBONS], if memory serves, in fact sat in with the Subcommittee on Health, not being a member of the Subcommittee on Health, wanting to make sure that any Member who was interested in being informed on the subject matter, sat in on several of the Subcommittee on Health hearings. We had 16 of them over every possible option that could be put into a Medicare package. We had two full Committee on Ways and Means hearings.

Mr. Speaker, we are in the process of compiling that information. The original criticism was that one cannot write a bill without hearing from all of the folks who are going to be affected. We thought that was good advice. So we held hearings to hear from all of the people who were affected. Now we are being criticized because we have been here for 10 months, holding hearings during the first 9 months, and we are now in the process of writing legislation, and we are being criticized because we did not write the legislation before we held the 16 hearings.

Now, you know, you are damned if you do and you are damned if you don't. I understand that is the role of the minority. We played that for a while. But we are in the majority; we have a part A payroll tax trust fund for the seniors that is going bankrupt, and we are putting together a program to make sure that does not go bankrupt, and we have a part B program which is eating up enormous resources from our young people. What we are going to do is create a system, long overdue, which gives seniors choice, and through the exercise of that choice, we will make sure that the part A program does not go bankrupt, and that the demands on the budget will be less.

Now, that is a complicated program. The gentleman from Florida knows all of the parts that would go into that program. His objection is that he has not seen all of the parts assembled. He will, and under the rules of the House, as the ranking minority member of the Committee on Ways and Means, will have the ability to fully exercise his rights to ask for hearings on his side of the House, and we will certainly honor, under the rules, the maximum ability of the ranking member from Florida to exercise his privileges and rights under the rules.

Mr. GIBBONS. Mr. Speaker, if the gentleman will continue to yield, as I understand the proposal, it is that perhaps one day next week we will have a full day hearing on the Medicare proposals. But as everyone who has ever dealt with the subject, and I am sure the gentleman from California is wrestling with the problem right now, the devil of all of this is in the details. These are huge matters that require a great deal of money and a great deal of substantive law, and they require understanding by all of the 40 million people who are on Medicare and their families; and of the hospitals and of the doctors and of other providers, of all of the medical educators, of all of the kidney failure people, of all of the hospitals that get special payments out of Medicare for all of the unpaid patients that they have to treat. These are extremely complicated problems, and they need a thorough public understanding.

The way I understand it, though, is that we are going to get 1 day of public hearings which will probably be taken up by most of your witnesses and that will not get any chance. I doubt by that time that we will even have a copy of your plan. So that is the problem. We need and the public needs to know.

I can only imagine what is in your plan. I have attended your hearings. With no disrespect to the gentleman from California, the gentleman did the best he could, but we did not have a plan then, and as far as I know, he does not have a plan as of this moment. We have to start voting on this the week after next in the Committee on Ways and Means, and we have seen nothing in writing as to what he plans to do.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Speaker, I thank the gentleman for yielding, and I would hope that not only would we get this debate about the debate that we would choose to have, and unfortunately, if the Republicans do not grant us your resolution to have that debate or to provide for several weeks of discussion on these Medicare cuts, then we are left, as the gentleman has said, with 1 day in the Committee on Ways and Means.

We do not know what this plan is. We have seen speculation in the press about this, that there is $110 billion taken from providers and there is an $80 billion black hole that looks back and maybe hits providers or beneficiaries 2 or 3 years from now. But the fact is, as the gentleman from Florida knows, the Medicare system is more than just Medicare, it is teaching hospitals, it is poor widows that have the premium, Medicare premiums, paid for by Medicaid; it is a very complex system. And simply announcing the bill and having the hearing and voting on it a week later does not satisfy our obligation to the people that we represent, because the plan will look very different to different people depending upon where they are in the American health care system, whether they are in an urban hospital or a rural hospital, whether they are poor and their premiums are paid by Medicaid, whether they will be able to continue or not continue on Medicare, whether they are a teaching facility, and that takes time.

I can understand the Republicans not wanting to have this time, either in the Committee on Ways and Means or anywhere else. But the fact is, this is the biggest change we have in the history of American health care since the advent of the American Medicare system, a system that has provided health care to millions of seniors, that their families rely on. We are now seeing a whole series of discussions by medical analysts that families, people my age who are in their 50's, who are in their 40's, whose parents are in their 80's, now have the threat that these Medicaid cuts could mean that hundreds of thousands, if not more, people will not have access to long-term care, or to nursing home care.

Mr. DREIER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. DIAZ-BALART). Does the gentleman from Michigan yield for a parliamentary inquiry?

Mr. BONIOR. No, Mr. Speaker, not at this point.

Mr. MILLER of California. Mr. Speaker, I would like to speak to the gentleman's motion and his inquiry of the minority. Sixty-seven percent of the Medicaid costs go to pay for elderly people's long-term care that their families cannot afford. And that is why we want this discussion. But we want this discussion in front of the Committee on Ways and Means where people can be cross-examined, where their points of view can be examined, their figures can be examined and the American public can then make a determination. Having all of this discussion, have all of this discussion prior to the Committee on Ways and Means hearing has nothing to do with this bill.

We have examined the options for Medicare since 1948. But this is where the rubber hits the road. This may not cut Medicare, that is your claim, but it is going to certainly cut household income for people, and it is going to certainly cut their disposable income as their premiums continue to go up and the cost of their relatives continue to go up and the care of their parents continue to go up.

That is what this debate is about. The gentleman ought to have the courage of your convictions, he ought to put that bill into the Committee on Ways and Means. We have experts on the committee in terms of the Members of the Congress, the staff there, and we ought to cross-examine the different opinions about what this bill is going to do or not do to families in this country who are deeply concerned about their future health care and the health care that their parents and their grandparents are receiving today, because that is what is on the chopping block and we do not know anything about it. But 1 day's hearing just does not satisfy it.

We had hearings on the Committee on Ways and Means I believe earlier this year on every cockamamie tax loophole that some Member wanted for somebody in their district. Those went on for days. But now we are talking about the largest single change in American health care in the history of this country since the beginning of the Medicare-Medicaid system, and it is 1 day's worth of hearing.

What we are asking for and the gentleman is asking for is consider a resolution that says we can examine this in the Committee on Ways and Means for 4 weeks, let the people be heard, let the providers be heard, let the beneficiaries be heard, let the teaching hospitals be heard, let the rural hospitals be heard, and then let the American people decide. But apparently, apparently, there is a great fear on the other side of the aisle that the public discussion will not allow their proposal to be successful.

Mr. DREIER. Mr. Speaker, if the gentleman will continue to yield, let me just respond to my very good friend from Martinez who has raised some very, very good questions. The fact of the matter is, as the gentleman from California [Mr. THOMAS] indicated, 16 hearings were held in the Subcommittee on Health of the Committee on Ways and Means.

Mr. BONIOR. Mr. Speaker, reclaiming my time, but they were not on this specific proposal.

Mr. DREIER. Mr. Speaker, if the gentleman will continue to yield, they were on the issue of Medicare reform. Those have come forward. This has been debated in the media, here in the Congress, and I hasten to add that to hear my friends on the other side of the aisle argue that in some way we are going to be not utilizing the proper procedures of the House as we proceed with this really makes one incredulous, in light of the fact that we have seen legislation rammed through here when my friends on the other side of the aisle were in the majority for years and years and years, and we are planning to comply with the rules of the House, and we will continue this debate.

The evidence that we have right here is that during this 1-minute, which has lasted about 20 so far, we have seen a vigorous debate take place, and I suspect that it is going to continue. It will most likely continue this weekend on the television, and I believe that we will see a full airing, and those groups to which my friend referred have been heard from by many of the different committees that have been involved in this.

Mr. BONIOR. But they have not been heard on this specific bill.

Mr. DREIER. That relates to the program itself that we are going to be considering next week.

Mr. BONIOR. Mr. Speaker, reclaiming my time, the people in this country have not been heard on your specific proposal and the resolution which I refer to in the debate that we are having now, the one offered by the gentleman from Michigan [Mr. DINGELL] and supported by over 200 Members of this body calls for hearings of 4 weeks on that specific proposal.

As the gentleman from California [Mr. MILLER] has said, with the largest change in American medical history, the largest, in our view, of cuts in Medicaid and Medicare in the history of this country, it seems to me preposterous to deal with this with 1 day of hearings. It is an outrage, quite frankly, and all we are asking for is a small piece of fairness on behalf of the American people, for all these various groups and individuals who have a huge stake in this.

I mean, I am talking 175,000 people in my State alone not being able to have long-term Medicaid care over the 7-year period if this goes through, 16,000 in the first year.

□ 1600

We are talking perhaps, what we hear, of doubling the premium. And we are talking about people here on Social Security, people who get half of their income, 60 percent of the people on Medicare get over half of their income from Social Security. We are talking primarily about women. We are talking about people with incomes of about $18,000, and absorbing $1,000 extra a year. This is important stuff to important people, and it ought to have more than 1 day of hearings.

Mr. GIBBONS. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Speaker, I am just incredulously mystified by the arguments I hear here. As the gentleman from California [Mr. THOMAS] said, I attended these meetings, even though I am not a member of the subcommittee. They were pabulum hearings. They had nothing to do with the meat of the program. They were just people making suggestions or complaining.

But nobody yet has seen a plan. And when that plan comes out, it is going to be not just 1 page of paper, but it is going to be 400 or 500 pages of paper, crammed with details.

This is a very complex program. It is more than just medical care for the aged. It is medical care for all of the disabled in the United States, it is medical care for all of the kidney failure patients in the United States, it is all long-term care for aged people or for disabled people. It is medical education. I do not know what can be more important than training doctors, and the Medicare Program trains them. There that is where the money comes from.

What about all of the hospitals that take care of all of these indigent people that do not have any money? That is where Medicare money is spent. We know nothing of what they plan to do in all of this program. They have never mentioned the first line of it.

I ran into a newspaper reporter out here in the Speaker's lobby the other day that was carrying around a copy of your program. I said, "You know, that is what I put out as to what I thought was going to be in the program." He was peddling it to me as if it were the program.

This is ridiculous. I never heard of anybody making as big a change in the economic and social and safety net of this country, and not telling the American people what they plan to do. This is preposterous.

The SPEAKER pro tempore (Mr. DIAZ-BALART). The gentleman from Michigan [Mr. BONIOR] will be advised that his 1-minute is expiring soon.

Mr. BONIOR. Mr. Speaker, I believe my request was to speak out of order.

Mr. DREIER. To inquire of the program for the week.

The SPEAKER pro tempore. That is correct. The Chair would construe and did construe the gentleman's request as the traditional request to speak out of order for 1 minute.

Mr. BONIOR. Mr. Speaker, I do not think I asked for a time.

The SPEAKER pro tempore. To discuss the program for next week.

Mr. BONIOR. I will respect the Chair's views on this and the Speaker's views on this, and would yield if I could for just one more comment to my friend from Michigan, Mr. LEVIN, and to my friend from California, Mr. DREIER, if that would be permissible.

The SPEAKER pro tempore. Having informed the gentleman from Michigan of the reality of the time soon expiring, the Chair would certainly permit that.

Mr. BONIOR. Mr. Speaker, I yield for a short comment or question to my friend from California before we terminate the debate.

Mr. LEVIN. Mr. Speaker, I just want to say in terms of the schedule for next week, I have now read this document, an outline released by the House leadership. I would say to the gentleman from Florida [Mr. GIBBONS], it is worse than a blank piece of paper. It says little, and what it says is often untrue.

For example, it says that there is no change in copayments that is strictly false. Copayments under current law would go up to $61. This plan, apparently, at least from what we have read in the paper, would push this up to $90 or $100 a month over the present $46 in the year 2002.

I simply want to say as to the schedule next week, it is disgraceful. In the Committee on Ways and Means, they have planned one day of hearings, as the gentleman from Florida [Mr. GIBBONS] has said.

We were promised a plan today. We do not have it. I think it is partly you do not want us to have it until the last minute, and it is also because not only is the devil in the details, but they are having a devilish time with the details.

So I am glad the gentleman from Michigan [Mr. BONIOR] asked for the schedule for next week. I just want to say this is a schedule totally inadequate for the mammoth radical changes that have been proposed in general by the majority, the details of which are being held back or scrambled with or both. Here it is Thursday, and we still do not have them.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Pasadena.

Mr. DREIER. Close.

Mr. BONIOR. Close by.

Mr. DREIER. Mr. Speaker, I thank my friend for yielding.

Mr. Speaker, I would simply like to respond to all three of my friends here who are discussing what is clearly a very important issue by saying, first, it has been concluded we will have only one day of hearings. It is possible that there could be an additional hearing. The distinguished ranking minority Member, my friend, the gentleman from Florida [Mr. GIBBONS], is in a position to look towards an additional hearing on this.

I think it is also very sad to take an issue which is so critically important, which we have agreed to step up to the plate and address in response to the Board of Trustees' Report that was signed by Secretary Rubin, Secretary Reich, and the Secretary of Health and Human Services, Ms. Shalala, stating this system will be broke within seven years.

The American people overwhelmingly are supportive of our goal of dealing with this. As I said earlier, the President of the United States has acknowledged that we are going to have to slow this exponential growth in the cost of Medicare, well beyond the rate of inflation, nearly three times the rate of inflation, based on the figures that just came out yesterday.

So it strikes me we are doing the responsible thing. And to have my friends just criticizing willy-nilly, when there is going to be opportunity to look at this issue, and to say that somehow when this hearing opens, it will be the first time that the word "Medicare" will have been uttered in any committee, is preposterous, because we for months and months and months have seen this debate raging on. I think we have a very good and adequate schedule put together for next week.

Mr. BONIOR. Mr. Speaker, I would conclude by just saying to my friend on the Medicare Trustee issue, that the Medicare trustees have said that the proposal by the Republicans will not extend the life of Medicare by one day, because that money is going into a special fund for tax cuts that are going primarily to the wealthiest individuals and the wealthiest corporations in America.

ADJOURNMENT TO MONDAY, SEPTEMBER 18, 1995

Mr. ALLARD. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10:30 a.m. on Monday next for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ALLARD. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members are recognized for 5 minutes each.

THE AMBASSADOR FROM BELIZE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 5 minutes.

Mr. BONIOR. Mr. Speaker, I rise today to tell a story worthy of a Hollywood script.

In fact, if it was made into a movie, it would probably be called "the Strange Case of the Billionaire, the Loophole, the Ambassadorship, and a Country Called Belize."

For our purposes today, I just call it a window on the soul of the Gingrich revolution.

Mr. Speaker, our story begins in the small Nation of Belize.

You may have heard of Belize before. It's a small Central-American nation known for its great vacations, its near-pristine tropical forests, and its great skindiving.

But recently, it made news for a different reason.

Last week, the Nation of Belize inquired about setting up a new diplomatic post in one of the most important cities in America.

Was it Washington, DC? New York City?

Nope. Belize wants to set up its diplomatic post in Sarasota, FL.

Now why, you may wonder, would they want to do that? It's not because Sarasota has an overly large concentration of Belizeans.

Well, it seems they would like to have a new ambassador to the United States.

A new ambassador by the name of Kenneth Dart.

Now, Mr. Speaker, you may have heard of Kenneth Dart before.

He's an American. At least he was an American.

Up until a year ago, he was a billionaire investor and styrofoam-cup maker living in America.

But last year, he renounced his American citizenship and moved to Belize.

Why did he do that?

Well, because under a provision in the U.S. Tax Code, by renouncing his citizenship, Mr. Dart could avoid paying his U.S. income taxes.

Tens of millions of dollars in U.S. income taxes.

So in exchange for becoming a billionaire Benedict Arnold, Mr. Dart got to keep millions of dollars.

Problem is, while taking his trip abroad, he's taking American taxpayers for a ride.

During the tax debate this year, Democrats offered a bill to close this loophole and force billionaires like Kenneth Dart to pay their fair share.

But when it came time for a vote, every Republican but six voted against it.

Instead, they voted to cut school lunches, student loans, and Medicare.

But now Mr. Dart has a new problem.

Under U.S. law, he can only come back to America once every 30 days.

Problem is, his family still lives in America.

And I'll bet you'll never guess where his family lives.

That's right—Sarasota, FL.

So, as a new Ambassador to the United States, Mr. Dart will indeed be visiting the white house—the white house he and his family own in Sarasota, FL.

The kicker to all this, Mr. Speaker is simply this: Under the Republican tax plan, Mr. Dart's family in Florida is still eligible to receive huge tax breaks.

Huge tax breaks that are being paid for by Republican cuts to Medicare.

So next time you hear people talking about the Gingrich revolution, stop and think for a minute about the "Case of the Billionaire, the Loophole, the Ambassadorship, and a Country called Belize."

Because that's the real Gingrich revolution.

POTENTIAL GOVERNMENT SHUTDOWN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. ALLARD] is recognized for 5 minutes.

Mr. ALLARD. Mr. Speaker, this afternoon I would like to address the issue of a potential Government shutdown on October 1 and the appropriate funding level for any continuing resolution.

The American people sent a clear message in November that they would no longer allow the Federal Government to amass increasing amounts of debt at the expense of their children and their grandchildren. They voiced their frustration at the increasing size and scope of the Federal Government. And they expressed a great deal of impatience and frustration with what they saw as broken promises and a failure to change business as usual in Washington, DC.

It is my firm belief that the Republican party will stand or fall on our ability to deliver on our promises. The American people will reward us if we stand firm and deliver a balanced budget to them by 2002, and they will punish us if we fail.

I am proud of the progress that we have made thus far to achieve a balanced budget. The budget plan that we approved in June will put us on a glidepath to the first balanced budget since 1969. The appropriations bills that the House has passed are in compliance with the budget resolution and are strong bills which will help to make the Government more efficient and less intrusive.

But in spite of the impressive steps that we have taken to get our fiscal house in order, much more remains to be done. Although the House has passed all but one appropriations bill, we have only passed one conference report. Much more disturbing is the veto threat which hangs over most of the funding bills.

Everyone has begun to realize that a continuing resolution will be necessary to keep parts of the Government from shutting down on October 1. It is unlikely that we will complete action on all of the appropriations bills by the end of the fiscal year.

What funding levels could be contained in a continuing resolution? There are several alternatives. Traditionally, a continuing resolution assumes the lowest of the current year's level, the new House-approved level, or the new Senate-approved level. This has been known as the Michel rule. But Congress can specify any funding level and any mix.

My fear is that unless we clarify the rules governing a continuing resolution, funding at 1995 levels will become the most attractive and least painful option for those who wish to preserve the status quo and block budget cuts.

History has shown instances in which segments of the Government were funded by continuing resolutions for a significant part of the year because of fundamental disagreements between Congress and the White House. Indeed, each year of the Reagan administration, at least one segment of the Federal Government was funded by a continuing resolution for the whole fiscal year.

We must make a continuing resolution an unpleasant alternative that will act as a catalyst for achieving our budgetary goals. Under no circumstances must a continuing resolution present proponents of the status quo with an easy way out.

In August, I introduced H.R. 2197, the Allard continuing resolution reform act. The Allard rule specifically amends the Rules of the House to require that if an appropriation has not been enacted by October 1, then a continuing resolution would fund the Government at the lower of the House-recommended level and the Senate-recommended level, and in no case could funding exceed 95 percent of the prior year's level. This would mandate a minimum of 5 percent real cuts in any continuing resolution.

The Allard rule is tough legislation. But it is the only reasonable solution. It will force opponents of change to the bargaining table. And it will force them to the table on our terms.

If we fail to adopt continuing resolutions which meet the stringent Allard rule criteria, we risk losing the budget battle to those who favor continuing the status quo. And we risk betraying the American people who sent us to Washington to restore responsibility to the Federal Government.

We must not pass on this opportunity to ensure fundamental change. I ask all of my colleagues to support fiscal responsibility. I ask all of my colleagues to support the Allard rule.

□ 1615

MEDICARE

The SPEAKER pro tempore (Mr. DIAZ-BALART). Under a previous order of the House, the gentleman from Florida [Mr. GIBBONS] is recognized for 5 minutes.

Mr. GIBBONS. Mr. Speaker, for those who are watching C–SPAN, they have been already treated to a part of the debate on Medicare and Medicaid. Why do we continue to harp on this subject?

I want to first of all say that I have been on the Medicare program for 10 years. I have paid my payments and paid my dues in that program, and my wife has been on the program for about that time, too. But even more importantly, I was here in the Congress when we created Medicare.

For the last 27 years, I have been on the Medicare committee, the Committee on Ways and Means. During all that time, I have taken a deep interest in the program and have helped nurture it. So I know what I am talking about.

The Republicans, though, have seized upon some reason for giving a great tax cut to their wealthy friends, and the only place they can get the money is out of the Medicare and Medicaid program.

Now, the Republicans are going to take, within a matter of 2 weeks, from Medicare and Medicaid recipients a total of $489 billion out of those two programs. Let me repeat that: $489 billion, almost a trillion dollars, half a trillion dollars out of those programs.

And most of that will end up in the pockets of their wealthy friends.

The Medicare and Medicaid programs are powerfully complex, in benefits as well as in structure. The Medicare program is not broke. That is the first thing that we must understand. The Medicare program was set up as a pay-as-you-go program when I was in Congress here. And it has been that way ever since.

We always thought if we could keep a year ahead of the bills, then the program would be lucky. Now we are 7 years ahead of the bills in the program, and the Republicans are wringing their hands, so that they can get enough money out of that program, those programs to pay for their tax cuts for their wealthy friends.

The Medicare program covers not only benefits for elderly people, medical care benefits, but it covers all of the disabled in the United States. It covers all of the medical education in the United States. It covers all of the kidney dialysis for the kidney failure patients in the United States, regardless of age. It covers all of the help for rural hospitals and urban hospitals that must take care of a great many very poor people. So it is a very complex and a very extensive program.

Most of the nursing home care in the United States is paid for out of the Medicaid program, a part of that $479 billion of cuts. Those people are going to be dumped either back on their families or back on the community because they are there, and they will be there; perhaps no hope for ever curing them. And that is the size and the tragedy of the whole thing we are talking about.

The Medicare program has been changed over the years in order that we could pay the bills from year to year. We will continue to do that regardless of the outcome of this Republican proposal to take so much money out of the program to give for a tax cut for their wealthy friends.

What we are really complaining about is that no one has seen their plan. I have held up for a lot of people a copy of their plan. As we all can plainly see, it is just a blank piece of paper.

On the day we start to debate this plan in the Congress, I will bring in the plan and let us see it from this same podium. It will be 500, 600, 700, maybe 1,000 pages long. And who will understand what is in that plan we have been promised for months? We have seen nothing. We have been promised a plan as of this afternoon, and we got nothing. We have been promised that we would start voting on that next Monday, but now they have moved it until Wednesday a week.

I hope we see the plan before Wednesday a week, because the American public needs to understand what the plan is and how it works and what it will cost them in further out-of-pocket expenditures or cuts in benefits or both.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind all Members that remarks in debate must be addressed to the Chair and should not be directed to a viewing audience.

MEDICARE CHANGES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, while I am going to speak on corridor H and its importance to West Virginia, I just want to touch for a second on Medicare because today the Speaker of the House and the majority leader of the Senate unveiled what the Medicare plan was, and what we see is a stealth health bill.

They did not give us the details. We do not know much more than what we have known before. We know that they want to cut $270 billion over the next 7 years. That has been out there for a long time. We know there are a variety of ways they want to do it, except they do not spell the details out. We do know this. While the Speaker says that it will cost only $7 a month more in premiums to seniors, it is actually going to be, according to the White House, according to other credible officials, $20 or $30 a month more.

We also know this, Mr. Speaker. We know that $270 billion is 2½ times what it necessary by the estimate of the trustees of the Medicare plan to make it solvent.

Mr. Speaker, stealth health is not a good idea, particularly when rewriting 30 years of Medicare in a 2-week period. Americans must demand to see the plan.

CORRIDOR H

Mr. Speaker, I want to turn to corridor H, because this week in our State there are going to be those gathering to discuss the environmental aspects of corridor H and, yes, to attack it. I regret that. Because I do not think that there has been one highway that is more important to West Virginia. I do not think there has been one highway that has been more discussed, reviewed, analyzed than corridor H has been.

In a previous speech on this floor, I discussed why corridor H is a national highway. Let me now discuss the environmental aspects. All those in West Virginia, and many of those from outside West Virginia who have recently driven between Elkins and Buckhannon have marveled at that four-lane strip. They remember how long that drive was before, not only in time and distance but also in just being arduous. They also say, what an incredible piece of road.

Mr. Speaker, that is what we are talking about doing now, from Elkins to the Virginia State line, if people would just let us, if people would get off our backs and let us move this road forward.

Yes, I was involved in the Elkins to Buckhannon segment, particularly when it looked like environmental concerns might either delay it several years or possibly threaten it altogether. And working with a number of agencies, we were able to pull them together. We were able to get the wetlands question dealt with. We were able to deal with the acid-mine drainage. We were able to deal with stream crossings. We were able to safeguard habitat.

I am happy to say that we were able to mitigate wetlands in an innovative way. If we can do it in that rough section of corridor H, surely we can do it for the rest of corridor H as well.

I think it is important to note that the original plan for corridor H was to be a southern route through our State. This was back in the 1970's. The highway department and others recognized that we could not do that under present-day standards. So back in the

1980's, we went forward to look at other options and adopted a northern route for corridor H. I might point out that some environmental organizers at the time said: If you just go the northern route, that is fine with us; we just think it ought not to be in the southern route. Well, they got their wish. Now, yet some want to contest this.

This project has been to EPA. It has been to Fish and Wildlife. I cannot name the alphabet soup of Federal agencies this project has been to. And so I would just say, the importance of corridor H, let me talk about stream crossings, for instance.

□ 1630

To avoid contaminating streams with piers supporting the highway, the State has agreed to place beams outside the streams that span the waterway. The State will develop an erosion-control process and methods to seal off acid-bearing strata. The State is going to take unprecedented action to purchase extra land and right-of-way to accommodate the environmental concerns. The State will reclaim the slopes with indigenous plant life, not just grass.

The State also, in terms of excess earth-work disposal, the State is not going to leave this up to the contractors, but in the case of corridor H will decide a detailed cleanup and disposal in the contract for each specific site.

There are going to be those gathering this weekend in West Virginia to attack corridor H again. Incidentally, I find it interesting that much of the attack on corridor H comes from outside of the State, not inside the State. I invite them to visit very many of our counties, where I am confident that 65 to 75 percent of our population strongly supports corridor H. As they gather in West Virginia, and we welcome them, of course, I urge them to drive the Elkins to Buckhannon segment to see what can be done. If they want to go further, they can go from Buckhannon to Weston, and understand the true economic significance of corridor H as well. Drive the Buckhannon to Elkins segment and see what has been accomplished, see what we have been able, working together, to achieve; experience what corridor H is bringing to central West Virginia. That is the environment that we all love. That is the environment we all want to safeguard. Corridor H can continue that process.

THE GUAM COMMONWEALTH ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Guam [Mr. UNDERWOOD] is recognized for 5 minutes.

Mr. UNDERWOOD. Mr. Speaker, This afternoon I want to address the current situation regarding our effort to advance the cause of a new political status for Guam as envisioned in the Guam Commonwealth Act, H.R. 1056. I introduced H.R. 1056 on February 24, 1995, as my first bill of the 104th Congress.

The Guam Commission on Self-Determination, a bipartisan commission of Government of Guam officials and citizen participants, is currently in discussions with the Clinton administration to resolve specific areas of disagreement on the specifics of the draft Guam Commonwealth Act. These discussions have been on hold for some time because of the resignation of the administration's Special Representative for Guam Commonwealth, Mr. I. Michael Heyman, earlier this year. After several months spent searching for a replacement for Mr. Heyman, the administration has appointed a very capable individual to complete the task at hand, Mr. Stanley Roth, an Assistant to the President and the Senior Director of Asian Affairs in the National Security Council. We are pleased with the selection of Mr. Roth, and we believe that he has the necessary understanding of Guam's issues and the skill to build on the progress that has been achieved by Mr. Heyman in the past year.

The Guam Commonwealth Act, H.R. 1056, would redefine the way the Federal Government relates to Guam, and would give Guam the tools we need to succeed in the next century. Guam has a robust economy fueled by its visitor industry. This year Guam expects to attract over 1.3 million visitors. Guam is relatively self-sufficient, and Guam is not seeking a new Commonwealth to get new Federal money—instead, Guam is a success story of the insular territories, and Guam's drive for a new status is motivated by a partnership that is good for America and good for Guam.

As America's westernmost soil, 10,000 miles and 15 time zones away, Guam is America's front door to Asian trade. Guam is often thought of as being strategically important to the United States in military terms. But Guam is also strategically important in projecting American influence and American democracy in our part of the world.

The new majority in Congress has undertaken to reshape the Federal relationship with the States, and has given national attention to this issue. However, there has not been very much thought given to how the new federalism would affect the insular territories. It is not an automatic assumption to say that power that is divested from the Federal Government would be given to the territories in the same way that it is given to the States. We have already seen examples in legislation affecting the territories where the empowerment of the States has not translated into an empowerment of the territories. I would point out, just as many conservative leaders have pointed out, that the 10th amendment restricts the power of the Federal Government, and reserves those powers not granted to the Federal Government to the States and the people. It may surprise some to learn that the 10th amendment does not apply to the territories. While we are not States, we are still people. But, all constitutional protections afforded to any American in any State are also afforded to the Americans in the territories.

Guam's Commonwealth Act challenges this Congress to look at the Federal relationship in this era, and offers a new relationship within our constitutional framework. We have proposed a framework that gives Guam stake in the Federal system. We have proposed a framework that is based on the American concept that power drives from the consent of the governed. And we have proposed a framework that unleashes the economic potential of Guam within the American system.

I hope that this Congress would deal with these issues in a serious and forthright manner, and that we can begin the process of shaping the new Commonwealth for Guam early in the next session. I look forward to the weeks and months ahead and to our work with Mr. Roth and the Guam Commission on Self-Determination. The Chairman of the Guam Commission, Governor Gutierrez, has signaled his eagerness to get on with the business of completing the Commonwealth discussions and bringing this issue to closure. Working together with Guam and the Federal Government, I have every confidence that the aspirations of the people of Guam for a new Commonwealth can be fulfilled.

I urge my colleagues to support H.R. 1056, the Guam Commonwealth Act, and I challenge this Congress to find a role for the Americans in the territories as they redefine a new federalism.

LEGISLATION RESTRICTING FIRST AMENDMENT RIGHTS FOR ALL AMERICANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. SKAGGS] is recognized for 5 minutes.

Mr. SKAGGS. Mr. Speaker, on August 4 the majority party passed a provision in the Labor-HHS appropriations bill sponsored by the gentleman from Oklahoma [Mr. ISTOOK] that was designed, if you can believe this, to restrict the first amendment rights of everyone in America if they receive anything of value from the Federal Government, restrict their employees and those with whom they do business.

The Istook language, however, exempts those who contract with the Federal Government, as opposed to receiving a benefit or thing of value. I watched, therefore, with great interest during the consideration of the defense appropriations bill just a week ago today when there was a discussion between the gentlewoman from Colorado [Mrs. SCHROEDER] and the chairman of the Committee on Appropriations, the gentleman from Louisiana [Mr. LIVINGSTON] about whether the political speech and activities of defense contractors should also be limited.

As the Speaker will remember, the gentlewoman from Colorado [Mrs. SCHROEDER] offered an amendment that was a watered down version of the political activities restriction the gentleman from Oklahoma [Mr. ISTOOK] and the majority party had endorsed in August in the appropriations bill. The Schroeder amendment would have disqualified for Federal defense contracts any business that spent more than a small amount of its budget on State, local, and Federal political activity of almost any kind.

As with the Istook language, I believed the Schroeder amendment was a bad idea and I voted against it; but I describe it as a watered down version of the Istook political speech restriction amendment, because the Schroeder amendment would not have required contractors to report their political activities to the Federal Government, whereas the Istook amendment, which applies to all other groups receiving anything from the Federal Government, does require political activities reports to be sent in to the Federal Government.

I say it was a watered down version, because the Schroeder amendment would not have subjected contractors to harassing lawsuits from any citizens, whereas the Istook amendment does that, subjects all other groups to this sort of litigation. But, Mr. Speaker, even in this watered down state, most Republican Members of this body voted against any restriction on how much defense contractors can lobby the government. Those voting no included most of the leadership of the majority, folks who had previously voted, unabashedly, to restrict the ability of churches, nonprofits, individuals, and even many businesses, to speak to the public or to their elected officials at the State, Federal, or local level about important policy issues.

The majority needs to explain to the American people why they feel it is OK to muzzle ordinary citizens and organizations, but at the same time let defense contractors who take billions of dollars in Federal contracts do so without any of the same restrictions.

The inconsistency here, and that is a polite way of putting it, the inconsistency in the majority leadership and most of its members' position is made very clear by the comments of the chairman of the Committee on Appropriations who, after having voted for the Istook language, characterized the amendment of the gentlewoman from Colorado [Mrs. SCHROEDER] last week as follows:

> * * * a denial of the privilege of the First Amendment, which is the right of speech under the Constitution of the United States, to exercise their opportunity to speak to their government, to the representatives of their choice.

Mr. Speaker, why are the first amendment rights of defense contractors to lobby the Government for more contracts and funds more protected under the Constitution than the YMCA's or the Catholic churches or the American Red Cross' first amendment rights to advise us on issues affecting kids or older Americans or the safety of the Nation's blood supply? Is it different because the YMCA receives funds to provide after school day care, instead of funds to build missiles and planes? What kind of Constitution does the majority think that we have?

Mr. Speaker, when the Istook political speech restriction amendment comes before us again for another vote, and I expect it will, please remember those words of the chairman of the Committee on Appropriations, his eloquent defense of the first amendment rights of defense contractors, and for the sake of fairness, let us support the same fundamental rights for the YMCA, the Catholic Church, and the rest of this Nation.

THE MEDICARE PRESERVATION ACT OF 1995

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New Jersey [Mr. PALLONE] is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, today the American public was expected to receive the details of the Republicans' plan to slash Medicare, but the Republicans seems to be delaying further, and really, we do not know when the specific plans are going to be released. I have to say, Mr. Speaker, that I was outraged to find out how few details we were actually given in the document that was presented today by the Republican leadership. I have a copy of it here, the Medicare Preservation Act of 1995.

We do know that we are talking about cutting $270 billion out of Medicare, and we know that that is going to have a devastating impact on senior citizens, because it is the largest Medicare cut in the history of this country, but to this day and at this hour, with only, I think, about a week left before there is supposed to be a 1-day hearing before the Committee on Ways and Means on the Medicare changes, we still do not have the details of the plan.

I think it is really unfortunate, because the seniors that I know that are in my district are demanding to know how this cut is going to affect them. They are not buying into this Republican smokescreen about reforming Medicare. The fact of the matter is that Medicare is not broke, it has worked very well for the last 30 years in providing health care and good quality health care for most senior citizens, and all that we really have is a Republican plan to essentially take $270 billion out of the Medicare program to finance largely a tax cut for the wealthier Americans.

I do not think it is fair. I do not think it is fair that the senior citizens of this country should have to take such a large brunt, if you will, of the effort to provide a tax cut, or of the effort to provide deficit reduction.

One of the bases that the Republicans are using for saying that this large cut is necessary is that they claim that within 7 years Medicare will be insolvent. They base that on a trustees' report that came out this year, and we get trustees' reports from Medicare on an annual basis.

What they fail to point out is that historically there has not been as much as 7 years outlays, if you will, for Medicare funding. Oftentimes it has only been 1 or 2 years before Medicare is insolvent. The reason for that is because this Congress traditionally did not want to leave a lot of money available for Medicare in future years because of the fear that it would be raided by providers, and that hospitals or doctors or other health care providers would say to themselves "Gee, there is this large pot of money out there, so we had just better charge more for our services."

There is no reason in the world to think that because for 7 years we have enough money to pay for Medicare services and for health care for seniors, that somehow that means that the system needs to be radically changed. It does not. They are only proposing this cut, this huge cut, in Medicare because they want to use it to pay for a tax cut, again, mostly for well-to-do Americans.

This plan that was released today by the Republican leadership, and it is not a plan, it unfortunately does not provide much information at all; it does not tell us how this $270 billion is going to be implemented, this cut, cut it does have some pretty scary things in it which I would like to relate, if I could, during my time here this evening.

First of all, with regard to the part B premium, which is the part of the Medicare Program that pays for doctors' bills, essentially, the one that seniors now basically voluntarily contribute to out of their pocket, but of course most seniors use it in order to finance their payments for doctors, for their physicians, the part B premium essentially under this proposed plan would increase to about $93 per person by the end of the 7 years in 2002.

☐ 1645

Earlier this week I think it was, I think it was on Sunday, the Speaker said that seniors would have to pay $7 more per month for the part B premium, which translates into $84 more per year for part B for their doctor's services. He said that as if that was a glorious thing, that they were only going to have to pay this extra $7 a month or $84 a year.

I would like to mention first of all that many seniors are struggling with what they currently pay for their part B premium and really cannot afford to spend another $7 a month. They are on fixed incomes, they do not have anywhere else to go.

I talk to people on a regular basis when I am back in my district who say, "Gee, I've budgeted for the month and I've only budgeted with some play of $5," so if you talk about a $7 increase, that is a lot. However, after making that statement on Sunday about the $7 increase, the Speaker came back on Tuesday and said that it was going to be about $32 per month, or $384 per year, in effect doubling the seniors Medicare part B premiums. Well, if we are talking about $32 more per month, and I think it is probably going to be even more than that when we finally get the figures, we are essentially talking about doubling the amount that seniors have to pay out of pocket just for part B, just for their doctor's services.

Some people may say again, "Well, gee, that doesn't seem like a lot of money," but if you are a senior citizen, many of whom make $8,000, $9,000 a year, the majority of whom probably could not afford that $32 a month, and keep in mind that this doubling of their premium is only happening in order to finance a tax cut, because if we look at the amount of money, the $270 billion that is being taken out of Medicare, you could just put that right next to the $245 billion in tax cuts that are being proposed and see how they almost translate directly.

The other thing that was mentioned again in this very skimpy outline which does not really tell us how they are going to achieve this $270 billion in savings is what I call means testing—basically an income-related proposal whereby if you are above a certain income, either for a single person or for a married couple, that you would increasingly, depending upon your income, have to pay more for your part B premium to the point where at a certain income level, you would pay for the whole thing, essentially phasing out part B for some individuals.

I think although some may say, "Well, what's the difference if some people who are in the higher income categories have to pay for the whole cost of their Medicare premium? Why should I worry about that? I don't care. They've got a lot of money. What is it to me?"

I maintain that that is totally wrong. A contract was made 30 years ago when Medicare was passed in this Congress and signed by the President which said that if over the years while you were working you paid into Medicare, that when you retired, when you got to be the age of 65, that Medicare was going to be available for you. To suggest that people at a certain income level should have to pay almost 100 percent of the cost of their premium I think is basically breaking the contract that was made when Medicare was passed 30 years ago.

I would also point out that we already have means testing when you pay into Medicare. In other words, you have been paying into Medicare over the years based on your income. So if your income is higher, you have been paying more. All of a sudden now we are going to have another means test when you try to take advantage—and you are over 65—of the Medicare Program.

It is also wrong because we are going down the slippery slope here now. We start means testing Medicare and maybe under the Republican proposal I think it is $75,000 a year where you start having to pay extra and ultimately it gets phased out completely and you have to pay the whole cost. Well, today it is $75,000, that is budget driven. But in this Congress—and I have seen it happen before—tomorrow, next year, it will be $50,000, year after that, it will be $40,000, $35,000, eventually for budget reasons you will see that that amount will be reduced and reduced and reduced and more and more senior citizens will end up having to pay more and more money to pay for their Medicare and to pay for their health care program.

The other thing that is in this document which is also very interesting, my biggest concern really, other than the additional cost that seniors are going to have to pay under this Republican plan when we finally get it, is that a lot of senior citizens are going to be forced into HMO's or managed care.

Right now if a senior citizen has a doctor or goes to a certain hospital because it is in the vicinity of where they live, Medicare guarantees that that hospital or that physician will be reimbursed. It is called a fee-for-service plan. They choose the physician, they choose the hospital, and Medicare reimburses most of the cost.

But what I believe is going to happen under this plan, and again for budgetary money reasons in order to finance this tax cut, is that more and more seniors are going to be forced into HMO's where they cannot choose their doctor or they cannot choose the hospital that may be close to them, and they have to go into a managed care plan or an HMO where those choices are made by others.

That is a very terrible thing for a lot of senior citizens, first of all because a lot of them have used the same physician for years and they are confident that that physician can care for them. Also, many of them live close to a hospital that they like and they do not want to have to go to a hospital that is 15 or 20 minute or maybe even an hour, who knows how far away if they are living in a rural area.

Well, in this plan, again it is not clear what is in this plan, but in this plan, the suggestion is that there will be fixed dollar payments to HMO's. In other words, that if they choose to opt for an HMO or a managed care system, then the Government will pay a flat amount to that HMO or to that managed care system. It is not at all clear whether or not that HMO can charge more to the senior for a better, more comprehensive health care plan.

It is almost similar to the voucher. The Republican document does not suggest that they are moving to a voucher system. But if they, in fact, give a flat rate to the HMO and then say that the HMO has to take what the Government gives them, and the HMO says, "that is not enough to pay for the cost of the traditional care that we provide, so we are going to have to provide less quality care or reduce the amount of doctors, whoever participates, but if you pay an extra $1,000 or if you pay an extra $1,500 a year, we will give you a better plan," then in effect we have created a situation where the seniors have to pay money out of pocket to get a better traditional quality health care plan that they are used to.

Again, it is not clear what exactly the Republicans have in mind. Hopefully, at some point over the next few weeks we will get some more details about exactly what this means.

The other thing that is in this document that is a very dangerous precedent, which again is likely to force many low-income senior citizens into HMO's or managed care systems where they do not have a choice of doctor or hospital, is that the proposal does away with Medicaid paying for supplemental insurance. A lot of senior citizens have what they call MediGap. Medicaid pays the MediGap so that they do not have to pay out of pocket for the extra coverage that they get under MediGap because Medicare does not pay for that coverage.

Seniors are not going to be allowed to use their Medicaid to pay for that supplemental health insurance coverage for items that are not covered by Medicare. What that means is that low-income people will be forced into HOMO's, low-income seniors, because they will not be able to pay that extra MediGap insurance in order to continue with a fee-for-service system where they choose their own doctor or their own hospital. They will literally be forced into an HMO or a managed care system, without a choice of physicians or choice of hospital, because there is no one to make up for that premium for the supplemental insurance.

There are a lot of very sinister ways, I believe, when we finally get the details of this plan where I think it is going to be increasingly evident that many seniors, if not all, who do not have extra money are going to be forced into an HMO or a managed care system where they do not have a choice of their physician or for the hospital that they want.

Again, and I have to stress that over and over again, the plan or the outline that was presented today by the Speaker and by the Republican leadership talks about $270 billion in cuts but does not tell us where those cuts are going to come from. We do not know whether the majority of it is going to come from reduced payments to health care providers like the hospitals or the doctors.

We know that probably about $80 billion is going to come from these increased premiums that I talked about before for Medicare part B, which will essentially double the premiums that seniors are going to have to pay for their physician's care. But we do not know where the rest of the moneys come from, the other $200 billion or so. Is it going to come from reduced payments to hospitals and to physicians? If that is the case, we are going to see a number of things happen.

If you cut into the amount of the payments that are made to the hospitals or the physicians, you are going to see a lot of physicians who will not take Medicare patients anymore, and so access to doctors is going to be limited, and you are going to see a lot of hospitals that are either going to close because they depend too much on Medicare to finance their operations or simply cut back on services in various ways. They can cut back by not providing certain community services, by not providing certain equipment. In my own district, we went during the August break to Monmouth Medical Center which is in my hometown of Long Branch. They depend on Medicare for the majority of their revenue. If they have a significant decrease in the amount of money that they are reimbursed for Medicare payments, they are probably going to have to cut back on staff, cut back on community services, cut back on clinics, cut back on all types of things. Some of the hospitals are in such a critical situation in New Jersey, we have identified, I think, through the New Jersey Hospital Association about 76 hospitals that are put on a critical list, they are so dependent on Medicare and Medicaid payments that if the amount that they got is reduced significantly, some of them will definitely close and we will see a situation where people who have traditionally relied on a local hospital will not even be able to find the hospital because it will not be there anymore and they are going to have to go elsewhere. Even if you take this $270 billion cut and you subtract the $80 billion that is going to be paid for on the backs of seniors because they are doubling their part B premiums, and even if you took, say, another 100 or 200, I do not know how many billion in reducing the amount of payments that go to hospitals and the physicians, there is still about a $90 billion what I call black hole that is left totally undecided in this plan, because essentially what the plan says is that we will figure out between now and 2002 whether whatever we come up with works in terms of saving money and if it does not, they we will just do some sort of across-the-board cut, and that will probably mean increased co-payments, deductibles, even less provider fees, whatever. Even though they suggest that they are not going to increase copayments and are not going to increase deductibles, the bottom line is that with this huge black hole that is not financed in any way as part of this plan, I have no doubt that they will be forced ultimately to come up with increased deductibles or copayments as a way of trying to finance this overall program.

I guess the saddest thing for me is that all this is happening so quickly and without any input from the public. Back in April when the Republican budget was adopted in this House and in the Senate, we were told that Medicare was going to be slashed by $270 billion and that was going to be used either for deficit reduction or for the tax cut. April, May, June, July, August, it is now September, I do not know how many months that is, 4 or 5 months later, we still have no plan. Yet next Thursday in the Committee on Ways and Means or soon thereafter there is going to be just one day of hearings on whatever plan we finally get, one day for the American people and for Congress and for all the people that are concerned about the health care delivery system to review whatever plan we finally get between now and that 1 day when those hearings are held in the Committee on Ways and Means.

It is totally unjustifiable for the Republican leadership to come forward with this stealth plan, after talking about these cuts now for 5 or 6 months, to come up with the implementation at the last minute and expect the public and the Congress to digest it and vote on it in 1 day with such a little period of time to review what this is all about.

☐ 1700

I think that that is the biggest, the cruelest hoax, if you will, that is to be placed out in this House and on the American people. This is such an important program that affects senior citizens and all those that depend upon senior citizens.

Remember, it is not just seniors, but all their dependents that would have to help them pay for the extra care or care for them if they are not able to get care. Everyone in this country is going to be impacted by this program. Yet, we are talking about this plan coming out possibly within the next week with 1 day of hearings and a quick vote in committee and this House thereafter.

If the Republicans ever reveal their plan, I have no doubt that the American people should be able to analyze what the Republicans are going to do to them. Instead, the Republicans are holding secret meetings without senior citizen input.

Last year, they criticized President Clinton's health care plan because they said he was holding closed-door meetings. But at least President Clinton's plan was made public for over a year and we had the opportunity to analyze it. We are not going to have the opportunity to analyze this one.

I waited this morning. I listened to what the Speaker said on CNN. I got a copy of what was put out by the leadership, and it still does not tell me how they are going to implement this $270 billion in Medicare cuts. I am still waiting for it, and the American people are still waiting for it.

Mr. Speaker, I think it is our obligation as Members of this House and as Congressmen to make sure that that plan comes out in specifics and there is ample time to analyze it before we vote on it in this House and in this Congress.

Mr. Speaker, I yield back the balance of my time.

THE EFFECTS OF REDISTRICTING

The SPEAKER pro tempore. The first hour is allocated to the minority leader. The Chair is advised that he has designated the gentlewoman from Georgia [Ms. MCKINNEY] to control the balance of the time.

Ms. MCKINNEY. Mr. Speaker, I am pleased to come here again this evening to discuss the issue of redistricting.

Mr. Speaker, you are very well aware, we are in the midst of a historic fight, really, in the State of Georgia, and the future of African-American representation is at stake in the decisions that will be made relative to Georgia's newest district, Georgia's 11th Congressional District.

We understand that this redistricting issue is a basic issue about the allocation of power in this country. The question is: Are we going to have a government that is reflective of those who are governed, or will our Government consist of a few hand-picked people who are the political and economic elite of this Nation, or will people like me be able to walk the Halls of Congress, be able to gain election to policymaking positions, to be able to become a part of the very fabric of America's democracy?

The reason I say people like me, is because I come from common stock. I am not from a wealthy family. My father was a policeman in the city of Atlanta for 21 years. He was one of the first black policemen.

He had to endure outrageous conditions where he could not go into certain areas of town; he could not arrest people who were not black; he could not even change his police uniform in the headquarters of the Atlanta Police Department. The black policemen of his era were forced to go around the corner and down the street to the local black YMCA and change their clothes.

Out of his struggle to be able to practice his profession with dignity, came the opportunity to change politics in the city of Atlanta. Even at a very early age, I am fortunate to have been a part of his struggle to make change in the city of Atlanta. Through the collective efforts of people from common stock all across this country, we have been able to make a democracy in this country of which we can be proud.

Now, we can truly say that people can rise above tremendous odds, people can overcome tremendous circumstances, and people can become a fabric in our democracy.

Through our participation, we can give hope to people who have been hopeless. We give voice to people who had been voiceless. We now are able to make dreams come true. And even in the much-maligned 11th Congressional District of the State of Georgia, we have been able to make dreams come true.

I have got some maps here of districts that have not had to endure the kind of negative remarks or negative characterizations that have been made about the district that I represent.

We have here the district from Illinois, the Sixth District, which has a supermajority; happens to be 95 percent. That majority is white. This district has remained unchallenged. Nobody thought that this district had an irregular shape. Nobody thought there was anything wrong with the supermajority of 95 percent.

This district has been untouched and unscathed, as we have seen the issue of redistricting raised all across the South and now even into our northern States.

I also have a map of another district. This is the Sixth Congressional District of Texas. Now, all of the districts in Texas were challenged, but something strange happened. Only the districts that were African-American were found unconstitutional and one district that is majority Latino was found unconstitutional. But this district, which has a very regular shape according to the courts, and, of course, there is nothing wrong with the supermajority, was found constitutional.

It seems to me that there is definitely a double standard if anyone could say that this district is neither of irregular shape nor of supermajority that is unconstitutional.

Of course, this is the 11th Congressional District of Georgia. The Supreme Court did not say that it was irregular in shape, but they did say it was unconstitutional, because of a 64-percent supermajority.

Of course, what kind of people are in this district? People who only want a fair shake from their Government. People who want to feel that they can go to their precinct and cast a vote for a candidate who at the end of the day will be a representative of their choice.

If the people in Georgia who happen to reside in Georgia's 11th Congressional District now find that they must cast a vote in which their vote is not as meaningful, I think it would be a sad day in the State of Georgia.

But, Mr. Speaker, we are a nation of laws and we are a nation of court decisions. And, of course, all of us have to abide by the laws of the land and we must also abide by court decisions, even when we disagree with them.

I am pleased that we have with us a representative, strong advocate for the people of the State of Florida. One of the things that we noticed is that women have an opportunity to get elected as a result of redistricting, because we have open seats, because we have retirements. So, when redistricting takes place, sometimes women are negatively affected.

We have with us Representative CORRINE BROWN whose district has also been targeted and I would hope that CORRINE does not have to go through what I am going through in the State of Georgia. But I guarantee my colleagues one thing, the face of this redistricting battle is as much about women as it is about African-Americans.

Ms. BROWN of Florida. Mr. Speaker, I want to say before I begin, in this Congress it has been pretty hot for me in these last 6 months and it has not been a lot of fun, but one of the joys has been serving with the gentlewoman from Georgia [Ms. McKINNEY] in the 103d and the 104th; a Member that is committed to all of the people in this country. We stand together and I will fight for all of the people.

Ms. McKINNEY. Thank you.

Ms. BROWN of Florida. Mr. Speaker, that is one of the things that I can also attest to, that what we are experiencing now is not the first time it was experienced in the Congress of the United States. In fact, in the 1800's, the same kind of challenges to African-Americans took place.

This year, we celebrate the 30th anniversary of the Voting Rights Act, and the 75th anniversary of women's right to vote. In 1962, only 5.3 percent of the voting age black population was registered to vote in Mississippi. There were only 500 black elected officials in the entire country. Today there are over 5,000 black elected officials.

The 75th anniversary of women's right to vote represents a long struggle and great sacrifices. Women had to fight against entrenched opposition with almost no financial, legal, or political powers of their own.

For the first 150 years of our Nation's history, American Government did not include women. Does the gentlewoman from Georgia want to respond to that? Can you imagine this Congress without any women?

Ms. McKINNEY. I can imagine it, but I cannot imagine a real democracy without women.

Ms. BROWN of Florida. But women won the right to vote by the slimmest of margins. In the House of Representatives, suffrage passed by exactly the number of votes needed, with one supporter carried in from the hospital and the other leaving his wife's deathbed to vote.

In the Senate, suffrage passed with just two votes to spare. When the 19th amendment was sent to the States for ratification, Tennessee, the last State, passed it by a single vote during a recount. So it just amazes me that people cannot understand how important their vote is.

Redistricting, since the 1990 census, has marked tremendous gains for women and minorities. In 1992, the year we were elected to Congress, was a historical year for Florida. For the first time in over 120 years, an African-American was elected to Congress from Florida.

I do not understand why people do not feel history is important. I want to repeat that. For the first time in over 120 years, an African-American was elected to the U.S. Congress from Florida.

At the same time, I was elected to represent the Third Congressional District, my colleagues, Representative CARRIE MEEKS and Representative ALCEE HASTINGS were also elected to represent Florida.

□ 1715

Sixteen new African-American Members, mostly from the South, were seated in the House of Representatives, and one African-American Senator, CAROL MOSELEY-BRAUN, was seated, expanding the Congressional Black Caucus members to 40, the largest ever. Now there are 57 women, 19 Hispanic, 8 Asians and 1 American Indian. This is the highest number of minorities to ever serve in the history of the U.S. Congress. Despite these gains, Less than 2 percent of the elected officials in this country are black. We still need the Voting Rights Act, and we still have a long way to go. I want to repeat that: Less than 2 percent of the elected officials in this country are black.

I and others would not have the honor to serve in Washington if it were not for the courage and sacrifice of great leaders who led the way before us. Let me tell you about the person from Florida, the first black, and only, elected was Josiah Wells, was elected from the area that I now have the honor of serving, Gainesville, Fl., and he was elected in the year 1879. He was elected from the Third Congressional District, just like me. Josiah Wells' election was challenged, and he lost his seat after only less than 2 months in office.

However, by the time he had already been elected to a new term, believe it or not, his next election he won, the courthouse burned down, the election was challenged and he was thrown out. So it is not much different between 1879 and 1995, thus ended Florida's first congressional career for a black Representative.

I went on and did some research on him. He left the Congress. He went to my school, Florida A&M University, and he headed up the Department of Education there. Once Reconstruction began, 21 black Congressman were elected from the South between 1870 and 1901.

However, after 1901, when Jim Crow tightened his grip, no black was elected to Congress from the South in over 70 years. It is more timely than ever to study what happened to black representation during the Reconstruction. This period may seem like ancient history, but what happened then seems to be happening over again. When the redistricting process began in Florida in 1992, leaders of the Florida Legislature, where I served as a representative for 10 years, proposed that we have one African-American congressperson from Miami, at 52 percent, even though the census shows that minorities in Florida represent close to 40 percent.

The proposed new African-American district would be located in Miami, although Orlando, Jacksonville, Daytona, Tallahassee would still be unrepresented. The legislative leaders made it clear they would not compromise, and, in fact, I want you to know what happened in Florida. The legislature could not draw districts in Florida. The courts took over, and the reason why the courts took over is because everybody that was in charge of the redistricting was running for Congress. So it did not have anything to do with whether you were African-American, but everybody in charge was running, from the President of the Senate to the people in the House, that headed up redistricting to the people in the Senate.

So we could not pass a plan in Florida. So you cannot disregard the role that politics plays in drawing districts.

Ms. MCKINNEY. Mr. Speaker, I have read the brief that the plaintiffs in your case filed. I would like for you to explain to the American people the basis on which the plaintiffs have filed a lawsuit against the Third Congressional District of Florida. What were some of their reasons?

Ms. BROWN of Florida. The main reason is that they felt that the person from the Third Congressional District voted with the Black Caucus, not voted for the people of the Third Congressional District.

I had 13 town meetings during the break. I saw over 3,000 people, and we are altogether on our other issues. We all do not support any of the Medicaid cuts; you see, this is what we have in common: We do not support the cuts in education, the cuts to the senior citizens; putting children first with the cuts. If we are supposed to balance the budget, the people from the Third Congressional District feel that women and children should go first. It should not be on the backs of the poor people and the working people in this country.

Ms. MCKINNEY. But the plaintiffs have said that because you vote with the Congressional Black Caucus on these kinds of issues, that you do not deserve to sit in Congress and that the people that you represent do not deserve to have a voice in Congress? Is that what they are saying?

Ms. BROWN of Florida. That is exactly what they are saying, but more than that, the people of the Third Congressional District have had opportunities to decide who they want to represent them, and we are not talking about some of these Members of Congress that just did win. This Member won close to 60 percent.

Ms. MCKINNEY. So you won.

Ms. BROWN of Florida. Keep in mind now, the plaintiff, I beat him close to 70 percent.

Ms. MCKINNEY. Wait a minute now. I do not believe what you are saying, because the organizer of the plaintiffs in the 11th District of Georgia was my former opponent.

Ms. BROWN of Florida. Well, the organizer of the Third Congressional District, who, by the way, does not live in the Third Congressional District, you know, but wants to dictate what happens in the third, I beat him close to 70 percent in the last election, well, in 1992.

Ms. MCKINNEY. So really it appears that what we are seeing is people run for office.

Ms. BROWN of Florida. Losing by large numbers.

Ms. MCKINNEY. They lose, then they cannot stand the agony of defeat, particularly to a woman.

Ms. BROWN of Florida. A black woman.

Ms. MCKINNEY. So then they go against the will of, I won by 66 percent in 1994, so they go against the will of 66 percent of the people in the district. I had five plaintiffs, and they take it out on 580,000 people, is that what you are saying?

Ms. BROWN of Florida. That is exactly what I am saying. That is exactly what I am saying. For the courts, this is the sad indictment to come up with rulings to ignore the history of this country; you know, it would have been nice to think that America has always been color-blind and that women and minorities have always had the opportunity to participate. But they have not.

As I told you earlier, women for the first 150 years of this country could not vote in this country.

Ms. MCKINNEY. I am so pleased that we have been joined by another woman whose district has been declared unconstitutional.

Ms. BROWN of Florida. Excuse me, is this the same district that Barbara Jordan represented for over 20 years?

Ms. EDDIE BERNICE JOHNSON of Texas. No.

Ms. MCKINNEY. This is a new district, but Barbara Jordan's historic district was also found unconstitutional by the Texas lower court, but now they found this district constitutional, so this district is constitutional, but this woman does not deserve a seat in Congress.

Ms. BROWN of Florida. If that is Ms. JOHNSON from Texas I think she has a very compact district, although compactness should not be the only criteria to decide how to district.

Ms. MCKINNEY. Why do we not hear from Congresswoman EDDIE BERNICE JOHNSON from Texas and she can tell us about the Texas situation.

Ms. EDDIE BERNICE JOHNSON of Texas. Thank you very much. Let me applaud you for being persistent about the right of voters in the various districts. In Texas, black citizens were not allowed to vote in the primary until 1944, and then they bought poll tax, and it was not until the early 1970's that we were allowed to register to vote without paying.

Ms. BROWN of Florida. Excuse me, I did not hear you. You must be mistaken.

Ms. EDDIE BERNICE JOHNSON of Texas. No; it is a matter of record. We had to pay poll tax to vote and, then we had to go through a lot of intimidation. So we were delighted when the Voting Rights Act came in 1965, and for the first time in Texas, for the 1970 census, we were able to have an opportunity to have representation at State level as well as congressional level.

The district that I occupy was supposed to come about after the 1970 census. But, indeed, it came 20 years later. The district that I represent is one that is over one metropolitan area, and it is clear that the lines are a little jagged, not quite as jagged as District Six. I do not know the real difference, actually, except that mine is 45 percent black populated, and because of that it was declared unconstitutional. It is interesting.

Ms. MCKINNEY. Wait a minute. Your district is 45 percent black and it is unconstitutional, my district is 64 percent black and it is unconstitutional. What is your district?

Ms. BROWN of Florida. Mine is 50-50.

Ms. MCKINNEY. Yours is 50 percent black, that is unconstitutional. Does that mean any percent black is unconstitutional?

Ms. EDDIE BERNICE JOHNSON of Texas. It appears that way because that district is 91-percent white and it is constitutional.

Ms. BROWN of Florida. Let me say, in Florida, until 1982, we elected two members to the Florida Senate for the first time in 100 years. I just want you to know we have not come that far. The history of representation in this country is not great. If you look down in Florida, we did not elect a woman until, I think, 1986, not in the history of the State of Florida.

Ms. MCKINNEY. Congresswoman BROWN and I were amazed to discover that the organizer of the plaintiffs in the Georgia case was a gentleman who had run in the 11th district and had lost. The same situation prevails in the Florida case. Could you tell us a little bit about the plaintiff in your State?

Ms. EDDIE BERNICE JOHNSON of Texas. It became a problem because he lost?

Ms. MCKINNEY Well, I doubt very seriously, had he won, that we would be in this situation now.

Ms. EDDIE BERNICE JOHNSON of Texas. So if you do not win when you run, you can file a lawsuit?

Ms. BROWN of Florida. I guess so, and you have friends in the courts.

Ms. EDDIE BERNICE JOHNSON of Texas. I think the thing that troubles me the most about this is that we have heard statements from some that feel that they should not be represented by black people. That is clearly very interesting, since we have been represented by whites all of our history.

Ms. MCKINNEY. We continue to vote for whites.

Ms. EDDIE BERNICE JOHNSON of Texas. Indeed, and most of them have not really been that responsive.

Ms. BROWN of Florida. You know one of the things that I find outstanding by every black Congressperson that I know is that we vote for people issues, and it does not have anything to do with color. When I vote for lunch programs, I want all of the children to be able to go to school and have school lunch.

While fighting against Medicare and Medicaid and the cuts, I am representing all of the people of Florida. I do not see how a Congressperson from Florida can go along with the proposals that they have to cut Medicaid and Medicare. Reverse Robin Hood: Robbing from the poor and working people to give to the rich. There are not other Members in Congress more democratic than the black Members of the caucus.

Ms. MCKINNEY. Well, I would agree with you and say that when I put my card in the little machine and I press my "yea" or "nay" button, it does not have "black" on it. So when I cast my vote, my vote counts the same as everyone else's vote up here, and when I cast my vote on issues, I am looking at the impact of that vote on all of my constituents, not just not black constituents. When I come up here, I do not vote just for black people, I vote for everybody.

☐ 1730

Ms. BROWN of Florida. It just always amazes me how when people parade through black churches in September, October, and November, they see no relationship to what they do in January once they are sworn in.

Ms. EDDIE BERNICE JOHNSON of Texas. Well, I think the important thing is for those persons that we represent, we try very hard to be responsive. We answer mail, we visit, we answer questions, and we try to respond and vote to represent that majority.

Ms. BROWN of Florida. All of the people.

Ms. EDDIE BERNICE JOHNSON of Texas. I am sorry to say that very, very often, when I have voted for people, I did not get that responsiveness. I did not always get my letters answered. If I asked questions they did not like, I was avoided. That has not happened with me. What about the other gentlewomen?

Ms. MCKINNEY. I can tell the other gentlewomen that in our congressional office we have serviced, in our casework alone, thousands of our constituents. Now, we do not hang a shingle on the door that says black here and white here. We do not do that. Everybody comes into our office and we treat everybody with dignity and respect, because that is the way we want to be treated. So we do not make a difference between our constituents. We serve all of our constituents.

Ms. BROWN of Florida. I am very proud of the service that my office rendered to the people of the Third congressional district. I have gone into little counties and the next day the headlines in the paper reads the first time in anybody's memory they had even seen a Member of Congress.

Ms. MCKINNEY. That is correct.

Ms. BROWN of Florida. The first time they had ever seen a Member of the United States Congress.

Ms. MCKINNEY. I represent a little county of roughly about 2,000 folks or so. It is Glascock County. It is the peacock capital of Georgia. I went there for a visit. It was the first time that that county had ever been visited by a Member of Congress. And that county, by the way, is a majority white county. So we do not distinguish our constituents on the basis of race, and it is unfortunate that five unhappy people would be able to hold 580,000 people hostage as we go through this redistricting process.

Ms. EDDIE BERNICE JOHNSON of Texas. I believe that one thing that I will always be known for is my responsiveness to all people without regard to color or age or gender, and I think my record is clear.

As a matter of fact, I have not won with less than 73 percent of the vote. When I ran for the Texas House in 1972, I became the first black woman in the whole area ever elected to public office and I did not get any more opposition the whole time I held that office. When I ran for the Texas Senate, after my first race, I did not get any other opposition. So I must be pleasing a majority. I received 93 percent of the vote in my primary coming to the U.S. Congress.

I believe that I am pleasing the majority. But there was one person who indicated that she did not want to live in that district and so she joined with the plaintiffs. I do not have a problem with that person's opinion. I have lived in districts that I did not want to live in. But I think it is called democracy. Democracy in this country is admired the world over. We have attempted to spread it throughout the world and it is a difficult form of government. It is probably the most expensive form, but it is the form that we all prefer. It is a form that we have respected, it is a form that we fought for.

In every war, we have been a part of that, defending this Nation. We have been a part of law enforcement. We have been a part of teaching. I do not know a profession that we have not wanted to be, even before we could be, a part of.

I believe that this country has promised all of its people one vote per person, and I do not think it eliminates us now. I realize that it did at one time. I believe that these districts are worth standing up for. I think they are worth fighting for, because we fought for freedom and this is all a part of it.

It is clear that we have been dealt some negative blows. It is clear that we have all suffered race discrimination. it is clear that we continue to face those barriers. But I believe if we succumb to those barriers, we will be letting a lot of people down. We would be letting this country down because this country's promise is not to have discriminatory practices, and we owe that as a responsibility to all of this Nation's people.

We need to get to know each other, because once we do, we will not have the same barriers as before we do. I believe that it has been educational for the persons that I represented to get to know me and for me to get to know them. That is really what makes a real understanding and acceptance.

It is unfortunate that we have to go through this first, but can either of the gentlewomen name any institution that has not come through the growing pains? And, yes, this has been long, it has been hard, it has been heartbreaking, it has been disappointing, and it is hard to explain it to your children, it is hard to explain to your grandchildren, but we cannot give up.

Ms. MCKINNEY. We absolutely cannot give up.

Ms. BROWN of Florida. We stand on very tall shoulders. If we think about people that have died to give us the opportunity to stand here on this floor and have this conversation, then I am committed that we will never go back to an institution of all white men.

Ms. MCKINNEY. I agree with the gentlewoman, and I just did a little list here of the women whose districts have been targeted. Women. So while we three up here also happen to be African-American, we are women trying to make it in a traditionally male environment.

SHEILA JACKSON-LEE is the gentlewoman's colleague from Texas; the gentlewoman from New York, NYDIA VELÁZQUEZ, is America's first Puerto Rican American Congresswoman. Somebody in the State of New York does not like the fact that we have, for the first time in our Nation's history, a Puerto Rican American woman voting on the floor of the United States House of Representatives.

Ms. BROWN of Florida. As I said before, this is the first time, these past 3 years, or 2½, that we have had a diverse Congress. It has been the most diverse. Look who championed the issues of the people. I am very proud to stand with the Women's Caucus, the Hispanic Caucus, the Black Caucus, the Democratic Caucus for the people of this country.

If we look at the attacks on affirmative action, and I recognize that is another talk, but we have 98 percent of all of the jobs in all of the categories held by white males and they are only 42 percent of the population. It is like my grandmamma's sweet potato pie. All we have is a thin slice, and they do not want us to have that slice.

Ms. MCKINNEY. Well, I want to thank both of the gentlewomen for joining me in this special order and I would like to conclude by saying that I know that this struggle, as the gentlewoman correctly point out, is growing pains for the south and it is growing pains for our Nation.

We do not stand alone in Georgia's fight that we are having. We have been joined by the Congressional Black Caucus, the Democratic National Committee, the Democratic Congressional Campaign Committee, the State of Texas, the National Voting Rights Institution, Mexican American Legal Defense Educational Fund, National Asian Pacific American Legal Consortium, the NAACP, the National Organization for Women, the National Organization for Women Legal Defense Fund, National Urban League, People for the American Way, and Women's Legal Defense Fund. It is obvious that we do not stand alone.

Ms. EDDIE BERNICE JOHNSON of Texas. It is very ironic that gerrymandering never became an issue until they started to include us. Districts were drawn all kinds of ways. I happened to have chaired the State Senate redistricting committee for congressional districts, and all kinds of requests came in. They wanted to include their grandfather's burial site, their grandmother's birthplace, an army site, a certain street, and a little store that they visited in. But when it includes black voters, it becomes illegal.

Ms. MCKINNEY. I would ask the people of this great Nation to please stand with these women who are here and the other women whose districts have been targeted and say that we appreciate the kind of democracy that we have now achieved; and while we are faced with the position of some people trying to take us back, this country will not go back, and that the people will join with us as we fight to move this country even more forward toward a greater type of democracy that includes everybody.

I thank the other gentlewomen very much for participating.

Ms. BROWN of Florida. I thank the gentlewoman.

Ms. EDDIE BERNICE JOHNSON of Texas. I thank the gentlewoman.

REPUBLICAN AGENDA

The SPEAKER pro tempore (Mr. MILLER of Florida). Under the Speaker's announced policy of May 12, 1995, the gentleman from Ohio [Mr. HOKE] is recognized for 60 minutes as a designee of the majority leader.

Mr. HOKE. Mr. Speaker, I rise today to review some of the areas that we have been involved in the past couple of weeks that we have gotten back since the break, and particularly to look forward to what we are going to be doing during the next 2 months, because this is going to be an extraordinarily busy time, a very exciting time, and, frankly, and extremely challenging time for House Republicans on a number of fronts.

I think, first of all, it is important to look at the big picture and to remind ourselves, and, of course, I am not speaking directly to the American people, but to you, Mr. Speaker, and perhaps they will hear also, but to remind ourselves that as we responsibly cut Government, which is what the American people want us to do, we also intend to grow America. Our plan is based on the principle that America's greatness is based on its people, not its bureaucracy, and that its greatest accomplishments lie in front of us and not behind us.

We have essentially four things that we are going to continue to work on up until the end of this term of the first year of the 104th Congress. The first is to balance the budget in 7 years. As we all know, Mr. Speaker, we passed a budget resolution in late June that shows a roadmap to how we can get to a balanced budget by the year 2002. We have worked assiduously passing appropriations bills that will do exactly that.

First of all, in these appropriation bills, we have begun with the legislative branch itself and the conference report, because we all know that charity begins at home and so do the cuts. If we cannot take personal responsibility right here in this House, and if we cannot set an example and show how we Republicans ourselves are willing to make the sacrifices that are necessary, how on Earth can we possibly ask the American public to do the same thing.

So, Mr. Speaker, we began with an 8 percent reduction in the 1996 appropriation for legislative branch, and that is a $205 million cut below the 1995 levels. I think it is important to remember that when we are talking about this cut of $205 million, that is a real cut. That is not a phony smoke and mirrors Washington cut, that is actual real dollars: $205 million less than what we are spending in fiscal year 1995, the year that is going to end on October 1.

That is a remarkable difference, because in the past we have used this dark alchemy of baseline budgeting to confuse the American public. And it is the same dark alchemy that is being used right now by our liberal friends on the other side of the aisle to claim that we are decreasing, or cutting, slashing I think is the word that is used most frequently, slashing Medicare in order to pay for "tax cuts for the rich".

The fact is, Mr. Speaker, that we are increasing in real dollars; not in inflated dollars, not in projected dollars, but in real dollars off of the 1995 actual amount. We are increasing the amount of money that will be spend on Medicare.

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I am going to get to that in a minute, but I want to emphasize, as I go through some of these appropriation bills, that we have actually genuinely cut real dollars; in the case of leg branch, 205 million real dollars, from what we spent in 1995, not $205 million less than what somebody at CBO, an analyst who was never elected to anything at CBO projected we would be spending in 1996, but in fact $205 million less than we have spent in 1995.

How about on the foreign operations side of it? We did slash foreign aid. We cut the foreign aid appropriation by $1.5 billion below the 1995 levels. That is an 11½-percent reduction.

In the Department of Interior appropriations bill we cut spending there by $1.6 billion over the 1995 levels.

And we eliminated bureaucracies. We ended the funding for six Federal agencies, including the National Biological Survey, the Bureau of Mines, the Office of Indian Education, and the Office of Emergency Preparedness.

Treasury-Postal Service; we delivered spending cuts that we promised. We reduced spending by more than $300 million below the fiscal year 1995 levels.

In the Department of Agriculture we have truly sown the seeds of deficit reduction. We have cut farm and food spending by $6.3 billion below the 1995 fiscal year budget. That is a 9-percent reduction.

The American people have been saying for several decades we are subsidizing agricultural interests in a way that does not make any sense, and, if you listen to many, many farmers, they say exactly the same thing because what we do is we pay farmers to not grow crops that they probably would not have wanted to have grown anyway had the market been allowed to act as it should, and, as a result of that, we have a distorted marketplace in the agricultural industry in this country, and we are making those changes in real terms on a real-time basis.

Also in the Department of Agriculture we have reduced welfare spending. We have cut the food stamp budget by $1.7 billion below fiscal year 1995, a 6-percent reduction going specifically after the waste, fraud, and abuse that exists in that area at the same time that we have increased nutrition funding. This is the WIC program for women, infants, and children, and also the school nutrition, school lunches, that we have increased substantially. WIC goes up 7½ percent. That is $260 million more than in 1995, and child nutrition funding jumped 6.7 percent, $581 million over 1995.

We have ended a lot of pork-barrel spending. This is also in the Agriculture appropriations bill. Its taxpayer support is terminated for 80 special research and extension projects: The Rural Development Loan Fund, the Outreach for Socially Disadvantaged Farmers and Ranchers Program, the Honey Program, and university research buildings and facilities.

In the Department of Transportation, Transportation appropriations bill, we have reduced funding by $1.4 billion. That is a 10-percent cut.

And in the appropriations bill on Commerce, Justice, State, and Judiciary we have also had substantial cuts that include the beginning of tearing down and taking apart brick by brick the Commerce Department. Commerce funding is cut by $715 million in the first step toward eliminating that Department completely.

What we have done is we have increased domestic-violence funding by fivefold to combat the appalling amount of violence that is committed, spousal violence and nonspousal violence, domestic violence, committed against women in the United States. We have $125 million provided for domestic-violence programs, which is a $100 million increase.

In the VA–HUD bill we have cut spending by more than $10 billion below fiscal year 1995 levels. That is an 11-percent reduction.

And on and on and on, and so those who say that we are not cutting the budget or that, if we are going to fix Medicare, we should be digging deeper into other parts of the budget, think again. We have been extraordinarily aggressive with respect to every area of the budget, including, to a certain extent, national defense, where there has been no increase, although that budget has remained flat, and I think, as you know, Mr. Speaker, I differ with some of my colleagues with respect to that because I think there is a lot more that we could be and should be doing with respect to streamlining and bringing best commercial practices and procurement practices into the Department of Defense.

But I wanted to go on to the next area of the budget that I think is important and the next thing that we are going to be doing, as Republicans, in the coming 90 days, and that has to do with something I know is very close to your interests, Mr. Speaker, and that is to save Medicare. I think when we talk about Medicare we have to start out with the trustees' report of April 1995 and remind ourselves that there is actually a real problem, a genuine problem, and that if we do not do something to fix the problem, we run the danger, the real risk, of not having Medicare and that, if we do not go after this now, if we do not do something to make it solvent, what we are saying is we are not going to be responsible. We are just not going to take the advice of the Medicare trustees in their report to the President.

Let us see what they said. They said, quote, under all the sets of assumptions the trust fund, that is the Medicare trust fund, is projected to become exhausted even before the major demographic shift begins.

Now what do they mean there? They are talking about when they are talking about the major demographic shift, talking about the shift of baby-boomers, people about my age, who become retirees. That will happen in about 20 or so years, and that is a shift that will mean that, instead of having 3.3 workers for every retiree, for every Medicare beneficiary, at that time, the year 2030 I believe it is, we will—or 2025—we go to the point where we have got two workers in this country for everybody Medicare beneficiary. Now, even well before that the trust fund is projected to become exhausted.

The other thing that they say is, quote, the fact that exhaustion would occur under a broad range of future economic conditions and is expected to occur in the relatively new future indicates the urgency of addressing the health insurance trust fund's financial imbalance.

Well, what does that mean? Who is supposed to address it? Well, presumably, and in fact if you read the entire report, it is very clear who they expect to address it. They expect people in positions of responsibility in the Federal Government, specifically the President and the Congress. That means the House and the Senate, we are expected to come up with these—first of all to take the problem seriously, and, second of all, to act on it.

I see that I have been joined by my good friend from Maryland. I suspect he wanted to add something to this.

Mr. BARTLETT of Maryland. I am happy to join the discussion of Medicare.

I think to put this in perspective that one of the first things that we need to do is to chat for just a moment about how Medicare is related to balancing the budget. I notice a lot of columnists and a lot of Congressmen will directly or indirectly relate our problem with Medicare to balancing the budget.

What we are talking about here and what the trustees were talking about is part A of Medicare. That has a trust fund just like Social Security. It really has nothing to do with the budget.

We make the statement that, and it is a very correct statement, that if the budget were balanced today, we would still face exactly the same problems with most Social Security and with Medicare that we face now, and so this is not a problem which is related to balancing the budget. It is true that if the budget were balanced today that we still face a problem having to do something about Medicare or it is going to be bankrupt.

Now I know that there are those who are saying that the Republicans are going to cut Medicare. That is not true, and we will come to that in a couple of moments. You need to go to school for some elementary math if you think the Republicans are cutting Medicare.

Yes, sir; you had a comment?

Mr. HOKE. I think it is worth explaining why specifically this trust fund or why specifically whether or not the budget was balanced today does not affect this, and I think it is fairly easy to understand once you understand where the money comes from that goes into this trust fund because the only money that goes into the Medicare trust fund is from the payroll tax, the 1.45 percent times two, 2.9 percent, because it is matched payroll tax that is due—I am sorry, the 1.4-percent tax that is paid by each person with earned income in the United States. And that money goes directly into this trust fund.

The Federal Government is precluded, is forbidden, from using any other Federal funds to pay for the payments that are made by the Health

Care Financing Administration [HCFA] to pay for medical services. They must use the Medicare trust fund for those services. They cannot use the general fund of the United States.

Mr. BARTLETT of Maryland. That is for part A, and that is the one the trustees are talking about, that is the one that is in trouble, and that is the one that we are talking about that we must do something to strengthen it, and save it, and preserve it so it will be there for our children.

By the way, I think in 23 out of the last 27 years we have increased the payroll deduction for Medicare, so it has gone up, and up, and up, and we obviously cannot continue to do that.

By the way, if we doubled or tripled that withholding, Medicare is still in trouble. So we have got to do something beyond that.

So the first point that we need to make is that Medicare is not related to the budget. It is off budget.

Now I know that we have been taking the money from the Medicare trust fund. We take if from all trust funds. I do not agree that we ought to do that. I think we need to stop doing that. We need to enact legislation so that we can stop doing that because right now by law the surplus funds in these trust funds have to be invested in U.S. securities.

So, it is the Congress' fault that these funds are not there. Every bin where there should be dollars, like the highway trust fund, and the Social Security trust fund, and the Medicare trust fund, and the list goes on and on for a large number of trust funds, in those bins where there should be money there are just IOU's, and the money is owed to the Government.

But this is an accounting problem, and, as far as accounting is concerned, and I have a little graph here which shows the problem with the Medicare account, and what it says is that starting next year we will be spending more money than we are taking in. There is a surplus in the fund now, on paper. We have borrowed it, we need to give it back.

But this still has nothing to do with balancing the budget, and, if we keep on going the way we are now, by 2002, maybe a little earlier, maybe a little later, because you cannot be really a perfect prophet in predicting what is going to happen economically in the future, but they said under all circumstances, any circumstance they could look at it, it was going to go bankrupt, and a good guess is about 2002, and you can see here it goes through the zero line in 2002, and that would be a catastrophe that we absolutely cannot afford to happen.

So, it is very appropriate now that we step up, and, by the way, I would just like to encourage those that are on the other side of the aisle——

Mr. HOKE. Maybe I could ask a question because, if that is the case, if under all the sets of circumstances that have been, you know, examined by the Medicare trustees, and, as I understand it, three of these are Members of the President's Cabinet——

Mr. BARTLETT of Maryland. And four of them he appointed, and three are Cabinet Members; that is correct.

Mr. HOKE. So, if there is a partisan issue, I suppose you could argue that these are all Democrats and that there are not Republicans.

Mr. BARTLETT of Maryland. A majority of them at least are, yes.

Mr. HOKE. OK; so clearly this is not something that has been trumped up by the Republican Party to create some kind of a phony crisis.

Mr. BARTLETT of Maryland. That is exactly right. This is not a Republican program. It was what, April 3, that the President's trustees, the ones he appointed—he appointed four of them. Three of them are Cabinet Members, and they are the ones that in their annual report point out that we have absolutely got to do something.

Now all at once from the other side of the aisle and from many journalists this becomes a Republican problem. It is our problem, it is not a Republican problem, but it is a problem that Republicans are stepping up to, and it is a problem that those on the other side of the aisle have not been willing to step up to. They have been very willing to be the source of disseminating false information to the American people. We will have a chance to chat about that as we go on here.

Mr. HOKE. This is what I am sort of driving at. You know, it seems to me that the responsible thing to do here is look at the problem, and then posit solutions for the problem itself, ask the American people what they think, seek their advice, seek their input, which is what we have obviously been doing for some time now, have hearings on it. We have had over 10 hearings, thousands and thousands of pages of testimony. This is certainly not a problem that just started this year. Obviously we have been concerned about Medicare for some time.

☐ 1800

The President has made it very clear as well, and comes up with, in terms of numbers, with proposals with respect to the actual percentage of increase, reducing the amount of the increase in Medicare that is quite similar to the numbers that we have come up with, and yet in this House, we have not heard any positive alternative plans, or even the admission that maybe there is a problem here that we ought to address.

How do you read that? Why? What is going on? Why has this become such a partisan issue?

Mr. BARTLETT of Maryland. Well, as the gentleman knows, it should not be a partisan issue. It is everybody's problem. It is my mother's problem. I am 69 years old, it is going to be my problem. But more important than that, it is my children's problem and my grandchildren's problem. Because what we are going to do if we do not do something responsible now is to require them to take care of our health care, and that just is not fair. They are going to have their own problems in spades.

Mr. Speaker, as the gentleman from Ohio pointed out, this demographic shift, which is all the baby boomers coming on board; if we think we have problems now with Medicare, just look down the road at where we are going to be when the baby boomers come on board. So we really need to be responsible now and to solve the problem now so that we can build the foundation so that we can solve the bigger problem that we are going to have when the baby boomers start coming on board. Then it is not going to be two-to-one, it is going to be a ratio of less than two-to-one.

Mr. Speaker, I just wanted to get back for a moment to nail down this budget thing. This has nothing to do with the budget. When you hear someone say that Republicans are cutting Medicare, the first untruth is we are not cutting Medicare. It is now $4,800 per recipient per year. That is going to go up 40 percent or so to $6,700 per recipient, and nobody's math is going to consider $4,800 to $6,700 a cut.

So that is the first problem with the statement. But they go on to say that Republicans are cutting Medicare, which is not true, so that they can give a tax break to the rich. That is silly. That is like the gentleman from Ohio saying that if your neighbor would stop having such expensive vacations, you could buy a new car.

Mr. Speaker, our problems with balancing the budget have absolutely nothing to do with Medicare. It has its own trust fund. There is a problem there. We have to solve the problem. Again, I would just implore those at the other end of Pennsylvania Avenue and on the other side of the aisle here to please join us.

What they are promoting is Medicare. They are trying to frighten our senior citizens. That is not fair, that is not right. We have a problem and they can do productive if they join us in trying to solve that problem.

We have been engaged now over the break and for more than a month, and in our office for much more than a month, in a continuing dialog with the American people. They now know that there is a problem, they know that they must be a part of the solution to this problem, and when they look at it honestly and face it fairly, you know, they have faced bigger problems in their lives, and if they are business people, they face bigger problems in their business.

I do not find our senior citizens frightened that we cannot solve this problem. I see some of them confused because they are getting different information. So let us just nail down the fact that this has absolutely nothing to do with balancing the budget, it is a totally separate area, totally separate problem, and then we can go on to talk about what the problem is and what we can do about it.

Mr. HOKE. Well, I would like to suggest an answer to the question that I asked I suppose rhetorically earlier, and that is why is this being portrayed the way it is by the other side of the aisle? I believe that it is because for some reason, the liberals particularly, and not all of the members of the minority party in the Congress are doing this. But there is a strident and ugly strain that is brought out on this floor every day by people who have an extraordinarily great vested interest in keeping the system the way that it is. And what you find out is that what is really going on here is that this is about politics and politics is about power.

Certain Members of the minority party in the Congress believe that this is the golden spike, this is what they need. This is the issue that is going to bring them back the House in 1996. To the extent that they are successful in confusing the public, perhaps they are right about that.

Mr. Speaker, I thought there was an extraordinarily refreshing breath of fresh air that came from, of all places, the liberal journal of record in this country, the Washington Post this year, because they recognize exactly what is going on in terms of this partisan battle, and that there is no place for it if we are in fact going to take advantage of the opportunity, which it is a small window of opportunity to fix this, to make it right and to move forward in a way that is fair to all Americans. I want to read this to you, because I think it is very instructive.

They said, and this is from just Tuesday, the day before yesterday in their lead editorial, they said, "The Republicans are in control of the health care debate because this year they have forcefully taken the right position on the basic issue of controlling costs. The Democrats denounced the Republicans for proposing to gut the programs, but they have no serious counterproposal. Not the Democrats in Congress, and not the President either. Last year it was they who proposed health care reform. This year they lie in the weeds. Why if the thing was urgent then is it not so now? They risk squandering for political reasons a chance to tame these programs that everyone agrees need to be tamed. They think they gain from this. We think they lose. They think it is clever, we think it is dumb. The problem for the Republicans is not that they are squeezing the health care problems, it is that they are trying to squeeze them too hard. What if," and it goes on, "all the more reason for the Democrats to play a constructive part. What if they chose to help instead of using the issue to score political points?"

In the same vein, from the Wall Street Journal just yesterday morning, and this is kind of remarkable when you have the Wall Street Journal, probably the most conservative major distribution newspaper in this country and the Washington Post, the most liberal distribution newspaper in this country, agreeing.

The Wall Street Journal says:

> It is hard to tell among the fog of political war, but Republicans are about to propose their most important reform of the 104th Congress. They want to reestablish a private market for medical care for the elderly, thereby rescuing Medicare from what would otherwise be an inevitable crash. This is the ball to keep your eye on as the Medicare debate shrieks ahead amid the TV ads with tearful grandmas and reporters writing the budgetese. All the verbiage about $270 billion Medicare cuts or cuts in the growth of spending, or managed care is beltway smoke. The only way to save Medicare now is to reintroduce the very American concepts of choice in competition. Our understanding is that this is precisely the core of the GOP proposal, at least in the House. Instead of today's one-size-fits-all plan, the elderly would begin to have a choice of insurance plans, just as most younger Americans do.

Well, God bless the Washington Post and the Wall Street Journal for coming to agreement on this that, first of all, there is a real problem. Second of all, that Republicans, particularly in the House, have decided to aggressively and forthrightly and creatively and courageously come up with solutions to those problems and propose them in the light of day; and third, that it is time for the Democrats to get off of this political partisanship where they are going to try to make hay in a way that clearly has not stuck, if you look at all of the poll results, but that they should get off of that and join the debate and join with us to make and craft solutions that will genuinely benefit the American people.

Mr. BARTLETT of Maryland. Those are great editorials, and I think that they are saying what most Americans, when they have had a chance to look at the facts and think about it, what they are saying, too.

I think that it is perhaps well to look at what the problem is. We can divide our health care into four segments. They are not of equal size, as you will see, but they have very disparate percentages of increases per year. Medicaid I think is increasing at about 14, 15 percent a year. That is a government-run program. Medicare is increasing at about 10, 11 percent a year. That is a government-run program.

If we go into the private sector, the major part of the private sector, the rate is increasing there about 4.5 percent a year. Now, that is too much, that is above the inflation level, that has got to be brought down. That is a whole lot better than it was a couple of years ago, and it is a whole lot better than 14 or 15 percent. It is a whole lot better than 10.5 or 11 percent.

The fourth category I want to mention is a unique part of the private sector, and these are large corporations, large companies, that self-insure. Now, nobody is quarreling that the quality of health care has gone down in the private sector, that they have less than half the rate of increase per year as in these government-run programs. Nobody is quarreling that the quality of health care is down. It is not down in these big companies. And you know what their experience has been? Last year they had a decrease of 1.1 percent in health care costs. So this tells us what the potential is.

The article from the Wall Street Journal, that was particularly illustrative, because it points out that what our program is aiming at is to bring competition to the marketplace. There is no competition in Medicaid, there is no competition in Medicare, there is some competition, we need more, but to the extent we have competition in the private sector, and even more in these large companies that can shop around, competition has done what it always does in a free economy. It has increased the quality and it has decreased the price. So the Wall Street Journal is exactly correct. The solution to the problem, I think, is providing senior citizens options so that they can choose.

Now, two things about this that will make this more important for senior citizens than for other people: I think we are smarter than other people, because we have lived longer and we have more experience and we can trade on that experience. I do not have more time, but you know, many senior citizens are retired and they have time.

I can remember when I was in the workplace and this open season came once a year and we could change to another policy, I did not have an opportunity to look at those and study them. If I was reasonably happy with the one I was in, I stayed there. But this is not the case for senior citizens. They are very bright people, they have time, they will study, they will make great choices that are to their benefit.

What that is going to require is competition in the marketplace, because we hope we are going to make available to them a wide menu, a wide menu of plans that they can choose from. They can stay right in Medicare, by the way, if they want to. Nobody has to leave if they are happy with where they are; They can stay there. But I think many people, most of the people, will opt to go to one of the other plans which will better fit their peculiar or personal or family situation. What this is going to do is to make for competition. It is going to do for Medicare exactly what it has done in the private sector and what it has done for these large companies, and the cost of health care is going to come down.

Now, it does not even need to come down to 4.5 percent in Medicare, what is it, 6.5 percent or something, if we bring it down only that much, we are okay. I think we are kind of pessimistic. I think the senior citizens are smarter than that. I think they are going to do better than that, and I think that once they have this menu of opportunities that they are going to make great choices, the marketplace is going to respond, I think, in much less time than one would suspect, that we are going to be looking back at the Medicare problem and not looking at the Medicare problem.

Mr. HOKE. Well, let us boil it down so that the senior citizens that, Mr. Speaker, may be watching these proceedings could get a specific example, and I just want to give one. That is so that people can have a sense of exactly what will be available. For example, a 75-year-old with an average income, what are the options that will be available?

No. 1, the first option is that senior citizen can stay in the traditional Medicare program. That means no additional deductible or copayment. It means a continued 31.5 percent premium rate for the part B premium, and in other words, anybody that is in the program right now can stay in it with exactly the same benefits and the same levels and the same co-pay with no increases whatsoever except what are already scheduled. That is No. 1.

No. 2 is that they can choose a managed care option with prescription drug coverage, and this is an option that is available now to many people in the private sector and will be available to seniors.

Third, and this is the one that is most attractive to me, is that they can choose a medical savings account plan, a Medisave plan, that will offer them the protection of catastrophic umbrella coverage while giving them specific incentives to rationalize their own care in the same way that consumers rationalize the purchase of other products in our economy.

It seems to me that it is only common sense. It should be only too obvious that having these kinds of choices will be much more attractive to senior citizens.

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Mr. BARTLETT. Absolutely. I would like to come back to the Medisave for just a moment. I had the privilege of being briefed by Pat Rooney from the Golden Rule Insurance Co., who first came up with this plan. He explained that on the basis of a person who was working for an employer, where the employer owned the policy, it is made available as a benefit to the employee. I do not think that is the best idea. I think if you owned it, then a lot of problems we now have like portability and preexisting conditions go away, and I think this is a great success. But that is an item for another discussion.

But if you took a working family at that time, where the employer paid about $4,500 a year for their health care, and imagine if he took $1,500 of that and bought a catastrophic policy with a $3,000 deductible, he now took that $3,000 and put it in an account for the employee, the employee would, anytime they thought they needed health care, they could go get it. They would not have to ask if it was covered. There was no deductible other than this $3,000 deductible, and then they brought the receipt from that and they got the money. If at the end of the year they had not spent the $3,000, it was their's.

But since it was before tax dollars, this is where the medical IRA comes from. Since it was before tax dollars, if they wanted to take it out, they would pay the usual 10-percent penalty. But they could roll it over into an IRA. It would not have to be for their retirement, it could be for their children's education, or for any purpose in the future.

It has been estimated that making the consumer a careful shopper could save up to a third of health care costs. If you think about it, MARTIN, the only thing that we shop for in our society and never ask the price of is health care. You never ask the doctor, "Doctor, you have ordered 10 tests for me. Do I really need those 10 tests?"

If your doctor were going to be perfectly honest with you, he would say "No, Martin, you need 4, but I need 6 of them to protect me against malpractice." We need to solve his problem, and we have some good legislation that starts down that road. I am not sure it has gone quite far enough. We have started down the right road, anyway, and we are hoping to solve that problem. This would be an enormous incentive to be a good shopper, and there is a benefit for being a good shopper.

Another area where I had one of our constituents who came to one of our open door sessions, who told about a Medicare billing for his mother for the 2 months after she was dead. These were just for drugs for her. But he is a very responsible citizen, Mr. Hardy from up in Allegany County, up in Maryland, and he went to the hospital to find out why that happened.

Well, very few people do what Mr. Hardy did. He got it corrected, and there are three other nursing homes, four other nursing homes, that are now not using the billing service that that nursing home was using. So he really solved the problem. But very few of our people have his commitment.

Mr. HOKE. You are absolutely right. I will give you two examples where the insurance industry has not really taken over payment of bills that are medically related, so you do not have third party payment, you actually have the consumer directly involved. Those two areas are dental and optical. And I will just give the optical example.

What happened there is really quite instructive and very impressive in terms of what a free market can do. You found two things: No. 1 is that the number of choices in and the avenues that Americans have with respect to getting eye care and eye wear are really quite varied. You can go to an optometrist, and optician, or you can go to an ophthalmologist. There are three levels of care and training. All of those are available, and three different prices.

You can go to almost any mall in this country and have a pair of glasses made in an afternoon. The price of glasses has on an inflation-adjusted basis remained flat for several decades. The price of contact lenses has dropped dramatically over that same period of time.

This is an area that has not been picked up by and large as a benefit because clearly it does not have really any insurance function. The truth is that insurance is supposed to protect people against catastrophic losses due to unforeseen circumstances.

But that is not what our health insurance does. What our health insurance does is it is actually a prepaid health care plan. It is though we were paying insurance for oil changes and brake relinings and realignments and things like that, things that we know will go wrong with a car we would never insure against. The kind of routine things that need to be done medically that we can predict are also not really appropriate for insurance. But the fact is that because we, that is, the U.S. Congress, had made it much more advantageous to purchase insurance, because you do that with pretax dollars as opposed to buying health care which you do with after tax dollars, because of that we have encouraged this tremendous growth of health care insurance in this country. That really is at the very, very basis of the problem that we face today.

I see that our time is about expired. I need to catch a flight. But if you want to take some additional time, I think we can do that under the leader's rule for the leader's hour. I know we can. Would you like to do that?

Mr. BARTLETT of Maryland. MARTIN, I am happy to chat for a little more with the American people about Medicare. MARTIN just mentioned a very significant thing, and that is when competition came in, prices came down. He was mentioning the optical and the eyeglasses and so forth. This is exactly the kind of thing that is going to happen in health care if we give it a chance.

I want to mention before we quit, MARTIN, one other thing you brought up. You mentioned health care and you mentioned sick care. We euphemistically call what we have in this country a health care system. Most of it is a sick care system, is it not, if you think about it.

What we need is the philosophy and kind of insurance that moves people to genuine health care. It is like a warranty on your car, but they do not care whether you put oil in it or not.

I do not understand why the insurance companies would not insist that we have a physical every year, because that is kind of the equivalent of putting oil in your car, and they would detect problems. There are old adages like "a stitch in time saves nine" and "an ounce of prevention is worth a pound of cure." We seem to have forgotten all of those things in health care.

By the way, sometimes when we have another opportunity, it would be very fruitful to talk about how we got here. How in the world did we ever get in a country which has been the envy of the world for our economic prowess, largely because we have a free market economy with competition, how did we ever get here, when we have essentially no competition with health care?

Just to whet your appetite, the villain here is where the villain usually is when our country has problems, the Federal Government.

Mr. HOKE. I thank you for coming down to the floor and joining me on this. I look forward to that discussion.

Mr. BARTLETT of Maryland. We will meet again and have a further discussion.

CONFERENCE REPORT ON H.R. 1817

Mrs. VUCANOVICH submitted the following conference report and statement on the bill (H.R. 1817) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes:

CONFERENCE REPORT (H. REPT. 104–247)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1817) "making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 4, 14, 15, 19, 30, 35, 36, 37, 43, 44, 45, 47, 48, and 49.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 7, 10, 12, 18, 22, 38, 39, 40, 41, and 42, and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$633,814,000*; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$554,636,000*; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$50,477,000*; and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$587,234,000*; and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$26,594,000*; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$6,000,000*; and the Senate agree to the same.

Amendment numbered 13:

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$640,357,000*; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following: *: Provided further, That of the funds appropriated for "Military Construction, Defense Agencies" under Public Law 102–136, $6,800,000 is hereby rescinded*; and the Senate agree to the same.

Amendment numbered 17:

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following: *: Provided further, That of the funds appropriated for "Military Construction, Defense Agencies" under Public Law 102–380, $8,590,000 is hereby rescinded*; and the Senate agree to the same.

Amendment numbered 20:

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$137,110,000*; and the Senate agree to the same.

Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$171,272,000*; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$72,728,000*; and the Senate agree to the same.

Amendment numbered 24:

That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$19,055,000*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$36,482,000*; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$116,656,000*; and the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$1,335,596,000*; and the Senate agree to the same.

Amendment numbered 28:

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$1,452,252,000*; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$525,058,000*; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$1,573,387,000*; and the Senate agree to the same.

Amendment number 32:

That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$297,738,000*; and the Senate agree to the same.

Amendment numbered 33:

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$849,213,000*; and the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$1,146,951,000*; and the Senate agree to the same.

Amendment numbered 46:

That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows:

In lieu of the matter stricken by said amendment, insert the following:

SEC. 123. During the current fiscal year, in addition to any other transfer authority available to the Department of Defense, amounts may be transferred from the account established by section 2906(a)(1) of the Department of Defense Authorization Act, 1991, to the fund established by section 1013(d) of the Demonstration Cities and Metropolitan Act of 1966 (42 U.S.C. 3374) to pay for expenses associated with the Homeowners Assistance Program. Any amounts transferred shall be merged with and be available for the same purposes and for the same time period as the fund to which transferred.

And on page 5, after 6 of the House engrossed bill, H.R. 1817, insert the heading: *(Including Rescission)*

And on page 9, line 24 of the House engrossed bill, H.R. 1817, after the word "restoration" insert: *, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor*

And on page 10, line 9 of the House engrossed bill, H.R. 1817, after the word "restoration" inset: *unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor* ; and the Senate agree to the same.

BARBARA F. VUCANOVICH,
SONNY CALLAHAN,
JOSEPH M. MCDADE,
JOHN T. MYERS,
JOHN EDWARD PORTER,
ERNEST J. ISTOOK, Jr.,
ROGER F. WICKER,
BOB LIVINGSTON,
W.G. (BILL) HEFNER,
THOMAS M. FOGLIETTA,
PETER J. VISCLOSKY,
ESTEBAN EDWARD TORRES,
Managers on the Part of the House.

CONRAD BURNS,
TED STEVENS,
RICHARD C. SHELBY,
JUDD GREGG,
HARRY REID,
DANIEL K. INOUYE,
ROBERT C. BYRD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE ON CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1817) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

ITEMS OF GENERAL INTEREST

Matters Addressed by Only One Committee.—The language and allocations set forth in House Report 104–137 and Senate Report 104–116 should be complied with unless specifically addressed to the contrary in the conference report and statement of the managers. Report language included by the House which is not changed by the report of the Senate or the conference, and Senate report language which is not changed by the conference is approved by the committee of conference. The statement of the managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein. In cases in which the House or the Senate have directed the submission of a report from the Department of Defense, such report is to be submitted to both House and Senate Committees on Appropriations.

Troop Housing.—Prior to the award of any fiscal year 1996 troop housing project, the Department is directed to provide a report to the Committees on Appropriations describing the accepted barracks standard, the exceptions where that standard will not apply, the long-term plan to achieve the standard, and the cost implications of doing so. The long-term plan should identify the eligible population by location, number of spaces requiring upgrade, and the current barracks situation at that location. If the current "2 plus 2" standard is revised, the conferees direct that the report contain a cost comparison between the "2 plus 2" and the revised standard.

In addition, prior to the obligation of any fiscal year 1996 troop housing project, the Service Secretary is to certify to the Committees on Appropriations that new construction is warranted over renovation for each individual project.

Base Realignment and Closure.—The conferees have recommended full funding for military construction and family housing projects as requested for the Base Realignment and Closure accounts. The conferees believe that Congress needs to be advised of any programmatic changes involving the construction of projects. For this reason, any transfer of funds for construction projects, which deviate from the listing provided in House Report 104–137, shall be treated like any other reprogramming within the military construction appropriation.

Base Realignment and Closure, Part IV.—The conference agreement provides the budget request of $784,569,000 for Base Realignment and Closure, Part IV. To date, the Department has not indicated how these funds will be distributed except that a portion of the funds will be used for site surveys and for planning and design. Therefore, the conferees direct that no funds be obligated except for site surveys, environmental baseline surveys, environmental analysis under the National Environmental Policy Act, and for planning and design until the Committees on Appropriations have been provided with a five year program for executing the 1995 base realignment and closure plan with justifications (Form 1391) for fiscal year 1996 funds.

Relocation of Southern Command.—In response to a House requirement, the Army has reported on its plans to relocate the Southern Command from Panama to Dade County, Florida. Approximately 700 military personnel and families will be relocated. The conferees are interested in the Army's plans for supporting the quality of life for these personnel. Therefore, the conferees direct the Army to provide a detailed plan which will address its program to provide relocated personnel with: affordable housing; medical and dental support; and morale, welfare, and recreation facilities. This plan shall be provided and approved by the appropriate Committees before the execution of this move.

Southwest Asia Prepositioning.—The conferees support the requirement for prepositioning in this region and recognize that valid requirements remain after Operation Desert Storm. However, the conferees direct that all future funding of prepositioning in this area be provided through expanded contributions from our allies located in the region.

Chemical Demilitarization.—The conferees agree to defer consideration of funding for requested projects at Pine Bluff Arsenal, Arkansas, and at Umatilla Depot, Oregon, without prejudice. The conferees agree to provide $13,000,000, as requested, for planning and design of Chemical Demilitarization facilities, so this important program shall proceed.

Medical Facilities.—The conferees agree with the current arrangement whereby the Defense Medical Facilities Office is responsible for centralized planning and budgeting for medical facilities. However, there is concern that the individual military services should conduct rigorous reviews of these projects. Therefore, the conferees direct the Service Secretary of jurisdiction to submit a separate certification, at the time of the budget submission, to the Committees on Appropriations stating concurrence with the cost and scope of medical projects budgeted by the Defense Medical Facilities Office which exceed $50,000,000.

Family Housing Construction.—The conferees believe that private industry, volume single-family home builders that build moderate-sized homes from standardized plans may provide a low cost, efficient method of providing military family housing. Therefore, the Department is directed to report to the Committees on Appropriations by February 1, 1996, on steps taken to utilize such volume home builders who have broad geographical experience to address family housing needs.

The conferees also encourage the Department to initiate a demonstration project utilizing a volume single-family home builder to construct family housing at an installation designated for funding in fiscal year 1996.

Special Operations Forces.—The conferees have included funding for a barracks project for Special Operations Forces under the "Military Construction, Defense-Wide" account. The conferees agree that this type of common support facility should be provided by the military departments in furtherance of their support responsibilities to special operations forces. Therefore, the conferees will expect the Services to budget for such common support facilities in the future, and will expect the Special Operations Command to continue to budget for operations, training and equipment maintenance and storage facility requirements.

Establishment of Audit Trail Documents.—The conferees support the establishment of audit trail documents as stated in House Report 104–137. In addition, it is the conferees intent that all military construction and family housing projects funded under the Base Realignment and Closure accounts shall be included in the audit trail documents.

Rescissions.—The conferees recommend a total of $38,986,000 in rescissions of prior-year appropriations for the military services and defense agencies, rather than a total of $55,705,000 as proposed by the Senate. The rescissions recommended in the bill include the following projects which have contract savings or which were previously approved and now are no longer needed:

Air Force 1992–1996:	
Alaska—Eareckson AFB (formerly Shemya AFB): Air Freight Terminal	$2,765,000
Air Force 1992:	
Florida—Homestead AFB: Airfield Operations	6,000,000
Defense Agencies 1992–1996:	
California—Defense Language Institute, Monterey: Instruction Building	6,000,000
Unspecified Worldwide Locations: Contingency Construction	800,000
Defense Agencies 1993–1997:	
Classified Location—SOUTHWESTER	3,590,000
Unspecified Worldwide Locations: Contingency Construction	5,000,000
Defense-Wide 1994–1998:	
Unspecified Worldwide Locations: Contingency Construction	8,131,000
Air National Guard 1994–1998:	
Idaho—Gowen Field: Idaho Training Range	6,700,000

MILITARY CONSTRUCTION, ARMY

Amendment No. 1

Deletes the center heading "(Including Rescissions)" as proposed by the Senate.

Amendment No. 2

Appropriates $633,814,000 for Military Construction, Army instead of $611,608,000 as proposed by the House and $496,664,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

North Carolina—Fort Bragg: Land Acquisition.—The FY 1994 Military Construction Appropriations bill appropriated $15,000,000 for the acquisition of the Overhills land tract located adjacent to Fort Bragg in North Carolina. This land is necessary for training and maneuver space by the U.S. Army. Because of delays in the release of the funds by the Office of the Secretary of Defense, there is concern that the appraisal value of the property may be more than the appropriated amount. Appraisals are due to be completed by early December 1995. In the event the appraisal exceeds the amount appropriated, the conferees, recognizing the importance of this tract of land to the Army operations at Fort Bragg, would entertain a reprogramming request to complete the acquisition in a timely manner.

Amendment No. 3

Earmarks $44,034,000 for study, planning, design, architect and engineer services as proposed by the Senate instead of $50,778,000 as proposed by the House.

The following project is to be designed within amounts provided for planning and design:

Hawaii—Pohakuloa Training Site: Road Improvement	$2,000,000

Amendment No. 4

Deletes a provision proposed by the Senate which would rescind $6,245,000 in funds appropriated for "Military Construction, Army" under Public Law 102–143.

MILITARY CONSTRUCTION, NAVY

Amendment No. 5

Appropriates $554,636,000 for Military Construction, Navy instead of $588,243,000 as proposed by the House and $542,186,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

Maryland-Naval Air Warfare Center, Patuxent River: Large Anechoic Chamber.—The conferees continue to enthusiastically support construction of the Large Anechoic Chamber at Naval Air Warfare Center, Patuxent River, Maryland. This facility will provide DOD with essential and unique capabilities needed for the secure testing of highly integrated air combat systems of the future. The conferees are concerned with the delays in commencing construction on this project and encourage the Department to provide the essential core capability envisioned in the original project authorization by constructing a complete and usable anechoic chamber utilizing a combination of the current Military Construction appropriation and other appropriations as necessary. This phased approach in no way diminishes the conferee's support for the additional features of the project and the conferees direct the Department to design the project with the original features planned for the chamber.

Virginia-Hampton Roads: Land Acquisition.—The conferees are aware of the Navy's interest in acquiring land adjacent to the naval base in the Hampton Roads, Virginia area to be used for relocation of security points and improved access to the base. Should authorization be granted for this acquisition, the Navy is directed to make every attempt possible to acquire both the land acquisition at the Fleet Combat Training Center, Dam Neck, Virginia and the Hampton Roads area within the $4,500,000 previously appropriated for the Fleet Combat Training Center acquisition. In the event additional funds are required, established cost variation/reprogramming procedures shall be utilized to consummate the acquisitions.

Amendment No. 6

Earmarks $50,477,000 for study, planning, design, architect and engineer services instead of $66,184,000 as proposed by the House and $49,477,000 as proposed by the Senate.

The following projects are to be designed within the amounts provided for planning and design:

Nevada-NAS Fallon:	
Child Development Center	$150,000
Galley	50,000
BEQ	1,200,000

MILITARY CONSTRUCTION, AIR FORCE

Amendment No. 7

Inserts the center heading "(Including Rescissions)" as proposed by the Senate.

Amendment No. 8

Appropriates $587,234,000 for Military Construction, Air Force instead of $578,841,000 as proposed by the House and $532,616,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

North Carolina-Pope AFB: Runway Extension.—The conferees understand the Air Force has been reviewing the need to extend the runway at Pope Air Force Base to meet operational requirements. The Air Force is directed to report to the Committees on Appropriations by March 1, 1996, on its plans for the runway extension and any additional land acquisition which would be required.

Amendment No. 9

Earmarks $26,594,000 for study, planning, design, architect and engineer services instead of $49,021,000 as proposed by the House and $23,894,000 as proposed by the Senate.

The following project is to be designed within the amounts provided for planning and design:

Alaska-Elmendorf AFB: C-130 Operations and Maintenance Facility	$2,700,000

Amendment No. 10

Inserts a provision proposed by the Senate which would rescind $2,765,000 in funds appropriated for "Military Construction, Air Force" under Public Law 102–136.

Amendment No. 11

Inserts a provision which would rescind $6,000,000 appropriated for "Military Construction, Air Force" under Public Law 102–368, rather than $13,240,000 as proposed by the Senate.

MILITARY CONSTRUCTION, DEFENSE-WIDE

Amendment No. 12

Inserts the words "And Rescissions" in the center heading as proposed by the Senate.

Amendment No. 13

Appropriates $640,357,000 for Military Construction, Defense-Wide instead of $728,332,000 as proposed by the House and $818,078,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

Amendment No. 14

Earmarks $68,837,000 for study, planning, design, architect and engineer services as proposed by the House instead of $83,992,000 as proposed by the Senate.

The following projects are to be designed within the amounts provided for planning and design:

Alabama-Redstone Arsenal: MSIC Facility	$1,500,000
Alaska-Elmendorf AFB: Fuel Tanks	1,300,000
Alaska-Fort Wainwright: Bassett Hospital	10,355,000

Amendment No. 15

Deletes a provision proposed by the Senate which would rescind $3,234,000 appropriated for "Military Construction, Defense-Wide" under Public Law 101–519.

Amendment No. 16

Inserts a provision proposed by the Senate which would rescind $6,800,000 appropriated for "Military Construction, Defense-Wide" under Public Law 102–136, amended to correct the account title to "Military Construction, Defense Agencies".

Amendment No. 17

Inserts a provision proposed by the Senate which would rescind $8,590,000 appropriated for "Military Construction, Defense-Wide" under Public Law 102–380, amended to correct the account title to "Military Construction, Defense Agencies".

Amendment No. 18

Inserts a provision proposed by the Senate which would rescind $8,131,000 appropriated for "Military Construction, Defense-Wide" under Public Law 103–110.

MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

Amendment No. 19

Deletes the center heading "(Including Rescissions)" as proposed by the Senate.

Amendment No. 20

Appropriates $137,110,000 for Military Construction, Army National Guard instead of $72,537,000 as proposed by the House and $93,121,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

The following projects are to be designed within the amounts provided for planning and design:

Hawaii-Barbers Point: Headquarters Complex ...	$2,800,000
Montana-Billings: Army Forces Reserve Center	1,200,000

MILITARY CONSTRUCTION, AIR NATIONAL GUARD

Amendment No. 21

Appropriates $171,272,000 for Military Construction, Air National Guard instead of $118,267,000 as proposed by the House and $134,422,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

Amendment No. 22

Inserts a provision proposed by the Senate which would rescind $6,700,000 appropriated for "Military Construction, Air National Guard" under Public Law 103-110.

The following project is to be designed within the amounts provided for planning and design:

Hawaii-Hickam AFB: Squadron Operations Facility	$790,000

MILITARY CONSTRUCTION, ARMY RESERVE

Amendment No. 23

Appropriates $72,728,000 for Military Construction, Army Reserve instead of $42,963,000 as proposed by the House and $48,141,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

MILITARY CONSTRUCTION, NAVAL RESERVE

Amendment No. 24

Appropriates $19,055,000 for Military Construction, Naval Reserve instead of $19,655,000 as proposed by the House and $7,920,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

California-Pasadena: Marine Corps Reserve Center.—The Marine Corps Reserve Center in Pasadena, California, is in need of significant repair and renovation work. The conferees expect the Marine Corps Reserve to proceed with either repair and renovation of facilities at the existing site, or with demolition of existing facilities and construction of replacement facilities at the existing site. The conferees direct the Department to submit a report to the Committees on Appropriations by January 15, 1996, on its plan of action.

MILITARY CONSTRUCTION, AIR FORCE RESERVE

Amendment No. 25

Appropriates $36,482,000 for Military Construction, Air Force Reserve instead of $31,502,000 as proposed by the House and $32,297,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

FAMILY HOUSING, ARMY

Amendment No. 26

Appropriates $116,656,000 for Construction, Family Housing, Army instead of $126,400,000 as proposed by the House and $71,752,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

Amendment No. 27

Appropriates $1,335,596,000 for Operation and Maintenance, Family Housing, Army instead of $1,337,596,000 as proposed by the House and $1,339,196,000 as proposed by the Senate.

Amendment No. 28

The conference agreement appropriates a total of $1,452,252,000 for Family Housing, Army instead of $1,463,996,000 as proposed by the House and $1,410,948,000 as proposed by the Senate. This sum is derived from the conference agreement on amendments numbered 26 and 27.

CONSTRUCTION IMPROVEMENTS

The following projects are to be accomplished within the amount provided for construction improvements:

Alaska-Fort Wainwright (44 units)	$7,300,000
North Carolina-Fort Bragg (96 units)	10,000,000

FAMILY HOUSING, NAVY AND MARINE CORPS

Amendment No. 29

Appropriates $525,058,000 for Construction, Family Housing, Navy instead of $531,289,000 as proposed by the House and $504,467,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

Amendment No. 30

Appropriates $1,048,329,000 for Operation and Maintenance, Family Housing, Navy as proposed by the House instead of $1,051,929,000 as proposed by the Senate.

Amendment No. 31

The conference agreement appropriates a total of $1,573,387,000 for Family Housing, Navy instead of $1,579,618,000 as proposed by the House and $1,556,396,000 as proposed by the Senate. This sum is derived from the conference agreement on amendments numbered 29 and 30.

CONSTRUCTION IMPROVEMENTS

The following projects are to be accomplished within the amount provided for construction improvements:

Florida-Mayport (200 Units)	$7,300,000
Illinois-Great Lakes (150 Units)	15,300,000
Rhode Island-Newport (64 Units)	8,795,000
South Carolina-Beaufort (176 Units)	6,784,000
Washington-Bangor (141 Units)	4,890,000

FAMILY HOUSING, AIR FORCE

Amendment No. 32

Appropriates $297,738,000 for Construction, Family Housing, Air Force instead of $294,503,000 as proposed by the House and $261,137,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed at the table in the end of this report.

Texas-Laughlin AFB: Capehart Military Housing.—The Air Force is directed to include in its fiscal year 1997 budget request the necessary funds for the final phase (60 units) of construction improvements to the Capehart housing at Laughlin AFB.

Amendment No. 33

Appropriates $849,213,000 for Operation and Maintenance, Family Housing, Air Force instead of $863,213,000 as proposed by the House and $850,059,000 as proposed by the Senate.

Amendment No. 34

The conference agreement appropriates a total of $1,146,951,000 for Family Housing, Air Force instead of $1,150,730,000 as proposed by the House and $1,111,196,000 as proposed by the Senate. This sum is derived from the conference agreement on amendments numbered 32 and 33.

CONSTRUCTION IMPROVEMENTS

The following project is to be accomplished within the amount provided for construction improvements:

Ohio-Wright Patterson AFB (66 Units)	$5,900,000

FAMILY HOUSING, DEFENSE-WIDE

Amendment No. 35

Appropriates $30,467,000 for Operation and Maintenance, Family Housing, Defense-Wide as proposed by the House instead of $42,367,000 as proposed by the Senate.

Amendment No. 36

The conference agreement appropriates a total of $34,239,000 for Family Housing, Defense-Wide as proposed by the House instead of $46,139,000 as proposed by the Senate.

DEPARTMENT OF DEFENSE FAMILY HOUSING IMPROVEMENT FUND

Amendment No. 37

The conference agreement deletes the words "September 30, 2000" as proposed by the Senate, and restores the word "expended" as proposed by the House, permitting funds appropriated under this account to remain available until expended. This conforms with the authorization.

BASE REALIGNMENT AND CLOSURE ACCOUNT, PART II

Amendment No. 38

Establishes a ceiling of $325,800,000 for environmental restoration as proposed by the Senate instead of $224,800,000 as proposed by the House.

BASE REALIGNMENT AND CLOSURE ACCOUNT, PART III

Amendment No. 39

Establishes a ceiling of $236,700,000 for environmental restoration as proposed by the Senate instead of $232,300,000 as proposed by the House.

GENERAL PROVISIONS

Amendment No. 40

Adds the words "countries bordering" as proposed by the Senate amendment. The House bill establishes a threshold for American preference of $500,000 relating to architect and engineer service in Japan, in any NATO member country, and in the Arabian Gulf. The Senate bill inserts the words "countries bordering" in reference to the Arabian Gulf.

Amendment No. 41

Adds the words "countries bordering" as proposed by the Senate amendment. The House bill establishes a preference for American contractors for military construction in the United States territories and possessions in the Pacific and on Kwajalein Atoll, or in the Arabian Gulf. The Senate bill inserts the words "countries bordering" in reference to the Arabian Gulf.

Amendment No. 42

Deletes the word "in" and inserts the word "bordering" as proposed by the Senate amendment. The House bill directs the Secretary of Defense to report annually regarding the specific actions to be taken during the current fiscal year to encourage other member nations of NATO, Japan, Korea and the United States allies in the Arabian Gulf to assume a greater share of the common defense burden. The Senate bill deletes the word "in" and inserts the word "bordering" in reference to the Arabian Gulf.

Amendment No. 43

Restores a provision proposed by the House and stricken by the Senate which would prohibit the expenditure of funds except in compliance with the Buy American Act.

Amendment No. 44

Restores a provision proposed by the House and stricken by the Senate which states the Sense of the Congress notifying recipients of equipment or products authorized to be purchased with financial assistance provided in this Act to purchase American-made equipment and products.

Amendment No. 45

Restores the center heading "(Transfer of Funds)" as proposed by the House and stricken by the Senate.

Amendment No. 46

Restores language proposed by the House and stricken by the Senate, amended to permit the transfer of funds from the Base Realignment and Closure accounts into the Homeowners Assistance Fund. The House bill contained language which would permit the transfer of funds among the Homeowners Assistance Fund and the Base Realignment and Closure accounts.

In addition, language is included, which was not contained in either the House or Senate bills, to insert the heading "(Including Rescissions)" under Military Construction, Air National Guard.

The conference agreement also inserts language which maintains a ceiling on environmental restoration under the Base Realignment and Closure Accounts for Part II and Part III, unless the Secretary of Defense determines additional obligations are necessary, notifies the Committees on Appropriations of his determination and the necessary reasons for the increase. This language was not contained in either the House or Senate bills. The conferees direct that any exercise of this authority shall fall under the standing procedures for approval of reprogramming requests.

Amendment No. 47

Restores language proposed by the House and stricken by the Senate which directs the Army to use George AFB as the interim airhead for the National Training Center at Fort Irwin until Barstow-Daggett reaches Initial Operational Capability as the permanent airhead.

Amendment No. 48

Restores language proposed by the House and stricken by the Senate regarding the conveyance of certain parcels of land at Fort Sheridan, Illinois, and deletes language proposed by the Senate regarding the renovation of the Pentagon Reservation.

Amendment No. 49

Deletes language proposed by the Senate appropriating an additional $228,098,000 among ten separate accounts contained in the bill. These sums were reconciled in the disposition of the individual accounts.

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
ALABAMA				
ARMY				
REDSTONE ARSENAL				
HYPERVELOCITY BALLISTIC RANGE FACILITY............	---	5,000	---	5,000
FORT RUCKER				
AMMUNITION SUPPLY POINT............................	---	5,900	---	5,900
AIR FORCE				
MAXWELL AFB				
CHILD DEVELOPMENT CENTER COMPLEX...................	3,700	3,700	3,700	3,700
COMPUTER SOFTWARE FACILITY.........................	---	---	1,500	1,500
DEFENSE-WIDE				
DEF DISTRIBUTION ANNISTON (DDAA)				
VEHICLE STORAGE SHELTER (DBOF).....................	3,550	3,550	3,550	3,550
MAXWELL AFB				
ADD/ALTER MAXWELL ELEMENTARY SCHOOL................	5,479	5,479	5,479	5,479
AMBULATORY HEALTHCARE CENTER (PHASE I).............	---	---	10,000	10,000
AIR NATIONAL GUARD				
BIRMINGHAM MAP				
ALTER KC-135 AIRCRAFT SHOPS........................	4,400	4,400	4,400	4,400
DANNELLY FIELD				
FIRE STATION.......................................	1,445	1,445	1,445	1,445
ARMY RESERVE				
JASPER				
ADD/ALTER USARC/OMS/AMSA...........................	2,500	2,500	2,500	2,500
AIR FORCE RESERVE				
MAXWELL AFB				
COMPOSITE MAINTENANCE SHOPS........................	3,608	3,608	3,608	3,608
TOTAL, ALABAMA.....................................	24,682	35,582	36,182	47,082
ALASKA				
AIR FORCE				
EIELSON AFB				
ALTER DORMITORY....................................	3,850	3,850	3,850	3,850
BOILER REHABILITATION..............................	---	---	4,000	4,000
ELMENDORF AFB				
MILSTAR COMMUNICATIONS GROUND TERMINAL.............	850	850	850	850
REPAIR AIRFIELD TAXIWAY............................	900	900	900	900
VISITING OFFICERS QUARTERS.........................	7,350	7,350	7,350	7,350
TIN CITY				
ABOVE GROUND FUEL TANKS............................	2,500	2,500	2,500	2,500
DEFENSE-WIDE				
ELMENDORF AIR FORCE BASE				
HOSPITAL REPLACEMENT (PHASE IV)....................	28,100	28,100	28,100	28,100
ARMY RESERVE				
FORT WAINWRIGHT				
USARC/OMS/STORAGE..................................	4,779	4,779	4,779	4,779
AIR NATIONAL GUARD				
EIELSON AFB				
BASE ENGINEERING MAINTENANCE FACILITY..............	---	---	4,400	4,400

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
AIRCRAFT ENGINE SHOP	---	---	2,550	2,550
TOTAL, ALASKA	48,329	48,329	59,279	59,279
ARIZONA				
ARMY				
FORT HUACHUCA				
CHILD DEVELOPMENT CENTER	---	2,550	---	---
WHOLE BARRACKS COMPLEX RENEWAL	16,000	16,000	16,000	16,000
AIR FORCE				
DAVIS-MONTHAN AFB				
ALTER AIRCRAFT CORROSION CONTROL FACILITY	1,000	1,000	1,000	1,000
DORMITORY	3,800	3,800	3,800	3,800
LUKE AFB				
DORMITORY	5,200	5,200	5,200	5,200
DEFENSE-WIDE				
LUKE AIR FORCE BASE				
ADD/ALTER HOSPITAL LIFE SAFETY UPGRADE	8,100	8,100	8,100	8,100
ARMY NATIONAL GUARD				
PAPAGO MILITARY RESERVATION (PHOENIX)				
MEDICAL FACILITY	---	1,084	---	1,084
AIR NATIONAL GUARD				
TUCSON IAP				
ADD/ALTER AIRCRAFT SPT EQUIPMENT SHOP	600	600	600	600
TOTAL, ARIZONA	34,700	38,334	34,700	35,784
ARKANSAS				
AIR FORCE				
LITTLE ROCK AFB				
UPGRADE SANITARY SEWER SYSTEM	2,500	2,500	2,500	2,500
DEFENSE-WIDE				
PINE BLUFF ARSENAL				
AMMUNITION DEMILITARIZATION FAC (PHASE II)	40,000	40,000	---	---
ARMY NATIONAL GUARD				
CAMP ROBINSON				
MILITARY OPS IN URBAN TERRAIN FACILITY	---	---	2,853	---
AIR NATIONAL GUARD				
LITTLE ROCK AFB				
BASE SUPPLY COMPLEX	---	---	4,800	4,800
TOTAL, ARKANSAS	42,500	42,500	10,153	7,300
CALIFORNIA				
ARMY				
FORT IRWIN				
CONSOLIDATED MAINTENANCE FACILITY	15,500	15,500	15,500	15,500
FORT IRWIN (BARSTOW-DAGGETT)				
NATIONAL TRAINING CENTER AIRFIELD (PHASE II)	---	10,000	---	10,000

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
PRESIDIO OF SAN FRANCISCO				
REGIONAL SEWER SYSTEM................................	3,000	---	3,000	3,000
NAVY				
CAMP PENDLETON MARINE CORPS BASE				
BACHELOR ENLISTED QUARTERS...........................	11,940	11,940	11,940	11,940
CHILD DEVELOPMENT CENTER.............................	3,000	3,000	3,000	3,000
MULTI-PURPOSE MACHINE GUN RANGE......................	3,800	3,800	3,800	3,800
PHYSICAL FITNESS CENTER..............................	4,100	4,100	4,100	4,100
SENSITIVE COMPARTMENTED INFO FACILITY ADD........	2,246	2,246	2,246	2,246
TACTICAL VEHICLE MAINTENANCE FACILITY............	1,088	1,088	1,088	1,088
WATER DISTRIBUTION SYSTEM............................	1,410	1,410	1,410	1,410
CHINA LAKE NAVAL AIR WARFARE CTR WPNS DIV				
INDUSTRIAL WASTEWATER COLLECT/TRTMNT FAC (DBOF)...	3,700	3,700	3,700	3,700
LEMOORE NAVAL AIR STATION				
JET ENGINE TEST CELL.................................	7,600	7,600	7,600	7,600
NORTH ISLAND NAVAL AIR STATION				
BERTHING WHARF.......................................	56,650	56,650	56,650	56,650
CONTROLLED INDUSTRIAL FACILITY.......................	42,500	42,500	42,500	42,500
PORT HUENEME				
BACHELOR ENLISTED QUARTERS (PHASE I).............	---	16,700	---	9,000
PT MUGU NAVAL AIR WARFARE CTR WPNS DIV				
CHILD DEVELOPMENT CENTER (DBOF)......................	1,300	1,300	1,300	1,300
SAN DIEGO NAVAL STATION				
OILY WASTE COLLECTION AND TREATMENT FACILITY......	19,960	19,960	19,960	19,960
SAN DIEGO NAV CMD CTRL AND OCEAN SUR CEN RDTE DIV				
TEST FACILITY DEMOLITION.............................	3,170	3,170	3,170	3,170
TWENTYNINE PALMS MARCORP AIR-GRND COMB CTR				
INFANTRY SQUAD BATTLE COURSE.........................	2,490	2,490	2,490	2,490
AIR FORCE				
BEALE AFB				
LANDFILL CLOSURE.....................................	7,500	7,500	7,500	7,500
EDWARDS AFB				
ADD/ALTER ANECHOIC CHAMBER...........................	11,100	11,100	11,100	11,100
DORMITORY..	10,600	10,600	10,600	10,600
ADD/ALTER F-22 ENGINEERING TEST FACILITY..........	12,100	12,100	12,100	12,100
TRAVIS AFB				
DORMITORIES..	10,500	10,500	10,500	10,500
DORMITORY..	6,400	6,400	6,400	6,400
KC-10 ADD TO FLIGHT SIMULATOR FACILITY............	2,400	2,400	2,400	2,400
SQUADRON OPERATIONS/AIRCRAFT MAINTENANCE UNIT.....	7,400	7,400	7,400	7,400
VANDENBERG AFB				
FIRE STATION...	2,000	2,000	2,000	2,000
SLFI - CHEMICAL TEST AND ANALYSIS LABORATORY......	4,000	4,000	4,000	4,000
DEFENSE-WIDE				
CAMP PENDLETON MARINE CORPS BASE				
ENVIRONMENTAL HEALTH/INDUSTIAL HYGIENE............	1,700	1,700	1,700	1,700
SOF TRAINING COMPLEX.................................	5,200	5,200	5,200	5,200
DEF DISTRIBUTION STOCKTON - DDJC				
GENERAL PURPOSE WHSE REPLACEMENT (DBOF)...........	15,000	15,000	15,000	15,000

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
DFSC POINT MUGU				
FUEL STORAGE (DBOF)................................	750	750	750	750
FORT IRWIN				
AMBULATORY HEALTHCARE CLINIC..........................	6,900	6,900	6,900	6,900
VANDENBERG AIR FORCE BASE				
LIFE SAFETY/SEISMIC/UTILITY UPGRADE...............	5,700	5,700	5,700	5,700
AIR NATIONAL GUARD				
SEPULVEDA ANGS (VAN NUYS)				
SUPPLY AND CIVIL ENGINEER COMPLEX..................	---	1,800	---	1,800
SEPULVEDA ANG ANNEX				
REPLACE UNDERGROUND FUEL STORAGE TANKS............	320	320	320	320
ARMY RESERVE				
CAMP PARKS				
BATTLE PROJECTION CENTER...........................	5,868	5,868	5,868	5,868
AIR FORCE RESERVE				
MARCH AFB				
FIRE TRAINING FACILITY.............................	1,550	1,550	1,550	1,550
TOTAL, CALIFORNIA..................................	300,442	325,942	300,442	321,242
COLORADO				
ARMY				
FORT CARSON				
SANITARY SEWER SYSTEM..............................	1,750	1,750	1,750	1,750
SEWAGE TREATMENT PLANT.............................	9,100	9,100	9,100	9,100
WHOLE BARRACKS RENEWAL (PHASE I)...................	---	20,000	---	20,000
AIR FORCE				
BUCKLEY ANG BASE				
TROOP SUPPORT FACILITIES...........................	5,500	5,500	5,500	5,500
PETERSON AFB				
ADD/ALTER DORMITORY................................	3,000	3,000	3,000	3,000
FIRE STATION.......................................	1,390	1,390	1,390	1,390
US AIR FORCE ACADEMY				
CHILD DEVELOPMENT CENTER...........................	4,200	4,200	4,200	4,200
SAILPLANE HANGAR...................................	3,724	3,724	---	3,724
UPGRADE FACILITIES HEATING SYSTEM..................	4,950	4,950	4,950	4,950
AIR NATIONAL GUARD				
BUCKLEY ANGB				
BASE ENGINEER PAVEMENTS AND GROUNDS FACILITY......	450	450	450	450
UPGRADE HEATING SYSTEMS............................	950	950	950	950
AIR FORCE RESERVE				
PETERSON AFB				
COMPOSITE MAINTENANCE FACILITY.....................	---	---	3,150	---
TOTAL, COLORADO....................................	35,014	55,014	34,440	55,014
DELAWARE				
AIR FORCE				
DOVER AFB				
C-5 SQD OPERATIONS/ACFT MAINT (DBOF)..............	5,500	5,500	5,500	5,500

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
DEFENSE-WIDE				
DFSC DOVER AFB				
REPLACE HYDRANT FUEL SYSTEM (DBOF)................	15,554	15,554	15,554	15,554
DOVER AIR FORCE BASE				
LIFE SAFETY UPGRADE................................	4,400	4,400	4,400	4,400
AIR NATIONAL GUARD				
NEW CASTLE AIRPORT				
FIRE STATION.......................................	---	---	2,300	---
TOTAL, DELAWARE..................................	25,454	25,454	27,754	25,454
DISTRICT OF COLUMBIA				
ARMY				
FORT LESLEY J MCNAIR				
NATIONAL DEFENSE UNIV FAC RENOVATION (PHASE I)....	8,000	8,000	---	8,000
WHOLE BARRACKS COMPLEX RENEWAL.....................	5,500	5,500	5,500	5,500
AIR FORCE				
BOLLING AIR FORCE BASE				
ALTER DORMITORY....................................	6,500	6,500	6,500	6,500
HONOR GUARD DORMITORY..............................	5,600	5,600	5,600	5,600
DEFENSE-WIDE				
BOLLING AIR FORCE BASE				
BOILER DIAC..	498	498	498	498
PARKING DIAC.......................................	1,245	1,245	---	---
WALTER REED MEDICAL CENTER				
FITNESS CENTER.....................................	---	---	4,300	---
TOTAL, DISTRICT OF COLUMBIA......................	27,343	27,343	22,398	26,098
FLORIDA				
NAVY				
EGLIN AFB NAVSCH EXPL ORDNANCE DISP DET				
EXPLOSIVE ORDNANCE DISPOSAL TRNG COMPLEX..........	14,200	14,200	14,200	14,200
UNDERWATER ORDNANCE DISPOSAL TRNG FAC..............	1,950	1,950	1,950	1,950
PENSACOLA NAVAL TECH TRAINING CTR (CORRY STATION)				
CHILD DEVELOPMENT CENTER...........................	2,565	2,565	2,565	2,565
AIR FORCE				
CAPE CANAVERAL AFS				
FIRE TRAINING FACILITY.............................	1,600	1,600	1,600	1,600
EGLIN AFB				
UPGRADE DORMITORY..................................	---	7,300	8,300	7,300
REPAIR RUNWAY......................................	6,200	6,200	6,200	6,200
TYNDALL AFB				
FIRE TRAINING FACILITY.............................	1,200	1,200	1,200	1,200
DEFENSE-WIDE				
DFSC EGLIN AFB				
SOF FUEL STORAGE (DBOF)............................	2,400	2,400	2,400	2,400
EGLIN AFB				
SOF SQUADRON OPERATIONS/AMU........................	2,400	2,400	2,400	2,400

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
EGLIN AUX FIELD 9 (HURLBURT FIELD)				
SOF BENSON TANKS STORAGE FACILITY	1,550	1,550	1,550	1,550
SOF HELICOPTER HANGAR	5,500	5,500	6,800	5,500
SOF SQUADRON OPS/AMU MH-53	7,100	7,100	8,100	7,100
ARMY NATIONAL GUARD				
CAMP BLANDING				
WATER DISTRIBUTION SYSTEM UPGRADE	---	4,200	4,200	4,200
WASTEWATER TREATMENT PLANT (PHASE II)	---	5,300	5,300	5,300
TOTAL, FLORIDA	46,665	63,465	66,765	63,465
GEORGIA				
ARMY				
FORT BENNING				
CLOSE COMBAT TACTICAL TRAINER BUILDING	4,900	4,900	4,900	4,900
WHOLE BARRACKS COMPLEX RENEWAL	33,000	33,000	33,000	33,000
FORT GORDON				
BATTALION HEADQUARTERS	3,150	3,150	3,150	3,150
GENERAL PURPOSE WAREHOUSE	2,600	2,600	2,600	2,600
FT STEWART/HUNTER AAF				
DEPLOYMENT STAGING AREA	8,400	8,400	8,400	8,400
NAVY				
MARINE CORPS LOGISTICS BASE (ALBANY)				
CHILD DEVELOPMENT CENTER (PHASE II)	---	1,300	---	---
KINGS BAY STRATEGIC WEAPONS FAC (ATLANTIC)				
SECURITY FORCE FACILITY	2,450	2,450	2,450	2,450
AIR FORCE				
MOODY AFB				
ALTER DORMITORY	---	2,500	---	---
CHILD DEVELOPMENT CENTER	---	3,800	---	---
C-130 AERIAL DELIVERY FACILITY	4,600	4,600	4,600	4,600
C-130 AIRCRAFT WASHRACK FACILITY	1,700	1,700	1,700	1,700
C-130 SQUADRON OPERATIONS/AMU	3,200	3,200	3,200	3,200
CONTROL TOWER	2,700	2,700	2,700	2,700
UPGRADE STORM DRAINAGE SYSTEM	690	690	690	690
REPAIR AND EXTEND RUNWAY	---	---	12,300	12,300
ROBINS AFB				
JSTARS AIRCRAFT FUEL SYSTEM MAINTENANCE DOCK	6,900	6,900	6,900	6,900
UPGRADE DORMITORY (PHASE I)	---	---	11,000	5,500
DEFENSE-WIDE				
FORT BENNING				
LIFE SAFETY UPGRADE	5,600	5,600	5,600	5,600
FAITH MIDDLE SCHOOL ADDITION	1,116	1,116	1,116	1,116
AIR NATIONAL GUARD				
GLYNN COUNTY ANGS (BRUNSWICK)				
REPLACE UNDERGROUND FUEL STORAGE TANKS	320	320	320	320
UPGRADE COMMUNICATION SQUADRON COMPLEX	---	5,000	---	3,000

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
HUNTER ANG SITE				
REPLACE UNDERGROUND FUEL STORAGE TANKS	400	400	400	400
SAVANNAH MAP				
ALTER AIRCRAFT MAINTENANCE SHOPS	1,300	1,300	1,300	1,300
TOTAL, GEORGIA	83,026	95,626	106,326	103,826
HAWAII				
ARMY				
SCHOFIELD BARRACKS				
WHOLE BARRACKS COMPLEX RENEWAL (PHASE I)	---	15,000	35,000	30,000
NAVY				
HONOLULU COMP AND TELCOMM AREA MASTER STA EPAC				
FIRE PROTECTION SYSTEM	1,980	1,980	1,980	1,980
PEARL HARBOR INTELLIGENCE CENTER PACIFIC				
OPERATIONS BUILDING ALTERATIONS	2,200	2,200	2,200	2,200
PEARL HARBOR NAVAL SUBMARINE BASE				
BERTHING PIER	22,500	22,500	22,500	22,500
AIR FORCE				
HICKAM AFB				
ALTER DORMITORY	3,100	3,100	3,100	3,100
ALTER TRANSIENT DORMITORY	3,050	3,050	3,050	3,050
REPAIR AIRFIELD PAVEMENTS	4,550	4,550	4,550	4,550
TOTAL, HAWAII	37,380	52,380	72,380	67,380
IDAHO				
AIR FORCE				
MOUNTAIN HOME AFB				
AVIONICS SHOP	---	---	4,900	---
BASE CIVIL ENGINEERING WAREHOUSE	---	---	1,800	---
IDAHO TRAINING RANGE (NORTH SITE)	8,000	---	---	---
LARGE AIRCRAFT MAINTENANCE HANGER	---	---	8,000	8,000
UPGRADE STORM DRAINAGE SYSTEM	800	800	800	800
WASTEWATER TREATMENT AND DISPOSAL PLANT	9,850	9,850	9,850	9,850
AIR NATIONAL GUARD				
GOWEN FIELD (BOISE)				
MAINT HANGER UPGRADE	---	---	4,000	4,000
REMOVE UNDERGROUND FUEL STORAGE TANKS	320	320	320	320
TOTAL, IDAHO	18,970	10,970	29,670	22,970
ILLINOIS				
NAVY				
GREAT LAKES NAVAL TRAINING CENTER				
UNIFORM ISSUE BUILDING	12,440	12,440	12,440	12,440
AIR FORCE				
SCOTT AFB				
DORMITORY	8,000	8,000	8,000	8,000

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
GLOBAL REACH PLANNING CENTER VISITING QUARTERS....	4,700	4,700	4,700	4,700
ARMY NATIONAL GUARD				
MARSEILLES				
TRNG SITE, UTIL UPGRADE..........................	1,350	1,350	1,350	1,350
AIR NATIONAL GUARD				
GREATER PEORIA AIRPORT				
ADD TO AIRCRAFT MAINTENANCE HANGAR................	1,200	1,200	1,200	1,200
ADD TO AIRCRAFT PARKING APRON.....................	630	630	630	630
ADD/ALTER SQUADRON OPERATIONS FACILITY............	970	970	970	970
AIRCRAFT DEICING FACILITY.........................	400	400	400	400
ALTER AERIAL PORT TRAINING FACILITY...............	710	710	710	710
ALTER AIRCRAFT MAINTENANCE SHOPS..................	1,450	1,450	1,450	1,450
ARMY RESERVE				
ARLINGTON HEIGHTS				
BATTLE PROJECTION CENTER..........................	4,860	4,860	4,860	4,860
FORT SHERIDAN				
ADD/ALTER RTS-INTELLIGENCE........................	3,300	3,300	3,300	3,300
TOTAL, ILLINOIS.................................	40,010	40,010	40,010	40,010
INDIANA				
NAVY				
CRANE NAVAL SURFACE WARFARE CENTER				
HYDROACOUSTICS TEST COMPLEX.......................	---	3,300	---	3,300
ARMY NATIONAL GUARD				
STOUT FIELD (INDIANAPOLIS)				
COMBINED SUPPORT MAINTENANCE SHOP.................	---	10,846	10,846	10,846
AIR NATIONAL GUARD				
HULMAN FIELD (TERRE HAUTE)				
BASE CIVIL ENGINEER MAINTENANCE COMPLEX...........	---	4,100	---	4,100
AIR FORCE RESERVE				
GRISSOM ARB				
FIRE STATION......................................	---	4,250	---	4,250
FIRE TRAINING FACILITY............................	1,500	1,500	1,500	1,500
TOTAL, INDIANA..................................	1,500	23,996	12,346	23,996
IOWA				
AIR NATIONAL GUARD				
SIOUX GATEWAY AIRPORT (SIOUX CITY)				
RUNWAY UPGRADE....................................	---	4,050	4,000	4,000
ACCESS TAXIWAY....................................	---	---	750	---
TOTAL, IOWA.....................................	---	4,050	4,750	4,000
KANSAS				
ARMY				
FORT RILEY				
WHOLE BARRACKS RENEWAL (PHASE I)..................	---	---	15,300	7,000

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
AIR FORCE				
MCCONNELL AFB				
ALTER DORMITORY	2,200	2,200	2,200	2,200
DORMITORY	---	6,500	---	---
DEICING PAD	1,150	1,150	1,150	1,150
KC-135 SQUADRON OPERATIONS/AMU	6,100	6,100	6,100	6,100
ARMY NATIONAL GUARD				
FORT LEAVENWORTH				
CORPS SIM CENTER (PHASE II)	4,400	4,400	4,400	4,400
AIR NATIONAL GUARD				
FORBES FIELD				
MEDICAL TRAINING COMMUNICATIONS FACILITY	---	---	5,200	5,200
MCCONNELL AFB				
ALTER B-1 SQUADRON OPERATIONS FACILITY	800	800	800	800
B-1 FUEL MAINTENANCE HANGAR	---	---	7,900	7,900
ARMY RESERVE				
OLATHE				
LAND ACQUISITION	539	539	539	539
TOPEKA				
USARC/OMS/AMSA	6,487	6,487	6,487	6,487
WITCHITA				
HQ 89TH ARMCOM (PHASE I)	---	---	8,389	8,389
AIR FORCE RESERVE				
MCCONNELL AFB				
KC-135 OPERATIONS/TRAINING	---	---	4,980	4,980
TOTAL, KANSAS	21,676	28,176	63,445	55,145
KENTUCKY				
ARMY				
FORT CAMPBELL				
WHOLE BARRACKS RENEWAL (PHASE I)	---	---	10,000	10,000
FORT KNOX				
CLOSE COMBAT TACTICAL TRAINER BUILDING	5,600	5,600	5,600	5,600
ARMY NATIONAL GUARD				
WESTERN KENTUCKY TRAINING SITE (GREENVILLE)				
TRAINING COMPLEX	---	---	4,656	4,656
TOTAL, KENTUCKY	5,600	5,600	20,256	20,256
LOUISIANA				
AIR FORCE				
BARKSDALE AFB				
B-52 TRAINING COMPLEX	2,500	2,500	2,500	2,500
DEFENSE-WIDE				
BARKSDALE AIR FORCE BASE				
LIFE SAFETY UPGRADE	4,100	4,100	4,100	4,100
DFSC BARKSDALE AFB				
REPLACE HYDRANT FUEL SYSTEM (DBOF)	13,100	13,100	13,100	13,100

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
NEW ORLEANS NAVAL SUPPORT ACTIVITY				
SOF SMALL CRAFT BREAKWATER	---	730	---	---
ARMY NATIONAL GUARD				
PLAQUEMINE				
OMS (REHAB/RENOVATION)	---	---	776	---
RUSTON				
OMS #2	---	---	1,638	1,638
NAVY RESERVE				
NEW ORLEANS NAS JOINT RESERVE BASE				
BACHELOR ENLISTED QUARTERS ADDITION	---	5,035	---	5,035
NEW ORLEANS NAVAL SUPPORT ACTIVITY				
BACHELOR ENLISTED QUARTERS	---	6,100	---	6,100
TOTAL, LOUISIANA	19,700	31,565	22,114	32,473
MARYLAND				
NAVY				
ANNAPOLIS NAVAL STATION				
BACHELOR ENLISTED QUARTERS	3,600	3,600	3,600	3,600
AIR FORCE				
ANDREWS AFB				
DORMITORY	6,000	6,000	6,000	6,000
UNDERGROUND FUEL STORAGE TANKS	6,886	6,886	6,886	6,886
DEFENSE-WIDE				
BETHESDA NAVAL HOSPITAL				
POTABLE WATER LINE REPLACEMENT	1,300	1,300	1,300	1,300
FOREST GLEN (WRAIR)				
ARMED FORCES INST OF PATH REPOSITORY ADD	1,550	1,550	1,550	1,550
ARMY INSTITUTE OF RESEARCH (PHASE III)	119,000	27,000	27,000	27,000
FORT MEADE				
CRITICAL UTILITIES CONTROL (PHASE I)	3,301	3,301	3,301	3,301
FRIENDSHIP AIRPORT ANNEX II PURCHASE	14,800	14,800	14,800	14,800
SPL STEAM GENERATION PLANT	632	632	632	632
ARMY NATIONAL GUARD				
CAMP FRETTARD				
OMS	---	---	2,700	2,700
TOTAL, MARYLAND	157,069	65,069	67,769	67,769
MASSACHUSETTS				
AIR NATIONAL GUARD				
BARNES MAP				
VEHICLE MAINTENANCE COMPLEX	2,000	2,000	2,000	2,000
WORCESTER ANGS				
PAINT AND REFUELING VEHICLES MAINT BAYS	350	350	350	350
NAVY RESERVE				
MARINE CORPS RESCEN (CAMP EDWARDS)				
RESCEN/COMBAT VEHICLE MAINTENANCE FAC ADDITION	3,130	3,130	3,130	3,130

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
TOTAL, MASSACHUSETTS	5,480	5,480	5,480	5,480
MICHIGAN				
AIR NATIONAL GUARD				
SELFRIDGE ANGB				
UPGRADE HEATING SYSTEMS	2,900	2,900	2,900	2,900
SANITARY SEWER UPGRADE	---	---	520	---
ALPENA REGIONAL AIRPORT (PHELPS-COLLINS ANGB)				
AIRFIELD PAVEMENTS ADDITIONS	---	---	6,400	6,400
TOTAL, MICHIGAN	2,900	2,900	9,820	9,300
MINNESOTA				
ARMY NATIONAL GUARD				
CAMP RIPLEY				
CSMS (PHASE II)	---	---	8,150	---
AIR NATIONAL GUARD				
MINN-ST PAUL IAP				
AIRCRAFT DEICING FACILITY	400	400	400	400
UPGRADE HEATING SYSTEM	780	780	780	780
TOTAL, MINNESOTA	1,180	1,180	9,330	1,180
MISSISSIPPI				
AIR FORCE				
COLUMBUS AFB				
FIRE TRAINING FACILITY	1,150	1,150	1,150	1,150
KEESLER AFB				
DORMITORY	---	8,300	---	---
UPGRADE STUDENT DORMITORY	6,500	6,500	6,500	6,500
ARMY NATIONAL GUARD				
CAMP SHELBY				
MULTI PURPOSE RANGE COMPLEX (PHASE I)	---	---	5,000	5,000
GULFPORT				
AVCRAD EQUIPMENT ELECTRONIC TEST FACILITY	1,100	1,100	1,100	1,100
AIR NATIONAL GUARD				
GULFPORT ANG CRTC				
ROAD RELOCATION	---	---	10,200	5,100
KEY FIELD (MERIDIAN)				
ADD/ALTER BASE COMMUNICATIONS FACILITY	---	1,500	---	1,500
THOMPSON FIELD (JACKSON)				
ADD/ALTER COMMUNICATIONS FACILITY	---	2,400	---	2,400
TOTAL, MISSISSIPPI	8,750	20,950	23,950	22,750
MISSOURI				
ARMY				
FORT LEONARD WOOD				
CHILD DEVELOPMENT CENTER	---	3,900	---	---

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
AIR FORCE				
WHITEMAN AFB				
B-2 ADD TO ACFT APRON/CONVOY ROAD/TAXIWAY	1,500	1,500	1,500	1,500
B-2 ADD/ALTER DOCK FIRE PROTECTION	3,500	3,500	3,500	3,500
B-2 ADD TO FLIGHT SIMULATOR TRAINING FACILITY	4,100	4,100	4,100	4,100
B-2 AIRCRAFT MAINTENANCE DOCKS/HYDRANT FUEL SYSTEM	15,500	15,500	15,500	15,500
DEFENSE-WIDE				
DMA AEROSPACE CENTER, ARNOLD				
REPLACE DESTROYED/DAMAGED FAC W/LAND ACQ	40,300	40,300	40,300	40,300
ARMY NATIONAL GUARD				
JEFFERSON CITY				
MULTI PURPOSE BAFFLE RANGE	---	---	2,236	2,236
AIR NATIONAL GUARD				
JEFFERSON BARRACKS				
UPGRADE SEWER SYSTEMS	---	---	2,700	2,700
TOTAL, MISSOURI	64,900	68,800	69,836	69,836
MONTANA				
ARMY NATIONAL GUARD				
FORT HARRISON				
TRAINING SITE IMPROVEMENTS	---	---	681	681
TRAINING SITE SUPPORT FACILITY	---	---	7,854	7,854
REGIONAL AIRPORT HELENA				
ARMY AVIATION SUPPORT FACILITY	---	---	12,506	12,506
TOTAL, MONTANA	---	---	21,041	21,041
NEBRASKA				
ARMY NATIONAL GUARD				
CAMP ASHLAND				
ADMIN/EDUCATION/MEDICAL/SUPPLY FACILITY	---	---	1,408	1,408
HASTINGS TRAINING RANGE				
INSTRUCTIONAL FACILITY	---	---	761	---
TOTAL, NEBRASKA	---	---	2,169	1,408
NEVADA				
AIR FORCE				
NELLIS AFB				
UPGRADE STORM DRAINAGE SYSTEM	600	600	600	600
TRANSIENT HOUSING	---	---	9,550	7,000
VISITING QUARTERS	9,900	9,900	9,900	9,900
ARMY RESERVE				
LAS VEGAS				
ARMED FORCES RESERVE CENTER/OMS (PHASE II)	---	---	9,000	9,000
TOTAL, NEVADA	10,500	10,500	29,050	26,500

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
NEW HAMPSHIRE				
ARMY RESERVE				
MANCHESTER				
AMSA/OMS	---	---	17,893	12,376
NEW JERSEY				
ARMY				
PICATINNY ARSENAL				
UPGRADE ELECTRICAL SYSTEM (PHASE II)	---	5,500	---	5,500
NAVY				
LAKEHURST NAVAIRWARFARE CTR AIRCRAFT DIV				
CHILD DEVELOPMENT CENTER (DBOF)	1,700	1,700	1,700	1,700
AIR FORCE				
MCGUIRE AFB				
DORMITORY	---	7,300	7,300	7,300
DINING FACILITY	---	5,000	---	---
FIRE TRAINING FACILITY	1,600	1,600	1,600	1,600
KC-10 SQUADRON OPERATIONS/AMU	7,600	7,600	7,600	7,600
DEFENSE-WIDE				
DFSC MCGUIRE AFB				
REPLACE HYDRANT FUEL SYSTEM (DBOF)	12,000	12,000	12,000	12,000
AIR NATIONAL GUARD				
ATLANTIC CITY				
UPGRADE SANITARY AND WATER SYSTEM	650	650	650	650
MCGUIRE AFB				
FUEL CELL AND CORROSION CONTROL FACILITY	5,700	5,700	5,700	5,700
WARREN GROVE RANGE				
COMPOSITE RANGE OPERATIONS FACILITY	1,100	1,100	1,100	1,100
TOTAL, NEW JERSEY	30,350	48,150	37,650	43,150
NEW MEXICO				
ARMY				
WHITE SANDS MISSILE RANGE				
STALLION RANGE CENTER WATER DEVELOPMENT	---	2,050	---	2,050
AIR FORCE				
CANNON AFB				
ADD/ALTER DORMITORY	---	3,000	---	3,000
UPGRADE STORM DRAINAGE SYSTEM	620	620	620	620
WASTEWATER TREATMENT AND DISPOSAL PLANT	9,800	9,800	9,800	9,800
HOLLOMAN AFB				
ACADEMIC CENTER	---	---	6,000	6,000
KIRTLAND AFB				
UPGRADE ELECTRICAL DISTRIBUTION SYSTEM	7,656	7,656	7,656	7,656
UPGRADE STORM DRAINAGE SYSTEM	1,500	1,500	1,500	1,500
AIR NATIONAL GUARD				
KIRTLAND AFB				
AIRCRAFT CORROSION CONTROL FACILITY	1,800	1,800	1,800	1,800

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
ALTER AIRCRAFT MAINT HANGAR AND SHOPS	900	900	900	900
COMPOSITE ENGINE AND NDI SHOP	2,700	2,700	2,700	2,700
LANTIRN MAINTENANCE FACILITY	620	620	620	620
TOTAL, NEW MEXICO	25,596	30,646	31,596	36,646
NEW YORK				
ARMY				
FORT DRUM				
INFANTRY PLATOON BATTLE COURSE	---	3,800	---	3,800
ANTI-ARMOR TRACKING AND LIVE-FIRE RANGE	---	5,000	---	5,000
SHIPPING AND RECEIVING BUILDING	---	2,650	---	---
U.S. MILITARY ACADEMY (WEST POINT)				
CHILD DEVELOPMENT CENTER	---	8,300	---	8,300
WATERVLIET ARSENAL				
OIL RUNOFF CONTAINMENT FACILITY (DBOF)	680	680	680	680
AIR NATIONAL GUARD				
HANCOCK FIELD (SYRACUSE)				
COMPOSITE MEDICAL TRAINING FACILITY	1,990	1,990	1,990	1,990
NIAGARA FALLS IAP				
UPGRADE RUNWAY OVERRUN	1,950	1,950	1,950	1,950
UPGRADE STORM WATER AND SANITARY SEWER SYSTEM	400	400	400	400
STRATTON ANGB (SCHENECTADY)				
MAINTENANCE HANGAR AND SHOPS	---	10,000	---	10,000
NAVY RESERVE				
NAV AND MARINE CORPS RESCEN (BUFFALO)				
RESERVE TRAINING BUILDING ADDITION	3,836	3,836	3,836	3,836
AIR FORCE RESERVE				
NIAGARA FALLS IAP				
FUEL SYSTEM MAINTENANCE HANGAR	4,895	4,895	4,895	4,895
TOTAL, NEW YORK	13,751	43,501	13,751	40,851
NORTH CAROLINA				
ARMY				
FORT BRAGG				
STAGING AREA COMPLEX	11,200	11,200	11,200	11,200
WHOLE BARRACKS COMPLEX RENEWAL	18,500	18,500	18,500	18,500
NAVY				
CAMP LEJEUNE MARINE CORPS BASE				
BACHELOR ENLISTED QUARTERS	8,300	8,300	8,300	8,300
INFANTRY PLATOON BATTLE COURSE	5,500	5,500	5,500	5,500
WASTEWATER TREATMENT PLANT (PHASE II)	45,500	45,500	45,500	45,500
CHERRY POINT MARINE CORPS AIR STATION				
ENCLOSE WATER SURVIVAL TRAINING TANK	2,050	2,050	2,050	2,050
JET ENGINE TEST CELL	7,730	7,730	7,730	7,730
MISSILE MAGAZINE	1,650	1,650	1,650	1,650
NEW RIVER MARINE CORPS AIR STATION				
BACHELOR ENLISTED QUARTERS	14,650	14,650	14,650	14,650

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
AIR FORCE				
POPE AFB				
C-130 SQUADRON OPS/AMU & AUDIOVISUAL SERVICES CTR.	6,100	6,100	6,100	6,100
UNDERGROUND FUEL STORAGE TANKS	2,150	2,150	2,150	2,150
SEYMOUR JOHNSON AFB				
VISITING OFFICERS QUARTERS	---	2,000	---	---
DINING HALL AND TROOP ISSUE WAREHOUSE	---	4,700	---	4,700
UPGRADE STORM DRAINAGE SYSTEM	830	830	830	830
DEFENSE-WIDE				
FORT BRAGG				
COSCOM HEALTH CLINIC	---	13,200	---	13,200
SOF BARRACKS	---	8,000	---	8,000
SOF GROUP HEADQUARTERS BUILDING	2,600	2,600	3,900	2,600
SOF BARRACKS	---	---	5,500	---
AIR NATIONAL GUARD				
CHARLOTTE ANGB				
AEROMEDICAL EVACUATION TRAINING FACILITY	---	1,900	---	1,900
ARMY RESERVE				
HICKORY				
USARC	2,713	2,713	2,713	2,713
TOTAL, NORTH CAROLINA	129,473	159,273	136,273	157,273
NORTH DAKOTA				
AIR FORCE				
GRAND FORKS AFB				
DORMITORY	8,500	8,500	8,500	8,500
KC-135 SQUADRON OPERATIONS/AMU	6,300	6,300	6,300	6,300
MINOT AFB				
UNDERGROUND FUEL STORAGE TANKS	1,550	1,550	1,550	1,550
ARMY NATIONAL GUARD				
CAMP GRAFTON (DEVILS LAKE)				
COMBINED SUPPORT MAINTENANCE AND PAINT SHOP	---	2,050	---	2,050
TOTAL, NORTH DAKOTA	16,350	18,400	16,350	18,400
OHIO				
AIR FORCE				
WRIGHT-PATTERSON AFB				
UPGRADE ELECTRICAL DISTRIBUTION SYSTEM	4,100	4,100	4,100	4,100
DEFENSE-WIDE				
COLUMBUS				
DFAS OPERATIONS FACILITY (DBOF) (PHASE I)	72,403	37,400	37,400	37,400
ARMY NATIONAL GUARD				
RICKENBACKER ANGB				
BARRACKS	---	1,750	---	1,750
AIR NATIONAL GUARD				
BLUE ASH ANG STATION				
REPLACE UNDERGROUND FUEL STORAGE TANKS	380	380	380	380

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
CAMP PERRY				
REPLACE UNDERGROUND FUEL STORAGE TANKS............	320	320	320	320
RICKENBACKER ANGB				
REPLACE UNDERGROUND FUEL STORAGE TANKS............	310	310	310	310
SQUADRON OPERATIONS BUILDING.....................	---	---	6,100	---
AIR FORCE RESERVE				
YOUNGSTOWN MAP				
ADD/ALTER ELECTRIC SUBSTATION.....................	4,230	4,230	4,230	4,230
CONSTRUCT AIRCRAFT PARKING APRON..................	3,350	3,350	3,350	3,350
UPGRADE BASE WATER DISTRIBUTION SYSTEM............	1,000	1,000	1,000	1,000
TOTAL, OHIO....................................	86,093	52,840	57,190	52,840
OKLAHOMA				
ARMY				
FORT SILL				
CENTRAL VEHICLE WASH FACILITY.....................	6,300	6,300	6,300	6,300
WHOLE BARRACKS COMPLEX RENEWAL....................	---	8,000	---	8,000
AIR FORCE				
ALTUS AFB				
CHILD DEVELOPMENT CENTER..........................	---	4,000	3,600	3,600
FIRE TRAINING FACILITY............................	1,200	1,200	1,200	1,200
TINKER AFB				
ADD/ALTER DORMITORIES.............................	5,100	5,100	5,100	5,100
CORROSION CONTROL FACILITY (B-2) (PHASE I)........	---	---	11,400	6,000
ARMY NATIONAL GUARD				
LAWTON (FORT SILL)				
ORGANIZATIONAL MAINTENANCE SHOP (MLRS)............	2,400	2,400	2,400	2,400
AIR NATIONAL GUARD				
TULSA IAP				
COMPOSITE COMMUNICATIONS FACILITY.................	1,900	1,900	1,900	1,900
WILL ROGERS WORLD AIRPORT				
AERIAL PORT TRAINING FACILITY.....................	2,550	2,550	2,550	2,550
COMPOSITE FIRE STATION............................	1,950	1,950	1,950	1,950
PETROLEUM OPERATIONS FACILITY.....................	400	400	400	400
TOTAL, OKLAHOMA................................	21,800	33,800	36,800	39,400
OREGON				
ARMY NATIONAL GUARD				
CAMP WITHECOMBE				
CSMS..	---	---	4,769	4,769
SALEM				
AIRFIELD OPERATIONS BUILDING......................	---	---	2,972	2,972
AIR NATIONAL GUARD				
KLAMATH FALLS				
OPERATIONS/TRAINING FACILITY......................	---	---	4,600	4,600
DEFENSE-WIDE				
UMATILLA DEPOT				
AMMUNITION DEMILITARIZATION FACILITY (PHASE II)...	55,000	55,000	---	---

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
TOTAL, OREGON	55,000	55,000	12,341	12,341
PENNSYLVANIA				
NAVY				
PHILADELPHIA NAVAL SHIPYARD				
FOUNDRY RENOVATION AND MODERNIZATION (PHASE III)	---	6,000	---	6,000
DEFENSE-WIDE				
DEF DISTRIBUTION NEW CUMBERLAND - DDSP				
TRANSPORT CONTROL FACILITY (DBOF)	4,600	4,600	4,600	4,600
OLMSTEAD FIELD, HARRISBURG IAP				
SOF REFUELING VEHICLE SHOP	443	443	443	443
SOF MOBILITY STORAGE WAREHOUSE	1,200	1,200	1,200	1,200
ARMY NATIONAL GUARD				
INDIANTOWN GAP ANNVILLE				
MILITARY TRAINING/BARRACKS/DINING (PHASE III)	---	---	9,877	9,877
SCRANTON REGIONAL MAINTENANCE FACILITY				
REGIONAL MAINTENANCE SHOP	---	3,320	---	3,320
AIR NATIONAL GUARD				
GREATER PITTSBURGH IAP				
FUEL SYSTEMS MAINTENANCE FACILITY	5,332	5,332	5,332	5,332
TOTAL, PENNSYLVANIA	11,575	20,895	21,452	30,772
RHODE ISLAND				
NAVY				
NAVAL WAR COLLEGE NEWPORT				
STRATEGIC MARITIME CENTER (PHASE II)	---	---	18,000	---
SOUTH CAROLINA				
ARMY				
CHARLESTON NAVAL WEAPONS STATION				
ARMY STRATEGIC MAINT COMPLEX (PHASE II) (DBOF)	16,500	16,500	16,500	16,500
WHARF ADDITIONS (DBOF)	9,200	9,200	9,200	9,200
FORT JACKSON				
WHOLE BARRACKS COMPLEX RENEWAL	32,000	32,000	32,000	32,000
NAVY				
BEAUFORT MCAS				
BACHELOR ENLISTED QUARTERS	---	15,000	15,000	15,000
AIR FORCE				
CHARLESTON AFB				
C-17 ADD TO FLIGHT SIMULATOR FACILITY	1,300	1,300	1,300	1,300
C-17 SQUADRON OPERATIONS/AMU	5,600	5,600	5,600	5,600
DORMITORY	5,600	5,600	5,600	5,600
SHAW AFB				
UPGRADE STORM DRAINAGE SYSTEM	1,300	1,300	1,300	1,300
DEFENSE-WIDE				
FT JACKSON				
PIERCE TERRACE ELEM SCHOOL ADDITION	576	576	576	576

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
ARMY NATIONAL GUARD				
EASTOVER				
REGION C LEADERSHIP BRIGADE FACILITY	---	---	15,229	15,229
TOTAL, SOUTH CAROLINA	72,076	87,076	102,305	102,305
SOUTH DAKOTA				
AIR FORCE				
ELLSWORTH AFB				
CONSOLIDATED ADMIN SUPPORT COMPLEX	---	---	7,800	7,800
ARMY NATIONAL GUARD				
CAMP RAPID (RAPID CITY)				
COMBINED BATTALION BARRACKS/MESS/ADMIN AREA	---	2,650	2,631	2,631
RAPID CITY AIRPORT				
AASF RAMP	---	---	3,100	---
AIR NATIONAL GUARD				
JOE FOSS FIELD				
BASE SUPPLY COMPLEX	4,000	4,000	4,000	4,000
VEHICLE MAINTENANCE AND STORAGE COMPLEX	---	---	4,400	---
TOTAL, SOUTH DAKOTA	4,000	6,650	21,931	14,431
TENNESSEE				
AIR FORCE				
ARNOLD ENGINEERING DEV CENTER				
UPGRADE ENGINE TEST FACILITIES REFRIGERATION	2,300	2,300	2,300	2,300
UPGRADE FIRE PROTECTION SYSTEMS	2,700	2,700	2,700	2,700
ARMY NATIONAL GUARD				
JOHNSON CITY				
OMS/AMSA/VMF	---	1,937	1,937	1,937
TULLAHOMA TRAINING SITE				
MODIFIED RECORD FIRE RANGE	---	2,623	---	2,623
AIR NATIONAL GUARD				
NASHVILLE METRO AIRPORT				
PMEC SCHOOL TRAINING QUARTERS	4,400	4,400	4,400	4,400
SQUADRON OPERATIONS FACILITY	---	---	4,400	4,400
MEMPHIS IAP				
ADD/ALTER BASE ENGINEER MAINTENANCE COMPLEX	990	990	990	990
ADD/ALTER SECURITY POLICE OPERATIONS FACILITY	1,100	1,100	1,100	1,100
TOTAL, TENNESSEE	11,490	16,050	17,827	20,450
TEXAS				
ARMY				
FORT BLISS				
CHILD DEVELOPMENT CENTER	---	4,000	---	4,000
DINING FACILITY	---	4,900	---	4,900
WHOLE BARRACKS COMPLEX RENEWAL	48,000	48,000	48,000	48,000

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
FORT HOOD				
WHOLE BARRACKS COMPLEX RENEWAL.....................	17,500	17,500	17,500	17,500
WHOLE BARRACK COMPLEX RENEWAL (PHASE I)...........	---	15,000	15,000	15,000
FORT SAM HOUSTON				
IH-35 OVERPASS....................................	---	7,000	---	7,000
NAVY				
CORPUS CHRISTI NAS				
BACHELOR ENLISTED QUARTERS EXPANSION AND UPGRADE..	---	4,400	---	4,400
INGLESIDE NS				
SMALL CRAFT BERTHING PIER.........................	---	2,640	---	2,640
KINGSVILLE NAS				
LAND ACQUISITION FOR AIRFIELD SAFETY CLEAR ZONES..	---	2,710	---	2,710
AIR FORCE				
DYESS AFB				
ADD/ALTER DORMITORIES.............................	---	5,400	5,400	5,400
GOODFELLOW AFB				
CHILD DEVELOPMENT CENTER ADDITION.................	---	1,000	---	1,000
KELLY AFB				
WING HEADQUARTERS FACILITY........................	3,244	3,244	---	3,244
LAUGHLIN AFB				
FIRE TRAINING FACILITY............................	1,400	1,400	1,400	1,400
RANDOLPH AFB				
FIRE TRAINING FACILITY............................	1,200	1,200	1,200	1,200
UPGRADE AIRFIELD LIGHTING.........................	1,900	1,900	1,900	1,900
REESE AFB				
FIRE TRAINING FACILITY............................	1,200	1,200	1,200	---
SHEPPARD AFB				
UPGRADE AIRFIELD LIGHTING.........................	1,500	1,500	1,500	1,500
DEFENSE-WIDE				
FORT BLISS				
THEATER AREA DEFENSE FACILITIES...................	13,600	13,600	13,600	13,600
FORT HOOD				
CONSOLIDATED TROOP MEDICAL CLINIC.................	5,500	5,500	5,500	5,500
LACKLAND AIR FORCE BASE				
ADD/ALTER EMERGENCY DEPARTMENT....................	6,100	6,100	6,100	6,100
REESE AIR FORCE BASE				
LIFE SAFETY/UTILITY UPGRADE.......................	1,000	1,000	1,000	---
AIR NATIONAL GUARD				
KELLY AFB				
UPGRADE HEATING AND COOLING SYSTEMS...............	1,400	1,400	1,400	1,400
TOTAL, TEXAS......................................	103,544	150,594	120,700	148,394
UTAH				
AIR FORCE				
HILL AFB				
CONSOLIDATION RANGE/DORMITORY/OPERATIONS FACILITY.	---	---	8,900	8,900
DEPOT FIRE PROTECTION.............................	---	---	3,700	---

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
ARMY NATIONAL GUARD				
CAMP WILLIAMS (LEHI)				
REGION V BARRACKS	---	5,197	---	---
REPLACE/UPGRADE POTABLE WATER DISTRIBUTION SYSTEM.	---	800	800	800
TRAINING SITE, STORAGE FACILITY	340	340	340	340
TOTAL, UTAH	340	6,337	13,740	10,040
VERMONT				
AIR NATIONAL GUARD				
BURLINGTON IAP				
ADD/ALTER OPERATIONS/TRAINING FACILITY	---	---	2,650	2,650
VIRGINIA				
ARMY				
FORT EUSTIS				
WHOLE BARRACKS COMPLEX RENEWAL	---	11,000	11,000	11,000
DEPLOYMENT TRAINING FACILITY	5,400	5,400	5,400	5,400
FORT MYER				
ARMY MUSEUM LAND ACQUISITION	17,000	---	---	---
NAVY				
HENDERSON HALL, ARLINGTON				
LAND ACQUISITION	---	---	1,900	1,900
NORFOLK NAVAL STATION				
BACHELOR ENLISTED QUARTERS	---	16,000	---	---
OILY WASTE COLLECTION SYSTEM (PHASE I)	10,580	10,580	10,580	10,580
PORTSMOUTH NAVAL HOSPITAL				
BACHELOR ENLISTED QUARTERS	9,500	9,500	9,500	9,500
QUANTICO MARINE CORPS COMBAT DEV COMMAND				
AMMUNITION STORAGE FACILITY	3,500	3,500	3,500	3,500
WILLIAMSBURG FLEET AND INDUSTRIAL SUPPLY CTR				
BACHELOR ENLISTED QUARTERS	6,140	6,140	6,140	6,140
ELECTRICAL DISTRIBUTION SYS ALTERATIONS	2,250	2,250	2,250	2,250
YORKTOWN NAVAL WEAPONS STATION				
EXPLOSIVE ORDNANCE DISPOSAL OPS FAC (DBOF)	1,300	1,300	1,300	1,300
AIR FORCE				
LANGLEY AFB				
UPGRADE STORM DRAINAGE SYSTEM	1,000	1,000	1,000	1,000
DEFENSE-WIDE				
FLEET COMBAT TRAINING CENTER (DAM NECK)				
SOF AMPHIBIOUS OPERATIONS SUPPORT BUILDING	4,500	4,500	4,500	4,500
DEFENSE DISTRIBUTION DEPOT - DDNV (NORFOLK)				
GENERAL PURPOSE WHSE REPLACEMENT (DBOF)	10,400	10,400	10,400	10,400
NAVAL AMPHIBIOUS BASE (LITTLE CREEK)				
SOF OPERATIONS SUPPORT FACILITY	6,100	6,100	6,100	6,100
NORTHWEST NAVAL SECURITY GROUP ACTIVITY (CHESAPEAKE)				
MEDICAL/DENTAL CLINIC	4,300	4,300	4,300	4,300

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
PENTAGON RESERVATION				
FACILITY RENOVATION (PHASE I)......................	---	---	161,000	---
PORTSMOUTH NAVAL HOSPITAL				
HOSPITAL REPLACEMENT (PHASE VII)..................	71,900	47,900	47,900	47,900
AIR NATIONAL GUARD				
CAMP PENDLETON ANGB				
VEHICLE MAINTENANCE COMPLEX........................	2,000	2,000	2,000	2,000
RICHARD E BYRD IAP (RICHMOND)				
ADD/ALTER F-16 AC MAINTENANCE COMPLEX.............	2,700	2,700	2,700	2,700
ARMY NATIONAL GUARD				
DANVILLE				
EXPAND SQUIRE ARMORY................................	---	---	1,789	---
TOTAL, VIRGINIA.....................................	158,570	146,570	293,259	130,470
WASHINGTON				
ARMY				
FORT LEWIS				
CONSOLIDATED FUEL STATION...........................	3,400	3,400	3,400	3,400
MULTI-PURPOSE TRAINING RANGE (YAKIMA)..............	8,500	8,500	8,500	8,500
RAIL SPUR AND TANK TRAILS (YAKIMA)..................	3,200	3,200	3,200	3,200
TACTICAL EQUIPMENT SHOP.............................	15,000	15,000	15,000	15,000
TANK TRAIL EROSION MITIGATION (YAKIMA).............	2,000	2,000	2,000	2,000
NAVY				
BREMERTON PUGET SOUND NAVAL SHIPYARD				
FLEET SUPPORT FACILITIES (DBOF).....................	6,870	6,870	6,870	6,870
METAL PREPARATION FAC IMPROVEMENTS (DBOF).........	2,600	2,600	2,600	2,600
PHYSICAL FITNESS CENTER.............................	---	10,400	10,400	10,400
KEYPORT NAVAL UNDERSEA WARFARE CENTER DIV				
METAL TREATMENT FACILITY (DBOF).....................	5,300	5,300	5,300	5,300
AIR FORCE				
FAIRCHILD AFB				
ALTER DORMITORIES...................................	7,500	7,500	7,500	7,500
DORMITORY...	---	8,200	---	8,200
MCCHORD AFB				
DORMITORY...	4,300	4,300	4,300	4,300
SQUADRON OPERATIONS/AMU.............................	5,600	5,600	5,600	5,600
TOTAL, WASHINGTON...................................	64,270	82,870	74,670	82,870
WEST VIRGINIA				
NAVY				
SUGAR GROVE				
BEQ...	---	---	7,200	7,200
WISCONSIN				
ARMY NATIONAL GUARD				
WEST BEND				
ARMY AVIATION COMPLEX...............................	---	---	5,235	---

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
AIR NATIONAL GUARD				
TRUAX FIELD				
ALTER MUNITIONS FACILITY	670	670	670	670
ARMY RESERVE				
GREEN BAY				
USARC/OMS/AMSA	6,523	6,523	6,523	6,523
TOTAL, WISCONSIN	7,193	7,193	12,428	7,193
WYOMING				
AIR FORCE				
FE WARREN AFB				
ALTER DORMITORIES	5,500	5,500	5,500	5,500
CHILD DEVELOPMENT CENTER	---	4,000	---	---
UPGRADE CENTRAL HEAT PLANT	3,500	3,500	3,500	3,500
ARMY NATIONAL GUARD				
CAMP GUERNSEY				
UTILITY UPGRADE	---	---	6,055	6,055
CODY				
ORGANIZATIONAL MAINTENANCE SUBSHOP	342	342	342	342
NEWCASTLE				
ORGANIZATIONAL MAINTENANCE SUBSHOP	348	348	348	348
TOTAL, WYOMING	9,690	13,690	15,745	15,745
CONUS CLASSIFIED				
ARMY				
CLASSIFIED LOCATIONS				
CLASSIFIED PROJECT	1,900	1,900	1,900	1,900
AIR FORCE				
CLASSIFIED LOCATION				
SPECIAL TACTICAL UNIT DETACHMENT FACILITY	700	700	700	700
DEFENSE-WIDE				
OSD MILCON				
CLASSIFIED LOCATION	11,500	11,500	11,500	11,500
TOTAL, CONUS CLASSIFIED	14,100	14,100	14,100	14,100
CONUS VARIOUS				
NAVY				
CONUS VARIOUS				
SUPPLY WAREHOUSE	1,200	1,200	1,200	1,200
GERMANY				
AIR FORCE				
SPANGDAHLEM AB				
ADD TO MISSILE MAINTENANCE FACILITY	930	930	---	---
DORMITORY	5,900	5,900	5,900	5,900

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
SOUND SUPPRESSOR FOUNDATION	950	950	---	---
SOUND SUPPRESSOR FOUNDATION	600	600	---	---
VOGELWEH				
CHILD DEVELOPMENT CENTER	2,600	2,600	2,600	2,600
DEFENSE-WIDE				
RAMSTEIN				
ELEMENTARY/JUNIOR HIGH SCHOOL ADDITIONS	19,205	19,205	19,205	19,205
TOTAL, GERMANY	30,185	30,185	27,705	27,705
GREECE				
AIR FORCE				
ARAXOS				
DORMITORY	1,950	1,950	1,950	1,950
GUAM				
NAVY				
NAVAL COMP AND TELCOMM AREA MASTER STA WPAC				
BACHELOR ENLISTED QUARTERS MODERNIZATION	2,250	2,250	2,250	2,250
NAVY PUBLIC WORKS CENTER				
WASTEWATER TREATMENT PLANT UPGRADES	16,180	16,180	16,180	16,180
DEFENSE-WIDE				
NS GUAM				
SOF OPERATIONS SUPPORT FACILITY	8,800	8,800	8,800	8,800
TOTAL, GUAM	27,230	27,230	27,230	27,230
ITALY				
NAVY				
NAPLES NAVAL SUPPORT ACTIVITY				
OPERATIONS SUPPORT CENTER	10,000	10,000	10,000	10,000
QUALITY OF LIFE FACILITIES (PHASE III)	14,950	14,950	14,950	14,950
SIGONELLA NAVAL AIR FACILITY				
FIRE PROTECTION SYSTEM	870	870	870	870
SIGONELLA NAVAL AIR STATION				
BACHELOR ENLISTED QUARTERS	11,300	11,300	11,300	11,300
AIR FORCE				
AVIANO AB				
COMMUNICATIONS MAINTENANCE FACILITY	1,400	1,400	1,400	1,400
SQUADRON OPERATIONS FACILITY	950	950	950	950
GHEDI AIRFIELD				
DORMITORY	1,450	1,450	1,450	1,450
DEFENSE-WIDE				
SIGONELLA NAVAL AIR STATION				
ELEMENTARY/HIGH SCHOOL ADDITIONS	7,595	7,595	7,595	7,595
U.S. NAVAL SUPPORT ACTIVITY (NAPLES)				
DISPENSARY (CAPODICHINO)	5,000	5,000	5,000	5,000

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
TOTAL, ITALY	53,515	53,515	53,515	53,515
KOREA				
ARMY				
CAMP STANLEY				
WHOLE BARRACKS COMPLEX RENEWAL	6,800	6,800	6,800	6,800
CAMP CASEY				
DINING FACILITY	4,150	4,150	4,150	4,150
CAMP HOVEY				
WHOLE BARRACKS COMPLEX RENEWAL	6,200	6,200	6,200	6,200
WHOLE BARRACKS COMPLEX RENEWAL	7,300	7,300	7,300	7,300
CAMP PELHAM				
WHOLE BARRACKS COMPLEX RENEWAL	5,600	5,600	5,600	5,600
YONGSAN GARRISON (SEOUL)				
CHILD DEVELOPMENT CENTER	---	1,450	4,500	4,500
TOTAL, KOREA	30,050	31,500	34,550	34,550
PUERTO RICO				
NAVY				
ROOSEVELT ROADS NAVAL STATION				
SANITARY LANDFILL	11,500	11,500	11,500	11,500
SABANA SECA NAVAL SECURITY GROUP ACTIVITY				
ROAD IMPROVEMENTS	2,200	2,200	2,200	2,200
DEFENSE-WIDE				
DEFENSE FUEL SUPPORT POINT ROOSEVELT ROADS				
FUEL STORAGE (DBOF)	6,200	6,200	6,200	6,200
AIR NATIONAL GUARD				
PUERTO RICO IAP				
ADD/ALTER COMPOSITE SUPPORT FACILITY	510	510	510	510
MUNITIONS MAINTENANCE AND STORAGE COMPLEX	3,800	3,800	3,800	3,800
UPGRADE SECURITY SYSTEM	1,350	1,350	1,350	1,350
TOTAL, PUERTO RICO	25,560	25,560	25,560	25,560
SPAIN				
DEFENSE-WIDE				
DFSC ROTA				
HYDRANT FUEL SYSTEM (DBOF)	7,400	7,400	---	7,400
TURKEY				
AIR FORCE				
ANKARA				
LONG PERIOD SEISMIC ARRAY	3,000	3,000	3,000	3,000
SHORT PERIOD SEISMIC ARRAY	4,000	4,000	4,000	4,000
INCIRLIK AB				
CHILD DEVELOPMENT CENTER	1,600	1,600	1,600	1,600
UPGRADE SEWAGE TREATMENT PLANT	2,900	2,900	2,900	2,900

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
TOTAL, TURKEY	11,500	11,500	11,500	11,500
UNITED KINGDOM				
AIR FORCE				
RAF LAKENHEATH				
ADD TO MISSILE MAINTENANCE FACILITY	1,820	1,820	1,820	1,820
RAF MILDENHALL				
ADD/ALTER CHILD DEVELOPMENT CENTER	2,250	2,250	2,250	2,250
DEFENSE-WIDE				
MENWITH HILL STATION				
WAREHOUSE SPRINKLERS	677	677	677	677
TOTAL, UNITED KINGDOM	4,747	4,747	4,747	4,747
OVERSEAS CLASSIFIED				
AIR FORCE				
OVERSEAS CLASSIFIED				
VEHICLE MAINTENANCE FACILITY	1,600	1,600	---	1,600
WAR READINESS MATERIAL WAREHOUSES	15,500	15,500	---	15,500
TOTAL, OVERSEAS CLASSIFIED	17,100	17,100	---	17,100
OVERSEAS VARIOUS				
ARMY				
VARIOUS LOCATIONS				
STRATEGIC LOGISTICAL PREPO COMPLEX (PHASE I)	48,000	48,000	---	48,000
NATO				
NATO SECURITY INVESTMENT PROGRAM	179,000	161,000	161,000	161,000
WORLDWIDE UNSPECIFIED				
ARMY				
UNSPECIFIED WORLDWIDE LOCATIONS				
ARMY - HOST NATION SUPPORT	20,000	20,000	25,000	20,000
PLANNING AND DESIGN	32,894	50,778	44,034	44,034
UNSPECIFIED MINOR CONSTRUCTION	9,000	9,000	19,000	9,000
NAVY				
UNSPECIFIED WORLDWIDE LOCATIONS				
PLANNING AND DESIGN	46,477	66,184	49,477	50,477
UNSPECIFIED MINOR CONSTRUCTION	7,200	7,200	16,200	7,200
AIR FORCE				
UNSPECIFIED WORLDWIDE LOCATIONS				
PLANNING AND DESIGN	30,835	49,021	23,894	26,594
UNSPECIFIED MINOR CONSTRUCTION	9,030	9,030	9,030	9,030
DEFENSE-WIDE				
UNSPECIFIED WORLDWIDE LOCATIONS				
CONTINGENCY CONSTRUCTION	11,037	11,037	11,037	11,037

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
ENERGY CONSERVATION INVESTMENT PROGRAM............	50,000	50,000	75,000	50,000
PLANNING AND DESIGN				
CHEMICAL DEMILITARIZATION PROGRAM................	13,000	13,000	13,000	13,000
SPECIAL OPERATIONS COMMAND.......................	5,407	5,407	7,407	5,407
DEFENSE FINANCE AND ACCOUNTING SERVICE..........	8,600	8,600	8,600	8,600
BALLISTIC MISSILE DEFENSE ORGANIZATION..........	500	500	500	500
DEFENSE MEDICAL SUPPORT ACTIVITY................	28,330	28,330	38,685	28,330
DEFENSE LEVEL ACTIVITIES........................	13,000	13,000	15,800	13,000
SUBTOTAL, PLANNING AND DESIGN...............	68,837	68,837	83,992	68,837
UNSPECIFIED MINOR CONSTRUCTION				
SPECIAL OPERATIONS COMMAND.......................	1,700	1,700	2,466	1,700
BALLISTIC MISSILE DEFENSE ORGANIZATION..........	2,909	2,909	2,909	2,909
DEFENSE MEDICAL SUPPORT ACTIVITY................	5,100	5,100	5,100	5,100
DEFENSE LEVEL ACTIVITIES........................	3,100	3,100	3,100	3,100
JOINT CHIEFS OF STAFF...........................	6,198	6,198	6,198	6,198
DOD DEPENDENT SCHOOLS...........................	4,000	4,000	4,000	4,000
SUBTOTAL, UNSPECIFIED MINOR CONSTRUCTION....	23,007	23,007	23,773	23,007
ARMY NATIONAL GUARD				
UNSPECIFIED WORLDWIDE LOCATIONS				
PLANNING AND DESIGN.............................	2,900	15,200	14,008	7,408
UNSPECIFIED MINOR CONSTRUCTION..................	5,300	5,300	6,110	5,300
AIR NATIONAL GUARD				
UNSPECIFIED WORLDWIDE LOCATIONS				
PLANNING AND DESIGN.............................	4,580	6,450	9,680	6,450
UNSPECIFIED MINOR CONSTRUCTION..................	4,100	4,100	4,455	4,455
ARMY RESERVE				
UNSPECIFIED WORLDWIDE LOCATIONS				
PLANNING AND DESIGN.............................	3,694	3,694	8,872	3,694
UNSPECIFIED MINOR CONSTRUCTION..................	1,700	1,700	1,700	1,700
NAVY RESERVE				
UNSPECIFIED WORLDWIDE LOCATIONS				
PLANNING AND DESIGN.............................	954	1,554	954	954
AIR FORCE RESERVE				
UNSPECIFIED WORLDWIDE LOCATIONS				
PLANNING AND DESIGN.............................	2,700	2,950	3,015	2,950
UNSPECIFIED MINOR CONSTRUCTION..................	4,169	4,169	4,169	4,169
TOTAL, WORLDWIDE UNSPECIFIED....................	338,414	409,211	433,400	356,296
WORLDWIDE VARIOUS				
ARMY				
VARIOUS LOCATIONS				
RESCISSION, FISCAL YEAR 1992......................	---	---	-6,245	---
AIR FORCE				
VARIOUS LOCATIONS				
RESCISSION, FISCAL YEAR 1992......................	---	---	-16,005	-8,765

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
AIR NATIONAL GUARD				
VARIOUS LOCATIONS				
RESCISSION, FISCAL YEAR 1994	---	---	-6,700	-6,700
DEFENSE-WIDE				
VARIOUS LOCATIONS				
RESCISSION, FISCAL YEAR 1991	---	---	-3,234	---
RESCISSION, FISCAL YEAR 1992	---	---	-6,800	-6,800
RESCISSION, FISCAL YEAR 1993	---	---	-8,590	-8,590
RESCISSION, FISCAL YEAR 1994	---	---	-8,131	-8,131
TOTAL, WORLDWIDE VARIOUS	---	---	-55,705	-38,986

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
FAMILY HOUSING, ARMY				
ALABAMA				
REDSTONE ARSENAL (118 UNITS)........................	---	12,000	---	---
ALASKA				
FORT WAINWRIGHT NEIGHBORHOOD IMPROVEMENT (44 UNITS).	---	---	7,300	---
KENTUCKY				
FORT KNOX (150 UNITS)..............................	---	19,000	---	19,000
NEW MEXICO				
WHITE SANDS NEIGHBORHOOD IMPROVEMENT (36 UNITS).....	---	---	3,400	---
NEW YORK				
U.S. MILITARY ACADEMY (119 UNITS)..................	16,500	16,500	---	16,500
VIRGINIA				
FORT LEE (135 UNITS)...............................	---	19,500	---	19,500
WASHINGTON				
FORT LEWIS (84 UNITS)..............................	10,800	10,800	10,800	10,800
CONSTRUCTION IMPROVEMENTS............................	14,200	46,600	44,712	48,856
PLANNING...	2,000	2,000	5,540	2,000
SUBTOTAL, CONSTRUCTION..........................	43,500	126,400	71,752	116,856
OPERATION AND MAINTENANCE				
FURNISHINGS ACCOUNT................................	48,822	48,822	52,422	48,822
MANAGEMENT ACCOUNT.................................	84,726	84,726	84,726	84,726
MISCELLANEOUS ACCOUNT..............................	1,286	1,286	1,286	1,286
SERVICES ACCOUNT...................................	53,243	53,243	53,243	53,243
UTILITIES ACCOUNT..................................	271,376	271,376	271,376	271,376
LEASING..	243,840	243,840	243,840	243,840
MAINTENANCE OF REAL PROPERTY.......................	634,292	634,292	632,292	632,292
INTEREST PAYMENTS..................................	11	11	11	11
SUBTOTAL, OPERATION AND MAINTENANCE.............	1,337,596	1,337,596	1,339,196	1,335,596
TOTAL, FAMILY HOUSING, ARMY.....................	1,381,096	1,463,996	1,410,948	1,452,252

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
FAMILY HOUSING, NAVY				
CALIFORNIA				
LEMOORE NAVAL AIR STATION (240 UNITS)................	34,900	34,900	34,900	34,900
MARINE CORPS BASE CAMP PENDLETON (COMMUNITY CENTER).	1,438	1,438	1,438	1,438
MARINE CORPS BASE CAMP PENDLETON (HOUSING OFFICE)...	707	707	---	707
MARINE CORPS BASE CAMP PENDLETON (69 UNITS).........	10,000	10,000	10,000	10,000
MARINE CORPS BASE CAMP PENDLETON (69 UNITS).........	---	20,080	---	10,000
PACIFIC MISSILE TEST CENTER POINT MUGU (HOUSING OFFICE/SELF HELP CENTER)...........................	1,020	1,020	---	1,020
PUBLIC WORKS CENTER SAN DIEGO (346 UNITS)...........	49,310	49,310	49,310	49,310
HAWAII				
PUBLIC WORKS CENTER, PEARL HARBOR (252 UNITS).......	48,400	48,400	48,400	48,400
MARYLAND				
NAVAL AIR TEST CENTER PATUXENT RIVER (HOUSING WAREHOUSE/SELF HELP CENTER)........................	890	890	890	890
USNA ANNAPOLIS (HOUSING OFFICE/SELF HELP CENTER)....	800	800	---	800
NORTH CAROLINA				
MARINE CORPS AIR STATION CHERRY POINT (COMMUNITY CENTER)...	1,003	1,003	1,003	1,003
PENNSYLVANIA				
NSCC MECHANICSBURG (HOUSING OFFICE).................	300	300	---	300
VIRGINIA				
DAHLGREN NAVAL SURFACE WARFARE CENTER (HOUSING OFFICE/SELF HELP CENTER)............................	520	520	---	520
PUBLIC WORKS CENTER NORFOLK (HOUSING OFFICE/HOUSING WAREHOUSE)...	1,390	1,390	1,390	1,390
PUBLIC WORKS CENTER NORFOLK (320 UNITS).............	42,500	42,500	42,500	42,500
WASHINGTON				
HOUSING REVITALIZATION BANGOR (141 UNITS)...........	---	---	4,890	---
WEST VIRGINIA				
SUGAR GROVE (23 UNITS)..............................	---	---	3,590	3,590
PUERTO RICO				
NS ROOSEVELT ROADS (HOUSING OFFICE).................	710	710	---	710
CONSTRUCTION IMPROVEMENTS............................	247,477	292,931	289,046	293,190
PLANNING...	24,390	24,390	25,590	24,390
SUBTOTAL, CONSTRUCTION..........................	465,755	531,289	512,947	525,058

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
OPERATION AND MAINTENANCE				
FURNISHINGS ACCOUNT	35,320	35,320	38,920	35,320
MANAGEMENT ACCOUNT	93,170	93,170	93,170	93,170
MISCELLANEOUS ACCOUNT	1,252	1,252	1,252	1,252
SERVICES ACCOUNT	66,363	66,363	66,363	66,363
UTILITIES ACCOUNT	214,537	214,537	214,537	214,537
LEASING	103,582	103,582	103,582	103,582
MAINTENANCE OF REAL PROPERTY	534,023	534,023	534,023	534,023
MORTGAGE INSURANCE PREMIUMS	82	82	82	82
SUBTOTAL, OPERATION AND MAINTENANCE	1,048,329	1,048,329	1,051,929	1,048,329
TOTAL, FAMILY HOUSING, NAVY	1,514,084	1,579,518	1,564,876	1,573,387

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
FAMILY HOUSING, AIR FORCE				
ALASKA				
ELMENDORF AFB (HOUSING OFFICE/MAINTENANCE FACILITY).	3,000	3,000	3,000	3,000
ARIZONA				
DAVIS-MONTHAN AFB (80 UNITS)	9,498	9,498	9,498	9,498
ARKANSAS				
LITTLE ROCK AFB (1 GENERAL OFFICER'S QUARTERS)	210	---	---	---
CALIFORNIA				
BEALE AFB (HOUSING OFFICE)	842	842	---	842
EDWARDS AFB (67 UNITS)	11,350	11,350	11,350	11,350
EDWARDS AFB (60 UNITS)	---	9,400	---	9,400
VANDENBERG AFB (HOUSING OFFICE)	900	900	---	900
VANDENBERG AFB (143 UNITS)	20,200	20,200	20,200	20,200
COLORADO				
PETERSON AFB (HOUSING OFFICE)	570	570	---	570
DISTRICT OF COLUMBIA				
BOLLING AFB (32 UNITS)	4,100	4,100	4,100	4,100
FLORIDA				
EGLIN AFB (HOUSING OFFICE)	500	500	---	---
EGLIN AFB HURLBURT FIELD (HOUSING SERVICE CENTER)	880	880	880	880
MACDILL AFB (HOUSING OFFICE)	646	646	---	646
PATRICK AFB (70 UNITS)	7,947	7,947	7,947	7,947
TYNDALL AFB (52 UNITS)	5,500	5,500	5,500	5,500
TYNDALL AFB (30 UNITS)	---	4,300	---	4,300
GEORGIA				
MOODY AFB (3 GENERAL & SENIOR OFFICER'S QUARTERS)	513	513	---	---
ROBINS AFB (83 UNITS)	---	---	9,800	9,800
IDAHO				
MOUNTAIN HOME AFB (HOUSING OFFICE)	844	844	---	844
KANSAS				
MCCONNELL AFB (39 UNITS)	5,193	5,193	5,193	5,193
LOUISIANA				
BARKSDALE AFB (62 UNITS)	10,299	10,299	10,299	10,299
MASSACHUSETTS				
HANSCOM AFB (32 UNITS)	---	---	5,200	4,900
MISSISSIPPI				
KEELSER AFB (98 UNITS)	9,300	9,300	9,300	9,300
MISSOURI				
WHITEMAN AFB (72 UNITS)	9,948	9,948	9,948	9,948
NEVADA				
NELLIS AFB (6 SENIOR OFFICER QUARTERS)	1,357	---	---	---
NELLIS AFB (96 UNITS)	---	21,000	---	15,000
NELLIS (45 UNITS)	---	---	6,000	---
NEW MEXICO				
HOLLOMAN AFB (1 GENERAL OFFICER QUARTERS)	225	---	---	---
KIRTLAND AFB (105 UNITS)	11,000	11,000	11,000	11,000
NORTH CAROLINA				
POPE AFB (104 UNITS)	9,984	9,984	9,984	9,984

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
SEYMOUR JOHNSON AFB (1 GENERAL OFFICER QUARTERS)....	204	---	---	---
OHIO				
WRIGHT PATTERSON AFB (IMPROVE 66 UNITS).............	---	---	5,900	---
SOUTH CAROLINA				
SHAW AFB (MAINTENANCE FACILITY).....................	715	715	715	715
TEXAS				
DYESS AFB (MAINTENANCE FACILITY)....................	580	580	580	580
LACKLAND AFB (67 UNITS).............................	6,200	6,200	6,200	6,200
SHEPPARD AFB (HOUSING OFFICE).......................	500	500	---	500
SHEPPARD AFB (MAINTENANCE FACILITY).................	600	600	600	600
WASHINGTON				
MCCHORD AFB (50 UNITS)..............................	9,504	9,504	9,504	9,504
GUAM				
ANDERSEN AFB (HOUSING OFFICE).......................	1,700	1,700	---	---
TURKEY				
INCIRLICK AB (150 UNITS)............................	10,146	10,146	10,146	10,146
CONSTRUCTION IMPROVEMENTS...........................	85,059	90,959	85,059	95,103
PLANNING..	8,989	8,989	9,234	8,989
TECHNICAL ADJUSTMENT (HOUSE FLOOR AMENDMENT).........	---	-90	---	---
SUBTOTAL, CONSTRUCTION..............................	249,003	287,517	267,137	297,738
OPERATION AND MAINTENANCE				
FURNISHINGS ACCOUNT.................................	43,000	43,000	43,000	43,000
MANAGEMENT ACCOUNT..................................	45,154	45,154	45,154	45,154
MISCELLANEOUS ACCOUNT...............................	5,678	5,678	5,678	5,678
SERVICES ACCOUNT....................................	33,177	33,177	33,177	33,177
UTILITIES ACCOUNT...................................	197,539	197,539	197,539	197,539
LEASING...	115,665	115,665	115,665	115,665
MAINTENANCE OF REAL PROPERTY........................	408,971	422,971	409,817	408,971
MORTGAGE INSURANCE PREMIUMS.........................	29	29	29	29
SUBTOTAL, OPERATION AND MAINTENANCE.................	849,213	863,213	850,059	849,213
TOTAL, FAMILY HOUSING, AIR FORCE....................	1,098,216	1,150,730	1,117,196	1,146,951

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
FAMILY HOUSING, DEFENSE-WIDE				
CONSTRUCTION IMPROVEMENTS (NATIONAL SECURITY AGENCY/UNITED KINGDOM)................................	50	50	50	50
CONSTRUCTION IMPROVEMENTS (NEW CUMBERLAND, PA)........	3,722	3,722	3,722	3,722
SUBTOTAL, CONSTRUCTION..........................	3,772	3,772	3,772	3,772
OPERATION AND MAINTENANCE				
FURNISHINGS ACCOUNT................................	3,400	3,400	4,400	3,400
MANAGEMENT ACCOUNT................................	231	231	231	231
MISCELLANEOUS ACCOUNT.............................	36	36	36	36
SERVICES ACCOUNT..................................	383	383	383	383
UTILITIES ACCOUNT.................................	746	746	746	746
LEASING...	24,874	24,874	24,874	24,874
MAINTENANCE OF REAL PROPERTY......................	797	797	11,697	797
SUBTOTAL, OPERATION AND MAINTENANCE............	30,467	30,467	42,367	30,467
TOTAL, FAMILY HOUSING, DEFENSE-WIDE............	34,239	34,239	46,139	34,239
DEPARTMENT OF DEFENSE FAMILY HOUSING IMPROVEMENT FUND				
DEPARTMENT OF DEFENSE FAMILY HOUSING IMPROVEMENT FUND.	22,000	22,000	22,000	22,000
HOMEOWNERS ASSISTANCE FUND				
HOMEOWNERS ASSISTANCE FUND............................	75,586	75,586	75,586	75,586

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	HOUSE RECOMMENDED	SENATE RECOMMENDED	CONFERENCE AGREEMENT
BASE REALIGNMENT AND CLOSURE ACCOUNT, PART II				
BASE REALIGNMENT AND CLOSURE ACCOUNT, PART II.........	964,843	964,843	964,843	964,843
BASE REALIGNMENT AND CLOSURE ACCOUNT, PART III				
BASE REALIGNMENT AND CLOSURE ACCOUNT, PART III........	2,148,480	2,148,480	2,148,480	2,148,480
BASE REALIGNMENT AND CLOSURE ACCOUNT, PART IV				
BASE REALIGNMENT AND CLOSURE ACCOUNT, PART IV.........	784,569	784,569	784,569	784,569
TOTAL, BASE REALIGNMENT AND CLOSURE ACCOUNT.....	3,897,892	3,897,892	3,897,892	3,897,892
GRAND TOTAL....................................	10,697,995	11,177,009	11,158,995	11,177,009

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1996 recommended by the Committee of Conference, with comparisons to the fiscal year 1995 amount, the 1996 budget estimates, and the House and Senate bills for 1996 follow:

New budget (obligational) authority, fiscal year 1995	$8,735,400,000
Budget estimates of new (obligational) authority, fiscal year 1996	10,697,995,000
House bill, fiscal year 1996	11,177,009,000
Senate bill, fiscal year 1996	11,158,995,000
Conference agreement, fiscal year 1996	11,177,009,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1995	+2,441,609,000
Budget estimates of new (obligational) authority, fiscal year 1996	+479,014,000
House bill, fiscal year 1996	---
Senate bill, fiscal year 1996	+18,014,000

BARBARA F. VUCANOVICH,
SONNY CALLAHAN,
JOSEPH M. MCDADE,
JOHN T. MYERS,
JOHN EDWARD PORTER,
ERNEST J. ISTOOK, Jr.,
ROGER F. WICKER,
BOB LIVINGSTON,
W.G. (BILL) HEFNER,
THOMAS M. FOGLIETTA,
PETER J. VISCLOSKY,
ESTEBAN EDWARD TORRES,
Managers on the Part of the House.

CONRAD BURNS,
TED STEVENS,
RICHARD C. SHELBY,
JUDD GREGG,
HARRY REID,
DANIEL K. INOUYE,
ROBERT C. BYRD,
Managers on the Part of the Senate.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SKAGGS) to revise and extend their remarks and include extraneous material:)

Mr. BONIOR, for 5 minutes, today.

Mr. GIBBONS, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Mr. FRANK of Massachusetts, for 5 minutes, today.

Mr. WARD, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. UNDERWOOD, for 5 minutes, today.

Mr. SKAGGS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. SKAGGS) and to include extraneous matter:)

Mr. FAZIO of California.

Mr. LEVIN.

Mr. KILDEE in two instances.

Ms. VELÁZQUEZ.

Ms. DELAURO.

Mr. PAYNE of New Jersey in two instances.

Ms. NORTON.

Mr. KANJORSKI.

(The following Members (at the request of Mr. ALLARD) and to include extraneous matter:)

Mr. KING.

Mr. TIAHRT.

Mr. EVERETT.

Mr. BOEHLERT.

Mr. PORTMAN in two instances.

Mr. STEARNS.

Mrs. JOHNSON of Connecticut.

(The following Members (at the request of Mr. HOKE) and to include extraneous matter:)

Mr. EHRLICH.

Mr. BARCIA.

Ms. DELAURO.

Mr. RUSH.

Ms. HARMAN.

ADJOURNMENT

Mr. HOKE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 24 minutes p.m.), under its previous order, the House adjourned until Monday, September 18, 1995, at 10:30 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1426. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notice of intent to obligate funds for International Narcotics Control [INC] programs in Peru, the Dominican Republic, El Salvador, and Liberia, pursuant to 22 U.S.C. 2291(b)(2); to the Committee on Appropriations.

1427. A letter from the Assistant Secretary for Environment, Safety, and Health, Department of Energy, transmitting a summary of the draft waste management programmatic environmental impact statement [PEIS]; to the Committee on Commerce.

1428. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notice that the President has authorized the furnishing of fiscal year 1995 international organizations and programs [IO&P] funds to the Korean Peninsula Energy Development Organization (Presidential Determination No. 95-40), pursuant to 22 U.S.C. 2364(a)(2); to the Committee on International Relations.

1429. A letter from the Deputy Associate Director for Compliance, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Resources.

1430. A letter from the Deputy Associate Director for Compliance, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Resources.

1431. A letter from the Attorney General of the United States, transmitting the Attorney General's report to the President: "The First Year of the Violent Crime Control Act of 1994"; to the Committee on the Judiciary.

1432. A letter from the Chair, Commission on Legal Immigration Reform, transmitting the Commission's 1995 report on legal immigration, pursuant to Public Law 101-649, section 141(b) (104 Stat. 5002); to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLILEY: Committee on Commerce. H.R. 1872. A bill to amend the Public Health Service Act to revise and extend programs established pursuant to the Ryan White Comprehensive AIDS Resources Emergency Act of 1990; with an amendment (Rept. 104-245). Referred to the Committee of the Whole House on the State of the Union.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 2274. A bill to amend title 23, United States Code, to designate the National Highway System, and for other purposes; with an amendment (Rept. 104-246). Referred to the Committee of the Whole House on the State of the Union.

Mrs. VUCANOVICH: Committee of Conference. Conference report on H.R. 1817. A bill making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes (Rept. 104-247). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of Ohio:

H.R. 2329. A bill to amend title XVIII of the Social Security Act to provide protections for Medicare beneficiaries who enroll in Medicare managed care plans; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. EMERSON (for himself, Mr. COMBEST, Mr. BAKER of Louisiana, Mr. LIVINGSTON, Mr. TAUZIN, Mr. MCCRERY, Mr. LAUGHLIN, Mr. CHAMBLISS, Mr. PARKER, Mr. EVERETT, Mr. WICKER, Mr. THORNBERRY, Mr. HAYES, Mr. TAYLOR of Mississippi, and Mr. DICKEY):

H.R. 2330. A bill to amend the Agricultural Act of 1949 to extend the agricultural price support programs for certain commodities through 2002 and to modify the operation of such programs, and for other purposes; to the Committee on Agriculture.

By Mr. EHRLICH (for himself, Mr. CLINGER, Mr. BLUTE, Mr. SOUDER, Mr. SHADEGG, Mr. FOX, Mr. MCINTOSH, and Mr. DAVIS):

H.R. 2331. A bill to provide for the modification or elimination of Federal reporting requirements; to the Committee on Government Reform and Oversight.

By Mr. McKEON:

H.R. 2332. A bill to consolidate and reform workforce development and literacy programs, and for other purposes; to the Committee on Economic and Educational Opportunities.

By Mr. ENSIGN (for himself, and Mr. Matsui):

H.R. 2333. A bill to amend the Internal Revenue Code of 1986 to simplify the method of payment of taxes on distilled spirits; to the Committee on Ways and Means.

By Mr. BILBRAY (for himself, Mr. Moorhead, Mr. Thomas, Mr. Dreier, Mr. Packard, Mr. Hunter, Mr. Dornan, Mr. Cunningham, Mr. Young of Alaska, and Mr. Schaefer):

H.R. 2334. A bill to convey 1,000 acres of Federal land in San Bernardino County, CA, for use as the site of the Southwestern Low-Level Radioactive Waste Disposal Compact's regional disposal facility; to the Committee on Commerce.

By Mr. CHAMBLISS (for himself, Mr. Callahan, Mr. Chapman, Mr. Bachus, Mr. Hilliard, Mr. Montgomery, Mr. Norwood, Mr. Parker, Mr. Deal of Georgia, Mr. Tate, Ms. Dunn of Washington, Mr. Hayes, Mr. Peterson of Florida, and Mr. Bishop):

H.R. 2335. A bill to amend the Solid Waste Disposal Act to exempt from the solid waste designation all recoverable materials that are contained, collected, and returned to an industrial process; to the Committee on Commerce.

By Mr. BARR (for himself, Mr. Kingston, Mr. Norwood, Ms. McKinney, Mr. Chambliss, Mr. Deal of Georgia, Mr. Lewis of Georgia, Mr. Collins of Georgia, Mr. Bishop, and Mr. Linder):

H.R. 2336. A bill to amend the Doug Barnard, Jr., 1996 Atlanta Centennial Olympic Games Commemorative Coin Act, and for other purposes; to the Committee on Banking and Financial Services.

By Mrs. JOHNSON of Connecticut (for herself, and Mr. Matsui):

H.R. 2337. A bill to amend the Internal Revenue Code of 1986 to provide for increased taxpayer protections; to the Committee on Ways and Means.

By Mr. KLINK:

H.R. 2338. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for contributions to an individual training account; to the Committee on Ways and Means.

By Mr. MINGE (for himself, Mr. Barret of Nebraska, and Mr. Johnson of South Dakota):

H.R. 2339. A bill to amend the Agricultural Act of 1949 to permit producers to adopt integrated, site-specific farm management plans that provide for resource-conserving crop rotation, special conservation practices, rotational grazing, and biomass production operations and practices; to the Committee on Agriculture.

By Ms. MOLINARI:

H.R. 2340. A bill to amend the United States Housing Act of 1937 to provide for more expeditious evictions from public housing, and for other purposes; to the Committee on Banking and Financial Services.

By Mr. SALMON (for himself, Mr. Baker of California, Mr. Ballenger, Mr. Bartlett of Maryland, Mr. Barton of Texas, Mr. Bryant of Tennessee, Mr. Christensen, Mr. Chrysler, Mrs. Cubin, Mr. Davis, Mr. Doolittle, Mr. Dornan, Mr. English of Pennsylvania, Mr. Ensign, Mr. Forbes, Mr. Fox, Mr. Graham, Mr. Hastert, Mr. Hayworth, Mr. Hilleary, Mr. Hostettler, Mr. Inglis of South Carolina, Mrs. Kelly, Mr. Metcalf, Mr. Rohrabacher, Mr. Shadegg, Mr. Stump, and Mr. Weller):

H.R. 2341. A bill to amend chapter 89 of title 5, United States Code, to permit Federal employees and annuitants to elect to receive contributions into medical savings accounts under the Federal Employees Health Benefits Program [FEHBP]; to the Committee on Government Reform and Oversight.

By Mr. SMITH of Texas (for himself and Mr. Bryant of Texas):

H.R. 2342. A bill to authorize associations of independent producers of natural gas; to the Committee on the Judiciary.

By Mr. THOMPSON (for himself and Mr. Wicker):

H.R. 2343. A bill to amend the Federal Crop Insurance Act to authorize the Secretary of Agriculture to provide supplemental crop disaster assistance under certain circumstances, and for other purposes; to the Committee on Agriculture.

By Ms. VELAZQUEZ (for herself and Ms. Molinari):

H.R. 2344. A bill to establish the Lower East Side Tenement Museum National Historic Site, and for other purposes; to the Committee on Resources.

By Mr. LIPINSKI (for himself and Mr. Hyde):

H. Con. Res. 101. Concurrent resolution expressing the sense of Congress with respect to certain court orders relating to the desegregation of schools; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRAPO:

H.R. 2345. A bill for the relief of Matt Clawson; to the Committee on the Judiciary.

By Mr. HUNTER:

H.R. 2346. A bill for the relief of Heraclio Tolley; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 38: Mr. Talent, Mr. Forbes, Mr. Diaz-Balart, Mr. Deal of Georgia, Mrs. Smith of Washington, Mr. Fields of Texas, Mr. LaHood, Mr. Nethercutt, Mr. Owens, Mr. McHale, Mr. Mica, Mr. Hilleary, Mr. Payne of Virginia, Mr. Tate, and Mr. Jacobs.

H.R. 103: Mr. Kildee.

H.R. 104: Mr. Luther, Mrs. Meyers of Kansas, and Mr. Taylor of North Carolina.

H.R. 444: Mr. Gutierrez.

553: Mr. Fattah.

580: Mr. Williams and Mr. Ehrlich.

662: Mr. Souder, Mr. Knollenberg, Ms. Dunn of Washington, Mr. Cramer, and Mrs. Smith of Washington.

H.R. 743: Mr. Heineman, Mr. Gekas, Ms. Dunn of Washington, and Mr. Nussle.

H.R. 773: Mr. Frelinghuysen.

H.R. 789: Mr. Tejeda.

H.R. 878: Mr. Coyne and Mr. Andrews.

H.R. 940: Mr. Ford, Mr. Evans, and Mr. Dixon.

H.R. 950: Mr. Nadler.

H.R. 1078: Mr. Bachus and Ms. Kaptur.

H.R. 1094: Mr. McHugh, Mr. Luther, Mr. Meehan, Mr. Klug, Mr. Frost, and Mr. Jacobs.

H.R. 1110: Mrs. Meyers of Kansas and Mr. Cooley.

H.R. 1133: Mr. Johnson of South Dakota.

H.R. 1203: Mr. Schiff and Mr. Shays.

H.R. 1386: Mr. Foley.

H.R. 1507: Mr. Moran.

H.R. 1647: Mr. Lewis of Georgia.

H.R. 1700: Ms. Roybal-Allard and Mrs. Schroeder.

H.R. 1733: Mr. Kim, Mr. Nadler, Mr. Studds, and Mr. Johnston of Florida.

H.R. 1787: Mrs. Fowler, Mr. Roberts, Mr. Foley, and Mr. Lewis of California.

H.R. 1810: Mr. Rohrabacher.

H.R. 1818: Mr. Pete Geren of Texas, Mrs. Kelly, and Ms. Molinari.

H.R. 1833: Mr. Roemer, Mr. Bunn of Oregon, Mr. Mica, Mr. Calvert, Mr. Buyer, Mr. Funderburk, Mr. Stump, Mr. Myers of Indiana, Mr. Kingston, Mr. Callahan, Mr. Walker, Mr. Wolf, and Mr. Neumann.

H.R. 1872: Mr. Jacobs.

H.R. 1883: Mr. Collins of Georgia and Mr. Deal of Georgia.

H.R. 1950: Mr. Johnston of Florida and Mr. Franks of New Jersey.

H.R. 2008: Mr. Hostettler.

H.R. 2027: Mr. Gutierrez and Mr. Towns.

H.R. 2029: Mr. Lewis of Kentucky, Mr. Whitfield, Mr. McHugh, Mr. Bonior, Ms. McKinney, and Mr. Chambliss.

H.R. 2069: Mr. Olver.

H.R. 2072: Mr. Hoekstra.

H.R. 2137: Mr. Livingston and Mrs. Vucanovich.

H.R. 2144: Mr. Hancock, Mr. Payne of Virginia, Mr. Taylor of North Carolina, Mr. Burr, Mr. Souder, and Mr. Stupak.

H.R. 2184: Mrs. Morella, Mr. Wynn, Mr. Hall of Ohio, Mr. Cramer, and Mr. Borski.

H.R. 2197: Mr. Inglis of South Carolina, Mrs. Chenoweth, and Mr. Sanford.

H.R. 2200: Mr. Thornberry, Mr. Emerson, Mr. Skelton, Mr. Baker of Louisiana, Mr. Thornton, and Mr. Norwood.

H.R. 2216: Mr. Luther.

H.R. 2219: Mr. McHale.

H.R. 2240: Mr. Shays, Mr. Whitfield, Mr. Gutierrez, Mr. Torres, Ms. Molinari, Mr. Lewis of Georgia, Mr. Brown of California, Mr. Evans, Mr. Filner, Mr. Allard, Mr. Johnston of Florida, and Mr. Lipinski.

H.R. 2244: Mrs. Meyers of Kansas, Mr. Coble, and Mr. Reed.

H.R. 2252: Ms. Lofgren.

H.R. 2275: Mr. Dickey, Mr. Chapman, Mr. Shuster, Mr. Ney, Mr. Spence, Mr. Tiahrt, Mr. Camp, Mr. Gekas, Mr. McDade, Mr. Norwood, Mr. Deal of Georgia, Mr. Christensen, Mr. Bateman, Mr. Metcalf, Mr. LaHood, Mr. Hastert, Mr. Parker, Ms. Dunn of Washington, Mr. Hoekstra, Mr. Myers of Indiana, Mr. Scarborough, Mr. Martinez, and Mr. Roth.

H.R. 2281: Mr. Parker, Mr. McDermott, Mrs. Schroeder, Mr. Spratt, Mr. Barcia of Michigan, Mr. Frank of Massachusetts, Ms. Lofgren, Ms. Eshoo, and Ms. McKinney.

H.R. 2306: Mr. Parker.

H.J. Res. 70: Mr. Clay.

H. Con. Res. 42: Mr. Weldon of Pennsylvania and Mr. Franks of Connecticut.

H. Res. 37: Mr. Hastert.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 927

OFFERED BY: MR. BURTON OF INDIANA

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 1: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Purposes.
Sec. 4. Definitions.

TITLE I—SEEKING SANCTIONS AGAINST THE CASTRO GOVERNMENT

Sec. 101. Statement of policy.
Sec. 102. Enforcement of the economic embargo of Cuba.
Sec. 103. Prohibition against indirect financing of the Castro dictatorship.
Sec. 104. United States opposition to Cuban membership in international financial institutions.
Sec. 105. United States opposition to ending the suspension of the Government of Cuba from the Organization of American States.
Sec. 106. Assistance by the Independent States of the former Soviet Union for the Cuban Government.
Sec. 107. Television broadcasting to Cuba.
Sec. 108. Reports on assistance and commerce received by Cuba from other foreign countries.
Sec. 109. Authorization of support for democratic and human rights groups and international observers.
Sec. 110. Withholding of foreign assistance from countries supporting nuclear plant in Cuba.
Sec. 111. Expulsion of criminals from Cuba.

TITLE II—ASSISTANCE TO A FREE AND INDEPENDENT CUBA

Sec. 201. Policy toward a transition government and a democratically elected government in Cuba.
Sec. 202. Authorization of assistance for the Cuban people.
Sec. 203. Coordination of assistance program; implementation and reports to Congress; reprogramming.
Sec. 204. Termination of the economic embargo of Cuba.
Sec. 205. Requirements for a transition government.
Sec. 206. Requirements for a democratically elected government.

TITLE III—PROTECTION OF PROPERTY RIGHTS OF UNITED STATES NATIONALS AGAINST CONFISCATORY TAKINGS BY THE CASTRO REGIME

Sec. 301. Statement of policy.
Sec. 302. Liability for trafficking in property confiscated from United States nationals.
Sec. 303. Determination of claims to confiscated property.
Sec. 304. Exclusivity of Foreign Claims Settlement Commission certification procedure.

TITLE IV—EXCLUSION OF CERTAIN ALIENS

Sec. 401. Exclusion from the United States of aliens who have confiscated property of United States nationals or who traffic in such property.

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The economy of Cuba has experienced a decline of at least 60 percent in the last 5 years as a result of—

(A) the end of its subsidization by the former Soviet Union of between 5 billion and 6 billion dollars annually;

(B) 36 years of Communist tyranny and economic mismanagement by the Castro government;

(C) the extreme decline in trade between Cuba and the countries of the former Soviet bloc; and

(D) the stated policy of the Russian Government and the countries of the former Soviet bloc to conduct economic relations with Cuba on strictly commercial terms.

(2) At the same time, the welfare and health of the Cuban people have substantially deteriorated as a result of this economic decline and the refusal of the Castro regime to permit free and fair democratic elections in Cuba.

(3) The Castro regime has made it abundantly clear that it will not engage in any substantive political reforms that would lead to democracy, a market economy, or an economic recovery.

(4) The repression of the Cuban people, including a ban on free and fair democratic elections, and continuing violations of fundamental human rights have isolated the Cuban regime as the only completely nondemocratic government in the Western Hemisphere.

(5) As long as free elections are not held in Cuba, the economic condition of the country and the welfare of the Cuban people will not improve in any significant way.

(6) The totalitarian nature of the Castro regime has deprived the Cuban people of any peaceful means to improve their condition and has led thousands of Cuban citizens to risk or lose their lives in dangerous attempts to escape from Cuba to freedom.

(7) Radio Marti and Television Marti have both been effective vehicles for providing the people of Cuba with news and information and have helped to bolster the morale of the people of Cuba living under tyranny.

(8) The consistent policy of the United States towards Cuba since the beginning of the Castro regime, carried out by both Democratic and Republican administrations, has sought to keep faith with the people of Cuba, and has been effective in sanctioning the totalitarian Castro regime.

(9) The United States has shown a deep commitment, and considers it a moral obligation, to promote and protect human rights and fundamental freedoms as expressed in the Charter of the United Nations and in the Universal Declaration of Human Rights.

(10) The Congress has historically and consistently manifested its solidarity and the solidarity of the American people with the democratic aspirations of the Cuban people.

(11) The Cuban Democracy Act of 1992 calls upon the President to encourage the governments of countries that conduct trade with Cuba to restrict their trade and credit relations with Cuba in a manner consistent with the purposes of that Act.

(12) The 1992 FREEDOM Support Act requires that the President, in providing economic assistance to Russia and the emerging Eurasian democracies, take into account the extent to which they are acting to "terminate support for the communist regime in Cuba, including removal of troops, closing military facilities, and ceasing trade subsidies and economic, nuclear, and other assistance".

(13) The Cuban Government engages in the illegal international narcotics trade and harbors fugitives from justice in the United States.

(14) The Castro government threatens international peace and security by engaging in acts of armed subversion and terrorism such as the training and supplying of groups dedicated to international violence.

(15) The Castro government has utilized from its inception and continues to utilize torture in various forms (including by psychiatry), as well as execution, exile, confiscation, political imprisonment, and other forms of terror and repression, as means of retaining power.

(16) Fidel Castro has defined democratic pluralism as "pluralistic garbage" and continues to make clear that he has no intention of tolerating the democratization of Cuban society.

(17) The Castro government holds innocent Cubans hostage in Cuba by no fault of the hostages themselves solely because relatives have escaped the country.

(18) Although a signatory state to the 1928 Inter-American Convention on Asylum and the International Covenant on Civil and Political Rights (which protects the right to leave one's own country), Cuba nevertheless surrounds embassies in its capital by armed forces to thwart the right of its citizens to seek asylum and systematically denies that right to the Cuban people, punishing them by imprisonment for seeking to leave the country and killing them for attempting to do so (as demonstrated in the case of the confirmed murder of over 40 men, women, and children who were seeking to leave Cuba on July 13, 1994).

(19) The Castro government continues to utilize blackmail, such as the immigration crisis with which it threatened the United States in the summer of 1994, and other unacceptable and illegal forms of conduct to influence the actions of sovereign states in the Western Hemisphere in violation of the Charter of the Organization of American States and other international agreements and international law.

(20) The United Nations Commission on Human Rights has repeatedly reported on the unacceptable human rights situation in Cuba and has taken the extraordinary step of appointing a Special Rapporteur.

(21) The Cuban Government has consistently refused access to the Special Rapporteur and formally expressed its decision not to "implement so much as one comma" of the United Nations Resolutions appointing the Rapporteur.

(22) The United Nations General Assembly passed Resolution 1992/70 on December 4, 1992, Resolution 1993/48/142 on December 20, 1993, and Resolution 1994/49/544 on October 19, 1994, referencing the Special Rapporteur's reports to the United Nations and condemning "violations of human rights and fundamental freedoms" in Cuba.

(23) Article 39 of Chapter VII of the United Nations Charter provides that the United Nations Security Council "shall determine the existence of any threat to the peace, breach of the peace, or act of aggression and shall make recommendations, or decide what measures shall be taken . . ., to maintain or restore international peace and security.".

(24) The United Nations has determined that massive and systematic violations of human rights may constitute a "threat to peace" under Article 39 and has imposed sanctions due to such violations of human rights in the cases of Rhodesia, South Africa, Iraq, and the former Yugoslavia.

(25) In the case of Haiti, a neighbor of Cuba not as close to the United States as Cuba, the United States led an effort to obtain and did obtain a United Nations Security Council embargo and blockade against that country due to the existence of a military dictatorship in power less than 3 years.

(26) United Nations Security Council Resolution 940 of July 31, 1994, subsequently authorized the use of "all necessary means" to restore the "democratically elected government of Haiti", and the democratically elected government of Haiti was restored to power on October 15, 1994.

(27) The Cuban people deserve to be assisted in a decisive manner to end the tyranny that has oppressed them for 36 years and the continued failure to do so constitutes ethically improper conduct by the international community.

(28) For the past 36 years, the Cuban Government has posed and continues to pose a national security threat to the United States.

SEC. 3. PURPOSES.

The purposes of this Act are as follows:

(1) To assist the Cuban people in regaining their freedom and prosperity, as well as in joining the community of democracies that are flourishing in the Western Hemisphere.

(2) To seek international sanctions against the Castro government in Cuba.

(3) To encourage the holding of free and fair democratic elections in Cuba, conducted under the supervision of internationally recognized observers.

(4) To develop a plan for furnishing assistance to a transition government and, subsequently, to a democratically elected government when such governments meet the eligibility requirements of this Act.

(5) To protect property rights abroad of United States nationals.

(6) To provide for the continued national security of the United States in the face of continuing threats from the Castro government of terrorism, theft of property from United States nationals, and domestic repression from which refugees flee to United States shores.

SEC. 4. DEFINITIONS.

As used in this Act, the following terms have the following meanings:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means the Committee on International Relations and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

(2) COMMERCIAL ACTIVITY.—The term "commercial activity" has the meaning given that term in section 1603(d) of title 28, United States Code.

(3) CONFISCATED.—As used in titles I and III, the term "confiscated" refers to—

(A) the nationalization, expropriation, or other seizure by the Cuban Government of ownership or control of property, on or after January 1, 1959—

(i) without the property having been returned or adequate and effective compensation provided; or

(ii) without the claim to the property having been settled pursuant to an international claims settlement agreement or other mutually accepted settlement procedure; and

(B) the repudiation by the Cuban Government of, the default by the Cuban Government on, or the failure by the Cuban Government to pay, on or after January 1, 1959—

(i) a debt of any enterprise which has been nationalized, expropriated, or otherwise taken by the Cuban Government;

(ii) a debt which is a charge on property nationalized, expropriated, or otherwise taken by the Cuban Government; or

(iii) a debt which was incurred by the Cuban Government in satisfaction or settlement of a confiscated property claim.

(4) CUBAN GOVERNMENT.—(A) The term "Cuban Government" includes the government of any political subdivision of Cuba, and any agency or instrumentality of the Government of Cuba.

(B) For purposes of subparagraph (A), the term "agency or instrumentality of the Government of Cuba" means an agency or instrumentality of a foreign state as defined in section 1603(b) of title 28, United States Code, with "Cuba" substituted for "a foreign state" each place it appears in such section.

(5) DEMOCRATICALLY ELECTED GOVERNMENT IN CUBA.—The term "democratically elected government in Cuba" means a government determined by the President to have met the requirements of section 206.

(6) ECONOMIC EMBARGO OF CUBA.—The term "economic embargo of Cuba" refers to the economic embargo imposed against Cuba pursuant to section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)), section 5(b) of the Trading With the Enemy Act (50 U.S.C. App. 5(b)), the International Emergency Economic Powers Act (50 U.S.C. 1701 and following), and the Export Administration Act of 1979 (50 U.S.C. App. 2401 and following), as modified by the Cuban Democracy Act of 1992 (22 U.S.C. 6001 and following).

(7) FOREIGN NATIONAL.—The term "foreign national" means—

(A) an alien; or

(B) any corporation, trust, partnership, or other juridical entity not organized under the laws of the United States, or of any State, the District of Columbia, the Commonwealth of Puerto Rico, or any other territory or possession of the United States.

(8) KNOWINGLY.—The term "knowingly" means with knowledge or having reason to know.

(9) PROPERTY.—(A) The term "property" means any property (including patents, copyrights, trademarks, and any other form of intellectual property), whether real, personal, or mixed, and any present, future, or contingent right, security, or other interest therein, including any leasehold interest.

(B) For purposes of title III of this Act, the term "property" shall not include real property used for residential purposes unless, as of the date of the enactment of this Act—

(i) the claim to the property is owned by a United States national and the claim has been certified under title V of the International Claims Settlement Act of 1949; or

(ii) the property is occupied by a member or official of the Cuban Government or the ruling political party in Cuba.

(10) TRAFFICS.—(A) As used in title III, a person or entity "traffics" in property if that person or entity knowingly and intentionally—

(i) sells, transfers, distributes, dispenses, brokers, manages, or otherwise disposes of confiscated property, or purchases, leases, receives, possesses, obtains control of, manages, uses, or otherwise acquires or holds an interest in confiscated property,

(ii) engages in a commercial activity using or otherwise benefiting from confiscated property, or

(iii) causes, directs, participates in, or profits from, trafficking (as described in clauses (i) and (ii)) by another person, or otherwise engages in trafficking (as described in clauses (i) and (ii)) through another person,

without the authorization of the United States national who holds a claim to the property.

(B) The term "traffics" does not include—

(i) the delivery of international telecommunication signals to Cuba that are authorized by section 1705(e) of the Cuban Democracy Act of 1992 (22 U.S.C. 6004(e)); or

(ii) the trading or holding of securities publicly traded or held, unless the trading is with or by a person determined by the Secretary of the Treasury to be a specially designated national.

(11) TRANSITION GOVERNMENT IN CUBA.—The term "transition government in Cuba" means a government determined by the President to have met the requirements of section 205.

(12) UNITED STATES NATIONAL.—The term "United States national" means—

(A) any United States citizen; or

(B) any other legal entity which is organized under the laws of the United States, or of any State, the District of Columbia, the Commonwealth of Puerto Rico, or any other territory or possession of the United States, and which has its principal place of business in the United States.

TITLE I—SEEKING SANCTIONS AGAINST THE CASTRO GOVERNMENT

SEC. 101. STATEMENT OF POLICY.

It is the sense of the Congress that—

(1) the acts of the Castro government, including its massive, systematic, and extraordinary violations of human rights, are a threat to international peace;

(2) the President should advocate, and should instruct the United States Permanent Representative to the United Nations to propose and seek, within the Security Council, a mandatory international embargo against the totalitarian Cuban Government pursuant to chapter VII of the Charter of the United Nations, which is similar to measures taken by United States representatives with respect to Haiti; and

(3) any resumption or commencement of efforts by any state to make operational the nuclear facility at Cienfuegos, Cuba, will have a detrimental impact on United States assistance to and relations with that state.

SEC. 102. ENFORCEMENT OF THE ECONOMIC EMBARGO OF CUBA.

(a) POLICY.—(1) The Congress hereby reaffirms section 1704(a) of the Cuban Democracy Act of 1992 that states the President should encourage foreign countries to restrict trade and credit relations with Cuba.

(2) The Congress further urges the President to take immediate steps to apply the sanctions described in section 1704(b) of that Act against countries assisting Cuba.

(b) DIPLOMATIC EFFORTS.—The Secretary of State shall ensure that United States diplomatic personnel abroad understand and, in their contacts with foreign officials, are communicating the reasons for the United States economic embargo of Cuba, and are urging foreign governments to cooperate more effectively with the embargo.

(c) EXISTING REGULATIONS.—The President should instruct the Secretary of the Treasury and the Attorney General to enforce fully the Cuban Assets Control Regulations set forth in part 515 of title 31, Code of Federal Regulations.

(d) TRADING WITH THE ENEMY ACT.—

(1) CIVIL PENALTIES.—Subsection (b) of section 16 of the Trading With the Enemy Act (50 U.S.C. App. 16(b)) is amended to read as follows:

"(b)(1) A civil penalty of not to exceed $50,000 may be imposed by the Secretary of the Treasury on any person who violates any license, order, rule, or regulation issued in compliance with the provisions of this Act.

"(2) Any property, funds, securities, papers, or other articles or documents, or any vessel, together with its tackle, apparel, furniture, and equipment, that is the subject of a violation under paragraph (1) shall, at the discretion of the Secretary of the Treasury, be forfeited to the United States Government.

"(3) The penalties provided under this subsection may not be imposed for—

"(A) news gathering, research, or the export or import of, or transmission of, information or informational materials; or

"(B) clearly defined educational or religious activities, or activities of recognized human rights organizations, that are reasonably limited in frequency, duration, and number of participants.

"(4) The penalties provided under this subsection may be imposed only on the record after opportunity for an agency hearing in accordance with sections 554 through 557 of title 5, United States Code, with the right to prehearing discovery.

"(5) Judicial review of any penalty imposed under this subsection may be had to the extent provided in section 702 of title 5, United States Code.".

(2) Forfeiture of Property Used in Violation.—Section 16 of the Trading With the Enemy Act is further amended by striking subsection (c).

(3) Clerical Amendment.—Section 16 of the Trading With the Enemy Act is further amended by inserting "SEC. 16." before "(a)".

(e) Coverage of Debt-for-Equity Swaps by Economic Embargo of Cuba.—Section 1704(b)(2) of the Cuban Democracy Act of 1992 (22 U.S.C. 6003(b)(2)) is amended—

(1) by striking "and" at the end of subparagraph (A);

(2) by redesignating subparagraph (B) as subparagraph (C); and

(3) by inserting after subparagraph (A) the following new subparagraph:

"(B) includes an exchange, reduction, or forgiveness of Cuban debt owed to a foreign country in return for a grant of an equity interest in a property, investment, or operation of the Government of Cuba (including the government of any political subdivision of Cuba, and any agency or instrumentality of the Government of Cuba) or of a Cuban national; and"; and

(4) by adding at the end the following flush sentence:

"As used in this paragraph, the term 'agency or instrumentality of the Government of Cuba' means an agency or instrumentality of a foreign state as defined in section 1603(b) of title 28, United States Code, with 'Cuba' substituted for 'a foreign state' each place it appears in such section.".

SEC. 103. PROHIBITION AGAINST INDIRECT FINANCING OF THE CASTRO DICTATORSHIP.

(a) Prohibition.—Notwithstanding any other provision of law, no loan, credit, or other financing may be extended knowingly by a United States national, permanent resident alien, or United States agency, to a foreign national, United States national, or permanent resident alien, in order to finance transactions involving any confiscated property the claim to which is owned by a United States national as of the date of the enactment of this Act.

(b) Termination of Prohibition.—The prohibition of subsection (a) shall cease to apply on the date on which the economic embargo of Cuba terminates under section 205.

(c) Penalties.—Violations of subsection (a) shall be punishable by the same penalties as are applicable to violations of the Cuban Assets Control Regulations set forth in part 515 of title 31, Code of Federal Regulations.

(d) Definitions.—As used in this section—

(1) the term "permanent resident alien" means an alien admitted for permanent residence into the United States; and

(2) the term "United States agency" has the meaning given the term "agency" in section 551(1) of title 5, United States Code.

SEC. 104. UNITED STATES OPPOSITION TO CUBAN MEMBERSHIP IN INTERNATIONAL FINANCIAL INSTITUTIONS.

(a) Continued Opposition to Cuban Membership in International Financial Institutions.—(1) Except as provided in paragraph (2), the Secretary of the Treasury shall instruct the United States executive director to each international financial institution to use the voice and vote of the United States to oppose the admission of Cuba as a member of that institution until the President submits a determination under section 203(c)(3) that a democratically elected government in Cuba is in power.

(2) Once the President submits a determination under section 203(c)(1) that a transition government in Cuba is in power, the President is encouraged to take steps to support the processing of Cuba's application for membership in any international financial institution, subject to the membership taking effect after a democratically elected government in Cuba is in power.

(b) Reduction in United States Payments to International Financial Institutions.—If any international financial institution approves a loan or other assistance to the Cuban Government over the opposition of the United States, then the Secretary of the Treasury shall withhold from payment to that institution an amount equal to the amount of the loan or other assistance to the Cuban Government, with respect to each of the following types of payment:

(1) The paid-in portion of the increase in capital stock of the institution.

(2) The callable portion of the increase in capital stock of the institution.

(c) Definition.—For purposes of this section, the term "international financial institution" means the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guaranty Agency, and the Inter-American Development Bank.

SEC. 105. UNITED STATES OPPOSITION TO ENDING THE SUSPENSION OF THE GOVERNMENT OF CUBA FROM THE ORGANIZATION OF AMERICAN STATES.

The President should instruct the United States Permanent Representative to the Organization of American States to use the voice and vote of the United States to oppose ending the suspension of the Government of Cuba from the Organization until the President determines under section 203(c)(3) that a democratically elected government in Cuba is in power.

SEC. 106. ASSISTANCE BY THE INDEPENDENT STATES OF THE FORMER SOVIET UNION FOR THE CUBAN GOVERNMENT.

(a) Reporting Requirement.—Not later than 90 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report detailing progress towards the withdrawal of personnel of any independent state of the former Soviet Union (within the meaning of section 3 of the FREEDOM Support Act (22 U.S.C. 5801)), including advisers, technicians, and military personnel, from the Cienfuegos nuclear facility in Cuba.

(b) Criteria for Assistance.—Section 498A(a)(11) of the Foreign Assistance Act of 1961 (22 U.S.C. 2295a(a)(11)) is amended by striking "of military facilities" and inserting "military and intelligence facilities, including the military and intelligence facilities at Lourdes and Cienfuegos".

(c) Ineligibility for Assistance.—(1) Section 498A(b) of that Act (22 U.S.C. 2295a(b)) is amended—

(A) by striking "or" at the end of paragraph (4);

(B) by redesignating paragraph (5) as paragraph (6); and

(C) by inserting after paragraph (4) the following:

"(5) for the government of any independent state effective 30 days after the President has determined and certified to the appropriate congressional committees (and Congress has not enacted legislation disapproving the determination within that 30-day period) that such government is providing assistance for, or engaging in nonmarket based trade (as defined in section 498B(k)(3)) with, the Cuban Government; or".

(2) Subsection (k) of section 498B of that Act (22 U.S.C. 2295b(k)), is amended by adding at the end the following:

"(3) Nonmarket Based Trade.—As used in section 498A(b)(5), the term 'nonmarket based trade' includes exports, imports, exchanges, or other arrangements that are provided for goods and services (including oil and other petroleum products) on terms more favorable than those generally available in applicable markets or for comparable commodities, including—

"(A) exports to the Cuban Government on terms that involve a grant, concessional price, guaranty, insurance, or subsidy;

"(B) imports from the Cuban Government at preferential tariff rates;

"(C) exchange arrangements that include advance delivery of commodities, arrangements in which the Cuban Government is not held accountable for unfulfilled exchange contracts, and arrangements under which Cuba does not pay appropriate transportation, insurance, or finance costs; and

"(D) the exchange, reduction, or forgiveness of Cuban debt in return for a grant by the Cuban Government of an equity interest in a property, investment, or operation of the Cuban Government or of a Cuban national.

"(4) Cuban Government.—(A) The term 'Cuban Government' includes the government of any political subdivision of Cuba, and any agency or instrumentality of the Government of Cuba.

"(B) For purposes of subparagraph (A), the term 'agency or instrumentality of the Government of Cuba' means an agency or instrumentality of a foreign state as defined in section 1603(b) of title 28, United States Code, with 'Cuba' substituted for 'a foreign state' each place it appears in such section.".

(d) Facilities at Lourdes, Cuba.—(1) The Congress expresses its strong disapproval of the extension by Russia of credits equivalent to approximately $200,000,000 in support of the intelligence facility at Lourdes, Cuba, in November 1994.

(2) Section 498A of the Foreign Assistance Act of 1961 (22 U.S.C. 2295a) is amended by adding at the end the following new subsection:

"(d) Reduction in Assistance for Support of Intelligence Facilities in Cuba.—(1)

Notwithstanding any other provision of law, the President shall withhold from assistance provided, on or after the date of the enactment of this subsection, for an independent state of the former Soviet Union under this chapter an amount equal to the sum of assistance and credits, if any, provided on or after such date by such state in support of intelligence facilities in Cuba, including the intelligence facility at Lourdes, Cuba.

"(2)(A) The President may waive the requirement of paragraph (1) to withhold assistance if the President certifies to the appropriate congressional committees that the provision of such assistance is important to the national security of the United States, and, in the case of such a certification made with respect to Russia, if the President certifies that the Russian Government has assured the United States Government that the Russian Government is not sharing intelligence data collected at the Lourdes facility with officials or agents of the Cuban Government.

"(B) At the time of a certification made with respect to Russia pursuant to subparagraph (A), the President shall also submit to the appropriate congressional committees a report describing the intelligence activities of Russia in Cuba, including the purposes for which the Lourdes facility is used by the Russian Government and the extent to which the Russian Government provides payment or government credits to the Cuban Government for the continued use of the Lourdes facility.

"(C) The report required by subparagraph (B) may be submitted in classified form.

"(D) For purposes of this paragraph, the term 'appropriate congressional committees' includes the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate.

"(3) The requirement of paragraph (1) to withhold assistance shall not apply with respect to—

"(A) assistance to meet urgent humanitarian needs, including disaster and refugee relief;

"(B) democratic political reform and rule of law activities;

"(C) technical assistance for safety upgrades of civilian nuclear power plants;

"(D) the creation of private sector and nongovernmental organizations that are independent of government control;

"(E) the development of a free market economic system; and

"(F) assistance for the purposes described in the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103–160).".

SEC. 107. TELEVISION BROADCASTING TO CUBA.

(a) CONVERSION TO UHF.—The Director of the United States Information Agency shall implement a conversion of television broadcasting to Cuba under the Television Marti Service to ultra high frequency (UHF) broadcasting.

(b) PERIODIC REPORTS.—Not later than 45 days after the date of the enactment of this Act, and every three months thereafter until the conversion described in subsection (a) is fully implemented, the Director of the United States Information Agency shall submit a report to the appropriate congressional committees on the progress made in carrying out subsection (a).

(c) TERMINATION OF BROADCASTING AUTHORITIES.—Upon transmittal of a determination under section 203(c)(3), the Television Broadcasting to Cuba Act (22 U.S.C. 1465aa and following) and the Radio Broadcasting to Cuba Act (22 U.S.C. 1465 and following) are repealed.

SEC. 108. REPORTS ON ASSISTANCE AND COMMERCE RECEIVED BY CUBA FROM OTHER FOREIGN COUNTRIES.

(a) REPORTS REQUIRED.—Not later than 90 days after the date of the enactment of this Act, and every year thereafter, the President shall submit a report to the appropriate congressional committees on assistance and commerce received by Cuba from other foreign countries during the preceding 12-month period.

(b) CONTENTS OF REPORTS.—Each report required by subsection (a) shall, for the period covered by the report, contain the following, to the extent such information is known:

(1) A description of all bilateral assistance provided to Cuba by other foreign countries, including humanitarian assistance.

(2) A description of Cuba's commerce with foreign countries, including an identification of Cuba's trading partners and the extent of such trade.

(3) A description of the joint ventures completed, or under consideration, by foreign nationals involving facilities in Cuba, including an identification of the location of the facilities involved and a description of the terms of agreement of the joint ventures and the names of the parties that are involved.

(4) A determination whether or not any of the facilities described in paragraph (3) is the subject of a claim by a United States national.

(5) A determination of the amount of Cuban debt owed to each foreign country, including—

(A) the amount of debt exchanged, forgiven, or reduced under the terms of each investment or operation in Cuba involving foreign nationals; and

(B) the amount of debt owed to the foreign country that has been exchanged, reduced, or forgiven in return for a grant by the Cuban Government of an equity interest in a property, investment, or operation of the Cuban Government or of a Cuban national.

(6) A description of the steps taken to ensure that raw materials and semifinished or finished goods produced by facilities in Cuba involving foreign nationals do not enter the United States market, either directly or through third countries or parties.

(7) An identification of countries that purchase, or have purchased, arms or military supplies from the Cuban Government or that otherwise have entered into agreements with the Cuban Government that have a military application, including—

(A) a description of the military supplies, equipment, or other materiel sold, bartered, or exchanged between the Cuban Government and such countries;

(B) a listing of the goods, services, credits, or other consideration received by the Cuban Government in exchange for military supplies, equipment, or materiel; and

(C) the terms or conditions of any such agreement.

SEC. 109. AUTHORIZATION OF SUPPORT FOR DEMOCRATIC AND HUMAN RIGHTS GROUPS AND INTERNATIONAL OBSERVERS.

(a) AUTHORIZATION.—Notwithstanding any other provision of law, except for section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394–1) and comparable notification requirements contained in any Act making appropriations for foreign operations, export financing, and related programs, the President is authorized to furnish assistance and provide other support for individuals and independent nongovernmental organizations to support democracy-building efforts for Cuba, including the following:

(1) Published and informational matter, such as books, videos, and cassettes, on transitions to democracy, human rights, and market economies, to be made available to independent democratic groups in Cuba.

(2) Humanitarian assistance to victims of political repression, and their families.

(3) Support for democratic and human rights groups in Cuba.

(4) Support for visits and permanent deployment of independent international human rights monitors in Cuba.

(b) OAS EMERGENCY FUND.—(1) The President shall take the necessary steps to encourage the Organization of American States to create a special emergency fund for the explicit purpose of deploying human rights observers, election support, and election observation in Cuba.

(2) The President should instruct the United States Permanent Representative to the Organization of American States to encourage other member states of the Organization to join in calling for the Cuban Government to allow the immediate deployment of independent human rights monitors of the Organization throughout Cuba and on-site visits to Cuba by the Inter-American Commission on Human Rights.

(3) Notwithstanding section 307 of the Foreign Assistance Act of 1961 (22 U.S.C. 2227) or any other provision of law limiting the United States proportionate share of assistance to Cuba by any international organization, the President should provide not less than $5,000,000 of the voluntary contributions of the United States to the Organization of American States as of the date of the enactment of this Act solely for the purposes of the special fund referred to in paragraph (1).

SEC. 110. WITHHOLDING OF FOREIGN ASSISTANCE FROM COUNTRIES SUPPORTING NUCLEAR PLANT IN CUBA.

(a) FINDINGS.—The Congress makes the following findings:

(1) President Clinton stated in April 1993 that "the United States opposes the construction of the Juragua nuclear power plant because of our concerns about Cuba's ability to ensure the safe operation of the facility and because of Cuba's refusal to sign the Nuclear Non-Proliferation Treaty or ratify the Treaty of Tlatelolco.".

(2) Cuba has not signed the Treaty on the Non-Proliferation of Nuclear Weapons or ratified the Treaty of Tlatelolco, the latter of which establishes Latin America and the Caribbean as a nuclear weapons-free zone.

(3) The State Department, the Nuclear Regulatory Commission, and the Department of Energy have expressed concerns about the construction and operation of Cuba's nuclear reactors.

(4) In a September 1992 report to Congress, the General Accounting Office outlined concerns among nuclear energy experts about deficiencies in the nuclear plant project in Juragua, near Cienfuegos, Cuba, including—

(A) a lack in Cuba of a nuclear regulatory structure;

(B) the absence in Cuba of an adequate infrastructure to ensure the plant's safe operation and requisite maintenance;

(C) the inadequacy of training of plant operators;

(D) reports by a former technician from Cuba who, by examining with x-rays weld sites believed to be part of the auxiliary plumbing system for the plant, found that 10 to 15 percent of those sites were defective;

(E) since September 5, 1992, when construction on the plant was halted, the prolonged exposure to the elements, including corrosive salt water vapor, of the primary reactor components; and

(F) the possible inadequacy of the upper portion of the reactors' dome retention capability to withstand only 7 pounds of pressure per square inch, given that normal atmospheric pressure is 32 pounds per square inch and United States reactors are designed to accommodate pressures of 50 pounds per square inch.

(5) The United States Geological Survey claims that it had difficulty determining answers to specific questions regarding earthquake activity in the area near Cienfuegos because the Cuban Government was not forthcoming with information.

(6) The Geological Survey has indicated that the Caribbean plate, a geological formation near the south coast of Cuba, may pose seismic risks to Cuba and the site of the power plant, and may produce large to moderate earthquakes.

(7) On May 25, 1992, the Caribbean plate produced an earthquake numbering 7.0 on the Richter scale.

(8) According to a study by the National Oceanic and Atmospheric Administration, summer winds could carry radioactive pollutants from a nuclear accident at the power plant throughout all of Florida and parts of the States on the gulf coast as far as Texas, and northern winds could carry the pollutants as far northeast as Virginia and Washington, D.C.

(9) The Cuban Government, under dictator Fidel Castro, in 1962 advocated the Soviets' launching of nuclear missiles to the United States, which represented a direct and dangerous provocation of the United States and brought the world to the brink of a nuclear conflict.

(10) Fidel Castro over the years has consistently issued threats against the United States Government, most recently that he would unleash another perilous mass migration from Cuba upon the enactment of this Act.

(11) Despite the various concerns about the plant's safety and operational problems, a feasibility study is being conducted that would establish a support group to include Russia, Cuba, and third countries with the objective of completing and operating the plant.

(b) Withholding of Foreign Assistance.—

(1) In general.—Notwithstanding any other provision of law, the President shall withhold from assistance allocated, on or after the date of the enactment of this Act, for any country an amount equal to the sum of assistance and credits, if any, provided on or after such date of enactment by that country or any entity in that country in support of the completion of the Cuban nuclear facility at Juragua, near Cienfuegos, Cuba.

(2) Exceptions.—The requirement of paragraph (1) to withhold assistance shall not apply with respect to—

(A) assistance to meet urgent humanitarian needs, including disaster and refugee relief;

(B) democratic political reform and rule of law activities;

(C) the creation of private sector and nongovernmental organizations that are independent of government control;

(D) the development of a free market economic system; and

(E) assistance for the purposes described in the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103-160).

(3) Definition.—As used in paragraph (1), the term "assistance" means assistance under the Foreign Assistance Act of 1961, credits, sales, and guarantees of extensions of credit under the Arms Export Control Act, assistance under titles I and III of the Agricultural Trade Development and Assistance Act of 1954, assistance under the FREEDOM Support Act of 1992, and any other program of assistance or credits provided by the United States to other countries under other provisions of law, except that the term "assistance" does not include humanitarian assistance, including disaster relief assistance.

SEC. 111. EXPULSION OF CRIMINALS FROM CUBA.

The President shall instruct all United States Government officials who engage in official conduct with the Cuban Government to raise on a regular basis the extradition of or rendering to the United States all persons residing in Cuba who are sought by the United States Department of Justice for crimes committed in the United States.

TITLE II—ASSISTANCE TO A FREE AND INDEPENDENT CUBA

SEC. 201. POLICY TOWARD A TRANSITION GOVERNMENT AND A DEMOCRATICALLY ELECTED GOVERNMENT IN CUBA.

The policy of the United States is as follows:

(1) To support the self-determination of the Cuban people.

(2) To recognize that the self-determination of the Cuban people is a sovereign and national right of the citizens of Cuba which must be exercised free of interference by the government of any other country.

(3) To encourage the Cuban people to empower themselves with a government which reflects the self-determination of the Cuban people.

(4) To recognize the potential for a difficult transition from the current regime in Cuba that may result from the initiatives taken by the Cuban people for self-determination in response to the intransigence of the Castro regime in not allowing any substantive political or economic reforms, and to be prepared to provide the Cuban people with humanitarian, developmental, and other economic assistance.

(5) In solidarity with the Cuban people, to provide appropriate forms of assistance—

(A) to a transition government in Cuba;

(B) to facilitate the rapid movement from such a transition government to a democratically elected government in Cuba that results from an expression of the self-determination of the Cuban people; and

(C) to support such a democratically elected government.

(6) Through such assistance, to facilitate a peaceful transition to representative democracy and a market economy in Cuba and to consolidate democracy in Cuba.

(7) To deliver such assistance to the Cuban people only through a transition government in Cuba, through a democratically elected government in Cuba, through United States Government organizations, or through United States, international, or indigenous nongovernmental organizations.

(8) To encourage other countries and multilateral organizations to provide similar assistance, and to work cooperatively with such countries and organizations to coordinate such assistance.

(9) To ensure that appropriate assistance is rapidly provided and distributed to the people of Cuba upon the institution of a transition government in Cuba.

(10) Not to provide favorable treatment or influence on behalf of any individual or entity in the selection by the Cuban people of their future government.

(11) To assist a transition government in Cuba and a democratically elected government in Cuba to prepare the Cuban military forces for an appropriate role in a democracy.

(12) To be prepared to enter into negotiations with a democratically elected government in Cuba either to return the United States Naval Base at Guantanamo to Cuba or to renegotiate the present agreement under mutually agreeable terms.

(13) To consider the restoration of diplomatic recognition and support the reintegration of the Cuban Government into Inter-American organizations when the President determines that there exists a democratically elected government in Cuba.

(14) To take steps to remove the economic embargo of Cuba when the President determines that a transition to a democratically elected government in Cuba has begun.

(15) To assist a democratically elected government in Cuba to strengthen and stabilize its national currency.

(16) To pursue the extension of free trade arrangements to a free, democratic, and independent Cuba or to seek the creation of an economic community with a free, democratic, and independent Cuba.

SEC. 202. AUTHORIZATION OF ASSISTANCE FOR THE CUBAN PEOPLE.

(a) Authorization.—

(1) In general.—The President shall develop a plan for providing economic assistance to Cuba at such time as the President determines that a transition government or a democratically elected government in Cuba (as determined under section 203(c)) is in power.

(2) Effect on other laws.—Assistance may be provided under this section subject to an authorization of appropriations and subject to the availability of appropriations.

(b) Plan for Assistance.—

(1) Development of plan.—The President shall develop a plan for providing assistance under this section—

(A) to Cuba when a transition government in Cuba is in power; and

(B) to Cuba when a democratically elected government in Cuba is in power.

(2) Types of assistance.—Assistance under the plan developed under paragraph (1) may, subject to an authorization of appropriations and subject to the availability of appropriations, include the following:

(A) Transition government.—(i) Except as provided in clause (ii), assistance to Cuba under a transition government shall, subject to an authorization of appropriations and subject to the availability of appropriations, be limited to—

(I) such food, medicine, medical supplies and equipment, and assistance to meet emergency energy needs, as is necessary to meet the basic human needs of the Cuban people; and

(II) assistance described in subparagraph (C).

(ii) Assistance provided only after the President certifies to the appropriate congressional committees under the procedures set forth under section 634A of the Foreign Assistance Act of 1961 that such assistance is essential to the successful completion of the transition to democracy.

(iii) Only after a transition government in Cuba is in power, remittances by individuals to their relatives of cash or goods, as well as freedom to travel to visit them without any restrictions, shall be permitted.

(B) Democratically elected government.—Assistance to a democratically elected government in Cuba may, subject to an authorization of appropriations and subject to the availability of appropriations, consist of additional economic assistance, together with assistance described in subparagraph (C). Such economic assistance may include—

(i) assistance under chapter 1 of part I (relating to development assistance), and chapter 4 of part II (relating to the economic support fund), of the Foreign Assistance Act of 1961;

(ii) assistance under the Agricultural Trade Development and Assistance Act of 1954;

(iii) financing, guarantees, and other forms of assistance provided by the Export-Import Bank of the United States;

(iv) financial support provided by the Overseas Private Investment Corporation for investment projects in Cuba;

(v) assistance provided by the Trade and Development Agency;

(vi) Peace Corps programs; and

(vii) other appropriate assistance to carry out the policy of section 201.

(C) MILITARY ADJUSTMENT ASSISTANCE.—Assistance to a transition government in Cuba and to a democratically elected government in Cuba shall also include assistance in preparing the Cuban military forces to adjust to an appropriate role in a democracy.

(c) STRATEGY FOR DISTRIBUTION.—The plan developed under subsection (b) shall include a strategy for distributing assistance under the plan.

(d) DISTRIBUTION.—Assistance under the plan developed under subsection (b) shall be provided through United States Government organizations and nongovernmental organizations and private and voluntary organizations, whether within or outside the United States, including humanitarian, educational, labor, and private sector organizations.

(e) INTERNATIONAL EFFORTS.—The President shall take the necessary steps—

(1) to seek to obtain the agreement of other countries and of international financial institutions and multilateral organizations to provide to a transition government in Cuba, and to a democratically elected government in Cuba, assistance comparable to that provided by the United States under this Act; and

(2) to work with such countries, institutions, and organizations to coordinate all such assistance programs.

(f) COMMUNICATION WITH THE CUBAN PEOPLE.—The President shall take the necessary steps to communicate to the Cuban people the plan for assistance developed under this section.

(g) REPORT TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, the President shall transmit to the appropriate congressional committees a report describing in detail the plan developed under this section.

(h) TRADE AND INVESTMENT RELATIONS.—

(1) REPORT TO CONGRESS.—The President, following the transmittal to the Congress of a determination under section 203(c)(3) that a democratically elected government in Cuba is in power, shall submit to the appropriate congressional committees a report that describes—

(A) acts, policies, and practices that constitute significant barriers to, or distortions of, United States trade in goods or services or foreign direct investment with respect to Cuba;

(B) policy objectives of the United States regarding trade relations with a democratically elected government in Cuba, and the reasons therefor, including possible—

(i) reciprocal extension of nondiscriminatory trade treatment (most-favored-nation treatment);

(ii) designation of Cuba as a beneficiary developing country under title V of the Trade Act of 1974 (relating to the Generalized System of Preferences) or as a beneficiary country under the Caribbean Basin Economic Recovery Act, and the implications of such designation with respect to trade with any other country that is such a beneficiary developing country or beneficiary country or is a party to the North American Free Trade Agreement; and

(iii) negotiations regarding free trade, including the accession of Cuba to the North American Free Trade Agreement;

(C) specific trade negotiating objectives of the United States with respect to Cuba, including the objectives described in section 108(b)(5) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3317(b)(5)); and

(D) actions proposed or anticipated to be undertaken, and any proposed legislation necessary or appropriate, to achieve any of such policy and negotiating objectives.

(2) CONSULTATIONS.—The President shall consult with the appropriate congressional committees and shall seek advice from the appropriate advisory committees established under section 135 of the Trade Act of 1974 regarding the policy and negotiating objectives and the legislative proposals described in paragraph (1).

SEC. 203. COORDINATION OF ASSISTANCE PROGRAM; IMPLEMENTATION AND REPORTS TO CONGRESS; REPROGRAMMING.

(a) COORDINATING OFFICIAL.—The President shall designate a coordinating official who shall be responsible for—

(1) implementing the strategy for distributing assistance described in section 202(b);

(2) ensuring the speedy and efficient distribution of such assistance; and

(3) ensuring coordination among, and appropriate oversight by, the agencies of the United States that provide assistance described in section 202(b), including resolving any disputes among such agencies.

(b) UNITED STATES-CUBA COUNCIL.—Upon making a determination under subsection (c)(3) that a democratically elected government in Cuba is in power, the President, after consultation with the coordinating official, is authorized to designate a United States-Cuba council—

(1) to ensure coordination between the United States Government and the private sector in responding to change in Cuba, and in promoting market-based development in Cuba; and

(2) to establish periodic meetings between representatives of the United States and Cuban private sectors for the purpose of facilitating bilateral trade.

(c) IMPLEMENTATION OF PLAN; REPORTS TO CONGRESS.—

(1) IMPLEMENTATION WITH RESPECT TO TRANSITION GOVERNMENT.—Upon making a determination that a transition government in Cuba is in power, the President shall transmit that determination to the appropriate congressional committees and shall, subject to an authorization of appropriations and subject to the availability of appropriations, commence the delivery and distribution of assistance to such transition government under the plan developed under section 202(b).

(2) REPORTS TO CONGRESS.—(A) The President shall transmit to the appropriate congressional committees a report setting forth the strategy for providing assistance described in section 202(b)(2) (A) and (C) to the transition government in Cuba under the plan of assistance developed under section 202(b), the types of such assistance, and the extent to which such assistance has been distributed in accordance with the plan.

(B) The President shall transmit the report not later than 90 days after making the determination referred to in paragraph (1), except that the President shall transmit the report in preliminary form not later than 15 days after making that determination.

(3) IMPLEMENTATION WITH RESPECT TO DEMOCRATICALLY ELECTED GOVERNMENT.—The President shall, upon determining that a democratically elected government in Cuba is in power, submit that determination to the appropriate congressional committees and shall, subject to an authorization of appropriations and subject to the availability of appropriations, commence the delivery and distribution of assistance to such democratically elected government under the plan developed under section 202(b).

(4) ANNUAL REPORTS TO CONGRESS.—Not later than 60 days after the end of each fiscal year, the President shall transmit to the appropriate congressional committees a report on the assistance provided under the plan developed under section 202(b), including a description of each type of assistance, the amounts expended for such assistance, and a description of the assistance to be provided under the plan in the current fiscal year.

(d) REPROGRAMMING.—Any changes in the assistance to be provided under the plan developed under section 202(b) may not be made unless the President notifies the appropriate congressional committees at least 15 days in advance in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394–1).

SEC. 204. TERMINATION OF THE ECONOMIC EMBARGO OF CUBA.

(a) PRESIDENTIAL ACTIONS.—Upon submitting a determination to the appropriate congressional committees under section 203(c)(1) that a transition government in Cuba is in power, the President, after consulting with the Congress, is authorized to take steps to suspend the economic embargo of Cuba to the extent that such action contributes to a stable foundation for a democratically elected government in Cuba.

(b) SUSPENSION OF CERTAIN PROVISIONS OF LAW.—In carrying out subsection (a), the President may suspend the enforcement of—

(1) section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a));

(2) section 620(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(f)) with regard to the "Republic of Cuba";

(3) sections 1704, 1705(d), and 1706 of the Cuban Democracy Act (22 U.S.C. 6003, 6004(d), 6005);

(4) section 902(c) of the Food Security Act of 1985; and

(5) the prohibitions on transactions described in part 515 of title 31, Code of Federal Regulations.

(c) ADDITIONAL PRESIDENTIAL ACTIONS.—Upon submitting a determination to the appropriate congressional committees under section 203(c)(3) that a democratically elected government in Cuba is in power, the President shall take steps to terminate the economic embargo of Cuba.

(d) CONFORMING AMENDMENTS.—On the date on which the President submits a determination under section 203(c)(3)—

(1) section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)) is repealed;

(2) section 620(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(f)) is amended by striking "Republic of Cuba";

(3) sections 1704, 1705(d), and 1706 of the Cuban Democracy Act of 1992 (22 U.S.C. 6003, 6004(d), and 6005) are repealed; and

(4) section 902(c) of the Food Security Act of 1985 is repealed.

(e) REVIEW OF SUSPENSION OF ECONOMIC EMBARGO.—

(1) REVIEW.—If the President takes action under subsection (a) to suspend the economic embargo of Cuba, the President shall immediately so notify the Congress. The President shall report to the Congress no less frequently than every 6 months thereafter, until he submits a determination under section 203(c)(3) that a democratically elected government in Cuba is in power, on the progress being made by Cuba toward the establishment of such a democratically elected government. The action of the President under subsection (a) shall cease to be effective upon the enactment of a joint resolution described in paragraph (2).

(2) JOINT RESOLUTIONS.—For purposes of this subsection, the term "joint resolution" means only a joint resolution of the 2 Houses of Congress, the matter after the resolving clause of which is as follows: "That the Congress disapproves the action of the President under section 204(a) of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995 to suspend the economic embargo of Cuba, notice of which was submitted to the Congress on ____.", with the blank space being filled with the appropriate date.

(3) REFERRAL TO COMMITTEES.—Joint resolutions introduced in the House of Representatives shall be referred to the Committee on International Relations and joint resolutions introduced in the Senate shall be referred to the Committee on Foreign Relations.

(4) PROCEDURES.—(A) Any joint resolution shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

(B) For the purpose of expediting the consideration and enactment of joint resolutions, a motion to proceed to the consideration of any joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

(C) Not more than 1 joint resolution may be considered in the House of Representatives and the Senate in the 6-month period beginning on the date on which the President notifies the Congress under paragraph (1) of the action taken under subsection (a), and in each 6-month period thereafter.

SEC. 205. REQUIREMENTS FOR A TRANSITION GOVERNMENT.

For purposes of this Act, a transition government in Cuba is a government in Cuba which—

(1) is demonstrably in transition from communist totalitarian dictatorship to representative democracy;

(2) has recognized the right to independent political activity and association;

(3) has released all political prisoners and allowed for investigations of Cuban prisons by appropriate international human rights organizations;

(4) has ceased any interference with Radio or Television Marti broadcasts;

(5) makes public commitments to and is making demonstrable progress in—

(A) establishing an independent judiciary;

(B) dissolving the present Department of State Security in the Cuban Ministry of the Interior, including the Committees for the Defense of the Revolution and the Rapid Response Brigades;

(C) respecting internationally recognized human rights and basic freedoms as set forth in the Universal Declaration of Human Rights, to which Cuba is a signatory nation;

(D) effectively guaranteeing the rights of free speech and freedom of the press;

(E) organizing free and fair elections for a new government—

(i) to be held in a timely manner within a period not to exceed 1 year after the transition government assumes power;

(ii) with the participation of multiple independent political parties that have full access to the media on an equal basis, including (in the case of radio, television, or other telecommunications media) in terms of allotments of time for such access and the times of day such allotments are given; and

(iii) to be conducted under the supervision of internationally recognized observers, such as the Organization of American States, the United Nations, and other elections monitors;

(F) assuring the right to private property;

(G) taking appropriate steps to return to United States citizens (and entities which are 50 percent or more beneficially owned by United States citizens) property taken by the Cuban Government from such citizens and entities on or after January 1, 1959, or to provide equitable compensation to such citizens and entities for such property;

(H) granting permits to privately owned telecommunications and media companies to operate in Cuba; and

(I) allowing the establishment of independent trade unions as set forth in conventions 87 and 98 of the International Labor Organization, and allowing the establishment of independent social, economic, and political associations;

(6) does not include Fidel Castro or Raul Castro;

(7) has given adequate assurances that it will allow the speedy and efficient distribution of assistance to the Cuban people;

(8) permits the deployment throughout Cuba of independent and unfettered international human rights monitors; and

(9) has extradited or otherwise rendered to the United States all persons sought by the United States Department of Justice for crimes committed in the United States.

SEC. 206. REQUIREMENTS FOR A DEMOCRATICALLY ELECTED GOVERNMENT.

For purposes of this Act, a democratically elected government in Cuba, in addition to continuing to comply with the requirements of section 205, is a government in Cuba which—

(1) results from free and fair elections conducted under the supervision of internationally recognized observers;

(2) has permitted opposition parties ample time to organize and campaign for such elections, and has permitted full access to the media to all candidates in the elections;

(3) is showing respect for the basic civil liberties and human rights of the citizens of Cuba;

(4) has made demonstrable progress in establishing an independent judiciary;

(5) is substantially moving toward a market-oriented economic system;

(6) is committed to making constitutional changes that would ensure regular free and fair elections that meet the requirements of paragraph (2); and

(7) has made demonstrable progress in returning to United States citizens (and entities which are 50 percent or more beneficially owned by United States citizens) property taken by the Cuban Government from such citizens and entities on or after January 1, 1959, or providing full compensation for such property in accordance with international law standards and practice.

TITLE III—PROTECTION OF PROPERTY RIGHTS OF UNITED STATES NATIONALS AGAINST CONFISCATORY TAKINGS BY THE CASTRO REGIME

SEC. 301. STATEMENT OF POLICY.

The Congress makes the following findings:

(1) The right of individuals to hold and enjoy property is a fundamental right recognized by the United States Constitution and international human rights law, including the Universal Declaration of Human Rights.

(2) The illegal confiscation or taking of property by governments, and the acquiescence of governments in the confiscation of property by their citizens, undermines the comity among nations, the free flow of commerce, and economic development.

(3) It is in the interest of all nations to respect equally the property rights of their citizens and nationals of other countries.

(4) Nations that provide an effective mechanism for prompt, adequate, and fair compensation for the confiscation of private property will continue to have the support of the United States.

(5) The United States Government has an obligation to its citizens to provide protection against illegal confiscation by foreign nations and their citizens, including the provision of private remedies.

(6) Nations that illegally confiscate private property should not be immune to another nation's laws whose purpose is to protect against the confiscation of lawfully acquired property by its citizens.

(7) Trafficking in illegally acquired property is a crime under the laws of the United States and other nations, yet this same activity is allowed under international law.

(8) International law, by not providing effective remedies, condones the illegal confiscation of property and allows for the unjust enrichment from the use of confiscated property by governments and private entities at the expense of those who hold legal claim to the property.

(9) The development of an international mechanism sanctioning those governments and private entities that confiscate and unjustly use private property so confiscated should be a priority objective of United States foreign policy.

SEC. 302. LIABILITY FOR TRAFFICKING IN PROPERTY CONFISCATED FROM UNITED STATES NATIONALS.

(a) CIVIL REMEDY.—

(1) LIABILITY FOR TRAFFICKING.—(A) Except as provided in paragraphs (3) and (4), any person, including any agency or instrumentality of a foreign state in the conduct of a commercial activity, that, after the end of the 6-month period beginning on the date of the enactment of this Act, traffics in confiscated property shall be liable to any United States national who owns the claim to such property for money damages in an amount equal to the sum of—

(i) the amount which is the greater of—

(I) the amount, if any, certified to the claimant by the Foreign Claims Settlement Commission under the International Claims Settlement Act of 1949, plus interest;

(II) the amount determined under section 303(a)(2), plus interest; or

(III) the fair market value of that property, calculated as being the then current value of the property, or the value of the property when confiscated plus interest, whichever is greater; and

(ii) reasonable costs and attorneys' fees.

(B) Interest under subparagraph (A)(i) shall be at the rate set forth in section 1961 of title 28, United States Code, computed by the court from the date of the confiscation of the property involved to the date on which the action is brought under this subsection.

(2) PRESUMPTION IN FAVOR OF CERTIFIED CLAIMS.—There shall be a presumption that the amount for which a person, including any agency or instrumentality of a foreign state in the conduct of a commercial activity, is liable under clause (i) of paragraph (1)(A) is the amount that is certified under subclause (I) of that clause. The presumption shall be rebuttable by clear and convincing evidence that the amount described in subclause (II) or (III) of that clause is the appropriate amount of liability under that clause.

(3) INCREASED LIABILITY FOR PRIOR NOTICE.—Except as provided in paragraph (4), any person, including any agency or instrumentality of a foreign state in the conduct of a commercial activity, that traffics in confiscated property after having received—

(A) notice of a claim to ownership of the property by a United States national who owns a claim to the confiscated property, and

(B) notice of the provisions of this section, shall be liable to that United States national for money damages in an amount which is the sum of the amount equal to the amount determined under paragraph (1)(A)(ii) plus triple the amount determined applicable under subclause (I), (II), or (III) of paragraph (1)(A)(i).

(4) APPLICABILITY.—(A) Except as otherwise provided in this paragraph, actions may be brought under paragraph (1) with respect to property confiscated before, on, or after the date of the enactment of this Act.

(B) In the case of property confiscated before the date of the enactment of this Act, no United States national may bring an action under this section unless such national acquired ownership of the claim to the confiscated property before such date.

(C) In the case of property confiscated on or after the date of the enactment of this Act, no United States national who acquired ownership of a claim to confiscated property by assignment for value after such date of enactment may bring an action on the claim under this section.

(5) TREATMENT OF CERTAIN ACTIONS.—(A) In the case of any action brought under this section by a United States national who was eligible to file the underlying claim in the action with the Foreign Claims Settlement Commission under title V of the International Claims Settlement Act of 1949 but did not so file the claim, the court may hear the case only if the court determines that the United States national had good cause for not filing the claim.

(B) In the case of any action brought under this section by a United States national whose claim in the action was timely filed with the Foreign Claims Settlement Commission under title V of the International Claims Settlement Act of 1949 but was denied by the Commission, the court may assess the basis for the denial and may accept the findings of the Commission on the claim as conclusive in the action under this section unless good cause justifies another result.

(6) INAPPLICABILITY OF ACT OF STATE DOCTRINE.—No court of the United States shall decline, based upon the act of state doctrine, to make a determination on the merits in an action brought under paragraph (1).

(b) DEFINITION.—As used in this subsection, the term "agency or instrumentality of a foreign state" has the meaning given that term in section 1603(b) of title 28, United States Code.

(c) JURISDICTION.—

(1) IN GENERAL.—Chapter 85 of title 28, United States Code, is amended by inserting after section 1331 the following new section:

"§ 1331a. Civil actions involving confiscated property

"The district courts shall have exclusive jurisdiction of any action brought under section 302 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995, regardless of the amount in controversy.".

(2) CONFORMING AMENDMENT.—The table of sections for chapter 85 of title 28, United States Code, is amended by inserting after the item relating to section 1331 the following:

"1331a. Civil actions involving confiscated property.".

(d) CERTAIN PROPERTY IMMUNE FROM EXECUTION.—Section 1611 of title 28, United States Code, is amended by adding at the end the following:

"(c) Notwithstanding the provisions of section 1610 of this chapter, the property of a foreign state shall be immune from attachment and from execution in an action brought under section 302 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995 to the extent the property is a facility or installation used by an accredited diplomatic mission for official purposes.".

(e) ELECTION OF REMEDIES.—

(1) ELECTION.—Subject to paragraph (2)—

(A) any United States national that brings an action under this section may not bring any other civil action or proceeding under the common law, Federal law, or the law of any of the several States, the District of Columbia, or any territory or possession of the United States, that seeks monetary or nonmonetary compensation by reason of the same subject matter; and

(B) any person who brings, under the common law or any provision of law other than this section, a civil action or proceeding for monetary or nonmonetary compensation arising out of a claim for which an action would otherwise be cognizable under this section may not bring an action under this section on that claim.

(2) TREATMENT OF CERTIFIED CLAIMANTS.—In the case of any United States national that brings an action under this section based on a claim certified under title V of the International Claims Settlement Act of 1949—

(A) if the recovery in the action is equal to or greater than the amount of the certified claim, the United States national may not receive payment on the claim under any agreement entered into between the United States and Cuba settling claims covered by such title, and such national shall be deemed to have discharged the United States from any further responsibility to represent the United States national with respect to that claim;

(B) if the recovery in the action is less than the amount of the certified claim, the United States national may receive payment under a claims agreement described in subparagraph (A) but only to the extent of the difference between the amount of the recovery and the amount of the certified claim; and

(C) if there is no recovery in the action, the United States national may receive payment on the certified claim under a claims agreement described in subparagraph (A) to the same extent as any certified claimant who does not bring an action under this section.

(f) DEPOSIT OF EXCESS PAYMENTS BY CUBA UNDER CLAIMS AGREEMENT.—Any amounts paid by Cuba under any agreement entered into between the United States and Cuba settling certified claims under title V of the International Claims Settlement Act of 1949 that are in excess of the payments made on such certified claims after the application of subsection (e) shall be deposited into the United States Treasury.

(g) TERMINATION OF RIGHTS.—

(1) IN GENERAL.—All rights created under this section to bring an action for money damages with respect to property confiscated before the date of the enactment of this Act shall cease upon the transmittal to the Congress of a determination of the President under section 203(c)(3).

(2) PENDING SUITS.—The termination of rights under paragraph (1) shall not affect suits commenced before the date of such termination, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this subsection had not been enacted.

SEC. 303. DETERMINATION OF CLAIMS TO CONFISCATED PROPERTY.

(a) EVIDENCE OF OWNERSHIP.—

(1) CONCLUSIVENESS OF CERTIFIED CLAIMS.—In any action brought under this title, the courts shall accept as conclusive proof of ownership a certification of a claim to ownership that has been made by the Foreign Claims Settlement Commission pursuant to title V of the International Claims Settlement Act of 1949 (22 U.S.C. 1643 and following).

(2) CLAIMS NOT CERTIFIED.—In the case of a claim that has not been certified by the Foreign Claims Settlement Commission before the enactment of this Act, a court may appoint a special master, including the Foreign Claims Settlement Commission, to make determinations regarding the amount and validity of claims to ownership of confiscated property. Such determinations are only for evidentiary purposes in civil actions brought under this title and do not constitute certifications pursuant to title V of the International Claims Settlement Act of 1949.

(3) EFFECT OF DETERMINATIONS OF FOREIGN ENTITIES.—In determining ownership, courts shall not accept as conclusive evidence of ownership any findings, orders, judgments, or decrees from administrative agencies or courts of foreign countries or international organizations that invalidate the claim held by a United States national, unless the invalidation was found pursuant to binding international arbitration to which United States national submitted the claim.

(b) AMENDMENT OF THE INTERNATIONAL CLAIMS SETTLEMENT ACT OF 1949.—Title V of the International Claims Settlement Act of 1949 (22 U.S.C. 1643 and following) is amended by adding at the end the following new section:

"EVALUATION OF OWNERSHIP CLAIMS REFERRED BY DISTRICT COURTS OF THE UNITED STATES

"SEC. 514. Notwithstanding any other provision of this title and only for purposes of section 302 of the Cuban Liberty and Solidarity (LIBERTAD) Act, a United States district court, for fact-finding purposes, may refer to the Commission, and the Commission may determine, questions of the amount and ownership of a claim by a United States national (as defined in section 4 of the Cuban Liberty and Solidarity (LIBERTAD) Act) resulting from the confiscation of property by the Government of Cuba described in section 503(a), whether or not the United States national qualified as a national of the United States (as defined in section 502(1)) at the time of the action by the Government of Cuba.".

(c) RULE OF CONSTRUCTION.—Nothing in this Act or section 514 of the International Claims Settlement Act of 1949, as added by subsection (b), shall be construed—

(1) to require or otherwise authorize the claims of Cuban nationals who became United States citizens after their property was confiscated to be included in the claims certified to the Secretary of State by the Foreign Claims Settlement Commission for purposes of future negotiation and espousal of claims with a friendly government in Cuba when diplomatic relations are restored; or

(2) as superseding, amending, or otherwise altering certifications that have been made pursuant to title V of the International Claims Settlement Act of 1949 before the enactment of this Act.

SEC. 304. EXCLUSIVITY OF FOREIGN CLAIMS SETTLEMENT COMMISSION CERTIFICATION PROCEDURE.

Title V of the International Claims Settlement Act of 1949 (22 U.S.C. 1643 and following), as amended by section 303, is further amended by adding at the end the following new section:

"EXCLUSIVITY OF FOREIGN CLAIMS SETTLEMENT COMMISSION CERTIFICATION PROCEDURE

"SEC. 515. (a) Subject to subsection (b), neither any national of the United States who was eligible to file a claim under section 503 but did not timely file such claim under that section, nor any national of the United States (on the date of the enactment of this section) who was not eligible to file a claim under that section, nor any national of Cuba, including any agency, instrumentality, subdivision, or enterprise of the Government of Cuba or any local government of Cuba in place on the date of the enactment of this section, nor any successor thereto, whether or not recognized by the United States, shall have a claim to, participate in, or otherwise have an interest in, the compensation proceeds or other nonmonetary compensation paid or allocated to a national of the United States by virtue of a claim certified by the Commission under section 507, nor shall any court of the United States or any State court have jurisdiction to adjudicate any such claim.

"(b) Nothing in subsection (a) shall be construed to detract from or otherwise affect any rights in the shares of the capital stock of nationals of the United States owning claims certified by the Commission under section 507.".

TITLE IV—EXCLUSION OF CERTAIN ALIENS

SEC. 401. EXCLUSION FROM THE UNITED STATES OF ALIENS WHO HAVE CONFISCATED PROPERTY OF UNITED STATES NATIONALS OR WHO TRAFFIC IN SUCH PROPERTY.

(a) GROUNDS FOR EXCLUSION.—The Secretary of State, in consultation with the Attorney General, shall exclude from the United States any alien who the Secretary of State determines is a person who—

(1) has confiscated, or has directed or overseen the confiscation of, property a claim to which is owned by a United States national, or converts or has converted for personal gain confiscated property, a claim to which is owned by a United States national;

(2) traffics in confiscated property, a claim to which is owned by a United States national;

(3) is a corporate officer, principal, or shareholder with a controlling interest of an entity which has been involved in the confiscation of property or trafficking in confiscated property, a claim to which is owned by a United States national; or

(4) is a spouse, minor child, or agent of a person excludable under paragraph (1), (2), or (3).

(b) DEFINITIONS.—As used in this section, the following terms have the following meanings:

(1) CONFISCATED; CONFISCATION.—The terms "confiscated" and "confiscation" refer to—

(A) the nationalization, expropriation, or other seizure by foreign governmental authority of ownership or control of property on or after January 1, 1959—

(i) without the property having been returned or adequate and effective compensation provided; or

(ii) without the claim to the property having been settled pursuant to an international claims settlement agreement or other mutually accepted settlement procedure; and

(B) the repudiation by foreign governmental authority of, the default by foreign governmental authority on, or the failure by foreign governmental authority to pay, on or after January 1, 1959—

(i) a debt of any enterprise which has been nationalized, expropriated, or otherwise taken by foreign governmental authority;

(ii) a debt which is a charge on property nationalized, expropriated, or otherwise taken by foreign governmental authority; or

(iii) a debt which was incurred by foreign governmental authority in satisfaction or settlement of a confiscated property claim.

(2) PROPERTY.—The term "property" does not include claims arising from a territory in dispute as a result of war between United Nations member states in which the ultimate resolution of the disputed territory has not been resolved.

(3) TRAFFICS.—(A) A person or entity "traffics" in property if that person or entity knowingly and intentionally—

(i) sells, transfers, distributes, dispenses, brokers, manages, or otherwise disposes of confiscated property, or purchases, leases, receives, possesses, obtains control of, manages, uses, or otherwise acquires or holds an interest in confiscated property,

(ii) engages in a commercial activity using or otherwise benefiting from confiscated property, or

(iii) causes, directs, participates in, or profits from, trafficking (as described in clauses (i) and (ii)) by another person, or otherwise engages in trafficking (as described in clauses (i) and (ii)) through another person, without the authorization of the United States national who holds a claim to the property.

(B) The term "traffics" does not include—

(i) the delivery of international telecommunication signals to Cuba that are authorized by section 1705(e) of the Cuban Democracy Act of 1992 (22 U.S.C. 6004(e)); or

(ii) the trading or holding of securities publicly traded or held, unless the trading is with or by a person determined by the Secretary of the Treasury to be a specially designated national.

(c) NATIONAL INTEREST EXEMPTION.—This section shall not apply where the Secretary of State finds, on a case-by-case basis, that making a determination under subsection (a) would be contrary to the national interest of the United States.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—This section applies to aliens seeking to enter the United States on or after the date of the enactment of this Act.

(2) TRAFFICKING.—This section applies only with respect to acts within the meaning of "traffics" that occur on or after the date of the enactment of this Act.

H.R. 1617

OFFERED BY: MR. MCKEON

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 1: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the—

(1) "Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act"; or

(2) "CAREERS Act".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. Purpose.
Sec. 4. Authorization of appropriations.
Sec. 5. Definitions.
Sec. 6. Transition.

TITLE I—WORKFORCE DEVELOPMENT INFRASTRUCTURE

Sec. 101. Purpose of title.

Subtitle A—State and Local Responsibilities

Sec. 102. State requirements.
Sec. 103. Collaborative process regarding State system.
Sec. 104. Consolidated State workforce development and literacy plan.
Sec. 105. Establishment of workforce development areas.
Sec. 106. Provisions regarding local workforce development boards.
Sec. 107. Establishment of integrated career center systems.
Sec. 108. Identification of eligible education, training, and vocational rehabilitation service providers.
Sec. 109. Management information systems.
Sec. 110. Performance accountability system.
Sec. 111. Limitation on Federal regulation.
Sec. 112. General provision.
Sec. 113. Liability.

Subtitle B—Amendments to Wagner-Peyser Act

Sec. 131. General program requirements.
Sec. 132. Labor market information.

Subtitle C—Worker Rights

Sec. 141. Requirements.

TITLE II—YOUTH DEVELOPMENT AND CAREER PREPARATION CONSOLIDATION GRANT

Sec. 201. Purposes.
Sec. 202. Definitions.

Subtitle A—State Funding

Sec. 211. National and State funding.
Sec. 212. Within State allocation.

Subtitle B—State Organizational, Planning, and Reporting Responsibilities

Sec. 221. State plan.
Sec. 222. State programs and State activities.
Sec. 223. Incentive awards.
Sec. 224. Core standards, performance goals, and measures.

Subtitle C—Subgrants for In-School and At-Risk Youth

Sec. 231. Partnership agreements.
Sec. 232. Distribution of funds.

CHAPTER 1—IN-SCHOOL YOUTH

Sec. 241. Uses of funds for in-school youth.

CHAPTER 2—AT-RISK YOUTH

Sec. 245. Uses of funds for at-risk youth.
Sec. 246. At-risk youth providers.

Subtitle D—National Programs

Sec. 251. Research activities.

Sec. 252. Assessment and data collection of youth development and career preparation programs.
Sec. 253. National center or centers for research.

TITLE III—ADULT EMPLOYMENT AND TRAINING CONSOLIDATION GRANT

Sec. 301. Purpose.

Subtitle A—Adult Employment and Training Consolidation Grant

Sec. 311. Authorization.
Sec. 312. Allotment among States.
Sec. 313. Allocation within States.
Sec. 314. Additional State plan requirements.
Sec. 315. Use of amounts.
Sec. 316. Core standards, performance goals, and measures.

Subtitle B—Federal Programs

Sec. 321. National discretionary grants.
Sec. 322. Disaster relief employment assistance.
Sec. 323. Research, demonstration, evaluation, and capacity building.
Sec. 324. Workforce skills and development loans.
Sec. 325. Employment, training, and education assistance for Native Americans.
Sec. 326. Employment, training, and education assistance for migrant and seasonal farmworkers.

TITLE IV—ADULT EDUCATION AND FAMILY LITERACY CONSOLIDATION GRANT AND LIBRARY SERVICES AND TECHNOLOGY CONSOLIDATION GRANT

Sec. 401. Findings.
Sec. 402. Definitions.

Subtitle A—Adult Education and Family Literacy Consolidation Grant

Sec. 411. Purposes.

CHAPTER 1—FUNDING

Sec. 421. Reservations from amounts appropriated.
Sec. 422. Allotment.

CHAPTER 2—GRANTS TO STATES

Sec. 431. Requirement to make grants.
Sec. 432. Uses of funds.
Sec. 433. Additional grant requirements.
Sec. 434. Performance measures.

CHAPTER 3—NATIONAL PROGRAMS

Sec. 441. National Institute for Literacy.
Sec. 442. National leadership activities.

Subtitle B—Library Services and Technology Consolidation Grant

Sec. 451. Purposes.
Sec. 452. Authorization of appropriations.
Sec. 453. Allotments.
Sec. 454. Grants to States.
Sec. 455. Uses of funds.
Sec. 456. Annual applications.

TITLE V—AMENDMENTS TO REHABILITATION ACT OF 1973

Subtitle A—Vocational Rehabilitation Consolidation Grant

CHAPTER 1—TRANSITION PERIOD

Sec. 501. Transition.

CHAPTER 2—REVISION OF TITLE I OF REHABILITATION ACT OF 1973

Sec. 511. Revision of title I.

Subtitle B—Other Amendments to Rehabilitation Act of 1973

Sec. 521. Training and demonstration projects.
Sec. 522. Employment opportunities for individuals with disabilities.
Sec. 523. Certain amounts.

TITLE VI—HIGHER EDUCATION PRIVATIZATION

Sec. 601. Reorganization of the Student Loan Marketing Association through the formation of a holding company.
Sec. 602. Privatization of College Construction Loan Insurance Association.

TITLE VII—REPEALERS AND OTHER AMENDMENTS

Sec. 701. Higher education provisions.
Sec. 702. Amendment to Higher Education Act.
Sec. 703. Carl D. Perkins Vocational and Applied Technology Education Act.
Sec. 704. Smith-Hughes Act.
Sec. 705. School-to-Work Opportunities Act of 1994.
Sec. 706. School Dropout Assistance Act.
Sec. 707. Adult Education Act.
Sec. 708. National Literacy Act.
Sec. 709. Library Services and Construction Act.
Sec. 710. Technology for Education Act of 1994.
Sec. 711. Job Training Partnership Act.
Sec. 712. Stewart B. Mckinney Homeless Assistance Act.
Sec. 713. Effective date.

SEC. 3. PURPOSE.

The purpose of this Act is to transform the vast array of Federal workforce development and literacy programs from a collection of fragmented and duplicative categorical programs into a streamlined, comprehensive, coherent, high-quality, cost-effective, market-based, and accountable workforce development and literacy system that is designed to meet the education, economic, employment, and training needs of the workforce and the competitiveness needs of employers of the United States, both today and in the future.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated—

(1) for title II, $2,324,600,000 for fiscal year 1997 and such sums as may be necessary for each of the fiscal years 1998 through 2002 to carry out the programs under such title;

(2) for title III, $2,183,000,000 for fiscal year 1997 and such sums as may be necessary for each of the fiscal years 1998 through 2002 to carry out the programs under such title; and

(3) for subtitle A of title IV, $280,000,000 for fiscal year 1997 and such sums as may be necessary for each of the fiscal years 1998 through 2002 to carry out the programs under such subtitle.

(b) PROGRAM YEAR.—

(1) IN GENERAL.—Beginning in fiscal year 1997, and each year thereafter, appropriations for any fiscal year for programs and activities under titles II, III, and IV of this Act shall be available for obligation only on the basis of a program year. The program year shall begin on July 1 in the fiscal year for which the appropriation is made.

(2) OBLIGATION.—Funds obligated for any program year under titles II, III, and IV, may be expended by each recipient during that program year and the two succeeding program years, except that the Secretary shall, in accordance with paragraph (3), reallot to eligible States the funds allotted to States from funds appropriated for reallotments.

(3) AMOUNTS AVAILABLE FOR REALLOTMENT.—The amount available for reallotment is equal to—

(A) the amount by which the unobligated balance of the State allotment at the end of the program year prior to the program year for which the determination under this section is made exceeds 20 percent of such allotment for the prior program year; plus

(B) the unexpended balance of the State allotment from any program year prior to the program year in which there is such excess.

SEC. 5. DEFINITIONS.

For purposes of this Act, except as otherwise provided:

(1) ADULT.—The term "adult" means an individual who is 16 years of age, or beyond the age of compulsory school attendance under State law (whichever age is higher), and who is not enrolled or required to be enrolled in secondary school.

(2) ADULT EDUCATION.—The term "adult education" means services or instruction below the postsecondary level for adults—

(A) who are not enrolled in secondary school;

(B) who lack sufficient mastery of basic educational skills to enable them to function effectively in society or who do not have a certificate of graduation from a school providing secondary education and who have not achieved an equivalent level of education;

(C) who are not currently required to be enrolled in school; and

(D) whose lack of mastery of basic skills results in an inability to speak, read, or write the English language which constitutes a substantial impairment of their ability to get or retain employment commensurate with their real ability, and thus are in need of programs to help eliminate such inability and raise the level of education of such individuals with a view to making them less likely to become dependent on others.

(3) AREA VOCATIONAL EDUCATION SCHOOL.—The term "area vocational education school" means—

(A) a specialized high school used exclusively or principally for the provision of vocational education to individuals who are available for study in preparation for entering the labor market;

(B) the department of a high school exclusively or principally used for providing vocational education in not less than 5 different occupational fields to individuals who are available for study in preparation for entering the labor market;

(C) a technical institute or vocational school used exclusively or principally for the provision of vocational education to individuals who have completed or left high school and who are available for study in preparation for entering the labor market; or

(D) the department or division of a junior college, community college or university operating under the policies of the State board and which provides vocational education in not less than 5 different occupational fields leading to immediate employment but not necessarily leading to a baccalaureate degree, if, in the case of a school, department, or division described in subparagraph (C) or this subparagraph, it admits as regular students both individuals who have completed high school and individuals who have left high school.

(4) AT-RISK YOUTH.—The term "at-risk youth" means—

(A) an out-of-school, at-risk youth who is an individual age 24 or younger and who is not enrolled in a secondary or postsecondary education program, has not received a high school diploma or its equivalent and must overcome barriers to employment such as lack of sufficient education or vocational skills, economic disadvantages, disability, or limited English proficiency; or

(B) an in-school, at-risk youth who is an individual age 24 or younger who is enrolled in an accredited secondary or postsecondary education program but is at risk of dropping out of school or must overcome barriers to complete an education program, such as economic disadvantages, disability, or limited English proficiency.

(5) COMPREHENSIVE CAREER GUIDANCE AND COUNSELING.—The term "comprehensive career guidance and counseling" means a program—

(A) which pertains to the body of subject matter and related techniques and methods organized for the development in individuals of career awareness, career planning, career decisionmaking, placement skills, and knowledge and understanding of local, State, and national occupational, educational, and labor market needs, trends, and opportunities;

(B) which assists such individuals in making and implementing informed educational and occupational choices; and

(C) which is comprehensive in nature.

(6) CAREER GRANT.—The term "career grant" means a voucher or a credit issued to a participant under title III of this Act, or title I of the Rehabilitation Act of 1973, for the purchase of education or training services from certified providers of such services, in accordance with the provisions of this Act, and with guidelines issued by the State.

(7) CASE MANAGEMENT.—The term "case management" means the provision of a client-centered approach in the delivery of services designed to—

(A) empower individuals to make informed career choices;

(B) prepare and coordinate comprehensive employment plans, based upon such individual choices, such as service strategies for participants, to ensure access to necessary training and supportive services, using, where feasible, computer-based technologies; and

(C) provide job and career counseling during program participation and after job placement.

(8) CHIEF ELECTED OFFICIAL.—The term "chief elected official" means the chief elected executive officer of a unit of general local government in a workforce development area.

(9) COMMUNITY-BASED ORGANIZATION.—The term "community-based organization" means a private nonprofit organization that is representative of a community or significant segments of a community that provides or facilitates education, vocational rehabilitation, job training, supportive services, or internship services and programs.

(10) DEMOGRAPHIC CHARACTERISTICS.—The term "demographic characteristics" means information on population, especially with reference to size, density, distribution, and vital statistics including, age, race, sex, ethnic origin, and income status.

(11) DISLOCATED WORKER.—The term "dislocated worker" means an individual who—

(A) has been terminated or laid off or who has received a notice of termination or layoff from employment, is eligible for or has exhausted entitlement to unemployment compensation, and is unlikely to return to a previous industry or occupation;

(B) has been terminated, or has received a notice of termination of employment, as a result of any permanent closure of, or any substantial layoff at, a plant, facility, or enterprise;

(C) has been unemployed long-term and has limited opportunities for employment or reemployment in the same or a similar occupation in the area in which such individual resides, including an older individual who may have substantial barriers to employment by reason of age; or

(D) was self-employed (including farmers and ranchers) but is unemployed as a result of general economic conditions in the community in which they reside or because of natural disasters.

(12) DISPLACED HOMEMAKER.—The term "displaced homemaker" means an individual who—

(A) is an adult; and

(B)(i) has worked as an adult primarily without remuneration to care for the home and family, and for that reason has diminished marketable skills;

(ii) has been dependent on public assistance or on the income of a relative but is no longer supported by such income; or

(iii) is a parent whose youngest dependent child will become ineligible to receive assistance under the program for aid to families with dependent children under part A of title IV of the Social Security Act within 2 years of the parent's application for assistance under title II of this Act.

(13) EARNINGS.—The term "earnings" means gross hourly wages before any deduction, plus the estimated hourly value of bonuses, tips, gratuities, commissions, and overtime pay either expected or received. In the case of individuals in subsidized employment, total hourly earnings include any wage subsidy paid to the individual.

(14) ECONOMIC DEVELOPMENT AGENCIES.—The term "economic development agencies" means State and local planning and zoning commissions or boards, community development agencies, and other State and local agencies and institutions responsible for regulating, promoting, or assisting in State and local economic development.

(15) ECONOMICALLY DISADVANTAGED.—The term "economically disadvantaged" means an individual who—

(A) receives, or is a member of a family which receives, cash welfare payments under a Federal, State, or local welfare program;

(B) has, or is a member of a family which has, received a total family income for the 6-month period prior to application for the program involved (exclusive of unemployment compensation, child support payments, and welfare payments) which, in relation to family size, was not in excess of the higher of—

(i) the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)), or

(ii) 70 percent of the lower living standard income level;

(C) is receiving (or has been determined within the 6-month period prior to the application for the program involved to be eligible to receive) food stamps pursuant to the Food Stamp Act of 1977;

(D) qualifies as a homeless individual under subsections (a) and (c) of section 103 of the Stewart B. McKinney Homeless Assistance Act;

(E) is a foster child on behalf of whom State or local government payments are made;

(F) in cases permitted by regulations of the Secretary, is an individual with a disability whose own income meets the requirements of subparagraph (A) or (B), but who is a member of a family whose income does not meet such requirements; or

(G) is an individual meeting appropriate criteria approved by a State.

(16) EDUCATIONAL SERVICE AGENCY.—The term "educational service agency" means a regional public multiservice agency authorized by State statute to develop, manage, and provide services or programs to local educational agencies, and is recognized as an administrative agency for such State's vocational or technical education schools or for vocational programs within its public elementary or secondary schools. Such term includes any other public institution or agency having administrative control and direction over a public elementary or secondary school.

(17) EMPLOYED.—The term "employed" means an individual who is currently—

(A) a paid employee;

(B) works in his or her own business, profession, or farm;

(C) works 15 hours or more per week as an unpaid worker in an enterprise operated by a family member or is one who is not working, but has a job or business from which he or she is temporarily absent due to illness, bad weather, vacation, labor-management dispute, or personal reasons; or

(D) on active military duty.

(18) ENGLISH LITERACY PROGRAM.—The term "English literacy program" means a program of instruction designed to help limited English proficient adults, out-of-school youths, or both, achieve full competence in the English language.

(19) EXCESS NUMBER.—The term "excess number" means, with respect to the excess number of unemployed individuals within a State, the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the State, or the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such State.

(20) FAMILY AND CONSUMER SCIENCES.—The term "family and consumer sciences" means instructional programs, services, and activities which prepare students for personal, family, community, and career roles.

(21) GOVERNOR.—The term "Governor" means the chief executive of a State.

(22) INDIVIDUAL OF LIMITED ENGLISH PROFICIENCY.—The term "individual of limited English proficiency" means an adult or out-of-school youth who has limited ability in speaking, reading, writing, or understanding the English language and—

(A) whose native language is a language other than English; or

(B) who lives in a family or community environment where a language other than English is the dominant language.

(23) INDIVIDUALS WITH DISABILITIES.—The term "individuals with disabilities" has the meaning given such term in the Rehabilitation Act of 1973.

(24) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given such term in section 481 of the Higher Education Act of 1965.

(25) JOB SEARCH ASSISTANCE.—The term "job search assistance" means a service that helps a job-ready individual seek, locate, apply for, and obtain employment. Such services may include, job-finding skills, orientation to the labor market, resume preparation assistance, job finding clubs, job search workshops, vocational exploration, and other employability services.

(26) LABOR MARKET AREA.—The term "labor market area" means an economically integrated geographic area within which individuals can reside and find employment within a reasonable distance or can readily change

employment without changing their place of residence. Such areas shall be identified in accordance with criteria used by the Bureau of Labor Statistics of the Department of Labor in defining such areas or similar criteria established by a Governor.

(27) LIBRARY.—The term "library" includes—

(A) a public library;

(B) a public elementary or secondary school library;

(C) an academic library;

(D) a research library; and

(E) a private library, but only if the State in which such private library is located determines that the library should be considered a library for purposes of this Act.

(28) LITERACY.—The term "literacy" means an individual's ability to read, write, and speak in English, and compute and solve problems, at levels of proficiency necessary—

(A) to function on the job, in the individual's family and in society;

(B) to achieve the individual's goals; and

(C) to develop the individual's knowledge potential.

(29) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the same meaning given such term in section 14101 of the Elementary and Secondary Education Act of 1965.

(30) MIGRANT FARMWORKER.—The term "migrant farmworker" means a seasonal farmworker whose farm work requires travel such that the worker is unable to return to a permanent place of residence within the same day.

(31) NATIVE AMERICAN.—The term "native American" means Indians, Alaskan natives, and Hawaiian natives.

(32) NONTRADITIONAL EMPLOYMENT.—The term "nontraditional employment" as applied to women refers to occupations or fields of work where women comprise less than 25 percent of the individuals employed in such occupation or field of work.

(33) ON-THE-JOB TRAINING.—The term "on-the-job training" means training in the public or private sector that is provided to a paid employee while engaged in productive work that—

(A) provides knowledge or skills essential to the full and adequate performance of the job;

(B) provides reimbursement to employers, up to 50 percent of the participant's wage rate, for the extraordinary costs of providing training and additional supervision; and

(C) is based on the Occupational Employment Statistics Program Dictionary.

(34) POSTSECONDARY EDUCATIONAL INSTITUTION.—The term "postsecondary educational institution" means an institution of higher education (as such term is defined in section 481 of the Higher Education Act of 1965) which continues to meet the eligibility and certification requirements under title IV of such Act (20 U.S.C. 1070 et seq.).

(35) PREEMPLOYMENT SKILLS TRAINING; JOB READINESS SKILLS TRAINING.—The terms "preemployment skills training" and "job readiness skills training" mean training that builds on family efforts to help prepare individuals for work by assuring that they are familiar with general workplace expectations and exhibit work behavior and attitudes necessary to compete successfully in the job market.

(36) PUBLIC ASSISTANCE.—The term "public assistance" means Federal, State, or local government cash payments for which eligibility is determined by a needs or income test.

(37) RAPID RESPONSE.—The term "rapid response" means assistance that is directly provided by the State, or by local grantees with funds provided by the State, in the case of mass layoffs or plant closures, and that establishes on-site contact with employer and employee representatives within a short period of time (preferably 48 hours or less) after becoming aware of a current or projected permanent closure or substantial layoff in order to—

(A) provide information on, and facilitate access to, available public programs and services for workers losing jobs as a result of such layoff or closure;

(B) provide emergency assistance adapted to the particular closure or layoff;

(C) promote the formation of labor-management committees, where appropriate;

(D) collect information related to economic dislocation and available resources within the State for dislocated workers;

(E) provide or obtain appropriate financial and technical advice and liaison with economic development agencies and other organizations to assist in efforts to avert worker dislocation; and

(F) assist the local community in developing its own coordinated response and in obtaining access to State economic development assistance.

(38) REGISTERED APPRENTICESHIP.—The term "registered apprenticeship" means a program registered by the Bureau of Apprenticeship and Training in the United States Department of Labor, or a State Apprenticeship Agency recognized and approved by the Bureau of Apprenticeship and Training as the appropriate body for State registration or approval of local apprenticeship programs and agreements.

(39) SCHOOL DROPOUT.—The term "school dropout" means a youth who is no longer attending any school and who has not received a secondary school diploma or a certificate from a program of equivalency for such a diploma.

(40) SEASONAL FARMWORKER.—The term "seasonal farmworker" means a person who during the eligibility determination period (12 consecutive months out of 24 months prior to application) has been primarily employed in farm work that is characterized by chronic unemployment or under employment.

(41) SKILL CERTIFICATE.—The term "skill certificate" means a portable, industry-recognized credential achieved through programs authorized under this Act, that certifies that an individual has mastered occupational skills at levels that are at least as challenging as skill standards endorsed by the National Skill Standards Board, except that until such skill standards are developed, the term "skill certificate" means a credential issued under a process endorsed by the State, based upon established industry standards and benchmarks.

(42) STATE.—The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.

(43) STATE EDUCATIONAL AGENCY.—The term "State educational agency" has the meaning given such term in section 14101 of the Elementary and Secondary Education Act of 1965.

(44) STATE LIBRARY ADMINISTRATIVE AGENCY.—The term "State library administrative agency" means the official agency of a State charged by the law of the State with the extension and development of public library services throughout the State.

(45) SUPPORTIVE SERVICES.—The term "supportive services" means services which are necessary to enable an individual eligible for training under this Act, but who cannot afford to pay for such services, to participate in a training or vocational rehabilitation program or job search activities funded under this Act. Such supportive services may include transportation, individual and family counseling, child care and dependent care, meals, temporary shelter, financial counseling, needs-based payments, and other reasonable expenses required for participation in a training, job preparation, or job placement program. Such services may be provided in-kind or through cash assistance, except that such services will be provided with funds provided under this Act only after alternative funding sources specifically designated for such services have been exhausted.

(46) UNEMPLOYED.—The term "unemployed" refers to an individual who is not employed, who is available for work, and who has made specific efforts to find a job within the prior 4 weeks. Included as unemployed are individuals who are not working, are available for work, and are waiting to be called back to a job from which they have been laid off.

(47) UNIT OF GENERAL LOCAL GOVERNMENT.—The term "unit of general local government" means any general purpose political subdivision of a State which has the power to levy taxes and spend funds, as well as general corporate and police powers.

(48) VETERAN.—The term "veteran" has the meaning given such term in section 101(2) of title 38, United States Code.

(49) WORK EXPERIENCE.—The term "work experience" means a time-limited work activity that provides an individual with the opportunity to acquire the general skills and knowledge necessary to obtain employment.

(50) WORKPLACE MENTOR.—The term "workplace mentor" means an employee or other individual, approved by the employer at a workplace, who possesses the skills and knowledge to be mastered by a student or program participant, and who instructs, critiques the performance, and challenges the student or program participant to perform well, and works in consultation with classroom teachers, training providers, parents, and the employer of the student or program participant.

(51) YOUTH.—The term "youth" means an individual under the age of 24.

SEC. 6. TRANSITION.

The Secretary of Education and the Secretary of Labor shall take such steps as they determine to be appropriate to provide for the orderly transition from any authority under provisions of statutes amended or repealed by this Act or any related authority under provisions of this Act.

TITLE I—WORKFORCE DEVELOPMENT INFRASTRUCTURE

SEC. 101. PURPOSE OF TITLE.

The purpose of this title is to provide for the establishment of an infrastructure within States on which to build a comprehensive system of workforce development and literacy.

Subtitle A—State and Local Responsibilities

SEC. 102. STATE REQUIREMENTS.

(a) IN GENERAL.—For fiscal year 1997 and subsequent fiscal years, a State that desires to receive a grant under one or more of the programs specified in subsection (b) shall—

(1) establish a collaborative process, pursuant to section 103;

(2) develop a State workforce development and literacy plan, pursuant to section 104; and

(3) otherwise comply with the requirements of this Act.

(b) WORKFORCE DEVELOPMENT AND LITERACY PROGRAMS.—

(1) IN GENERAL.—The programs referred to in subsection (a) are the following:

(A) The program under title II, the Youth Development and Career Preparation Consolidation Grant.

(B) The program under title III, the Adult Employment and Training Consolidation Grant.

(C) The program under subtitle A of title IV, the Adult Education and Family Literacy Consolidation Grant.

(D) The program amended by subtitle A of title V (relating to title I of the Rehabilitation Act of 1973).

(2) DEFINITION.—For purposes of this Act, the term "Workforce Development and Literacy programs" means the programs specified in paragraph (1).

SEC. 103. COLLABORATIVE PROCESS REGARDING STATE SYSTEM.

(a) IN GENERAL.—The Governor of a State that desires to receive a grant under one or more of the programs specified in section 102(b) shall certify to the Secretary of Education and the Secretary of Labor that a collaborative process, as described in subsection (b) or (c), has been used in complying with the applicable provisions of this Act.

(b) COLLABORATIVE PROCESS.—The collaborative process referred to in subsection (a) is a process for making decisions which includes as participants, at a minimum, the Governor and—

(1) representatives of (which representatives are appointed by the Governor)—

(A) business and industry;

(B) local chief elected officials (representing both cities and counties);

(C) local educational agencies (including vocational educators);

(D) postsecondary institutions (including community and technical colleges);

(E) the State rehabilitation advisory council;

(F) organizations representing individuals served by programs established under this Act (including community-based organizations);

(G) employees;

(H) Parents or organizations representing parents; and

(I) providers of workforce development services (including private-for-profit sector providers); and

(2) the lead State agency official or officials for—

(A) the State educational agency or agencies (including the lead official or officials for vocational education, adult education and literacy, and libraries);

(B) the State agency responsible for economic development;

(C) the State agency or agencies responsible for employment security and for job training;

(D) the State agency responsible for postsecondary education;

(E) the State agency responsible for vocational rehabilitation, and where applicable, the State agency providing vocational rehabilitation services for the blind;

(F) the State agency responsible for administering welfare benefits; and

(G) the representative of the Veterans' Service assigned to the State under section 4103 of title 38, United States Code.

(c) RULE OF CONSTRUCTION.—With respect to compliance with subsection (b)—

(1) a State may use any existing State process (including any council or similar entity) that substantially meets the purposes of such subsection; or

(2) if prior to the date of enactment of this Act, a State has developed a one-stop career center system or a school-to-work system through a collaborative process substantially similar to the process described in subsection (b), the State may use such process.

(d) AUTHORITY OF GOVERNOR.—

(1) FINAL AUTHORITY.—If, after a reasonable effort, a Governor is unable to obtain agreement through the collaborative process described in subsection (b) or (c), the Governor shall have final authority to make decisions and to submit the State plan as described under section 104.

(2) EXCEPTION.—Nothing in this Act shall be construed to negate or supersede the legal authority, under State law of any State agency, State entity, or State public official over programs that are under the jurisdiction of the agency, entity, or official. Nothing in this Act shall be construed to interfere with the authority of such agency, entity, or official to enter into a contract under any provision of law.

SEC. 104. CONSOLIDATED STATE WORKFORCE DEVELOPMENT AND LITERACY PLAN.

(a) IN GENERAL.—The Governor of a State that desires to receive a grant under one or more of the programs specified in section 102(b) shall submit a strategic State workforce development and literacy plan that provides policy guidance with respect to workforce development programs operated in the State, and that meets the requirements of this section to the Secretary of Education and the Secretary of Labor.

(b) CONTENTS.—A State workforce development and literacy plan shall include the following:

(1) A description of the collaborative process under section 103 used in developing the plan.

(2) A statement of the goals of the State workforce development and literacy system, that includes—

(A) a description of how the State will progress toward achieving the goals and purpose of this Act as established in sections 3(a)(5) and 3(b);

(B) an assessment of the needs of the State with regard to current and projected demands for workers by occupation, the skills and education levels of the workforce, the vocational rehabilitation needs of individuals with severe disabilities residing in the State, the skill and economic development needs of the State, and an assessment of the type and availability of youth development and career preparation, workforce development, adult education, vocational rehabilitation, and literacy programs and services in the State; and

(C) the identification of progress indicators, based on the core indicators of performance described in section 110(f), built upon a model of continuous improvement, that the State will use to measure progress made by the State, local workforce development boards, and other applicable local entities who are recipients of financial assistance under this Act in meeting such goals;

(3) A description of how the State has complied, or will comply, with the provisions of sections 105 through 108.

(4) A description of how a State will participate in the national labor market information system under title II of the Wagner-Peyser Act, as added by section 132 of this Act.

(5) Any information required to be included in the plan under any of titles II through IV, and title I of the Rehabilitation Act of 1973, (in the case of a State that desires to receive a grant under any such title).

(6) A description of the measures that will be taken by the State to ensure coordination and consistency and avoid duplication among programs receiving assistance under this Act, including a description of common data collection and reporting processes.

(7) A description of the process used by the State to provide an opportunity for public comment, and input into the development of the plan, prior to submission of the plan.

(8) A description of the process used by the State to consult with representatives of business and industry with respect to the requirements of subparagraphs (A), (B), and (C) of paragraph (2) of this subsection.

(9) Assurances that the State will provide for fiscal control and fund accounting procedures that may be necessary to ensure the proper disbursement of, and accounting for, funds paid to the State under this Act.

(10) A description of the sanctions which the State may impose (including restrictions from future participation or consideration for funding) in instances where recipients of funds under this Act fail to achieve agreed upon expected performance levels, fail to adhere to State mandated fiscal control and funds accounting procedures, or take or fail to take other actions required under the State plan, contracts, or other agreements.

(c) DISAGREEMENT.—The Governor shall accept and include with the plan submitted under subsection (a) any disagreeing views submitted by a participant of the collaborative process if such views represent disagreement in the area in which such participant was selected for representation.

(d) MODIFICATIONS TO PLAN.—A plan submitted by a State in accordance with this section remains in effect until the State submits to the Secretary such modifications as the State determines necessary. This section applies to the modifications to the same extent and in the same manner as this section applies to the original plan.

SEC. 105. ESTABLISHMENT OF WORKFORCE DEVELOPMENT AREAS.

The Governor of a State that desires to receive a grant under one or more of the programs specified in section 102(b) shall, through the collaborative process established under section 103 and after consultation with local chief elected officials, and after consideration of comments received through the public participation process as described in the State plan, designate local workforce development areas within the State taking into consideration the following:

(1) Existing labor market areas.

(2) Units of general local government.

(3) Geographic areas served by local educational agencies and intermediate educational agencies.

(4) Geographic areas served by postsecondary institutions and area vocational education schools.

(5) Service delivery areas established under section 101 of the Job Training Partnership Act (29 U.S.C. 1511) (as such Act was in effect on the day before the date of the enactment of this Act).

(6) The distance that individuals will need to travel to receive services from integrated career centers.

SEC. 106. PROVISIONS REGARDING LOCAL WORKFORCE DEVELOPMENT BOARDS.

(a) IN GENERAL.—The Governor of a State that desires to receive a grant under one or more of the programs specified in section 102(b) shall ensure the establishment of a local workforce development board in each local workforce development area within the State.

(b) STATE CRITERIA.—The Governor, through the collaborative process described under section 103, is authorized to establish criteria for use by local chief elected officials in the workforce development area, in the selection of members of local workforce development boards, in accordance with requirements prescribed under subsections (c) and (d).

(c) REPRESENTATION REQUIREMENT.—Such criteria shall require, at a minimum, that a local workforce development board consist of—

(1) a majority of members who are representatives of business and industry, including individuals who are owners of businesses, chief executives or chief operating officers of private business, and other business executives with optimum policymaking authority in local businesses, selected from among nominees submitted by local business organizations and trade associations;

(2) an individual or individuals with disabilities, who have special knowledge or expertise in the area of vocational rehabilitation;

(3) representatives of education and training, including local educational agencies, postsecondary education institutions, and providers of job training and workforce development services, selected from among individuals nominated by regional or local educational agencies, vocational education institutions, institutions of postsecondary education (including community colleges), providers of job training and workforce development services (including private-for-profit providers), within the workforce development area; and

(4) representatives of community-based organizations, employees, and veterans as nominated or recommended to the board through a process established by the Governors through the collaborative process.

(d) ESTABLISHMENT OF BOARD.—

(1) SELECTION OF BOARD MEMBERS.—

(A) SINGLE UNIT OF LOCAL GOVERNMENT IN AREA.—In the case of a workforce development area that is comprised of only one unit of general local government, the chief elected official of such unit is authorized to select the members of the local workforce development board for such area, in accordance with the State criteria developed pursuant to subsection (b).

(B) MULTIPLE UNITS IN AREA.—In the case of a workforce development area that is comprised of more than one unit of general local government, the chief elected officials of such units are authorized to select the members of the local workforce development board from the individuals so nominated or recommended for such area in accordance with an agreement entered into by such officials and with the State criteria developed under subsection (b). In the absence of such an agreement, the appointments are authorized to be made by the Governor, through the collaborative process, from the individuals so nominated or recommended.

(2) CERTIFICATION.—The Governor is authorized to biennially certify one local workforce development board for each workforce development area.

(3) EXCEPTION.—In any case in which a local workforce development area is a State, the individuals comprising the Governor's collaborative process as described in section 103, may be reconstituted to meet the requirements of this section.

(e) DUTIES OF LOCAL WORKFORCE DEVELOPMENT BOARD.—

(1) LOCAL WORKFORCE DEVELOPMENT PLAN.—Each local workforce development board shall develop a biennial strategic plan and provide policy guidance with respect to workforce development programs operated within their respective workforce development areas. Such strategic plan shall be consistent with the State's collaborative workforce development and literacy plan, be approved by the appropriate chief elected official or officials, and be submitted to the Governor for approval. If after a reasonable effort, a local workforce development board is unable to obtain the approval of the chief elected official or officials, the Board has the authority to forward the plan, with the comments of the chief elected official or officials, to the Governor for final approval or disapproval. Such local plan shall include the following:

(A) Both short-term and long-term goals, and related strategies, to ensure that workforce preparation and development programs, including programs established pursuant to this Act, title I of the Rehabilitation Act of 1973, and the Wagner-Peyser Act, contribute to a coherent workforce development system in the workforce development area.

(B) A description of the performance measures to be used by the local workforce development board for measuring the performance of local service providers under chapter 2 of title II, title III, and title I of the Rehabilitation Act of 1973, and the performance of integrated career center system operators, with whom the Board contracts.

(C) A description of the local integrated career center system to be established in the workforce development area, including—

(i) a description of the process the local workforce development board will use to designate or establish a career center system which ensures that the most effective and efficient service providers are chosen;

(ii) an identification of the roles of individual workforce development programs and programs authorized by the Wagner-Peyser Act; and

(iii) a description of the funding sources to be used in the operation of the career center system.

(D) A description of strategies the local workforce development board will undertake to fully involve local employers, local educational agencies, postsecondary education institutions, adult education and literacy providers, local service providers, parents and other consumers, including individuals with disabilities, and older workers in the development of the workforce development system.

(F) Such other information as requested by the State.

(2) IDENTIFICATION OF OCCUPATIONS IN DEMAND AND TRAINING NEEDS.—The local workforce development board shall use available labor market information and other appropriate methods in order to identify and assess the needs of the workforce development area.

(3) BUDGET AND PROGRAM OVERSIGHT.—

(A) BUDGETING.—

(i) The local workforce development board, working through the State administrative agent, shall develop a budget for the purpose of carrying out local programs established under chapter 2 of title II, title III, and title I of the Rehabilitation Act of 1973, and for integrated career center systems established or designated under section 107 with the exception of funds made available under the Wagner-Peyser Act.

(ii) Such budget shall be subject to the approval of the appropriate chief elected official or officials in the workforce development area.

(B) PROGRAM OVERSIGHT.—The local workforce development board, in partnership with the chief elected official or officials in the workforce development area, shall conduct oversight of the workforce development programs listed in subparagraph (A), and of the integrated career center system established under this title.

(4) ADMINISTRATION.—

(A) FISCAL AGENT.—

(i) The local workforce development board may receive and disburse funds made available for carrying out programs authorized under chapter 2 of title II, title III, and title I of the Rehabilitation Act of 1973 of this Act, or the local workforce development board may designate a fiscal agent (which may include the State through a mutual agreement between the local board and the State), for the purpose of disbursement of funds to career centers and other service providers, as designated by the local workforce development board.

(ii) The Board may employ its own staff, independent of local programs and service providers, and may solicit or accept grants and contributions from sources other than from this Act.

(B) LIMITATION.—The workforce development board, or employees of such board, may not operate programs established under this Act. The Governor is authorized to prohibit the employees of agencies providing staff support to such local workforce development boards from providing workforce development services to individuals served through the use of funds authorized under this Act, and under title I of the Rehabilitation Act of 1973.

(C) CONFLICT OF INTEREST.—A member of a workforce development board may not—

(i) discuss or participate in board consideration; or

(ii) cast a vote;

regarding the provision of services by such member (or by an organization that such member represents) or regarding any matter that would provide direct financial benefit to such member. The Governor may enforce more rigorous conflict of interest standards, as determined appropriate.

(D) INDEPENDENT AUTHORITY.—

(i) The Board shall elect its own chairperson from among the members of the board.

(ii) The board may adopt bylaws and other operating procedures as consistent with the purposes of this Act, and with the policies established in the State workforce development and literacy plan.

(5) OTHER.—The Governor may require local workforce development boards to carry out such other duties as determined to be appropriate by the Governor and the individuals and entities described in section 103, through the collaborative process described in the State plan.

SEC. 107. ESTABLISHMENT OF INTEGRATED CAREER CENTER SYSTEMS.

(a) IN GENERAL.—The Governor of a State that desires to receive a grant under one or more of the programs specified in section 102(b) shall ensure that each local workforce development board establish or designate an integrated career center system in the workforce development area of such board, consistent with criteria established under subsection (b).

(b) STATE CRITERIA.—The Governor, through the collaborative process described under section 103, is authorized to establish statewide criteria for use by local workforce development boards in the designation or establishment of integrated career center systems to ensure that the most effective and efficient service providers are chosen, consistent with the requirements prescribed under subsection (c).

(c) Integrated Career Center System Requirements.—At a minimum, integrated career center systems shall include—

(1) common intake;

(2) preliminary assessment;

(3) integrated job search assistance;

(4) to the extent practicable, as determined by the Governor, unified and linked computer systems, including the availability of labor market information as described under title II of the Wagner-Peyser Act, as added by section 132 of this Act, and linkages through uniform management information systems; and

(5) to the extent practicable, as determined by the Governor, at least one physical, co-located site which provides comprehensive and fully integrated workforce development services to any individual seeking such services. Local workforce development areas are encouraged to establish a network of comprehensive and fully-integrated co-located career centers to provide the services described in subsection (f), supplemented with multiple affiliated sites or satellites that provide one or more of such services and are linked through electronic and technological access points. Such affiliated sites may include entities designated as having a specialization in addressing special needs, such as the needs of individuals with disabilities.

(d) Common Access.—Information pertaining to the labor market which is compiled pursuant to title II of the Wagner-Peyser Act, as added by section 132 of this Act, shall be available, to the extent practicable, through integrated electronic networks, at all integrated career centers and affiliated sites.

(e) Eligibility for Designation.—Any entity or consortium of entities located in the workforce development area may be designated by the local workforce development board to operate an integrated career center or to participate in an integrated career center system. Such entities may include the following:

(1) Institutions of higher education.

(2) Area vocational education schools.

(3) Local employment service offices, established under the Wagner-Peyser Act.

(4) Private nonprofit organizations, (including community-based organizations).

(5) Private for-profit entities.

(6) Agencies of local governments.

(7) Other interested organizations and entities of demonstrated effectiveness, including local chambers of commerce and other business organizations, consistent with State criteria established pursuant to subsection (b).

(f) Duties.—Each integrated career center system shall, to the extent practicable as determined by the Governor, carry out the following duties:

(1) Provision of core services.—An integrated career center system shall make available the following information and core services to individuals on a universal and nondiscriminatory basis, with reasonable accommodations to address the needs of individuals with disabilities, in the workforce development area in which such center is located:

(A) Outreach and intake for services provided under chapter 2 of title II, title III, subtitle A of title IV, and title I of the Rehabilitation Act of 1973.

(B) A preliminary assessment of the skill levels and the need for services of the individual for programs under chapter 2 of title II, title III, subtitle A of title IV, and title I of the Rehabilitation Act of 1973 of individuals, which may include such factors as basic skills, occupational skills, career development skills, prior work experience, employability, interests, aptitudes, vocational rehabilitation needs, and supportive service needs.

(C) Labor market information relating to local and State, and if appropriate, to regional or national, occupations in demand and skill requirements for such occupations, including job listings for the local labor market.

(D) Information relating to youth services, including information on at-risk youth development and career preparation programs authorized under title II, on vocational education and school-to-work opportunities, and on youth apprenticeship opportunities.

(E) Career counseling and career planning based on a preliminary assessment of the individual.

(F) Job search assistance.

(G) Information related to vocational rehabilitation services, as provided for in title I of the Rehabilitation Act of 1973.

(H) Information relating to federally funded education and job training programs (including registered apprenticeships), and student aid programs, including the eligibility requirements of and services provided by such programs.

(I) Information on, and assistance in accessing referral to additional services through programs providing adult education and literacy services, vocational rehabilitation, youth and adult workforce preparation and development, and supportive services, including those programs authorized in titles II through IV, title I of the Rehabilitation Act of 1973, available in the workforce development area.

(J) Information on the extent to which the services provided under titles II and III, subtitle A of title IV, and title I of the Rehabilitation Act of 1973, meet or exceed the expected levels of performance described in the State and local plans, and the performance-based information provided by the State to local workforce development boards on certified providers of education and training, as required under section 108(d)(3).

(K) Acceptance of applications for unemployment compensation.

(L) Other appropriate activities to assist individuals into employment.

(2) Distribution of career grants.—A center or an affiliated site may serve as the point of distribution of career grants for education, training, and vocational rehabilitation services to eligible individuals in accordance with section 108.

(3) Special arrangements.—For the purpose of providing core services to individuals with severe disabilities in the most effective and efficient manner possible, the integrated career center system may arrange to have such core services provided to an individual by a certified provider or the State either on a contract basis or through the use of career grants.

(g) Additional Services.—Integrated career center systems, may provide customized workforce development services to employers on a fee-for-service basis, as determined by the local workforce development board.

(h) Alternative State Strategy.—Through the collaborative process described in section 103, the Governor has the authority to develop alternative strategies to the integrated career center system, which are designed to accomplish the full integration of workforce development programs. These alternative strategies shall be described in a proposal to the Secretaries of Education and Labor for joint review and approval or disapproval not later than 60 days after the date of receipt of such proposal.

SEC. 108. IDENTIFICATION OF ELIGIBLE EDUCATION, TRAINING, AND VOCATIONAL REHABILITATION SERVICE PROVIDERS.

(a) Eligibility Requirements.—A program offered by a provider of education and training services shall be eligible to receive funds under title III, and title I of the Rehabilitation Act of 1973 through the receipt of career grants, or through contract, if such program and provider—

(1) is either—

(A) eligible to participate in title IV of the Higher Education Act of 1965, or

(B) determined to be eligible under the procedures described in subsection (b); and

(2) provides the performance-based information required pursuant to subsection (c), except that providers eligible under subparagraph (A) only have to provide information for programs other than programs leading to a degree.

(b) Alternative Eligibility Procedure.—

(1) In General.—The Governor shall establish an alternative eligibility procedure for providers of education, training, and vocational rehabilitation services (which may include private sector, for profit and nonprofit providers of such services) in any State desiring to receive funds under title III of this Act and title I of the Rehabilitation Act of 1973, but that are not eligible to participate in title IV of the Higher Education Act of 1965. Such procedure shall establish minimum acceptable levels of performance for such providers, and be based on guidelines developed by the Secretaries of Labor and Education. The Governor may utilize such criteria to certify service providers as having the ability to meet occupational skill standards promoted by the National Skill Standards Board, or to meet, high, industry-recognized standards that result in a portable skill certificate in the subject, occupation, or industry for which training is provided, except where such standards are not appropriate for the services rendered. The Governor shall utilize the local workforce development boards, for the identification of eligible qualified providers of education, training, and vocational rehabilitation services. During a transition period, not to exceed 2 years, identification of eligible programs and providers under this subsection may be based on the performance of such programs and providers under the Job Training Partnership Act, the Rehabilitation Act of 1973, or other objective measures of previous performance, such as employer evaluations.

(2) Notwithstanding paragraph (1), if the participation of an institution of higher education in any of the programs under such title of such Act is terminated, such institution shall not be eligible to receive funds under this Act for a period of not less than two years.

(c) Performance-Based Information.—The State shall identify performance-based information that is to be submitted by providers of services for programs to be eligible under this section. Such information may include information, relating to—

(1) the percentage of students completing the programs conducted by the provider;

(2) the rates of licensure of graduates of the programs conducted by the provider;

(3) the percentage of graduates of the programs meeting industry-recognized skill standards and certification requirements that are at least as challenging as skill standards endorsed by the National Skill Standards Board, once such standards are available.

(4) measures of program effectiveness such as the rates of placement and retention in employment, and the earnings of graduates of programs conducted by the provider, employer evaluations of provider services, and adherence to accepted industry quality standards (where available) by such providers;

(5) the percentage of students who obtained employment in an occupation related to the program conducted by the provider;

(6) the warranties or guarantees provided by such provider relating to the skill levels or employment to be attained by students;

(7) other information for providers of services under title I of the Rehabilitation Act of 1973 that reflects the priority of serving individuals with severe disabilities; and

(8) the percentage of students who, as a result of participation in the program demonstrate significant gains in literacy and basic skills.

(d) ADMINISTRATION.—

(1) STATE AGENCY.—The Governor is authorized to designate a State agency to collect, verify, and disseminate the performance-based information submitted pursuant to subsection (c).

(2) APPLICATION.—A provider of education and training services that desires to be eligible to receive funds under this title shall submit the information required under subsection (c) to the State agency designated under paragraph (1) of this subsection at such time and in such form as such State agency may require.

(3) LIST OF ELIGIBLE PROVIDERS.—The State agency shall compile a list of eligible programs and providers, accompanied by the performance-based information submitted, and disseminate such list and information to the local workforce development boards and integrated career center systems within the State.

(4) ACCURACY OF INFORMATION.—

(A) IN GENERAL.—If the State agency determines that information concerning a provider is inaccurate, such provider shall be disqualified from receiving funds under this title for a period of not less than two years, unless such provider can demonstrate to the satisfaction of the Governor or his or her designee, that the information was provided in good faith.

(B) APPEAL.—The Governor shall establish a procedure for a service provider to appeal a determination by a State agency that results in a disqualification under subparagraph (A). Such procedure shall provide an opportunity for a hearing and prescribe appropriate time limits to ensure prompt resolution of the appeal.

(5) ASSISTANCE IN DEVELOPING INFORMATION.—The State agency established pursuant to paragraph (1) may provide technical assistance to education, training, and vocational rehabilitation providers in developing the information required under subsection (b). Such assistance may include facilitating the utilization of State administrative records, such as unemployment compensation wage records, and other appropriate coordination activities.

(e) ON-THE-JOB TRAINING EXCEPTION.—

(1) IN GENERAL.—Providers of on-the-job training are not subject to the requirements of subsections (a), (b), (c), and (d).

(2) COLLECTION AND DISSEMINATION OF INFORMATION.—The Workforce Development Board shall collect such performance-based information from on-the-job training providers as the Governor may require, and disseminate such information to the local integrated career center systems.

(f) RULE OF CONSTRUCTION REGARDING STATE AS PROVIDER OF SERVICES.—This section does not prohibit a State from being a provider of education and training services under title III, or under title I of the Rehabilitation Act of 1973, subject to the State meeting the requirements of this section for serving as such a provider.

SEC. 109. MANAGEMENT INFORMATION SYSTEMS.

(a) IN GENERAL.—Each State is authorized to use a portion of the funds it receives under this Act to design a unified management information system that is in accordance with guidelines established jointly by the Secretaries in consultation with the Governors.

(b) REQUIREMENTS.—Each unified management information system shall, to the extent practicable as determined by the Governor—

(1) be utilized for federally required fiscal reporting and monitoring for each of the programs authorized under this Act;

(2) be used by all agencies involved in workforce development activities, including integrated career center systems which shall have the capability to track the overall public investments within the State and workforce development areas, and to inform policymakers as to the results being achieved and the demographic characteristics of the individuals served through that investment;

(3) contain a common structure of financial reporting requirements, fiscal systems and monitoring for all workforce development expenditures included in the workforce development system that shall utilize common data elements and the definitions included in section 5;

(4) support local efforts to establish workforce development systems, including intake and eligibility determination for all services; and

(5) contain data on the demographic characteristics on the participants served by programs authorized under this Act, which shall be collected, produced, and published by the Secretaries.

(c) PRIVACY.—Nothing in this Act shall violate the provisions of the Family Education Rights and Privacy Act under section 444 of the General Education Provisions Act and the privacy and confidentiality provisions under section 22(b) of title II of the Wagner Peyser Act as amended by this Act.

SEC. 110. PERFORMANCE ACCOUNTABILITY SYSTEM.

(a) IN GENERAL.—In order to promote high levels of performance and to ensure an appropriate return on the Nation's investment in the workforce development and literacy system, each State receiving funds under this Act shall develop, or have developed, a statewide performance accountability system in accordance with the provisions of this section.

(b) INDICATORS OF PERFORMANCE.—

(1) IN GENERAL.—Each State receiving funds under this Act shall identify indicators of performance for each of the programs established under titles II through IV of this Act and title I of the Rehabilitation Act of 1973, consistent with State goals as described in the State plan in accordance with section 104. Such indicators shall, at a minimum, include the core indicators described in subsection (f), and be expressed in an objective, quantifiable, and measurable form. Such indicators may also include post-program surveys measuring customer satisfaction of both employers and program participants.

(2) TECHNICAL DEFINITIONS OF CORE INDICATORS.—In order to ensure nationwide comparability of performance data, the Secretary of Labor and the Secretary of Education, in collaboration with the States and with representatives of business and industry, employees, educational agencies, service providers, participants, parents and other interested parties, shall promulgate technical definitions of each of the core indicators described in subsection (f), to be used under this Act in measuring performance.

(c) EXPECTED LEVELS OF PERFORMANCE.—

(1) IN GENERAL.—(A) Each State shall identify the level of performance, consistent with State goals described under section 104, that is expected for local workforce development areas and other applicable local administrative entities under this Act. In determining such levels, the State shall take into account the challenging levels identified under paragraph (2), and initially develop baseline levels of performance upon which the State will measure continuous improvement.

(B) The Governor, through the collaborative process, may adjust the expected level of performance with respect to each local area taking into account specific economic, demographic, and geographic factors, and the characteristics of the population to be served.

(2) CHALLENGING LEVELS OF PERFORMANCE.—In order to encourage high levels of performance and advance the Nation's competitiveness in the global economy, the Secretary of Labor and the Secretary of Education, in collaboration with the States and with representatives of business and industry, employees, educational agencies, service providers, participants, parents and other interested parties, shall identify challenging levels of performance with respect to appropriate core indicators selected from among the core indicators described in subsection (f). Where applicable, such challenging levels of performance shall reflect industry-recognized skill standards.

(d) REPORT ON PERFORMANCE.—

(1) IN GENERAL.—The State shall report to the Secretary of Labor and the Secretary of Education, the levels of performance achieved by local workforce development areas and other applicable local administrative entities with respect to the indicators identified pursuant to subsection (b)(1) for each program year. The Secretaries shall make such information available to the general public through publication and other appropriate methods, and shall disseminate State-by-State comparisons, and comparisons with other industrialized nations (where appropriate).

(2) REPORTING OPTIONS.—In the collection and reporting of such data, States are encouraged to utilize administrative reporting data on quarterly earnings, establishment and industry affiliation, and geographic location of employment, such as unemployment insurance wage-data records.

(e) CONSEQUENCES FOR POOR PERFORMANCE.—

(1) CRITERIA.—The Governor, through the collaborative process, is authorized to establish criteria for determining whether local workforce development areas and other applicable local administrative entities have failed to meet expected levels of performance with respect to programs under this Act.

(2) CONSEQUENCES FOR POOR PERFORMANCE.—

(A) STATE CONSEQUENCES.—If a State fails to meet expected levels of performance for a program for any program year as established pursuant to subsection (a), the Secretary of Education or the Secretary of Labor, as appropriate to the particular program, may provide technical assistance, including assistance in the development of a performance improvement plan. If such failure continues for a second consecutive year, the appropriate Secretary may reduce by not more than 5 percent, the amount of the grant that would (in the absence of this paragraph) be payable to the State under such program for the immediately succeeding program year. Such penalty shall be based on the degree of failure to meet expected levels of performance.

(B) LOCAL CONSEQUENCES.—(i) If a local workforce development area, or other applicable local administrative entity, fails to meet expected levels of performance for a program for any program year under the criteria established in paragraph (1), the Governor, through the collaborative process, may provide technical assistance, including the development of a performance improvement plan.

(ii) If such failure continues for a second consecutive year, the Governor may take corrective actions, such as the withholding of funds, the redesignation of a local administrative entity, or such other actions as the Governor, through the collaborative process, determines are appropriate, consistent with State law, section 104(c)(3) of this Act, and the requirements of this Act.

(f) CORE INDICATORS OF PERFORMANCE.—

(1) COMMON CORE INDICATORS FOR ADULTS.—In addition to the core indicators of performance described in paragraph (2), common core indicators of performance for programs conducted under titles III and IV of this Act, and under title I of the Vocational Rehabilitation Act of 1973 shall be weighted and applied to each of the individual programs, according to the purposes of such titles, and include measures of—

(A) placement in unsubsidized employment;

(B) retention in unsubsidized employment for not less than 6 months and for not less than 12 months, respectively;

(C) increases in earnings, or in earnings in combination with employer-assisted benefits;

(D) attainment of industry-recognized occupational skills, including basic workplace competencies and industry-recognized skill standards, which may include the acquisition of a skill certificate in the occupation for which the individual has been prepared;

(E) attainment of a high school diploma, a general equivalency diploma, or a certificate of completion of a program authorized under the Rehabilitation Act of 1973; and

(F) such other measures of performance that the State may wish to collect.

(2) ADDITIONAL CORE INDICATORS FOR ADULTS.—

(A) ADULT EMPLOYMENT AND TRAINING PROGRAMS.—In addition to the common core indicators described in paragraph (1), the core indicators of performance for programs conducted under title III shall include measures of the success of individuals with barriers to employment, including dislocated workers, economically disadvantaged individuals, older workers, individuals with disabilities, displaced homemakers, veterans, and individuals who are basic skills deficient, in achieving performance goals established pursuant to this Act.

(B) ADULT EDUCATION AND FAMILY LITERACY PROGRAMS.—In addition to the common core indicators described in paragraph (1), the core indicators of performance for programs conducted under title IV shall include measures of—

(i) the number of individuals who, as a result of participation in programs funded under this Act, demonstrate significant gains in literacy skills; and

(ii) such other measures of performance that the State may wish to collect, including measures of the success of family literacy programs, increased English language skills, and increased community involvement.

(C) PROGRAMS ESTABLISHED UNDER TITLE I OF THE REHABILITATION ACT OF 1973.—In addition to the common core indicators described in paragraph (1), the core indicators of performance for programs conducted under title I of the Rehabilitation Act of 1973 shall include measures of the success of individuals with severe disabilities, including those individuals determined to have a disability under title II or title XVI of the Social Security Act, in achieving performance goals established pursuant to this Act.

(3) CORE INDICATORS FOR YOUTH DEVELOPMENT AND CAREER PREPARATION PROGRAMS.—The core indicators of performance for programs conducted under title II shall include measures of—

(A) attainment of challenging State academic standards;

(B) attainment of a high school diploma or a general equivalency diploma;

(C) attainment of industry-recognized occupational skills, including basic workplace competencies and industry-recognized skill standards, which may include the acquisition of a skill certificate in the occupation for which the individual has been prepared; if such skill certificate is acquired in addition to or in combination with a high shool diploma or general equivalency diploma;

(D) reduction in school dropout rates;

(E) positive results such as placement in postsecondary education or advanced training, military service, employment, or registered apprenticeships;

(F) the success of individuals described under section 201(12) in achieving performance goals established pursuant to this Act, including placement in nontraditional training and employment; and

(G) such other measures of performance that the State may wish to collect.

SEC. 111. LIMITATION ON FEDERAL REGULATIONS.

The Secretary of the Department of Labor and the Secretary of the Department of Education shall issue regulations under this Act only to the extent that such regulations are necessary to ensure that there is compliance with the specific requirements of this Act.

SEC. 112. GENERAL PROVISION.

Nothing in this Act shall mandate that any individual, particularly youth served under title II of this Act, be required to choose a specific career path or major.

SEC. 113. LIABILITY.

Expenditures that are disallowed (except in the case of fraud, embezzlement, or other criminal activities) under this Act or under title I of the Rehabilitation Act of 1973, may be repaid from funds allocated under the title for which such disallowance occurs, in subsequent program years or fiscal years, as appropriate, after the year in which such disallowance occured. The amount of funds repaid should be equal to the amount of funds disallowed.

Subtitle B—Amendments to Wagner-Peyser Act

SEC. 131. GENERAL PROGRAM REQUIREMENTS.

(a) DEFINITIONS.—Section 2 of the Act of June 6, 1933 (commonly known as the "Wagner-Peyser Act") (29 U.S.C. 49a) is amended—

(1) in paragraph (1), by striking "Job Training Partnership Act" and inserting "Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act";

(2) in paragraph (2) to read as follows:

"(2) the term 'local workforce development board' means a local workforce development board established under title I of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act;";

(3) in paragraph (4) to read as follows:

"(4) the term 'local workforce development area' means a local workforce development area established under title I of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act;";

(4) in paragraph (5), by striking the period at the end and inserting a semicolon; and

(5) by adding at the end the following new paragraphs:

"(6) the term 'public employment office' means an office which provides employment services to the general public as part of an integrated career center system; and

"(7) the term 'integrated career center system' means an integrated career center system established under title I of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.".

(b) DUTIES.—Section 3(a) of such Act (29 U.S.C. 49b(a)) is amended to read as follows:

"(a) The Secretary of Labor shall, pursuant to title II of this Act—

"(1) assist in the coordination and development of a nationwide system of labor exchange services for the general public;

"(2) assist in the development of performance standards, benchmarks, and continuous improvement models for such nationwide system which ensures private sector satisfaction and meets the demands of jobseekers; and

"(3) ensure the continued services for individuals receiving unemployment compensation.".

(c) REQUIREMENTS FOR RECEIPT OF FUNDS.—Section 4 of such Act (29 U.S.C. 49c) is amended by striking "a State shall, through its legislature" and inserting "the Governor of a State shall, through the collaborative process described in title I of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 5 of such Act (29 U.S.C. 49d) is amended by inserting before the period at the end the following: ", of which not less than 25 percent shall be for carrying out both section 14 and title II of this Act".

(e) USE OF FUNDS UNDER THIS ACT.—Section 7(c)(2) of such Act (29 U.S.C. 49f(c)(2)) is amended by striking "any of the following provisions of law" and all that follows and inserting "the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.".

(f) STATE PLAN.—Section 8 of such Act (29 U.S.C. 49g) is amended—

(1) in subsection (a) to read as follows:

"(a) Any State desiring to receive assistance under this Act shall submit to the Secretary, as part of the State workforce development and literacy plan authorized under title I of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act, detailed plans for carrying out the provisions of this Act within such State.";

(2) by striking subsections (b), (c), and (e); and

(3) by redesignating subsection (d) as subsection (b).

(g) ELIMINATION OF FEDERAL ADVISORY COUNCIL.—Section 11 of such Act (29 U.S.C. 49j) is hereby repealed.

(h) CONFORMING AMENDMENTS.—

(1) Such Act is amended by inserting after section 2 the following new heading:

"TITLE I—GENERAL PROGRAM REQUIREMENTS".

(2) Section 4 of such Act is amended by striking "United States Employment Service" and inserting "Secretary of Labor".

(3) Section 7(b)(2) of such Act is amended by striking "private industry council" and inserting "local workforce development board".

(4) Section 7(d) of such Act is amended—

(A) by striking "United States Employment Service" and inserting "Secretary of Labor"; and

(B) by striking "Job Training Partnership Act" and inserting "Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act".

(5) Section 12 of such Act is amended by striking "The Director, with the approval of the Secretary of Labor," and inserting "The Secretary of Labor".

SEC. 132. LABOR MARKET INFORMATION.

The Act of June 6, 1933 (commonly known as the "Wagner-Peyser Act"; 29 U.S.C. 49), as amended by section 131, is further amended by adding at the end the following new title:

"TITLE II—LABOR MARKET INFORMATION

"SEC. 21. PURPOSE.

"The purpose of this title is to ensure a comprehensive and coordinated system of labor market information which will provide locally based, accurate, up-to-date, easily accessible, and user friendly labor market information through a cooperative Federal, State, and local governance structure which includes partnerships with the private sector at all levels.

"SEC. 22. SYSTEM CONTENT.

"(a) IN GENERAL.—The Secretary of Labor, in accordance with the provisions of this title, shall oversee the development, maintenance, and continuous improvement of a nationwide system of labor market information using statistically valid data, which include—

"(1) statistical data from survey and projection programs and data from administrative reporting systems, which, taken together, enumerate, estimate, and project the supply and demand for labor at Federal, State, and local levels in a timely manner, including data on—

"(A) the demographic characteristics, as defined in section 5 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act, socioeconomic characteristics, and current employment status of the population, including self-employed, part-time, and seasonal workers, and individuals with severe disabilities, as such data are available from the Bureau of Census and other sources;

"(B) job vacancies, education and training requirements, skills, wages, benefits, working conditions, and industrial distribution of occupations, as well as current and projected employment opportunities and trends by industry and occupation;

"(C) the educational attainment, training, skills, skill levels, and occupations of the population aggregates, as such data area are available from the Bureau of Census and other sources;

"(D) information (such as unemployment insurance wage data records) maintained in a longitudinal manner on the quarterly earnings, establishment and industry affiliation, and geographic location of employment; and

"(E) the incidence, industrial and geographical location, and number of workers displaced by permanent layoffs and plant closings;

"(2) State and local employment and consumer information on—

"(A) job openings, locations, hiring requirements, and application procedures, as well as profiles of employers in the local labor market describing the nature of work performed, employment requirements, wages, benefits, and hiring patterns as such information is volunteered by employers;

"(B) aggregate data on job seekers, including their education and training, skills, skill levels, employment experience, and employment goals; and

"(C) education courses, training programs, job placement programs, and vocational rehabilitation programs (where appropriate), including—

"(i) program performance information as required by this Act, such as summary data on program completion, acquisition of industry-recognized skill standards, job placement, earnings, and the level of satisfaction of the participants and their employers; and

"(ii) descriptive information on programs, such as eligibility requirements, costs, financial support, or other supportive services, and other appropriate information which may be available with these courses and programs;

"(3) technical standards for data and information that will—

"(A) as a minimum guarantor of data usefulness and quality, ensure compatibility and additivity of data and information to enable comparisons among localities and States;

"(B) support standardization and aggregation of data and information from the administrative reporting systems of employment-related programs; and

"(C) include—

"(i) classification and coding systems for industries, occupations, skills, programs, and courses;

"(ii) nationally standardized definitions of terms;

"(iii) a common system for designating geographic areas;

"(iv) quality control mechanisms for data collection and analysis; and

"(v) common schedules for data collection and dissemination;

"(4) analysis of data and information for uses including—

"(A) Federal, State, and local economic policymaking;

"(B) the implementation of Federal policies, including the allocation of Federal funds to States and localities and the facilitation of job search and hiring in local labor markets;

"(C) Federal, State, and local program planning and evaluation; and

"(D) research on labor market dynamics;

"(5) dissemination mechanisms for data and analysis, including mechanisms which may be standardized among the States and technical standards in the design of automated databases, and the design of user interfaces and communications protocols;

"(6) programs of technical assistance for States and localities in the development, maintenance, and utilization of data, analysis, and dissemination mechanisms, including assistance in adopting and utilizing automated systems and improving the access, through electronic and other means, of youth, adults, and employers to labor market information for localities, States, and the Nation;

"(7) programs of research and demonstration, which may be carried out by States and other public or private entities, on ways to improve the products and processes authorized in this title; and

"(8) objective performance measures, which will allow for the continuous monitoring of the progress of the labor market information system at national, State, and local levels.

(b) INFORMATION TO BE CONFIDENTIAL.—

(1) IN GENERAL.—No officer or employee of the Federal Government or agent of the Federal Government may:

(A) use the information furnished under the provisions of this title for any purpose other than the statistical purposes for which it is supplied;

(B) make any publication whereby the data furnished by any particular establishment or individual under this title can be individually identified; or

(C) permit anyone other than the sworn officers and employees of any Federal department or agency to examine the individual reports.

(2) IMMUNITY FROM LEGAL PROCESS.—Any information which is collected and retained under this title shall be immune from the legal process and shall not, without the consent of the individual or establishment concerned, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding.

"SEC. 23. FEDERAL RESPONSIBILITIES.

"(a) IN GENERAL.—The Nation's labor market information system shall be planned, administered, overseen, and evaluated by a cooperative governance structure involving the Federal Government, States, and local entities.

"(b) DUTIES.—The Secretary, with respect to data collection, analysis, and dissemination of labor market information, shall carry out the following duties:

"(1) Ensure that all statistical and administrative data collection activities within the Department of Labor, including the Employment and Training Administration, Veterans' Employment and Training Service, Employment Standards Administration, and the Occupational Health and Safety Administration, are consistent with those of the Bureau of Labor Statistics.

"(2) Assign responsibilities, as appropriate, to agencies such as the Employment and Training Administration to work with the Bureau of Labor Statistics in the collection, analysis and, particularly, in the dissemination of labor market information, and in the provision of training and technical assistance to users of information, including the States, employers, youth, and adults.

"(3) In cooperation with other Federal agencies, including the Department of Commerce, Department of Defense, Department of the Treasury, Department of Education, Department of Health and Human Services, Department of Agriculture, Department of Veterans' Affairs, and the Office of Management and Budget, establish and maintain mechanisms for ensuring complementarity and nonduplication in the development and operation of statistical and administrative data collection activities, in order to ensure a comprehensive labor market information system.

"(4) Actively seek the participation of other Federal agencies, particularly the National Center for Education Statistics and the Division of Adult and Vocational Education, and the Rehabilitation Services Administration of the Department of Education, the Veterans' Employment and Training Service of the Department of Labor and the Department of Veterans' Affairs with respect to vocational rehabilitation programs in the design and provision of standardized information to the States to support section 22(2), and in the dissemination of labor market information.

"(5) Establish confidentiality standards for the labor market information system at Federal, State, and local levels, including such provisions as may be necessary, to be taken in coordination with the States, to ensure that privacy and confidentiality protections are guaranteed with respect to individuals and firm data.

"(c) ADDITIONAL DUTIES.—The Secretary, in collaboration with the Bureau of Labor Statistics, with the assistance of other agencies of the Department where appropriate, shall—

"(1) establish and maintain, with the cooperation of the States, elements of the system described in sections 22(a)(1) and 22(a)(3);

"(2) develop and promulgate standards, definitions, formats, collection methodologies, and other necessary system elements for the use of the States in their assembling and presentation of the employment information specified in section 22(a)(2);

"(3) eliminate gaps and duplication in statistical undertakings, with the systemization of wage surveys as an early priority;

"(4) recommend any needed improvements in administrative reporting systems to support the development of labor market information from their data; and

"(5) ensure that—

"(A) data are sufficiently timely relevant to employers and other users, and locally detailed for uses including those specified in section 22(a)(4);

"(B) administrative records are standardized to facilitate the aggregation of data from local to State and national levels and to support the creation of new statistical series from program records; and

"(C) paperwork and reporting requirements on employers and individuals are reduced.

"SEC. 24. ANNUAL PLAN.

"(a) IN GENERAL.—The Secretary of Labor, in collaboration with the Bureau of Labor Statistics, and with assistance of other appropriate Federal agencies, shall prepare an annual plan to be the operational mechanism for achieving a cooperative Federal/State governance structure for labor market information and provide the written justification for the Department of Labor's budget request to Congress by describing the activities and priorities of the Bureau of Labor Statistics, other offices within the Department of Labor, and other Federal agencies with regard to data collection, analysis, and dissemination of labor market information for fiscal years succeeding the fiscal year in which the plan is developed and shall include—

"(1) the results of a periodic review of users' needs and priorities, including the identification of new employment issues and the attendant emergence of new needs, on the part of Congress, the States, employers, youth, and adults, for data, analysis, and dissemination;

"(2) an evaluation, including the results of objective measures, of the performance of the labor market information system in meeting these needs and the steps to be taken to overcome deficiencies;

"(3) a summary of ongoing data programs and activities under section 22 and a description of the development of new data programs, analytical techniques, definitions and standards, dissemination mechanisms, training and technical assistance, governance mechanisms, and funding processes to meet new needs; and

"(4) the results of an annual review of the costs to the States of meeting contract requirements for data production under this title, including a description of how the Secretary's requested budget will cover these costs.

"(b) COOPERATION WITH THE STATES.—The Secretary and the Bureau of Labor Statistics, in cooperation with the States, shall develop the plan by—

"(1) establishing procedures and mechanisms for holding formal and periodic consultations on products and administration of the system, at least once each quarter, with representatives of employers as well as with representatives of the States from each of the 10 Federal regions of the Department of Labor, elected by and from among the State directors of labor market information, according to a process set forth by the Secretary; and

"(2) incorporating in the annual plan, for its submission to Congress, the results of these consultations, including any supplementary or dissenting views from representatives of the States.

"(c) REPRESENTATIVES OF STATES DEEMED TO BE FEDERAL EMPLOYEES.—For purposes of the development of the annual plan and to meet the provisions of Office of Management and Budget Circular A-11, the representatives of the States, elected in accordance with subsection (b)(1), shall be considered to be employees of the Department of Labor.

"SEC. 25. GOVERNOR'S RESPONSIBILITIES.

"(a) DESIGNATION OF STATE AGENCY.—The Governor of each State shall designate a single State agency to be the agency responsible for the management and oversight of a statewide comprehensive labor market information system and for the State's participation in the cooperative Federal/State governance structure for the nationwide labor market information system.

"(b) DUTIES.—In order to receive Federal financial assistance under this Act, the State agency shall—

"(1) develop, maintain, and continuously improve a comprehensive labor market information system, which shall—

"(A) include all the elements specified in section 22; and

"(B) be responsive to the needs of the State and its localities for planning and evaluative data, including employment and economic analyses and projections, as required by this Act, the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act, the Social Security Act, and other provisions of law which require the use of labor market information;

"(2) ensure the performance of contract and grant responsibilities for data collection, analysis, and dissemination;

"(3) conduct such other data collection, analysis, and dissemination activities as will ensure comprehensive State and local labor market information;

"(4) actively seek the participation of other State and local agencies, with particular attention to State education, economic development, human services, and welfare agencies, in data collection, analysis, and dissemination activities in order to ensure complementarity and compatibility among data; and

"(5) participate in the development of the national annual plan.".

Subtitle C—General Provision

SEC. 141. WORKER RIGHTS.

The following requirements shall apply to programs under titles II and III of this Act:

(1) PROHIBITION ON DISPLACEMENT.—A participant in a program under titles II or III shall not displace any currently employed worker (including a partial displacement, such as a reduction in the hours of non-overtime work, wages, or employment benefits).

(2) PROHIBITION ON IMPAIRMENT OF CONTRACTS.—A program under title II or III shall not impair existing contracts for services or collective bargaining agreements, and no such program that would be inconsistent with the terms of a collective bargaining agreement shall be undertaken without the written concurrence of the labor organization and employer concerned.

(3) PROHIBITION ON REPLACEMENT.—A participant in a program under title II or III shall not be employed—

(A) when any other individual is on temporary layoff, with the clear possibility of recall, from the same or any substantially equivalent job with the participating employer; or

(B) when the employer has terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created with the student.

(4) WORKPLACES.—A participant in a program under title II or III shall be provided with adequate and safe equipment and safe and healthful workplaces in conformity with all health and safety requirements of Federal, State, and local law.

(5) EFFECT ON OTHER LAWS.—Nothing in this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, religion, color, ethnicity, national origin, gender, age, or disability, or to modify or affect any right to enforcement of this Act that may exist under other Federal laws, except as expressly provided by this Act.

SEC. 142. TRANSFERABILITY.

The Governor, through the collaborative process, has the authority to transfer not more than 10 percent of the total allotment to a State under title II or title III of this Act, between such titles. Funds transferred under this authority must be distributed to local providers in accordance with the provisions of title II and III of this Act.

TITLE II—YOUTH DEVELOPMENT AND CAREER PREPARATION CONSOLIDATION GRANT

SEC. 201. PURPOSES.

It is the purpose of this title to provide States and local communities maximum flexibility in designing youth development and career preparation programs that—

(1) help youth attain the academic skills and occupational skills needed to be successful in a global economy and for lifelong learning;

(2) best suit the needs of in-school and at-risk youth in their communities;

(3) promote strong connections between in-school and at-risk programs, to ensure that youth are prepared for further education opportunities and good jobs, and promote youth development and career preparation programs that provide opportunities for youth to receive postsecondary education and occupational training;

(4) promote the formation of education and business partnerships that are dedicated to linking the worlds of school and work; and

(5) promote high academic and occupational standards and quality vocational-technical education, including improved secondary and postsecondary programs, by focusing resources on program improvement initiatives that help prepare youth for further education, training, and high-wage jobs in high-performance workplaces.

SEC. 202. DEFINITIONS.

For purposes of this title:

(1) The term "administration" means activities of a State necessary for the proper and efficient performance of its duties under this title, including supervision, but does not include curriculum development activities, personnel development, or research activities.

(2) The term "all aspects of the industry" means strong experience in, and understanding of, all aspects of the industry that youth are preparing to enter, including planning, management, finances, technical and production skills, underlying principles of technology, labor issues, and health and safety.

(3) The term "articulation agreement" means a commitment to a program designed to provide students with a nonduplicative sequence of progressive coursework in secondary and postsecondary education.

(4) The term "cooperative education" means a method of instruction of education for youth who, through written cooperative arrangements between the school and employers, receive instruction, including required academic courses and related instruction by alternation of study in school with a job in any occupational field. Such alternation shall be planned and supervised by the school and employers so that each contributes to the youth's education and employability. Work periods and school attendance may be on alternate half days, full days, weeks, or other periods of time in fulfilling the cooperative program.

(5) The term "corrections vocational education" means programs administered by the State to assist juvenile and adult criminal offenders in correctional institutions in the State, including correctional institutions operated by local authorities.

(6) The term "curricula" means instructional and related or supportive material, including materials using advanced learning technology, in any occupational field which is designed to strengthen the academic foundation and prepare youth for employment at the entry level or to upgrade occupational competencies of those previously or presently employed in any occupational field, and appropriate counseling and guidance material.

(7) Except as otherwise provided, the term "eligible institution" means a local educational agency, an area vocational education school, an intermediate educational agency, an institution of higher education (as such term is defined in section 1201(a) of the Higher Education Act of 1965), a State corrections educational agency, or consortia of such entities.

(8) The term "partnership" means a local entity that is responsible for local youth development and career preparation programs and may consist of parents, employers, representatives of local educational agencies and local postsecondary educational institutions (including representatives of area vocational education schools, where applicable), local educators (such as teachers, counselors, or administrators), representative employee organizations, students, and may include other entities.

(9) The term "Secretary" means the Secretary of Education.

(10) The term "sequential course of study" means an integrated series of courses which are directly related to the educational and occupational skill preparation of youth for jobs, or preparation for postsecondary education.

(11) The term "single parent" means an individual who—

(A) is unmarried or legally separated from a spouse; and

(B)(i) has a minor child or children for whom the parent has either custody or joint custody; or

(ii) is pregnant.

(12) The term "special populations" includes individuals with disabilities, economically disadvantaged individuals, individuals of limited English proficiency, and individuals who are eligible for nontraditional training and employment.

(13) The term "tech-prep education program" means a program of study which—

(A) combines at least 2 years of secondary and 2 years of postsecondary education in a nonduplicative sequential course of study;

(B) integrates academic and vocational instruction;

(C) provides technical preparation in at least 1 field of engineering technology, applied science, mechanical, industrial, or practical arts or trade, or agriculture, health occupations, or business;

(D) builds student competence in mathematics, science, communications, and workplace skills, through applied academics and integrated instruction in a coherent sequence of courses;

(E) leads to an associate degree or certificate in a specific career field;

(F) leads to placement in appropriate employment or further education; and

(G) enables a student to fulfill a career relating to labor market needs.

(14) The term "vocational education" means organized educational programs offering a sequence of courses which are directly related to the preparation of youth in paid or unpaid employment in current or emerging occupations, including nonbaccalaureate certificate and degree programs and baccalaureate vocational degree programs. Such programs include competency-based applied learning which contributes to a youth's academic knowledge, higher-order reasoning, and problem-solving skills, work attitudes, general employability skills, and the occupational-specific skills necessary for economic independence as a productive and contributing member of society. Such term also includes applied technology education.

(15) The term "vocational student organizations" means those organizations for individuals enrolled in vocational education programs which engage in activities as an integral part of the instructional program. Such organizations may have State and national units which aggregate the work and purposes of instruction in vocational education at the local level.

Subtitle A—State Funding

SEC. 211. NATIONAL AND STATE FUNDING.

(a) NATIONAL PROGRAMS.—In each fiscal year, of the amounts made available under section 4, the Secretary is authorized to reserve 20 percent or $25,000,000, whichever is less, to carry out the provisions of subtitle D.

(b) STATE ALLOTMENT.—

(1) IN GENERAL.—Of the funds remaining after the reservation under subsection (a), the Secretary shall allot to each State for each fiscal year an amount based on that State's allotment percentage.

(2) ALLOTMENT PERCENTAGE.—(A) Except as provided in subparagraph (B), the allotment percentage of a State for a fiscal year shall be the same percentage of funds allotted to the State under this section in the preceding fiscal year.

(B) The allotment percentage of a State for fiscal year 1996 shall be the percentage of funds allotted to the State in fiscal year 1995 under—

(i) section 101 or 101A of the Carl D. Perkins Vocational and Applied Technology Education Act as such Act was in effect on the day before the date of the enactment of this Act; and

(ii) the funding allotted in fiscal year 1995 under section 252 and 262 of the Job Training Partnership Act as such Act was in effect on the day before the date of the enactment of this Act.

(3) STATE MINIMUM.—Notwithstanding any other provision of law and subject to paragraph (1), any fiscal year for which the amounts appropriated for programs authorized by this title exceed the amounts available under subparagraph (B) for fiscal year 1995, a State shall receive not less than one-quarter of one percent of the amount available for each such program for that fiscal year under this subsection. Amounts necessary for increasing such payments to States to comply with the preceding sentence shall be obtained by ratably reducing the amounts to be paid to other States.

(4) DEFINITION.—For the purposes of this subsection the term "State" means, in addition to the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

(c) FUNDING FOR STATE PROGRAMS.—Of the funds allotted to a State under subsection (b) for each fiscal year, the Governor, through the collaborative process, shall—

(1) make available not less than 90 percent to local providers;

(2) make available not more than 8 percent for State programs described in section 222; and

(3) make available not more than 2 percent for administrative purposes at the State level.

(d) PROVISO.—None of the funds made available under this title shall be used to compel any youth to pursue a specific career. Youth participating in programs under this title shall be eligible to change their course of study and training.

SEC. 212. WITHIN STATE ALLOCATION.

(a) IN GENERAL.—

(1) ALLOCATION OF FUNDS.—From the amounts made available pursuant to section 211(c)(1), the Governor, through the collaborative process, shall—

(A) allocate to eligible institutions an amount equal to not less than 40 percent of such amount for in-school youth programs described in section 241;

(B) allocate to local workforce development boards an amount equal to not less than 40 percent of such amount for at-risk youth programs described in section 245.

(2) DISCRETIONARY FUNDS.—From the amounts made available pursuant to section 211(c)(1), the Governor, through the collaborative process, is authorized to provide 10 percent of such amounts for discretionary purposes, as determined by the Governor, to eligible institutions or local workforce development boards for in-school and at-risk youth.

(3) REMAINDER OF FUNDS.—From the remainder of amounts made available pursuant to section 211(c)(1) and distributed pursuant

to paragraphs (1) and (2) of this subsection, the Governor, through the collaborative process, shall allocate the remainder of any such amounts to carry out the purposes of subparagraphs (A) or (B) of paragraph (1).

(b) WITHIN STATE FORMULA.—

(1) ESTABLISHMENT.—The Governor, through the collaborative process, and after consultation with local chief elected officials in the local workforce development area and, where appropriate, local educators in such area, shall develop a formula for the allocation of funds in accordance with paragraph (1) of subsection (a). Such formula shall take into account—

(A) poverty rates within each local community, as determined by the State;

(B) the proportion of the State's youth population residing within each local community; and

(C) such other factors as considered appropriate.

(2) ADDITIONAL FACTORS.—In establishing such formula, the Governor shall ensure that funds are distributed equitably throughout the State, and that the factors described in paragraph (1) do not receive disproportionate weighting.

(c) MINIMUM GRANT AMOUNTS.—

(1) LOCAL EDUCATIONAL AGENCIES.—A local educational agency or consortium of such agencies that receives a subgrant from a State under paragraph (1) of subsection (a) for any fiscal year shall receive not less than $15,000.

(2) POSTSECONDARY INSTITUTIONS.—A postsecondary institution or consortium of such institutions that receives a subgrant from a State under paragraph (1) of subsection (a) for any fiscal year shall receive not less than $50,000.

(3) LOCAL DEVELOPMENT BOARD.—A local development board that receives a subgrant from a State under paragraph (1) of subsection (a) for any fiscal year shall receive not less than $15,000.

(4) SECONDARY-POSTSECONDARY CONSORTIA.—One or more local educational agencies and one or more eligible institutions may enter into a consortium agreement. A consortium formed pursuant to this paragraph that receives a subgrant from a State under this subtitle shall receive not less than $50,000 in any fiscal year.

(d) FUNDS TO CONSORTIUM.—Funds allocated to a consortium formed to meet the requirements of subsection (c) shall be used only for purposes and activities that are mutually beneficial to all members of the consortium. Such funds may not be reallocated to individual members of the consortium for purposes or activities benefiting only one member of the consortium.

(e) WAIVER.—The State may waive the application of subsection (c) in any case in which a grant recipient—

(1) is located in a rural, sparsely-populated area; and

(2) demonstrates an inability to enter into a consortium for purposes of providing services under this title.

Subtitle B—State Organizational, Planning, and Reporting Responsibilities

SEC. 221. STATE PLAN.

In addition to the requirements described in title I, a State that desires to receive funds for any fiscal year under this title shall, as part of the State Workforce Development and Literacy Plan under title I, submit to the Secretary of Education information that includes—

(1) a description of the State's plan to develop the academic and occupational skills of youth and provide the attainment of challenging vocational-technical education standards, including industry-approved skill standards and workplace competencies;

(2) a description of how the State will improve comprehensive career guidance and counseling which may include linkages to career exploration and guidance counseling outside of the school system and shall describe how the State will effectively demonstrate the system of career preparation for youth, which includes elements such as professional development, and secondary-postsecondary collaborations;

(3) a description of the strategy of the State for integrating academic, vocational, and work-based learning, including a description of how the State will promote collaboration between secondary and postsecondary occupational and academic programs and institutions and incorporating learning in all aspects of the industry; and

(4) a description of how the State will promote the active involvement of parents and business (including small- and medium-sized businesses) in the planning, development, and implementation of youth development and career preparation programs authorized under this title.

SEC. 222. STATE PROGRAMS AND STATE ACTIVITIES.

(a) GENERAL AUTHORITY.—From amounts made available to a State under section 211(c)(2), each State shall conduct State programs and activities.

(b) USES OF FUNDS.—The programs and activities described in subsection (a) may include—

(1) an assessment of programs conducted with assistance under this title, including the development of—

(A) performance indicators and measures for such programs; and

(B) program improvement and accountability with respect to such programs;

(2) the support for tech-prep education;

(3) support for workforce preparation programs for single parents, displaced homemakers, and single pregnant women;

(4) support for corrections vocational education;

(5) professional development activities for vocational teachers, academic teachers, school administrators, counselors, workplace mentors, and local providers regarding integration of vocational, academic, and work-based curricula, including—

(A) inservice and preservice training of teachers and faculty in state-of-the-art programs and techniques and nontraditional training and employment; and

(B) support of public teacher-education programs to ensure vocational teachers stay current with the needs, expectations, and methods of industry to meet employer standards;

(6) development, dissemination, and field testing of curricula, especially—

(A) curricula that integrate vocational, academic, and work-based methodologies;

(B) curricula that provide a coherent sequence of courses through which academic and occupational skills may be measured; and

(C) curricula for work-based learning;

(7) leadership and instructional programs in technology education;

(8) support for cooperative education;

(9) support for family and consumer science programs;

(10) creative use of technologies, including professional development in the use of such technologies for instructional purposes and to increase counselor's and youth's knowledge of, and use of, additional information resources;

(11) support for vocational student organizations; and

(12) improving comprehensive career guidance and counseling.

SEC. 223. INCENTIVE AWARDS.

The State, may, from the amount made available under section 211(c)(2) for any fiscal year make performance awards to 1 or more eligible institutions or local providers that have—

(1) exceeded in the performance goals described in section 110(f)(3);

(2) implemented exemplary youth development and career preparation programs at the local level in accordance with the purposes described in section 201; or

(3) provided exemplary education services and activities for at-risk youth.

Subtitle C—Subgrants for In-School and At-Risk Youth

SEC. 231. PARTNERSHIP AGREEMENTS.

(a) PARTNERSHIP.—A local workforce development board and eligible institutions that desire to receive a subgrant from a State under this subtitle in any fiscal year shall form a partnership for the purposes of collaborative planning, coordination of in-school and at-risk programs, and effective public participation.

(b) PLAN.—

(1) IN GENERAL.—The partnership referred to in subsection (a) shall, in collaboration, develop and submit for approval to the Governor through the State collaborative process a comprehensive youth development and career preparation plan for in-school and at-risk youth. Such plan shall describe how the youth development and career preparation system meets the requirements of sections 241 and 245 and shall address comments received through the collaborative process.

(2) COLLABORATIVE PROCESS.—The partnership shall assure the involvement of parents, teachers, and the community in the collaborative planning process which involves design of the indicators, strategies, articulation, and cooperative agreements, assessments, and evaluation of program activities.

(3) DISPUTES.—In the event a partnership cannot come to agreement on the content of local plans, the Governor, through the collaborative process, is authorized to develop procedures for the resolution of issues in dispute.

SEC. 232. DISTRIBUTION OF FUNDS.

(a) IN-SCHOOL PROGRAMS.—Based upon an application submitted by the partnership to the Governor through the State collaborative process, a State shall distribute funds made available in a fiscal year as provided in section 212(a)(1)(A) to eligible institutions to carry out in-school youth programs described in section 241.

(b) AT-RISK YOUTH PROGRAMS.—A State shall distribute funds made available in any fiscal year as provided in section 212(a)(1)(B) to local workforce development boards to carry out at-risk youth programs described in section 245.

CHAPTER 1—IN-SCHOOL YOUTH

SEC. 241. USES OF FUNDS FOR IN-SCHOOL YOUTH.

(a) GENERAL AUTHORITY.—Each eligible institution that receives a subgrant under this chapter shall use funds provided under such grant to improve youth development and career preparation programs.

(b) REQUIREMENTS FOR USES OF FUNDS.—Funds provided by a State pursuant to section 212(a)(1)(A) shall be used to provide in-school youth development and career preparation programs that—

(1) are of such size, scope, and quality as to be effective;

(2) integrate academic, vocational, and work-based learning, stressing applied and contextual learning, through a coherent sequence of courses so that youth achieve both academic and occupational competencies and have strong experience in, and understanding of, all aspects of the industry;

(3) involve employers in the design and implementation of programs;

(4) establish effective linkages with at-risk youth programs, secondary and postsecondary education;

(5) provide work-based learning experiences with adult mentoring where appropriate; and

(6) provide comprehensive career guidance and counseling, including exploration in the practical arts or trade.

(c) ADDITIONAL USES OF FUNDS.—In carrying out the provisions of subsection (b), funds may be used by an eligible institution for in-school youth activities such as—

(1) purchasing, leasing, or upgrading of equipment, including instructional aids and material;

(2) inservice training of vocational instructors, academic instructors, employers, and workplace mentors, to integrate academic and vocational education, and provide high-quality school-based and work-based learning experiences;

(3) tech-prep education programs;

(4) supplementary services designed to meet the needs of special populations;

(5) adaptation of equipment;

(6) apprenticeship programs;

(7) comprehensive mentoring programs in institutions of higher education offering comprehensive programs in teacher preparation which seek to fully use the skills and work experiences of individuals currently or formerly employed in business and industry, who are interested in becoming classroom instructors, and to meet the need of vocational educators who wish to upgrade their teaching competencies;

(8) local education and business partnerships for developing and implementing school-based youth development and career preparation systems;

(9) support for vocational student organizations;

(10) establishing effective activities and procedures to enable program participants and their parents to participate directly in decisions that influence the character of programs, including providing information and assistance needed for informed and effective participation; and

(11) support for programs which prepare youth with skills for personal and family life management, work, and leadership in the community and the Nation.

CHAPTER 2—AT-RISK YOUTH

SEC. 245. USES OF FUNDS FOR AT-RISK YOUTH.

(a) GENERAL AUTHORITY.—Each local workforce development board that receives a subgrant under this chapter shall use funds provided under such grant to improve youth development and career preparation programs.

(b) REQUIREMENTS FOR USES OF FUNDS.—Funds provided by a State pursuant to section 212(1)(B) shall be used to provide youth development and career preparation programs for at-risk youth that—

(1) are of such size, scope, and quality as to be effective;

(2) integrate academic, vocational, and work-based learning, stressing applied and contextual learning, through a coherent sequence of courses so that in-school and at-risk youth achieve both academic and occupational competencies;

(3) involve employers in the design and implementation of programs;

(4) establish effective linkages with in-school youth programs, and secondary and postsecondary education;

(5) provide work-based learning experiences, including experiences in the practical arts or trade, if applicable;

(6) provide adult mentoring as a core component of the program;

(7) provide an objective assessment of the academic level, skill level, and service needs of each participant; and

(8) provide comprehensive career guidance and counseling.

(c) ADDITIONAL USES OF FUNDS.—In carrying out the provisions of subsection (b), providers of at-risk youth programs, as selected by the local workforce development board, may provide activities such as—

(1) tutoring, study skills training and instruction leading to completion of high school;

(2) alternative high school services;

(3) training or education that is combined with community service, and service learning opportunities;

(4) paid and unpaid work experience, including limited internships, entry-employment experience programs, and summer employment opportunities, that are integrated with year-round, school-based, or alternative school-based programs;

(5) dropout prevention strategies, strategies to encourage at-risk youth to reenter high school or alternative high school programs, and programs that encourage pregnant and parenting youth to stay in school;

(6) preemployment and work maturity skills training;

(7) peer-centered activities encouraging responsibility and other positive social behaviors during non-school hours; and

(8) training-related supportive services.

(d) LIMITATIONS ON USE OF FUNDS.—Not more than 10 percent of the funds provided under this chapter to a local workforce development board may be used for administrative purposes.

SEC. 246. AT-RISK YOUTH PROVIDERS.

(a) ROLE OF LOCAL WORKFORCE DEVELOPMENT BOARD.—A local workforce development board that receives funds under this chapter shall not operate programs, but shall contract with eligible providers of demonstrated effectiveness, or with eligible providers utilizing service methodologies with demonstrated effectiveness in serving the youth development and career preparation needs of at-risk youth, for the purpose of providing services under this chapter.

(b) ELIGIBLE PROVIDERS.—For purposes of this chapter, eligible providers may include—

(1) an "eligible institution" as defined under section 202(7);

(2) a unit of local government;

(3) a private, nonprofit organization (including community-based organizations);

(4) a private, for profit entity; or

(5) other organizations or entities of demonstrated effectiveness and approved by the local workforce development board.

Subtitle D—National Programs

SEC. 251. RESEARCH ACTIVITIES.

(a) GENERAL AUTHORITY.—

(1) IN GENERAL.—In order to carry out the purpose of this title, the Secretary may, directly or through grants, contracts, or cooperative agreements, carry out research, development, dissemination, replication of model programs, demonstration programs, evaluation, capacity-building, and technical assistance activities with regard to the services and activities carried out under this title.

(2) INFORMATION SYSTEMS.—Activities carried out under this section may include support for occupational and career information systems.

(b) DISSEMINATION.—The Secretary shall establish a system for disseminating information resulting from research and development activities carried out under this title.

SEC. 252. ASSESSMENT AND DATA COLLECTION OF YOUTH DEVELOPMENT AND CAREER PREPARATION PROGRAMS.

(a) IN GENERAL.—The Secretary, through the Office of Educational Research and Improvement, shall conduct a biennial assessment of services and activities assisted under this title, through studies and analyses conducted independently through competitive awards.

(b) CONTENTS.—The assessment required under subsection (a) shall examine the extent to which services and activities assisted under this title have achieved their intended purposes and results, including the extent to which—

(1) State and local services and activities have developed, implemented, or improved youth development and career preparation systems established under this title;

(2) services and activities assisted under this title succeed in preparing youth, including youth who are members of special populations, for postsecondary education, further learning, or entry into high-skill, high-wage careers;

(3) youth who participate in services and activities supported under this title succeed in meeting challenging State academic and industry-based skill standards; and

(4) the system improvement, participation, local and State assessment, and accountability provisions of this title, including the performance goals and indicators established under section 110(f)(3), are effective.

SEC. 253. NATIONAL CENTER OR CENTERS FOR RESEARCH.

(a) GENERAL AUTHORITY.—

(1) NATIONAL CENTER.—The Secretary may, through a grant or contract, establish one or more national centers for conducting applied research, development, dissemination, and technical assistance activities which would focus on improving the development and career preparation of youth. The Secretary shall consult with States prior to establishing one or more such centers.

(2) ELIGIBILITY.—Entities eligible to receive funds under this section are institutions of higher education, other public or private nonprofit organizations or agencies, and consortia of such institutions, organizations, or agencies.

(3) PREVIOUS CENTER.—The national center in existence on the day before the date of the enactment of the this Act shall continue to receive assistance under this section in accordance with the terms of its current award.

(b) ACTIVITIES.—

(1) IN GENERAL.—The applied research, development, dissemination, and technical assistance activities carried out by the national center or centers shall include—

(A) activities that assist recipients of funds under this title to meet the requirements of section 110(f)(3);

(B) research and development of activities that combine academic, vocational-technical education, and work-based learning;

(C) developing new models for remediation of basic academic skills which incorporate appropriate instructional methods;

(D) identifying ways to establish effective linkages among educational and job training activities at the State and local levels;

(E) new models for comprehensive career guidance and counseling;

(F) studies providing longitudinal information or formative evaluation on programs funded under this title, including an analysis of the effectiveness of youth development and career preparation programs in serving at-risk youth; and

(G) such other activities as the Secretary determines to be appropriate to achieve the purposes of this Act.

(2) DUTIES.—The center or centers shall—

(A) provide assistance to States and local recipients in developing and using systems of performance measures and indicators for improvement of youth development and career preparation programs and services; and

(B) provide technical assistance and outreach.

(3) SUMMARY.—The center or centers conducting the activities described in paragraph (1) shall annually prepare a summary of key research findings of such center or centers and shall submit copies of the summary to the Secretaries of Education and Labor. The Secretary shall submit that summary to the Committee on Labor and Human Resources of the Senate, and the Committee on Economic and Educational Opportunities of the House of Representatives.

(c) CLEARINGHOUSE.—The center or centers shall maintain a clearinghouse that will provide data and information to Federal, State, and local organizations and agencies about the condition of youth development and career preparation systems and programs funded under this title.

TITLE III—ADULT EMPLOYMENT AND TRAINING CONSOLIDATION GRANT

SEC. 301. PURPOSE.

The purpose of this title is to establish an efficient, high-quality, and equitable system of employment, job training, and related assistance designed to facilitate the transition of adults into productive, high skills, private sector employment.

Subtitle A—Adult Employment and Training Consolidation Grant

SEC. 311. AUTHORIZATION.

(a) IN GENERAL.—In the case of each State that in accordance with the requirements of section 102 submits to the Secretary of Labor (hereinafter in this title referred to as the "Secretary") a State workforce development and literacy plan under section 104, the Secretary shall provide a grant to the State for the purpose of providing employment, job training, and related assistance for adults in the State.

(b) AMOUNT.—The grant shall consist of the allotment determined for the State under section 312.

SEC. 312. ALLOTMENT AMONG STATES.

(a) IN GENERAL.—Of the amount appropriated pursuant to section 4(a)(2) to carry out this title for a fiscal year, the Secretary shall—

(1) allot 85 percent of such amounts in accordance with subsection (b); and

(2) reserve 15 percent for use under subtitle B.

(b) ALLOTMENT AMONG STATES.—

(1) RESERVATION FOR THE TERRITORIES.—Of the amount allotted under subsection (a)(1), the Secretary shall allot not more than one quarter of one percent among the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, and the Virgin Islands.

(2) STATES.—After determining the amount to be allotted under paragraph (1), the Secretary shall allot the remaining amount to the remaining States so that each State receives an amount that bears the same proportion to such remaining amount as—

(A) the amount allotted to each such State from allotments under sections 202 and 302 of the Job Training Partnership Act (29 U.S.C. 1602 and 1652) (as in effect before the date of the enactment of this Act) for fiscal year 1995; bears to

(B) the aggregate of the amounts allotted to all such States from allotments under such sections for such fiscal year.

(c) MINIMUM ALLOTMENT.—No State shall receive less than one-quarter of one percent of the amount available under this title for a fiscal year. Amounts necessary for increasing such payments to States to comply with the preceding sentence shall be obtained by ratably reducing the amounts to be paid to other States.

SEC. 313. ALLOCATION WITHIN STATES.

(a) RESERVATIONS FOR STATE ACTIVITIES.—

(1) IN GENERAL.—The Governor of the State shall reserve not more than 20 percent of the amount allotted to the State under section 312(b) for a fiscal year for statewide activities for employment, job training, and related assistance for adults.

(2) MANDATORY ACTIVITIES.—Such activities shall include—

(A) rapid response activities; and

(B) additional assistance to areas that experience disasters, mass layoffs or plant closings, or other events which precipitate substantial increases in the number of unemployed workers, to be expended in accordance with the local plan of the relevant workforce development area.

(3) DISCRETIONARY ACTIVITIES.—

(A) IN GENERAL.—Such activities may include—

(i) subject to subparagraph (B), administration by the State of programs under this subtitle;

(ii) capacity building and technical assistance to local workforce development areas, integrated career center systems, and service providers, including the development and training of staff and the development of exemplary program activities;

(iii) incentives for program coordination, performance awards, and research and demonstrations;

(iv) implementation of innovative incumbent worker training programs, which may include the establishment and implementation of an employer loan program to assist in skills upgrading (in accordance with the requirements of section 324);

(v) implementation of experimentation, model activities, pilot projects, and demonstration projects which further the goals and purposes of this Act;

(vi) additional assistance for the development and implementation of the integrated career center system of the State established in accordance with title I; and

(vii) support for a common management information system as described in section 109.

(B) LIMITATION.—Not more than 25 percent of the amount reserved by the Governor under paragraph (1) may be used for administration by the State of programs under this subtitle.

(b) WITHIN STATE ALLOCATION.—

(1) IN GENERAL.—The Governor of the State shall allocate the remainder of the amount allotted to the State under section 312(b) to workforce development areas designated under title I of this Act, in accordance with paragraphs (1) and (2) of such section, for the purpose of providing employment, job training, and related services for adults in accordance with section 315.

(2) WITHIN STATE FORMULA.—

(A) ESTABLISHMENT.—The Governor, through the collaborative process under section 103 of this Act, and after consultation with local chief elected officials in the local workforce development area, shall develop a formula for the allocation of 90 percent of the remainder of funds described in paragraph (1), to workforce development areas, taking into account—

(i) poverty rates within each local workforce development area, as determined by the State;

(ii) unemployment rates within each local workforce development area;

(iii) the proportion of the State's adult population residing within each local workforce development area; and

(iv) such other factors as considered appropriate.

(B) ADDITIONAL FACTORS.—In establishing such formula, the Governor shall ensure that funds are distributed equitably throughout the State, and that the factors described in subparagraph (A) do not receive disproportionate weighting.

(3) WITHIN STATE DISCRETIONARY ALLOCATION.—In addition, the Governor is authorized to allocate 10 percent of the remainder of funds described in paragraph (1) to workforce development areas designated under title I of this Act. Amounts may be allocated to such areas as determined by the Governor.

SEC. 314. ADDITIONAL STATE PLAN REQUIREMENTS.

The State shall, as part of the State workforce development and literacy plan under title I of this Act, submit to the Secretary the following additional information:

(1) A description of how the State will serve the employment and training needs of dislocated workers, economically disadvantaged individuals, older workers, individuals with disabilities, displaced homemakers, veterans, and individuals with multiple barriers to employment (as determined by the State), including individuals who are basic skills deficient.

(2) A description of how the State will provide rapid response assistance to workers experiencing dislocation as a result of mass layoffs and plant closings, either through the direct provision of services or through the transfer of funds to local workforce development areas for the provision of such services.

SEC. 315. USE OF AMOUNTS.

(a) CORE SERVICES.—Amounts allocated under section 313(b) shall be used to provide core services to adults through integrated career center systems in accordance with title I of this Act.

(b) INTENSIVE SERVICES.—

(1) IN GENERAL.—Amounts allocated under section 313(b) shall be used to provide intensive services to adults—

(A) who are unable to obtain employment through core services under subsection (a); and

(B) who have been determined to be in need of more intensive services in order to gain employment.

(2) DELIVERY OF SERVICES.—Such intensive services shall be provided—

(A) directly through integrated career center systems in accordance with title I of this Act; or

(B) through contracts through such systems with service providers approved by the local workforce development board, which may include private, for-profit providers.

(3) TYPES OF SERVICES.—Such intensive services may include the following:

(A) Comprehensive and specialized assessments of the skill levels and service needs of adults, which may include—

(i) diagnostic testing and other assessment tools; and

(ii) in-depth interviewing and evaluation to identify employment barriers and appropriate employment goals.

(B) Development of an individual employment plan, to identify the employment goals, appropriate achievement objectives, and the appropriate combination of services for the adult to achieve the employment goal.

(C) Group counseling.

(D) Individual counseling and career planning.

(E) Case management for adults receiving education and training services under subsection (c) or supportive services under subsection (d).

(F) Follow-up counseling for adults placed in training or employment, for up to 1 year.

(c) EDUCATION AND TRAINING SERVICES.—

(1) IN GENERAL.—Amounts allocated under section 313(b) shall be used to provide education and training services to adults—

(A) who are unable to obtain employment through core services under subsection (a);

(B) who are in need of education and training services in order to gain employment as a result of determinations made through—

(i) preliminary assessments under section 107(f)(1)(B) of this Act; or

(ii) comprehensive and specialized assessments under subsection (b)(3)(A); and

(C) who are unable to obtain other grant assistance for such services, such as through Federal Pell Grants established under title IV of the Higher Education Act of 1965.

(2) DELIVERY OF SERVICES.—Such education and training services shall be provided through education and training providers certified in accordance with title I of this Act.

(3) TYPES OF SERVICES.—Such education and training services may include the following:

(A) Basic skills training, including remedial education, literacy training, and English literacy program instruction.

(B) Occupational skills training, including training for nontraditional employment.

(C) On-the-job training.

(D) Programs that combine workplace training with related instruction.

(E) Training programs operated by the private sector.

(F) Skill upgrading and retraining.

(G) Entrepreneurial training.

(H) Employability training to enhance basic workplace competencies.

(I) Customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.

(4) ADDITIONAL REQUIREMENTS.—

(A) USE OF CAREER GRANTS.—

(i) IN GENERAL.—Except as provided in clause (ii) and clause (iii), education and training services under this section shall be provided through the use of career grants in accordance with this subsection, and shall be distributed to eligible individuals through integrated career centers or affiliated sites as described in section 107, and in accordance with section 108 regarding the identification of eligible education and training providers.

(ii) EXCEPTIONS.—Education and training services authorized under this title may be provided pursuant to a contract for services in lieu of a career grant if—

(I) such services are on-the-job training provided by an employer;

(II) the local workforce development board determines there are an insufficient number of certified providers of education and training services in the workforce development area to accomplish the purposes of a career grant system;

(III) the local workforce development board determines that the certified providers of education and training in the workforce development area are unable to provide effective services to special participant populations; or

(IV) the local workforce development board decides to enter into a direct training contract with a community based organization serving special participant populations.

(iii) TRANSITION.—States may have up to three years from the date of enactment of this Act to fully implement the requirements of clause (i), but nothing shall prohibit states from beginning such implementation at an earlier date.

(B) LINKAGE TO OCCUPATIONS IN DEMAND.—Education and training services under this subsection shall be directly linked to occupations for which there is a demand in the local workforce development area, or in another area to which an adult receiving such services is willing to relocate.

(d) ADDITIONAL SERVICES.—

(1) SUPPORTIVE SERVICES.—Supportive services may be provided for individuals—

(A) who are receiving assistance under any of subsections (a) through (c); and

(B) who are unable to receive such services through other programs providing such services.

(2) NEEDS-RELATED PAYMENTS.—

(A) IN GENERAL.—Amounts allocated under section 313(b) may be used to provide needs-related payments to adults who are unemployed and do not qualify for (or have ceased to qualify for) unemployment compensation for the purpose of enabling such adults to participate in education and training programs under subsection (c).

(B) ADDITIONAL ELIGIBILITY REQUIREMENTS.—In addition to the requirements contained in subparagraph (A), a dislocated worker who has exhausted unemployment insurance benefits may be eligible to receive needs-related payments under this paragraph only if such worker was enrolled in education or training by the end of the 8th week of the worker's initial unemployment compensation benefit period, or, if later, by the end of the 8th week after the worker is informed that a short-term layoff will in fact exceed 6 months.

(e) PRIORITY.—Local workforce development boards shall establish a process through which priority is given to dislocated workers and economically disadvantaged individuals, for receipt of services provided under subsections (b) and (c), in the event that funds are limited within the workforce development area.

(f) PROHIBITION ON PRIVATE RIGHT OF ACTION.—Nothing in this section may be construed to establish a right for a participant to bring an action to obtain services under a program established under this section.

(g) LIMITATIONS ON USE OF FUNDS.—Not more than 10 percent of the funds provided under this title to a local workforce development board may be used for administrative purposes.

Subtitle B—Federal Programs

SEC. 321. NATIONAL DISCRETIONARY GRANTS.

(a) GRANTS FOR DISLOCATED WORKERS.—

(1) IN GENERAL.—From amounts reserved under section 312(a)(2) for any fiscal year, the Secretary is authorized to award national discretionary grants to address major economic dislocations that result from plant closures, base closures, or mass layoffs.

(2) APPLICATION.—To receive a grant under this section, an eligible entity shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary determines is appropriate.

(3) ELIGIBLE ENTITIES.—Grants under this section may be awarded to—

(A) the State;

(B) a local workforce development board administering assistance under this Act;

(C) employers and employer associations;

(D) worker-management transition assistance committees and other employer-employee entities;

(E) representatives of employees;

(F) community development corporations and community-based organizations; and

(G) industry consortia.

(b) INCENTIVE GRANTS.—From amounts reserved under section 312(a)(2) for any fiscal year, the Secretary may provide awards to States—

(1) to assist in the implementation of exemplary statewide workforce development system designs; and

(2) for the achievement of exceptional performance in the statewide workforce development system.

SEC. 322. DISASTER RELIEF EMPLOYMENT ASSISTANCE.

(a) IN GENERAL.—From amounts reserved under section 312(a)(2) for any fiscal year, the Secretary may provide assistance to the Governor of any State within which is located an area that has suffered an emergency or a major disaster as defined in paragraphs (1) and (2), respectively, of section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (referred to in this section as the "disaster area").

(b) USE OF FUNDS.—

(1) PROJECTS RESTRICTED TO DISASTER AREAS.—Funds made available under this section—

(A) shall be used exclusively to provide employment on projects to provide food, clothing, shelter, and other humanitarian assistance for disaster victims and on projects regarding demolition, cleanup, repair, renovation, and reconstruction of damaged and destroyed structures, facilities, and lands located within the disaster area; and

(B) may be expended through public and private agencies and organizations engaged in such projects.

(2) ELIGIBILITY REQUIREMENTS.—An individual shall be eligible to be offered disaster employment under this section if such individual is a dislocated worker or is temporarily or permanently laid off as a consequence of the disaster.

(3) LIMITATIONS ON DISASTER RELIEF EMPLOYMENT.—No individual shall be employed under this part for more than 6 months for work related to recovery from a single natural disaster.

SEC. 323. RESEARCH, DEMONSTRATION, EVALUATION, AND CAPACITY BUILDING.

(a) IN GENERAL.—From amounts reserved under section 312(a)(2) for any fiscal year, the Secretary is authorized to establish and carry out research, demonstration, and capacity building activities in accordance with this section.

(b) ACTIVITIES.—The Secretary is authorized to carry out the following activities under this section:

(1) RESEARCH.—The Secretary is authorized to conduct continuing research, which may include studies and other methods and techniques, that will aid in the solution of the

employment and training problems of the United States. Such studies may include the extent to which individuals who participate in programs established under this title achieve self-sufficiency as a result of such participation, including the identification by State and locality, to the extent practicable, of indicators measuring such self-sufficiency.

(2) DEMONSTRATIONS.—The Secretary is authorized to conduct pilot and demonstration projects for the purpose of developing and improving methods and techniques for addressing employment and training needs which may include—

(A) projects conducted jointly with the Department of Defense to develop training programs utilizing computer-based and other innovative learning technologies. The Secretary may award grants and enter into contracts with appropriate entities to carry out such projects; and

(B) Projects which promote the use of distance learning, enabling students to take courses through the use of technology such as videos teleconferencing, computers, and the internet.

(3) EVALUATION.—

(A) ACTIVITIES.—

(i) JOB TRAINING ACTIVITIES.—The Secretary shall provide for the continuing evaluation of activities conducted under this Act, including the use of controlled experiments using experimental and control groups chosen by scientific random assignment, and at a minimum, determine whether job training and job placement programs effectively raise the hourly wage rates of individuals receiving training through such programs.

(ii) OTHER PROGRAMS.—The Secretary may conduct evaluations of other federally funded employment-related activities including programs administered under—

(I) the Wagner-Peyser Act (29 U.S.C. 49 et seq.);

(II) the National Apprenticeship Act (29 U.S.C. 50 et seq.);

(III) the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.); and

(IV) the Federal unemployment insurance program under titles III, IX, and XII of the Social Security Act (42 U.S.C. 501 et seq., 1101 et seq., and 1321 et seq.).

(B) EFFECTIVENESS.—The Secretary shall evaluate the effectiveness of programs authorized under this Act with respect to—

(i) the statutory goals;

(ii) the performance standards established by the Secretary; and

(iii) the extent to which such programs enhance the employment and earnings of participants, reduce income support costs, improve the employment competencies of participants in comparison to comparable persons who did not participate in such programs, and to the extent feasible, increase the level of total employment over the level that would have existed in the absence of such programs.

(4) NATIONAL PARTNERSHIP AND SPECIAL TRAINING.—The Secretary may award special grants to eligible entities to carry out activities that are most appropriately administered at the national level. Such activities may include—

(A) partnerships with national organizations with special expertise in developing, organizing, and administering employment and training services at the national, State, and local levels, such as industry and labor associations, public interests groups, community-based organizations representative of groups that encounter special difficulties in the labor market, in education and training; and

(B) activities that—

(i) address industry-wide skill shortages;

(ii) meet training needs that are best addressed on a multistate basis;

(iii) further the goals of increasing the competitiveness of the United States labor force;

(iv) require technical expertise available at the national level to serve the needs of particular client groups that encounter significant barriers to employment and who the Secretary determines require special assistance; and

(v) promote and experiment with model activities, pilot projects, and demonstration projects which further the goals and purposes of this Act.

(5) CAPACITY BUILDING AND TECHNICAL ASSISTANCE.—

(A) IN GENERAL.—The Secretary shall provide, through grants, contracts, or other arrangements, staff training and technical assistance to States, local workforce development boards, career centers, communities, business and labor organizations, service providers, industry consortia, and other entities, to enhance their capacity to develop and deliver effective employment and training services.

(B) ACTIVITIES.—The staff training and technical assistance authorized under subparagraph (A) may include—

(i) development of management information systems;

(ii) development and maintenance of a national capacity building, information and dissemination network; and

(iii) grants for the replication of successful employment and training models and activities.

SEC. 324. WORKFORCE SKILLS AND DEVELOPMENT LOANS.

(a) AUTHORIZATION.—

(1) IN GENERAL.—From amounts reserved under section 312(a)(2) for any fiscal year, the Secretary of Labor may use a portion of such amounts to provide grants to States to provide loans to eligible entities described in paragraph (2) to assist such entities in providing skills upgrading.

(2) ELIGIBLE ENTITIES.—An eligible entity described in this paragraph is—

(A) an employer;

(B) a representative of employees;

(C) a business association;

(D) a trade organization; or

(E) a consortium consisting of—

(i) more than 1 of the entities described in subparagraphs (A) through (D); or

(ii) an institution of higher education (as such term is defined in section 481 of the Higher Education Act of 1965 (20 U.S.C. 1088) which continues to meet the eligibility and certification requirements under section 498 of such Act) and 1 or more of the entities described in subparagraphs (A) through (D).

(b) APPLICATION.—The Secretary may provide a grant to a State under subsection (a) only if such State submits to the Secretary an application which contains such information as the Secretary may reasonably require.

(c) USE OF AMOUNTS.—A State shall use amounts received from a grant under subsection (a) to establish a loan guarantee program to assist eligible entities described in paragraph (2) of such subsection to provide skills upgrading. In carrying out such program, the State shall meet the following requirements:

(1) ESTABLISHMENT OF RESERVE FUND FOR LOAN GUARANTEES.—The State shall establish a reserve fund from amounts received from such grant for the purpose of making commitments to guarantee the payment of principal and interest on loans made by financial institutions to such eligible entities to provide skills upgrading.

(2) CRITERIA FOR LOAN GUARANTEES.—The State, in conjunction with appropriate financial institutions, shall establish and publish criteria for providing loan guarantees to eligible entities under the program, including criteria that provides for the following:

(A) A loan guarantee may be issued under the program only if, at the time such guarantee is issued the eligible entity agrees to pay as an insurance premium an amount equal to 1 percent of the principal received by such entity under the loan to the State's reserve fund.

(B)(i) Subject to clause (ii), the eligible entity will use amounts received from the loan to provide skills upgrading for mid- and lower-level employees, which may include—

(I) training in total quality management, statistical process control, production techniques, office automation, materials resource planning; and

(II) training to improve basic skills, including reading, writing, and arithmetic.

(ii) In providing such skills upgrading, the eligible entity shall give priority to employees who—

(I) directly produce or deliver goods or services; or

(II) are in danger of being terminated or laid off as a result of modernization in the workplace, corporate downsizing, foreign or domestic competition, or Federal policies adversely affecting 1 or more industries.

(C) Amounts from a loan shall not be used to pay the wages or other benefits of any employee receiving assistance under the program.

(3) PAYMENT BY STATE TO FINANCIAL INSTITUTIONS IN CASES OF DEFAULT.—

(A) IN GENERAL.—In accordance with criteria developed by the Secretary, the State shall make payments from the State's reserve fund to financial institutions that have provided loans to eligible entities that have defaulted on such loans for the purpose of reimbursing such institutions for the amount of principal and interest remaining unpaid to the institutions by reason of such default.

(B) NO FULL FAITH AND CREDIT OF THE UNITED STATES.—Loans provided by financial institutions to eligible entities under loan guarantee programs under this section shall not be obligations of, or guaranteed in any respect by, the United States.

(4) INTEREST FROM AMOUNTS IN RESERVE FUND.—Any interest earned from amounts in the State's reserve fund shall be credited to such fund.

(d) FEDERAL AND STATE SHARE.—

(1) FEDERAL SHARE.—The Federal share under this section may not exceed 50 percent of the total cost of the program established under subsection (c) for any fiscal year.

(2) STATE SHARE.—The State share shall be provided from non-Federal sources and may be in cash or in-kind, fairly evaluated.

SEC. 325. EMPLOYMENT, TRAINING, AND EDUCATION ASSISTANCE FOR NATIVE AMERICANS.

(a) AUTHORIZATION.—From amounts reserved under section 4(a)(2) for any fiscal year, there shall be reserved one quarter of one percent, or $85,000,000, whichever is less, to provide grants to, or enter into contracts or cooperative agreements with, Indian tribes and tribal organizations, tribally-controlled colleges, tribally-controlled postsecondary vocational institutions, Indian-controlled organizations serving off-reservation areas, Alaska Native village and regional entities serving areas as described in the Alaska Native Claims Settlement Act and Hawaiian Native-controlled organizations to provide employment, training, vocational rehabilitation, library services, and education assistance for Native Americans.

(b) TRANSFER OF AUTHORITY FOR VOCATIONAL EDUCATION ACTIVITIES.—In carrying out subsection (a), the Secretary of Labor may enter into an agreement with the Secretary of Education to carry out any portion of assistance under such subsection devoted to vocational educational activities, including support for the United Tribes Technical College and Crownpoint Institute of Technology.

(c) CONSOLIDATION OF FUNDS.—Entities receiving assistance under subsection (a) may consolidate such assistance with assistance received from related programs in accordance with the provisions of the Indian Employment, Training and Related Services Demonstration Act (Public Law 102-477).

(d) REGULATIONS.—The Secretary shall consult with Indian, Alaska Native and Hawaiian Native groups in establishing regulations to carry out this section, including performance standards for entities receiving assistance under subsection (a), taking into account the economic circumstances of such groups.

SEC. 326. EMPLOYMENT, TRAINING, AND EDUCATION ASSISTANCE FOR MIGRANT AND SEASONAL FARMWORKERS.

(a) AUTHORIZATION.—

(1) IN GENERAL.—From amounts reserved under section 4(a)(2) for any fiscal year, there shall be reserved one quarter of one percent, or $85,000,000, whichever is less, to provide grants to, or enter into contracts or cooperative agreements with, entities described in paragraph (2) to provide employment, training, and education assistance for migrant and seasonal farmworkers.

(2) ENTITIES DESCRIBED.—An entity described in this paragraph is an entity the Secretary determines to have the capacity to administer effectively a diversified workforce development program for migrant and seasonal farmworkers.

(b) USE OF AMOUNTS.—An entity shall use amounts received under subsection (a) to provide employment, training, educational development, high school equivalency, postsecondary education assistance, vocational rehabilitation, literacy, English as a second language, work-based education and development, worker safety training, employability enhancements, emergency or other disaster relief, housing, technical assistance, outreach, intake, assessment, follow-up, stipend support, supportive services, other needs-based assistance, self-employment and related business enterprise development education, and the management of a database on participating migrant and seasonal farmworkers.

(c) REGULATIONS.—The Secretary shall consult with seasonal and migrant farmworker groups in establishing regulations to carry out this section, including performance standards for entities receiving assistance under subsection (a)(2), taking into account the economic circumstances of such groups.

TITLE IV—ADULT EDUCATION AND FAMILY LITERACY CONSOLIDATION GRANT AND LIBRARY SERVICES AND TECHNOLOGY CONSOLIDATION GRANT

SEC. 401. FINDINGS.

The Congress finds as follows:

(1) According to the 1990 census, 21 percent of our Nation's adults (more than 38 million persons) lack a high school credential or are limited English proficient.

(2) The National Adult Literacy Survey, conducted under the Adult Education Act, found that 20 percent of all adults in the United States, or about 40 million people, have minimal levels of literacy skills and that the lack of such skills is related to unemployment, low wages, and fewer weeks worked.

(3) The success of State efforts to reform and improve public education are dependent on the ability of the United States to break intergenerational cycles of illiteracy and inadequate education by ensuring that parents possess a strong educational foundation and, as the first and most continuous teachers of their children, model for, and instill in, their children a commitment to family literacy and life-long learning.

(4) Generations of immigrants have contributed to our communities and our economy, but for them to continue to do so given recent technologies and the competitive global economy, they must master English as rapidly as possible.

(5) Studies have found that incarcerated adults are twice as likely as nonincarcerated adults to lack a good education and that such lack is a significant statistical indicator of recidivism.

(6) Certain short-term and long-term goals of the Nation may not be met unless the United States improves its current system of adult education and life-long learning through Federal leadership.

SEC. 402. DEFINITIONS.

As used in this title:

(1) CORRECTIONAL EDUCATION AGENCY.—The term "correctional education agency" means an entity that provides programs for criminal offenders in corrections institutions and for other institutionalized individuals which include academic programs for basic education, special education, bilingual or English language instruction, vocational training, library development, corrections education programs, guidance and counseling, and other supportive services for criminal offenders which may emphasize coordination of educational services with educational institutions, community-based organizations of demonstrative effectiveness, and the private sector, designed to provide education and training.

(2) EDUCATIONALLY DISADVANTAGED ADULT.—The term "educationally disadvantaged adult" means an adult who—

(A) demonstrates basic skills equivalent to or below that of students at the fifth grade level; or

(B) has been placed in the lowest or beginning level of an adult education program when that program does not use grade level equivalencies as a measure of students' basic skills.

(3) FAMILY LITERACY SERVICES.—The term "family literacy services" means services that are of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in a family and that integrate all of the following activities:

(A) Interactive literacy activities between parents and their children.

(B) Training for parents on how to be their children's primary teacher and full partners in the education of their children.

(C) Parent literacy training.

(D) An age-appropriate education program for children.

(4) SECRETARY.—The term "Secretary" means the Secretary of Education.

Subtitle A—Adult Education and Family Literacy Consolidation Grant

SEC. 411. PURPOSES.

The purposes of this subtitle are to assist States to provide—

(1) to adults, the basic educational skills necessary for employment and self-sufficiency;

(2) to adults who are parents, the educational skills necessary to be full partners in the educational development of their children;

(3) to adults, the basic English language skills necessary to participate in the civic, social, and economic life of the United States; and

(4) to adults, the opportunity to attain a high school degree or its equivalent in order to permit them to pursue further education and training or improve their family and work situations.

CHAPTER 1—FUNDING

SEC. 421. RESERVATIONS FROM AMOUNTS APPROPRIATED.

(a) NATIONAL INSTITUTE FOR LITERACY.—For any fiscal year, the Secretary shall reserve $4,500,000 of the amount appropriated under section 4(a)(3) to carry out the activities of the National Institute for Literacy described in section 441.

(b) NATIONAL LEADERSHIP ACTIVITIES.—For any fiscal year, the Secretary shall reserve $4,500,000 of the amount appropriated under section 4(a)(3) to establish and carry out the program of national leadership and evaluation activities described in section 442.

SEC. 422. ALLOTMENT.

(a) INITIAL ALLOTMENT.—From the sums available for the purpose of making grants under chapter 2 for any fiscal year, the Secretary shall allot—

(1) $100,000 each to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Virgin Islands; and

(2) $250,000 to each of the other States.

(b) ADDITIONAL ALLOTMENT.—

(1) IN GENERAL.—From the remainder of the sums described in subsection (a) after the application of the subsection, the Secretary shall allot to each State an amount which bears the same ratio to such remainder as the number of qualifying adults in the State bears to the number of such adults in all States.

(2) QUALIFYING ADULT.—For purposes of this subsection, the term "qualifying adult" means an adult who—

(A) is at least 16 years of age, but less than 61 years of age;

(B) is beyond the age of compulsory school attendance under State law;

(C) does not have a certificate of graduation from a school providing secondary education (or its equivalent); and

(D) is not currently enrolled in elementary or secondary school.

CHAPTER 2—GRANTS TO STATES

SEC. 431. REQUIREMENT TO MAKE GRANTS.

For fiscal year 1997 and subsequent fiscal years, the Secretary shall make a grant to a State in an amount equal to the initial and additional allotments of the State for the year if the State—

(1) has satisfied the requirements of title I and section 433(a)(1);

(2) agrees not to expend the grant for any purpose other than in accordance with section 432;

(3) agrees to satisfy the grant requirements in section 433(a)(2) and 433(b); and

(4) agrees not to expend the grant for the purpose of supporting or providing programs, services, or activities for individuals who are not adults, except if such programs, services, or activities are related to family literacy services.

SEC. 432. USES OF FUNDS.

(a) STATE USES OF FUNDS.—

(1) GRANTS TO SERVE TARGET POPULATIONS.—

(A) IN GENERAL.—Of the funds paid to a State under this title for fiscal year 1998 and subsequent fiscal years, 3 percent shall be distributed as performance grants made by the State on a competitive basis, and consistent with subsection (b) and section 433(b)(2), to local service providers that have provided, during the immediately preceding fiscal year, adult education or family literacy services to the target populations described in subparagraph (C).

(B) LOCAL SERVICE PROVIDERS.—The local service providers referred to in subparagraph (A) may include the following:

(i) Local educational agencies.

(ii) Correctional educational agencies.

(iii) Community-based organizations.

(iv) Public or private nonprofit agencies.

(v) Institutions of higher education.

(vi) Libraries.

(vii) Other institutions that the State determines to have the ability to provide literacy services to adults and families.

(C) TARGET POPULATIONS.—The target populations referred to in subparagraph (A) are the following:

(i) Adults with more than one barrier to self-sufficiency, such as being unemployed or an educationally disadvantaged adult.

(ii) Families on public assistance (as determined by the State).

(iii) Parents who are educationally disadvantaged adults and who have a child who is less than 8 years of age.

(iv) Adults who are individuals with disabilities or who have similar special needs.

(2) GRANTS TO LOCAL SERVICE PROVIDERS.—Of the funds paid to a State under this subtitle for any fiscal year that remain after the application of paragraph (1), at least 85 percent shall be distributed as grants made by the State on a competitive basis, and consistent with subsection (b) and section 433(b)(2), to local service providers to establish, conduct, or expand programs, services, or activities to achieve a purpose of this subtitle. Such local service providers may include the local service providers described in paragraph (1)(B).

(3) OTHER STATE ACTIVITIES.—A State may use not more than 12 percent of the funds paid to the State under this subtitle for any fiscal year that remain after the application of paragraph (1) for one or more of the following purposes:

(A) The establishment or operation of professional development programs to improve the quality of instruction provided in local adult education and literacy programs, including instruction provided by volunteers.

(B) The provision of technical assistance to local service providers.

(C) The provision of technology assistance to local service providers to enable them to improve the quality of their programs, services, and activities that achieve a purpose of this subtitle, including—

(i) providing hardware and software;

(ii) paying for service connection fees associated with gaining access to computerized databases; and

(iii) upgrading the technological capabilities of local service providers to improve the quality of their services and to assist them in providing services on a flexible schedule that meets the needs of diverse populations.

(D) The support of State or regional networks of literacy resource centers that—

(i) enhance the coordination of literacy services across public and private programs and State agencies;

(ii) enhance the capacity of the State and local service providers to provide literacy services through the diffusion and adoption of state-of-the-art teaching methods and technologies;

(iii) provide linkages between the National Institute for Literacy established under section 441 and local service providers for the sharing of literacy information, research, and resources;

(iv) encourage government and industry partnerships; and

(v) provide training and technical assistance to literacy instructors in reading instruction, the use of state-of-the-art methodologies, instructional materials, and technologies, and professional development.

(E) Monitoring and evaluating the quality of, and the improvement in, services and activities conducted with Federal financial assistance under this subtitle, including carrying out section 433(a)(2).

(F) The support of a common management information system as described in section 109.

(G) Carrying out other activities of statewide significance that promote the purposes of this Act.

(4) ADMINISTRATIVE EXPENSES.—For any fiscal year, a State may use not more than 3 percent of the funds paid to the State under this subtitle that remain after the application of paragraph (1) or $50,000, whichever is greater, for—

(A) planning, administration, and interagency coordination associated with a grant under this subtitle; and

(B) support for integrated career center systems described in section 107.

(b) LOCAL USES OF FUNDS.—A State shall require that a local service provider that receives a grant from the State under paragraph (1) or (2) of subsection (a) use the grant to establish or operate one or more programs that provide instruction or services within one or more of the following categories:

(1) Adult basic education that is designed for an adult who—

(A) has minimal competence in reading, writing, or computation;

(B) is not sufficiently competent in reading, writing, or computation to meet the requirements of adult life in the United States; or

(C) is not sufficiently competent in speaking, reading, or writing the English language to obtain employment commensurate with the adult's intellectual abilities.

(2) Adult secondary education that is designed for an adult who is literate and can function in everyday life, but who—

(A) has not acquired basic educational skills, including reading, writing, and computation; or

(B) does not have a certificate of graduation from a school providing education to students in grade 12, or its equivalent.

(3) English literacy instruction that is designed for an adult—

(A) who—

(i) has limited ability in speaking, reading, writing, or understanding the English language and whose native language is a language other than English; or

(ii) lives in a family or community environment where a language other than English is the dominant language; and

(B) who, by reason of a condition described in subparagraph (A), has sufficient difficulty reading, writing, or understanding the English language that the adult is unable—

(i) to learn successfully in a classroom where the language of instruction is English; or

(ii) to participate fully in the society of the United States.

(4) Family literacy services.

(c) AUTHORIZATION TO RECEIVE PAYMENTS FROM OTHER PROGRAMS.—A local service provider that receives a grant from a State under paragraph (1) or (2) of subsection (a), and that provides adult education and literacy services to an adult who was referred to the provider by a program supported under title II or III, may receive payment for the services from the program, either in the form of a career grant or by some other means.

SEC. 433. ADDITIONAL GRANT REQUIREMENTS.

(a) GOALS, PROGRESS INDICATORS, PERFORMANCE MEASURES.—

(1) PLANNING REQUIREMENTS.—A State that desires to receive a grant under this subtitle shall accomplish the following:

(A) Establish, through the collaborative process described in section 103, measurable goals for improving literacy levels, retention in literacy programs, and long-term learning gains of individuals in the State.

(B) Based on such goals and the performance measures described in section 110(f), establish, through such collaborative process, progress indicators to be used to evaluate the performance of local service providers receiving a grant under paragraph (1) or (2) of section 432(a).

(C) Describe such goals and progress indicators in the State workforce development and literacy plan submitted to the Secretary under section 104.

(2) IMPLEMENTATION REQUIREMENTS.—A State that receives a grant under this subtitle shall accomplish the following:

(A) With respect to each local service provider receiving a grant under paragraph (1) or (2) of section 432(a), based on the goals and progress indicators established under paragraph (1), measure the performance measures described in section 110(f) and use the data produced by such measurement to improve the quality of services provided to program participants or service recipients.

(B) Beginning on the date that is 2 years after the first date that a local service provider receives a grant under paragraph (1) or (2) of section 432(a), annually assess the degree to which the provider is meeting or exceeding the progress indicators applicable to the provider.

(C) Annually report to the Secretary on the performance measures described in section 434 for each category described in such section.

(b) OTHER REQUIREMENTS.—A State that receives a grant under this subtitle shall ensure the following:

(1) EXPENDITURES OF NON-FEDERAL FUNDS.—For any fiscal year for which a grant is made to the State under this subtitle, the State shall expend, on programs and activities relating to adult education and family literacy services, an amount, derived from sources other than the Federal Government, equal to 25 percent of the State's initial and additional allotments for the year.

(2) PRIORITY FOR PLANNING WITH BOARDS AND SYSTEMS.—In awarding grants to local service providers under paragraph (1) or (2) of section 432(a), the State shall give priority to providers that demonstrate joint planning with local workforce development boards and integrated career center systems.

(3) EQUITABLE ACCESS.—Local educational agencies, public or private nonprofit agencies, community-based organizations, correctional education agencies, institutions of higher education, libraries, and institutions which serve educationally disadvantaged adults shall be provided direct and equitable access to Federal funds provided under this subtitle in accordance with this subtitle.

(4) PAYMENTS BY LOCAL WORKFORCE DEVELOPMENT BOARDS TO LOCAL SERVICE PROVIDERS.—A local service provider that receives a grant from a State under paragraph (1) or (2) of section 432(a) may negotiate with a local workforce development board with respect to receipt of payments for adult education and literacy services provided by the provider to adults referred to the provider by a program supported under title II or III.

CHAPTER 3—NATIONAL PROGRAMS

SEC. 441. NATIONAL INSTITUTE FOR LITERACY.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There shall be established a National Institute for Literacy (in this section referred to as the "Institute"). The Institute shall be administered under the terms of an interagency agreement entered into by the Secretary of Education with the Secretary of Labor and the Secretary of Health and Human Services (in this section referred to as the "Interagency Group"). The Secretary may include in the Institute any research and development center, institute, or clearinghouse established within the Department of Education whose purpose is determined by the Secretary to be related to the purpose of the Institute.

(2) BOARD RECOMMENDATIONS.—The Interagency Group shall consider the recommendations of the National Institute for Literacy Advisory Board (in this section referred to as the "Board") established under subsection (d) in planning the goals of the Institute and in the implementation of any programs to achieve such goals.

(3) DAILY OPERATIONS.—The daily operations of the Institute shall be carried out by the Director of the Institute appointed under subsection (g).

(b) DUTIES.—

(1) IN GENERAL.—The Institute shall—

(A) provide national leadership for the improvement and expansion of the system for delivery of literacy services;

(B) coordinate the delivery of such services;

(C) support the creation of new methods of offering improved services;

(D) serve as a national resource for adult education and family literacy services by providing to the public the best and most current information available on the subjects; and

(E) assist States in developing levels of performance.

(2) AUTHORIZED ACTIVITIES.—In order to carry out the duties described in paragraph (1), the Institute may—

(A) establish a national electronic database of information that includes—

(i) information on—

(I) effective practices in the provision of literacy and basic skills instruction;

(II) public and private literacy and basic skills programs and Federal, State, and local policies affecting the provision of literacy services at the national, State, and local levels; and

(III) technical assistance, meetings, conferences, and other opportunities that lead to the improvement of literacy and basic skills services; and

(ii) a communication network for literacy programs, providers, and students;

(B) coordinate support for the provision of literacy and basic skills services across Federal agencies and at the State and local level;

(C) coordinate the support of research and development on literacy and basic skills in families and adults across Federal agencies and carry out basic and applied research and development on topics that are not being investigated by other organizations or agencies;

(D) collect and disseminate information on methods of advancing literacy that show promise of success; and

(E) assist in the development of policy with respect to literacy and basic skills.

(3) GRANTS, CONTRACTS, AND AGREEMENTS.—The Institute may enter into contracts or cooperative agreements with, or make grants to, individuals, public or private institutions, agencies, organizations, or consortia of such institutions, agencies, or organizations to carry out the activities of the Institute. Such grants, contracts, or agreements shall be subject to the laws and regulations that generally apply to grants, contracts, or agreements entered into by Federal agencies.

(c) LITERACY LEADERSHIP.—

(1) FELLOWSHIPS.—The Institute, in consultation with the Board, may award fellowships, with such stipends and allowances as the Director considers necessary, to outstanding individuals pursuing careers in adult education or literacy in the areas of instruction, management, research, or innovation.

(2) USE OF FELLOWSHIPS.—Fellowships awarded under this subsection shall be used, under the auspices of the Institute, to engage in research, education, training, technical assistance, or other activities to advance the field of adult education or literacy, including the training of volunteer literacy providers at the national, State, or local level.

(3) INTERNS AND VOLUNTEERS.—The Institute, in consultation with the Board, may award paid and unpaid internships to individuals seeking to assist the Institute in carrying out its mission. Notwithstanding section 1342 of title 31, United States Code, the Institute may accept and use voluntary and uncompensated services as the Institute determines necessary.

(d) NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—There shall be a National Institute for Literacy Advisory Board. The Board shall consist of 10 individuals appointed by the President with the advice and consent of the Senate from individuals who—

(i) are not otherwise officers or employees of the Federal Government; and

(ii) are representative of entities or groups described in subparagraph (B).

(B) ENTITIES OR GROUPS DESCRIBED.—The entities or groups referred to in subparagraph (A) are—

(i) literacy organizations and providers of literacy services, including—

(I) nonprofit providers of literacy services;

(II) providers of programs and services involving English language instruction; and

(III) providers of services receiving assistance under this subtitle;

(ii) businesses that have demonstrated interest in literacy programs;

(iii) literacy students;

(iv) experts in the area of literacy research;

(v) State and local governments; and

(vi) representatives of employees.

(2) DUTIES.—The Board shall—

(A) make recommendations concerning the appointment of the Director and staff of the Institute;

(B) provide independent advice on the operation of the Institute; and

(C) receive reports from the Interagency Group and the Director.

(3) TERMS.—

(A) IN GENERAL.—Each member of the Board shall be appointed for a term of 3 years, except that the initial terms for members may be 1, 2, or 3 years in order to establish a rotation in which ⅓ of the members are selected each year.

(B) VACANCY APPOINTMENTS.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that members' term until a successor has taken office. A vacancy in the Board shall be filled in the manner in which the original appointment was made. A vacancy in the Board shall not affect the powers of the Board.

(4) QUORUM.—A majority of the members of the Board shall constitute a quorum but a lesser number may hold hearings. Any recommendation may be passed only by a majority of its members present.

(5) CHAIRPERSON AND VICE CHAIRPERSON.—The chairperson and vice chairperson of the Board shall be elected by the members. The term of office of the chairperson and vice chairperson shall be 1 year.

(6) MEETINGS.—The Board shall meet at the call of the chairperson or a majority of its members.

(e) GIFTS, BEQUESTS, AND DEVISES.—The Institute may accept, administer, and use gifts or donations of services, money, or property, both real and personal.

(f) MAILS.—The Board and the Institute may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(g) STAFF.—The Interagency Group, after considering recommendations made by the Board, shall appoint and fix the pay of a Director.

(h) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director and staff of the Institute may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the maximum rate payable under section 5376 of title 5, United States Code.

(i) EXPERTS AND CONSULTANTS.—The Board and the Institute may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(j) REPORT.—The Institute shall submit a biennial report to the Interagency Group and the Congress.

SEC. 442. NATIONAL LEADERSHIP ACTIVITIES.

(a) IN GENERAL.—The Secretary shall establish and carry out a program of national leadership and evaluation activities to enhance the quality of adult education and family literacy programs nationwide.

(b) REQUIRED ACTIVITY.—

(1) IN GENERAL.—The program of national leadership and evaluation activities under subsection (a) shall include a national evaluation, conducted by the Secretary, of the programs and activities carried out by States and local service providers with Federal funds received under this subtitle. Such evaluation shall include information on the following:

(A) The manner in which States and local service providers use Federal funds, including the manner in which States allocate such funds among such providers.

(B) The manner in which States establish goals and performance standards and use such goals and standards to manage and improve programs.

(C) The effectiveness of the funds used under subparagraphs (B) and (C) of section 432(a)(3).

(D) The manner in which economically disadvantaged individuals and educationally disadvantaged adults are being served by States and local service providers.

(E) The coordination between programs and activities carried out with Federal funds received under titles II and III and programs and activities carried out with Federal funds received under this subtitle.

(F) The percentage of individuals receiving a service from an integrated career center system who are referred by such system to a local service provider providing adult education or literacy services.

(2) Report.—Not later than September 30, 2001, the Secretary shall provide to the Congress and publicly publish the results of the evaluation conducted under paragraph (1).

(c) Authorized Activities.—

(1) In general.—The program of national leadership and evaluation activities under subsection (a) may include the following:

(A) Assisting States in developing levels of performance.

(B) Research and development.

(C) Demonstration of model and innovative programs.

(D) Evaluations, including independent evaluations of adult education and family literacy programs carried out with financial assistance received pursuant to this subtitle.

(E) Data collection.

(F) Professional development.

(G) Technical assistance to States and local service providers receiving Federal financial assistance pursuant to this subtitle.

(H) Making grants to State or regional networks of literacy resource centers described in section 432(a)(3)(D).

(I) Other activities to enhance the quality of adult education and family literacy programs nationwide.

(2) Grants, contracts, and cooperative agreements.—The Secretary may carry out the activities described in paragraph (1) directly or through grants, contracts, and cooperative agreements.

Subtitle B—Library Services and Technology Consolidation Grant

SEC. 451. PURPOSES.

The purposes of this subtitle are—

(1) to consolidate Federal library service programs;

(2) to improve public access to information through electronic networks; and

(3) to provide linkages among and between libraries and integrated career center systems.

SEC. 452. AUTHORIZATION OF APPROPRIATIONS.

(a) In General.—There are authorized to be appropriated to carry out this subtitle $110,000,000 for each of the fiscal years 1997 through 2002.

(b) Advance Notice of Funding.—For the purpose of affording adequate notice of funding available under this subtitle, an appropriation to carry out this subtitle is authorized to be included in an appropriation Act for the fiscal year preceding the fiscal year for which such appropriation is first available for obligation.

SEC. 453. ALLOTMENTS.

(a) Initial Allotments.—

(1) In general.—From the sums appropriated under section 452 for any fiscal year, the Secretary shall allot—

(A) $40,000 each to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Virgin Islands; and

(B) $200,000 to each of the other States.

(2) Ratable reduction.—If the sums appropriated under section 452 for any fiscal year are insufficient to pay all of the allotments under paragraph (1), each such allotment shall be ratably reduced.

(b) Additional Allotments.—

(1) In general.—From the remainder of the sums appropriated under section 452 for any fiscal year after the application of subsection (a), the Secretary shall allot to each State an amount which bears the same ratio to such remainder as the population of the State bears to the population of all States.

(2) Determination of population of states.—For the purpose of this subsection, the population of each State, and the total population of all States, shall be determined by the Secretary on the basis of the most recent census data available to the Secretary, and the Secretary shall use for such purpose, if available, the annual interim current census data produced by the Secretary of Commerce pursuant to section 181 of title 13, United States Code.

SEC. 454. GRANTS TO STATES.

(a) In General.—The Secretary shall make a grant for a fiscal year to a State if the State—

(1) has submitted to the Secretary for the year an annual application that has been approved by the Secretary under section 456; and

(2) has entered into a written agreement with the Secretary that—

(A) the State will provide 100 percent of the funds paid to the State under this subtitle for the year to the State library administrative agency for the State;

(B) such agency will be required to use such funds to carry out activities that—

(i) are described in such annual application;

(ii) achieve the purposes of this subtitle; and

(iii) satisfy the requirements of section 455;

(C) there will be available from State and local sources for expenditure by such agency to carry out such activities an amount that equals or exceeds 25 percent of the total cost (as determined by the Secretary) of carrying out such activities for the year; and

(D) such agency has the fiscal and legal authority and capability to administer all aspects of such activities.

(b) Amount of Grants.—The amount of a grant to a State under subsection (a) for a fiscal year shall equal the lesser of the following:

(1) The sum of the initial and additional allotments of the State for the year.

(2) 75 percent of the total cost (as determined by the Secretary) of carrying out the activities described in subsection (a)(2)(B) for the year.

SEC. 455. USES OF FUNDS.

(a) In General.—Of the funds provided to a State library administrative agency under section 454(a)(2)(A), the agency shall expend (either directly or through subgrants or cooperative agreements) at least 97 percent for one or more of the following purposes:

(1) Electronically connecting libraries with integrated career center systems designated or established under section 107 and local service providers receiving grants under paragraph (1) or (2) of section 432(a).

(2) Establishing or enhancing linkages among libraries.

(3) Assisting libraries in accessing information through electronic networks.

(4) Encouraging libraries in different Federal, State, and local jurisdictions, and different types of libraries, to establish consortia and share resources.

(5) Paying costs for libraries to acquire or share computer systems and telecommunications technologies.

(6) Improving library and information services for individuals who have difficulty using a library or who need special library materials or services, including individuals under the age of 18.

(b) Administrative Expenses.—In any fiscal year, a State library administrative agency may use not more than 3 percent of the funds provided to the agency under section 454(a)(2)(A) for planning, administration, evaluations, and interagency coordination associated with a grant under this subtitle.

SEC. 456. ANNUAL APPLICATIONS.

(a) Submission.—A State that desires to receive a grant under this subtitle for a fiscal year shall submit to the Secretary, in such form and manner and before such deadline as the Secretary shall specify in regulations, an application for such year. Such application shall—

(1) establish goals, and specify priorities, for the State consistent with the purposes of this subtitle;

(2) describe activities that are consistent with such goals and priorities, the purposes of this subtitle, and the requirements of section 455 that the State library administrative agency will carry out during such year using such grant;

(3) describe the procedures that such agency will use to carry out such activities;

(4) describe the methodology that such agency will use to evaluate the success of such activities in achieving such goals and meeting such priorities;

(5) describe procedures that such agency will use to involve libraries and library users throughout the State in policy decisions regarding implementation of this subtitle; and

(6) provide assurances satisfactory to the Secretary that such agency will make such reports, in such form and containing such information, as the Secretary may reasonably require to carry out this subtitle and to determine the extent to which funds provided under this subtitle have been effective in carrying out its purposes.

(b) Approval.—

(1) In general.—The Secretary shall approve each application submitted under subsection (a) that satisfies the requirements of the subsection.

(2) Rights of states upon disapproval.—If the Secretary determines that an application submitted by a State under subsection (a) does not satisfy the requirements of such subsection, the Secretary shall—

(A) immediately notify the State of such determination and the reasons for such determination; and

(B) offer the State an opportunity to revise its application to correct any deficiencies.

TITLE V—AMENDMENTS TO REHABILITATION ACT OF 1973

Subtitle A—Vocational Rehabilitation Consolidation Grant

CHAPTER 1—TRANSITION PERIOD

SEC. 501. TRANSITION.

With respect to the amendment made by section 511(a)(4) to title I of the Rehabilitation Act of 1973, the Secretary of Education, acting through the Commissioner of the Rehabilitation Services Administration, shall administer the amendment in accordance with the following:

(1) During fiscal year 1996, the Secretary shall develop administrative policies for implementing the amendment.

(2) During the fiscal years 1997 and 1998, the Secretary shall begin implementing the amendment in accordance with paragraph (4).

(3) The Secretary shall ensure that, by the first day of fiscal year 1999, the amendment is fully implemented.

(4) For purposes of paragraph (2), the Secretary shall ensure that, before the first day of fiscal year 1999, the following requirements, administered as conditions on the receipt of grants under such title, have been met:

(A) The States have complied with section 103(b)(4) of such title (as amended by section 511) regarding the participation of certain providers.

(B) The States have established policies and made arrangements for the operation of the system of career grants described in section 103(c) of such title, including with respect to the reimbursement of providers.

(C) The States have established policies and made arrangements under section 103(b)(12) of such title regarding the training of the management and staff of integrated career center systems with respect to individuals with disabilities.

(D) The States have established policies and made arrangements under section 104 of such title regarding the establishment of such centers, including providing for the significant participation of community-based providers in the program carried out by the State pursuant to such title.

(E) Such other requirements under the amendment as the Secretary determines to be appropriate.

(5)(A) Notwithstanding the amendment, during the fiscal years 1996 through 1998, the provisions of title I of the Rehabilitation Act of 1973 that were in effect on the day before the date of the enactment of this Act continue to be in effect, subject to paragraphs (1) through (4). In implementing the amendment, the Secretary shall seek to avoid unnecessarily disrupting the provision of services under such title to individuals who, as of the date of the enactment of this Act, were receiving services pursuant to an individualized plan under such title.

(B) On and after the first day of fiscal year 1999, the provisions referred to in the first sentence of subparagraph (A) do not have any legal effect.

CHAPTER 2—REVISION OF TITLE I OF REHABILITATION ACT OF 1973

SEC. 511. REVISION OF TITLE I.

(a) IN GENERAL.—Effective October 1, 1995, the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended—

(1) by transferring section 112 from the current placement of the section;

(2) by redesignating such section as section 510;

(3) by adding such section at the end of title V; and

(4) by amending title I to read as follows:

"TITLE I—VOCATIONAL REHABILITATION SERVICES

"SEC. 100. PURPOSE.

"The purpose of this title is to assist States in making available to individuals with disabilities a program of employment, training, and rehabilitation services that is consistent with their strengths, resources, priorities, concerns, abilities, and capabilities; that maximizes individuals' control over their vocational and career choices; and that is in accordance with the goal of assuring equality of opportunity, full participation, independent living, and economic self-sufficiency for such individuals.

"SEC. 101. FORMULA GRANTS.

"(a) IN GENERAL.—

"(1) FORMULA GRANTS.—In the case of each State that submits to the Secretary a workforce development and literacy plan for fiscal year 1999 or any subsequent fiscal year that meets the requirement of section 104 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act, the Secretary shall make a grant for the year to the State as the Federal share of carrying out the purposes specified in this title. The grant shall consist of the allotment determined for the State under section 107.

"(2) CONDITIONS FOR GRANT.—A State may receive a grant under paragraph (1) for a fiscal year only if the State meets the conditions described in this title for the State for the fiscal year.

"(b) ADMINISTRATOR OF FEDERAL PROGRAM.—The Secretary shall carry out this title acting through the Commissioner of the Rehabilitation Services Administration, except as indicated otherwise.

"(c) RULE OF CONSTRUCTION.—The purpose specified in section 100 shall be carried out only in accordance with the other provisions of this title.

"(d) FUNDING.—

"(1) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this title, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1999 through 2002, except that the amount to be appropriated for a fiscal year shall not be less than the amount of the appropriation under this subsection for the immediately preceding fiscal year, plus the amount of the Consumer Price Index addition determined under paragraph (2) for the immediately preceding fiscal year.

"(2) ADJUSTMENTS PURSUANT TO CONSUMER PRICE INDEX.—

"(A) Not later than November 15 of each fiscal year, the Secretary of Labor shall publish in the Federal Register the percentage change in the Consumer Price Index published for October of the preceding fiscal year and October of the fiscal year in which such publication is made.

"(B) If in any fiscal year the percentage change published under subparagraph (A) indicates an increase in the Consumer Price Index, then the amount to be appropriated under paragraph (1) for the subsequent fiscal year shall be at least the amount appropriated for the fiscal year in which the publication is made under subparagraph (A) increased by such percentage change.

"(C) If in any fiscal year the percentage change published under subparagraph (A) does not indicate an increase in the Consumer Price Index, then the amount to be appropriated under paragraph (1) for the subsequent fiscal year shall be at least the amount appropriated for the fiscal year in which the publication is made under subparagraph (A).

"(D) For purposes of this paragraph, the term 'Consumer Price Index' means the Consumer Price Index for All Urban Consumers, published monthly by the Bureau of Labor Statistics.

"(3) AUTOMATIC EXTENSION OF AUTHORIZATION.—

"(A) Unless, in the regular session that ends prior to the beginning of the last fiscal year for which an authorization of appropriations is provided in paragraph (1), legislation has been enacted that has the effect of extending such authorization, such authorization is automatically extended for one additional year.

"(B) The amount authorized to be appropriated for the additional fiscal year described in subparagraph (A) shall be an amount equal to the amount appropriated for such program for fiscal year 2002, plus the amount of the Consumer Price Index addition determined under paragraph (2) for the immediately preceding fiscal year.

"(C) In any case where the Commissioner is required under an applicable statute to carry out certain acts or make certain determinations that are necessary for the continuation of the program authorized by this title, and such acts or determinations are required during the last fiscal year for which an authorization of appropriations is provided in paragraph (1), such acts and determinations shall be required during any fiscal year for which subparagraph (A) is in operation.

"SEC. 102. ALLOCATION WITHIN STATE OF ADMINISTRATIVE RESPONSIBILITIES.

"(a) IN GENERAL.—For purposes of section 101(a), a State will—

"(1) subject to subsection (b), reserve not more than 20 percent of the grant under such section for the fiscal year involved for carrying out the responsibilities of a State administrative agent under section 103; and

"(2) reserve not less than 80 percent of the grant for carrying out the responsibilities under section 104 of local workforce development boards and integrated career center systems with respect to workforce development areas.

"(b) ADDITIONAL STATE RESPONSIBILITIES.—Amounts reserved by a State under subsection (a)(1) may be expended by the State administrative agent to carry out responsibilities that otherwise would be carried out under section 104 by local workforce development boards or integrated career center systems, if the State determines that such expenditures are justified to make available goods and services that could not otherwise be obtained within a local workforce development area, to provide services to individuals unable to utilize the integrated career center systems, or to otherwise ensure the efficient and equitable provision in the State of services under this title, including the provision of services for individuals in rural areas.

"(c) CERTAIN DEFINITIONS.—For purposes of this Act, the terms 'State administrative agent', 'local workforce development area', 'local workforce development board', and 'integrated career center' have the meanings given such terms in sections 105 through 108, respectively, of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.

"SEC. 103. RESPONSIBILITIES OF STATE ADMINISTRATIVE AGENT.

"(a) STATE ADMINISTRATIVE AGENT.—In carrying out the requirements of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act, a Governor may designate—

"(1) one State administrative agent to be responsible for carrying out this title for individuals who are blind; and

"(2) a different State administrative agent to carry out the remaining responsibilities in this title.

"(b) RESPONSIBILITIES.—For purposes of section 101(a) and the operation in a State of the program under this title:

"(1) This subsection, and the subsequent provisions of this section, will be carried out by State administrative agents designated by the Governor in accordance with subsection (a), through the collaborative process established under section 103 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.

"(2)(A) The State will provide to the public an explanation of the methods by which the State will provide vocational rehabilitation services (as defined in section 104(b))—

"(i) to all eligible individuals (as defined in section 105(d)); and

"(ii) within all local workforce delivery areas in the State.

"(B) In the event that such services cannot be provided to all eligible individuals who apply for the services, the State will show and provide the justification for the order to be followed in selecting individuals to whom the services will be provided.

"(C) The order of selection under subparagraph (B) will be determined on the basis of serving first those individuals with the most severe disabilities, in accordance with criteria established by the State.

"(3) The State will establish guidelines providing that, in the case of an individual to whom the State will provide a service (in accordance with the order of selection under paragraph (2) and the assessment of needs under section 104(c)(1)), the individual will have the option of receiving the service from a provider designated by the center or from a provider selected by the individual pursuant to career grants under subsection (c).

"(4) Pursuant to section 109 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act, the State will make significant efforts to encourage the participation in the State program of community-based private providers, with special consideration given to providers who have received funds under this Act regarding projects with industry or supported employment services, or under the Act commonly known as the Javits-Wagner-O'Day Act (41 U.S.C. 46 et seq.) for employment and training services.

"(5) The State will establish provisions to govern determinations under section 105 (relating to the eligibility of individuals).

"(6) The State will establish standards to govern the conduct under section 104(c)(1) of assessments of need, including the development of a methodology that will be applied in a reasonably uniform manner to all individuals for whom such assessments are conducted, and that (subject to the order of selection under paragraph (2)) will be designed to prevent substantial disparities, among individuals with comparable circumstances, in the monetary value of the services to be provided pursuant to the assessments.

"(7)(A) The State will establish procedures through which an individual may request and obtain an impartial review, utilizing an impartial hearing officer, of whether standards for determinations of eligibility for services, assessments of vocational rehabilitation needs, and development of individualized rehabilitation and employment plans under this title were correctly applied to the individual by the integrated career center system involved.

"(B) The State will designate a number of days (applied uniformly to all individuals) within which review under subparagraph (A) will be conducted once a request for such review is made by an individual, subject to subparagraph (C).

"(C)(i) The State will provide that there may be an informal hearing, mediation, or alternatives to such review, if agreed upon by the individual and the integrated career center system involved.

"(ii) The State will provide that if, in a process utilized under clause (i) by an individual, there is a not a final disposition of the matter involved, review under subparagraph (A) will remain available to the individual.

"(8) The State will ensure that vocational rehabilitation services under this title, and related core services, are provided by personnel who are qualified to provide the services involved. For purposes of the preceding sentence, the term 'core services' has the meaning indicated for such term under title I of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.

"(9) The State will establish plans, policies, and procedures to be followed in carrying out the program under this title in the State (including entering into a formal interagency cooperative agreement with education officials responsible for the provision of a free appropriate public education to students who are individuals with disabilities). The State will ensure that such plans, policies, and procedures are designed in accordance with the following:

"(A)(i) To facilitate the development and accomplishment of the goals and objectives described in clause (ii) (including the specification of plans for coordination with the educational agencies in the provision of transition services), to the extent that the goals and objectives are included in an individualized education program of a student.

"(ii) The goals and objectives referred to in clause (i) are long-term rehabilitation goals; intermediate rehabilitation objectives; and goals and objectives related to enabling a student to live independently before the student leaves a school setting.

"(B) To facilitate the transition from the provision of a free appropriate public education under the responsibility of an educational agency to the provision of vocational rehabilitation services under this title, including the specification of plans for coordination with educational agencies in the provision of transition services to an individual.

"(C) To provide for—

"(i) provisions for determining State lead agencies and qualified personnel responsible for transition services;

"(ii) procedures for outreach to and identification of youth in need of such services; and

"(iii) a timeframe for evaluation and follow-up of youth who have received such services.

"(10) The State will provide for coordination and working relationships with the Statewide Independent Living Council established under section 705 and independent living centers within the State.

"(11) The State will provide for interagency cooperation with, and the utilization of the services and facilities of, the State agencies administering the State's public assistance programs, and other programs for individuals with disabilities.

"(12) With respect to the integrated career center system operated pursuant to section 104, the State will provide for the appropriate training of the management and staff of the centers regarding the effective provision of services to individuals with disabilities.

"(13) The State will provide technical assistance to local boards, integrated career center systems, and providers relating to the effective provision of vocational rehabilitation services under this title, including the effective development of individualized rehabilitation and employment plans, and will ensure that such technical assistance is provided through appropriate means.

"(c) Availability of Career Grants System Regarding Services.—For purposes of section 101(a) and the operation in a State of the program under this title:

"(1) The State will provide for the establishment of a system to carry out this subsection.

"(2) In the case of an eligible individual who (in accordance with the order of selection under subsection (b)(2) and the assessment of needs under section 105(b)(2)(A)) will receive vocational rehabilitation services under this title, the integrated career center involved will, upon request of the individual, provide to the individual career grants in accordance with this subsection.

"(3) Career grants under this subsection will enable such individual to obtain the vocational rehabilitation services involved from providers selected by the individual from among a list of providers approved by the State for such purpose in accordance with section 109 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.

"(4) The monetary value of a career grant provided to the individual for a particular type of service will be calculated at a fair market value.

"(5) To the extent practicable, the list of providers under paragraph (3) will provide for the availability within each local workforce development area of a broad range of services.

"(6) The aggregate value of the career grants available to the individual will be established in proportion to the degree of the individual's need for rehabilitation (as determined under section 104(c)(1)). Such value regarding the individuals may be adjusted to address emerging needs that arise during the course of the individual's rehabilitation and employment program.

"(d) State Options.—With respect to compliance with this section, a State may, in the discretion of the State, expend a grant under section 101 for the following:

"(1) To disseminate findings from research regarding vocational rehabilitation services, after consideration of requests from local workforce development boards and integrated career center systems regarding the types of information needed by such boards and centers.

"(2) To conduct demonstration projects regarding improvements with respect to vocational rehabilitation services, subject to providing the results of such projects to the Commissioner and as appropriate disseminating the results within the State.

"SEC. 104. RESPONSIBILITIES FOR LOCAL BOARDS AND SERVICE CENTERS.

"(a) Provision of Vocational Rehabilitation Services.—For purposes of section 101(a) and the operation in a State of the program under this title:

"(1) This section will be carried out by the integrated career center system in the State, with each such center acting under the guidance of the local workforce development board for the local workforce area within which the integrated career center system operates. Such centers will provide services under this section directly or through contract.

"(2) In accordance with the order of selection under section 103(b)(2), an integrated career center system will, in expending amounts provided to the center from a grant under section 101, carry out the following:

"(A) Make determinations under section 105 of the eligibility of individuals for vocational rehabilitation services (as defined in subsection (b)).

"(B) Provide for vocational rehabilitation services for eligible individuals.

"(C) In the case of individuals with severe disabilities, conduct outreach and intake activities for such individuals who are not able to directly access the integrated career center system because of the nature of their disabilities.

"(3) An integrated career center system will, in expending amounts provided to the center from a grant under section 101, make vocational rehabilitation services available at a variety of locations and, as appropriate for particular populations, in a variety of environments.

"(b) DEFINITION.—For purposes of this title, the term 'vocational rehabilitation services' means such goods or services for eligible individuals as are—

"(1) necessary to render the individuals employable and achieve an employment outcome; and

"(2) provided in response to needs that arise, to a significant extent, from the disability involved and do not duplicate, to any significant extent, the core services available under title I of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.

"(c) CERTAIN SERVICES.—For purposes of section 101(a), the vocational rehabilitation services available through integrated career center systems will include the following:

"(1) An assessment of the needs of eligible individuals for such services.

"(2) Development, in accordance with section 105(b)(2), of an individualized rehabilitation and employment plan for the purpose of identifying employment goals, appropriate intermediate rehabilitation objectives, and an appropriate combination of goods and services for the individual to achieve the employment goals.

"(3) Counseling, guidance, and work-related placement services for individuals with disabilities, including job search assistance, placement assistance, job retention services, personal assistance services, and follow-up, follow-along, and specific postemployment services necessary to assist such individuals to maintain, regain, or advance in employment.

"(4) Vocational and other training services for individuals with disabilities, including personal and vocational adjustment, books, or other training materials, and such services to the families of such individuals as are necessary to the adjustment or rehabilitation of such individuals.

"(5) Rehabilitation technology services.

"(6) Supported employment services.

"(7) Physical and mental restoration services.

"(8) Interpreter services for individuals who are deaf, and reader services for individuals who are blind.

"(9) Rehabilitation teaching services and orientation and mobility services for individuals who are blind.

"(10) Referral and other services designed to assist individuals with disabilities in securing needed services from other agencies through agreements developed under section 103(b)(10), if such services are not available under this Act.

"(11) Transportation in connection with the rendering of any vocational rehabilitation service.

"(12) Telecommunications, sensory, and other technological aids and devices.

"(13) On-the-job, or other related personal-assistance services, provided while eligible individuals are receiving other vocational rehabilitation services under this title.

"(d) CERTAIN ARRANGEMENTS.—For purposes of section 101(a), an integrated career center system will, with respect to the provision of vocational rehabilitation services to individuals with the most severe disabilities, provide for necessary arrangements with community-based providers, including arrangements regarding supported employment services and extended services, periodic reviews of individuals placed in extended employment, and services to promote movement from extended employment to integrated employment.

"(e) OPTIONAL PROVISION OF OTHER SERVICES.—For purposes of this title, an integrated career center system may provide such vocational rehabilitation services in addition to the services specified in subsection (c) as the center determines to be appropriate.

"(f) ALLOCATION FOR CORE SERVICES.—For purposes of section 101(a):

"(1) With respect to a fiscal year, a local workforce development board receiving amounts from a grant under section 101 will reserve an amount for the provision of core services under title I of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.

"(2) The amount so reserved will be based on the number of eligible individuals with disabilities in the local workforce development area and the costs of training employees of the integrated career center system to provide high-quality services to individuals with disabilities.

"(g) PERFORMANCE PAYMENTS REGARDING CAREER GRANTS.—For purposes of section 101(a):

"(1) The local workforce development board involved will ensure that, in providing for the payment of services provided pursuant to career grants, a portion of the total payment is withheld from the provider until the delivery of the services involved is completed in reasonable accordance with the outcome designated for the service pursuant to a prior understanding with the provider.

"(2) In the case of education, training, and placement services that are designed to lead to an employment outcome, a portion of the total payment will be withheld from the provider until—

"(A) the participant has successfully completed the training; and

"(B) the participant has been employed, and has retained employment for a period of not less than 90 days.

"(h) PAYOR OF LAST RESORT REGARDING MEDICAL SERVICES AND EDUCATIONAL ASSISTANCE.—For purposes of section 101(a), a State will not expend a grant under section 101 to pay for training services in institutions of higher education, or to pay for medical services, unless significant efforts have been made to secure payments, in whole or in part, from other sources, except that such efforts are not required if making the efforts would delay the provision of such services to any eligible individual who is at extreme medical risk, or if making the efforts would result in the loss of a job placement that (but for the efforts) would be immediately available to an eligible individual.

"SEC. 105. ELIGIBLE INDIVIDUAL.

"(a) IN GENERAL.—For purposes of section 101:

"(1) An individual will not receive vocational rehabilitation services under this title unless the individual—

"(A) is an individual with a disability under section 7(8)(A); and

"(B) requires vocational rehabilitation services to prepare for, enter, engage in, or retain gainful employment.

"(2) If the individual has a disability or is blind as determined pursuant to title II or title XVI of the Social Security Act, the individual will be considered to have—

"(A) a physical or mental impairment which for such individual constitutes or results in a substantial impediment to employment under section 7(8)(A)(i); and

"(B) a severe physical or mental impairment which seriously limits one or more functional capacities in terms of an employment outcome under section 7(15)(A)(i).

"(3) It will be presumed that an individual can benefit in terms of an employment outcome from vocational rehabilitation services for purposes of section 7(8)(A)(ii), unless the integrated career center system involved can demonstrate by clear and convincing evidence that such individual is incapable of benefiting from vocational rehabilitation services in terms of an employment outcome.

"(b) PROCESS.—For purposes of section 101(a), a State will ensure that, subject to the order of selection under section 102(b)(2), the following applies to an individual:

"(1) Once the individual makes a request in person for a determination of eligibility:

"(A) A qualified rehabilitation adviser will be made available to the individual regarding the process of obtaining services under this title.

"(B) An initial interview will be conducted, followed by an initial assessment.

"(C) A final determination will be made not later than 30 days after the request (subject to the cooperation of the individual in the process of determination).

"(D) The determination of eligibility will be based on the review of existing data described in clause (i) of section 7(22)(A), and, to the extent necessary, the preliminary assessment described in clause (ii) of such section.

"(E) If it is determined that the individual is not an eligible individual, the individual will be provided a written statement explaining the following:

"(i) The basis of the determination.

"(ii) The availability of impartial review under section 103(b)(7).

"(iii) The availability of services under the client assistance program under section 510.

"(2)(A) If it is determined that the individual is an eligible individual—

"(i) the needs of the individual for vocational rehabilitation services will be assessed; and

"(ii) subject to subparagraph (D), an individualized rehabilitation and employment plan will be developed for the individual regarding the provision of services pursuant to clause (i).

"(B) The plan under subparagraph (A) will be developed and mutually agreed upon by the individual and an appropriate staff member of the integrated career center system involved.

"(C) A plan under subparagraph (A) is individualized if the plan is consistent with the unique strengths, resources, priorities, concerns, abilities, and capabilities of the individual for whom the plan is developed.

"(D) A plan under subparagraph (A) is not required for an individual if the individual signs a waiver stating that such a plan is not necessary for the individual.

"(c) RULE OF CONSTRUCTION.—This title may not be construed as establishing an entitlement in any individual.

“(d) DEFINITION.—For purposes of this title, the term ‘eligible individual’ means an individual described in subsection (a)(1).

“SEC. 106. STATE REHABILITATION ADVISORY COUNCIL.

“(a) IN GENERAL.—For purposes of section 101(a):

“(1) A State will establish a State Rehabilitation Advisory Council (referred to in this section as the ‘Council’) in accordance with this section.

“(2) The Council will be composed of the following:

“(A) Representatives of organizations within the State providing services to individuals with disabilities and their families, including representatives of the client assistance program under section 510.

“(B) Representatives of business, industry, and labor.

“(C) Representatives of disability advocacy groups representing a cross section of—

“(i) individuals with physical, cognitive, sensory, and mental disabilities; and

“(ii) parents, family members, guardians, advocates, or authorized representatives, of individuals with disabilities who have difficulty in representing themselves or are unable due to their disabilities to represent themselves.

“(3) The State administrative agent will be an ex officio member of the Council.

“(4) Members of the Council will be appointed by the Governor or another entity that has appointment authority under State law.

“(5) A majority of Council members will be persons who are—

“(A) individuals with disabilities described in section 7(8)(B); and

“(B) not employed by the designated State administrative agent.

“(6)(A) Except as provided in subparagraph (B), the Council will select a chairperson from among the membership of the Council.

“(B) In States in which the Governor does not have veto power pursuant to State law, the Governor will designate a member of the Council to serve as the chairperson of the Council or will require the Council to so designate such a member.

“(7) Each member of the Council will serve for a term determined by the Governor or another entity that has appointment authority under State law.

“(8) Any vacancy occurring in the membership of the Council will be filled in the same manner as the original appointment. The vacancy will not affect the power of the remaining members to execute the duties of the Council.

“(b) FUNCTIONS OF COUNCIL.—For purposes of section 101(a), the Council will carry out the following:

“(1) Advise the collaborative process under section 103 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act, and the State administrative agent, in the preparation of the State workforce development and literacy plan and other plans, reports, needs assessments, and evaluations required by this title.

“(2) To the extent feasible, conduct a review and analysis of the effectiveness of, and consumer satisfaction with, the delivery of core services and vocational rehabilitation services to individuals with disabilities within the State.

“(3) Prepare and submit an annual report to the collaborative process or appropriate State administrative agent and the Commissioner on the status of vocational rehabilitation programs operated within the State, and make the report available to the public.

“(4) Coordinate with other councils within the State established to address the needs of individuals with disabilities.

“(5) Perform such other functions, consistent with the purpose of this title, as the State Rehabilitation Advisory Council determines to be appropriate, that are comparable to the other functions performed by the Council.

“(c) RESOURCES.—

“(1) PLAN.—For purposes of section 101(a), the Council will prepare, in conjunction with the State administrative agent, a plan for the provision of such resources, including such staff and other personnel, as may be necessary to carry out the functions of the Council under this section. The resource plan shall, to the maximum extent possible, rely on the use of resources in existence during the period of implementation of the plan.

“(2) RESOLUTION OF DISAGREEMENTS.—For purposes of section 101(a), to the extent that there is a disagreement between the Council and the State administrative agent in regard to the resources necessary to carry out the functions of the Council as set forth in this section, the disagreement will be resolved by the Governor or appointing agency identified in subsection (a)(4).

“(3) SUPERVISION AND EVALUATION.—For purposes of section 101(a), the Council will, consistent with State law, supervise and evaluate such staff and other personnel as may be necessary to carry out its functions under this section.

“(4) PERSONNEL CONFLICT OF INTEREST.—For purposes of section 101(a), while assisting the Council in carrying out its duties, staff and other personnel will not be assigned duties by the State administrative agent or any other agency or office of the State, that would create a conflict of interest.

“(d) CONFLICT OF INTEREST.—For purposes of section 101(a), no member of the Council will cast a vote on any matter that would provide direct financial benefit to the member or otherwise give the appearance of a conflict of interest under State law.

“(e) MEETINGS.—For purposes of section 101(a), the Council will convene meetings and conduct such forums or hearings as the Council considers appropriate. The meetings, hearings, and forums will be publicly announced. The meetings will be open and accessible to the general public unless there is a valid reason for an executive session.

“(f) COMPENSATION AND EXPENSES.—For purposes of section 101(a), the Council may use funds appropriated under this title to reimburse members of the Council for reasonable and necessary expenses of attending Council meetings and performing Council duties (including child care and personal assistance services), and to pay compensation to a member of the Council, if such member is not employed or must forfeit wages from other employment, for each day the member is engaged in performing the duties of the Council.

“(g) RULE OF CONSTRUCTION.—Nothing in this section prohibits a State from establishing and providing funds to a separate council to carry out functions described in subsection (b) with respect to vocational rehabilitation services for individuals who are blind.

“SEC. 107. AMOUNT OF ALLOTMENT.

“(a)(1) Subject to the provisions of subsection (d), for each fiscal year beginning before October 1, 1978, each State shall be entitled to an allotment of an amount bearing the same ratio to the amount authorized to be appropriated under section 101(d) for allotment under this section as the product of (A) the population of the State, and (B) the square of its allotment percentage, bears to the sum of the corresponding products for all the States.

“(2)(A) For each fiscal year beginning on or after October 1, 1978, each State shall be entitled to an allotment in an amount equal to the amount such State received under paragraph (1) for the fiscal year ending September 30, 1978, and an additional amount determined pursuant to subparagraph (B) of this paragraph.

“(B) For each fiscal year beginning on or after October 1, 1978, each State shall be entitled to an allotment, from any amount authorized to be appropriated for such fiscal year under section 101(d) for allotment under this section in excess of the amount appropriated under such section for the fiscal year ending September 30, 1978, in an amount equal to the sum of—

“(i) an amount bearing the same ratio to 50 percent of such excess amount as the product of the population of the State and the square of its allotment percentage bears to the sum of the corresponding products for all the States; and

“(ii) an amount bearing the same ratio to 50 percent of such excess amount as the product of the population of the State and its allotment percentage bears to the sum of the corresponding products for all the States.

“(3) The sum of the payment to any State (other than Guam, American Samoa, the Virgin Islands, and the Northern Mariana Islands) under this subsection for any fiscal year which is less than one-third of 1 percent of the amount appropriated under section 101(d), or $3,000,000, whichever is greater, shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the allotment to each of the remaining such States under this subsection, but with such adjustments as may be necessary to prevent the sum of the allotments made under this subsection to any such remaining State from being thereby reduced to less than that amount.

“(4) For each fiscal year beginning on or after October 1, 1984, for which any amount is appropriated pursuant to section 101(d), each State shall receive an allocation (from such appropriated amount) in addition to the allotment to which such State is entitled under paragraphs (2) and (3) of this subsection. Such additional allocation shall be an amount which bears the same ratio to the amount so appropriated as that State's allotment under paragraphs (2) and (3) of this subsection bears to the sum of such allotments of all the States.

“(b)(1) If the payment to a State pursuant to this section for a fiscal year is less than the total payments such State received under section 2 of the Rehabilitation Act for the fiscal year ending June 30, 1973, such State shall be entitled to an additional payment (subject to the same terms and conditions applicable to other payments under this title) equal to the difference between the payment under this section and the amount so received by it.

“(2) If a State receives as its Federal share pursuant to this section for any fiscal year less than the applicable Federal share of the expenditure of such State for fiscal year 1972 for vocational rehabilitation services under the plan for such State approved under section 101 as in effect for such year (including any amount expended by such State for the administration of the State plan but excluding any amount expended by such State from non-Federal sources for construction under such plan), such State shall be entitled to an additional payment for such fiscal year, subject to the same terms and conditions applicable to other payments under this title, equal to the difference between the payment pursuant to this section and an amount equal to the applicable Federal share of such expenditure for vocational rehabilitation services.

"(3) Any payment attributable to the additional payment to a State under this subsection shall be made only from appropriations specifically made to carry out this subsection, and such additional appropriations are hereby authorized.

"SEC. 108. STATE OPTION FOR WAIVERS REGARDING ALTERNATIVE DELIVERY SYSTEMS.

"(a) IN GENERAL.—In the case of the requirements specified in subsection (b), the Secretary shall provide to a State a waiver of such requirements as the State elects, if (subject to the other provisions of this section) the following conditions are met:

"(1) The Governor, through the collaborative process under section 103 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act, develops a proposed plan for alternative approaches (to be implemented by the State in lieu of the requirements involved).

"(2) The proposal is approved by each local workforce development board in whose local workforce development area the proposal (or any component of the proposal) is to be effective.

"(3) The local workforce development boards involved, and the Governor, determine that the following conditions have been met:

"(A) The proposal will better fulfill the purposes of this title than would compliance with the requirements involved.

"(B) In the development of the alternative approaches, the public was afforded a reasonable opportunity to comment on the proposed alternative approaches.

"(4) The Governor submits to the Secretary the following documents:

"(A) A notification that the State is electing to receive a waiver under this section.

"(B) A copy of the plan involved.

"(C) Such documents as the Secretary may require for purposes of verifying that the conditions established in paragraphs (1) through (3) have been met.

"(b) CERTAIN REQUIREMENTS REGARDING STATE ADMINISTRATIVE STRUCTURE FOR DELIVERY OF SERVICES.—The requirements referred to in subsection (a) are as follows:

"(1) The allocation under section 102 of amounts between State administrative agents and local workforce development boards.

"(2) The allocation under sections 103 and 104 of responsibilities between State administrative agents and local workforce development boards (including the use of integrated career center systems to provide vocational rehabilitation services).

"(3) The specification under section 103(a) of the State officials who are to administer the requirements of section 103.

"(c) APPLICABILITY OF WAIVER; REVIEW AND REVISION OF PLAN.—

"(1) APPLICABILITY.—A waiver under subsection (a) is effective for a fiscal year only if the documents under paragraph (4) of such subsection are submitted to the Secretary not later than 60 days before the beginning of the fiscal year.

"(2) REVIEW OF PLAN.—A waiver under subsection (a) is effective for such fiscal years as the State involved elects, except that, not less than once during each period of three fiscal years, the plan under the waiver is required (as a condition of the waiver remaining in effect) to be reviewed, and approved, by the Governor (through the collaborative process referred to in such subsection) and by the local workforce development boards involved.

"(3) REVISION OF PLAN.—The plan under a waiver under subsection (a) may be revised. Such subsection applies to such a revision to the same extent and in the same manner as the subsection applies to the original plan.

"(d) PERFORMANCE ACCOUNTABILITY SYSTEM.—A waiver under subsection (a) for a State does not, with respect to carrying out the program under this title in the State, affect the applicability to the State of section 110 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.".

(b) CERTAIN FUNDING PROVISION.—Effective October 1, 1995, the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended by inserting after section 3 the following section:

"AVAILABILITY OF FUNDS

"SEC. 3A. Notwithstanding any other provision of law, funding to carry out titles II through VII for any fiscal year is available only to such extent and in such amounts as may be provided in advance in appropriations Acts.".

(c) CONFORMING AMENDMENTS.—Effective October 1, 1995, the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended in the table of contents in the first section—

(1) by inserting after the item relating to section 3 the following item:

"Sec. 3A. Availability of funds.";

(2) by striking the items relating to sections 100 through 109, to sections 110 through 112, to sections 120 through 124, to section 130, and to sections 140 and 141;

(3) by striking the items relating to the title designation and heading for title I, and to the part designations and headings for parts A, B, C, D, and E of title I;

(4) by inserting after the item relating to section 21 the following items:

"TITLE I—VOCATIONAL REHABILITATION SERVICES

"Sec. 100. Purpose.
"Sec. 101. Formula grants.
"Sec. 102. Allocation within State of administrative responsibilities.
"Sec. 103. Responsibilities of State administrative agent.
"Sec. 104. Responsibilities for local boards and service centers.
"Sec. 105. Eligible individual.
"Sec. 106. State Rehabilitation Advisory Council.
"Sec. 107. Amount of allotment.
"Sec. 108. State option for waivers regarding alternative delivery systems.";

and

(5) by inserting after the item relating to section 509 the following item:

"Sec. 510. Client assistance program.".

Subtitle B—Other Amendments to Rehabilitation Act of 1973

SEC. 521. TRAINING AND DEMONSTRATION PROJECTS.

(a) IN GENERAL.—Effective October 1, 1995, the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended—

(1) in title III—

(A) by striking section 303;

(B) by striking section 304;

(C) in section 311—

(i) by striking subsections (c) and (f); and

(ii) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively;

(D) by striking section 312; and

(E) by striking section 316;

(2)(A) by transferring subsection (a) of section 802 from the current placement of the subsection;

(B) by redesignating such subsection as subsection (e); and

(C) by inserting such subsection at the end of section 311 (as amended by paragraph (1)(C) of this subsection);

(3)(A) by transferring subsection (g) of section 802 from the current placement of the subsection; and

(B) by redesignating such subsection as subsection (f); and

(C) by inserting such subsection at the end of section 311 (as amended by paragraph (2)(C) of this subsection);

(4)(A) by transferring subsection (c) of section 803 from the current placement of the subsection;

(B) by redesignating such subsection as subsection (g); and

(C) by inserting such subsection at the end of section 311 (as amended by paragraph (3)(C) of this subsection);

(5)(A) by transferring subsection (b) of section 803 from the current placement of the subsection;

(B) by redesignating such subsection as subsection (j); and

(C) by inserting such subsection at the end of section 302; and

(6) by striking the remaining provisions of title VIII.

(b) CONFORMING AMENDMENTS.—Effective October 1, 1995, the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended in the table of contents in the first section—

(1) by striking the items relating to sections 303, 304, 312, and 316;

(2) by striking the items relating to sections 801 through 803 of title VIII; and

(3) by striking the item relating to the title designation and heading for title VIII.

SEC. 522. EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS WITH DISABILITIES.

(a) IN GENERAL.—Effective October 1, 1995, title VI of the Rehabilitation Act of 1973 (29 U.S.C. 795 et seq.) is amended—

(1) by striking part A;

(2) by striking part C;

(3) by striking part D; and

(4) in part B, by striking the part designation and heading.

(b) PROJECTS WITH INDUSTRY.—Effective October 1, 1998, title VI of the Rehabilitation Act of 1973, as amended by subsection (a) of this section, is repealed.

(c) CONFORMING AMENDMENTS.—Effective October 1, 1995, the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended in the table of contents in the first section by striking the items relating to sections 611 through 617, to sections 631 through 638, and to section 641; and by striking the items relating to the part designations and headings for parts A, B, C, and D of title VI. Effective October 1, 1998, such table of contents is amended by striking the items relating to sections 621 through 623; and by striking the item relating to the title designation and heading for title VI.

SEC. 523. CERTAIN AMOUNTS.

(a) AMOUNTS REGARDING FISCAL YEAR 1996.—With respect to the aggregate amount that was available for fiscal year 1995 as direct spending for carrying out the programs under section 311(c), section 316, and part C of title VI of the Rehabilitation Act of 1973 (as such provisions were in effect for such fiscal year), an amount equal to such aggregate amount is hereby made available for fiscal year 1996 as direct spending for carrying out title I of such Act (in addition to the amount of direct spending that otherwise is available for such title I for fiscal year 1996).

(b) AMOUNTS REGARDING FISCAL YEAR 1999.—With respect to the amount made available in appropriations Act for fiscal year 1998 for carrying out title VI of the Rehabilitation Act of 1973 (as such title was in effect for such fiscal year), an amount equal to such amount is hereby made available for fiscal year 1999 as direct spending for carrying out title I of such Act (in addition to the amount of direct spending that otherwise is available for such title I for fiscal year 1999).

TITLE VI—HIGHER EDUCATION PRIVATIZATION

SEC. 601. REORGANIZATION OF THE STUDENT LOAN MARKETING ASSOCIATION THROUGH THE FORMATION OF A HOLDING COMPANY.

(a) AMENDMENT.—Part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.) is amended by inserting after section 439 (20 U.S.C. 1087-2) the following new section:

"SEC. 440. REORGANIZATION OF THE STUDENT LOAN MARKETING ASSOCIATION THROUGH THE FORMATION OF A HOLDING COMPANY.

"(a) ACTIONS BY THE ASSOCIATION'S BOARD OF DIRECTORS.—The Board of Directors of the Association shall take or cause to be taken all such action as it deems necessary or appropriate to effect, upon the shareholder approval described in subsection (b), a restructuring of the common stock ownership of the Association, as set forth in a plan of reorganization adopted by the Board of Directors (the terms of which shall be consistent with this Act) so that all of the outstanding common shares shall be directly owned by an ordinary business corporation chartered under State or District of Columbia law (the 'Holding Company'), as the Board of Directors may determine. Such actions may include, in the Board's discretion, a merger of a wholly owned subsidiary of the Holding Company with and into the Association, which would have the effect provided in the plan of reorganization and the law of the jurisdiction in which such subsidiary is incorporated. As part of the restructuring, the Board of Directors may cause (1) the common shares of the Association to be converted, at the reorganization effective date, to common shares of the Holding Company on a one for one basis, consistent with applicable State or District of Columbia law, and (2) Holding Company common shares to be registered with the Securities and Exchange Commission.

"(b) SHAREHOLDER APPROVAL.—The plan of reorganization adopted by the Board of Directors pursuant to subsection (a) shall be submitted to common stockholders of the Association for their approval. The reorganization shall occur at the reorganization effective date, provided that the plan of reorganization has been approved by the affirmative votes, cast in person or by proxy, of the holders of a majority of the issued and outstanding shares of the Association common stock.

"(c) TRANSITION.—

"(1) IN GENERAL.—Except as specifically provided in this section, until the dissolution date the Association shall continue to have all of the rights, privileges and obligations set forth in, and shall be subject to all of the limitations and restrictions of, section 439 of this Act as in effect on the effective date of this section, and the Association shall continue to carry out the purposes of such section. The Holding Company and its affiliates other than the Association shall not be entitled to any of the rights, privileges and obligations, and shall not be subject to the limitations and restrictions, applicable to the Association under section 439 of this Act as in effect on the effective date of this section, except as specifically provided in this section. The Holding Company and its subsidiaries (other than the Association) shall not purchase loans insured under this Act until such time as the Association ceases acquiring such loans, except that the Association shall continue to acquire loans as a lender of last resort pursuant to section 439(q) of this Act or under an agreement with the Secretary described in section 440(c)(6).

"(2) TRANSFER OF CERTAIN PROPERTY.—Except as specifically provided in this section, at the reorganization effective date or as soon as practicable thereafter, the Association shall use its best efforts to transfer to the Holding Company or its subsidiaries (or both), in each case, as directed by the Holding Company, all real and personal property of the Association (both tangible and intangible) other than the remaining property. Without limiting the preceding sentence, such transferred property shall include all right, title and interest in (A) direct or indirect subsidiaries of the Association (excluding any interest in any government sponsored enterprise), (B) contracts, leases, and other agreements, (C) licenses and other intellectual property, and (D) any other property of the Association. Notwithstanding the preceding provisions of this paragraph, nothing in this paragraph shall be construed to prohibit the Association from transferring remaining property from time to time to the Holding Company or its subsidiaries, subject to the provisions of paragraph (4).

"(3) TRANSFER OF PERSONNEL.—At the reorganization effective date, employees of the Association shall become employees of the Holding Company (or of the subsidiaries), and the Holding Company (or the subsidiaries or both) shall provide all necessary and appropriate management and operational support (including loan servicing) to the Association, as requested by the Association. The Association may, however, obtain such management and operational support from other persons or entities.

"(4) DIVIDENDS.—The Association may pay dividends in the form of cash or noncash distributions so long as at the time of the declaration of such dividends, after giving effect to the payment of such dividends as of the date of such declaration by the Board of Directors of the Association, the Association's capital would be in compliance with the capital standards set forth in section 439(r) of this Act. If, at any time after the reorganization effective date, the Association fails to comply with such capital standards, the Holding Company shall be obligated to transfer to the Association additional capital in such amounts as are necessary to ensure that the Association again complies with the capital standards.

"(5) VALUATION OF NONCASH DISTRIBUTIONS.—After the reorganization effective date, any distribution of noncash assets by the Association to the Holding Company shall be valued at book value on the date the Association's Board of Directors approved such distribution for purposes of calculating compliance with section 439(r) of this Act.

"(6) RESTRICTIONS ON NEW BUSINESS ACTIVITY OR ACQUISITION OF ASSETS BY ASSOCIATION.—After the reorganization effective date, the Association shall not engage in any new business activities or acquire any additional program assets described in section 439(d) of the Act other than—

"(A) in connection with (i) student loan purchases through September 30, 2003, and (ii) contractual commitments for future warehousing advances or pursuant to letters of credit or standby bond purchase agreements which are outstanding as of the reorganization effective date;

"(B) in connection with its serving as a lender-of-last-resort pursuant to section 439 of this Act; and

"(C) in connection with its purchase of loans insured under this part, if the Secretary, with the approval of the Secretary of the Treasury, enters into an agreement with the Association for the continuation or resumption of its secondary market purchase program because the Secretary determines there is inadequate liquidity for loans made under this part.

The Secretary is authorized to enter into an agreement described in subparagraph (C) with the Association covering such secondary market activities.

Any agreement entered into under subparagraph (C) shall cover a period of 12 months, but may be renewed if the Secretary determines that liquidity remains inadequate. The fee provided under section 439(h)(7) shall not apply to loans acquired under any such agreement with the Secretary.

"(7) ISSUANCE OF DEBT OBLIGATIONS DURING THE TRANSITION PERIOD; ATTRIBUTES OF DEBT OBLIGATIONS.—After the reorganization effective date, the Association shall not issue debt obligations which mature later than September 30, 2007, except in connection with serving as a lender-of-last-resort pursuant to section 439 of this Act or with purchasing loans under an agreement with the Secretary as described in paragraph (6) of this subsection. Nothing in this subsection shall modify the attributes accorded the debt obligations of the Association by section 439, regardless of whether such debt obligations are incurred prior to, or at any time following, the reorganization effective date or are transferred to a trust in accordance with subsection (d).

"(8) MONITORING OF SAFETY AND SOUNDNESS.—

"(A) OBLIGATION TO OBTAIN, MAINTAIN, AND REPORT INFORMATION.—The Association shall obtain such information and make and keep such records as the Secretary of the Treasury may from time to time prescribe concerning (i) the financial risk to the Association resulting from the activities of any of its associated persons, to the extent such activities are reasonably likely to have a material impact on the financial condition of the Association, including its capital ratio, its liquidity, or its ability to conduct and finance its operations, and (ii) the Association's policies, procedures, and systems for monitoring and controlling any such financial risk. The Association's obligations under this subsection with respect to any associated person which is a third party servicer (as defined in 34 C.F.R. 682.200(b)) shall be limited to providing to the Secretary of the Treasury copies of any reports or other information provided to the Secretary of Education pursuant to 34 C.F.R. 682.200 et seq. The Secretary of the Treasury may require summary reports of such information to be filed no more frequently than quarterly. For purposes of this paragraph, the term 'associated person' shall mean any person, other than a natural person, directly or indirectly controlling, controlled by, or under common control with the Association.

"(B) SEPARATE OPERATION OF CORPORATIONS.—

"(i) The funds and assets of the Association shall at all times be maintained separately from the funds and assets of the Holding Company or any of its other subsidiaries and may be used solely by the Association to carry out its purposes and to fulfill its obligations.

"(ii) The Association shall maintain books and records that clearly reflect the assets and liabilities of the Association, separate from the assets and liabilities of the Holding Company or any of its other subsidiaries.

"(iii) The Association shall maintain a corporate office that is physically separate from any office of the Holding Company or any of its subsidiaries.

"(iv) No director of the Association that is appointed by the President pursuant to section 439(c)(1)(A) may serve as a director of the Holding Company.

"(v) At least one officer of the Association shall remain an officer solely of the Association.

"(vi) Transactions between the Association and the Holding Company or its other subsidiaries, including any loan servicing arrangements, shall be on terms no less favorable to the Association than the Association could obtain from an unrelated third party offering comparable services.

"(vii) The Association shall not extend credit to the Holding Company or any of its affiliates, nor guarantee or provide any credit enhancement to any debt obligations of the Holding Company or any of its affiliates.

"(viii) Any amounts collected on behalf of the Association by the Holding Company or any of its other subsidiaries with respect to the assets of the Association, pursuant to a servicing contract or other arrangement between the Association and the Holding Company or any of its other direct or indirect subsidiaries, shall be collected solely for the benefit of the Association and shall be immediately deposited by the Holding Company or such other subsidiary to an account under the sole control of the Association.

"(C) ENCUMBRANCE OF ASSETS.—Notwithstanding any otherwise applicable Federal or State law, rule, or regulation, or legal or equitable principle, doctrine, or theory to the contrary, under no circumstances shall the assets of the Association be available or used to pay claims or debts of or incurred by the Holding Company. Nothing in this subparagraph shall limit the right of the Association to pay dividends not otherwise prohibited hereunder or limit any liability of the Holding Company explicitly provided for in this part.

"(D) HOLDING COMPANY ACTIVITIES.—After the reorganization effective date and prior to the dissolution of the Association in accordance with section 440(d), Holding Company activities shall be limited to ownership of the Association and any other subsidiaries. All business activities shall be conducted through subsidiaries.

"(9) ASSOCIATION BOARD OF DIRECTORS.—Notwithstanding any other provision of part B of this title, after the reorganization effective date, the 14 directors of the Association elected by the Association's stockholders (which immediately after the reorganization effective date shall be the Holding Company) shall no longer be required to meet the eligibility requirements set forth in section 439(c).

"(10) ISSUANCE OF STOCK WARRANTS.—At the reorganization effective date, the Holding Company shall issue to the Secretary of the Treasury 200,000 stock warrants, each entitling the holder of the stock warrant to purchase from the Holding Company one share of the registered common stock of the Holding Company at any time on or before September 30, 2007. The exercise price for such warrants shall be an amount equal to the average closing price of the common stock of the Association for the 20 business days prior to and including the date of enactment of this section on the exchange or market which is then the primary exchange or market for the common stock of the Association, subject to any adjustments necessary to reflect the conversion of Association common stock into Holding Company common stock as part of the plan of reorganization approved by the Association's shareholders.

"(11) RESTRICTIONS ON TRANSFER OF ASSOCIATION SHARES AND BANKRUPTCY OF ASSOCIATION.—After the reorganization effective date, the Holding Company shall not sell, pledge, or otherwise transfer the outstanding shares of the Association, or agree to or cause the liquidation of the Association or cause the Association to file a petition for bankruptcy under title 11, United States Code, without prior approval of the Secretary of the Treasury and the Secretary of Education.

"(d) TERMINATION OF THE ASSOCIATION.—The Association shall dissolve, and its separate existence shall terminate on September 30, 2007, after discharge of all outstanding debt obligations and liquidation pursuant to this subsection. The Association may dissolve pursuant to this subsection prior to such date by notifying the Secretary of Education and the Secretary of the Treasury of its intention to dissolve, unless within 60 days of receipt of such notice the Secretary of Education notifies the Association that it continues to be needed to serve as a lender of last resort pursuant to section 439(q) of this Act or continues to be needed to purchase loans under an agreement with the Secretary described in subsection (c)(6) of this section. On the dissolution date, the Association shall take the following actions:

"(1) ESTABLISHMENT OF A TRUST.—The Association shall, under the terms of an irrevocable trust agreement in form and substance satisfactory to the Secretary of the Treasury, the Association and the appointed trustee, irrevocably transfer all remaining obligations of the Association to the trust and irrevocably deposit or cause to be deposited into such trust, to be held as trust funds solely for the benefit of holders of the remaining obligations, money or direct noncallable obligations of the United States of America or any agency thereof for which payment the full faith and credit of the United States is pledged, maturing as to principal and interest in such amounts and at such times as are determined by the Secretary of the Treasury to be sufficient, without consideration of any significant reinvestment of such interest, to pay the principal of, and interest on, the remaining obligations in accordance with their terms. To the extent the Association cannot provide money or qualifying obligations in the amount required, the Holding Company shall be required to transfer money or qualifying obligations to the trust in the amount necessary to prevent any deficiency.

"(2) USE OF TRUST ASSETS.—All money, obligations, or financial assets deposited into the trust pursuant to this subsection shall be applied by the trustee to the payment of the remaining obligations assumed by the trust. Upon the fulfillment of the trustee's duties under the trust, any remaining assets of the trust shall be transferred to the Holding Company or its subsidiaries, or both, as directed by the Holding Company.

"(3) OBLIGATIONS NOT TRANSFERRED TO THE TRUST.—The Association shall make proper provision for all other obligations of the Association, including the repurchase or redemption, or the making of proper provision for the repurchase or redemption, of any preferred stock of the Association then outstanding. Any obligations of the Association which cannot be fully satisfied shall become liabilities of the Holding Company as of the date of dissolution.

"(4) TRANSFER OF REMAINING ASSETS.—After compliance with paragraphs (1), and (3), the Association shall transfer to the Holding Company any remaining assets of the Association.

"(e) OPERATION OF THE HOLDING COMPANY.—

"(1) HOLDING COMPANY BOARD OF DIRECTORS.—The number and composition of the Board of Directors of the Holding Company shall be determined as set forth in the Holding Company's charter or like instrument (as amended from time to time) or bylaws (as amended from time to time) and as permissible under the laws of the jurisdiction of its incorporation.

"(2) HOLDING COMPANY NAME.—The names of the Holding Company and any subsidiary of the Holding Company other than the Association—

"(A) may not contain the name 'Student Loan Marketing Association'; and

"(B) may contain, to the extent permitted by applicable State or District of Columbia law, 'Sallie Mae', or variations thereof or such other names as the Board of Directors of the Association of the Holding Company shall deem appropriate.

"(3) USE OF SALLIE MAE NAME.—Without limiting paragraph (2), the Association may assign to the Holding Company, or any other subsidiary of the Holding Company, the 'Sallie Mae' name as a trademark and service mark, except that neither the Holding Company nor any subsidiary of the Holding Company other than the Association or a subsidiary of the Association may use the 'Sallie Mae' name on, or to identify the issuer of, any debt obligation or other security offered or sold by the Holding Company or any such subsidiary. The Association shall remit to the Secretary of Treasury $5,000,000 during fiscal year 1996 as compensation for the right to assign such trademark or service mark.

"(4) DISCLOSURE REQUIRED.—Until 3 years after the dissolution date, the Holding Company, and any subsidiary of the Holding Company other than the Association, shall prominently display—

"(A) in any document offering its securities, that the obligations of the Holding Company and any such subsidiary are not guaranteed by the full faith and credit of the United States; and

"(B) in any advertisement or promotional materials which use the 'Sallie Mae' name or mark, a statement that neither the Holding Company nor any such subsidiary is a Government-sponsored enterprise or instrumentality of the United States.

"(f) STRICT CONSTRUCTION.—Except as specifically set forth in this section, nothing contained in this section shall be construed to limit the authority of the Association as a federally chartered corporation, or of the Holding Company as a State or District of Columbia chartered corporation.

"(g) RIGHT TO ENFORCE.—The Secretary of Education or the Secretary of the Treasury, as appropriate, may request the Attorney General of the United States to bring an action in the United States District Court for the District of Columbia for the enforcement of any provisions of this section, or may, under the direction or control of the Attorney General, bring such an action. Such court shall have jurisdiction and power to order and require compliance with this section.

"(h) DEADLINE FOR REORGANIZATION EFFECTIVE DATE.—This section shall be of no further force and effect in the event that the reorganization effective date does not occur on or before 18 months after the date of enactment of this section.

"(i) DEFINITIONS.—For purposes of this section:

"(1) The term 'Association' means the Student Loan Marketing Association.

"(2) The term 'dissolution date' shall mean September 30, 2007, or such earlier date as the Secretary of Education permits the transfer of remaining obligations in accordance with subsection (d) of this section.

"(3) The term 'reorganization effective date' means the effective date of the reorganization as determined by the Board of Directors of the Association, which shall not be earlier than the date that stockholder approval is obtained pursuant to subsection (b) of this section and shall not be later than the date that is 18 months after the date of enactment of this section.

"(4) The term 'Holding Company' means the new business corporation formed pursuant to this section by the Association under the laws of any State of the United States or the District of Columbia.

"(5) The term 'remaining obligations' shall mean the debt obligations of the Association outstanding as of the dissolution date.

"(6) The term 'remaining property' shall mean the following assets and liabilities of the Association which are outstanding as of the reorganization effective date: (A) debt obligations issued by the Association, (B) contracts relating to interest rate, currency, or commodity positions or protections, (C) investment securities owned by the Association, (D) any instruments, assets, or agreements described in section 439(d) of this Act (including without limitation all student loans, forward purchase and lending commitments, warehousing advances, academic facilities obligations, letters of credit, standby bond purchase agreements, liquidity agreements, and student loan revenue bonds or other loans), and (E) except as specifically prohibited by this Act, any other nonmaterial assets or liabilities of the Association which the Association's Board of Directors determines to be necessary or appropriate to its operations.

"(7) The term 'reorganization' means the restructuring event or events (including any merger event) giving effect to the holding company structure described in subsection (a) of this section.

"(8) The term 'subsidiary' or 'subsidiaries' shall mean one or more direct or indirect subsidiaries of the Holding Company.".

(b) TECHNICAL AMENDMENTS.—

(1) AMENDMENTS TO THE HIGHER EDUCATION ACT.—Effective on the reorganization effective date (as defined in section 440(h)(3) of the Higher Education Act of 1965, as added by subsection (a))—

(A) section 435(d)(1)(F) of such Act (20 U.S.C. 1085(d)(1)(F)) is amended by inserting after "Student Loan Marketing Association" the following: "or the Holding Company of the Student Loan Marketing Association, including all subsidiaries of such Holding Company, created pursuant to section 440 of this Act,"; and

(B) sections 435(d)(1)(G) and 428C(a)(1)(A) of such Act (20 U.S.C. 1085(d)(1)(G); 1078-3(a)(1)(A)) are each amended by inserting after "Student Loan Marketing Association" the following: "or the Holding Company of the Student Loan Marketing Association, including all subsidiaries of such Holding Company, created pursuant to section 440 of this Act".

(2) ENFORCEMENT OF SAFETY AND SOUNDNESS REQUIREMENTS.—Section 439(r) of the Higher Education Act of 1965 (20 U.S.C. 1087-2(r)) is amended—

(A) by redesignating paragraph (13) as paragraph (15); and

(B) by inserting after paragraph (12) the following new paragraph:

"(13) ENFORCEMENT OF SAFETY AND SOUNDNESS REQUIREMENTS.—The Secretary of Education or the Secretary of the Treasury, as appropriate, may request the Attorney General of the United States to bring an action in the United States District Court for the District of Columbia for the enforcement of any provisions of this subsection, or may, under the direction or control of the Attorney General, bring such an action. Such court shall have jurisdiction and power to order and require compliance with this subsection.".

(3) CAPITAL RATIO AMENDMENTS.—Section 439(r) of the Higher Education Act of 1965 is further amended—

(A) in paragraph (1)—

(i) by striking "and" at the end of subparagraph (A);

(ii) by striking the period at the end of subparagraph (B) and inserting "; and"; and

(iii) by adding at the end the following new subparagraph:

"(C) within 45 days of the end of each fiscal quarter, (i) financial statements of the Association, and (ii) a report setting forth the calculation of the capital ratio of the Association.";

(B) in paragraph (11), by striking "paragraphs (4) and (6)(A)" and inserting "paragraphs (4), (6)(A), and (14)"; and

(C) by inserting after paragraph (13) (as added by paragraph (2) of this subsection) the following new paragraph:

"(14) ACTIONS BY SECRETARY.—If the shareholders of the Association shall have approved a reorganization plan in accordance with section 440(b) and, for any fiscal quarter ended after January 1, 2000, the Association shall have a capital ratio of less than 2.25 percent, the Secretary of the Treasury may, until such capital ratio is met, take any one or more of the actions described in paragraph (7), except that—

"(A) the capital ratio to be restored pursuant to paragraph (7)(D) shall be 2.25 percent; and

"(B) if the relevant capital ratio is in excess of or equal to 2 percent for such quarter, the Secretary of the Treasury shall defer taking any of the actions set forth in paragraph (7) until the next succeeding quarter and may then proceed with any such action only if the capital ratio of the Association remains below 2.25 percent.

Upon approval by the shareholders of the Association of a reorganization plan in accordance with section 440(b) for any period after January 1, 2000, the provisions of paragraphs (4), (5), (6), (8), (9), and (10) shall be of no further application to the Association.".

(4) REPEAL OF THE ASSOCIATION'S CHARTER.—Effective on the dissolution date (as defined in section 440(h)(2) of the Higher Education Act of 1965, as added by subsection (a)), section 439 of such Act (20 U.S.C. 1087-2) is repealed.

SEC. 602. PRIVATIZATION OF COLLEGE CONSTRUCTION LOAN INSURANCE ASSOCIATION.

(a) REPEAL OF STATUTORY RESTRICTIONS.—Part D of title VII of the Higher Education Act of 1965 (20 U.S.C. 1132f et seq.) is repealed.

(b) STATUS OF THE CORPORATION.—

(1) STATUS OF THE CORPORATION.—The Corporation shall not be an agency, instrumentality, or establishment of the United States Government and shall not be a "Government corporation" nor a "Government controlled corporation" as defined in section 103 of title 5, United States Code. No action under section 1491 of title 28, United States Code (commonly known as the Tucker Act) shall be allowable against the United States based on the actions of the Corporation.

(2) CORPORATE POWERS.—The Corporation shall have the power to engage in any business or other activities for which corporations may be organized under the laws of any State of the United States or the District of Columbia. The Corporation shall have the power to enter into contracts, to execute instruments, to incur liabilities, to provide products and services, and to do all things as are necessary or incidental to the proper management of its affairs and the efficient operation of a private, for-profit business.

(c) RELATED PRIVATIZATION REQUIREMENTS.—

(1) NOTICE REQUIREMENTS.—During the 5-year period following the date of the enactment of this Act, the Corporation shall include in any document offering the Corporation's securities, in any contracts for insurance, guarantee, or reinsurance of obligations, and in any advertisement or promotional material, a statement that—

(A) the Corporation is not a Government-sponsored enterprise or instrumentality of the United States; and

(B) the Corporation's obligations are not guaranteed by the full faith and credit of the United States.

(2) CORPORATE CHARTER.—The Corporation's charter shall be amended as necessary and without delay to conform the requirements of this Act.

(3) CORPORATE NAME.—The name of the Corporation, or of any direct or indirect subsidiary thereof, may not contain the term "College Construction Loan Insurance Association".

(4) ARTICLES OF INCORPORATION.—The Corporation shall amend its articles of incorporation without delay to reflect that one of the purposes of the Corporation shall be to guarantee, insure and reinsure bonds, leases, and other evidences of debt of educational institutions, including Historically Black Colleges and Universities and other academic institutions which are ranked in the lower investment grade category using a nationally recognized credit rating system.

(5) TRANSITION REQUIREMENTS.—

(A) REQUIREMENTS UNTIL STOCK SALE.—Notwithstanding subsection (a), the requirements of section 754 of the Higher Education Act of 1965 (20 U.S.C. 1132f-3), as in existence as of the day before enactment of this Act, shall continue to be effective until the day immediately following the date of closing of the purchase of the Secretary's stock (or the date of closing of the final purchase, in the case of multiple transactions) pursuant to subsection (d) of this section.

(B) REPORTS AFTER STOCK SALE.—The Corporation shall, not later than March 30 of the first full calendar year immediately following the sale pursuant to subsection (d), and each of the 2 succeeding years, submit to the Secretary of Education a report describing the Corporation's efforts to assist in the financing of education facilities projects, including projects for elementary, secondary, and postsecondary educational institution infrastructure, and detailing, on a project-by-project basis, the Corporation's business dealings with educational institutions that are rated by a nationally recognized statistical rating organization at or below the organization's third highest ratings.

(d) Sale of Federally Owned Stock.—

(1) Sale of stock required.—The Secretary of the Treasury shall, upon the request of the Secretary of Education make every effort to sell, pursuant to section 324 of title 31, United States Code, the voting common stock of the Corporation owned by the Secretary of Education not later than one year after the date of the enactment of this Act.

(2) Purchase by the corporation.—In the event that the Secretary of the Treasury is unable to sell the voting common stock, or any portion thereof, at a price acceptable to the Secretary of Education and the Secretary of the Treasury within the period specified in paragraph (1), the Corporation shall purchase such stock at a price determined by the Secretary of the Treasury and acceptable to the Corporation based on independent appraisal by one or more nationally recognized financial firms. Such firms shall be selected by the Secretary of the Treasury in consultation with the Secretary of Education and the Corporation.

(e) Assistance by the Corporation.—The Corporation shall provide such assistance as the Secretary of the Treasury and the Secretary of Education may require to facilitate the sale of the stock under this section.

(f) Definition.—As used in this section, the term "Corporation" means the Corporation established pursuant to the provision of law repealed by subsection (a).

TITLE VII—REPEALERS AND OTHER AMENDMENTS

SEC. 701. HIGHER EDUCATION PROVISIONS.

(a) Higher Education Act of 1965 Provisions.—The following provisions of the Higher Education Act of 1965 are repealed:

(1) Part B of title I (20 U.S.C. 1011 et seq.), relating to articulation agreements.

(2) Part C of title I (20 U.S.C. 1015 et seq.), relating to access and equity to education for all Americans through telecommunications.

(3) Title II (20 U.S.C. 1021 et seq.), relating to academic libraries and information services.

(4) Chapter 2 of subpart 2 of part A of title IV (20 U.S.C. 1070a–21 et seq.), relating to national early intervention scholarships.

(5) Chapter 3 of subpart 2 of part A of title IV (20 U.S.C. 1070a–31 et seq.), relating to presidential access scholarships.

(6) Chapter 4 of subpart 2 of part A of title IV (20 U.S.C. 1070a–41 et seq.), relating to model program community partnerships and counseling grants.

(7) Chapter 5 of subpart 2 of part A of title IV (20 U.S.C. 1070a–52 et seq.), relating to an early awareness information program.

(8) Chapter 8 of subpart 2 of part A of title IV (20 U.S.C. 1070a–81), relating to technical assistance for teachers and counselors.

(9) Subpart 8 of part A of title IV (20 U.S.C. 1070f), relating to special child care services for disadvantaged college students.

(10) Section 428J (20 U.S.C. 1078–10), relating to loan forgiveness for teachers, individuals performing national community service and nurses.

(11) Section 486 (20 U.S.C. 1093), relating to training in financial aid services.

(12) Subpart 1 of part H of title IV (20 U.S.C. 1099a et seq.) relating to State postsecondary review entity programs.

(13) Part A of title V (20 U.S.C. 1102 et seq.), relating to State and local programs for teacher excellence.

(14) Part B of title V (20 U.S.C. 1103 et seq.), relating to national teacher academies.

(15) Subpart 1 of part C of title V (20 U.S.C. 1104 et seq.), relating to Douglas teacher scholarships.

(16) Subpart 3 of part C of title V (20 U.S.C. 1106 et seq.), relating to the teacher corps.

(17) Subpart 3 of part D of title V (20 U.S.C. 1109 et seq.), relating to class size demonstration grants.

(18) Subpart 4 of part D of title V (20 U.S.C. 1110 et seq.), relating to middle school teaching demonstration programs.

(19) Subpart 1 of part E of title V (20 U.S.C. 1111 et seq.), relating to new teaching careers.

(20) Subpart 1 of part F of title V (20 U.S.C. 1113 et seq.), relating to the national mini corps programs.

(21) Section 586 (20 U.S.C. 1114), relating to demonstration grants for critical language and area studies.

(22) Section 587 (20 U.S.C. 1114a), relating to development of foreign languages and cultures instructional materials.

(23) Subpart 3 of part F of title V (20 U.S.C. 1115), relating to small State teaching initiatives.

(24) Subpart 4 of part F of title V (20 U.S.C. 1116), relating to faculty development grants.

(25) Section 597 and section 599(b) (20 U.S.C. 1117a, 1117c(b)), relating to early childhood staff training and professional enhancement.

(26) Section 605 (20 U.S.C. 1124a), relating to intensive summer language institutes.

(27) Section 607 (20 U.S.C. 1125a), relating to foreign language periodicals.

(28) Part A of title VII (20 U.S.C. 11326 et seq.), relating to academic and library facilities.

(29) Title VIII (20 U.S.C. 1133 et seq.), relating to cooperative education programs.

(30) Part A of title IX (20 U.S.C. 1134a et seq.), relating to women and minority participation in graduate education.

(31) Part B of title IX (20 U.S.C. 1134d et seq.), relating to Harris fellowships.

(32) Part C of title IX (20 U.S.C. 1134h et seq.), relating to Javits fellowships.

(33) Part E of title IX (20 U.S.C. 1134r et seq.), relating to the faculty development fellowship program.

(34) Part F of title IX (20 U.S.C. 1134s et seq.), relating to legal training for the disadvantaged.

(35) Part G of title IX (20 U.S.C. 1134u et seq.), relating to law school clinical programs.

(36) Section 1011 (20 U.S.C. 1135a–11), relating to special projects in areas of national need.

(37) Subpart 2 of part B of title X (20 U.S.C. 1135c et seq.), relating to science and engineering access programs.

(38) Part C of title X (20 U.S.C. 1135e et seq.), relating to women and minorities science and engineering outreach demonstration programs.

(39) Part D of title X (20 U.S.C. 1135f), relating to Eisenhower leadership programs.

(40) Title XI (20 U.S.C. 1136 et seq.), relating to community service programs.

(b) Education Amendments of 1986 Provisions.—The following provisions of the Higher Education Amendments of 1986 are repealed:

(1) Part E of title XIII (20 U.S.C. 1221–1 note), relating to a National Academy of Science study.

(2) Part B of title XV (20 U.S.C. 4441 et seq.), relating to Native Hawaiian culture and art development.

(c) Education Amendments of 1992 Provisions.—The following provisions of the Higher Education Amendments of 1992 are repealed:

(1) Part F of title XIII (25 U.S.C. 3351 et seq.), relating to American Indian postsecondary economic development scholarships.

(2) Part G of title XIII (25 U.S.C. 3371), relating to American Indian teacher training.

(3) Section 1406 (20 U.S.C. 1221e–1 note), relating to a national survey of factors associated with participation.

(4) Section 1409 (20 U.S.C. 1132a note), relating to a study of environmental hazards in institutions of higher education.

(5) Section 1412 (20 U.S.C. 1101 note), relating to a national job bank for teacher recruitment.

(6) Part B of title XV (20 U.S.C. 1452 note), relating to a national clearinghouse for postsecondary education materials.

(7) Part C of title XV (20 U.S.C. 1101 note), relating to school-based decisionmakers.

(8) Part D of title XV (20 U.S.C. 1145h note), relating to grants for sexual offenses education.

(9) Part E of title XV (20 U.S.C. 1070 note), relating to Olympic scholarships.

(10) Part G of title XV (20 U.S.C. 1070a–11 note), relating to advanced placement fee payment programs.

(d) Conforming Amendments.—the Higher Education Act of 1965 is amended—

(1) in section 453(c)(2)—

(A) by striking subparagraph (E); and

(B) by redesignating subparagraphs (F) through (H) as subparagraphs (E) through (G), respectively;

(2) in section 487(a)(3), by striking subparagraph (B) and redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively;

(3) in section 487(a)(15), by striking "the Secretary of Veterans Affairs, and State review entities under subpart 1 of part H" and inserting "and the Secretary of Veterans Affairs";

(4) in section 487(a)(21), by striking ", State postsecondary review entities,";

(5) in section 487(c)(1)(A)(i), by striking "State agencies, and the State review entities referred to in subpart 1 of part H" and inserting "and State agencies";

(6) in section 487(c)(4), by striking ", after consultation with each State review entity designated under subpart 1 of part H,";

(7) in section 487(c)(5), by striking "State review entities designated under subpart 1 of part H,";

(8) in section 496(a)(7), by striking "and the appropriate State postsecondary review entity";

(9) in section 496(a)(8), by striking "and the State postsecondary review entity of the State in which the institution of higher education is located";

(10) in section 498(g)(2), by striking everything after the first sentence;

(11) in section 498A(a)(2)(D), by striking "by the appropriate State postsecondary review entity designated under subpart 1 of this part or";

(12) in section 498A(a)(2)—

(A) by inserting "and" after the semicolon at the end of subparagraph (E);

(B) by striking subparagraph (F); and

(C) by redesignating subparagraph (G) as subparagraph (F); and

(13) in section 498A(a)(3)—

(A) by inserting "and" after the semicolon at the end of subparagraph (C);

(B) by striking "; and" at the end of subparagraph (D) and inserting a period; and

(C) by striking subparagraph (E).

SEC. 702. ELIGIBLE INSTITUTION.

(a) Amendments.—Section 481(b) of the Higher Education Act of 1965 (20 U.S.C. 1088(b)) is amended—

(1) by inserting before the period at the end of the first sentence the following: "on the basis of a review by the institution's independent auditor using generally accepted accounting principles";

(2) by inserting after the end of such first sentence the following new sentences: "For the purposes of clause (6), revenues from sources that are not derived from funds provided under this title include revenues from programs of education or training that do not meet the definition of an eligible program in subsection (e), but are provided on a contractual basis under Federal, State, or local training programs, or to business and industry. For the purposes of determining whether an institution meets the requirements of clause (6), the Secretary shall not consider the financial information of any institution for a fiscal year began on or before April 30, 1994.".

(b) Effective Date.—Notwithstanding section 713 of this Act, the amendments made by subsection (a) shall apply to any determination made on or after July 1, 1994, by the Secretary of Education pursuant to section 481(b)(6) of the Higher Education Act of 1965.

SEC. 703. CARL D. PERKINS VOCATIONAL AND APPLIED TECHNOLOGY EDUCATION ACT.

The Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.) is repealed.

SEC. 704. SMITH-HUGHES ACT.

(a) Repeal.—The Smith-Hughes Act (39 Stat. 929 as amended (20 U.S.C. 11–15, 16–28)) is repealed.

(b) Effective Date.—Notwithstanding section 713 of this Act, the repeal in subsection (a) of this section shall take effect on October 1, 1995.

SEC. 705. SCHOOL-TO-WORK OPPORTUNITIES ACT OF 1994.

The School-to-Work Opportunities Act of 1994 (20 U.S.C. 6101 et seq.) is repealed.

SEC. 706. SCHOOL DROPOUT ASSISTANCE ACT.

The School Dropout Assistance Act, (part C of title V of the Elementary and Secondary Education Act (20 U.S.C. 7261)) is repealed.

SEC. 707. ADULT EDUCATION ACT.

(a) In General.—The Adult Education Act (20 U.S.C. 1201 et seq.) is repealed.

(b) Conforming Amendments.—

(1) Esea.—The Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) is amended—

(A) in section 1202(c)(1), by striking "the Adult Education Act," and inserting "title IV of the CAREERS Act,";

(B) in section 1205(8)(B), by striking "the Adult Education Act," and inserting "title IV of the CAREERS Act,";

(C) in section 1206(a)(1)(A), by striking "the Adult Education Act;" and inserting "title IV of the CAREERS Act;"; and

(D) in section 9161(2), by striking "section 312(2) of the Adult Education Act." and inserting "section 5 of the CAREERS Act.".

(2) Technology for education act.—The Technology for Education Act of 1994 (20 U.S.C. 6801 et seq.) is amended in section 3113(1) by striking "section 312 of the Adult Education Act;" and inserting "section 5 of the CAREERS Act;";

SEC. 708. NATIONAL LITERACY ACT.

The National Literacy Act of 1991, except section 101 of such Act, is repealed.

SEC. 709. LIBRARY SERVICES AND CONSTRUCTION ACT.

(a) In General.—The Library Services and Construction Act (20 U.S.C. 351 et seq.) is repealed.

(b) Conforming Amendment.—The Technology for Education Act of 1994 (20 U.S.C. 6801 et seq.) is amended in section 3113(10) by striking "section 3 of the Library Services and Construction Act;" and inserting "section 5 of the CAREERS Act;".

SEC. 710. TECHNOLOGY FOR EDUCATION ACT OF 1994.

Part F of the Technology for Education Act of 1994 (contained in title III of the Elementary and Secondary Education Act (20 U.S.C. 7001 et seq.)) is repealed.

SEC. 711. JOB TRAINING PARTNERSHIP ACT.

(a) In General.—The Job Training Partnership Act (29 U.S.C. 1501 et seq.), except section 1, sections 421 through 439 (relating to the Job Corps), and section 441 of such Act (relating to veterans' employment programs), is hereby repealed.

(b) Conforming Amendments.—

(1) Short title.—Section 1 of the Job Training Partnership Act (29 U.S.C. 1501, note) is amended—

(A) in the heading, by striking "; TABLE OF CONTENTS"; and

(B) by striking all that follows after "Job Training Partnership Act".

(2) Job corps.—Such Act (29 U.S.C. 1501 et seq.), as amended by this section, is further amended—

(A) by redesignating sections 421 through 439 as sections 2 through 21, respectively;

(B) in section 2 (as redesignated), by striking "part" each place it appears and inserting "Act";

(C) in section 4(4) (as redesignated), by striking "sections 424 and 425" and inserting "sections 5 and 6";

(D) in section 5 (as redesignated)—

(i) in subsection (a), by striking "entities administering programs under title II of this Act,"; and

(ii) in subsection (b), by striking "part" and inserting "Act";

(E) in section 7 (as redesignated)—

(i) in subsection (a), by striking "section 428" and inserting "section 9"; and

(ii) by striking subsection (d);

(F) in section 8 (as redesignated)—

(i) by striking subsection (b); and

(ii) by redesignating subsection (c) as subsection (b);

(G) in section 14 (as redesignated)—

(i) in subsection (a)(4), by striking "part" and inserting "Act";

(ii) in subsection (c)(1), by striking "and activities authorized under sections 452 and 453"; and

(iii) in subsection (e), by striking "section 431" and inserting "section 12";

(H) in section 15 (as redesignated)—

(i) in subsection (a)—

(I) in the matter preceding paragraph (1), by striking "section 427" and inserting "section 8"; and

(II) in paragraph (4)(A), by striking "section 428" and inserting "section 9";

(ii) in subsection (c)(3), by striking "section 423" and inserting "section 4";

(iii) in subsection (d), by striking "sections 424 and 425" and inserting "sections 5 and 6"; and

(iv) in subsection (e), by striking ", pursuant to section 452(d),";

(I) in section 17 (as redesignated), by striking "purpose of this part" each place it appears and inserting "purpose of this Act";

(J) in section 20 (as redesignated), by striking "part" each place it appears and inserting "Act"; and

(K) in section 21 (as redesignated), by striking "part" and inserting "Act".

(3) Veterans' employment programs.—Such Act (29 U.S.C. 1501 et seq.), as amended by this section, is further amended—

(A) by redesignating section 441 as section 22;

(B) by striking the heading of such section 22 (as redesignated), and inserting the following:

"VETERANS' EMPLOYMENT PROGRAMS"; and

(C) in such section 22, by striking "part" each place it appears and inserting "section".

(4) Authorization of appropriations.—Such Act (29 U.S.C. 1501 et seq.), as amended by this section, is further amended by adding at the end the following new section:

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 23. There are authorized to be appropriated such sums as are necessary to carry out this Act.".

SEC. 712. STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.

(a) Adult Education.—

(1) In general.—Subtitle A of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421 et seq.) is repealed.

(2) Table of contents.—The table of contents of such Act is amended by striking the items relating to subtitle A of title VII of such Act.

(b) Subtitle C.—

(1) In general.—Subtitle C of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11441 et seq.), except section 738, is hereby repealed.

(2) Table of contents.—The table of contents of such Act is amended—

(A) by striking the item relating to subtitle C of title VII of such Act; and

(B) by striking the items relating to sections 731 through 737 and sections 739 through 741.

SEC. 713. EFFECTIVE DATE.

The repeals and amendments made by this Act shall take effect on July 1, 1997, except for amendments to the Rehabilitation Act of 1973.

H.R. 2274

Offered By: Mr. Rahall

Amendment No. 1: Strike sections 102 and 103.

H.R. 2274

Offered By: Mr. Rahall

Amendment No. 2: Strike "August 1, 1997" each time it appears in sections 102 and 103 and insert in lieu thereof "November 12, 1996".

H.R. 2274

Offered By: Mr. Rahall

Amendment No. 3: Strike section 348 and renumber the subsequent sections accordingly.

H.R. 2274

Offered By: Mr. Rahall

Amendment No. 4: Strike section 348 and insert in lieu thereof the following:

SEC. 348. NATIONAL MAXIMUM SPEED LIMIT.

Section 154(a) of title 23, United States Code, is amended—

(1) by striking "fifty-five miles" the first place it appears and all that follows through "or (4)" and inserting "65 miles per hour, or (2)"; and

(2) by striking "Clause (4)" and inserting "Clause (2)". Conform the table of contents of the bill accordingly.

H.R. 2274

Offered By: Mr. Rahall

Amendment No. 5: Strike section 348 and insert in lieu thereof the following:

SEC. 348. NATIONAL MAXIMUM SPEED LIMIT.

Section 154(a) of title 23, United States Code, is amended—

(1) by striking "fifty-five miles" the first place it appears and all that follows through "or (4)" and inserting "75 miles per hour, or (2)"; and

(2) by striking "Clause (4)" and inserting "Clause (2)". Conform the table of contents of the bill accordingly.

H.R. 2274

OFFERED BY: MR. RAHALL

AMENDMENT No. 6: Strike section 348 and insert in lieu thereof the following:

SEC. 348. NATIONAL MAXIMUM SPEED LIMIT.

Section 154(a) of title 23, United States Code, is amended—

(1) by striking "fifty-five miles" the first place it appears and all that follows through "or (4)" and inserting "85 miles per hour, or (2)"; and

(2) by striking "Clause (4)" and inserting "Clause (2)". Conform the table of contents of the bill accordingly.

H.R. 2274

OFFERED BY: MR. RAHALL

AMENDMENT No. 7: Strike section 348 and insert in lieu thereof the following:

SEC. 348. NATIONAL MAXIMUM SPEED LIMIT.

Section 154(a) of title 23, United States Code, is amended—

(1) by striking "fifty-five miles" the first place it appears and all that follows through "or (4)" and inserting "96 miles per hour, or (2)"; and

(2) by striking "Clause (4)" and inserting "Clause (2)". Conform the table of contents of the bill accordingly.

H.R. 2274

OFFERED BY: MR. RAHALL

AMENDMENT No. 8: Strike section 348 and insert in lieu thereof the following:

SEC. 348. NATIONAL MAXIMUM SPEED LIMIT.

Section 154(a) of title 23, United States Code, is amended—

(1) by striking "fifty-five miles" the first place it appears and all that follows through "or (4)" and inserting "105 miles per hour, or (2)"; and

(2) by striking "Clause (4)" and inserting "Clause (2)". Conform the table of contents of the bill accordingly.

H.R. 2274

OFFERED BY: MR. RAHALL

AMENDMENT No. 9: Strike section 348 and insert in lieu thereof the following:

SEC. 348. NATIONAL MAXIMUM SPEED LIMIT.

Section 154(a) of title 23, United States Code, is amended—

(1) by striking "fifty-five miles" the first place it appears and all that follows through "or (4)" and inserting "115 miles per hour, or (2)"; and

(2) by striking "Clause (4)" and inserting "Clause (2)". Conform the table of contents of the bill accordingly.

H.R. 2274

OFFERED BY: MR. RAHALL

AMENDMENT No. 10: Strike section 348 and insert in lieu thereof the following:

SEC. 348. NATIONAL MAXIMUM SPEED LIMIT.

Section 154(a) of title 23, United States Code, is amended—

(1) by striking "fifty-five miles" the first place it appears and all that follows through "or (4)" and inserting "125 miles per hour, or (2)"; and

(2) by striking "Clause (4)" and inserting "Clause (2)". Conform the table of contents of the bill accordingly.

H.R. 2274

OFFERED BY: MR. RAHALL

AMENDMENT No. 11: Strike section 348 and insert in lieu thereof the following:

SEC. 348. NATIONAL MAXIMUM SPEED LIMIT.

Section 154(a) of title 23, United States Code, is amended—

(1) by striking "fifty-five miles" the first place it appears and all that follows through "or (4)" and inserting "135 miles per hour, or (2)"; and

(2) by striking "Clause (4)" and inserting "Clause (2)". Conform the table of contents of the bill accordingly.

H.R. 2274

OFFERED BY: MR. RAHALL

AMENDMENT No. 12: Strike section 348 and insert in lieu thereof the following:

SEC. 348. NATIONAL MAXIMUM SPEED LIMIT.

Section 154(a) of title 23, United States Code, is amended—

(1) by striking "fifty-five miles" the first place it appears and all that follows through "or (4)" and inserting "145 miles per hour, or (2)"; and

(2) by striking "Clause (4)" and inserting "Clause (2)". Conform the table of contents of the bill accordingly.

H.R. 2274

OFFERED BY: MR. RAHALL

AMENDMENT No. 13: Strike section 348 and insert in lieu thereof the following:

SEC. 348. NATIONAL MAXIMUM SPEED LIMIT.

Section 154(a) of title 23, United States Code, is amended—

(1) by striking "fifty-five miles" the first place it appears and all that follows through "or (4)" and inserting "155 miles per hour, or (2)"; and

(2) by striking "Clause (4)" and inserting "Clause (2)".

Conform the table of contents of the bill accordingly.

H.R. 2274

OFFERED BY: MR. RAHALL

AMENDMENT No. 14: Strike section 348 and insert in lieu thereof the following:

SEC. 348. NATIONAL MAXIMUM SPEED LIMIT.

Section 154(a) of title 23, United States Code, is amended—

(1) by striking "fifty-five miles" the first place it appears and all that follows through "or (4)" and inserting "165 miles per hour, or (2)"; and

(2) by striking "Clause (4)" and inserting "Clause (2)".

Conform the table of contents of the bill accordingly.

H.R. 2274

OFFERED BY: MR. RAHALL

AMENDMENT No. 15: Strike section 351 and renumber the subsequent sections accordingly.

H.R. 2274

OFFERED BY: MR. RAHALL

AMENDMENT No. 16: Strike section 351(a)(5).

H.R. 2274

OFFERED BY: MR. RAHALL

AMENDMENT No. 17: In section 351(c) strike "the safety of commercial motor vehicles" each time it appears and insert in lieu thereof ", either the safety of commercial motor vehicles, their operators or the public".

Senate—*September 14, 1995*

(Legislative day of Tuesday, September 5, 1995)

The Senate met at 9:15 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, whose attributes are both majestic and manifold, we thank You most of all today for Your omnipresence and omniscience. It is a comfort and a challenge to realize that You are not only everywhere but You know everything. There is no place we can escape You, but also, no place devoid of Your potential grace and guidance. You know what we are facing with each person and each problem today. That means everything to us. We are not alone. You are with us. And because You know the complexities ahead of us throughout the day, You can give us what we need to be faithful to You and to live out our convictions. In this assurance we commit to You whatever causes us anxiety or frustration. Grant us Your vision and give us Your power. Think, speak, act through us. You provide the day; You show the way; Your love and patience in us display. In our Lord's name. Amen.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10 a.m., with 45 minutes to be under the control of the Senator from West Virginia [Mr. BYRD].

The able Senator from West Virginia is recognized.

THE CHAPLAIN'S PRAYER

Mr. BYRD. Mr. President, I thank the venerable Chair. I also thank our Chaplain for his prayer, reminding us of our insignificance and of the majestic greatness and love of an omnipotent, omnipresent, and omniscient God and of our Lord and Savior, Jesus Christ, who gave his life as a ransom for many.

DERAIL THE FEDERAL TRAIN WRECK

Mr. BYRD. Mr. President, over the past number of weeks, we have witnessed a great deal of saber-rattling and speculation over the question of whether Congress and the President can avoid a Government shutdown, called, metaphorically, a train wreck, on October 1. That is the first day of fiscal year 1996, and is also the date by which all 13 of the 1996 appropriations bills are supposed to be enacted.

Failure to achieve enactment of any of the 13 appropriations bills by October 1 will cause a funding lapse for the departments and agencies covered by any such bill. The only way to avoid a funding lapse, and an accompanying shutdown of the affected departments and agencies, is for Congress and the President to enact a short-term extension of funding authority, which is commonly known as a continuing resolution.

It is never easy to enact all 13 annual appropriations bills by the beginning of a fiscal year. In fact, only once in over 20 years have all 13 appropriations bills been signed into law prior to the beginning of the fiscal year. That year was fiscal year 1995. For every other year in the last several decades it has been necessary to enact a continuing resolution in order to enable the departments and agencies of the Federal Government to continue to carry out their responsibilities in the absence of appropriations acts. In most instances, those continuing resolutions have been of short duration and were enacted with little or no controversy.

Mr. President, given that history, I see no earthly reason for a so-called train wreck. There is certainly nothing to be gained politically by either side of the aisle or by the administration by such a catastrophe. In fact, it is far more likely that the American people will see such a train wreck as merely a game of high stakes poker played by politicians using public money to make their bets. The American people will rightly see through the political "blame game" that will accompany the so-called train wreck. They will ask themselves why they should have to pay the tab for the game of chicken being played by their elected officials—who, by the way, will continue to be paid their full salaries were there to be a Government shutdown.

Furloughed Federal workers by the hundreds of thousands will not be paid, nor will those who do contract work for the Federal Government. But, the President, and Senators, and Members of the House of Representatives, will still receive their full paychecks, no matter how long the shutdown lasts. Be assured, Senators, that that situation will not make any of us dearly beloved by our constituents.

Mr. President, we are told by the General Accounting Office, in its June 1991 report entitled "Government Shutdown" that there were nine occasions over the period from October 1981 through October 1990 when there were funding gaps of 1 to 3 days. In other words, we had nine short periods, usually over weekends when there were lapses of appropriations. This same GAO report analyzes the effects of the last of these nine funding lapses; namely, Columbus Day weekend of 1990, or October 6–8, 1990. The report points out that on October 5, 1990, Federal agencies were directed by the Office of Management and Budget to implement plans to close down operations over the Columbus Day weekend (October 6–8, 1990). This action was the result of President Bush's veto of a continuing resolution that would have provided funding through October 12, 1990, and was a reflection of the President's dissatisfaction with progress on the fiscal year 1991 budget.

According to GAO, on page 2 of the report: "The shutdown of some government agencies over the Columbus Day weekend was financially counterproductive." Overall, the shutdown costs of seven affected agencies totaled $3.4 million. However, these costs would have been much higher if a 3-day shutdown had occurred during a normal workweek. GAO states that "the total cost of such a 3-day workweek shutdown would range from about $244.6 million to $607.3 million, depending upon whether revenues estimated to be lost by the IRS could be recovered." That is a lot of money that will be wasted—at least $250 million every 3 workdays if we cause a Government shutdown on October 1. This is a very expensive way to prove once and for all to the American people that the Government cannot perform even its basic responsibilities. No wonder one hears so much talk about throwing the whole lot of us out of office!

There is of course still time to complete action on all 13 appropriations bills by the end of the month. We have already passed 7 of the 13 bills and all of the remaining bills will be ready for Senate consideration this week, or certainly by the end of the week.

There are a number of these bills which the President has threatened to

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

veto unless substantial changes are made to them. There are legitimate differences, which, after reasonable debate, should, in my opinion, be resolved one way or the other. We need to vote these amendments up or down and get these remaining bills to conference, and to the President's desk. If he chooses to veto some of them, as I believe he will, then it is all the more important for Congress to get its work done on time so as to allow for further negotiations on any bills which are vetoed and not overridden.

If Congress cannot complete action on all 13 appropriation conferences by October 1, there is still no excuse for a train wreck. Surely the American people have a right to expect Congress and the Chief Executive to be able to work out a continuing resolution which will prevent a Government shutdown while negotiations take place as necessary to achieve the enactment of all 13 fiscal year 1996 appropriations bills. I believe we can avoid a Government shutdown. All it really will take to do so is for both political parties to decide that they wish to avoid it. We are not on some preordained collision course. We are not controlled by some automatic pilot device which has the two political parties careening down intersecting tracks destined to collide. Those of us charged with carrying out the responsibilities of elective office have the will and the wit to avoid such nightmarish scenarios if we simply choose to do so. All it takes is for all the players on both ends of the avenue to stop the gamesmanship and go reread their oath of office.

This is not some partisan polo match we are engaged in. We are gambling with the financial fortunes of a lot of real honest to goodness people who will suffer hardships if we remain intransigent and close down this Government. And, as I have already mentioned, there are very high, very real permanent costs to the U.S. Treasury if we choose such a course. I can think of no more irresponsible act by elected officials than to deliberately plot such a devastating scenario and then to actually carry it out. What will we be proving? Who can possibly win if such a mess comes to pass? No one will applaud our statesmanship or patriotism, that is for sure. And, we will have earned the wrath of the voters in 1996, who would be well justified in their belief that nothing has changed in Washington where it is gridlock and power plays as usual.

But, as if this is not enough, there is another far more serious train wreck that may be imminent—and that is the train wreck which could occur if Congress insists on putting the debt limit increase into the reconciliation bill. According to recent testimony by the Treasury Department before the Finance Committee, Treasury's current estimates show that the permanent debt ceiling of $4.9 trillion will be reached by late October or early November.

As Senators are aware, once that debt limit is reached, the Treasury Department has no authority to spend any cash that would cause the debt limit to be exceeded. A failure by Congress and the President to raise the debt limit would bring about, in a matter of days, one of the greatest financial crises the country has ever seen—probably the greatest in some ways. The Government would not be able to continue any of its operations. It could not honor Social Security checks or pay employees to issue them. The same applies to military and civilian and veterans' pensions. They would not be honored. Interest on U.S. Government securities could not be paid. All of this is coming up this fall unless we enact an increase in the debt limit, as called for in the Budget Resolution, and which the Treasury Department has told us will be necessary no later than mid-November.

According to the Congressional Budget Office, in its August 1995 report entitled "The Economic and Budget Outlook," the debt limit has had to be raised 19 times over the last decade. That report also points out the obvious; namely, that raising the debt limit is considered "must pass" legislation. Paradoxically, because of its critical importance, passage of the debt limit is frequently viewed by some very misguided forces as a device to use to mandate action on some other legislative partisan goal. The debt limit is, therefore, the ultimate tool in the hands of the legislative blackmailers, the ultimate tool.

CBO gives the example of 1990, when Congress voted seven times on the debt limit between August 9 and November 5 in connection with the budget summit negotiations. In that instance, as I recall—I was there—the Congress and President Bush enacted a series of debt limit increases as progress was being made on the overall budget at the Budget Summit. Those debt limit increases were supported on a bipartisan basis in both Houses, and by President Bush, as we all worked day and night, and on Saturdays and Sundays, to resolve our differences on a 5-year deficit reduction package. That package ultimately was enacted into law in what is known as the Budget Enforcement Act.

Despite the fact that President Bush later expressed regret for his involvement in that Budget Summit Agreement, I believe that it made a number of very important improvements in the Budget Act, and it also cut the deficit projections at that time by almost $500 billion. But whatever one's view may be of the 1990 budget experience, one thing was clear. No one seriously talked about deliberately causing a default on our national debt in order to gain some political advantage by blaming the other political party for the calamity.

Yet, Mr. President, we are now facing a situation where, I understand, the majority party in Congress may choose to include the debt limit increase in the upcoming reconciliation bill. They see it as an opportunity to force the President to sign the reconciliation bill. They see it as a way of slamming several crazy, at least in my judgment, legislative "losers" into law—no matter how unwise or how untested those proposals may be. They view this devious and irresponsible tactic as a sure way to enact massive tax cuts, which mainly benefit high-income "fat cats."

Reports say the majority may be planning to put the debt limit increase into the reconciliation bill and then to ram that whole package through Congress without serious negotiations with the minority in Congress or with the President.

They are riding high in the saddle, Mr. President, but the worm is going to turn. It is just a matter of when. They are riding high in the saddle, but the worm is going to turn. That is exactly what will happen, if the majority can muster the votes in both Houses of Congress for their reconciliation bill. They have chosen the reconciliation bill because reconciliation bills cannot be filibustered. Neither can reconciliation conference reports. Reconciliation bills are intended to reduce the deficit, and so they are privileged matters with exceedingly tight time limits. Therefore, what we may be facing in regards to reconciliation is a take-it-or-leave-it bill—one that largely contains everything the majority party espouses, and with little consideration, if any, of the views of either the President or the Democratic minority in Congress. That would mean huge cuts in Medicare—around $270 billion—huge tax cuts for the wealthy—$245 billion—folly on folly—and huge cuts in discretionary investments in our physical infrastructure, as well as cuts in such programs as education, job training, and medical research. The attitude is do it our way. Take our highly partisan agenda, just as we wrote it in that great so-called "Contract With America" or we will wreck the national economy, close down the Government, and threaten global financial disruption.

If the Republican majority can round up a majority of the House and Senate to vote for such a reconciliation bill, and if it also includes a debt limit increase, then the President, it would seem, would be in the impossible position of having to either swallow a bill that he has said he will veto and will deserve to be vetoed, or shooting down a "must pass" increase in the debt limit. This is just a deplorable way to govern. It is putting politics first. Politics is important. I have never considered it to be first, above everything else, and I do not so consider it now. It is irresponsible. It makes a mockery of our constitutional system and encourages chaos to reign.

If you think that Milton's "Paradise Lost" presented chaos, as Satan and his angels fell from Heaven, just wait and see what this will look like.

Mr. President, I urge my colleagues in the Senate, in the House, and in the administration not to go down this road. Despite the political enticement of being able to blackmail the President into signing a highly partisan version of a reconciliation bill, I submit that in reality there is absolutely no political advantage.

The people are going to say, a plague on both of our Houses.

Go back and read Chaucer's tale by the Pardoner, wherein all three of the young men destroyed themselves. Because of their greed for gain, two knifed the one while the one poisoned the two. And they all fell in excruciating pain on top of the pile of gold and died.

So there can be no winners in this game. The Democrats, the Republicans, and the President will all destroy ourselves because of our political greed for gain.

The American people will clearly understand what is going on. We cannot bamboozle them. They are onto our childish games. And they and the press will quickly be able to determine that the debt limit can easily be increased as a free-standing bill and that the majority party in Congress need not and should not try to gain advantage in the budget battles by risking a world class financial crisis.

Am I exaggerating? Am I engaging in hyperbole? Just what would be the consequences of not raising the debt limit? I predict that such a default on paying interest due on Government securities, for example, would cause an earthquake on Wall Street, one that would rattle your eye teeth and curl your hair, as someone has said upon one occasion.

A failure to raise the debt limit in a timely manner would have devastating effects on the standing of the United States in the international economy. Investor confidence in the dollar and in U.S. Government securities would plummet—plummet, sharply affecting domestic and international stock and bond markets. U.S. bonds and bills would never be "risk free" again. They would become "government insecurities," not "government securities." Uncle Sam would no longer be a pillar of financial rectitude, but would become a shady junk bond dealer on the international market. International investors, who hold billions and billions of U.S. dollars, would understandably look for safer havens—safer havens for their investments. Interest rates would increase—interest rates would be offered and would again entice these investors to buy U.S. Government securities. This would cost the United States more, and still might not ensure stability in our financial markets.

The United States would be the big loser, big loser, in the long term, facing permanently increased borrowing costs when the time came to roll over our debt. Interest rates on those loans, which are secured with Government bonds, would be raised, increasing, in turn, the costs to the taxpayer. The added costs of an increased interest rate on borrowing to finance the debt would have to be offset by reduced Government investments in people and in infrastructure programs which already feel the crunch of budget constraints designed to bring the budget into balance. This foolhardy posturing on raising the debt limit is being played out on a knife edge that is poised to cut the throat of the American taxpayer, who will suffer from increased costs and reduced Government services for years to come.

On the international security scene, a U.S. failure to increase the debt limit could also adversely affect U.S. military preparedness. If the men and women in our military are worried about their paychecks being honored, about paying their bills and feeding their families, how credible a deterrent can they be? This has very unsettling ramifications for U.S. military operations possibly in Iraq and North Korea. Should we stop firing Tomahawk cruise missiles—at a cost of $1.3 million per missile—at Bosnian air defense sites because we are not sure that we can afford to replace them in the inventory? Do we not send in costly reinforcements if Iraq makes threatening moves toward Jordan or Kuwait? Will defense contractors make timely deliveries of new weapons after the first payment check is not honored? Will the United States be able to honor its security agreements with other nations, when it cannot credibly be counted upon to follow through on, and to pay for, its own commitments? These are just a few of the possible effects of our failure to increase the debt limit and maintain faith in the security of U.S. Government financial commitments.

Now, whether my predictions will be correct will be known in November if we have not enacted a debt limit increase by then. This is so because in November, we are told by CBO, cash interest payments are due on Treasury instruments totaling around $25 billion. Treasury tells us that they will not have room under the present $4.9 trillion debt limit to pay that interest. We indeed, therefore, must pass a debt limit increase, or risk a real default on the payment of interest on Treasury instruments for the first time in our history.

That is what is at stake here along with the lack of cash to honor Social Security checks, or Government pensions, or veterans' pensions, or the paychecks of Government workers. Surely sane men and women will not choose to play a game of chicken of this horrific magnitude. We would be risking the entire economy. Where would the panic stop? Once it started, how could one turn off the total loss of faith in the ability of this Congress to responsibly carry out its work? Once that genie is out of the bottle, who can say where or when the damage will end? We are not talking about a mere metaphorical train wreck under this set of circumstances. We are talking about a nuclear explosion—a financial doomsday scenario that could make the Great Depression, in some respects at least, look more like a picnic in the park by comparison. And, thank God, I lived in that depression. I was 12 years old when the October 29 stock market crash took place. I remember what it was. And yet, we hear daily the trumpets of our leaders at both ends, both ends of Pennsylvania Avenue preparing us for the catastrophe, as though it was inevitable due to some unavoidable, locked-in, preprogrammed self-destruct device.

That will not wash, Mr. President. We are not dealing with a bomb which we cannot disarm. There is nothing inevitable or uncontrollable about it. We have every authority and power that we need to avoid a funding lapse at the beginning of this fiscal year and a debt limit crisis. We have always solved our political and policy differences in the past without risking serious permanent damage to our economy and to our very system of Government. All it takes is for us once, just once, to put the good of the country ahead of the partisan political advantage and the good of political parties. All it takes is for us to stop wallowing in the intoxicating sweet smoke of rhetoric—in the intoxicating aura of power, and start trying to be what we all loudly claim to be: statesmen! All it takes is for us to sober up, put the cards down, and fold up this drunken poker game that has already progressed far too late into the evening. We need to pass the coffee, get the red out of our eyes, and try to remember why the people sent us here in the first place.

If the people have lost respect for public officials, spectacles such as the one now being touted as a train wreck are surely the reason why. If confidence in the Federal Government is failing, this type of power-induced insanity that views flirting with an economic collapse as good political strategy is certainly one reason why. If we try to publicly pretend that we cannot avoid such a fiscal crisis, we need never again scratch our heads and wonder why people do not trust and do not believe politicians. There need be no crisis unless irresponsible partisan-crazed politicians create one, and we all know it.

I am encouraged by the press accounts of the meeting that occurred earlier this week between President Clinton and congressional leaders, at which they apparently agreed to negotiate a short-term spending plan that would avoid an October 1 Government shutdown. That would address at least part of the problem. And if cooler heads prevail, surely we can, and surely we must, find a way to settle our very real and very serious budgetary and appropriations differences in the coming weeks, as we were elected to do, without fashioning deliberate train wrecks that would be devastating to this great country of ours. If we fail to do so, if November brings such unimaginable devastation to our country, I fear not for our sorry lot, for we politicians will get exactly what we deserve. I fear only for the American people who so wrongly invested their trust in us in the first place.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ASHCROFT). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. WELLSTONE. Mr. President, I object for the moment.

The PRESIDING OFFICER. Objection is heard.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

OUR NATIONAL COMMITMENT TO DEPENDENT CHILDREN

Mr. MOYNIHAN. Mr. President, on this, the likely final day of the debate on the welfare reform measure before us, it is worth noting that in the lead story of the New York Times this morning, a story by Robin Toner, we read that "the White House, exceedingly eager to support a law that promises to change the welfare system, was sending increasingly friendly signals about the bill."

That is a bill that would repeal title IV–A of the Social Security Act of 1935 that provides aid to dependent children. It will be the first time in the history of the Nation that we have repealed a section of the Social Security Act. That the White House should be eager to support such a law is beyond my understanding, and certainly in 34 year's service in Washington, beyond my experience.

I regret it. I can only wish some who are involved in the White House or those in the administration, would know that they might well resign if they agree with the proposal that violates every principle they have asserted in their careers, honorable careers in public service.

I will state once again, we, yesterday, read Mr. Rahm Emanuel, a White House spokesman, saying the measure was coming along "nicely." Today, we get the same message in a lead story in the Times. If this administration wishes to go down in history as one that abandoned, eagerly abandoned, the national commitment to dependent children, so be it. I would not want to be associated with such an enterprise, and I shall not be.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

FAMILY SELF-SUFFICIENCY ACT

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of H.R. 4, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence.

The Senate resumed consideration of the bill.

Pending:

Dole modified amendment No. 2280, of a perfecting nature.

Subsequently, the amendment was further modified.

Daschle amendment No. 2672 (to amendment No. 2280), to provide for the establishment of a contingency fund for State welfare programs.

Faircloth amendment No. 2608 (to amendment No. 2280), to provide for an abstinence education program.

Wellstone amendment No. 2584 (to amendment No. 2280), to exempt women and children who have been battered or subject to extreme cruelty from certain requirements of the bill.

Faircloth amendment No. 2609 (to amendment No. 2280), to prohibit teenage parents from living in the home of an adult relative or guardian who has a history of receiving assistance.

Conrad amendment No. 2528 (to amendment No. 2280), to provide that a State that provides assistance to unmarried teenage parents under the State program require such parents as a condition of receiving such assistance to live in an adult-supervised setting and attend high school or other equivalent training program.

Jeffords amendment No. 2581 (to amendment No. 2280), to strike the increase to the grant to reward States that reduce out-of-wedlock births.

The PRESIDING OFFICER. Under the previous order, there will be 10 minutes, to be equally divided, on the Wellstone amendment No. 2584, to be followed by a vote on or in relation to the amendment.

Mr. WELLSTONE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, there being some spare time in our schedule just now, I would like to take the occasion, and exercise the privilege, as I see it, of reading to the Senate the lead editorial in the Washington Post this morning. It is entitled "Welfare Theories." This is an editorial page which has been dealing thoughtfully, supportively, with welfare problems for 35 years.

On the opposite page, columnist George Will musters a most powerful argument against the welfare bill now on the Senate floor. The bill purports to be a way of sending strong messages to welfare recipients that it is time for them to mend their ways. But as Mr. Will notes, "no child is going to be spiritually improved by being collateral damage in a bombardment of severities targeted at adults who may or may not deserve more severe treatment from the welfare system."

The bill is reckless because it could endanger the well-being of the poorest children in society in the name of a series of untested theories about how people may respond to some new incentives. Surely a Congress whose majority proudly carries the mantle "conservative" should be wary of risking human suffering on behalf of some ideological driven preconceptions. Isn't that what conservatives always accused liberals of doing?

The best thing that can be said of this bill is that it is not as bad as it might have been. Some of the most obviously flawed proposals—mandating that States end welfare assistance to children born to mothers while they are on welfare and that they cut off assistance to teen mothers—have been voted down. There will be at least some requirements that States continue to invest resources in programs for the poor in exchange for their current Federal budget allocations. But they are still not strong enough, and are potentially loophole-ridden. Some new money for child care may also be sprinkled onto this confection.

May I repeat a powerful image, Mr. President:

Some new money for child care may also be sprinkled onto this confection.

But the structure of the bill is wrong, and a fundamental untruth lies at its heart. Congress wants to claim that it is (1) doing something about a whole series of social and economic pathologies, while at the same time (2) cutting spending. But a welfare reform that is serious about both promoting work and helping children in single-parent homes will cost more than writing checks, especially given the extremely modest sums now spent by so many States on the poor.

Going to a block grant formula would destroy one of the few obvious merits of the current system, which is its ability to respond flexibly to regional economic upturns or downturns. On top of this, the bill's provisions on food stamps and its reductions in assistance to disabled children under the Supplementary Security Income Program go beyond what might constitute reasonable reforms. And its provisions cutting aid to legal immigrants would backfire on states with large immigrant populations.

Many Senators will be tempted to vote for this bill anyway, arguing that it has been "improved" and fearing the political consequences of voting against anything labeled

> welfare reform. But many of the "improvements" will disappear once the bill goes to a conference with the House, which has passed an even more objectionable bill. In any event, voting this bill down would be exactly the opposite of a negative act. It would be an affirmation that real welfare reform is both necessary and possible. To get to that point, a dangerous bill posing as the genuine article must be defeated first.

That is the end of the editorial.

Mr. President, what I cannot comprehend is why this is so difficult for the administration to understand. The administration has abandoned us, those of us who oppose this legislation.

Why do we not see the endless parade of petitioners as when health care reform was before us in the last Congress, the lobbyists, the pretend citizen groups, the real citizen groups? None are here.

I can recall, Mr. President, the extraordinary energy that went into any change in the welfare system 30 years ago, 25 years ago. Fifteen years ago, if there was a proposal to take $40 out of some demonstration project here on the Senate floor, there would be 40 representatives of various advocacy groups outside.

There are very few advocacy groups outside. You can stand where I stand, Mr. President, and look straight out at the Supreme Court—not a person in between that view. Not one of those flaunted, vaunted advocacy groups forever protecting the interests of the children and the helpless and the homeless and the what-you-will. Are they increasingly subsidized and therefore increasingly co-opted?

Are they are silent because the White House is silent? They should be ashamed. History will shame them.

One group was in Washington yesterday and I can speak with some spirit on that. This was a group of Catholic bishops and members from Catholic Charities. They were here. They were in Washington. Nobody else. None of the great marchers, the great chanters, the nonnegotiable demanders.

There is one police officer that has just appeared, but otherwise the lobby by the elevators is as empty this morning as it was when I left the Chamber last night about 10 o'clock.

I read in the New York Times this morning, the front page, lead article:

> And the White House, exceedingly eager to support a law that promises to change the welfare system, was sending increasingly friendly signals about the bill.

I see my friend from Indiana, Senator COATS, is on the floor. I know his view will be different from mine on the bill. But I recall that extraordinary address he gave yesterday on civil society, citing such as Nathan Glazer and James Q. Wilson, I, in response, quoted some of their observations that we know we have to do these things, but we do not know how to do them. We are just at the beginning of recognizing how profound a question it is, as the Senator so brilliantly set forth. But first, do no harm. Do not pretend that you know what you do not know. Look at the beginnings of research and evaluation that say, "Very hard, not clear." Do not hurt children on the basis of an unproven theory and untested hypothesis.

That is what the Senator was citing, persons yesterday who said just that. This morning, the Washington Post, in its lead editorial, speaks of the structure of the bill being wrong, that a fundamental untruth lies at its heart.

> Congress wants to claim that it is (1) doing something about a whole series of social and economic pathologies, while at the same time (2) cutting spending. The nostrums, the unsupported beliefs, the unsupported assertions, are quite astounding.

White House spokesman Rahm Emanuel yesterday told us things are going well. I say once again there is such a thing as resigning in Government, and there comes a time when, if principle matters at all, you resign. People who resign on principle come back; people whose real views are less important than their temporary position, "their brief authority," as Shakespeare once put it, disappear.

If that brief authority is more important than the enduring principles of protecting children and childhood, then what is to be said of those who prefer the one to the other? What is to be said of a White House that was almost on the edge of excess in its claims of empathy and concern in the last Congress but is now prepared to see things like this happen in the present Congress?

All they want is, and I quote the Washington Post, "some new money for child care that may be sprinkled onto this confection."

It will shame this Congress. It will spoil the conservative revolution. The Washington Post makes this clear. If conservative means anything, it means be careful, be thoughtful, and anticipate the unanticipated or understand that things will happen that you do not expect. And be very careful with the lives of children.

I had no idea, Mr. President, how profoundly what used to be known as liberalism was shaken by the last election. No President, Republican or Democrat, in history, or 60 years' history, would dream of agreeing to the repeal of title IV A of Social Security, the provision for National Government for children. Clearly, this administration is contemplating just that.

I cannot understand how this could be happening. It has never happened before.

I make no claim to access. Hardly a soul in the White House has talked to me about this subject since it arose. They know what I think and they know what I would say; not about the particulars, but about the principle—the principle. Does the Federal Government maintain a commitment to State programs providing aid to dependent children?

It is not as if we had just a few. Ten million is a round number, at any moment.

As George Will observes in his column, and the Washington Post editorial refers to his column—the numbers are so extraordinary:

> Here are the percentages of children on AFDC at some point during 1993 in five cities: Detroit (67), Philadelphia (57), Chicago (46), New York (39), Los Angeles (38).

Then he cites this Senator:

> "There are * * * not enough social workers, not enough nuns, not enough Salvation Army workers" to care for children who would be purged from the welfare rolls were Congress to decree [and then Mr. Will says] "(as candidate Bill Clinton proposed) a two-year limit for welfare eligibility."

The citation of Nicholas Eberstadt—I have the honor to have been a colleague of Mr. Eberstadt in a course entitled, "The Social Science and Social Policy," which was taught in the core curriculum at Harvard University. Nicholas Eberstadt, of Harvard and the American Enterprise Institute, says:

> Supposing today's welfare policy incentives to illegitimacy were transported back in time to Salem, MA in, say, 1660. How many additional illegitimate births would have occurred in Puritan Salem? Few. Because the people of Salem in 1660 believed in hell and believed that what today are called disorganized lifestyles led to hell. Congress cannot legislate useful attitudes.

I can say of my friend Mr. Eberstadt, I do not know where his politics would be, save they would be moderate, sensible, based on research. He is a thoughtful man; a demographer. He has studied these things with great care. And he, too, cannot comprehend national policy at this point.

Scholars have been working at these issues for years now, and the more capable they are, the more tentative and incremental their findings. I cited yesterday a research evaluation of a program, now in its fifth year, of very intensive counseling and training with respect to the issue of teen births—with no results. No results. It is a very common encounter, when things as profound in human character and behavior are dealt with. The capacity of external influences to change it is so very small.

And that we should think otherwise? That men and women have stood in this Chamber and talked about a genuine crisis—and there is that. And I have said, if nothing else comes out of this awful process, at least we will have addressed the central subject. But if it is that serious, how can we suppose it will be changed by marginal measures? It will not.

Are there no serious persons in the administration who can say, "Stop, stop right now? No. We won't have this. We agree with the Washington Post that, 'It would be an affirmation that real welfare reform is both necessary and possible. To get to that point, a dangerous bill posing as the genuine article must be defeated first.'" If not, profoundly serious questions are raised about the year to come?

Mr. President, I ask unanimous consent to have Mr. Will's column printed in the RECORD and I yield the floor.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WOMEN AND CHILDREN FIRST?

(By George F. Will)

As the welfare reform debate begins to boil, the place to begin is with an elemental fact: No child in America asked to be here.

Each was summoned into existence by the acts of adults. And no child is going to be spiritually improved by being collateral damage in a bombardment of severities targeted at adults who may or may not deserve more severe treatment from the welfare system.

Phil Gramm says welfare recipients are people "in the wagon" who ought to get out and "help the rest of us pull." Well. Of the 14 million people receiving Aid to Families with Dependent Children, 9 million are children. Even if we get all these free riders into wee harnesses, the wagon will not move much faster.

Furthermore, there is hardly an individual or industry in America that is not in some sense "in the wagon," receiving some federal subvention. If everyone gets out, the wagon may rocket along. But no one is proposing that. Instead, welfare reform may give a whole new meaning to the phrase "women and children first."

Marx said that history's great events appear twice, first as tragedy, then as farce. Pat Moynihan worries that a tragedy visited upon a vulnerable population three decades ago may now recur, not as farce but again as tragedy.

Moynihan was there on Oct. 31, 1963, when President Kennedy, in his last signing ceremony, signed legislation to further the "deinstitutionalization" of the mentally ill. Advances in psychotropic drugs, combined with "community-based programs," supposedly would make possible substantial reductions of the populations of mental institutions.

But the drugs were not as effective as had been hoped, and community-based programs never materialized in sufficient numbers and sophistication. What materialized instead were mentally ill homeless people. Moynihan warns that welfare reform could produce a similar unanticipated increase in children sleeping on, and freezing to death on, grates.

Actually, cities will have to build more grates. Here are the percentages of children on AFDC at some point during 1993 in five cities: Detroit (67), Philadelphia (57), Chicago (46), New York (39), Los Angeles (38). "There are," says Moynihan, "not enough social workers, not enough nuns, not enough Salvation Army workers" to care for children who would be purged from the welfare rolls were Congress to decree (as candidate Bill Clinton proposed) a two-year limit for welfare eligibility.

Don't worry, say the designers of a brave new world, welfare recipients will soon be working. However, 60 percent of welfare families—usually families without fathers—have children under 6 years old. Who will care for those children in the year 2000 if Congress decrees that 50 percent of welfare recipients must by then be in work programs? And whence springs this conservative Congress's faith in work programs?

Much of the welfare population has no family memory of regular work, and little of the social capital of habits and disciplines that come with work. Life in, say, Chicago's Robert Taylor housing project produces what sociologist Emil Durkheim called "a dust of individuals," not an employable population. A 1994 Columbia University study concluded that most welfare mothers are negligibly educated and emotionally disturbed, and 40 percent are serious drug abusers. Small wonder a Congressional Budget Office study estimated an annual cost of $3,000 just for monitoring each workfare enrollee—in addition to the bill for training to give such people elemental skills.

Moynihan says that a two-year limit for welfare eligibility, and work requirements, might have worked 30 years ago, when the nation's illegitimacy rate was 5 percent, but today it is 33 percent. Don't worry, say reformers, we'll take care of that by tinkering with the incentives: There will be no payments for additional children born while the mother is on welfare.

But Nicholas Eberstadt of Harvard and the American Enterprise Institute says: Suppose today's welfare policy incentives to illegitimacy were transported back in time to Salem, Mass., in 1660. How many additional illegitimate births would have occurred in Puritan Salem? Few, because the people of Salem in 1660 believed in hell and believed that what today are called "disorganized lifestyles" led to hell. Congress cannot legislate useful attitudes.

Moynihan, who spent August writing his annual book at his farm in Delaware County, N.Y., notes that in 1963 that county's illegitimacy rate was 3.8 percent and today is 32 percent—amost exactly the national average. And no one knows why the county (which is rural and 98.8 percent white) or the nation has so changed.

Hence no one really knows what to do about it. Conservatives say, well, nothing could be worse than the current system. They are underestimating their ingenuity.

The PRESIDING OFFICER (Mr. SHELBY). The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I will be very brief. I thank my colleague from New York. For me, personally, having an opportunity to be on the floor while Senator MOYNIHAN speaks is a real honor. We actually go back a ways—not that we knew each other personally, but I assigned many of his books in my classes, ranging from "Maximum Feasible Misunderstanding" to "The Politics of the Guaranteed Income."

It is interesting, once upon a time, back in 1970 or thereabouts, we were not on the same side. We had disagreements. He was the one who was nationally renowned then. I was a college teacher and I always respected Professor MOYNIHAN, and Senator MOYNIHAN, for his views. But at this point in time, having just listened to what he said, I cannot even begin to tell him how much respect I have. His voice is a very powerful and eloquent voice.

I must say, I think the silence from the White House on this question is deafening. Let me just repeat that one more time: The silence from the White House on this question is just deafening. You just cannot have it both ways, Mr. President. You cannot keep talking about children and you cannot keep talking about how you are for children and turn your gaze away from this process and what we are about to do here in the U.S. Senate.

Colleagues are coming in. It may be difficult to take a lot more time. I do not want to delay this process. But as we have gone forward in this debate, I think the thing that saddens me and also angers me—sometimes I am more saddened than angered, sometimes I am more angered than saddened—is not just the question that Senator MOYNIHAN has raised, which is, we do not know, we are about to make policy without understanding, coming anywhere close to understanding the effects of what we are doing. That is, I think, what George Will was trying to say today. But I also feel, and I will be a little bit more, not harsh, but critical of some of my colleagues, I also feel that all too often Senators have come to the floor and have repeated essentially the same stereotypes.

It is not just what we do not know. In fact, we do know some things. It is as if people do not, kind of, want to face up to this at all. All this discussion about out-of-wedlock births and what I consider to be and what I think every colleague considers to be a fundamental problem, a challenge to be dealt with, or question, why children have children, that is a complicated question. That is a complicated question. That is what my colleague from New York is trying to say.

But from a lot of the statistics that have been recited out on the floor and a lot of the discussion, you would think that we are talking about exclusively a problem with AFDC. It is societal wide, yet it gets mixed up, apples and oranges, all the time.

I have heard figures spelled out on the cost of welfare where I think everything was lumped in. You would think it was the aid to families with dependent children that built up $5 trillion of debt and was responsible for the annual budget deficits and all the rest. This is not true.

You would think from this discussion that these enormously high benefits—when not one State has welfare benefits combined with food stamps, even up to the official definition of poverty—were causing women to plan to have more children. But there is no evidence for that at all.

Mr. MOYNIHAN. None.

Mr. WELLSTONE. In fact, yesterday I asked my colleague, I said, let us take a look at some correlations State by State. I asked, "Is there any correlation?" We learned, in fact, there is an inverse correlation. Those States with the lowest benefits tend to have families with more children. The lowest benefit States have the highest rates of illegitimate children.

So, Mr. President, I think that we are being very reckless with the lives of children. I think what the Senate is about to do over the next couple of days, barring major changes for the better, is very reckless with the lives of children. And in many ways I think it is amounting to nothing more than just bashing because, as I have said before, these mothers do not have the resources to get on NBC, CBS, and ABC and fight some of these stereotypes.

We want reform. But I have heard precious little discussion about the whole issue of job training, jobs, affordable child care, and moving forward on health care reform, not just for welfare mothers but other families as well. I have heard precious little of that.

So, Mr. President, for me the bottom line is—and I understand the climate. It has been just a one-sided flow of information. I said, earlier, I say to my colleague, I was at the Minnesota State Fair. I love to be at the State fair. Almost half of the State's population is there in 12 days. I like interacting with people. It is my nature to like people. I had lots of people come up to me and talk about welfare. And people really do believe we have to drive all these cheaters off the rolls and slackers back to work. People do not necessarily realize that 9 million of those 15 million on welfare are children. But I think when you talk to people they will say to you we are for the reform but we do not want you to punish children.

The direction we are going in is going to punish children. It will—and I do not exaggerate—end up taking food out of the mouths of hungry children. It is not what we should be about. And if there ever was a moment for the President to show leadership, it is now. If there ever was a moment for the President of the United States of America to show leadership—and leadership to me is calling on people to be their own best selves, not appeal to the fears and to the frustrations of people—and spell out for people the facts and provide an education for people in the United States of America about what real reform would be which would benefit children as opposed to hurting children, it is now. The silence of the White House on this question is deafening.

As a Senator from Minnesota, I feel that I owe a lot to the Senator from New York for his courage, his wisdom, his eloquence, and his power.

I yield the floor.

Mr. MOYNIHAN. Mr. President, I do not want to keep the floor further than to say no one has given more of his career to this subject than the Senator from Minnesota. He has been at the barricades and in the lecture halls and the State fairs on the subject. He is an authority on this subject. He speaks with profound conviction.

I thank him for his courtesy to me, and I plead. There is no one in the White House to hear what he has said. Before the day is ending, we will perhaps know more. But we began the day on the right track.

Mr. President, I see my friend from Pennsylvania has arrived. I do believe our procedures can commence.

I yield the floor.

Mr. SANTORUM. Mr. President, not to disappoint the Senator from New York, but I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2584, AS MODIFIED

Mr. WELLSTONE. Mr. President, I ask unanimous consent to send a modified amendment to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is so modified.

The amendment (No. 2584), as modified, is as follows:

At the end of the amendment, insert the following new title:

TITLE —PROTECTION OF BATTERED INDIVIDUALS

SEC. 01. EXEMPTION OF BATTERED INDIVIDUALS FROM CERTAIN REQUIREMENTS.

(a) IN GENERAL.—Notwithstanding any other provision of, or amendment made by, this Act, the applicable administering authority of any specified provision may exempt from (or modify) the application of such provision to any individual who was battered or subjected to extreme cruelty if the physical, mental, or emotional well-being of the individual would be endangered by the application of such provision to such individual. The applicable administering authority may take into consideration the family circumstances and the counseling and other supportive service needs of the individual.

(b) SPECIFIED PROVISIONS.—For purposes of this section, the term "specified provision" means any requirement, limitation, or penalty under any of the following:

(1) Sections 404, 405 (a) and (b), 406 (b), (c), and (d), 414(d), 453(c), 469A, and 1614(a)(1) of the Social Security Act.

(2) Sections 5(i) and 6 (d), (j), and (n) of the Food Stamp Act of 1977.

(3) Sections 501(a) and 502 of this Act.

(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

(1) BATTERED OR SUBJECTED TO EXTREME CRUELTY.—The term "battered or subjected to extreme cruelty" includes, but is not limited to—

(A) physical acts resulting in, or threatening to result in, physical injury;

(B) sexual abuse, sexual activity involving a dependent child, forcing the caretaker relative of a dependent child to engage in nonconsensual sex acts or activities, or threats of or attempts at physical or sexual abuse;

(C) mental abuse; and

(D) neglect or deprivation of medical care.

(2) CALCULATION OF PARTICIPATION RATES.—An individual exempted from the work requirements under section 404 of the Social Security Act by reason of subsection (a) shall not be included for purposes of calculating the State's participation rate under such section.

The PRESIDING OFFICER. Under the previous order, there will be now 10 minutes of debate equally divided on the Wellstone amendment, as modified, to be followed by a vote on or in relation to the amendment.

Mr. WELLSTONE. Mr. President, I thank the Chair.

Mr. President, I shall be brief because I believe we have now worked this out and that this amendment will be accepted. I am in fact very pleased about it.

Mr. President, let me just for a moment kind of spell out for my colleagues what this amendment does. Every 15 seconds a woman is beaten by a husband or a boyfriend in the United States of America. That is a horrible statistic. But unfortunately, it is a fact. Over 4,000 women are killed every year by their abuser and every 6 minutes a woman is forcibly raped.

My concern, when I introduced this amendment last night with Senator MURRAY, was that with our various requirements we would not unwittingly put States in a position where they essentially end up forcing women back into very dangerous homes.

In other words, the way to summarize it, it took Monica Seles 2 years to get back on the tennis court. Imagine what it would be like if you were beaten over and over and over again. When would you be able to get into a job program? When would you be able to get back on your own two feet? Quite often children are also severely affected by this.

My amendment allows States to exempt people who have been battered or subjected to extreme cruelty from some of these rules that we now have within the welfare system without being penalized for not meeting their participation rate. In other words, if States want to make an exemption for a woman, or sometimes a man, who has come from a very violent home and has been battered, a State will be able to do so and a State will be penalized in no way.

Mr. President, this is extremely important because I believe that in order for us to make sure that we do not send battered women back into violent homes, States absolutely have to be able to do this without being penalized in any way, shape, or form.

I also believe this amendment being passed will enable our States to put a focus on this question for not only battered women shelters and the advocates, but I think increasingly the larger number of citizens.

So I thank my colleagues for accepting this amendment.

I yield the floor.

Mr. MOYNIHAN addressed the Chair. Does the Senator wish to urge adoption?

The PRESIDING OFFICER. Does the Senator yield back the remainder of his time?

Mr. WELLSTONE. I do.

I urge adoption of my amendment.

The PRESIDING OFFICER. The Senator from Pennsylvania has 5 minutes.

Mr. SANTORUM. Mr. President, I rise to say we accept the amendment, as modified, and allow the Senator to continue with the adoption of the amendment.

Mr. WELLSTONE. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. The question is now on agreeing to amendment No. 2584, as modified.

The amendment (No. 2584), as modified, was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2609

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes of debate equally divided on the Faircloth amendment, No. 2609, to be followed by a vote on or in relation to the amendment.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. FAIRCLOTH. Mr. President, my pending amendment modifies a provision in the Dole bill which allows Federal funds to be used for cash aid to unmarried teenage mothers.

The sole purpose of this amendment is designed to disrupt the pattern of out-of-wedlock childbearing that is passing from one generation to the next. My amendment seeks to stop giving cash aid that rewards multigenerational welfare dependency.

Let us be clear what the Dole bill currently does. The bill says you can use Federal funds to give vouchers or inkind benefits to an unmarried teenage mother or you can use funds to put the mother in a supervised group home. That is fine, and we have all agreed upon that.

The Dole bill then goes on to say that you can use Federal funds to give cash benefits to unmarried teenage mothers if that mother resides with her parent.

We need to be very clear what type of household we are putting cash into. In this household, there will be three people. First, the newborn child; second, the unmarried teenage mother of that child; and third, the mother of the teenager who has the child, or the grandmother, the adult, in other words, in charge of the household.

The problem with this scenario is that the adult woman, the mother of the teenager, the grandmother of the new child, the person in charge of the operation, the one we are depending upon for supervision of the unmarried teenage mother is very likely either to be or have been an unmarried welfare mother herself. It is very likely that this adult mother gave birth to the teenager out of wedlock some 15 to 16 years ago and raised her at least partly on welfare. The young teenager giving birth out of wedlock is simply repeating the pattern and model which her mother laid down.

Let me remind you of a few public statistics to confirm what I am saying. A girl who is raised in a single-parent home on welfare is five times more likely to have a child out of wedlock herself than is a girl raised in a two-parent home without welfare. Roughly two-thirds of all the unwed teenage mothers were raised in broken or single-parent homes.

The amendment I am offering is intended to break up the lethal growing pattern of multigenerational illegitimacy and welfare dependency. That is the purpose, to try to break the cycle. The current amendment follows the same basic rule on teenage mothers as the Dole bill, which says you cannot use Federal funds to give cash aid, a check in the mail to a teenage mother unless that teenage mother resides with her parents or another adult relative.

My amendment maintains that same rule but adds only the one limitation, and the limitation states that an unmarried teenage mother cannot receive Federal aid, that is a check in the mail, if the parent or adult relative the teenager is living with herself had a child out of wedlock and has recently received aid to families with dependent children.

The teenage mother cannot get cash aid, cannot get a check in the mail if she is residing with a parent who herself has had a child out of wedlock and was a welfare mother and has recently received aid to families with dependent children.

The PRESIDING OFFICER. The time of the Senator from North Carolina has expired. The Senator from North Carolina had 5 minutes.

Mr. FAIRCLOTH. I ask unanimous consent for an additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from North Carolina.

Mr. FAIRCLOTH. The teenager in those circumstances could receive a voucher or federally funded inkind aid, but she could not get a Federal welfare check in the mail.

I want to stress that this does not prevent teenage mothers from living at home or from receiving noncash benefits. Of course, this restriction applies only to Federal funds. A State can use its money to send a check in the mail to anyone it wants.

If you vote against this amendment, you are voting to give cash aid to multigenerational welfare households. If you vote against this amendment, you are voting to subsidize and promote multigeneration illegitimacy.

I urge my colleagues to support this amendment.

The PRESIDING OFFICER. Who yields time? The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I ask for the yeas and nays on the Faircloth amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. SANTORUM. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is now on agreeing to the Faircloth amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER (Mr. THOMAS). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 17, nays 83, as follows:

[Rollcall Vote No. 422 Leg.]

YEAS—17

Ashcroft
Brown
Faircloth
Gramm
Grams
Helms
Inhofe
Lott
McCain
McConnell
Nickles
Pressler
Shelby
Smith
Stevens
Thompson
Thurmond

NAYS—83

Abraham
Akaka
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Dole
Domenici
Dorgan
Exon
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Grassley
Gregg
Harkin
Hatch
Hatfield
Heflin
Hollings
Hutchison
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lugar
Mack
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nunn
Packwood
Pell
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Simon
Simpson
Snowe
Specter
Thomas
Warner
Wellstone

So the amendment (No. 2609) was rejected.

AMENDMENT NO. 2528

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes of debate, equally divided, on the Conrad amendment No. 2528, to be followed by a vote on or in relation to the amendment.

Mr. CONRAD. Mr. President, I ask unanimous consent that we be able to temporarily set aside the Conrad-Lieberman amendment because we have a request from the other side that we do that so that we perhaps have a chance to work things out before a vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 2581

The PRESIDING OFFICER. Under the previous order, there will be 10 minutes of debate, equally divided, on the Jeffords amendment No. 2581, to be followed by a vote on or in relation to the amendment.

Mr. NICKLES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, I offered this amendment on behalf of myself, Senator SIMPSON, Senator SNOWE and, I believe, Senator CHAFEE. I have not had time to gather others who, I am sure, want to cosponsor it.

This is an important amendment. I hope that my colleagues will listen carefully to what this does. It is an amendment with all the good intentions in the world and something that we all believe in—that we should reduce the out-of-wedlock births. It hopes to do this by giving an incentive to States to do things to try and reduce it and be rewarded if they are successful. What it does is says we shall carefully—keep track of what I say—set as a baseline the year 1995, and we will draw the baseline for each State on the number of abortions which were performed in that State and also the number of out-of-wedlock births that occur during that period of time. That might be well, but I would have to point out that such statistics do not exist in any valid form. So we will be establishing a baseline, first of all, that really we do not have any idea whether it is valid or not.

Then it says that if you reduce your out-of-wedlock births by 1 percent and you do not increase your abortions, then you will be rewarded with a 5-percent increase in the amount of money you receive across the board for welfare. If you do it by 2 percent, you will get a 10 percent. That may sound good, too, but remember, to start with we do not have any baseline that we have any accuracy with.

What it does is also create an incentive for the States to find all sorts of things to do in order to try and get below that. CBO scores it at a cost of $75 million over 7 years. In their view, nothing will happen, basically, because if it is successful, the cost will be $1.6 billion a year—$1.6 billion a year for which there is no appropriation; so it will come out of something else because it is an entitlement.

I point out that both the pro-life groups, if not all of them, but also pro-choice groups are opposed to this amendment for many different reasons. First of all, since we have no baseline, it is going to be difficult to know as to whether or not anything happened. Second, since it refers only to in-State abortions and in-State out-of-wedlock births, that does not include those that go across the border. So you open up serious problems with respect to manipulation of statistics.

There is no reporting process now for abortion. There is no definition of what an abortion is in the bill.

What is an abortion? Is it an IUD? Is it a D and C? What is it? We do not know. The statistics are all over the place.

The States will see that goal out there—and keep in mind that if it is totally successful, it will cost $1.6 billion a year and we will only reduce the out-of-wedlock births by 2 percent over the whole period of time.

If you are successful the first year and you stay at that level below the baseline, you pick up this thing for the whole 7 years, the 5 years of the bill and accomplish nothing more.

And, I point out, you have letters given to you from the Catholic Charities, who are very much against this. They think it will increase the number of abortions. The pro-choice have looked at this as an intervention into privacy.

Also, it includes not just welfare individuals; it includes all of your population. This means you will have to report out-of-wedlock births from every family that has that occur.

These things are really disruptive. I hope that we will defeat this provision of the bill. I ask for support of my amendment.

I reserve the remainder of my time.

Mr. ABRAHAM. I yield myself 2 minutes. Mr. President, if this amendment succeeds, we will have nothing left in this bill geared to the problem of illegitimacy that virtually every Member of this Senate has talked about and described is a problem in their State.

This portion of the bill creates incentives for States to attack this issue head on. I believe the criticisms, although well intentioned, do not justify turning our backs on this problem. The fact that it may cost more if States across America, every single State brings down its illegitimacy rate, it may cost $1 billion more in bonuses, does not reflect the total price tag and the success we would have if this were to be achieved.

The fact is this is a priority issue. It deserves, in terms of our funding priorities, to be placed high on the priority list. If we succeed, I think we will save more in dollars and lives than any bonuses we will pay to the States.

Further, I think some of the concerns that have been raised as to definitions are addressed in the legislation as it has been brought to the floor. The Secretary has given quite a bit of latitude to determine definitions as well as to determine whether or not the numbers have been in any way gained in order to allow States to capture advantage of the bonus undeservedly.

Finally, I just would say if we strip this provision from the bill, we will have to go back and explain to our constituents why we did not do one significant thing to address the No. 1 social problem in America today. Arguments in favor of this amendment do not, in my judgment, justify turning our backs on this issue.

Mr. President, I yield 2 minutes to the Senator from North Carolina.

Mr. FAIRCLOTH. Thank you, Mr. President. We are now debating a provision of the Dole bill that addresses illegitimacy but is not at all directive or proscriptive. The provision which the amendment by Senator JEFFORDS seeks to strike is a simple provision that rewards a State for reducing its illegitimacy ratio, the percentage of total births which are out of wedlock.

This provision taken from the House welfare reform bill says if a State decreases its illegitimacy ratio without increasing its abortion rate, we will increase the AFDC block grant by up to 10 percent.

That is what we all agree that we want. We want a reduction in out-of-wedlock births as long as it is not accomplished by an increase in abortions.

We do not tell the States how to reduce illegitimacy. We simply say, "You come up with a successful way to reduce it, and we will give you more money."

The provision has three elements. We set a goal: reducing illegitimacy. We give the States maximum flexibility in meeting that goal. Third, we provide a financial reward for meeting the goal.

If the Jeffords amendment succeeds, the illegitimacy reduction bonus mechanism is struck, the Dole bill will have no provision to reduce illegitimacy at all. We will not have real welfare reform.

We do not address the crisis of out-of-wedlock births. I thought that is what we came to address and to do something about, was illegitimacy, and everything that comes up to reduce it we vote down.

I urge my colleagues to vote against the Jeffords amendment.

Mr. ABRAHAM. Mr. President, I yield 1 minute to the Senator from Texas.

Mr. GRAMM. Mr. President, it was argued yesterday that no one could establish a relationship between giving people money to do something and then seeing them do it.

In fact, the proponent of this argument stated that if you believe that people do more of something when you pay them to do it, then you must also believe in the tooth fairy. No more nonsensical statement was ever made on the floor of the U.S. Senate than that.

One-third of all the babies born in America today are born out of wedlock. The largest single explanation of why that is the case is that we give larger and larger cash payments to people who have more and more babies on welfare.

Yesterday, we lost on our effort to stop that suicidal national policy. Now we have an effort to strike the last remaining provision in this bill, a provision that says simply that if States are able, through their own reforms, to deal with the greatest welfare crisis we face, illegitimacy, that we will give them a bonus for their success.

Now we have an amendment that says strike that bonus and eliminate the last remaining effort to deal with illegitimacy. It is very important that this amendment be defeated.

I urge my colleagues to reject it.

Mr. JEFFORDS. I yield the balance of my time to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator has 30 seconds.

Mr. SIMPSON. Mr. President, I rise today in support of the amendment introduced by my colleague from Vermont. This amendment would strike the so-called "illegitimacy ratio" from the welfare bill. Let me just say obviously it is a difficult amendment, obviously a difficult area, a laudable pursuit, but I represent a state that values confidentiality and privacy and am greatly concerned about the inaccuracy of the data collection.

I do agree with the Senator from Vermont when he says that "federal strings often do not produce the desired behavior modifications and can even produce unintended negative results." I think this ratio is a clear example of just that.

We all agree that the intentions of such a provision are in every way laudable, however, the implementation of such a ratio is what concerns me. We all want to reduce the number of out-of-wedlock births in this country. Every one of us. This issue is of major concern and needs to be addressed at all levels of government. I want to commend my colleagues for bringing this important issue to our attention.

However, as a legislator who is pro-choice, I remain concerned that this ratio will actually hinder women from receiving abortions if and when they choose to do so. States possibly could actually restrict access to abortions in order to ensure that their abortion rate does not increase. Making abortions more difficult to obtain would obviously help to lower the abortion rate and that is the part that greatly concerns me.

In addition, coming from a state that so greatly values confidentiality and privacy—the right to be alone. I am greatly concerned about the inaccuracy of the data collection. We do not have reporting requirements on abortions in my State for physicians or public health officials. The physicians in Wyoming fiercely value their anonymity in this matter. The State does not seek more accurate reporting from them for fear of violence.

Wyoming has four abortion providers and access is very much a huge problem. In fact, most women in Wyoming travel to Colorado or Montana if they choose to have an abortion. Privacy is such an overwhelming concern in Wyoming, especially in our small towns. This "ratio" simply would not be an accurate indicator of abortions in any State for this very reason. Colorado and Montana's ratios would be skewed since they would have to account for the women who do travel to their States to have abortions. This is not a problem isolated to the Rocky Mountain States—this occurs across the country in every single rural and frontier area.

So I remain deeply concerned about the lack of reporting procedures that currently exist, and this amendment will only aggravate this problem. It does not provide for any additional funding for States to set up the extensive reporting procedures that will be needed in order to calculate this ratio. If we pass this ratio provision, we will in fact be passing on another unfunded mandate to the States.

We should all deal honestly with the issues of teenage pregnancy and illegitimacy, but there are so many other ways to address these matters including appropriate sex education in the schools, if I might add.

For these reasons, I urge passage of this amendment.

Mr. ABRAHAM. I yield the balance of my time to the Senator from Pennsylvania.

Mr. SANTORUM. Let me say there is always an excuse not to deal with this issue. If we do not adopt this amendment, there will be nothing on illegitimacy in this.

We have heard great speeches, what an important problem this is. If we do not reject the Jeffords amendment, there will be nothing in this bill to deal with what everybody thinks is the most pressing problem that we have to face.

We should quit finding excuses to do nothing.

Mr. DOLE. If I may use 2 minutes of my leader time.

The PRESIDING OFFICER. The Senator has that right.

Mr. DOLE. Mr. President, let me speak to my colleagues on both sides of the aisle.

I think there is a tendency for amendments offered by Democrats being voted for by Democrats, and maybe the other way, too.

This amendment makes a great deal of sense, not the amendment of the Senator from Vermont but the amendment in the bill. It was worked out very carefully after a lot of consultation by a lot of people to make certain that we were not doing some of the things that have been stated here.

It is up to the States; it is up to the Governors. We have talked about returning power to the Governors, power to the States. Democrat or Republican Governors—we have not made any distinction.

Everybody has railed about illegitimacy. Mr. President, one out of three births is out of wedlock.

This is a very important amendment. It is in the House bill. We do not see any reason it should not be in this bill. That is why we put it in the Dole amendment to start with.

I would hope my colleagues on both sides of the aisle would take a look at what we are trying to do. Why not reward a State? Why not reward a Governor, Governor Edgar from Illinois or Governor Thompson or Governor Romer, whoever it may be, if they can devise a plan to reduce the illegitimacy rate?

That is what this amendment is all about. It is straightforward.

I do not see any pitfalls described by the Senator from Wyoming or the Senator from Vermont. I hope we could defeat the amendment of the Senator from Vermont and keep this provision in the bill.

I can tell you, I will be a conferee when we ever go to conference on this. This is going to be very important. If we are serious about illegitimacy, this is an opportunity to demonstrate it. It is not partisan; not Democrat, not Republican, not conservative, not anything, as far as I know, except an honest effort to deal with a very serious problem.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Will the Senator from Kansas yield for a question?

Mr. DOLE. Yes.

Mr. GRAHAM. The Senator from Kansas yields for a question? As I read the amendment that is in the bill, it provides a bonus of 5 percent of your State grant if you reduce illegitimacy by 1 percent, and 10 percent if you reduce it by 2 percent. Is that correct?

Mr. DOLE. That is correct.

Mr. GRAHAM. Does that mean that, for instance in the District of Columbia, they would get 11 times as much actual money for the reduction of illegitimacy as would, for instance, the State of Mississippi, since they get 11 times as much block grant per poor child in the District of Columbia than in the State?

Mr. DOLE. I would have to check that. I am talking about principle. You are talking about formula.

Mr. GRAHAM. The principle? If the goal is to accomplish the objective, why could it not have been stated in an absolute amount as opposed to a percentage of a block grant, which is very different from State to State?

Mr. DOLE. We might entertain a modification if the Senator has one.

Mr. GRAHAM. Is there a policy reason why the State has a percent of a block grant as opposed to an absolute number?

Mr. DOLE. I think it is going to be more difficult to administer, too, if you make it absolute. But I want to stick to the principle. Maybe the Senator has an idea. He can offer an amendment later on. But in my view, this is a very simple straightforward amendment. It is in the bill.

I do not have an answer to the Senator from Florida without checking, whether it might be a good idea or might not be a good idea. But let us vote on the amendment and then, if the Senator has some change he would like to make, I will be happy to entertain it.

Mr. KERRY. Will the Senator yield for a question?

Mr. DOLE. No, I am ready to vote.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question now occurs on the Jeffords amendment No. 2581, up or down. This will be a 10-minute vote.

The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

The result was announced—yeas 37, nays 63, as follows:

[Rollcall Vote No. 423 Leg.]

YEAS—37

Akaka
Baucus
Bradley
Breaux
Campbell
Chafee
Cohen
Dodd
Feingold
Feinstein
Ford
Glenn
Harkin
Hatfield
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kennedy
Kerrey
Kohl
Lautenberg
Leahy
Mikulski
Moseley-Braun
Moynihan
Murray
Packwood
Pell
Robb
Sarbanes
Simon
Simpson
Snowe
Specter
Wellstone

NAYS—63

Abraham
Ashcroft
Bennett
Biden
Bingaman
Bond
Boxer
Brown
Bryan
Bumpers
Burns
Byrd
Coats
Cochran
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dole
Domenici
Dorgan
Exon
Faircloth
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hatch
Heflin
Helms
Hutchison
Inhofe
Kempthorne
Kerry
Kyl
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Pressler
Pryor
Reid
Rockefeller
Roth
Santorum
Shelby
Smith
Stevens
Thomas
Thompson
Thurmond
Warner

So the amendment (No. 2581) was rejected.

AMENDMENT NO. 2535

The PRESIDING OFFICER. Under the previous order there will now be 10 minutes of debate equally divided on the Dorgan amendment, numbered 2535, to be followed by a vote on or in relation to the amendment.

The Senator from North Dakota.

Mr. DORGAN. I thank the Chair very much.

This is amendment No. 2535. Mr. President, this amendment is a sense-of-the-Senate, modeled after the requirement in the new unfunded mandate law that we passed earlier this year. The Congressional Budget Office under this amendment that I offer on behalf of myself, Senator GLENN, and Senator GRAHAM is asked to report to the Senate prior to a vote on the conference report on the cost to the States of complying with the work requirements and any other mandate compared to the amount of money provided in the bill for complying with the requirements, and as well they are asked to give us an estimate of the number of States which would opt to pay the penalty rather than raise the additional revenue necessary to meet these requirements.

Mr. President, the reason this is necessary is the Department of Health and Human Services has estimated that the cost to the States of meeting the work requirement in this bill will exceed the funds provided in the Dole plan by about $17 billion over 7 years. So the States will be forced to either raise some taxes or cut some spending in other areas by $17 billion in order to comply with the requirements in the Dole bill.

Alternatively, they could simply abandon the work requirement. They could abandon the effort to meet these work requirement goals and they could instead pay a modest penalty—modest as compared to the $17 billion. The penalty would be about $6 billion.

The Congressional Budget Office has concluded that most States will opt to pay the penalty. In fact, the Congressional Budget Office has estimated that probably only 10 to 15 States will meet the work requirements, meaning 35 to 40 States will pay the penalty.

What does that mean? It means that we will not accomplish the central function of one of the things we want to do in this bill, and that is move people from the welfare rolls to work. This is in my judgment either then an unfunded mandate of significant quantity or it will fail in the primary objective of moving people off welfare and to a job.

The law we passed a few short months ago indicated we ought not do any of these things unless we understand what we are asking others to do in terms of unfunded mandates. This amendment is very simple. Before we vote on the conference report, let us have a report by the CBO of what kind of an unfunded mandate exists here, how many States will comply with the work requirement and what we can expect from this legislation.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes and 25 seconds.

Mr. DORGAN. Let me yield 1½ minutes to Senator GLENN from Ohio.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. I thank my colleague. I am glad to be a cosponsor of this amendment. What the Senator has said is that early this year we passed the unfunded mandates bill. We said no longer were we going to just throw things back on the States and say you take care of it; we are putting the requirement out there with no money. And yet that is exactly what we are doing right now in this bill.

I know the unfunded mandates bill does not kick in with all of its requirements until January 1 next year. With this bill, we are requiring States to place 50 percent of welfare recipients on the work rolls by 2002. We are requiring job training, placement, education. Work requirement will be another $1.9 billion on State governments per year, 3.3 to cover child care costs, and so on, required for the Dole bill.

I do not know how the balance comes out, where increased flexibility lets them save some money and how this balances out, but this could wind up as a giant, giant unfunded mandate on the States, and so I am very glad to support my colleague's proposal. If we are in keeping with the philosophy and principles of S. 1, the first bill that we passed this year, we should not be saddling State and local governments with these new welfare requirements without knowing exactly what we are doing.

I thank the Senator.

Mr. DOLE. Mr. President, I happen to agree with the Senator from Ohio and the Senator from North Dakota. We ought to find out what it costs, whatever impact it may have.

I am prepared to accept the amendment. I yield back my time.

Mr. DORGAN. Mr. President, I am satisfied with that. I appreciate the cooperation of the majority leader.

I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment 2535.

The amendment (No. 2535) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2589

The PRESIDING OFFICER. Under the previous order, there will be a 10-minute debate equally divided on the McCain amendment No. 2589 to be followed by a vote on or in relation to the amendment. That will be a 10-minute vote.

Mr. DOLE. Mr. President, as I understand it, we are on the McCain amendment which I believe is acceptable on both sides. So I yield back the time on this side.

The PRESIDING OFFICER. If there is no objection——

Mr. CHAFEE. Could we have a description of the McCain amendment?

Mr. DOLE. I have been advised the purpose of the amendment is to provide for child support enforcement agreements between the States and Indian tribes or tribal organizations.

It provides for child support enforcement agreements between the States and Indian tribes and tribal organizations. I think the same thing that applies to States now applies to tribal organizations. As I understand, there is no problem with the amendment.

Mr. WELLSTONE. Mr. President, I am pleased today to join Senators McCAIN and INOUYE as a cosponsor of an amendment that would further the goals of strengthening child support enforcement activities by encouraging State governments with Indian tribes within their borders to enter into cooperative agreements for the delivery of child support enforcement services in Indian country.

Mr. President, this amendment would give the Secretary of the Department of Health and Human Services, in specific instances, the authority to provide direct Federal funding to Indian tribes operating an approved child support enforcement plan. This approach is consistent with the government-to-government relationship between tribal governments and the Federal Government. Further, this approach to child support enforcement in Indian country is supported by the National Council of State Child Support Enforcement Administrators.

Mr. President, title IV–D of the Social Security Act was enacted to assist all children in obtaining support and moving out of poverty. Yet it has been of little assistance to Indian children residing in Indian country because under title IV–D, only States are eligible to receive Federal funds to operate title IV–D programs. The regulations implementing this act restrict States from providing services to Indian children on reservations.

State child support program administrators have attempted to meet the goals of child support enforcement by extending their efforts to Indian country, but the administrative and jurisdictional hurdles have made it all but impossible to get these services to need Indian children.

Finally, Mr. President, in 1992, the Interstate Commission of Child Support Enforcement recommended that the Congress address this problem through Federal legislation. It is time for America's neediest children to receive child support enforcement services.

AMENDMENT NO. 2589

Mr. McCAIN. Mr. President, I thank my colleagues, Senators INOUYE, WELLSTONE, DOMENICI, and DASCHLE, for joining me in offering this important amendment. The amendment that I and my colleagues are offering today would further the goals of enforcing child support enforcement activities by encouraging, not mandating, State governments, with Indian lands within their borders, to enter into cooperative agreements with Indian tribal governments for the delivery of child support enforcement services in Indian country. The amendment provides funding to achieve these purposes within the overall spending allocated to this effort. It gives the Secretary the authority, in specific instances, to provide direct Federal funding to Indian tribes operating an approved child support enforcement plan. This approach is consistent with the government-to-government relationship between tribal governments and the Federal Government, and the other provisions contained in the Dole substitute bill.

Mr. President, title IV–D of the Social Security Act was enacted to assist all children in obtaining support and moving out of poverty. Under this title, State child support offices are required to provide basic services to parents who apply for these services, including those that receive welfare assistance. These services include collecting and distributing child support payments from dead beat dads. Yet this program has been of little assistance to Indian children residing in Indian Country because under title IV–D, only States are eligible to receive Federal funds to operate IV–D programs under Federal regulations which, as a practical matter, all but prohibit them from providing services to Indian children on reservations. Because of this, Indian children have lost, and will continue to lose necessary services.

Mr. President, there is a great need for child support enforcement funding and services in Indian country. There are approximately 554 federally recognized Indian tribes and Alaska Native villages in the United States. According to the most recent Bureau of the Census data, children under the age of 18 make up the largest age group of Indians. Approximately 20.5 percent of American Indians and Alaska Natives are under the age of 10 compared to 14 percent for the Nation's total population. In addition, one out of every five Indian households are headed by single females. This data reveals that the need for coordinated child support enforcement and service delivery in Indian country exceeds the need in the rest of America.

There are also jurisdictional barriers to effective service delivery under IV–D programs on reservations. Federal courts have held that Indian tribes, not States, have authority over Indian child support enforcement issues and paternity establishment of tribal members residing and working on the reservation. These jurisdictional safeguards, although necessary, have hampered State child support agencies in their efforts to negotiate agreements for the provision of services or funding to Indian tribal governments. The types of services provided under title IV–D include paternity establishment, including genetic blood testing, the establishment of support obligations and the enforcement of support obligations through wage withholdings and tax intercepts. These activities fall within the exclusive jurisdiction of the Indian tribes. Yet there is no mechanism to enable tribes to receive Federal funding and assistance to conduct these activities.

This amendment in no way forces or compels an Indian tribe or State to act, nor does it affect well-established State or tribal jurisdiction to establish paternity or support orders. It merely recognizes the problems of child support collection and distribution between States and tribes as they exist under the current system. Simply put, this amendment encourages cooperative agreements between two governments to satisfy the goals and purposes of uniform child support enforcement. Let me just point out that some of these agreements are already in place in States like Washington and Arizona.

State administrators, such as in my own State, have attempted to meet the goals of uniform child support enforcement by extending their efforts to Indian Country, but the administrative and jurisdictional hurdles make it all but impossible to get these services out to the children in need.

These obstacles have led to costly litigation. For example, the 8th and 9th circuit courts have issued inconsistent rulings in addressing the ability of Indian children to access title IV–D services. A 1991 Federal court ruling summed up the problem by holding—

> . . . the State must give children of absent Indian parents the same degree of child support enforcement services as other children, when there is reasonable access to the tribal courts.

Yet, that court's ruling is inconsistent with the Department of Health and Human Services interpretation of title IV–D in which the Department significantly restricts the States. Let me remind my colleagues that States are trying to be fair in providing child support enforcement services and funding to Indians. Their ability to provide these services is quite limited because Indian tribes are not mentioned in title IV–D. This amendment would clarify that Indian children are entitled to the same protections from deadbeat dads as all other children in our country.

Mr. President, this problem is not new to those involved in State child support enforcement agencies or national organizations concerned with these issues. For instance, in 1992, the American Bar Association and the Interstate Commission of Child Support recognized the problems created by the omission of Indian tribes from IV–D legislation. In fact, the American Bar Association issued a handbook for States and tribes to use in attempting to negotiate State/Tribal cooperative agreements for child support enforcement. Also in an elaborate report issued in 1992, the Interstate Commission on Child Support Enforcement recommended that the Congress address this problem in Federal legislation. Until the amendment under consideration was offered, no legislative initiative to include Indian tribes has occurred.

More recently, I received a copy of a letter, dated May 15, 1995, from the president of the National Council of State Child Support Enforcement Administrators. The letter advises the Department of Health and Human Services that a resolution was passed by the IV–D directors that favors direct Federal funding to Indian tribes for child support services. Let me quote from a passage of the letter "The states that are concerned about this issue believe that the most effective way to provide comprehensive services to Native American children is for the federal government to deal directly with sovereign tribal governments." The amendment that I am offering will do just that.

The PRESIDING OFFICER. Without objection, if all time is yielded back, the question is on agreeing to the amendment 2589.

The amendment (No. 2589) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2525

The PRESIDING OFFICER. Under the previous order, there will now be a 10-minute debate equally divided on the Exon amendment 2525, to be followed by a vote on or in relation to the amendment.

Mr. MOYNIHAN. Mr. President, the Senator from Nebraska is on his way. He is expected to be here soon. I wonder if I could place a quorum call——

Mr. DOLE. Maybe better yet, as I understand, the Nickles amendment numbered 2556, I was advised by Senator NICKLES that had been worked out to the satisfaction of both sides.

Mr. MOYNIHAN. To my knowledge, I do not know of any objection.

Mr. BRADLEY. Mr. President, Senator NICKLES has spoken to me about this amendment and as I understand he has modified his amendment. At this moment, I do not know if he has modified it.

Mr. DOLE. Maybe we will put in a quorum call and we will find Senator NICKLES. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2556, AS MODIFIED

Mr. DOLE. I now ask unanimous consent we move to consideration of 2556, the Nickles amendment, and I send a modification to the desk which has been cleared by the distinguished Senator from New Jersey [Mr. BRADLEY].

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is so modified.

The amendment (No. 2556), as modified, is as follows:

Section 913, page 602 of the amendment, strike line 22 through page 603 line 5 and insert in lieu thereof the following:

"(d) CIVIL MONEY PENALTIES ON NONCOMPLYING EMPLOYERS.—The State shall have the option to set a State civil money penalty which shall be less than—

"(1) $25; or

"(2) $500 if, under State law, the failure is the result of a conspiracy between the employer and the employee to not supply the required report or to supply a false or incomplete report."

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment 2556, as modified.

The amendment (No. 2556), as modified, was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now occurs on the Exon amendment 2525.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2525

Mr. EXON. Mr. President, I apologize to the managers of the bill. I did not mean to delay them. I stepped off the floor for the first time for 10 minutes assuming there were other measures ahead of mine. But I am now prepared to offer my amendment.

I offered this amendment last week. I made a concise statement at that time. I believe that I have 5 minutes under the unanimous-consent agreement.

Is that correct?

The PRESIDING OFFICER. Under the previous order, there is allowed 10 minutes of debate equally divided.

Mr. EXON. I thank the Chair.

AMENDMENT NO. 2525, AS MODIFIED

Mr. EXON. After introducing the amendment last week, I have a very minor addition to the amendment that was suggested by my friend and colleague, Senator SIMPSON from Wyoming, with whom I have worked on this matter for a long, long time.

I ask unanimous consent that this minor addition be announced and considered, and the amendment itself be considered at this time.

The PRESIDING OFFICER. If there is no objection, the amendment is modified.

The amendment, as modified, is as follows:

On page 302, between lines 5 and 6, insert the following:

SEC. 506. PROHIBITION ON PAYMENT OF FEDERAL BENEFITS TO CERTAIN PERSONS.

(a) IN GENERAL.—Notwithstanding any other provision of law and except as provided in subsection (b), Federal benefits shall not be paid or provided to any person who is not a person lawfully present within the United States.

(b) EXCEPTIONS.—Subsection (a) shall not apply with respect to the following benefits:

(1) Emergency medical services under title XIX of the Social Security Act.

(2) Short-term emergency disaster relief.

(3) Assistance or benefits under the National School Lunch Act.

(4) Assistance or benefits under the Child Nutrition Act of 1966.

(5) Public health assistance for immunizations and, if the Secretary of Health and Human Services determines that it is necessary to prevent the spread of a serious communicable disease, for testing and treatment of such disease.

(c) DEFINITIONS.—For purposes of this section:

(1) FEDERAL BENEFIT.—The term "Federal benefit" means—

(A) the issuance of any grant, contract, loan, professional license, or commercial license provided by an agency of the United States or by appropriated funds of the United States; and

(B) any retirement, welfare, Social Security, health, disability, public housing, postsecondary education, food stamps, unemployment benefit, or any other similar benefit for which payments or assistance are provided by an agency of the United States or by appropriated funds of the United States.

(2) PERSON LAWFULLY PRESENT WITHIN THE UNITED STATES.—The term "person lawfully present within the United States" means a person who, at the time the person applies for, receives, or attempts to receive a Federal benefit, is a United States citizen, a permanent resident alien, an alien whose deportation has been withheld under section 243(h)

of the Immigration and Nationality Act (8 U.S.C. 1253(h)), an asylee, a refugee, a parolee who has been paroled for a period of at least 1 year, a national, or a national of the United States for purposes of the immigration laws of the United States (as defined in section 101(a)(17) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(17)).

(d) STATE OBLIGATION.—Notwithstanding any other provision of law, a State that administers a program that provides a Federal benefit (described in section 506(c)(1)) or provides State benefits pursuant to such a program shall not be required to provide such benefits to a person who is not a person lawfully present within the United States (as defined in section 506(c)(2)) through a State agency or with appropriated funds of such State.

(e) VERIFICATION OF ELIGIBILITY.—

(1) IN GENERAL.—Not later than 18 months after the date of the enactment of this Act, the Attorney General of the United States, after consultation with the Secretary of Health and Human Services, shall promulgate regulations requiring verification that a person applying for a Federal benefit, including a benefit described in section 506(b), is a person lawfully present within the United States and is eligible to receive such benefit. Such regulations shall, to the extent feasible, require that information requested and exchanged be similar in form and manner to information requested and exchanged under section 1137 of the Social Security Act.

(2) STATE COMPLIANCE.—Not later than 24 months after the date the regulations described in subsection (1) are adopted, a State that administers a program that provides a Federal benefit described in such subsection shall have in effect a verification system that complies with the regulations.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

(f) SEVERABILITY.—If any provision of this title or the application of such provision to any person or circumstance is held to be unconstitutional, the remainder of this title and the application of the provisions of such to any person or circumstance shall not be affected thereby.

The PRESIDING OFFICER. Who yields time?

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nebraska.

Mr. EXON. Mr. President, I will make some brief remarks on this. I believe there is strong support on this. I will be asking for the yeas and nays. And I would agree to have the yeas and nays ordered at any time that the managers of the bill think are in order.

Mr. President, last Friday I offered an amendment to the welfare reform bill which states that Federal benefits shall not be paid or provided to any person who is not lawfully present within the United States. I have introduced measures to address this problem in the past and the Senate accepted a very similar amendment in 1993 by a vote of 85 for and only 2 against, and only to see it unfortunately dropped in conference.

My amendment specifically defines who is a person lawfully present within our country. Previous prohibitions on the payment of benefits to illegal aliens have been weakened by expansive agency regulations and court decision. My amendment also provides for a number of exceptions. Illegal aliens would still be eligible for elementary and secondary education, emergency medical services, disaster relief, school lunches, child nutrition, and immunization.

Also, States would not be obligated to provide benefits to those not lawfully present in our country, and funds would be provided for States to set up systems to verify the status of the applicants. As we continue to debate welfare reform, I believe it is evident that we must not pass up this opportunity to stop, once and for all, providing scarce Federal benefits to illegal aliens.

Mr. President, I yield the floor and reserve the balance of my time.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. MOYNIHAN. Mr. President, I yield 3 minutes to the Senator from Florida.

Mr. GRAHAM. Mr. President, I would first, if I could, ask the Senator from Nebraska if he would yield for a question?

Mr. EXON. Certainly.

Mr. GRAHAM. Mr. President, I would say to the Senator, I was particularly concerned about the issue of elementary and secondary education. The Senator stated that his amendment would not deny the child of a person who was in the country illegally access to elementary and secondary education?

Mr. EXON. That is correct.

Mr. GRAHAM. Could the Senator tell me where in the amendment that was mentioned?

Mr. EXON. It may well be that the Senator from Florida did not understand. That was incorporated in the amendment and was suggested as an exception by the Senator from Wyoming. And I think it satisfies the concerns of the Senator from Florida. It is in the amendment on which we are now discussing and on which we will vote. If you are talking about the amendment that I offered last Friday, it is not in there. But it is in the amendment that we will be voting on.

Mr. GRAHAM. Mr. President, the answer to that question allayed one of my principal concerns about this amendment, because in the original form, the form that was at the desk, there was no recognition of the children of persons who were in the country illegally in terms of their participation in elementary and secondary education.

In fact, there was a provision which would have allowed the States to have terminated educational assistance to those children as well as the Federal Government terminating whatever assistance it provides. With that modification, I will reserve final judgment as to how I will vote on this amendment. But I would like to raise the fundamental issue, the Federal Government has the total constitutional responsibility for the enforcement of our borders, and for our immigration and naturalization law. It is written almost in those terms in article 1 of the U.S. Constitution. The States have no authority in either of those two areas.

Second, when the Federal Government fails to carry out its responsibility and to enforce the borders, it is the States and the local communities who have the principal obligations and consequences of that failure.

Third, those consequences are heavily focused in about six States. Six States have over 80 percent of those persons who are in the country illegally living within their borders.

So, fourth, the consequence of this legislation is to say the Federal Government failed to carry out its exclusive constitutional responsibility: To protect the borders and enforce the immigration laws, allow large numbers——

The PRESIDING OFFICER (Mr. COVERDELL). The Senator's time has expired.

Mr. GRAHAM. Mr. President, I ask the manager for 1 additional minute.

Mr. EXON. How much time do I have remaining?

The PRESIDING OFFICER. The Senator from Nebraska has 2 minutes 57 seconds remaining.

Mr. SIMPSON. May I inquire whether I may receive 30 seconds from the Senator from Nebraska?

Mr. EXON. I yield 30 seconds to my colleague from Wyoming.

Mr. SIMPSON. I do not want to interrupt the Senator from Florida.

Mr. EXON. I yield to the Senator from Wyoming when he gets the floor.

Mr. MOYNIHAN. Mr. President, I yield an additional minute to the Senator from Florida and 1 minute to the Senator from Massachusetts.

Mr. GRAHAM. Mr. President, to conclude, we are about to set up what I think is a very unsafe situation: The Government fails to carry out its constitutional responsibility, and for the people who are illegally in communities across America, we are saying the Federal Government is going to deny any benefits to those people, which means those communities already the most heavily impacted now, out of their resources, have to pick up those responsibilities.

As a humanitarian society, we are still going to face providing health care, delivering babies to pregnant women, and the negative aspects of operating a criminal justice system and the other requirements when that illegal population acts in ways that are antithetical to the society in which they are living.

Reserving the right to review the amendment in its final form, I raise for my colleagues the potential consequences of this amendment.

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I, too, want to express that Senator EXON's amendment does not include the elementary and secondary education. Under the initial amendment, there is about $225 million that goes into States, into local communities to respond to Supreme Court holdings with regard to their requirements to educate these children. But this has eliminated that.

I welcome the opportunity to work with the Senator. We have, for example, 11,000 temporary nurses that come here to work in many of our urban area hospitals. Under this requirement, their residency requirements are such that they would not be able to get nursing licenses the way this is being interpreted, which would put a severe pressure on many of the inner-city hospitals in underserved areas.

I know that is not the intention of the Senator. I welcome the opportunity as this legislative process moves forward in some of these areas that we can work through to try to not have unintended consequences that would provide a hardship rather than to achieve the objectives of the amendment.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Wyoming for 30 seconds.

Mr. SIMPSON. Mr. President, I want to thank my friend, my colleague. Senator EXON came to the Senate when I did. His consistency on this has been clear through the years, and we have taken care of the problems brought up by Senator GRAHAM and by Senator KENNEDY.

I look forward to working with the Senator on these issues, as with Senator KENNEDY, the ranking member of the subcommittee, which I chair.

We have also taken care of in this amendment veterans issues. There will be no diminution of veterans benefits, no denial of veterans benefits to someone who may have been illegal but served the country. So it takes care of that and takes care of the education issue.

I thank the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska has 2 minutes remaining.

Mr. EXON. I am prepared to yield back my time to move things ahead.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. EXON. Mr. President, is there remaining time in opposition to the amendment?

The PRESIDING OFFICER. All time in opposition has been yielded back.

Mrs. HUTCHISON. Will the Senator from Nebraska yield 1 minute to me?

Mr. EXON. I will be glad to yield a minute.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I rise in support of the Senator's amendment because I think this is a very important part of the Federal Government's responsibility to control our borders.

I am one of the States that is affected by the illegal aliens that come across the border, and they do take not only from our State and local coffers, but from the Federal coffers as well. This is something that we must stop. I think the Senator from Nebraska has a very good amendment, and I think it should be part of an overall illegal immigration reform measure that the Senator from Wyoming and the Senator from California, Senator FEINSTEIN, are working on. But until that time, it is very important that we speak in this welfare reform bill to the cost of illegal aliens.

So I appreciate what the Senator from Nebraska has done, and I support his amendment.

Mr. EXON. Mr. President, I thank the Senator from Texas very much for the kind statement and support. Since no one is seeking time, I yield back the remainder of my time, and the yeas and nays have already been granted.

The PRESIDING OFFICER. The question now occurs on agreeing to the Exon amendment No. 2525, as modified. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 94, nays 6, as follows:

[Rollcall Vote No. 424 Leg.]

YEAS—94

Abraham
Akaka
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Dole
Domenici
Dorgan
Exon
Faircloth
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Heflin
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murray
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thurmond
Warner
Wellstone

NAYS—6

Brown
Grams
Gregg
Murkowski
Simon
Thompson

So the amendment (No. 2525), as modified, was agreed to.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, the Democratic leader asked me to institute a quorum call, which I did, but I think we have an amendment of the Senator from California, Senator FEINSTEIN, which can be accepted. We will be prepared to do that.

Then the amendment of the Senator from North Dakota was set aside. Apparently he is prepared to proceed on that. It is part of our list, so I think it will be appropriate to do that. So I will work to clear it with Senator DASCHLE.

Mrs. FEINSTEIN. That is correct.

The PRESIDING OFFICER. The Chair recognizes the Senator from California.

AMENDMENT NO. 2470

Mrs. FEINSTEIN. Mr. President, I call up amendment No. 2470.

The PRESIDING OFFICER. Without objection, the clerk will report.

The legislative clerk read as follows:

The Senator from California [Mrs. FEINSTEIN] proposes an amendment numbered 2470.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in the Friday, September 8, 1995, edition of the RECORD.)

Mrs. FEINSTEIN. Mr. President, I believe this amendment has been cleared on both sides. What the amendment does is require procedures for a child support order for the child of minor parents, where the mother is receiving assistance for the child, to be enforceable against the paternal grandparents of the child.

For just a moment—what the Dole bill does is require a minor mother and her child to live at home with her parents, so the maternal parents are responsible. What my amendment would do is say, where it is possible, a child support order should be obtained against the parents of the male involved. It takes two to tango in this instance, and the responsibility for the care of the child should not only belong to the maternal grandparents but the paternal as well.

So this solves the other half of the problem.

Mr. DOLE. Mr. President, we have no problem with the amendment. It has been cleared on this side.

Mr. MOYNIHAN. It has been cleared on this side.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 2470) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Are there any other amendments that have been cleared? I think the Senator from Massachusetts has one or two minor amendments that I do not see any problem with.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I had amendment No. 2483, which I thought might have been cleared by now. I will be prepared to offer that if it has been cleared.

Mr. DOLE. I say to the Senator from New Mexico, if he will let me check that—what is the number?

Mr. BINGAMAN. Amendment No. 2483. I believe that is going to be acceptable. If it is, I am ready to offer it at any time.

Mr. DOLE. Let me check and I will be right back with the Senator.

I think the Senator from Massachusetts has two amendments.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts.

EN BLOC AMENDMENTS NOS. 2662 AND 2664

Mr. KERRY. I thank the Chair. We are just ascertaining the numbers. Mr. President, I ask amendment No. 2662 and amendment No. 2664 be called up.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KERRY], proposes amendments numbered 2662 and 2664, en bloc.

Mr. KERRY. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The texts of the amendments are printed in the Friday, September 8, 1995, edition of the RECORD.)

Mr. KERRY. Mr. President, these are two amendments which I thank the distinguished manager and majority leader and the Senator from New York for accepting.

Mr. President, as we trudge toward the rhetorical goal of ending welfare as we know it, we as a country must do better; we must embrace whole new ideas of how to accomplish this—if not now, at least in the future—primarily by investing in impoverished children and secondarily by providing a safety net for their parents. The guiding principle of our new system should be to summon the very best effort this country can mount to enable children who are victims of poverty to become self-sufficient adults capable of contributing to our society in a positive way and leading happy, fulfilling lives.

Dependency—whether it be on the foster care system when a person is a child, or on Government institutions such as the welfare or criminal justice systems if a person is an adult, or on drugs at any age—is a tragic waste of human potential and imposes costs we as a nation need not suffer and cannot afford to pay.

In many ways, welfare works—it is perhaps the cheapest means of getting the bare minimum of resources to the neediest slice of the American public; but in critical ways, it does not—it can perpetuate dependency rather than inculcate self-sufficiency. At the very least, by itself, it does not promote movement toward self-sufficiency.

The way to make the most of the current welfare reform movement is—without ignoring the good welfare may have done over the years—to design our priorities and construct a better system able to meet the minimal needs of today's recipients while doing everything possible to ensure that children on welfare don't become adults on welfare and that adults on welfare move whenever possible toward self-sufficiency.

The focal points for any effort to replace welfare with an intervention program which targets children must be our Nation's schools. There is a vital role that schools must play that they can't play without greater resources, voluntarism, and attention.

In cities beset by crime and violence, and in rural areas with little to inspire or occupy children, the neighborhood public school must become a beacon—a warm, safe haven of learning, of values, of friendship, of intellectual growth.

No school in such areas should shut its doors at 3 p.m. and stop its contribution to children's and parents' lives.

Case in point is teenage mothers, especially those who fail to avoid having children because they see no worthwhile future that awaits them if they avoid having children.

We must invest in efforts to educate these children about the costs and realities of parenthood, and we must invest in education programs that provide real futures for school-age pregnant girls and new mothers and, where they can be identified, new fathers.

We must think in the longterm, and understand that money dedicated to ending welfare dependency by investing in children will not only save money in the long run, it will help save this country.

We are throwing away our future by ignoring the children of this country. One day all who can read this article will be senior citizens, fully dependent on the babies we neglect today. So will be our Nation and its future.

If we fail to meet the needs of these children, not only will we fail to maintain this country's status as leader of the democratic world to which we have contributed so much, but we will devolve into a country consumed by crime and poverty the likes of which this Nation cannot imagine.

We have already fallen deeper into crime than our parents would have ever dreamed. It will not matter that parents have raised their own children well if they raise them so they are alone in that distinction. Without concerted, collective effort, even children raised with love and concern—whether in low income or high income families—will not be safe and secure.

We have already lost a frightening number of a complete generation of children to unambitious welfare programs, inadequate schooling, and societal neglect. Nothing less than the survival of our Nation depends on our collective assumption of our responsibility of this Nation's young.

Parents, schools, communities, and the Government need to become immersed in the development and enculturalization of children.

I believe we need to face the reality that this welfare debate is part of a much larger debate that we will be forced to have in this country in the not-too-distant future. It is a debate that speaks to the soul of America, and ultimately will have to come from our hearts as well as from our heads. It is a debate about not only solving our fiscal deficit, but also about addressing the cultural and spiritual deficits that seem to be tearing at the fabric of our society.

It is about a welfare mother who can't read and a system that doesn't care. It is about a teenager with a child she cannot care for and a community that will not help. It is about what we ultimately decide is the legitimate cost of failing to care, and about what we are willing to invest in the effort to manifest the care we claim.

We need to address the basic philosophical issue of responsibility to each other as a community of people.

The battle is over how we do this. How do we stop children from having children? How do we solve the problem of mothers who cannot work because they have no daycare for their children and no extended family able to help them? What do we do about young teenagers growing up in increasingly violent neighborhoods—kids with diminished valves and an increasingly diminished sense of right and wrong? We are seeing the rise of a generation of Americans who think there's more power in the barrel of a gun than in the memory of a computer.

The true question is how do we prepare for a better future in this Nation? The answer, I believe, is to invest in people and to seek long-term solutions to welfare problems to improve our collective future rather than succumb to simple-sounding, quick fixes that carry tremendous unseen burdens for our future.

But, Mr. President, the bill we have before us simply does not do what needs to be done.

I offer two amendments today that invest in children, education, and families, reaching toward the objective that no one will be isolated from the mainstream of productive society.

Mr. President, it is well-established that some children of welfare dependent parents are subjected to inadequate care, supervision, and parental love and attention, to unsafe environments and undesirable influences. It should come as no surprise that many of these children fail to develop into responsible, self-sufficient adults who are contributing members of society. Too often welfare becomes a repetitive cycle extending over multiple generations rather than a temporary situation.

Part of the answer to breaking this pathological cycle is to require parents seeking welfare to take an active role in the supervision, education, and care of their children. Another part is to make better and more efficient use of existing public resources and investments for the benefit of at-risk children. Notable among those resources and investments are our public school facilities.

While I do not believe it is possible for our Nation to successfully and acceptably resolve our current welfare problems wholly without further public investment, neither of these two partial answer to those problems entails significant additional cost.

We cannot afford to neglect children when we know full well that improving their surroundings helps prevent their long-term dependence on government aid. All the nations with which we are competing in the new global marketplace are acting in recognition of that fact—except us. We must boldly pursue the long-term benefits promised by concerted efforts to make maximum use of our schools and educational facilities, and by insisting that all welfare recipient parents accept basic parental responsibilities—that many of them routinely perform admirably under difficult circumstances but some appear to ignore.

My amendments would move in these directions.

My first amendment would provide funds for demonstration projects so keep schools that serve at-risk children open for more hours and to initiate new programs so that schools can offer an alternative to the street for our Nation's unsupervised youth. This companion program would complement the Community Schools Program.

My second amendment would require parents to sign a parental responsibility contract that would demand, in exchange for benefits, that parents take an active role in the supervision and education of their children.

Mr. President, these two amendments are only first steps. But they are steps in the right direction: toward the brighter future of this Nation.

Mr. DOLE. Mr. President, I have no objection to the amendments.

Mr. MOYNIHAN. There is no objection on this side. To the contrary.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the en bloc amendments.

The en bloc amendments (Nos. 2662 and 2664) were agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KERRY. I thank the majority leader and thank the Senator from New York.

Mr. DOLE. As I understand it, the Senator from California has a demonstration amendment.

The PRESIDING OFFICER. The Chair recognizes the Senator from California.

AMENDMENT NO. 2479

Mrs. FEINSTEIN. Mr. President, I call up amendment No. 2479.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from California [Mrs. FEINSTEIN] proposes an amendment numbered 2479.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in the Friday, September 8, 1995, edition of the RECORD.)

Mrs. FEINSTEIN. Mr. President, what this amendment does is essentially assures that, in those large counties or groups of counties with a population greater than 500,000, that there be provision, with permission of the State—this is the modification in the amendment—that the money, the block grant, go directly to the county. So we have modified the amendment from its original presentation. My understanding is that it is agreeable to both sides.

The purpose of the amendment is, really, so many of the innovative demonstration projects that are initiated by counties, which I pointed out in my opening remarks on this amendment, can go ahead without an additional element of bureaucracy.

Again, the State would have to approve this, but for those counties that do their own administration, this would continue to be the case.

Mr. DOLE. Has the modification been sent to the desk?

The PRESIDING OFFICER. The Chair reports the modification does not appear to be at the desk.

Mrs. FEINSTEIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, I ask unanimous consent the amendment of the Senator from California be temporarily laid aside so I can make a unanimous-consent request and have my amendment considered. It has been cleared.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2486, AS MODIFIED

Mr. LEVIN. Mr. President, I now ask unanimous consent that a modification to my amendment, No. 2486, be sent to the desk and be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2486), as modified, is as follows:

On page 12, between lines 22 and 23, insert the following:

(G) COMMUNITY SERVICE.—Not later than 3 years after the date of the enactment of this Act, consistent with the exception provided in section 404(d), require participation by, and offer to, unless the State opts out of this provision by notifying the Secretary, a parent or caretaker receiving assistance under the program, after receiving such assistance for 6 months—

(i) is not exempt from work requirements; and

(ii) is not engaged in work as determined under section 404(c),

in community service employment, with minimum hours per week and tasks to be determined by the State.

Mr. DOLE. As I understand, the amendment, as modified, is acceptable on this side.

Is that correct?

Mr. MOYNIHAN. It most assuredly is on our side.

Mr. LEVIN. Mr. President, if I could spend 30 seconds, I have long believed that work requirements should be clear, strong, and applied promptly. For too long we have permitted welfare dependency to undermine the potential productivity of too many able-bodied Americans. We have allowed too many able-bodied welfare recipients not to work. That is wrong.

The amendment which I am offering would add a requirement that welfare recipients be in job training and school or working in private sector jobs within 6 months of receipt of benefits, and if private sector jobs could not be found they be required to perform some type of community service employment. The requirement would be phased in over 3 years to allow States the chance to adjust administratively. We have added in this modification a opt-out provision for States by notification of the Secretary of Health and Human Services, and also to make clear the intent to conform to the modifications which Senator DOLE made to his amendment No. 2280 last week.

The bill before us requires recipients to work within no more than 2 years of receipt of benefits. Why wait that long? Why wait 2 years? Unless an able-bodied person is in school or job training, why wait longer than 6 months to require that a person have a private job or be performing community service?

My amendment says 6 months instead of 2 years.

There is no doubt that there is a great need in local communities across the country for community service workers. Last year, the demand for community service workers from the President's AmeriCorps Program was far greater than the ability to fund them. According to AmeriCorps, of the 538 project applications requesting approximately 60,000 workers, only applications for about 20,000 workers could be funded. Projects ranged from environmental cleanup, to assisting in day care centers, to home health care aides. It is clear that there is no shortage of need for workers in community service.

The Daschle amendment which was narrowly defeated last week contained a similar provision which was added as a modification at my request. It would require that recipients work in community service employment if not employed in the private sector, engaged in job training or in school, and it would require that States offer the community service option to such recipients.

Mr. President, I have long been concerned about the cycle of dependency and the need to return welfare recipients to work. As long as 14 years ago, in 1981, I was the author, along with Senator DOLE, of legislation which was enacted into law that put some welfare recipients back to work as home health care aides, thereby decreasing the welfare rolls and increasing the local tax base.

This demonstration project called for the training and placement of AFDC recipients as home care aides to Medicaid recipients as a long-term care alternative to institutional care, and was subject to rigorous evaluation in both the demonstration and post-demonstration periods.

The independently conducted program evaluation found that during six of the seven demonstration projects, trainees' total monthly earnings increased by 56 percent to more than 130 percent. Evaluations in following years indicated similarly positive and significant income effects. Consistent with the increase in employment, trainees also received reduced public benefits. All seven States moved a significant proportion of trainees off of AFDC. In four of the States, a significant proportion of the trainees also were moved off of the Food Stamp Program or received significantly reduced benefit amounts.

Additionally, the program evaluation indicated that it significantly increased the amount of formal in-home care received by Medicaid clients and had significant beneficial effects on client health and functioning. The evaluation also indicated that clients benefited from marginally reduced costs for the services they received.

As the 1986 evaluation shows, this type of demonstration had great potential in allowing local governments to respond to priority needs and assist members of their community in obtaining the training necessary to obtain practical, meaningful private sector employment and become productive, self-sufficient members of their community.

Mr. President, I want to highlight a particularly wise provision in Senator DOLE's bill. It is a provision which states that any recipient may be treated as participating in community service employment if that person provides child care services to other individuals participating in the community service program. This is a good idea. It opens a way for many able-bodied persons currently on welfare, to provide a service to others, meet work requirements, and, at the same time, free others to work who may otherwise have difficulty locating affordable child care. I hope that many States will vigorously exercise this provision and that recipients will heed the encouragement to provide child care services as a way of engaging in community service employment.

Mr. President, I am hopeful that in the 104th Congress, we will take the necessary steps to get people off welfare and working, in the private sector, if possible, but in community service, if necessary. Experience has shown we must be more aggressive in requiring recipients to work. I believe my amendment is a firm step in the right direction.

Mr. President, I thank Senator MOYNIHAN and Senator DOLE and their staff for working with us on this.

Mr. MOYNIHAN. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 2486), as modified, was agreed to.

Mr. LEVIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MOYNIHAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I think they are working out a modification on the amendment of the Senator from California, Senator FEINSTEIN. I understand there are four or five amendments that will be cleared here momentarily.

I would like to indicate that I will consult with the Democratic leader and hopefully have a cloture vote here within the next hour. I do not think we are going to reach an agreement. And we are not going to pass the bill if we have to accommodate every request from the other side.

So I am prepared to have a cloture vote. If we do not get cloture, this bill will go into reconciliation.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I see the Senator from California has risen.

The PRESIDING OFFICER. The Chair recognizes the Senator from California.

AMENDMENT NO. 2479, AS MODIFIED

Mrs. FEINSTEIN. Mr. President, I send a modification to amendment No. 2479 to the desk.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment (No. 2479), as modified, is as follows:

On page 69, strike lines 18 through 22, and insert the following:

"SEC. 413. STATE AND COUNTY DEMONSTRATION PROGRAMS.

"(a) NO LIMITATION OF STATE DEMONSTRATION PROJECTS.—Nothing in this part shall be construed as limiting a State's ability to conduct demonstration projects for the purpose of identifying innovative or effective program designs in 1 or more political subdivisions of the State providing that such State contains more than one county with a population of greater than 500,000.

"(b) COUNTY WELFARE DEMONSTRATION PROJECT.—

"(1) IN GENERAL.—The Secretary of Health and Human Services and the Secretary of Agriculture shall jointly enter into negotiations with all counties having a population greater than 500,000 desiring to conduct a demonstration project described in paragraph (2) for the purpose of establishing appropriate rules to govern the establishment and operation of such project.

"(2) DEMONSTRATION PROJECT DESCRIBED.—The demonstration project described in this paragraph shall provide that—

"(A) a county participating in the demonstration project shall have the authority and duty to administer the operation of the program described under this part as if the county were considered a State for the purpose of this part;

"(B) the State in which the county participating in the demonstration project is located shall pass through directly to the county the portion of the grant received by the State under section 403 which the State determines is attributable to the residents of such county; and

"(C) the duration of the project shall be for 5 years.

"(3) COMMENCEMENT OF PROJECT.—After the conclusion of the negotiations described in paragraph (2), the Secretary of Health and Human Services and the Secretary of Agriculture may authorize a county to conduct the demonstration project described in paragraph (2) in accordance with the rules established during the negotiations.

"(4) REPORT.—Not later then 6 months after the termination of a demonstration project operated under this subsection, the Secretary of Health and Human Services and the Secretary of Agriculture shall submit to the Congress a report that includes—

"(A) a description of the demonstration project;

"(B) the rules negotiated with respect to the project; and

"(C) the innovations (if any) that the county was able to initiate under the project.

"(5) eligible counties are defined as:

"(A) a county that is already administering the welfare program under this part;

"(B) represents less than 25% of the State's total welfare caseload."

Mrs. FEINSTEIN. I believe, Mr. President, that these modifications have been cleared, and are as I reported earlier.

Mr. MOYNIHAN. I believe that is the case on our side, Mr. President.

Mr. DOLE. The amendment has been cleared on this side.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 2479), as modified, was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mrs. FEINSTEIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MOYNIHAN. I thank the Chair.

Mr. DOLE. Mr. President, in an effort to protect the rights of the Senator from North Dakota [Mr. CONRAD], I ask unanimous consent that in the event of a cloture vote, if cloture was invoked, his amendment would still be in order under the same conditions, the same time limit as previously ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. Mr. President, I thank the majority leader for his usual gracious consideration.

I thank the Chair. I yield the floor.

I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KYL). Without objection, it is so ordered.

AMENDMENTS NOS. 2578, 2481, 2670; 2542, AS MODIFIED; 2551, AS MODIFIED; 2601, AS MODIFIED; 2507, AS MODIFIED; AND 2280, AS FURTHER MODIFIED

Mr. DOLE. I ask unanimous consent that the Senate now proceed to the following amendments en bloc, that the amendments be considered modified where noted with modifications, which I will send to the desk at the appropriate time: D'Amato No. 2578, Feingold No. 2481, Kerrey of Nebraska No. 2670, modified McCain 2542, modified Kohl 2551, modified Faircloth 2601, modified Wellstone No. 2507.

And then finally a further modification to amendment No. 2280.

I send the modifications to the desk.

The amendments (Nos. 2542, 2551, 2601, 2507) as modified, are as follows:

AMENDMENT NO. 2542

On page 216, line 4, strike "6 months" and insert "1 year".

AMENDMENT NO. 2551

On page 158, between lines 14 and 15, insert the following:

SEC. 801. DECLARATION OF POLICY.

Section 2 of the Food Stamp Act of 1977 (7 U.S.C. 2011) is amended by adding at the end the following: "Congress intends that the food stamp program support the employment focus and family strengthening mission of public welfare and welfare replacement programs by—

"(1) facilitating the transition of low-income families and households from economic dependency to economic self-sufficiency through work;

"(2) promoting employment as the primary means of income support for economically dependent families and households and reducing the barriers to employment of economically dependent families and households; and

"(3) maintaining and strengthening healthy family functioning and family life.".

On page 189, between lines 17 and 18, insert the following:

(d) ADDITIONAL MATCHING FUNDS.—Section 16(h)(2) of the Act (7 U.S.C. 2025(h)(2)) is amended by inserting before the period at the end the following: ", including the costs for case management and casework to facilitate the transition from economic dependency to self-sufficiency through work".

On page 189, line 18, strike "(d)" and insert "(e)".

AMENDMENT NO. 2601

On page 190, between lines 17 and 18, insert the following:

"(2) RULES AND PROCEDURES.—If a disqualification is imposed under paragraph (1) for a failure of an individual to perform an action required under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the State agency may use the rules and procedures that apply under part A of title IV of the Act to impose the same disqualification under the food stamp program.

On page 190, line 18, strike "(2)" and insert "(3)".

On page 202, line 15, strike the closing quotation marks and the following period.

On page 202, between lines 15 and 16, insert the following:

"(3) RULES AND PROCEDURES.—If the allotment of a household is reduced under this subsection for a failure to perform an action required under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the State agency may use the rules and procedures that apply under part A of title IV of the Act to reduce the allotment under the food stamp program.".

AMENDMENT NO. 2507

On page 161, strike lines 8 through 12 and insert the following:

(a) IN GENERAL.—Section 5(d) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)) is amended by striking paragraph (11) and inserting the following: "(11) a one-time payment or allowance made under a Federal or State law for the costs of weatherization or emergency repair or replacement of an unsafe or inoperative furnace or other heating or cooling device,".

Beginning on page 161, strike line 24 and all that follows through page 162, line 3, and insert the following:

(B) in paragraph (2), by striking subparagraph (C) and inserting the following:

"(C) a payment or allowance described in subsection (d)(11);";

The modification to the amendment (No. 2280, as further modified) is as follows:

Add the following to the end of subsection (D): ", state funds expended for the Medicaid program under title XIX of this Act or any successor to such program, and any state funds which are used to match federal funds or are expended as a condition of receiving federal funds under federal programs other than under title I of this Act."

Mr. DOLE. Further, that the amendments be considered agreed to and that any statements relating to them be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the amendments (Nos. 2578, 2481, 2670, 2542, as modified; 2551, as modified; 2601, as modified; and 2507, as modified) were agreed to.

Mr. DOLE. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2507

CERTAIN LIHEAP EXPENSES SHOULD BE EXCLUDED FROM INCOME

Mr. WELLSTONE. Mr. President, the amendment I am offering today is designed to address a potentially serious oversight in the majority leader's version of the welfare reform bill which must be clarified. The Dole substitute would repeal the longstanding provision in the current Federal food stamp law which excludes from income measurements any regular Low-Income Energy Assistance Program benefits provided by State and Federal energy assistance programs, such as monthly utility payments. LIHEAP is the major Federal fuel subsidy program, which has in my State been a cold-weather lifeline for vulnerable unemployed people, the elderly, and children for many years.

As many of my colleagues know, Minnesota is often called the icebox of the Nation, where bitterly cold weather is the norm. In fact, Minnesota is the third coldest State, in terms of heating degree days, in the country, after Alaska and North Dakota. Especially in cold-weather States like Minnesota, funding for LIHEAP is critical to families with children and vulnerable low-income elderly persons, who without it could be forced to choose between food and heat. The LIHEAP program assists approximately 110,000 households in Minnesota, and provides an average energy assistance benefit of about $360 per heating season.

In the frenzy of getting this bill modified in the final days before it hit the floor, as was often the case with many of these so-called reforms, the net may have unintentionally been cast too widely. That is why some have urged that this repeal be corrected and clarified to ensure that it would only apply to regular energy assistance payments for heating and cooling, such as monthly utility payments, and not to the types of emergency furnace repair or replacement payments, or weatherization, or other similar payments, that are provided to many low-income Americans through State and Federal energy assistance programs.

My amendment will do just that. It explicitly excludes energy assistance payments for things like emergency furnace repairs and replacement, and weatherization expenses, from being counted as income for purposes of calculating eligibility for food stamp benefits. Unsafe and inoperative heating systems can pose serious problems, including fires, monoxide poisoning, and other life-threatening hazards. This amendment is designed in part to prevent people in my State, and across the country, from being forced to choose between eating, and heating, when their furnace breaks down or their home needs to be weatherized to protect them from severe cold. It is designed to allow them to make their homes safe and habitable, and protect their families from the cold, when faced with these immediate and urgent needs. Of necessity, my State has a strong and vital weatherization program, though efforts to slash LIHEAP funding over the years have required them to scale back substantially the services they can provide and the numbers of Minnesotans they can serve. Vastly more people in my State are eligible for LIHEAP than can be served in any given year. And these are very low-income people, including many seniors on fixed incomes. More than two-thirds of LIHEAP households have annual incomes less than $8,000; more than one-half have incomes below $6,000. Further, the average LIHEAP recipients spend 18.4 percent of their income on energy, compared with 6.7 percent for all households.

While there are other provisions of the Food Stamp Act which could be construed to exclude lump sum payments for things like emergency furnace repairs and replacement, and weatherization, I wanted to make certain that an explicit exclusion was contained in this bill for these kinds of expenses, to avoid any potential confusion or ambiguity on this matter down the road. I appreciate the support of Senator FEINGOLD, and his work on this amendment, and I am grateful that my colleagues from Indiana and Vermont are willing to accept the amendment.

Very simply, then, my amendment makes explicit an exclusion for certain State and Federal energy assistance payments, including those made to repair or replace broken furnaces, or to weatherize homes by weatherstripping leaky windows and doors, by installing insulation, or by taking other steps as necessary to protect families from the cold. By excluding from income measurement all such one-time repair or weatherization payments, as distinguished from regular, ongoing LIHEAP utility payments, from the calculation of eligibility for food stamp benefits, of course I do not intend to have counted as income assistance payments made in situations where a family's furnace may need repair more than once in a winter, or may need certain types of weatherization more than once in a year. It is basically to exclude from income calculation energy assistance payments or allowances that are occasional and urgent, like a furnace repair, not those which are regular and ongoing, like a regular LIHEAP subsidy.

It is very simple, and will ensure that families are not, by a quirk of the bureaucratic rules, forced off the food stamp rolls because their furnace explodes, or goes off in the middle of a dark, cold night, and they replace it with help from LIHEAP. This amendment will prevent this bizarre result. When it is 30 degrees below zero, Mr. President—not uncommon in my State—that is a real emergency. And it must be dealt with immediately. We should make sure we do not build into the system disincentives for people to get furnaces fixed in a crisis, or incentives for elderly people or parents to risk themselves and their families in dangerous situations with unventilated space heaters or other hazards, simply because they are unable to afford, for example, modest furnace repairs.

As my colleagues from cold-weather States know, furnace repair and replacement can be very expensive, often costing several thousand dollars. This large and unexpected expense should not knock otherwise eligible families off the food stamp rolls simply because they need help for LIHEAP. We do not want to have people heating their kitchens with their stoves, or with leaky and dangerous kerosene space heaters, or with charcoal grills—all of which is done—because they could not afford to get their heat turned back on, or their furnace repaired or replaced, in the face of bitter cold weather. Each winter we read in the papers of people who die in such tragic situations. We must do all we can to ensure that does not happen, and this amendment takes another step in that direction.

Finally, let me say that I am still very concerned about the impact of the general provision in this bill, which repeals altogether the exclusion for ongoing, regular LIHEAP fuel subsidies for food stamp calculations, on thousands of people in my State. In Minnesota, LIHEAP does not even come close to paying the average $1,800–$2,000 costs of heating a home in the winter; people are still carrying most of these costs. But this particular amendment is crafted more narrowly, to meet the objections of those who insist that the general LIHEAP exclusion for food stamps be repealed outright. It is designed to make explicit an exclusion for that narrow category of energy assistance payments that are for the purposes I have described. I believe it is a real improvement to the bill, and I urge its adoption.

Mr. FEINGOLD. Mr. President, I am pleased that this amendment offered by my colleague from Minnesota [Mr. WELLSTONE] is being accepted, and am proud to join him as an original cosponsor. I believe that this amendment clarifies the bill to specifically exclude one-time capital improvement payments for home weatherization or repair or replacement of unsafe and inoperative heating and cooling equipment from counting as income when figuring food stamp benefits.

Under the Dole proposal as originally drafted there may have been ambiguity as to whether LIHEAP moneys received by individuals for one-time capital improvements count as income when figuring food stamp benefits. With this amendment, it is clear that this bill does not intend to affect such payments. LIHEAP is perhaps best known as the program that assists eligible individuals by subsidizing a portion of the costs of their home utility bills. However, as many in this body whose States have active LIHEAP programs are aware, LIHEAP moneys are also used by States, such as my home State of Wisconsin, in emergency situations to purchase new home heating and cooling devices and to weatherize homes.

My State is involved in two capital improvement programs funded by LIHEAP. Participants in these two programs would have been dramatically affected by the underlying bill if it were not amended. About $5.9 million of the LIHEAP grant funds received by my State of Wisconsin, about 15 percent of the total received, are combined with State funds and other Federal funds from the Department of Energy's weatherization program into a pool to conduct audits of eligible homes for one-time weatherization improvements, such as window replacement and weather stripping. At the same time these home weatherization audits are being undertaken, the State might also act to replace or repair a furnace which is found to be in disrepair. In fiscal year 1994, the last full year for which data are available, 5,800 homes were audited in Wisconsin, and of those 1,600 had their heating systems replaced.

In addition, the LIHEAP program in my State keeps $1 million in reserve, which it matches with oil overcharge funds, to conduct emergency activities in homes that it has not audited under its more routine audit program. In fiscal year 1994, 1,440 dangerous or inoperative furnaces were repaired or replaced on an emergency basis. This past summer, Mr. President, it was this program that responded to the blistering heat in the upper Midwest that claimed the lives of so many this summer.

This amendment is very simple, and I believe it makes a substantive improvement in the underlying proposal. Someone should not become ineligible for food stamps in a given program year, Mr. President, because their furnace breaks and the price of a new furnace, paid for by the LIHEAP program, would push them out of the eligible income bracket. Furnaces are extremely costly purchases for anyone, Mr. President. Even an average middle class Wisconsin family would have to budget in order to afford to replace one. Last year, the average cost of a new furnace provided by the LIHEAP program was $2,000. This expense could bump people on the margins out of the program, while their living standard, except for the fact that they may have averted both a house fire and personal injury by replacing their furnace, does not change at all.

I joined with my colleague from Minnesota because I am concerned that the counting of one-time LIHEAP payments as income may create a disincentive among food stamp recipients to undertake needed emergency repair activities. Some have argued throughout the debate on welfare reform that individuals receiving food stamp, AFDC, and other benefits make behavioral decisions that affect their benefit level. By their nature, Mr. President, these capital improvements are often unplanned and unpredictable. Every Senator in this body should be sensitive to the fact that sometimes the furnace just stops working, and these families, as hard as they might be working and trying to comply with the program as proposed, simply would not have the extra funds on hand to cover the repair. We should be very mindful of that fact that as individuals begin to move from welfare to work, as proposed by the measure before us, they are generating the primary support for them and their families—not savings. Without LIHEAP support there may be no other source of funds to act in these emergency situations.

While I am concerned about including LIHEAP utility bill subsidies as additions to income, I understand that excluding these rate subsidy payments would be a very controversial proposal. In my State, as in many others, LIHEAP never pays the whole heating bill. The amount of the bill paid ranges from 18.5 to 72 percent of the total, the individual always has the responsibility to pay a portion of the bill. Because they pay a portion, recipients are encouraged to conserve and to maintain a responsible payment schedule. As it is, Mr. President, in my home State of Wisconsin, the average LIHEAP household heating fuel cost is 10.6 percent of the recipient's total income, and after receiving assistance it is 5.7 percent of income; the average Wisconsin citizen's household heating fuel cost is 2.6 percent of their income.

To address the concerns that some have about the LIHEAP utility bill subsidy, however, this amendment is narrowly crafted to just address the issue of one-time LIHEAP payments. I believe that for safety reasons this amendment is also justified. As my colleagues know, old furnaces are extremely dangerous, as are the alternatives, such as space heaters. In crisis situations, my State LIHEAP program informs me, individuals resort to a whole host of heating techniques, including using charcoal grills indoors and relying on an electric or gas stove as a primary heat source. Despite the fact that this is 1995, Mr. President, 4 percent of Wisconsin LIHEAP program homes, or 5,720 households, are still wood heated, and 10 percent are trailer housing dependent upon propane tanks for their heat, another 14,300 households. Additionally, there is the concern of in-home carbon monoxide poisoning which, according to an article in the New York Times on May 14, 1995, sends 5,000 people each year to the emergency room with nonfatal illnesses and claims the lives of 250 people annually.

I think, Mr. President, that just as some in this body believe it would be a failed reform of the welfare system to continue to encourage people on the margins to engage in certain behaviors to increase their benefits, it would also be a failed reform if we were to encourage unsafe behavior by individuals for fear of losing benefits. This amendment avoids the classic heat or eat dilemma by clarifying that the Senate does not intend for one-time energy improvement payments to count as income, and I am pleased that it will be added to the underlying measure.

Mr. DOLE. Mr. President, I think we have made a lot of progress in the last hour, hour and a half. We have taken a lot of amendments, and I think right now I understand some of our colleagues are negotiating certain aspects of the bill. It is my understanding the Democratic leader would like to have us at this point have a quorum call so we would not be engaged in any—unless somebody wished to speak. We do not want any rollcall votes.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. I ask unanimous consent that the two amendments that were laid aside yesterday, the Faircloth amendment No. 2608 and the Daschle amendment No. 2672, be considered in order postcloture under the same restraints as previously agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. I thank the Chair. I suggest the absence of a quorum.

Mr. President, may I say we do not anticipate votes between now and 2 o'clock.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I ask unanimous consent to speak for 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized for 5 minutes.

MEDICARE

Mr. DORGAN. Mr. President, the minority leader, Senator DASCHLE, and myself and some others held a press conference this morning to talk about Medicare and the plan that is to be unveiled by Speaker GINGRICH, Senator DOLE, and others to cut spending on Medicare. It was interesting, at the press conference the first question that was asked after a presentation was by a reporter, who said to Congressman

GEPHARDT: "Speaker GINGRICH just indicated today in his remarks that you lied; he, on three occasions, said you, Congressman GEPHARDT, lied about a portion of the Medicare debate."

I thought to myself when the reporter asked that question, it is an interesting technique, again, to see if maybe the story for the next day will be about someone calling someone else a liar in their response, as opposed to the issue of what is going to happen with respect to Medicare. That is what most of us are concerned about. These debates should never be about the question of lying; the debate ought to be about truth. And the issue of truth and the question of Medicare is a very simple proposition.

I am going to offer on the next bill that comes to the floor of the Senate, which will be the appropriations bill on Commerce, State, Justice, a sense-of-the-Senate resolution. It is going to be very simple. I do not happen to think, by the way, we ought to have a tax cut proposal on the floor of the Senate at this point because I think until we get the budget balanced in this country, we ought not to be talking about tax cuts. But it is going to say if the majority party brings a tax cut to the floor of the Senate, that they limit that tax cut to those earning $100,000 or less, and use the savings from that—as opposed to the current proposal, which will give the bulk of the benefits to the most affluent in America—use the savings from that to reduce the proposed cuts in Medicare.

I want to ask people to vote on that because I think the question is, is it not a fact, no matter how much you try to tiptoe, dance, dodge, or weave, that the $270 billion proposed cuts in Medicare are designed in order to try to accommodate and accomplish a $245 billion tax cut, the bulk of which will go to the wealthiest Americans? The answer to that is clearly yes.

We were told earlier this year by the majority party, who advanced the $270 billion proposal to reduce Medicare funding, that they would provide details later. Today was the day to provide the details, and we have discovered that there really are not details that they want to disclose because those details will be enormously troublesome.

I indicated this morning that it is very hard for elephants to walk on their tiptoes. It is very hard to tiptoe around the details of a Medicare reduction of $270 billion and what it means to senior citizens, many of whom live on very, very modest incomes and who will, as a result of this, receive less health care and pay more for it. Why? So that some of the wealthiest Americans can enjoy a tax cut.

I think we ought to start over. I do not think we ought to have leadership calling anybody else liars. We ought to start over and talk about truth. The truth is this country is deep in debt. We ought to balance the budget before anybody talks about big tax cuts. It may well be very popular to be for tax cuts. But it seems to me that it is the right thing to be for balancing the budget. We had a debate about whether we should put that in the Constitution. We do not have to put that in the Constitution. All you have to do is balance the budget by changing revenue and expenditure approaches to provide a balance.

So I hope we will start over and decide no tax cut until the budget is balanced. When we deal with Medicare, as we must in order to make the adjustments necessary to keep it solvent for the long term, let us do that outside of the issue of whether the savings from Medicare should finance tax cuts. The answer to that is obvious. Of course, it should not finance a tax cut. Whatever we do to Medicare ought to be done to make it financially solvent for the long term.

THE FARM BILL

Mr. DORGAN. Mr. President, let me attend to one other item as long as the Senate is waiting on the welfare reform bill.

I would like to comment on the issue of the farm bill. We had some comments yesterday by the chairman of the Senate Agriculture Committee in which the chairman indicated that it was very difficult, if not impossible, to get a majority on the Senate Agriculture Committee to vote for some kind of a farm bill.

What is happening is that it is becoming evident to everyone that some have painted themselves into a corner on this question of agriculture. The proposed $14 billion cut in agriculture is way beyond what agriculture should bear in cuts. I have supported budget cuts in agriculture and will support them again this year. But a $14 billion cut has now put the chairman of the Senate Agriculture Committee and the chairman of the House Agriculture Committee in a position where they cannot write a decent farm bill, and they know it. The chairman of the House Agriculture Committee now comes out with a proposal he calls the Freedom of the Farm Act. It is a white flag of surrender saying we understand we cannot finance a farm program, so let us forget it.

There is a much better way to do this. You can provide a better support price, a decent safety net for family-sized farms, and you can do it at the same time that you save the taxpayers $5 billion in the coming 7 years by targeting farm program support prices or that safety net for the family farmers, targeting it to family-sized farms. A number of us have been working on that. We have developed some plans which we will be announcing.

But our point is to say to family farmers, at least if there are those who are surrendering on the issue of whether or not they think family farms are important to their country's future, that many of us will not surrender on that. It seems to us that this country is best served by nurturing and protecting a network of family-sized farms in our country to produce Americans' foodstuffs.

We have for many, many years understood that the development and the maintenance of family farms nurture a lot of what is good in this country. Where do you find better family values than on family farms that nurture our small towns and, through migration, nurture our cities? It seems to me that the genesis of all of that starts out on the farm in our country, and we ought to decide that it is worth keeping.

It is worth keeping a farm program that provides some safety net for the only people left in this country who, first of all, do not know when they plant a seed whether they will get a crop. So they risk all that money at the front end. And then they do not know, if they get a crop, whether they will get a price. So you have twin risks which family-size farms simply cannot overcome unless we have some basic support price or some kind of a safety net.

In the coming days, I hope others will become aware as well that you cannot write a farm program that helps and nurtures a future for family farmers with the $14 billion that is now proposed in reductions. You can do it in a thoughtful way with even better price supports than now exist for the first increment of production and saving the taxpayers somewhere around $5 billion. That is what I hope the Congress will decide on later this year.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I ask unanimous consent to speak for 5 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE NEED TO SUSTAIN U.S. COUNTERNARCOTICS PROGRAMS

Mr. GRASSLEY. Mr. President, I have become increasingly concerned about the direction that our drug policy is taking. Not only has the present administration largely retreated on doing something meaningful to deal with illegal drug use, increasingly some in Congress seem to be catching this indifference. The result has been a steady erosion in our efforts to stop the flow of illegal drugs to the United States. Along with the cuts there seems to be an attitude that nothing works. Not only is this belief wrong, it has serious consequences.

According to Justice Department figures, there has been a steep decline in our interdiction of cocaine shipments in the past several years. This has resulted in an increase of at least 70 metric tons of additional cocaine on our streets. We have seen a drop in cocaine prices while purity has gone up. And now, we are seeing a disturbing increase in heroin imports and a rise in addiction. More seriously, we have seen attitude toward drug use shift among the most at-risk population—the Nation's young people. In just the last 3 years, surveys of attitudes of high school kids show a shift away from regarding drug use as bad, reversing a decade of decline in favorable attitudes. Moreover, recent polls indicate that high schoolers increasingly see drug availability and use among their peers as one of the most serious problems that they face.

And now we see yet more disturbing news that confirms the trend. The recent Household Survey released by Health and Human Services shows that drug use is on the rise, especially the use of marijuana, after a decade of decline. This is the consequence of President Clinton's drug strategy, which is to replace "Just Say No" with "Just Say Nothing." What is even more disturbing is that the biggest increases coming among junior high and high school aged children. In those aged 12 to 17, the rate of illegal drug use increased from 6.6 to 9.5 percent. Coupled with reported changes in youth attitudes toward drug use, the trend is a sad reflection of what has happened in just a few short years. This age group is the most vulnerable population for potential drug use, and this has become the forgotten generation in our retreat from the drug issue.

Despite what many critics have argued, our counter-drug efforts were a success. Between 1985 and 1992, overall drug use declined by 50 percent, cocaine use by more than 70 percent. These are dramatic changes that reflect a major shift in public attitudes and patterns of behavior. Similar shifts in other areas of public concern—a 50 percent reduction in crime, for example—would hardly be regarded as failure. Yet, this is the way our efforts are commonly portrayed. This misinformation is then used to support decreases in the efforts that contributed to this progress. The results of the erosion of our efforts can be seen in increased drug use among the young and disturbing changes in attitudes that bode ill for the future.

This is not a fact lost on the public. While we in Washington seem to have forgotten the issue, the American public has not. A recent poll indicates that more than 80 percent of the public regard stopping the flow of illegal drugs to the United States as the number one foreign policy concern. In addition, more than 70 percent of the public consistently opposes legalization of illegal drugs. We make a great mistake in ignoring our past successes or our present failure to live up to our continuing responsibility that we have to do everything in our power to combat illegal drug trafficking and use.

I have recently become the chairman of the Senate Caucus on International Narcotics Control. I have accepted this responsibility because I am concerned about the direction, or rather the directionlessness, of our present efforts. We lack both the practical and moral leadership on this issue that are essential to maintaining our past successes. We in Congress have a substantial responsibility to represent the public interest on this issue. We need to insist on accountability. I plan to work with other Members of Congress to oversee the administration's efforts and to insist on consistent, well-conceived programs. I intend to work for adequate funding and attention, and to remind my colleagues of the continuing need to sustain effective counterdrug efforts.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DEWINE). Without objection, it is so ordered.

Mr. DOLE. Let me indicate to my colleagues that the reason we are not doing anything on the floor is that we are having some negotiations. It is my understanding—I know we will present to Senator DASCHLE, the Democratic leader, a proposal here in the next few moments.

MORNING BUSINESS

Mr. DOLE. Mr. President, if any Member wants to come over for morning business, I now ask unanimous consent we have a period for morning business from now until 3:30.

The PRESIDING OFFICER (Mr. INHOFE). Without objection, it is so ordered.

Mr. DOLE. I think by 3:30 we will be in a position to make an announcement. If we can come together on an agreement it seems very likely that we can finish this bill fairly quickly.

If not, we would have a cloture vote, and even under a cloture vote if cloture were obtained it is my understanding that 91 amendments would qualify if cloture were invoked, which is not too exciting from my point of view. It would take a while to dispose of 91 amendments.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEDICAL EMERGENCY IN THE DIRKSEN SENATE OFFICE BUILDING

Mr. CHAFEE. Mr. President, I wish to call the attention of my colleagues in the Senate to a very dramatic episode that just occurred within the past hour and a half in the Dirksen Building.

Just outside my office, a gentleman, a guest—not of mine but a guest to the building—had a heart attack, collapsed on the floor, and while falling severely cut his head. And the young women in our office rushed out. One of them, a member of my office, is a Girl Scout leader, and knows CPR. Loosening the gentleman's necktie, she started CPR, and the other member of my staff—my personal secretary, Donna Davis—had the forethought to run down the corridor and get Senator FRIST, Dr. FRIST.

Dr. FRIST responded immediately—immediately—and went to work on this gentleman, who oddly enough was from Tennessee.

(Laughter in the Galleries)

Dr. FRIST did not check in advance.

I discussed this with members of my office, all of whom were out there watching trying to be helpful. They were unanimous in their praise and admiration for the manner in which Dr. FRIST responded, and he really knew what he was doing. He took complete charge, applied CPR, and this gentleman who was out—I mean his heart truly had stopped—to the best of their knowledge was revived because Dr. FRIST, Senator FRIST, responded so quickly. Then the emergency people came, and he was taken over to the hospital where hopefully he will survive.

But this was a very, very dramatic occurrence. And I think all of us should have great admiration, respect, and affection for what Dr. FRIST did. I am sorry that he is not here to hear these remarks. But we are very, very fortunate to have him in the U.S. Senate—not as the Senate's physician, which I am sure we would be glad to have—but there is somebody who really knows his business, and responded in a tremendous fashion. So I want to praise our colleague, Dr. FRIST.

I want to praise everybody in my office who called and responded, and

Patty Parmer and the Girl Scouts. She is a Girl Scout leader. I have always been a fan of the Girl Scouts. And this gives me added respect for that organization because she is a leader. They learn CPR, and it undoubtedly contributed to saving this gentleman's life.

So there we are, Mr. President. Sometimes we get deeply involved with $1 billion here, $1 billion there, and what we are going to do about child care and about maintenance of effort. But there are other things that are very, very important around here. And certainly Dr. FRIST, Senator FRIST, proved his mettle this afternoon.

I want to thank the Chair.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BUDGET RECONCILIATION AND STUDENT AID

Mr. PELL. Mr. President, very soon the Senate Labor Committee will convene to consider how to meet the reconciliation instructions contained in the budget resolution approved earlier this year. It will mark the seventh set of reconciliation instructions sent to the Labor Committee since 1981.

The major entitlement program within the jurisdiction of the Labor Committee is the Stafford Student Loan Program. As a result, it has been the primary target in each and every reconciliation. Over the course of the past 14 years, in reconciliation and related deficit control measures, we have made almost 50 major changes in the loan program. Some are prudent and defensible; others were not.

While I have played an active role in meeting each of these instructions, I have done so with deep reservations. The primary motive in reconciliation is to save money. Unfortunately, determining whether or not the change has merit and constitutes good public policy has all too often been lost.

As I have indicated, some of the changes we have made under the pressures of reconciliation have been good; some have not. In 1981, for example, we imposed a 5-percent origination fee on all loans. Thus, a student who applied for a $2,000 loan would get only $1,900 but would have to repay the loan as if he or she had received the full $2,000. This was intended to be a temporary measure to save money; it became permanent and deserving students were the losers.

In 1987, we required State guarantee agencies to return to the Federal Government some $250 million in so-called excess reserves. The provision did not produce the expected savings, and it had the very adverse effect of endangering the stability and the very existence of many agencies. It proved to be an unwise and unfortunate move.

In 1993, in a dramatic departure from the previous reconciliation efforts, we took action that actually helped students. In particular, the competition between the new direct student loan program and the Stafford Loan Program already in place had given students improved services, better rates, lower fees and greater benefits. It would, in my judgment, be a shame to disturb that balance.

Earlier this year, we considered the budget resolution that would have required almost $14 billion in student loan cuts over the next 7 years. We brought that down to $4.4 billion, with the passage of the Snowe-Simon amendment, which I supported. On final passage, however, I voted against the resolution. I did so because one of my concerns was that it would produce dramatic reductions in a series of very important Federal programs, not the least of which was the loan program.

When the budget resolution came back to the Senate after conference with the House, most of the gains we made with respect to the Stafford Loan Program were lost. We were confronted with having to come up with more than $10 billion in savings in the loan program. As a result, I know that I for one voted against the conference report. I did so because I believed its passage meant we would make a series of unwise and unreasonable cuts in the loan program.

Over the past six reconciliations, everyone has been hit. Lenders, guarantors, secondary markets, and students—particularly students—have felt the budgetary knife. No one has been immune. All have sacrificed.

And soon, the loan program will go back to the operating table once again to require cuts so large that everyone will be subject to the knife.

I have already gone on record opposing any cuts that will affect students. In particular, I oppose any change in the in-school interest subsidy and any change that might be passed on to students. Students are already hard pressed to make ends meet as they pay for a college education. We should not make that situation worse, either while they are in school or as they repay their loans after graduation.

At the same time, I am also concerned that additional cuts among lenders, guarantors, secondary markets, and other program participants could threaten the very stability and the very viability of the entire loan program. Adverse changes could well threaten student access to the loans they need and must have.

Further, I believe we should keep the agreement we reached in conference 2 years ago with respect to the direct student loan program. More than anything else, that agreement has worked to the benefit of students, and it is aid to students that should be our main concern.

Mr. President, I wish to make it as clear as I can that enough is enough. It is time we left the loan program alone. It is time we considered changes solely on their merits and not because they appear to save sufficient money to meet our meticulous reconciliation instructions. It is time we understood, once and for all, that the best way to reduce the deficit which hangs over us is through a strong economy supported by a well educated and well trained work force.

I favor bringing the deficit down. We all do. But I do not favor doing that on the backs of those who need our help the most—the elderly, the poor, the middle-income wage earner, and I think, most importantly, the students upon whom we must all eventually depend to keep our Nation strong and vibrant. In particular, I do not favor making cuts in the loan program or other valuable programs just to pay for a tax cut.

To my mind, the time has come for us to say no to the instructions given the Labor Committee. It is time to say no to cuts in the student loan program. It is time we took students out of harm's way.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SANTORUM. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR MORNING BUSINESS

Mr. SANTORUM. Mr. President, I ask unanimous consent that morning business be extended until 4 p.m., under the same provisions of the previous unanimous-consent request.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. SANTORUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPEATING A MISBEGOTTEN AND SHAMEFUL ERA

Mr. MOYNIHAN. Mr. President, as we contemplate the compromise by which we can agree to end the entitlement under the Social Security Act, title IV–A for States to receive a share of the costs for providing for dependent children, I would like to share simply for the RECORD a portion of a letter from Irwin Garfinkel, Alfred Kahn, and Sheila Kamerman of the Columbia University School of Social Work who are so concerned with what we may be doing here, and they write:

> As we are sure you know, a similar madness pervaded the nation at the close of the 19th century. Then, of course, relief policy was—aside from Civil War veterans and their survivors—strictly a state, and in practice, mostly a local responsibility. As a consequence of the severe cutback in relief—

And here I interpolate that the Charity Organization Society managed to get hold of the effective control of local private agencies in many parts of the country.

> as a consequence of the severe cutback in relief, we began sending large numbers of children of single mothers to orphanages. The children were referred to as half-orphans. In reaction, 40 states established mothers pensions, the forerunner of ADC. Though we take some comfort from the reaction, our hope—that 100 years later the Nation might be spared another such misbegotten and shameful era before regaining its senses—grow dim.

I will just repeat that:

> . . . our hope—that 100 years later the Nation might be spared another such misbegotten and shameful era before regaining its senses—grow dim.

I will say, Mr. President, that what happened in 1935 was that the State mothers' pensions were increasingly difficult for the State governments to maintain, and so they were taken over under the title IV–A, Aid to Dependent Children, which was just children at that time.

In 1939, the mother was entitled to a benefit, and it became aid to families with dependent children, the program we are evidently intent upon abolishing and repeating "a misbegotten and shameful era."

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FAIRCLOTH). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INHOFE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

A MISSED OPPORTUNITY

Mr. INHOFE. Mr. President, I think earlier today we missed an opportunity. It seemingly went by unnoticed when an amendment was offered that addressed a very sensitive area and an essential element of welfare reform, and that is a recognition that it has become a snowballing effect that a family that has welfare problems, or is on the welfare rolls, quite often the next generation comes down and is also inflicted with this same problem.

This was in the amendment offered by Senator FAIRCLOTH, No. 2609. I regret that it only received 17 votes on the floor of the Senate, and yet, I do recognize it is a very sensitive issue to deal with.

We have become and found ourselves in a situation in this country where it is a welfare trap and snares not only current recipients, but their children as well. Young women who grow up in welfare families are more than twice as likely to receive welfare themselves as their counterparts whose parents received no welfare.

I have three very short cases I will identify. These happen to come from the State of Oklahoma. They will only be identified by the individual's first names.

There is Marie, a 43-year-old, has nine kids by five different fathers. The mother was on welfare for 30 years. Marie's own daughters are unwed teen mothers on welfare.

Denise, 29 years old, had her first child at 16. She now has an additional four daughters, all born under the welfare system. Both her sisters are unwed welfare mothers with eight children.

Jacqueline, 37 years old, a mother at 15. She was born to a welfare family of 12 children. Her unwed daughter had four illegitimate children by the time she was 20.

Out-of-wedlock births and single parenthood are quickly becoming a normal lifestyle in this country. I am not sure that the Faircloth amendment was worded quite properly, but at least it did address a very serious problem that we are going to have to, sooner or later, address in this body.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. INHOFE). Without objection, it is so ordered.

ABANDONING A COMMITMENT

Mr. MOYNIHAN. Mr. President, early today—well, at 10 o'clock this morning—we were to have commenced a series of votes that had been agreed on yesterday. There was, necessarily, a delay as Members on the other side were at a meeting with their House counterparts on, I believe, Medicare. We had a half an hour in which to talk about whatever came to mind.

I took the occasion to read a passage from the first page of the New York Times which described the White House as "exceedingly eager to support a law that promises to change the welfare system," which is to say abolish title IV–A, Aid to Families with Dependent Children.

It went on to say the White House was "sending increasingly friendly signals about the bill."

This is a bill which three professors at the Columbia School of Social Work, including the revered Alfred Kahn, said would recreate the turn-of-the-century era in which the children of single mothers were referred to as "half orphans" and sent to orphanages.

In reaction, 40 States established mothers' pensions, the forerunner of aid to dependent children. The 1935 legislation created aid to dependent children. In 1939 the mother was entitled to a benefit, hence family with dependent children.

They said, "It is our hope that 100 years later the Nation might be spared another such misbegotten and shameful era."

Mr. President, I spoke this morning not only about the New York Times this morning but rather of yesterday's statement, a statement by Rahm Emanuel, a White House spokesman, who said as the bill headed toward a vote on final passage, Rahm Emanuel, a White House spokesman said it was "moving in the right direction." "Moving in the right direction," is moving in the direction of the misbegotten and shameful era which took place at the turn of the century from which we gradually recovered our senses.

I have since been in touch with the White House. I have talked to persons there and asked, can it be that this is the disposition of the White House? I am told that, yes, Mr. Emanuel, who I believe was the fundraiser for the 1992 Presidential campaign of Mr. Clinton and then was political director in the White House, that he is in charge of this matter now and that it is his view that the Democratic Party should abandon its commitment 60 years in place—a commitment Republican Presidents have been just as firm in—to a Federal provision of aid to dependent children.

Mr. President, Rahm Emanuel is of that view, and obviously he is, he does not disguise it. I wonder about what other political advice he is giving in the White House.

I will not speculate. I will state my alarm. No one can foresee the future. I do not. Yet we have seen something like this happen before. I can say again, when Irwin Garfinkel, Alfred Kahn, and Sheila Kamerman refer to the possibility that "100 years later the Nation might be spared another such misbegotten and shameful era before regaining senses," they say that hope grows dim.

If this is the advice the President is getting, that hope is dim, indeed. I say this with great reluctance, Mr. President, but something of great importance, in my view, is at stake. I yield the floor.

EXTENSION OF TIME FOR MORNING BUSINESS

Mr. SANTORUM. Mr. President, I ask unanimous consent that the period of time for morning business be extended until 4:30 under the previous unanimous consent request.

Mr. DODD. Reserving the right to object, may I inquire as to how much longer that will go? Are we going to have some sense of——

Mr. SANTORUM. My understanding is the two leaders are meeting. In fact, I believe they may be meeting as we speak, and we are trying to find an agreement on the legislation before the Senate.

The PRESIDING OFFICER (Mr. GREGG). Without objection, it is so ordered.

Mr. SANTORUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR MORNING BUSINESS

Mr. SANTORUM. Mr. President, I ask unanimous consent that a period for the transaction of morning business be extended until 5 p.m. under the same rules governing the previous unanimous consent agreement.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SANTORUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DODD. Madam President, I ask unanimous consent that the call for the quorum be rescinded.

The PRESIDING OFFICER (Mrs. HUTCHISON). Without objection, it is so ordered.

Mr. DODD. Madam President, parliamentary inquiry.

Are we in morning business, as I understand it?

The PRESIDING OFFICER. That is correct.

CHILD CARE

Mr. DODD. Madam President, I will take advantage of this time while we are waiting here. Let me explain. People are wondering what is going on—I have a podium in front of me and papers in front of me. I am prepared at some point to offer an amendment on child care. We had one vote already several days ago and made an effort here to try to come to some accommodation, a compromise position on child care. That may still happen. I was hopeful that the arrangement put together would work—and it may still work.

I am prepared to offer the amendment. I have been here on the floor now for virtually the last 2½, 3 days, trying to find a compromise. I am trying hard to find a welfare reform package I can vote for. I mean that very sincerely and deeply. I think the President would like to have a bill he could sign. And largely what happens, I suppose, in the next couple of hours might determine whether or not we will have a bipartisan bill.

My own view, Madam President—I will not take a lot of time here because people have heard this debate on numerous occasions in days past, weeks past, months past. Senator HATCH of Utah and I offered, back some 6 or 7 years ago, the child care and development block grant bill, which became the law of the land in 1990. Five years ago, we provided child care assistance to people in the country, particularly to the working poor families to keep them off welfare and allow them to work. It allowed them to get some child care assistance—it does not take care of everybody—it provides some help to some people. There are long waiting lists in many States for this assistance. In fact, I recall now—having recited these statistics so many times, I can almost call them State by State.

As the presiding officer is from the great State of Texas, I think the waiting list in Texas is about 20,000 people. In the State of Georgia, it is 41,000 people. The numbers are in that range. And the 36 States that keep data on child care slots—not every State keeps waiting lists—but 36 States tell us that they have long lists. There is a tremendous need and demand out there.

Again, I think the central point of the Dole welfare reform bill is, of course, to get people from welfare to work. And again I think most people accept the fact that 60 percent of the people on welfare have children under the age of 5. Of the 14 million people on welfare, 5 million are adults, 9 million or 10 million are children. So what we are talking about here is a simple enough notion; that is, to provide some sort of a safe setting for children as we move their parent or parents into the work force.

To do that requires resources. We are told by the Department of Health and Human Services that to fill the 165-percent increase in demand that would occur as a result of the bill that the majority leader has presented to us, it would require some $6 billion over 5 years to accommodate that demand.

I offered an amendment in that amount a few days ago. It failed by a single vote here. Then, over the last 2½ days, in consultations with interested parties here—and I will not go into names of people—we were able to work out a compromise, a bipartisan compromise, on the issue. The compromise reduced the $6 billion by several billions of dollars, which would mean that we would not meet the full demand, based on the assessments that had been made, but would provide a pool of money for States. This would mean that Connecticut, Texas, New York, and other States would have a pool of resources to assist in the very legitimate issue of how you move people from welfare to work.

Now, the bill requires that we move 25 percent of all welfare recipients to work in the first 2 years, and 50 percent by the year 2000. That will place great demands on States to make that transition. If they cannot meet the demands, of course, they face penalties in the bill. It probably would be less expensive for most States to pay the penalty than actually to comply with the law. I made that rough calculation. I think it is a common interest of ours to achieve compliance with the requirements.

To achieve compliance, you need to have some training for these people. But most people would agree, if you had to pick one issue, one issue that is critical for moving welfare recipients to work, it is child care. Every survey of people on public assistance, that asks what are the greatest obstacles to moving from welfare to work, cite as the number one obstacle the lack of child care. In every survey that I have seen in the last decade or more, that is the single most important issue, and I think with complete justification. You need not have ever been on public assistance or even have had family members on assistance to understand this issue. Anyone with young children, regardless of their economic status, who works or desires to work, understands completely the anxiety that another person would feel when going to work without some safe, adequate place to leave their children. It is just unrealistic to assume that you can reasonably move someone from welfare to work without accommodating that need.

Now, it can be accommodated in a variety of ways. No one is arguing that if there are grandparents or aunts or uncles or older children—there may be a variety of ways to reach that need. I think most would agree that those arrangements will not work in every case. You are going to have to have some other system in place. If it were not true, then you would not have the waiting lists I described already with literally thousands of children on those waiting lists to find an adequate child-care place.

So, Madam President, I will, at an appropriate time, offer, or try to offer, an amendment on this issue. It may be defeated. I hope it will not. I made an honest and sincere effort to compromise, as I believe the very rationale for this institution is to bring people of different points of view together and try to find some common ground on issues.

I really know of no one arguing, no one saying we should not do anything about child care. Most people agree we should do something about it. It is how we do it and what means we use. I have tried to come up with an answer here that would accommodate the Governors, the needs of the States, and obviously the very people that we are going to be asking to make that transition in the law.

So, I will offer the amendment at an appropriate time. If it is defeated, we will move on, I guess, to other amendments. I hope that will be the case, that we will not be talking about pulling down the bill or other suggestions that may be made. It is a difficult issue. The Senator from New York knows better than all of us put together, as he has talked about so eloquently on numerous occasions, dismantling 60 years of social policy in a matter of hours.

So the fact that this is taking a little longer may be troublesome to some people. Frankly, were it to be done in haste, it would even be, I think, more dangerous. I am hopeful that we can adopt an amendment in this area. I would like to be a part of an agreement. That is my desire. That has been my intention. There is no other purpose behind this.

I have been involved in the issue of child care for more than 10 years. Going back to the 1980's, I felt it was a legitimate issue that needed to be raised for a whole host of reasons. In the midst of this debate, it is a critical issue. In the absence of it, it is impossible to call this reform in any way. We should not literally turn our back on the needs of these 10 million children out there.

As I said a moment ago, of the 14 million people in this country on welfare, with all of the rhetoric and language we use in the most virulent terms to describe them, we should remind ourselves that 10 million of the 14 million we are talking about are infants and children, who in most cases, through no fault of their own, as the Senator from New York pointed out, are in this world.

The question becomes, if no one else will help try and take care of them, shouldn't someone? And if that someone has to be us, I do not know any reason why we should shrink from that responsibility as we try to break this cycle.

I see my colleague from New York.

Mr. MOYNIHAN. Madam President, may I simply endorse everything the Senator has said, and add a further point. We have a choice in this legislation. We can have child care or we can have orphanages. I think child care is the least expensive option, but you do not know how bad an orphanage might be.

We are not just at the end of 60 years of social policy. A century ago, in response to the matter of sending half-orphans, as they were known, to orphanages that some 40 States, beginning in Wisconsin, began mothers' pensions. The States found it difficult to maintain them in the midst of the Depression, and they were incorporated into the Social Security Act as aid to dependent children.

That is the issue before us, as best one can tell, although one can never tell the future.

I thank the Senator from Connecticut. I see the distinguished Republican leader.

The PRESIDING OFFICER. Who seeks recognition?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Madam President, I want to take a moment of the Senate's time, first of all, to commend my friend and colleague for the efforts that have been made over the period of the past 2 days. I welcome the opportunity to cosponsor the amendment; I welcome the chance to join with others in cosponsoring this amendment.

When you look over the record and realize that this initial amendment, which was the $11 billion over 5 years, just failed by two votes, the efforts by Senator DODD to cut that back by several billions of dollars in an attempt to try and reach out and make this a bipartisan effort is really in the tradition of this body.

It is troublesome to many who recognize that under the Dole proposal there is not a single cent dedicated to child care, not a single cent that is actually dedicated.

So we have seen a significant reduction in the proposal and a very extended effort to try and incorporate many of our friends and colleagues on the other side who, over a long period of their own careers, have been absolutely committed to child care and who are committed to child care at this time.

I want to indicate to our friends and colleagues, really on both sides, that his efforts to try and ensure this was going to be a bipartisan effort and consistent with the exigencies of the budget consideration has been absolutely an honorable effort and in the best traditions of the Senate.

Let me just say, I look forward to supporting that proposal because I do think that upon reflection, in spite of what is talked about in the back rooms about whether I will vote or whether I will not, that when people are faced with this issue of trying to take a small but meaningful step forward on child care will recognize the importance of their vote in a very significant piece of legislation and will ultimately support the Dodd proposal. That would certainly be my hope, so that we could move on to some of the other issues.

Finally, Madam President, I do not think there is any Member of this body who has children—and so many of us are blessed to have them—who would possibly think of starting a day without knowing their whereabouts and knowing about their safety and knowing about their security, knowing about their well-being.

I think all of us in this body are fortunate enough to have a day-care center that was developed in a bipartisan way in the Congress. We have the kind of day care available for employees of the Senate that we are denying to so many others who are attempting to work for a great deal less than we are receiving, in terms of salaries, trying to make ends meet.

We hear a great deal, as we did in the early part of the year, Washington does not get it because the laws we pass we do not apply to ourselves. Remember that? We went through a whole discussion and debate about that. And we should apply the laws that we pass for others to ourselves.

But the other shoe fits, too, and that is what we do for ourselves we might think about doing for others. What we have done is afforded the child care program, and now we are being asked to try and move people off welfare and basically avoid the fundamental commitment of trying to provide some child care to those individuals.

As Senator DODD and Senator MOYNIHAN understand very completely, that program just will not work. That just will not work. The idea that you are going to be able to take these resources, which is flat funding over a period of time, when about 85 percent of those resources are being used for benefits, and think that you are going to be able to scrape some funding out for child care, I think, does not hold water.

We have seen very little indication, given what has happened in the States, as the Senators from Connecticut and New York have pointed out, that is happening today and why we ought to expect it to happen in the future.

So, Mr. President, this is really about the priority of children. Every day so many speeches are made about children and about the most vulnerable. We have an opportunity to address those needs with the Dodd amendment. I think all of us should be impressed by the seriousness of the redressing of this issue.

It has been as a result of a long, painstaking, tireless effort by the sponsor of this amendment to try and broaden out and to work this process in a way that would have bipartisan support and would make a very important and significant improvement in the legislation. I am hopeful that when it is offered, that it will succeed. I think this will certainly be one of the most important votes that we will have in this session.

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I have heard some speeches on the floor of the Senate and this ranks right up there. I do not know how you say—when the leader here is negotiating, in good faith, to in fact add more money into the child care fund—that somehow or another we are denying the fact that we need child care, and have Members on the other side who insist on having their name sketched next to the child care money, to throw out an agreement to do just that. I think that is not cooperation by any stretch of the imagination.

To also suggest that somehow we provide day care for workers here in the U.S. Congress and that we are not willing to do so in the welfare bill—maybe the Senator does not know it, but the people who have children in day care pay for that with the hard-earned dollars that they work for.

Mr. KENNEDY. Will the Senator yield?

Mr. SANTORUM. No, I will not yield. They work for it with their hard-earned dollars. What you are suggesting is to give money to people to go to work, to give them child care to go to work.

Mr. DODD. Will the Senator yield?

Mr. SANTORUM. No, I will not yield. The fact of the matter is that what the Senator from Connecticut is doing is trying to block an agreement from happening by insisting on an amendment on day care, which we are willing to sit—and have been for hours—and try to put together.

I am hopeful that we can get through the partisanship on this and move forward in a bipartisan way. And I know there are many Members on the other side of the aisle that want to work in a bipartisan fashion to get this bill through, to get day care money funded, because it is a sincere interest, I know, of the leader and of other Members on our side to get this legislation through with additional day care funds.

Mr. DODD. Will the Senator yield?

Mr. SANTORUM. We will and have been working. I object to the fact that the Senator from Massachusetts stands up and says we are giving free day care here in the Congress, and we are providing it for our folks when, in fact, they pay for that day care, and that we are unwilling to give it to people on welfare, when, in fact, we are going to be giving day care to people on welfare.

I just think you are mixing who is paying for what. The fact of the matter is, people working here paying for their day care are paying taxes to subsidize the people that we want to provide day care for under the welfare bill. Let us get it straight.

I am willing, as other Members on this side are, to put some more money in for day care so that people can get off of welfare. But do not try to suggest that somehow we are providing perks to Members here that we are unwilling to give on welfare. Exactly the opposite is the truth.

I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

FAMILY SELF-SUFFICIENCY ACT

The Senate continued with the consideration of the bill.

Mr. DOLE. Mr. President, I am going to propound a unanimous-consent request as soon as it has been cleared by the Democratic leader. I intend to finish this bill today one way or the other, even if there is not going to be a welfare bill. We have been at this for several hours in good faith. In the offer we made, which was rejected by the Senator from Connecticut, there is, over 5 years, $3 billion. I think his amendment was 5——

Mr. DODD. That was not the offer.

Mr. DOLE. We just changed it. He had $5.7 billion over 5 years. We said, OK, we will go more than halfway, to $3 billion over 5 years.

Mr. DODD. That is the first time this Senator heard that offer.

Mr. DOLE. My view is that is what the Senator wanted.

Mr. DODD. I will be glad to look at that. We can put in a quorum call. I say that with all due respect to the Senator.

Mr. DOLE. We changed it about an hour ago. As I understand it, it is more than halfway to where the Senator was with his amendment the other day. We checked it with some others, and they think this is a very generous, responsible offer. That would be $8 billion over 5 years set aside for child care

Mr. DODD. If the Senator will yield. We know each other very well, and I just say that offer was not presented to me. I would not say that if it were not the case.

Mr. DOLE. Then I will present it to you now.

Mr. DODD. Let us put in a quorum call and see if we can get the details.

Mr. DOLE. I do not think we have a problem here.

Mr. DODD. We may not.

Mr. DOLE. We have taken care of maintenance of effort and the job training. We are going to make it freestanding, under a time agreement. And contingency grant funds, which we did not have in our bill, was sponsored by the Senator from Ohio, Senator DEWINE. He thought about $530 million was appropriate. We made it $1 billion. So if some State has a calamity, they do not have to pay it back. We kept the loan funds of $1.7 billion, and we have accepted some of the triggers suggested. The work bonus program, that has been done.

On the vouchers, we have not reached an agreement, but we have increased the hardship exemption in the bill from 15 to 20 percent. We have added $75 per year for abstinence education, which has broad support. And program evaluation, of interest to the Senator from New York, and others, $20 million to evaluate the program. If that is not enough, we can raise it to $25 million.

I talked to Dick Nathan, who suggested that amendment; he is a well-respected academic. Food stamps, which we have discussed with the Democratic leader, has certain escape hatches. We do not think it punishes anybody.

We think it is a good package, and we think we can complete this whole bill in a couple of hours.

Mr. DODD. If the majority leader will yield—and I say this with great respect and friendship, because that is the case—the offer presented to me was $3 billion over 7 years, along with a check on the financing schemes. I say, in fairness, that in my conversation with the Senator from Utah we talked about this, and I counteroffered with the proposal of $3 billion over 5 years. I was told it was rejected.

Under the circumstances, let us find out about where we are. If that is the case, I am prepared to sit down and take a good hard look at it. I was told something different, and that can happen around here as these offers go back and forth. I urge that maybe those involved look at the child care piece. I am not as familiar with the other pieces the majority leader described.

Mr. DOLE. I will say that the Democratic leader, Senator DASCHLE, gave me a list of six or seven items yesterday, and we have been able to accommodate part of each of those, with the exception of one where there was a time limit. Even there, we increased the percentage on exemption, hardship exemption, from 15 to 20 percent, which would cover that concern.

If the Democratic leader wishes to speak, I am happy to go over this with the Senator from Connecticut. We believe it is a responsible, reasonable effort. I might point out that we only save $5 billion in AFDC over 5 years and only $9 billion over 7 years. Total savings in the Senate bill, which are going to be reduced because of some of the things we have agreed to do, over 5 years, is $44 billion; the House bill is $75 billion. Over 7 years, ours is $71 billion; the House is $122 billion. So there is a vast difference between this and the House bill, as far as savings are concerned. We would like to complete action on this bill and go to conference.

Mr. DASCHLE. Mr. President, I wonder if we might suggest a quorum call for a brief period of time for us to be able to see if we can finalize some of the understandings as it relates to this agreement.

I think there are some misunderstandings here that may be clarified that could accommodate this agreement, even now.

I thought we had exhausted all possibilities, but maybe not. If that is the case, I think it is worth one more quorum call to see if we can resolve it.

Mr. HATCH. If leaders would withhold for a second, I think that the settlement on child care is utterly reasonable, something that can bring us together.

I commend both leaders for trying to bring this about. It is my understanding that the Hatch language on child care will also be part of that.

Mr. DASCHLE. That is what we will find out.

Mr. DOLE. The fencing will be but I am not sure about anything else.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I have been in discussion with the distinguished Democratic leader and other colleagues on both sides. I think we have the framework of an agreement. We do not have it drafted. Nobody has signed off on it finally. But I think in the interest of time it has occurred to me and the Democratic leader, Senator DASCHLE, that maybe those who have outstanding amendments could come to the floor now and offer those amendments, hopefully in a very short period of time because we hope to go and will go to third reading hopefully by midnight tonight. But we are going to go to third reading on welfare reform between now and sometime, and we would rather do it by midnight if we could. I know there are a number of amendments we have looked at people can accept. We will try to be as accommodating as we can with our colleagues.

But I think that is the view of the distinguished Democratic leader; is that correct?

Mr. DASCHLE. Mr. President, I concur entirely. I think we have gotten to the point now where it may just be a matter of a period of time before we can submit the agreement and have a vote. But this is valuable time we are losing, and I know a lot of Members have come to me throughout the day expressing an interest in offering their amendments. I do not want to preclude them from doing so. I think they ought to come to the floor.

I have agreed that we can go at some point tonight to third reading. So we will finish this bill tonight at some point.

So to accommodate Senators who still have amendments, to ensure that we maximize what time we have left, whatever time it is going to take before we go to third reading, I encourage all of our colleagues to come over if they have amendments.

As the distinguished majority leader said, working with our ranking member, who has done a remarkable job—he deserves an award for sitting in the Chamber as long as he has—we are ready to go to work. We would like to finish with those amendments that are not part of this agreement, and there are many of them. So come to the floor as quickly as you can and see if we can resolve these outstanding issues.

Mr. BREAUX. Will the majority leader yield?

Mr. DOLE. Could I just say one word because the Democratic leader reminds me we are talking about amendments that would not impact on what we hope to have as an agreement here, child care—any amendment in the area we are looking at we hope would not be offered. We do not have an agreement yet. We hope there is. It may not be possible. So we hope Members would not offer amendments that would affect the agreement we hope to achieve.

Mr. BREAUX. Will the majority leader yield?

Mr. DOLE. Yes.

Mr. BREAUX. I thank the Senator for yielding. And I ask maybe our leader, both leaders actually. A great deal of work has been done, a lot of back and forth, and I think a good compromise has potentially been reached here. I am concerned, as our leader is, that there are a lot of other amendments—I do not know whether we have 30, 40 amendments that are still posted out there, and I am just concerned, is it the intent to finish the bill tonight, I ask both leaders?

Mr. DOLE. We hope to go to third reading this evening. We hope it is this evening. It may be tomorrow morning.

Mr. DASCHLE. I believe, if the majority leader will yield, in answer to the question, having had the chance to look at the amendments, most Senators would agree to relatively short time limits, and I do not think there is any reason why we cannot complete work on the remaining amendments tonight.

So I would again encourage Senators because it is 10 minutes to 6. There is some good time left tonight for us to accommodate Senators who come to the floor. And we will see what the list looks like. I expect it is going to be a lot less than 40. A number of these amendments will fall if they get this agreement. And we will just work through whatever remaining amendments Senators wish to offer, but we cannot do that if they do not come to the floor.

Mr. DOLE. It is still possible, I might add—I will certainly consult the Democratic leader. One way to eliminate some of the amendments would be with a cloture vote. Of course, you still have 91 amendments, but I think those would all be—there would not be any amendments to expand this program. They would be amendments to limit the program, so they might be good amendments. But we hope if we get some cooperation in the next hour or so that would not be necessary.

Mr. WELLSTONE. Mr. President, might I ask the majority leader a question? I certainly, first of all, know there has been a lot of difficult negotiation. And I respect that process very much.

But as I have listened to the majority leader, was he saying that built into this unanimous-consent agreement would be an understanding that there could be no amendments in the same areas in which you have reached agreement with amendments? And if that is the case, then would Senators have an opportunity to at least, as opposed to that being hammered out back in our offices, have an opportunity to look at what that means?

Mr. DOLE. Right.

Mr. WELLSTONE. I know without looking at the areas, it is difficult to say whether you would agree or not.

Mr. DOLE. Child care is one thing we are working on. Maintenance of effort has already been taken care of.

Job training. We have an agreement, if we have an overall agreement, to take the job training provisions out of this bill and have a freestanding bill. That agreement has already been reached between Senator KASSEBAUM and Senator KENNEDY. We will take that up sometime after the appropriations bills are done.

Contingency grant fund. That is in response to a request by Senator DASCHLE and the Governors and Senator DEWINE, and certain things that must happen about matching and when it is triggered.

Work bonus. That has been done. Some question about vouchers. We have not reached an agreement on that, but we have agreed to expand the current hardship exemption from 15 to 20 percent.

Abstinence education; $75 million per year earmarked for abstinence education.

Program evaluation was, I guess, a concern of the Senator from New York and others. We authorized $20 million. I think that is adequate. If not, it can be, I assume, adjusted.

Then we have been working on a savings provision with reference to food stamps. That has not been agreed to yet.

So those are the general areas. There are others that I do not—I know Senator COHEN and Senator BINGAMAN have an interest in SSI. The thing is, we need to find offsets for these. That is what we are trying to do this afternoon.

Mr. WELLSTONE. Mr. President, if I could just say to the majority leader and the minority leader, if you would be willing to give Senators some advance notice as to when you come out with the agreement. I would just like to have those areas and just sort of understand what is in the agreement before agreeing that there would be no amendments in this area. I am sure that I would agree to that, but I would just like to know what it is we are talking about since I was not part of the actual negotiation.

Mr. DASCHLE. I am sure we can accommodate the Senator.

Mr. WELLSTONE. I thank the Senator.

Mr. MOYNIHAN. Mr. President, pending the arrival of Senators wishing to offer amendments, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PRYOR. Mr. President, I ask unanimous consent that the proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER (Mr. BENNETT). Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, might I ask the majority leader a question? I certainly, first of all, know there has been a lot of difficult negotiation. And I respect that process.

Mr. PRYOR. Mr. President, I thank the Chair for recognizing me.

PRIVILEGES OF THE FLOOR

Mr. PRYOR. Mr. President, on behalf of Senator BIDEN of Delaware, I ask unanimous consent that Peter Jaffe, a detailee on the staff of the Senate Judiciary Committee, be granted floor privileges for the remainder of the 104th Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. Thank you, Mr. President.

AMENDMENT NO. 2495, AS MODIFIED

Mr. PRYOR. Mr. President, at this time I call up amendment No. 2495 and ask unanimous consent that the amendment be sent to the desk and that it be modified to reflect the language in this amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment, as modified, is as follows:

On page 52, lines 4 through 6, strike "so used, plus 5 percent of such grant (determined without regard to this section)." and insert "so used. If the strike does not prove to the satisfaction of the Secretary that such unlawful expenditure was not made by the State in intentional violation of the requirements of this part, then the Secretary shall impose an additional penalty of 5 percent of such grant (determined without regard to this section).".

On page 56, strike lines 11 through 14, and insert the following:

"(1) IN GENERAL.—The penalties described in paragraphs (2) through (6) of subsection (a) shall apply—

"(A) with respect to periods beginning 6 months after the Secretary issues final rules with respect to such penalties; or

"(B) with respect to fiscal years beginning on or after October 1, 1996;

whichever is later.

On page 122, between lines 11 and 12, insert the following:

SEC. 110A. CORRECTIVE COMPLIANCE PLAN.

(a) IN GENERAL.—

(1) NOTIFICATION OF VIOLATION.—Notwithstanding any other provision of law, the Federal Government shall, prior to assessing a penalty against a State under any program established or modified under this Act, notify the State of the violation of law for which such penalty would be assessed and allow the State the opportunity to enter into a corrective compliance plan in accordance with this section which outlines how the State will correct any violations for which such penalty would be assessed and how the State will insure continuing compliance with the requirements of such program.

(2) 60-DAY PERIOD TO PROPOSE A CORRECTIVE COMPLIANCE PLAN.—Any State notified under paragraph (1) shall have 60 days in which to submit to the Federal Government a corrective compliance plan to correct any violations described in such paragraph.

(3) ACCEPTANCE OF PLAN.—The Federal Government shall have 60 days to accept or reject the State's corrective compliance plan and may consult with the State during this period to modify the plan. If the Federal Government does not accept or reject the corrective compliance plan during the period, the corrective compliance plan shall be deemed to be accepted.

(b) FAILURE TO CORRECT.—If a corrective compliance plan is accepted by the Federal Government, no penalty shall be imposed with respect to a violation described in subsection (a) if the State corrects the violation pursuant to the plan. If a State has not corrected the violation in a timely manner under the plan, some or all of the penalty shall be assessed.

Mr. PRYOR. Mr. President, the amendment does not have to be read, as I understand it.

The PRESIDING OFFICER. That is correct.

Mr. PRYOR. I thank the Chair.

Mr. President, I rise today to offer this amendment on behalf of myself and Senator GRAHAM of Florida. This is an amendment that I think speaks to some real need for a common sense approach to the issues of penalties that this legislation could burden our States with.

This amendment will give some flexibility to the penalty section that the States will be subjected to if they fail to quickly comply with the numerous requirements of this legislation.

Mr. President, this amendment has the support of the National Governors' Association, the National Conference of State Legislatures, and the American Public Welfare Association. I would like to take this opportunity to publicly thank these fine groups for endorsing and supporting this amendment.

Under the bill before us, Mr. President, as the States move to a more flexible block grant welfare system—and it appears that that is what is going to happen—the States of our Union are going to be subjected to harsh, inflexible penalties.

These penalties should be designed to encourage States to play by the rules, not to injure them for unintentional mistakes made while they are trying to recreate their entire welfare systems with very, very limited resources and very little time to do it.

This bill states that our States in our Union can be penalized by up to 5 percent of their block grant for each of the following violations. Let me reiterate, for each of the following violations: If a State, one, fails to submit a required report—any required report; if a State fails to use the income and eligibility verification system; if the State fails to comply with the increased paternity establishment and child support enforcement requirements; and if a State fails to meet work participation rates.

The Congressional Budget Office says that most States will not be able to meet these work participation rates in the short time allowed by the proposed legislation.

These penalties are very, very harsh. They are inflexible, and alone they could add up to 20 percent of a State's block grant.

But a State can be penalized an additional 5 percent under this proposal for the improper use of funds, even if that misuse is not intentional.

If I might cite a hypothetical example. If the State of Texas, for example, unknowingly and by mistake erroneously paid $184 in welfare payments to a person who has violated his prison parole, the penalties would be as follows, Mr. President: The $184 that was improperly used, that would be a part of the penalty, plus 5 percent of the State's total block grant value which works out to be $25 million in penalties for the State of Texas.

In addition, the State of Texas would have to use State funds, not Federal funds but State funds, to make up this entire penalty. I am certain that this is a classic case of unintended consequences, and I feel very certain, Mr. President, that the authors of the original bill had no intention of penalizing our States in this manner.

In short, a State would be penalized in this situation, in this hypothetical condition, over $25 million for an unintentional $184 violation, and that is only for one violation, unintentional as it might be.

This amendment further solves a problem by applying a penalty of 5 percent only—only—if the improper use is judged to be intentional. If it is the result of an honest mistake, the State would still have to repay the amount misused, plus an additional amount of State funds to maintain the block grant.

An additional part of this amendment gives the State the necessary transition time that the States are going to need to put their welfare systems in place, while not delaying reforms in areas where the State is ready to move ahead. It will postpone the penalties of all but improper use of funds until 6 months after Health and Human Services issues the final rules. In the absence of final regulations, the States that try to interpret and meet the requirements of a statute in good faith may still be subject to penalties when the details of the law are fleshed out by Federal regulations.

Finally, Mr. President, the amendment I offer today, once again, in behalf of myself and Senator GRAHAM of Florida, the amendment that we offer will allow the States to enter into an agreement with HHS called a corrective compliance plan which spells out how the State will improve its systems and comply with the requirements of the act.

This section of my amendment incorporates many of the ideas that were embodied in an earlier amendment by the Senator from Arizona, Senator MCCAIN. It is similar to a provision in the current law that we now operate under. The penalties are suspended as long as the State continues to follow the plan.

If the Secretary of HHS finds that a State is not working to improve its system, then the Secretary may impose all or some of the original penalties, depending on how much progress that particular State has made.

This amendment does not weaken the Federal oversight on States. In fact, even with these changes, the penalties on States in this legislation will be far more strict than those penalties in the House bill. It is narrowly drawn to be fair. It is drawn to be flexible, and it is drawn to meet the test of common sense.

The Congressional Budget Office estimates that there are no costs—no costs—associated with this amendment. I am very proud to say that this amendment has, we believe, bipartisan support in the U.S. Senate. And once again, I wish to thank the American Public Welfare Association, the National Conference of State Legislatures, and the National Governors' Association for the splendid assistance they have given us in preparing this amendment.

I also appreciate the understanding shown and hopefully the ultimate acceptance of this amendment by not only the majority but also the ranking manager of this legislation.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. We are prepared to accept the amendment of the Senator from Arkansas.

The PRESIDING OFFICER. The question is on agreeing to amendment 2495, as modified.

The amendment (No. 2495), as modified, was agreed to.

Mr. MOYNIHAN. I move to reconsider the vote.

Mr. PRYOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, as I understand, the Senator from Alabama is prepared with an amendment, 40 minutes equally divided; the Senator from Maryland, Senator MIKULSKI, is prepared to offer her amendment, 20 minutes equally divided; the Senator from California would follow the Senator from Maryland.

AMENDMENT NO. 2614

Mr. DOLE. I think amendment 2614, as drafted, is acceptable.

Mr. MOYNIHAN. It is acceptable.

Mr. DOLE. I send amendment 2614 to the desk.

The PRESIDING OFFICER. Amendment 2614 is the pending question. The question is on agreeing to amendment numbered 2614.

The amendment (No. 2614) was agreed to.

Mr. DOLE. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mrs. FEINSTEIN. Mr. President, I believe I need a very short time for my amendment. I believe Senator SIMPSON would like to speak on the deeming amendment for 10 minutes, and it would be agreeable to have 10 minutes on my side on that amendment.

On the other amendment, 10 minutes is enough. Senator KENNEDY would like to speak on the deeming amendment as well.

Mr. DOLE. As I understand, there are two amendments.

Mrs. FEINSTEIN. There are two amendments.

Mr. DOLE. Naturalization and deeming?

Mrs. FEINSTEIN. That is correct.

Mr. DOLE. Twenty minutes on each amendment?

Mrs. FEINSTEIN. That is fine.

Mr. DOLE. We have Senator SHELBY, Senator MIKULSKI, two amendments by Senator FEINSTEIN, and then in our rotation plan it would come back to this side unless we have an agreement we can accept.

Once the Senator from North Dakota has his worked out——

Mr. CONRAD. Mr. Leader, we think we have achieved agreement, so if we could get in the queue, we think we have that all taken care of.

Mr. DOLE. Following Senator FEINSTEIN.

Mr. CONRAD. That certainly would be good. We could take 10 minutes.

Mr. DOLE. Ten minutes.

That will be four amendments by my colleagues on the other side. I assume we can have an equal number on this side.

Mr. MOYNIHAN. Yes.

Mr. DOLE. I thank the Chair.

The PRESIDING OFFICER. Is there objection to the request of the majority leader?

Without objection, it is so ordered.

AMENDMENT NO. 2526

Mr. SHELBY. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. Amendment 2526, offered by the Senator from Alabama, is now the pending business.

Mr. SHELBY. Mr. President I ask unanimous consent to add the following Senators as original cosponsors of the amendment: Senators SANTORUM, GRAMS, HELMS, GRAMM of Texas, COATS, and LOTT.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SHELBY. Mr. President, along with the Senators that I have just mentioned as cosponsors, that is, namely, Senators CRAIG, LOTT, HATFIELD, COATS, SANTORUM, GRAMS, HELMS, and GRAMM of Texas, I am introducing an amendment that we believe will help strengthen the role of the family in America.

The out-of-wedlock birthrate in America is projected to reach 50 percent by early next century, and I am concerned that this trend will result in a dramatic increase in the number of children abused and neglected. There are now close to 500,000 children in the foster care system, but only 50,000 are placed for adoption each year. Our amendment would effectively find homes for many children who need parents and find children for parents who need families. The objective of this amendment is to provide an appropriate incentive to encourage a policy which should be embraced by all Americans.

Adoption is a positive event that benefits everyone involved. Obviously a loving, caring family for a parentless child is the primary benefit of adoption. Studies show the adopted child receives a strong self identity, positive psychological health and a tendency for financial well-being.

Parents who adopt children also benefit. They receive the joy and responsibility of raising a child as well as the love and respect only a child can give. The emotional fulfillment of raising children clearly contributes to the fullness of life.

Lastly, we should not forget the advantages to communities as a whole in America. Society is unambiguously better off as a result of adoption. Statistics show time and again that children with families intact are more likely to become productive members of the community than children without both parents.

Unfortunately more times than not, a financial barrier stands in the way of otherwise qualified parents. The monthly cost of supporting the child is not the hurdle, but instead the initial outlay to pay for the adoption. There are many fees and costs involved with adopting a child, which include maternity home care, normal prenatal and hospital care for the mother and child, preadoption foster care for infant, home study fees, and legal fees. These costs can range anywhere from about $13,000 to $36,000, according to the National Council for Adoption.

Like the person who wants to buy a home, but cannot because the financial hurdle of a down payment stops them, potential parents often cannot adopt a child because of the substantial initial fees, fees that could actually exceed the cost of a down payment for a home. As a result, children are denied homes, and parents denied children.

Our amendment seeks to address this problem. It would allow a $5,000 refundable tax credit for adoption expenses. This credit would be fully available to any individual with an income up to $60,000 and phased out up to an income of $100,000. Other adoption tax credits have been put forth, but the key element of our adoption tax credit is its full refundability. This provision will allow many couples who may not have a tax liability in a given year to be able to afford to open up their home to a parentless child.

A fully-refundable adoption tax credit is an essential part of any welfare reform measure like the one we have before us.

Our amendment would also provide that employer-provided adoption assistance would be excluded from gross income for taxable purposes. Those receiving assistance from their employer to cover costs over and above the first $5,000—which would be taken care of by the credit—would not have to count that assistance as income. Finally, the amendment provides that withdrawals from an IRA can be made penalty-free and excluded from income if used for qualified adoption expenses. Representative JOSEPH KENNEDY and others are advocating a proposal similar to this in the House.

I believe these changes will go a long way in making adoption a reality for many children and helping them find the loving homes they so desperately need in America. This amendment has the strong support of 14 adoption organizations, which represent more than 1,000 adoption agencies and practitioners. Mr. President, I hope my colleagues will join us in reaching out to families in order to provide a better, brighter future for our children and a heightened degree of appreciation for the potential that adoption holds for our society. I urge my colleagues to support this amendment.

The PRESIDING OFFICER. Is there further debate? The Senator from Idaho.

Mr. CRAIG. Mr. President, I am pleased to join my colleague from Alabama [Senator SHELBY] in offering this amendment to provide for a refundable tax credit for adoption expenses.

The PRESIDING OFFICER. If the Senator will suspend, we are under time control. Who yields time to the Senator?

Mr. CRAIG. Excuse me, Mr. President.

Mr. CHAFEE. What is the time situation here?

The PRESIDING OFFICER. The proponents of the amendment have 13 minutes and 33 seconds; opponents, 20 minutes.

Mr. CHAFEE. How much time does the Senator want?

Mr. CRAIG. Five minutes.

Mr. CHAFEE. Fine.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 5 minutes.

Mr. CRAIG. Mr. President, as I said—and I thank the chairman for yielding—I am pleased to join my colleague from Alabama [Senator SHELBY] in offering this amendment to provide for a refundable tax credit for adoption expenses.

In short, Mr. President, this amendment will amend the Internal Revenue Code of 1986 to provide a refundable tax credit for adoption expenses. This provision will exclude from gross income employee and military adoption assistance benefits and withdrawals from IRA's for use toward adoption expenses.

Some people may ask, "What does this have to do with welfare?" It has very little to do with our current welfare system, but a great deal to do with a dramatically reformed system similar to that envisioned in the leader's bill.

Through the use of block grants and other reforms, we are moving away from a welfare system that has created dependency, and into a system that encourages independence.

As part of that, we also hope to see greater strength in the American family, reduce out-of-wedlock births, control welfare spending, and reduce welfare dependence. It is my concern that as we move in this direction, that the Congress needs to make adoption a more viable option for families.

We all read the stories, both happy and tragic, of efforts couples have made to adopt a child. It is my hope that our work here will lead to more happy stories and fewer heartbreaking reports, of the tens of thousands of dollars spent traveling around the world by couples in search of children to adopt to make them a part of their family.

I know this firsthand. Not that I suffered those hardships, but I am an adoptive parent and I adopted the children of my wife and we brought together a family unit. Even then, when there were no obstacles in front of us, the process was challenging in all of the hoops and hurdles that we had to go through to make sure it was done right.

This amendment will give adoptive families a fairer shake. I have introduced similar legislation with other colleagues here in the Senate and hope that they will support this amendment.

Adoption is a viable option that results the best of all worlds: Uniting a wanted child and a loving family. I think we need to keep focused on that fact, and continue our efforts to improve the adoption and foster care approaches that this Senate is so supportive of.

Mr. President, before closing, I want to take a moment to discuss something that was not included in the Republican leadership welfare reform bill.

There is good reason to highlight this item that was excluded, because it will have a big impact on our ability, as a nation, to ensure that there is a safety net to take care of children.

The item that was excluded is the creation of a block grant of the title IV–E foster care and adoption assistance programs.

In fact, both the GOP leadership bill, the Work Opportunity Act of 1995, and the conservative consensus package maintain the title IV–E foster care and adoption assistance programs as entitlements.

Mr. President, we need dramatic reform of our welfare system. And of all of us who have been engaged in that debate here for the last good number of days, the current one-size-fits-all approach of a federally designed and implemented program simply has not served this Nation well nor served those who find themselves in poverty and in need of welfare.

It has also been unsuccessful in relieving poverty. Instead, it finds that we put families in it and somehow they stay there. Here is an opportunity, as we move out to independence to assure greater chances for children without families, to find those families and families without children—to find those children.

Instead of a program that reaches out to people and families to give them a hand up, we have a program with a hand out that constantly pushes people down and keeps them in the welfare cycle.

The bill we have before us today will provide some of that needed dramatic reform. Changes in programs like aid to families with dependent children [AFDC] may have an impact on foster care services. This will be especially prevalent during the implementation and transition into the reformed welfare system.

The impact of any changes to our welfare system is somewhat unpredictable. Therefore, Republicans here in the Senate have acknowledged that fact, and the need to maintain a safety net for children by maintaining title IV–E as an entitlement.

Mr. President, this issue has been a concern of mine for some time. In Idaho, we have a number of excellent facilities that work with children in group home settings, with an emphasis on reuniting the family when possible. I have been to these facilities, my staff have seen them. The work they do there is nothing short of remarkable.

My concern, Mr. President, is that we have a safety net available to ensure that the children who may be affected will be adequately taken care of through our foster care and adoption assistance programs. If these programs under title IV–E were converted into a block grant with a limited inflation adjuster, there would be little flexibility for States to meet the kind of unforseen demands that can shift children into these programs.

There are also issues outside of welfare reform that affect these programs, such as changes in the economy, demographics and natural disasters. For example, Idaho had a 16-percent increase in the number of child abuses cases last year; many of those children ended up in the foster care system. Again, these are things that cannot be planned for, but add to the burden of the system.

It is important to note that since the foster care and adoption assistance programs were established in 1980, there have been more than 90,000 children with special needs adopted in the United States.

Mr. President, there have been a number of references to those who are affected by what we do here.

I would like to take a moment to share a story about we've been able to accomplish in Idaho with these title IV–E moneys. The Idaho youth ranch runs a family preservation program.

Gina was a 7-year-old girl who was removed from her home by child protective services because her parent neglected to care for her. The goal of the referral was to see if the youth ranch could help the mother respond to the point that Gina and her two younger sibling could return home.

The youth ranch staff began an assessment of the family situation and developed a plan in conjunction with the Child Protective Services staff, mom, and the children.

Through the parent training, supportive services, and help the youth ranch provided, this family is now getting back on track. Mother is now working in a job close to home, has a healthy home environment set up, ready for the children's return, has the kids enrolled in school, and a responsible day care for her youngest child.

The staff at the youth ranch will continue their work after the reunification of the children. It is a happy ending for the family, for the State, and most important, for Gina.

Mr. President, that was quite a lengthy comment, but I felt it was important to note in this debate. In closing, I would just add that I hope my colleagues will support improving access to adoption, and will vote for the Shelby amendment.

So I am proud to support and to be a cosponsor of the amendment of my colleague, Senator SHELBY, and his concerted effort.

Mr. CHAFEE. Mr. President, I would like to ask the proponent of the amendment a question.

As I understand, this is going to cost $1.4 billion over 5 years. Has the Senator a method of paying for this?

Mr. SHELBY. Would the Senator from Rhode Island state the question again?

Mr. CHAFEE. It is my understanding that this amendment will cost, over 5 years, $1.4 billion.

Mr. SHELBY. The Senator is correct. The revenue loss is projected to be $1.4 billion over 5 years but the underlying bill will result in savings of over $40 billion over 5 years.

Mr. CHAFEE. I know we are going to have further discussion because I think there is a point of order that lies that is going to be raised. But I would point out that everything that comes in theory out of savings is something that the Finance Committee has to come up and pay for. We have just concluded a long meeting in connection with Medicare, and the difficulty of coming up with savings was made clear to us at that gathering.

So, Mr. President, if there is no further discussion, I suggest the absence of a quorum, and this will be charged equally against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SANTORUM. Mr. President, I yield 3 minutes of time to the Senator from Texas, [Mr. GRAMM].

The PRESIDING OFFICER. The Senator from Texas is recognized for 3 minutes.

Mr. GRAMM. Mr. President, I rise in strong support of the Shelby amendment.

What the Shelby amendment does is it tries to provide tax equity to people who adopt children and in the process, provide a home and environment that represents our only sure-fire, guaranteed way to break the poverty cycle—allowing people the opportunity to escape from poverty and use their God-given talents.

One of the reasons I feel so strongly about not giving people more and more money to have more and more children on welfare is that I am convinced if we stopped giving people cash bonuses to have more children on welfare and adopt the Shelby amendment giving tax equity to people who adopt children on a par with people who are having them, then we have an opportunity to find a home for every child born in America. That can solve not only the welfare problem but many other problems in the country.

I do not know how our colleagues on the other side of the aisle are going to vote on this amendment, but I would simply like to note this paradox. In the compromises that have taken place in the last 2 hours in an effort to pass this bill, an initial agreement has been made which will spend $4 billion on programs that in all probability will do virtually nothing to help break the poverty cycle and will do virtually nothing to guarantee that people see an improvement in their lives.

However, by giving tax equity to people who adopt children—up to $5,000 in tax credits to cover the costs they incur in adoption—we can guarantee that people will be able to adopt more children, bringing them into their homes, giving them love, and improving the lives of those children. I think this is an important amendment, and I think if we can follow it up someday with an amendment to streamline the adoption process, making it easier for people to adopt children, we can make a dramatic difference.

One of our colleague's wives was in Bangladesh—I ask for an additional minute.

Mr. SHELBY. I yield an additional minute.

The PRESIDING OFFICER. The Senator is recognized for an additional minute.

Mr. GRAMM. As I look at the Shelby amendment, it reminds me of a statement made by Cindy McCain, Senator MCCAIN's wife. When she was in Bangladesh, there was this baby girl who had been set aside to die because she had a cleft palate. Cindy McCain decided that she was going to bring that little girl back to the United States of America and adopt her. Her point was, I cannot solve the problems of every child in the world, but I can solve this child's problem.

What the Shelby amendment does is let other people who want to solve this problem one child at a time, do it. So, I think, this is an important amendment. I hope it will be adopted, and I urge my colleagues to vote for it.

I congratulate the distinguished Senator from Alabama. This provision was in our original welfare bill that Senator SHELBY and other conservative Republicans and I put together. I think it is an important addition to this bill, and, quite frankly, of all the things we have talked about here, this is clearly welfare reform.

I thank the Chair for its indulgence.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. I would simply make the point as a member of the Finance Committee that we have not considered this measure. It is a new credit that would be created without the means to pay for it. The proposal would cost $3 billion in revenues over the next 10 years, and there is no provision to pay for it.

There is strong sentiment in favor of it; I can sense it. I understand that and share it, but it is a doubtful measure to be adopted at this point, and yet we have a long conference committee procedure before us and that may be the time to address it. I will leave it at that.

Mr. COATS. Mr. President, over the past 25 years there has been a dramatic increase in the number of children born out of wedlock, children being raised by single parents, and children entering the foster care system because of abuse, neglect, or abandonment. Family disintegration is widespread.

At the same time we have experienced an increase in family disintegration, we have seen a sharp decrease in the number of children being adopted, with formal adoptions dropping by almost 50 percent: from 89,000 in 1970 to a fairly constant 50,000 annually throughout the 1980's into the 1990's. On any given day, 37,000 children in foster care are legally free and waiting—to be adopted.

Why are children waiting? Why aren't families adopting? The reason, I propose, is not a lack of compassion on the part of families. Many thousands of families would be eager to adopt were it not for the costs can be prohibitive for working class families. The average cost of an adoption is $14,000 and it is not uncommon for this figure to reach upwards of $25,000.

Adoption is the compassionate response to children in need of a home. Yet, there is currently inequity in the tax system. While certain medical expenses related to the conception, delivery, and birth of a child may be deducted as medical expenses, no similar relief is available for adoptive families.

Mr. President, I, like many of my colleagues know the sacrifice required of parents. Children require 100 percent of us, 100 percent of the time. The financial burden can be significant. The time element, balancing the needs of work and family—these are all very significant. Yet there are thousands who make that sacrifice every day for children they have lovingly adopted into their family, and many thousands more who would—but for the costs. The Shelby amendment will put adoption within the reach of many families, and make an important public policy statement about the value and respect we have for the institution of adoption.

I've heard some say adoption tax credits should be limited to children with special needs. Well, I believe that every child in need of adoption is a child with a special need for a loving, and permanent home.

Money should never be a barrier to adoption. Adoption should be encouraged as a compassionate response to children of parents who find themselves unable or unwilling to care for them. These families deserve our support, and deserve to be treated the same as families formed biologically. The Shelby amendment sends a strong message that adoption is a valued way of building a family.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. CHAFEE. I yield——

Mr. DOMENICI. I do not need much time. One minute.

Mr. CHAFEE. Three minutes to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 3 minutes.

Mr. DOMENICI. Mr. President, I commend Senator SHELBY for the amendment.

Frankly, I believe in this sea of problems with reference to unwed pregnancies and welfare children of this country, which are growing like a volcano erupting on America, this obviously attempts to address a very serious problem; that we are in need of more adoptions by good people who will raise children well in a good household. This amendment attempts to do that.

Frankly, it has a problem, a technical problem. I think that is well known. Senator MOYNIHAN expressed it. This is not a measure in which you can have tax credits and not pay for them. In a very real sense, it could be subject to a point of order. I, for one, believe we ought not raise it. We ought to vote on it, if that is what the distinguished Senator wants. And then it will take care of itself in terms of the tax provisions whether they will remain in the welfare bill or whether they will be taken care of in reconciliation as part of the tax bill. We can find out. We can wait and see. But essentially I think it is such a good idea that we ought to make sure it is done.

Now, if somebody raises the point of order, I would say tonight I would join in trying to waive it with my good friend from Alabama.

Mr. SHELBY. I thank the Senator.

Mr. DOMENICI. So I do not think we ought to do that. I hope we will not.

I compliment the Senator on the amendment and hope it passes here tonight one way or the other.

I yield the floor.

I thank Senator CHAFEE.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I think the distinguished ranking member of the Finance Committee made some good points, as has everybody else here today. This is a very commendable amendment. Although it is an amendment we have not had a chance to consider in the Finance Committee, it is a matter that will come before us when we are dealing with the tax provisions that we are surely going to get to later this year. And so, therefore, I am prepared to accept the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

All those in favor——

Mr. GRAMM. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. GRAMM. Mr. President, I suggest the absence of a quorum until there is a sufficient second.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SANTORUM. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SANTORUM. Mr. President, I ask for the yeas and nays on the Shelby amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CHAFEE. Now, Mr. President, I would ask unanimous consent that the vote on the Shelby amendment be put off until 8 p.m.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. A point of clarification, please, from the Chair.

Would the Mikulski amendment be the next amendment in order? Is there a Mikulski amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. PRYOR. And are we going to, on subsequent amendments—if I might ask the Chair, is it correct that we are going to basically stack the votes at approximately 8 p.m.?

The PRESIDING OFFICER. There has been no order.

There is a unanimous consent request pending that the Shelby amendment be voted on at 8 p.m.

Mr. PRYOR. For the benefit of our colleagues, I have been informed that is merely the intention. But it is the intention to basically stack votes that are considered between now and 8 p.m., stack those votes at 8 p.m.

The PRESIDING OFFICER. Is there objection to the request that the vote on the Shelby amendment occur at 8?

Without objection, it is so ordered.

Mr. CHAFEE. Now, Mr. President, we have a list here. And Senator MIKULSKI is not here. I notice Senator FEINSTEIN is here.

Mr. President, is there any defined order that has previously been arranged?

The PRESIDING OFFICER. The Senator is correct. There is a defined order. The Mikulski amendment is the next pending business. It would require a unanimous consent agreement to set it aside to deal with the Feinstein amendment.

Mr. PRYOR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2669

Ms. MIKULSKI. Mr. President, I wish to send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

> The Senator from Maryland [Ms. MIKULSKI] proposes amendment numbered 2669.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in the Friday, September 8, 1995, edition of the RECORD.)

Ms. MIKULSKI. Thank you, Mr. President.

Mr. President, my amendment deals with the role of men and how we can bring men back into the family, how we can eliminate marriage penalties and begin to really work toward two-parent households once again among the poor.

One of the missing discussions in this year's welfare debate is how we involve fathers with their families. We can do that through tougher child support laws and, yes, it is true we need to crack down on deadbeat dads. But you know, Democrats and Republicans all agree that we need to have major child support reform to do that. But, quite frankly, men, fathers, are more than a child support check.

Our focus needs to be on the issues related to child rearing as much as child support. We need to get the men involved in the rearing of their own children and we do that by promoting two-parent families.

Earlier this year, the nonpartisan Casey Foundation, which I am proud to say is headquartered in Baltimore, released their 1995 report called "Kids Count." It focused exclusively on the need to promote fathers as part of our Nation's strategy to reform welfare.

One of the most compelling things that they outlined was the devastating effect on children when fathers are absent from the home. The Casey Foundation said this:

> Children in father-absent families are five times more likely to be poor and 10 times more likely to be extremely poor.
>
> Children of single mothers are twice as likely to become high-school dropouts. These kids are more likely to end up in foster or group care or, even worse, in juvenile justice facilities.

The Casey Foundation went on to tell us that:

> Girls from single-parent families have three times greater risk of bearing children as unwed teenagers.

Often in the debate, and I know the Senator from New York, Senator MOYNIHAN, has often commented on the problems related to single-parent families, we often overlook the role of what happens to girls.

> And boys whose fathers are absent face a much higher probability of growing up unemployed, incarcerated, and uninvolved with their own children.

During this welfare debate, we have heard about the staggering rise in illegitimacy and the households headed by single parents. Much of this rhetoric has focused on solving the problems through punishing the mother. They aim for the mother but, in turn, hit the child.

The proposed solutions do not get at the heart of why we have fewer two-parent families, which is simply the decline in jobs that pay a family wage and the penalties in our public policy that work against the two-parent family.

The chart next to me contains data from the "1995 Kids Count" report and it makes it graphically. Between 1969 and 1993, the percentage of children under 18 living in households headed by women jumped from 11 percent to 24 percent. During that same 24-year period, the number of men between the ages of 25 and 34 who did not earn enough to support a family of four jumped from 14 percent to 32 percent.

The link is clear. If employment opportunities do not exist for men who are poor, it is unlikely they will get married. In fact, the "Kids Count" report points out most women consider a stable income an important element in choosing someone to marry.

The Republican welfare bill is either silent on solutions or it focuses on the mother as the only solution, or actually it attacks the mother. In fact, it is what I have called "the parent trap." They say they want women on welfare to get married and require tougher work requirements for people who end up getting married. The Republican bill allows States to impose family caps, but it never asks States to develop programs that will bring families together.

Their bill also allows State welfare programs to cut families off if a father actually works too many hours. So we are going to penalize the father for being in the home, and we are going to penalize him for working too many hours. Hey, that is not the way to reform welfare or to move the poor out of poverty.

It also allows a father's child support check to go to a State bureaucracy instead of directly to the family.

We Democrats are serious about welfare reform, and we are serious about strengthening the family in this process. We aim for real reform by protecting the child, helping the mother and involving the father.

The amendment that the Senator from New Jersey and I have proposed seeks to end this "parent trap" and instead include real solutions that promote two-parent families. We will do this in our amendment by, first, job placement for noncustodial fathers. This amendment sets aside a very small amount of money in the welfare block grant for States to enroll unemployed fathers in job training and placement so they can meet their child support and family obligations. Employing these fathers is the most significant step we can take to promote two-parent families. In addition, the cost of this effort will be partially offset by increased child support payments as a result of the jobs which these fathers would have.

Second, our amendment prevents States from creating welfare rules that penalize marriage. The amendment prevents States from reenacting the current AFDC man in the house rule at the State level that pushes the man out of the family.

Third, it promotes marriage and not punishment.

And fourth, we pay child support to mothers, not State bureaucrats. What do I mean? It means that, first of all, we have a rule called the man in the house rule. If you are a father living at home and you work over 100 hours a month, regardless of what you earn, your family is cut off from assistance.

This is unacceptable. We need to promote and require work, and eligibility for assistance should be based on what you earn, not the number of hours it takes to earn it.

Third, promote marriage. For those States that impose a family cap, the amendment would require them to come up with some incentives that promote marriage. If we are serious about strengthening families, let us not just cut people off and make no effort to encourage marriage.

And fourth, pay child support to mothers not State bureaucrats. In my own State of Maryland, I had a roundtable with dads who are meeting their family obligations, but they told me how frustrating it was when they wrote their child support check it went into some big bureaucracy and when they went to visit their child, there had been no linkage between dad being the provider and their family actually experiencing that and the check still coming from the welfare department.

As a result, our amendment requires States to pass through the first $50 in a monthly child support payment to the family.

Mr. President, my amendment has many other components to it. I could speak on many elements in this program. We deal particularly with helping interstate child custody orders and others. But I want to say this. Our amendment is good for fathers and their children. It recognizes that men are not only child support checks, but they must be involved as fathers. I want them not only paying child support, I want them to be a link within the family itself. The dad is not in the home, but still there is a relationship.

Second, where possible, to be able to promote the family and get the dad back in the home.

Mr. President, I know that the Senator from New Jersey wishes to speak on this amendment. How much time do we have left on our side?

The PRESIDING OFFICER. One minute and twelve seconds.

Mr. CHAFEE. Mr. President, let me say this. We are not going to consume our full 10 minutes. Does the Senator from New Jersey want a couple minutes from us? Three minutes for the Senator from our allotment of time.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 4 minutes.

Mr. BRADLEY. Mr. President, I rise in support of this amendment. I thank the Senator from Maryland for offering it. I think it makes one very clear point, and that is children that grow up in two-parent families have a better chance than children who grow up in single-parent families. That does not mean that there are not a lot of single mothers who do a heroic job out there raising children against the odds, who teach them how to work hard and how to advance. It simply means that two incomes are better than one and that two supervisors are better than one.

It is very interesting, because in the course of this debate, we discussed the family cap which says if you have an additional child, if you are on welfare, that child does not receive a payment.

In my State of New Jersey, that would mean about $64 a month. We have the only family cap experiment in the country in New Jersey, and we deny a benefit to an additional child to a mother who is on welfare. But we also have a provision in the law that rewards marriage. It says that if a woman on welfare is married, her husband's income will not push her off of eligibility for welfare, up to about $21,000 in combined income.

So what the distinguished Senator from Maryland is stating with this amendment is that we should have incentives in the welfare system for single parents to get married. We have that in the experiment in New Jersey at the moment. It is only a year old, so we do not have any conclusive results. I think it is an important amendment. That, then, underlines the deeper point the Senator from Maryland is making, which is that it is important in every child's life to have a father as well as a mother, a father involved with time and resources. It is very important.

So I salute the Senator, and I cosponsor the amendment and hope that it will be adopted.

Ms. MIKULSKI. Mr. President, I thank the Senator from New Jersey. I also thank the Senator from Rhode Island for yielding him some time. I will ask for the yeas and nays, but I presume the Senator from Rhode Island wants to speak.

Mr. CHAFEE. Yes, obviously, on my time. I have a couple of questions. This is an interesting amendment and rather a broad one, as I understand it. I think the Senator from Pennsylvania has some comments that will delve into matters that otherwise I might have covered.

I have two questions. One, does the Senator from Maryland know what this would cost?

The second question is, Does she have some way of paying for it?

Ms. MIKULSKI. I believe this will cost $920 million over a 7-year period. We hope that part of the money will come from, first of all, child support itself. No. 2, by bringing men back into the family, which will decrease the need for public assistance. I am looking at the memo here on exactly where that comes from. I do not have an offset for this. I believe we were going to accept an adoption amendment which will cost $3 billion—and, by the way, I was a foster care worker and also involved in adoption work many years ago. So I support that amendment. But, there is not a cost that you can put on bringing a dad back into the home. If it is going to cost us a couple of bucks to do that, I think the long-term savings—you might think it is amusing, but I do not think it is.

Mr. CHAFEE. I remind the Senator that she is on my time.

Ms. MIKULSKI. You know what? I am.

Mr. CHAFEE. I know the Senator is being facetious. I do not want to take her up on it too much. But a billion dollars is really what it is. She was being facetious when she used the words "a couple of bucks," but I am not going to dwell on that.

But we have a real problem here, Mr. President. Everybody is coming forward with amendments—wonderful amendments and good things, undoubtedly. But there is no method of paying for them. All that means is that those of us on the Finance Committee have to somehow come and make up that money. We are having terrible times coming up with amounts that we are designated to provide anyway. We have to come up with $530 billion, and to load on $1 billion more in this bill—and other moneys have been expended in other measures that come before us.

So I am, reluctantly, going to have to oppose the Senator's measure. I know the Senator from Pennsylvania has comments.

Mr. SANTORUM. I thank the Senator.

I just say that in addition to the billion dollars this spends, I question the rationale behind this. What this amendment says is, if you are a noncustodial parent you are eligible to participate in the job training and employment programs of the State. And you are eligible, if your child is receiving welfare, or if you are a noncustodial parent that owes past child support, even if you are a deadbeat dad. So if you are a father who does not support his kids and they are on welfare, or you do not pay child support, we will put you in a job training program or give you a job. I question that we are going to spend $650 million of new money on providing job training for deadbeat dads.

You can say we are going to bring families together. This is a nice benefit for someone who is doing something you do not want them to do. I do not think we should be rewarding people who are turning their backs on their children. I think that is questionable.

The other portion of the bill—and I know this is a lengthy amendment and has many different sections. I know there is one here that has the $50 pass-through, which is the first $50 of child support paid by a father, who is in arrears on his child support, goes directly—excuse me, the mother is on welfare, goes directly to the mother, not the State, to offset the benefits the State is paying the mother. This is something that is in current practice. Every State child support agency tells us that this is not a good provision. It does not help fathers or encourage fathers to pay any of this child support. It is simply $50 that the State does not get that they are now paying as an offset for AFDC. This is not proven to be incentive. It does not work. It is something that we, at their suggestion, have dropped in the Dole amendment, and now they are trying to put it back in, and it costs money and does not provide incentive to pay back child support or child support to somebody on welfare.

The cost is a billion dollars. We are going to be providing jobs and job training to deadbeat dads, fathers who allow their children to go on welfare. And there is the $50 pass-through. I think this, again, may be well-meaning. We may want to help fathers get back with their families and bring families together, but I do not think providing money to deadbeat dads for job training is the way I would go about doing it.

Ms. MIKULSKI. Will the Senator yield for a question?

Mr. SANTORUM. On whatever time I have remaining, I will do so, sure.

The PRESIDING OFFICER. The Senator has 1 minute 7 seconds.

Ms. MIKULSKI. Does the Senator think that simply because a father is in arrears on child support, he is a deadbeat and wants to abdicate his responsibility? Because, for whatever reason, earlier in their life, maybe he did not complete school, and he needs job training to get back into the labor market in order to assume his responsibility. That is what is behind our motivation in that part.

Mr. SANTORUM. I understand there may be such cases that you mention. But I think the broader point is whether, when we have people who have violated their responsibilities to their children, we should now create a separate Government program to train them for jobs or create jobs for them. I understand there may be circumstances where people, well-meaning, could not pay their child support. But at the same time, you want to set up a program because they have done that, apart from someone else who may be paying their child support and working two and three jobs to make sure they keep up. We do not help them at all, or train them, or do anything for them. That is a bad precedent. We should not be providing this kind of money for people who are shirking the responsibilities of their children.

The PRESIDING OFFICER. All time of the opponents has expired.

Ms. MIKULSKI. Mr. President, I ask for the yeas and nays and that the vote occur in whatever order or whatever time that was in the unanimous-consent agreement.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The vote will occur as indicated.

Mr. CHAFEE. Mr. President, subject to changes in the future, that vote on the Mikulski amendment would occur after the vote on the Shelby amendment which is scheduled to occur at 8 o'clock.

Next on our list, we have Senator FEINSTEIN who I understand has two amendments, each with 20 minutes equally divided. If the Senator would be good enough to identify which amendment she is discussing.

AMENDMENT NO. 2478

Mrs. FEINSTEIN. Mr. President, to the managing Senator, the amendment I call up is amendment No. 2478.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from California [Mrs. FEINSTEIN] proposes an amendment numbered 2478.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in the Friday, September 8, 1995, edition of the RECORD.)

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that Senator KENNEDY be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, this amendment strikes the language in the Dole bill which precludes a naturalized citizen from obtaining at any time any cash or noncash welfare benefit.

The language in this bill, as presently drafted, is the first time in the history of the United States that naturalized citizens would be treated differently than native-born citizens.

The Constitution of the United States says that there is only one instance where there is a difference between the two; that is, one who seeks the Presidency of the United States.

My mother became a naturalized citizen. My mother had very little formal education. She had difficulty reading and writing. She had to take the test three times before she became a citizen. I have to say the day she was naturalized she was prouder than any time in her life that I can remember. It meant a great deal because she was as good as any American citizen in her eyes. That is a very big thing.

The amendment I am proposing is supported by the Department of Justice. I ask unanimous consent that a letter to Senator KENNEDY from Justice, pointing out serious concerns about section 204's constitutionality as applied to naturalized citizens, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit No. 1.)

Mrs. FEINSTEIN. It is supported by the National Governors' Association, the National Conference of State Legislatures, and the American Bar Association.

Mr. President, I ask unanimous consent that a letter from the Bar Association and the Governors' Association be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit No. 2.)

Mrs. FEINSTEIN. It is supported by the National Association of Counties, the National League of Cities, the U.S. Catholic Conference, and the Leadership Conference on Civil Rights, as well as several other organizations.

I believe that we are essentially a nation of immigrants. I sit as a new member of the Immigration Subcommittee and I know there is a legitimate reason that the Government should try to dissuade, in any way we can, people from becoming naturalized simply to gain welfare. There is no question about it. I believe the immigration bill that we have marked up in the Immigration Subcommittee deals with that.

What this bill does is it says that if you are a naturalized citizen—and let me give some specific examples. Take my mother's case and put it in the present day. My mother came to this country at the age of 3. Supposing her mother was naturalized, that would make her a naturalized citizen. Then supposing my mother did want to go to college, which she never had an opportunity to do, she would be eligible for a loan program. Under this bill, as drafted, my mother would never be eligible as a naturalized citizen for a program. Even Medicaid, she would not be eligible for it.

Taking my mother again, say my mother came to this country as a spouse, never worked, was naturalized, was a naturalized citizen for 20 years. Say my father left her and she was destitute. She would not have access to any aid program, cash or noncash, the way the bill is presently drafted. The language before the Senate simply deletes this language and keeps a class of "American citizen" as one class. If you are naturalized, you are as good as someone who is born anywhere in this great country.

I yield the floor.

EXHIBIT 1

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, July 18, 1995.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, DC.

DEAR SENATOR KENNEDY: This letter follows your question to Attorney General Janet Reno regarding the constitutionality of the deeming provisions in pending immigration legislation at the Senate Judiciary Committee's oversight hearing on June 27.

You have asked for our views regarding the "deeming" provisions of section 204 of S. 269, Senator Simpson's proposed immigration legislation. Our comment here is limited to the questions raised by application of section 204 to naturalized citizens.

We have serious concerns about section 204's constitutionality as applied to naturalized citizens. So applied, the deeming provisions would operate to deny, or reduce eligibility for, a variety of benefits including student financial assistance and welfare benefits to certain United States citizens because they were born outside the country. This appears to be an unprecedented result. Current federal deeming provisions under various benefits programs operate only as against aliens, (see e.g., 42 U.S.C. §615 (AFDC); 7 U.S.C. 2014(i) (Food Stamps)) and we are not aware of any comparable restrictions on citizen eligibility for federal assistance. As a matter of policy, we think it would be a mistake to begin now to relegate naturalized citizens—who have demonstrated their commitment to our country by undergoing the naturalization process—to a kind of second-class status.

The provision might be defended legally on the grounds that it is an exercise of Congress' plenary authority to regulate immigration and naturalization, or, more specifically, to set the terms under which persons may enter the United States and become citizens. See *Mathews* v. *Diaz*, 426 U.S. 67 (1976); *Toll* v. *Moreno*, 458 U.S. 1, 10–11 (1982). We are not convinced that this defense would prove persuasive. Though Congress undoubtedly has power to impose conditions precedent on entry and naturalization, the provision at issue here would function as a condition subsequent, applying to entrants even after they become citizens. It is not at all clear that Congress' immigration and naturalization power extends this far.

While the rights of citizenship of the native born derive from §1 of the Fourteenth Amendment and the rights of the naturalized citizen derive from satisfying, free of fraud, the requirements set by Congress, the latter, apart from the exception noted [constitutional eligibility for President], becomes a member of the society, possessing all the rights of a native citizen, and standing, in the view of the constitution, on the footing of a native. The constitution does not authorize Congress to enlarge or abridge those rights. The simply power of the national Legislature, is to prescribe a uniform rule of naturalization, and the exercise of this power exhausts it, so far as respects the individual.

Schneider v. *Rusk*, 377 U.S. 163, 166 (1964) (internal quotations omitted) (statutory restriction on length foreign residence applied to naturalized but not native born citizens violates Fifth Amendment equal protection component).

Alternatively, it might be argued in defense of the provision that it classifies not by reference to citizenship at all, but rather on the basis of sponsorship; only those naturalized citizens with sponsors will be affected. Again, we have doubts about whether this characterization of the provision would be accepted. State courts have rejected an analogous position with respect to state deeming provisions, finding that the provisions constitute impermissible discrimination based on alienage despite the fact that they reach only sponsored aliens. See *Barannikov* v. *Town of Greenwich*, 643 A.2d 251, 263–64 (Conn. 1994); *El Souri* v. *Dep't of Social Services*, 414 N.W. 2d 679, 682–83 (Mich. 1987). Because the deeming provision in question here, as applied to citizens, is directed at and reaches only naturalized citizens, the same reasoning would compel the conclusion that it constitutes discrimination against naturalized citizens. *Cf. Nyquist* v. *Mauclet*, 432 U.S. 1, 9 (1977) ("The important points are that [the law] is directed at aliens and that only aliens are harmed by it. The fact that the statute is not an absolute bar does not mean that it does not discriminate against the class.") Invalidating state law denying some, but not all, resident aliens financial assistance for higher education.

So understood, the deeming provision, as applied to citizens, would contravene the basic equal protection tenet that "the rights of citizenship of the native born and of the naturalized person are of the same dignity and are coextensive." Schneider, 377 U.S. at 165. To the same effect, the provision might be viewed as a classification based on national origin; among citizens otherwise eligible for government assistance, the class excluded by operation of the deeming provision is limited to those born outside the United States. A classification based on national origin, of course, is subject to strict scrutiny under equal protection review, see *Korematsu* v. *United States*, 323 U.S. 214 (1944), and it is unlikely that the deeming provision could be justified under this standard. See Barannikova 643 A.2d at 265 (invalidating state deeming provision under strict scrutiny); El Souri, 414 N.W.2d at 683 (same).

The Office of Management and Budget has advised that there is no objection to the submission of this letter from the standpoint of the Administration's program.

Sincerely,

ANDREW FOIS,
Assistant Attorney General.

EXHIBIT 2

CITY OF NEW YORK,
OFFICE OF THE MAYOR,
New York, NY, September 12, 1995.

Hon. DIANNE FEINSTEIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR FEINSTEIN: As the Senate moves to consideration of welfare reform legislation, I want to share my serious concerns with you about the legal immigrant provisions included in this bill. As the Mayor of New York City, a city that has benefited immensely from the economic, cultural, and social contributions of immigrants, I am particularly troubled by unprecedented efforts to limit benefits to legal immigrants and unfairly target them.

The Senate welfare reform package, for the first time, would impose extraordinary restrictions on qualified immigrants' access to many federal benefit programs. The Senate proposal would also extend sponsor deeming to a broad range of programs not presently covered by deeming restrictions. This proposal is likely to restrict benefits to some legal immigrants even after they become naturalized citizens, thereby creating a second class of U.S. citizenship. Like yourself, I believe that extending deeming beyond citizenship is unwise public policy and may prove unconstitutional, and I support your efforts to end deeming upon citizenship. In addition, I also support your attempts to limit deeming to cash assistance programs only and not to Medicaid or other non-cash assistance programs.

While the denial of benefits to legal immigrants is patently unfair to taxpaying residents, it will also result in considerable cost-shifting to local and state governments. Because the federal government has sole responsibility over immigration policy, it must bear the concomitant responsibility of serving the legal immigrants it permits to enter states and localities. I am deeply concerned that denying benefits to legal immigrants or extending deeming beyond citizenship will not eliminate needs and, subsequently, force state and local governments to bear the financial consequences of unwise policy decisions. The Senate welfare reform package fails to provide states and localities with funding for expected high administrative costs associated with implementing this proposal, and is an unfunded mandate that New York and other cities should not have to bear.

Finally, I am concerned about potential efforts to amend the Senate bill and federalize many of the harshest provisions from California's Proposition 187. Such an approach would deny services to illegal immigrants without regard to the dangers it would create for American cities. The problems of illegal immigration in our country is the result of the federal government's inability to patrol its borders and implement an effective deportation strategy. Adoption of a federal Proposition 187 will do nothing to address the overall problem of illegal immigration, but instead will further highlight the federal government's failure to enforce adequately our nation's immigration laws and policies.

If California's Proposition 187 becomes the law of the land, the results for cities heavily impacted by illegal immigration, such as New York, would be catastrophic. I urge you to consider these possible scenarios. Faced with the threat of deportation, many families would forego needed medical care, keep their children out of school, and refuse to report crime, or act as a witness in criminal cases. Immigrant children kept out of school would be denied their only chance at assimilation and productive futures, and, as a result, many turn to the streets, and illegal activities. Communicable diseases might well would go untreated if immigrants are denied access to treatment. In addition, many crimes would go unreported by illegal immigrants desperate to avoid contact with the police.

As the Senate debates welfare reform legislation over the coming days, I am hopeful that the Senate will approve your amendments and remove the bill's burdensome restrictions placed on legal immigrants, and oppose any efforts to federalize Proposition 187. Thank you for your good work on this bill and for your consideration of New York City's views on this important legislation.

Sincerely,

RUDOLPH W. GIULIANI,
Mayor.

NATIONAL CONFERENCE OF STATE LEGISLATURES, NATIONAL GOVERNORS' ASSOCIATION, NATIONAL ASSOCIATION OF COUNTIES, NATIONAL LEAGUE OF CITIES,
September 6, 1995.

DEAR SENATOR: The National Conference of State Legislatures (NCSL), the National Governors' Association (NGA), the National Association of Counties (NACo) and the National League of Cities (NLC) firmly believe that the federal government is responsible for providing funds to pay for the consequences of its immigration policy decisions. As you consider welfare reform legislation on the Senate floor this week, we urge you to support amendments which will protect states and localities from immigration cost-shifts and unfunded mandates. State and local governments cannot and should not be the safety net for federal policy decisions. The federal government has sole jurisdiction over immigration policy and must bear the responsibility to serve the legal immigrants it allows to enter states and localities.

Eliminating benefits to legal immigrants or deeming for unreasonably long periods will not eliminate needs. State and local budgets and taxpayers will bear the burden under either of these options. Denial of services to legal immigrants by states and localities appears to violate both state and federal constitutional provisions. As a result of the 1971 Supreme Court decisions *Graham* v. *Richardson*, states and localities may not exclude persons from participating in their welfare programs on the basis of lawful alienage. Although the federal government has the option to drop legal immigrants from its welfare rolls, states and localities may not. We continue to support making affidavits of support legally binding and imposing a limited deeming period.

We understand that welfare reform proposals are likely to extend sponsor deeming over a broad range of programs not presently covered by deeming restrictions. These proposals are also likely to restrict benefits to some legal immigrants even after they become naturalized citizens. We believe that sponsor deeming should be used in a more targeted fashion to limit the financial and administrative burdens states and localities will face in implementing an extended deeming policy. First, deeming should end when an immigrant becomes a naturalized citizen. Second, deeming should cover cash assistance programs only and not be extended to Medicaid, child protective services, or other non-cash assistance programs. Lastly, certain groups of immigrants should not face deeming under any circumstances, specifically legal immigrants over the age of 75 and those who are victims of domestic violence.

Sincerely,

WILLIAM T. POUND,
Executive Director, National Conference of State Legislatures.
RAYMOND C. SCHEPPACH,
Executive Director, National Governors' Association.
LARRY NASKE,
Executive Director, National Association of Counties.
DONALD J. BORUT,
Executive Director, National League of Cities.

Mr. SIMPSON. Mr. President, I believe I have 10 minutes to speak in opposition to the amendment of Senator FEINSTEIN.

I admire the Senator greatly. She has contributed so much, so vigorously, to my efforts and members of the subcommittee.

This is an issue of an honest difference of opinion. I oppose the amendment for several reasons. I hope that my colleague will hear them clearly.

To begin, I want to put to rest some serious misconceptions about the sponsor alien deeming—the "deeming" provisions in this bill.

Please know that the bill's immigrants provisions do not affect anyone in the United States who is already a naturalized citizen. Please hear that.

Similarly, noncitizens within the United States who become citizens will also be wholly unaffected by the bill's immigrants provisions.

Deeming provisions which the Feinstein amendment seeks to alter affect only those who immigrate after enactment. This Nation's policy on welfare used by immigrants should conform, in my mind, to three basic principles: First, the newcomers should be self-supporting. That is our Nation's first general immigration law. That was put on the books in 1882. It prohibited the entry of individuals likely to become a public charge. To this day our law prevents the immigration of those who are "likely at any time" to become a public charge or to use welfare. That is the language—"likely at any time."

Second, if a friend or a relative has promised to the U.S. Government that the newcomer will not require public assistance as a condition of that person's entry into the United States, and that is the condition, then it is the responsibility of that sponsor, that friend or relative who has promised the support, to provide aid before the newcomer turns to the American taxpayers for relief.

Third, the welfare system should not induce immigrants to naturalize for the wrong reasons; for example, to obtain access to welfare. We should avoid provisions which would enable a recent immigrant to obtain a benefit or a sponsor to avoid responsibility solely by naturalizing.

If we do not require the sponsored individual to disclose this particular asset in this situation—and that is the sponsor's contract to provide financial support and have it considered in the welfare determination—then we are treating the naturalized citizen better than we do the native-born citizen.

I hope my colleague will hear that. When native-born citizens apply for welfare, they have to disclose their assets and their income, including court-mandated payments such as alimony or child support, or any contractual obligation.

Under the welfare reform bill, a native-born citizen and a naturalized citizen would be treated exactly the same. There is no second-class citizen status. Both would be required to disclose all assets and income which reduce "the need" for public assistance.

If naturalization enables both the sponsored individual and the welfare provider to ignore an individual's right to receive support from the sponsor, then the taxpayers will be much more likely, and, of course, the sponsors less likely, to provide the needed assistance.

Also, immigrants would have a very strong incentive to naturalize for all of the wrong reasons, and the wrong reasons are to receive public assistance.

One of the principal reasons for the general animosity toward immigrants' use of welfare is that many naturalized citizens have brought their elderly parents to the United States where after 3 to 5 years, a period of deeming, the immigrant's parents receive SSI for the elderly. These elderly parents, who have never contributed to our system in any way, then receive a generous pension for the rest of their lives from the American taxpayer. And if deeming is ended, simply by naturalization, then the immigrants could receive the welfare just as if the sponsor's legalization, or legal obligation, never existed—and as early as 5 years after entry, to boot.

Immigrants, I think, should naturalize because of a personal commitment to the democratic ideals and constitutional principles that America represents, and that, namely, is liberty and democracy and equal opportunity—not in order to find access and enter into the welfare system.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

The Senator from California.

Mrs. FEINSTEIN. Mr. President, may I ask how many minutes are remaining of my time?

The PRESIDING OFFICER. The Senator from California has 5 minutes and 46 seconds.

Mr. KENNEDY. Mr. President, I rise in support of the amendment of the Senator from California, which would require that the immigrant deeming requirements of the Dole bill end once the immigrant becomes a U.S. citizen.

One of the fundamental principles of our Constitution is the equal treatment of all American citizens, regardless of race, sex, creed, or national origin. It is enshrined in the Bill of Rights and the 14th amendment. The Supreme Court has held repeatedly that there is only one area in which naturalized citizens do not have the same rights and privileges as the native-born—and that is in becoming President.

The Dole bill departs from this basic American principle. It says that if you are a naturalized citizen of this country and fall on hard times, the welfare rules that applied to you as an immigrant could still apply. The income of your sponsor can be deemed as your own income in determining your eligibility for assistance, even though you are now an American citizen.

This is second-class citizenship. This rule does not apply to native-born citizens—only naturalized Americans. If your native-born mother or brother needs Medicaid, the Government does not consider your income in deciding whether they are eligible. But under this bill, if they are naturalized citizens, and if you sponsored them in coming to the United States—even if you did so years ago—the Government could still count your income in determining their eligibility for help.

At a Justice Department oversight hearing on June 27, I asked Attorney General Janet Reno about this proposal. She responded, "Our Office of Legal Counsel has examined this provision * * * and it has very serious concerns about its constitutionality as applied to naturalized citizens."

An opinion I received from the Justice Department on July 18 elaborates on the Attorney General's statement. It says:

> Because the deeming provision in question here, as applied to citizens, is directed at and reaches only naturalized citizens, (this) compels the conclusion that it constitutes discrimination against naturalized citizens.

The opinion further states that:

> As a matter of policy, we think it would be a mistake to begin now to relegate naturalized citizens—who have demonstrated their commitment to our country by undergoing the naturalization process—to a kind of second-class status.

The Supreme Court has clearly said that distinctions between native-born and naturalized citizens are unconstitutional. In 1964, in Schneider versus Rusk, the Court emphasized that "the rights of citizenship of the native-born and of the naturalized person are of the same dignity and are coextensive."

Some argue that in bringing an immigrant to this country, the sponsor enters into a contract, promising to assist the immigrant for a specified period, whether or not the immigrant becomes a citizen in the meantime. They argue that this contractual commitment is like a trust—and that a trust is considered in determining eligibility for welfare, whether or not the applicant is a native-born citizen or naturalized.

However, the fact remains that this kind of arrangement—the deeming of a sponsor's income—is one which would only apply to naturalized citizens. For this reason, the Justice Department regards it as national origins discrimination, since—

> Among citizens otherwise eligible for government assistance, the class excluded by operation of the deeming provision is limited to those born outside the United States.

Those who naturalize and become citizens have made a substantial commitment to this country. They will have been here for at least 6 or 7 years—5 years to qualify for citizenship and 1 to 2 years to complete the naturalization process. They are required under our laws to have demonstrated good moral character for the years preceding their naturalization. Most likely, they have worked and paid taxes throughout this period. And they have chosen America as the place to raise their children and build their futures.

American citizens are American citizens, whether by birth or by choice. We should not undermine this fundamental principle of our Constitution. I urge the adoption of the amendment of the Senator from California to ensure that when American citizens fall on hard times, their Government will be there to help—whether they were born as Americans or are naturalized Americans.

Mrs. FEINSTEIN. Mr. President, this is a very hard argument for me because I very much respect the Senator from Wyoming. He is my chairman on the committee. I do not think anyone in this body knows more about immigration. I doubt that he drafted the actual language in this bill.

All I can say is our reading, and the reading of others of the bill itself, indicates to us that the way it is worded, it would in fact affect people in this country at this time. The Bureau of the Census has identified 121,000 spouses and children of U.S. citizens who came into this country between 1990 and 1994 who, for starters, would be most definitely affected by this bill.

I mentioned earlier that I do not believe that anyone should come to the oath of being an American citizen and take that oath because they want welfare, whether it is cash or noncash. I would support any legislation to toughen the sponsorship requirements to provide for bona fide sponsorship. As a matter of fact, when the immigration bill is on the floor, I will offer an amendment to the bill which will provide that a sponsor must be responsible for health insurance for a person they are sponsoring to this country. So I fully believe that a sponsor should be responsible.

Where I have the difficulty is in the creation of two classes of citizens, because once it starts, once the camel's nose is under the tent, it will not end. And the fact is that a naturalized citizen is entitled to all of the rights of citizenship; that is a clearly established constitutional principle. I believe it will really jeopardize the constitutionality of this entire bill. It is a major point, I believe.

So I say, toughen sponsorship, toughen the naturalization process, do what you have to do to prevent somebody from using naturalization as a guise for some of these things. But once they get there, it must mean just what it means for every other citizen.

It has been said that an affidavit of support is an asset like a child support order. I do not believe that is true, because having assets means one is ineligible for welfare. A child support order is not an asset when determining eligibility for welfare. The welfare caseload is swollen with mothers who cannot collect on child support orders. Approximately 25 percent of the existing caseload is comprised of mothers who cannot collect on child support orders.

It has been said that people are not denied welfare because they have this asset. They are eligible for welfare benefits, the cost of which is only recovered if the Government is able to collect from the delinquent parent. If naturalized citizens could receive benefits while the Government attempts to collect from the sponsor, then the situation would be analogous. But that is not what the Dole bill says. And even if it did say that, it would still be treating naturalized citizens differently from native-born citizens. Denying assistance because there is an uncollected asset is not equal treatment under the law.

So let me repeat: A native-born citizen is denied welfare benefits only if there are assets available to the applicant. Just as a child support order which is uncollected is not an available asset, an affidavit of support on the naturalized citizen which is unable to be collected would not be an available asset. True, the Government could attempt to collect later, as with a child support order, but in the meantime, under the Dole bill, the applicant who is now a U.S. citizen would be denied assistance. So I believe that is wrong.

Let me speak for a moment to the 40 quarters of work and the contribution to the system. This affects the homemaker who does not work in a two-parent family. If the mother does not work, is supported by her husband, and her husband leaves, it is a major problem. Similarly, if you were an infant when your parents immigrated, you would not be eligible for benefits until you reached your 30's. That is hardly equal treatment.

Mr. President, I believe I have used my time. I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes and 25 seconds.

Mr. SIMPSON. Mr. President, I really appreciate the thoughts of my friend from California and will look forward to working with her on the issues of the sponsorship. I think that is a key thing. I think we can strengthen that, and I will look forward to working with her on that and on things such as insurance or support, releasing those who are not able to pay or be sponsors, perhaps setting a poverty level there. We can do those things.

But I emphasize, too, we always get into immigration matters. Every one of us is a child or a grandchild or a great-grandchild of immigrants. That is my history, my heritage, my roots. And it is most interesting to me when I hear the discussion of the second-class citizen. I agree totally with my friend from California; there is no distinction between a naturalized citizen and a native-born citizen except the Constitution. This certainly does not draw the distinction. If there is a difference here, it is a difference expressed only by the sponsor of the amendment, because we are treating them exactly the same. We are treating the naturalized citizen and the native-born citizen exactly the same under this.

I agree we should not in any way treat them differently, treat them as second-class citizens. Treat them the same. So here, in this case, as the bill is drafted, a native-born citizen today must disclose all assets when applying for welfare and the naturalized citizen should also, likewise, disclose all assets as well.

One of the assets of the person to be naturalized is a contract of their sponsor that they will take care of them. It is the same as a court-ordered sponsor agreement. It is the same as any other thing, any other obligation of life. The sponsor's contract of support is an asset of the naturalized citizen, just as alimony or a child support agreement is an asset that must also be considered.

We treat the naturalized citizen no differently than we do the native born. Both must present all of their assets while seeking public assistance. That is the intent of the legislation in its original form. If the sponsor loses his or her assets and income—please hear this—the deeming period is over. If the sponsor dies, the deeming period is over. If the sponsor has too little wherewithal or assets to assist the immigrant, to help with school or whatever, the deeming then will not reduce the applicant's ability to receive this assistance. It is very critical that we hear these distinctions.

What is the remainder of my time?

The PRESIDING OFFICER. One minute 11 seconds.

Mr. SIMPSON. Mr. President, I look forward to working with Senator FEINSTEIN. I welcome these expressions to toughen the sponsor's promise that he or she will "not at any time"—that is the law—permit the sponsored immigrant to become a public charge. That, in my mind, is a very key phrase. To me in this debate it means before naturalization and after naturalization.

I thank the Chair.

I yield the remainder of my time.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent to add Senators SIMON, KOHL, and GRAHAM as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, I ask for the yeas and nays and for the vote to be set in the order of voting.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Without objection, the vote is set for 8 o'clock in sequence.

Mr. CHAFEE. Mr. President, I ask that the votes that we originally asked for to occur starting at 8 be postponed until 8:30.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, therefore, at that batting order, we will have the Shelby, Mikulski, and Feinstein amendments. And I know the Senator from California has another amendment, followed by Senator CONRAD. But I want to work in a Republican. Senator DEWINE was available. I do not see him now. So why do we not go with the second Feinstein amendment, and then work in a Republican Senator, Senator DEWINE, and then Senator CONRAD, if that is agreeable?

I say to everybody that it is not necessary to prove one's credentials by having an amendment. Everybody is a full-fledged Senator, and we recognize that. We will continue to recognize that even though they do not come forward with an amendment on this piece of legislation. At the rate we are going, we are going to be here a long, long time. I mean this evening a long time. Every time I turn around somebody comes up with an additional amendment. Usually Senators stand here and say, "Bring over your amendments. We are waiting to do business." Well, we have too much business to do here. So we are not seeking additional amendments. So everybody just call a halt to the amendment business so we can get to final passage.

I see the Senator from Ohio has arrived. So if the Senator from California will just delay, we will go ahead with Senator DEWINE's amendment.

Mr. President, how much time is he asking for?

Mr. DEWINE. Ten minutes.

Mr. CHAFEE. I ask that we have 20 minutes equally divided.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MOYNIHAN. I am not sure who will speak on this side. But it is agreed.

Mr. CHAFEE. I do not know what the amendment is. Maybe somebody on this side will oppose it.

Mr. CONRAD. Do I understand from the acting manager that after we have disposed of the DeWine amendment and the final Feinstein amendment, we would then go to the Conrad-Lieberman amendment and dispose of that?

Mr. CHAFEE. That is right.

Mr. MOYNIHAN. Mr. President, I believe we erred in the description of the Senator from Rhode Island as an acting manager. I think he is very much a manager.

Mr. CHAFEE. Titles mean nothing.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

AMENDMENT NO. 2517, AS MODIFIED

Mr. DEWINE. Mr. President, I ask unanimous consent to modify my amendment No. 2517, and I send the modified amendment to the desk.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment (No. 2517), as modified, is as follows:

On page 637, line 17, strike the period and insert ", as provided pursuant to agreements described in subsection (a)(18).

On page 712, between lines 9 and 10, insert the following:

SEC. 972. FINANCIAL INSTITUTION DATA MATCHES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 915, 917(a), 923, 965, 969, and 976 is amended by adding at the end the following new paragraph:

"(18) Procedures under which the State agency shall enter into agreements with financial institutions doing business within the State to develop and operate a data match system, using automated data exchanges to the maximum extent feasible, in which such financial institutions are required to provide for each calendar quarter the name, record address, social security number, and other identifying information for each absent parent identified by the State who maintains an account at such institution and, in response to a notice of lien or levy, to encumber or surrender, as the case may be, assets held by such institution on behalf of any absent parent who is subject to a child support lien pursuant to paragraph (4). For purposes of this paragraph, the term 'financial institution' means Federal and State commercial savings banks, including savings and loan associations and cooperative banks, Federal and State chartered credit unions, benefit associations, insurance companies, safe deposit companies, money-market mutual funds, and any similar entity authorized to do business in the State, and the term 'account' means a demand deposit account, checking or negotiable withdrawal order account, savings account, time deposit account, or money-market mutual fund account.

Mr. CHAFEE. Mr. President, as we are modifying amendments, I wonder if we might also modify an amendment that Senator GRAMM submitted earlier. That is a modification to amendment No. 2280.

Mr. President, I withhold that request. The Senator from Ohio may go ahead.

Mr. DEWINE. Mr. President, one of the reasons that our welfare costs today are so high is the number of absent deadbeat parents who, in spite of a court order, in spite of judicial determination that they owe weekly or monthly child support, still flagrantly refuse to pay child support. This amendment goes a long way, I believe, to help deal with this problem.

Let me take just a moment, if I could, to congratulate Senator DOLE and to congratulate everyone else who has been directly involved in this bill because the child support enforcement section is a very good section. It was written after consultation with experts in the field, people who deal with this every day out in the 50 States who have to face the problem of trying to track down these deadbeat parents and then after they find them trying to figure out how to get money from them.

This particular amendment that I am offering was also based on our consultation with experts in the field, particularly the State of Massachusetts, which has some very, very good success. In fact, this particular amendment was modeled after what Massachusetts is doing.

The purpose of this amendment is to make it easier for States to crack down on deadbeat parents. We, of course, are all aware, Mr. President, that one of the key causes of our social breakdown is the failure of parents to be responsible for their own children. The family ought to be the school for citizenship, preparing the children for a responsible and productive life. Too often it is just the opposite, and parents do not do that. When they do not pay their child support, it is certainly very difficult for society to step in and fill the gap. We need to reconnect parenthood and responsibility, and making absent parents pay is one way that we can do it. We need to help States locate deadbeat parents and help States establish support orders for the children, and then finally enforce these orders. My amendment attempts to address this problem by providing for a more timely sharing of information with the States.

As I said at the beginning, it is good to get the child support order. It is good to locate the parent. But if you cannot figure out where the parent's assets are, it does not do anyone any good. It does not do the children any good. It does not do society any good. So what this amendment is aimed at doing is making it easier to locate the assets of the parents.

Today, Mr. President, the Federal Parent Locater Service in the U.S. Department of Health and Human Services gives the States banking and asset information about potential deadbeats on an annual basis—once a year.

Now, if you go out into the States and talk with people who have to track down these deadbeats, they will tell you how difficult that whole process is. I first became involved in this a number of years ago, in the early 1970's when I was a county prosecuting attorney. I cannot tell you how frustrating it was. You got a support order. You got a judge to say the person owed so much money. And then they took off. You could not find them. Then after you found them, you could not figure out where their assets were.

This amendment will help in that area. If you have to wait, Mr. President, a whole year to get the information about the bank assets of an individual, sometimes a year and a half, obviously many times that information is stale and many times that information does not give you the true information you really need. The person may have moved. They may have changed banks. They may not have any assets in the bank, et cetera.

My amendment will allow States to enter into agreements with the financial community in their States to match financial data with child support delinquency lists on a more frequent basis. Not only will States get information on an annual basis, this amendment will allow for more timely information on a quarterly basis.

This quarterly system has already been implemented in the State of Massachusetts and the results have been nothing short of phenomenal, which this chart indicates. In 1994, Massachusetts child support enforcers collected $2.7 million in past due child support. This year, Massachusetts began a quarterly reporting system, and collections have dramatically increased. At the current rate, their child support collections for 1995 will be at $9.6 million. That, Mr. President, is more than three times what they collected last year. The year before, $2.7 million; this year, $9.6 million.

Let me congratulate and also thank Marilyn Smith, who is the director of the Massachusetts Child Support Enforcement Agency, who worked with my office and with Dwayne Sattler of my office and the rest of my staff to really get the language down so that other States would be able to do what Massachusetts has done.

So, Mr. President, when you are looking at what works and what does not work, this works. In short, when child support enforcers have timely information, they can make deadbeat parents pay what they owe, and that means more parents responsible for their children.

We have received the CBO scoring on this amendment, and it will be at least revenue neutral. As someone who has worked in this field and did this for a number of years, let me tell you my guess is it is going to be a lot better than revenue neutral. This is going to be a very positive thing for each State. I believe it will save money for the Federal Treasury as more and more parents own up to their financial responsibility of having children.

This amendment is cost-effective and it is necessary. The child support enforcers are doing a very tough and difficult job, facing horrible obstacles every single day. I think we should cut by 75 percent, which is what this amendment does, the amount of time they have to wait to get this valuable information. Information is power, they say, but in this case information is money. So if you get the information on time, you take the court order, you go in, slap a lien on the bank account, you draw the money out, and guess what? That deadbeat parent has now started contributing his or her fair share not just to that family, which is the most important thing, but also to society as well.

That is why I believe my amendment will do a great deal of good. I urge it be adopted.

Mr. President, let me just clarify for the record that the amendment that I am modifying is amendment 2517 and not 2519.

I thank the Chair.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President I would like to ask the sponsor of the amendment a couple of questions.

Under the amendment as I read it, it is an option for the State; it is not mandatory. Is that correct?

Mr. DEWINE. That is correct.

Mr. CHAFEE. Second, the amendment says that the State shall enter into agreements with financial institutions to develop and operate a data match system.

I understand under this the State would bring a list of those who are delinquent to the bank instead of the bank having to provide the State with the name of everybody who had a deposit in that bank. Is that correct?

Mr. DEWINE. That is correct.

If the Senator will yield, what we have done with this is to try to model the Massachusetts program. What Massachusetts has been able to do is to work out, it is my understanding, an agreement between the private banking community and the State to have a system that is not overly burdensome on the banking community; it is something that they can live with but something also that gives the information to the people who need it and give it in a very timely fashion.

Let me just say that one of the things we did, Mr. President, is we checked with the Ohio banking community, just to try it out. We said, would you be willing to do something like this? And the answer was, we are citizens of the State and we want to be good corporate citizens. We want to help out. It is something we can live with. If it is not overly burdensome and is directed at dealing with the problem, we are more than happy to comply.

What will happen, as the Senator knows, many times people move from State to State. With all States doing this, we will have in the law the system where the States can share information.

And so what I would anticipate once this system is fully up is that not only in Ohio would you basically get this information, but if a person took off and went to Connecticut or Rhode Island or Arizona, that information could be shared by cooperating with that State.

Mr. CHAFEE. As I read the amendment, it is not optional for the bank to participate if the State decides that they want the bank to participate. In other words, as I read the amendment, it says that the State shall work out agreements with the banks to develop a data match system in which such institutions are required to provide every quarter, et cetera.

So it is not just an encouragement. It is a requirement if the State so chooses.

Mr. DEWINE. That is correct. The Senator is correct.

Mr. CHAFEE. I can see this being extremely burdensome for the bank if each quarter they have to come up with everybody who has a deposit in the bank that appears on some list the State submits to them.

I presume the banks are permitted to charge something for all this.

Mr. DEWINE. Absolutely. What will happen on a practical basis is what has happened in Massachusetts and what I am sure would happen in Ohio, and that is, quite frankly, the State officials would enter into an agreement with the banking association, whoever represents all the banks in the State, for something that is actually very, very workable.

As someone who has dealt with this at the local community level, if you do not have the cooperation of a bank, if they do not want to do this, you are going to have a lot of problems. And so you have to have the good will of the bank. And to get the good bill of the bank, what you simply do is work out something that they clearly can in fact live with.

The other point I would make to the Senator is that we are not talking about huge lists being supplied to a bank. We are talking about basically a single shot where you go in with a limited list and that would only be triggered basically once the parent locater, whatever that agency was in the State, had information that that person might be in that bank's jurisdiction.

Mr. CHAFEE. Well, I am not sure it is so simple as all that. It comes up every quarter, four times a year. But I am not on the Banking Committee. This is the kind of thing that I really wish had gone through the Banking Committee and let them have hearings on it, and let them know what the costs are and what the problems are that arise under it.

I do not know whether anybody else wants to speak on this. Does the Senator want a vote on this?

Mr. DEWINE. If I just could say, we have worked closely with people in the banking community. And I do appreciate the Senator's comments about not having a hearing on it. I understand that. But this amendment is based on matching computer tapes, basically a computer match with tapes, which we are told is not, with today's technology, really much of a burden. It is not the creation and not asking for the creation of a new list. It is a computer match with tapes to get this particular job done.

I also say that if a person wanted to get a court order in every case, they could go in and get a court order for the bank records anyway on a case-by-case basis. That is not the right way to do it. This, we believe, is the right way to do it.

Mr. CHAFEE. I tell you what. We may be in a position to take this amendment. Why does not the Senator ask for the yeas and nays? And if he would be willing to vitiate those yeas and nays, if we can take it. We have got to check. Why not ask for the yeas and nays?

Mr. DEWINE. I will at this point, Mr. President, ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Do the Senators yield back the remaining time?

Mr. CHAFEE. I do.

Mr. DEWINE. I do, Mr. President.

The PRESIDING OFFICER. All time is yielded back.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Now we will go to the second amendment of the Senator from California.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Thank you, Mr. President.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

Mrs. FEINSTEIN. And I thank the bill manager.

AMENDMENT NO. 2513

Mrs. FEINSTEIN. Mr. President, this amendment involves deeming. It is a complicated issue. Let me try and explain it simply. It only involves legal aliens.

Presently, deeming only applies to cash programs, AFDC, SSI, food stamps. This amendment would remove the deeming requirements for Federal programs not traditionally considered Federal welfare programs. It would retain the deeming for the three principal Federal cash welfare programs: AFDC, SSI, and food stamps.

Under the bill, a child of a legal immigrant would not have access to Head Start; a legal immigrant would not have access to Medicaid, would not have access to child protective services, would not have access to maternal health services, would not have access to foster care, would not have access to custodial care. All of these programs deemed—excuse me, not deemed—but all these programs which are noncash programs would not be available for anyone who was in this country legally.

The amendment also provides that no one in this country legally who is a battered wife could ever make use of a domestic abuse program, a battered wife shelter. There are actually some 80 programs that provide noncash assistance, and I have named most of them. The most important one of these is Medicaid.

Everyone in this room has heard Governors across this Nation bellow that the Federal Government is not dealing with the costs of immigrants to the States. Every one of them says this, that has the program.

Essentially, the way the bill is drafted, it is a massive cost-shift to States because it says that the county then has to pick up these costs. The county would have to pick up the costs of Head Start if a youngster was going to go into it. The county would have to pick up the costs of Medicaid or the State. The county would have to pick up the costs of child protective services or foster care or any of those items.

It is a major item. And I will be candid and frank with you; it falls most heavily on four States. It falls heavily on Texas, it falls heavily on Florida, it falls heavily on New York, and it falls heavily on California. And that is because that is where the largest percentages of these legal immigrants are.

Now, as I mentioned earlier in the earlier discussion, I believe we should tighten the sponsorship requirements. I believe we should see that they are secure, even verify what they say. And I intend to introduce legislation that would provide that sponsors of immigrants must provide health insurance for those immigrants. But here we are with a situation that exists really creating a massive unfunded mandate, particularly in the area of legal immigration.

This amendment is supported by the National Governors' Association, the National Conference of State Legislatures, the National Association of Counties, the National League of Cities, the United States Catholic Conference, the Leadership Conference on Civil Rights, Mayor Giuliani, Mayor Riordan, and many other people as well.

I ask unanimous consent to have printed in the RECORD the letter from the National Governors' Association.

There being no objection, the letter was ordered to be printed in the Record, as follows:

NATIONAL GOVERNORS ASSOCIATION,
Washington DC, September 13, 1995.

DEAR SENATOR, As the Senate considers amendments to the Work Opportunity Act of 1995, the National Governors' Association [NGA] urges you to support increased flexibility that will enable states to build upon the experiences of state welfare reform efforts around the country and to design programs in accord with their particular needs and priorities. We have provided below a partial list of amendments that are supported by the NGA. This list is not meant to be exhaustive, and there may be other amendments Governors support that are not on this list.

We urge you to support these amendments based on the recommendations of the nation's Governors, who will have direct responsibility for meeting the challenge of designing successful welfare-to-work and child care systems:

State penalties under cash assistance block grant. (Pryor #2495, McCain #2542) Delays the implementation of penalties until October 1, 1996 or six months after the date the Secretary issues the final rule, whichever is later. Provides that the five percent penalty for unlawful use of funds can only be imposed if the Secretary determines the violation was intentional. Permits states with penalties to submit to the federal government a corrective action plan to correct violations in lieu of paying penalties under the cash assistance block grant.

Technical amendments. (D'Amato #2577, 2578, 2579) Technical amendments relating to the date for determining FY 1994 expenditures, claims arising before effective dates and efforts to recover funds from previous fiscal years.

Equal treatment for naturalized citizens. (Feinstein #2478, Kennedy #2563) Provides for equal treatment for naturalized and native-born citizens so that once an individual becomes a citizen he or she will be eligible for benefits whether or not the deeming period has expired.

Sponsor deeming. (Feinstein #2513) Limits deeming of sponsors' income to those programs for which deeming is now required under current law (AFDC, Food Stamps and SSI). Additionally exempts legal immigrants who have been victims of domestic violence from the 1) ban on SSI assistance and 2) deeming requirements for all programs.

Prospective application of legal immigrant provisions. (Graham #2569) Provides that any changes with respect to legal immigrants made by this bill will not apply to noncitizens who are lawfully present in the United States and receiving benefits under a program on the date of enactment. (Simon, #2509) Eliminates retroactive deeming requirements for legal immigrants already in the U.S.

"Good cause" hardship waiver. (Rockefeller #2492) Gives states the option of granting exceptions to the 5-year life-time limit and the participation rate calculation for individuals who are ill, incapacitated, or elderly, as well as for recipients who are providing full-time care for their disabled dependents.

High unemployment areas exemption. (Rockefeller #2491) Gives states the option of waiving time limits in area of high unemployment (ten percent or more). Recipients must participate in workfare or community work to continue benefits.

Vocational educational training. (Jeffords #2557) Changes the definition of work activities to allow vocational education to count as an eligible activity of up to 24 months.

Data reporting requirements. (McCain #2541) Provides that states are not required to comply with excessive data collection and reporting requirements, as determined by GAO, unless the federal government provides sufficient funds to meet the costs.

Work supplementation. (McCain #2280) Removes the six month limit for an individual's participation in a work supplementation program under the food stamp program.

Cash aid in lieu of food stamps. (Faircloth #2600) Allows a state agency to make cash payments in lieu of food stamps for certain individuals.

Hardship waiver. (Kennedy #2623) Permits states to apply for waivers with respect to the 15 percent cap on hardship exemptions from the five-year time limit.

Assistance to children. (Kennedy #2624) Permits states to provide non-cash assistance to children ineligible for aid because of the five-year time limit.

Modification of participation rate (DeWine #2518) Permits a pro rata reduction in a state's participation rate due to caseload reductions not required by federal law or due to changes in a state's eligibility criteria.

Sincerely,

Gov. BOB MILLER,
State of Nevada.

Mrs. FEINSTEIN. I thank the chair. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I suggest the absence of a quorum, and the time to be equally charged against—

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. Will the Senator yield time to the Senator from Wyoming?

Mr. CHAFEE. Yes.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. I just came to the floor many minutes ago to debate a different amendment. But I see apparently there is no one on the other side of this, and that should not go untended. If I may then speak in opposition to the amendment, that, first of all, this amendment is not about domestic violence and the other tragedies that visit upon our Nation.

I have found—and I share with my colleague from California that on these issues of immigration, filled with emotion, fear, guilt and racism, your colleagues during the entire day say, "Alan, we are very pleased to assist you in all this work." But when it comes time to stand on the floor, they are absent in great droves—droves—I have found, because these are not popular issues.

How about cash assistance, noncash assistance? The Senate has already accepted an amendment from Senator WELLSTONE which will address all concerns about violence, domestic violence, all that. That is clear. That has already been done somewhere along the line. This amendment exempts all noncash programs from all of the immigration-related provisions within this entire welfare bill.

The cost of it is $707 million. We are never going to reach the reconciliation instructions with this welfare bill. And the Finance Committee has now been charged—there are some on the floor. Senator BRADLEY serves on that committee. Of all the savings to be obtained in reconciliation, $607 billion are to be saved. And the Finance Committee is supposed to find a way to save $503 billion or $530 billion of that.

This welfare bill has already taken us over the jumps. Senator SANTORUM will tell you that, the occupant of the chair—yes, yes, the occupant of the chair will tell you that we are a little bit over our mark. And we have done that out of charity and kindness and caring. And that is fine; those are good motives. But we are way over the target with this bill.

Now, this amendment exempts all noncash programs and, as I say, all of the immigration-related provisions within this bill.

Before a prospective immigrant may enter the United States, that person must guarantee that he or she will not use public assistance, I say to my colleagues. That has been the law of the United States since 1882. It never worked because the court systems, in their interpretation of it, made it simply a neutered statute.

So you could not prove anything. The deeming was overturned and sponsoring agencies scoffed at it, relatives scoffed at it. So what was a very precious thing—and it is still on the books, since 1882, that a person will not become a public charge when they come to the United States of America. That person indicates by oath that they will not, and the sponsor is indicating that they will not allow that usually precious relative to become a public charge.

So, finally, in the Finance Committee, we corrected this abuse, a terrible abuse of the system, the kind of thing that makes people sour on immigration, sour on our precious heritage. That is what happens here.

So, in turn, we have this measure which requires immigrants to look first to the sponsor, this friend or this relative who guaranteed this support. They did this. They could not bring them unless they did this.

So we were saying in the bill, before receiving any public assistance, the sponsor is responsible for you, and his income is deemed to be yours for purposes of this. In the public's interest, the Dole bill then exempted certain limited programs, such as childhood immunizations and school lunch. I have no problem with that at all.

Senator FEINSTEIN's amendment would exempt all noncash programs. This includes Medicaid, public housing, job training and any other program which does not provide cash assistance to the recipient.

That is where we are. I have a hunch where this amendment will go. It will be well received, but it is $707 million, and we are going to have to go find that somewhere in this process. Guess where it will come from, very likely? Medicaid. That is where it will come from, unless someone can tell me another approach to it.

So here we are again with an immigration-related issue which has to do with compassion, kindness, tenderness. I know those things. Those are emotions not foreign to me, but I also know how this works. It is a great infertile field to just add and add and add. Sponsors have committed that the sponsored immigrant will neither require nor use assistance from the taxpayers of this country from any Federal welfare program, and that is the law of the United States of America.

To be consistent, all Federal welfare programs should require the sponsored immigrant to look to this friend or this relative or this sponsoring agency for assistance before turning to the American taxpayer for support.

We are not talking about illegal, undocumented persons who we care for with emergency medical assistance and hospital assurance. We are talking about people who are playing on the up and up when they came, sponsors who were playing on the up and up when they came, which was a very simple procedure: "You come, I'll take care of you until you become self-supporting." That is the law of the United States of America.

You keep making these exemptions, and now we have to go find $707 million. I wish it were not a money item. It certainly is more than a money item. It is called responsibility for those you bring to the United States of America as a sponsor under the law of the United States.

I reserve the remainder of my time.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Mr. President, how much time do I have?

The PRESIDING OFFICER. Five minutes 9 seconds.

Mrs. FEINSTEIN. I thank the Chair. Mr. President, bottom line, this bill as drafted, without this amendment, is a massive cost shift. As I said, the costs are shifted essentially to four States: Texas, Florida, New York, and California.

What this bill says presently is no one in this country legally who is not a citizen can send their child to a Head Start Program, can be on Medicaid. It is not prospective. It affects everybody presently. That is why it is a cost shift. It would be one thing if it were prospective and said in the future, but it does not. It says to every legal immigrant's child out there that is in a Head Start class, "Next year, forget it, you are no longer there." That is essentially the bottom line. Or somebody in the State has to pay for it, either the State or the county.

California has a huge deficit. According to the General Accounting Office, California also has 38.2 percent of all legal immigrants, but 52.4 percent of all immigrants receiving Federal welfare. New York has 12.6 percent; Florida, 8.9 percent; Texas, 8.6 percent; and other States, 31.7 percent. So you see, there is a huge cost shift in dollars from the Federal Government to the States.

That involves adoption assistance, it involves foster care, it involves child protective services. Can you believe it? If a child is being abused, the protective services are not going to be available if they are a legal immigrant? We passed legislation earlier—Senator EXON's amendment—overwhelmingly for people here illegally, and I agree with that. But these people are here legally and, therefore, I find the bill egregious as it stands right now.

Again, I am hopeful—and I would say, toughen sponsorship, look at people coming more carefully in this regard. I do not have a problem with that. But this is going to affect large numbers of people who are already in this country.

Eighty-three percent of all the immigrants receiving SSI or AFDC resided in the four States. AFDC and SSI are not covered by this amendment. It is only the noncash benefits, and I think I have spelled those out.

I do not know if there is anyone who would like to speak on this.

Mr. KENNEDY. Will the Senator yield for a brief question?

Mrs. FEINSTEIN. I will be happy to.

Mr. KENNEDY. The implications of this are extremely significant with regard to the urban hospitals, are they not, especially where there are major groupings of urban hospitals that primarily take care of the poor, the disadvantaged and many of the immigrants as well? We find situations where even though there are relatives and other members of the family that might be able to participate in helping to offset the costs, an increasing number of people are becoming uninsured, through no fault of their own. Therefore, their relatives do not have the ability to extend the coverage to these individuals. That is taking place among immigrants who are here legally. And in many instances, sponsors have abandoned them, even though they have a responsibility toward the immigrants they sponsor, and these immigrants are really left holding the bag. As a result, the urban hospitals and health providers will be left holding the bag as well.

Does the Senator agree with me that without the Senator's amendment, there will be extreme additional stress placed on the health care providers, particularly in some of the neediest areas of the country?

Mrs. FEINSTEIN. I certainly agree with the Senator from Massachusetts. I think particularly the public hospitals in the urban centers are going to be whacked in the head unless this amendment is adopted, because a large percentage of patients comprise this population and there would be no reimbursements, no Medicaid.

Mr. KENNEDY. Who will end up paying for it then?

Mrs. FEINSTEIN. The county or the State would have to find a way. It is a cost shift.

Mr. KENNEDY. I thank the Senator.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. CHAFEE. Mr. President, I ask that the vote scheduled for 8:30 be postponed until the conclusion of this debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, it is my understanding—and I would like to ask the Senator from Wyoming this—in the case of domestic violence inflicted by the "deemor," that has been taken care of, as I understand it, by the Wellstone amendment.

Mr. SIMPSON. Oh, yes, that is true. The Wellstone amendment took care of battered women and foster children, without question.

Mr. CHAFEE. Am I also correct that the suggestion was made by the Senator from California that it would be impossible for a legal alien's child to be in a Head Start program? As I understand it, if the "deemor's" assets were not of significant value, the child is not prevented from being in a Head Start program, is he or she?

Mr. SIMPSON. That was taken care of very nicely by Senator KENNEDY. We agreed to exempt Head Start and soup kitchens. That has been done.

Mr. KENNEDY. Will the Senator yield?

Mr. CHAFEE. If I might complete my questions. In connection with the foster care problems, the Boxer amendment, I believe, addressed them, am I correct?

Mr. SIMPSON. Mr. President, as far as I know, that, too, is also true, yes. But, Mr. President, there is another issue. The bill itself provides that there is a year period—an entire year—if a person is abused, if there is no money, if the sponsored individual is not there, or whatever may happen, it says that in the absence of assistance provided by the agency, if someone is unable to obtain food and shelter, taking into account the individual's own income, plus any cash, that is taken care of in this measure for 12 months—without question, whatever the reason. So this is not a case of some draconian business where we delight in taking people and waiting and suddenly see them fall into disarray and then whacking them or hitting them in the head. What will get hit in the head is Medicaid with this one.

Mrs. FEINSTEIN. Mr. President, do I have any time remaining?

The PRESIDING OFFICER. All time has expired on the amendment.

Mr. CHAFEE. Does the Senator from California want a vote on her amendment?

Mrs. FEINSTEIN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CHAFEE. Mr. President, we were to vote at 8:30. I ask that it be delayed for 10 minutes so the Senator from North Dakota, who has been patiently waiting for his amendment, might present it.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 2528, AS MODIFIED

Mr. CONRAD. Mr. President, I call up my amendment No. 2528, the Conrad-Lieberman amendment.

The PRESIDING OFFICER. That amendment is now pending.

Mr. CONRAD. I ask unanimous consent to modify the amendment, as per the agreement.

The PRESIDING OFFICER. Is there objection?

Mr. CHAFEE. Mr. President, I ask if the Senator will withhold on that for a second.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, we can return to Senator CONRAD's amendment.

Mr. CONRAD. I thank the Senator from Rhode Island.

I ask unanimous consent to modify my amendment, as per the previous agreement.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment (No. 2528), as modified, is as follows:

On page 50, strike line 6 and all that follows through page 51, line 11, and insert the following:

"(d) REQUIREMENT THAT TEENAGE PARENTS LIVE IN ADULT-SUPERVISED SETTINGS.—

"(1) IN GENERAL.—

"(A) REQUIREMENT.—Except as provided in paragraph (2), if a State provides assistance under the State program funded under this part to an individual described in subparagraph (B), such individual may only receive assistance under the program if such individual and the child of the individual reside in a place of residence maintained by a parent, legal guardian, or other adult relative of such individual as such parent's, guardian's, or adult relative's own home.

"(B) INDIVIDUAL DESCRIBED.— For purposes of subparagraph (A), an individual described in this subparagraph is an individual who is—

"(i) under the age of 18; and

"(ii) not married and has a minor child in his or her care.

"(2) EXCEPTION.—

"(A) PROVISION OF, OR ASSISTANCE IN LOCATING, ADULT-SUPERVISED LIVING ARRANGEMENT.—In the case of an individual who is described in subparagraph (B), the State agency shall provide, or assist such individual in locating, a second chance home, maternity home, or other appropriate adult-supervised supportive living arrangement, taking into consideration the needs and concerns of the such individual, unless the State agency determines that the individual's current living arrangement is appropriate, and thereafter shall require that such parent and the child of such parent reside in such living arrangement as a condition of the continued receipt of assistance under the plan (or in an alternative appropriate arrangement, should circumstances change and the current arrangement cease to be appropriate).

"(B) INDIVIDUAL DESCRIBED.—For purposes of subparagraph (A), an individual is described in this subparagraph if the individual is described in paragraph (1)(B) and—

"(ii) such individual has no parent, legal guardian or other appropriate adult relative as described in (ii) of his or her own who is living or whose whereabouts are known;

"(iii) no living parent, legal guardian, or other appropriate adult relative who would otherwise meet applicable State criteria to act as such individual's legal guardian, of such individual allows the individual to live in the home of such parent, guardian, or relative;

"(iv) the State agency determines that—

"(I) the individual or the individual's custodial minor child is being or has been subjected to serious physical or emotional harm, sexual abuse, or exploitation in the residence of such individual's own parent or legal guardian; or

"(II) substantial evidence exists of an act or failure to act that presents an imminent or serious harm if such individual and such individual's minor child lived in the same residence with such individual's own parent or legal guardian; or

"(v) the State agency otherwise determines that it is in the best interest of the minor child to waive the requirement of paragraph (1) with respect to such individual or minor child.

"(C) SECOND-CHANCE HOME.—For purposes of this paragraph, the term 'second-chance home' means an entity that provides individuals described in subparagraph (B) with a supportive and supervised living arrangement in which such individuals are required to learn parenting skills, including child development, family budgeting, health and nutrition, and other skills to promote their long-term economic independence and the well-being of their children.

"(3) ASSISTANCE TO STATES IN PROVIDING OR LOCATING ADULT-SUPERVISED SUPPORTIVE LIVING ARRANGEMENTS FOR UNMARRIED TEENAGE PARENTS.—

"(A) IN GENERAL.—For each of fiscal years 1998 through 2002, each State that provides assistance under the State program to individuals described in paragraph (1)(B) shall be entitled to receive a grant in an amount determined under subparagraph (B) for the purpose of providing or locating adult-supervised supportive living arrangements for individuals described in paragraph (1)(B) in accordance with this subsection.

"(B) AMOUNT DETERMINED.—

"(i) IN GENERAL.—The amount determined under this subparagraph is an amount that bears the same ratio to the amount specified under clause (ii) as the amount of the State family assistance grant for the State for such fiscal year (described in section 403(a)(2)) bears to the amount appropriated for such fiscal year in accordance with section 403(a)(4)(A).

"(ii) AMOUNT SPECIFIED.—The amount specified in this subparagraph is—

"(I) for fiscal year 1996, $25,000,000;

"(II) for fiscal year 1997, $25,000,000; and

"(III) for each of fiscal years 1998, 1999, 2000, 2001, and 2002, $20,000,000.

"(C) ASSISTANCE TO STATES IN PROVIDING OR LOCATING ADULT-SUPERVISED SUPPORTIVE LIVING ARRANGEMENTS FOR UNMARRIED TEENAGE PARENTS.—There are authorized to be appropriated and there are appropriated for fiscal years 1998, 1999, and 2000 such sums as may be necessary for the purpose of paying grants to States in accordance with the provisions of this paragraph.

"(e) REQUIREMENT THAT TEENAGE PARENTS ATTEND HIGH SCHOOL OR OTHER EQUIVALENT TRAINING PROGRAM.—If a State provides assistance under the State program funded under this part to an individual described in subsection (d)(1)(B) who has not successfully completed a high-school education (or its equivalent) and whose minor child is at least 12 weeks of age, the State shall not provide such individual with assistance under the program (or, at the option of the State, shall provide a reduced level of such assistance) if the individual does not participate in—

"(1) educational activities directed toward the attainment of a high school diploma or its equivalent; or

"(2) an alternative educational or training program that has been approved by the State.

On page 51, strike "(e)" and insert "(f)".

At the appropriate place, insert the following:

SEC. ___. ESTABLISHING NATIONAL GOALS TO PREVENT TEENAGE PREGNANCIES.

(a) IN GENERAL.—Not later than January 1, 1997, the Secretary of Health and Human Services shall establish and implement a strategy for—

(1) preventing an additional 2% of out-of-wedlock teenage pregnancies a year, and

(2) assuring that at least 25 percent of the communities in the United States have teenage pregnancy prevention programs in place.

(b) REPORT.—Not later than June 30, 1998, and annually thereafter, the Secretary shall report to the Congress with respect to the progress that has been made in meeting the goals described in paragraphs (1) and (2) of subsection (a).

(b) OUT-OF-WEDLOCK AND TEENAGE PREGNANCY PREVENTION PROGRAMS.—Section 2002 of the Social Security Act (42 U.S.C. 1397a) is amended by adding at the end the following new subsection:

"(2) The Secretary shall conduct a study with respect to the State programs implemented under paragraph (1) to determine the relative effectiveness of the different approaches for preventing out-of-wedlock and teenage pregnancy utilized in the programs conducted under this subsection and the approaches that can be best replicated by other States.

"(3) Each State conducting a program under this subsection shall provide to the Secretary, in such form and with such frequency as the Secretary requires, data from the programs conducted under this subsection. The Secretary shall report to the Congress annually on the progress of the programs and shall, not later than June 30, 1998, submit to the Congress a report on the study required under paragraph (2).".

SEC. ___. SENSE OF THE SENATE REGARDING ENFORCEMENT OF STATUTORY RAPE LAWS.

It is the sense of the Senate that States and local jurisdictions should aggressively enforce statutory rape laws.

Mr. CONRAD. Mr. President, I ask unanimous consent that Senators PRYOR, BRADLEY, and KERRY of Massachusetts appear as original cosponsors in addition to Senator LIEBERMAN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. Mr. President, this amendment promotes a comprehensive strategy that prevents teen pregnancy. Mr. President, if there is one agreement on both sides of the aisle, it is that teen pregnancy is a crisis in America. One out of three children being born today are born out of wedlock. In some cities of America, two out of three children being born are born out of wedlock. Here in the Nation's capital, this year, more than two out of three children are being born out of wedlock.

Teen pregnancy is a critical challenge. It is a tragedy for America. It is a tragedy for the children. It is a tragedy for the young women. It is a tragedy for our entire country.

Mr. President, in 1992, there were more than a half million births to teenagers, and 71 percent of those births were to unmarried parents. The Conrad-Lieberman amendment is designed as a comprehensive strategy to take on this challenge.

Mr. President, the Conrad-Lieberman amendment does the following:

It provides $150 million over 7 years for States to develop adult-supervised living arrangements. I call them "second-chance homes." They are places where young, unmarried mothers can get the structure and supervision they need to turn their lives around.

It retains the requirement that teen parents live with their parents or another responsible adult.

It requires that they stay in school.

It establishes a national goal to prevent out-of-wedlock pregnancy to teens by 2 percent a year.

It encourages communities to establish their own teen pregnancy prevention goals.

Finally, it calls for the aggressive prosecution of men who have sex with girls under the age of 18.

Mr. President, I think the most compelling testimony before the Finance Committee was from Sister Mary Rose McGeady, the head of Covenant House. She has been in the trenches, she has fought this battle, and she has been succeeding. They have dealt with hundreds of young mothers who have come into their facilities and have had the structure, the support, and the discipline, and the help in seeing themselves as having a future, the vision to see that they could do something more with their lives, if they did not have another child before they were able to care for it. Sister Mary Rose reported that they have been very successful in preventing those young women from having another child.

Mr. President, I read in the RECORD yesterday the statement of Elena, a young woman in New York who was in one of these second-chance homes. I will repeat her statement:

> I feel this is a place where I can get my life together. I am getting my education and learning to work. My mother never cared if I went to school, and she never told me about having babies or being a parent. The people here and the programs here are helping me. I am learning to be a teacher's assistant so that I can go to college and start my own business and get off of public assistance. I needed this chance.

Elena is not alone. There are others like her that need a chance.

Mr. President, I ask to have printed in the RECORD a statement of Bishop John Ricard, Chairman of the Domestic Policy Committee, United States Catholic Conference, a statement of Catholic Charities USA also be printed in the RECORD, and a National Council of Churches of Christ in the USA, a statement in support of the amendment, also be printed in the RECORD.

There being on objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF BISHOP JOHN H. RICARD, SSJ, CHAIR, DOMESTIC POLICY COMMITTEE, UNITED STATES CATHOLIC CONFERENCE

We are pleased to offer our support and encouragement to the efforts of Senator Conrad and others to provide education, training and adult supervision to teen parents as part of welfare reform in the Senate. We are hopeful that this approach will be adopted rather than the cut-off of all benefits to teen parents which some Senators are proposing. We opposed such measures in the House welfare reform bill.

In its March 1995 welfare reform statement, the Catholic Bishops' Conference Administrative Board urged that alternatives be proposed "which safeguard children but do not reinforce inappropriate or morally destructive behavior." The Bishops went on to state that the Catholic Church works every day against sexual irresponsibility and out-of-wedlock births and they do not believe that teenagers should be encouraged to set up their own households. At the same time, however, the statement criticized legislation which would deny benefits to children born to teen parents, especially in states that pay for abortions. We believe that the Conrad Amendment goes a long way towards providing appropriate options for teen parents who are eligible for assistance without encouraging them to resort to abortion.

NATIONAL COUNCIL OF THE CHURCHES
OF CHRIST IN THE USA,
Washington, DC.

STATEMENT ON PROVISIONS RELATED TO TEEN PREGNANCY IN WELFARE REFORM LEGISLATION

(By Mary Anderson Cooper, Associate Director, Washington Office)

As people of faith and religious commitment, we in the churches are called to stand with and seek justice for people who are poor. We share a conviction, therefore, that welfare reform must not focus on eliminating programs but on eliminating poverty and the damage it inflicts on children (who are ⅔ of all welfare recipients), on their parents, and on the rest of society.

We are particularly concerned that children not be victimized by attempts at welfare reform. We reject proposals which would deny benefits to children born to unmarried mothers under the age of 18 in the name of preventing teen pregnancy. Although such proposals are focused on the desirable goal of reducing pregnancy outside of marriage, we believe that they would result in punishing children and their parents. Denying cash benefits for such families will inevitably mean that the children and their mothers will eat less well and live less well than they would have if they had received cash benefits, and that their health will be undermined. Whatever we may feel about the behavior or situation of their parents, as a nation we must not allow children to become the victims of a drive to reduce federal spending or to punish their parents for conduct deemed inappropriate by Congress.

While we oppose denial of benefits to children born to unmarried mothers, we do not believe that remaining silent on the issue of teen pregnancy is helpful. The bearing of children outside of marriage has reached nearly epidemic proportions in this country. Both children and their parents suffer as a result of this situation. There is much scholarly evidence to suggest that despair about the future is one of the things that leads young women to give birth before they are able to care for their children in a stable family setting. It is our belief that providing young people with genuine hope for their futures is one key way of discouraging adolescent pregnancies. Education, job training, and creation of employment opportunity are components of that hope, as is having the chance to relate to caring adults.

The amendment being proposed by Sen. Conrad and his colleagues goes a long way toward meeting our concern about providing education and a chance at a decent future and discouraging future pregnancies outside of marriage. By providing cash benefits to allow young mothers to stay at home with their parents and finish high school, the amendment removes the incentive for them to set up separate, unsupervised living arrangements. Their is legitimate concern about the safety of young mothers who are in abusive households; but Sen. Conrad's amendment contains thoughtful provisions to allow such individuals to leave inappropriate homes to live in other supervised setting with caring adults. We particularly commend this flexibility.

We recognize that the federal deficit must be reduced. Nonetheless, we believe that reducing welfare costs by denying benefits to teenaged mothers and their children is shortsighted and will lead to the creation of a human deficit that will ultimately be more damaging to our country than an unbalanced budget could ever be.

A STATEMENT OF SHARED PRINCIPLES ON WELFARE REFORM—INTRODUCTION

As people of faith and religious commitment, we are called to stand with and seek justice for people who are poor. This is central to our religious traditions, sacred texts, and teachings. We share a conviction, therefore, that welfare must not focus on eliminating programs but on eliminating poverty and the damage it inflicts on children (who are ⅔ of all welfare recipients), on their parents, and on the rest of society.

We recognize the benefit to the entire community of helping people move from welfare to work when possible and appropriate. We fear, however, that reform will fail if it ignores labor market issues such as unemployment and an inadequate minimum wage and important family issues such as the affordability of child care and the economic value of care-giving in the home. Successful welfare reform will depend on addressing these concerns as well as a whole range of such related issues as pay equity, affordable housing, and access to health care.

We believe that people are more important than the sum of their economic activities. Successful welfare reform demands more than economic incentives and disincentives. It depends on overcoming biased assumptions about race, gender and class that feed hostile social stereotypes about people living in poverty and suspicions that people with perspectives other than our own are either indifferent or insincere. Successful welfare reform will depend ultimately upon finding not only a common ground of policies but a common spirit about the need to pursue them for all.

The following principles do not exhaust our concerns or resolve all issues raised. The principles will serve nonetheless as our guide in assessing proposed legislation in the coming national welfare debate. We hope they may also serve as a rallying point for a common effort with others throughout the nation.

PRINCIPLES

An acceptable welfare program must result in lifting people out of poverty, not merely in reducing welfare rolls.

The federal government should define minimum benefit levels of programs serving low-income people below which states cannot fall. The benefits must be adequate to provide a decent standard of living.

Welfare reform efforts designed to move people into the work force must create jobs that pay a livable wage and do not displace present workers. Programs should eliminate barriers to employment and provide training and education necessary for inexperienced and young workers to get and hold jobs. Such programs must provide child care, transportation, and ancillary services that will make participation both possible and reasonable. If the government becomes the employer of last resort, the jobs provided must pay a family-sustaining wage.

Disincentives to work should be removed by allowing welfare recipients to retain a larger portion of wage earnings and assets before losing cash, housing, health, childcare or other benefits.

Work-based programs must not impose arbitrary time-limits. If mandated, limits must not be imposed without availability of viable jobs at a family-sustaining wage. Even then, some benefit recipients cannot work or should not be required to work. Exemptions should be offered for people with serious physical or mental illness, disabling conditions, responsibilities as caregivers for incapacitated family members, and for those primary caregivers who have responsibility for young children.

Welfare reform should result in a program that brings together and simplifies the many efforts of federal, state and municipal governments to assist persons and families in need. "One-stop shopping centers" should provide information, counseling, and legal assistance regarding such issues as child support, job training and placement, medical care, affordable housing, food programs and education.

Welfare reform should acknowledge the responsibility of both government and parents in seeking the well-being of children. No child should be excluded from receiving benefits available to other siblings because of having been born while the mother was on welfare. No child should be completely removed from the safety net because of a parent's failure to fulfill agreements with the government. Increased efforts should also be made to collect a proper level of child support assistance from non-custodial parents.

Programs designed to replace current welfare programs must be adequately funded. They will cost more in the short-term than the present Aid to Families with Dependent Children; but if welfare reform is successfully implemented, they will cost less as the number of families in need of assistance diminishes over the long-term. Funds for this effort should not be taken from other programs that successfully serve poor people.

NATIONAL ENDORSING ORGANIZATIONS

Adrian Dominican Sisters; American Baptist Churches, USA; American Ethical Union, Inc., National Leaders Council (AEU); American Friends Service Committee; Bread for the World; Church of the Brethren, Washington Office; Church Women United; Columban Fathers Justice and Peace Office; Episcopal Church; General Board of Global Ministries, United Methodist Church, Institutional Ministries; General Board of Church and Society, United Methodist Church; Interfaith IMPACT for Justice and Peace; Jesuit Social Ministries, National Office; Evangelical Lutheran Church in America; Maryknoll Society Justice and Peace Office; Mennonite Central Committee, Washington Office; Committee on Church and Society, Moravian Church, Northern Province; National Council of Churches; National Council of Jewish Women; NETWORK, A National Catholic Social Justice Lobby; Presbyterian Church (USA), Washington Office; Union of American Hebrew Congregations; Unitarian Universalist Service Committee; United Church of Christ, Office for Church in Society.

CATHOLIC CHARITIES USA,
August 4, 1995.

DEAR SENATOR: As the Senate takes up welfare reform, we urge you to adopt provisions to strengthen families, protect children, and preserve the nation's commitment to fighting child poverty.

Across this country, 1,400 local agencies and institutions in the Catholic Charities network serve more than 10 million people annually. Last year alone, Catholic Charities USA helped more than 138,000 women, teenagers, and their families with crisis pregnancies. Because Catholic agencies run the full spectrum of services, from soup kitchens and shelters to transitional and permanent housing, they see families in all stages of problems as well as those who have escaped poverty and dependency.

This broad experience, along with our religious tradition which defends human life and human dignity, compels us to share our strong convictions about welfare reform.

The first principle in welfare reform must be, "Do no harm." Along with the U.S. Catholic Conference, the National Right-to-Life Committee, and other pro-life organizations, we have vigorously opposed child-exclusion provisions such as the "family cap" and denial of cash assistance for children born to teenage mothers or for whom paternity has not yet been legally established.

We are also convinced that the idea of rewarding states for reducing out-of-wedlock pregnancies is well-intentioned but dangerous in light of the fact that the only state experiment in this regard, the New Jersey family cap, already has increased abortions without any significant reduction in births. The "illegitimacy ratio" may well encourage states to engage in similar experiments that would result in more abortions and more suffering.

We also support Senator Kent Conrad's amendment, which not only would require teen mothers to live under adult supervision and continue their education, but also would provide resources for "second-chance homes" to make that requirement a reality.

The second principle should be to protect children. We are very concerned that the new work requirements and time limits for AFDC participation will leave children without adequate adult supervision while their parents are working or looking for work. The key to successful work programs is safe, affordable, quality day care for the children. The bill before the Senate does not guarantee or increase funding for day care to meet the increased need associated with the work requirements and time limits. Please, support amendments by Senators Hatch, and Kennedy to guarantee adequate funding to keep children safe while their mothers try to earn enough to support them.

The third principle should be to maintain the national safety net for children. We oppose block granting Food Stamps, even as a state option, because the Food Stamp program is the only national program available to feed poor children of all ages with working parents as well as those on welfare. On the whole, the Food Stamp program works well, ensuring that children in even the poorest families do not suffer from malnutrition.

We are encouraged by the fact that Senator Dole's bill does not seek to cut or erode federal support for child protection in the child welfare system. Proposals to block grant these essential protections are ill-advised and dangerous to children who are already abused, neglected, abandoned, and totally at the mercy of state child welfare systems. Federal rules and guarantees are essential to the safety of children.

The fourth principle should be fairness to all citizens. Certain proposals before the Senate would create a new category of "second-class citizenship," making immigrants ineligible for most federal programs, even after they become naturalized Americans. We urge you to reject this and other proposals that would leave legal immigrants without the possibility of assistance when they are in genuine need.

The fifth principle should be to maintain the national commitment to fighting child poverty. In exchange for federal dollars and broad flexibility, states should be expected to maintain at least their current level of support for poor children and their families. We understand that Senator Breaux will offer such an amendment on the Senate floor. Please give it your support.

In our Catholic teaching, all children, but especially poor and unborn children, have a special claim to the protection of society and government. Please vote for proposals that keep the federal government on their side.

Sincerely,

FRED KAMMER, SJ,
President.

Mr. COATS. Mr. President, each year, over 1 million teenagers become pregnant. For many, the birth of the child signals the beginning of the cycle of welfare dependency. In 1993, the U.S. Department of Health and Human Services reported at least 296,000 unmarried teen mothers on welfare, 67,000 under the age of 18.

The current system of providing cash under AFDC to young teenage parents has failed. It has undermined families and provided the economic lifeline for generations of welfare dependency. It was wrong from the beginning for Government to provide checks to 15-year-old girls on the condition that they leave home and remain unmarried.

But as this destructive policy is reconsidered, many young, pregnant women are still in need, not of cash, but of direction, compassion and support. Ending AFDC could have the perverse effect of encouraging these women to have abortions, which would compound the tragedy, not solve it. Neither the status quo, nor a total cutoff, are good options. Creative ways must be found to give women in crisis pregnancies compassionate help in their own communities.

Private and religious maternity homes, also known by some as second chance homes, provide that help. They are a one-stop supportive environment where a young woman can receive counseling, housing, education, medical services, nutrition, and job and parenting training that gives them real opportunity for growth and decision making. Whether a pregnant mother makes a decision to parent themselves or to place the child up for adoption, she will receive important care, training, and life management skills to enable her to make effective choices that will place her on the road to self-sufficiency.

Studies have shown that the infant mortality rate of babies born to residents of maternity homes is much lower than the national average. In addition, residents are more likely to complete their education and receive better paying jobs than teens who continue in regular schools through their pregnancies. Those teens who choose to parent are provided intensive parenting courses so that their children are at less risk for abuse and neglect.

Maternity homes are proven success stories. St. Elizabeth's Regional Maternity Center of New Albany, IN, is a prime example. Their mission is to "address the needs of women and families that are in a crisis pregnancy by offering physical, emotional and spiritual support to ensure the physical and emotional health of the mother and the health of the baby." The results of St. Elizabeth's, like many other maternity homes, is impressive. Seventy percent of the women enrolled in their program have moved from welfare to self-sufficiency. Eighty-five percent have earned a diploma or GED.

Mr. PRYOR. Mr. President, I rise today to voice my support for the Conrad teen parent amendment and to take a few minutes to discuss a serious social problem that must be addressed—teenage pregnancy.

Senator CONRAD's amendment allows all States to do what my home State of Arkansas is already doing. Currently, Arkansas has a waiver to operate two programs for teen parents. The first requires minor parents to remain in their parents' or guardian's household in order to receive AFDC benefits. If a teenage parent is unable to live at home, the State places the young woman in an adult-supervised living arrangement. Teens should not be on their own raising a child. They need supervision, education, and support.

The second, requires teenage parents who have not finished high school to attend school or another training program to receive benefits, the point being that these teen mothers will never become self-sufficient if they drop out of school. However, the benefits are two-fold. The parent gets the education and skills she needs to become self-sufficient, and the children of these teen parents have a better chance of completing school themselves.

Mr. President, I cannot stress enough the need for programs that will educate these mothers and their children. It may be the only way we can decrease the welfare rolls. By teaching young adults about the consequences of teen pregnancies and the importance of an education, we can keep these young people out of welfare lines and focused on improving their future. Our Nation must work together to fight teen pregnancy. We should involve businesses, schools, religious institutions, and community organizations in order to bring together all facets of society in an organized effort to combat teen pregnancy both now and in the next generation.

Although birth rates among all teenagers are lower now than during the 1950's, the birth rate among unmarried teenagers has risen sharply over the last 30 years. In 1970, 70 percent of births to teens were to married teens. Now, 70 percent of births are to unmarried mothers. I find this statistic frightening.

My home State of Arkansas runs a close second to Mississippi for highest level of teen pregnancies. Among women ages 15 through 19, 80 out of every 1,000 give birth. In fact, in 1992, teenagers gave birth to more than 7,000 children in Arkansas. These facts cannot be ignored.

Another fact that cannot be ignored: teens from poor and educationally disadvantaged families are more likely to become pregnant than those from more affluent and highly educated parents. A recent study indicated that education is the number one predictor of teen pregnancy. Teenagers whose mothers have at least a high school education are half as likely to become teen mothers themselves. I am convinced that education is the key to our teen pregnancy problem. I realize that this is not a cheap solution, nor is it a quick one. It could take a generation to reduce teen pregnancies significantly. The point is, of the limited amount we know about teen pregnancy prevention, we do know that education works. We should require young women who get pregnant to stay in school. It is the only chance they have to be able to provide a future for themselves or for their child.

Although teenage parents make up only a very small percentage of the current AFDC caseload, many older women on welfare had their first child as teenagers. Almost half of all adolescent mothers, both married and unmarried, began receiving AFDC within 5 years of giving birth for the first time. For unmarried adolescent mothers, this number increases to three-fourths. The fact is that the birth of a child compounds the disadvantages that many young people face and makes it more likely that they will live in poverty.

Mr. President, my State requires teen mothers to live with a responsible adult and to stay in school through waivers to the current AFDC program. These programs are effective because they say to these young parents that we, our society, and our Government, are willing to help them succeed, to help them learn, to allow them to have the opportunities that they, as American citizens, deserve. I do not believe that Arkansas is the only State which would benefit from such programs. This is why I support Senator CONRAD's teen parent amendment, and I urge my colleagues to join me in this support.

Mr. DOLE. Mr. President, I have been trying to work out the amendment. I thought if we worked it out on the basis we would accept it and not be required to have a rollcall vote. As far as I know it is unanimous. I thought that is what part of the package was.

Mr. CONRAD. I just say this to the leader. I was hopeful we could do this without a vote. Others who have been involved in this have insisted on a vote, and I am duty bound to honor their request after all.

Mr. DOLE. I may not be duty bound to accept it. We will see what happens here. My view was we were trying to speed up the process. It is now 20 minutes of 9 o'clock. We have been working in good faith all day. I do not know who requested the vote. I wish they were there. We spent an hour on the amendment. We could have had three or four votes. We will reserve judgment on the amendment.

Mr. CONRAD. I thank the majority leader. I say I was hopeful we could avoid a vote, and perhaps that could still be done. Maybe we can hear from Senator LIEBERMAN.

Mr. CHAFEE. Could I say it is a tremendous amendment. Everybody is for it. I do not see why we do not accept it and get it over with.

I wonder if the Senator might do this. We have other amendments. If he could check with his cosponsors and see if they drop their objections as we are dealing with the other amendments, then we can at least pick up some time.

Mr. CONRAD. I hope maybe we could have Senator LIEBERMAN make a brief statement before we resolve it. The idea was to have a whole——

Mr. CHAFEE. All Senator LIEBERMAN can do is to lose now. Everybody is for the amendment.

I yield 2 minutes to the Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, heeding the admonition, growing up in Connecticut State politics really always taught me when you got the votes call the roll.

I will be very brief and just say this: We have all talked about the problem of teenage pregnancy, of babies born out of wedlock and the extent to which that expands the welfare rolls; of the extent to which children born to poor, unwed mothers are born to a life that has very little hope in it; of the extent to which babies born to unwed mothers without a father in the house too often grow up to be the violent young criminals that disrupt, threaten, and hurt so many law-abiding people in our society.

On this bill I think we are beginning to do something about the problem of teenage pregnancy and illegitimate births. No one can claim any certainty about how to deal with, let alone solve, so profound and complicated a human problem. We have begun to offer some opportunities to the States particularly to make a difference.

Earlier today we sustained the part of this bill that deals with illegitimacy ratios and creates bonuses to States that are doing a good job at reducing the rate of illegitimacy.

Here in the amendment Senator CONRAD and I have crafted, which the Republican leader has worked with us on throughout the day, I think we make another constructive contribution.

We set up a national program with national goals. We recognize the startling fact that so many of the babies born to teenage mothers are actually fathered by adult men by calling on the States to once again enforce statutory rape laws, and we fund these very hopeful second-chance homes.

I thank all on both sides who have worked to put this amendment together. It is constructive. It can make a difference.

Let me say for the record I am not the one asking for the vote. I thank the Chair.

Mr. CHAFEE. I yield back the remainder of my time.

Mr. CONRAD. Might I ask for 15 seconds to resolve this matter?

Mr. President, we have checked with cosponsors who had made a commitment to ask for a vote on this matter, and we have persuaded them that the better part of valor is to have this accepted.

I ask unanimous consent that Senator ROCKEFELLER be listed as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. I ask that the majority leader also be listed as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. The amendment is agreeable.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2528), as modified, was agreed to.

Mr. DOLE. I move to reconsider the vote.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHAFEE. I ask that the votes we are going to have be set aside for 10 minutes so the Senator from New Jersey can be heard.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2496

Mr. BRADLEY. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment No. 2496 is pending. The Senator is recognized for 5 minutes.

Mr. BRADLEY. The purpose of this amendment is simply to put back into place the basic elements of a cash assistance program, which were left out, I hope inadvertently, from the bill. Without retaining at least the basic core of a system that assists poor families, we would have nothing to reform. It simply requires States to set their own rules for assistance and then follow those rules.

What is it we are trying to do here? I think, or I thought, that we were trying to change the welfare system to send clear messages about values, work, and responsible parenting. But if you wants to send a clear message, the rules have to be clear and firm. Parents have to know that if they violate the State rules, they will lose benefits, period. And if they follow the rules, look for work, take responsibility, they will be helped. Period.

Under the bill, States may use the grant in any manner that is reasonably calculated to accomplish the purpose of this part, and that purpose is defined simply as assisting needy families, which can mean anything. States could conceivably do no more than to refer needy families to a facility where some surplus cheese might be available for parents. States could operate a totally chaotic, arbitrary, discriminatory, or virtually nonexistent welfare system, while still collecting their funds under this block grant.

Governors have assured us that they will administer funds fairly and responsibly. I have no doubt that most of them will try to. But we also know that most States will face increasing financial pressure. Only a few States, according to the CBO, can afford to pay for the work requirements in this bill. So even if States don't completely ignore whole populations, they might provide minimal assistance in one region of the State or put very needy applicants on a waiting list after the Federal funds run out.

The result will be the opposite of what is intended. Instead of imposing time limits on those who have been on welfare for a long time, we will put people who need help for the first time on a waiting list.

Without basic standards, work requirements would become meaningless, since there is no basic definition of who is eligible and therefore who should be in a work program. If a State has trouble meeting the work participation requirements under this bill, they can simply stop serving those who are having the most trouble finding work.

This amendment requires States to set basic eligibility standards, define categorical exceptions—such as time limits—and then follow those rules by assisting everyone eligible under those State rules. Everything in this debate suggests that this is what we expect States to do, so why not spell it out.

My amendment retains every aspect of State flexibility ever asked for by any Governor. States would be free to set eligibility standards and benefits, as they do now, and to set rules for income and assets. They could set short-time limits or deny benefits to unwed teen mothers or additional children born to women receiving benefits, as long as they apply the rules consistently.

I have also made clear in this amendment that States could also cut off benefits to any family under the terms of an individualized agreement with the family. The most innovative States, like Iowa and Utah as well as New Jersey, currently establish such contracts setting specific obligations for each family. A parent might agree, for example, to seek substance abuse treatment, and face a cutoff of benefits if he or she does not comply. This amendment makes clear that States can cut off benefits for failure to comply, as long as the rules are clear.

This amendment does not challenge any specific reasons a State might choose to cut a family off benefits, even though I have doubts about the merits of some of the categorical cutoffs in the House bill. What this amendment goes after is the arbitrary refusal to help a family: The waiting list. The neglected region of a State. The bureaucrat who has not gotten around to looking at the application. The agency that does not want the hassle of dealing with someone who will require more time to place in a job.

States could set any rules they like. But people have to know what the rules are. It's a very simple amendment, but without it, this bill is meaningless, empty, and potentially devastating news for families with children.

Rebuttal to claim that this amendment recreates entitlement.

This amendment does not entitle anyone to anything. It gives States total freedom to develop any kind of rule under which an individual can be cut off. If a State wants to say, you receive no benefits if you are seen jaywalking, they can do it.

Rebuttal to claim that this amendment is too prescriptive on States:

If Governors are concerned that this would prevent them from implementing some policy that they want to enact, I would like to know what that is. If Governors want to do something different from writing new rules and implementing them, I think they own us an answer about what it is they want to do.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2496) was agreed to.

Mr. DOLE. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHAFEE. Mr. President, I ask unanimous consent that there be 2 minutes between the second, third, fourth, and fifth rollcall votes—second, third, and fourth rollcall votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. And that after the first rollcall vote, the votes be 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOTE ON AMENDMENT NO. 2526

The PRESIDING OFFICER. The question occurs on amendment No. 2526, offered by the Senator from Alabama [Mr. SHELBY] in which the yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Tennessee [Mr. FRIST] is necessarily absent.

Mr. FORD. I announce that the Senator from Maryland [Mr. SARBANES] is necessarily absent.

The PRESIDING OFFICER (Mr. GRASSLEY). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 93, nays 5, as follows:

[Rollcall Vote No. 425 Leg.]

YEAS—93

Abraham
Akaka
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Brown
Bumpers
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Dole
Domenici
Dorgan
Exon
Faircloth
Feinstein
Ford
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Hatfield
Heflin
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Murkowski
Murray
Nickles
Nunn
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Shelby
Simon
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone

NAYS—5

Bryan
Byrd
Feingold
Moynihan
Packwood

NOT VOTING—2

Frist
Sarbanes

So the amendment (No. 2526) was agreed to.

Mr. SHELBY. Mr. President, I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MOYNIHAN. May we have order, Mr. President.

Mr. DOLE. Mr. President, I have just had a discussion with the distinguished Democratic leader, Senator DASCHLE, and we would like anybody here who feels compelled—I underscore the word compelled—to offer an amendment tonight or sometime during the night to let us know during this next vote. We would like to wrap up this bill. We are working on a major amendment that we think will be acceptable. And I know some people think they need to offer every amendment, and some of these amendments are not really germane to this bill. But we would like to have some idea of how many amendments we have left.

So if you would either let me know, if it is a Republican amendment, or Senator DASCHLE know, or the managers know, between now and the time the next couple of votes end, we would appreciate it.

AMENDMENT NO. 2669

The PRESIDING OFFICER. The next order of business is the Mikulski amendment 2669, 2 minutes evenly divided.

Who yields time?

The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator has 1 minute.

Ms. MIKULSKI. This amendment is offered by Senator BRADLEY and myself. Its purpose is to bring men back into the family: No. 1, to have tough child support; No 2, to promote marriage, and, No. 3, to end the parent trap that is in the GOP welfare reform bill. The GOP welfare reform bill does nothing to restore men in families.

What this amendment does is provide job placement for noncustodial fathers, meaning if a dad wants a job and to go to work, if he does not have work, we work to place him in it.

No. 2, we prevent States creating welfare rules that penalize marriage and push men out of the family, particularly where they work more than 100 hours a month.

We also promote marriage. It says that where there is a family cap, this amendment would require them to come up with incentives that promote marriage. The other is we would pay child support to mothers, not to child support.

The PRESIDING OFFICER. The time of the Senator has expired.

Ms. MIKULSKI. Our amendment is good for fathers, for kids, for America. I urge its adoption.

The PRESIDING OFFICER. Who yields time?

The majority leader.

Mr. DOLE. Mr. President, I know the Senator feels very strongly about this amendment.

Let me just say, we have tried to accommodate a number of major amendments—child care. We have lost some savings on this bill, and our savings are not nearly as much as the House side. This amendment would cost $920 million over the next 7 years. That is almost $1 billion. There is no offset. It would come right out of the savings. I hope it will be rejected.

The PRESIDING OFFICER. Does the Senator yield back the time?

Mr. DOLE. I yield to the Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, in addition to this amendment costing $1 billion, this sets up a job training and job search program for deadbeat dads and for people who let their kids go on welfare.

You have a hard-working parent who is trying to help their children, who is working in a job. They do not get any help from the Government. But if you have a deadbeat dad and you let your kids go on welfare, we are going to set up a job training and job search program for you. This is a misguided amendment.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment. The yeas and nays have been ordered. This is a 10-minute rollcall vote. The clerk will call the roll.

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from Tennessee [Mr. FRIST] is necessarily absent.

Mr. FORD. I announce that the Senator from Maryland [Mr. SARBANES] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 34, nays 64, as follows:

[Rollcall Vote No. 426 Leg.]

YEAS—34

Akaka
Biden
Bingaman
Boxer
Bradley
Breaux
Conrad
Daschle
Dodd
Dorgan
Feingold
Ford
Glenn
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Murray
Pell
Reid
Robb
Rockefeller
Simon
Wellstone

NAYS—64

Abraham
Ashcroft
Baucus
Bennett
Bond
Brown
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato

DeWine
Dole
Domenici
Exon
Faircloth
Feinstein
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kerrey
Kyl
Lott
Lugar
Mack
McCain
McConnell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pressler
Pryor
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NOT VOTING—2

Frist
Sarbanes

So the amendment (No. 2669) was rejected.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MOYNIHAN. Mr. President, we must have order as a procedural matter is about to be discussed.

The PRESIDING OFFICER. Will the Senator suspend? The Senator from New York wants order. The Chair asks every Senator to pay attention to the Senator from Rhode Island who seeks the floor.

AMENDMENT NO. 2517, AS MODIFIED

Mr. CHAFEE. Mr. President, just to intervene here, we are prepared to accept the following amendment after the Feinstein amendment, which is the DeWine amendment. I know the Senator from Mississippi had some reservations, and there are some changes that we would make in that DeWine amendment before the conference. The other side is prepared to accept it, and we are prepared to accept the DeWine amendment.

The PRESIDING OFFICER. Is the Senator from Rhode Island seeking to vitiate the yeas and nays on the DeWine amendment?

Mr. CHAFEE. Correct. I ask unanimous consent that the yeas and nays be vitiated on the DeWine amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the DeWine amendment No. 2517, as modified.

So, the amendment (No. 2517), as modified, was agreed to.

Mr. CHAFEE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2478

The PRESIDING OFFICER. The next issue before the Senate is the Feinstein amendment 2478, with 2 minutes evenly divided. Who yields time?

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized for one minute.

Mrs. FEINSTEIN. I thank the Chair.

Mr. President, the bill, as presently drafted, would deny cash and noncash welfare benefits to naturalized citizens. The Constitution of the United States provides for one class of citizens, and the only place it diverges is with respect to the President of the United States.

In every other case, a naturalized citizen is as good as a native-born citizen. I believe it is extraordinarily important that this amendment be adopted. It is supported by the American Bar Association, by the Governor's conference, by the State legislatures, by Mayor Giuliani, by Mayor Riordan of Los Angeles, by virtually a whole host of organizations. It would be my hope that in this bill we do not, for the first time in American history, create two classes of American citizens.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time? The Senator from Wyoming is recognized for 1 minute.

Mr. SIMPSON. Mr. President, as many of you know, through the years, we do immigration reform legislation. It is always materially dressed, and then when we come to tough votes, we do not stick. This is one of those. We are not making second-class citizens of anyone. We are saying that whether you are naturalized or whether you are native born, one of the assets that is considered as to whether you are a public charge should be a contract, should be a court-ordered support, and we think that one of the things that should be in there is the affidavit of support of the sponsor. That is all we are saying.

That does not make anyone a second-class citizen. If you do not include that, then, in my mind, you are going to induce people to naturalize so they can get into the public support system. That is why I object to this measure.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment. The yeas and nays have been ordered. This is a 10-minute rollcall vote. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Tennessee [Mr. FRIST] is necessarily absent.

Mr. FORD. I announce that the Senator from Maryland [Mr. SARBANES] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 37, nays 61, as follows:

[Rollcall vote No. 427 Leg.]

YEAS—37

Abraham
Akaka
Biden
Boxer
Bradley
Breaux
Chafee
Cohen
Daschle
Dodd
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Hatfield
Inouye
Jeffords
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Mack
Mikulski
Moseley-Braun
Murray
Pell
Robb
Santorum
Simon
Snowe
Specter
Wellstone

NAYS—61

Ashcroft
Baucus
Bennett
Bingaman
Bond
Brown
Bryan
Bumpers
Burns
Byrd
Campbell
Coats
Cochran
Conrad
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Dorgan
Exon
Faircloth
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Heflin
Helms
Hollings
Hutchison
Inhofe
Kassebaum
Kempthorne
Kerrey
Kyl
Lieberman
Lott
Lugar
McCain
McConnell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pressler
Pryor
Reid
Rockefeller
Roth
Shelby
Simpson
Smith
Stevens
Thomas
Thompson
Thurmond
Warner

NOT VOTING—2

Frist
Sarbanes

So the amendment (No. 2478) was rejected.

Mr. CHAFEE. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHAFEE. Mr. President, this is the last vote in this category. We have others coming after this. But the others have not yet been debated or rollcalls ordered. This is the last one in this group.

AMENDMENT NO. 2513

The PRESIDING OFFICER. The next order of business before the Senate is the Feinstein amendment numbered 2513. There are 2 minutes evenly divided.

Mrs. FEINSTEIN. Mr. President, under present law, deeming only applies to cash programs, AFDC, SSI and food stamps.

Without this amendment, there is a massive cost shift, particularly to four States: New York, Texas, Florida and California. That cost shift is literally hundreds of millions of dollars because it means that legal immigrants presently in this country today would not have access to Medicaid, to Head Start, to child protective services, to foster care, to any of those noncash programs.

Who would have to pick it up? The State or the local jurisdictions. It is a massive cost shift for four major States. I yield the floor.

Mr. DOLE. I say this is a $700 million reduction in the savings. I know it is a problem.

My view is we have already tried to accommodate a number of requests, and we believe we ought to protect the savings we have.

Mr. SIMPSON. Mr. President, we have already agreed to a Wellstone amendment which had to do with battered women and foster children, the exemption there. There was a Kennedy amendment with regard to Head Start, soup lines and kitchens. We have agreed to that.

This opens up this bill. This includes Medicaid, public housing, job training and any other program which does not provide cash assistance to the recipient.

We have a year's gap in the bill to take care of people in extremity who are broke or sponsors that cannot make it, or people who cannot make it and have no food and shelter. That is all in this bill. For a whole year we take care of those people.

This opens the gate for $707 million. I do not know where it is supposed to come from—maybe Medicaid.

The PRESIDING OFFICER. The question is on agreeing to the amendment No. 2513. The yeas and nays have been ordered. This is a is 10-minute rollcall.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Tennessee [Mr. FRIST] is necessarily absent.

Mr. FORD. I announce that the Senator from Maryland [Mr. SARBANES], is necessarily absent.

The result was announced—yeas 20, nays 78, as follows:

[Rollcall Vote No. 428 Leg.]

YEAS—20

Akaka
Bingaman
Boxer
Daschle
Dodd
Feinstein
Glenn
Graham
Harkin
Inouye
Johnston
Kennedy
Kohl
Mikulski
Moseley-Braun
Moynihan
Murray
Simon
Specter
Wellstone

NAYS—78

Abraham
Ashcroft
Baucus
Bennett
Biden
Bond
Bradley
Breaux
Brown
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Dorgan
Exon
Faircloth
Feingold
Ford
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Heflin
Helms
Hollings
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kerrey
Kerry
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Stevens
Thomas
Thompson
Thurmond
Warner

NOT VOTING—2

Frist
Sarbanes

So, the amendment (No. 2513) was rejected.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MOYNIHAN. Mr. President, may we have order?

The PRESIDING OFFICER (Mr. McCAIN). May we have order in the Senate? The Senate is not in order.

Mr. MOYNIHAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I believe the Senator from Florida is next in our sequence. May I ask how much time the Senator will require, how little time the Senator will require?

The PRESIDING OFFICER. The Chair notes the distinguished majority leader is seeking recognition.

Mr. DOLE. Mr. President, I was going to ask the same question, if we could get some agreement on time, or get a voice vote. Some of these things could be disposed of on a voice vote, I think. Like an 80-to-20 vote, we could probably determine that by audible vote, if somebody wanted that. But if we could get a time agreement, that would be a start.

Mr. GRAHAM. Mr. President, 20 minutes, equally divided.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. There will be 20 minutes, equally divided.

Mr. DOLE. I yield to the Senator from West Virginia, Senator BYRD.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I hope Senators will take their cue from the majority leader and have voice votes. If it is any satisfaction to offer an amendment at this stage, just to offer it, get a voice vote on it. These amendments are not going anywhere. Most of these amendments are going to be dead on arrival when they get to conference. We are just wasting our time. There are not many Senators listening now. Look around these walls. Just look at the people stacked around the walls. We cannot get order in the Chamber. Who wants to speak when Senators cannot listen? We are just wasting our time, spinning our wheels.

We have had a good run for the bill. We have had a vote on the Democratic substitute. Several amendments have gotten good votes. I know that every person who offers amendments feels that they are good amendments. But we have reached a point now where the law of diminishing returns has set in.

I hope Senators will curb their appetites for rollcall votes and call up their amendments, have a voice vote. We are not going anywhere anyhow. Not many amendments are even going to carry.

We have been on this bill now for 12 session days. We have all had a good chance at it. We have had our run at it. Let us go home. I have a wife waiting on me and my little dog, Billy.

[Laughter.]

We have reached a point now where we are just looking foolish.

I thank the leaders and all Senators who have listened.

Mr. MOYNIHAN. Mr. President, with some temerity making a point and bringing attention to the rules and the presence of the ROBERT C. BYRD, may I say that if they voice vote and it is close, a Senator may ask for a division and get a count. It need not take 20 minutes.

UNANIMOUS-CONSENT AGREEMENT

Mr. DOLE. Mr. President, I want to say that perhaps we can help resolve it, too, if we can get this consent agreement. Let me read it for my colleagues, and everybody can decide.

I ask unanimous consent that the following amendments be the only amendments remaining in order, other than those cleared by the two managers; that they be debated this evening, and the votes occur on or in relation to the amendments tomorrow beginning at 9:30 a.m., with 10 minutes between each rollcall vote to be equally divided in the usual form:

Bingaman, No. 2483; Bingaman, No. 2484; Simon, No. 2468; Wellstone, No. 2503 and 2505; Kennedy, No. 2564; Kohl, No. 2550; Graham of Florida, No. 2509 and 2568; Gramm of Texas, No. 2615, as modified, and 2617; Levin-Dole modification No. 2486.

I further ask that following the votes, beginning at 9:30 a.m. on Friday, the two leaders be recognized to offer the compromise modification Dole amendment, with 40 minutes for debate to be equally divided in the usual form, and that following the conclusion or yielding back of time, the amendment be so modified.

I also ask that following the modification, it be in order for one amendment to be offered by the majority leader and one amendment to be offered by ten minority leader; and that following the disposition of the two leaders' amendments, if offered, the Senate proceed to the adoption of the Dole amendment 2280, as amended; and that following the disposition of the Dole amendment, the bill be advanced to third reading, and final passage occur at a time and day to be determined by the majority leader after consultation with the Democratic leader.

Let me explain what this would do. This would mean that those who do not have amendments would not have to stay here for debate. Debate would be completed this evening, and we will start to vote tomorrow.

That would also give additional time—because we do have a rather major drafting effort going on—to others to take a look at that tomorrow morning to see if it is satisfactory to people on both sides.

I think I inadvertently asked for a Bradley amendment, which might create a new entitlement program. I might need to strike that out. I did not read it carefully enough. I thank my colleague from New Jersey.

So I might do that tomorrow because they are going to score this, and I do not want to lose any additional money. We have lost a little today.

But that would be the UC agreement. I think we have protected everybody's rights.

Mr. DASCHLE. Mr. President, will the majority leader yield?

Mr. President, I must confess I looked at it—with one exception that I believe our staffs have looked at—and I am a little concerned on reflection that the 40 minutes may not be an adequate period of time for people to look at the larger compromise amendment. we want to give everybody a chance to do that. It could be that less than 40 minutes may be required. If we could just delete any reference to a period of time, that would satisfy us.

Second, if we could just have two amendments to be offered by the majority leader and the minority leader, I think that would take care of any concern that we have.

Mr. DOLE. Two by the majority and two by the minority.

I make those modifications.

I take out the following words: "With 40 minutes for debate to be equally divided in the usual form."

So the modification reads: To offer the compromise modification to the Dole amendment, and that following the conclusion or yielding back of time, the amendment be so modified.

Mr. WELLSTONE. Reserving the right to object, I shall not, I wonder whether on the Wellstone amendment 2503, I say to the majority leader, change that to "modified." I think that is OK with everyone.

Mr. DOLE. 2503, as modified. No problem. And 2505.

Mr. WELLSTONE. 2505 is fine.

Mr. DOLE. 2503, as modified.

Mr. WELLSTONE. As I understand the agreement, the time for vote on final passage is still left.

Mr. DOLE. Let me just assure everybody, I think this is a very important vote. Nobody wants to miss this vote. I know that some people are necessarily absent tomorrow. Some are necessarily absent on Monday.

I hope we could say, after the Tuesday luncheons, if everybody is in town.

Mr. DASCHLE. If I could just add not only that concern, but because we have made a lot of changes throughout the day, I think everybody ought to have plenty of opportunity to look at it prior to the time they are going to be casting their vote.

So for both reasons, I think it would be good if we held it over until next week.

Mr. DOLE. We want to get to third reading, have a vote, and we can start on appropriations tomorrow and wrap those up in a few days.

[Laughter.]

Mr. BINGAMAN. Mr. President, could I ask the majority leader, does the unanimous consent agreement contemplate some time tomorrow for some few minutes to discuss each amendment before the votes occur?

Mr. DOLE. Ten minutes. If you do not want to stay tonight, there are 10 minutes between each vote tomorrow.

Mr. BINGAMAN. I thank the majority leader.

Mr. DOLE. It might be better to do it tomorrow.

Is there objection?

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Reserving right to object, Mr. President, could we just have a better understanding as to when the final vote will occur?

Mr. DOLE. On the bill itself, final passage?

Mr. BYRD. Yes.

Mr. DOLE. It is my hope—I have not consulted with the Democratic leader—if all Members are in town, following the luncheons on Tuesday, we would vote following the luncheons on Tuesday.

Mr. BYRD. So is that part of the request?

Mr. DOLE. Yes. That is not part of the agreement in case somebody is ill or is not able to be here. I think we ought to make every effort to have everybody available.

Mr. BYRD. I thank the leader.

Mr. BRADLEY. Reserving the right to object, I understand what the majority leader said about the amendment that I offered. I wanted to assure him that the second part of the paragraph that I was reading explaining the amendment would have gotten to that aspect of the amendment. But the majority leader cut me off and moved to pass the bill.

So I appreciate what he said, and I look forward to tomorrow.

Mr. DOLE. I will strike out the second part, then.

[Laughter.]

But we will work it out. We will not have any problem.

Mr. KENNEDY. Mr. President, reserving the right to object, could I just say that the Senator mentioned amendment 2564. This was to make it agreeable with the Senator from Wyoming because it deals with a narrow element in terms of the refugees. He had agreed to changes on it. I would like to be able to modify that, if that is agreeable.

Mr. DOLE. Without objection, we would say 2564, as modified.

Mr. KENNEDY. I thank the leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. We have the agreement.

So Senator BINGAMAN is up now.

Mr. MOYNIHAN. I believe Senator GRAHAM was.

Mr. DOLE. Senator GRAHAM from Florida, excuse me.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. Thank you, Mr. President.

AMENDMENT NO. 2509

Mr. GRAHAM. I call up amendment 2509.

Mr. President, this is another amendment that relates to the provisions in the bill having to do with that arcane subject of deeming. Deeming means that in calculating the financial status of an individual you deem to include in that individual's assets and income the assets and income of a third party. In this case, the individual who is affected is a person who——

The PRESIDING OFFICER. Will the Senator suspend?

Will the Senate please be in order?

The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, under this amendment, we are focused on one group of people, a finite, fixed number of individuals. Those are individuals who are in the United States lawfully as of the enactment date of this legislation. This is not an open-ended number of people which could be augmented by persons coming legally to the United States in the future.

What this amendment says is that for those people who are in the country legally today, legal aliens, they should be treated under the rules that exist today with one very major exception, and that is they would be treated in the legislation the majority leader would provide as it relates to supplemental Social Security income.

We are dealing in this amendment with a finite group of people, those who came into this country legally, who are in the country today, and who came here under certain rules and expectations. Frankly, one of those rules was that for many of these people they had a sponsor who sponsored their entry into the United States. Sadly, the fact is that by court ruling the sponsorships of legal aliens are extremely difficult to enforce, difficult to enforce by public agencies, difficult to enforce by private parties including the legal alien him or herself.

It seems to me extremely unfair, now that these people are in the country legally—and I underscore the word legally—to change the rules on them. It is particularly unfair for a specific group within this class that I would like to talk about, and that is those who have come here as relatively young people and are now enrolled in an educational program.

The largest community college in the country is Miami Dade Community College located in Miami. That one institution has some 20,000 legal immigrants within its student body, and 8,000 of those individuals are estimated to be ruled ineligible for student financial aid if an amendment such as the one that I have offered were not to be adopted.

Here are people trying to do exactly what the American dream is all about, to improve themselves by hard work, by education, by increasing their ability to contribute to the well-being of themselves, their families, their communities, and their Nation. With the failure to adopt this amendment, we would make it extremely difficult for many of these students to continue their education.

This legislation has the strong support of the American Association of Community Colleges and a variety of other State and local service providers who understand the implications of changing the rules for people who are in this country legally at the time this legislation goes into effect.

Mr. President, I appreciate your courtesy. I would like to yield time to actually the individual who was the original author of this legislation and who has been kind enough to allow me to join him in that effort, Senator SIMON of Illinois.

I wish to assure that Senator SIMON is fully listed as a sponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, is there a time agreement on this amendment?

The PRESIDING OFFICER. Ten minutes on either side.

Mr. CHAFEE. On both sides?

The PRESIDING OFFICER. Ten minutes on each side, 20 minutes equally divided.

Mr. CHAFEE. I have a question of the Senator from Florida. Is there any cost estimate on this?

The PRESIDING OFFICER. I remind the Senator from Rhode Island, questions are to be addressed through the Chair.

Mr. CHAFEE. I would ask the Chair——

The PRESIDING OFFICER. Or if the Senator from Rhode Island wishes unanimous consent to engage in colloquy with the Senator from Florida.

The Senator from Florida.

Mr. GRAHAM. The estimate is that over the 5 years the total cost is $600 million.

The PRESIDING OFFICER. Does the Senator from Florida yield time to the Senator from Illinois?

Mr. GRAHAM. I yield time to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Florida has 5 minutes and 46 seconds remaining.

The Senator from Illinois is recognized.

Mr. SIMON. Mr. President, I shall use less than 2 minutes.

I would like to have the attention of my fellow colleagues who are here. What this amendment does is simply says let us make this prospective. Let us apply it in the future. Let us not take people who have agreed to sponsor people for 3 years and all of a sudden we are going to say sorry, this contract is for 5 years. And to take people who are in a college situation, who are going to become citizens, and say sorry, you are going to have to leave school, I do not think that makes sense.

I hope that the distinguished Senator from Rhode Island and the distinguished Senator from Kansas might consider accepting this amendment. I think it does make sense to do this prospectively, not retroactively.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. CHAFEE. Mr. President, I ask if the proponents of the measure—we have gotten the cost of it—if they have an offset, any way of paying for it?

Mr. GRAHAM. We do not have an offset.

The PRESIDING OFFICER. Who yields time?

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Rhode Island yield time to the Senator from Wyoming?

Mr. CHAFEE. Yes. Such time as he needs.

Mr. SIMPSON. I think 5 minutes would be adequate.

Mr. President, again, this is one of those areas of dealing with immigration and welfare and deeming provisions. Let us understand what deeming is. The sponsor brings you here to the United States, and his or her income is deemed to be yours. You as a sponsor are responsible for this person coming to the United States, for their assistance, their welfare. And you cannot come to the United States at any time if you are going to be a public charge. At any time you become a public charge while you are still in this category, you do not come on as a naturalized citizen. You must be self-sustaining. That has been the law since 1882.

So, again, we are at one of these impasses where I am surprised some of these have been successful. This is an ancient ritual. It is about people who say we want to do something about legal immigration, we want to do something about illegal immigration, and we want to do something about people who misuse the systems. But we do not.

Now, in the last Congress, we increased the deeming period for SSI to 5 years. We did that. We already did that. In his proposal—I hope you all hear this—President Bill Clinton in his proposed welfare reform bill raised the deeming period for AFDC and food stamps to 5 years. This President, President Clinton, has agreed that this is what we should do. That is what the Dole bill quite logically and properly then does. It sets a deeming period on all welfare programs at 5 years, in accordance with the directive and the wishes of the Justice Department and the President of the United States.

Please remember that the folks that are affected by this amendment were admitted as immigrants only—only—after they and their sponsors promised—promised—that they would not become dependent on public assistance at any time, period, not just for 5 years, but for any time.

Now, under this amendment, they would be permitted to access the public welfare systems of the United States after only as few as 3 years in the United States of America. The sponsor would be off the hook, relieved of his promise of support, and the taxpayers would take over.

I think that is basically very wrong. I guess to paraphrase the words of Gertrude Stein: A sponsor is a sponsor is a sponsor. If you do not want to take care of someone when you bring them to the United States, do not sponsor them. If you bring them in as an immigrant, you have to. That is why people have misused the refugee programs. If you come here as a refugee, the Government takes care of all of it. So we have people coming here as refugees who do not qualify in any way as refugees.

We have presumptive refugees in certain areas of the world who wait 1½ years to come here after they have been designated as a presumptive refugee. You talk about gimmickry of the system. I have been at this game for 16 years, and there is plenty of it. And this amendment would cost $623 million over 7 years.

I want to say, too, that the students who the Senator has expressed concern for are sponsored immigrants who have been in the United States for less than 5 years. They are persons now seeking public assistance for college education who have a sponsor who promised, in order to get that immigrant admitted, to provide whatever assistance the immigrant might require in order to avoid becoming a public charge.

That is where we are. It is not pleasant in any way to continually year after year stand here and try to present the issues as they really are without being described as mean spirited, pinched, riven, uncaring.

That is not what we are talking about. We are talking about often people with a grand design of how to gimmick the systems. And if you really are watching, keeping your eye on the rabbit, this is not in any way helpful to the welfare system or to the immigration laws of the United States.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, first, the question was asked do we have an offset? I answered we do not have an offset. We adopted other amendments here which create new entitlements, new benefits, new tax preferences without requiring an offset. This is the law today. What we are attempting to do is to retain the law today for those people who came here with the state of the law as it is. We are not trying to change the rules.

We are trying to say, if these people came here with certain statements as to what their obligations would be, if the sponsor has entered into commitments with certain expectations as to what their obligations would be, we should keep those for those people who are in the country today. We are not proposing to make this an ongoing new standard. If you want to change the rules, we can change the rules and make it applicable to those who come after the rules are changed.

Mr. President, this is not a particularly popular issue because, among other things, we are dealing with a small group of people. But we are dealing with people who embody what we as Americans most applaud—people who desire freedom, independence, who want to be like us. People who are the target of this amendment are trying to improve themselves so they can be even better Americans.

I think it is both shortsighted and unfair to change the rules on these people and deny them, among other things, the opportunity to get that education that is going to make them a more productive citizen. These people will repay in their lifetime much more than the $600 million that this amendment calls for to continue to do for the next 5 years for these people what we have provided for them in the past and what we have considered to be in America's best interest. It was then. It is now. And at least it will be for this current group of legal aliens who are in our country, particularly those who are utilizing the opportunities to extend their education.

Let me yield to the Senator from Illinois.

Mr. SIMON. I thank my colleague.

Let me tell you what it does. JOHN MCCAIN sponsors an immigrant named ALAN SIMPSON. And JOHN MCCAIN agrees he is going to be responsible for 3 years. All of a sudden we have an amendment here that says, "Sorry, JOHN MCCAIN. We have changed the law. You signed up for 3 years. We are going to make you responsible for 5 years."

Second, it is true, as Senator SIMPSON says, that if you take these young people out of college—some maybe are not young—that temporarily we are going to save money. But we know from all the statistics that, if you let them stay in college, they are going to be more productive, pay taxes, and do more for our country and make ours a more productive country.

I think the amendment is a good amendment, and I hope we will have the good sense to adopt it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island has 4 minutes 21 seconds. The Senator from Florida has 1 minute 5 seconds.

Mr. GRAHAM. Mr. President, I reserve my 1 minute 5 seconds.

The PRESIDING OFFICER. Does the Senator from Rhode Island seek recognition?

Mr. CHAFEE. Mr. President, I yield the remainder of my time to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. SIMPSON. Mr. President, I have not much time left. I just want to say again that when a sponsor gives an affidavit of support—if we are talking about the things cherished in America, let us talk about keeping a promise. That would be a good place to start.

When a sponsor agrees to bring in an immigrant, they agree that that person will not become a public charge. Not just for 5 years or 3 years, but the law says at any time. That is what the law says. I did not invent it. It came on the books in 1882. It says at any time, not just 5 years, not just 3. It does not matter what was thought to be agreed to, the sponsor is deemed to have their assets considered the assets of the immigrant for a period of any time, and that is the law of the United States and a contract or an obligation to do that——

Mr. GRAHAM. Will the Senator from Wyoming yield?

Mr. SIMPSON. Yes.

Mr. GRAHAM. If that is the law, why do we need to change it? The statement that you have is that there are set periods of time in which a sponsor's resources are deemed to be part of the sponsor-legal immigrant's economic status. Those have been the law. If you are saying those were meaningless, in fact the 3-year periods we used to have in the past were inapplicable then, why do we need to change the law now?

Mr. SIMPSON. Mr. President, in the last Congress, we increased the deeming period for SSI to 5 years. The President of the United States, in his welfare reform package, revised the deeming period for AFDC and food stamps to 5 years. We are trying to follow the President of the United States and his viewpoint.

Then you wonder where the support is coming from. I can tell you where it is coming from: A small cadre of educational institutions. That is where it is coming from. We are not going to injure them in the process.

We are just saying that a sponsor's promise is a sponsor's promise. I have been in these things for years. I am not the expert in any way. I would not even indicate that. But I do know what interest groups are when you deal with immigration. They come out of the woodwork. They are all out here right now, I suppose. There will be cadres of them. But one of them here is the group of educational institutions who see this, if this can get done, as tuition money, paid for.

We have Pell grants, we have all sorts of things. We do take care of people in society. No one should miss the fact we are going to vote on a debt limit of $5 trillion in a few weeks, and Medicare will be broke and Social Security will be broke in the year 2031 and will go broke and start its decline, its swan song in 2013, and we will not even deal with that on the floor of the U.S. Senate, either party.

Talk about obligations. And then just trot up $623 million and no place to get it. That is my humble viewpoint of this pointed issue.

The PRESIDING OFFICER. The Senator from Florida has 1 minute 5 seconds. The Senator from Rhode Island has 24 seconds remaining.

Mr. GRAHAM. Mr. President, I think the issue here is fairly simple. We have had rules under which people have guided their lives as it relates to the status of sponsors and legal immigrants, people who are in this country playing by the rules, trying to prepare themselves to become self-sufficient, contributing Americans.

They are doing the heinous thing to continue their education: They are attending a vocational school; they are attending a community college. I think that is an activity that we should not say is just a matter of some interest group. Would you say the GI bill was just an interest group of a few college and university administrators? Of course not. It was a great program, it is a great program that has benefited this country manyfold.

That is what the issue is in this amendment. I believe that we ought to say to these people, as part of their learning about America, that we play by the rules that were established when the game started. For you, we are going to complete the rules. If you want to change the rules for those in the future, that is perfectly permissible. I believe we should adopt this amendment as both an immediate and long-term contribution to a better America. Thank you.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. GRAHAM. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Wyoming has 24 seconds remaining.

Mr. SIMPSON. Mr. President, again, the affidavit of support may be for 3 years. But the overriding understanding of the American people is that the immigrant will not become a burden upon the taxpayers or the public. That is the issue. There is no other issue, especially not in his or her first 5 years here. It never would have been allowed to take place if they knew they were going to access the public support systems in the first 3 years of their presence here. That is what this is about. That was the real condition of admission. We are forgetting something here.

The PRESIDING OFFICER. All time has expired. Under a previous agreement, the vote will be stacked until tomorrow morning.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

AMENDMENT NO. 2468

Mr. SIMON. Mr. President, I do not know if we have an agreed-upon order, but I have an amendment I will be happy to discuss briefly.

I offer this amendment in behalf of Senator BROWN, Senator REID and myself.

The PRESIDING OFFICER. The clerk will report.

Mr. SIMON. This is a modification. Let me offer it as a modification of amendment No. 2468.

Mr. President, I ask unanimous consent to modify amendment No. 2468.

If I may say to my colleague from Mississippi, what I am doing is instead of having this a setaside—this is the community WPA Program—I am making it an authorization so that I think it may be acceptable. We have passed this as an authorization by voice vote. Senator BOREN was the sponsor about a year ago.

The PRESIDING OFFICER. Is there objection to the modification?

Mr. LOTT. Reserving the right to object, and I hope not to, Mr. President, but if I could address this question to the Senator from Illinois, has this been discussed or cleared, to his knowledge, with the managers?

Mr. SIMON. I have not had a chance. Senator BROWN indicated to me—I mentioned to him and to Senator REID that I was going to change it to an authorization because, frankly, the word was, as a setaside, it could be opposed on your side, but as an authorization, it might be approved. So that is the reason. I, frankly, have not had a chance to discuss it with the managers of the bill.

Mr. LOTT. Mr. President, has this been discussed with and cleared with the Senator's cosponsors, for instance, the Senator from Colorado, Senator BROWN?

Mr. SIMON. I discussed this with the Senator from Nevada and the Senator from Colorado, both of whom strongly support it. I might add that we had cosponsors of this, as independent legislation, from your side as well, and it was adopted by voice vote here earlier—not this session, but an earlier session—as part of a larger bill which was vetoed but had nothing to do with this.

Mr. LOTT. Mr. President, one final question, if I could. We do have a copy of the modified language?

Mr. SIMON. I have it at the desk. It just simply changes it from being a setaside to an authorization. Otherwise, there is no change.

Mr. LOTT. I wonder, Mr. President, if I can suggest to the Senator from Illinois, we have not had a chance to take a look at the legislation. As the Senator knows, some of the staff has already left. I wonder if it would be permissible, under the agreement we have, to wait and modify this in the morning. I feel like probably there will be no problem getting an agreement. As the Senator knows, I am filling in here, too. The Senator from Illinois can discuss the modification in the morning under the time agreement agreed to.

Mr. SIMON. That is perfectly satisfactory to me.

Mr. LOTT. I think what he has done is improved the prospects, and probably there will be no problem. At this time, without the managers here and without the staff directly involved not here, we would like to have a chance to look at it.

Mr. SIMON. The Senator's request is to withhold the request to modify?

Mr. LOTT. Right.

Mr. SIMON. OK. I will do that. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

AMENDMENT NO. 2568

Mr. GRAHAM. Mr. President, I call up amendment No. 2568. It is one of the amendments under the unanimous consent agreement.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM] proposes an amendment numbered 2568.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in the Friday, September 8, 1995, edition of the RECORD.)

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, I do not wish to belabor this issue, because it is really an offshoot issue we debated at some length yesterday and the day before yesterday which related to the fact that there are very extreme differences in the amount of Federal resources that the 50 States will receive under this legislation.

I introduced two amendments in an attempt to deal with that disparity. One of those amendments has been accepted and will be included in the managers amendment. That was what I called the "embarrassment" amendment.

In this bill, there is a provision which states that there will be a periodic or annual evaluation of how the individual States are performing under this bill, how well they are doing in terms of achieving its objectives, particularly in getting people off of welfare and into work.

I would compare that standard to a series of football teams, some of whom are made up of professionals and others are junior high school players, because that is about the way in which the 50 States are being equipped to carry out these responsibilities.

In the case of the assistant majority leader, his State is going to have to spend 88 percent of all of its Federal money just to meet the mandates in this bill. There are other States that can meet the mandates with less than 40 percent of the Federal money.

So the first amendment, which, as I indicated, has been accepted for inclusion in a managers' amendment, will simply say that when we go through this embarrassment test of how well you have done, part of that evaluation will be: How many resources did the State have? We are not going to ask the State that has one-tenth the resources of another to necessarily perform at the same level. We are not going to subject that State to the ridicule of its inability to reach the same level of accomplishment.

This is another amendment in the same spirit. We have in this bill a series of national work participation rates. For instance, for a family receiving assistance under this, where there is a single adult in the family, we are expecting 25 percent participation in 1996, up to 50 percent participation by the year 2000.

Again, I think it is unrealistic and unfair to expect the same standard of achievement for all States, given the fact that the resources available are unequal. So I provide in this amendment that the Secretary of Health and Human Services, after consultation with the States, shall establish specific work participation rate goals for each State, adjusting the national participation rate goals to reflect the level of Federal funds the State is receiving under this program and the average number of minor children in the families having income below the poverty line for that particular State.

This will mean that we will set the goalposts consistent with how much money we are prepared to make available to that State. Those States that are going to be richly endowed under this program will have a long goalpost to meet. Those that are more limited in their participation will have a less demanding standard. That seems to me to be imminently fair and reasonable in terms of what we are going to be providing to the States to accomplish the objectives of this act.

Mr. President, that is the amendment. I urge its adoption. I think it will be an amendment that the Senators who are on the floor today, who represent some of that diversity, would be very receptive to, and possibly even willing to accept.

Thank you, Mr. President.

The PRESIDING OFFICER. Is there further debate?

Mr. LOTT. Mr. President, I think this issue has been discussed, as the Senator pointed out, at great length. I do not think there is going to be an inclination to just accept it. But this will be resolved tomorrow. How much time do we have on our side?

The PRESIDING OFFICER. There is no time agreement on the amendment.

Mr. LOTT. Mr. President, I am prepared to move to close, unless there is any other Senator who wishes to speak at this point.

Mr. GRAHAM. Mr. President, in order to protect our interest, I would like to ask for the yeas and nays on this amendment, indicating that if we can arrive at an amiable resolution of this, I would be prepared tomorrow to ask to vitiate the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. KEMPTHORNE. Mr. President, after months of diligent work, the Senate is, at long last, debating the issue of welfare reform. This debate is simultaneously timely and long overdue. It is timely because so much attention has been focused on this issue for the last several months, and, in fact, for many months prior to the start of the 104th Congress. Members and staff have spent a vast number of hours reviewing concepts in welfare reform and developing legislation to meet our goals. Their work has led to many well thought out proposals which are only now ready for full and vigorous debate on the Senate floor. It is overdue, however, because we have known for years that the welfare system in this country was flawed, and yet the status quo was maintained. We must act now to make the necessary changes, because we dare not look back on this time and tell our children we failed to take action when we had the opportunity.

As I was preparing for this debate, I became curious about the history of the word "welfare." Upon looking it up, I was interested to note it comes from the Old English phrase "wel faran," which means, quite simply to go, or to fare, well. While it sounds like the word has changed little from its earlier days, in reality the difference between the Old English phrase and the modern word is dramatic. Most notably, under our current public assistance programs, Mr. President, no one is faring well.

In our society, three groups of people are more directly impacted by welfare than any others—the beneficiaries, the taxpayers, and the caseworkers. Obviously, the beneficiaries themselves are the most immediately affected by our current system. And what has this system done for them? Generations have grown up without knowing the satisfaction of work and personal improvement. The value of family has been ignored, aiding the increasing rate of illegitimacy. And possibly worst of all, children have been raised without hope in a system that does more to perpetuate poverty than to break the welfare cycle. Obviously, some people have been able to get ahead and get off welfare. But for far too many, the system offers no incentives and no promise of a better future. Can anyone argue that these are positive results? I firmly believe we should avoid the attitude that this Nation owes people something simply because they reside inside our borders. But I do believe we owe those in need the chance to reach above their situations—a chance which the current system denies.

The taxpayers certainly should not be ignored in this debate. What the taxpayers of Idaho have been telling me is that they want to help those who truly are in need, but simply giving money away is not an answer. They also do not want a system which is open to fraud and abuse. Earlier this year, one of my constituents, Linda Murray-Donahue of Boise, cited a particularly glaring example of how the system was being abused. More significant than the example she sent were her comments. After noting her own difficulties in trying to raise two children after being laid off, she stated,

> I am disturbed at the prospect of continuing to struggle for my boys and continue to make them sacrifice so that [welfare abusers] do not have to take responsibility for their own lives. . . I and others do not begrudge the truly needy. However, the [welfare abusers] need to be put on notice that we are demanding changes in their welfare way of life.

I believe this is an accurate representation of an attitude found throughout the Nation. People are not looking at welfare reform as a way to attack the unfortunate. Instead, they simply want to ensure that the truly needy are helped while those who can provide for themselves do so. In the process, they also want to know that their tax dollars are being used wisely and efficiently.

In between the taxpayer and the beneficiary are the caseworkers and social workers. They too are frustrated by a system which they see thwarting their efforts to truly help people. While they work diligently to move families into work and a lifestyle of self-sufficiency, too many of their efforts are focused on verifying eligibility. Even when they are able to help someone begin the transition from welfare to work, all too often they are stymied by a system which discourages people from trying to break the cycle of poverty. We owe it to the dedicated caseworkers and social workers to let them work under a system which will help, rather than hinder, as they try to give welfare recipients a chance to improve their situations.

In this regard, Idaho has already taken an active approach to welfare reform. Earlier this year, several members of the Department of Social Work at Boise State University released a report entitled, "Family Self Sufficiency: Welfare Reform in Idaho." I think many of the points which were made in that report are important to share with my colleagues. With regard to the state of affairs today, the report is clear, "The current strategy of alleviating poverty through unconditional grants-in-aid has failed because it fosters dependency, weakens self-reliance, lowers attachment to work, and excludes the poor from the participation in the labor market." The report sums up the major problem with our welfare programs quite simply, "[T]he system does not equip recipients with the means to leave poverty."

The introduction to that report, I believe, quite accurately describes the situation we now face, and the direction in which it may be best addressed. I would like to quote that portion of the report.

> Welfare should be a "hand up" and not a "hand out." Programs that do not stress self sufficiency erode the work ethic. Policies that reduce the incentives for the maintenance of families break them up. Programs that do not encourage participation in the economy through training and education go against the fabric of America's belief system. At the same time, punitive programs diminish hope, hurt children, and foster long term poverty.
>
> Welfare is not a right or an entitlement, it is an investment. The traditional generosity of the American people toward the poor and those who find themselves in difficult situations is sorely tested when welfare programs make no progress in either lifting clients out of poverty or of reinforcing self-reliance. The benefits the public accords the poor, the destitute, the homeless, and the sick grow out of a democratic commitment to social justice, equal opportunity, and a belief that we as Americans are in this together.
>
> Any welfare reform effort we undertake must reinforce these principles. Welfare is an investment in people that ideally benefits the recipient and society. In exchange for benefits, able-bodied clients must take steps in partnership with the state to lift themselves to self-support. And despite myths to the contrary, the poor do work hard and welfare recipients want to find jobs.

In Idaho, Governor Batt has already begun to move ahead with efforts to address exactly the kind of reforms mentioned in the report I just mentioned. He has assembled a welfare reform advisory council—composed of legislators, community leaders, private citizens, and other key decision-makers. In the Executive Order which established the advisory council, Governor Batt noted,

> "the current welfare system fails to foster fundamental values relating to work, family, personal responsibility, and self-sufficiency." The order went on to state, "the current welfare system isolates recipients from the economic and social mainstream and maintains families at below poverty levels with only limited support or incentives to become independent of welfare assistance. . . [it] focuses on writing checks and verifying circumstances rather than helping people move rapidly to work."

The Governor's advisory council has now met with Idahoans throughout the state to hear the people's thoughts on welfare reform. In addition, it has solicited further public comment in newspaper advertisements all across Idaho. This information will be used to develop a welfare reform plan which is specific to Idaho's needs. Mr. President, the State of Idaho is prepared to take on the challenge of welfare reform, and has demonstrated the willingness to address the difficult issues which this endeavor encompasses. We should give them that opportunity.

Idaho has specific concerns which it wants to address, concerns which in many cases are the same as those we have been discussing on a national level over the last few months. While these issues may be similar across the country, ideas for dealing with them are not. That is why we must let go of Federal control. As long as we continue the Federal strings, states will not have the needed flexibility to truly address their needs. They also will not have the flexibility to try innovative proposals which could serve as examples to other states about what approaches will lead to a truly productive welfare system.

Mr. President, in my very first speech here on the floor of the U.S. Senate, I spoke about the need for States to be given the opportunity to develop their own solutions to specific problems. At the time, I said, "I believe that we need to encourage innovation. The lessons we will learn from these different States, as they undertake these significant approaches, will be invaluable to us, both in learning what does work, and also in learning what does not work. . . We need to support those States that are willing to actively seek solutions." While that speech was in reference to Oregon's request for a Medicaid waiver, I believe it is just as applicable today. True reforms will come from the States, and we must give them the opportunity to prove they are up to the task of changing, for the better, our current system of welfare.

The bill we are currently considering takes tremendous strides toward achieving our goals. First and foremost, it "block grants" many Federal welfare programs—including Aid to Families with Dependent Children, job training programs and child care programs. It also provides states with the option to accept Food Stamp funds as a block grant. This is the basis of real reform. Turning these programs over to the States will provide people with the chance to shape poverty-assistance programs to meet local needs. As a former mayor, and as the author of the Unfunded Mandates Reform Act, S. 1, which was signed into law earlier this year, I understand the frustrations and hassles which accompany Federal requirements. By eliminating these mandates, we allow State and local officials to use their own creativity and their intimate knowledge of the people's needs to address their problems. And we do not make them go through a series of bureaucratic hoops in order to get a waiver to do so.

Some have claimed the States cannot handle this responsibility. They claim State and local officials will, without strict Federal oversight, eliminate poverty assistance and turn their backs on the poor and needy. Mr. President, I do not understand how anyone could truly believe that argument. Do the naysayers really believe that State and local officials are cold, heartless individuals who would gleefully deny food to the hungry and let children suffer? Do they also believe that upon being elected to the Congress we all undergo some miraculous transformation which makes every member of this body more compassionate and knowledgeable than our State and local counterparts? The mere idea is ridiculous. Local and State officials are the ones who are in the best position to see what their programs do to people. They are the ones whose friends and neighbors are directly impacted as a result of their actions. And if they make a mistake, if they do something the people do not like, they are more directly and immediately responsible for that decision than anyone here in Washington. That, I would say to my colleagues, is a better guarantee that local needs will be met than any number of Federal rules, requirements or regulations.

In contrast, the bill presented by the Democrat leadership, which was rejected by this body, would have continued that vaunted tradition of "Washington knows best." It would not have offered flexibility to the States, thus preventing innovation and creativity at the State and local level. It would have continued the entitlement status of welfare programs, preventing the States from requiring anything in return for welfare dollars. It would have kept the Federal bureaucracy firmly entrenched in the welfare system, a system which, under Federal control, has failed those it is alleged to serve. Finally, the bill would have allowed numerous exemptions to the so-called work requirements, in effect nullifying the requirements and making it easier to maintain the status quo.

Mr. President, I believe the welfare reform debate is about one word—freedom. It is the freedom of State and local governments to decide how best to provide assistance to the needy. It is the freedom of the various levels of government to create innovative ways to meet the unique needs of the downtrodden in their city, county or State. It is the freedom to follow local customs and values rather than Federal mandates. I have said for some time that when the Government tries to establish a one-size-fits-all, cookie cutter approach to address a perceived need, it ignores the unique circumstances which are so important in developing the best way to address that need. The legislation presented by the Republican leadership recognizes this fact.

The difficulties associated with the Federal approach to problem solving are especially evident in rural States, like my home state of Idaho. The kind of help which people in rural communities may need differs dramatically from the kind of assistance an individual in New York, or Miami, or Los Angeles may need. In order to address those needs, States must have flexibility. A program which is designed to help families who live in our major metropolitan areas, quite simply, will not work in Wallace, Idaho—a community with less than 2,000 people. It may not even work in Boise, which is Idaho's largest city. The reverse is also true. A program which is capable of helping folks in a State like Idaho—which has a population density of just over 12 people per square mile—is likely to have little relevance in Detroit or Boston. Mr. President, I do not want anyone in this country who is struggling to make something of themselves, whether they are from Idaho, or Minnesota, or Arizona, or North Carolina, to be hampered in their efforts because of rules and regulations which ignore the fact that this Nation is not uniform—that people in all areas of the country have unique circumstances which simply cannot be addressed in one prescriptive Federal package.

Mr. President, I stated earlier that welfare reform is about freedom for the States. More importantly, it is about freedom for the people. For too long now we have witnessed a vicious cycle of poverty in this Nation which, once entered, is nearly impossible to escape. We have a system of welfare which does not focus on getting and keeping people off the Federal rolls, but instead appears to be based on the belief that once one has become a part of the system, they will never again desire to become self-sufficient. I do not believe this is true. I believe most welfare recipients, if given the opportunity, would gladly find a way to end their dependence on the Government. It is with these people in mind that we must complete our work on welfare reform legislation, so we may give current and future welfare recipeients the freedom to break out of poverty.

Mr. President, I have listened to many of my colleagues share their thoughts on the legislation we are now considering. As could be expected, the bill does not have unanimous support. Some think it has too many strings on the block grants, other say not enough. Some believe even more programs should be block granted. Regardless of whether or not any particular amendments were added to the bill, however, I ask my colleagues to keep in mind the long-term implications of what we are trying to do. I would ask them to ask themselves one simple question, "Does this bill get us closer to our goals then we would be if we did nothing?" If the answer is yes, and I believe it is, I would urge them to support the leadership package. In doing this, we can finally break the cycle of poverty which has gripped too many Americans, and help them get back on their feet. And in so doing, we will help all Americans.

In closing, in considering welfare reform I think we would be wise to heed the words of one of this Nation's greatest leaders, President Abraham Lincoln. It was Lincoln who once said,

> The legitimate object of government, is to do for a community of people, whatever they need to have done, but can not do, at all, or can not, so well do, for themselves—in their separate, and individual capacities. In all that the people can individually do as well for themselves, government ought not interfere.

Mr. President, I believe this applies equally well to the relationship between the States and the Federal Government. The Federal Government should not attempt to do for the States what the States are capable of doing for themselves and for their residents. We have tried to do so for the last 30 years, and we have not succeeded. It is time we let the States decide how to meet the needs of the less fortunate, using State and local solutions. If we do this, we grant the States a level of freedom they have not had in years, and we move one step closer toward giving welfare recipients hope that they too may soon be free of a system which has perpetuated poverty and social decline. And freedom, I would say to my colleagues, is what this Government is supposed to be about.

I thank the chair and the managers of the bill for their courtesy, and I yield the floor.

THE CHILD ABUSE PREVENTION AND TREATMENT ACT AMENDMENTS OF 1995

Mr. COATS. Mr. President, child abuse is a critical issue facing our Nation. Each year, close to one million children are abused or neglected and, as a result, in need of assistance and out of home care. CAPTA is a small but vital link in the provision of these services.

S. 919, which has been included in the Dole welfare reform bill, streamlines CAPTA's State plan and reporting requirements; eliminates unnecessary research and technical assistance activities; and encourages local innovation through a restructured demonstration program.

Additionally, we have consolidated the Child Abuse Community Based Prevention Grants, Family Resource Centers, Family Support Centers into the Community-Based Family Resource and Support Grants.

Finally, S. 919 repeals the Temporary Child Care for Children with Disabilities and Crisis Nurseries Act, title VII (F) of the McKinney Homeless Assistance Act, and the Emergency Child Abuse Prevention Grants.

Mr. President, each day, hundreds of children and families come into contact with, and are affected by, our Nation's child protective system. For many, it is a frightening experience. For others—for those on the front lines, it is sometimes an opportunity to rescue children from horrific circumstances.

Unfortunately, the issues facing this overburdened system are seldom easily resolved. Too often—overworked, underpaid, untrained, and sometimes overzealous caseworkers have a tremendous and devastating impact on families.

Decisions are routinely made to remove children and place them in foster care—into situations that are sometimes far worse than from where they came. Other times, because of mounting paperwork and case files, a serious case goes uninvestigated—or a decision to return a child to an unsafe home is made because there are no more out-of-home placements available. These are all difficult circumstances that require balance, training, and resources.

Since 1974, CAPTA, though a relatively small program, has assisted States in meeting child protection needs. It is a small, but powerful program, because its mandates have radically changed how we view child protection.

Unfortunately, not all of these changes have been helpful. CAPTA has, until now, been viewed as a very prescriptive program, with States judged, not on how well they protect children, but how close they come to mirroring some Federal definition or example of how things ought to be.

The 1995 CAPTA amendments are an important first step aimed at redressing some of the problems in CAPTA while, at the same time, building upon its strengths. Most experts agree that what CAPTA can do and do best is provide guidance to States; assist States with training and technical assistance; and promote better research and dissemination of information while allowing for maximum flexibility in approach and response.

S. 919, as unanimously reported out by the Labor Committee and included in the Dole bill, builds on those strengths. Specifically, this legislation:

Eliminates unnecessary bureaucracy by repealing mandates for a National Center on Child Abuse and Neglect, the U.S. Advisory Board, and the Interagency Task Force on Child Abuse. Instead, the Secretary may use her discretion in deciding whether or not they are an essential function;

Restructures and consolidates various research functions into one coordinated effort;

Places a significant emphasis on local experimentation by expanding Demonstration Grants to encourage local innovation and experimentation. One of these grants would be available for a triage system approach which Labor Committee members heard very exciting reports about during a subcommittee hearing. Others include training for mandatory reporters, families, service providers, and communities;

And reforms the Basic State Grants by allowing greater flexibility to the States in determining the circumstances and intensity of intervention that is required, while encouraging them to look to other preventative services that can be provided to families, when intensive intervention is not called for.

Determining the appropriate level of intervention is a very important consideration. We have studied closely the numbers of abuse and neglect reports that have been filed. Of the close to 3 million reports that have been filed, only one-third are eventually substantiated. This means that over 2 million are either unsubstantiated or even false. And while I know that these numbers and how they are interpreted are the source of some disagreement, the fact remains that for whatever reason, over 2 million investigations at some level, are occurring, and possibly resulting in inappropriate interventions—including removal of the child from the home.

Members of the Labor Committee may recall the testimony of Jim Wade who spoke of his 3-year ordeal, in which his daughter was wrongfully removed from his home. I have received many such reports and complaints, and while we should be mindful not to legislate by anecdote, these stories involve real people and are chilling.

With the State grant, we have worked to find ways to improve reporting so that caseworkers are able to assess and effectively respond to cases of abuse and neglect with an appropriate response.

We have also ensured that persons who maliciously file reports of abuse or neglect will no longer be protected by CAPTA's immunity for reporting. Only good-faith reports will be protected.

Finally, we have clarified the definition of child abuse or neglect to provide additional guidance and assistance to States as they endeavor to protect children from abuse and neglect.

Let me briefly mention the other programs authorized in the 1995 CAPTA amendments: The new Community-Based Family Resource and Support Grants represent the result of nearly a full year's effort to consolidate the Community Based Prevention Grant, Respite Care Program, and Family Resource Programs; the Family Violence Prevention and Services Act which provides assistance to States primarily for shelters; the Adoption Opportunities Act which supports aggressive efforts to strengthen the capacity of States to find permanent homes for children with special needs; the Abandoned Infants Assistance Act which provides for the needs of children who are abandoned, especially those with AIDS; the Children's Justice Act; the Missing Children's Assistance Act; and section 214 of the Victims of Child Abuse Act.

Mr. President, I would like to thank the Members for their attention. These are important programs and they will affect many children and families. I urge the adoption of the 1995 CAPTA amendments.

STUDENT AID

Mr. MACK. Mr. President, with regard to title V of H.R. 4, the Work Opportunity Act, I am interested in clarifying an issue regarding the applicability of the term "assistance * * * for which eligibility is based on need" to various student loan programs. As I understand this legislation, eligibility for needs-based public assistance will either be subject to a deeming period or will be forbidden for a period of 5 years for most noncitizens. At this time, there seems to be an erroneous public perception that all student financial aid programs will be subject to these provisions. This is not the case. In the interests of responsible legislating, I think it is important to clarify that unsubsidized student loans are not needs-based and should therefore not be subject to the requirements of title V.

Mr. SIMPSON. Mr. President, Senator MACK is correct. Although the term "assistance * * * for which eligibility is based on need" in title V of H.R. 4 would apply to most forms of student financial aid, the unsubsidized student loan program is indeed a financial aid program which is not based upon need. Therefore, this particular program would not be subject to the deeming period or 5-year ban established in title V of this bill.

Mr. DOLE. Mr. President, I would like to offer my support of the comments made by Senators MACK and SIMPSON on this issue.

CHILDREN'S SSI

Mr. CONRAD. Mr. President, I have a series of clarifications concerning the children's SSI program that I would like to discuss with the majority leader.

But first, let me express my appreciation to Senator DOLE for his leadership in helping us reach a compromise on this issue. The SSI agreement is not everything I had hoped to achieve when Senator CHAFEE and I introduced the Children's SSI Eligibility Reform Act, but it is clearly an improvement over the House bill.

In addition, I believe the agreement includes a number of extremely important provisions to both address criticisms that have been leveled against the Children's SSI program and protect children with severe disabilities. I am extremely pleased we were able to reach a bipartisan compromise on this issue, and thank Senator DOLE, Senator SANTORUM, Senator DASCHLE, Senator CHAFEE, Senator SIMPSON, Senator JEFFORDS, and others who were so deeply involved.

Mr. President, I would like to clarify for the Record the intent surrounding several of the provisions in the amendment. First, the amendment deletes the word "pervasive" from the definition of child disability that was included in the welfare reform bill reported in May by the Finance Committee. This is an important change, and one that I fully support. Would the majority leader clarify his understanding of the intent of this change?

Mr. DOLE. I want to thank the Senator from North Dakota for his leadership and hard work on this issue. Children with disabilities are certainly among those most at risk in our society, and we want to make sure we are doing the right thing by them. He and Senator CHAFEE have worked extremely hard to bring the Senate to this point.

As for the Senator's question, I understand that the Senator from North Dakota was concerned that the term "pervasive" included in the earlier definition implied some degree of impairment in almost all areas of a child's functioning or body systems. That was not the intent of the earlier proposed change to the statute. It is expected that the children's SSI program will serve children with severe disabilities. Sometimes children will have multiple impairments; sometimes they will not.

Mr. CONRAD. I also understand that the amendment is designed to facilitate expert analysis of the SSI program for children by the National Academy of Science, to ensure that program changes, including determination of disability, are based on the best possible science.

Mr. DOLE. Yes, I think we can all agree that the children's SSI needs a tune up. The provision for a study by the National Academy of Sciences of the disability determination procedures used by the Social Security Administration will help accomplish this goal, and help us obtain a realistic picture of how an impairment affects each child's abilities.

No doubt about it, the children's SSI program is extremely important for some children with disabilities. But as the Senator from North Dakota made mention, there have been widespread allegations that some children on SSI are not truly disabled, or money is spent in ways that do not benefit the child. I hope this study—in addition to the changes we have made in the law—will help restore confidence in this program.

Again, it is my expectation that this program will continue to serve children with severe disabilities, and that includes properly evaluating children too young to test, children with multiple impairments, and children with rare or unlisted impairments which nevertheless result in marked and severe functional limitations.

Mr. CONRAD. Is it expected that the Social Security Administration and the Congress will rely heavily on the expert advice of the National Academy of Science when engaging in future regulatory activity and deliberations regarding impairments of children in the SSI program?

Mr. DOLE. Yes. But I also hope we hear from many others as well with good information to offer, including other experts, parents, and advocates.

Mr. CHAFEE. If I might also ask the majority leader a question. The leadership amendment and the Finance Committee proposal are both silent about the purpose of children's SSI. However, unlike the House proposal, both retain the cash benefit nature of the program. This is a concept that Senator CONRAD and I thought was extremely important when we introduced the Childhood SSI Eligibility Reform Act, and I am pleased that the majority leader's proposal retains flexibility within the SSI program by retaining the cash nature of the program. It is important for the SSI program to reflect the impact a disability has on families faced with a variety of circumstances. SSI often provides important assistance to families by replacing a portion of the income that is lost when a parent must care for a disabled child. The flexible nature of SSI is indispensable for many parents who are rendered unable to work because they must stay at home to provide care and supervision to their children with disabilities. Does the majority leader share our assessment?

Mr. DOLE. No doubt about it, for some families with a severely disabled child, SSI can be a lifesaver. It allows them to care for their child at home—who might otherwise be institutionalized at much greater cost to the government—or obtain services they could not otherwise afford. If a small payment can help a disabled child stay with his family, or grow into a productive adult, it is better for the child and better for society. SSI benefits provide the greatest flexibility, and the least amount of bureaucratic redtape.

But I think there may be some difference of opinion about the purpose of the program. The SSI program was originally started to provide a small cash income to individuals who cannot work because of age or disability. But the children's SSI program had a somewhat different purpose—to help poor families with the extra costs of having a child with a disability. It seems the program has expanded without much congressional attention. In my view, we need to revisit the purpose of the SSI program. The Finance Committee has not tackled this problem yet, but it should and I believe it will. But the Senate decision to retain the cash benefit is clearly an important difference from the House.

Mr. CONRAD. I would like to join in the comments of both of my colleagues regarding the cash benefit nature of the SSI program. This provision is critically important, and I commend the majority leader for including it in the amendment. If I might address one additional question to the majority leader, it is the intent of this Senator and other supporters of this amendment on both sides of the aisle that this amendment is the position of the Senate, and that it will be vigorously defended in conference with the House of Representatives. Will the majority leader insist on this provision during conference with the House?

Mr. DOLE. This is a bipartisan compromise with broad support, and in my view it should be a position to which the Senate should firmly hold in conference.

Mr. CONRAD. Base on these assurances, I am pleased to support the compromise we have developed on children's SSI. This is not everything I had hoped to achieve, but it is critically important that the Senate enter conference with a solid, unified position.

Mr. WARNER. Mr. President, I am pleased to rise as one of the original cosponsors of the Republican leadership welfare reform bill.

We have entered this historic debate because the 30-year War on Poverty remains a war, but the Nation is losing. According to recent analysis, aggregate government spending on welfare programs over the last 30 years has surpassed $5.4 trillion, an expenditure that exceeds our national debt.

Despite this spending, America's national poverty rate remains at about the same level as 1965, the year that President Johnson launched the War on Poverty.

Despite the best of intentions, we have a welfare system that traps children and families in a cycle of dependency, and that encourages behavior leading to indefinite reliance on welfare. It fosters a lifestyle that is in direct opposition to the motivators that propel others to get up and go to work every day.

The Republican leadership's bill emphasizes work, families, and genuine hope for the future while giving the States greater responsibility—and flexibility—for managing welfare.

This measure has been a long time coming, and I do not just mean this summer. Our distinguished colleague from Colorado, Senator HANK BROWN, did an outstanding job in 1993 and 1994 as chairman of the Republican Welfare Reform Task Force. Health care reform diverted the Senate, but it did not diminish the value of their work. Much of what we are considering today is built directly on the strong foundation of Senator BROWN's early proposals.

I also think back to the 1986 State of the Union Address of President Ronald Reagan. That year he proposed welfare reform. This was another step. The Reagan welfare reform plan, the Family Security Act of 1988, was guided to enactment by the fine hand of the then Finance Committee chairman, Senator MOYNIHAN of New York, who is now serving with such distinction as the comanager of this bill.

The Family Security Act of 1988 served as a laboratory for S. 1120. In 1988, we first dealt with the issues of workfare versus welfare, the dilemmas of teen pregnancy and illegitimacy, the high costs of work requirements, and the need for broad Federal waiver authority. It is the State and local levels of government which administer the American welfare system, not the Department of Health and Human Services.

I am proud that under the waiver authority established by the Family Security Act, the Commonwealth of Virginia has been in the vanguard of welfare reform initiatives.

While we are struggling to come together in the Senate to pass S. 1120, my State has already enacted and is now implementing what we call the Virginia Independence Program or "VIP" for short.

VIP is the visionary welfare reform program brought to the people of Virginia under the outstanding leadership of Gov. George Allen. It was no easy task to battle a sometimes hostile State legislature, dominated by the other political party, as well as the mountain of redtape required in securing the necessary Federal waivers. He succeeded splendidly, however, in achieving his goals, and now Virginia is in the careful, watchful, early stages of actual reform.

Governor Allen, with his great courtesy, personally journeyed to Washington on September 13 to deliver a thoughtful and, in my judgment, immensely helpful letter on what he believes the Senate should accomplish in welfare reform.

Mr. President, I ask unanimous consent that my letter from Governor Allen be printed in the RECORD at this point for the benefit of all of my colleagues.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMONWEALTH OF VIRGINIA,
OFFICE OF THE GOVERNOR,
September 13, 1995.

Hon. JOHN W. WARNER,
U.S. Senate,
Washington, DC.

DEAR JOHN, As the United States Senate continues to debate welfare reform this week, I believe that our experiences in the Commonwealth of Virginia can be instructive.

I hope you will consider Virginia's plan to be a model for the nation. The comprehensive Virginia plan is based upon the principles of the work ethnic and personal responsibility. Our experiences support the need for an overall block grant approach, that will give States the flexibility to appropriately design programs that address the individual needs of the citizens of their State, return AFDC to a program of temporary assistance for those in need, and require work for all able-bodied recipients.

I understand that there will be attempts to amend S. 1120 by attaching new chains on the block grants to the States. As a staunch proponent of federalism and self-determination, I oppose such choke chains, *whether they are "conservative" or "liberal" ones*, and respectfully encourage and request that you to do likewise for Virginians.

Experience shows that the States are perfectly capable of taking this responsibility and exercising it wisely for our citizens. Virginia's landmark welfare reform legislation is a prime example. Our plan applies to the entire AFDC caseload, with a work requirement for 48,000 of our 74,000 cases. It incorporates common-sense principles into the welfare system by rewarding responsible behavior and providing compassionate, but temporary, assistance for those in need.

In addition to providing opportunity and support to recipients, the program is expected to save the taxpayers more than $130 million over the first five years. Already, we have had a significant drop in our caseload. Restrictive maintenance-of-effort requirements rob States of the ability to share in these savings and the incentives to achieve them. They should be opposed.

As you know, Virginia received a waiver to begin implementing this landmark welfare reform plan on July 1 of this year. You also should be aware that, before this waiver was granted, we spent the better part of two months fending off efforts by the Clinton Administration to completely rewrite our plan. The administration proposed literally hundreds of changes or conditions in the waiver process. Many of them involved very fundamental things; if agreed to, they would have raised the cost of the program significantly and changed essential provisions.

We had a tough fight in our state legislature—with a final bill clearing the General Assembly only in the last hour of the 1995 legislative session. At issue were questions such as whether we would have a real work requirement and a real time limit; whether there would be a child cap and strong requirements for paternity establishment; and whether we would require minor recipients to stay in school and live at home with a parent or guardian.

This spirited debate was expected, given the fundamental nature of the changes and reforms we were proposing. We did not expect, however—after the legislative process was completed at the state level and we had decided what state law and state policy were going to be—that we would have to turn around and refight all those battles with the federal bureaucracy through the waiver process. A good example was the time limit. We went to the wall with HHS over the issue of whether we in Virginia would be able to define the circumstances that would allow someone a hardship exemption from the time limit. That is, of course, a very fundamental issue.

This ordeal leaves me firmly convinced that the whole concept of waivers is inherently flawed. The waiver process by definition invites prescriptive micromanagement and nit-picking from federal bureaucrats in Washington. What States need in order to accomplish this fundamental transformation of welfare is not new waiver guidelines, as the President has suggested, but elimination of the need for waivers in the first place through a genuine block grant, with flexibility guaranteed by statute.

There are other areas in which the Congress could learn from the experience of States like Virginia. We have implemented a child cap here that places responsibility for additional children upon those who should bear the responsibility—the parents. Our program places a cap on benefits for additional children in an AFDC family, but guarantees that 100% of support funds collected from the father will be turned over to the family. This will encourage responsibility, paternity establishment, and child support.

In Virginia, we recognize the important relationship between economic development and welfare reform. We cannot continue to prepare AFDC recipients simply for welfare jobs. Instead, we must train them to compete for existing jobs in our expanding economy. After passage of our welfare initiative, we turned our attention to workforce development. In order to reform the welfare system effectively, we are in the process of restructuring our job-training programs so that they help match workforce training and skills with the needs of our private sector in our local communities. I would encourage you to ensure that workforce development consolidation is included in the overall welfare reform bill, as the two are essential to a State's success.

What the debate really boils down to is who does the U.S. Senate trust to make these policy decisions—the federal bureaucracy or the elected representatives of the people at the State level. This is a basic philosophical question. The choices you make will determine whether the bold innovations that are occurring in Virginia and other States can move forward, or whether federal bureaucrats will continue to micromanage and second guess the decisions of the people of the States and their duly elected representatives. I respectfully urge you to place your trust in the States, which are leading the way.

Thank you for all your solid leadership for our cause in many ways and congratulations on your selection as Chairman of the Rules Committee.

With warm regards, I remain,

Sincerely,

GEORGE ALLEN.

Mr. WARNER. As you will note, the Governor fully supports the block grant process with as few Federal strings as possible. He desires neither conservative nor liberal mandates. In the spirit of true federalism, he is confident that the people of Virginia are fully able to design and administer our own welfare reform programs.

Here are a few parallels between what we are seeking to do in S. 1120 and what the Commonwealth of Virginia has already set into motion.

We are seeking to block grant the entire Aid to Families With Dependent Children [AFDC] Program and have half the eligible population participating in work requirements by the year 2002. Virginia, on the other hand, will implement AFDC reform in 4 years for our entire 74,000 caseload.

While we have debated the duration of welfare payments and whether or not to guarantee transitional benefits such as child care, Virginia has passed a 2 year time period for welfare recipients, during which intensive work experience, education and training will be provided. To facilitate the transition from welfare to work, medical care, child day care, and transportation assistance will be provided. We did not need someone in Washington dictating what we already knew. Young welfare parents have to be freed from domestic burdens if they are to truly benefit from workfare participation.

And, we promote and strengthen two parent families by assuring that both are eligible for benefits, that paternity is acknowledged, and that child support is more strictly enforced. Minor custodial parents are asked to live with their own parents or legal guardians, as long as the home is not abusive, and they must comply with compulsory school attendance laws.

These and other commonsense reforms are all on the way in Virginia. We welcome and encourage other States to watch closely what we do and to lend us the benefit of your own experiences and expertise in reformulating the welfare equation.

Mr. President, in closing, I would like to commend the Senate majority leader, Senator DOLE, and his key staff members, Sheila Burke and Nelson Rockefeller. This has been a collective effort, requiring accommodation of broad and diverse views, and it could not have been done without the good efforts and offices of the Senate majority leader. They have fine tuned the art of compromise while maintaining a strong and underriding traditional Republican philosophy.

In all seriousness, a brighter and more hopeful day for many disadvantaged Americans is almost within our reach. At the end of this day, let us not disappoint those who are looking to us now for an opportunity to join in the American success story.

Mr. MCCONNELL. Mr. President, since last week, the full Senate has debated the arduous task of reforming a welfare system that has failed in its mission to eliminate poverty in America. Throughout our history, Americans have held to the belief that hard work and investment are the staples for family security and economic success. Yet, our Nation's welfare system has turned away from these basic principles. Working Americans complain that the welfare system promotes dependence and waste, while many welfare recipients struggle for the chance to work their way off the rolls.

Since 1965, America has infused $5.4 trillion into a public assistance network composed of almost 80 State and Federal programs. At best, the War on Poverty has produced temporary gains for poor families. While the national poverty rate dropped from a high of 22 percent in 1959 to an historic low of 11 percent in 1973, the poverty rate had risen to 15 percent by 1993. Most tragically, our welfare system has failed to assist our Nation's most vulnerable families. From 1969 to 1993, the child poverty rate declined by less than 1 percent of families headed by single mothers.

America's welfare system has lost its focus. In the 1930's, the Roosevelt Administration created the Aid to Families With Dependent Children Program to help widows, orphans, and families suffering from abandonment or unemployment through difficult financial times. Today, those in need must navigate an array of conflicting bureaucratic rules and program divisions that discourage work, and many times, family unity. Instead of liberating Americans from financial crisis, today's AFDC system fosters a detrimental cycle of generational welfare reliance.

Few dispute that welfare reform is necessary. Without change, single-parent families will continue to suffer from poverty, and the escalating cost of the status-quo will overwhelm our Nation's financial resources. Democrats and Republicans alike are focused on similar goals—State flexibility and the end of unconditional assistance. But how can these goals be attained? The answer is real, commonsense reform.

First, we must fundamentally restructure the way our welfare system works. Our patchwork system of Federal and State welfare programs has produced a complex and inconsistent means for distributing benefits. In increasing numbers, States are requesting Federal waivers to restructure federally defined welfare programs so they can effectively deliver the services their citizens need. President Clinton recently promised the Nation's Governors a waiting period of only 120 days for the processing of their waiver requests. However, States need more than a fast-track system for bureaucratic review. They need real flexibility—the authority to develop public assistance programs that promote work, rather than automatic check writing.

Americans are increasingly concerned that an unconditional entitlement to welfare is displacing the desire for independence with the expectation of permanent dependence. To successfully reduce poverty, welfare must focus on employment, not exemptions to work. Over the years, we have tried a variety of complex, federally dominated work programs. Efforts to attain sustainable employment for AFDC recipients have become little more than a paper chase under the current Job Opportunities and Basic Skills [JOBS] Program. Despite good intentions, the JOBS Program has failed and must be repealed. To effectively respond to the day-to-day reality of the job market, States should be empowered with the authority to develop and adjust their work programs according to recipient need and local job resources.

Welfare recipients also should know that public assistance is not free money but an investment in their work potential. Welfare must be contingent on real work. While appropriate job training is important, we must not lose sight of the fact that classroom lessons mean nothing unless one can actually apply them to the workplace. Real work also means real responsibility. Those who refuse to work without sound cause should see their actions directly reflected in their welfare benefit. Just like every other American employee, an hour's work should equal an hour's pay. In addition, a 5-year lifetime limit focuses recipients on welfare's fundamental purpose—support for the attainment of self-sufficiency.

Second, reform should focus on abolishing abuse. I don't know of one taxpayer that wants food stamps used for the purchase of drugs or alcohol. I know that many of my colleagues on both sides of the aisle share my concern with fraud in our Nation's largest welfare program. I have dedicated considerable effort to legislative proposals that would curtail waste, fraud, and abuse in the Food Stamp Program. The welfare reform bill before us meets this challenge and helps ensure that food stamps are used for their intended purpose: to help needy Americans buy food to supplement their diet.

I am also pleased to see that this bill retains child nutrition programs at the Federal level while successfully reducing excessive Federal regulation. These programs work and have successfully ensured the health and nutritional well-being of future generations of children.

Third, it is essential that welfare reform uphold a standard of responsibility to our Nation's children and families. Illegitimacy in America is becoming the rule rather than the exception. The facts are alarming. Today, 1 in 3 children are born out-of-wedlock—by the turn of the century, this figure will be 1 in 2. Most disturbing of all is the drastic increase in out-of-wedlock births among our youth. In 1960, 15 percent of births to women under the age of 20 were out-of-wedlock. By 1992, this figure had increased to 71 percent.

Today, the specter of poverty haunts single mothers and their children like never before. From 1976 to 1992, the proportion of single, never-married women receiving AFDC more than doubled, from 21 percent to almost 52 percent. Yet welfare assistance has failed to shepherd these needy families to a better future. The Congressional Budget Office found that single women receiving AFDC in 1992 were poorer than in 1976, even though they worked in about the same proportions.

The increasing number of single mother families living in poverty is fueled by the ease with which absent fathers ignore their parental responsibilities. To reverse this devastating trend, we must take seriously the necessity of paternity identification. Fatherhood is not a one-time-only event—it is a lifelong responsibility and should be treated as such.

Paternity identification is an essential step toward the improved collection of child support. In Kentucky, efforts in paternity identification have had a substantial impact upon the collection of child support for AFDC dependent families. In fiscal year 1994, 7 counties ranked in the top 10 for both paternity identification and child support collection.

Without a doubt, dead-beat dads must be held accountable for their child support obligations. In 1991, fathers owed $17.7 billion in child support payments. Only 67 percent, however, was paid—a shortfall of $5.8 billion. If a father refuses to support his child, States have the right to make his parental responsibility crystal-clear by suspending his driver's or professional license.

Mr. President, real reform means transforming welfare from a dead-end street to a bridge toward self-sufficiency and family security. Last year in Owensboro, KY, three mothers shared with me their personal experiences in the welfare system. They were deeply concerned about the future—how they would care for the health and well-being of their children as they tried to work their way off welfare. As they spoke, it was clear that their success depended on their tenacity to break free from the confines of a welfare system that promises much but delivers little. It is for them and each of our Nation's 5 million AFDC families that we must reject the status-quo of an empty entitlement system and return our welfare system to the basics of fairness, work, and family security.

THE MAINTENANCE OF EFFORT AMENDMENT

Mr. CHAFEE. Mr. President, Senator GRAHAM asked a question yesterday during consideration of my amendment on maintenance of effort which I am not sure I fully understood, and I wonder if he could ask the question again.

Mr. GRAHAM. Thank you, Mr. President. The question is, does the Chafee modification to the maintenance of effort mean that a State would have to continue to maintain its effort at 80 percent if the Federal share is reduced.

Mr. CHAFEE. I thank the Senator from Florida for clarifying the issue. The answer is no, if the Federal share is reduced for whatever reason, the State maintenance of effort would also be reduced. This is the hold-harmless provision that was included in both my amendment and the amendment offered by the Senator from Louisiana, Senator BREAUX.

Mr. GRAHAM. I thank the Senator from Rhode Island for clarifying this issue for me.

Mr. PRESSLER. Mr. President, today's debate is the culmination of a long process of rethinking social programs. Welfare originally was designed as a transitional program—a safety net. The system is no longer a temporary safety net, but a lifetime security blanket. The result? Millions of Americans now are trapped in a cycle of dependency. To end this cycle we must rethink our concept of welfare. We need a new approach.

The bill offered by the majority leader, Senator DOLE, represents the fresh start we desperately need. The Dole bill would bring common sense back to welfare. It would restore personal responsibility and self-sufficiency. Compassion can no longer be defined in the number of dollars spent on welfare. Since the War on Poverty began three decades ago, welfare spending has increased to more than $137.6 billion. Despite this massive infusion of cash, our poverty level remains virtually the same—roughly 13 percent. Today, more than 69,000 South Dakotans are on welfare. That is more people than the population of Rapid City. We can no longer throw taxpayer dollars at a so-called poverty program that has not worked. We must change the incentives in the current system that encourage dependency on welfare. We must refocus our priorities to emphasize work and family. The Dole bill does just that.

My liberal friends on the other side of the aisle prefer to continue the status quo. I do not understand why. The current system is cruel and unfair—to both welfare recipients and taxpayers. The current system holds people in a dependent state of poverty. It prevents them from realizing their personal potential and contributing to their family and community through work. Last June, I met with a group of mothers from South Dakota who are on welfare. Their heartfelt stories varied, but all are working actively for the day when they will leave welfare. They want welfare to be a transitional program. Their goal should be the welfare system's goal as well.

We can no longer tolerate blatant gaming of the system. Generations of able-bodied families have stayed on welfare rather than work. This abuse is an insult to hardworking Americans. South Dakota has many working poor families. The small farmer, the local waitress and convenience store clerk struggle daily to provide for their families without government assistance. Welfare recipients should not get a free ride at the expense of hard working taxpayers. Frankly, they should not live easier or better than our working poor, who strive daily to put food on the table without a handout. The loopholes that allow people to cheat the system and defraud taxpayers must be closed.

The Dole plan would transform welfare to workfare. It would restore personal responsibility by requiring work for benefits after 2 years on public assistance. Work would be required for food stamps as well. It would impose a 5-year lifetime limit on benefits. The bill would end disability assistance payments for alcohol and drug addicts to continue their habits, which is allowed under current law. It would tighten eligibility for food stamps. It would toughen child support enforcement. The Dole bill also would streamline child care programs, child nutrition programs, and job training programs. Collectively, these steps would move our antipoverty programs from welfare to workfare; dependency to personal responsibility. It is about time.

We all agree that we have a responsibility to provide public assistance to truly needy children and families. This bill would continue the necessary transition assistance for those families who find themselves in circumstances beyond their control. It would not cut benefits to needy children. Instead, it would eliminate one-third of the cumbersome bureaucracy at the Department of Health and Human Services and scores of needless Federal regulations.

The second pillar of personal responsibility is family. Welfare reform should remove disincentives to a sound family structure. The current system rewards illegitimacy and discourages marriage. An entire class of children are growing up in single parent families, usually without fathers. South Dakota small towns and cities are no longer immune to these problems. If we expect to restore family values, we must first restore the family structure. We should encourage marriage and family values while we encourage work.

Perhaps most importantly, the Dole bill would give South Dakota and other States the ability to craft the solutions that best serve local needs. It has been proven time and again that Washington bureaucrats cannot completely understand unique local needs from thousands of miles away. Nor can we expect Washington bureaucrats to be the sole source of creative changes. By giving States welfare funds in a block grant, South Dakota would be free to pursue innovative ways to meet the needs of their welfare recipients.

Like many other States, South Dakota has been operating under a waiver from the Federal Government since January 1, 1995. This waiver has allowed them to make some of the key reforms called for in the Dole bill. South Dakota implemented work for benefits, and incentives to moving off welfare, such as a transition period between AFDC support and employment. These changes are working. Case rolls are decreasing dramatically. In fiscal year 1994, South Dakota had a monthly average of 19,446 people on aid to families with dependent children [AFDC]—the central welfare cash assistance program. In May 1995, we had 16,737 people on AFDC. This reduction is proof that workfare truly works. We can change the incentives in the system. Further, South Dakota, like other States, can do a better job than the Federal Government.

I would like to speak for a few moments about the unique welfare problems in South Dakota. A number of the welfare problems in South Dakota are ours alone—in fact, they differ greatly from even our Midwest neighbors. My State has three of the five poorest counties in the entire Nation. Our State has the lowest wages in the country. More than half of our welfare recipients—58 percent—are native Americans—the highest percentage in the country. In some reservation areas, unemployment runs more than 80 percent. Long distances between towns and a lack of public transportation are further barriers to gainful employment and quality child care. All of these factors create a situation that needs special attention. What is needed to end welfare dependency in Oglala, Fort Thompson, or Rapid City, SD, is not what is needed in Los Angeles or Mississippi. With this bill, we recognize that we are a nation with people of vastly different needs. As such, we need individualized solutions.

True welfare reform in South Dakota demands welfare reform on our reservations. Because of South Dakota's special problems, I have been especially concerned with the treatment of native American tribes in this legislation. Both the tribes and the State of South Dakota agree that the best way to relieve poverty and welfare dependency on reservations is give tribes the option to run their own welfare programs. A number of my colleagues—Senators MCCAIN, HATCH, MURKOWSKI, and DOMENICI—and myself, have agreed on a proposal which is included in the Dole bill. Our proposal would give tribes the ability to allocate their share of a State's AFDC dollars among tribal members. Much like the overall welfare system, handing out unlimited Federal dollars in public assistance has not changed the deplorable poverty on reservations. Welfare reform for native American tribes also means changing incentives. Workfare must be employed on our native American tribes, but done in a manner that recognizes the unique circumstances that exist. By making tribes directly responsible for their members, tribes will have an incentive to find solutions to chronic unemployment and poverty. This also is consistent with the long-standing Federal policy of tribal self-governance. Under our proposal, for example, tribes in high unemployment areas such as Shannon County would be given some flexibility in meeting participation rates. This proposal is fair and I thank all my colleagues for their help in taking the first step to resolve this important, but difficult issue.

I am proud to be part of this effort today. Ultimately, what this bill is about is change—positive change. We can change the current failed system to help people become self-sufficient and productive members of society. We can change incentives to restore personal responsibility and family values. I look forward to working with my colleagues on both sides of the aisle to see that workfare becomes a reality.

ORDERS FOR FRIDAY, SEPTEMBER 15

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9:15 a.m. on Friday, September 15, 1995, that following the prayer, the Journal of the proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate then immediately resume consideration of H.R. 4, the welfare reform bill, and there then be 10 minutes of debate, equally divided, on the Bingaman amendment No. 2483.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

AIR SERVICE TO SMALL CITIES

Mr. PRESSLER. Mr. President, I rise today to discuss a problem which severely affects the economic growth of my home State of South Dakota. This problem is an acute shortage of air service within my State coupled with insufficient connecting air service between South Dakota cities and hub airports in nearby States. Congressional attention is needed.

The Airline Deregulation Act of 1978 created significant domestic travel benefits for many Americans. In addition, airline efficiencies resulting from deregulation have helped reduce the cost of international travel. Unfortunately, these benefits have not been evenly distributed across the country. Indeed, they have not been shared by Americans living in many smaller cities and rural communities.

One need only try to schedule air travel to South Dakota to know that my State, as well as other rural States, have paid a harsh price for airline deregulation. For numerous small cities, fares are higher and service less frequent since deregulation. Moreover, I know from personal experience—and statistics from the U.S. Department of Transportation (DOT) confirm—that non-stop jet service to many South Dakota cities has been replaced by connecting turboprop service. The result? Often, it is less desirable service involving circuitous routing on slower and less comfortable aircraft.

Mr. President, several months ago I requested the General Accounting Office (GAO) to prepare a study comparing air service for large, medium and small cities across the country. That study, which I understand is progressing well, is considering differences between these markets in terms of the cost of air travel for consumers, the extent to which jet service is available, and safety. I am confident this study will be very enlightening.

In connection with the GAO study, the DOT already has provided statistics that dramatically illustrate the great burden rural states like South Dakota bear as a result of airline deregulation. For example, for the month of February 1978, prior to deregulation, there were a total of 2,384 scheduled commercial flights departing South Dakota airports with 186,080 seats available for the traveling public. By comparison, for the month of February 1995, there were 2,421 commercial flights departing my home State but only 94,538 seats were available on these flights. These statistics show that at the same time the number of flights departing South Dakota increased by 1.5 percent, the total number of seats available to the traveling public have dramatically decreased—a 49.1 percent reduction in seating capacity.

At first glance, these statistics seem inconsistent. How is it possible for the number of seats available for departing passengers to fall so dramatically at a time the number of departing flights actually increased? The answer is that airlines are substituting small, non-jet aircraft in small city markets previously served by larger jets. For example, in May 1978, 19 percent of commercial flights departing Rapid City, South Dakota involved non-jet aircraft. In May 1995, that percentage has more than doubled to 42 percent. Turboprop aircraft substitution in many small city markets is a post-deregulation reality.

The impact of non-jet aircraft substitution in smaller markets is significant. It hits my constituents and other small city air travel consumers right in the wallet. Let me explain.

Like most goods and services, the price of air travel for consumers depends to a large extent on the supply and demand of seats. Naturally, therefore, air fares increase when demand for seats goes up at a time when the supply of available seats declines. That is precisely what has happened in my state. As I mentioned, while the demand for air travel has been generally increasing, the supply of seats available to passengers departing South Dakota has declined by 49.1 percent. Just ask my constituents if this "supply squeeze" has caused higher air fares. It clearly has increased the price of air travel in South Dakota.

At my request, the GAO is examining these air service issues on a national scale. When the GAO report is issued, I plan to hold a hearing on its findings. The report is expected to be completed in the Spring of next year.

Mr. President, I cannot stress strongly enough what a problem insufficient and unaffordable air service is in South Dakota as well as other rural States. However, there may be hope for improvement. Indeed, I am guardedly optimistic about a new development.

The development to which I refer is the availability of a new generation of small commuter jets, so-called "junior jets." These smaller jets will give airlines a service option that previously did not exist. Previously, when airlines' planners assigned aircraft to particular routes, there was a choice only between larger jetliners and turboprops. Now, they have a third option.

Let me illustrate this point. On a flight which customarily serves 40 passengers, it is currently uneconomical for airlines to use jet aircraft, which generally have 100 or more seats. Previously, the only alternative was to use turboprop service on such routes. Now, however, junior jets will permit airlines to serve that market with a 50 seat jet aircraft.

If airlines purchase and use junior jets, jet service may return to some small cities. Other small cities may see an increase in jet service. Of significant importance, use of junior jets could increase the number of seats available in small city markets and this added capacity could help to lower the cost of air travel. In fact, these jets could reduce airlines' costs of serving some routes and this could lead to lower air fares in the long run. All the air service challenges small communities face surely will not be resolved by junior jets. Use of these aircraft would, however, be a step in the right direction.

I will ask unanimous consent that a recent article appearing in the New York Times which addresses the great potential junior jets represent in providing service to smaller air service markets be printed in the RECORD at the end of my remarks. Will airlines take advantage of the option of providing air service to small cities on junior jets? As airlines mull over this questions, I urge them to keep several important points in mind.

First, last year more than 37 percent of all passenger enplanements in the United States occurred at airports other than the 25 large connecting hubs, such as Chicago O'Hare. Many of these more than 200 million enplanements were passengers flying to or from small cities. I urge airlines to never forget that small cities, such as Sioux Falls, Rapid City and Aberdeen, SD, are a very important component of their customer base and provide critical passenger feed for the airline industry's domestic and international networks.

Second, improved quantity and quality of service and lower fares that could result from the use of junior jets could stimulate demand in small city markets. In addition to making passengers happier, using junior jets could also benefit airlines by increasing the number of passengers traveling in these markets.

Mr. President, the benefits of airline deregulation have not been shared by citizens living in smaller cities. Fairness dictates this unfortunate reality be changed. I urge airlines to carefully consider the benefits of using junior jets to serve these cities. These new aircraft have the potential to make a bad situation better. I also urge airlines not to underestimate the importance of small city markets.

I ask unanimous consent that the New York Times article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Aug. 19, 1995]

RELIEF FOR THE TURBOPROP BLUES—SMALL IS SUDDENLY BEAUTIFUL FOR SHORT-HOP TRAVELERS

(By David Cay Johnston)

Until recently, whenever Scott Hansen, a Salt Lake City lawyer, had to visit clients in Boise, Idaho, he dreaded calling his travel agent. Of the eight daily flights, four were on 135-passenger Delta Air Lines jets but the four others were on much smaller turboprops flown by SkyWest Airlines, a Delta commuter affiliate.

Of his last 75 flights, Mr. Hansen said, 45 required him to squeeze into the bumpy, low-flying turboprops. "There's no comparison," he said. "In the jet you have good seats, you board through a jetway and you can stand up when you walk down the aisle."

But some relief for travelers like Mr. Hansen is in sight. Several manufacturers from around the world are racing to deliver a new wave of what might be called junior jets, able to carry between 50 and 80 passengers. They are a vast improvement over the somewhat smaller short-hop turboprop planes, with their propeller-droning, often stomach-wrenching flights as they go right through the middle of the seemingly inevitable summer thunderstorm.

Forget about all the attention focused on the competition between Boeing and Airbus for the next generation of jumbo jets. What will really make a big difference in the daily trials and tribulations of tens of thousands of bedraggled airline passengers are these small, often overlooked, regional jetliners.

Already, junior jets have started to replace turboprops on some midlength routes like the Salt Lake City-Boise run. And they are increasingly being used to connect less traveled, more widespread cities where passengers were once condemned to go through a connecting airport, often from one turboprop to another.

In Brazil yesterday, the newest junior jetliner took its first test flight after rolling out of its factory hangar in São Jose dos Campos, a 170-mile hop from Rio de Janerio. The Embraer-145 is a 50-seat regional jet built by Empresa Brasileira de Aeronautica S.A., as the company is formally known, to replace slightly smaller turboprops. That includes Embraer's own Brasilia, which is the most widely used turboprop in the United States. More than 200 are operated by American carriers today.

The new plane, which costs $14.5 million, is basically a stretched Brasilia turboprop fitted with jet engines. Meanwhile, another 50-seat jet aircraft, the Canadair Regional Jet, has started to make inroads in the United States and elsewhere since it was introduced in 1993.

That Canadian-built plane, a derivative of Bombardier Inc.'s Challenger corporate jet, is intended not so much to replace turboprops on short hops as to allow nonstop jet service between distant cities with limited economic ties, such as Rapid City, S.D., and Salt Lake City, which are 508 air miles apart. Even so, Sky West recently turned to Canadair to replace its Brasília turboprop planes on the Salt Lake City-Boise run. Thirty-one Canadair Regional jets currently operate in the United States.

That's not all. Earlier this summer two Fokker 70's, a new Dutch jet with 79 seats, began service for America West Express, a unit of Mesa Air Group. They provide nonstop service from Phoenix to Des Moines and to Spokane, Wash., both long, thinly used markets that previously required at least one stop. Also flying in the United States are 16 four-engine British Aerospace BAe-146 jets and a few newer models of the same plane. Fokker is a unit of Daimler-Benz A.G.

And at least one American plane maker, McDonnell Douglas, is trying to develop a shorter version of its smooth-flying MD-80. It has not yet decided whether to go ahead with construction.

Over the next 20 years airlines worldwide are expected to buy as many as 1,500 jets that carry fewer than 100 passengers, said Barbara Beyer, president of Avmark, an airline industry consulting firm in Arlington, Va.

Still, the turboprop is not about to disappear. Bombardier, the Canadian plane maker, estimates that between 1993 and 2012 airlines worldwide will spend $91 billion to buy 8,107 regional aircraft with 15 to 90 seats. Most of these planes will be low-cost turboprops with 40 or more seats. Airline industry experts say that turboprops will continue to serve as the backbone of flights between small- and medium-sized cities like Concord, N.H., and Syracuse and nearby major airports, such as Boston and New York.

For an increasing number of lucky fliers, though, the junior jets will provide a lot more speed and some added comfort over turboprops. And for thousands of others, there is the prospect of an end to the time-wasting change of planes.

"After two hours a turboprop is a real pain," Miss Beyer said, "Essentially there are two kinds of markets that can be served by regional jets. Those that are more than 400 miles apart, but are not large enough to command larger jet equipment. And those markets that have been abandoned by the major carriers since deregulation of the airlines—markets that had been jet markets and should be jet markets."

For years, the big United States aircraft manufacturers—Boeing and McDonnell Douglas—resisted building smaller jets, arguing that the development costs would be too high to justify the expense of building jets that would inevitably sell for much less than their bigger bread-and-butter jet aircraft.

"Then we hounded Canadair with the idea that they ought to turn their Challenger business jet into a regional airliner," Miss Beyer said. "And ultimately they did and now it is an absolute raving success."

While off to a good start, it remains to be seen just how successful the Canadair will be. Bombardier has delivered 65 such Canadair jets and has orders for 37 more. It says it plans to bring out a lengthened version that can carry 75 passengers.

Aircraft makers readily acknowledge that most passengers do not like turboprops, not just because of their noisy vibrations and cramped space, but also because they appear outdated and less safe. And the crash last October of a French-made ATR turboprop plane, which led the Federal Aviation Administration to ban the planes temporarily from flying in icy weather, only added to the safety fears surrounding turboprops. But the manufacturers insist that view is misguided.

"People tend to look at propellers and think old-fashioned," said Colin Fisher, a spokesman for Bombardier, which also makes a 50-seat turboprop, the Dash 8. "But Turboprop and jet technology were born in the same time frame, around the time of World War II."

Whatever the manufacturers say, passengers recognize a clear difference. On a flight from Rochester to Cincinnati, a Canadair Regional jet operated by Comair, another Delta commuter affiliate, was exceptionally quiet and smooth, taking off quickly and flying above the turbulence. But the seats in junior jets do not vary that much in appearance and comfort from those typically found in most turboprops.

The main reason more airlines do not rely on junior jets is because they are much more expensive to buy than turboprops. And even though they hold more seats, that's still a real burden, particularly for commuter operators without a lot of extra investment capital that are operating on paper-thin margins. The new Embraer regional jet, for example, will cost nearly double the $7.7 million price of its Brasilia turboprop. A Canadair Regional jet costs even more—$17 million to $22 million a copy.

But the new Brazilian operating costs are expected to be comparable. Its new regional jet, Embraer says, should cost about $27 an hour per seat to fly, compared with $29 per hour for a Brasilia. And some airlines think the investment is worthwhile, in part because jets fly much faster than turboprops, allowing more flights each day. Delta Connection flights on a Saab 340 turboprop between Rochester and La Guardia Airport in New York City are scheduled for 85 minutes, compared with USAir's 64 minutes via a 737 jet, adding about one-third to the gate-to-gate time.

Jets can also cruise higher, which means fewer cups of coffee ending up in passenger laps. "You can fly up quickly and get above the weather, which is especially attractive during thunderstorm season," said David A. Siebenburgen, president of Comair Holdings, the regional airline in Cincinnati that introduced the Canadair Regional Jet into service. "Our customers love them."

Comair operates 64 turboprops and 23 Canadair Regional jets, but within five years the company expects to operate fewer than 50 turboprops and at least 70 Canadair Regional jets, Mr. Siebenburgen said.

And even though the carrying costs are higher, SkyWest, based in Salt Lake City, sees advantages in the eight Canadair Regional Jets, all leased, that it now flies.

"The reason we feel comfortable with the risk," said Bradford R. Rich, SkyWest's chief financial officer, "is that the plane fits into the longer, thinner markets we have. We believe it can expand our market area because of the high speed and comfort."

As far as Canadair's new Brazilian competitor goes, it already has 18 firm orders for its regional jet, five of them from BWIA, a Caribbean airline. Embraer also says it has 16 options and 127 letters of intent.

So far, however, no airline in the United States has ordered an EMB-145. But Michael Warwicke, Embraer's vice president for sales, is counting on a few orders to roll in once the airplane completes flight-worthiness testing. Long-suffering prop-jet passengers may want to start counting the days.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, before discussing today's bad news about the Federal debt, how about "another go", as the British put it, with our pop quiz. Remember? One question, one answer.

The question: How many millions of dollars does it take to add up a trillion dollars? While you are thinking about it, bear in mind that it was the U.S. Congress that ran up the Federal debt that now exceeds $4.9 trillion.

To be exact, as of the close of business yesterday, September 13, the total Federal debt—down to the penny—stood at $4,967,410,712,825.60, of which, on a per capita basis, every man, woman and child in America owes $18,856.78.

Mr. President, back to our pop quiz, how many million in a trillion: There are a million million in a trillion.

MESSAGE FROM THE HOUSE

At 2:58 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 2126) making appropriations for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. YOUNG of Florida, Mr. MCDADE, Mr. LIVINGSTON, Mr. LEWIS of California, Mr. SKEEN, Mr. HOBSON, Mr. BONILLA, Mr. NETHERCUTT, Mr. NEUMANN, Mr. MURTHA, Mr. DICKS, Mr. WILSON, Mr. HEFNER, Mr. SABO, and Mr. OBEY as the managers of the conference on the part of the House.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1162. An act to establish a Deficit Reduction Trust Fund and provide for the downward adjustment of discretionary spending limits in appropriation bills.

H.R. 1594. An act to place restrictions on the promotion by the Department of Labor and other Federal agencies and instrumentalities of economically targeted investments in connection with employee benefit plans.

H.R. 1655. An act to authorize appropriations for fiscal year 1996 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 1162. An act to establish a Deficit Reduction Trust Fund and provide for the downward adjustment of discretionary spending limits in appropriation bills; referred jointly, pursuant to the order of August 4, 1977, to the Committee on the Budget, and to the Committee on Governmental Affairs.

H.R. 1594. An act to place restrictions on the promotion by the Department of Labor and other Federal agencies and instrumentalities of economically targeted investments in connection with employee benefit plans; to the Committee on Labor and Human Resources.

H.R. 1655. An act to authorize appropriations for fiscal year 1996 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes; to the Select Committee on Intelligence.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–1423. A communication from the Assistant Secretary for Communications and Information, the Department of Commerce, transmitting, the report of the Public Telecommunications Facilities Program grants for fiscal year 1995; to the Committee on Commerce, Science, and Transportation.

EC–1424. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, the report of three contracts for design-build construction services on behalf of the Internal Revenue Service; to the Committee on Environment and Public Works.

EC–1425. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, the report of a building project survey for Oklahoma City, Oklahoma; to the Committee on Environment and Public Works.

EC–1426. A communication from the Administrator of the General Services Administration, transmitting, a draft of proposed legislation entitled "Emergency Leasing Act of 1995"; to the Committee on Environment and Public Works.

EC–1427. A communication from the Administrator of the General Services Administration, transmitting, a draft of proposed legislation entitled "Prospectus Threshold Increase Act of 1995"; to the Committee on Environment and Public Works.

EC–1428. A communication from the Assistant Legal Affairs Adviser for Treaty Affairs, the Department of State, transmitting, pursuant to law, the text of the international agreements, other than treaties, and background statements; to the Committee on Foreign Relations.

EC–1429. A communication from the Assistant Secretary of State for Legislative Affairs, transmitting, pursuant to law, notice of a Presidential determination relative to the International Organizations and Programs Account Funds; to the Committee on Foreign Relations.

EC–1430. A communication from the Assistant Legal Affairs Adviser for Treaty Affairs, the Department of State, transmitting, pursuant to law, the text of the international agreements, other than treaties, and background statements; to the Committee on Foreign Relations.

EC–1431. A communication from the Assistant Secretary of State for Legislative Affairs, transmitting, corrections to the text of the Convention Between the Government of the United States of America and the Government of the Republic of Kazakhstan; to the Committee on Foreign Relations.

EC–1432. A communication from the President of the United States, transmitting, pursuant to law, the report on the cost for operations and assistance to Haiti for the period October 1, 1993 to March 31, 1995; to the Committee on Foreign Relations.

EC–1433. A communication from the President of the United States, transmitting, pursuant to law, the report of an alternate plan for Federal pay adjustments; to the Committee on Governmental Affairs.

EC–1434. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report entitled "Statistical Programs of the United States Government"; to the Committee on Governmental Affairs.

EC–1435. A communication from the Comptroller General of the General Accounting Office, transmitting, pursuant to law, notice of reports and testimony for the month of July, 1995; to the Committee on Governmental Affairs.

EC–1436. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-134, enacted by the Council on July 29, 1995; to the Committee on Governmental Affairs.

EC–1437. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-135, enacted by the Council on July 29, 1995; to the Committee on Governmental Affairs.

EC–1438. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-136, enacted by the Council on July 29, 1995; to the Committee on Governmental Affairs.

EC–1439. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-139, enacted by the Council on July 29, 1995; to the Committee on Governmental Affairs.

EC–1440. A communication from the Assistant Secretary of the Interior for Indian Affairs, transmitting, pursuant to law, the report of the Plan for the Use and Distribution of the Funds Awarded the La Jolla Band of Mission Indians; to the Committee on Indian Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATFIELD, from the Committee on Appropriations:

Special Report entitled "Revised Allocation to Subcommittees of Budget Totals from the Concurrent Resolution for Fiscal Year 1996" (Rept. No. 104–141).

By Mr. COCHRAN, from the Committee on Appropriations, with amendments:

H.R. 1976. A bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1996, and for other purposes (Rept. No. 104–142).

By Mr. McCONNELL, from the Committee on Appropriations, with amendments:

H.R. 1868. A bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1996, and for other purposes (Rept. No. 104–143).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. INOUYE:

S. 1240. A bill to provide for a special application of section 1034 of the Internal Revenue Code of 1986; to the Committee on Finance.

By Mr. EXON:

S. 1241. A bill entitled the "Public Broadcasting Financial Independence and Family Viewing Act of 1995"; to the Committee on Commerce, Science, and Transportation.

By Mr. BRADLEY:

S. 1242. A bill to authorize the National Institute of Justice to provide technical assistance to State and local law enforcement entities, and for other purposes; to the Committee on the Judiciary.

By Mr. SPECTER (for himself, Mr. KOHL, Mr. GRASSLEY, Mr. LEAHY, and Mrs. FEINSTEIN):

S. 1243. A bill to provide educational assistance to the dependents of Federal law enforcement officials who are killed or disabled in the performance of their duties; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. INOUYE:

S. 1240. A bill to provide for a special application of section 1034 of the Internal Revenue Code of 1986; to the Committee on Finance.

SPECIAL APPLICATION LEGISLATION

• Mr. INOUYE. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1240

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the case of Rita Bennington—

(1) who purchased her new principal residence (within the meaning of section 1034 of the Internal Revenue Code of 1986) in January 1992, and

(2) who was unable to meet the requirements of such section with respect to the sale of an old principal residence until May 1994, because of unexpected delays caused by Hurricane Iniki, the Secretary of the Treasury, in the administration of section 1034 of the Internal Revenue Code of 1986, shall apply subsection (a) of such section by substituting "2.5 years" for "2 years" each place it appears.•

By Mr. EXON:

S. 1241. A bill entitled the "Public Broadcasting Financial Independence and Family Viewing Act of 1995"; to the Committee on Commerce, Science, and Transportation.

THE PUBLIC BROADCASTING FINANCIAL INDEPENDENCE AND FAMILY VIEWING ACT OF 1995

• Mr. EXON. Mr. President, as Governor and Senator, I have been a long time supporter of public broadcasting. In Nebraska, public broadcasting leads the way in innovative programming, distance learning, and educational opportunity. That dedication to excellence, to children and to families has made Nebraska Public Television an island of decency, sanity, and enrichment in the sea of violence, sex, and immorality which is commercial television.

I am pleased to introduce legislation titled the Public Broadcasting Financial Independence and Family Viewing Act.

Opponents of public broadcasting have sparked a debate about the future of this national treasure. That debate has been healthy and ironically could lead to the salvation of public broadcasting. As a member of both the Senate Commerce Committee, and the Senate Budget Committee, I foresee a budgetary situation which threatens the very existence of public radio and television regardless of who controls the House or the Senate. The reforms proposed in this legislation would give public broadcasters the tools for survival.

As a strong supporter of public broadcasting, I have repeatedly expressed several troubling concerns about recent public broadcasting programs and policies. This legislation is also meant to refocus the mission of PBS and CPB on family-friendly, entertainment, educational, cultural, and informational programming.

I simply can not defend standards and practices which permit displays of nudity and use of language in CPB-funded dramatic programming which would not be permitted on commercial broadcast television. Public broadcasting can tackle controversial subjects but it should be done in a manner which is not offensive.

Public broadcasting comes into the homes of American families thanks in part to the tax dollars of those families and thanks to the radio spectrum owned by the people. It is not too much to ask that programming be presented in a manner which is appropriate for a home with children.

In this regard, I must give the Nebraska Educational Television network credit for showing great sensitivity to Nebraska families. Last year NETV only aired the edited version of the controversial program "tales of the city" and decided not to broadcast some of the programming offered by PBS and other sources which push the envelope of taste and propriety.

On a national level, I strongly believe that the CPB and PBS should show the same sensitivity to taxpayers and viewers. It is not censorship to ask that American tax dollars be spent in a manner that is consistent with American values.

On the financial side, the Corporation for Public Broadcasting should more aggressively pursue and share in the spinoff profits generated by products related to CPB funded programming. It is tragic that public broadcasting has made millions of dollars for others but must battle each year for modest appropriations.

In addition, under this legislation public broadcasters would be given spectrum and schedule flexibility as well as new channel placement options which could generate additional nontax revenues. These measures hold long-term promise toward the goal of making public broadcasting more financially independent.

Mr. President, never before has the need for quality television been more critical. Public broadcasting has a long tradition of meeting that need for quality. I believe that we can reinvent public broadcasting. As a supporter of public broadcasting, I am prepared to consider any creative idea to lessen taxpayer burdens in this area. My one bottom line; my one nonnegotiable item is that public boardcasting remain public. It should not be privatized or dismantled and sold to the highest bidder. It is a national treasure which must remain in the public domain.

Mr. President, I introduce this legislation and extend a hand of friendship and cooperation to Members on both sides of the aisle. Public broadcasting is an institution which means a great deal to the people of Nebraska, and the Nation, and we must find ways to help it meet the challenge of survival in a very difficult fiscal climate.

Thank you Mr. President.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1241

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be referred to as "The Public Broadcasting Financial Independence and Family Viewing Act of 1995".

SEC. 2. FAMILY VIEWING.

Section 396(g)(1)(A) of Title 47 is amended by inserting between the words "which" and "are" the following new language "are suitable for family viewing throughout the broadcast day and which".

SEC. 3. USE OF FEDERAL FUNDS.

A new Section 396(k)(1)(F) to Title 47 is added as follows:

"(F) No federal funds shall be used to broadcast any program which is indecent or to broadcast any dramatic program which includes nudity."

SEC. 4. PUBLIC INTEREST.

Section 396(a) of Title 47 is amended by adding the following new subsection:

"(11) It is in the public interest that public broadcasting provide educational, cultural, information and entertaining programming which is suitable for family viewing."

SEC. 5. SPECTRUM FLEXIBILITY.

The Commission shall adopt regulations which would allow public broadcast license holders to make use of their broadcast spectrum for the transmission of ancillary and supplementary services, so long as the licensees provide without charge at least one schedule of public broadcast programming. In permitting such use, the Commission shall assure through regulation or license terms that:

(a) the proceeds, if any from such ancillary and supplementary use go to the exclusive benefit of public broadcasting;

(b) public broadcast licensees do not lessen their existing commitment or level of effort to public broadcasting; and

(c) to the extent such spectrum is used for a purpose other than public broadcasting, fees charged for such use shall be at market rates.

SEC. 6. SCHEDULE FLEXIBILITY.

The Commission shall adopt regulations which would allow public broadcast license holders to utilize their broadcast schedule between the hours of 1 AM and 6 AM to provide on a leased basis non-public broadcast programming for a fee or for public broadcast license holders to provide commercially sponsored programming provided that:

(a) the proceeds, from such use go to the exclusive benefit of public broadcasting;

(b) public interest licensees do not lessen their existing commitment or level of effort to public broadcasting; and

(c) to the extent such use is for a purpose other than public broadcasting, fees charged for such use shall be at market rates.

SEC. 7. ENHANCED UNDERWRITING.

(a) Section 399(a) of Title 47 is amended:

(1) by striking the word "exclusive" in subsection (a); and

(2) by inserting before the period (.): "through a call to action, an inducement to buy, sell, rent, or lease, or the provision of price information".

(b) Section 399B(a) of Title 47 is amended:

(1) by inserting: "through a call to action inducement to buy, sell, rent, or lease or the provision of price information" after the word "promote." and

(2) by inserting: "when such offering is other than an educational or cultural event sponsored in part by a qualified public broadcasting station, or producer or distributor of programming for public broadcast stations" after the word "profit".

SEC. 8. SATELLITE, COMMON CARRIER AND OTHER FORMS OF PROGRAM DISTRIBUTION.

Public Broadcasting programming may be distributed to viewers by means of satellite, common carrier, or other form of telecommunications technology for a fee provided that the proceeds from such distribution go to the exclusive benefit of public broadcasting.

SEC. 9. FREQUENCY EXCHANGE.

The Commission may approve an exchange of frequencies between a public broadcaster and a commercial broadcaster, when the proceeds from such exchange are dedicated to the benefit of the national public broadcasting system.

SEC. 10. ANCILLARY INCOME.

The Board of Directors of the Corporation for Public Broadcasting, and The Public Broadcasting System shall ensure that to the greatest extent possible agreements for programming include a provision to assure that public broadcasting share in benefits from the sale of any ancillary products, books, recording, toys, character licensing or other products related to the broadcast of such programming.

SEC. 11. GAO REVIEW.

The General Accounting Office shall conduct a review of the operations of the Corporation of Public Broadcasting, the Public Broadcasting System, Public Broadcasters and their program and other contractors. These entities shall make their records and accounts available to the General Accounting Office for review. The General Accounting Office shall protect proprietary information. Within one year of the date of enactment of this Act, the General Accounting Office shall report to the Congress its recommendations for improving the efficiency, and self-sufficiency of public broadcasting.

SEC. 12. FEASIBILITY OF MERGER WITH INTERNATIONAL BROADCASTING.

The General Accounting Office shall conduct a feasibility study of merging or coordinating public broadcasting operations and facilities or portions of operations and facilities with the international broadcasting operations of the United States government.

SEC. 13. EDUCATIONAL RATES.

Public broadcast licensees shall qualify for interstate and intrastate educational telecommunications service rates to the extent such rates are available and to the extent such telecommunications services are used for the purpose of providing public broadcasting.●

By Mr. BRADLEY:

S. 1242. A bill to authorize the National Institute of Justice to provide technical assistance to State and local law enforcement entities, and for other purposes; to the Committee on the Judiciary.

THE NATIONAL INSTITUTE OF JUSTICE TECHNOLOGY ASSISTANCE ACT OF 1995

● Mr. BRADLEY. Mr. President, to empower citizens to take back their streets from criminals, it is vitally important that the Federal Government work in partnership with States and localities to deploy additional officers in communities around the country. However, Mr. President, equally critical to the success of State and local police forces in protecting American citizens is the commitment of the Federal Government to serve as a partner to ensure that State and municipal police officers have access to advanced technology and equipment to effectively fight crime.

Mr. President, the Department of Justice's National Institute of Justice [NIJ] provides this critical link between the Federal Government and local law enforcement agencies across the country. The mission of NIJ's Office of Science and Technology is to assist law enforcement, particularly on the State and local level, with upgrading their technological infrastructure. This involves the following functions: First, providing information on products and technologies; second, developing standards; third, testing and evaluating technologies and equipment; and fourth, research and development.

Because of the critical mission of NIJ, the legislation that I am introducing today seeks an appropriation of an increase of $10 million each for fiscal year 1996 and fiscal year 1997 to enable NIJ to continue and expand the work that it is doing to enhance the effectiveness of State and local police departments.

Mr. President, research and development conducted by NIJ is a valuable resource for State and local law enforcement agencies that are often confronted by criminals who have access to the most advanced commercial technologies. The invention of soft body armor was developed out of a NIJ project. Since 1975, when NIJ first conducted field tests in 15 cities across the country, bulletproof vests have saved the lives of thousands of officers. NIJ is also responsible for significant advances in the field of forensic science. For example, NIJ brought DNA identification to the United States and developed new fingerprinting techniques which permits officers to lift fingerprints on major fixtures in the field, without removing the fixture.

NIJ is currently developing products that will make police work safer and more efficient. For example, Mr. President, NIJ has developed a prototype rear airbag to use to control suspects in the back of a squad car with minimal disruption. NIJ has also developed a prototype retractable barrier strip to enable police to safely stop a fleeing vehicle, thereby minimizing the need for dangerous high speed chases which often result in injuries to police officers or innocent bystanders.

Mr. President, many local police departments receive no assistance in identifying technology and purchasing equipment. They operate as solo actors. For example, a local police department recently spent 8 months conducting market research before purchasing motorcycle helmets. To address this problem, NIJ has established the technology information network—a combination of a law enforcement internet and consumers report—to afford police departments around the country access to timely and objective information on new products, technologies, and systems. Moreover, NIJ has held and participated in a series of successful conferences and town meetings to initiate dialog between law enforcement, the Federal technology community, and the private sector, and is establishing purchasing consortiums to allow local police departments to obtain the best prices for technical products and equipment.

Mr. President, because the overwhelming majority of police work in America is conducted by State and local law enforcement, and only 13 percent of the crime fighting resources are controlled by the Federal Government, the answer to violence lies closer to home than to Washington, DC. With the establishment last year of NIJ's National Law Enforcement Technology Center, the agency has become the model for the decentralized relationship that exists between the Federal Government and State and local law enforcement.

The National Law Enforcement Technology Center consists of seven regional research centers throughout the country. This virtual national center serves as a focal point for law enforcement research and development and information dissemination. The regional centers are centers of excellence for respective technologies and act as regional interfaces for State and local law enforcement agencies. This decentralized structure brings NIJ's work into the field, thereby fostering a closer working relationship with State and local law enforcement. For example, the agency has established test bed programs to field test new equipment in local police departments.

Mr. President, the legislation that I am introducing today seeks an appropriation of an increase of $10 million each for fiscal year 1996 and fiscal year 1997 to enable NIJ to continue and expand the critical work that it is doing to assist State and local police departments. The legislation specifically authorizes funding to provide NIJ with the resources that it needs to identify, develop, and purchase new technologies to provide a safer environment for police officers and more effectively curb crime.

Mr. President, I have advocated a tough, comprehensive, approach to battling the menace of crime that has proliferated in our cities and towns. In authoring the Handgun Control and Violence Prevention Act, I have worked for a commonsense approach to stem the flow of illegal weapons that flood our streets and cause mass carnage. In proposing the Cop Killer Bullet Ban Act. I have sought to halt the manufacture and distribution of ammunition that is designed to kill those who are sworn to protect our communities.

Mr. President, my approach to combating crime has also been a community-oriented approach, whereby the Federal Government and local communities act in tandem to uproot and eliminate the problem. Last year, this body passed the omnibus crime law, which included the community policing initiative, an $8.9 billion program designed to put 100,000 law enforcement officers on the streets. I provided a jumpstart for the community policing initiative in the omnibus crime legislation when I introduced a bill in March 1993 that authorized a major new expansion of community policing. In addition, I authored the community schools provision in the omnibus crime law, which provides for public school buildings to remain open for youth programs after school hours, on weekends, and over summers. Moreover, this year, I have introduced legislation providing for community response teams, composed of community volunteers, to assist victims of domestic violence.

Mr. President, the work that NIJ is performing to enable police departments to more efficiently battle crime is consistent with my philosophy that together the Federal Government and local communities can share resources and crime fighting expertise to make our neighborhoods safer. The work performed by NIJ is invaluable. For example, NIJ has expanded its work in developing standards for law enforcement equipment, which will eliminate the risk of officers receiving substandard equipment. NIJ has also established a liability panel to assist law enforcement in using new technologies with a minimum of legal risk. The expansion of this work will only serve to strengthen police departments around the country as we continue to fight against crime.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Institute of Justice Technology Assistance Act of 1995".

SEC. 2. TECHNOLOGY ASSISTANCE.

Section 202 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3722) is amended by adding at the end the following new subsection:

"(e) TECHNOLOGY ASSISTANCE.—

"(1) IN GENERAL.—The Director shall provide assistance to State and local government law enforcement entities to identify, select, develop, modernize, and purchase new technologies to provide a safer environment for police officers and to more efficiently and effectively fight crime.

"(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection—

"(A) $10,000,000 for fiscal year 1996, which shall be in addition to the amounts authorized and appropriated to the National Institute for Justice for such fiscal year 1996 on the date of enactment of the National Institute of Justice Technology Assistance Act of 1995; and

"(B) $10,000,000 for fiscal year 1997, which shall be in addition to amounts otherwise authorized for the National Institute of Justice.".●

ADDITIONAL COSPONSORS

S. 491

At the request of Mr. BREAUX, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 491, a bill to amend title XVIII of the Social Security Act to provide coverage of outpatient self-management training services under part B of the medicare program for individuals with diabetes.

S. 770

At the request of Mr. DOLE, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 770, a bill to provide for the relocation of the United States Embassy in Israel to Jerusalem, and for other purposes.

S. 1027

At the request of Mr. BROWN, the names of the Senator from Nevada [Mr. REID], and the Senator from New Hampshire [Mr. SMITH] were added as cosponsors of S. 1027, a bill to eliminate the quota and price support programs for peanuts, and for other purposes.

S. 1032

At the request of Mr. ROTH, the name of the Senator from Tennessee [Mr. FRIST] was added as a cosponsor of S. 1032, a bill to amend the Internal Revenue Code of 1986 to provide nonrecognition treatment for certain transfers by common trust funds to regulated investment companies.

S. 1164

At the request of Mr. ROCKEFELLER, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1164, a bill to amend the Stevenson-Wydler Technology Innovation Act of 1980 with respect to inventions made under cooperative research and development agreements, and for other purposes.

S. 1172

At the request of Mr. ROTH, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 1172, a bill to amend the Revenue Act of 1987 to provide a permanent extension of the transition rule for certain publicly traded partnerships.

S. 1220

At the request of Mrs. BOXER, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 1220, a bill to provide that Members of Congress shall not be paid during Federal Government shutdowns.

S. 1235

At the request of Mr. COCHRAN, the names of the Senator from Alabama [Mr. HEFLIN] and the Senator from Mississippi [Mr. LOTT] were added as cosponsors of S. 1235, a bill to amend the Federal Crop Insurance Act to authorize the Secretary of Agriculture to provide supplemental crop disaster assistance under certain circumstances, and for other purposes.

SENATE RESOLUTION 117

At the request of Mr. ROTH, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of Senate Resolution 117, a resolution expressing the sense of the Senate that the current Federal income tax deduction for interest paid on debt secured by a first or second home located in the United States should not be further restricted.

AMENDMENT NO. 2478

At the request of Mrs. FEINSTEIN, the names of the Senator from Massachusetts [Mr. KENNEDY], the Senator from Illinois [Mr. SIMON], and the Senator from Wisconsin [Mr. KOHL] were added as cosponsors of amendment No. 2478 proposed to H.R. 4, a bill to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence.

AMENDMENT NO. 2509

At the request of Mr. GRAHAM, his name was added as a cosponsor of amendment No. 2509 proposed to H.R. 4, a bill to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence.

AMENDMENT NO. 2526

At the request of Mr. SHELBY, the names of the Senator from Indiana [Mr. COATS], the Senator from Mississippi [Mr. LOTT], and the Senator from Texas [Mr. GRAMM] were added as cosponsors of amendment No. 2526 proposed to H.R. 4, bill to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence.

AMENDMENT NO. 2528

At the request of Mr. KERRY, his name was added as a cosponsor of amendment No. 2528 proposed to H.R. 4, a bill to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence.

At the request of Mr. CONRAD, the names of the Senator from West Virginia [Mr. ROCKEFELLER] and the Senator from Kansas [Mr. DOLE] were added as cosponsors of amendment No. 2528 proposed to H.R. 4, supra.

AMENDMENT NO. 2581

At the request of Mr. JEFFORDS, the names of the Senator from Wyoming [Mr. SIMPSON], the Senator from Maine [Ms. SNOWE], and the Senator from

Rhode Island [Mr. CHAFEE] were added as cosponsors of amendment No. 2581 proposed to H.R. 4, a bill to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence.

AMENDMENT NO. 2589

At the request of Mr. MCCAIN, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of amendment No. 2589 proposed to H.R. 4, a bill to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence.

NOTICE OF HEARING

COMMITTEE ON ENERGY RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that the full committee hearing to consider S. 1144, a bill to reform and enhance the management of the National Park Service; S. 309, a bill to reform the concession policies of the National Park Service; and S. 964, a bill to amend the Land and Water Conservation Fund Act of 1965 with respect to fees for admission into units of the National Park System, which was previously scheduled for Thursday, September 14 at 9:30 a.m., has been rescheduled for Friday, September 15 at 9 a.m. in room SD–366.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. SANTORUM. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, September 14, 1995, to conduct a hearing on the status and effectiveness of the sanctions on Iran.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. SANTORUM. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Thursday, September 14, 1995, session of the Senate for the purpose of conducting a hearing on public broadcasting.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. SANTORUM. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, September 14, 1995, for purposes of conducting a full committee hearing which is scheduled to begin at 9:30 a.m. The purpose of this hearing is to review S. 1144, a bill to reform and enhance the management of the National Park Service, S. 309, a bill to reform the concession policies of the National Park Service, and S. 964, a bill to amend the Land and Water Conservation Fund Act of 1965 with respect to fees for admission into units of the National Park System.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY PRODUCTION AND REGULATION

Mr. SANTORUM. Mr. President, I ask unanimous consent that the Subcommittee on Energy Production and Regulation of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, September 14, 1995, for purposes of conducting a subcommittee hearing which is scheduled to begin at 3 p.m. The purpose of the hearing is to consider S. 1014, to improve the management of royalties from Federal and Outer Continental Shelf Oil and gas leases, and for other purposes, and S. 1012, to extend time for construction of certain FERC licensed hydro projects.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NEAR EASTERN AND SOUTH ASIAN AFFAIRS

Mr. SANTORUM. Mr. President, I ask unanimous consent that the Near Eastern and South Asian Affairs Subcommittee of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, September 14, 1995, at 10 a.m. and 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, TECHNOLOGY, AND GOVERNMENT INFORMATION

Mr. SANTORUM. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Technology, and Government Information of the Committee of the Judiciary, be authorized to hold a hearing during the session of the Senate on September 14, 1995, at 2 p.m. to consider the Ruby Ridge incident.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE DEBT COLLECTION IMPROVEMENT ACT OF 1995

• Mr. HARKIN. Mr. President, on Tuesday, I introduced the Debt Collection Improvement Act of 1995, S. 1234, that would reduce the Government's budget deficit by billions of dollars by clamping down on the huge amount of unpaid debts to the Federal Government.

The Government makes thousands of loans and guarantees thousands more. Most citizens, businesses, and organizations pay those loans back. Some fall on difficult times and simply cannot pay. Some could pay, but they do not do so for one reason or another. This is unacceptable. We must act to increase the Government's efforts at collecting bad debts so that law-abiding taxpayers do not have to bear this burden.

The United States has $67 billion in delinquent taxes and $49 billion in other types of delinquent receivables, most from loans and guaranteed loans. And, nontax debts have grown by nearly a quarter, $9 billion, over the last 5 years. Generally, those in the debt collection field assume that 90 percent pay in a timely manner. Seven percent pay late. And 3 percent become seriously delinquent. This amendment does not impact a person who is up to 90 days late in making payments. It is aimed at the seriously delinquent.

We must become more systematic, diligent, and aggressive in seeking payment. Clearly, the worst way to solve an unpaid debt is to not push for repayment of outstanding funds. Yet, the Federal Government is not nearly aggressive enough in going after unpaid debts.

In conjunction with the administration, Congressman HORN of California and Congresswoman MALONEY of New York introduced similar legislation last month. I want to thank Congresswoman MALONEY for all her help in working with me on this important measure. She has years of leadership on improving Government collection of outstanding debts and has conducted a significant study of the levels of delinquent debt earlier this year. My proposal is based on their measure, but I have made a number of modifications to enhance the Government's ability to recover outstanding payments. For example, this measure clarifies the Federal Government would collect debts owed to States where there was a Federal financial interest and it would help to collect delinquent court-ordered child support payments. Failure to pay child support often results in the custodial parent and the children unnecessarily falling into the welfare system.

What does this bill require? The Department of the Treasury would act as a central collection agency for nontax debts as well as performing their current role regarding tax related debts. Other agencies would refer debts over 90 days in arrears, with a few exceptions, to the Treasury Department. Exceptions include cases where an agency is already in litigation for foreclosure on property, where the case has been recently turned over to a private collection agency within 90 days or when the loan is scheduled to be sold within 90 days. There is also an exception for specific loans or loan guarantees that may be collected after the 90-day period under terms set out in specific statutory authority. The original agency could continue its own efforts to collect the delinquent debts.

The Treasury could collect unpaid obligations by offsetting Federal payments going to the person or entity. In the case of government salary or other non-means tested income checks, up to 15 percent could be garnished. Veterans payments would be exempt and the Secretary of the Treasury would be able to grant additional, but very limited, exceptions. The Treasury would also pursue a wide variety of traditional efforts to collect debts:

Private attorneys and debt collection agencies could be hired to locate hidden assets;

In order to avoid cumbersome legal statutes, the Federal Government could use administrative rather than judicial foreclosure procedures, as private creditors can now do, to foreclose on property;

Persons in default would not be able to receive new loans or loan guarantees from the Federal Government with some exceptions; and,

Payments on Federal debts would be reported to credit bureaus so those who pay and those who do not will get the credit rating that they deserve. Where a debt could not be collected, the Treasury would notify the Internal Revenue Service. Under current law, a bad debt which is written off is considered to be taxable income to the borrower. Hopefully these provisions will be added incentive to not put the Federal Government to end of the list when payment checks are being made out.

This proposal provides appropriate notice and preserves everyone's due process rights. It simply says, if you owe, you should pay. Taxpayers shouldn't be left carrying the load of those who choose not to honor their obligations.

As we move to balance the budget, it would be unfair to increase Medicare costs or cut college loans while not doing what we can to collect over $100 billion in unpaid debts.

I urge my colleagues to review this proposal. I think they will see it is a commonsense plan worthy of their support.●

SIERRA GRANDE HIGH SCHOOL

• Mr. CAMPBELL. Mr. President, too often the only thing we hear about the youth of our country is that they do not care about anything but themselves. A tiny little school of 348 kids in the San Luis Valley of Colorado proves that statement is untrue. Friday, September 15, is their homecoming and the students of Sierra Grande Schools have chosen to celebrate their citizenship of this country by having the theme: "Land of the Free, Home of the Brave."

The Panthers of Sierra Grande will have their football and volleyball games—hopefully being victorious—but the big moment of the day will not be the games or dance or bonfire or crowning of the royalty, it will be when the school dedicates a 65-foot flag pole and a 20 by 30 foot garrison flag trumpeting the allegiance to this great country of this school and the communities of Fort Garland and Blanca that it represents. With the 14,000 foot Mount Blanca in the background, the flag will be a reminder to all who pass the school that patriotism and pride in our country is alive and well in the San Luis Valley.

After the singing of the Star Spangled Banner and the raising of the flag, a group of four Colorado Air National Guard jets will fly over the field breaking the silence of our memory of the POWs and MIAs who gave precious life that the students might receive and enjoy the gift of democracy.

The students of Sierra Grande are to be congratulated for their reminder that there are still those who cherish the ideals of freedom and democratic choice.●

THE 80TH BIRTHDAY OF ANDREW HEISKELL

• Mr. MOYNIHAN. Mr. President, I rise today in recognition of the celebration yesterday of the 80th birthday of Andrew Heiskell, a philanthropist of the first order, a friend to the arts and humanities, and an untiring champion of our democracy and its institutions.

He was born in Naples, and so, alas, could never become President. Instead, he attended the Harvard Graduate School of Business, worked at the New York Herald Tribune, and in 1937 became science and medical editor for LIFE magazine. What follows is a career so brilliant and accomplishments so significant that among his contemporaries it has become legend.

Within three short years of his first assignment with LIFE, he became general manager. In 1946, he was appointed publisher of that magazine, and in 1949 was elected a vice president of Time, Inc. In 1959, he became a member of the board of directors, and on August 21, 1969, he became chief executive officer of Time, Inc. In 1982 he was named Publisher of the Year by the Magazine Publishers Association, and in 1986 he was inducted into the Publishing Hall of Fame.

Andrew Heiskell retired from publishing 15 years ago, and began, in effect, a second career of public service, accomplishing in a decade-and-a-half far more than most could hope to accomplish in a lifetime.

As chairman of the board of trustees of the New York Public Library he oversaw a campaign to raise over $300 million. The campaign rededicated the library's resources not only to New Yorkers, but to the Nation, and—via electronic means—to the world. As chairman of the board of the Bryant Park Restoration Corp., he led the effort to redesign and restore that oasis in midtown Manhattan, and in so doing extended the humanist tradition of the public library adjacent to it. There is no more civil space in New York City today. Heiskell made it so.

The list of his accomplishments continues. As founding chairman of the President's Committee on the Arts and Humanities, he established a new tradition of public-private partnerships in support of the arts. As president of the Harvard Corporation he presided over the sesquicentennial observances and a major fund raising drive. Earlier he had been an indefatigable member of the advisory board of the Joint Center for Urban Studies of M.I.T. and Harvard. And numerous other nonprofit organizations have benefited from his efforts, among them the Graduate Center for the City University of New York, the Vivian Beaumont Theater at Lincoln Center, the Enterprise Foundation, People for the American Way, the Brookings Institution, the Trust for Cultural Resources of the City of New York, and the Institute of International Education. For the last 5 years Andrew Heiskell's efforts have been focused on an extraordinary institution, the American Academy in Rome, which was recognized by Congress and the President in a joint resolution last year for its contributions to America's cultural and intellectual life on the occasion of its centennial. As chairman of the executive committee of the American Academy in Rome, Andrew Heiskell has guided that institution and led a $20 million capital campaign to re-endow the academy and ensure that American artists and scholars of the next century enjoy the same opportunity provided their predecessors: to be enriched by a cultural tradition measured in millennia, and on their return to enrich the culture of our young Republic.

Andrew Heiskell has proven himself a brilliant leader and a patient teacher of those who would follow in his footsteps. He is also a great friend. On the occasion of his 80th birthday, we can be thankful that he and Marian dedicated so much to the patient improvement of American life.●

COMMENDING YOUNG-LINE "DRUG FREE" ASSOCIATIONS, INC.

• Mr. INHOFE. Mr. President, a day does not go by that there is not a newspaper article or news story on the destructive effects drugs have on our youth. Millions of dollars are spent each year on education and prevention programs. Despite this attention, we are having incremental success in discouraging our young people from choosing this injurious lifestyle. It has been my observation that the most effective programs are those at the local level. During my tenure as the mayor of Tulsa, I strongly supported and worked with D.A.R.E. because I believe it was a program that produced tangible results.

Since my election to the Senate, I have been made aware of an organization in Oklahoma called Young-Line "Drug Free" Associations, Inc. which focuses on teaching youth the dangers of drug and alcohol abuse. Chief Bonnie O. Ezechukwu, who heads the Young-Line organization, has been recognized throughout the State of Oklahoma for his outstanding work. Originally from Nigeria, Chief Ezechukwu has lived in the United States for 13 years during which time he steadfastly worked to teach respect for human life, importance of self-esteem and community involvement in the lives of young people.

I want to commend Chief Ezechukwu and Young-Line "Drug Free" Associations, Inc. for helping young people combat potential drug and alcohol abuse by emphasizing prevention and at the same time aiding them to become worthwhile members of society. Their prevention methods go beyond teaching and focus on leadership and character development. Their work in Oklahoma has made a difference.•

WALTER A. HAAS, JR., FAMILY

• Mrs. BOXER. Mr. President, I rise today to honor the Walter A. Haas, Jr., family for its years of community service to the people of the San Francisco Bay area. As owners of both the Oakland A's and Levi Strauss & Co., the Haas family has elevated community service to the highest level.

The Haas family has been recognized over many years for the progressive corporate philosophy of Levi Strauss & Co. Levi Strauss has been heralded in publications from the San Francisco Chronicle to Fortune Magazine for its philanthropic work and community involvement. Today, I would like to recognize the Haas family for its dedication to the bay area through its ownership of the Oakland A's.

On October 31, 1995, the Haas family will officially transfer ownership of the Oakland A's, ending a 15-year stewardship of one of the bay area's most beloved sports franchises. I join the A's in recognizing the Haas family for their contribution to the team, major league baseball, and the San Francisco Bay area.

In 1980, Mr. Haas and his son purchased the Oakland Athletics ball club out of a sense of civic pride and duty. The previous owner had become convinced that the city of Oakland simply could not support a baseball team. When Walter Haas was initially contacted by community leaders about buying the team, he was not enthusiastic. He and his family had no experience running a sports franchise.

But the Haas family's love of baseball and regard for the community prevailed. The Haas purchase of the Oakland A's began 15 years of care of a community baseball team that we rarely see in professional sports today. The Haas family philosophy emphasized civic pride—they believed that the A's were entrusted to them by the community for the benefit of Oakland A's fans, players, and bay area residents. The Haas family, in their love for baseball, dedicated themselves to the values of personal excellence, development of talent, and, most of all, to the fun of the game—all qualities that make baseball the quintessential American sport.

In so doing, the Haas' brought over 3 million fans a year to the Oakland Coliseum and gave the bay area a resurgence of the former powerhouse team of the 1970's. The A's began their first season with the Haas family winning 11 games in a row and went to the playoffs. They were the American League champions 3 years in a row, from 1988 through 1990, and won the 1989 World Series in the bay area's own Battle of the Bay World Series, punctuated as we all remember by the Loma Prieta earthquake.

The Haas family has been recognized for bringing class and commitment to the Oakland A's team, as they have brought such dedication to all of their contributions to the San Francisco Bay area community. I am privileged to stand in honor of the Walter A. Haas, Jr., family today.•

STAR PRINT OF REPORT ACCOMPANYING S. 919

Mr. LOTT. Mr. President, I ask unanimous consent that the report to accompany S. 919, the Child Abuse Prevention and Treatment Act be star printed with the changes I now send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. LOTT. Mr. President, for the information of all Senators, the Senate will resume consideration of the welfare reform bill tomorrow morning. Under the previous unanimous consent agreement, there will be a rollcall vote at 9:30 a.m. on or in relation to the Bingaman amendment No. 2483. Following that rollcall vote, there will be a series of votes, with only 10 minutes of debate between each vote.

RECESS UNTIL 9:15 A.M. TOMORROW

Mr. LOTT. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 10:58 p.m., recessed until Friday, September 15, 1995, at 9:15 a.m.

EXTENSIONS OF REMARKS

TRIBUTE TO THE WILSONVILLE BAPTIST CHURCH

HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. QUILLEN. Mr. Speaker, I want to pay tribute to a cherished house of worship located in the beautiful Smoky Mountain foothills. On Sunday, September 17, 1995, the Wilsonville Baptist Church on Cave Church Road in Cocke County, TN, will celebrate 125 years of dedicated service to the people, to the Nation, and to God.

Since 1870, the tranquil valleys and mountain glens have echoed with mighty sermons and spirited hymns from this magnificent old church, and the messages they have instilled within the hearts of the few have been carried on to the hearts of many. With the guidance of Pastor Adam Sanders and scores of other church leaders throughout its past, Wilsonville Baptist has sent its members to honorable callings in many professions. It has sent its sons and daughters to serve with distinction in defense of America, and the church's legacy of love has made the community a better place for families to maintain the faith of tradition in living the words of the Scriptures.

Wilsonville Baptist Church is an excellent example of how good people in a free land can work and live to sow the seeds of Christian fellowship that have been the mainstay of our Nation's strength, and I only hope that more of our institutions can live up to this example.

It is with a great deal of enthusiasm and honor that I pay tribute to this symbol of community, the Wilsonville Baptist Church, and its outstanding Pastor, Adam Sanders, their members, and friends.

TRIBUTE TO DR. E. CREDE HIESTAND ON THE OCCASION OF HIS RETIREMENT

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. GILLMOR. Mr. Speaker, I rise today to pay tribute to an outstanding citizen and good friend, Dr. E. Crede Hiestand. Dr. Hiestand, of my hometown of Old Fort, OH, is retiring after many dedicated years of service to this community.

Crede grew up in Old Fort and attended school there. After he completed medical school, he came back to Old Fort to set up his practice. Over the years, he has gone beyond the tasks expected of him, successfully striving for the highest level of excellence and professionalism. His reputation is that of a caring, thoughtful, and intelligent friend to all who know him.

Although his shoes will be difficult to fill, Dr. Hiestand can retire with the satisfaction of knowing that his career will stand as a hallmark for others to emulate. In fact, his three sons, Daniel, Joseph, and Mathew, have all received their medical degrees.

Mr. Speaker, Crede Hiestand's distinguished career is a model of citizenship. I ask my colleagues to join me in wishing Crede, his wife, Dorothiann, and their family well as the Hiestands begin this new chapter in their lives.

A SALUTE TO CLEMENT L. BUENGER: 1995 GREATER CINCINNATI BUSINESS HALL OF FAME LAUREATE

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. PORTMAN. Mr. Speaker, I rise today to recognize a friend and prominent Cincinnatian, Clement L. Buenger, who will be inducted into the Greater Cincinnati Business Hall of Fame on September 20, 1995. We thank him for the vision and service that he has so generously given to the business community and the entire Greater Cincinnati area.

Mr. Buenger began his career in 1944 with the U.S. Navy stationed in Manila on a Navy destroyer. He served honorably in our Nation's Armed Forces for 2 years. He then attended Xavier University and graduated in 1950 with a bachelor of science in business administration.

Mr. Buenger started his financial career with Kroger in the late fifties before moving to Fifth Third Bank. Mr. Buenger then worked for about 20 years in different positions before becoming chairman of the board and chief executive officer of Fifth Third in 1989. Under his leadership, Fifth Third became a national banking force by offering innovative banking products and services. During his tenure at Fifth Third, the bank's assets grew from $569 million in 1969 to $8.8 billion when he retired in 1993. Mr. Buenger blended the unique combination of financial, technological, and people skills that were needed to move Fifth Third ahead of other banks in the latest technology.

Mr. Buenger has also brought his high caliber of leadership to many areas outside of Fifth Third. He headed the Cincinnati Business Committee's [CBC] study of the Cincinnati Public School System known as the Buenger Commission, which provided a long-term plan for revitalizing Cincinnati's public schools.

He has given his time and talent to the Cincinnati community by serving on the advisory council of the Boys and Girls Clubs of Greater Cincinnati, the advisory board of the Johnny Bench Scholarship Fund, as well as other civic groups too numerous to mention here.

All of us in Cincinnati congratulate Mr. Buenger for this well-deserved recognition of his many accomplishments. We are grateful for all he has given to Greater Cincinnati.

THE LEADERSHIP OF THE WASHINGTON AFRO-AMERICAN

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Ms. NORTON. Mr. Speaker, the District is fortunate to have as one of its leading publications the 104-year-old Washington Afro-American. The Afro is older and more revered than many of our monuments. It is a community voice of great credibility. Were it not for the Afro, some of the most important matters in the black community would go entirely uncovered. A newspaper does not live as long as the Afro has served this city unless it is serving a unique and special purpose very well.

Every time the Afro publishes, it engages in an act of leadership. I would like to enter into the RECORD an example of that leadership. It is an editorial entitled "Meeting with Newt." Many of my largely liberal Democratic constituents were suspicious when Speaker GINGRICH asked to appear at a town meeting in the District. What did this unprecedented appearance by the Republican Speaker mean? How should he be received by residents and officials? Would he help us or hurt us?

The Afro editorial tried to help D.C. residents and officials answer these legitimate questions. I urge Members to read the editorial and I submit it now for the RECORD.

MEETING WITH NEWT

D.C. residents who have an eye on the future are well aware of how important it is to pay attention to the Party that is in power.

The Republicans now control both the U.S. House of Representatives and the U.S. Senate. The Democrats only control the White House. Therefore, it would be political suicide for D.C. residents, who themselves are mostly members of a minority race, to pay attention to just one party.

It is therefore with understanding and good old-fashioned common sense that we welcome the town hall meetings now being held by the Republican Speaker of the House Newt Gingrich (R-Ga.).

We applaud Cong. Eleanor Holmes Norton and D.C. Mayor Marion Barry (both Democrats) and even the members of the City Council and the Superintendent of Schools Dr. Franklin Smith, who sat on the platform with Mr. Gingrich at Eastern High School last week.

To our knowledge, this is the first time a Speaker of the House of any party affiliation has taken the time to come out in 90 degree weather and listen to, not talk down to D.C. residents. And to his credit, Mr. Gingrich did just a little talking and a whole lot of listening. As more of these town meetings are held, we urge leaders of organizations, other ministers, and people who both live and work in this city, to come out and tell the Speaker not just our problems but some of our successes. He needs to know what is working; he needs to hear from families who for generations have had an interest in this city; he needs to know that there is a good side, as well as a bad side, to what the Republicans have planned for this city—and he needs to know D.C. residents are depending on him to turn his party around and treat D.C. residents the same way they treat their folks back home.

Now is not the time to be quiet. Now is the time to speak out. Speaker Newt Gingrich has opened the door. The next town hall meeting should be held at the air conditioned convention center so that the minds of speakers can concentrate on what they have to say and not the heat.

Congresswoman Norton and Mr. Gingrich have a good thing going here. Let's just hope it is not all talk.

THE LOWER EAST SIDE TENEMENT MUSEUM

HON. NYDIA M. VELÁZQUEZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Ms. VELÁZQUEZ. I rise before you today to announce the introduction of a bill that will grant the Lower East Side Tenement Museum, located at 97 Orchard Street in my District, affiliated status with the National Park Service. I have introduced this piece of legislation in conjunction with my colleague and fellow New Yorker, Congresswoman SUSAN MOLINARI, and I trust our efforts will lead to the prompt passage of this bill.

Located on the island of Manhattan, today's Lower East Side remains what it has been for over 150 years: a vibrant, ethnic, working-class enclave welcoming America's newest residents. The earlier European communities which gave distinctive flavors to the neighborhood have been replaced by Asian, Latin American, and Caribbean residents. The immigrant lifestyle, a rich weave of interlacing threads, plays out its daily drama in an environment largely unchanged in many ways from the Lower East Side of 100 years ago. In numerous places 19th century brick tenements still line the streets—housing businesses at the street level, and families in the floors above. The Lower East Side maintains a distinct identity, whose present character harkens back to a Big Apple of yesteryear.

As a Nation, we take pride in commemorating important contributions to our culture. Monuments to illustrious leaders abound; icons such as the Statue of Liberty pay homage to our ideals; log cabins and farmhouses stand as symbols of our agrarian roots. Until recently, however, the urban, working-class immigrant element of our heritage remained a historically important, yet undercelebrated sector of the American experience. The Lower East Side Tenement Museum strives to fill that niche, and Congresswoman MOLINARI and I aim to help facilitate that task.

The museum is believed to be the Nation's first to be specifically devoted to the urban immigrant experience. It is housed in an actual historic tenement, and its board members and staff have pursued the museum's mission to interpret immigrant life in the Lower East Side—and its importance to U.S. history. The museum's work has extended into the present social fabric of the Lower East Side, and the Lower East Side Tenement Museum has quickly blossomed into a nationally renowned institution. Its promotion of: tolerance, ethnic diversity, cultural, and intergenerational interaction, and urban understanding have made the museum a valued part of my community, of New York and of this country as a whole. In no other museum do the past, the present, and the future come together so perfectly, and in a few others can Americans learn so much about their past, while reflecting on the issues they must grapple daily.

The idea of a tenement museum grew out of the social history movement. The latter holds that the history of ordinary people is an important component of an accurate historical record. In the words of the museum's founder and president, Ruth J. Abram,

> We've saved log cabins, farmhouses, and the living spaces of the rich and famous. These efforts have greatly enhanced our understanding of ourselves as a nation. But we've never saved an example of the 19th century urban tenement. Without it, our perception of America, and particularly her immigrant, working-class past, is skewed and incomplete.

It is this very vision that has earned the museum such praise, and that has prompted our legislative proposal.

In 1988, the newly formed museum determined to preserve a tenement and selected 97 Orchard Street. Scanning the continuous wall of brick tenements along Orchard Street, it would be difficult to differentiate the Lower East Side Tenement Museum. It looks like all its neighbors up and down Orchard and the surrounding streets. But number 97 is remarkable. While two lower floors continued to operate as commercial space, the top four floors were sealed for decades, until the discovery by the Lower East Side Tenement Museum. Rooms, wall paper, plumbing, and lighting are preserved as they were left almost 60 years ago. Due in part, to its exceptional degree of integrity, the building conveys a vivid sense of the conditions experienced by its tenants—conditions shared by millions of tenement dwellers throughout the city.

The building also serves as an excellent material record of the results of early housing reform legislation in New York City, particularly the Tenement House Act of 1901. While living conditions on the Lower East Side declined continually throughout the 19th century, by 1900 they were so deplorable that the city passed its farthest reaching laws to regulate housing. Changes to 97 Orchard Street in 1905, which are a direct result of those laws, survive today and are still clearly chronicled in the tenement's historic fabric. The history of standards for tenement plumbing, lighting, and ventilation, and means of egress, are contained within its walls.

The legislation we have introduced today is a bipartisan effort at allowing this marvelous museum to expand its functions, and while granting it affiliated status with the National Park Service will not cause the latter to incur any costs, it will allow the museum to complement the historical trilogy of Castle Clinton, Ellis Island, and the Statue of Liberty.

The legislation has been introduced by Senators MOYNIHAN and D'AMATO in the Senate, and promises to clear that Chamber during the present session. The bill is supported by the New York State and city governments, as well as by civic leaders, small business owners, organized labor, the Wall Street community, and the National Park Service. I urge my colleagues on both sides of the aisle to join Congresswoman MOLINARI and me in sponsoring this historic piece of legislation, and giving the Lower East Side Tenement Museum its rightful place in the annals of our great Nation's history.

"VETERANS" AND "AMERICA, THE BEST"

HON. CLIFF STEARNS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. STEARNS. Mr. Speaker, I commend these two poems to my colleagues. They were written by Ellen M. Fisher from Belleview, FL, a constituent of mine.

VETERANS

Our veterans have suffered through many struggles and strife,
To protect our American way of life.
Most of them volunteered to go in our place,
Young and old, some from every race.
They've fought in places too numerous to name.
Some we never heard about, others gained heroic fame.
No matter what the assignment, whether a task great or small,
Each and every one of them can stand proud and tall.
They sacrificed so much for us, some limbs, some sight, some lives,
So we could enjoy liberty and freedom and all that freedom buys.
We can never say thank you long or loud enough,
To erase the pain and suffering that has been so very tough.
The things we take for granted, they fought so hard for.
Have you thanked our many veterans for going off to war?
There are those who never came home from war,
And some who have never been accounted for.
The answers to these questions are known somewhere,
They didn't just vanish into thin air.
The door should never be closed on our POW's and MIA's.
While the search continues, America prays.
We want to know without a shadow of a doubt,
Of our friends and loved ones whereabouts.
Our veterans deserve much more than we give.
It's only because of them that we can really live.
They may not be perfect, but neither are we.
If it were not for their service, we wouldn't be free.

AMERICA, THE BEST

If you don't think America is the best place on earth,

If you don't want to claim it as the land of
your birth,
If you can't look at the red, white, and blue,
and say I love it so,
Then take a look around the world at places
you might go.
Our world is made up of many countries,
Heartwarming people, beautiful terrain,
Many languages and ideals, but basically
we're all the same.
There is no place on earth that enjoys the
freedoms Americans have.
We can worship, work, or travel on any day
of the week.
There's no one to stop us, when life's many
pleasures we seek.
There have been no major wars fought on
U.S. soil, and our needs are met when
we are willing to toil.
We can start a new business, or work at the
old,
Go in every day and do as we're told;
Or we can put out the effort, the time, and
pray,
But isn't that the great advantages of the
AMERICAN WAY.
Where else on earth can you say you're really free,
And sing that song of honor "My Country
Tis of Thee"?
From north to south, and east to west,
We should be so thankful that we live in
AMERICA, THE BEST.

HONORS FOR DECORATED WORLD WAR II VETERAN

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. BOEHLERT. Mr. Speaker, I rise today to honor the memory of a great man, Albert J. Riley, who died shortly before we broke for the August recess. Al was the kind of man we don't hear enough about these days. He worked hard, raised a family, and served his community and his country.

Like many men in his generation, Al served in World War II. On his 30th mission with the 392d Bomb Group of the 8th Air Force 576th Bomb Squadron, Al was shot down and was held as a prisoner of war for 9 months. He was decorated as a war hero, receiving the Distinguished Flying Cross, the Bronze Star, the Air Medal with three oak leaf clusters and the POW medal.

When he returned from the war, he worked for the New York Telephone Co., for 35 years while he and his wife, Ann, raised a family of nine children, two of who have died. The others grew up, married, and presented Al with 12 grandchildren. After retiring from the telephone company, Al joined several of his sons in the restaurant business. Anyone who ever went to Riley's Place knows that Al's success in that business came from treating customers as though they were family.

Al was a dedicated husband, father, grandfather, brother, and friend. It's people like Al Riley who have made this country what it is today.

TRIBUTE TO ALABAMA'S BANDMASTER, DR. JOHN M. LONG

HON. TERRY EVERETT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. EVERETT. Mr. Speaker, Alabama's beloved bandmaster, Dr. Johnny Long, retires this year after three decades as director of bands at Troy State University, Troy, AL. Instead of resting on his laurels, Johnny Long has always looked to the next goal and achieved it. This motto has served him well throughout his career as I'm sure it will in retirement.

His numerous achievements include past president of the prestigious American Bandmasters Association, and recipient of the 1994 Sudler Medal of Honor from the Sousa Foundation for this many contributions to the excellence of bands and band music. Johnny Long was also elected in 1994 to the National Band Association's Hall of Fame of Distinguished Band Conductors, becoming the youngest active bandmaster to be so honored.

Dr. Johnny Long inspires an uncommon passion for musical scholarship in all he touches. Witness the fact that over his career more than 200 of his former students have become active high school band directors and college music educators throughout the United States.

To be sure, the whole Nation owes a debt of gratitude to Dr. Johnny Long on this occasion of his retirement from nearly half a century of bandmastery.

A SALUTE TO ARTHUR C. AVRIL: 1995 GREATER CINCINNATI BUSINESS HALL OF FAME LAUREATE

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. PORTMAN. Mr. Speaker, I rise today to recognize a prominent Cincinnatian and a good friend, Arthur C. Avril, who will be inducted into the Greater Cincinnati Business Hall of Fame on September 20, 1995. We thank him for the vision and service that he has so generously given to the business community and the entire Greater Cincinnati area.

Mr. Avril graduated from the Ohio State University in 1925 where he studied mining engineering. Within 3 years of graduating, he had formed one of the first ready-mix concrete plants in the United States, Avril True Batch Concrete Co.

Mr. Avril designed one of the first ready-mix trucks to use a rotary drum, which prevents concrete from settling. His company supplied concrete for many projects, including 500,000 tons used to build Cincinnati's Union Terminal in the early 1930's. This project was the first in the United States to specify concrete on the basis of its strength, rather than the proportion of its materials.

In 1936, Mr. Avril formed a new company, Sakrete, to meet the growing need for smaller quantities of concrete. The secret to Sakrete's success was Mr. Avril's ability to recognize the needs of the do-it-yourself trade for small quantities of concrete. Today, Sakrete has 80 licensed operations around the world, and is a household name recognized for quality. Mr. Avril is also an internationally known inventor. He is the holder of 18 patents, including two new patents approved this year. Still working at 94 years old, Mr. Avril personifies the American dream.

All of us in Cincinnati congratulate Mr. Avril upon his induction into the Greater Cincinnati Business Hall of Fame. It is a deserved recognition of his many accomplishments.

TRIBUTE TO THE CITY OF BLAKESLEE ON THE OCCASION OF ITS 100TH ANNIVERSARY

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. GILLMOR. Mr. Speaker, it gives me great pleasure to rise today and pay tribute to an exceptional city located in Ohio's Fifth Congressional District. This year, the city of Blakeslee, will celebrate the 100th anniversary of its founding.

Blakeslee is located in Williams County in northwest Ohio. The area has a rich history dating back to earliest settlements in the Ohio territory. Its position above the St. Joseph River made it a favorite for pioneers traveling West. The city itself dates from its incorporation in 1895.

Today, Blakeslee is a community renowned for its civic pride and commitment to service. Throughout its history there has never been a lack of enthusiasm or volunteer labor for its many projects. The citizens have continually displayed the Ohio tradition of neighborliness and caring for others.

Mr. Speaker, anniversaries are a time to reflect upon past accomplishments. They are also a time to look toward new horizons. I ask my colleagues to join me today in recognizing the history and achievements of the city of Blakeslee and encouraging its citizens to continue to uphold its impressive legacy.

HONORING THE WINNERS OF HISPANIC INDEPENDENCE AWARDS

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. KILDEE. Mr. Speaker, I rise today to pay tribute to the Hispanic Independence Awards Ceremony that will be held on Saturday, September 16, 1995, at the General Motors Institute in my hometown of Flint, MI.

September is National Hispanic Heritage Month and the Hispanic Independence Awards Ceremony kicks off a month-long celebration of Hispanic culture, ideas, and achievements in Genesee County. The Hispanic community will once again honor individuals who have selflessly committed themselves to making Fling and Genesee County a better place in which to live.

Each award is named for a prominent deceased member of the Hispanic community who exemplified the ideas espoused by the award. The Pedro Mata Leadership Award is given to a person who has provided leadership, encouragement, and influence in the Hispanic community. This year's recipient is Mrs. Guadalupe "Lupe" Morgan. The Tano Resendez Award for community service is given to a person who has dedicated personal efforts to promoting civic and cultural activities. The award this year is being given to Mrs. Juanita Diaz. The Joe Benavidez Award for education is presented to a person who has supported educational issues relating to Hispanics of all ages, Mrs. Ana Maria Hufton is this year's recipient. The Labor Involvement Award is being given to Mr. Juan Diaz for his efforts to increase community awareness, improve the quality of life, and open doors for Hispanics. The Bruno Valdez Arts and Entertainment Award is presented to a Hispanic artist who has promoted Hispanic culture through professional and personal activity. The award this year is being given to Mr. Eddie Soto. The Veterans Award is given to a member of the Hispanic community who has honorably served in the U.S. Armed Forces. Mr. Tom Torres is being honored with the award this year. Mr. Armando J. Singer will be given the Maria DeLeary Award. This year the Hispanic community pays tribute to those individuals who are not of Hispanic dissent, but play a major role in improving life for Hispanics in Genese County. This year the recipients are Mrs. Sue Burnash Quintanilla, and Mrs. Lois Laughlin. The Migrant Farm Worker Award recipients, Mr. and Mrs. Dale Nelson, are being recognized for their selfless service to the migrant workers.

To honor those of the Hispanic community just starting to pursue their life goals, the Pedro Mata, Jr. Scholarship Award will be given to Mr. Carlos Lambaria. The purpose of this award is to foster a commitment to community service and encourage continued education.

Mr. Speaker, it is with great pride that I rise today and ask my colleagues in the House of Representatives to join me in congratulating the winners of these awards. The recipients are to be commended for their dedication, commitment, and leadership to the Hispanic community of Flint and Genesee County.

HAPPY BIRTHDAY—SHARE NEW JERSEY

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. PAYNE of New Jersey. Mr. Speaker, I would like to bring to the attention of my colleagues an important benchmark. It is the 10th anniversary of the founding of SHARE New Jersey. SHARE New Jersey is a self-help food distribution system. It was established to bring people of diverse backgrounds together to eliminate hunger in New Jersey, help build stronger communities, and develop leaders.

The program was founded as a means of eliminating hunger and providing participants with the opportunity to assist one another in local communities. Realizing that the self-help concept would make a difference in the quality of life of many people, SHARE membership was open to all who were willing to pay a small fee of $12 to $14 for food and commit to 2 hours of volunteer service.

The first SHARE New Jersey food distribution was held in September 1985 in Newark; 1,900 households participated in the distribution of over 75,000 pounds of food. Since 1985, 1,121,477 households have received wholesome food and 2,242,954 community service hours have been provided. In just 10 years, 33,644,310 pounds of food has been distributed by SHARE New Jersey.

Mr. Speaker, I offer my congratulations and best wishes to the people of SHARE New Jersey who have helped to eliminate hunger and create a spirit of partnership.

MEDICARE PATIENTS DESERVE FULL CHOICE OF HEALTH CARE PROVIDER

HON. SHERROD BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. BROWN of Ohio. Mr. Speaker, the Congress is about to embark on major reforms of the Medicare Program—ostensibly to ensure Medicare patients more choice. But I believe that the reforms we will be considering will offer patients less choice, not more, unless we take action to ensure that their choices are protected.

Many of the so-called reform plans include efforts to increase the use of managed care for Medicare patients. I believe that these plans must include safeguards to protect Medicare patients' ability to choose the person who provides them health care services. For this reason, today I am introducing legislation to guarantee older Americans a point-of-service option under Medicare managed care plans.

The Medicare Patient Choice Act provides true choice by allowing Medicare patients to go outside of a network when they need services. In addition, the bill would establish safeguards under managed care arrangements to ensure that patients are treated fairly and that they have recourse if they are dissatisfied with the care they receive. In addition, the bill prohibits the use of financial incentive plans which discourage providers to refer patients for specialty or other types of health care services.

Further, this legislation ensures that patients get what they pay for under managed care arrangements by requiring plans to return to patients at least 85 percent of the aggregate premiums received in health care items, services, and treatment. Finally, the legislation would apply its requirements to the so-called Medicare Select plans.

Mr. Speaker, I believe this legislation provides essential protections for Medicare patients and I hope that many of my colleagues who are concerned about the quality of health care provided to senior citizens will sign on as cosponsors. A summary of the legislation follows:

SUMMARY OF THE MEDICARE PATIENT CHOICE ACT INTRODUCED BY CONGRESSMAN SHERROD BROWN

The Medicare Patient Choice Act would:

Require all Medicare managed care organizations (MCO) as a condition of participating in Medicare to offer enrollees a point-of-service option.

Require MCOs to meet a loss-ratio (aggregate benefits to premiums) of 85 percent.

Require MCOs to issue an annual report to members providing quality, access to services, enrollee's rights to benefits and out-of-area coverage.

Assure beneficiaries timely access to services, continuity of care and the option to receive care out-of-the network.

Establish grievance and appeals processes for both patients and providers if they have a dispute with the MCO.

Prohibit MCOs from discriminating against certain providers based solely on their license or certification as provided under state law.

Ensure that Medicare network health plans include a sufficient number, mix and distribution of health professionals to meet the needs of their enrolled patients.

Apply conditions of the Medicare Patient Choice Act to all Medicare Select plans.

Apply all requirements of physician incentive plans under current law to all providers participating in Medicare managed care plans.

TRIBUTE TO REV. WARDELL NEWSOME, SR.

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. RUSH. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to Rev. Wardell Newsome, Sr., member of the New Galilee M.B. Church under the pastorage of Rev. Charlie Murray in Chicago, IL.

For decades Reverend Newsome has exemplified the dedication and commitment required to better our communities and the citizens who reside there. His work as both a social and a spiritual religious leader began at the early age of 13 when he was baptized at St. Matthews Baptist Church in Marvell, Arkansas. Later, when he came to Chicago, he accepted his call into the ministry and joined the Mt. Moriah Baptist Church under the pastorage of Rev. O.C. Nicks. Reverend Newsome brought to the ministry and to the people of Chicago a compassion and dedication to service, empowerment, and spiritual awareness that still benefits us greatly to this day.

Mr. Speaker, on Sunday Rev. Wardell Newsome, Sr. will be honored for the decades of service he has given to his ministries and to his community. Today, I would like to make sure that all he has contributed to this country and our communities is recognized, appreciated, and honored on the floor of this House. I am honored to enter these words of commendation into the RECORD.

TRIBUTE TO WILLIE GRACE CAMPBELL

HON. JANE HARMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Ms. HARMAN. Mr. Speaker, I rise today in tribute to a good friend and a dedicated fighter for women's rights on the occasion of her 80th birthday. As someone who has reached the age of 50, I can appreciate what it means to reach 80. But what truly amazes me is what Willie has accomplished in those 80 years. Let me relate just a few of those accomplishments.

Willie has played a vital role in the development of the League of Women Voters. She rose to the national board of the league in 1959. From this position she directed the league's inner-city voter registration drive, and chaired the league's education fund. Four years after her term as a boardmember, she founded and became the first chair of the League of Women Voters' Department of Litigation.

Willie's dedication to public service has also led her to achieve a great deal in other forums. She has fought from women's rights and civil liberties, serving as a boardmember for the Constitutional Rights Foundation and founding the Center for Women and Girls in Los Angeles. She has been president of the National Women's Education Fund, and has served on the Los Angeles Commission on the Status of Women. Willie has hardly slowed down: she founded the Institute for Women, Law, and Development, on whose board she currently sits, just 3 years ago. At the same time, President Clinton appointed Willie vice chair of the African Development Foundation.

Mr. Speaker, Willie Grace Campbell has set a superb example for each of us to follow, leading an active, successful, and socially responsible life for 80 years. It gives me great pleasure to join her friends, colleagues, and those whose lives she has touched in paying her tribute, and wishing her many more productive and happy adventures.

TRIBUTE TO RICHARD M. KELLEY

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. LEVIN. Mr. Speaker, I rise today to recognize Richard M. Kelley, chairman of the board of directors of Catholic Social Services of Wayne County. Dick Kelley has served as chairman of the board since 1993, as vice chair from 1991 to 1993, and during that time, also served on many board committees.

Dick Kelley's outstanding service and commitment to his community is exemplified by his volunteer work with not only Catholic Social Services of Wayne County, but also the Detroit Area Council of the Boy Scouts of America, of which he serves as vice president, Oakland Family Services, and Life Directions.

As a University of Detroit graduate, Dick Kelley has dedicated himself to Metro-Detroit. I commend him for his many years of tireless and selfless work on behalf of all people. The community shares its admiration for Dick Kelley with his wife Cecelia and his two children, Kristen and Rick.

My sincerest best wishes for Richard Kelley, and gratitude for his years of service to the community.

U.S. PRODUCTION OF WHEAT GLUTEN DECLINES

HON. TODD TIAHRT

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. TIAHRT. Mr. Speaker, I want to express concern about a serious problem that is rapidly destroying the United States vital wheat gluten industry and has reverberating effects on U.S. agriculture.

Wheat gluten is natural protein that is used principally for its cohesive qualities in bread products, especially in multigrain and high fiber breads. U.S. producers of this unique product are barely existing due to overwhelming competitive advantages that are allowing their counterparts in the European Union to seize an alarming share of the U.S. market. These advantages include European government incentives and a lopsided tariff system that heavily favors the European gluten industry.

As U.S. production of wheat gluten declines, so does the requirement for domestically grown high protein wheat. This situation, therefore, threatens to wipe out a premium, value-added market that farmers in our country rely on.

I urge immediate attention to this problem and call for strong efforts to resolve it before the American wheat gluten industry becomes extinct.

OKTOBERFEST—OFFICIALLY

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. BARCIA. Mr. Speaker, as we await the start of fall, many of us get anxious about Oktoberfest, the German festival that celebrates food, friendship, and the bounty of a good harvest. This rich tradition has been celebrated by the city of Frankenmuth, within my congressional district, officially since 1989.

And this year, from today, September 14, through September 17, the sixth celebration becomes even more special because the Frankenmuth Oktoberfest has been officially sanctioned by the city of Munich—the first time any Oktoberfest has been officially recognized anywhere outside of Germany.

On August 26, Herr Herman Memmel, member of the Munich City Council; and Bavarian State Parliament, presented to Annette Rummel, president of the Frankenmuth Chamber of Commerce and Oktoberfest the Document of Ennoblement, officially naming the 1995 Frankenmuth Oktoberfest as the first Oktoberfest in the world to officially operate under the auspices of the city of Munich.

The hard working and heritage proud people of Frankenmuth revel in their upholding of Bavarian traditions, celebration of Bavarian food and beverage, including its own award winning beers from the Frankenmuth Brewing Company, and are synonymous with the spirit of hospitality—gemutlichkeit—that helps all visitors to Frankenmuth fondly remember their all too short visits to this wonderful community.

From the time of Crown Prince Ludwig who began the Oktoberfest with his wedding to Princess Theresia in 1810, when King Max I Joseph proclaimed a festival in four locations in Munich, today when Oktoberfest means the celebration of community and success, a proud tradition has been created. Frankenmuth is proud and honored to be an official partner in Oktoberfest, and proudly display the sign beckoning "Wilommen" to all of our colleagues and the thousands of visitors that grace Frankenmuth each year.

CONGRATULATING THOMAS F. KEYES, JR., ON THE CELEBRATION OF HIS 80TH BIRTHDAY

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Ms. DELAURO. Mr. Speaker, on Friday, September 15, I have the pleasure of joining one of Connecticut's most well-known and respected citizens, Thomas F. Keyes, Jr., for the celebration of his 80th birthday. A long-time resident of New Haven, Mr. Keyes has earned the admiration of his community for his career as a distinguished judge, committed public servant, and a premier trial attorney. Thomas Keyes is a man who lives life to the fullest extent. He is a walking encyclopedia of over 50 years of spectacular history which he recounts on Saturday mornings over bagels and coffee at the Bagel Connection on Grove Street in New Haven. The Saturday morning regulars, like New Haven Fire Chief Smith, Judge Reynolds, and Judge Flannigan, consider him one of the best storytellers in town.

Tom was born and raised in New Haven. In 1933, he graduated from Hillside High School. He went to college at Yale and graduated from Yale Law School in 1940. During World War II, he served in the Army, and was stationed in Presque Isle, ME. Tom managed to come home for the weekends to New Haven on an almost regular basis. He went into public service like his father, Thomas Keyes, Sr., who was the New Haven Registrar of Voters for over 30 years. During the 1950's Tom junior spearheaded the effort to provide legal services for the poor as director of legal services in New Haven. In 1965, he was appointed by the mayor of New Haven as the city's corporation counsel where he served for 9 years. Tom was elected a probate judge of New Haven in 1974, and remained probate judge for 11 years until he was succeeded by his son John "Jack" Keyes. Now living in Madison, Tom has time to pursue golf and watch Yale football.

Tom Keyes and his deceased wife Josephine have five children. Thomas Keyes III is a professor at Boston University, John Keyes is the New Haven probate judge, Bernadette Keyes is a practicing lawyer, Joan is a writer, and Julie has her own crafts and ceramics business. The DeLauro and Keyes family have been very close for many years. My mother worked for Judge Keyes when he was a New Haven probate judge and now works for his successor, and son.

I would like to extend my sincere congratulations to Judge Thomas F. Keyes, Jr., on the celebration of his 80th birthday. It is an honor to join in this celebration. I wish a happy birthday to a model citizen and a long-time family friend.

FEDERAL REPORTS ELIMINATION AND SUNSET ACT OF 1995

HON. ROBERT L. EHRLICH, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. EHRLICH. Speaker, today I offer the Federal Reports Elimination and Sunset Act of 1995, which streamlines Federal reporting requirements by cutting and reforming more than 200 congressionally mandated reporting requirements. This bill continues the positive work started earlier this session by the conferees for the Paperwork Reduction Act. Originally part of the Senate-passed version of the Paperwork Reduction Act, it was agreed in conference, that these sections merited separate introduction as freestanding legislation. I offer this bill as a companion to S. 790, which recently passed the Senate. I have the utmost confidence that the President will want to sign this important piece of legislation into law because it allows executive branch agencies to focus more resources on important current issues as opposed to focusing on outdated and unnecessary reporting requirements.

This bill was sent to both the chair and ranking members of all House and Senate committees to illustrate the broad bipartisan support for this bill and generate the vast list of reports that are slated to be eliminated or modified. The response by both the majority and minority has been overwhelmingly favorable. The Congressional Budget Office estimates that enactment of this legislation could result in savings of $5 to $10 million even before additional savings from the sunset provision are factored in.

The sunset provision eliminates those reports with an annual, semiannual, or regular periodic reporting requirement 4 years after the bill's enactment, while allowing Members of Congress to reauthorize those reports deemed necessary for carrying out effective congressional oversight. This provision does not apply to any reporting requirements under the Inspector General Act of 1978 or the Chief Financial Officers Act of 1990.

I urge my colleagues to cosponsor this bill and lighten the red tape burden on executive branch agencies so that our Government can operate with fewer restrictions and greater efficiency.

TRIBUTE TO QUEEN ELIZABETH JAMES

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. PAYNE of New Jersey. Mr. Speaker, I would like to bring to the attention of my colleagues, a special occasion that is taking place in New Jersey this Sunday, September 17. It is the recognition of a great American, Queen Elizabeth James, known affectionately as "Queenie." She is being honored for her tremendous contributions to the civic and political communities of America.

Queen E. James has been active in the city of Newark, the county of Essex, and the State of New Jersey. Today, the term "diversity" is being used more and more to describe elements and relationships of our complex society. Queenie James is an able example of diversity at work. She has been a successful entrepreneur, an elected official, a political and civic leader, all the while being a dedicated daughter, wife, mother, and grandmother.

She has dedicated herself to making positive changes for those she serves. And she has served well. She has committed 32 years of her life to serving her local community as a county committeewoman. She has served in the leadership of the South Ward Democratic Organization as well as the Essex County Democratic County Committee. The New Jersey Real Estate Commission has benefited from her service as a commissioner.

Mr. Speaker, I am sure my colleagues will want to join me as I congratulate and thank Queen Elizabeth James for her dedication to making life better for so many.

THE UNITED STATES MUST STAND WITH TAIWAN

HON. PETER T. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. KING. Mr. Speaker, the Clinton administration's decision to have the First Lady attend the Women's Conference in Beijing would be troubling enough under any circumstances. Not only does China's Communist Government routinely trample the human rights of all its citizens—male and female—it also felt compelled to execute 16 political dissidents in preparation for this conference. Very simply, the administration has allowed itself to be maneuvered into providing the veneer of moral respectability to an outlaw regime such as the People's Republic of China [PRC].

Even more troubling, however, is the doubt which this decision casts on the willingness of the United States to resist mainland China's increasingly aggressive actions against Taiwan. The Republic of China fought side by side with the United States in World War II and continued to be a loyal ally of the United States after Chiang Kai-shek evacuated his forces from the Chinese mainland and moved the Government of the Republic of China to Taiwan in 1949. It has also become a free-market economic powerhouse. Taiwan is the United States' seventh largest trading partner, has more than $80 billion in foreign exchange reserves and, even though its population is 50 times smaller, has a GDP comparable to mainland China's. Taiwan also has strong defense forces, lacking only sophisticated fighter jets and anti-missile systems.

Taiwan's greatest achievement, however, has been its attainment of an open, democratic society. For years Taiwan had a closed political system. Martial law was lifted in 1987, however, and Taiwan now has a robust political system, with a particularly combative National Assembly. In March 1996 the President, heretofore elected by the legislature, will be elected by popular vote. This will mark the first time in the history of China that a President has been democratically elected.

Unfortunately, but not unexpectedly, Taiwan's economic might and its embrace of democracy have enraged the PRC which has reacted aggressively. Economically, for instance, the PRC has been able to delay Taiwan's admission into GATT. Diplomatically, the People's Republic insisted that the United States not allow Taiwan's President Lee Teng-hui to enter our country, even on a private visit. True to form, earlier this year the State Department capitulated and denied President Lee's request to visit his alma mater, Cornell University. Fortunately, the House of Representatives overwhelmingly adopted a resolution supporting President Lee's visit and President Clinton overruled the State Department, granting President Lee a visa to speak at Cornell this past June.

The PRC's response to President Lee's visit has bordered on the hysterical. Besides recalling its Ambassador from the United States and unleashing vicious propaganda tirades against President Lee, the PRC has conducted provocative military exercises off Taiwan's coast, including test-firing missiles in the East China Sea just 80 miles north of Taiwan. The PRC is planning further missile testing and naval maneuvers near Taiwan.

Clearly the PRC is attempting to use the threat of invasion to intimidate the people of Taiwan into rejecting President Lee and adopting a docile foreign policy. If the PRC is successful in carrying out this extortion and subverting the democratic process in Taiwan, the United States will only be encouraging further PRC aggression in the region against Japan and the Philippines and we will be severely marginalized as a Pacific power. In short we will have allowed the PRC to establish Asian hegemony. To avert this moral and diplomatic catastrophe, the administration must: First, make it clear that any military action against Taiwan will result in a worldwide embargo and diplomatic isolation of the PRC; second, expeditiously complete the delivery of the 150 F-16 fighter jets already purchased by Taiwan; third, provide anti-missile systems to Taiwan; and fourth, reinforce our policy of granting visas to Taiwan's elected officials. Additionally, the Congress should promptly adopt House Concurrent Resolution 63 introduced by Representative GERALD SOLOMON which would urge Taiwan's admission into the United Nations. The bottom line of America's China policy must be the recognition that the PRC needs us more than we need them. As President Nixon said shortly before his death "the

Chinese will not launch a military attack against Taiwan as long as Beijing knows such an action would jeopardize their relationship with the United States."

Last month I had the opportunity to meet with President Lee in Taiwan. He is an impressive leader who is clearly committed to democratic principles. As the world's leading democracy, the United States must stand with democratic nations in their time of peril. By standing with the Republic of China on Taiwan at this time, the United States will be acting in our best traditions and strengthening the cause of peace and stability in the Pacific.

HONORING DR. ALEXANDER IBE

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. KILDEE. Mr. Speaker, I rise today to honor the recipient of the 1995 Golden Door Award, Dr. Alexander Ibe. Dr. Ibe will receive the award at the annual dinner meeting of the International Institute of Flint on Tuesday, October 11.

The International Institute of Flint presents this award annually to a foreign-born citizen who has substantially improved life in the Flint community. Dr. Ibe has worked tirelessly since his arrival in the United States in 1979 to help African immigrants and others.

Dr. Ibe was born in Nigeria the son of Chief Alphonsus Ibe and Justina Ibe. He is the fourth of seven sons. After immigrating to the United States he helped bring three brothers to live permanently in this country. In addition to helping his family immigrate. Dr. Ibe has been tireless in his efforts to help African refugees realize their dreams of living in the United States free of persecution.

The list of Dr. Ibe's accomplishments is long. As president of the African American Association of Greater Flint he raised money to aid Liberian refugees. He fought deportation of Africans and provided relief to those in financial need. He raised money for scholarships and even paid the college tuition for needy students out of his own pocket. He has devoted his time and expertise to developing African cultural presentations. School children throughout Genesee County have gained a greater knowledge of the contributions Africans have made to the world through these programs. He has volunteered for the past 6 years to organize the international institute's African festivities.

In addition to his volunteer work for the international institute, Dr. Ibe serves as a minister of the Word at St. Michael's Catholic Church and is currently raising money for the Our Mother of Africa chapel at the National Shrine in Washington, DC. When he is not volunteering his time to various causes, Dr. Ibe is a medical research scientist. He recently completed a study of cystic fibrosis. With his wife Carolyn, he has two children, Alexander Merenini Ibe II and Crystal Ndidi Ibe.

Mr. Speaker, I ask the Congress to rise with me today to honor this great American. My hometown of Flint has benefited innumerable times from the contributions of Dr. Alexander Ibe. We are a better world because of his compassion.

IN HONOR OF LOUIS KEITH DUMAS

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. FAZIO. Mr. Speaker, I rise today to honor Louis Keith Dumas, the executive director of the Sacramento Air Logistics Center [ALC] at McClellan Air Force Base. Mr. Dumas will be retiring this year after more than 30 years of distinguished service to the Federal Government and principally the Department of the Air Force.

As executive director, Mr. Dumas is second in the Sacramento ALC chain of command. When acting in the commander's name, he exercises broad management authority over all center operations. The Sacramento ALC has program management substainment responsibilities for designated aircraft and communications-electronic systems, and employs about 13,500 civilian and military personnel. Mr. Dumas has clearly distinguished himself during his long career with the Air Force, but his most significant accomplishments may have taken place through his leadership and innovation in the high-technololgy field. He worked to establish the Sacramento ALC's software engineering division; this has placed the center in the elite company of approximately 9 percent of the software practitioners and managers in the United States, and among only a handful of Government software activities. Through Mr. Dumas' personal direction, the Sacramento ALC accomplished a realignment of all the center's software efforts and combined them in a single software engineering division with a clear mission of becoming the Department of Defense's software engineering center of excellence.

Mr. Dumas has looked beyond national borders to further Air Force initiatives. The Air Force and DOD have selected the very high speed integrated circuit [VHSIC] hardware description language, or VHDL, as its standard. Sacramento ALC has pioneered the insertion of VHSIC multichip modules into fielded weapons systems. Mr. Dumas initiated and directed a reverse engineering design project for the British Royal Air Force [RAF] to demonstrate this technology. As a result, the RAF has adopted the VHDL as its standard in place of a particular language which the British were developing.

As a strong proponent of the dual-use concept, I am particularly impressed with Mr. Dumas' work in this area. Mr. Dumas, myself, and others have worked to establish a casting emissions reduction program [CERP] at McClellan AFB. This program is a partnership between McClellan AFB and the big three automakers to develop an environmentally complaint foundry and associated foundry processes for the DOD and the automakers. Metal casting has critical defense relevance; almost 90 percent of all manufactured parts for DOD contain castings. This agreement could ultimately revitalize the foundry process. Related to dual use is Mr. Dumas' strong promotion of interservicing as the business of the future by supporting Army, Navy, and Marine customers, and other Government agencies in the Sacramento ALC's technical centers of excellence.

I join my colleagues today in honoring Louis Keith Dumas for his many years of outstanding service to the Air Force, the Department of Defense, and our Nation. Mr. Dumas and his wife, Dolores, have been married nearly 40 years and have three children and a granddaughter. I wish Mr. Dumas and his wife continued success in all their future endeavors.

TRIBUTE TO JAMES KELLEY

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mr. KANJORSKI. Mr. Speaker, I rise today to pay tribute to a close personal friend from my district, the Honorable James P. Kelley. This year, Jim will retire from his position as Northumberland County Commissioner, a post he has held with the highest distinction for almost a quarter of a century.

Once in a very great while, an individual not only surpasses the requirements expected of him as an elected official, but actually transforms the nature of his office to embody a greater ideal. Jim Kelley is such an individual. He not only served as an excellent county commissioner, but by his service, he changed the very definition of being a county commissioner. His extraordinary compassion, his impeccable integrity, his tireless efforts to improve the economic condition of his county, and his masterful skill at governing made Jim Kelley the epitome of what a public servant can and should be.

A banker for 22 years, a funeral director for 35 years, Jim was first elected to serve Northumberland County as a commissioner in 1971. Jim served as chairman of that board for five of his six consecutive terms of office. A respected community leader, Jim is responsible for the information of the Northumberland County Area Agency on Aging. During his leadership, the County Human Service Agency achieved a No. 1 national rating. He was the first chairman of the Central Region Training Service.

Jim was appointed by Gov. Bob Casey to serve 8 years on the Pennsylvania Infrastructure Investment Board. He has been honored by his party as both Northumberland County Democrat of the Year and Pennsylvania Democrat of the Year.

Jim's leadership in Northumberland County is legendary throughout the Commonwealth of Pennsylvania. He has earned the admiration and respect of us who have been fortunate enough to have worked with him. Mr. Speaker, as Commissioner James P. Kelley steps down, he leaves behind a tradition of excellence and service which will be difficult to replace. He has devoted a lifetime of service to the people of Northumberland County, and that service will be felt for many more years to come. I am pleased to bring to the attention of my colleagues the accomplishments of my good friend, Jim Kelley.

INTRODUCTION OF THE TAXPAYER BILL OF RIGHTS 2

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 1995

Mrs. JOHNSON of Connecticut. Mr. Speaker, I am pleased to introduce the Taxpayer Bill of Rights 2. This legislation will help safeguard the rights of taxpayers in dealing with the Internal Revenue Service [IRS].

The Taxpayer Bill of Rights does not involve the substantive provisions in the Internal Revenue Code which determine a person's tax liability. The subject matter does not involve capital gains or depreciation rules. The nature of the subject matter involves the procedural rules and IRS operational practices which apply during the examination of tax returns and the collection process. Many times these rules and practices can have as much importance to the taxpayers as the substantive provision in the tax law from which their liability arises.

The original Taxpayer Bill of Rights was enacted as part of the Technical and Miscellaneous Revenue Act of 1988. While this action was helpful, there was a general consensus that more could be done to protect the rights of taxpayers.

The Subcommittee on Oversight sought to develop a Taxpayer Bill of Rights 2 during the 102d Congress. It developed a package of recommendations for taxpayer safeguards which eventually was introduced as H.R. 3838 in November 1991. A Taxpayer Bill of Rights section, based on H.R. 3838, was included in H.R. 11 the Revenue Act of 1992, which was vetoed by former President Bush.

The Subcommittee on Oversight held a hearing on March 24, 1995, to investigate what additional taxpayer safeguards were appropriate in order to provide citizens more evenhanded treatment in their dealings with the IRS. In addition, the subcommittee staff reviewed numerous communications from taxpayers which described their experiences with the IRS and reinforced the position that a Taxpayer Bill of Rights 2 was needed. The subcommittee's recommendations are a combination of many of the provisions which were developed in the 102d Congress, as well as a number of new initiatives.

The bill that Representative MATSUI and I are introducing today reflects the narrative recommendations which the Subcommittee on Oversight unanimously approved on September 12, 1995. For example, the bill would make it easier for taxpayers who win their cases against the IRS in Tax Court to collect attorney's fees. Under current law, not only does a taxpayer have to prevail against the IRS to collect attorney fees, but she must also prove that the IRS was not substantially justified in pressing its case against her. The bill shifts the burden to the IRS of proving that its position was justified. This is consistent with the judicial principal that the party in control of the facts should bear the burden of proof. Who knows better than the IRS why it pressed its case against the taxpayer?

Another major area is the treatment of separated or divorced taxpayers. Under current law, married couples who file a joint return are each fully responsible for the accuracy of the return and for the full tax liability, even though one spouse may have earned the income which is shown on the tax return. This is known as joint and several liability. Spouses who wish to avoid this joint and several liability feature may file as a married person filing separately.

The subcommittee learned of many instances where divorced taxpayers who had previously signed a joint tax return during their marriage were treated harshly when the IRS later disputed the accuracy of their joint tax return. In many cases the IRS tried to collect the entire amount of taxes from the wife, even though the omitted income or erroneous deductions which caused the deficiency were attributable solely to her former husband. All too often, the woman, being pursued for payment of taxes due, was not aware that a tax return filed during the marriage had been audited or that a deficiency had been imposed on the return.

In an era where almost 50 percent of marriages end in divorce, this problem is contributing to the growing perception that the tax system is unfair. The time has come to reexamine the joint and several standard of liability and consider replacing it with a proportionate liability standard, where each spouse would be responsible for the taxes on that portion of the income which he or she earned.

However, replacing the current standard would be changing over 60 years of established practice and so the subcommittee concluded that it did not have information about all the ramifications of such a change to include it in the bill. What the bill does do is direct the Department of the Treasury and the General Accounting Office to conduct detailed studies examining possible changes to the joint and several liability standard in order to better protect the rights of separated or divorced couples. These studies are due within 6 months and I believe they could be a prelude to further legislative action in the 104th Congress.

A brief sample of the bill's other features includes: First, allowing taxpayers who have been the victim of reckless collection actions by the IRS, to sue the IRS for up to $1 million in damages, up from the current ceiling of $100,000; second, giving the IRS the authority to withdraw tax liens and return seized property when it would be in the best interest of the taxpayer and the Government; third, creating a civil cause of action for damages for taxpayers who have been harmed by fraudulent information returns; and fourth, requiring the IRS to send out annual reminders to taxpayers with outstanding tax obligations. This will alert taxpayers that the IRS has not forgotten an old tax liability.

Mr. Speaker, the public may never be thrilled about the fact that they must pay taxes to the Government. But the Taxpayer Bill of Rights 2 should at least give them more leverage and ammunition in dealing with the IRS.

SENATE—*Friday, September 15, 1995*

(Legislative day of Tuesday, September 5, 1995)

The Senate met at 9:15 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Let us pray:

Almighty God, whose mercies are new every morning, we praise You for Your faithfulness. You are the same yesterday, today, and forever. Thank You for the strength, security, and serenity You provide in the midst of the strain and stress of heavy responsibilities and long hours. Refresh us physically and renew our minds. Give us light when our vision is dim, courage when we need to be bold, decisiveness when we are tempted to equivocate, and fresh hope when others are discouraged. Help us to listen to You so that our decisions are guided by how we perceive You would have us decide. Also make us more attentive listeners to each other so that we may be receptive to the deeper truth You give when there is honest, open debate. Give us unity in diversity and the oneness of a shared patriotism. Keep us from the grimness of taking ourselves too seriously and not taking You seriously enough. You hold us together when ideas, policies, and points of view would divide us. Help us to reach out to one another to affirm our oneness of our faith in You and our high calling to lead this Nation. So we commit this day to emulate Your faithfulness in the work You have given us to do. In the name of our Lord. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. SANTORUM. Thank you, Mr. President. For the information of all Senators, the Senate will immediately resume the consideration of the welfare reform bill. As a reminder to all Senators, following 10 minutes of debate this morning there will be a rollcall vote on or in relationship to the Bingaman amendment, to be followed by a series of rollcall votes with 10 minutes of debate between each vote.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. INHOFE). Under the previous order, the leadership time is reserved.

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 99-498, appoints Dr. Robert N. Kelly, of Kansas, to the Advisory Committee on Student Financial Assistance for a 3-year term effective October 1, 1995.

FAMILY SELF-SUFFICIENCY ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 4, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence.

The Senate resumed consideration of the bill.

Pending:

Dole modified amendment No. 2280, of a perfecting nature.

Subsequently, the amendment was further modified.

Daschle amendment No. 2672 (to amendment No. 2280), to provide for the establishment of a contingency fund for State welfare programs.

Faircloth amendment No. 2608 (to amendment No. 2280), to provide for an abstinence education program.

Simon amendment No. 2509 (to amendment No. 2280), to eliminate retroactive deeming requirements for those legal immigrants already in the United States.

Simon amendment No. 2681 (to amendment No. 2280), to provide grants for the establishment of community works progress programs.

Simon amendment No. 2468 (to amendment No. 2280), to provide grants for the establishment of community works progress programs.

Graham amendment No. 2568 (to amendment No. 2280), to set national work participation rate goals and to provide that the Secretary shall adjust the goals for individual States based on the amount of Federal funding the State receives for minor children in families in the State that have incomes below the poverty line.

AMENDMENT NO. 2483

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes of debate equally divided on the Bingaman amendment numbered 2483, to be followed by a vote on or in relation to the amendment.

AMENDMENT NO. 2483, AS MODIFIED

Mr. BINGAMAN. Mr. President, I ask unanimous consent to send a modification of the amendment to the desk.

The PRESIDING OFFICER. Is there objection?

Mr. SANTORUM. Reserving the right to object, we are still in the process of reviewing the modification. If the Senator can start the debate on the amendment, after we review the modification, we hope we will have no objection to it.

Mr. BINGAMAN. I will be glad to do that, Mr. President.

This amendment is a very simple, straightforward amendment. I really do not understand how anyone can object to it. It simply puts in law a requirement that the States receiving these block grants under the family assistance block grant program that is being established in this legislation—that they develop a plan, a plan for how they are to spend that money. The plan is very general in the requirements for what would be in the plan, but we basically say the same planning requirement that Senator DOLE had proposed for the work force training block grants, that same kind of planning should occur in the case of the family assistance programs. Once a State has its program in place, this amendment, in my view, would help both Federal and State taxpayers and officials evaluate the success of the State programs through State-established goals and benchmarks.

I do not really understand any credible argument against it. The proposal here is very consistent with the provisions specified in the Government Performance and Results Act of 1993, which I know Senator ROTH had a great involvement in, to establish performance-based program management in the Federal Government. This continues to leave the decisionmaking, the substantive decisionmaking, to the States. But under the bill as it presently sits before us, there is virtually no planning required or encouraged or ensured. States need not do any long-range or strategic planning, nor do they need to establish any goals or benchmarks. There is no accountability to State or Federal taxpayers as to those goals actually being achieved.

We are talking, in this legislation, about block grants that add up to something over $16.8 billion in Federal money each year. In my view, it is not unreasonable for us, as stewards of that Federal money, to at least ask for a written document that explains how it is to be spent.

So that is the essence of the amendment. I ask the manager of the bill if he has had a chance to review the modification and if he sees a problem with it? If not, I ask unanimous consent, again, I be allowed to modify the amendment.

The PRESIDING OFFICER. Is there objection to the request?

Mr. SANTORUM. We have no objection to the request. In fact, as the Senator has modified his amendment, we would be willing to accept the amendment without a rollcall vote.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment (No. 2483), as modified, is as follows:

On page 12, between lines 22 and 23, insert the following:

"(2) FAMILY ASSISTANCE PROGRAM STRATEGIC PLAN.—

"(A) IN GENERAL.—A single comprehensive State Family Assistance Program Strategic Plan (hereafter referred to in this section as the 'State Plan') describing a 3-year strategic plan for the statewide program designed to meet the State goals and reach the State benchmarks for program activities of the family assistance program.

"(B) CONTENTS OF THE STATE PLAN.—The State plan shall include:

"(i) STATE GOALS.—A description of the goals of the 3-year plan, including outcome related goals of and benchmarks for program activities of the family assistance program.

"(ii) CURRENT YEAR PLAN.—A description of how the goals and benchmarks described in clause (i) will be achieved, or how progress toward the goals and benchmarks will be achieved, during the fiscal year in which the plan has been submitted.

(iii) PERFORMANCE INDICATORS.—A description of performance indicators to be used in measuring or assessing the relevant output service levels and outcomes of relevant program activities.

"(iv) EXTERNAL FACTORS.—Information on those key factors external to the program and beyond the control of the State that could significantly affect the attainment of the goals and benchmarks.

"(v) EVALUATION MECHANISMS.—Information on a mechanism for conducting program evaluation, to be used to compare actual results with the goals and benchmarks and designate the results on a scale ranging from highly successful to failing to reach the goals and benchmarks of the program.

"(vi) MINIMUM PARTICIPATION RATES.—Information on how the minimum participation rates specified in section 404 will be satisfied.

"(vii) ESTIMATE OF EXPENDITURES.—An estimate of the total amount of State or local expenditures under the program for the fiscal year in which the plan is submitted.

Mr. BINGAMAN. Mr. President, I appreciate that willingness to accept the modified amendment. If that concludes debate on this issue, I suggest we go to a vote.

Mr. SANTORUM. I yield the remainder of my time.

Mr. BINGAMAN. I yield the remainder of my time as well.

The PRESIDING OFFICER. All time is yielded back. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 2483), as modified, was agreed to.

AMENDMENT NO. 2484

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes of debate equally divided on Bingaman amendment No. 2484, to be followed by a vote on or in relation to the amendment.

The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, this amendment, amendment No. 2484, I gather, is at the desk. I will not ask it be read. Let me explain briefly what the amendment does.

The amendment simply provides that we will make our bill, this bill that Senator DOLE has proposed here, consistent with the House legislation on welfare reform in that we would provide $100 million for each of fiscal years 1997 through the year 2000 to States to help them provide treatment for drug addiction and alcoholism.

Let me review the situation we have as I understand it and then invite any correction if the manager of the bill or anybody else would like to correct my impression.

This morning I put together a very simple chart which demonstrates my skill at calligraphy, but also, I think, makes the point I am trying to get at here. These, as I understand it, are proposed losses in Federal funds for drug and alcohol treatment, prevention and education, assuming this legislation is passed and assuming we go forward with other budget cuts that are contemplated.

Let me specify how I get the figures. As I understand it, the legislation we have here proposes to eliminate any funds for beneficiaries under SSI who are there by virtue of having a drug or alcohol abuse problem. So they are no longer eligible to receive SSI benefits. That is estimated to save the taxpayers $300 million.

Payments to RMA's are also eliminated. These are the organizations, as I understand it, that provide services and do monitoring of the problems that alcoholics and drug abusers have throughout the country. That is $100 million.

We are eliminating Medicaid eligibility for alcoholics and drug abusers. That is another $100 million.

Then there are a series of cuts which I am informed have been voted by the Appropriations Committee, the Labor, HHS, Education Appropriations Committee, on Wednesday. I assume those will be agreed to here when they come to the full Senate. Those amount to $108 million cut in substance abuse block grant funding, $100 million in drug treatment demonstration programs, $29 million in drug abuse prevention demonstrations, and $166 million in drug-free school money which will be eliminated. The alcohol and other health programs that Health and Human Services runs we are cutting by $242 million.

So the total reduction in Federal support to States and to beneficiaries in this area of drug and alcohol treatment prevention and education is $1.345 billion this next year.

Mr. President, I have concerns about that kind of drastic cut. The amendment I have offered will try to help resolve some of that by at least adding in $100 million. The $100 million is a very, very small part of what is being lost. I think that is obvious to everybody. At least it is a good-faith effort. As I understand the agreement that has been worked out between the leadership on the Republican side and the leadership on the Democratic side, the intent is to add in $25 million a year to offset the $1.345 billion which is being lost. To my mind, that is not a credible effort by the Senate and it is not adequate to what we are doing. So all I am saying is, let us at least do what the House of Representatives did, let us at least provide $100 million additional funds for substance abuse block grants in this next fiscal year and each year during the time this legislation is in law.

The issue here is not just whether you like people who are beneficiaries of this. The issue is how this impacts on the criminal problems we face in the country. I have a press release here from the Department of Justice. This is August 9.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BINGAMAN. Mr. President, I ask unanimous consent to speak for an additional 3 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. SANTORUM. I yield the Senator 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, this press release from the Department of Justice, dated August 9, is entitled, "The Nation's Prison Population Grew Almost 9 Percent Last Year." When you read over on page 3 of this it says: More than a quarter of State and Federal inmates were imprisoned for drug offenses, that is 234,600 prisoners in 1993. Prisoners serving a drug sentence increased from 8 percent of the State and Federal prison population in 1980 to 26 percent in 1993. In Federal prisons—this is a startling statistic; people really should focus on this—inmates sentenced for drug law violations were the single largest group. Sixty percent in 1993 of the prisoners in our Federal prisons were there for drug law violations. That was up from 25 percent in 1980.

When you look into how we deal with the problem of more and more people going into prisons for drug offenses, the solution is in this area. The solution is in treatment, prevention, and education.

There is a publication which recently came out by the National Association of State Alcohol and Drug Abuse Directors which makes a very compelling case, that where we put these people in treatment, the incidence of criminal activity reduces very substantially. In my home State of New Mexico, they have estimated that the rate of DWI arrests in the year before treatment was 27.8 percent in the group that received treatment, while in the 1-year post-treatment period, the rate was 9.8 percent. That is an enormous reduction.

I know that the majority leader is concerned about how it impacts on his State. The report I am referring to says that Kansas has reported a reduction in legal problems on the addiction severity index comparison data between admission and discharge for 2,700 of its clients who received treatment services in fiscal year 1993. Between admission and discharge, there was a 35 percent decrease in the severity of legal problems for clients in treatment.

Mr. President, if we are serious about dealing with the crime problem, we need to maintain some level of funding here. My amendment simply provides $100 million in funding to offset the $1.3 billion which is contemplated in this legislation and in the appropriations bill that I referred to.

I know that people are concerned about not spending too much money. Mr. President, this is a good investment. If we do not spend the money here, we will be spending it down the road in building more prison cells. That is the tradeoff, and I believe very strongly that we ought to at least support the House level of expenditure for this drug and alcohol treatment prevention and education.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SANTORUM. Mr. President, we are still working on this amendment, I think, between the two leaders. And if we could set this amendment aside temporarily and allow—I believe the Senator from Illinois is somewhere on the floor and may be willing to bring up his amendment at this point, and we will see if we can work this out.

Mr. BINGAMAN. Mr. President, I have no objection. I believe the Senator from Maine, Senator COHEN, wanted to speak for a few moments.

Mr. SANTORUM. There is time remaining on our side. We could allocate 2 minutes.

Mr. BINGAMAN. I have no objection to putting the amendment aside under those circumstances.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, there will now be 10 minutes of debate equally divided on the Simon amendment No. 2468, to be followed by a vote on or in relation to the amendment.

Mr. SANTORUM. Mr. President, I see the Senator from Illinois is here. I would allow him to proceed with his amendment.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

AMENDMENT NO. 2468, AS MODIFIED

Mr. SIMON. Mr. President, I ask unanimous consent to modify the amendment 2468.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment, as modified, is as follows:

At the appropriate place, insert the following new title:

TITLE —COMMUNITY WORKS PROGRESS ACT

SEC. 00. SHORT TITLE.

This title may be cited as the "Community Works Progress Act".

SEC. 01. FUNDING FOR COMMUNITY WORKS PROGRESS PROGRAMS.

(a) AUTHORIZATION FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES.—There is authorized $240,000,000 for a demonstration Community Works Progress Administration up to $240,000,000 of the amounts authorized under this section may be used for the purpose of paying grants beginning with fiscal years after fiscal year 1997 to States for the operation of community works progress programs. Such amounts shall be paid to States in accordance with the requirements of this title and shall not be subject to any requirements of part A of title IV of the Social Security Act.

(b) LIMITATIONS ON COSTS.—

(1) ADMINISTRATIVE EXPENSES.—Not more than 10 percent of the amount of each grant awarded to a State may be used for administrative expenses.

(2) COMPENSATION AND SUPPORTIVE SERVICES.—Not less than 70 percent of the amount of each grant awarded to a State may be used to provide compensation and supportive services to project participants.

(3) WAIVER OF COST LIMITATIONS.—The limitations under paragraphs (1) and (2) may be waived for good cause, as determined appropriate by the Secretary.

(c) AMOUNTS REMAINING AVAILABLE FOR STATE FAMILY ASSISTANCE GRANTS.—Any amounts appropriated for making grants under this title for a fiscal year under section 403(a)(4)(A)(i) of the Social Security Act (42 U.S.C. 603(a)(2)(A)(4)(A)(i)) that are not paid as grants to States in accordance with this title in such fiscal year shall be available for making State family assistance grants for such fiscal year in accordance with subsection (a)(1) of such section.

SEC. ___01A. ESTABLISHMENT.

In the case of any fiscal year after fiscal year 1997, the Secretary of Labor (hereafter referred to in this title as the "Secretary") shall award grants to 4 States for the establishment of community works progress programs.

SEC. ___02. DEFINITIONS.

For purposes of this title:

(1) COMMUNITY WORKS PROGRESS PROGRAM.—The terms "community works progress program" and "program" mean a program designated by a State under which the State will select governmental and nonprofit entities to conduct community works progress projects which serve a significant public purpose in fields such as health, social service, environmental protection, education, urban and rural development and redevelopment, welfare, recreation, public facilities, public safety, and child care.

(2) COMMUNITY WORKS PROGRESS PROJECT.—The terms "community works progress project" and "project" mean an activity conducted by a governmental or nonprofit entity that results in a specific, identifiable service or product that, but for this title, would not otherwise be done with existing funds and that supplements but does not supplant existing services.

(3) NONPROFIT ENTITY.—The term "nonprofit entity" means an organization—

(A) described in section 501(c) of the Internal Revenue Code of 1986; and

(B) exempt from taxation under section 501(a) of such Code.

SEC. ___03. APPLICATIONS BY STATES.

(a) IN GENERAL.—Each State desiring to conduct, or to continue to conduct, a community works progress program under this title shall submit an annual application to the Secretary at such time and in such manner as the Secretary shall require. Such application shall include—

(1) identification of the State agency or agencies that will administer the program and be the grant recipient of funds for the State, and

(2) a detailed description of the geographic area in which the project is to be carried out, including such demographic and economic data as are necessary to enable the Secretary to consider the factors required by subsection (b).

(b) CONSIDERATION OF APPLICATIONS.—

(1) IN GENERAL.—In reviewing all applications received from States desiring to conduct or continue to conduct a community works progress program under this title, the Secretary shall consider—

(A) the unemployment rate for the area in which each project will be conducted,

(B) the proportion of the population receiving public assistance in each area in which a project will be conducted,

(C) the per capita income for each area in which a project will be conducted,

(D) the degree of involvement and commitment demonstrated by public officials in each area in which projects will be conducted,

(E) the likelihood that projects will be successful,

(F) the contribution that projects are likely to make toward improving the quality of life of residents of the area in which projects will be conducted,

(G) geographic distribution,

(H) the extent to which projects will encourage team approaches to work on real, identifiable needs,

(I) the extent to which private and community agencies will be involved in projects, and

(J) such other criteria as the Secretary deems appropriate.

(2) INDIAN TRIBES AND URBANIZED AREAS.—

(A) IN GENERAL.—The Secretary shall ensure that—

(i) one grant under this title shall be awarded to a State that will conduct a community works progress project that will serve one or more Indian tribes; and

(ii) one grant under this title shall be awarded to a State that will implement a community works progress project in a city that is within an Urbanized Area (as defined by the Bureau of the Census).

(B) INDIAN TRIBE.—For purposes of this paragraph, the term "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C.A. 1601 et seq.), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(c) MODIFICATION TO APPLICATIONS.—If changes in labor market conditions, costs, or other factors require substantial deviation from the terms of an application approved by the Secretary, the State shall submit a modification of such application to the Secretary.

SEC. ___04. PROJECT SELECTION BOARD.

(a) ESTABLISHMENT.—Each State that receives a grant under this title shall establish a Project Selection Board (hereafter referred to as the "Board") in the geographic area or areas identified by the State under section ___03(b)(2).

(b) MEMBERSHIP.—

(1) IN GENERAL.—Each Board shall be composed of 13 members who shall reside in the geographic area identified by the State under section ___03(b)(2). Subject to paragraph (2), the members of the Board shall be appointed by the Governor of the State in consultation with local elected officials in the geographic area.

(2) REPRESENTATIVES OF BUSINESS AND LABOR ORGANIZATIONS.—The Board—

(A) shall have at least one member who is an officer of a recognized labor organization; and

(B) shall have at least one member who is a representative of the business community.

(c) DUTIES OF THE BOARD.—The Board shall—

(1) recommend appropriate projects to the Governor;

(2) select a manager to coordinate and supervise all approved projects; and

(3) periodically report to the Governor on the project activities in a manner to be determined by the Governor.

(d) VETO OF A PROJECT.—One member of the Board who is described in subparagraph (A) of subsection (b)(2) and one member of the Board who is described in subparagraph (B) of such subsection shall have the authority to veto any proposed project. The Governor shall determine which Board members shall have the veto authority described under this subsection.

(e) TERMS AND COMPENSATION OF MEMBERS.—The Governor shall establish the terms for Board members and specify procedures for the filling vacancies and the removal of such members. Any compensation or reimbursement for expenses paid to Board members shall be paid by the State, as determined by the Governor.

SEC. ___05. PARTICIPATION IN PROJECTS.

(a) IN GENERAL.—To be eligible to participate in projects under this title, an individual shall be—

(1) receiving, eligible to receive, or have exhausted unemployment compensation under an unemployment compensation law of a State or of the United States,

(2) receiving, eligible to receive, or at risk of becoming eligible to receive, assistance under a State program funded under part A of title IV of the Social Security Act,

(3) a noncustodial parent of a child who is receiving assistance under a State program funded under part A of title IV of the Social Security Act,

(4) a noncustodial parent who is not employed, or

(5) an individual who—

(A) is not receiving unemployment compensation under an unemployment compensation law of a State or of the United States;

(B) if under the age of 20 years, has graduated from high school or is continuing studies toward a high school equivalency degree;

(C) has resided in the geographic area in which the project is located for a period of at least 60 consecutive days prior to the awarding of the project grant by the Secretary; and

(D) is a citizen of the United States.

(b) WORK ACTIVITY UNDER BLOCK GRANTS FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES.—For purposes of section 404(c)(3) of the Social Security Act, as added by section 101(b) of this Act, the term 'work activity' includes participation in a community works progress program.

SEC. ___06. MANDATORY PARTICIPATION.

Able-bodied individuals who reside in a project area and who have received assistance under a State program funded under part A of title IV of the Social Security Act for more than 5 weeks shall be required to participate in a project unless—

(1) the project has no available placements; or

(2) the individual is a single custodial parent caring for a child age 5 or under and has a demonstrated inability to obtain needed child care, for 1 or more of the following reasons:

(A) Unavailability of appropriate child care within a reasonable distance of the individual's home or work site.

(B) Unavailability or unsuitability of informal child care by a relative or under other arrangements.

(C) Unavailability of appropriate and affordable formal child care arrangements.

SEC. ___07. HOURS AND COMPENSATION.

(a) DETERMINATION OF COMPENSATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), project participants in a community works progress project shall be paid the applicable Federal or State minimum wage, whichever is greater.

(2) EXCEPTIONS.—If a participant in a community works progress project is—

(A) eligible for benefits under a State program funded under part A of title IV of the Social Security Act and such benefits exceed the amount described in paragraph (1), such participant shall be paid an amount that exceeds by 10 percent of the amount of such benefits; or

(B) eligible for benefits under an unemployment compensation law of a State or the United States such benefits exceed the amount described in paragraph (1), such participant shall be paid an amount that exceeds by 10 percent the amount of such benefits.

(b) WORK REQUIREMENTS RELATED TO PARTICIPATION.—

(1) IN GENERAL.—

(A) MAXIMUM HOURS.—In order to assure that each individual participating in a project will have time to seek alternative employment or to participate in an alternative employability enhancement activity, no individual may work as a participant in a project under this title for more than 32 hours per week.

(B) REQUIRED JOB SEARCH ACTIVITY.—Individuals participating in a project who are not receiving assistance under a State program funded under part A of title IV of the Social Security Act or unemployment compensation under an unemployment compensation law of a State or of the United States shall be required to participate in job search activities on a weekly basis.

(c) COMPENSATION FOR PARTICIPANTS.—

(1) PAYMENTS OF ASSISTANCE UNDER A STATE PROGRAM FUNDED UNDER PART A OF TITLE IV AND UNEMPLOYMENT COMPENSATION.—Any State agency responsible for making a payment of benefits to a participant in a project under a State program funded under part A of title IV of the Social Security Act or under an unemployment compensation law of a State or of the United States may transfer such payment to the governmental or nonprofit entity conducting such project and such payment shall be made by such entity to such participant in conjunction with any payment of compensation made under subsection (a).

(2) TREATMENT OF COMPENSATION OR BENEFITS UNDER OTHER PROGRAMS.—

(A) HIGHER EDUCATION ACT OF 1965.—In determining any grant, loan, or other form of assistance for an individual under any program under the Higher Education Act of 1965, the Secretary of Education shall not take into consideration the compensation and benefits received by such individual under this section for participation in a project.

(B) RELATIONSHIP TO OTHER FEDERAL BENEFITS.—Notwithstanding any other provision of law, any compensation or benefits received by an individual under this section for participation in a community works progress project shall be excluded from any determination of income for the purposes of determining eligibility for benefits under a State program funded under part A of title IV, title XVI, and title XIX of the Social Security Act, or any other Federal or federally assisted program which is based on need.

(3) SUPPORTIVE SERVICES.—Each participant in a project conducted under this title shall be eligible to receive, out of grant funds awarded to the State agency administering such project, assistance to meet necessary costs of transportation, child care, vision testing, eyeglasses, uniforms and other work materials.

SEC. ___08. ADDITIONAL PROGRAM REQUIREMENTS.

(a) NONDUPLICATION AND NONDISPLACEMENT.—

(1) NONDUPLICATION.—

(A) IN GENERAL.—Amounts from a grant provided under this title shall be used only for a project that does not duplicate, and is in addition to, an activity otherwise available in the State or unit of general local government in which the project is carried out.

(B) NONPROFIT ENTITY.—Amounts from a grant provided to a State under this title shall not be provided to a nonprofit entity to conduct activities that are the same or substantially equivalent to activities provided by a State or local government agency in which such entity resides, unless the requirements of paragraph (2) are met.

(2) NONDISPLACEMENT.—

(A) IN GENERAL.—A governmental or nonprofit entity shall not displace any employee or position, including partial displacement such as reduction in hours, wages, or employment benefits, as a result of the use by such entity of a participant in a project funded by a grant under this title.

(B) LIMITATION ON SERVICES.—

(i) DUPLICATION OF SERVICES.—A participant in a project funded by a grant under this title shall not perform any services or duties or engage in activities that would otherwise be performed by any employee as part of the assigned duties of such employee.

(ii) SUPPLANTATION OF HIRING.—A participant in a project funded by a grant under this title shall not perform any services or duties or engage in activities that will supplant the hiring of other workers.

(iii) DUTIES FORMERLY PERFORMED BY ANOTHER EMPLOYEE.—A participant in a project funded by a grant under this title shall not perform services or duties that have been performed by or were assigned to any presently employed worker, employee who recently resigned or was discharged, employee who is subject to a reduction in force, employee who is on leave (terminal, temporary, vacation, emergency, or sick), or employee who is on strike or who is being locked out.

(b) FAILURE TO MEET REQUIREMENTS.—The Secretary may suspend or terminate payments under this title for a project if the Secretary determines that the governmental or nonprofit entity conducting such project has materially failed to comply with this title, the application submitted under this title, or any other terms and conditions of a grant under this title agreed to by the State agency administering the project and the Secretary.

(c) GRIEVANCE PROCEDURE.—

(1) IN GENERAL.—Each State conducting a community works progress program or programs under this title shall establish and maintain a procedure for the filing and adjudication of grievances from participants in any project conducted under such program, labor organizations, and other interested individuals concerning such program, including grievances regarding proposed placements of such participants in projects conducted under such program.

(2) DEADLINE FOR GRIEVANCES.—Except for a grievance that alleges fraud or criminal activity, a grievance under this paragraph shall be filed not later than 6 months after the date of the alleged occurrence of the event that is the subject of the grievance.

(d) TESTING AND EDUCATION REQUIREMENTS.—

(1) TESTING.—Each participant in a project shall be tested for basic reading and writing competence prior to employment under such project.

(2) EDUCATION REQUIREMENT.—

(A) FAILURE TO SATISFACTORILY COMPLETE TEST.—Participants who fail to complete satisfactorily the basic competency test required in paragraph (1) shall be furnished counseling and instruction. Those participants who lack a marketable skill must attend a technical school or community college to acquire such a skill.

(B) LIMITED ENGLISH.—Participants with limited English speaking ability may be furnished such instruction as the governmental or nonprofit entity conducting the project deems appropriate.

(e) COMPLETION OF PROJECTS.—

(1) IN GENERAL.—A governmental or nonprofit entity conducting a project or projects under this title shall complete such project or projects within the 2-year period beginning on a date determined appropriate by such entity, the State agency administering the project, and the Secretary.

(2) MODIFICATION.—The period referred to in paragraph (1) may be modified in the discretion of the Secretary upon application by the State in which a project is being conducted.

SEC. ___09. EVALUATIONS AND REPORTS.

(a) BY THE STATE.—Each State conducting a community works progress program or programs under this title shall conduct ongoing evaluations of the effectiveness of such program (including the effectiveness of such program in meeting the goals and objectives described in the application approved by the Secretary) and, for each year in which such program is conducted, shall submit an annual report to the Secretary concerning the results of such evaluations at such time, and in such manner, as the Secretary shall require. The report shall incorporate information from annual reports submitted to the State by governmental and nonprofit entities conducting projects under the program. The report shall include an analysis of the effect of such projects on the economic condition of the area, including their effect on welfare dependency, the local crime rate, general business activity (including business revenues and tax receipts), and business and community leaders' evaluation of the projects' success. Up to 2 percent of the amount granted to a State may be used to conduct the evaluations required under this subsection.

(b) BY THE SECRETARY.—The Secretary shall submit an annual report to the Congress concerning the effectiveness of the community works progress programs conducted under this title. Such report shall analyze the reports received by the Secretary under subsection (a).

SEC. ___10. EVALUATION.

Not later than October 1, 2000, the Secretary shall submit to the Congress a comprehensive evaluation of the effectiveness of community works progress programs in reducing welfare dependency, crime, and teenage pregnancy in the geographic areas in which such programs are conducted.

Mr. SIMON. Mr. President, this is an amendment offered by Senator BROWN, Senator REID, and myself. This is an amendment which would authorize, but not have a set-aside, four demonstration WPA-type projects where people would be on welfare only 5 weeks. After 5 weeks, like the WPA, the local people would pick the projects. They would have to work 4 days a week at the minimum wage. The fifth day they would have to be out trying to find a job in the private sector.

Why this is important is there is a tendency that is not going to change for the demand for unskilled labor to go down, and an awful lot of people on welfare are these people who are unskilled. We are going to pay people ultimately either for being productive or nonproductive. I think it makes much more sense to pay them for being productive.

And this is an amendment, I might add, that was passed last year. And I say to the Presiding Officer that the chief sponsor was Senator Boren. I was a cosponsor, as was Senator REID, and I think a few others on the other side also.

The idea is, let us have a demonstration. Let us see what we can do if we try this. What is going to happen—and this would be a voluntary thing—to the numbers if everyone after 5 weeks is required to work but is paid at minimum wage.

I would hope this would be accepted. It was accepted by voice vote a year ago. But if it is not accepted, I would require a vote on it.

Let me just add one other point while we are talking, Mr. President. We have heard a lot about teenage pregnancy. I took some counties in Illinois, and you see a direct correlation between teenage pregnancy and the number of people working.

The counties in California with a population over 250,000 get the same statistics. The same pattern is here.

If we really want to do something about teenage pregnancy, if we can put people to work—and I think it is not simply that they are occupied; I think it is that they have the spark of hope. Teenage pregnancy frequently comes with hopelessness. Anyway, I think it is a worthwhile experiment. I would hope we could move in this direction, and I am pleased to have some supporters on that side of the aisle as well as this side of the aisle.

I hope that we can accept this. I would be happy to answer any questions. Otherwise, I would yield the floor at this point.

Mr. SANTORUM. Mr. President, my understanding is the chairman of the Labor Committee, Senator KASSEBAUM, is still opposed to this amendment even in the modified form. It sets up a demonstration project with $240 million in four States. I know the Senator from Kansas believes that there is adequate money under AmeriCorps and other programs existing for these kinds of projects to occur.

I do not believe the Senator will be able to make it here to debate that. But my understanding is that we object to the amendment.

Mr. SIMON. Mr. President, again, I would hope that this would be acceptable. I understand that it will require a vote now.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. SANTORUM. Mr. President, I yield the remainder of my time.

Mr. SIMON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 53 seconds remaining.

Mr. SIMON. Mr. President, let me just add one other point. We talked a lot on the floor in the Senate about the crime problem. My instinct is, if we guarantee jobs to people and require work—not just guarantee but require work—we will see a change in the crime rate.

You show me an area of high unemployment—black, Hispanic, white, whatever the area—and I will show you an area of high crime. I think this makes sense. I hope it could be accepted by the body.

Mr. President, I yield the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. SANTORUM. Mr. President, we would like to stack a couple of votes, and I see the Senator from Minnesota is here to debate his two amendments. We have one amendment I believe of the Senator from Minnesota we can agree to related to agriculture. The second one will require a vote. And then we still have outstanding the Bingaman amendment which may require a vote.

How long will the Senator from Minnesota need on his first amendment on agriculture?

Mr. WELLSTONE. Mr. President, I would say to the Senator from Pennsylvania that I can do this in less than 5 minutes.

Mr. SANTORUM. And on the second amendment there will be 10 minutes equally divided? Ten minutes equally divided on the second amendment?

Mr. WELLSTONE. Mr. President, that is fine.

Mr. SANTORUM. Why not have the first vote at around 10 o'clock.

I would ask unanimous consent that the Simon amendment vote be postponed until 10 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, I wonder whether I could just—I am ready to go—suggest the absence of a quorum for 30 seconds.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT 2503, AS MODIFIED

Mr. WELLSTONE. Mr. President, I send an amendment as modified to the desk.

The PRESIDING OFFICER. Is there objection to the modification? Without objection, the amendment is modified.

The amendment (No. 2503), as modified, is as follows:

On page 229, between lines 13 and 14, insert the following;

"(4) SUNSET OF ELECTION UPON INCREASE IN NUMBER OF HUNGRY CHILDREN.—

"(A) FINDINGS.—The Congress finds that—

"(i) on March 29, 1995 the Senate adopted a resolution stating that Congress should not enact or adopt any legislation that will increase the number of children who are hungry;

"(ii) it is not the intent of this bill to cause more children to be hungry;

"(iii) the Food Stamp Program serves to prevent child hunger; and

"(iv) a State's election to participate in the optional state food assistance block grant program should not serve to increase the number of hungry children in that State.

"(B) SUNSET.—If the Secretary of Health and Human Services makes two successive findings that the hunger rate among children in a State is significantly higher in a State that has elected to participate in a program established under subsection (a) than it would have been had there been no such election, 180 days after the second such finding such election shall be permanently and irreversibly revoked and the provisions of paragraphs (1) and (2) shall not be applicable to that State.

"(C) PROCEDURE FOR FINDING BY SECRETARY.—In making the finding described in subparagraph (B), the Secretary shall adhere to the following procedure:

"(i) Every three years, the Secretary shall develop data and report to Congress with respect to each State that has elected to participate in a program established under subsection (a) whether the child hunger rate in such State is significantly higher than it would have been had the State not made such election.

"(ii) The Secretary shall provide the report required under clause (i) to all States that have elected to participate in a program established under subsection (a), and the Secretary shall provide each State for which the Secretary determined that the child hunger rate is significantly higher than it would have been had the State not made such election with an opportunity to respond to such determination.

"(iii) If the response by a State under clause (ii) does not result in the Secretary reversing the determination that the child hunger rate in that State is significantly higher than it would have been had the State not made such election, then the Secretary shall publish a finding as described in subparagraph (B)."

Mr. WELLSTONE. Mr. President, there is some history to this amendment, and I am very pleased it has been accepted.

The history is this. Early on in this session, I came to the floor with a sense of the Senate that we would go on record saying we would take no action which could increase hunger or malnutrition among children in America. That amendment was defeated several times but then finally passed.

I believe the Senate is now on record on that question.

What this amendment says is that every 3 years, if we are going to block grant food stamps, Health and Human Services develops data on child hunger for each State that gets food stamps as a block grant.

What we want to look at is whether or not, after moving to block grants, the malnutrition and hunger among children goes up. HHS reports back the data to Congress and also sends a report out to the States and gives States a chance to respond. But if Health and Human Services finds out, based upon this survey—and it is two 3-year increments, as a matter of fact—States have gone to block granting and what has happened is you have seen an increase in hunger among children, then in fact it is no longer a block grant and it goes back to the Federal Food Stamp Program with the national standards.

Mr. President, I think this is a kind of proof-in-the pudding amendment. If in fact there are no problems, then there are no problems, and I certainly would assume that is exactly what Senators hope for.

My view is that we could very well be making a terrible mistake. My view is that we are coming very close, or we have I think moved away from a fundamental idea that there is a minimal role for the Federal Government in making sure that every child in America, no matter how poor, no matter from what family, no matter in what region of the United States of America, has some minimal level of assistance. This is an amendment that I think provides some check on that.

I thank my colleagues on the other side for accepting this amendment, and I urge its approval.

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. WELLSTONE. I would be pleased to.

Mr. SANTORUM. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to amendment 2503, as modified.

The amendment (No. 2503), as modified, was agreed to.

Mr. WELLSTONE. Mr. President, I move to reconsider the vote.

Mr. SANTORUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2505

Mr. SANTORUM. Mr. President, I think we now move to the next Wellstone amendment and the Senator should proceed.

The PRESIDING OFFICER. Under a previous order, there will now be 10 minutes of debate equally divided on the Wellstone amendment No. 2505 to be followed by a vote on or in relation to the amendment.

Mr. WELLSTONE. Mr. President, I call up amendment 2505.

Mr. President, I think the best way for me to proceed on this—and I must say to my colleagues, I am actually puzzled; this is the amendment that I thought would be accepted without any question—is to let me go through the findings.

Findings. The potential loss of Medicaid coverage represents a large disincentive for welfare recipients to accept jobs that offer no health insurance.

Mr. President, we all know that one of the problems when a mother wants to move from welfare to workfare is that quite often without any kind of transitional support from Medicaid she is worse off than she was before and just as importantly her children are worse off. Please remember, of the 15 million AFDC population, 9 million are children.

Whereas thousands of the Nation's employers continue to find the cost of health care out of reach; whereas the percentage of working people who receive health insurance from their employer has dipped to its lowest point since the 1980's; and whereas children are the largest proportion of the increase in the number of uninsured in recent years, it is the sense of the Senate . . .

I am really puzzled by the opposition. I would say this to Senators, that any Medicaid reform enacted by the Senate this year should require that States continue to provide Medicaid for 12 months to families that lose eligibility for welfare benefits because of more earnings or hours of employment.

Mr. President, we have said in this health care reform bill that we will have an extension of Medicaid for a year. This sense-of-the-Senate amendment just says the Senate will do what it says it is going to do.

I do not understand how there could be any opposition to this amendment. We have said that real welfare reform means there has to be this transition and there are all these proposed cuts in Medicaid. And so what this amendment just says is look, when we take up Medicaid separately, we go on record that the Senate will make sure that with that Medicaid funding there will be 1 year of transitional support.

I say to all of my colleagues, Democrats and Republicans alike, we cannot have it both ways. We cannot say that we are in favor of and we know we must provide some transitional coverage so that women and children are not in worse shape because of reform, and make a commitment to do that and now vote against the sense-of-the-Senate amendment that says we will do what we said we were going to do.

Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 2½ minutes.

Mr. WELLSTONE. I will reserve the remainder of my time to maybe get a sense—I am puzzled why this amendment has not been accepted.

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, the opposition on this side lies in the fact that right now we are in negotiations trying to deal with the problem of Medicaid and trying to come up with solutions that will provide services, health care services to the poor in our country and at the same time come within the reconciliation targets that are set. And we believe that if one of the options that is available to us, as has been discussed openly, is the idea of a block grant. A block grant would in fact give flexibility to the States to design their own program. And we would not be able in that situation to guarantee a transitional benefit.

So, what we want to do is maintain the flexibility for us to deal with this issue in a way that the Senate can come together to try to provide these services, health care services for the poor in our society. And one of the options on the table that we do not obviously want to foreclose is the option of doing a block grant to States to have them provide services. In fact, what we have seen in States that have gotten waivers, which would, in a sense, be similar to a block grant, States like Tennessee where we have seen a dramatic increase in the number of people covered—the Senator from Tennessee, who I do not know if he is around or on the floor, but Senator FRIST was one of the principal architects of the Tenn care plan that provided this flexibility, this flexibility from the Federal level, but allowed Tennessee to redesign their Medicaid Program to cover more people. In fact, more people are covered under Medicaid now in Tennessee and at less cost.

So we have seen State experiments that have worked in reducing health care costs and covering more people on Medicaid. And we do not want to foreclose that option for States to be able to do that in the future. And that is the reason we oppose the amendment.

Mr. WELLSTONE. Will the Senator yield for a question?

The PRESIDING OFFICER. Will the Senator yield?

Mr. SANTORUM. Yes.

Mr. WELLSTONE. Is the Senator saying there is a possibility that we would rescind what we have stated is a major provision of this welfare reform bill, namely, the requirement that States extend the Medicaid coverage for a year? Is that what the Senator is saying, that we may very well rescind what we have now passed?

Mr. SANTORUM. I think the Senator from Minnesota knows very well there are discussions with respect to Medicaid and those discussions should not be foreclosed by action taken by the Senate.

Mr. WELLSTONE. Well, Mr. President, then what my colleague from Pennsylvania has said is that this amendment——

The PRESIDING OFFICER. Does the Senator yield further?

Mr. SANTORUM. I do not yield further.

The PRESIDING OFFICER. Does the Senator reserve the remainder of his time?

Mr. SANTORUM. Yes.

Mr. WELLSTONE. Mr. President, this is amazing. I want people in the country to understand this. We have said we are going to have this welfare reform, it is not going to be punitive. We changed this for the better. States will be required to carry Medicaid for 1 year. I have a sense of the Senate that makes it clear that in the Medicaid debate that comes up we make a commitment that we will do what we said we would do.

And now I hear my colleague from Pennsylvania say, we may very well turn around and not do that. My amendment asks the Senate to go on record that we will do what we have said we are going to do in this piece of legislation. And now I have colleagues that equivocate on this question and say, you know what? This might be a sham. We say we are going to have transitional coverage to make sure that women and children are not hurt, but that is just for now. When it comes to the Medicaid debate, we may very well take away that funding.

I do not think the Senators can have it both ways. Are we not going to live up to our word as is now stated in this provision of this piece of legislation? I hope my colleagues will overwhelmingly support this amendment because this is all about the Senate's integrity. Are we for what we say we are for? Will we live up to our commitment?

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. SANTORUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SANTORUM. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SANTORUM. I will yield back the remainder of our time.

Mr. WELLSTONE. Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 58 seconds left.

Mr. WELLSTONE. For every Senator that is going to vote on this, I am puzzled. This amendment says:

> It is the sense of the Senate that any Medicaid reform enacted by the Senate this year should require that States continue to provide Medicaid for 12 months to families who lose eligibility for welfare benefits because of more earnings or hours of employment.

That is exactly what we said we are going to do for reform in this bill. Otherwise, there will not be any funding and then this will be truly punitive.

So we should go on record voting for what we said we were going to do. I hope every Senator will vote for this amendment.

I yield back the remainder of my time.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2484

Mr. SANTORUM. Mr. President, it is my understanding that we have not been able to reach an agreement on the Bingaman amendment, which would then require a rollcall vote. I do not see anybody else on our side looking for time. All I would suggest is, the Bingaman amendment deals with a subject we have dealt with in the Daschle-Dole compromise. The Daschle-Dole compromise provided $100 million for drug treatment over the next 2 years. It was a compromise between what Senator COHEN and Senator BINGAMAN had sought, which was $100 million per year. We came up with $100 million over the next 2 years. It was intended to be a compromise.

As compromises are, we compromise, and hopefully when you compromise you do not go forward and offer the amendment that we compromised on. But, unfortunately, that has occurred in this case. It is going to cost $300 million more for this drug treatment. And I hope that, given the fact that this bill is far under the reconciliation target that we need to meet to balance the budget, this is another $300 million that we will have to take out of Medicaid or Medicare or somewhere else in the Finance Committee. And I think the Finance Committee has a hard enough burden as it is without adding more money for drug treatment for people, for people who are taken care of with $50 million a year for the first 2 years.

Obviously, this is something that we can come back and visit in the future. But we are well over. And I hope that Senators will recognize that we have got some tough decisions to make in the future. This is going to make it much tougher.

I yield back the remainder of my time.

I ask unanimous consent that votes occur in the order in which they were debated, starting at 10 a.m.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 2484, AS MODIFIED

Mr. BINGAMAN. Mr. President, could I ask a question of the manager?

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, we have made some modification in the amendment to accommodate concerns that were raised on the other side. Is it permissible for me to send the modification of the amendment and have that voted on?

Mr. SANTORUM. Reserving the right to object——

The PRESIDING OFFICER. The Senator is seeking unanimous consent to modify his amendment?

Mr. BINGAMAN. Yes. I do seek unanimous consent to modify the amendment.

Mr. SANTORUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SANTORUM. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SANTORUM. Mr. President, we have no objection to the modification of the amendment.

The PRESIDING OFFICER. Without objection, the amendment is modified.

The amendment, as modified, is as follows:

On page 127, between lines 2 and 3, insert the following new subsection:

(d) SUPPLEMENTAL FUNDING FOR ALCOHOL AND SUBSTANCE ABUSE TREATMENT PROGRAMS.—

(1) IN GENERAL.—Out of any money in the Treasury not otherwise appropriated, there are hereby appropriated to supplement State and Tribal programs funded under section 1933 of the Public Health Service Act, $100,000,000 for each of the fiscal years 1997 through 2000.

(2) ADDITIONAL FUNDS.—Amounts appropriated under paragraph (1) shall be in addition to any funds otherwise appropriated for allotments under section 1933 of the Public Health Service Act and shall be allocated pursuant to such section 1933.

(3) USE OF FUNDS.—A State or Tribal government receiving an allotment under this subsection shall consider as priorities, for purposes of expending funds allotted under this subsection, activities relating to the treatment of the abuse of alcohol and other drugs.

Mr. BINGAMAN. Mr. President, I ask for the yeas and nays on the modified amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is all time yielded back?

Mr. SANTORUM. I yield back the remainder of the our time.

The PRESIDING OFFICER. the question is on agreeing to the Bingaman amendment No. 2484, as modified.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Utah [Mr. HATCH] is necessarily absent.

The PRESIDING OFFICER (Mr. DEWINE). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 41, nays 58, as follows:

[Rollcall Vote No. 429 Leg.]

YEAS—41

Akaka
Biden
Bingaman
Boxer
Bradley
Bryan
Bumpers
Cohen
Conrad
Dodd
Dorgan
Exon
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Jeffords
Johnston
Kennedy
Kerrey
Kerry
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone

NAYS—58

Abraham
Ashcroft
Baucus
Bennett
Bond
Breaux
Brown
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Coverdell
Craig
D'Amato
Daschle
DeWine
Dole
Domenici
Faircloth
Feingold
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatfield
Helms
Hutchison
Inhofe
Kassebaum
Kempthorne
Kohl
Kyl
Lott
Lugar
Mack
McCain
McConnell
Moynihan
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NOT VOTING—1

Hatch

So the amendment (No. 2484) was rejected.

Mr. DOLE. Mr. President, I ask unanimous consent the next two votes be 10-minute votes.

The PRESIDING OFFICER. Without objection, the next two votes will be 10-minute votes.

VOTE ON AMENDMENT 2468, AS MODIFIED

The PRESIDING OFFICER. The question is on agreeing to the Simon amendment, No. 2468, as modified.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 37, nays 63, as follows:

[Rollcall Vote No. 430 Leg.]

YEAS—37

Akaka
Boxer
Bradley
Breaux
Brown
Bryan
Bumpers
Byrd
Conrad
Daschle
Dodd
Dorgan
Feingold
Feinstein
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Levin
Lieberman
Mikulski
Moseley-Braun
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone

NAYS—63

Abraham
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Exon
Faircloth
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kerrey
Kyl
Leahy
Lott
Lugar
Mack
McCain
McConnell
Moynihan
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

So the amendment (No. 2468), as modified, was rejected.

VOTE ON AMENDMENT NO. 2505

The PRESIDING OFFICER. The question now occurs on the Wellstone amendment, No. 2505. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 49, nays 51, as follows:

[Rollcall Vote No. 431 Leg.]

YEAS—49

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Cohen
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin

Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Snowe
Specter
Wellstone

NAYS—51

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Campbell
Chafee
Coats
Cochran
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Stevens
Thomas
Thompson
Thurmond
Warner

So the amendment (No. 2505) was rejected.

Mr. DOLE. Mr. President, I move to reconsider the vote.

Mr. SANTORUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

AMENDMENT NO. 2550

Mr. DOLE. I ask we temporarily set aside the Kennedy amendment No. 2564 and move to the Kohl amendment No. 2550.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, there will now be 10 minutes of debate equally divided on the Kohl amendment No. 2550, followed by a vote on or in relation to the amendment.

Mr. KOHL. I thank the Chair.

Mr. President, I ask unanimous consent at this time that Senator LEAHY be added as an original cosponsor to this amendment No. 2550.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KOHL. Mr. President, we should not need to debate this amendment for very long. It is straightforward. This amendment would exempt the food stamp benefits that go to children, the elderly and disabled from the optional State block grant program set up in the bill.

I want to emphasize to my colleagues that the House in its welfare reform bill did not choose to block grant food stamps at all.

The argument for this amendment is simple. If it is not broke, do not fix it. Welfare is broke, financially and philosophically, but by "welfare," what we have always meant are the federally driven programs that pay benefits to able-bodied adults who are not working.

Most of us and most Americans want to see the welfare programs redesigned to emphasize moving recipients to work rather than paying them to stay home. And many of us believe that such work-based welfare programs can best be managed at the State and local level where officials understand the local economy and the specific needs of those in the community who are without jobs.

But Federal nutrition programs that serve the elderly, the disabled and children are not broken. In all the meetings that I have held throughout Wisconsin on welfare reform, no one has complained to me about Federal programs that have provided a hot meal to elderly retirees or a school lunch to children. No one has suggested that we ought to make these populations work for their food stamps.

So we should not lump food stamps to the elderly, disabled and the children in with the welfare programs that so many Americans want ended. In ending welfare as we know it, we should not end successful nutrition programs that keep our children, the disabled, and the elderly from going hungry. This amendment would still leave States with the ability to take as a block grant food stamps and money that go to adults that can and should work. However, children, the elderly, and the disabled would retain the assurance that nutritional assistance and Federal nutrition standards will be there when they are needed. And, again, I want to remind my colleagues that the House did not block grant food stamps at all.

This amendment has been endorsed by the Children's Defense Fund, the Food Research & Action Center, and Bread for the World. I ask unanimous consent that letters I have in support from these antihunger groups be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

BREAD FOR THE WORLD (A CHRISTIAN CITIZENS' MOVEMENT IN THE USA),
Silver Spring, MD, September 11, 1995.

DEAR SENATOR KOHL: Bread for the World, a nation-wide Christian citizen's movement against hunger, opposes the optional food stamps block grant found in the Work Opportunity Act of 1995, S. 1120. We hope there will be attempts to remove the Food Stamps Program from the welfare reform legislation and urge you to support an amendment that would do so. However, in the absence of such an amendment, we would support your amendment to exempt children, the elderly and disabled from the optional food stamps block grant.

Current nutrition programs need to be strengthened in order to assure access to a nutritious diet for every person. Bread for the World supports proposals by the Department of Agriculture to make improvements in the Food Stamp Program. But deep funding cuts and the option to block grant would inevitably spawn more hunger in this country, particularly for children.

The Food Stamps Program is this nation's leading defense against hunger in this country and ensures those in need access to an adequate diet. The program targets some of the most vulnerable members of society, including children and elderly persons. Over eighty percent of benefits go to households with children and sixteen percent of food stamp households contain at least one elderly person.

Tufts University released a study in July of this year showing that the federal Food Stamp Program greatly impacts diets of poor children in this country. The study found that food stamp participation reduces dietary deficiencies among poor children by 30–50% for certain nutrients, and over 70% for others. Over half of all food stamp recipients are children.

We strongly believe that federal standards on eligibility and benefit levels are important to the food stamps program to ensure it is available on an equitable basis for all who need it. However, at the very minimum, we must as a nation ensure that our children do not go hungry.

Sincerely,

DAVID BECKMANN,
President.

FOOD RESEARCH & ACTION CENTER,
Washington, DC, September 11, 1995.

DEAR SENATOR: We write to urge your support for the Kohl amendment to S. 1120 (amendment #2550) which could exempt the elderly, disabled persons, and children from the proposed optional food stamp block grant. FRAC supports this amendment as necessary to protect the ability of the Food Stamp Program to serve the most vulnerable in our society.

FRAC strongly opposes the optional food stamp block grant as it would eliminate the assurance of assistance for all eligible persons in need when they need assistance. The Food Stamp Program has been successful in alleviating hunger precisely because of its ability to respond automatically, especially in times of recession or natural disaster.

It is because of the vital role the Food Stamp Program plays in feeding the most vulnerable among us, particularly children, the elderly and the disabled, that FRAC strongly supports the amendment to exclude these populations from a block grant. We thank you for your consideration.

The Food Research and Action Center.

CHILDREN'S DEFENSE FUND,
Washington, DC, September 12, 1995.

Hon. HERB KOHL,
U.S. Senate, Washington, DC.

DEAR SENATOR KOHL: I am writing in support of your amendment, #2550, to the welfare reform bill currently being debated on the Senate floor. The amendment would exempt children and people who are elderly or disabled from the proposed optional food stamp block grant.

While we oppose the proposed optional food stamp block grant, if the block grant is passed this amendment would be a significant step in the right direction towards protecting vulnerable children from hunger.

Thank you for your leadership on this issue.

Sincerely yours,

MARIAN WRIGHT EDELMAN.

Mr. KOHL. So, Mr. President, I urge the Senate to support this change to guarantee that children, the elderly, and the disabled do not go hungry. I urge my colleagues to support the Kohl-Leahy amendment.

I thank the President.

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Aside from the administrative nightmare that would be created for the States to give them a block grant for some people and an entitlement for others and the administrative problem, this costs $1.4 billion over the next 7 years.

As we have said many times, we are well under our reconciliation targets. This is money that is going to have to come out of other programs. We simply cannot afford this amendment. I urge rejection of the Kohl amendment.

LEAVE OF ABSENCE

Mr. STEVENS. Mr. President, I ask unanimous consent that I be excused from attending the Senate for the remainder of this day.

The PRESIDING OFFICER. Without objection, it is so ordered.

FAMILY SELF-SUFFICIENCY ACT

The Senate continued with the consideration of the bill.

Mr. SANTORUM. I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KOHL. Mr. President, I would like to emphasize to my colleagues that the House, which passed a very small welfare reform bill, which in many respects is really good, took a look at food stamps. They decided that the country could not afford, from a humanitarian and social point of view, to block grant food stamps at all.

Now we have decided we should block grant food stamps. I agree that for the population that we are attempting to move from welfare into work we should block grant food stamps and be very different how we parcel out food stamps. But when we talk about children, the disabled, and the elderly, to block grant food stamps, it seems to me, is not what welfare reform is all about and not what we are trying to accomplish here. And that is why I am arguing that this population should be exempt from having their food stamps block granted and ultimately rationed out to them when that is not the intention of what this welfare reform bill is to accomplish.

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. Mr. President, I have no quarrel with the Senator from Wisconsin, but it is about $1.4 billion. We tried to accommodate some of the concerns on child care. And we have lost some savings on this side. And every time we accommodate one of these amendments, it means we are going to have to cut somewhere else in Medicare to reach the budget request because I understand we are going to be scored on this next week. And we are going to have to take our lumps, because we have made some accommodations.

So I hope we can defeat this amendment.

The PRESIDING OFFICER. Who yields time?

Does the Senator yield back his time?

Mr. KOHL. I yielded back my time.

VOTE ON AMENDMENT NO. 2550

The PRESIDING OFFICER. All time is yielded back. All time has expired.

The question is on agreeing to amendment No. 2550.

Mr. KOHL. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 47, nays 53, as follows:

[Rollcall Vote No. 432 Leg.]

YEAS—47

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Cohen
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Jeffords
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone

NAYS—53

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Campbell
Chafee
Coats
Cochran
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Moynihan
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

So, the amendment (No. 2550) was rejected.

AMENDMENT NO. 2564, AS MODIFIED

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes of debate equally divided on the Kennedy amendment No. 2564, as modified, to be followed by a vote on or in relation to the amendment.

Mr. DOLE. Mr. President, as I understand it, I think we can accept the amendment by the Senator from Massachusetts.

I ask unanimous consent that the amendment by Senator GRAMM be modified.

I send the modification to the desk.

Mr. HARKIN. Reserving the right to object. I might ask the leader, this is a modification of what?

Mr. DOLE. Of an amendment Senator GRAMM will offer and have a rollcall vote on. It is a modification suggested by Senator KASSEBAUM, chairman of the Labor Committee.

Mr. HARKIN. May I review that first? I reserve the right to object.

Mr. GRAMM. We are going to vote on it and debate it.

Mr. HARKIN. I would like to look at it.

Mr. DOLE. We have been letting everybody modify their amendments on that side, I might say.

Mr. HARKIN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2617, AS MODIFIED

Mr. DOLE. Mr. President, I renew the request with reference to Gramm amendment No. 2617. I ask unanimous consent that the amendment be so modified.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 2617), as modified, is as follows.

At the appropriate place, insert the following:

SEC. . RESTRICTIONS ON TAXPAYER FINANCED LEGAL CHALLENGES.

(a) IN GENERAL.—No legal aid organization or other entity that provides legal services and which receives Federal funds may challenge (or act as an attorney on behalf of any party who seeks to challenge) in any legal proceeding—

(1) the legal validity—

(A) under the United States Constitution—

(i) of this Act or any regulations promulgated under this Act; and

(ii) of any law or regulation enacted as promulgated by a State pursuant to this Act;

(B) under this Act or any regulation adopted under this Act of any State law or regulation; and

(C) under any State Constitution of any law or regulation enacted or promulgated by a State pursuant to this Act; and

(2) the conflict—

(A) of this Act or any regulations promulgated under this Act with any other law or regulation of the United States; and

(B) of any law or regulation, enacted or promulgated by a State pursuant to this Act with any law or regulation of the United States.

(b) LEGAL PROCEEDING DEFINED.—For purposes of this section, the term "legal proceeding" includes—

(1) a proceeding—

(A) in a court of the United States;

(B) in a court of a State; and

(C) in an administrative hearing in a Federal or State agency; and

(2) any activities related to the commencement of a proceeding described in subparagraph (A).

AMENDMENT NO. 2564, AS MODIFIED

Mr. KENNEDY. Mr. President, I send a modification to the desk of my amendment No. 2564.

The PRESIDING OFFICER. The Senator has that right. The amendment is so modified.

The amendment (No. 2564), as modified, is as follows:

On page 292, line 5, strike "and".

On page 292, line 11, strike the period and insert a semicolon.

On page 292, between lines 11 and 12, insert the following new subparagraphs:

"(F) the Head Start program (42 U.S.C. 9801); and

(G) programs specified by the Attorney General, in the Attorney General's sole and unreviewable discretion after consultation with appropriate Federal agencies and departments, which (i) delivers services at the community level, including through public or private nonprofit agencies; (ii) do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources; and (iii) are necessary for the protection of life, safety, or public health."

Mr. DOLE. Mr. President, we are prepared to accept the Kennedy amendment No. 2564, as modified.

The PRESIDING OFFICER. Do the Senators wish to debate the amendment?

Mr. KENNEDY. Mr. President, I want to thank the Senator from Wyoming for his able assistance in working out this compromise.

Mr. President, we all agree that illegal aliens should not be eligible for Federal programs. The only exception is when the assistance is in the nature of emergency services. Both the Dole bill and the Democratic bill underscore this policy.

But the situation is very different with respect to legal immigrants. They are lawfully in this country, and they make substantial contributions to our communities and to our Nation. They work, they create jobs, they pay taxes, they promote family values, and they contribute to the sciences, the arts and culture.

In fact, legal immigrants contribute $25 to $35 billion more in taxes each year than they take out in services, including the educational costs of their children.

We all want to get tough on illegal immigration. But the Dole proposal does so in a way that turns countless churches, synagogues, and community groups into immigration police. If they receive Government funds to operate soup kitchens, food pantries, battered women's shelters, rape crisis centers, and many other community services, they must now check a needy client's immigration status before they can provide assistance.

This means that priests, ministers, rabbis, social workers, teachers, family crisis counselors, and community health workers must become immigration police and check for green cards before they can offer help or carry out their humanitarian work.

Imagine a shattered young girl, brutally raped and requiring immediate care and counseling at a rape crisis center. If the center is even partially funded with Government money, under this bill, the center must first determine if the traumatized young victim is a citizen or noncitizen. They must find out whether she is here legally or illegally. If she is illegal, they can't help her.

In addition, if she is a legal immigrant, they must determine if she has a sponsor, find out what the sponsor's income is, and determine whether deeming the sponsor's income makes her eligible or ineligible for Government-funded help.

This same lengthy and complicated process would be repeated countless times all across the country. Priests must check the immigration status of the homeless and hungry at church soup kitchens. Social workers must check the status of battered women seeking protection. Teachers must check the status of children enrolling in Head Start programs. Rabbis must check the status of the elderly for assistance to the homebound.

For example, in 1993, Catholic charities provided services to needy people across America—citizens and noncitizens alike—including food pantries, soup kitchens, homeless shelters, family counseling programs, and other valuable community assistance. More than 60 percent of the funding for these services came from Federal, State, and local governments. This assistance is provided on the basis of need. As a result, under the Dole bill, Catholic Charities would be required to check immigration status before they help anyone.

We all agree that Head Start programs give children an effective early start toward a more successful and fulfilling future. But under the Dole bill, Head Start teachers would have to check children's green cards before they enter the program.

The Department of Health and Human Services offers a partial list of noncash programs under its jurisdiction which would be affected by the harsh features of the Dole bill. Significant portions of these programs are administered by community-based organizations, churches, and other nonprofit groups, who would be required by the bill to check the immigration status of their clients. The list includes:

Programs serving abused and neglected children and preventing family and domestic violence. Programs providing critical public health services to women and children, including maternal and child health.

Early childhood development programs. Youth development and violence prevention programs.

The Dole bill exempts school lunches, WIC, emergency Medicaid and certain other noncash programs. But if we are to avoid forcing the Nation's clergy and teachers and social workers to become immigration police by demanding green cards of their clients, we need to do more.

Rather than list individually the additional programs which should be exempted from the bill, my amendment leaves the decision to the Attorney General in consultation with the head of the agency or department administering the assistance program. In that way, before a program is exempted from the bill, the law enforcement perspective of the Attorney General, together with the benefits perspective of the agency providing the assistance, will determine the decision.

I believe my amendment represents a responsible compromise on this issue, and I urge its adoption.

Mr. SIMPSON. As I understand it, this amendment is intended to cover those few programs involving little cost in which an individual income determination is not required.

Mr. KENNEDY. That is correct. My amendment is intended to cover programs which are in the interest of the community and are needed for the fundamental health or safety of the immigrant or the community. In giving the authority to make the determination to the Attorney General, it is my expectation that decisions regarding which programs to designate under this authority will be made with immigration law enforcement interests in mind as well.

The kinds of program which I would envision being designated under this amendment are soup kitchens, battered women's shelters, rape crisis centers, and other similar programs. It will not cover entitlement programs.

The PRESIDING OFFICER. The question is on agreeing to the Kennedy amendment No. 2564, as modified.

The amendment (No. 2564), as modified, was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. The next amendment is by Senator SIMON and Senator GRAHAM of Florida.

AMENDMENT NO. 2509

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes of debate, equally divided, on the Simon-Graham amendment No. 2509, to be followed on a vote on or in relation to the amendment.

Mr. SIMON. Mr. President, if I may have the attention of the floor manager on this, Senator GRAHAM of Florida has become a chief sponsor of this amendment and is trying to work out an amendment. I do not know whether he is successful in that or not.

I yield to the Senator from Florida.

Mr. GRAHAM. Mr. President, as my colleague has just explained, the basic thrust of this amendment is to maintain the status quo and the rules of the game under which those people who are currently in the country as legal immigrants, playing by the rules as they were at the time they entered the country, particularly as it relates to that group of legal immigrants who are attending educational institutions and depend upon their access to things like guaranteed loans to be able to finance their education. There has been some discussion of possibly limiting the scope of this amendment to be more specifically focused on that one issue. As of this point, there does not appear to be interest in that limitation. But I will state to my colleagues that that is an extremely important part of what this legislation would do.

It really means the ability for thousands of students across the country to be able to continue their education and continue their pursuit of the American dream—coming to America, getting an education, becoming a fully self-supporting citizen.

I yield to my colleague.

Mr. SIMON. Mr. President, I ask for the attention of my colleagues here. Every change we have made in immigration in the past has been prospective, not retroactive. That is the way it should be. To say that if, for example, Senator DEWINE was the chief sponsor for an immigrant named Senator FORD, and he agrees to be responsible for 3 years, that is the way it should be. When we change that to 5 years, we should do it prospectively, not retroactively. That is No. 1.

The second point is that we should not go back to Senator DEWINE and say, sorry, you agreed to 3 years, now we are going to make it 5.

This is the point the Senator from Florida has made which is very important. There are thousands of students who are legal immigrants in this country, who are going to become citizens, and without this amendment, they cannot get any benefits in this country, and they are going to have to leave school. Without this amendment, they lose all education assistance. I do not think that makes sense for this country. So I am pleased to cosponsor this amendment with Senator GRAHAM. I think it is important, and I hope it will be adopted.

Mr. GRAHAM. How much time remains, Mr. President?

The PRESIDING OFFICER. The Senator has 1 minute 35 seconds.

Mr. GRAHAM. Mr. President, I would like to reserve that to close.

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. Mr. President, we have a matter involving the Senator from Wyoming, Senator SIMPSON. He will be here momentarily. We are also trying to determine the cost of this amendment. I understand it is about half a billion dollars.

Mr. SIMPSON. Mr. President, might I inquire as to the time for the Senator from Wyoming?

The PRESIDING OFFICER. The Senator from Wyoming has 4 minutes and 29 seconds.

Mr. SIMPSON. Mr. President, again, as in last night's activity, a difficult and emotional issue, couched in the terms of immigration and welfare—either we do something or we do not. It is very simple.

The Dole welfare reform bill would for 5 years require the deeming of a sponsor's income and resources in the case of a sponsored immigrant seeking public assistance. Immigration law is riddled with compassionate loopholes and people are fed up.

We must place sensible controls on these continuing conditions or Americans will be in terminable compassion fatigue.

This 5-year deeming period is consistent with the 5-year deeming period for SSI, which we did last year. It is exactly the same as that 5 years. It is exactly the 5-year deeming period for AFDC and food stamps proposed by the President of the United States in his own welfare reform bill, the President's proposal. The sponsor's assets and income are deemed to be those of the immigrants when you come to the United States.

The only immigrants affected by this 5-year deeming period are those who have already entered within the last 5 years and who apply for or are already receiving public assistance of some form or amount. Please hear that. Remember, please—and you cannot miss this point—the people who are admitted as immigrants to the United States, to this very generous land, are here only after their sponsors convinced the visa officer that the immigrant would not require public assistance at any time—not just for 5 years or the first 3 years or any year, but at any time, and that they would not become a public charge.

Under the Graham-Simon amendment, sponsored immigrants who have entered within the past 5 years could continue to receive assistance under programs which they already benefit and could apply for and receive assistance under many other programs immediately, and several others in less than 3 years.

Most other Americans would certainly question that fairness, when their own children cannot get in those programs because they happen to be native born.

Keep in mind, now, these persons were admitted only—only—because they were able to convince, to make a promise to the visa officer that they would not become a public charge, and the law says "at any time."

This amendment would therefore have the purpose of relieving the immigrants and his or her sponsor from that promised obligation to give the required assistance, and the good old American taxpayers would then take over to the tune of $623 million over 5 years.

I want to emphasize that clearly again. Before an immigrant can be admitted, it must be established that he or she is not likely to become a public charge, that the real contract the immigrant and the sponsor have with the American people, the real promise of America, is keeping promises. Whether the affidavit of support is for 3 years or 5 years is much beside the point. The understanding was the immigrant would not become a burden on the public of the United States, especially not in his first 5 years in the United States.

What would the American taxpayers say if they knew we were admitting persons as immigrants who they knew would then be covered under this amendment, would be able to receive public assistance so soon after their arrival, even within 3 years?

My colleague from Florida is honestly concerned about college students in his State who are recent immigrants who may want to receive public-funded college assistance. It is good and in our national interest that the newcomers seek to improve themselves through additional education and training, but the agreement of admission, the promise made was that the immigrants and his or her sponsor would take care of the cost of that education and not the American taxpayers.

A sponsor is a sponsor is a sponsor. If the Senator says that we must maintain the status quo and not change the rules of the game, there is a good way to do it: reject this amendment because the rule of the game is the newcomer must be self-supported, not likely at any time to become a public charge. Those are the words of the immigration law.

The PRESIDING OFFICER. The Senator from Florida has 1 minute and 25 seconds. All time is expired on the other side.

Mr. GRAHAM. This amendment keeps the status quo, particularly as it relates to students who are using Federal programs, such as the guaranteed student loan to continue their education.

The Senator from Wyoming talks about holding sponsors responsible. If we had been able to hold sponsors responsible, we would not have to have the change in the law that is contained in the underlying amendment. The fact is that we have a policy which has been to set a period of time within which we would deem the sponsors' income. We are now about to change that in a prospective manner.

Our previous policies relative to changing immigration law as it relates to legal immigrants have always been to do it for the future, not to change the rules of the game for those people who are here in America today.

I believe this goes to two fundamental principles. One is we play by the rules of the game as those rules were set when the game begins. If you change the rules, you do it for the next game.

Second, we want to encourage these people to get an education so that they can become, to the maximum possible extent, participants in the American dream, participants in building their families, communities, and this Nation.

I urge the adoption of this amendment.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the Simon-Gramm amendment No. 2509. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Alaska [Mr. STEVENS] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 35, nays 64, as follows:

[Rollcall Vote No. 433 Leg.]

YEAS—35

Akaka
Bingaman
Boxer
Breaux
Bumpers
Chafee
Conrad
Daschle
Dodd
Dorgan
Feinstein
Glenn
Graham
Hatfield
Inouye
Johnston
Kennedy
Kerrey
Kerry
Lautenberg
Leahy
Levin
Lieberman
Mack
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Sarbanes
Simon
Specter
Wellstone

NAYS—64

Abraham
Ashcroft
Baucus
Bennett
Biden
Bond
Bradley
Brown
Bryan
Burns
Byrd
Campbell
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Exon
Faircloth
Feingold
Ford
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Heflin
Helms
Hollings
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kohl
Kyl
Lott
Lugar
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Reid
Robb
Rockefeller
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Thomas
Thompson
Thurmond
Warner

NOT VOTING—1

Stevens

So the amendment (No. 2509) was rejected.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2568

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes of debate equally divided on the Graham amendment No. 2568 to be followed by a vote on or in relation to the amendment.

Mr. GRAHAM. Mr. President, I ask unanimous consent that Senator PRYOR be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM. Mr. President, the structure of this bill establishes objectives that States are to meet, particularly in the area of placement of people in work, 25 percent in 1996 rising to 50 percent in the year 2000. Those are laudable objectives.

There are also some very serious sanctions against States that do not meet those objectives. A State is subject, for instance, to losing 5 percent of its Federal grant if in any year it fails to meet the standard that has been set.

What is the problem? The problem is that we are distributing to States wildly different amounts of Federal resources in which to meet those consistent objectives. We are telling, for instance, the State of Mississippi that it will have to use 88 percent of its Federal money in order to meet the mandates of this bill. Other States will be able to meet the mandates for less than 35 percent of the Federal money that will be made available.

That seems inherently unfair, to have 50 States, each of which has a much different position at the starting line in terms of the kind of support they are going to meet but then say that each one has to get to the finish line at exactly the same point and, if they fail to do so, be subject to significant financial personality.

What this amendment says is that the Secretary of HHS should look at the national standards and make adjustments based on the amount of Federal support that each State will receive and the number of minor children in poverty in that State, so that if we are going to have the starting line different from State to State we at least ought to have the finish line adjusted to those States' realistic capabilities. If we do not do this, I can tell you without question there are going to be substantial numbers of States that will be almost subject to automatic penalty. There will be virtually no chance that they can reach the same finish line, the same standard, for instance, of job placement, with the heavy commitments that that means in terms of training, support services, and child care, as the more advantaged States.

It is a simple, straightforward amendment of fairness.

I urge its adoption.

The PRESIDING OFFICER. Who yields time?

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I hope Members listen to this because this is a gutting amendment. I heard a lot of comments on the other side of the aisle, even from the President, about how the Republican bill was weak on work. What the amendment of the Senator from Florida does is eliminate all the work requirements. What he does is say that it makes all the participation rates of people getting into work voluntary. It eliminates any of the work requirement.

This is the 1988 act back with you again, which, of course, required work but did not sanction anybody if they did not work.

What has happened? Four percent of the welfare recipients work in this country today. This is the nuclear bomb on this bill which would basically say no one will have to work; you will not be penalized as a State if you do not get people to work. It makes work completely voluntary on the part of the States. Anyone who has come up here and said they are for welfare recipients to work, if you vote for this amendment, you are not for welfare recipients to have to go to work.

I reserve the remainder of my time.

Mr. GRAHAM. Mr. President, I must say that I range between being somewhat offended by that description or concerned about our colleague's ability to read the English language because that is not what this does.

The amendment retains the participation levels as stated in the bill. Then it directs the Secretary of HHS to make such adjustments in the rate. That is, a State, instead of being asked to meet a 50-percent standard, may be asked to meet a 55-percent standard, if it is one that is receiving a substantial amount of funds above the national average, as happens to be the case with the State of our colleague who just spoke, or it might be something less than 50 percent if you are getting substantially less than the national average in terms of Federal resources.

It just seems to me patently unfair to start 50 States in such different positions in terms of their Federal resources per poor child and then say but at the end of the day they all have to get to the same end position. We retain the mandatory provision. We retain all of the requirements to work.

I am proud to come from a State which has one of the demonstration projects which has already gotten in the first few months of operation almost 10 percent of its welfare beneficiaries in jobs, and it is moving toward the goal of having 50 percent of its welfare beneficiaries to work.

I support that as an important principle, but I also recognize there are resources required to reach those objectives, and if you have made a decision that we are going to allocate resources in a differential manner, then I think fairness says we have to look at what will constitute success in a differential manner. Failure to do so is just going to mean that those who start poor are going to not only end poor but they are going to be beaten around the head and neck with penalties and sanctions because they have failed to achieve unrealistic objectives given the resources that were provided.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SANTORUM. Mr. President, I will read from the Senator's amendment.

> A State to which a grant is made under section 403 shall make every effort to achieve the national work participation rate goals.

This is not a mandate—shall make every effort to achieve the goal. It does not mandate that they have to participate. They do not get sanctioned if in fact they do not meet these participation rate goals.

It is the 1988 act all over again which says we want you to do it, but if you do not do this you do not get any sanction. This is the nonwork amendment. And I urge its defeat. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has expired.

Mr. SANTORUM addressed the Chair.

Mr. GRAHAM addressed the Chair.

Mr. SANTORUM. Mr. President, I can reclaim my time?

Mr. GRAHAM addressed the Chair.

Mr. SANTORUM. I yield my remaining time to the Senator from Colorado.

Mr. GRAHAM. Mr. President, could I ask one question of either the Senator from Pennsylvania or the Senator from Colorado.

Would they please read the last page of the amendment.

Mr. SANTORUM. Mr. President, if I can can respond to the Senator from Florida, what it says is that the Secretary shall consult with the States and establish a goal. It does not say what that goal is. It could be 2 percent. It could be 5 percent. It does not say anything about any kind of goal of 35 or 50 percent, which is what this bill does. You make it all arbitrary.

Mr. GRAHAM. I guess the Senator will not understand it then.

Mr. SANTORUM. It eliminates the participation rates that are in the bill today. And I yield the remainder of my time to the Senator from Colorado.

Mr. BROWN. Mr. President, I know the distinguished Senator from Florida has very good intentions, and he is known as a very thoughtful Member. I merely would add this for Members' consideration.

In the 1988 act, we billed that as a requirement to either work or train or go to school, and what happened is without penalties we ended up with only 4 percent of the entire population in welfare in this Nation in work programs. In other words, when given an option and without penalties, work did not happen.

The surest way to end the potential of getting people back in the mainstream by getting real work experience is to eliminate the penalties for not complying with the work requirement. If you leave this without a strong penalty for not working, you will eliminate our ability to get people back into the mainstream.

I am convinced this may be the most important amendment that we have considered. I hope the body will vote resoundingly to retain those strong penalties because, believe me, without them our experience indicates it will not happen.

Mr. KERRY. Mr. President, I strongly support the objective of moving just as many adult recipients or potential recipients of welfare into work and self-sufficiency as we possibly can.

I have some large questions about some of the specific provisions and methodologies employed in the bill before us, and have supported amendments designed to increase their effectiveness and fairness. I am concerned that because most of those amendments have failed, in several important respects the bill will have a punitive effect and will leave many jobless adults without work; without adequate help in preparing to compete for, secure, and keep employment; and therefore with incomes inadequate to support themselves and their children. I also am concerned that as we act to have the Federal Government relinquish its primary responsibility for dealing with the needs of impoverished families and impose a much greater responsibility in that respect on State governments than they previously have borne, we have in several key ways failed to provide the states with adequate resources to meet their newly expanded responsibilities.

Nonetheless, I support the bill's objective of moving Americans from welfare to work, and do not want to weaken the bill's ability to produce that outcome.

I regret that the amendment of the Senator from Florida has been mischaracterized as weakening the bill's ability to move welfare recipients off the rolls and into work, because that is not its intention, nor would that be its effect. The Senator's amendment leaves intact the very same work participation standards contained in the underlying Dole bill. It leaves intact the penalties the bill provides for States that fail to meet the standards that apply to them.

The amendment simply seeks to treat States more fairly in applying work participation standards than does the underlying bill, in recognition of the fact that the formulas for funding distribution contained in the bill result in considerable variation among the States in the amounts of Federal block grant funding per poor minor child the States receive. To achieve that end, the amendment provides for the Federal Government to "adjust the national participation rate [standards]" as they will apply to each State each year so that they "reflect the level of federal funds [each] state is receiving * * * and the average number of minor children in families having incomes below the poverty line that are estimated for the state for the fiscal year."

This does not give the Federal Government carte blanche to waive the work participation requirement contained in the bill. This does not eviscerate that requirement. The requirement remains. The penalty to be imposed on a State for failing to meet it still remains. The amendment only injects the ability for some human judgment to be applied in securing fairness among the States in applying the work participation requirement when the Secretary determines that the funding a State is receiving is not adequate to reasonably permit it to meet the national work participation standards set by the bill. No matter which party controls the administration at any point, political reality will not permit any administration to disregard the strongly evident intent of the Congress that all States be subject to work participation requirements assuming this bill becomes law.

I support a strong work requirement. I support providing States with sufficient resources to enable them to meet that requirement. And I support this amendment to let good judgment be reflected in imposition of the work requirement on the States.

Mr. BROWN. I yield back the remainder of the time.

The PRESIDING OFFICER. All time has expired.

The question occurs on agreeing to the Graham amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Alaska [Mr. STEVENS] is necessarily absent.

The PRESIDING OFFICER (Mr. FAIRCLOTH). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 23, nays 76, as follows:

[Rollcall Vote No. 434 Leg.]

YEAS—23

Akaka
Bingaman
Bradley
Breaux
Bryan
Bumpers
Daschle
Feinstein
Ford
Graham
Heflin
Inouye
Johnston
Kennedy
Kerrey
Kerry
Lautenberg
Mikulski
Nunn
Pell
Pryor
Sarbanes
Simon

NAYS—76

Abraham
Ashcroft
Baucus
Bennett
Biden
Bond
Boxer
Brown
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
DeWine
Dodd
Dole
Domenici
Dorgan
Exon
Faircloth
Feingold

Frist
Glenn
Gorton
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Hatfield
Helms
Hollings
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kohl
Kyl
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Packwood
Pressler
Reid
Robb
Rockefeller
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Thomas
Thompson
Thurmond
Warner
Wellstone

NOT VOTING—1

Stevens

So the amendment (No. 2568) was rejected.

Mr. SANTORUM. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT AGREEMENT

Mr. SANTORUM. Mr. President, I ask unanimous consent, notwithstanding the consent of September 14, that a vote occur on the Dole modification following the debate, and following the disposition of the two leaders' amendments, one of which will be a Dole motion to strike the Bradley amendment, the underlying Dole amendment No. 2280, as amended, be deemed agreed to.

Mr. BRADLEY. Reserving my right to object, is there a time for debate on the motion to strike the Bradley amendment?

Mr. SANTORUM. There is no time limit at this point. We will be willing to enter into a time agreement, but there is no time limit.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the Gramm amendment No. 2617 be moved ahead of the Gramm amendment 2615, as modified.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2617

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes for debate equally divided on the Gramm amendment No. 2617, to be followed by a vote on or in relation to the amendment.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, the amendment before us is a very, very simple amendment. Let me just relate some facts about the amendment.

On January 1, 1995, Indiana started a welfare reform pilot program in which welfare recipients were required to work or lose their benefits. The Legal Services Corporation of Indiana filed a lawsuit to block the implementation of that law.

On October 1, 1991, Michigan, the first State in the Nation ever to comprehensively reform welfare, began its program to deny general assistance to nonworking, able-bodied, single adults without children. The Legal Services Corporation of Michigan filed a lawsuit to try to block the implementation of that law.

In 1992, the New Jersey Family Development Act, which among other things, denied additional AFDC payments to mothers for children conceived while on welfare. Five federally funded New Jersey Legal Services grantees filed lawsuits to block the implementation of that law.

In 1994, Pennsylvania law ended welfare benefits for nonworking, able-bodied recipients. The Legal Services Corporation in Pennsylvania filed a lawsuit to block the implementation of that law.

Not one single State in the Union has tried to reform welfare, has tried to implement a mandatory work requirement, has tried to set up a limit on the amount of time you can be on welfare, or has tried to deny additional benefits to people on welfare who have additional children without being challenged at the taxpayers' expense.

Not one such State action has failed to be challenged by Legal Services Corporation in the courts. These lawsuits have been long and protracted. They have been funded by Federal taxpayer funds.

So this amendment says, very simply, this: No Federal taxpayer funds shall be used to block the implementation of this welfare reform bill, any State welfare reform bill, or any regulation emanating from those laws.

Now, let me make it clear. Legal Services Corporation can fund a lawsuit where a recipient argues that the rules or the law are not being fairly implemented with regard to their claim. But taxpayer funding from the Federal Government cannot be used to try to overturn the law or overturn the regulation.

It is a very simple amendment. I urge my colleagues to vote for it. I reserve the remainder of my time.

Mr. KENNEDY. Mr. President, I yield myself 2½ minutes. First of all, this is not just about Federal funds. The Senator's amendment includes all funds. It says if any advocacy group for disability or for children, as well as at Legal Services, receives a nickel from Legal Services, they cannot challenge any provision under this act, which is targeted on the most vulnerable individuals.

Now, we have provisions in here dealing with adoption. We have provisions in here on child support. We have provisions in here on day care, and we have requirements on the States to make sure that those provisions are going to be effective.

Under the Gramm amendment, if a mother in any of our States found that the State law was insufficient for the purposes of this law, she would be precluded from going ahead and challenging that rule or regulation or State law that otherwise should be meeting the requirements of this law. I mean, that absolutely makes no sense. Here we are putting in provisions on child care, provisions on disability, provisions affecting older Americans, making States go ahead and develop their own laws to implement those, and we are saying, even here, if they are not strong enough, we are denying any of the advocacy groups that they receive a nickel of Legal Services money or private money, if they receive a nickel of Legal Services money from protecting those vulnerable people.

The Senator from Texas usually talks about the "strings" that are going on as a requirement of various Federal programs. He is putting strings on the private sector. In my State, in Boston, MA, about 35 percent of the funds for Legal Services in Boston are Legal Services funds. But the others come from the private sector. He is saying you cannot even use a nickel of the private sector funds, from private companies, from private individuals, to protect the most vulnerable in our society. Child support, adoption, disability—his amendment would deny that. We will have a chance to debate this issue next week on the Appropriations Committee on Commerce. Why do it now?

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. GRAMM. Mr. President, I am going to be the concluding speaker on the amendment. I ask Senator KENNEDY to go ahead and use his time.

I reserve the remainder of my time.

Mr. KENNEDY. I will yield a minute—how much time do I have.

The PRESIDING OFFICER. Two minutes 30 seconds.

Mr. KENNEDY. I yield 20 seconds to Senator BIDEN.

Mr. BIDEN. I will be very brief. This is the wrong place to consider this. As the Senator from Massachusetts pointed out, the committee is going to be taking up this question about the whole scope of Legal Services. I know that my friend from Texas has a problem with the entire entity of Legal Services. He would like to wipe it all out, period, under any circumstances, for any reason. This is not the place to do this.

I respectfully urge my colleagues to vote against it, or if it is a tabling motion, vote to table it. Let us fight this out on the whole of the future of Legal Services, not on a welfare bill.

Mr. KENNEDY. I yield a minute to the Senator from Iowa.

Mr. HARKIN. Mr. President, this does not just go to Legal Services representing poor people. This goes to protection and advocacy groups representing disabled citizens of the United

States. Many times, Legal Services entities in our States provide funds to protection and advocacy groups which we have set up under the law. These are legal entities set up to represent and to help people with disabilities to get through administrative procedures and legal proceedings.

If you read the amendment of the Senator from Texas, it says that no legal aid organization, or other entity—other entity—so protection and advocacy groups for the disabled would be cut out. If you look at the last paragraph, defined is "legal proceeding." In a court of the United States, court of the State, in an administrative hearing, in a Federal or State act. You might as well tell every disabled person in this country that they have no right to go into a court or no right to go into an administrative hearing to challenge the validity of a State regulation.

For the life of me, I cannot understand why the Senator from Texas would want to pick on the most vulnerable in our society. Forget just about Legal Services. Focus on the disabled. This is going to cut every disabled person in this country of low-income means. Obviously, if you have the money, if you have the money, you can hire any lawyer you want. If you are disabled and poor, you will not be able to challenge the validity or legality of any regulation in any State regardless of how onerous it may be. For that reason, it ought to be defeated.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I have spoken before in the debate——

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDING OFFICER. There are 30 seconds.

Mr. KENNEDY. I yield 15 seconds to the Senator from Minnesota.

Mr. WELLSTONE. I actually will defer to the Senator from Maryland. We defeated a similar amendment last session.

I yield to the Senator from Maryland.

Mr. SARBANES. Mr. President, I do not understand how you can profess to be a nation that believes in equal justice under the law and not make legal services available to people who are too poor to afford them. How do you make our legal system work, and how do you make the rule of law equitable and have a real system of justice?

I very strongly oppose the amendment of the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas has 2 minutes remaining.

Mr. GRAMM. Mr. President, first of all, current law allows any Legal Services Corporation grantee in America to file a lawsuit on behalf of any client, using taxpayers' funds, regardless of whether or not the individual is being treated fairly under the Federal law or the State law or Federal regulations or State regulations emanating from the law. But what my amendment says is that taxpayer funding cannot be used to try to block the implementation of laws that the American people are for in overwhelming numbers.

It is time that we stop taxpayer funds from being used to circumvent the will of the people who pay those taxes.

Second, the lamenting that we are not funding advocacy groups—if they want to advocate, God bless them, but let them advocate with their own money, not the taxpayers' money.

Finally, State law and Federal law cannot be challenged with Federal taxpayer money, but that does not keep the ACLU from challenging it. It does not keep private groups from doing it.

My amendment is very, very simple. It stops what is going on all over America. Federal tax dollars, through the Legal Services Corporation, are being used to try to block every effort to force able-bodied welfare recipients to go to work. Every effort to try to reform welfare has been challenged using taxpayer money. I want to bring that to an end. If people oppose welfare reform, let them run for public office or put up their own money to challenge it in the court. But do not take the money of the people who do the work, pay the taxes, and pull the wagon in America to try to stop the implementation of law, which they strongly support.

I urge my colleagues to vote for this amendment.

Mr. HEFLIN. Mr. President, I move to table the amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Oklahoma [Mr. NICKLES] and the Senator from Alaska [Mr. STEVENS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 51, nays 47, as follows:

[Rollcall Vote No. 435 Leg.]

YEAS—51

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Chafee
Cohen
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Gorton
Graham
Harkin
Heflin
Inouye
Jeffords
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Packwood
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Snowe
Specter
Wellstone

NAYS—47

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Byrd
Campbell
Coats
Cochran
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hollings
Hutchison
Inhofe
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Thomas
Thompson
Thurmond
Warner

NOT VOTING—2

Nickles
Stevens

So the motion to lay on the table the amendment (No. 2617), as modified, was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2615, AS MODIFIED

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes of debate, equally divided, on the Gramm amendment No. 2615, as modified, to be followed by a vote on or in relation to the amendment.

The amendment (No. 2615), as modified, is as follows:

On page 792, strike lines 1 through 22 and insert the following:

SEC. 1202. REDUCTIONS IN FEDERAL BUREAUCRACY.

(a) IN GENERAL.—The Secretary of Health and Human Services shall reduce the Federal workforce within the Department of Health and Human Services by an amount equal to the sum of—

(1) 75 percent of the full-time equivalent positions at each such Department that relate to any direct spending program, or any program funded through discretionary spending, that has been converted into a block grant program under this Act and the amendments made by this Act; and

(2) an amount equal to 75 percent of that portion of the total full-time equivalent departmental management positions at each such Department that bears the same relationship to the amount appropriated for the programs referred to in paragraph (1) as such amount relates to the total amount appropriated for use by each such Department.

(b) REDUCTIONS IN THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.—Notwithstanding any other provision of this Act, the Secretary of Health and Human Services shall take such actions as may be necessary, including reductions in force actions, consistent with sections 3502 and 3595 of title 5, United States Code, to reduce the full-time equivalent positions within the Department of Health and Human Services—

(1) by 245 full-time equivalent positions related to the program converted into a block

grant under the amendment made by section 101(b); and

(2) by 60 full-time equivalent managerial positions in the Department.

The PRESIDING OFFICER. Who yields time?

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Does the Senator from Texas wish to modify his amendment?

Mr. GRAMM. I believe, Mr. President, the amendment has already been modified.

The PRESIDING OFFICER. The Chair recognizes the Senator from Texas.

Mr. GRAMM. Mr. President, this is a very important principle. The number of positions that are affected by the amendment are relatively small, but let me explain why the principle is important.

We are in the process, in this welfare reform bill, of doing something that we have not done in 40 years. Rather than power and decisionmaking authority residing in Washington, we are sending it back to the States, counties, cities and to the people.

We are, in fact, in this bill, eliminating a Federal program known as AFDC [aid to families with dependent children]. We will be debating, later, the elimination of Federal job training programs where the money for those programs will be given back to the States. We will allow each State to conduct job training in such a way that the State believes will be most successful within its borders.

Here is the question. Given that we are eliminating Federal programs, what about the people who are employed by the Federal Government to run those programs? What happens to the jobs in AFDC when we eliminate AFDC? What happens to the jobs in these training programs when we eliminate the training programs?

What I am proposing is a very modest amendment. I am sure it will be strongly opposed by people who believe that immortality in a temporal sense is defined as a Government program or a Government position. But what I am saying is this: If you eliminate a program, you cannot keep more than 25 percent of the people who work directly on that program even though they have nothing to do. Second, you have to take the overhead of the department that the program is part of and you have to reduce that overhead proportionately because that program no longer exists.

I think we have a legitimate right to be concerned—when giving power back to the States and eliminating Federal programs—about all of these Government employees who were running the old programs remaining Government employees and undercutting what the States are doing.

In any other city in America, this would be an amendment in which anybody who opposed it would be laughed out of the room. Unfortunately, this is Washington, DC. We are talking about Government positions.

And what I am saying is simply this: If you eliminate a Government program, you have to eliminate at least 75 percent of the positions. I think it ought to be 100 percent. You also have to lower the overhead for that portion of the program by 75 percent.

It is an eminently reasonable amendment. It may make too much sense to be given consideration in the U.S. Senate. We shall see. But I wanted to offer it.

I reserve the remainder of my time.

Mr. GLENN. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from Ohio is recognized.

Mr. GLENN. Mr. President, that all sounds very good. In transferring this back to the States there will be a block grant except for one thing. For people in Washington, DC, we have loaded down the department with all sorts of requirements for monitoring and evaluation and advice to prevent some of the abuse of the States, among other things. With just a casual look at what current responsibilities are, the responsibilities of the Federal Government still remain.

Under the Dole bill, it indicates that the Dole bill expands the jobs in Washington, not contracts. Less than 1 percent of the total staff administering welfare is employed at the Federal level—State, Federal, and local. Administrative costs account for less than 1,000 of the total 4(a) and 4(f) expenditures.

We have assumed new responsibilities under the Dole bill to provide technical assistance to hundreds of tribes to design and implement new cash assistance programs; also, to gather, compile, evaluate, and disseminate data on a larger scale and with greater case specific variables.

We are assuming new program analysis, and dissemination of information responsibilities. This is particularly true in the child support enforcement area.

We have put all sorts of monitoring requirements on here that, if anything, a case could be made for needing more people to do it.

Let me break this down more. Technical assistance to States: We have a whole series of new requirements under the Dole bill which most of us do not disagree with at all.

Under tribal issues, supporting tribal efforts in designing assistance programs; reviewing and approving temporary assistance plans; we are collecting and evaluating some data collected from the States, including all sorts of things that we were not required to do before. Under data collection and evaluation where there are five requirements now in existing law, under the Dole bill we now have 16 different—in other words 11 brandnew—data collection and evaluation requirements on this.

In other words, on HHS we are giving them all these things to do and saying but it is an unfunded mandate. We are not going to give you the money to do this. We are going to cut the position to do the things we are telling you to do which does not make any sense at all to do this.

I could go on with this if we had an hour or so. I would like to go into each one of these in detail. Policy and planning accounts, the same thing; accountability, all of these things. We do not want to cut back on accountability now. We have to review State and tribal audits, review and rank State performance, establish penalties, and administer appeals process.

We are going to have to develop and program outcome measures at the same time we are cutting the people that are required to do all these things. And for each of these I have a paragraph reference in the bill itself.

How much time do I have remaining?

The PRESIDING OFFICER. The Senator from Ohio has 2 minutes.

Mr. GLENN. I yield at this point 30 seconds to the Senator from New York.

Mr. MOYNIHAN. Mr. President, the Senator from Ohio has pointed out clearly something I find painful. In the very long time that I have been in this city I have never seen legislation imposing more regulatory requirements on State governments by the Federal Government than this bill.

And I would simply respond, if I may. In a little bit of a caricature a couple of days ago when one of the these new regulatory provisions came along, I stood on this side of the aisle and said, "Mr. President, as one who dearly loves Federal regulations imposed on States in minute, indecipherable detail, I accept this amendment with great gusto."

I could not say it better. It is going to be a great generation for regulators, but not very great for poor people and certainly not great for poor children.

Mr. GLENN. Mr. President, I reserve the remainder of my time.

Mr. GRAMM. How much time is left?

The PRESIDING OFFICER. The Senator from Ohio has 35 seconds remaining.

Mr. GRAMM. Mr. President, I yield 1 minute to the distinguished Senator from Missouri.

The PRESIDING OFFICER. Just a reminder that the amendment that is offered by the Senator from Texas has been modified.

The Senator from Missouri.

Mr. ASHCROFT. Thank you, Mr. President.

I rise in support of the amendment. One of the taxes on poor Americans, people who are truly needy, is a bureaucratic tax. As a Governor, I can testify that the more the bureaucracy proliferates in Washington the greater the percentage of the resource at the State level that has to be used to respond to the bureaucracy in Washington rather than to meet the needs of the truly needy.

I believe, to the extent that we can reduce the bureaucratic tax on the poor which is represented by Washington bureaucrats who are no longer needed because we cut the program, that we ought to do that, and for that reason I believe Senator GRAMM's amendment is in order and ought to be supported by Members of this body.

The PRESIDING OFFICER. Who yields time?

Mr. GLENN. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 35 seconds.

Mr. GLENN. Read the Dole bill. It puts more requirements on the Federal Government. I went through some of it here, a whole host of them, and at the same time we are saying we give an unfunded mandate to HHS we say you have to do more, you have to do more analysis, do all of these additional things that are listed right here. This is not fictitious stuff. We say you have to do a lot more in the way of analyzing, and so on. Yet, we are going to cut the people who do it. How on Earth are we going to prevent abuse in these programs if we do that kind of Government operation? It does not make any sense at all. It will not work this way. We are setting up a recipe for disaster, if we do it that way.

Thank you, Mr. President.

Mr. GRAMM. Mr. President, let me remind my colleagues that we are eliminating this Federal program, that the money is going back to the States, and they are going to run the program. Yet, the Senator from Ohio says that a case can be made supporting the need for more employees in Washington, even once we have eliminated the program. There is nothing so immortal as a Government program.

We celebrate here our giving back of funds to the States to run the program, and yet we are arguing that we have to preserve the Federal jobs in a program that no longer exists. No wonder the American people are outraged that Government grows like a cancer.

My amendment is a very modest amendment. It says you have eliminated the program. Eliminate 75 percent of its jobs. It seems to me that we ought to eliminate 100 percent of them, but instead, I say keep 25 percent of the people in an agency that no longer carries out a function, a function that is now run by the State.

I see this as a very modest amendment. We ought to be eliminating every one of these positions, and I urge my colleagues to vote for this amendment.

Mr. GLENN. Mr. President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment No. 2615. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from Oklahoma [Mr. NICKLES] and the Senator from Alaska [Mr. STEVENS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 49, nays 49, as follows:

[Rollcall Vote No. 436 Leg.]

YEAS—49

Akaka
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Campbell
Chafee
Cohen
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone

NAYS—49

Abraham
Ashcroft
Baucus
Bennett
Bond
Brown
Burns
Coats
Cochran
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Heflin
Helms
Hutchison
Inhofe
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Thomas
Thompson
Thurmond
Warner

NOT VOTING—2

Nickles
Stevens

So the motion to table the amendment (No. 2615), as modified, was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the amendment.

Mr. GLENN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

Mr. DOLE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll to ascertain the presence of a quorum.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I ask unanimous consent that the pending matter be set aside.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

MOTION TO STRIKE AMENDMENT NO. 2496

Mr. DOLE. Mr. President, I intend to make a motion to strike the previously agreed to amendment No. 2496, which was offered by the Senator from New Jersey, Senator BRADLEY.

The PRESIDING OFFICER. Under the previous order, the Senator is authorized to make that motion.

Mr. DOLE. First, I want to apologize to my friend from New Jersey. I was so anxious to be accommodating, because I always have been, but I took the amendment before I realized that it had some points that were not what I thought they were. I do not suggest that he said anything, but I did not read it carefully enough.

What the Bradley amendment would do is amend the plans that States must submit to receive Federal block grants. It does three things. It requires the State to define who is eligible and who is not eligible for cash assistance, and this creates the invitation for welfare litigation against the States over who is eligible for assistance. It creates an individual entitlement by requiring States to provide benefits to all individuals that the States deem eligible.

This amendment shifts the time limit from the Federal Government to the State government. The cycle of dependency created by the entitlement must be broken. We do not want to shift that from the Federal to the State government.

Finally, the amendment creates an unfunded mandate by possibly requiring States to provide unmatched funds to individuals. We do not want to create additional unfunded mandates.

The point of this exercise, all the debate we have had, is to provide States with the needed flexibility to address welfare reform and not to create a possible unfunded mandate on the States or, as I said, second, another entitlement. We do not know what the cost of this amendment could possibly be. For the reasons stated, I should not have accepted the amendment.

I now move to strike the amendment, and after the debate I will ask for the yeas and nays.

Mr. BRADLEY. Mr. President, I do say to the distinguished majority leader that I was a little surprised when he said he would accept the amendment. I thought it was perfectly appropriate, because I would not characterize the amendment exactly as he has characterized the amendment.

It does not create a Federal entitlement. It, first, does not add any additional spending. It does not touch the block grant. CBO has told us that it would not result in a penny of additional Federal outlays.

Second, it does not entitle anyone to anything. A State can deny any individual—practically any person—benefits. It can deny benefits if you do not work. A State can deny benefits if you have additional children. It can deny benefits if you do not comply with the requirements of your individual agreement. The State can deny benefits, under this proposal, practically for anything. But what the State cannot do under this amendment is deny you benefits for no reason at all if you are a poor family who is eligible under the State's own rules.

To those who object to this amendment, I just simply would like to ask, what is it that you want States to be able to do that they would not be able to do under this amendment? I, frankly, cannot imagine. I cannot imagine why States should not be required simply to say what their rules are for eligibility, what the benefits are, and who gets cut off, and then simply follow the rules.

The only right that is created here is not a right to money, it is a right to know what the rules are. How do you determine who gets any benefits, unless the State has written rules that clearly state who is eligible? How do we decide that someone who fits the category of eligibility should not be given benefits if there are no rules?

So I simply say that this is a very straightforward amendment. It is an attempt to add clarity to what will be a confused policy in States. I think it illustrates, once again, the problem of a block grant with no rules to implement the block grant. This came through in very vivid terms yesterday when we had an amendment—a well-intentioned amendment—that said in order to reduce illegitimacy, which is what all of us would like to do, a State that reduced illegitimacy would get a bonus, but the amendment read that the State would have to reduce illegitimacy without increasing abortions.

So those are both pretty good intentions. But what that means, as I read that amendment, is that every woman in a State has to be asked if she has had an abortion.

Otherwise, how do you determine how many abortions were performed in the State? The result of the amendment is a direct involvement of the State government in the lives of every woman in the State asking the question, have you or have you not had an abortion?

Unless that is asked to every woman, how do you determine whether abortions have gone up or gone down? If you do not know whether abortions have gone up or gone down, how do you determine the offset against the illegitimacy rate?

Mr. President, that amendment is another illustration of the problem with a block grant that has no requirement of any rule.

This amendment would simply say that the State has to establish rules of eligibility and has to apply those rules of eligibility for every person who fits into that category. It is as simple as that.

This is, again, not a new Federal entitlement. It is simply common sense.

Mr. President, I am ready, if the majority leader would like to make the motion to strike at this time, to have the vote on the motion to strike.

Mr. DOLE. I make a motion to strike the amendment numbered 2496.

The Bradley amendment amends the plan that States must submit to receive Federal funds under the new block grant.

Specifically, the amendment does three things:

It requires the State to define who is eligible and who is ineligible for cash assistance. This creates the invitation for welfare litigation against the States over who is eligible for assistance.

It creates an individual entitlement by requiring States to provide benefits to all individuals that the States deem eligible. This amendment shifts the entitlement from the Federal Government to the State government. The cycle of dependency that is created by the entitlement must be broken.

Finally, the Bradley amendment creates an unfunded mandate on the States by possibly requiring States to provide unmatched funds to individuals.

Mr. President, the point of this exercise is to provide States with the needed flexibility to address welfare reform, not to create another unfunded mandate on the States.

The PRESIDING OFFICER. The motion has been made. Is there further debate?

Mr. DOLE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The yeas and nays have been ordered.

The question is on the motion to strike the previously agreed-to Bradley amendment.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Dole amendment be set aside in order to accommodate one final amendment. It would be my understanding I will offer this amendment and then we would have two votes, perhaps three votes stacked, at least two votes, following debate on the Daschle amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2682 TO NO. 2280

(Purpose: To permit States to provide noncash assistance to children ineligible for aid because of the 5-year time limitation)

Mr. DASCHLE. Mr. President, I will be very brief.

We have had a good debate about a number of issues relating to welfare. The one that I do not think we have talked enough about, and I will be brief as we talk about it this afternoon, is what happens to children under circumstances that are not of their control. I believe we have to ensure, regardless of what else we do, that children do not pay for the mistakes or circumstances of their parents. Of the 14 million people on AFDC, 9 million are children. They did not ask to be born into these circumstances. They cannot get their parents out of these circumstances. Most importantly, these 9 million children are part of our future.

We talk a lot about State flexibility, but the pending bill does not allow States to provide any assistance to children after 5 years.

What my amendment does is simply say we will not prohibit the States from providing care for children if they so desire. If ever there was an argument for State flexibility, this is it. We are simply giving States the option to assist poor children, clothe children, or help children to stay off the streets. We are not telling States they have to do it; we are simply saying we will not prevent them from doing it.

You have heard a lot about making people get out of the cart and pull it. That is right. We should make people get out of the cart and pull it when they can take responsibility. Able-bodied adults should work. But children, infants, and toddlers cannot be expected to pull the cart.

This really just gives States the opportunity to recognize that fact. The amendment is very simple. It provides States with flexibility. It allows States to use block grant funds to provide vouchers for goods and services for children and their needs once the time limit hits, to ensure that children are protected. I do not understand why Washington should make such a critical decision about what is best for a State when it comes to children.

We have talked about flexibility. We have talked about the need to protect kids. It would seem to me that simply saying we will not prohibit the States from issuing vouchers if they choose to do so and see it as in their best interests is reasonable. I think we ought to allow them to do that.

Once the time limit hits, hopefully families will be off welfare, but we do not know. Maybe yes, maybe no. Children, however, did not cause this situation. Children cannot rectify it.

This amendment is pretty harmless, but the ramifications for children could be great if we do not have this State option. Nine million kids—it is simply a matter of giving the States the flexibility.

I yield the floor.

The PRESIDING OFFICER. Did the Senator seek to call up the amendment?

Mr. DASCHLE. I have an amendment at the desk that I call up.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Dakota [Mr. DASCHLE] for Mr. KENNEDY, for himself and Mr. DASCHLE proposes an amendment numbered 2682 to amendment No. 2280.

Mr. DASCHLE. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 40, between lines 16 and 17, insert the following new paragraph:

"(4) NON-CASH ASSISTANCE FOR CHILDREN.—Nothing in paragraph (1) shall be construed as prohibiting a State from using funds provided under section 403 to provide aid, in the form of in-kind assistance, vouchers usable for particular goods or services as specified by the State, or vendor payments to individuals providing such goods or services, to the minor children of a needy family.".

Mr. DOLE. Mr. President, I say very briefly, maybe I misunderstood. We thought this was part of the agreement. We increased the hardship exemption from 15 to 20 percent because this was a request earlier of the Senator from South Dakota. We could not agree on that.

We thought we agreed to raise the hardship exemption which would take care of some of these cases. I hope the amendment would not be adopted.

We thought we had an agreement, and we want to stick with that agreement. Maybe the Senator from South Dakota had a different interpretation, but I am still willing to leave the hardship exemption at 20 percent, but if we have an agreement—if not, maybe it ought to go back to 15 percent.

In any event, I hope we defeat this amendment and also strike the amendment of the Senator from New Jersey, Senator BRADLEY.

The PRESIDING OFFICER. Is there further debate?

Mr. DOLE. I yield back our time.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays have been ordered.

The PRESIDING OFFICER. Does the Senator from South Dakota wish to offer his second amendment before the rollcall begins?

Mr. DASCHLE. Mr. President, that concludes my list of amendments. I have no others to offer.

MOTION TO STRIKE AMENDMENT NO. 2496

Mr. DOLE. I ask unanimous consent that we return to the motion to strike the Bradley amendment.

The PRESIDING OFFICER. The motion has been made to return to the motion to strike the Bradley amendment. Without objection, it is so ordered.

The question is on agreeing to the motion to strike the amendment numbered 2496.

Mr. DOLE. I ask that these be strictly 10-minute votes. We have Members on each side that want to leave.

The PRESIDING OFFICER. A reminder to the Senators that these will be strictly held at 10 minutes for each vote.

The question now is on agreeing to the motion to strike the Bradley amendment. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Missouri [Mr. BOND], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Oklahoma [Mr. NICKLES], the Senator from Alaska [Mr. STEVENS], and the Senator from Wyoming [Mr. THOMAS] are necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming [Mr. THOMAS] would vote "yea."

Mr. FORD. I announce that the Senator from California [Mrs. BOXER] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 50, nays 44, as follows:

[Rollcall Vote No. 437 Leg.]

YEAS—50

Abraham
Ashcroft
Bennett
Brown
Burns
Campbell
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Exon
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Heflin
Helms
Hutchison
Inhofe
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Thompson
Thurmond
Warner

NAYS—44

Akaka
Baucus
Biden
Bingaman
Bradley
Breaux
Bryan
Bumpers
Byrd
Conrad
Daschle
Dodd
Dorgan
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Hollings
Inouye
Jeffords
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone

NOT VOTING—6

Bond
Boxer
Chafee
Nickles
Stevens
Thomas

So the motion to strike the amendment (No. 2496) was agreed to.

VOTE ON AMENDMENT NO. 2682

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota, No. 2682. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Missouri [Mr. BOND], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Oklahoma [Mr. NICKLES], the Senator from Wyoming [Mr. SIMPSON], the Senator from Alaska [Mr. STEVENS], and the Senator from Wyoming [Mr. THOMAS], are necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming [Mr. THOMAS], would vote "nay."

Mr. FORD. I announce that the Senator from California [Mrs. BOXER], and the Senator from Iowa [Mr. HARKIN] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 44, nays 48, as follows:

[Rollcall Vote No. 438 Leg.]

YEAS—44

Akaka
Baucus
Biden
Bingaman
Bradley
Breaux
Bryan
Bumpers
Byrd
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone

NAYS—48

Abraham
Ashcroft
Bennett
Brown
Burns
Campbell
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Packwood
Pressler
Roth
Santorum
Shelby
Smith
Snowe
Specter
Thompson
Thurmond
Warner

NOT VOTING—8

Bond
Boxer
Chafee
Harkin
Nickles
Simpson
Stevens
Thomas

So, the amendment (No. 2682) was rejected.

Mr. DOLE. I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FRIST addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

AMENDMENT NO. 2526

Mr. FRIST. Mr. President, I ask unanimous consent I be added as a cosponsor to Senator SHELBY's amendment No. 2526 relating to an adoption tax credit which was approved yesterday.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, it is my understanding, now that we have completed action on all the amendments, with the exception of the Gramm amendment No. 2615—there was a motion to table that amendment. It was 49-49. It was not tabled. I think we have agreed that that vote can occur Tuesday.

AMENDMENT NO. 2683

(Purpose: To make modifications to amendment No. 2280)

Mr. DOLE. I am now prepared, if the Democratic leader is prepared, the two of us, to send up the modification.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] proposes an amendment No. 2683.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2683) is as follows:

On page 17, strike lines 13 through 22 and insert the following:

"(A) IN GENERAL.—For purposes of paragraph (1)(A), a State family assistance grant for any State for a fiscal year is an amount equal to the sum of—

"(i) the total amount of the Federal payments to the State under section 403 (other than Federal payments to the State described in section subparagraphs (A), (B) and (C) of section 419(a)(2)) for fiscal year 1994 (as such section 403 was in effect during such fiscal year), plus

"(ii) the total amount of the Federal payments to the State under subparagraphs (A), (B) and (C) of section 419(a)(2),

as such payments were reported by the State on February 14, 1995, reduced by the amount, if any, determined under subparagraph (B), and for fiscal year 2000, reduced by the percent specified under section 418(a)(3), and increased by an amount, if any, determined under paragraph (2)(D).

On page 77, line 21, strike the end quotation marks and the second period.

On page 77, between lines 21 and 22, insert the following new section:

"SEC. 419. AMOUNTS FOR CHILD CARE.

"(a) CHILD CARE ALLOCATION—

"(1) IN GENERAL.—From the amount appropriated under section 403(a)(4)(A) for a fiscal year, the Secretary shall set aside an amount equal to the total amount of the Federal payments for fiscal year 1994 to States under section—

"(A) 402(g)(3)(A) of this Act (as such section was in effect before October 1, 1995) for amounts expended for child care pursuant to paragraph (1) of such section;

"(B) 403(l)(1)(A) of this Act (as so in effect) for amounts expended for child care pursuant to section 402(g)(1)(A) of this Act, in the case of a State with respect to which section 1108 of this Act applies; and

"(C) 403(n) of this Act (as so in effect) for child care services pursuant to section 402(i) of this Act.

"(2) DISTRIBUTION.—From amounts set-aside for a fiscal year under paragraph (1), the Secretary shall pay to a State an amount equal to the total amounts of Federal payments for fiscal year 1994 to the State under section—

"(A) 402(g)(3)(A) of this Act (as such section was in effect before October 1, 1995)for amounts expended for child care pursuant to paragraph (1) of such section;

"(B) 403(l)(1)(A) of this Act (as so in effect) for amounts expended for child care pursuant to section 402(g)(1)(A) of this Act, in the case of a State with respect to which section 1108 of this Act applies; and

"(C) 403(n) of this Act (as so in effect) for child care services pursuant to section 402(i) of this Act.

"(3) USE OF FUNDS.—Amounts received by a State under paragraph (2) shall only be used to provide child care assistance under this part.

"(4) For purposes of paragraphs (1) and (2), Federal payments for fiscal year 1994 means such payments as reported by the State on February 14, 1995.

"(b) ADDITIONAL APPROPRIATION.—

"(1) IN GENERAL.—There are authorized to be appropriated and there are appropriated, $3,000,000,000 to be distributed to the States during the 5-fiscal year period beginning in fiscal year 1996 for the provision of child care assistance.

"(2) DISTRIBUTION.—

"(A) IN GENERAL.—The Secretary shall use amounts made available under paragraph (1) to make grants to States. The total amount of grants awarded to a State under this paragraph shall be based on the formula used for determining the amount of Federal payments to the State for fiscal year 1994 under section 403(n) (as such section was in effect before October 1, 1995) for child care services pursuant to section 402(i) as such amount relates to the total amount of such Federal payments to all States for such fiscal year.

"(B) FISCAL YEAR 2000.—With respect to the last quarter of fiscal year 2000, if the Secretary determines that any allotment to a State under this subsection will not be used by such State for carrying out the purpose for which the allotment is available, the Secretary shall make such allotment available for carrying out such purpose to 1 or more other States which apply for such funds to the extent the Secretary determines that such other States will be able to use such additional allotments for carrying out such purposes. Such available allotments shall be reallocated to a State pursuant to section 402(i) (as such section was in effect before October 1, 1995) by substituting 'the number of children residing in all States applying for such funds' for 'the number of children residing in the United States in the second preceding fiscal year'. Any amount made available to a State from an appropriation for a fiscal year in accordance with the preceding sentence shall, for purposes of this part, be regarded as part of such State's payment (as determined under this subsection) for such year.

"(3) AMOUNT OF FUNDS.—The Secretary shall pay to each eligible State in a fiscal year an amount equal to the Federal medical assistance percentage for such State for such fiscal year (as defined in section 1905(b)) of so much of the expenditures by the State for child care in such year as exceed the State set-aside for such State under subsection (a) for such year and the amount of State expenditures in fiscal year 1994 that equal the non-Federal share for the programs described in subparagraphs (A), (B) and (C) of subsection (a)(1).

"(4) BUDGET SCORING.—Notwithstanding section 257(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985, the baseline shall assume that no grant shall be made under this subsection after fiscal year 2000.

"(c) ADMINISTRATIVE PROVISIONS.—

"(1) STATE OPTION.—For purposes of section 402(a)(1)(B), a State may, at its option, not require a single parent with a child under the age of 6 to participate in work for more than an average of 20 hours per week during a month and may count such parent as being engaged in work for a month for purposes, of section 404(c)(1) if such parent participates in work for an average of 20 hours per week during such month.

"(2) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to provide an entitlement to child care services to any child.

On Page 17, line 22, insert before the period the following: ", and increased by an amount (if any) determined under subparagraph (D)."

On Page 18, between lines 21 and 22, insert the following:

"(D) AMOUNT ATTRIBUTABLE TO STATE PLAN AMENDMENTS.—

"(i) IN GENERAL.—For purposes of subparagraph (A), the amount determined under this subparagraph is an amount equal to the Federal payment under section 403(a)(5) to the State for emergency assistance in fiscal year 1995 under any State plan amendment made under section 402 during fiscal year 1994 (as such sections were in effect before the date of the enactment of the Work Opportunity Act of 1995) subject to the limitation in clause (ii).

"(ii) LIMITATION.—Amounts made available under clause (i) to all States shall not exceed $800 million. If amounts available under this subparagraph are less than the total amount of emergency assistance payments referred to in clause (i), the amount payable to a State shall be equal to an amount which bears the same relationship to the total amount available under this clause as the State emergency assistance payment bears to the total amount of such payments.

On page 25, line 18, insert "In the case of amounts paid to the State that are set aside in accordance with section 419(9), the State may reserve such amounts for any fiscal year only for the purpose of providing without fiscal year limitation child care assistance under this part." after the end period.

Beginning on page 315, strike line 6 and all that follows through page 576, line 12 (renumber subsequent titles and section numbers accordingly).

On page 29, between lines 17 and 18, insert the following:

"(d) CONTINGENCY FUND.—

"(1) ESTABLISHMENT.—There is hereby established in the Treasury of the United States a fund which shall be known as the 'Contingency Fund for State Welfare Programs' (hereafter in this section referred to as the 'Fund').

"(2) DEPOSITS INTO FUND.—Out of any money in the Treasury of the United States not otherwise appropriated, there are hereby appropriated for fiscal years 1996, 1997, 1998, 1999, and 2000, such sums as are necessary for payment to the Fund in a total amount not to exceed $1,000,000,000.

"(3) COMPUTATION OF GRANT.—

"(A) IN GENERAL.—Subject to subparagraph (B), the Secretary of the Treasury shall pay to each eligible State in a fiscal year an amount equal to the Federal medical assistance percentage for such State for such fiscal year (as defined in section 1905(b)) of so much of the expenditures by the State in such year under the State program funded under this part as exceed the historic expenditures for such State.

"(B) LIMITATION.—The total amount paid to a State under subparagraph (A) for any fiscal year shall not exceed an amount equal to 20 percent of the annual amount determined for such State under the State program funded under this part (without regard to this subsection) for such fiscal year.

"(C) METHOD OF COMPUTATION, PAYMENT, AND RECONCILIATION.—

"(i) METHOD OF COMPUTATION.—The method of computing and paying such amounts shall be as follows:

"(I) The Secretary of Health and Human Services shall estimate the amount to be paid to the State for each quarter under the provisions of subparagraph (A), such estimate to be based on a report filed by the State containing its estimate of the total sum to be expended in such quarter and such other information as the Secretary may find necessary.

"(II) The Secretary of Health and Human Services shall then certify to the Secretary of the Treasury the amount so estimated by the Secretary of Health and Human Services.

"(ii) METHOD OF PAYMENT.—The Secretary of the Treasury shall thereupon, through the Fiscal Service of the Department of the Treasury and prior to audit or settlement by the General Accounting Office, pay to the State, at the time or times fixed by the Secretary of Health and Human Services, the amount so certified.

"(iii) METHOD OF RECONCILIATION.—If at the end of each fiscal year, the Secretary of Health and Human Services finds that a State which received amounts from the Fund in such fiscal year did not meet the maintenance of effort requirement under paragraph (5)(B) for such fiscal year, the Secretary shall reduce the State family assistance grant of such State for the succeeding fiscal year by such amounts.

"(4) USE OF GRANT.—

"(A) IN GENERAL.—An eligible State may use the grant—

"(i) in any manner that is reasonably calculated to accomplish the purpose of this part; or

"(ii) in any manner that such State used amounts received under part A or F of this title, as such parts were in effect before October 1, 1995.

"(B) REFUND OF UNUSED PORTION.—Any amount of a grant under this subsection not used during the fiscal year shall be returned to the Fund.

"(5) ELIGIBLE STATE.—

"(A) IN GENERAL.—For purposes of this subsection, a State is an eligible State with respect to a fiscal year, if

"(i)(I) the average rate of total unemployment in such State (seasonally adjusted) for the period consisting of the most recent 3 months for which data for all States are published equals or exceeds 6.5 percent, and

"(II) the average rate of total unemployment in such State (seasonally adjusted) for the 3-month period equals or exceeds 110 percent of such average rate for either (or both) of the corresponding 3-month periods ending in the 2 preceding calendar years; and

"(ii) has met the maintenance of effort requirement under subparagraph (B) for the State program funded under this part for the fiscal year.

"(B) MAINTENANCE OF EFFORT.—The maintenance of effort requirement for any State under this subparagraph for any fiscal year is the expenditure of an amount at least equal to 100 percent of the level of historic State expenditures for such State (as determined under subsection (a)(5)).

"(6) ANNUAL REPORTS.—The Secretary of the Treasury shall annually report to the Congress on the status of the Fund.

On page 40, line 13, strike "15" and insert "20".

At the appropriate place, insert the following:

SEC. . ABSTINENCE EDUCATION.

(a) INCREASE IN FUNDING.—Section 501(a) of the Social Security Act (42 U.S.C. 701(a)) is amended in the matter preceding paragraph (1) by striking "fiscal year 1990 and each fiscal year thereafter" and inserting "fiscal years 1990 through 1995 and $761,000,000 for fiscal year 1996 and each fiscal year thereafter".

(b) ABSTINENCE EDUCATION.—Section 501(a)(1) of such Act (42 U.S.C. 701(a)(1) is amended—

(1) in subparagraph (c), by striking "and" at the end;

(2) in subparagraph (D), by adding "and" at the end; and

(3) by adding at the end the following new subparagraph:

"(E) to provide abstinence education, and at the option of the State, where appropriate, mentoring, counseling, and adult supervision to promote abstinence from sexual activity, with a focus on those groups which are most likely to bear children out-of-wedlock.".

(c) ABSTINENCE EDUCATION DEFINED.—Section 501(b) of such Act (42 U.S.C. 701(b)) is amended by adding at the end the following new paragraph:

"(5) ABSTINENCE EDUCATION.—For purposes of this subsection, the term 'abstinence education' shall mean an educational or motivational program which—

"(A) has as its exclusive purpose, teaching the social, psychological, and health gains to be realized by abstaining from sexual activity;

"(B) teaches abstinence from sexual activity outside marriage as the expected standard for all school age children;

"(C) teaches that abstinence from sexual activity is the only certain way to avoid out-of-wedlock pregnancy, sexually transmitted diseases, and other associated health problems;

"(D) teaches that a mutually faithful monogamous relationship in context of marriage is the expected standard of human sexual activity;

"(E) teaches that sexual activity outside of the context of marriage is likely to have harmful psychological and physical effects;

"(F) teaches that bearing children out-of-wedlock is likely to have harmful consequences for the child, the child's parents, and society;

"(G) teaches young people how to reject sexual advances and how alcohol and drug use increases vulnerability to sexual advances; and

"(H) teaches the importance of attaining self-sufficiency before engaging in sexual activity.".

(d) SET-ASIDE.—

(1) IN GENERAL.—Section 502(c) of such Act (42 U.S.C. 702(c)) is amended in the matter preceding paragraph (1) by striking "From" and inserting "Except as provided in subsection (e), from".

(2) SET-ASIDE.—Section 502 of such Act (42 U.S.C. 702) is amended by adding at the end the following new subsection:

"(e) Of the amounts appropriated under section 501(a) for any fiscal year, the Secretary shall set aside $75,000,000 for abstinence education in accordance with section 501(a)(1)(E).

On page 29, between lines 15 and 16, insert the following:

"(f) ADDITIONAL AMOUNT FOR STUDIES AND DEMONSTRATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated and there are appropriated for each fiscal year described in subsection (a)(1) an additional $20,000,000 for the purpose of paying—

"(A) the Federal share of any State-initiated study approved under section 410(g);

"(B) an amount determined by the Secretary to be necessary to operate and evaluate demonstration projects, relating to part A of title IV of this Act, that are in effect or approved under section 1115 as of October 1, 1995, and are continued after such date;

"(C) the cost of conducting the research described in section 410(a); and

"(D) the cost of developing and evaluating innovative approaches for reducing welfare dependency and increasing the well-being of minor children under section 410(b).

"(2) ALLOCATION.—Of the amount appropriated under paragraph (1) for a fiscal year—

"(A) 50 percent shall be allocated for the purposes described in subparagraphs (A) and (B) of paragraph (1), and

"(B) 50 percent shall be allocated for the purposes described in subparagraphs (C) and (D) of paragraph (1).

On page 29, line 16, strike "(f)" and insert "(g)".

On page 57, beginning on line 22, strike all through page 60, line 2, and insert the following:

"(a) IN GENERAL.—The Secretary, in consultation with State and local government officials and other interested persons, shall develop a quality assurance system of data collection and reporting that promotes accountability and ensures the improvement and integrity of programs funded under this part.

"(b) STATE SUBMISSIONS.—

"(1) IN GENERAL.—Not later than the 15th day of the first month of each calendar quarter, each State to which a grant is made under section 403(f) shall submit to the Secretary the data described in paragraphs (2) and (3) with respect to families described in paragraph (4).

"(2) DISAGGREGATED DATA DESCRIBED.—The data described in this paragraph with respect to families described in paragraph (4) is a sample of monthly disaggregated case record data containing the following:

"(A) The age of the adults and children (including pregnant women) in each family.

"(B) The marital and familial status of each member of the family (including whether the family is a 2-parent family and whether a child is living with an adult relative other than a parent).

"(C) The gender, educational level, work experience, and race of the head of each family.

"(D) The health status of each member of the family (including whether any member of the family is seriously ill, disabled, or incapacitated and is being cared for by another member of the family).

"(E) The type and amount of any benefit or assistance received by the family, including—

"(i) the amount of and reason for any reduction in assistance, and

"(ii) if assistance is terminated, whether termination is due to employment, sanction, or time limit.

"(F) Any benefit or assistance received by a member of the family with respect to housing, food stamps, job training, or the Head Start program.

"(G) The number of months since the family filed the most recent application for assistance under the program and if assistance was denied, the reason for the denial.

"(H) The number of times a family has applied for and received assistance under the State program and the number of months assistance has been received each time assistance has been provided to the family.

"(I) The employment status of the adults in the family (including the number of hours worked and the amount earned).

"(J) The date on which an adult in the family began to engage in work, the number of hours the adult engaged in work, the work activity in which the adult participated, and the amount of child care assistance provided to the adult (if any).

"(K) The number of individuals in each family receiving assistance and the number of individuals in each family not receiving assistance, and the relationship of each individual to the youngest child in the family.

"(L) The citizenship status of each member of the family.

"(M) The housing arrangement of each member of the family.

"(N) The amount of unearned income, child support, assets, and other financial factors considered in determining eligibility for assistance under the State program.

"(O) The location in the State of each family receiving assistance.

"(P) Any other data that the Secretary determines is necessary to ensure efficient and effective program administration.

"(3) AGGREGATED MONTHLY DATA.—The data described in this paragraph is the following aggregated monthly data with respect to the families described in paragraph (4):

"(A) The number of families.

"(B) The number of adults in each family.

"(C) The number of children in each family.

"(D) The number of families for which assistance has been terminated because of employment, sanctions, or time limits.

"(4) FAMILIES DESCRIBED.—The families described in this paragraph are—

"(A) families receiving assistance under a State program funded under this part for each month in the calendar quarter preceding the calendar quarter in which the data is submitted;

"(B) families applying for such assistance during such preceding calendar quarter; and

"(C) families that became ineligible to receive such assistance during such preceding calendar quarter.

"(5) APPROPRIATE SUBSETS OF DATA COLLECTED.—The Secretary shall determine appropriate subsets of the data describe in paragraphs (2) and (3) that a State is required to submit under paragraph (1) with respect to families described in subparagraphs (B) and (C) of paragraph (4).

"(6) SAMPLING AND OTHER METHODS.—The Secretary shall provide the States with such case sampling plans and data collection procedures as the Secretary deems necessary to produce statistically valid estimates of each State's program performance. The Secretary is authorized to develop and implement procedures for verifying the quality of data submitted by the States.

On page 62, after line 24, insert the following:

"(j) REPORT TO CONGRESS.—Not later than 6 months after the end of fiscal year 1997, and each fiscal year thereafter, the Secretary shall transmit to the Congress a report describing—

"(1) whether the States are meeting—

"(A) the participation rates described in section 404(a); and

"(B) the objectives of—

"(i) increasing employment and earnings of needy families, and child support collections; and

"(ii) decreasing out-of-wedlock pregnancies and child poverty;

"(3) the demographic and financial characteristics of families applying for assistance, families receiving assistance, and families that become ineligible to receive assistance;

"(4) the characteristics of each State program funded under this part; and

"(5) the trends in employment and earnings of needy families with minor children.

On page 63, beginning on line 3, strike all through line 16, and insert the following:

"(a) RESEARCH.—The Secretary shall conduct research on the benefits, effects, and costs of operating different State programs funded under this part, including time limits relating to eligibility for assistance. The research shall include studies on the effects of different programs and the operation of such programs on welfare dependency, illegitimacy, teen pregnancy, employment rates, child well-being, and any other area the Secretary deems appropriate.

"(b) DEVELOPMENT AND EVALUATION OF INNOVATIVE APPROACHES TO REDUCING WELFARE DEPENDENCY AND INCREASING CHILD WELL-BEING.—

"(1) IN GENERAL.—The Secretary may assist States in developing, and shall evaluate, innovative approaches for reducing welfare dependency and increasing the well-being of minor children with respect to recipients of assistance under programs funded under this part. The Secretary may provide funds for training and technical assistance to carry out the approaches developed pursuant to this paragraph.

"(2) EVALUATIONS.—In performing the evaluations under paragraph (1), the Secretary shall, to the maximum extent feasible, use random assignment as an evaluation methodology.

On page 63, line 17, strike "(d)" and insert "(c)".

On page 63, line 24, strike "(e)" and insert "(d)".

On page 64, line 21, strike "(f)" and insert "(e)".

On page 66, line 3, strike "(g)" and insert "(f)".

On page 66, between lines 19 and 20, insert the following:

"(g) STATE-INITIATED STUDIES.—A State shall be eligible to receive funding to evaluate the State's family assistance program funded under this part if—

"(1) the State submits a proposal to the Secretary for such evaluation,

"(2) the Secretary determines that the design and approach of the evaluation is rigorous and is likely to yield information that is credible and will be useful to other States, and

"(3) unless otherwise waived by the Secretary, the State provides a non-Federal share of at least 10 percent of the cost of such study.

On page 163, line 16, add "and" after the semicolon.

On page 163, strike lines 17 through 24, and insert in lieu thereof the following:

"(iii) for fiscal years 1997 through 2002, $124, $211, $174, $248 and $109, respectively."

On page 164, line 2, strike "2000" and insert in lieu thereof "2002".

On page 126, between lines 9 and 10, insert the following:

(c) TREATMENT SERVICES FOR INDIVIDUALS WITH A SUBSTANCE ABUSE CONDITION.—

(1) IN GENERAL.—Title XVI (42 U.S.C. 1381 et seq.) is amended by adding at the end the following new section:

"TREATMENT SERVICES FOR INDIVIDUALS WITH A SUBSTANCE ABUSE CONDITION

"SEC. 1636. (a) In the case of any individual eligible for benefits under this title by reason of disability who is identified as having a substance abuse condition, the Commissioner of Social Security shall make provision for referral of such individual to the appropriate State agency administering the State plan for substance abuse treatment services approved under subpart II of part B of title XIX of the Public Health Service Act (42 U.S.C. 300x-21 et seq.)

"(b) No individual described in subsection (a) shall be an eligible individual or eligible spouse for purposes of this title if such individual refuses without good cause to accept the referred services described under subsection (a).

(2) CONFORMING AMENDMENT.—Section 1614(a)(4) (42 U.S.C. 1382c(a)(4)) is amended by inserting after the second sentence the following new sentence: "For purposes of the preceding sentence, any individual identified by the Commissioner as having a substance abuse condition shall seek and complete appropriate treatment as needed.".

On page 126, line 10, strike "c" and insert "(d)".

On page 127, between lines 2 and 3, insert the following new subsection:

"(e) SUPPLEMENTAL FUNDING FOR ALCOHOL AND SUBSTANCE ABUSE TREATMENT PROGRAMS.—

"(1) IN GENERAL.—Out of any money in the Treasury not otherwise appropriated, there are hereby appropriated to supplement State and Tribal programs funded under section 1933 of the Public Health Service Act (42 U.S.C. 300x-33), $50,000,000 for each of the fiscal years 1997 and 1998.

"(2) ADDITIONAL FUNDS.—Amounts appropriated under paragraph (1) shall be in addition to any funds otherwise appropriated for allotments under section 1933 of the Public Health Service Act (42 U.S.C. 300x-33) and shall be allocated pursuant to such section 1933.

"(3) USE OF FUNDS.—A State or Tribal government receiving an allotment under this subsection shall consider as priorities, for purposes of expending funds allotted under this subsection, activities relating to the treatment of the abuse of alcohol and other drugs."

On page 131, line 23, insert ", including such individual's treatment (if any) provided pursuant to such title as in effect on the day before the date of such enactment," after "individual".

On page 158, between lines 11 and 12, insert the following:

SUBTITLE F—RETIREMENT AGE ELIGIBILITY

SEC. 251. ELIGIBILITY FOR SUPPLEMENTAL SECURITY INCOME BENEFITS BASED ON SOCIAL SECURITY RETIREMENT AGE.

(a) IN GENERAL.—Section 1614 (a)(1)(A) (42 U.S.C. 1382c(a)(1)(A)) is amended by striking "is 65 years of age or older," and inserting "has attained retirement age.".

(b) RETIREMENT AGE DEFINED.—Section 1614 (42 U.S.C. 1382c) is amended by adding at the end the following new subsection:

"Retirement Age

"(g) For purposes of this title, the term "retirement age" has the meaning given such term by section 216(*l*)(1).".

(c) CONFORMING AMENDMENTS.—Sections 1601, 1612(b)(4), 1615(a)(1), and 1620(b)(2) (42 U.S.C. 1381, 1382a(b)(4), 1382d(a)(1), and 1382i(b)(2)) are amended by striking "age 65" each place it appears and inserting "retirement age".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to applicants for benefits for months beginning after September 30, 1995.

Mr. DOLE. Mr. President, I know there are some of our colleagues that want to make statements this afternoon on that. I would go over that just very quickly.

I think we agree on the child care, the first provision, with a set-aside in 1994 of $1 billion. Then we provide an additional $3 billion over 5 years for child care to be distributed among the States based on the funds for the title IV–A at-risk child care program.

Job training. I will get that agreement, which I think has been cleared by the Democratic leader, which will be handled under a separate freestanding agreement.

Mr. DASCHLE. Yes.

Mr. DOLE. The contingency grant fund. This is in addition to the loan fund. We keep the loan fund at $1.7 billion. The contingency fund is $1 billion over 7 years. Funds must be matched at Medicaid matching rates, and States must have maintained their 1994 level on spending on title IV–A and IV–F programs.

Limited additional funds are available for those States whose base years do not fully reflect subsequent adjustments related to emergency assistance. I understand that affects 12 States. I am not certain of the total cost of that provision, but I think around $900 million.

The hardship exemption has been increased from 15 percent to 20 percent.

There is $75 million per year for abstinence education.

Program evaluation authorizes $20 million per year for evaluation.

Food stamps. We worked out a provision which will save about $1.6 billion. In the food stamp program, the standard deduction for all food stamp recipients will be reduced from the original S. 1120. It stages from its current level of $134 in increments of $2 per year down to $124 in fiscal year 2000. This modification will reduce the standard deduction to $132 in fiscal year 1996, as in the original S. 1120, and then immediately down to $124 in 1997, where it remains through fiscal year 2002. CBO gives this change a preliminary savings estimate of $1.1 billion in additional savings.

SSI. The SSI provision is the one, $50 million per year for 2 years for treatment, funded under the substance abuse block grant, a matter of interest to Senator COHEN and Senator BINGAMAN.

I also ask unanimous consent to have printed in the RECORD at this point a letter from the National Governors' Association. As the Democratic leader knows, we received letters asking for more child care funding and contingency grant funding and a number of other things.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL GOVERNORS ASSOCIATION,
Washington, DC, September 13, 1995.
Hon. ROBERT DOLE,
U.S. Senate Majority Leader, U.S. Senate, Washington, DC.

DEAR SENATOR DOLE: As you consider legislation to block grant key welfare and child care programs, we urge you to keep in mind the lessons states have learned over the last decade of experimentation in welfare reform. As Governors we know what it takes to reform the welfare system because we are already doing it in our states—through state waiver initiatives and through implementation of the Family Support Act. Our experience tells us that three elements are crucial: welfare must be temporary and linked to work; both parents must support their children; and child care must be available to enable low income families with children to work.

Governors do believe that greater flexibility could aid significantly our efforts to reform the welfare system. We appreciate and support the changes that have been made recently to your bill to ensure that states have the ability to design their own welfare systems. These changes include a state option to count vocational educational training toward welfare-to-work participation rates and the ability to exempt families with very young children from work requirements.

As the Senate considers welfare reform legislation, we believe you should address several remaining key issues:

Child Care. Child care represents the largest part of the up-front investment needed for successful welfare reform. We appreciate the flexibility that Title I of S. 1120 provides for states to design child care services for families who are participating in welfare-to-work activities or who have left welfare for work, and the working poor. Further we are pleased that the mandate to provide child care to mothers with children under age six contained in the Senate Finance Committee bill has been removed.

We are concerned that unless adequate child care funding continues to be provided at the federal level, the work requirements in the bill could represent a significant unfunded mandate on the states. While Governors differ on the exact level of child care funding needed to implement the work requirements, we all agree that states will need substantially more funding than is currently in your bill.

We believe that if the following changes were adopted, the federal-state partnership could be preserved for meeting increased needs due to welfare work requirements and increased child care needs could be minimized:

Give states access to a limited amount of additional federal matching fund for child care. These funds would be available to states at the Medicaid match or 70 percent, whichever is higher. Only states that were maintaining their state levels of spending could qualify for these funds to ensure that federal funds do not supplant state spending. Funds would be allocated to states in the same way that At-Risk Child Care funds are currently distributed.

To ensure protection for child care funding, fund the Child Care Development Block Grant (CCDBG) as an entitlement to states and eliminate prescriptive earmarks that limit state flexibility in administering programs. Quality set-asides and mandated resource and referral programs detract from states' ability to provide needed child care services. Currently the CCDBG is a discretionary program. The CCDBG is a critical source of funds for child care assistance to poor families, particularly for the working poor, and states will need the assurance that these funds will be available at the level at which the program is authorized.

Give states the option of limiting required hours of work to 20 hours per week for families with children under age six. This would allow states to minimize the amount of child care assistance needed by families with young children and would allow states to set work expectations for low income mothers with young children that are consistent with what our society expects of other mothers with young children. The bill approved by the Finance Committee did not require more than 20 hours of work per week; S. 1120, however, mandates 35 hours per week by the year 2000. This is a major factor behind estimates that by the year 2000 states will have to spend several billion dollars annually, above and beyond current spending, to meet the costs of providing child care for welfare recipients.

Contingency Grant Fund. Economic downturns can derail welfare reform by sapping state revenues just when need for assistance is rising. The greater flexibility of block grant will allow states in normal economic times to control their own welfare costs through eligibility, benefit and work program decisions. We believe, however, that if a deep economic recession occurs, the need for economic assistance may well overwhelm the fiscal capacity of some states to respond to that need. We urge you to include a contingency grant fund that gives states that experience sharp increases in unemployment access to federal matching grants. Contingency funds would have to be matched at the Medicaid match rates and states would only have access to these grants if they have maintained their own level of state spending.

Restrictions on Aid. In the past federal restrictions on eligibility have served to contain federal costs given the open-ended entitlement nature of federal cash assistance funding. Governors believe that such restrictions have no place, however, in a block grant system where federal costs are fixed, regardless of the eligibility and benefit choices made by each state. Accordingly we oppose any provisions that prohibit states from aiding such groups as legal aliens, teen parents, or additional children born to welfare recipients. These decisions are most appropriately made at the state level.

Direct Funding to Tribes and Localities. Under current law, federal welfare funds flow through state governments which, in turn, add state matching funds and send the combined state and federal funds to localities, including countries and tribal reservations. S. 1120 would change this system by allowing tribal governments to apply for direct federal assistance, bypassing any state role. In addition, we understand a floor amendment will be offered that would similarly allow counties to bypass the state government. We believe any direct funding to tribes or localities would be a serious mistake. First, by eliminating the state role, it is likely to lead to the end of future state funding to those tribes and localities receiving direct federal funds. Second, in the case of tribal families, it would be very difficult to sort out who is responsible for serving families in areas outside of reservations where tribal and nontribal families live interspersed. Third, direct funding to localities will prevent states from undertaking statewide reforms.

State Penalties. As Governors we expect to be held accountable for the use of any federal block grant funds, and are fully committed to repaying any funds that the federal government determines to have been misspent. We are concerned, however, about the punitive nature of the penalties in S. 1120. It goes beyond requiring states to repay any misspent funds by creating a three-tier penalty which 1) requires repayment of misspent funds; 2) imposes a five percent reduction in a state's block grant allotment; and 3) requires states to pay the five percent penalty out of state general revenues rather than through any reduction in program spending. These provisions should be modified.

Performance Bonuses. Whether or not final welfare reform legislation includes state penalties, we believe that it should include bonuses for states with exceptional performance. We support the proposal to give states performance bonuses for each recipient they place in work. States that have been successful in putting welfare recipients to work should be rewarded and allowed to use such bonuses for additional investments in child care for the working poor and welfare-to-work programs.

Thank you for your consideration of our views.

Sincerely,

GOVERNOR TOMMY G. THOMPSON,
State of Wisconsin.
GOVERNOR BOB MILLER,
State of Nevada.

Mr. DOLE. Before I yield—if I could get this—I ask as part of the unanimous consent that when the Senate proceeds to consideration of S. 143, Calendar No. 153, that it be considered under the following time limitation: The committee-reported amendment be withdrawn, the managers be allowed to offer a substitute amendment; further, that the debate time be limited to a total of 9 hours equally divided between the two managers, with the only amendments in order to the bill be the following first-degree amendments, with no second-degree amendments in order, and that each amendment be limited to 45 minutes in the usual form.

The amendments are: An amendment to strike the repeal of trade adjustment assistance; a Specter amendment regarding Job Corps; a Breaux amendment regarding dislocated workers; a Jeffords-Pell amendment regarding adult education; a Dodd amendment regarding national set-asides for migrant workers, dislocated workers, and others; five relevant Kassebaum amendments; and five relevant Kennedy amendments.

This agreement was worked out with my colleague from Kansas, Senator KASSEBAUM, and the Senator from Massachusetts, Senator KENNEDY.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I ask unanimous consent that the summary of the leadership amendment, the Dole-Daschle amendment, be printed in the RECORD. I stated just briefly what the summary entails.

And there will be a record vote on this amendment; is that right?

Mr. DASCHLE. Yes.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

LEADERSHIP AMENDMENT

1. CHILD CARE

a. Set aside 1994 Title IV-A child care federal amount (approximately $1 billion) annually to be used for child care as currently provided in bill (as modified by Kassebaum). Allocate based on state's 1994 spending on Title IV-A child care.

b. Provide additional $3.0 billion over 5 years for child care. To be distributed among the states based on the funds for the Title IV-A at-risk child care program. To be eligible, state must have maintained 1994 Title IV-A spending on child care. Must match under the medicaid matching formula.

c. At state option, single parents with children age 5 and under may not be required to work more than 20 hours per week.

2. JOB TRAINING

Free standing bill under agreed upon time agreement.

3. CONTINGENCY GRANT FUND

(This is in addition to loan fund not in lieu of.)

Over 7 years, provides $1 billion in grant fund to be available to states under the following conditions.

a. Funds must be matched at medicaid matching rates.

b. States must have maintained their 1994 level of spending on Title IV-A and IV-F programs.

Limited additional funds available for those states whose base year does not fully reflect subsequent adjustments related to emergency assistance.

4. HARDSHIP EXEMPTION

Increase current hardship exemption in the bill from 15 percent to 20 percent.

5. ABSTINENCE EDUCATION

Increase funding for Title V Block Grant by $75 million per year to be earmarked for abstinence education.

6. PROGRAM EVALUATION

Authorize $20 million per year for evaluation.

7. FOOD STAMPS

In the Food Stamp Program, the standard deduction, a deduction from income given to all food stamp recipients, was reduced, in the original S. 1120, in stages from its current level of $134 in increments of $2 per year down to a level of $124 in FY2000. This modification would reduce the standard deduction to $132 in FY1996 (as in the original S. 1120) and then immediately down to $124 in FY1997 where it would remain through FY2002. CBO gives this change a preliminary savings estimate of $1.1 billion in additional savings.

8. SSI

1. All recipients identified with substance abuse problem must be referred for treatment.

2. $50 million per year for 2 years (97-98) for treatment. Funded under Substance Abuse Block Grant.

3. For the next year, current recipients enrolled with RMAs will continue with RMA.

4. Conform age for eligibility to social security retirement age.

Mr. DOLE. I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The distinguished minority leader.

Mr. DASCHLE. Let me thank the majority leader for his cooperation in bringing us to this point. Obviously, this was a matter of a great deal of discussion over the last several days, and I think it represents our best effort at attempting to reconcile a number of issues for which there is interest on both sides.

Obviously, child care was the most significant. As the distinguished leader indicated, this bill provides for $3 billion over 5 years for child care services to be provided by the States. That is in addition to the $5 billion over the next 5 years that was originally contemplated in the original Dole bill as well as the Democratic bill that we voted upon earlier.

So it represents, in my view, the most significant commitment the Senate has made thus far to the realization that there is a very important investment required in child care if, indeed, we want the recipients of welfare ultimately to find work and to obtain the job skills necessary to work.

In my view, as many of us have indicated, this is the linchpin to making welfare work better. Good child care means better participation, means greater success at what it is we are trying to do. So this is really the key of this amendment as well. Not only is it the key of the bill, but it was critical to finding some resolution to the issue. And as a result of a good deal of discussion and negotiation on both sides, we have now come to this point.

I am very pleased that we can say with some satisfaction that we are providing States with resources that will be critical to their success in making welfare work.

In addition, of course, we have had a good debate about what ought to be the level of maintenance that will be required of States over the next 5 years, what will be required of them, not just what will the Federal Government do, but what will the States do.

We offered an amendment for which there was a very close vote in recognition of the need to require States to do a certain level of responsibility. We have agreed that an 80-percent real maintenance of effort is something that is prudent and something for which there ought to be strong bipartisan support.

We also, as we have just indicated with this unanimous-consent agreement relating to job training, taken out those segments of the original Dole bill that would have authorized job training outside of the welfare context.

Our view is that it is important for us to find ways to ensure that people who are not on welfare have good job training, people who have lost jobs who otherwise would be productive citizens may need to be skilled in new jobs. This whole section of the bill is designed to provide opportunities for that to happen. But it is not a welfare program, so we do not want to give it that welfare connotation.

That is really, in essence, what this agreement does. It allows us to separate out job training and provide for the necessary legislation, as soon as we dispose of this bill and the appropriations bills, to return to job training and allow us to do that.

Fourth, and just as importantly, we recognize that States on many occasions will find that the current allotment is not going to work. I am very concerned about whether the provisions in this bill will allow that to be addressed adequately. We provide $1 billion over 5 years. I recognize we are working under constraints in resources, but I am concerned that we may have to revisit this issue at some point in the future. But $1 billion is better than none at all. States have indicated they need it. This provides it.

So we also, in a bipartisan way, I think, recognize that there will be emergencies, and this fund will allow us to deal with them in a meaningful way.

It also provides a change in the time limits that are provided under the exemption. The original Dole bill allowed Governors a 15-percent exemption. This raises it to 20 percent. We provide $75 million per year in abstinence education and then, finally, at least $50 million over the next 4 years each year for substance abuse treatment. That was the Cohen amendment.

Mr. President, this is a good compromise, a good amendment. I hope that it enjoys broad support next Tuesday when we have the opportunity to vote on it. I propose we have a little bit of time to revisit the issue, maybe 10, 15 minutes on a side prior to the point we vote on final passage and on this amendment. It is worthy of our support, and I appreciate the cooperation of Senators on both sides of the aisle who brought us to this point this afternoon.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I want to compliment the two leaders for their leadership in helping to bring about this agreement. I hope everybody will support the leadership amendment. Not everybody is pleased. That is what compromises are all about. But I have to tell you, a lot of people felt when we started this debate that it would drag out for weeks; that there would be no effective resolution; that we could not bring both sides together, because there are too wide viewpoints: One side wants more and more for welfare and wants it for the best of reasons. The other side believes balanced budgets are the prime effort that we should be taking at this time, because if we do not, the moneys we have will not be worth anything anyway.

If we go to $10 trillion in the national debt, who cares what is going to happen. What happened here because of the two leaders is we have been able to work together and bring together a package that is going to make a whale of a difference for the whole society. It is a savings package, a compassionate package. In other words, it is a package that points toward a balanced budget in a reasonable period of time by the year 2002.

In particular, I want to talk a second or two about our majority leader. This has been one of the more difficult problems that I have seen on the floor. There are so many varying beliefs, so many varying difficulties in managing this bill. It has taken great patience, great tolerance, sometimes pretty tough talk, and an awful lot of leadership to bring this bill to this point where next week we are going to pass it, one way or the other, and we are going to pass it with this leadership amendment.

There are a lot of very, very important parts of this bill. You cannot really say any one part was the linchpin or the only key part that really made this bill possible. We have had everything ranging from abstinence education to food stamps to program evaluation to SSI. Job training has been set apart, mainly because we know it is a very hot issue and a very difficult one to resolve with 150 different job training programs in the Federal Government. What is being done here is trying to consolidate them to make them work better, more efficiently and give the States a little more leeway to be able to solve some of these problems.

On child care, let me tell you something, without the effective work of the majority leader, that would not have been brought about. He had it within his power and was pushed at one time to stop it, to cut out additional funds for child care above the $5 billion originally in the bill. But he worked with both sides, cajoled both sides, tried to resolve the problems and, ultimately, we have done what really is right here.

We provided an additional $3 billion for child care. First of all, we set aside the 1994 title IV–A child care Federal amount, which is approximately $1 billion, so that it will be used for child care as it should be. That was something that had to be solved. That was an amendment that I pushed very hard.

The distinguished Senator from Kansas displayed a significant—both Senators from Kansas, but I am talking about, in this case, the distinguished chairman of the Labor and Human Resources Committee. Without her, we would not be anywhere near having a child care bill that is the integral part of this bill. She has done a terrific job, along with Senator SNOWE from Maine, and others, that I would like to mention, but for want of time will not.

I have to compliment the distinguished Senator from Connecticut, Senator DODD, and Senator KENNEDY from Massachusetts. These Senators wanted more money. They wanted to do more in this area, but they also had to recognize that there is a limit, that there are not the moneys there and that it is really wrong, basically and fundamentally wrong, to promise to the American people, especially those single heads of household who depend on child care, that there is going to be another $10 billion of child care there, when we are only talking about an authorization and there is no way to get that kind of money. It would have sent out a signal and sent out a message and would have demoralized a lot of people.

What happened is we brought it all together under the leadership of Senator DOLE. I have to say to my good friend from South Dakota as well, the distinguished minority leader, what a tremendous job these two leaders have done. As usual, the majority leader has consistently taken these tough, hard issues day after day, week after week, sometimes having more trouble on our side, but always having plenty of challenge on the other side and getting it done.

In this case, I just cannot compliment these two leaders enough. I would feel badly leaving here today without at least expressing my fondness and my regard for them and their leadership.

I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The distinguished majority leader.

Mr. DOLE. Mr. President, let me also commend and congratulate the Senator from Utah, Senator HATCH, because we were in some very tense discussions yesterday. And we have tense discussions around here from time to time. It was over how do we do the right thing and still save enough money and change the system. I think we ended up right on track in all three areas. Much of it was due to the efforts of Senator HATCH working with Senators on the other side and working with a number on this side of the aisle and working with the majority leader. I, in turn, went to the Democratic leader, and we were able to come together after a little misunderstanding late in the afternoon about whether it was $2 or $3 billion.

In any event, we have now accomplished that, and I think we will have a little debate on Tuesday before the vote. I hope that the two leaders will have 5 minutes each so we can make a closing statement on the bill.

I would expect broad bipartisan support. We have had 95 hours, I think, on this bill, and 38 votes, tough votes. There were a lot of votes today. In fact, there were 10 today. I think we have had a good debate. Everybody has had an opportunity to express their views. I believe when a final vote is taken, there will be a strong bipartisan support for changing welfare as we know it, giving power back to the States. I think that is a big step in the right direction.

There are a number of amendments that have been cleared, and I will offer those at this time.

I ask unanimous consent to temporarily set aside amendment No. 2683 so that I may offer these amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 2552; 2567; 2499; 2580, AS MODIFIED; 2585, AS MODIFIED; 2544; 2486, AS MODIFIED; AND 2684

Mr. DOLE. Mr. President, I ask unanimous consent to consider and adopt the following amendments, en bloc, that any amendment be considered as modified where noted with the modifications I send to the desk, and that any statements accompanying these amendments be inserted at the appropriate place in the RECORD as if read. Those are as follows:

A Bryan amendment No. 2552; a Graham of Florida amendment No. 2567; a Bond amendment No. 2499; a Grams of Minnesota amendment No. 2580, as modified; a Stevens amendment No. 2585, previously agreed to, now as modified; a McCain amendment No. 2544; a Levin-Dole amendment No. 2486, previously agreed to, as modified; and an Abraham-Jeffords amendment. I send them all to the desk.

The PRESIDING OFFICER. Without objection, the amendments are agreed to, en bloc.

The amendments (Nos. 2552; 2567; 2499; 2580, as modified; 2585, as modified; 2544; 2486, as modified; and 2684) were agreed to.

The modified amendments and amendment No. 2684 read as follows:

AMENDMENT NO. 2580, AS MODIFIED

On page 36, between lines 13 and 14, insert the following:

"(4) LIMITATION ON VOCATIONAL EDUCATION ACTIVITIES COUNTED AS WORK.—For purposes of determining monthly participation rates under paragraphs (1)(B)(i)(I) and 2(B)(i) of subsection (b), not more than 25 percent of adults in all families and in 2-parent families determined to be engaged in work in the State for a month may meet the work activity requirement through participation in vocational educational training.

AMENDMENT NO. 2585, AS MODIFIED

On page 16, beginning on line 13, strike all through line 17, and insert the following:

"(4) INDIAN; INDIAN TRIBE, AND TRIBAL ORGANIZATION.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'Indian', 'Indian tribe', and 'tribal organization' have the meaning given such terms by section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

"(B) IN ALASKA.—For purposes of making tribal family assistance grants under section 414 on behalf of Indians in Alaska, the term 'Indian tribe' shall mean only the following Alaska Native regional nonprofit corporations:

"(i) Arctic Slope Native Association.

"(ii) Kawerak, Inc.

"(iii) Maniilaq Association.

"(iv) Association of Village Council Presidents.

"(v) Tanana Chiefs Conference.

"(vi) Cook Inlet Tribal Council.

"(vii) Bristol Bay Native Association.

"(viii) Aleutian and Pribilof Island Association.

"(ix) Chugachmuit.

"(x) Tlingit Haida Central Council.

"(xi) Kodiak Area Native Association.

"(xii) Copper River Native Association.

On page 75, between lines 6 and 7, insert the following:

"(i) SPECIAL RULE FOR INDIAN TRIBES IN ALASKA.—

"(1) IN GENERAL.—Notwithstanding any other provision of this section, and except as provided in paragraph (2), an Indian tribe in the State Alaska that receives a tribal family assistance grant under this section shall use such grant to operate a program in accordance with the requirements applicable to the program of the State of Alaska funded under this part.

"(2) WAIVER.—An Indian tribe described in paragraph (1) may apply to the appropriate State authority to receive a waiver of the requirement of paragraph (1).

AMENDMENT NO. 2486, AS MODIFIED

On page 12, between lines 22 and 23, insert the following:

(G) COMMUNITY SERVICE.—Not later than 2 years after the date of the enactment of this Act, consistent with the exception provided in section 404(d), require participation by, and offer to, unless the State opts out of this provision by notifying the Secretary, a parent or caretaker receiving assistance under the program, after receiving such assistance for 6 months—

"(i) is not exempt from work requirements; and

"(ii) is not engaged in work as determined under section 404(c),

in community service employment, with minimum hours per week and tasks to be determined by the State.

On page 51, strike the matter inserted between lines 11 and 12 by the modification submitted on September 8, 1995, and insert the following:

"(e) GRANT INCREASED TO REWARD STATES THAT REDUCE OUT-OF-WEDLOCK BIRTHS.—

"(1) IN GENERAL.—The amount of the grant payable to a State under section 403(a)(1)(A) for fiscal years 1998, 1999, and 2000 shall be increased by—

"(A) an amount equal the product of $25 multiplied by the number of children in the State in families with incomes below the poverty line, according to the most recently available Census data, if—

"(i) the illegitimacy ratio of the State for the most recent fiscal year for which such information is available is at least 1 percentage point lower than the illegitimacy ratio of the State for fiscal year 1995 (or, if such information is not available, the first available year after 1995 for which such data is available); and

"(ii) the rate of induced pregnancy terminations for the same most recent fiscal year in the State is not higher than the rate of induced pregnancy terminations in the State for fiscal year 1995 (or, the same first available year); or

"(B) an amount equal the product of $50 multiplied by the number of children in the State in families with incomes below the poverty line, according to the most recently available Census data, if—

"(i) the illegitimacy ratio of the State for the most recent fiscal year for which information is available is at least 2 percentage points lower than the illegitimacy ratio of the State for fiscal year 1995 (or, if such information is not available, the first available year after 1995 for which such data is available); and

"(ii) the rate of induced pregnancy terminations in the State for the same most recent fiscal year is not higher than the rate of induced pregnancy terminations in the State for fiscal year 1995 (or, the same first available fiscal year).

"(2) DETERMINATION OF THE SECRETARY.—The Secretary shall not increase the grant amount under paragraph (1) if the Secretary determines that the relevant difference between the illegitimacy ratio of a State for an applicable fiscal year and the illegitimacy ratio of such State for fiscal year 1995 or, where appropriate, the first available year after 1995 for which such data is available, is the result of a change in State methods of reporting data used to calculate the illegitimacy ratio or if the Secretary determines that the relevant non-increase in the rate of induced pregnancy terminations for an applicable fiscal year as compared to fiscal year 1995 or the appropriate fiscal year is the result of a change in State methods of reporting data used to calculate the rate of induced pregnancy terminations.

"(3) ILLEGITIMACY RATIO.—For purposes of this subsection, the term 'illegitimacy ratio' means, with respect to a State and a fiscal year—

"(A) the number of out-of-wedlock births that occurred in the State during the most recent fiscal year for which such information is available; divided by

"(B) the number of births that occurred in the State during the most recent fiscal year for which such information is available.

"(4) POVERTY LINE.—For purposes of this subsection, the term 'poverty line' has the meaning given such term in section 403(a)(3)(D)(iii).

"(5) AVAILABILITY OF AMOUNTS.—There are authorized to be appropriated and there are appropriated such sums as may be necessary for fiscal years 1998, 1999, and 2000 for the purpose of increasing the amount of the grant payable to a State under section 403(a)(1) in accordance with this subsection.

Mr. DOLE. Mr. President, I move to reconsider the vote.

Mr. DASCHLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. There were 39 votes and there will be three more, so that is 42 votes before we complete action.

UNANIMOUS-CONSENT AGREEMENT

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate reconvenes at 2:15 p.m. on Tuesday—and we will be here Monday, but this is after the policy lunch Tuesday—the Senate proceed to 30 minutes of debate to be equally divided in the usual form, to be followed immediately by a vote on the Gramm amendment No. 2615, to be followed by a vote on the Dole modification, to be followed by adoption of the Dole amendment No. 2280, third reading and final passage of H.R. 4, as amended, with 2 minutes for debate between the second and third votes, to be equally divided in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. For the information of all Senators, at 2:15 p.m., there will be 30 minutes for debate, under the control of the leaders or their designees, for wrap-up statements with respect to the welfare bill, and then the Senate will proceed to three back-to-back votes on the Gramm amendment No. 2615, the Dole modification, and final passage of H.R. 4.

Mr. DASCHLE. If the majority leader will yield, just for the information of Senators, is it still the majority leader's intention to bring up the Agriculture appropriations bill on Monday?

Mr. DOLE. If there is no objection, we would like to proceed to that. In fact, I think I have it here. At the hour of 10 a.m. we will proceed to calendar No. 186, H.R. 1976, the Agriculture appropriations bill.

Mr. DASCHLE. The unanimous-consent agreement does include a reference to when votes will take place?

Mr. DOLE. Not prior to the hour of 5:15.

Again, candidly, I know some of our Senators have official business on Monday. So we are trying to accommodate their wishes. We are also trying to finish that bill by Tuesday. I have talked to Senator COCHRAN, the committee chairman. He believes it can be done. There is one particular amendment that will take 2 hours of debate on Tuesday morning, concerning chickens, chilled chickens. It is a matter involving three different States. Kansas is not one of them. It will be interesting.

I hope we can complete action on that following final action on the welfare bill. We had hoped to go to the State, Justice, Commerce Department appropriations bill today. I do not believe we can do that now. I assume we will take that up following the Agriculture bill.

ORDERS FOR MONDAY, SEPTEMBER 18, 1995

Mr. DOLE. I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9:45 a.m. Monday, September 18, 1995; that following the prayer, the Journal of the proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day, that there be a period for the transaction of routine morning business not to extend beyond 10 a.m., with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO PROCEED TO H.R. 1976

Mr. DOLE. Mr. President, I ask unanimous consent that at the hour of 10 o'clock the Senate proceed to calendar No. 186, H.R. 1976, the Agriculture appropriations bill, and that no votes occur on Monday prior to the hour of 5:15 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. For the information of all Senators, we are going to begin the Agriculture appropriations bill at 10. So we hope Members will offer amendments on Monday, and we can complete action by the lunch recess on Tuesday. Also, by previous consent, three rollcall votes will occur on Tuesday, at approximately 2:45, with respect to the welfare reform bill.

MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 3:30 p.m., and Members be permitted to speak for 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, it does not take a rocket scientist to be aware that the U.S. Constitution forbids any President to spend even a dime of Federal tax money that has not first been authorized and appropriated by Congress—both the House of Representatives and the U.S. Senate.

So when a politician or an editor or a commentator pops off that "Reagan ran up the Federal debt" or that "Bush ran it up," bear in mind that the Founding Fathers, two centuries before the Reagan and Bush Presidencies, made it very clear that it is the constitutional duty of Congress—a duty Congress cannot escape—to control Federal spending.

Thus, it is the fiscal irresponsibility of Congress that has created the incredible Federal debt which stood at $4,968,803,366,390.98 as of the close of business Thursday, September 14. This outrageous debt—which will be passed on to our children and grandchildren—averages out to $18,861.66 for every man, woman and child in America.

COMMENDING OSEOLA McCARTY

Mr. LOTT. Mr. President, I rise today to commend a Mississippi woman who is a role model for all Americans, Ms. Oseola McCarty. Ms. McCarty, of Hattiesburg, has spent her life as a laundress. Due to her compassionate nature, she quit school in the sixth grade to take care of her ill aunt who was unable to take care of herself. At that time she began to wash and iron clothes for people in the Hattiesburg community and began to put money in the bank, dollar by dollar. But she was not thinking of herself. She only took one vacation as a young woman to Niagara Falls and, despite the heat of summer in Mississippi, she just recently purchased a window air-conditioning unit for the home she has lived in for most of her life. She only made the purchase at the insistence of her friends at the bank.

She is no longer able to iron clothes due to her arthritis, but she has given the University of Southern Mississippi $150,000 in order to set up a scholarship for needy black students in her name so someone will have the education she had to give up. She made the statement, "I just want it to go to someone who will appreciate it and learn. I'm old and I'm not going to live always." She gave 60 percent of her savings to the university near her home. The business community in Hattiesburg is overwhelmed with her generosity and has come together to match her donation. Ms. Oseola McCarty has been recognized by local and national media alike, and I am proud to have this opportunity to share this remarkable story of generosity with everyone here today.

Not only should we commend Ms. McCarty, but also her community. At this time of budget cuts and welfare reform, we should use the people of Hattiesburg as a model for our future. Yes, it is going to be tough to bring our Nation to fiscal order, but if we all pool our efforts we can do great things for those who need help. Ms. McCarty lived a frugal existence so that she could give to others. What a wonderful example for us all.

THE PEACE INITIATIVE IN BOSNIA AND HERZEGOVINA

Mr. BIDEN. Mr. President, I rise today both to congratulate the Clinton administration for having taken the lead in the search for peace in the former Yugoslavia and, at the same time, to offer words of caution, even warning.

Mr. President, Benjamin Franklin once wrote. "There never was a good war or a bad peace." These sentiments are indeed seductive, for no one who has seen the carnage of war could wish for anything more fervently than an end to the bloodletting.

Yet, for all his wisdom, Franklin was ultimately wrong. There are good wars. The American Revolution that gave birth to our country was but one example. And there are bad peace settlements. Most historians agree that the Versailles Treaty that ended World War I was fatally flawed and was one of the fundamental causes of World War II.

The point obviously is that a good, sensible peace settlement that eliminates the root causes of conflict—or at least ameliorates the worst injustices—can prevent future war.

Conversely, a peace settlement unduly influenced by important, but secondary considerations such as perceived world opinion, a passionate yearning for an end to hostilities, or deference to sensibilities of allies or even enemies, all at the expense of hard realities, will only temporarily halt the fighting and postpone the attainment of a lasting peace.

Mr. President, it is profoundly unfortunate that for more than 4 years, two administrations abdicated this country's leadership in solving Europe's bloodiest crisis since 1945.

The dismal series of broken promises, aborted cease-fires, and ongoing atrocities in the former Yugoslavia attests to the stark fact that unless the United States takes the lead, no foreign and security problem will be solved in Europe. I do not say this to brag; this is a simple fact echoed by many Europeans.

So I applaud President Clinton for having broken the Balkan logjam this summer through an energetic combination of military action and diplomacy.

Let us recall, however, that in this effort we have paid a grievous price. I take this opportunity to pay tribute to the memory of three immensely talented and patriotic Americans—Joseph Kruzel, Robert Frasure, and Nelson Drew—who last month gave their lives on the Mount Igman Road near Sarajevo in the pursuit of peace.

And now, thanks to the efforts of these men, and to the labors of Assistant Secretary of State Richard Holbrooke and his new team, we are on the brink of another Bosnian cease-fire. This one is being praised:

For having secured a promised withdrawal of Bosnian Serb heavy weapons around Sarajevo and for opening land and air routes into the city—in return for a halt in the NATO bombing campaign.

For thereby having prevented a split in the Atlantic Alliance that reportedly was developing because of the bombing campaign.

For having put a stop to a potentially dangerous confrontation with Russia.

For allowing a framework for a peace settlement to be fleshed out.

And yet, Mr. President, despite the apparent merits of this agreement and of the peace framework, I am worried.

I am worried precisely because I fear that too much attention has been given to secondary considerations at the expense of primary ones.

I am worried because fundamental principles appear to have been sacrificed for short-term gain.

In other words, I am worried that we may be seeing the beginnings of what Benjamin Franklin could not envisage—a bad peace that will inevitably lead to another bad war.

More specifically, I am worried that Assistant Secretary Holbrooke has misjudged the character of the Serbian strongman Milosevic and has unnecessarily and unwisely involved, or even considered involving, Russian troops in the most delicate aspect of the proposed agreement.

Finally, I fear that the administration has seriously overestimated the willingness of this Congress to support the emerging settlement with massive development aid and the commitment of American troops to the former Yugoslavia as peacekeepers.

The joint statement issued on September 8, in Geneva, despite vigorous denials by Assistant Secretary Holbrooke, manifestly abandons the ideal of a multiethnic, multireligious, democratic Bosnia.

Instead, the so-called Republika Srpska, of Karadzic and Mladic—two indicted war criminals—is accorded status equal to the legitimate Government of the Republic of Bosnia and Herzegovina, whose territory must be divided between the Pale Serbs and the Moslem-Croat federation. This, Mr. President, is a huge concession.

And what is gotten in return? The Bosnian Serbs agree to only 49 percent of the territory of Bosnia and Herzegovina. This acceptance has been trumpeted as a major concession on their part, usually described as sacrificing one-third of the territory they currently occupy.

In actuality, however, it has been weeks since the Bosnian Serbs have controlled 70 percent of Bosnia and Herzegovina despite the persistence of the media in erroneously describing it as such.

At the time of the Geneva signing they controlled perhaps 62 percent; this week they lost another 6 or 7 percent.

In short, Mr. President, the military fortunes of the Bosnian Serbs have been on the wane. The NATO bombing campaign has contributed marginally to their difficulties by disrupting their communications, but the Bosnian Serbs' problems run much deeper.

The Serbs' capture of the supposedly safe U.N. areas of Srebrenica and Zepa in July was actually a desperate gamble by General Mladic and his Serbian patron Milosevic to halt their military reverses. The Bosnian Serb Army is outmanned and is plagued by rapidly sinking morale. In the west and north it has lost is allies with the ouster of the Krajina Serbs by the Croatian Army.

The Bosnian Serb Army retains a strong base in Eastern Bosnia and, of course, the capability to indulge in its favorite maneuver, lobbing artillery and mortar shells at defenseless civilians, as shown by the latest massacre in the Sarajevo market.

So it is highly probable that within the near future the situation on the ground would have dictated a willingness of the Bosnian Serbs to sue for peace—without our offering the formal recognition which they have craved for so long.

Now we face the prospect of a recognized, ethnically cleansed Bosnian Serb entity in a shotgun marriage with the part of Bosnia and Herzegovina that is struggling to maintain the ideals of multiethnic tolerance and compromise. Can one blame the citizens of Sarajevo, Moslems, Croats, Serbs, Jews, and other nationalities, for feeling betrayed?

What is the lesson that other potential ethnic cleansers will learn from this carve-up?

Assistant Secretary Holbrooke was quoted in the New York Times as worrying about the implementation of the details of this strange and contradictory government structure. And well he should worry. But it is the violence done to fundamental principles of decency and democracy that is the real tragedy, not how the mugging is accomplished.

In conceiving both the peace framework and the latest cease-fire, Assistant Secretary Holbrooke has relied on Milosevic to deliver. According to the same New York Times article, Mr. Holbrooke praised the Serbian strongman as a peacemaker.

Mr. Holbrooke is, of course, entitled to his opinion, which is no doubt well-informed. However, I also have dealt personally with Mr. Milosevic, and I much prefer the portrayal of him given by our former Ambassador to Yugoslavia, Warren Zimmerman: A habitual liar who condoned and organized unspeakable atrocities.

Mr. President, these are not just harmless differences of opinion. Rather, they impact directly on the chances for the cease-fire and the peace settlement succeeding.

Because I consider Milosevic to be a liar and a war criminal, I am not at all surprised that he has continued to support the Bosnian Serbs with weapons, training, and vital infrastructural assistance—even during the NATO bombing campaign of the last 2 weeks—all the while assuring us that he has abandoned Karadzic and the Bosnian Serbs in Pale.

I would ask, what is the next step? Are we to reward Milosevic's brazen duplicity with further sanctions relief for Serbia?

Assistant Secretary Holbrooke was quoted as saying that we did not sell out the Bosnian Moslems. "They wanted this agreement," he assured the New York Times. "They knew this was a good deal."

Well, I hope so, but pardon my skepticism. Other than having to abandon their ideal of a unitary, multiethnic State, the Moslem-led Bosnian Government has had to put up with criticism this past week for having had the nerve to launch an offensive with their Bosnian Croat allies to try to liberate parts of western Bosnia that were ethnically cleansed of Moslems and Croats in 1992.

And we certainly do not want to offend the Russians. These are the people who this week accused NATO of genocide for its bombing campaign specifically targeted to avoid civilian areas, even when it meant sparing legitimate military targets.

Other than desecrating the memory of millions of people who really did die as a result of genocide, the Russians with their apoplectic rhetoric and big lie techniques make even the most well-disposed American wonder if much has changed since the bad, old days of Soviet rule in the Kremlin.

So what do we do? If one is to believe press reports, we contemplate a deal that puts Russian forces around Sarajevo to enforce the withdrawal of the Bosnian Serbs' heavy weapons.

This would be a master stroke! We would now put the fate of the long-suffering citizens of the Bosnian capital in the hands of people for whom Bosnian Serb war crimes are allegedly part of a people's struggle for existence.

Suppose, just suppose, that the unthinkable happens and the Bosnian Serbs cheat on the deal and the Russians back them up. Now instead of having the option of resuming the bombing of the Bosnian Serbs, we would have to worry about hitting Russian soldiers.

Mr. President, this reported part of the deal is so incredible that at first I could only believe that it was some sort of a trial balloon. This morning the White House told my staff that it may have been a deliberate piece of disinformation by the Russians. I hope so, because the idea is a nonstarter.

What is the role of Congress in this peace process? In order to cement the bargain the Congress apparently will be asked to pony up half-a-billion dollars as a downpayment on an even larger aid package to follow.

And, as the final stroke, we will be asked to send American soldiers to Bosnia and Herzegovina as apartheid cops to enforce the destruction of the unitary, multiethnic State.

Well this Senator is frankly revolted at the whole thing. Will we be asked to bankroll the fiefdom of the war criminals Mladic and Karadzic who orchestrated vile ethnic cleansing, mass rapes, and mass murder all across Bosnia?

Moreover, now that our pilots have bombed the Bosnian Serbs—as they rightfully have done—does anyone seriously think that Americans would be treated by the Bosnian Serbs as just any old neutral peacekeepers?

Mr. President, I realize that Mr. Holbrooke and his team have worked long and hard and in good faith. I also understand that we are describing work in progress.

But let these concerns that I have raised today be viewed unambiguously as a shot across the bow of the administration's Bosnian peace flotilla: Do not come to Congress with a bad peace to end a bad war.

It has not worked in the past. It cannot work in the future. And Congress, I am confident, will not approve it this time.

FOREIGN RELATIONS COMMITTEE STAFF REPORT ON TURKEY

Mr. PELL. Mr. President, during the August recess two members of the Foreign Relations Committee minority staff traveled to Turkey at my direction to assess a range of issues related to United States-Turkish bilateral relations. Turkey, one of the largest recipients of United States military assistance, is an important United States ally in a dangerous and unstable region. It is therefore, incumbent upon us to take a close look at what is occurring in Turkey—the threats to its security, its political struggles, and its human rights situation. In particular, I asked my staff to focus on Turkey's Kurdish problem, which has broad implications for regional stability, as well as Turkey's relations with the West.

Among the staff's findings is that the Kurdistan Workers' Party [PKK] poses a grave threat not only to Turkey, but to regional stability as well. At the same time, the Government of Turkey is unable—or unwilling—to distinguish the genuine threat posed by the PKK from the legitimate rights and aspirations of the Kurdish people. Turkey is responding with a heavy-handed, indiscriminate military campaign against the Kurds, even as it shuts off opportunities for nonviolent, Kurdish political expression. Consequently, Turkey may be fomenting, rather than preventing Kurdish separatism.

I believe this report makes an important contribution to the Congress' consideration of the United States approach toward Turkey. I ask unanimous consent that the "Summary of Key Findings" be placed into the RECORD at this point, and would commend the full report, which is a available at the Foreign Relations Committee office, to my colleagues' attention.

SUMMARY OF KEY FINDINGS

Turkey, which places a high priority on good relations with the West in general and the United States in particular, is an important U.S. ally in a dangerous and unstable neighborhood: Three of its immediate neighbors—Iran, Iraq, and Syria—are on the U.S. list of state sponsors of terrorism; it is engaged in an economic and political competition with Russia for influence in and access to the resources of Central Asia and the Caucasus; there is ongoing conflict to Turkey's north—in Georgia and between Armenia and Azerbaijan. Turkey is not, however, a disinterested neutral party, it is openly sympathetic to Azerbaijan's position, and although it has opened an air corridor to Armenia, Turkey maintains a road and rail blockade; it continues to spar with Greece over Cyprus and other issues, in particular, a dispute over maritime boundaries in the wake of Greece's ratification of the Law of the Sea treaty threatens to bring Turkey and Greece into outright conflict.

The Kurdistan Workers' Party (PKK) poses a grave threat not only to Turkey, but to regional stability as well. The PKK—which employs deadly terrorist tactics against innocent noncombatants in Turkey and against innocent civilians elsewhere in the Middle East and Europe—bears direct responsibility for much of the tensions in southeast Turkey and for prompting the recent Turkish invasions of Iraq.

Operation Provide Comfort, the allied humanitarian and security operation in Northern Iraq, is a critical element of U.S. and Western strategies with regard to Iraq, and may be the only thing preventing tens of thousands of Kurds from pouring into southeastern Turkey. Although some Turkish officials recognize these facts and military officials at Incirlik have provided splendid cooperation to their British, French and American counterparts, other Turkish military and political officials (including parliamentarians) argue that Provide Comfort offers the PKK protection and cover in Northern Iraq. This rather schizophrenic view of Provide Comfort makes Turkey appear a relucant participant in the allied effort, which Turkey has exploited to its advantage in dealings with its allies.

In keeping with traditions established during the days of Mustafa Kemal Attaturk, Turkey has an almost paranoid fear of losing its Turkish identity. The government of Turkey accordingly is unable—or unwilling—to distinguish the genuine threat posed by the PKK from the legitimate rights and aspirations of the Kurdish people. As a result, Turkey refuses to engage in a political dialogue with nonviolent Kurdish representatives, and is executing a heavy-handed, indiscriminate military campaign to eradicate what it views as a monolithic threat to the unity of the country.

The city of Diyarbakir, which symbolizes the ethnic difficulties that persist within Turkey, has become a haven for rural Kurds forced to evacuate neighboring towns and villages destroyed by the Turkish military. By some estimates, the city's population has grown from roughly 300,000 to more than 1,500,000 during the past five years. Although Turkish officials, local residents, and some independent observers suggest that tensions have subsided during the past two years, it is evident that any existing calm is tenuous and the result of Turkey's overwhelming—and at times oppressive—security presence, which has exacted a high cost in terms of human rights violations.

Turkey's government refuses even to acknowledge that there is a "Kurdish problem," and thereby is ignoring the real issue. By equating all Kurdish aspirations with the terrorist designs of the PKK, Turkey effectively has eliminated outlets for nonviolent Kurdish political or cultural expression. As a consequence, Turkey unintentionally may be contributing to the PKK's appeal.

Turkey desperately wants to join the European Union's Customs Union, and is making some effort to meet the European Parliament's minimum demands regarding democratization and human rights in order to achieve membership. It may even make some modifications to Article 8 of the Anti-Terror law (which prohibits the advocacy of separatism). Turkey will not, however, take any action which it perceives as compromising the Turkish identity, so there are limits to the amount of genuine change it will make to gain membership in the Customs Union. It is equally unclear that the West would have much impact on Turkish behavior by withholding benefits such as Customs Union membership.

Despite claims that it regards fundamentalism as a threat to its secular heritage, the government of Turkey appears to be encouraging and even sponsoring Islamic activities in an attempt to bind the country together and defuse separaist sentiment. Such a strategy—which parallels efforts of governments in the Near East seeking to counter radical lefist groups during the 1970s and early 1980s—could backfire and inadvertently provide a foothold for Islamic extremists.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1441. A communication from the Administrator of the Panama Canal Commission, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1994; to the Committee on the Judiciary.

EC-1442. A communication from the Associate Attorney General, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1994; to the Committee on the Judiciary.

EC-1443. A communication from the Associate Attorney General for Legislative Affairs, transmitting, pursuant to law, the report on the activities and operations of The Public Integrity Section for calendar years 1992 and 1993; to the Committee on the Judiciary.

EC-1444. A communication from the Inspector General of the Railroad Retirement Board, transmitting, pursuant to law, the report of the budget request for fiscal year 1997; to the Committee on Labor and Human Resources.

EC-1445. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report of the Council on Alzheimer's Disease for fiscal year 1994; to the Committee on Labor and Human Resources.

EC-1446. A communication from the Secretary of Health and Human Services, transmitting pursuant to law, the report entitled, "Alcohol and Other Drug Abuse Prevention: The National Structured Evaluation"; to the Committee on Labor and Human Resources.

EC-1447. A communication from the Director of Health Care Delivery and Quality Issues, the General Accounting Office, transmitting, the report entitled, "VA Health Care: Need for Brevard Hospital Not Justified"; to the Committee on Veterans' Affairs.

EC-1448. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the report on veterans' employment in the Federal Government for fiscal years 1993 and 1994; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JEFFORDS, from the Committee on Appropriations, without amendment:

S. 1244. An original bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1996, and for other purposes (Rept. No. 104-144).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. JEFFORDS:

S. 1244. An original bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1996, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. ASHCROFT (for himself, Mr. ABRAHAM, Mr. BOND, Mr. COCHRAN, Mr. DEWINE, Mr. HATCH, Mr. INHOFE, Mr. KYL, Mr. MCCAIN, Mr. SIMPSON, Mr. THURMOND, and Mr. GRAMM):

S. 1245. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to identify violent and hard-core juvenile offenders and treat them as adults, and for other purposes; to the Committee on the Judiciary.

By Mr. WARNER:

S. 1246. A bill to amend titles 5 and 37, United States Code, to provide for the continuance of pay and the authority to make certain expenditures and obligations during lapses in appropriations; to the Committee on Governmental Affairs.

By Mr. GRASSLEY (for himself, Mr. KYL, and Mr. NICKLES):

S. 1247. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for contributions to a medical savings account by any individual who is covered under a catastrophic coverage health plan; to the Committee on Finance.

By Mr. WELLSTONE (for himself, Mr. PRESSLER, Mr. HARKIN, Mr. KERREY, Mr. CONRAD, and Mr. DORGAN):

S. 1248. A bill to amend the Internal Revenue Code of 1986 to allow the alcohol fuels credit to be allocated to patrons of a cooperative in certain cases; to the Committee on Finance.

By Mr. FRIST:

S. 1249. A bill to amend the Internal Revenue Code of 1986 to establish medical savings account, and for other purposes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOLE:

S. Res. 172. A resolution providing for severance pay; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ASHCROFT (for himself, Mr. ABRAHAM, Mr. BOND, Mr. COCHRAN, Mr. DEWINE, Mr. HATCH, Mr. INHOFE, Mr. KYL, Mr. MCCAIN, Mr. SIMPSON, Mr. THURMOND, and Mr. GRAMM):

S. 1245. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to identify violent and hard-core juvenile offenders and treat them as adults, and for other purposes; to the Committee on the Judiciary.

THE VIOLENT AND HARD-CORE JUVENILE OFFENDER REFORM ACT OF 1995

Mr. ASHCROFT. Mr. President, along with Senators ABRAHAM, BOND, COCHRAN, DEWINE, HATCH, INHOFE, KYL, MCCAIN, SIMPSON, and THURMOND, I am pleased to introduce the Violent and Hard-Core Juvenile Offender Reform Act of 1995. The crime epidemic sweeping across our country—growing with each passing year—can be attributed, in significant part, to the steady increase in serious and violent crimes committed by juveniles.

Between 1988 and 1992, juvenile arrests for violent crimes increased by 47 percent, while adult violent crime arrests increased by 19 percent. Specifically, juvenile murders increased 26 percent, forcible rapes increased 41 percent, robberies increased 39 percent, and aggravated assaults increased 27 percent. These statistics are alarming. But in order for Congress to provide a real solution, it must first understand the nature of the problem. Until that occurs, legislative initiatives coming out of both Houses of Congress will continue to miss the mark.

Just last year, Congress passed the Omnibus Violent Crime Control and Law Enforcement Act, a bill intended to control crime. Although the bill contained some provisions directed at youth violence, they were amendments to the Federal criminal code. The reality is that a very small number of juveniles are tried in Federal proceedings. In 1990, there were 197 such proceedings; in 1991, 166; in 1992, 109; in 1993, 64; and in 1994, 92. Therein lies the major weakness in the 1994 crime bill. Any amendments strengthening the Federal criminal code regarding juveniles are limited to those offenders, a minute number, who happen to find themselves in Federal juvenile proceedings. If the goal is to reduce juvenile crime, then fundamental changes must occur at the State level. This is because States and local governments handle the vast majority of juvenile offenders.

The problem of juvenile violence is occurring everywhere in the United States.

In Rockland, MA, four teenagers beat a man to death with a baseball bat and bottle while he was waiting for his girlfriend. The assault followed the death of two men who were shot by a teenager for a leather jacket.

In Jacksonville, FL, when the victim could find only $5 in his pocket to appease the two 16-year-olds robbing him in 1994, he asked: "You're not going to shoot me over $5, are you?" They did, and he died.

In St. Louis, MO, two female college students were out on a weekend night when they were abducted by two suspects, ages 16 and 19. The lone survivor was raped, shot in the face three times, and abandoned. The other, Melissa Aptman, who pleaded with the teenagers not to hurt them, was shot and killed. Both suspects had previous criminal records. In fact, the 16-year-old was on probation at the time of the abduction.

In Washington, DC, 11 blocks from the Capitol, a 14-year-old stopped a young man during rush hour who he thought had stolen his jacket a few days before. He whipped out a pistol and blazed away. One bullet killed a father of two. The teenager got the maximum sentence: 2 years in the District of Columbia detention center.

In Detroit, MI, six teenagers decided to carjack a motorist by dragging a tree across a road. When the driver tried to run their blockade, one of the thugs shot him dead. The gunman, a 16-year-old, was sentenced as a juvenile, and, unless the prosecutor wins an appeal, he will go free at 21. The judge was quoted as saying, "I'm not concerned about whether or not this makes anybody safer."

Law and order in our neighborhood communities have yielded to crime and disorder. For its part, the current juvenile justice system reprimands the crime victim for being at the wrong place at the wrong time, and then turns around and hugs the young criminal, whispering ever so softly into his ear, "Don't worry, the State will protect you." The critical question facing us Americans, as asked by the late FBI Director J. Edgar Hoover, is: "Are we to stand idly by while fierce young hoodlums—too often and too long harbored under the glossy misnomer of juvenile delinquents—roam our streets and desecrate our communities?" We cannot afford to stand idly by, not when the homicide rate committed by teens ages 14–17 has more than doubled, increasing 165 percent from 1985 to 1993; not when juvenile arrests for weapons law violations increased 117 percent between 1983 and 1992; not when one out of every 13 juveniles reported being a victim of a violent crime in 1992; and not when the number of juvenile violent crime arrests is expected to double by the year 2010. We must challenge this culture of violence and restore the culture of personal responsibility.

Having examined the juvenile justice system, having analyzed the efficacy of different philosophical approaches, having had conversations with representatives from school districts, law enforcement, and citizens' organizations, I have devised a comprehensive approach that will control violent juvenile crime by encouraging States to enact sweeping reforms. This legislation provides Federal funds to States and local governments to assist them in reforming their juvenile justice systems. The bill identifies violent and hard-core criminals, imposes stiffer penalties, and deters crimes.

First, serious, violent, and chronic juvenile offenders would be held accountable.

The juvenile justice system's primary goal is to rehabilitate the juvenile offender. Such a system can handle runaways or school truants, but is ill-equipped to deal with chronic, serious offenders. Even the National Council of Juvenile and Family Court Judges, a membership organization for juvenile justice professionals, is hard-pressed to admit: Rehabilitation has been remarkably successful for most juvenile offenders. It has not been successful for the small number of chronic and serious offenders. For them, strict accountability appears necessary. Studies have found that a small percentage of juveniles are responsible for the vast majority of serious offenses committed by juveniles. The bill identifies this group of juvenile offenders.

Traditionally, the juvenile court judge decides whether to transfer a juvenile to adult criminal court. In making this decision, the juvenile judge has broad discretion. Thus, the judge is able to abuse his discretion. The bill would replace the subjectivity of the juvenile court judge with the objectivity of the seriousness of the crime committed and the age of the offender. The bill would encourage States to prosecute juveniles, age 14 and older, who commit: First, murder; second, attempted murder; third, forcible rape, fourth, serious drug offenses—as defined by Federal law; or fifth, serious offenses while armed with a dangerous or deadly weapon, namely, robbery, assault and battery. Such a system is not a radical idea. In fact, more than 25 States legislatively exclude certain serious offenses from the juvenile court's jurisdiction. Those States include Delaware, Illinois, Indiana, and Maryland. Moreover, the automatic referral of certain serious cases to the criminal justice system will free up limited resources in the juvenile court system.

The criminal justice system, not the juvenile justice system, can emphasize that adult criminal acts have real consequences. The purpose of the criminal justice system is to punish, that is, to hold defendants accountable. Studies show repeatedly that punishment reduces both frequency and seriousness of offenses by young criminals and is most effective when it is consistently imposed for every offense, according to University of Southern California psychologist Sarnoff Mednick. Therefore, since research studies have confirmed that criminal punishment of young offenders will reduce further criminal activity, then serious offenders should face adult prosecution.

In addition, the bill contains what I like to refer to as the "three-strikes-and-you're-out" provision for chronic offenders. It provides that juveniles, who have two prior felony adjudications, will be subject to transfer to adult criminal court on their third, subsequent charge for a felony offense. A 1988 study on the court careers of juvenile offenders found that juveniles referred to juvenile court for a second time before age 15 are likely to continue their law-violating behavior. The study further found that juveniles who committed a violent offense were the most likely to return to court charged with a subsequent violent offense. The legislative proposal draws from these findings. The bill seeks to intervene early in the lives of the hardened career criminal and places them in the criminal justice system.

Second, States would create and maintain juvenile criminal records.

The U.S. Supreme Court, in the 1967 landmark decision, In re Gault, said: "The summary procedures of juvenile courts are sometimes defended by a statement that it is the law's policy to hide youthful errors from the full gaze of the public and bury them in the graveyard of the forgotten past. This claim of secrecy, however, is more rhetoric than reality." In other words, in rhetoric we are protecting juveniles from the stigma of a record but in reality we are coddling criminals. We must divorce the rhetoric from reality by lifting the veil of secrecy. The bill encourages States to create and maintain records on juveniles, age 14 and older, for offenses that if committed by an adult would be classified as a felony. And, juveniles under age 14 adjudicated delinquent of any of the enumerated crimes I mentioned earlier will have their conviction recorded and made available to necessary parties. The bill would also encourage States to transmit juvenile criminal records to the Federal Bureau of Investigation for inclusion in the criminal identification database. That way, when young criminals and gangs move from State to State, their records will follow them. The juvenile records would be made available to law enforcement agencies, school officials, and judges.

Third, juvenile criminal records would be made available to adult courts for purposes of adult sentencing.

According to the 1991 Survey of Inmates in State Correctional Facilities, nearly 40 percent of prison inmates had a prior record as a juvenile. That is approximately 4 in 10 prison inmates. The significance of this statistical information is illustrated in Armstrong Williams' book "Beyond Blame" in which he writes about the real-life experience of a 29-year-old former drug dealer named "Brad Howard." Mr. Williams gives a vivid description of how society suffers the consequences when the criminal justice system fails to hold criminals accountable:

> Brad, staring at a sentence of thirty to sixty years in prison for violating Federal drug trafficking laws, used his drug money

> and the help of his parents to hire a good lawyer. He was able to beat the charge. The judge, Brad explains, looked favorably on his story to such an extent that even Brad is surprised that he got off. Obviously, the judge thought that Brad was just another young man who inadvertently ended up on the wrong end of the system—probably for lack of real opportunity. In a sense, you can't blame the judge. Brad did not have a criminal record as an adult, since his youthful encounters with the law were hidden from the legal system under rules that prevent juvenile criminal history from being reopened once the person turns eighteen. . . . After the trial was over, Brad returned to the streets.

This is a typical problem with many State statutes that seal juvenile criminal records. Our laws view juveniles through the prism of kids gone astray. When in fact those juveniles who commit serious and violent crimes are criminals who happen to be young. Young criminals know what Brad Howard knew in his former life as a street hustler—that they can commit crimes repeatedly as juveniles because their juvenile records are kept hidden under the veil of secrecy. These young criminals know that when they reach 18 years of age they can begin their second career as adult criminals with an unblemished criminal record. The time has come to discard the anachronistic idea that crimes, no matter how heinous, by juveniles must be kept confidential. Under the bill introduced today, the Brad Howards in this nation would be held accountable for their criminal acts. The Brad Howards would be held accountable in their juvenile years because they would be tried as adults for selling illicit drugs. The Brad Howards would be held accountable in their adult years because their previous juvenile court records would be made available to State and Federal courts at adult sentencing. No longer will the Brad Howards of this country be able to act like neophytes to the criminal justice system. Our message will be clear, cogent, and convincing: Serious acts have serious consequences.

Fourth, school officials would have access to juvenile criminal records.

This past spring, I received a letter from a seventh grader who wrote "Sometimes I wonder what people think crime really is. It's much worse than that. My definition is bringing drugs and guns to school so that other classmates wake up with the question: Will I be safe today?"

Following receipt of this letter, I met with school officials to discuss school violence. A school teacher recalled an actual incident in which a student came to school with an electronic ankle bracelet and no one had any knowledge of what that a student had done and, more important, no way of finding out.

Students and teachers spend the greater part of their day at school. Students and teachers have a right to a safe educational environment. Yet students are challenged to learn in an environment in which chronically violent students roam the halls terrorizing them during class exchange periods and after school. Teachers are challenged to carry out their duties and responsibilities in a seriously disruptive work environment. Under my bill, school officials would have access to juvenile criminal records to assist them in looking out for the best interests of all students. If schools know the identity of a violent juvenile, they can respond to misbehaviors by imposing stricter sanctions, assigning particular teachers, or having the student's locker near a teacher's doorway entrance so that the teacher can monitor his conduct during the changing of class periods. In short, this bill would allow schools to take measures to prevent violence.

Fifth, the sharing of juvenile records would assist law enforcement agencies.

The bill would assist law enforcement agencies in criminal investigations and apprehension. It encourages States to share juvenile record information within their subdivisions and with other States. While visiting with several law enforcement officers I heard the same recurring problem—when police officers arrest juveniles they have no idea with whom they are handling because the records are kept confidential. This veil of secrecy undermines law enforcement efforts. Law enforcement agencies need to know the prior records of individuals who are subsequently arrested. Under the bill, if a juvenile is arrested, the police will be able to access other state criminal history records. With more information, law enforcement officials will be able to make more intelligent decisions, like whether to detain or release a juvenile arrested for a serious crime.

Additionally, the interstate sharing of accurate and up-to-date records would assist police departments in criminal investigations. For example, suppose a young offender is found guilty of burglary in Oklahoma. The court sentences him to 7 months in a detention center. Following his release, he travels to Texas where he robs an elderly lady who upon being accosted refuses to give away her purse. Angered by her refusal the young offender stabs her to death. He opens her purse, takes the wallet, and flees the crime scene. Assume further there are no eyewitnesses to the murder. The police, however, are able to lift fingerprints from the purse. If the bill were enacted, the Texas police would be able to identify the assailant because the juvenile would have been fingerprinted and photographed immediately following his conviction for burglary in Oklahoma.

Sixth, school officials would be able to treat all students equally.

Consider the case of Morgan versus Chris L.: In May 1992, Chris L. was diagnosed as suffering from attention deficit hyperactivity disorder. As a result, he was being treated with prescription medication. Throughout the 1992–93 academic year, his behavioral problems continued. On May 11, 1993, Chris allegedly kicked a water pipe in the school lavatory until it burst—a crime against public property. The Knox County School District filed a petition in juvenile court. Chris' father filed for a due process hearing under the Individuals with Disabilities Education Act [IDEA] to review the filing of the petition in juvenile court. The hearing officer concluded that "[t]he filing of a petition in Juvenile Court shall be considered as the initiation of a change in placement and/or a disciplinary action commensurate with expulsion or suspension for more than 10 days. * * * [B]efore a school files a petition against a child in Juvenile Court, it must follow the same procedures as for expulsion or suspension for more than 10 days." A Federal district court judge upheld the hearing officer's conclusion of law. IDEA is a grant funding statute that contains special due process procedures for children with disabilities. The problem is that the special due process procedures for disabled students take several months, and sometimes a year, to complete.

The practical effect of the judge's ruling is that schools, as a matter of law, cannot unilaterally refer disabled children to juvenile court unless parents consent to the filing of the juvenile court petition. The bill makes it clear that those disabled students who commit criminal acts on school property are not protected under IDEA's special due process procedures.

Seventh, the Office of Juvenile Justice and Delinquency Prevention would provide assistance to States to implement serious habitual offender comprehensive action programs.

The bill would allow State and local governments to use Federal funding to implement serious habitual offender comprehensive action programs [SHOCAP]. SHOCAP is a multiagency program that is intended to improve the effectiveness of jurisdictions in handling serious habitual juvenile offenders. The program enlists police, schools, prosecutors, probation officers, juvenile courts, family and youth services, detention and corrections officials to collaborate more effectively and utilize their collective resources to identify serious, violent habitual juvenile offenders. SHOCAP targets the top 2 to 3 percent of the most serious habitual offenders and puts them under intense supervision.

The Office of Juvenile Justice and Delinquency Prevention, a division of the U.S. Department of Justice, conducted five test pilots of SHOCAP. Oxnard, CA was of the selected sites. SHOCAP was implemented in 1983. Four years later, Oxnard's violent crime dropped 38 percent. By 1989, rape decreased 30 percent; robbery decreased 41 percent; and murder decreased 60 percent. The statistics demonstrate that SHOCAP can effectively control juvenile crime.

SHOCAP is also instrumental in apprehending young criminals. Take, for example, the murder of the British tourist in Monticello, FL. If you recall, four teenagers age 13–16 were charged with murder in the 1993 slaying of a British tourist at a highway rest stop and attempted murder of his companion. The killing occurred while the juveniles were riding around in a stolen car. Because 3 of the 4 teenagers were serious habitual offenders, they were arrested within a matter of days. What is more, the 13-year-old reportedly had more than 50 offenses on his record.

SHOCAP works, and through word of mouth in the law enforcement community: 16 States have at least one experienced site implementing the SHOCAP process; 150 sites have been reported as implementing SHOCAP based on the technical assistance provided by experienced SHOCAP sites; 5 States (Florida, Virginia, Oklahoma, California, & Illinois); and 3 States are reportedly considering SHOCAP legislation.

The bill would make support for SHOCAP available in all jurisdictions.

CONCLUSION

Mr. President, if enacted, the Violent and Hard-Core Juvenile Offender Reform Act of 1995 will effectively address the problem of juvenile violence.

By Mr. WARNER:

S. 1246. A bill to amend titles 5 and 37, United States Code, to provide for the continuance of pay and the authority to make certain expenditures and obligations during lapses in appropriations; to the Committee on Governmental Affairs.

THE FURLOUGH PROTECTION ACT OF 1995

• Mr. WARNER. Mr. President, I offer legislation to safeguard Federal and military pay in the event of a Government shutdown due to an appropriations funding lapse. This bill is titled "The Furlough Protection Act of 1995."

Mr. President, during the past several weeks, hundreds of civilian and uniformed personnel of the Federal Government have contacted my office to express their dismay over prospects of a budgetary train wreck and possible employee furloughs.

While I am a strong supporter of the balanced budget resolution and the reconciliation process, I am deeply concerned that the Federal employees could potentially be held hostage to the politics of the budget process as Congress and the administration work out their respective differences in the appropriations process.

The most recent furlough of Federal employees occurred over the Columbus Holiday weekend of 1990. President Bush vetoed a continuing resolution to provide stopgap funding for Government operations. This action was the result of the President's dissatisfaction with congressional progress on the fiscal year 1991 budget.

After the furlough, several Members of Congress asked the General Accounting Office [GAO] to examine the taxpayer costs of the 1990 Columbus Day weekend shutdown. The GAO's findings were published in a 1991 report titled, "Government Shutdown: Permanent Funding Lapse Legislation Needed." The GAO found that of the 22 executive branch agencies surveyed, 7 reported significant shutdown costs totaling about $3.4 million.

The GAO report states that the costs and disruptions of a Government shutdown would have been much more severe if the furlough had occurred during a normal workweek. Twenty of the twenty-two agencies estimated that an average of 506,500 Federal employees would be furloughed daily during a funding lapse. The GAO report goes on to state that the total cost of such a 3-day workweek shutdown would range from $244.6 to $607.3 million. Mr. President, in this time of tight budgetary constraints, such irresponsible actions do not make for good public policy.

Our Nation's dedicated civilian and uniformed personnel should not be penalized for the inability of Congress and the administration to agree on spending priorities. Consequently, I am offering legislation to ensure that uniformed and civilian Federal employees will continue to be compensated during a funding lapse.

Mr. President, my intent in offering this legislation is to provide some measure of financial reassurance for the hundreds of thousands of Federal employees and their families that would be affected by a Government shutdown. It is my hope that Congress and the administration will work together to resolve our respective differences without holding Federal employees hostage to the politics of the budget process. In the best of all worlds, Congress and the President will agree to a continuing resolution to provide limited funding for continued Government operations, however, if an agreement cannot be reached and a funding lapse occurs, my legislation will protect our Nation's dedicated civilian and uniformed personnel and their families from undue financial hardship.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1246

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Furlough Protection Act of 1995".

SEC. 2. CONTINUANCE OF CIVILIAN PAY DURING PERIODS OF LAPSED APPROPRIATIONS.

(a) CONTINUANCE OF PAY.—Subchapter III of chapter 55 of title 5, United States Code, is amended by redesignating section 5527 as section 5528 and inserting after section 5526 the following:

"§ 5527. Continuance of pay during periods of lapsed appropriations

"(a) For purposes of this section—

"(1) the term 'period of lapsed appropriations', when used with respect to an employee, means any period during which appropriations are not available due to the absence of the timely enactment of any Act or joint resolution appropriating funds for the employing agency of the employee;

"(2) the term 'employee' means an individual employed (or holding office) in or under an agency;

"(3) the term 'agency' means—

"(A) an Executive agency;

"(B) the judicial branch;

"(C) the Library of Congress;

"(D) the Government Printing Office;

"(E) the legislative branch (excluding any agency otherwise referred to in this paragraph); and

"(F) the government of the District of Columbia;

"(4) the term 'pay' means—

"(A) basic pay;

"(B) premium pay;

"(C) agency contributions for retirement and life and health insurance; and

"(D) any other element of aggregate compensation, including allowances, differentials, bonuses, awards, and other similar cash payments; and

"(5) the term 'furlough' means the placing of an employee in a temporary status without duties and pay because of lack of work or funds or other nondisciplinary reasons.

"(b) For any period of lapsed appropriations, there are appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary for the pay of any employee who—

"(1) performs service as an employee during the period of lapsed appropriations; or

"(2) is prevented from serving during such period by reason of having been furloughed due to a lapse in appropriations.

"(c)(1) Notwithstanding section 1341 of title 31, any employee who is furloughed due to a lapse in appropriations shall be paid for the period during which such employee is so furloughed.

"(2) For purposes of paragraph (1), the pay payable to an employee for any period during which such employee is furloughed shall be the pay that would have been payable to such employee for such period had such employee not been furloughed.

"(d) For purposes of carrying out section 5528 with respect to this section, any reference in section 5528(b) to an agency outside the executive branch shall be construed based on the definition of 'agency' under subsection (a).

"(e) Expenditures made for any fiscal year pursuant to this section shall be charged to the applicable appropriation, fund, or authorization whenever the regular appropriation bill becomes law.

"(f) This section shall take effect on October 1, 1995, and shall terminate on September 30, 1996.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—(1) The heading for subchapter III of chapter 55 of title 5, United States Code, is amended by striking "AND ASSIGNMENT" and inserting "ASSIGNMENT, AND CONTINUANCE".

(2) The table of sections at the beginning of chapter 55 of title 5, United States Code, is amended by striking the item relating to section 5527 and inserting the following:

"5527. Continuance of pay during periods of lapsed appropriations.
"5528. Regulations.".

(3) The table of sections at the beginning of chapter 55 of title 5, United States Code, is further amended by striking "AND ASSIGNMENT" in the item relating to subchapter III and inserting "ASSIGNMENT, AND CONTINUANCE".

SEC. 3. CONTINUANCE OF MILITARY PAY DURING PERIODS OF LAPSED APPROPRIATIONS.

(a) CONTINUANCE OF PAY.—Chapter 19 of title 37, United States Code, is amended by adding at the end the following:

"§ 1015. Continuance of pay during periods of lapsed appropriations

"(a) For the purposes of this section—

"(1) the term 'pay', with respect to a member of a uniformed service, means the pay and allowances of such member; and

"(2) the term 'period of lapsed appropriations', when used with respect to any member, means any period during which appropriations are not available due to the absence of the timely enactment of any Act or joint resolution appropriating funds for the uniformed service of that member.

"(b) For any period of lapsed appropriations, there are appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary for the pay of any member serving as a member of a uniformed service during the period of lapsed appropriations.

"(c) Expenditures made for any fiscal year pursuant to this section shall be charged to the applicable appropriation, fund, or authorization whenever the regular appropriation bill becomes law.

"(d) This section shall take effect on October 1, 1995, and shall terminate on September 30, 1996.".

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 19 of title 37, United States Code, is amended by inserting after the item relating to section 1014 the following:

"1015. Continuance of pay during periods of lapsed appropriations.".•

By Mr. GRASSLEY (for himself, Mr. KYL, and Mr. NICKLES):

S. 1247. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for contributions to a medical savings account by any individual who is covered under a catastrophic coverage health plan; to the Committee on Finance.

THE FAMILY MEDICAL SAVINGS AND INVESTMENT ACT

• Mr. GRASSLEY. Mr. President, last year we had a long, controversial, debate about health care reform. When the dust had settled, a number of things were clear. The American people want health care cost containment. They want to choose their own physician. They want portable health insurance. They don't want to worry about losing their health insurance if they lose or change their jobs. Finally, they want more equitable treatment under the tax code. Mr. President, today I am introducing a medical savings account [MSA] bill which can help achieve each of these goals.

The basic MSA concept is simple and straightforward, and similar to individual retirement accounts: Reduce premium costs by selecting a catastrophic, high-deductible policy. Use the premium cost savings to establish special medical savings accounts. Pay medical costs below the deductible amount from the medical savings account. And provide favorable tax treatment of these accounts.

Wider use of medical savings accounts would reduce health care costs. It would do so by reducing administrative costs. Those with MSA's would pay most of their low dollar, under $3,000, health care claims from these accounts. The administrative cost of such claims would be negligible.

It would do so also by making consumers more selective in the use of optional health care services.

Most importantly, it would cause them to be more selective in choosing competing providers. This competition among providers for the business of those who hold MSA's should reduce the prices they charge for their services.

It is true, as critics of medical savings accounts have charged, that a relatively small percentage of people spend a majority of the health care dollars. By implication, since MSA's would pay only for relatively low dollar claims, they will not have a major impact on health care costs. However, it is the case that substantial sums are spent for relatively low dollar claims under $3,000. Thus, wider use of MSA's does offer the potential of lower health care costs.

Second, MSA's put the patient back into the health care equation. Patients will make more cost-conscious decisions for routine health care expenses. Those who hold medical savings accounts would be able to chose their own physicians for routine medical expenses under the deductible limit. Since the money they spend for health care up to the deductible would be their own, no one else could tell them what physician they could see, or what services they could pay for. It should also be clearer, in an MSA context, that the money spent for the catastrophic health plan is the individual consumer's money. Organizations providing health care through the catastrophic coverage policy necessarily will have to orient themselves toward satisfying the individuals purchasing those policies.

Third, wider use of medical savings accounts would make health care coverage more dependable. Individuals with MSA's would no longer have to worry about losing insurance when changing jobs or when experiencing temporary unemployment. Their MSA's would follow them to their new jobs, or would continue to protect them when they become unemployed.

Fourth, it follows that medical savings accounts should increase health care coverage. Fully half of the approximately 40 million Americans who are uninsured at any given time are uninsured for 4 months or less. Only 15 percent are uninsured for more than 2 years. For most, these uninsured periods occur between jobs. Widespread use of medical savings accounts would reduce the number of uninsured, since individuals would be able to pay health expenses during periods of unemployment from those accounts.

Fifth, wider use of medical savings accounts would promote personal savings. Since pre-tax moneys are deposited in medical savings accounts, there is a strong tax incentive to use them.

Finally, it would make the tax treatment of health insurance more equitable. Currently, the tax system allows employers who pay for health insurance for their employees to deduct it from the income on which they pay Federal taxes. It permits the employees who receive such an employer-provided benefit to exclude its value from their taxable income. The better paid the employee and the richer the benefit provided by the employer, the bigger the tax benefits to employer and employee. In contrast, smaller employers who do not offer health insurance and their employees, the self-employed, and the unemployed receive no tax benefit. This is manifestly unfair.

This bill, if enacted, would help to correct that situation. Any individual capable of contributing to a medical savings account would receive favorable tax treatment. Amounts contributed by individuals to an MSA could deduct those contributions from income for Federal tax purposes. Or, if their employer contributes to an MSA on their behalf, the employee can exclude the contributed amount from income for Federal tax purposes.

The medical savings account bill I am introducing today is a revision of H.R. 1818, the Family Medical Savings and Investment Act of 1995, introduced by Congressman ARCHER on June 13 of this year.

This bill would permit individuals to maintain a medical savings account. They could do so if they are covered at the same time by a catastrophic health plan. Contributions to the medical savings account would be excludable from gross income if made by an employer on behalf of an employee. They would be tax deductible if made by the individual. The total amount that could be excluded or deducted from income would be the lesser of the deductible amount under the catastrophic policy, or $2,500 for an individual and $5,000 for a family.

An individual could withdraw from this medical savings account to pay for qualified medical expenses. Such withdrawals would be excludable from gross income for tax purposes.

Mr. President, the medical savings account bill I am introducing today, if enacted, would achieve a number of the most important health care reform goals the American people desire.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE GRASSLEY FAMILY MEDICAL SAVINGS AND INVESTMENT ACT

How The Grassley Bill Works: It would allow MSAs equal tax treatment with other types of employer-provided health insurance, and it would allow individuals and the self-employed the ability to contribute to a Medical Savings Account (with certain restrictions) and receive a 100% deduction for their contribution. The Grassley bill will end the current tax-code discrimination against MSAs by ending the taxation on MSA deposits. Interest build-up in MSAs, however, would be taxed as ordinary income.

How MSAs Work: MSAs are flexible, and could work like this: an employer would create the option for employees to choose an MSA by purchasing a high-deductible policy. The employer would then deposit funds in the MSA. The amount of the deposit in the MSA under Grassley is limited to the lesser amount of either the deductible amount of the insurance policy, or to $2,500 for an individual, or $5,000 for a family. Below is a chart which explains the changes the Grassley bill makes in current law.

Insured premium	MSA contribution	High-deductible
Employees with Employer-Provided Insurance.	Allows deposits of up to $5,000 for families and $2,500 for individuals and excludes deposits from taxes.	Retains current law: premium costs are 100% excluded from taxes.
Self-Employed	Allows deposits of up to $5,000 for families and $2,500 for individuals. 100% tax deductible for qualified medical expenses.	Retains current law: 30% deduction for self-employed for premium costs.
Individuals	Allows deposits of up to $5,000 for families and $2,500 for individuals. 100% tax deductible for qualified medical expenses.	Retains current law: allows deduction for medical expenditures if they exceed 7.5% of gross income.

Roll Over of Funds: The money in the account is the family's money, and they have complete control over it. The account is portable, and accessible for any medical expense. The funds in the MSA roll over from year to year for future medical expenses or for retirement needs.

Long-Term Care: The Grassley bill allows individuals and families to pay for long-term care premiums from the account. Over the longer term significant portions of the population will use funds from the MSAs to purchase private insurance for long-term care coverage. This coverage will in turn decrease the demand on the Federal government for such services, as will the savings that build up in MSA over time which can be used for health care and other retirement costs.

Cost: The House companion bill, Archer-Jacobs, has been scored by the Joint Committee on Taxation as costing $1.8 billion over seven years.

Support for the 10% Penalty on Non-Medical Withdrawals: In addition to taxing these funds as income, the Archer bill imposes a 10 percent penalty for non-medical withdrawals. The Business Coalition strongly supports the 10 percent penalty since we believe it will encourage savings and discourage frivolous consumption. One of the key indirect effects of MSAs will be to increase our nation's abysmally low savings rate, which in turn will help lower interest rates.

MSAs Have a Strong Appeal to Low-Income Wage Earners: Companies that have MSAs have found MSAs are most popular among lower income employees. Under conventional insurance plans, low-income employees would have to meet their $250 or $500 deductible with after-tax dollars before they could access their insurance. A single mother earning $14,000 or $15,000 a year may find it difficult to meet the deductible when rent, transportation, taxes, grocery bills and other needs for her children are pressing. An MSA allows these low income earners first dollar coverage, permitting them to get medical care when they or their children need it.

MSAs Enhance Portability: Should an employee change jobs or be laid off or fired, the money in his MSA goes with him. This feature of MSAs allows the individual to continue to pay for his health care premium until he finds another job or is accepted into his new employer's health care plan. Indeed, according to the above cited article in the Journal of American Health Policy, "forty-one percent of persons losing private health insurance have an uninsured spell that ends within one to three months, and 71 percent have a spell that ends within four months." MSAs are a perfect tool to help bridge this gap.

MSAs Allow Total Freedom of Choice of Doctor: MSAs allow patients to shop around, choose their own doctors, and tailor their health care expenditures to suit their own needs.

MSAs Encourage Savings for Retirement Care Costs: According to the U.S. Census Bureau, the number of Americans most likely to need long term care (85 years and older) will double in the next 25 years, and the number of Americans over 90 will triple. Allowing individuals in their late thirties and early forties to have an MSA in which they could build up two or three decades of savings, would give these individuals the funds to pay for drug therapies, nursing home care, and in-home care.

MSAs Will Stimulate Administrative Savings: When paying for routine health care costs, the MSA patient has no forms to fill out or claim forms to file. The patient would simply write a check to the provider from his MSA, or the doctor would bill the employer or insurance company, depending on how the MSA patient's plan is administered. In most cases, the doctor receives payment immediately. The patient's insurance company would not have to incur the cost of adjudicating a small, say, $30 claim.

SIGNIFICANT CHANGES TO THE ARCHER-JACOBS BILL AS INTRODUCED BY SENATOR GRASSLEY

The Grassley MSA bill incorporates six significant improvements to the Archer bill.

FEHBP Employees Are Eligible: The Grassley bill allows federal employees in the Federal Employee Health Benefit Plan (i.e. Hill staff, Senators, and Representatives) to have an MSA. Legislation is needed to make this possible.

Withdrawal at 59½ years old: Retirement withdrawal at 59½ years old is provided for in the Grassley bill, and the provision for withdrawal is similar to the current rules for IRAs. This provision was not in the original Archer-Jabobs bill because of the uncertainty of how MSAs would be structured for Medicare.

One Family MSA Per Family: $300 million will be knocked off the official score of the bill by restricting one family to only one $5,000 MSA. The Archer bill as written could have allowed one family a $10,000 MSA.

Hundreds of Millions of Dollars in Savings from Changes in the treatment of Flexible Spending Accounts (FSAs): Several hundred million dollars will be saved by not allowing the FSA to rollover into an MSA during the first year of this MSA legislation.

Total Cost Savings for Grassley Bill: With the restriction of one MSA per family, and with the change in the treatment of FSAs in the Grassley bill, the cost of the bill will be $500 million cheaper than the Archer-Jacobs bill. The Grassley bill score will be about $1.8 billion over 7 years.

New Minimum Deductibles for High Deductible Policies: The minimum high-deductible policy in the Grassley bill is $1,500 for individuals, and $3,000 for families, as opposed to $1,800 for individuals and $3,600 for families in the Archer-Jacobs bill.

No spending from the MSA for high-deductible health care premiums: Unless an employee is laid off, MSAs will not be used to pay for health care premiums for working employees. The MSA was never designed to operate as a fund for the high-deductible premium, only as a source of funds for medical costs below the deductible level of the high-deductible policy.

Note: The bill Senator Grassley will introduce in the Senate will include these changes. The above changes to the Archer-Jacobs bill will likely be made to the Archer-Jacobs bill in mark-up since Senator Grassley's office worked closely with the House Ways and Means Committee staff and the Joint Committee on Taxation in making these changes.●

By Mr. WELLSTONE (for himself, Mr. PRESSLER, Mr. HARKIN, Mr. KERREY, Mr. CONRAD, and Mr. DORGAN):

S. 1248. A bill to amend the Internal Revenue Code of 1986 to allow the alcohol fuels credit to be allocated to patrons of a cooperative in certain cases; to the Committee on Finance.

ALCOHOL FUELS CREDIT LEGISLATION

● Mr. WELLSTONE. Mr. President, on behalf of myself and Senators PRESSLER, HARKIN, KERREY, CONRAD, and DORGAN, I am introducing a bill to correct a discrepancy in the Tax Code which acts to discriminate against a type of enterprise that Federal policy should actually be encouraging: small, cooperatively owned ethanol plants. The bill would allow these plants to utilize the existing small ethanol producers credit by passing the credit through to their owner/members.

I am confident that it was never the intention of Congress to preclude cooperatives from making full use of this credit. Rather, the current obstacle facing co-ops is a result of legislative oversight at the time the original small producers credit was passed. Farmer-owned cooperatives simply were not a prominent part of the ethanol industry landscape in 1990, whereas today they certainly are.

Indeed, I am extremely pleased that Minnesota leads the Nation in small, cooperatively owned ethanol plants. We have two already in operation, and four more under construction in our

State. Still another Minnesota cooperative ethanol plant has been so successful that it has expanded in our State beyond what the small producers credit considers a small plant, and its owner/members have even constructed an additional cooperative plant in Nebraska.

These plants produce a clean fuel which is essential to the achievement of Clean Air Act objectives in American cities. They create jobs in rural communities. By utilizing agricultural commodity crops, they bolster the price of those crops and thus reduce the cost of Federal farm programs. And because they are owned by farmers, small ethanol-producing cooperatives allow farmers to do what is becoming more and more necessary: Move up the food chain and capture the value-added dollars in processed agricultural products.

Not only farmers benefit from this retention of value-added processing dollars; entire rural communities do. Farmer-owned cooperatives help make sure that precious renewable resources contribute to the local rural economy and are not merely removed for a low price and processed in other locations.

Mr. President, Congress has recognized the importance of promoting the development of domestically produced, renewable clean fuels. In addition to the economic and environmental benefits I have mentioned, we in Congress also consciously have decided for energy-security reasons to promote domestic renewables. The relatively young ethanol industry has received needed assistance. That assistance is especially justified in view of the decades of assistance and preference that the Federal Government has provided for the nonrenewable fossil fuels industry, much of whose product today is imported.

The assistance we have provided to the ethanol industry is paying off. It is allowing the industry to grow, and it is making the industry better. It has helped the ethanol industry become more economically efficient and more energy efficient. A study released by the Department of Agriculture this summer concludes that ethanol yields nearly 25 percent more energy than is used in the growing, harvesting, and distilling of the corn that is the feed stock for most American ethanol plants—plants which convert that corn to a premium liquid fuel. USDA's study found that each gallon of domestically produced ethanol displaces 7 gallons of imported oil. That is a remarkably positive statistic.

One criticism of Federal support for ethanol is that the industry has in its recent history been dominated by a single large corporation. The small producer credit and the extension of that credit to cooperatively owned plants acts directly to address that concern. In Minnesota, cooperatively owned plants are the leading ethanol producers. That trend can and should be further encouraged.

The existing small ethanol producer credit allows ethanol plants which produce fewer than 30 million gallons annually to collect a 10-cent-per-gallon tax credit for the first 15 million gallons of their production. Unfortunately, the Internal Revenue Service has judged that the way the provision of the Tax Code is currently written, cooperatives cannot pass the credit through to their patrons. Thus, a co-op which distributes all income to patrons in the form of dividends cannot utilize the nonrefundable credit because it lacks taxable income to which the credit can be applied. Farmer-owners, who are taxed on their share of the cooperative's income, are denied the credit. The bill would correct this unintentional negative outcome by explicitly authorizing the passthrough of the credit to patrons of a cooperative. Those few cooperatively owned ethanol plants which retain income at the cooperative level, usually due to the business' relationship to another cooperative business, could continue to collect the credit at the cooperative level.

Mr. President, it is no time to stand still regarding Federal policy which affects the economic health of our rural communities. This bill links positive effects for the rural economy to sound energy and environmental policy. It is endorsed by the National Council for Farm Cooperatives, the American Farm Bureau Federation, the National Corn Growers Association, the National Farmers Union, and the American Corn Growers. It has been introduced with bipartisan cosponsorship in the House of Representatives, and I hope we can pass it here in the Senate.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1248

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ALLOCATION OF ALCOHOL FUELS CREDIT TO PATRONS OF A COOPERATIVE.

(a) IN GENERAL.—Subsection (d) of section 40 of the Internal Revenue Code of 1986 (relating to alcohol used as fuel) is amended by adding at the end the following new paragraph:

"(6) ALLOCATION OF SMALL ETHANOL PRODUCER CREDIT TO PATRONS OF COOPERATIVE.—

"(A) IN GENERAL.—In the case of a cooperative organization described in section 1381(a), any portion of the credit determined under subsection (a)(3) for the taxable year may, at the election of the organization made on a timely filed return (including extensions) for such year, be apportioned pro rata among patrons on the basis of the quantity or value of business done with or for such patrons for the taxable year. Such an election, once made, shall be irrevocable for such taxable year.

"(B) TREATMENT OF ORGANIZATIONS AND PATRONS.—The amount of the credit apportioned to patrons pursuant to subparagraph (A)—

"(i) shall not be included in the amount determined under subsection (a) for the taxable year of the organization, and

"(ii) shall be included in the amount determined under subsection (a) for the taxable year of each patron in which the patronage dividend for the taxable year referred to in subparagraph (A) is includible in gross income.

"(C) SPECIAL RULE FOR DECREASING CREDIT FOR TAXABLE YEAR.—If the amount of the credit of a cooperative organization determined under subsection (a)(3) for a taxable year is less than the amount of such credit shown on the cooperative organization's return for such year, an amount equal to the excess of such reduction over the amount not apportioned to the patrons under subparagraph (A) for the taxable year shall be treated as an increase in tax imposed by this chapter on the organization. Any such increase shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit under this subpart or subpart A, B, E, or G of this part."

(b) TECHNICAL AMENDMENT.—Section 1388 of such Code (relating to definitions and special rules for cooperative organizations) is amended by adding at the end the following new subsection:

"(k) CROSS REFERENCE.—

"For provisions relating to the apportionment of the alcohol fuels credit between cooperative organizations and their patrons, see section 40(d)(6)."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1994.•

By Mr. FRIST:

S. 1249. A bill to amend the Internal Revenue Code of 1986 to establish medical savings accounts, and for other purposes; to the Committee on Finance.

MEDICAL SAVINGS ACCOUNTS LEGISLATION

• Mr. FRIST. Mr. President, I introduce legislation aimed at controlling skyrocketing health care costs in America today. Specifically, this legislation creates medical savings accounts [MSA's] which are designed to give individuals another choice in the health care market. MSA's also serve to change provider and consumer behavior by decreasing the role of third party payors, while increasing individual awareness of health care costs.

Today, there is little, if any, incentive for patients to be cost-conscious consumers of health care. Imagine if you were required to pay only 20 cents of every dollar you spend on food, clothing, consumer goods, and transportation. Essentially, imagine that an 80 percent off sign was posted above every product you buy. If this were the case, you'd probably eat more, buy more, and own more, probably much more than you need. This may sound too good to be true—but it's exactly what is happening in our health care system today.

On average, every time a patient in America receives a dollar's worth of medical services, 79 cents is paid for by someone else—usually the Government or an insurance company. The result is that we grossly overconsume medical services. Everyone wants the best—whether it is a deluxe hospital room, the latest in nuclear medical imaging, or an MRI scan for a headache—and the result is that health care costs are going through the roof.

Medical savings accounts are a solution. MSA's would give individuals more choice in the health care market. MSA's would stem rising health care costs without decreasing the availability and quality of patient care by empowering individuals to purchase medical services directly. These personal accounts would encourage patients to make prudent, cost-conscious decisions about their health care needs, and would force hospitals and physicians to compete for patients on the basis of the cost and quality of care.

What are Medical savings accounts? Medical savings accounts are tax-free, personal accounts which can be used by an individual to pay medical bills. Take, for example, the employee of a company: today an employer might pay $3,000 or $4,000 for a medical insurance policy with a $500 deductible. The employee has no incentive to be cost-conscious. In contrast, with my legislation, if medical savings accounts were available, the employer would deposit an amount up to $2,500 tax free in the savings account, which would belong to the employee. The employee would buy an inexpensive, catastrophic-type policy which would cover all medical expenses above $2,500 per year. For medical expenses up to the $2,500 annual out-of-pocket cost, the employee would use money from the savings account. Any savings account money not spent on health care expenses that year would grow in the employee's account and would accumulate year to year. The money could be used to pay for health care expenses, insurance premiums during periods of unemployment, and long-term care expenses.

Furthermore, as owner of the account, the individual has a strong incentive to become a cost-conscious consumer of medical care. He will demand quality care at competitive prices. The system will respond with better outcome measures and lower unit prices for health care. We will potentially save billions of dollars in health care costs because individual patients will modify their health care habits to consume health care services prudently.

Medical savings accounts—and this is usually overlooked by policy makers in Washington—will change provider behavior as well. Throughout much of my practice as a heart and lung transplant surgeon, I would perform a transplant, submit the bill, and it was paid—no questions asked. However, 1 day an individual—who was actually paying for his transplant from his own pocket—came into my office with a list of five or six transplant centers, morbidity data, infection rates, and prices. He asked me why I charged what I charged, why my success was different than others on his list, and how our program at Vanderbilt differed from its competitors. That one individual caused me to totally reassess how our multiorgan transplant center operated. For the next 2 weeks, each of the transplant teams at our facility worked together to determine where we could improve the quality of care and become more efficient and ultimately lower our prices in a competitive market.

Because someone else usually pays the bills, many patients forget that they are consumers. They don't ask providers to be accountable. If one individual empowered because he was responsible for his own health care dollars could transform my entire transplant center by asking questions, imagine what could happen if we empowered hundreds of thousands of individuals across the county similarly.

Finally, let me describe how my legislation differs from previously introduced MSA bills. Previous bills have defined only a catastrophic plan by the dollar amount of the deductible. These bills, by their very nature, would exclude other types of plan designs which focus on significant cost sharing. If our goal is to allow individuals greater control of their health care dollars, it makes sense to allow individuals a choice of MSA plan options to best meet their unique needs. The real value of our U.S. health care market lies in its responsiveness and opportunity for innovation. My legislation is designed to encourage this innovation. My legislation defines a catastrophic health plan as any health plan which has an annual "out-of-pocket expense requirement" which is not less than $2,500. With this definition, in addition to traditional indemnity insurers, a broad range of coordinated care plans will also be able to offer an MSA plan. In turn, competitive market forces will spur innovation to meet the needs of the market, and individuals will benefit from a variety of MSA plan options to choose from. For example, one individual may choose a high deductible plan for which MSA dollars would fund 100 percent of the first $2,500 of care. However, another individual may choose a different plan requiring 50 percent cost sharing for the first $5,000 of care. Both plans will encourage cost-conscious behavior.

Mr. President, I ask that the introduction of my medical savings account proposal today be viewed as a fresh start. As I have explained, some of my colleagues in the Senate and House have proposed that medical savings accounts be linked only to high-deductible, catastrophic health policies. I, however, believe that my proposal will increase the choices available to individual consumers. This will not only increase choices available to individuals, but will reduce the potential problem of adverse selection and will promote a level playing field in the health care system.

Mr. President, in closing, we in America are fortunate to have the absolute highest quality health care in the world. When the leaders of the world become seriously ill, they do not go to Great Britain or Canada to seek treatment, they come to the United States. And while there are those who would like to stifle our technological advances and allow bureaucrats to tell us how much and what kind of health care we can receive, the American people have loudly and clearly rejected this notion.

No one can predict what will happen in medicine in the first 50 years of the 21st century. Fifty years ago, when my father was a young doctor in Tennessee making house calls, he could not have envisioned what medical practice today would be like. The technological advances are simply mind-boggling. Mr. President, the challenge for us is to maintain the highest quality health care in the world and to continue to make it available to all Americans. But this can only be done if we first change the basic framework through which medical services are consumed, and build on a market-based system. I believe my legislation which creates the use of medical savings accounts will be a major step in that direction.

I would welcome any suggestions my colleagues or others may have for improving this legislation and hope we do not forgo the opportunity to establish MSA's this year.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1249

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEDUCTION FOR CONTRIBUTIONS TO MEDICAL SAVINGS ACCOUNTS.

(a) In General.—Part VII of subchapter B of chapter 1 (relating to additional itemized deductions for individuals) is amended by redesignating section 220 as section 221 and by inserting after section 219 the following new section:

"SEC. 220. CONTRIBUTIONS TO MEDICAL SAVINGS ACCOUNTS.

"(a) Deduction Allowed.—In the case of an eligible individual, there shall be allowed as a deduction the amounts paid in cash during the taxable year by the individual to a medical savings account for the benefit of—

"(1) the eligible individual, or

"(2) any spouse or dependent (as defined in section 152) of the eligible individual who is enrolled in the same health plan as the eligible individual but only if the spouse or dependent is also an eligible individual.

"(b) Limitations.—

"(1) Only 1 account per family.—No deduction shall be allowed under subsection (a) for amounts paid to any medical savings account for the benefit of an eligible individual, such individual's spouse, or any dependent (as so defined) of such individual if such individual, spouse, or dependent is a beneficiary of any other medical savings account.

"(2) DOLLAR LIMITATION.—

"(A) IN GENERAL.—The amount allowable as a deduction under subsection (a) with respect to contributions to a medical savings account for the taxable year shall not exceed the lesser of—

"(i) $2,500 ($5,000 in the case of a medical savings account established on behalf of more than 1 individual), or

"(ii) the catastrophic health plan differential.

"(B) CATASTROPHIC HEALTH PLAN DIFFERENTIAL.—For purposes of subparagraph (A)(ii)—

"(i) IN GENERAL.—The catastrophic health plan differential for any taxable year is equal to the sum of the amounts determined under clause (ii) for each month during the taxable year for which the taxpayer was an eligible individual.

"(ii) MONTHLY DIFFERENTIAL.—The amount determined under this clause for any month is the excess (if any) of—

"(I) the monthly premium determined under clause (iii) for the same class of enrollment as the catastrophic health plan in which the eligible individual is enrolled in, over

"(II) the aggregate amount paid for coverage for such month under the catastrophic health plan.

"(iii) MONTHLY PREMIUM.—Not later than December 31 of each calendar year, the Secretary shall determine and publish the monthly premium (for each class of enrollment) for coverage under the health benefits plan offered under chapter 89 of title 5, United States Code, with the highest enrollment, adjusted for a national population under 65 years of age (as determined by the Secretary) for the following calendar year. The premium shall be determined on the basis of the annual open enrollment period with respect to such following calendar year.

"(C) COST-OF-LIVING ADJUSTMENT.—In the case of a taxable year beginning in a calendar year after 1996, each dollar amount in subparagraph (A)(i) shall be increased by an amount equal to such dollar amount multiplied by the cost-of-living adjustment under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting '1995' for '1992' in subparagraph (B) thereof.

"(3) PHASE-IN OF DEDUCTION.—In the case of taxable years beginning after December 31, 1995, and before January 1, 2000, only the following percentages of the deduction allowable under this section (without regard to this paragraph) shall be allowed:

"If the taxable year begins in:	**The applicable percentage is:**
1996 or 1997	50 percent
1998 or 1999	75 percent

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) ELIGIBLE INDIVIDUAL.—The term 'eligible individual' means, with respect to any month, any individual who is not eligible during such month—

"(A) to participate in an employer-subsidized health plan maintained by an employer of the individual, the individual's spouse, or any dependent (as defined in section 152) of either, or

"(B) to receive any employer contribution to a medical savings account.

For purposes of subparagraph (B), a self-employed individual (within the meaning of section 401(c)) shall not be treated as his own employer.

"(2) CATASTROPHIC HEALTH PLAN.—For purposes of this section—

"(A) IN GENERAL.—The term 'catastrophic health plan' means a health plan which—

"(i) has an annual out-of-pocket expense requirement per covered individual which is not less than $2,500, and

"(ii) has an aggregate annual limit on out-of-pocket expenses for all covered individuals which is not less than $5,000.

"(B) MINIMUM PERIOD OF PLAN.—A health plan shall not be treated as a catastrophic health plan unless—

"(i) the initial period of coverage under the plan is 24 months, and

"(ii) coverage under the plan may not be terminated after such initial period without advance notice of at least 1 year unless the individual is enrolling in another catastrophic health plan.

Clauses (i) and (ii) shall not preclude any termination for cause.

"(C) HEALTH PLAN.—The term 'health plan' means any plan or arrangement which provides, or pays the cost of, health benefits. Such term does not include the following, or any combination thereof:

"(i) Coverage only for accidental death, dismemberment, dental, or vision.

"(ii) Coverage providing wages or payments in lieu of wages for any period during which the employee is absent from work on account of sickness or injury.

"(iii) A medicare supplemental policy (as defined in section 1882(g)(1)) or additional health care services under a risk contract under section 1876 for which an individual is charged premiums in addition to premiums under part B of title XVIII.

"(iv) Coverage issued as a supplement to liability insurance.

"(v) Workers' compensation or similar insurance.

"(vi) Automobile medical-payment insurance.

"(vii) A long-term care insurance policy, including a nursing home fixed indemnity policy (unless the Secretary determines that such a policy provides sufficiently comprehensive coverage of a benefit so that it should be treated as a health plan).

"(viii) An equivalent health care program.

"(ix) Any plan or arrangement not described in any preceding subparagraph which provides for benefit payments, on a periodic basis, for a specified disease or illness or period of hospitalization without regard to the costs incurred or services rendered during the period to which the payments relate.

"(x) Such other plan or arrangement as the Secretary determines is not a health plan.

"(D) EQUIVALENT HEALTH CARE PROGRAM.—The term 'equivalent health care program' means—

"(i) part A or part B of the medicare program under title XVIII of the Social Security Act,

"(ii) the medicaid program under title XIX of the Social Security Act,

"(iii) the health care program for active military personnel under title 10, United States Code,

"(iv) the veterans health care program under chapter 17 of title 38, United States Code,

"(v) the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS), as defined in section 1073(4) of title 10, United States Code, and

"(vi) the Indian health service program under the Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.).

"(3) MEDICAL SAVINGS ACCOUNT.—The term 'medical savings account' has the meaning given such term by section 7705.

"(4) TIME WHEN CONTRIBUTIONS DEEMED MADE.—A contribution shall be deemed to be made on the last day of the preceding taxable year if the contribution is made on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (not including extensions thereof)."

(b) DEDUCTION ALLOWED AGAINST GROSS INCOME.—Subsection (a) of section 62 (defining adjusted gross income) is amended by inserting after paragraph (15) the following new paragraph:

"(16) MEDICAL SAVINGS ACCOUNTS.—The deduction allowed by section 220."

(c) CLERICAL AMENDMENT.—The table of sections for part VII of subchapter B of chapter 1 is amended by striking the last item and inserting the following new items:

"Sec. 220. Contributions to medical savings accounts.

"Sec. 221. Cross reference."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1995.

SEC. 2. EXCLUSION FROM INCOME OF EMPLOYER CONTRIBUTIONS TO MEDICAL SAVINGS ACCOUNTS.

(a) IN GENERAL.—Section 106 (relating to contributions by employers to accident and health plans) is amended by adding at the end the following new subsection:

"(b) CONTRIBUTIONS TO MEDICAL SAVINGS ACCOUNTS.—

"(1) TREATMENT OF CONTRIBUTIONS.—

"(A) IN GENERAL.—Gross income of an employee who is covered by a catastrophic health plan of an employer shall not include any employer contribution to a medical savings account on behalf of the employee or the employee's spouse or dependents (as defined in section 152).

"(B) NO CONSTRUCTIVE RECEIPT.—No amount shall be included in the gross income of any employee solely because the employee may choose between the contributions described in subparagraph (A) and employer contributions to a health plan of the employer.

"(2) LIMITATIONS.—

"(A) ONLY 1 ACCOUNT PER FAMILY.—No exclusion shall be allowed under paragraph (1) for amounts paid to any medical savings account on behalf of an employee or the employee's spouse or dependents (as so defined) if employee, spouse, or dependent is a beneficiary of any other medical savings account.

"(B) DOLLAR LIMITATION.—The amount which may be excluded under paragraph (1) for any taxable year shall not exceed the lesser of—

"(i) $2,500 ($5,000 in the case of a medical savings account established on behalf of more than 1 individual), or

"(ii) the sum of the catastrophic health plan differentials for each month during the taxable year.

"(3) CATASTROPHIC HEALTH PLAN DIFFERENTIAL.—For purposes of subparagraph (B)(ii), the catastrophic health plan differential with respect to any employee for any month is the amount by which the cost for the month of the catastrophic health plan in which the employee is enrolled is less than—

"(A) the cost of the health plan (for the same class of enrollment) which—

"(i) the employee is eligible to enroll in through the employer, and

"(ii) has the highest cost of all health plans in which the employee may enroll in through the employer, or

"(B) if the employee is not eligible to enroll in any such health plan through the employer or the employer does not offer any such health plan, the monthly premium for the month determined under section 220(b)(2)(B)(iii).

"(4) COST-OF-LIVING ADJUSTMENT.—In the case of a taxable year beginning in a calendar year after 1996, each dollar amount in paragraph (2)(B)(i) shall be increased by an amount equal to such dollar amount multiplied by the cost-of-living adjustment under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting '1995' for '1992' in subparagraph (B) thereof.

"(5) DEFINITIONS.—For purposes of this subsection—

"(A) CATASTROPHIC HEALTH PLAN.—The term 'catastrophic health plan' has the meaning given such term by section 220(c)(2).

"(B) MEDICAL SAVINGS ACCOUNT.—The term 'medical savings account' has the meaning given such term by section 7705."

(b) EMPLOYER PAYMENTS EXCLUDED FROM EMPLOYMENT BASE.—

(1) SOCIAL SECURITY.—

(A) Subsection (a) of section 3121 is amended by striking "or" at the end of paragraph (20), by striking the period at the end of paragraph (21) and inserting "; or", and by inserting after paragraph (21) the following new paragraph:

"(22) any payment made to or for the benefit of an employee if at the time of such payment it is reasonable to believe that the employee will be able to exclude such payment from income under section 106(b)."

(B) Subsection (a) of section 209 of the Social Security Act is amended by striking "or" at the end of paragraph (18), by striking the period at the end of paragraph (19) and inserting "; or", and by inserting after paragraph (19) the following new paragraph:

"(20) any payment made to or for the benefit of an employee if at the time of such payment it is reasonable to believe that the employee will be able to exclude such payment from income under section 106(b) of the Internal Revenue Code of 1986."

(2) RAILROAD RETIREMENT.—Subsection (e) of section 3231 is amended by adding at the end the following new paragraph:

"(10) MEDICAL SAVINGS ACCOUNT CONTRIBUTIONS.—The term 'compensation' shall not include any payment made to or for the benefit of an employee if at the time of such payment it is reasonable to believe that the employee will be able to exclude such payment from income under section 106(b)."

(3) UNEMPLOYMENT.—Subsection (b) of section 3306 is amended by striking "or" at the end of paragraph (15), by striking the period at the end of paragraph (16) and inserting "; or", and by inserting after paragraph (16) the following new paragraph:

"(17) any payment made to or for the benefit of an employee if at the time of such payment it is reasonable to believe that the employee will be able to exclude such payment from income under section 106(b)."

(4) WITHHOLDING.—Subsection (a) of section 3401 is amended by striking "or" at the end of paragraph (19), by striking the period at the end of paragraph (20) and inserting "; or", and by inserting after paragraph (20) the following new paragraph:

"(21) any payment made to or for the benefit of an employee if at the time of such payment it is reasonable to believe that the employee will be able to exclude such payment from income under section 106(b)."

(c) CONFORMING AMENDMENT.—Section 106 is amended by striking "Gross" and inserting:

"(a) GENERAL RULE.—Gross".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1995.

SEC. 3. MEDICAL SAVINGS ACCOUNTS.

(a) IN GENERAL.—Chapter 79 is amended by adding at the end the following new section:

"SEC. 7705. MEDICAL SAVINGS ACCOUNTS.

"(a) GENERAL RULE.—The term 'medical savings account' means a trust created or organized in the United States for the exclusive benefit of the beneficiaries of the trust, but only if the written governing instrument creating the trust meets the following requirements:

"(1) Except in the case of a rollover contribution described in subsection (c)(5), no contribution will be accepted unless—

"(A) it is in cash, and

"(B) it is made for a period during which the individual on whose behalf it is made is covered under a catastrophic health plan.

"(2) Contributions will not be accepted for any taxable year in excess of the amount allowable as a deduction under section 220(b)(2) for such taxable year.

"(3) The trustee is a bank (as defined in section 408(n)), insurance company (as defined in section 816), or another person who demonstrates to the satisfaction of the Secretary that the manner in which such person will administer the trust will be consistent with the requirements of this section.

"(4) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

"(5) No part of the trust assets will be invested in life insurance contracts.

"(6) The interest of an individual in the balance in the individual's account is nonforfeitable.

"(b) TREATMENT OF ACCOUNTS.—

"(1) ACCOUNT TREATED AS GRANTOR TRUST.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the account beneficiary of a medical savings account shall be treated for purposes of this title as the owner of such account and shall be subject to tax thereon in accordance with subpart E of part I of subchapter J of this chapter (relating to grantors and others treated as substantial owners).

"(B) TREATMENT OF CAPITAL LOSSES.—With respect to assets held in a medical savings account, any capital loss for a taxable year from the sale or exchange of such an asset shall be allowed only to the extent of capital gains from such assets for such taxable year. Any capital loss which is disallowed under the preceding sentence shall be treated as a capital loss from the sale or exchange of such an asset in the next taxable year.

"(2) ACCOUNT TERMINATES IF INDIVIDUAL ENGAGES IN PROHIBITED TRANSACTION.—

"(A) IN GENERAL.—If, during any taxable year of the account beneficiary, such beneficiary engages in any transaction prohibited by section 4975 with respect to the account, the account shall cease to be a medical savings account as of the first day of such taxable year.

"(B) ACCOUNT TREATED AS DISTRIBUTING ALL ITS ASSETS.—In any case in which any account ceases to be a medical savings account by reason of subparagraph (A) on the first day of any taxable year, subsection (c) shall be applied as if—

"(i) there were a distribution on such first day in an amount equal to the fair market value (on such first day) of all assets in the account (on such first day), and

"(ii) no portion of such distribution were used to pay qualified medical expenses.

"(3) EFFECT OF PLEDGING ACCOUNT AS SECURITY.—If, during any taxable year, the account beneficiary uses the account or any portion thereof as security for a loan for purposes other than to pay qualified medical expenses, the portion so used is treated as distributed and not used to pay qualified medical expenses.

"(c) TREATMENT OF DISTRIBUTIONS.—

"(1) AMOUNTS USED FOR QUALIFIED MEDICAL EXPENSES.—Any amount paid or distributed out of a medical savings account which is used exclusively to pay qualified medical expenses of any account beneficiary (or spouse or dependent (as defined in section 152)) of the account shall not be includible in gross income.

"(2) INCLUSION OF AMOUNTS NOT USED FOR QUALIFIED MEDICAL EXPENSES.—

"(A) IN GENERAL.—Any amount paid or distributed out of a medical savings account which is not used exclusively to pay the qualified medical expenses of the account beneficiary (or spouse or dependent (as so defined)) shall be included in the gross income of such beneficiary to the extent such amount does not exceed the excess of—

"(i) the aggregate contributions to such account which were not includible in gross income by reason of section 106(b) or which were deductible under section 220, over

"(ii) the aggregate prior payments or distributions from such account which were includible in gross income under this paragraph.

"(B) SPECIAL RULES.—For purposes of subparagraph (A)—

"(i) all payments and distributions during any taxable year shall be treated as 1 distribution, and

"(ii) any distribution of property shall be taken into account at its fair market value on the date of the distribution.

"(3) EXCESS CONTRIBUTIONS RETURNED BEFORE DUE DATE OF RETURN.—Paragraph (2) shall not apply to the distribution of any contribution paid during a taxable year to a medical savings account to the extent that such contribution exceeds the amount under subsection (a)(2) if—

"(A) such distribution is received by the individual on or before the last day prescribed by law (including extensions of time) for filing such individual's return for such taxable year, and

"(B) such distribution is accompanied by the amount of net income attributable to such excess contribution.

Any net income described in subparagraph (B) shall be included in the gross income of the individual for the taxable year in which it is received.

"(4) PENALTY FOR DISTRIBUTIONS NOT USED FOR QUALIFIED MEDICAL EXPENSES.—

"(A) IN GENERAL.—The tax imposed by chapter 1 on the account beneficiary for any taxable year in which there is a payment or distribution from a medical savings account of such beneficiary which is includible in gross income under paragraph (2) shall be increased by 10 percent of the amount which is so includible.

"(B) EXCEPTION FOR DISABILITY OR DEATH.—Subparagraph (A) shall not apply if the payment or distribution is made after the account beneficiary becomes disabled within the meaning of section 72(m)(7) or dies.

"(5) ROLLOVER CONTRIBUTION.—If any amount paid or distributed from a medical savings account to the account beneficiary (or spouse or dependent (as defined in section 152)) is paid into a medical savings account for the benefit of such beneficiary (or spouse or dependent) not later than the 60th day after the day on which the beneficiary (or spouse or dependent) receives the payment or distribution—

"(A) paragraph (2) shall not apply to such amount, and

"(B) such amount shall be treated as a rollover contribution described in this paragraph.

"(6) COORDINATION WITH MEDICAL EXPENSE DEDUCTION.—For purposes of section 213, any payment or distribution out of a medical savings account for qualified medical expenses shall not be treated as an expense paid for medical care to the extent of the amount of such payment or distribution which is attributable to amounts described in paragraph (2)(A).

"(7) TRANSFER OF ACCOUNT INCIDENT TO DIVORCE.—The transfer of an individual's interest in a medical savings account to an individual's spouse or former spouse under a divorce or separation instrument described in subparagraph (A) of section 71(b)(2) shall not be considered a taxable transfer made by such individual notwithstanding any other provision of this subtitle, and such interest at the time of the transfer shall be treated as a medical savings account of such spouse, and not of such individual. Any such account or annuity shall, for purposes of this subtitle, be treated as maintained for the benefit of the spouse to whom the interest was transferred.

"(d) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED MEDICAL EXPENSES.—

"(A) IN GENERAL.—The term 'qualified medical expenses' means any expense for—

"(i) medical care (as defined in section 213(d)), or

"(ii) qualified long-term care services.

"(B) EXCEPTION FOR INSURANCE.—

"(i) IN GENERAL.—Such term shall not include any expense for insurance.

"(ii) EXCEPTIONS.—Clause (i) shall not apply to any expense for—

"(I) coverage under a health plan during a period of continuation coverage described in section 4980B(f)(2)(B),

"(II) coverage under a medicare supplemental policy (as defined in section 1882(g)(1) of the Social Security Act), or

"(III) payment of premiums under part A or B of title XVIII of the Social Security Act,

"(IV) coverage under a policy providing qualified long-term care services, or

"(V) coverage under a health plan during any period during which an individual is unemployed.

"(C) QUALIFIED LONG-TERM CARE SERVICES.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'qualified long-term care services' means necessary diagnostic, preventive, therapeutic, rehabilitative, and maintenance (including personal care) services—

"(I) which are required by an individual during any period during which such individual is a functionally impaired individual,

"(II) which have as their primary purpose the provision of needed assistance with 1 or more activities of daily living which a functionally impaired individual is certified as being unable to perform under clause (ii)(I), and

"(III) which are provided pursuant to a continuing plan of care prescribed by a licensed health care practitioner (other than a relative of such individual).

"(ii) FUNCTIONALLY IMPAIRED INDIVIDUAL.—

"(I) IN GENERAL.—The term 'functionally impaired individual' means any individual who is certified by a licensed health care practitioner (other than a relative of such individual) as being unable to perform, without substantial assistance from another individual (including assistance involving verbal reminding, physical cueing, or substantial supervision), at least 3 activities of daily living described in clause (iii).

"(II) SPECIAL RULE FOR HOME HEALTH CARE SERVICES.—In the case of services which are provided during any period during which an individual is residing within the individual's home (whether or not the services are provided within the home), subclause (I) shall be applied by substituting '2' for '3'. For purposes of this subclause, a nursing home or similar facility shall not be treated as a home.

"(iii) ACTIVITIES OF DAILY LIVING.—Each of the following is an activity of daily living:

"(I) Eating.

"(II) Transferring.

"(III) Toileting.

"(IV) Dressing.

"(V) Bathing.

"(D) LICENSED HEALTH CARE PRACTITIONER.—For purposes of subparagraph (C)—

"(i) IN GENERAL.—The term 'licensed health care practitioner' means—

"(I) a physician or registered professional nurse,

"(II) a qualified community care case manager (as defined in clause (ii)), or

"(III) any other individual who meets such requirements as may be prescribed by the Secretary after consultation with the Secretary of Health and Human Services.

"(ii) QUALIFIED COMMUNITY CARE CASE MANAGER.—The term 'qualified community care case manager' means an individual or entity which—

"(I) has experience or has been trained in providing case management services and in preparing individual care plans;

"(II) has experience in assessing individuals to determine their functional and cognitive impairment;

"(III) is not a relative of the individual receiving case management services; and

"(IV) meets such requirements as may be prescribed by the Secretary after consultation with the Secretary of Health and Human Services.

"(E) RELATIVE.—For purposes of this paragraph, the term 'relative' means an individual bearing a relationship to another individual which is described in paragraphs (1) through (8) of section 152(a).

"(2) ACCOUNT BENEFICIARY.—The term 'account beneficiary' means the individual for whose benefit the medical savings account is maintained.

"(e) CUSTODIAL ACCOUNTS.—For purposes of this section, a custodial account shall be treated as a trust if—

"(1) the assets of such account are held by a bank (as defined in section 408(n)), insurance company (as defined in section 816), or another person who demonstrates to the satisfaction of the Secretary that the manner in which such person will administer the account will be consistent with the requirements of this section, and

"(2) the custodial account would, except for the fact that it is not a trust, constitute a medical savings account described in subsection (a).

For purposes of this title, in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account shall be treated as the trustee thereof.

"(f) REPORTS.—The trustee of a medical savings account shall make such reports regarding such account to the Secretary and to the individual for whose benefit the account is maintained with respect to contributions, distributions, and such other matters as the Secretary may require under regulations. The reports required by this subsection shall be filed at such time and in such manner and furnished to such individuals at such time and in such manner as may be required by those regulations."

(b) PREEMPTION OF CERTAIN CONFLICTING LAWS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, no Federal or State law shall prohibit a carrier from offering a catastrophic health plan in conjunction with a medical savings account (as defined in section 7705 of the Internal Revenue Code of 1986).

(2) DEFINITIONS.—For purposes of this subsection—

(A) the term "carrier" means any entity licensed or authorized under Federal or State law to offer a health plan,

(B) the term "catastrophic health plan" means a health plan—

(i) which is described in section 220(c)(2) of the Internal Revenue Code of 1986, or

(ii) a similar health plan which provides significant cost sharing, and

(C) the term "health plan" has the meaning given such term by section 220(c)(2)(C) of such Code.

(c) TREATMENT OF EXCESS CONTRIBUTIONS.—Section 4973 (relating to tax on excess contributions to individual retirement accounts, certain section 403(b) contracts, and certain individual retirement annuities) is amended—

(1) by inserting "**MEDICAL SAVINGS ACCOUNTS,**" after "**ACCOUNTS,**" in the heading of such section,

(2) by striking "or" at the end of paragraph (1) of subsection (a),

(3) by redesignating paragraph (2) of subsection (a) as paragraph (3) and by inserting after paragraph (1) the following:

"(2) a medical savings account (within the meaning of section 7705(a)), or", and

(4) by adding at the end the following new subsection:

"(d) EXCESS CONTRIBUTIONS TO MEDICAL SAVINGS ACCOUNTS.—For purposes of this section, in the case of a medical savings account (within the meaning of section 7705(a)), the term 'excess contributions' means the amount by which the amount contributed for the taxable year to the account exceeds the amount which may be contributed to the account under section 7705(a)(2) for such taxable year. For purposes of this subsection, any contribution which is distributed out of the medical savings account in a distribution to which section 7705(c)(3) applies shall be treated as an amount not contributed."

(d) TREATMENT OF PROHIBITED TRANSACTIONS.—Section 4975 (relating to prohibited transactions) is amended—

(1) by adding at the end of subsection (c) the following new paragraph:

"(4) SPECIAL RULE FOR MEDICAL SAVINGS ACCOUNTS.—An individual for whose benefit a medical savings account (within the meaning of section 7705(a)) is established shall be exempt from the tax imposed by this section with respect to any transaction concerning such account (which would otherwise be taxable under this section) if, with respect to such transaction, the account ceases to be a medical savings account by reason of the application of section 7705(b)(2)(A) to such account.", and

(2) by inserting "or a medical savings account described in section 7705(a)" in subsection (e)(1) after "described in section 408(a)".

(e) FAILURE TO PROVIDE REPORTS ON MEDICAL SAVINGS ACCOUNTS.—Section 6693 (relating to failure to provide reports on individual retirement accounts or annuities) is amended—

(1) by inserting "**OR ON MEDICAL SAVINGS ACCOUNTS**" after "**ANNUITIES**" in the heading of such section, and

(2) by adding at the end of subsection (a) the following: "The person required by section 7705(f) to file a report regarding a medical savings account at the time and in the manner required by such section shall pay a penalty of $50 for each failure unless it is shown that such failure is due to reasonable cause."

(f) CLERICAL AMENDMENTS.—

(1) The table of sections for chapter 43 is amended by striking the item relating to section 4973 and inserting the following:

"Sec. 4973. Treatment of excess contributions to individual retirement accounts, medical savings accounts, certain 403(b) contracts, and certain individual retirement annuities."

(2) The table of sections for subchapter B of chapter 68 is amended by inserting "or on medical savings accounts" after "annuities" in the item relating to section 6693.

SEC. 4. SENSE OF THE SENATE REGARDING TAX TREATMENT OF HEALTH INSURANCE AND LONG-TERM CARE INSURANCE.

It is the sense of the Senate that—

(1) there should be tax parity for all health insurance whether provided or purchased by individuals, self-employed, or employers; and

(2) long-term care services and insurance should be provided tax status similar to medical care services and insurance.•

ADDITIONAL COSPONSORS

S. 304

At the request of Mr. SANTORUM, the names of the Senator from Tennessee [Mr. FRIST], the Senator from Washington [Mrs. MURRAY], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of S. 304, a bill to amend the Internal Revenue Code of 1986 to repeal the transportation fuels tax applicable to commercial aviation.

S. 358

At the request of Mr. HEFLIN, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 358, a bill to amend the Internal Revenue Code of 1986 to provide for an excise tax exemption for certain emergency medical transportation by air ambulance.

S. 715

At the request of Mr. D'AMATO, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 715, a bill to provide for portability of health insurance, guaranteed renewability, high risk pools, medical care savings accounts, and for other purposes.

S. 960

At the request of Mr. SANTORUM, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 960, a bill to amend title 18, United States Code, to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed handguns, and for other purposes.

S. 1134

At the request of Mr. NICKLES, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 1134, a bill to provide family tax relief.

S. 1137

At the request of Mr. THOMAS, the names of the Senator from Colorado [Mr. CAMPBELL], and the Senator from North Carolina [Mr. FAIRCLOTH] were added as cosponsors of S. 1137, a bill to amend title 17, United States Code, with respect to the licensing of music, and for other purposes.

AMENDMENT NO. 2486

At the request of Mr. DOLE his name was added as a cosponsor of amendment No. 2486 proposed to H.R. 4, a bill to restore the American family, reduce illegitimacy, control welfare spending and reduce welfare dependence.

AMENDMENT NO. 2526

At the request of Mr. FRIST his name was added as a cosponsor of amendment No. 2526 proposed to H.R. 4, a bill to restore the American family, reduce illegitimacy, control welfare spending and reduce welfare dependence.

AMENDMENT NO. 2550

At the request of Mr. KOHL the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of amendment No. 2550 proposed to H.R. 4, a bill to restore the American family, reduce illegitimacy, control welfare spending and reduce welfare dependence.

AMENDMENT NO. 2568

At the request of Mr. GRAHAM the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of amendment No. 2568 proposed to H.R. 4, a bill to restore the American family, reduce illegitimacy, control welfare spending and reduce welfare dependence.

SENATE RESOLUTION 172—PROVIDING FOR SEVERANCE PAY

Mr. DOLE submitted the following resolution; which was considered and agreed to:

S. RES. 172

Resolved, That (a) an individual who is an employee in the office of the Sergeant at Arms and Doorkeeper of the Senate, who was an employee in that office for at least 183 days (whether or not service was continuous) during fiscal year 1995, and whose service in that office is terminated on or after the date this resolution is agreed to, but prior to October 1, 1995, shall be entitled to one lump sum payment consisting of severance pay in an amount equal to 2 months of the individual's basic pay at the rate in effect on September 1, 1995.

(b) The Secretary of the Senate shall make payments under this resolution from funds appropriated for fiscal year 1995 from the appropriation account "Salaries, Officers and Employees" for salaries of officers and employees in the office of the Sergeant at Arms and Doorkeeper of the Senate.

(c) A payment may be make under this resolution only upon certification to the Disbursing Office by the Sergeant at Arms and Doorkeeper of the Senate of the individual's eligibility for the payment.

(d) In the event of the death of an individual who is entitled to payment under this resolution, any such payment that is unpaid shall be paid to the widow or widower of the individual or, if there is no widow or widower of such decreased individual, to the heirs at law or next of kin of such decreased individual.

(e) A payment under this resolution shall not be treated as compensation for purposes of any provision of title 5, United States Code, or of any other law relating to benefits accruing from employment by the United States, and the period of entitlement to such pay shall not be treated as a period of employment for purposes of any such provision or law.

AMENDMENTS SUBMITTED

THE WORK OPPORTUNITY ACT OF 1995

DASCHLE (AND KENNEDY) AMENDMENT NO. 2682

Mr. DASCHLE (for himself and Mr. KENNEDY) proposed an amendment to amendment No. 2280 proposed by Mr. DOLE to the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence; as follows:

On page 40, between lines 16 and 17, insert the following new paragraph:

"(4) NON-CASH ASSISTANCE FOR CHILDREN.—Nothing in paragraph (1) shall be construed as prohibiting a State from using funds provided under section 403 to provide aid, in the form of in-kind assistance, vouchers usable for particular goods or services as specified by the State, or vendor payments to individuals providing such goods or services, to the minor children of a needy family.".

DOLE AMENDMENT NO. 2683

Mr. DOLE proposed an amendment to amendment No. 2280 proposed by himself to the bill H.R. 4, supra; as follows:

On page 17, strike lines 13 through 22 and insert the following:

"(A) IN GENERAL.—For purposes of paragraph (1)(A), a State family assistance grant for any State for a fiscal year is an amount equal to the sum of—

"(i) the total amount of the Federal payments to the State under section 403 (other than Federal payments to the State described in section subparagraphs (A), (B) and (C) of section 419(a)(2)) for fiscal year 1994 (as such section 403 was in effect during such fiscal year), plus

"(ii) the total amount of the Federal payments to the State under subparagraphs (A), (B) and (C) of section 419(a)(2),

as such payments were reported by the State on February 14, 1995, reduced by the amount, if any, determined under subparagraph (B), and for fiscal year 2000, reduced by the percent specified under section 418(a)(3), and increased by an amount, if any, determined under paragraph (2)(D).

On page 77, line 21, strike the end quotation marks and the second period.

One page 77, between lines 21 and 22, insert the following new section:

"SEC. 419. AMOUNTS FOR CHILD CARE.

"(a) CHILD CARE ALLOCATION—

"(1) IN GENERAL.—From the amount appropriated under section 403(a)(4)(A) for a fiscal year, the Secretary shall set aside an amount equal to the total amount of the Federal payments for fiscal year 1994 to States under section—

"(A) 402(g)(3)(A) of this Act (as such section was in effect before October 1, 1995) for amounts expended for child care pursuant to paragraph (1) of such section;

"(B) 403(l)(1)(A) of this Act (as so in effect) for amounts expended for child care pursuant to section 402(g)(1)(A) of this Act, in the case of a State with respect to which section 1108 of this Act applies; and

"(C) 403(n) of this Act (as so in effect) for child care services pursuant to section 402(i) of this Act.

"(2) DISTRIBUTION.—From amounts set-aside for a fiscal year under paragraph (1), the Secretary shall pay to a State an amount equal to the total amounts of Federal payments for fiscal year 1994 to the State under section—

"(A) 402(g)(3)(A) of this Act (as such section was in effect before October 1, 1995) for amounts expended for child care pursuant to paragraph (1) of such section;

"(B) 403(l)(1)(A) of this Act (as so in effect) for amounts expended for child care pursuant to section 402(g)(1)(A) of this Act, in the case of a State with respect to which section 1108 of this Act applies; and

"(C) 403(n) of this Act (as so in effect) for child care services pursuant to section 402(i) of this Act.

"(3) USE OF FUNDS.—Amounts received by a State under paragraph (2) shall only be used to provide child care assistance under this part.

"(4) For purposes of paragraphs (1) and (2), Federal payments for fiscal year 1994 means such payments as reported by the State on February 14, 1995.

"(b) ADDITIONAL APPROPRIATION.—

"(1) IN GENERAL.—There are authorized to be appropriated and there are appropriated, $3,000,000,000 to be distributed to the States during the 5-fiscal year period beginning in fiscal year 1996 for the provision of child care assistance.

"(2) DISTRIBUTION.—

"(A) IN GENERAL.—The Secretary shall use amounts made available under paragraph (1) to make grants to States. The total amount of grants awarded to a State under this paragraph shall be based on the formula used for determining the allotment of Federal payments to the State for fiscal year 1994 under section 403(n) (as such section was in effect before October 1, 1995) for child care services pursuant to section 402(i) as such amount relates to the total amount of such Federal payments to all States for such fiscal year.

"(B) FISCAL YEAR 2000.—With respect to the last quarter of fiscal year 2000, if the Secretary determines that any allotment to a State under this subsection will not be used by such State for carrying out the purpose for which the allotment is available, the Secretary shall make such allotment available for carrying out such purpose to 1 or more other States which apply for such funds to the extent the Secretary determines that such other States will be able to use such additional allotments for carrying out such purposes. Such available allotments shall be reallocated to a State pursuant to section 402(i) (as such section was in effect before October 1, 1995) by substituting 'the number of children residing in all States applying for such funds' for 'the number of children residing in the United States in the second preceding fiscal year'. Any amount made available to a State from an appropriation for a fiscal year in accordance with the preceding sentence shall, for purposes of this part, be regarded as part of such State's payment (as determined under this subsection) for such year.

"(3) AMOUNT OF FUNDS.—The Secretary shall pay to each eligible State in a fiscal year an amount equal to the Federal medical assistance percentage for such State for such fiscal year (as defined in section 1905(b)) of so much of the expenditures by the State for child care in such year as exceed the State set-aside for such State under subsection (a) for such year and the amount of State expenditures in fiscal year 1994 that equal the non-Federal share for the programs described in subparagraphs (A), (B) and (C) of subsection (a)(1).

"(4) BUDGET SCORING.—Notwithstanding section 257(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985, the baseline shall assume that no grant shall be made under this subsection after fiscal year 2000.

"(c) ADMINISTRATIVE PROVISIONS.—

"(1) STATE OPTION.—For purposes of section 402(a)(1)(B), a State may, at its option, not require a single parent with a child under the age of 6 to participate in work for more than an average of 20 hours per week during a month and may count such parent as being engaged in work for a month for purposes, of section 404(c)(1) if such parent participates in work for an average of 20 hours per week during such month.

"(2) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to provide an entitlement to child care services to any child.

On Page 17, line 22, insert before the period the following: ", and increased by an amount (if any) determined under subparagraph (D)."

On Page 18, between lines 21 and 22, insert the following:

"(D) AMOUNT ATTRIBUTABLE TO STATE PLAN AMENDMENTS.—

"(1) IN GENERAL.—For purposes of subparagraph (A), the amount determined under this subparagraph is an amount equal to the Federal payment under section 403(a)(5) to the State for emergency assistance in fiscal year 1995 under any State plan amendment made under section 402 during fiscal year 1994 (as such sections were in effect before the date of the enactment of the Work Opportunity Act of 1995) subject to the limitation in clause (ii).

"(ii) LIMITATION.—Amounts made available under clause (i) to all States shall not exceed $800 million. If amounts available under this subparagraph are less than the total amount of emergency assistance payments referred to in clause (i), the amount payable to a State shall be equal to an amount which bears the same relationship to the total amount available under this clause as the State emergency assistance payment bears to the total amount of such payments.

On page 25, line 18, insert "in the case of amounts paid to the State that are set aside in accordance with section 419(9), the State may reserve such amounts for any fiscal year only for the purpose of providing without fiscal year limitation child care assistance under this part." after the end period.

Beginning on page 315, strike line 6 and all that follows through page 576, line 12 (renumber subsequent titles and section numbers accordingly).

On page 29, between lines 17 and 18, insert the following:

"(d) CONTINGENCY FUND.—

"(1) ESTABLISHMENT.—There is hereby established in the Treasury of the United States a fund which shall be known as the 'Contingency Fund for State Welfare Programs' (hereafter in this section referred to as the 'Fund').

"(2) DEPOSITS INTO FUND.—Out of any money in the Treasury of the United States not otherwise appropriated, there are hereby appropriated for fiscal years 1996, 1997, 1998, 1999, and 2000, such sums as are necessary for payment to the Fund in a total amount not to exceed $1,000,000,000.

"(3) COMPUTATION OF GRANT.—

"(A) IN GENERAL.—Subject to subparagraph (B), the Secretary of the Treasury shall pay to each eligible State in a fiscal year an amount equal to the Federal medical assistance percentage for such State for such fiscal year (as defined in section 1905(b)) of so much of the expenditures by the State in such year under the State program funded under this part as exceed the historic expenditures for such State.

"(B) LIMITATION.—The total amount paid to a State under subparagraph (A) for any fiscal year shall not exceed an amount equal to 20 percent of the annual amount determined for such State under the State program funded under this part (without regard to this subsection) for such fiscal year.

"(C) METHOD OF COMPUTATION, PAYMENT, AND RECONCILIATION.—

"(i) METHOD OF COMPUTATION.—The method of computing and paying such amounts shall be as follows:

"(I) The Secretary of Health and Human Services shall estimate the amount to be paid to the State for each quarter under the provisions of subparagraph (A), such estimate to be based on a report filed by the State containing its estimate of the total sum to be expended in such quarter and such other information as the Secretary may find necessary.

"(II) The Secretary of Health and Human Services shall then certify to the Secretary of the Treasury the amount so estimated by the Secretary of Health and Human Services.

"(ii) METHOD OF PAYMENT.—The Secretary of the Treasury shall thereupon, through the Fiscal Service of the Department of the Treasury and prior to audit or settlement by the General Accounting Office, pay to the State, at the time or times fixed by the Secretary of Health and Human Services, the amount so certified.

"(iii) METHOD OF RECONCILIATION.—If at the end of each fiscal year, the Secretary of Health and Human Services finds that a State which received amounts from the Fund in such fiscal year did not meet the maintenance of effort requirement under paragraph (5)(B) for such fiscal year, the Secretary shall reduce the State family assistance grant for such State for the succeeding fiscal year by such amounts.

"(4) USE OF GRANT.—

"(A) IN GENERAL.—An eligible State may use the grant—

"(i) in any manner that is reasonably calculated to accomplish the purpose of this part; or

"(ii) in any manner that such State used amounts received under part A or F of this title, as such parts were in effect before October 1, 1995.

"(B) REFUND OF UNUSED PORTION.—Any amount of a grant under this subsection not used during the fiscal year shall be returned to the Fund.

"(5) ELIGIBLE STATE.—

"(A) IN GENERAL.—For purposes of this subsection, a State is an eligible State with respect to a fiscal year, if

"(i)(I) the average rate of total unemployment in such State (seasonally adjusted) for the period consisting of the most recent 3 months for which data for all states are published equals or exceeds 6.5 percent, and

"(II) the average rate of total unemployment in such State (seasonally adjusted) for the 3-month period equals or exceeds 110 percent of such average rate for either (or both) of the corresponding 3-month periods ending in the 2 preceding calendar years; and

"(ii) has met the maintenance of effort requirement under subparagraph (B) for the State program funded under this part for the fiscal year.

"(B) MAINTENANCE OF EFFORT.—The maintenance of effort requirement for any State under this subparagraph for any fiscal year is the expenditure of an amount at least equal to 100 percent of the level of historic State expenditures for such State (as determined under subsection (a)(5)).

"(6) ANNUAL REPORTS.—The Secretary of the Treasury shall annually report to the Congress on the status of the Fund.

On page 40, line 13, strike "15" and insert "20".

At the appropriate place, insert the following:

SEC. . ABSTINENCE EDUCATION.

(a) INCREASE IN FUNDING.—Section 501(a) of the Social Security Act (42 U.S.C. 701(a)) is amended in the matter preceding paragraph (1) by striking "fiscal year 1990" and each fiscal year thereafter" and inserting "fiscal years 1990 through 1995 and $761,000,000 for fiscal year 1996 and each fiscal year thereafter".

(b) ABSTINENCE EDUCATION.—Section 501(a)(1) of such Act (42 U.S.C. 701(a)(1) is amended—

(1) in subparagraph (c), by striking "and" at the end;

(2) in subparagraph (D), by adding "and" at the end; and

(3) by adding at the end the following new subparagraph:

"(E) to provide abstinence education, and at the option of the State, where appropriate, mentoring, counseling, and adult supervision to promote abstinence from sexual activity, with a focus on those groups which are most likely to bear children out-of-wedlock.".

(c) ABSTINENCE EDUCATION DEFINED.—Section 501(b) of such Act (42 U.S.C. 701(b)) is amended by adding at the end the following new paragraph:

"(5) ABSTINENCE EDUCATION.—For purposes of this subsection, the term 'abstinence education' shall mean an educational or motivational program which—

"(A) has as its exclusive purpose, teaching the social, psychological, and health gains to be realized by abstaining from sexual activity;

"(B) teaches abstinence from sexual activity outside marriage as the expected standard for all school age children;

"(C) teaches that abstinence from sexual activity is the only certain way to avoid out-of-wedlock pregnancy, sexually transmitted diseases, and other associated health problems;

"(D) teaches that a mutually faithful monogamous relationship in context of marriage is the expected standard of human sexual activity;

"(E) teaches that sexual activity outside of the context of marriage is likely to have harmful psychological and physical effects;

"(F) teaches that bearing children out-of-wedlock is likely to have harmful consequences for the child, the child's parents, and society;

"(G) teaches young people how to reject sexual advances and how alcohol and drug use increases vulnerability to sexual advances; and

"(H) teaches the importance of attaining self-sufficiency before engaging in sexual activity.".

(d) SET-ASIDE.—

(1) IN GENERAL.—Section 502(c) of such Act (42 U.S.C. 702(c)) is amended in the matter preceding paragraph (1) by striking "From" and inserting "Except as provided in subsection (e), from".

(2) SET-ASIDE.—Section 502 of such Act (42 U.S.C. 702) is amended by adding at the end the following new subsection:

"(e) Of the amounts appropriated under section 501(a) for any fiscal year, the Secretary shall set aside $75,000,000 for abstinence education in accordance with section 501(a)(1)(E).

On page 29, between lines 15 and 16, insert the following:

"(f) ADDITIONAL AMOUNT FOR STUDIES AND DEMONSTRATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated and there are appropriated for each fiscal year described in subsection (a)(1) an additional $20,000,000 for the purpose of paying—

"(A) the Federal share of any State-initiated study approved under section 410(g);

"(B) an amount determined by the Secretary to be necessary to operate and evaluate demonstration projects, relating to part A of title IV of this Act, that are in effect or approved under section 1115 as of October 1, 1995, and are continued after such date;

"(C) the cost of conducting the research described in section 410(a); and

"(D) the cost of developing and evaluating innovative approaches for reducing welfare dependency and increasing the well-being of minor children under section 410(b).

"(2) ALLOCATION.—Of the amount appropriated under paragraph (1) for a fiscal year—

"(A) 50 percent shall be allocated for the purposes described in subparagraphs (A) and (B) of paragraph (1), and

"(B) 50 percent shall be allocated for the purposes described in subparagraphs (C) and (D) of paragraph (1).

On page 29, line 16, strike "(f)" and insert "(g)".

On page 57, beginning on line 22, strike all through page 60, line 2, and insert the following:

"(a) IN GENERAL.—The Secretary, in consultation with State and local government officials and other interested persons, shall develop a quality assurance system of data collection and reporting that promotes accountability and ensures the improvement and integrity of programs funded under this part.

"(b) STATE SUBMISSIONS.—

"(1) IN GENERAL.—Not later than the 15th day of the first month of each calendar quarter, each State to which a grant is made under section 403(f) shall submit to the Secretary the data described in paragraphs (2) and (3) with respect to families described in paragraph (4).

"(2) DISAGGREGATED DATA DESCRIBED.—The data described in this paragraph with respect to families described in paragraph (4) is a sample of monthly disaggregated case record data containing the following:

"(A) The age of the adults and children (including pregnant women) in each family.

"(B) The marital and familial status of each member of the family (including whether the family is a 2-parent family and whether a child is living with an adult relative other than a parent).

"(C) The gender, educational level, work experience, and race of the head of each family.

"(D) The health status of each member of the family (including whether any member of the family is seriously ill, disabled, or incapacitated and is being cared for by another member of the family).

"(E) The type and amount of any benefit or assistance received by the family, including—

"(i) the amount of and reason for any reduction in assistance, and

"(ii) if assistance is terminated, whether termination is due to employment, sanction, or time limit.

"(F) Any benefit or assistance received by a member of the family with respect to housing, food stamps, job training, or the Head Start program.

"(G) The number of months since the family filed the most recent application for assistance under the program and if assistance was denied, the reason for the denial.

"(H) The number of times a family has applied for and received assistance under the State program and the number of months assistance has been received each time assistance has been provided to the family.

"(I) The employment status of the adults in the family (including the number of hours worked and the amount earned).

"(J) The date on which an adult in the family began to engage in work, the number of hours the adult engaged in work, the work activity in which the adult participated, and the amount of child care assistance provided to the adult (if any).

"(K) The number of individuals in each family receiving assistance and the number of individuals in each family not receiving assistance, and the relationship of each individual to the youngest child in the family.

"(L) The citizenship status of each member of the family.

"(M) The housing arrangement of each member of the family.

"(N) The amount of unearned income, child support, assets, and other financial factors considered in determining eligibility for assistance under the State program.

"(O) The location in the State of each family receiving assistance.

"(P) Any other data that the Secretary determines is necessary to ensure efficient and effective program administration.

"(3) AGGREGATED MONTHLY DATA.—The data described in this paragraph is the following aggregated monthly data with respect to the families described in paragraph (4):

"(A) The number of families.

"(B) The number of adults in each family.

"(C) The number of children in each family.

"(D) The number of families for which assistance has been terminated because of employment, sanctions, or time limits.

"(4) FAMILIES DESCRIBED.—The families described in this paragraph are—

"(A) families receiving assistance under a State program funded under this part for each month in the calendar quarter preceding the calendar quarter in which the data is submitted;

"(B) families applying for such assistance during such preceding calendar quarter; and

"(C) families that became ineligible to receive such assistance during such preceding calendar quarter.

"(5) Appropriate Subsets of Data Collected.—The Secretary shall determine appropriate subsets of the data describe in paragraphs (2) and (3) that a State is required to submit under paragraph (1) with respect to families described in subparagraphs (B) and (C) of paragraph (4).

"(6) Sampling and Other Methods.—The Secretary shall provide the States with such case sampling plans and data collection procedures as the Secretary deems necessary to produce statistically valid estimates of each State's program performance. The Secretary is authorized to develop and implement procedures for verifying the quality of data submitted by the States.

On page 62, after line 24, insert the following:

"(j) Report to Congress.—Not later than 6 months after the end of fiscal year 1997, and each fiscal year thereafter, the Secretary shall transmit to the Congress a report describing—

"(1) whether the States are meeting—

"(A) the participation rates described in section 404(a); and

"(B) the objectives of—

"(i) increasing employment and earnings of needy families, and child support collections; and

"(ii) decreasing out-of-wedlock pregnancies and child poverty;

"(3) the demographic and financial characteristics of families applying for assistance, families receiving assistance, and families that become ineligible to receive assistance;

"(4) the characteristics of each State program funded under this part; and

"(5) the trends in employment and earnings of needy families with minor children.

On page 63, beginning on line 3, strike all through line 16, and insert the following:

"(a) Research.—The Secretary shall conduct research on the benefits, effects, and costs of operating different State programs funded under this part, including time limits relating to eligibility for assistance. The research shall include studies on the effects of different programs and the operation of such programs on welfare dependency, illegitimacy, teen pregnancy, employment rates, child well-being, and any other area the Secretary deems appropriate.

"(b) Development and Evaluation of Innovative Approaches To Reducing Welfare Dependency and Increasing Child Well-Being.—

"(1) In general.—The Secretary may assist States in developing, and shall evaluate, innovative approaches for reducing welfare dependency and increasing the well-being of minor children with respect to recipients of assistance under programs funded under this part. The Secretary may provide funds for training and technical assistance to carry out the approaches developed pursuant to this paragraph.

"(2) Evaluations.—In performing the evaluations under paragraph (1), the Secretary shall, to the maximum extent feasible, use random assignment as an evaluation methodology.

On page 63, line 17, strike "(d)" and insert "(c)".

On page 63, line 24, strike "(e)" and insert "(d)".

On page 64, line 21, strike "(f)" and insert "(e)".

On page 66, line 3, strike "(g)" and insert "(f)".

On page 66, between lines 19 and 20, insert the following:

"(g) State-Initiated Studies.—A State shall be eligible to receive funding to evaluate the State's family assistance program funded under this part if—

"(1) the State submits a proposal to the Secretary for such evaluation,

"(2) the Secretary determines that the design and approach of the evaluation is rigorous and is likely to yield information that is credible and will be useful to other States, and

"(3) unless otherwise waived by the Secretary, the State provides a non-Federal share of at least 10 percent of the cost of such study.

On page 163, line 16, add "and" after the semicolon.

On page 163, strike lines 17 through 24, and insert in lieu thereof the following:

"(iii) for fiscal years 1997 through 2002, $124, $211, $174, $248 and $109, respectively."

On page 164, line 2, strike "2000" and insert in lieu thereof "2002".

On page 126, between lines 9 and 10, insert the following:

(c) Treatment Services for Individuals With a Substance Abuse Condition.—

(1) In general.—Title XVI (42 U.S.C. 1381 et seq.) is amended by adding at the end the following new section:

"TREATMENT SERVICES FOR INDIVIDUALS WITH A SUBSTANCE ABUSE CONDITION

"Sec. 1636. (a) In the case of any individual eligible for benefits under this title by reason of disability who is identified as having a substance abuse condition, the Commissioner of Social Security shall make provision for referral of such individual to the appropriate State agency administering the State plan for substance abuse treatment services approved under subpart II of part B of title XIX of the Public Health Service Act (42 U.S.C. 300x-21 et seq.)

"(b) No individual described in subsection (a) shall be an eligible individual or eligible spouse for purposes of this title if such individual refuses without good cause to accept the referred services described under subsection (a).

(2) Conforming amendment.—Section 1614(a)(4) (42 U.S.C. 1382c(a)(4)) is amended by inserting after the second sentence the following new sentence: "For purposes of the preceding sentence, any individual identified by the Commissioner as having a substance abuse condition shall seek and complete appropriate treatment as needed.".

On page 126, line 10, strike "c" and insert "(d)".

On page 127, between lines 2 and 3, insert the following new subsection:

(e) Supplemental Funding for Alcohol and Substance Abuse Treatment Programs.—

(1) In general.—Out of any money in the Treasury not otherwise appropriated, there are hereby appropriated to supplement State and Tribal programs funded under section 1933 of the Public Health Service Act (42 U.S.C. 300x-33), $50,000,000 for each of the fiscal years 1997 and 1998.

(2) Additional funds.—Amounts appropriated under paragraph (1) shall be in addition to any funds otherwise appropriated for allotments under section 1933 of the Public Health Service Act (42 U.S.C. 300x-33) and shall be allocated pursuant to such section 1933.

(3) Use of funds.—A State or Tribal government receiving an allotment under this subsection shall consider as priorities, for purposes of expending funds allotted under this subsection, activities relating to the treatment of the abuse of alcohol and other drugs.

On page 131, line 23, insert ", including such individual's treatment (if any) provided pursuant to such title as in effect on the day before the date of such enactment," after "individual".

On page 158, between lines 11 and 12, insert the following:

SUBTITLE F—RETIREMENT AGE ELIGIBILITY

SEC. 251. ELIGIBILITY FOR SUPPLEMENTAL SECURITY INCOME BENEFITS BASED ON SOCIAL SECURITY RETIREMENT AGE.

(a) In General.—Section 1614 (a)(1)(A) (42 U.S.C. 1382c(a)(1)(A)) is amended by striking "is 65 years of age or older," and inserting "has attained retirement age.".

(b) Retirement Age Defined.—Section 1614 (42 U.S.C. 1382c) is amended by adding at the end the following new subsection:

"Retirement Age

"(g) For purposes of this title, the term "retirement age" has the meaning given such term by section 216(l)(1).".

(c) Conforming Amendments.—Sections 1601, 1612(b)(4), 1615(a)(1), and 1620(b)(2) (42 U.S.C. 1381, 1382a(b)(4), 1382d(a)(1), and 1382i(b)(2)) are amended by striking "age 65" each place it appears and inserting "retirement age".

(d) Effective Date.—The amendments made by this section shall apply to applicants for benefits for months beginning after September 30, 1995.

ABRAHAM (AND JEFFORDS) AMENDMENT NO. 2684

Mr. DOLE (for Mr. Abraham, for himself and Mr. Jeffords) proposed an amendment to amendment No. 2280 proposed by Mr. Dole to the bill H.R. 4, supra; as follows:

On page 51, strike the matter inserted between lines 11 and 12 by the modification submitted on September 8, 1995, and insert the following:

"(e) Grant Increased To Reward States That Reduce Out-of-Wedlock Births.—

"(1) In general.—The amount of the grant payable to a State under section 403(a)(1)(A) for fiscal years 1998, 1999, and 2000 shall be increased by—

"(A) an amount equal the product of $25 multiplied by the number of children in the State in families with incomes below the poverty line, according to the most recently available Census data, if—

"(i) the illegitimacy ratio of the State for the most recent fiscal year for which such information is available is at least 1 percentage point lower than the illegitimacy ratio of the State for fiscal year 1995 (or, if such information is not available, the first available year after 1995 for which such data is available); and

"(ii) the rate of induced pregnancy terminations for the same most recent fiscal year in the State is not higher than the rate of induced pregnancy terminations in the State for fiscal year 1995 (or, the same first available year); or

"(B) an amount equal the product of $50 multiplied by the number of children in the State in families with incomes below the poverty line, according to the most recently available Census data, if—

"(i) the illegitimacy ratio of the State for the most recent fiscal year for which information is available is at least 2 percentage points lower than the illegitimacy ratio of the State for fiscal year 1995 (or, if such information is not available, the first available year after 1995 for which such data is available); and

"(ii) the rate of induced pregnancy terminations in the State for the same most recent fiscal year is not higher than the rate of induced pregnancy terminations in the State for fiscal year 1995 (or, the same first available year).

"(2) DETERMINATION OF THE SECRETARY.—The Secretary shall not increase the grant amount under paragraph (1) if the Secretary determines that the relevant difference between the illegitimacy ratio of a State for an applicable fiscal year and the illegitimacy ratio of such State for fiscal year 1995 or, where appropriate, the first available year after 1995 for which such data is available, is the result of a change in State methods of reporting data used to calculate the illegitimacy ratio or if the Secretary determines that the relevant non-increase in the rate of induced pregnancy terminations for an applicable fiscal year as compared to fiscal year 1995 or, the appropriate fiscal year, is the result of a change in State methods of reporting data used to calculate the rate of induced pregnancy terminations.

"(3) ILLEGITIMACY RATIO.—For purposes of this subsection, the term 'illegitimacy ratio' means, with respect to a State and a fiscal year—

"(A) the number of out-of-wedlock births that occurred in the State during the most recent fiscal year for which such information is available; divided by

"(B) the number of births that occurred in the State during the most recent fiscal year for which such information is available.

"(4) POVERTY LINE.—For purposes of this subsection, the term 'poverty line' has the meaning given such term in section 403(a)(3)(D)(iii).

"(5) AVAILABILITY OF AMOUNTS.—There are authorized to be appropriated and there are appropriated such sums as may be necessary for fiscal years 1998, 1999, and 2000 for the purpose of increasing the amount of the grant payable to a State under section 403(a)(1) in accordance with this subsection.

NOTICE OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LUGAR. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry will hold a full committee markup of the committee's budget reconciliation instructions. The markup will be held on Tuesday, September 19, 1995, at 9 a.m. in SR–332.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Friday, September 15, 1995, for purposes of conducting a full committee hearing which is scheduled to begin at 9 a.m. The purpose of this hearing is to review S. 1144, a bill to reform and enhance the management of the National Park Service, S. 309, a bill to reform the concession policies of the National Park Service, and S. 964, a bill to amend the Land and Water Conservation Fund Act of 1965 with respect to fees for admission into units of the National Park System.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, TECHNOLOGY, AND GOVERNMENT INFORMATION

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Technology, and Government Information of the Committee on the Judiciary, be authorized to hold a hearing during the session of the Senate on September 15, 1995, at 10 a.m. to consider "The Ruby Ridge Incident."

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE 40TH ANNIVERSARY OF ALBERT EINSTEIN COLLEGE OF MEDICINE

• Mr. D'AMATO. Mr. President, I rise today to pay tribute to the Albert Einstein College of Medicine of Yeshiva University. In October of this year they will be celebrating their 40th anniversary. The Albert Einstein College of Medicine was established in 1955 and has become one of the Nation's leading centers for medical research and education.

From an original class size of 56 students to a student body today of over 1,000 students this institution has produced a long line of outstanding graduates. Admissions to the program has always been extremely competitive and as recently as 1994, 9,000 candidates applied for 176 spots. A full-time faculty of over 1,000 teaches, delivers health care, and conducts studies in every major medical speciality and area of biomedical research. Particular areas of excellence in research for which the Albert Einstein College of Medicine is widely renown include Alzheimer's Disease, neuroscience, cancer, heart disease, diabetes, liver disease, AIDS, immunology and molecular genetics.

Congratulations to the Albert Einstein College of Medicine of Yeshiva University on their 40th anniversary.•

TRIBUTE TO MR. LARRY MURRAY ON HIS RETIREMENT AS EXECUTIVE DIRECTOR OF THE AREA AGENCY ON AGING OF WESTERN MICHIGAN

• Mr. LEVIN. Mr. President, I rise today to pay tribute to Lawrence L. Murray, Jr. In so doing, I join with the members of his community who are honoring Larry Murray on September 21, 1995, during a reception commemorating his 21 years of service and his retirement as executive director of the Area Agency on Aging of Western Michigan.

Larry is a native of Pittsburgh, PA, and a proud graduate of Duquesne University. A member of the World War II generation, to whom our Nation owes so much, Larry served in the U.S. Army Air Corps from 1942 to 1946.

Following his discharge from the service, Larry pursued a career in business and sales. In the early 1960's his work brought Larry and his family to Grand Rapids. A decade later Larry ended the first stage of his professional life when he retired as vice president of U.S. Gypsum, Inc.

With prophetic vision focusing on the challenges of a growing senior population, Larry prepared the documentation for designation which created Region VIII, the Area Agency on Aging of Western Michigan and was appointed the agency's first executive director.

Over the years Larry has led region VIII through many changes and challenges, always ensuring a continuous flow of services for older persons. He was responsible for making it the first computerized area agency on aging, and successfully obtained numerous State and Federal grants which have allowed for its expansion and success. Additionally Larry spearheaded the efforts to erect a new building for the agency that includes a state-of-the-art kitchen for its Meals on Wheels Program.

In 1986 in recognition of his outstanding leadership and many years of dedicated service, Larry was given the award for the Distinguished Area Agency Director of the United States of America.

Also active in his church and community, Larry has been a volunteer or member of many boards and organizations over the years among them: the Ancient Order of Hibernians; the Knights of Columbus; the St. Vincent DePaul Society; the Michigan Society of Gerontology, and a host of others.

Serving his country, church, and community throughout his entire life, Larry Murray has been an example to others embodying the highest ideals of his faith and his country. Mr. President I ask you along with all of my colleagues in the Senate to join with me in honoring this outstanding citizen. His legacy of unselfish service is something all should strive to emulate.•

WORLD POPULATION AWARENESS WEEK

• Mr. CAMPBELL. Mr. President, in August, Gov. Roy Romer of Colorado proclaimed October 22 to 29 "World Population Awareness Week" for the State of Colorado. I would like to express my support for this proclamation, and for population awareness activities.

I support noncoercive international family planning programs as much as possible, given budget constraints. Other countries need our support to control population growth and raise standards of living. Family planning programs help control population growth in overcrowded nations, reduce infant and maternal mortality rates, and decrease the rates of starvation and poverty. These developments in turn help lower pressures on inadequate, severely stressed health services in many countries.

By promoting long-term, sustainable economic and human growth, I believe family planning programs serve U.S. interests in environmental protection, resource conservation, global economic growth, immigration, and international stability.

World Population Awareness Week will help promote public awareness of the causes and costs of overpopulation, and effective policies to reduce population growth voluntarily and rationally.

Mr. President, I ask that Governor Romer's proclamation be printed in the RECORD.

The proclamation follows:

HONORARY PROCLAMATION

Whereas, the world's population has reached 5.7 billion and is growing at a reported rate of 100 million each year; and

Whereas, rapid population growth can overtake the capacity of human societies to provide food, housing, education, employment and basic health services and may undermine economic development as well as social, cultural and political stability; and

Whereas, population growth can place strains on the environment and our natural resources; and

Whereas, many groups will recognize October 22-29, 1995, as World Population Week to increase public awareness of what many view as a need to find a balance between population development and the natural environment;

Now, therefore, I, Roy Romer, Governor of Colorado, proclaim October 22-29, 1995, as World Population Awareness Week in the State of Colorado.●

TRIBUTE TO DEA SPECIAL AGENT ROBERT A. AIU, 1995 NATIONAL LAW ENFORCEMENT OFFICER OF THE YEAR

● **Mr. AKAKA.** Mr. President, it is an honor and privilege for me to rise in the well of the Senate today in recognition of Special Agent Robert A. Aiu of the Drug Enforcement Administration [DEA], Honolulu, who has been named the 1995 National Law Enforcement Officer of the Year. This is a singular honor which is awarded to but one out of the thousands of law enforcement officers of Federal enforcement agencies, including the FBI, Bureau of Alcohol, Tobacco and Firearms, and the CIA. Agent Aiu has the further distinction of being the first to be so honored in the DEA.

Special Agent Aiu, who has served in the DEA since 1970, has been recognized and honored for his outstanding service in marijuana eradication, seizure, and forfeiture of assets derived from drug trafficking, and for the assistance he has provided to the U.S. Marshals Service in the apprehension of fugitives. Like many other law enforcement officers, he puts his life on the line in the performance of his duties and we are deeply grateful to him for his continuing efforts to make our society a safer and better place for all of us.

In behalf of the people of Hawaii and our country, I commend Special Agent Robert A. Aiu of the Drug Enforcement Administration in Honolulu, 1995 National Law Enforcement Officer of the Year, and express our deep and heartfelt gratitude to him for his exemplary performance, and selfless and untiring dedication to duty.

Congratulations and mahalo, Bob. Well done.●

SPECIAL RECOGNITION FOR SENATOR KENNEDY AND SENATOR DODD

Mr. DASCHLE. Mr. President, let me make a couple of additional points on the agreement we have reached with regard to modifying the original Dole bill.

A lot of people deserve recognition this afternoon for their contribution. I think on our side there are two Senators who certainly deserve special recognition for the contribution and leadership they have shown.

Of course, I refer to Senators DODD and KENNEDY. First on children's issues and, second, on work. On a number of the legislative provisions relating to work and job skills, they have done a remarkable job over the years and have certainly shown, again, their leadership, and the tremendous effort they have put forth to allow us the progress that we have made this week on welfare reform. But, in particular, on child care itself, it would not have been possible were it not for their work and their effort. I applaud them and publicly want to thank them for all of the help and leadership that they have given on that issue.

Let me also say we will have some time to talk about the overall agreement next week. I intend to vote for this bill. I do so with mixed feelings, frankly. I think there are many things in the bill we can cite with some satisfaction. There are many concerns that I have, as well.

I hope as people take a look at the overall context of what it is we have attempted to do, that they appreciate the difficulty that we have under any circumstances to come to agreement and to actually accomplish as much as we have done here.

In my view, it goes a long way to doing what we all want to do: fundamentally reform the welfare system. It does not go anywhere near as far in some areas as we would like it to, but that is the essence of compromise. I will have more to say on that on Tuesday.

I appreciate the good work that everyone has put forth to get us to this point this afternoon. I yield the floor.

NATIONAL POW/MIA RECOGNITION DAY

Mr. DOLE. Mr. President, just down the hall from my office, the POW/MIA flag stands in the Capitol rotunda. That flag flies as a sad, but proud, reminder of the sacrifices which brave people made in the defense of our country—in Vietnam, in Korea, and in World War II. As I am sure my colleagues know, today is National POW/MIA Recognition Day—a day for all Americans to reflect on those who faithfully served this Nation but whose ultimate fate remains unknown. America must never forget those who have gone missing in the battles to defend our freedom.

I opposed President Clinton's decision to establish diplomatic ties with Vietnam. Shortly before the took office, then president-elect Clinton said that "there will be no normalization of relations with any nation that is at all suspected of withholding any information." And while Vietnam may have selectively cooperated here and there, all signs continue to point to the fact that Vietnam is still willfully withholding information.

We are still watching the Vietnamese Government. We are still expecting total cooperation. And we will not close the book until we are certain that we have the fullest possible accounting of every American POW and MIA.

Today, let us look up to the POW/MIA flag in the rotunda, and really reflect. Many here have answered this country's call to arms, but today, let us remember those who endured a heavier burden as prisoners of war. Let us recall the pain felt by the families and friends of those who didn't come back, and those who remain missing in action.

By honoring our POW'S and MIA's, we honor the freedom and peace they defended. We can take inspiration from their example and courage from their actions. Our country is great because of these American heroes, and we cannot rest until the fullest possible accounting is achieved.

TRIBUTE TO CARL McNEAL

Mr. DOLE. Mr. President, a few weeks ago, there was a movie on television which told the dramatic and inspiring story of the Tuskegee Airmen, who courageously fought for America's freedom during World War II.

All Senators can take great pride in the fact that a veteran of the Tuskegee Airmen worked here in the Senate for many years. His name is Carl McNeal, but everyone called him "Mac."

After 17 years in the Senate and 34 years of Federal Service, Mac has retired to spend more time with his wife, Dorothy, his six children, and eight grandchildren.

Mac McNeal has been a dedicated and valuable member of the Senate family, and I know all members join with me in wishing him many years of health and happiness.

NATIONAL WOMEN'S HALL OF FAME

Mr. DOLE. Mr. President, as my colleagues know, this year marks the 75th anniversary of the adoption of the 19th amendment to the Constitution, which granted women the right to vote.

I am proud to say that it was a Republican Congress which sent that amendment to the States for ratification. Its adoption ended a struggle that began in 1848 at a women's convention in Seneca Falls, NY.

Since 1969, Seneca Falls has been the home of the National Women's Hall of Fame. And today, the Hall of Fame announced the names of the 18 women who will be inducted into the Hall of Fame later this year.

And it is with great pride that I announce that one of those inductees will be my wife, Elizabeth.

And I hope my colleagues will forgive me if I take just a few brief seconds to congratulate Elizabeth, and to say how proud I am of her many accomplishments, and of the difference she has made throughout her life.

I ask unanimous consent, Mr. President, that a list of all 18 inductees be printed in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL WOMEN'S HALL OF FAME ANNOUNCES WOMEN TO BE INDUCTED FOR 1995

SENECA FALLS, NY.—Nancy Woodhull, president of the National Women's Hall of Fame, today announced that the Hall would induct 18 distinguished women on Saturday, October 14, 1995. The Honors Ceremonies will be held in historic Seneca Falls, New York, the birthplace of women's rights where the first Women's Rights Convention was held in 1848.

EC–1995 Honorees are:

Virginia Apgar (1909–1974), physician who invented lifesaving newborn health assessment measure.

Ann Bancroft (1955–), polar explorer; first woman to reach the North and South Poles across the ice.

Amelia Bloomer (1818–1894), suffragist and social reformer; founded and edited The Lily, the first newspaper devoted to reform and equality for women.

Mary Breckinridge (1881–1965), nurse-midwife and founder of the Frontier Nursing Service, created to provide health care in rural areas.

Eileen Collins (1956–), first woman to pilot the space shuttle.

Elizabeth Hanford Dole (1936–), first woman Secretary of Transportation; Secretary of Labor; President of the American Red Cross.

Anne Dallas Dudley (1876–1955), key leader in passage of the nineteenth amendment, giving women the right to vote; Tennessee suffrage and political leader.

Mary Baker Eddy (1821–1910), the first American woman to found a worldwide religion, the Church of Christ, Scientist (Christian Science).

Ella Fitzgerald (1917–), singer.

Margaret Fuller (1810–1850), author, feminist, Transcendentalist leader, and teacher.

Matilda Joslyn Gage (1826–1898), feminist, suffrage leader and author.

Lillian Moller Gilbreth (1878–1972), industrial engineer and motion study expert whose ideas improved industry and the home.

Nannerl O. Keohane (1940–), political scientist and educator; first woman president of Duke University; first woman to head a major women's college (Wellesley) and research university.

Maggie Kuhn (1905–1995), founder of the Gray Panthers.

Sandra Day O'Connor (1930–), the first woman Justice of the U.S. Supreme Court.

Josephine St. Pierre Ruffin (1842–1924), leader and organizer of Black women's organizations; Abolitionist and anti-lynching crusader.

Patricia Schroeder (1940–), congresswoman who has pioneered passage of legislation helping women and families.

Hannah Greenebaum Solomon (1858–1942), founder of the National Council of Jewish Women.

PROVIDING FOR SEVERANCE PAY

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 172, submitted earlier today by Senator DOLE.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 172) providing for severance pay.

Mr. FRIST. Mr. President, I ask unanimous consent the resolution be considered and agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution was agreed to.

The resolution reads as follows:

S. RES. 172

Resolved, That (a) an individual who is an employee in the office of the Sergeant at Arms and Doorkeeper of the Senate who was an employee in that office for at least 183 days (whether or not service was continuous) during fiscal year 1995, and whose service in that office is terminated on or after the date this resolution is agreed to, but prior to October 1, 1995, shall be entitled to one lump sum payment consisting of severance pay in the amount equal to 2 months of the individual's basic pay at the rate in effect on September 1, 1995.

(b) The Secretary of the Senate shall make payments under this resolution from funds appropriated for fiscal year 1995 from the appropriation account "Salaries, Officers and Employees" for salaries of officers and employees in the office of the Sergeant at Arms and Doorkeeper of the Senate.

(c) A payment may be made under this resolution only upon certification to the Disbursing Office by the Sergeant at Arms and Doorkeeper of the Senate of the individual's eligibility for the payment.

(d) In the event of the death of an individual who is entitled to payment under this resolution, any such payment that is unpaid shall be paid to the widow or widower of the individual or, if there is no widow or widower of such deceased individual, to the heirs at law or next of kin of such deceased individual.

(e) A payment under this resolution shall not be treated as compensation for purposes of any provision of title 5, United States Code, or of any other law relating to benefits accruing from employment by the United States, and the period of entitlement to such pay shall not be treated as a period of employment for purposes of any such provision or law.

ORDER FOR RECESS

Mr. FRIST. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in recess under the previous order, following the remarks of Senators LEVIN, KERREY, and KENNEDY.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE LEVIN-DOLE MODIFICATION OF THE WELFARE REFORM BILL

Mr. LEVIN. Mr. President, yesterday I offered an amendment on the welfare reform bill to strengthen the work requirement in that bill. I have long believed that work requirements should be clear and should be strong and should be applied promptly. Able-bodied welfare recipients who are not in school or in job training should work—period. My amendment required that able-bodied individuals either be in job training, in school, or working in private sector jobs within 6 months of receipt of benefits, or else be offered and be required to accept community service employment. This requirement would be phased in over 3 years in order to give States an opportunity to adjust administratively.

This was a strengthening provision that was added relative to work and, while States are given the option to opt out of this particular requirement by notification to the Secretary of Health and Human Services, I hope and would expect that pressure from the American people, who overwhelmingly support strong work requirements, will convince their States to enforce this provision and not opt out. Senator DOLE, the bill's sponsor, accepted the principle and the goals of my amendment and it was adopted by a voice vote.

A few moments ago, on behalf of myself and Senator DOLE, a modification was sent to the desk and was adopted by voice vote. This modification to my earlier amendment will strengthen the amendment by requiring that work requirements apply to recipients 3 months after they begin to receive benefits instead of 6 months; and this accelerates the requirement by 3 months. That is the maximum. So if somebody is not in school or job training or in a private sector job and is able-bodied, under this requirement States will put in place within the next 3 years a requirement that community service jobs be offered to, and that welfare recipients accept, community service jobs within no more than 3 months of the receipt of their welfare benefit.

This modification of this amendment will also put this requirement into law 1 year sooner, after 2 years rather than 3 years. That also is a strengthening requirement.

The Daschle amendment, which was narrowly defeated last week, contained an even stronger provision which was added as a modification at my request.

Experience has shown we must be more aggressive in requiring recipients to work. As I said earlier, I believe this amendment is a firm step in the right direction.

I make a parliamentary inquiry, just to make sure. The modification I referred to in fact was not only adopted as part of the package, but also I ask whether or not there was a motion to reconsider which was tabled?

The PRESIDING OFFICER. With regard to the parliamentary inquiry, the Senator will suspend for a moment.

The answer is yes.

Mr. LEVIN. I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

THE DOLE-DASCHLE AGREEMENT

Mr. KENNEDY. Mr. President, I support the Dole-Daschle agreement. This modification restores the Federal commitment to child care as an essential step in moving people from welfare to work. It also prevents an unacceptable tradeoff between job training for dislocated workers in the changing economy and workfare for those on welfare unable to find jobs in the private sector.

Provisions on child care help to improve one of the most troubling features of this bill. Rather than end the Federal commitment to child care and put the funds into a general pool, we have reached agreement that a specific allocation of funds to child care is essential if we are serious about moving people from welfare to work.

As a result of this agreement, fewer children will be left home alone and more families will be able to obtain the child care they need in order to take jobs to become self-sufficient.

I am hopeful the progress we have made on this issue will be preserved in conference with the House of Representatives. For welfare reform to be worthy of the name, it must not punish innocent children because they happen to be born poor. It must provide genuine opportunities for their parents to find jobs.

The agreement to drop the job training provisions from the welfare reform package is a major victory for America's workers. We have made good progress on separate legislation to consolidate and reform the existing Federal job training system. That effort will continue on a separate track. And I am optimistic that we can reach bipartisan agreement on this needed, far-reaching reform.

I commend Senator KASSEBAUM for her leadership.

The current agreement enables us to keep faith with America's workers and keep the promises that we have made to dislocated workers. Large numbers of men and women have lost their jobs or have been laid off as a result of international trade agreements, base closings, corporate downsizing, environmental protection, and other economic disruptions. They deserve the chance to pick up the pieces of their lives and start anew, and sensible job training and job education programs can make that possible.

Senator KASSEBAUM and many others on the other side of the aisle have worked closely with us in this effort, and I commend them for their leadership.

I remain deeply troubled by the potential consequences for the most vulnerable in our society—poor children—if this so-called welfare reform bill passes, but these modifications are certainly an improvement. These major amendments on child care and job training have eased some of the most objectionable features of the welfare bill, but I continue to have serious reservations about the remaining provisions.

I commend the leaders on both sides for their leadership shown on this issue.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER (Mr. FRIST). The Senator from Nebraska is recognized.

THE MEDICARE PRESERVATION ACT OF 1995

Mr. KERREY. Mr. President, I have come to the floor to talk, I hope for the Presiding Officer's sake, briefly about the proposal—the general outline of the proposal—made yesterday by the Republican leadership called the Medicare Preservation Act of 1995. The details are not yet available. It is a general outline.

Mr. President, I must say had I given this speech 7 or 8 hours ago, I probably would have been a lot hotter than I am right now. I have cooled down since I watched the video replay of Speaker GINGRICH's rather remarkable—and I would argue and observe, distasteful—representation of the Democratic view of Medicare.

At one point he said that Democrats are morally bankrupt. That is as if saying we ought to approach the American people about the truth, with the facts, with the courage and with trust, that they have the capacity to take the truth. I agree with that. I believe, in fact, if we are going to have the debate about Medicare that leads to constructive reform, that saves the system—and, by the way, as importantly, slows and fixes the percent of growth of all entitlements as a percentage of our budget—then we are going to have to come together present facts, tell the truth, and have the courage to do so. I do not disagree with Speaker GINGRICH's observation in that regard.

But, as I said, I was somewhat provoked when he said that Democrats are morally bankrupt, and that all we are trying to do is frighten 85-year-olds who are concerned about this program.

Well, Mr. President, 85-year-olds are quite nervous and concerned about what politicians are going to do with their Medicare Program, and I think understandably so. But it is not Democrats that are causing them to be fearful. They are fearful, I would argue, principally because they know something needs to be done, and they are not in the main sufficiently well funded personally to be able to cover the costs of nursing home care or, for that matter, most of the cost of modern health care. And they are nervous. They are fearful. They are no longer able to produce and enjoy income, and, as a consequence, they are extremely vulnerable to all kinds of statements.

So, again, I do not disagree with Speaker GINGRICH and other Republican leaders that were talking yesterday about the need to present facts, the need to present the truth, the need to have courage, and the need to trust the American people that they can handle the truth and the facts presented by politicians.

But, Mr. President—I want to be clear on this—my criticism of the Republican proposal is not that it does too much; I am critical of the Republican proposal because it does not do enough.

Let me emphasis that, Mr. President. I believe that the proposal, the general outline of the proposal, because it sees the problem through a 7-year budget deficit plan—and that is what it is—it sees this Medicare problem through the view of the next 7 years. There is a need to produce a sufficient amount of savings over the next 7 years, and in order to meet the balanced budget targets in the budget resolution, the law now requires that be done. There are instructions for the Finance Committee to produce legislation that will get that done.

There is a recommendation that will probably, all in all, in the end, be considered in reconciliation, unfortunately. But when you look at the problem for the next 7 years, you do not see the full size of the problem.

Indeed, the Medicare Preservation Act of 1995 says that it will preserve the system for current beneficiaries, protect it for future beneficiaries, and strengthen it through reforms that have worked in the private sector.

It may preserve it for current beneficiaries; it may strengthen it through reforms that have worked in the private sector. Both of those appear to be in the general outline. But by no measurement, unless you consider that the future only includes the next 7 years, does this proposal protect it for future beneficiaries. It does not do that. It sees this as a 7-year problem. It does not see it as a problem beyond that 7 years.

The problem that we have with entitlements—if anybody doubts that a Democrat is willing to propose something that solves this problem, former Senator Danforth and I last year, after the conclusion of the entitlement commission recommendation, made proposals that would have fixed this problem long term, that would have fixed not only the Medicare trust funds but would have fixed it so that we do not see health care entitlements as well as other entitlements continuing to grow and erode our entire Federal budget. Mr. President, that is the most important problem.

I think we are closer to consensus on many more things around here than would sometimes meet the eye given the intensity of the political rhetoric. One of the things I believe that Democrats and Republicans now share, at least in a general sense as to what our policies ought to be, is that our policies ought to promote economic growth. We now understand that unless we have gains in productivity, unless we have economic growth, it is rather difficult for us to do anything.

We see it in a recession. If you are in a recession, the revenues are down; you have to cut your budget; you do not have money for roads; you do not have money for schools; you do not have money for health care; you do not have money for retirement.

The source of our revenue, whether it is for retirement or health care or any other program that we fund, is the goods and services that are manufactured and produced by the American people, 117 million people in our economy. If they are productive and they are selling and our economy is growing, that is the source of our revenue. It is the source of Medicare revenue.

The distinguished occupant of the chair knows, not only a gifted surgeon but designated as a lead Senator I believe for the Republicans in coming up with some recommendations, understands that the entire source of revenue for part A comes from a payroll tax. We have a tax on payroll. We also have income taxes that provide currently about 69 percent I believe of the total revenue of part B, the physician services. In both of those cases, we have to have income. People are out there working in the workplace. We tax their wages to generate the money for part A, to pay hospital bills, and we tax their income to pay about 60 percent, or almost 70 percent—it was 75—about 70 percent of the physician payments come from taxes on people's income.

I make this point because it is that income that people produce in the private sector which is our source to pay the doctor bills, to pay the hospital bills. If we were in a recession, if we were not enjoying a recovery right now, if rates of productivity were not up, we would not have nearly as much money as we have to pay those entitlement obligations for hospitalization and for physician services.

A very important beginning observation, Mr. President, very important, because what is happening in the Federal budget—and, again, there is consensus, I believe, amongst Republicans and Democrats. Although we may disagree at the margin on some programs as to whether or not they are useful or necessary, I think there is general agreement that some expenditures on the part of the Federal Government, some collecting of revenue that we do of taxpayer revenue and spending that we do increases our productive capacity.

I am 52 years of age and started in business in 1973 officially. I made a lot of money as a consequence of my parents having built the interstate highway system with cash. It lowered my cost of doing business. It enabled me to get products that I otherwise would not have been able to get. My customers could get to me easier than others. It increased my business. That was an investment. That was a collective investment made with revenue we collected at the Federal level. We made it at the local level.

It is not the only one. Many of us believe that investments in education, in infrastructure, in sewer, in water, in research, many of us believe that there are other investments that we can make, expenditures in people for their work out there—we collect the money and we spend it—that some of these expenditures do in fact produce increases in productivity and growth in our economy, thus providing us with the revenue to fund entitlements.

The year that the current chairman of the Appropriations Committee, Senator HATFIELD, arrived in the U.S. Senate—and he is one of the best Senators that I have had the privilege to meet and to get to know—the year that he arrived in the Senate, as you look at the Federal budget, 70 percent of the budget was voted on and appropriated and 30 percent was entitlement and net interest. This year, it is 67 percent entitlements and net interest and 33 percent appropriated, voted on and authorized.

At the end of this budget resolution, at the end of the 7-year period, we will be down to 25 percent for appropriated accounts and 75 percent for entitlements and net interest, and when the baby boomers start to retire some 6 years after this budget resolution, it drives clear off the charts. In approximately 15 years, we will have converted the Federal Government into an ATM machine. All we will be doing is transferring money. All we will be doing is paying doctors or paying hospitals or writing checks to retirees. That is all we will be doing. There will be no money left for defense, no money left for the courts, no money left for law enforcement.

Mr. President, it is an unsustainable trend. It is an unsustainable trend. And we have to interrupt it, as the Speaker said, with courage and with honesty, although I saw some evidence of his unwillingness, I think, to hold to a very important standard in this entire debate.

The Republican proposal solves a 7-year problem, a budget problem for the next 7 years. It is going to be very interesting to see what the trustees say as far as how many years' additional slack we get as a consequence of these changes. Is it going to push the default date or the bankruptcy date, or whatever name you want to put on it, from 2002 back to 2005 or 2006? I guarantee it will not go much beyond 2008.

Mr. President, as I said, worst of all, the proposal does not say to the American people that we have to fix the cost of all entitlements—and health care is the biggest and most rapidly growing of all of them—we have to fix the cost of these entitlement programs so we have the resources to be able to do—God willing, if Congress gets the courage—the equivalent of the GI bill, the equivalent of the interstate highway system, if we are willing to truly make those kinds of investments that produce long-term benefits to future generations. Today we could not afford to do it, and in the future we are going to be able to afford even less.

Mr. President, this proposal does not go far enough. And I emphasize that. I do not want any American—I watched the news today and the sound bites, Speaker GINGRICH and leader DOLE, and then leader DASCHLE and leader GEPHARDT, and Haley Barbour, on where are the Democrats and where are the Republicans. The general perception is being created early in the debate that Republicans have a proposal and the Democrats are opposed to it.

Mr. President, I am not opposed to changing Medicare at all. There is an urgent need to do so. But I feel very strongly on this issue that this proposal does not go as far as we ought to. I will not resist it because it cuts too much; I am going to resist it because the focus is too narrow of a timeframe.

Mr. President, we do not have time on our side. The earlier we make adjustments on this, the easier it will be to fix the overall costs of entitlements and the more likely we will give beneficiaries a time to plan.

I will give you an example. If we can reach agreement that we ought to fix the overall cost of entitlements, if we are going to say that to the American people, let us say we are going to fix it at 70 percent. That is still three points more than it currently is. Let us presume that the Democrats and Republicans and Congress can get together and say entitlements and net interest should not be more than 70 percent of our total interest. That is approximately where Senator Danforth and I ended up with our proposal.

When you get into that, you are talking about the need to phase in a change in the eligibility age from 65 to 70, perhaps providing an earlier eligibility, as we did to 62, requiring a larger payment for it, and allowing people to get insured, not making them wait until they are 70 to be eligible, but for full program benefits, if you want to solve this long-term problem before the baby boomers start to go out.

God help us if we wait. I mean, we do not have the productive capacity to generate the payroll tax revenue nor the income tax revenue to get that done. When the baby-boom generation starts to retire, the people working per retiree is going to drop again. It is almost a 25-percent increase in the number of retirees in a single decade in Nebraska while the population in general grows less than 2 percent.

We have got a tremendous new class of retirees in my—and I do not know how old the occupant of the chair is. The occupant of the chair is sort of on the other edge of the baby-boom generation. When we retire, the people supporting us will say, "Oh, my gosh, you guys are expensive. I didn't realize you cost so darn much." We are going to say, "Well, we have a COLA on our retirements, health care is more expensive now, even in the managed care environment."

I heard on C-SPAN today the distinguished occupant of the chair was fiddling, I guess, not long ago with a member of the press and had a pacemaker that he had invented and was trying to come up with a device that was small enough to get into a baby's heart, because that is the kind of surgery he does.

Even in a managed environment, that is going to be expensive. I hope you are successful in being able to discover a way to make that smaller for those babies that need pacemakers. No matter what you do, if you want high quality care, and I believe most Americans want high quality health care, even in a managed environment, it is likely to be expensive.

Mr. President, we are going to need people in the work force producing higher wages, producing higher output to have the revenue that we need to pay for all of that. I daresay, if we do not do more than what is in this Medicare Preservation Act of 1995, we are going to wish we had.

I am here on the floor, Mr. President, to say here is one Democrat that does not look at the proposal and say you have done too much. This is one Democrat that comes to the floor to say we have not done enough.

I have looked at the general outline and see there are no changes in what the beneficiaries have to pay, other than I suspect 7, 10, 12—there is going to be a higher part B premium in this thing and a means test that drops down to $75,000 a year.

I hope this does not degenerate to a situation where we are attacking that kind of proposal and try to score points. It seems to me we have to come to the American people and say, "All right, you made a good faith effort to fix this thing inside the budget resolution," but for those of us who have looked at this problem for a bit longer period of time and a longer period of time out in the future, it behooves us to come and say, "I want to join this battle but not on the outside only having to make a criticism."

I hope that the Republican majority will try to enlist people like myself rather than trying to score this as a Republican victory saying the Republicans alone are doing it. I hope you reach out to us. I hope Leader DOLE is either listening or staff is listening to this. Speaker GINGRICH, I forgive you for your intemperate remarks yesterday. I am not going to stand on the floor of the Senate and say I am permanently angry, will not sit down and meet with Speaker GINGRICH because he said I and other Democrats are morally bankrupt. We have a problem to solve. Deal us in and bring those of us—and there are others on this floor. I know Senator NUNN feels this way, Senator ROBB feels this way, Senator LIEBERMAN feels this way. There are many others. I am by no means an all-inclusive list.

We know we have a problem and we know the problem is much more than a 7-year budget problem. We are able to look at the numbers. Let us present the American people with the truth. Let us give them the facts as the Speaker said we should. Let us have the courage to give them all the facts. Otherwise, Mr. President, in very short order, we will not have Pell grants at all, we will not have student loans at all, we will not have chapter 1, we will not have Head Start—all the sorts of things this year we are anguishing because we do not have enough money to provide young people with, money they need to go to college—by the way, a cost that has gone up even faster than health care. We have families in Nebraska taking out second mortgages on their homes so they can go to college. We are cutting all that while we are funding larger and larger increases for retirement and health care.

Mr. President, we cannot continue it. I am standing here as a Democrat saying I am willing to join with Republicans if you go further. Let us not retreat from this proposal. Let us take it further to solve this long-term problem, not only so that Medicare is preserved for the long term, but so that we preserve our capacity to invest in these young people who watch this occasionally who ask us what we are going to do for their future.

Let us make certain at the Federal level we have the capacity when we reach agreement, and very often we do, that education gets a job done; that there are ways for us to increase productivity; that when we reach agreement on what ought to be done, that we have the fiscal capacity to do it.

Unless we take this proposal and make it larger, I fear that all we are going to do is spend the next 60 days scoring perhaps some terrific and effective political points on who is doing what to whom on Medicare, but we will not have done what I consider to be an urgent task, and that is fixing this entitlement problem once and for all.

I thank the distinguished occupant of the chair for his patience. Again, I appreciate very much his personal work in health care and his political work now in health care. I hope, in fact, that the leadership will open the doors a bit so those of us who do care deeply about this thing, who are willing to present facts, who are willing to tell the truth, who are willing to suck up and use a little bit of our political capital and courage are given an opportunity to do so.

Mr. President, I yield the floor.

RECESS UNTIL MONDAY, SEPTEMBER 18, 1995, AT 9:45 A.M.

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 9:45 a.m., Monday, September 18.

Thereupon, the Senate, at 3:31 p.m., recessed until Monday, September 18, 1995, at 9:45 a.m.

SENATE—*Monday, September 18, 1995*

(Legislative day of Tuesday, September 5, 1995)

The Senate met at 9:45 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, we begin the work of this week with the affirmation of the psalmist, "The Lord is my strength and my shield; my heart trusted in Him, and I am helped; therefore my heart greatly rejoices."—Psalm 28:7. Thank You for the joy we experience when we receive Your unqualified grace and unlimited goodness. Your joy is so much more than mere happiness that is dependent on circumstances and the attitudes of others. When we allow You to fill us with Your love, an artesian joy floods our minds and hearts. We remember times when we trusted You and You helped us, and joy bursts within us. With Your joy we can face difficulties, deal with impossible situations, and endure the most frustrating problems. You are the source of our strength for the tasks of this day, wisdom for the decisions of this week, and encouragement for the challenges ahead of us. You know what we need before we ask You, and You guide us to ask for what is Your will for us. May the joy we experience with You radiate on our faces and be expressed in our attitudes. This is the day You have made; we will rejoice and be glad in it. In the name of our Lord, who brought us joy. Amen.

SCHEDULE

Mr. MURKOWSKI addressed the Chair.

The PRESIDENT pro tempore. The able Senator from Alaska is recognized.

Mr. MURKOWSKI. Good morning, Mr. President. On behalf of the leader, and for the information of all Senators, this morning there will be a period for morning business until the hour of 10 a.m.

Immediately following morning business, the Senate will begin consideration of H.R. 1976, the Agriculture Appropriations bill.

The majority leader has indicated that Senators are expected to offer their amendments to the bill. However, no rollcall votes will occur before 5:15 p.m. today.

Members are also alerted that the Senate will complete action on the welfare reform bill tomorrow, with rollcall votes on the welfare reform bill beginning at approximately 2:45 p.m. on Tuesday.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for up to 5 minutes each.

AN INVASION OF PRIVACY

Mr. MURKOWSKI. Mr. President, I would like to speak this morning relative to an incident that occurred last Tuesday, and I think, if I recall correctly, the senior Senator from West Virginia also had such an incident which, to me, amounted to a certain invasion of privacy.

Last Tuesday, Mr. President, I was leaving my home to walk to my car and, as I rounded the corner, a neighbor asked me why someone was videotaping our block. I smiled at her and said, "Well, I have no idea." As I came around the corner, I was confronted by a news crew from an organization called "A Current Affair." As I attempted to walk toward my car, I found that there was a request for an interview. I said, "We have a number of votes and I am sorry, but I have to go to work." As I proceeded to walk toward my car, I was confronted not only with the microphone and a cameraman, but somebody carrying the cord and a couple of other people and, I assume, a director.

I said, "I am sorry, but if you want an interview I would be happy to accommodate you at my office."

Well, as I began to get closer and closer to the car, I finally became aware that there was a question that was forthcoming, and it was, "Why have you voted against the highway bill?" I said, "You have the wrong Senator. I have no jurisdiction over highways. You must want somebody else." I was thinking of TRENT LOTT who lives next door. But clearly they were not after TRENT LOTT; they were after me.

The next question was, "Senator, why did you vote against the highway funding legislation and vote for logging roads?" I responded by saying, "You really do not know anything about logging roads," and I went to my car and I closed the door and they said, "Well, you have some stock in one of the logging companies in Alaska." I responded by saying, "No, I do not have that stock," closed the door and backed out.

Then I found that later on in the day this organization from "A Current Affair" had contacted my stockbroker after we had released a public statement, and I will have that printed in the RECORD, relative to the disposal of some of my holdings in natural resource stocks.

They had the gall to suggest that perhaps my broker had predated or backdated the letter, indicating the actual date on which I sold my stock.

Now, Mr. President, we are all victims of living in a glasshouse in our particular business, but I find this kind of activity a personal affront to my own integrity and my own personal affairs.

Nevertheless, I think that we are all subject to this kind of harassment from time to time, but I did want the RECORD to note the circumstances surrounding this particular event.

As a consequence, Mr. President, of allegations concerning private holdings that I have had in various resource companies that I have held for a number of years—some for as many as 40 years have been held in my family—and criticism associated with that, when I first came to this body I declared all my personal holdings.

There was criticism from some that I should sell those holdings because I did have small amounts in organizations such as Chevron Corp., James River, Louisiana Pacific, RTZ, Champion International.

Then I moved the shares into a blind trust, Mr. President, and moved my assets into a blind trust. Then I was criticized for hiding my assets.

Again, after a short period of time, having placed my assets in a blind trust, I released them and have publicly disclosed all of them ever since.

As a consequence, Mr. President, I have absolutely nothing to hide about my personal investments. I try to invest in my home State of Alaska, developing resources and creating jobs. I think that is probably the best evidence of my commitment to my State of Alaska.

All my interests are disclosed publicly, and the fact that a producer from "A Current Affair" thinks they bear some kind of additional public disclosure, why, they are certainly welcome to that conclusion.

The bottom line, evidently, Mr. President, is that "A Current Affair" intends to do some kind of exposé on logging in my State. I have had my press secretary cooperating with them,

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

giving them the names of knowledgeable people in Alaska and Sitka, Ketchikan that they can contact with regard to the specifics of any question regarding logging in our State on public lands.

Mr. President, for the RECORD I supply a statement from my broker to be printed in the RECORD dated July 20, 1995, verifying the following securities were sold on July 17, 1995, covering Champion International, Chevron Corp., James River, Louisiana Pacific, and RTZ. The value of those stocks at the time they were sold was $57,272.89.

I also ask unanimous consent that it be printed in the RECORD that these stock holdings were sold 4 days prior to the introduction of legislation covering the Southeast Alaska Jobs and Community Protection Act which proposes to expand the timber harvest in the Tongass National Forest. These were done prior to any substantive action occurring on the opening of the Arctic National Wildlife Refuge oil exploration development or before my committee, the Committee on Energy and Natural Resources, subsequently took up the debate on the mining reform legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LEGG MASON WOOD WALKER, INC.,
Alexandria, VA, July 20, 1995.

Re Account number, name of Frank H. Murkowski and Nancy G. Murkowski.

Senator FRANK H. MURKOWSKI,
Washington DC.

DEAR SENATOR MURKOWSKI: This is to verify that the following securities were sold on July 17, 1995 from the above account.

Security	Shares	Amount
Champion Intl Corp	100	$5,638.30
Chevron Corp	324	15,307.79
James River Corp	395	10,532,13
Louisiana Pacific	750	20,068.87
RTZ Corp PLC ADR	100	5,725.80
Total	....	57,272.89

Sincerely,
LAWRENCE D. BERBERIAN,
Vice President, Investments Retirement Plan Consultant.

MURKOWSKI VERIFIES HE SOLD ALL NATURAL RESOURCE STOCKHOLDINGS BEFORE INTRODUCING TONGASS BILL

WASHINGTON.—In response to a request from one of the tabloid TV programs, A Current Affair, Alaska Sen. Frank Murkowski today released proof that as he announced more than a month ago, that he had sold all of his stock in natural resouce firms before introducing forestry-related legislation concerning the Tongass National Forest in Southeast Alaska.

Murkowski, chairman of the Senate Energy and Natural Resources Committee, July 17 sold all of his stock holdings in five companies that deal with natural resource issues: one energy company, three timber-related companies, (only one having operations in Alaska) and one mining company. The sale came four days before Murkowski introduced the Southeast Alaska Jobs and Community Protection Act and before any substantive action occurred on either opening of the Arctic National Wildlife Refuge to oil exploration/development or before his committee substantively took up debate of mining reform legislation.

"I've never been asked before in a cordial fashion whether I sold my stock in all these companies. Since I have now been asked, the answer is yes I did months ago to prevent ridiculous media speculation from interferring with substantive debate over a number of vital national resource policy issues," said Murkowski.

"Normally I would follow proper Senate procedures and not unveil my stock transactions, until my annual May financial disclosure statement. But given the level of unresearched and incorrect media reports this summer, it probably is better to release this information now," said Murkowski, who added that these sales in no way lessen his commitment to invest in Alaska-related firms whenever possible.

"My goal still is to invest in companies that provide jobs and make investments in Alaska. That is what I can do as an individual to help Alaska's economy and the creation of jobs which always has been my guiding investment principle," said Murkowski.

Murkowski has responded repeatedly through his press office to a producer from the program A Current Affair giving them the appropriate contacts in Alaska so they can gain factual comments on the Tongass. The Senator announced in Sitka Aug. 12 and Ketchikan Aug. 13 that he had disposed of some stock. Today, Murkowski released to the public the same information he gave to the program to confirm that the sales took place before he introduced the Tongass legislation.

Mr. MURKOWSKI. To make a long story short, Mr. President, I no longer hold any resource development-type stocks in my personal portfolio and feel that I have acted appropriately with regard to full disclosure on my personal assets. I believe that there is no conflict of any kind other than the effort to proceed with responsible development in my State of Alaska relative to jobs, the economy, and the economic contribution Alaska can make as a resource-rich State to our overall economy in this Nation.

I am proud of my personal efforts to abide by the Senate rules and the rules of disclosure. Again, I somewhat resent being ambushed on my way to work last Tuesday.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. THOMAS). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the quorum call be rescinded. I will speak as in morning business for 4 or 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

REIMBURSING MEMBERS' COSTS AT CHARITABLE EVENTS

Mr. MURKOWSKI. Mr. President, sometimes this body resembles, at least to me, perhaps "The Gang That Couldn't Shoot Straight." Let me share an example from Alaska relating to Senate passage of new restrictions on the acceptance of gifts by Senators, which was recently adopted by this body.

In crafting this new rule, we were certainly shooting at the Senate's past practices, where some Members inappropriately did accept gifts from lobbyists. Unfortunately, the target that we actually hit with our shots were the charities that had committed absolutely no wrongdoings, unless trying to raise money from time to time for the needy is now, somehow, inappropriate in this body.

First, let me make it clear that I fully support the new rule limiting gifts to Senators from any one source to $100 and making all gifts over $10—whether they be lunch or a fruit basket—count against the limit. Through that limit, the Senate has gone a long way to end the public perception that lawmakers give special favors to those who take us to lunch or take us to dinner or whatever.

But the new rule contains a glaring inconsistency and a level of hypocrisy that leaves a sour taste in my mouth. The chief problem is that under the measure we now have adopted, private parties would not be able to reimburse Members for the costs of transportation and lodging to a charitable event. But Senators still would be permitted to be privately reimbursed if they travel to a fundraising event, in Hollywood or San Francisco or Florida, for another Senator, and they could receive reimbursement for lodging—a clear inconsistency. We cannot do it for charity; but we can do it for politics.

Some suggest that politics is our business and that is why we should be allowed to continue to do it. But charity is also a worthy cause. Every Senator has, at one time or another, made a campaign appearance for his party or another member of his party. But the Senate now has created a system where politicians can travel all over this country attending political fundraisers and be reimbursed for travel and lodging but cannot be reimbursed for participating in charity events. This means the Senator can accept travel, lodging and dinner in some plush spot, elbow to elbow, on occasion, perhaps, with lobbyists, if he or she is raising money for a political group but cannot be reimbursed for participation in a charity event.

The source of funds for both charity and political events is often the same, donations of lobbyists and political action committees. The irony is that inside the beltway, charities still will be able to encourage the participation of business executives with the presence of Senators as a lure, but the charities in the distant States such as mine, in Alaska, will be shut out of the means to raise funds for worthy causes such as breast cancer detection screening.

Last year my wife, Nancy, and I were the honorary chairs of a charity fishing tournament held outside Ketchikan, AK. The tournament raised $150,000 for the Breast Cancer Detection Center of Fairbanks. Money for the center was used to pay for a new mammography machine. The center, founded in 1976 by my wife and a group of Fairbanks women, provides free or reduced-cost breast cancer examination for about 2,200 women a year on average. Over the years, women from 81 Alaska villages have benefited from these tests.

This year, we proceeded with a second event at a place called Waterfall, near Ketchikan. We raised approximately $210,000 and were able to give the Breast Cancer Detection Center of Alaska $200,000 to allow them to order a mobile mammogram unit, which will be traversing the highways of Alaska next spring. It will be able to be utilized on the ferry systems and by barge systems and will be brought into the remote villages. This is a van, equipped with a mammography machine. It will also be able to be transported by the Air National Guard into some of the 220 rural villages in my State.

This unit is going to be vital to preserve the health of Alaska's women, including many Native women. I might add, the State's breast cancer mortality is the second highest in the Nation. One in eight Alaska women will develop breast cancer, with about 50 a year dying from that disease. Breast cancer screening can reduce this rate by some 30 percent.

My clear preference would have been to allow Senators to continue to come to this charity event, events approved previously by the Senate Ethics Committee to guarantee that they were legitimate charities. It seems to me, when Congress attacks charity events while leaving big loopholes for political travel, it simply puts us all in the bull's eye, furthering the public's growing skepticism toward public officials.

The gift rule and related lobbying reform legislation that the Senate has approved overall are certainly good steps to restore public confidence in the Senate and Congress. But why shoot down legitimate charities? Mr. President, that is just what we have done.

I thank the Chair and yield the floor. I thank my colleague for allowing me this extra time.

TRIBUTE TO FAYE BROWN

Mr. HEFLIN. Mr. President, I want to take a moment to commend and congratulate Faye Brown, who will be retiring from the bankruptcy administrator's office in Birmingham at the end of this month. She has been a fixture at the bankruptcy court and administrator's office for many years.

Faye graduated from Dale County High School in Ozark, AL; in 1950 and attended Howard College, now Samford University, graduating in 1954. From 1966 to 1971, she served as the personal secretary to Judge Robert S. Vance. In 1972, she was appointed deputy clerk for the bankruptcy court.

From 1979 to 1985, Faye was the secretary to Judge Stephen B. Coleman, Chief Judge of the United States Bankruptcy Court for the Northern District of Alabama. In 1985, after Judge Coleman's retirement, she became the asset closing clerk for the bankruptcy clerk's office, serving there for the next 7 years. In 1992, she obtained her current position and the one from which she is retiring this month, that of bankruptcy analyst.

Faye Brown has done an outstanding job over the many years of her career. In many ways, she is the institutional memory of her office, and knows the in's and out's of the bankruptcy court as well as anyone, and her expertise and dedication will be sorely missed. I congratulate her for a job well done and wish her all the best for a long, healthy, and happy retirement. It is surely well-earned.

POW-MIA RECOGNITION DAY

Mr. SIMPSON. Mr. President, on Friday, I joined with the Members of this body, and with all the citizens of our Nation, in commemorating the American service members who are missing in action and whose fates yet remain unknown.

Our Nation honored those who are missing, both for their service and for their sacrifice.

We acknowledged the shared loss inflicted upon all of us when young men and women are sent to war and do not return to us. We expressed our understanding of the terrible frustration, and, yes, even the anger, energized in us by the fact that the fates of those American service members remain unknown.

We restated our sacred obligation to take every reasonable step to obtain the fullest possible accounting for those still missing.

We endorsed anew our national commitment to recover and identify the remains of the honored dead.

Yes, it is so important to honor our missing service members. And it is necessary to ever remember our obligations, both to them and to their families.

Yet it is also important to acknowledge that there are practical and realistic limits to what can ever be learned. There are mysteries that will remain forever unsolved in this world.

We do our Nation's service members no justice if we fail to take every single reasonable step to recover them when they are lost from our midst. But we do them no honor—yes, we even dishonor them—if we are to allow their loss to become an albatross forever about the necks of our caring countrymen.

Mr. President, Friday our Nation paused to commemorate our missing in action, including members of my own family in World War II. Today, and every day, we must remember their service and their sacrifice. And today, and every day, our Nation can continue to honor them by ensuring that America remains wholly committed, at home and abroad, to the freedoms they fought to preserve forever.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, the impression will not go away: The $4.9 trillion Federal debt stands today as a sort of grotesque parallel to television's energizer bunny that appears and appears and appears in precisely the same way that the Federal debt keeps going up and up and up.

Politicians like to talk a good game—and "talk" is the operative word—about reducing the Federal deficit and bringing the Federal debt under control. But watch how they vote. Control, Mr. President. As of Friday, September 15, at the close of business, the total Federal debt stood at exactly $4,962,989,568,088.23 or $18,839.59 per man, woman, child on a per capita basis. Res ipsa loquitur.

Some control, isn't it?

Mr. DOLE. Mr. President, is the leader time reserved?

The PRESIDING OFFICER. Yes.

TRIBUTE TO RUTH ANN KOMAREK

Mr. DOLE. Mr. President, I rise today to recognize a valued member of my staff whose length of service to me and the people of Kansas is nothing short of remarkable. Ruth Ann Komarek has just completed her 30th year of working for me. That is three, zero, Mr. President.

A native of Ellinwood, KS, Ruth Ann came to my office from the Federal Bureau of Investigation in 1965, while I was still serving in the House of Representatives. She made the transition with me to the Senate in 1968, and she has been hard at work ever since.

Ruth Ann serves as my office manager and supervisor of my mail operation, a mammoth task to say the least. Virtually every letter, fax, postcard, and package that comes into my office passes through her hands. That represents thousands upon thousands of pieces of correspondence every week. She gets each one where it needs to go and tries to make sure that every Kansan who writes to me gets a timely response.

Ruth Ann also spends a lot of time keeping the rest of the staff—especially the interns—in line. New staffers learn that her gruff exterior hides a heart of gold and a great sense of humor, but after she has laid down the law and made them earn their way.

I am proud to recognize Ruth Ann Komarek for all her hard work for me, the Senate, and for Kansas. I look forward to her continued service in the coming years.

Mr. DOLE. Mr. President, I would like to take a moment to commend my colleague from New Hampshire, Senator JUDD GREGG, for the Medicare Improvement and Choice Care Provision Act which he introduced last week.

The Medicare Program has received a great deal of attention in the last year, particularly since early April when the Medicare trustees report stated that the Medicare Program will become insolvent in just 7 years.

Mr. President, Senator GREGG and all Republicans took this report very seriously. But, as anyone who has worked on this issue knows, to ensure the solvency of this program is going to require a great deal of commitment on the part of Congress and the administration.

Our goal is very simple—to preserve, strengthen, and protect the Medicare Program. Today 37 million disabled and elderly Americans rely on Medicare for their health care. For their sake and for the millions of Americans who will rely on this program in the future, we need to take action.

And that is exactly what Senator GREGG has done. The bill that he has introduced not only preserves and protects the current Medicare Program, it also strengthens the program to move it successfully into the 21st century.

Mr. President, as I have said many times in this Chamber, the United States has the best health care system in the world. There is no other nation that compares to the quality of care delivered by our providers, our technology, and our innovation. Although Medicare has provided invaluable health care services to millions and millions of Americans, in some areas it has not kept pace with many of the advances in health care delivery enjoyed by the private sector.

The bill introduced by Senator GREGG restructures Medicare so that its beneficiaries receive the same range of choices and possibilities that those with private insurance receive today. At the same time, it leaves traditional Medicare completely in place for those Medicare beneficiaries who are happy with the care and services they receive today.

Mr. President, Senator GREGG deserves a great deal of credit for the leadership he has demonstrated on this very complex issue. As Congress is about to begin a very serious debate on Medicare reform in the coming weeks, the work of Senator GREGG will no doubt be an invaluable benefit.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business, extended, is now closed.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The PRESIDING OFFICER. Under the provisions of the order, the hour of 10 o'clock having arrived and passed, the Senate will now proceed to consideration of H.R. 1976, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1976) making appropriations for agriculture, rural development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1996, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

H.R. 1976

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1996, and for other purposes, namely:

TITLE I

AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

OFFICE OF THE SECRETARY

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of the Secretary of Agriculture, and not to exceed $75,000 for employment under 5 U.S.C. 3109, **[**$10,227,000**]** *$12,801,000*, of which **[**$7,500,000**]** *$10,000,000, to remain available until expended*, shall be available for InfoShare: *Provided*, That not to exceed $11,000 of this amount, along with any unobligated balances of representation funds in the Foreign Agricultural Service shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary.

EXECUTIVE OPERATIONS

CHIEF ECONOMIST

For necessary expenses of the Chief Economist, including economic analysis, risk assessment, cost benefit analysis, and the functions of the World Agricultural Outlook Board, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), and including employment pursuant to the second sentence of the section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $5,000 is for employment under 5 U.S.C. 3109, **[**$3,948,000**]** *$3,814,000*.

NATIONAL APPEALS DIVISION

For necessary expenses of the National Appeals Division, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $25,000 is for employment under 5 U.S.C. 3109, $11,846,000.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

For necessary expenses of the Office of Budget and Program Analysis, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $5,000 is for employment under 5 U.S.C. 3109, $5,899,000.

CHIEF FINANCIAL OFFICER

For necessary expenses of the Office of the Chief Financial Officer, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 is for employment under 5 U.S.C. 3109, $4,133,000: *Provided*, That the Chief Financial Officer shall reinstate and market cross-servicing activities of the National Finance Center**[**: *Provided further*, That none of the funds appropriated or otherwise made available by this Act shall be used to obtain, modify, re-engineer, license, operate, implement, or expand commercial off-the-shelf financial management software systems or existing commercial off-the-shelf system financial management contracts, beyond general ledger systems and accounting support software, at the National Finance Center until thirty legislative days after the Secretary of Agriculture submits to the House and Senate Committees on Appropriations a complete and thorough cost-benefit analysis and a certification by the Secretary of Agriculture that this analysis provides a detailed and accurate cost-benefit analysis comparison between obtaining or expanding commercial off-the-shelf software systems and conducting identical or comparable software systems acquisitions, re-engineering, or modifications in-house**]**.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary salaries and expenses of the Office of the Assistant Secretary for Administration to carry out the programs funded in this Act, $596,000.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92-313, including authorities pursuant to the 1984 delegation of authority from the Administrator of General Services to the Department of Agriculture *under 40 U.S.C. 486*, for programs and activities of the Department which are included in this Act, $110,187,000, of which $20,216,000 shall be retained by the Department for the operation, maintenance, and repair of Agriculture buildings: *Provided*, That in the event an agency within the Department should require modification of space needs, the Secretary of Agriculture may transfer a share of that agency's appropriation made available by this Act to this appropriation, or may transfer a share of this appropriation to that agency's appropriation, but such transfers shall not exceed 5 percent of the funds made available for space rental and related costs to or from this account. In addition, for construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the programs of the Department, where not otherwise provided, $25,587,000, to remain available until expended; making a total appropriation of $135,774,000.

ADVISORY COMMITTEES (USDA)

For necessary expenses for activities of advisory committees of the Department of Agriculture which are included in this Act, **[**$800,000**]** *$650,000*: *Provided*, That no other funds appropriated to the Department in this Act shall be available to the Department for support of activities of advisory committees.

HAZARDOUS WASTE MANAGEMENT
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C. 9607(g), *and* section 6001 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. 6961, $15,700,000, to remain available until expended: *Provided*, That appropriations and funds available herein to the Department for Hazardous Waste Management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands.

DEPARTMENTAL ADMINISTRATION
(INCLUDING TRANSFERS OF FUNDS)

For Personnel, Operations, Information Resources Management, Civil Rights Enforcement, Small and Disadvantaged Business Utilization, Administrative Law Judges and Judicial Officer, Disaster Management and Coordination, and Modernization of the Administrative Process, $27,986,000, to provide for necessary expenses for management support services to offices of the Department and for general administration and disaster management of the Department, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 is for employment under 5 U.S.C. 3109: *Provided*, That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551–558.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

For necessary salaries and expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded in this Act, including programs involving intergovernmental affairs and liaison within the executive branch, **[**$3,797,000: *Provided*, That no other funds appropriated to the Department in this Act shall be available to the Department for support of activities of congressional relations**]** *$1,764,000*.

OFFICE OF COMMUNICATIONS

For necessary expenses to carry on services relating to the coordination of programs involving public affairs, for the dissemination of agricultural information, and the coordination of information, work, and programs authorized by Congress in the Department, $8,198,000, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 shall be available for employment under 5 U.S.C. 3109, and not to exceed $2,000,000 may be used for farmers' bulletins.

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and the Inspector General Act of 1978, as amended, $63,639,000, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(9) of the Inspector General Act of 1978, as amended, including a sum not to exceed $50,000 for employment under 5 U.S.C. 3109; and including a sum not to exceed **[**$95,000**]** *$125,000* for certain confidential operational expenses including the payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95–452 and section 1337 of Public Law 97–98: *Provided, That funds transferred to the Office of the Inspector General through forfeiture proceedings or from the Department of Justice Assets Forfeiture Fund or the Department of the Treasury Forfeiture Fund, as a participating agency, as an equitable share from the forfeiture of property in investigations in which the Office of Inspector General participates, or through the granting of a Petition for Remission or Mitigation, shall be deposited to the credit of this account for law enforcement activities authorized under the Inspector General Act of 1978, as amended, to remain available until expended.*

OFFICE OF THE GENERAL COUNSEL

For necessary expenses of the Office of the General Counsel, $27,860,000.

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS

For necessary salaries and expenses of the Office of the Under Secretary for Research, Education and Economics to administer the laws enacted by the Congress for the Economic Research Service, the National Agricultural Statistics Service, the Agricultural Research Service and the Cooperative State Research, Education, and Extension Service, $520,000.

ECONOMIC RESEARCH SERVICE

For necessary expenses of the Economic Research Service in conducting economic research and analysis, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627) and other laws, **[**$53,131,000**]** *$53,526,000*: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

NATIONAL AGRICULTURAL STATISTICS SERVICE

For necessary expenses of the National Agricultural Statistics Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, and marketing surveys, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627) and other laws, $81,107,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $40,000 shall be available for employment under 5 U.S.C. 3109.

AGRICULTURAL RESEARCH SERVICE
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for); home economics or nutrition and consumer use including the acquisition, preservation, and dissemination of agricultural information; and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed $100, **[**$705,610,000**]** *$707,000,000*: *Provided*, That appropriations hereunder shall be available for temporary employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $115,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided the cost of constructing any one building shall not exceed $250,000, except for headhouses or greenhouses which shall each be limited to $1,000,000, and except for ten buildings to be constructed or improved at a cost not to exceed $500,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building or $250,000, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to modernization or replacement of existing facilities at Beltsville, Maryland: *Provided further*, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further*, That the foregoing limitations shall not apply to the purchase of land at Beckley, West Virginia: *Provided further*, That not to exceed $190,000 of this appropriation may be transferred to and merged with the appropriation for the Office of the Under Secretary for Research, Education and Economics for the scientific review of international issues involving agricultural chemicals and food additives: *Provided further*, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing or operating any research facility or research project of the Agricultural Research Service, as authorized by law: *Provided further*, That all rights and title of the United States in the property known as USDA Houma Sugar Cane Research Laboratory, consisting of approximately 20 acres in the City of Houma and 150 acres of farmland in Chacahula, Louisiana, including facilities and equipment, shall be conveyed to the American Sugar Cane League *Foundation*: *Provided further*, That all rights and title of the United States in the Agricultural Research Station at Brawley, California, consisting of 80 acres of land, including facilities and equipment, shall be conveyed to Imperial County, California: *Provided further*, That all rights and title of the United States in the Pecan Genetics and Improvement Research Laboratory, consisting of 84.2 acres of land, including facilities and equipment, shall be conveyed to Texas A&M University: *Provided further*, That the property originally conveyed by the State of Tennessee to the U.S. Department of Agriculture, Agricultural Research Service, in Lewisburg, Tennessee be conveyed to the University of Tennessee.

None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.

BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the agricultural research programs of the Department of Agriculture, where not otherwise provided, $30,200,000, to remain available until expended (7 U.S.C. 2209b): *Provided*, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing any research facility of the Agricultural Research Service, as authorized by law.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

RESEARCH AND EDUCATION ACTIVITIES

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, including **[**$166,165,000**]** *$171,304,000* to carry into effect the provisions of the Hatch Act (7 U.S.C. 361a–361i); **[**$20,185,000**]** *$20,809,000* for grants for cooperative forestry research (16 U.S.C. 582a–582–a7); **[**$27,313,000**]** *$28,157,000* for payments to the 1890 land-grant colleges, including Tuskegee University (7 U.S.C. 3222); **[**$31,930,000**]** *$40,670,000* for special grants for agricultural research (7 U.S.C. 450i(c)); **[**$11,599,000**]** *$9,769,000* for special grants for agricultural research on improved pest control (7 U.S.C. 450i(c)); **[**$98,165,000**]** *$99,582,000* for competitive research grants (7 U.S.C. 450i(b)); **[**$5,051,000**]** *$5,551,000* for the support of animal health and disease programs (7 U.S.C. **[**195**]** *3195*); **[**$1,150,000**]** *$500,000* for supplemental and alternative crops and products (7 U.S.C. 3319d); *$500,000 for grants for research pursuant to the Critical Agricultural Materials Act of 1984 (7 U.S.C. 178) and section 1472 of the Food and Agriculture Act of 1977, as amended (7 U.S.C. 3318), to remain available until expended;* $475,000 for rangeland research grants (7 U.S.C. 3331–3336); $3,500,000 for higher education graduate fellowships grants (7 U.S.C. 3152(b)(6)), to remain available until expended (7 U.S.C. 2209b); $4,350,000 for higher education challenge grants (7 U.S.C. 3152(b)(1)); $1,000,000 for a higher education minority scholars program (7 U.S.C. 3152(b)(5)), to remain available until expended (7 U.S.C. 2209b); $4,000,000 for aquaculture grants (7 U.S.C. 3322); **[**$8,000,000**]** *$8,112,000* for sustainable agriculture research and education (7 U.S.C. 5811); *$9,207,000 for a program of capacity building grants to colleges eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321–326 and 328), including Tuskegee University, to remain available until expended (7 U.S.C. 2209b);* and **[**$6,289,000**]** *$10,686,000* for necessary expenses of Research and Education Activities, of which not to exceed $100,000 shall be for employment under 5 U.S.C. 3109; in all, **[**$389,172,000**]** *$418,172,000.*

None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

For establishment of a Native American institutions endowment fund, as authorized by Public Law 130–382 (7 U.S.C. 301 note.), $4,600,000.

BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities and for grants to States and other eligible recipients for such purposes, as necessary to carry out the agricultural research, extension, and teaching programs of the Department of Agriculture, where not otherwise provided, $57,838,000, to remain available until expended (7 U.S.C. 2209b).

EXTENSION ACTIVITIES

Payments to States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas, and American Samoa: For payments for cooperative extension work under the Smith-Lever Act, as amended, to be distributed under sections 3(b) and 3(c) of said Act, and under section 208(c) of Public Law 93–471, for retirement and employees' compensation costs for extension agents and for costs of penalty mail for cooperative extension agents and State extension directors, **[**$264,405,000**]** *$272,582,000*; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, **[**$59,588,000**]** *$61,431,000*; payments for the pest management program under section 3(d) of the Act, $10,947,000; payments for the farm safety program under section 3(d) of the Act, **[**$2,898,000**]** *$2,988,000*; payments for the pesticide impact assessment program under section 3(d) of the Act, $3,363,000; payments to upgrade 1890 land-grant college research, extension, and teaching facilities as authorized by section 1447 of Public Law 95–113, as amended (7 U.S.C. 3222b), **[**$7,664,000**]** *$7,901,000*, to remain available until expended; payments for the rural development centers under section 3(d) of the Act, **[**$921,000**]** *$950,000*; payments for a groundwater quality program under section 3(d) of the Act, **[**$10,897,000**]** *$11,234,000*; payments for the agricultural telecommunications program, as authorized by Public Law 101–624 (7 U.S.C. 5926), **[**$1,184,000**]** *$1,221,000*; payments for youth-at-risk programs under section 3(d) of the Act, **[**$9,700,000**]** *$10,000,000; payments for a Nutrition Education Initiative under 3(d) of the Act, $4,265,000*; payments for a food safety program under section 3(d) of the Act, **[**$2,400,000**]** *$2,475,000*; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978, **[**$3,241,000**]** *$3,341,000*; payments for Indian reservation agents under section 3(d) of the Act, **[**$1,697,000**]** *$1,750,000*; payments for sustainable agriculture programs under section 3(d) of the Act, $3,463,000; *payments for rural health and safety education as authorized by section 2390 of Public Law 101–624 (7 U.S.C. 2661 note, 2662), $2,750,000*; payments for cooperative extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321–326, 328) and Tuskegee University, **[**$24,708,000**]** *$25,472,000*; and for Federal administration and coordination including administration of the Smith-Lever Act, as amended, and the Act of September 29, 1977 (7 U.S.C. 341–349), as amended, and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. **[**301n**]** *301 note*), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, **[**$6,181,000**]** *$10,998,000*; in all, **[**$413,257,000**]** *$437,131,000*: *Provided*, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, and section 506 of the Act of June 23, 1972, as amended, shall not be paid to any State, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands, Micronesia, Northern Marianas, and American Samoa prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

OFFICE OF THE ASSISTANT SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

For necessary salaries and expenses of the Office of the Assistant Secretary for Marketing and Regulatory Programs to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service, Agricultural Marketing Service, and the Grain Inspection, Packers and Stockyards Administration, $605,000.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For expenses, not otherwise provided for, including those pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b–c), necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; to discharge the authorities of the Secretary of Agriculture under the Act of March 2, 1931 (46 Stat. 1468; 7 U.S.C. 426–426b); and to protect the environment, as authorized by law, **[**$333,410,000**]** *$329,125,000*, of which $4,799,000 shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds to the extent necessary to meet emergency conditions: *Provided*, That in fiscal year 1996, amounts in the agricultural quarantine inspection user fee account shall be available for authorized purposes without further appropriation: *Provided further*, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 percent: *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $40,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed four, of which two shall be for replacement only: *Provided further*, That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious diseases or pests of animals, poultry, or plants, and for expenses in accordance with the Act of February 28, 1947, as amended, and section 102 of the Act of September 21, 1944, as amended, and any unexpended balances of funds transferred for such emergency purposes in the next preceding fiscal year shall be merged with such transferred amounts: *Provided further*, That appropriations hereunder shall be available pursuant to law (7 U.S.C. 2250) for the repair and alteration of leased buildings and improvements, but unless otherwise provided the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

In fiscal year 1996 the agency is authorized to collect fees to cover the total costs of providing technical assistance, goods, or services requested by States, other political subdivisions, domestic and international organizations, foreign governments, or individuals, provided that such fees are structured such that any entity's liability for such fees is reasonably based on the technical assistance, goods, or services provided to the entity by the agency, and such fees shall be credited to this account, to remain available until expended, without further appropriation, for providing such assistance, goods, or services.

BUILDINGS AND FACILITIES

For plans, construction, repair, preventive maintenance, environmental support, improvement, extension, alteration, *modernization*, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, **[**$12,541,000**]** *$4,973,000*, to remain available until expended.

Agricultural Marketing Service

MARKETING SERVICES

For necessary expenses to carry on services related to consumer protection, agricultural marketing and distribution, transportation, and regulatory programs, as authorized by law, and for administration and coordination of payments to States; including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $90,000 for employment under 5 U.S.C. 3109, **[**$46,662,000**]** *$46,517,000*, including funds for the wholesale market development program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country: *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

Fees may be collected for the cost of standardization activities, as established by regulation pursuant to law (31 U.S.C. 9701).

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed $58,461,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses: *Provided*, That if crop size is understated and/or other uncontrollable events occur, the agency may exceed this limitation by up to 10 percent with notification to the Appropriations Committees.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

(INCLUDING TRANSFERS OF FUNDS)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than $10,451,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and the Agricultural Act of 1961.

In fiscal year 1996, no more than $23,900,000 in section 32 funds shall be used to promote sunflower and cottonseed oil exports as authorized by section 1541 of Public Law 101–624 (7 U.S.C. 1464 note), and such funds shall be used to facilitate additional sales of such oils in world markets.

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of **[**1956**]** *1946* (7 U.S.C. 1623(b)), **[**$1,000,000**]** *$1,200,000*.

Grain Inspection, Packers and Stockyards Administration

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the United States Grain Standards Act, as amended, for the administration of the Packers and Stockyards Act, for certifying procedures used to protect purchasers of farm products, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, as amended, including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $25,000 for employment under 5 U.S.C. 3109, **[**$23,058,000**]** *$23,289,000*: *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

INSPECTION AND WEIGHING SERVICES

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

Not to exceed $42,784,000 (from fees collected) shall be obligated during the current fiscal year for inspection and weighing services: *Provided*, That if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 percent with notification to the Appropriations Committees.

Office of the Under Secretary for Food Safety

For necessary salaries and expenses of the Office of the Under Secretary for Food Safety to administer the laws enacted by the Congress for the Food Safety and Inspection Service, **[**$450,000**]** *$440,000*.

Food Safety and Inspection Service

For necessary expenses to carry on services authorized by the Federal Meat Inspection Act, as amended, the Poultry Products Inspection Act, as amended, and the Egg Products Inspection Act, as amended, **[**$540,365,000**]** *$568,685,000*, and in addition, $1,000,000 may be credited to this account from fees collected for the cost of laboratory accreditation as authorized by section 1017 of Public Law 102–237: *Provided*, That this appropriation shall not be available for shell egg surveillance under section 5(d) of the Egg Products Inspection Act (21 U.S.C. 1034(d)): *Provided further*, That this appropriation shall be available for field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

Office of the Under Secretary for Farm and Foreign Agricultural Services

For necessary salaries and expenses of the Office of the Under Secretary for Farm and Foreign Agricultural Services to administer the laws enacted by Congress for the Consolidated Farm Service Agency, Foreign Agricultural Service, and the Commodity Credit Corporation, $549,000.

Consolidated Farm Service Agency

SALARIES AND EXPENSES

For necessary expenses for carrying out the administration and implementation of programs **[**delegated to the Consolidated Farm Service Agency by the Secretary under the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994**]** *administered by the Consolidated Farm Service Agency*, **[**$788,388,000**]** *$805,888,000*: *Provided*, That the Secretary is authorized to use the services, facilities, and authorities (but not the funds) of the Commodity Credit Corporation to make program payments for all programs administered by the Agency: *Provided further*, That other funds made available to the Agency for authorized activities may be advanced to and merged with this account: *Provided further*, That these funds shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed **[**$500,000**]** *$1,000,000* shall be available for employment under 5 U.S.C. 3109.

STATE MEDIATION GRANTS

For grants pursuant to section 502(b) of the Agricultural Credit Act of 1987, as amended (7 U.S.C. 5101–5106), **[**$2,000,000**]** *$3,000,000*.

DAIRY INDEMNITY PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses involved in making indemnity payments to dairy farmers for milk or cows producing such milk and manufacturers of dairy products who have been directed to remove their milk or dairy products from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, and in making indemnity payments for milk, or cows producing such milk, at a fair market value to any dairy farmer who is directed to remove his milk from commercial markets because of (1) the presence of products of nuclear radiation or fallout if such contamination is not due to the fault of the farmer, or (2) residues of chemicals or toxic substances not included under the first sentence of the Act of August 13, 1968, as amended (7 U.S.C. 450j), if such chemicals or toxic substances were not used in a manner contrary to applicable regulations or labeling instructions provided at the time of use and the contamination is not due to the fault of the farmer, $100,000, to remain available until expended (7 U.S.C. 2209b): *Provided*, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of his willful failure to follow procedures prescribed by the Federal Government: *Provided further*, That this amount shall be transferred to the Commodity Credit Corporation: *Provided further*, That the Secretary is authorized to utilize the services, facilities, and authorities of the Commodity Credit Corporation for the purpose of making dairy indemnity disbursements.

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

For grants and contracts pursuant to section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279), $2,000,000, to remain available until expended.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by 7 U.S.C. 1928–1929, to be available from funds in the Agricultural Credit Insurance Fund, as follows: farm ownership loans, **[**$585,000,000**]** *$610,000,000*, of which $550,000,000 shall be for guaranteed loans; operating loans, **[**$2,300,000,000**]** *$2,450,000,000*, of which $1,700,000,000 shall be for unsubsidized guaranteed loans and $200,000,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, $750,000; for emergency insured loans, $100,000,000 to meet the needs resulting from natural disasters; and for credit sales of acquired property, **[**$22,500,000**]** *$21,696,000*.

For the cost of direct and guaranteed loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: farm ownership loans, **[**$28,206,000**]** *$34,053,000*, of which $20,019,000 shall be for guaranteed loans; operating loans, **[**$91,000,000**]** *$111,505,000*, of which $18,360,000 shall be for unsubsidized guaranteed loans and $17,960,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, $206,000; for emergency insured loans, $32,080,000 to meet the needs resulting from natural disasters; and for credit sales of acquired property, [$4,113,000] *$3,966,000*.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, [$221,541,000] *$227,258,000*, which shall be transferred to and merged with the following accounts in the following amounts: [$208,446,000] *$214,163,000* to "Salaries and Expenses"; $318,000 to "Rural Utilities Service, Salaries and Expenses"; and $171,000 to "Rural Housing and Community Development Service, Salaries and Expenses".

CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided.

FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 516 of the Federal Crop Insurance Act, as amended, such sums as may be necessary, to remain available until expended (7 U.S.C. 2209b).

COMMODITY CREDIT CORPORATION FUND

REIMBURSEMENT FOR NET REALIZED LOSSES

For fiscal year 1996, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed (estimated to be $10,400,000,000 in the President's fiscal year 1996 Budget Request (H. Doc. 104–4)), but not to exceed $10,400,000,000, pursuant to section 2 of the Act of August 17, 1961, as amended (15 U.S.C. 713a–11).

OPERATIONS AND MAINTENANCE FOR HAZARDOUS WASTE MANAGEMENT

For fiscal year 1996, the Commodity Credit Corporation shall not expend more than $5,000,000 for expenses to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. 6961: *Provided*, That expenses shall be for operations and maintenance costs only and that other hazardous waste management costs shall be paid for by the USDA Hazardous Waste Management appropriation in this Act.

TITLE II

CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary salaries and expenses of the Office of the Under Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Natural Resources Conservation Service, $677,000.

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–590f) including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands, water, and interests therein for use in the plant materials program by donation, exchange, or purchase at a nominal cost not to exceed $100 pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, [$629,986,000] *$637,860,000, to remain available until expended (7 U.S.C. 2209b)*, of which not less than $5,852,000 is for snow survey and water forecasting and not less than $8,875,000 is for operation and establishment of the plant materials centers: *Provided*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for construction and improvement of buildings and public improvements at plant materials centers, except that the cost of alterations and improvements to other buildings and other public improvements shall not exceed $250,000: *Provided further*, That when buildings or other structures are erected on non-Federal land, that the right to use such land is obtained as provided in 7 U.S.C. 2250a: *Provided further*, That this appropriation shall be available for technical assistance and related expenses to carry out programs authorized by section 202(c) of title II of the Colorado River Basin Salinity Control Act of 1974, as amended (43 U.S.C. 1592(c)): *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U.S.C. 590a–590f) in demonstration projects: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225) and not to exceed $25,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service *(16 U.S.C. 590e–2)*.

RIVER BASIN SURVEYS AND INVESTIGATIONS

For necessary expenses to conduct research, investigation, and surveys of watersheds of rivers and other waterways, in accordance with section 6 of the Watershed Protection and Flood Prevention Act approved August 4, 1954, as amended (16 U.S.C. 1006–1009), $8,369,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $60,000 shall be available for employment under 5 U.S.C. 3109.

WATERSHED PLANNING

For necessary expenses for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1001–1008), $5,630,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $50,000 shall be available for employment under 5 U.S.C. 3109.

WATERSHED AND FLOOD PREVENTION OPERATIONS

For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, [and only high-priority projects authorized by the Flood Control Act (33 U.S.C. 701, 16 U.S.C. 1006a),] in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954, as amended (16 U.S.C. 1001–1005, 1007–1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), and in accordance with the provisions of laws relating to the activities of the Department, $100,000,000, to remain available until expended (7 U.S.C. 2209b) *(of which $15,000,000 shall be available for the watersheds authorized under the Flood Control Act approved June 22, 1936 (33 U.S.C. 701, 16 U.S.C. 1006a), as amended and supplemented)*: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $200,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That not to exceed $1,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93–205), as amended, including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction.

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1010–1011; 76 Stat. 607), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), and the provisions of the Agriculture and Food Act of 1981 (16 U.S.C. 3451–3461), $27,000,000, to remain available until expended (7 U.S.C. 2209): Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $50,000 shall be available for employment under 5 U.S.C. 3109.

FORESTRY INCENTIVES PROGRAM

For necessary expenses, not otherwise provided for, to carry out the program of forestry incentives, as authorized in the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), including technical assistance and related expenses $6,325,000, to remain available until expended, as authorized by that Act.

COLORADO RIVER BASIN SALINITY CONTROL PROGRAM

For necessary expenses for carrying out a voluntary cooperative salinity control program pursuant to section 202(c) of title II of the Colorado River Basin Salinity Control Act, as amended (43 U.S.C. 1592(c)), to be used to reduce salinity in the Colorado River and to enhance the supply and quality of water available for use in the United States and the Republic of Mexico, $1,000,000, to remain available until expended (7 U.S.C. 2209b), to be used for the establishment of on-farm irrigation management systems, including lateral improvement measures, for making cost-share payments to agricultural landowners and operators, Indian tribes, irrigation districts and associations, local governmental and nongovernmental entities, and other landowners to aid them in carrying out approved conservation practices as determined and recommended by the Secretary, and for associated costs of program planning, information and education, and program monitoring and evaluation.

[WATERSHED SURVEYS AND PLANNING

[For necessary expenses to conduct research, investigation, and surveys of watersheds of rivers and other waterways, and for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954, as amended (16 U.S.C. 1001–1009), $14,000,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $110,000 shall be available for employment under 5 U.S.C. 3109.

[CONSERVATION PROGRAMS

[For necessary expenses, not otherwise provided for, in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1011; 76 Stat. 607), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), and the provisions of the Agriculture and Food Act of 1981 (16 U.S.C. 3451–3461), to carry out the program of forestry incentives, as authorized in the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), including technical assistance and related expenses, and for carrying out a voluntary cooperative salinity control program pursuant to section 202(c) of title II of the Colorado River Basin Salinity Control Act, as amended (43 U.S.C. 1592(c)), to be used to reduce salinity in the Colorado River and to enhance the supply and quality of water available for use in the United States and the Republic of Mexico, to be used for the establishment of on-farm irrigation management systems, including related lateral improvement measures, for making cost-share payments to agricultural landowners and operators, Indian tribes, irrigation districts and associations, local governmental and nongovernmental entities, and other landowners to aid them in carrying out approved conservation practices as determined and recommended by the Secretary, and for associated costs of program planning, information and education, and program monitoring and evaluation, $36,000,000, to remain available until expended (7 U.S.C. 2209, 16 U.S.C. 590p(b)(7)): *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $50,000 shall be available for employment under 5 U.S.C. 3109.]

WETLANDS RESERVE PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the wetlands reserve program pursuant to subchapter C of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837), [$210,000,000] *$77,000,000*, to remain available until expended: *Provided*, That the Secretary is authorized to use the services, facilities, and authorities of the Commodity Credit Corporation for the purpose of carrying out the wetlands reserve program.

CONSOLIDATED FARM SERVICE AGENCY

AGRICULTURAL CONSERVATION PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16(a), 16(f), and 17 of the Soil Conservation and Domestic Allotment Act approved February 29, 1936, as amended and supplemented (16 U.S.C. 590g–590o, 590p(a), 590p(f), and 590q), and sections 1001–1004, 1006–1008, and 1010 of the Agricultural Act of 1970, as added by the Agriculture and Consumer Protection Act of 1973 (16 U.S.C. 1501–1504, 1506–1508, and 1510), and including not to exceed $15,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States, [$75,000,000] *$50,000,000*, to remain available until expended (16 U.S.C. 590o), for agreements, excluding administration but including technical assistance and related expenses (16 U.S.C. 590o), except that no participant in the agricultural conservation program shall receive more than $3,500 per year, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community, or where a participant has a long-term agreement, in which case the total payment shall not exceed the annual payment limitation multiplied by the number of years of the agreement: *Provided*, That no portion of the funds for the current year's program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetlands Types 3 (III) through 20 (XX) in United States Department of the Interior, Fish and Wildlife Circular 39, Wetlands of the United States, 1956: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other conservation materials, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out approved farming practices as authorized by the Soil Conservation and Domestic Allotment Act, as amended, as determined and recommended by the county committees, approved by the State committees and the Secretary, under programs provided for herein: *Provided further*, That such assistance will not be used for carrying out measures and practices that are primarily production-oriented or that have little or no conservation or pollution abatement benefits: *Provided further*, That not to exceed 5 percent of the allocation for the current year's program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Natural Resources Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Natural Resources Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 percent may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That not to exceed [$11,000,000] *$15,000,000* of the amount appropriated shall be used for water quality payments and practices in the same manner as permitted under the program for water quality authorized in chapter 2 of subtitle D of title XII of the Food Security Act of 1985, as amended (16 U.S.C. 3838 et seq.).

CONSERVATION RESERVE PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the conservation reserve program pursuant to the Food Security Act of 1985 (16 U.S.C. 3831–3845), $1,781,785,000, to remain available until expended, to be used for Commodity Credit Corporation expenditures for cost-share assistance for the establishment of conservation practices provided for in approved conservation reserve program contracts, for annual rental payments provided in such contracts, and for technical assistance.

TITLE III

RURAL ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR RURAL ECONOMIC AND COMMUNITY DEVELOPMENT

For necessary salaries and expenses of the Office of the Under Secretary for Rural Economic and Community Development to administer programs under the laws enacted by the Congress for the Rural Housing and Community Development Service, Rural Business and Cooperative Development Service, and the Rural Utilities Service of the Department of Agriculture, $568,000.

RURAL COMMUNITY ADVANCEMENT PROGRAM

For the cost of direct loans, loan guarantees and grants, as authorized by 7 U.S.C. 1926, 1928, and 1932, and 86 Stat. 661–664, as amended; and 42 U.S.C. 1485 and 1490(a), $528,839,000, to remain available until expended, to be available for loans and grants for rural water and waste disposal and solid waste management grants, new construction of section 515 rental housing, direct loans and loan guarantees for community facilities, loan guarantees for business and industry assistance, and grants for rural business enterprise: Provided, That the costs of direct loans and loan guarantees, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That of the total amount appropriated, $20,044,000 shall be for empowerment zones and enterprise communities, as authorized by Public Law 103–66: Provided further, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1996, they shall remain available for other authorized purposes under this head: Provided further, That of the total amount appropriated, not to exceed $4,500,000 shall be available for contracting with the National Rural Water Association or an equally qualified national organization for a circuit rider program to provide technical assistance for rural water systems: Provided further, That of the total amount appropriated, not to exceed $20,000,000 shall be available for water and waste disposal systems to benefit the Colonias along the United States/Mexico border, including grants under section 306(c).

In addition, for administrative expenses necessary to carry out direct loans, loan guarantees, and grants, $58,051,000, of which $57,614,000 shall be transferred to and merged with "Rural Housing and Community Development Service, Salaries and Expenses"; "Rural Utilities Service, Salaries and Expenses"; and "Rural Business and Cooperative Development Service, Salaries and Expenses".

RURAL HOUSING AND COMMUNITY DEVELOPMENT SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Rural Housing and Community Development Service, including administering the programs authorized by the Consolidated Farm and Rural Development Act, as amended, title V of the Housing Act of 1949, as amended, and cooperative agreements, [$42,820,000] *$50,346,000*: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of 706(a) of the Organic Act of 1944, and not to exceed $500,000 may be used for employment under 5 U.S.C. 3109.

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by title V of the Housing Act of 1949, as amended, to be available from funds in the rural housing insurance fund, as follows: [$2,250,000,000] *$2,700,000,000* for loans to section 502 borrowers, as determined by the Secretary, of which $1,700,000,000 shall be for unsubsidized guaranteed loans; $35,000,000 for section 504 housing repair loans; $15,000,000 for section 514 farm labor housing; $150,000,000 for section 515 rental housing; $600,000 for site loans; and **[**$35,000,000**]** *$42,484,000* for credit sales of acquired property**[**: *Provided*, That notwithstanding section 520 of the Housing Act of 1949, the Secretary of Agriculture may make loans under section 502 of such Act for properties in the Pine View West Subdivision, located in Gibsonville, North Carolina, in the same manner as provided under such section for properties in rural areas**]**.

For the cost of direct and guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as follows: section 502 loans, **[**$118,335,000**]** *$212,790,000*, of which $2,890,000 shall be for unsubsidized guaranteed loans; section 504 housing repair loans, $14,193,000; section 514 farm labor housing, $8,629,000; section 515 rental housing, $82,035,000**[**, provided the program is authorized for fiscal year 1996**]**; and credit sales of acquired property, **[**$6,100,000**]** *$7,405,000*.

[In addition, for the cost (as defined in section 502 of the Congressional Budget Act of 1974) of guaranteed loans under a demonstration program of loan guarantees for multifamily rental housing in rural areas, $1,000,000, to be derived from the amount made available under this heading for the cost of low-income section 515 loans and to become available for obligation only upon the enactment of authorizing legislation.**]**

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, **[**$385,889,000**]** *$389,818,000*, of which **[**$372,897,506**]** *$376,860,000* shall be transferred to and merged with the appropriation for "Rural Housing and Community Development Service, Salaries and Expenses".

RENTAL ASSISTANCE PROGRAM

For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) or agreements entered into in lieu of forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Housing Act of 1949, as amended, **[**$535,900,000**]** *$540,900,000*; and in addition such sums as may be necessary, as authorized by section 521(c) of the Act, to liquidate debt incurred prior to fiscal year 1992 to carry out the rental assistance program under section 521(a)(2) of the Act: *Provided*, That of this amount not more than $5,900,000 shall be available for debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Act, and not to exceed $10,000 per project for advances to nonprofit organizations or public agencies to cover direct costs (other than purchase price) incurred in purchasing projects pursuant to section 502(c)(5)(C) of the Act: *Provided further*, That agreements entered into or renewed during fiscal year 1996 shall be funded for a five-year period, although the life of any such agreement may be extended to fully utilize amounts obligated.

SELF-HELP HOUSING LAND DEVELOPMENT FUND

For the principal amount of direct loans, as authorized by section 523(b)(1)(B) of the Housing Act of 1949, as amended (42 U.S.C. 1490c), $603,000.

For the cost of direct loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, $31,000.

[COMMUNITY FACILITY LOANS PROGRAM ACCOUNT

[(INCLUDING TRANSFERS OF FUNDS)

[For the cost of direct loans, $34,880,000, and for the cost of guaranteed loans, $3,555,000, as authorized by 7 U.S.C. 1928 and 86 Stat. 661–664, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That such sums shall remain available until expended for the disbursement of loans obligated in fiscal year 1996: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $200,000,000 and total loan principal, any part of which is to be guaranteed, not to exceed $75,000,000: *Provided further*, That of the amounts available for the cost of direct loans not to exceed $1,208,000, to subsidize gross obligations for the principal amount not to exceed $6,930,000, shall be available for empowerment zones and enterprise communities, as authorized by Public Law 103–66: *Provided further*, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1996, they remain available for other authorized purposes under this head.

[In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $8,836,000, of which $8,731,000 shall be transferred to and merged with the appropriation for "Salaries and Expenses".**]**

VERY LOW-INCOME HOUSING REPAIR GRANTS

For grants to the very low-income elderly for essential repairs to dwellings pursuant to section 504 of the Housing Act of 1949, as amended, $24,900,000, to remain available until expended.

RURAL HOUSING FOR DOMESTIC FARM LABOR

For financial assistance to eligible nonprofit organizations for housing for domestic farm labor, pursuant to section 516 of the Housing Act of 1949, as amended (42 U.S.C. 1486), $10,000,000, to remain available until expended.

MUTUAL AND SELF-HELP HOUSING GRANTS

For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), $12,650,000, to remain available until expended (7 U.S.C. 2209b).

SUPERVISORY AND TECHNICAL ASSISTANCE GRANTS

For grants pursuant to sections 509(f) and 525 of the Housing Act of 1949, $1,000,000.

RURAL COMMUNITY FIRE PROTECTION GRANTS

For grants pursuant to section 7 of the Cooperative Forestry Assistance Act of 1978 (Public Law 95–313), **[**$1,000,000**]** *$3,000,000* to fund up to 50 percent of the cost of organizing, training, and equipping rural volunteer fire departments.

COMPENSATION FOR CONSTRUCTION DEFECTS

For compensation for construction defects as authorized by section 509(c) of the Housing Act of 1949, as amended, $495,000, to remain available until expended.

RURAL HOUSING PRESERVATION GRANTS

For grants for rural housing preservation as authorized by section 552 of the Housing and Urban-Rural Recovery Act of 1983 (Public Law 98–181), $11,000,000.

RURAL BUSINESS AND COOPERATIVE DEVELOPMENT SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Rural Business and Cooperative Development Service, including administering the programs authorized by the Consolidated Farm and Rural Development Act, as amended; section 1323 of the Food Security Act of 1985; the Cooperative Marketing Act of 1926; for activities relating to the marketing aspects of cooperatives, including economic research findings, as authorized by the Agricultural Marketing Act of 1946; for activities with institutions concerning the development and operation of agricultural cooperatives; and cooperative agreements; **[**$9,520,000**]** *$9,013,000*: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of 706(a) of the Organic Act of 1944, and not exceed $250,000 may be used for employment under 5 U.S.C. 3109.

[RURAL BUSINESS AND INDUSTRY LOANS PROGRAM ACCOUNT

[(INCLUDING TRANSFERS OF FUNDS)

[For the cost of guaranteed loans, $6,437,000, as authorized by 7 U.S.C. 1928 and 86 Stat. 661–664, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That such sums shall remain available until expended for the disbursement of loans obligated in fiscal year 1996: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of guaranteed loans of $500,000,000: *Provided further*, That of the amounts available for the cost of guaranteed loans including the cost of modifying loans, $148,000, to subsidize gross obligations for the loan principal, any part of which is guaranteed, not to exceed $10,842,000, shall be available for empowerment zones and enterprise communities, as authorized by Public Law 103–66: *Provided further*, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1996, they remain available for other authorized activities under this head.

[In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $14,868,000, of which $14,747,000 shall be transferred to and merged with the appropriation for "Salaries and Expenses".**]**

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

[For the cost of direct loans as authorized by the rural development loan fund (42 U.S.C. 9812(a)) for empowerment zones and enterprise communities, as authorized by title XIII of the Omnibus Budget Reconciliation Act of 1993, $4,322,000, to subsidize gross obligations for the principal amount of direct loans, $7,246,000.**]**

For the cost of direct loans, $17,895,000, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)): Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans of $30,000,000: Provided further, That through June 30, 1996, of these amounts, $6,484,000 shall be available for the cost of direct loans, for empowerment zones and enterprise communities, as authorized by title XIII of the Omnibus Budget Reconciliation Act of 1993, to subsidize gross obligations for the principal amount of direct loans, $10,870,000.

In addition, for administrative expenses necessary to carry out the direct loan programs, $1,476,000, of which $1,470,000 shall be transferred to and merged with the appropriation for "Salaries and Expenses".

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the principal amount of direct loans, as authorized under section 313 of the Rural

Electrification Act, for the purpose of promoting rural economic development and job creation projects, $12,865,000.

For the cost of direct loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, $3,729,000.

In addition, for administrative expenses necessary to carry out the direct loan program, [$584,000] *$724,000*, which shall be transferred to and merged with the appropriation for "Salaries and Expenses".

ALTERNATIVE AGRICULTURAL RESEARCH AND COMMERCIALIZATION REVOLVING FUND

For necessary expenses to carry out the Alternative Agricultural Research and Commercialization Act of 1990 (7 U.S.C. 5901–5908), [$5,000,000] *$10,000,000* is appropriated to the alternative agricultural research and commercialization revolving fund.

[RURAL BUSINESS ENTERPRISE GRANTS

[For grants authorized under section 310B(c) and 310B(j) (7 U.S.C. 1932) of the Consolidated Farm and Rural Development Act to any qualified public or private nonprofit organization, $45,000,000, of which $8,381,000 shall be available through June 30, 1996, for assistance to empowerment zones and enterprise communities, as authorized by title XIII of the Omnibus Budget Reconciliation Act of 1993, after which any funds not obligated shall remain available for other authorized purposes under this head: *Provided*, That $500,000 shall be available for grants to qualified nonprofit organizations to provide technical assistance and training for rural communities needing improved passenger transportation systems or facilities in order to promote economic development.]

RURAL TECHNOLOGY AND COOPERATIVE DEVELOPMENT GRANTS

For grants pursuant to section 310(f) of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1932), [$1,500,000] *$1,500,000, of which $1,300,000 may be available for the appropriate technology transfer for rural areas program.*

RURAL UTILITIES SERVICE

RURAL ELECTRIFICATION AND TELEPHONE LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936, as amended (7 U.S.C. 935), shall be made as follows: 5 percent rural electrification loans, $90,000,000; 5 percent rural telephone loans, $70,000,000; cost of money rural telephone loans, $300,000,000; municipal rate rural electric loans, [$500,000,000] *$550,000,000*; and loans made pursuant to section 306 of that Act, $420,000,000, to remain available until expended.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct and guaranteed loans authorized by the Rural Electrification Act of 1936, as amended (7 U.S.C. 935), as follows: cost of direct loans, $35,126,000; cost of municipal rate loans, [$54,150,000] *$59,565,000*; cost of money rural telephone loans, $60,000; cost of loans guaranteed pursuant to section 306, $2,520,000: *Provided*, That notwithstanding [sections 305(c)(2) and] *section* 305(d)(2) of the Rural Electrification Act of 1936, borrower interest rates may exceed 7 percent per year.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, [$29,982,000] *$32,183,000*, which shall be transferred to and merged with the appropriation for "Salaries and Expenses".

RURAL TELEPHONE BANK PROGRAM ACCOUNT

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds available to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out its authorized programs for the current fiscal year. During fiscal year 1996 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be $175,000,000.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct loans authorized by the Rural Electrification Act of 1936, as amended (7 U.S.C. 935), [$770,000] *$5,023,000*.

In addition, for administrative expenses necessary to carry out the loan programs, [$3,541,000] *$6,167,000*.

DISTANCE LEARNING AND MEDICAL LINK GRANTS

For necessary expenses to carry into effect the programs authorized in sections 2331–2335 of Public Law 101–624, $7,500,000, to remain available until expended.

[RURAL DEVELOPMENT PERFORMANCE PARTNERSHIPS PROGRAM

[(INCLUDING TRANSFERS OF FUNDS)

[For the cost of direct loans, loan guarantees, and grants, as authorized by 7 U.S.C. 1926, 1928, and 1932, $435,000,000, to remain available until expended, to be available for loans and grants for rural water and waste disposal and solid waste management grants: *Provided*, That the costs of direct loans and loan guarantees, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That of the total amount appropriated, not to exceed $4,000,000 shall be available for contracting with the National Rural Water Association or other equally qualified national organization for a circuit rider program to provide technical assistance for rural water systems: *Provided further*, That of the total amount appropriated, not to exceed $18,700,000 shall be available for water and waste disposal systems to benefit the Colonias along the United States/Mexico border, including grants pursuant to section 306C: *Provided further*, That of the total amount appropriated, $18,688,000 shall be for empowerment zones and enterprise communities, as authorized by Public Law 103–66: *Provided further*, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1996, they shall remain available for other authorized purposes under this head.

[In addition, for administrative expenses necessary to carry out direct loans, loan guarantees, and grants, $12,740,000, of which $12,623,000 shall be transferred and merged with "Rural Utilities Service, Salaries and Expenses".]

SALARIES AND EXPENSES

For necessary expenses of the Rural Utilities Service, including administering the programs authorized by the Rural Electrification Act of 1936, as amended, and the Consolidated Farm and Rural Development Act, as amended, [$19,211,000] *$18,449,000*, of which $7,000 shall be available for financial credit reports: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of 706(a) of the Organic Act of 1944, and not to exceed $103,000 may be used for employment under 5 U.S.C. 3109.

TITLE IV

DOMESTIC FOOD PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR FOOD, NUTRITION AND CONSUMER SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Food, Nutrition and Consumer Services to administer the laws enacted by the Congress for the Food and Consumer Service, [$440,000] *$540,000*.

FOOD AND CONSUMER SERVICE

CHILD NUTRITION PROGRAMS

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the National School Lunch Act (42 U.S.C. 1751–1769b), and the applicable provisions other than [section 17] *sections 17, 19, and 21* of the Child Nutrition Act of 1966 (42 U.S.C. 1772–1785, and 1789); [$7,952,424,000] *$7,952,610,000*, to remain available through September 30, 1997, of which [$2,354,566,000] *$2,354,752,000* is hereby appropriated and $5,597,858,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): *Provided*, That up to $3,964,000 shall be available for independent verification of school food service claims[: *Provided further*, That $1,900,000 shall be available to provide financial and other assistance to operate the Food Service Management Institute.

[Notwithstanding any other provision of law, no funds other than provided in this Act may be available for nutrition education and training and the Food Service Management Institute.]

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the special supplemental nutrition program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), $3,729,807,000, to remain available through September 30, 1997: *Provided*, That for fiscal year 1996, $20,000,000 that would otherwise be available to States for nutrition services and administration shall be made available for food benefits: *Provided further*, That $4,000,000 from unobligated balances for supervisory and technical assistance grants may be transferred to and merged with this account: *Provided further*, That up to $6,750,000 may be used to carry out the farmers' market nutrition program from any funds not needed to maintain current caseload levels: *Provided further*, That none of the funds in this Act shall be available to pay administrative expenses of WIC clinics except those that have an announced policy of prohibiting smoking within the space used to carry out the program*: Provided further, That on or after July 1, 1996, any funds recovered from the previous fiscal year in excess of $100,000,000 may be transferred by the Secretary of Agriculture to the Rural Community Advancement Program and shall remain available until expended: Provided further, That none of the funds provided in this Act shall be available for the purchase of infant formula except in accordance with the cost containment and competitive bidding requirements specified in section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) (as in effect on September 13, 1995).*

COMMODITY SUPPLEMENTAL FOOD PROGRAM

For necessary expenses to carry out the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c (note)), including not less than $8,000,000 for the projects in Detroit, New Orleans, and Des Moines, $86,000,000 to remain available through

September 30, 1997: Provided, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program: Provided further, That twenty percent of any Commodity Supplemental Food Program funds carried over from fiscal year 1995 shall be available for administrative costs of the program.

FOOD STAMP PROGRAM

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011–2029), [$27,097,828,000] *$28,097,828,000*: *Provided*, That funds provided herein shall remain available through September 30, 1996, in accordance with section 18(a) of the Food Stamp Act: *Provided further, That $1,000,000,000 of the foregoing amount shall be placed in reserve for use only in such amounts and at such times as may become necessary to carry out program operations*: *Provided further*, That funds provided herein shall be expended in accordance with section 16 of the Food Stamp Act: *Provided further*, That this appropriation shall be subject to any work registration or workfare requirements as may be required by law: *Provided further*, That $1,143,000,000 of the foregoing amount shall be available for nutrition assistance for Puerto Rico as authorized by 7 U.S.C. 2028.

[COMMODITY ASSISTANCE PROGRAM

[For necessary expenses to carry out the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c(note)), section 204(a) of the Emergency Food Assistance Act of 1983, as amended, and section 110 of the Hunger Prevention Act of 1988, $168,000,000, to remain available through September 30, 1997: *Provided*, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program: *Provided further*, That none of the funds in this Act or any other Act may be used for demonstration projects in the emergency food assistance program.]

FOOD DONATIONS PROGRAMS FOR SELECTED GROUPS

For necessary expenses to carry out section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c (note)), section 4(b) of the Food Stamp Act (7 U.S.C. 2013(b)), and section 311 of the Older Americans Act of 1965, as amended (42 U.S.C. 3030a), [$215,000,000] *$217,250,000*, to remain available through September 30, 1997: *Provided, That notwithstanding any other provision of law, for meals provided pursuant to the Older Americans Act of 1965, a maximum rate of reimbursement to States will be established by the Secretary, subject to reduction if obligations would exceed the amount of available funds, with any unobligated funds to remain available only for obligation in the fiscal year beginning October 1, 1996.*

For necessary expenses to carry out section 110 of the Hunger Prevention Act of 1988, $40,000,000.

THE EMERGENCY FOOD ASSISTANCE PROGRAM

For making payments to States to carry out the Emergency Food Assistance Act of 1983, as amended, $40,000,000: Provided, That, in accordance with section 202 of Public Law 98–92, these funds shall be available only if the Secretary determines the existence of excess commodities: Provided further, That none of the funds in this Act or any other Act may be used for emergency food assistance program demonstration projects.

FOOD PROGRAM ADMINISTRATION

For necessary administrative expenses of the domestic food programs funded under this Act, [$108,323,000] *$107,215,000*, of which $5,000,000 shall be available only for simplifying procedures, reducing overhead costs, tightening regulations, improving food stamp coupon handling, and assistance in the prevention, identification, and prosecution of fraud and other violations of law; *and $750,000 shall be available for investing in an automated data processing infrastructure for the Food and Consumer Service*: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $150,000 shall be available for employment under 5 U.S.C. 3109.

TITLE V

FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954, as amended (7 U.S.C. 1761–1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed $128,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), [$123,520,000] *$124,775,000*, of which $5,176,000 may be transferred from Commodity Credit Corporation funds, $2,792,000 may be transferred from the Commodity Credit Corporation program account in this Act, and $1,005,000 may be transferred from the Public Law 480 program account in this Act: *Provided*, That the Service may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1736) and the foreign assistance programs of the International Development Cooperation Administration (22 U.S.C. 2392).

None of the funds in the foregoing paragraph shall be available to promote the sale or export of tobacco or tobacco products.

PUBLIC LAW 480 PROGRAM AND GRANT ACCOUNTS

(INCLUDING TRANSFERS OF FUNDS)

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1691, 1701–1715, 1721–1726, 1727–1727f, 1731–1736g), as follows: (1) $291,342,000 for Public Law 480 title I credit, including Food for Progress programs; (2) $25,000,000 is hereby appropriated for ocean freight differential costs for the shipment of agricultural commodities pursuant to title I of said Act and the Food for Progress Act of 1985, as amended; (3) $821,100,000 is hereby appropriated for commodities supplied in connection with dispositions abroad pursuant to title II of said Act; and (4) $50,000,000 is hereby appropriated for commodities supplied in connection with dispositions abroad pursuant to title III of said Act *and shall be financed from funds credited to the Commodity Credit Corporation pursuant to section 426 of Public Law 103–465*: *Provided*, That not to exceed 15 percent of the funds made available to carry out any title of said Act may be used to carry out any other title of said Act: *Provided further*, That such sums shall remain available until expended (7 U.S.C. 2209b).

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct credit agreements as authorized by the Agricultural Trade Development and Assistance Act of 1954, as amended, and the Food for Progress Act of 1985, as amended, including the cost of modifying credit agreements under said Act, $236,162,000.

In addition, for administrative expenses to carry out the Public Law 480 title I credit program, and the Food for Progress Act of 1985, as amended, to the extent funds appropriated for Public Law 480 are utilized, $1,750,000.

SHORT-TERM EXPORT CREDIT

The Commodity Credit Corporation shall make available not less than $5,200,000,000 in credit guarantees under its export credit guarantee program for short-term credit extended to finance the export sales of United States agricultural commodities and the products thereof, as authorized by section 202(a) of the Agricultural Trade Act of 1978 (7 U.S.C. 5641).

INTERMEDIATE-TERM EXPORT CREDIT

The Commodity Credit Corporation shall make available not less than $500,000,000 in credit guarantees under its export credit guarantee program for intermediate-term credit extended to finance the export sales of United States agricultural commodities and the products thereof, as authorized by section 202(b) of the Agricultural Trade Act of 1978 (7 U.S.C. 5641).

COMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the Commodity Credit Corporation's export guarantee program, GSM–102 and GSM–103, $3,381,000; to cover common overhead expenses as permitted by section 11 of the Commodity Credit Corporation Charter Act and in conformity with the Federal Credit Reform Act of 1990, of which not to exceed $2,792,000 may be transferred to and merged with the appropriation for the salaries and expenses of the Foreign Agricultural Service, and of which not to exceed $589,000 may be transferred to and merged with the appropriation for the salaries and expenses of the Consolidated Farm Service Agency.

TITLE VI

RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Food and Drug Administration, including hire and purchase of passenger motor vehicles; for rental of special purpose space in the District of Columbia or elsewhere; and for miscellaneous and emergency expenses of enforcement activities, authorized and approved by the Secretary and to be accounted for solely on the Secretary's certificate, not to exceed $25,000; $904,694,000, of which not to exceed $84,723,000 in fees pursuant to section 736 of the Federal Food, Drug, and Cosmetic Act may be credited to this appropriation and remain available until expended: *Provided*, That fees derived from applications received during fiscal year 1996 shall be subject to the fiscal year 1996 limitation: *Provided further*, That none of these funds shall be used to develop, establish, or operate any program of user fees authorized by 31 U.S.C. 9701.

In addition, fees pursuant to section 354 of the Public Health Service Act may be credited to this account, to remain available until expended.

BUILDINGS AND FACILITIES

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by the Food and Drug Administration, where not otherwise provided, [$15,350,000] *$8,350,000*, to remain available until expended (7 U.S.C. 2209b).

RENTAL PAYMENTS (FDA)

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92–313 for programs and activities of the Food and Drug Administration which are included in this Act, $46,294,000: *Provided*, That in the event the Food and Drug Administration should require modification of space needs, a share of the salaries and expenses appropriation may be transferred to this appropriation, or a share of this appropriation may be transferred to the salaries and expenses appropriation, but such transfers shall not exceed 5 percent of the funds made available for rental payments (FDA) to or from this account.

DEPARTMENT OF THE TREASURY

FINANCIAL MANAGEMENT SERVICE

PAYMENTS TO THE FARM CREDIT SYSTEM FINANCIAL ASSISTANCE CORPORATION

For necessary payments to the Farm Credit System Financial Assistance Corporation by the Secretary of the Treasury, as authorized by section 6.28(c) of the Farm Credit Act of 1971, as amended, for reimbursement of interest expenses incurred by the Financial Assistance Corporation on obligations issued through 1994, as authorized, $15,453,000.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

For necessary expenses to carry out the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1 et seq.), including the purchase and hire of passenger motor vehicles; the rental of space (to include multiple year leases) in the District of Columbia and elsewhere; and not to exceed $25,000 for employment under 5 U.S.C. 3109; [$49,144,000] *$54,058,000*, including not to exceed $1,000 for official reception and representation expenses: *Provided*, That the Commission is authorized to charge reasonable fees to attendees of Commission sponsored educational events and symposia to cover the Commission's costs of providing those events and symposia, and notwithstanding 31 U.S.C. 3302, said fees shall be credited to this account, to be available without further appropriation.

FARM CREDIT ADMINISTRATION

ADMINISTRATIVE PROVISION

SEC. 601. (a) For purposes of the administration of chapter 89 of title 5, United States Code, any period of enrollment under a health benefits plan administered by the Farm Credit Administration prior to the effective date of this Act shall be deemed to be a period of enrollment in a health benefits plan under chapter 89 of such title.

(b)(1) An individual who, on September 30, 1995, is covered by a health benefits plan administered by the Farm Credit Administration may enroll in an approved health benefits plan described under section 8903 or 8903a of title 5, United States Code—

(A) either as an individual or for self and family, if such individual is an employee, annuitant, or former spouse as defined under section 8901 of such title; and

(B) for coverage effective on and after September 30, 1995.

(2) An individual who, on September 30, 1995, is entitled to continued coverage under a health benefits plan administered by the Farm Credit Administration—

(A) shall be deemed to be entitled to continued coverage under section 8905a of title 5, United States Code, for the same period that would have been permitted under the plan administered by the Farm Credit Administration; and

(B) may enroll in an approved health benefits plan described under sections 8903 or 8903a of such title in accordance with section 8905A of such title for coverage effective on and after September 30, 1995.

(3) An individual who, on September 30, 1995, is covered as an unmarried dependent child under a health benefits plan administered by the Farm Credit Administration and who is not a member of family as defined under section 8901(5) of title 5, United States Code—

(A) shall be deemed to be entitled to continued coverage under section 8905a of such title as though the individual had, on September 30, 1995, ceased to meet the requirements for being considered an unmarried dependent child under chapter 89 of such title; and

(B) may enroll in an approved health benefits plan described under section 8903 or 8903a of such title in accordance with section 8905a for continued coverage on and after September 30, 1995.

(c) The Farm Credit Administration shall transfer to the Federal Employees Health Benefits Fund established under section 8909 of title 5, United States Code, amounts determined by the Director of the Office of Personnel Management, after consultation with the Farm Credit Administration, to be necessary to reimburse the Fund for the cost of providing benefits under this section not otherwise paid for by the individual's covered by this section. The amount so transferred shall be held in the Fund and used by the Office in addition to the amounts available under section 8906(g)(1) of such title.

(d) The Office of Personnel Management—

(1) shall administer the provisions of this section to provide for—

(A) a period of notice and open enrollment for individuals affected by this section; and

(B) no lapse of health coverage for individuals who enroll in a health benefits plan under chapter 89 of title 5, United States Code, in accordance with this section; and

(2) may prescribe regulations to implement this section.

TITLE VII—GENERAL PROVISIONS

SEC. 701. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the fiscal year 1996 under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 665 passenger motor vehicles, of which 642 shall be for replacement only, and for the hire of such vehicles.

SEC. 702. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901–5902).

SEC. 703. Not less than $1,500,000 of the appropriations of the Department of Agriculture in this Act for research and service work authorized by the Acts of August 14, 1946, and July 28, 1954, *and* (7 U.S.C. 427, 1621–1629), and by chapter 63 of title 31, United States Code, shall be available for contracting in accordance with said Acts and chapter.

SEC. 704. The cumulative total of transfers to the Working Capital Fund for the purpose of accumulating growth capital for data services and National Finance Center operations shall not exceed $2,000,000: *Provided*, That no funds in this Act appropriated to an agency of the Department shall be transferred to the Working Capital Fund without the approval of the agency administrator.

SEC. 705. New obligational authority provided for the following appropriation items in this Act shall remain available until expended (7 U.S.C. 2209b): Animal and Plant Health Inspection Service, the contingency fund to meet emergency conditions, and integrated systems acquisition project; *Consolidated Farm Service Agency, salaries and expenses funds made available to county committees*; and Foreign Agricultural Service, middle-income country training program.

New obligational authority for the boll weevil program; up to 10 percent of the screwworm program of the Animal and Plant Health Inspection Service; Food Safety and Inspection Service, field automation and information management project; funds appropriated for rental payments; funds for the Native American institutions endowment fund in the Cooperative State Research, Education, and Extension Service, and funds for the competitive research grants (7 U.S.C. 450i(b)) shall remain available until expended.

SEC. 706. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 707. Not to exceed $50,000 of the appropriations available to the Department of Agriculture in this Act shall be available to provide appropriate orientation and language training pursuant to Public Law 94–449.

SEC. 708. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 percent of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

SEC. 709. Notwithstanding any other provision of this Act, commodities acquired by the Department in connection with Commodity Credit Corporation and section 32 price support operations may be used, as authorized by law (15 U.S.C. 714c and 7 U.S.C. 612c), to provide commodities to individuals in cases of hardship as determined by the Secretary of Agriculture.

SEC. 710. None of the funds in this Act shall be available to reimburse the General Services Administration for payment of space rental and related costs in excess of the amounts specified in this Act; nor shall this or any other provision of law require a reduction in the level of rental space or services below that of fiscal year [1994] *1995* or prohibit an expansion of rental space or services with the use of funds otherwise appropriated in this Act. Further, no agency of the Department of Agriculture, from funds otherwise available, shall reimburse the General Services Administration for payment of space rental and related costs provided to such agency at a percentage rate which is greater than is available in the case of funds appropriated in this Act.

SEC. 711. None of the funds in this Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

SEC. 712. [None] *With the exception of grants awarded under the Small Business Innovation*

Development Act of 1982, Public Law 97–219, as amended (15 U.S.C. 638), none of the funds in this Act shall be available to pay indirect costs on research grants awarded competitively by the Cooperative State Research, Education, and Extension Service that exceed 14 percent of total Federal funds provided under each award.

SEC. 713. Notwithstanding any other provisions of this Act, all loan levels provided in this Act shall be considered estimates, not limitations.

SEC. 714. Appropriations to the Department of Agriculture for the cost of direct and guaranteed loans made available in fiscal year 1996 shall remain available until expended to cover obligations made in fiscal year 1996 for the following accounts: the rural development loan fund program account; the Rural Telephone Bank program account; the rural electrification and telecommunications loans program account; and the rural economic development loans program account.

SEC. 715. Such sums as may be necessary for fiscal year 1996 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 716. (a) COMPLIANCE WITH BUY AMERICAN ACT.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c; popularly known as the "Buy American Act").

(b) SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.—

(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products.

(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available in this Act, the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 717. Notwithstanding the Federal Grant and Cooperative Agreement Act, marketing services of the Agricultural Marketing Service may use cooperative agreements to reflect a relationship between Agricultural Marketing Service and a State or Cooperator to carry out agricultural marketing programs.

SEC. 718. PROHIBITION ON USE OF FUNDS FOR HONEY PAYMENTS OR LOAN FORFEITURES.—Notwithstanding any other provision of this Act, none of the funds appropriated or otherwise made available by this Act shall be used by the Secretary of Agriculture to provide for a total amount of payments and/or total amount of loan forfeitures to a person to support the price of honey under section 207 of the [Agriculture] *Agricultural* Act of 1949 (7 U.S.C. 1446h) and section 405A of such Act (7 U.S.C. 1425a) in excess of zero dollars in the 1994, 1995, and 1996 crop years.

SEC. 719. None of the funds in this Act may be used to retire more than 5 percent of the Class A stock of the Rural Telephone Bank.

SEC. 720. None of the funds appropriated or otherwise made available by this Act may be used to provide benefits to households whose benefits are calculated using a standard deduction greater than the standard deduction in effect for fiscal year 1995.

SEC. 721. None of the funds made available in this Act may be used for any program, project, or activity when it is made known to the Federal entity or official to which the funds are made available that the program, project, or activity is not in compliance with any applicable Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

[SEC. 722. None of the funds made available in this Act shall be used to increase, from the fiscal year 1995 level, the level of Full Time Equivalency Positions (whether through new hires or by transferring full time eqivalents from other offices) in any of the following Food and Drug Administration offices: Office of the Commissioner, Office of Policy, Office of External Affairs (Immediate Office, as well as Office of Health Affairs, Office of Legislative Affairs, Office of Consumer Affairs, and Office of Public Affairs), and the Office of Management and Systems (Immediate Office, as well as Office of Planning and Evaluation and Office of Management).

[SEC. 723. None of the funds made available in this Act may be used to provide assistance to, or to pay the salaries of personnel who carry out a market promotion program pursuant to section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) that provides assistance to, the U.S. Mink Export Development Council or any mink industry trade association.]

SEC. 724. None of the funds appropriated or otherwise made available by this Act shall be used to enroll in excess of 100,000 acres in the fiscal year 1996 wetlands reserve program, as authorized by 16 U.S.C. 3837.

SEC. 725. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries of personnel who carry out an export enhancement program (estimated to be $1,000,000,000 in the President's fiscal year 1996 Budget (H. Doc. 104–4)) if the aggregate amount of funds and/or commodities under such program exceeds $800,000,000.

SEC. 726. None of the funds made available in this Act shall be used to pay the salaries of personnel to provide assistance to livestock producers under provisions of title VI of the Agricultural Act of 1949 if crop insurance protection or noninsured crop disaster assistance for the loss of feed produced on the farm is available to the producer under the Federal Crop Insurance Act, as amended.

SEC. 727. None of the funds appropriated or otherwise made available by this Act shall be used to enroll additional acres in the Conservation Reserve Program authorized by 16 U.S.C. 3831–3845: Provided, That 1,579,000 new acres shall be enrolled in the program in the year beginning January 1, 1997.

SEC. 728. DISASTER ASSISTANCE FOR INSECT DAMAGE TO 1995 COTTON CROP.—(a) IN GENERAL.—Notwithstanding any other provision of law, such sums as may be necessary, not to exceed $41,000,000, of funds of the Commodity Credit Corporation shall be available, through April 15, 1996, to producers of the 1995 crop of cotton that was adversely affected by insect damage under terms and conditions determined by the Secretary of Agriculture.

(b) ADDITIONAL ASSISTANCE.—Any assistance provided under subsection (a) shall be in addition to any assistance provided under Public Law 103–354 or any other provision of law.

SEC. 729. None of the funds appropriated or otherwise made available by this Act may be used to develop compliance guidelines, implement or enforce a regulation promulgated by the Food Safety and Inspection Service on August 25, 1995 (60 Fed. Reg. 44396): Provided, That this regulation shall take effect only if legislation is enacted into law which directs the Secretary of Agriculture to promulgate such regulation, or the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition and Forestry receive and approve a proposed revised regulation submitted by the Secretary of Agriculture.

This Act may be cited as the "Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1996".

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, this bill proposes fiscal year 1996 funding for the Department of Agriculture, the Food and Drug Administration, the Commodity Futures Trading Commission, and expenses and payments of the farm credit system. As reported, the bill recommends total new budget authority for this new fiscal year of $63.8 billion. This is $5.2 billion less than the fiscal year 1995 level. It is $2.6 billion less than the President's fiscal year 1996 budget request. But it is $1.2 billion more than the level recommended in bill passed by the House of Representatives.

One interesting thing to observe about this bill is that over 63 percent of the funds proposed to be appropriated in this legislation for the Department of Agriculture will go to funding the Nation's domestic food assistance programs. I can recall, when I was first honored by being given the opportunity of chairing this subcommittee in 1981, the majority of the funds appropriated to the Department of Agriculture for its activities went to funding support activities for production agriculture—reimbursements to the Commodity Credit Corporation, for example, for net realized losses; funds for agriculture research; for soil and water conservation; for rural development. And included in these activities were, of course, the food and nutrition programs such as the Food Stamp Program, Women, Infants, and Children Program; the School Lunch Programs, elderly feeding programs, commodity distribution programs, a wide variety of domestic food assistance programs.

But, today, we have seen a trend which has now reached a point where the clear majority of the funding required by the Department of Agriculture is for the food and nutrition programs rather than for traditional agriculture programs. So, as we discuss and consider any amendments that

Senators will offer to this bill, we must keep in mind that we are doing our part in this bill to meet the challenge of deficit reduction, in trying to control the growth of spending at the Federal level.

We have $5.2 billion proposed in this bill, less than the amount of budget authority in this fiscal year. I think it is a clear illustration of the commitment of this subcommittee to fulfill the commitment that we have all made in the budget resolution to get better control over our spending practices at the Federal level and to meet the challenge of balancing the budget under the plan to do so over the next 7 years.

To compare the 63 percent level of funding of domestic food programs in this bill with previous years, in this fiscal year those funds total 58 percent of the budget authority in this bill. Including congressional budget scorekeeping adjustments and prior-year spending actions, this bill recommends total discretionary spending of $13.310 billion in budget authority and $13.608 billion in outlays for fiscal year 1996. These amounts are consistent with the subcommittee's discretionary spending allocations.

As a result of these constraints of allocation and the budget resolution assumptions and directions, few funding increases are recommended in this bill for any programs and activities under the jurisdiction of the subcommittee. Most programs are funded at or below this current fiscal year level.

There is one significant program increase provided in this bill, a $260 million increase for the WIC Program, the Women, Infants, and Children Program. This is the same as contained in the bill passed by the House. This increase is necessary if we are going to maintain the 1995 WIC caseload levels during the next year.

Other discretionary spending increases include an additional $17.9 million for rural housing rental assistance to meet the estimated costs of contract renewal and servicing requirements; an increase of $42.9 million to continue the efforts of the Food Safety and Inspection Service to assure the safety of our Nation's food supply; a $5.1 million net increase in rural housing loan program authorizations; a $50 million increase in farm operating loans; and a $33 million increase for the food donations program on Indian reservations. Except for rural housing, all of these increases fall well below the increased levels requested by the President in the budget submission we received this year.

There are funds in the bill for agriculture research and extension programs. In my judgment, the $1 billion—a little over $1 billion—appropriated for these activities are funds well invested. We are confronted right now with a real challenge in the production agriculture area because of increased competition from overseas, producers in the international marketplace.

We are confronted with new challenges of pest management, of trying to improve yields while at the same time preserving in a more aggressive way our soil and water resources. To accomplish all of that, and to still make it possible for farmers to operate profitably, we have to invest in upgrading and maintaining our modern technological advantage.

That is the key to the future productivity of our Nation's farmers. That is the key to the realization of the expectations of the American people to have an adequate supply of reasonably priced food and consumer products. So that is why this part of the bill, in my view, is so important.

I wish we had the ability under the constraints of the budget and our allocation to appropriate more money for these purposes. Much of this research is done in Agriculture Research Service facilities throughout the country. These are Department of Agriculture-operated research facilities such as here in the Washington area, in Beltsville, MD, and throughout the country. Other research is done through the Cooperative State Research, Education, and Extension Service account that is funded in this bill, where funds are made available to university and college-research facilities and other sponsoring entities, where funds are matched by the Federal Government to help pay the costs of important research in the agriculture food production and related areas of concern.

So although the $1.025 billion for agriculture research and extension program activity is $22 million less than this current year's level and $17 million less than the President's request, it is $30 million more than recommended in the House-passed bill. So, in conference we will have a challenge to negotiate what we hope will be an increase in the allocation of funds for these purposes.

For extension activities, the bill provides $2 million less than the current year's level. But that level of funding is still $24 million over the House bill level.

For farm credit programs, the bill provides $3.2 billion in loan levels, which is an increase of $174 million from the House-recommended level.

The bill also recommends funding for a new Rural Community Advancement Program. We have recommended the consolidation of funding for seven rural development grant and loan programs under one account, consistent with the Senate Agriculture Committee's actions on these programs.

Senators will remember that we have just completed authorizing a reorganization of the Department of Agriculture. This has principally been driven by the leadership of the distinguished Senator from Indiana [Mr. LUGAR] who, as the ranking Republican member of the Agriculture Committee a few years ago, strongly urged our committee to pressure the administration to embark upon a reorganization program. As a matter of fact, current law authorized many of the steps that were urged to be taken by Senator LUGAR, and others, in this area.

But the administration wanted the Congress involved because obviously there were controversies. There were differences of opinion about how far to go, how much to change, which offices to close, how to consolidate regional offices, and where the new offices would be relocated—a wide range of controversial and political hot potato-type issues which the Senate Agriculture Committee worked on very hard.

Senator LEAHY was chairman when our effort began and now, under the chairmanship of Senator LUGAR with Senator LEAHY as ranking member, we are monitoring. We are monitoring the reorganization effort to ensure that, first of all, it is consistent with the new authorities for reorganization granted by the Congress to the President and the administration and that it also is undertaken in a way that makes the Department more efficient and saves money and cuts down the costs that are unnecessary—in many areas, where there has been duplication and overlapping—unnecessary expenditures of funds.

So this bill we are presenting today carries forward some of the principles contained in the Department of Agriculture Reorganization Act and emphasizes consolidation for the purpose of improving delivery of services as well as the efficiency of the Department of Agriculture.

So we spell out in this bill the consolidation of funding for some of these programs so that our bill will reflect the changes and the efforts that have been made or proposed by both the administration and the Congress.

The administration proposed to consolidate a number of programs that we disagreed with them about—their total number was 12 programs—into something called the rural performance partnership initiative. But our proposal consolidates only 7 programs, and represents a reduction of 15.9 percent from the current appropriations level versus the House bill, which proposes a 17.7-percent reduction.

One thing that we were concerned about—I will have to be candid with Senators—is that the administration was suggesting almost a block-grant-type approach to the administration, that they could then allocate to State administrators and give them a wide range of discretion without oversight authority in the Congress for how these programs were to be administered.

I think it would be an abrogation of congressional responsibility if we went along with that recommendation as I understood it. We are for giving more flexibility to managers and administration officials, but we are not prepared at this point to just simply send a lump sum appropriation to the Department of Agriculture and say, "Why don't you use this any way you think is appropriate."

We are here in a representative capacity for the States, and on the House side for individual citizens, and we have a role to play in this. We are taking that role very seriously. So in our oversight hearings and in the hearings we had in the beginning of this year, where administration officials came to testify about their proposals and how the funds that we would appropriate would be needed, we questioned them very carefully about their intentions in using these funds and how they would shift funds from one activity to another based on local situations.

So what I am saying is that we are in favor of consolidation, we are in favor of giving managers more authority than they may have been given in the past in the strict categories of funding, but we are not willing to turn loose completely of our responsibilities to monitor carefully the administration of these programs and the expenditure of these funds for rural development activities. Rural water and sewer system projects and loans to help build infrastructure facilities in areas that are economically disadvantaged are all a part of this effort. Housing programs, which have been given less than the funds we think are needed by the other body, are also very important.

There are a lot of unmet needs in many parts of the country in this area of concern. In my State of Mississippi, we hope to continue to have a very aggressive effort by the Federal agencies in that State to help improve the economic opportunities of those who live in the small towns and rural communities, opportunities for jobs, opportunities to enjoy a standard of living that will be attractive rather than so unattractive that people are forced to move into the cities. We think that is bad public policy, to see the rural communities deteriorate to such a point where they are uninhabitable and folks do not want to live there anymore.

That is a real problem we face, and we are trying to do something about that in the way we are funding programs in this legislation. States have responsibilities, too. Of course, the private sector does. But we have in this bill some special efforts that we hope will provide incentives for economic activity in rural areas and small towns. We are going to continue to monitor the administration's activities to be sure they are working.

For discretionary conservation programs, the bill recommends $6 million more than the House level. It also provides $2.9 billion in total rural housing loan authorizations. This is $457 million more than the House level and $146 million more than the President's request. So we are committed in this legislation to doing something about rural housing.

The other agencies that are funded in this bill, as I mentioned at the outset, include the Commodity Futures Trading Commission, the Food and Drug Administration, and expenses of the Farm Credit Administration.

We trust that the funds proposed to be appropriated for these agencies meet the needs of these agencies. There is always a request for more funding than we are able to provide because we are cutting spending, and we have to remind those who come to testify before our committee that this applies to everybody. There is very little opportunity to provide increases. I have highlighted some of the increases. But it is very rare to see any account in this bill that is funded above the current level of funding. However, the bill does allow increases in funding for some FDA activities, food and drug activities, supported by the authorized Prescription Drug Act, and mammography facilities inspection user fee collections.

This, incidentally, is the same amount as recommended by the other body.

The bill also provides a $1 billion Food Stamp Program reserve which was not recommended by the House. The administration strongly urged the inclusion of a reserve, and traditionally there has been a reserve to allow for unforeseen activities, economic problems, natural disasters which would cause an emergency need for food stamps that might run the program above the expected level of funding. The administration wanted us to appropriate $2.5 billion, but we think the amount we have in the bill will be sufficient to protect the continuation of benefits in the event of any unexpected rise in program participation levels.

In addition, the bill provides $20.5 million above the House level for the Consolidated Farm Service Agency as well as $10 million for InfoShare. This is the Department's project to integrate its information systems, to improve service delivery to those who depend upon farm and rural service agency activities.

Most of the money in this bill—80 percent—is required to be appropriated under the mandates of Federal law. Only 20 percent of the total amount funded in this bill is discretionary. And so when Senators are looking at this bill and they are saying, well, we can add money or we can take money out, you are only going to be able to suggest amendments to 20 percent of the total $63.8 billion contained in this bill. The other funds that are appropriated are required to be spent by law. We do not have any choice. That is why it is important for us to continue our efforts on the second track of changing the law in many areas so that the future requirements for funding will be less than they are today in those areas in which Congress decides to make changes. If we are going to get to that balanced budget figure in 7 years, we are going to have to make changes not only in the appropriations of funds as these bills come up but, more importantly, in the requirements of law that force Congress to spend money every year. So this bill contains 80 percent mandatory expenditures.

To conclude, Mr. President, almost all agriculture and rural development programs have been reduced below current levels to meet the subcommittee's lower discretionary spending allocations. Further cuts in spending limitations have been necessary to offset the few increases that are provided in the bill.

Mr. President, it has been a distinct pleasure and privilege for me to continue to have the honor of working with the distinguished ranking member of the subcommittee, Senator BUMPERS of Arkansas.

He is my neighbor. He is my friend. He has been my colleague now in the Senate for 16 years. I have been here 16 years. I think he was elected to the Senate the same year I was elected to the House.

So we have been here for long enough, I suppose, to know the accounts and to know and understand the needs of our States. And this bill reflects a consensus of Republican and Democratic interests as represented on our subcommittee. And I believe that the bill represents a balanced and responsible level of funding recommendations within the limited resources available to this subcommittee.

I urge my colleagues to support this legislation. I know there may be some differences of opinion on specific items in the bill. But if there are, I hope Senators will bring them up. If they have amendments, we will be glad to consider them. We hope to be able to complete action on this bill tomorrow. And under the unanimous-consent agreement, there will not be any votes on any amendments today before the hour of 5:15 p.m.

I also want to thank all the members of the subcommittee who have helped us develop this legislation. We had a lot of hearings. We had an opportunity to look at the President's budget request. Other requests that Members have suggested we considered. We have tried to be fair with everybody. And I hope that Senators will agree and also agree that this bill does recommend an investment of funds and an allocation of available resources that will help sustain our effort to continue to be the most productive agriculture economy in the world. We have a lot at stake in maintaining this ability, not only to feed and clothe our own citizens here in the United States, but to use this great resource as an economic benefit to create jobs through the sale of agriculture commodities and foodstuffs throughout the world.

We are the largest economic exporter of food commodities in the world. This year we are going to bring into our economy a total of about $50 billion that would represent the value of exports that have been generated by our farm and food industries. So there is a tremendous amount depending upon the support activities that we have funded in this bill. So I hope Senators will support the legislation. And we would appreciate it very much, if you do have amendments, to please bring them to the floor and let us debate them today, complete our debate on as many as we can so we can pass the bill tomorrow.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, first, I want to thank my distinguished colleague from Mississippi, Senator COCHRAN, chairman of this subcommittee, for his very kind and generous remarks directed toward me. And I would like to reciprocate by saying that this committee has always been marked by a lot of conciliation and cooperation. I chaired the subcommittee for a couple of years. I did my very best to collaborate and cooperate with Senator COCHRAN when he was ranking member. And we have had that kind of relationship. And I think the Senate would be well served if every committee chairman and ranking member could stand on the floor and honestly say that they have had fine cooperation with each other.

That is not to say that Senator COCHRAN and I have agreed on every jot and tittle in the bill. We have not. But considering the limitations under which he has been laboring, namely, what we call the 602(b) allocation, I think he has performed an outstanding—an outstanding—job of cutting this budget dramatically in accordance with the 602(b) allocation and yet funding programs that both he and I believe are absolutely critical to rural development and agriculture in this country.

Some $40.2 billion, or 63 percent, of the total funds in this bill go to funding the Nation's domestic food assistance programs: food stamps, national school lunch program, elderly feeding programs, supplemental feeding programs for women, infants and children, usually described as the WIC program. Everybody believes—it is a strange thing—I must say this, some of the social programs which have fallen into disrepute around here and everybody wants to cut has not been true of the WIC program. Everybody knows that if a poor pregnant woman does not get a decent protein diet, the child is going to be brain deficient. And everybody knows that for virtually pennies that can be curbed and eliminated. And the WIC program is designed to make sure that poor pregnant women get a decent diet because we all benefit from that.

I might digress just a moment to say, Mr. President, that everybody in this world was not so favored as I was. I chose my parents very well. A lot of people have not had that opportunity. And so this idea of, "Smell me, why can't everybody be rich and beautiful like me?" has come into too much vogue in the U.S. Congress.

There are an awful lot of people who never had a chance from day one. And some of these programs that everybody thinks were put in over the past years, starting with Franklin Roosevelt, were done just on a whim and caprice or to get votes—there is enough of that to make that characterization credible—but people should realize that these programs were designed to fulfill a purpose. Why does anybody think we have Social Security?

Incidentally, now I am not here just to deliver a moral sermonette this morning, but just to make a few points I do not think hurts occasionally. Why do you think we have Social Security? I am not going to belabor the point. Everybody knows why we have Social Security. It is because parents were oftentimes sort of thrown on the mercy of society because their children either would not or could not take care of them.

So Franklin Roosevelt very wisely decided everybody is entitled to a little dignity in their old age. And that is the reason it is easily the most popular social program that has ever been developed in this country. And now it is not particularly a social program because it is self-funding.

And why is it we have food stamps, which is within the jurisdiction of this committee? We have food stamps because we made a conscious decision in about 1972 that we did not want any child in this country going hungry.

I just returned from a trip abroad which included Mongolia. I notice that the First Lady visited Mongolia about a week after some of us were there. You always learn more on those trips than you think you are going to. Ulaanbaatar, the capital of Mongolia, which is struggling to democratize, which needs our help, has 4,000 children under 10 years of age on the streets. And they die in the wintertime. Strangely enough, that city's motto is "The coldest capital in the world." They need a new PR agent. I cannot imagine anybody wanting to visit a city because it is the coldest city in the world as a capital city.

But my wife Betty, who has spent her life in children's programs, got extremely concerned about that when we got there and discovered that. And she went to some of the facilities where they care for children. And she said these children—they have a central heating system there, which serves virtually the whole city. Can you imagine—can you imagine being dependent on one gigantic pipe to heat an entire city? Well, anyway, these children live in those pipes in the wintertime, but even so they die in great numbers. They are cast out by their families, abandoned by their families through no fault of their own.

In this country, we decided in 1972 that we did not want street children, we did not want any child to suffer from lack of food. So that is the reason we have food stamps.

I use those illustrations simply because they are two of the most powerful I can think of. But back to the WIC Program, we have fully funded WIC, as long as I can remember in this committee, whether the Republicans or the Democrats are in charge. The Senator from Mississippi has very consciously and nobly made sure that that program was fully funded in this budget.

Mr. President, while we have an awful lot of money in this budget, the amount that the chairman and the committee has to deal with is very small by comparison. Out of $60 billion plus in the bill, virtually all of it is entitlements, such as food stamps—$28 billion this year, with a $1 billion reserve. The President wanted a $2.5 billion reserve. That simply is not possible within the framework of the amount of money with which we had to deal. Of the $60 billion plus this committee deals with, only $13.6 billion is available to us in outlays; that is, the money that will actually be spent in 1996. So we met our allocation. We cut in places where it hurts.

The President says he will veto the House bill, for reasons I am not going to belabor here. I do not believe the President will veto this bill, though he has voiced some concerns.

So, Mr. President, having said all of those things, I would be remiss if I did not say there is one thing that still troubles me about the bill and the only really serious disagreement—and this is a friendly disagreement with my distinguished chairman—and that is the Market Promotion Program.

Both the House and Senate have funded the Market Promotion Program, I believe, at $110 million. The House put $110 million in, and that is what the Senate bill has. Senator BRYAN and I will attempt to strike that from this bill at some point during the deliberation on it.

Again, I am not going to belabor that except simply to say I have always—no, not always, I think I may have supported this once or twice—but for the past 3 or 4 years, I have been very much opposed to the Market Promotion Program because it gives money to the biggest corporations in

America to help them sell not wheat, not corn abroad—we have $2 billion in export incentives now, this is only $110 million. This helps McDonald's, for example, introduce the Big Mac around the world.

I do not know what McDonald's sales are. My guess would be somewhere between $10 billion and $15 billion a year. My question is, why on Earth should we be subsidizing McDonald's? Why should we be subsidizing Gallo Wine, another company not exactly a pauper? There are literally hundreds of corporations on the list, and virtually every one of them are quite able to do these things on their own.

I just simply cannot support that. Last year, we got beat badly. I think we got 36 votes last year—37. We only got 37 votes last year to kill this program. So it seems to me well and healthy. The phones are ringing off the wall now by the companies who enjoy the few million bucks they get out of that program every year.

It is an amazing thing, is it not, how everybody knows exactly when these appropriations bills are coming up. This morning, I watched an ad by the Boeing Corp. It shows all these children in the classroom talking about how wonderful space is, shown intermittently with people space walking. It just so happens that the space station is on the agenda this week. So all these ads start flooding television, and I know that my efforts to kill the space station are probably dead on arrival.

When I think about how we had to labor over this bill to provide money for wastewater and drinking water for rural areas, and as we cut education unbelievably, and as we cut welfare unbelievably, as we are now proposing to cut the earned income tax credit, which I think is one of the best programs to deal with welfare we have ever invented, and then I see us headed toward a $94 billion—$94 billion—to throw something into space that we might use to go to Mars. Forget all that medical science research. The Russians have had space stations up for 20 years. If they have gotten anything out of it, they have very carefully guarded it. Nobody knows what it is.

We have been sending shuttles up for as long as I can remember now, and what have we gotten out of it? I noticed this week they developed some tools that they say will work to put the space station together.

I do not want to do the space station debate here. I am simply saying that the deficit is the No. 1 problem in the country, and everybody wants to do something about it, including yours truly. I have been standing back there at my desk since I have been in the Senate saying that. It is a question of priorities. We do not need the space station; we need to educate our children. We do not need the Market Promotion Program; we need to build water and sewer facilities for our rural people under the heading of rural development. We need it for Head Start.

This morning when I went downstairs, Betty was sitting with a man who used to be the dean of the department of public health at Harvard, Howard Hyatt. Over the years, because of Betty's activities in the immunization programs and the peace movement, she got to know Dr. Hyatt. He is secretary of the American Academy of Arts and Sciences. So I got a chance to visit with him for about 30 minutes before I came to work.

He says the American Academy of Arts and Sciences have a lot of projects going, but one of their new ones is literacy. That does not sound very sexy; everybody talks about literacy. But what they want to do, of course, is to develop a program, as they are doing in a pilot program in Boston right now, to try to develop early intervention, which is the key to everything. If a child cannot read, the child has not a dog's chance.

So I told him I would try to help. That is what Head Start is all about, early intervention, teaching children to read.

Mr. President, one of the things trendy in this country is everybody wants to jump on agriculture. You read all those stories lately about how terrible agriculture is and how much they suck out of the Federal Treasury. The truth of the matter is, the American farmers still produce food for the American consumers at a smaller price than any nation on Earth. Happily, commodity prices are at a point now where these subsidies do not amount to nearly as much as they used to, but everybody wants to do away with them. We produce rice in our State and we will ship it to Japan for $250 a ton. The Japanese farmers get $900 a ton for growing rice in their own country.

Mr. President, I understand that Senator REID has an amendment and will be here shortly to offer it. I hope that during the course of the day, we can dispose of some of these amendments, start voting on them at 5:15 this afternoon, and finish this bill no later than tomorrow.

Again, my sincere thanks and congratulations to Senator COCHRAN for the magnificent job he has done under unbelievably difficult circumstances.

I yield the floor.

Mr. COCHRAN. Mr. President, I thank the distinguished Senator from Arkansas for his kind remarks and for his help and hard work in putting together this legislation.

When we presented this bill to the full Committee on Appropriations, a number of committee amendments were adopted and approved at that point. I am going to propose a unanimous-consent request that these committee amendments be considered and agreed to, en bloc, with some exceptions which will include two amendments that we adopted, one of which had to do with an earmark of funds that would be available to the Secretary of Agriculture for additional and supplemental disaster assistance and, in addition, to the catastrophic crop insurance benefits that are available to agriculture producers. During the full committee markup, Senator KERREY of Nebraska indicated that he would offer an amendment to strike that provision. So that is exempted from this request.

There is also a provision in the bill dealing with a regulation promulgated by the Department of Agriculture relating to the labeling of frozen poultry products. One or more of the Senators from California will offer an amendment on that subject. So that amendment is exempted from this proposal.

With that explanation, Mr. President, I ask unanimous consent that the committee amendments to H.R. 1976 be considered and agreed to, en bloc, with the exception of the portion of the committee amendment appearing on page 83, line 4, down through and including line 2 on page 84, provided that no points of order are waived thereon, and that the measure, as amended, be considered as original text for the purpose of further amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

So the committee amendments were considered and agreed to, en bloc, with the exception of the committee amendment beginning on page 83, line 4, through page 84, line 2.

Mr. COCHRAN. Mr. President, I hope Senators will—as suggested by the distinguished Senator from Arkansas—come to the floor now and offer amendments. We will be happy to debate them and consider them.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. BUMPERS. Mr. President, I ask unanimous consent that Phil Schwab, a congressional fellow in the Democratic leader's office, be granted floor privileges during floor consideration of the agriculture appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I ask unanimous consent that the pending committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2685

(Purpose: To prohibit the use of any funds appropriated under this act for Board of Tea experts)

Mr. REID. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nevada [Mr. REID], for himself and Mr. BROWN, proposes an amendment numbered 2685.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . BOARD OF TEA EXPERTS.

None of the funds appropriated under this Act may be used for the salaries or expenses of the Board of Tea experts established under section 2 of the Act entitled "An Act to prevent the importation of impure and unwholesome tea", approved March 2, 1897 (21 U.S.C. 42).

Mr. REID. Mr. President, I have heard my friend, the senior Senator from Arkansas and ranking member and comanager of this bill, on many occasions stand on this floor and talk about things he has done or tried to do over the years that keep coming back. Well, this amendment takes second fiddle to none of the amendments that the Senator from Arkansas has offered.

Mr. President, 2 years ago, I offered an amendment to do away with a tea tasting board. The amendment passed. Everyone thought the tea tasting board was history. Wrong. This organization, which was founded and formed in 1897, is back with a vengeance. How? No one seems to know. But it is back spending taxpayers' money tasting tea.

Mr. President, this amendment is offered on behalf of myself and Senator BROWN of Colorado. I would like the RECORD to reflect that.

Mr. President, when I offered this amendment 2 years ago, there was general acceptance that this was the right thing to do. Why? Because it does not seem appropriate anymore that we need people to swish tea around in their mouth to determine if the texture is right and the taste is just right. This is an anachronism that should have gone out right after the turn of the century. Yet, with the new century fast approaching, they are still swishing tea.

I have learned in recent months that my efforts to eliminate the Board of Tea experts somehow was lost in the bureaucratic shuffle that takes place during the conference held on this bill and that takes place in the bowels of the Agricultural Department.

There is no reason for this tea tasting board. The reason people are upset with Government is because of things like this. You would think that a group of gentlemen and ladies working together would have had the courtesy to say, "Senator REID, we are going to keep the Tea Tasting Board; we do not care what you do on the floor." But rather than do that, they sneak around in the dark of the night in some office room here in Washington and figure out a way to thwart the will of Congress.

My amendment passed both bodies 2 years ago, but the Board is still here. This is the reason people are upset about Government.

Is there a single human being in the United States that favors a tea tasting board or the Board of Tea experts? Is there anybody that favors this? The answer is no, unless you are one of the tea tasters. There is no reason for this. Yet, we are spending a couple hundred thousand dollars a year of taxpayers' money having people meet in some fancy office room and swish tea around in their mouth.

I see no reason, Mr. President, why those in this country who enjoy drinking tea need someone else to tell them what tastes good. I guess I should not feel as upset as I am, because I have to tell you, these tea tasting people have resiliency. When I was a little kid, we would chase lizards, grab a lizard and sometimes jerk off the tail by mistake. But it did not matter, the tail grew back.

These tea-tasting people are just like the lizards. You grab them and jerk something off and they are right back.

I repeat, I should not feel alone because President Nixon tried to get rid of the tea-tasting board. They outsmarted him. He was not easy to outsmart.

I tell you, Mr. President, as long as I am here, I am going to stand and talk about this board of tea experts and tell the American people what an absolute waste of taxpayers' money it is to have them spend $200,000 a year swishing tea around in their mouths so they can get their expenses paid for a little jaunt to wherever they hold this event every year.

The tea expert board was created as part of the Tea Import Act of 1897. I did not make a mistake. I did not say 1987, I said 1897. There are six outside experts and there is even a person from the FDA that comprises this board.

They are supposed to set standards for tea. As part of their duties, of course, they taste this tea. As I have indicated, Mr. President, the cost of this is about $200,000 a year. The industry brags that they offset this by about $70,000 a year with some fee they charge the tea importers.

This might not seem like a lot of money when we talk about billions of dollars every year. This is the kind of thing that causes people to lose their good feeling about government.

No matter how often you stamp this insect out, it comes back. Nobody wants them. We have to do away with this.

Now, I think that probably the Food and Drug Administration and other organizations may need to set some standards on tea. I hope so. Just like they set standards on other things that are imported. But a tea-tasting board? A Board of Tea experts? I think the only tea party we need is a congressional tea party to once and for all drown the organization. Put it out of its misery. There is not anybody in the United States that is going to stand up and cheer for the Board of Tea experts. It seems inappropriate and, I think, morally reprehensible to expend moneys from the Treasury for a program like this.

Mr. President, I always try to do things the right way. Maybe what we should do is have a vote on this. I have the exact words of the Senator from Arkansas—the exact words. "I have some very good news indeed for the Senator from Nevada. I am not about to stand here and defend an appropriation for a tea-testing board. We will accept his amendment."

Well, maybe what we need to do is get a vote on this thing. When the managers of a bill, I learned a long time ago, say they will accept an amendment, I think that is usually the way to go but maybe what we need to do is have 100 Senators walk up here and vote on this tea-testing board and maybe that will send a bigger message to the House and maybe to these people in the Agriculture Department that there are certain things we need to get rid of.

Now, Mr. President, I have worked on other things that are really hotly contested and debated issues. The wool and mohair subsidy; that was an issue that had some merit on both sides. I acknowledge that.

As the Senator from Mississippi and the managers of this bill know, either on this bill or at some subsequent time, I am going to do some work on the sugar subsidy. There are merits on both sides of that. I understand that.

The same on the peanut subsidy. Although I think we should get rid of the sugar subsidy and peanut subsidy, there is at least an argument that can be made for those programs. No one is going to get on the floor and defend a Board of Tea experts.

Mr. President, I think we should have a vote on this. I think we should walk in here and rather than have this just accepted, I think we will have a vote on this, whether the U.S. Senate really sincerely wants to send a message to the Agriculture Department that we ought to get rid of this. We want to send a message to the Federal Government generally, these are the kinds of programs that are wasteful and we need not spend taxpayers' money on them.

When we are cutting personnel to our National Park System, when we are debating how much we are going to hurt agriculture, when we are talking about Medicare cuts, can we not cut, once and for all, the tea-tasting board?

Mr. President, I understand the unanimous-consent request that was granted last Friday that we will have votes at a later time. On this amendment, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. COCHRAN. Mr. President, as the Senator discussed his amendment, I recalled that we had this issue before the Senate, as he said, 2 years ago. My recollection is that we agreed at that time that there should not be any Federal funds appropriated by the Congress for this Board of Tea experts, and we specifically included language in the bill that prohibited any funds appropriated in the legislation be used for that purpose.

I am told, as we were sitting here trying to recall the exact details of that, that the FDA does have some responsibility, under its authority to inspect imported foodstuffs, to determine whether they are safe for human consumption. There is some authority for them to inspect imported foods, and this is an imported consumable food, but that no funds would be used that were appropriated especially for paying expenses of this Board of Tea experts. Our recollection is that industry decided that they would provide the funds to carry out the work that was being done.

I thought that is what was being done. We are checking with the FDA right now to get a reaction from that agency and to find out exactly what their side of the story is. Are they using funds we are appropriating after we have specifically prohibited the use of Federal funds for that purpose?

I want to know the answer to that because I agree with the Senator from Nevada, if we have legislated a prohibition on the use of appropriated funds and this agency continues to use funds that are not authorized, we need to know about it. We need to get somebody up here to answer to that.

I am sympathetic with the amendment the Senator is offering. I urge the Senate approve it.

If, in fact, they are not using appropriated funds, I do not see any point in kicking a dead mule. We could bring the dead mule in here and have all 100 Senators line up here and come kick it if that would make us all feel better, but I do not see any point in going through that. I do not see any need for voting on it if it is not happening and they are not using the appropriated money. I sympathize with the Senator and appreciate his bringing it to the floor of the Senate.

Mr. REID. Mr. President, I appreciate the manner in which the Senator from Mississippi has responded. I could not agree more. The information we have is until recently the American taxpayers directly paid more than 60 percent of the Board's $200,000 annual cost.

In 1993, the cost was shifted to the American Tea Consumers by raising the fee of 3.5 percent per hundred weight of tea imported to 10 cents. Nonetheless, the taxpayers continue to fund the salary of the chief tea taster, maintain the Federal tearooms, and other related activities. That is what the taxpayers should not be involved in.

I am all for the Food and Drug Administration making sure that the tea that is very popular in this country is safe and is good to drink. But, Mr. President, we have coffee, we have all other kinds of programs that the FDA is involved in, and we do not believe we need a board of coffee experts.

I accept what the Senator has said. If it can be shown, of course, they are not doing this—which I think will be hard to show, because vouchers have already been expended—I will be happy to withdraw my request for a recorded vote. I really think Senator BROWN and I have something to say, and that is let us stop this. This is outrageous.

I appreciate the support of the managers of the bill.

The PRESIDING OFFICER (Mr. DEWINE). The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I, like the Senator from Mississippi, thought we put this thing to bed 2 years ago. I may be mistaken. These things have a way of resurrecting themselves, even when Senators think they have taken care of it. But I think the vote, if there is a rollcall vote, will be 100 to zip to discontinue this program, or at least discontinue any Federal taxpayers' money being used in it.

I hope either way the Senator will vitiate his request for the yeas and nays because rollcalls take 20 to 30 minutes. My guess is, the way we compute costs of the operation of this body, the rollcall vote will take up almost enough time to cancel out any savings we get by torpedoing the Tea Board. So I hope the Senator will think about that during the day and possibly vitiate his request for the yeas and nays, because I can assure him, every single Senator in the U.S. Senate feels the same way he does.

Mr. REID. Mr. President, let me respond to the managers of this bill. The only reason we need a rollcall vote is so the Senate is on record strongly supporting this amendment. I have the greatest confidence in the Senator from Mississippi and the Senator from Arkansas. I do not know of two more qualified people to handle an appropriations bill, especially an agriculture appropriations bill, than these two distinguished Senators.

Therefore, based on the statements that they just made and regardless of what we find out during the course of the day from our staffs, which I think will confirm basically what I have stated here today—but based on the assurance they will do everything they can to make sure the conference language is very clear that the Federal Government should no longer be involved in the Board of Tea tasting experts, if they need one let it be paid for out of the private sector, I withdraw my request for a recorded vote.

I also believe each time 100 Senators come over here with staff and everything, it costs the taxpayers money and we should not do that needlessly.

So based upon what they have just stated here on the Senate floor, I ask unanimous consent my request for a recorded vote on the amendment now before the Senate be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Mississippi.

Mr. COCHRAN. I thank the distinguished Senator from Nevada not only for his decision to vitiate the yeas and nays on his amendment, but for his kind comments about the managers of the bill and our efforts to manage this bill for the Senate. He is a good friend and one of the best friends I have in the Senate. I admire and respect him. We continue to enjoy working with him on matters of mutual concern that come before the Senate.

Mr. President, I do not know we have adopted the amendment. We probably need to do that.

If there is no further debate, we ask the amendment be agreed to.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 2685) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, we do know of a number of amendments Senators intend to offer to this legislation. We hope we can proceed to consider them in an orderly way. It would be a shame to have periods of time when we do not have amendments being debated or considered by the Senate during today and then wait until tomorrow and everybody wants to offer their amendments tomorrow just before we are going to vote on final passage.

So I encourage Senators to come to the floor now, as Senator REID from Nevada has done, to present their amendments and let us dispose of the amendments or at least debate them, and if we need to have record votes then we will order record votes. We could have a record vote—I know at least one is ordered under the agreement, maybe two; one, at least, after

5:15 today. Then the other votes, if they are needed, will occur tomorrow. We have an order already entered for two amendments to be voted on, and final passage of the welfare reform bill tomorrow at 2:45. There is a period of time tomorrow set aside for concluding remarks on welfare reform.

So as Senators can see, we need to make progress today so we can complete action on this bill and all amendments to it, if at all possible, by noon tomorrow. That was our commitment to the majority leader when we were authorized to take this bill up today, and that is why we began on the bill at 10 o'clock, so Senators could come and offer their amendments and have them debated today. So we hope Senators will cooperate with the managers of the bill in that regard.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2686 TO COMMITTEE AMENDMENT ON PAGE 83, LINE 4, THROUGH PAGE 84, LINE 2

Mr. DASCHLE. Mr. President, on behalf of Senators KERREY and KOHL, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Dakota (Mr. DASCHLE), for Mr. KERREY, for himself and Mr. KOHL, proposes an amendment numbered 2686 to committee amendment on page 83, line 4, through page 84, line 2.

Mr. DASCHLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 83, strike line 4 through line 15;

On page 43, line 17; strike $528,839,000 and insert in its place $563,839,000;

On page 52, line 18; strike $17,895,000 and insert in its place $22,395,000;

On page 52, line 24; strike $30,000,000 and insert in its place $37,544,000;

On page 55, line 1; strike $1,500,000 and insert in its place $3,000,000.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the amendment be laid aside until later today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, let me indicate to my colleagues that we are on the Agriculture appropriations bill. The managers are available, ready to do business, but nobody is coming forth with amendments. So I urge my colleagues on both sides of the aisle to bring over their amendments. Senator COCHRAN is here. Senator BUMPERS is available. They are ready to do battle or do business, whichever.

We need to finish six appropriations bills before October 1. As I have also indicated, if we finish the six appropriations bills, there is a possibility we will have a recess period for 5 days, which I hope will be an incentive to some of my colleagues to speed up the process.

So, after this bill tomorrow, of course, we will vote on the historic welfare reform bill at probably about 3:30, after disposing of a couple other amendments. But we would like to complete action on the ag appropriations bill by noon tomorrow and then move to another appropriations bill, possibly foreign operations, which we think we could finish in a day and a half. And then it gets a little more difficult. But my view is, with the cooperation of everyone with the managers, we could complete action, say, by September 30, a week from Saturday, probably with a Saturday session.

We probably would not finish all the conference reports, but at least have completed action on the appropriations bills. That would help avoid what some have referred to as a train wreck because we could continue the Government with a continuing resolution. It would not be a very—we can do that quite easily.

On behalf of the managers, I want to make a plea to my colleagues on both sides of the aisle that they are here, they are ready for business, and we would like to complete action on this bill by noon tomorrow. Thank you.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

AMENDMENT NO. 2687 TO COMMITTEE AMENDMENT ON PAGE 83, LINE 4, THROUGH PAGE 84, LINE 2

(Purpose: To eliminate the Board of Tea Experts)

Mr. BROWN. Mr. President, I rise to offer an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Colorado [Mr. BROWN] proposes an amendment numbered 2687 to committee amendment on page 83, line 4, through page 84, line 2.

At the appropriate place in the amendment insert the following:

(a) None of the funds appropriated or made available to the Federal Drug Administration by this Act shall be used to operate the Board of Tea Experts and related activities.

(b) The Tea Importation Act (21 U.S.C. 41 et seq.) is repealed.

Mr. BROWN. Mr. President, I am not sure the amendment makes it clear, but I ask unanimous consent that this be considered as an amendment to the committee amendment that is before the body at this point.

Mr. President, I know the body has already discussed the tea-tasting board. The distinguished chairman of the Appropriations Subcommittee has correctly pointed out we no longer fund in the ag bill the cost of their activities, at least in terms of their per diem.

As I understand it right now, the per diem of $50 a day is now paid for by the tea-tasting experts themselves. In addition, they pay their own cost of travel and living expenses going to and from Washington to perform their duties.

But, Mr. President, there also exists in our Federal law a requirement for the Food and Drug Administration to pay for the employees that sample the tea. And that is what this amendment gets at. It gets at that cost that is mandated by the Tea Importation Act by repealing it.

Thus, this amendment will not only forbid the paying of the salaries by the FDA employees, but will also repeal the Tea Importation Act. Mr. President, this is a significant step because it says a lot about our commitment as a country to competition.

Currently, the Tea Importation Act can be used to keep out a product from the United States. In effect, what it does is give to the industry the ability to determine what quality is allowed to come into the United States, rather than our consumers. The fundamental question Members will have to ask themselves is whether or not it is the Government's responsibility, through the tea-tasting board of experts to determine what tea is allowed to come into this Nation and which ones these experts should exclude.

I have great faith and confidence in the ability of consumers in this country to determine for themselves what tea they like and what they do not like. As a matter of fact, it seems ludicrous that in this day and age that we should have delegated to a Government board or agency the ability to decide which tea is permissible to enter into the Nation.

So this amendment is quite straightforward. It forbids the FDA to pay for the employees or eliminates from the bill the ability to pay for the employees that FDA is required to hire. It also repeals the Tea Importation Act.

Mr. President, some will say there is danger to consumers here. Someone could get a bad cup of tea if this amendment is adopted. Indeed, Mr. President, I suspect that is true. It is also possible whether this Board exists or not. But this, more than anything, is an effort to bring competition to our economy and eliminate artificial barriers to trade and to competition.

Moreover, it says a lot about what we envision the purpose is of the Federal

Government's role. Those who think the Federal Government should have an all-pervasive role will want to retain those people who gather periodically to taste tea from around the world at Government expense, at least for the employees' salary. But others will think that Americans are competent and capable enough to decide what tea they want.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. KYL). Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. COCHRAN. Mr. President, if the Senator has completed his statement and yields the floor, let me say we already this morning had an opportunity to talk about this issue during the discussion of the Reid amendment, the amendment offered by the distinguished Senator from Nevada. We discussed during the pendency of his amendment the fact that 2 years ago an amendment was adopted on the floor of the Senate prohibiting the use of any appropriated funds to pay the expenses or the costs of this so-called Tea Board.

It was our understanding at the time that FDA, as part of its responsibility to inspect imported food consumables, had a role to play in determining the fitness for human consumption of imported tea because it was an imported consumable product, and that was the justification Congress was given when inquiries were submitted to the agency about this program and the need for these funds.

It was the sense of the Senate at that time, and we debated the issue then and we agreed, that there should be in the legislation a prohibition against the use of funds to pay the costs of this Tea Board, this expert Board of persons, one of whom had to be employed under this law the Senator from Colorado talks about, to serve on this board.

I have no quarrel whatsoever with insisting upon the language that has previously been approved by Congress on this subject. We have inquired already this morning about the reaction of the FDA to accepting the language offered by the Senator from Nevada earlier today. We have accepted that amendment. It has been approved by the Senate on a voice vote. He, likewise, had asked for the yeas and nays and agreed to vitiate the yeas and nays. I do not know of anybody who is going to vote against the amendment.

I certainly am not going to defend the continued use, if it is going on, of federally appropriated funds for the so-called tea tasters that the Senator from Nevada and the Senator from Colorado have brought to our attention again.

I do not know what the reaction of the distinguished Senator from Arkansas to this amendment would be. The only thing that is new in this amendment that was not contained in the Reid amendment is the repeal of a legislative enactment which is spelled out in the amendment offered by Senator BROWN.

I hope that we will refrain from using this appropriations bill as a vehicle for the adoption of amendments that strike out previously enacted legislation. This is not a bill to rewrite farm legislation, Food and Drug Administration authorities, or any other legislative enactment. It is not appropriate on this bill to revisit the body of Federal law on a number of different subjects, including the authorization for this so-called inspection or tea board.

So I hope that Senators will not get the idea that since I am not opposing this amendment that I agree that it is the thing to do, to take up proposals to repeal certain previously enacted laws by the Congress.

I know there are Senators who want to make changes in different kinds of farm program language. I hope that Senators will resist offering those on this bill and wait until we have the farm bill on the floor, wait until the Agriculture Committee has completed its review of all laws on the subject of production agriculture and food inspection and the like. If there are amendments that should be made to existing laws on those subjects, it seems to me the best practice would be to wait until we have that bill on the floor and offer the amendments at that time to that legislation.

This bill appropriates money to fund the programs, it does not write the authority to fund the programs. So we are not talking in this amendment about a funding level, except to say, and I agree with the Senator, that we should prohibit the use of funds appropriated in this bill to carry out the activities described in the Senator's amendment.

So with that caveat, I suggest that we accept the amendment. I hope the Senator will consider vitiating the yeas and nays. I do not know of any Senator who would vote against this. Maybe it is controversial, but I do not think it is controversial to me. I think the Senator is on the right track, and we ought to do what he says.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Mr. President, this is somewhat different than the Reid amendment that was offered earlier in the day in this respect: It does repeal the underlying act which the distinguished chairman from Mississippi has just outlined for the Senate, one other thing in terms of cost.

The Reid amendment eliminated the salaries for the Board of Tea experts. It did not eliminate the funding of the salaries of the staff. I am advised that the FDA's field force expanded by 6.9 direct FTE's in support of the Tea Importation Program. The average cost is $6,000 per FTE, and the program cost the agency approximately $52,500. That was in fiscal year 1994. So it is slightly different than the Reid amendment in that it repeals the underlying Tea Tasters Act and it also eliminates funding for the staff, which the Reid amendment did not.

I very much appreciate the distinguished chairman's support of the amendment. In light of that, I ask unanimous consent to withdraw my request for the yeas and nays.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWN. Mr. President, I ask unanimous consent that Senator ABRAHAM be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, one other caveat, if the Senator has completed his statement. We have inquired of the Food and Drug Administration what requirements of law, if any, might be repealed by this amendment related to their obligation to inspect on the basis of determining the fitness for human consumption of imported consumable products. And we are advised that the FTE's, the staff hours that are used for this purpose, are directly related to the obligation of the FDA to certify the fitness for human consumption of imported foodstuffs. So I am told that is their reaction. So that is not the sole purpose of the employees who are described by the Senator from Colorado, to see whether or not the tea tastes good. That has been the big issue.

It sounds kind of ridiculous that people are telling us whether tea tastes good or not. Anybody can decide whether or not something tastes good. That is not what we are suggesting ought to be protected in terms of any statutory language that may be affected by this amendment.

But if we find that there is a legitimate responsibility to determine whether or not imported foodstuffs will be dangerous for human consumption by citizens of the United States, that is another matter. I hope, as we proceed with the consideration of this issue, whether it is in the markup of the agriculture legislation this year, the rewriting of the farm bill, or wherever else we might have to consider this, that we keep in mind that the FDA is not in the business, or should not be in the business, of just determining whether food tastes good, but whether it is dangerous, whether it has potential harm or consequences. I think we do want to keep in place the authority for those determinations.

Having said that, I think the Senator knows what he is doing, and he is not trying to put anybody in jeopardy of contaminated imported tea. We will make sure that, as we review this statutory language, either on this or other legislation, we keep in mind that important consideration.

The PRESIDING OFFICER. Is there further debate on amendment No. 2687?

Mr. COCHRAN. Mr. President, I am told Senator BUMPERS, the distinguished manager on the Democratic side of the legislation, wishes to express his views on this amendment. So if the distinguished Senator will permit me, I ask unanimous consent that we set aside, temporarily, this amendment so that he may proceed to offer whatever other amendments he may wish to offer at this time; or if he would like to debate this issue further, that we proceed to do that. I would not want to go to a vote on the amendment until the Senator from Arkansas has had an opportunity to be heard.

Mr. BROWN. Mr. President, I thank the Senator for that. Certainly that is appropriate. There are a couple of points I thought might be worthy of making.

This underlying act was passed originally in 1897. It is nearly a century old. Perhaps its length of time says something about the need to take a fresh look at it. The language of the act talks about the purity and quality and fitness of imported tea. Largely, purity and quality, it strikes me, are consumer decisions, not decisions appropriate for the Government.

Certainly, the chairman hits the nail on the head when he says the FDA has a responsibility to make sure that we do not have poisonous foodstuffs harming consumers, and that function, I think, is clearly established under other sections of the law.

Right now, only about 1 percent of the 209 million pounds of tea imported every year is currently rejected due to bad quality. But, Mr. President, I think what is important here is the potential of an industry abusing this kind of law to discourage price cutting and to restrict competition when there is a glut on the market.

Mr. President, the first and only term that I served in the Colorado State Senate was a wonderful experience. In 1973, I got a chance to observe human nature. Colorado had a statute on its books that provided for the testing of plumbers. The State of Colorado wanted to make sure, I guess, that there were not any unqualified plumbers preying on the public. So they would test plumbers for their ability to perform services. On a regular basis, of the plumbers that applied, 90 to 95 percent would pass the exam. Sometimes 100 percent passed. It was not a terribly tough exam.

Colorado, like Arizona and Mississippi, had gone through years of growth. There were always jobs for plumbers in the State. Many came in from out of State. I think they were drawn not only by Colorado's beautiful environment but, I think and suspect, by the job availability as well.

But there was a downturn, as Members will recall, in 1973 and 1974. In 1974, the passage rate on the exam dropped. All of a sudden, plumbers coming into the State, instead of 90 to 95 percent passing, some 70 to 80 percent flunked the exam. What caused this dramatic drop in the qualifications of plumbers? Was it the degradation of their abilities? No. It was a surplus of plumbers within the State. The fact was, what they did was they used a Government board to test and determine who is qualified for admittance into the State in the profession of plumbing as a way of eliminating competition. So when prices were in the process of dropping, they used the Government tool that had been handed them as a way of eliminating new competition.

Leaving this tea tasters statute on the books gives the industry a handle to use against someone who might try to cut prices. It leaves the industry a handle they might use against somebody who would flood the market and reduce prices for the consumer and increase competition.

I think that concept, as well as that fear, that concern—we, the Government, ought to be about protecting and helping the consumer, not endangering the consumer, which is what has drawn me to offer this amendment. It is not just the waste of money under current circumstances. I guess in 1994, we mentioned $253,500. It is not just that waste of money. It is the concept that we would place in the hands of an industry the ability to restrict or penalize people who might reduce the ability to bring in a product, to reduce prices, and provide options for the consumer.

It seems to me that we need to be very wary about items that reduce competition. There is the potential that this statute could be abused in a difficult market. That is why I think repealing the underlying statute is so important, not just for the cost, not just because of the concept of what Government should and should not do, but because of the potential abuse of this statute in an anticompetitive fashion.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I have conferred with Senator BUMPERS' staff and also conferred with the legislative committee staff that has jurisdiction over the Food and Drug Administration in this specific legislation which is the subject of the amendment of the Senator from Colorado.

It is our understanding there is no objection from the legislative committee to accepting this amendment.

Under the status of the debate, as I understand it, while the yeas and nays were requested and the yeas and nays were ordered, a unanimous-consent order was entered to vitiate the yeas and nays if we were going to accept it on a voice vote.

We are prepared now to accept the amendment on a voice vote and we are prepared to proceed to that.

The PRESIDING OFFICER. Is there further debate on amendment 2687?

The question is on agreeing to the amendment.

The amendment (No. 2687) was agreed to.

Mr. BROWN. I move to reconsider the vote.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2688 TO COMMITTEE AMENDMENT ON PAGE 83, LINE 4 THROUGH PAGE 84, LINE 2

(Purpose: To prohibit the use of appropriated funds to carry out the peanut program)

Mr. BROWN. Mr. President, I rise to offer an amendment and ask for its immediate consideration.

Mr. President, I ask this be considered as an amendment to the committee amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. BROWN] proposes an amendment numbered 2688 to the committee amendment on page 83, line 4 through 84, line 2.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . PEANUT PROGRAM.

(a) IN GENERAL.—None of the funds made available under this Act may be used to carry out a price support or production adjustment program for peanuts.

(b) ASSESSMENT.—The Secretary of Agriculture may charge producers a marketing assessment to carry out the program under the same terms and conditions as are prescribed under section 108B(g) of the Agriculture Act of 1949 (7 U.S.C. 1445c-3(g)).

Mr. BROWN. Mr. President, this amendment is different than the previous amendment. What it does is deal with the expenditures for administrative costs for the peanut program. It does not attempt to modify or repeal the underlying program itself.

The reason I do not attempt to repeal the underlying program is because, as I understand it, the Agriculture Committee is diligently reviewing the peanut program and will have recommendations. My understanding is that those recommendations are in effect necessitated by the fact that the passage of the NAFTA agreement has opened up our market which is a protected market, in which peanuts sell for significantly higher amounts in the United States than they do overseas.

NAFTA has opened that market up for competition from Mexico. Mexico has a significant ability to produce peanuts and produce them at world market prices dramatically lower than United States market prices.

The change in the peanut program will be essential. I expect we will be seeing the Agriculture Committee move on that in a diligent fashion.

My amendment is less ambitious in its scope. What it simply suggests is that the administrative costs of the program should not be paid for by the taxpayers of this country, but it does empower the Secretary of Agriculture to charge producers a marketing assessment to carry out the program under the same terms and conditions as prescribed under the law.

What it does is shift from the taxpayers the cost of administering this program over to the people who benefit by this program.

It seems to me that this amendment is fair and reasonable. The savings, we are advised, is in the neighborhood of $2 million for this year, a potential savings of $11 million over 5 years should this apply in future years.

I would be remiss if I do not note that the cost to the consumers of this country and to the taxpayers of this country of the peanut program itself is many, many times beyond that.

I am advised that the peanut program costs the American taxpayers $120 million a year. Let me repeat that: $120 million a year. That is not peanuts.

This peanut program has placed us in a situation where the taxpayers get hit for $120 million a year, to support a program that is then priced significantly above the world market.

The costs to the American taxpayers for peanuts is not just the $120 million a year. It is the American consumer that really pays the price.

Estimates from a GAO report in 1993 indicate that the cost to the consumer could range between $300 million and $500 million a year.

What we have is a very unusual agriculture program. The peanut program is much different than most other programs, but not all. In effect what this peanut program does is makes us uncompetitive in the world market, gouges American consumers for between $300 and $500 million a year, and impacts the Treasury by $120 million a year for the program itself.

This amendment is modest. All it does is talk about saving the $2 million of administrative costs. Mr. President, it is $2 million we ought to save.

Farmers in America are the most competitive farmers in the world. They are productive. They are creative. They are efficient. The areas where the Americans are not competitive, the areas where the American economy has fallen behind the rest of the world are areas where we have not had vigorous competition. Areas where we do have vigorous competitions, we compete and we outcompete anyone in the world.

While this is a modest move, I look forward with great interest to the actions of the Agriculture Committee in dealing both with the cost for consumer and the cost for the general treasury.

I think this amendment sends a signal. It sends a signal of our commitment to begin to respect the taxpayers with regard to a program that has clearly outgrown its usefulness.

I suspect this will be controversial, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. COCHRAN. Mr. President, let me say that my concerns at this early point in the debate on this amendment surround the fact that we are working in the Agriculture Committee at this time and a meeting is called for this week to consider changes in existing farm legislation, including proposals to modify and reform the peanut program.

I have introduced legislation, for example, that seeks to reduce the overall costs of these programs, but to do so in a way that does not undermine the ability of farmers to continue to produce efficiently and operate at a profit, but how to go about downsizing the expenses of agriculture programs and still maintain that ability to produce what we need in our country, the food and fiber needs, to meet those needs and to still have a sufficient amount to export to contribute to our overall economic health is a big challenge.

I do not think we will be able to adopt incremental change on an appropriations bill that modifies this or any other commodity program that will achieve the goal in a coherent, rational, and orderly way.

This may be an excellent amendment in terms of improving the efficient administration of this program. But I would hate to see us adopt this amendment and have it undermine or in any way adversely affect the effort that we are making for comprehensive reform of agriculture programs in the legislative subcommittee. So that is the concern that I want to raise at this point.

I know there are others who may have more experience and are more of an expert in the understanding of the workings of the peanut program and how this particular amendment might affect the administration of the peanut program, but I express that concern, still hoping that we can fulfill the commitment that we have made to reduce the costs of these programs.

I know the Congressional Budget Office, for example, has estimated that the reforms I have suggested in my bill to reform the peanut program could achieve savings of over $300 million over 7 years. This amendment will reduce the cost of the program somewhat. But if we adopt this amendment and then we ask CBO to analyze the effect of the Cochran bill, that is going to have a negative effect. And in our overall effort at comprehensive reform and meeting the targets of reconciliation, we could actually be penalized in our efforts to reform the farm bill by adopting amendments like this one in an appropriations bill. Then we might have to cut other programs, nutrition programs, school lunch program, other farm programs, in order to make up the difference.

So I am hopeful the Senate will take that into account and consider that as we look at this amendment.

Mr. COVERDELL. Mr. President, as I understand it, the Brown amendment would address the commodity program that deals with peanuts, and it would assess peanut growers throughout the United States for the theoretical administrative costs of the program, or approximately $2 million a year.

Mr. President, this program is over 60 years old. It has been the focus of intense, deliberate, significant debate and discussion within the Agriculture Committee. The Senator from Mississippi, who is here on the floor with us, has been very instrumental in managing the vast array of details related to this program.

And to come into the appropriations process ad hoc and intervene into that process, in my judgment, is inappropriate, and intrudes in a very, very intense process to try to deal with this program and all those Americans that are affected by it and all the complexities. It does not need ad hoc intervention. It does not need ad hoc amendments. I welcome the Senator, who is not a member of this committee, to come forward and work with us with his suggestions. But this is not the way to manage this intensely complicated program.

So I rise against the amendment. I rise against its appropriateness. This is not the place for it. In fact, it will only make more complicated and difficult that which we are trying to do.

Now, Mr. President, I wish I could say that all U.S. programs were producing the kind of economic impact and social good that this program represents. In the United States, the program represents $1.2 billion in annual farm revenue, 150,000 U.S. jobs, $200 million in annual exports, and $6 billion in annual economic impact.

I mentioned a moment ago that the program is about 60 years old. All of the farm community and rural communities that are affected over this extended period of time obviously have become ingrained with the program.

The reach of the program goes beyond those that are directly involved with growing. The reach of this program, over the lengthy period of time which it has existed, now reaches into the financial community, the agribusiness community, the agricultural equipment community, and represents thousands and thousands of jobs and is an economic stabilizer in communities that have suffered immensely over the last 25 or 30 years and continue to suffer from economic decline.

I do not suppose any of us here, if we were designing the program, would design it the way it is today. But those of us who have inherited it have also inherited a social responsibility to the communities affected by it.

Seventy-five percent—seventy-five percent—of the counties involved in producing this commodity in the United States have a poverty level in excess of 20 percent. These are hard-hit communities. These are communities that have suffered many of the changes that have been occurring when we move from rural to urban.

Most people I hear around here talk about their grave concern about rural America. I hear it everywhere I go. This is where, as they say in my part of the country, the rubber hits the road, because we are talking about a Government partnership, much of rural America represented by this program where changes that are not thought through can create massive—massive—economic instability. They not only affect immensely the health of the family farm in these communities, they affect the financial integrity of the loaning institutions and they affect significantly the extended economic suppliers of the industry.

There are some counties in my State if you just turn the switch off tomorrow will be out of business, flat out of business. These are people who were playing under the rules that were designed by this Government, as I said, over a 60-year period, and they have been playing by those rules.

Having said that, let me say that I take my hat off to this community that surrounds this commodity. I came here a little over 2 years ago. Everybody already knew we were going to be paying a lot of attention to these programs, because this is an era of change.

These people came to the table. Over the last 2 years, they have been working with their Senators, with the Agriculture Committee, and they have been endeavoring to represent and be a part of change. They have proposed and they have stood behind significant reforms in this commodity program. But they do want to be treated responsibly. They do want to be treated as partners. They do want us to appreciate that this arrangement was put in place by this Government, not them. And they do not want it dealt with in an ad hoc way. They want it to be dealt with as the good Senator from Mississippi has been doing.

I see my colleague from Alabama has come to the floor. The Senators from North Carolina, Texas, and Virginia have produced reforms that are no net cost to the Government. Those reforms will result in a 30-percent loss of income in the farm communities that I represent, but they have supported those kinds of reforms.

Throughout the process, they have been willing to discuss how it can be changed to make it satisfactory to the taxpayer, to the Federal Government and to the economic fragility of these communities. I think they have done so in good faith. I have become an admirer of the dedication to finding a way to make this program satisfactory to the American taxpayers, satisfactory to the producer, and satisfactory to the communities that are represented by this.

I have to say, Mr. President, that I have been struck by the dictionaries we find in Washington. I heard it a lot in the Agriculture Committee. When we talk about something we are doing in urban America, we often talk about our "investment." Somehow, when we get over to the rural communities, that word becomes "subsidy." When it is a Federal program that is working on the economic viability of rural America, that is a subsidy, but if we are talking about building bridges and roads to deal with the issues in urban America, that is an investment.

Both are investments. We are talking about the economic viability of vast rural regions in our country that have very high poverty rates. Of all the various programs that I have viewed, there are very few I have ever seen that cost so little, that produce so many jobs and so much economic good. That is sort of a rarity here, but that is what I see in this program. Not that it is perfect, and we have all acknowledged that and we are all working to change, but that ought to be done in the committee. That ought to be done by the people with the expertise. That ought to be done in good faith with the people that have come to the committee and said, "We are willing to sit down and work out compromises, and we are willing to do things to lower the burden on the American taxpayer."

It should not be done ad hoc in a frittering manner that destabilizes the entire effort that we have been about for the last 2 years. This should be done in the farm bill.

I commend all those Senators for the time they have expended on behalf of trying to reach an appropriate compromise. I commend the communities, as I said earlier, for their willingness to work, and I rise in opposition, in closing, to ad hoc management of a very complicated program that affects thousands of Americans in our country.

Mr. President, I yield the floor and suggest the absence of a quorum.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. Will the Senator from Georgia withhold?

Mr. COVERDELL. Certainly.

Mr. COCHRAN. Mr. President, I want to say I think the distinguished Senator from Georgia has really given a very eloquent, accurate, and persuasive statement about why this amendment should be rejected. There is no doubt about it; he is a very insightful Senator, and he has come to the Agriculture Committee with a great deal of good common sense and judgment which shows very clearly during his discussion of this amendment.

We are dealing with an appropriations bill. We are at work, on the other hand, trying to reform all of the commodity programs so that we can make them more cost effective, we can make them respond to the challenge of deficit reduction, but at the same time maintain stability in the agriculture sector and the capability for the future, and that is the most productive country in the world.

It is an enormously important sector of our economy, and to start nitpicking on this bill with these programs, like this peanut program that the Senator describes, we are running a great risk. It may sound good, it may make some feel good to vote for a change like this that is being recommended, but it is not going to serve the economic interests of our country as a whole and certainly not those regions of our country that are involved in this program.

I commend the Senator for his eloquent statement and his hard work as a member of our Agriculture Committee. I hope the Senators who heard him will pay attention and vote like he suggests—vote "no" on this amendment.

The PRESIDING OFFICER. Is there further debate on amendment No. 2688?

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BROWN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2688, AS MODIFIED

Mr. BROWN. Mr. President, I ask unanimous consent at this time to modify my amendment on the peanut program.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2688), as modified, is as follows:

At the appropriate place, insert the following:

SEC. . PEANUT PROGRAM.

(a) IN GENERAL.—None of the funds made available under this Act may be used to pay the salaries and expenses of USDA employees who carry out a price support or production adjustment program for peanuts.

(b) ASSESSMENT.—The Secretary of Agriculture may charge producers a marketing assessment to carry out the program under the same terms and conditions as are prescribed under section 108B(g) of the Agriculture Act of 1949 (7 U.S.C. 1445c–3(g)).

Mr. BROWN. Mr. President, the modification is the product of the diligent work of the senior Senator from Alabama, and thanks to him a drafting error was spotted and corrected. The language that is in the modification makes it clear that this deals only with the administrative costs.

Mr. President, I will read the language that has been added, as it stands, to the modification.

> None of the funds made available under this act may be used to pay the salaries and expenses of USDA employees who carry out the price support or production adjustment program for peanuts.

The following paragraph on assessments, which remains exactly as it was in the original amendment, is simply an ability to, through assessments, raise that money that the taxpayers have provided to pay for the salaries and expenses of USDA employees who administer the program.

Mr. President, as I say, this is intended to save about $2 million a year. It is not a substitute in any way for the changes in the peanut program which will be necessitated regardless of Members' feelings about the program. Those changes will be necessitated by NAFTA and the new competition of peanuts from the Mexican market. But it is, I believe, a step in the right direction to ask the people who benefit by the program to at least pay the administrative costs and not stick the taxpayers with that cost.

Mr. President, I believe this measure will be controversial. It is my understanding there are other Members who want to address it. I understand that the manager of the bill would prefer that the measure to be voted on tomorrow.

So I yield the floor.

Mr. HEFLIN. Mr. President, as I understand it, the distinguished Senator from Colorado has modified the amendment to apply to only administrative costs, of which there are about $2 million, and that there would be an assessment charged against the producers to carry out the program.

I am sure that the peanut program is controversial and that many programs are controversial. Agriculture programs are controversial, and under the Department of Agriculture every agricultural program is carried out and administered by the Department of Agriculture. Are we going to say that the wheat program, therefore, which is carried out and administered by the Department of Agriculture, if we were to follow the same concept, that on the wheat program there ought to be an assessment against the wheat producers relative to the administration of the wheat program?

If we stop and think about other programs, does this mean that if you carry this philosophy out, the Social Security recipients, therefore, should pay an assessment to the Government for carrying out the Social Security Program? Or the Medicare Program? Does this mean that the recipients in this program ought to be assessed the costs to carry out and administer the program?

You could go on with every conceivable program that the Government has that therefore this philosophy would be relative to. Or the same concept could be applied in regard to Senators. Should Senators, therefore, in order to have an accounting system for receipt of their salaries be assessed fees for the Government to carry out that program or to administer that program?

I do not agree with this overall philosophy, and I just point out questions pertaining to it.

I will have a good deal more to say about this later on, but I do want to point out right now that the concept of charging the producers of a program an assessment to administer the program is rather unusual and, if we start it, it ought to be applied across the board to every conceivable program—the orange juice program, the corn program, every program, wherever you are going to do it.

And then there are also other people in the chain that are recipients of a program such as, in the peanut program, the shellers, and then there are the market people, the manufacturers that use it—all of these people who are in effect beneficiaries of a program that ought to be considered rather than just the farmer. We have had a situation where we are looking at farmers today in some of the sections of the country who have had terrible disasters, and I just do not think this is the proper time to be doing something like this.

Overall, the peanut program has cost the taxpayers a relatively small amount of money over the period of time it has been in existence—sometimes as prices go up and prices go down because of market conditions or, on the other hand, because of weather conditions like drought and other things, but in the last 10 years, the peanut program has averaged out costing the Government an average of $13 million a year. And I do not think any other farm program has been operated as economically and at as little cost to the Government over a like period of time in history.

It will vary. It has gone up sometimes, and then there have been years in which actually the peanut program has made the Government money.

So I think when we look at this matter of saving $2 million, it certainly calls for a concept, and if we are going to look at it in some equitable and fair way across the board, we ought to consider all other programs. But the major thing is that here we are, as the chairman of the subcommittee, the Senator from Mississippi, has mentioned in a situation where this week we go to markup relative to a farm bill, and various and sundry approaches may be offered and considered there. I think, therefore, it is premature at this time to be considering it. Certainly, the Agriculture Committee ought to be given an opportunity to look at this before we move forward in this regard.

I yield at this point and will have something else to say later.

Mr. BROWN. Mr. President, first of all, I want to extend my thanks to the distinguished Senator from Alabama. I believe he was off the floor working on another matter when I extended my thanks the first time. But I appreciate his reviewing the amendment and pointing out the need for corrective language, and we have adopted that through a modification. I very much appreciate his kindness and his indulgence in helping to have the amendment accurately brought forward. And by that I do not mean necessarily it says what the Senator would like it to say, but I do mean that he was very helpful in making sure it represented what my wishes were to offer to the body.

Mr. President, the Senator quoted the $13 million a year cost for the peanut program. The $120 million cost that I had used in the Chamber was the estimate we had gotten from the Congressional Budget Office for 1995. I believe what the Senator was talking about was historic costs. I think both figures are correct and I think it is perfectly appropriate for him to point out the historic cost. That is a reasonable and balanced way to look at it.

Mr. President, he also raised an important point. If this program is to cover its own administrative costs, why not the wheat program? While he was too kind to say it, we produce a lot of wheat in Colorado, and that is a fair question. In my mind—and certainly this is not meant to speak for all the Members, but in my mind this peanut program is different. It is different in that we maintain a price of peanuts in this country that is significantly higher than the world market.

Most of our programs and most of our products in the United States sell for the lowest price in the world. We have the most efficient, productive, creative agriculture of any nation on the face of the Earth, and it shows in our prices. Consumers in America enjoy low prices for farm commodities. Our price for products, including wheat, sets the base.

That is, Europe and Japan not only import wheat, but by importing it they pay more than American consumers because of the costs involved in shipment. People around the world pay a higher price for wheat generally than we do in the United States, so the wheat program goes to a different focus. It does go to market stabilization which is thought to be of help for the consumer. Certainly the wheat program is a program that merits debate at the appropriate time.

At least in my mind, however, the wheat program is a dramatic and different program than the peanut program. Why? It is dramatically different because the peanut program is designed to market our peanuts at a significantly higher price in the world market. That has a dramatically different effect upon consumers and producers than the wheat program that does not attempt to have a significantly higher price for wheat in America than we have in the world market.

Nevertheless, I think the Senator's point is a valid one, and it goes to the heart of the amendment. Should the taxpayers pay for the administrative costs and which ones should the users?

It had been my understanding that, indeed, in Social Security and Medicare the cost of administration was borne by the taxes levied that go into a trust fund, and we are asking to check that right now. I certainly will want to make that point clear for the RECORD. I think the Senator is right to raise that issue. He does come to the heart of this amendment. That is the suggestion that the roughly $2 million a year cost of administering this program, that markets a commodity at significantly above the world prices, be borne by the participants.

Mr. President, I yield the floor.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. Mr. President, I am a supporter of the wheat program. I did not necessarily mean to be picking Colorado. I have always supported the wheat program. I think it is a good program. But there are some distinctions between the wheat program and the peanut program relative to the cost of Government, as there are with a number of commodities.

Basically, the peanut program has a loan rate. That loan rate allows for farmers to—in bad times when the price is low or when there are weather conditions and such—put their product that they have produced into a loan. And then the CCC can take it out of the loan and set it. They have to pay interest on it when they do, or else the Government can, of course, have a nonrecourse loan and can sell it on the world market.

But the wheat program and most commodities have a greater cost rather than just the loan. That is the target price or deficiency payment. And there is no deficiency payment, there is no target price in peanuts at all. I think sometimes we have misunderstood various farm programs and other things also. But the peanut program does not have the deficiency payments at a great number. I am a supporter of the farm programs that allow for the target prices and allow for the deficiency payment. But I do make that distinction, the distinction being raised about that at this time.

So we will be discussing it further.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER (Mr. FRIST). The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I know there may be other Senators who want to speak on this amendment. I have expressed my concerns already. We have heard from the distinguished Senator from Alabama. It is likely that we will be able to vote on this tomorrow, rather than today. There are other amendments that we know will be offered today and debated. We can dispose of those amendments.

Because we have had a pretty full discussion of this suggested change in the bill, I am going to ask unanimous-consent that we set aside this amendment and proceed to take another amendment up for consideration that the Senator from Colorado will offer. So I make that unanimous consent request to set aside the amendment temporarily.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Mr. President, I rise to add to the record with regard to the debate on the peanut amendment. I would ask, while that amendment is not presently before us, that I be allowed 60 seconds in which to address the peanut amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWN. Mr. President, in the discussion on the peanut amendment, the question was raised as to whether or not this, asking users or beneficiaries of a program to pay the administrative costs, was appropriate or not and whether or not it was done in other areas, and myself and others had speculated about the Social Security fund. I am advised that indeed, the administrative costs for the Social Security program do indeed come from the fund. I think some of the confusion may come in that the discretionary spending is considered part of funding that comes under the discretionary caps for the budget function. But indeed, the source of the money is from the fund itself.

I yield back, Mr. President.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BROWN. Mr. President, I ask unanimous consent that the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2689 TO COMMITTEE AMENDMENT ON PAGE 83, LINE 4, THROUGH PAGE 84, LINE 2

(Purpose: To prohibit the use of appropriated funds to administer tobacco grading and inspection, tobacco price support, quota, and allotment functions)

Mr. BROWN. Mr. President, I rise to offer an amendment to the committee amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Colorado [Mr. BROWN] proposes an amendment numbered 2689 to the committee amendment beginning on page 83, line 4.

At the appropriate place in the amendment, insert the following:

SEC. . PRICE SUPPORT AND GRADING AND INSPECTION OF TOBACCO.

(a) IN GENERAL.—None of the funds made available under this Act may be used to pay the salaries or expenses of the employees of the Department of Agriculture to grade or inspect tobacco or to administer price support functions for tobacco.

(b) ASSESSMENT.—The Secretary of Agriculture may charge producers a marketing assessment to grade or inspect tobacco and to administer the price support functions under the same terms and conditions as are prescribed in the Agricultural Act of 1949 (7 U.S.C. 1445–1 and 1445–2).

Mr. BROWN. Mr. President, this amendment calls for the tobacco program to be no net cost to the American taxpayer. Some Members will say, "I thought it was already a no net cost."

Indeed, there was legislation offered in 1982 that came under the heading of "no net cost" for the tobacco program. And yet, Mr. President, some Members may be surprised to learn that did not cover all of the costs of the program. That no-net-cost concept is a good one and one that this amendment attempts to complete.

But left out of the legislation in 1982 was an effort to cover the administrative cost that involves maintaining the price support and both the grading and inspection of tobacco. So administration of the program, grading and inspecting of tobacco, are still an expense to the taxpayers.

Mr. President, it is one thing to be upset about tobacco smoking in this country and urge people not to use the product or suggest that perhaps the FDA ought to regulate it and extend additional regulations. But, Mr. President, it is quite another thing to tax the American citizen to pay for a product that we turn around and then urge them not to use. Good common sense indicates that we should not subsidize a product that we think is harmful to people and that they should not use. I am one who believes that this country is all about freedom, and to the maximum extent possible, we ought to maximize people's freedom to choose.

So I have not been one that wants to outlaw all forms of tobacco or follow other circuitous routes that simply eliminate that choice. I think all Americans agree that our children should not consume tobacco products. But for adults, while we would all have strong feelings about the subject and many of us feel that we would be better off without tobacco, I am not one who wants to ban it. But, Mr. President, I am one who wants to have the tobacco producers pay for the cost of their own program.

It makes no sense to tax working men and women of this country to subsidize a product and then turn around and tax them to urge people not to use a product they have just subsidized. That makes no sense at all. That is what this amendment is all about. It simply says that when tobacco producers say they have a no-net-cost program, that it is in fact a no-net-cost program.

So this amendment does two things. One, it makes it clear that there will be no taxpayers' funds appropriated in this bill that will be used to pay the salaries and expenses of Department of Agriculture employees to grade or inspect tobacco or to administer the price support functions for tobacco.

Second, Mr. President, it makes it very clear that the Secretary has the ability to assess producers a marketing assessment for these functions. So it gives the Secretary a way to carry out these functions, but at the expense of the producers, not at the expense of the taxpayers.

Mr. President, some will note that the Secretary already has the ability to levy an assessment for this program. Indeed, the Secretary does. I added that assessment section so there could be no doubt that there would be no question but that the Secretary could levy it for this purpose. I think it is arguable one way or another that he already has the authority to levy this assessment. But it seemed to me clarity was a virtue in this circumstance. So we go the extra mile to make sure it is clear that he has the ability to raise funds for this purpose.

But, Mr. President, the American men and women who pay our taxes cannot understand why in the world we would have Government functions that work to opposite purposes, why in the world we would subsidize a product which our Government turns around and tells us is hazardous to their health and urges people, at taxpayers' expense, not to consume it.

This amendment, I think, adds consistency to our functions. It adds some consistency in the way we spend taxpayers' money.

Mr. President, it is my impression this will be a controversial amendment; that there will be other Members who wish to voice their concerns and objections about it. I hope there may be others who may want to say a good word or two on its behalf. So I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. COCHRAN. Mr. President, if the Senator has completed his statement.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I am confident there are Senators who wish to be heard on this amendment before we vote on it. I am also sure that it is probable that this vote will be postponed until tomorrow. But I hope that those who do want to speak on the amendment will come to the floor and do that so we can complete our debate on the amendment and leave to tomorrow the vote on the amendment, if that is the will of the Senate.

There have been, of course, in the past, amendments similar to this that have been before the body, so it is not a new issue. We have debated this from time to time. I am confident that there are arguments that can be made on the other side and will be by Senators who are experts in this program.

From the point of view of the managers of the bill, though, I would say that this is another example of an effort to modify with legislative language, in effect, programs that are now under consideration and review by the Agriculture Committee. We have this week a markup scheduled on commodity program changes that are designed to meet the challenge of the budget reconciliation and resolution that was adopted by the Congress to reduce the cost of the programs under the jurisdiction of all the legislative committees.

This is under the jurisdiction of the Agriculture Committee, and it may very well be that changes are going to be directed or recommended by the Agriculture Committee in this program. I do not know the extent to which this amendment, if it is adopted, will affect those comprehensive changes that may be recommended by the Agriculture Committee.

When we were talking about the peanut amendment that the distinguished Senator had offered, I mentioned that I had included the peanut program in a proposal that I have submitted to the committee which is designed to reform that program and reduce the costs of the program over time. I know that if we adopt the peanut amendment as proposed by the Senator from Colorado, it would reduce the savings that are now estimated by CBO to be attributable to the farm bill I am proposing.

There may be other Senators who have suggestions to make in the Agriculture Committee about the tobacco program. I do not know the extent to which this amendment would affect those projected savings. But I do know that there will be some effect, and the question before the Senate is whether we ought to adopt amendments such as this, knowing that they are going to be legislative in nature and will encroach on the jurisdiction of the Agriculture Committee. So I voice that concern as a concern that applies not only to this amendment but other amendments like it.

I discourage Senators who do have changes in legislative language and suggest that it would be more appropriate and in better keeping with the way we should do business here in the Senate to bring those up when the legislative committees' bills are on the floor—or bring them up in the committees of jurisdiction, even better, so those committees can review these suggestions.

I respect very much the Senator from Colorado. He is one of the best minds in the Senate. He is a Senator who has always been on the lookout for ways to improve the efficiency of Government programs and reduce unnecessary costs. He is a leader in achieving results. Again, he is showing his ability to carefully analyze Federal programs and look for ways that we can improve them in terms of their efficiency. The savings of taxpayers' dollars that will result from the changes are quite obvious. This is another example which shows his diligence and his ability in this regard. So I commend him for his continued efforts to do what he is trying to do. I applaud that effort.

Having said that, I hope that if Senators do want to comment on the legislation and the proposed amendment, they will come to the floor to do so, and I will put in a quorum call to ascertain whether we do have Senators who want to speak further on this amendment at this time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I understand there is nobody at the moment waiting to bring up any amendments so I ask unanimous consent that I be able to proceed as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO CAL RIPKEN, JR.

Mr. LEAHY. Mr. President, a couple weeks ago, like many others, I had the opportunity to be in Camden Yards to see a most extraordinary baseball game when Cal Ripken broke Lou Gehrig's record. I remember as a child thinking that the Gehrig record might never be reached, never be broken.

For me, the fact that I could be there with my son, Kevin, to watch that game, was really one of the highlights of this or any other year.

In watching, I could not help but think that Cal Ripken reflected the best of all people who get up and go to work every day in all fields. Whether it is the nurse who is there for the evening shift on a weekend, the person who shows up at the police department and goes to work to protect all of us, the teacher who is there teaching our children, the men and women of the Senate staff who are here—sometimes long after we Senators are able to go home—every day working for the best of our country, and on and on.

In this case I also think credit should be given to Peter Angelos and those who own the Orioles. Earlier this year when there was talk of replacement teams, they stood fast and said there would be no replacement team for the Orioles. Nothing would be done to cut into Cal Ripken's record. Indeed, they did not.

I also think that two things came as a result of that. One, it sent a signal to baseball that there are some owners and some players who care more for the game than care for the disgraceful dance that has gone on the past year, the dance of charges and countercharges and strikes and lockouts that resulted in the cancellation last year of the World Series.

Second, by doing that, I believe it helped bring to an end the strike and it also gave baseball an evening of glory that it has not had for so long. It really did not become a question of whether the Orioles won or lost that night. It turned out they did win with Cal Ripken hitting a home run. It was a chance for people to unite around this country and say there are so many good things in baseball, and to go back to the basics of it. I hope Cal Ripken's accomplishment does help.

As Kevin and I sat there, we watched the different people—Joe DiMaggio sitting a few feet from us, the President, the Vice President, and others just to the other side of us, but what united us was not the well-known people but that baseball fans of all sort throughout that field and throughout the country could share in a magnificent achievement.

VERMONT'S FINEST, SOFTBALL CHAMPIONS

Mr. LEAHY. Mr. President, I recently had a chance to watch some of the best softball I have ever seen.

I saw the Vermonters, who make up my own team, play in the semifinals and then the finals and then win the softball championship.

I was out there Saturday in 95-degree heat, blistering sun, and I watched these young men and women from my office's team and I thought: That is real sportsmanship.

Then, the next day the final championship was fought between Vermont and New Hampshire.

In a league with 120 teams, the idea that the Senate softball championship this year came down to teams from New Hampshire and Vermont is ironic.

You have to understand we are both northern New England States, and the baseball season is rather short in northern New England. Our children grew up with hockey sticks and skates and skis—and have to squeeze their baseball in between those light May snow showers and the September autumn chill that stings the hands of all children who make contact with ball and bat.

But there we were.

The Thundering Herd, the talented granite-like team of Senator BOB SMITH's office had not been beaten all year. But neither had Vermont's Finest. Vermont's Finest, we say with no hint of modesty, is the name of our softball team.

The game went back and forth, only to be tied at the end of seven innings. Vermont scored two runs in the top of the eighth and shut the Herd down to seal the victory and the championship.

We were led by Montpelier's Maggie Whitney, who played second base but should be turning double plays with Cal Ripken, Jr. St. Albans' Jamie Horan has a black eye and a 500-foot home run to show for the series. Beebe Plain's Mike Lawson won rookie of the year honors while representing the smallest town in Vermont with glove and lumber.

And the list of contributors is endless. Big Ed Pagano, our oak tree at first; Tom "Stonewall" Cosgrove, anchoring third on a nearly broken ankle—an ankle, incidentally, we heard snap as he hit home plate. He would not allow it to break until he scored that run. Paul "The Enforcer" Johnson, who with aging star J.P. Dowd provided key hitting and veteran leadership. Norwich's Regen O'Malley and UVM grad Kara Calaca-Mottola were anchors behind the plate. And our own tank commander, that stalwart marine, Bill Delaney, had more than a few key hits.

Rookies David East and Narric Rome were vital to the team effort.

Vivian Cocca pitched as gutsy a series of games as we have seen in years.

Special honors have to go to our player-coach Brady Burgess, the solid, taciturn hunk of granite, a native of Lincoln, VT, who grew up dreaming of one day holding the Senate trophy aloft. I am sure this is a dream he had as a 3-year-old. He batted, fielded, and led his team to an impossible series of victories.

The loyal bench jockeys were Brattleboro's Jenny Backus, the purple-shorted Kevin "Scooter" McDonald, and the pride of St. Johnsbury, Zima-drinking Amy Rainone.

And the whole team was aided by their biggest fan and 5-year-old batboy, Walter Albee, who occasionally let his aging baby boomer, semi-yuppie father play.

We have to tip our caps to a few teams. First, our friendly rivals the Vermont Saps, from my good friend JIM JEFFORDS' office, who had what we call a "rebuilding year" this year but will no doubt be in the playoffs next year as they have been.

Second, our tough but honorable rivals from the MCCAIN-MCCONNELL team. It seems one of us is always knocking off the other to get to the mountaintop.

Third, our friends on Senator MIKULSKI's team. In the past 5 years, we have each won the championship twice and will be glad to be keeping it in the family.

Finally, to the Thundering Herd from New Hampshire—that the two New England teams made it to the top of the heap is a testament to traditional Yankee values of team play, strength, and hard work. I say to my friends from New Hampshire, they will be first in the Nation when Dixville Notch goes to the polls at midnight. You almost made it first in the Nation in softball, and we expect to see you again next year.

Mr. President, we joke a little bit about this, but I think some of the most pleasant moments that I spent this year have been watching the softball team play—pleasant, because I know how hard the men and women who work for the Senate, who support all of us, do work, Republicans and Democrats alike. It is the men and women here who so make the Senate the place it is and can be. And they are the ones who make it possible for Americans to have hope in us.

There are 100 Senators. None of us would be able to do our job without people, ranging from those who guard the doors of this Chamber to those who report our proceedings, to those who handle the bills as they go through, and to all the others—those who make the electricity work, to those who help us write the legislation. I sometimes joke we are merely constitutional impediments to the staff. The truth of the matter is, we are, all of us, better—Republicans and Democrats alike—because of the selfless work of the men and women here in the Senate.

When I see them have a chance to play softball and enjoy themselves, I think how lucky we are to have them here. I have to tell all those in my office, I could not be more proud than I was watching them play in these championship games.

Mr. President, I see the distinguished Senator from Mississippi on the floor. When I started speaking there was nobody seeking recognition. He is the manager of this bill. Is he seeking recognition? If not, I have one more item to go to.

Mr. COCHRAN. No. Please proceed.

BIPARTISAN BUDGET SUMMIT NEEDED NOW

Mr. LEAHY. Mr. President, 2 weeks ago I called for a summit between Congressional leaders and the President to avoid a Government shutdown when the next fiscal year starts on October 1.

Since then, the House and Senate have passed a couple more appropriations bills and the administration has threatened more vetoes.

I was encouraged, however, by last week's meeting between congressional leaders and the President that we may yet avoid a budget train wreck which will force the Government to shutdown. The President and congressional leaders were right to get together to discuss a continuing resolution to fund the Government beyond October 1.

I hope last week's meeting signals a start to rational negotiations to solve the current budget impasse. We need to build on the positive signals sent by both sides to reach a compromise.

That is why I renew my call for a bipartisan summit now—before the budget crisis. We need to sit down now to hammer out our differences.

Resolving differences is the essence of governing. Let us get together, the leaders of both parties, and work together to make our Government work.

I fear that few of our leaders have considered what happens if Congress and the President fail to reach an agreement and force the Government to shut down. Make no mistake about it—shutting down the Government will bring serious consequences.

First, shutting down the Government because Democrats and Republicans cannot agree on the budget will accomplish nothing except adding more scorn of our political system. This partisan fighting for just the sake of a headline is exactly what Vermonters believe is wrong with our present system. I believe this scorn will be fully justified if we do not work out our differences before forcing the Government to close.

Second, and more importantly, shutting down the Government will have serious effects on the lives of millions of Americans.

The most immediate effect of a shutdown will be the furloughing of Federal employees. The only exceptions from furloughs under a Government shutdown are Presidential appointees, uniformed military personnel, and Federal civilian employees rated "essential."

In 1990, the nonpartisan General Accounting Office estimated that 319,541 Federal Government employees out of 741,653 would be furloughed—about 43 percent of the Federal Government work force—during a Government shutdown.

Imagine the effect on those hundreds of thousands of employees and their families who are facing the prospect of an unknown period of unemployment. These are hard-working people who struggle like millions of other Americans to balance their checkbook each month.

We should not hold their households hostage to our inability to provide a workable Government budget for all Americans.

So let us keep in mind that when we contemplate a shutdown, we are talking about punishing hard-working families, not faceless bureaucrats, as some would lead us to believe.

What would be the effects if 43% of our Government workers are not allowed to go to work?

The GAO surveyed Government agencies in 1990 to find out the answer to that question. Each agency estimated that a Government shutdown would severely damage their effectiveness.

The Environmental Protection Agency, for example, estimated that "all environmental protection services would be shutdown." Do we really want to leave our environment at risk to score political points over a Government shutdown?

The Food and Drug Administration estimated under a shutdown "there would be no work on applications for new drugs and devices." Do we really want to put the benefits of new science and technology on hold to score political points over a Government shutdown?

The Social Security Administration estimated that under a shutdown "no new applications for Social Security or Medicare eligibility would be taken or inquiries answered."

Do we really want to make our senior citizens wait to score political points over a Government shutdown?

The Department of Justice estimated that a shutdown would delay trials and weaken its ability to supervise the Federal parolee caseload. Do we really want to slow down our criminal justice system to score political points over a Government shutdown?

The Department of Veterans Affairs estimated that under a shutdown "there would be approximately 37,000 unanswered telephone calls per day and approximately 5,000 canceled interviews per day." Do our veterans really deserve this kind of treatment to score political points over a Government shutdown?

Perhaps the most lasting effect of a Government shutdown will be the wasted millions of taxpayer dollars.

At a time when the President and Congress are dedicated to eliminating unnecessary Government spending, pouring money down a Government shutdown rathole makes absolutely no sense. Shutting down the Government will make it harder to balance the budget—not easier—because lost revenue from a shutdown will simply add to our deficit.

The GAO estimated in its 1990 report that a 3-day closing would cost the Government millions of revenue dollars.

The Interior Department, for example, would lose $30 million in revenue during a 3-day shutdown, and the Treasury Department would lose a whopping $420 million. A longer shutdown would lose millions more. Do we really want to waste taxpayer money to score political points over a Government shutdown?

Closing the Government, even for a short time, carries serious consequences. It would rightfully heap scorn on our political system.

It would impair the effectiveness of necessary Government services, which many Americans depend on every day. And it would waste millions of taxpayer dollars.

Let us stop this fiscal insanity. Let us build on last week's bipartisan meeting and call a bipartisan budget summit.

It is time for our leaders to start acting responsibly. It is time for our leaders to start using some common sense. It is time for a bipartisan summit on the budget.

Mr. President, I yield the floor.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I understand that we have some amendments that have been offered and are pending now on this agriculture appropriations bill which is the business before the Senate.

AMENDMENT NO. 2686

One of these amendments that was set aside for debate for later today was one offered by the distinguished Democratic leader in behalf of Senators KERREY and KOHL. That amendment would strike a provision of the bill that was added as a committee amendment appropriating funds for use as disaster assistance to supplement the benefits provided by catastrophic insurance to disaster victims. The reason the committee approved this amendment was because we have seen throughout the South this year some very serious damage in the cotton fields of Alabama, Georgia, Mississippi, Texas, Tennessee, and Arkansas as well.

As a result of massive infestations of tobacco budworms and beet army worms, and other pests in the cotton crops in these States, it has been hard to estimate the exact amount of damage done because harvesting has not occurred in many of the areas where we know the devastation is severe. So dollar amounts are simply estimates at this point. But one estimate that we saw in my State of Mississippi alone indicates that over 160,000 acres of cotton have been damaged at a loss of over $100 million.

The reason the committee thought it was important to provide some additional benefits is that the catastrophic crop disaster insurance program is not sufficient to help farmers in this situation. And many of them are not going to be able to plant crops next year, and some are not going to be able to stay in business unless something is done to help them.

We have already seen this last week a request from the Governor of Mississippi transmitted to Secretary of Agriculture Glickman asking for disaster declarations in many of these counties in our State which will make available emergency production loans. These loans will be at reduced rates of interest—I am told at about 3.75 percent interest—and would be available as emergency loan benefits, if the damage assessment reports justify the declaration and approval of the declaration by the Secretary of Agriculture.

One difficulty that we are encountering, though, is that the early estimates are proving to be much less than what the damages are turning out to be because of these massive infestations of pests.

It is certainly a concern to me that the Senators from Nebraska and Wisconsin are urging the Senate to overturn this provision in our bill. We had hoped that the Senate and the House also would respond to this crisis situation and be generous—as generous as the budget permits and as generous as our rules permit—to provide some additional assistance to these disaster victims.

I am urging the Senate to approve the committee amendment that provides this crop disaster assistance money. The Senate should also know that I have introduced separate legislation to authorize the Secretary, if he deems that additional disaster assistance is justified, to ask for additional appropriations.

That legislation has been introduced here in the Senate. It has been introduced in the House in the companion bill which is sponsored by Congressman ROGER WICKER and Congressman BENNIE THOMPSON of Mississippi. Our entire delegation was invited to a meeting at the offices of the Mississippi Farm Bureau federation in August to hear firsthand the reports of cotton producers and those who were familiar with the situation—immunologists, an economist from the Mississippi Extension Service at Mississippi State University who was familiar with the facts. And, after hearing all of the information, it became very clear to me that we needed to respond both here in Washington and at every level of government to try to help overcome the effects of this serious disaster.

It is one of those situations where it appeared that we were going to have a very good and productive cotton crop throughout the country this year. But all of a sudden, because of the excessive hot weather, hotter than usual, dryer than usual, and an enormous infestation of these insects and pests that almost overnight the complexion of the cotton crop this year was changed. Producers began trying to find out what kinds of control measures could be effective to deal with this problem. Some of them spent huge amounts on chemical applications that they were told by experts could help deal with this disaster only to find out that the money was really wasted. Hundreds of thousands of dollars have been spent by many farmers in our State to try to deal with and control these pests. And much of that money has been wasted.

There are many cotton fields in our State which will not even have a cotton picker put in the fields. They will not even try to harvest the cotton because it is just not there to pick. So total losses in many of our counties have been sustained.

I am going to ask, Mr. President, to put in the RECORD an estimate that has been compiled from various sources, including the Mississippi Department of Agriculture, the Texas Extension Service, the Alabama Extension Service, and the National Cotton Council. The States of Tennessee, Arkansas, Texas, Mississippi, Georgia, and Alabama are covered in this report.

I ask unanimous consent, Mr. President, that this estimate of cotton losses due to the tobacco bud worm be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COTTON LOSSES DUE TO THE TOBACCO BUDWORM

State	Acres—Abandoned and reduced yield	Loss in millions of dollars
Mississippi	160,000	100
Texas (in lower Rio Grand and southern Rolling Plains	500,000	200–400
Alabama	400,000	155
Tennessee	150,000	50–75
Arkansas	100,000	20
Georgia	300,000	75
North Carolina		Negligible
South Carolina		Negligible

Sources: Mississippi: MS Department of Agriculture; Texas: Texas Extension Service; Alabama: Auburn Extension Service; Tennessee: National Cotton Council; Arkansas: National Cotton Council; North Carolina: National Cotton Council; South Carolina: National Cotton Council; and Georgia: National Cotton Council.

Mr. COCHRAN. Mr. President, the estimates not only identify the acreage that has been abandoned and which will have reduced yields due to this infestation, but also the translation in losses in terms of millions of dollars in my State of Mississippi. It is a $100 million estimate. But just this week, when I was home in Mississippi this weekend, the newspaper carried a story with new crop loss estimates that have been compiled from throughout the South. It shows that even higher estimates than had earlier been expected are now justified on the basis of the losses that are occurring.

We have on our hands, Mr. President, one of the worst disasters in the cotton industry that anyone can remember. Our committee decided that it would be important to make available some additional funds which the Secretary of Agriculture could use to supplement the benefits of the Catastrophic Crop Insurance Program.

The Catastrophic Crop Insurance Program is a new program. Farmers were told, when this program was approved, that it would be a substitute for the usual disaster assistance benefits that have occasionally been made available when disasters struck the agriculture sector, and that the amounts of the benefits would be about the same that they would normally get; to qualify for the catastrophic crop insurance, you would be charged $50, and that would be a processing fee.

I remember when I first heard about it, I said to the Department of Agriculture people who were briefing us, "That's too good to be true—$50. You buy this insurance and it provides the same benefits that the Federal Government has been making available as disaster benefits on an ad hoc basis when they thought it was justified." I was assured that is what the promise was.

What has happened, as we get down to the real details and we find out what the benefits are of this so-called Catastrophic Crop Insurance Program, we are finding out it does not provide the same coverage that historic disaster assistance programs have provided.

Previous disaster programs traditionally provided coverage at 60 percent of historic yields at 65 percent of the market price. This new catastrophic coverage is 50 percent of historic yield at 60 percent of the market price.

That may not sound like a great deal of difference, but it is. It is a substantially different program that is now being made available to disaster victims.

I know that one reason for the change and one reason for the adoption of the new Crop Insurance Program was to provide a predictable level of benefit when an agriculture disaster struck, and if farmers were not satisfied that that was enough, they would be encouraged thereby to buy additional coverage. They would buy up to another level of protection on their own. But a lot of farmers have not done that, for varying reasons. Some misunderstood the benefit package that catastrophic insurance provided; some were, frankly, convinced that the additional insurance was too expensive for what they would probably get from it as benefits; and there may have been other reasons. There has always been a question about how the yields are calculated and whether the yields were too high or too low, whether they were individual yields or countywide basis yields. There have been a lot of problems with crop insurance, and everybody knows that.

I raise this issue now, and I know it will be debated later by those who are trying to strike this money from the bill, so Senators will be on notice that we are probably going to have to vote on this amendment. Unlike other disasters that have been occasioned by flood or bad weather, this is a disaster that actually resulted in farmers going out and spending money to try to prevent it on their own, trying to apply what they hoped would be new chemicals that were promised to work and did not or did not work well enough to justify the enormous expenses that farmers went to to protect themselves.

Here they were. It was just weeks away from these bolls ripening and producing the cotton for harvest when they noticed that these bolls were being infested with budworms and army worms and other pests.

One part of the story is good news, and that is that in many parts of our State, the delta region particularly, the cotton had gotten to the stage of development where it was not affected by the worms, and so we are not talking about every area of our State being equally devastated by this problem. But we do have many areas of our State where there are total losses and many areas where the yields are not nearly what they were expected to be. It is disheartening and it truly is a disaster of enormous proportions. So I hope the Senators who are resisting this effort to provide additional assistance will reconsider.

The amount of money in the bill for this purpose is about $40 million, and Senator KERREY's amendment will strike that money. We hope that the Senate will vote against it.

I am going to ask unanimous consent, Mr. President, to put in the RECORD some additional supporting documentation on this, specifically an article that I talked about that was in the paper this weekend which more clearly describes the seriousness of the situation and the enormous losses that are occurring in Mississippi and elsewhere as a result of this cotton crop disaster.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Clarion-Ledger, Sept. 17, 1995]

GROWERS PICK TOUGH YEAR FOR MORE COTTON

STARKVILLE.—Cotton yields will not be what many growers dreamed of when they increased Mississippi's crop by 100,000 acres to take advantage of stronger prices.

Higher than normal insect pressure and excessive heat have taken their toll.

"Preliminary yields do not look good," said Will McCarty, extension cotton specialist at Mississippi State University.

The Sept. 1 crop report from the U.S. Department of Agriculture brought bleak news on the expectations for Mississippi's crop.

"The September report estimates 480,000 fewer bales of cotton for Mississippi than the August report predicted," McCarty said. "The pounds per acre expectation dropped 158 pounds. I can't remember the crop reporting service ever dropping us that much in one month."

The cotton specialist said the news could get worse as the season finishes.

"There is no doubt that the severe, continuous heat in July, August and early September has taken a heavy toll on the crop," McCarty said.

Blake Layton, extension entomologist at MSU, said the state had faced the risk of catastrophic tobacco budworm numbers for several years because of high levels of insecticide resistance.

"The extremely high numbers in 1995 turned that risk into reality," Layton said. "This risk will exist again next year because we still will have problems with insecticide resistance. Severe winter temperatures will help reduce the danger."

The entomologist said because of the cyclic nature of these insects next year hopefully will be less severe.

"We seldom have two back-to-back years of insect populations at these levels of a pest like this," he said.

Layton said natural predators and parasites increase with high numbers of an insect and help knock the numbers back down. He said the damage to the 1995 crop is done. Growers are no longer applying insecticides as the tobacco budworms prepare to overwinter in the ground.

In Forest County, where cotton is a new crop, growers are anxious to harvest and see the bottom line.

"We're one of the few counties that haven't had tobacco budworm problems, but we've had everything else—bollworms, beet armyworms, yellow-striped armyworms and even loopers," said Lee Taylor, Forest County agricultural agent. "Last fall's eradication efforts helped keep boll weevils from becoming a factor this year."

Taylor said growers turned to cotton as marketing of soybeans and corn became less attractive. He said 1995 has been a good year for cotton.

Otis Davis, Madison County agent, said growers began harvesting cotton slightly earlier because of the dry conditions. The drought is causing lighter seeds and smaller bolls.

"Insects were a tremendous expense to growers throughout Madison County," Davis said. "Cotton prices probably will entice growers to return to cotton again next year."

Growers throughout the southeast continue to await word on disaster assistance from the federal and state governments as a result of tobacco budworm damage.

Mr. INHOFE addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, I ask unanimous consent that I be allowed to address the Senate as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

INDEPENDENT STATUS FOR THE FAA

Mr. INHOFE. Mr. President, last month I introduced a bill that would give the FAA independent status. As a matter of fact, when I introduced it, I read a speech as if I were giving it. It was really a speech that was given 20 years ago by Barry Goldwater, and Barry Goldwater's speech was a lengthy one, one that outlined the problems in 1975 that had occurred since the FAA had gone under the Department of Transportation back in 1967. He talked about the procurement problems and the personnel problems that are very unique to the FAA.

Oddly enough, it was 20 years ago that Barry Goldwater made that speech, and I talked to him the other day and he said, "I hope we will be able to do it now."

I am talking about a life-and-death issue as a commercial pilot, I guess the last active commercial pilot in Congress. I have experienced having our lives in the hands of those controllers down there, and it is very significant that we do give them the independent status that Barry Goldwater was seeking back in 1975.

I really believe if we could do that, we could effect enough savings to actually prevent having to raise fees and having to raise taxes as is being considered right now in another bill, and as also is being suggested by the President.

On August 9, the chairman of the Appropriations Committee made a statement in the Chamber, and he said, "The FAA tells us if they could have this kind of operational flexibility"—now we are talking about independent status, free from the bureaucracy of the DOT, free from the procurement guidelines and the personnel guidelines—"they believe they could cut as much as 20 percent out of the procurement budget" from what they are spending today.

Now, this is significant because that happens to be approximately the amount that historically has been contributed to the FAA for operations from the general revenues. And I suggest to you that my bill does not give the FAA the power to increase fees indiscriminately. I suggest, if we do that such as is suggested in the McCain bill, instead of streamlining their bureaucracy, they would merely raise fees.

I will read from the McCain bill the portion I am talking about. It says, "to establish a program of incentive-based fees for services to improve the air traffic management system performance and to establish appropriate levels of cost accountability for air traffic management services provided by the FAA."

So, Mr. President, I have a lot of respect for Mr. Hinson, David Hinson, who is the Administrator of the FAA. I think he is one of the few real good appointments that this President has made. And I think that if anyone could streamline his bureaucracy, it would be David Hinson. But I suggest to you that the words that I recall that Ronald Reagan made way back in 1965 when he said, "There is nothing closer to immortality on the face of this Earth than a Government program once devised," that is exactly what we are faced with now. A bureaucracy never, as long as it has the ability to raise funds, is going to streamline their operation.

So I hope that we will be able to consider my bill very seriously. And I suggest there are about several million pilots out there that are concerned about this also. I think it would be very difficult to go out right now and tell the pilots, who are paying an average of about $2,320 in various costs each year—for a small four-passenger airplane in addition to that, they are paying the gas tax—to go out and tell these pilots that in 1990 we raised your gas tax and we raised it again in 1993, and now we are going to start raising your fees.

So, Mr. President, this can be done without increasing fees and taxes. My bill will do that. I am going to be urging the passage of this legislation.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

ARS FACILITY AT EL RENO, OK

Mr. NICKLES. Mr. President, I rise to express my concern with the Senate committee's designation of the primary ARS laboratory at El Reno, OK, as a "worksite." Upon a thorough evaluation of the Fort Reno facility, it remains clear that this primary station remains an important and valuable resource for the agricultural community of the Midwest.

Fort Reno's 7,000 contiguous acres, numerous existing structures, including buildings and fences and valuable on-site personnel resources, make it a unique asset and an ideal location to direct and administer research.

A large amount of work at Fort Reno is dedicated to closing the forage gaps in livestock production systems common to the Great Plains States by experimenting in forage alternatives to native pasture and winter wheat pasture.

Fort Reno's regional value is visible in their cooperative efforts with ARS stations in Booneville, AR, and Bushland, TX, to solve the problems caused by cattle raised on fescue pastures in the eastern-third of the United States. Fort Reno's research on the resistance of tropical cattle breeds of fescue fungus problems continues to hold valuable promise.

In addition, Fort Reno many years ago established watershed research locations on several pastures to collect runoff and evaluate the environmental impact of agricultural waste, chemicals, and sediment generated by various grazing systems. Current plans call for an evaluation of this long-term data and an expansion of the program to larger, system-size watersheds. This information will be very valuable as non-point source pollution reduction goals are expanded in the Clean Water Act reauthorization.

As a primary research facility, these are just several examples of progress being made at Fort Reno and a demonstration of the facility's continuing contributions to the agricultural community of the Midwest.

I know the committee is aware that the House of Representatives maintains full funding for the ARS station at Fort Reno in their fiscal year 1996 Agriculture appropriations bill. In light of the important research and existing nature of the Fort Reno site, I continue to strongly support full funding for primary research at Fort Reno.

Mr. COCHRAN. Senator NICKLES, I am aware of your strong interest in the ARS facility at El Reno, OK, and share your support for the agricultural research conducted there.

The valuable work being conducted at the Fort Reno's facility is indeed unique and I recognize the importance of continuing research at the site. As this issue is revisited by a House-Senate conference committee, I will work to maintain this valuable research asset.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

UNANIMOUS-CONSENT AGREEMENT

Mr. COCHRAN. Mr. President, there has been a unanimous-consent agreement worked out in connection with the handling of an amendment to the appropriations bill. The amendment is a committee amendment.

The Senator from California, Senator BOXER, for herself and Senator FEINSTEIN—and maybe others—has offered to strike that amendment. In connection with that, I propose the following:

I ask unanimous consent that at 10:30 a.m. on Tuesday, the Senate resume consideration of the excepted committee amendment regarding chickens, and there be 2 hours to be equally divided between Senators BOXER and COCHRAN or their designees.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I further ask that immediately following the vote on passage of H.R. 4, as amended, the Senate resume H.R. 1976, and there be 4 minutes for debate on the committee amendment, to be equally divided in the usual form, to be followed by a vote on or in relation to the committee amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I thank the distinguished Senator from Arkansas and all Senators for permitting us this unanimous-consent agreement.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HELMS). Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I ask unanimous consent to speak as if in morning business for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SALE OF PMA'S

Mr. DORGAN. Mr. President, on Wednesday, the Senate Energy Committee will be meeting their reconciliation targets by debating a proposal offered by the Chair which includes, among other things, something most people have not heard much about. It is called the sale of the PMA's. Almost nobody knows what that means—the sale of SWAPA or WAPA or the PMA's.

Well, there are a lot of ideas ricocheting around the Chambers of the House and the Senate these days. Many are labeled "reform," "change," "new," "bright." The fact is some of these ideas are old ideas dressed in new clothes that have been bad for years. This is one of them. The notion that we should sell the power marketing agencies in order to raise some short-term dollars in the short run and lose dollars every year thereafter makes no sense at all.

Let me describe for people who do not have any idea what this means what the consequences are and what PMA's are. In my State of North Dakota, some 40 years ago, they decided to try to harness the Missouri River because it was causing a lot of problems. Spring flooding would come and the old Missouri would snake out in a dozen different directions and cause enormous flooding all the way down to Kansas City and elsewhere, and so they decided we needed to harness the Missouri River. So we built a series of dams under the Pick Sloan plan. One of the dams was built in North Dakota called the Garrison Dam. It dammed up a half million acres of water behind it. Communities that used to exist are now under water and have been for years. It created a dam in order to prevent flooding, and one of the benefits of creating that dam is that they put in turbines and the water runs through those turbines and generates electricity. The promise was that if you in North Dakota will be willing to play host to a flood that comes and stays forever, so that downstream they can play softball in the evening, light the city park and not worry about flooding—if you will play host to a flood that comes and stays forever on a half a million acres in order to help folks downstream, we will give you some benefits. One of these benefits is that you will be able to generate low-cost regional electricity and send it around in a way that will benefit folks in the region who are using electricity.

So our people said, "Well, that sounds like something we would be willing to do," and we did. The Pick Sloan program went forward and the dam was built and the flood was created and we generate electricity. That promise of low-cost electricity for our region is a promise that has been kept over the years.

Now, the Garrison Dam that generates that electricity with all the turbines and the water running through that is owned by the public. It is owned by the Government. And so are the transmission lines and the dam through which that electricity flows in order to provide benefits to people who are using their electricity on farms, in cities, in businesses. Those facilities, the dam and the transmission lines, are owned by the Government. It is a public facility owned by the Federal Government.

In our region of the county, it is called WAPA, Western Area Power Administration. It is the way we take public power generated from the dam and distribute it regionally for the benefit of the people in our region because we promised them if they would accept a flood that came and stayed, we would give them some low-cost electricity as part of the benefit, part of the payment.

Well, some years ago, there was a plan that was developed to cut Government waste—some of you remember it—called the Grace Commission. Peter Grace headed the Grace Commission. It had a lot of good ideas. In fact, about two-thirds of the ideas in the Grace report were eventually adopted—a lot of good ideas, but like anything else that has a menu of ideas, some were genius and some were dumb.

One of the dumb ideas, in my judgment—using a pejorative term—in the Grace report was to sell our dams that generate hydroelectric power.

All the way back to the Grace report, we had this goofy notion that if we would sell the dams so that those who would buy these dams and the hydroelectric facilities could reprice the electricity to market rate, that would surely be a good thing for the Government. But, of course, that did not get much traction throughout the 1980's.

Some of the Grace report did because some of it made sense and some of it just did not make any sense at all. This was part that did not make any sense, so it never got done. However, in recent years, there were calls to sell the power marketing agencies—Southwest, SWAPA, WAPA, three of them, four of them actually, one of which is being sold—sell the power marketing agencies.

Well, it comes from people who, I suppose, have two motives now. One is they do not think the public ought to own anything—get it in private hands so it can be priced at whatever the highest price is. That is the philosophy of some. And the second philosophy by some is let us solve the budget problem today by selling assets.

In order to accomplish that philosophical purpose, they had to change the rules this year—the first year ever in which they changed the rules—to allow you to sell an asset and show a reduced deficit.

Would it not be interesting to have a family budget like that? You say, well, we will meet our yearly expenses by selling the car, then the house, then the yard.

Well, we had a rule against that in Congress, for good reason, because people who thought much about it understood what everybody knows: you do not solve your fiscal problems by selling your assets. At least you do not solve your operating budget deficit problems by selling your assets.

But this year, it is different. This year, the majority party says our budget is going to change. We are going to change that little old rule so you can sell assets and therefore show a lower operating budget deficit.

Well, there is one inevitable truth about selling the power marketing agencies. And that is this: Every single year they bring money into the Federal Government from the sale of this electricity. Every single year we get streams of hundreds of millions of dollars from the sale of this electricity from the hydroelectric facilities.

Now, if you sell them, what would be the budget impact? The budget impact in the first couple years would be—you would get the money for the sale, would you not? So you show some more money coming in because you sold them. Then what happens every year after that? Every single year after that you have a loss. The Federal Government would not be getting the money it used to get and not getting the money that it expected to get.

This is so symbolic of the way fiscal policy exists around here. Sell an asset, use it to say you are going to deal with an operating budget deficit. Sell an asset and get some money now despite the fact that in the long term by selling the power marketing agencies you lose money. You lose money every single year in the long term because the income stream that used to come in will no longer come in.

Now, we are going to meet on Wednesday in the Energy Committee to deal with this reconciliation requirement. And you know, I am just not moderate on the question of whether we should sell the power marketing agencies. The answer is no; under no condition should we sell the power marketing agencies.

Some say, let us let the customers buy them on a preferential basis. The power marketing agencies are part of a long-term promise that philosophically ought not be abridged or violated. We ought not, for short-term purposes, construct a mechanism here in budgetary policy that is just pound-foolish in every respect—that will bring some money in in the short term by doing something that is fundamentally unsound and philosophically wrong and that in the long term will increase the Federal deficit.

This is to me both philosophically important, because I believe there are certain public principles involved in the public ownership of these assets, and it is also important from a fiscal policy standpoint. And when we meet on Wednesday, I intend to be one of those on the Energy Committee that says, I do not support and will not support the sale of the power marketing agencies.

There are a lot of good ideas running around this Chamber. I embrace many, support many, and stand to speak for many. But when I see an old idea masquerading as a new idea, that is in fact a bad idea for this country, it is time to blow the whistle and say, "Enough; no more." I do not know where the votes are on Wednesday, but I hope we can defeat this.

I say to those who wonder what the consequences might be, well, in my State, North Dakota—a very small State, 640,000 people—if they sell the power marketing agencies and have people bid on them so we get some short-term money in, what will happen is we will have short-term money in the front end and it will cost us higher budget deficits in the long term, and about 200,000 North Dakotans will pay higher electric rates.

It makes no sense at all. It violates the promise that exists as a result of the construction of these facilities. And in my judgment, this Congress would do well to decide to stand on principle and not entertain any longer the idea of selling the power marketing agencies.

Mr. President, I know there will be a substantial amount of debate and discussion about this in the Energy Committee on Wednesday, and I hope that when the dust settles, we will find a way to defeat this proposal.

RESTRUCTURING THE FARM PROGRAM

Mr. DORGAN. Mr. President, let me address one other quick item as long as no one is seeking the floor. A group of us just had a press conference about an hour ago to introduce a piece of legislation that calls for restructuring the Farm Program. That is not very important to most people if you are not involved in farming or do not live in a rural county or do not live in a rural State. It may not matter to you what kind of a Farm Program this country has. But if you are a family farmer trying to raise some kids and raise a crop and keep things together and make a decent living, the question of whether this country has a Farm Program is critical to your survival.

We have two different approaches to the Farm Program these days: One embodied in the most recent budget that says, let us cut $14 billion out of the agricultural function, that says we should increase defense spending, build star wars, but we cannot afford a decent farm program; let us cut $14 billion. The President, by contrast, said, let us cut $4 billion.

Well, I accept that Agriculture should have some budget cuts and I supported budget cuts in the past for them. They have taken more than their share in the past than they should have, but more is to come. But not $14 billion, $4 billion to $4.2 billion the President suggested is in the range that makes some sense.

But what is interesting to me is that now that this budget requirement is out there, one which I do not support by the way, we are discovering that the chairs of both committees in the House and the Senate in the agricultural area cannot write a farm plan. They cannot get a consensus on a farm plan. They cannot find 10 votes in the Senate committee for a farm plan apparently, because they paint themselves in a corner with a $14 billion budget deficit reduction number in agriculture. You cannot write a decent farm plan with that.

Some say, well, we have a new approach called the freedom to farm bill. The freedom to farm bill, as my colleague, TOM HARKIN, said, is the "welcome to welfare" bill that disconnects in every single way an opportunity to have a long-term price support that is beneficial to family-size farms.

I will not apologize for a minute to anybody for believing that investing in family farmers with a safety net that makes sense is worthwhile for this country. Nobody in this Chamber ever ought to stand up and claim to be pro-family if you are not pro-family farmer. Nobody under any condition ought to talk about being pro-family unless they are willing to stand for the interests of maintaining a network of family farms in this country. That is where the nurturing and caring and sharing and the kind of development of family values in this country has always begun for 200 years and rolled across this country to our small towns and cities.

The fact is, it makes a difference in our future whether we have an inventory of agri-factories producing America's food or whether we have families out there living on the land where the yard light is on at night and sending kids to school and buying tractors in town. It makes a difference the kind of agriculture we have.

Family farm-based agriculture is critically important to this country's future. I know a group of us introduced legislation today that says you can create a better farm program and save money if you simply disconnect from the giant agri-factories and decide to focus a targeted price support on the family-size farms.

People say, "What is a family-size farm?" I do not know the answer to that. We do not have a statistical definition of a family size farm. But we do not have enough money anyway, so you try to layer in the best price support you can for the first increment of production; and the effect of that is to provide the bulk of the benefits to family-sized operations.

Now, we hope in the coming 3 or 4 weeks, in the time that is critical for the future of the new 5-year farm bill, that we can find a critical mass between Republicans and Democrats, all of whom, hopefully, will come together to get a network of family farms in this farm bill. And we hope we can do that.

There are some in this Congress who are willing to wave the white flag of surrender and say, "We give up. It cannot be done." What they do is consign rural counties in this country to economic despair and economic depression. My home county lost 20 percent of its population in the 1980's and 10 percent in the first half of the 1990's. It is shrinking like a prune. The current farm program does not work. And it is not going to help a thing by deciding to surrender and pass something called a freedom to farm act, which, as I said, is nothing more than a welcome to welfare act.

There is a better way to do this. Senator DASCHLE, myself, Senator CONRAD, Senator EXON, Senator HARKIN, and others introduced legislation today that we think puts us on the road, the right track, to deal with this country's farm problems. I hope all Members of the Senate will be able to review it and consider it as we evaluate what direction this country takes with respect to farm policy in the coming 5 years.

Mr. President, I yield the floor.

I make the point that there is not a quorum.

The PRESIDING OFFICER (Mr. ABRAHAM). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

Mr. DOLE. Mr. President, let me again remind my colleagues on both sides of the aisle, the managers of the Agriculture appropriations bill are on the floor. They have been on the floor throughout the day.

There are Members here who have amendments who, for some reason, are holding back offering those amendments. Let me repeat what I tried to indicate this morning, that if we can complete action on the six remaining appropriations bills this week and by the 30th of next week, by next Saturday, a week from this coming Saturday, we would, I think, be prepared to take the next week off, plus Columbus Day.

That is if we complete action on the appropriations. I do not mean complete the conference but complete action in the Senate Chamber so that either will be ready for conference as soon as we return.

We are trying to avoid the so-called train wreck come October 1, which I think can be avoided fairly easily.

I know some of my colleagues are around but they just have not come to the floor. It is very difficult for the managers to proceed with the bill.

If we finish this bill, this will be No. 8 out of 13. Then we will move to another appropriations bill, hopefully do three this week and three next week. But the managers of the bill cannot move unless they have the cooperation from Members.

Members sometimes are hard to move, but if you intend to offer an amendment to this bill, I would say to my colleagues on both sides of the aisle, please cooperate. We are only trying to accommodate the requests of many, many Senators the week of October 1. But we cannot accommodate those Senators unless we have the cooperation of all of our colleagues. There will be a vote sometime this afternoon, about 5:30.

Mr. COCHRAN. If the distinguished leader would yield, I can say that we are trying to reach an agreement on a vote at a time certain later this afternoon, certainly not before 5:30.

There is an indication that we could have a debate and a vote on the promotion program amendment which would be offered by the Senator from Nevada and the Senator from Arkansas, but that vote could occur as late at 8 o'clock, we are told.

We are trying to work out an agreement on what our options are. We would like to have a vote later this evening.

Mr. DOLE. Third reading would be one option. Can we go to third reading?

Mr. COCHRAN. I do not think that is appropriate since we have amendments where the yeas and nays have been ordered but we agreed that the votes will not occur until tomorrow.

We have two amendments by Senator BROWN from Colorado where the yeas and nays have already been ordered. We also have an agreement that has been entered into regarding an amendment by the Senator from California, Senator BOXER, where the vote will occur tomorrow afternoon after we have completed action on the welfare bill.

So we have made progress. Senators have cooperated. We do have outstanding amendments, and we appreciate your suggestion that those Senators who do want to offer amendments come and offer them and talk about them, and we will have a vote on one tonight and stack the rest of the votes for tomorrow.

Mr. DOLE. In addition, if they have an amendment, it may be some of the same Senators that had asked me about that first week in October. So I will keep that in mind when they come around the next time.

Mr. BUMPERS. Mr. President, in relationship to the discussion, I think Senator BOB KERREY has an amendment that is supposed to be on the floor at 5:30 to debate the amendment.

The distinguished chairman of the committee has suggested that we vote on the committee amendment, but I am also told that the committee amendment contains not only the disaster relief as proposed by the chairman, but also the provision that Senator BOXER objects to.

We could bifurcate.

Mr. COCHRAN. We would not want to vote on the one relating to the poultry issue that Senator BOXER is interested in, only that relating to the disaster assistance for cotton farmers.

Mr. BUMPERS. Frankly, I think it is important we tell people we are going to start voting sometime after 5:15, that we start voting. I am hoping we can vote either on the Kerrey amendment or the committee amendment.

Senator BOB KERREY is supposed to be on the floor at 5:30. If he is, we will work out an agreement. If he wants to vote right then, first, that is fine. It is fine with the chairman. Then we will vote on that part of the committee amendment.

Mr. COCHRAN. We do not have to vote on both of them.

Mr. BUMPERS. That is right.

Mr. DOLE. Or we could vote first and then hear the amendment.

Mr. BUMPERS. In any event, I hope we start voting here. Senator COCHRAN and I have waited patiently here all day long with not some grace, but, in any event, we have been here.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BROWN. Mr. President, I ask unanimous that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KYL). Without objection, it is so ordered.

Mr. BROWN. Mr. President, I ask unanimous consent that I be allowed to vitiate the yeas and nays on my amendment No. 2689.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 2689, AS MODIFIED

Mr. BROWN. Mr. President, I now will modify my amendment, provided the amendment has been delivered to the desk, and ask that it be considered as an amendment to the bill, not the committee amendment as previously.

The PRESIDING OFFICER. Is there objection?

Mr. FORD. Mr. President, reserving right to object, I will not object.

The PRESIDING OFFICER. The Chair will indicate that this does not require unanimous consent.

Mr. FORD. I understand the Chair. The Senator has the right to modify his amendment without asking unanimous consent. I will not object.

The amendment (No. 2689), as modified, is as follows:

At the appropriate place in the bill, insert the following:

"It is the Sense of the Senate that the current statute establishing the Tobacco Marketing Assessment, which raises revenues used solely for deficit reduction purposes and not in any manner to offset the costs of the tobacco program, should be amended to require that the current assessment be set at a level sufficient to cover the administrative costs of the tobacco program."

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. FORD. I thank the Chair.

Mr. President, let me express my appreciation to the Senator from Colorado for his working with Members this evening in order to arrive at what we think is a reasonable conclusion to his desire. I think and hope that it will reach what he is attempting to reach without having a confrontation. He has been very gentlemanly about it, and I do appreciate it. I hope that and believe that both sides will accept his amendment now and that we can move on to other amendments.

I thank the Chair. I thank the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Mr. President, I want to extend my thanks to both Senators from Kentucky; Senator FORD, who is here, and has been so helpful. I might say that the Senator was expanding on the information that I got from the Congressional Budget Office, which was not clear, that the tobacco program has people who are paid for their grading and inspection already. I think that needs a clarification, and the RECORD should clearly reflect it.

I think it is also appropriate to note the existence of a payment to reduce the deficit which has been made by the program. This amendment's clear policy is that this ought to be approved—no-cost-to-the-Government provision—that it makes it clear in drafting the new farm program, or revising the existing farm program, that both the deficit reduction effort, as well as the administrative costs, which my amendment was concerned with, ought to all be completely paid for. I think that this is very helpful in that regard.

I yield the floor, Mr. President.

The PRESIDING OFFICER. Without objection, amendment No. 2689, as modified, is agreed to.

So, the amendment (No. 2689), as modified, was agreed to.

Mr. BROWN. Mr. President, I rise to offer an amendment and ask unanimous consent to set aside the pending committee amendment so it may be offered to the underlying bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2690

(Purpose: To limit the use of funds by the Department of Agriculture to activities that do not interfere with the primacy of State water law)

Mr. BROWN. Mr. President, I send an amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Colorado [Mr. BROWN] proposes an amendment numbered 2690.

Insert at page 84, between line 2 and line 3:

SEC. 730. None of the funds available in this Act shall be used for any action, including the development or assertion of any position or recommendation by or on behalf of the Forest Service, that directly or indirectly results in the loss of or restriction on the diversion and use of water from existing water supply facilities located on National Forest lands by the owners of such facilities, or result in a material increase in the cost of such yield to the owners of the water supply; *Provided:* nothing in this section shall preclude a mutual agreement between any agency of the Department of Agriculture and a state or local governmental entity or private entity or individual.

Mr. BROWN. Mr. President, this amendment has been improved by the helpful suggestions of the Senator from Arkansas.

What it is meant to do is address a rather unusual occurrence that happened several years ago; that is, water supplies, drinking water being delivered from reservoirs in the mountains of Colorado, being delivered to the cities on the plains which crossed Federal ground.

The Forest Service at one point had suggested that literally the cities would have to forfeit a third, a half, a tenth, some portion of their water to be allowed to get a renewal of the existing permit to cross Federal ground. This was ironic because some of those permits predated the existence of the Forest Service itself.

This approach was taken by the Forest Service, localized in Colorado, and not, at least at that point, in other States, thankfully, by other departments of the Federal Government. You can imagine this would cause enormous chaos. There is a law and body of case law that relates to this and recognizes States rights in this area.

Let me emphasize, Mr. President, this phenomenon occurred where there was no change whatsoever anticipated in the use of the water or the means of transiting the Federal ground at all. All of us understand that there are important laws on the books that grant broad authority and grant new permits to either use or cross Federal ground. But this phenomenon had occurred at a point where they were talking about simply renewing an existing permit with no change whatsoever. The policy literally called into question then the water rights throughout almost all of the State.

As a matter of fact, if followed in other States, it could have endangered not only water rights throughout the entire West but property rights for States and citizens and municipalities throughout the entire Nation because, of course, once one is allowed to extract or extort concessions based on renewal of an existing permit without any changes, almost every city in the Nation has some vulnerability.

This, I think, makes the policy clear that that kind of extortion will not take place.

I want to thank both the Senator from Mississippi and the Senator from Arkansas for their help in crafting this limitation.

Mr. COCHRAN. Mr. President, I congratulate the distinguished Senator from Colorado for his amendment and for his successful negotiation of the amendment with the administration. We are happy to recommend the approval of the amendment and hope the Senate will support it.

Mr. BUMPERS. Mr. President, let me just echo the words of the distinguished Senator from Mississippi. The Senator from Colorado and several communities in Colorado have a very difficult problem in renewing easements and rights-of-way on municipal water supplies which cross Federal lands. Those are up for renewal.

I happen to come down very strongly on the human needs side when issues like this arise. It is not that there are not other problems that can and should be addressed in order to accommodate the future of those lines for the benefit of both parties, and that is the reason I personally favor and the administration favors the provision in this amendment that as long as both parties voluntarily agree to changes which are beneficial to both, that is fine. But frankly, the Federal Government and Forest Service should not have the right to be arbitrary or capricious in renewing these rights-of-way which are critical to the very existence of some of these communities.

The Senator from Colorado has my gratitude for offering it, and I am happy that we were able to work out this language. We have no objection to the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2690) was agreed to.

Mr. BROWN. Mr. President, I move to reconsider the vote.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRESSLER. Mr. President, I ask unanimous consent to speak for 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRESSLER. Thank you, Mr. President.

MISLEADING ADS TO SENIOR CITIZENS

Mr. PRESSLER. Mr. President, there have been a number of ads run on television and newspapers regarding senior citizens programs in my State of South Dakota and, I understand, around the country. These ads are very misleading. They wrongly allege if current plans by the majority in Congress are carried out, certain people will not be able to get care for Alzheimer's disease or nursing care or medical treatment. These are scare tactics.

In my own case, I have taken great interest in senior citizens. In fact, my father, unfortunately, died of Alzheimer's disease. I have an Alzheimer's foundation. I am active on the board of the Alzheimer's association nationally and in my State. I have been a champion of senior citizens. I am very concerned about their welfare. That is why I was concerned greatly when Medicare's trustees—a majority being members of President Clinton's own cabinet—declared earlier this year that Medicare would go bankrupt unless we do something about it—we who hold responsibility.

A general plan to protect and preserve Medicare has been put forth by those courageous enough to be involved with it. I serve as a member of the Finance Committee, and I have been a part of the development of this plan. Our plan would not cut Medicare, but would slow its rate of increase from about 10 percent a year, which is well above inflation, to about what President Clinton once called for 2 years ago, about 6 percent, twice the inflation rate.

Now, Mr. President, it seems strange to me that all these baseless ads imply—and they list me by name in my State—that Senators who are trying to save Medicare are somehow forgetting senior citizens and people with Alzheimer's disease. I resent that deeply. As one who had a father die of Alzheimer's disease, I will not take a back seat to anyone regarding the care of senior citizens. I also do not intend to sit idly by and let Medicare go bankrupt. Nor will I allow our fiscal house be dismantled in order to protect well-intentioned, but wasteful or inefficient Government programs. We cannot go around promising everybody everything.

We have a huge deficit that threatens our children's future. We also have a Medicare system its trustees' have predicted will go broke if we do not do something about it. We can save Medicare by reforming Medicare. We can save Medicare by finding greater efficiencies, and eliminating waste, fraud and abuse. It means we have to use new telecommunication methods and other medical technologies to lower costs. It means we have to encourage greater choice in the kinds of medical services available to seniors, which would also lower costs. We can do all these things and more without cutting Medicare, but by slowing its growth rate in order for Medicare to be there for seniors well into the next century. And that is very appropriate.

Now, we should take a look at who is running these ads, at least in my State and maybe around the country. Who is disseminating this false information?

First of all, one of the sets of ads is being funded by the American Federation of State, County and Municipal Employees. Of course, one wouldn't know that by listening or reading the ads, because the ads are being run under a different name, the so-called Save America's Families Coalition. Another is run by the so-called American Health Care Association. I think that there should be truth in advertising here. Who are really behind these ads and what is their agenda?

Let me say that I know there are many sides to American politics. However, more and more, ads are being run on television and the radio and in the newspapers by front groups that try to hide the true source. It is hard to know by the disclaimer exactly who is behind these ads.

And so, Mr. President, I would say as one who comes from a family who has seen the tragedy of Alzheimer's disease firsthand that I am very, very concerned. I am concerned about our Nation's seniors. I have fought for our seniors from the very first day I took office as a U.S. Congressman. And I will continue to fight for them as a member of the Senate Finance Committee. My resolve is stronger than ever. Our first priority for seniors is simple: to preserve and protect Medicare. I have just come from a meeting working on a comprehensive plan to save Medicare. I would hope that instead of running Medi-"scare" ads, these liberal special interest groups would offer real solutions to what President Clinton and every Member of Congress believes is a very severe problem. I would like to see their ideas, their plans specifically.

All of us will have to stand on the Senate floor soon and vote up or down on these issues within the next few weeks. At that time, our views and our votes will be known. Before that occurs, I hope all those behind the current ad campaigns will step forward and join in a constructive effort to save Medicare. This issue is too important for our seniors, and they deserve a constructive dialog and debate.

Mr. President, I yield back the balance of my time.

I suggest the absence of a quorum.

Mr. FORD. Mr. President, would the Senator from South Dakota withhold that motion?

Mr. PRESSLER. Yes I will.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. FORD. I ask unanimous consent that I might proceed as in morning business for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

HEALTH CARE

Mr. FORD. Mr. President, I understand where my friend from South Dakota comes from. But there is part A and part B under Medicare. Part A, we talk about the trustees and their reports. They gave us two reports. One is a $136 billion surplus today in part A; but in 7 years it will be down to minus $6 billion. Under part B, there is $17 billion in surplus today; and 7 years from now it will be $25 billion in surplus.

The President has put out that he would want $89 billion in part A to make Medicare solvent for 10 years, and he has asked for a little bit more to make Medicare solvent. We agree with the problems of solvency. The President has three members on the board of trustees, or the commission, that reports to all of us annually. And so we have given a proposal. We do not want to take $270 billion out over 7 years. We do not want to cut another $240 billion out of Medicaid.

So when you look at that, the reduction in the budget comes out of health care—comes out of health care. And something, in my opinion, has to be wrong when we are looking at children to be hurt, we are looking at the elderly to be hurt. And yet the headline in the Nashville Tennessean is, "The GOP Plan Has Coddled the Rich and Socked It to the Poor." That is big 2-inch headlines across the banner of that newspaper.

So when you say we have not given a program, it is out there. It is out there. And we are not scaring our old folks. We are trying to protect them. So, a little bit—a little bit is a whole lot better than trying to reach a tax cut. $240 billion is a figure we all want to remember—$245 billion. That is a tax cut. When you cut the expenditure of Government to balance the budget, that is one thing. And we are all for that. I am for it. But then you say you want to give a tax cut, that means you have got to cut more.

So the problem now is not balancing the budget; the problem now is $245 billion that will be a tax cut. If we can get around to not using that or not giving it to the ultrarich, I think the balanced budget and the programs would go through very smoothly.

There is no big argument about making Medicare solvent, no argument at all, but it is giving a $245 billion tax cut to the most wealthy in this country while you take a big hunk out of Medicaid.

And I see the Alzheimer's patients under Medicaid, I see the Alzheimer's patients under Medicare. There are a lot of people in this Chamber that probably can use Medicare. I am of that age, others of that age. But the problem results in a $245 billion tax cut. If we did not have that, we would not have the problem. The ads would not be running. We would already have the appropriations bills out. We would be waiting for the conference to come back. We probably could meet our deadline of October 1 for the budget.

I understand my time is probably up, and I thank the Chair for his friendly greetings.

I yield the floor. I suggest the absence of a quorum, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

Mr. CHAFEE. Mr. President, I want to take this opportunity to thank the managers of the bill for the increase that they have given to the WIC Program. I think the WIC Program is an outstanding program, and I think it is worthwhile. Its value has been evidenced by the fact that the distinguished managers of the bill have given it a very nice increase for the upcoming year.

So I want to thank the senior Senator from Mississippi and the senior Senator from Arkansas for the additions to the WIC Program which they provided in this legislation.

Mr. President, I suggest the absence of a quorum.

Mr. COCHRAN. Mr. President, will the distinguished Senator please withhold?

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, let me just thank the Senator from Rhode Island for his generous comments and his support for the provisions of the bill which he described. It is very difficult in this time of diminishing access to funds under our allocation and budget resolution to keep this caseload up to the existing level. It has been done with the full cooperation of the other members of the subcommittee.

We recognize that it is an important program. It is a program that saves money, I think, in terms of health care costs and learning deficiencies that would occur were it not for the proper nutrition at these ages.

So I appreciate very much the Senator noticing the hard work that was put in on this subject.

Mr. CHAFEE. Mr. President, what the WIC Program is, for those who do not know, it is a nutrition program, as the distinguished senior Senator from Mississippi said, a nutrition program for women, infants, and children.

Furthermore, invariably, at least in my State, it takes place in a setting where you might say it is one-stop shopping, where a mother can come and her infant child will be cared for and, in addition, can get some nutrition advice from experts.

As the distinguished Senator from Mississippi said, this is really proven out to be a money saver in the long run. If we can keep these infants healthy and get them off to a good start, savings to the Nation in the form of medical care are very, very significant in the long run.

So I am happy this was able to be worked out the way it was.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. COCHRAN. Mr. President, we were successful in getting Senators to cooperate in identifying the amendments that remain to be offered to this bill. We are prepared now to seek unanimous consent to limit the amendments on the bill to those which we will read. These have been cleared on both sides of the aisle.

I now ask unanimous consent that the following amendments be the only remaining amendments in order to H.R. 1976, other than the pending amendments; that they be offered in the first or second-degree; if a committee amendment still remains to be amended, any first-degree amendment be subject to relevant second degrees:

A Stevens budget for Assistant Secretary of Natural Resources amendment; a managers' package; two Cochran relevant amendments; a McCain funding for travel colleges; Domenici on scoring; Abraham on advisory committees; Senator BINGAMAN requiring USDA energy savings initiatives; Senators BOXER and FEINSTEIN on chickens, fresh and frozen regulations; Senator BRADLEY, two relevant amendments; Senator BRYAN, one to eliminate the Market Promotion Program and three relevant amendments; Senator BUMPERS, two relevant amendments; Senator BYRD, relevant amendment; Senator CONRAD, an amendment to establish a United States-Canadian review on water in North Dakota, ARS potato research laboratory and a relevant amendment; Senator DASCHLE, two relevant amendments; Senator DODD, two relevant amendments; Senator DORGAN, a United States-Canadian study on Devil's Lake; Senator FEINGOLD, a rural development amendment and one on research grants; Senator HARKIN, food stamps amendment; Senator KERREY, cotton disaster assistance funds amendment; Senator KERRY of Massachusetts, prohibit Market Promotion Program, mink export amendment, and a relevant amendment; Senator KOHL, two relevant amendments plus an amendment on rural development grants; Senator LAUTENBERG, two relevant amendments; Senator LEAHY, an amendment to restore livestock feed assistance and an alternative development amendment; Senator LEVIN, Michigan special research grant amendment and a relevant amendment; Senator REID, sugar program amendment and two relevant amendments.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I have just been advised that Senator FORD would like to be added as having one relevant amendment. Otherwise, we have no objection to the list as read by the chairman.

Mr. COCHRAN. Mr. President, I ask that my UC be amended, as pointed out by the Senator from Arkansas, and to add a Gorton relevant amendment, plus a Gregg relevant amendment and, as modified, I so ask unanimous consent.

The PRESIDING OFFICER. Is there objection to the unanimous consent agreement, as modified? Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I thank the distinguished manager on the part of the minority for his cooperation and all Senators for cooperating to identify these amendments.

Let me say now that if we called for the regular order, which I am prepared to do, as I understand it, the amendment of the Senator from Nebraska, Senator KERREY, which was offered earlier in the day by Senator DASCHLE on his behalf, would be the pending business. Parliamentary inquiry. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. BUMPERS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending amendment is No. 2688 offered by the Senator from Colorado to the committee amendment.

Mr. BUMPERS. That is the amendment on the peanut subsidy?

The PRESIDING OFFICER. That is correct.

Mr. BUMPERS. Just to refresh my own understanding of this, what was the question and answer of the distinguished Senator from Mississippi as to what the regular order was?

The PRESIDING OFFICER. Amendment No. 2686, the amendment offered by the Democratic leader on behalf of the Senator from Nebraska.

Mr. COCHRAN. I call for the regular order.

AMENDMENT NO. 2686

The PRESIDING OFFICER. Amendment No. 2686 is the pending question.

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

Mr. COCHRAN. I have not yielded the floor. Do I have the floor?

The PRESIDING OFFICER. Yes.

Mr. COCHRAN. Mr. President, the purpose of coming to this amendment in the regular order is that this amendment was the first offered today by the distinguished Democratic leader on behalf of the Senator from Nebraska and the Senator from Wisconsin, with the understanding that it would be taken up later in the day. It is later in the day. We have told Senators that we would not have a vote on this bill until 5:30. We now have reached that point and beyond. I have spoken against the Kerrey amendment, and for the committee amendment, which is the subject of the Kerrey amendment.

The Kerrey amendment seeks to strike the committee amendment which contains funds—$41 million—for disaster assistance for cotton producers, which have been hard hit this year by a massive infestation of beet army worms, tobacco budworms, and unusually dry weather, which has exacerbated a very difficult situation throughout the South and Southwest.

I notice that the Senator from Nebraska has come to the floor now to speak to the amendment. I am prepared to yield the floor and permit whatever time he may need to discuss his amendment. I hope that we can then vote on his amendment, or a motion to table his amendment. I am prepared to move to table his amendment and ask for the yeas and nays, but I am not going to do that if he wants to speak to that amendment now.

Before I yield for that purpose, I wonder if we can agree on a time certain, for the benefit of all Senators, on a motion to table the Kerrey amendment.

I am hopeful that the Senator could agree to take no more than 10 or 15 minutes. I think I spoke for about 10 minutes. Most Senators know what this is all about. If additional time is needed, I am happy to consider that, along with the interests of other Senators. I know Senators have made plans for other activities tonight. They thought they were going to vote at 5:30. I wonder if the Senator can tell us what his needs would be in terms of time to debate this amendment. I will be happy to yield to the Senator to respond, without losing my right to the floor.

Mr. KERREY. Mr. President, I say to the distinguished Senator from Mississippi, there are others who have told me they want to speak. I just arrived here. I am not sure how many others have actually come to speak in favor of this amendment. I personally can get by easily with 10 or 15 minutes. I wonder if the Senator would mind making it 30 minutes, and I will be prepared to yield it back if nobody else shows up. It may be necessary at this point, since some Members have been waiting and know what time the vote was going to be scheduled, to give them time to get here. As far as the amount of time I require personally to speak on this amendment, 10 or 15 minutes would be all I would need.

Mr. COCHRAN. I thank the Senator. Let me see if this is suitable to Senators.

I ask unanimous consent that we vote on or in relation to the Kerrey amendment at 6:30.

The PRESIDING OFFICER. Is there objection to that unanimous-consent request?

Is the time to be divided in the usual fashion? Does the Senator wish to specify a division of time?

Mr. COCHRAN. Under the usual form, and that no other amendment would be in order to the amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. KERREY. Mr. President, this is a fairly straightforward amendment. I must say I offer it with some reluctance. The distinguished Senator from Mississippi and the distinguished ranking member from Arkansas have done an excellent job with the agriculture appropriations bill and in staying open to suggestions and staying open to preferences of individual Members.

However, this $41 million appropriation for cotton really does put us on a slippery slope, Mr. President. Last year, when we set in motion the enhanced crop insurance program, the promise was that crop insurance was to be to replace ad hoc disaster programs. That was the promise. If we begin today, less than a year later from putting that program into place, saying, well, here is a case we can make, there is no question—and I do not argue with the distinguished Senator from Mississippi that the disaster and tragedy affecting cotton producers is meritorious. However, we said that instead of ad hoc disaster, we were going to do crop insurance.

It seems to me, Mr. President, that if we begin with cotton, there will be amendments offered to do soybeans or corn or rice, or all sorts of things. We will get appeals, one after another. And those of us who have heard those appeals thus far have been able to say, no, I would like to go to the floor and offer an amendment on your behalf, I understand the disaster is serious; however, we are using crop insurance.

We need to improve that program. It is not perfect. We nonetheless need to work with that program, rather than, at least for people like me, breaking a promise to taxpayers that we would not have both an ad hoc disaster payment and crop insurance.

The details of the reallocation, Mr. President, are as follows: $35 million of the $41 million would go into a rural community advancement program, which includes grants and loans for water and sewer improvements, rental housing, and other important rural development programs. The Senator from Arkansas and the Senator from Mississippi have both spoken eloquently on the rather severe cuts we have in rural development in this bill. It is unavoidable. We can avoid a piece of that by enacting this amendment.

Second, $4.5 million goes into the rural development loan fund intermediary lending program—an extremely successful program, one that has bipartisan support, Mr. President—that promotes rural economic development by making investment capital available, via a locally based nonprofit intermediary, to rural businesses that typically cannot obtain financing from conventional sources.

Lastly, $1.5 million goes into rural technology and cooperative development grant programs, which provide funding to public bodies and nonprofit organizations to establish rural technology and cooperative developing networks nationwide to help improve economic conditions in rural America.

Again, the amendment rests upon a belief that we should either do crop insurance or ad hoc disaster. Again, I do not challenge the meritorious nature of the cotton disaster. But I do believe, Mr. President, that it would be a terrible mistake for us to move away from crop insurance, back into this sort of dual thing where we say, well, if crop insurance does not work, we will do ad hoc disaster on top of that, and the next thing you know, taxpayers are paying for both. Next will be blueberries and potatoes and everything else that comes in. They will say, "I see that in 1995 you took care of cotton; can you take care of us as well?"

I hope colleagues understand that I do not offer this amendment as a consequence of radical disagreement or objection to what the chairman and ranking member are doing. They have done an exceptional job of putting this bill together. I offer it as a consequence of believing very strongly that our policy ought to continue with crop insurance. If it is demonstrable that crop insurance does not work—and there are many problems still with that—and it is demonstrable that it does not work, we should abandon the crop insurance program and go back to year in and year out politically deciding in Congress how it is that we are going to allocate resources for the disaster program.

Mr. President, that concludes my stirring remarks on this particular amendment. I told the Senator from Mississippi I was going to take 10 or 15 minutes. I have not done that.

MEDICARE

Mr. KERREY. Mr. President, I will test the patience of the Senator from Mississippi by talking on a subject that is very much related to this and that is the proposal that was made last Friday on Medicare by the Republican leadership in the House of Representatives.

I read over the weekend the details that were available—not all details were available. I make the comments because I know on our side in the Senate Finance Committee they are deliberating, as well, trying to discover how to come up with $270 billion.

Allow me to say two things about this. One, there are many on this side, many Democrats on this side, that would rush immediately to embrace a proposal to eliminate the deficit by the year 2002 if we could eliminate the enthusiasm for a tax cut that still is on the table.

I understand that enthusiasm is there. I did not hear an awful lot of people in the Senate, at least when they were campaigning for reelection, campaign on a promise to put those portions of the Contract With America in our budget reconciliation.

The choice is not between bigger Government and smaller Government. We would still have a balanced budget by the year 2002, all with cuts in spending. We would still have a proposal that would not have any tax increases in it.

I think we could take an awful lot and we could get a bipartisan agreement and still have a very tough budget reconciliation if that were acceptable to my colleagues on the Republican side.

Much more difficult, and it gets difficult on this side, is that we have in place, Mr. President, with our entitlement programs, growth in those programs that continue to erode our entire budget.

Imagine a business out there that has $1,000 or $100,000 or $1 million or $10 million or $100 million worth of sales with 67 percent of their sales being eaten up in costs related to mandated spending. That is, noncontrollable spending.

In this case, most of the retirement and health care. Imagine, 67 percent. Their capacity to invest in equipment, their capacity to invest in employees, their capacity to invest in things that maintain their base of sales is substantially reduced as a result.

The same is true with the Federal Government. It would be bad enough, Mr. President, if we had 67 percent and it stayed there. Under both the President's proposal and the Republican budget resolution that percentage continues to grow so that in the year 2000 it is 75 percent, not 67 percent.

Mr. President, that is 8 percentage points, approximately, additional growth in entitlements. On this year's spending that is nearly $140 billion of additional money of our budget that is going to entitlement spending.

I know the Senator from Mississippi understands this. If we had $400 billion which is what 25 percent would be, if we had 25 percent of our budget allocated this year for defense and nondefense appropriations, we would have $400 billion, Mr. President.

Our most dovish liberal member would probably spend $250 billion on defense, leaving $150 billion for nondefense spending.

Mr. President, as I look at the Republican Medicare Preservation Act—whatever they call it; something to that effect—of 1995, they say the proposal preserves Medicare in the future. It does not. All it does is it picks as the problem the year 2002 but it does not alert Americans to the enormous demographic problem of baby boomers that come online and begin to retire in the year 2008.

Mr. President, unless we take a longer view, we do not see the appropriated accounts begin to dip even lower than 25 percent, eventually becoming zero, unless we take action.

There are two things that put pressure on the appropriations accounts that requires us to cut back in agriculture this year, as well as all other of our 13 appropriations bills. One is a tax cut that is insisted upon by the Republican majority.

I do not believe—I am not sure even the majority is that enthusiastic on the Republican side. Bigger than that, Mr. President, by my calculation, is a factor of four—four times larger than that problem—is the problem of growth of entitlements.

We Democrats will have to say to Republicans—indeed the proposal put out last Friday instead of saying it does too much, the biggest deficiency that I find with the proposal, Mr. President, is it does not do enough. My criticism of it, it is not big enough. It does not really fix the problem.

I stand here as one Democrat who is concerned about what we are doing to these appropriated accounts. I see many areas where Republicans and Democrats, whether it is rural development or transportation or education, could agree that we are not spending enough, that we are decreasing our productive capacity in the future and denying ourself higher standards of living and more economic growth.

As a result, where we have agreement we are simply unable to come up with the resources, first, because of a tax cut that is still in here; but a far larger looming problem is the growth of entitlements.

I see that the cosponsor of this bill, Senator KOHL, of Wisconsin, is on the floor. I yield the floor.

Mr. KOHL. I thank my colleague from Nebraska.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with consideration of the bill.

AMENDMENT NO. 2686

Mr. KOHL. Mr. President, I rise today to join the Senator from Nebraska in offering an amendment to increase funding for critically important rural development programs, offset by the elimination of the ad hoc cotton disaster provision included in this bill.

The cuts required in this year's Agriculture appropriations bill are very difficult. Both the chairman and the ranking member of the Agriculture Appropriations Subcommittee have done an admirable job with this bill under very difficult budgetary circumstances.

However, there is one major provision in this bill to which I must object, and that is the $41 million ad hoc cotton disaster provision. I find this provision inappropriate for two reasons:

First, the cotton disaster provision is inappropriate in light of the Federal Crop Insurance Reform Act just passed last year. With great fanfare, Congress passed crop insurance reform legislation to require farmers participating in USDA programs to buy federally subsidized crop insurance, to better prepare for unexpected crop losses. We all hailed the passage of this legislation as being the end to ad hoc crop disaster payments, representing a new era of fiscal responsibility.

Despite the near unanimity of our decision to end ad hoc disaster payments, we stand here today debating whether or not to provide ad hoc disaster payments. We made a promise to the U.S. taxpayer last year, and I think we should keep it.

The second reason that I find this disaster provision inappropriate is because of the painful cuts required elsewhere in the bill. At a time when core rural development programs are being cut by nearly 30 percent from last year's level, providing $41 million in unauthorized disaster payments becomes even that much harder to accept.

Mr. President, the choice we make regarding this amendment goes far beyond any specific crop loss for any specific commodity in any specific year. If we decide to allow this ad hoc disaster provision to remain in the bill, it will set a very bad precedent for crop insurance reform in general in the future.

If this provision becomes law, each of us will feel compelled to push for ad hoc disaster assistance payments for crop losses every time our farmers have losses. And our short-lived experiment in fiscal responsibility will have failed.

But we can choose the alternate course, and reject this provision and thereby keep the promise that we made to the taxpayers last year to end ad hoc disaster payments for crop losses.

So I urge my colleagues to choose the latter course, and support this amendment.

Mr. COCHRAN. Mr. President, how much time remains under the agreement?

The PRESIDING OFFICER. Under the agreement, the Senator from Mississippi has 17 minutes, and the Senator from Nebraska has 3 minutes.

Mr. COCHRAN. Mr. President, I yield myself such time as I may consume.

I am hopeful that Senators will look at the language of the committee amendment and recognize that we are not creating, by law, a new disaster assistance program. We are giving authority, however, to the Secretary of Agriculture to use his discretion, and if he feels that supplemental disaster assistance is justified under the circumstances, he has access to these funds to make such assistance available to cotton crop producers who are victims of one of the most devastating disasters that we have witnessed in the Deep South.

This is a disaster that has come upon us very quickly, without any warning. A lot of cotton farmers, as a matter of fact, had understood that the level of catastrophic crop insurance assistance would be about the same that usual disaster programs provide under circumstances that have become familiar to those in farming: weather-related disasters, floods, storms of various kinds. But, normally, weather-related disasters have triggered the availability of some kind of disaster assistance from the Federal Government.

Relying upon that assurance, when the Secretary of Agriculture and this administration promoted this program and encouraged farmers to embrace the new crop insurance program—they were told that they would automatically be covered if they participated in the commodity programs—cotton producers, who were signed up for the program, about 90 percent of them nationwide, almost 100 percent of them in this region, thought that in case of a natural disaster they would have some predictable level of coverage.

But, as it has turned out, the coverage that is being made available is substantially less than that which had been provided under disasters that had been experienced in the past. What makes this disaster different is that farmers, upon seeing the prospective devastation in their crops, began adding more pesticides, getting clearance through the EPA for emergency clearance of new kinds of insecticides to try to cope with this menace. And even with the expenditures of huge sums of money, in some instances, it did not work and cotton crops were devastated. Many of those who suffered from this disaster will not be able to gin a single bale of cotton. There are many who have suffered huge yield losses.

As the insertions that I had printed in the RECORD earlier in the day will clearly show, in our State it is estimated there will be over $100 million in damages and losses. These are real losses to real people who have invested time, effort, and, over long periods of time, developed businesses and farms that now may be lost as a result of this infestation and the lack of response from our Government.

It is my hope we will not just stand by and let this amendment be adopted and transfer these funds to other portions of this bill. I am hopeful the Congress will respond to this situation and give the Secretary the authority to do something for them. It does not say he has to, but it says if he feels it is justified, if the facts justify it, if the severity of the loss justifies it, if there is merit to the suggestion that the Government has a duty to respond to people in dire situations who cannot help themselves, the Secretary has the authority to do it. That is all this provision says.

So, it disappoints me greatly that we are being asked to turn our backs on farmers who traditionally have been able to look to Congress as sort of the last court of appeal when they are in desperate straits. And they are. Many are—not all, but many are. Those who are need to have an opportunity to have their cases heard at the Department of Agriculture for additional and supplemental benefits under the crop insurance program.

I am hopeful the Senate will agree to provide this opportunity for additional assistance. I do not know how far these funds will go. Mr. President, $41 million sounds like a lot of money, but if you look at all the States that are involved and all the acreage that is involved, this report we got from the extension service and the Department of Agriculture indicates the losses were substantial in our State and Texas, Alabama, Tennessee, Arkansas, Georgia, and there were some losses in North Carolina and South Carolina as well—but in our State, 160,000 acres have been either abandoned or have seriously reduced yields. In Texas, it is 500,000 acres; Alabama, 400,000; Georgia, 300,000. These are huge amounts of land, where either no cotton is going to be harvested this year or very little will be harvested.

So I am saying that this is an unusual circumstance. Not only are the losses being suffered, but huge expenditures have been made by many of these farmers to try to protect themselves in this situation. So it has doubled the loss. Not only did they incur losses because they will not get any return at all, they have expended more money trying to save the crop that they had, that was well underway, that looked good, was going to produce a good crop up until just a few weeks ago.

So I am suggesting that we look with a sympathetic heart upon the situation that we find ourselves in today and approve this committee's recommendation that these funds be made available if the Secretary thinks they can be used and that it is justified. And I hope he will find it is justified.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. KERREY. Mr. President, I have two arguments in response to the distinguished Senator from Mississippi.

One, if we authorize the Secretary of Agriculture to provide disaster assistance for cotton, any Members who vote no on this amendment are going to find themselves at some point faced with another crop with a comparable disaster, saying, "Can you do what you did for cotton last year?" That is what is going to happen. There is no question in my mind. It has already happened to me. People have come to me. Just like the Senator said, people misunderstood what the catastrophic program was. They have come to me and said, "We thought this thing covered more. We did not look at the fine print. They told us it was something different, and now I have a disaster. Can you provide ad hoc disaster relief on top of the crop insurance we expected to be there?"

My answer has been, "No, we have to work with crop insurance or let us get rid of it. If you do not like the crop insurance program and you want to go to Congress year in and year out when there are disasters and try to get money appropriated, let us do that. Let us just assume the program will not work." I think it can work, if the administration will appoint a corporate board of directors.

Second, as to this catastrophic coverage, part of the problem here is that there are Government employees who attempted—in our judgment, too quickly—to assume responsibility that they knew what this bill was about and could inform people.

The law is very clear. It is not like this thing is ambiguous. For former ASCS employees, who were describing what this program was, to misunderstand this one, it requires a pretty substantial stretch of the imagination to figure out how they did. Because it says right in the bill that catastrophic coverage is only going to cover 50 percent loss in yield on an individual yield or area yield basis, indemnified at 60 percent of the expected market price.

So the coverage was never intended to provide full coverage against disasters. It was always intended as a floor and that the individual who was out there trying to make a judgment should have to buy up. We have subsidized insurance available. They could pay more and buy up and get more coverage. The misunderstanding is in part a consequence of our wanting to maintain a system where the Government itself is operating the insurance program.

So I hope, for reasons cited, Members will look very carefully at this. It is a difficult amendment because the distinguished Senator from Mississippi is very persuasive and very well liked and has put together an awfully good piece of legislation. But I promise Members they will find, if they vote no on this amendment, that they will have a difficult time voting no in the future.

Mr. KOHL. Mr. President, I offer a brief comment. We might as well be voting up or down on this amendment. I think it is a mistake to say, "Let us leave it up to the Secretary of Agriculture."

If you leave it up to him, he is going to do it. He is going to do it because that is the way things work. He has to live every day with the distinguished head of the subcommittee, Senator COCHRAN. He has to deal with him on many matters all the time. He is not going to let this interfere. I am not being critical of him or Senator COCHRAN. It is just the way things work. So this decision to leave it up to him, we might as well say let us vote it because that is the way it will work.

So I think we ought not to misunderstand what the nature of this amendment is and the nature of what Senator COCHRAN is requesting. It is really should we or should we not authorize the payment of $41 million? Because that is exactly the way it will work. Of course, Senator KERREY and I are suggesting it is an inappropriate thing to do.

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 10 minutes.

Mr. COCHRAN. I am prepared to yield back the remaining time.

I yield back the remainder of my time.

I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Does the Senator seek to have the vote at this time rather than at 6:30?

Mr. COCHRAN. I am prepared to vote. I think everybody is. I ask unanimous consent that we proceed with the vote.

The PRESIDING OFFICER. Is there objection?

Mr. KERREY. Reserving the right to object, I want to make sure, since we notified Members earlier that it was 6:30. I do not want to have somebody get tied up in traffic. It is pretty lousy traffic out there. I would hate to notify everybody that it will be at 6:30, and then to yield 10 minutes. It seems like that may be a problem.

Mr. COCHRAN. Mr. President, we all understand that, if you do not use the time and yield it back, the vote could occur earlier.

Mr. KERREY. Mr. President, unless there is some personal information that somebody is going to have trouble getting here, I am not prepared to object.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi to lay on the table the amendment of the Senator from Nebraska. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from New York [Mr. D'AMATO], the Senator from New Mexico [Mr. DOMENICI], the Senator from North Carolina [Mr. FAIRCLOTH], the Senator from Texas [Mr. GRAMM], and the Senator from Pennsylvania [Mr. SPECTER] are necessarily absent.

Mr. FORD. I announce that the Senator from South Dakota [Mr.

DASCHLE], the Senator from Nebraska [Mr. EXON], the Senator from California [Ms. FEINSTEIN], the Senator from Maryland [Ms. MIKULSKI], and the Senator from Maryland [Mr. SARBANES] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 37, nays 53, as follows:

[Rollcall Vote No. 439 Leg.]

YEAS—37

Abraham
Akaka
Ashcroft
Bennett
Bond
Breaux
Brown
Bumpers
Burns
Campbell
Chafee
Cochran
Coverdell
DeWine
Frist
Gorton
Hatch
Heflin
Helms
Hutchison
Inhofe
Inouye
Johnston
Kyl
Lott
Mack
McCain
McConnell
Moynihan
Murkowski
Nunn
Pryor
Shelby
Simpson
Stevens
Thurmond
Warner

NAYS—53

Baucus
Biden
Bingaman
Boxer
Bradley
Bryan
Byrd
Coats
Cohen
Conrad
Craig
Dodd
Dole
Dorgan
Feingold
Ford
Glenn
Graham
Grams
Grassley
Gregg
Harkin
Hatfield
Hollings
Jeffords
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lugar
Moseley-Braun
Murray
Nickles
Packwood
Pell
Pressler
Reid
Robb
Rockefeller
Roth
Santorum
Simon
Smith
Snowe
Thomas
Thompson
Wellstone

NOT VOTING—10

D'Amato
Daschle
Domenici
Exon
Faircloth
Feinstein
Gramm
Mikulski
Sarbanes
Specter

So, the motion to lay on the table, the amendment (No. 2686) was rejected.

Mr. BUMPERS. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment.

The amendment (No. 2686) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, the majority leader has authorized me to announce that this was the last vote today. We do have a number of other amendments, though, under the agreement which we could consider and discuss tonight, and if recorded votes are required, we could have those votes occur tomorrow. We already have under an agreement an amendment on poultry regulations that is set for a time certain tomorrow under the agreement.

There is an amendment offered by the Senator from Colorado, Senator BROWN, on the peanut program that has the yeas and nays ordered, which will occur tomorrow. Other amendments are identified in this agreement which we could take up this evening and dispose of, some of them on voice vote maybe.

We are prepared to consider all the amendments tonight if Senators will be here to offer them. So I encourage those who do have amendments to present them, offer them, let us discuss them and dispose of them, if we can. If rollcall votes are required, we will have those votes tomorrow.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, I have been told that Senator BRYAN will be here within a minute or two to offer an amendment on the Market Promotion Program. It is an amendment he will offer on behalf of both of us.

I ask unanimous consent that, since he is on his way and prepared to offer the amendment, his amendment be the next amendment in order.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum. I withhold that, Mr. President.

Mr. STEVENS. Mr. President, I would like to engage my good friend, the senior Senator from Mississippi, in a colloquy concerning potato production in Alaska.

Potatoes are one of the very few cash crops that can be grown successfully in Alaska because of the short growing season and cool weather. Because of the extreme climatic conditions in my State, most potato cultivars produced in the lower 48 States are not successful in Alaska. While the potatoes grow, they do not produce tubers for production in future years. However, the Canadians have experimented with some new varieties and have enjoyed tremendous results. Unfortunately, the Department's potato research program has not focused on the unique needs in extreme Arctic climates like Alaska.

The Alaska Department of Agriculture has proposed a plan to use its clean environment for breeding these Canadian potato tubers for use in Alaska as well as West Virginia, New York, Colorado, and Maine. A clean breeding environment is required to prevent disease, but the Department already has a facility which can be used. Approximately $120,000 would be required to cover additional operational expenses.

The State of Alaska's facility is the only State-operated plant materials center in the United States, and will be the only potato cultivar center in North America when the British Columbia facility closes down its operation. The Alaska Materials Center successfully handles 120 northern climate varieties of potatoes, and has been virus free for its entire 10 years of operations. This center has the potential to provide disease-free stock for the other 400 varieties of potatoes grown in North America.

The Senate Agriculture Appropriations Subcommittee provided $707 million for the Agriculture Research Service including a number of increases to address specific agricultural issues. The Senate report includes specific language directing the Agriculture Research Service to work with the National Potato Council to address disease problems in the lower 48 States.

Since the Agriculture Research Service is already engaged in potato research, I ask the chairman of the subcommittee whether the necessary funds could be provided to produce the Canadian potato for use in cold climates in the United States in addition to the work it will do this year on addressing disease problems in the lower 48 States?

Mr. COCHRAN. As the Senator from Alaska noted, the subcommittee did address the potato disease issue, but was not aware of the unique problem in Alaska. I am pleased to learn that a tuber has been developed that would be successful in Alaska, and agree that the Service should address this unique need of cold-climate States.

Mr. STEVENS. I thank the chairman.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BRYAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I wonder if the Senator will yield for the purpose of trying to establish an agreement on time on this amendment.

Mr. BRYAN. I would be pleased to do so. With respect to this amendment that the distinguished floor leader is aware of, Senator BUMPERS and I will want to have some time tonight and just a small amount tomorrow before the vote. It is not our purpose to prolong this. I would be willing to agree, subject to the agreement of the Senator from Arkansas, to an hour on this amendment, to be divided equally.

Mr. COCHRAN. Would 10 minutes tomorrow before the vote be sufficient?

Mr. BRYAN. Let me inquire of the Senator from Arkansas.

Mr. COCHRAN. The Senator from Arkansas has indicated that he agrees to that.

I ask unanimous consent that there be 1 hour, equally divided, on the amendment to be offered by the Senators from Nevada and Arkansas tonight, and then tomorrow, 10 minutes before the vote on or in relation to this amendment, equally divided.

Mr. BRYAN. Would the Senator be willing to make that 15 minutes, equally divided?

Mr. COCHRAN. Mr. President, I so modify my request.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Nevada is recognized.

Mr. BRYAN. The Senator is always gracious in accommodating his colleague, when I suspect that the Senator may not agree with the thrust of the enlightened Bryan-Bumpers amendment that is just about to be unveiled on the floor.

AMENDMENT NO. 2691

(Purpose: To eliminate funding for the Market Promotion Program)

Mr. BRYAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nevada [Mr. BRYAN], for himself and Mr. BUMPERS, proposes an amendment numbered 2691.

Mr. BRYAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 65, line 18, before the period at the end, insert the following: ": *Provided further*, That none of the funds made available under this Act may be used to carry out the market promotion program established under section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623)".

Mr. BRYAN. Mr. President, if I told the Members of the Senate that there is a program that has cost the American taxpayers a billion dollars, much of that money going to the largest corporations in America, and that there is no evidence it works, in this time of budget constraints, one would think that Members of this body on both sides of the political aisle would say, "Senator, show me where that is; that is one cut that surely we can agree to."

Mr. President, you would be wrong if you made that assumption. If I further asserted that there is a program which is currently slated in this budget proposal at $110 million, that has been denounced by such groups as the Cato Institute, the Progressive Policy Institute, the Heritage Foundation, the National Taxpayers Union, the Center for Science in the Public Interest, Citizens against Government Waste, Citizens for a Sound Economy, the Concord Coalition Citizens Council, the Competitive Enterprise Institute, surely, Mr. President, you might think this is an arrangement that has been made in Heaven, and we should have those on the right and those in the political center all in agreement that a program costing the American taxpayers $110 million ought to be eliminated.

Mr. President, you would be wrong, because this program continues to survive. If I put this in the context that at a time when this Congress is cutting money for the National Park Service, school-to-work programs, vocational education, elderly housing, and countless hundreds of other programs that help needy Americans, who help us to advance our abilities to enjoy public recreational facilities in America, that would make it even all the more unbelievable that there is a program out there that survives.

This program, Mr. President, not only survives, but earlier this year when we were considering the supplemental budget, it was increased from an $85 million to a $110 million program.

By now I suppose some are saying, "Tell me, Senator, what is this program? What is this program that seems to survive when those who are thoughtfully considering the function and role of the Federal Government, both in the center and on the right, all agree that it ought not to exist? It has cost us $1 billion that goes to some of the wealthiest corporations in America. Tell me what this program is. Let me have a chance to cast my vote to kill it."

This program, Mr. President, is the Market Promotion Program. As the distinguished occupant of the chair knows, because he has been supportive over the years in our efforts, this is a program that continues to survive and, as I say, even prosper in this, a year when budget austerity is supposedly the order of the day.

Let me tell you some of the companies that receive this money. For fiscal years 1993 and 1994, here are some of the companies that have received taxpayer funds for the Market Promotion Program.

Before stating exactly what these companies have received, I think a word of explanation about this program: Ostensibly, presumably, the underlying premise of this program is that by providing taxpayers' dollars to advertising budgets of companies that deal with the overseas promotion of American agricultural products, that somehow—somehow—that will increase our agricultural exports.

I acknowledge, Mr. President, that is a noble goal. I am fully supportive of efforts to increase our agricultural exports overseas.

This is a program that is part of a larger budget picture in which, as the General Accounting Office has pointed out, the entire Federal Government spends about $3.5 billion annually on export promotion—$3.5 billion.

While agricultural products account for only 10 percent of total U.S. exports, the Department of Agriculture receives and spends about $2.2 billion, or 63 percent of the total.

I do not believe that it can be argued that we are being unnecessarily penurious in providing money to promote agricultural products abroad. The Department of Commerce, by way of contrast, spends about $236 million annually on trade promotion.

Let me return to the beneficiaries of this program.

Your tax dollars are going to some of the largest and most successful corporations in America to be added to their advertising budgets. Here is an example of the kind of companies that receive this generous largess from the Federal taxpayers.

Ernest & Julio Gallo. Fine products. I can attest to that. Mr. President, $7.9 million go to Gallo wines to assist in their advertising budgets. Now, certainly Ernest & Julio Gallo, great success stories, ought to be able to finance, without the benefit of Federal tax dollars, their own advertising programs.

The Dole people, $2.4 million; Pillsbury, the little doughboy, $1.75 million; Tysons Food, the chicken people, $1.7 million; M & M/Mars, $1.5 million.

Let me say, lest the thought be that somehow the Senator from Nevada is picking on programs that do not have any recipients or beneficiaries in his State and, therefore, it is kind of easy for him to take a cheap shot at others, I remind my colleagues that more than 2 years ago on the floor this Senator took the lead in eliminating an equally outrageous program, the wool and mohair subsidy, in which there are a number of Nevada ranchers that received this largess, as I characterize it, for a period of some 39 years, from 1954 to 1993. I led the charge to eliminate that abomination in our Federal expenditure system.

I point out that M & M/Mars has a factory in Las Vegas, a wonderful product. They are not, in my judgment, entitled to get into the American taxpayers' pocket for $1.5 million.

Campbell soups, $1.1 million; Seagrams, $793,000; Hershey, $738,000; Jim Beam whiskey, $713,000; and Ralston Purina, $443,000. Mr. President, this is only a part of the $110 million that has currently been appropriated to go to companies of this size. It is an outrage.

The General Accounting Office has examined this program and done a study to assert its effectiveness. Let me share with my colleagues what its conclusions are.

It goes on to say that there are many problems with the MPP program, the Market Promotion Program, one of which is that there is no strategic planning. The USDA lacks overall guidance or priorities. To date, listen to this, there is no solid measure of success or a way to evaluate how the money is spent.

I think that is a pretty compelling argument, Mr. President, to eliminate the program. Moreover, it is not clear who should get the funds. There are no strict guidelines about the size or type of company that will receive these funds. I have mentioned some of the larger corporations. But in addition to those that are depicted, McDonald's, the hamburger people, Sun Maid, Welch's, among others, are also some of the largest recipients of this funding.

I think the American taxpayers, when shared sacrifice appears to be the clarion call of the day, want to ask themselves why are corporations of this size not being asked to do their bit in reducing the level of Federal expenditures? A sacrifice that simply requires them to say, "Look, we are not going to take Federal taxpayers' dollars to supplement our own advertising accounts. We will do that job on our own. Nobody knows better than we do how to market. Nobody knows better how to advertise our programs and our products than we do. We do not need and we are not going to accept Federal dollars."

This program continues on. Moreover, as the GAO concluded, "There is no proof that these funds do not simply replace funds that would already have been spent on advertising anyway."

Let me make that point clear: In effect, what the GAO is saying is that there is no way in which they can assert that this $7.9 million that Ernest & Julio Gallo, the group on the top of the list for fiscal year 1993 and 1994, has not simply slid dollars out of the corporation treasury that would have gone to the advertising budget and just simply said, look, we will release those with $7.9 million that the Federal Government is going to give us and direct that $7.9 million down the profit line to be distributed to the shareholders of that company. In effect, this program, like its predecessor, the TEA—the Targeted Export Assistance Program—has become a convenient source of free cash for wealthy businesses to help pay for their overseas advertising budgets.

Mr. President, I argue forcefully and implore my colleagues, whatever their previous voting record may have been—is it not time to eliminate this program? Whatever its justification may have been in the past, is this not a new era? I compliment Members on both sides of the aisle who have taken the lead to support a budget amendment to the Constitution, to require the President of the United States to submit a balanced budget and the Congress to require a balanced budget. I am a supporter of that effort.

I support the target of 2002 or 2003, whatever it might be, to achieve that balanced budget. Presumably, these kinds of pronouncements herald a new era of Government spending in Washington.

But, if we allow these kinds of programs, corporate welfare, pork for the wealthiest corporations in America, to continue, what kind of message do we send to the American people? I will tell you. The message is, it is business as usual. If you are a big corporation and have influence in high places and have access to the right kind of people, even though we are cutting the programs for the poor, the elderly, and those who do not have influence in high places in Washington—but these programs can be protected.

These are good citizens, good corporate citizens. They make important contributions in their communities and in this country, I am sure. I would think they would be shamed and embarrassed to reach out there at a time when we are trying, struggling to balance this budget.

I offer no criticism of my colleagues who have had to wrestle with some of these tough decisions in the money committees. It is not easy. I may disagree with them on some of their priorities. But it is difficult. There is no magic wand that can be waved. We cannot simply say let us eliminate fraud, waste, and abuse and we can balance the budget. It requires tough and hard decisions.

Nobody has encouraged the Congress to do this more than some of the leading business people in America, the kind of people who are chief executive officers for these companies. I think they ought to stand up and say, "You know, you are right. We ought to do our share, too. From here on out we will simply pay for our own advertising budget. You return those dollars—$110 million—you return those to the Treasury and let us let that money be used to help reduce the deficit."

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition? The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, I do not know what year this is in my crusade to torpedo this program. The Senator from Nevada and I—I think this is the third year we have teamed up. But, if I am not mistaken, I was opposed to the program even before that.

Though I yield to nobody in the Senate in my commitment to a viable agricultural economy—but, when I think of all the long-winded, endless speeches that are made on the floor of the U.S. Senate about welfare deadbeats, which we are going to vote on tomorrow; we are talking about eliminating the earned income tax credit, which is the greatest antiwelfare provision we have ever adopted—we are talking about cutting it dramatically. We are cutting funds for the arts, the humanities. We are cutting public broadcasting. We are cutting education. We are at least $3 billion short on child care. We are talking about cutting Medicare $270 billion between now and the year 2002, and cutting Medicaid, health care for poorest of the poor, by $240 billion over the next 7 years.

And here is a piece of corporate welfare, unexcelled—I want to say in the history of this Senate. I have not been here quite that long, so I am reluctant to make that claim. But you think about the U.S. Government subsidizing, really in small amounts, by their standards, something to advertise their product abroad so they can export more.

I look at this chart, prepared by the Senator from Nevada. I see Ernest & Julio Gallo, Seagrams, Jim Beam—of the top 10 companies here, three of them alcoholic beverages. Even though this is a $110 million program this year, in the past it has been bigger, and we put in a total of $85 million to advertise alcoholic beverages abroad.

Can you see Ernest & Julio Gallo advertising to the Italians why they should drink American wine? To the French why they should drink American wine? What are we doing, giving Ernest & Julio Gallo $8 million? I think that is a privately held company—my guess is it is probably a $5 or $10 billion corporation.

McDonald's? I do not know what McDonald's annual sales are. I guess they are probably approaching the $15 billion mark, and we give them $3 or $4 million? That is probably less than one-tenth of 1 percent of their advertising budget, and we say, "Sic 'em, tiger, go advertise Big Mac and McNuggets all over the world." Not only are the amounts we give piddling amounts, the General Accounting Office says there is no relevance to the amount of money we give them and the results. So why do we continue with this?

How does a U.S. Senator go home and talk to a hometown Chamber of Commerce and tell them, "If you just reelect me, I will spend my money as though it were yours?"

If you let that Senator and me go before that same Chamber of Commerce, I promise you, they will threaten to impeach him before it is over, for squandering $110 million on such programs as this.

People are supposed to graduate from this program, too, did you know that? I think, as we lawyers say, "since the memory of man runneth not," nobody has ever graduated. They just keep hanging on.

Mr. President, one thing that is a little painful about this is there are some big corporations who have big presences in my State who get this money. And it always saddens me, it always saddens me to go to the floor and attack something that is at least mildly beneficial to some of the corporate citizens in my State.

You know, not only is this an utter waste of the $110 million, $12 million goes to foreign corporations. They are not even American corporations. You know, I am not xenophobic about my nationality. But what on Earth are we doing spending $12 million on foreign corporations so they can advertise abroad?

Not only is this an absolute, utter waste; not only do we have no business putting $110 million into the pockets of these gigantic corporations in America when we are cutting the most vulnerable among us, poorest of the poor—even cutting education, the elderly through Medicare, the poor through Medicaid, the poor through the earned income tax credit—and then just knowingly hand out $110 million—not only is it corporate welfare, it is wrong.

And it is not only morally wrong, it is wrong for the U.S. Senate to be picking winners and losers. There are other wineries. I have a few wineries in my State that would like to have a little of that Ernest & Julio Gallo money. Who decided to give it to Ernest & Julio Gallo instead of some of the wineries in my State? Tyson Foods, as big as they are, we have 11 major integrated poultry companies in my State. You know we are big in that business, No. 1.

When it comes to even the whiskey business, who decides that Jim Beam and Seagrams are the two brands that should be advertised abroad? I am not picking on them. If I were in their company and I saw this money lying around and I knew I could get a piece of it by simply applying for it, I would probably apply.

Of the battles fought in the 20 years I have been in the Senate, there have been a couple of others that I feel as strongly about as this one. But I cannot tell you how wrong I feel this is. I do not feel this is just an economic matter. I feel it is utterly, absolutely indefensible, and we ought to stop it.

I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, the Market Promotion Program has as its objective meeting foreign competition, boosting agricultural exports, strengthening farm income, and creating American jobs.

Every billion dollars in agriculture exports helps create nearly 20,000 jobs. Nearly 1 million Americans today have jobs that are dependent upon U.S. agricultural exports. Exports this year from the United States into the international marketplace are expected to reach almost $50 billion in value. Farmers and ranchers, as well as American workers, are the real beneficiaries of this program.

The arguments on the other side that are being made tonight would have you believe that corporate America is the beneficiary, that certain specific companies—they mentioned Gallo Wine, and McDonald's—are the beneficiaries of these programs. It is the American working man and woman, the American citizen, who benefits when our economy is strong, when we compete in the international marketplace and when we sell more of what we produce in overseas markets than we import. We need to do a better job.

We have a trade deficit right now. We are confronted with some new rules under the Uruguay round of GATT, under other trade agreements that heighten and make more competitive the international marketplace, heighten competition between the European Community, for example, and the United States. It involves other countries, too, who are competing for their share of this international market—Canada, Australia, and the Asian countries, that are emerging as strong competitors in many of these industries.

So what does the Market Promotion Program really do? It gives the money to associations of those who market products. The U.S. Poultry and Egg Council is just one example. When Senators were talking about McDonald's getting this money, I have a memo in here that talks about that point. This is a memorandum from the president of the Poultry and Egg Export Council, U.S.A. They say specifically:

> Our council has used MPP to help McDonald's sell more American chicken but not to promote McDonald's. The facts are that McDonald's franchises in other countries are foreign owned and operated. They are under no obligation to buy U.S. poultry or eggs, and can readily find lower-priced (and lower-quality) product in those countries. But by allowing McDonald's to apply for and receive funds under MPP requires their franchises to be entirely supplied with U.S. products. The point is we are not promoting McDonald's. We are getting McDonald's to advertise U.S. chicken and eggs, and it has been quite effective. In fact, the State of Arkansas has likely benefited more from this activity than any other State.

So what we learned by getting the facts from the Poultry and Egg Export Council is that it was this council that applied for and received funds under the Market Promotion Program, not McDonald's. The council was allocated the funds to promote U.S. poultry and egg products in the international market. McDonald's uses poultry and eggs in its outlets, but they do not have to use U.S. poultry and eggs in overseas outlets.

That is the whole point. But because this program has been helpful, we have sold more U.S.-produced and processed poultry and eggs in overseas markets that we would otherwise would not have sold, they tell us in this memo, without this program.

They mentioned the wine industry. I happened to find out the other day—and here is an interesting fact to contemplate—that the European Union spends more on wine exports, subsidizing, encouraging the export, than the United States currently spends for all commodities under the Market Promotion Programs. The number is $89 million just for wine exports from the European Union. That is why when you would go into a grocery store around here, or anywhere where wines are sold, and you look at the French wines or some of the other European wines, you are amazed at how low the prices are compared to the domestic wines. That is why.

The European Union governments are putting their money together, and they are expanding their share of the market aggressively by reducing those prices to American consumers. This is the biggest market in the world.

So foreign companies and foreign countries are joining forces as they have never done before to try to capture a larger share of this market. Who suffers? Well, our consumers enjoy lower prices because of this competition with lower priced products. But our domestic food and beverage industries, our poultry producers, those who are involved in agriculture production, are having a hard time meeting this competition on a price basis because we do not subsidize these industries as they sell in this market. And we have a small amount available under legislation that authorizes funds to be made available to help promote the sale of U.S. farm commodities and U.S.-packaged foods and other commodities that are eligible under this program.

As the competition becomes keener under these international agreements, more and more countries, more and more industries are going to be competing and doing it more aggressively.

The GATT Agreement under the Uruguay round changes does not outlaw or abolish or make illegal subsidies. It makes changes in which subsidies are to be used and which cannot be used. It talks about trade-distorting subsidies. But we are finding that Canada, Australia, the European Union certainly, are building their funds to embark upon much more aggressive marketing programs and promotion programs than they ever have before.

Here we are being asked tonight to abandon ourselves, to say to the U.S. Government, "Quit helping U.S. industry, quit helping U.S. farmers, quit helping U.S. ranchers promote the sale of what they are producing in the international marketplace."

I think we ought to wait a minute and not be stampeded by arguments like we are helping corporate America with welfare benefits. This is helping those who are working in the poultry industry in Arkansas, in Mississippi, and in other places.

They are not targeting McDonald's for benefits. We are seeing these funds used to promote a wide range of activities in the international market.

I was looking at a list of these firms and these associations. And these groups of farmers, many of them are cooperatives. The National Cotton

Council has a memo here which talks about the impact of this program in promoting the sale of cotton and cotton fiber throughout the country. "Value added creates jobs." And they are talking about the fact that some of these funds are used in name-brand advertising.

Most of the money is used for generic advertising of American commodities. But they find that the best way in some markets to ensure increased export sales of U.S.-grown-and-produced commodities is through branded promotions. This is what the studies have shown. This is what the experience shows.

And so those who criticize the program on that basis are ignoring the success that the program has enjoyed in using branded promotion. But even so, 40 percent of the funds for branded promotions involved small businesses. The market promotion program, we are told by the experts at the Department of Agriculture and those who participated in the program, has served as an incentive to buy American-grown-and-produced agriculture commodities and related products. Without MPP, companies in overseas markets would likely buy from often subsidized foreign sources rather than from the United States.

So those who are making clothes in Asia, they do not have to buy U.S. cotton. They can buy cotton that is produced in Uzbekistan or the Sudan or any number of countries around the world where cotton is grown and sold. And they are trying to sell it at prices less than we can sell it. And if we can convince them through the advertising of facts about the quality of our product that it is better, it is longer lasting, it is more durable, it is more comfortable if you have clothes made with U.S. cotton, then we are going to sell more. But if we sit on our hands and we do not promote what is good about American products and what is good about American agriculture, nobody is going to know about it. We know about it. But we have to be aggressive and we have to promote and protect our job interests, our economic interests, in this competitive international market.

So to criticize the program and say let us just abolish it —that is what this amendment does. They did not say let us just reduce it or let us change it in some way. Let us just abolish it. That is what this amendment says. I think it is shortsighted. I think it misses the point. I think it fails to recognize the successes we have had in the past and the importance of our continuing an aggressive marketing strategy on behalf of our farmers and ranchers, those involved in these food industries and clothing industries where U.S. agricultural commodities are used.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Mississippi reserves the remainder of his time.

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. BRYAN. Mr. President, I thank the Chair.

Not to belabor the point, my colleague from Mississippi and I—I think it is fair to say we have a disagreement on the value of this program. I know the hour is late, but I hope that a number of Senators' offices are still tuned in.

One of the best articles that I have read on this MPP program was printed recently in the Los Angeles Times, Sunday edition, June 25, 1995. I think it is a matter of about seven or eight pages. I implore my colleagues, or at least their staff, just read that article. Just read that article. It quotes both those who support the program and those who criticize it.

My good friend from Mississippi mentions the good folks at McDonald's, the hamburger people. Let me just say to him and the rest of my colleagues, I enjoy a Big Mac. I am a hamburger man. In fact, just this summer while we were on tour through our State I ran across a McDonald's manager who had a McDonald's tie on. It shows the Big Mac, the French fries. I said, "I've got to have that tie." I am a Big Mac kind of a guy. So my comments are not directed with any sense of malice or hostility, but simply as one trying to do justice to the American taxpayer.

McDonald's, the hamburger people, are good folks. I wish I had been as smart as Ray Kroc. And I wish I had been that smart to put together this impressive enterprise. Most folks of this generation think it has gone on forever. It has lasted only about 40 years, and it has been an incredible success. I pay great tribute to the entrepreneurship and the vision of folks that thought, "By golly, we can change the fast food business in America," and we can do it in a way that McDonald's has been eminently successful. Let me comment on the success. And I know my distinguished colleague who joins me in arms, the Senator from Arkansas, may want to add his comments, also.

McDonald's, which has received $1.6 million in this program since 1986—that is when the Targeted Export Assistance Program, which is the progenitor to MPP, was in existence; it is the same program essentially—has received $1.6 million. Remember, this is to supplement one's advertising account.

McDonald's had a net profit in 1994 of $1.224 billion—$1.224 billion. You know, whether you are to the left of Mao Tsetung or to the right of Genghis Khan, wherever you fit yourself on the political scale, if you accept the premise that Federal tax dollars are finite, they are not inexhaustible, there ought to be some priorities.

How, good Lord, can you say, McDonald's with a net profit of $1.224 billion ought to be able to get into this program? You know what they spent in 1994 in advertising? $694.8 million. And yet the American taxpayer is supplementing the good folks of McDonald's who make those great hamburgers and French fries that so many of us enjoy.

Let me just give you the cumulative impact of this. The top corporate recipients of this money from 1986 to 1994: Sunkist Growers, $76,375,000. In a different era and in a different context the great Senator Everett McKinley Dirksen used to say, "A million here, a million there. Before long you will be talking about real money." Let me suggest, Mr. President, to our colleagues that $76 million is more money than 99.9 percent of the people in America will ever see in their lifetime—ever see.

The Blue Diamond Growers, they do not do too badly, $37,338,000. Sunsweet Growers, $22 million. I am rounding these numbers off. And our good friend, Ernest & Julio Gallo, the winery folks—this was not an aberration, this 1993–1994 number; they have this program down; whoever is doing this good work for them obviously deserves a lot of credit—they have gotten $23 million since 1986. Sun-Maid Growers of California, $12 million; Tyson Foods, $11 million; Pillsbury Company, $11 million.

I do not quarrel with the proposition that my good friend from Mississippi argues when he says, look, we do need to support American agricultural promotions. But, Mr. President, not in this fashion, not when there is not one scintilla of objective evidence where GAO and other groups can make the proposition stick that this is a program that works.

Moreover, its premise is flawed: Money to supplement advertising budgets that ought to be the responsibility of the private sector, for branded products, some of the largest companies not only in America but in the world at a time when we are desperately struggling to balance this budget.

My friend from Arkansas used the word "indefensible," and I think that sums it up.

Mr. President, I ask unanimous consent that this article appearing in the Los Angeles Times, June 25, 1995, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, June 25, 1995]

THANK YOU FOR YOUR SUPPORT

(By John M. Broder and Dwight Morris)

No other government program may generate such universal scorn as an obscure Agriculture Department office that pays highly profitable agribusiness concerns millions of dollars a year to promote Sunsweet prunes in Taiwan, low-shelf Gallo wines in Europe, Chicken McNuggets in Singapore, Kentucky whiskey in Scotland and bull semen in South America.

But as Congress prepares to chop away at billions of dollars in spending for health care, space exploration and school lunches, the USDA's Market Promotion Program is gliding through the budget process unscathed, enjoying bipartisan congressional and White House support despite years of controversy over its worth.

In fact, during the debate this spring over $16 billion in cuts from the current federal budget, Congress voted to increase the program's funding by almost 30%, from $85 million to $110 million.

The MPP's defenders say that's a piddling sum for a program that helps American farmers compete against heavily subsidized producers in Japan, Europe and elsewhere.

Its opponents, ranging from the Heritage Foundation on the right to Ralph Nader on the left, vilify the program as pure pork (almost literally—the U.S. Meat Export Federation got $7.2 million in 1994) and an example of corporate welfare at its worst.

The General Accounting Office, the investigative arm of Congress, calls the program poorly run and of questionable value; the Congressional Budget Office perennially lists it among the prime candidates for extinction.

And year after year, the Market Promotion Program survives, championed most actively by California lawmakers, who gave birth to the program a decade ago and who receive campaign contributions from the California fruit, nut and wine producers that are among the program's prime beneficiaries.

The MPP, originally designed as a response to the unfair trade practices of other governments, has grown over the years into a program that provides a lucrative bounty for producers of everything from soup (Campbell Soup Co., $515,651 in 1994) to nuts (the California Pistachio Commission, $1.15 million).

Early critics derided the program as "walking-around money for Californians," because it was sponsored by then-Sen. Pete Wilson (now California governor) and then-Rep. Leon E. Panetta (now White House chief of staff) to help the state's producers get a place at an agricultural aid trough long dominated by the big corn, wheat and soybean farmers of the Midwest and Great Plains.

As the program grew, it took in growers, processors and shippers in all 50 states and virtually every congressional district—which helps explain its ability to survive in difficult fiscal times. Its tenacity also bears testimony to how difficult it will be to bring the $1.5-trillion federal budget into balance, despite new bipartisan zeal to do so.

Programs that serve powerful constituencies and enjoy well-financed corporate support—from subsidies for corps to tax breaks for oil and gas drilling—are among the most entrenched parts of the federal budget, having resisted repeated efforts to repeal them. These benefits amount to an estimated $50 billion a year, or about a tenth of the discretionary portion of the budget.

Farm programs have proved particularly resistant to budget surgery, combining as they do the romantic appeal of the family farmer, the political clout of a major industry and their importance to the economies of many states and communities. Add to that the bogymen of subsidy-happy Japanese and Europeans—whose government backing is often cited as a reason to keep U.S. farm programs—and the durability of costly undertakings such as the MPP becomes understandable.

"Everything about this program is wrong. We should junk this disastrous program and save the taxpayer some money," said Sen. Richard H. Bryan (D-Nev.), a longtime MPP foe who represents one of the least agriculture-dependent states in the union. "The amount of our national debt does not give us the luxury to fund this fatally flawed program that has no proven benefit for American agriculture."

In the end, the way this collision of forces affects the range of federal subsidies will help determine whether the overall budget-balancing campaign is successful this time around—and also whether the pain inflicted is judged to have been borne fairly across society.

Gus Schumacher, head of the USDA's Foreign Agricultural Service, which oversees the MPP, defends the program. He notes that the European Union spends more each year to promote overseas sales of French, German and Italian wines than the U.S. government spends on all of its agricultural advertising.

Schumacher describes the subsidy as an inexpensive weapon in the international competition in high-value agricultural products, which is the fastest-growing sector in global trade.

"This is not the time to get weak-kneed about American agricultural exports," Schumacher said. "It's time to stand up to our competitors. What are we supposed to do, unilaterally disarm?"

Schumacher acknowledged that corporate giants such as E & J Gallo Winery Inc., Sunkist Growers Inc. and Dole Food Co.—all California-based—and Pillsbury Co., Tyson Foods Inc. and others have received millions of dollars from the government over the years to supplement their own very large advertising budgets. But, he said, critics forget that the grapes, prunes, tangerines, flour and chickens marketed by big agribusiness are grown by thousands of small farmers across the country.

William K. Quarles, Sunkist's vice president for corporate relations, defended the MPP as an appropriate response to foreign competitors, who spend far more than the United States on agricultural promotion. Sunkist uses the program to increase its advertising in countries—particularly those in Asia—it as already targeted as fruitful markets, not to pry open new countries, he said.

"The federal program acts as a multiplier to what we would be doing," Quarles said. "In all the countries we're in, we would be doing some advertising, but with federal monies we increase that advertising and create additional demand."

He also said Sunkist is required to match the federal funds on a dollar-for-dollar basis and that its exports create jobs in California for thousands of packers, pickers, truckers, and longshoremen,

The participating corporations have made sure they have a receptive audience for their side of the story. Since 1984, Springdale, Ark.-based Tyson has contributed more than $988,000 to political campaigns through its political action committee and through direct contributions by its executives. Executives of Modesto-based E & J Gallo poured more than $750,000 into federal campaigns over the same period.

Over the past decade, the 10 largest Market Promotion Program recipients have also made political contributions totaling $166,000 to Rep. Vic Fazio (D-West Sacramento) and $105,000 to Rep. Robert T. Matsui (D-Sacramento), both key supporters of the program.

The General Accounting Office and other critics say the big food companies can afford to promote their own products and that the government has no business spending the public's money to reimburse them.

Bryan noted that McDonald's Corp.—which received $1.6 million in MPP funds from 1986 to 1994—had a $1.224-billion net profit in 1994 while spending $694.8 million on advertising worldwide.

Similarly, ConAgra Inc.—which sells the Chung King, Wesson, Butterball, Swift, Armour, Banquet and Swiss Miss brands, among others—received $826,000 in MPP funds from 1986 to '94, a pittance compared to its advertising budget last year of $200 million.

"How in God's world do we justify spending taxpayer dollars to supplement this program?" Bryan asked. "This is a company that is large, it is successful, and they can effectively handle their own advertising and promotion budget."

Similar fulminations come from Nader's Center for Study of Responsive Law, the libertarian Cato Institute, the Heritage Foundation, Citizens Against Government Waste, the Progressive Policy Institute—even the Marin Institute for the Prevention of Alcohol and Other Drug Problems, which objects to the program because it underwrites overseas advertising for beer, wine and whiskey.

But a ConAgra spokeswoman said the company participates in the promotion program because it allows a testing of the waters in markets that it otherwise could not afford to enter.

"We have never lobbied on behalf of this program, but we do believe it serves an important purpose," said Lynn Phares, ConAgra's vice president for public relations. "It opens expanding markets for products that would not have the money spent on them. If more hot dots are sold in Korea, that benefits not just the company that is the conduit (ConAgra), but the corn growers and hog producers that create the product."

For its part, the nonpartisan GAO has tired of issuing reports detailing the program's flaws.

"It's such an easy target," sighed Allan I. Mendelowitz, director of international trade issues for the GAO.

Several years ago, the GAO discovered, the MPP financed a $3-million advertising campaign in Japan for the California Raisin Board, featuring the animated dancing raisins that were such a hit in the United States.

It bombed.

The campaign's theme song, "I Heard It Through the Grapevine," couldn't be translated into Japanese, so it ran in English and was therefore incomprehensible to most viewers, according to the GAO. The shriveled dancing figures disturbed Japanese children, who thought they were potatoes or chunks of chocolate. The characters' four-fingered hands reminded television viewers of members of criminal syndicates, whose little fingers are cut off as an initiation rite.

If all that wasn't enough, the Raisin Board couldn't even get its product onto store shelves during the promotion period.

The board's goal was to sell 900 tons of raisins in Japan during the campaign; exports during the period reached a little more than half that. And the U.S. government spend $2 in promotion costs for every dollar's worth of raisins that reached Japanese store shelves.

The California Prune Board has a mixed record in using federal money to try to open new markets for its fruit. The California prune has made substantial inroads in Britain, even though the dried fruit still has what the board delicately describes as an "image problem" in that country arising from "the laxative stigma and the forced consumption of poor-quality prunes during childhood."

Rich Peterson, Prune Board executive director, said advertising efforts on the California prune's behalf over the past decade have helped increase sales by 45% in Britain, 75% in Italy and 108% in Germany—all against stiff competition from heavily subsidized French prunes.

"That wouldn't have been possible without MPP funding," Peterson said. "The prune industry on its own would not have had resources to launch the campaigns we've been able to mount."

The board spends roughly $1 million a year in MPP funds to produce generic promotions for California prunes, and private funds such as Sunsweet Growers Inc. of Yuba City, Calif., spend millions more. Advertising focuses on prunes as a healthful snack, Peterson said, rather than on their gastrointestinal benefits.

"We don't do dancing prunes," Peterson said. "There's no cutesy stuff for the prune."

It's a different story in Asia. Prunes have been well-received by the health-conscious Japanese, but the Taiwanese have rejected them as an inferior version of the popular, though expensive, Chinese black date. The Clinton Administration has consistently supported the MPP, proposing to spend $100 million a year on it for the next five years. Officials argue that as the new General Agreement on Tariffs and Trade requires governments to cut direct subsidies to farmers, it is crucial to maintain strong marketing efforts that are legal under the trade pact. But critics insist that the money should be spent on more productive programs rather than on subsidizing the advertising of rich marketing cooperatives such as Sunsweet, Sunkist and Sun-Maid.

"I do not believe any member of this body should be able to keep a straight face and support some of the measures we are voting for when we cannot kill a program like MPP that is a pure subsidy for some of the biggest corporations in America and abroad," Sen. Dale Bumpers (D-Ark.) said in a fruitless effort to kill the program earlier this year.

Times researcher Gary Feld contributed to this report.

The PRESIDING OFFICER. The Senator's time has expired. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, let me make just a few closing comments in opposition to this amendment. According to the Department of Agriculture's estimates based on their studies of the program, every $1 that we have spent in the Market Promotion Program has translated into $16 in additional agricultural exports.

The Foreign Agriculture Service recently released its studies evaluating the effectiveness of the program, and that study concludes that the 25-fold increase in export promotion activities for U.S. high value food exports, made possible by MPP and its predecessor, the Targeted Export Assistance Program, strongly supported the 300-percent increase in exports of those products since 1986 and was the leading factor in increasing the U.S. share of the world consumer food market. That is persuasive evidence. I do not see how you can ignore that. If you are trying to decide whether you vote for this amendment to abolish the program or not, this was a study that was done to assess the effectiveness of this program.

It works. It means more U.S. jobs. It means more U.S. agriculture products being exported throughout the world. It is good for America. It is good for American citizens.

All regions of this country, the United States, have benefited from the program. It is not just a program that singles out one commodity area or one region.

According to this same Foreign Agriculture Service study, the employment and economic effects of MPP are clear. With two-thirds of the jobs supported being off the farm—that is, manufacturing, transportation, and service industries—the other third were jobs on the farm. They have analyzed it in that respect.

Recently, the Department of Agriculture presented us some specific examples of the program's effectiveness, and I want to bring them to the attention of the Senate.

Last year, a new regulation by the Japanese Government requiring that poultry products be identified by country of origin actually helped sales of U.S. poultry, as a result of a campaign conducted by the U.S.A. Poultry and Egg Export Council under this program.

The council had spent $167,000 in MPP funds to conduct joint promotions with 12 chain stores in Japan. The stores affixed the U.S. stickers saying "U.S. poultry, U.S. regs," to product packaging, displayed point of purchase materials and devoted greater portion of shelf space to U.S. poultry products. By the end of the promotion, the 12 chains reported total sales of over 110 tons of U.S. commodities. A year after the program, the stores continue to use these labels.

There are other examples. MPP funds helped the processed potato products industries who reached a record $485 million in sales last year. They nearly doubled the level of just 5 years ago. U.S. pear growers and exporters were able to sell more than $73 million last year, their highest level ever. The emerging market in Russia is becoming the United States fourth largest meat market. Canned salmon from Alaska is being sold in the United Kingdom. U.S. hard wood products are being exported. There are a number of other success stories in greater and greater quantities because of the thoughtful use of these funds.

Mr. President, new GATT trading rules are opening markets throughout the world. We are encountering new opportunities, and we must expand our efforts, we must increase the aggressive way we are going after our share of these new markets, competing effectively where we can. And because of the openness of these markets, they are increasingly competitive, and other countries are enjoying these opportunities, too.

So reducing or eliminating, which is what this amendment would do, the Market Promotion Program at this time in the face of continued and increasing foreign competition would be tantamount to unilateral disarmament, and I am against it and I am arguing against it. The impact would be felt throughout our economy in terms of lower exports, reduced economic activity and fewer jobs. I do not think we want that.

I urge my colleagues to oppose this amendment.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, I recognize our time has expired. I ask unanimous consent that I be permitted to proceed for up to 2 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The Senator from Arkansas has 2 minutes.

Mr. BUMPERS. Mr. President, when you consider the mood of the country, which everybody recognizes is pretty hostile and very volatile, most of it directed at the U.S. Congress and the people who occupy this Chamber and the one down the hall, most people do not understand what this Market Promotion Program is. But it is the very epitome of what people are upset about.

I cannot fathom our continuing a program such as this. We spent $2 billion a year helping companies export—$2 billion—and here we put $110 million in for not just these corporations listed on this chart but dozens and dozens of other corporations, all of whom are quite capable of fending for themselves—the biggest in America.

Can you imagine McDonald's spending $60 million or $80 million a year on advertising and us giving them $3 million to advertise Big Mac in Russia or wherever? What kind of nonsense is this?

This is one of those issues that if every single American were required to listen to the debate on this issue, I promise you, this $110 million would be torpedoed in a megasecond. People would be appalled if they knew this sort of thing went on and particularly in light of the people we are cutting.

I still believe in helping people. I believe in what de Tocqueville talked about, an enlightened self-interest. I said it on this floor a hundred times. We ought to help people who want to make it and are reaching for the first rung on the ladder. We are passing a lot of legislation here that guarantees a lot of people who would like to have a chance, for example, to go to school on the GI bill like I did. I would not be standing here if it were not for the GI bill.

I ask unanimous consent for an additional 2 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BUMPERS. My brother made it pretty big in the corporate world. He would never have made it. We came from very poor circumstances. So, yes, I believe in helping people. I do not believe in helping people who do not want to help themselves. But I can tell you a little help from time to time from the Federal Government pays rich dividends, and we ought to be spending where it pays rich dividends. We ought not to be spending it on dancing raisins in Japan that scared half the children of Japan out of their wits. It was in English, and they did not understand any of it. Little shriveled raisins—they thought they were aliens. That was $3 million worth of scaring Japanese children. I could go on with the horror stories. I am not going to belabor it. About everything that needs to be said has been said.

I want to point out again that we are spending $2 billion on export enhancements right now. Why are we adding this piddling amount for the biggest corporations in America? If the people on this list right here—which is a lot longer than that list—cannot fend for themselves, this country is in more trouble than I thought it was. I am here to help people who cannot fend for themselves and who need and deserve help. This $110 million—I am not asking you to put it anyplace else. Put it on the deficit. You could not find a better place to put it.

I yield the floor.

Mr. COCHRAN. Mr. President, I think we have discussed this issue fully tonight, and we will have an opportunity to conclude debate tomorrow morning before voting on the amendment. I am prepared to move on to other subjects.

I yield the remainder of my time.

The PRESIDING OFFICER. All time is yielded back.

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. COCHRAN. Mr. President, in connection with the unanimous-consent agreement, in which we listed all amendments that were in order to the bill, I need to add an amendment for Senator BENNETT of Utah, which would be a relevant amendment.

I ask unanimous consent that the Bennett amendment be added to the list of amendments in the agreement.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, we understand that there is now an agreed-upon list. We will consider these amendments as they are called up tomorrow. Some have agreements on them in terms of time available for debate and time for recorded votes that will occur, and the yeas and nays have been ordered on some of the amendments. On others, we hope we can work them out as they are called up. We may be able to agree to some of these. We hope Senators will be here tomorrow and be prepared to work quickly as we try to wrap-up consideration of this bill.

I understand that no other Senators intend to come to the floor tonight to offer amendments. So we are prepared to wrap up the business of the Senate tonight and go out for the evening.

MORNING BUSINESS

Mr. COCHRAN. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE REPUBLICAN RECONCILIATION PACKAGE

Mr. PELL. Mr. President, in a statement on the Senate floor last week, I indicated I would oppose any reconciliation instructions that hurt students. I said it was time that we took students out of harm's way.

Unfortunately, the reconciliation package we will consider on Wednesday does precisely the opposite. It harms students and their families. Three-quarters of the cuts in this package will be borne by students and their families.

For the first time, institutions of higher education would be charged a fee of 2 percent of the total amount of money borrowed by students, and parents of students, at each institution. While this fee could not be directly passed on to students, institutions of higher education would have to find the money somewhere. I greatly fear that the result could be a reduction of institutional student aid, or cutbacks in educational programs and student support services. Clearly, a change of this magnitude harms students and their families.

Increasing the interest rate on parents loans comes at a time when middle-income families are increasingly hard-pressed to make ends meet and help pay for their children's college education. This harms students and their families.

Decreasing the interest subsidy during the grace period from 6 to 4 months hits students when they have just finished their college education and are looking for a job. This harms students and their families.

Capping the direct loan program at 30 percent ensures that no new schools will enter the program and that students at these institutions will not be able to benefit from this program. It also removes an incentive to improve the regular guaranteed loan program. Advancements such as improved services to the student and better, more favorable interest rates could well disappear. This would harm students and their families.

The series of changes affecting lenders, holders, and guaranty agencies could well endanger the stability and viability of the current program. For instance, more lenders might leave the program. Thus, we could well have fewer lenders at a time when more are needed because of the proposed 30 percent cap on direct lending. This would jeopardize access to loans by all students, and would harm students and their families.

I intend to oppose these instructions. To make such draconian changes just to save money is not, in my opinion, prudent public policy. It would be far better to put a tax cut in harm's way and to spare students.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting a withdrawal and sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON THE NATIONAL EMERGENCY WITH ANGOLA—MESSAGE FROM THE PRESIDENT—PM 80

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

I hereby report to the Congress on the developments since March 26, 1995, concerning the national emergency with respect to Angola that was declared in Executive Order No. 12865 of September 26, 1993. This report is submitted pursuant to section 401(c) of the National Emergencies Act, (50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c).

On September 26, 1993, I declared a national emergency with respect to Angola, invoking the authority, *inter alia*, of the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) and the United Nations Participation Act of 1945 (22 U.S.C. 287c). Consistent with United Nations Security Council Resolution 864, dated September 15, 1993, the order prohibited the sale or supply by United States persons or from the United States, or using U.S.-registered vessels or aircraft, of arms and related materiel of all types, including weapons and ammunition, military vehicles, equipment and spare parts, and petroleum and petroleum products to the territory of Angola other than through designated points of entry. The order also prohibited such sale or supply to the National Union for the Total Independence of Angola ("UNITA"). United States persons are prohibited from activities that promote or are calculated to promote such sales or supplies, or from attempted violations, or from evasion or avoidance or transactions that have the purpose of evasion or avoidance, of the stated prohibitions. The order authorized the Secretary of the Treasury, in consultation with the Secretary of State, to take such actions, including the promulgation of rules and regulations, as might be necessary to carry out the purposes of the order.

1. On December 10, 1993, the Treasury Department's Office of Foreign Assets Control ("FAC") issued the UNITA (Angola) Sanctions Regulations (the "Regulations") (58 Fed. Reg. 64904) to implement the President's declaration of a national emergency and imposition of sanctions against Angola (UNITA). There have been no amendments to the Regulations since my report of March 27, 1995.

The Regulations prohibit the sale or supply by United States persons or from the United States, or using U.S.-registered vessels or aircraft, of arms and related materiel of all types, including weapons and ammunition, military vehicles, equipment and spare parts, and petroleum and petroleum products to UNITA or to the territory of Angola other than through designated points. United States persons are also prohibited from activities that promote or are calculated to promote such sales or supplies to UNITA or Angola, or from any transaction by any United States persons that evades or avoids or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in the Executive order. Also prohibited are transactions by United States persons, or involving the use of U.S.-registered vessels or aircraft, relating to transportation to Angola or UNITA of goods the exportation of which is prohibited.

The Government of Angola has designated the following points of entry as points in Angola to which the articles otherwise prohibited by the Regulations may be shipped: Airports: Luanda and Katumbela, Benguela Province; Ports: Luanda and Lobito, Benguela Province; and Namibe, Namibe Province; and Entry Points: Malongo, Cabinda Province. Although no specific license is required by the Department of the Treasury for shipments to these designated points of entry (unless the item is destined for UNITA), any such exports remain subject to the licensing requirements of the Departments of State and/or Commerce.

2. The FAC has worked closely with the U.S. financial community to assure a heightened awareness of the sanctions against UNITA—through the dissemination of publications, seminars, and notices to electronic bulletin boards. This educational effort has resulted in frequent calls from banks to assure that they are not routing funds in violation of these prohibitions. United States exporters have also been notified of the sanctions through a variety of media, including special fliers and computer bulletin board information initiated by FAC and posted through the Department of Commerce and the Government Printing Office. There have been no license applications under the program.

3. The expenses incurred by the Federal Government in the 6-month period from March 25, 1995, through September 25, 1995, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Angola (UNITA) are reported to be about $170,000, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Customs Service, the Office of the Under Secretary for Enforcement, and the Office of the General Counsel) and the Department of State (particularly the Office of Southern African Affairs).

I will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

WILLIAM J. CLINTON.

THE WHITE HOUSE, *September 18, 1995.*

REPORT ON THE NATIONAL EMERGENCY WITH IRAN—MESSAGE FROM THE PRESIDENT—PM 81

The PRESIDENT OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

I hereby report to the Congress on developments concerning the national emergency with respect to Iran that was declared in Executive Order No. 12957 of March 15, 1995, and matters relating to Executive Order No. 12959 of May 6, 1995. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c) (IEEPA), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa–9(c). This report discusses only matters concerning the national emergency with respect to Iran that was declared in Executive Order No. 12957 and matters relating to Executive Order No. 12959.

1. On March 15, 1995, I issued Executive Order No. 12957 (60 Fed. Reg. 14615, March 17, 1995) to declare a national emergency with respect to Iran pursuant to IEEPA, and to prohibit the financing, management, or supervision by United States persons of the development of Iranian petroleum resources. This action was in response to actions and policies of the Government of Iran, including support for international terrorism, efforts to undermine the Middle East peace process, and the acquisition of weapons of mass destruction and the means to deliver them. A copy of the order was provided to the Congress by message dated March 15, 1995.

Following the imposition of these restrictions with regard to the development of Iranian petroleum resources, Iran continued to engage in activities that represent a threat to the peace and security of all nations, including Iran's continuing support for international terrorism, its support for acts that undermine the Middle East peace process, and its intensified efforts to acquire weapons of mass destruction. On May 6, 1995, I issued Executive Order No. 12959 to further respond to the Iranian threat to the national security, foreign policy, and economy of the United States.

Executive Order No. 12959 (60 Fed. Reg. 24757, May 9, 1995) (1) prohibits exportation from the United States to Iran or to the Government of Iran of goods, technology, or services; (2) prohibits the reexportation of certain U.S. goods and technology to Iran from third countries; (3) prohibits transactions such as brokering and other dealing by United States persons in goods and services of Iranian origin or owned or controlled by the Government of Iran; (4) prohibits new investments by United States persons in Iran or in property owned or controlled by the Government of Iran; (5) prohibits U.S. companies and other United States persons from approving, facilitating, or financing performance by a foreign subsidiary or other entity owned or controlled by a United States person of transactions that a United States person is prohibited from performing; (6) continues the 1987 prohibition on the importation into the United States of goods and services of Iranian origin; (7) prohibits any transaction by any United States person or within the United States that evades or avoids or attempts to violate any prohibition of the order; and (8) allow U.S. companies a 30-day period in which to perform trade transactions pursuant to contracts predating the Executive order.

In Executive Order No. 12959, I directed the Secretary of the Treasury to authorize through licensing certain transactions, including transactions by United States persons related to the Iran-United States Claims Tribunal in The Hague, established pursuant to the Algiers Accords, and other international obligations and United States Government functions. Such transactions also include the export of agricultural commodities pursuant to preexisting contracts consistent with section 5712(c) of title 7, United States Code. I also directed the Secretary of the Treasury, in consultation with the Secretary of State, to consider authorizing United States persons through specific licensing to participate in market-based swaps of crude oil from the Caspian Sea area for Iranian crude oil in support of energy projects in Azerbaijan, Kazakhstan, and Turkmenistan.

Executive Order No. 12959 revokes sections 1 and 2 of Executive Order No. 12613 of October 29, 1987, and sections 1 and 2 of Executive Order No. 12957 of March 15, 1995, to the extent they are inconsistent with it. A copy of Executive Order No. 12959 was transmitted to the President of the Senate and Speaker of the House by letter dated May 6, 1995.

2. In its implementation of the sanctions imposed against Iran pursuant to Executive Order No. 12959, the Office of Foreign Assets Control (FAC) of the Department of the Treasury has issued 12 general licenses and 2 general notices authorizing various transactions otherwise prohibited by the Executive order or providing statements of licensing policy. In order to ensure the widest dissemination of the general licenses and general notices in advance of promulgation of amended regulations, FAC published them in the Federal Register on August 10, 1995 (60 Fed. Reg. 40881). In addition, FAC disseminated this information by its traditional methods such as electronic bulletin boards, FAX, and mail. Copies of these general licenses and general notices are attached to this report.

General License No. 1 described those transactions which were authorized in connection with the June 6, 1995 delayed effective date contained in Executive Order No. 12959 for trade transactions related to pre-May 7 trade contracts. General License No. 2 authorized payments to or from Iran under certain circumstances and certain dollar clearing transactions involving Iran by U.S. financial institutions. General License No. 3 authorized the exportation of certain services by U.S. financial institutions with respect to accounts held for persons in Iran, the Government of Iran, or entities owned or controlled by the Government of Iran. General License No. 3 also contained an annex identifying 13 Iranian banks and 62 of their branches, agencies, representative offices, regional offices, and subsidiaries as owned or controlled by the Government of Iran. General License No. 4 authorized (1) domestic transactions involving Iranian-origin goods already within the United States except for transactions involving the Government of Iran or an entity owned or controlled by the Government of Iran, and (2) transactions by United States persons necessary to effect the disposition of Iranian-origin goods or services located or to be performed outside the United States, provided that they were acquired by that United States person in transactions not prohibited by the order or by 31 C.F.R. Part 560, that such disposition does not result in the importation of these goods or services into the United States, and that such transactions are completed prior to August 6, 1995. General License No. 5 authorized the importation into the United States of information and informational materials, confirmed the exemption of such information from the ban on exportation from the United States, and set forth a licensing policy for the exportation of equipment necessary to establish news wire feeds or other transmissions of information. General License No. 6 authorized the importation into the United States and the exportation to Iran of diplomatic pouches and their contents. General License No. 7 provided a statement of licensing policy for consideration, on a case-by-case basis, to authorize the establishment and operation of news organization offices in Iran by U.S. organizations whose primary purpose is the gathering and dissemination of news to the general public. General License No. 8 authorized transactions in connection with the exportation of agricultural commodities pursuant to pre-May 7 trade contracts provided that the terms of such contract require delivery of the commodity prior to February 2, 1996. General License No. 9 authorized import, export, and service transactions necessary to the conduct of official business by the missions of the Government of Iran to international organizations and the Iranian Interests Section of the Embassy of Pakistan in the United States. General License No. 10 provided a statement of licensing policy with respect to transactions incident to the resolution of disputes between the United States or U.S. nationals and the Government of Iran in international tribunals and domestic courts in the United States and abroad. General License No. 11 authorized the exportation of household goods and personal effects for persons departing from the United States to relocate in Iran. General License No. 12 authorized the provision of certain legal services to the Government of Iran or to a person in Iran and the receipt of payment therefor under certain circumstances.

General Notice No. 1 described information required in connection with an application for a specific license to complete the performance of pre-May 7 trade contracts prior to August 6, 1995 (except with respect to agricultural commodities as provided by General License No. 8). General Notice No. 2 indicated that the Department of the Treasury had authorized the U.S. agencies of Iranian banks to complete, through December 29, 1995, transactions for U.S. exporters involving letters of credit, which they issued, confirmed, or advised prior to June 6, 1995, provided that the underlying export was completed in accordance with the terms of General License No. 1 or a specific license issued to the exporter by FAC. General Notice No. 2 also noted that the U.S. agencies of the Iranian banks were authorized to offer discounted advance payments on deferred payment letters of credit, which they issued, confirmed, or advised, provided that the same criteria are met.

3. The Iranian Transactions Regulations, 31 CFR Part 560 (the "ITR"), have been comprehensively amended to implement the provisions of Executive Orders No. 12957 and No. 12959. The amended ITR were issued by FAC on September 11, 1995 (60 Fed. Reg. 47061–74) and incorporate, with some modifications, the General Licenses cited above. A copy of the amended regulations is attached to this report.

4. In consultation with the Department of State, FAC reviewed applications for specific licenses to permit continued performance of trade contracts entered into prior to May 7, 1995. It issued more than 100 such licenses allowing performance to continue up to August 6, 1995.

5. The expenses incurred by the Federal Government in the 6-month period from March 15 through September 14, 1995, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iran are approximately $875,000, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Customs Service, the Office of the Under Secretary for Enforcement, and the Office of the General Counsel), the

Department of State (particularly the Bureau of Economic and Business Affairs, the Bureau of Near Eastern Affairs, the Bureau of Politico-Military Affairs, and the Office of the Legal Adviser), and the Department of Commerce (the Bureau of Export Administration and the General Counsel's Office).

6. The situation reviewed above continues to involve important diplomatic, financial, and legal interests of the United States and its nationals and presents an extraordinary and unusual threat to the national security, foreign policy, and economy of the United States. The declaration of the national emergency with respect to Iran contained in Executive Order No. 12957 and the comprehensive economic sanctions imposed by Executive Order No. 12959 underscore the United States Government's opposition to the actions and policies of the Government of Iran, particularly its support of international terrorism and its efforts to acquire weapons of mass destruction and the means to deliver them. The Iranian Transactions Regulations issued pursuant to Executive Orders No. 12957 and No. 12959 continue to advance important objectives in promoting the nonproliferation and antiterrorism policies of the United States. I shall exercise the powers at my disposal to deal with these problems and will report periodically to the Congress on significant developments.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *September 18, 1995.*

REPORT ON THE NATIONAL EMERGENCY WITH UNITA—MESSAGE FROM THE PRESIDENT—PM 82

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the emergency declared with respect to the National Union for the Total Independence of Angola ("UNITA") is to continue in effect beyond September 26, 1995, to the Federal Register for publication.

The circumstances that led to the declaration on September 26, 1993, of a national emergency have not been resolved. United Nations Security Council Resolution 864 (1993) continues to oblige all Member States to maintain sanctions. Discontinuation of the sanctions would have a prejudicial effect on the Angolan peace process. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure to UNITA.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *September 18, 1995.*

MESSAGES FROM THE HOUSE

At 12:55 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1670. An act to revise and streamline the acquisition laws of the Federal Government, to reorganize the mechanisms for resolving Federal procurement disputes, and for other purposes.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 1670. An act to revise and streamline the acquisition laws of the Federal Government, to reorganize the mechanisms for resolving Federal procurement disputes, and for other purposes; to the Committee on Governmental Affairs.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–1449. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the cumulative report on rescissions and deferrals dated August 1, 1995; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, Committee on the Budget, Committee on Agriculture, Nutrition and Forestry, Committee on Banking, Housing, and Urban Affairs, Committee on Commerce, Science, and Transportation, Committee on Environment and Public Works, Committee on Finance, Committee on Foreign Relations, Committee on the Judiciary, and to the Committee on Labor and Human Resources.

EC–1450. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the OMB Sequestration Update Report for fiscal 1996; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, Committee on the Budget, Committee on Agriculture, Nutrition and Forestry, Committee on Armed Services, Committee on Banking, Housing, and Urban Affairs, Committee on Commerce, Science, and Transportation, Committee on Energy and Natural Resources, Committee on Environment and Public Works, Committee on Finance, Committee on Foreign Relations, Committee on Governmental Affairs, Committee on the Judiciary, Committee on Labor and Human Resources, Committee on Rules and Administration, Committee on Small Business, Committee on Veterans' Affairs, Committee on Indian Affairs, Select Committee on Intelligence, and the Special Committee on Aging.

REPORTS OF COMMITTEES SUBMITTED DURING RECESS

Pursuant to the order of the Senate of January 4, 1995, the following report was submitted on September 15, 1995, during the recess of the Senate:

By Mr. SPECTER, from the Committee on Appropriations, with amendments:

H.R. 2127: A bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1996, and for other purposes (Rept. No. 104–145).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

S. 977. A bill to correct certain references in the Bankruptcy Code.

S. 1111. A bill to amend title 35, United States Code, with respect to patents on biotechnological processes.

S.J. Res. 20. A joint resolution granting the consent of Congress to the compact to provide for joint natural resource management and enforcement of laws and regulations pertaining to natural resources and boating at the Jennings Randolph Lake Project lying in Garrett County, Maryland and Mineral County, West Virginia, entered into between the States of West Virginia and Maryland.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Ms. MIKULSKI (for herself and Mr. SARBANES):

S. 1250. A bill to amend titles 5 and 37, United States Code, to provide for the continuance of pay and the authority to make certain expenditures and obligations during lapses in appropriations; to the Committee on Appropriations.

By Mr. HATFIELD (for himself, Mr. HARKIN, and Mrs. BOXER):

S. 1251. A bill to establish a National Fund for Health Research to expand medical research programs through increased funding provided to the National Institutes of Health, and for other purposes; to the Committee on Finance.

By Mr. ABRAHAM (for himself, Mr. LIEBERMAN, Mr. SANTORUM, Ms. MOSELEY-BRAUN, and Mr. DEWINE):

S. 1252. A bill to amend the Internal Revenue Code of 1986 to provide additional tax incentives to stimulate economic growth in depressed areas, and for other purposes; to the Committee on Finance.

By Mr. ABRAHAM (for himself, Mr. KYL, Mrs. FEINSTEIN, and Mr. SHELBY):

S. 1253. A bill to amend the Controlled Substances Act with respect to penalties for crimes involving cocaine, and for other purposes; to the Committee on the Judiciary.

By Mr. ABRAHAM (for himself, Mr. HATCH, Mr. THURMOND, Mr. GRASSLEY, Mr. KYL, Mrs. FEINSTEIN, Mr. SHELBY, and Mr. COVERDELL):

S. 1254. A bill to disapprove of amendments to the Federal Sentencing Guidelines relating to lowering of crack sentences and sentences for money laundering and transactions in property derived from unlawful activity; read the first time.

By Mr. ROCKEFELLER:

S. 1255. A bill to amend title XVIII of the Social Security Act to provide for medicare contracting reforms, and for other purposes; to the Committee on Finance.

By Mr. DASCHLE (for himself, Mr. LEAHY, Mr. KERREY, Mr. HARKIN, Mr. DORGAN, Mr. CONRAD, Mr. WELLSTONE, Mr. EXON, Mr. BAUCUS, and Mr. FORD):

S. 1256. A bill to provide marketing loans, loan deficiency payments, and a flexible acreage base for the 1996 through 2002 crops of wheat, feed grains, and oilseeds, to establish an environmental quality incentives program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. WELLSTONE:

S. 1257. A bill to amend the Stewart B. McKinney Homeless Assistance Act to reauthorize programs relating to homeless assistance for veterans; to the Committee on Labor and Human Resources.

By Mr. KYL:

S. 1258. A bill to amend the Internal Revenue Code of 1986 to allow a one-time election of the interest rate to be used to determine present value for purposes of pension cash-out restrictions, and for other purposes; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. MIKULSKI (for herself and Mr. SARBANES):

S. 1250. A bill to amend titles 5 and 37, United States Code, to provide for the continuance of pay and the authority to make certain expenditures and obligations during lapses in appropriations; to the Committee on Appropriations.

THE FEDERAL EMPLOYEE COMPENSATION PROTECTION ACT

• Ms. MIKULSKI. Mr. President, I introduce an important piece of legislation called the Federal Employee Compensation Protection Act.

With a budget stalemate looming ahead, I think it is crucial that we keep our faith with Federal employees. The Mikulski-Sarbanes legislation will keep that faith by protecting Federal employee pay and benefits during a Government shutdown. Our legislation will ensure that Federal employees in Maryland and across the Nation will be able to make their mortgage payments, put food on the table, and provide for their families.

A shutdown of the Federal Government, no matter how short, would disrupt the lives of thousands of Federal employees and their families. In my State of Maryland alone, there are more than 280,000 Federal employees. They are some of the most dedicated and hard-working people in America today. These employees have devoted their careers and lives to public service, and they should not be used as pawns in a game of political brinkmanship.

Federal employees have already endured their fair share of hardship this year. Downsizing, diet COLA's, attacks on pensions and health benefits, and now the threat of unpaid furloughs have damaged morale at nearly every Federal agency. This assault must stop Mr. President. We cannot continue to denigrate and downgrade Federal employees and at the same time expect Government to work better.

I urge my colleagues to support the Mikulski-Sarbanes legislation and work to prevent this train wreck from happening. We have a contract with our Federal employees, and we should encourage their dedication by ensuring that the contract is honored and their pay and benefits are not put in jeopardy.•

• Mr. SARBANES. Mr. President, I am pleased to join my colleague from Maryland, Senator MIKULSKI, in cosponsoring this important legislation to ensure the protection of Federal employee pay and benefits in the event of a furlough.

We have a responsibility to the men and women who have dedicated themselves to public service and I would hope that my colleagues would join Senator MIKULSKI and I in our ongoing effort to maintain the Federal Government's commitment to its dedicated work force.

Over the past several months, Federal employees have been subject to numerous attacks on their pay and earned benefits. Despite my opposition, Congress approved the Republican budget resolution which seeks to change the calculation of retirement benefits for Federal employees from the employee's highest 3-year average to the highest 5-year average. The resolution also contains a reduction in the Federal Government's contribution to employee health care benefits and an increase from 7 to 7.5 percent in Federal employee contribution rates over the next 7 years.

In my view, this is a breach of the contract with Federal employees. In an attempt to restore fairness for Federal workers, I offered, along with Senator MIKULSKI and several of my colleagues, an amendment to the Republican budget resolution which would have stricken the high three/high five provision. Unfortunately, the provision failed by the narrowest of margins.

Mr. President, Federal employees have made a choice to serve their country and we should respect and reward that choice by supporting these hard-working, dedicated individuals. Through the legislation Senator MIKULSKI and I are introducing today, we have the opportunity to send a message to the Federal work force and to all American citizens that Congress honors and values the commitment those who work for the Government have made.

As I have stated many times before, Federal employees have already made significant sacrifices in past years in the form of downsizing efforts, delayed and reduced cost of living adjustments, and other reductions in Federal employee pay and benefits. They have been called on to sacrifice further in this Congress through the Republican budget resolution and are now facing the very real possibility that, through no fault of their own, they may have to either work without pay or be prohibited from coming to work at all.

In a consistent and committed way, Federal workers give dedicated service to our country and they deserve to have their pay and earned benefits protected. Like Cal Ripken, who was recently honored in Baltimore, Federal employees show up day in and day out and do their jobs. In my view, we should recognize and encourage such dedication by ensuring that the pay and benefits of Federal workers are not placed in jeopardy.•

By Mr. HATFIELD (for himself, Mr. HARKIN, and Mrs. BOXER):

S. 1251. A bill to establish a national fund for health research to expand medical research programs through increased funding provided to the National Institutes of Health, and for other purposes; to the Committee on Finance.

THE NATIONAL FUND FOR HEALTH RESEARCH ACT

Mr. HATFIELD. Mr. President, this week finds us at the height of the appropriations process, as the end of the fiscal year rapidly approaches. It has been a season of difficult fiscal decisions which must be made to conform to the constraints of our balanced budget agreement. Never are the trade-offs as vivid as when we consider spending levels for health and education programs, as we did this morning when the Senate Appropriations Committee completed action on the fiscal year 1996 Labor, HHS, and Education appropriations bill.

I am pleased to report that the committee provided nearly $1.5 billion more than the House for education programs. In addition, we provided a 2.7-percent increase for health research at the National Institutes of Health. While this level is less than that provided by the House, I believe it represents a fair balance between the vitally important issues of health and education. But clearly, my preference would have been to provide a much larger increase for medical research so that the engine which drives the quality of medical care and reduced health costs could run at full tilt.

The current reality is, however, that available funds for discretionary spending are decreasing. We cannot continue to look solely to the appropriations process for the necessary resources to keep our biomedical research enterprise growing at a rate which takes advantage of the myriad medical breakthroughs on the horizon. We must look for a funding source to supplement annual appropriations to the National Institutes of Health.

Today I am pleased to unite with my friend and colleague, Senator HARKIN, in introducing legislation to establish the national fund for medical research. We joined forces in this effort last year and worked hard to see that medical research was a part of the health care reform debates. At the end of the process, although the issue was ultimately unresolved, we had received the attention and support of many Members in this Chamber. We introduce this bill today, with the support of Senator BOXER of California, with the intention of building on the momentum of last year to gain the support of our many colleagues in this body who are committed to the biomedical research infrastructure.

Our legislation proposes to create a new fund in the U.S. Treasury, financed by an increase in Federal tobacco taxes and income generated through a voluntary Federal income tax checkoff. By raising the Federal tax on cigarettes by 25 cents per package, as well as raising the tax to an equivalent level on smokeless tobacco products, the Joint Committee on Taxation has estimated annual income for the fund of approximately $4.2 billion. These funds will be distributed on a phased-in basis to the National Institutes of Health to supplement, not replace, the funds the organization receives each year in the appropriations process. Funds will be distributed in accordance with the proportion of funds each of the member institutes and centers receive in the appropriations process, after 5 percent has been divided between the Office of the Director, the National Center for Research Resources, and the National Library of Medicine.

Funds raised through this proposal will increase the budget of the NIH by 35 percent over the fiscal year 1995 appropriated level. This will allow many more research grant applications to be funded so that scientific opportunities of merit can be pursued and ultimately translated into cost-effective treatments and cures which will improve our national quality of life. I know of no better investment for the Federal Government than one which strengthens our human capital—be it in education or health research, our greatest strength is a healthy, and thus wealthy, populace.

Mr. President, my good friend, the great philanthropist, Mary Lasker once said, "If you think research is expensive, try disease." Diseases cost this country hundreds of billions of dollars annually. Last year, federally supported research on Alzheimer's disease totaled $300 million, yet it is estimated that $90 billion is expended annually on care. Federally supported research on diabetes totals $290 million, yet it is estimated that $25 billion is expended annually on care. Federally supported research on mental health totals $613 million, yet it is estimated that $130 billion is expended annually on care.

As we struggle in the coming months to achieve a balanced budget, we must embrace policies that enable us to make the most out of our scarce Federal dollars. Federal funding for medical research should be a top priority because without new knowledge to develop new strategies to prevent disease, new treatments to delay the progression of disease and new interventions to cure disease; health care costs will continue to spiral out of control. Disease drives the cost of health care. A concerted Federal assault on disease will not only save precious funds, but it will provide hope to the afflicted.

Watching a medical catastrophe affect a family or individual is one of the greatest tragedies we face in this country. The impacts are accentuated when this misfortune comes in the form of an incurable disease. Loved ones are left with no hope, and feeling powerless as they watch the debilitating effects of disease overcome the individual. I know many of my colleagues in the Senate have experienced this sense of powerlessness. They have watched helplessly while family members deteriorate from the effects of a deadly disease. The vibrant individual that they knew and loved is reduced to a withering shell of a human being. The one thing, and the only thing that provides comfort to the afflicted and to their loved ones, is hope. Hope for an end to the suffering. Hope for a return to a normal life. Hope for a cure. This hope does not have to be great, even the faintest glimmer brings happiness to someone faced with a fatal future.

Medical research is the sole hope we can provide to millions of Americans who will experience disease and disability either in their own lives or in their families. We can care for them in our hospitals and clinics but we cannot alleviate their pain or end their suffering without cures and preventative treatments. Cures are the direct result of our investment in medical research.

This legislation is important because it will help provide a more sustainable funding base for medical research. During the debate on the budget resolution, I offered an amendment to restore $7 billion of the nearly $8 billion cut for the NIH proposed by the Senate budget resolution over the next 7 years. This amendment passed by a vote of 85–14. While this was a short-term victory for the NIH, it demonstrates the need for a stable endowment for medical research. The war against disease can not be fully waged if medical researchers have to engage in yearly squabbles with Congress over funding levels.

As most of my colleagues know, I am a practical man. I do not underestimate the difficulty any tax increase has in the current political climate, but I submit we must listen to the people who put the new Republican majority in power.

A recent Harris Poll has shown that Americans strongly support health research and are willing to put their money behind their words. The poll asked Americans which type of scientific research they favored—66 percent favored medical research and a pitiful 4 percent preferred defense research. This same poll determined that if assured that the funds would be spent for medical research, 74 percent of Americans are willing to spend $1 more in taxes. Other polling data consistently shows that more than two-thirds of Republican and Democratic voters, including voters in tobacco-growing States, favor raising tobacco taxes.

These results make it clear that our constituents desire a strong Federal commitment to medical research, even if it means an increase in taxes. An increase in tobacco taxes is easily the most appropriate source of funding for this bill. The Centers for Disease Control and Prevention reports that the Federal Government spends more than $20 billion per year to pay for the direct health care costs caused by tobacco. Tobacco taxes will help offset and reduce the economic costs of smoking. Taxes on tobacco products are a proven source of revenue around the world. Most major industrialized nations tax tobacco at $2 to $3.60 per package.

The increase in the tobacco tax will provide extensive health benefits. Tobacco use is the greatest cause of preventable death in America. About 1.3 million children and adults will be discouraged from smoking by a 25-cent tobacco tax. Because about half of all long-term smokers die of diseases caused by smoking, a 25-cent tobacco tax will save the lives of more than 300,000 Americans alive today. I hope these heart-wrenching statistics will put an end to the congressional coddling of the almighty tobacco lobby. Tobacco use imposes a great price on our society, and those who profit from tobacco use should contribute their fair share to this devastation.

This legislation has everything to do with providing our Nation with a brighter future. While sustainable resources for medical research are essential for our Nation's prosperity, our young people will ultimately determine the future of our Nation. Zenia Kim, a finalist in the Miss Oregon Pageant, and an aspiring medical researcher, provides me with a personal impetus to progress on this legislation. Like many Zenia had not given disease or medical research much thought until a close relative was stricken with cancer. After seeing her family member experience the terrors of chemotherapy, she dedicated her life to finding a cure to cancer.

Zenia has vigorously pursued this pledge by working during her college summers at Oregon Health Sciences University. It was here, at one of our Nation's top academic medical centers, that she encountered the problems of insufficient funds for medical research. This inspired her to develop a comprehensive proposal to cure cancer. The main component of this proposal is research. Kim writes, "as a future medical scientist, I would like to know that there will be enough funding available to pursue my research endeavors."

I would like Zenia to someday realize her goal and find a cure for cancer. I would like to assure Zenia, that when she graduates from medical school, we will have adequate funding for medical research. I urge my colleagues to support the National Fund for Medical Research to help Zenia and others like her to provide hope for those tormented by disease and disabilities.

I ask unanimous consent to include in the RECORD, a copy of the bill, a question and answer summary, a sample of letters of support, and a list of nearly 200 organizations supporting this effort.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1251

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Fund for Health Research Act".

SEC. 2. FINDINGS.

Congress finds the following:

(1) Nearly 4 of 5 peer reviewed research projects deemed worthy of funding by the National Institutes of Health are not funded.

(2) Less than 3 percent of the nearly one trillion dollars our Nation spends on health care is devoted to health research, while the defense industry spends 15 percent of its budget on research.

(3) Public opinion surveys have shown that Americans want more Federal resources put into health research and are willing to pay for it. Polling data consistently shows that more than two-thirds of all voters support a major tobacco tax increase if revenues generated are dedicated to health-related programs.

(4) Ample evidence exists to demonstrate that health research has improved the quality of health care in the United States. Advances such as the development of vaccines, the cure of many childhood cancers, drugs that effectively treat a host of diseases and disorders, a process to protect our Nation's blood supply from the HIV virus, progress against cardiovascular disease including heart attack and stroke, and new strategies for the early detection and treatment of diseases such as colon, breast, and prostate cancer clearly demonstrates the benefits of health research.

(5) Health research which holds the promise of prevention of intentional and unintentional injury and cure and prevention of disease and disability, is critical to holding down costs in the long term.

(6) The state of our Nation's research facilities at the National Institutes of Health and at universities is deteriorating significantly. Renovation and repair of these facilities are badly needed to maintain and improve the quality of research.

(7) Because the Concurrent Resolution on the Budget for fiscal year 1996 (H. Con. Res. 67) freezes discretionary spending for the next 5 years, the Nation's investment in health research through the National Institutes of Health is likely to decline in real terms unless corrective legislative action is taken.

(8) A health research fund is needed to maintain our Nation's commitment to health research and to increase the percentage of approved projects which receive funding at the National Institutes of Health.

(9) Each year 419,000 Americans die directly from tobacco use and thousands more die from diseases caused by exposure to environmental tobacco smoke. This year one out of every five Americans who die will die from tobacco use.

(10) A recent study by the Centers for Disease Control and Prevention estimates that the Federal Government expended more than $20,000,000,000 in 1993 alone to treat illnesses associated with tobacco use.

(11) A 25 cent increase in the tobacco tax would discourage 1,300,000 Americans from smoking and prevent more than 300,000 premature deaths.

(12) An estimated 90 percent of all smokers start when they are teenagers or younger.

(13) Voluntary income tax checkoffs for medical research for specific diseases exist in some States and have proven successful in generating funds for such research.

TITLE I—NATIONAL FUND FOR HEALTH RESEARCH

SEC. 101. ESTABLISHMENT.

(a) ESTABLISHMENT.—There is established in the Treasury of the United States a fund, to be known as the "National Fund for Health Research" (hereafter in this section referred to as the "Fund"), consisting of such amounts as are transferred to the Fund under subsection (b) and any interest earned on investment of amounts in the Fund.

(b) TRANSFERS TO FUND.—

(1) IN GENERAL.—The Secretary of the Treasury shall transfer to the Fund amounts equivalent to—

(A) taxes received in the Treasury under section 5701 of the Internal Revenue Code of 1986 (relating to taxes on tobacco products) to the extent attributable to the increase in such taxes resulting from the amendments made by title II of the National Fund for Health Research Act; and

(B) the amounts designated under section 6097 (relating to designation of overpayments and contributions to the Fund).

(2) TRANSFERS BASED ON ESTIMATES.—The amounts transferred by paragraph (1) shall annually be transferred to the Fund within 30 days after the President signs an appropriations Act for the Departments of Labor, Health and Human Services, and Education, and related agencies, or by the end of the first quarter of the fiscal year. Proper adjustment shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(c) OBLIGATIONS FROM FUND.—

(1) IN GENERAL.—Subject to the provisions of paragraph (4), with respect to the amounts made available in the Fund in a fiscal year, the Secretary of Health and Human Services shall distribute—

(A) 2 percent of such amounts during any fiscal year to the Office of the Director of the National Institutes of Health to be allocated at the Director's discretion for the following activities:

(i) for carrying out the responsibilities of the Office of the Director, including the Office of Research on Women's Health and the Office of Research on Minority Health, the Office of Alternative Medicine, the Office of Rare Disease Research, the Office of Behavioral and Social Sciences Research (for use for efforts to reduce tobacco use), the Office of Dietary Supplements, and the Office for Disease Prevention; and

(ii) for construction and acquisition of equipment for or facilities of or used by the National Institutes of Health;

(B) 2 percent of such amounts for transfer to the National Center for Research Resources to carry out section 1502 of the National Institutes of Health Revitalization Act of 1993 concerning Biomedical and Behavioral Research Facilities;

(C) 1 percent of such amounts during any fiscal year for carrying out section 301 and part D of title IV of the Public Health Service Act with respect to health information communications; and

(D) the remainder of such amounts during any fiscal year to member institutes and centers, including the Office of AIDS Research, of the National Institutes of Health in the same proportion to the total amount received under this section, as the amount of annual appropriations under appropriations Acts for each member institute and Centers for the fiscal year bears to the total amount of appropriations under appropriations Acts for all member institutes and Centers of the National Institutes of Health for the fiscal year.

(2) PLANS OF ALLOCATION.—The amounts transferred under paragraph (1)(D) shall be allocated by the Director of the National Institutes of Health or the various directors of the institutes and centers, as the case may be, pursuant to allocation plans developed by the various advisory councils to such directors, after consultation with such directors.

(3) GRANTS AND CONTRACTS FULLY FUNDED IN FIRST YEAR.—With respect to any grant or contract funded by amounts distributed under paragraph (1), the full amount of the total obligation of such grant or contract shall be funded in the first year of such grant or contract, and shall remain available until expended.

(4) TRIGGER AND RELEASE OF MONIES AND PHASE-IN.—

(A) TRIGGER AND RELEASE.—No expenditure shall be made under paragraph (1) during any fiscal year in which the annual amount appropriated for the National Institutes of Health is less than the amount so appropriated for the prior fiscal year.

(B) PHASE-IN.—The Secretary of Health and Human Services shall phase-in the distributions required under paragraph (1) so that—

(i) 25 percent of the amount in the Fund is distributed in fiscal year 1997;

(ii) 50 percent of the amount in the Fund is distributed in fiscal year 1998;

(iii) 75 percent of the amount in the Fund is distributed in fiscal year 1999; and

(iv) 100 percent of the amount in the Fund is distributed in fiscal year 2000 and each succeeding fiscal year.

(5) ADMINISTRATIVE EXPENSES.—Amounts in the Fund shall be available to pay the administrative expenses of the Department of the Treasury directly allocable to—

(A) modifying the individual income tax return forms to carry out section 6097 of the Internal Revenue Code of 1986; and

(B) processing amounts received under such section 6097 and transferring such amounts to such Fund.

(d) BUDGET TREATMENT OF AMOUNTS IN FUND.—The amounts in the Fund shall be excluded from, and shall not be taken into account, for purposes of any budget enforcement procedure under the Congressional Budget Act of 1974 or the Balanced Budget and Emergency Deficit Control Act of 1985.

TITLE II—FINANCING PROVISIONS

SEC. 201. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 202. INCREASE IN EXCISE TAXES ON TOBACCO PRODUCTS.

(a) CIGARETTES.—Subsection (b) of section 5701 is amended—

(1) by striking "$12 per thousand ($10 per thousand on cigarettes removed during 1991 or 1992)" in paragraph (1) and inserting "$24.5 per thousand", and

(2) by striking "$25.20 per thousand ($21 per thousand on cigarettes removed during 1991 or 1992)" in paragraph (2) and inserting "$51.45 per thousand".

(b) CIGARS.—Subsection (a) of section 5701 is amended—

(1) by striking "$1.125 cents per thousand (93.75 cents per thousand on cigars removed during 1991 or 1992)" in paragraph (1) and inserting "$13.64 per thousand", and

(2) by striking "equal to" and all that follows in paragraph (2) and inserting "equal to 26.03 percent of the price for which sold but not more than $61.25 per thousand."

(c) CIGARETTE PAPERS.—Subsection (c) of section 5701 is amended by striking "0.75 cent (0.625 cent on cigarette papers removed during 1991 or 1992)" and inserting "1.53 cents".

(d) CIGARETTE TUBES.—Subsection (d) of section 5701 is amended by striking "1.5 cents (1.25 cents on cigarette tubes removed during 1991 or 1992)" and inserting "3.06 cents".

(e) SMOKELESS TOBACCO.—Subsection (e) of section 5701 is amended—

(1) by striking "36 cents (30 cents on snuff removed during 1991 or 1992)" in paragraph (1) and inserting "$3.69", and

(2) by striking "12 cents (10 cents on chewing tobacco removed during 1991 or 1992)" in paragraph (2) and inserting "$1.45".

(f) PIPE TOBACCO.—Subsection (f) of section 5701 is amended by striking "67.5 cents (56.25 cents on pipe tobacco removed during 1991 or 1992)" and inserting "$4.85".

(g) APPLICATION OF TAX INCREASE TO PUERTO RICO.—Section 5701 is amended by adding at the end the following new subsection:

"(h) APPLICATION TO TAXES TO PUERTO RICO.—Notwithstanding subsections (b) and (c) of section 7653 and any other provision of law—

"(1) IN GENERAL.—On tobacco products and cigarette papers and tubes, manufactured or imported into the Commonwealth of Puerto Rico, there is hereby imposed a tax at the rate equal to the excess of—

"(A) the rate of tax applicable under this section to like articles manufactured in the United States, over

"(B) the rate referred to in subparagraph (A) as in effect on the day before the date of the enactment of the National Fund for Health Research Act.

"(2) SHIPMENTS TO PUERTO RICO FROM THE UNITED STATES.—Only the rates of tax in effect on the day before the date of the enactment of this subsection shall be taken into account in determining the amount of any exemption from, or credit or drawback of, any tax imposed by this section on any article shipped to the Commonwealth of Puerto Rico from the United States.

"(3) SHIPMENTS FROM PUERTO RICO TO THE UNITED STATES.—The rates of tax taken into account under section 7652(a) with respect to tobacco products and cigarette papers and tubes coming into the United States from the Commonwealth of Puerto Rico shall be the rates of tax in effect on the day before the date of the enactment of the National Fund for Health Research Act.

"(4) DISPOSITION OF REVENUES.—The provisions of section 7652(a)(3) shall not apply to any tax imposed by reason of this subsection."

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to articles removed (as defined in section 5702(k) of the Internal Revenue Code of 1986, as amended by this Act) after December 31, 1995.

(i) FLOOR STOCKS TAXES.—

(1) IMPOSITION OF TAX.—On tobacco products and cigarette papers and tubes manufactured in or imported into the United States or the Commonwealth of Puerto Rico which are removed before January 1, 1996, and held on such date for sale by any person, there is hereby imposed a tax in an amount equal to the excess of—

(A) the tax which would be imposed under section 5701 of the Internal Revenue Code of 1986 on the article if the article had been removed on such date, over

(B) the prior tax (if any) imposed under section 5701 or 7652 of such Code on such article.

(2) AUTHORITY TO EXEMPT CIGARETTES HELD IN VENDING MACHINES.—To the extent provided in regulations prescribed by the Secretary, no tax shall be imposed by paragraph (1) on cigarettes held for retail sale on January 1, 1996, by any person in any vending machine. If the Secretary provides such a benefit with respect to any person, the Secretary may reduce the $500 amount in paragraph (3) with respect to such person.

(3) CREDIT AGAINST TAX.—Each person shall be allowed as a credit against the taxes imposed by paragraph (1) an amount equal to $500. Such credit shall not exceed the amount of taxes imposed by paragraph (1) on January 1, 1996, for which such person is liable.

(4) LIABILITY FOR TAX AND METHOD OF PAYMENT.—

(A) LIABILITY FOR TAX.—A person holding cigarettes on January 1, 1996, to which any tax imposed by paragraph (1) applies shall be liable for such tax.

(B) METHOD OF PAYMENT.—The tax imposed by paragraph (1) shall be paid in such manner as the Secretary shall prescribe by regulations.

(C) TIME FOR PAYMENT.—The tax imposed by paragraph (1) shall be paid on or before April 1, 1996.

(5) ARTICLES IN FOREIGN TRADE ZONES.—Notwithstanding the Act of June 18, 1934 (48 Stat. 998, 19 U.S.C. 81a) and any other provision of law, any article which is located in a foreign trade zone on January 1, 1996, shall be subject to the tax imposed by paragraph (1) if—

(A) internal revenue taxes have been determined, or customs duties liquidated, with respect to such article before such date pursuant to a request made under the 1st proviso of section 3(a) of such Act, or

(B) such article is held on such date under the supervision of a customs officer pursuant to the 2d proviso of such section 3(a).

(6) DEFINITIONS.—For purposes of this subsection—

(A) IN GENERAL.—Terms used in this subsection which are also used in section 5702 of the Internal Revenue Code of 1986 shall have the respective meanings such terms have in such section, as amended by this Act.

(B) SECRETARY.—The term "Secretary" means the Secretary of the Treasury or his delegate.

(7) CONTROLLED GROUPS.—Rules similar to the rules of section 5061(e)(3) of such Code shall apply for purposes of this subsection.

(8) OTHER LAWS APPLICABLE.—All provisions of law, including penalties, applicable with respect to the taxes imposed by section 5701 of such Code shall, insofar as applicable and not inconsistent with the provisions of this subsection, apply to the floor stocks taxes imposed by paragraph (1), to the same extent as if such taxes were imposed by such section 5701. The Secretary may treat any person who bore the ultimate burden of the tax imposed by paragraph (1) as the person to whom a credit or refund under such provisions may be allowed or made.

SEC. 203. MODIFICATIONS OF CERTAIN TOBACCO TAX PROVISIONS.

(a) EXEMPTION FOR EXPORTED TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES TO APPLY ONLY TO ARTICLES MARKED FOR EXPORT.—

(1) Subsection (b) of section 5704 is amended by adding at the end the following new sentence: "Tobacco products and cigarette papers and tubes may not be transferred or removed under this subsection unless such products or papers and tubes bear such marks, labels, or notices as the Secretary shall by regulations prescribe."

(2) Section 5761 is amended by redesignating subsections (c) and (d) as subsections (d) and (e), respectively, and by inserting after subsection (b) the following new subsection:

"(c) SALE OF TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES FOR EXPORT.—Except as provided in subsections (b) and (d) of section 5704—

"(1) every person who sells, relands, or receives within the jurisdiction of the United States any tobacco products or cigarette papers or tubes which have been labeled or shipped for exportation under this chapter,

"(2) every person who sells or receives such relanded tobacco products or cigarette papers or tubes, and

"(3) every person who aids or abets in such selling, relanding, or receiving,

shall, in addition to the tax and any other penalty provided in this title, be liable for a penalty equal to the greater of $1,000 or 5 times the amount of the tax imposed by this chapter. All tobacco products and cigarette papers and tubes relanded within the jurisdiction of the United States, and all vessels, vehicles, and aircraft used in such relanding or in removing such products, papers, and tubes from the place where relanded, shall be forfeited to the United States."

(3) Subsection (a) of section 5761 is amended by striking "subsection (b)" and inserting "subsection (b) or (c)".

(4) Subsection (d) of section 5761, as redesignated by paragraph (2), is amended by striking "The penalty imposed by subsection (b)" and inserting "The penalties imposed by subsections (b) and (c)".

(5)(A) Subpart F of chapter 52 is amended by adding at the end the following new section:

"SEC. 5754. RESTRICTION ON IMPORTATION OF PREVIOUSLY EXPORTED TOBACCO PRODUCTS.

"(a) IN GENERAL.—Tobacco products and cigarette papers and tubes previously exported from the United States may be imported or brought into the United States only as provided in section 5704(d). For purposes of this section, section 5704(d), section 5761, and such other provisions as the Secretary may specify by regulations, references to exportation shall be treated as including a reference to shipment to the Commonwealth of Puerto Rico.

"(b) CROSS REFERENCE.—

"For penalty for the sale of tobacco products and cigarette papers and tubes in the United States which are labeled for export, see section 5761(c)."

(B) The table of sections for subpart F of chapter 52 is amended by adding at the end the following new item:

"Sec. 5754. Restriction on importation of previously exported tobacco products."

(b) IMPORTERS REQUIRED TO BE QUALIFIED.—

(1) Sections 5712, 5713(a), 5721, 5722, 5762(a)(1), and 5763 (b) and (c) are each amended by inserting "or importer" after "manufacturer".

(2) The heading of subsection (b) of section 5763 is amended by inserting "QUALIFIED IMPORTERS," after "MANUFACTURERS,".

(3) The heading for subchapter B of chapter 52 is amended by inserting "**and Importers**" after "**Manufacturers**".

(4) The item relating to subchapter B in the table of subchapters for chapter 52 is amended by inserting "and importers" after "manufacturers".

(c) REPEAL OF TAX-EXEMPT SALES TO EMPLOYEES OF CIGARETTE MANUFACTURERS.—

(1) Subsection (a) of section 5704 is amended—

(A) by striking "EMPLOYEE USE OR" in the heading, and

(B) by striking "for use or consumption by employees or" in the text.

(2) Subsection (e) of section 5723 is amended by striking "for use or consumption by their employees, or for experimental purposes" and inserting "for experimental purposes".

(d) REPEAL OF TAX-EXEMPT SALES TO UNITED STATES.—Subsection (b) of section 5704 is amended by striking "and manufacturers may similarly remove such articles for use of the United States;".

(e) BOOKS OF 25 OR FEWER CIGARETTE PAPERS SUBJECT TO TAX.—Subsection (c) of section 5701 is amended by striking "On each book or set of cigarette papers containing more than 25 papers," and inserting "On cigarette papers,".

(f) STORAGE OF TOBACCO PRODUCTS.—Subsection (k) of section 5702 is amended by inserting "under section 5704" after "internal revenue bond".

(g) AUTHORITY TO PRESCRIBE MINIMUM MANUFACTURING ACTIVITY REQUIREMENTS.—Section 5712 is amended by striking "or" at the end of paragraph (1), by redesignating paragraph (2) as paragraph (3), and by inserting after paragraph (1) the following new paragraph:

"(2) the activity proposed to be carried out at such premises does not meet such minimum capacity or activity requirements as the Secretary may prescribe, or".

(h) SPECIAL RULES RELATING TO PUERTO RICO AND THE VIRGIN ISLANDS.—Section 7652 is amended by adding at the end the following new subsection:

"(h) LIMITATION ON COVER OVER OF TAX ON TOBACCO PRODUCTS.—For purposes of this section, with respect to taxes imposed under section 5701 or this section on any tobacco product or cigarette paper or tube, the amount covered into the treasuries of Puerto Rico and the Virgin Islands shall not exceed the rate of tax under section 5701 in effect on the article on the day before the date of the enactment of the Health Partnership Act of 1995."

(i) EFFECTIVE DATE.—The amendments made by this section shall apply to articles removed (as defined in section 5702(k) of the Internal Revenue Code of 1986, as amended by this Act) after December 31, 1995.

SEC. 204. IMPOSITION OF EXCISE TAX ON MANUFACTURE OR IMPORTATION OF ROLL-YOUR-OWN TOBACCO.

(a) IN GENERAL.—Section 5701 (relating to rate of tax), as amended by section 701, is amended by redesignating subsections (g) and (h) as subsections (h) and (i) and by inserting after subsection (f) the following new subsection:

"(g) ROLL-YOUR-OWN TOBACCO.—On roll-your-own tobacco, manufactured in or imported into the United States, there shall be imposed a tax of $4.85 per pound (and a proportionate tax at the like rate on all fractional parts of a pound)."

(b) ROLL-YOUR-OWN TOBACCO.—Section 5702 (relating to definitions) is amended by adding at the end the following new subsection:

"(p) ROLL-YOUR-OWN TOBACCO.—The term 'roll-your-own tobacco' means any tobacco which, because of its appearance, type, packaging, or labeling, is suitable for use and likely to be offered to, or purchased by, consumers as tobacco for making cigarettes."

(c) TECHNICAL AMENDMENTS.—

(1) Subsection (c) of section 5702 is amended by striking "and pipe tobacco" and inserting "pipe tobacco, and roll-your-own tobacco".

(2) Subsection (d) of section 5702 is amended—

(A) in the material preceding paragraph (1), by striking "or pipe tobacco" and inserting "pipe tobacco, or roll-your-own tobacco", and

(B) by striking paragraph (1) and inserting the following new paragraph:

"(1) a person who produces cigars, cigarettes, smokeless tobacco, pipe tobacco, or roll-your-own tobacco solely for the person's own personal consumption or use, and".

(3) The chapter heading for chapter 52 is amended to read as follows:

"CHAPTER 52—TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES".

(4) The table of chapters for subtitle E is amended by striking the item relating to chapter 52 and inserting the following new item:

"CHAPTER 52. Tobacco products and cigarette papers and tubes."

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to roll-your-own tobacco removed (as defined in section 5702(k) of the Internal Revenue Code of 1986, as amended by this Act) after December 31, 1995.

(2) TRANSITIONAL RULE.—Any person who—

(A) on the date of the enactment of this Act is engaged in business as a manufacturer of roll-your-own tobacco or as an importer of tobacco products or cigarette papers and tubes, and

(B) before January 1, 1996, submits an application under subchapter B of chapter 52 of such Code to engage in such business,

may, notwithstanding such subchapter B, continue to engage in such business pending final action on such application. Pending such final action, all provisions of such chapter 52 shall apply to such applicant in the same manner and to the same extent as if such applicant were a holder of a permit under such chapter 52 to engage in such business.

SEC. 205. DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS FOR THE NATIONAL FUND FOR HEALTH RESEARCH.

(a) IN GENERAL.—Subchapter A of chapter 61 (relating to returns and records) is amended by adding at the end the following new part:

"PART IX—DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS FOR THE NATIONAL FUND FOR HEALTH RESEARCH

"Sec. 6097. Amounts for the National Fund for Health Research.

"SEC. 6097. AMOUNTS FOR THE NATIONAL FUND FOR HEALTH RESEARCH.

"(a) IN GENERAL.—Every individual (other than a nonresident alien) may designate that—

"(1) a portion (not less than $1) of any overpayment of the tax imposed by chapter 1 for the taxable year, and

"(2) a cash contribution (not less than $1), be paid over to the National Fund for Health Research. In the case of a joint return of a husband and wife, each spouse may designate one-half of any such overpayment of tax (not less than $2).

"(b) MANNER AND TIME OF DESIGNATION.—Any designation under subsection (a) may be made with respect to any taxable year only at the time of filing the original return of the tax imposed by chapter 1 for such taxable year. Such designation shall be made either on the 1st page of the return or on the page bearing the taxpayer's signature.

"(c) OVERPAYMENTS TREATED AS REFUNDED.—For purposes of this section, any overpayment of tax designated under subsection (a) shall be treated as being refunded to the taxpayer as of the last day prescribed for filing the return of tax imposed by chapter 1 (determined with regard to extensions) or, if later, the date the return is filed.

"(d) DESIGNATED AMOUNTS NOT DEDUCTIBLE.—No amount designated pursuant to subsection (a) shall be allowed as a deduction under section 170 or any other section for any taxable year.

"(e) TERMINATION.—This section shall not apply to taxable years beginning in a calendar year after a determination by the Secretary that the sum of all designations under subsection (a) for taxable years beginning in the second and third calendar years preceding the calendar year is less than $5,000,000."

(b) CLERICAL AMENDMENT.—The table of parts for subchapter A of chapter 61 is amended by adding at the end the following new item:

"Part IX. Designation of overpayments and contributions for the National Fund for Health Research."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1995.

NATIONAL FUND FOR HEALTH RESEARCH ACT—QUESTIONS AND ANSWERS

What does the proposal call for?

A National Fund For Health Research would be established to provide additional resources for health research over and above those provided to the National Institutes of Health (NIH) in the annual appropriations process. The Fund would greatly enhance the quality of health care by investing more resources in finding preventive measures, cures and cost effective treatments for the major illnesses and conditions that strike Americans.

Financing for the Fund comes from an increase in federal tobacco taxes—25 cents per pack of cigarettes and an equivalent tax on other tobacco products. This tax would raise an estimated $4.2 billion annually. In addition to providing revenue for the Fund, raising tobacco taxes will protect children and save lives. Every day more than 3,000 children become smokers and more than 1,000 of them will eventually die as a result of smoking. Raising tobacco taxes is a highly effective way to reduce tobacco use by children. A 25-cent tax will discourage an estimated 1.3 million children and adults from smoking and will save the lives of more than 300,000 Americans alive today.

Each year amounts within the Fund would automatically be allotted to each of the NIH Institutes and Centers. Five percent of the monies would be directed to extramural construction and renovation of research facilities, the National Library of Medicine, and the Office of the Director. So that an appropriate range of basic and applied research is supported, each Institute and Center would receive the same percentage of the remaining Fund monies as they received of the total NIH appropriation for that fiscal year. In order to insure that the additional funds generated do not simply replace regularly appropriated NIH funds, monies from the Fund would be released only if the total appropriated for the NIH in that year equal or exceed the prior year appropriations.

Additional monies for the Fund would be generated by a voluntary federal income tax check-off. Every year, when filing their Federal income tax returns, Americans would have the opportunity to designate tax overpayments and contributions for health research. Monies from the check-off would be deposited in the Fund.

Why is this proposal necessary?

Health research has brought us the advances in treatment and prevention of disease and disability that define our current high standards of medical practice. Perhaps more than any other component of our health care system, health research holds the promise of both reducing medical costs and improving the quality of life of Americans. Yet, because the federal budget agreement freezes discretionary spending for the next four years, Federal funding for health research will likely not even keep up with inflation unless a separate funding stream is established.

Will the Fund simply replace existing monies appropriated to NIH?

No. Monies generated by the Fund would be in addition to, not in replacement of those provided to each of the NIH Institutes in the normal appropriations process. Monies from the Fund could not be allotted unless total NIH appropriations in that year were equal to or greater than the prior year appropriations. Therefore, the Fund could not be used as a mechanism to replace or reduce regularly appropriated funds.

How would money from the Fund be allocated among research priorities?

The proposal does not pick winners and losers among areas of health research. It does not interfere with the funding decisions made through the normal appropriations process. Funds would be allocated to each of the NIH Institutes and Centers based on the percentage that each of these entities received of the total NIH appropriation for that year. Monies allotted to each NIH entity would be spent according to a plan developed by the entities' advisory council in consultation with the NIH Director. Each Institute would decide the appropriate distribution of Fund monies among various research priorities within the Institute.

In recognition of the poor state of many medical research facilities, 2 percent of the total Fund would be taken off the top for extramural construction and renovation of research building and facilities. In accordance with traditional funding patterns, 1 percent of the total Fund would go to the National Library of Medicine. An additional 2 percent would go to the NIH Director for intramural construction and renovation and other activities supported by the Office of the Director.

Isn't research a major reason why the cost of health care is so high in this country? Won't an increase in research funding lead to an increase in health care costs?

Absolutely not. Funding for research can be an effective means of controlling health costs in the long run. Investment in research pays off in terms of lower medical expenses, reduced worker absenteeism, and improved productivity. For example, according to NIH statistics, an investment of $1.2 million in the development of a mass screening device for neonatal hypothyroidism in newborns has the potential 1-year saving of over $206 million. An investment of slightly over $679,000 for a treatment for preventing the recurrence of kidney stones saves close to $300 million in annual treatment costs and lost days work.

Today, many families are anxiously looking for a treatment and cure of Alzheimer's disease. Federally supported funding for research on Alzheimer's disease totals $300 million annually on caring for people with Alzheimer's. A cure or treatment for Alzheimer's, in addition to relieving suffering, would result in enormous savings.

Won't more research lead to the development and over utilization of new tests and expensive equipment?

There are legitimate concerns about the over utilization and duplication of expensive technologies. These concerns should be addressed by an increased emphasis on outcomes and effectiveness research. We should solve the problem of over utilization of services but not at the expense of improving quality and coming up with more effective treatments and cures.

Do the American people support increases in tobacco taxes to pay for increases in health research?

Polling data consistently show that more than two-thirds of Republican and Democratic voters, including voters in tobacco-growing states, favor raising tobacco taxes if revenues are dedicated to health-related activities.

Does the proposal include prevention research?

Absolutely. Research is our first line of defense. It is the ultimate investment in prevention. Research provides the building blocks for prevention—research has produced immunizations, critical information about the importance of diet and exercise in preventing disease, and a screening test to prevent the transmission of HIV through blood products. Research is the key to prevention.

CANCER UNDERSTANDING AND RESEARCH EFFORTS

(Statement of Zenia Kim)

The CURE program is designed to focus on two areas of cancer treatment: prevention and research.

INTRODUCTION

I remember when I was attending Junior High and High School, I never really learned about cancer or the risk factors involved. When I was a senior in high school, a very close relative of mine became very ill and was diagnosed with cancer. She started chemotherapy treatment but things got worse. I promised myself at that moment that I was going to perform my own research on cancer. What caused this disease and why wasn't my loved one getting better? I began volunteering at our local hospital in the Pathology lab, where I observed doctors examining various forms of cancers. I learned how to spot cancers of all sorts. As I continued my education at Brigham Young University, I continued with my cancer research. I worked with a Chemistry professor by the name of Dr. James Thorne, and he assisted me in understanding the chemical aspect of cancer research. We worked on a treatment called Photodynamic Therapy. This form of cancer treatment became very appealing because it did not have as many negative side effects that chemotherapy had. I became so involved with the research that I wrote my own paper on Photodynamic Therapy. I am still continuing my research with Dr. Thorne for the third year, and hope that this is our real breakthrough in curing cancer. While I was performing research on Photodynamic Therapy, I really wanted to continue my volunteer work in a hospital setting. I volunteered at Utah Valley Regional Medical Center in the Oncology Department. Here, I got to experience the other side, the patient's side. I remember talking with many cancer patients and listening to their distress, their hopeless feelings. I became so determined . . . that I was going to find a cure for cancer. As my research continued at BYU, I discovered that research funds were very limited. The national funding organizations can hardly support any of the proposals coming in. As a future medical research specialist, I became disheartened. Over the summer, I worked at Oregon Health Sciences University Medical School performing medical cancer research, and there too discovered the limited funding available for research. This is why I became so inspired to develop my own program called the CURE.

CANCER UNDERSTANDING AND RESEARCH EFFORTS

The CURE focuses on two areas of cancer treatment. The first is prevention. I believe that if many students learned about the risks involved with cancer as a junior high or high school student, there would be a significant decrease in the incidents of cancer. I would like to see a unit integrated within the health curriculum that emphasizes the risks of cancer. Furthermore, I would like to invite guest speakers, perhaps one who has fought and recovered from cancer or the loved ones of a cancer victim, to tell about their side of their story. I think that by personalizing a real situation, students feel more sensitive and more in tune with the problem. That is exactly what we need. We need students to feel realistic, sad, or even scared so that they won't associate with any of the risks involved with cancer. The decisions that students in their junior high and high school years make can indefinitely affect the course of their lives. Furthermore, this is the time that they opt to engage in such acts as smoking, using tobacco, sun tanning, etc. So, by integrating a cancer unit within secondary education, the hope is that the future generations will choose to stay risk free and beat the battle against cancer.

The second area of cancer treatment that the CURE focuses on is research. Prevention is great to eliminate cancer but for those already afflicted with cancer, there must be another alternative. I would like to personally declare, to those of all ages, that research is the first and most important step towards cancer cure. By understanding the mechanism of how cancer cells undergo their uncontrolled rate of division, we can come closer to finding the right reagents to stop it. I know that cancer research has been going on for many years, and I believe that we are coming so much closer to the cure. We really need to support the research funding. I have sadly discovered that less than 10 percent of all the proposals that are sent to large funding organizations, such as the National Institute of Health, actually get funded. This to me is a horrifying reality. But the question always seems to be, "Where are we going to get the money?" I believe that we can first start with larger corporations. They have elicited a certain percentage of their profits into donations. I would like to encourage those corporations to donate more of their profits into research. Also, I support Senator Hatfield's and Senator Harkin's Trust Fund Proposal in allocating more money towards research from a tobacco tax. By raising the tobacco tax by a small fraction, we will not destroy the tobacco industry and we will be able to fund more scientific discoveries. As a future medical scientist, I would like to know that there will be enough funding available to pursue my research endeavors. I love research and I thrive off making new scientific discoveries. I just hope that I can continue my love for research when I work in my own laboratory someday soon.

As Miss Tri-Valley, I have actually had the opportunity to speak to students in junior high and high schools throughout the Beaverton/Portland area. I always emphasize these two important points that I have established in the CURE Program: Prevention and Research—these are our two means of defeating cancer.

AMERICAN LUNG ASSOCIATION,
September 14, 1995.

Hon. MARK HATFIELD,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR HATFIELD: The American Lung Association strongly endorses the legislation you are introducing today, Research Trust Fund Act. Enactment of the Research Trust Fund Act will be a win-win proposition for the health and well-being of the American people.

The Research Trust Fund Act will save lives through prevention. Each year 419,000 Americans die from causes directly related to tobacco use and thousands more die from diseases caused by exposure to environmental tobacco smoke. These preventable deaths represents a huge human loss to our society. The proposed $0.25 increase in the federal excise tax on tobacco products will help reduce the number of people who smoke. It is estimated that for every $0.25 increased in the federal tobacco tax, about one million people living today will be discouraged from smoking and 200,000 to 300,000 premature deaths will be prevented.

The Research Trust Fund Act will save health care dollars. The cost of treating people who suffer from tobacco related illnesses places a staggering financial burden on the American health care system. Although smokers tend to die younger, over the course of their life, current and former smokers generate an estimated $501 billion in excess health care costs. Treating tobacco related illnesses cost the $21 billion per year, with an additional estimated cost of $47 billion in lost productivity. Reducing the number of people who use tobacco products by increasing the federal tobacco tax will help reduce the economic burden tobacco consumption places on the U.S. health care system.

The Research Trust Fund Act will save lives through improved treatments and cures. The estimated $4 billion to $5 billion generated by the Research Trust Fund will provided needed additional funding for biomedical research sponsored by the National Institutes of Health. Through increased support of basic and clinical biomedical research at the National Institutes of Health, researchers will continue to broaden our understanding of life sciences and develop new approaches to preventing, treating, and curing disease.

The American Lung Association and its volunteers stand ready to work with you and Congress to enact this important legislation. I would also like to take this opportunity to commend you for your leadership and foresight in introducing the Research Trust Fund Act. The Research Trust Fund will go a long way to improving the health of all Americans.

Sincerely,
JACQUELINE D. MCLEOD, MPH, M.Ed,
President.

FEDERATION OF AMERICAN
SOCIETIES FOR EXPERIMENTAL BIOLOGY,
Bethesda, MD, September 11, 1995.

Hon. MARK HATFIELD,
Chair, Senate Appropriations Committee, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Federation of American Societies for Experimental Biology (FASEB) supports with enthusiasm your efforts to provide supplemental resources for NIH and biomedical research.

The Federation concurs that the federal commitment to health research is grossly underfunded. Less than 3 percent of the nearly one trillion dollars our Nation spends on health care is devoted to health research, while the defense industry spends 15 percent of its budget on research. Ample evidence exists to demonstrate that health research has improved the quality of health care in the United States, and is one of the best methods of health care cost containment.

Therefore, FASEB supports the proposal to create an additional source of biomedical funding, such as through the National Fund for Health Research Act. We are confident that these additional funds would not be used to offset regular appropriations.

Sincerely,
RALPH A. BRADSHAW, Ph.D.,
President.

NATIONAL COMMITTEE TO PRESERVE
SOCIAL SECURITY AND MEDICARE,
Washington, DC, September 14, 1995.

Hon. MARK O. HATFIELD,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR HATFIELD: On behalf of the nearly six million members and supporters of the National Committee to Preserve Social Security and Medicare, I am writing in strong support of your legislation to increase medical research funding to the National Institutes of Health (NIH).

Increased research into the causes and potential cures of many diseases related to aging could have a profound impact on the lives of older Americans and their families. Alzheimer's disease, a degenerative brain disorder, afflicts about 4 million people in the United States, and costs the nation an estimated $80 billion to $100 billion a year. Osteoporosis, which causes fragile bones and painfully crippling fractures, costs an estimated $10 billion a year. When families can no longer meet the care needs of relatives with these illnesses, disabled people often end up in nursing homes, where bills totaled $69.6 billion in 1993.

The Hatfield/Harkin Research Fund legislation to be introduced today is a significant step forward to find cures or better treatments, save lives and dollars. We commend you on your long-time commitment to medical research.

Sincerely,
MARTHA A. MCSTEEN,
President.

ASSOCIATION OF
AMERICAN MEDICAL COLLEGES,
Washington, DC, September 15, 1995.

Hon. MARK O. HATFIELD,
U.S. Senate, Hart Senate Office Building, Washington, DC.

Hon. TOM HARKIN,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATORS HATFIELD AND HARKIN: The Association of American Medical Colleges (AAMC) strongly endorses your proposal to create a National Fund for Health Research. The debate on this year's budget makes it clear that we must identify additional, sustainable sources of funding to supplement the regular appropriation for the National Institutes of Health [NIH] if we are to continue to rely upon scientific discovery to improve the health and quality of life for all Americans. In addition, sustained support for the NIH is needed if the United States is to maintain its position as the world's leader in biomedical and behavioral research. The fund you propose is an innovative and necessary complement to NIH funding.

The Federal Government plays a necessary role in the support of this nation's biomedical and behavioral research efforts. The investment that the Federal Government has made in the NIH has produced a comprehensive network of scientists, physicians, and technicians at more than 1,700 institutions across the United States dedicated to the continued pursuit of fundamental knowledge and the application of this information to the prevention, diagnosis, and treatment of disease. NIH-supported scientists have made enormous contributions to the nation's health. In addition, NIH-sponsored research has made significant economic contributions, both locally and nationally. The role that the U.S. biotechnology industry plays globally is just one example of the economic benefits to be derived from NIH research.

Moreover, your proposal addresses a major cause of disease and death in this country: tobacco. As health professionals, we must do everything in our power to reduce the use of tobacco in this country, particularly among children and teenagers. Your bill is an important part of that strategy. We will work with you to urge all health-related organizations and institutions to support this proposal and to encourage other Senators to cosponsor it.

Finally, on behalf of the Association's members, I wish to thank you for your leadership and unfailing commitment to a strong, vital medical research effort in this country. We appreciate the continued support and trust that you have placed in the NIH, and by implication in our institutions and faculty. We look forward to continuing to work with you to sustain this national treasure that is so critically important to the nation's health.

Very sincerely yours,

JORDAN J. COHEN, M.D.
President.

AMERICAN CANCER SOCIETY,
NATIONAL PUBLIC ISSUES OFFICE,
Washington, DC, September 15, 1995.
Hon. MARK HATFIELD,
U.S. Senate,
Washington, DC.

DEAR SENATOR HATFIELD: On behalf of more than two million American Cancer Society volunteers, I am writing to commend you and Senator Harkin for your leadership in introducing the National Fund for Health Research Act. Your proposal combines two critical initiatives: increasing biomedical research funding and protecting children from tobacco addiction by raising tobacco taxes. The American Cancer Society strongly supports this bill.

Increasing funding for biomedical research is a top priority for all health organizations that understand the role such research plays in treating diseases, reducing suffering, improving the efficiency of our health care system and improving the health status of the entire nation. The American Cancer Society is particularly concerned about the rise in cancer rates. Cancer will become the leading cause of death in the United States by the year 2000. Biomedical research performed by the National Institutes of Health is of vital importance in the fight against cancer. The United States currently devotes less than 3 percent of health care spending to research. This amount is unacceptably low as a matter of health and economics.

There is no more appropriate way to finance this bill than through a tobacco tax increase. By itself, this tax will discourage about 1.3 million children and adults from smoking and will ultimately save the lives of more than 300,000 Americans alive today. Raising tobacco taxes is one of the most important measures we can take to reduce the current epidemic of tobacco use by teenagers.

More than two-thirds of Republican and Democratic voters, including voters from tobacco-growing states, supports raising tobacco taxes for health-related purposes such as this.

You have our full support. We look forward to working with you and your staff.

Sincerely,

KERRIE B. WILSON,
National Vice President for Government Relations, American Cancer Society.

MEDICAL RESEARCH AND HEALTH CARE CONCERNS: A SURVEY OF THE AMERICAN PUBLIC

(Conducted by Louis Harris & Associates, June 1995)

A nationwide Harris telephone poll was conducted of 1004 adults in the United States from June 8–11, 1995. Figures for age, sex, race, education, and region were weighted where necessary to bring them into line with their actual proportions in the population. The margin of error for the survey is approximately 3.1 percent.

Research! America, a national not-for-profit organization dedicated to raising public awareness of and support for medical research, commissioned Louis Harris & Associates to ask questions about medical research as a part of a larger survey focusing on a broad range of current issues.

HIGHLIGHTS

1. Americans oppose cuts in medical research dollars.

Respondents were told that one impact of proposed changes in the Federal budget would be less money going to universities and their hospitals which teach medical students and do medical research. When asked whether they favored or opposed these changes in the Federal budget, 65% opposed proposed cuts in Federal support for universities and hospitals.

The younger those surveyed, the higher their response: Among 18–24 year-olds, the opposition to the proposed cuts rises to 75%; among 15–29-year-olds, the opposition to the proposed cuts is 72%.

2. Americans would pay higher taxes to support medical research.

73% would be willing to pay a dollar more per week in taxes if they knew the money would be spent on medical research to better diagnose, prevent and treat disease.

Results from a November, 1993 Harris Poll were very similar—74% were willing to pay a dollar more per week in taxes if spent on medical research.

3. Americans urge Congress to provide tax incentives for private industry to conduct medical research.

61% of those surveyed want their Senators and Representatives to support legislation that would give tax credits to private industries to conduct more medical research.

4. Americans are willing to designate tax refund dollars for medical research.

45% would probably, and 15% would definitely check off a box on their federal income tax return to designate tax refund money specifically for medical research.

When asked how much money they would be willing to designate to medical research, the median amount reported was $23.

5. Americans overwhelmingly value maintaining the United States' position as a leader in medical research.

94% of those surveyed believe that it is important that the United States maintains its role as a world leader in medical research!

6. Americans heartily endorse having the Federal Government support basic science research.

Those surveyed were asked if they agree or disagree with the following: "Even if it brings no immediate benefits, basic science research which advances the frontiers of knowledge is necessary and should be supported by the Federal Government."

69% of respondent agree; 79% of young people ages 18–24 agree with the need to support basic research.

7. Medical research takes second place only to national defense for tax dollar value.

While 45% gave federal defense spending the highest rating for tax dollar value, second place went to medical research with 37% of the respondents giving it a favorable tax dollar value.

Public education and federal anti-crime efforts ranked the lowest.

8. Americans want more information about medical research in the print and broadcast media.

61% of the Americans surveyed would like to see more medical research information in newspapers, magazines and on television.

77% of young people 18–24 want more medical research information from these sources.

For further information on the survey or other Research! America activities, contact Tracy Turner at (703) 739-2577; Fax (703) 739-2372.

ORGANIZATIONS ENDORSING THE HATFIELD-HARKIN RESEARCH FUND PROPOSAL AS OF SEPTEMBER 14, 1995

Academy of Radiology Research.
Alliance for Aging Research.
Alliance for Eye and Vision Research.
Alzheimer's Association.
American Academy of Allergy, Asthma & Immunology.
American Academy of Child and Adolescent Psychiatry.
American Academy of Dermatology.
American Academy of Medical Acupuncture.
American Academy of Neurology.
American Academy of Ophthalmology.
American Academy of Orthopaedic Surgeons.
American Academy of Otolaryngology—Head and Neck Surgery.
American Academy of Pediatrics.
American Association for Cancer Education.
American Association for Cancer Research.
American Association for Dental Research.
American Association of Anatomists.
American Association of Blood Banks.
American Association of Colleges of Nursing.
American Association of Colleges of Pharmacy.
American Association of Critical-Care Nurses.
American Association of Dental Schools.
American Association of Immunologists.
American Association of Pharmaceutical Scientists.
American Cancer Society.
American College of Cardiology.
American College of Chest Physicians.
American College of Clinical Pharmacology.
American College of Medical Genetics.
American College of Preventive Medicine.
American College of Rheumatology.
American Diabetes Association.
American Federation for Clinical Research.
American Gastroenterological Association.
American Geriatrics Society.
American Heart Association.
American Institute of Nutrition.
American Lung Association.
American Nurses Association.
American Orthopaedic Association.
American Pediatric Society.
American Physiological Society.
American Podiatric Medical Association.
American Porphyria Foundation.
American Psychiatric Association.
American Psychological Society.
American Skin Association, Inc.
American Sleep Disorders Association.
American Society for Bone and Mineral Research.
American Society for Cell Biology.
American Society for Clinical Nutrition.
American Society for Dermatologic Surgery.
American Society for Investigative Pathology.
American Society for Microbiology.
American Society for Pharmacology and Experimental Therapeutics.

American Society for Reproductive Medicine.

American Society for Therapeutic Radiology and Oncology.

American Society for Virology.

American Society of Addiction Medicine.

American Society of Animal Sciences.

American Society of Clinical Oncology.

American Society of Hematology.

American Society of Nephrology.

American Society of Pediatric Hematology/Oncology.

American Society of Tropical Medicine & Hygiene.

American Speech-Language-Hearing Association.

American Thoracic Society.

American Urological Association.

Amputee Coalition of America.

Arizona Disease Prevention Center at the University of Arizona.

Arthritis Foundation.

Association for Behavioral Sciences & Medical Education.

Association for Professionals in Infection Control & Epidemiology, Inc.

Association for Research in Vision and Ophthalmology.

Association of Academic Health Centers.

Association of American Cancer Institutes.

Association of American Medical Colleges.

Association of American Veterinary Medical Colleges.

Association of Medical Graduate Departments of Biochemistry.

Association of Medical School Microbiology and Immunology Chairs.

Association of Medical School Pediatric Department Chairman.

Association of Minority Health Profession Schools.

Association of Pediatric Oncology Nurses.

Association of Population Centers.

Association of Professors of Dermatology.

Association of Professors of Medicine.

Association of Subspecialty Professors.

Association of Teachers of Preventive Medicine.

Association of University Environmental Health Sciences Centers.

Association of University Professors of Ophthalmology.

Association of University Programs in Occupational Health and Safety.

Autism Society of America.

Cancer Research Foundation of America.

Citizens for Public Action on Blood Pressure and Cholesterol, Inc.

Coalition for American Trauma Care.

Coalition of Patient Advocates for Skin Disease Research.

College on Problems of Drug Dependence.

Columbia University.

Columbia University, Health Sciences.

Consortium for Skin Research.

Peter C. & Pat Cook Health Sciences Research & Education Institute at Butterworth Hospital.

Cooley's Anemia Foundation.

Cooper Hospital/University Medical Center.

Corporation for the Advancement of Psychiatry.

Council of Community Blood Centers.

Cystic Fibrosis Foundation.

Drew/Meharry/Morehouse Consortium Cancer Center.

Digestive Disease National Coalition.

Dystonia Medical Research Foundation.

Dystrophic Epidermolysis Bullosa Research Association of America.

Ehlers Danlos National Foundation.

The Endocine Society.

Environmental Science Associates, Inc.

Epilepsy Foundation of America.

Families Against Cancer.

Federation of American Societies for Experimental Biology.

Federation of Behavioral, Psychological & Cognitive Sciences.

Foundation for Ichthyosis & Related Skin Types.

Fox Chase Cancer Center.

General Clinical Research Center Programs Directors' Association.

Genome Action Coalition.

Fred Hutchinson Cancer Research Center.

Arthur G. James Cancer Hospital & Research Institute.

Johns Hopkins University.

Johns Hopkins University, School of Medicine.

Joint Council on Allergy, Asthma and Immunology.

Joint Steering Committee for Public Policy.

Louisiana State University Medical Center.

Lupus Foundation of America, Inc.

Lucille P. Markey Cancer Center.

Medical College of Pennsylvania & Hahnemann University.

Medical Center of Wisconsin Cancer Center.

Medical Library Association.

Myasthenia Gravis Foundation of America, Inc.

National Alopecia Areata Foundation.

National Association for Biomedical Research.

National Association for the Advancement of Orthotics and Prosthetics.

National Association of Children's Hospitals.

National Association of Pediatric Nurse Associates and Practitioners.

National Association of State Universities and Land Grant Colleges.

National Breast Cancer Coalition.

National Caucus of Basic Biomedical Science Chairs.

National Coalition for Cancer Research.

National Committee to Preserve Social Security and Medicare.

National Diabetes Research Coalition.

National Easter Seal Society.

National Eczema Association.

National Foundation for Ectodermal Dysplasias.

National Health Council.

National Marfan Foundation.

National Multiple Sclerosis Society.

National Organization for Rare Disorders.

National Osteoporosis Foundation.

National Perinatal Association.

National Psoriasis Foundation.

National Tuberous Sclerosis Association.

National Vitiligo Foundation, Inc.

National Vulvodynia Association.

New England Society of Physical Medicine and Rehabilitation.

New York University Medical Center.

Northwestern Memorial Hospital.

Oncology Nursing Society.

Orton Dyslexia Society, Inc.

Paralyzed Veterans of America.

Penn State Hershey Medical Center.

Population Association of America.

Radiation Research Society.

The Family of Christopher Reeve.

Research! America.

St. Jude Children's Research Hospital.

Scleroderma Federation, Inc.

Scleroderma Research Foundation.

Society for the Advancement of Women's Health Research.

Society for Investigative Dermatology.

Society for Neuroscience.

Society for Pediatric Research.

Society of Critical Care Medicine.

Society of Medical College Directors of Continuing Medical Education.

Society of Toxicology.

Society of University Otolaryngologists—Head and Neck Surgeons.

Society of University Urologists.

Stanford University School of Medicine.

Sturge Weber Foundation.

Sudden Infant Death Syndrome Alliance.

Sylvester Comprehensive Cancer Center.

Teratology Society.

Tourette Syndrome Association, Inc.

Tufts University Dept. of Physical Medicine and Rehabilitation.

United Scleroderma Foundation Inc.

University of Cincinnati Barrett Cancer Center.

University of Miami School of Medicine, Division of Genetics.

University of Minnesota, Duluth, School of Medicine.

University of Nevada, School of Medicine.

University of Rochester Cancer Center.

University of Virginia, School of Medicine.

University of Washington, School of Medicine.

Wake Forest University, Bowman Gray School of Medicine.

Wisconsin Comprehensive Cancer Center.

Yale University, School of Medicine.

Mr. HARKIN. Mr. President, I rise today with Senator HATFIELD to introduce the Fund for Health Research Act. This legislation is similar to legislation that the two of us introduced during the last Congress which gained broad bipartisan support in both the House and Senate.

Our proposal would establish a national fund for health research to provide additional resources for health research over and above those provided to the National Institutes of Health [NIH] in the annual appropriations process. The fund would greatly enhance the quality of health care by investing more in finding preventive measures, cures and more cost effective treatments for the major illnesses and conditions that strike Americans.

The fund would be financed by a 25-cent tax on each pack of cigarettes and an equivalent tax on other tobacco products such as snuff and chewing tobacco. This tax would raise an estimated $4.2 billion annually.

Mr. President, in addition to providing revenue for health research, raising tobacco taxes will protect children and save lives. Every day more than 3,000 children become smokers and more than 1,000 of them will eventually die as a result of smoking. Raising tobacco taxes is a highly effective way to reduce tobacco use by children. A 25-cent tax will discourage an estimated 1.3 million children and adults from smoking and will save the lives of more than 300,000 Americans alive today.

Additional moneys for the fund would be generated by a voluntary Federal income tax check-off. Every year, when filing their Federal income tax returns, Americans would be given the opportunity to designate tax overpayments and contributions for health research. Moneys from the check-off would be deposited in the fund.

Each year under our proposal amounts within the national fund for health research would automatically be allocated to each of the NIH institutes and centers. Each institute and center would receive the same percentage as they received of the total NIH appropriation for that fiscal year.

Last year Senator HATFIELD and I argued that any health care reform plan should include additional funding for health research. Health care reform has been taken off the front burner but the need to increase our Nation's commitment to health research has not diminished.

While health care spending devours nearly $1 trillion annually our medical research budget is dying of starvation. The United States devotes less than 2 percent of its total health care budget to health research. The Defense Department spends 15 percent of its budget on research. Does this make sense? The cold war is over but the war against disease and disability continues.

Increased investment in health research is key to reducing health costs in the long run. If we can find the cure for a disease like Alzheimer's the savings would be enormous. Today, federally supported funding for research on Alzheimer's disease totals $300 million yet it is estimated that nearly $100 billion is expended annually on caring for people with Alzheimer's.

Gene therapy and treatments for cystic fibrosis and Parkinson's could eliminate years of chronic care costs, while saving lives and improving patients' quality of life.

Mr. President, Senator HATFIELD and I do everything we can to increase funding for NIH through the appropriations process. But, given the current budget situation and freeze in discretionary spending what we can do is limited. Without action, our investment in medical research through the NIH is likely to continue to decline in real terms.

The NIH is not able to fund even 25 percent of competing research projects or grant applications deemed worthy of funding. This is compared to rates of 30 percent or more just a decade ago. Science and cutting edge medical research is being put on hold. We may be giving up possible cures for diabetes, Alzheimer's, Parkinson's, and countless other diseases.

Our lack of investment in research may also be discouraging our young people from pursuing careers in medical research. The number of people under the age of 36 even apply for NIH grants dropped by 54 percent between 1985 and 1993. This is due to a host of factors but I'm afraid that the lower success rates among all applicants is making biomedical research less and less attractive to young people. If the perception is that funding for research is impossible to obtain, young people that may have chosen medical research 10 years ago will choose other career paths.

Mr. President, I am pleased that over 130 groups representing patients, hospitals, medical schools, researchers, and millions of Americans have already endorsed our proposal. And, polling data consistently show that more than two-thirds of Republican and Democratic voters, including votes in tobacco-growing States, favor raising tobacco taxes if funds will be devoted to health related programs.

Mr. President, health research is an investment in our future—it is an investment in our children and grandchildren. It holds the promise of cure or treatment for millions of Americans.

By Mr. ABRAHAM (for himself, Mr. LIEBERMAN, Mr. SANTORUM, Ms. MOSELEY-BRAUN, and Mr. DEWINE):

S. 1252. A bill to amend the Internal Revenue Code of 1986 to provide additional tax incentives to stimulate economic growth in depressed areas, and for other purposes; to the Committee on Finance.

THE ENHANCED ENTERPRISE ZONE ACT OF 1995

• Mr. ABRAHAM. Mr. President, today, I am joined by Senators LIEBERMAN, SANTORUM, DEWINE, and MOSELEY-BRAUN in introducing the Enhanced Enterprise Zone Act of 1995, legislation to stimulate job creation and residential growth in America's most distressed rural and urban communities.

In 1980, then-Representative Jack Kemp introduced the first enterprise zone legislation in the United States, the Urban Jobs and Enterprise Zone Act. Twelve years later, the Omnibus Budget Reconciliation Act of 1993 authorized over 100 enterprise and empowerment zones to receive a limited combination of tax benefits and other Federal assistance to support economic revitalization and community development.

For truly distressed communities, however, there is concern that this package of benefits will not be sufficient to spur economic growth and job creation. This concern was reaffirmed by the Senate earlier this week during consideration of S. 4, the Work Opportunity Act of 1995. On Wednesday, September 13, the Senate unanimously adopted an amendment calling on Congress to enact enterprise zone legislation that includes stronger incentives for investment, job creation, and economic growth.

At a time when Congress is debating the merits of the Federal welfare system and looking at reforms to our social safety net, it is imperative that we look for ways to stimulate new opportunities for work and growth in our most distressed neighborhoods.

For that reason, today my colleagues and I are introducing legislation to supercharge existing enterprise communities and empowerment zones. These enhanced enterprise zones would encourage entrepreneurial and residential activity by:

Establishing a capital gains rate of zero for the sale of any qualified investments that are held for at least 5 years;

Permitting limited income deductions for the purchase of qualified stock in businesses located in an enterprise zone;

Doubling the amount small business owners in these zones are allowed to expense;

Providing a limited tax credit for low-income renovations;

Loosening regulatory barriers to home ownership and job creation;

Providing incentives and grants for resident management and home ownership of public housing; and

Creating a pilot school choice program for the existing empowerment zones, supplemental empowerment zones, and Washington, DC.

Mr. President, for economically troubled areas, attracting entrepreneurial businesses is the key to beginning the process of revitalization. The tax benefits of enhanced enterprise zones are targeted at addressing the principal hurdles facing small businesses when they are just getting started—raising capital and maintaining cash flow.

First, we eliminate taxation on capital gains. The United States has some of the highest capital gains taxes in the world. For distressed communities seeking capital investments, these taxes inhibit investment and lockout sources of growth. Our bill establishes a capital gains rate of zero for the sale of any qualified zone stock, business property, or partnership interest that has been held for at least 5 years.

Second, we encourage investment in enterprise zones through the creation of enterprise zone stock. Ask small business entrepreneurs what their biggest hurdle is, and chances are they will reply—raising capital. This legislation allows individuals to deduct the purchase of qualified enterprise zone stock from their income—up to $100,000 in one year and $500,000 in their lifetime.

Third, we provide small enterprise zone businesses with extra expensing. Another obstacle particularly difficult for small businesses to overcome is maintaining an adequate cash flow. Our legislation would double the maximum allowable expensing for purchases of plant and equipment in the enterprise zones.

Fourth, we encourage the renovation of deteriorated buildings located in the enterprise zones. This proposal is based upon legislation introduced by Senator KAY BAILEY HUTCHISON and it is designed to encourage private investment in economically distressed areas by providing a targeted, limited tax credit to businesses to help defray their cost of construction, expansion, and renovation of buildings located within enhanced enterprise zones.

Another obstacle to growth and jobs in distressed communities is the burden of regulation on small businesses. Our bill would create a process by which local governments could request a waiver or modification of regulations that hinder the job creation, community development, or economic revitalization objectives of the enterprise zone. The relevant Federal agencies would have the discretion to approve or disapprove of any regulatory waiver or modification. Furthermore, they would be prohibited from granting regulatory waivers that would violate the Fair Labor Standards Act or present a significant risk to public health, safety, or the environment.

To help low-income families become homeowners with a stake in their communities, our legislation would establish an Enterprise Zone Home Ownership Program. Based upon Jack Kemp's proposals when he was the Secretary of Housing and Urban Development, this proposal would provide grants for: First, resident management of public housing; and second, home ownership of public housing, vacant and foreclosed properties, and financially distressed properties.

Finally, within the nine empowerment zones, two supplemental empowerment zones, and Washington, DC, our bill would create a pilot school choice project to provide low-income parents and their children with financial assistance to enable them to select the public or private school of their choice. Under this plan, a designated grantee within each empowerment zone will provide parents with educational certificates to be used towards the cost of tuition and transportation for elementary or secondary schools within the empowerment zones.

In conclusion, Mr. President, will enhanced enterprise zones work? The answer, quite simply, is yes. We know they will work because 35 States and the District of Columbia already have enterprise zones that have produced over 663,000 jobs and $40 billion in capital investment. The enterprise zone concept has been endorsed by the National Governor's Association, the Conference of Black Mayors, the Council of Black State Legislators, and the U.S. Conference of Mayors.

This bill represents an affirmative effort to create economic opportunities for the urban and rural poor by recognizing that private enterprise, not government, is the source of economic and social development. Taken as a whole, the incentives included in this legislation for investment, entrepreneurship, home ownership, and skill development will bring economies in distressed areas back to life. They will encourage full participation in our market economy and public interest in local neighborhoods—resulting in economic growth and new jobs.•

• Mr. LIEBERMAN. Mr. President, I'm delighted to join in the introduction of this important legislation, the Enhanced Enterprise Zone Act of 1995.

Last week, this body unanimously approved an amendment calling on Congress to enact legislation to supercharge the enterprise communities and empowerment zones we created in 1993. While the 1993 legislation creating these entities was not perfect and the legislation did not go far enough, particularly for the enterprise communities, it represented a fundamental change in urban policy. I believe that legislation was a clear recognition of the fact that government does not have all the answers to the ills of poverty in this country and that American business can and must play a role in revitalizing poor neighborhoods.

The 1993 legislation was a good start but it did not go far enough. The bill we are introducing today takes us further down the road of attacking the problems that plague our cities and economically distressed rural areas.

I should note that I do have concerns with some of the provisions of the regulatory flexibility title of this bill. For example, I think we must work on making changes to provide greater assurance that any modifications or waivers of rules would not in any way compromise the benefits that are achieved through existing environmental protection and public health laws and regulations. I hope that these provisions can be worked on as this bill progresses through the legislative process.

Given that reservation, I believe this is an important bill that will do much to provide an economic boost to the areas of this country that most desperately need that help.

I urge my colleagues to join me in supporting this legislation.•

By Mr. ABRAHAM (for himself, Mr. KYL, Mrs. FEINSTEIN, and Mr. SHELBY):

S. 1253. A bill to amend the Controlled Substances Act with respect to penalties for crimes involving cocaine, and for other purposes; to the Committee on the Judiciary.

By Mr. ABRAHAM (for himself, Mr. HATCH, Mr. THURMOND, Mr. GRASSLEY, Mr. KYL, Mrs. FEINSTEIN, Mr. SHELBY, and Mr. COVERDELL):

S. 1254. A bill to disapprove of amendments to the Federal Sentencing Guidelines relating to lowering of crack sentences and sentences for money laundering and transactions in property derived from unlawful activity; read the first time.

DRUGS LEGISLATION

• Mr. ABRAHAM. Mr. President, I am today introducing two bills, both of which address one of the most serious problems facing this country today: the epidemic of drugs in our Nation.

The purpose of each bill is simple. The first bill would prevent reductions in crack cocaine penalties proposed by the U.S. Sentencing Commission from taking effect. The second would raise the penalties for distributors of powder cocaine by applying existing mandatory minimums to a larger group of cocaine dealers.

No problem has parents more worried than the drugs and violence so prevalent today in schools throughout the Nation. All of us spend a lot of time fretting about how to protect our kids and keep them from getting caught up in drugs and gangs and the terrible dangers they create.

Nevertheless, on April 11, by a 4 to 3 vote, the Sentencing Commission proposed amendments to the sentencing guidelines dealing with crack distribution and possession.

According to the Department of Justice, the effect of these amendments would be to lower base sentences dramatically for criminals who deal in crack cocaine. New sentences for these criminals would be between one-half and one-sixth their present length. Some drug dealers now subject to substantial prison sentences could end up serving no jailtime at all.

In my judgment, this sends entirely the wrong message: that in the war against crack, society has blinked.

That is not what we should be telling the crack dealers.

That is not what we should be telling concerned parents across this Nation.

And that is not what we should be telling the brave law-abiding members of our communities who are fighting back against the crack dealers.

Accordingly, the first bill I am introducing simply says: This shall not happen. It blocks these guideline changes, changes that otherwise would automatically become effective on November 1.

The principal reason the Sentencing Commission gave for lowering sentences for crack dealing was fairness.

The Commission was concerned that a powder cocaine dealer has to distribute 100 times more powder cocaine than a crack dealer to receive the same sentence as the crack dealer.

The Commission believes that this disparity creates a perception of unfairness because a substantial majority of convicted crack dealers are African-Americans, whereas a majority of convicted powder dealers are not. It further believes that the solution to this perception is to drastically lower crack sentences.

I believe the Commission is wrong on two scores. First, the Commission itself has given several strong reasons why it is entirely legitimate for our laws to punish crack distribution more severely than distribution of powder cocaine, and there are some reasons even beyond those the Commission gave.

Second, there is some basis for believing that the differential in the sentences may be too great. But the answer is not to lower the crack sentences. The answer is to toughen the powder sentences. That is what I am proposing in the second bill I am introducing today.

As to the first point: The Commission itself, in a report issued just this February, recognized that there is a strong foundation for Congress' original decision to punish distributors of crack more severely than distributors of powder cocaine.

That is a judgment every U.S. Court of Appeals that has considered the question has shared. As the Commission explained, crack is more addictive, provides a more intense high, is easier to use, does greater harm, and is associated with greater violence than simple powder.

Though powder cocaine and crack contain the same active ingredient, the cocaine alkaloid, crack is far more attractive and addictive. This is primarily because crack is easily smoked while powder is injected or snorted.

Smoking is one of the quickest methods of maximizing the drugs effects. The quicker the cocaine reaches the brain, the greater the effect, the shorter the effects duration and the greater the likelihood cocaine use will lead to dependence and abuse.

Furthermore, somebody who has never used drugs before is much more likely to try a drug by smoking it than by injecting it. It is unpleasant and requires some expertise to inject oneself with a foreign substance. Smoking seems casual and easy. Therefore it is no surprise that three times more people smoke cocaine than inject it.

Crack is also associated with systemic violence to a greater degree than powder cocaine. Use and distribution of crack are also associated more generally with enhanced criminal activity of all types.

Crack is also more dangerous in other ways. It produces more medical emergencies than snorting powder or injecting cocaine. And it is sold in small quantities at affordable, even cheap, prices—making it easier for small kids to get and use.

In short, crack is a very dangerous drug. The response it calls for is surely not to lower penalties for the people who distribute it to one-half to one-sixth their present length.

The second reason the Sentencing Commission's reasoning is unsound is that differential treatment of crack and powder cocaine is far from unique in drug sentencing. To the contrary, in other instances as well we treat source and derivative drugs differently in terms of the quantities an individual must distribute to trigger the same sentence.

For example, a distributor of a given amount of heroin—a derivative of opium just as crack is a derivative of powder cocaine—gets the same sentence as somebody who has distributed 20 times that amount of opium. Similarly, a distributor of smokeable methamphetamine, or ice, gets the same sentence as somebody who has distributed ten times that amount of regular methamphetamine.

Third, the Commission's proposed changes are incompatible with the statutory mandatory minimum sentences that Congress has established for distribution of crack cocaine.

Congress set the trigger amounts based on its view of the seriousness of the crack epidemic and the key role played by retail distributors. Congress deliberately decided that Federal enforcement should focus on both traffickers in high places in the processing or distribution chain and the managers of retail level traffic. Congress thought both were serious traffickers because they keep the street markets going.

The Commission recognized when it forwarded its amendments to the Congress that they are inconsistent with present law. Rather than adjusting its guidelines to conform with congressional directives, however, as has always previously been its practice, the Commission has instead elected to change the guidelines and ask Congress that it adjust the laws to accommodate the Commission's views.

Finally, and most importantly, the Commission's solution to this unfairness is in fact quite unfair to the law abiding citizens everywhere trying to fight back against crack dealers. And many of these antidrug activists themselves are African-Americans.

The Commission's proposals are not fair to the children in schools wracked by drug-induced violence. They are not fair to those children's parents, who want the Government to use every tool it can to protect their kids. And they are not fair to the vast majority of people living in communities, like Detroit, trying as hard as they can to defend their neighborhoods against unceasing attacks by crack dealers. The last thing most of these people want is for the Federal Government to relax its efforts in combatting the scourge of crack.

That is not to say that I have no sympathy with the Sentencing Commission's concern that the higher crack sentences create a perception of unfairness. I am particularly troubled because present law has resulted, at least occasionally, in insufficiently severe punishment of kingpins at the top of crack distribution chains when compared with punishments meted out to retail dealers.

The problem is that some of these kingpins take the precaution of distributing their product in powder rather than in crack form. Because of where the powder triggers are set, some of these individuals have received considerably less than the mandatory 5 year penalty even while the retail distributors, who are distributing the final product, are receiving at least 5 year sentences.

As I said before, though, in my view, however, the answer to these problems is not to lower the crack sentences. Instead we should toughen the powder sentences.

That is why the second bill I am introducing proposes to raise sentences for powder distribution by making the triggers for mandatory minimums 100 grams for 5 years and 1,000 grams for 10 years, rather than 500 and 5,000 as they are now. That would also mean that the quantity ratio for powder and crack would be 20 to 1, the same as the one between opium and its very dangerous and addictive derivative heroin.

I am pleased that I have been joined in the effort to block the crack guideline changes by a number of distinguished colleagues, including my good friend the chairman of the Judiciary Committee Senator HATCH, the former chairman of that committee, Senator THURMOND, and Senators GRASSLEY, Kyl, FEINSTEIN, and SHELBY.

The Department of Justice likewise opposes the Sentencing Commission's proposals and has asked Congress to block them.

It is my firm expectation that the Congress will act promptly on this measure to prevent these changes from taking effect on November 1.

I also will ask the Congress to take up in short order my proposal to toughen the sentences for powder dealers. I look forward to working with my colleagues in promoting tough, fair sentences for all drug dealers.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DETROIT BRANCH—NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE,
Detroit, MI, August 8, 1995.

DETROIT BRANCH—NAACP OFFICIAL STATEMENT

DETROIT, MI.—The current issue of the sentencing policy regarding "crack" and powdered cocaine is one that grips at the very heart and soul of our society. The jails are filled with young people, particularly young African American and Hispanic males and females, for the selling of these drugs.

The Detroit Branch of the NAACP, which is the largest branch in the nation with over 51,000 members, has articulated a very specific concern in the gross inequities in the sentencing policies for the sale of "crack" cocaine as compared to the sale of powdered cocaine. Drugs are in fact destroying the very spirit of our communities and are usurping the energy and vitality of our youth. It has been our very specific hope that legislation would be implemented to equalize the penalties for identical quantities of powdered cocaine and "crack." Please note for the record that we do not condone, support, encourage or sympathize with any of those who would sell this death and destruction to our community. We believe that this is the scourge of our nation. Yet, at the same time we recognize that young African American and Hispanic individuals do not fly, ship or transport these drugs into the streets of Detroit, Chicago, Washington, D.C. or Los Angeles.

We are very pleased to note the effort to address with a more systematic commitment to equity, punishment that fits the crime. We believe that reducing from 500 grams to 100 grams, the level of powdered cocaine determined in an illegal sale of this drug does begin the process of a more equitable application of crime and punishment. It is our belief that both "crack" and powdered cocaine have a detrimental impact on our community. Yet, we do not believe that the current laws governing the illegal sale of "crack" cocaine versus powdered cocaine and the subsequent sentencing for such infractions are by any means fair and appropriate.

Therefore, it is our position that the Senate Judiciary Committee has a key opportunity to bridge the gap between these inequities and to make more appropriate the type of sentencing resulting from the sale of powdered cocaine. You must know that the overwhelming sentiment within the African American and Hispanic communities is that our young people are being targeted, exploited and directed toward the jail industrial complex. This is being done in numbers much greater than those who sell more than they, profit more than they and more often than not, are privileged more than they.

We hope that both the Senate and the House will look favorably on the recommendation to lower the level of powered cocaine to maintain a mandatory, minimum, five-year sentence for those guilty of the sale of this illegal drug.

REV. WENDELL ANTHONY.

By Mr. ROCKEFELLER:

S. 1255. A bill to amend title XVIII of the Social Security Act to provide for Medicare contracting reforms, and for other purposes; to the Committee on Finance.

MEDICARE CONTRACTOR REFORM ACT OF 1995

Mr. ROCKEFELLER. Mr. President, I am pleased to introduce a bill to reform the way Medicare administers its health benefits. Under current law, Medicare is not allowed sufficient flexibility to award contracts to administer Medicare benefits based on performance, skill and expertise, or competition. This bill is long overdue and follows up on an oversight hearing I held as chairman of the Medicare subcommittee a few years ago.

When Medicare was enacted 30 years ago, private health insurance companies were awarded the task of administering the program. GAO recently testified before the Finance Committee that when Medicare was enacted "legislation essentially delegated many day-to-day administrative decisions to private insurers, to further lessen the risk of undue Federal interference and to better ensure that Medicare would treat its beneficiaries no differently than the private insured." Under my legislation, important administrative functions would still be performed by private sector companies but the pool of eligible companies would be broadened. Medicare would also have the opportunity to take advantage of private sector initiatives to improve customer service, lower administrative costs, and improve operational efficiency.

Mr. President, there is bipartisan recognition that funding for Medicare's administrative operations is currently inadequate. Funding for contractors has actually declined over the last several years. When adjusted for inflation, Medicare's contractor budget actually declined by 37 percent over the last 6 years. The Finance Committee, on which I serve, has heard testimony from the General Accounting Office, the HHS Office of Inspector General, and others in support of higher spending for Medicare administrative services. Increased spending on payment safeguard activities can actually save the Medicare Program money. According to the GAO, every dollar spent on Medicare safeguard activities returns at least $11 to the Medicare Program.

But, Mr. President, before we spend additional money on program administration we need to make sure that the Health Care Financing Administration [HCFA] has the ability to spend its contractor funds wisely and to enter into contracts with the most efficient entities.

The legislation I am introducing today replaces outdated Medicare law and gives HCFA the tools to take full advantage of innovations and efficiencies in the private sector when it comes to utilization review, detecting fraud and abuse, and processing claims. No longer would all Medicare contractors be required to perform all Medicare administrative activities. This legislation would permit the Secretary of HHS to selectively contract with any agency or organization that is capable of carrying out specific administrative functions, such as fraud and abuse detection, customer service, or utilization review.

Under current law, Medicare is restricted to contracting with health insurance companies. In the private sector, many large employers selectively contract with companies that specialize in, and have expertise in, utilization review or in adjudicating claims. The Medicare Program should not be prohibited from making similar competitive decisions. This flexibility will not only increase competition but it will enhance contractor performance by allowing Medicare to contract with entities who excel in a specific function.

Under current law, Medicare is forced to pay the costs of terminating a Medicare administrative contract even if the contract is terminated for cause, including poor performance, outright fraud, or even if the contract merely expires. Medicare is the only Federal program required to pay for these extraordinary termination costs. This is inconsistent with the Federal contracting authority and should be changed immediately.

Mr. President, my legislation would change current law that automatically renews Medicare's administrative contracts every year. More important, the decision on the awarding administrative contracts for part A would be given to HCFA while preserving a provider's right to choose its own fiscal intermediary. Because most hospitals have nominated the national Blue Cross-Blue Shield Association as their fiscal intermediary, when a State Blue Cross-Blue Shield plan leaves the Medicare Program the national Blue Cross-Blue Shield Association chooses which State Blue Cross-Blue Shield plan becomes the fiscal intermediary for the hospitals in that State. Under my legislation, new contractors would be awarded contracts using the same competitive requirements that apply throughout the Federal Government.

Hospital and nursing homes would still be able to choose their fiscal intermediary every 5 years from a list of at least 3 approved contractors. This freedom of choice keeps pressure on contractors to continuously improve customer service to beneficiaries and health care providers.

HCFA would also be allowed to monitor and respond to instances when a health insurance company is processing claims or auditing costs reports of health care providers that it owns. As the distinction between providers and insurers becomes blurred, a serious conflict of interest could emerge in these types of situations and HCFA must have the ability to safeguard the Medicare Trust Fund from these types of conflicts of interest.

Just as Medicare has reformed its payments to doctors and hospitals over the past decade, and is considering changes to the way it pays health maintenance organizations, it is time to consider alternative ways to pay contractors. Current Medicare law that requires cost-based reimbursement is inconsistent with payment performance incentives and competitive bidding.

Mr. President, I believe my legislation updates current Medicare law and is long overdue. This bill would equip the Health Care Financing Administration with the tools to move the Medicare Program into the next century. I ask unanimous consent that a copy of the legislative proposal be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1255

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND REFERENCES IN ACT.

(a) SHORT TITLE.—This Act may he cited as the "Medicare Contractor Reform Act of 1995".

(b) REFERENCES IN ACT.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made a section or other provision of the Social Security Act.

SEC. 2. INCREASED FLEXIBILITY IN CONTRACTING FOR MEDICARE CLAIMS PROCESSING.

(a) CARRIERS TO INCLUDE ENTITIES THAT ARE NOT INSURANCE COMPANIES.—

(1) Section 1842(a) (42 U.S.C. 1395u(a)) is amended in the matter preceding paragraph (1) by striking "with carriers" and inserting "with agencies and organizations (hereafter in this section referred to as 'carriers')".

(2) Section 1842(f) (42 U.S.C. 1395u(f)) is repealed.

(b) CHOICE OF FISCAL INTERMEDIARIES BY PROVIDERS OF SERVICES; SECRETARIAL FLEXIBILITY IN ASSIGNING FUNCTIONS TO INTERMEDIARIES AND CARRIERS.—

(1) Section 1816(a) (42 U.S.C. 1395h(a)) to read as follows:

"(a)(1) The Secretary may enter into contracts with agencies or organizations to perform any or all of the following functions, or parts of those functions (or, to the extent provided in a contract, to secure performance thereof by other organizations):

"(A) Determination (subject to the provisions of section 1878 and to such review by the Secretary as may be provided for by the contracts) the amount of the payments required pursuant to this part to be made to providers of services.

"(B) Making payments described in subparagraph (A).

"(C) Provision of consultative services to institutions or agencies to enable them to establish and maintain fiscal records necessary for purposes of this part and otherwise to qualify as providers of services.

"(D) Serving as a center for, and communicate to individuals entitled to benefits under this part and to providers of services, any information or instructions furnished to the agency or organization by the Secretary, and serve as a channel of communication from individuals entitled to benefits under this part and from providers of services to the Secretary.

"(E) Making such audits of the records of providers of services as may be necessary to ensure that proper payments are made under this part.

"(F) Performance of the functions described under subsection (d).

"(G) Performance of such other functions as are necessary to carry out the purposes of this part.

"(2) As used in this title and title XI, the term 'fiscal intermediary' means an agency or organization with a contract under this section.".

(2) Subsections (d) and (e) of section 1816 (42 U.S.C. 1395h) are amended to read as follows:

"(d) Each provider of services shall have a fiscal intermediary that—

"(1) acts as a single point of contact for the provider of services under this part,

"(2) makes its services sufficiently available to meet the needs of the provider of services, and

"(3) is responsible and accountable for arranging the resolution of issues raised under this part by the provider of services.

"(e)(1)(A) The Secretary shall, at least every 5 years, permit each provider of services (other than a home health agency or a hospice program) to choose an agency or organization (from at least 3 proposed by the Secretary, of which at least 1 shall have an office in the geographic area of the provider of services, except as provided by subparagraph (B)(ii)(II)) as the fiscal intermediary under subsection (d) for that provider of services. If a contract with that fiscal intermediary is discontinued, the Secretary shall permit the provider of services to choose under the same conditions from 3 other agencies or organizations.

"(B)(i) The Secretary, in carrying out subparagraph (A), shall permit a group of hospitals (or a group of another class of providers other than home health agencies or hospice programs) under common ownership by, or control of, a particular entity to choose one agency or organization (from at least 3 proposed by the Secretary) as the fiscal intermediary under subsection (d) for all the providers in that group if the conditions specified in clause (ii) are met.

"(ii) The conditions specified in this clause are that—

"(I) the group includes all the providers of services of that class that are under common ownership by, or control of, that particular entity, and

"(II) all the providers of services in that group agree that none of the agencies or organizations proposed by the Secretary is required to have an office in any particular geographic area.

"(2) The Secretary, in evaluating the performance of a fiscal intermediary, shall solicit comments from providers of services.".

(3)(A) Section 1816(b)(1)(A) (42 U.S.C. 1395h(b)(1)(A)) is amended by striking "after applying the standards, criteria, and procedures" and inserting "after evaluating the ability of the agency or organization to fulfill the contract performance requirements".

(B) The first sentence of section 1816(f)(1) (42 U.S.C. 1395h(f)(1)) is amended—

(i) by striking "develop standards, criteria, and procedures" and inserting ", after public notice and opportunity for comment, develop contract performance requirements", and

(ii) by striking ", and the Secretary shall establish standards and criteria with respect to the efficient and effective administration of this part".

(C) The second sentence of section 1842(b)(2)(A) (42 U.S.C. 1395u(b)(2)(A)) is amended to read as follows: "The Secretary shall, after public notice and opportunity for comment, develop contract performance requirements for the efficient and effective performance of contract obligations under this section.".

(D) Section 1842(b)(2)(A) (42 U.S.C. 1395u(b)(2)(A)) is amended by striking the third sentence.

(E) Section 1842(b)(2)(B) (42 U.S.C. 1395u(b)(2)(B)) is amended in the matter preceding clause (i) by striking "establish standards" and inserting "develop contract performance requirements".

(F) Section 1842(b)(2)(D) (42 U.S.C. 1395u(b)(2)(D)) is amended by striking "standards and criteria" each place it appears and inserting "contract performance requirements".

(4)(A) Section 1816(b) (42 U.S.C. 1395h(b)) is amended in the matter preceding paragraph (1) by striking "an agreement" and inserting "a contract".

(B) Paragraphs (1)(B) and (2)(A) of section 1816(b) (42 U.S.C. 1395h(b)) are each amended by striking "agreement" and inserting "contract".

(C) The first sentence of section 1816(c)(1) (42 U.S.C. 1395h(c)(1)) is amended by striking "An agreement" and inserting "A contract".

(D) The last sentence of section 1816(c)(1) (42 U.S.C. 1395h(c)(1)) is amended by striking "an agreement" and inserting "a contract".

(E) Section 1816(c)(2)(A) (42 U.S.C. 1395h(c)(2)(A)) is amended in the matter preceding clause (i) by striking "agreement" and inserting "contract".

(F) Section 1816(c)(3)(A) (42 U.S.C. 1395h(c)(3)(A)) is amended by striking "agreement" and inserting "contract".

(G) The first sentence of section 1816(f)(1) (42 U.S.C. 1395h(f)(1)) is amended by striking "an agreement" and inserting "a contract".

(H) Section 1816(h) (42 U.S.C. 1395h(h)) is amended—

(i) by striking "An agreement" and inserting "A contract", and

(ii) by striking "the agreement" each place it appears and inserting "the contract".

(I) Section 1816(i)(1) (42 U.S.C. 1395h(i)(1)) is amended by striking "an agreement" and inserting "a contract".

(J) Section 1816(j) (42 U.S.C. 1395h(j)) is amended by striking "An agreement" and inserting "A contract".

(K) Section 1816(k) (42 U.S.C. 1395h(k)) is amended by striking "An agreement" and inserting "A contract".

(L) Section 1842(a) (42 U.S.C. 1395u(a)) is amended in the matter preceding paragraph (1) is amended by striking "agreements" and inserting "contracts".

(M) Section 1842(h)(3)(A) (42 U.S.C. 1395u(h)(3)(A)) is amended by striking "an agreement" and inserting "a contract".

(5) Section 1816(f)(1) (42 U.S.C. 1395h(f)(1)) is amended by striking the second sentence.

(6)(A) Section 1816(c)(2)(A) (42 U.S.C. 1395h(c)(2)(A)) is amended in the matter preceding clause (i) by inserting "that provides for making payments under this part" after "this section".

(B) Section 1816(c)(3)(A) (42 U.S.C. 1395h(c)(3)(A)) is amended by inserting "that provides for making payments under this part" after "this section".

(C) Section 1816(k) (42 U.S.C. 1395h(k)) is amended by inserting "(as appropriate)" after "submit".

(D) Section 1842(a) (42 U.S.C. 1395u(a)) is amended in the matter preceding paragraph (1) by striking "some or all of the following functions" and inserting "any or all of the following functions, or parts of those functions".

(E) The first sentence of section 1842(b)(2)(C) (42 U.S.C. 1395u(b)(2)(C)) is amended by inserting "(as appropriate)" after "carriers".

(F) Section 1842(b)(3) (42 U.S.C. 1395u(b)(3)) is amended in the matter preceding subparagraph (A) by inserting "(as appropriate)" after "contract".

(G) Section 1842(b)(7)(A) (42 U.S.C. 1395u(b)(7)(A)) is amended in the matter preceding clause (i) by striking "the carrier" and inserting "a carrier".

(H) Section 1842(b)(11)(A) (42 U.S.C. 1395u(b)(11)(A)) is amended in the matter preceding clause (i) by inserting "(as appropriate)" after "each carrier".

(I) Section 1842(h)(2) (42 U.S.C. 1395u(h)(2)) is amended in the first sentence by inserting "(as appropriate)" after "shall".

(J) Section 1842(h)(5)(A) (42 U.S.C. 1395u(h)(5)(A)) is amended by inserting "(as appropriate)" after "carriers".

(7)(A) Section 1816(c)(2)(C) (42 U.S.C. 1395h(c)(2)(C)) is amended by striking "hospital, rural primary care hospital, skilled nursing facility, home health agency, hospice program, comprehensive outpatient rehabilitation facility, or rehabilitation agency" and inserting "provider of services".

(B) Section 1816(j) (42 U.S.C. 1395h(j)) is amended in the matter preceding paragraph (1) by striking "for home health services, extended care services, or post-hospital extended care services".

(8) Section 1842(a)(3) (42 U.S.C. 1395u(a)(3)) is amended by inserting "(to and from individuals enrolled under this part and to and from physicians and other entities that furnish items and services)" after "communication".

(c) Elimination of Special Provisions for Terminations of Contracts.—

(1) Section 1816(b) (42 U.S.C. 1395h(b)) is amended in the matter preceding paragraph (1) is amended by striking "or renew".

(2) The last sentence of section 1816(c)(1) (42 U.S.C. 1395h(c)(1)) is amended by striking "or renewing".

(3) Section 1816(f)(1) (42 U.S.C. 1395h(f)(1)) is amended—

(A) by striking ", renew, or terminate", and

(B) by striking ", whether the Secretary should assign or reassign a provider of services to an agency or organization,".

(4) Section 1816(g) (42 U.S.C. 1395h(g)) is repealed.

(5) The last sentence of section 1842(b)(2)(A) (42 U.S.C. 1395u(b)(2)(A)) is amended by striking "or renewing".

(6) Section 1842(b) (42 U.S.C. 1395u(b)) is amended by striking paragraph (5).

(d) Repeal of Fiscal Intermediary Requirements That Are Not Cost-Effective.—Section 1816(f)(2) (42 U.S.C. 1395h(f)(2)) is amended to read as follows:

"(2) The contract performance requirements developed under paragraph (1) shall include, with respect to claims for services furnished under this part by any provider of services other than a hospital, whether such agency or organization is able to process 75 percent of reconsiderations within 60 days and 90 percent of reconsiderations within 90 days.".

(e) Repeal of Cost Reimbursement Requirements.—

(1) The first sentence of section 1816(c)(1) (42 U.S.C. 1395h(c)(1)) is amended—

(A) by striking the comma after "appropriate" and inserting "and", and

(B) by striking "subsection (a)" and all that follows through the period and inserting "subsection (a).".

(2) Section 1816(c)(1) (42 U.S.C. 1395h(c)(1)) is further amended by striking the second and third sentences.

(3) The first sentence of section 1842(c)(1) (42 U.S.C. 1395u(c)(1)) is amended—

(A) by striking "shall provide" the first place it appears and inserting "may provide", and

(B) by striking "this part" and all that follows through the period and inserting "this part.".

(4) Section 1842(c)(1) (42 U.S.C. 1395u(c)(1)) is further amended by striking the second and third sentences.

(5) Section 2326(a) of the Deficit Reduction Act of 1984 is repealed.

(f) Competition Required for New Contracts and in Cases of Poor Performance.—

(1) Section 1816(c) (42 U.S.C. 1395h(c)) is amended by adding at the end the following new paragraph:

"(4)(A) A contract with a fiscal intermediary under this section may be renewed from term to term without regard to any provision of law requiring competition if the fiscal intermediary has met or exceeded the performance requirements established in the current contract.

"(B) Functions may be transferred among fiscal intermediaries without regard to any provision of law requiring competition.".

(2) Section 1842(b)(1) (42 U.S.C. 1395u(b)(1)) is amended to read as follows:

"(b)(1)(A) A contract with a carrier under subsection (a) may be renewed from term to term without regard to any provision of law requiring competition if the carrier has met or exceeded the performance requirements established in the current contract.

"(B) Functions may be transferred among carriers without regard to any provision of law requiring competition.".

(g) Waiver of Competitive Requirements for Initial Contracts.—

(1) Contracts that have periods that begin during the 1-year period that begins on the first day of the fourth calendar month that begins after the date of enactment of this Act may be entered into under section 1816(a) of the Social Security Act (42 U.S.C. 1395h(a)) without regard to any provision of law requiring competition.

(2) The amendments made by subsection (f) apply to contracts that have periods beginning after the end of the 1-year period specified in paragraph (1).

(h) Effective Dates.—

(1) The amendments made by subsection (c) apply to contracts that have periods ending on, or after, the end of the third calendar month that begins after the date of enactment of this Act.

(2) The amendments made by subsections (a), (b), (d), and (e) apply to contracts that have periods beginning after the third calendar month that begins after the date of enactment of this Act.•

By Mr. WELLSTONE:

S. 1257. A bill to amend the Stewart B. McKinney Homeless Assistance Act to reauthorize programs relating to homeless assistance for veterans; to the Committee on Labor and Human Resources.

THE STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT AMENDMENT ACT OF 1995

• Mr. WELLSTONE. Mr. President, to save a highly cost effective and vital program that assists homeless veterans to find employment, I am today introducing a bill that would reauthorize the Homeless Veterans Employment Program [HVEP]—formerly called the Homeless Veterans Reintegration Project—for 3 years.

As some of you may recall, during the debate on H.R. 1944, the rescissions bill, I expressed my dismay and strong opposition to the zeroing out of this low-cost national program—funded at just over $5 million annually—that is so important to homeless veterans. In view of the fact that up to one-third of America's homeless are veterans—an estimated 271,000 can be found on the streets any given night—and Minnesota veterans have often told me about the effectiveness of HVEP, I was appalled when I learned that the program had fallen victim to a late-night leadership agreement with the administration on the rescissions package.

Since it is such a small program, many of your may be unaware of HVEP's background and its impressive accomplishments. HVEP, which is administered by the Labor Department's Veterans Employment and Training Service, is a job-placement program begun in fiscal year 1989. HVEP provides grants to community based groups that employ flexible and innovative approaches to assist homeless, unemployed veterans to reenter the work force. Let me repeat—grants to community-based groups, not funding to some large impersonal Federal bureaucracy that some of my colleagues regularly deride.

Permit me to briefly point out some of HVEP's strengths and accomplishments: It is one of the most successful job placement programs in the Federal Government. Since its inception it has placed 11,000 veterans into jobs at approximately $1,000 per placement. HVEP grantees build complimentary relationships with VA, Job Training Partnership Act, and other programs—they do not duplicate any other services. HVEP is critical to the implementation and success of the innovative standdown projects that are held across the country.

I have had the good fortune of attending several Minnesota standdowns, including one recently, and I have been consistently impressed with the effectiveness of this volunteer program of veterans helping homeless veterans. I've been deeply moved by the sight of veterans doing all they can to help their less fortunate buddies—veterans exerting themselves to care for homeless veterans whom the rest of society tends to ignore and, sometimes even scorn. Standdowns are a unique point of light that need to be nourished, not strangled. And the same is true for the HVEP itself.

In conclusion, I want to stress that the $5 million saved annually by terminating HVEP will quickly be offset by the enormous costs of providing public assistance to the veterans who will remain homeless due to the lack of a paying job. Reauthorization of HVEP will permit us to meet our obligation to men and women who fought bravely and unquestioningly for our country, but who are desperately seeking work to escape the misery and indignities of homelessness.

Mr. President, I ask that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1257

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. JOB PLACEMENT FOR HOMELESS VETERANS.

(a) HOMELESS VETERAN EMPLOYMENT PROGRAM.—Section 738(e)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11448(e)(1)) is amended by striking out subparagraphs (A), (B), and (C) and inserting in lieu thereof the following new subparagraphs:

"(A) $10,000,000 for fiscal year 1996.

"(B) $10,000,000 for fiscal year 1997.

"(C) $10,000,000 for fiscal year 1998.

(b) GENERAL AUTHORIZATION OF APPROPRIATIONS.—Section 739(a) of such Act (42 U.S.C. 11449(a)) is amended by striking out "fiscal years 1994 and 1995" and inserting in lieu thereof "fiscal years 1996, 1997, and 1998".

(c) EXTENSION OF PROGRAM.—Section 741 of such Act (42 U.S.C. 11450) is amended by striking out "October 1, 1995" and inserting in lieu thereof "October 1, 1998".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1995.●

By Mr. KYL:

S. 1258. A bill to amend the Internal Revenue Code of 1986 to allow a one-time election of the interest rate to be used to determine present value for purposes of pension cash-out restrictions, and for other purposes; to the Committee on Finance.

URUGUAY ROUND AGREEMENTS ACT MODIFICATION LEGISLATION

● Mr. KYL. Mr. President, I introduce legislation to make two modifications to the pension-related provisions of the 1994 Uruguay Round Agreements Act.

Mr. President, one of the greatest challenges facing Americans today is to save and invest for retirement. It is a challenge that is made difficult by all of the important matters that compete for a share of the American family's limited income day in and day out. Parents routinely ask themselves, for example, if they can afford to make a contribution to an individual retirement account when they still need to save for their child's college education.

Sometimes, the choices people face are even more stark: Whether to set aside money for retirement, repair the family car so a mother or father can get to work, or just put food on the table or clothes on the kids' backs.

Employers, too, must make similar choices. To attract and retain qualified employees, they want to be able to offer good pension benefits. But, they have to decide whether they can put more money into a pension plan for their employees when the business needs new equipment just to stay competitive.

It's easy to relegate retirement to second place behind any of these other pressing needs—especially when retirement is 5, 10, 20, or 30 years away. But, adequate planning for retirement is no less important or urgent. When the time comes, we will all need to draw upon the resources we have been able to set aside during our working years.

Because there are so many competing demands placed on people's incomes—because it is so difficult to save for retirement even under the best of circumstances—the Federal Government should be sure to do what it can to encourage people to save and invest for their retirement years.

One thing Congress could do in that regard is provide new incentives to save. The new chairman of the Finance Committee, Senator BILL ROTH, has a plan to enhance and overhaul the Individual Retirement Account [IRA]. I am pleased to have cosponsored that proposal, S. 12, with him.

Another thing we could do is simplify current law to make it easier for people and their employers to participate in retirement plans. Senator PRYOR has an excellent proposal, S. 1006, the Pension Simplification Act, that I hope the Finance Committee will also consider when it acts on reconciliation in the near future.

The bill that I am introducing today takes two additional steps in the direction of pension simplification, correcting two problems that were created by the Uruguay Round Agreements Act, last year's GATT bill.

The first change in my bill relates to the interest rate used to calculate lump sum distributions from defined benefit pension plans. The GATT bill required use of the interest rate on 30-year Treasury securities, a rate that is proving too volatile for many retirement plans, particularly small plans. As Bruce Tempkin, an actuary and small business pension specialist at Louis Kravitz & Associates, put it recently, "it is similar to taking out a varible-rate mortgage with no cap." You could find yourself getting ready to retire and expecting a lump sum distribution of a given amount, but being told that you will actually get a third less because the interest rate just changed.

My bill would give plans a one-time option to choose a fixed interest rate between 5 and 8 percent instead of the floating 30-year Treasury rate. That will make it easier for employers to plan for the required contributions, and for employers and employees alike to understand what their lump sum benefits will ultimately be.

The second change included in my bill would correct an anomaly that was created under section 415(b)(2)(E) of the code. As a result of the change made in last year's GATT bill, lump-sum distributions are calculated differently from—and thereby bear no relationship to—the actuarial equivalent of a monthly life annuity for early retirees. It is a result that, from all indications was unintended. My bill includes a technical correction to ensure that the two options—the monthly life annuity and the lump sum distribution—are indeed actuarially equivalent for early retirees.

Mr. President, I invite my colleagues to join me as a cosponsor of this important initiative. I also ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1258

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INTEREST RATE FOR DETERMINATION OF PRESENT VALUE FOR PURPOSES OF PENSION CASH-OUT RESTRICTIONS.

(a) IN GENERAL.—Subclause (II) of section 417(e)(3)(A)(ii) of the Internal Revenue Code of 1986 (relating to determination of present value) is amended by inserting ", or, at the irrevocable election of the plan, an annual interest rate specified in the plan, which may not be less than 5 percent nor more than 8 percent" after "prescribe".

(b) CONFORMING AMENDMENT.—Subclause (II) of section 205(g)(3)(A)(ii) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1055(g)(3)(A)(ii)) is amended by inserting ", or, at the irrevocable election of the plan, an annual interest rate specified in the plan, which may not be less than 5 percent nor more than 8 percent" after "prescribe".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the amendments made by section 767 of the Uruguay Round Agreements Act.

SEC. 2. MODIFICATION OF CERTAIN ASSUMPTIONS FOR ADJUSTING BENEFITS OF DEFINED BENEFIT PLANS FOR EARLY RETIREES.

(a) IN GENERAL.—Subparagraph (E) of section 415(b)(2) of the Internal Revenue Code of 1968 (relating to limitation on certain assumptions) is amended—

(1) by striking "Except as provided in clause (ii), for purposes of adjusting any benefit or limitation under subparagraph (B) or (C)," in clause (i) and inserting "For purposes of adjusting any limitation under subparagraph (C) and, except as provided in clause (ii), for purposes of adjusting any benefit under subparagraph (B),", and

(2) by striking "For purposes of adjusting the benefit or limitation of any form of benefit subject to section 417(e)(3)," in clause (ii) and inserting "For purposes of adjusting any benefit under subparagraph (B) for any form of benefit subject to section 417(e)(3),".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the amendments made by section 767 of the Uruguay Round Agreements Act.●

ADDITIONAL COSPONSORS

S. 44

At the request of Mr. REID, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 44, a bill to amend title 4 of the United

States Code to limit State taxation of certain pension income.

S. 112

At the request of Mr. DASCHLE, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 112, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain amounts received by a cooperative telephone company.

S. 309

At the request of Mr. BENNETT, the names of the Senator from Arkansas [Mr. PRYOR], the Senator from Rhode Island [Mr. PELL], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from North Dakota [Mr. DORGAN], and the Senator from South Dakota [Mr. DASCHLE] were added as cosponsors of S. 309, a bill to reform the concession policies of the National Park Service, and for other purposes.

S. 490

At the request of Mr. GRASSLEY, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 490, a bill to amend the Clean Air Act to exempt agriculture-related facilities from certain permitting requirements, and for other purposes.

S. 684

At the request of Mr. HATFIELD, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 684, a bill to amend the Public Health Service Act to provide for programs of research regarding Parkinson's disease, and for other purposes.

S. 881

At the request of Mr. PRYOR, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 881, a bill to amend the Internal Revenue Code of 1986 to clarify provisions relating to church pension benefit plans, to modify certain provisions relating to participants in such plans, to reduce the complexity of and to bring workable consistency to the applicable rules, to promote retirement savings and benefits, and for other purposes.

S. 1178

At the request of Mr. CHAFEE, the names of the Senator from Mississippi [Mr. LOTT] and the Senator from Utah [Mr. HATCH] were added as cosponsors of S. 1178, a bill to amend title XVIII of the Social Security Act to provide for coverage of colorectal screening under part B of the Medicare Program.

SENATE RESOLUTION 146

At the request of Mr. JOHNSTON, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of Senate Resolution 146, a resolution designating the week beginning November 19, 1995, and the week beginning on November 24, 1996, as "National Family Week," and for other purposes.

AMENDMENTS SUBMITTED

THE AGRICULTURE APPROPRIATIONS ACT FOR FISCAL YEAR 1996

REID (AND BROWN) AMENDMENT NO. 2685

Mr. REID (for himself and Mr. BROWN) proposed an amendment to the bill (H.R. 1976) making appropriations for Agriculture, rural development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1996, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . BOARD OF TEA EXPERTS

None of the funds appropriated under this Act may be used for the salaries or expenses of the Board of Tea experts established under section 2 of the Act. entitled "An Act to prevent the importation of impure and unwholesome tea", approved March 2, 1897 (21 U.S.C. 42).

KERREY (AND KOHL) AMENDMENT NO. 2686

Mr. DASCHLE (for Mr. KERREY, for himself and Mr. KOHL) proposed an amendment to the bill H.R. 1976, supra; as follows:

On page 83, strike line 4 through line 15;

On page 43, line 17; strike $528,839,000 and insert in its place $563,839,000;

On page 52, line 18; strike $17,895,000 and insert in its place $22,395,000;

On page 52, line 24; strike $30,000,000 and insert in its place $37,544,000;

On page 55, line 1; strike $1,500,000 and insert in its place $3,000,000.

BROWN (AND ABRAHAM) AMENDMENT NO. 2687

Mr. BROWN (for himself and Mr. ABRAHAM) proposed an amendment to the bill H.R. 1976, supra; as follows:

At the appropriate place in the amendment, insert the following:

(a) None of the funds appropriated or made available to the Federal Drug Administration by this Act shall be used to operate the Board of Tea Experts and related activities.

(b) The Tea Importation Act (21 U.S.C. 41 et seq.) is repealed.

BROWN AMENDMENTS NOS. 2688–2690

Mr. BROWN proposed three amendments to the bill H.R. 1976, supra; as follows:

AMENDMENT NO. 2688

At the appropriate place, insert the following:

SEC. . PEANUT PROGRAM.

(a) IN GENERAL.—None of the funds made available under this Act may be used to carry out a price support or production adjustment program for peanuts.

(b) ASSESSMENT.—The Secretary of Agriculture may charge producers a marketing assessment to carry out the program under the same terms and conditions as are prescribed under section 108B(g) of the Agriculture Act of 1949 (7 U.S.C. 1445c-3(g)).

AMENDMENT NO. 2689

At the appropriate place in the amendment, insert the following:

SEC. . PRICE SUPPORT AND GRADING AND INSPECTION OF TOBACCO.

(a) IN GENERAL.—None of the funds made available under this Act may be used to pay the salaries or expenses of the employees of the Department of Agriculture to grade or inspect tobacco or to administer price support functions for tobacco.

(b) ASSESSMENT.—The Secretary of Agriculture may charge producers a marketing assessment to grade or inspect tobacco and to administer the price support functions under the same terms and conditions as are prescribed in the Agricultural Act of 1949 (7 U.S.C. 1445-1 and 1445-2).

AMENDMENT NO. 2690

Insert at page 84, between line 2 and line 3:

SEC. 730. None of the funds available in this Act shall be used for any action, including the development or assertion of any position or recommendation by or on behalf of the Forest Service, that directly or indirectly results in the loss of or restriction on the diversion and use of water from existing water supply facilities located on National Forest lands by the owners of such facilities, or result in a material increase in the cost of such yield to the owners of the water supply; *Provided:* nothing in this section shall preclude a mutual agreement between any agency of the Department of Agriculture and a state or local governmental entity or private entity or individual.

BRYAN (AND BUMPERS) AMENDMENT NO. 2691

Mr. BRYAN (for himself and Mr. BUMPERS) proposed an amendment to the bill H.R. 1976, supra; as follows:

On page 65, line 18, before the period at the end, insert the following: ": *Provided further*, That none of the funds made available under this Act may be used to carry out the market promotion program established under section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623)".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. COCHRAN. Mr. President, I ask unanimous consent that the committee on Armed Services be authorized to meet on Monday, September 18, 1995, at 3 p.m. in executive session, to consider and act on the committee's recommendation for the reconciliation bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE 75TH ANNIVERSARY OF THE TOWN OF INDIAN HEAD, MD

• Mr. SARBANES. Mr. President, I would like to call to the attention of our colleagues celebrations that are underway to celebrate the 75th anniversary of the establishment of the town of Indian Head, MD. The mayor of Indian Head, Warren Bowie, along with the entire community, has planned several significant events to commemorate this propitious milestone.

One of two incorporated townships in Charles County, Indian Head's history goes back much further than its date of incorporation in 1920. The territory now known as Indian Head was given to Lord Baltimore, and then to Gen. Charles Cornwallis, as part of a land grant made by the English King in 1736. Records later reveal that Cornwallis titled the land to George Washington in 1761.

Older charts and maps dating from 1776 through 1866 indicate that Indian Head has had several names including Indian Point, Indian Headlands, and Indian Head Point. All of these names reflect the more popular tale of how the name Indian Head was bestowed upon the town. As the story is told, there was an Algonquin chief who had promised his daughter in marriage to the son of the chief of the neighboring Piscataway Tribe. Before the two children were united, the young woman met an Indian hunter who was traveling up the Potomac River from the Virginia Colony. The two immediately fell in love. The Algonquin chief, enraged at the disruption of the wedding plans, ordered the hunter to leave and never to return to the region again. The hunter vowed that he would come back for his love. His plans to return were discovered and foiled. The night he returned, he was ambushed by Algonquin warriors and beheaded. His head was placed on a spear and set in the sand as a warning to other trespassers. The very next day, the first white settlers came and discovered this monument. Hence the name Indian Head.

Indian Head was slow to populate itself, largely due to the fact that the area was mainly marshland. But in 1890 the U.S. Navy decided to move its proving ground to Indian Head, primarily because of its location between the naval shipyards in Norfolk and the Washington Navy Yard on the Anacostia. As the installation at Indian Head grew, so did the town. When it became inevitable that the United States would become deeply engaged in World War I, Indian Head was given a large appropriation to expand its facilities to produce smokeless powder. The naval powder factory, which is now the naval ordnance station, provided the stimulus for the expansion of Indian Head.

Indian Head is a model of community spirit and cooperation. The activities that have been sponsored to commemorate this auspicious occasion exemplify the deep devotion of Indian Head's residents to the community. The spirit and enthusiasm of Indian Head's citizens have been the foundation of its success. These celebrations provide the opportunity to renew the dedication that has supported Indian Head throughout its history and helped it to develop into one of Maryland's most attractive communities.

We in Maryland are fortunate to have an area as community-oriented as Indian Head. I join the citizens of Charles County in sharing their pride in Indian Head's past and optimism for continued success in the years to come.•

SUMMER INTERNS

• Mr. ABRAHAM. Mr. President, I rise today to offer recognition to my summer interns, who have dedicated their time and effort this summer, serving the people of Michigan on my behalf. In an era when cynicism about our Government and the political process runs rampant, they have maintained an optimistic view of our Government, and have made considerable sacrifices so that they could play a more active role in the American political system. They were of great help to us this summer and I am grateful for their service. In appreciation of their hard work and dedication, I submit a list of their names, and ask that it be printed in the RECORD.

The list follows:

Lisa Maria Carroll, Nathan E. Clukey, Christopher DeMuth, Hope Durant, Michael J. Earle, Robert Glazier, John Iakovides, Thomas Marshall, Danny Mayer, Denise Mills, Michael Mikelic, Ryan O'Donovan, Stephen V. Potenza, Barry Regan, John Sanke, Sergio Santiviago, Nedda Shayota, Joseph A. Snearline, Matthew J. Suhr, Courtenay Youngblood, Paul Yu.

Mr. President, these fine young men and women performed valuable service assisting with legislative research, front office support, and playing for my expansion softball team. Like all expansion teams, this year was a rebuilding year. Our team's record may not have been the greatest, Mr. President, but without the interns, I would have had no softball team.

On a more serious note, Mr. President, it is my belief that a congressional internship is the best and most effective way to learn firsthand about the governmental process. Our interns are given the chance to observe and participate in all kinds of activities essential to the workings of the Senate. From committee markups to floor speeches and votes, to the daily workings of the office, they have been given a diverse and extensive lesson in the governmental process. It is a lesson that, regardless of their future ambitions, will remain with them throughout the course of their lives.•

THE EIGHTH ANNUAL FESTIVAL OF THE ARTS AND HERITAGE OF AFRICAN-AMERICANS

• Mr. BRADLEY. Mr. President, our country is a remarkable mosaic—a mixture of races, languages, ethnicities, and religions—that grows increasingly diverse with each passing year. Nowhere is this incredible diversity more evident than in the State of New Jersey. In New Jersey, schoolchildren come from families that speak 120 different languages at home. These different languages are used in over 1.4 million homes in my State. I have always believed that one of the United States greatest strengths is the diversity of the people that make up its citizenry and I am proud to call the attention of my colleagues to an event in New Jersey that celebrates the importance of the diversity that is a part of America's collective heritage.

On June 4, 1995, the Garden State Arts Center in Holmdel, NJ, began its 1995 Spring Heritage Festival Series. The heritage festival program salutes some of the different ethnic communities that contribute so greatly to New Jersey's diverse makeup. Highlighting old country customs and culture, the festival programs are an opportunity to express pride in the ethnic backgrounds that are a part of our collective heritage. Additionally, the Spring Heritage Festivals will contribute proceeds from their programs to the Garden State Arts Center's Cultural Center Fund which presents theater productions free-of-charge to New Jersey's school children, seniors, and other deserving residents. The heritage festival thus not only pays tribute to the cultural influences from our past, it also makes a significant contribution to our present day cultural activities.

On Saturday, September 16, 1995, the Heritage Festival Series celebrated the Eighth Annual Festival of the Arts and Heritage of African-Americans. The first African-American Heritage Festival, founded by Clinton Crocker of Tinton Falls, NJ, was held in September, 1988. The festival took its place in the series in September, 1988. The festival took its place in the series of heritage festivals at the Garden State Arts Center under the leadership of Julian Robinson, then commissioner of the New Jersey Highway Authority and was so ably organized this year by Carol Washington.

Clinton Crocker's early vision of a major festival which would reflect pride in the African-American presence in New Jersey, has laid the foundation for an outstanding event that celebrates the beauty and diversity of African-American culture. The festival presented a wide variety of performing arts including: soloists, African dance troupes, gospel singers, and African story-tellers sharing traditional tales. The festival also showcased ethnic foods from the African continent as well as African-American favorites and was undobtedly one of the highlights of the day.

The African-American Heritage Festival has proven itself to be an outstanding event over the years. The festival continues to grow in popularity each year, more than doubling its annual attendance from its first year. With increased popularity has come increased profits which has led to the development of a Relief Fund for Uwanda and other needy African nations. Profits also go to fund recreational activities for needy seniors, the disadvantaged, and for scholarship funds for college students.

Congratulations once again on the eighth anniversary of the Festival of the Arts and Heritage of African-Americans. Best wishes for continued success and to all who attended the festival to celebrate a day of pride in their ethnicity.•

TRIBUTE TO AL MEIER

• Mr. HARKIN. Mr. President, it is an honor for me to rise today to honor a distinguished citizen from my State—Iowa Commissioner of Labor Al Meier. When Al retired on July 28, he stepped down as the longest serving labor commissioner in the United States.

Over the years, Al Meier has been an ally on the side of working Iowans. Before Al was named labor commissioner in 1977, he served on the OSHA Review Commission, and prior to that he represented the AFL–CIO. He has also chaired the organizational committee of the Governor's Safety and Health Conference.

As labor commissioner, Al was responsible for helping Iowans stay safe on the job and off. Accountable for all division of labor programs, Al's duties included safety inspections, such as elevator and amusement ride inspections; wage payment collection, child labor, minimum wage, asbestos removal, and contractor registration.

I can tell you that no one worked harder on keeping Iowans safe in the workplace than Al Meier. But his work wasn't just about safety, as vital as that is. It was also about security—economic security—helping Iowans live better lives, and building a better future for our State. He was, and still is, at his best when it comes to helping others fight for a better life.

Al has been a fighter all his life. A former Golden Gloves contender, he never relinquished the fighting spirit it took for him to compete in the boxing ring. Whether it was through his work in political organizing, negotiating on the Hill, or representing the union, Al has been a fighter and a builder. He built coalitions. He built opportunities. He built a stronger Iowa.

And throughout it all, Al has never compromised in his commitment to helping people. I know of no greater tribute, and no better legacy, than that.

Mr. President, I am proud to salute the leadership and selfless service that Al Meier has demonstrated throughout his life. I am especially honored to count Al as one of my dearest friends—a friend that I have known for many years. Once again I congratulate Al on his many years of service to Iowans, and I ask my colleagues to join with me in wishing him a long and happy retirement.•

TRIBUTE TO HADLEY ROFF

• Mrs. FEINSTEIN. Mr. President, I rise today to pay tribute to a long-time friend and associate, Hadley Roff. Since I first met Hadley when we were both students at Stanford University, he has been a close and dear friend. Over the years, as we worked together when I was mayor of San Francisco, during a campaign for Governor, and as a U.S. Senator, our friendship and respect for one another continued to grow.

Hadley Roff's career, both in Washington, DC, and in San Francisco, shows exactly what can be accomplished when someone devotes his life to public service.

Hadley began his distinguished career as a reporter for a San Francisco newspaper, the News, in 1956 and continued as the News was merged with the Call Bulletin and, finally, with the San Francisco Examiner. Hadley, from his days at Stanford University, wanted to work on a San Francisco newspaper. He did and he closed two of them.

Hadley soon switched his sights to the world of public service.

In Washington, DC, he industriously served as chief of staff to U.S. Senator John V. Tunney, press secretary for Senator EDWARD M. KENNEDY and national media director for the Presidential campaign of Senator Edmund Muskie. But, Hadley gladly returned to San Francisco when the chance arose to serve the city of San Francisco.

Hadley adeptly served the citizens of San Francisco under four mayors. Beginning as press secretary for Joseph L. Alioto, Hadley continued to serve during the tenures of Art Agnos, my administration, and Frank Jordan.

Hadley served as my deputy mayor for more than 8 years when I became mayor of San Francisco in 1978. He constantly showed a particular devotion to public safety that has continued to today. As deputy mayor, Hadley was always made aware when a fire reached three alarms and, regardless of what he may have been doing, Hadley was off to the scene.

More recently, when Hadley served as my State director in my Senate office for 2 years, Hadley was instrumental in assisting former San Francisco Fire Department Assistant Chief, Frank Blackburn, in establishing a temporary emergency water system that helped save the lives of 140,000 Rwandan refugees in 1994.

Hadley describes himself as a "human switchboard," understanding the need to get the right people to a problem, but he is much more than that. He is a very gracious person who always shows great concern for people. He was never too busy to take a call or listen to someone's thoughts. During demonstrations, he effectively maintained a constructive dialog and, more often than not, made it so everyone left smiling. He was the heart and soul of the office and his dedication could not help but motivate others.

For a long, long time Hadley has been a big part of my life.

Recently, Hadley left my office to become a director for the San Francisco Urban Institute at San Francisco State University. And, today, many San Franciscans are joining together to pay tribute to him and to celebrate his affiliation with the Urban Institute. I am sorry I cannot be home right now, joining in the celebration, but it is with fond memories and enthusiastic praise, that I wish Hadley, his wife Susie, and everyone at the Urban Institute all the best.

Hadley, we miss you, but do not think for a second that we will not call you into duty when projects that need that special Hadley touch arise.

Congratulations, Hadley, on the tribute and the wonderful opportunity of working at the Urban Institute.•

PERSONAL RESPONSIBILITY CONTRACTS

• Mr. HARKIN. Mr. President, last Wednesday, the Senate adopted my amendment to condition receipt of welfare benefits on signing and adhering to a personal responsibility contract. I was pleased that this important provision was added to the Work Opportunity Act. I believe it is critical to successful welfare reform emphasizing personal responsibility and common sense.

The underlying bill required States and welfare recipients to negotiate personal responsibility contracts. However, there were no details about what that meant. Without definition, the personal responsibility contract could be meaningless and ineffective. Such a result would have been unfortunate because an effective contract has the potential to significantly change welfare as we know it.

The centerpiece of the Iowa Family Investment Program is the requirement that individuals on welfare must sign an individualized, binding contract with the State outlining what they will do to get off of welfare. The contract would also say what services the State would provide to move the family off of welfare. Failure to sign a contract or abide by the terms of the contract would result in termination of welfare benefits.

Mr. President, Iowa instituted a number of reforms in our welfare programs. After only 22 months of implementation, the Iowa welfare reform program is showing promising results. More families are working and earning income, there are fewer families on welfare and AFDC costs are declining.

My amendment borrowed from the Iowa program and used the Iowa contract as a model for the Nation. A contract significantly strengthens accountability in the welfare system.

I was pleased that the amendment was adopted and thank the two leaders for their assistance in getting my amendment approved.●

EXECUTIVE SESSION

NOMINATION OF PAUL M. HOMAN TO BE SPECIAL TRUSTEE FOR AMERICAN INDIANS

Mr. COCHRAN. Mr. President, now that we are off the bill, in executive session, I ask unanimous consent that the Indian Affairs Committee be immediately discharged from the nomination of Paul M. Homan, to be special trustee for American Indians; that the Senate proceed immediately to the consideration of the nomination; that the nomination be confirmed; that any statements thereon appear at the appropriate place in the RECORD; that, upon confirmation, the motion to reconsider be laid upon the table; that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the nomination was considered and confirmed; as follows:

DEPARTMENT OF INTERIOR

Paul M. Homan, of the District of Columbia, to be special trustee, Office of Special Trustee for American Indians.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

MEASURE READ THE FIRST TIME—S. 1254

Mr. COCHRAN. Mr. President, I understand that S. 1254, introduced earlier today by Senator ABRAHAM, is at the desk.

The PRESIDING OFFICER. The Senator is correct.

Mr. COCHRAN. I ask for its first reading.

The PRESIDING OFFICER. The clerk will read the bill for the first time.

The bill (S. 1254) was read the first time.

Mr. COCHRAN. Mr. President, I now ask for its second reading.

Mr. BUMPERS. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The bill will be read for the second time on the next legislative day.

ORDERS FOR TUESDAY, SEPTEMBER 19, 1995

Mr. COCHRAN. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9 a.m., on Tuesday, September 19, 1995; that following the prayer, the Journal of the proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day, and there then be a period for morning business until the hour of 9:30 a.m., with Senators permitted to speak for 5 minutes each.

I further ask unanimous consent that at 9:30 a.m. the Senate then immediately resume consideration of H.R. 1976, the agriculture appropriations bill, and under a previous order, there be 15 minutes, equally divided, on the Bryan amendment, to be followed by a rollcall vote on or in relation to the Bryan amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I now ask unanimous consent that the Senate stand in recess between the hours of 12:30 and 2:15 on Tuesday for the weekly policy conferences to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. COCHRAN. Mr. President, for the information of all Senators, the Senate will resume consideration of the agriculture appropriations bill tomorrow morning. Under the previous order, there will be a rollcall vote at 9:45 a.m. tomorrow.

In addition, at 10:30 a.m., the Senate will begin 2 hours of debate on the committee amendment regarding poultry.

Also, under a previous consent, at 2:15 p.m., the Senate will begin 30 minutes of debate on the welfare bill. And at 2:45 p.m., three rollcall votes will occur in relation to the welfare bill.

In addition, following the passage of the welfare bill, which is the third stacked rollcall vote, the Senate will begin 4 minutes of debate on the poultry committee amendment, followed immediately by a vote on or in relation to the committee amendment. Therefore, four votes will occur beginning at 2:45 p.m. on Tuesday.

UNANIMOUS-CONSENT AGREEMENT—AMENDMENT NO. 2688

Mr. COCHRAN. Mr. President, I further ask unanimous consent that immediately following the vote regarding poultry, there be 60 minutes for debate, under the control of Senator HEFLIN, on the Brown amendment, No. 2688 regarding peanuts, and 30 minutes under the control of Senator Brown, to be followed by a vote on or in relation to the BROWN amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, again, it is the intention of the leader and the managers to conclude the agriculture appropriations bill by early evening tomorrow.

We hope we have the cooperation of all Senators to accomplish that.

RECESS UNTIL 9 A.M. TOMORROW

Mr. COCHRAN. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 8 p.m., recessed until Tuesday, September 19, 1995, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate September 18, 1995:

DEPARTMENT OF COMMERCE

JANE BOBBITT, OF WEST VIRGINIA, TO BE AN ASSISTANT SECRETARY OF COMMERCE, VICE LORETTA L. DUNN, RESIGNED.

BARRY GOLDWATER SCHOLARSHIP AND EDUCATION FOUNDATION

DONNA DEARMAN SMITH, OF ALABAMA, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION FOR A TERM EXPIRING MARCH 3, 1998, VICE HOWARD W. CANNON, TERM EXPIRED.

DEPARTMENT OF STATE

HAZEL ROLLINS O'LEARY, OF MINNESOTA, TO BE THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE 39TH SESSION OF THE GENERAL CONFERENCE OF THE INTERNATIONAL ATOMIC ENERGY AGENCY.

SHIRLEY ANN JACKSON, OF NEW JERSEY, TO BE THE ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE 39TH SESSION OF THE GENERAL CONFERENCE OF THE INTERNATIONAL ATOMIC ENERGY AGENCY.

NELSON F. SIEVERING, JR., OF MARYLAND, TO BE THE ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE 39TH SESSION OF THE GENERAL CONFERENCE OF THE INTERNATIONAL ATOMIC ENERGY AGENCY.

JOHN B. RITCH III, OF THE DISTRICT OF COLUMBIA, TO BE THE ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE 39TH SESSION OF THE GENERAL CONFERENCE OF THE INTERNATIONAL ATOMIC ENERGY AGENCY.

CONFIRMATION

Executive nomination confirmed by the Senate September 18, 1995:

DEPARTMENT OF THE INTERIOR

PAUL M. HOMAN, OF THE DISTRICT OF COLUMBIA, TO BE SPECIAL TRUSTEE, OFFICE OF SPECIAL TRUSTEE FOR AMERICAN INDIANS, DEPARTMENT OF THE INTERIOR.

WITHDRAWAL

Executive message transmitted by the President to the Senate on September 18, 1995, withdrawing from further Senate consideration the following nomination:

BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION

I WITHDRAW THE NOMINATION OF HOWARD W. CANNON, OF NEVADA, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION FOR A TERM EXPIRING MARCH 3, 1998 (REAPPOINTMENT), WHICH WAS SENT TO THE SENATE ON JANUARY 5, 1995.

HOUSE OF REPRESENTATIVES—*Monday, September 18, 1995*

The House met at 10:30 a.m. and was called to order by the Speaker pro tempore [Mr. MILLER of Florida].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 18, 1995.

I hereby designate the Honorable DAN MILLER to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MORNING BUSINESS

The SPEAKER pro tempore. Pursuant to the order of the House of May 12, 1995, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority and minority leader limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Florida [Mr. GOSS] for 5 minutes.

MEDICARE REFORM

Mr. GOSS. Mr. Speaker, the rhetoric has gotten pretty thick and possibly even a little sick around here recently, even by Washington standards. That is why I thought it would be helpful to take a look at the bigger picture. Specifically, I would like to take a moment this morning to investigate the long-term ramifications if we heed the advice of House Democrats and ignore the pending bankruptcy of the Medicare reform situation.

This chart, compiled by the bipartisan Kerrey Commission on entitlements, which I served on last year, states in no uncertain terms the dire consequences of inaction, of doing nothing. As you can see, in this area here, under current trends, by the year 2012, this year right here, which is only 17 years away, outlays for entitlement spending and interest on the national debt will consume all tax revenues. That is the green line. When this line is exceeded by any one of these columns, we are spending more than we are taking in. And in this case, entitlement spending and interest alone on the national debt will consume all the revenues we have collected by the Federal Government. There will be nothing left for anything else, law enforcement, military, or anything like that.

By the year 2030, entitlement spending alone will consume all tax revenues collected by the Federal Government. This is a major crisis, albeit it is a little hard to grasp and it threatens every Federal program, including the entitlement programs themselves, whether they are Medicare, Medicaid, veterans, even Social Security. You name it. We have to do something.

Mr. Speaker, what is driving this explosion in entitlement spending which we are seeing in this chart? There, in fact, are many factors, but primarily it is the out-of-control and gigantic increases in Medicare spending. We all know that the Medicare trustees' report states that the Medicare part A trust fund will be bankrupt in 7 years, in the year 2002. Ninety percent of Americans understand that according to the polls.

Mr. Speaker, essentially we have two options. We can reduce costs and reform the system now, which is what the Republicans are trying to do, or we can wait and raise taxes again later, which seems to be the plan of the Democrats.

A study conducted by John Berthoud of the Alexis de Toqueville Institute underscores the dire ramifications of raising taxes rather than addressing the inefficiencies in the current system right now today.

His study backs up the Medicare trustees' own numbers showing the potential disaster for future beneficiaries and taxpayers. If we do not act until 2002, as the other side seems to advocate, the payroll tax would have to more than double, rising from the current 2.9 percent level to 6.81 percent just to bring the fund into long-term balance. A tax hike that steep would mean over $1 trillion in taxes over the next 7 years alone on American taxpayers.

Mr. Speaker, to bring that astounding number into human terms, a worker earning $45,000 would have to pay an extra $1,500 in nonrefundable payroll taxes annually. That would be $4 a day more every day, Saturday and Sunday and holidays included, $4 more in taxes every day just to cover the trust fund of Medicare if we do not act now. And that is just part A.

Assuming middle-of-the-road projections, the part B taxpayer subsidy will grow to $147 billion by 2004 if allowed to remain in auto pilot, which is where it is now. That is four times what it is today.

Mr. Speaker, where are we going to get that kind of money, $147 billion? You guessed it, from the taxpayers. The leadership on the other side of the aisle last week in the Washington Post accused Republicans of playing a shell game and disguising the real costs of Medicare reform. What they really should acknowledge is the tremendous cost of maintaining the status quo and the increasing cost of the future status quo they advocate.

Mr. Speaker, my constituents gave me a clear message over the August break: Go back to Washington and do what it takes to fix the problem. They have seen payroll taxes increase before, in fact, 23 of them in the past 27 years. Twenty-three payroll taxes and they know that isn't the answer.

By expanding choice and utilizing reforms that have worked in the private sector, we cannot only save the Medicare program and strengthen it for our current and future beneficiaries, but we can also provide a brighter future for our children and grandchildren. We do have a program that will work and that is what we are going to do, hopefully with the bipartisan support and hopefully with constructive cooperation from the White House. Meanwhile, all the scare ads on TV, the class warfare stirred up by the liberals, and the generational debate hyped by the cynics does not solve the problem and does not make America a better place to live.

Mr. Speaker, the Republicans are trying to offer a positive solution to a real problem. Even if we do not get all the details exactly right the first time, we will get the details right and we will have made an important change for every American's quality of life and pocketbook.

SAVING THE NATIONAL PARKS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New Mexico [Mr. RICHARDSON] is recognized during morning business for 5 minutes.

Mr. RICHARDSON. Mr. Speaker, I rise today to express my disappointment at heavy-handed actions by the leadership of the Committee on Resources by placing H.R. 260 on the Suspension Calendar today, and I hope that everybody out there that is aware of this terrible transgression realizes what H.R. 260 would do. It would simply be a vehicle to close down national parks.

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. Speaker, this bill would create a park closure commission to recommend specific parks to Congress foreclosure, privatization, or sale to the highest bidder. But what is most heavy handed is the fact that this bill is on the Suspension Calendar despite the fact that many of us in the Committee on Resources were able to offer amendments to change this bill. This way we have on the Suspension Calendar no opportunity to offer amendments that are alternatives.

Mr. Speaker, I had asked for one amendment that would allow a new form of financing the parks, through fees, through concessions, and through other alternatives that recognize that we do have to improve the management of the parks. But there are some very heavy-handed tactics of preventing honest debate on this issue.

Mr. Speaker, the Clinton administration opposes this bill. The environmental community opposes this bill. The National Parks and Conservation Association opposes this bill, and I would simply ask my colleagues to vote no on this bill so that it can go back to a rule and allow logical and fair amendments. In fact, just one amendment.

So by voting no, you are not killing the bill; you are killing a process that is wrong and heavy handed. What we have here is a park closure commission that would close national parks.

Now, the bill does exempt 54 national park units from closure, but it leaves less visited, smaller budgeted parks, and important national monuments like Independence Hall, the Statue of Liberty, Mount Rushmore, the Washington, Lincoln, and Jefferson Monuments, and the Martin Luther King historical site on the chopping block.

The Chair of the Subcommittee on National Parks, the gentleman from Utah [Mr. HANSEN], has said that he wants to close 150 parks. This is an agenda that I believe is wrong. Let us improve the management of these parks. Let us find ways to raise money to keep the parks as important components of this country.

Mr. Speaker, the national parks are not the playgrounds of the rich. They are the vacation destinations of millions of ordinary hard working Americans who want to see and enjoy the natural wonders they support with their tax dollars. They deserve to continue to have that opportunity.

Mr. Speaker, the national parks today are more popular than ever. This year 270 million visitors will visit our national parks, an increase of 5 million over last year. By the year 2000, 360 million visitors will visit the parks every year. That is if we still have some of them to visit in the year 2000. Recent nationwide polls show that this boom in parks visitation is matched by concern for the future of the parks.

A recent poll by Colorado State University found that 98 percent of those surveyed believed protection of the parks for future generations was important, editorial boards around the country, Salt Lake City Tribune, St. Louis Dispatch, the New York Times.

Mr. Speaker, H.R. 260 strikes at the very heart of our national heritage, the 369 natural and cultural treasures which make up the National Park System, and by authorizing, which is what we would do by passing this bill, the creation of a park closure commission, like a military base closure commission, without any alternatives, H.R. 260 takes the decisions out of the hands of the Congress and turns it over to politics, to political appointees. Surely business as usual is not the message the voters sent the Congress in the 1994 elections.

Mr. Speaker, let me explain what my alternative does, and all I want is the ability to offer this alternative under a closed rule, under a modified rule. One amendment, that instead of creating a park closure commission, that we find other ways to raise funds for parks through increased, perhaps fees, through a trust fund, through the changes in concessions so the McDonald's and other concessionaires, the Marriotts, pay a fairer share of what it costs to maintain the parks.

This is something that is on a bipartisan basis. Mrs. MEYERS of Kansas has a very constructive proposal to change the concession system of the parks.

So I am not here asking for a rejection of this bill. I am saying, let us respect the process. By voting no on H.R. 260, which we should do, 143 votes are needed so that the two-thirds is not achieved, we would send the bill back to the Committee on Rules.

Mr. Speaker, watch this bill. H.R. 260, vote "no," send it back to the Committee on Rules. Let it come back under a fair rule.

I insert the following information for the RECORD:

[From the Salt Lake Tribune, May 6, 1995]

DON'T CLOSE THE PARKS

Generally, people want to enter a national park; they want to leave a military base. Indeed, there is little that the two have in common, other than that they are both federally owned. Yet there is inexplicable sentiment in Congress for providing a common element to both-a closure commission.

A bill known as H.R. 260, which has already passed Utah Rep. Jim Hansen's subcommittee and is due up before the full House Resources Committee this month, proposes the formation of a Park System Review Commission. It would do for national park units what the Base Realignment and Closure Commission has done for military bases: It would close them.

Closure is appropriate for some unneeded military bases, but not so for national park units, which presumably have an unchanging value. After all, national parks were created for purposes of preservation and posterity, not for the ever-shifting requirements of national defense. Existing park units simply should not be exposed to the whims of an independent commission.

The issue has surfaced because the National Park Service has been having problems adequately funding all 368 units in its system. One complaint is that the system is overloaded with units that don't belong, units that were designated at the behest of some congressman trying to bring home the pork for his district.

The problem can be addressed without the creation of a park closure commission. For starters, Congress can support the portion of H.R. 260 that calls for the Interior secretary to devise tighter criteria for additions to the NPS, thereby safeguarding the system from selfish lawmakers.

Then, if Congress still feels that undeserving units have crept into the system, it can simply deauthorize them itself, as it did last year with the John F. Kennedy Center for the Performing Arts. It does not need some new level of bureaucracy to do this.

The rationale behind a park closure commission is that it would save money for the NPS. Well, as the BRAC members can testify, it would cost a lot of up front money to close these units. And once closed, who would operate them—the states, or some other division of the federal government? How do the taxpayers save on that?

If the goal is to improve NPS finances, then start with passage of park concessions reform or entrance fee reform. Start funneling such fees back into the parks, instead of the national treasury. It makes little sense to set up a mechanism to close parks when proposed methods of increase park revenues have not been implemented first.

National parks are not at all like military bases. They were created to establish a natural or historical legacy for future generations. They don't need a closure commission; they need more creative ways to stay open.

H.R. 260 would:

Create a park closure commission to recommend specific parks to Congress for closure, privatization or sale to the highest bidder;

Weaken Congress' statutory authority to make decisions on park management by granting broad powers to a politically appointed commission;

Send a strong signal to the American people that Congress does not have the political will to carry out its responsibilities of oversight over the National Park Service.

Exempt the 54 National Park units from closure, leaving less visited, smaller budgeted parks and important national monuments like Independence Hall, the Statue of Liberty, Mt. Rushmore, the Washington, Lincoln and Jefferson Monuments and the Martin Luther King, Jr. Historic Site on the chopping block.

RECESS

The SPEAKER pro tempore. There being no further requests for morning business, pursuant to clause 12, rule I, the House will stand in recess until 12 noon.

Accordingly, at 10 o'clock and 42 minutes a.m., the House stood in recess until 12 noon.

□ 1200

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. CLINGER] at 12 noon.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

When the light of day illumines our days, O God, we are grateful beyond any measure for we are warmed by that light and it helps us see the way. And when that light seems dim we can falter and fail, or when we turn our heads from that light and go our own way, we can so easily miss the mark. O gracious God, giver of all good things, may we eagerly seek the light of Your presence and walk in Your way so faith will be our strength, hope will be our daily support, and love our ever present reality. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The gentleman from New York [Mr. SOLOMON] will come forward and lead the membership in the Pledge of Allegiance.

Mr. SOLOMON led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Edwin Thomas, one of his secretaries.

ANNOUNCEMENT OF PREFILING REQUIREMENT FOR AMENDMENTS TO H.R. 927, CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY ACT OF 1995

Mr. SOLOMON. Mr. Speaker, the Rules Committee hearing scheduled on H.R. 927, the Cuban Liberty and Democratic Solidarity Act has been postponed until 2 p.m. tomorrow.

Due to time constraints this week, the Rules Committee may report a structured rulemaking in order only amendments prefiled with our committee. Members who wish to offer amendments to the bill should submit 55 copies of their amendments, together with a brief explanation, to the Rules Committee office at H–312 of the Capitol, no later than 1 p.m. tomorrow, Tuesday, September 19.

Amendments should be drafted to the amendment in the nature of a substitute that will be made in order as base text that is available at the Office of Legislative Counsel. Members should therefore have their amendments drafted by the Legislative Counsel's office to ensure that they are properly drafted.

If Members or their staff have any questions regarding this procedure, they should contact Eric Pelletier in the Rules Committee Office at extension 5–9191.

We appreciate the cooperation of all Members in submitting their amendments by 1 p.m. tomorrow to ensure their proper consideration by the committee.

104TH CONGRESS OUT OF TOUCH WITH THE AMERICAN PEOPLE

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, today we are going to take up H.R. 260, a bill that will close many of our national parks.

Millions of Americans spent their summer vacations visiting Mount Rushmore, Bandolier, Independence Hall and the Statue of Liberty. In fact, 270 million visitors came to our parks this year.

As is often the case, the 104th Congress is out of touch with the American people. On the suspension calendar today will be H.R. 260. The vote will take place tomorrow. There is no reason for this bill to be on suspension.

All we had asked for, those of us who are concerned with this bill, is an amendment that would have permitted an alternative. An alternative through concessions, through increased fees, through a trust fund, we can finance these parks.

Mr. Speaker, let us make sure we have a process here. Let us have H.R. 260 sent back to the Committee on Rules.

The environmental community is against this. The Clinton administration is against this bill.

Let us have proper debate on it. Let us not get rushed on our national parks. We do not need a park closure commission. We need better management and new ways to finance our national parks.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, September 19, 1995.

EXTENSION OF DISTRICT COURT DEMONSTRATION PROJECTS

Mr. MOORHEAD. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 464) to make the reporting deadlines for studies conducted in Federal court demonstration districts consistent with the deadlines for pilot districts, and for other purposes.

The Clerk read as follows:

S. 464

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF CIVIL JUSTICE EXPENSE AND DELAY REDUCTION DEMONSTRATION PROGRAMS.

Section 104 of the Civil Reform Act of 1990 (28 U.S.C. 471 note) is amended—

(1) in subsection (a)(1) by striking "4-year period" and inserting "5-year period"; and

(2) in subsection (d) by striking "December 31, 1995," and inserting "December 31, 1996,".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. MOORHEAD] will be recognized for 20 minutes, and the gentleman from Virginia [Mr. SCOTT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. MOORHEAD].

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 464 which is a technical corrections bill that was introduced by Senator HATCH and passed the Senate on March 30, 1995, under a unanimous-consent request.

The Civil Justice Reform Act of 1990 set up two programs to study various innovative programs in court management. One program involves so-called pilot courts, and the other involves what are referred to as demonstration districts. Those court programs were originally established for a 3-year period, with the studies conducted over a 4-year period and the resulting reports transmitted to Congress by December 31, 1995. The Rand Corp. has been carrying out the study of the pilot courts, while the Federal Judicial Center is conducting the study of the demonstration districts.

Last year, the pilot court programs were extended for an additional year, and the Rand Corp. received a 1-year extension for its study of those courts. That extension was included in the Judicial Amendments Act of 1994. Through an oversight, however, no extension was included for the demonstration districts.

S. 464 would grant the same 1-year extension for the demonstration districts as was granted for the pilot courts. This will make the two programs and their studies consistent so that the final reports can be directly compared. That was the intent behind the deadlines that were established when the two study programs were set up. This legislation will restore that end. Also, the extension of the deadline will improve the study, since more cases will be complete and included in the study.

Finally, this 1-year extension will entail no additional cost since the demonstration districts are planning to continue the programs under study in any event. S. 464 represents a sound judicial housekeeping proposal and I urge my colleagues' support for it.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join the gentleman from California in supporting this bill, because it will help our Federal courts achieve greater efficiency and effectiveness.

The demonstration program that is the subject of this bill, involves five Federal district courts, that have been experimenting with various case management systems, and forms of alternative dispute resolution, since the program was established 4 years ago. At the same time, there is a parallel pilot court program, which is testing certain principles of litigation management and cost-and-delay reduction. These programs are testing a number of systems, in a manner that will permit the Federal judiciary to compare their relative effectiveness.

As the gentleman from California has explained, we extended the pilot program last year for 1 additional year, with a 1-year extension for the study that will evaluate that program. We inadvertently failed, however, to grant a similar extension to the demonstration program. This bill will restore the demonstration program to the same time line that applies to the pilot program, making the two programs more directly comparable, and improving the studies of both programs, by ensuring that an additional year of court experience, is included in those studies. Thus, passage of S. 464 will enable our Federal courts to get the full benefit of these studies.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I have no further requests for time, and I yield the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. MOORHEAD] that the House suspend the rules and pass the Senate bill, S. 464.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

The motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MOORHEAD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 464, the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CLARIFYING RULES GOVERNING VENUE

Mr. MOORHEAD. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 532) to clarify the rules governing venue, and for other purposes.

The Clerk read as follows:

S. 532

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. VENUE.

Paragraph (3) of section 1391(a) of title 28, United States Code, is amended by striking "the defendants are" and inserting "any defendant is".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. MOORHEAD] will be recognized for 20 minutes, and the gentleman from Virginia [Mr. SCOTT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. MOORHEAD].

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 532 which is a technical corrections bill that was introduced by Senator HATCH and passed the Senate on March 30, 1995, under a unanimous-consent request. It is based on a proposal by the Judicial Conference of the United States to correct a flaw in a venue provision, section 1391(a) of title 28 which governs venue in diversity cases. Section 1391(a) has a fallback provision—subsection (3)—that comes into play if neither of the other subsections confers venue in a particular case. Specifically, subsection (3) provides that venue lies in "a judicial district in which the defendants are subject to personal jurisdiction at the time the action is commenced, if there is no district in which the action may otherwise be brought."

The defect in this fallback provision is that it may be read to mean that all defendants must be subject to personal jurisdiction in a district in order for venue to lie. Under this reading, there would be cases in which there would be no proper venue. S. 532 would eliminate this ambiguity and I urge its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from California has explained the purpose of this bill, a technical amendment to ensure that in multidefendant cases, there is at least one Federal district where venue is proper.

The problem with the venue statute as it is currently written is that it is possible to read the language in such a way that there could be no Federal district court where venue is proper in some multidefendant cases. This bill resolves the ambiguity in that language, and ensures that venue requirements will not defeat the ability to bring a civil action in Federal court if subject matter and personal jurisdiction are available.

The Judiciary Committee heard testimony on behalf of the Judicial Conference of the United States supporting this bill. Having identified the ambiguity in the current venue provisions, it is important that we amend the language to ensure that there is at least one Federal district court where venue is proper in multidefendant cases. S. 532 achieves that end, and I urge its passage.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. MOORHEAD] that the House suspend the rules and pass the Senate bill S. 532.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MOORHEAD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 532, the Senate bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

MEDISCAM, NOT MEDISCARE

(Mr. WYNN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYNN. Mr. Speaker, in this town it seems it is always good to have a catch phrase. The latest catch phrase is "Mediscare," Mediscare, as though the cuts in Medicare were not really serious or not really painful. I think they are.

First, if you consider a premium increase of $32 a month on a senior, I think that is pretty serious and pretty scary. If you consider that seniors will be forced to choose a doctor they can afford as opposed to the doctor they trust, I think that is pretty scary, when a senior is contemplating major surgery.

Third, if you contemplate the likely possibility that some hospitals will have to shut down, reduce services, or pass costs on to private patients, insured with private insurance, I think that is pretty scary.

When you hear the term "Mediscare," it should not be taken lightly. People say we have to do this to save the system. The trustees and the President suggest what we need is a modification, maybe $90 to $120 billion. But the Republicans are proposing $270 billion. Why? So they can give a tax break to their rich friends.

If you make $300,000, under this plan you are going to get back $20,000 in tax breaks. This $270 billion is not going back to save the trust fund. Not a penny will go back to the trust fund.

They mumble about the general fund. Translation: it is siphoned off for a tax break for the wealthy.

No, ladies and gentlemen, the term should not be "Mediscare." It should be, "Mediscam," because that is what the American people are being subjected to in the latest Republican proposal on Medicare.

ENCOURAGING THE PEACE PROCESS IN SRI LANKA

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 181) encouraging the peace process in Sri Lanka.

The Clerk read as follows:

H. RES. 181

Whereas, the United States has enjoyed a long and cordial friendship with Sri Lanka;

Whereas as one manifestation of the warm ties between the United States and Sri Lanka, the First Lady of the United States visited Sri Lanka in April 1995;

Whereas Sri Lanka is a vibrant democracy whose government is committed to political pluralism, free market economics, and a respect for human rights;

Whereas the Liberation Tigers of Tamil Eelam ("LTTE") have waged a protracted secessionist struggle in Sri Lanka for nearly 12 years;

Whereas an estimated 30,000 people have died in Sri Lanka as a result of these hostilities;

Whereas the Department of State's report on global terrorism names the LTTE as a major terrorist organization;

Whereas the LTTE is widely believed to have engaged in political assassinations, including the murder in 1994 of a leading candidate for the Sri Lankan presidency, and the killing in 1993 of President Ranasinghe Premadasa;

Whereas the government of President Kumaratunga initiated a dialogue with the LTTE in 1994, and took a number of other steps to ease tensions and set the stage for negotiations between the government and the LTTE, including lifting the ban on the transit of many commodities to Jaffna;

Whereas a cessation of hostilities in Sri Lanka went into effect on January 8, 1995;

Whereas 4 rounds of peace talks between the government and the LTTE took place; and

Whereas in April 1995, the LTTE withdrew from these negotiations and resumed military operations against the Government of Sri Lanka that have resulted in hundreds of casualties, including many innocent civilians: Now, therefore, be it

Resolved, That the House of Representatives—

(1) notes with great satisfaction the warm and friendly relations that exist between the United States and Sri Lanka;

(2) applauds the commitment to democracy demonstrated by the Sri Lankan people, in defiance of brutal acts of wanton terrorism;

(3) commends the Sri Lankan people and the Government of Sri Lanka for the significant improvements in Sri Lanka in the area of human rights;

(4) applauds the cessation of hostilities in early 1995 between the Government of Sri Lanka and the Liberation Tigers of Tamil Eelam ("LTTE") and deplores the resumption of fighting;

(5) calls on the LTTE to desist in its resort to arms, and to return to the negotiating table;

(6) calls on all parties to negotiate in good faith with a view to ending the current armed strife in Sri Lanka and to finding a just and lasting political settlement to Sri Lanka's ethnic conflict while assuring the territorial integrity of Sri Lanka;

(7) believes that a political solution, including appropriate constitutional structures and adequate protection of minority rights, is the path to a comprehensive and lasting peace in Sri Lanka;

(8) denounces all political violence and acts of terrorism in Sri Lanka, and calls upon those who espouse such methods to reject these methods and to embrace dialogue, democratic norms, and the peaceful resolution of disputes;

(9) calls on all parties to respect the human rights of the Sri Lankan people; and

(10) states its willingness in principle to see the United States lend its good offices to help resolve the ethnic conflict in Sri Lanka, if so desired by all parties to the conflict.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nebraska [Mr. BEREUTER] will be recognized for 20 minutes, and the gentleman from Maryland [Mr. WYNN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, located at the southern tip of the South Asia subcontinent, the tiny Indian Ocean island nation of Sri Lanka has, for the last decade and a half, been the site of one of the bloodiest ethnic wars. The conflict has pitted the separatist Liberation Tigers of Tamil Eelam—or Tamil Tigers—against the democratically elected government in Colombo, with at least 30,000—and possibly as many as 50,000—Sri Lankans of all ethnic persuasions perishing in this bloody conflict.

With both sides weary of the unrelenting bloodshed, a cessation of hostilities went into effect at the beginning of 1995, and the government and the Tamil rebels entered into a series of peace talks. Regrettably, this peace that was short lived, and the Tamil Tigers unilaterally resumed their attacks on April 19. The recent attacks have been particularly brutal, with a pair of transport aircraft being shot down, and a fishing village burned to the ground with massive loss of life.

In retaliation, the government has launched its inevitable offensive against Tiger-held territory, with government forces cutting a broad swath through positions long controlled by the rebels, thereby causing hundreds of casualties and displacing thousands of noncombatants.

This pattern of rebel offensives and government counteroffensives is all too familiar. Over the past dozen years, this cycle has been repeated time and time again. House Resolution 181 calls on the parties to break out of this vicious cycle of death and destruction. The resolution recognizes the good faith efforts of the Sri Lankan Government to work for peace, and commends the dramatic improvement in the government's human rights practices. It also denounces all acts of violence and terrorism, regardless of the perpetrator.

House Resolution 181 calls on the parties to negotiate in good faith with a view to ending the conflict and finding a just and lasting peaceful settlement to the ethnic divisions while assuring the territorial integrity of Sri Lanka.

The resolution also encourages the United States to lend its good offices to help in resolving the conflict, if so desired by the combating parties.

Mr. Speaker, this resolution passed unanimously out of the International Relations Committee. I would congratulate the ranking Democrat of the full committee, Mr. HAMILTON, for his initiative in drafting this resolution. First, it recognizes the very real efforts made by the ruling government to respect basic human rights and achieve a just peace. As House Resolution 181 notes, the resolution recognizes that improvements have indeed occurred.

Second, the resolution places the House squarely on the side of peace in a conflict that has been every bit as brutal as the war in Bosnia.

Mr. Speaker, this Member is pleased to cosponsor the excellent resolution of the distinguished gentleman from Indiana [Mr. HAMILTON] and would urge its passage. This Member would also note the thoughtful and important contribution made by the distinguished chairman of the International Relations Committee, the gentleman from New York [Mr. GILMAN].

Mr. Speaker, I reserve the balance of my time.

□ 1320

Mr. WYNN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to urge support for this resolution.

Sri Lanka has been wracked by a bloody civil war that has claimed the lives of at least 30,000, and perhaps as many as 50,000 people.

Sri Lanka is a country of only 18 million people. If the United States lost a comparable number of people, 730,000 Americans would have been killed.

Last winter the democratically elected President of Sri Lanka, President Kumaratunga, opened a dialog with the insurgent Liberation Tigers of Tamil Eelam, known as the LTTE.

Unfortunately, after four rounds of talks, the LTTE withdrew from the negotiations this past April and resumed military operations against the government—without provocation and in violation of the cease-fire.

Since the breakdown of the talks in April, the fighting has been heavy, producing many casualties, not only among the combatants but also among the civilian population.

Last month, the Sri Lankan Government, in an effort to reach out to the minority Tamil community, unveiled a plan that provides for a significant devolution of power to the provinces.

It is not for us to pass judgment on the merits of this or any other plan, but I think we can all applaud this effort to settle Sri Lanka's problems politically rather than militarily.

House Resolution 181 calls on the LTTE to return to the negotiating table, and urges all parties to negotiate in good faith with a view to finding a just and lasting political resolution to Sri Lanka's ethnic conflict.

It does not take sides in the conflict, but it does call for a political settlement that provides adequate protection for minority rights.

It does not commit the United States to any specific course of action, but it does indicate our willingness, in principle, to see the United States lend its good offices to help resolve the conflict, if this is desired by all parties.

This resolution has bipartisan support. It has the support of the administration as well.

I want to commend the chairman of the Asia and Pacific Subcommittee, Mr. BEREUTER, and the ranking member, Mr. BERMAN, who have worked closely with me as cosponsors of this resolution.

I urge my colleagues to put the House on record in support of a peaceful resolution of this ongoing tragedy in Sri Lanka.

I urge a "yea" vote on House Resolution 181.

Mr. GILMAN. Mr. Speaker, I commend the chairman of the Asia and Pacific Subcommittee, Mr. BEREUTER, and the ranking minority member, Mr. BERMAN, for their work on this resolution. And I commend the ranking minority member, Mr. HAMILTON for his efforts in crafting the resolution.

The conflict in Sri Lanka has gone on for nearly 12 years and so many lives—some 30,000—have been lost. The LTTE took the promising young life of Rajiv Gandhi and in 1994 a bomb attack killed the opposition presidential candidate along with more than 50 others. The State Department's human rights report for 1994 concludes that the government has used excessive force in the conflict.

As the resolution suggests, the United States could play a role in resolving the crises if the two disputing parties desire it. It is believed that the current government of President Kumaratunga is serious about working with the LTTE is finding a mutually agreeable solution. If our Government can play a role it would be an honor for all of us to help end the bloodshed.

Accordingly, I urge my colleagues to support House Resolution 181.

Mr. BEREUTER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WYNN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nebraska [Mr. BEREUTER] that the House suspend the rules and agree to the resolution, House Resolution 181.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Resolution 181, the resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

CONGRATULATING THE PEOPLE OF MONGOLIA

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 158) congratulating the people of Mongolia on the 5th Anniversary of the first democratic multiparty elections held in Mongolia on July 29, 1990, as amended.

The Clerk read as follows:

H. RES. 158

Whereas in 1990 Mongolia ended nearly 7 decades of Soviet domination and single party Communist rule;

Whereas the 1992 Mongolian constitution established Mongolia as an independent and sovereign republic and guaranteed fundamental human rights;

Whereas the people of Mongolia enjoyed their first multiparty democratic elections on July 29, 1990, and their first direct presidential election on June 6, 1993;

Whereas the Department of State's 1994 Country Report on Human Rights practices commended Mongolia for "steady—if sometimes uneven—progress in its transition from a highly centralized Communist-led state toward a full-fledged multiparty democracy";

Whereas Mongolia continues its efforts to develop a market economy;

Whereas the United States has sought to assist Mongolia's movement toward democracy and market-oriented reforms by granting most-favored-nation status and providing insurance by the Overseas Private Investment Corporation, supporting Mongolia in international assistance organizations, and providing $35,000,000 in bilateral assistance; and

Whereas United States-funded programs of nongovernment organizations, such as the National Endowment for Democracy and the Asia Foundation, have helped build democracy in Mongolia: Now, therefore, be it

Resolved, That the House of Representatives—

(1) commends Mongolia for courageous efforts to transform itself from a single-party state to a multiparty state and from a controlled to a free market economy;

(2) congratulates Mongolia for the swift and peaceful changes that have taken place since the appearance of the internal reform movement in December 1989;

(3) cites for particular praise Mongolia's first multiparty democratic elections on July 29, 1990, and first direct presidential election on June 6, 1993;

(4) urges the Government of Mongolia to continue to strengthen and deepen democratic reform and human rights, including the full protection of religious freedom and other civil liberties, in order to enhance representative and accountable government;

(5) commends the parallel movement in Mongolia toward a free market economy through economic reforms;

(6) notes that the best hope for accelerated economic growth is to attract more foreign investment by further liberalizing the economy and expanding trade with nontraditional partners, including the United States; and

(7) pledges its continued support for democracy, human rights, and the development of a free market in Mongolia.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nebraska [Mr. BEREUTER] will be recognized for 20 minutes, and the gentleman from Maryland [Mr. WYNN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the resolution before us today has one simple objective—to commend the people of Mongolia for the remarkable progress that country has made since 1990. Mongolia has made great strides from a one-party Communist country with a command economy to the multiparty free market democracy. In the last 5 years, Mongolia has also freed itself from Soviet domination. Within a year from the fall of the Berlin Wall, the popularly elected Mongolian legislature—whose election we are commemorating in this resolution—enacted a new constitution which declared Mongolia an independent, sovereign republic with guaranteed civil rights and freedoms. These changes were not only dramatic in scope and speed, they were also accomplished without firing a shot and with little concrete support from the outside.

These accomplishments are worthy of congressional commendation. That is why we are here today.

The political changes of 1990–91 also marked the beginning of Mongolia's efforts to develop a market economy.

Mongolia continues to press ahead with economic reform, including privatization of the economy, price deregulation, and the establishment of a single exchange rate.

More needs to be done to consolidate these reforms. The best hope for accelerated growth in Mongolia is to attract foreign investment, further liberalize the economy, and expand trade with nontraditional partners.

The United States has sought to assist Mongolia's movement toward democracy and market-oriented reforms. The First Lady, on her recent visit to Mongolia, announced a $4.5 million aid package for that country. We accorded Mongolia most favored nation trading status. We have concluded a bilateral tax treaty and an Overseas Private Investment Corporation agreement. We have supported Mongolia's entry into the IMF, the World Bank, and the Asian Development Bank.

In short, Mongolia represents a good example of the universality of civil and political rights and provides evidence that political freedom and economic development are not mutually exclusive.

Mr. Speaker, this Member would thank the chairman of the International Relations Committee, the distinguished gentleman from New York [Mr. GILMAN], for his assistance in moving House Resolution 158.

This Member would also thank the distinguished gentleman from California, the ranking Democrat on the Asia and Pacific Subcommittee, Mr. BERMAN, and the distinguished gentleman from Indiana, Mr. HAMILTON, for their help and support in moving this resolution forward. With their help, the committee has crafted a truly bipartisan message of support for the Mongolian people.

Mr. Speaker, I urge passage of House Resolution 158.

Mr. Speaker, I reserve the balance of my time.

Mr. WYNN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I strongly support House Resolution 158, as amended.

After nearly 70 years of one-party Communist rule, the Mongolian people held their first multiparty democratic elections 5 years ago, on July 29, 1990. Since then, the Mongolian people have made important progress toward establishing a democratic, multiparty state and a free market economy.

The United States has sought to assist Mongolia in this transition to democracy and a market-oriented economy.

Only last week the First Lady visited Mongolia to reiterate our support for the Mongolian people and their achievements.

It is proper and fitting that the Congress also take note of Mongolia's accomplishments.

By adopting this resolution now, the House will be voicing its own support for the remarkable transition that Mongolia has undergone in recent years.

I commend Chairman BEREUTER for this resolution and urge its swift adoption.

Mr. Speaker, I reserve the balance of my time.

Mr. KIM. Mr. Speaker, as a member of the International Relations Subcommittee on Asian and Pacific Affairs, I rise in strong support of this resolution commemorating the fifth anniversary of the first democratic multiparty elections held in Mongolia. This is an appropriate way for the House to commend the Mongolian people for the significant political and economic reforms they have made such a relatively short period of time.

Prior to 1990, Mongolia was a subservient, Soviet satellite state isolated from the rest of the world. Mongolia did not even have diplomatic or trade relations with most countries of the world including the United States. Tens of thousands of Soviet Red army troops were stationed in the country. As in other captive nations, the Communist Party monopolized power in Mongolia.

All of that changed 5 years ago. After nearly seven decades of Communist rule, the Mongolians held their first multiparty democratic elections and embarked on a very ambitious course of democratic and economic reform. And, Mongolians are proud of their new direction. While their ongoing transition has had its obstacles and temporary setbacks, compared to the progress of its giant neighbors; namely, Russia and China, Mongolia is a welcome success. As one Mongolian boasted to me, "We have evolved from a Communist monopoly to a democracy without blowing up the parliament or running over students with tanks." Not what one would expect from the land of Genghis Khan. Perhaps Mongolia's neighbors could learn a thing or two from Ulan Bator.

Without question, Mongolia continues to face tough challenges and growing pains during this period of transition. I realize that difficulties can arise during such a comprehensive reform effort. But, for genuine democracy and economic prosperity to be realized, Mongolians must understand that these problems need to be addressed in ways that further promote freedom and the rule of law. It is in this positive context that I raised concern about the possible erosion of religious freedom as guaranteed in the 1992 Mongolian Constitution during committee consideration of this resolution. As a result, during the markup, an amendment I sponsored to reinforce the importance of respecting civil liberties and the rule of law was unanimously accepted.

Considering the history, the harsh environment, and the economic and political isolation of Mongolia, the Mongolian people can be very proud of their achievements to date. While it is true that Mongolia is often not the focus of United States foreign policy, that should not be interpreted as we do not care. We do. First Lady Hillary Clinton recently paid an important good-will visit to Mongolia. And, today, this special resolution lets Mongolians know that their efforts are recognized by the United States House of Representatives. It sends a clear message that the United States is a friend and does care about Mongolia. It encourages Mongolia to continue full speed ahead with its reform program despite the short-term challenges such action may present.

Mr. Speaker, I urge my colleagues to support House Resolution 158 and to bolster the ongoing democratic movement in Mongolia.

Mr. BEREUTER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WYNN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nebraska [Mr. BEREUTER] that the House suspend the rules and agree to the resolution, House Resolution 158, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Resolution 158, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

SUPPORTING A DISPUTE RESOLUTION IN CYPRUS

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 42), supporting a resolution to the long-standing dispute regarding Cyprus, as amended.

The Clerk read as follows:

H. CON. RES. 42

Whereas the long-standing dispute regarding Cyprus remains unresolved;

Whereas the military occupation by Turkey of a large part of the territory of the Republic of Cyprus has continued for over 20 years;

Whereas the status quo on Cyprus remains unacceptable;

Whereas the United States attaches great importance to a just and peaceful resolution of the dispute regarding Cyprus;

Whereas the United Nations and the United States are using their good offices to resolve such dispute;

Whereas on January 5, 1995, President Clinton appointed a Special Presidential Emissary for Cyprus;

Whereas the United Nations has adopted numerous resolutions that set forth the basis of a solution for the dispute regarding Cyprus;

Whereas United Nations Security Council Resolution 939 of July 29, 1994, reaffirms that a solution must be based on a State of Cyprus with a single sovereignty and international personality, and a single citizenship, with its independence and territorial integrity safeguarded, and comprising two politically equal communities as described in the relevant Security Council resolutions, in a bicommunal and bizonal federation, and that such a settlement must exclude union in whole or in part with any other country or any form of partition or secession;

Whereas the United Nations has described the occupied part of Cyprus as one of the most highly militarized areas in the world;

Whereas the continued overwhelming presence of more than 30,000 Turkish troops on Cyprus hampers the search for a freely negotiated solution to the dispute regarding Cyprus;

Whereas the United Nations and the United States have called for the withdrawal of all foreign troops from the territory of the Republic of Cyprus; and

Whereas comprehensive plans for the demilitarization of the Republic of Cyprus have been proposed: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) reaffirms that the status quo on Cyprus is unacceptable;

(2) welcomes the appointment of a Special Presidential Emissary for Cyprus;

(3) expresses its continued strong support for efforts by the United Nations Secretary General and the United States Government to help resolve the Cyprus problems in a just and viable manner at the earliest possible time;

(4) insists that all parties to the dispute regarding Cyprus agree to seek a solution based upon the relevant United Nations resolutions, including Security Council Resolution 939 of July 29, 1994;

(5) reaffirms the position that all foreign troops should be withdrawn from the territory of the Republic of Cyprus;

(6) considers that ultimate, total demilitarization of the Republic of Cyprus would meet the security concerns of all parties involved, would enhance prospects for a peaceful and lasting resolution of the dispute regarding Cyprus, would benefit all of the people of Cyprus, and merits international support; and

(7) encourages the United Nations Security Council and the United States Government to consider alternative approaches to promote a resolution of the long-standing dispute regarding Cyprus based upon relevant Security Council resolutions, including incentives to encourage progress in negotiations or effective measures against any recalcitrant party.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nebraska [Mr. BEREUTER] will be recognized for 20 minutes, and the gentleman from Maryland [Mr. WYNN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, having walked the blue line that divides Greeks from Turks in Cyprus—a line frozen in time for over 20 years—this Member is well aware of the need to move forward in achieving a just settlement of the Cyprus issue. This is a line where Turkish and Greek Cypriot forces have faced off, sometimes only 20 to 30 feet from one another, ready to resume hostilities at a moment's notice.

The current division of the island of Cyprus serves the interests of no one, and hampers the development and prosperity of both Greek Cypriots and Turkish Cypriots. In the meantime, the painfully slow negotiation on confidence building measures [CBM's] has run into additional difficulties.

House Concurrent Resolution 42 seeks to break the diplomatic logjam by proposing the demilitarization of the entire island. This Member would make the obvious point that demilitarization would have to be part of a comprehensive negotiated settlement, for demilitarization in and of itself would not resolve all the island's political problems.

This Member would make one final point: It is over 20 years since the island was forcibly partitioned. This Member has met with Republic of Cyprus President Clerides and Turkish Cypriot leader Raulf Denktesh. This Member sincerely believes these men are working for what they believe are the best interests of their people. While they are on opposite sides, they know one another, and at a basic level, I believe they respect one another. These men, and those like them, are of a certain age. When they were young, they attended the same schools. As young men, they fought the Nazis together. Later, they belonged to the same clubs and ate at the same restaurants. In short, they speak from common experience.

But Mr. Denktesh and President Clerides are not young men. And those who will follow them do not have this common history. The next generation lacks those common experiences that were forged in World War II. The next generation of Cypriot leaders is likely to have far less appreciation of the unique contributions of multicultural society. And this Member fears that the next generation of leaders is likely to be less committed to a fair and equitable settlement.

It is for this reason that efforts must now be redoubled to achieve a resolution to the longstanding dispute on Cyprus. This Member would urge that all parties work toward an honorable peace, and I note the efforts of the gentleman from New York [Mr. ENGEL] to achieve that peace. I commend him for crafting House Concurrent Resolution 42.

Mr. Speaker, I reserve the balance of my time.

Mr. WYNN. Mr. Speaker, I yield myself such time as I many consume.

Mr. Speaker, first, I would like to commend my colleagues, Representative ENGEL and Chairman GILMAN, for their work and leadership in bringing this constructive resolution before the House.

I would also point out that this resolution was adopted by an overwhelming majority of both parties when it was considered in the Committee on International Relations in July.

As an original cosponsor of House Concurrent Resolution 42, I would urge my colleagues to support this timely and important resolution.

I believe—as is amply set forth in the resolution—that the status quo on Cyprus is unacceptable.

I welcome and encourage the continuing efforts by the United States and the United Nations to help resolve the Cyprus problem in a just and viable manner.

I believe that the gradual demilitarization of the Republic of Cyprus would enhance prospects for a peaceful resolution of the long-standing dispute, and as a result would benefit all the people of that island nation.

For this important reason I strongly recommend that the House adopt House Concurrent Resolution 42. It is a helpful effort to move the peace process in Cyprus forward.

Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I thank my colleague from Maryland for yielding time to me.

Mr. Speaker, I am here this afternoon to urge all of my colleagues to support House Concurrent Resolution 42, that calls for the demilitarization of the island nation of Cyprus.

Now in its 21st year, the illegal occupation of Cyprus by Turkey—who controls over one-third of the territory of this formerly sovereign nation with a heavily armed force of over 30,000—is an international dilemma that demands the highest degree of American attention and perseverance. Having watched with extreme pride the tireless efforts of American diplomats as they have tried to bring peace to Bosnia over the last few weeks, I want to remind all my colleagues that the issues we are fighting for in Bosnia are very much the same as those the United States needs to stand for with respect to Cyprus.

Just as the international community has condemned the Serb's brutal and shocking campaign of territorial conquest, so to has it long been in opposition to Turkey's defiant disrespect for Cyprus' sovereignty. Mr. Speaker, the international community has demanded that the Turks allow the Cypriot people to live as a free and independent people in various forms over the years. Most recently, in July of last year the U.N. Security Council passed Resolution 939, which mandated that any settlement of the Cyprus issue "must be based on a state of Cyprus with a single sovereignty and international personality and a single citizenship with its independence and territorial integrity safeguarded."

Among other things, House Concurrent Resolution 42 "insists that all parties to the dispute regarding Cyprus agree to seek a solution based upon the relevant United Nations resolutions," including Resolution 939. It does so, moreover, by calling for the complete demilitarization of an island that the Secretary General of the United Nations has described as "one of the most highly militarized areas in the world."

Mr. Speaker, if any one can tell me why it is not a good idea to demilitarize an island that for years has brought instability to the entire region surrounding it, I would love to hear the explanation. This gesture of goodwill, which was made last year by the Cypriot President Glafcos Clerides, represents a tremendous chance to facilitate a peaceful resolution to a highly volatile situation. A Turkish refusal to act on this proposal can only be read as an unwavering determination by Turkey to ignore the rule of law.

The Turks, however, should know that should they refuse to move on this situation, their determination will be met with an equal resolve by the United States to do whatever it takes to once again see a free and independent Cyprus. As the House's decision earlier this year to cut United States aid to Turkey illustrates, we mean business when we say we want to see this issue resolved consistent with respect for international law. I would urge my colleagues to demonstrate this once again by supporting House Concurrent Resolution 42.

Mr. WYNN. Mr. Speaker, I thank the gentleman for his outstanding remarks.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BEREUTER. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin [Mr. ROTH], a distinguished member of the Committee on International Relations.

Mr. ROTH. Mr. Speaker, I thank my friend from Nebraska for yielding me this time.

Mr. Speaker, I know that it is politically popular to beat up on the Turks, but I think it is also important for us in the U.S. Congress to be evenhanded. Mr. Speaker, this resolution is well-intentioned. All of us would like to see the settlement take place in Cyprus. Unfortunately, this resolution does not contribute anything useful to the long search for the settlement.

For decades, Cyprus has been the object of political and sometimes military tug of war between Greece and Turkey. This resolution could well make it more difficult for a settlement to be reached in Cyprus. First of all, the language in the resolution is slanted against Turkey. Let me give you an example. Those of you who have had a chance to take a look at the resolution, it says, "Whereas, the military occupation by Turkey of a large part of the territory of the Republic of Cyprus has been continued for over 20 years," but there is nothing in here about Greece. That is why I say it is not evenhanded.

The resolution also implies that the United Nations has criticized only Turkish presence, and that is not the case, because the United Nations has called on both sides to withdraw their military forces. The resolution reaches the unfounded conclusion that Turkey's military presence is an obstacle to a negotiated solution in Cyprus.

Let me quote from the resolution. It says, "Whereas, the continued overwhelming presence of more than 30,000 Turkish troops in Cyprus hampers the search for a freely negotiated solution to the dispute regarding Cyprus," and then it goes on, but it says nothing about the Greek troops that are there.

I feel as a Congress we should be evenhanded and look at both sides. The reality is that both Greece and Turkey have a legitimate interest in Cyprus. For the U.S. Congress now to come down on one side in this dispute is both unfair, and I think it is going to be counterproductive.

How will the Turks react to this resolution? Will they be more willing or less willing to negotiate a settlement if they see the U.S. policy as this unfolds here? For that reason alone I think the Congress should not adopt this resolution.

Cyprus is a really tough problem. Everyone understands that. This resolution is, or a resolution like this can be laudatory. If, if, if, we have something useful to offer. Just to adopt a resolution like this I think is just empty rhetoric. Therefore, I think that this is not a good time to pass this resolution.

I also think when you pass a resolution like this again, it should be evenhanded. Despite the good intentions of its sponsors, this resolution will not help Greece and Turkey solve the longstanding dispute over Cyprus.

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For that reason, Mr. Speaker, I say that this is not a good resolution for the House to pass.

Mr. GILMAN. Mr. Speaker, this resolution offers a very moderate approach to the thorny issue of Cyprus. The withdrawal of foreign forces from the island is long overdue, and would certainly contribute to a climate conducive to negotiations leading to a settlement along the lines recommended in numerous Security Council resolutions. During our August recess, I had the opportunity to visit Cyprus once again and to view first hand the tragic effects of the prolonged division of the island. People who have been unable to return to their homes and villages for over 20 years. Bitterness and enmity have replaced traditions of togetherness and common purpose among the citizens of Cyprus. It is time to take some substantive measures to break the deadlock, and I strongly believe that total demilitarization should be considered by the leaders of the two communities in Cyprus.

I congratulate the gentleman from New York [Mr. ENGEL] for bringing this measure forward and for all his diligent efforts on behalf of the people of Cyprus. Those of us in this committee and in the House who have been concerned with the tragic situation in Cyprus over the years appreciate the gentleman's contribution.

Mr. PORTER. Mr. Speaker, I rise today to speak about the tragic separation of Cyprus enforced through the ongoing presence of Turkish military troops and to express strong support for the demilitarization of Cyprus as called for in the gentleman from New York's legislation.

Mr. Speaker, for 20 years the Cyprus problem has remained unresolved, despite continual attempts by the United States Government and the United Nations to achieve a solution. Notwithstanding the presence of United Nations peacekeeping forces, there has been little peace in Cyprus. Since 1974, 5 Americans and over 1,600 Greek Cypriots are among the missing and a generation has grown up in Cyprus not knowing peace and unity.

Mr. Speaker, over one-third of the territory of the Cyprus remains under occupation by over 30,000 heavily armed troops. Indeed, United Nations Secretary General Boutros-Ghali has described the northern part of Cyprus as "one of the most highly militarized areas in the world." The Turkish occupation of Cyprus is recognized to be illegal and is in clear violation of numerous United Nations resolutions. Unfortunately, Turkey has recently increased the size of its occupation forces by adding 8,000 additional troops, accompanied by new tanks and armored vehicles. This buildup adds tension and danger to an already unconscionable situation.

Mr. Speaker, since the late 1970's the United Nations, with United States support, has promoted negotiations aimed at creating a Federal, vicommunal, bizonal Republic of Cyprus. Unfortunately these efforts have been unsuccessful. More recently, Cypriot President Clerides has proposed a demilitarization of Cyprus whereby he would completely disband the Cyprus Army in exchange for a withdrawal of Turkish forces from the island. U.N. peacekeepers could then monitor the status quo, at a reduced cost, while negotiations on the future of Cyprus continue. With both parties disarmed, the risk of violence would be reduced and, I think, the potential for progress in negotiations enhanced. This important and timely confidence building proposal by President Clerides should be embraced wholeheartedly by the Turkish Government, the leadership of northern Cyprus, and the United Nations.

Mr. Speaker, Cyprus is an incredibly beautiful island with wonderful, warm people and a rich history that is evidenced by a wealth of important archaeological sites and a beautiful legacy of art and architecture. Unfortunately, as you walk down the winding streets to Nicosia or drive through the Cyprus countryside, you are constantly reminded of the 35,000 troops that loom just beyond the horizon, beyond the U.N. peacekeeping troops, beyond the Green Line that divides Cyprus. The division of Cyprus is a profound tragedy and this Congress should be vigilant in demanding an end to this tragedy. Demilitarization of the Island represents an important step in the right direction and the United States should use all available avenues to exert pressure on the Government of Turkey to see that this step occurs.

Mrs. MALONEY. Mr. Speaker, I proudly rise today as an original cosponsor of House Concurrent Resolution 42. I would also like to commend Representative ENGEL for his diligence and leadership on this issue. He is a true champion of the Greek-American community.

Over 21 years ago, the world witnessed a brutal and blatantly illegal act of ethnic cleansing. In 1974 hundreds of thousands of Turkish troops invaded the island of Cyprus. In a gross violation of human rights and international law, 200,000 people were expelled from their homes and forced from the land which had been theirs for generations. Tragically, this island remains divided by the continuing shackles of occupation and oppression—35,000 troops continue to occupy 37 percent of the island.

This resolution will put the House of Representatives on record supporting a number of actions which will help solve the continuing problem of Cyprus. The status quo on Cyprus is clearly unacceptable, a fact long accepted by the international community. The framework for a solution to the situation have also long been recognized, and are enshrined in UN Security Council Resolution 939, which reaffirms that a solution must be based on a bizonal and bi-communal federation.

Perhaps most importantly, this resolution calls for the demilitarization of Cyprus. This step would help dramatically to lessen the tensions in the region. This fact has been recognized by Cypriot President Clerides, who has been calling for demilitarization since 1993. Demilitarization would meet the security concerns of all the parties involved. By doing so, demilitarization would enhance the prospects for peaceful and lasting resolution of the Cyprus problem. It would benefit all the people of Cyprus and merits international support.

I would also like to take this opportunity to commend the Clinton administration for all of its hard work on resolving the problem of Cyprus and other important concerns of the Greek-American community. The President has helped to focus international attention on Cyprus with the appointment of Mr. Richard Beattie as his Special Emissary for Cyprus. The resolution of the Cyprus problem is clearly a high priority for the Clinton administration. As the proud representative of the large and vibrant community of Cypriot-Americans in Astoria, Queens, it is a high priority for me as well. With this vote, the whole House is making clear that it regards the resolution of this problem as a critical foreign policy objective.

Mr. GEKAS. Mr. Speaker, on August 2, 1990, Iraq invaded Kuwait which promoted the United States to lead the West in a unified effort to repeal that aggression and show the world it would not stand for such an injustice. While it took the West literally less than 21 hours to respond to this violation of international law, it has taken 21 years for the West to take this first step toward bringing justice to the Island of Cyprus. For this reason, I would like to take a moment and applaud the work of this body for finally taking action and, in doing so, sending a message of hope to the Greek Cypriot people.

Although it has been repeated time and time again on this House floor, I feel that it is important to resurrect the historical background of the illegal Turkish occupation of Cyprus. On July 20, 1974, Turkish troops invaded the island of Cyprus. The occupying force has since escalated into over 30,000 heavily armed troops, occupying nearly 40 percent of the sovereign territory of Cyprus. As a result of this invasion, over 1600 Greek Cypriots are unaccounted for and presumed either imprisoned or dead. As many of us know, there are also five American citizen who were abducted by Turkish forces during the invasion whose fate is still unknown and whose families have been grieving for 21 years, mystified as to why their Nation has done nothing to seek justice for their family members.

The resolution before us is the appropriate resolution for this body to act upon. House Concurrent Resolution 42, of which I am a proud original cosponsor, calls for the total withdrawal of Turkish troops from Cyprus. Without demilitarization that is little hope for meaningful negotiations. Just as we have learned from the situation in the former state of Yugoslavia, an accord can not be reached while weapons are being used as the instrument of communication.

Because we live in a country where personal freedoms and basic human rights are the cornerstone of government, it is incomprehensible for many of us to imagine a family member being dragged away by the secret police, never to be seen again; or to carry-out our daily lives with the threat and fear that comes from such military rule. For 21 years Greek Cypriots have lived under such horror waiting for their day of justice. Mr. Speaker, today we can give these people a taste of this justice by voting "aye" on House Concurrent Resolution 42, and I urge its unanimous adoption.

Mr. TORRICELLI. Mr. Speaker, I am proud to be an original cosponsor of House Concurrent Resolution 42, the Anti-Despotic Practices on Cyprus Act. The impetus for this legislation are the 500 Greek-Cypriots who are forced by the Turkish-Cypriots to live under oppressive conditions without basic freedoms.

The Anti-Despotic Practices on Cyprus Act reaffirms that the status quo on Cyprus is unacceptable and welcomes the appointment of a Special Presidential Emissary for Cyprus. The bill insists that all parties to the dispute regarding Cyprus agree to seek a solution based upon the relevant United Nations [UN] resolutions and reaffirms that all foreign troops should be withdrawn from the Republic of Cyprus. Demilitarization will lessen tensions in the region, meet the security concerns of all parties in an effective way, and help to promote a resolution to this dispute.

The Anti-Despotic Practices on Cyprus Act directs the President to make a determination as to whether United States foreign aid, either through the Economic Support Fund program, the Foreign Military Financing program, or the International Military Education and Training program, is being given to foreign governments who are participating in despotic practices against the people of Cyprus, who are not criminals and who have no association with terrorism.

For more than 20 years, innocent civilians have been limited in their location of worship, their interaction with others, telephone access, free travel, the ability to send and receive mail, access to educations beyond elementary school, the ability to return home after attending college, and access to a fair justice system. Despite continued efforts by the United States Government, the Cyprus problem remains unresolved.

Twenty years of oppression is long enough. The time has come for the United States to make a substantive, legislative mandate and utilize its power to facilitate a peace agreement in this region.

Mr. ENGEL. Mr. Speaker, I rise in support of my resolution, House Concurrent Resolution 42, which calls for the demilitarization of the island of Cyprus. This important resolution was approved by the International Relations Committee on July 19, 1995, by a vote of 24 to 6 and has now garnered almost 90 cosponsors.

As my colleagues are aware, more than one-third of the sovereign territory of the Republic of Cyprus remains under foreign occupation by over 30,000 heavily armed troops. At the same time, a continuing arms buildup on the island is increasingly a matter of serious concern. I strongly believe that demilitarizing Cyprus would lessen tensions in the region, meet the security concerns of all parties, and, thereby, help to promote a settlement of the longstanding dispute.

For over 20 years, the Cyprus problem has remained unresolved, despite continued attempts by the United States Government and the United Nations. Earlier this year, President Clinton appointed a special envoy for Cyprus and sent Assistant Secretary of State Richard Holbrooke to the region in search of a solution. Their efforts were well intentioned, but have been unable as yet to break the deadlock.

A fresh approach is necessary to bridge the gap between the parties. Last year, President Glafcos Clerides of Cyprus unveiled a balanced proposal for the complete demilitarization of the island, which has been well received in the United States and Europe. It is our hope that endorsement of this notion by the Congress will help the parties build a climate within which negotiations can succeed.

A bipartisan group of almost 90 Members of Congress has joined as cosponsors of this legislation, including large majorities of Republicans and Democrats on the International Relations Committee. I would particularly like to thank Rep. BEN GILMAN, chairman of the International Relations Committee, and Rep. LEE HAMILTON, ranking Democrat on the committee, for their support of House Concurrent Resolution 42. I would also like to express my appreciation to Rep. JOHN PORTER, original Republican cosponsor of the legislation, for his support and cooperation as we sought to move the resolution forward.

Having passed the 21st anniversary of the Turkish occupation of Cyprus, I urge the House to pass House Concurrent Resolution 42 and take this moderate, yet forward-looking step to promote a resolution of the longstanding conflict on Cyprus.

Mr. BILIRAKIS. I would like to commend my colleagues—Mr. ENGEL of New York, the sponsor of House Concurrent Resolution 42, and Mr. GILMAN, chairman of the International Relations Committee—for bringing this bill to the floor today. I rise in strong support of this important resolution, which calls for the demilitarization of Cyprus and insists that all parties to the dispute agree to seek a solution based upon relevant U.N. resolutions, including provisions of Security Council Resolution 939. Resolution 939 reaffirms that a solution of the Cyprus problem should be based upon a state of Cyprus with a single sovereignty, citizenship, and international personality.

Demilitarization is crucial to a satisfactory resolution of the division of this island nation. In fact, this couldn't have been made more clear than in a recent report submitted to the U.N. Security Council regarding its resolution renewing the U.N. peacekeeping force in Cyprus. In that report, U.N. Secretary General Boutros Boutros-Ghali referred to occupied Cyprus as "one of the most highly militarized areas in the world."

Demilitarization would alleviate the security concerns of all parties and substantially enhance the prospects for a peaceful resolution of the problem.

It is evident, Mr. Speaker, that a solution to the 21-year-old problem on Cyprus will not be found until tensions are lessened on the island and the Turkish side agrees to come to the table and negotiate. I am satisfied that the Government of Cyprus remains committed to seeking a peaceful, just, and viable solution. The acceptance by the Turkish side of U.N. Resolution 939 and of Cyprus President Glafcos Clerides' demilitarization proposal would substantially enhance the prospects of a negotiated settlement.

Recently, in my home in Florida, a gentleman said to me that in all the history of the country of Turkey, voluntary negotiations and agreements based on those negotiations are absent. He said, "They don't negotiate."

Turkey has many internal problems. American taxpayer dollars are intended to help them with those problems, not to help them to wage invasions against their neighbors and to illegally occupy other lands.

Common sense, a true caring for their own people, their domestic needs and world opinion all would seem to dictate that Turkey would want to work out a solution to a problem that they just do not need.

I feel that we in the Congress have a responsibility to use our influence to see that Cyprus is made whole again, to rescue the thousands of Greek-Cypriots who have become refugees in the land of their birth. Like those faithful Cypriots in my district and elsewhere, we must do out utmost in this cause.

Again, Mr. Speaker I commend the sponsor of this legislation and his colleagues on the International Relations Committee, and I strongly urge passage of the bill.

Mrs. KELLY. Mr. Speaker, I rise today in strong support of House Concurrent Resolution 42, which officially calls for the demilitarization of Cyprus. This resolution will benefit both Greek and Turkish Cypriots while at the same time serving to ease the tensions in this region.

More than one-third of the sovereign territory of the Republic of Cyprus remains under foreign occupation by over 30,000 armed troops. Demilitarization of the island called for in House Concurrent Resolution 42 is essential if any type of settlement to end this long-standing dispute is to be reached.

Many efforts have been made in the past to resolve the Cyprus problem. These efforts must continue if we are to bridge the gap between the two parties. As late as last year, President Glafcos Clerides of Cyprus unveiled a plan that would demilitarize the island. This proposal should be commended. The United States has also taken steps to facilitate an agreement. Earlier this year, President Clinton appointed a special envoy for Cyprus and dispatched Assistant Secretary of State Richard Holbrooke to the region in hopes of helping to achieve a solution.

House Concurrent Resolution 42 is an important continuation of these efforts. It is a balanced and bipartisan resolution that will help to stabilize the eastern Mediterranean and will benefit all those concerned.

Ms. PELOSI. I rise today in support of House Concurrent Resolution 42, introduced by Representative ENGEL, to promote a peaceful resolution of the occupation of Cyprus. I am proud to be a cosponsor of this important bill and commend Representative ENGLE for his leadership on this issue.

In 1974, in a show of brute strength, Turkey dispatched its forces to begin an illegal occupation of Cyprus. Today, 21 years later, that tragic occupation continues. Despite calls by the United States and the United Nations for the withdrawal foreign troops from Cyprus, Turkish troops remain in Cyprus. And despite a call by the United Nations for this dispute to be resolved based on a single sovereign state of Cyprus, Cyprus remains partitioned along Greek and Turkish ethnic lines. And despite the support by the international community for a peaceful resolution of this conflict by negotiations, Turkish intransigence has, in the past, undermined the good faith atmosphere necessary for a successful conclusion to such talks.

The resolution before us today in straightforward. It places the United States Congress firmly on record in support of a peaceful resolution to the dispute between Turkey and Cyprus; it calls for the withdrawal of all foreign troops from Cyprus; and, it insists that all parties to the dispute seek a solution based on the United Nations framework. House Concurrent Resolution 42 also encourages the demilitarization of Cyprus and urges the U.N. Security Council and the administration to consider alternative approaches to resolving this dispute.

Mr. Speaker, the people of the divided nation of Cyprus have suffered for too long under an illegal occupation. A peaceful resolution to this conflict is long overdue. Withdrawal of foreign troops and the demilitarization of Cyprus are important steps toward restoring peace and harmony to this tragically divided land. I urge my colleagues to support House Concurrent Resolution 42 to put the U.S. Congress on record in support of such action.

Ms. FURSE. Mr. Speaker, with today's passage of House Concurrent Resolution 42 regarding Cyprus, I welcome this opportunity to mention the important work of the Institute for Multi-Track Diplomacy in resolving conflict there. The resolution's encouragement of the U.N. Security Council and the U.S. Government to consider alternative approaches to promote a resolution of the dispute there is especially significant.

I submit for the CONGRESSIONAL RECORD a compilation of the institute's impressive history of achievement in utilizing alternative approaches for bringing about new understandings among Cypriots in both the Greek and Turkish communities.

This model has great potential for resolving this and other seemingly intractable conflicts. I commend it to the attention of my colleagues.

INSTITUTE FOR
MULTI-TRACK DIPLOMACY,
Cyprus, August 14, 1995.

BACKGROUND

Since July 1991, we have been working in partnership with NTL Institute for Applied Behavioral Science to co-sponsor our initiative in Cyprus. The aim is to create a human infrastructure of change agents among thee Turkish- and Greek-Cypriot (TC & GC) communities who can manage a citizen-based, internal, bicommunal process of trust-building, peacebuilding, and reconciliation between two peoples who have been in conflict for decades.

Laying the groundwork for this project took nearly two years and included eight trips to Cyprus by IMTD and NTL staff members. Each of these trips included some form of training related to conflict resolution. We fostered a network of interested and active Greek and Turkish Cypriots who consistently participate in these events. This group is coordinated by a Bicommunal Steering Committee (BSC), which came into existence in November 1992. We created this Committee for the purpose of advising IMTD on this project, but we were elated to discover that it has taken on a life of its own, coordinating other peacebuilding activities on the island in addition to being involved with the IMTD project.

CATALYSTS FOR CHANGE IN CYPRUS

In late July and early August of 1993, IMTD and the NTL Institute held a ten-day intensive training in conflict resolution and intergroup relations in Oxford, England. This marked the transformation of this project into a new stage. Ten Greek Cypriots and ten Turkish Cypriots participated under the guidance of Louise Diamond and three trainers from the fields of conflict resolution and the applied behavioral sciences. The Oxford program was exciting, powerful, emotionally draining, and spiritually uplifting. The training covered many different kinds of concrete skills, ranging from basic communication, to conflict analysis, to project design and implementation. Beyond the cognitive level, the participants also developed friendships, built trust, and began the emotionally painful process of reconciliation.

They translated these learnings into the beginning of several bicommunal projects which they started upon their return to the island. The participants, who began to call themselves "The Oxford Group," returned to Cyprus with increased understanding, and, above all, with a renewed sense of hope—a crucial element of momentum needed to break the patterns of thought and action that keep the Cyprus conflict from being resolved.

CYPRUS CONFLICT MANAGEMENT PROJECT

To maintain this momentum, the Oxford Group asked for a more advanced "training of trainers" program and identified a second group of twenty who were ready to take the base training. This desire to go further, and the obvious success of the Oxford Group, spurred the Cyprus Fulbright Commission to request extensive funding for additional training in conflict resolution in Cyprus. In response to this request, IMTD formed a new consortium, joining resources with NTL and the Conflict Management Group (CMG) of

Cambridge, Massachusetts, in order to provide an extensive series of training programs during the spring and summer of 1994.

In this series, the Cyprus Consortium delivered eight training sessions to over 200 participants. One workshop was for Cyprus American Scholarship Program (CASP) students studying in American universities. Two were for community leaders who are involved in bicommunal activities. There were three sessions for CASP alumni from the thirty years of the program, and one training of trainers program was offered. A special program brought forty public policy leaders, twenty from each community, to the Coolfont Conference Center in West Virginia for intensive training. This expansive project was sponsored by the Cyprus Fulbright Commission and funded by the U.S. Agency for International Development, through Amideast.

An additional benefit of the program was the collaboration between the three different organizations in the Consortium, which proved to be a great laboratory for cross-fertilization on different theories and practices of conflict resolution. Also, an ongoing research and evaluation component is uncovering fascinating data about the effects of these types of training events on the participants and on the larger community to which they return.

Louise Diamond returned to Cyprus in December 1994 with CMG Project Director Diana Chigas to do follow-up work, particularly to conduct evaluation interviews with twenty participants from the Coolfront Public Policy Leaders training. The reports from the participants were enthusiastically positive, as they noted how they were able to use the skills upon returning and how the experience has changed their lives. Several participants wrote articles or appeared on television shows to describe the work publicly and reduce the public suspicion that follows this work in Cyprus.

In early 1995 the Bicommunal Steering Committee officially opened an office in the Ledra Palace Hotel within the UN buffer zone. This provides a physical and institutional base for continuing bicommunal activities, and indicates the degree to which the conflict resolution work has been legitimated and accepted in both communities. Recent events on conflict resolution undertaken by graduates of our programs have attracted large audiences of up to two hundred people. Clearly, our work in Cyprus is bearing fruit.

CURRENT ACTIVITIES

In August 1995 the Cyprus Consortium received a second grant from Amideast and the Cyprus Fulbright Commission—this time to conduct six different training events over a three-year span. In October 1995 we will run an advanced Training of Trainers program, building upon the training of trainers event from the summer of 1994. In 1996, three events are scheduled, including a training for Turkish-and Greek-Cypriot scholarship students in the United States, a training for Greek- and Turkish-Cypriot educators in Cyprus, and a training for Public Policy Leaders, similar to the training we offered in West Virginia last summer. In 1997 we will conduct another scholarship student training, and we will bring a group of Greek- and Turkish-Cypriot High School students to the United States for a conflict resolution summer camp.

The Cyprus Consortium has also received a small grant from the Carnegie Corporation to develop a conflict analysis workshop for public leaders that will build on the work we have already completed. The project staffs at both IMTD and CMG will engage in ongoing research into the development of the conflict case studies, including El Salvador, Northern Ireland, the Israeli-Palestinian conflict, and South Africa. The staff will also continue research on theories developed by IMTD, NTL, and CMG and the Harvard Negotiation Project with the goal of developing training materials that will aid the public policy leaders in their own conflict analysis process. If funding can be secured, a workshop could be planned for as early as spring 1996.

Mr. BURTON of Indiana. Mr. Speaker, I want to express my opposition to House Concurrent Resolution 42.

I would like to call my colleagues' attention to two clauses in this resolution which deserve close scrutiny.

The first is the fifth "Whereas Clause" on page two. It concludes

> Whereas the continued overwhelming presence of more than 30,000 Turkish troops on Cyprus hampers the search for a freely negotiated solution to the dispute regarding Cyprus.

The second is the sixth "Resolved Clause" on page three. It affirms that,

> The Congress—considers that the demilitarization of the Republic of Cyprus would meet the security concerns of all parties involved, would enhance prospects for a peaceful and lasting resolution of the dispute regarding Cyprus, would benefit all of the people of Cyprus, and merits international support.

I believe both of these clauses are seriously flawed.

With respect to the fifth "Whereas Clause" on page two, I wish the resolution's supporters would say what they really mean—that the 30,000 Turkish troops in the Turkish Republic of Northern Cyprus [TRNC] prevent the Greek Cypriots from unilaterally imposing their own solution to the Cyprus dispute on the Turkish Cypriots.

Calling for the withdrawal of Turkish troops from Cyprus prior to any negotiated settlement which provides for the security of the Turkish Cypriots is absurd. I would dare say that few in this body would ask the Republic of China on Taiwan to disarm as a first step toward promoting the unification of China or suggest that South Koreans should lay down their arms to facilitate the reunification of the Korean peninsula.

While I am not trying to compare the Government of the Republic of Cyprus with North Korea or Communist China, the sad fact is that Turkish Cypriot distrust of Greek Cypriots is every bit as strong as Taiwanese distrust of Communist Chinese or South Korean distrust of North Koreans. This distrust is the result of the terrible repression which they suffered at the hands of Greek Cypriots from 1960 to 1974.

To ignore the legitimate security concerns of the Turkish Cypriot community and to conclude, as this resolution does on page three, in the sixth "Resolved Clause" that the demilitarization of the Turkish Republic of Northern Cyprus [TRNC] would meet the security concerns of all parties involved and would benefit all of the people of Cyprus without also requiring the Republic of Cyprus to make similar confidence-building concessions only reveals the biased nature of this resolution.

If the supporters of this resolution were really concerned about promoting a fair resolution to the Cyprus dispute they would also call on the Governments of the Republic of Cyprus and Greece to end their defacto embargo of the Turkish Republic of Northern Cyprus [TRNC].

While the Republic of Cyprus prefers not to use the word "embargo," because a declared embargo is a form of recognition of the Turkish Republic of Northern Cyprus [TRNC], it has employed numerous tactics designed to impoverish the Turkish Cypriots since 1974.

For example, the Republic of Cyprus declares all Turkish Cypriot airports "illegal." They consider any landing by a foreign carrier as a violation of their air space, and Greek Cypriot air traffic controllers refuse to clear planes for landing in the north. Consequently, no planes from Europe will risk landing in the north. Tourists who wish to visit the north must transit through Turkey. This additional expense and burden have killed the development of a tourist industry. In addition, all overseas mail must be routed through Turkey.

The Republic of Cyprus also declares all Turkish Cypriot seaports illegal. Thus, if a ship docks in the north and afterwards docks at a southern port, its captain is subject to arrest and imprisonment.

The Republic of Cyprus has pressured most foreign countries to declare that export certificates, issued by Turkish Cyprus which vouch for the health and safety of products, are invalid. As a result, most Turkish Cypriot exports must be routed through Turkey, which adds to the cost and has jeopardized the survival of many Turkish Cypriot businesses.

The Greek Cypriot embargo has also hindered growth of international business. Turkish Cypriots, who have applied to be agents of foreign companies and open franchises in the north have been rejected because Greek Cypriots have threatened retaliation against those companies that also have franchises in the Republic of Cyprus and Greece.

Unfortunately, nothing about the Greek Cypriot embargo of the north is mentioned in House Concurrent Resolution 42. If the resolution's supporters really want to promote harmony between the two Cypriot communities, I suggest that they call on the Republic of Cyprus to end its economic embargo against the north before they demand the withdrawal of Turkish troops.

Mr. Chairman, before I conclude, I want to call attention to the most serious problem with this resolution. Like most other resolutions brought before this committee dealing with Cyprus, House Concurrent Resolution 42 glosses over—some may even say purposely ignores—the history of Cyprus prior to 1974. I, therefore, feel compelled to examine the origin of this conflict and specifically the period of 1963–74.

I want to stress to my colleagues that in 1960, when Great Britain relinquished control of the island, a bicommunal government was established with shared leadership by Turkish Cypriots and Greek Cypriots as political equals. Neither community was to dominate the new government. Tragically, right after Britain's departure, the new President of Cyprus, a Greek Cypriot, Archbishop Makarios, began to carry out his plan for union with

Greece. By December 1963, Greek Cypriots had destroyed the bicommunal character of the Republic physically ousting Turkish Cypriot leaders from their elected positions and destroying over 100 Turkish Cypriot villages.

For the next 11 years, Turkish Cypriots, heavily outnumbered by the Greek Cypriots, suffered great losses—human and material—in clashes initiated by Greek Cypriots and fully supported by the Greek Army. One out of every 120 Turkish Cypriots, including women, children, and the elderly, was killed during this period even with U.N. peacekeeping troops present on the island.

Thousands of Turkish Cypriots were forced to flee from their homes to live in enclaves throughout the island and were, in effect, held hostage in their own land without representation in government which was provided them in the 1960 constitution. United States Secretary of State George Ball visited Cyprus in February 1964 and concluded that Greek Cypriots "just wanted to be left alone to kill Turkish Cypriots." Turkey waited for 11 years for help from the world community. None came. By 1974, Turkey could no longer stand by and watch innocent Turkish Cypriots be slaughtered by Greek Cypriots. So Turkey intervened militarily on the island which was completely legal under the 1960 Treaty of Guarantee signed by the Turkish Cypriots, Turkey, Britain, Greece, and the Greek Cypriots. It clearly stated that any of signatures had the right to intervene on Cyprus should the sovereignty of the island be threatened.

Let me emphasize that these troops pose no threat to the southern part of the island. Since the Turkish military intervention concluded in 1974, these troops have never attacked or threatened to attack the south. They are there simply to deter aggression against Turkish Cypriots. Let me also add that unlike Government officials from Greece, who have often made statements saying that Cyprus is rightfully part of Greece, no Turkish officials have ever suggested that Turkey should attempt to annex the whole of Cyprus.

Unfortunately, House Concurrent Resolution 42 completely dismisses the history of Cyprus.

For Turkish Cypriots, the memories of 1960–74 remain vivid. It is absurd to suggest that they should lay down their arms and suddenly trust their age-old nemesis, especially when Greek Cypriots are continuing to try to impoverish them through an economic embargo. I cannot think of another conflict in the world where this committee would put forth such a solution.

I call on my colleagues to reject House Concurrent Resolution 42. This resolution is biased against the Turkish Republic of Northern Cyprus and Turkey. It makes no demands whatsoever of the Republic of Cyprus like lifting its economic embargo against the north, and it completely ignores the history of the island and who is to blame for its division.

Mr. FLANAGAN. Mr. Speaker, I rise in strong support of House Concurrent Resolution 42, of which I am a cosponsor. I am most encouraged that the House unanimously passed this legislation on September 18, 1995. House Concurrent Resolution 42 encourages a resolution to the longstanding dispute regarding Cyprus. It is a step toward securing world peace and will be of benefit to both Greek Cypriots and Turkish Cypriots.

Cyprus has endured the pain of 20 years of political deadlock since Turkey invaded its shores in 1974. Turkey's invasion drove over 200,000 Cypriots from their home, making them refugees in their own land. Over one-third of Cyprus was seized by the Turkish invaders who took 70 percent of the island's economic wealth and resources. Five Americans are part of the more than 2,000 inhabitants that are still missing.

Today, Greek Cypriots, which make up nearly 80 percent of the population, live in the southern two-thirds of the island. Turkish Cypriots live in the Turkish Republic of Northern Cyprus which is only recognized by Turkey. More than one-third of the sovereign territory of the Republic of Cyprus is under occupation by over 30,000 heavily armed troops. As the resolution points out, the Secretary General of the United Nations has stated that the occupied part of Cyprus is one of the most highly militarized areas in the world. Demilitarization of Cyprus, which is called for in House Concurrent Resolution 42, would reduce tension and help promote resolution of this over 20-year-old dispute.

Many sincere attempts have been made over the past years to resolve the Cyprus problem, but to no avail. Despite their best efforts, Presidents of both parties have been vexed by the situation. It is time for a new approach. Last year, President Glafcos Clerides of Cyprus unveiled a proposal for demilitarization which is, in part, incorporated into House Concurrent Resolution 42.

The House has sent out a clear message that the status quo on Cyprus is unacceptable and the resolution of the problem must be achieved. House Concurrent Resolution 42 is a well-reasoned bipartisan measure that will help to stabilize the eastern Mediterranean and benefit all, including the United States of America.

Mr. BURR. Mr. Speaker, I am proud to cosponsor and support House Concurrent Resolution 42, a measure to end the longstanding dispute regarding Cyprus. Over 20 years ago, the Turkish Army invaded the island of Cyprus, seizing over 30 percent of the island's land and approximately 70 percent of the island's wealth. This action caused more than 200,000 Cypriots to be driven from their homes and made them refugees in their own country.

Today, Turkey continues to maintain a force of over 35,000 troops on the island of Cyprus. Although this force was only supposed to stay to protect the Turkish-Cypriot minority for a short time, we are now beginning the third decade of Turkish occupation. This has led some observers to call this area one of the most highly militarized areas of the world.

Last year, in an effort to break this deadlock, Cypriot President Glafcos Clerides offered to totally demilitarize the island by dismantling his army with the understanding the Turkish Army would withdraw and work toward an agreement to unify the island and bring about a peaceful resolution to this longstanding and difficult problem. President Clerides' plan has received widespread support and international acclaim. The United Nations and the European Union have already stated their support for this plan and I am glad to see the House of Representatives join in this effort.

This resolution is a balanced, fair, and bipartisan effort to support a peaceful resolution to the problem in Cyprus and to bring peace and stability to the eastern Mediterranean. I am proud to rise in support of this measure. It is in the best interest of the people of Cyprus, the people of the eastern Mediterranean, and the people of the United States. I urge a yes vote on House Concurrent Resolution 42.

Mr. FORBES. Mr. Speaker, as an original cosponsor of House Concurrent Resolution 42, I am most pleased that this important piece of legislation passed the House last Monday. This resolution will benefit both Greek Cypriots and Turkish Cypriots alike while serving the national security and economic interests of the United States.

More than one-third of the sovereign territory of the Republic of Cyprus remains under foreign occupation by over 30,000 heavily armed Turkish troops. Demilitarization of the island called for in House Concurrent Resolution 42 will lessen tensions in the region and help to promote a settlement of the longstanding dispute.

Many efforts have been made in the past to resolve the Cyprus problem and I believe a fresh approach is necessary to bridge the gap between the two parties. Last year, President Glafcos Clerides of Cyprus unveiled a proposal for demilitarization which is incorporated in part in House Concurrent Resolution 42.

The resolution has been balanced and bipartisan from the start. Monday's vote will help to stabilize the eastern Mediterranean and will benefit all concerned including the United States of America.

Mr. BEREUTER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. CLINGER). The question is on the motion offered by the gentleman from Nebraska [Mr. BEREUTER] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 42, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

RELATING TO THE UNITED STATES-NORTH KOREA AGREED FRAMEWORK

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 83) relating to the United States-North Korea Agreed

Framework and the obligations of North Korea under that and previous agreements with respect to the denuclearization of the Korean Peninsula and dialog with the Republic of Korea, as amended.

The Clerk read as follows:

H.J. RES. 83

Whereas the United States-Democratic People's Republic of Korea Agreed Framework ("Agreed Framework"), entered into on October 21, 1994, between the United States and North Korea, requires North Korea to stop and eventually dismantle its graphite-moderated nuclear reactor program and related facilities, and comply fully with its obligations under the Treaty on the Non-Proliferation of Nuclear Weapons, in exchange for alternative energy sources, including interim supplies of heavy fuel oil for electric generators and more proliferation-resistant light water reactor technology;

Whereas the Agreed Framework also commits North Korea to "consistently take steps to implement the North-South Joint Declaration on the Denuclearization of the Korean Peninsula" and "engage in North-South" dialogue with the Republic of Korea;

Whereas the Agreed Framework does not indicate specific criteria for full normalization of relations between the United States and North Korea, and does not link the sequencing of actions in the Agreed Framework with any time-frame for carrying out the provisions of the North-South Joint Declaration on the Denuclearization of the Korean Peninsula and carrying out the dialogue between North Korea and the Republic of Korea;

Whereas the commitment by North Korea to carry out the letter and spirit of the Agreed Framework has been put into doubt by actions of North Korea since October 21, 1994, including the suspected diversion of United States heavy fuel oil in apparent contravention of the agreed purpose of the interim fuel deliveries, the resistance to accepting light water reactors from the Republic of Korea, the harsh denunciations of the Government of the Republic of Korea and other actions contrary to the commitment by North Korea to engage in a dialogue with such Government, and the continued conduct of provocative, offensive oriented military exercises; and

Whereas the nuclear threat posed by North Korea is just one of a number of security concerns of the United States arising out of the policies of North Korea: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CLARIFICATION OF NUCLEAR NONPROLIFERATION OBLIGATIONS OF NORTH KOREA UNDER THE AGREED FRAMEWORK.

It is the sense of the Congress that in discussions or negotiations with the Government of North Korea pursuant to the implementation of the United States-Democratic People's Republic of Korea Agreed Framework (in this joint resolution referred to as the "Agreed Framework") entered into on October 21, 1994, the President should uphold the following minimum conditions relating to nuclear nonproliferation:

(1) All spent fuel from the graphite-moderated nuclear reactors and related facilities of North Korea should be removed from the territory of North Korea as is consistent with the Agreed Framework.

(2) The International Atomic Energy Agency should have the freedom to conduct any and all inspections that it deems necessary to fully account for the stocks of plutonium and other nuclear materials in North Korea, including special inspections of suspected nuclear waste sites before any nuclear components controlled by the Nuclear Supplier Group Guidelines are delivered for a light water reactor for North Korea.

(3) The dismantlement of all declared graphite-based nuclear reactors and related facilities in North Korea, including reprocessing units, should be completed in accordance with the Agreed Framework and in a manner that effectively bars in perpetuity any reactivation of such reactors and facilities.

(4) The United States should suspend actions described in the Agreed Framework if North Korea attempts to reload its existing 5 megawatt nuclear reactor or resumes construction of nuclear facilities other than those permitted to be built under the Agreed Framework.

SEC. 2. ROLE OF THE REPUBLIC OF KOREA UNDER THE AGREED FRAMEWORK.

It is further the sense of the Congress that the Republic of Korea should play the central role in the project to provide light water reactors to North Korea under the Agreed Framework.

SEC. 3. FURTHER STEPS TO PROMOTE UNITED STATES SECURITY AND POLITICAL INTERESTS WITH RESPECT TO NORTH KOREA.

It is further the sense of the Congress that, after the date of the enactment of this joint resolution, the President should not take further steps toward upgrading diplomatic relations with North Korea beyond opening liaison offices, or relaxing trade and investment barriers imposed against North Korea without—

(1) action by the Government of North Korea to engage in a North-South dialogue with the Government of the Republic of Korea;

(2) significant progress toward implementation of the North-South Joint Declaration on the Denuclearization of the Korean Peninsula; and

(3) progress toward the achievement of several long-standing United States policy objectives regarding North Korea and the Korean Peninsula, including—

(A) reducing the number of military forces of North Korea along the Demilitarized Zone and relocating such military forces away from the Demilitarized Zone;

(B) prohibiting any movement by North Korea toward the deployment of an intermediate range ballistic missile system; and

(C) prohibiting the export by North Korea of missiles and other weapons of mass destruction, including related technology and components.

SEC. 4. RESTRICTIONS ON ASSISTANCE TO NORTH KOREA AND THE KOREAN PENINSULA ENERGY DEVELOPMENT ORGANIZATION.

(a) IN GENERAL.—Chapter 1 of part III of the Foreign Assistance Act of 1961 (22 U.S.C. 2370 et seq.) is amended by adding at the end the following new section:

"SEC. 620G. ASSISTANCE TO NORTH KOREA AND THE KOREAN PENINSULA ENERGY DEVELOPMENT ORGANIZATION.

"(a) IN GENERAL.—No assistance may be provided under this Act or any other provision of law to North Korea or the Korean Peninsula Energy Development Organization unless—

"(1) such assistance is provided in accordance with all requirements, limitations, and procedures otherwise applicable to the provision of such assistance for such purposes; and

"(2) the President—

(A) notifies the congressional committees specified in section 634(a) of this Act prior to the obligation of such assistance in accordance with the procedures applicable to reprogramming notifications under that section, irrespective of the amount of the proposed obligation of such assistance; and

"(B) determines and reports to such committees that the provision of such assistance is vital to the national interests of the United States.

"(b) EXCEPTION.—The requirement of subsection (a)(2) shall not apply with respect to assistance authorized to be appropriated and appropriated for North Korea or the Korean Peninsula Energy Development Organization.".

(b) EFFECTIVE DATE.—Section 620G of the Foreign Assistance Act of 1961, as added by subsection (a), applies with respect to assistance provided to North Korea or the Korean Peninsula Energy Development Organization on or after the date of the enactment of this joint resolution.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nebraska [Mr. BEREUTER] will be recognized for 20 minutes, and the gentleman from Indiana [Mr. HAMILTON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the behavior of the isolated, authoritarian Communist regime in North Korea continues to remind us that important American nonproliferation and regional security interests remain at great risk notwithstanding the October 1994 United States-DPRK Agreed Framework. North Korea remains an outlaw state that will not easily adapt itself to international norms. This has been underscored by Pyongyang's bitter resistance to accepting light water reactor technology from South Korea under the October 1994 accord, recent steps by North Korea that would have the effect of unilaterally undermining the Military Armistice Commission [MAC] that supervises the truce along the demilitarized zone [DMZ], and continued refusal to engage in normalization talks with the Republic of Korea, in the South.

In theory, the October 1994 framework agreement provides a mechanism for reining in Pyongyang's nuclear weapons program and addressing other United States security concerns regarding the Korean Peninsula. With the North Koreans, however, nothing is ever simple or settled. In June, Assistant Secretary of State Winston Lord noted at a regional security hearing before the Subcommittee on Asia and the Pacific that "We're going to have a very arduous journey in the next 10 or 15 years in implementing the Agreed Framework."

North Korea's confrontational behavior continues to raise fundamental questions about whether Pyongyang is acting in good faith. North Korea has diverted some of the United States-supplied heavy oil that we already have delivered under the terms of the agreement, and the North has continued its relentless political attacks against our ally, South Korea. North Korea continues to make new and outrageous demands, including a demand for a billion dollars in additional assistance to enhance its power grid and for other purposes. Its implicit agreement that a South Korean firm will be the prime contractor for the project under the management of the Korean Peninsula Energy Development Organization [KEDO], negotiated at Kuala Lumpur this summer, remains to be tested.

House Joint Resolution 83 was introduced by this Member, together with my friend and distinguished subcommittee colleague from California, Mr. KIM, and was marked up by the full House International Relations Committee on June 29, The resolution provides policy guidance to the administration as it seeks to engage with North Korea. Not incidentally, the resolution will also send a signal from the Congress to Pyongyang that there can be no deviation from the terms of the United States-DPRK agreement. The resolution is similar to language adopted by the full House in action on H.R. 1561. The most important exception is a small but important change to section 4, which is intended to alleviate the administration's concerns that the resolution not impose a reprogramming notification requirement in regard to funds specifically authorized and appropriated by Congress for KEDO.

Despite the fact that the resolution is imbedded in the American Overseas Interests Act, there are compelling reasons to adopt it separately. Passage of the resolution will be a fitting expression of congressional support for our ally of more than five decades, the Republic of Korea, recently commemorated during the visit of President Kim Yong-sam to attend the dedication of the Korean War Veterans Memorial last July.

I believe that there is nothing on this issue that we in Congress can do which is more important than to go on record to emphasize the continuing concern of the United States for maintaining the peace and stability of the Korean Peninsula, and to categorically insist that South Korea must be allowed to play a central role in arrangements negotiated by the United States to address the problem of North Korea's nuclear program.

Because this issue is so important, this Member will take a moment to explain more precisely what this legislation does.

House Joint Resolution 83 has 4 major sections, addressing 4 concerns:

First, it spells out minimum objectives for United States nonproliferation policy in regard to North Korea's obligations under the United States-DPRK Agreed Framework. This is necessary to make explicitly clear that there can be no retreat from what is in the agreement regarding North Korea's obligations, and to clarify where Congress stands on issues that the administration may possibly consider as still subject to future negotiation.

Second, it insures that our longstanding ally South Korea remains a key player in the accord by reaffirming that the Republic of Korea is the only acceptable source for the light water reactors that are to be provided to North Korea under the accord.

Third, House Joint Resolution 83 establishes minimum preconditions for further moves toward relaxing United States trade sanctions and normalizing relations with North Korea. These include a requirement that North Korea engage in dialog with the South per a 1992 North-South Agreement, and also the North-South agreement on Korean Peninsula denuclearization. It also conditions further steps toward normalization on progress toward the achievement of longstanding United States goals of reducing the military threat posed by North Korea's excessive military forces, its ballistic missile programs and its exports of ballistic missiles and other weapons of mass destruction.

This latter point is important. In my view and that of many other Members of Congress and security policy experts, the administration has been understandably focused but unduly focused on containing North Korea's nuclear program and avoiding the need to seek international economic sanctions, and not enough focused on broader United States security concerns regarding the North.

Fourth, House Joint Resolution 83 imposes notification requirements on the use of reprogrammed funds to support the agreement, by establishing the same terms and conditions regarding authorizations and appropriations from non-Foreign Assistance Act sources as would apply to assistance provided to North Korea under the Foreign Assistance Act. This includes the notification of any reprogramming actions to the House International Relations Committee and the Senate Foreign Relations Committee, no matter from what source the funding is obtained, and full justification for assistance provided under waiver authority to provisions of the Foreign Assistance Act that otherwise would prohibit such assistance.

Mr. Speaker, this Member thanks the chairman of the International Relations Committee, the distinguished gentleman from New York [Mr. GILMAN], for his support and assistance in crafting this legislation. The chairman's staff provided invaluable assistance in addressing many of the issues in House Joint Resolution 83.

In addition, this Member would assure all of his colleagues that every effort has been made to make this a bipartisan initiative. This Member would point to the very constructive additions made by the ranking Democrat on the Asia and Pacific Subcommittee, distinguished gentleman from California [Mr. BERMAN].

Mr. Speaker, this is indeed a very important, long-term policy issue that merits a firm statement of congressional will. The North Korean nuclear issue is certainly, quite arguably, the most dangerous and unpredictable challenge facing us today. The resolution provides needed policy guidance to the administration, protects the interests of our ally, South Korea, broadens the scope of United States policy concerns, and protects the jurisdictional interests of this body.

I urge the House to adopt the joint resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to this resolution. I regret the necessity to do that. I do think that the distinguished gentleman from Nebraska [Mr. BEREUTER], the author of the resolution, has really worked very hard to meet many of the objections of our side, and I think he has met a number of them that we originally had. Nonetheless, for my part at least, the resolution still amounts to a unilateral rewriting of the United States-North Korean agreed framework.

It is important to point out, I think, that the administration opposes this resolution. It is also important to point out that the agreement, the North Korean agreed framework with the United States, has served United States interests very well. It perhaps is worth remembering that before the negotiations got under way, there were many respected voices in this town calling for bombing North Korea, but that agreement has been struck, and it serves United States interests well. Because of this agreement North Korea has shut down its only operating reactor. It has halted construction on two new reactors. It has sealed its reprocessing facility and stopped construction on a new reprocessing line. It has refrained from reprocessing the spent fuels in its possession. It has given the IAEA inspectors and U.S. technicians access to nuclear facilities, and it has agreed not only to resume IAEA inspections, but to go beyond its obligations under the nonproliferation treaty and forgo reprocessing altogether.

Mr. Speaker, dealing with North Korea of course is never easy, but this resolution makes the President's job all the more difficult. House Joint Resolution 83 adds new conditions which North Korea must meet before the United States can take further steps to upgrade our diplomatic relations or economic relations with the North.

Now all of us want North Korea to take those steps, and all of us hope that North Korea will do so. But these steps, it should be very clear to all, go beyond what is called for in the agreed framework by loading up the agreement with new unilaterally imposed conditions. This resolution lessens the prospects of that agreement's success, and then we could be back in the midst of a full-scale nuclear crisis with a North Korea leading to sanctions, escalation, and perhaps the bombing that some people were asking for only a few months ago.

I urge my colleagues not to allow the pursuit of an ideal outcome to destroy a good agreement that is working and working in the interests of the United States. Remember, since October 1994, North Korea's nuclear program has been frozen in its tracks. I do not thank we should jeopardize the agreement that has achieved this success, and I urge a "no" vote on this resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, my colleagues, I have great respect for the gentleman from Indiana [Mr. HAMILTON], the ranking minority member of the committee. I regret the fact that he rises in opposition to the resolution, but I appreciate his kind words, and I would have to say in response just a reminder to my colleagues.

The gentleman from Indiana; I know he is aware of this fact, that the elements to which he objects are contained in a sense-of-the-Congress section, section 3, and in fact those items that we list as being important, things that should not be forgotten in this whole process, such as the continued focus on accelerating North-South dialog, all of these are existing policy supported by this administration and previous administrations, and I dare say the majority in Congress, and I would say further that in a sense-of-the-Congress resolution, it does not in any fashion object to the diplomatic relations that have been established with North Korea, although many Members do object to that fact. It says that the President should not take further steps toward upgrading diplomatic relations.

Finally, Mr. Speaker, I would say that I regard this resolution as strengthening the hand of the administration in negotiating with the North Koreans and assuring that we keep their feet to the fire and that we do verify their compliance with the agreement. I think it strengthens the hand of the administration in this respect. In fact, I would not offer it if I did not feel very strongly that it was the case, Mr. Speaker.

Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Wisconsin [Mr. ROTH], who by his experience and involvement is quite an expert on the Korean Peninsula.

Mr. ROTH. Mr. Speaker, I appreciate the gentleman's kind remarks, and I compliment him for the fine job he is doing in managing this legislation. I, too, am sorry to hear that the administration is opposed to this resolution. The reason I say that is this resolution, as I see it, only reemphasizes the points in our agreement with North Korea, and all we are saying is that we expect the North Koreans to live up to that agreement, and so I cannot see why the administration would be opposed to this resolution.

Mr. Speaker, all of us in this House would like to think that this resolution is unnecessary. But the North Koreans have displayed, time after time, that they cannot be trusted. Now they have lied, they have stalled, and they have cheated for too many years, and for us not to be alert to this skullduggery I think would be unwise.

It is important for the Congress to send a clear message, and this is a message to both the North Koreans and to our allies in the South. Basically what we are saying is that this resolution underscores that Congress is steadfast in that first, the terms of last October's agreement are the absolute minimum acceptable; secondly, that North Korea will not be allowed to divide us from South Korea. In this regard any further steps toward normalization must be linked to real progress in North-South dialog. Third, the only acceptable source for two nuclear reactors is South Korea; and, fourth, our other military and political objective for the Korean Peninsula will not be neglected or even bargained with. Fifth, Congress retains final authority under any expenditures in support of this agreement.

Apparently this last point has caused some controversy with the administration, and, to be honest with my colleagues, I am surprised. Under the current law we already require congressional notification and a waiver for any such use in the 150 account. It is natural that we require the same here. this resolution simply insures that the President is up front with the congress and with the U.S. taxpayers. this is what I call a sunshine provision. Everyone should know what is in it; everyone should live up to the terms.

Mr. Speaker, I cannot see any reason why anyone would be opposed to this resolution, and so I want to, in conclusion, thank my friend from Nebraska for bringing this resolution to the floor. He has presented and provided a needed opportunity to underscore the underlying and unyielding support for South Korea and for the United States vital interests in the Korean Peninsula. North Korea should have no delusions. We are resolute as a Congress, and as a people we will live up to these commitments, and we expect the North Koreans to live up to those commitments also.

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

First I thank the gentleman from Wisconsin [Mr. ROTH] for his kind remarks and for the information that he conveyed to our colleagues, which is very important, about our resolve to see that North Koreans live with the agreement and that we not backpedal in any way on our commitment that there be a North-South dialog and that we not permit the North Koreans to divide the Republic of Korea, South Korea, and the United States.

Mr. KIM. Mr. Speaker, I rise in strong support of House Joint Resolution 83, the resolution relating to the United States-North Korea Agreed Framework. As the only Korean-American in Congress, I am proud to have sponsored this measure with Asia Subcommittee chairman DOUG BEREUTER.

In October 1994, when the administration first unveiled the United States-North Korea Agreed Framework, many praised it as the beginning of the end to a perilous nuclear crisis in the Pacific rim. Unfortunately, I did not share that same optimism. In fact, I felt that the agreed framework was yet another effort to appease North Korea at the expense of the national security interests of both the United States and our ally, the Republic of Korea. It looked to me like the United States was obligated to give more than it received in return.

In that regard, I was pleased to help sponsor House Joint Resolution 83 because it defines the specific direction which the administration must follow in its dealings with North Korea, rather than allowing that direction to be dictated by the leadership in Pyongyang. Most important of all is the stipulation that a North-South dialog be of the highest priority to ensure a reduction in the hostilities between the two governments in the hopes of long-term peace on the peninsula.

I think it is important that this Congress, and this administration, send a clear message to North Korea by setting forth a blueprint of what we will accept as positive progress. And, with House Joint Resolution 83 we make it clear that without such progress, we will not provide North Korea with the economic and political benefits they want. Therefore, I ask all of my colleagues to support the immediate passage of House Joint Resolution 83 so that we set a clear plan of action with respect to North Korea.

Mr. GILMAN. Mr. Speaker, I commend the distinguished chairman of our subcommittee on Asia and the Pacific, Mr. BEREUTER, for bringing this resolution before the House. I also commend the distinguished ranking member of the subcommittee, Mr. BERMAN, for his helpful contributions.

The substance of the resolution has, of course, already passed the House as part of H.R. 1561, the American Overseas Interests Act, and so I expect it to receive broad bipartisan support today.

The resolution serves two useful purposes. First, it articulates the views of the Congress with respect to the October 21, 1994, agreed framework between the United States and North Korea under which North Korea is to suspend and then dismantle its nuclear program in exchange for deliveries of heavy fuel oil and construction in North Korea of two 1,000 megawatt light water nuclear reactors.

The resolution does not criticize or reject the agreed framework, but it does sound several cautionary notes about implementation of the agreement. In particular, it urges that the agreed framework be implemented in a manner consistent with United States interests; that South Korea have a central role in implementing the agreed framework; and that the United States not take further steps to normalize our relations with North Korea until North Korea improves its behavior in other areas of concern to us, such as implementing the North-South Joint Declaration on the Denuclearization of the Korean Peninsula, curtailing ballistic missile exports, and reducing tensions along the DMZ.

The second purpose of the resolution is to ensure that all United States foreign assistance that is provided to North Korea or the Korean Peninsula Energy Development Organization pursuant to the agreed framework is provided under the same terms and conditions that govern all other United States foreign assistance. This is necessary because the administration has already on two occasions sought to deliver assistance to North Korea from funds not subject to the terms and conditions of the Foreign Assistance Act—in one case from Defense Department funds, and in the other from Energy Department funds.

House Joint Resolution 83 will make an important contribution to the Congress' ability to oversee implementation of the agreed framework, and I urge its adoption.

Mr. BEREUTER. Mr. Speaker, I have no further requests for time.

Mr. HAMILTON. Mr. Speaker, I, too, have no further requests for time, and I yield back the balance of my time.

Mr. BEREUTER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nebraska [Mr. Bereuter] that the House suspend the rules and pass the joint resolution, House Joint Resolution 83, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the joint resolution, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

□ 1259

MEDAGOGUES

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, it is not only House Republicans that are questioning the barrage of scare tactics on Medicare that are being presented by the Democrats and certain of their special interest associates. Last week's Washington Post editorial entitled "Medagogues" puts the entire Medicare debate into perspective by comparing the two parties on this critical issue.

Mr. Speaker, as you may be able to see from this copy, the Post finds the Republican plan to be credible, gutsy, and, in some respects, inventive. It addresses a genuine problem that is only going to get worse, as we all know. What the Democrats have, instead, is a lot of expostulation, TV ads, and scare talk, so says the Washington Post.

The Post is not generally given to commenting so harshly about Democrats. The Post goes on to wonder about how the Democrats propose to finance Medicare without real structural change. They conclude that they are listening in vain for a real response from the Democrats.

Mr. Speaker, I join with the Post to call on my Democratic colleagues to abandon the politics of fear and join us in saving Medicare for current and future beneficiaries. The country needs it and we can do it.

RECESS

The SPEAKER pro tempore (Mr. Clinger). Pursuant to clause 12 of rule I, the Chair declares the House in recess until 3 p.m.

Accordingly (at 1 o'clock p.m.), the House stood in recess until 3 p.m.

□ 1500

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. Foley) at 3 p.m.

RYAN WHITE CARE ACT AMENDMENTS OF 1995

Mr. BILIRAKIS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1872) to amend the Public Health Service Act to revise and extend programs established pursuant to the Ryan White Comprehensive AIDS Resources Emergency Act of 1990, as amended.

The Clerk read as follows:

H.R. 1872

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Ryan White CARE Act Amendments of 1995".

SEC. 2. REFERENCES.

Whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to that section or other provision of the Public Health Service Act (42 U.S.C. 201 et seq.).

TITLE I—EMERGENCY RELIEF FOR AREAS WITH SUBSTANTIAL NEED FOR SERVICES

SEC. 101. ESTABLISHMENT OF PROGRAM OF GRANTS.

(a) Number of Cases; Delayed Applicability.—Effective October 1, 1996, section 2601(a) (42 U.S.C. 300ff-11) is amended—

(1) by striking "subject to subsection (b)" and inserting "subject to subsections (b) through (d)"; and

(2) by striking "metropolitan area" and all that follows and inserting the following: "metropolitan area for which there has been reported to the Director of the Centers for Disease Control and Prevention a cumulative total of more than 2,000 cases of acquired immune deficiency syndrome for the most recent period of five calendar years for which such data are available.".

(b) Other Provisions Regarding Eligibility.—Section 2601 (42 U.S.C. 300ff-11) is amended by adding at the end thereof the following subsections:

"(c) Requirements Regarding Population.—

"(1) Number of individuals.—

"(A) In general.—Except as provided in subparagraph (B), the Secretary may not make a grant under this section for a metropolitan area unless the area has a population of 500,000 or more individuals.

"(B) Limitation.—Subparagraph (A) does not apply to any metropolitan area that was an eligible area under this part for fiscal year 1995 or any prior fiscal year.

"(2) Geographic boundaries.—For purposes of eligibility under this part, the boundaries of each metropolitan area are the boundaries that were in effect for the area for fiscal year 1994.

"(d) Continued Status as Eligible Area.—Notwithstanding any other provision of this section, a metropolitan area that was an eligible area under this part for fiscal year 1996 is an eligible area for fiscal year 1997 and each subsequent fiscal year.".

(c) Conforming Amendment Regarding Definition of Eligible Area.—Section 2607(1) (42 U.S.C. 300ff-17(1)) is amended by striking "The term" and all that follows and inserting the following: "The term 'eligible area' means a metropolitan area meeting the requirements of section 2601 that are applicable to the area.".

SEC. 102. HIV HEALTH SERVICES PLANNING COUNCIL.

(a) Establishment.—Section 2602(b)(1) (42 U.S.C. 300ff-12(b)(1)) is amended—

(1) in subparagraph (A), by inserting before the semicolon the following: ", including federally qualified health centers";

(2) in subparagraph (D), by inserting before the semicolon the following: "and providers of services regarding substance abuse";

(3) in subparagraph (G), by inserting before the semicolon the following: "and historically underserved groups and subpopulations";

(4) in subparagraph (I), by inserting before the semicolon the following: ", including the State medicaid agency and the agency administering the program under part B";

(5) in subparagraph (J), by striking "and" after the semicolon;

(6) by striking subparagraph (K); and

(7) by adding at the end the following subparagraphs:

"(K) grantees under section 2671, or, if none are operating in the area, representatives of organizations in the area with a history of serving children, youth, women, and families living with HIV; and

"(L) grantees under other HIV-related Federal programs.".

(b) DUTIES.—Section 2602(b)(3) (42 U.S.C. 300ff-12(b)(3)) is amended—

(1) by striking "The planning" in the matter preceding subparagraph (A) and all that follows through the semicolon at the end of subparagraph (A) and inserting the following: "The planning council under paragraph (1) shall carry out the following:

"(A) Establish priorities for the allocation of funds within the eligible area based on the following factors:

"(i) Documented needs of the HIV-infected population.

"(ii) Cost and outcome effectiveness of proposed strategies and interventions, to the extent that such data are reasonably available.

"(iii) Priorities of the HIV-infected communities for which the services are intended.

"(iv) Availability of other governmental and nongovernmental resources.";

(2) in subparagraph (B)—

(A) by striking "develop" and inserting "Develop"; and

(B) by striking "; and" and inserting a period;

(3) in subparagraph (C)—

(A) by striking "assess" and inserting "Assess";

(B) by striking "rapidly"; and

(C) by inserting before the period the following: ", and assess the effectiveness, either directly or through contractual arrangements, of the services offered in meeting the identified needs"; and

(4) by adding at the end the following subparagraphs:

"(D) Participate in the development of the statewide coordinated statement of need initiated by the State health department (where it has been so initiated).

"(E) Obtain input on community needs through conducting public meetings.".

(c) GENERAL PROVISIONS.—Section 2602(b) (42 U.S.C. 300ff-12(b)) is amended by adding at the end the following paragraph:

"(4) GENERAL PROVISIONS.—

"(A) COMPOSITION OF COUNCIL.—The planning council under paragraph (1) shall (in addition to requirements under such paragraph) reflect in its composition the demographics of the epidemic in the eligible area involved, with particular consideration given to disproportionately affected and historically underserved groups and subpopulations. Nominations for membership on the council shall be identified through an open process, and candidates shall be selected based on locally delineated and publicized criteria. Such criteria shall include a conflict-of-interest standard for each nominee.

"(B) CONFLICTS OF INTEREST.—

"(i) The planning council under paragraph (1) may not be directly involved in the administration of a grant under section 2601(a). With respect to compliance with the preceding sentence, the planning council may not designate (or otherwise be involved in the selection of) particular entities as recipients of any of the amounts provided in the grant.

"(ii) An individual may serve on the planning council under paragraph (1) only if the individual agrees to comply with the following:

"(I) If the individual has a financial interest in an entity, and such entity is seeking amounts from a grant under section 2601(a), the individual will not, with respect to the purpose for which the entity seeks such amounts, participate (directly or in an advisory capacity) in the process of selecting entities to receive such amounts for such purpose.

"(II) In the case of a public or private entity of which the individual is an employee, or a public or private organization of which the individual is a member, the individual will not participate (directly or in an advisory capacity) in the process of making any decision that relates to the expenditure of a grant under section 2601(a) for such entity or organization or that otherwise directly affects the entity or organization.".

SEC. 103. TYPE AND DISTRIBUTION OF GRANTS.

(a) FORMULA GRANTS BASED ON RELATIVE NEED OF AREAS.—Section 2603(a) (42 U.S.C. 300ff-13(a)) is amended—

(1) in paragraph (1)—

(A) in the second sentence, by inserting ", subject to paragraph (4)" before the period; and

(B) by adding at the end the following sentence: "Grants under this paragraph for a fiscal year shall be disbursed not later than 60 days after the date on which amounts appropriated under section 2677 become available for the fiscal year, subject to any waivers under section 2605(d).";

(2) in paragraph (2), by amending the paragraph to read as follows:

"(2) ALLOCATIONS.—Of the amount available under section 2677 for a fiscal year for making grants under section 2601(a)—

"(A) the Secretary shall reserve 50 percent for making grants under paragraph (1) in amounts determined in accordance with paragraph (3); and

"(B) the Secretary shall, after compliance with subparagraph (A), reserve such funds as may be necessary to carry out paragraph (4)."; and

(3) by adding at the end the following paragraph:

"(4) MAXIMUM REDUCTION IN GRANT.—In the case of any eligible area for which a grant under paragraph (1) was made for fiscal year 1995, the Secretary, in making grants under such paragraph for the area for the fiscal years 1996 through 2000, shall (subject to the extent of the amount available under section 2677 for the fiscal year involved for making grants under section 2601(a)) ensure that the amounts of the grants do not, relative to such grant for the area for fiscal year 1995, constitute a reduction of more than the following, as applicable to the fiscal year involved:

"(A) 1 percent, in the case of fiscal year 1996.

"(B) 2 percent, in the case of fiscal year 1997.

"(C) 3 percent, in the case of fiscal year 1998.

"(D) 4 percent, in the case of fiscal year 1999.

"(E) 5 percent, in the case of fiscal year 2000.".

(b) SUPPLEMENTAL GRANTS.—Section 2603(b) (42 U.S.C. 300ff-13(b)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by striking "Not later than" and all that follows through "section 2605(b)—" and inserting the following: "After allocating in accordance with subsection (a) the amounts available under section 2677 for grants under section 2601(a) for a fiscal year, the Secretary, in carrying out section 2601(a), shall from the remaining amounts make grants to eligible areas described in this paragraph. Such grants shall be disbursed not later than 150 days after the date on which amounts appropriated under section 2677 become available for the fiscal year. An eligible area described in this paragraph is an eligible area whose application under section 2605(b)—";

(B) in subparagraph (D), by striking "and" after the semicolon;

(C) in subparagraph (E), by striking the period at the end and inserting "; and"; and

(D) by adding at the end thereof the following subparagraph:

"(F) demonstrates the manner in which the proposed services are consistent with the local needs assessment and the statewide coordinated statement of need."; and

(2)(A) by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively; and

(B) by inserting after paragraph (1) the following paragraph:

"(2) PRIORITY.—

"(A) SEVERE NEED.—In determining severe need in accordance with paragraph (1)(B), the Secretary shall give priority consideration in awarding grants under this subsection to eligible areas that (in addition to complying with paragraph (1)) demonstrate a more severe need based on the prevalence in the eligible area of—

"(i) sexually transmitted diseases, substance abuse, tuberculosis, severe mental illness, or other conditions determined relevant by the Secretary, which significantly affect the impact of HIV disease;

"(ii) subpopulations with HIV disease that were previously unknown in such area; or

"(iii) homelessness.

"(B) PREVALENCE.—In determining prevalence of conditions under subparagraph (A), the Secretary shall use data on the prevalence of the conditions described in such subparagraph among individuals with HIV disease (except that, in the case of an eligible area for which such data are not available, the Secretary shall use data on the prevalences of the conditions in the general population of such area).".

(c) ADDITIONAL REQUIREMENTS FOR GRANTS.—Section 2603 (42 U.S.C. 300ff-13) is amended by adding at the end the following subsection:

"(c) COMPLIANCE WITH PRIORITIES OF HIV PLANNING COUNCIL.—Notwithstanding any other provision of this part, the Secretary, in carrying out section 2601(a), may not make any grant under subsection (a) or (b) to an eligible area unless the application submitted by such area under section 2605 for the grant involved demonstrates that the grants made under subsections (a) and (b) to the area for the preceding fiscal year (if any) were expended in accordance with the priorities applicable to such year that were established, pursuant to section 2602(b)(3)(A), by the planning council serving the area.".

SEC. 104. USE OF AMOUNTS.

Section 2604 (42 U.S.C. 300ff-14) is amended—

(1) in subsection (b)—

(A) in paragraph (1)(A), by striking "including case management and comprehensive treatment services, for individuals" and inserting the following: "including HIV-related comprehensive treatment services (including treatment education and measures for the prevention and treatment of opportunistic infections), case management, and substance abuse treatment and mental health treatment, for individuals";

(B) in paragraph (2)(A)—

(i) by inserting after "nonprofit private entities," the following: "or private for-profit entities if such entities are the only available provider of quality HIV care in the area," ; and

(ii) by striking "and homeless health centers" and inserting "homeless health centers, substance abuse treatment programs, and mental health programs"; and

(C) by adding at the end the following paragraph:

"(3) PRIORITY FOR WOMEN, INFANTS AND CHILDREN.—For the purpose of providing health and support services to infants, children, and women with HIV disease, the chief elected official of an eligible area shall use, of the grants made for the area under section 2601(a) for a fiscal year, not less than the percentage constituted by the ratio of the population in such area of infants, children, and women with acquired immune deficiency syndrome to the general population in such area of individuals with such syndrome, or 15 percent, whichever is less. In expending the funds reserved under the preceding sentence for a fiscal year, the chief elected official shall give priority to providing, for pregnant women, measures to prevent the perinatal transmission of HIV."; and

(2) in subsection (e), by adding at the end thereof the following sentence: "In the case of entities to which such officer allocates amounts received by the officer under the grant, the officer shall ensure that, of the aggregate amount so allocated, the total of the expenditures by such entities for administrative expenses does not exceed 10 percent (without regard to whether particular entities expend more than 10 percent for such expenses).".

SEC. 105. APPLICATION.

Section 2605 (42 U.S.C. 300ff–15) is amended—

(1) in subsection (a)—

(A) in paragraph (1)(B), by striking "1-year period" and all that follows through "eligible area" and inserting "preceding fiscal year";

(B) in paragraph (4), by striking "and" at the end thereof;

(C) in paragraph (5), by striking the period at the end thereof and inserting "; and"; and

(D) by adding at the end thereof the following paragraph:

"(6) that the applicant will participate in the process for the statewide coordinated statement of need (where it has been initiated by the State), and will ensure that the services provided under the comprehensive plan are consistent with such statement.";

(2) in subsection (b)—

(A) in the subsection heading, by striking "ADDITIONAL"; and

(B) in the matter preceding paragraph (1), by striking "additional";

(3) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(4) by inserting after subsection (b), the following subsection:

"(c) SINGLE APPLICATION.—Upon the request of the chief elected official of an eligible area, the Secretary may authorize the official to submit a single application through which the official simultaneously requests a grant pursuant to subsection (a) of section 2603 and a grant pursuant to subsection (b) of such section. The Secretary may establish such criteria for carrying out this subsection as the Secretary determines to be appropriate.".

SEC. 106. TECHNICAL ASSISTANCE; PLANNING GRANTS.

Section 2606 (42 U.S.C. 300ff–16) is amended—

(1) by inserting before "The Administrator" the following: "(a) IN GENERAL.—";

(2) by striking "may, beginning" and all that follows through "title," and inserting "(referred to in this section as the 'Administrator') shall"; and

(3) by adding at the end the following subsection:

"(b) PLANNING GRANTS REGARDING INITIAL ELIGIBILITY FOR GRANTS.—

"(1) ADVANCE PAYMENTS ON FIRST-YEAR FORMULA GRANTS.—With respect to a fiscal year (referred to in this subsection as the 'planning year'), if a metropolitan area has not previously received a grant under section 2601 and the Administrator reasonably projects that the area will be eligible for such a grant for the subsequent fiscal year, the Administrator may make a grant for the planning year for the purpose of assisting the area in preparing for the responsibilities of the area in carrying out activities under this part.

"(2) REQUIREMENTS.—

"(A) IN GENERAL.—A grant under paragraph (1) for a planning year shall be made directly to the chief elected official of the city or urban county that administers the public health agency to which section 2602(a)(1) is projected to apply for purposes of such paragraph. The grant may not be made in an amount exceeding $75,000.

"(B) OFFSETTING REDUCTION IN FIRST FORMULA GRANT.—In the case of a metropolitan area that has received a grant under paragraph (1) for a planning year, the first grant made pursuant to section 2603(a) for such area shall be reduced by an amount equal to the amount of the grant under such paragraph for the planning year. With respect to amounts resulting from reductions under the preceding sentence for a fiscal year, the Secretary shall use such amounts to make grants under section 2603(a) for the fiscal year, subject to ensuring that none of such amounts are provided to any metropolitan area for which such a reduction was made for the fiscal year.

"(3) FUNDING.—Of the amounts available under section 2677 for a fiscal year for carrying out this part, the Administrator may reserve not more than 1 percent for making grants under paragraph (1).".

TITLE II—CARE GRANT PROGRAM

SEC. 201. GENERAL USE OF GRANTS.

Section 2612 (42 U.S.C. 300ff–22) is amended to read as follows:

"SEC. 2612. GENERAL USE OF GRANTS.

"(a) IN GENERAL.—A State may use amounts provided under grants made under this part for the following:

"(1) To provide the services described in section 2604(b)(1) for individuals with HIV disease.

"(2) To provide to such individuals treatments that in accordance with section 2616 have been determined to prolong life or prevent serious deterioration of health.

"(3) To provide home- and community-based care services for such individuals in accordance with section 2614.

"(4) To provide assistance to assure the continuity of health insurance coverage for such individuals in accordance with section 2615.

"(5) To establish and operate consortia under section 2613 within areas most affected by HIV disease, which consortia shall be designed to provide a comprehensive continuum of care to individuals and families with such disease in accordance with such section.

"(b) PRIORITY FOR WOMEN, INFANTS AND CHILDREN.—For the purpose of providing health and support services to infants, children, and women with HIV disease, a State shall use, of the funds allocated under this part to the State for a fiscal year, not less than the percentage constituted by the ratio of the population in the State of infants, children, and women with acquired immune deficiency syndrome to the general population in the State of individuals with such syndrome, or 15 percent, whichever is less. In expending the funds reserved under the preceding sentence for a fiscal year, the State shall give priority to providing, for pregnant women, measures to prevent the perinatal transmission of HIV.".

SEC. 202. GRANTS TO ESTABLISH HIV CARE CONSORTIA.

Section 2613 (42 U.S.C. 300ff–23) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by inserting "(or private for-profit providers or organizations if such entities are the only available providers of quality HIV care in the area)" after "nonprofit private,"; and

(B) in paragraph (2)(A)—

(i) by inserting "substance abuse treatment, mental health treatment," after "nursing,"; and

(ii) by inserting after "monitoring," the following: "measures for the prevention and treatment of opportunistic infections, treatment education for patients (provided in the context of health care delivery),"; and

(2) in subsection (c)(2)—

(A) in clause (ii) of subparagraph (A), by striking "and" after the semicolon;

(B) in subparagraph (B), by striking the period at the end and inserting "; and"; and

(C) by adding after subparagraph (B) the following subparagraph:

"(C) grantees under section 2671, or, if none are operating in the area, representatives in the area of organizations with a history of serving children, youth, women, and families living with HIV.".

SEC. 203. PROVISION OF TREATMENTS.

Section 2616(a) (42 U.S.C. 300ff–26(a)) is amended—

(1) by striking "may use amounts" and inserting "shall use a portion of the amounts";

(2) by striking "section 2612(a)(4)" and inserting "section 2612(a)(2)"; and

(3) by inserting before the period the following: ", including measures for the prevention and treatment of opportunistic infections".

SEC. 204. ADDITIONAL REQUIREMENTS FOR GRANTS.

(a) FINDINGS.—The Congress finds as follows:

(1) Research studies have demonstrated that administration of antiviral medication during pregnancy can significantly reduce the transmission of the human immunodeficiency virus (commonly known as HIV) from an infected mother to her baby.

(2) The Centers for Disease Control and Prevention have recommended that all pregnant women receive HIV counseling; voluntary, confidential HIV testing; and appropriate medical treatment (including antiviral therapy) and support services.

(3) The provision of such testing without access to such counseling, treatment, and services will not improve the health of the woman or the child.

(4) The provision of such counseling, testing, treatment, and services can reduce the number of pediatric cases of acquired immune deficiency syndrome, can improve access to and provision of medical care for the woman, and can provide opportunities for counseling to reduce transmission among adults.

(5) The provision of such counseling, testing, treatment, and services can reduce the overall cost of pediatric cases of acquired immune deficiency syndrome.

(6) The cancellation or limitation of health insurance or other health coverage on the basis of HIV status should be impermissible under applicable law. Such cancellation or limitation could result in disincentives for appropriate counseling, testing, treatment, and services.

(7) For the reasons specified in paragraphs (1) through (6)—

(A) mandatory counseling and voluntary testing of pregnant women should be the standard of care; and

(B) the relevant medical organizations as well as public health officials should issue guidelines making such counseling and testing the standard of care.

(b) ADDITIONAL REQUIREMENTS FOR GRANTS.—Part B (42 U.S.C. 300ff-21 et seq.) is amended—

(1) in section 2611, by adding at the end the following sentence: "The authority of the Secretary to provide grants under this part is subject to section 2673D (relating to the testing of pregnant women and newborn infants)."; and

(2) by inserting after section 2616 the following section:

"SEC. 2616A. REQUIREMENT REGARDING HEALTH INSURANCE.

"(a) IN GENERAL.—Subject to subsection (c), the Secretary shall not make a grant under this part to a State unless the State has in effect a statute or regulations regulating insurance that imposes the following requirements:

"(1) That, if health insurance is in effect for an individual, the insurer involved may not (without the consent of the individual) discontinue the insurance, or alter the terms of the insurance (except as provided in paragraph (3)), solely on the basis that the individual is infected with HIV disease or solely on the basis that the individual has been tested for the disease.

"(2) That paragraph (1) does not apply to an individual who, in applying for the health insurance involved, knowingly misrepresented any of the following:

"(A) The HIV status of the individual.

"(B) Facts regarding whether the individual has been tested for HIV disease.

"(C) Facts regarding whether the individual has engaged in any behavior that places the individual at risk for the disease.

"(3) That paragraph (1) does not apply to any reasonable alteration in the terms of health insurance for an individual with HIV disease that would have been made if the individual had a serious disease other than HIV disease.

"(b) REGULATION OF HEALTH INSURANCE.—A statute or regulation shall be deemed to regulate insurance for purposes of this section only to the extent that it is treated as regulating insurance for purposes of section 514(b)(2) of the Employee Retirement Income Security Act of 1974.

"(c) APPLICABILITY OF REQUIREMENT.—

"(1) IN GENERAL.—Except as provided in paragraph (2), this section applies upon the expiration of the 120-day period beginning on the date of the enactment of the Ryan White CARE Act Amendments of 1995.

"(2) DELAYED APPLICABILITY FOR CERTAIN STATES.—In the case of the State involved, if the Secretary determines that a requirement of this section cannot be implemented in the State without the enactment of State legislation, then such requirement applies to the State on and after the first day of the first calendar quarter that begins after the close of the first regular session of the State legislature that begins after the date of the enactment of the Ryan White CARE Act Amendments of 1995. For purposes of the preceding sentence, in the case of a State that has a 2-year legislative session, each year of such session is deemed to be a separate regular session of the State legislature.".

(c) TESTING OF NEWBORNS; PRENATAL TESTING.—Part D (42 U.S.C. 300ff-71 et seq.) is amended by inserting before section 2674 the following sections:

"SEC. 2673C. TESTING OF PREGNANT WOMEN AND NEWBORN INFANTS; PROGRAM OF GRANTS.

"(a) PROGRAM OF GRANTS.—The Secretary may make grants to States described in subsection (b) for the following purposes:

"(1) Making available to pregnant women appropriate counseling on HIV disease.

"(2) Making available to such women testing for such disease.

"(3) Testing newborn infants for such disease.

"(4) In the case of newborn infants who test positive for such disease, making available counseling on such disease to the parents or other legal guardians of the infant.

"(5) Collecting data on the number of pregnant women and newborn infants in the State who have undergone testing for such disease.

"(b) ELIGIBLE STATES.—Subject to subsection (c), a State referred to in subsection (a) is a State that has in effect, in statute or through regulations, the following requirements:

"(1) In the case of newborn infants who are born in the State and whose biological mothers have not undergone prenatal testing for HIV disease, that each such infant undergo testing for such disease.

"(2) That the results of such testing of a newborn infant be promptly disclosed in accordance with the following, as applicable to the infant involved:

"(A) To the biological mother of the infant (without regard to whether she is the legal guardian of the infant).

"(B) If the State is the legal guardian of the infant:

"(i) To the appropriate official of the State agency with responsibility for the care of the infant.

"(ii) To the appropriate official of each authorized agency providing assistance in the placement of the infant.

"(iii) If the authorized agency is giving significant consideration to approving an individual as a foster parent of the infant, to the prospective foster parent.

"(iv) If the authorized agency is giving significant consideration to approving an individual as an adoptive parent of the infant, to the prospective adoptive parent.

"(C) If neither the biological mother nor the State is the legal guardian of the infant, to another legal guardian of the infant.

"(3) That, in the case of prenatal testing for HIV disease that is conducted in the State, the results of such testing be promptly disclosed to the pregnant woman involved.

"(4) That, in disclosing the test results to an individual under paragraph (2) or (3), appropriate counseling on the human immunodeficiency virus be made available to the individual (except in the case of a disclosure to an official of a State or an authorized agency).

"(c) LIMITATION REGARDING AVAILABILITY OF GRANT FUNDS.—With respect to an activity described in any of paragraphs (1) through (4) of subsection (b), the requirement established by a State under such subsection that the activity be carried out applies for purposes of this section only to the extent that the following sources of funds are available for carrying out the activity:

"(1) Federal funds provided to the State in grants under subsection (a).

"(2) Funds that the State or private entities have elected to provide, including through entering into contracts under which health benefits are provided. This section does not require any entity to expend non-Federal funds.

"(d) DEFINITIONS.—For purposes of this section, the term 'authorized agency', with respect to the placement of a child (including an infant) for whom a State is a legal guardian, means an entity licensed or otherwise approved by the State to assist in such placement.

"(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there is authorized to be appropriated $10,000,000 for each of the fiscal years 1996 through 2000.

"SEC. 2673D. TESTING OF PREGNANT WOMEN AND NEWBORN INFANTS; CONTINGENT REQUIREMENT REGARDING STATE GRANTS UNDER PART B.

"(a) DETERMINATION BY SECRETARY.—During the first 30 days following the expiration of the 2-year period beginning on the date of the enactment of the Ryan White CARE Act Amendments of 1995, the Secretary shall publish in the Federal Register a determination of whether it has become a routine practice in the provision of health care in the United States to carry out each of the activities described in paragraphs (1) through (4) of section 2673C(b). In making the determination, the Secretary shall consult with the States and with other public or private entities that have knowledge or expertise relevant to the determination.

"(b) CONTINGENT APPLICABILITY.—

"(1) IN GENERAL.—If the determination published in the Federal Register under subsection (a) is that (for purposes of such subsection) the activities involved have become routine practices, paragraph (2) applies on and after the expiration of the 18-month period beginning on the date on which the determination is so published.

"(2) REQUIREMENT.—Subject to subsection (c), the Secretary shall not make a grant under part B to a State unless the State meets not less than one of the following requirements:

"(A) The State has in effect, in statute or through regulations, the requirements specified in paragraphs (1) through (4) of section 2673C(b).

"(B) The State demonstrates that, of the newborn infants born in the State during the most recent 1-year period for which the data are available, the HIV antibody status of 95 percent of the infants is known.

"(c) LIMITATION REGARDING AVAILABILITY OF FUNDS.—With respect to an activity described in any of paragraphs (1) through (4) of section 2673C(b), the requirements established by a State under subsection (b)(2)(A) that the activity be carried out applies for purposes of this section only to the extent that the following sources of funds are available for carrying out the activity:

"(1) Federal funds provided to the State in grants under part B.

"(2) Federal funds provided to the State in grants under section 2673C.

"(3) Funds that the State or private entities have elected to provide, including through entering into contracts under which health benefits are provided. This section does not require any entity to expend non-Federal funds.".

SEC. 205. STATE APPLICATION.

Section 2617(b)(2) (42 U.S.C. 300ff-27(b)(2)) is amended—

(1) in subparagraph (A), by striking "and" after the semicolon;

(2) in subparagraph (B), by striking "and" after the semicolon; and

(3) by adding at the end thereof the following subparagraphs:

"(C) a description of the activities carried out by the State under section 2616; and

"(D) a description of how the allocation and utilization of resources are consistent with a statewide coordinated statement of need, developed in partnership with other grantees in the State that receive funding under this title and after consultation with individuals receiving services under this part.".

SEC. 206. ALLOCATION OF ASSISTANCE BY STATES; PLANNING, EVALUATION, AND ADMINISTRATION.

Section 2618(c) (42 U.S.C. 300ff-28(c)) is amended—

(1) by striking paragraph (1);

(2) by redesignating paragraphs (2) through (5) as paragraphs (1) through (4), respectively; and

(3) in paragraph (3) (as so redesignated), by adding at the end the following sentences: "In the case of entities to which the State allocates amounts received by the State under the grant (including consortia under section 2613), the State shall ensure that, of the aggregate amount so allocated, the total of the expenditures by such entities for administrative expenses does not exceed 10 percent (without regard to whether particular entities expend more than 10 percent for such expenses).".

SEC. 207. TECHNICAL ASSISTANCE.

Section 2619 (42 U.S.C. 300ff-29) is amended by inserting before the period the following: ", including technical assistance for the development and implementation of statewide coordinated statements of need".

TITLE III—EARLY INTERVENTION SERVICES

SEC. 301. ESTABLISHMENT OF PROGRAM.

Section 2651(b) (42 U.S.C. 300ff-51(b)) is amended—

(1) in paragraph (1), by inserting before the period the following: ", and unless the applicant agrees to expend not less than 50 percent of the grant for such services that are specified in subparagraphs (B) through (E) of such paragraph"; and

(2) in paragraph (4), by inserting after "nonprofit private entities" the following: "(or private for-profit entities, if such entities are the only available providers of quality HIV care in the area)".

SEC. 302. MINIMUM QUALIFICATIONS OF GRANTEES.

Section 2652(b)(1)(B) (42 U.S.C. 300ff-52(b)(1)(B)) is amended by inserting after "nonprofit private entity" the following: "(or a private for-profit entity, if such an entity is the only available provider of quality HIV care in the area)".

SEC. 303. MISCELLANEOUS PROVISIONS; PLANNING AND DEVELOPMENT GRANTS.

Section 2654 (42 U.S.C. 300ff-54) is amended by adding at the end thereof the following subsection:

"(c) PLANNING AND DEVELOPMENT GRANTS.—

"(1) IN GENERAL.—The Secretary may provide planning grants, in an amount not to exceed $50,000 for each such grant, to public and nonprofit private entities for the purpose of enabling such entities to provide early intervention services.

"(2) REQUIREMENT.—The Secretary may award a grant to an entity under paragraph (1) only if the Secretary determines that the entity will use such grant to assist the entity in qualifying for a grant under section 2651.

"(3) PREFERENCE.—In awarding grants under paragraph (1), the Secretary shall give preference to entities that provide HIV primary care services in rural or underserved communities.

"(4) LIMITATION.—Not to exceed 1 percent of the amount appropriated for a fiscal year under section 2655 may be used to carry out this section.".

SEC. 304. ADDITIONAL REQUIRED AGREEMENTS.

Section 2664(a)(1) (42 U.S.C. 300ff-64(a)(1)) is amended—

(1) in subparagraph (A), by striking "and" after the semicolon; and

(2) by adding at the end the following subparagraph:

"(C) evidence that the proposed program is consistent with the statewide coordinated statement of need and that the applicant will participate in the ongoing revision of such statement of need.".

SEC. 305. AUTHORIZATION OF APPROPRIATIONS.

Section 2655 (42 U.S.C. 300ff-55) is amended by striking "$75,000,000" and all that follows and inserting "such sums as may be necessary for each of the fiscal years 1996 through 2000.".

TITLE IV—GENERAL PROVISIONS

SEC. 401. COORDINATED SERVICES AND ACCESS TO RESEARCH FOR WOMEN, INFANTS, AND CHILDREN.

(a) IN GENERAL.—Section 2671 (42 U.S.C. 300ff-71) is amended—

(1) in subsection (a), by amending the subsection to read as follows:

"(a) IN GENERAL.—

"(1) PROGRAM OF GRANTS.—The Secretary, acting through the Administrator of the Health Resources and Services Administration and in consultation with the Director of the National Institutes of Health, shall make grants to public and nonprofit private entities that provide primary care (directly or through contracts) for the purpose of—

"(A) providing through such entities, in accordance with this section, opportunities for women, infants, and children to be participants in research of potential clinical benefit to individuals with HIV disease; and

"(B) providing to women, infants, and children health care on an outpatient basis.

"(2) PROVISIONS REGARDING PARTICIPATION IN RESEARCH.—With respect to the projects of research with which an applicant under paragraph (1) is concerned, the Secretary may not make a grant under such paragraph to the applicant unless the following conditions are met:

"(A) The applicant agrees to make reasonable efforts—

"(i) to identify which of the patients of the applicant are women, infants, and children who would be appropriate participants in the projects; and

"(ii) to offer women, infants, and children the opportunity to so participate (as appropriate), including the provision of services under subsection (f).

"(B) The applicant agrees that the applicant, and the projects of research, will comply with accepted standards of protection for human subjects (including the provision of written informed consent) who participate as subjects in clinical research.

"(C) For the third or subsequent fiscal year for which a grant under such paragraph is sought by the applicant, the Secretary has determined that—

"(i) a significant number of women, infants, and children who are patients of the applicant are participating in the projects (except to the extent this clause is waived under subsection (k)); and

"(ii) the applicant, and the projects of research, have complied with the standards referred to in subparagraph (B).

"(3) PROHIBITION.—Receipt of services by a patient shall not be conditioned upon the consent of the patient to participate in research.

"(4) CONSIDERATION BY SECRETARY OF CERTAIN CIRCUMSTANCES.—In administering the requirement of paragraph (2)(C)(i), the Secretary shall take into account circumstances in which a grantee under paragraph (1) is temporarily unable to comply with the requirement for reasons beyond the control of the grantee, and shall in such circumstances provide to the grantee a reasonable period of opportunity in which to reestablish compliance with the requirement.";

(2) in subsection (c), by amending the subsection to read as follows:

"(c) PROVISIONS REGARDING CONDUCT OF RESEARCH.—With respect to eligibility for a grant under subsection (a):

"(1) A project of research for which subjects are sought pursuant to such subsection may be conducted by the applicant for the grant, or by an entity with which the applicant has made arrangements for purposes of the grant. The grant may not be expended for the conduct of any project of research.

"(2) The grant may not be made unless the Secretary makes the following determinations:

"(A) The applicant or other entity (as the case may be under paragraph (1)) is appropriately qualified to conduct the project of research. An entity shall be considered to be so qualified if any research protocol of the entity has been recommended for funding under this Act pursuant to technical and scientific peer review through the National Institutes of Health.

"(B) The project of research is being conducted in accordance with a research protocol to which the Secretary gives priority regarding the prevention and treatment of HIV disease in women, infants, and children. After consultation with public and private entities that conduct such research, and with providers of services under this section and recipients of such services, the Secretary shall establish a list of such protocols that are appropriate for purposes of this section. The Secretary may give priority under this subparagraph to a research protocol that is not on such list.";

(3) by striking subsection (i);

(4) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively;

(5) by inserting after subsection (f) the following subsection:

"(g) ADDITIONAL PROVISIONS.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees as follows:

"(1) The applicant will coordinate activities under the grant with other providers of health care services under this Act, and under title V of the Social Security Act.

"(2) The applicant will participate in the statewide coordinated statement of need under part B (where it has been initiated by the State) and in revisions of such statement.";

(6) by redesignating subsection (j) as subsection (m); and

(7) by inserting before subsection (m) (as so redesignated) the following subsections:

"(j) COORDINATION WITH NATIONAL INSTITUTES OF HEALTH.—The Secretary shall develop and implement a plan that provides for the coordination of the activities of the National Institutes of Health with the activities carried out under this section. In carrying out the preceding sentence, the Secretary shall ensure that projects of research conducted or supported by such Institutes are made aware of applicants and grantees under this section, shall require that the projects, as appropriate, enter into arrangements for purposes of this section, and shall require that each project entering into such an arrangement inform the applicant or grantee under this section of the needs of the project for the participation of women, infants, and children.

"(k) Temporary Waiver Regarding Significant Participation.—

"(1) In general.—In the case of an applicant under subsection (a) who received a grant under this section for fiscal year 1995, the Secretary may, subject to paragraph (2), provide to the applicant a waiver of the requirement of subsection (a)(2)(C)(i) if the Secretary determines that the applicant is making reasonable progress toward meeting the requirement.

"(2) Termination of authority for waivers.—The Secretary may not provide any waiver under paragraph (1) on or after October 1, 1998. Any such waiver provided prior to such date terminates on such date, or on such earlier date as the Secretary may specify.

"(l) Training and Technical Assistance.—Of the amounts appropriated under subsection (m) for a fiscal year, the Secretary may use not more than five percent to provide training and technical assistance to assist applicants and grantees under subsection (a) in complying with the requirements of this section.".

(b) Conforming Amendments.—Section 2671 (42 U.S.C. 300ff–71) is amended—

(1) in the heading for the section, by striking "**DEMONSTRATION**" and all that follows and inserting "**COORDINATED SERVICES AND ACCESS TO RESEARCH FOR WOMEN, INFANTS, AND CHILDREN.**";

(2) in subsection (b), by striking "pediatric patients and pregnant women" and inserting "women, infants, and children"; and

(3) in each of subsections (d) through (f), by striking "pediatric", each place such term appears.

(c) Authorization of Appropriations.—Section 2671 (42 U.S.C. 300ff–71) is amended in subsection (m) (as redesignated by subsection (a)(6)) by striking "there are" and all that follows and inserting the following: "there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1996 through 2000.".

SEC. 402. PROJECTS OF NATIONAL SIGNIFICANCE.

(a) In General.—Part D of title XXVI (42 U.S.C. 300ff–71 et seq.) is amended by inserting after section 2673 the following section:

"SEC. 2673A. DEMONSTRATION PROJECTS OF NATIONAL SIGNIFICANCE.

"(a) In General.—The Secretary shall make grants to public and nonprofit private entities (including community-based organizations and Indian tribes and tribal organizations) for the purpose of carrying out demonstration projects that provide for the care and treatment of individuals with HIV disease, and that—

"(1) assess the effectiveness of particular models for the care and treatment of individuals with such disease;

"(2) are of an innovative nature; and

"(3) have the potential to be replicated in similar localities, or nationally.

"(b) Certain Projects.—Demonstration projects under subsection (a) shall include the development and assessment of innovative models for the delivery of HIV services that are designed—

"(1) to address the needs of special populations (including individuals and families with HIV disease living in rural communities, adolescents with HIV disease, Native American individuals and families with HIV disease, homeless individuals and families with HIV disease, hemophiliacs with HIV disease, and incarcerated individuals with HIV disease); and

"(2) to ensure the ongoing availability of services for Native American communities to enable such communities to care for Native Americans with HIV disease.

"(c) Coordination.—The Secretary may not make a grant under this section unless the applicant submits evidence that the proposed program is consistent with the applicable statewide coordinated statement of need under part B, and the applicant agrees to participate in the ongoing revision process of such statement of need (where it has been initiated by the State).

"(d) Replication.—The Secretary shall make information concerning successful models developed under this section available to grantees under this title for the purpose of coordination, replication, and integration.

"(e) Funding; Allocation of Amounts.—

"(1) In general.—Of the amounts available under this title for a fiscal year for each program specified in paragraph (2), the Secretary shall reserve 3 percent for making grants under subsection (a).

"(2) Relevant programs.—The programs referred to in subsection (a) are the program under part A, the program under part B, the program under part C, the program under section 2671, the program under section 2672, and the program under section 2673.".

(b) Striking of Related Provision.—Section 2618 (42 U.S.C. 300ff–28) is amended by striking subsection (a).

SEC. 403. SPECIAL TRAINING PROJECTS.

(a) Transfer of Program.—The Public Health Service Act (42 U.S.C. 201 et seq.) is amended—

(1) by transferring section 776 from the current placement of the section;

(2) by redesignating the section as section 2673B; and

(3) by inserting the section after section 2673A (as added by section 402(a)).

(b) Modifications.—Section 2673B (as transferred and redesignated by subsection (a)) is amended—

(1) in subsection (a)(1)—

(A) by striking subparagraphs (B) and (C);

(B) by redesignating subparagraphs (A) and (D) as subparagraphs (B) and (C), respectively;

(C) by inserting before subparagraph (B) (as so redesignated) the following subparagraph:

"(A) to train health personnel, including practitioners in programs under this title and other community providers, in the diagnosis, treatment, and prevention of HIV disease, including the prevention of the perinatal transmission of the disease and including measures for the prevention and treatment of opportunistic infections;";

(D) in subparagraph (B) (as so redesignated), by adding "and" after the semicolon; and

(E) in subparagraph (C) (as so redesignated), by striking "curricula and";

(2) by striking subsection (c) and redesignating subsection (d) as subsection (c); and

(3) in subsection (c) (as so redesignated)—

(A) in paragraph (1)—

(i) by striking "is authorized" and inserting "are authorized"; and

(ii) by inserting before the period the following: ", and such sums as may be necessary for each of the fiscal years 1996 through 2000"; and

(B) in paragraph (2)—

(i) by striking "is authorized" and inserting "are authorized"; and

(ii) by inserting before the period the following: ", and such sums as may be necessary for each of the fiscal years 1996 through 2000".

SEC. 404. EVALUATIONS AND REPORTS.

Section 2674 (42 U.S.C. 300ff–74) is amended—

(1) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking "not later than 1 year" and all that follows through "title," and inserting the following: "not later than October 1, 1996,";

(B) by striking paragraphs (1) through (3) and inserting the following paragraph:

"(1) evaluating the programs carried out under this title; and"; and

(C) by redesignating paragraph (4) as paragraph (2); and

(2) by adding at the end the following subsection:

"(d) Allocation of Funds.—The Secretary shall carry out this section with amounts available under section 241. Such amounts are in addition to any other amounts that are available to the Secretary for such purpose.".

SEC. 405. COORDINATION OF PROGRAM.

Section 2675 of the Public Health Service Act (42 U.S.C. 300ff–75) is amended by adding at the end the following subsection:

"(d) Annual Report.—Not later than October 1, 1996, and annually thereafter, the Secretary shall submit to the appropriate committees of the Congress a report concerning coordination efforts under this title at the Federal, State, and local levels, including a statement of whether and to what extent there exist Federal barriers to integrating HIV-related programs.".

TITLE V—ADDITIONAL PROVISIONS

SEC. 501. AMOUNT OF EMERGENCY RELIEF GRANTS.

Paragraph (3) of section 2603(a) (42 U.S.C. 300ff–13(a)(3)) is amended to read as follows:

"(3) Amount of grant.—

"(A) In general.—Subject to the extent of amounts made available in appropriations Acts, a grant made for purposes of this paragraph to an eligible area shall be made in an amount equal to the product of—

"(i) an amount equal to the amount available for distribution under paragraph (2) for the fiscal year involved; and

"(ii) the percentage constituted by the ratio of the distribution factor for the eligible area to the sum of the respective distribution factors for all eligible areas.

"(B) Distribution factor.—For purposes of subparagraph (A)(ii), the term 'distribution factor' means the product of—

"(i) an amount equal to the estimated number of living cases of acquired immune deficiency syndrome in the eligible area involved, as determined under subparagraph (C); and

"(ii) the cost index for the eligible area involved, as determined under subparagraph (D).

"(C) Estimate of living cases.—The amount determined in this subparagraph is an amount equal to the product of—

"(i) the number of cases of acquired immune deficiency syndrome in the eligible area during each year in the most recent 120-month period for which data are available with respect to all eligible areas, as indicated by the number of such cases reported to and confirmed by the Director of the Centers for Disease Control and Prevention for each year during such period; and "(ii) with respect to—

"(I) the first year during such period, .06;

"(II) the second year during such period, .06;

"(III) the third year during such period, .08;

"(IV) the fourth year during such period, .10;

"(V) the fifth year during such period, .16;

"(VI) the sixth year during such period, .16;

"(VII) the seventh year during such period, .24;

"(VIII) the eighth year during such period, .40;

"(IX) the ninth year during such period, .57; and

"(X) the tenth year during such period, .88.

"(D) COST INDEX.—The amount determined in this subparagraph is an amount equal to the sum of—

"(i) the product of—

"(I) the average hospital wage index reported by hospitals in the eligible area involved under section 1886(d)(3)(E) of the Social Security Act for the 3-year period immediately preceding the year for which the grant is being awarded; and

"(II) .70; and

"(ii) .30.

"(E) UNEXPENDED FUNDS.—The Secretary may, in determining the amount of a grant for a fiscal year under this paragraph, adjust the grant amount to reflect the amount of unexpended and uncanceled grant funds remaining at the end of the most recent fiscal year for which the amount of such funds can be determined using the required financial status report. The amount of any such unexpended funds shall be determined using the financial status report of the grantee.

"(F) PUERTO RICO, VIRGIN ISLANDS, GUAM.—For purposes of subparagraph (D), the cost index for an eligible area within Puerto Rico, the Virgin Islands, or Guam shall be 1.0.".

SEC. 502. AMOUNT OF CARE GRANTS.

Section 2618 (42 U.S.C. 300ff-28), as amended by section 402(b), is amended by striking subsection (b) and inserting the following subsections:

"(a) AMOUNT OF GRANT.—

"(1) IN GENERAL.—Subject to subsection (b) (relating to minimum grants), the amount of a grant under this part for a State for a fiscal year shall be the sum of—

"(A) the amount determined for the State under paragraph (2); and

"(B) the amount determined for the State under paragraph (4) (if applicable).

"(2) PRINCIPAL FORMULA GRANTS.—For purposes of paragraph (1)(A), the amount determined under this paragraph for a State for a fiscal year shall be the product of—

"(A) the amount available under section 2677 for carrying out this part, less the reservation of funds made in paragraph (4)(A) and less any other applicable reservation of funds authorized or required in this Act (which amount is subject to subsection (b)); and

"(B) the percentage constituted by the ratio of—

"(i) the distribution factor for the State; to

"(ii) the sum of the distribution factors for all States.

"(3) DISTRIBUTION FACTOR FOR PRINCIPAL FORMULA GRANTS.—For purposes of paragraph (2)(B), the term 'distribution factor' means the following, as applicable:

"(A) In the case of each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico, the product of—

"(i) the number of cases of acquired immune deficiency syndrome in the State, as indicated by the number of cases reported to and confirmed by the Secretary for the 2 most recent fiscal years for which such data are available; and

"(ii) the cube root of the ratio (based on the most recent available data) of—

"(I) the average per capita income of individuals in the United States (including the territories); to

"(II) the average per capita income of individuals in the State.

"(B) In the case of a territory of the United States (other than the Commonwealth of Puerto Rico), the number of additional cases of such syndrome in the specific territory, as indicated by the number of cases reported to and confirmed by the Secretary for the 2 most recent fiscal years for which such data is available.

"(4) SUPPLEMENTAL AMOUNTS FOR CERTAIN STATES.—For purposes of paragraph (1)(B), an amount shall be determined under this paragraph for each State that does not contain any metropolitan area whose chief elected official received a grant under part A for fiscal year 1996. The amount determined under this paragraph for such a State for a fiscal year shall be the product of—

"(A) an amount equal to 7 percent of the amount available under section 2677 for carrying out this part for the fiscal year (subject to subsection (b)); and

"(B) the percentage constituted by the ratio of—

"(i) the number of cases of acquired immune deficiency syndrome in the State (as determined under paragraph (3)(A)(i)); to

"(ii) the sum of the respective numbers determined under clause (i) for each State to which this paragraph applies.

"(5) DEFINITIONS.—For purposes of this subsection and subsection (b):

"(A) The term 'State' means each of the 50 States, the District of Columbia, and the territories of the United States.

"(B) The term 'territory of the United States' means each of the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, and the Republic of the Marshall Islands.

"(b) MINIMUM AMOUNT OF GRANT.—

"(1) IN GENERAL.—Subject to the extent of the amounts specified in paragraphs (2)(A) and (4)(A) of subsection (a), a grant under this part for a State for a fiscal year shall be the greater of—

"(A) the amount determined for the State under subsection (a); and

"(B) the amount applicable under paragraph (2) to the State.

"(2) APPLICABLE AMOUNT.—For purposes of paragraph (1)(B), the amount applicable under this paragraph for a fiscal year is the following:

"(A) In the case of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico—

"(i) $100,000, if it has less than 90 cases of acquired immune deficiency syndrome (as determined under subsection (a)(3)(A)(i)); and

"(ii) $250,000, if it has 90 or more such cases (as so determined).

"(B) In the case of each of the territories of the United States (other than the Commonwealth of Puerto Rico), $0.0.".

SEC. 503. CONSOLIDATION OF AUTHORIZATIONS OF APPROPRIATIONS.

(a) IN GENERAL.—Part D of title XXVI (42 U.S.C. 300ff-71) is amended by adding at the end thereof the following section:

"SEC. 2677. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—For the purpose of carrying out parts A and B, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1996 through 2000. Subject to section 2673A and to subsection (b), of the amount appropriated under this section for a fiscal year, the Secretary shall make available 64 percent of such amount to carry out part A and 36 percent of such amount to carry out part B.

"(b) DEVELOPMENT OF METHODOLOGY.—With respect to each of the fiscal years 1997 through 2000, the Secretary may develop and implement a methodology for adjusting the percentages referred to in subsection (a).".

(b) REPEALS.—Sections 2608 and 2620 (42 U.S.C. 300ff-18 and 300ff-30) are repealed.

(c) CONFORMING AMENDMENTS.—Section 2605(d)(1) (as redesignated by section 105(3)), is amended by striking "2608" and inserting "2677".

SEC. 504. ADDITIONAL PROVISIONS.

(a) DEFINITIONS.—Section 2676(4) (42 U.S.C. 300ff-76(4)) is amended by inserting "funeral-service practitioners," after "emergency medical technicians,".

(b) MISCELLANEOUS AMENDMENT.—Section 1201(a) (42 U.S.C. 300d(a)) is amended in the matter preceding paragraph (1) by striking "The Secretary," and all that follows through "shall," and inserting "The Secretary shall,".

(c) TECHNICAL CORRECTIONS.—Title XXVI (42 U.S.C. 300ff-11 et seq.) is amended—

(1) in section 2601(a), by inserting "section" before "2604";

(2) in section 2603(b)(4)(B), by striking "an expedited grants" and inserting "an expedited grant";

(3) in section 2617(b)(3)(B)(iv), by inserting "section" before "2615";

(4) in section 2618(b)(1)(B), by striking "paragraph 3" and inserting "paragraph (3)";

(5) in section 2647—

(A) in subsection (a)(1), by inserting "to" before "HIV";

(B) in subsection (c), by striking "section 2601" and inserting "section 2641"; and

(C) in subsection (d)—

(i) in the matter preceding paragraph (1), by striking "section 2601" and inserting "section 2641"; and

(ii) in paragraph (1), by striking "has in place" and inserting "will have in place";

(6) in section 2648—

(A) by converting the heading for the section to boldface type; and

(B) by redesignating the second subsection (g) as subsection (h);

(7) in section 2649—

(A) in subsection (b)(1), by striking "subsection (a) of"; and

(B) in subsection (c)(1), by striking "this subsection" and inserting "subsection";

(8) in section 2651—

(A) in subsection (b)(3)(B), by striking "facility" and inserting "facilities"; and

(B) in subsection (c), by striking "exist" and inserting "exists";

(9) in section 2676—

(A) in paragraph (2), by striking "section" and all that follows through "by the" and inserting "section 2686 by the"; and

(B) in paragraph (10), by striking "673(a)" and inserting "673(2)";

(10) in part E, by converting the headings for subparts I and II to Roman typeface; and

(11) in section 2684(b), in the matter preceding paragraph (1), by striking "section 2682(d)(2)" and inserting "section 2683(d)(2)".

TITLE VI—EFFECTIVE DATE

SEC. 601. EFFECTIVE DATE.

Except as provided in section 101(a), this Act takes effect October 1, 1995.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida [Mr. BILIRAKIS] will be recognized for 20 minutes, and the gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1872, as amended, exemplifies a true bipartisan effort which included Chairman TOM BLILEY, Ranking Minority Member JOHN DINGELL, Subcommittee Ranking Minority Member HENRY WAXMAN, and myself. The bill before us represents the bill as reported out of the Commerce Committee with technical and clarifying changes and an amendment negotiated by Congressmen COBURN and WAXMAN regarding HIV testing of newborns.

The Ryan White Care Act was first enacted into law in 1990 to provide emergency relief to areas hardest hit by the AIDS epidemic and to provide essential health services to individuals afflicted by HIV and AIDS. This reauthorization has provided the first opportunity to evaluate how the program is working. Generally, I believe the program is working as intended. The bill before us makes modifications and clarifications to respond to the changes in the AIDS epidemic over the last 5 years.

Some of the key provisions of H.R. 1872 include: Modifications to both the title I and title II formulas; conflict of interest provisions for title I planning councils; priority for supplemental grants to areas with greater prevalence of specified comorbidity factors; and limits on administrative costs. In addition, the bill includes a requirement that all four titles contribute 3 percent to the Projects of National Significance; clarification that the intent of title IV is to increase the number of women and children in clinical research projects; transfer of the dental reimbursement program from title 7 of the Public Health Service Act; and reauthorization of all programs at such sums through fiscal year 2000.

Clearly, one of the most difficult issues we faced was the funding formulas for title I and II. Because of the spread of HIV across the country, some States were seeing significant increases in their number of HIV-AIDS cases but did not have any one area with enough cases to qualify as an eligible metropolitan area. Our goal was to provide these States with very needed additional funds without shifting large amounts of money from other States with a high percentage of AIDS cases. We tried to balance the need for additional money with our concern that services currently being provided to people with AIDS not be disrupted. The bill ensures that all States will receive at least the current dollar amount appropriated to them. And many States will receive increases over what they are currently receiving—no State will lose money.

I urge my colleagues to support H.R. 1872, but, before I reserve the balance of my time, at this point I would like to express my appreciation to the staffs, the staff of the majority of the subcommittee, Melody Harned, and also to the staff of the gentleman from California [Mr. WAXMAN] and other people who helped us to craft this very, very needed bill and to handle the controversy, if I can call it that, that involved the testing of newborns.

Mr. Speaker, I reserve the balance of my time.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the motion to suspend the rules, and I urge my colleagues to support the bill. The bill has passed the Senate, was reported by the Commerce Committee unanimously, and it should be acted on expeditiously by the House.

The Ryan White Program was originally enacted in 1990 to respond to the crisis in AIDS health services in America's cities and States, and in its clinics and hospitals. This act has been a great success.

Outpatient services are now available as an alternative to expensive hospital care; prescription drugs are provided to people who have no other source of coverage; early intervention treatments can be given to keep people healthy longer; and, effective service programs for mothers and children are up and running, programs which also coordinate their activities with research organizations to assure that appropriate research opportunities are available to their clients.

This law has improved health care for people with AIDS and HIV all over the country.

This bill renews the authorization for these successful programs and fine tunes the response to the new and changing needs of the epidemic. I'm especially pleased to say that this legislation, and the committee report that accompanies it, emphasize those basic services that people with HIV need most—the services that slow the progress of the disease, that prevent opportunistic infections, and that meet basic primary care needs—and that it targets assistance to those people least likely to be able to afford such services themselves. At a time when funding will continue to be limited, it is important that all services programs focus on the primary care of people with HIV.

This legislation does contain some controversial items. The inevitable disputes over formulas among cities and States appear here, as they have done and will continue to do in so much legislation before this Congress. The formulas contained in this bill represent a good faith effort to provide basic care to all Americans with HIV, and this bill is a balanced political compromise.

In addition, this legislation contains compromise provisions regarding the testing of newborns that I have worked out with the gentleman from Oklahoma [Mr. COBURN]. Although the so-called Coburn-Waxman amendment bears my name, I do have many reservations about this provision, as, I am sure, does the gentleman from Oklahoma. It deals with an issue about which there are profound differences in approach, which cannot be smoothed over. However, I believe the compromise approach embodied in this bill is necessary to move the Ryan White reauthorization forward and I urge Members to support it today.

Let me be clear at the outset: We do not disagree about the ultimate goals here. Mr. COBURN and I both want to reduce the number of HIV infections passed from mother to infant, and we have agreed that the most effective means of achieving that goal is counseling and voluntary testing of pregnant women. This agreement is reflected in the findings of the Coburn-Waxman provisions.

Mr. COBURN and I also agree that we want to reduce the rate of preventable pneumonia and other illnesses among HIV-infected infants and to improve their health care. Where we have differences is the most effective way of achieving the goal.

During the committee's consideration of this bill, an amendment was offered by Mr. COBURN that would have required all States to initiate the mandatory testing of all newborns immediately. I opposed that amendment, as did a wide variety of health and medical groups. I asked the gentleman from Oklahoma to withdraw his amendment and to work with me to produce an amendment that would provide alternatives to the mandatory approach.

I am gratified to say that he was willing to do so and that our staffs have worked since that time to come to some agreement. The provisions reflected in this bill are the product of that work.

This provision is not perfect by any means. As I say, I have serious concerns about its possible effects.

I believe that voluntary programs of HIV testing of infants would result in more infants receiving the care needed to prevent pneumonia and improve their health.

I believe that mothers who are highly encouraged to have their babies tested will be better partners in the lifelong medical care of these children than will mothers who are required to do so.

And I remain very concerned that the emphasis on newborn testing will divert attention and resources from the more important goal of encouraging pregnant women to be tested themselves in time to provide care that will reduce the chance that the baby will be infected.

But I believe that the Coburn-Waxman amendment is a significant improvement over other proposals that have been considered. This provision postpones requirements that a State mandatorily test all newborns until a time when it is agreed such mandatory testing is the recommended standard of medical care. Some believe that day will inevitably come, but, at this time, virtually all medical groups oppose the practice.

The provision also gives States 2 years to develop effective alternatives to mandatory testing. If, after that time, mandatory testing is determined to be the routine of practice and if the State is not reaching most of its infants, the State will have up to 18 months to enact a mandatory testing law.

I support the Coburn-Waxman amendment as far preferable to the alternative of an immediately effective requirement of mandatory testing. I thank the gentleman from Oklahoma for his willingness to work with me on this more flexible approach.

I also want to take this moment to remind my colleagues why this action is taking place. Over the past year, new research developments have made it possible to prevent pneumonia and other diseases in newborns. That is why the question of testing babies is being debated and legislated about.

In addition, there have been research breakthroughs that are truly good news about the possibility of reducing HIV transmission from mother to child. That is what the findings of this bill are about, stating that voluntary prenatal testing should be the standard of care. This is not about testing newborns, but it has often been discussed in the same breath.

But both of these possibilities—preventing HIV through prenatal services and preventing disease in infected newborns through early intervention services—require services. Testing is not the answer; medical care is. Testing without care will make no difference. Testing without treatment is a cruel hoax on everyone concerned.

And, in truth, most of the care for HIV-infected pregnant women and children come from one source—Medicaid. I hope that as my colleagues move to reshape the Medicaid Program, that they will remember that there are services that we can all agree should be available to poor people.

Many of my colleagues, from both sides of the aisle, support the Coburn-Waxman amendment that may require States to provide testing of newborns if it is determined to be the medical standard of care. I hope that their enthusiasm for testing will be reflected in equal enthusiasm for assuring that the health care services are paid for.

Finally, the Coburn-Waxman amendment includes provisions about health insurance. These provisions repeat the protections that the Americans With Disabilities Act provides for people with any disability, in any employment setting. It was believed to be appropriate to repeat these protections here so that anyone concerned that HIV testing would be used inappropriately could see the testing provision and the protection in one place.

In addition, the provision describes how insurers may respond if fraud was committed. It is my clear understanding that this provision does not override any ADA, State law, or NAIC provisions that limit what may be asked for a person seeking insurance or holding insurance. These provisions are included to provide clear consumer protection and to allow insurers to respond appropriately if there is fraud in the answering of a permissible question. For instance, the National Association of Insurance Commissioners and many States have regulations restricting what can be asked of a person who is insured or seeking insurance. The insurance provisions of the Coburn-Waxman amendment provide additional protection for these consumers and are not intended to undo the NAIC and State actions.

In conclusion, I would note for my colleagues that this bill was reported from the Commerce Committee unanimously. Whatever the differences among us on other issues, we have come together to reauthorize this program of AIDS health care services and to assure those who depend on it that it will continue. I urge my colleagues to do so today.

Finally I would like to thank the staff involved for their diligent work on this important bill. Karen Nelson, Kay Holcombe, Melody Harned, Mark Agrast, Roland Foster, and Peter Goodloe have put in many long hours on this legislation and I want to express my appreciation to them.

□ 1515

Mr. BILIRAKIS. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from North Carolina [Mr. BURR].

Mr. BURR. Mr. Speaker, I rise today to offer support for the passage of the Ryan White CARE Act. I strongly support the intent of this legislation, but have some strong concerns about the inequitable distribution of funds to non-title I areas.

Currently, there is a 15 percent increase in the incidence of AIDS in rural areas. This is far greater than the 5 percent increase in cities of more than 50,000. I believe that we must address the serious problems associated with AIDS in all pockets of this country, not just the ones that are most visible. It is for this reason that I support inclusion of the Senate passed title II distribution formula.

By adopting the Senate title II formula, the conference committee has an opportunity to put a stop to unfair double counting. In effect, double counting places a higher priority on the needs of AIDS patients in 42 metropolitan areas than it does the needs of AIDS victims across the rest of America. After all, who are we to geographically prioritize the value of American lives.

As I have become more familiar with the horrors of this disease, I am acutely aware of the need for AIDS funding, and I appreciate the efforts of the chairman to craft a bill which addresses this growing concern. I hope that the conference committee will go one step further by adopting a title II formula which looks to the needs of all AIDS victims, and helps to prevent the spread of this dreadful disease in both urban and rural areas.

Mr. Speaker, I along with other Members of the Commerce Committee, urge this body to support the reauthorization. I encourage the chairman and the ranking minority member to fight in Congress for the Senate formula so that all areas of this country can be represented.

Mr. WAXMAN. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding me time. I rise in support of the reauthorization of the Ryan White Care Act, and in doing so commend the gentleman from Florida, Chairman BILIRAKIS, and the gentleman from California, the ranking member, Mr. WAXMAN, for their leadership in bringing this bill today to the Floor in a bipartisan fashion.

Originally enacted in 1990, with strong bipartisan support then, this program provides assistance for health care with people with AIDS. Congress should take great pride in its actions in regard to the Ryan White CARE Act, both in the past 5 years and in the legislative activity that is happening today.

The Ryan White Program provides vital grants to metropolitan areas with high numbers of AIDS cases for outpatient health care and social services. In the coming year, 49 cities will receive direct emergency assistance through a formula grant, and will be eligible to compete for supplemental funds to assist with meeting the health care needs of people with AIDS.

Mr. Speaker, as Chairman BILIRAKIS mentioned in his opening remarks, the Ryan White Program also provides comprehensive care grants to states for the operation of HIV service delivery consortia in localities most heavily affected, for the provision of home and community-based care, for the continuation of insurance coverage for infected persons, and for purchase of therapeutic drugs.

In addition, the Ryan White CARE Act provides grants to community, migrant and homeless health centers, family granting grantees, hemophilia centers and other nonprofit entities that provide comprehensive primary care services to people with AIDS or population at increased risk for HIV inspection.

Mr. Speaker, separate grants are also made to foster collaboration between clinical research institutions and primary community-based medical and social service providers for the target population of HIV infected children, pregnant women, and their families.

Mr. Speaker, since 1981, my community of San Francisco has reported 22,000 cases of AIDS. Imagine if this happened in your district, my colleagues; 14,600 deaths. You can see how grateful we are to the leaders of the committee for this as well as the fact that this is a national tragedy. We do not want our colleagues to experience the tragedy we have had in our community.

I commend our colleagues for their leadership in bringing this to the floor and laying the foundation for a compromise on other issues.

Mr. BILIRAKIS. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Speaker, let me begin by saying a special thank you to the gentleman from Florida, Chairman BILIRAKIS, to the gentleman from Virginia, Chairman BLILEY, to the gentleman from California, Mr. WAXMAN, and others for bringing up this legislation today. It is essential we pass this before the end of the month, and, obviously, that time clock is ticking.

Mary Fisher, an active well-known Republican who spoke so eloquently to the Nation at the Republican National Convention in 1992, talks often about pilgrims in the road to AIDS. Today each one of us, in our own small way, are able to be one of those pilgrims. We are about to do a small part in this fight.

We have learned a lot as we deal with the reauthorization of Ryan White. We have learned that the cure is much harder to find, the services are much harder to fund, and that the fighters, the pilgrims in this fight, are much more tired than they were 4 or 5 years ago. Recognizing all of that, I think we have also learned in this reauthorization that AIDS is no longer unique to big cities. It is no longer unique to the gay community. It is no longer unique just to the low income. It touches everybody in a different way.

Mr. Speaker, my guess is that every person on Capitol Hill in some way, shape or form has been touched by AIDS. We have either known a family member, a friend, or a coworker who either has lost their life or is presently suffering from this disease. Just yesterday in Wisconsin over 10,000 people marched, the largest ever in the State of Wisconsin, in their AIDS walk. This coming Saturday, here in Washington, DC, the AIDS walk will be held again, and many people, myself included, will join that effort at a time when our Nation's Capital is more challenged by resources to fight AIDS than ever before in its history.

And so, Mr. Speaker, this year, as we reauthorize Ryan White, we do not just continue the programs, but we recognize that rural America, that small States as well as big cities and populace areas, all have been touched by AIDS and the funding formulas need to and do recognize that. My home State of Wisconsin, under this funding formula will receive over $600,000 more annually than they have under the previous act.

As we pass this legislation, let us remember, as Mary Fisher so eloquently has said, we are all pilgrims in the road to AIDS. Each of us today has a chance in a small way to do our part.

Mr. WAXMAN. Mr. Speaker, I yield 7 minutes to the gentleman from New York [Mr. ACKERMAN].

Mr. ACKERMAN. Mr. Speaker, I rise today in the strongest of support for H.R. 1872, the Ryan White CARE Act Amendments of 1995. By adopting this legislation today, we can stop sending women and infants home from the hospital without knowing their HIV status. Language included in this bill for the first time would require all newborns in America to be tested for HIV if the infant's mother was not voluntarily tested during her pregnancy.

Mr. Speaker, H.R. 1872 encourages voluntary HIV counseling, testing, and treatment of pregnant women as recommended by the Centers for Disease Control and forbids insurance companies for terminating the insurance of anybody who undergoes tests for AIDS.

I want to pay special tribute today to the gentleman from Virginia, Chairman BLILEY, and the gentleman from Michigan, Mr. DINGELL, the gentleman from Florida, Chairman BILIRAKIS, the gentleman from California, Mr. WAXMAN, and especially the gentleman from Oklahoma, Dr. COBURN, for his tireless efforts on behalf of this legislation.

Mr. Speaker, make no mistake about it, with regard to this aspect of the legislation, there is not a person that I have met who does not prefer to encourage every pregnant woman in America to voluntarily be tested, to know her HIV status so that she might be treated with AZT, so that in at least 65 percent of the cases the in utero transmission of the virus will not be passed on to the yet-to-be-born child. This has been a national tragedy, Mr. Speaker. For years our country has been testing newborn infants anonymously to determine whether or not they have their mother's antibodies for HIV and then allowing those infants and mothers to go home from the hospital, never being told that the child tested positive, never allowing that child, that newborn infant, to access the medical system so that his or her young life might be made a little bit more comfortable.

Usually, the first time that that mother, whose child had been tested for six or seven other kinds of diseases, such as hepatitis B, or syphilis, or so many other things, was told that the child tested positive to anything that the States required testing for but we were silent, absolutely silent if the child tested positive for the mother's antibodies to HIV, that mother thought she was taking home an otherwise healthy child, the next time that that child often appeared in the health care system was when he or she began dying of AIDS. That is absolutely unconscionable.

And that test, Mr. Speaker, has now been stopped. But we must deal with this problem, the problem of transmission to thousands of young lives, newborn infants. And how do we do that? First, we try to get the mothers to undergo voluntary testing. But in some cases the mothers do not volunteer. We are all hopeful there will be 100 percent who would be willing to know what their status is and what the status of their newborn infant is, but that does not happen. Some mothers show up at the health care system the very first time when she is about to deliver. Other mothers, for whatever reasons, decide they do not want to know themselves and refuse testing.

What happens to the children of those mothers should they be condemned to death? Should not somebody be advocating for those young people? If their mothers are not advocating for them, who will act in loco parentis? For the first time, Mr. Speaker, we address that problem, and, hopefully, it will be a very, very small percentage, because those mothers will undergo voluntary counseling and testing.

What we do in this legislation, which this House should be so proud of, is we take all of those infants whose mother's status is not known, which is, hopefully, a very small number, and make sure that they get tested. Some have advocated that the mother has a right to privacy, and in testing the child we have inadvertently or deliberately tested the mother to determine her status, and that the mother has a right to remain ignorant of her status if she so chooses. That may be so, but the child has a right to live.

In this complex and complicated society, so often rights conflict. We must make tough decisions, and we have made this decision before, certainly in the case of those mothers, in those cases where a family has their own religious beliefs and does not believe in medical intervention and their religion calls for the divine intervention instead. If the life of the child is threatened and the mother refuses to allow the medical community to assist the child because of her religion, we have made the decision that the life of the child takes precedence. Every ethical panel has made that decision. Certainly if the right of the child to survive is more important than the constitutional right of freedom of religion, certainly it is equally important as the mother's right to remain ignorant.

□ 1530

We deal with this problem squarely in this legislation. And I want to caution this House, because this legislation has been brought together by people who are liberals and conservatives, Republicans and Democrats, parents and not, people of good will, but this should not be just delivering the mother a death certificate and saying, "Your child is ill and is going to die."

There is no substitution for care. There is no substitution for treatment. There is no substitution for the kind of resources this Nation is going to have to put behind any effort to eliminate and eradicate this dreaded disease. I urge all of our colleagues in the House to support this legislation. For the very first time since the Ryan White bill has been enacted in this House, we deal with the problem of those newest of Americans, those newborn citizens, who before had no access to the health care system, had no access to Ryan White money, and we treat them the same as if they were anybody else. I think that is pretty important.

Mr. Speaker, I thank all of those who have worked on this legislation, and urge strongly passage of this bill.

Mr. BILIRAKIS. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. FOLEY].

Mr. FOLEY. Mr. Speaker, I thank the gentleman from Florida for yielding and for his leadership on this issue.

Mr. Speaker, I rise in support of the Ryan White Care Act Amendments of 1995. I stress that the Ryan White Care Act as been passed by the Senate 97 to 3.

Since its enactment in 1990, the CARE Act has been a vital lifeline of comprehensive medical and support services for Americans living with HIV and AIDS.

While progress has been made in educating citizens about this deadly disease, the statistics are grim: AIDS has become the leading killer of young men and women between the ages of 25 and 44.

Regrettably, one American becomes infected with HIV every 15 minutes and is spreading most rapidly among women, adolescents and within minority communities.

My home district of Florida has been severely devastated by this deadly disease, with the city of West Palm Beach having the second highest case rate of HIV infections in females.

AIDS also hits the minority communities especially hard, with African-Americans in Palm Beach County being 10 times more likely to be infected with HIV than whites.

Mr. Speaker, it is important we continue the educational process. It is important that we stress to our youth in America that abstinence is the only way to preserve and protect yourself.

Mr. Speaker, it is critical we preserve the partnership we have carved between the Federal, State, and local governments in the fight against AIDS.

Through the cooperation of private and public efforts on all levels, the CARE Act has been instrumental in helping meet the emergency medical and support needs of communities impacted by the AIDS epidemic.

These funds all provide needed assistance to help keep thousands of men, women, and children affected by AIDS healthy and living longer.

Since the CARE Act is set to expire on September 30, 1995, reauthorization is urgent to ensure there is no disruption in services for those suffering with AIDS across the country.

Mr. Speaker, I ask my colleagues to join me in support of the Ryan White CARE Act—it is a vital national investment for all Americans.

Ms. WOOLSEY. Mr. Speaker, with AIDS now the leading killer of Americans between the ages of 25 and 44, it is more important than ever that we move forward, and do not retreat, in the fight against AIDS. To that end, swift reauthorization of the Ryan White CARE Act is crucial.

The district I represent in California, Marin and Sonoma Counties, is one of the hardest hit by the AIDS epidemic. In fact, it has one of the highest incidence of HIV infection for a suburban/rural area in the country. While communities in my district have developed HIV/AIDS care and prevention systems that are a model for the Nation, they simply cannot do it on their own. That is why the care and services funded under the Ryan White CARE Act are essential to the men, women, children, and families living with HIV and AIDS in Marin and Sonoma Counties, CA, and in every community in this Nation.

The CARE Act has proven to be highly successful at delivering quality AIDS-related care in cost-effective home and community-based settings, rather than in expensive emergency rooms and acute care hospital settings. It keeps people healthy, and lets them live and die with dignity in their homes, thus reducing the amount that State and Federal Governments spend on Medicaid.

Mr. Speaker, any way you look at it, the Ryan White CARE Act is a wise national investment that must be continued. I urge the House to renew its commitment to the fight against AIDS by giving the Ryan White CARE Act reauthorization the widespread and bipartisan support it deserves.

Mr. STUDDS. Mr. Chairman, as a cosponsor of H.R. 1872, I rise to express my strong support for the bill.

Some 5 years ago, I joined with colleagues on both sides of the aisle in passing the Ryan White Care Act. Since then, this legislation has been a lifeline to hundreds of thousands of people in States and communities across the United States.

Since then, AIDS has become the primary cause of death of men and women in the prime of their lives. Nearly half a million cases have been reported to the Center for Disease Control and Prevention, and nearly half that number have died since the first case was formally recognized in the early 1980's.

Included in those grim statistics are two former Members of this House and many members of our families and our official family.

Notwithstanding the recent comments of some public figures, most of us now recognize that the AIDS virus is indifferent to the social boundaries which separate us from one another. It does not discriminate by race or creed or sexual orientation—or even by party affiliation.

Most of us understand that this is one of those occasions which require us to put aside our differences and deal thoughtfully and humanely with a crisis that affects us all.

The effort to reauthorize this legislation has been a long and difficult process. It has been, from first to last, a bipartisan effort, and I commend Chairman BLILEY, the ranking member, Mr. DINGELL, our subcommittee chairman, Mr. BILIRAKIS, and the ranking member, Mr. WAXMAN, for all they have done to bring the bill to the floor.

I urge my colleagues to join together in that spirit to pass the bill and send it to conference at the earliest possible date.

Mrs. MINK of Hawaii. Mr. Speaker, today I rise in strong support of H.R. 1872, the reauthorization of the Ryan White CARE Act. This legislation has proven to be successful in helping those with HIV/AIDS receive adequate health care.

Over the past 14 years we have watched helplessly as this disease was transformed from that of an unknown virus into a killer of epidemic proportions. We all know the numbers. AIDS has now infected over 400,000 Americans. It has become the leading killer of all Americans ages 25–44. My own State of Hawaii has had over 1,400 total AIDS cases, 250 of which were reported over the past year. As striking as these numbers may be, they only tell a small part of the story.

AIDS is unlike any other disease we have ever encountered. In addition to having to deal with the day-to-day effects of their condition, AIDS victims must also confront daily discrimination brought on by fear and lack of awareness. Unlike cancer and heart disease which primarily occur later in life, AIDS usually strikes its victims in their prime. As a result, they are robbed of their quality of life, they are robbed of their opportunity to reach their full potential as productive members of society, and their Nation is robbed of a group of individuals at an age when they are most likely to contribute to our economy, to our work force and to our communities. I firmly believe that the Federal Government must step forward to offer the strongest possible response to this terrible epidemic.

Prior to 1990, most Federal AIDS funding went toward research programs with the hope of learning more about the disease. Health care costs for treating AIDS have been rising astronomically. As a result, AIDS has also become detrimental to its victims from an economic standpoint. It was not until the implementation of the Ryan White CARE Act that money was first made available to help treat the victims of this deadly disease. Since that time we have helped provide essential treatment and services for needy AIDS patients with resounding success.

I would like to take this opportunity to express my concern over the language being proposed by my colleague from Oklahoma regarding mandatory testing of newborns. I firmly believe that we must test for this disease as soon as possible. The sooner we can detect the virus in newborns, the higher a quality of life they can expect to lead. In fact, if we can treat an infected mother with AZT prior to pregnancy, we reduce the risk of transmitting the virus to the infant by almost one-third. However, I question whether or not we can accomplish this by simply mandating testing. Mandatory testing violates the civil liberties of the woman and may produce the opposite response by driving them out of medical care. We need to take into account the psychological ramifications of this disease by implementing testing methods which are not as coercive. This can be accomplished by working with these women to offer them adequate counseling and voluntary testing.

I adamantly urge my colleagues to vote to reauthorize this most important program. While we must be sure to allocate adequate resources for AIDS research and prevention, we must also be sure to do all that we can to help lessen the burden on those already infected with the virus. We took a huge step forward 5 years ago toward this goal by passing the Ryan White CARE Act. This program has successfully helped needy AIDS victims attain sufficient treatment. We need to reauthorize this vital program, and we need to do it in a timely matter to ensure that none of these critical services are interrupted.

Mrs. MORELLA. Mr. Speaker, I rise in support of H.R. 1872, the Ryan White CARE Act reauthorization bill. I am a cosponsor of this legislation, and I want to particularly thank subcommittee Chairman MICHAEL BILIRAKIS, Mr. WAXMAN, and the other members of the subcommittee and full committee for their efforts to bring this bill to the House floor without further delay. H.R. 1872 was approved by the committee by a unanimous vote, and the bill has been cosponsored by a diverse, bipartisan group of Members.

The CARE Act provides medical care to more than 350,000 people living with HIV/AIDS. Under the Act, local communities make the decisions as to how funding should be allocated, in a manner consistent with this Congress' efforts to give States and localities greater control. It is critical that we pass this bill today and approve a final reauthorization bill as soon as possible.

The funding formula in H.R. 1872, while far from perfect, is an improvement over the Senate version of the bill. I again thank the chairman and members of the subcommittee for working to improve the Senate formula, and I will be working to ensure that the House funding formula prevails in conference.

In regard to the issue of HIV testing for infants and pregnant women, I have serious concerns with any attempt to impose mandatory testing. While I certainly share the view that we must do everything possible to reduce perinatal transmission of HIV, I believe that we have to try to distance ourselves from the emotions and create policies that will truly save women and their children.

The most effective way to prevent perinatal HIV transmission is to prevent women from becoming infected in the first place. So far we have failed to effectively reach out to women and inform them of their risks for HIV and its potential impact on their lives. For this reason, I have introduced legislation since 1990 targeting prevention efforts to women. And my colleague from California, Congresswoman PELOSI, worked tirelessly with CDC to craft the HIV Community Planning process to ensure that HIV prevention funding is targeted to the particular needs of local communities and that prevention plans are developed and implemented by community-based organizations that know best what works for the specific populations they serve.

In addition, the CDC guidelines for routine counseling and voluntary, confidential testing of pregnant women will provide access to early interventions that will actually prevent perinatal transmission, and link them to HIV care and services. Most medical and public health groups support a voluntary testing policy. During the subcommittee hearing in May, representatives of the American Academy of Pediatrics and the American College of Obstetricians and Gynecologists testified in support of a voluntary testing policy.

Preserving a patient-provider relationship of trust is essential to keeping women in the health care system. And, clearly, it is women who have the greatest investment in the health and well-being of their children. Many voluntary counseling and testing programs exist, at Harlem Hospital and others; the physicians who run these programs will tell you that it is because the testing is voluntary that they are successful. In these programs, most all women, after talking with their provider, will choose testing and the treatment recommended by their provider. We should devote our resources to replicating these models, rather than to efforts that will do nothing to prevent perinatal transmission.

Despite my strong reservations with the House testing provision, I urge my colleagues to vote in favor of H.R. 1872. We must move quickly to reauthorize this critical program providing medical care to all people living with HIV/AIDS.

Mr. OWENS. Mr. Speaker, some of the most passionate letters that I have received come from my constituents concerned with the fate of the Ryan White Comprehensive AIDS Resources Emergency [CARE] Act (H.R. 1872). Today, hundreds of thousands of people are breathing sighs of relief as we finally reauthorize the Ryan White CARE Act, the bedrock of Federal comprehensive assistance for women, men and children living with the HIV or AIDS virus.

As my colleagues and I consider this significant legislation, it is crucial that we do not diminish the crisis that currently exists. It is a chilling reality that AIDS has etched a place in history as the disease that has taken the lives of more Americans in the United States than all of the wars combined since the Civil War. I appeal to all to remember that AIDS is not a distant nightmare relegated only to those communities and individuals who behave irresponsibly.

We must remember AIDS is now the leading cause of death for individuals between the ages of 25 and 44. Since AIDS was first identified in the 1980's, one-half million individuals have been diagnosed. Tragically, one-half of those, or 250,000 people, have died. According to the Centers for Disease Control, between 800,000 and 1 million Americans are currently HIV infected; and close to 100 Americans will die from the disease each day.

Our urban epicenters have become depositories for AIDS/HIV-infected persons. My own State of New York has nearly 20 percent of reported AIDS cases in the U.S., although the State holds only 7 percent of the Nation's population. Moreover, in New York City, AIDS is among the top five causes of death for children up to 9 years of age. And by the year 2000, it is estimated that 30,000 children will be orphaned by AIDS in New York City.

It is in our common interest, socially, medically and fiscally, to fully fund the Ryan White CARE Act. Ryan White CARE programs have become integral components of the entire health care system. By providing early intervention, housing assistance and case management to some of our most fragile citizens, these programs have effectively and efficiently served as their safety net.

The impact of these programs is evident everywhere including New York State. Despite the fact that the number of people living with AIDS in New York doubled between 1989 and 1992, the number hospitalized increased by less than one third. In the State, Ryan White HIV home care services average a cost of $194 per day, while 1 day at the hospital costs $993 and nursing home care costs $424 per day. At the very least, we would be fiscally irresponsible to ignore these facts.

Without a doubt, the scope of this crisis merits the full employment of Federal resources. Last month, the House passed other measures that acknowledge the AIDS emergency, including funding for AIDS research at the Centers for Disease Control and the National Institutes for Health. But, more resources should and can be devoted to combatting this epidemic. In the Labor-HHS-Education Appropriations bill (H.R. 2127), Ryan White AIDS programs were authorized for $67.5 million less than the administration's request.

America cannot afford to fall short on the Ryan White CARE Act. The provision of food, housing, medical care, prescription drugs and other important services is the least that the government can do to ensure that the appropriate level of care reaches the infirm. Ryan White CARE programs are to the AIDS community what Social Security is to senior citizens. I appeal to my colleagues with any sense of compassion to vote "yes" for H.R. 1872 and pledge their support for further efforts to fully fund these vital programs.

Mr. KLECZKA. Mr. Speaker, passage of the Ryan White CARE Act Amendments is the culmination of more than 20 years of untiring work by the HIV/AIDS community not only to reauthorize this landmark legislation, but to make it stronger. In a time when divisive politics has become the norm, the Ryan White CARE Act is a rare example of the good work that can be accomplished when individuals, despite different socioeconomic status, locales, and politics, come together in a strong partnership to work for a common goal.

This past Sunday I had the wonderful opportunity to join over ten thousand supporters of the Ryan White CARE Act at the Wisconsin AIDS Walk. Some walked to remember a loved one or coworker that had died of the disease; some walked in the hope they could raise money for research to help find a cure; some walked to promote awareness, or to show their support for the HIV/AIDS community. But they all walked together. And together they raised over $700,000 for the cause.

Similarly, because we all worked together, Republicans and Democrats, Members from urban areas and those from rural districts, the Ryan White CARE Act is even stronger than the original legislation. For example, the new funding formulas that were so carefully fashioned will increase Federal AIDS funding in Wisconsin by over $3 million.

It is through the commitment of the Ryan White CARE Act, that the Federal Government joins State and local governments in an inclusive partnership with health care providers, religious organizations, people afflicted with the AIDS epidemic, and members of the Wisconsin community who came out on Sunday to walk for a good cause. This partnership has afforded people with the HIV disease access to a comprehensive support structure that includes housing, medical care, legal and social services, and most importantly, hope.

I am proud to have been a part of this important bipartisan effort to reauthorize the Ryan White CARE Act. It is truly gratifying to see this bill pass overwhelmingly in both Houses. But on this important day, let us remember that we could not have reached this important goal if we had not all worked together.

Ms. HARMAN. Mr. Speaker, I rise in strong support of the Ryan White CARE Act. Its four different titles will continue to bring critical medical and support services to people with HIV/AIDS through the year 2000. It also provides for training programs for health practitioners who treat HIV-positive individuals, and funds demonstration projects to treat and care for HIV-infected individuals with particular needs. The CARE Act is a proven success, and I strongly urge its passage.

There is a very human face to HIV and AIDS, and I have witnessed the way that AIDS has impacted the lives of many of my constituents and my friends. Elizabeth Glasser touched my life deeply. She dedicated her life to raising awareness about pediatric AIDS, courageously fighting until she died. Her commitment demonstrated how much one person can do. The Children Affected by AIDS Foundation [CAAF], is another example. CAAF was started in 1993 by Joe Cristina, a vice-president at Mattel in El Segundo, who is also HIV positive. Its mission is to raise funds and support grassroots agencies nationwide that provide direct care, support, and assistance to children with AIDS. CAAF successfully involves corporate America, Hollywood, the media, service providers, advocates, and community organizations. Although CAAF has been incredibly successful in raising private support to combat pediatric AIDS, the Ryan White Act is critical to its continued success. Women's Link, located in Marina del Rey, is an information center for women with HIV that also relies on Ryan White Act funds, as does the Santa Monica AIDS Project, another successful program serving hundreds in my district.

Regrettably, Los Angeles stands to lose money under title I and title II of the bill because its appropriations are not sufficient to adequately fund currently eligible and newly added cities. The Senate version has a clause that allows the Secretary of Health and Human Services to fully fund the currently eligible cities in the second year. I strongly support that provision.

I strongly urge Congress to pass this authorizing legislation, and to fully fund the Ryan White CARE Act. The lives of over 1 million Americans infected with the AIDS virus depend on it.

Mr. WAXMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BILIRAKIS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. BILIRAKIS] that the House suspend the rules and pass the bill, H.R. 1872, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BILIRAKIS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1872, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. BILIRAKIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 641) to reauthorize the Ryan White CARE Act of 1990, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 641

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Ryan White CARE Reauthorization Act of 1995".

SEC. 2. REFERENCES.

Whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of title XXVI of the Public Health Service Act (42 U.S.C. 300ff-11 et seq.).

SEC. 3. GENERAL AMENDMENTS.

(a) ESTABLISHMENT OF GRANT PROGRAM.—Section 2601 (42 U.S.C. 300ff-11) is amended—

(1) in subsection (a)—

(A) by striking "March 31 of the most recent fiscal year" and inserting "March 31, 1995, and December 31 of the most recent calendar year thereafter"; and

(B) by striking "fiscal year—" and all that follows through the period and inserting "fiscal year, there has been reported to and confirmed by, for the 5-year period prior to the fiscal year for which the grant is being made, the Director of the Centers for Disease Control and Prevention a cumulative total of more than 2,000 cases of acquired immune deficiency syndrome."; and

(2) by adding at the end thereof the following new subsections:

"(c) POPULATION OF ELIGIBLE AREAS.—The Secretary may not make a grant to an eligible area under subsection (a) after the date of enactment of this subsection unless the area has a population of at least 500,000 individuals, except that this subsection shall not apply to areas that are eligible as of March 31, 1994. For purposes of eligibility under this title, the boundaries of each metropolitan area shall be those in effect in fiscal year 1994.

"(d) CONTINUED FUNDING.—A metropolitan area that has received a grant under this section for the fiscal year in which this subsection is enacted, shall be eligible to receive such a grant in subsequent fiscal years.".

(b) EMERGENCY RELIEF FOR AREAS WITH SUBSTANTIAL NEED FOR SERVICES.—

(1) HIV HEALTH SERVICES PLANNING COUNCIL.—Subsection (b) of section 2602 (42 U.S.C. 300ff-12(b)) is amended—

(A) in paragraph (1)—

(i) by striking "include" and all that follows through the end thereof, and inserting "reflect in its composition the demographics of the epidemic in the eligible area involved, with particular consideration given to disproportionately affected and historically underserved groups and subpopulations."; and

(ii) by adding at the end thereof the following new sentences: "Nominations for membership on the council shall be identified through an open process and candidates shall be selected based on locally delineated and publicized criteria. Such criteria shall include a conflict-of-interest standard for each nominee.";

(B) in paragraph (2), by adding at the end thereof the following new subparagraph:

"(C) CHAIRPERSON.—A planning council may not be chaired solely by an employee of the grantee.";

(C) in paragraph (3)—

(i) in subparagraph (A), by striking "area;" and inserting "area based on the—

"(i) documented needs of the HIV-infected population;

"(ii) cost and outcome effectiveness of proposed strategies and interventions, to the extent that such data are reasonably available, (either demonstrated or probable);

"(iii) priorities of the HIV-infected communities for whom the services are intended; and

"(iv) availability of other governmental and nongovernmental resources;";

(ii) by striking "and" at the end of subparagraph (B);

(iii) by striking the period at the end of subparagraph (C) and inserting ", and at the discretion of the planning council, assess the effectiveness, either directly or through contractual arrangements, of the services offered in meeting the identified needs; "; and

(iv) by adding at the end thereof the following new subparagraphs:

"(D) participate in the development of the Statewide coordinated statement of need initiated by the State health department;

"(E) establish operating procedures which include specific policies for resolving disputes, responding to grievances, and minimizing and managing conflict-of-interests; and

"(F) establish methods for obtaining input on community needs and priorities which may include public meetings, conducting focus groups, and convening ad-hoc panels.";

(D) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(E) by inserting after paragraph (1), the following new paragraph:

"(2) REPRESENTATION.—The HIV health services planning council shall include representatives of—

"(A) health care providers, including federally qualified health centers;

"(B) community-based organizations serving affected populations and AIDS service organizations;

"(C) social service providers;

"(D) mental health and substance abuse providers;

"(E) local public health agencies;

"(F) hospital planning agencies or health care planning agencies;

"(G) affected communities, including people with HIV disease or AIDS and historically underserved groups and subpopulations;

"(H) nonelected community leaders;

"(I) State government (including the State medicaid agency and the agency administering the program under part B);

"(J) grantees under subpart II of part C;

"(K) grantees under section 2671, or, if none are operating in the area, representatives of organizations with a history of serving children, youth, women, and families living with HIV and operating in the area; and

"(L) grantees under other Federal HIV programs.".

(2) DISTRIBUTION OF GRANTS.—Section 2603 (42 U.S.C. 300ff–13) is amended—

(A) in subsection (a)(2), by striking "Not later than—" and all that follows through "the Secretary shall" and inserting the following: "Not later than 60 days after an appropriation becomes available to carry out this part for each of the fiscal years 1996 through 2000, the Secretary shall"; and

(B) in subsection (b)

(i) in paragraph (1)—

(I) by striking "and" at the end of subparagraph (D);

(II) by striking the period at the end of subparagraph (E) and inserting a semicolon; and

(III) by adding at the end thereof the following new subparagraphs:

"(F) demonstrates the inclusiveness of the planning council membership, with particular emphasis on affected communities and individuals with HIV disease; and

"(G) demonstrates the manner in which the proposed services are consistent with the local needs assessment and the Statewide coordinated statement of need."; and

(ii) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively; and

(iii) by inserting after paragraph (1), the following new paragraph:

"(2) PRIORITY.—

"(A) SEVERE NEED.—In determining severe need in accordance with paragraph (1)(B), the Secretary shall give priority consideration in awarding grants under this section to any qualified applicant that demonstrates an ability to spend funds efficiently and demonstrates a more severe need based on prevalence of—

"(i) sexually transmitted diseases, substance abuse, tuberculosis, severe mental illness, or other diseases determined relevant by the Secretary, which significantly affect the impact of HIV disease in affected individuals and communities;

"(ii) AIDS in individuals, and subpopulations, previously unknown in the eligible metropolitan area; or

"(iii) homelessness.

"(B) PREVALENCE.—In determining prevalence of diseases under subparagraph (A), the Secretary shall use data on the prevalence of the illnesses described in such subparagraph in HIV-infected individuals unless such data is not available nationally. Where such data is not nationally available, the Secretary may use the prevalence (with respect to such illnesses) in the general population.".

(3) DISTRIBUTION OF FUNDS.—

(A) IN GENERAL.—Section 2603(a)(2) (42 U.S.C. 300ff–13(a)(2)) (as amended by paragraph (2)) is further amended—

(i) by inserting ", in accordance with paragraph (3)" before the period; and

(ii) by adding at the end thereof the following new sentence: "The Secretary shall reserve an additional percentage of the amount appropriated under section 2677 for a fiscal year for grants under part A to make grants to eligible areas under section 2601(a) in accordance with paragraph (4).".

(B) INCREASE IN GRANT.—Section 2603(a) (42 U.S.C. 300ff–13(a)) is amended by adding at the end thereof the following new paragraph:

"(4) INCREASE IN GRANT.—With respect to an eligible area under section 2601(a), the Secretary shall increase the amount of a grant under paragraph (2) for a fiscal year to ensure that such eligible area receives not less than—

"(A) with respect to fiscal year 1996, 98 percent;

"(B) with respect to fiscal year 1997, 97 percent;

"(C) with respect to fiscal year 1998, 95.5 percent;

"(D) with respect to fiscal year 1999, 94 percent; and

"(E) with respect to fiscal year 2000, 92.5 percent;

of the amount allocated for fiscal year 1995 to such entity under this subsection.".

(4) USE OF AMOUNTS.—Section 2604 (42 U.S.C. 300ff–14) is amended—

(A) in subsection (b)(1)(A)—

(i) by inserting ", substance abuse treatment and mental health treatment," after "case management"; and

(ii) by inserting "which shall include treatment education and prophylactic treatment for opportunistic infections," after "treatment services,";

(B) in subsection (b)(2)(A)—

(i) by inserting ", or private for-profit entities if such entities are the only available provider of quality HIV care in the area," after "nonprofit private entities,"; and

(ii) by striking "and homeless health centers" and inserting "homeless health centers, substance abuse treatment programs, and mental health programs"; and

(C) in subsection (e)—

(i) in the subsection heading, by striking "AND PLANNING;

(ii) by striking "The chief" and inserting: "(1) IN GENERAL.—The chief";

(iii) by striking "accounting, reporting, and program oversight functions";

(iv) by adding at the end thereof the following new sentence: "An entity (including subcontractors) receiving an allocation from the grant awarded to the chief executive officer under this part shall not use in excess of 12.5 percent of amounts received under such allocation for administration."; and

(v) by adding at the end thereof the following new paragraphs:

"(2) ADMINISTRATIVE ACTIVITIES.—For the purposes of paragraph (1), amounts may be used for administrative activities that include—

"(A) routine grant administration and monitoring activities, including the development of applications for part A funds, the receipt and disbursal of program funds, the development and establishment of reimbursement and accounting systems, the preparation of routine programmatic and financial reports, and compliance with grant conditions and audit requirements; and

"(B) all activities associated with the grantee's contract award procedures, including the development of requests for proposals, contract proposal review activities, negotiation and awarding of contracts, monitoring of contracts through telephone consultation, written documentation or onsite visits, reporting on contracts, and funding reallocation activities.".

"(3) SUBCONTRACTOR ADMINISTRATIVE COSTS.—For the purposes of this subsection, subcontractor administrative activities include—

"(A) usual and recognized overhead, including established indirect rates for agencies;

"(B) management oversight of specific programs funded under this title; and

"(C) other types of program support such as quality assurance, quality control, and related activities.".

(5) APPLICATION.—Section 2605 (42 U.S.C. 300ff–15) is amended—

(A) in subsection (a)—

(i) in the matter preceding paragraph (1), by inserting ", in accordance with subsection (c) regarding a single application and grant award," after "application";

(ii) in paragraph (1)(B), by striking "1-year period" and all that follows through "eligible area" and inserting "preceding fiscal year";

(iii) in paragraph (4), by striking "and" at the end thereof;

(iv) in paragraph (5), by striking the period at the end thereof and inserting "; and"; and

(v) by adding at the end thereof the following new paragraph:

"(6) that the applicant has participated, or will agree to participate, in the Statewide coordinated statement of need process where it has been initiated by the State, and ensure that the services provided under the comprehensive plan are consistent with the Statewide coordinated statement of need.";

(B) in subsection (b)—

(i) in the subsection heading, by striking "ADDITIONAL";

(ii) in the matter preceding paragraph (1), by striking "additional application" and inserting "application, in accordance with subsection (c) regarding a single application and grant award,";

(iii) in paragraph (3), by striking "and" at the end thereof; and

(iv) in paragraph (4), by striking the period and inserting "; and";

(C) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(D) by inserting after subsection (b), the following new subsection:

"(c) SINGLE APPLICATION AND GRANT AWARD.—

"(1) APPLICATION.—The Secretary may phase in the use of a single application that meets the requirements of subsections (a) and (b) of section 2603 with respect to an eligible area that desires to receive grants under section 2603 for a fiscal year.

"(2) GRANT AWARD.—The Secretary may phase in the awarding of a single grant to an eligible area that submits an approved application under paragraph (1) for a fiscal year.".

(6) TECHNICAL ASSISTANCE.—Section 2606 (42 U.S.C. 300ff-16) is amended—

(A) by striking "may" and inserting "shall";

(B) by inserting after "technical assistance" the following: ", including peer based assistance to assist newly eligible metropolitan areas in the establishment of HIV health services planning councils and,"; and

(C) by adding at the end thereof the following new sentences: "The Administrator may make planning grants available to metropolitan areas, in an amount not to exceed $75,000 for any metropolitan area, projected to be eligible for funding under section 2601 in the following fiscal year. Such grant amounts shall be deducted from the first year formula award to eligible areas accepting such grants. Not to exceed 1 percent of the amount appropriated for a fiscal year under section 2677 for grants under part A may be used to carry out this section.".

(b) CARE GRANT PROGRAM.—

(1) HIV CARE CONSORTIA.—Section 2613 (42 U.S.C. 300ff-23) is amended—

(A) in subsection (a)—

(i) in paragraph (1), by inserting "(or private for-profit providers or organizations if such entities are the only available providers of quality HIV care in the area)" after "nonprofit private,"; and

(ii) in paragraph (2)(A)—

(I) by inserting "substance abuse treatment, mental health treatment," after "nursing,"; and

(II) by inserting "prophylactic treatment for opportunistic infections, treatment education to take place in the context of health care delivery," after "monitoring,";

(B) in subsection (c)—

(i) in subparagraph (C) of paragraph (1), by inserting before "care" "and youth centered"; and

(ii) in paragraph (2)—

(I) in clause (ii) of subparagraph (A), by striking "served; and" and inserting "served;";

(II) in subparagraph (B), by striking the period at the end; and

(III) by adding after subparagraph (B), the following new subparagraphs:

"(C) grantees under section 2671 and representatives of organizations with a history of serving children, youth, women, and families with HIV and operating in the community to be served; and

"(D) representatives of community-based providers that are necessary to provide the full continuum of HIV-related health care services, which are available within the geographic area to be served."; and

(C) in subsection (d), to read as follows:

"(d) DEFINITION.—As used in this part, the terms 'family centered care' and 'youth centered care' mean the system of services described in this section that is targeted specifically to the special needs of infants, children (including those orphaned by the AIDS epidemic), youth, women, and families. Family centered and youth centered care shall be based on a partnership among parents, extended family members, children and youth, professionals, and the community designed to ensure an integrated, coordinated, culturally sensitive, and community-based continuum of care.".

(2) PROVISION OF TREATMENTS.—Section 2616 (42 U.S.C. 300ff-26) is amended by striking subsection (c) and inserting the following new subsections:

"(c) STANDARDS FOR TREATMENT PROGRAMS.—In carrying out this section, the Secretary shall—

"(1) review the current status of State drug reimbursement programs and assess barriers to the expended availability of prophylactic treatments for opportunistic infections (including active tuberculosis); and

"(2) establish, in consultation with States, providers, and affected communities, a recommended minimum formulary of pharmaceutical drug therapies approved by the Food and Drug Administration.

In carrying out paragraph (2), the Secretary shall identify those treatments in the recommended minimum formulary that are for the prevention of opportunistic infections (including the prevention of active tuberculosis).

"(d) STATE DUTIES.—

"(1) IN GENERAL.—In implementing subsection (a), States shall document the progress made in making treatments described in subsection (c)(2) available to individuals eligible for assistance under this section, and to develop plans to implement fully the recommended minimum formulary of pharmaceutical drug therapies approved by the Food and Drug Administration.

"(2) OTHER MECHANISMS FOR PROVIDING TREATMENTS.—In meeting the standards of the recommended minimum formulary developed under subsection (c), a State may identify other mechanisms such as consortia and public programs for providing such treatments to individuals with HIV.".

(3) STATE APPLICATION.—Section 2617(b) (42 U.S.C. 300ff-27(b)) is amended—

(A) in paragraph (2)—

(i) in subparagraph (A), by striking "and" at the end thereof; and

(ii) by adding at the end thereof the following new subparagraph:

"(C) a description of how the allocation and utilization of resources are consistent with the Statewide coordinated statement of need (including traditionally underserved populations and subpopulations) developed in partnership with other grantees in the State that receive funding under this title;";

(B) by redesignating paragraph (3) as paragraph (4);

(C) by inserting after paragraph (2), the following new paragraph:

"(3) the public health agency administering the grant for the State shall convene a meeting at least annually of individuals with HIV who utilize services under this part (including those individuals from traditionally underserved populations and subpopulations) and representatives of grantees funded under this title (including HIV health services planning councils, early intervention programs, children, youth and family service projects, special projects of national significance, and HIV care consortia) and other providers (including federally qualified health centers) and public agency representatives within the State currently delivering HIV services to affected communities for the purpose of developing a Statewide coordinated statement of need; and"; and

(D) by adding at the end thereof the following flush sentence:

"The State shall not be required to finance attendance at the meetings described in paragraph (3). A State may pay the travel-related expenses of individuals attending such meetings where appropriate and necessary to ensure adequate participation.".

(4) PLANNING, EVALUATION AND ADMINISTRATION.—Section 2618(c) (42 U.S.C. 300ff-28(c)) is amended—

(A) in paragraphs (3) and (4), to read as follows:

"(3) PLANNING AND EVALUATIONS.—Subject to paragraph (5) and except as provided in paragraph (6), a State may not use more than 10 percent of amounts received under a grant awarded under this part for planning and evaluation activities.

"(4) ADMINISTRATION.—

"(A) IN GENERAL.—Subject to paragraph (5) and except as provided in paragraph (6), a State may not use more than 10 percent of amounts received under a grant awarded under this part for administration. An entity (including subcontractors) receiving an allocation from the grant awarded to the State under this part shall not use in excess of 12.5 percent of amounts received under such allocation for administration.

"(B) ADMINISTRATIVE ACTIVITIES.—For the purposes of subparagraph (A), amounts may be used for administrative activities that include routine grant administration and monitoring activities.

"(C) SUBCONTRACTOR ADMINISTRATIVE COSTS.—For the purposes of this paragraph, subcontractor administrative activities include—

"(i) usual and recognized overhead, including established indirect rates for agencies;

"(ii) management oversight of specific programs funded under this title; and

"(iii) other types of program support such as quality assurance, quality control, and related activities.";

(B) by redesignating paragraph (5) as paragraph (7); and

(C) by inserting after paragraph (4), the following new paragraphs:

"(5) LIMITATION ON USE OF FUNDS.—Except as provided in paragraph (6), a State may not use more than a total of 15 percent of amounts received under a grant awarded under this part for the purposes described in paragraphs (3) and (4).

"(6) EXCEPTION.—With respect to a State that receives the minimum allotment under subsection (a)(1) for a fiscal year, such State, from the amounts received under a grant awarded under this part for such fiscal year for the activities described in paragraphs (3) and (4), may, notwithstanding paragraphs (3), (4), and (5), use not more than that amount required to support one full-time-equivalent employee.".

(5) TECHNICAL ASSISTANCE.—Section 2619 (42 U.S.C. 300ff-29) is amended—

(A) by striking "may" and inserting "shall"; and

(B) by inserting before the period the following: ", including technical assistance for the development and implementation of Statewide coordinated statements of need".

(6) GRIEVANCE PROCEDURES AND COORDINATION.—Part B of title XXVI (42 U.S.C. 300ff-21) is amended by adding at the end thereof the following new sections:

"SEC. 2621. GRIEVANCE PROCEDURES.

"Not later than 90 days after the date of enactment of this section, the Administration, in consultation with affected parties, shall establish grievance procedures, specific to each part of this title, to address allegations of egregious violations of each such part. Such procedures shall include an appropriate enforcement mechanism.

"SEC. 2622. COORDINATION.

"The Secretary shall ensure that the Health Resources and Services Administration, the Centers for Disease Control and Prevention, and the Substance Abuse and Mental Health Services Administration coordinate the planning and implementation of Federal HIV programs in order to facilitate the local development of a complete continuum of HIV-related services for individuals with HIV disease and those at risk of such disease. The Secretary shall periodically prepare and submit to the relevant committees of Congress a report concerning such coordination efforts at the Federal, State, and local levels as well as the existence of Federal barriers to HIV program integration.".

(c) Early Intervention Services.—

(1) Establishment of program.—Section 2651(b) (42 U.S.C. 300ff–51(b)) is amended—

(A) in paragraph (1), by striking "grant agrees to" and all that follows through the period and inserting: "grant agrees to—

"(A) expend the grant for the purposes of providing, on an out-patient basis, each of the early intervention services specified in paragraph (2) with respect to HIV disease; and

"(B) expend not less than 50 percent of the amount received under the grant to provide a continuum of primary care services, including, as appropriate, dental care services, to individuals confirmed to be living with HIV."; and

(B) in paragraph (4)—

(i) by striking "The Secretary" and inserting "(A) In general.—The Secretary";

(ii) by inserting ", or private for-profit entities if such entities are the only available provider of quality HIV care in the area," after "nonprofit private entities";

(iii) by realigning the margin of subparagraph (A) so as to align with the margin of paragraph (3)(A); and

(iv) by adding at the end thereof the following new subparagraph:

"(B) Other requirements.—Grantees described in—

"(i) paragraphs (1), (2), (5), and (6) of section 2652(a) shall use not less than 50 percent of the amount of such a grant to provide the services described in subparagraphs (A), (B), (D), and (E) of section 2651(b)(2) directly and on-site or at sites where other primary care services are rendered; and

"(ii) paragraphs (3) and (4) of section 2652(a) shall ensure the availability of early intervention services through a system of linkages to community-based primary care providers, and to establish mechanisms for the referrals described in section 2651(b)(2)(C), and for follow-up concerning such referrals.".

(2) Minimum qualifications.—Section 2652(b)(1)(B) (42 U.S.C. 300ff–52(b)(1)(B)) is amended by inserting ", or a private for-profit entity if such entity is the only available provider of quality HIV care in the area," after "nonprofit private entity";

(3) Miscellaneous provisions.—Section 2654 (42 U.S.C. 300ff–54) is amended by adding at the end thereof the following new subsection:

"(c) Planning and Development Grants.—

"(1) In general.—The Secretary may provide planning grants, in an amount not to exceed $50,000 for each such grant, to public and nonprofit private entities that are not direct providers of primary care services for the purpose of enabling such providers to provide HIV primary care services.

"(2) Requirement.—The Secretary may only award a grant to an entity under paragraph (1) if the Secretary determines that the entity will use such grant to assist the entity in qualifying for a grant under section 2651.

"(3) Preference.—In awarding grants under paragraph (1), the Secretary shall give preference to entities that would provide HIV primary care services in rural or underserved communities.

"(4) Limitation.—Not to exceed 1 percent of the amount appropriated for a fiscal year under section 2655 may be used to carry out this section.".

(4) Authorization of appropriations.—Section 2655 (42 U.S.C. 300ff–55) is amended by striking "$75,000,000" and all that follows through the end of the section, and inserting "such sums as may be necessary in each of the fiscal years 1996, 1997, 1998, 1999, and 2000.".

(5) Required agreements.—Section 2664(g) (42 U.S.C. 300ff–64(g)) is amended—

(A) in paragraph (2), by striking "and" at the end thereof;

(B) in paragraph (3)—

(i) by striking "5 percent" and inserting "10 percent including planning, evaluation and technical assistance"; and

(ii) by striking the period and inserting "; and"; and

(C) by adding at the end thereof the following new paragraph:

"(4) the applicant will submit evidence that the proposed program is consistent with the Statewide coordinated statement of need and agree to participate in the ongoing revision of such statement of need.".

(d) Grants.—

(1) In general.—Section 2671 (42 U.S.C. 300ff–71) is amended to read as follows:

"SEC. 2671. GRANTS FOR COORDINATED SERVICES AND ACCESS TO RESEARCH FOR CHILDREN, YOUTH, AND FAMILIES.

"(a) In General.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, and in consultation with the Director of the National Institutes of Health, shall award grants to appropriate public or nonprofit private entities that, directly or through contractual arrangements, provide primary care to the public for the purpose of—

"(1) providing out-patient health care and support services (which may include family-centered and youth-centered care, as defined in this title, family and youth support services, and services for orphans) to children, youth, women with HIV disease, and the families of such individuals, and supporting the provision of such care with programs of HIV prevention and HIV research; and

"(2) facilitating the voluntary participation of children, youth, and women with HIV disease in qualified research protocols at the facilities of such entities or by direct referral.

"(b) Eligible Entities.—The Secretary may not make a grant to an entity under subsection (a) unless the entity involved provides assurances that—

"(1) the grant will be used primarily to serve children, youth, and women with HIV disease;

"(2) the entity will enter into arrangements with one or more qualified research entities to collaborate in the conduct or facilitation of voluntary patient participation in qualified research protocols;

"(3) the entity will coordinate activities under the grant with other providers of health care services under this title, and under title V of the Social Security Act;

"(4) the entity will participate in the Statewide coordinated statement of need under section 2619 and in the revision of such statement; and

"(5) the entity will offer appropriate research opportunities to each patient, with informed consent.

"(c) Application.—The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(d) Patient Participation in Research Protocols.—

"(1) In general.—The Secretary, acting through the Administrator of the Health Resources and Services Administration and the Director of the Office of AIDS Research, shall establish procedures to ensure that accepted standards of protection of human subjects (including the provision of written informed consent) are implemented in projects supported under this section. Receipt of services by a patient shall not be conditioned upon the consent of the patient to participate in research.

"(2) Research protocols.—

"(A) In general.—The Secretary shall establish mechanisms to ensure that research protocols proposed to be carried out to meet the requirements of this section, are of potential clinical benefit to the study participants, and meet accepted standards of research design.

"(B) Review panel.—Mechanisms established under subparagraph (A) shall include an independent research review panel that shall review all protocols proposed to be carried out to meet the requirements of this section to ensure that such protocols meet the requirements of this section. Such panel shall make recommendations to the Secretary as to the protocols that should be approved. The panel shall include representatives of public and private researchers, providers of services, and recipients of services.

"(e) Training and Technical Assistance.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, may use not to exceed five percent of the amounts appropriated under subsection (h) in each fiscal year to conduct training and technical assistance (including peer-based models of technical assistance) to assist applicants and grantees under this section in complying with the requirements of this section.

"(f) Evaluations and Data Collection.—

"(1) Evaluations.—The Secretary shall provide for the review of programs carried out under this section at the end of each grant year. Such evaluations may include recommendations as to the improvement of access to and participation in services and access to and participation in qualified research protocols supported under this section.

"(2) Reporting requirements.—The Secretary may establish data reporting requirements and schedules as necessary to administer the program established under this section and conduct evaluations, measure outcomes, and document the clients served, services provided, and participation in qualified research protocols.

"(3) Waivers.—Notwithstanding the requirements of subsection (b), the Secretary may award new grants under this section to an entity if the entity provide assurances, satisfactory to the Secretary, that the entity will implement the assurances required under paragraph (2), (3), (4), or (5) of subsection (b) by the end of the second grant year. If the Secretary determines through the evaluation process that a recipient of funds under this section is in material noncompliance with the assurances provided under paragraph (2), (3), (4), or (5) of subsection (b), the Secretary may provide for continued funding of up to one year if the recipient provides assurances, satisfactory to the Secretary, that such noncompliance will be remedied within such period.

"(g) DEFINITIONS.—For purposes of this section:

"(1) QUALIFIED RESEARCH ENTITY.—The term 'qualified research entity' means a public or private entity with expertise in the conduct of research that has demonstrated clinical benefit to patients.

"(2) QUALIFIED RESEARCH PROTOCOL.—The term 'qualified research protocol' means a research study design of a public or private clinical program that meets the requirements of subsection (d).

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, such sums as may be necessary for each of the fiscal years 1996 through 2000.".

(2) CONFORMING AMENDMENT.—The heading for part D of title XXVI of the Public Health Service Act is amended to read as follows:

"PART D—GRANTS FOR COORDINATED SERVICES AND ACCESS TO RESEARCH FOR CHILDREN, YOUTH, AND FAMILIES".

(e) DEMONSTRATION AND TRAINING.—

(1) IN GENERAL.—Title XXVI is amended by adding at the end, the following new part:

"PART F—DEMONSTRATION AND TRAINING

"Subpart I—Special Projects of National Significance

"SEC. 2691. SPECIAL PROJECTS OF NATIONAL SIGNIFICANCE.

"(a) IN GENERAL.—Of the amount appropriated under each of parts A, B, C, and D of this title for each fiscal year, the Secretary shall use the greater of $20,000,000 or 3 percent of such amount appropriated under each such part, but not to exceed $25,000,000, to administer a special projects of national significance program to award direct grants to public and nonprofit private entities including community-based organizations to fund special programs for the care and treatment of individuals with HIV disease.

"(b) GRANTS.—The Secretary shall award grants under subsection (a) based on—

"(1) the need to assess the effectiveness of a particular model for the care and treatment of individuals with HIV disease;

"(2) the innovative nature of the proposed activity; and

"(3) the potential replicability of the proposed activity in other similar localities or nationally.

"(c) SPECIAL PROJECTS.—Special projects of national significance shall include the development and assessment of innovative service delivery models that are designed to—

"(1) address the needs of special populations;

"(2) assist in the development of essential community-based service delivery infrastructure; and

"(3) ensure the ongoing availability of services for Native American communities to enable such communities to care for Native Americans with HIV disease.

"(d) SPECIAL POPULATIONS.—Special projects of national significance may include the delivery of HIV health care and support services to traditionally underserved populations including—

"(1) individuals and families with HIV disease living in rural communities;

"(2) adolescents with HIV disease;

"(3) Indian individuals and families with HIV disease;

"(4) homeless individuals and families with HIV disease;

"(5) hemophiliacs with HIV disease; and

"(6) incarcerated individuals with HIV disease.

"(e) SERVICE DEVELOPMENT GRANTS.—Special projects of national significance may include the development of model approaches to delivering HIV care and support services including—

"(1) programs that support family-based care networks critical to the delivery of care in minority communities;

"(2) programs that build organizational capacity in disenfranchised communities;

"(3) programs designed to prepare AIDS service organizations and grantees under this title for operation within the changing health care environment; and

"(4) programs designed to integrate the delivery of mental health and substance abuse treatment with HIV services.

"(f) COORDINATION.—The Secretary may not make a grant under this section unless the applicant submits evidence that the proposed program is consistent with the Statewide coordinated statement of need, and the applicant agrees to participate in the ongoing revision process of such statement of need.

"(g) REPLICATION.—The Secretary shall make information concerning successful models developed under this part available to grantees under this title for the purpose of coordination, replication, and integration. To facilitate efforts under this subsection, the Secretary may provide for peer-based technical assistance from grantees funded under this part.".

(2) REPEAL.—Subsection (a) of section 2618 (42 U.S.C. 300ff–28(a)) is repealed.

(f) HIV/AIDS COMMUNITIES, SCHOOLS, CENTERS.—

(1) NEW PART.—Part F of title XXVI (as added by subsection (e)) is further amended by adding at the end, the following new subpart:

"Subpart II—AIDS Education and Training Centers

"SEC. 2692. HIV/AIDS COMMUNITIES, SCHOOLS, AND CENTERS.".

(2) AMENDMENTS.—Section 776(a)(1) (42 U.S.C. 294n(a)) is amended—

(A) by striking subparagraphs (B) and (C);

(B) by redesignating subparagraphs (A) and (D) as subparagraphs (B) and (C), respectively;

(C) by inserting before subparagraph (B) (as so redesignated) the following new subparagraph:

"(A) training health personnel, including practitioners in title XXVI programs and other community providers, in the diagnosis, treatment, and prevention of HIV infection and disease;"; and

(D) in subparagraph (B) (as so redesignated) by adding "and" after the semicolon.

(3) TRANSFER.—Subsection (a) of section 776 (42 U.S.C. 294n(a)) (as amended by paragraph (2)) is amended by transferring such subsection to section 2692 (as added by paragraph (1)).

(4) AUTHORIZATION OF APPROPRIATIONS.—Section 2692 (as added by paragraph (1)) is amended by adding at the end thereof the following new subsection:

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, such sums as may be necessary for each of the fiscal years 1996 through 2000.".

SEC. 4. AMOUNT OF EMERGENCY RELIEF GRANTS.

Paragraph (3) of section 2603(a) (42 U.S.C. 300ff–13(a)(3)) is amended to read as follows:

"(3) AMOUNT OF GRANT.—

"(A) IN GENERAL.—Subject to the extent of amounts made available in appropriations Acts, a grant made for purposes of this paragraph to an eligible area shall be made in an amount equal to the product of—

"(i) an amount equal to the amount available for distribution under paragraph (2) for the fiscal year involved; and

"(ii) the percentage constituted by the ratio of the distribution factor for the eligible area to the sum of the respective distribution factors for all eligible areas.

"(B) DISTRIBUTION FACTOR.—For purposes of subparagraph (A)(ii), the term 'distribution factor' means an amount equal to the estimated number of living cases of acquired immune deficiency syndrome in the eligible area involved, as determined under subparagraph (C).

"(C) ESTIMATE OF LIVING CASES.—The amount determined in this subparagraph is an amount equal to the product of—

"(i) the number of cases of acquired immune deficiency syndrome in the eligible area during each year in the most recent 120-month period for which data are available with respect to all eligible areas, as indicated by the number of such cases reported to and confirmed by the Director of the Centers for Disease Control and Prevention for each year during such period; and

"(ii) with respect to—

"(I) the first year during such period, .06;

"(II) the second year during such period, .06;

"(III) the third year during such period, .08;

"(IV) the fourth year during such period, .10;

"(V) the fifth year during such period, .16;

"(VI) the sixth year during such period, .16;

"(VII) the seventh year during such period, .24;

"(VIII) the eighth year during such period, .40;

"(IX) the ninth year during such period, .57; and

"(X) the tenth year during such period, .88.

"(D) UNEXPENDED FUNDS.—The Secretary may, in determining the amount of a grant for a fiscal year under this paragraph, adjust the grant amount to reflect the amount of unexpended and uncanceled grant funds remaining at the end of the fiscal year preceding the year for which the grant determination is to be made. The amount of any such unexpended funds shall be determined using the financial status report of the grantee.

"(E) PUERTO RICO, VIRGIN ISLANDS, GUAM.—For purposes of subparagraph (D), the cost index for an eligible area within Puerto Rico, the Virgin Islands, or Guam shall be 1.0.".

SEC. 5. AMOUNT OF CARE GRANTS.

Paragraphs (1) and (2) of section 2618(b) (42 U.S.C. 300ff–28(b)(1) and (2)) are amended to read as follows:

"(1) MINIMUM ALLOTMENT.—Subject to the extent of amounts made available under section 2677, the amount of a grant to be made under this part for—

"(A) each of the several States and the District of Columbia for a fiscal year shall be the greater of—

"(i)(I) with respect to a State or District that has less than 90 living cases of acquired immune deficiency syndrome, as determined under paragraph (2)(D), $100,000; or

"(i)(II) with respect to a State or District that has 90 or more living cases of acquired immune deficiency syndrome, as determined under paragraph (2)(D), $250,000;

"(ii) an amount determined under paragraph (2); and

"(B) each territory of the United States, as defined in paragraph (3), shall be an amount determined under paragraph (2).

"(2) DETERMINATION.—

"(A) FORMULA.—The amount referred to in paragraph (1)(A)(ii) for a State and paragraph (1)(B) for a territory of the United States shall be the product of—

"(i) an amount equal to the amount appropriated under section 2677 for the fiscal year involved for grants under part B; and

"(ii) the percentage constituted by the sum of—

"(I) the product of .50 and the ratio of the State distribution factor for the State or territory (as determined under subsection (B)) to the sum of the respective State distribution factors for all States or territories; and

"(II) the product of .50 and the ratio of the non-EMA distribution factor for the State or territory (as determined under subparagraph (C)) to the sum of the respective distribution factors for all States or territories.

"(B) STATE DISTRIBUTION FACTOR.—For purposes of subparagraph (A)(ii)(I), the term 'State distribution factor' means an amount equal to the estimated number of living cases of acquired immune deficiency syndrome in the eligible area involved, as determined under subparagraph (D).

"(C) NON-EMA DISTRIBUTION FACTOR.—For purposes of subparagraph (A)(ii)(II), the term 'non-ema distribution factor' means an amount equal to the sum of—

"(i) the estimated number of living cases of acquired immune deficiency syndrome in the State or territory involved, as determined under subparagraph (D); less

"(ii) the estimated number of living cases of acquired immune deficiency syndrome in such State or territory that are within an eligible area (as determined under part A).

"(D) ESTIMATE OF LIVING CASES.—The amount determined in this subparagraph is an amount equal to the product of—

"(i) the number of cases of acquired immune deficiency syndrome in the State or territory during each year in the most recent 120-month period for which data are available with respect to all States and territories, as indicated by the number of such cases reported to and confirmed by the Director of the Centers for Disease Control and Prevention for each year during such period; and

"(ii) with respect to each of the first through the tenth year during such period, the amount referred to in 2603(a)(3)(C)(ii).

"(E) PUERTO RICO, VIRGIN ISLANDS, GUAM.—For purposes of subparagraph (D), the cost index for Puerto Rico, the Virgin Islands, and Guam shall be 1.0.".

"(F) UNEXPENDED FUNDS.—The Secretary may, in determining the amount of a grant for a fiscal year under this subsection, adjust the grant amount to reflect the amount of unexpended and uncanceled grant funds remaining at the end of the fiscal year preceding the year for which the grant determination is to be made. The amount of any such unexpended funds shall be determined using the financial status report of the grantee.

"(G) LIMITATION.—

"(i) IN GENERAL.—The Secretary shall ensure that the amount of a grant awarded to a State or territory for a fiscal year under this part is equal to not less than—

"(I) with respect to fiscal year 1996, 98 percent;

"(II) with respect to fiscal year 1997, 97 percent;

"(III) with respect to fiscal year 1998, 95.5 percent;

"(IV) with respect to fiscal year 1999, 94 percent; and

"(V) with respect to fiscal year 2000, 92.5 percent;

of the amount such State or territory received for fiscal year 1995 under this part. In administering this subparagraph, the Secretary shall, with respect to States that will receive grants in amounts that exceed the amounts that such States received under this part in fiscal year 1995, proportionally reduce such amounts to ensure compliance with this subparagraph. In making such reductions, the Secretary shall ensure that no such State receives less than that State received for fiscal year 1995.

"(ii) RATABLE REDUCTION.—If the amount appropriated under section 2677 and available for allocation under this part is less than the amount appropriated and available under this part for fiscal year 1995, the limitation contained in clause (i) shall be reduced by a percentage equal to the percentage of the reduction in such amounts appropriated and available.".

SEC. 6. CONSOLIDATION OF AUTHORIZATIONS OF APPROPRIATIONS.

(a) IN GENERAL.—Part D of title XXVI (42 U.S.C. 300ff-71) is amended by adding at the end thereof the following new section:

"SEC. 2677. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—Subject to subsection (b), there are authorized to be appropriated to make grants under parts A and B, such sums as may be necessary for each of the fiscal years 1996 through 2000. Of the amount appropriated under this section for fiscal year 1996, the Secretary shall make available 64 percent of such amount to carry out part A and 36 percent of such amount to carry out part B.

"(b) DEVELOPMENT OF METHODOLOGY.—

"(1) IN GENERAL.—With respect to each of the fiscal years 1997 through 2000, the Secretary shall develop and implement a methodology for adjusting the percentages referred to in subsection (a) to account for grants to new eligible areas under part A and other relevant factors. Not later than 1 year after the date of enactment of this section, the Secretary shall prepare and submit to the appropriate committees of Congress a report regarding the findings with respect to the methodology developed under this paragraph.

"(2) FAILURE TO IMPLEMENT.—If the Secretary fails to implement a methodology under paragraph (1) by October 1, 1996, there are authorized to be appropriated—

"(A) such sums as may be necessary to carry out part A for each of the fiscal years 1997 through 2000; and

"(B) such sums as may be necessary to carry out part B for each of the fiscal years 1997 through 2000.".

(b) REPEALS.—Sections 2608 and 2620 (42 U.S.C. 300ff-18 and 300ff-30) are repealed.

(c) CONFORMING AMENDMENTS.—Title XXVI is amended—

(1) in section 2603 (42 U.S.C. 300ff-13)—

(A) in subsection (a)(2), by striking "2608" and inserting "2677"; and

(B) in subsection (b)(1), by striking "2608" and inserting "2677";

(2) in section 2605(c)(1) (42 U.S.C. 300ff-15(c)(1)) is amended by striking "2608" and inserting "2677"; and

(3) in section 2618 (42 U.S.C. 300ff-28)—

(A) in subsection (a)(1), is amended by striking "2620" and inserting "2677"; and

(B) in subsection (b)(1), is amended by striking "2620" and inserting "2677".

SEC. 7. CDC GUIDELINES FOR PREGNANT WOMEN.

(a) REQUIREMENT.—Notwithstanding any other provision of law, a State described in subsection (b) shall, not later than 1 year after the date of enactment of this Act, certify to the Secretary of Health and Human Services that such State has in effect regulations to adopt the guidelines issued by the Centers for Disease Control and Prevention concerning recommendations for immunodeficiency virus counseling and voluntary testing for pregnant women.

(b) APPLICATION OF SECTION.—A State described in this subsection is a State that has—

(1) an HIV seroprevalance among child bearing women during the period beginning on January 1, 1991 and ending on December 31, 1992, of .25 or greater as determined by the Centers for Disease Control and Prevention; or

(2) an estimated number of births to HIV positive women in 1993 of 175 or greater as determined by the Centers for Disease Control and Prevention using 1992 natality statistics.

(c) NONCOMPLIANCE.—If a State does not provide the certification required under subsection (a) within the 1 year period described in such subsection, such State shall not be eligible to receive assistance for HIV counseling and testing under the Public Health Service Act (42 U.S.C. 201 et seq.) until such certification is provided.

(d) ADDITIONAL FUNDS REGARDING WOMEN AND INFANTS.—

(1) IN GENERAL.—If a State described in subsection (b) provides the certification required in subsection (a) and is receiving funds under part B of title XXVI of the Public Health Service Act for a fiscal year, the Secretary of Health and Human Services may (from the amounts available pursuant to paragraph (3)) make a grant to the State for the fiscal year for the following purposes:

(A) Making available to pregnant women appropriate counseling on HIV disease.

(B) Making available outreach efforts to pregnant women at high risk of HIV who are not currently receiving prenatal care.

(C) Making available to such women testing for such disease.

(D) Offsetting other State costs associated with the implementation of the requirement of subsection (a).

(2) EVALUATION BY INSTITUTE OF MEDICINE.—

(A) IN GENERAL.—The Secretary of Health and Human Services shall request the Institute of Medicine of the National Academy of Sciences to enter into a contract with the Secretary for the purpose of conducting an evaluation of the extent to which grants under paragraph (1) have been effective in preventing the perinatal transmission of the human immunodeficiency virus.

(B) ALTERNATIVE CONTRACT.—If the Institute referred to in subparagraph (A) declines to conduct the evaluation under such subparagraph, the Secretary of Health and Human Services shall carry out such subparagraph through another public or nonprofit private entity.

(C) DATE CERTAIN FOR REPORT.—The Secretary of Health and Human Services shall ensure that, not later than after 2 years after the date of the enactment of this Act, the evaluation required in this paragraph is completed and a report describing the findings made as a result of the evaluation is submitted to the Congress.

(3) Funding.—For the purpose of carrying out this subsection, there are authorized to be appropriated $10,000,000 for each of the fiscal years 1996 through 2000. Amounts made available under section 2677 for carrying out this part are not available for carrying out this subsection.

SEC. 8. SPOUSAL NOTIFICATION.

(a) Prohibition on the Use of Funds.—The Secretary shall not make a grant under this Act to any State or political subdivision of any State, nor shall any other funds made available under this Act, be obligated or expended in any State unless such State takes administrative or legislative action to require that a good faith effort shall be made to notify a spouse of an AIDS-infected patient that such AIDS-infected patient is infected with the human immunodeficiency virus.

(b) Definitions.—As used in this section—

(1) AIDS-infected patient.—The term "AIDS-infected patient" means any person who has been diagnosed by a physician or surgeon practicing medicine in such State to be infected with the human immunodeficiency virus.

(2) State.—The term "State" means a State, the District of Columbia, or any territory of the United States.

(3) Spouse.—The term "spouse" means a person who is or at any time since December 31, 1976, has been the marriage partner of a person diagnosed as an AIDS-infected patient.

(c) Effective Date.—Subsection (a) shall take effect with respect to a State on January 1 of the calendar year following the first regular session of the legislative body of such State that is convened following the date of enactment of this section.

SEC. 9. STUDY ON ALLOTMENT FORMULA.

(a) Study.—The Secretary of Health and Human Services (hereafter referred to in this section as the "Secretary") shall enter into a contract with a public or nonprofit private entity, subject to subsection (b), for the purpose of conducting a study or studies concerning the statutory formulas under which funds made available under part A or B of title XXVI of the Public Health Service Act are allocated among eligible areas (in the case of grants under part A) and States and territories (in the case of grants under part B). Such study or studies shall include—

(1) an assessment of the degree to which each such formula allocates funds according to the respective needs of eligible areas, State, and territories;

(2) an assessment of the validity and relevance of the factors currently included in each such formula;

(3) in the case of the formula under part A, an assessment of the degree to which the formula reflects the relative costs of providing services under such title XXVI within eligible areas;

(4) in the case of the formula under part B, an assessment of the degree to which the formula reflects the relative costs of providing services under such title XXVI within eligible States and territories; and

(5) any other information that would contribute to a thorough assessment of the appropriateness of the current formulas.

(b) National Academy of Sciences.—The Secretary shall request the National Academy of Sciences to enter into the contract under subsection (a) to conduct the study described in such subsection. If such Academy declines to conduct the study, the Secretary shall carry out such subsection through another public or nonprofit private entity.

(c) Report.—The Secretary shall ensure that not later than 6 months after the date of enactment of this Act, the study required under subsection (a) is completed and a report describing the findings made as a result of such study is submitted to the Committee on Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

(d) Consultation.—The entity preparing the report required under subsection (c), shall consult with the Comptroller General of the United States. The Comptroller General shall review the study after its transmittal to the committees described in subsection (c) and within 3 months make appropriate recommendations concerning such report to such committees.

SEC. 10. PROHIBITIONS AND LIMITATIONS ON THE USE OF FEDERAL FUNDS

(a) Promotion or Encouragement of Certain Activities.—No funds authorized to be appropriated under this Act may be used to promote or encourage, directly or indirectly, homosexuality, or intravenous drug use.

(b) Definition.—As used in subsection (a), the term "to promote or encourage, directly or indirectly, homosexuality" includes, but is not limited to, affirming homosexuality as natural, normal, or healthy, or, in the process of addressing related "at-risk" issues, affirming in any way that engaging in a homosexual act is desirable, acceptable, or permissible, or, describing in any way techniques of homosexual sex.

SEC. 11. OPTIONAL PARTICIPATION OF FEDERAL EMPLOYEES IN AIDS TRAINING PROGRAMS.

(a) In General.—Notwithstanding any other provision of law, a Federal employee may not be required to attend or participate in an AIDS or HIV training program if such employee refuses to consent to such attendance or participation. An employer may not retaliate in any manner against such an employee because of the refusal of such employee to consent to such attendance or participation.

(b) Definition.—As used in subsection (a), the term "Federal employee" has the same meaning given the term "employee" in section 2105 of title 5, United States Code, and such term shall include members of the armed forces.

SEC. 12. PROHIBITION ON PROMOTION OF CERTAIN ACTIVITIES.

Part D of title XXVI of the Public Health Service Act (42 U.S.C. 300ff-71) as amended by section 6, is further amended by adding at the end thereof the following new section:

"SEC. 2678. PROHIBITION ON PROMOTION OF CERTAIN ACTIVITIES.

"None of the funds authorized under this title shall be used to fund AIDS programs, or to develop materials, designed to promote or encourage, directly, intravenous drug use or sexual activity, whether homosexual or heterosexual. Funds authorized under this title may be used to provide medical treatment and support services for individuals with HIV.".

SEC. 13. LIMITATION ON APPROPRIATIONS.

Notwithstanding any other provision of law, the total amounts of Federal funds expended in any fiscal year for AIDS and HIV activities may not exceed the total amounts expended in such fiscal year for activities related to cancer.

SEC. 14. EFFECTIVE DATE.

(a) In General.—Except as provided in subsection (b), this Act, and the amendments made by this Act, shall become effective on October 1, 1995.

(b) Eligible Areas.—

(1) In general.—The amendments made by subsections (a)(1)(A), (a)(2), and (b)(4)(A) of section 3 shall become effective on the date of enactment of this Act.

(2) Reported cases.—The amendment made by subsection (a)(1)(B) of section 3 shall become effective on October 1, 1997.

MOTION OFFERED BY MR. BILIRAKIS

Mr. BILIRAKIS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Bilirakis moves to strike all after the enacting clause of the Senate bill, S. 641, and to insert in lieu thereof the provisions of H.R. 1872, as passed by the House.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. Bilirakis].

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to amend the Public Health Service Act to revise and extend programs established pursuant to the Ryan White Comprehensive AIDS Resources Emergency Act of 1990."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 1872 was laid on the table.

ALASKA NATIVE CLAIMS SETTLEMENT AMENDMENT

Mr. YOUNG of Alaska. Mr. Speaker, I move to suspend the rules and take from the Speaker's table the bill (H.R. 402) to amend the Alaska Native Claims Settlement Act, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

TITLE I—ALASKA NATIVE CLAIMS SETTLEMENT

SECTION 101. RATIFICATION OF CERTAIN CASWELL AND MONTANA CREEK NATIVE ASSOCIATIONS CONVEYANCES.

The conveyance of approximately 11,520 acres to Montana Creek Native Association, Inc., and the conveyance of approximately 11,520 acres to Caswell Native Association, Inc., by Cook Inlet Region, Inc. in fulfillment of the agreement of February 3, 1976, and subsequent letter agreement of March 26, 1982, among the 3 parties are hereby adopted and ratified as a matter of Federal law. The conveyances shall be deemed to be conveyances pursuant to section 14(h)(2) of the Alaska Native Claims Settlement Act (43 U.S.C. 1613(h)(2)). The group corporations for Montana Creek and Caswell are hereby declared to have received their full entitlement and shall not be entitled to receive any additional lands under the Alaska Native Claims Settlement Act. The ratification of these conveyances shall not have any effect on section 14(h) of the Alaska Native Claims Settlement Act (43 U.S.C. 1613(h)) or upon the duties and obligations of the United States to any Alaska Native Corporation. This ratification shall not be for any claim to land or money by the Caswell or Montana Creek group *corporations or any other Alaska Native Corporation against the State of Alaska, the United States, or Cook Inlet Region, Incorporated.*

SEC. 102. MINING CLAIMS ON LANDS CONVEYED TO ALASKA REGIONAL CORPORATIONS.

Section 22(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1621(c)) is amended by adding at the end the following:

"(3) This section shall apply to lands conveyed by interim conveyance or patent to a regional corporation pursuant to this Act which are made subject to a mining claim or claims located under the general mining laws, including lands conveyed prior to enactment of this paragraph. Effective upon the date of enactment of this paragraph, the Secretary, acting through the Bureau of Land Management and in a manner consistent with section 14(g), shall transfer to the regional corporation administration of all mining claims determined to be entirely within lands conveyed to that corporation. Any person holding such mining claim or claims shall meet such requirements of the general mining laws and section 314 of the Federal Land Management and Policy Act of 1976 (43 U.S.C. 1744), except that any filings that would have been made with the Bureau of Land Management if the lands were within Federal ownership shall be timely made with the appropriate regional corporation. The validity of any such mining claim or claims may be contested by the regional corporation, in place of the United States. All contest proceedings and appeals by the mining claimants of adverse decision made by the regional corporation shall be brought in Federal District Court for the District of Alaska. Neither the United States nor any Federal agency or official shall be named or joined as a party in such proceedings or appeals. All revenues from such mining claims received after passage of this paragraph shall be remitted to the regional corporation subject to distribution pursuant to section 7(i) of this Act, except that in the event that the mining claim or claims are not totally within the lands conveyed to the regional corporation, the regional corporation shall be entitled only to that proportion of revenues, other than administrative fees, reasonably allocated to the portion of the mining claim so conveyed.".

SEC. 103. SETTLEMENT OF CLAIMS ARISING FROM HAZARDOUS SUBSTANCE CONTAMINATION OF TRANSFERRED LANDS.

The Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) is amended by adding at the end the following:

"CLAIMS ARISING FROM CONTAMINATION OF TRANSFERRED LANDS

"SEC. 40. (a) As used in this section the term 'contaminant' means hazardous substance harmful to public health or the environment, including friable asbestos.

"(b) Within 18 months of enactment of this section, and after consultation with the Secretary of Agriculture, State of Alaska, and appropriate Alaska Native corporations and organizations, the Secretary shall submit to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate, a report addressing issues presented by the presence of contaminants on lands conveyed or prioritized for conveyance to such corporations pursuant to this Act. Such report shall consist of—

"(1) existing information concerning the nature and types of contaminants present on such lands prior to conveyance to Alaska Native corporations;

"(2) existing information identifying to the extent practicable the existence and availability of potentially responsible parties for the removal or remediation of the effects of such contaminants;

"(3) identification of existing remedies;

"(4) recommendations for any additional legislation that the Secretary concludes is necessary to remedy the problem of contaminants on the lands; and

"(5) in addition to the identification of contaminants, identification of structures known to have asbestos present and recommendations to inform Native landowners on the containment of asbestos.".

SEC. 104. AUTHORIZATION OF APPROPRIATIONS FOR THE PURPOSES OF IMPLEMENTING REQUIRED RECONVEYANCES.

Section 14(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1613(c)) is amended by adding at the end the following:

"There is authorized to be appropriated such sums as may be necessary for the purpose of providing technical assistance to Village Corporations established pursuant to this Act in order that they may fulfill the reconveyance requirements of section 14(c) of this Act. The Secretary may make funds available as grants to ANCSA or nonprofit corporations that maintain in-house land planning and management capabilities.".

SEC. 105. NATIVE ALLOTMENTS.

Section 1431(o) of the Alaska National Interest Lands Conservation Act (94 Stat. 2542) is amended by adding at the end the following:

"(5) Following the exercise by Arctic Slope Regional Corporation of its option under paragraph (1) to acquire the subsurface estate beneath lands within the National Petroleum Reserve—Alaska selected by Kuukpik Corporation, where such subsurface estate entirely surrounds lands subject to a Native allotment application approved under 905 of this Act, and the oil and gas in such lands have been reserved to the United States, Arctic Slope Regional Corporation, at its further option and subject to the concurrence of Kuukpik Corporation, shall be entitled to receive a conveyance of the reserved oil and gas, including all rights and privileges therein reserved to the United States, in such lands. Upon the receipt of a conveyance of such oil and gas interests, the entitlement of Arctic Slope Regional Corporation to in-lieu subsurface lands under section 12(a)(1) of the Alaska Native Claims Settlement Act (43 U.S.C. 1611(a)(1)) shall be reduced by the amount of acreage determined by the Secretary to be conveyed to Arctic Slope Regional Corporation pursuant to this paragraph.".

SEC. 106. REPORT CONCERNING OPEN SEASON FOR CERTAIN NATIVE ALASKA VETERANS FOR ALLOTMENTS.

(a) IN GENERAL.—No later than 9 months after the date of enactment of this Act, the Secretary of the Interior, in consultation with the Secretary of Agriculture, the State of Alaska and appropriate Native corporations and organizations, shall submit to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report which shall include, but not be limited to, the following:

(1) The number of Vietnam era veterans, as defined in section 101 of title 38, United States Code, who were eligible for but did not apply for an allotment of not to exceed 160 acres under the Act of May 17, 1906 (chapter 2469, 34 Stat. 197), as the Act was in effect before December 18, 1971.

(2) An assessment of the potential impacts of additional allotments on conservation system units as that term is defined in section 102(4) of the Alaska National Interest Lands Conservation Act (94 Stat. 2375).

(3) Recommendations for any additional legislation that the Secretary concludes is necessary.

(b) REQUIREMENT.—The Secretary of Veterans Affairs shall release to the Secretary of the Interior information relevant to the report required under subsection (a).

SEC. 107. TRANSFER OF WRANGELL INSTITUTE.

(a) PROPERTY TRANSFER.—In order to effect a recision of the ANCSA settlement conveyance to Cook Inlet Region, Incorporated of the approximately 134.49 acres and structures located thereon ("property") known as the Wrangell Institute in Wrangell, Alaska, upon certification to the Secretary by Cook Inlet Region, Incorporated, that the Wrangell Institute property has been offered for transfer to the City of Wrangell, property bidding credits in an amount of $475,000, together with adjustments from January 1, 1976 made pursuant to the methodology used to establish the Remaining Obligation Entitlement in the Memorandum of Understanding Between the United States Department of the Interior and Cook Inlet Region, Incorporated dated April 11, 1986, shall be restored to the Cook Inlet Region, Incorporated, property account in the Treasury established under section 12(b) of the Act of January 2, 1976 (Public Law 94-204, 43 U.S.C. 1611 note), as amended, referred to in such section as the "Cook Inlet Region, Incorporated, property account". Acceptance by the City of Wrangell, Alaska of the property shall constitute a waiver by the City of Wrangell of any claims for the costs of remediation related to asbestos, whether in the nature of participation or reimbursement, against the United States or Cook Inlet Region, Incorporated. The acceptance of the property bidding credits by Cook Inlet Region, Incorporated, Alaska of the property shall constitute a waiver by Cook Inlet Region, Incorporated of any claims for the costs of remediation related to asbestos, whether in the nature of participation or reimbursement, against the United States. In no event shall the United States be required to take title to the property. Such restored property bidding credits may be used in the same manner as any other portion of the account.

(b) HOLD HARMLESS.—Upon acceptance of the property bidding credits by Cook Inlet Region, Inc., the United States shall defend and hold harmless Cook Inlet Region, Inc., and its subsidiaries in any and all claims arising from asbestos or any contamination existing at the Wrangell Institute property at the time of transfer of ownership of the property from the United States to Cook Inlet Region, Incorporated.

SEC. 108. SHISHMAREF AIRPORT AMENDMENT.

The Shishmaref Airport, conveyed to the State of Alaska on January 5, 1967, in Patent No. 1240529, is subject to reversion to the United States, pursuant to the terms of that patent for nonuse as an airport. The Administrator of the Federal Aviation Administration is hereby directed to exercise said reverter in Patent No. 1240529 in favor of the United States within twelve months of the date of enactment of this section. Upon revesting of title, notwithstanding any other provision of law, the United States shall immediately thereafter transfer all right, title, and interest of the United States in the subject lands to the Shishmaref Native Corporation. Nothing in this section shall relieve the State, the United States, or any other potentially responsible party of liability, if any, under existing law for the cleanup of hazardous or solid wastes on the property, nor shall the United States or Shishmaref Native Corporation become liable for the cleanup of the property solely by virtue of acquiring title from the State of Alaska or from the United States.

SEC. 109. CONFIRMATION OF WOODY ISLAND AS ELIGIBLE NATIVE VILLAGE.

The Native village of Woody Island, located on Woody Island, Alaska, in the Koniag Region, is hereby confirmed as an eligible Alaska Native Village, pursuant to Section 11(b)(3) of the Alaska Native Claims Settlement Act ["ANCSA"]. It is further confirmed that Leisnoi, Inc., is the Village Corporation, as that term is defined in Section 3(j) of ANCSA, for the village of Woody Island.

SEC. 110. DEFINITION OF REVENUES.

(a) Section 7(i) of the Alaska Native Claims Settlement Act, Public Law 92-203 (43 U.S.C. 1606(i)), is amended—

(1) by inserting "(1)" after "(i)"; and

(2) by adding at the end the following new paragraph:

"(2) For purposes of this subsection, the term 'revenues' does not include any benefit received or realized for the use of losses incurred or credits earned by a Regional Corporation.".

(b) This amendment shall be effective as of the date of enactment of the Alaska Native Claims Settlement Act, Public Law 92-203 (43 U.S.C. 1601, et seq.).

TITLE II—HAWAIIAN HOME LANDS

SEC. 201. SHORT TITLE.

This title may cited as the "Hawaiian Home Lands Recovery Act".

SEC. 202. DEFINITIONS.

As used in this title:

(1) AGENCY.—The term "agency" includes—

(A) any instrumentality of the United States;

(B) any element of an agency; and

(C) any wholly owned or mixed-owned corporation of the United States Government.

(2) BENEFICIARY.—The term "beneficiary" has the same meaning as is given the term "native Hawaiian" under section 201(7) of the Hawaiian Homes Commission Act.

(3) CHAIRMAN.—The term "Chairman" means the Chairman of the Hawaiian Homes Commission of the State of Hawaii.

(4) COMMISSION.—The term "Commission" means the Hawaiian Homes Commission established by section 202 of the Hawaiian Homes Commission Act.

(5) HAWAIIAN HOMES COMMISSION ACT.—The term "Hawaiian Homes Commission Act" means the Hawaiian Homes Commission Act, 1920 (42 Stat. 108 et. seq., chapter 42).

(6) HAWAII STATE ADMISSION ACT.—The term "Hawaii State Admission Act" means the Act entitled "An Act to provide for the admission of the State of Hawaii into the Union", approved March 18, 1959 (73 Stat. 4, chapter 339; 48 U.S.C. note prec. 491).

(7) LOST USE.—The term "lost use" means the value of the use of the land during the period when beneficiaries or the Hawaiian Homes Commission have been unable to use lands as authorized by the Hawaiian Homes Commission Act because of the use of such lands by the Federal Government after August 21, 1959.

(8) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

SEC. 203. SETTLEMENT OF FEDERAL CLAIMS.

(a) DETERMINATION.—

(1) The Secretary shall determine the value of the following:

(A) Lands under the control of the Federal Government that—

(i) were initially designated as available lands under section 203 of the Hawaiian Homes Commission Act (as in effect on the date of enactment of such Act); and

(ii) were nevertheless transferred to or otherwise acquired by the Federal Government.

(B) The lost use of lands described in subparagraph (A).

(2)(A) Except as provided in subparagraph (B), the determinations of value made under this subsection shall be made not later than 1 year after the date of enactment of this Act. In carrying out this subsection, the Secretary shall use a method of determining value that—

(i) is acceptable to the Chairman; and

(ii) is in the best interest of the beneficiaries.

(B) The Secretary and the Chairman may mutually agree to extend the deadline for making determinations under this subparagraph beyond the date specified in subparagraph (A).

(3) The Secretary and the Chairman may mutually agree, with respect to the determinations of value described in subparagraphs (A) and (B) of paragraph (1), to provide—

(A) for making any portion of the determinations of value pursuant to subparagraphs (A) and (B) of paragraph (1); and

(B) for making the remainder of the determinations with respect to which the Secretary and the Chairman do not exercise the option described in subparagraph (A), pursuant to an appraisal conducted under paragraph (4).

(4)(A) Except as provided in subparagraph (C), if the Secretary and the Chairman do not agree on the determinations of value made by the Secretary under subparagraphs (A) and (B) of paragraph (1), or, pursuant to paragraph (3), mutually agree to determine the value of certain lands pursuant to this subparagraph, such values shall be determined by an appraisal. An appraisal conducted under this subparagraph shall be conducted in accordance with appraisal standards that are mutually agreeable to the Secretary and the Chairman.

(B) If an appraisal is conducted pursuant to this subparagraph, during the appraisal process—

(i) the Chairman shall have the opportunity to present evidence of value to the Secretary;

(ii) the Secretary shall provide the Chairman a preliminary copy of the appraisal;

(iii) the Chairman shall have a reasonable and sufficient opportunity to comment on the preliminary copy of the appraisal; and

(iv) the Secretary shall give consideration to the comments and evidence of value submitted by the Chairman under this subparagraph.

(C) The Chairman shall have the right to dispute the determinations of values made by an appraisal conducted under this subparagraph. If the Chairman disputes the appraisal, the Secretary and the Chairman may mutually agree to employ a process of bargaining, mediation, or other means of dispute resolution to make the determinations of values described in subparagraphs (A) and (B) of paragraph (1).

(b) AUTHORIZATION.—

(1) EXCHANGE.—Subject to paragraphs (2) and (5), the Secretary may convey Federal lands described in paragraph (5) to the Department of Hawaiian Home Lands in exchange for the continued retention by the Federal Government of lands described in subsection (a)(1)(A).

(2) VALUE OF LANDS.—(A) The value of any lands conveyed to the Department of Hawaiian Home Lands by the Federal Government in accordance with an exchange made under paragraph (1) may not be less than the value of the lands retained by the Federal Government pursuant to such exchange.

(B) For the purposes of this subsection, the value of any lands exchanged pursuant to paragraph (1) shall be determined as of the date the exchange is carried out, or any other date determined by the Secretary, with the concurrence of the Chairman.

(3) LOST USE.—Subject to paragraphs (4) and (5), the Secretary may convey Federal lands described in paragraph (5) to the Department of Hawaiian Home Lands as compensation for the lost use of lands determined under subsection (a)(1)(B).

(4) VALUE OF LOST USE.—(A) the value of any lands conveyed to the Department of Hawaiian Home Lands by the Federal Government as compensation under paragraph (3) may not be less than the value of the lost use of lands determined under subsection (a)(1)(B).

(B) For the purposes of this subparagraph, the value of any lands conveyed pursuant to paragraph (3) shall be determined as of the date that the conveyance occurs, or any other date determined by the Secretary, with the concurrence of the Chairman.

(5) FEDERAL LANDS FOR EXCHANGE.—(A) Subject to subparagraphs (B) and (C), Federal lands located in Hawaii that are under the control of an agency (other than lands within the National Park System or the National Wildlife Refuge System) may be conveyed to the Department of Hawaiian Home Lands under paragraphs (1) and (3). To assist the Secretary in carrying out this Act, the head of an agency may transfer to the Department of the Interior, without reimbursement, jurisdiction and control over any lands and any structures that the Secretary determines to be suitable for conveyance to the Department of Hawaiian Home Lands pursuant to an exchange conducted under this section.

(B) No Federal lands that the Federal Government is required to convey to the State of Hawaii under section 5 of the Hawaii State Admission Act may be conveyed under paragraph (1) or (3).

(C) No Federal lands that generate income (or would be expected to generate income) for the Federal Government may be conveyed pursuant to an exchange made under this paragraph to the Department of Hawaiian Home Lands.

(c) AVAILABLE LANDS.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3), the Secretary shall require that lands conveyed to the Department of Hawaiian Home Lands under this Act shall have the status of available lands under the Hawaiian Home Commission Act.

(2) SUBSEQUENT EXCHANGE OF LANDS.—Notwithstanding any other provision of law, lands conveyed to the Department of Hawaiian Home Lands under this paragraph may subsequently be exchanged pursuant to section 204(3) of the Hawaiian Home Commission Act.

(3) SALE OF CERTAIN LANDS.—Notwithstanding any other provision of law, the Chairman may, at the time that lands are conveyed to the Department of Hawaiian Home Lands as compensation for lost use under this Act, designate lands to be sold. The Chairman is authorized to sell such land under terms and conditions that are in the best interest of the beneficiaries. The proceeds of such a sale may only be used for the purposes described in section 207(a) of the Hawaiian Homes Commission Act.

(d) CONSULTATION.—In carrying out their respective responsibilities under this section, the Secretary and the Chairman shall—

(1) consult with the beneficiaries and organizations representing the beneficiaries; and

(2) report to such organizations on a regular basis concerning the progress made to meet the requirements of this section.

(e) HOLD HARMLESS.—Notwithstanding any other provision of law, the United States shall defend and hold harmless the Department of Hawaiian Home Lands, the employees of the Department, and the beneficiaries with respect to any claim arising from the ownership of any land or structure that is conveyed to the Department pursuant to an exchange made under this section prior to the conveyance to the Department of such land or structure.

(f) SCREENING.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of Defense and the Administrator of General Services shall, at the same time as notice is provided to Federal agencies that excess real property is being screened pursuant to applicable Federal laws (including regulations) for possible transfer to such agencies, notify the Chairman of any such screening of real property that is located within the State of Hawaii.

(2) RESPONSE TO NOTIFICATION.—Notwithstanding any other provision of law, not later than 90 days after receiving a notice under paragraph (1), the Chairman may select for appraisal real property, or at the election of the Chairman, portions of real property, that is the subject of a screening.

(3) SELECTION.—Notwithstanding any other provision of law, with respect to any real property located in the State of Hawaii that, as of the date of enactment of this Act, is being screened pursuant to applicable Federal laws for possible transfer (as described in paragraph (1)) or has been screened for such purpose, but has not been transferred or declared to be surplus real property, the Chairman may select all, or any portion of, such real property to be appraised pursuant to paragraph (4).

(4) APPRAISAL.—Notwithstanding any other provision of law, the Secretary of Defense or the Administrator of General Services shall appraise the real property or portions of real property selected by the Chairman using the Uniform Standards for Federal Land Acquisition developed by the Interagency Land Acquisition Conference, or such other standard as the Chairman agrees to.

(5) REQUEST FOR CONVEYANCE.—Notwithstanding any other provision of law, not later than 30 days after the date of completion of such appraisal, the Chairman may request the conveyance to the Department of Hawaiian Home Lands of—

(A) the appraised property; or

(B) a portion of the appraised property, to the Department of Hawaiian Home Lands.

(6) CONVEYANCE.—Notwithstanding any other provision of law, upon receipt of a request from the Chairman, the Secretary of Defense or the Administrator of the General Services Administration shall convey, without reimbursement, the real property that is the subject of the request to the Department of Hawaiian Home Lands as compensation for lands identified under subsection (a)(1)(A) or lost use identified under subsection (a)(1)(B).

(7) REAL PROPERTY NOT SUBJECT TO RECOUPMENT.—Notwithstanding any other provision of law, any real property conveyed pursuant to paragraph (6) shall not be subject to recoupment based upon the sale or lease of the land by the Chairman.

(8) VALUATION.—Notwithstanding any other provision of law, the Secretary shall reduce the value identified under subparagraph (A) or (B) of subsection (a)(1), as determined pursuant to such subsection, by an amount equal to the appraised value of any excess lands conveyed pursuant to paragraph (6).

(9) LIMITATION.—No Federal lands that generate income (or would be expected to generate income) for the Federal Government may be conveyed pursuant to this subsection to the Department of Hawaiian Home Lands.

SEC. 204. PROCEDURE FOR APPROVAL OF AMENDMENTS TO HAWAIIAN HOMES COMMISSION ACT.

(a) NOTICE TO THE SECRETARY.—Not later than 120 days after a proposed amendment to the Hawaiian Homes Commission Act is approved in the manner provided in section 4 of the Hawaii State Admission Act, the Chairman shall submit to the Secretary—

(1) a copy of the proposed amendment;

(2) the nature of the change proposed to be made by the amendment; and

(3) an opinion regarding whether the proposed amendment requires the approval of Congress under section 4 of the Hawaii State Admission Act.

(b) DETERMINATION BY SECRETARY.—Not later than 60 days after receiving the materials required to be submitted by the Chairman pursuant to subsection (a), the Secretary shall determine whether the proposed amendment requires the approval of Congress under section 4 of the Hawaii State Admission Act, and shall notify the Chairman and Congress of the determination of the Secretary.

(c) CONGRESSIONAL APPROVAL REQUIRED.—If, pursuant to subsection (b), the Secretary determines that the proposed amendment requires the approval of Congress, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives—

(1) a draft joint resolution approving the amendment;

(2) a description of the change made by the proposed amendment and an explanation of how the amendment advances the interests of the beneficiaries;

(3) a comparison of the existing law (as of the date of submission of the proposed amendment) that is the subject of the amendment with the proposed amendment;

(4) a recommendation concerning the advisability of approving the proposed amendment; and

(5) any documentation concerning the amendments received from the Chairman.

SEC. 205. LAND EXCHANGES.

(a) NOTICE TO THE SECRETARY.—If the Chairman recommends for approval an exchange of Hawaiian Home Lands, the Chairman shall submit a report to the Secretary on the proposed exchange. The report shall contain—

(1) a description of the acreage and fair market value of the lands involved in the exchange;

(2) surveys and appraisals prepared by the Department of Hawaiian Home Lands, if any; and

(3) an identification of the benefits to the parties of the proposed exchange.

(b) APPROVAL OR DISAPPROVAL.—

(1) IN GENERAL.—Not later than 120 days after receiving the information required to be submitted by the Chairman pursuant to subsection (a), the Secretary shall approve or disapprove the proposed exchange.

(2) NOTIFICATION.—The Secretary shall notify the Chairman, the Committee on Energy and Natural Resources of the Senate, and the Committee on Resources of the House of Representatives of the reasons for the approval or disapproval of the proposed exchange.

(c) EXCHANGES INITIATED BY SECRETARY.—

(1) IN GENERAL.—The Secretary may recommend to the Chairman an exchange of Hawaiian Home Lands for Federal lands described in section 203(b)(5), other than lands described in subparagraphs (B) and (C) of such section. If the Secretary initiates a recommendation for such an exchange, the Secretary shall submit a report to the Chairman on the proposed exchange that meets the requirements of a report described in subsection (a).

(2) APPROVAL BY CHAIRMAN.—Not later than 120 days after receiving a recommendation for an exchange from the Secretary under paragraph (1), the Chairman shall provide written notification to the Secretary of the approval or disapproval of a proposed exchange. If the Chairman approves the proposed exchange, upon receipt of the written notification, the Secretary shall notify the Committee on Energy and Natural Resources of the Senate, and the Committee on Resources of the House of Representatives of the approval of the Chairman of the proposed exchange.

(3) EXCHANGE.—Upon providing notification pursuant to paragraph (2) of a proposed exchange that has been approved by the Chairman pursuant to this section, the Secretary may carry out the exchange.

(d) SELECTION AND EXCHANGE.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary may—

(A) select real property that is the subject of screening activities conducted by the Secretary of Defense or the Administrator of General Services pursuant to applicable Federal laws (including regulations) for possible transfer to Federal agencies; and

(B) make recommendations to the Chairman concerning making an exchange under subsection (c) that includes such real property.

(2) TRANSFER.—Notwithstanding any other provision of law, if the Chairman approves an exchange proposed by the Secretary under paragraph (1)—

(A) the Secretary of Defense or the Administrator of General Services shall transfer the real property described in paragraph (1)(A) that is the subject of the exchange to the Secretary without reimbursement; and

(B) the Secretary shall carry out the exchange.

(3) LIMITATION.—No Federal lands that generate income (or would be expected to generate income) for the Federal Government may be conveyed pursuant to this subsection to the Department of Hawaiian Home Lands.

(e) SURVEYS AND APPRAISALS.—

(1) REQUIREMENT.—The Secretary shall conduct a survey of all Hawaiian Home Lands based on the report entitled "Survey Needs for the Hawaiian Home Lands", issued by the Bureau of Land Management of the Department of the Interior, and dated July 1991.

(2) OTHER SURVEYS.—The Secretary is authorized to conduct such other surveys and appraisals as may be necessary to make an informed decision regarding approval or disapproval of a proposed exchange.

SEC. 206. ADMINISTRATION OF ACTS BY UNITED STATES.

(a) DESIGNATION.—

(1) IN GENERAL.—Not later than 120 days after the date of enactment of this Act, the Secretary shall designate an individual from within the Department of the Interior to administer the responsibilities of the United States under this title and the Hawaiian Homes Commission Act.

(2) DEFAULT.—If the Secretary fails to make an appointment by the date specified in paragraph (1), or if the position is vacant at any time thereafter, the Assistant Secretary for Policy, Budget, and Administration of the Department of the Interior shall exercise the responsibilities for the Department in accordance with subsection (b).

(b) RESPONSIBILITIES.—The individual designated pursuant to subsection (a) shall, in administering the laws referred to in such subsection—

(1) advance the interests of the beneficiaries; and

(2) assist the beneficiaries and the Department of Hawaiian Home Lands in obtaining assistance from programs of the Department of the Interior and other Federal agencies that will promote homesteading opportunities, economic self-sufficiency, and social well-being of the beneficiaries.

SEC. 207. ADJUSTMENT.

The Act of July 1, 1932 (47 Stat. 564, chapter 369; 25 U.S.C. 386a) is amended by striking the period at the end and adding the following: ": Provided further, That the Secretary shall adjust or eliminate charges, defer collection of construction costs, and make no assessment on behalf of such charges for beneficiaries that hold leases on Hawaiian home lands, to the same extent as is permitted for individual Indians or tribes of Indians under this section.".

SEC. 208. REPORT.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Chairman shall report to the Secretary concerning any claims that—

(1) involve the transfer of lands designated as available lands under section 203 of the Hawaiian Homes Commission Act (as in effect on the date of enactment of such Act); and

(2) are not otherwise covered under this title.

(b) REVIEW.—Not later than 180 days after receiving the report submitted under subsection (a), the Secretary shall make a determination with respect to each claim referred to in subsection (a), whether, on the basis of legal and

equitable considerations, compensation should be granted to the Department of Hawaiian Home Lands.

(c) COMPENSATION.—If the Secretary makes a determination under subsection (b) that compensation should be granted to the Department of Hawaiian Home Lands, the Secretary shall determine the value of the lands and lost use in accordance with the process established under section 203(a), and increase the determination of value made under subparagraphs (A) and (B) of section 203(a)(1) by the value determined under this subsection.

SEC. 209. AUTHORIZATION.

There are authorized to be appropriated such sums as may be necessary for compensation to the Department of Hawaiian Home Lands for the value of the lost use of lands determined under section 203. Compensation received by the Department of Hawaiian Home Lands from funds made available pursuant to this section may only be used for the purposes described in section 207(a) of the Hawaiian Homes Commission Act. To the extent that amounts are made available by appropriations pursuant to this section for compensation paid to the Department of Hawaiian Home Lands for lost use, the Secretary shall reduce the determination of value established under section 203(a)(1)(B) by such amount.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Alaska [Mr. YOUNG] will be recognized for 20 minutes, and the gentleman from Hawaii [Mr. ABERCROMBIE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Alaska [Mr. YOUNG].

Mr. YOUNG of Alaska. Mr. Speaker, I rise in strong support of H.R. 402, as amended in the Senate. This bill is the result of a 2½-year effort of the Alaska Federation of Natives, the State of Alaska, the administration, and my ranking minority member, Mr. MILLER, and I thank them for their dedication and hard work. Sections 101 and 107 of title I of this bill have already passed the House in previous Congresses but were not acted on by the Senate.

H.R. 402 makes several technical changes to the Alaska Native Claims Settlement Act of 1971 [ANCSA] and the Alaska National Interests Land Conservation Act to address some of the unresolved land issues which have arisen since the passage of these Acts. This bill also adds a new title to address the issue of Hawaiian Home Lands.

Title I includes specific land conveyances to Native corporations, the clarification of mining authority and administration of mining claims on lands conveyed to Native corporations, an authorization for technical assistance to Native villages to help with land reconveyances required under ANCSA, a report on Vietnam-era veterans who were eligible but did not receive land under the Native Allotment Act of May 17, 1906, the confirmation of Woody Island, AK, as an eligible Alaska Native village under ANCSA and further clarification regarding the application of section 7(i) of the ANCSA revenue sharing provision to Alaska Native Regional corporations.

Title II authorizes the Secretary of the Interior to begin the negotiation process for 1,400 acres of Federal lands to be conveyed to the Department of Hawaiian Home Lands in exchange for Hawaiian Home Lands retained by the Federal Government and for compensation for lost use of these lands. This is an authorization only to establish a process for the exchange of lands as authorized in the Hawaiian Home Lands Recovery Act.

Mr. Speaker, all these provisions are long awaited, by both my Alaska Native constituency and the Hawaiian Native constituency to resolve some of the land disputes in the respective Native homelands and States.

I want to thank Chairman KASICH and his staff for their thorough review of this bill in a short period of time and their cooperation in scheduling this bill on today's program.

Mr. Speaker, I would suggest respectfully that one of the most frustrating things I have in this profession of mine is when I have people come to me and suggest "we should have been notified." This bill has been on the burner for a long, long time, and the Senate provision for the Hawaiian homelands has been passed by the Senate many, many months ago. Now people are raising some questions, I want to suggest redundantly. I think those questions are moot, and should not be answered at this time because they are not germane to the subject we are discussing today.

Mr. Speaker, I urge my colleagues to support this measure.

Mr. Speaker, I reserve the balance of my time.

Mr. ABERCROMBIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to say to my good friend from Alaska [Mr. YOUNG] that I very much appreciate the remarks that he has made. Unless I misunderstood him, I think that some of the objections being raised are moot, rather than mute. Unfortunately, very few of the activities and actions on this floor take place in a mute situation. We may wish for more of that before we are through.

Unfortunately the gentleman from Alaska [Mr. YOUNG] has probably missed the general tenor of my remarks in the last minute or so, because he is otherwise preoccupied. I hope he will, however, be able to take note of the fact that I rise in support of the legislation which passed the House without controversy on March 14 of this year. That bill was the product, as the gentleman from Alaska [Mr. YOUNG] has noted, of a lengthy process and negotiation between the Department of the Interior, the State of Alaska, and the Alaska Federation of Natives and other interested parties, one of whom obviously, of course, is the State of Hawaii.

It was substantially the same as legislation passed in the last Congress, and it dealt with a number of matters of importance to native Alaskans and to native Hawaiians.

However, Mr. Speaker, the bill before us today has been amended by the other body and can no longer be described as legislation that resembled that which I previously noted. To be clear, the Department of the Interior has certain concerns about some of the provisions added by the other body.

In this case, however, I defer to the judgment of the gentleman from Alaska [Mr. YOUNG] as to what is in the best interests of the Alaskan natives. I would hope, Mr. Speaker, that our colleagues would do that for the gentleman from Alaska [Mr. YOUNG] and myself. I urge my colleagues to support the bill.

Mr. Speaker, I want to say in addition how much I appreciate the concerns and the attention paid by the gentleman from Alaska [Mr. YOUNG] and the Committee on Resources staff to this bill. The gentleman is quite correct that this has taken actually years to get through. Some sections of it have been months in the making. Hearings have been held.

I think that it is fair to say that this has been acted on in a bipartisan way, based on the merits rather than on some of the fears and anxieties that might otherwise have attended this bill.

Mr. Speaker, I do hope that our colleagues will recognize that this bill has been put together on the basis of good will and good faith, and that the matters to be dealt with in the bill have long since passed the point of reasonable time to have them resolved.

Mr. Speaker, I rise in strong support of title II, the Hawaiian Home Lands Recovery Act, contained in H.R. 402, the Alaska Native Claims Settlement Act. The Hawaiian Home Lands Recovery Act demonstrates a good faith effort by the Federal Government regarding the settlement of claims by the Department of Hawaiian Home Lands. In simpler terms, this is a land exchange bill from the Federal Government to the Department of Hawaiian Home Lands to make the covenant whole in regards to the set aside of lands established under the Hawaiian Homes Commission Act.

Over 70 years have elapsed since Congress passed the Hawaiian Homes Commission Act of 1920 [HHCA]. Under the HHCA approximately 203,500 acres of public land was set aside for the "rehabilitation" of Native Hawaiians through a Government-sponsored homesteading project. Two major factors prompted Congress to pass the HHCA. First, the Native Hawaiians were a dying race. Population data showed that the number of full-blooded Hawaiians in the territory had decreased from an 1826 estimate of 142,650 to 22,600 in 1919. Second, Congress saw that previous systems of land distribution were ineffective when judged practically by the benefits accruing to Native Hawaiians.

The HHCA was originally intended for rural homesteading, i.e., for Native Hawaiians to leave urban areas and return to the lands to become subsistence or commercial farmers and ranchers. Yet, the demand of Native Hawaiians for residential house lots has far exceeded the demand for agricultural or pastoral lots.

Since the State of Hawaii essentially assumed the duties of management and disposition of the Hawaiian home lands under the Statehood Admission Act, why would an action be considered a Federal breach?

Federal—because (1) These wrongful actions took place prior to statehood, in a time period when Hawaii was under Federal jurisdiction, and in which title to the land was held by the U.S. Government; or, (2) are continuing wrongful actions for which the Federal Government is responsible and only the Federal Government can remedy.

Breach—because the wrongful actions are breaches of responsibility under statute, by judicial or legislative findings, through trust law, or moral obligations. Alienation of land, and use of the land for purposes that are not authorized under the HHCA constitute breaches of the trust. There are numerous examples of these breaches in the territorial period. In fact, the Federal Government still occupies approximately 1,400 acres of identified Hawaiian home lands.

The Hawaiian Home Lands Recovery Act seeks to redress this issue by authorizing the transfer of Federal lands to the Department of Hawaiian Home Lands in exchange for Hawaiian home lands retained by the Federal Government. Although the term "exchange" is used in this legislation, there is no expectation that DHHL will relinquish land to the Federal Government. DHHL need only relinquish any remaining claim it may have to former home lands now controlled by the Federal Government. The bill would also provide compensation for lost use of Hawaiian home lands controlled by the Federal Government.

In advance of land being conveyed to the Department of Hawaiian Home Lands under sections 203(b) and 203(f) of the bill, the Secretary of the Interior is required to determine the value of lands currently controlled by the Federal Government that were designated as available lands under the Hawaiian Homes Commission Act. It is important to note that section 203(a)(1)(A)(i) states that this determination is to be made based upon the HHCA, as enacted. Thus, the valuation shall include lands designated as home lands under the 1920 Act that are not currently part of the home land inventory, whether the withdrawal occurred as a result of executive action, or through an act of Congress. The Secretary is also required to determine the value of the lost use of lands currently controlled by the Federal Government so that this, too, can be compensated.

The valuation required by the legislation is not intended to be a unilateral action by the Secretary. On the contrary, section 203(a)(2)(A) requires the use of a valuation method that is acceptable to the Chairman of the Department of Hawaiian Home Lands and, most importantly, is in the best interests of the beneficiaries. These two conditions exist regardless of whether the Secretary uses an appraisal or non-appraisal method of valuation. Section 203(a)(2)(A) requires the Secretary to be an advocate for the best interests of Hawaiian home beneficiaries in reaching a determination of value. Thus the Secretary has a fiduciary responsibility for seeing to it that the beneficiaries receive the maximum possible compensation.

Under section 203(a), the Secretary need not determine the value of land and lost use by appraisal. The committee included a provision allowing valuation by a method other than appraisal in order to promote a speedy resolution of this longstanding conflict. The committee considers valuation by mutual agreement to be far preferable to the burdensome process of appraisal. During our hearings on this legislation, the Senate Energy and Natural Resources Committee was advised that the State of Hawaii had appraised most of the Federal properties in question. The GAO, in their report to the committee, analyzed the State appraisals and found the appraisal methodology used by the State was appropriate and that proper accounting principles were employed. The State appraisals therefore supplant the need for a separate appraisal by the Department of the Interior.

In the unfortunate event that the Interior Department decides to proceed with an appraisal, a number of specific safeguards have been instituted to ensure that the Department properly discharges its fiduciary responsibility to protect the interests of the Hawaiian home beneficiaries. These include a guarantee that the chairman of the Department of Hawaiian Home Lands shall have the opportunity to present evidence of the value of the home lands that were lost as well as the value of the lost use of these lands, the right to review and comment on a preliminary copy of the appraisal, and most importantly, the requirement that the Secretary give full consideration of the evidence of value presented by DHHL. Given the responsibility under section 203(a)(2)(A) that the Secretary represent the best interests of the beneficiaries, the requirement in section 203(a)(4)(B) is not ephemeral. When construed together, these provisions require the Secretary to give great weight to the recommendations of the DHHL on matters of value, especially if the interests of home land beneficiaries would be advanced by doing so.

In addition to all these protections, the Chairman of the Department of Hawaiian Home Lands has the right to dispute the determinations of value for land and lost use. Thus it is unmistakably clear that the Secretary and the chairman of DHHL must mutually consent to the values to be determined under section 203 of the bill.

Section 203(b) authorizes the conveyance of land to the Department of Hawaiian Home Lands as compensation for lost lands, and the lost use of home lands retained by the Federal Government. This section further authorizes the head of any Federal agency to transfer land and structures to the Secretary of the Interior for subsequent conveyance to DHHL. I want to contrast the two-step conveyance process described in section 203(b)(5) with the authority for the General Services Administration or the Department of Defense to convey property directly to DHHL under Section 203(f)(6) of the bill. A section 203(f)(6) conveyance would be a direct transfer of title, without intervention by the Department of the Interior, whereas the Interior Department would act as a transfer agent for conveyances executed under section 203(b)(5). Let me point out, however, that although jurisdiction and control of land would be transferred to the Interior Department under a section 203(b)(5) conveyance, the Interior Department's responsibility in completing the transfer is nothing more than a ministerial function. In this case the agency serves as a conduit for consummating the transfer of title to the DHHL.

Section 203(f) of the bill establishes a second means of conveying lands to the Department of Hawaiian Home Lands by allowing DHHL to obtain lands that are excess to the needs of individual Federal agencies. Subsection (f) places the Department of Hawaiian Home Lands in the same, or better, status as a Federal agency for the purpose of being notified of excess property and for obtaining the property from the excessing agency. Under no circumstances should the land that has been selected by the Chairman for appraisal under section 203(f)(2), and possible conveyance under section 203(f)(5), be transferred or otherwise disposed of by any Federal agency until the opportunity of the DHHL to obtain the land has expired.

Finally, let me comment on section 207 of the bill. This section establishes a cost sharing for Bureau of Reclamation projects on Hawaiian home lands that is the same as the cost sharing authorized for projects on Indian lands.

Mr. Speaker, I reserve the balance of my time.

Mr. YOUNG of Alaska. Mr. Speaker, I yield such time as he may consume to the gentleman from Colorado [Mr. HEFLEY].

Mr. HEFLEY. Mr. Speaker, I rise to express concern to H.R. 402, the Alaska Native Claims Settlement Act Amendments. I do so reluctantly and for reasons that have nothing to do with the underlying measure which has already passed the House.

Title I of H.R. 402, concerning the settlement of Alaskan Native claims, is legislation which deserves the support of the House. My qualms about this legislation reside wholly in title II which was added by the Senate.

Title II of the bill, the Hawaiian Home Lands Recovery Act, raises a number of issues that have not been adequately addressed here in the House. The legislation proposes to establish a system to resolve Hawaiian native claims against the Federal Government in disputes over lands which were allegedly diverted during territorial times from a Federal homesteading program for native Hawaiians to military use by the United States. As the chairman of the Subcommittee on Military Installations and Facilities, I have a number of serious questions about the legislation sent to the House by the Senate.

My two principal concerns involve the conflict between this legislation and the disposal process put into place for excess military property under the base closure and realignment process and the possible effects of title II on the operational requirements for the Armed Forces in Hawaii. I'm concerned that the reuse and disposal of excess property at Naval Air Station Barbers Point will be seriously disrupted by this bill. Title II also holds open the prospect that the Department of Defense, particularly the Navy, could be evicted from certain lands essential for the continued performance of the Department's national defense mission merely to satisfy land claims of possibly dubious merit.

Mr. Speaker, it is my understanding that the Department of Defense and the Department of the Navy have expressed grave concern about the enactment of title II of H.R. 402. The Department may have legitimate concerns or the Department may be overreacting. We don't know because there have been no hearings on title II of which I am aware. In my view, we should have a better understanding of the implications of running with the Senate amendment before proceeding.

I would prefer sending this bill back to the Senate without title II. That would allow the underlying measure concerning Alaskan Native claims to proceed, but would also allow us some time to take a look at the Senate amendment.

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Mr. ABERCROMBIE. Mr. Speaker, will the gentleman yield?

Mr. HEFLEY. I yield to the gentleman from Hawaii.

Mr. ABERCROMBIE. Mr. Speaker, I recognize the concerns of the gentleman from Colorado [Mr. HEFLEY] and telephoned him earlier today when I became aware of the mirrors that had been raised this late in the game. I did not see the particular memorandum to which he referred in much of his remarks until just about an hour or less than an hour before these proceedings.

I can assure the gentleman as well as the gentleman from Alaska [Mr. YOUNG], that, had I been aware of some of these presumed objections earlier, I certainly would have brought to everyone's attention.

The fact is, if the gentleman will allow me just a few moments to go over the history very quickly here, this particular section in title II has been before the Congress for 15 months now. Apparently the Department of Defense discovered it in August of this year. That may be more of a reflection on the capabilities of the Department of Defense to get its work done than it is on the deliberative processes in either body in our national legislature.

I regret to say, Mr. Speaker, that the memorandum prepared for Mr. Mark Wagner, the Assistant Secretary for Defense Economic Security, whatever that is, on the subject of the Department of Hawaiian Home Lands, dated August 7, 1995, was written by a deputy, which amounts to, I am afraid, a series of editorial comments having no factual basis in the legislation. It is a little bit difficult to respond to what amounts to ad hominem commentary, but I will do my best to do that.

Mr. Speaker, there is also another memo dated August 29 of this year from the Department of Defense to the Office of Management and Budget which goes to several points. It states, and I want to indicate this to the gentleman from Alaska [Mr. YOUNG] and to the gentleman from Colorado [Mr. HEFLEY], that the Department is not discussing the merits of the claims in the memo, which I find extraordinary. If it is not discussing the merits of the claims, why is it discussing it at all?

I will repeat that. The Department is not discussing the merits of the claims. The claims go to two or three points that the gentleman from Colorado [Mr. HEFLEY] correctly raised as a result of receiving these memos.

The applicability of property at military installations closed or realigned pursuant to the base closure law, potential displacement from property essential for the performance of mission, and creation of special appraisal standards.

I can assure the gentleman, and I am sure the gentleman from Alaska [Mr. YOUNG] will in turn assure the gentleman, that the legislation as written in 402 and in section 2 does not in any way obviate any of those purposes of the base closure law or any performance of mission, nor anything having to do with special appraisal standards. The comments are entirely editorial in nature and amount to ad hominem commentary.

I can, if the gentleman from Alaska [Mr. YOUNG] desires it or the gentleman from Colorado [Mr. HEFLEY] desires it, submit in detail for the record or say it now on the floor point by point with a refutation, if you will, of these concerns. I can assure the gentlemen it is neither the intent of the legislation nor is the content of the language so far as I am able to determine, that any of these concerns are anything other than editorial abstractions.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to add to the comments of the gentleman from Hawaii.

I understand the concern of the gentleman from Colorado. In my opening statement I mentioned that I was very concerned. This is not a new issue. I was, first, not notified by the Navy nor the national security branch that, so when I did find out that this possibly occurred, I contacted not only the two senior Senators from Hawaii, I also contacted by senior Senator from Alaska.

I know I am not supposed to mention the other body. They said there was no problem. They had had the review and decided that these concerns were unwarranted. So I am still a little bit concerned that the Navy, after 15 months, now would editorialize and throw up this sort of smokescreen, if I may call it. Really what it means is they just do not want to get rid of anything they have, even though it is for a legitimate reason and a legitimate right, and to have justice served, this provision should be adopted.

It bothers me because, if this is a brandnew issue, it has been sprung on the House, it would be a different story. It was not sprung on the House. This has been around for a long, long time. We hear Friday now that these things may occur which, as was said before, there is no documentation, in fact backing up their premise.

So I am urging my Members to reject the argument from the Navy because I think they are flat wrong.

Mr. ABERCROMBIE. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Hawaii.

Mr. ABERCROMBIE. Mr. Speaker, I hope the gentleman agrees with me that perhaps there is not even an argument being made so much as questions being raised. To that degree, if I may be granted just a moment or two more both for the benefit of our colleagues, the committee, and for the gentleman from Colorado [Mr. HEFLEY], with whom I have worked very, very closely and for whom I have great respect. If the gentleman will just give me a moment, I will state for the record so that it is explicit, Mr. Speaker.

With respect to H.R. 402 and the base closure, commonly known as the BRAC, all the decisions to close and realign bases in Hawaii or elsewhere will continue to stand and will not be affected by this legislation.

With respect to the Barbers Point situation, Barbers Point Naval Air Station, which is the most recent base closure report proposed, proposed by the BRAC Commission, a modification to the previous base closure decision, H.R. 402 will not interfere with that decision to implement the modified closure decision at Barbers Point.

On the base reuse and local reuse issue, which was raised, on the question of title II of H.R. 402 and affecting the reuse of Hawaii military bases or any other bases under the BRAC by the local reuse committees, let me make the following points: the bill contains a very tight restriction on the ability of the Department of Hawaiian Home Lands to obtain base closure properties in order to secure a favorable CBO scoring of the bill. The legislation excludes—and this is for everything in the legislation, not just title II, as the gentleman from Alaska [Mr. YOUNG] knows—the legislation excludes any Federal lands that would generate income or would be expected to generate income for the Federal Government.

This restriction appears in the bill in three separate instances and represents a major hurdle for the acquisition of base closure property by anybody in those circumstances, including Hawaiian homeland.

Second, I pointed out that the CBO and the Department of Defense expect that any reuse of the Barbers Point land would generate income for the Federal Government. I should also note that Barbers Point is the only site in Hawaii that is eligible for reuse under the base closure process. Given the fact that no lands that could generate revenue for the Federal Government would be eligible for acquisition under this bill, a transfer of Barbers Point land to the Department of Hawaiian Home Lands does not appear to be a question.

Finally, I understand the Department of Defense has raised a concern that H.R. 402 might disadvantage the interests of base reuse committees in Hawaii. Let me reassure my colleagues, there is no legislative language to that effect, nor no intent to that effect or in this regard. This concern is without substance.

As I pointed out earlier, we have a rather unique situation at the Barbers Point Naval Air Station in which the most recent base closure report proposal had a modification to the previous base closure decision.

I will tell the Members what that modification is. It is to ensure that the Navy keeps the beaches, the recreational beaches. I have an idea, Mr. Speaker and Mr. HEFLEY, that this whole thing has been generated because there they are afraid that possibly some objections might be raised that the beaches in and the cottages attendant to the beaches might somehow fall into the hands of the Hawaiian people.

I will state for the record here that I voted for the Base Closure Commission report, the modified report, in which it says the two beaches—and I can name the beaches for you, I have them here, Nimitz Beach and White Plains Beach, beach recreational areas. That is the modification, to retain them, that they will be in there.

All I am asking for is access to them. I am perfectly content to have the Navy retain the beaches in Hawaii as vital to the necessary strategic military importance of the United States in the Pacific. But to have an entire bill that has been worked out in good faith on a bipartisan basis for the better part of 2½ years, to be objected to at this point or subject to some kind of scrutiny other than on the basis of the merits, seems to be outrageous.

The Navy can have the beaches. Can we please have the bill?

That was a rhetorical pause. Maybe we could exchange beaches, Mr. Speaker, for some beaches in Alaska, perhaps above the Arctic Circle. Do you think they would be interested in that exchange?

Mr. YOUNG of Alaska. Mr. Speaker, I am confident the Navy would not be interested in beaches in Alaska.

Mr. Speaker, I again stress for my colleagues to vote for this legislation. It is long overdue.

I am very concerned, as the gentleman from Hawaii has mentioned, that at this late date that these questions might arise. It is an example, I think, of some incompetency down in the department, and I say that with some reservation in the sense I cannot blame everybody, maybe just one enthusiastic individual. I know Secretary Dalton has been talked to. I had hoped that there would be a total turndown of this and I expect that before we do vote on this legislation, if we vote on this legislation.

Mr. FALEOMAVAEGA. Mr. Speaker, in 1921 Congress enacted the Hawaiian Homes Commission Act to preserve and protect a way of life for native people on the Islands of Hawaii. The act put aside approximately 200,000 acres of land for the exclusive use and benefit of native Hawaiians. The purpose was to use these lands as a homesteading program to return native Hawaiians to their lands.

Unfortunately, the program was destined to fail from the outset. Between 1921 and 1959 when Hawaii became a State, the program was administered by the Federal Government through a succession of territorial Governors. During Federal control, large portions of the lands were withdrawn. All the best and most productive lands were taken, leaving mostly marginal lands which couldn't support housing or agriculture. The native Hawaiian community received no benefit from the lands taken.

In 1984 much of the land was returned but the Federal Government both continued to retain the best lands and provided no compensation for lost use.

Title II of H.R. 402 sets up a process whereby the Federal Government can exchange Federal lands within the State of Hawaii as a means of settling claims against the United States. The Secretary of the Interior would also be authorized to convey lands to the Department of Hawaiian Home Lands as compensation for lost use of those lands.

To be honest, I wish this bill went further and demanded back the valuable lands stolen from the native Hawaiians against the directive of the Congress. However, I defer to the wisdom of the only native Hawaiian to serve in the U.S. Senate, my good friend the Senator of Hawaii who authored this legislation. I also want to commend my colleagues Mr. ABERCROMBIE and Mrs. MINK for their efforts in moving this legislation.

I urge my colleagues to support this bill.

Mr. ABERCROMBIE. Mr. Speaker, I yield back the balance of my time.

Mr. YOUNG of Alaska. Mr. Speaker, I urge passage of this very important legislation for the good of all.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. FOLEY). The question is on the motion offered by the gentleman from Alaska [Mr. YOUNG] that the House suspend the rules and concur in the Senate amendment to H.R. 402.

The question was taken.

Mr. RICHARDSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

☐ 1600

PROVIDING FOR CONSIDERATION OF H.R. 39, FISHER CONSERVATION AND MANAGEMENT AMENDMENTS OF 1995

Mr. YOUNG of Alaska. Mr. Speaker, I offer a unanimous-consent request.

The SPEAKER pro tempore (Mr. FOLEY). The Clerk will report the unanimous consent request.

The Clerk read as follows:

> Mr. YOUNG of Alaska asks unanimous consent that at any time hereafter the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 39) to amend the Magnuson Fishery Conservation and Management Act to improve fisheries management, and that consideration of the bill proceed according to the following order. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed 1 hour equally divided and controlled by the chairman and ranking minority member of the Committee on Resources. After general debate the bill shall be considered for amendment under the 5-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the 5-minute rule the amendment in the nature of a substitute recommended by the Committee on Resources now printed in the bill. Each section of the committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alaska?

Mr. MILLER of California. Mr. Speaker, reserving the right to object, if I might, I would enter into a colloquy with the gentleman from Alaska [Mr. YOUNG]. I would like to have the gentleman clarify a point on H.R. 39 of the Magnuson Act reauthorization.

Is it the intention of the Chairman of the Committee that we will only consider the bill under general debate today, and rise to consider the bill for amendment at some later date?

Mr. YOUNG of Alaska. Mr. Speaker, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Speaker, the gentleman is correct. Some Members are interested in offering amendments to H.R. 39 who would be unable to participate this afternoon. Therefore, it is my intent to ask that the Committee rise after conclusion of general debate and, if I may continue, with my understanding with my good friend, the gentleman from California, that eventually this bill will pass this House to get over to the Senate after we consider all amendments that are to be offered. We must proceed, because this has been sunsetted now for 1½ years, so we would like to get it done.

Mr. MILLER of California. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alaska?

There was no objection.

SHENANDOAH VALLEY NATIONAL BATTLE FIELD PARTNERSHIP ACT OF 1995

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1091) to improve the National Park System in the Commonwealth of Virginia, as amended.

The Clerk read as follows:

H.R. 1091

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—RICHMOND NATIONAL BATTLEFIELD PARK

SEC. 101. MODIFICATION OF BOUNDARY.

The first section of the Act of March 2, 1936 (Chapter 113; 49 Stat. 1155), is amended to read as follows:

"SECTION 1. (a) In order to preserve the site of the 1862 Peninsula Campaign and the 1864–65 battle of Richmond, in the vicinity of Richmond, Virginia, as a national battlefield park for the benefit and inspiration of the people of the United States, there is hereby established, subject to existing rights, the Richmond National Battlefield Park (hereinafter in this Act referred to as the 'Park').

"(b) The Park shall consist of—

"(1) lands, waters, and interests therein within the area generally depicted on the map entitled 'Richmond National Battlefield Park, Land Status Map', numbered 367/92,000, and dated September 1993; and

"(2) upon donation of title acceptable to the Secretary of the Interior (and acceptance by the Secretary), the following tracts: a tract of 750 acres at Malvern Hill, a tract of 15 acres at Beaver Dam Creek, a tract of 100 acres at Cold Harbor, and a tract of 42 acres at Bethesda Church.

"(c) As soon as practicable, the Secretary of the Interior shall complete a boundary map (including tracts referred to in subsection (b)(2)) for the Park. The map required by this subsection and the map referred to in subsection (b)(1) shall be on file and available for public inspection in the office of the National Park Service, Department of the Interior.

"(d) The Congress recognizes the national significance of the Battle of New Market Heights and declares it to be in the public interest to ensure the preservation of the New Market Heights Battlefield so that an important aspect of American history can be interpreted to the public. The Congress directs the Secretary to work cooperatively with the Commonwealth of Virginia, the county of Henrico, Virginia, and property owners within or impacted by the battlefield area to develop alternatives to ensure implementation of these goals. The Secretary shall submit a report outlining such alternatives to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate no later than June 1, 1996.".

SEC. 102. REPEAL OF PROVISION REGARDING PROPERTY ACQUISITION.

The Act of March 2, 1936 (Chapter 113; 49 Stat. 1155), is amended by striking section 2.

SEC. 103. ADMINISTRATION.

Section 3 of the Act of March 2, 1936 (Chapter 113; 49 Stat. 1156), is redesignated as section 2 and is amended by striking the period and inserting ", and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461–467).".

TITLE II—SHENANDOAH NATIONAL PARK

SEC. 201. MODIFICATION OF BOUNDARY.

(a) IN GENERAL.—The boundary of Shenandoah National Park is hereby modified to include only those lands and interests therein that, on the day before the date of the enactment of this Act, were in Federal ownership and were administered by the Secretary of the Interior (hereinafter in this title referred to as the "Secretary") as part of the park. So much of the Act of May 22, 1926 (Chapter 363; 44 Stat. 616) as is inconsistent herewith is hereby repealed.

(b) MINOR BOUNDARY ADJUSTMENTS AND LAND ACQUISITION.—

(1) MINOR BOUNDARY ADJUSTMENTS.—The Secretary is authorized to make minor adjustments to the boundary of Shenandoah National Park, as modified by this title, to make essential improvements to facilitate access to trailheads to the park that exist on the day before the date of the enactment of this title, in cases in which there are no practicable alternatives to such adjustments.

(2) LIMITATIONS ON LAND ACQUISITION.—

(A) IN GENERAL.—Except as otherwise provided in this subsection, the Secretary may acquire lands and interests therein under this subsection only by donation.

(B) ADDITIONAL RESTRICTIONS.—When acting under this subsection—

(i) the Secretary may add to the Shenandoah National Park only lands and interests therein that are contiguous with Federal lands administered by the Secretary as part of the park;

(ii) prior to accepting title to any lands or interests therein, the Secretary shall hold a public meeting in the county in which such lands and interests are located;

(iii) the Secretary shall not alter the primary means of access of any private landowner to the lands owned by such landowner; and

(iv) the Secretary shall not cause any property owned by a private individual, or any group of adjacent properties owned by private individuals, to be surrounded on all sides by land administered by the Secretary as part of the park.

(c) MITIGATION OF IMPACTS AT ACCESS POINTS.—The Secretary shall take all reasonable actions to mitigate the impacts associated with visitor use at trailheads around the perimeter of Shenandoah National Park. The Secretary shall enlist the cooperation of the State and local jurisdictions, as appropriate, in carrying out this subsection.

SEC. 202. REQUIREMENT OF TRANSFER OF COUNTY ROAD CORRIDORS.

(a) STATEMENT OF PURPOSE.—It is the purpose of this section to permit the Commonwealth of Virginia to maintain and provide for safe public use of certain roads that the Commonwealth donated to the Federal Government at the time of the establishment of Shenandoah National Park.

(b) REQUIREMENT OF TRANSFER.—Not later than 180 days after the date of the enactment of this Act, the Secretary of the Interior shall transfer to the Commonwealth of Virginia, without consideration or reimbursement, all right, title, and interest of the United States in and to all county road corridors that were located within the Shenandoah National Park on the day before the date of the enactment of this Act and are removed from such Park by the boundary modification made by section 201.

(c) REVERSION.—Each transfer pursuant to this section shall be made subject to the condition that if, at any time, any county road corridor so transferred is no longer used as a public roadway, all right, title, and interest in the county road corridor shall revert to the United States.

(d) DEFINITIONS.—For purposes of this section:

(1) COUNTY ROAD CORRIDOR.—The term "county road corridor" means a corridor that is comprised of any Shenandoah county road together with an amount of land, which is contiguous with the road and which is selected by the Secretary of the Interior in consultation with the Governor of the Commonwealth of Virginia, such that the total width of the corridor is 50 feet.

(2) SHENANDOAH COUNTY ROAD.—The term "Shenandoah county road" means any portion of a road that is open to public vehicle usage and that, on the date of the enactment of this Act, constitutes part of—

(A) Madison County Route 600;
(B) Rockingham County Route 624;
(C) Rockingham County Route 625;
(D) Rockingham County Route 626;
(E) Warren County Route 604;
(F) Page County Route 759;
(G) Page County Route 611;
(H) Page County Route 682;
(I) Page County Route 662;
(J) Augusta County Route 611;
(K) Augusta County Route 619;
(L) Albemarle County Route 614;
(M) Augusta County Route 661;
(N) Rockingham County Route 663;
(O) Rockingham County Route 659;
(P) Page County Route 669;
(Q) Rockingham County Route 661;
(R) Criser Road (to Town of Front Royal); or

(S) the government-owned parcel connecting Criser Road to the Warren County School Board parcel.

TITLE III—COLONIAL NATIONAL HISTORICAL PARK

SEC. 301. MODIFICATION OF BOUNDARY.

Notwithstanding the provisions of the Act of June 28, 1938 (52 Stat. 1208; 16 U.S.C. 81b, 81d), limiting the average width of the Colonial Parkway, the Secretary of the Interior (hereinafter in this title referred to as the "Secretary") is authorized to include within the Colonial National Historical Park, and to acquire by purchase, donation or exchange, lands and interests in lands (with or without improvements) within the areas depicted on the map dated August 1993, numbered 333/80031A, and entitled "Page Landing Addition to Colonial National Historical Park". Such map shall be on file and available for inspection in the offices of the National Park Service at Colonial National Historical Park and in Washington, District of Columbia.

SEC. 302. TRANSFER OF SEWAGE DISPOSAL SYSTEM AND RIGHTS-OF-WAY.

(a) In General.—The Secretary is authorized to transfer, without reimbursement (except as provided in subsection (c)), to York County, Virginia, any portion of the existing sewage disposal system, including related improvements and structures, that is owned by the United States and located within the Colonial National Historical Park, together with such rights-of-way as the Secretary determines to be necessary to maintain and operate such system.

(b) Repair and Rehabilitation of System.—The Secretary is authorized to enter into a cooperative agreement with York County, Virginia, under which the Secretary will pay a portion, not to exceed $110,000, of the costs of repair and rehabilitation of the sewage disposal system referred to in subsection (a).

(c) Effect of Agreement on Charges, Impact, and Alterations.—In consideration for the rights-of-way granted under subsection (a), in recognition of the contribution authorized under subsection (b), and as a condition of the transfer authorized by subsection (a), the cooperative agreement under subsection (b) shall provide for a reduction in, or the elimination of, the amounts charged to the National Park Service for its sewage disposal with respect to the Colonial National Historical Park, shall provide for minimizing the impact of the park's sewage disposal system on the park and its resources, and shall provide that such system may not be enlarged or substantially altered without the concurrence of the director of the National Park Service.

SEC. 303. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $110,000 to carry out section 302 and $830,000, or the current appraised value of the lands and interests in lands referred to in section 301, whichever is lower, to carry out section 301.

TITLE IV—SHENANDOAH VALLEY BATTLEFIELDS

SEC. 401. SHORT TITLE.

This title may be cited as the "Shenandoah Valley Battlefields Partnership Act of 1995".

SEC. 402. CONGRESSIONAL FINDINGS.

The Congress finds that—

(1) there are situated in the Shenandoah Valley in the Commonwealth of Virginia the sites of several key Civil War battles;

(2) certain sites, battlefields, structures, and districts in the Shenandoah Valley are collectively of national significance in the history of the Civil War;

(3) in 1990, the Congress enacted legislation directing the Secretary of the Interior to prepare a comprehensive study of significant sites and structures associated with Civil War battles in the Shenandoah Valley;

(4) the study, which was completed in 1992, found that many of the sites within the Shenandoah Valley possess national significance and retain a high degree of historical integrity;

(5) the preservation of Civil War sites within a regional framework requires cooperation among local property owners and Federal, State, and local government entities; and

(6) partnerships between Federal, State, and local governments, the regional entities of such governments, and the private sector offer the most effective opportunities for the enhancement and management of the Civil War battlefields and related sites in the Shenandoah Valley.

SEC. 403. STATEMENT OF PURPOSE.

The purposes of this title are to—

(1) preserve, conserve, and interpret the legacy of the Civil War in the Shenandoah Valley;

(2) recognize and interpret important events and geographic locations representing key Civil War battles in the Shenandoah Valley, including those battlefields associated with the Thomas J. (Stonewall) Jackson campaign of 1862 and the decisive campaigns of 1864;

(3) recognize and interpret the effect of the Civil War on the civilian population of the Shenandoah Valley during the war and postwar reconstruction period; and

(4) create partnerships among Federal, State, and local governments, the regional entities of such governments, and the private sector to preserve, conserve, enhance, and interpret the nationally significant battlefields and related sites associated with the Civil War in the Shenandoah Valley.

SEC. 404. DEFINITIONS.

For purposes of this title:

(1) Battlefield.—The term "battlefield" means 1 of 15 battlefields in the Shenandoah Valley, as identified in the report.

(2) Commission.—The term "Commission" means the Shenandoah Valley Battlefields Commission established by section 409.

(3) Historic core.—The term "historic core" means the area that is so defined in the report, encompasses important components of a battle, and provides a strategic context and geographic setting for understanding the battle.

(4) Historic park.—The term "historic park" means the Shenandoah Battlefields National Historic Park established under section 405(b).

(5) Plan.—The term "plan" means the Shenandoah Valley Battlefields plan approved by the Secretary under section 406.

(6) Report.—The term "report" means the report prepared by the Secretary pursuant to the Civil War Sites Study Act of 1990 (Public Law 101–628; 16 U.S.C. 1a–5 note).

(7) Secretary.—The term "Secretary" means the Secretary of the Interior.

(8) Shenandoah valley.—The term "Shenandoah Valley" means the Shenandoah Valley in the Commonwealth of Virginia.

SEC. 405. SHENANDOAH VALLEY BATTLEFIELDS NATIONAL HISTORIC PARK.

(a) Authorization.—To carry out the purposes of this title, there is hereby authorized to be established the Shenandoah Valley Battlefields National Historic Park in the Commonwealth of Virginia. The Secretary shall establish in the Shenandoah Valley an administrative office and a location to provide information and interpretation with respect to the battlefields.

(b) Establishment.—

(1) In general.—The Shenandoah Valley Battlefields National Historic Park is hereby established upon publication by the Secretary in the Federal Register that—

(A) the Secretary has determined that the historic core of one or more of the battlefields is protected adequately to ensure the long-term preservation of the historic core in accordance with the plan; and

(B) the Secretary accepts administrative jurisdiction of such historic core.

(2) Contents of historic park.—The historic park shall consist of each historic core with respect to which the Secretary publishes a notice under paragraph (1).

(c) Administration.—The Secretary shall administer the historic park in accordance with this title and with provisions of law generally applicable to the National Park System, including the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2, 3, 4) and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461–467). The Secretary shall protect, manage, and administer the historic park for the purposes of preserving and interpreting its natural, cultural, and historic resources and of providing for public understanding and appreciation of the battlefields, in such a manner as to perpetuate these qualities and values for future generations.

(d) Land Acquisition.—If a historic core is included in the historic park—

(1) the Secretary may accept title from any private entity to any lands or interests therein within the historic core; and

(2) the Secretary may acquire from any willing seller lands and interests therein within the boundary of the historic core if the Secretary determines that such acquisition is essential to avoid significant changes to land use which the Secretary determines would have a significant adverse effect on the historic character of the historic core.

(e) Living History Demonstrations and Battlefield Enactments.—The Secretary shall allow, at any location in the historic park, any living history demonstration or battlefield reenactment that is the same as or substantially similar to a demonstration or reenactment that occurred at such location at any time during the 12-month period ending on the date of the enactment of this Act. The Secretary may allow, at any location in the historic park, any living history demonstration or battlefield reenactment that is not described in the preceding sentence but that the Secretary determines to be appropriate.

SEC. 406. SHENANDOAH VALLEY BATTLEFIELDS PLAN.

(a) In General.—The historic park shall be managed by the Secretary pursuant to this title and the Shenandoah Valley Battlefields plan developed by the Commission and approved by the Secretary, as provided in this section.

(b) Specific Provisions.—The plan shall include—

(1) provisions for the management, protection, and interpretation of the natural, cultural, and historical resources of the battlefields, consistent with the purposes of this title;

(2) identification of the historic cores that are appropriate for administration by the Secretary;

(3) a determination of the level of protection that is adequate to ensure the long-term preservation of each of the historic cores that is identified under paragraph (2) and measures recommended to accomplish such protection, which may include (but need not be limited to) conservation easements, local zoning, transfer of development rights, or ownership by an entity dedicated to preservation of the historic resources of the battlefields;

(4) recommendations to the Commonwealth of Virginia (and political subdivisions

thereof) regarding the management, protection, and interpretation of the natural, cultural, and historical resources of the battlefields;

(5) the information described in section 12(b) of Public Law 91-383 (16 U.S.C. 1a-7(b)) (pertaining to the preparation of general management plans);

(6) identification of appropriate partnerships between the Secretary, Federal, State, and local governments and regional entities, and the private sector, in furtherance of the purposes of this title;

(7) proposed locations for visitor contact and major interpretive facilities;

(8) provisions for implementing a continuing program of interpretation and visitor education concerning the resources and values of the battlefields and historic core areas;

(9) provisions for a uniform valley-wide historical marker and wayside exhibit program, including a provision for marking, with the consent of the owner, historic structures and properties that are contained within and contribute to the understanding of the battlefields; and

(10) recommendations for means of ensuring continued local involvement and participation in the management, protection, and development of the battlefields.

(c) PREPARATION OF DRAFT PLAN.—

(1) IN GENERAL.—Not later than 3 years after the date on which the Commission conducts its first meeting, the Commission shall submit to the Secretary a draft plan that meets the requirements of subsection (b).

(2) ADDITIONAL REQUIREMENTS.—Prior to submitting the draft plan to the Secretary, the Commission shall ensure that—

(A) the Commonwealth of Virginia, and any political subdivision thereof that would be affected by the plan, receives a copy of the draft plan;

(B) adequate notice of the availability of the draft plan is provided through publication in appropriate local newspapers in the area of the battlefields; and

(C) at least one public hearing in the vicinity of the battlefields in the upper Shenandoah Valley and one public hearing in the vicinity of the battlefields in the lower Shenandoah Valley is conducted by the Commission with respect to the draft plan.

(d) REVIEW OF PLAN BY THE SECRETARY.—The Secretary shall review the draft plan submitted under subsection (c) and, not later than 90 days after the date on which the draft plan is submitted, shall either—

(1) approve the draft plan as the plan; or

(2) reject the draft plan and recommend to the Commission modifications that would make the draft plan acceptable.

SEC. 407. COOPERATIVE AGREEMENTS.

(a) IN GENERAL.—In furtherance of the purposes of this title, the Secretary may establish partnerships and enter into cooperative agreements concerning lands, and interests therein, within the battlefields with other Federal, State, or local agencies and private persons or organizations.

(b) HISTORIC MONUMENTS.—The Secretary may enter into an agreement with the owner of property that is located in the battlefields and on which an historic monument or tablet commemorating a relevant battle has been erected prior to the date of the enactment of this Act. The Secretary may make funds available for the maintenance, protection, and interpretation of the monument or tablet, as the case may be, pursuant to the agreement.

(c) AGREEMENTS AND PARTNERSHIPS NOT DEPENDENT ON INCLUSION IN HISTORIC PARK.—The Secretary may establish a partnership or enter into an agreement under this section with respect to a battlefield regardless of whether or not the historic core area of the battlefield is included in the historic park.

SEC. 408. TECHNICAL ASSISTANCE PROGRAM.

(a) TECHNICAL ASSISTANCE TO PROPERTY OWNERS.—The Secretary may provide technical assistance to owners of property located within the battlefields to provide for the preservation and interpretation of the natural, cultural, and historical resources within the battlefields.

(b) TECHNICAL ASSISTANCE TO GOVERNMENTAL ENTITIES.—The Secretary, after consultation with the Commission, may award grants and provide technical assistance to governmental entities to assist with the planning, development, and implementation of comprehensive plans, land use guidelines, regulations, ordinances, or other appropriate documents, that are consistent with and designed to protect the historic character of the battlefields.

(c) ASSISTANCE NOT DEPENDENT ON INCLUSION IN PARK.—The Secretary may provide assistance under this section with respect to a battlefield or historic core area regardless of whether or not the battlefield or historic core area is included in the Park.

SEC. 409. SHENANDOAH VALLEY BATTLEFIELDS COMMISSION.

(a) ESTABLISHMENT.—There is hereby established the Shenandoah Valley Battlefields Commission.

(b) MEMBERSHIP.—The Commission shall be composed of 19 members, to be appointed by the Secretary as follows:

(1) 5 members representing local governments of communities in the vicinity of the battlefields, appointed after the Secretary considers recommendations made by appropriate local governing bodies.

(2) 10 members representing property owners within the battlefields (1 member within each unit of the battlefields).

(3) 1 member with demonstrated expertise in historic preservation.

(4) 1 member who is a recognized historian with expertise in Civil War history.

(5) 1 member from a list of recommendations made by the Governor of Virginia.

(6) 1 member representing the interests of the National Park Service.

(c) APPOINTMENTS.—Members shall be appointed for the life of the Commission.

(d) ELECTION OF OFFICERS.—The Commission shall elect one of its members as Chairperson and one as Vice Chairperson. The terms of office of the Chairperson and Vice Chairperson shall be 2 years. The Vice Chairperson shall serve as Chairperson in the absence of the Chairperson.

(e) VACANCY.—Any vacancy on the Commission shall be filled in the same manner in which the original appointment was made, except that the Secretary shall fill any vacancy within 30 days after the vacancy occurs.

(f) QUORUM.—A majority of the Commission shall constitute a quorum.

(g) MEETINGS.—The Commission shall meet at the call of the Chairperson or a majority of the members of the Commission, but not less than quarterly. Notice of Commission meetings and agendas for the meetings shall be published in local newspapers that have a distribution throughout the Shenandoah Valley. Commission meetings shall be held at various locations throughout the Shenandoah Valley and in a manner that ensures adequate public participation.

(h) STAFF OF THE COMMISSION.—The Commission shall have the power to appoint and fix the compensation of such staff as may be necessary to carry out its duties.

(i) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of the General Services Administration shall provide to the Commission, on a reimbursable basis, such administrative support services as the Commission may request.

(j) FEDERAL AGENCIES.—Upon request of the Commission, the head of any Federal agency may detail to the Commission, on a reimbursable basis, personnel of the agency to assist the Commission in carrying out its duties.

(k) SUBPOENAS.—The Commission may not issue subpoenas or exercise any subpoena authority.

(l) EXPENSES.—Members of the Commission shall serve without compensation, but the Secretary may reimburse members for expenses reasonably incurred in carrying out the responsibilities of the Commission under this title.

(m) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(n) GIFTS.—The Commission may, for purposes of carrying out the duties of the Commission, seek, accept, and dispose of gifts, bequests, or donations of money, personal property, or services, received from any source.

(o) TERMINATION.—The Commission shall terminate upon the expiration of the 45-day period beginning on the date on which the Secretary approves the plan under section 406(d).

SEC. 410. DUTIES OF THE COMMISSION.

The Commission shall—

(1) develop the plan and draft plan referred to in section 406, in consultation with the Secretary;

(2) advise the Secretary with respect to the battlefields;

(3) assist the Commonwealth of Virginia, and any political subdivision thereof, in the management, protection, and interpretation of the natural, cultural, and historical resources within the battlefields, except that the Commission shall in no way infringe upon the authorities and policies of the Commonwealth of Virginia or any political subdivision thereof; and

(4) take appropriate action to encourage protection of the natural, cultural, and historic resources within the battlefields by landowners, local governments, organizations, and businesses.

SEC. 411. TERMINATION OF INCLUSION IN HISTORIC PARK.

(a) IN GENERAL.—A historic core that becomes part of the historic park shall continue to be included in the historic park unless—

(1) the Secretary determines that the protection of the historic core no longer meets the requirements of section 405(b)(1)(A); and

(2) after making a determination referred to in paragraph (1), the Secretary submits to the Congress notification that the historic core should cease to be included in the historic park.

(b) PUBLIC HEARING.—Before the Secretary makes a determination referred to in subsection (a)(1) regarding a historic core, the Secretary or a designee shall hold a public hearing within the vicinity of the historic core.

(c) TIME OF TERMINATION OF INCLUSION.—

(1) IN GENERAL.—A historic core shall cease to be included in the historic park upon the expiration of 90 legislative days after the Secretary submits to the Congress the notification referred to in subsection (a)(2) regarding the historic core.

(2) LEGISLATIVE DAY.—For purposes of this subsection, the term "legislative day" means any calendar day on which both Houses of the Congress are in session.

SEC. 412. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated not more than $5,000,000 for development of the historic park, not more than $2,000,000 for land acquisition pursuant to this title, not more than $500,000 to carry out the purposes of sections 407 and 408, and not more than $250,000 for any fiscal year for the operation of the Commission.

TITLE V—CUMBERLAND GAP NATIONAL HISTORICAL PARK

SEC. 501. ADDITION OF LANDS.

(a) AUTHORITY.—Notwithstanding the Act of June 11, 1940 (16 U.S.C. 261 et seq.), the Secretary of the Interior is authorized to acquire by donation, purchase with donated or appropriated funds, or exchange not to exceed 10 acres of land or interests in land, which shall consist of those necessary lands for the establishment of trailheads to be located at White Rocks and Chadwell Gap.

(b) ADMINISTRATION.—Lands and interests in lands acquired pursuant to subsection (a) shall be added to and administered as part of Cumberland Gap National Historical Park.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah [Mr. HANSEN] will be recognized for 20 minutes and the gentleman from New Mexico [Mr. RICHARDSON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 1091, legislation to improve the National Park System in the Commonwealth of Virginia.

Mr. Speaker, this is a comprehensive bipartisan bill which makes improvements to various park areas in the Commonwealth of Virginia. First, the bill resolves boundary questions at two parks, Shenandoah National Park and Richmond National Battlefield, where the park boundary now includes hundreds of thousands of acres of non-Federal, non-park-quality lands. These unmanageable boundaries have been a source of significant concern to private property owners and local governments alike. This bill shrink-wraps boundaries at those parks to generally conform to lands currently owned by the Federal Government or lands anticipated to be added to the parks in the near future.

Under the title pertaining to Richmond National Battlefield, the bill provides for a substantial expansion of the existing 770-acre park by authorizing the NPS to accept a donation totalling 907 acres with important Civil War features. The bill also directs the Secretary to develop a proposal to ensure protection of the New Market Heights Battlefield, a significant site where 14 African-Americans earned the Congressional Medal of Honor.

By establishing reasonable boundaries for both Shenandoah National Park and Richmond Battlefield, these areas will be placed on equal footing with the other 360-plus areas administered by the NPS which have reasonable fixed boundaries. After enactment of this legislation, future boundary adjustments at these parks will be made by Congress, rather than the park superintendent.

The bill also transfers 19 road corridors at Shenandoah National Park, totaling 16 acres out of the 196,500-acre park, from the NPS back to the Commonwealth for their administration and management. Along with nearly all the land currently within the park, these roads were donated by the Commonwealth to the Federal Government at the time of park establishment in the 1930's. However, recently, the NPS has advised the Commonwealth that NPS has no authority to permit the Commonwealth to continue to maintain these roads. The Commonwealth is now seeking to have these roads returned to their ownership so that they can manage them and continue such uses as transporting children to schools.

Title III of the bill expands the boundary of the existing Colonial National Parkway by 15 acres at its narrowest point and provides for the county to take over an existing utility line to private residents within the park. This legislation is nearly identical to a bill which passed the House last session.

Title IV of the bill authorizes a new park area in the Shenandoah Valley to recognize a number of important Civil War battles which occurred there. However, the bill provides that the park will not be established unless the State and local governments, and the private sector, make a significant contribution to the preservation of these significant Civil War sites. Only if the Secretary finds that these resources are adequately protected by these other entities is he permitted to establish the park. Further, if these partners retreat from their commitments to preserve these sites, the bill provides for the deauthorization of the park.

The overall cost of this title has been reduced from about $25 million—as introduced—to $7 million, with the balance of the cost to be picked up by the other partners in the overall effort to preserve these sites. This is the type of partnership effort which will be required in any new park areas.

A new title V, as requested by Mr. BOUCHER, authorizes the acquisition of essential land at Cumberland Gap National Historical Park to ensure continued trail access to the park.

It is important to point out what this bill does in balance. We are deleting over 585,000 acres from the authorized boundaries of two parks and establishing a new park where the Federal Government will never own or administer more than a few thousand acres.

It is a good bill with bipartisan support from the six Members from Virginia who represent all of the areas within this bill. The measure is also supported by State and local governments, private landowners and such groups as the National Trust for Historic Preservation and the Association for the Preservation of Civil War Sites.

I commend this bill to my colleagues and urge them to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. RICHARDSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, two very distinguished Members and friends of mine are sponsoring this bill, the gentlemen from Virginia [Mr. BLILEY and Mr. WOLF]. This is important as we deliberate any bill. I have to express some concerns with the bill, the content, and basically the question I am asking is, what is the rush with the Richmond and Shenandoah park proposals? What we have is boundary studies underway. This legislation basically prejudges the results of those studies.

There is not any threat to any landowner. These parks were assembled by donation, not Federal condemnation. I have no problem with the colonial park legislation. That was worked out in the last Congress and passed by the House in its current form.

The same cannot be said for the other proposal before us today. This was considered, the Shenandoah, this was considered in the past by the House on a bipartisan basis last year as a national heritage area and not as a national park, but I know the gentleman from Virginia [Mr. WOLF] and many of his colleagues have had a number of events recently at the park, and I respect that.

Mr. Speaker, I have listened to a lot of the concerns expressed by some of my colleagues about the park system. After this bill, we are going to take up H.R. 260, which basically is a parks closure bill, yet we are adding some national park units by the Congress, with some reservations from the national park system, so we are going a little bit in different directions here.

Mr. Speaker, I will support this bill. I will vote for it.

Mr. GOODLATTE. Mr. Speaker, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Virginia.

Mr. GOODLATTE. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I just want to make the point with regard to the Shenandoah National Park and Richmond Battlefield that we are in no way saying additional lands should not be added. Those studies should and can go forward. All we are saying is the same criteria which provides for taking lands out of the park should apply to putting land into the park; that is, congressional action. After this is completed, if there are proposals to add land, they can bring that before the Congress and have it considered. Now local governments and local private owners in the area have no say on land going into the park.

Mr. RICHARDSON. Mr. Speaker, I reserve the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Virginia [Mr. BLILEY], the author of this bill.

Mr. BLILEY. Mr. Speaker, I want to thank the gentleman for bringing this bill, and I thank the gentleman from Alaska [Mr. YOUNG], chairman of the full committee, and my good friend, the gentleman from New Mexico, BILL RICHARDSON. I know he had some concerns, he has expressed them to me in the past, but I appreciate the gentleman's willingness, in spite of his concerns, to support this legislation.

I also want to thank my colleague from Virginia's Third District, the gentleman from Newport News [Mr. SCOTT], for his support.

Mr. Speaker, the gentleman from Utah [Mr. HANSEN] has thoroughly explained the bill. I want to just add a few things. The reason for this bill that I introduced, H.R. 1091, was a response to constituents' worries about the boundaries of Richmond National Battlefield Park and the Shenandoah National Park. Each of these parks is peculiar in that it has a vast authorized boundary with a much smaller amount of land actually owned and managed by the Park Service.

Unlike normal parks, these two parks can expand whenever they want, without congressional approval or a fair representation of local communities' concerns. The Richmond National Battlefield Park comprises 10 sites around Richmond totaling about 760 acres, to which this bill would add 900 more at Malvern Hill, but its enormous 1936-authorized boundary envelopes 250 square miles of the metropolitan area. What the constituents are concerned about is that somehow a designation will be put on their land against their wishes that will downzone the value of their land. That is a very important concern to anyone who owns land.

Having served in local government and having participated in a couple of downzonings, it is a very, very bad policy to downzone a man's land. Anytime that Members want to expand either of these parks, all the Park Service has to do is to come forward with a request that then can be considered, but what will happen then is that it would give the neighbors a chance to comment, and it will give the local governments a chance to comment, as well as the State government. Then Congress will determine whether we have the resources to absorb whatever this gift might be.

Right now, Richmond National Battlefield Park has a $2 million shortfall in its operating funds for 1996, and the Shenandoah National Battlefield Park has a shortfall of $5.5 million. So to me it makes eminent sense that before we go expanding either of these parks, let us make sure we have enough resources to take care of the expansion, pure and simple.

I am also pleased that the legislation of the gentleman from Virginia [Mr. WOLF], that he was successful in passing last session in the other body is included, and this legislation conserves for future generations 10 Civil War battlefields in the Shenandoah Valley. But most importantly about this act is this was developed in close consultation with the communities up and down the valley.

Mr. Speaker, I thank my good friend, the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Speaker, I yield 5 minutes to my good friend, the gentleman from Virginia [Mr. WOLF].

Mr. WOLF. Mr. Speaker, I rise in strong support of H.R. 1091, a bill which would improve the National Park System in the Commonwealth of Virginia. I am particularly interested and supportive of title IV of the bill which incorporates legislation I introduced which would create the Shenandoah Valley Battlefields National Historic Park.

Mr. Speaker, this morning I had the pleasure and honor of participating in a dedication ceremony for the preservation of the 3d Battle of Winchester. The 3d Battle of Winchester, or Opequon, was the largest and most desperately contested battle of the Civil War in the Shenandoah Valley of Virginia, resulting in more than 9,000 casualties. This battle, where over 15,000 Confederate troops led by Lt. Gen. Jubal Early and about 39,000 Union troops led by Maj. Gen Philip Sheridan clashed in the otherwise quiet countryside, marked the rise of Sheridan and the decline of Confederate power.

Perhaps it is coincidence, providence, fortuity, serendipity or luck that H.R. 1091 is being considered on the floor of the House of Representatives the same day the 3d Battle of Winchester is saved by development. The hallowed Civil War site of Opequon was saved by a partnership between the Federal Government, State and local government, businesses persons, and private preservationists. This has been the approach taken in the valley for years and is the approach embodied in title IV of this legislation.

Mr. Speaker, in response to a congressional directive (Public Law 101–628), the National Park Service [NPS] undertook the task of studying the Civil War sites in the Shenandoah Valley. The NPS identified significant Civil War sites and determined their condition, established their relative importance, assessed short- and long-term threats to their integrity, and provided general alternatives for their preservation.

The Park Service discovered that 15 of the 326 documented armed conflicts in the valley between 1861 and 1865 were of particularly high significance. Because many portions of the valley retain a high degree of historic, rural and scenic integrity, the NPS concluded that they should be preserved. The two major Valley campaigns—the Thomas J. "Stonewall" Jackson Valley campaign of 1862 and the decisive Philip Sheridan campaign of 1864—are the major Civil War battlefields not yet preserved. This Congress has a historic opportunity to capitalize on the overwhelming momentum of support for this legislation.

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Unfortunately, the NPS did not recommend a specific preservation strategy. Therefore, some local valley residents accepted a challenge by Park Service staff to devise a plan to preserve these historic lands. Their efforts were remarkable. Their dedication and perseverance unflappable. This was truly a grassroots effort.

Local residents began to meet and discuss how these hallowed lands could be preserved for future generations to learn and enjoy. They are eager to share the stories of the valley—not just battle maneuvers and formations, but the stories of people dislocated by a brutal war. They want to share the story of how the city of Winchester, VA, changed hands between North and South at least 73 times, and how that turmoil affected local residents. Even today, one can sense the effect the war had on the Valley.

After countless meetings and telephone conversations, in which the National Park Service was consulted, a consensus began to form around a partnership concept where Federal, State, and local governments, private landowners and preservation groups could work together to preserve these lands. After a draft bill was ready, we held discussion meetings in the Shenandoah Valley on the proposed legislation. These meetings provided an opportunity for thorough review and comment by Valley residents and officials on this legislation. These meetings, attended by local government officials, landowners, business people, and preservationists, served as a vehicle to refine, modify, and improve the legislation with the input and advice of citizens from throughout the Shenandoah Valley.

What I found during those public meetings was unprecedented unanimous support for this legislation. I served at the Department of the Interior in the 1970's under Secretary Morton, and I can't recall ever gaining such widespread support for a park bill. The legislation before this subcommittee has been endorsed by every local government where core battlefield properties are located. Moreover, we have a broad, bipartisan coalition of interests united to preserve these treasures of history. The list that follows my statement, compiled over a year and a half ago, comprises those persons and entities who endorsed this partnership approach to preservation. There have been many others since this list was put together.

This subcommittee should know that the work of valley residents did not end with the drafting and introduction of this legislation. The Cedar Creek Battlefield Foundation is a private nonprofit corporation organized to save the historic Cedar Creek Civil War battlefield site. The Frederick County Board of Supervisors and Winchester City Council have appointed a Battlefield Task Force whose responsibility it is to prepare a strategic plan for the protection and use of the battlefield sites. The task force's interim action plan designates the most critical and significant sites and recommends immediate actions to be taken. Frederick County and the city of Winchester have also successfully convinced a trustee of a battlefield property at Kernstown to postpone a planned auction. Moreover, they have purchased a $500,000 2-year option to buy land. Within the last couple of weeks, the Association for the Preservation of Civil War Sites [APCWS] exercised an option to purchase 222 acres, known as Caleb Heights, of the threatened third battle of Winchester using funds derived from the sale of Civil War commemorative coins. APCWS is committed to raising the remaining $2 billion needed to pay off the remaining cost of the property. Not only have the local governments and private groups dedicated time and personnel to planning the preservation of the battlefields, they have committed scarce resources to protect these lands. This is an overwhelming demonstration of their commitment to the successful implementation of a preservation plan.

Local governments alone can't preserve these valuable resources; they need a partnership with the Federal Government to preserve these lands. Even the most well intentioned friends of battlefield preservation will find it difficult to keep the threats of residential construction, commercial development, highway construction, and industrial development at bay. Interstates 66 and 81 bring increasing pressure on this rural landscape and threaten to consume more battlefield land. As the NPS study indicates, some critical properties have already been lost.

Since the Civil War, most of the Shenandoah Valley has remained in the same type of agricultural use, but, as the Park Service has reported, increasing development threatens key battlefield sites. Title IV of H.R. 1091 would protect many of these through designation as a unit of the National Park System, while encouraging partnerships with local governments and private landowners to protect the natural cultural and historical resources on adjacent lands within the historic core areas of the key battlefield sites. Partnership is the key ingredient in this bill. It was borne of cooperation and will succeed by bringing all interested parties into the planning, development, and implementation of this novel preservation scheme.

This bill capitalizes on the cooperation and hard work which have created a sturdy foundation upon which to build this park. Much of the groundwork has been laid by residents of the valley and specialists knowledgeable about land use planning, environmental impact studies, and so forth. I encourage this subcommittee to utilize the experience, dedication, and knowledge base that exists in the valley in preparing a plan for park management, visitor facilities, educational programs, and historical markers and exhibits throughout the Shenandoah Valley. The NPS should work hand-in-glove with the local community.

The second important component of the legislation is that it provides incentives for local governments to preserve historic land by including battlefield protection in regional planning. As the Park Service study observed, local governments are under increasing pressure to allow residential construction, commercial development, highway construction, and industrial development. Grants and technical assistance provide the necessary incentive that local governments need to ward off development pressures.

The third key ingredient which I would like to stress in the grants to private battlefield landowners. Because of the tight fiscal constraints of federal discretionary spending, we can't expect the National Park Service to purchase thousands and thousands of acres of land. This is much too expensive. We can, however, provide incentives to local landowners to assist in the preservation of historic lands. In exchange for these economic incentives, private landowners could provide the Park Service needed scenic or preservation easements or could contractually agree to maintain open-space lands with historic viewsheds. This will ensure that a comprehensive overall interpretation of the resource is attained.

Mr. Speaker, the time is upon us for Federal action to preserve the historic Civil War battlefields of the Shenandoah Valley, in partnership with State and local governments, local landowners, and preservation groups. This innovative concept will be the least costly and disruptive strategy to protect the lands forever.

Mr. Speaker, one point of interest that people should know, that there is a Colonel McCormick in my congressional district, 94 years old, lives in Front Royal, just retired from practicing law. His father and his grandfather and his uncle were in Pickett's Charge at Gettysburg. The interest in the Shenandoah Valley for this is very important.

In closing, Mr. Speaker, the time is upon us for Federal action to preserve the historic Civil War battlefields of the valley in partnership with State and local governments and local landowners and preservation groups.

I want to acknowledge before I close and thank the gentleman from Utah [Mr. HANSEN] and his staff. Without the help of the gentleman from Utah [Mr. HANSEN], this legislation would not be passing. He nurtured it through, worked with us and he did everything he possibly could.

I want to say on the record, the gentleman and I were freshmen together in that class of 1980 when we came, I think there are only 16 of us left, but I want to publicly say I will be eternally grateful for his help and his entire staff. He helped us work this thing through.

I also want to thank the gentleman from Virginia [Mr. GOODLATTE] for his efforts. It was a good team effort. Our districts are joined together. We were lockstepped together at the beginning of this. I thank him.

I also want to thank the gentleman from Virginia [Mr. BLILEY], the gentleman from Virginia [Mr. SCOTT], and the other members of the Virginia delegation, and on the Senate side, Senators ROBB and WARNER. We were together almost like Stonewall Jackson. There stood the Virginia like a stone wall, we were together and united on this.

And finally, Mr. Speaker, I would like to add a very special thank you to Will Moschella, one of my legislative assistants, who was instrumental in helping to bring this bill forward.

Tomorrow it is my hope and expectation, and I might say I am going to say a little prayer, that this legislation will pass without any controversy and will then be passed by the other body.

Mr. Speaker, I include the following articles and extraneous material for the RECORD, which describe the efforts to create a Civil War National Battlefield Park in the Shenandoah Valley of Virginia:

SHENANOAH VALLEY PROPOSAL
ENDORSEMENTS BY COUNTY

FREDERICK

The Glass-Glen Burnie Foundation, Landowner/Individual.

Town of Middletown, Government.

Town of Stephens City, Government.

Winchester-Frederick Chamber of Commerce, Business.

Winchester-Frederick County Econ. Deve. Comm., Business.

SHENANDOAH

Association for the Preservation of Civil War Sites, Landowner/Individual

C.M. "Mike" Hunt, Landowner/Individual.

Sarah P. Faulconer, Landowner/Individual.

James H. Faulconer, Landowner/Individual.

Garland C. Hudgins, Landowner/Individual.

Breckenridge Chapter, Daughters of the Confederacy, Historic Group.

Town of New Market, Government.

Clinton M. Truesdale, Individual.

The Strasburg Guards, Sons of Confederate Veterans, Historic Group.

Town of Woodstock, Government.

David E. Smith, Landowner/Individual.

William Craun, Landowner/Individual.

William F. Bausserman, Landowner/Individual.

William J. Bausserman, Landowner/Individual.

Harold Walter, Landowner/Individual.

Keith Rocco, Landowner/Individual.

J.W. Troxell, Landowner/Individual.

Ralph Stickley, Landowner/Individual.

Tom's Brook Farm,/Rodney A. Bankson, CDR, USN-Ret., Landowner/Individual.

10th Virginia Volunteer Infantry, Historic Group.

Cross Keys Antiques/John B. Woodyard, Landowner/Individual.

Friends of the North Fork of the Shenandoah River, Civic Group.

Hupp's Hill Battlefield Park and Study Center, Historic Group/Business.

New Market Area Chamber of Commerce, Business.

New Market Battlefield Historic Park, Historic Group.

Patricia K. Marie, Landowner/Individual.

Reformation Lutheran Church, Civic Group.

Robert D. Plu, Landowner/Individual.

Shenanoah Caverns, Business.

Shenandoah Valley Civil War Roundtable, Historic Group.

Shenandoah Valley Quality Inn/Lois Moomaw, Gen. Man., Business.

Strasburg Rotary Club, Civic Group.

Town of Mount Jackson, Government.

Town of Tom's Brook, Government.

VMI Museum Programs, Historic Group.

Women's Memorial Society, Civic Group.

Woodstock Museum, Historic Group.

ROCKINGHAM

Arthur J. Hamilton, Landowner/Individual.

Association for the Preservation of Civil War Sites, Landowner/Individual.

Barbara Paulson, Landowner/Individual.

Cherry Grove Farm/George K. Harnsberger, Landowner/Individual.

F & M Bank-Massanutten, Business.

Graham C. Lilly/Professor of Law UVA, Landowner/Individual.

Harrisonburg-Rockingham Historical Society, Historic Group.

Harry L. Chandler, Landowner/Individual.

Lawrence D. Bowers/Wilson & Bowers, Landowner/Individual.

Martha B. Caldwell/Professor of Art History JMU, Landowner/Individual.

Mr. & Mrs. Brownie A. Cummins, Landowner/Individual.

Mr. & Mrs. Thomas F. Tutwiller, Landowner/Individual.

Peter Svenson, Landowner/Individual.

The Inn at Keezletown Road Bed & Breakfast, Business.

The Society of Port Republic Preservationists, Historic Group.

The Town of Dayton, Virginia, Government.

James J. Geary, Former Dir. New market Battle, Landowner/Individual.

Ronald E. Carrier, President, James Madison Univ., Educational.

Barbara Moore, Landowner/Individual.

Daniel M. Downey, Ph.D., Landowner/Individual.

Tom's Brook Farm/Rodney A. Bankson, CDR, USN-Ret., Landowner/Individual.

W. Allen & Phoebe Sherwood, Landowner/Individual.

W.C. Bedall, Jr., Landowner/Individual.

Wilmer Diehl Family, Landowner/Individual.

HIGHLAND

Association for the Preservation of Civil War Sites, Landowner/Individual.

The Board of Supervisors for Highland County, Government.

The Recorder, Business/Press.

Virginia's Western Highlands Travel Council, Business.

WINCHESTER

City of Winchester, Government.

Elizabeth G. Helm/Former Mayor, Government.

Downtown Development Board, Government.

The Common Council of the City of Winchester, Government.

AUGUSTA

Winston Wine, Landowner/Individual.

PAGE

Luray Caverns Corporation, Business.

PORT REPUBLIC

Mark & Susan Hardy, Landowner/Individual.

REGIONAL

The Civil War Trust, Historic Group.

ALEXANDRIA

Brian C. Pohanka, Landowner.

VALLEY WIDE

Shenandoah Valley Travel Association, Business.

[From the Washington Post, June 13, 1993]

UNSUNG SOLDIERS

THE CASE FOR SAVING SHENANDOAH'S CIVIL WAR BATTLEGROUNDS

(By James M. McPherson)

Many Americans recognize the significance of such Civil War battles and campaigns as Antietam, Gettysburg, Chickamauga, Chattanooga and Petersburg. All of these battlefields are now national parks that attract millions of visitors each year.

More than 125 years after the guns went silent, tourists can walk the ground near Sharpsburg, Md., where more Americans died in one day—Sept. 17, 1862—than any other day in our history. They can scan the fields at Gettysburg, where 13,000 Confederate soldiers launched an assault of futile courage on July 3, 1863. And they can see where Grant's legions put their siege lines at Vicksburg, forcing that city's defenders to eat mules and rats before surrendering.

No one can truly comprehend the tragic but triumphant trauma of the American Civil War without visiting such battlefields. But there are two large gaps in our commemoration of the engagements of the Civil War—Stonewall Jackson's Shenandoah Valley campaign in 1862 and Phil Sheridan's Shenandoah Valley campaign in 1864. No national park—or state or local park—marks any of the eight battles and numerous important skirmishes involved in these campaigns, even though they were as crucial in shaping the course and outcome of the war as were Antietam, Vicksburg and Chattanooga—yes, even as important as Gettysburg itself. The two Shenandoah Valley campaigns produced two of the four major turning points of the war (the other two were Antietam and Gettysburg-Vicksburg).

Jackson's string of victories in the valley from May 8, 1862, to June 9, 1862, reversed a tide of Northern triumphs during the preceding three months that had threatened to sink the Confederacy.

The Union had captured Roanoke Island and New Bern in North Carolina, forts Henry and Donelson, Nashville and New Orleans and the lower Mississippi valley. Union victories in the bloody battles of Shiloh and Pea Ridge and the advance of the largest Union army to within six miles of Richmond in the spring of 1862 had caused panic and depression in the South.

In mid-May 1862, the Confederate government was prepared to evacuate Richmond. Then came Jackson's extraordinary victories in the Shenandoah Valley—at McDowell on May 8, Front Royal on May 23, Winchester on May 25 and Cross Keys and Port Republic on June 8 and 9.

These victories proved to be a strategic shot in the arm for the Confederacy. They changed the momentum of the war and launched a year of Southern victories in the Virginia theater that culminated in the Confederacy's high tide at Gettysburg.

The tide receded, but by the late summer of 1864 Confederate prospects again seemed promising. The two largest Northern military efforts of the war, to capture Richmond and Atlanta, had bogged down in apparent stalemate after 100,000 Union casualties. The shock of death and failure staggered the Union, threatened Lincoln's reelection and spawned a peace movement in the North.

In July a small Confederate army commanded by Jubal Early cleared Union forces out of the Shenandoah Valley and marched all the way to the outskirts of Washington before pulling back. During this crisis, Gen. Ulysses S. Grant sent one of his favorite subordinates, Philip Sheridan, to the valley to take command of a composite "Army of the Shenandoah" and crush Early. In three battles—among the most one-sided Union victories of the war—Sheridan did precisely that: at Third Winchester (or Opequon Creek) on Sept. 19, Fisher's Hill on Sept. 22 and Cedar Creek on Oct. 19. These battles ensured Lincoln's reelection on a platform of unconditional victory and marked the final turn of the tide toward Appomattox.

The absence of a national park for any of these Shenandoah Valley battlefields has always been a mystery to me, But there is now a chance to remedy this omission—maybe the last chance.

The expansion of development along I-66 to its intersection with I-81 a few miles from five of the Shenandoah Valley battlefield sites threatens these sites with extinction. That fate could be avoided by the creation of a Shenandoah Valley national battlefields park.

Many residents of this area recognize that preservation of these sites would produce more than the obvious historical and cultural benefits. It would also yield the economic benefits of tourism at a much lower cost than residential development, with its inevitable byproducts of congestion, noise and pollution.

Most of the battlefield sites in the valley still possess a high degree of historical integrity, that is, the topography—the fields and forests, the hills and valleys and viewsheds—has changed little since the Civil War. At surprisingly low cost to taxpayers, much of the battlefield acreage could be saved for posterity, with sites linked by already existing state and local roads. Several parcels of battlefield lands already are owned by private preservations groups that are ready to turn them over to the National Park Service.

Congress should authorize a Shenandoah Valley National Battlefield Park as envisioned in legislation introduced by Rep. Frank Wolf (R-Va.) in the House and Sens. John Warner (R) and Chuck Robb (D) of Virginia and Sen. James Jeffords (R) of Vermont.

Creation of such a park would make it possible for millions of Americans to visit these battlefields, where thousands gave their last full measure of devotion just as surely as did those who died at Gettysburg.

Mr. RICHARDSON. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. SCOTT] who strenuously was urging that we pass this bill and who has worked very hard on it equally, especially the component of black Civil War heroes.

Mr. SCOTT. Mr. Speaker, I rise in support of H.R. 1091 and would like to speak to the impact of the bill on the Richmond area. This legislation is important because it relieves a burden from landowners of having to worry about the possibility of condemnation of their land by the Richmond National Battlefield Park. For too long, the park has had the ability to use this process to acquire land without the permission of landowners. I applaud my colleague from the Richmond area, Mr. BLILEY, for realizing our constituents' concerns and for removing the threat of condemnation in this legislation. The fact is, Mr. Speaker, that this power has never been used nor is there any anticipation that it would be used in the foreseeable future. This bill, therefore, removes the cloud of uncertainty and concern of area residents near the battlefield.

While this bill reduces the large area of potential land acquisition, I agree with my other colleagues from Virginia that there is nothing in this legislation that will prevent specific land acquisition in the future through legislative authorizations for either purchase or acceptance of donated lands.

Additionally, Mr. Speaker, this bill addresses an important battle site. Nearly 131 years ago, on September 29, 1864, near Richmond, VA, in an area referred to as New Market Heights, U.S. Colored Troops would assault a Confederate position, suffer extreme losses and have 14 of their ranks receive Medals of Honor for bravery in action.

Mr. Speaker, in the entire balance of the Civil War, only 2 more Army medals were awarded to African-Americans and no other battle in the entire Civil War generated 14 Medal of Honor designees.

Until this past year, however, the story of these 14 African-American soldiers was scarcely remembered or retold. A Richmond Times-Dispatch article dated May 21 of this year calls this battlefield one of the Nation's most forgotten historical sites.

But with the assistance of my colleague from Richmond we are now headed in the right direction by honoring these 14 men, bringing just acknowledgment and credit to a previously forgotten event. I am grateful for the help of the gentleman from Virginia [Mr. BLILEY] and support in crafting legislation that ensures that the battle of New Market Heights will be recognized for its historic significance.

Mr. Speaker, this bill responds to the concerns of landowners in Henrico County, it focuses the resources of the National Park Service on truly historically significant sites, and gives proper recognition to the valiant African-American soldiers in New Market Heights.

I therefore join my colleagues from Virginia, both in the Richmond area and the Shenandoah area, in support of this bill. I thank the gentleman from Utah and the gentleman from New Mexico for their cooperation.

Mr. HANSEN. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. GOODLATTE].

Mr. GOODLATTE. Mr. Speaker, I thank the gentleman from Utah for yielding me the time. I especially thank him and his outstanding staff for their efforts in moving this legislation through their committee, and the gentleman from Alaska [Mr. YOUNG] for moving it through the full committee.

Mr. Speaker, we have been working on this legislation now in various forms for several years, certainly since I came to the Congress in 1993, and I am just delighted that it has bipartisan support from other members of the delegation from Virginia and from the gentleman from New Mexico.

This legislation is vitally important to my congressional district because 3 of the 5 aspects of the bill affect my district. The Shenandoah National Battlefield legislation was authored by the gentleman from Virginia [Mr. WOLF], who has done an outstanding job in creating a new piece of legislation and a new type of national park that I think will serve as a model for other national parks in the future; and the gentleman from Virginia [Mr. BLILEY] authored other aspects of this legislation dealing with the Shenandoah National Park.

First the Shenandoah National Battlefield parks, new legislation, as the gentleman from Virginia [Mr. WOLF] indicated, to protect 12 battlefield sites up and down the Shenandoah Valley, the last major part of our country where we had important Civil War battles fought, that are at this point receiving no protection and are not recognized as a national park. These 12 are the most important of several hundred different sites around the area.

Three of them, the Cross Keys, Port Republic, and McDowell Battlefield sites are in my district, in Rockingham County and Highland County, respectively. This legislation, unlike the creation of battlefields in the past where the Government has bought up in many instances thousands and thousands of acres of land, often at enormous cost, this creates this park in a very different way. This land will largely remain in the hands of private owners who will continue to farm it, as it is primarily an agricultural area today, as it was during the Civil War 130 years ago.

We have the opportunity here to create a protection for battlefields, but also at the same time have an opportunity for local governments to have the maximum amount of input about these lands and to protect the rights of private property owners. There will be no condemnation of lands allowed in this park, and we will have this as an opportunity to both utilize the land for agriculture and to promote tourism and the preservation of these important sites, all at the same time.

In addition, the legislation offered by the gentleman from Virginia [Mr. BLILEY] dealing with the Shenandoah National Park is vitally important as well. Those of you who are familiar with the creation of this park in the 1920's and 1930's know that there was a great deal of hardship and animosity on the part of many people who lived in that park at that time and were forcibly removed from the park. There is documentation of individuals whose homes were burned while they had been forcibly removed from the home, their furniture removed, put out on the ground outside, and they stayed there and watched while their home was burned to the ground.

There is a long history of difficult relations between the national park, which is a precious resource that every one of us values, but at the same time respect for the rights of those people who live around the park and are concerned about the manner in which it was created and about the manner in which it could be expanded, because of the authorized boundary of some 521,000 acres which is more than 2½ times the size of the park today.

That would mean that, for example, the city of Waynesboro in my congressional district, a city of more than 20,000 people, half of that city is in the authorized area of the national park. It simply does not make any sense.

We are not in any way shrinking the size of the park. We are not taking any land out of the park except for the specific 16 acres designated by the gentleman from Virginia [Mr. BLILEY], which will be used to improve roads going through the park, to widen the roads, straighten the roads for safety purposes because they are used by the public, used by school buses traveling through the area. That will be removed, but other than that, there is no change in the boundary of the park.

This simply says that in the future if people want to add to the Shenandoah

National Park, they are going to have to go through the process of getting congressional support for legislation that will add the land. No longer can they do so simply as an administrative decision.

This is something that I think is vitally important for the protection of the counties that surround the park, that are worried about losing the tax base for land that might be donated to the park, and it is also vitally important for the adjoining landowners who fear they may see a diminution of the value of their property. I strongly urge passage of this legislation.

As an original cosponsor and one who has worked hard and waited long to see this day come to pass, I am pleased to rise in support of H.R. 1091, the Virginia National Parks Act. I want to congratulate Congressman BLILEY for spearheading the introduction of this much-needed effort and Chairmen YOUNG and HANSEN for their excellent leadership in bringing this bill to the floor.

Three components of this legislation directly impact my congressional district, the sixth district of Virginia: setting the boundaries of the Shenandoah National Park; the transfer of secondary roads within the Shenandoah National Park to the State; and the Shenandoah Valley National Battlefields Partnership Act.

These land-related concerns all have one common thread—they all achieve their ends through local control by communities and property owners.

I am extremely pleased that the Shenandoah Valley National Battlefields Partnership Act which our colleague FRANK WOLF has championed since the 103d Congress is contained in this legislation. As an original cosponsor of the battlefields bill I was very disappointed when it was caught in the end of the session rush of the 103d Congress and not taken up by the House. Committee testimony last Congress pointed out the national significance of the battlefields and related areas in the Shenandoah Valley and the danger they face if left unprotected.

Congressman WOLF and constituents in both of our congressional districts have worked very hard to craft this balanced legislation. Extensive local involvement was instrumental in developing a solid bill securing the Valley's rich heritage without treading on the authority of local governments or the rights of private landowners. This act represents a model partnership between Federal and local governments to preserve 12 critical Civil War battle sites throughout the Shenandoah Valley. These include three sites in the sixth congressional District: Cross Keys and Port Republic in Rockingham County and McDowell in Highland County.

Residents of the Shenandoah Valley are fiercely proud of their heritage and the role that their valley played in the American Civil War. Not only did the battles fought in the valley play a pivotal role in the Civil War and have national importance, but the ravages from these battles on the lives of local citizens and their property were great and remain an important part of our local history. Many of the descendants of the native valley families who farmed the land where these battles were fought some 130 years ago still reside on those same family farms today.

This tremendous pride in the valley's rich heritage is the key to why public participation in the drafting of this legislation was overwhelming. More than two dozen public hearings were held throughout the valley and support has been widespread.

Prior to the introduction of the bill, I participated in a public meeting held in my congressional district by the Rockingham County Board of Supervisors to find out if support for the proposal to create the Shenandoah Valley National Battlefields Park was as widespread as we anticipated. This meeting provided a forum where all voices in the area could be heard.

The community's support was very strong. Property owners, preservation groups, and local government officials and businesses voiced their support for the bill and the Rockingham County Board of Supervisors subsequently endorsed it. This type of support has been universal. Every Chamber of Commerce and Economic Development Council in the five counties affected have endorsed this bill.

That is because our bill not only protects the irreplaceable resources of the battle sites, it also protects property rights through its entirely voluntary approach and provides opportunity for continued economic development for the region. This is achieved in a cost-efficient manner.

This legislation does not involve acquisition of thousands of acres of land by the Federal Government. There will be no Federal "taking" of local property. That approach would be antithetical to the residents of the valley who as I mentioned earlier are fiercely proud of their heritage, yet deeply suspicious of big Government.

Rather, this legislation is built on providing incentives designed to encourage local governments and landowners to voluntarily manage their communities and property in ways best to further the preservation of these sites and park objectives. It respects private property rights and recognizes federal budgetary limitations resulting from the Federal budget deficit. It creates a model, partnership between the local communities and the Federal Government to protect our valley's rich historic resources for future generations.

With regard to provisions modifying the boundary of the Shenandoah National Park—ever since my first campaign for Congress in 1991, I have heard from citizens and local governments concerned about the possible expansion of the Shenandoah National Park and the impact such an expansion would have on their property values and those communities which lie on the parameters of the park. Since 1991 this issue has been one of my top priorities.

Shenandoah National Park now encompasses 196,000 acres of land, however it has a much larger authorized boundary of 521,000 acres created by Congress in 1926. Under this authorization, the SNP has the potential to expand in three ways without any action by Congress: by accepting donated property, by purchasing property with donated funds and through land transfers with private property owners. In fact, the only time that the park must come to Congress in order to expand is if they seek to purchase property with appropriated funds.

This situation causes local communities and property owners to constantly fear such an expansion and the potential for crippling effects upon property rights and local tax bases. In Rockingham County for example, there is the community of Beldor Hollow which has lived for several generations with the threat that citizens of the community could actually be surrounded by park land, "land-locked" if you will. In fact two members of the Rockingham County Board of Supervisors spoke to the National Parks Subcommittee about those concerns back in March when the subcommittee held hearings on this bill.

By freezing the boundaries of the park to the land that the SNP currently owns we will alleviate this threat of out-of-control expansion that has plagued these communities since the 1930's. This bill does not eliminate the potential for the park to expand in the future—it just requires that Congress approve such an expansion which provides the park's neighbors the opportunity to have a voice in the matter.

We've also taken care of another Shenandoah issue with this legislation by transferring secondary roads within the park to the state so that they can continue to be maintained. Virginia has maintained and operated these secondary roads under a series of temporary use permits since the park's creation. These permits have expired and since the National Park Service has not renewed them the State can no longer maintain these roads, many of which are in need of repairs. Our bill returns these roads to the State so that they can be maintained.

I urge my colleagues to pass this legislation which is vitally important to the entire State of Virginia.

Mr. RICHARDSON. Mr. Speaker, I have no further requests for time.

Mr. Speaker, let me conclude by stating that I will support this bill. I have some reservations. Again, I think we should give our Park Service professionals the opportunity in their boundary studies to work their will, but I am compelled to support it because of the respect I have for many Members on both sides of the aisle that would like to see this bill become law. Tomorrow when we cast the vote, I will be voting "aye."

Mr. Speaker, I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. FOLEY). The question is on the motion offered by the gentleman from Utah [Mr. HANSEN] that the House suspend the rules and pass the bill, H.R. 1091, as amended.

The question was taken.

Mr. RICHARDSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1630

NATIONAL PARK SYSTEM REFORM ACT OF 1995

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 260), to provide for the development of a plan and a management review of the National Park System and to reform the process by which areas are considered for addition to the National Park System, and for other purposes, as amended.

The Clerk read as follows:

H.R. 260

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Park System Reform Act of 1995".

SEC. 2. DEFINITIONS.

As used in this Act:

(1) The term "Secretary" means the Secretary of the Interior.

(2) The term "Plan" means the National Park System Plan developed under section 101.

(3) The term "Commission" means the National Park System Review Commission established pursuant to section 103.

(4) The term "Congressional resources committees" means the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

TITLE I—NATIONAL PARK SYSTEM PLAN

SEC. 101. PREPARATION OF NATIONAL PARK SYSTEM PLAN.

(a) PREPARATION OF PLAN.—The Secretary of the Interior, acting through the Director of the National Park Service, shall prepare a National Park System Plan to guide the direction of the National Park System into the next century. The Plan shall include each of the following:

(1) Identification of goals and objectives for use in defining the mission and role of the National Park Service and the National Park System in preserving our Nation's heritage, relative to other efforts at the Federal, State, local, and private levels. This statement shall include a refinement for the definition of "nationally significant" for purposes of inclusion in the National Park System.

(2) Criteria to be used in determining which themes and types of resources are appropriate for representation in the National Park System, as well as criteria for judging individual sites, areas, and themes that are appropriate for inclusion as units of the National Park System.

(3) Identification of what constitutes adequate representation of a particular resource type or theme in the National Park System.

(4) Identification of which aspects of the Nation's heritage are adequately represented in the existing National Park System.

(5) Identification of appropriate aspects of the Nation's heritage not currently or adequately represented in the National Park System.

(6) Priorities of the themes and types of resources which should be added to the National Park System in order to provide more complete representation of our Nation's heritage.

(7) A thorough analysis of the role of the National Park System and the National Park Service with respect to (but not limited to) conservation of natural areas and ecosystems; preservation of industrial America; preservation of intangible cultural heritage such as arts, music, and folklife; presidential sites; open space protection; and provision of outdoor recreation opportunities.

(8) A comprehensive financial management plan for the National Park System which identifies all funding available to the agency, how funds will be allocated to support various programs, and the level of service to be provided.

(b) PUBLIC PARTICIPATION AND CONSULTATION.—During the preparation of the Plan under subsection (a), the Secretary shall ensure broad public participation in a manner which, at a minimum, consists of the following two elements:

(1) Solicitation of the views of the American public with regard to the future of the National Park System. Opportunities for public participation shall be made available throughout the planning process and shall include specific regional public meetings.

(2) Consultation with other Federal land management agencies, State and local officials, resource management, recreation and scholarly organizations, and other interested parties as the Secretary deems advisable.

(c) TRANSMITTAL OF REPORT.—Prior to the end of the second complete fiscal year commencing after the date of enactment of this Act, the Secretary shall transmit the Plan developed under this section to the Congressional resources committees.

(d) CONGRESSIONAL APPROVAL.—Unless Congress enacts a joint resolution rejecting all or modifying part of the Plan within 180 calendar days after the date of its transmittal to Congress, the Plan shall be deemed approved.

(e) IDENTIFICATION OF UNITS OF THE NATIONAL PARK SYSTEM.—The Secretary shall submit to the Congressional resources committees an official list of areas or units of the National Park System within 180 days after the date of the enactment of this Act. The Secretary shall establish a set of criteria for the purpose of developing such list and shall transmit those criteria to the Congressional resources committees.

(f) AUTHORITY TO ESTABLISH UNITS OF THE NATIONAL PARK SYSTEM.—After the enactment of this Act, units or areas of the National Park System may only be established pursuant to an Act of Congress or by Presidential action in accordance with the Act entitled "An Act for the preservation of American antiquities" (16 U.S.C. 431 et seq.).

SEC. 102. MANAGEMENT REVIEW OF NATIONAL PARK SYSTEM.

(a) SELECTION CRITERIA.—(1) The Secretary shall, not later than 45 days after transmittal of the Plan under section 101(c), publish in the Federal Register and transmit to the Congressional resources committees the criteria proposed to be used by the Department of the Interior in reviewing existing units of the National Park System under this section. The Secretary shall provide an opportunity for public comment on the proposed criteria for a period of at least 30 days.

(2)(A) The Secretary shall, within 60 days of the transmittal of proposed criteria under paragraph (1), publish in the Federal Register and transmit to the Congressional resources committees the final criteria to be used in carrying out this section. Except as provided in subparagraph (B), such criteria shall be the final criteria to be used unless disapproved by a joint resolution of Congress enacted not more than 30 legislative days after receipt of the final criteria. For the purpose of the preceding sentence, the term "legislative day" means a day on which both Houses of Congress are in session.

(B) The Secretary may amend such criteria, but such amendments may not become effective until they have been published in the Federal Register, opened to public comment for at least 30 days, and transmitted to the Congressional resources committees in final form.

(b) REVIEW.—(1)(A) Using the Plan deemed to be approved pursuant to section 101(d) and the criteria developed pursuant to subsection (a), the Secretary shall review the existing National Park System to determine whether any existing units or significant portions of such units do not conform to the Plan. For any such areas, the Secretary shall determine whether there are more appropriate alternatives for managing all or a portion of such units, including through partnerships or direct management by States, local governments, other agencies and the private sector.

(B) The Secretary shall develop a report which contains a list of any unit of the National Park System where National Park Service management should be terminated and a list of any portion of units where National Park Service management should be modified as a result of nonconformance with the Plan. No area or portion of an area which Congress has designated as a national park may be included in the report.

(2) Should any such unit or portion of such unit not be recommended for continued National Park Service management, the Secretary shall make recommendations regarding management by an entity or entities other than the National Park Service.

(3) For any such unit or portion of such unit determined to have national significance, prior to including such unit or portion of such unit on a list under paragraph (1), the Secretary shall identify feasible alternatives to National Park Service management which will protect the resources of and assure continued public access to the unit.

(c) CONSULTATION.—In developing the report referred to in subsection (b), the Secretary shall consult with other Federal land management agencies, State and local officials, resource management, recreation and scholarly organizations, and other interested parties as the Secretary deems advisable.

(d) TRANSMITTAL.—Not later than 18 months after the Plan has been deemed approved, the Secretary shall transmit the report developed under this section simultaneously to the Congressional resources committees and the Commission. The report shall contain the recommendations of the Secretary for termination of National Park Service management for any unit of the National Park System that is determined not to conform with the Plan, a list of portions of units where National Park Service management should be modified, and the recommendations for alternative management by an entity or entities other than the National Park Service for such unit.

SEC. 103. NATIONAL PARK SYSTEM REVIEW COMMISSION.

(a) ESTABLISHMENT OF COMMISSION; DUTIES.—(1) Following completion of the Plan as specified in section 101, a National Park System Review Commission shall be established.

(2) The Commission shall either review the report developed under section 102 or, if the Secretary fails to develop and transmit such report, develop the report itself. In conducting its review (or developing the report, if necessary), the Commission shall be subject to the provisions of sections 102 (b) and (c) in the same manner as such provisions apply to the Secretary. If the Secretary develops and transmits the report, the review of the Commission shall be limited to the manner in which the criteria have been applied to the existing National Park System. In addition the Commission shall seek broad public input and ensure the opportunity for input from persons who would be directly affected by recommendations regarding National Park System units identified in its report.

(3) Within 2 years after the date of its establishment, the Commission shall prepare and transmit to the Congressional resources committees a report of its work under paragraph (2) in which the Commission recommends a list of National Park System units where National Park

Service management should be terminated and a list of portions of units where National Park Service management should be modified.

(b) MEMBERSHIP AND APPOINTMENT.—The Commission shall consist of 11 members, each of whom shall have substantial familiarity with, and understanding of, the National Park System and related fields. In addition, the Commission members shall have expertise in natural sciences, history, archaeology, and outdoor recreation. Five members of the Commission, one of whom shall be the Director of the National Park Service, shall be appointed by the Secretary. Two members shall be appointed by the Speaker of the United States House of Representatives in consultation with the chairman of the Committee on Resources, and one member shall be appointed by the Minority Leader of the House or Representatives in consultation with the ranking minority member of the Committee on Resources. Two members shall be appointed by the President pro tempore of the United States Senate, in consultation with the chairman of the Committee on Energy and Natural Resources and one member shall be appointed by the Minority Leader of the Senate in consultation with the ranking minority member of the Committee on Energy and Natural Resources. Each member shall be appointed within three months after the completion of the Plan as specified in section 101.

(c) CHAIR.—The Commission shall elect a chair from among its members.

(d) VACANCIES.—Vacancies occurring on the Commission shall not affect the authority of the remaining members of the Commission to carry out the functions of the Commission. Any vacancy in the Commission shall be promptly filled in the same manner in which the original appointment was made.

(e) QUORUM.—A simple majority of Commission members shall constitute a quorum.

(f) MEETINGS.—The Commission shall meet at least quarterly or upon the call of the chair or a majority of the members of the Commission.

(g) COMPENSATION.—Members of the Commission shall serve without compensation as such. Members of the Commission, when engaged in official Commission business, shall be entitled to travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in government service under section 5703 of title 5, United States Code.

(h) TERMINATION.—The Commission established pursuant to this section shall terminate 90 days after the transmittal of the report to Congress as provided in subsection (a).

(i) LIMITATION ON NATIONAL PARK SERVICE STAFF.—The Commission may hire staff to carry out its assigned responsibilities. Not more than one-half of the professional staff of the Commission shall be made up of current employees of the National Park Service.

(j) STAFF OF OTHER AGENCIES.—Upon the request of the Commission, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission.

(k) EXPERTS AND CONSULTANTS.—Subject to such rules as may be adopted by the Commission, the Commission may procure temporary and intermittent services to the same extent as authorized by section 3109(b) of title 5, United States Code, but at rates determined by the Commission to be advisable.

(l) POWERS OF THE COMMISSION.—(1) The Commission shall for the purpose of carrying out this title hold such public hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission deems advisable.

(2) The Commission may make such bylaws, rules, and regulations, consistent with this title, as it considers necessary to carry out its functions under this title.

(3) When so authorized by the Commission, any member or agent of the Commission may take any action which the Commission is authorized to take by this section.

(4) The Commission may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

(5) The Secretary shall provide to the Commission any information available to the Secretary and requested by the Commission regarding the Plan and any other information requested by the Commission which is relevant to the duties of the Commission and available to the Secretary.

SEC. 104. SUBSEQUENT ACT OF CONGRESS REQUIRED TO MODIFY OR TERMINATE A PARK.

Nothing in this Act shall be construed as modifying or terminating any unit of the National Park System without a subsequent Act of Congress. This limitation shall not limit any existing authority of the Secretary.

SEC. 105. AUTHORIZATION OF APPROPRIATIONS.

There are hereby authorized to be appropriated $2,000,000 to carry out the purposes of this title.

SEC. 106. COMMENDATION AND PROTECTION OF NATIONAL PARK RANGERS.

(a) FINDING.—The Congress recognizes the dedication, expertise and courage of the men and women who serve as rangers and other employees of the National Park Service and finds their service to the protection of our park resources and the safety of the hundreds of millions of Americans who visit our national parks each year to be indispensable.

(b) PROTECTION OF NATIONAL PARK SERVICE EMPLOYEES.—As soon as possible as part of the report developed under section 101, the Secretary shall report on the procedures that have been instituted to report to the United States Attorney or other appropriate law enforcement official any intimidation, threats, or acts of violence against employees of the National Park Service related to their duties.

TITLE II—NEW AREA ESTABLISHMENT

SEC. 201. STUDY OF NEW PARK SYSTEM AREAS.

Section 8 of the Act of August 18, 1970, entitled "An Act to improve the Administration of the National Park System by the Secretary of the Interior, and to clarify the authorities applicable to the system, and for other purposes" (16 U.S.C. 1a-1 and following) is amended as follows:

(1) By inserting "GENERAL AUTHORITY.—" after "(a)".

(2) By striking the second through the sixth sentences of subsection (a).

(3) By redesignating the last two sentences of subsection (a) as subsection (f) and inserting in the first of such sentences before the words "For the purposes of carrying" the following: "(f) AUTHORIZATION OF APPROPRIATIONS.—".

(4) By striking subsection (b).

(5) By inserting the following after subsection (a):

"(b) STUDIES OF AREAS FOR POTENTIAL ADDITION.—(1) At the beginning of each calendar year, along with the annual budget submission, the Secretary shall submit to the Committee on Resources of the House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate a list of areas recommended for study for potential inclusion in the National Park System.

"(2) In developing the list to be submitted under this subsection, the Secretary shall give consideration to those areas that have the greatest potential to meet the established criteria of national significance, suitability, and feasibility. The Secretary shall give special consideration to themes, sites, and resources not already adequately represented in the National Park System as identified in the National Park System Plan to be developed under section 101 of the National Park System Reform Act of 1995.

"(3) No study of the potential of an area for inclusion in the National Park System may be initiated after the date of enactment of this subsection, except as provided by specific authorization of an Act of Congress.

"(4) Nothing in this Act shall limit the authority of the National Park Service to conduct preliminary resource assessments, gather data on potential study areas, provide technical and planning assistance, prepare or process nominations for administrative designations, update previous studies, or complete reconnaissance surveys of individual areas requiring a total expenditure of less than $25,000.

"(5) Nothing in this section shall be construed to apply to or to affect or alter the study of any river segment for potential addition to the national wild and scenic rivers system or to apply to or to affect or alter the study of any trail for potential addition to the national trails system.

"(c) REPORT.—(1) The Secretary shall complete the study for each area for potential inclusion in the National Park System within 3 complete fiscal years following the date of enactment of specific legislation providing for the study of such area. Each study under this section shall be prepared with appropriate opportunity for public involvement, including at least one public meeting in the vicinity of the area under study, and after reasonable efforts to notify potentially affected landowners and State and local governments.

"(2) In conducting the study, the Secretary shall consider whether the area under study—

"(A) possesses nationally significant natural or cultural resources, or outstanding recreational opportunities, and that the area represents one of the most important examples of a particular resource type in the country; and

"(B) is a suitable and feasible addition to the system.

"(3) Each study—

"(A) shall consider the following factors with regard to the area being studied—

(i) the rarity and integrity of the resources;

(ii) the threats to those resources;

(iii) whether similar resources are already protected in the National Park System or in other public or private ownership;

(iv) the public use potential;

(v) the interpretive and educational potential;

(vi) costs associated with acquisition, development and operation;

(vii) the socioeconomic impacts of any designation;

(viii) the level of local and general public support, and

(ix) whether the area is of appropriate configuration to ensure long-term resource protection and visitor use;

"(B) shall consider whether direct National Park Service management or alternative protection by other public agencies or the private sector is appropriate for the area;

"(C) shall identify what alternative or combination of alternatives would in the professional judgment of the Director of the National Park Service be most effective and efficient in protecting significant resources and providing for public enjoyment; and

"(D) may include any other information which the Secretary deems to be relevant.

"(4) Each study shall be completed in compliance with the National Environmental Policy Act of 1969.

"(5) The letter transmitting each completed study to Congress shall contain a recommendation regarding the Secretary's preferred management option for the area.

"(d) NEW AREA STUDY OFFICE.—The Secretary shall establish a single office to be assigned to prepare all new area studies and to implement other functions of this section.

"(e) LIST OF AREAS.—At the beginning of each calendar year, along with the annual budget submission, the Secretary shall submit to the Committee on Resources of the House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate a list of areas which have been previously studied which contain primarily historical resources, and a list of areas which have been previously studied which contain primarily natural resources, in numerical order of priority for addition to the National Park System. In developing the lists, the Secretary should consider threats to resource values, cost escalation factors, and other factors listed in subsection (c) of this section. The Secretary should only include on the lists areas for which the supporting data is current and accurate.".

The SPEAKER pro tempore (Mr. FOLEY). Pursuant to the rule, the gentleman from Utah [Mr. HANSEN] will be recognized for 20 minutes and the gentleman from New Mexico [Mr. RICHARDSON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Speaker, I rise in strong support of H.R. 260, the bipartisan National Park System Reform Act of 1995 introduced by Mr. HEFLEY. This bill is very similar to a bipartisan measure which passed the House last session by a vote of 421–0. As was testified to in our hearing on the bill, it is one of the most important measures on the National Park Service to come before the committee since the 1916 Act establishing the National Park Service. I am pleased to note that the bipartisan nature which characterized this bill last session continues this session, despite the extensive effort of those who seek to misrepresent this legislation.

This bill reflects the concern of a number of Members on both sides of the aisle and in both Houses that over the years since its establishment, the Park Service mission seems to have expanded far beyond what was originally envisioned, and far beyond what can be afforded. In the words of GAO at our joint hearing with the Senate last spring, the "NPS is at a crossroads."

We can either continue down the path of designating questionable areas we cannot afford, or we can choose another course. This bill by Mr. HEFLEY helps us to choose another course.

First, and most importantly, the bill requires the NPS to develop a plan for where it should go. Should we include urban beaches in the National Park System? What about outdoor performing arts amphitheaters? What about historic re-creations? All these questions need to be asked and answered. Through this bill, those answers will be forthcoming.

Second, we must have a process to ensure that only the best areas get added to the park system in the future. We cannot go forward adding every new proposal in sight, just because a Member or interest group has a particular desire. We must have better screening criteria and a prioritization of areas to be added to the park system.

Finally, we must look at where we have been, and what is included in the existing park system. Anyone who has looked at the park system for very long has a list of questionable sites in his/her pocket. Two weeks after the administration testified against this bill, Secretary Babbitt stated his intention to transfer three NPS areas to the States of Virginia and Maryland. Congress has no way to know what other areas are on Secretary Babbitt's park closure list, but we cannot go around arbitrarily listing parks to be closed. Rather, there should be an objective, public process to review our existing park system. That is precisely what this bill provides.

I point out that this bill does not close a single park, either directly or indirectly. It will lead to a possible list of park areas where future Federal involvement should be re-examined in the minds of objective observers. From there, Congress would be free to act, just as we have deauthorized parks 24 times in the last 100 years. However, actions taken would be on the basis of solid information.

While it is true that parks could be reviewed on a piecemeal basis, such an approach would be subject to the same political pressures which have resulted in the addition of the questionable areas to the park system in the first place.

The most enlightening and disturbing aspect of the debate over this bill has been how the interest groups have lined up. The bill is supported on a bipartisan basis by members from the Resources Committee who routinely receive a "0" from the League of Conservation Voters and by Members who score in the 90's. It is supported by both Republican and Democratically-appointed Directors of the NPS. It is supported by employees of the agency, as represented by the largest employee organization, the Association of National Park Rangers. Finally, it is supported by the National Trust for Historic Preservation.

It is opposed only by the extreme environmental groups and those who carry their banner. It is ironic to me that those who claim to be such friends of the parks have put their personal political and financial gain ahead of the well-being of the parks.

I have no grand illusions that we will solve the financial woes of the National Park Service through this bill, but we will help protect the integrity of the park system. After all, the agency as a whole will be judged by its most questionable area, which is the only standard against which any new potential addition to the park system must be judged.

I commend this bill to my colleagues and I know that those who support our park system, will support this important legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. RICHARDSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, make no mistake about it, this is a parks-closure bill. And this is why I am going to read a series of national environmental groups that are opposing this bill: The Defenders of Wildlife; the American Hiking Society; the Sierra Club Legal Defense Fund; the Friends of the Earth; the Izaak Walton League of America; the Wilderness Society; the National Parks and Conservation Association.

Let me also state, Secretary Babbitt's name has been invoked, the Clinton administration strongly opposes H.R. 260, unless amended to delete provisions that deal with a closure commission.

Mr. Speaker, this is a bad bill, but what is worse, it is here under suspension. Why is there a railroading of this bill? Why in subcommittee, as the ranking member of the Subcommittee on National Parks, Forests and Lands, was I not allowed to proceed with an amendment, an alternative, that said basically there are other ways to finance the national parks? Let us look at a trust, let us look at concessions or let us look at fees. Let us look at better ways to manage the parks.

But what we are doing here is a parks closure commission. My good friend, the gentleman from Utah [Mr. HANSEN], the chairman of the subcommittee, has been quoted that he would like to see 150 parks closed in his own newspaper.

Mr. HANSEN. Mr. Speaker, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Utah.

Mr. HANSEN. Mr. Speaker, that was a quote that came out of the Elko paper, and the Elko paper wrote a retraction of that saying that they never heard that before and they were sorry they brought that up. So, that retraction was in there and any Member would be a fool to make a statement like that, and I hope I do not fall in that category.

Mr. RICHARDSON. Mr. Speaker, reclaiming my time, I accept what the gentleman just said.

Mr. HANSEN. Mr. Speaker, I would be happy to submit it for the RECORD.

Mr. RICHARDSON. Mr. Speaker, again, reclaiming my time, I am quoting many publications and I am simply stating that what we are doing in this bill is we are setting up a process that is similar to a military base closing commission.

Mr. Speaker, what we are doing is, along with the cuts on the national parks, and the cuts are substantial in the national parks budget, 36 percent cut by the year 2002, would be achieved by closing 200 smallest and least-visited national parks, or by cutting the budget of all parks by amounts which render them less safe, the Congress will have indirectly and quietly achieved what some are attempting to do with a parks closing commission. Mr. Speaker, this is by the Department of the Interior.

Mr. Speaker, no one is calling us or saying that we have too many parks. On the contrary, the American people love and support our national parks. That is why many of us are deeply troubled by this bill. This is a parks closure bill, basically, with some viewing it as means to close parks they believe are nonessential.

Contrary to what some might believe, it is not easy to get an area designated as a unit of the National Park System and should not be easy to remove them from the system as well. Those who think the authorization is a panacea for whatever ails the National Park System are wrong.

We could deauthorize all the 30-plus units designated since 1980, yet we would save less than 2 percent of the national parks budget, annual operation and maintenance budget.

Mr. Speaker, I am concerned that this legislation relies too heavily on a park closure commission which would have the authority to recommend the closure of any unit in the National Park System, with the exception of the 54 national parks. The Statue of Liberty, Independence Hall, the Washington Monument are all national monuments and would be subject to consideration for closure or privatization under the provisions of the bill.

Mr. Speaker, what makes these sites any less worthy than Yellowstone or Grand Canyon National Park? National park units are not at all like military bases. We do not need a closure commission that could only justify its existence by recommending park closures.

If there is any question as to the marching orders of the commission, one only needs to look at the Republican budget resolution that was adopted: A 10-percent cut in NPS operating funds, a 5-year land acquisition moratorium, and a 50-percent cut in NPS construction. Is there any doubt what this commission is supposed to produce?

Mr. Speaker, there are not quick fixes to find out how we improve the management of the parks. All I am saying is let us send this bill back to the Committee on Rules where there would be an opportunity to debate an alternative that I have. I only want one amendment, 10 minutes, 3 minutes, that says there is a better way than a closure commission; that this is far too drastic.

Mr. Speaker, I reserve the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Colorado [Mr. HEFLEY], the author of the legislation.

Mr. HEFLEY. Mr. Speaker, I am pleased that we are able to bring this bipartisan measure, the National Park System Reform Act, to the floor of the House today.

Mr. Speaker, in the past few months I have heard this bill called many things and blamed for many others. Most of these, as well as what we have just heard on the floor, simply are not accurate.

This is not a park-closing bill. This is not a base-closing commission. In fact, the gentleman from New Mexico [Mr. RICHARDSON], I think, is arguing against the bill which is simply not before us on the floor of the House today. Maybe it was a concept somewhere back in the history of this legislation, but it simply is not something that is before us, after many months of working with the gentleman from California [Mr. MILLER] and the gentleman from Minnesota [Mr. VENTO] in trying to massage this bill and make it be something that we could all be very proud of.

Mr. Speaker, it is simply not the bill that the gentleman from New Mexico describes. H.R. 260 is a balanced policy initiative that will set the stage for future, reasoned debate on park reform.

The bill directs the Park Service to take 1 year to develop both a mission statement and a set of criteria for inclusion within the Park System.

Following Congress' approval, the Park Service would then take that criteria, remember that, following Congress' approval, the Park Service would take that criteria, hold it up against the existing Park System, see what is there, what is not there, and possibly on some rare cases what does not belong there.

Mr. Speaker, if those rare cases occur, the Park Service would study alternative forms of management which would range from transfer to other government agencies or levels of government or to other interested parties.

Only if those prospective managers could guarantee preservation of the resource which made the site significant in the first place, could any transfer take place.

So, we are not closing parks with this bill. In fact, we are not making it easy to close parks with this bill. After 3 years of study, the Park Service will turn its findings over to an independent review commission. During the next 18 months, the review commission would look over the Park Service's recommendations and receive additional public comment on them, before passing those recommendations along to Congress.

Mr. Speaker, if the Park Service does the kind of job we expect it to, then the commission will serve as little more than a rubber stamp to its findings. But, if it becomes clear after 1 year that the Park Service has no intention of carrying out the review outlined in this act, then the review commission may undertake to review on its own.

In this way, the commission may serve as a hammer over the Park Service, or its peer reviewer. The choice is up to the Park Service.

Mr. Speaker, whatever the findings of this review, it is up to Congress to act upon them in whole or in part or not at all. This is no base-closing bill. There is nothing in it that says, "Take it or leave it all," about the review in H.R. 260.

Title II of the bill tightens the criteria for admission of new units into the Park System.

□ 1645

It directs the Interior Secretary to develop a priority system for new units, then submit these priorities to Congress with the annual budget request until action is taken.

Further, the bill centralizes planning for new units at Park Service headquarters. If this is to be a system of nationally significant places, then there should be a coordinated effort to identify such places.

Let me tell you what H.R. 260 does not do. H.R. 260 does not mandate the closure of any parks. Indeed, the Nation's 54 national parks were exempted. There were those who were saying we were going to close Yellowstone, close Grand Canyon. Of course, not. Those are going to stand up to any scrutiny, as I think most units of the Park System will. We just took those out. That will not even be a question. H.R. 260 does not create an independent commission selling off parks to the highest bidder. The commission can act alone only if Interior ignores the will of Congress. Even then it would be assisted in its review by the Park Service and even then any action on its findings would be left to Congress, which created the parks in the first place.

It would not mean the end of urban or Alaskan parks, as has been charged. It is not an outgrowth of the wise-use movement in the West. It has nothing to do with the cutbacks in budget or appropriations, real or imagined.

The gentleman from Minnesota [Mr. VENTO] and I have worked on this bill now for almost 2 years. Last year we passed its 1994 counterpart by a record vote of 421 to zero. This, I think, is a better bill. We have sat down with more people since then. We have 42 or so environmental groups we sat down with and tried to take their concerns into account as we tried to develop this bill. I think it is a better bill now.

Yet, H.R. 260 appears to have become a lightning rod for every fear about Park Service matters voiced against this Congress. I hope the membership will push aside the perceptions that have been advanced by a number of special interest groups and, instead, support the reality embodied in H.R. 260. It is a good bill. It is one which will keep our national parks the envy of the world.

I urge support for this bill.

Mr. RICHARDSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me disabuse the gentleman and everyone that is listening of one fact. This is not the same bill that passed last year which contained all of our votes. There is a huge difference.

This is a bill that has as the primary source the park closure commission. The past bill had a backup. First, the Park Service made their determinations. Then you had the park closure commission. That is the difference. There is a huge difference.

Mr. Speaker, I yield 5½ minutes to the gentleman from New Jersey [Mr. PALLONE], a member of the committee.

Mr. PALLONE. Mr. Speaker, I rise in opposition to H.R. 260. I also rise in opposition to the manner in which this controversial measure is being brought before the House.

H.R. 260 would set up a mechanism for restructuring portions of the National Park System and includes provisions that would allow an Interior Secretary or an unelected commission to recommend the closure of units of the Park System.

I oppose H.R. 260 for a number of reasons, but primarily because I disagree with a fundamental premise of the bill. H.R. 260 rests upon the presumption that the Park System is overextended and that the only way to help the system is to restructure and strategically downsize it.

Restructuring and downsizing are terms we often hear these days in Congress, but we are not talking about military bases here.

What we are debating is the fate of one of our Nation's greatest treasures. This is cultural, historical, and natural resource preservation we are talking about.

As Mr. RICHARDSON said in his dissenting views on H.R. 260, no one outside the beltway is calling or writing to say we have too many parks. In fact, the contrary is true in my State. I have constituents and elected officials writing me all the time to try to get new areas designated as parks or refuges or to get existing parks expanded. And despite the rhetoric we hear in this body, it is not easy to get that done; it takes years of work.

Of course, even if we except the premise that we need to trim the Park System, the deck has already been stacked in favor of some units and against others. The legislation exempts from consideration for termination 54—mainly Western—national parks. And what was the scientific policy basis for leaving these parks out? I do not know. If this is a fair process this bill is establishing, and these parks are so superior, would those parks not be protected anyway?

Why aren't important parks like the Statue of Liberty, Independence Hall, and the Washington Monument protected from scrutiny? Why aren't Gateway and Sandy Hook—which is in my district—protected? Perhaps it is because these are urban units which, in addition to being significant cultural, historical, and natural areas, provide education and recreation to lower income people who cannot afford to travel to Colorado or California to take advantage of the Park System their tax dollars support. Or maybe it is merely because some in this body have a very narrow and elitist view of the Park System.

Now, I know that supporters of this bill will say it is not a closure bill; that it is not a BRAC for the parks. But I would just like to draw my colleagues' attention to a bill that those same people supported last Congress, H.R. 1508. Section 105 of that bill, sponsored by Mr. HEFLEY, was entitled "Termination of National Park Service management at nonessential National Park System areas." Now today's bill may be a so-called compromise bill, but it is clear what the intent is behind it. I am now a member of the Resources Committee—and I have watched some of my colleagues on that committee oppose parkland acquisition even though it was proposed by a Republican member. I have even seen "Dear Colleague" letters and a newspaper op-ed entitled "Do We Need All These Parks?" where a park in my district is singled out. But those same people seem to be saying "trust us, we really don't want to get rid of the park system." I am sorry, but I just cannot take that on faith.

I could go on about my objections to this legislation, but I want to talk a bit about the way in which this bill is being considered. On June 12, BILL RICHARDSON, the ranking Democrat on the National Parks Subcommittee—which has jurisdiction over this legislation—sent a "Dear Colleague" letter to each and every Member of the House. In that letter he said that he opposed H.R. 260. But more importantly he said the following: "When the House considers H.R. 260, I will offer amendments * * *." I told the ranking subcommittee member that I supported him and that I, too, might want to offer amendments. Other Members did the same.

Then, on Friday of last week, I found out that the National Park System Reform Act was coming before the House under suspension of the rules—a format that would prohibit all of us from offering the amendments we said we wanted considered. I did not believe it. I actually asked my staff to call the Democratic Cloakroom to make sure this was actually H.R. 260 we were bringing up. You see, I was under the impression that the Suspension Calendar is only for noncontroversial items, not legislation that is opposed by the National Parks and Conservation Association. It is not for legislation that is so controversial that the Secretary of the Interior came all the way to my district to tell me and my constituents that he opposed it. And it is certainly not meant for legislation that is opposed by the ranking member of the subcommittee of jurisdiction.

Yet here we are. We have not suspended the rules, what we have suspended is the right of my constituents and others to dissent.

Maybe you do not agree with my point of view on the bill's substance. Or maybe you do. However, I hope that you support the rights of myself, my friend from New Mexico, and others who want to offer amendments to this bill.

I urge my colleagues to vote for the Park System and for the Democratic system by voting "no" on this legislation.

Mr. RICHARDSON. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. HANSEN. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I rise in strong support to H.R. 260, and I want to commend the gentleman from Utah [Mr. HANSEN], the chairman of the subcommittee, and the principal sponsor, the gentleman from Colorado [Mr. HEFLEY], for their work on this.

Actually, this product is a product of the 103d Congress in many respects.

As was indicated, we hammered this proposal out last year. It passed on Suspension Calendar. It was considered on suspension. It was basically a measure that is noncontroversial. It is not identical to the bill, but most of the major elements are the same, and the proposal and the agreement that was made then really holds true in terms of my work on this measure.

This is a necessary piece of legislation. This really provides a formal process for the establishment of a criteria, criteria which do not exist today with regard to the national parks. We need the Park Service to establish that type of criteria.

Furthermore, it establishes, in order to be certain that the Park Service itself will go through the process of this establishment of criteria, and once submitted, Congress then has to ratify it. Beyond that, it suggests the Park Service then take the criteria that it develops and review almost all the parks.

Obviously, there are 50 of the outstanding parks not included. In essence, I do not think anyone questions the review of that would probably not be a good use of resources. That is the basis to me of the workload here, somewhat more realistic here in terms of how we march forward.

Once that has been accomplished, they go through review of the 300 or so parks. They report back to the Congress and report of the commission.

We establish commissions in the Congress often, often, I think, without careful thought. But in this case, the commission has been very carefully constructed. It is a commission that has a certain amount of independence, but they have no independent authority to act on removing designation from any park. In fact, the power to designate parks resides in the Congress today, and once this legislation were to be passed in the form it is before us today, that authority to designate or remove designation would continue to reside in the Congress.

I find, obviously, some of the hyperbole and paranoia that has crept into this debate very curious. There has been a tendency for the advocates and opponents of this bill to overstate the case. There should be no mistake about mistaking this bill. This bill is the same bill supported by the administration in the 103d Congress. It was supported by the Park Service, which helped craft and write this legislation in the 103d Congress. It was supported by the conservation groups. It was supported by Democrats and Republicans.

That is why it passed on the floor on suspension by 421 votes in favor, with none against it.

It, in essence, is the same bill. What has changed this year obviously, there is a change in the Congress. I am here because I do not have a horse in the race. It is not one of my parks that is affected. I am here because I think this is good policy. I think the Members of this body ought to vote for it. I am here because I just think this is good policy. This is where we ought to go.

What are we afraid of in this bill? We do not want the Park Service to study the park units? Can we not trust the Park Service? If we can trust it to run these units, should we not be trusting them to do the study?

We are asking the professionals first and foremost to do it and report back to us. We are asking the commission to be there to make certain and somehow have an independent voice to also report to us. You have got to trust the Congress.

I think Members of this body and the Senate can be trusted to designate and take responsible actions with regard to this. That is really where it is at. If we do not want to today, that action could take place without any commission, without any study, without any consideration. Is that what the opponents of this bill would like to see, no review, no consideration in process? I do not think so.

I think this bill provides good process, good review. It is a rational, reasoned way to reinvent and deal with the problems facing the National Park Service in this year and which I have worked on for 20 years that I have been in this body.

Mr. Speaker, I rise in support of H.R. 260, the National Park System Reform Act of 1995. This legislation, which I have cosponsored, is similar to a proposal considered and approved by the House of Representatives during the 103d Congress under the Suspension Calendar.

Mr. Speaker, for a decade, I had the privilege and the pleasure to chair the House subcommittee with jurisdiction over national park policy. I am very concerned about the state of our national parks and well understand the need to move forward, this Congress, important park reform, review, and reinvention policy. Park review and reform legislation is reasoned, rational, and in the public interest. This measure is an effective policy not random, arbitrary action; it is a good public policy.

The National Park Service [NPS] is charged with the management of the Nation's most important natural, cultural, and historical resources. These areas are known throughout the world for their natural qualities, scenic beauty, and historical significance. Each year, the areas which make up the National Park System are visited by over 260 million people, and this number continues to grow.

It is our obligation to ensure that only outstanding resources are included in our National Park System and that parks currently in the system are managed effectively. This concern, shared by my colleagues on both sides of the aisle, the administration, and the American people, enabled the House to unanimously pass, on the Suspension Calendar and without dissent, the National Park Service Reform Act in the past Congress.

This legislation was a product of compromise involving the current administration, the National Park Service, environmental groups, and Members of Congress, both Democrats and Republicans.

It was with this spirit and support that I joined my colleagues Mr. HEFLEY and Mr. HANSEN, in re-introducing a National Park Service reform bill in the 104th Congress. That is the legislation pending before us.

Unfortunately, we now have a perception problem that has injected controversy anew. What was once a unanimously supported reform bill has now been dubbed by some as a "Park Closure" bill. In my judgment, both the advocates and opponents have been guilty of fanning the flames and generating misunderstanding and controversy where none need exist. Perception for some has been conjured up as reality. When all else fails, the admonition should be to read the legislation.

A close review and literal reading of the proposed law shows that the apprehension that was raised is not justified. H.R. 260 remains very consistent with the legislation considered in the last Congress. The NPS sets criteria, Congress approves the criteria, the NPS studies a reduced number of parks, conveys this to the Congress and an appointed commission within 3 years. The commission reviews and reports to Congress. Congress and only Congress has the responsibility to remove parks from the National Park System. The responsibility comes back to Congress under this proposal and under current law.

There are many issues before this Congress where significant differences in philosophy have made for some heated debates and will continue to do so. I suggest that we hold back on our desire to draw the lines in the sand over this park review and reform issue and that we save our passion for those debates in which there is true disagreement on issues of which there seems to be no shortage.

Certainly, National Park Service reform is especially needed in an era of fiscal constraint and large demands on the existing Park System. We still have the opportunity to enact a forward looking bill. I do not agree with those who think that our National Park System is complete and that nothing else should be added, or worse still, that we should begin closing parks just to save money. However, I hope that all of us can agree that effective management of our National Park System will benefit us all. While today the National Park Service is judged by the crown jewels, there is an increasing tendency to highlight only the rhinestones in the system—some of which are as costly or even more costly than the crown jewels of our national parks.

The issue of effective park management is not a simple one and narrow-minded solutions are inappropriate when considering the reform of our precious natural, cultural, and historic resources.

The National Park System needs the ability to expand in order to reflect the progression of history and to respond to a rapidly growing population. At the same time, efficient management and strategic planning will achieve savings as will the consideration of alternative management plans for parks that do not meet the criteria guidelines outlined in the bill. This bill can accomplish such goals.

As for the commission enacted in this measure, the NPS has had numerous standing and shorter term commissions and while we should proceed carefully and curtail the profusion of commissions this initiative is hardly some unusual precedent and in reality will serve as leverage on the NPS and Congress to take this task more seriously.

Finally, this is not and should not be a base realignment and closure commission as was established within the Department of Defense. The responsibilities are defined; the authority limited and the sunset of the commission is certain. Its policy path is clear—to report its recommendations to the Congress for our consideration.

This measure is a good bill and responds to the reasoned criticisms and questions raised beyond the version the House acted upon last year. As for the hyperbole and paranoia that have dogged H.R. 260, I would hope that Members will deal with the tangible today not the surreal.

Mr. RICHARDSON. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. HINCHEY].

Mr. HINCHEY. Mr. Speaker, in spite of the great respect and admiration I have for the sponsors of this bill, I find that, nevertheless, I feel strong opposition to it.

I think that there are aspects of the bill which do make a constructive contribution. First of all, a comprehensive review by the Secretary of the Department of Interior, I think, is constructive, and would be helpful.

But the underlying philosophy of this bill is what I find so troubling about it. It seems to suggest that we have too many parks and that we ought to deauthorize units of the National Park

System and, furthermore, I believe the sentiments in this bill, as they are expressed in the language here, would tend to focus attention on those parks and national resources which tend to be in the urban areas, which tend to be in those parts of the country where they get the most use and the most attention, which tend to be used by those people who are least likely to travel to some of the national parks in the western part of our country.

□ 1700

Why are we doing this? Are we spending too much money on our National Park System? I do not think so. The National Park System, which is one of the most treasured possessions of this country, takes up less than one-tenth of 1 percent of the national budget. It is a very small portion of what we spend nationally.

Is it true that the National Park Service does not get enough funding? Yes, unquestionably, it is. But that is a failure of ourselves, it is a failure of this Congress. The Congress ought to realize the value of the National Park Service and apportion to it a greater portion of the Federal budget. The National Park Service has been starved for funds, and this particular budget that is before us this year goes on to do that in an even greater degree than has been done in the past.

Construction is cut by 50 percent. Operating funds are cut by 10 percent. That is wrong. It is the wrong direction in which we should be going, and it mitigates toward the kind of philosophy which is expressed in this bill which indicates that we have too many parks and we ought to be closing them down.

We need more recreational opportunity in this country, if anything. We need greater recognition of our national heritage, if anything. We need a better understanding on the part of our citizenry, particularly our younger people, with regard to our national and ecological heritage, which is enshrined in the system of our national parks.

So, Mr. Speaker, I think that this bill, in spite of the fact that it does some things that are good, takes us inevitably in the wrong direction. The idea that we have too many parks is wrong; the idea that we should be closing some of them down, in my opinion, is misguided. What we ought to be doing is spending more, not less, on our National Park System, raising it up, making it be what it ought be in the minds of the American people, the greatest expression in many ways of our national and historical heritage.

Mr. RICHARDSON. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. MILLER].

Mr. HANSEN. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. MILLER].

The SPEAKER pro tempore (Mr. FOLEY). The gentleman from California [Mr. MILLER] is recognized for 3 minutes.

Mr. MILLER of California. Mr. Speaker, I would hope that the Members would focus on this legislation. This is not a park closing bill, and this is not the bill that passed last year. What this is, is a very, very good piece of legislation to allow us to deal with some of the problem that exist within the national parks of this country. Let us not pretend that the process by which all of the units and all of the obligations and all of the duties were given to the National Park Service was a pure process that nobody can question or raise issue with, because the fact is, we know that this Park Service and its resources have been assaulted from time to time by this Congress in the middle of the night in a conference committee without hearings, without jurisdiction, but based upon the individual power of a Senator here or a Congressman here, or what have you. We ought to now reexamine the operations of this most valuable, valuable agency of the Federal Government.

This is not to pass judgment whether there should be more or less parks. This is about making sure that we are using the resources to the best extent that we can, that we can assure the people of this country that we are doing all that we can to maintain and improve the parks that we have, and to maintain the standards for the creation of those parks, and that we are making the best utilization we can out of the resources of the National Park Service. Nobody in this body can stand before the American public and say that is the situation today, and if we cannot say that, then we ought to put into motion a process by which we can review that.

Because of the contributions of the gentleman from Colorado [Mr. HEFLEY], the gentleman from Utah [Mr. HANSEN], the gentleman from Minnesota [Mr. VENTO], and even the gentleman from New Mexico [Mr. RICHARDSON], this legislation in fact does that. It lets us look at the system.

This is the rational way to go about reforming or reorganizing or reinventing, whichever term you are comfortable with, because it lets the frontline agencies, the Secretary of the Interior and the Park Service, make some determinations, and we all know that privately they come to us. Whether they are rangers in the West or they are in the seashores in the East or in the Gulf, they come to us privately and tell us, this is not working terribly well, Mr. Speaker.

There is another way to do this. We ought to know that. They ought to be able to bring that forward and then have the citizens commission screen that process, screen that process so that there is input from affected parties, from localities, because all of us know that all of these parks have different importance to different communities and States and local jurisdictions. Some of them are huge engines of economic activity. Some of them are huge engines of activity, but you do not have the economics to take care of it. Some of them, quite simply, nobody knows why they are there, except that somebody got it done in the legislative process.

Mr. Speaker, this is a process that is reasoned out, that has protections in it, that is very thoughtful, and does not mandate that any action take place, but it puts us in a position that at one point we can stand before our constituents and say that this is the best run agency, the best use of resources of the National Park Service.

Mr. Speaker, I urge support of the bill.

Mr. COLEMAN. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from Texas.

Mr. COLEMAN. Mr. Speaker, I may have missed some of the debate earlier that went on on this legislation, and I was watching this in my office, and I came over because I happen to agree with a lot of what has been said by the proponents of this legislation.

I guess the only question I had is, with respect to all of the review that would go on on all of the parks, I guess all of the monuments, all of the various facilities that are run and operated by the Park Service, why are not all of them on the list? Is there a reason that we left some of them off?

Mr. HANSEN. Mr. Speaker, reclaiming my time, originally we looked at all of them and then we figured that possibly it would be smart to alleviate the fears of a lot of people, because we tried to convince them that this was not the park closing bill, that they would have the opportunity to take 54 spectacular parks, and I agree with the gentleman from New Jersey, it is kind of in the eye of the beholder, but I do not think that people have found what we are looking at.

The gentleman from Colorado [Mr. HEFLEY] said, "What bills are in front of us?" It is like Chairman Seiberling when he was with us used to say, "When all else fails, read the legislation."

The only place that refers to the fears that have been brought up by our friends is on page 13, starting on line 12 that says: "Nothing in this act shall be construed as modifying or terminating any unit of the National Park System without a subsequent act of Congress."

Mr. COLEMAN. Mr. Speaker, if the gentleman will continue to yield, I would just ask the gentleman, I mean I agree, I read that. I saw that. But again, I am surprised as to why we did not put Yosemite on that list. I mean, I guess that is what you suggested.

Mr. HANSEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Colorado [Mr. HEFLEY], a sponsor of the bill, who possibly has a better answer on that.

Mr. HEFLEY. Mr. Speaker, the gentleman answered the question very well. They were all on the list when we first started out. But there were many groups out there that were trying to pick this as some kind of a closure bill and were saying, well, they are going to close Yellowstone or Yosemite or Grand Canyon, and in order to alleviate those fears, those are national parks. They are the highest level of recognition that you can have in our parks system. They have undergone the scrutiny of the ages. They are not going to be closed, there is no question about that. So we thought in order to alleviate that fear and concern, we just took them off.

Mr. COLEMAN. Mr. Speaker, if the gentleman will continue to yield, I guess what the gentleman from Colorado just said hits right home in the Southwestern part of the United States. I mean I think that what you are doing is creating the same kind of fear. A lot of this is in my district, but a lot in the Southwest think exactly the same of the national monument in the same context as we do of Yosemite that somebody else may think looks prettier. Like you said, it is in the eye of the beholder.

Mr. Speaker, we should have listed all of them, if this is a true process, one that is going to be fair and open, and I think it is a mistake for us to pass legislation that is not fair.

Mr. HANSEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I think the distinction here is one you ought to pay attention to. These are national parks. We are talking about those that are designated national parks in law, by the Congress; we designated them national parks. So the issue is in terms of 368 units. In other words, there are different designations and you have to pay attention when they are talking about using resources wisely. If in fact something is meritorious and should be designated a national park, then you should do it. It is not a unit of the National Park System, these are actually designated. So there is a difference in designation, a difference in where you want to concentrate your resources. That is why pulling them out makes sense in terms of dollars and in terms of what is going out.

Mr. RICHARDSON. Mr. Speaker, will the gentleman yield for a question?

Mr. HANSEN. I yield to the gentleman from New Mexico.

Mr. RICHARDSON. Mr. Speaker, if the gentleman would please answer me, why not allow an alternative to finance the parks that involves concessions fees, and please address the point that this is not the same bill as we passed last year. This is a much stronger parks bill.

Mr. HANSEN. Mr. Speaker, reclaiming my time, let me quickly respond. The gentleman realizes and knows that the park committee has in front of it a park fee bill right now. We love our parks. We want to take care of our parks. We have to get more money in our parks, and we have a bill that we think would take care of it. It is not included in this bill, but we have one that I would hope we would have the support of the House and the Senate when we are able to bring it forth.

Mr. Speaker, I reserve the balance of my time.

Mr. RICHARDSON. Mr. Speaker, I yield myself the remainder of my time.

The SPEAKER pro tempore. The gentleman from New Mexico is recognized for 1 minute.

Mr. RICHARDSON. Mr. Speaker, this is a parks closure bill and we should vote "no" so that it can go back to rules and there can be proper debate. The League of Conservation Voters has just issued a statement opposing this bill signed by the major environmental organizations. I want my colleagues in the CONGRESSIONAL RECORD tomorrow to read the national park units, the smaller ones, that might be at risk in their congressional districts if this bill passes.

Mr. Speaker, this is a bad bill, it creates a Parks Closure Commission, it weakens our authority, it says to the National Park System, the park rangers, your views are not important, and it puts a lot of national monuments like Mount Rushmore, Lincoln, Jefferson, at risk. This is a railroad process. Let us go back to committee, allow for alternatives.

This is why the Clinton administration is against this bill. Every major environmental organization is against this bill, and hopefully, the House of Representatives tomorrow will vote a resounding "no" that we should do this bill right.

Mr. Speaker, I include the following material for the RECORD.

[From the Salt Lake Tribune, May 6, 1995]

DON'T CLOSE THE PARKS

Generally, people want to enter a national park; they want to leave a military base. Indeed, there is little that the two have in common, other than that they are both federally owned. Yet there is inexplicable sentiment in Congress for providing a common element to both—a closure commission.

A bill known as HR 260, which has already passed Utah Rep. Jim Hansen's subcommittee and is due up before the full House Resources Committee this month. Proposes the formation of a Park System Review Commission. It would do for national park units what the Base Realignment and Closure Commission has done for military bases: It would close them.

Closure is appropriate for some unneeded military bases, but not so for national park units, which presumably have an unchanging value. After all, national parks were created for purposes of preservation and posterity, not for the every-shifting requirements of national defense. Existing park units simply should not be exposed to the whims of an independent commission.

The issue has surfaced because the National Park Service has been having problems adequately funding all 368 units in its system. One complaint is that the system is overloaded with units that don't belong, units that were designated at the behest of some congressman trying to bring home the pork for his district.

This problem can be addressed without the creation of a park closure commission. For starters, Congress can support the portion of HR 260 that calls for the Interior secretary to devise tighter criteria for additions to the NPS, thereby safeguarding the system from selfish lawmakers.

Then, if Congress still feels that undeserving units have crept into the system, it can simply deauthorize them itself, as it did last year with the John F. Kennedy Center for the Performing Arts. It does not need some new level of bureaucracy to do this.

The rationale behind a park closure commission is that it would save money for the NPS. Well, as the BRAC members can testify, it would cost a lot of upfront money to close these units. And once closed, who would operate them—the states, or some other division of the federal government? How do the taxpayers save on that?

If the goal is to improve NPS finances, then start with passage of park concessions reform or entrance fee reform. Start funneling such fees back into the parks, instead of the national treasury. It makes little sense to set up a mechanism to close parks when proposed methods to increase park revenues have not been implemented first.

National parks are not at all like military bases. They were created to establish a natural or historical legacy for future generations. They don't need a closure commission; they need more creative ways to stay open.

[From the St. Louis Post-Dispatch, July 17, 1995]

AMERICA FOR SALE

Americans can be justifiably proud of their national park system. This treasure preserves areas of awesome natural beauty, monuments of historical significance, indigenous wildlife and an appreciation of this country's remarkably diverse landscape. But that record apparently isn't good enough to save the national parks from the GOP budget ax.

The Republican budget resolution would make excessive cutbacks in the National Park Service. This year's budget of $1.42 billion, already drastically insufficient to maintain the system properly, would be sliced to $1.12 billion in 1996, a 21 percent reduction. By the magic date of 2002, the year of the balanced budget, the Park Service would be down 36 percent from today. At the same time, visits to national parks are expected to grow from an estimated 270 million this year to 300 million in the next five years. It doesn't take much of imagination to figure out that something has to give.

The victim could be the parks themselves. A bill in Congress, H.R. 260, would dismantle the national park system. It would set up a commission, along the lines of the commission on base closures, to determine which parks should be closed—and presumably sold off to the highest bidder. Supposedly, the process would exclude the so-called crown jewels of the system, such as the Grand Canyon, Yellowstone or Yosemite. But less popular parks, or parks that cater mostly to locals could be dumped.

For too long, the National Park Service has been grossly underfunded. The result has been deferred maintenance, repair and construction, especially in parks like Yellowstone or the Grand Canyon, which are deluged with visitors. After years of starving the parks, the answer isn't to kill them outright. It's to give the National Park Service the money to do its job right.

In a time of belt tightening, how can that be done? Entrance fees can be raised, although care must be taken not to deprive Americans of modest means of their ability to enjoy the parks. Another solution is to increase the paltry sum paid by private concessions to the National Park Service for the privilege of operating hotels, restaurants and other services—and to introduce competitive bidding in the process of awarding concessions. According to The New York Times, concessions in national parks made $653 million in 1993, but the parks got back only $18.7 million, or 2.8 percent.

The national parks are too precious to lose. They can and should be saved, without destroying the whole system.

[From the Wichita Eagle, Aug. 25, 1995]

National Parks Deserve Help To Protect Nation's Heritage

The lines of cars, trailers and campers pile up at Yellowstone National Park, at Yosemite, all across the land. Americans love their national parks.

You'd think the passion for parks would spur more and better maintenance and improvements at these national treasures. But the reverse seems to be true. Sadly, the more Americans use the national parks, the more run-down they become.

The National Park Service has an annual budget of $972 million, of which users fund about $100 million. The budget falls short of the need; the result is a backlog of maintenance and construction projects that has now reached to more than $4 billion.

In recent years, Congress has been in no mood to come up with a big infusion of cash. Now, in fact, some members are talking about closing some parks to make the system more "cost-efficient."

Certainly, a hard look at the National Park System is a good idea. Yes, the system's spending priorities haven't always been on target. The new $80 million Steamtown National Historic Park in Pennsylvania is one example; critics rightly say it has little to do with railroad history, or any other kind. And the park system has some questionable elements: the Santa Monica Mountains National Recreation Area is a city park and Wolf Trap in Virginia is really a venue for concerts.

But this country needs more national park space, not less, and it needs to do a much better job of maintaining and improving what it has. That, of course, creates a sizzling conflict between two American values: a love for parks and a passion for cutting federal spending.

There's a bottom line here that is not totally about the bottom line. Yes, the national parks should be run efficiently. Yes, users should pay more. But the parks are priceless public places—for preservation, education and recreation for all Americans. If it costs more money to protect and expand them, it's a worthy investment in America's spectacular natural and historical heritage.

[From the Las Vegas Sun, Aug. 27, 1995]

GOP Readies Land Grab of Our Parks

When the Republican House prepares to decimate the nation's parks next month get ready for the bull-dozers. Our national heritage will never be the same.

Several conservative congressmen, who like to throw out government babies with the bath water, have taken aim at the National Park Service to cull out parks they don't like.

One plan would create a commission, much like the panel to close military bases, to select parks to be turned over to the States or private interests.

And which parks would suffer? Rep. James Hansen, R-Utah, offers a clue. He says Great Basin Park, the only national park in Nevada, "does not have the true definition of park criteria." Great Basin was created in 1986 and protects 77,000 acres of pristine woodland northeast of Ely. About 90,000 people a year visit the park.

The park was the result of hard-fought efforts by Sen. Harry Reid, D-Nev., who wanted to preserve a small piece of Nevada for future generations. Sen. Richard Bryan, D-Nev., says parks provide recreation for families.

He doesn't understand how closing national parks squares with "family values" oriented GOP.

But this isn't a family value issue. It has more to do with GOP's links to big business and land exploiters and a growing disdain for the public interest.

Sen. Frank Murkowski, R-Alaska, a proponent of littering Southern Nevada with nuclear waste, wants alternative solutions for parks, like private operations.

Rep. Jerry Lewis, R-Calif., has fought the California Desert Protection Act tooth-and-nail to benefit land exploiters.

Critics point to inefficient park management and a growing backlog of maintenance projects.

But it was Congress that expanded the park system without providing additional funding. Park personnel are spread more thinly than before.

Critics insist, under their plan, parks like Steam National Historical Park in Pennsylvania wouldn't have been created.

But that $80 million park was the brainstorm of Pennsylvania congressmen, not the Park Service.

We think there's more afoot here than Park Service efficiency. A massive land sell-off is more likely. Arizona may be a good example.

Republican Gov. Fife Symington has lobbied for his state to take over Park Service properties, while his agents sold off a portion of a historic landmark.

These same congressmen have conveniently forgotten that the public lands and parks systems were the legacy of their party.

President Theodore Roosevelt, never a liberal big-spender, nevertheless set aside thousands of acres of dwindling wilderness lands to benefit future generations.

He was afraid an important heritage might be lost.

Lucky for Teddy he isn't around to see the latest crop of House Republicans.

[From The New York Times, July 4, 1995]

Parks in Peril

This is the time of year when Americans begin flocking to their national parks. Some will find what they were looking for: vistas of spectacular beauty, hours of restorative silence. But others may find themselves wondering whether they have traded one rat race for another. The national parks contain most of America's greatest scenic wonders. They also suffer from the urban nuisances vacationers had hoped to leave behind: traffic jams, noise, dirty air and garbage.

There is, as Representative Bill Richardson of New Mexico notes, "trouble in paradise." If past experience is any guide, for example, there will be gridlock today in Yosemite. By one estimate, the Grand Canyon alone needs $350 million to repair roads, sewers and water systems. Many of the park system's 22,000 historic buildings, as any visitor to Ellis Island can confirm, are simply falling apart.

Human overload is the most visible culprit. Nationwide attendance at the Park Service's 368 separate units is expected to reach 270 million this year, 300 million by the turn of the century. But the real culprit is Congress. In the past 20 years, it has established more than 80 new parks while refusing to give the Interior Department's Park Service enough money to do its job. The service's $1.5 billion annual budget barely covers operating costs. The result is an estimated $6 billion repair and construction backlog.

Congress is responsible for cleaning up the mess it created. The question is how. Not surprisingly, given Washington's anti-environmental, budget-conscious mood, the most popular option is to trim back the system itself. A bill before the House would direct the Interior Department to review all parks and determine which ones are "nationally significant." At that point, a special commission would decide which parks should get the ax and then present its list to Congress.

The proposal excludes 54 "major" national parks but leaves open for review more than 300 monuments, historic sites, scenic trails, urban parks and assorted recreation areas.

On its surface, this bill, co-sponsored by Joel Hefley, Republican of Colorado, and Bruce Vento, Democrat of Minnesota, has an appealing simplicity. The park system definitely includes substandard sites—what Mr. Hefley calls "pork parks," shoe-horned into the system to enhance local economies and the careers of the politicians who sponsored them. Get rid of these, Mr. Hefley argues, and we will have more money to spend on the "crown jewels" like Yellowstone and the Grand Canyon.

In the end, though, this is an unnecessarily messy and potentially dangerous approach to the problem. Mr. Vento says that Congress will vote on each recommendation "on its merits." But a more likely scenario is that the proposed closings will be lumped together in one omnibus "closings" bill, threatening valuable wilderness along with mediocre sites that do not belong in the system.

A more positive approach to rescuing the parks is contained in two other bills confronting the Senate and House. One would overhaul entrance fees, which are ridiculously low. The average entrance fee is $3, less than half the cost of a ticket to "Batman Forever." A carload of people can explore Yellowstone for a whole week for only $10—the same price they would have paid in 1916. Doubling entrance fees, a not unreasonable proposition, could generate an extra $100 million for the parks.

The second bill would end the sweetheart contracts awarded years ago to the companies that run the lodges, souvenir shops and other facilities inside the parks. In 1993, concessions generated gross revenues of $657 million but returned only $18.7 million—2.8 percent—to the Federal Treasury. The bill would mandate competitive bidding for these lucrative enterprises, giving the Park Service a bigger cut of the proceeds and generating $60 million more for long-neglected repairs.

Both measures were well on their way to approval when time ran out on the 103d Congress last December. There is now in place a vastly different Congress, more inclined to budgetary parsimony than environmental stewardship. Its basic philosophy is that to save the patient we have to cut off an arm here, a leg there.

That is the wrong way to go. The right way is to provide the park system with enough resources not just to survive but to renew itself. The language in the original mandate establishing the Park Service was unambiguous. The national parks should be left "unimpaired for the enjoyment of future generations." Congress wrote that language, and Congress needs to honor it now.

[From the Miami Herald, June 27, 1995]

For Sale: National Parks

CONGRESSIONAL BUDGET CUTS AND ANTI-GOVERNMENT ATTITUDES THREATEN AMERICA'S HERITAGE

"Pssst, want to buy a national park? No, not Yellowstone, not Yosemite, not Grand Canyon (or at least not yet). How about Gateway overlooking Manhattan, Cuyahoga Valley outside Cleveland, San Francisco's Golden Gate and Presidio? Miami's Biscayne on the Atlantic Coast? Now, there's a deal. Right on the highway to the Keys, perfect for development * * *"

Haven't you heard? Congress's Republicans want to sell the nation's urban parks. They cost too much, you know? Got to cut taxes, balance the budget. Government shouldn't own land—this whole idea of public lands, public parks * * * passe * * * not something government should be doing.

Did American voters knowingly seat a Congress that shows such antipathy to the environment, natural resources, public parks, even recreation? Bill after bill keeps coming—mostly from the House: a Clean Water Act that dismantles pollution controls; a regulatory reform act that encourages junk science and invites lawsuits; a property-rights bill intended to spike protection for endangered species; and now HR 260, setting up a park-closure commission, and a 1996 budget resolution too skimpy to keep the 368 national parks and historic sites open.

The National Park Service will spend $1.42 billion this year. The Republican budget resolution scheduled for House debate this week cuts that by 21 percent to $1.12 billion for 1996. By 2002, spending for parks is to be 36 percent less. There will be no choice but to close some parks, recreation areas, monuments, battlefields, and riverways, while reducing hours, programs, and maintenance at others.

Targeted are the 200 "smallest" units including Biscayne, but also Tennessee's Obed Wild and Scenic River (adjacent to the site of next year's Olympic whitewater competition), historic homes of Abraham Lincoln and Booker T. Washington, the Civil War battlefields of Antietam and Petersburg, California's channel Islands, and Utah's great red sandstone Arches. At Philadelphia's Independence National Historical Park, nine of the 14 buildings now open would be closed. At Great Smoky Mountains, the nature walks and talks would be eliminated. At Everglades, the Long Pine Key and Flamingo campgrounds would close. The Clinton administration has recommended alternatives, but the GOP isn't interested.

That's because the budget resolution effectually implements a program laid out by the House Resources Committee to sell parks. Although not yet voted on by the House, HR 260 gives Interior Secretary Bruce Babbitt two years to come up with a list of parks to close and establishes a National Park Service Review Commission to do the job if the secretary doesn't. The list would be sent to Congress for the final say.

How does one countenance selling these national treasures? Ask the Republicans in Congress.

[From the St. Louis Post-Dispatch, Aug. 14, 1995]

Preserve America's Past

Everyone seems to agree that the national park system is in trouble. Its budget has not kept pace with the parks' ever-increasing popularity. The result is obvious and predictable: deferred maintenance and the deterioration of facilities and resources, both natural and historic.

When Americans think of their national parks, they think mostly of their natural beauty and of their plants, animals and spectacular landscapes. But these parks also include archaeological and historic structures. As The New York Times has reported, far too many of these structures under the care of the National Park Service—the system's "parkitecture"—are in a state of serious, perhaps irreparable decay. The price tag to preserve these historic buildings could reach $1.5 billion, considerably more than the $1.12 billion the Republicans want for the entire 1996 National Park Service budget.

Public-private partnerships have been formed to rescue some prominent structures, such as the Sperry and Granite Park Chalets in Montana's Glacier National Park, and such projects should be encouraged wherever possible. Yet the condition of the parks and its "parkitecture" argues for a far more comprehensive approach to their care.

That approach can be found in H.R. 2181, the Common Sense National Park System Reform Act, sponsored by U.S. Rep. Bill Richardson, a Democrat from New Mexico. This reform bill, which has bipartisan support, stands in distinct contrast to a more Draconian bill, H.R. 260, that would establish a park closure commission. Mr. Richardson's intent is to save the system, not gut it. It is an especially helpful approach at a time when the park service's budget, which should be increasing to meet the public's demand, is actually decreasing.

Mr. Richardson's bill would raise more money for the parks from concessionaires operating in the parks and from visitors and users. Right now businesses operating in the parks, including hotels and restaurants, pay next to nothing for the privilege of making gigantic profits. Introducing a system of competitive bidding for concessions would provide more money, part of which would go into a park improvements fund. This bill would also raise entrance and user fees, though not outrageously, and divert part of the proceeds into a park renewal fund.

The national parks are among the most precious and most cherished resources in this country. This bill would help restore them to their past glory.

[From the Philadelphia Inquirer, Aug. 27, 1995]

Park Benchmarks

WINNOW IMPOSTORS FROM THE NATION'S PARK SYSTEM? SURE, BUT DON'T REDUCE IT TO JUST A FEW, SELECT JEWELS

Anyone who has paid a lick of attention knows that America's national parks aren't without their problems—a chief one being, interestingly, that many are too darn popular for their own good. You've seen the pictures of Yellowstone traffic jams. Maybe you got stuck in one in the Great Smoky Mountains. And it's not exactly a secret in Philadelphia that a jewel of our nation's history—Independence Hall—had to wait far too long for its ongoing overhaul.

Fewer people know that there are a couple of ringers in the system, too. Steamtown National Historical Park in Scranton, for instance, poses as a site of significance in the development of the U.S. rail system, but is really more of a monument to the pork-winning talents of a Scranton congressman.

And it seems like only a more handful of folks are tuned in to the fact that come fall, Congress has teed up a bill that would set up a park-closure commission, and as is fashionable these days, consider foisting management of some of them off onto the states. (Not that the cash-strapped states are clamoring for the honor.)

At first glance, the bill seems harmless—and it taps all the voguish budget-cutting buttons. One of its prime movers, Rep. James V. Hansen, a Utah Republican, says he's just looking for "a better return from our parks," and a way to raise money for the bigger parks' backlogged maintenance budgets.

But there are flies in the ointment. One is that Congress can already decommission any part it wants to—without a new commission. (Last year, in fact, the Kennedy Center for the Performing Arts in Washington was congressionally removed from Park Service jurisdiction.)

Opponents of the bill ask whether the new commission—which itself would cost upward of $2 million—would be biased at the outset against urban and historical parks.

Another problem is that once the system is balkanized by farming out operations to state park systems and such, Americans may find themselves facing—instead of uniformly run parks—a checkered quilt of good, bad and ugly operations. (How long would it be, indeed, until an outcry went up to turn over more federal funding to states hard-pressed to keep certain parks up to standard?)

Third, though the West's treasured parklands are technically off the table, aspects of the "park-reform" agenda would make it more difficult to donate land to parks such as Virginia's Shenandoah National Park, thus making their periphery ripe for commercial developments.

But the largest flaw in the legislation—and the one that subverts its pretense of going to bat for the taxpayer—is that its sponsors have actively blocked action on concession reform that would give the Park Service more of each dollar spent at privately run eateries and lodgings at national parks.

By some estimates, if concessionaires such as Philadelphia-based ARA services had to pay the same cut of their gross from park business that they do at stadiums and other public facilities, the parks could pocket $50 million or more annually.

If Congress wants to tighten up on the requirements to become part of the park system, no problem. (See Steamtown above.) If it wants raise some user fees that don't overburden families, no problem. But we're skeptical of those who argue that Americans deserve better value from their parklands, while failing to argue that they deserve a better return from the businesses that make a bundle from park concessions.

[From the Deseret News, Dec. 17, 1994]

PLAN FOR PARK-CLOSURE PANEL ASSAILED

ASSOCIATION SAYS THE AGENDA SHOULD INCLUDE MORE THAN SHUTDOWNS

The National Parks and Conservation Association, an advocacy group with 475,000 members, has opposed the idea of establishing a commission to decide which national parks should be closed.

Rep. Jim Hansen, R-Utah, is among conservatives advancing the idea of cutting back the nation's park system.

The parks association "cannot support a commission whose predetermined goal is solely park closures," said Paul C. Pritchard in a three-page letter to Hansen. "If a commission is formed, it should be a body dedicated to reviewing the existing system and identifying additions and potential closures based on the standards of national significance."

Allen Freemyer, an attorney for the House Natural Resources Committee, said, "The basic policy direction is to stop the growth of the national-park system for a little while . . . It's not a matter of whether we're going to close some parks. It's a matter of how we're going to close them."

Hansen, the second-ranking Republican on the Natural Resources Committee, suggested during the last election campaign that Great Basin National Park on the Utah-Nevada border should be reviewed by a closure commission.

"If you have been there once, you don't need to go again," he told the Ogden-Weber Chamber of Commerce.

Hansen last week issued a two-page letter the need for a closure commission. Pritchard responded to that letter.

"Our national-park system currently faces a crisis which stems from too many parks and insufficient funding," Hansen wrote. "In the first 50 years of the national-park system, Congress designated only about 60 park areas. However, in the last six years alone, Congress established 30 new park areas across the country. While Congress is busy creating new parks, our crown jewels are falling into disrepair."

Hansen said the Park Service has a construction backlog of $6 billion and needs $400 million to $800 million from Congress each year to subsidize its budget.

Pritchard said that last year Hansen opposed a bill that would have generated an extra $45 million to $60 million by increasing the fees paid by park concessionaires. Hansen said higher fees would have driven concessionaires out of business and cost the government more in the long run.

[From the Elko Daily Free Press, July 31, 1995]

ESA REWRITE DOMINATED WESTERN STATES SUMMIT

(By Don Bowman)

Rewriting the Endangered Species Act was the focus of the Western States Summit IV, which concluded in Albuquérque, N.M., July 15. The meeting was strongly supported by state legislators of Utah and Arizona, as well as county commissioners and congressmen from many western states.

Shaken by the recent U.S. Supreme Court decision on Sweet Home, there was consistent call for Congress to make the act more sensitive to the people or repeal it. Rep. Jim Hansen, R-Utah, said, "The Endangered Species Act degenerated from a protective law into something Congress never anticipated, nor intended to foist on the people. The agencies went far beyond the intentions of the act." He advocated a new ESA that protected private property, changed the listing process, required sound social and economic concerns, allowed local voice and made people who filed for a listing of species post a bond and show credentials.

Continuing on, Hansen said the National Park Service needed serious reform. "One hundred and fifty parks of the some 368 need to be dropped," Hansen said, giving an example of one park that had a budget of $300,000 per year and only 50 visitors per year. "When a bureaucracy reaches a certain critical mass, its only goal is to insure its own propagation. It begins to serve the monster rather than the people." Hansen said.

The state rights issues also was a hot topic and most attendees agreed the highlight of the meeting was the talk given by Lana Marcussen, a New Mexico attorney working with lands issues. Speaking on states' rights and sovereignty with an extraordinary amount of case reference recalled at will, the attorney was surrounded by people wherever she stopped. Her federalism argument was used in the New Mexico vs. Watkins case that went to the Supreme Court, which ruled the federal government had to apply to the State of New Mexico for low level nuclear waste permits. Her talks focused on the rights of the people to hold the state and federal governments accountable.

Marcussen said there had been a tremendous shift by the courts in favor of state sovereignty. The court has limited the federal government's power to compel states to do their bidding in the case of New York vs. U.S., another nuclear waste case. In addition, the Brady bill has been declared unconstitutional in at least three district courts.

Federal control seems to be crumbling under the challenges of the people time after time, she said.

During the conference, the Supreme Court ruled a governor could not make a special pact for Indian gambling. This is the first time a court has ruled against a governor after the Interior Department has approved the compact. "With recent court decisions such as Adarand (affirmative action) and Lucas (federal powers under the Commerce Clause), Indian sovereignty is no more," Marcussen said. "This is the beginning of the end of the Bureau of Indian Affairs. How can a racially oriented agency continue?"

Perry Pendley of the Mountain States Legal Foundation, who argued the Adarand case in the Supreme Court, told attendees "The environmentalists want it all—even the two thirds of this country that is private land.—The very basis of this government was built on property rights. If you have no property right you have no freedom."

The summit was sponsored by the Western States Coalition, founded by Met Johnson and Rob Bishop. the organization has been instrumental in establishing state constitutional defense councils, involved in legislative protection of property rights and a major voice in Congress on rural issues. The next Western States Summit is expected to be held in California.

CONGRESSMAN BILL RICHARDSON—TALKING POINTS IN OPPOSITION TO H.R. 260

WHO OPPOSES H.R. 260?

The Clinton Administration.

The Department of Interior.

The National Park Service.

The League of Conservation Voters.

National Parks and Conservation Association.

The Wilderness Society.

Sierra Club.

Izaak Walton League of America.

Friends of Earth.

Sierra Club Legal Defense Fund.

American Hiking Society.

Defenders of Wildlife.

WHAT NEWSPAPERS HAVE ISSUED EDITORIALS AGAINST H.R. 260?

The Salt Lake Tribune.

The St. Louis Post-Dispatch.

The New York Times.

The Miami Herald.

The Philadelphia Herald.

The Wichita Eagle.

The Las Vegas Sun.

WHAT DOES H.R. 260 DO?

Creates a park closure commission to recommend specific units of the National Park System for closure, privatization or sale to the highest bidder.

Weaken Congress' statutory authority to make decisions on park management by granting broad powers to a politically appointed commission;

Send a strong signal to the American people that Congress does not have the political will to carry out its responsibilities of oversight over the National Park Service;

Exempt the 54 National Park units from closure, leaving less visited, smaller budgeted parks and important national monuments like Independence Hall, the Statue of Liberty, Mt. Rushmore, the Washington, Lincoln and Jefferson Monuments and the Martin Luther King Jr. Historic Site on the chopping block.

Require the National Park Service (NPS) to prepare a financial management plan for Congress to ensure accountability within the system;

Require the NPS (not a politically-appointed park closure commission) to prepare a description of types of resources not currently in the system, refine the definitions for current units of the system and submit a report to Congress identifying which units of the System do not conform with the revised park criteria from the new plan;

Reform the current NPS concessions policy to mandate open competition for large concessions contracts while shielding high-performance "mom and pop" or small businesses with revenues under $500,000 per year from preserving the right to match competing bids on contract renewals AND require that a portion of the concession fees paid remain in the park unit in which they are generated to fund necessary improvements on site, etc.

Reform the current NPS entrance fee policy to increase the amount of money coming into the park from visitors AND require that a portion of these fees remain in the park unit in which they are generated for site specific needs.

LEAGUE OF CONSERVATION VOTERS,
Washington, DC, September 18, 1995.

Re oppose H.R. 260, the National Park System Reform Act.

HOUSE OF REPRESENTATIVES,
Washington, DC.

DEAR REPRESENTATIVE: The League of Conservation Voters is the bipartisan, political arm of the national environmental movement. Each year, LCV publishes the National Environmental Scorecard, which details the voting records of Members of Congress on environmental legislation. The Scorecard is distributed to LCV members, concerned voters nationwide and the press.

This Tuesday, the House of Representatives is expected to vote on a motion to suspend the rules and consider H.R. 260, the National Park System Reform Act. Under the guise of reforming and improving the National Park System H.R. 260 creates a politically appointed commission, whose sole responsibility would be to determine which park units should be closed. While there may be units in the National Park System that deserve scrutiny, LCV opposes the creation of a politically appointed parks closure commission and urges you to vote against passage of H.R. 260.

H.R. 260, and the parks closure commission it creates, threatens 315 units of the National Park System including: urban parks, historic sites, national monuments, national seashores, national recreation areas, and Civil War Battlefields. Instead of considering ways to improve the National Park System H.R. 260 unnecessarily creates a new layer of government and an expensive bureaucratic process, when in fact Congress already has the authority to remove units from the National Park System.

LCV views H.R. 260 as an assault on the protection of our cultural and natural heritage. By bringing H.R. 260 to the House floor on the suspensions calendar Members are prevented from offering amendments which could significantly improve this flawed legislation. LCV beleves that the full House of Representatives, like the House Resources Committee, should have an opportunity to vote on an amendment to delete the park closure commission. LCV urges you to oppose H.R. 260 so that this and other amendments can be offered under regular House procedures. LCV's Political Advisory Committee will consider including a vote on passage of H.R. 260 in compiling its 1995 Scorecard.

Thank you for your consideration of this issue. For further information, please call Betsy Loyless in my office at 202/785-8683.

Sincerely,

FRANK LOY,
Acting President.

AMERICAN HIKING SOCIETY, DEFENDERS OF WILDLIFE, ENVIRONMENTAL ACTION FOUNDATION, FRIENDS OF THE EARTH, IZAAK WALTON LEAGUE, NATIONAL PARKS AND CONSERVATION ASSOCIATION, SIERRA CLUB, SIERRA CLUB LEGAL DEFENSE FUND, THE WILDERNESS SOCIETY,

September 18, 1995.

DEAR REPRESENTATIVE: We are writing to urge you to vote against H.R. 260, the National Park System Reform Act, when the House considers this ill-advised legislation. The bill will be debated on the suspension calendar on Monday, September 18 and a vote is expected to occur the following day.

Unlike the version of this legislation which passed the House of Representatives last year, H.R. 260 would formally establish a politically appointed park closure commission as part of a review of the National Park System. This would set in motion a process to close parks, or portions of parks.

This is controversial legislation that has no place on the suspension calendar. Evidence of its contentiousness has been demonstrated by the dozens of newspapers across America that have editorialized against H.R. 260. By limiting debate and prohibiting Members of Congress from offering amendments, the legislation cannot be improved by the whole House of Representatives. The precedent for how this bill is being considered, and the process it sets in motion are ominous. If the Resources Committee gags the House of Representatives, what will the park closure commission do to the American people?

This legislation also creates another unnecessary layer of government and an elaborate bureaucratic process. It requires the National Park Service to conduct a review of the National Park System and recommend sites to be deleted from the system; then, it creates a politically appointed commission to conduct the same process. The National Park Service already has the authority to recommend the removal of a unit from the National Park System, and Congress has the authority to remove units from the National Park System. It has exercised this authority throughout the history of the National Park System, as demonstrated when Congress removed the John F. Kennedy Center for the Performing Arts last year.

The consideration of H.R. 260 on the suspension calendar is tantamount to a closed process to close parks. By voting against H.R. 260, you will be voting for a fair and open process on important decisions with respect to the management of our nation's cultural and natural heritage.

Sincerely,

David Lillard, President, American Hiking Society; James K. Wyerman, V.P. for Programs, Defenders of Wildlife; Margaret Morgan-Hubbard, Executive Director, Environmental Action Foundation; Brent Blackwelder, V.P. for Policy, Friends of the Earth; Paul Hansen, Executive Director, Izaak Walton League of America; William J. Chandler, V.P. for Conservation Policy, National Parks & Conservation Association; Melanie Griffin, Director of Public Lands, Sierra Club; Marty Hayden, Senior Policy Analyst, Sierra Club Legal Defense Fund; Rindy O'Brien, V.P. for Public Policy, The Wilderness Society.

THE 200 SMALLEST BUDGET PARKS

[Fiscal years]

	National Park Service park units	1995 park base	Cumulative 1995 park base
1	Cane River Creole NHP	0	0
2	New Orleans Jazz NHP	0	0
3	Salt River Bay NHP and Ecological Preserve	0	0
4	Natchez Trace NST	25,000	25,000
5	Saint Croix Island IHS	54,000	79,000
6	Bluestone NSR	61,000	140,000
7	Devils Postpile NM	92,000	232,000
8	Rainbow Bridge NM	99,000	331,000
9	Hovenweep NM and Yucca House NM	107,000	438,000
10	Thaddeus Kosciuszko NMem	128,000	566,000
11	Ebey's Landing Nat'l Historical Reserve	135,000	701,000
12	Hamilton Grange NMem	139,000	840,000
13	Theodore Roosevelt Inaugural NHS	155,000	995,000
14	Aniakchak NM and Preserve	160,000	1,155,000
15	Thomas Stone NHS	172,000	1,327,000
16	National Park of American Samoa	192,000	1,519,000
17	Obed Wild and Scenic River	199,000	1,718,000
18	Theodore Roosevelt Birthplace NHS	200,000	1,918,000
19	Russell Cave NM	202,000	2,120,000
20	Gila Cliff Dwellings NM	205,000	2,325,000
21	Maggie L. Walker NHS	210,000	2,535,000
22	City of Rocks National Reserve	211,000	2,746,000
23	Keweenaw NHP	212,000	2,958,000
24	Gauley NRA	217,000	3,175,000
25	Ninety Six NHS	221,000	3,396,000
26	John F. Kennedy NHS	225,000	3,621,000
27	Dayton Aviation NHP	228,000	3,849,000
28	Manzanar NHS	232,000	4,081,000
29	Moores Creek NB	238,000	4,319,000
30	Coronado NMem	251,000	4,570,000
31	Hagerman Fossil Beds NM	257,000	4,827,000
32	Eugene O'Neill NHS	260,000	5,087,000
33	Cedar Breaks NM	263,000	5,350,000
34	Muir Woods NM	273,000	5,623,000
35	Big Hole NB	274,000	5,897,000
36	Saint Paul's Church NHS	280,000	6,177,000
37	William Howard Taft NHS	283,000	6,460,000
38	Cowpens NB	285,000	6,745,000
39	Edgar Allan Poe NHS	286,000	7,031,000
40	Palo Alto Battlefield NHS	297,000	7,328,000
41	Pipe Spring NM	297,000	7,625,000
42	Roger William NMem	299,000	7,924,000
43	De Soto NMem	302,000	8,226,000
44	Puukohola Heiau NHS	302,000	8,528,000
45	Brown v. Board of Education NHS	303,000	8,831,000
46	Mary McLeod Bethune Council House NHS	305,000	9,136,000
47	Fort Point NHS	311,000	9,447,000
48	Mojave NP	312,000	9,759,000
49	Klondike Gold Rush NHP (Seattle)	313,000	10,072,000
50	Monocacy NB	314,000	10,386,000
51	Horseshoe Bend NMP	321,000	10,707,000
52	Knife River Indian Village NHS	322,000	11,029,000
53	Tonto NM	322,000	11,351,000
54	Natural Bridges NM	327,000	11,678,000
55	Congaree Swamp NM	328,000	12,006,000
56	Fort Caroline NMem	336,000	12,342,000
57	Fort Union Trading Post NHS	336,000	12,678,000
58	Friendship Hill NHS	338,000	13,016,000
59	Charles Pickney NHS	339,000	13,355,000
60	El Morro NM	342,000	13,697,000
61	Aztec Ruins NM	343,000	14,040,000
62	Casa Grande Ruins NM and Hohokam Pima NM	348,000	14,388,000
63	Tumacacori NHP	353,000	14,741,000
64	Fossil Butte NM	357,000	15,098,000
65	Andrew Johnson NHS	359,000	15,457,000
66	Piscataway Park	361,000	15,818,000
67	Weir Farm NHS	367,000	16,185,000
68	Boston African American NHS	376,000	16,561,000
69	Federal Hall NMem	380,000	16,941,000
70	Stones River NB	380,000	17,321,000
71	Homestead NM of America	382,000	17,703,000
72	Niobrara/Missouri NR	387,000	18,090,000
73	Whitman Mission NHS	388,000	18,478,000
74	Longfellow NHS	389,000	18,867,000
75	Hampton NHS	391,000	19,258,000
76	John Muir NHS	393,000	19,651,000
77	Agate Fossil Beds NM	394,000	20,045,000
78	Oregon Caves NM	396,000	20,441,000
79	Capulin Volcano NM	398,000	20,839,000
80	John D. Rockefeller, Jr., Mem Parkway	400,000	21,239,000
81	Jimmy Carter NHS	404,000	21,643,000
82	Arkansas Post NMem	417,000	22,060,000
83	Guilford Courthouse NMP	422,000	22,482,000
84	Florissant Fossil Beds NM	423,000	22,905,000
85	San Juan Island NHP	431,000	23,336,000
86	Abraham Lincoln Birthplace NHS	450,000	23,786,000
87	Fort Union NM	452,000	24,238,000
88	Effigy Mounds NM	456,000	24,694,000
89	Fort Frederica NM	466,000	25,160,000
90	Pipestone NM	467,000	25,627,000
91	Fort Smith NHS	472,000	26,099,000
92	Booker T. Washington NM	477,000	26,576,000
93	Kings Mountain NMP	478,000	27,054,000
94	Tuskegee Institute NHS	478,000	27,532,000
95	Timpanogos Cave NM	482,000	28,014,000
96	Hopewell Culture NHP	495,000	28,509,000
97	Eleanor Roosevelt NHS	497,000	29,006,000
98	Ocmulgee NM	498,000	29,504,000
99	George Washington Carver NM	499,000	30,003,000
100	Hubbell Trading Post NHS	501,000	30,504,000
101	Ulysses S. Grant NHS	502,000	31,006,000
102	Castle Clinton NM	503,000	31,509,000
103	Dry Tortugas NP	506,000	32,015,000
104	Fort Clatsop NMem	510,000	32,525,000
105	Pea Ridge NMP	511,000	33,036,000
106	Perry's Victory and Intnl Peace Memorial	511,000	33,547,000
107	Scotts Bluff NM	516,000	34,063,000
108	Timucuan Ecological and Hist Preserve	517,000	34,580,000
109	Devils Tower NM	535,000	35,115,000
110	Ford's Theatre NHS	537,000	35,652,000
111	Navajo NM	539,000	36,191,000
112	George Rogers Clark NHP	547,000	36,738,000
113	Christiansted NHS and Buck Island Reef NM	550,000	37,288,000
114	Golden Spike NHS	552,000	37,840,000
115	Jewel Cave NM	556,000	38,396,000
116	Fort Stanwix NM	558,000	38,954,000
117	Saint-Gaudens NHS	559,000	39,513,000
118	Carl Sandburg Home NHS	563,000	40,076,000
119	General Grant NMem	572,000	40,648,000
120	Kaloko-Honokohau NHP	572,000	41,220,000
121	Grand Portage NM	573,000	41,793,000
122	War in the Pacific NHP	575,000	42,368,000
123	El Malpais NM	579,000	42,947,000
124	Little Bighorn NM	581,000	43,528,000
125	Fort Scott NHS	586,000	44,114,000
126	Fort Larned NHS	597,000	44,711,000
127	Appalachian NST	598,000	45,309,000
128	Fort Pulaski NM	601,000	45,910,000
129	Springfield Armory NHS	613,000	46,523,000
130	Saugus Iron Works NHS	614,000	47,137,000
131	Johnstown Flood NMem	622,000	47,759,000
132	Lincoln Boyhood NMem	622,000	48,381,000
133	Black Canyon of the Gunnison NM	624,000	49,005,000
134	Bent's Old Fort NHS	648,000	49,653,000
135	Fort Donelson NB	655,000	50,308,000
136	Andersonville NHS	661,000	50,969,000
137	Craters of the Moon NM	661,000	51,630,000
138	Fort Davis NHS	679,000	52,309,000
139	Martin Van Buren NHS	687,000	52,996,000
140	Salinas Pueblo Missions NM	693,000	53,689,000
141	John Day Fossil Beds NM	695,000	54,384,000
142	Hopewell Furnace NHS	699,000	55,083,000
143	Great Sand Dunes NM	704,000	55,787,000
144	Little River Canyon Nat'l Preserve	716,000	56,503,000
145	Pu'uhonua O'Honaunau NHP	726,000	57,229,000
146	Appomattox Court House NHP	728,000	57,957,000

THE 200 SMALLEST BUDGET PARKS—Continued

[Fiscal years]

	National Park Service park units	1995 park base	Cumulative 1995 park base
147	Greenbelt Park	733,000	58,690,000
148	Montezuma Castle NM and Tuzigoot NM	736,000	59,426,000
149	Wilson's Creek NB	741,000	60,167,000
150	Sagamore Hill NHS	744,000	60,911,000
151	Fort Laramie NHS	746,000	61,657,000
152	Kennesaw Mountain NBP	746,000	62,403,000
153	Petroglyph NM	756,000	63,159,000
154	Herbert Hoover NHS	760,000	63,919,000
155	Colorado NM	765,000	64,684,000
156	Lava Beds NM	776,000	65,460,000
157	Mississippi NR and RA	784,000	66,244,000
158	Grant-Kohrs Ranch NHS	786,000	67,030,000
159	Women's Rights NHP	796,000	67,826,000
160	Arches NP	798,000	68,624,000
161	Yukon-Charley Rivers Nat'l Preserve	802,000	69,426,000
162	Shiloh NMP	806,000	70,232,000
163	Bering Land Bridge National Preserve	816,000	71,048,000
164	George Washington Birthplace NM	839,000	71,887,000
165	Fort Vancouver NHS	850,000	72,737,000
166	Chiricahua NM and Ft. Bowie NHS	878,000	73,615,000
167	Sitka NHP	888,000	74,503,000
168	Cabrillo NM	899,000	75,400,000
169	Harry S. Truman NHS	902,000	76,302,000
170	Natchez NHP	912,000	77,214,000
171	Eisenhower NHS	919,000	78,133,000
172	Fort Sumter NM	929,000	79,062,000
173	Vanderbilt Mansion NHS	933,000	79,995,000
174	White Sands NM	947,000	80,942,000
175	Kenai Fjords NP	949,000	81,891,000
176	Canyon de Chelly NM	953,000	82,844,000
177	Saratoga NHP	955,000	83,799,000
178	Salem Maritime NHS	1,028,000	84,827,000
179	Manassas NBP	1,038,000	85,865,000
180	Lake Clark NP and Preserve	1,055,000	86,920,000
181	Fort Necessity NB	1,077,000	87,997,000
182	Cape Lookout NS	1,081,000	89,078,000
183	Pecos NHP	1,081,000	90,159,000
184	Kalaupapa NHP	1,091,000	91,250,000
185	Castillo de San Marcos NM and Ft. Matanzas NM	1,092,000	92,342,000
186	Richmond NBP	1,120,000	93,462,000
187	Organ Pipe Cactus NM	1,129,000	94,591,000
188	Nez Perce NHP	1,141,000	95,732,000
189	Cumberland Island NS	1,156,000	96,888,000
190	Fort McHenry NM and Historic Shrine	1,162,000	98,050,000
191	Baltimore-Washington Parkway	1,163,000	99,213,000
192	Mount Rushmore NMem	1,198,000	100,411,000
193	Pictured Rocks NL	1,209,000	101,620,000
194	Wind Cave NP	1,214,000	102,834,000
195	Chaco Culture NHP	1,273,000	104,107,000
196	Gates of the Arctic NP and Preserve	1,285,000	105,392,000
197	Cumberland Gap NHP	1,292,000	106,684,000
198	Pinnacles NM	1,294,000	107,978,000

Mr. HANSEN. Mr. Speaker, I yield myself the remainder of my time.

The SPEAKER pro tempore. The gentleman from Utah [Mr. HANSEN] is recognized for 1½ minutes.

Mr. HANSEN. Mr. Speaker, I hope the gentleman from New Mexico [Mr. RICHARDSON] realizes that the amendment of the gentleman failed 30 to 9 in committee.

Let me again point out, this is not a park closing bill. Nothing in this act shall be construed as modifying or terminating any unit of the National Park System without an act of Congress. That is clear. That is the law we are trying to pass. The GAO came before the committee. They said, it is a mess right now; we urge you to do something. This same piece of legislation, with only one difference, and that was this commission, passed unanimously in this House.

The GAO said, you have three options. Eliminate parks, reduce service, or raise the fees. We are going to come before the American people and ask to raise the fees. In 1960, if you drove your car up to Yellowstone, it cost you $10 to get in. In 1995, if you drive to Yellowstone, it is $10 to get in.

The parks are the best deal in America. We want to keep the parks, we want to enhance the parks, we want to make the parks better. We are not like this thing that points out here in the Washington Times of the park giveaway. We do not agree with that idea from the Clinton administration or Mr. Babbitt.

Please join us in supporting this bill. Let us do something good for the national parks and pass this legislation and move on to other legislation which is very important for the parks of America.

Mrs. MINK of Hawaii. Mr. Speaker, I rise to protest a most contentious piece of legislation that threatens the security of our National Park System [NPS]. H.R. 260, the National Park System Reform Act, puts in jeopardy more than 300 NPS units—some of our smallest and lowest-budget parks, but units that nonetheless capture the essence of our Nation's history, culture, and natural beauty.

The bill would call for a "death list" for parks in the development of a National Park System Plan—a recommendation of units among national recreation areas, monuments, preserves, historic sites, and heritage areas—which may be proposed for termination under the bill. This represents an outright denial of our responsibility to protect the American legacy embodied in our national parks.

This bill would repudiate the expertise and discernment of the National Park Service [Service] by instituting a review commission similar to the commission overseeing closure of our military bases. Additionally, Congressional distrust of the Department of Interior [DOI] is evident by a stipulation that should DOI fail to produce the National Park System Plan, this commission would be required to do so. H.R. 260 would introduce a mechanism of excessive congressional oversight in the termination or modification of NPS units by requiring 6 members of this 11-member commission to be appointed by congressional leadership. Through passage of this bill, we would serve the park system a tremendous disservice by allowing it to be highly politicized.

H.R. 260 would strip DOI—the administrative arm overseeing the NPS—of its freedom to work with willing landowners, State governments or municipalities in the creation of new park units. Without the ability to enter into cooperative agreements, DOI will be compromised by an additional level of bureaucracy. The Department will be forced to go through the congressional process to establish new units, which in several cases would mean unnecessary use of taxpayer dollars and a waste of effort.

The State of Hawaii under H.R. 260 would be threatened with the loss of five valuable parks. Kalaupapa National Historical Park is a monument to those with crippling Hansen's Disease. Closure of this park would be most tragic at this time when the figurehead of Kalaupapa, Father Damien deVeuster, is undergoing the process of sainthood.

Kaloko-Honokohau National Historical Park is unique within the NPS as the former site of a thriving settlement of one of our country's native peoples—Native Hawaiians. Within the park's boundaries remain plentiful evidence of the ancient Hawaiian culture that can be found in no other place in the world other than the Hawaiian Islands.

Pu'uhonua o Honaunau National Historical Park also holds very special meaning for Native Hawaiians as the place of refuge—a sacred place upholding basic rules of the Hawaiian society.

Pu'ukohola Heiau National Historical Park preserves a sense of the deep spirituality of the Native Hawaiian people.

H.R. 260 also jeopardizes the future of USS Arizona Memorial which sits at Pearl Harbor as the final resting place for many of the ship's 1,177 crewmen who lost their lives there in 1941.

H.R. 260 would cheat current and future generations of a significant part of American heritage and culture. The National Park System should be reformed through an honest and effective review of park service management and operations, not through the rash elimination of valuable parks benefiting communities in every State.

I emphatically urge my colleagues to defeat this egregious legislation.

Mr. RADANOVICH. Mr. Speaker, I attach a great deal of importance to our system of national parks. It includes many sites that reveal our history and our respect of nature.

Just this past weekend, I had occasion to visit the national military park at Gettysburg, PA. Who could question the wisdom of preserving our country's heritage by providing such a park. That park and many others, including one of the crown jewels, Yosemite National Park, located in my own congressional district, are examples of what national parks are supposed to be. It is out of a concern for the future of our national parks that I support H.R. 260, the National Park Service Reform Act.

This legislation will help solve many of the problems currently facing the National Park Service [NPS] so that it can better meet its objectives of serving visitors and protecting the natural and cultural resources entrusted to it. H.R. 260 does not close a single park or unit. It does require the NPS to further develop a plan and mission for the agency. It then requires that the NPS review the existing 368 areas managed by the agency to determine whether all of them should continue to be managed by the NPS. Any NPS recommendation for the closure of an NPS unit would be subject to review by an independent commission and would require the passage of a separate act of Congress.

As a member of the National Parks, Forests and Lands Subcommittee, I commend Chairman JAMES HANSEN's able leadership for prompting the General Accounting Office's [GAO] telling August 1995 report entitled "National Parks: Difficult Choices Need To Be Made About the Future of the Parks." The GAO report cites what I, too, view as a "further deterioration in national park conditions." I want to acknowledge my acceptance of one of the remedial routes offered in the GAO report, namely, cutting back on the number of units in the system. We do not want to clutter the system with Steamtowns and Suitland Parkways without considering budgetary factors. Though as I said recently in the Fresno Bee, this process "won't be easy and I'm not saying there won't be problems."

It is true that some national park entities might eventually be transferred out of the National Park System. Some such transfers may well be warranted, and they would not be new. Just last year the Kennedy Center in Washington, DC, was transferred out of the National Park System. The Kennedy Center still operates, and people still enjoy attending concerts there, but it is simply under new management. Similarly, commuter highways serving Washington, DC, like the Suitland and Baltimore-Washington Parkways, should be considered for new management outside of NPS.

It is important to note, Mr. Speaker, that H.R. 260 has the support of both Republican and Democrat members of the Resources Committee, which has jurisdiction over this legislation. it is a good bill, and I am convinced that it will help bring fiscal sanity to the operation of the NPS.

Mr. HOYER. Mr. Speaker, I rise today in opposition to H.R. 260. I am especially troubled that a controversial bill, with bipartisan opposition, would be considered under the Suspension Calendar.

There are some much needed reforms proposed in this bill, including the establishment of a National Park System plan and the requirement for suitability studies of future potential parks.

However, this bill would also seek to sell off much of our Nation's natural, cultural, and recreational heritage. our National Parks.

This bill would create a politically appointed commission whose sole purpose would be to close National Parks for alleged budgetary concerns, not to achieve Park Service reform.

Mr. Speaker, look no further than the recently passed Republican budget for the rationale behind this closure commission: a 10 percent cut in National Park Service funds, a 5-year land acquisition moratorium, and a 50 percent cut in NPS construction.

This legislation could have a dramatic impact on my congressional district. My constituency is proud to have three scenic and historically significant park units located within its borders. The pristine environment and preserved historical viewshed of Mount Vernon is captured within the nearly 4,500 acres of Piscataway Park.

This park is just one of the nearly 370 National Parks frequented last year alone by more than 260 million people from the world over.

Greenbelt Park is one of the last truly development-free plots of land left in the Washington Metropolitan Area. This park serves to remind Marylanders of the importance of our environment and our resources.

Mr. Speaker, in addition, I was very proud to have the home of Thomas Stone, an original signer of the Declaration of Independence, located in Charles County designated as a national historic site in 1993.

If we would have lost that historical plot of land, we would almost never have the opportunity to get it back again. All three of these parks, which benefit not only the citizens of the Fifth Congressional District, but also all Americans, would be eligible for closure under this legislation.

However, this House ought not be fooled about the intent of this bill. Members on the other side insist that a park-closure commission is necessary to prioritize for the National Park Service.

What we are in essence telling the Park Service is that you do not know how to do your job—that after years of management and oversight we are now going to go over your heads and let a politically appointed commission decide what to keep open and what to close.

We just create another level of bureaucracy at a time when people are claiming to reduce bureaucracy.

Mr. Speaker, what we need is financial management reform, and enhancement of resource protection efforts. This will enable us to deal with needed Park Service reform without selling off our Nation's most valuable lands and resources.

I urge my colleagues to oppose this shortsighted and very damaging bill so that we can consider commonsense reform that will also protect our Nation's most prized lands.

H.R. 2181, a bipartisan bill sponsored by Representatives RICHARDSON, BOEHLERT, and MORELLA, does just that while not abandoning our efforts to preserve our Nation's history and beauty.

Mr. GEJDENSON. Mr. Speaker, I rise today in strong opposition to bringing HR 260 to the floor under Suspension of the Rules. This procedure should be reserved for non-controversial legislation which has widespread bi-partisan support. I do not believe that HR 260 fits this description. By placing this measure on the Suspension Calendar, the majority is denying Members the ability to offer amendments to this potentially far-reaching bill. By closing off debate, Members on both sides of the aisle will be denied the opportunity to vote on an alternative which the gentleman from New Mexico, Mr. RICHARDSON, my colleagues from New York, Mr. HINCHEY and Mr. BOEHLERT, and I have introduced. Members of this body should have the opportunity to vote on our alternative which will improve management of the Park System without creating a special commission to close our parks. If Members want to keep our parks open, especially smaller and urban parks, then they should vote against HR 260.

Mr. Speaker, I believe that HR 260 is designed to close some of our parks, national monuments, urban recreation areas and historic sites. This bill establishes a BRAC-style commission charged with developing a list of park units which should be removed from Federal management and ownership. Make no mistake about it, this bill would not create a special commission unless it had closure in mind. I do not support closing any of our parks and I do not believe the American people support such action. Contrary to what the advocates of HR 260 will argue, we have not created parks "willy nilly." I believe that each unit of the Park System is nationally significant and represents an important part of our history, culture and heritage. We have set aside spectacular natural treasures, homes of Presidents and recreation areas for the benefit of future generations. The Federal Government has a responsibility to protect these resources, interpret and communicate their significance, and make them available to every American. I do not believe any other entity can adequately safeguard these assets while making them widely available to every citizen.

I am also concerned that HR 260 is merely one in a long line of proposals put forth by some of our Republican colleagues to transfer large tracts of Federal land to States or private interests. For example, legislation have been introduced to transfer more than 260 million acres of Federal land under the jurisdiction of the Bureau of Land Management (BLM) to a handful of western States. With the enactment of the Federal Land Policy and Management Act, the Congress and the American people made a commitment to preserve Federal ownership of public lands. These lands contain billions of dollars worth of minerals, timber and other natural resources and provide hundreds of millions of Americans with recreational opportunities. These proposals will benefit narrow special interests at the expense of the vast majority of the American people.

The bill that Mr. RICHARDSON has developed will improve management of our National Park System, generate important revenue to assist the National Park Service [NPS] in addressing a multibillion dollar maintenance backlog, and ensure that our national treasures are protected for generations to come. It requires the Service to develop a master plan for the system which includes an inventory of existing resources and prioritizes which cultural, natural, and historical resources should be added to the system. It streamlines the process of designating new units by requiring the Service to annually provide the Congress with a list of areas to be studied and those areas of sufficient national significance to warrant inclusion in the system. Finally, our bill requires Congress to authorize studies and designate new park units to ensure that this body retains final authority to determine the scope of the system.

Our bill will also reform out-dated parks concession policy. The current framework was put in place when our parks were remote, visitorship was low and companies had to be enticed to offer visitor services. Today, more than 270 million people visit our parks yearly, easy access is provided via highways and airports, and operating a business in our parks is extremely lucrative. While business is great for concessioners, the American people have failed to receive a fair return for the privilege of operating in their national parks. In 1994, while concessioners earned more than $640 million from park operations, the American people received only $19 million in franchise fees, or about 3 percent of gross receipts. To make matters worse, there is no competition in the awarding of concession contracts and companies receive possessory interest in structures in the public's parks. Possessory interest forces the American people to pay concessioners for the privilege of doing business in their parks. Moveover, possessory interest is not enjoyed by concessioners in sports stadiums or airports.

Our bill contains the text of legislation passed by the House in the 103d Congress which would completely overhaul concession policy. It requires contracts to be awarded on a competitive basis and provide a fair return to the American taxpayers. It eliminates possessory interest and allocates franchise fees to our parks to support a wide range of activities. At the same time, it protects the interests of river guides, outfitters, and other small businesses who provide specialized services and are overwhelmingly family-run operations. These provisions will ensure that the American people continue to receive high-quality services and begin to enjoy a fair return on the use of their resources.

Finally, this legislation will also generate additional revenue to support park operations by authorizing moderate fee increases at parks which are currently authorized to charge fees. By allowing fees to increase slightly at certain park units, we can generate badly needed revenue to improve park roads and trails and to safeguard increasingly threatened natural resources. It is estimated that this measure will generate $30 million in revenue to maintain our parks. Importantly, these fees will go into a special fund in the Treasury which will be directly available to the Secretary of Interior for park-related purposes. This provision guarantees that fees paid by visitors will go to the parks and not be used to offset the deficit or to fund other programs. The American people are willing to pay a little more as long as they know that their entrance fees will be reinvested in the parks.

Mr. Speaker, by bringing H.R. 260 to the floor under Suspension of the Rules, the Republican leadership is denying Members on both sides of the aisle the opportunity to vote for a reasonable alternative. Once again, we see that talk about openness and giving Members of this body the opportunity to work their will is hollow. As a result, the American people are going to see their parks close or be sold to the highest bidder. These treasures are too important to be a pawn in a game of legislative chess. I urge my colleagues to vote against H.R. 260.

Mrs. MORELLA. Mr. Speaker, it is with both surprise and concern that a piece of legislation as far reaching, complex, and, yes, controversial, would be offered on the Suspension Calendar. This bill, H.R. 260, passed through the Resources Committee by a 34 to 8 vote which does, superficially, indicate there may be the ⅔ support that is necessary for a suspension bill to pass. However, there are serious dissenting views that should be considered and debated by Members of Congress.

In addition, another bill was introduced by beginning of August by the Ranking Member of the Subcommittee on National Parks, Forests and Lands, Representative BILL RICHARDSON, that has bipartisan support. Two Republicans, Mr. BOEHLERT and myself, and two Democrats are original cosponsors. I feel very strongly that Members should be allowed to consider this thoughtful and comprehensive substitute bill, H.R. 2181, inasmuch as H.R. 260 is not the only choice we have to manage effective reform of our National Park System.

H.R. 2181 was introduced primarily in response to the more contentious sections of H.R. 260, including Section 103, National Park System Review Commission, which includes the establishment of what has been characterized as a Park Closing Commission. This section is very troublesome to me because I believe that it is unnecessary—a system already exists to close any park that does not meet specified standards. And it is overly threatening to the smaller, less glamorous parks in our system that lack a voice of advocacy, but represent an idea, a culture, or an area that is significant to our national heritage. I have two parks in my district that could come under this classification: Glen Echo Park and the C & O Canal Historical Park. I suspect that almost every Member of Congress has similar unheralded park in their district.

Therefore, Mr. Speaker, I believe that we are entitled to a full discussion of H.R. 260 on the floor of the House.

Mr. SHAW. Mr. Speaker, I rise today to voice my support for H.R. 260, the National Park System Reform Act of 1995. First, I would like to clear up any misconceptions about the nature of this bill. H.R. 260 does not close a single park. As a strong supporter of the preservation of native resources, I would never support a bill that threatened our national parks.

In the last 10 years, the National Park Service budget has more than doubled, increasing by more than 30 percent above the rate of inflation. Despite these substantial increases, the National Park Service claims that their agency is suffering huge funding shortages. In the past, when similar proposed budget cuts have been recommended, the NPS has responded by threatening to close highly visible areas. In the NPS budget request for fiscal year 1996 only 48 percent of the $1.5 billion requested goes directly to fund park operations. In the remaining 52 percent of the budget, the administration has requested funding for projects such as $1 million to repair the White House sidewalks. Clearly, NPS funding could afford to be cut in many areas with little or no effect on parks. In fact, the National Park Service has already submitted a report to Congress recommending specific programs that could be cut to meet the budget reductions, without closing parks.

Many ask why the National Park Service doesn't just increase its park entrance fees. Currently, the NPS collects fees at only one-third of the areas it administers, resulting in the failure of the NPS to collect $60 million annually.

H.R. 260 is similar in scope to a bill which passed the House by a vote of 421 to 0 last Congress. It requires the NPS to develop the first plan in the history of the agency to define the mission of the agency. In addition, it requires that the NPS review the existing 368 areas managed by the agency—excluding the 54 national parks—to determine if all of them should continue to be managed by the NPS.

I quote directly from the bill, "Nothing in this Act shall be construed as modifying or terminating any unit of the National Park System without a subsequent Act of Congress." This bill is not designed to save money but to ensure that our park system continues to be the best in the world.

Mr. REED. Mr. Speaker, I recognize the serious difficulties that face our National Park System, including the deterioration of our public lands and the impact of likely budget cuts. Like many of my colleagues, I strongly believe that we must address these challenges. However, I do not believe that H.R. 260 is the best way to do so.

Two bills intended to reform the National Park Service have been introduced to the House of Representatives this year. Both of these measures, H.R. 260 and H.R. 2181, recognize the need for efforts to improve the management of our national parks, but they adopt very different approaches toward this important goal.

H.R. 2181 would generate the revenue that our National Park Service needs to improve its visitor services and repair roads and trails in parks across the country. This bill would require individuals who sell concessions in our national parks to provide a fair return to our Nation's citizens for the first time in decades. H.R. 2181 would also make modest modifications in the fees charged for the use of our national parks and would direct the added revenue toward the needs of the National Park System.

H.R. 260 would require the Interior Department to develop a comprehensive plan for the future of the National Park System. This bill, however, would also create a closure commission to recommend which of our nation's park units should be closed or privatized. Among the likely targets of such a commission would be hundreds of small, but important parks across the country.

One such park is the Roger Williams National Memorial in Providence, RI. This park is very small, both in its area and its demands on Federal funding, but it meets a large need of many Rhode Islanders. Each year, nearly 150,000 people visit the park, which, like its namesake, represents the best of our country. Roger Williams, who founded my home State, remains a proud example of our Nation's commitment to religious freedom. The park bearing his name honors his contribution to our Nation's history and provides Rhode Islanders with a needed recreational and environmentally preserved area in our State's capital city.

The status of the Roger Williams National Memorial and the hundreds of parks like it nationwide is a critical issue that deserves full and open debate. However, by bringing H.R. 260 to the floor under suspension of the rules, the Republican majority prevents open debate on this issue. Today, the House will not even consider H.R. 2181, despite the fact that this well-crafted measure is sponsored by distinguished members of both parties.

I urge my colleagues to stand for open debate on the future of our national parks. I urge my colleagues to oppose H.R. 260.

Mr. LAZIO of New York. Mr. Speaker, I rise today to oppose H.R. 260, the National Park System Reform Act. Though there is a need to review the viability and status of national parks, in this era of fiscal constraint and increasing demand on the park system, the issues of park reform and review are not simple ones. This type of legislation should not be brought up under the suspension of the rules. The gravity of this bill calls for further debate and the possibility of offering amendments to this bill.

H.R. 260 would establish an 11-member Natural Park System Review Commission, which would make recommendations to Congress regarding which parks should be closed or managed differently. This commission does not have the authority to close or modify parks of its own accord and only presents non-binding recommendations to Congress. Nevertheless, we need to ensure that these recommendations are not simply rubber-stamped by Congress, but are, indeed, thoroughly reviewed.

Coastal areas are unique in character, and our national seashores should not be grouped along with the land-locked national parks when a review is made. My specific concern is for the preservation of the Fire Island National Seashore in its present form. This barrier island stands defiantly facing the Atlantic Ocean while protecting the waters of the Great South Bay and the mainland of Long Island. Fire Island residents have created 17 separate communities not only for summer recreation, but also to preserve the island's natural heritage. Congress was wise to grant Fire Island its current status as a National Seashore. A determination of this importance should not be reserved without proper safeguards. In order to continue to preserve our coastline's natural heritage, we need to ensure that Fire Island is protected in its present form. Bringing this bill up under the suspension of the rules without the opportunity to offer amendments or for additional debate will not ensure the proper protection for the Fire Island National Seashore or other coastal parks. I urge my colleagues to defeat H.R. 260 under the suspension of rules. This is not the right legislative procedure for a proper review of our national parks.

Mr. HANSEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah [Mr. HANSEN] that the House suspend the rules and pass the bill, H.R. 260, as amended.

The question was taken.

Mr. RICHARDSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

PROVIDING FOR THE ADMINISTRATION OF CERTAIN PRESIDIO PROPERTIES

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1296), to provide for the administration of certain Presidio properties at minimal cost to the Federal taxpayer, as amended.

The Clerk read as follows:

H.R. 1296

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress finds that—

(1) the Presidio, located amidst the incomparable scenic splendor of the Golden Gate, is one of America's great natural and historic sites;

(2) the Presidio is the oldest continuously operated military post in the Nation dating from 1776, and was designated a National Historic Landmark in 1962;

(3) preservation of the cultural and historic integrity of the Presidio for public use recognizes its significant role in the history of the United States;

(4) the Presidio, in its entirety, is located within the boundary of the Golden Gate National Recreation Area, in accordance with Public Law 92–589;

(5) the Presidio's significant natural, historic, scenic, cultural, and recreational resources must be managed in a manner which is consistent with sound principles of land use planning and management, and which protects the Presidio from development and uses which would destroy the scenic beauty and historic and natural character of the area; and

(6) the Presidio can best be managed through an innovative public/private partnership that minimizes cost to the United States Treasury and makes efficient use of private sector resources that could be utilized in the public interest.

SEC. 2. AUTHORITY AND RESPONSIBILITY OF THE SECRETARY OF THE INTERIOR.

(a) INTERIM AUTHORITY.—The Secretary of the Interior (hereinafter in this Act referred to as the "Secretary") is authorized to manage leases in existence on the date of this Act for properties under the Administrative jurisdiction of the Secretary and located at the Presidio. Upon the expiration of any such lease, the Secretary may extend the lease for a period terminating 6 months after the first meeting of the Presidio Trust at which a quorum is present. After the date of the enactment of this Act, the Secretary may not enter into any new leases for property at the Presidio to be transferred to the Presidio Trust under this Act. Notwithstanding section 1341 of title 31 of the United States Code, the proceeds from any such lease shall be retained by the Secretary and such proceeds shall be available, without further appropriation, for the preservation, restoration, operation and maintenance, improvement, repair and related expenses incurred with respect to Presidio properties. For purposes of any such lease, the Secretary may adjust the rental by taking into account any amounts to be expended by the lessee for preservation, maintenance, restoration, improvement, repair and related expenses with respect to properties within the Presidio.

(b) PUBLIC INFORMATION AND INTERPRETATION.—The Secretary shall be responsible, in cooperation with the Presidio Trust, for providing public interpretative services, visitor orientation and educational programs on all lands within the Presidio.

(c) OTHER.—Those lands and facilities within the Presidio that are not transferred to the administrative jurisdiction of the Presidio Trust shall continue to be managed by the Secretary. The Secretary and the Presidio Trust shall cooperate to ensure adequate public access to all portions of the Presidio.

(d) PARK SERVICE EMPLOYEES.—*Notwithstanding any other provision of law, the Trust shall have sole discretion over whether to employ persons previously employed by the National Park Service in the Department of the Interior. Career employees of the National Park Service, employed at the Presidio as of the time of the transfer of lands and facilities to the Presidio Trust, shall not be separated from the Service by reason of such transfer.*

SEC. 3. THE PRESIDIO TRUST.

(a) ESTABLISHMENT.—There is established a wholly owned government corporation to be known as the Presidio Trust (hereinafter in this Act referred to as the "Trust").

(b) TRANSFER.—(1) Within 60 days after receipt of a request from the Trust for the transfer of any parcel within the area depicted as area B on the map entitled "Presidio Trust Number 1," dated June 1995, the Secretary shall transfer such parcel to the administrative jurisdiction of the Trust. Within one year after the first meeting of the Board of Directors of the Trust at which a quorum is present, the Board shall request the Secretary to transfer any remaining parcels within such area B. Such map shall be on file and available for public inspection in the offices of the Trust and in the offices of the National Park Service, Department of the Interior. The Trust and the Secretary may jointly make technical and clerical revisions in the boundary depicted on such map. Such areas shall remain within the boundary of the Golden Gate National Recreation Area. The Secretary shall retain those portions of the building identified as number 103 as the Secretary deems essential for use as a visitor center. The building shall be named the "William Penn Mott Visitor Center". With the consent of the Secretary, the Trust may at any time transfer to the administrative jurisdiction of the Secretary any other properties within the Presidio which are surplus to the needs of the Trust and which serve essential purposes of the Golden Gate National Recreation Area. The Trust is encouraged to transfer to the administrative jurisdiction of the Secretary open space areas which have a high public use potential and are contiguous to other lands administered by the Secretary.

(2) The Secretary shall transfer, with the transfer of administrative jurisdiction over any property, all leases, concessions, licenses, permits, and other agreements relating to such property. Upon the transfer of such property the Secretary shall transfer the unobligated balance of all funds appropriated to the Secretary for the operation of the Presidio, together with any revenues and unobligated funds associated with leases, concessions, licenses, permits, and agreements relating to properties transferred to the Trust.

(c) BOARD OF DIRECTORS.—

(1) IN GENERAL.—The powers and management of the Trust shall be vested in a Board of Directors (hereinafter referred to as the "Board") consisting of the following 7 members:

(A) The Secretary of the Interior or the Secretary's designee.

(B) Six individuals, who are not employees of the Federal Government, appointed by the President, who shall possess extensive knowledge and experience in one or more of the fields of city planning, finance, real estate, and resource conservation. At least 3 of these individuals shall reside in the city and county of San Francisco. The President shall make the appointments referred to in this subparagraph within 90 days after the enactment of this Act.

(2) TERMS.—Members of the Board appointed under paragraph (1)(B) shall each serve for a term of 4 years, except that of the members first appointed, 3 shall serve for a term of 2 years. Any vacancy in the Board shall be filled in the same manner in which the original appointment was made, and any member appointed to fill a vacancy shall serve for the remainder of the term for which his or her predecessor was appointed. No appointed director may serve more than 8 years in consecutive terms. No member of the Board of Directors may have a development or financial interest in any tenant or property of the Presidio.

(3) QUORUM.—Four members of the Board shall constitute a quorum for the conduct of business by the Board.

(4) ORGANIZATION AND COMPENSATION.—The Board shall organize itself in such a manner as it deems most appropriate to effectively carry out the authorized activities of the Trust. Board members shall serve without pay, but may be reimbursed for the actual and necessary travel and subsistence expenses incurred by them in the performance of the duties of the Trust.

(5) LIABILITY OF DIRECTORS.—Members of the Board of Directors shall not be considered Federal employees by virtue of their membership on the Board, except for purposes of the Federal Tort Claims Act and the Ethics in Government Act.

(6) PUBLIC LIAISON.—The Board shall meet at least 3 times per year in San Francisco and at least one meeting shall be open to the public. The Board shall establish procedures for providing public information and opportunities for public comment regarding policy, planning, and design issues through the Golden Gate National Recreation Area Advisory Commission.

(d) DUTIES AND AUTHORITIES.—In accordance with the purposes set forth in this Act and in section 1 of the Act entitled "An Act to establish the Golden Gate National Recreation Area in the State of California, and for other purposes", approved October 27, 1972 (Public Law 92-589; 86 Stat. 1299; 16 U.S.C. 460bb), and in accordance with the general objectives of the general management plan approved for the Presidio, the Trust shall manage the leasing, maintenance, rehabilitation, repair and improvement of property within the Presidio which is under its administrative jurisdiction. The Trust may participate in the development of programs and activities at the properties that have been transferred to the Trust. In exercising its powers and duties, the Trust shall have the following authorities:

(1) The Trust is authorized to manage, lease, maintain, rehabilitate and improve, either directly or by agreement, those properties within the Presidio which are transferred to the Trust by the Secretary.

(2)(A) The Trust is authorized to negotiate and enter into such agreements, leases, contracts and other arrangements with any person, firm, association, organization, corporation or governmental entity, including without limitation entities of Federal, State and local governments (except any agreement to convey fee title to any property located at the Presidio) as are necessary and appropriate to finance and carry out its authorized activities. Agreements under this paragraph may be entered into without regard to section 321 of the Act of June 30, 1932 (40 U.S.C. 303b).

(B) Except as provided in subparagraphs (C), (D), and (E), Federal laws and regulations governing procurement by Federal agencies shall apply to the Trust.

(C) In exercising authority under section 303(g) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(g)) relating to simplified purchase procedures, the Trust is authorized, to use as the dollar limit of each purchase or contract under this subsection an amount which does not exceed $500,000.

(D) In carrying out the requirement of section 18 of the Office of Federal Procurement Policy Act (41 U.S.C 416), the Trust is authorized to furnish the Secretary of Commerce for publication notices of proposed procurement actions, to use as the applicable dollar threshold for each expected procurement an amount which does not exceed $1,000,000.

(E) The Trust shall establish procedures for lease agreements and other agreements for use and occupancy of Presidio facilities, including a requirement that in entering into such agreements the Trust shall obtain reasonable competition.

(F) The Trust shall develop a comprehensive program for management of those lands and facilities within the Presidio which are transferred to the Trust. Such program shall be designed to reduce costs to the maximum extent possible. In carrying out this program, the Trust shall be treated as a successor in interest to the National Park Service with respect to compliance with the National Environmental Policy Act and other environmental compliance statutes. Such program shall consist of—

(i) demolition of all structures which cannot be cost-effectively rehabilitated and are not of the highest degree of historical significance,

(ii) new construction which would be limited to replacement of existing structures of similar size in existing areas of development, and

(iii) examination of a full range of reasonable options for carrying out routine administrative and facility management programs. The Trust shall consult with the Secretary in the preparation of this program.

(3) The Trust is authorized to appoint and fix the compensation and duties of an executive director and such other officers and employees as it deems necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may pay them without regard to the provisions of chapter 51, and subchapter III of chapter 53, title 5, United States Code (relating to classification and General Schedule pay rates).

(4) To augment or encourage the use of non-Federal funds to finance capital improvements on Presidio properties transferred to its jurisdiction, the Trust, in addition to its other authorities, shall have the following authorities:

(A) The authority to guarantee any lender against loss of principal or interest on any loan, provided that (i) the terms of the guarantee are approved by the Secretary of the Treasury, (ii) adequate guarantee authority is provided in appropriations Acts, and (iii) such guarantees are structured so as to minimize potential cost to the Federal Government. No loan guarantee under this Act shall cover more than 75 percent of the unpaid balance of the loan. The Secretary of the Treasury shall collect a commercially reasonable guarantee fee in connection with each loan guaranteed under this Act. The authority to enter into any such loan guarantee agreement shall expire at the end of 12 years after the date of enactment of this Act.

(B) The authority, subject to available appropriations, to make loans to the occupants of property managed by the Trust for the preservation, restoration, maintenance, or repair of such property.

(C) The authority to issue obligations to the Secretary of the Treasury, but only if the Secretary of the Treasury agrees to purchase such obligations after determining that the projects to be funded from the proceeds thereof are credit worthy and that a repayment schedule is established. The Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which securities may be issued under such chapter are extended to include any purchase of such notes or obligations acquired by the Secretary of the Treasury under this subsection. The aggregate amount of obligations issued under this subparagraph which are outstanding at any one time may not exceed $50,000,000. Obligations issued under this subparagraph shall be in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury, and shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. No funds appropriated to the Trust may be used for repayment of principal or interest on, or redemption of, obligations issued under this paragraph. All obligations purchased under authority of this subparagraph must be authorized in advance in appropriations Acts.

(D) The Trust shall be deemed to be a public agency for the purpose of entering into joint exercise of powers agreements pursuant to California government code section 6500 and following.

(5) The Trust may solicit and accept donations of funds, property, supplies, or services from individuals, foundations, corporations, and other private or public entities for the purpose of carrying out its duties. The Trust shall maintain philanthropic liaison with the Golden Gate National Park Association, the fund raising association for the Golden Gate National Recreation Area.

(6) Notwithstanding section 1341 of title 31 of the United States Code, all proceeds received by the Trust shall be retained by the Trust, and such proceeds shall be available, without further appropriation, for the preservation, restoration, operation and maintenance, improvement, repair and related expenses incurred with respect to Presidio properties under its jurisdiction. Upon the request of the Trust, the Secretary of the Treasury shall invest excess moneys of the Trust in public debt securities with maturities suitable to the needs of the Trust.

(7) The Trust may sue and be sued in its own name to the same extent as the Federal Government. Litigation arising out of the activities of the Trust shall be conducted by the Attorney General, as needed; except that the Trust may retain private attorneys to provide advice and counsel, and to represent the Trust in proceedings to enforce and defend the contractual obligations of the Trust.

(8) The Trust shall have all necessary and proper powers for the exercise of the authorities invested in it.

(9) For the purpose of compliance with applicable laws and regulations concerning properties transferred to the Trust by the Secretary, the Trust shall negotiate directly with regulatory authorities.

(e) INSURANCE.—The Trust shall procure insurance against any loss in connection with the properties managed by it or its authorized activities as is reasonable and customary.

(f) BUILDING CODE COMPLIANCE.—The Trust shall bring all properties under its jurisdiction into compliance with Federal building codes and regulations appropriate to use and occupancy within 10 years after the enactment of this Act.

(g) TAXES.—The Trust shall be exempt from all taxes and special assessments of every kind in the State of California, and its political subdivisions, including the city and county of San Francisco.

(h) FINANCIAL INFORMATION AND REPORT.—(1) The Trust shall be treated as a wholly owned Government corporation subject to chapter 91 of title 31, United States Code (commonly referred to as the Government Corporation Control Act). Financial statements of the Trust shall be audited annually in accordance with section 9105 of title 31 of the United States Code.

(2) At the end of each calendar year, the Trust shall submit to the Congress a comprehensive and detailed report of its operations, activities, and accomplishments for the prior fiscal year. The report also shall include a section that describes in general terms the Trust's goals for the current fiscal year.

(i) SAVINGS CLAUSE.—Nothing in this section shall preclude the Secretary from exercising any of the Secretary's lawful powers within the Presidio.

(j) LEASING.—In managing and leasing the properties transferred to it, the Trust should consider the extent to which prospective tenants maximize the contribution to the implementation of the General Management Plan for the Presidio and to the generation of revenues to offset costs of the Presidio. The Trust shall give priority to the following categories of tenants: tenants that enhance the financial viability of the Presidio thereby contributing to the preservation of the scenic beauty and natural character of the area; tenants that facilitate the cost-effective preservation of historic buildings through their reuse of such buildings, or tenants that promote through their activities the general programmatic content of the plan.

(k) REVERSION.—If the Trust reasonably determines by a two-thirds vote of its Board of Directors that it has materially failed to, or cannot, carry out the provisions of this Act, all lands and facilities administered by the Trust shall revert to the Secretary of Defense to be disposed of in accordance with section 2905(b) of the Defense Authorization Act of 1990 (104 Stat. 1809), except that—

(1) the terms and conditions of all agreements and loans regarding such lands and facilities entered into by the Trust shall be binding on any successor in interest; and

(2) the city of San Francisco shall have the first right of refusal to accept all lands and facilities formerly administered by the Trust.

(l) LIMITATIONS ON FUNDING.—(1) From amounts made available to the Secretary for the operation of areas within the Golden Gate National Recreation Area, not more than $25,000,000 shall be available to carry out this Act in each fiscal year after the enactment of this Act until the plan is submitted under paragraph (2). Such sums shall remain available until expended.

(2) Within one year after establishment of the Trust, the Trust shall submit to Congress a plan which includes a schedule of annual decreasing Federally appropriated funding such as will achieve total self-sufficiency for the Trust within 12 complete fiscal years after establishment of the Trust. That plan shall provide for annual reductions in Federally appropriated funding such that the Trust will be 80 percent self-sufficient at the end of 7 complete fiscal years after establishment. The plan shall provide for elimination of all Federally appropriated funding for public safety and fire protection purposes on lands or facilities administered by the Trust at the end of 5 complete fiscal years after establishment of the Trust. For each of the 11 fiscal years after fiscal year 1997, there are authorized to be appropriated to the Trust not more than the amounts specified in such plan. Such sums shall remain available until expended.

(m) GAO AUDIT.—Ten years after the date of establishment of the Trust, the General Accounting Office shall conduct a complete audit of the activities of the Trust and shall report the results of that audit to the appropriate congressional committees. The General Accounting Office shall include in that audit an analysis of the ability of the Trust to initiate payments to the Treasury.

(n) SEPARABILITY OF PROVISIONS.—If any provisions of this Act or the application thereof to any body, agency, situation, or circumstance is held invalid, the remainder of the Act and the application of such provision to other bodies, agencies, situations, or circumstances shall not be affected thereby.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah [Mr. HANSEN] will be recognized for 20 minutes, and the gentleman from New Mexico [Mr. RICHARDSON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 1296, bipartisan legislation introduced by the gentlewoman from San Francisco, which addresses what to do with the Presidio of San Francisco. Mr. Speaker, because of a single sentence in a 23-year-old piece of legislation, the Presidio has the potential to become the most expensive area in the National Park System. I believe that the framework outlined in this legislation for future management of the Presidio embodies the type of innovative thinking and reduced dependence on the Federal Government which voters sought last November, and I commend Ms. PELOSI for leading the way with her legislation.

In 1989, the Department of the Army, through the base closure process, determined that the Presidio was surplus to their needs. The 1972 Act establishing Golden Gate National Recreation Area called for the administrative jurisdiction of the Presidio to be transferred to the National Park Service, if it was ever determined to be surplus to the needs of the Department of the Army. Thus began a lengthy, multimillion dollar planning effort by the NPS to determine the future of the area.

To their credit, from the outset the NPS recognized that the 6 million square feet of building space at the Presidio was far more space than the NPS could use. With hospitals, warehousing, 1500 housing units, fast food outlets, bowling alleys, churches, gymnasiums, as well as over 500 historic buildings, it was an area unlike any ever managed by the NPS. Unfortunately, the NPS plan failed to examine all the reasonable alternatives for the Presidio.

After spending nearly 4 years and over $1 million, the NPS came up with a plan estimated to cost nearly $700 million in one-time capital expenditures and $40 million in annual operating costs for the foreseeable future to implement. It was a plan with lots of pretty pictures and interesting ideas about a world center for social, cultural, and environmental awareness; but it was a plan with no basis in reality. In fact, the plan was so unrealistically dependent on Federal funding, that if allowed to go forward it appeared likely that the resources of the Presidio would be in great jeopardy. The media is already reporting how the Presidio has fallen into disrepair in the 11 months since the National Park Service took over the area and began implementation of their plan.

Under the National Park Service plan, the cost to operate the 1,400 acres of Golden Gate National Recreation Area within the Presidio was going to be more than twice as much as the most expensive park in the park system; Yellowstone National Park which costs about $20 million per year to operate its 2.3 million acres.

While the Presidio is a beautiful location, and certainly one of the most outstanding urban settings in the country, if not in the world, it is not the type of area which should be managed by the National Park Service. Based on considerable review of the situation over the last several years, the committee has come to the conclusion that the most effective way to reduce costs at the Presidio, and ultimately to save it, is to turn management of large portions of it over to those with expertise in management of such properties.

Therefore, this legislation establishes the nonprofit Presidio Trust to take over management of about 80 percent of the Presidio, consisting of most of the built environment. Under the proposal before us today, the National Park Service would retain responsibility for management of the undeveloped open space areas and primary recreational use activities, as well as key historic structures, such as Fort Point. This is not a new idea. In fact, in reviewing the legislative history of the 1972 act, that is precisely the role which was envisioned for the National Park Service by the author of the law.

Under terms of the bill, Federal funding for portions of the Presidio transferred to the Presidio Trust would be phased out after 12 years. This represents a savings of hundreds of millions of dollars compared to the plan developed by the National Park Service.

It has not been easy to convince those who still believe that the Federal Government has all the answers and unlimited funds that such a solution is the best one for the Presidio. In fact, some remain unconvinced. For this reason, I appreciate even more the efforts of Ms. PELOSI to work to resolve my concerns and those of others on this bill. I urge my colleagues to join me in supporting this important bill and look forward to swift action on this bill in the Senate.

□ 1715

Mr. Speaker, I reserve the balance of my time.

Mr. RICHARDSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1296, as reported from the committee, represents what we hope is a workable compromise regarding the management of the Presidio. This important measure was originally introduced by my good friend and colleague, NANCY PELOSI. The gentlewoman is to be commended for her hard work and dedication in addressing the issues facing the management of the Presidio. Representative PELOSI has worked tirelessly to protect her constituents' interests and the national interests at the Presidio. I commend her for seeking to protect the nationally significant resources of the Presidio while being mindful of budgetary restraints.

The Presidio contains a combination of natural, historical, and recreational resources which are both significant and unique. There should be no question about the high degree of national significance of the Presidio, nor about our obligation to preserve and interpret these resources for present and future generations.

The real question facing the Congress is how do we succeed in preserving the precious national assets of the Presidio in a manner which is sensitive to the budgetary restraints of the Federal Government. Already the Presidio is being operated at a significant cost savings when compared to its previous operation as a military post. Representative PELOSI's legislation is an innovative solution for operating the Presidio in the most cost-effective manner. This is a bipartisan effort that has not only had the active support of the administration, but also of the Governor, the mayor, and the San Francisco community, particularly the business community.

Clearly, Mr. Speaker, the amendment in the nature of a substitute that was agreed to in the committee is a compromise document. It is something that, nevertheless, preserves a great part of our American heritage while reducing the cost to the Federal Government. I am concerned though, that the amendment sets unrealistic deadlines for achieving financial self-sufficiency. However, I recognize that we all had to compromise in order to reach agreement and I want to thank Mr. HANSEN for all his work on this matter.

Mr. Speaker, we need to move ahead with H.R. 1296. This legislation is the only viable solution to dealing with the Presidio. As much as some may like the idea, sale, or transfer will not work. Those options would involve a cumbersome and costly 10–15 year process with no assurance of success in the end.

I support H.R. 1296, as amended, and would urge its adoption by the House.

Mr. Speaker, I yield 5 minutes to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank the gentleman from New Mexico [Mr. RICHARDSON] for yielding this time to me, and for his cooperation in bringing this legislation to the floor, and his kind words about this bill. I am pleased to join my colleagues, the gentleman from Alaska [Mr. YOUNG] the gentleman from Utah [Mr. HANSEN], and the ranking member, the gentleman from California [Mr. MILLER], in bringing H.R. 1296 before the House today. As chairman of the subcommittee, the gentleman from Utah [Mr. HANSEN] has worked tirelessly providing the leadership and the framework for the legislation before us today to reduce Federal exposure at the Presidio while preserving the Presidio in the public domain. Chairman HANSEN has been firm in his intent to reduce costs, steadfast in his pursuit of a compromise, and determined in his bipartisan approach. I am grateful to him for his efforts on behalf of the Presidio. The ranking member, the gentleman from California [Mr. MILLER], has been a defender of the Presidio for many years. As always, I am grateful for his leadership, advice, and support. Phil Burton, a former Member of this body, a leader here, would be proud of the gentleman from California's role in this effort. I also appreciate the cooperation of the gentleman from Alaska [Mr. YOUNG]. I want to thank the Members on the Republican side who believed in H.R. 1296 enough to cosponsor the legislation: the gentleman from New York [Mr. GILMAN], the gentleman from California [Mr. HORN], the gentleman from California [Mr. GALLEGLY], the gentleman from California [Mr. RADANOVICH], the gentleman from Nebraska [Mr. BEREUTER]; and on our side my colleague, the gentleman from San Francisco, CA [Mr. LANTOS]. I appreciate their confidence in the Presidio Trust legislation and their desire to see this bill passed by Congress today.

Before I go any further, Mr. Speaker, I also want to acknowledge the hard work and dedication of my staff person, my administrative assistant, Judy Lemons, who also worked on the Interior Committee, when it was called that, under Phillip Burton on the subcommittee. She was present at the birth of the Golden Gate National Recreation Area. When we celebrate the Presidio from post to park, it will be in large measure because of the hard work of Judy Lemons, and her work would not have been successful without the cooperation, advice, and counsel of Steve Hodag on the minority side, and I want to publicly thank Steve. We have not always agreed on the approach to the Presidio, but, under the leadership of gentleman from Utah [Mr. HANSEN] and the framework for compromise that he established, I think we produced a great product that will reach our goals of reducing cost to the taxpayers while preserving this national treasure.

Before again I go any further, Mr. Speaker, I want to acknowledge with great gratitude the role that the U.S. Army has played in the Presidio. They have created the rich historic and environmental resource that it it today. They planted the trees, they preserved the history, they trained our soldiers, and they have left a great legacy to our Nation, and so it is in that spirit that we move this legislation to take the Presidio from post to park in a way that preserves the heritage that they invested in for so long.

Support for the Golden Gate National Recreation Area, of which the Presidio will be a part, has, as I mentioned, we have bipartisan supporters for this legislation, but bipartisan support for urban parks, the GGNRA, along with Gateway NRA in New York was championed by President Nixon, his belief that, quote, parks should be brought to the people, end of quote. There was strong bipartisan support in Congress for these urban national park initiatives when they were approved in 1972. At that time former Representative Phillip Burton authorized the legislation, authorized the creation of the Golden Gate National Recreation Area.

I will place my full statement in the RECORD, Mr. Speaker, but I just did want to say briefly that H.R. 1296 creates a Presidio Trust to implement the conversion from post to park. This bill was introduced on March 22, 1995. It represents a bipartisan, and I keep saying that word, effort to merge economic realities, as the gentleman from Utah [Mr. HANSEN] acknowledged, with park stewardship in order to maximize revenue potential and minimize the cost to American taxpayers. I believe the legislation achieves these twin goals in its plan for the first time actually to reduce Federal cost for our national park.

Concerns were raised last year, as the gentleman from Utah [Mr. HANSEN] mentioned, about the cost of operating the Presidio under the National Park Service. The majority and minority in this Congress have worked to address many of these concerns. That is why I am so proud that we have the support of the gentleman from Utah [Mr. HANSEN] in this legislation. The version of H.R. 1296 before us today actually is the Hansen substitute, reflects many areas of compromise which were intended to protect taxpayers as well as to preserve the unique qualities of the Presidio, as I have described. Mr. Speaker, it calls for self-sufficiency in a time certain.

Mr. Speaker, in the interests of time, as I say, I am going to place more of my statement in the RECORD, but I would like to state for the RECORD publicly that the Presidio Trust would comply with the National Historic Preservation Act, the National Environmental Policy Act, the National Historic Landmark Act, the GGNRA general management plan.

The SPEAKER pro tempore (Mr. FOLEY). The time of the gentlewoman from California [Ms. PELOSI] has expired.

Mr. HANSEN. Mr. Speaker, I yield 2 additional minutes to the gentlewoman from California.

Ms. PELOSI. Mr. Speaker, in addition to complying with all of these laws, H.R. 1296, Presidio Trust legislation, support covers a broad spectrum from environmental groups, community organizations, and historic preservation groups to national business leaders. The ranking member, the gentleman from New Mexico [Mr. RICHARDSON], mentioned some of these, and I will just briefly mention them and place in the RECORD leaders and lists from these organizations and lists of other organizations, a letter from the National Historic Trust for Preservation, the Sierra Club, the Presidio Task Force, People for the Golden Gate National Recreation Area, San Francisco Tomorrow, and a letter signed by some of the Nation's leading CEO's and business leaders strongly supporting the legislation. The list goes on and on. As the gentleman from New Mexico mentioned, the Governor of California, the mayor of San Francisco, and also the League of Women Voters. A complete list is included for the RECORD.

Mr. Speaker, in closing I would like to say the picture of the Presidio in the GGNRA, of which this is a part, would not be complete without mentioning the work of Amy Meier, who has been engaged in efforts to preserve the GGNRA and Presidio for almost 25 years. There are hundreds of others in our community who were involved in the 5-year planning process for the Presidio. Community leaders from the San Francisco Bay area have also devoted their considerable talent and time to participate in the community and in congressional hearings on behalf of the Presidio Trust. They are stalwarts beyond comparison, and I greatly appreciate their work.

In further closing, Mr. Speaker, I want to thank my many colleagues who have made a special effort to learn more about the Presidio and the concept of the trust. Many of the San Francisco Bay area community deserve praise for their constant support and effort on behalf of the Presidio and for future generations.

Mr. Speaker, I think that in passing this legislation we will not only set up a model for how we can go from post to park, a model for how we can fund national parks in the least exposure to the taxpayer, but also a model of bipartisan support in this Congress on how we can work together to achieve our goals, aside from once again urging our colleagues to support the Presidio legislation.

Mr. Speaker, I am pleased to join my colleagues, Chairman YOUNG, Chairman HANSEN, and ranking member GEORGE MILLER, in bring H.R. 1296 before the House today.

Mr. HANSEN and I have worked side by side over recent months to develop a bill that would reduce the Federal exposure at the Presidio while preserving the Presidio in the public domain. Chairman HANSEN has been firm in his intent to reduce costs, steadfast in his pursuit of a compromise and determined in his bipartisan approach. I am grateful to him for his efforts on behalf of the Presidio.

The ranking member, Mr. MILLER, has been a defender of the Presidio for many years. As always, I am grateful for his leadership, advice, and support. Phil Burton would be proud of his part in this effort. I also appreciate the cooperation of Chairman DON YOUNG.

I also want to thank the members who believe in H.R. 1296 and cosponsored the bill: Mr. GILMAN, Mr. HORN, Mr. GALLEGLY, Mr. RADANOVICH, Mr. BEREUTER, and Mr. LANTOS. I appreciate their confidence in the Presidio Trust and their desire to see this bill passed by Congress.

A RICH MILITARY HISTORY

Many of you are familiar with the Presidio, and many of you have visited or served in the military at the Presidio. It represents a harmony of history that spans a history as old as our democracy. Since 1776, the Presidio has served under the flags of three nations—Spain, Mexico, and the United States.

This rich military history is blended with a cultural landscape which includes the Ohlone Indians who lived in the area 5,000 years before the Spanish arrived, the Spanish who colonized California, the American pioneers who settled the West, followers of the gold rush, and immigrants from Asia and soldiers returning from war whose first sight of home was the Presidio.

The Presidio has played a role in every major American military conflict since the Mexican-American War. In 1898, thousands of troops camped in tent cities awaiting shipment to the Philippines. The returning wounded were treated in the Army's first permanent general hospital—now Letterman Hospital.

With the attack on Pearl Harbor, the United States entered World War II, and Presidio soldiers dug foxholes along nearby beaches. Almost 2 million soldiers embarked from the Presidio to fight in the Pacific. In the 1950's the Nike missile defense system was situated around the Golden Gate and the Presidio became the headquarters for the 6th Army. Troops from the Presidio have come to the aid of San Franciscans during two major earthquakes. The U.S. Army has been a good neighbor and we appreciate its important contribution to our community and service to our Nation.

AN ENVIRONMENTAL TREASURE

Speaking objectively, the Presidio's natural environment and its scenic panoramas are unsurpassed in the world. At the confluence of the Pacific Ocean and San Francisco Bay, the Presidio anchors the Golden Gate—a symbol to west coast immigrants much like the Statue of Liberty.

The Presidio's natural areas are a refuge to native plants and wildlife. Its urban forest of almost one-half million trees planted by the Army over 100 years ago is surrounded by acres of sand dunes and coastal bluffs. It is the site of the world's only urban biosphere reserve designated by the United Nations. This natural backdrop provides recreational activities and opportunities for outdoor exploration to the Presidio's many visitors.

The Golden Gate National Recreation Area, of which the Presidio is a part, is the most visited national park in the system—with over 20 million annual visitors. Visitation to the Presidio is expected to double within the next few years to reach approximately 9 million people.

While this presents only a snapshot of the Presidio, I hope it gives you an image of the graceful contours—the historic, cultural, and natural elements—that embrace a special place.

FROM POST TO PARK

Through the initiative of former Representative Phillip Burton, Congress in 1972 authorized the creation of the Golden Gate National Recreation Area [GGNRA], a magnificent collection of park and historic sites surrounding San Francisco's Golden Gate—Public Law 92–589.

Creation of the GGNRA, along with Gateway NRA in New York, was championed by President Nixon in his belief that parks should be brought to the people. There was strong bipartisan support in Congress for these urban national park initiatives when they were approved in 1972.

The Presidio of San Francisco was included in the GGNRA authorization so that its lands would also be incorporated into the GGNRA when no longer required by the Department of Defense [DOD]. The language in Public Law 92–589 states: "When all or any substantial portion of the remainder of the Presidio is determined by the Department of Defense to be in excess of its needs, such lands shall be transferred to the jurisdiction of the Secretary (of Interior) for the purposes of this Act."

In 1988, the Presidio was included in the first round of base closures recommended by the Base Realignment and Closure Commission—BRAC I—Public Law 100–526. Subsequent to this recommendation, BRAC II recommended that the 6th Army Headquarters be retained at the Presidio on an interim basis and under a lease agreement with the National Park Service. An agreement was negotiated and later withdrawn by a DOD decision to permanently relocate the 6th Army Headquarters elsewhere.

In the 5 years following this decision, hundreds of people from the local community participated in the planning sessions to develop the general management plan. In 1993, I introduced H.R. 3433 to create a new management entity, a trust, to lease Presidio properties in cooperation with the National Park Service. The concept of a trust was included in the National Park Service Presidio General Management Plan [GMP] and, hearings were conducted by the House Subcommittee on National Parks on May 10, 1994, and H.R. 3433 was passed by the House on August 18, 1994, by a vote of 245 to 168.

H.R. 3433 was approved unanimously—20 to 0—by the Senate Committee on Energy and Natural Resources on September 21, 1994. The Senate failed to complete action on H.R. 3433 in the final days of the 103d Congress. On September 30, 1994, the Presidio officially became part of the GGNRA.

WHERE WE ARE TODAY

H.R. 1296, to create a Presidio trust, was introduced on March 22, 1995, represents a bipartisan effort to merge economic reality with park stewardship in order to maximize revenue potential and minimize the cost to American taxpayers. I believe the legislation achieves these twin goals in its plan to, for the first time, actually reduce Federal costs for a national park.

Concerns were raised last year about the cost of operating the Presidio under the National Park Service. The majority and minority in this Congress have worked to address many of these concerns. The version of H.R. 1296 before you today reflects many areas of compromise which are intended to protect taxpayers as well as to preserve the unique qualities of the Presidio that I have described. Again, I would like to emphasize the importance of providing a workable period of time in which the Presidio trust could demonstrate its success. The Pennsylvania Avenue Development Corporation [PADC] engaged in a similar rehabilitation project to restore the Avenue of the Presidents here in our nation's capital. It took over 20 years to accomplish the restoration, but it is done and it is a success. Chairman HANSEN has been very supportive in his efforts to develop a framework for success. I hope these efforts will be continued as the Senate considers H.R. 1296 so that cost reduction remains a primary goal, but also so that we create a model equipped with a time frame sufficient to meet the challenge before us.

SUPPORTERS OF H.R. 1296

The support for H.R. 1296 covers a broad spectrum—from environmental groups, community organizations, and historic preservation groups to national business leaders.

A letter from the National Trust for Historic Preservation states: "The Presidio is one of this country's most significant military sites, and its cultural, historic and natural resources are extraordinary . . . The Presidio needs the catalyst and well-managed oversight that only a management vehicle such as the Presidio Trust can provide."

A letter from the Sierra Club Presidio Task Force states: "H.R. 1296 will enable the Presidio to be a sustainable national park unit, managed for the benefit of ours and future generations. That is good park policy, good fiscal policy and good governmental policy."

A letter from people for a GGNRA states: "Our nation deserves to have the Golden Gate, the western entrance to the United States, honored with a park that preserves its splendor and its history. All the efforts of the private sector are needed to make that preservation a success."

A letter from San Francisco Tomorrow states: "In order to preserve the historic and scenic Presidio for all people for all time, San Francisco Tomorrow endorses the Presidio Trust to enable the Presidio National Park to pay its own way with minimal dependence on public funds."

A letter cosigned by some of the Nation's leading CEO's and business leaders states: "We strongly support legislation currently before your committee that would bring efficient, business-like management and cost-effective financing to the Presidio, a National Historic Landmark and National Park at California's scenic Golden Gate."

The list goes on to include many more supporters—the League of Women Voters, the Governor of California, the mayor of San Francisco; a complete list of neighborhood organizations and other groups is included for the RECORD.

This picture of the Presidio and the GGNRA, of which it is a part, would be incomplete without mentioning the work of Amy Meyer who has been engaged in efforts to preserve the GGNRA and Presidio for almost 25 years. There are hundreds of others who were involved in the 5-year planning process for the Presidio. Community leaders from San Francisco have also devoted their considerable talents and time to participate in the community and in Congressional hearings on behalf of the Presido Trust. They are stalwarts beyond comparison and I greatly appreciate their hard work.

PRO BONO AND PHILANTHROPIC SUPPORT

The concept of a Presidio trust is based on the independent study of 19 management models which recommended this particular paradigm as workable at the Presidio. All of these studies emphasized the need for autonomy, flexibility, long-term leasing and private sector expertise. The Presidio trust concept was then embraced by the National Park Service in its Presidio general management plan. The Presidio has probably been the subject of more independent analyses than any base closure in the country. The list of private sector, pro bono consultants who have reviewed this project include Arthur Anderson & Co., McKinsey & Co., Keyser Marston Associates, Mancini-Mills, Morrison and Foerster and Curtis Feeny of the Stanford Management Co. They have consistently recommended the management structure outlined in H.R. 1296.

In addition to the efforts provided by these consultants, considerable pro bono services—amounting to almost $4 million—have been provided to the Presidio. This effort was begun by the Presidio council, comprised of prominent professionals from the fields of business, finance, education, environment, architecture and planning, government and philanthropy and chaired by James Harvey, chairman of TransAmerica. These national leaders organized in 1991 to provide planning assistance to the park service and to solicit contributions to the Presidio.

This philanthropic campaign is continuing under the leadership of the Golden Gate National Park Association [GGNPA] where over $15 million has been raised for the GGNRA since 1982 and another $10 million is expected to be raised for Presidio improvements to supplement the major philanthropic effort. A major requirement for philanthropic support is creation of a Presidio trust to manage the Presidio's properties.

CONFIRMATION OF MARKETABILITY

H.R. 1296 includes a deadline for total self sufficiency in 12 years. While I recognize the need for the trust to achieve self sufficiency over a given time period, I must add that the time frame outlined in H.R. 1296 is not supported by any of the independent studies that have been conducted on the Presidio's financial viability.

Because of the need to reduce costs and to demonstrate the intent to reduce costs in the legislation, advice was sought from a known real estate entity which faced a challenge similar to the Presidio's. An independent analyst was engaged to review the park service figures and to determine the financial basis on which the legislation could stand.

After reviewing the Presidio's properties, the analysis confirmed the Presidio's marketability and revenue potential, and that revenues of between $15 to $25 million could be generated within a 12- to 15-year period. In testimony before the Senate, Curtis Feeny, vice president for real estate with the Stanford Management Co., stated: "The key to meeting the financial challenge posed by the Presidio is to capture the value of the property in the form of capital that can then be used to improve and maintain the park. I believe the value of the Presidio's real estate, if used in combination with cost reduction measures, will enable the Presidio's built environment to pay its own way over time."

H.R. 1296

The Presidio trust would provide for the long-term lease of buildings to rent-paying tenants. There are over 800 structures at the Presidio, comprising more than 6 million square feet of space, most of which possess revenue potential to sustain the Presidio's real estate and to realize a savings to the Federal Government. Over half of these structures are historic. Revenues from leases would be retained and used to offset costs at the Presidio, reducing the need for Federal appropriations. Capital improvements would be financed primarily from private sources and tenant financing.

The trust would be governed by a board of seven members, including the Secretary of the Interior and members from the fields of property and financial management and resource conservation. Congress would have oversight of the trust with the requirement that an annual report and audit be conducted. At the end of 10 years, the General Accounting Office would conduct a comprehensive audit of the trust's financial activities. The Presidio trust would be subject to the provisions of the Government Corporation Control Act. The net effect of this financing structure would sustain the trust and reduce overall park operations and the need for Federal appropriations.

A number of protections are provided in H.R. 1296 which would restrict development of the Presidio and ensure public participation. Under the legislation, public access and open space are preserved. The Golden Gate National Recreation Advisory Commission would continue its role as a conduit for public comment and information. At least one annual public board meeting in San Francisco would be required.

The trust would comply with the National Historic Act and the National Environmental Policy Act. There are no exemptions for its operations and nothing in this bill would affect the national historic landmark status of the Presidio. The trust must also act in accordance with the GGNRA's park purposes identified in the enabling legislation and the general objectives of the general management plan. I might add that it is unique in the legislative process to reference a general management plan at all and the inclusion of this language is considered extraordinary.

Limits on new construction are included in the leasing and management program to be developed jointly by the trust and the park service. No board member is to have any financial interest in the Presidio and all board members must comply with the requirements of the Ethics in Government Act and Federal financial disclosure policy. In short, Mr. Speaker, the laws that apply to the GGNRA also apply to the trust.

H.R. 1296 costs less than last year's bill because rehabilitation costs are transferred to tenants. Costs are further reduced through streamlined management, aggressive leasing, long-term leases, more demolition, broader tenancies and phased-in code compliance. Last year's cost estimates included both operations and capital improvements which resulted in a higher figure that many assumed was for operations only. Operations would be substantially reduced through creation of the Presidio trust and most capital costs would be borne by tenants.

The Presidio trust would manage the revenue-producing properties with the goal of self-sufficiency in a national park context and the National Park Service would operate the open-space areas of the Presidio. While the National Park Service has been a good steward of the Presidio, I believe a stronger effort is warranted on their part to recognize the fiscal reality that exists and to take immediate steps to reduce costs. In light of the progress on H.R. 1296 in Congress, I hope plans are underway to downscale operations, administrative costs and staff so that the trust will have the benefit of maximizing the Federal investment in the Presidio. Park service costs can be cut and they should be—starting now.

A hearing on H.R. 1296 was conducted by the Subcommittee on National Parks, Forests and Lands on May 16, 1995, and the legislation was marked up by the subcommittee on June 27, 1995. The full Resources Committee reported H.R. 1296 on July 12, 1995, for floor consideration. In addition to this committee review of the legislation, many members of the Appropriations and Resources Committees in the House and Senate have visited the Presidio to review its progress.

Crafted in the context of our current fiscal and political landscape, H.R. 1296 is a reflection of cost consciousness, innovative thinking, bipartisan cooperation, and a strong appreciation for the natural and historic landscape with which we, as members of our Nation's highest representative body, have been temporarily entrusted.

Mr. Speaker, as a member of the Appropriations Committee, I understand quite well the difficulty that each of us faces in the current fiscal environment. We must reduce spending where we can and in such a way as to protect our people and our national heritage. Our charge is to be both cost conscious and innovative.

For nearly 150 years, the Federal Government has invested in the Presidio as an Army post; this investment should be protected. The best way to protect this asset is by creating a management and financial mechanism that will enable the Presidio to be used and to pay for itself.

H.R. 1296 is a good Government approach that recognizes fiscal realities and offers a less costly, private-sector approach to management of our important Federal assets at the Presidio. It provides a means to utilize valuable real estate assets to underwrite a broader public purpose.

In closing, Mr. Speaker, I want to thank my many colleagues who have made a special effort to learn more about the Presidio and the concept of the trust. Members of the San Francisco community also deserve great praise for their constant support and efforts on behalf of preserving the Presidio for future generations. Our actions today are in keeping with the leadership of Phillip Burton to preserve this great national treasure.

I further want to acknowledge the U.S. Army for creating the rich historic and environmental resource it is today. They planted the trees, preserved our history, trained our soldiers, and left a great legacy to our Nation.

Thank you, Mr. Speaker. I urge my colleagues to support this cost-saving measure. Vote "yes" on H.R. 1296.

SUPPORT FOR PRESIDIO TRUST

BUSINESS LEADERS

AirTouch Communications.
Bank of America NT & SA.
Basic American, Inc.
Bay Area Council.
Bay Area Economic Forum.
The Gap, Inc.
The Glen Ellen Company.
Richard Goldman & Co.
Hellman and Friedman.
Hispanic Contractors Association.
International Wine Marketing Association.
Lane Publishing.
Leach Capital.
McKesson Corporation.
Pacific Gas and Electric Company.
Presidio Council.
San Francisco Chamber of Commerce.
San Francisco Hispanice Chamber of Commerce.
Scotch Plywood Co.
Swinerton & Walberg.
Texas Pacific Group.
Transamerica Corporation.

COMMUNITY AND CIVIC LEADERS

Governor Wilson, State of California.
State Assembly, California Legislature.
Mayor Jordan, City of San Francisco.
Board of Supervisors, City of San Francisco.
Bret Harte Terrace and Francisco Street Neighborhood Association.
Golden Gate National Park Association.
League of Women Voters of California.
League of Women Voters of San Francisco.
League of Women Voters of the United States.
Los Californianos.
Neighborhood Associations for Presidio Planning.
North Beach Neighbors.
People for a Golden Gate National Recreation Area.
Présidio Heights Association of Neighbors.
San Francisco Bay Area Interfaith Coalition.
San Francisco Planning and Urban Research Association.

OTHER ORGANIZATIONS

American Institute of Architects.
American Society of Landscape Architects.
Asian American Architects and Engineers.
Earth Island Institute.
Environmental Defense Fund Fort Mason Center.
Golden Gate National Recreation Area and Point Reyes National Seashore Advisory Commission.
Laborers' International Union of North America.
League of Conservation Voters.
National Park System Advisory Board.
National Parks and Conservation Association.
National Japanese American Historical Society.
Natural Resources Defense Council.
Sierra Club.
Travel Industry Association of America.
Trust for Public Land.
The Wilderness Society.
William Penn Mott, Jr Memorial Fund.

Mr. RICHARDSON. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I thank the gentleman for yielding, and I really rise to thank the members of the committee who have worked so terribly hard on behalf of this legislation. It has taken a great deal of tenacity and it has taken a great deal of patience to bring this legislation to the floor but it is clear that this legislation is in the best interest of the Nation and it is in the best interest of the Presidio.

One need only stop for a moment at the Presidio to recognize immediately why this wonderful, wonderful national asset has such broad popular support across the Nation from every conceivable part of American society, but bringing all those disparate parts together is hard work and takes a great deal of patience and a great deal of counsel. Our colleague, the gentlewoman from California, Congresswoman PELOSI, provided the strategy, the counsel, and the patience; and our colleague, the gentleman from Utah, [Mr. HANSEN], provided the counsel and a great deal of patience in dealing with this legislation.

What has emerged is a bipartisan piece of legislation supported by every level of government, every level of citizen group, every level of national organization for the preservation for the Presidio. There was no question that the Presidio was going to become a park. That has been done. The question and the challenge has been how can we best support that park, finance that park and deliver all of the assets and all of the uses of the park to the American people and to those of us who live in the San Francisco Bay area. This legislation achieves those goals while trying to get the very best bang for the buck for the taxpayers and trying to make sure that we can maintain all of the reasons and all of the assets of the Presidio that make it such a charming addition, an important addition to the Park Service, and to the cultural history of this Nation and of the bay area that that long history will be preserved with this legislation.

Mr. Speaker, this is an important piece of legislation. There really is no other alternative. This legislation was born out of months and weeks and hours of deliberations of other ways of meeting the goals and the needs of support for the Presidio, and that is what has emerged out of those deliberations. I would hope that the House would support it overwhelmingly. I would hope that they recognize that if this is successful, this is, in fact, the blueprint for how we can work out arrangements for other assets within the Federal Government's park system and preserve system so that they can be both utilized and they can be properly supported so that we will not diminish their value, their characteristics, and their importance to both the Nation and to the regions.

Mr. Speaker, I also would like to thank Judy Lemons, who has worked terribly hard, Steve Hodapp, who came at this, with all of the support and efforts and difference of views of various constituency groups, and allowed us to fashion this legislation. I urge my colleagues to support it.

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume to again commend the gentlewoman from California [Ms. PELOSI] for the fine work that she has done on this. I do not know if the people in the bay area realize the hundreds of hours she and her staff put into this and they should be very proud of her work. Without her work, I would guarantee Members this would not be in front of us today. There is no question, she is a very persistent legislator.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. RICHARDSON. Mr. Speaker, I yield myself such time as I may consume.

In summary, I want to reiterate what the chairman of the subcommittee said. I think the gentlewoman from California [Ms. PELOSI] and the gentleman from California [Mr. MILLER] who has worked many years on this bill, many, many years to get it through, I think they deserve enormous credit and we should pass this bill. It is good legislation. I think we can look at it to deal with other issues as we look at dealing with parks in the future, instead of park closure commissions. I think this is a good bill, and I have no further requests for time.

Ms. WOOLSEY. Mr. Speaker, for those of you who might not be familiar with the Presidio, it is the southern anchorage of the Golden Gate Bridge and the centerpiece of the Golden Gate National Recreation Area—the most visited national park in the entire National Park System.

The entire Presidio was designated a National Historic Landmark in 1962. It is a showcase of architectural styles dating from the Civil War. It contains 876 structures, over half of which are of historic or cultural significance.

In addition, the Presidio is the only United Nations designated International Biosphere in an urban area. It is home to 21 rare and endangered species and 10 rare plant communities that have disappeared in the rest of San Francisco. It encompasses 300 acres of historic forest planted by the U.S. Army over 100 years ago. Sites throughout the Presidio provide spectacular views of the Pacific Ocean, the Golden Gate Bridge, Marin headlands, San Francisco Bay, and the skyline of San Francisco. It is adjacent to the largest marine sanctuary chain in the world.

The Presidio is unique in its historical, cultural, and natural reach. If you have not seen it, you should. It is a dramatic site that you will never forget.

H.R. 1296 protects these resources, through a Presidio Trust, while requiring cost-effective management of the Presidio. Vote for H.R. 1296.

Ms. ESHOO. Mr. Speaker, H.R. 1296 is a good government approach to management of the Presidio within the National Park System.

No other park possesses the unique combination of resources and real estate as the Presidio. Because of this unusual combination, the Presidio lends itself to a management structure outside the realm of traditional operation of our national parks.

That is why I strongly support H.R. 1296, which would create a Presidio trust. This model would preserve park resources while allowing the Presidio's properties to be used to generate revenues which could, in turn, be used to operate the Presidio. While this model might not work for other national parks, it is a practical approach for the vast and unique properties which comprise the Presidio.

Mr. Speaker, it makes sense for us to pursue this type of management—it's cost-effective and addresses the monumental challenge of how to make the best public use of this unique and historically significant land.

We should give H.R. 1296 a chance and I urge my colleagues to vote for its passage.

Mr. RICHARDSON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. FOLEY). The question is on the motion offered by the gentleman from Utah [Mr. HANSEN] that the House suspend the rules and pass the bill, H.R. 1296, as amended.

The question was taken.

Mr. HANSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT CONSENT ACT

Mr. SCHAEFER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 558) to grant the consent of the Congress to the Texas Low-Level Radioactive Waste Disposal Compact.

The Clerk read as follows:

H.R. 558

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Texas Low-Level Radioactive Waste Disposal Compact Consent Act".

SEC. 2. CONGRESSIONAL FINDING.

The Congress finds that the compact set forth in section 5 is in furtherance of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021b et seq.).

SEC. 3. CONDITIONS OF CONSENT TO COMPACT.

The consent of the Congress to the compact set forth in section 5—

(1) shall become effective on the date of the enactment of this Act;

(2) is granted subject to the provisions of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021b et seq.); and

(3) is granted only for so long as the regional commission established in the compact complies with all of the provisions of such Act.

SEC. 4. CONGRESSIONAL REVIEW.

The Congress may alter, amend, or repeal this Act with respect to the compact set forth in section 5 after the expiration of the 10-year period following the date of the enactment of this Act, and at such intervals thereafter as may be provided in such compact.

SEC. 5. TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT.

In accordance with section 4(a)(2) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021d(a)(2)), the consent of the Congress is given to the States of Texas, Maine, and Vermont to enter into the Texas Low-Level Radioactive Waste Disposal Compact. Such compact is substantially as follows:

"TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT

"ARTICLE I. POLICY AND PURPOSE

"SEC. 1.01. The party states recognize a responsibility for each state to seek to manage low-level radioactive waste generated within its boundaries, pursuant to the Low-Level Radioactive Waste Policy Act, as amended by the Low-Level Radioactive Waste Policy Amendments Act of 1985 (42 U.S.C. 2021b–2021j). They also recognize that the United States Congress, by enacting the Act, has authorized and encouraged states to enter into compacts for the efficient management and disposal of low-level radioactive waste. It is the policy of the party states to cooperate in the protection of the health, safety, and welfare of their citizens and the environment and to provide for and encourage the economical management and disposal of low-level radioactive waste. It is the purpose of this compact to provide the framework for such a cooperative effort; to promote the health, safety, and welfare of the citizens and the environment of the party states; to limit the number of facilities needed to effectively, efficiently, and economically manage low-level radioactive waste and to encourage the reduction of the generation thereof; and to distribute the costs, benefits, and obligations among the party states; all in accordance with the terms of this compact.

"ARTICLE II. DEFINITIONS

"SEC. 2.01. As used in this compact, unless the context clearly indicates otherwise, the following definitions apply:

"(1) 'Act' means the Low-Level Radioactive Waste Policy Act, as amended by the Low-Level Radioactive Waste Policy Amendments Act of 1985 (42 U.S.C. 2021b–2021j).

"(2) 'Commission' means the Texas Low-Level Radioactive Waste Disposal Compact Commission established in Article III of this compact.

"(3) 'Compact facility' or 'facility' means any site, location, structure, or property located in and provided by the host state for the purpose of management or disposal of low-level radioactive waste for which the party states are responsible.

"(4) 'Disposal' means the permanent isolation of low-level radioactive waste pursuant to requirements established by the United States Nuclear Regulatory Commission and the United States Environmental Protection Agency under applicable laws, or by the host state.

"(5) 'Generate,' when used in relation to low-level radioactive waste, means to produce low-level radioactive waste.

"(6) 'Generator' means a person who produces or processes low-level radioactive waste in the course of its activities, excluding persons who arrange for the collection, transportation, management, treatment, storage, or disposal of waste generated outside the party states, unless approved by the commission.

"(7) 'Host county' means a county in the host state in which a disposal facility is located or is being developed.

"(8) 'Host state' means a party state in which a compact facility is located or is being developed. The State of Texas is the host state under this compact.

"(9) 'Institutional control period' means that period of time following closure of the facility and transfer of the facility license from the operator to the custodial agency in compliance with the appropriate regulations for long-term observation and maintenance.

"(10) 'Low-level radioactive waste' has the same meaning as that term is defined in Section 2(9) of the Act (42 U.S.C. 2021b(9)), or in the host state statute so long as the waste is not incompatible with management and disposal at the compact facility.

"(11) 'Management' means collection, consolidation, storage, packaging, or treatment.

"(12) 'Operator' means a person who operates a disposal facility.

"(13) 'Party state' means any state that has become a party in accordance with Article VII of this compact. Texas, Maine, and Vermont are initial party states under this compact.

"(14) 'Person' means an individual, corporation, partnership or other legal entity, whether public or private.

"(15) 'Transporter' means a person who transports low-level radioactive waste.

"ARTICLE III. THE COMMISSION

"SEC. 3.01. There is hereby established the Texas Low-Level Radioactive Waste Disposal Compact Commission. The commission shall consist of one voting member from each party state except that the host state shall be entitled to six voting members. Commission members shall be appointed by the party state governors, as provided by the laws of each party state. Each party state may provide alternates for each appointed member.

"SEC. 3.02. A quorum of the commission consists of a majority of the members. Except as otherwise provided in this compact, an official act of the commission must receive the affirmative vote of a majority of its members.

"SEC. 3.03. The commission is a legal entity separate and distinct from the party states and has governmental immunity to the same extent as an entity created under the authority of Article XVI, Section 59, of the Texas Constitution. Members of the commission shall not be personally liable for actions taken in their official capacity. The liabilities of the commission shall not be deemed liabilities of the party states.

"SEC. 3.04. The commission shall:

"(1) Compensate its members according to the host state's law.

"(2) Conduct its business, hold meetings, and maintain public records pursuant to laws of the host state, except that notice of public meetings shall be given in the non-host party states in accordance with their respective statutes.

"(3) Be located in the capital city of the host state.

"(4) Meet at least once a year and upon the call of the chair, or any member. The governor of the host state shall appoint a chair and vice-chair.

"(5) Keep an accurate account of all receipts and disbursements. An annual audit of the books of the commission shall be conducted by an independent certified public accountant, and the audit report shall be made a part of the annual report of the commission.

"(6) Approve a budget each year and establish a fiscal year that conforms to the fiscal year of the host state.

"(7) Prepare, adopt, and implement contingency plans for the disposal and management of low-level radioactive waste in the event that the compact facility should be closed. Any plan which requires the host state to store or otherwise manage the low-level radioactive waste from all the party states must be approved by at least four host state members of the commission. The commission, in a contingency plan or otherwise, may not require a non-host party state to store low-level radioactive waste generated outside of the state.

"(8) Submit communications to the governors and to the presiding officers of the legislatures of the party states regarding the activities of the commission, including an annual report to be submitted on or before January 31 of each year.

"(9) Assemble and make available to the party states, and to the public, information concerning low-level radioactive waste management needs, technologies, and problems.

"(10) Keep a current inventory of all generators within the party states, based upon information provided by the party states.

"(11) By no later than 180 days after all members of the commission are appointed under Section 3.01 of this article, establish by rule the total volume of low-level radioactive waste that the host state will dispose of in the compact facility in the years 1995–2045, including decommissioning waste. The shipments of low-level radioactive waste from all non-host party states shall not exceed 20 percent of the volume estimated to be disposed of by the host state during the 50-year period. When averaged over such 50-year period, the total of all shipments from non-host party states shall not exceed 20,000 cubic feet a year. The commission shall coordinate the volumes, timing, and frequency of shipments from generators in the non-host party states in order to assure that over the life of this agreement shipments from the non-host party states do not exceed 20 percent of the volume projected by the commission under this paragraph.

"SEC. 3.05. The commission may:

"(1) Employ staff necessary to carry out its duties and functions. The commission is authorized to use to the extent practicable the services of existing employees of the party states. Compensation shall be as determined by the commission.

"(2) Accept any grants, equipment, supplies, materials, or services, conditional or otherwise, from the federal or state government. The nature, amount and condition, if any, of any donation, grant or other resources accepted pursuant to this paragraph and the identity of the donor or grantor shall be detailed in the annual report of the commission.

"(3) Enter into contracts to carry out its duties and authority, subject to projected resources. No contract made by the commission shall bind a party state.

"(4) Adopt, by a majority vote, bylaws and rules necessary to carry out the terms of this compact. Any rules promulgated by the commission shall be adopted in accordance with the Administrative Procedure and Texas Register Act (Article 6252–13a, Vernon's Texas Civil Statutes).

"(5) Sue and be sued and, when authorized by a majority vote of the members, seek to intervene in administrative or judicial proceedings related to this compact.

"(6) Enter into an agreement with any person, state, regional body, or group of states for the importation of low-level radioactive waste into the compact for management or disposal, provided that the agreement receives a majority vote of the commission. The commission may adopt such conditions and restrictions in the agreement as it deems advisable.

"(7) Upon petition, allow an individual generator, a group of generators, or the host state of the compact, to export low-level waste to a low-level radioactive waste disposal facility located outside the party states. The commission may approve the petition only by a majority vote of its members. The permission to export low-level radioactive waste shall be effective for that period of time and for the specified amount of low-level radioactive waste, and subject to any other term or condition, as is determined by the commission.

"(8) Monitor the exportation outside of the party states of material, which otherwise meets the criteria of low-level radioactive waste, where the sole purpose of the exportation is to manage or process the material for recycling or waste reduction and return it to the party states for disposal in the compact facility.

"SEC. 3.06. Jurisdiction and venue of any action contesting any action of the commission shall be in the United States District Court in the district where the commission maintains its office.

"ARTICLE IV. RIGHTS, RESPONSIBILITIES, AND OBLIGATIONS OF PARTY STATES

"SEC. 4.01. The host state shall develop and have full administrative control over the development, management and operation of a facility for the disposal of low-level radioactive waste generated within the party states. The host state shall be entitled to unlimited use of the facility over its operating life. Use of the facility by the non-host party states for disposal of low-level radioactive waste, including such waste resulting from decommissioning of any nuclear electric generation facilities located in the party states, is limited to the volume requirements of Section 3.04(11) of Article III.

"SEC. 4.02. Low-level radioactive waste generated within the party states shall be disposed of only at the compact facility, except as provided in Section 3.05(7) of Article III.

"SEC. 4.03. The initial states of this compact cannot be members of another low-level radioactive waste compact entered into pursuant to the Act.

"SEC. 4.04. The host state shall do the following:

"(1) Cause a facility to be developed in a timely manner and operated and maintained through the institutional control period.

"(2) Ensure, consistent with any applicable federal and host state laws, the protection and preservation of the environment and the public health and safety in the siting, design, development, licensing, regulation, operation, closure, decommissioning, and long-term care of the disposal facilities within the host state.

"(3) Close the facility when reasonably necessary to protect the public health and safety of its citizens or to protect its natural resources from harm. However, the host state shall notify the commission of the closure within three days of its action and shall, within 30 working days of its action, provide a written explanation to the commission of the closure, and implement any adopted contingency plan.

"(4) Establish reasonable fees for disposal at the facility of low-level radioactive waste generated in the party states based on disposal fee criteria set out in Sections 402.272 and 402.273, Texas Health and Safety Code. The same fees shall be charged for the disposal of low-level radioactive waste that was generated in the host state and in the non-host party states. Fees shall also be sufficient to reasonably support the activities of the Commission.

"(5) Submit an annual report to the commission on the status of the facility, including projections of the facility's anticipated future capacity, and on the related funds.

"(6) Notify the Commission immediately upon the occurrence of any event which could cause a possible temporary or permanent closure of the facility and identify all reasonable options for the disposal of low-level radioactive waste at alternate compact facilities or, by arrangement and Commission vote, at noncompact facilities.

"(7) Promptly notify the other party states of any legal action involving the facility.

"(8) Identify and regulate, in accordance with federal and host state law, the means and routes of transportation of low-level radioactive waste in the host state.

"SEC. 4.05. Each party state shall do the following:

"(1) Develop and enforce procedures requiring low-level radioactive waste shipments originating within its borders and destined for the facility to conform to packaging, processing, and waste from specifications of the host state.

"(2) Maintain a registry of all generators within the state that may have low-level radioactive waste to be disposed of at a facility, including, but not limited to, the amount of low-level radioactive waste and the class of low-level radioactive waste generated by each generator.

"(3) Develop and enforce procedures requiring generators within its borders to minimize the volume of low-level radioactive waste requiring disposal. Nothing in this compact shall prohibit the storage, treatment, or management of waste by a generator.

"(4) Provide the commission with any data and information necessary for the implementation of the commission's responsibilities, including taking those actions necessary to obtain this data or information.

"(5) Pay for community assistance projects designated by the host county in an amount for each non-host party state equal to 10 percent of the payment provided for in Article V for each such state. One-half of the payment shall be due and payable to the host county on the first day of the month following ratification of this compact agreement by Congress and one-half of the payment shall be due and payable on the first day of the month following the approval of a facility operating license by the host state's regulatory body.

"(6) Provide financial support for the commission's activities prior to the date of facility operation and subsequent to the date of congressional ratification of this compact under Section 7.07 of Article VII. Each party state will be responsible for annual payments equalling its pro-rata share of the commission's expenses, incurred for administrative, legal, and other purposes of the commission.

"(7) If agreed by all parties to a dispute, submit the dispute to arbitration or other alternate dispute resolution process. If arbitration is agreed upon, the governor of each party state shall appoint an arbitrator. If the number of party states is an even number, the arbitrators so chosen shall appoint an additional arbitrator. The determination of a majority of the arbitrators shall be binding on the party states. Arbitration proceedings shall be conducted in accordance with the provisions of 9 U.S.C. Sections 1 to 16. If all parties to a dispute do not agree to arbitration or alternate dispute resolution process, the United States District Court in the district where the commission maintains its office shall have original jurisdiction over any action between or among parties to this compact.

"(8) Provide on a regular basis to the commission and host state—

"(A) an accounting of waste shipped and proposed to be shipped to the compact facility, by volume and curies;

"(B) proposed transportation methods and routes; and

"(C) proposed shipment schedules.

"(9) Seek to join in any legal action by or against the host state to prevent nonparty states or generators from disposing of low-level radioactive waste at the facility.

"SEC. 4.06. Each party state shall act in good faith and may rely on the good faith performance of the other party states regarding requirements of this compact.

"ARTICLE V. PARTY STATE CONTRIBUTIONS

"SEC. 5.01. Each party state, except the host state, shall contribute a total of $25 million to the host state. Payments shall be deposited in the host state treasury to the credit of the low-level waste fund in the following manner except as otherwise provided. Not later than the 60th day after the date of congressional ratification of this compact, each non-host party state shall pay to the host state $12.5 million. Not later than the 60th day after the date of the opening of the compact facility, each non-host party state shall pay to the host state an additional $12.5 million.

"SEC. 5.02. As an alternative, the host state and the non-host states may provide for payments in the same total amount as stated above to be made to meet the principal and interest expense associated with the bond indebtedness or other form of indebtedness issued by the appropriate agency of the host state for purposes associated with the development, operation, and post-closure monitoring of the compact facility. In the event the member states proceed in this manner, the payment schedule shall be determined in accordance with the schedule of debt repayment. This schedule shall replace the payment schedule described in Section 5.01 of this article.

"ARTICLE VI. PROHIBITED ACTS AND PENALTIES

"SEC. 6.01. No person shall dispose of low-level radioactive waste generated within the party states unless the disposal is at the compact facility, except as otherwise provided in Section 3.05(7) of Article III.

"SEC. 6.02. No person shall manage or dispose of any low-level radioactive waste within the party states unless the low-level radioactive waste was generated within the party states, except as provided in Section 3.05(6) of Article III. Nothing herein shall be construed to prohibit the storage or management of low-level radioactive waste by a generator, nor its disposal pursuant to 10 C.F.R. Part 20.302.

"SEC. 6.03. Violations of this article may result in prohibiting the violator from disposing of low-level radioactive waste in the compact facility, or in the imposition of penalty surcharges on shipments to the facility, as determined by the commission.

"ARTICLE VII. ELIGIBILITY, ENTRY INTO EFFECT; CONGRESSIONAL CONSENT; WITHDRAWAL; EXCLUSION

"SEC. 7.01. The states of Texas, Maine, and Vermont are party states to this compact. Any other state may be made eligible for party status by a majority vote of the commission and ratification by the legislature of the host state, subject to fulfillment of the rights of the initial non-host party states under Section 3.04(11) of Article III and Section 4.01 of Article IV, and upon compliance with those terms and conditions for eligibility that the host state may establish. The host state may establish all terms and conditions for the entry of any state, other than the states named in this section, as a member of this compact; provided, however, the specific provisions of this compact, except for those pertaining to the composition of the commission and those pertaining to Section 7.09 of this article, may not be changed except upon ratification by the legislatures of the party states.

"SEC. 7.02. Upon compliance with the other provisions of this compact, a state made eligible under Section 7.01 of this article may become a party state by legislative enactment of this compact or by executive order of the governor of the state adopting this compact. A state becoming a party state by executive order shall cease to be a party state upon adjournment of the first general session of its legislature convened after the executive order is issued, unless before the adjournment, the legislature enacts this compact.

"SEC. 7.03. Any party state may withdraw from this compact by repealing enactment of this compact subject to the provisions herein. In the event the host state allows an additional state or additional states to join the compact, the host state's legislature, without the consent of the non-host party states, shall have the right to modify the composition of the commission so that the host state shall have a voting majority on the commission, provided, however, that any modification maintains the right of each initial party state to retain one voting member on the commission.

"SEC. 7.04. If the host state withdraws from the compact, the withdrawal shall not become effective until five years after enactment of the repealing legislation and the non-host party states may continue to use the facility during that time. The financial obligation of the non-host party states under Article V shall cease immediately upon enactment of the repealing legislation. If the host state withdraws from the compact or abandons plans to operate a facility prior to the date of any non-host party state payment under Sections 4.05(5) and (6) of Article IV or Article V, the non-host party states are relieved of any obligations to make the contributions. This section sets out the exclusive remedies for the non-host party states if the host state withdraws from the compact or is unable to develop and operate a compact facility.

"SEC. 7.05. A party state, other than the host state, may withdraw from the compact by repealing the enactment of this compact, but this withdrawal shall not become effective until two years after the effective date of the repealing legislation. During this two-year period the party state will continue to have access to the facility. The withdrawing party shall remain liable for any payments under Sections 4.05(5) and (6) of Article IV that were due during the two-year period, and shall not be entitled to any refund of payments previously made.

"SEC. 7.06. Any party state that substantially fails to comply with the terms of the compact or to fulfill its obligations hereunder may have its membership in the compact revoked by a seven-eighths vote of the commission following notice that a hearing will be scheduled not less than six months from the date of the notice. In all other respects, revocation proceedings undertaken by the commission will be subject to the Administrative Procedure and Texas Register Act (Article 6252-13a, Vernon's Texas Civil Statutes), except that a party state may appeal the commission's revocation decision to the United States District Court in accordance with Section 3.06 of Article III. Revocation shall take effect one year from the date such party state receives written notice from the commission of a final action. Written notice of revocation shall be transmitted immediately following the vote of the commission, by the chair, to the governor of the affected party state, all other governors of party states, and to the United States Congress.

"SEC. 7.07. This compact shall take effect following its enactment under the laws of the host state and any other party state and thereafter upon the consent of the United States Congress and shall remain in effect until otherwise provided by federal law. If Texas and either Maine or Vermont ratify this compact, the compact shall be in full force and effect as to Texas and the other ratifying state, and this compact shall be interpreted as follows:

"(1) Texas and the other ratifying state are the initial party states.

"(2) The commission shall consist of two voting members from the other ratifying state and six from Texas.

"(3) Each party state is responsible for its pro-rata share of the commission's expenses.

"SEC. 7.08. This compact is subject to review by the United States Congress and the withdrawal of the consent of Congress every five years after its effective date, pursuant to federal law.

"SEC. 7.09. The host state legislature, with the approval of the governor, shall have the right and authority, without the consent of the non-host party states, to modify the provisions contained in Section 3.04(11) of Article III to comply with Section 402.219(c)(1), Texas Health & Safety Code, as long as the modification does not impair the rights of the initial non-host party states.

"ARTICLE VIII. CONSTRUCTION AND SEVERABILITY

"SEC. 8.01. The provisions of this compact shall be broadly construed to carry out the purposes of the compact, but the sovereign powers of a party shall not be infringed upon unnecessarily.

"SEC. 8.02. This compact does not affect any judicial proceeding pending on the effective date of this compact.

"SEC. 8.03. No party state acquires any liability, by joining this compact, resulting from the siting, operation, maintenance, long-term care or any other activity relating to the compact facility. No non-host party state shall be liable for any harm or damage from the siting, operation, maintenance, or long-term care relating to the compact facility. Except as otherwise expressly provided in this compact, nothing in this compact shall be construed to alter the incidence of liability of any kind for any act or failure to act. Generators, transporters, owners and operators of facility shall be liable for their acts, omissions, conduct or relationships in accordance with applicable law. By entering into this compact and securing the ratification by Congress of its terms, no party state acquires a potential liability under section 5(d)(2)(C) of the Act (42 U.S.C. Sec. 2021e(d)(2)(C)) that did not exist prior to entering into this compact.

"SEC. 8.04. If a party state withdraws from the compact pursuant to Section 7.03 of Article VII or has its membership in this compact revoked pursuant to section 7.06 of Article VII, the withdrawal or revocation shall not affect any liability already incurred by or chargeable to the affected state under Section 8.03 of this article.

"SEC. 8.05. The provisions of this compact shall be severable and if any phrase, clause, sentence, or provision of this compact is declared by a court of competent jurisdiction to be contrary to the constitution of any participating state or of the United States or the applicability thereof to any government, agency, person or circumstances is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person, or circumstance shall not be affected thereby to the extent the remainder can in all fairness be given effect. If any provision of this compact shall be held contrary to the constitution of any state participating therein, the compact shall remain in full force and effect as to the state affected as to all severable matters.

"SEC. 8.06. Nothing in this compact diminishes or otherwise impairs the jurisdiction, authority, or discretion of either of the following:

"(1) The United States Nuclear Regulatory Commission pursuant to the Atomic Energy Act of 1954, as amended (42 U.S.C. Sec. 2011 et seq.).

"(2) An agreement state under section 274 of the Atomic Energy Act of 1954, as amended (42 U.S.C. Sec. 2021).

"SEC. 8.07. Nothing in this compact confers any new authority on the states or commission to do any of the following:

"(1) Regulate the packaging or transportation of low-level radioactive waste in a manner inconsistent with the regulations of the United States Nuclear Regulatory Commission or the United States Department of Transportation.

"(2) Regulate health, safety, or environmental hazards from source, by-product, or special nuclear material.

"(3) Inspect the activities of licensees of the agreement states or of the United States Nuclear Regulatory Commission.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Colorado [Mr. SCHAEFER] will be recognized for 20 minutes, and the gentleman from New Jersey [Mr. PALLONE] will be recognized for 20 minutes.

Mr. BRYANT of Texas. Mr. Speaker, might I ask if the gentleman from New Jersey [Mr. PALLONE] is opposed to the bill?

Mr. PALLONE. No, Mr. Speaker, I am in favor of the bill.

Mr. BRYANT of Texas. Inasmuch as that is the case, Mr. Speaker, I request I be permitted to manage the time on this side in opposition to the bill.

The SPEAKER pro tempore. The gentleman from Texas [Mr. BRYANT] will be recognized for 20 minutes in opposition to the bill.

The Chair recognizes the gentleman from Colorado [Mr. SCHAEFER].

Mr. SCHAEFER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 558, introduced by our colleague from Texas [Mr. FIELDS], which would grant congressional consent to the Texas, Maine, Vermont Low-level Radioactive Waste Disposal Compact. In 1980, Congress made the policy decision that we at the Federal level would divide responsibility for radioactive waste disposal within the States. The Federal Government would be responsible for the disposal of high-level waste while the States would handle the low-level wastes. These low-level wastes emit a less intensity of radioactivity. In fact, the vast majority of low-level waste, 97 percent, do not require any special shielding to protect workers or the surrounding community. Currently, 42 States are already involved in 9 compact arrangements for the disposal of low-level waste.

Mr. Speaker, the legislation before the House today will finally allow the States of Texas, Maine, and Vermont to begin their efforts to fully comply with the Low-level Radioactive Waste Act of 1980.

The responsibility of Congress in approving the compact is fairly simply. If the Texas compact complies with underlying requirements of the Low-level Radioactive Waste Act, Congress must grant approval to the compact. In our consideration of this measure before the Subcommittee on Energy and Power, we found that the Texas compact does meet this test. Congressional consent with allow the affected States to move ahead with their compact to fulfill the requirements of the Federal Low-level Waste Act.

Mr. SCHAEFER. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. BONILLA].

Mr. BONILLA. Mr. Speaker, I thank the chairman for yielding me time. As the chairman knows, this particular project is in my congressional district and I cannot emphasize strongly enough, after Members look into the people's eyes and listen to their message in Hudspeth County and the west Texas area and surrounding communities of the Hudspeth County area, this is strongly going to impact their property rights and their lives and disrupt their communities to the degree that I think it is difficult for Members here to understand unless they can actually hear it from them firsthand. Therefore, I strongly am opposed to this bill, and I believe that this act should be amended, actually to include the input from local constituents like that when their lives can be disrupted. My constituents should never be forced to accept the low-level radioactive waste generated outside of Texas without first having their wishes considered at the Federal level, nor should any American community, for that matter.

Mr. Speaker, I ask my colleagues to think of this vote as if it was their constituents being affected and whose voices were being silenced. All of our constituents have a right to be heard on such matters.

In 1986, 7 years before I was elected to the U.S. House of Representatives, Congress passed legislation granting each individual State the authority to make a disposal agreement with other States.

This measure is in keeping with the interstate commerce clause of the U.S. Constitution.

It was designed to be fair and mutually beneficial to all participants; and it is, for the most part, except for the one party which is directly impacted—the people who live at the selected disposal sites. This fact makes all the difference as to why H.R. 558 is not good legislation.

Although the States have control in determining site selection, today, we in Congress can give my constituents a voice by voting "no" on this measure and demanding that the process be amended to consider local rights.

I am aware of a Federal circuit court ruling, based on interstate commerce law, which requires States to accept the low-level waste of other States. However, radioactive waste commerce cannot be considered in the same light as other interstate commerce.

This was recognized by Congress when the House passed the 1986 legislation which provided a means for restricting this form of commerce between States.

The Texas-Vermont-Maine compact has the benefit of limiting waste shipments to those three States. However, there remain serious problems with this compact.

The language of the compact is not completely clear as to whether the Commission established under the compact could open the Hudspeth site to waste from even more. In addition, the people of Hudspeth County are compelled to accept this waste without recourse. It is vital that everyone understand the facts and what is involved.

Lastly, given the earthquake which recently struck the heart of rural west Texas, I had asked for a detailed geological study to be done on the effects that this and future earthquakes would have on the proposed site and just what consequences this would have on water quality and other health-threatening concerns.

This legislation has come to the floor today without a study and without knowledge of the potential harm caused by placing the compact in Hudspeth County. We are talking about private property rights here, real people, real lives.

Again, I ask that the Congress oppose the compact.

Mr. SCHAEFER. Mr. Speaker, I appreciate the gentleman's concern from his own district down there.

Mr. Speaker, I reserve the balance of my time.

Mr. BRYANT of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Constitution of the United States gives to Congress the right to approve compacts between the States, and when a compact is clearly not in the interest of the people of the United States of America, notwithstanding what may have been done between the two States, it is the duty of the Congress to reject that compact. We will offer today compelling arguments with regard to the national interest about why this compact should be rejected and would call upon the Members of the House to join with us in sending this compact back to be handled in a different fashion at the local level.

The fact of the matter is the States involved avoided the politically uncomfortable decisions and, therefore, made an irresponsible decision to locate this nuclear waste dump in a very unfortunate place, within 14 miles of an international border, in an active earthquake zone which is next to the Rio Grande river, thereby inviting Mexico to locate its unpleasant dump sites to the river in the future, also subjecting the United States to enormous liabilities to all the inhabitants of the Rio Grande valley should an earthquake come, as happened only last April within 100 miles of this site, and contaminate the entire lower Rio Grande valley.

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These compacts are supposed to be regional in nature. This is not a regional compact. This is a compact between Texas and the State of Maine. There could hardly be greater distances between the two locations.

This compact is not in the interest of the country. I urge the Members of the House to vote against it.

Mr. Speaker, I reserve the balance of my time.

Mr. SCHAEFER. Mr. Speaker, I yield 5 minutes to my good friend, the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, perhaps the most important thing about the Texas low-level waste compact is the progress it represents. This will be the 10th compact to receive congressional approval, and will bring to 45 the number of States moving forward together to meet their disposal needs. I am very happy to support its passage.

The compact system envisioned by the Low-Level Radioactive Waste Policy Act was developed with the strong support of the National Governors' Association. Under the law, the difficult task of selecting disposal sites is the States' responsibility. Congress' responsibility, on the other hand, is to act quickly on the compact's request and, if all is in order, to approve it promptly.

The Texas compact meets the law's requirements, and I urge my colleagues to support it.

Mr. BRYANT. Mr. Speaker, I yield 5 minutes to the gentleman from El Paso, TX [Mr. COLEMAN].

Mr. COLEMAN. Mr. Speaker, I thank my colleague from Dallas, TX, for yielding me this time.

Mr. Speaker, I agree with the statements by the gentleman adjoining my congressional district, the gentleman from Texas [Mr. BONILLA], who represents the district, the area in which the low-level radioactive waste dump site was to be located, or is to be located if we continue down this awkward path. I say awkward simply because I do not really care what the Congress said back in 1980 or 1982, that said low level, you do it; high level, we will do it. Low level, we will leave it to the States. So long as we care about the health and safety of any American citizen, I do not think we can wash our hands of that.

Mr. Speaker, I think the statements made by my colleague, the gentleman from Texas [Mr. BONILLA], are absolutely on target. I have represented that area during all of the time that the siting decisions were being made by the State of Texas, during all of the time that negotiations were ongoing between Vermont, Texas, and Maine.

We should not leave out Vermont in any of this discussion, by the way.

They too, like Maine, have aging nuclear facilities that will all have to be dumped somewhere, some day. We know where that will be, provided the Congress of the United States does not stop going down this path believing that we can do anything we want. We do not care what the consequences are.

Let me tell you why it is especially difficult today I think for anyone to say that they support measures like this. It should be that the Federal Government should not be condoning another financial liability of massive proportions. After all, if in fact we have to do a cleanup, if there is an accident, and let me say we are putting it into an area of high earthquake and seismic activity. The largest earthquake by the way in the State of Texas occurred in 1931, it was right here where they are putting the dump site.

Guess what happened last month? Another earthquake, affecting west Texas as it had not since the 1930's. Well, I guess everybody is sure that nothing bad will ever happen. That is what we always say. Why, this earthquake, we can sustain these kinds of things if we do this thing right. That is what everybody always says.

Let me just tell you what. I can tell you that, however, all of those statements notwithstanding, it is the poor siting, coupled with the large loopholes in the very bill you are asking us to vote on in this compact, which exposed the Federal Government, and yes, all U.S. taxpayers, not just those in Texas, as the compact would have you believe, not just those in Texas. By the way, Maine and Vermont will get out of it pretty easy in the compact itself. But this compact exposes all taxpayers to an enormous and unreasonable amount of liability.

I can tell you that this epicenter of the earthquake that occurred last month is the strongest recorded in Texas. I ask why would anybody deliberately dispose of such volatile materials in an area known for its seismic activity? Those are the kinds of questions we ought to be asking.

Who will ultimately have to pay? Well, we know. Under article 8, section 8.03, of the compact, the States of Vermont and Maine will not be held liable for damage incurred due to the siting, operation, maintenance, long-term care, or any other activity relating to the compact facility.

I am citing it to you. It is right there in the bill. Who does this leave liable? Some of us might think, well, maybe it is going to be the generators of the waste. Maybe it is going to be the transporters, the owners, the operators of the facility. However, these companies have limited financial resources. If they run out, once again, who do we leave that to? The taxpayers of Texas certainly, but also the taxpayers of the rest of the United States in bearing the brunt of that liability.

I could get into the issue of balancing the budget and how it is that we want to reform Superfund and cleanup and all of the things we know that have not happened very economically in terms of time or efficiency. Again, all I would say is we should be very careful, I think, before we get the United States back into another problem of that kind.

I do not think anyone here that should think all Texans are in agreement on this compact. Unlike the citizens of Maine, the people of Texas were never provided the opportunity to vote on whether or not they approve of this compact.

Mr. BONILLA. Mr. Speaker, will the gentleman yield?

Mr. COLEMAN. I yield to the gentleman from Texas.

Mr. BONILLA. Mr. Speaker, I think as the gentleman is speaking reminds me of a point made that perhaps no other Member in Congress can testify firsthand to the beauty and the pristine of the wide open spaces of the part of the country we are talking about, that are unspoiled and untouched by any outside influence or contamination or toxic substance. It would be a real tragedy to have this suddenly introduced into an area like that.

Mr. COLEMAN. Mr. Speaker, reclaiming my time, the gentleman is correct. Let me just tell the gentleman, it is not just even the problems in the area that is going to be dumped upon. There is another issue, and that is that we do not limit the volume of waste it must accept from the party States as well as other contracting States which will occur.

Mr. Speaker, I would urge my colleagues to vote against this legislation, and I hope in the subsequent time we can make the other points that need to be made.

Today we are being asked to grant our approval of the Texas, Vermont, and Maine Low-Level Radioactive Waste Disposal Compact. While this legislation does not directly determine the site of disposal, the State of Texas has already selected the site and is limited by State law to a 200-square-mile area in west Texas. I know that Congress left it to the States to determine the disposal site. However, this does not mean that we abrogated our responsibility to ensure that citizens' health and safety are not endangered. The Federal Government should not be condoning another financial liability of massive proportion and we should see that international agreements we make are lived up to.

Proponents of the compact ask that we turn our backs on the issue of siting and the flaws in the compact. They propose that Congress should rubber stamp the actions of the State, regardless of the ramifications. However, it is the poor siting, coupled with the large loopholes in the compact which expose the Federal Government to an enormous and unreasonable amount of liability.

As evident by the recent earthquake in west Texas, the mountain ranges of west Texas, northern Mexico and the Chihuahua Desert are areas of seismic activity. The site is near the epicenter of the earthquake that occurred last month and to the one that struck in 1931, the strongest recorded earthquake in Texas. The siting authority has stated that they planned for earthquakes and that the facility will be able to handle an earthquake of up to 7.0 on the richter scale. I ask you, why would anyone deliberately dispose of such volatile materials in an area known for its seismic activity? Who will ultimately have to pay for the cleanup of this site, because of poor siting? This American taxpayer, that's who.

Under article VIII, section 8.03 of the compact, the States of Vermont and Maine will not be held liable for damage incurred due to the siting, operation, maintenance, long-term care, or any other activity relating to the compact facility. Who does this leave liable? One might think the answer is the generators, transporters, owners, and operators of the facility. However, these companies have limited financial resources. So, of course, the taxpayers of Texas and the Federal Government will bear the brunt of that liability.

This Congress has made a commitment to balance the budget by the year 2002. To do so, we have made enormous cuts in the EPA and some say we will continue to cut its budget over the next 7 years. We've all seen the difficulty the EPA has had in cleaning up superfund sites. It is a long and slow process. Wouldn't it be better if we had prevented the oilspills or unregulated dump sites in the first place? This compact is the worst of both scenarios. Today, we have an opportunity to save the Federal Government millions of dollars in cleanup costs. We know that the State has chosen an active earthquake zone for the dump. Once the leakage occurs, each of you will know that you could have avoided it. When the large cleanup bills roll in, each of you will know that you could have saved the Federal Government millions of dollars.

Should you ratify this compact today, I hope you will pledge to adequately fund the superfund, the EPA and the necessary cleanup costs associated with doing what will one day be necessary.

Do not think that all Texans are in agreement on this compact. Unlike the citizens of Maine, the people of Texas were never provided the opportunity to vote on whether or not they approve of a compact. The very people who have endangered their lives by accepting the wastes of other States, the people of Texas, had no say in the decision. If it was good enough for the people of Maine, it should have been good enough for the people of Texas. The people of Texas are speaking out against the compact and the dump site. A statewide survey conducted in September 1994 showed that 82 percent of Texans don't want to accept out-of-State nuclear wastes. Yet they never got a vote. Each week another city council of county commission passes a resolution objecting to the disposal site. Mr. Chairman, I ask unanimous consent to insert these resolutions into the RECORD.

My second objection to this compact is that it does not protect Texas by limiting the volume of waste it must accept from party States and contracting States. Under this agreement, Texas accepts responsibility for both management and disposal as described in article I, section 1.01. Management is defined as collection, consolidation, storage, packaging, or treatment. Treatment is not defined in the agreement. However, it is generally accepted as including incineration. Incineration reduces the volume of the waste, but not the level of radioactivity. Thus, less volume of waste will be disposed of at the site, but at a greater level of radioactivity.

It is also unclear if waste imported from other States, but incinerated in Texas, is counted under the Texas portion or the non host allotment. Article iii, section 3.04(11) says: "the shipments of low-level radioactive waste from all non host party states shall not exceed 20 percent of the volume estimated to be disposed of by the host state during the 50-year period." Shipment volumes are tied exclusively to disposal estimates. The compact is silent on how much volume can be shipped for management. A substantially larger amount of waste can be shipped in and incinerated than the disposal estimates allow. Incineration of waste will allow more States to contract to dispose of their waste in Texas.

Unfortunately, the State legislature has failed to recognize the tenuous dilemma these technical flaws have placed upon us. Once the Texas site is open there will be incredible outside pressure not to change the contract clause and so it probably will not happen. Why do these obvious disparities exist? Because, money—not the best science—is driving the compact process. Texas chose to be the host site for other States so that it could earn additional revenue. Texas could have entered into a reciprocal compact like Connecticut and New Jersey whereby each State agrees to manage and dispose of its own waste, but remains protected under the 1985 Low Level Radioactive Waste Disposal Policy Act amendments. It could have entered into a compact with a State more regional in nature. Instead, Texas chose to enter into a compact with the prosperous States of Vermont and Maine. Each of these States have aging nuclear plants which will eventually be buried lock, stock, and barrel in Texas.

A third objection relates to respecting our binational agreements. Texas has selected Sierra Blanca, the county seat of Hudspeth County, as the waste site. The town of Sierra Blanca is 20 miles from the Rio Grande River which is the international boundary between the United States and Mexico. Selection of this site is in clear violation of the 1983 agreement for cooperation on the environment between the United States and Mexico, commonly referred to as the La Paz agreement.

Under article 2 of the La Paz agreement the United States and Mexican Government are directed

> To the fullest extent practical . . . Adopt the appropriate measures to prevent, reduce, and eliminate sources of pollution in their respective territory which affect the border area of the other.

Article 7 of the agreement states that the two governments shall assess, as appropriate,

> Projects that may have significant impacts on the border area, so that appropriate measure may be considered to avoid or mitigate adverse environmental effects.

The border region is defined as properties within 100 kilometers on either side of the Rio Grande. I do not agree, as the State contends, that they must merely inform the Government of Mexico of their actions. That is not an appropriate means by which to conduct our relations with other countries, and neither do they believe it is.

I request that a communication from the Government of Mexico to the State Department outlining its objection be inserted into the RECORD immediately following my statement. As evident by this communication and the recent demonstrations on the Mexican side of the border against the dump site, the citizens and Government of Mexico are concerned about the threat to their environment from this disposal site. While Congress claims it may have no authority over the site selection process, we are responsible for guaranteeing that our binational agreements are respected by our own citizens, as well as by our State governments.

A final issue concerns waste sites in minority communities. Under this compact the site county will receive a total of $5 million from Vermont and Maine. Hudspeth County is 64 percent Latino, 2,915 people live there and the per capita income is only $13,029. It is a rural community whose residents are generally poor and do not have the means to hire high-priced lobbyists or the population to influence state policy. It is an area not unlike the many other poor, minority communities across the country which have been forced to cohabitate with other's radioactive waste. Five million dollars is a lot of money to anyone, but especially to these poor citizens. I would like to point out action by our President which speaks to the issue of poor, minority communities such as Sierra Blanca who are targeted under agreements sanctioned by this compact. On February 11, 1994, President Clinton signed the Executive order on Federal actions to address environmental justice in minority populations and low-income populations. This executive order was in response to the overwhelming evidence that minorities and low-income populations are disproportionately burdened with environmental hazards. Hudspeth County is a prime example of this. The President directed all Federal agencies to ensure that the practice not continue. It is left to Congress to address its responsibility in the same spirit of this act.

While Congress can not watch over each action by the States, we do have certain responsibilities. We have a responsibility to taxpayers not to rubber stamp an agreement which is going to cost them millions of dollars down the road. We have a responsibility to be leaders not followers in matters of civil rights. We have a responsibility to protect those without the means to protect themselves. We have a responsibility to abide by our bi-national agreements. We can fulfill our responsibility by disallowing this compact until a more suitable site is found.

Mr. Speaker, I insert the following material for the RECORD.

UNOFFICIAL TRANSLATION

The Embassy of Mexico presents its compliments to the State Department and has the honor of referring to the plans for the residual waste deposit sites that are supposed to be built near the U.S.-Mexican border: in Texas, Low Level in Sierra Blanca in Hudspeth County, Dryden in Terell County, and Spofford in Kinney County; in New Mexico, the Waste Isolation Pilot Plan in Eddy County; in California, La Posta and Campo in San Diego and Ward Valley in San Bernadino County.

As the State Department is aware, the plans for these hazardous waste deposit sites in the border zone, for which the Mexican Chancellory has appropriately given warning, have provoked strong reactions from the border communities, environmental organizations and both Mexican and United States Congressmen.

The Embassy would like to reiterate that the technical considerations shown by the Mexican Government, by the U.S. Environmental Protection Agency itself and by various non-governmental organizations of both countries, demonstrate that the plans and precautions of the companies promoting the above mentioned waste deposit projects cannot avoid the risk factor of transboundary pollution. In a context of greater environmental awareness and cooperation in the international community, neither one of our governments can ignore these types of concerns.

In accordance with the principles of cooperation and good-neighbors, the Embassy wishes to reiterate to the State Department the duty of all countries to prevent, inform and negotiate any action in their territory that could cause harm to a third state. In addition, we would like to remind you that during the High Level Meeting on Proposals for Radioactive and Hazardous Waste Deposits in the Border Zone, held on April 22, 1992, in Washington, the State Department committed itself to "be the means through which the corresponding authorities of the United States would be made aware of any information or concern of the Mexican Government in this regard."

As such, Mexico hopes that the United States takes all the preventive measures at its disposal to avoid the possibility of any risk of transboundary damage, or that the U.S. might cause said damage, in compliance with what was agreed upon by both governments in Article 2 of the La Paz Convention in the following terms: "The Parties commit themselves as far as it is possible, to adopt the appropriate measures to prevent, reduce and eliminate sources of pollution in their respective territories that affect the border zone of the other." Based on the cited article, the hazardous waste deposit sites represents important sources of transboundary pollution.

At the same time, the second part of the article indicates that "the Parties will cooperate in the resolution of environmental problems in the border zone for the common good, in accordance with the provisions of this Convention." As such, the fact that the United States Government sets a limit on its responsibility in regard to the actions taking place in its territory, whether by federal, state, local authorities or even individuals, demonstrates an unwillingness to cooperate in finding a solution to environmental problems, to which it agreed in the Convention of La Paz.

As it has already been expressed by the Mexican Government, to contemplate building such a large number of waste deposits near the international boundary or near international rivers implies that the border location was selected, and this is an outrage against the legitimate right of the people in the regional communities not to have their natural birthright and health affected.

In view of the above, and the fact that the United States has allowed local or state courts to approve such waste deposit projects without taking into account the agreements between our two countries, the Government of Mexico wishes to reiterate its particular concern because the United States Federal Government still has not taken an active role in this regard and it still has not responded to diplomatic note 1214 of October 29, 1993, in regard to the waste deposit site at Ward Valley.

In this context, the Embassy of Mexico would like to propose to the State Department that a High Level Meeting be held as soon as possible, that will allow our Governments to exchange viewpoints on the plans for the hazardous waste deposits in the border area.

The Embassy avails itself of this opportunity to renew to the State Department the assurances of its highest and most distinguished consideration.

RESOLUTION

Whereas, the State of Texas has proposed Sierra Blanca, Hudspeth County for the site of a low-level radioactive waste dump which would receive wastes from Texas, Maine, Vermont, and possible other states and whereas the wastes would be toxic for thousands of years; and

Whereas, the proposed siting appears to be a result of environmental racism and may be geological unsound as it is in an active earthquake zone and only 16 miles from the Rio Grande, potentially endangering Mexican and U.S. residents who live nearby and downstream; and

Whereas, Sierra Blanca is an impoverished Mexican American community and studies have shown that toxic waste dumps are often sited in poor communities of color; and

Whereas, five of the six existing low-level nuclear waste dumps have reportedly leaked radiation into the surrounding environment; and

Whereas, the City of Austin is the partial owner of the South Texas Nuclear Project from which waste along with waste from Commanche Peak, and other nuclear power plants may comprise the majority of the proposed dump's contents by radioactivity; and

Whereas, the City of Austin desires to ensure the safe management of wastes it and its business ventures produce and to ensure that these wastes are not dumped on those with the least financial and physical resources to protect their communities from hazardous and radioactive waste dumping; and

Whereas, safer alternatives exist for the storage of nuclear waste such as aboveground, monitored, retrievable storage; now, therefore,

Be it resolved by the City Council of the City of Austin: That the Austin City Council opposes a nuclear waste dump in Sierra Blanca, Hudspeth County, Texas.

RESOLUTION OPPOSING THE NUCLEAR WASTE DUMP IN HUDSPETH COUNTY

* * * Sierra Blanca, Hudspeth County, for the site of low-level nuclear waste dump which would receive wastes from Texas, Maine, and Vermont and whereas the wastes will be toxic for thousands of years; and

Whereas, a radioactive release from the project could threaten the residents of West Texas; and

Whereas, West Texas highways would be used for the transportation of radioactive waste to Sierra Blanca, thus putting many residents along these routes at risk from a transportation accident; and

Whereas, precious underground water supplies for the region could be contaminated by this facility; and

Whereas, the proposed site is only 16 miles from the Rio Grande, thus endangering Mexican and U.S. residents who live downstream; and

Whereas, Sierra Blanca is a poor, 70% Hispanic community and studies have shown that toxic waste dumps are often sighted in poor minority communities; and

Whereas, four of the six existing low-level nuclear waste dumps have leaked radiation into the surrounding environment; and

Whereas, safer alternatives exist for the storage of nuclear waste such as above ground monitored retrievable storage.

Now therefore be it resolved, that the City of Brackettville, City Council oppose a nuclear waste dump in Sierra Blanca, Hudspeth County, Texas.

RESOLUTION

Whereas, the state of Texas has chosen Sierra Blanca, Hudspeth County, for the site of a low-level nuclear waste dump which would receive wastes from Texas, Maine, and Vermont and whereas the wastes will be toxic for thousands of years; and,

Whereas, the site of the nuclear dump is only 37 miles from El Paso County; and,

Whereas, a radioactive release from the project could threaten the residents of El Paso; and,

Whereas, precious underground water supplies for the region could be contaminated by this facility; and,

Whereas, the proposed site is only 16 miles from the Rio Grande, thus endangering Mexican and U.S. residents who live downstream; and,

Whereas, the growth pattern of El Paso is in the direction of Hudspeth County and whereas a nuclear waste dump will lead to devaluation of surrounding land resulting in a loss of tax revenue; and,

Whereas, Sierra Blanca is a poor, 70% Hispanic community and studies have shown that toxic waste dumps are often sighted in poor minority communities; and,

Whereas, five of the six existing low-level nuclear waste dumps have leaked radiation into the surrounding environment; and,

Whereas, safer alternatives exist for the storage of nuclear waste such as above ground monitored retrievable storage.

Now therefore, be it resolved, that the El Paso County Judge and County Commissioners oppose a nuclear waste dump in Sierra Blanca, Hudspeth County, Texas.

CITY OF MARFA: RESOLUTION 95-11

Whereas, the state of Texas, by action of the previous Governor of the State, did mandate the establishment of a nuclear waste dump site in an area of Far West Texas for the sole purpose of storing nuclear waste from the state of Texas, with pending permits for nuclear waste dumps and storage from the state of Maine and Vermont, and,

Whereas, no citizen or body of citizens in any jurisdiction of Far West Texas has ever had the opportunity to vote for or against the establishing of such waste site by the legal voting process which is the right of all citizens; and, which violates their sovereign rights as citizens of this State and the United States, and,

Whereas, these toxic wastes could affect the health and welfare of the present generation and all future generations; and the radioactive release from this project, and others of a like kind, could also affect all of the citizens of this area; and,

Whereas, there are no restrictions or requirements as to marking, labeling or illuminating for transportation of such waste either by highway or by rail to the Far West Texas site; and there are not speed limits nor are there restrictions as to convoy type movement of these wastes in place in any jurisdiction which is without regard for safety of its citizens as it passes through urban and rural areas to the dump site, and,

Whereas, the extremely limited water resources and underground water supply known to exist throughout this semi-arid represents the most precious commodity known to man and could be endangered by radioactive leakage, spillage or negligence in the total process of handling these potential dangerous materials and; therefore, must be protected at all costs and above all other considerations, and,

Whereas, without regard to any minorities, race, ethnic background, economic, status, population or any other group of concerned people since this is a universal concern involving the sovereign rights of all citizens which is to be protected by their government from radioactive nuclear waste of a toxic nature, and,

Whereas, our government's agencies must provide protection from all dangers involved in storage and disposal of such materials be it underground or above ground.

Now, Therefore be it resolved by the City Commission of the City of Marfa in Presidio County, Texas hereby opposes:

All nuclear waste dumps and dump sites within any area of far west Texas.

RESOLUTION: A RESOLUTION OF THE COMMISSIONER'S COURT OF JEFF DAVIS COUNTY, TEXAS OPPOSING THE PROPOSED NUCLEAR WASTE DUMP TO BE LOCATED IN SIERRA BLANCA, HUDSPETH COUNTY, TEXAS

Whereas, the State of Texas has chosen Sierra Blanca, Hudspeth County, for the site of a low-level nuclear waste dump which would receive wastes from Texas, Maine, and Vermont; and

Whereas, the wastes will be toxic for thousands of years; and

Whereas, a radioactive release from the project could threaten the residents of West Texas; and

Whereas, West Texas highways could be used for the transportation of radioactive waste to Sierra Blanca, thus putting many residents along these routes at risk from a transportation accident; and

Whereas, precious underground water supplies for the region could be contaminated by this facility; and

Whereas, the proposed site is only 16 miles from the Rio Grande, thus endangering Mexican and U.S. residents who live downstream; and

Whereas, Sierra Blanca is a poor, 70-percent Hispanic community and studies have shown that toxic waste dumps are often sited in poor minority communities; and

Whereas, four of the six existing low-level nuclear waste dumps have leaked radiation into the surrounding environment; and

Whereas, safer alternatives exist for the storage of nuclear waste such as above ground monitored retrievable storage.

Now, therefore, be it resolved by the Commissioner's Court of the County of Jeff Davis, Texas that: It hereby opposes a nuclear waste dump in Sierra Blanca, Hudspeth County, Texas.

RESOLUTION—NO. R: 95-67; A RESOLUTION OF THE COMMISSIONERS COURT OF PRESIDIO COUNTY OPPOSING THE PROPOSED NUCLEAR WASTE DUMP TO BE LOCATED IN SIERRA BLANCA, HUDSPETH COUNTY, TEXAS

Whereas, the State of Texas has chosen Sierra Blanca, Hudspeth County, for the site of a low-level nuclear waste dump which would receive wastes from Texas, Maine and Vermont; and

Whereas, the wastes will be toxic for thousands of years; and

Whereas, a radioactive release from the project could threaten the residents of West Texas; and

Whereas, West Texas highways could be used for the transportation of radioactive waste to Sierra Blanca, thus putting many residents along these routes at risk from a transportation accident; and

Whereas, precious underground water supplies for the region could be contaminated by this facility; and

Whereas, the proposed site is only 16 miles from the Rio Grande, thus endangering Mexican and U.S. residents who live downstream; and

Whereas, Sierra Blanca is a poor, 70% Hispanic community and studies have shown that toxic waste dumps are often sighted in poor minority communities; and

Whereas, four of the six existing low-level nuclear waste dumps have leaked radiation into the surrounding environment; and

Whereas, safer alternatives exist for the storage of nuclear waste such as above ground monitored retrievable storage.

Now, therefore, be it resolved by the Commissioners Court of Presidio County in Marfa, Texas, that: It hereby opposes a nuclear waste dump in any part of West Texas West of the Pecos River.

RESOLUTION NO. R: 95-67: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL RIO, TEXAS OPPOSING THE PROPOSED NUCLEAR WASTE DUMP TO BE LOCATED IN SIERRA BLANCA, HUDSPETH COUNTY, TEXAS

Whereas, the State of Texas has chosen Sierra Blanca, Hudspeth County, for the site of a low-level nuclear waste dump which would receive wastes from Texas, Maine, and Vermont; and

Whereas, the wastes will be toxic for thousands of years; and

Whereas, a radioactive release from the project could threaten the residents of West Texas; and

Whereas, West Texas highways could be used for the transportation of radioactive waste to Sierra Blanca, thus putting many residents along these routes at risk from a transportation accident; and

Whereas, precious underground water supplies for the region could be contaminated by this facility; and

Whereas, the proposed site is only 16 miles from the Rio Grande, thus endangering Mexican and U.S. residents who live downstream; and

Whereas, Sierra Blanca is a poor 70% Hispanic community and studies have shown that toxic waste dumps are often isolated in poor minority communities; and

Whereas, four of the six existing low-level nuclear dumps have leaked radiation into the surrounding environment; and

Whereas, safer alternatives exist for the storage of nuclear waste such as above ground monitored retrievable storage.

Now, therefore, be it resolved by the City Council of the City of Del Rio, Texas, that: It hereby opposes a nuclear waste dump in Sierra Blanca, Hudspeth County, Texas.

Passed and approved on this 27th day of June 1995.

MEXICO-UNITED STATES: AGREEMENT TO COOPERATE IN THE SOLUTION OF ENVIRONMENTAL PROBLEMS IN THE BORDER AREA[1]

[Done at La Paz, Baja California, Mexico, Aug. 14, 1983]

Agreement between the United States of America and the United Mexican States on cooperation for the protection and improvement of the environment in the border area:

The United States of America and the United Mexican States,

Recognizing the importance of a healthful environment to the long-term economic and social well-being of present and future generations of each country as well as of the global community;

Recalling that the Declaration of the United Nations Conference on the Human Environment, proclaimed in Stockholm in 1972, called upon nations to collaborate to resolve environmental problems of common concern;

Noting previous agreements and programs providing for environmental cooperation between the two countries;

Believing that such cooperation is of mutual benefit in coping with similar environmental problems in each country;

Acknowledging the important work of the International Boundary and Water Commission and the contribution of the agreements concluded between the two countries relating to environmental affairs;

Reaffirming their political will to further strengthen and demonstrate the importance attached by both Governments to cooperation on environmental protection and in furtherance of the principle of good neighborliness;

Have agreed as follows:

ARTICLE 1

The United States of America and the United Mexican States, hereinafter referred to as the Parties, agree to cooperate in the field of environmental protection in the border area on the basis of equality, reciprocity and mutual benefit. The objectives of the present Agreement are to establish the basis for cooperation between the Parties for the protection, improvement and conservation of the environment and the problems which affect it, as well as to agree on necessary measures to prevent and control pollution in the border area, and to provide the framework for development of a system of notification for emergency situations. Such objectives shall be pursued without prejudice to the cooperation which the Parties may agree to undertake outside the border area.

ARTICLE 2

The Parties undertake, to the fullest extent practical, to adopt the appropriate measures to prevent, reduce and eliminate sources of pollution in their respective territory which affect the border area of the other.

Additionally, the Parties shall cooperate in the solution of the environmental problems of mutual concern in the border area, in accordance with the provisions of this Agreement.

ARTICLE 3

Pursuant to this Agreement, the Parties may conclude specific arrangements for the solution of common problems in the border area, which may be annexed thereto. Similarly, the Parties may also agree upon annexes to this Agreement on technical matters.

ARTICLE 4

For the purposes of this Agreement, it shall be understood that the "border area" refers to the area situated 100 kilometers on either side of the inland and maritime boundaries between the Parties.

ARTICLE 5

The Parties agree to coordinate their efforts, in conformity with their own national legislation and existing bilateral agreements to address problems of air, land and water pollution in the border area.

ARTICLE 6

To implement this Agreement, the Parties shall consider and, as appropriate, pursue in a coordinated manner practical, legal, institutional and technical measures for protecting the quality of the environmental in the border area. Forms of cooperation may include: coordination of national programs; scientific and educational exchanges; environmental monitoring; environmental impact assessment; and periodic exchanges of information and data on likely sources of pollution in their respective territory which may produce environmentally polluting incidents, as defined in an annex to this Agreement.

ARTICLE 7

The Parties shall assess, as appropriate, in accordance with their respective national laws, regulations and policies, projects that may have significant impacts on the environment of the border area, so that appropriate measures may be considered to avoid or mitigate adverse environmental effects.

ARTICLE 8

Each Party designates a national coordinator whose principal functions will be to coordinate and monitor implementation of this Agreement, make recommendations to the Parties, and organize the annual meetings referred to in Article 10, and the meetings of the experts referred to in Article 11. Additional responsibilities of the national coordinators may be agreed to in an annex to this Agreement.

In the case of the United States of America the national coordinator shall be the Environmental Protection Agency, and in the case of Mexico it shall be the Secretaría de Desarrollo Urbano y Ecología, through the Subsecretaría de Ecología.

ARTICLE 9

Taking into account the subjects to be examined jointly, the national coordinators may invite, as appropriate, representatives of federal, state and municipal governments to participate in the meetings provided for in this Agreement. By mutual agreement they may also invite representatives of international governmental or non-governmental organizations who may be able to contribute some element of expertise on problems to be solved.

The national coordinators will determine by mutual agreement the form and manner of participation of non-governmental entities.

ARTICLE 10

The Parties shall hold at a minimum an annual high level meeting to review the manner in which this Agreement is being implemented. These meetings shall take place alternately in the border area of Mexico and the United States of America.

The composition of the delegations which represent each Party, both in these annual meetings as well as in the meetings of experts referred to in Article 11, will be communicated to the other Party through diplomatic channels.

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[1] [Reproduced from the text provided by the U.S. Department of State.

[The Memorandum of Understanding, referred to in Article 23 and which this Agreement supersedes, is reproduced at 17 I.L.M. 1056 (1978).

[An agreement between Canada and the United States concerning acid rain research appears at I.L.M. page 1017.]

ARTICLE 11

The Parties may, as they deem necessary, convoke meetings of experts for the purposes of coordinating their national programs referred to in Article 6, and of preparing the drafts of the specific arrangements and technical annexes referred to in Article 3.

These meetings of experts may review technical subjects. The opinions of the experts in such meetings shall be communicated by them to the national coordinators, and will serve to advise the Parties on technical matters.

ARTICLE 12

Each Party shall ensure that its national coordinator is informed of activities of its cooperating agencies carried out under this Agreement. Each Party shall also ensure that its national coordinator is informed of the implementation of other agreements concluded between the two Governments concerning matters related to this Agreement. The national coordinators of both Parties will present to the annual meeting a report on the environmental aspects of all joint work conducted under this Agreement and on implementation of other relevant agreements between the Parties, both bilateral and multilateral.

Nothing in this Agreement shall prejudice or otherwise affect the functions entrusted to the International Boundary and Water Commission in accordance with the Water Treaty of 1944.

ARTICLE 13

Each Party shall be responsible for informing its border states and for consulting them in accordance with their respective constitutional systems, in relation to matters covered by this Agreement.

ARTICLE 14

Unless otherwise agreed, each Party shall bear the cost of its participation in the implementation of this Agreement, including the expenses of personnel who participate in any activity undertaken on the basis of it.

For the training of personnel, the transfer of equipment and the construction of installations related to the implementation of this Agreement, the Parties may agree on a special modality of financing, taking into account the objectives defined in this Agreement.

ARTICLE 15

The Parties shall facilitate the entry of equipment and personnel related to this Agreement, subject to the laws and regulations of the receiving country.

In order to undertake the monitoring of polluting activities in the border area, the Parties shall undertake consultations relating to the measurement and analysis of polluting elements in the border area.

ARTICLE 16

All technical information obtained through the implementation of this Agreement will be available to both Parties. Such information may be made available to third parties by the mutual agreement of the Parties to this Agreement.

ARTICLE 17

Nothing in this Agreement shall be construed to prejudice other existing or future agreements concluded between the two Parties, or affect the rights and obligations of the Parties under international agreements to which they are a party.

ARTICLE 18

Activities under this Agreement shall be subject to the availability of funds and other resources to each Party and to the applicable laws and regulations in each country.

ARTICLE 19

The present Agreement shall enter into force upon an exchange of Notes stating that each Party has completed its necessary internal procedures.

ARTICLE 20

The present Agreement shall remain in force indefinitely unless one of the Parties notifies the other, through diplomatic channels, of its desire to denounce it, in which case the Agreement will terminate six months after the date of such written notification. Unless otherwise agreed, such termination shall not affect the validity of any arrangements made under this Agreement.

ARTICLE 21

This Agreement may be amended by the agreement of the Parties.

ARTICLE 22

The adoption of the annexes and of the specific arrangements provided for in Article 3, and the amendments thereto, will be effected by an exchange of Notes.

ARTICLE 23

This Agreement supersedes the exchange of Notes, concluded on June 19, 1978 with the attached Memorandum of Understanding between the Environmental Protection Agency of the United States and the Subsecretariat for Environmental Improvement of Mexico for Cooperation on Environmental Programs and Transboundary Problems.

Done in duplicate, in the city of La Paz, Baja California, Mexico, on the 14th of August of 1983, in the English and Spanish languages, both texts being equally authentic.

Mr. SCHAEFER. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. FIELDS], the sponsor of the legislation.

Mr. FIELDS of Texas. Mr. Speaker, I rise in support of H.R. 558, a bill I introduced to provide the consent of Congress to the Texas low-level radioactive waste disposal compact. As most of us know, the legislatures of Texas, Maine, and Vermont—the States composing this compact—approved this legislation overwhelmingly.

As we consider H.R. 558 today, I would like to make four simple points:

First of all, we should pass this legislation out of recognition of the accomplishment of the States of Texas, Maine, and Vermont for their responsiveness in doing just what Congress asked them to do. In 1980, Federal legislation was passed which established a low-level radioactive waste policy that placed the responsibility within the States for the disposal of low-level radioactive waste. In 1985, further amendments were passed in Congress reinforcing this policy and providing incentives to States to form these compacts. Therefore, after they have done their job of passing this compact in all three State legislatures, we should do our job and act promptly to approve this resulting compact agreement. In response to Congress' entreaty, nine compacts have already been formed and approved, including 42 States; this compact will bring the total to 10 compacts covering 45 States.

Second, our role is to be sure that the compact comports with the underlying Federal law from which it derives and not to preside over controversies that may be local in nature, which are the responsibility of the local authorities. Simply put, Mr. Speaker, our responsibility is to be sure that the three State legislatures were consistent with the underlying Federal law when they passed this compact and not to arbitrate over local issues such as site selection. That is a matter for the States, and it would be intrusive of us to assume the authority unto ourselves. The compact implicitly defers questions on these matters to the Texas Legislature, the Texas Low-Level Radioactive Waste Disposal Authority, the Texas Water Commission, and other State agencies.

Third, this compact has already received a hearing before the Commerce Subcommittee on Energy and Power on May 11. Subsequently, the subcommittee approved the compact by a voice vote. Shortly thereafter, the full Commerce Committee approved H.R. 558 by a vote of 41 to 2. The compact remains the same, the underlying Federal legislation remains the same, and therefore I would urge my colleagues to support this bill so that the three States in question can perform their responsibilities and proceed to develop a site to responsibly dispose of low-level radioactive waste.

Last of all, Mr. Speaker, I would like to point out that this legislation is in the best interest of all three States, but particularly for my State of Texas. By forming this compact, Texas avoids the risk of being forced to take waste from other States which would generate much larger amounts of low-level waste. Under the compact, Texas has full control of the site, development, operation and management, and closure of its low-level waste disposal facility. Furthermore, with our State's leadership in such areas as research and medical activities, which use low-level radioactive materials at our academic and health institutions, it is in our best interest to responsibly provide for the disposal of the constant wastes from those activities and take a leadership role in planning for our future.

This responsible action was reflected in the approval of the compact by the Texas House of Representatives by a voice vote and the Texas Senate by a vote of 26 to 2.

In summary, Mr. Speaker, there is no legitimate reason to delay an approval at the Federal level any longer.

Mr. BRYANT of Texas. Mr. Speaker, I yield 6 minutes to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, I strongly oppose this compact. This plan causes me, it causes many people in the city of Austin and across the State of Texas, the gravest concern. Though a new Member here, I had understood there was at least some tradition of giving a certain degree of deference to the Members in whose district a project of this type is going to be located.

I have listened to the eloquent comments of the gentleman from El Paso, TX [Mr. COLEMAN] who has fought steadfastly, along with his staff, to resist this compact, to try to block it. I have listened to the very telling comments today of my colleague from Texas, a fellow Texan, Mr. BONILLA, in whose district this particular project would be sited. And I think what they say has a considerable degree of merit.

My district, the city of Austin and Travis County, is halfway across Texas from where this project will be located. Hundreds of miles. But I can tell you that the people of central Texas are every bit as concerned about this as are the people of Sierra Blanca or the people of El Paso.

I believe that I have now received a total of 1,415 communications from people in Travis County, TX, expressing opposition to the location of this dump; and, oh, by the way, six people who said they were for locating it at this point and approving this compact. What these people kept saying is the same thing that the Austin City Council said when it voted 5 to nothing against this compact, and that is do not make Texas the dumping ground for this Nation.

Mr. Speaker, let us acknowledge from the beginning that when Congress passed this piece of legislation, the 1986 Low Level Radioactive Policy Act, it was planning on agreements that did not look anything like the one we are taking up here today. When it referred to a regional compact, it has in mind just that, a region, because there would be less danger of spills and other problems if you localize the nature of the disposal.

Well, we in Texas have a rather big idea of our State. I have even heard some Texas talk about Colorado as north Texas, and indeed when we declared our independence in 1936, it was north Texas. But I have yet to see the most boastful Texan ever suggest that Maine and Vermont were in the region of Texas.

There is good reason for everyone and not just Texans, boastful or otherwise, to be concerned about this compact. Because to get from here to there, to get from Maine and Vermont to Texas, you are going to have to cross a little of these United States. So if you represent Ohio or New Jersey or New York or Kentucky or Tennessee or Arkansas, or any number of other States, you have every reason to be concerned about what happens when this highly toxic radioactive waste is transported across your State and across your district.

Though this compact has been lobbied through the Texas Legislature very successfully as a way to limit the dump in the State of Texas, exactly the opposite is going to happen. There is absolutely no reason that the commissioners of this compact cannot get together without any input from the people in Sierra Blanca or in El Paso or in Austin or in this U.S. Congress and expand the compact to include every State in the Nation. Under the definition of "region" being used here, there is no more basis for excluding New York or California than there is for including Maine and Vermont. Texas could well become the place where all of this toxic waste from around the country is located.

□ 1800

Mr. Speaker, there are already proposals up talking about mixing radioactive waste, low-level radioactive waste, with other types of toxic waste once this compact is ratified. Other States and economic pressures are going to cause this compact to include other States and have Texas be a dumping ground.

The Hudspeth County site that has been chosen in the district of the gentleman from Texas [Mr. BONILLA] raises a number of safety concerns. Seepage of radioactive waste into ground water supplies has been a problem with other dump sites. This is just a few miles from the Rio Grande River which provides a water supply to all of the southern border of the big State of Texas.

I agree that we also need to set a good example for our neighbor to the south, Mexico. Can Members imagine the uproar, the outrage on the floor of this Congress if Mexico was talking about locating a radioactive waste dump right on the border next to the United States? We would hear one Member after another denounce that kind of operation.

But that is precisely what we are doing at the same time we are seeking the involvement of the people of Mexico and their government in cleaning up other kinds of environmental damage all along the border from San Diego, CA to Brownsville, TX. This is a step that really works against our national interest all along the border on a wide range of environmental issues.

An earthquake. Well, most people associate those with San Francisco or California. Yet, as my colleague the gentleman from Texas [Mr. BRYANT] who has also fought so ably against the compact pointed our earlier, we just had one of 5.6 on the Richter scale within a relatively short distance of this Sierra Blanca site back in April when this measure was being considered here in Congress.

Mr. Speaker, this is a deeply flawed plan. This is a facility that will house waste not just for a few years but for a few millennia. Do not make the Lone Star State the Lone Dump State. Vote against this legislation.

Mr. BRYANT of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from El Paso, TX [Mr. COLEMAN].

Mr. COLEMAN. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, let me only add to what I was saying a little bit before. I wanted to hit a couple of points that may have been lost because we did not get to them.

One certainly was concerning the volume of waste. I know that that is not an issue that a lot of people concern themselves with, but let me tell the Members what this compact that we are voting on says, very simply.

Texas accepts responsibility for both management and disposal as described in article 1, section 1.01. Management is defined as "collection, consolidation, storage, packaging or treatment." Treatment, however, is not defined in this agreement. I hope that is just not an oversight of the committee.

It is generally accepted, as I understand it, in terms of the committee's understanding of it as including incineration? I think so. Incineration reduces the volume of the waste but not the level of radioactivity. It is not like other kinds of waste disposal sites that Members may be thinking of. Thus, less volume of waste will be disposed of at the site but at a greater level of radioactivity.

Yet, what happens in the agreement that is unclear if waste imported from other States but incinerated in Texas is counted under the Texas portion of the nonhost allotment? Article iii, section 3.04(11) says: "The shipments of low-level radioactive waste from all nonhost party States shall not exceed 20 percent of the volume estimated to be disposed of by the host State during the 50-year period."

Shipment volumes are tied exclusively to disposal estimates. The compact is silent on how much volume can be shipped for management.

Why is that? We did not care? It did not matter? That is out in the little old town, mainly Hispanic community, called Sierra Blanca in west Texas, right? Is that why we did not care?

I think there are a lot of us that have some very serious questions about this legislation. Were it not placed on a suspension provision under the rules, we could actually be able to amend it in a way that perhaps we could all be supportive.

Unfortunately, the State legislature has failed to recognize the tenuous dilemma these technical flaws have placed on us. That is on whom we rely. We should not be doing that for the health and welfare of American citizens.

Mr. BRYANT of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. BRYANT of Texas. Mr. Speaker, while those of us from Texas are understandably voicing the great anxiety of the people of our State and the particular region in which this is to be located, of far greater importance to the listeners to this debate within the House is the enormous threat to the national interest that is posed by this compact. The gentleman from Texas [Mr. FIELDS] said a moment ago, there have already been nine of those that have been approved, but there have not been nine of these kinds of compacts that have been approved.

There have not been any compacts approved where we are putting a low-level nuclear waste dump in an earthquake zone. There have not been any compacts approved where we have put a low-level nuclear waste dump 14 miles from a river that serves the farms and ranches and the drinking water for millions of people. And there have not been any low-level nuclear waste dumps approved which would invite the neighboring country, which will no doubt take great offense at this decision, to begin locating its undesirable entities and dumps right on the river, right on the border, right across from the United States.

The gentleman from Texas [Mr. DOGGETT] asked the right question a moment ago. Is it not obvious how we would feel if the Mexican Government was going to locate a nuclear waste dump 14 miles from the Rio Grande River on the other side? We would be up in arms about it. Yet we are going to sit back here, if we do as these gentlemen have asked us, and approve this.

They are going to get up in a moment and say, oh, siting decisions are not the province of the U.S. Congress. Well, generally I would agree. Siting decisions within a State, that is pretty much up to the State.

But if a siting decision has international foreign policy implications, if a siting decision would subject the people of the United States to enormous financial liability because of the irresponsibility of the decision, then that is a situational where we should exercise our constitution authority and responsibility and say, "No, we are not going to approve a compact like this. Take it back and start over." That is all that we are asking for.

Mr. COLEMAN. Mr. Speaker, will the gentleman yield?

Mr. BRYANT of Texas. I yield to the gentleman from Texas.

Mr. COLEMAN. Mr. Speaker, let me just say respecting our binational agreements is pretty important. I have been told over and over again in hearings throughout the last decade that the agreement that President Ronald Reagan made with the President of Mexico was not a treaty, and that is absolutely right. Nonetheless, many of us respect agreements made by our Presidents. In fact, I think it is the responsibility of the U.S. Congress, not the State legislature, to see to it that we respect those agreements and live up to them.

The La Paz Agreement, under article 2, said very simply that the Governments of Mexico and the United States were directed to the fullest extent practicable to adopt appropriate measures to prevent, reduce, and eliminate sources of pollution in their respective territory which affect the border area of the other. Article 7 stated that the two governments shall assess as appropriate projects that may have significant impacts on the border area.

I have placed into the RECORD with my motion to revise and extend the objections of the Mexican Government and diplomatic note to the United States. That is not the responsibility of the State of Texas. We are a State that is in this Union. That is the responsibility of this Congress to see to it that we respond in an appropriate fashion.

I can just tell the Members that my colleague from Texas is absolutely right. The United States would not put up with it if it was within 100 kilometers, as the La Paz Agreement states we were to have the dumping of radioactive waste by the Government of Mexico.

Mr. BRYANT of Texas. Mr. Speaker, I thank the gentleman for his additional comments. I would emphasize once again, we are not talking about a simple siting question that makes some people happy and some unhappy. We are talking about a siting question that subjects this country to enormous liabilities.

In 1931, 40 miles from this site, there was an earthquake that registered 6.4 on the Richter scale. Sixty-five years ago is just yesterday in geologic time. In April of this year, just 2 months before this thing was marked up in committee, there was an earthquake in the same region that measured 5.6 on the Richter scale. Can anybody argue that we ought to let States locate nuclear waste dumps in earthquake zones right next to an international boundary and on a river that serves millions of people, who if harmed will be in the courthouse asking the taxpayers of this country to pay for the harm that they suffered? I do not think we can make that argument.

Today the gentleman from Texas [Mr. COLEMAN] and I and the gentleman from Texas [Mr. DOGGETT] and the gentleman from Texas [Mr. BONILLA] stand on the floor of the House and ask this House of Representatives to make a decision that is in the interest of the American people, and say to the States of Texas, Maine, and Vermont, go back and do it again. We may approve the next one and we may not, but for goodness sakes do not send us one that is in an earthquake zone.

Mr. SCHAEFER. Mr. Speaker, I yield myself such time as I may consume.

I would just say that our colleague, the gentleman from Texas [Mr. FIELDS], should be commended for this efforts to move this bill forward in a very fashionable, responsible, and timely manner.

I would like to thank the gentleman from New Jersey [Mr. PALLONE], the ranking member of the Subcommittee on Energy and Power, for his support in moving this very reasonable measure through the House of Representatives.

Mr. Speaker, I yield the balance of my time to the gentleman from Texas [Mr. FIELDS] to close debate.

Mr. FIELDS of Texas. Mr. Speaker, I will be fairly brief.

The purpose of a law passed by Congress is to allow States to make decisions for themselves, to make decisions relative to siting. That decision has been made. It is a decision that has been reviewed by the Texas Low-Level Radioactive Waste Compact Commission. It has been reviewed by the Texas Water Commission. The Texas legislature has voted on this. I stand here with a letter from Governor George Bush. It is factual to say that former Governor Ann Richards supported this. I stand here with a letter from Lieutenant Governor Bob Bullock, I stand here with a letter from Mickey LeMater of the M.D. Anderson Cancer Institute talking about the need for Congress to move forward.

Is there a benefit to the State? The answer is absolutely. That if the State of Texas had not itself moved forward, then Texas would have been subject to becoming the dumping ground for the rest of the country. We would not have had the ability or have the ability to pass laws restricting the low-level nuclear waste coming in to our particular State. This is a decision that has been made by Texans for Texans in the best interest of our particular State. I urge all of my colleagues to support this piece of legislation.

PARLIAMENTARY INQUIRY

Mr. COLEMAN. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. FOLEY). The gentleman will state it.

Mr. COLEMAN. Mr. Speaker, it has been some time since I have done a suspension on the floor and I am unsure how we can assure a record vote. At what time should that request be made?

The SPEAKER pro tempore. We will have that in just a moment.

The question is on the motion offered by the gentleman from Colorado [Mr. SCHAEFER] that the House suspend the rules and pass the bill, H.R. 558.

The question was taken.

Mr. BONILLA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

GENERAL LEAVE

Mr. SCHAEFER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 558, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

Mr. COLEMAN. Reserving the right to object, Mr. Speaker, not on that issue but only to make sure that we have in fact ensured that we will have a vote. I thought we needed to ask for the yeas and nays. If that was done in dissimilar fashion, that is fine, but I just was inquiring.

The SPEAKER pro tempore. The yeas and nays have not been ordered on that motion. It would be put to a vote tomorrow afternoon at some point.

Mr. COLEMAN. I thank the Speaker, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TOMORROW, TUESDAY, SEPTEMBER 19, 1995, DURING THE 5-MINUTE RULE

Mr. BONILLA. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit tomorrow while the House is meeting in the Committee of the Whole House under the 5-minute rule.

The Committee on Banking and Financial Services; the Committee on Commerce; the Committee on Government Reform and Oversight; the Committee on International Relations; the Committee on the Judiciary; and the Committee on Resources.

It is my understanding that the minority has been consulted and that there is no objection to these requests.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

□ 1815

Mr. PALLONE. Mr. Speaker, reserving the right to object, the Democratic leadership has been consulted and we have no objection to these requests.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. Foley). Is there objection to the request of the gentleman from Texas?

There was no objection.

POINT OF ORDER

Mr. BRYANT of Texas. Mr. Speaker, I rise to make a point of order.

The SPEAKER pro tempore (Mr. Foley). The gentleman from Texas will state his point of order.

Mr. BRYANT of Texas. Mr. Speaker, we made very clear our intention to ask for a record vote on that. At the time the gentleman from Texas [Mr. Bonilla] stood up on the compact commission matter, he raised a point of order that a quorum was not present and that did not lock in a record vote. The gentleman from Texas [Mr. Coleman] specifically asked what action he was supposed to take to lock in a record vote.

Mr. Speaker, I would ask the Chair to grant us our motion for the yeas and nays to be ordered on H.R. 558.

Mr. BONILLA. Mr. Speaker, I ask unanimous consent to revise my point that I made earlier and ask for the yeas and nays.

The SPEAKER pro tempore. Without objection, the yeas and nays are ordered.

There was no objection.

The SPEAKER pro tempore. Pursuant to clause 5 of rule 1, further proceedings on this motion will be postponed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1617, CONSOLIDATED AND REFORMED EDUCATION, EMPLOYMENT, AND REHABILITATION SYSTEMS ACT (CAREERS ACT)

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104-249) on the resolution (H. Res. 222) providing for the consideration of the bill (H.R. 1617) to consolidate and reform work force development and literacy programs, and for other purposes, which was referred to the House Calendar and ordered printed.

FISHERY CONSERVATION AND MANAGEMENT AMENDMENTS OF 1995

The SPEAKER pro tempore (Mr. Foley). Pursuant to the order of the House of today and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 39.

□ 1816

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 39) to amend the Magnuson Fishery Conservation and Management Act to improve fisheries management, with Mr. Goodlatte in the chair.

The CHAIRMAN. Pursuant to the order of the House of today, the bill is considered as having been read the first time.

The gentleman from Alaska [Mr. Young] will be recognized for 30 minutes and the gentleman from Massachusetts [Mr. Studds] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Alaska [Mr. Young].

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is a unique period of time that we are faced with during this session. We have a bill that has been heard by the committee and we have worked on this bill for approximately 3½ years now. It is H.R. 39, the Fisheries Conservation and Management Amendments of 1995, which I sponsored, along with my good friend, the gentleman from Massachusetts [Mr. Studds].

Mr. Chairman, I rise in strong support of H.R. 39, the Fishery Conservation and Management Amendments of 1995, which I sponsored.

Mr. Chairman, this legislation, as you will see, enjoys broad, bipartisan support from members of the Resources Committee and those members from coastal districts with fishing interests. For this bill to have come this far shows the bipartisan effort involved in the development of the bill. I want to thank Subcommittee Chairman Saxton, Gerry Studds, and George Miller for their leadership in addressing the difficult issues in this important legislation.

This reauthorization of the Magnuson Fishery Conservation and Management Act of 1976 is crucial to continuing the sound management of this Nation's fishery resources. If Members take nothing else away from this debate, remember, this legislation is supported by Members on both sides of the aisle, by the fishing industry, and by the environmental community.

This has been no small feat, and while some may not be entirely happy with the legislation, reauthorization of this act is very important to us all.

Mr. Chairman, during the 103d and 104th Congresses, 10 hearings on reauthorization issues were held. This legislation represents an attempt to address the concerns raised at these hearings. This legislation may not be perfect; however, fisheries management is a complicated balancing act. We have attempted to address the concerns raised by commercial fishermen, recreational and charter boat fishermen, environmental organizations, fishing communities, fish processors, and other interested groups.

The Magnuson Act was enacted in 1976 in direct response to the depletion of U.S. fishery resources by foreign vessels. The Magnuson Act expanded U.S. jurisdiction over fishery resources to 200 miles. The act also included provisions intended to encourage the development of a domestic fishing industry.

The act created eight Regional Fishery Management Councils to manage the fishery resources within their geographic area. The Councils were charged with determining the appropriate level of harvest to maximize the benefit to the Nation while still protecting the long-term sustainability of the stocks.

This means the Councils must balance the often competing interests of commercial and recreational fishermen, and the often competing gear groups within the commercial industry.

It is important to note that the committee continues to strongly support the current Regional Fishery Management Councils system. This legislation includes some reforms of the Council process and requires new disclosure rules to deal with the perception of conflict of interest on the Councils.

While this legislation deals with the fishing industry, it is environment friendly. In fact, you have probably received or will receive letters of support from many of the national environmental groups. We think that we have crafted a bill which will allow fishermen to make a living from the sea while also making them better stewards of the resources they rely on for their livelihood.

Three major areas needed to be addressed in this reauthorization to maintain healthy fisheries and healthy fishing communities. For the domestic fishery resource to remain healthy, fishery managers must take steps to reduce bycatch and the mortality of discards in the fisheries, to prevent the overfishing of stocks and rebuild those stocks which are already overfished, and, finally, to protect habitat essential for the continued renewal of the fisheries.

The reduction of bycatch in our fisheries is one of the most crucial challenges facing fisheries managers today. In the North Pacific groundfish fishery alone, more than 740 million pounds of fish were discarded in 1993. That represents 16 percent of the total catch of the fishery. Much of that discard is of prohibited species. It is clear that this is unacceptable. We hope that the requirements of this bill will help Councils address the problem of bycatch, and we hope that fishermen will respond with innovative methods of reducing bycatch.

In particular, this legislation requires the Regional Fishery Management Councils to amend all existing fishery management plans to reduce bycatch to the maximum extent practicable. It also provides the Councils with the ability to offer incentives to fishermen to reduce their bycatch.

A second area of concern is the protection of essential habitat. This has been a tough issue to wrestle with. We do not want to over-regulate the fishing industry; however, the Councils and the National Marine Fisheries Service should include in their Fishery Management Plans a description of what habitat is essential for the continued health of the fishery.

The third area of change is to address the problem of those stocks which are already overfished or may be in danger of overfishing. This legislation requires the Secretary to report to Councils if any stock is approaching a condition of being overfished. This proactive identification of overexploited stocks will enable the Councils to take steps to keep the stocks from crashing. The bill also requires that Councils implement a rebuilding plan for any stock which is already overfished. If the Council is not able to implement a plan within one year, the Secretary is then required to implement a plan.

Mr. Chairman, one of the most contentious issues that we have worked on this year has been the use of a limited access management system known as Individual Transferable Quotas [ITQ's]. This type of management system allocates a percentage of the harvest to vessels based on past history in the fishery, current level of harvest, and several other criteria. Since 1990, three fisheries have already turned to ITQ's as the preferable management option, the latest being the halibut/sablefish plan in the North Pacific.

The use of ITQ's has been hotly debated at the Council level and now at the national level. I believe that there are many issues yet to be resolved on the use of ITQ's as a management tool.

There are those who argue that this bill kills any chance of ever enacting another Individual Transferable Quota [ITQ] plan. It does not. It puts the brakes on the headlong rush to enact ITQ plans for all fisheries without examining other limited access options. I have heard of movements to manage a number of fisheries under ITQ plans including: Pacific crab stocks, Bering Sea groundfish, New England lobster, Gulf of Mexico red snapper, Atlantic bluefin tuna, and swordfish. I believe that there are those at the National Marine Fisheries Service who have been advocating the use of ITQ's for all fisheries and I think this should stop.

This bill makes it clear that ITQ's are a tool that the Councils can use, but clarifies that the quota shares are not property rights and do not convey a permanent right to the resource.

Some ITQ proponents do not like the guidelines we have put in this legislation. This debate has been going on for more than 2 years and will probably continue after this bill is passed by the House and the debate turns to the Senate, which is currently working to move similar reauthorization legislation.

I think these guidelines bring some rationality to ITQ management systems.

Mr. Chairman, the problem of overcapitalization is another issue which has been debated by many of our Members for years. You will hear the phrase that "there are too many boats chasing too few fish" quite a bit today. It is especially true in some areas of the country like New England.

We have worked hard to create a vessel buy-out program which does not require huge expenditures of taxpayer money. This program is a delicate compromise that I want to thank GERRY STUDDS and his staff for working on so diligently. The program allows a buy-out fund to be initially capitalized from already appropriated Federal programs such as fisheries disaster programs. The fund will then be used to bring the size of fishing fleets to a rational number. Those vessels which remain in the fishery and benefit from the reduction in fishing effort will then repay the fund over a 15-year period. This is a compromise which works, and which will not bankrupt the Federal Government nor the fishing industry.

Mr. Chairman, this is a good bill, and one that has taken 3 years to develop. It is full of compromise, yet does not compromise on maintaining the health of the resource—which should be the goal of everyone here.

Mr. Chairman, I reserve the balance of my time.

Mr. STUDDS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, hard as it may be to believe, given the youthfulness and vigor of the gentleman from Alaska [Mr. YOUNG] and myself, it was 20 years ago on the floor of this House that the gentleman and I, and others, fought for passage of the original act to secure U.S. jurisdiction and management authority over fisheries within 200 miles of our shores. Today, we continue that battle to save our fisheries.

Mr. Chairman, the problem we faced then was that foreign fisherman were decimating our stocks from Maine to Alaska, leaving little if any fish for our own industry. We sought to push those fishermen out, promote the development of the U.S. capacity to harvest these valuable fisheries and establish a responsible conservation and management regime that would ensure the long-term sustainability of the resources and our industry.

American fishermen now have the technology and the capacity to harvest every fish available in U.S. waters. This advanced technology, overcapitalization, and the lack of political will to make tough management decisions have caused many stocks to face crises similar to the situation in the 1970's that spurred the passage of the original act. This time, however, there are no foreign fleets to blame.

In New England for example, years of overfishing have pushed groundfish landings to an all-time low—even lower than when we were competing with foreign fleets. Haddock is commercially extinct; cod and yellowtail are close behind. A $200 million industry is on the verge of collapse and with it will go tens of thousands of jobs. Yet, unbelievably, the New England Fishery Management Council last week chose no action as one of the five options it will consider to address this tragedy. Serious action must be taken, and soon, or we will save neither the fish nor the fishermen.

While the situation in New England is the most severe, it is not unique. The National Marine Fisheries Service tells us that 40 percent of the fisheries for which we have data are being harvested at a biologically unsustainable rate, and another 43 percent are fully exploited. We must act now, and assert without reservation that no action is not an acceptable alternative. Otherwise, we may force other fisheries around the country into their own New England-style crisis. That would mean the collapse of an industry that pumps $50 billion into the national economy and creates hundreds of thousands of jobs.

The bill we are considering today takes many significant actions to strengthen the Magnuson Act. First, and, perhaps most importantly, it seeks to bring an end to overfishing. No fishery should be harvested at a biologically unsustainable rate. The bill requires the regional Fishery Management Councils to establish baselines by which to measure overfishing. In cases where stocks are in decline, timelines for action by the Councils are explicitly spelled out; no action will no longer be an alternative. If the Councils still fail to act, the Secretary of Commerce will be required to do so. At the appropriate time the gentleman from Maryland [Mr. GILCHREST] will offer an amendment to strengthen this provision even further. I plan to support the amendment, and I urge other Members to do the same.

Second, the bill seeks to reduce the bycatch and waste of economically undesirable or prohibited species which account for the mortality of hundreds of millions of pounds of fish each year—fish that one person may want to discard but another may intend to harvest. For every management plan, the Councils will be required to adopt measures that minimize bycatch, such as gear restrictions, time and area closures, and incentives for fishermen to avoid nontarget fish. We can not afford to overfish the species we intend to catch, and we must also reduce the incidental take of these nontarget species.

Third, the bill seeks to improve the habitats that are essential to the productivity of more than 75 percent of our fish and shellfish landings. Even if we address overfishing, the environmental community and the fishing industry agree that continued habitat loss could be catastrophic. The bill requires fishery managers to identify areas that are important fish habitat to ensure that they are protected. In addition, it encourages Councils to promote fishing practices that minimize habitat damage.

The bill also establishes a mechanism to allow a fishing industry to reduce the overcapitalization of its fleet, reduce pressure on fisheries stocks and make remaining boats more profitable. The chairman and I worked together on this effort, which is essentially a loan program for the fishing industry paid for by those in the fleet who remain and benefit from a healthier resource. This program will be an important part of the recovery effort in New England, and I thank the chairman for his support.

Finally, the bill represents something that is so rare in these Chambers of late—a bipartisan effort to protect our natural resources, and in turn benefit our economy. Without healthy fisheries, communities around the country that depend on them will soon face the economic hardships I see now in my district. For that reason, I urge Members to support this bill and oppose any efforts to weaken it. That will help us keep our fish and shellfish bountiful and self-sustaining, and hold out some hope of keeping family fishermen productive and prosperous, and alive and well.

□ 1830

I thank the gentleman from Alaska. It is a pleasure to work with him for an embarrassing number of years.

Mr. Chairman, I reserve the balance of my time.

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume.

May I suggest nothing has been embarrassing. We have worked well over these years, and only the length of time that he and I have served.

May I suggest that his area has been hardest hit. We thought we were doing great things in 1976, and we did. We worked to try to Americanize our fleet. Unfortunately, along the line, we did some things, or they did some things, that have damaged our fishing areas around our Nation very harmfully, "they" being our ownselves. So we have to address this legislation. This is a step in the right direction.

Mr. STUDDS. If the gentleman will yield, would the gentleman agree with me, if we are successful in strengthening the act, we should consider renaming it?

Mr. YOUNG of Alaska. No.

Mr. STUDDS. The gentleman still does not like the "Young-Studds?"

Mr. YOUNG of Alaska. I do believe the gentleman from Guam would like to enter a colloquy before we get in trouble.

Mr. STUDDS. Mr. Chairman, I yield 2 minutes to the gentleman from Guam [Mr. UNDERWOOD].

Mr. UNDERWOOD. Mr. Chairman, I would like to engage the chairman of the Committee on Resources in a colloquy. Mr. Chairman, during the committee markup of H.R. 39 in the Committee on Resources, I had prepared an amendment that I had voluntarily withdrawn that would have assisted the insular territories in developing their fishery resources. My amendment would allow the licensing of foreign fishing vessels to allow fishing within the 200-mile exclusive economic zones surrounding the insular areas. The funds derived from the licensing fees would be used to assist the territories in conserving and managing these fishery resources. I had withdrawn this amendment in order to allow time for the majority and minority to work collaboratively to find areas of agreement. Mr. Chairman, during the committee markup you stated your commitment to assisting the territories in developing their fishery resources and you also stated your support of an amendment that would return the benefits of this development to the territorial governments. We have been working with the majority and minority staffs to craft an acceptable compromise amendment. Would the chairman support an amendment along these lines?

Mr. YOUNG of Alaska. If the gentleman will yield, I am pleased to restate my commitment to the gentleman from Guam in support of his efforts to allow some development of the territory's fisheries resources and allow any benefits from the licensing of foreign fishing vessels to accrue to the territories for conservation and management of the fisheries resources. I understand this amendment is being worked through the committee, with my staff and your staff, and, hopefully, we will arrive at a conclusion that will be beneficial to both of them. The merits of his amendment are strongly supported by the chairman.

The one reservation we have, we will have to make sure of how the license fees will be utilized for the territory, and we are attempting now to work it out where it goes to the fisheries improvement area.

I have been in your area, and I have seen some of the actions by some of the foreign countries which you get no benefit from. I think that goes totally contrary to the Magnuson Act. I would support it with work on the amendment.

Mr. UNDERWOOD. I appreciate the gentleman's sensitivity on that.

Mr. METCALF. Mr. Chairman, I rise in opposition to H.R. 39, the Fisheries Conservation and Management Act.

This legislation would reauthorize and amend the Magnuson Act, which provides for the conservation and management of U.S.

fishery resources and the development of U.S. domestic fisheries.

I am rather familiar with the gentleman for whom much of this Nation's fishing law is named, former Senator Magnuson. I ran against him when he was reelected to the U.S. Senate in 1968 and 1974. We were adversaries then, but we might have had similar opinions on these proposed changes to fisheries law.

Mr. Chairman, this is a bad bill. It's bad for the State of Washington, it's bad for fisheries conservation and it's bad for the working men and women who make their living from the resources of the sea. I strongly believe these family wage jobs must be protected.

Mr. Chairman, many of my constituents are alarmed at the potential impact of this legislation. Their voices must be heard. Thus, I would like to submit for the RECORD, immediately following my statement, some of their concerns. The first attachment is a critique prepared by members of the fishing community who will be directly affected by this flawed legislation. The second attachment is a report that examines the IFQ program for halibut and sablefish and its record in regards to crew safety and bycatch utilization issues.

These issues deserve careful consideration as Congress debates the future of fishing law. The livelihoods of fishing families depend on the outcome of these deliberations.

H.R. 39—A CRITIQUE

H.R. 39, the Fishery Conservation and Management Act Amendments of 1995, is bad legislation. The bill does not provide fisheries managers with the tools that are needed to resolve the most fundamental challenges to the sustainability of our nation's fisheries. The enactment of H.R. 39 would ensure that excessive harvesting and processing capacity, waste of target and non-target species, misallocation of resources among user groups, and severe risks to life and property at sea would continue to plague our fisheries.

INDIVIDUAL TRANSFERABLE QUOTAS

The legislative scheme proposed by H.R. 39 establishes unwarranted, unprecedented, and probably insuperable, procedural and substantive hurdles to the establishment and maintenance of ITQs, but not to the viability of any other limited entry systems or fishery management measures. The scheme would not only make promising new individual quota systems highly improbable, but also effectively destroy the successful, existing programs. For many fisheries, including crab and groundfish of the Bering Sea/Aleutian Islands, ITQs represent the single most effective means of reducing excessive fishing capacity, thus ending the wasteful and deadly race for fish, and greatly improving conservation, saving lives, and increasing the economic return for fishermen and their communities.

Provisions of H.R. 39 that work against individual quotas are as follows:

1. A new national "review panel" is to be established to provide recommendations to the Secretary of Commerce. Based on those recommendations, new regulations would have to be promulgated, before any new ITQ program could be implemented. This scheme requires a new layer of bureaucracy and a new set of regulatory burdens, dilutes the role of local industry and the regional approach to fisheries management, and delays the implementation of new ITQs. At the earliest, ITQ regulations would not be promulgated until September 30, 1998. Page 53, line 1-page 57, line 2.[1]

The national review panel should be deleted.

2. The Secretary of Commerce is provided unique authority, unilaterally and without reference to identified procedures and rational standards, to revoke or limit any individual quota (not only for violations, but also for other reasons as determined by the Secretary), and to limit or terminate any ITQ system, "at any time". This invites arbitrary, politically-motivated actions by the Secretary and bypasses the scheme of regional management. No other management measures are subjected to such a scheme. Under current law, fishing permits can only be revoked for violations, and only after established procedures have been followed; management programs can be amended or terminated, but only by action of the Councils, with the approval of the Secretary (except for highly migratory species). Page 48, lines 9–14; page 50, lines 7–12.

The provision for revocation of limitation of individual quotas should be limited to enforcement actions and should be subject to prevailing procedural safeguards.

The provision to terminate individual quota systems should be subject to the normal process by which fishery management plans are amended.

No later than 7 years after its implementation, any individual quota implemented following the date of enactment of H.R. 39 must automatically terminate, unless affirmatively renewed. This reverses the administrative process established by the Magnuson Act for all other management measures—they remain effective, unless they are time-limited by regulation or further action is taken to terminate or amend them. Page 48, line 21–page 49, line 6.

The sunset provision would introduce a unique, new element of uncertainly into ITQ programs. It would jeopardize the rationalization of the fisheries—one of the principal benefits of ITQs—by preventing quota shares from being freely traded, particularly in the out years, as the termination date approaches. The sunset provision would also make it difficult or impossible to secure much-needed loans with ITQs. Notably, this scheme would not apply to the State of Alaska salmon and herring limited entry permits, which are fully marketable personal assets worth almost $1 billion to individual holders.

The sunset provisions should be deleted.

3. New fees would be established for ITQs, but not for other limited entry permits or other management measures. There would be a fee of 4% of the value of the harvested or processed fish annually. In addition, upon first issuance of quotas, there would be a fee of 1% on the value of the fish authorized to be harvested or processed. A further fee of 1% would be applied to each subsequent transfer of quotas. These fee would be prohibitively high. Moreover, it would be unfair to require payment of a fee based on the amount of fish authorized for harvest, not on the amount of fish actually landed and sold. The provision in H.R. 39 to delay implementation of these exactions for 5 years in the case of the existing quota programs does not address the basic economic problem. Page 50, line 23–page 52, line 24.

In the context of the fisheries of the North Pacific, it is important to take note of the fact that the State of Alaska receives raw fish taxes (3–5% of landed value, one-half of which goes to coastal ports) and borough taxes (2% of landed value) from the fisheries in the federal exclusive economic zone. There is also an observer fee of 2% of the value of the catch. The set-asides of special quotas from the federal exclusive economic zone for certain communities in Alaska represent an additional cost to the industry at large, in the form of lost fishing opportunities and revenues. These set-asides, called community development quotas (CDQs) are described below in detail. However, it is noted here that the North Pacific Council has approved CDQs for all groundfish and crab fisheries in the Bering Sea/Aleutian Islands area of the federal exclusive economic zone in the amount of 7.5% of the total allowable catch. Therefore, in the case of the North Pacific fisheries, the enactment of H.R. 39 would increase the cost to industry at large, in the form of fees and lost revenues, to a level of approximately 20% , before any profits are made or federal income taxes are paid.

New fees should be capped at 2% and should be calculated on the basis of the unprocessed value of the fish harvested and sold annually. This level should be more than sufficient to cover any incremental additional fisheries management costs attributable to individual quotas.

4. The "negative social and economic impacts" of ITQs on local coastal communities must be "minimized". This is a standard that is not applied to any other management measures and could be impossible to satisfy. Page 47, lines 16–19.

This standard should be deleted. Any negative social and economic impact on any communities, not solely those that are local to the fisheries, should be "considered", as are other relevant factors in the management process under prevailing law.

5. Unlimited portions of the total allowable catches could be set aside from any ITQ system in order to provide for entry-level fishermen, small vessel owners, and crewmen who do not qualify for ITQs. Page 50, lines 3–6. These set-asides could result in the establishment of parallel and inconsistent management systems, one for ITQs and one for open access derbies, and would certainly increase the cost of management. In addition, if implemented, this approach would further compress the already overcapitalized large-vessel fisheries. It should be noted that the Commercial Fisheries Loan Program of the State of Alaska specializes in loans to commercial fishermen to purchase vessels, limited entry permits, and even ITQs. $11 million is reported to be available at this time for loans to fishermen who would not qualify for commercial lending on the open market.

This provision should be substantially modified to provide a different approach to providing for entry-level fishermen, small boat owners, and crew, or should be deleted. For example, fees on holders of individual quotas could serve as a source of funding to facilitate the entry of fishermen into the management system. Fees would not have to exceed the suggested maximum of 2% to achieve this purpose.

6. The ITQ scheme in H.R. 39 would not effectively grandfather existing quota programs in order to avoid further, time-consuming, expensive, and uncertain administrative action that could lead to renewed litigation. Notably, the halibut/sablefish quota program was developed over a 10-year period, adopted by the North Pacific Council, approved by the Secretary, and confirmed by

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[1] The page and line references are keyed to House Legislative Counsel Document F/HAS/RES1/H39.REP, May 30, 1995 (1:23 p.m.)

the Federal District Court in Alaska. H.R. 39 would merely exempt the existing quota programs from the 7-year termination requirement, but not from other destructive provisions. Page 48, line 21–page 49, line 2. The application of new criteria to old programs could greatly delay and otherwise hinder the development of new ITQ systems.

New criteria should not be applied retroactively to existing quota systems.

It bears emphasizing that the State of Alaska salmon and herring limited entry permit programs, which are successful, are subject to none of the conditions and restrictions proposed for ITQs. As noted above, the salmon and herring limited access permits are currently worth to their holders almost $1 billion. This represents collateral for loans to facilitate entry into other fisheries and provides economic stability for local communities. H.R. 39 would establish an entirely unfair and unwarranted double standard to the detriment of fishermen who would benefit from ITQ systems.

COMMUNITY DEVELOPMENT QUOTAS

The bill requires the establishment of community development quotas for all Bering Sea fisheries as permanent entitlements. Page 43, line 12–page 44, line 24. There is no limit on the newly mandated CDQ entitlements, which represent simply a form of government economic and social engineering, the cost of which is to be borne, not by society, at large, but by the fishing industry, alone.

There are already CDQs in the amount of 7.5% of the pollock total allowable catch in the Bering Sea. Based on recent prices, these CDQs are worth $30 million annually (and are reportedly being made tax exempt through the establishment of foundations, and thus are being removed from the general tax base).

There are also, at present, CDQs in the amounts of 15% and 20% of the total allowable catches of sablefish and halibut, respectively, in the Bering Sea/Aleutian Islands. At current prices, the ex vessel values of these CDQs are $3.4 million for sablefish and $2.36 million for halibut, annually.

The Alaska-dominated North Pacific Council has recently decided to establish CDQs at the level of 7.5% for all groundfish and crab fisheries of the federal exclusive economic zone of the Bering Sea/Aleutian Islands area. This will yield an income transfer to the favored Bering Sea Alaskan coastal communities from historical fishermen of approximately $80 million per year, according to the Draft Environmental Assessment/Regulatory Impact Review for License Limitation Alternatives for the Groundfish and Crab Fisheries in the Gulf of Alaska and Bering Sea/Aleutian Islands, dated September 18, 1994. This will be in addition to halibut and sablefish CDQs. At present there are 52 participating Alaskan CDQ communities, with a total population of 21,000. This translates to a perpetual annual transfer of $4,938 for every man, woman, and child in those communities, in terms of the value of the fish reserved to the CDQ program. In the case of the 1034 historical crab and groundfish vessels that will be licensed to operate in the Bering Sea/Aleutian Islands, the lost fishing opportunity will be valued at $77,000 per vessel, based on recent prices. There is no precedent for a federal agency, with or without express statutory authority, reallocating private sector income for the purpose of redistributing economic wealth in so radical a manner.

There must be a statutory limit on these direct income transfers. Alaska natives have already received over $1.3 billion in federal payments under the Alaska Native Claims Settlement Act and related sales of net operating losses under special provisions of the tax laws.

It should be remembered that the communities that are accorded privileged treatment under H.R. 39 could have long ago applied federal funds to the development of Bering Sea fisheries on a very substantial scale. Rather, those communities chose to apply the federal funds primarily to other purposes. In point of fact, these communities have never been excluded from—nor been in any manner dependent upon—the major fisheries of the federal exclusive economic zone in the North Pacific.

It should also be remembered that CDQs do not apply to limited access permits for salmon and herring in Alaska.

The CDQ provisions of H.R. 39 should be amended to limit CDQs to a maximum of 3% of each affected fishery, and should be subject to criteria that would ensure these income transfers from historical fishermen are dedicated to those communities that are most in need of assistance.

SAFETY OF LIFE AND PROPERTY AT SEA

H.R. 39 has only weak provisions relating to the safety of life and property at sea. Page 22, lines 4–5; page 25, lines 13–17.

In view of the fundamental importance of reducing injuries and losses of life in the fisheries, there should be a national standard requiring that conservation and management measures promote safety. It should be noted that crab fishing in the Bering Sea is the most dangerous profession in the United States, according to the National Institute of Occupational Safety and Health.

There should be a national standard that requires fishery conservation and management measures to promote safety of life and property at sea.

CONCLUSION

H.R. 39 contains provisions that are extremely damaging. Positive elements of H.R. 39 fall far short outweighing the negative provisions of the bill. H.R. 39 should be amended to reflect the suggested changes with respect to ITQs, CDQs, and safety, or the measure should be defeated.

MARINE SAFETY RESERVE,
Seattle, WA, July 18, 1995.

To: The Alaska and Washington State Congressional Delegation.

The following report on safety by the Marine Safety Reserve is an examination of the effects that the IFQ program for halibut and sablefish is having on crew injuries. The Marine Safety Reserve was formed in 1954 as a crew liability pool to indemnify vessel owners for Jones Act liability claims. The members of the Reserve are primarily from Washington State and Alaska with membership from all the West Coast states. The Reserve has specialized in longline fishing operation since its inception and has had a consistent number of longline vessels that it has covered. This examination attempts to look at the rate of longline claims through mid-season July 17, from 1980 to the present and rationalize the difference in accident rates.

The following is a composite of our claims in the longline fleet through July 17, 1995 and July 17th for the last 16 years since 1980. The number of longline vessels in the Reserve has remained constant through the period examined. Approximately 70 of the Reserve member vessels have been dedicated to longline activities during the years examined. The vessels typically covered are vessels with 4 to 6 person crews that deliver and sell dressed fish.

Year	Number of claims thru July 17	Total claims for the year	Fishing days available	Injuries per fishing days
1995	9	....	123	.073
1994	14	33	14	2.36
1993	8	25	22	1.14
1992	21	41	27	1.51
1991	22	36	36	1.00
1990	24	40	62	.65
1989	23	40	61	.66
1988	21	44	77	.57
1987	19	35	62.5	.56
1986	11	25	61	.41
1985	12	26	155	.17
1984	7	21	260	.081
1983	9	18	365	.05
1982	11	26	365	.07
1981	11	24	365	.07
1980	5	18	365	.05

The number of fishable days for the ice boat fleet for halibut and sablefish was figured using the GOA fishable days for halibut, plus the time available in the Kodiak Central area for sablefish. Some vessels fished in the western district of the GOA and those seasons were somewhat longer than the Kodiak seasons. Some vessels fished only the southeast districts of the GOA, which were shorter seasons than the Kodiak area. It is the Reserve's opinion that the Central Kodiak area for sablefish represented an industry norm for available fishable days.

CONCLUSIONS

1. In 1984, the sablefish fishery was Americanized and had its first closure date other than December 31. The number of injury claims between 1980 and 1984 were fairly constant, averaging 21.4 per year.

2. Between 1980 and 1984, the accident rate per fishable day was .064 per day.

3. The 1985 season represented the first year that the fleet knew before the season started that the sablefish season would not be unlimited. The number of injuries increased 18.7 percent between 1985 and the previous 5 year average. However, the rate per number of fishing days available to the fleet increased 265 percent. The fleet was down to 155 days of operation between halibut and sablefish seasons.

4. By the 1986 season, the fleet had realized that they were in a race for fish, the fishing time reduced from 155 days in 1985 to 61 days in 1986. The number of injury claims remained about the same as the previous year, 25 versus 26. But once again, the injury rate per day increased this time by 241 percent from the year before. The injury rate per day was now 650 percent above the rate per day between 1980 and 1984.

5. By the end of the 1986 season, a fisherman was 6.4 times more likely to be injured during a halibut or sablefish opening than during the time period between 1980 and 1984 when unlimited sablefish opportunities were available.

6. The last year of derby fishing for either halibut or sablefish in 1994 recorded 33 claims which represent 2.36 claims per fishable day in the Gulf of Alaska. This reflects that you were 36.8 times more likely to be injured per fishable day than during the 1980 to 1984 time frame.

7. The nature of injuries became more severe as fishing gear was hauled faster. Prior to the race for fish, injuries usually included an occasional hook in the hand, broken ribs and hernias, injuries that people healed up from. By the time the Council voted approval of the plan, the 1992 season saw 12 lives lost in the halibut derbies. The September 1994 halibut opener for 24 hours saw 5 vessels lost and one death. These two fisheries had become killers.

8. The amount of hooks hauled and baited by hand prior to 1990 may have been between 10,000 to 12,000 hooks a day for a 5 to 6 man crew vessel and this increased to 17,000 to 19,000 hooks per day by 1994 for the same size crew. Crews recalibrated their work days to 28 and 30 hour days, as a result, new injury lawsuits of sleep deprivation emerged in the courts. After conducting interviews, it appears that the average vessel has reduced the amount of gear being set per day by 30 to 40 percent under the IFQ program.

9. The derby fishery forced out of business the majority of crew persons over 45 years old. The pace of the fishery was burning up crew members by the age of 40 with bad backs, stress and fatigue. A typical 24 hour halibut opening meant the crew was up 12 hours before the opening getting gear ready to set and 12 to 20 hours after a season cleaning fish and taking fish out of the holds. The pace of the fishery under the IFQ program has slowed down as there are no time limits to stop a vessels' fishing activity.

10. Even with all the good safety training now required by Congress with the Safety Act of 1986, the injuries per fishable day increased 570 percent per fishable day between 1986 and 1994 following enactment of the Safety Act.

11. The injuries per day of fishing opportunity in the first 123 days of fishing in 1995 under the IFQ program has fallen 323 percent to .073 injuries per day. This is comparable to rates experienced between 1980 and 1984.

12. No amount of safety training and new safety laws can have as much affect as the luxury of additional time to avoid bad weather and not be forced to harvest against a set closing date.

13. The IFQ program, by taking the race out of the Halibut and sablefish fishery, may well have had more positive aspects for human safety than all the new Congressional requirements required by law, and yet there are those who refuse to support having human safety as a new National Standard to the Magnuson Act for which regulations would be judged against.

The conclusions for the 1995 season are still waiting to be fully examined but as of July 17, 1995, the number of claims and rate per day of claims which we have had recorded have not been this low since the 1983 season when there was unlimited fishing time for sablefish and the halibut fishery in the Gulf of Alaska consisted of one 16-day season and one 4-day season. This report is intended to inform you of our perspective of the on-going IFQ program.

FISHERIES INFORMATION SERVICES,
Juneau, AK, July 20, 1995.

To: Bob Alverson, FVOA.
From: Janet Smoker, FIS.

Here is the revised table showing discards of sablefish and other groundfish in the Gulf of Alaska sablefish fishery. As noted before, I choose to use straight observer data because the process of estimating discards in the IFQ fisheries is a very complicated one that will not be thoroughly developed (by a joint effort of IFHC and NMFS staff) until this fall, and the bycatch extrapolation model used by NMFS in past years is thus obsolete.

I was unable to prepare a similar table for the halibut fishery. Groundfish bycatch and discards in the halibut directed fishery have not been thoroughly documented. Discards of halibut in the halibut IFQ fishery in 1995 have not yet been estimated by IPHC.

Conclusions to be drawn from the table follow.

1. The percent of groundfish discarded decreased from more than 24% in 1994 to less than 10% so far this year. This suggests that fishermen are better able to avoid unwanted species in the IFQ fishery.

2. The complementary conclusion, that fishermen are better able to target on sablefish, is show by the fact that the percent of sablefish of all groundfish taken in the sablefish target fishery increased from 70% to 84%.

3. The percent of sablefish discarded decreased from over 3% in 1994 to under 2% in 1995, suggesting that fewer unwanted (e.g. undersized) sablefish are being taken.

4. The percent of other groundfish that are discarded in the sablefish fishery has decreased from 74% to 51%, suggesting that fishermen are better able to use incidental take of other groundfish in the IFQ fishery.

5. The amount of groundfish sampled this year already exceeds that of 1994, even though only 60% of quota has been taken; IFQ fishery allows greater observer coverage and better data collection.

6. Last but not least, the halibut rate has decreased from almost 42% to 22% this year.

FIG. 1.—GULF OF ALASKA LONGLINE SABLEFISH TARGET CATCH, BYCATCH AND DISCARD DATA (MT)

	1994			1995			1995/1994
		Percent			Percent		Percent
All groundfish:							
Retained	1949	76		2374	90		
Discarded	631	24		251	10		39
Total	2579			2624			102
Sablefish:							
Retained	1751	97		2173	98		
Discarded	58	3		39	2		55
Total	1809	70	+	2212	84	+	120
Other groundfish:							
Retained	197	26		201	49		
Discarded	573	74		212	51		69
Total	770	30	+	412	16	+	53
Halibut	1073	42	*	578	22	*	53

+Proportion of all groundfish.
*Proportion halibut to total groundfish.

Notes: Source: NMFS observer program in-season data. Preliminary data, observed vessels only; (not extrapolated to fleet).

Mr. SAXTON. Mr. Chairman, I rise in support of H.R. 39, the Magnuson Fishery Conservation and Management Act, and ask to revise and extend my remarks. Congress enacted the Magnuson Act and created the 200-mile fishery conservation zone—now called the exclusive economic zone—in direct response to a dramatic rise in foreign fishing off the coasts of the United States in the early 1970s. One undisputed success of the Magnuson Act has been the virtual elimination of foreign fishing within the exclusive economic zone.

According to some environmental groups, the Magnuson Act succeeded in getting rid of foreign overfishing only to replace it with domestic overfishing.

Our fisheries resources are facing an acknowledged crisis. The National Marine Fisheries Service reports that some of the Nation's most historically important fisheries are in serious decline, including several key species of Northeast groundfish, many Pacific coast salmon runs, and Gulf of Mexico shrimp.

During this year's reauthorization, the Magnuson Act must provide a framework for the recovery of diminished stocks. One of the issues that will have to be addressed is "overfishing." The original Magnuson Act did not define overfishing and the time has come to do so. Our fisheries resources are too valuable to squander away.

The Magnuson Act in its current draft is not perfect, but it is comprehensive and does address the problems I mentioned. One area that I may offer an amendment on is in the definition of bycatch. Recreational fishermen are concerned that the bill's definition of bycatch and the new language regarding this definition will cause the "catch and release" fisheries to be closed down by regional councils. I may offer an amendment to make clear that "catch and release" fisheries cannot be eliminated by regional management councils to minimize bycatch.

In closing, I compliment the chairman of the Resources Committee, DON YOUNG, and the ranking minority member of the Subcommittee on Fisheries, Wildlife and Oceans, which I chair, GERRY STUDDS, for their bipartisanship during the drafting process of this bill.

Mr. MILLER of California. Mr. Chairman, in a clear demonstration of the fact that fish truly do not know political boundaries, I find myself on the same side of an resource management issue as the gentleman from Alaska, Mr. YOUNG and rise in support of H.R. 39, the Fishery Conservation and Management Amendments of 1995.

As many Members have mentioned here, our fisheries, and in turn our family fishermen, are in trouble. In northern California, the salmon fishermen have seen their season remain closed two years in row, the stocks devastated by habitat loss. In New England, overfishing of cod and haddock have closed significant areas of the once teeming waters of Georges Bank. In the Gulf of Mexico and the North Pacific, some fisheries are in decline or must be shut down early as a result of high bycatch of these species by fishermen who are targeting totally different fish.

When we harvest our fish at an unsustainable rate, when we decimate the habitat that fish depend on for reproduction and growth, and when we continue to discard non-target species at unchecked rates, everybody loses. The resource, the fishermen that depend on it to make a living, and the consumers that face higher prices due to limited supplies. Overfishing, habitat loss, and bycatch are just a few of the problems that face our fisheries, severe economic impacts to our coastal fishing communities is the result.

Last week, there was yet another news article documenting the plight of the fishing industry. "'Fisheries going the way of the family farm" was the title of the story which detailed the challenges the small independent operators face today, driving many out of business. To stem this tide, we must act now if we want to preserve the fish and the fishermen and protect fishermen's jobs, instead of short term investors' profits. We must act now if we want to maintain an industry that encourages small independent owner-operators and holds the promise for crew members that invest their hearts and souls in the fishery that their hard work will enable them to fulfill the dream of owning their own vessel and fishing just as their fathers and grandfathers did.

The bill before us today represents a bipartisan effort to improve our fisheries management system and maintain this way of life. I congratulate the Chairman and the gentlemen from Massachusetts and New Jersey for their efforts to bring this legislation to the floor. At the appropriate time I will be offering an amendment that I believe takes us even closer to what I hope would be our goal for the future of the fishing industry. In total, however, this is a good bill and I urge Members to support it.

Mrs. SMITH of Washington. Mr. Chairman, I want to take this opportunity during general debate of H.R. 39 to point out the importance of fisheries to my district.

The Magnuson Act is vitally important to the people of fishery dependent communities in southwest Washington. The action we take in this legislation impacts among others, crab fishermen in places like Grayland, Chinook and Tokeland, and shoreside processors in places like Westport. These are some of the hardest working people I have ever seen, and all they want from the Federal fisheries program is an opportunity to make a living.

I also want to point out that during consideration of H.R. 39 in the House Resources Committee I offered an amendment to establish a pilot program that starts a process to contract out fish stock surveys to the private sector. This will allow fishermen to conduct fish surveys and keep the catch as a way to defer costs for the use of their boats. This will allow fishermen in my State to have a better idea of what stocks are available.

More than anyone, fishermen have a stake in making sure that we have the best information available about the quantity and quality of fish stocks. I would like to thank the West Coast Seafood Processors and Fisherman Marketing Association for their support of my amendment.

I look forward to working with the Chairman and my colleagues in the Senate as we work toward reauthorizing this important Act. The hardworking people of my State deserve nothing less.

Mr. STUDDS. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. YOUNG of Alaska. Mr. Chairman, I have no further requests for time. I urge a "yes" vote when this bill finally gets to the floor on the Magnuson Act, the renewal of the fisheries conservation bill.

I have no further requests for time, and I yield back the balance of my time.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. FOLEY) having assumed the chair, Mr. GOODLATTE, chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 39) to amend the Magnuson Fishery Conservation and Management Act to improve fisheries management, had come to no resolution thereon.

CONTINUATION OF NATIONAL EMERGENCY WITH RESPECT TO THE NATIONAL UNION FOR THE TOTAL INDEPENDENCE OF ANGOLA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. 104-116)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the emergency declared with respect to the National Union for the Total Independence of Angola ("UNITA") is to continue in effect beyond September 26, 1995, to the Federal Register for publication.

The circumstances that led to the declaration on September 26, 1993, of a national emergency have not been resolved. United Nations Security Council Resolution 864 (1993) continues to oblige all Member States to maintain sanctions. Discontinuation of the sanctions would have a prejudicial effect on the Angolan peace process. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure to UNITA.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *September 18, 1995.*

REPORT ON DEVELOPMENTS CONCERNING NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. 104-117)

The Speaker pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

I hereby report to the Congress on developments concerning the national emergency with respect to Iran that was declared in Executive Order No. 12957 on March 15, 1995, and matters relating to Executive Order No. 12959 of May 6, 1995. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c) (IEEPA), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c). This report discusses only matters concerning the national emergency with respect to Iran that was declared in Executive Order No. 12957 and matters relating to Executive Order No. 12959.

1. On March 15, 1995, I issued Executive Order No. 12957 (60 Fed. Reg. 14615, March 17, 1995) to declare a national emergency with respect to Iran pursuant to IEEPA, and to prohibit the financing, management, or supervision by United States persons of the development of Iranian petroleum resources. This action was in response to actions and policies of the Government of Iran, including support for international terrorism, efforts to undermine the Middle East peace process, and the acquisition of weapons of mass destruction and the means to deliver them. A copy of the order was provided to the Congress by message dated March 15, 1995.

Following the imposition of these restrictions with regard to the development of Iranian petroleum resources, Iran continued to engage in activities that represent a threat to the peace and security of all nations, including Iran's continuing support for international terrorism, its support for acts that undermine the Middle East peace process, and its intensified efforts to acquire weapons of mass destruction. On May 6, 1995, I issued Executive Order No. 12959 to further respond to the Iranian threat to the national security, foreign policy, and economy of the United States.

Executive Order No. 12959 (60 Fed. Reg. 24757, May 9, 1995) (1) prohibits exportation from the United States to Iran or to the Government of Iran of goods, technology, or services; (2) prohibits the reexportation of certain U.S. goods and technology to Iran from third countries; (3) prohibits transactions such as brokering and other dealing by United States persons in goods and services of Iranian origin or owned or controlled by the Government of Iran; (4) prohibits new investments by United States persons in Iran or in property owned or controlled by the Government of Iran; (5) prohibits U.S. companies and other United States persons from approving, facilitating, or financing performance by a foreign subsidiary or other entity owned or controlled by a United States person of transactions that a United States person is prohibited from performing; (6) continues the 1987 prohibition on the importation into the United States of goods and services of Iranian origin; (7) prohibits any transaction by any United States person or within the United States that evades or avoids or attempts to violate any prohibition of the order; and (8) allowed U.S. companies a 30-day period in which to perform trade transactions pursuant to contracts predating the Executive order.

In Executive Order No. 12959, I directed the Secretary of the Treasury to authorize through licensing certain transactions, including transactions by United States persons related to the Iran-United States Claims Tribunal in The Hague, established pursuant to the Algiers Accords, and other international obligations and United States Government functions. Such transactions also include the export of agricultural commodities pursuant to preexisting contracts consistent with section 5712(c) of title 7, United States Code. I also directed the Secretary of the Treasury, in consultation with the Secretary of State, to consider authorizing United States persons through specific licensing to participate in market-based swaps of crude oil from the Caspian Sea area for Iranian crude oil in support of energy projects in Azerbaijan, Kazahkstan, and Turkemenistan.

Executive Order No. 12959 revokes sections 1 and 2 of Executive Order No. 12613 of October 29, 1987, and sections 1 and 2 of Executive Order No. 12957 of March 15, 1995, to the extent they are inconsistent with it. A copy of Executive Order No. 12959 was transmitted to the President of the Senate and Speaker of the House by letter dated May 6, 1995.

2. In its implementation of the sanctions imposed against Iran pursuant to Executive Order No. 12959, the Office of Foreign Assets Control (FAC) of the Department of the Treasury has issued 12 general licenses and 2 general notices authorizing various transactions otherwise prohibited by the Executive order or providing statements of licensing policy. In order to ensure the widest dissemination of the general licenses and general notices in advance of promulgation of amended regulations, FAC published them in the Federal Register on August 10, 1995 (60 Fed. Reg. 40881). In addition, FAC disseminated this information by its traditional methods such as electronic bulletin boards, FAX, and mail. Copies of these general licenses and general notices are attached to this report.

General License No. 1 described those transactions which were authorized in connection with the June 6, 1995 delayed effective date contained in Executive Order No. 12959 for trade transactions related to pre-May 7 trade contracts. General License No. 2 authorized payments to or from Iran under certain circumstances and certain dollar clearing transactions involving Iran by U.S. financial institutions. General License No. 3 authorized the exportation of certain services by U.S. financial institutions with respect to accounts held for persons in Iran, the Government of Iran, or entities owned or controlled by the Government of Iran. General License No. 3 also contained an annex identifying 13 Iranian banks and 62 of their branches, agencies, representative offices, regional offices, and subsidiaries as owned or controlled by the Government of Iran. General License No. 4 authorized (1) domestic transactions involving Iranian-origin goods already within the United States except for transactions involving the Government of Iran or an entity owned or controlled by the Government of Iran, and (2) transactions by United States persons necessary to effect the disposition of Iranian-origin goods or services located or to be performed outside the United States, provided that they were acquired by that United States person in transactions not prohibited by the order or by 31 C.F.R. Part 560, that such disposition does not result in the importation of these goods or services into the United States, and that such transactions are completed prior to August 6, 1995. General License No. 5 authorized the importation into the United States of information and informational materials, confirmed the exemption of such information from the ban on exportation from the United States, and set forth a licensing policy for the exportation of equipment necessary to establish news wire feeds or other transmissions of information. General License No. 6 authorized the importation into the United States and the exportation to Iran of diplomatic pouches and their contents. General License No. 7 provided a statement of licensing policy for consideration, on a case-by-case basis, to authorize the establishment and operation of news organization offices in Iran by U.S. organizations whose primary purpose is the gathering and dissemination of news to the general public. General License No. 8 authorized transactions in connection with the exportation of agricultural commodities pursuant to pre-May 7 trade contracts provided that the terms of such contract require delivery of the commodity prior to February 2, 1996. General License No. 9 authorized import, export, and service transactions necessary to the conduct of official business by the missions of the Government of Iran to international organizations and the Iranian Interests Section of the Embassy of Pakistan in the United States. General License No. 10 provided a statement of licensing policy with respect to transactions incident to the resolution of disputes between the United States or U.S. nationals and the Government of Iran in international tribunals and domestic courts in the United States and abroad. General License No. 11 authorized the exportation of household goods and personal effects for persons departing from the United States to relocate in Iran. General License No. 12 authorized the provision of certain legal services to the Government of Iran or to a person in Iran and the receipt of payment therefor under certain circumstances.

General Notice No. 1 described information required in connection with an application for a specific license to complete the performance of pre-May 7 trade contracts prior to August 6, 1995 (except with respect to agricultural commodities as provided by General License No. 8). General Notice No. 2 indicated that the Department of the Treasury had authorized the U.S. agencies of Iranian banks to complete, through December 29, 1995, transactions for U.S. exporters involving letters of credit, which they issued, confirmed, or advised prior to June 6, 1995, provided that the underlying export was completed in accordance with the terms of General License No. 1 or a specific license issued to the exporter by FAC. General Notice No. 2 also noted that the U.S. agencies of the Iranian banks were authorized to offer discounted advance payments on deferred payment letters of credit, which they issued, conformed, or advised, provided that the same criteria are met.

3. The Iranian Transactions Regulations, 31 CFR Part 560 (the "ITR"), have been comprehensively amended to implement the provisions of Executive Orders No. 12957 and No. 12959. The amended ITR were issued by FAC on September 11, 1995 (60 *Fed. Reg.* 47061–74) and incorporate, with some modifications, the General Licenses cited above. A copy of the amended regulations is attached to this report.

4. In consultation with the Department of State, FAC reviewed applications for specific licenses to permit continued performance of trade contracts entered into prior to May 7, 1995. It issued more than 100 such licenses allowing performance to continue up to August 6, 1995.

5. The expenses incurred by the Federal Government in the 6-month period from March 15 through September 14, 1995, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iran are approximately $875,000, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Customs Service, the Office of the Under Secretary for Enforcement, and the Office of the General Counsel), the Department of State (particularly the Bureau of Economic and Business Affairs, the Bureau of Near Eastern Affairs, the Bureau of Politico-Military Affairs, and the Office of the Legal Adviser), and the Department of Commerce (the Bureau of Export Administration and the General Counsel's Office).

6. The situation reviewed above continues to involve important diplomatic, financial, and legal interests of the United States and its nationals and presents an extraordinary and unusual

threat to the national security, foreign policy, and economy of the United States. The declaration of the national emergency with respect to Iran contained in Executive Order No. 12957 and the comprehensive economic sanctions imposed by Executive Order No. 12959 underscore the United States Government's opposition to the action and policies of the Government of Iran, particularly its support of international terrorism and its efforts to acquire weapons of mass destruction and the means to deliver them. The Iranian Transactions Regulations issued pursuant to Executive Orders No. 12957 and No. 12959 continue to advance important objectives in promoting the nonproliferation and antiterrorism policies of the United States. I shall exercise the powers at my disposal to deal with these problems and will report periodically to the Congress on significant developments.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *September 18, 1995*.

REPORT ON DEVELOPMENTS CONCERNING NATIONAL EMERGENCY WITH RESPECT TO ANGOLA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. 104–118)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

I hereby report to the Congress on the developments since March 26, 1995, concerning the national emergency with respect to Angola that was declared in Executive Order No. 12865 of September 26, 1993. This report is submitted pursuant to section 401(c) of the National Emergencies Act, (50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c).

On September 26, 1993, I declared a national emergency with respect to Angola, invoking the authority, inter alia, of the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) and the United Nations Participation Act of 1945 (22 U.S.C. 287c). Consistent with United Nations Security Council Resolution 864, dated September 15, 1993, the order prohibited the sale or supply by United States persons or from the United States, or using U.S.-registered vessels or aircraft, of arms and related materiel of all types, including weapons and ammunition, military vehicles, equipment and spare parts, and petroleum and petroleum products to the territory of Angola other than through designated points of entry. The order also prohibited such sale or supply to the National Union for the Total Independence of Angola ("UNITA"). United States persons are prohibited from activities that promote or are calculated to promote such sales or supplies, or from attempted violations, or from evasion or avoidance or transactions that have the purpose of evasion or avoidance, of the stated prohibitions. The order authorized the Secretary of the Treasury, in consultation with the Secretary of State, to take such actions, including the promulgation of rules and regulations, as might be necessary to carry out the purposes of the order.

1. On December 10, 1993, the Treasury Department's Office of Foreign Assets Control ("FAC") issued the UNITA (Angola) Sanctions Regulations (the "Regulations") (58 Fed. Reg. 64904) to implement the President's declaration of a national emergency and imposition of sanctions against Angola (UNITA). There have been no amendments to the Regulations since my report of March 27, 1995.

The Regulations prohibit the sale or supply by United States persons or from the United States, or using U.S.-registered vessels or aircraft, of arms and related materiel of all types, including weapons and ammunition, military vehicles, equipment and spare parts, and petroleum and petroleum products to UNITA or to the territory of Angola other than through designated points. United States persons are also prohibited from activities that promote or are calculated to promote such sales or supplies to UNITA or Angola, or from any transaction by any United States persons that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in the Executive order. Also prohibited are transactions by United States persons, or involving the use of U.S.-registered vessels or aircraft, relating to transportation to Angola or UNITA of goods the exportation of which is prohibited.

The Government of Angola has designated the following points of entry as points in Angola to which the articles otherwise prohibited by the Regulations may be shipped: *Airports:* Luanda and Katumbela, Benguela Province; *Ports:* Luanda and Lobito, Benguela Province; and Namibe, Namibe Province; and *Entry Points:* Malongo, Cabinda Province. Although no specific license is required by the Department of the Treasury for shipments to these designated points of entry (unless the item is destined for UNITA), any such exports remain subject to the licensing requirements of the Departments of State and/or Commerce.

2. The FAC has worked closely with the U.S. financial community to assure a heightened awareness of the sanctions against UNITA—through the dissemination of publications, seminars, and notices to electronic bulletin boards. This educational effort has resulted in frequent calls from banks to assure that they are not routing funds in violation of these prohibitions. United States exporters have also been notified of the sanctions through a variety of media, including special fliers and computer bulletin board information initiated by FAC and posted through the Department of Commerce and the Government Printing Office. There have been no license applications under the program.

3. The expenses incurred by the Federal Government in the 6-month period from March 25, 1995, through September 25, 1995, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Angola (UNITA) are reported to be about $170,000, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Customs Service, the Office of the Under Secretary for Enforcement, and the Office of the General Counsel) and the Department of State (particularly the Office of Southern African Affairs).

I will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

WILLIAM J. CLINTON.

THE WHITE HOUSE, *September 18, 1995*.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

THE FUTURE OF MEDICARE IN THE UNITED STATES

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Texas [Mr. DOGGETT] is recognized for 60 minutes as the designee of the minority leader.

Mr. DOGGETT. Mr. Speaker, during the next hour, on behalf of the Democrats, I want to discuss the future of Medicare in this country. It is a very serious matter that affects literally millions of Americans, not only American seniors but several million Americans who are disabled, people with disability who rely on Medicare, and on all of us who care for an individual who is beneficiary of Medicare, who might someday be on Medicare ourselves if we are fortune enough and who care about what is happening to health care for some of the most vulnerable people in our society.

This particular discussion and other discussions we will have during this special order period of Congress this week are very important because of the fact that there is an effort in this Congress to rush through a destruction of the Medicare system, at least the beginning of the destruction of that system, to rush it through without adequate consideration by this Congress or adequate opportunity for the American people to know exactly what is about to befall them.

We are at a time near the dinner hour here in Washington when many Members will be pursuing other matters. So, for any who are unable to participate in all of these deliberations tonight, I think I can sum up the hour in pretty short terms, and that is that now that we have the Republican Medicare plan before us, we know that it is a plan that essentially says to the people of America that you will be able to pay more and get less. That is what this plan is all about, and we will be talking about the details of that plan and fleshing out what it is about.

In nature, scientists have theorized that there is a natural phenomenon known as a black hole. It is a fitting symbol for this Republican pay-more-yet-less plan, a black hole. A star may shine very brightly and then implode upon itself, and the gravitational forces become so severe, so strained that finally matter is compacted in and on top of itself, it is theorized, to such an extent that even light cannot escape.

That is what is really occurring with this so-called Republican Medicare plan, the Republican star having glowed so brightly in the early days of this session of Congress, now imploding and falling in on itself so that when we talk about Medicare and the pay-more-get-less plan, it is difficult for even light to escape concerning the details of this plan.

The Republican leadership, of course, has a longstanding ideological opposition to both Social Security and to Medicare.

□ 1845

Individual leaders have not been the least bit bashful until recent days in voicing their strong opposition to Medicare and to Social Security. They have spoken out against it again and again and again to anyone who was listening. They have been clear in their purposes. They have not hid their light under a bushel. They have made it clear that they are opposed to the basic premise upon which Social Security and Medicare depend.

Indeed, their forbearers in this Congress were equally clear about their objectives. When my colleague of years back, a great leader, a central Texan, Lyndon B. Johnson signed into law, Medicare, 30 years ago, over 90 percent, over 9 out of every 10 Republican Members of this Congress, House and Senate, opposed what President Johnson was doing, opposed setting up Medicare in the first place.

The current majority leader of the Republican Party, the gentleman from Texas [Mr. ARMEY] has been quite clear in his sentiments on the subject. In 1984 he said that Social Security was a bad retirement and a rotten trick on the American People. A few years later, in fact, a decade later, last September, he said, "I would never have created the Social Security system." And speaking in my home State of Texas in the summer of this year, July 1995, the Houston Chronicle reported on his comments under the title, "For now, Armey keeping lid on Medicare reform."

"It is risky to debate in public," he says. He was quoted as saying, "I resent the fact that when I am 65, I must enroll in Medicare. I deeply and profoundly resent that," he said. "It is an imposition on my life."

Mr. Speaker, it is that kind of philosophy that has generated the Republican Medicare plan, the pay more, get less plan. It is the kind of philosophy that begins in weakening the Medicare system and will eventually affect Social Security itself. Indeed, we have a further indication of the commitment of this Republican Party with reference to Social Security itself in a very interesting article from the Progress and Freedom Foundation newspaper called "American Civilization." In February of this year, this is 1995, not 1935, in February of this year, the lead editorial is called, "For Freedom's Sake, Eliminate Social Security." It talks about the importance of slaying the Social Security dragon, of privatizing Social Security.

Mr. Speaker, it is this goal to privatize and to destroy Medicare, and the Social Security system, that is at the heart of what is happening during this point in the life of this particular Congress. It is essential that the American people understand that this is not a matter of short-term political debate, but it is a part of a long-range, highly ideological strategy to go to the heart of Medicare and to go to the heart of the Social Security system itself.

We know that there is therefore, as the heading in the Houston Chronicle story of this summer indicates, very little interest in debating in public this particular proposal. Indeed, last week, we had a great build-up to a performance that was going to occur here in the Congress. When the day arrived on Thursday after announcements in the national news media, on Meet The Press, and in other forum around the country, we had all of these Republican bright lights and not-so-bright lights assembled, the luminaries, supporting this Medicare plan, and when all was said and done, we knew about as little at the end of the day as we did before the performance ever occurred.

It was as if they had forgotten the lines to their play or their song or whatever you will with reference to Medicare reform, because, as Congress Daily reported after that great performance, they said, "It is clear the proposal is more of a wish list than a finished product." The Wall Street Journal, never known for its particular dislike of the Republican party said, "The plan lacked many important details." Indeed, we have few details other than that it is a pay more, get less plan for American seniors after the program had been completely unveiled.

Mr. Speaker, the interesting thing, and perhaps one of the most interesting comments, came not from any Democrat or from any commentator, but from a Republican Member of the U.S. Senate who happened to chair the Medicare working group. He was quoted in The New York Times of last week as saying, "We do not know exactly what is going to be in it but we think we can get it approved by September 22.".

Is that not really the heart of the problem, that a plan developed in secret, that we know only a few details about, having leaked out through a staff memorandum here, or through a particularly able investigative reporter there, a few details come out regarding the plan, and the members, though, say that they are ready, like the star that implodes on itself and gets packed in in a packed kind of mentality, to go out and support a plan that they really do not even have the details on.

In fact, as recent as this morning, in this morning's Washington Times, we find the black hole symbol has another meaning with reference to this plan, and that is a giant hole in the plan itself, and the fact that they have taken a number, $270 billion, out of the Medicare system, and they are not sure where the numbers are going to come from to yield that $270 billion. Today's Washington Times leads off, "The Republican budget experts are nervous that their emerging Medicare reform plan could fall as much as one-third." That is $1 out of every $3 that they have promised, off the targeted $270 billion in savings, and be dismissed as gimmickry, and indeed, there is a good bit of gimmickry here. It says that the backup plan that they are considering does not yet spell out which payments will be cut. It only lists a menu of services, such as home health care. That is the kind of health care that allows people who are as independent-minded as some of the people that I represent down in Texas are and who want to have the alternative of staying in their own home instead of going into a nursing home, allows them to do that. But that is one of the ones that is on what they call the menu of services, along with medical laboratories, to be targeted.

The article goes on to describe the great concern over the gimmickry of announcing a plan without announcing the details, or explaining how it is that the changes being proposed can ever lead to $270 billion in savings.

There are a good many other things that I want to say about this plan, but I see that among the most forceful and eloquent opponents of this plan, several have arrived here who I know want to join in explaining the ramifications of this plan, not only for those of us who live in Texas, but for people across this country.

Mr. Speaker, I would yield at this point to the gentlewoman from Connecticut [Ms. DELAURO], my colleague and a distinguished Member of Congress, for observations that she might have on this matter.

Ms. DELAURO. I want to thank my colleague for taking the time this evening to engage in this debate, which I view as the most serious public policy issue that we are going to have in this body over the next several months. I just want to pick up on what you were saying from the newspapers, or from the commentary today.

One comment that I have is that it looks as if the Republicans are cooking the books on their Medicare plan, and it is really America's seniors who are getting burned.

You will recall that last week the Speaker of the House had to be corrected by staff members after he underestimated how much more seniors will pay under his party's Medicare proposal. But let me just say that the Speaker is not the only one that is confused about the GOP's sketchy plan to save Medicare.

Just as you were saying, the headline in the Washington Times today, the quote is, "GOP's Medicare savings doubted." Who was the article referring to? Not Democrats, but the chief skeptic in the article is none other, is none other than the Republican chairman of the House Budget Committee. That is who is doubting this plan.

Again, as you pointed out, the Democrats last week pointed out that $80 billion in the GOP plan, that there was going to be there, this $80 billion, a black hole. Now the leading budgetary expert in the Republican Party agrees that the numbers just do not add up, and that he is concerned, as are others, that the plan is going to be dismissed as gimmickry.

Paranoia about the public knowing that the numbers do not add up truly has caused the Republicans to back down from their promise to release that plan last week, and it is no wonder that they are skittish about the plan. It is sketchy, and it appears that even the Chairman of the Budget Committee is questioning the Speaker's new math.

But I will tell you that one of the other pieces in this article today confirms seniors' worst fears about the GOP Medicare proposal, and that is, in fact, that the worst, that the very worst is yet to come. Two weeks ago when they made reference to the $80 billion hole in their plan as "future unspecified cuts," apparently this was much too descriptive a phrase, "future unspecified cuts."

So now what the Republican leadership is calling the $80 billion shortfall is this look-back provision. In other words, if they fall short of the projected savings, they can look back and they can make more cuts. This is buying a pig in a poke. And what we ought to do is to rename the look-back to is the reach-back provision, because it is nothing short of a license to reach back into the pockets of seniors.

One other comment on this article, because I think the article is very interesting. The article also lists the gentleman from Connecticut [Mr. SHAYS], who is a colleague of mine, someone who is very well respected in this body, as also being critical of the GOP Medicare plan. He says that he is concerned that the plan will not meet savings projections because only high-end beneficiaries will have reason to stay in the Medicare system, while young, healthy beneficiaries are going to leave.

The gentleman from Connecticut is right to be concerned, and his concern brings us to the crux of what is wrong with the Medicare proposal.

The cost of Medicare is rising because the cost of medical care continues to rise in this country.

Mr. DOGGETT. If I might just make a further observation on that part of the article, because I think it is important. I noticed just in advance of the portion you were quoting your colleague from Connecticut, the article says that seniors are unlikely to want to leave the existing program, that is the Medicare we have known for 30 years, if it remains so inexpensive. And one Republican Member is quoted as saying, "It is too good a deal. Seniors are shielded from the cost."

Is not part of the problem here just a basic premise on the part of our Republican colleagues that seniors do not pay enough for their health care, that they are getting off too cheap, that just having to pay 21 percent of their income out of their annual income for health care is just simply not enough, and that we need to hike the cost of health care for seniors.

Ms. DELAURO. That is absolutely accurate, because assuming that seniors are getting well taken care of and that we ought to curtail what benefits that they have been getting and that they ought to pay more and it is not just a question of taking a look at upper income seniors, but all seniors, the benefits is this great largesse of benefits and we somehow ought to bring them back and particularly bring them back to pay for tax breaks for the wealthiest Americans, cut off the seniors and pay for this tax break.

What they fail to realize is that most seniors in this Nation are living on fixed incomes. These are folks who have worked all of their lives and they are entitled to retire with dignity.

I met a whole bunch of folks this weekend, I was out all weekend, and people just kept coming up to me and saying do not let them cut our Medicare. Do not do that. One woman said to me yesterday, she said, if it was not for Medicare, I would not be here today.

□ 1900

We all can see the game that is being played here, and particularly seniors are getting the message that there is a scam being perpetrated on them.

Ms. EDDIE BERNICE JOHNSON of Texas. You know, I have done a lot of visiting as well, but I did not find anyone who felt that they were paying too little. Many of them are just barely getting by with the cost of it now because these, many of these people, are persons who worked some years ago, looking out for this day when they would be on a fixed income. They did not make that much money, and so even to say to them about the savings account is a joke because they do not have that money. They barely have enough to pay any co-payment now. So, if it goes up any, it is simply eliminating care for them.

Mr. DOGGETT. I noticed that there are, according to reports, some 11 million elderly women in this country who have incomes below $8,500 per year, and I am wondering, based on not only your service here in the Congress, but your experience in the health care professions, if you represent some of those people and what impact you think it will have on them if they are suddenly faced with this new Republican Medicare plan which requires them, out of that little bit of income, to pay more and get less.

Ms. EDDIE BERNICE JOHNSON of Texas. Well, let me tell you it means not being able to buy groceries for a month, or not being able to pay a light bill, or some kind of energy or fuel bill, or doing without prescription medications. They do not have the money, and to get less normally means not having a choice of who their health care providers are, and we are talking about people who have been with the same physician for a number of years, and all of us know that the mental health and the mental state of one has more to do with the healing or as much to do with it as any medication, and, when you simply shift suddenly someone to another provider under the guise of getting cheaper care, then you actually getting much less because all decisions are removed.

It is like all of a sudden these people have become just a number to shift away to someone, anybody, that will come by now and then write a prescription, or the gimmick now is not to write a prescription, but to send them to the over-the-counter medications and just double the medicine so they would not have to have pay and they can afford it. It is a game, it is a gimmick, and it is totally unnecessary. If it was absolutely necessary to keep the system going, I think that people would try their best, as they would do anyway, to make it. But it is totally unnecessary because all of us know that this system is not in that kind of trouble.

This is being done to the persons they consider powerless so that they can give this tax break to the wealthy. It is not fair to them. If we have been a part of paying into a system that has afforded the research, that afforded the ways to make the health status better and cause people to live longer, is this what they are looking forward to just because they live longer? Is a system who refuses to do what it has promised, the real contract that was made for persons who worked, paid into the system, and now that they need it, and perhaps live past 75; they are saying, "No more. Take it this way or no way at all."

It is not fair to them.

Mr. DOGGETT. Well, you used the word "gimmick," and I noticed in looking at it, and I hope my colleague from Connecticut will hold or point to that Washington Times in the way that our many colleagues who are watching this in their office on television can see; that is the word that Republican staffers, there in the Washington Times, are using; it is not, Congresswoman DELAURO?

Ms. DELAURO. In couple of areas—actually the chair of the Budget Committee is fearful that the plan that has been currently proposed falls so far short of the mark that it will be dismissed as gimmickry; that is the chairman's commentary. And the lockback provision further is regarded as the queasiness, I quote, the queasiness we have is that it might be perceived as a gimmick of some sort.

Let me tell you it is not only being perceived as a gimmick of some sort, it is a gimmick that is precisely what they have done here, and I will tell you that seniors are beginning to recognize this all over this country, that that is what is being done.

Mr. DOGGETT. And this whole approach of trying to create the appearance that, unless we rush something through here in a single day of hearings, suddenly the system will go bankrupt, and people will be without their Medicare. That is all a gimmick; is it not?

Ms. DELAURO. That is right, and it is as if we understand that you can make changes in Medicare and you can make it a better system. That does not—fixing it is not destroying it, and to pick up on what my colleague from Texas was saying as well, it is that if you—if you want to control the cost of health care, you must do it in all areas of health care. You must not make a determination that you are doing to control the cost of Medicare, leaving everything else in the health care system going up and thereby utilizing the Medicare trust fund as a piggy bank to be able to take care of particularly a tax break, but using Medicare as the scapegoat on trying to hold down the costs of health care, overall health care costs in general, and the way we try to do in the last session of Congress, to overall health care reform. So that your chart, pay more and getting less, is what this is all about.

Mr. DOGGETT. And I know this pay-more, get-less Republican Medicare plan is going to have severe consequences in North Carolina, and I see our colleague from North Carolina here to comment on the impact of people in her State.

Mrs. CLAYTON. I want to commend you for having this special order on this very important session and my colleagues both who have commented on health care.

Let me say to the Speaker and to my colleagues who are listening that the proposed cut in Medicare and Medicaid is the most important health issue facing this Congress and the American people, and for that reason there should be a rational discussion, there should be full hearing, there should be bipartisan support, to do what? To protect Medicare. The majority, however, propose to cut the Medicare Program by some $270 billion over a period of 7 years. That cut is roughly three times higher than any other proposed plan to protect Medicare has been.

Now we do not know fully where those cuts will come because only last Friday did they begin to give some sketchy details over a 4-page summary which is now being discussed in the papers as not being fully forthright and coming forward. The proposed cut will cut overall some 25 percent of Medicare. If you take the $270 billion over a period of 7 years, that will reduce it by some 25 percent. And what will that do to North Carolina? It will have a devastating effect on the many, many people who depend only on Medicare, but also those who depend on Medicare and some of their insurance, Medicare and Medicaid.

For instance, 999,000 people, Medicare beneficiaries in North Carolina, will increase over a period of 7 years by some $2,400 over that period of time, and, when Medicare cuts are combined with Medicaid cuts, we will lose in North Carolina some $14 billion. That would have a devastating effect on those people who are dependent, not only the people themselves, but the communities, the providers, and the hospitals as well.

The Medicaid cuts in North Carolina affect all ages, the elderly, especially children, the disabled, and the poor. There are some 985,000 Medicaid recipients in the State of North Carolina, and we do know the reason now given for the cuts. We do not know how they were cut. We do know the reason why they were cut.

Why must we make such large cuts? We must make such large cuts because we want to give what, $245 billion to the well off. If we did not have that on the table, we would not have to cut so deeply. We would not have to cause such large pain.

Last Sunday Speaker GINGRICH's recall said the American people would only probably suffer increase by some $7. Now, and that was before the summary was made. In 2 days later, the next Tuesday, he came out and said only maybe about $32 a month, and again that was before the summary was made, so those figures are not known by the people who are proposing the cuts, and they are saying to the American people this is not going to be very painful, trust us.

But mind you, I tell you these are the same people who also said, "Trust us," when Medicare was being—formally in 1965. They has this same mindset, and that indeed was to deny those who had retired and worked most of their life for the comfort of their retirement.

Mr. DOGGETT. So these are people that have opposed Medicare——

Mrs. CLAYTON. Consistently.

Mr. DOGGETT. In statements all over the country, have voted against it, have told their neighbors they are against it, perhaps at times have written against it, have been on television against it, have been on radio against it, and now they are saying, "We won't give you the details of our pay-more, get-less plan, but please trust us, because, even though we have been against Medicare all our lives and don't really want Medicare to be here and think it's an imposition on our freedom," as my colleague from Texas [Mr. ARMEY] said, the Republican majority leader, "it imposes on us, but trust us because we are going to preserve and protect it from bankruptcy."

Mrs. CLAYTON. Well, we would ask the question, sir, where were they when they tried to protect, and save, and reform Medicare last year. You remember the reconciliation bill of 1993? We had some modest cost adjustment, and because that modest cost adjustment was there we strengthened that program, and, as a result, we extended the time of proposed bankruptcy or any fiscal instability from 5 to 7 years. And we could not get them. I maintain we do need the Republicans joining the Democrats and Democrats joining Republicans to protect Medicare, to protect Medicare. And Medicare needs reforming. Health care needs reforming. That is not anything that Republicans or Democrats can run away from. We should not be standing up here saying nothing is wrong with Medicare. We are saying:

Yes, Medicare needs reforming. We knew that last year; we know it this year. But it does not need wrecking.

We are saying the only reason why you need a $270 billion cut over a period of 7 years is because you have a $245 billion tax cut. If you took that off of the table, you could reform it with less.

What would be some of those reforms? Some of those reforms would be fraud, making sure that people were paying no more than they should pay for their service and their Medicaid. Others, make sure that people who were abusing the system, and I would say to you, if the Republicans were sincere about the fraud, they would have put more inspectors in it and we would invite them to join us in fighting the fraud by putting the capacity there to investigate hospitals, to investigate providers, but those provisions are not there.

We do need to work to save Medicare.

Mr. DOGGETT. On that point, in fact when the appropriations bill was here on the floor of the House only a few weeks ago, they actually cut the money available for enforcement of fraud; did they not?

Mrs. CLAYTON. Absolutely right, they did, and I think that was an opportunity they had to demonstrate to the American people that they were sincere in retching down the costs by making sure those costs that were illegal, those costs were abusive, that they would go after that, but, rather than do that what are they doing? They are saying to the poor, the beneficiaries themselves, you must bear that burden.

Mr. Speaker, the issue of the proposed cuts in Medicare and Medicaid is the most important health care issue currently confronting the Congress and the American people.

We should have rational discussions, full hearings and bipartisan support to protect Medicare and Medicaid.

The majority proposes to cut the Medicare Program by $270 billion. That cut is roughly three times higher than any previous plan.

We do not know fully where and how they will cut. It was only last week, on Friday, that Republicans began to give out details of their plan in a brief, 4-page summary.

The proposed cut will reduce the overall size of the Medicare Program by 25 percent—raising the cost of premiums and copayments to each of North Carolina's 999,000 Medicare beneficiaries by as much as $2,400, over the next 7 years.

When the Medicare cuts are combined with the cuts in the Medicaid Program, Federal health care dollars coming into North Carolina will be reduced by $14 billion.

The Medicaid cuts affect North Carolinians of all ages—the elderly, children, the disabled, the poor.

There are some 985,000 Medicaid recipients in the State of North Carolina.

We do know the reason they must make such a large cut—to give the well-off a tax break totaling $245 billion.

We do know that last Sunday, before the release of the summary, Speaker GINGRICH assured the American people that Medicare beneficiaries should expect their premiums to increase by only $7 a month.

However, by last Tuesday, 2 days later, even before the release of the summary, the Speaker had admitted that the increase would be at least $32 a month.

Medicare is a very important program that benefits millions of Americans and should have support on a bipartisan basis.

We would be forced to eliminate coverage for almost half of the Medicaid recipients in North Carolina.

Some 455,000, many of whom are nursing home residents and home care recipients, could be denied further help.

These are not just numbers. These are people.

These are families, struggling to survive in an ailing economy.

There are neighbors. People I know. People you know.

The Medicare cuts will be especially painful, since nearly 83 percent of all Medicare benefits go to senior citizens with incomes of $25,000 or less.

When Democrats raise concerns and ask questions about the fate of the people when such drastic cuts are proposed, we are called alarmists or accused of scaring senior citizens. What we are trying to do is get answers to important questions, to have full hearings on a very serious issue of providing health care to seniors.

Some who are pushing this current plan of extreme cuts are of the same view as those who fought the very creation of Medicare in 1965, and now, in 1995, are seeking to do what they failed to do in 1965—deny the comfort of retirement from our senior citizens.

They should not be trusted.

It has been estimated that these plans will cost North Carolinians a loss of over $3,000 for each Medicare recipient in North Carolina between now and the year 2002, and a loss of some $900 for each recipient each year thereafter.

Most of the so-called savings that proponents say will come from Medicare will actually be paid out of the seniors' pockets.

Medicare is in need of reform—that fact is something that we cannot ignore. Democrats and Republicans, together, must work for reasonable reform.

This is not a problem, however, that we Democrats just discovered.

The Omnibus Budget Reconciliation Act of 1993 addressed Medicare reform—with cost adjustments—which strengthened the trust fund significantly and pushed the date back further from 5 to 7 years when we should be concerned about insolvency.

But, during the last Congress, many of the very people who now seek the trust of the American people in their Medicare cutting plan rejected every initiative that would have strengthened the Medicare trust fund even further.

The fact is that they are using the trust fund solvency issue as a smokescreen—they do not want to truly address the issue at hand, but instead they want to use the Medicare Program as a bank for the wealthy so that they can fulfill their campaign promise—a tax cut for the wealthy.

If they dropped the idea of a tax cut for the wealthy, they would not need to make such deep cuts in the Medicare Program.

The so-called looming Medicare bankruptcy is more fiction than fact.

Consider this history.

In 1970, it was reported that the Medicare trust fund would go broke by 1972. In 1972, it was reported that the fund would go broke by 1976. In 1982, it was reported that the fund would go broke by 1987. In 1993, the fund, it was reported, was expected to go broke by 1999. Now, those who would rob the poor by cutting Medicare to give a tax break to the wealthy, want us to believe that the Medicare trust fund will go broke by the year 2002.

It is a very convenient myth, but it is not reality.

For every $4 now spent on Medicare, $1 will be cut. Medicaid services some 4 million senior citizens. The Medicaid cut over 7 years will be a 30-percent cut.

Mr. Speaker, before America or this Congress buys into the proposal to cut Medicare, there are many questions that should be asked and that must be answered.

The first question is what exactly is the proposal? What are the details of the proposed cuts?

How can anyone support something that they know nothing about?

We should also ask, how they expect poor seniors, those on fixed income, to pay for the increases they must bear?

Will Medicare beneficiaries be able to choose their own doctors?

Where will the $90 billion in "unspecified savings" come from?

How will hospital closings be prevented, especially in rural communities?

Why is it that none of the funds from increased Medicare premiums will be contribution to the Medicare trust fund?

Why is it necessary to insist on a tax break for the wealthy, while cutting Medicare for those least able to absorb those cuts?

These and others are important questions, Mr. Speaker. They deserve frank answers.

Mr. DOGGETT. In other words, if you want to really strengthen, and preserve, and improve the Medicare system, Democrats and Republicans come together in bipartisan partnership, not by grabbing some figure like $270 billion out of the air in order to provide tax breaks for the privileged few, but coming together to preserve and improve the Medicare system by doing things, as you suggested, like fighting fraud and abuse in creative ways.

Ms. DELAURO. Mr. Speaker, I just want to add to the gentlewoman's point. It is interesting that the increase that seniors are going to face in premiums, deductibles, and copayments, none of that money will go to address the issue of dealing with what our colleagues on the other side of the aisle say is the problem with the trust fund. That money is going into the general fund. As you have pointed out, it goes into the general fund in order to pay for the tax break. If you truly want to, as you pointed out, deal with the issue of trying to help to fix Medicare, is then take it out of the budget debate, take the tax package off the table, and let us talk about a bipartisan group of people sitting down the way we did with Social Security some years back and make the changes. This notion that the $270 billion is money that is going to go into this trust fund to, quote, save it is erroneous. That is not what is going to happen. The money, whatever increases are there, are going into a general fund in an effort to pay for the tax cut.

Ms. EDDIE BERNICE JOHNSON of Texas. You know, another factor is that one of the ways that has been traditionally used to cut health care costs is early discharge from hospitals.

□ 1915

And when we see early discharge, we also see people a little bit sicker going home. When they go home, they will need Meals on Wheels, they will need an aide perhaps coming in. Saving the Medicare dollar we would think would put a focus on how important it is not to cut Medicaid so severely. Medicaid takes care of the Meals on Wheels, it assists them in transportation for the handy-rise to get to the doctors' offices so they can remain at home and not be institutionalized, and it also provides for the Meals on Wheels, and often the only hot meal that the ones confined to their home get a day. But that too is being cut.

All of us know that at least 67 to 70 percent of the Medicaid dollar goes for those senior citizens for long-term care. That is all a part of it. So, really, it is a gimmick. It is not a method to offer the care. It is a method to turn the care away. It is a gimmick to force seniors out of hospital care, out of home care, just to say they are saving the program.

This is not saving the program. To subject people to a system, the best health care in the world available, to not having it is not saving the system. It is simply ignoring the fact that almost 20 percent of this population needs this care on a day-to-day basis, and they have said we do not need this population to get these dollars, we must give it to the rich. Those are the ones that are more likely to show that they are getting it.

It is not popular, it seems, to help the poor, to help the elderly, to help the shut-in. It is much more popular to say I promised a tax cut to the wealthy and I am going to deliver it. I do not think this is America.

Ms. DELAURO. Mr. Speaker, I want to add one point. I know we have some other colleagues on the floor and we want to get everyone into this debate, but the gentlewoman said something that was incredibly important, and that is the issue of Medicaid.

In my State of Connecticut, 60 percent of seniors who are in nursing homes are covered under Medicaid. Most seniors in this Nation who are in nursing homes are covered by Medicaid. Few people understand that that is going to see a $182 billion cut. What happens to the senior who was in the nursing home, and by the way, they will do away with standards for nursing homes. That is also a part of this effort. What happens to the individual who is in the nursing home? What happens to the family who, after going through the trauma of putting an aging parent or a relative in a nursing home, who is then going to be thrown out and not find themselves with the wherewithal for that young family to be able to provide that kind of help and assistance to that relative and are going to have to pick up the cost themselves?

Mr. MILLER of California. Mr. Speaker, if the gentlewoman would yield on that point?

Ms. DELAURO. I yield to the gentleman.

Mr. MILLER of California. And I want to thank my colleagues for taking this time.

I would commend to them an article in the National Journal that came to our offices this afternoon which goes to exactly the point the gentlewoman made. People believe that huge amounts of money can be saved in Medicaid by throwing low-income people off of the rolls. As the gentlewoman correctly points out, over 60 percent of all the money in Medicaid goes to long-term health and nursing home care.

In the State of California, the State of California several years ago, in 1982, cut Medicaid spending by 18 percent. The Republicans are proposing a 30-percent cut. With an 18-percent cut, what the State of California, and this is a study that has just recently been completed, almost 300,000 people were knocked off of the rolls. Then the State transferred that responsibility to the counties, and in the first year the State gave the counties 70 percent of what they were giving them before. And then the State got into more financial trouble, and it gave the counties 55 percent. By 1991, it was less than 35 percent. So now the counties are knocking people off of the rolls.

What happened? They started reimbursing the doctors less and less. It went from 91 percent reimbursement to now 70 percent. They would pay the doctors 70 percent of what those doctors got in the private market to cover Medicaid recipients. No wonder nobody will take a Medicaid recipient in California. No wonder these people cannot get care.

Now, on top of those cuts that have already been enacted in the State of California that I represent, and in many other States, along come the Republicans and say we want to put a 30 percent cut, $180 billion, on top of that.

What this article goes on to show all of my colleagues is that, in fact, now we are into competition between nursing homes. Home health care, so that a family can continue to work and take care of their parents in their own home or in the home of the children, that will be slashed. And so what we are really seeing here is a huge, huge threat and assault on nursing home care and long-term care for people who find themselves in that situation.

That impacts not only the elderly but, as we all know, in talking to our constituents and to Members of Congress, it impacts the children who are trying to educate their children, who are trying to pay their mortgage and trying to work it all out. Now, without that help of Medicaid, they are saddled. So California is a case study for how we start that downward spiral.

I noticed the gentlewoman has the article from the Washington Times that talks about the $80 billion gap, hole, or whatever it is in the budget that they are presenting. Now it will be a look-back. Let me tell Members, if California is an example, seniors will be looking back in fear and looking back in anger, because not only will all of these cuts have taken place, but then we find out, and, as this article in the National Journal, a nonpartisan organization, goes on to say, most of the savings they contemplate will not achieve what they say they will.

The governors admit it. The private people admit it. That $80 billion will grow and it will grow, and then will come year 3 of a 7-year budget, which means all of those savings then have to be achieved in a 4-year period of time. So we are really talking about reaching in and grabbing the health care system for the elderly right by the throat here.

I just wanted to tell Members, we will look back and they will look back and say why did we not know this before we voted. Remember, the look-back provision? It must be automatic to be scored. No contingencies, no but-fors, no ifs, ands, or ables. This must be automatic. And that is the price we are taking from the seniors, with no knowledge of the size of that cut or the impact of that cut.

I thank the gentlewoman for yielding.

Mr. DOGGETT. Mr. Speaker, if the gentleman would yield on that point.

Of necessity, we talk here in Washington of billions and millions of people, but let me give the gentleman just one example of the same thing happening even under our current Medicare system in my hometown, Austin, TX. It is the experience of a 72-year-old retiree, Marjorie Greenhall, who moved down to Austin from Mineral Wells, up near Dallas, where Congresswoman JOHNSON serves so ably, to live with her daughter. She got down there and she reports her aggravation at being refused by the receptionists in 24 different physicians' offices because they do not take Medicare.

Now, if on top of the existing problem, we have this look-back provision and we come in after a year is over and there is this black hole or black gap in the Republican plan, and they start cutting those providers back even further than now, what will happen to someone like Marjorie Greenhall, whether she lives in Austin, TX, or in California?

Mr. MILLER of California. Well, Mr. Speaker, I think today Medicare reimbursement is about 80 percent of what doctors get in the private market. There is that reluctance. We are now seeing that that same process that drove medicine out of Medicaid, that drove doctors away from taking care of those patients, now comes into play in Medicare.

I was at a neighborhood party the other night and a woman came up to me, Rose Quantamatteo, and she said I want you to tell Speaker GINGRICH that there is a woman in your hometown Martinez that every night gets down and prays and thanks God for Medicare, for what it meant for me and my husband, Tony, who, unfortunately, passed away a couple of years ago. She said we would never have been able to survive the financial hardships, our children would not have been able to survive the financial hardships. She says just let him understand that this is what it means to our generation.

I think it is typical of the person the gentleman described and of people we have all met who want to know the facts. They want to know where Medicare is going to be tonight, tomorrow, after we vote on Thursday, and 3 years from now when we look back. That is what they want to know, and they want to know what kind of changes we are talking about, and the Republicans do not come forward with that.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, if the gentleman would yield for just a moment. With all we heard from our constituents, and from my experience of knowing what has happened, why is it we cannot be heard here?

I understand there is going to be 1 day of hearings to dismantle a program that many thousands of people have paid into the system for them to have available health care at the time at which they retire and are no longer able to work. In 1 day the dismantling will occur. We have had weeks of hearings on Waco and Ruby Ridge.

Mr. DOGGETT. Mr. Speaker, we had 28 on Whitewater, did we not? We had 28 days of hearings.

Ms. DELAURO. Mr. Speaker, we had months on Whitewater.

Mr. MILLER of California. Mr. Speaker, we can have hearings as long as any chairman wants to hold hearings. They are capable of holding hearings. This is a leadership decision.

If the gentlewoman would continue to yield. This is a leadership decision by the Speaker and the majority leader, Mr. GINGRICH and Mr. ARMEY, to ram this through before the American public and, mainly the seniors and their families, can find out about it.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I do not think they know about it. From what I understand, they do not even know about it.

Mr. DURBIN. Mr. Speaker, if the gentleman would yield, I wish to thank him for this special order and thank my colleagues for coming this evening.

I have just returned from my district and lost my voice in the process, but traveling through the city of Chicago and all through southern Illinois this is the No. 1 issue on people's minds, and they say, Congressman DURBIN, what are they proposing in terms of changes for Medicare? I am embarrassed to tell them I do not know. What we have are rumors and suggestions.

They say to me, well, time and again, when it gets to a program this basic to American families and their future, Members are surely not going to vote on something until they have had at least some hearings to determine what the impact will be. Well, the simple fact of the matter is, we will not have those hearings. The decision has been made by the Republican leadership to move this bill through, this magical, mystery, Medicare massacre through without the hearings, without an opportunity for the public to hear about it.

People will remember 2 years ago when President Clinton had a health care plan. The Republicans, then in the minority, screamed bloody murder. We need the plan. We need it in detail. We want to go ahead and analyze it, do not take a step until we do. Now that the Republicans are in control, now that they have their mitts on Medicare and Medicaid, they are going to push this thing through without a hearing.

I tell my colleagues what is disastrous about it. In my part of the world, downstate Illinois and many rural communities, we will see hospitals close. This Gingrich-Dole plan is for closing hospitals. Hospitals dependent on Medicare and Medicaid will not have the resources to stay open.

We will see kids in this country denied health care. That is just not some political exaggeration. That is a fact. Twenty-four percent of the kids in America live in poverty. They depend on Medicaid for the basic health care to keep them alive and healthy. When we cut $180 billion, let me tell my colleagues there will be real losers among those kids.

Tell me what the sick kid is going to mean to the future of this country? For his family and our Nation it is a tragedy. A group often overlooked on Medicaid is the disabled community. We say Medicaid, that is just for poor people. No, it is for seniors and disabled folks, too. Disabled people who literally survive, literally physically survive because of a Medicaid payment that picks up a home health care service so that they can literally stay alive from day-to-day and week-to-week.

With that much at stake, it is unconscionable, unconscionable that we would move this bill through without even seeing the details; that there would be some $80 or $90 billion that we do not know about. It is like a meatloaf. We will stick everything in there. Here it is, the middle of the week, and we will go ahead and serve it up.

It is much more serious, and I thank the gentleman for this special order, and I hope a lot of people listening who have a stake in this Medicare and Medicaid, as every family in America does, will tune into what is happening in Washington. This is not good government at work, this is politics at work. It is a cut in Medicare-Medicaid to pay for a tax cut for wealthy people. That is it. This is not saving Medicare, this is saving the skins of the fat cats and the profitable corporations.

Mr. Speaker, I believe Americans had better tune in, get on the phone and call their Congressman and Senator and say slow this train down, we want to know what Congress is doing to Medicare, we want to know what Congress is doing to our families.

I thank the gentleman from Texas [Mr. DOGGETT] for his special order.

Mr. DOGGETT. Mr. Speaker, I thank the gentleman for those observations. Indeed, it is a total contradiction for the same Republicans who were complaining last year that they needed more time to study health care to now say that the only time the American people need to see the details of the plans with the far-reaching consequences that the gentleman identified with 30 years' experience will be reviewed in 1 day in this Congress, and it is an outrage.

Ms. DELAURO. Mr. Speaker, just to add, if the gentleman would yield 1 second. That $80 or $90 billion that my colleague from Illinois talked about, that is amorphous at the moment. Who knows what that is. They are asking the public, they are asking people here to vote on $80 billion of unspecified cuts.

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I said earlier, it is buying a pig in a poke. And they are saying, "trust me." And it is wrong.

Mr. MILLER of California. The $80 billion that we see the Republicans now starting to talk about is assuming that all of their numbers work. And we see one organization after another, whether it is the hospitals, whether it is the doctors, whether it is the States, questioning whether or not their numbers will work. If their numbers do not work, 80 becomes 85, becomes 90, becomes $100 billion.

So this black hole, like the hole in the ozone, will grow every year, because these numbers, just for example, Arizona is the only State in the Union that has its entire Medicaid caseload in managed care. It continues to grow at a 7-percent rate. Under the Republican resolution, the maximum is 4 percent. Arizona, the model on which they are basing, is growing twice what they will allow. That adds to the 80 billion gap in this budget that the gentleman has pointed out.

Mr. PALLONE. I just wanted to stop by tonight when I listened to what you were all saying, because I think it is really crucial. We in New Jersey once again on Friday had a Medicare forum, which was attended by a number of the Democratic Congressmen, specifically myself and my colleague, the gentleman from New Jersey [Mr. ANDREWS]. And it was amazing to me how more confused senior citizens become every day because of the manner in which the Republican leadership is essentially gradually leaking out information about what they might have in mind for these Medicare cuts and these significant changes in Medicare.

The overwhelming feeling was exactly what you have on that placard up there: The GOP Medicare plan, you pay more and you get less. People are beginning to understand, I think, that essentially what this is, is nothing but budget driven, a way to try to take a lot of money out of the Medicare program and provide less services for senior citizens.

But I agree with you, I heard what you said about the article that was in the Washington Times today, and the criticism that the gentleman from Ohio [Mr. KASICH] and others are giving them. I commend the gentleman from Ohio for doing that, because it is absolutely the truth: We really do not have a plan here. The way the plan has been set up already, there is absolutely no way that this level of cuts can be implemented based on the details they have given us.

The problem I see here is this is going to be a total stealth effort. By next Thursday or whenever, we are going to get a few more details. At the time when we actually vote on this, we are still not going to know exactly what it will mean for senior citizens. All we will know is the Medicare program cannot absorb this level of cuts without providing less services and costing significantly more dollars out of pocket.

I have to tell you, one of the things I disagreed with in the Washington Times article is where it suggested that somehow seniors were going to be able to afford those part B premium increases. The seniors I met with in Gloucester Township, NJ on Friday with Congressman ANDREWS, they were complaining about the level of those premium increases. We are talking about the doubling of the part B premium in the next 7 years the way I understand it. You are talking about senior citizens in many cases that cannot afford any kind of increase at all. Their budget is to the point where they budget every dollar on a monthly basis. To talk to them about doubling the amount of money that they have to pay out of pocket for part B to pay for the doctor bills is absolutely outrageous.

The other thing I have to address, and I know you have already said it, is the providers. The hospitals are scared to death, because the way this huge hole, if you will, has been created here, what the Republicans are saying is that wait a few years and we will see how this works out. If it does not, we will have to start making more significant cuts. The hospitals are saying that any significant cuts, even the ones they are experiencing now, are causing many of them to close or downsize or not provide the community services or the clinical services that they provided in the past in various communities. They cannot absorb this level of cuts. There is no way for the Republicans to implement this level of cuts in Medicare without severe effects on the hospitals, on the quality of care, and also on senior citizens having to pay more out of pocket.

It is incumbent upon us, I know that is what you are doing, the gentleman from Texas, the gentlewoman from Connecticut, the gentleman from California, we have to keep making the point that we have to let the public in to see what is going on here. We cannot let 1 day of hearings before the Committee on Ways and Means be the only contribution that the public ever sees before we vote only this plan. We have to continue to press, as I know we will, that we have to have the full plan and we have to have several weeks, if not at least a month, to look it over, to bring in the senior citizens, to bring in the hospitals, to bring in the people that are going to be directly impacted by this, so we know what the Republicans have in mind.

It is still remarkably something that we do not have the details about, and we cannot plan about. But what we know, we know is going to have a devastating effect because we cannot absorb, the program cannot absorb that level of cuts. I want to commend the two of you again for putting together this special order.

Mr. DOGGETT. I thank the gentleman for his observations and leadership on this critical issue.

Ms. DELAURO. I wanted to add one point. You have just laid out the kinds and numbers of hospitals that are going to be in difficulty.

I would like to add one more category of hospital, and that is the teaching hospitals. I represent in New Haven, CT, Yale University, one of the finest teaching hospitals in the world. What will happen is not too many people know about the connection of Medicare and teaching hospitals and medical education.

One of the hue and cries that we all heard throughout the health care debate in the last session of Congress and in this session of Congress is that the fact of the matter is that the United States has the very best quality of health care in the world, bar none. Folks from all over the world come here to get the benefit of our technology, our know-how, in medical care.

If we begin to eat away at our teaching hospitals and our medical education, not only is the level of servicing going down, the quality of medical care that we stand on so proudly in this nation is going to be eroded. And I think that we cannot let it be forgotten in the litany the providers and hospitals that are going to get hurt and how ultimately this may look like a cut to a provider, but in fact the recipients, all of us in this Nation, are going to be hurt because the quality of our medical care is going to be eroded.

Mr. PALLONE. If I could say very quickly, I think the gentlewoman from Connecticut is absolutely right. What she is pointing out even more so in the general sense is that this does not just effect senior citizens. Obviously we are very concerned about seniors; otherwise we would not be here.

This affects the entire health care system and impacts everyone, not only because the quality of care is going to go down and you will have hospital closures, but you will have less community service, and that means that people just will not have access to quality medical care the way they do now.

In addition, you have so many other people, I know you were mentioning about Medicaid before and how something like 70 percent, I know in my home State of New Jersey, 71 percent of the money from Medicaid pays for nursing home care. If there are cuts in Medicaid, just as there are significant cuts in Medicare, then what is going to happen is a lot of the senior citizens are not going to be able to pay for the nursing home care, and you are going to see their own children or grandchildren having to kick in more.

So the costs of all this are going to end up ultimately, and the downgrading of our health quality and health care system, is going to impact everyone. There is no way this is just a senior citizen issue.

Mr. DOGGETT. That is so very true. You know, we have had important observations like yours from a number of our Democratic colleagues, and I am sure there are people across this country that are wondering, where are the Republicans? Why are they not out discussing this plan?

Not just tonight, but, you know, it is September 18 in the evening. We are approaching the end of this Federal fiscal year, less than 2 weeks away. And yet to this very moment, we have yet to have one Republican colleague tonight or at any other time take the floor of this House and outline how deep it is they are going to reach into the pockets of senior citizens across this country, how big the cuts are going to be.

I do not know whether it is because they do not know, as this morning's Washington Times says, and they have a black hole or a giant gap in their plan, and they are just committed to whacking $270 billion out of Medicare; or they are afraid to say how they are going to do this. But they have refused to come and stand on the floor of this Congress tonight or at any other time and level with the American people and tell them how hard the hit is going to be, how much more are they going to have to pay, and how much less are they going to have to get.

Tonight, as we conclude this special order, I think it is important to remember that the same group that gave us the Contract With America, Lunz & Associates, advised our Republican colleagues not on how to reform Medicare, but how to sell what they were going to do. They said, "Keep in mind that seniors are very pack oriented and are susceptible to following one very dominant person's lead. Do not talk about improving Medicare."

Well, indeed they are not improving it. They think the seniors of America will be quiet. They think people all across this land will not listen, will not care; that they can sneak this through in a single day of hearings, can run it through here at the end of the fiscal year, and that, before you know it, the cost is up, the benefits are down, in New Jersey, in Connecticut, in California and Illinois, across this land, with seniors having been affected in a very dramatic way that they will not speak out. But just as with your experience in New Jersey, when I had a meeting last week in Texas, if our seniors know about this and they speak out, they can make a difference.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SISISKY (at the request of Mr. GEPHARDT), for today and the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DOGGETT) to revise and extend their remarks and include extraneous material:)

Mrs. COLLINS of Illinois, for 5 minutes, today.

Ms. EDDIE BERNICE JOHNSON of Texas, for 5 minutes, today.

Mr. MILLER of California, for 5 minutes, today.

Mr. SPRATT, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DOGGETT) and to include extraneous matter:)

Mr. BONIOR.

Mr. COLEMAN.

Mr. MENENDEZ in two instances.

Mr. FARR.

(The following Members (at the request of Mr. GOODLATTE) and to include extraneous matter:)

Mr. RADANOVICH.

Mr. GOODLING.

Mr. DOOLITTLE.

Mr. GEKAS.

Mr. GILMAN.

Mr. BLILEY.

Mr. SHUSTER.

ADJOURNMENT

Mr. DOGGETT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 40 minutes p.m.), under its previous order, the House adjourned until Tuesday, September 19, 1995, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1433. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification to the Congress of additional program proposals for purposes of Nonproliferation and Disarmament Fund [NDF] activities, pursuant to 22 U.S.C. 5858; to the Committee on Appropriations.

1434. A letter from the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of September 1, 1995, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 104-115); to the Committee on Appropriations and ordered to be printed.

1435. A letter from the Director (Test, Systems Engineering & Evaluation), Department of Defense, Transmitting notification of the intent to obligate funds for fiscal year 1996 Foreign Comparative Testing [FCT] Program, pursuant to 10 U.S.C. 2350a(g); to the Committee on National Security.

1436. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting a copy of the Corporation's annual report for calendar year 1994, pursuant to 12 U.S.C. 1827(a); to the Committee on Banking and Financial Services.

1437. A letter from the Secretary of Education, transmitting Final Regulations—Standards for the Conduct and Evaluation of Activities Carried out by the Office of Educational Research and Improvement [OERI]—Evaluation of Applications for Grants and Cooperative Agreements and Proposals for Contracts, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Economic and Educational Opportunities.

1438. A letter from the Secretary of Health and Human Services, transmitting the National Center on Child Abuse and Neglect's report on efforts to bring about coordination of goals, objectives, and activities of agencies and organizations which have responsibilities for programs related to child abuse and neglect for fiscal years 1991-92, pursuant to 42 U.S.C. 5106f; to the Committee on Economic and Educational Opportunities.

1439. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance [LOA] to the United Kingdom for defense articles and services (Transmittal No. 95-39), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

1440. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report to Congress on the program recommendations of the Karachi Accountability Review Board, pursuant to 22 U.S.C. 4834(d)(1); to the Committee on International Relations.

1441. A letter from the Secretary of Housing and Urban Development, transmitting the Federal Housing Administration's [FHA] annual management report for the fiscal year 1994, pursuant to Public Law 101-576, Section 306(a) (104 Stat. 2854); to the Committee on Government Reform and Oversight.

1442. A letter from the Chairman, National Transportation Safety Board, transmitting the Board's response to OMB's request for information regarding agency operations in the absence of appropriations, pursuant to 49 U.S.C. app. 1903(b)(7); to the Committee on Transportation and Infrastructure.

1443. A letter from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation entitled the "Department of Veterans Affairs Improvement and Reinvention Act of 1995"; to the Committee on Veterans' Affairs.

1444. Secretary of Energy, transmitting a copy of the Energy Efficiency Commercialization Ventures Program plan, pursuant to Public Law 103-138, title II (107 Stat. 1407); jointly, to the Committees on Appropriations and Commerce.

1445. Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that the President intends to exercise his authority under section 610(a) of the Foreign Assistance Act in order to authorize the furnishing of $2.8 million to El Salvador, pursuant to 22 U.S.C. 2411; jointly, to the Committees on International Relations and Appropriations.

1446. Railroad Retirement Board, transmitting the Board's budget request for fiscal year 1997, pursuant to 45 U.S.C. 231f; jointly, to the Committees on Appropriations, Transportation and Infrastructure, and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GOODLING: Committee on Economic and Educational Opportunities. H.R. 743. A bill to amend the National Labor Relations Act to allow labor management cooperative efforts that improve economic competitiveness in the United States to continue to thrive, and for other purposes; with an amendment (Rept. 104–248). Referred to the Committee of the Whole House on the state of the Union.

Mrs. WALDHOLTZ: Committee on Rules. House Resolution 222. Resolution providing for the consideration of the bill (H.R. 1617) to consolidate and reform workforce development and literacy programs, and for other purposes (Rept. 104–249). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURTON of Indiana:

H.R. 2347. A bill to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes; to the Committee on International Relations, and in addition to the Committees on Ways and Means, Banking and Financial Services, the Judiciary, and Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GILMAN:

H.R. 2348. A bill to authorize the transfer of naval vessels to certain foreign countries; to the Committee on International Relations.

By Mr. SHUSTER (for himself, Mr. PETRI, Mr. MINETA, Mr. RAHALL, and Mr. OBERSTAR):

H.R. 2349. A bill to amend title 23, United States Code, to designate the National Highway System, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. COBURN:

H.R. 2350. A bill to amend title XVIII of the Social Security Act to provide protections for Medicare beneficiaries who enroll in Medicare managed care plans; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

MEMORIALS

Under clause 4 of rule XXII memorials were presented and referred as follows:

159. By the SPEAKER: Memorial of the Senate of the State of Alaska, relative to the conversion of the Naval Air Facility in Adak, AK; to the Committee on National Security.

160. Also, memorial of the Senate of the State of Alaska, relative to requesting the Congress to clarify that the Reindeer Industry Act of 1937 no longer applies in the State of Alaska; to the Committee on Resources.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 60: Mr. MOORHEAD.

H.R. 387: Mr. MOORHEAD.

H.R. 528: Mr. PICKETT, Mr. BLILEY, Mr. BEVILL, Mr. WATTS of Oklahoma, Mr. FOX, and Mr. JONES.

H.R. 530: Mr. POMBO.

H.R. 632: Mr. FIELDS of Texas.

H.R. 743: Mr. BROWNBACK, Mrs. WALDHOLTZ, and Mrs. LINCOLN.

H.R. 783: Mr. RAMSTAD, Mr. THORNTON, and Mr. DOOLITTLE.

H.R. 784: Mr. NORWOOD, Mr. JONES, Mr. COOLEY, Mr. BARR, Mr. FOX, Mr. HUNTER, Mr. BUNN of Oregon, Mr. HASTINGS of Washington, Mr. STOCKMAN, Mr. BRYANT of Tennessee, Mr. BAKER of California, and Mrs. KELLY.

H.R. 1161: Mr. LINDER and Mr. STEARNS.

H.R. 1221: Mr. HORN.

H.R. 1226: Mr. KNOLLENBERG.

H.R. 1227: Mr. ENGEL and Mrs. MEYERS of Kansas.

H.R. 1264: Mr. MFUME.

H.R. 1506: Mr. BLILEY.

H.R. 1589: Mr. BURR and Mr. RIGGS.

H.R. 1651: Mr. LOBIONDO.

H.R. 1692: Mr. PETRI.

H.R. 1693: Mr. PETRI and Mr. HAMILTON.

H.R. 1694: Mr. PETRI.

H.R. 1715: Mr. BRYANT of Tennessee, Mr. CHAMBLISS, Mr. COOLEY, Mr. CRAPO, Mr. EWING, Mr. GOODLATTE, Mr. HASTINGS of Washington, Mr. HERGER, Mr. LIGHTFOOT, Mr. RADANOVICH, Mr. ROBERTS, Ms. PRYCE, Mr. SPENCE, and Mr. WOLF.

H.R. 1733: Mr. BISHOP.

H.R. 1744: Mr. BRYANT of Tennessee.

H.R. 1764: Mr. HANCOCK and Mrs. CHENOWETH.

H.R. 1965: Mr. CASTLE, Mr. MATSUI, Mr. TORRICELLI, Ms. HARMAN, Mr. DIXON, Mr. DEUTSCH, Mr. PETERSON of Florida, Mr. STEARNS, Mr. LIPINSKI, and Mr. LONGLEY.

H.R. 1975: Mr. EHRLICH.

H.R. 2006: Mrs. MORELLA.

H.R. 2066: Mr. DORNAN.

H.R. 2143: Mr. MFUME.

H.R. 2179: Mr. LIPINSKI.

H.R. 2249: Ms. RIVERS.

H.R. 2265: Mr. HANCOCK, Mr. ROBERTS, and Mr. CALLAHAN.

H.R. 2331: Mr. ZELIFF and Mr. CHRYSLER.

H.J. Res: 61: Mr. TALENT.

H. Con. Res. 51: Mr. DAVIS, Mr. SHAYS, Mr. FRANKS of Connecticut, Mr. DURBIN, Mr. LIPINSKI, and Mr. ROHRABACHER.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 927

OFFERED BY: MR. STEARNS

(Amendment to the Amendment Offered by Mr. Burton of Indiana)

AMENDMENT NO. 2: Add at the end of title I the following:

SEC. 112. CONGRESSIONAL NOTIFICATION OF CONTACTS WITH CUBAN GOVERNMENT OFFICIALS.

(a) ADVANCED NOTIFICATION REQUIRED.—No funds made available under any provision of law may be used for the costs and expenses of negotiations, meetings, discussions, or contacts between United States Government officials or representatives and officials or representatives of the Cuban Government relating to normalization of relations between the United States and Cuba unless 15 days in advance the President has notified the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate in accordance with procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961.

(b) REPORTS.—Within 15 days of any negotiations, meetings, discussions, or contacts between individuals described in subsection (a), with respect to any matter, the President shall submit a report to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate detailing the individuals involved, the matters discussed, and any agreements made, including agreements to conduct future negotiations, meetings, discussions, or contacts.

H.R. 1323

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 1: At the end of the bill, insert the following new section:

SEC. 24. SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this Act should be American-made.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the Administrator, to the greatest extent practicable, shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

H.R. 1617

OFFERED BY: MR. BAKER OF LOUISIANA

AMENDMENT NO. 3: Strike title V of the bill and insert the following:

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. EFFECT ON REHABILITATION ACT OF 1973.

Notwithstanding any other provision of this Act, this Act does not have any legal effect on any program under the Rehabilitation Act of 1973.

H.R. 1617

OFFERED BY: MR. BECERRA

AMENDMENT NO. 3: Page 77, line 11, insert after the comma the following: "and disaggregated by demographic characteristics, where feasible,".

Page 78, line 6, after "aggregate data" insert the following: ", and disaggregated data by demographic characteristics, where feasible,".

H.R. 1617

OFFERED BY: MR. BECERRA

AMENDMENT NO. 4: Page 91, after line 18, add the following:

SEC. 143. REPRESENTATION.

The membership of any board or council established pursuant to this Act at the local, State, or national level shall reflect the demographic characteristics, respectively—

(1) of the local workforce area;

(2) of the population of the State; or

(3) of the population of the United States.

H.R. 1617

OFFERED BY: MR. BECERRA

AMENDMENT NO. 5: Page 98, after line 4, add the following

SEC. 203. PRIORITY.

A national, State, or local program that receives funds under this title, shall establish a process that gives priority to youth who must overcome barriers to complete an education program or to employment such as a lack of sufficient education or vocational skills, economic disadvantages, disability or limited English proficiency.

H.R. 1617

Offered By: Mr. Becerra

Amendment No. 6: Page 149, line 22, strike "less" and insert "greater".

H.R. 1617

Offered By: Mr. Becerra

Amendment No. 7: Page 150, line 5 strike "to have the capacity to administer effectively" and insert "to have demonstrated effectiveness in administering".

H.R. 1617

Offered By: Mr. Becerra

Amendment No. 8: Page 115, strike line 2 and insert the following:

(d) Limitations on Use of Funds.—

(1) Out-of-School.—Not less than 50 percent of funds allocated to at-risk programs under section 212(a)(1)(B) shall be used for programs that provide services to out-of-school youth.

(2) Administrative costs.—Not more than 10 percent of the funds provided under this chapter to a local workforce development board may be used for administrative purposes.

H.R. 1617

Offered By: Mr. Goodling

Amendment No. 9: Page 2, in the matter of relating to section 108, strike "Education" and insert "education".

Page 2, in the matter relating to subtitle C, strike "Worker Rights" and insert "General Provisions".

Page 2, in the matter relating to section 141, strike "Requirements." and insert "Worker rights.".

Page 2, after the matter relating to section 141, insert the following:

Sec. 142. Transferability.

Page 2, strike the matter relating to section 224.

Page 3, strike the matter relating to section 316.

Page 3, strike the matter relating to section 434.

Page 4, in the matter relating to section 702, strike "Amendment to Higher Education Act" and insert "Eligible institutions.".

Page 18, line 15, strike "out-of-school".

Page 30, beginning on line 20, strike "organization representing parents".

Page 31, line 1, insert "and entity" after "agency".

Page 31, after line 22, insert the following:

(H) the State entity responsible for setting education policies, consistent with State law, on the date preceding the date of the enactment of this Act.

(3) representatives of the State legislature.

Page 32, after line 24, add the following:

(3) Disagreement.—The Governor shall accept and include with the State plan submitted under section 104, any disagreeing views submitted by a participant of the collaborative process if such views represent disagreement in the area in which such participant was selected for representation.

Page 36, strike lines 8 through 13.

Page 36, line 14, strike "(d)" and insert "(c)".

Page 38, after "including" insert "academic and vocational administrators, members of local schools boards, principals, teachers, postsecondary and other adult education administrators and instructors, including community colleges,".

Page 62, line 3, strike "customer" and insert "the".

Page 63, line 1, strike "will measure" and insert "must demonstrate".

Page 63, beginning on line 18, strike "appropriate" and all that follows through "among" on line 19.

Page 71, line 2, insert "by the Secretary of Labor or the Secretary of Education, as the case may be," after "disallowed".

Page 71, line 4, strike "this Act" and insert "chapter 2 of title II, title III,".

Page 71, line 5, strike "the" and insert "such chapter or title".

Page 72, line 25, strike the semicolon and insert ", which, to the extent practicable, shall be done through the private sector;".

Page 88, line 3, strike "elected".

Page 89, line 19, strike "**Provision**" and insert "**Provisions**".

Page 92, beginning on line 1, strike "skills" and all that follows through line 3 and insert "foundation and occupational skills needed to be successful in a competitive economy and to complete a high school diploma or general equivalency diploma;".

Page 99, after line 20, insert the following (and redesignate any subsequent paragraphs accordingly):

(4) Federal funds to supplement, not supplant, non-Federal funds.—Funds received under this title shall be used only to supplement the amount of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the education of youth participating in programs assisted under this title, and not to supplant such funds.

Page 139, line 15, insert "media" before "technology".

Page 140, line 25, insert "and" after the semicolon.

Page 141, strike lines 1 and 2.

Page 141, line 3, strike "(iii)" and insert "(ii)".

Page 148, line 8, strike "one quarter of one" and insert "4".

Page 149, line 21, strike "one quarter of one" and insert "4".

Page 222, strike line 10 and all that follows through page 225, line 13, and insert the following (and conform the table of contents on page 226, after line 14):

"SEC. 108. STATE OPTION REGARDING ALTERNATIVE DELIVERY SYSTEMS.

"(a) In General.—In the case of the requirements referred to in subsection (b), a State may, in its discretion, elect to use alternative approaches for the implementation of any of the requirements if (subject to the other provisions of this section) the following conditions are met:

"(1) The Governor appoints a board to develop a proposed plan for the alternative approaches.

"(2) Individuals with disabilities who are not State officials or employees constitute a majority of the members of such board.

"(3) The membership of the board includes—

"(A) each State administrative agent designated pursuant to section 103(a); and

"(B) one or more individuals from private industry.

"(4) The State provides that the alternative approaches will be implemented in accordance with the plan developed by the board.

"(5) In the development of the plan, the public is afforded a reasonable opportunity to comment on the proposed alternative approaches.

"(6) The Governor submits to the Secretary a notice that the State is electing to use alternative approaches, and the notice is submitted to the Secretary not later than 60 days before the beginning of the first fiscal year to which the election applies.

"(b) Alternatives Regarding State Administrative Structure for Delivery of Services.—For purposes of subsection (a), a State may elect to implement alternative approaches to requirements in accordance with the following:

"(1) The allocation under section 102(a) (allocating amounts between State administrative agents and local workforce development boards) is in the discretion of the State, except that not more than 80 percent of a grant under section 101(a) for a fiscal year may be reserved for activities of local workforce development boards.

"(2) With respect to the requirements established in sections 103 and 104, the allocation between State administrative agents and local workforce development boards of responsibilities for carrying out the requirements is in the discretion of the State.

"(3) The selection of State officials who are to administer the requirements of section 103 is in the discretion of the State.

"(c) Review and Revision of Alternative Approach.—An election under subsection (a) ceases to be effective after the third fiscal year of being in effect unless, during such third year, the plan under the election is reviewed. The plan may be reviewed and revised annually. This section applies to the review and revision of the plan to the same extent and in the same manner as this section applies to an original plan under subsection (a).

"(d) Performance Accountability System.—An election under subsection (a) for a State does not, with respect to carrying out the program under this title in the State, affect the applicability to the State of section 110 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.".

Page 236, line 10, strike "2003" and insert "2005".

At each of the following locations, strike "2007" and insert "2009": Page 237, line 16; page 242, line 21; page 243, line 19; and page 249, line 4.

Page 255, after line 21, insert the following new paragraph:

(3) Limitation on ownership of stock.—Except as provided in subsection (d)(2) of this section, no stock of the Corporation may be sold or issued to an agency, instrumentality, or establishment of the United States Government, to a Government corporation or a Government controlled corporation (as such terms are defined in section 103 of title 5, United States Code), or to a Government sponsored enterprise (as such term is defined in section 622 of title 2, United States Code). The Student Loan Marketing Association shall not own any stock of the Corporation, except that it may retain the stock it owns on the date of enactment. The Student Loan Marketing Association shall not control the operation of the Corporation, except that the Student Loan Marketing Association may participate in the election of directors as a shareholder, and may continue to exercise its right to appoint directors under section 754 of the Higher Education Act of 1965 as long as that section is in effect. The Student Loan Marketing Association shall not provide financial support or guarantees to the Corporation. Notwithstanding the prohibitions in this subsection, the United States may pursue any remedy against a holder of the Corporation's stock to which it would otherwise be entitled.

Page 258, beginning on line 8, strike ", upon request of the Secretary of Education".

Page 258, lines 11 and 16, strike "voting common".

Page 258, beginning on line 12, strike "one year" and insert "6 months".

Page 258, beginning on line 18, strike "within" and all that follows through "shall purchase" on line 20 and insert ", the Corporation shall purchase, within the period specified in paragraph (1),".

H.R. 1617

OFFERED BY: MR. GENE GREEN OF TEXAS

AMENDMENT NO. 10: Strike title V of the bill and insert the following:

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. EFFECT ON REHABILITATION ACT OF 1973.

Notwithstanding any other provision of this Act, this Act does not have any legal effect on any program under the Rehabilitation Act of 1973.

H.R. 1617

OFFERED BY: MR. KILDEE

AMENDMENT NO. 11: Page 91, strike lines 12 through 18.

H.R. 1617

OFFERED BY: MR. KILDEE

AMENDMENT NO. 12: Page 100, after line 17, insert the following:

(e) FISCAL EFFORT.—

(1) IN GENERAL.—No payments shall be made under this title for any fiscal year to a State unless the Secretary determines that the combined fiscal effort per student or the aggregate expenditures of such State with respect to vocational education for the fiscal year preceding the fiscal year for which the determination is made was not less than 100 percent of such combined fiscal effort or aggregate expenditures for the second fiscal year preceding the fiscal year for which the determination is made.

(2) WAIVERS.—The Secretary may waive, for one fiscal year only, the requirements of this subsection if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

H.R. 1617

OFFERED BY: MR. KLINK

AMENDMENT NO. 13: Page 27, after line 24, insert the following:

SECTION 7. SENSE OF CONGRESS.

It is the sense of Congress, that—

(1) to streamline and consolidate workforce preparation and development programs, eliminate unnecessary duplication and fragmentation in such programs as stated in section 3(a)(5)(A), and to provide maximum authority and responsibility to States and local communities for operation of State and local workforce preparation and development programs as stated in section 3(a)(5)(B), the Federal Government should transfer all of the functions of such programs to the States and local communities, including the responsibility to raise revenue to fund such programs; and

(2) Federal tax rates should be reduced by the amount saved by relinquishing Federal responsibility for workforce preparation and development programs.

H.R. 1617

OFFERED BY: MR. KLINK

AMENDMENT NO. 14: Page 275, after line 4, insert the following:

TITLE VIII—SENSE OF CONGRESS

SEC. 801. SENSE OF CONGRESS.

It is the sense of Congress, that—

(1) to streamline and consolidate workforce preparation and development programs, eliminate unnecessary duplication and fragmentation in such programs as stated in section 3(a)(5)(A), and to provide maximum authority and responsibility to States and local communities for operation of State and local workforce preparation and development programs as stated in section 3(a)(5)(B), the Federal Government should transfer all of the functions of such programs to the States and local communities, including the responsibility to raise revenue to fund such programs; and

(2) Federal tax rates should be reduced by the amount saved by relinquishing Federal responsibility for workforce preparation and development programs.

H.R. 1617

OFFERED BY: MRS. MINK OF HAWAII

AMENDMENT NO. 15: Page 105, after line 13 insert the following:

(5) a description of how the State will maintain programs for single parents, displaced homemakers, and single pregnant women and programs that promote the elimination of sex bias.

H.R. 1617

OFFERED BY: MRS. MORELLA

AMENDMENT NO. 16: Page 125, line 6, strike "and".

Page 125, line 9, strike the period and insert "; and".

Page 125, after line 9, insert the following:

(viii) implementation of innovative programs to increase the number of individuals trained and placed in nontraditional employment.

Page 127, line 19, before the period insert the following: "and individuals seeking to enter nontraditional employment".

H.R. 1617

OFFERED BY: MR. OWENS

AMENDMENT NO. 17: Page 71, strike line 1 and all that follows through line 9.

H.R. 1617

OFFERED BY: MR. OWENS

AMENDMENT NO. 18: Page 71, strike line 1 and all that follows through line 9 and insert the following:

SEC. 113. CRIMINAL PENALTIES.

Section 665 of title 18, United States Code, is amended by striking "or the Job Training Partnership Act" each place it appears and inserting ", the Job Training Partnership Act, or the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act".

H.R. 1617

OFFERED BY: MR. OWENS

AMENDMENT NO. 19: Page 128, line 11, strike "and".

Page 128, line 14, strike the period and insert "; and".

Page 128, line 14, insert the following:

(C) who are dislocated workers or who are economically disadvantaged individuals.

Page 130, line 13, strike "and".

Page 130, line 16, strike the period and insert "; and".

Page 130, after line 16, insert the following:

(D) who are dislocated workers or who are economically disadvantaged individuals.

Page 134, strike line 21 and all that follows through line 2 on page 135.

Page 135, line 3, strike "(f)" and insert "(e)".

Page 135, line 7, strike "(g)" and insert "(f)".

H.R. 1617

OFFERED BY: MR. ROEMER

AMENDMENT NO. 20: On page 10, line 4, add immediately before the semi-colon "and section 705(b)".

On page 267, line 21, add at the beginning thereof the subsection designation "(a)".

On page 267, after line 22, add the following new subsection:

"(b) In order to allow States that have received grants under Subtitle B of title II of the School-to-Work Opportunities Act of 1994 prior to its repeal to complete the development and implementation of their state-wide School-to-Work systems, the Secretary of Education and the Secretary of Labor are authorized to use not more than 10 percent of the funds appropriated under section 4(a)(1) of this Act for fiscal year 1997, 7.5 percent of such funds appropriated for fiscal year 1998, and 5 percent of such funds appropriated for fiscal year 1999 to make continuation awards to such States.".

H.R. 1617

OFFERED BY: MS. WATERS

AMENDMENT NO. 21: Page 275, after line 4, add the following new title:

TITLE VIII—SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAMS UNDER THE JOB TRAINING PARTNERSHIP ACT

SEC. 801. SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAMS.

(a) AUTHORIZATION OF APPROPRIATIONS FOR TITLE II.—Notwithstanding section 4(a)(1) of this Act, there are authorized to be appropriated for title II of this Act, $1,630,920,000 for fiscal year 1997 and such sums as may be necessary for each of the fiscal years 1998 through 2002 to carry out the programs under such title.

(b) 1996 ALLOTMENT PERCENTAGE FOR STATES UNDER TITLE II.—Notwithstanding section 211(b)(2)(B) of this Act, the allotment percentage of a State for fiscal year 1996 shall be the percentage of funds allotted to the State in fiscal year 1995 under—

(1) section 101 or 101A of the Carl D. Perkins Vocational and Applied Technology Education Act, as such Act was in effect on the day before the date of the enactment of this Act; and

(2) the funding allotted in fiscal year 1995 under section 262 of the Job Training Partnership Act, as such Act was in effect on the day before the date of the enactment of this Act.

(c) RETENTION OF SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAMS.—

(1) IN GENERAL.—Notwithstanding section 711(a) of this Act, the Job Training Partnership Act (29 U.S.C. 1501 et seq.), except section 1, sections 251 through 256 (relating to the Summer Youth Employment and Training Programs), sections 421 through 439 (relating to the Job Corps), and section 441 of such Act (relating to veterans' employment programs), is hereby repealed.

(2) AUTHORIZATION OF APPROPRIATIONS.—Notwithstanding section 711(b)(4) of this Act, the Job Training Partnership Act (29 U.S.C. 1501 et seq.), as amended by this subsection, is further amended by adding at the end the following new section:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 23. (a) Except as provided in subsection (b), there are authorized to be appropriated such sums as are necessary to carry out this Act.

"(b) For fiscal year 1997, there are authorized to be appropriated $693,680,000 to carry out sections 251 through 256 of this Act (relating to Summer Youth Employment and Training Programs).".

H.R. 1617

OFFERED BY: MR. WELDON OF FLORIDA

AMENDMENT NO. 22: Page 70, line 24, before the period insert "or to meet federally funded or endorsed industry-recognized skill standards or attain federally funded or endorsed skill certificates".

H.R. 1617

OFFERED BY: MR. WELDON OF FLORIDA

AMENDMENT NO. 23: Page 70, line 24, before the period insert "or to meet federally funded or endorsed industry-recognized skill standards or attain federally funded or endorsed skill certificates".

Page 100, line 15, before the period insert "or to attain a federally funded or endorsed skill certificate".

Page 110, line 19, insert "and parents" after "employers".

Page 113, line 10, insert "and parents" after "employers".

H.R. 1617

OFFERED BY: MR. WELDON OF FLORIDA

AMENDMENT NO. 24: Page 100, line 15, before the period insert "or to attain a federally funded or endorsed skill certificate".

Page 110, line 19, insert "and parents" after "employers".

Page 113, line 10, insert "and parents" after "employers".

H.R. 1617

OFFERED BY: MR. WILLIAMS

AMENDMENT NO. 25: Page 31, strike line 1 and insert the following:

(2) the lead State agency, entity, official, or officials

Page 31, line 4, after "(including" insert "the State entity responsible for setting education policies for activities under this Act, consistent with State law, on the day preceding the date of the enactment of this Act and".

Page 32, after line 16, insert the following:

(2) ACCEPTANCE OF CERTAIN RECOMMENDATIONS.—The recommendations of any State agency, State entity, or State public official described in subsection (b)(2) with respect to any portion of the State plan described in section 104 that affects programs that are under the jurisdiction of the agency, entity, or official shall be accepted by the Governor of the State and the other participants in the collaborative process, and shall be incorporated in the plan, unless the plan includes a finding by the Governor that the recommendations are inconsistent with the purpose of this Act.

Page 32, line 17, strike "(2)" and insert "(3)".

Page 36, after line 7, insert the following:

(11) A designation, consistent with State law, of the State agency or agencies to serve as administrative or fiscal agents for purposes of titles II and IV.

H.R. 1617

OFFERED BY: MR. WILLIAMS

AMENDMENT NO. 26: Page 246, after line 4, insert the following new subsection (and redesignate the succeeding subsections accordingly):

"(e) ADDITIONAL TRANSITION PROVISIONS IN THE EVENT OF NO REORGANIZATION.—In the event no reorganization is approved under this section, the following provisions shall apply beginning on the date which is 18 months after the date of enactment of this section:

"(1) TERMINATION PLAN.—No later than the date which is 24 months after the date of this section, the Association shall submit for the approval of the Secretary of the Treasury (hereinafter in this subsection referred to as the 'Secretary') a plan for the orderly winding up of its business which shall ensure that the Association will have adequate assets to transfer to a trust, as provided in subsection (e), to ensure payment of debt obligations of the Association that are outstanding as of December 31, 2004 (hereinafter in this subsection referred to as the 'remaining obligations'), in accordance with their terms.

"(2) PLAN REVIEW AND AMENDMENT.—The Secretary may require any amendments to the plan as the Secretary deems necessary or appropriate to ensure full payment of the remaining obligations. Once the plan or amended plan has been approved by the Secretary, the Secretary shall continue to review the plan and the financial condition of the Association no less than annually. After each review, the Secretary may require any additional amendments to the plan as are necessary to ensure full payment of the remaining obligations.

"(3) IMPLEMENTATION BY THE ASSOCIATION.—The Association shall promptly implement the plan or amended plan approved by the Secretary and shall promptly implement any subsequent amendments required based on the annual review.

"(4) PAYMENT OF DIVIDENDS.—Prior to the payment of any dividend, the Association shall certify to the Secretary that the Association is in full compliance with the termination plan then in effect, including subsequent amendments. The Association may not make any cash or non-cash distributions unless the Secretary has approved the termination plan, the Association is in full compliance with the plan as approved, including any subsequent amendments required by the Secretary, and the Secretary has approved the Association's certification of compliance.

Page 248, strike lines 20 through 25 and redesignate the succeeding subsections accordingly.

H.R. 1617

OFFERED BY: MS. WOOLSEY

AMENDMENT NO. 27: Page 5, line 15, strike "$2,324,600,000" and insert "$3,000,000,000".

H.R. 1617

OFFERED BY: MS. WOOLSEY

AMENDMENT NO. 28. Page 5, line 15, strike "$2,324,600,000" and insert "$3,000,000,000".

Page 5, line 19, strike "$2,183,000,000" and insert "$3,225,000,000".

Page 5, line 23, strike "$280,000,000" and insert "$597,000,000".

H.R. 2274

OFFERED BY: MRS. BARRETT OF NEBRASKA

AMENDMENT NO. 18. Page 96, after line 13, insert the following:

(4) DRIVERS OF UTILITY SERVICE VEHICLES.—Such regulations shall, in the case of a driver of a utility service vehicle, permit any period of 8 consecutive days to end with the beginning of an off-duty period of 24 or more consecutive hours for the purposes of determining maximum driving and on-duty time.

Page 96, line 14, strike "(4)" and insert "(5)".

Page 97, line 3, strike "(5)" and insert "(6)".

Page 99, after line 6, insert the following:

(6) UTILITY SERVICE VEHICLE.—The term "utility service vehicle" means any motor vehicle, regardless of gross weight—

(A) used on highways in interstate or intrastate commerce in the furtherance of building, repairing, expanding, improving, maintaining, or operating any structures, facilities, excavations, poles, lines, or any other physical feature necessary for the delivery of public utility services, including the furnishing of electric, water, sanitary sewer, telephone, and television cable or community antenna service;

(B) while engaged in any activity necessarily related to the ultimate delivery of such public utility services to consumers, including travel or movement to, from, upon, or between activity sites (including occasional travel or movement outside the service area necessitated by any utility emergency as determined by the utility provider); and

(C) except for any occasional emergency use, operated primarily within the service area of a utility's subscribers or consumers, without regard to whether the vehicle is owned, leased, or rented or otherwise contracted for by the utility.

EXTENSIONS OF REMARKS

TRIBUTE TO CONGRESSMAN NORMAN Y. MINETA

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 18, 1995

Mr. SHUSTER. Mr. Speaker, In 3 short weeks, Congress will lose one of its most valued Democrat Members and at the same time, I will say goodbye to one of my closest friends. After nearly 21 years in the House of Representatives, Congressman NORMAN Y. MINETA is leaving to take a job in the private sector. Today, I would like my House colleagues to pause a moment and remember this truly remarkable man.

In his remarks at the press conference announcing his retirement, NORM said something which simply but eloquently encapsulates his career in public service. He said, "It is fair to say that I have been a builder throughout my life."

NORM came to the Public Works and Transportation Committee in 1975 along with eight other Democrat freshmen; 18 years later, he became committee chairman. During the span of time, he chaired four of the panel's subcommittees, proving time and again a knack for understanding the details of committee jurisdiction as well as a grasp of the overall importance of infrastructure investment to the economy and well-being of this Nation.

In particular, he was a spokesman for urban America, having been, even at a tender age, a city father to San Jose, which rose from a sleepy South Bay community in the shadow of San Francisco to become the third-largest city in California. His experiences as a mayor helped him provide this committee with insight on the need for and development of mass transit systems.

No mention of NORM goes without recognition of his untiring advocacy on behalf of those of his ethnic heritage. Early on in his native San Jose, he was eyed as a prodigal son of the Japanese-American community. NORM unflinchingly assumed this responsibility, culminating in the passage of the Civil Liberties Act of 1988, which included reparations for Japanese-Americans interned by President Franklin D. Roosevelt and then-California Gov. Earl Warren during World War II.

As his career highlights demonstrate, NORM has not been bashful in standing up for his beliefs. I remember when he headed the Aviation Subcommittee during the 1980's and was such a strong advocate for taking the aviation trust fund out of the general fund budget. His persistence helped force a floor vote on the issue in October 1987, with supporters of the off-budget bill losing by a scant five votes. As I said then and now: That vote was held because NORM MINETA believed that stockpiling these balances to hide the deficit was a fraud on the America people. And the fight to take the transportation trust funds off budget continues today, thanks in no small part because of NORM'S leadership.

But beyond the legislative give-and-take of issues, NORM and I were more than simply colleagues. For two decades, he and I have literally sat shoulder to shoulder in countless hearings and meetings. Together we have listened to thousands of witnesses, sat through hundreds of rollcall votes, and shared both victories and defeats. Ours is an uncommon friendship and I trust it will not end when he leaves Congress.

NORMAN Y. MINETA came to the Congress and the Public Works and Transportation Committee in 1975 and two decades later, he leaves, having contributed immeasurably to both. NORM was a positive influence on his colleagues and on their institution. He will be missed.

CELEBRATING THE 100TH ANNIVERSARY OF THE BOROUGH OF EAST NEWARK

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 18, 1995

Mr. MENENDEZ. Mr. Speaker, I rise today to recognize the Borough of East Newark, which is this year celebrating its 100th anniversary. Although East Newark is small in size, the residents are known for their big hearts.

Once a part of Kearny, East Newark broke away in the spring of 1895 to become an independent borough. The vote was cast for incorporation on July 2, 1895, and the new borough, just 64 acres in area, became the smallest community in the State of New Jersey.

Two of the early industries in East Newark were the Clark Thread Co., and the Clark Mile End Spool Cotton Co., the largest thread mills in the United States at that time. The companies became Englehard Industries in the early 1930's, but since then, the area has been converted to the East Newark Industrial Center, which now houses over 80 corporations in the garment industry.

With its industries in place, East Newark began to build its community. The East Newark Volunteer Fire Department was organized in October 1895, and the East Newark Police Department was established 1 month later. Today, both are still in place, 100 years after they were first established to provide for the protection of life and property. East Newark's first public school was built in 1896, and still serves children from kindergarten through the eighth grade.

A bronze tablet located in front of borough hall proudly displays the names of the 175 brave men of East Newark who gave their lives to the American cause in World War I. The Albert Ettlin American Legion Post No. 36 was so named in honor of Mr. Ettlin, the first East Newark soldier killed in action at the Battle of Chateau Thierry. East Newark resident William F. Sawelson is said to have been hit by a sniper's bullet while carrying water to a wounded buddy in World War I and posthumously received the Congressional Medal of Honor.

The first church established in the borough was St. Anthony's Roman Catholic Church, the congregation originally founded in 1901 by Italians who moved from West Hoboken. While the original church was destroyed by fire in 1935, it was soon rebuilt and still serves the community today at the same site on Second Street.

In many ways, East Newark's history continues to influence the present. Current mayor, Joseph R. Smith, is a descendant of John C. Smith, one of the original petitioners in the effort to establish the borough. I would like to salute Mayor Smith, Council President Walter Roman, Councilman Hans Peter Lucas, Councilman William Lupkovich, Councilman Frank Madalena, Councilman Robert Rowe, and Councilman Charles Tighe for continuing a tradition of excellence in community service.

While the past century has seen monumental changes in the face of the community, East Newark remains an example of small-town pride and big-spirited determination. With a population of only 2,200, East Newark proves that you do not have to be big in size to make a big contribution. Please join me today in celebrating the 100th anniversary of this little metropolis, which continues to forge its own path on the road to a new century.

RESPONSE TO CHARGE OF STUDENT USE IN PHILLIP MORRIS STUDY

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 18, 1995

Mr. BLILEY. Mr. Speaker, I would like to bring to your attention and include in the CONGRESSIONAL RECORD the following response of the Chesterfield County Public Schools to recent congressional allegations that students in their school system were used in a study by Phillip Morris. Attached, please find a media advisory from the Chesterfield County Public Schools, which addresses this issue.

MEDIA ADVISORY

After an exhaustive search in an effort to respond to inquiries regarding information in the CONGRESSIONAL RECORD last week, the following are our findings:

1. We have determined that third grade teachers used a pupil rating scale questionnaire, not a pupil test, during the early 1970s.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

The purpose was to help identify students in need of special education services. The school system had no evaluation instrument at that time to test students for hyperactivity. If teachers suspected hyperactivity, the common practice was to recommend parents take their child to a physician for a medical diagnosis.

2. This rating scale questionnaire was not a Phillip Morris study, nor was the rating scale completed in collaboration with Phillip Morris. It was a standard teacher observation scale used by educators.

3. The rating scale does resemble, however, the description of a teacher questionnaire in the July 25 CONGRESSIONAL RECORD in a two paragraph section alluding to a study of Chesterfield County Public School students.

4. No School Board employee we have located can confirm or recall any joint study or sharing of information with Phillip Morris. No School Board minutes from 1973–1978 reference Phillip Morris in any way. We cannot determine through any means that the results of the questionnaire were made available to anyone other than school officials.

5. The source of information cited in the CONGRESSIONAL RECORD was F. J. Ryan and "Smoker's Psychology Monthly Report," and we have no knowledge of either of these sources.

6. This concludes our good faith effort to respond to these inquiries. We are available for questions regarding current policies and procedures related to student evaluation.

SPECIAL SALUTE TO EUGENE PARKER: HONORING HIS CHARITABLE SERVICE TO THE ELDERLY

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 18, 1995

Mr. STOKES. Mr. Speaker, I am proud to rise today to salute a resident of my congressional district, Eugene Parker, who was recently profiled in the Cleveland Plain Dealer. The article, which is entitled "Paying With Good Looks", tells of Mr. Parker's unique contribution to the elderly people of his neighborhood. I want to share with my colleagues the details regarding the offerings outstanding individual.

Mr. Parker is the proprietor of Parker's Barber Shop in Cleveland, where he has been cutting hair for over 30 years. Every Thursday since June 1994, Mr. Parker has offered free haircuts to people over the age of 65. This is his way of giving back to his community. As Mr. Parker frequently says, he thinks that the money that these persons would spend for a haircut would be better spent on a loaf of bread. Through this act of charity, Mr. Parker demonstrates to the elderly of his neighborhood that someone is looking out for them.

Mr. Speaker, the reason that I highlight this act of individual charity is because this is exactly the type of contribution which has the potential to resuscitate drifting communities of our country. Eugene Parker has unselfishly given his time and talent in an effort to ease the financial burdens of the elderly of his community. I salute Mr. Parker for his neighborly contributions and ask my colleagues to join me in paying tribute to this caring indiviual. I also ask that this Cleveland Plain Dealer article be inserted into the Record.

[From the Cleveland Plain Dealer, Sept. 11, 1995]

PAYING WITH GOOD LOOKS

(By Ronald Rutti)

CLEVELAND.—They stand or sit six deep outside the barber shop at Kinsman Rd. and E. 143rd St. on Thursday mornings. It leads you to think the guys cutting inside either must be good or giving something away free. Turns out, you would be right on both counts.

Since June 1994, the elderly have been getting free haircuts on Thursdays at Parker's Barber Shop. Proprietor Eugene Parker closes the place to paying customers that day.

"I could hardly believe it," recalled John Thomas of E. 176th St., when he first came to the shop for a free cut. "He wouldn't even take a tip. He said, 'Then it would not be free.' "

Harry J. Walker, of Van Aken Blvd., a customer for more than 25 years, was sitting outside waiting for his number to be called. Knowing he would face a wait of about an hour, Walker had brought a radio and some Scripture readings.

"He's the best," Walker said of Parker. "I think it's wonderful what he is doing. God said if you give, you are going to receive hundredfold."

For a while it was hard to give. "The first three weeks, all total, I did not cut 20 heads," Parker recalled "Nobody believed it."

Now he cuts about 30 heads during his abbreviated Thursday hours 9 a.m. to noon. At least one of the four other barbers in his shop volunteers his off day on alternate Thursdays.

On this day, it is Andre Beard, 27, who has been cutting hair six years. Beard said he was a Cuyahoga Community College student in electrical engineering when his barber, Parker steered him into the grooming field.

Parker said Beard comes almost every Thursday to cut the older folks' hair. "I get the afternoon off, that's enough time for me," Beard said.

The give-away attracts both longtime customers and newcomers. Those who have known Parker for years are not surprised by his charity.

"He's always been a people lover," said Tom Carter, 78, of Stockbridge Ave. "He's a caring person." Carter has been a customer for 30 years.

Although he has not had a real vacation in 18 years, Parker said he gets one every week when he unlocks the shop door and already-waiting older folks file in.

He cannot wait to talk to his visitors, for they already have lived full lives.

"This gives me a chance to pick up a lot of knowledge," Parker said.

Parker, a barber more than 30 years, said he got the idea for free haircuts while sitting in his shop contemplating what he could do to give back to the community.

He decided older people would better use their limited funds for food.

The normal haircut charge at the shop is $9.

Parker, 56, gestures to the dozen or so people waiting their turn and says, "These people sitting here, they did all the legwork and all the suffering to get me where I am today. I think a loaf of bread is more important to them than a haircut.

"Hopefully other barbers will hear about this and do the same thing for seniors," he said.

The rule is a customer has to be 65 or older to get a free haircut, but Parker does not ask for proof of age. "I trust them," he said.

Parker's family moved to Cleveland from Birmingham, Ala., when he was 12. He has nine children of his own, 21 grandchildren and three great-grandchildren.

He said he became a barber because "I was tired of working hard." But he has found it is a job not suited to all.

"You've got to like people. It's a trip dealing with people. But it's a lot of fun," he said.

JOEL COOK DAY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 18, 1995

Mr. GILMAN. Mr. Speaker, I wish to call to the attention of our colleagues a remarkable man who led an incredible life of service to others. This coming Sunday, September 24, Joel's hometown of Walden, NY, will be paying tribute to him.

Joel Cook, a veteran of the Vietnam conflict, took the plight of our missing American heroes, and the families they left behind, to his heart. In 1977, at a time when most Americans wanted to forget about our involvement in Vietnam, and sweep the problems from that conflict under the rug, Joel founded the National Human Rights Committee for POW's and MIA's. As its national chairman, he helped light a fire under all of us, reminding us that it was important that we must not forsake those brave missing Americans.

Many veterans groups throughout the Nation came to depend upon Joel Cook and his organization for the information they provided, the suggestions they proffered, and the assistance they were always ready to give. In the year 1977, many Americans neither knew nor cared what the initials "POW" or "MIA" stood for. In good part, public awareness of the issue was heightened by Joel's tireless efforts.

In July 1992, as a result of the illness which Joel probably contracted or had exacerbated by his exposure to Agent Orange during his service in Southeast Asia, he retired as national chairman of the Human Rights Committee. We lost him about a year and a half later, on January 17, 1994.

However, his friends, loved ones, and the many lives he touched ensured that his hometown would not forget him.

This Sunday, Joel Cook Day in Walden, will be a commemoration—and a celebration—of this stellar veteran and the time and effort he devoted to helping others. His widow, Linda, his children, and other family members will be on hand to share in our appreciation of Joel Cook's works and deeds. On Sunday, which is the day before what would have been Joel Cook's 49th birthday, the American Legion Post No. 158 in Walden will officially change its name from the William Deakin Post No. 158 to the William Deakin-Joel Cook chapter. A duplicate of the new official American Legion charter indicating this name change will be presented to the Cook family at this time, with appropriate ceremonies.

Today, over two decades after the end of hostilities in Southeast Asia, 2,197 Americans are still not accounted for. The National League of Families of POW's and MIA's pointed out to my office just this week that, if Joel Cook were alive today, he would be the first and the loudest to protest the rush toward normalization of relations with Vietnam with the fates of so many of our fellow citizens still undetermined.

Mr. Speaker, many of our colleagues have joined with me throughout the years to remind all of us in this Nation that our missing fellow Americans must never be forgotten. Joel Cook Day, coming only 9 days after our annual National POW-MIA Remembrance Day, is a suitable time to remember that many of us here at home have dedicated their lives to this worthy cause.

As is true of our missing service men and women, they deserve nothing less.

TRIBUTE TO REAR ADM. THOMAS A. MERCER, USN

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 18, 1995

Mr. FARR. Mr. Speaker, it is my great honor to rise today in salute of an outstanding individual, community and military leader. Mr. Speaker, Rear Adm. Thomas A. Mercer, who until recently commanded the Naval Postgraduate School, provided 33 years of service to the U.S. Navy and to my central coast community. His contributions will be remembered and sorely missed.

Graduating with distinction from the U.S. Naval Academy in 1962, Rear Admiral Mercer served a 3-year tour of duty in the U.S. Navy, including a Southeast Asia combat deployment. He later attended the Naval Postgraduate School in Monterey, CA and was awarded a master of science degree in aeronautical engineering in 1969.

Rear Admiral Mercer's remarkable career has been demonstrated by his assignments and duties throughout the country and the world. He has been awarded 17 medals and awards that recognize his distinguished service, including the Defense Distinguished Service Medal, Distinguished Service Medal and Defense Superior Service Medal. I am very pleased to commend Rear Admiral Mercer for his contributions to our country.

In addition, Rear Admiral Mercer significantly contributed to the Monterey Peninsula community. He has served as the superintendent of the Naval Postgraduate School, Monterey, CA since January 1993. His contributions there helped to retain the school in Monterey and he has worked with other institutions of higher education to make the region a center of excellence for education and research. Rear Admiral Mercer has also helped many organizations in the Monterey region, including outreach programs to schools, the American Legion, the Salinas Air Show and many more.

We are indeed fortunate to have a national resource like the Naval Postgraduate School in our community, but more so since Rear Admiral Mercer has been its superintendent for the past 2½ years. It is said that Rear Admiral Mercer left every command in better shape than when he arrived and I agree. The Naval Postgraduate School and the entire community have benefited from his leadership. On behalf of a grateful community and country, I wish him congratulations, and very best wishes for a happy and healthy retirement.

IN HONOR OF THE POLISH MARTYRS MEMORIALIZED AT THE KATYN MEMORIAL MONUMENT

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 18, 1995

Mr. MENENDEZ. Mr. Speaker, I rise today to honor the Polish officers, citizens and prisoners of war who were massacred in 1940 by the Stalinist Soviet Government. The Katyn Forest Massacre Memorial Committee will have a memorial service on September 17, 1995 to honor the Polish victims. A mass will be celebrated at 12 noon at the monument site.

Many times throughout history, mankind has committed unspeakable crimes that have horrified the world. In April 1940 more than 25,000 people were rounded up by the Soviet Government. Their only crime was that they were born Polish and considered enemies of the state. Their hands were tied behind their backs and they were shot in the back of the head. Their bodies were burned and scattered throughout various locations such as Katyn Forest.

This year marks the 55th anniversary of the brutal Katyn Forest Massacre. The order to execute the Polish citizens was issued on March 5, 1940. The order is a reminder to us that we must remain ever vigilant against intolerance and inhumanity. Their massacre was a genocidal act and we must never forget their suffering and sacrifice.

A memorial was erected at Exchange Place in Jersey City. The monument commemorates the sacrifice of these innocent victims. The Katyn Forest Massacre was a crime against humanity. This elegant memorial serves as a reminder of man's cruelty to man.

I ask that my colleagues join me in honoring these Polish martyrs. They represent a lost generation of Polish citizens. Their memories live on at the Katyn Memorial Monument.

SPECIAL SALUTE TO MORT MANDEL, CLEVELAND PHILANTHROPIST

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 18, 1995

Mr. STOKES. Mr. Speaker, I rise today to pay tribute to an outstanding philanthropist of my congressional district. Mort Mandel is the chairman and CEO of Premier Industrial Corp. and has spent his life not just donating finances, but also finding innovative ways to improve the Cleveland area and the world. I want to share with my colleagues some of the contributions of this outstanding individual.

Foundations established by Mort Mandel and his family distribute grants for management training, neighborhood renewal, the arts, and health care. Mr. Mandel's Premier Industrial Corp. created a non-profit agency for improvement of the neighborhood in which it operates, and created a school for non-profit management at Case Western Reserve University. Mr. Mandel has also given extensively to the United Way, and has contributed to the creation of the Mandel School of Applied Social Sciences at Case Western Reserve University.

Mort Mandel has for a number of years been a strong supporter and financial contributor to the 11th Congressional District's Annual Christmas Party for poor residents of my district. These are people who would have no Christmas for themselves and their children if it were not for philanthropists such as Mort Mandel.

Mr. Speaker, I am proud to salute Mort Mandel today. Mort Mandel has given his time, ideas, and funding to creative philanthropy. He has used his success to increase opportunities for people's advancement and to implement neighborhood improvement. I ask my colleagues to join me in paying tribute to this exceptional individual.

GIVING LIVES OF TWO CLEVELAND PHILANTHROPISTS

(By Janet Beighle French)

Why people give has long intrigued those responsible for garnering support for privately funded organizations.

The lives of two Cleveland philanthropists, one present, one past, provide some answers. And, as is typical in Cleveland, their gifts were not only of money, but of time, too.

THE MANDEL TRADITION

"I want to light another candle or 10, maybe many candles, to help eliminate the nightmares around us," said Mort Mandel, chairman and CEO of Premier Industrial Corp.

Mandel's parents, Sam and Rose, set the example.

"They were not wealthy, but they always extended helping hands to others," said Mandel. "When they could hardly pay the rent, mother would squirrel away $11 for someone, perhaps for a wedding dress, a doctor bill, a refrigerator or stove.

"By the time I was 10 years old, I had internalized a sense that [compassionate, personal giving] was an obligation and an opportunity to help," said Mandel. "My brothers did, too. As we could, we began giving away money."

Along the way, their Premier Industrial Corp. became very successful.

Now, said Mandel, he uses that ability, giving systematically and effectively to stimulate new ideas that will help heal the world.

He and older brothers Jack and Joseph have established a foundation for each family, three private and one corporate, with total assets estimated in 1991 to be more than $160 million. That year, the four foundations distributed more than $2.5 million in grants.

Management training, neighborhood renewal, the arts and health care were among major beneficiaries. The Mandels also have given generously to Jewish causes; Mort Mandel is a past president of the Jewish Community Federation of Cleveland.

In 1993, the brothers hired Richard Shatten away from Cleveland Tomorrow (itself foundation-inspired) to operate their foundations. At the time, Mort Mandel said the brothers intended to leave to charity a "very large" portion of their combined fortunes, then worth about $1.5 billion. The result could be a foundation that would join the Cleveland and Gund foundations as a major force in Cleveland philanthropy.

"We are more pro-active than other foundations," said Mandel. "We use our brains, contacts and money to improve, change, fill a vacuum. We work very hard at it and put in time."

Premier is located in the Midtown Corridor, on Cleveland's near East Side. It created a nonprofit agency to help improve the neighborhood, which Mandel cites as among his top accomplishments. "It's now an umbrella agency, called Neighborhood Progress Inc. The Cleveland and Gund Foundations supported it, too, but we were the largest funder.

"We also started the Mandel Center for Non-Profit Management [at Case Western Reserve University], to see if we could improve the quality of management for nonprofits, so they could do a better job.

"It's been 10 years now and the program has graduated many people. And now they run everything from museums to settlement houses."

Last week, the Mandels were recognized for their longstanding commitment to United Way Services, and their gift of $1.2 million toward the purchase of the agency's new headquarters on Euclid Ave. to be named the Mandel Community Building.

Mandel gifts have also helped in the creation of the Mandel School of Applied Sciences at Case Western Reserve University, and the Mandel Jewish Community Center in Beachwood.

Mandel's grown children are also very philanthropic, he said.

"That's probably the greatest gift Barbara and I have given our kids—their values," said Mandel.

MATHER RECYCLED MONEY

Samuel L. Mather was injured in an explosion at his father's mining company just as he was about to enter Harvard University. He spent three years as an invalid, perhaps inspiring his gifts to medicine and the arts.

But inherited religious conviction was more likely behind Mather's indefatigable giving, said his great-grandson Sterling "Ted" McMillen.

Mather's "core, prime passion," McMillen said, was the Episcopal Church, which he served in local, national and ecumenical capacities and as director of the Bethel and City Mission.

"Mather believed you earned money to recycle it and try to bring about God's pure vision," he said. "In New England, where the Mathers came from, religion called the shots."

Boston preacher Increase Mather was president of Harvard. His son Cotton was a preacher, author, mystic, politician and a founder of Yale.

Samuel Mather Jr. was one of the first 49 shareholders in the Connecticut Land Company, which bought the Western Reserve in 1792. By 1809, he owned four townships. Only he, of the 49, sent a descendant here.

Son Samuel Livingston Mather arrived in 1843 to set up a law practice and see to his father's interests. He founded Cleveland Iron Mining Co. (later Cleveland-Cliffs Co.) and fathered William Gwinn and Samuel.

The sons inherited the family propensity to make money and were ultimately credited with writing the book on the iron and steel business of their era. William took over Cleveland-Cliffs. Samuel helped found Pickands Mather Co. and built it into the region's second-largest iron ore company.

Samuel and Flora Stone Mather lived very well, in the most expensive house on Euclid Ave's Millionaires' Row. Mather died the state's richest man in 1931, even though he retired at age 50 and spent 30 years funding and directing nonprofit organizations.

But the Mathers gave time as well as money. He spent a half-century helping to support Lakeside/University Hospitals, 30 as chairman (thus the new Samuel L. Mather Pavilion). He helped rebuild the Cleveland Clinic after the disastrous 1929 explosion. He was an original trustee of the Cleveland Museum of Art, vice president of University School, and a trustee of Western Reserve University. He helped underwrite Kenyon College and the Library Association.

Flora funded three buildings for and underwrote Western Reserve University's College for Women, later renamed in her honor. She and her husband funded and led Hiram and Goodrich Houses, which offered social programs for immigrants. Some of these programs evolved into the social work school at the university, the Visiting Nurse Association and the Cleveland Society for the Blind.

Samuel Mather was president of the Children's Aid Society and the Home for Aged Women, on the board of the National Civic Federation and American Red Cross. When he began directing the Community Fund (later United Way), givers multiplied 10 times. He remained director and top contributor for 21 years.

Mather succeeded because he was passionate about everything he did, said McMillen. And he was directly involved. Contemporaries noted that he approached any task with enthusiasm, keen observation and analysis, a superb memory, and the ability to get to the point.

"Philanthropy is an incredibly fulfilling thing to do," McMillen said. "All of the family still have civic interests."

McMillen is a trustee of the art museum and of the $3.8-million S. Livingston Mather Charitable Trust which supports cultural programs, education, child welfare, social services and mental health, youth services and conservation. He also supports the Children's Aid Society.

TRIBUTE TO HOME HEALTH CARE WORKERS

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 18, 1995

Mr. COLEMAN. Mr. Speaker, I would like to take this opportunity today to extend my gratitude to all of the thousands of nurses, therapists, physicians, and home care aides who have devoted their lives to provide in-home health care.

Home care is a wonderful way to treat sick and disabled individuals without having to separate them from their familiar and comfortable surroundings. Because it is so popular, home care is the fastest growing sector of American health care delivery today. Between 1990 and 1994, the number of Medicare beneficiaries that received home health services almost doubled.

However, despite the fact that health care increase in services costs in general have risen at enormous rates, the cost of this service has been increasing at a rate far below that of the Consumer Price Index. In fact, Medicare payments for this service had leveled off in 1993 and were well below projected levels of spending in 1994.

Certainly, this is an economical and caring way to provide for our sick and disabled with health care that they can rely upon. It also benefits the families that live with the individuals who require home care by allowing them to have day to day contact with their loved ones.

I believe that home health care is the type of system we need to put more emphasis on when Congress structures its debate on health care reform.

TRIBUTE TO SHERIFF WILLIAM H. HACKEL

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 18, 1995

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to my good friend, Macomb County Sheriff, William H. Hackel. Sheriff Hackel was named as the winner of the 1995 Distinguished Citizen's Award by the Clinton Valley Council of the Boy Scouts of America. On September 14, 1995, Sheriff Hackel was honored by the Boy Scouts at an award dinner held at the Fern Hill Country Club in Clinton Township, MI.

Sheriff Hackel began his career with the Macomb County Sheriff's Department as a deputy over 30 years ago. In 1976, the people of Macomb elected him to serve as Sheriff. During these three decades, Sheriff Hackel has earned the well-deserved reputation as a tough and innovative crime fighter.

Sheriff Hackel has assumed leadership roles in many local, State, and national criminal justice organizations. He has served on the Advisory Committee of the Macomb Community College Criminal Justice Program and as a member of the Michigan Commission of Criminal Justice. Previous Michigan Governors William Milliken and James Blanchard both appointed him to serve on the Michigan Law Enforcement Officers' Training Council. In all of his roles, he has worked to see that the community he serves has the best trained and most professional law officers possible.

In addition to helping coordinate law enforcement officials from all levels of government, Sheriff Hackel has also placed a priority on crime prevention. It is not uncommon to see Sheriff Hackel at numerous community events. He is always working with groups and attending functions where he can reach out to the public, especially children. In the words of one of his deputies, a DARE officer, Sheriff Hackel has always made kids his number one priority. His support of the Boy Scouts, where he serves on the Friends of Scouting Committee, is just one of many examples. Sheriff Hackel is also responsible for bringing the first DARE program to Macomb County. He sponsors the Explorer Post at the Macomb County Sheriff's Office where young men and women have the chance to learn about law enforcement first hand. Annually, Sheriff Hackel participates in the March of Dimes Walk America, the Easter Seal Telethon, the Torch Run for Special Olympics and many other community and charity organizations.

Taking an active role in one's community is a responsibility we all share, but few fulfill. Sheriff Hackel has dedicated much of his life to this endeavor. I deeply admire his strong values and outstanding example of civic involvement. His time, talents, and energy are appreciated by all of us. I thank Sheriff Hackel for his efforts and commend him for his good work.

I applaud the Boy Scouts of the Clinton Valley Council for recognizing Sheriff Hackel. He has provided outstanding leadership to our community and I know he is proud to be honored by the Scouts.

On behalf of the Boy Scouts of America, I urge my colleagues to join me in saluting Macomb County Sheriff Bill Hackel.

THE SOCIAL COST OF ADMINISTRATION POLICIES

HON. JOHN T. DOOLITTLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 18, 1995

Mr. DOOLITTLE. Mr. Speaker, I rise today to read into the Record two letters I received when I was in my district over the recess. Both letters touch upon how the policies being pursued by the Clinton administration are causing damage to the forests of northern California and inflicting pain and suffering on the residents of the region.

The first letter is from Michael and Sharlene Reed of Sonora. The letter reads:

Representative Doolittle: Due to the Forest Service interpretation of the Taylor Amendment and President Clinton's lack of concern for the working people we are recently unemployed. Our local plywood and sawmill operation has been closed. The Stanislaus National Forest will have no noticeable increase in timber sales in the foreseeable future.

My family has been in Tuolumne County for more than 100 years, in the cattle and timber fields. We care about the future of our county, our state and our nation. For now our future is unknown, and we may have to leave the place that has been our home for such a long time. There are no other job opportunities available in this area. We may also lose our home because there is little real estate market at this time. Clinton's "job retraining" would only work if there were jobs to be trained for.

While our future is uncertain, we hope your future as our Representative is secure. We will help any way we can.

Sincerely,

Michael and Sharlene Reed,
Sonora, California.

The second letter I would like to share was sent to the California Spotted Owl Team in Sacramento by Pat Kaunert. Mr. Kaunert, who is also a resident of Sonora, gave me a copy of the letter at a recent townhall meeting.

His letter reads:

Comments on California Spotted Owl Drafted Plan

The following comments on the Draft California Owl Plan represent my personal opinion only, and are not intended to represent any other persons or agency.

I have reviewed the Draft Environmental Impact Statement for Management of the California Spotted Owl, a document which clearly states that "The California spotted owl appears to be abundant and well-distributed within the forests on the west slope of the Sierra Nevada." This tells me that the owls are currently living in paradise—not endangered, not threatened, and not all that sensitive. I'm not all that sensitive. I'm not worried about the owls. This document tells me they're doing just fine for now.

However, I am deeply concerned about the existence of several other species that remain unprotected by this plan—the American logger, the American rancher, the professional forester, the wildland firefighter, local forest families, and the critical rural habitat in which they all live and work. Together, they comprise an essential component of the forest ecosystem, and contribute to the strength of our nation. They are the human critters that they have the experience, training, and commitment to sustain the overall health and productivity of the forest.

Without immediate intervention it is likely they will go into dramatic decline, and possible extinction. Therefore, I recommend the following prescription as good medicine for these endangered human species, as well as for the western slope of the Sierras and its abundant wildlife:

Scrap the "cookie-cutter", one-size-fits-all" approach to managing forest vegetation. Return to individual Forest Plans that can provide a custom tailored fit to the specific local needs of rural communities, individual landscapes, and sustainable forests.

Depart from past harvest schedules to commence an aggressive increase in the volume of forest tree-thinning. This will reduce the growing catastrophic fire hazard in dense, choked, and over crowed timber stands. Cut some bigger trees to make way for the younger ones.

Step-up the reforestation effort on wildfire-burned forest land. This will reduce the brush field fire hazard, provide future jobs for rural communities, grow green forests in which Americans love to recreate, and provide habitat opportunities for a wider range of wildlife.

Continue the good work of introducing controlled, cool fire back into the landscape to maintain thinned stands of trees and improve browse for wildlife. Combine this work with tree thinning over entire landscapes as needed to get out front on the California fire problem.

Forests on the west slope of the Sierras are burning down faster than we can sustain them, resulting in big black clear cuts. Spotted owl nesting sites are torching off faster than the forest can grow them, and the owls are pretty mad about it. Let's protect the jobs of the people who can protect the owls.

Mr. Speaker, whether the issue is the California Spotted Owl or the timber salvage amendment passed in the 1995 recissions bill, the Clinton administration continues to ignore the human and social costs of its policies. We are witnessing the devastation of entire communities in the northwestern United States as a result of the President's efforts to placate extremists in the environmental movement.

These letters, Mr. Speaker, are representative of the thinking of the great majority of my constituents. They are beginning to speak out more forcefully against the current administration's destructive environmental policies and I have assured them that their voices will be heard in Washington. I am glad to share these two letters with my colleagues by including them in today's Record.

OBSERVANCE OF THE CHIROPRACTIC CENTENNIAL

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 18, 1995

Mr. RADANOVICH. Mr. Speaker, today is the centennial observance of the discovery of chiropractic on September 18, 1895 by Dr. D.D. Palmer in Davenport, IA. The name chiropractic was derived from the two Greek words of chiro meaning hand and praktos meaning done by hand. According to Webster's Dictionary, "Chiropractic is a system of healing holding that disease results from a lack of normal nerve function and employing manipulation and specific adjustment of body structures—as the spinal column."

Today, chiropractors are recognized by the Federal and State governments in licensure, education, continuing education, student financial aid programs, radiation certification, legal expert witnesses, hospital staff membership and insurance recognition as stated in the Occupational Outlook Handbook of the Bureau of Labor Statistics of the U.S. Department of Labor and other official sources.

Chiropractors also are recognized by the Federal and State governments as primary health care providers. The U.S. Public Health Service classifies doctor of chiropractic among medical specialists and practitioners and includes chiropractors in its Health Manpower Sourcebook, and includes a chapter covering chiropractic in Health Resources Statistics. The U.S. Department of Labor, Bureau of Labor Statistics, lists chiropractic in its Occupation Outlook Handbook as "Health Diagnosing and Treating Practitioners." Chiropractors are a listed occupation for purposes of taxation by the U.S. Internal Revenue Service and under the Internal Revenue Code, chiropractic care is a medical deduction.

Mr. Speaker, in saluting this chiropractic centennial, I take pleasure in including with my remarks a summary statement about the profession that was written at my request by my chiropractor constituent, Dr. Rita Schroeder of Fresno, and one of my California advisers, Dr. L. Ted Frigard of Beverly Hills.

Chiropractic, Past, Present and Future

On September 18, 1895, Mr. Harvey Lillard, who had been deaf for seventeen years sought the services of Dr. D.D. Palmer. Mr. Lillard stated that he was exerting himself in a cramped, stooping position and he felt something give way in his back and immediately became deaf. An examination revealed that a vertebra was twisted from its normal position. Dr. Palmer reasoned that if that vertebra was replaced, the man's hearing should be restored. With this object in view, Dr. Palmer maneuvered the vertebra into position using the spinous process as a lever and soon Mr. Lillard could hear as before. Thus the science and art of chiropractic were formed at that time.

Chiropractic was founded on anatomy: osteology, neurology and function of bones, nerves and the manifestation of impulses.

Chiropractic is a science, a knowledge of health and disease reduced to law and embodied into a system. A vertebral subluxation occludes an opening through which nerves pass, producing a pressure upon nerves causing interference with the transmission of a normal quantity of abstract force generated in the brain and expressed at the end of the nerve in physiological function.

EDUCATION

Chiropractic education is recognized by the Federal and State governments. The Commission on Accreditation the Council on Chiropractic Education (C.C.E.) is recognized by the United States Department (Office) of Education and by the Council on Postsecondary Accreditation

STUDENT FINANCIAL AID PROGRAMS

Chiropractic students qualify for financial aid programs for their chiropractic education. Financial aid programs consist primarily of Federal and State loans, grants and scholarships. Student aid programs for chiropractic students demonstrates that the Federal and State governments not only encourage education for chiropractic students but establish ways to finance that education.

LICENSURE

Chiropractors are licensed in all fifty states, U.S. Virgin Islands, Puerto Rico and the District of Columbia, by an Act of the United States Congress. Chiropractors must meet the individual State requirements and pass a State Board examination for licensure.

RADIATION CERTIFICATION

Chiropractors must meet the educational requirements and pass a State examination for certification for the supervision and use of radiation and x-ray machines.

EXPERT WITNESS

Chiropractors are accepted as expert witnesses within the lawful scope of the limited speciality of their practice in the County, State and Federal Court system.

INSURANCE RECOGNITION

The Congress of the United States, with Presidential approval, has authorized the provision of chiropractic services under federal law for all Americans in Medicare and Medicaid. Federal employees have chiropractic coverage in the Federal Employee Health Benefit Program and coverage in the Federal Employee Workers' Compensation program, and in leave approvals, for illness suffered by federal employees. Chiropractic health services are included in the Railroad Retirement Act, State MediCal (Medicaid) program, State Workers' Compensation Insurance program and virtually all insurance carriers in the United States provide policies covering chiropractic care. Chiropractors perform disability evaluation for the courts and workers' compensation insurance programs. Chiropractors perform physical examinations for school children and employment and insurance companies.

HOSPITAL STAFF MEMBERSHIP

Chiropractors are entitled to hospital staff membership by the Joint Commission on Accreditation of Hospitals (JCAH). The JCAH is a hospital standard setting organization which has the power to define and regulate the activities which take place in hospitals. In 1983, the American Medical Association, the American Hospital Association, the American College of Radiology and the American College of Surgeons participated in the revision of the Accreditation Standards for Hospitals with the JCAH. The 1983 revision liberalized the prior standards regarding admission to medical staffs or, and allowance of hospital privileges to limited practitioners which include chiropractors.

The chiropractic profession has an effective and valuable health care service to render humanity. We are sure that the profession has strived mightily over the last century to achieve the high standards that are now evident.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, September 19, 1995, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 20

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Labor and Human Resources

Business meeting, to consider recommendations which it will make to the Committee on the Budget with respect to spending reductions and revenue increases to meet reconciliation expenditures as imposed by H. Con. Res. 67, setting forth the Congressional Budget for the United States Government for fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002, to mark up H.R. 1180, to provide for health performance partnerships, and S. 1221, to authorize appropriations for the Legal Services Corporation, and to consider pending nominations.

SD-430

Indian Affairs

To hold oversight hearings on the implementation of Title III of the National Indian Forest Resources Management Act (P.L. 101-630); and to consider the nomination of Paul M. Homan, of the District of Columbia, to be Special Trustee, Office of Special Trustee for American Indians, Department of the Interior.

SR-485

Select on Intelligence

To hold hearings to examine intelligence roles and missions.

SD-G50

10:00 a.m.

Banking, Housing, and Urban Affairs

Business meeting, to consider recommendations which it will make to the Committee on the Budget with respect to spending reductions and revenue increases to meet reconciliation expenditures as imposed by H. Con. Res. 67, setting forth the congressional budget for the United States Government for fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002, and to mark up proposed legislation to authorize funds for the Export Import Bank's tied aid program.

SD-538

Judiciary

To hold hearings on S. 483, to amend Federal copyright provisions regarding preemption of laws concerning duration of copyrights.

SD-226

Veterans' Affairs

Business meeting, to consider recommendations which it will make to the Committee on the Budget with respect to spending reductions and revenue increases to meet reconciliation expenditures as imposed by H. Con. Res. 67, setting forth the Congressional Budget for the United States Government for fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002, and to consider other pending business.

SR-418

2:00 p.m.

Judiciary

Terrorism, Technology, and Government Information Subcommittee

To continue hearings to examine certain Federal law enforcement actions with regard to the 1992 incident at Ruby Ridge, Idaho.

SD-G50

2:30 p.m.

Small Business

To continue hearings to examine tax issues impacting small business.

SR-428A

SEPTEMBER 21

9:30 a.m.

Armed Services

To hold hearings on the nomination of Gen. John M. Shalikashvili, USA, for reappointment as Chairman of the Joint Chiefs of Staff.

SR-222

Commerce, Science, and Transportation

Business meeting, to consider recommendations which it will make to the Committee on the Budget with respect to spending reductions and revenue increases to meet reconciliation expenditures as imposed by H. Con. Res. 67, setting forth the congressional budget for the United States Government for fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002.

SR-253

10:00 a.m.

Banking, Housing, and Urban Affairs

International Finance Subcommittee

To hold oversight hearings on the dual use export control program.

SD-538

Judiciary

Business meeting, to consider pending calendar business.

SD-226

2:00 p.m.
Foreign Relations
African Affairs Subcommittee
To hold hearings to examine the situation in Liberia.
SD-419

Judiciary
Terrorism, Technology, and Government Information Subcommittee
To continue hearings to examine certain Federal law enforcement actions with regard to the 1992 incident at Ruby Ridge, Idaho.
SD-G50

SEPTEMBER 22

10:00 a.m.
Judiciary
Constitution, Federalism, and Property Rights Subcommittee
To resume hearings to examine the status and future of affirmative action, focusing on minority contracting.
SD-226

SEPTEMBER 26

9:30 a.m.
Commerce, Science, and Transportation
Oceans and Fisheries Subcommittee
To hold oversight hearings on the science of slow management and hatchery supplementation, focusing on the recovery of Snake River anadromous species.
SR-253

10:00 a.m.
Judiciary
To hold hearings to review the incident which occurred in Waco, Texas.
SD-106

SEPTEMBER 27

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
To hold hearings on the nomination of Kathleen A. McGinty, of Pennsylvania, to be a Member of the Council on Environmental Quality.
SD-406

10:00 a.m.
Judiciary
To continue hearings to review the incident which occurred in Waco, Texas.
SD-106

SEPTEMBER 28

1:30 p.m.
Judiciary
Immigration Subcommittee
To hold hearings to examine non-immigrant immigration issues.
SD-106

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

SEPTEMBER 29

10:00 a.m.
Judiciary
To hold hearings to examine religious liberty in the United States.
SD-226

OCTOBER 25

10:00 a.m.
Veterans' Affairs
To hold hearings to examine veterans' employment issues.
SR-418

CANCELLATIONS

SEPTEMBER 19

9:30 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on proposed legislation relating to public housing reform.
SD-538

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

POSTPONEMENTS

SEPTEMBER 19

9:00 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to consider recommendations which it will make to the Committee on the Budget with respect to spending reductions and revenue increases to meet reconciliation expenditures as imposed by H. Con. Res. 67, setting forth the congressional budget for the United States Government for fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002.
SR-328

HOUSE OF REPRESENTATIVES—*September 19, 1995*

The House met at 9 a.m. and was called to order by the Speaker pro tempore [Mr. DEAL].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 19, 1995.

I hereby designate the Honorable NATHAN DEAL to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MORNING BUSINESS

The SPEAKER pro tempore. Pursuant to the order of the House of May 12, 1995, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 25 minutes, and each Member except the majority and minority leader limited to not to exceed 5 minutes, but in no event shall debate continue beyond 9:50 a.m.

The Chair recognizes the gentleman from New Mexico [Mr. RICHARDSON] for 5 minutes.

OPEN DEBATE ON NATIONAL PARK SYSTEM

Mr. RICHARDSON. Mr. Speaker, I call the attention of my colleagues to the votes today on the Suspension Calendar. On the Committee on Resources, as the ranking member of Public Lands, Shenandoah Valley National Battlefields partnership Act, a good bill that deserves support, the Alaskan Native Claims Settlement Act, the same, a good bill that deserves support, and the Presidio bill, a good piece of legislation, all of these are bipartisan. But I have to call attention to my colleagues to one bill that deserves rejection, H.R. 260, and that is the park closure bill, a bill that would threaten 198 of the smallest parks in the National Park System, and I will be inserting in the CONGRESSIONAL RECORD a list of those parks and many are in many of my colleagues' districts.

Mr. Speaker, I urge my colleagues to pay close attention to this list because it represents the potential first draft of the new park closure list which will undoubtedly result from the recommendations of the Park Closure Commission created by H.R. 260, a bill that is opposed by every environmental organization and is opposed by the Clinton administration, the Department of the Interior, and many others.

Mr. Speaker, H.R. 260's Parks Closure Commission would have the authority to recommend to Congress specific units of the park system for closure, privatization, or sale to the highest bidder. Many of the proponents of this bill claim that it is the same one that we passed unanimously last year. H.R. 260 is not the same bill we passed last year. This is how.

First, H.R. 260 puts the decision of a Park Closure Commission at the front of the train. It takes the statutory authority Congress currently has and places it in the hands of a politically appointed commission.

Second, H.R. 260 sends a strong signal to the American people that Congress does not have the political will to carry out its responsibilities of oversight over the National Park Service, and H.R. 260 exempts the 54 national park units from closure, leaving the less visited, smaller budgeted parks at the mercy of the Park Closure Commission.

Unfortunately, national treasures, such as Valley Forge, Mount Rushmore, the Statue of Liberty, the Washington, Lincoln, and Jefferson Memorials, and the Martin Luther King National Historic Site could find themselves on the chopping block.

As my colleagues, Mr. COLEMAN and Mr. PALLONE, stated so eloquently yesterday on the House floor, why does the bill only exempt the national park units from the Park Closure Commission? Are supporters of H.R. 260 making some sort of value judgment on the different units of the park system? Are we thinking that some units of the system are more deserving of protection and enjoyment than others?

Mr. Speaker, if the bill exempts national park units, shouldn't it also exempt national monuments, historic battlefields, historic sites, and national battlefield parks? If the bill sponsors are so concerned about an honest, objective review of the entire system, why did they not leave every unit on the chopping block and subject to the recommendations of the Park Closure Commission?

I had planned to offer amendments to H.R. 260 and had made note of my intention to—in a "Dear Colleague" letter to everyone in this body this summer. Despite my stated intentions and the distinct impression I had from the committee leadership that I would be able to offer these amendments as I did in subcommittee, H.R. 260 is being rammed through the House without the opportunity for full discussion and debate. There has been a lot of talk recently about accountability, yet it appears that business as usual continues here in the House.

H.R. 260 is opposed by the League of Conservation Voters. In fact, they have issued a letter declaring that this organization is going to consider this vote when considering its 1995 environmental voting scoring rating.

Environmental groups oppose this bill. The National Parks and Conservation Association, the Wilderness Society, the American Hiking Society, Defenders of Wildlife, Environmental Action Foundation, Sierra Club, Friends of the Earth and the Izaak Walton League of America. Editorials against H.R. 260 have appeared in newspapers around the country, the New York Times, the Salt Lake Tribune, the Miami Herald, the Philadelphia Enquirer, the St. Louis Post Dispatch, the Las Vegas Sun, and the Wichita Eagle.

The administration has issued a strongly worded condemnation of this bill. National Park Service Director Roger Kennedy has been direct and straightforward with Congress in enumerating the reasons to oppose this bill.

Mr. Speaker, all I am asking is that this bill be returned to the Rules Committee. Let it come up next week under a closed rule where amendments offering alternatives, which I would offer with several other colleagues on a bipartisan basis that would deal with financing the parks through a changed fee system, a trust fund, and a change in the concessions policy is a far more Democratic way to deal with this issue.

I urge my colleagues to vote "no" on H.R. 260 today.

PRESERVING AND PROTECTING MEDICARE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Kansas [Mr. TIAHRT] is recognized during morning business for 5 minutes.

Mr. TIAHRT. Mr. Speaker, I wanted to spend a few minutes this morning talking about a very important issue of preserving and protecting Medicare. I want to quote from the Los Angeles Times who printed just a week ago,

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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"the House GOP plan to save Medicare is a sensible start toward fixing a program whose costs are out of control." The Democrats are wrong to balk at the restraining of soaring costs of the popular Medicare Program. The current path doubles the program's budget every 7 years. It is not sustainable and they know it.

Mr. Speaker, I am not an expert on Medicare, and so I went back into my district during the August district work period and I got together 33 members of the health care industry, of people who were concerned about preserving and protecting Medicare, of people who were involved in taxpayer groups, the AARP, United Seniors Associates, and we got together and we met all morning at Wichita State University about what problems we were facing with Medicare and how we could best preserve and protect it, and today I have with me a copy of the draft report that we submitted and that I also used to testify before members of the Committee on Commerce; it is the subcommittee for the Committee on Ways and Means, in coming up with some solutions for preserving and protecting Medicare.

Some of the ideas that we had that came out of the Fourth District of Kansas are now being implemented into the legislation. These members of this task force came to this meeting with three methods of preserving and protecting Medicare. We went around the room and we discussed each one of these solutions in depth.

Mr. Speaker, I was expecting them to come scared because a lot of the rhetoric that has been said right here on the floor of the House, a lot that has been printed across through the elite media, and so I was somewhat anxious about the meeting, but when I got there, the people of America were not scared about losing Medicare. They were concerned, but they came with excellent ideas. They wanted to give the best ideas of Kansas to have them brought here, and some of the ideas came right out of the work force.

A gentleman named Zim Zimmerman, who works for Evcon industries in Wichita, KS, one of the leading air-conditioner suppliers across the Nation. He was just 90 days away from retirement and he said, if I could just take my health care insurance as provided at Evcon and carry it on into retirement, I would be completely satisfied. Other seniors wanted to have the same system that is available to them now, Medicare. Some wanted a type of system that is a managed care system because it provided more alternatives to them, and some wanted medical savings accounts.

Mr. Speaker, the legislation that is currently being drafted does keep our Nation's commitment to Medicare and it remains as an option to seniors, with no increase to copayments or deductibles. We also, in the legislation that we are right now pushing forward, allowing seniors the same health care choices that are available to others like Zim Zimmerman and other seniors in the Fourth District, and we came up with some good ideas on how to root out waste and fraud and abuse so that we can maximize the health care dollars that we are spending.

We also have in this legislation ways of placing financial responsibility on those who can best afford it and try to provide the benefits to those who are truly in need without great demands on their financial responsibility. We also want to set up a guaranteed solvency through a budgetary fail-safe provision.

As the task force discussed some of these problems, particularly in waste, fraud, and abuse, it was very apparent that fear has been used all across the Nation. In our report that was given to us by a gentleman who is administering a hospital in Halstead, KS, his name is Jeffrey Feeney, he used to work in a Florida hospital, and a physician came to him and said, I would like to use a room to talk with some of the seniors. And he says, well, what were you going to use the room for? He explained that the doctor was talking to the seniors about an autologous blood process by which he was parlaying the fear of seniors, the fear of contracting AIDS or other social STD or HIV infected blood through the process when they had surgery. They have to use others' bloods, so this autologous blood process, they would take their own blood, he would store it for them at no cost to them, and then in the future, in the event they needed blood, it would be available to them.

Many of them would never need this blood. They would never have surgery, but yet he was being paid by Medicare on a daily basis for storing this blood. So he parlayed this fear into bilking the system out of hundreds of thousands of dollars.

Mr. Speaker, when I think about what has happened here recently, even for my own parents, when people try to come in and try to use scare tactics, in Kansas we call that scams, and this is not Mediscam. We are talking about preserving and protecting Medicare.

So, Mr. Speaker, as we submit this report and as we proceed with Medicare legislation, I hope that the American public will see that the loss of credibility for using scare tactics is more and more apparent and that the plans that we have forwarded as represented by the Los Angeles Times are going to be effective in preserving and protecting Medicare.

MEDICARE SAVINGS DOUBTED

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Texas [Mr. DOGGETT] is recognized during morning business for 5 minutes.

Mr. DOGGETT. Mr. Speaker, as this House was concluding its business last night, I was discussing the concerns that every senior across this country should have about what is about to occur on Medicare, and indeed, listening to the remarks of my colleague from Kansas just now, I would say that if seniors are not scared, they ought to at least be very concerned about what is happening on Medicare, and I would think that any senior who has been observing closely what is occurring with reference to Medicare would be very near scared at the consequences that are about to befall them.

You know, we have awaited a Republican plan and now another day has passed. It is September 19, and we have yet to have any member of the Republican Party come to the floor of this House and spell out the details of their plan. All that American seniors know about this Republican plan is that it boils down to: Pay more, get less. That is what the Republican plan is, the pay more, get less plan.

Mr. Speaker, it was curious that the gentleman from Kansas just now would refer to the Washington Times because yesterday's Washington Times, the banner first page story was: Republican Medicare Savings Doubted. And it refers to the gaping budgetary hole in the Republican plan. It talks about the fact that it is gimmickry, that over a third of the so-called savings the Republicans have in their pay more, get less plan has not yet been spelled out.

Of course, instead of being candid with the American people and telling them how far they are going to reach into the pockets of seniors in reforming, as they call it, Medicare, instead of explaining the details of the hit on America's seniors, on America's disabled population, our Republican colleagues come back and say, "Well, where is your plan? If you don't like our pay more, get less plan, why don't the Democrats come forward with a plan?"

I would say that if what they are waiting for is a plan from the Democratic Party to take $270 billion in cuts from Medicare, they are going to wait forever because we are not going to have that kind of plan. If what they are waiting for is a plan from the Democrats to take money out of Medicare in order to fund tax cuts, tax breaks for the most privileged people in our society, they can wait a long time because we are not going to have that kind of plan.

Mr. Speaker, they have talked so much about a trustees' report and how they have to secure Medicare from bankruptcy, and yet the premium increases that they are proposing, what they have never told the American people, they are going to raise the cost of health care in their pay more, get less plan in part B, but not one penny of the premium increases that they propose is going to be contributed to the Medicare trust fund that they seem so concerned about. Not one penny of those premium increases that they ask America's seniors, that they ask America's disabled population to contribute in escalating health care costs, not one penny is going to secure or prevent any troubles with the Medicare trust fund.

The Democrats are ready to come together to secure the trust fund. We were ready last year in that regard, certainly my colleagues. I was not here at that time, but they worked to secure the trust fund. What did the Republicans do? What has been their contribution to secure and prevent the bankruptcy of the trust fund?

In their so-called Contract With America, they made the trust fund less secure. They took revenues that would go into the trust fund, that were contributed by the most wealthy of our seniors, and they took those revenues in the contract bill out of the trust fund so that it will be less secure if their proposals are adopted than if we keep on the existing law.

I believe that we need bipartisan support to have genuine reform with Medicare. The gentleman from Kansas referred to waste and fraud in the system, and there are seniors all over this country that can point to examples of mismanagement in the program. We need to ferret that out. We need to find ways to improve the efficiency of the system. But you do not begin that process by setting some imaginary $270 billion figure that you need in order to fulfill campaign promises. You do not begin there. You begin in a bipartisan, respectful manner consulting with our Nation's seniors, consulting with the experts and trying to reach a balanced proposal designed to improve Medicare, not to destroy it.

It is a lot like a fellow that got lost over in east Texas and he was looking around and trying to get directions and he said, "How do you get from here to Oklahoma?" And the farmer that he came onto said, "Well, I don't know the precise path to get there but I sure wouldn't start from here."

The Democrats are saying, do not start from the premise that you need to take $270 billion out of the pockets of American seniors. Do not start from the premise that you need to take money from Medicare in order to fund a tax break for America's privileged few. Start from the premise that we need to improve and strengthen Medicare so that we will be there for generations to come, so that it can serve the next generation of Americans in just the way it has protected America's seniors for the last 30 years since Lyndon Johnson signed it into law, a system that is one of the grandest accomplishments of this Congress that is out there delivering health care to 99 percent of Americans today. Let us preserve and protect that plan. As America's seniors find out about it, it is upside down, but so is their plan. The pay more, get less Republican plan must be rejected.

SLOWING THE GROWTH OF MEDICARE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Florida [Mr. STEARNS] is recognized during morning business for 5 minutes.

Mr. STEARNS. Mr. Speaker, I would say to the gentleman from Texas, if he wishes a copy of the plan, he certainly can read about it in the Wall Street Journal, he can read about it in the Washington Post or the Washington Times. Furthermore, the slowing of the growth in Medicare is what has been proposed by Republicans, it is pretty much what President Clinton proposed last year in his health care bill. So what we are all trying to do here is to slow the growth down and save the program.

Mr. Speaker, this morning I am here to talk about Medicare and Medicaid together, the program for our elderly, disabled, and low-income women and children, but I am here to talk again about waste, fraud, and abuse in this program.

The spending on these programs, as my colleagues know, has gone up at 10.5 percent In the private sector, it has gone up at 4.5 percent. We need to bring the spending down, but part of the reason the spending has gone up so high is because of the waste, fraud, and abuse in these programs. Some people estimate this waste, fraud, and abuse at 12 percent of these two programs, or $30 billion, as high as $44 billion for the two programs combined.

An indication of how pervasive this program is was summed up recently by a Clinton high official. This person was the Human Services Inspector General, June Gibbs Brown, and this is what she said, Mr. Speaker: "The basic structure of the current health care system is almost as if it had been designed for the very purpose of promoting waste, fraud, and abuse." Now, that is a startling admission.

The truth is that such behavior is not restricted to just one segment. Providers and beneficiaries alike seem guilty of bilking the system for personal gain. Examples of these have been recounted in numerous hearings on the Committee on Commerce on which I serve and the Health Care Subcommittee. However, today I will share with you several examples that have been reported in the Reader's Digest.

I was heartened by the fact that this wonderful publication has presented this because so many readers subscribe and purchase the Reader's Digest, and so they too will be able to identify the waste, fraud, and abuse from these articles.

The first step is to identify the sources of abuse and then to put the mechanism into place that will correct the situation and prevent such abuse in the future. We, in our plan, do that.

One such scheme that was reported in the Reader's Digest dealt with a doctor. His wife and his 14-year-old daughter were working together. The doctor assigned his 14-year-old daughter the task of taking and reading the x rays. On a good day, the office submitted 180 claims. The take was $4.5 million over the year for this particular doctor, his wife, and his daughter. They submitted these fraudulent claims to some 40 insurance companies. What finally finished this lucrative and costly scam was that the Customs officials became suspicious when, during the course of investigating drug money laundering, they noticed that the doctor's check cashing patterns were strange. It makes one wonder why this was not detected by the Health Care Financing Administration. Are they not the body that is supposed to detect this?

Mr. Speaker, earlier this year, one of HCFA's contractors suspended five computer-alert programs that had saved taxpayers $4 million in just 3 months. Why was this done? The volume of suspicious claims had become impossible for the staff to review. In fact, the General Accounting Office found that half of Medicare fraud and abuse complaints are not even investigated. The GAO told Congress, "HCFA needs to guard a thousand doors, but has the resources for only a couple doors."

Perhaps the most egregious account that was cited involved the National Medical Enterprise, which was a $3.9 billion New York Stock Exchange company that owned psychiatric hospitals, which operated 86 psychiatric hospitals nationwide. Sadly enough, witnesses testified before the State legislators that social workers, school counselors, probation officers, and even ministers served as, quote, "headhunters" and were paid bounties for referring individuals to some of these hospitals.

In Texas, a Texas State senator led the investigation of this in his State and stated, quote, "people were locked up against their will. Then they were miraculously cured when their insurance benefits ran out."

My own State of Florida also has its share of con artists. In fact, in March of this year, Florida Medicaid found that at least six taxicab companies and two individuals were ripping off the Medicaid Program designed to give needy patients free rides to the doctors. In the course of 317 days, one company received $1,134,164 for driving patients over 1 million miles. As one investigator wryly noted, "That is enough to travel 41 times around the Earth at the equator."

My colleagues, the Republican plan includes ways to stop waste, fraud, and abuse and it is important we address this matter immediately. No matter which party you represent, which side of the aisle you are on, we can all agree that waste, fraud, and abuse is something that bothers most Americans and we need to stop it now.

DEMOCRACY IN THE DISTRICT OF COLUMBIA

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from the District of Columbia [Ms. NORTON] is recognized during morning business for 5 minutes.

Ms. NORTON. Mr. Speaker, many are new to Congress this year and the Republican majority is altogether new in having the obligation to get 13 appropriations through the House of Representatives. The District of Columbia appropriation is the only one remaining.

The District of Columbia appropriation is a PILOT, a payment in lieu of taxes, like those in virtually every State in the Union. It is not a grant. We are paid because the Federal Government preempts much of the prime land in the District and we cannot develop on that land and because we cannot develop above a certain height.

Unlike last year, there is plenty of reason to vote for the District budget this year. We had a very severe struggle last year, but on the merits this year, the budget went through appropriation hearings without controversy. Why? Because there is a control board in place that keeps things in check, because employees have given a whopping 12-percent give-back, and because the District has downsized 20 percent, twice as many positions as the Congress asked for.

Yet, there are propositions before the subcommittee mark this afternoon that no Republican and no Democrat can embrace. Some of these propositions would force law on people, even though the Congress is not accountable to those people, because it would force changes in local law.

It is surely a principle of this House that only through the ballot can basic law be changed. Only those who can reject or embrace what you do have a right to have law made for them. The governing theme of the 104th Congress, my colleagues, is devolving power back to the localities. You cannot have any credibility with that theme if you usurp local power here in the District of Columbia.

Mr. Speaker, many in the majority find much in this nine-to-one Democratic city with which to disagree. Yes, you are Republicans, you are in the majority. Most of us are Democrats. Surely you would not want to force Republican change in the manner of congressional dictators. That surely cannot be your desire.

To be sure, the Constitution gives you some powers over the District of Columbia, but James Madison did not mean for you to overturn local laws. He meant you to guard the Federal presence. This is a Democratic city, so who can be surprised that there is rent control? Some would take back, overturn rent control, and put their own version of decontrol place instead of our version of decontrol. Some would privatize our schools. The Mayor wants to privatize some of our schools. Many on the schoolboard want to do that. If we are not doing it fast enough for you, wait a while. This is a democracy. This is America.

Mr. Speaker, for 20 years there have been high-profile controversial restrictions put on our appropriation, but never has the Congress tried to change mainstream council legislation. I ask you in the name of democracy not to do it today.

What is being proposed is a radical departure from basic democracy, an invasion into the very body of home rule itself. I ask you not to do it. I ask you to be true to your own principles. Put yourself in my place. Put yourself in the place of the people whom I represent. They do not have full help-governing powers. Please leave them with what self-government powers they have. Please remember this afternoon in the subcommittee, in the full Committee on Appropriations, and when our budget comes to this House, that almost all of that budget is raised in the District of Columbia.

Above all, remember that this is America, that you are Americans, and that we are Americans. The Speaker himself came to a town meeting in my district. It was a gutsy and important and historic moment, and he said before all the people I represent, I do not intend to micromanage the affairs of the District of Columbia, I do not intend that home rule be overturned. I believe the Speaker. I ask you to follow the Speaker. I ask you to respect the rights of the people I represent.

This is the first time that the District of Columbia budget will come before a Republican majority in 20 years of home rule. The country is watching; not just my constituents. The entire country is watching.

Will the Republican majority force its will on a Democratic city that is powerless to fight back, that has no voting representation on the floor of this House, that has no representation whatsoever in the Senate of the United States, though we are fourth per capita in income taxes paid in this country among the 50 States? Please respect our rights. Please treat the people I represent as you and your constituents would be treated.

PLAN FOR MEDICARE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New Jersey [Mr. PALLONE] is recognized during morning business for 5 minutes.

Mr. PALLONE. Mr. Speaker, on Friday, I met in New Jersey again with a number of senior citizens as part of an outreach that myself and some of the other Democratic Congressmen in New Jersey have been doing on a regular basis. This time we were in Gloucester Township in Congressman ANDREWS' district and we had about 200 or 300 senior citizens who were very concerned about the Republican proposals to cut Medicare by $270 billion.

Mr. Speaker, the problem that the seniors had is that they feel very strongly that they are not getting enough information about exactly what the Republican plan is, and the fact of the matter is, they are right. We are still not provided with the details about what Speaker GINGRICH and the Republican leadership intend to do with the Medicare Program.

Last Thursday, the Speaker and Senator DOLE released their so-called plan to reform Medicare, but unfortunately, once again, the plan falls far short in regards to any specific details, and the plain fact is that the Republicans have still not offered any substantive Medicare plan.

We do know certain things though. We do know that the cut, the $270 billion, is the largest cut in the history of the Medicare Program, and we also know that there is no way to implement that level of cut, that magnitude of cuts in Medicare without at the same time charging seniors more for Medicare and providing them with less services.

My friend from Texas had the sign that he was using before and I will hold it up again. It says, the GOP Medicare plan, pay more, get less. The bottom line is that no matter how we cut it, when we talk about a level of $270 billion in Medicare cuts, it is going to mean more out of pocket for the average American senior and it is going to mean less services.

Mr. Speaker, I am glad to see that over the last few days that we are starting to see more and more media reports explaining that fact. Today in the Washington Times there is an article on the front page. It says: "Medicare Solution Looks Like the Problem. GOP Fears Specter of a Tax Increase."

Already, we have heard about several tax increases or proposals from either the Senate Republicans or the House Republicans that would result in more money coming out of pocket from America's seniors. We have heard Speaker GINGRICH, who last week indicated that the part B premium, the premium that pays for physicians' bills, for doctors' bills, is likely to go up so that within the next 7 years it is doubled and seniors will be paying twice what they are now paying for their part B premiums.

We have also heard about the means testing. That was another proposal that came out of the House Republican plan. So far, they are talking about means testing only people at higher income levels, but I would contend to you that once you start down that slippery slope of means testing and charging people with higher incomes more for their Medicare premiums, their part B premiums, you will see that in future years, Congress will move toward lowering the threshold and that more and more middle class seniors will end up not having any kind of subsidy or any significant subsidy for their Medicare part B premium.

Mr. Speaker, it is mentioned again in today's Washington Times that in the Senate Republican plan, they are talking about increasing copayments. So now we are also hearing proposals with regard to part A that pays for hospital bills to increase the copayment from $100 to $150.

The bottom line is no matter how you cut it, we are talking here about more money out of seniors' pockets, and what is it for? All to pay for a tax cut, most of which will go toward the wealthiest Americans.

I was very pleased today to see that there was an article in the Washington Post by the commentator, E.J. Dionne, Jr. It says, "Blue Smoke and Medicare," and if I could just read some relevant sections from it, Mr. Speaker. It says, and I quote:

> The Republicans should admit that the Medicare fight is not primarily about the threatened bankruptcy of the Medicare system. The Republicans did not get into these big Medicare cuts because they feared for the system's solvency. If that were true, they would have made a lot of noise last year when Medicare's trustees issued a slightly more gloomy report on its finances.

We know that, in fact, Medicare has never really been in better shape, that the part A trust fund that pays for hospital bills right now has a 7-year life expectancy, which is significantly more than the 2 or 3 years that was reported by the trustees of Medicare in previous years, and Mr. Dionne goes on to say that:

> The Republicans also have to stop denying that there is a link between their tax cutting plans and the Medicare cuts. It is simply true that they need huge cuts in Medicare and also Medicaid to finance their budget balancing promises and their tax cuts. If the Republicans really believe that these tax cuts are as right and as important as they claim, they ought to be shouting from the rooftops that their excellent tax cuts would be impossible without Medicare and Medicaid cuts. The Republicans don't want to admit this for purely political reasons.

Mr. Speaker, I just want to continue to point out on a daily basis how significant the level of these cuts are and what a dramatic impact they are going to have on America's seniors, both by increasing the cost to seniors and providing less quality service.

MEDICARE AND MEDICAID CUTS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. MILLER] is recognized during morning business for 5 minutes.

Mr. MILLER of California. Mr. Speaker, my colleagues from New Jersey and Texas were in the well earlier pointing out the flaws of the yet-to-be-released proposal by the Republicans to cut the Medicare Program in this country and to cut the Medicaid Program in this country. It is very important certainly that the senior citizens of this country, but also that their families, focus on what the Republicans are about to do.

As my colleague from New Jersey just pointed out, these changes in Medicare were not created out of the concern for the Medicare Program or its solvency into the future or for the beneficiaries. These cuts in the Medicare Program were created for one purpose, and that is so that the Republicans can fund a $245 billion tax cut, the primary beneficiaries of which are the richest people in this country.

Mr. Speaker, they do not have $245 billion to give away. We have a $260 billion deficit this year and we have a $4 trillion deficit in this country. We do not have that money to give away, but they want to give it away. So where have they gone to get the money? They have gone to the Medicare trust funds to get that money and that is why they have a $270 billion cut in Medicare and a $182 billion cut in Medicaid.

Now, most people think that somehow they are insulated from those cuts in Medicaid, that this only deals with poor people, this only deals with people of the inner city, somebody that they are never going to be part of. The fact is that over 65 percent of all of the money in Medicaid goes for nursing home and long-term care for people who never thought in their lives they would be in those nursing homes or in long-term care. Medicaid is what stands between not only the people in the nursing homes and bankruptcy; it stands between bankruptcy and their families, because there are very few, if any, middle income families in this country that can pay the full freight of taking care of the long-term care needs of their parents, if necessary. That is why we have Medicaid.

Now, to be eligible for Medicaid, you have to spend yourself down, get rid of all of your assets, and then we will take care of you, but under this proposal to cut $180 billion, we may find that situation dramatically changed because they will have to change the benefits dealing with long-term care. They will have to change the benefits dealing with home health care, the idea of having somebody come in instead of putting somebody in a nursing home, have somebody come in and help them throughout the day so that they can live in their own home, live with some dignity, be in the neighborhood that they are familiar with and be taken care of. Those are going to be cut.

These are not charges made by me. These are points made in the National Journal that was delivered to Members of Congress. This is a nonpartisan policy magazine that discusses policy every week, and their point is in fact that the Medicaid cuts are going to have horrific impacts on the States.

They go on to point out that much of the rhetoric about how these Medicaid cuts will not hurt because everybody can be put into managed care, and therefore they can say that Medicaid will not grow more than 4 percent.

Mr. Speaker, the State of Arizona has had everybody in their State in managed care for 13 years and the average increases are 7 percent. That means, under the Republicans' plan, it is twice the growth rate that the Republicans would allow. How do you make that up? You make that up by cutting services, because they have already squeezed all of the savings that they thought were possible by putting people into managed care.

How did the State of California, when it cut Medicaid, how did it make it up? It started reducing payments to doctors. First they told the doctors, "we will pay you 90 percent of what you get in the private marketplace;" then, "we will pay you 70 percent of what you get in the private marketplace" and then pretty soon the doctors told them, "Don't bother bringing Medicaid patients to us. We are not going to take care of these people because we cannot afford to do that."

That is the slippery slope that is started when you start creating a medical system based upon the needs to provide tax cuts as opposed to what is needed to reform and take care of the Medicare system and its recipients, and we have got to understand that the program that the Republicans are putting forth now, according to the Washington Times yesterday, according to the chairman of the Budget Committee, may have the gap of about $80 billion in it. They do not know where they are going to get 80 billion dollars' worth of cuts.

So what do they want to do? They want to put the Medicare system on an automatic cut provision that in 3 years, if we are not advancing toward the balanced budget, if the cuts have not been realized in Medicare, then they would have an automatic $80 billion in Medicare, again, coming out of hospitals, coming out of doctors who pretty soon are going to decide, like they have with the Medicaid patients, that they do not want any, that they do not want any Medicare patients.

Mr. Speaker that simply is an intolerable situation for the elderly in this country and for their families.

Let us understand what Medicare and Medicaid have done. They have allowed families to stay together, to stay intact with confronting what, in some cases, are catastrophic medical costs for our elderly population. As generations mature and they look to their children to help out, there are very few children that can help out with hundreds of thousands of dollars in health care costs as their parents reach 70, 80, 90 years of age.

That is what is happening to the baby boomers. As the baby boomers try to figure out how to buy their homes for their families, how to educate their children, how to preserve a standard of living in this country, they are now confronted with their aging parents. I would look very carefully at this program to slash Medicare and Medicaid by almost $450 billion.

RECESS

The SPEAKER pro tempore. There being no further requests for morning business, pursuant to clause 12, rule I, the House will stand in recess until 10 a.m. today.

Accordingly (at 9 o'clock and 43 minutes a.m.), the House stood in recess until 10 a.m.

□ 1000

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. FOLEY] at 10 a.m.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We pray, O gracious God, for those things most immediate to us—for food and shelter, for friends and families, for honorable causes and noble deeds. We offer these petitions to You because You are our creator and You know each of us by name. Yet, above all else, and as our first act of faith, we speak our thanksgivings to You with gratitude in our hearts for Your loving gifts to each person. Teach us, O God, that before we ask, we ought to give thanks and praise and before we receive, we ought to open our lives to Your gracious presence. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. NEAL] will come forward and lead the membership in the Pledge of Allegiance.

Mr. NEAL of Massachusetts led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain fifteen 1-minutes on each side.

REPUBLICAN MEDICARE PLAN IS CREDIBLE

(Mr. EHLERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EHLERS. Mr. Speaker, for the past several months we have had considerable discussion and debate on the floor of the House regarding Medicare, an extremely important program, particularly to the senior citizens of this Nation. I have been very disappointed in the debate that we have had.

I come from an academic background where you concentrate on the facts and you discuss and debate based on those facts.

One fact is uncontrovertible: The trustees of the Medicare Program have said it will be bankrupt in 7 years if the Congress does not do something about it, and the debate should focus on that. But it has been a very partisan debate. My disappointment is the other side of the aisle has not engaged in a serious debate on the facts.

I turn to the Washington Post, scarcely a conservative paper, but they have written an objective editorial about what has happened in this debate in the past few months. This is what the Post has to say about the Democrats' Medi-scare campaign. These are actual quotes from the editorial, labeled Medigogues: "Crummy stuff; demagoguery big-time; scare talk; expostulation; it is irresponsible." On the Republican side, the Post has this to say: "Congressional Republicans have confounded skeptics. It is credible. It is gutsy."

I think we should all listen to the Washington Post.

SAVING MEDICARE

(Mr. PACKARD asked and was given permission to address the House for 1 minute.)

Mr. PACKARD. Mr. Speaker, Medicare is going broke. The Medicare trustees recently reported that the money dries up in only a few short years. Seniors need to understand that once this happens the program they depend on to pay for doctors, hospitals and vital medications will cease to exist.

My Republican colleagues and I recognize that the time to defuse this ticking time bomb is now. This week, we plan to introduce our proposal to save and strengthen Medicare.

We plan to overhaul this 30-year-old program to root out waste and inefficiency. Furthermore, our plan offers todays seniors the flexibility they need to navigate a fast changing modern medical landscape.

Mr. Speaker, our plan is about choices and freedom and the right to have the same types of health care plans as found in the private sector. Our bill expands options for seniors, combats fraud and abuse, and ensures that the program will be there when seniors need it.

CALL FOR INVESTIGATION OF ACTS OF AGGRESSION BY BELARUSAN MILITARY

(Mr. NEAL of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Mr. Speaker, on Tuesday, September 12, 1995, my office was advised that Mr. Michael Wallace, a participant in the Gordon Bennett balloon race, had been forced to land his balloon in Belarus, part of the former Union of Soviet Socialist Republics.

I later learned that a second balloon, flying under the flag of the Virgin Islands, had been shot down and its occupants had been killed.

After numerous contacts with officials of the American Embassy in Mensk, I was advised that Mr. Wallace had been reunited with his chase crew and that he had been accompanied by diplomatic officials to the Poland-Belarus border where he was released to begin his return to the United States.

I met personally with Mr. Wallace yesterday morning and he has been able to provide me with information which confirms my earlier appraisal that these incidents should never have occurred.

Mr. Wallace has provided my office with the formal approval which had been given by Belarus for contestants of this balloon race to fly over their country. Furthermore, Mr. Wallace is convinced that Alan Fraenckel and John Stuart-Jervis, the operators of the Virgin Islands balloon, would most certainly have landed their craft had they been given an opportunity to do so.

Mr. Speaker, these events which took place in Belarus last week cannot go unchallenged. I am calling today for a complete investigation by the State

Department of these unwarranted acts of aggression by the Belarusan military. I hope that this investigation will force the country of Belarus to hold the parties who participated in these senseless acts responsible for their actions.

INTRODUCTION OF LEGISLATION TO REFORM MEDICAID

(Mr. WATTS of Oklahoma asked and was given permission to address the House for 1 minute.)

Mr. WATTS of Oklahoma. Mr. Speaker, this morning I would like to talk about Government program "A." Can you guess what Government program "A" is? Here are some hints: First and foremost, it is a bureaucratic nightmare.

Second, it is riddled with fraud. In fact, the U.S. Justice Department estimates that nearly 10 percent of its money is lost to fraud every year.

Third, its rate of growth is both astronomical and unsustainable.

What is Government program "A"? Well, given my clues I know there are a lot of candidates, but today I am speaking about Medicaid.

And today, Republicans will introduce legislation to reform Medicaid. We will save costs by eliminating needless bureaucracy, cutting fraud and abuse, and allowing State and local officials to run the program in the most efficient manner possible. Mr. Speaker, I urge my colleagues on both sides of the aisle to support this important reform effort.

A SAD DAY IN AMERICA

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, sometimes writers labor for years to get their manuscripts published and never get a chance. But in America, if you blow up a few people and terrorize a nation, you become Ernest Hemingway overnight.

That is right. Just ask the Unabomber. The Unabomber, who killed at least 3 people, injured at least 23 others over a period of 18 years, demanded that his manuscript be published, and major newspapers around the country, fearing more violence, obliged.

What is next Mr. Speaker? Will the Unabomber demand time on Larry King? I say it is a sad day in America when our newspapers have to protect the public. The truth is, while the FBI is hiding behind the fifth amendment, the Unabomber is qualifying for Social Security as a terrorist.

Beam me up, Mr. Speaker.

AMERICAN PEOPLE REAFFIRMING IDEAS THAT MAKE AMERICA GREAT

(Mr. HILLEARY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HILLEARY. Mr. Speaker, last November when the American people went to the polls, they began the process to totally change their Government. They were not consumed by some vicious desire to destroy Government. Quite the opposite. Last November the American people reaffirmed the ideas that make America a great country: freedom from oppressive Government and a strong commitment to family and personal responsibility.

The American people have come to identify the Democrat Party as being opposed to those ideas. Liberal Democrats clamor for more Government. But they fail to recognize that more Government means less freedom. Fortunately, there are Democrats that are beginning to see the light of day.

Since the November election, 132 elected Democrats have become Republicans. The latest to join the Republican ranks are Tennessee State Senators Milton Hamilton and Rusty Crowe. This gives Republicans control of the Tennessee Senate for the first time since reconstruction.

We heartily welcome the senators. They have joined a party that believes in traditional American values, one that does not see a Government program behind every problem.

MEDICARE: BULLDOZING, NOT LEGISLATING

(Mr. FAZIO of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAZIO of California. Mr. Speaker, as we heard this morning, Republicans are calling on us to consider changing Medicare and Medicaid, and yet they really do not want a debate or they would schedule hearings to consider these very fundamental issues. One day of hearings on Medicare, none in the Committee on Commerce, on Medicaid. I had to go to the Webster's Dictionary to find a term that seems to fit the circumstance. "Audacity: bold or arrogant disregard of normal restraints." Maybe the better term would be gall, gall that creates rancor and bitterness; boldness coupled with impudent assurance and insolence.

The American people, 37 million of them on Medicare, ought to be reacting with rancor because they are not being allowed to participate in this very fundamental debate about how a program that is essential to this country and to all of our senior citizens will be adjusted.

Certainly it is appropriate to have it on our agenda. But are we just going to take bills introduced today on Medicaid and pass them in a week? That is not legislating, that is bulldozing.

REPUBLICANS ESTABLISHING PRIORITIES

(Mr. RIGGS asked and was given permission to address the House for 1 minute.)

Mr. RIGGS. Mr. Speaker, liberal Democrats are content to let Medicare go bankrupt. Some even deny the importance of the report by the Medicare trustees that show that Medicare will be bankrupt by the year 2002.

This is unacceptable. This is a total denial of reality. Liberal Democrats would rather sit back and watch Medicare go bankrupt than gather up the courage to save this program. They would rather demagogue than lead.

There is no excuse for this inaction. Medicare must be saved and strengthened for current and future seniors. Over 35 million Americans depend on Medicare right now. If we do nothing, as the liberals suggest, those 35 million Americans will have no Medicare in 7 years. It will be bankrupt. What will liberals tell our grandparents then?

Mr. Speaker, since the beginning of this Congress Republicans have tried to reestablish priorities. Surely our parents and grandparents come before petty politics and demagoguery, and that is why we will save and strengthen Medicare.

INTRODUCTION OF LEGISLATION PROTECTING THE RIGHT OF PATIENT CHOICE

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute.)

Mr. BROWN of Ohio. Mr. Speaker, hold on to your wallets, middle America.

The Republican proposal to cut billions of dollars in Medicare and Medicaid is Robin Hood in reverse.

It takes from the poor and the middle class to give tax breaks to the richest people in America.

Senior citizens will pay higher premiums and higher deductibles if the Republicans get their way with Medicare.

The Senate Republicans, meanwhile, would force America's senior citizens into managed care plans.

I have introduced a bill that would protect the right of patient choice so you can choose your own doctor instead of being forced into managed care.

Everybody agrees that we need to put the Medicare Program on a strong actuarial basis.

But the Republican proposal just does no get the job done.

The Republican plan deserves to go down to defeat.

THE CAREERS BILL

(Mr. GOODLING asked and was given permission to address the House for 1 minute.)

Mr. GOODLING. Mr. Speaker, since we have so little time today to discuss the CAREERS bill, which may be one of the most important pieces of legislation that comes before the House in this session, I would like to just call your attention to one area.

There are those who are working diligently to keep the monopoly that the State voc rehab people now have and enjoy that is totally opposite of what the disability community wants.

So I would hope, when you listen today, you will think about what we have received in a letter from ARC, which is formally known as the Association for Retarded Citizens of the United States. This is what they say:

> To delink the vocational rehabilitation system from this new system in careers will only serve to isolate the VR system and people with mental retardation from employers. No one would gain except those professionals in the voc rehab system whose agenda is to protect turf. We do not think that is what reform is all about.

THE AMERICAN PEOPLE DESERVE AN INVESTIGATION, NOT A WHITEWASH

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, after months of stonewalling, Republicans on the House Committee on Standards of Official Conduct have reportedly agreed to appoint an outside counsel to investigate the allegations against Speaker NEWT GINGRICH. That is the good news. The bad news is Republicans on the committee now want to limit the scope of that investigation. In other words, they want to hire an outside counsel, but then they want to tie his or her hands.

In 1988, when another Ethics Committee investigation into another Speaker, considered doing the same thing, here is what NEWT GINGRICH had to say:

> The American public, deserve an investigation which will uncover the truth. At this moment, I am afraid that the apparent restrictions placed on this special counsel will not allow the truth to be uncovered.

Let us hold the investigation of Speaker GINGRICH to the standards he himself set. Appoint an independent outside counsel. The American people deserve an investigation, not a whitewash.

POINT OF ORDER

Mr. EHLERS. Mr. Speaker, I have a point of order.

The SPEAKER pro tempore (Mr. FOLEY). The gentleman will state his point of order.

Mr. EHLERS. Mr. Speaker, my point of order is that the gentlewoman from Connecticut [Ms. DELAURO] is speaking out of order and discussing a matter that is currently before the Committee on Standards of Official Conduct.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. EHLERS] is correct. Members should not refer to issues pending before the Committee on Standards of Official Conduct.

FOLLOW THE SAME RULES MR. GINGRICH ASKED FOR BACK IN 1988

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Mr. Speaker, today's New York Times reports that the Committee on Standards of Official Conduct has finally decided to appoint an outside counsel to investigate Speaker GINGRICH. In 1988, Mr. GINGRICH himself offered some advice on how much authority outside counsel should have.

POINT OF ORDER

Mr. EHLERS. Mr. Speaker, I have a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. EHLERS. My point of order is that the Member is proceeding to discuss a matter pending before the Committee on Standards of Official Conduct and that is out of order.

The SPEAKER pro tempore. Members shall refrain from discussing issues pending before the Committee on Standards of Official Conduct.

Ms. DELAURO. Mr. Speaker, I wish to be heard on a point of order.

The SPEAKER pro tempore. The gentlewoman from Connecticut [Ms. DELAURO] will state her point of order.

Ms. DELAURO. Mr. Speaker, on March 8, 1995, Speaker GINGRICH announced a new policy concerning speech on the House floor. Let me quote directly from his announcement:

> The fact is, Members of the House are allowed to say virtually anything on the House floor . . . It is protected and has been for 200 years . . . It is written into the Constitution.

My point of order is: Does this new policy apply in this case?

The SPEAKER pro tempore. The Chair informs the gentlewoman from Connecticut that the Chair has properly related the rules of the House as interpreted from the Chair.

Ms. DELAURO. So that the rules of the House have changed since 1988 when the Speaker at that time was able to make his comments?

The SPEAKER pro tempore. The rules of the House have not changed. The rules of the House are being enforced.

Ms. DELAURO. Mr. Speaker, the rules of the House in 1988 allowed the then Mr. GINGRICH to make his comment about an investigation before the Committee on Standards of Official Conduct. Have the rules of the House now changed?

The SPEAKER pro tempore. The Chair is not aware of any point of order at that time. The rule is currently being enforced in response to a point of order.

The gentleman from Michigan [Mr. BONIOR] may proceed in order.

Mr. BONIOR. Let me then, Mr. Speaker, refer, if I might, to the history going back to 1988 and the then-Member from the State of Georgia, Mr. GINGRICH, offering advice on how much authority an outside counsel should have.

He wrote,

> The outside counsel should have full authority to investigate and present evidence and arguments before the ethics committee concerning the question arising out of the activities of (at that time) Speaker Wright. It should have full authority to organize and hire staff. It should have full authority to review all documentary evidence available from any source and have full cooperation from the committee. The committee shall give the outside counsel full cooperation in the issuance of subpoenas.

Mr. Speaker, I call upon my colleagues and this Committee on Standards of Official Conduct to follow the same rules that the gentleman from Georgia [Mr. GINGRICH] has asked back in 1988.

IT IS ABOUT TIME

(Mr. LEWIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Georgia. Mr. Speaker, news reports today suggest that the House Ethics Committee, composed of five Republicans and five Democrats, has concluded they must hire an outside counsel to investigate Speaker GINGRICH. All I can say is, it's about time.

Now, however, there are those who would limit the scope of the outside counsel's investigation, tying his or her hands.

POINT OF ORDER

Mr. EHLERS. Mr. Speaker, I have a point of order.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. EHLERS] will state his point of order.

Mr. EHLERS. Once again, Mr. Speaker, I rise to make the point of order that the gentleman has mentioned a case pending before the Committee on Standards of Official Conduct and it is not in order to make those comments.

Mr. LEWIS of Georgia. Mr. Speaker, tell me why I am being muzzled. Tell me why there is a conspiracy to silence me.

The SPEAKER pro tempore. The Chair will ask the gentleman to refrain from references to issues pending before the Committee on Standards of Official Conduct. That is the precedent and the rule of the House.

PARLIAMENTARY INQUIRY

Mr. BONIOR. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. BONIOR. Mr. Speaker, the question I pose to the Chair to help clarify this so we can have a legitimate and coherent debate on this issue, if in fact it is relevant; the question I pose to the distinguished Speaker this morning is: Is it in fact all right for Members to address something that occurred back in 1988 with respect to the actions of a Member of this House with regard to the scope and inquiry of one of its committees?

The SPEAKER pro tempore. Members may not refer to the current ethical standing of other Members of this House.

Mr. BONIOR. So, further requesting a parliamentary inquiry, Mr. Speaker, if we are talking about something that occurred back in 1988, that obviously is not current, and the gentleman from Georgia would be in order to talk about what was suggested by Speaker GINGRICH back in 1988.

The SPEAKER pro tempore. Unless it is in reference to an ethical situation of a Member that is still in the House.

Mr. BONIOR. That Member certainly is not in the House at this point, so I would assume from that answer, Mr. Speaker, that the gentleman from Georgia [Mr. LEWIS] would be within the bounds of the Chair's ruling to discuss the comments made in 1988 by the Speaker.

The SPEAKER pro tempore. The Chair has already ruled that the Members shall refrain from addressing any issue that is pending before the Committee on Standards of Official Conduct relating to, a current Member of this Congress.

The gentleman from Georgia [Mr. LEWIS] may proceed on order.

Mr. LEWIS of Georgia. Let me quote what Speaker GINGRICH said in 1988 about the investigation of Speaker Wright:

> I am concerned that the scope, authority and independence of the special counsel will be limited by the guidelines the Ethics Committee has established.

Gingrich went on—

> The House of Representatives, as well as the American public, deserve an investigation which will uncover the truth. At this moment, I am afraid that the apparent restrictions placed on this special counsel will not allow the truth to be uncovered.

Speaker GINGRICH was right then, and the same rules should apply today. Let the special counsel uncover the truth. If the Speaker has nothing to hide, do not limit the scope of the special counsel's investigation.

HURTFUL COMMENTS

(Mr. ENGEL asked and was given permission to address the House for 1 minute.)

Mr. ENGEL. Mr. Speaker, just this past weekend, the Speaker of the House, the gentleman from Georgia [Mr. GINGRICH], made some very hurtful and intemperate remarks about New York, New York City and New York State, for which he has apologized, but frankly the hurt is still there.

The Speaker said that New York was "a culture of waste for which they expect us to send a check and that this country is not going to bail out habits that have made New York so extraordinarily expensive."

I want to say to the Speaker that New York City and New York State for many, many years has been sending the Federal Government much more than it is getting back; in fact, to the tune of $9 billion. New York sends and New York State sends to the Government much more than it gets back.

The State of Georgia, quite frankly, sends $1 billion less than it gets, $1 billion less than it gets. So Georgia is a net gain in terms of Federal largess and New York is a net loser. In fact, in the Speaker's district, that district has received more pork frankly than any other district.

Let me just say we should be very careful before we make such hurtful statements, and let me say the Speaker is now in New York raising money. If he detests us so, he ought not to do that, and I hope his budget would change and that New York would get some more help.

PROVIDING FOR CONSIDERATION OF H.R. 1617, CAREERS ACT

Mrs. WALDHOLTZ. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 222 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 222

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1617) to consolidate and reform workforce development and literacy programs, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Economic and Educational Opportunities. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the amendment recommended by the Committee on Economic and Educational Opportunities now printed in the bill, it shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule an amendment in the nature of a substitute consisting of the text of H.R. 2332. That amendment in the nature of a substitute shall be considered by title rather than by section. The first six sections and each title shall be considered as read. Points of order against that amendment in the nature of a substitute for failure to comply with clause 5(a) of rule XXI or section 302(f) or 401(b) of the Congressional Budget Act of 1974 are waived. Before consideration of any other amendment it shall be in order to consider the amendment printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Goodling or his designee. That amendment shall be considered as read, may amend the portions of the bill not yet read for amendment, shall be debatable for ten minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against that amendment are waived. After disposition of that amendment, the provisions of the bill as then perfected shall be considered as original text. During further consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1030

Mrs. WALDHOLTZ. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Ohio [Mr. HALL], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 222 is the rule for the consideration of H.R. 1617, the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act, better known as the CAREERS Act.

This is an open rule. It provides for 1 hour of general debate, to be divided between the chairman and ranking minority member of the Committee on Economic and Educational Opportunities. After general debate, the bill will be considered for amendment under the 5-minute rule. The bill will be considered by title. The first six sections in each title now printed in the bill shall be considered as read. The rule provides priority recognition for Members who have preprinted their amendments. Finally, the rule provides for a motion to recommit with instructions.

This bill will consolidate more than 150 existing separate, duplicative and fragmented education and job training programs into four consolidated grants to the States. It represents a dramatic improvement over current law not only by consolidating so many different programs but also by providing States and local communities with greater opportunity and flexibility to design programs to meet the needs of their citizens, rather than the needs of the Federal Government.

This bill will also turn two Government sponsored enterprises "Sallie Mae"—the Student Loan Marketing Association—and "Connie Lee"—the College Construction Loan Insurance Association—entirely over to the private sector. And last, but certainly not least, this bill reduces the Federal deficit by cutting bureaucracy and waste, saving $6.5 billion over 5 years with no disruption of service to individuals.

This rule provides for full, fair, and open debate and is brought up under an open rule at the request of the chairman. Concerns have been raised about how the needs of individuals with disabilities will be addressed under H.R. 1617. This open rule will permit thorough consideration of this and other important issues by allowing amendments to be offered on the floor for consideration by the full House.

I urge my colleagues to adopt this rule. It permits for the fair consideration of a bill that will provide for a better prepared and more knowledgeable work force—benefiting both the American people and American business. At the same time, it protects the right of Members to offer amendments for consideration by the full House.

Mr. Speaker, I include for the RECORD the following statistical information from the Committee on Rules:

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of September 18, 1995]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-open[2]	46	44	46	74
Modified Closed[3]	49	47	14	23
Closed[4]	9	9	2	3
Totals:	104	100	62	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of September 18, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255–172 (1/25/95).
		H.J. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/13/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–100; A: 227–127 (2/15/95).
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/2/95)
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95)
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/95)
H. Res. 108 (3/7/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95)
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95)
H. Res. 115 (3/14/95)	MO	H.R. 1159	Making Emergency Supp. Approps.	A: 242–190 (3/15/95)
H. Res. 116 (3/15/95)	MC	H.J. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95)
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95)
H. Res. 119 (3/21/95)	MC			A: 217–211 (3/22/95)
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423–1 (4/4/95)
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	A: voice vote (4/6/95)
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95)
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	A: 253–172 (4/6/95)
H. Res. 136 (5/1/95)	O	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95)
H. Res. 139 (5/3/95)	O	H.R. 1361	Coast Guard Auth. FY 1996	A: voice vote (5/9/95)
H. Res. 140 (5/9/95)	O	H.R. 961	Clean Water Amendments	A: 414–4 (5/10/95)
H. Res. 144 (5/11/95)	O	H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95)
H. Res. 145 (5/11/95)	O	H.R. 584	Fish Hatchery—Iowa	A: voice vote (5/15/95)
H. Res. 146 (5/11/95)	O	H.R. 614	Fish Hatchery—Minnesota	A: voice vote (5/15/95)
H. Res. 149 (5/16/95)	MC	H. Con. Res. 67	Budget Resolution FY 1996	PQ: 252–170 A: 255–168 (5/17/95)
H. Res. 155 (5/22/95)	MO	H.R. 1561	American Overseas Interests Act	A: 233–176 (5/23/95)
H. Res. 164 (6/8/95)	MC	H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225–191 A: 233–183 (6/13/95)
H. Res. 167 (6/15/95)	O	H.R. 1817	MilCon Appropriations FY 1996	PQ: 223–180 A: 245–155 (6/16/95)
H. Res. 169 (6/19/95)	MC	H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232–196 A: 236–191 (6/20/95)
H. Res. 170 (6/20/95)	O	H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221–178 A: 217–175 (6/22/95)
H. Res. 171 (6/22/95)	O	H.R. 1905	Energy & Water Approps. FY 1996	A: voice vote (7/12/95)
H. Res. 173 (6/27/95)	C	H.J. Res. 79	Flag Constitutional Amendment	PQ: 258–170 A: 271–152 (6/28/95)
H. Res. 176 (6/28/95)	MC	H.R. 1944	Emer. Supp. Approps.	PQ: 236–194 A: 234–192 (6/29/95)
H. Res. 185 (7/11/95)	O	H.R. 1977	Interior Approps. FY 1996	PQ: 235–193 D: 192–238 (7/12/95)
H. Res. 187 (7/12/95)	O	H.R. 1977	Interior Approps. FY 1996 #2	PQ: 230–194 A: 229–195 (7/13/95)
H. Res. 188 (7/12/95)	O	H.R. 1976	Agriculture Approps. FY 1996	PQ: 242–185 A: voice vote (7/18/95)
H. Res. 190 (7/17/95)	O	H.R. 2020	Treasury/Postal Approps. FY 1996	PQ: 232–192 A: voice vote (7/18/95)
H. Res. 193 (7/19/95)	C	H.J. Res. 96	Disapproval of MFN to China	A: voice vote (7/20/95)
H. Res. 194 (7/19/95)	O	H.R. 2002	Transportation Approps. FY 1996	PQ: 217–202 (7/21/95)
H. Res. 197 (7/21/95)	O	H.R. 70	Exports of Alaskan Crude Oil	A: voice vote (7/24/95)
H. Res. 198 (7/21/95)	O	H.R. 2076	Commerce, State Approps. FY 1996	A: voice vote (7/25/95)
H. Res. 201 (7/25/95)	O	H.R. 2099	VA/HUD Approps. FY 1996	A: 230–189 (7/25/95)
H. Res. 204 (7/28/95)	MC	S. 21	Terminating U.S. Arms Embargo on Bosnia	A: voice vote (8/1/95)
H. Res. 205 (7/28/95)	O	H.R. 2126	Defense Approps. FY 1996	A: 409–1 (7/31/95)
H. Res. 207 (8/1/95)	MC	H.R. 1555	Communications Act of 1995	A: 255–156 (8/2/95)
H. Res. 208 (8/1/95)	O	H.R. 2127	Labor, HHS Approps. FY 1996	A: 323–104 (8/2/95)
H. Res 215 (9/7/95)	O	H.R. 1594	Economically Targeted Investments	A: voice vote (9/12/95)

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued

[As of September 18, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 216 (9/7/95)	MO	H.R. 1655	Intelligence Authorization FY 1996	A: voice vote (9/12/95)
H. Res. 218 (9/12/95)	O	H.R. 1162	Deficit Reduction Lockbox	A: voice vote (9/13/95)
H. Res. 219 (9/12/95)	O	H.R. 1670	Federal Acquisition Reform Act	A: 414–0 (9/13/95)
H. Res. 222 (9/18/95)	O	H.R. 1617	CAREERS Act	

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; C-closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

Mrs. WALDHOLTZ. Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to commend my colleague from Utah, Mrs. Waldholtz, as well as my colleagues on the other side of the aisle for bringing this resolution to the floor.

House Resolution 222 is an open rule which will allow full and fair debate on H.R. 1617, a bill to consolidate and reform work force development and literacy programs.

As my colleague from Utah has ably described, this rule provides 1 hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Economic and Educational Opportunities.

Under the rule, germane amendments will be allowed under the 5-minute rule, the normal amending process in the House. All Members, on both sides of the aisle, will have the opportunity to offer amendments. I am pleased that the Rules Committee reported this rule without opposition in a voice vote and I plan to support it.

Though I support the rule, I have reservations about a number of provisions in the bill.

First, I am concerned about the overall cuts in the authorization level for Federal employment and training programs. Job training is an investment that will pay off in more productive citizens and increased human capital. We all agree that deficit reduction is important for the benefit of the next generation. However, the same can be said for education.

Second, I oppose title V, which amends the Rehabilitation Act of 1973. I have heard from a number of citizens with disabilities in my district as well as national organizations that represent persons with disabilities. They fear that rewriting the law will reduce the effectiveness of existing employment-related services.

Third, I am concerned about the repeal of the School-to-Work Opportunities Act, which was just enacted last year with bipartisan support. This legislation helps States and local school districts create programs to prepare students for the world of work who do not go on to college. This is the kind of legislation that gets the most bang for the buck because the program provides only the seed money.

Mr. Speaker, this open rule will permit full discussion of these issues and give Members an opportunity to amend the bill. I urge adoption of the rule.

Mr. Speaker, I reserve the balance of my time.

Mrs. WALDHOLTZ. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. GOODLING], the chairman of the Committee on Economic and Educational Opportunities.

(Mr. GOODLING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOODLING. Mr. Speaker, I rise in support of the rule to H.R. 1617, the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act, better known as CAREERS.

The rule we are considering today provides for an open, fair debate on this historic legislation. The bill represents an historic turning point for this Congress because CAREERS consolidates more than 150 existing separate, duplicative and fragmented education and job training programs into four consolidated grants to the States.

Never before has the Committee on Economic and Educational Opportunities agreed to consolidate and repeal so many existing programs under its jurisdiction. The CAREERS Act represents significant improvements over current law, not only by consolidating so many different programs, but also by recognizing that States are different and the needs of their individuals are different. The CAREERS Act promotes maximum flexibility for States while ensuring that they are held accountable for results through performance measurements they develop.

Mr. Speaker, I would like to take a few minutes to talk a little bit about some of the criticisms that you will probably hear during the debate, and I would like to take them head on.

There are some who believe we should maintain the status quo as far as vocational rehabilitation is concerned. In other words, keep the current overly bureaucratic system that fails to find jobs for more than two-thirds of the disabled people it serves in meaningful jobs. No doubt many Members have heard from interested parties on this issue in the past few days, but I ask you to keep in mind they are hearing primarily from the bureaucrats who provide these services.

Our bill sides with the consumers of vocational rehabilitation services. Let me read to you a letter from ARC, formerly known as the Association for Retarded Citizens of the United States, concerning efforts to strike vocational rehabilitation from this bill, and I quote

> To delink the vocational rehabilitation system from this new system in CAREERS will only serve to isolate the VR system and people with mental retardation from the employers. No one would gain except those professionals in the VR system whose sole agenda is to protect turf. We do not think that is what reform is all about.

I could not have said it better myself.

Some have complained that the bill could lead to mandatory Federal tracking forcing students into particular occupations at a very early age. To address that issue we have added the following provisions to the bill. Nothing in this act shall mandate that any individual, particularly youth served under title II of this act, be required to choose a specific career path or major. The bill does not mandate trapping.

We have heard from various Members concerned about privacy of labor market and other data collected under the legislation. We have added specific language restating title XIII of the Census Act relating to confidentiality of information, and added language ensuring that this act is consistent with the Family Education Privacy Act.

There have been some concerns expressed about the skills standards provisions of the bill. Our bill recognizes that because work force development programs are all about preparing individuals for careers, we must increase the involvement of business and industry, both small and large, in the design and implementation of State and local work force preparation programs. It is essential that employers identify the skills needed in the workplace in order that employment and training assistance programs are relevant and useful. As such, we included provisions in the bill that tied program performance to providing the skills that have been recognized by industry as necessary to perform in a specific occupation.

Mr. Speaker, we also say that program participants may, I repeat, may, receive skill certificates, portable credentials that certify an individual has mastered the occupational skills identified by employers as necessary to do the job. We do not require, however, that any individual must receive such certificates or that any employer must accept or use skill certificates in making hiring decisions. We also add language to the bill clarifying that skill certificates shall not replace high school diplomas or GED's.

There are other issues I will bring forth later on. One other I might mention, maintenance of effort, is always very difficult. It is particularly difficult when you are talking about downsizing the amount of expenditures coming from the Federal Government. It would seem that if the Federal Government cuts back, then when we talk about maintenance of effort, we should also allow the States to cut back an equal amount, and if we do not, then of course we have unfunded mandates.

Finally, one of the big issues that Members, particularly those from the other side of the aisle, may raise concerns a provision that allows Governors to transfer 10 percent of their funds between the youth and the adult training blocks, first, let me make it clear that under this transfer authority, transferred funds must be spent at the local level.

Second, it is important that everyone knows exactly why we add the provision to the bill. That is to allow States additional flexibility to determine how best to meet the educational and training needs of their particular State. This is particularly important during this time of substantial cutbacks in Federal job training funds.

I might mention, I agree with the minority member, who earlier indicated a concern about the amount of money only in the youth block, but hopefully, as we go through conference, that will be restored. It was somewhat restored on the floor of the House; hopefully, more will be restored when we complete our conference.

□ 1045

Mr. HALL of Ohio. Mr. Speaker, I yield 5½ minutes to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of this rule, which allows for open debate, and in support of the general direction of this bill. I think we have had too many job training programs that have been duplicative, that have been overlapping. I think the concept of this bill is a good one in merging those, a concept that supports some of the evaluation that, frankly, has not occurred in the past with reference to many of these programs.

The one very significant exception though that I would note to that support and on which I would focus public attention is the way that we handle the training programs for people with disabilities across this country.

I believe that the amendment that my colleague, the gentleman from Texas, Mr. GENE GREEN, will offer to except vocational rehabilitation from the coverage of this one-stop bill to deal with some of the unique problems that our citizens with disabilities have is the approach that we must adopt.

I am sure that there are people that are involved in one training program or another that have views on this subject. I have heard from some of them. But the most compelling stories are the stories that I have heard from people with disabilities themselves. They have been coming out to see me as I visit around my home of Austin, TX.

This last weekend, recognizing that the Federal building may be a bit pretentious, I took my office out to the neighborhood and held office hours on a Saturday morning in front of a grocery store. I had a number of people with disabilities who came out. I expect they were concerned mainly about the way they are going to be hit on Medicare, since they, along with seniors, rely on Medicare, and it will reach into their pocket with this Republican plan to require that they pay more and get less under Medicare. But the second concern that they voiced, and a very real one, is having vocational rehabilitation lumped into House bill 1617.

Last Saturday one of the people who came and talked to me during these grocery store hours in north Austin was Doris Varnell. Doris is a woman who lives in Austin, and who at age 40 was diagnosed with multiple sclerosis. Despite the debilitating effects of this terrible disease, she was determined to continue to work.

She told me that without the support of the Texas Rehabilitation Commission, TRC, as we call it in Texas, she is not sure that she could ever have made the first tough job search. You see, she was accustomed to being a person without disabilities, and like any of us, who are just one accident or one unfortunate illness away from a disability, she was a person who lived without disability and now confronted disability and had to adapt to that and find out how to overcome that disability. She turned for the first time at a very scary time in her life to the Texas Rehabilitation Commission and found a way to avoid painful discrimination and found a way to benefit from the special services that have served her and have served literally hundreds of thousands of Texans, as they have served millions of Americans across this country. In fact, during the time the vocational rehabilitation system has been in effect in America, it has served and gotten into our work force some 9 million Americans.

Every year, vocational rehabilitation gives 200,000 more Americans the opportunity to serve in the work force, despite of and in fact overcoming their disabilities.

We hear so much in this Congress about the SSI Program under Social Security. Well, 40,000 people come off of SSI every year as a result of the services of vocational rehabilitation. All of this has been accomplished with a network of State vocational rehabilitation services, recognizing some of the unique needs of people with disabilities. In essence, we already have a block grant program for vocational rehabilitation. I fear that some have taken such a blockheaded approach to block grants that they are now going to block grant a block grant program.

This is a solution without a problem when it comes to people with disabilities in Texas. We already have a Federal block grant program going to the Texas Rehabilitation Commission. It provides unique services to meet the needs of people with disabilities. It does it well. It does it efficiently. It does it with local input and support and consultation with local groups involved with people with disabilities, and that is the way it ought to continue to occur.

I realize the appeal of a one-stop career center, and I think that that is appropriate for people who are unskilled, who are undereducated. But I am concerned that someone who faces multiple sclerosis, who has some other type of mental or physical disability, needs more than one stop. They may need extra assistance to deal with their disabilities and find a way to convince employers of how much they contribute.

Mr. Speaker, the truth is that we have a system that works very well right now to meet the needs of people with disabilities. It involves people who are skilled as counselors in working with people with disabilities, and in the course of adopting a bill that has much merit, let us not destroy this hope that is out there of meeting the special needs of people with disabilities. Let us support the amendment of the gentleman from Texas Mr. GENE GREEN, to preserve a system that works and works well for people with disabilities.

Mrs. WALDHOLTZ. Mr. Speaker, I am pleased to yield 5 minutes to the gentleman from California [Mr. RIGGS], a member of the Committee on Economic and Educational Opportunities.

Mr. RIGGS. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, I want to thank our leadership for making time in our very busy schedule for this legislation to come to the floor. This is a good rule. It obviously continues our tradition in the 104th Congress of open rules under the Republican majority. I want to urge my colleagues to support the rule and the underlying bill, H.R. 1617, the CAREERS Act.

This has been very much in its development stages a bipartisan bill. We were able to report the bill out of the Committee on Economic and Educational Opportunities on a bipartisan basis. We have received a tremendous amount of assistance from the administration in crafting the bill, and I particularly want to salute Doug Ross, who is the immediate past assistant Secretary of Labor for Employment and Training for his role in helping us craft this legislation. It is ironic, just to underscore the bipartisan nature of the bill, that we have also been working with Robert T. Jones, the vice president of the National Association of Business, who was the Assistant Secretary of Labor for Employment and Training in the Bush administration. Again, I think that underscores the bipartisan nature of this bill.

We have worked very hard in crafting the legislation to address the concerns of various interest groups. We have worked closely with the Governors, the National Governors Association, and various family and value oriented groups. We have always listened carefully to what the business community has had to say about how we can improve upon the existing service delivery system for job training programs.

As the chairman of the committee, the gentleman from Pennsylvania [Mr. GOODLING], stressed, we have taken these 160-some odd separate Federal job training programs, what are called categorical programs, spread across 146 different Federal agencies and departments, and consolidated them into four block grants. The idea behind that is to give the States and Governors much more say and flexibility in designing and running these programs, and we have also included in the bill the idea of an individual voucher for job training recipients, what we call a career grant.

This is a very important concept, because what we are really trying to do is tell American workers that they will have a greater say in determining what kind of career training or work force preparation is right for them.

This is, again, a bipartisan concept that harkens back to the Bush administration. In the Bush administration, they first proposed a concept of a GI bill for workers, and this concept has continued in the present administration with the President and Secretary Reich pushing hard for the concept of skill grants. Again, we have been able to embody that concept, although we call it career grants, a slightly different term, in this legislation.

Now, this legislation focuses in on several different groups of job training recipients. Of course, first and foremost are unemployed workers. In the legislation we take an employment first approach. We are trying to get these folks back into the work force as soon as possible.

We are also trying to help disadvantaged youth, those youth that are at risk of dropping out of school, particularly in the face of all the recent evidence suggesting that some degree of post-secondary educational attainment and computer literacy, or some computer skills, are absolutely essential to a young person's chances for competing and succeeding in an increasingly global economy. We think we can do a much better job with this bill of serving youth, particularly those, 70 to 75 percent of our young people, who are not college-bound or who, if they go to college, will drop out.

We are also working diligently in the legislation to help those who are extremely disadvantaged, either those who are disabled and must overcome certain physical and mental and architectural barriers to find gainful employment in the work force. We are trying to help those who are illiterate by having a separate block grant that is targeted to adult education and illiteracy.

We have good accountability and performance standards in the legislation that gives States and local communities a much greater say in determining what the performance standards should be based on local conditions, but we do require in the legislation the States after setting those goals, in consultation with local communities, to show continuous improvement and progress above the baseline that has been established.

Mr. Speaker, this is good legislation. Again, I urge support of the rule and support of the bill. This bill goes a long way toward improving the productivity of American workers, and therefore the quality of life or the standard of living for American workers. We will look forward as we get into the debate on separate amendments talking about in more detail about the bill. I urge my colleagues to support the rule and the bill.

Mr. BALLENGER. Mr. Speaker, I rise in support of the rule and in support of H.R. 1617. The Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act or CAREERS is quite an elaborate name for legislation aimed solely at simplifying and improving our current maze of job training and employment assistance programs. As a Member of the House who acknowledges the direct correlation between program design and program success, I urge all of my colleagues to listen closely to this debate today and decide to vote in favor of creating a well-designed model for the deliverance of job training and employment assistance services.

We currently refer to our various fragmented job training and employment-related programs as ones formulating a system, which is laughable because the word system implies that there is some from of orderly program interaction taking place. This is not the case. The U.S. General Accounting Office [GAO] has identified 163 different programs, totaling $20 billion, which offer some type of career related, education, job training or employment assistance to youth and adults. Further, the Associate Director for Education and Employment issues at GAO recently testified that the current employment, training assistance programs are narrowly tailored, leaving programs to compete for clients and funds. He then, in his testimony, went on to question the system's overall efficiency.

A potluck approach to Federal job training and employment assistance is a disservice to the adults and youth looking to utilize these programs. The CAREERS bill offers us a chance to streamline, improve the Federal effort in this important area. We will be working through this legislation to create a real training and employment system, equipped with easy customer access and choice. No one should be faced with a maze of noncoordinated programs when progressing toward employment objectives. CAREERS requires States and local work force development areas to establish integrated career center systems in which individuals may obtain services and familiarize themselves with the State's work force development system. This integrated system is user friendly and enables individuals to gain quick access to all parts of the system. Let us be clear, CAREERS does not mandate that you establish one-stop centers. Under CAREERS, one could enter the State career system through a colocated center, one-stop center or through an electronically linked affiliated site. The legislative intent is the creation of an integrated system where the user is best served.

I think it is important to point out that when we talk of an integrated system, we are not advocating the creation of a generic delivery system, one unable to meet the needs of the diverse people who will ultimately use these programs. The block grants included in CAREERS are all structured to assure that attention is focused on the four, distinct populations seeking service. Clearly, the one-size-fits-all approach will not work in this area. I am pleased that CAREERS not only allows for local control, customer choice, and customer accessibility but is also wisely structured so that diverse populations may be served.

I urge my colleagues to support the rule and look forward to passage of H.R. 1617, the CAREERS.

Mr. HALL of Ohio. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. WALDHOLTZ. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. FOLEY). The question is on adoption of the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HALL of Ohio. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 388, nays 2, not voting 44, as follows:

[Roll No. 664]

YEAS—388

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis

Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (OH)
Brownback
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Coble
Coburn
Coleman
Collins (GA)
Combest
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Largent
Latham
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martini
Mascara
Matsui
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Ney
Norwood
Nussle
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—2

Martinez
Stockman

NOT VOTING—44

Barrett (WI)
Brown (FL)
Bryant (TN)
Callahan
Chapman
Clyburn
Collins (IL)
Collins (MI)
Condit
Danner
Dixon
Dornan
Fields (LA)
Ford
Fowler
Frank (MA)
Gejdenson
Gibbons
Holden
Jefferson
Kaptur
Kingston
Lantos
LaTourette
Lewis (GA)
McCarthy
Mfume
Mineta
Moakley
Neumann
Oberstar
Parker
Pryce
Reynolds
Roberts
Rose
Sawyer
Schumer
Sisisky
Torkildsen
Tucker
Visclosky
Volkmer
Wise

☐ 1117

Mr. FOGLIETTA changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. MCCARTHY. Mr. Speaker, during rollcall vote No. 664 on H.R. 1617 I was unavoidably detained. Had I been present I would have voted "yea."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. FOLEY). Pursuant to clause 5 of rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed on Monday, September 18, 1995, in the order in which that motion was entertained.

Votes will be taken in the following order: H.R. 402 by the yea and nays, H.R. 1091 by the yeas and nays, H.R. 260 by the yeas and nays, H.R. 1296 by the yeas and nays, and H.R. 558 by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

ALASKA NATIVE CLAIMS SETTLEMENT AMENDMENTS

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and concurring in the Senate amendment to the bill, H.R. 402.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alaska [Mr. YOUNG] that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 402, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 392, nays 10, not voting 32, as follows:

[Roll No. 665]

YEAS—392

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (OH)
Brownback
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Combest
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
de la Garza
Deal
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (TX)
Flake
Flanagan
Foglietta
Foley
Forbes
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Ganske
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Largent
Latham
Laughlin
Lazio
Leach
Levin
Lewis (CA)

Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mica
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Ney
Norwood
Nussle
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—10

DeFazio
Filner
Furse
Kildee
Obey
Skaggs
Vento
Visclosky
Williams
Yates

NOT VOTING—32

Barrett (WI)
Brown (FL)
Bryant (TN)
Callahan
Collins (IL)
Collins (MI)
Condit
Danner
Dornan
Fields (LA)
Ford
Fowler
Frank (MA)
Gejdenson
Jefferson
Kaptur
Lantos
LaTourette
McCarthy
Mfume
Moakley
Neumann
Oberstar
Parker
Pryce
Reynolds
Sawyer
Schumer
Sisisky
Torkildsen
Tucker
Volkmer

□ 1137

The Clerk announced the following pair:

On this vote:

Ms. Kaptur and Mr. Moakley for, with Mr. Neumann against.

Mr. WILLIAMS and Ms. FURSE changed their vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. McCARTHY. Mr. Speaker, during rollcall vote No. 665 on H.R. 402 I was unavoidably detained. Had I been present I would have voted "yea."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. FOLEY). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on each additional motion to suspend the rules on which the Chair has postponed further proceedings.

SHENANDOAH VALLEY NATIONAL BATTLEFIELDS PARTNERSHIP ACT OF 1995

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 1091, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah [Mr. HANSEN] that the House suspend the rules and pass the bill, H.R. 1091, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 377, nays 31, not voting 26, as follows:

[Roll No. 666]

YEAS—377

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (OH)
Brownback
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chambliss
Chapman
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (GA)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoke
Holden
Horn
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Istook
Jackson-Lee
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, E.B.
Johnston
Jones
Kanjorski
Kasich
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Knollenberg
Kolbe
LaFalce
LaHood
Largent
Latham
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Mink
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Ney
Norwood
Nussle
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Rush
Sabo
Sanders
Sanford
Sawyer
Saxton
Schaefer
Schiff
Schroeder
Scott
Seastrand
Serrano
Shadegg
Shaw
Shays
Shuster
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thurman
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—31

Becerra
Beilenson
Chabot
Chenoweth
Christensen
Coburn
Dingell
Ensign
Gonzalez
Gutknecht
Hoekstra
Hostettler
Inglis
Johnson, Sam
Kelly
Klug
Minge
Peterson (FL)
Peterson (MN)
Petri
Roybal-Allard
Royce
Salmon
Scarborough
Sensenbrenner
Stockman
Thornton
Tiahrt
Vento
Visclosky
Waxman

NOT VOTING—26

Barrett (WI)
Brown (FL)
Bryant (TN)
Collins (IL)
Collins (MI)
Dornan
Fields (LA)
Ford
Fowler
Frank (MA)
Gejdenson
Jefferson
Kaptur
Lantos
LaTourette
Moakley
Neumann
Oberstar
Parker
Pryce
Reynolds
Schumer
Sisisky
Torkildsen
Tucker
Volkmer

□ 1148

The Clerk announced the following pair:

On this vote:

Ms. Kaptur and Mr. Moakley for, with Mr. Neumann against.

Mrs. CHENOWETH, and Messrs. ENSIGN, INGLIS, and MINGE changed their vote from "yea" to "nay."

Messrs. WILLIAMS, BACHUS, and PASTOR changed their vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill as amended was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. LATOURETTE. Mr. Speaker, unfortunately, because I was unavoidably detained, I was not recorded on rollcall votes Nos. 664, 665, and 666. However, had I been present I would have voted "aye" on each of these measures.

□ 1147

NATIONAL PARK SYSTEM REFORM ACT OF 1995

The SPEAKER pro tempore (Mr. FOLEY). The unfinished business is the question of suspending the rules and passing the bill, H.R. 260, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah [Mr. HANSEN] that the House suspend the rules and pass the bill, H.R. 260, on which the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 180, nays 231, not voting 23, as follows:

[Roll No. 667]

YEAS—180

Abercrombie
Allard
Archer
Armey
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bliley
Boehlert
Boehner
Bonilla
Bonior
Brewster
Bunn
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Christensen
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
DeLay
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehrlich
Emerson
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Franks (CT)
Franks (NJ)
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodling
Graham
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Johnston
Jones
Kasich
Kim
King
Klug
Knollenberg
Kolbe
Largent
Latham
Laughlin
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
Longley
Lucas
Manzullo
McCrery
McDade
McDermott
McIntosh
McKeon
McNulty
Meehan
Metcalf
Meyers
Mica
Miller (CA)
Miller (FL)
Mineta
Moorhead
Myers
Myrick
Nethercutt
Ney
Norwood
Nussle
Obey
Oxley
Packard
Paxon
Pelosi
Peterson (MN)
Pickett
Pombo
Quillen
Radanovich
Rangel
Regula
Riggs
Roberts
Rogers
Rohrabacher
Rose
Roth
Roukema
Royce
Sabo
Salmon
Saxton
Schaefer
Schiff
Seastrand
Shadegg
Shaw
Shuster
Skeen
Smith (MI)
Smith (TX)
Smith (WA)
Stark
Stearns
Stockman
Stump
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Vento
Vucanovich
Waldholtz
Walker
Watts (OK)
Weldon (FL)
Weller
Wicker
Wilson
Young (AK)

NAYS—231

Ackerman
Andrews
Bachus
Baesler
Baldacci
Barcia
Bass
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Blute
Borski
Boucher
Browder
Brown (CA)
Brown (OH)
Brownback
Bryant (TX)
Burr
Cardin
Chapman
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (IL)
Condit
Conyers
Costello
Coyne
Cramer
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Ehlers
Engel
English
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Foley
Forbes
Fox
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gephardt
Geren
Gibbons
Gonzalez
Goodlatte
Gordon
Goss
Green
Greenwood
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilleary
Hilliard
Hinchey
Hobson
Holden
Hoyer
Hutchinson
Jackson-Lee
Jacobs
Johnson (SD)
Johnson, E. B.
Kanjorski
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kingston
Kleczka
Klink
LaFalce
LaHood
LaTourette
Lazio
Leach
Levin
Lewis (GA)
Lincoln
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McHale
McHugh
McInnis
McKinney
Meek
Menendez
Mfume
Minge
Mink
Molinari
Mollohan
Montgomery
Moran
Morella
Murtha
Nadler
Neal
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Peterson (FL)
Petri
Pomeroy
Porter
Portman
Poshard
Quinn
Rahall
Ramstad
Reed
Richardson
Rivers
Roemer
Ros-Lehtinen
Roybal-Allard
Rush
Sanders
Sanford
Sawyer
Scarborough
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Shays
Skaggs
Skelton
Slaughter
Smith (NJ)
Solomon
Souder
Spence
Spratt
Stenholm
Stokes
Studds
Stupak
Talent
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Visclosky
Walsh
Wamp
Ward
Waters
Watt (NC)
Waxman
Weldon (PA)
White
Whitfield
Williams
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (FL)
Zeliff
Zimmer

NOT VOTING—23

Barrett (WI)
Bono
Brown (FL)
Bryant (TN)
Chenoweth
Collins (MI)
Fields (LA)
Ford
Fowler
Frank (MA)
Gejdenson
Jefferson
Kaptur
Lantos
Moakley
Neumann
Oberstar
Parker
Pryce
Reynolds
Sisisky
Tucker
Volkmer

□ 1157

Messrs. SPRATT, ZELIFF, UPTON, FAZIO, KENNEDY of Rhode Island, and Ms. ESHOO changed their vote from "yea" to "nay."

So (two-thirds having not voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. NEUMANN. Mr. Speaker, this morning I was unavoidably detained in Milwaukee during rollcall vote Nos. 664, 665, 666, and 667. Had I been present, I would have voted "yea" on rollcall 664, "nay" on rollcall 665, "nay" on rollcall 666, and "nay" on rollcall 667.

PERSONAL EXPLANATION

Mr. BARRETT of Wisconsin. Mr. Speaker, on September 19, I missed four recorded votes due to a delayed airplane flight.

On rollcall No. 664, passage of House Resolution 222, the rule for the CAREERS bill, I would have voted "yes."

On rollcall No. 665, passage of H.R. 402, the amendments to the Alaska Native Claims Settlement Act, I would have voted "yes."

On rollcall No. 666, passage of H.R. 1091, I would have voted "yes."

On rollcall No. 667, passage of H.R. 260, the National Park System Reform Act, I would have voted "yes."

PROVIDING FOR THE ADMINISTRATION OF CERTAIN PRESIDIO PROPERTIES

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 1296, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah [Mr. HANSEN] that the House suspend the rules and pass the bill, H.R. 1296, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 317, nays 101, not voting 16, as follows:

[Roll No. 668]

YEAS—317

Abercrombie
Ackerman
Allard
Andrews
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (OH)
Brownback
Bryant (TX)
Bunn
Buyer
Callahan
Calvert
Cardin
Castle
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (IL)
Condit
Conyers
Cooley
Cox
Coyne
Cramer
Crane
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
Ensign
Eshoo
Evans
Everett
Farr
Fattah
Fazio
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefner
Heineman
Hilliard
Hinchey
Hobson
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hyde
Jackson-Lee
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kleczka
Klink
Knollenberg
Kolbe
LaFalce
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lightfoot
Lincoln
Linder
Lofgren
Longley
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McDade
McDermott
McHale
McInnis
McIntosh
McKeon
McKinney
McNulty
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Mink
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Nadler
Neal
Nethercutt
Ney
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pombo
Pomeroy
Porter
Portman
Quinn
Radanovich
Rahall
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Ros-Lehtinen
Rose
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Saxton
Schiff
Schroeder
Schumer
Scott
Seastrand
Serrano
Shaw
Shays
Shuster
Skaggs
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Spence
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Talent
Tate
Tauzin
Tejeda
Thomas
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Vucanovich
Waldholtz
Walsh
Ward
Waters
Watt (NC)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)

NAYS—101

Archer
Armey
Barcia
Bass
Boehner
Bryant (TN)
Bunning
Burr
Burton
Camp
Canady
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Coburn
Collins (GA)
Combest
Costello
Crapo
Deal
DeLay
Dornan
Duncan
English
Ewing
Fawell
Frisa
Funderburk
Goodlatte
Goodling
Gutknecht
Hastert
Hefley
Herger
Hilleary
Hoekstra
Hoke
Hutchinson
Inglis
Istook
Johnson, Sam
Jones
Kingston
Klug
LaHood
Largent
Lewis (KY)
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
McCrery
McHugh
Minge
Molinari
Myers
Myrick
Neumann
Norwood
Nussle
Parker
Paxon
Peterson (MN)
Petri
Poshard
Quillen
Ramstad
Rogers
Rohrabacher
Roth
Royce
Salmon
Sanford
Scarborough
Schaefer
Sensenbrenner
Shadegg
Skeen
Smith (MI)
Solomon
Souder
Stearns
Stockman
Stump
Tanner
Taylor (MS)
Taylor (NC)
Thornberry
Tiahrt
Upton
Walker
Wamp
Watts (OK)
Whitfield
Wicker
Young (FL)
Zeliff
Zimmer

NOT VOTING—16

Brown (FL)
Collins (MI)
Fields (LA)
Fowler
Gejdenson
Jefferson
Kaptur
Lantos
Meehan
Moakley
Oberstar
Pryce
Reynolds
Sisisky
Tucker
Volkmer

☐ 1208

Mr. LIVINGSTON and Mr. POSHARD changed their vote from "yea" to "nay."

Mr. METCALF changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT CONSENT ACT

The SPEAKER pro tempore (Mr. FOLEY). The unfinished business is the question of suspending the rules and passing the bill, H.R. 558.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Colorado [Mr. SCHAEFER] that the House suspend the rules and pass the bill, H.R. 558, on which the yeas and nays are ordered.

This is the last in a series of 5-minute votes.

The vote was taken by electronic device, and there were—yeas 176, nays 243, not voting 15, as follows:

[Roll No. 669]

YEAS—176

Allard
Andrews
Archer
Armey
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bentsen
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Buyer
Callahan
Calvert
Camp
Cardin
Chabot
Chenoweth
Chrysler
Clement
Clinger
Coble
Coburn
Crane
Crapo
Cremeans
Danner
DeLauro
DeLay
Dingell
Doolittle
Dornan
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fawell
Fields (TX)
Foley
Franks (CT)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Geren
Gillmor
Goodlatte
Goodling
Gordon
Graham
Green
Greenwood
Gunderson
Hall (OH)
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hostettler
Houghton
Hutchinson
Hyde
Inglis
Jackson-Lee
Johnson (CT)
Johnson, Sam
Johnston
Kelly
Kennelly
Kim
King
Klug
Knollenberg
Kolbe
Laughlin
Lazio
Levin
Lewis (KY)
Lightfoot
Lincoln
Longley
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Minge
Molinari
Moorhead
Moran
Myrick
Neumann
Ney
Norwood
Nussle
Orton
Oxley
Pallone
Parker
Paxon
Payne (VA)
Peterson (MN)
Pombo
Pomeroy
Quillen
Roberts
Rogers
Rohrabacher
Royce
Sanders
Sanford
Saxton
Scarborough
Schaefer
Schroeder
Seastrand
Shadegg
Shaw
Shuster
Skeen
Smith (WA)
Solomon
Souder

Stearns
Stenholm
Stump
Tanner
Tauzin
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Waldholtz
Walker
Walsh
Watts (OK)
Weller
Whitfield
Young (AK)

NAYS—243

Abercrombie
Ackerman
Bachus
Baesler
Barcia
Barrett (WI)
Bass
Becerra
Beilenson
Berman
Bevill
Bishop
Bonilla
Bonior
Bono
Borski
Boucher
Browder
Brown (CA)
Brown (OH)
Bryant (TX)
Burton
Canady
Castle
Chambliss
Chapman
Christensen
Clay
Clayton
Clyburn
Coleman
Collins (GA)
Collins (IL)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Cubin
Cunningham
Davis
de la Garza
Deal
DeFazio
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Doyle
Durbin
Engel
Ensign
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Flake
Flanagan
Foglietta
Forbes
Ford
Fox
Frank (MA)
Franks (NJ)
Frost
Furse
Gekas
Gephardt
Gibbons
Gilchrest
Gilman
Gonzalez
Goss
Gutierrez
Gutknecht
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hoyer
Hunter
Istook
Jacobs
Johnson (SD)
Johnson, E. B.
Jones
Kanjorski
Kasich
Kennedy (MA)
Kennedy (RI)
Kildee
Kingston
Kleczka
Klink
LaFalce
LaHood
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (GA)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McInnis
McKinney
McNulty
Meehan
Meek
Menendez
Meyers
Mfume
Miller (CA)
Mineta
Mink
Mollohan
Montgomery
Morella
Murtha
Myers
Nadler
Neal
Nethercutt
Obey
Olver
Ortiz
Owens
Packard
Pastor
Payne (NJ)
Pelosi
Peterson (FL)
Petri
Pickett
Porter
Portman
Poshard
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roemer
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Rush
Sabo
Salmon
Sawyer
Schiff
Schumer
Scott
Sensenbrenner
Serrano
Shays
Skaggs
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Spence
Spratt
Stark
Stockman
Stokes
Studds
Stupak
Talent
Tate
Taylor (MS)
Taylor (NC)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Vucanovich
Wamp
Ward
Waters
Watt (NC)
Waxman
Weldon (FL)
Weldon (PA)
White
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (FL)
Zeliff
Zimmer

NOT VOTING—15

Brown (FL)
Collins (MI)
Fields (LA)
Fowler
Gejdenson
Jefferson
Kaptur
Lantos
Moakley
Oberstar
Pryce
Reynolds
Sisisky
Tucker
Volkmer

□ 1217

Messrs. COOLEY, FOX of Pennsylvania, and STOCKMAN, Mrs. CUBIN, and Mr. BACHUS changed their vote from "yea" to "nay."

Mr. DELAY changed his vote from "nay" to "yea."

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

CAREERS ACT

The SPEAKER pro tempore (Mr. FOLEY). Pursuant to House resolution 222 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1617.

□ 1217

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1617) to consolidate and reform work force development and literacy programs, and for other purposes with Mr. McINNIS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Pennsylvania [Mr. GOODLING] will be recognized for 30 minutes, and the gentleman from Missouri [Mr. CLAY] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Chairman, I yield such time as she may consume to the gentlewoman from New Jersey [Mrs. ROUKEMA], who has been very active in helping put this bill together.

Mrs. ROUKEMA. Mr. Chairman, I rise in strong support of the legislation, and I want to congratulate both the chairman, the gentleman from Pennsylvania [Mr. GOODLING], and the subcommittee chairman, the gentleman from California [Mr. McKEON] for their valiant and intelligent work on this issue.

Let me begin by stating my strong support for H.R. 1617, the CAREERS Act, and H.R. 1720, the Privatization Act, which has been combined with H.R. 1617 for floor consideration. In particular, I would like to congratulate Chairman GOODLING and Subcommittee Chairman McKEON for all of the hard work that they put into the CAREERS Act. Through their efforts, they were able to strike a necessary balance between the block grant approach and the need to ensure that the particular job training and vocational education opportunities of eligible groups are protected.

However, we should not, as some Members suggest, give the States one lump block grant with no strings. As I have said from the outset of setting forth the block grant approach, this is not revenue-sharing, and there must be some measure of Federal accountability, oversight and monitoring. We are not sharing revenue with the States which means that we are not writing blank checks to the Governors so that they or the mayors can set up personal slush funds.

It is for this reason that, as a member of both the subcommittee and full committee, I joined Mr. RIGGS in offering a critical standards and accountability amendment which helps to make sure that those individuals participating in programs under this bill receive the necessary education, skills and training to succeed in today's ever-changing job market.

The Riggs-Roukema amendment which passed during markup attempts to achieve some uniformity in the performance measures of the workforce development and delivery system. Under this amendment, the Secretaries of Labor and Education work with the Governors and representatives from business, industry, education, service, providers, and employees to devise challenging performance indicators that build on the statewide standard systems already contained in the bill. So, in a sense, just as this legislation creates collaborative processes at the state and local level, it will now also be done at the national level.

In order to help ensure that the States are attempting to meet these challenging performance indicators, the Governors must also report to the Secretaries of Labor and Education on how successful the local workforce development boards have been in meeting State goals. And, this gives the appropriate Secretary the opportunity to compare how well the state standards have met these challenge levels as well as to offer recommendations to the states on how to better attain them.

Last, this amendment includes essential withholding of funds language to give States an incentive to achieve the State performance goals contained in the bill. This language is consistent with language included in the recently House passed welfare bill which allowed the Secretary to withhold up to 5 percent of AFDC grant funds from States that did not meet minimum job participation requirements. The Riggs-Roukema language would function similarly by allowing the Secretaries of Labor and Education to withhold up to 5 percent of grant funds from States who show poor performance results.

A second area in which this bill has significantly strengthened our current job training system is through the increased participation of business. Through the collaborative process, business plays a much greater role in helping the Governor devise a State work force development and literacy plan. By designating local work force development areas within which local work force development boards function to serve the needs of that area, this legislation gives communities the opportunity to better serve their local economy needs. And, who knows what types of training and vocational education are needed to fill jobs better than business and industry.

By combining business and industry representatives with representatives of the disabled community, community-based organizations, and employees on the local work force development boards, we help to make sure that those outside of the business community have an important say in the types of training and vocational education eventually provided. But, by making business owners, CEO's, and trade association representatives the majority of these boards, we are saying that, contrary to what Secretary Reich says, getting training does not assure a person of a job. Therefore, it is imperative that job training and vocational education be tailored to job opportunities in surrounding economies, while also providing those participants with the skills needed to compete for better jobs in the future.

With respect to H.R. 1720, the Privatization Act, our committee has made some important changes, such as privatizing Sallie Mae and Connie Lee, and repealing numerous higher education programs that were either previously unauthorized or recommended for termination by the President. However, I would like to mention one area of concern, and that is the repeal of SPRE's [State Postsecondary Review Entities].

Back when we wrote the 1992 higher education amendments, Congress enacted a range of measures designed to ensure the integrity of our title IV program and weed out rampant fraud and abuse in the title IV student loan program. The creation of SPRE's was one such reform which gave State units oversight and review ability of State institutions participating in the title IV program.

Some argue that, under the 1992 provisions, the Department of Education already has the means to investigate eligible institutions and detect fraud and abuse. And, therefore, funding State regulators is wasteful and duplicative. However, having been closely involved in the writing of the 1992 amendments, and knowing full well the extent of abuse in the title IV program, I believe that if a SPRE trigger uncovers that schools which are supposed to be providing quality educational programs are mismanaging Federal student aid dollars, then they are worth having.

But, since SPRE's are no longer authorized or funded, it is even more important that we in no way relax other critical 1992 amendments such as the 85/15 rule and the 3-year 25 percent cohort default rate rule. These reforms have succeeded in ending risk-free Federal subsidies for those who promise students a good education that leads to a good job and then fail to deliver on that promise at the expense of both students and the American taxpayer. Any attempt to relax these or other similar reforms would only be an incentive for schools to go back to the days of old when they got away with major scams. They took in the students, gave them no education that could lead to jobs, then they stuck the taxpayers with the default bills.

In closing, let me again express my strong support for both H.R. 1617 and H.R. 1720. And, let me further take this opportunity to thank committee staff for the tremendous work they put into both bills, but particularly the CAREERS Act and the months of negotiating that its drafting involved. The CAREERS Act makes sure that youths and adults receive the training and education that they need so that they are able to contribute to the work force 10 years from now, and not just in the immediate future.

Once again, I congratulate Chairman GOODLING and Chairman MCKEON for putting together job-training legislation that will help to create better and more secure job opportunities for American families and take us into the 21st century better prepared to compete in the global market.

I urge my colleagues to support its passage.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. BOEHNER], one of our leaders.

Mr. BOEHNER. Mr. Chairman, my colleagues, we have today before us the CAREERS bill, and I would like to congratulate my colleagues on both sides of the aisle who have worked diligently this year in order to put this bill together.

As my colleagues know, last November, when the American people decided that they would change Congress, they decided that government in Washington was too large, too expensive, too bureaucratic, and they wanted it straightened out and cleaned up. One of the issues that we have talked about on our side of the aisle for the last couple of years is the issue of job training and job retraining. The fact is that there are 161 job training/retraining programs run by the Federal Government around the country, well-meaning, well-intentioned, trying to do the right thing, but I have got to say I think we have lost our focus, and what the committee is brining before us today is a bill that does provide focus. It moves these programs back to the States where they can be run much more efficiently and more effectively than what we can do here in Washington; and, second, it does bring focus by moving the money into four large block grants for the States to use.

So, Mr. Chairman, this is a giant step in the right direction. It takes the money that the taxpayers have provided, some $25 billion, and puts focus in it, trying to help those in need in our country that need job training, people who need retraining as their jobs are eliminated, to help maintain their ability to be productive members of our work force, and so, as we look at trying to improve our work force and get our work force ready for the 21st century, this bill could not be any more timely, and I congratulate the chairman of the committee and the chairman of the subcommittee.

Mr. CLAY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to offer my views on H.R. 1617, the CAREERS Act. I am cautiously optimistic that we can still produce an acceptable, truly bipartisan bill.

Most committee Democrats supported the reported bill because we agreed that the 80 existing training and education programs should be consolidated. We agreed that a streamlined and coordinated work force development system would be good for the country and good for working men and women. But by no stretch of the imagination were we completely satisfied with the bill. It was moving in the right direction, however. In addition, committee Democrats wanted to show our support for the bipartisan process by which the bill had been developed, by supporting the bill—with the important caveat that a number of serious concerns remained and needed to be addressed.

We thought we had a deal and a commitment from our Republican colleagues to try to resolve our differences when several Republican Governors and Representatives of the ultra conservative eagle forum paid a visit on our counterparts on the other side. They threatened to oppose the bill if their objections were not addressed, and many of the changes made in the bill to accommodate these groups are unacceptable to committee Democrats.

Although, Mr. Chairman, we are dismayed by this series of events, we continue to believe that improvements can be made here on the floor. I would now like to outline the major Democratic objections to this legislation:

First, major changes have to be made to the vocational rehabilitation provisions in title V. This title threatens to undermine our existing State vocational rehabilitation system. Democrats will be hard pressed to support the dismantling of the service delivery system for those citizens most in need of assistance.

Second, at the request of Republican Governors, the committee dropped a provision in the reported bill that provided a dedicated stream of funding for programs that serve youth who are in school and programs that reach out-of-school youth. Under this change Governors could transfer funds for youth programs to adult programs. This is a serious flaw that should be corrected.

The reported bill was changed again to include a provision that allows Governors to use future year program funds to pay back funds which have been misused in prior years. I call this the oops provision. If a State program is caught misusing program funds, all a Governor has to do is say oops and wait until next year's Federal funds come in to pay back the Federal Government. I guess this is what some people call efficiency.

Mr. Chairman, the bill does not contain a smooth transition from the school-to-work program to the New CAREERS Act. Without it, the bill could lead to a significant disruption in the existing job training network.

Finally, the bill's authorization level is inadequate to create the kind of service delivery system envisioned by this legislation.

Mr. Chairman, the Members of this side of the aisle will be offering amendments to improve this bill. I urge my colleagues to support them. We have the opportunity to create a more effective education, employment and rehabilitation system. Working men and women deserve nothing less.

Mr. Chairman, I reserve the balance of my time.

Mr. GOODLING. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, it has been a long time coming, but all good things take a lot of time, I suppose. There are many people, and I do not want to start saying who because I will surely miss someone who worked probably in some instances for 2 years to put this legislation together. I do want to call to my colleagues' attention those on our side and the other side particularly who have been out in front: The gentleman from California [Mr. McKEON], the gentleman from California [Mr. CUNNINGHAM], the gentleman from Missouri [Mr. CLAY], and the gentleman from Montana [Mr. WILLIAMS], who have been moving this bill in the right direction, and others even before we got to this point this particular year. It has gotten the respect, I believe, of the minority, the majority, and the White House, so we finally bring something to the floor that more people agree that we are moving in the right direction.

I do want to point out that we are constantly working to try to improve the bill, and we will continue to do that as we move to conference. it is imperative that we have a bill on the House side because, if we do not and the other side puts it on their welfare reform bill, then we will go to conference with nothing and be pretty much at their mercy.

Basically what we are pointing out is that we take those 150 programs, and every speaker will probably have a different number, but however many, that at least 90 of them that have been appropriated, and we put them into the four blocks; we have the adult consolidation grant, we have the youth consolidation grant, we have the vocational rehabilitation consolidation grant, and we have the adult education and literacy consolidated grant.

I just want to point out again, as I tried to do in the Committee on Rules, that we have tried to deal with some of the concerns that people have. We want to be very, very careful in dealing with the vocational rehabilitation part because there is a split. We have those State directors who are constantly indicating that they do not want any change, they want everything to be as it presently is, and unfortunately they have done a disservice to people in the disability community because they tried to stir them up and say, "Boy, you are going to lose everything," whereas on the other hand the disability community is telling us, "Don't let us stick with no competition again on the State level because we're going to be stepsisters all other again. We are not very happy that 45 percent of their money is used for administration and counseling." That does not leave too much to actually see about training, educating, and getting them, above all, into the work force where there are meaningful jobs. So I repeat again one of the letters that I received from ARC, the Association for Retarded Citizens of the United States, and I quote:

> To delink the vocational rehabilitation system from this new system in CAREERS will only serve to isolate the VR system and people with mental retardation from the employers. No one would gain except those professionals in the VR system whose sole agenda is to protect turf. We do not think that is what reform is all about.

Mr. Chairman, I do not think I could have said it better myself. Some have complained that this bill could lead to mandatory Federal tracking. I am sure that the way the bill is written that would be an impossibility. They used to say during the cold war that we looked under our bed every night because there may be a Communist under there. For some reason or an other I think people are looking on every page and somehow deciding that there may be a Communist on that page. I will assure my colleagues returning the power to local and State governments, I thought that is what most people were all about, trying to make sure that they improved the programs.

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We do not hand them money and say go do your own thing. We have things that we expect them to do, but, above all, we expect them to improve the job training programs and the education programs that are out there so that we will be competitive in the 21st century.

We are not talking about the Loganville competing with Jacobus. Members probably do not know where those two great towns are. We are talking about the United States competing in a global market, so we have to make the changes.

Mr. Chairman, we have to keep in mind that we will send $37 billion in 1996 for the 25 percent who will get a 4-year college degree. For those who are trying to get 4-year college degree and those that will—$37 billion. All we ask here is $2.3 billion for the 75 percent who will never receive a 4-year college degree but who will be an important part of our constituency if we are going to be competitive.

Mr. Chairman, it has been a long time coming, but today we are finally considering legislation which represents significant reform of this country's job training and work force preparation programs. The CAREERS Act consolidates and reforms over 150 existing education, job training, and employment assistance programs into 4 consolidation grants to States and local communities—creating an efficient, market-driven, and customer-focused work force development system in the United States. The bill espouses conservative principles throughout, and everyone from the Republican Governors' Association, the National Association of Counties and other organizations representing local government, to the business community, and others, support its passage.

I want to take a moment to call to the attention of the Congress, the efforts of the chairmen of the Subcommittee on Postsecondary Education, Training, and Lifelong Learning, and of the Subcommittee on Early Childhood, Youth, and Families, the gentlemen from California, Mr. McKEON and Mr. CUNNINGHAM, whose tireless efforts have resulted in consideration of this reform legislation today. Your dedication to this important issue is admired. We all appreciate your leadership in this area and I thank you for all of your work.

Before I summarize our legislation, and give a bit of an historical perspective on the issue of job training reform, let me say a few things about some of the criticisms that you may hear throughout the course of today's debate. I want to take these criticisms head on, and set the record straight.

First, let's start with vocational rehabilitation. There are some who believe that we should maintain the status quo; in other words, keep the current overly bureaucratic system that fails to place more than two-thirds of the disabled people it serves in meaningful jobs. No doubt, many Members have heard from interested parties on this issue the past few days, but I ask you to keep in mind who you are hearing from for the most part: the bureaucrats who provide these services.

Our bill sides with the consumers of vocational rehabilitation services. Let me read to you from a letter from ARC, formerly known as the Association for Retarded Citizens of the United States, concerning efforts to strike vocational rehabilitation from this bill:

> To delink the vocational rehabilitation system from this new system (in CAREERS) will only serve to isolate the V.R. system and people with mental retardation from the employers. No one would gain, except those professionals in the V.R. system whose sole agenda is to protect turf. We don't think that's what reform is all about.

I couldn't have said it better myself.

Some have complained that this bill could lead to mandatory Federal tracking, forcing students into particular occupations at a very early age. To address this issue, we have added the following provision to the bill: "Nothing in this act shall mandate that any individual, particularly youth served under title II of this act, be required to choose a specific career path or major." This bill does not mandate tracking.

We have heard from various Members concerned about the privacy of labor market and other data collected under the legislation. We have added specific language restating title 13 of the Census Act relating to confidentiality of information, and added language ensuring that this act is consistent with the Family Education Privacy Rights Act.

There have been some concerns expressed about the skill standards provisions of this bill. Our bill recognizes that because work force development programs are all about preparing individuals for careers, we must increase the involvement of business and industry—both small and large—in the design and implementation of State and local work force preparation programs. It is essential that employers identify the skills needed in the workplace, in order that employment and training assistance programs are relevant and useful. As such, we include provisions in the bill that tie program performance to providing the skills that have been recognized by industry as necessary to perform a specific occupation. We also say that program participants may receive skill certificates—portable credentials that certify that an individual has mastered the occupational skills identified by employers as necessary to do a job. We do not require however that any individual must receive such certificates, or that any employer must accept or use skill certificates in making hiring decisions. We are working with Congressman WELDON to add language to the bill clarifying that we will not force anyone to meet these skill standards or to attain a skill certificate. We also add language to the bill clarifying that skill certificate shall not replace high school diplomas or GED's.

Another issue you may hear about is governance. Some complain that CAREERS doesn't mandate that State Education Agencies [SEA's] control all the education money. They are right. We allow States to determine, consistent with their constitutions and State law, which agency should control the money. Most, if not all, States will choose to have their SEA's run this program. But the point is, it should be their decision.

Maintenance of effort is an issue that folks inside the beltway use a lot. In this case, what this means is the Federal Government should force States to maintain their job training spending even when the Federal Government is dramatically scaling back its funding. That just doesn't seem fair to me. Instead, I have agreed in my chairman's package to add a provision saying that Federal funds may "supplement, but not supplant" State funds as a compromise.

Finally, one of the big issues that Members, particularly those from the other side of the aisle, may raise concerns a provision that allows Governors to transfer 10 percent of their funds between the youth and adult training blocks. First, let me make it clear that under this transfer authority, transfered funds must be spent at the local level. Second, it is important that every one know exactly why we added this provision to the bill: to allow States additional flexibility to determine how best to meet the education and training needs of their State. This is especially true during this time of substantial cut backs in Federal job training funds. With these dramatically reduced spending levels, it only makes sense to give States the ability to shift a small amount of funding around to fill gaps in services that may arise.

Now, back to the specifics of our bill. We have traveled a long road to reform. Our efforts began in the spring of 1992, when I, along with our then-minority leader Bob Michel, and the gentleman from Wisconsin [Mr. GUNDERSON] introduced the Bush administration's Job Training 2000 legislation, which included many of the underlying principles of reform that are contained in CAREERS. With this legislation, the concepts of consolidation, of integrated service delivery, and of a voucher-driven training system were introduced. The following Congress, Mr. GUNDERSON and I introduced H.R. 2943, the Workforce Preparation and Development Act, which built upon the principles of Job Training 2000—taking reform a few steps further. Later that Congress, we introduced H.R. 4407, the first CAREERS bill, which again, took reform further—consolidating 86 job training programs into 7 block grant systems to States and localities. Today, we are considering legislation which a year ago, I would not have thought possible. The CAREERS bill represents sweeping reform of this country's employment and training system—an effort to vastly improve the employment opportunities for U.S. citizens, and to strengthen U.S. competitiveness.

In addition to the consolidation of over 150 Federal programs into 4 block grants to States and to local communities, CAREERS saves the taxpayer over $6.5 billion over 5 years. The four consolidation grants include: First, a youth development and career preparation grant; second, an adult employment and training grant; third, a vocational rehabilitation grant; and fourth, an adult education and literacy grant. And these four programs, working together, will form each State's work force preparation system.

CAREERS transfers authority to States and local communities for the design and operation of their own individual work force systems. We significantly reduce administrative, paperwork, planning, reporting, and data collection requirements.

CAREERS establishes a system that is market driven by: Requiring business involvement in program design and implementation; the infusion of competition among service providers both through the use of vouchers, empowering individuals to choose the training that fits their needs, and through competition to provide services; and a requirement that training be tied to occupations in demand in the local community. CAREERS also encourages individual responsibility, by stressing an employment-first approach for adults, providing education and training only for individuals determined to be in need of such additional services in order to obtain employment.

The bill encourages, but does not require the establishment of integrated career centers—single points of entry into the local work force development system. The bill does require an integrated approach to service delivery however, where services are integrated at least through computer linkages and interaction between individual employment and training offices in the community.

The legislation improves on our 50-year-old system of labor market information—making it useful to employers and to participants alike—ensuring that work force development programs are related to actual employment needs of employers within States and localities. An accurate and up-to-date system of labor market information is key to empowering individuals to make their own informed career choices, and is key to the success of a voucher-driven training system.

CAREERS provides a separate block grant for adult education and family literacy. Although it is very important to link adult education to job training programs because of the high number of individuals who need to improve their literacy skills before they can avail themselves of job training and employment opportunities, adult education and literacy programs provide a variety of very important services to our Nation's citizens.

Many individuals use adult education programs to obtain the English language skills they need to obtain citizenship. Others enroll in classes in order to obtain the additional education they need to truly be their child's first and most important teacher. Of great importance to me, are the bill's family literacy provisions, which provide a very intensive approach to adult education. For many children, their parents are undereducated, have low literacy skills, and lack the self-esteem necessary to be their child's first teacher. As a result, these children lack a strong literacy experience, lack reading readiness, and enter school behind their peers. By working with the entire family, family literacy programs not only assist parents in building their literacy and education skills, but they also provide educational assistance to their children to ensure that they do not experience educational failure which can prevent them from becoming productive members of society.

As I mentioned before, a number of provisions have been added to the bill, ensuring confidentiality of information, applying the Family Education Rights and Privacy Act protections to programs established under CAREERS; and clarifying that all data collected from the labor market information system is aggregate data from the census and other public sources. In other words, no personal information is collected on individuals, especially youth. Protections were also added to the bill, clarifying that nothing in the CAREERS Act may be used to compel any individual, especially youth, to pursue a specific career.

Finally, CAREERS takes the bold step of promoting the privatization of two Government-sponsored enterprises, the Student Loan Marketing Association and the College Construction Loan Insurance Association. Both organizations were chartered under the Higher Education Act of 1965 in order to help students and institutions of higher education. Both have successfully fulfilled their original missions and the time is right to free them from Government restrictions and allow their expansion into the private arena. The bill also eliminates the cumbersome and heavily criticized State postsecondary review entities—SPRES—which have placed a tremendous burden on our institutions of higher education. CAREERS prevents the Department of Education from implementing the 85–15 rule—which governs student aid for proprietary schools in an unfair and retroactive way.

The CAREERS Act is true reform. It is a good bill. I urge your support for its passage.

Mr. CLAY. Mr. Chairman, I yield 5 minutes to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Chairman, I thank the ranking member for yielding time to me. We have worked on this bill in the spirit of bipartisan cooperation. This is the first, if my recollection is correct, the first major piece of reform legislation to reach this floor in a bipartisan manner.

Mr. Chairman, the legislation consolidates more than 80 existing training and education programs into 4 separate block grants. President Bill Clinton encouraged this effort because creating a streamlined, coordinated work force development system is something that is not either a Democratic or a Republican only initiative, it is something that leaders in both parties believe is needed and it remains a priority for President Clinton.

We had some things we wanted to see included in this bill if it were to gain Democratic support, and many of those have been included in the bill before us. Because of that, and because of our friendship together, I want to thank both the gentleman from Pennsylvania, Chairman GOODLING, and the gentleman from California, Chairman MCKEON, for working so closely with the Democratic side as we moved this bill through the committee.

Chairman MCKEON and I held close to 20 days of public hearings on the various aspects of this legislation. After the bill was voted out of our subcommittee, and then the full committee, several Republican Governors and representatives of the Eagle Forum threatened to oppose this bill if the legislation was not altered to meet their own ideological objections, so the bill before us today contains several changes suggested by these groups. My side, frankly, would not have given these groups the changes they wanted, but I understand the necessity for the Republicans to work with them.

Mr. Chairman, the bill, however, is still a pretty good bill. Major changes, however, really have to be made in this bill before it becomes law.

First, the vocational rehabilitation section needs to be completely revamped. As that section now stands, our existing State vocational rehabilitation could be undermined. And make no mistakes, the clients of vocational rehabilitation are overwhelmingly in opposition to that section of this bill.

Second, we must maintain the dedicated funding stream for both in-school and out-of-school youth.

Third, the bill has been changed since committee to allow governors to use future-year program funds to pay back funds which have been misused in prior years; what the gentleman from Missouri [Mr. CLAY] calls the "Oops" amendment.

Fourth, the governance structure of this bill is still flawed and could, in a number of instances, result in unproductive political struggles at the State and local levels in ways that could undermine the State and local constitutions or governance systems, and that matter simply has to be corrected.

And, finally, Mr. Chairman, when the bill was in committee there was a bipartisan commitment to work out a smooth transition from the current school-to-work system, which was enacted last year with bipartisan support to this new CAREERS Act. We have not achieved that transition yet, but I believe it is necessary if this bill is to be successfully enacted into law.

Finally, Mr. Chairman, to all of my colleagues let me say this. President Clinton has, for many years, championed many of the provisions that we have now placed in this bill. He has made the use of career grants one of the linchpins of his job training initiatives. One-stop centers, as America has recognized, are a central element of the Clinton job training reform proposals.

Including all the appropriate State and local interests in the development of State and local job training plans, the collaborative process, that is at the heart of this bill, is one of the major reforms made by former President Bush and now President Clinton's School to Work Opportunities Act, which was enacted last year with the support of a bipartisan Congress. President Clinton believes that progress on this bill is an important first step in the process of revamping our Nation's work force development system. Moving this bill forward moves the process along, and so I ask my colleagues to weigh that important factor of Presidential leadership when they cast their vote on this legislation.

Again, I thank the gentleman for the time.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. GUNDERSON], a member of the committee who has been tirelessly working toward giving us a good future as far as our work force is concerned.

Mr. GUNDERSON. Mr. Chairman, I rise today in strong support of this legislation and encourage all my colleagues to support it as well. I want to begin by paying special tribute to our leaders on both sides, the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from California [Mr. MCKEON] on our side; and certainly the gentleman from Missouri [Mr. CLAY] and the gentleman from Montana [Mr. WILLIAMS] on the Democratic side.

This is, ladies and gentlemen, one of the first experiences in this Congress, and a most important experience at this time, during the fall session, where we can literally come to the Congress in a bipartisan manner, and the Congress, in a bipartisan way, can move this legislation out. So I would encourage all of my colleagues of both parties to support this bill as we move through.

Let me say, Mr. Chairman, that we have a couple of basic dynamics that drive this bill. The first dynamic is that we are in a global marketplace, whether we like it or not. This is the post-GATT, post-NAFTA era. And it is not only a global marketplace but a high-tech marketplace. Never have we had the need for high-skilled trained workers that we do today, and never will workers need the ongoing training and retraining that they need today, simply to keep their jobs, to say nothing of moving upward.

At the same time that we face that dynamic, we also recognize that we are in the process of trying to do this within an era of balancing the Federal budget. So we have less Federal money at the same time we have a greater need. That is the underlying foundation of the legislation in front of us. It is simply a recognition that we are going to have to consolidate programs here at the Federal level, we are going to have to turn as much of this authority and flexibility over to the States and over to the local governments to design and implement programs based on the priorities and the specific needs of their area.

So we consolidate well over 100 programs into 4 basic block grants; an adult training program, an adult education program, a youth training, and the vocational rehabilitation. Within each of those categories we are taking many different programs and sending them back. And as the gentleman from Pennsylvania [Mr. GOODLING], the chairman of our committee has said, we have worked long and hard to try to work out the differences and the concerns from the Governors, from the education community, from the business community, from the family groups, et cetera.

Mr. Chairman, none of this has been easy, especially when we are trying to maintain flexibility to accomplish the kind of results that we are particularly seeking. We have done that in this bill. I have to tell my colleagues that I would hope that we would still make some changes. I, like Mr. ROEMER, want to solve some of the transition problems with school-to-work as we move this into conference. I will say that up front.

This bill is not a perfect bill, but it is a giant step forward from where we are today, and, more importantly, it is an essential step in recognizing the dual challenges of preparing a skilled work force within the context of deficit reduction.

I encourage my colleagues to support the bill.

Mr. CLAY. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Chairman, I rise today to discuss this legislation which seeks to consolidate a number of our current job training and education programs into an integrated system. I want to commend the gentleman from Pennsylvania [Mr. GOODLING], my chairman, for his prodigious efforts on this bill.

My colleagues, the direction in which this bill seeks to take us is the right one. For a number of years now, as the employment and training needs of America changed, we have tended to address those needs through specific separately funded and administered programs, and, unfortunately, by that method we have often wound up with overlapping and duplicative efforts which hinder the local community's ability to deliver the services needed.

I want to particularly commend the gentleman from California, BUCK MCKEON, the subcommittee chairman, for recognizing the need for change in that area.

Having said that, Mr. Chairman, I am still somewhat afraid that we are creating a system that will not be able to do what we expect it to do. Today, we will hear that although this bill authorizes funding at a level 20 percent below current levels, we are told that administrative savings and economies of scale will generate savings that can be driven into services for the young people and adults served under this bill.

Mr. Chairman, that was done before the Committee on Appropriations determined that local communities will have $1.5 billion fewer to spend on job training programs next year. That very much frightens me, this lack of fusion between the authorization and the appropriations and the dynamics created by that.

Mr. Chairman, many of my colleagues on the minority side of our committee would like to vote for this bill, and, hopefully, before the day is over we can and will, because we think it is definitely a step in the right direction. But we do have reservations. We want to see an agreement of the vocational rehabilitation title worked out, and I think we are still working on that. I think both sides recognize that that is an effort that should yield some fruit.

We would also like to preserve the progress we have made in the School to Work Act, which Mr. GUNDERSON mentioned in his statement today. This is a very good act brought to us by the Business Roundtable and by many of the chambers of commerce.

The gentleman from Montana [Mr. WILLIAMS] and I will be offering a number of amendments today which will seek to preserve the integrity of decisionmaking in schools. In particular, Mr. WILLIAMS and I will offer an amendment to strike the bill's provisions that would allow a governor to transfer 10 percent of funds between title II youth programs and to title III adult employment and training programs.

Mr. Chairman, there will be a number of other amendments offered to improve this bill by Members on both sides. I want to thank our colleagues on the Republican side of the aisle for working with us. I think we still have work to do today right on this floor, and I think by the time this debate is concluded, if we have worked out the areas I have mentioned, we will have strong support on our side. We will still have some points to work out in conference committee, and I look forward to that, but as has been pointed out, there has been a certain degree of collegiality across the aisle in working this bill out. I hope that continues through the process of discussion today.

Mr. GOODLING. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. MCKEON], the subcommittee chairman, who has burned a lot of midnight oil trying to please everyone, and that is difficult to do.

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Mr. MCKEON. Mr. Chairman, I am pleased today to join with the gentleman from Pennsylvania [Mr. GOODLING], the distinguished chairman of the Committee on Economic and Educational Opportunities. I extend to the gentleman my thanks for his leadership and for the opportunity he has given me as a new chairman, a relatively new Member of Congress, to participate in this process.

Mr. Chairman, I came to Congress with the idea of trying to cut Federal bureaucracy and trying to give power out to the local communities. One of the first things that was given me on this committee was to work on the CAREERS Act.

This is a bill that had been placed into the 103d Congress by the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from Wisconsin [Mr. GUNDERSON], but we were not able to move it at that time. It was the opportunity of taking 50 job training bills and cutting it down to 4 and block granting it out to the States. With the change in the Congress this year, he gave me the responsibility to carry that legislation. We made changes in it; we increased it to 150 job training bills.

I have here copies of all of the bills that this bill will replace. We are talking about 3,000 pages, cutting it down less to 300 pages, and in the process changing about $1 billion a year.

That did not happen just by putting pen to paper. It was a real process. We started early on. We met with the administration. We met with the other side. I mentioned to the other side that if we had disagreements, it would not be because they were Democrats and we were Republicans. It would be because we had a difference in philosophy. We really have tried to work together and come up with something that we can all be proud of.

In the process, not everyone is happy, not everyone is unhappy. We are probably all kind of in a position that if we were king for a day, we would like things to be maybe a little different, but none of us are. We are all Members of Congress. We are here representing our people throughout this country, and we have tried to involve everyone that will be affected in this process.

There have been some concerns raised. There have been concerns raised specifically about this bill. We have added a number of provisions ensuring confidentiality of information, applying the Family Education Rights and Privacy Act protections to programs established under CAREERS, and clarifying all data collected from the Data Market Information System's aggregate data from the census and other public sources. In other words, no personal information is collected on individuals, especially youth.

Programs were also proadded to the bill clarifying that nothing in the CAREERS Act may be used to require any individual, especially a young person, to pursue a specific career or career path in school. We are also working with Congressman WELDON on language to add to the bill stating that nothing in the CAREERS Act may be used to require any individual to acquire a skill certificate or skill standards.

As a Congressman from the district in California that has been hard hit by defense and aerospace cutbacks, I understand the need to have an effective and efficient system of work force preparation and employment assistance in this country. The skills of this Nation's work force are more important today than ever before to U.S. competitiveness. However, our current patchwork of Federal programs is not the answer.

I want to thank the gentleman from Missouri [Mr. CLAY] and the gentleman from Montana [Mr. WILLIAMS] and Members on the other side of the aisle, the gentleman from Indiana [Mr. ROEMER], others who have worked so hard to bring this bill to the floor, and Members on our side, the gentleman from Pennsylvania, Chairman GOODLING, the gentleman from Wisconsin [Mr. GUNDERSON], the gentleman from California [Mr. RIGGS], our vice chairman, the gentleman from New Hampshire [Mr. ZELIFF], who is not on this committee, but who has been working on this CAREERS work for a number of years.

There are many that I would like to thank. I should not have even started naming names. But I encourage all of our colleagues to support the CAREERS legislation.

Mr. CLAY. Mr. Chairman, I yield 4 minutes to the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Chairman, why is there such a cynical attitude in America today, sometimes unfairly, about how Congress does not work, how it is not doing enough to downsize Government, work together, and instead plays blame games and is enmeshed in gridlock all the time?

I think this bill is a fine example of how Congress can work. Now, it is not a perfect bill, and maybe it will move toward perfection in conference. But this bill certainly epitomizes bipartisanship, and I would like to salute the gentleman from Pennsylvania [Mr. GOODLING], the gentleman from California [Mr. MCKEON], the gentleman from Wisconsin [Mr. GUNDERSON], the gentleman from Missouri [Mr. CLAY], and the gentleman from Montana [Mr. WILLIAMS], for working together on a bill.

I would also say that this is about downsizing and efficiency. Over 100 Federal programs are now being consolidated into 4 block grants. That is the direction the American people want us to go in.

Finally, it is about local answers solving some of our problems, not big bureaucracies in Washington, DC, necessarily solving these problems. So I think this bill is a tribute to how Congress can work in the future.

Now, I intended to offer an amendment on the school-to-work transition title of this bill, and I will not offer that because, as the Chinese proverb goes, "A thousand-mile journey begins with one single step." I think we are making a single step in this bill, and I am hopeful we will complete the journey in conference to make sure that we have local problems answered by our Governors and our schools, and not the Federal Government, by continuing a program we have started a few years ago with school-to-work.

Now, why is it a big problem, Mr. Chairman? It is one of the biggest problems that we face in reforming our education system in our work force, because it involves such a big number of students. Seventy-five percent of our students in America do not go on to get a college degree. I have business leaders in my district, small business leaders, two I just met with over the August work period at Schaefer Gear in South Bend. Mr. Bipin Doshie, he employs 75 people in South Bend. He told me he would hire 12 new people tomorrow if we can get better qualified students coming out of our high schools and a better connection between the work force and our schools.

In Syracuse, IN, at Laketronics, Mr. Bob McNary told me he employs 18 people. He would hire 5 more people if we can get better school-to-work corrections at the local level, not coming from Washington, DC.

I would encourage us to work on this very, very important problem, Mr. Chairman, not only because it involves 75 percent of our students, but I think Hedrick Smith says it well in a new book he has just written that I strongly recommend to my colleagues called "Rethinking America": Our work force is changing dramatically as we speak. Our education system needs to change dramatically in order to train our new workers on the assembly line. They are not just on the assembly line screwing a screw into a door anymore. They are working on computers. They are working on teams. They are responsible for quality control. These people are our best asset in America, our workers. Let us make sure they are trained adequately at the local level, with our business cooperating and solving this problem, to make sure we are competitive with the Japanese and the Germans.

Mr. Chairman, with that, I again say let us continue to work on this in conference, where I hope to be involved in the conference language on this transition program. Twenty-seven States have started this program. Let us work in a bipartisan way to solve this vexing problem.

Mr. Chairman, again, I salute the Republicans and Democrats working together on this.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentleman from Nebraska [Mr. BARRETT].

Mr. BARRETT of Nebraska. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, H.R. 1617 will break the shackles of duplication and Federal mandates, and will empower States and localities to design programs that will best meet the needs of their communities.

This bipartisan bill will eliminate more than 150 Federal programs, and will continue the Federal commitment, through local leaders, of providing services to those most in need.

The bill would establish area work force development boards made up of local leaders, advocates, employers, and educators, that know best the needs of their area and can actually see the success and failure of the present system and present programs.

Constituents have told me that H.R. 1617 would eliminate Federal vocational rehabilitation. Nothing could be farther from the truth.

We call for maintaining Federal funding for voc rehab and would redesign the delivery of services by giving local providers and consumers greater opportunities.

Later today we will consider an amendment by Chairman GOODLING that will give States greater flexibility in providing voc rehab services. It would allow the Governor and consumers to come up with an alternative plan to provide needed services. While I have concerns that this may only perpetuate some of the problems existing in voc rehab, it is my hope that it will be an engine of positive change in the States, if they choose this option.

On balance, Mr. Chairman, H.R. 1617 will give those most in need—the individuals, communities, and States—the ability to create or continue to support, programs that provide job training, counseling, and education.

I urge my colleagues to support H.R. 1617.

Mr. CLAY. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, I thank my friend from Missouri for yielding me this time.

Mr. Chairman let me say I rise to say that I have some reservations about this bill, and I am going to be listening to the debate today and listening to the amendments that are put forward to ultimately decide how I vote. But let me say I have very strong reservations about the bill.

First of all, youth development and adult employment block grants are funded at a 20-percent level below the appropriation of last year, for the programs being consolidated. The adult education block granted is funded 10 percent below last year's level.

Let me say, as I have mentioned many, many times in our committee, my reservation about the whole block grant system. Because I was a State legislator for 12 years before coming to Congress, and when we first heard about block grants, we thought it was a panacea. But we soon learned, very sadly, that it was not.

Block grants only work when they are fully funded. If they are not fully funded, all the States are deciding, all the Governors are deciding, is where to spread the pain, what programs to cut. To me, that does not seem like much progress at all.

The State education department of New York sent me a letter. Let me just read one paragraph.

They said:

> Allowing transfer of funds between block grants, as this bill provides, could result in an additional loss of services to program recipients and unpredictability in funding that disrupts local program planning. We anticipate that Federal funding for work force development programs will be reduced in the coming fiscal year as a result of deficit reduction efforts. Transferability of funds will only exacerbate anticipated uncertainty and cause burdensome fluctuations in services among already underserved groups.

Let me talk about some of the reservations I have. The CAREERS bill helps to eliminate overlap in Federal education and job training programs, but I believe it goes too far. It consolidates 80 programs into four block grants, too much discretion as far as I am concerned for the States to administer such important programs that people depend on. In a crunch, when Governors are looking to save money and cutting budgets, who is going to be hurt by this?

Second, the ability of the Governor to transfer 10 percent of the funds from one title of the bill to the other does not help to ensure, in my opinion, that those who need the funds will actually receive it. The Governor will have chief authority to administer the funds. He could move the funds elsewhere, rather than directing them toward these programs.

Also, instead of cutting bureaucracy, I believe it instead creates new levels of State bureaucracy by giving the

Governors full discretion to administer Federal funds while bypassing the State legislatures.

In my State of New York, we already have a State funded system of vocational and adult education created through a State constitution and promulgated by the State legislature. The State system also administers the Federal funding received for these programs.

The CAREERS bill will allow the Governor to administer the Federal funds, thereby in our State creating two bureaucracies in New York, rather than one administrator.

Also, as many of my colleagues have mentioned before, in this bill the vocational rehabilitation section of this bill as it now stands is totally unacceptable. The bill would limit State flexibility and create uneven access to services to those who are the truly needy. Populations such as the blind and disabled need our full attention and must not be shortchanged. I am hoping in the amendment process we can improve the bill. The current system that we have is fully supported by the disability community and is kept intact in the Senate bill.

Let me say after saying all of that, though, I believe that this bill is far preferable to the bill being worked on in the Committee on Ways and Means. So again I would hope by the end of the day we will have some amendments, we will have some agreements, and have some changes. But right now I do believe that the bill is seriously flawed.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. SOUDER], a member of the committee.

Mr. SOUDER. Mr. Chairman, I commend the leadership of the gentleman from Pennsylvania [Mr. GOODLING] and the leadership of the gentleman from California [Mr. MCKEON], the subcommittee chairman, on the CAREERS bill.

Mr. Chairman, the genesis of the CAREERS bill on the floor today dates to the 1973 Comprehensive Employment and Training Act [CETA]. CETA contained employment and training components. The employment segment, especially disliked by fiscal conservatives, provided public service jobs for the unemployed. CETA, at its peak, was funded at $10 billion. The public sector component was targeted for elimination when the Reagan administration took office in 1981.

I represent the congressional district Dan Quayle once held, and am therefore familiar with the Job Training Partnership Act which Dan Quayle sponsored after he won his Senate seat in 1980.

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Senator Quayle won passage of the Quayle training for jobs bill, a $3.8 billion program for training and $1 billion for displaced workers. Under the Quayle bill, State governments had more responsibility for programs but services were provided by local private industry councils.

The Quayle Job Training Partnership Act focused training on economically disadvantaged individuals with serious barriers to employment. JTPA was criticized for imposing numerous Federal restrictions which limited local flexibility, and burdensome planning, reporting and data collection requirements. Senator Quayle made a number of compromises to get his bill through, and today we are trying to improve those JTPA standards. Yet JTPA was flagged as Dan Quayle's most notable legislative accomplishment, when he was chosen as George Bush's running mate. Ironically today, many of Vice President Quayle's staunchest defenders have criticized CAREERS, which significantly improves, from a conservative perspective, Dan Quayle's greatest legacy.

Legitimate concerns arose from a number of grassroots family organizations about CAREERS, once it was approved by the Committee on Economic and Educational Opportunities. To reduce those concerns, language changes were agreed to. And as a result, the bill has been approved.

References to Goals 2000 were stricken. References to curriculum requirements by a State plan under the youth block grant were deleted and adult common core indicators were separated from youth indicators. Finally, parental involvement was encouraged in the design of State and local systems.

I realize there are still some concerns about this bill and, more important, about the Federal Government's continuing role in education. The debate over education reform will continue, and it will be fought vigorously on other more relevant bills.

I would only ask for the family groups to consider the historic perspective on Federal job training. The CAREERS job training bill is a step forward. CAREERS follows on the heels of JTPA, but with far more Federal dollars driven to the local level with greater State and local authority, with greater fiscal accountability and with an anticipated 25-percent cost savings through efficiency and a better plan at the State level. The enactment of CAREERS would result in a total savings of $6.5 billion over 5 years.

We will never eliminate all the concerns that my fellow conservatives share, but the majority of Americans believe that is a role for job training at least at the State level.

As the chairman has said, as long as we are held accountable for those tax dollars, we have an obligation to hold standards to the States. I know the Governors have had a number of concerns and we have addressed some of those concerns. I supported a number of amendments in the committee and continue to support this bill as the best we could pass.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, let me just say, I am pleased to be able to speak now because we are in markup in the Committee on the Judiciary on the immigration bill, and yet I think this CAREERS Act is a very critical issue, especially in Colorado.

First of all, I hope that there is going to be an amendment by the gentleman from New York [Mr. OWENS] that I would like very much to support if I get back and certainly will vote for. That is because in my area we have seen a proprietary school closed down right after the term started. All sorts of young students who were on financial aid went in and just saw the doors locked, and it has been a tremendous mess. This school had been in business for 91 years, and people are still trying to figure out what happened, because absolutely no one anticipated this closure.

Hopefully the Owens amendment will affect that, prevent those types of things in the future, because there is nothing worse than someone trying to get their life together, getting in school, getting the funding and then getting there and finding out the doors are closed.

The second amendment I am terribly interested in is that of the gentlewoman from Hawaii [Mrs. MINK]. The Mink amendment is going to be talking about preserving programs for displaced homemakers, single parents, single pregnant women, and programs that eliminate sex bias in youth development. I just wanted to talk about what we found out in Colorado with those programs.

In 1990, Colorado had 200,000 displaced homemakers; 80 percent of them were single parents. When they went around and asked the people in the program, the customers, if they thought this was a good program and would they recommend it to a friend, 96 percent said yes.

We keep making policy on the 4 percent that said no, but 96 percent of these people said yes. And then when they said, did they think that this was a good use of tax dollars, 74 percent said yes, and they ought to spend more money. Of course, the rest all said yes, it was a good expenditure of tax moneys, but yet as high as 74 percent saying yes and even more money.

Now, I think the Mink amendment makes a tremendous amount of sense. If we are going to talk about eliminating welfare as we know it, which I think is a very good idea, if we are going to talk about trying to help people work, then we ought to make sure that this CAREERS Act does not forget displaced homemakers, does not forget single parents, and does not forget gender bias that is in so much of what we find in some of these jobs, where women get tracked into the pink collar ghettos and can never earn a decent living. So those are two very essential amendments that I would like to see adopted.

Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise today in support of the Owens amendment to require reimbursement by non-Federal funds any federally granted money misspent due to willful disregard of requirements or standards.

A situation brewing in my district speaks to the need and importance of this amendment. Barnes Business College, a 91-year-old proprietary school in Denver abruptly closed and declared bankruptcy just before the fall term this year. Some 700 students, many of whom receive student financial aid, showed up for class only to stare at locked doors and closure notices.

The mystery is that no one saw this closure coming. The State's regulatory oversight office was caught off-guard. State and Federal audits gave the school a clean bill of health up until June 1993, the last government review done. And a recent independent audit disclosed "no instances of noncompliance." Disbursements, receipts, and cash balances all fell in acceptable ranges.

So what happened? I asked the Department of Education to investigate and an investigation has been initiated by the department's inspector general's office. The U.S. Attorney General's office is also asking questions about the draw-down of Federal student loan receipts and the timing of the bankruptcy declaration.

Although nothing is certain yet, this situation does raise questions about the propriety of this proprietary school. And it does follow that if willful disregard of operating procedures was done, the taxpayer is the one who would be held harmless. If nothing else, this amendment serves as a warning to prevent future Barnes episodes and to protect the taxpayer.

Mr. GOODLING. Mr. Chairman, I yield 4 minutes and 30 seconds to the gentleman from California [Mr. CUNNINGHAM], another subcommittee chairman who has worked at great length on this issue.

Mr. CUNNINGHAM. Mr. Chairman, I would like to thank the gentleman for yielding time to me, the chairman of the committee, who has worked valiantly on this particular area.

We got 40 years of Democratic rule that has given us the current disastrous bureaucratic system that they are talking about, and it is going to cost a lot of tax dollars. The tax dollars, the bureaucracy, the rules and the regulations actually make it more difficult than the current system we are trying to save.

The CAREERS Act is one of the most commonsense, conservative pieces of legislation ever to be considered by any Congress. It replaces 150 federally run job training, adult education, and literacy programs which did not talk to each other and do not work together. All have Federal bureaucracies, and all do not work. We need to replace it.

The current CAREERS Act provides States maximum authority and flexibility. One of the concerns from a group that came to me was that we are going to take out the State legislators in this. I have been assured by the gentleman from California [Mr. McKEON] that that is not the case. As a matter of fact, the language, if not in, is going to be placed into the CAREERS Act so that the Governors do not have full control, that we do put in the State legislatures.

I would be against the bill if it did that because, my being a States rights advocate, I want to make sure that the State legislatures, not just the Governors themselves, have got control of this. The Governors might not like it, but that is the way it should be for the States rights.

As chairman of the House Subcommittee on Early Childhood, Youth and Families, I would like to focus on the portions of the bill that my subcommittee worked on. Title IV on adult education, family literacy and library technology, was moved through the subcommittee. I also have an interest in title II and its role in vocational education.

Title IV of the CAREERS Act consolidates again 22 programs under the Adult Education Act, the National Literacy Act, and the library literacy program under the Library Services and Construction Act, into one block grant for States. By the way, the Library Association and libraries groups fully support the implementation because one of the areas in which I think that if on our side of the aisle, if we are talking about higher technology, higher education, and the technological age, we need to transfer and make sure that they have up-to-date technology, technological equipment such as computers, fiber optics, and so on.

The subcommittee held hearings on this issue in Washington and in San Marcos, CA, in my particular district. We learned from someone like John Corcoran, a teacher, businessman, and author who made statements that men and women who cannot read or write have great difficulty in the most basic skills and can hardly benefit from a regular job training system. Literacy is a program. The National Adult Literacy Survey showed that of Americans at the lowest of five literacy levels, 17 percent receive food stamps, 43 percent live in poverty, and a stunning 70 percent are unemployed or underemployed. So we do need special programs.

He also established that adult education and family literacy grant States recognize that basic education for adults is one of our highest priorities.

When we talk to educators, educational institutions, administration employees, even citizens who need the adult services, the current fragmented job training system keeps them from working with one another in their communities. It is a tangle of 150 programs; in the case of this subcommittee, only 22, much like the welfare system that does not work because it is too big, too cumbersome.

We learned from Scott Himelstein, of the Lynch Foundation for Family Literacy, that if a man or a woman cannot read, one of most successful ways to teach them to read is with their children, so it is encouraged.

Mr. Chairman, the programs that we have before us, there are a lot of areas that work. I think one of the problems with the President's health care bill is he tried to do too much too quick with too many things. What we are going to try and do is make some improvements to the system over a period of time. We would ask for support from both sides of the aisle for those improvements, and we feel right now it is a basically a good bill.

I would urge its support.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Chairman, I thank the gentleman for yielding time to me.

I thank my ranking member. I have a particular concern about this bill, but I voted for it as it came out of committee. This bill makes dramatic steps in streamlining over 80 training programs and education programs. I believe almost every Member on both sides of our aisle wants the consolidation of these programs.

I support the bill, as I said, when it came out of committee, with some reservations. This is probably the most bipartisan bill I have seen out of our Committee on Economic and Educational Opportunities this year. However, the point of departure from that support is that there are no guarantees or assurances that people who have a history of being left out will continue to be served.

Later today I will offer an amendment to title V of the bill. As it now stands, this bill threatens to undermine our existing State vocational rehab systems. I believe we can correct this problem with a bipartisan amendment. We are trying to work on it right now, but so far we are not there.

The bill has been changed three times since it came out of our committee. In the last 10 days, there have been some changes. In fact, I know in the manager's amendment in a few minutes there are some suggested changes on voc rehab, but it does not go far enough. It does not go far to make sure that those people who particularly high cost vocational rehab recipients need those benefits and that revenues stream directly to them, not that it be siphoned off for some other program or some other proposal that an individual Governor has.

I was glad to hear my colleague, the gentleman from California [Mr. CUNNINGHAM], talk about that there is going to be a legislative involvement in that. That is not in the manager's amendment. It may be when it comes up on the floor in a few minutes. I am glad there is an effort to do that. But, again, this bill has been out of committee for at least 2 months and has not changed until today to add the legislative involvement with the Governor.

There are a great many provisions in the manager's amendment on voc rehab that concern me. It does not contain a mechanism for the State to control the quality and appropriateness of vocational rehab in local centers.

This bill does not allow the States, and possibly a Governor could make this determination, that the local centers for vocational rehab would not be subject to quality and appropriateness of States services on a statewide basis. It would allow the local work force development board, whose members are not required to know anything about vocational rehab or the needs of the people, to provide guidance providing vocational rehab services.

There is a great deal wrong with this bill on vocational rehab. If this bill passes, the Senate actually is the best issue, it leaves vocational rehab the way it is dealing with those people who hgave been served by a number of States, including Texas, a great deal for many years.

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Mr. GOODLING. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I know the gentleman from Texas did not want to mislead anybody. The funding stream remains exactly as the funding stream is at the present time. We cannot skim anything off of it for any other program. That has not changed.

Mr. Chairman, I yield 2 minutes to the gentleman from New Hampshire [Mr. ZELIFF] who has spent a great deal of time working on this program.

Mr. ZELIFF. Mr. Chairman, I rise in full support of the Goodling-McKeon bill. It was 3 years ago that I first introduced legislation to consolidate the over 161 Federal job training programs into a single block grant. The bill before us today follows my original concept and eliminates about 50 Federal education and training programs. Another 100 of these duplicative Federal programs would be consolidated into four categorical block grants.

I would be less than frank, Mr. Chairman, if I did not tell the Members that many people, including many of our national Governors, feel that my original bill, in a perfect world, would have done a better job of moving resources to the States and away from the micromanagement of the Federal Government. However, I believe it is now time for us, after working very hard together, for us to come together and work together in getting an effective bill passed which will deliver much needed services to people who need our help.

I support the Goodling-McKeon bill because eliminating over 50 programs and consolidating over 100 others is far better than maintaining the existing hodgepodge of Federal programs. This bill is 100 percent better than the current system. When JTPA was enacted into law 15 years ago, originally the focus was, "Job training legislation must recognize true principles of Federalism. * * * The new legislation will recognize the role of the State in all local programs and end the excessive involvement by the Federal Government. In short, the basic supervisory role previously performed by the Federal Government will now be turned over to the States, the place it really belongs."

I urge strongly that we support the Goodling-McKeon bill.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, our chairman of the committee, and he is our chairman, mentioned that the Governors could not siphon this off, but I am looking at an amendment that would be part of the manager's amendment that allows the Government to appoint a board and develop a proposed plan for alternatives. States have traditionally provided for vocational rehab. In the State of Texas, in the State of South Carolina and a number of States, they have provided for it. The Federal funding is very limited.

This amendment would allow for the Governor in an individual case, maybe if we include the legislature, to come in, but these decisions have already been made locally and would allow the Governor to create and have another revenue stream of Federal funding to do something else without necessarily going back to the legislature. If we want this to be a local control issue, we should give it to the legislature and the Governor to provide it by State law, instead of what is trying to be done in this amendment.

There have been some allegations and concerns about who we represent when we work here on the floor. I have served 20 years in the legislature and worked with lots of not only provider groups, but recipients of vocational rehab services. They are the ones that are our big concern, that we deal with today, not with somebody's job in the State bureaucracy. I would hope that this bill, whether we do it here on the floor and adopt the Green amendment, or we do it in the conference committee and the Senate will hold firm on making sure vocational rehab does not get lost in a CAREERS reform bill.

Mr. GOODLING. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, before me I have a letter from Goodwill Industries International, Inc.:

> Goodwill Industries International, Inc. does not support efforts to delete the Vocational Rehabilitation title of H.R. 1617, the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Careers Act. Some of the amendments being discussed would only protect the status quo in vocational rehabilitation and would give you and your House colleagues virtually no room to negotiate in a conference committee with the Senate.

Another letter before me:

> United Cerebral Palsy Association has been informed that an amendment may be offered * * * when it is brought to the floor for consideration by the full House. We understand that the amendment would either fully strike provisions in CAREERS related to vocational rehabilitation, or significantly remove the linkage between these centers and vocational rehabilitation in States. UCPA urges you to oppose any such amendments.

Mr. Chairman, I yield 1 minute to the gentleman from Louisiana [Mr. BAKER].

Mr. BAKER of Louisiana. Mr. Chairman, I rise to express my appreciation to the chairman and to the gentleman from California [Mr. MCKEON] and also the gentleman from South Carolina [Mr. GRAHAM] on working together to reach an accommodation with regard to the important issue of vocational rehabilitation.

As the manager's amendment now stands, it would provide the ability of the State Governor to elect and to set up an independent commission at the State level to manage the resources of vocational rehabilitation delivery services. This is an extremely important step in providing consistency for those States who have aggressive vocational rehabilitation services in place. It is an important accommodation the chairman has made.

I rise on behalf of all those interests who have expressed grave concerns about the future delivery of those services in the various States in saying we very much appreciate the courtesies extended and the willingness to meet the needs of that important community of service.

Mr. CASTLE. Mr. Chairman, I support H.R. 1617, the CAREERS Act, because I believe it is a good step forward toward repairing our Nation's existing fragmented, disjointed, and overlapping work force preparation program. The CAREERS Act is a good faith, bipartisan effort to simplify and improve Federal employment training efforts by consolidating or eliminating over 150 existing education, training, and employment assistance programs into four consolidated grants to the States. In doing so, this legislation allows for the development of creative and comprehensive work force preparation programs designed to meet the specific needs of local communities. The bill provides Governors with unprecedented flexibility to address the work force requirements in their own States, and institutes a one-stop delivery system uniting employers and training centers with prospective workers and trainees that has worked so well in Delaware.

If we are to remain globally competitive, a comprehensive work force training program that allows on-the-job training and placement services must exist. I am confident that if this legislation is enacted, it will establish a work force preparation system that will allow us to reduce the number of dislocated workers and people on welfare, and keep our competitive edge in the world marketplace.

The CAREERS Act consolidates 35 categorical education and job training programs for youth into a single comprehensive career preparation grant for youth. Clearly, the Federal Government can play a constructive role in helping States educate and prepare our young people so that they can be productive participants in tomorrow's economy. America's future hinges on the successes of our youth today. The Federal Government has directly supported vocational education since 1917, with the Smith-Hughes Act, which supported programs in agriculture and home economics. Since then, laws have been passed creating additional programs, establishing new priorities, and increasing funding for special populations. However, it is clear today that these programs are not achieving their intended goals. Evidence suggests that the programs need to be consolidated and woven into a seamless system to help youth move from school to jobs and further education.

The CAREERS bill accomplishes this. It encourages the education community to join with local business, community leaders, and parents to reinvigorate old programs. The two principles which undergrid CAREERS are:

1. Vocational/career-related education should become an integral part of a reformed American system of education and training. A comprehensive system would provide all students with access, multiple entry and exit points, clear education pathways, quality programs, high standards, information and linkage to the labor market.

2. Vocational/career-related education should be high quality, and competency-based, with industry involvement

The bill authorizes $2.3 billion in fiscal year 1997 for the youth development and career preparation consolidation grant that provides opportunities to State and local governments to design programs to assist high school age students with job training and vocational education.

The reporting committee, the Economic and Educational Opportunities Committee, of which I am a member, originally included a controversial section on vocational rehabilitation. The overarching goal of this section, title 5, was to transform the system into a flexible and consumer-directed system, focusing on employment, empowerment through choice and vouchers, and results by improving rehabilitation results for those disabled through competition among providers. I believe this change in focus was overdue. I am concerned that the unemployment rate of severely disabled Americans continues to hover close to 80 percent. Many factors affecting this high rate of unemployment need to be addressed by Congress; CAREERS was the committee's first step, good faith attempt to solving this urgent problem.

The public rehabilitation system has evolved over a 75-year history and has developed a degree of expertise and success in serving those individuals with the greatest needs. However, serious shortcomings exist in the centralized service delivery structure—shortcomings that are becoming more glaring as the need for rehabilitation among Americans with disabilities becomes more acute. H.R. 1617, as reported out of committee, maintained current funding for rehabilitation services to individuals with disabilities. To be certain that the specialized expertise for disability services would be built into the new system, the bill provided for a gradual transition phase from the current system to the new system over a 3-year period. H.R. 1617 also built in many safeguards to ensure that individuals with disabilities have their special needs properly addressed in a revised and restructured job training system.

Some members of the disability community were told that under H.R. 1617, individuals with disabilities would lose access to vocational services. I believed this system would provide high quality general and specialized rehabilitation services that would help many more Delawareans with disabilities enter the work force and become contributing, productive participants in society.

H.R. 1617 allowed Delaware to continue to play a role, in coordination with the local system, for delivering direct services when necessary, and would have permitted Delaware to maintain separate rehabilitation agencies for the blind. In testimony before the House Subcommittee on Select Education in 1986, James Gaschel, director of governmental affairs for the National Federation of the Blind, testified:

> This sense of growing frustration with the current system of vocational rehabilitation has led many of us in the National Federation of the Blind to give thought to alternative system of services rather than using the traditional vocational rehabilitation State agencies. One plan would be to install a free market system where clients could pick and choose among rehabilitation agencies who would, in a sense, be competing for their patronage. This would be a step beyond and outside of the institutionalized State vocational rehabilitation agency system. It would provide a rehabilitation benefit in a sense of portable funding available to a handicapped individual for use at any agency capable of providing the services. Maybe we are ahead of our time in proposing such a concept, or even thinking about it, but we think Congress should consider it.

In conclusion, based on input from consumers and others over many years, the State-run rehabilitation system is not nearly as efficient in the use of resources as it should be, is slow to respond to individual needs and aspirations has very little accountability for outcomes, and allows very limited market forces of competition to improve the quality of services to individuals with disabilities. I believed it to be essential, in the development of a statewide work force preparation system under H.R. 1617, that vocational rehabilitation be a full partner in the system. It would have allowed disabled individuals to gain access to specialized rehabilitation and employment services through a new, locally based, one-stop career center system.

The choice before Congress is clear. It can allow the status quo bureaucracy to continue its mediocre performance in helping individuals with severe disabilities. Or, Congress can take the next logical step in reform of vocational rehabilitation by making the system more focused on real employment outcomes, empowering individuals through direct choice and service vouchers, and getting better results from vocational rehabilitation providers. I look forward to continuing to work on this legislation to improve it as it moves through the legislative process.

Mr. DAVIS. Mr. Chairman, I am pleased to rise in support of this important piece of legislation, and specifically in support of the provisions of this bill that authorize Sallie Mae to reorganize into a fully private company. This is one of those moments that I can state without reservation that what is good for northern Virginia is good for the country, and vice versa.

Sallie Mae employs over 1,000 highly skilled workers in Fairfax County, VA. Their presence is an important part of that community not only in terms of the jobs they provide, but in their commitment to community service activities in the region. Privatizing Sallie Mae will be a boost to northern Virginia, as it holds the promise of a growing Sallie Mae presence in that area, in contrast with the work force contractions which the company has undertaken over the past year.

More importantly, however, Sallie Mae's privatization is good for the American taxpayer. Today, unbeknownst to them, taxpayers are standing behind Sallie Mae's more than $50 billion in outstanding indebtedness. While there is no formal Federal guarantee on Sallie Mae's debt, those who purchase Sallie Mae securities do so based on their perceived ability to look to the Federal Treasury if Sallie Mae were to default on its obligations. Ridding the taxpayer of this sort of off-balance-sheet liability is good public policy and it is the right thing to do for the American people.

Sallie Mae has done a great service to this country as it has fulfilled its mission to assure access to student loans. More than $20 billion in student loans flowed through guaranteed loan programs last year, making a college education affordable for millions of American families. As a private company, Sallie Mae will continue to meet that need, and it will be free to use its technological and personnel resources to serve higher education in new and innovative ways. Sallie Mae no longer needs to be a government-sponsored enterprise [GSE] to meet the needs of students, parents, and schools.

Through this action today, the Congress is demonstrating to the American people its willingness to cut the Federal Government's ties when they are no longer needed. This action is reinventing government at its best and I am pleased to be closely associated with this effort. Northern Virginia and the Nation will be better places as a result.

Mr. REED. Mr. Chairman, as a member of the House Committee on Educational and

Economic Opportunities, I voted to report H.R. 1617 for a number of reasons, including the need to cut back and consolidate job training programs.

I did so with the understanding that this legislation was a bipartisan work in progress. To a good extent this has been true with one noted exception—vocational rehabilitation for our Nation's disabled citizens.

Regrettably, this bill, which does so much to consolidate programs and transfer responsibility to the States, would eliminate the current vocational rehab block grant which already works.

The job training system needs fixing, but the same does not hold true for the vocational rehabilitation system, and that is why the Senate did not tamper with the vocational rehabilitation system in its job training bill. The other body realizes that the current system already gives the States flexibility to meet the vocational rehabilitation needs of their citizens.

That is also why the National Governors Association supports the amendment to maintain the current vocational rehabilitation system offered by Mr. GREEN. The Governors understand the axion; "if it ain't broke, don't fix it."

Some would argue we need to increase competition between public and private rehabilitation providers, but the only problem is that in 21 States there are no private providers and in my State of Rhode Island there is only one.

Others argue that the General Accounting Office has criticized the current system. However, the GAO found that for every $1 invested in the vocational rehabilitation system reduced disability payments and increased revenues by $18. In addition, the earnings of participants were four times greater than nonparticipants.

Moreover, while the costs of the program have remained the same, success has increased even with more enrollees who have severe disabilities.

I am also concerned that the system proposed in H.R. 1617 would jeopardize the prospects of individuals with low-incidence disabilities, like blindness, who need very specialized services in order to enter the work force.

Therefore, I am pleased that my colleagues joined me in voting to protect our Nation's disabled citizens by supporting Mr. GREEN's amendment.

Mr. Chairman, I want to reiterate that H.R. 1617's goal of consolidation and rationalization is worthy of support, and I look forward to further improvements to this bill when it reaches conference.

Mr. KLUG. Mr. Chairman, Sallie Mae was created in 1972 to help ensure adequate private sector funding for federally guaranteed education loans. It operates under a Federal charter as a Government-sponsored, for-profit, publicly owned corporation. By ensuring liquidity to banks that originate student loans, Sallie Mae has fulfilled the underlying policy objective of full access for qualified students to education loans under the Federal Family Education Loan Program.

The secondary market that Sallie Mae has created is now occupied by 47 participants, and thousands of lenders nationwide are now originating loans and financing them in myriad ways. Market liquidity and access to loans no longer require Government sponsorship. Currently, Sallie Mae is restricted by its Federal charter from entering new lines of business to which its expertise may be suited, such as the processing of high volumes of heavily regulated paper or providing additional services to its college and bank partners.

A fully privatized Sallie Mae would remain committed to its core business of student loans, even as it expands into new arenas. In exchange for the freedom to expand into new areas of business, under H.R. 1617, Sallie Mae would give up the advantages of GSE status, such as exemption from State or local taxes and their exemption from certain SEC requirements. H.R. 1617 will allow the stockholders of Sallie Mae who have substantial financial investments in the company to make the decision on privatization. Once it's privatized, taxpayers will be relieved of the implicit liability estimated at $50 billion, stemming from the Government's implied responsibility for GSE's. I urge my colleagues to support the privatization of Sallie Mae and pass H.R. 1617.

Mr. GOODLING. Mr. Chairman, certain parties have expressed concern about the labor market information or LMI section of H.R. 1617, the CAREERS Act, which passed in this body last week. A concern is that the funding stream envisioned in this legislation to support the enhanced State and local LMI also supports the production of our national economic data including employment and unemployment statistics.

I want to point out that this legislation clearly authorizes continued access to the traditional source of funds for national and subnational labor market information. Of course, the Bureau of Labor Statistics will have to continue to justify funding levels through the appropriations process, including its request for nontrust fund money which is used to prepare employment and unemployment statistics.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute consisting of the text of H.R. 2332 shall be considered by titles as an original bill for the purpose of amendment.

The first six sections of each title are considered as having been read. Before consideration of any other amendment, it shall be in order to consider the amendment printed in House Report 104–249, if offered, by the gentleman from Pennsylvania [Mr. GOODLING] or his designee. That amendment shall be considered as read, may amend portions of the bill not yet read for amendment, is not subject to amendment, and is not subject to a demand for a division of the question.

Debate on the amendment is limited to a period of 10 minutes, equally divided and controlled by the proponents and the opponents of the amendment. After disposition of that amendment, the bill as then perfected will be considered as original text. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition to a Member who has caused an amendment to be printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the—

(1) "Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act"; or

(2) "CAREERS Act".

The CHAIRMAN. Are there amendments to section 1? If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. Purpose.
Sec. 4. Authorization of appropriations.
Sec. 5. Definitions.
Sec. 6. Transition.

TITLE I—WORKFORCE DEVELOPMENT INFRASTRUCTURE

Sec. 101. Purpose of title.

Subtitle A—State and Local Responsibilities

Sec. 102. State requirements.
Sec. 103. Collaborative process regarding State system.
Sec. 104. Consolidated State workforce development and literacy plan.
Sec. 105. Establishment of workforce development areas.
Sec. 106. Provisions regarding local workforce development boards.
Sec. 107. Establishment of integrated career center systems.
Sec. 108. Identification of eligible education, training, and vocational rehabilitation service providers.
Sec. 109. Management information systems.
Sec. 110. Performance accountability system.
Sec. 111. Limitation on Federal regulation.
Sec. 112. General provision.
Sec. 113. Liability.

Subtitle B—Amendments to Wagner-Peyser Act

Sec. 131. General program requirements.
Sec. 132. Labor market information.

Subtitle C—Worker Rights

Sec. 141. Requirements.

TITLE II—YOUTH DEVELOPMENT AND CAREER PREPARATION CONSOLIDATION GRANT

Sec. 201. Purposes.
Sec. 202. Definitions.

Subtitle A—State Funding

Sec. 211. National and State funding.
Sec. 212. Within State allocation.

Subtitle B—State Organizational, Planning, and Reporting Responsibilities

Sec. 221. State plan.
Sec. 222. State programs and State activities.
Sec. 223. Incentive awards.
Sec. 224. Core standards, performance goals, and measures.

Subtitle C—Subgrants for In-School and At-Risk Youth

Sec. 231. Partnership agreements.
Sec. 232. Distribution of funds.

Chapter 1—In-School Youth

Sec. 241. Uses of funds for in-school youth.

Chapter 2—At-Risk Youth

Sec. 245. Uses of funds for at-risk youth.
Sec. 246. At-risk youth providers.

Subtitle D—National Programs

Sec. 251. Research activities.
Sec. 252. Assessment and data collection of youth development and career preparation programs.
Sec. 253. National center or centers for research.

TITLE III—ADULT EMPLOYMENT AND TRAINING CONSOLIDATION GRANT

Sec. 301. Purpose.

Subtitle A—Adult Employment and Training Consolidation Grant

Sec. 311. Authorization.
Sec. 312. Allotment among States.
Sec. 313. Allocation within States.
Sec. 314. Additional State plan requirements.
Sec. 315. Use of amounts.
Sec. 316. Core standards, performance goals, and measures.

Subtitle B—Federal Programs

Sec. 321. National discretionary grants.
Sec. 322. Disaster relief employment assistance.
Sec. 323. Research, demonstration, evaluation, and capacity building.
Sec. 324. Workforce skills and development loans.
Sec. 325. Employment, training, and education assistance for Native Americans.
Sec. 326. Employment, training, and education assistance for migrant and seasonal farmworkers.

TITLE IV—ADULT EDUCATION AND FAMILY LITERACY CONSOLIDATION GRANT AND LIBRARY SERVICES AND TECHNOLOGY CONSOLIDATION GRANT

Sec. 401. Findings.
Sec. 402. Definitions.

Subtitle A—Adult Education and Family Literacy Consolidation Grant

Sec. 411. Purposes.

CHAPTER 1—FUNDING

Sec. 421. Reservations from amounts appropriated.
Sec. 422. Allotment.

CHAPTER 2—GRANTS TO STATES

Sec. 431. Requirement to make grants.
Sec. 432. Uses of funds.
Sec. 433. Additional grant requirements.
Sec. 434. Performance measures.

CHAPTER 3—NATIONAL PROGRAMS

Sec. 441. National Institute for Literacy.
Sec. 442. National leadership activities.

Subtitle B—Library Services and Technology Consolidation Grant

Sec. 451. Purposes.
Sec. 452. Authorization of appropriations.
Sec. 453. Allotments.
Sec. 454. Grants to States.
Sec. 455. Uses of funds.
Sec. 456. Annual applications.

TITLE V—AMENDMENTS TO REHABILITATION ACT OF 1973

Subtitle A—Vocational Rehabilitation Consolidation Grant

CHAPTER 1—TRANSITION PERIOD

Sec. 501. Transition.

CHAPTER 2—REVISION OF TITLE I OF REHABILITATION ACT OF 1973

Sec. 511. Revision of title I.

Subtitle B—Other Amendments to Rehabilitation Act of 1973

Sec. 521. Training and demonstration projects.
Sec. 522. Employment opportunities for individuals with disabilities.
Sec. 523. Certain amounts.

TITLE VI—HIGHER EDUCATION PRIVATIZATION

Sec. 601. Reorganization of the Student Loan Marketing Association through the formation of a holding company.
Sec. 602. Privatization of College Construction Loan Insurance Association.

TITLE VII—REPEALERS AND OTHER AMENDMENTS

Sec. 701. Higher education provisions.
Sec. 702. Amendment to Higher Education Act.
Sec. 703. Carl D. Perkins Vocational and Applied Technology Education Act.
Sec. 704. Smith-Hughes Act.
Sec. 705. School-to-Work Opportunities Act of 1994.
Sec. 706. School Dropout Assistance Act.
Sec. 707. Adult Education Act.
Sec. 708. National Literacy Act.
Sec. 709. Library Services and Construction Act.
Sec. 710. Technology for Education Act of 1994.
Sec. 711. Job Training Partnership Act.
Sec. 712. Stewart B. McKinney Homeless Assistance Act.
Sec. 713. Effective date.

AMENDMENT OFFERED BY MR. GOODLING

Mr. GOODLING. Mr. Chairman, I offer the chairman's amendment to the CAREERS Act.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GOODLING: Page 2, in the matter relating to section 108, strike "Education" and insert "education".

Page 2, in the matter relating to subtitle C, strike "Worker Rights" and insert "General Provisions".

Page 2, in the matter relating to section 141, strike "Requirements." and insert "Worker rights.".

Page 2, after the matter relating to section 141, insert the following:

Sec. 142. Transferability.

Page 2, strike the matter relating to section 224.

Page 3, strike the matter relating to section 316.

Page 3, strike the matter relating to section 434.

Page 4, in the matter relating to section 702, strike "Amendment to Higher Education Act" and insert "Eligible institutions.".

Page 18, line 15, strike "out-of-school".

Page 30, beginning on line 20, strike "organization representing parents".

Page 31, line 1, insert "and entity" after "agency".

Page 31, after line 22, insert the following:

(H) the State entity responsible for setting education policies, consistent with State law, on the date preceding the date of the enactment of this Act.

(3) representatives of the State legislature.

Page 32, after line 24, add the following:

(3) DISAGREEMENT.—The Governor shall accept and include with the State plan submitted under section 104, any disagreeing views submitted by a participant of the collaborative process if such views represent disagreement in the area in which such participant was selected for representation.

Page 36, strike lines 8 through 13.

Page 36, line 14, strike "(d)" and insert "(c)".

Page 38, after "including" insert "academic and vocational administrators, members of local schools boards, principals, teachers, postsecondary and other adult education administrators and instructors, including community colleges,".

Page 62, line 3, strike "customer" and insert "the".

Page 63, line 1, strike "will measure" and insert "must demonstrate".

Page 63, beginning on line 18, strike "appropriate" and all that follows through "among" on line 19.

Page 71, line 2, insert "by the Secretary of Labor or the Secretary of Education, as the case may be," after "disallowed".

Page 71, line 4, strike "this Act" and insert "chapter 2 of title II, title III,".

Page 71, line 5, strike "the" and insert "such chapter or title".

Page 72, line 25, strike the semicolon and insert ", which, to the extent practicable, shall be done through the private sector;".

Page 68, line 3, strike "elected".

Page 89, line 19, strike "Provision" and insert "Provisions".

Page 92, beginning on line 1, strike "skills" and all that follows through line 3 and insert "foundation and occupational skills needed to be successful in a competitive economy and to complete a high school diploma or general equivalency diploma;".

Page 99, after line 20, insert the following (and redesignate any subsequent paragraphs accordingly):

(4) FEDERAL FUNDS TO SUPPLEMENT, NOT SUPPLANT, NON-FEDERAL FUNDS.—Funds received under this title shall be used only to supplement the amount of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the education of youth participating in programs assisted under this title, and not to supplant such funds.

Page 139, line 15, insert "media" before "technology".

Page 140, line 25, insert "and" after the semicolon.

Page 141, strike lines 1 and 2.

Page 141, line 3, strike "(iii)" and insert "(ii)".

Page 148 line 8, strike "one quarter of one" and insert "4".

Page 149, line 21, strike "one quarter of one" and insert "4".

Page 222, strike line 10 and all that follows through page 225, line 13, and insert the following (and conform the table of contents on page 226, after line 14):

"SEC. 108. STATE OPTION REGARDING ALTERNATIVE DELIVERY SYSTEMS.

"(a) IN GENERAL.—In the case of the requirements referred to in subsection (b), a State may, in its discretion, elect to use alternative approaches for the implementation of any of the requirements if (subject to the other provisions of this section) the following conditions are met:

"(1) The Governor appoints a board to develop a proposed plan for the alternative approaches.

"(2) Individuals with disabilities who are not State officials or employees constitute a majority of the members of such board.

"(3) The membership of the board includes—

"(A) each State administrative agent designated pursuant to section 103(a); and

"(B) one or more individuals from private industry.

"(4) The State provides that the alternative approaches will be implemented in accordance with the plan developed by the board.

"(5) In the development of the plan, the public is afforded a reasonable opportunity to comment on the proposed alternative approaches.

"(6) The Governor submits to the Secretary a notice that the State is electing to use alternative approaches, and the notice is submitted to the Secretary not later than 60 days before the beginning of the first fiscal year to which the election applies.

"(b) ALTERNATIVES REGARDING STATE ADMINISTRATIVE STRUCTURE FOR DELIVERY OF SERVICES.—For purposes of subsection (a), a State may elect to implement alternative approaches to requirements in accordance with the following:

"(1) The allocation under section 102(a) (allocating amounts between State administrative agents and local workforce development boards) is in the discretion of the State, except that not more than 80 percent of a grant under section 101(a) for a fiscal year may be reserved for activities of local workforce development boards.

"(2) With respect to the requirements established in sections 103 and 104, the allocation between State administrative agents and local workforce development boards of responsibilities for carrying out the requirements is in the discretion of the State.

"(3) The selection of State officials who are to administer the requirements of section 103 is in the discretion of the State.

"(c) REVIEW AND REVISION OF ALTERNATIVE APPROACH.—An election under subsection (a) ceases to be effective after the third fiscal year of being in effect unless, during such third year, the plan under the election is reviewed. The plan may be reviewed and revised annually. This section applies to the review and revision of the plan to the same extent and in the same manner as this section applies to an original plan under subsection (a).

"(d) PERFORMANCE ACCOUNTABILITY SYSTEM.—An election under subsection (a) for a State does not, with respect to carrying out the program under this title in the State, affect the applicability to the State of section 110 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.".

Page 236, line 10, strike "2003" and insert "2005".

At each of the following locations, strike "2007" and insert "2009": Page 237, line 16; page 242, line 21; page 243, line 19; and page 249, line 4.

Page 255, after line 21, insert the following new paragraph:

(3) LIMITATION OF OWNERSHIP OF STOCK.—Except as provided in subsection (d)(2) of this section, no stock of the Corporation may be sold or issued to an agency, instrumentality, or establishment of the United States Government, to a Government corporation or a Government controlled corporation (as such terms are defined in section 103 of title 5, United States Code), or to a Government sponsored enterprise (as such term is defined in section 622 of title 2, United States Code). The Student Loan Marketing Association shall not own any stock of the Corporation, except that it may retain the stock it owns on the date of enactment. The Student Loan Marketing Association shall not control the operation of the Corporation, except that the Student Loan Marketing Association may participate in the election of directors as a shareholder, and may continue to exercise its right to appoint directors under section 754 of the Higher Education Act of 1965 as long as that section is in effect. The Student Loan Marketing Association shall not provide financial support or guarantees to the Corporation. Notwithstanding the prohibitions in this subsection, the United States may pursue any remedy against a holder of the Corporation's stock to which it would otherwise be entitled.

Page 258, beginning on line 8, strike ", upon request of the Secretary of Education".

Page 258, lines 11 and 16, strike "voting common".

Page 258, beginning on line 12, strike "one year" and insert "6 months".

Page 258, beginning on line 18, strike "within" and all that follows through "shall purchase" on line 20 and insert ", the Corporation shall purchase, within the period specified in paragraph (1),".

Page 258, line 23, insert after "financial firms" the following ", however such price shall not exceed the value of the Secretary's stock as determined by the Congressional Budget Office in House Report 104-153 dated June 22, 1995".

The CHAIRMAN. Pursuant to the rule, the gentleman from Pennsylvania [Mr. GOODLING] and a Member opposed each be recognized for 5 minutes.

The Chair recognizes the gentleman for Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Chairman, I yield myself 2½ minutes.

Mr. Chairman, let me say that these are changes to the Connie Lee privatization language. It shortens the time the Secretary of Education has to sell the Government's Connie Lee stock to 6 months, prohibits Sallie Mae from participating in the operation of Connie Lee, except Sallie Mae maintains representation on the board of Connie Lee, sets the purchase price for the Department of Education stock at no more than the CBO estimated value in the event Connie Lee is required to repurchase the stock, extends Sallie Mae phaseout by 2 years to comply with the 7-year budget agreement; adds State entities to the list of people that are part of the collaborative process to ensure that State boards of education can participate; adds State legislatures to the list of people who can participate in the collaborative process; adds academic and vocational administrators to that group; adds language to title II, the youth block, to ensure that the title II Federal funds are used to supplement, not supplant, State and local funds; encourages private sector coordination and development of a nationwide system of labor exchange services to the public; clarifies that the liability language only applies to the local work force development board and not to in-school educational programs or adult education programs; strikes reference to the Secretary of Labor evaluating performance standards, because there are no Federal performance standards; changes the percent set aside for Indians and migrants in adult training programs from one-quarter of 1 percent to 4 percent; strikes parent organizations from the list of people who can participate in the collaborative process, and just allows parents; strikes "out of school" from the definition of limited English proficient, so all youth are covered by the definition; allows States to change the financial distribution within the States for vocational rehabilitation services. If a State panel appointed by the Governor chooses to change such direction, the members of this panel must represent a majority of individuals with disabilities from the private sector, the State director of vocational rehabilitation, the State director of services for the blind, if applicable.

Those are the changes that are in the chairman's amendment.

Mr. Chairman, I yield the remaining time to the gentleman from Florida [Mr. WELDON].

Mr. WELDON of Florida. Mr. Chairman, I was very pleased to see that the series of amendments that I originally proposed to this bill were incorporated by the committee chairman into the manager's amendment. Essentially, my amendments try to achieve two very important goals: First, they ensure that parents will be involved in the design and implementation of the vocational education programs that will be developed with these funds. Second, the amendments made clear that States and localities, not the Federal Government, will decide which performance measures or certificates they will require in their career training programs.

Research has clearly shown that parent participation improves all aspects of student performance. Discipline problems decrease, homework completion and quality improve, reading comprehension and time spent reading both increase. Furthermore, families are strengthened and parents develop closer relationships with their children and become more involved in their children's learning.

Parent participation is particularly weak in secondary vocational education. The National Association of Vocational Education found that one-third of the sites preparing local plans under the Perkins Act did not meet with parents, not even once, let alone built a continuing partnership with families and the community.

I rise in support of the chairman's manager's amendment, which I think goes a long way to achieving these two very important goals of more parental involvement in the educational process, particularly in the area of vocational education, as well as moving of the locus of power and authority more to the local level, where it is very much needed.

□ 1330

I rise in support of this as well as in support of the entire bill.

Mr. CLAY. Mr. Chairman, I yield the balance of my time to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Chairman, Members, the manager's amendment is a new amendment that, again, this bill came out of committee 2 months ago with the idea that we were going to work on title V of the vocational rehabilitation section of the bill, and we have seen changes in the last 10 days. We really need more than a weekend to deal with this.

But what the manager's amendment would do instead of cutting bureaucracy, which all of us want to do, and involve those parents involved in it, they are involved on the State level right now, the State of Texas does not need the Federal Government to tell us to involve parents in their vocational rehabilitation programs for their children.

The amendment, the manager's amendment, would layer another bureaucracy because it would allow the Governor to appoint another agency to oversee the Federal funding. Again, in the general debate we heard that might be expanded to the legislative. But, again, that is not what I see in this manager's amendment that I have had a copy of that we got a copy of earlier.

We want to reduce the bureaucracy. We do not want to add another layer in. That is why the manager's amendment raises concern.

Again, title V of this bill, that substantially changes vocational rehabilitation, needs to be addressed separately in a separate piece of legislation and not in this, because we are going to lose some of the people who need it the most, people who need that vocational rehabilitation effort.

I appreciate the concern of my colleague from Florida about parent involvement, and when I was in the legislature in Texas, we required parents to be involved with public schools. We required public schools to get their parents involved. But, again, we do not need the Federal Government here in Washington telling them in Austin, TX, or even in Tallahassee, they have to get involved. That is part of most States' plans already. Parents are involved. They should. But most of this money is State money. It is not Federal dollars.

Let us leave those decisions locally. I would be glad to lobby my legislature to make sure they include parents because I know they already do, instead of saying we are going to impose a separate possible layer of bureaucracy on vocational rehabilitation. It is so important because we are dealing with, again, our citizens in this country who are harder to educate and harder to train and they are more expensive. We do not need to lose one dime to a bureaucracy that should be going to direct services for these people.

That is why the manager's amendment again has made great strides in some ways but still does not go far enough to deal with the concerns that I have and a lot of my colleagues and a lot of the agencies or agencies and individuals that we have with vocational rehab.

Let me read some of the individuals. You will see this yellow sheet today a great deal. American Council of the Blind, the American Foundation for the Blind, the National Federation for the Blind, the National Head Injury Foundation, the National Industries for the Blind, people who are opposing this bill and the manager's amendment because they are worried they are going to lose the basic support services that we have in Houston, TX, with the Lighthouse for the Blind that are serving a lot of my constituents.

With that, Mr. Chairman, I appreciate the opportunity to oppose the manager's amendment.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GOODLING] has 30 seconds remaining.

Mr. GOODLING. Mr. Chairman, I ask unanimous consent that both sides have an additional 6 minutes on the chairman's amendment.

The CHAIRMAN. Six minutes to be divided, 3 minutes to each side?

Mr. GOODLING. Six minutes either side, 12 minutes divided equally.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GOODLING] has 6½ minutes remaining, and the gentleman from Missouri [Mr. CLAY] has 8 minutes remaining.

Mr. CLAY. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Chairman, I would just like to address a question which affects the manager's amendment and what we do the rest of the day.

I have prepared some amendments based upon the text of the bill, not necessarily based upon the text of the bill as amended by the manager's amendment. Will I be protected technically when I offer my amendments, in case they are not in the exact line or section? Will I be protected and have the assurance from the chairman that we can have whatever technical corrections need to be made before the bill is transmitted?

Mr. GOODLING. I was waiting for a legal interpretation.

The CHAIRMAN. The Chair does advise Members that under the rule, it is an open amendment process. The Chair advises the gentleman from Michigan that it is an open amendment process.

Mr. KILDEE. Well, no, my point is: We worked late last night preparing our amendments based upon the text of the bill that is before us. The manager's amendments have been offered and will probably be adopted. Our amendments may not be in the right exact line or section because of changes made by the manager's amendment. Will we be allowed to make those and have the Clerk make the necessary technical corrections to put those in a proper spot?

Mr. GOODLING. If the gentleman will yield, I would say the gentleman would be able to. But it does become the text, and I would imagine, if these were written last night, they would have been written to my amendments.

Mr. KILDEE. I did not have the manager's night amendments myself, however.

The CHAIRMAN. The Chair would advise both of the gentlemen that there will be situations where an amendment, as a result of a modification, may require modification in another portion of the bill, and that would be in order.

Mr. KILDEE. It would be in order? In the engrossing of the bill, any technical corrections may be made by the motion we usually make at the end of the bill?

The CHAIRMAN. You may redraft your amendments as the bill begins to change as a result of other amendments, if that is the question.

Mr. KILDEE. We will try to keep up.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. GRAHAM], another member of the committee.

Mr. GRAHAM. Mr. Chairman, we are very close to passing what I think is the best bipartisan effort in Congress. I am really excited about what we have been able to do in the Committee on Economic and Educational Opportunities and work together to come up with a good product.

One of the concerns I have had all along in the block granting program is that when we start the block grant, we do not tear down those things that work well. We know the problem areas. We made bipartisan effort to solve the problem areas.

One thing I have been concerned about the whole time is vocational rehabilitation. This is a group of people that really we need to stand up for and make sure that they are protected.

Let me tell you what we have done in this bill to make sure that voc rehab is protected. One, we did not cut any of the funding. The other three areas of the block grant had a 20-percent reduction in funding. Voc rehab stayed the same. The manager's amendment that the gentleman from Pennsylvania [Mr. GOODLING] was talking about creates a system that would allow the Governor in the State to have an alternative program that, in effect, would allow the system in the State to continue as it is if it is delivering a quality product in the eyes of those people that are receiving it in the State, and the Governor responsible, for administering the services in the State.

The gentleman from Texas, Mr. GENE GREEN, has been very good to work with. We are very close to getting an amendment that will allow this bill to go through in a bipartisan fashion. If we need some input from the State legislature, I am certainly open to that. Let us not turn back now. Most of the money does come from the Federal Government in the voc rehab area. There is a matching component that will not be changed by this bill on the States' behalf, but most of this money does come from the national Government. I think all of us, if we are honest with ourselves, will admit that voc rehab can be reformed.

But the manager's amendment, I think, makes great strides to give local control and local authority to fashion programs that deliver the best services to the disabled in each and every State.

One provision that I would like to point out of the alternative program, it requires the Governor to appoint to the board individuals with disabilities who are not State officials or employees, and they shall constitute a majority of the board that the Governor or the legislature, in conjunction with the Governor, will create.

I think this is the right way to go. We cannot solve everybody's problems, but let us not get the bill off track because of this. I think we can work through the voc rehab problems.

Mr. CLAY. Mr. Chairman, I yield the balance of my time to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Chairman, let me address my colleague, the gentleman from South Carolina [Mr. GRAHAM], and the concerns that he has. I think we share some of them because we both served in the legislature, and I agree with him that I like the idea of having these boards to be including recipients of the aid. Again, that is, I know, in a lot of our local States we require that anyway. But is that a requirement that should be sent down from Washington?

Again, I know I have worked on that, as a legislator, to make sure the people who are subjected to the rules are the ones also involved in the process and serving on those boards.

Let me go over some of the concerns I have about the specifics of the manager's amendment as it deals with vocational rehab. The proposed amendment would allow, again, the Governor to appoint a board which would develop a plan for allocation of vocational rehab funds between the State and local boards. Again, we may change that, and it may be allowing the legislative involvement. As the manager's amendment now stands, it is the Governor. The Governor would appoint the board to develop it. It, again, creates another layer of bureaucracy.

Different States could choose to implement vocational rehab programs in different ways, which that is the benefit of it because, again in Texas and South Carolina, although I think we have similar systems, but they are just a little different, to meet the local needs of our States. Some will opt for an alternative approval, while others can offer the approach prescribed elsewhere in this bill, and again we could then lose the national concern.

So, again, I think vocational rehab needs to be separated from this bill, like the Senate is doing, and deal with vocational rehab on its own.

Our committee held no hearings specifically on title V, and again last Thursday we had the majority staff release the changes of the markup to the bill. Now we have the manager's amendment, and we have not spent the time we need to on something as important as vocational rehab, that instead of just today and maybe the last few days, it should be as a separate piece of legislation.

I think my colleague, the gentleman from South Carolina, and I could agree on a great deal of things as long as we do not lump people who are vocational rehab recipients in with the general population.

Our State and a number of States for 50 years have contributed and made an effort to deal with vocational rehab and to provide funding for it, and they do not particularly want to see Washington come in and say, "Well, we can do it better." I am concerned this bill may provide that guidance, and maybe set up a two-tier system, from what some States may be doing, and depending on what the Governor may decide to do, whether it is included in the legislation or not.

This amendment would not address other problems that are in the full bill regarding vocational rehab services.

Paragraph 105(B)(2)(d) of title V would continue to make the service plan optional, thereby removing program accountability for the direction and quality of the services. Again, we are on the floor of the House in Washington, DC, but the real people who need to know about this legislation, on the streets and in the facilities in Houston, TX, and around this country, we want to make sure they are receiving that quality that they may not get if we pass this bill and this manager's amendment today.

This bill would continue to not contain any mechanism for the States to control the quality and appropriateness of those vocational rehab services.

That is why, again, Mr. Chairman, I rise in opposing the manager's amendment, and later on today we will have an amendment to title V that will strike title V and include and ask that vocational rehab be separated so we can get on to reforming our job training for everyone and not having vocational rehab recipients lost in this process, because that is my concern and that is the concern of a number of the groups who have been the beneficiaries of these services for many years.

Mr. GOODLING. Mr. Chairman, I yield myself the balance of my time.

First of all, I would like to indicate there was a day of hearings on the vocational rehabilitation. I also would like to report that the Senate bill keeps vocational rehabilitation in its work force preparation bill. They have not changed their bill. They have kept vocational rehabilitation as part of it.

I would also like to read from the legislation: "The State will ensure that vocational rehabilitation services under this title, and related core services, are provided by personnel who are qualified to provide the services involved. For purposes of the preceding sentence, the term 'core services' has the meaning indicated for such term under title I of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act. The State will establish plans, policies, and procedures to be followed in carrying out the program under this title." In other words, the State must ensure quality standards and quality outcomes.

But let me talk a little bit about the status quo, if that is all we want, if we just want to keep the status quo. Out of 12.6 million severely disabled persons, only 2.9 million are employed, which equals 23 percent. Employment rates for persons with moderate disabilities are comparable with the nondisabled, but employment rates for the severely disabled are drastically lower.

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Advocates for the status quo system cannot argue that VR is having a positive impact on employment. The employment rates have been constant during the life of the current Rehabilitation Act. A little over 1 million persons are served under the current Federal-State Vocational Rehabilitation Program. Of those served, about 200,000 cases are closed in a given year. Many of these people could be served by the regular adult program, but the minute anyone mentions that they may have some disability, bingo, they are immediately shipped off to vocational rehabilitation. For the vocational rehabilitation system, rehabilitated means a 60-day job placement. Big deal. Under this low standard, even with only a 60-day job placement, they could only have 71 percent case closures in 1994.

Now look at the success in comparison to tougher standards. Under the tougher Social Security Administration standards, a placement after 9 months, for severely disabled persons on SSI or SSDI, only 9 percent of such case closures were still employed. The 1993 GAO report on the Vocational Rehabilitation Program concluded that the gains in economic status made by the clients were temporary. Is that what we are doing; throwing a bone to the most needy? Within the study group the earnings of those classified as rehabilitated under the 60-day standard had, after 2 years, returned to near or below preprogram levels.

The Projects With Industries, PWI, program, a business community partnership placed 10,901 persons in 1994, 81 percent of whom were severely disabled. Of those served, 25 percent were severely disabled. PWI also costs far less than the current Federal-State program.

So, the status quo advocates cannot argue that their success is demonstrated or that their expertise is unique. Actually success rates in serving the severely disabled have fallen somewhat in the last 2 years.

Of the total $2.5 billion in Federal and State match spent on VR costs are administration, 10.4 percent, counseling and placement, 34.6 percent; purchased services, 54 percent. If we want the status quo and cheat these people, then just do not include them in the program.

Mr. CLAY. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. GOODLING].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. GOODLING

Mr. GOODLING. Mr. Chairman, I offer an amendment which affects portions of the bill not currently under consideration, and I ask unanimous consent for its immediate consideration.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. GOODLING: Page 70, line 24, before the period insert "or to meet federally funded or endorsed industry-recognized skill standards or attain federally funded or endorsed skill certificates".

Page 76, line 17, strike "data" and all that follows and insert "data, which may be aggregated by demographic characteristics, on—".

Page 76, beginning on line 18, strike "demographic" and all that follows through "Act," on line 21.

Page 81, beginning on line 18, strike "furnished" and all that follows through "identified" on line 20, and insert "contained in the information so furnished under this title can be used to identify any individual".

Page 82, line 2, insert "for purposes" after "retained".

Page 82, beginning on line 4, strike "or establishment".

Page 98, line 24, after "101" strike "or" and insert ", 101A, 343(b),".

Page 100, line 15, before the period insert "or to attain a federally funded or endorsed skill certificate".

Page 110, line 19, insert "and parents" after "employers".

Page 113, line 10, insert "and parents" after "employers".

Page 125, line 6, strike "and".

Page 125, line 9, strike the period and insert "; and".

Page 125, after line 9, insert the following:

(viii) implementation of innovative programs to increase the number of individuals trained and placed in nontraditional employment.

Page 127, line 19, before the period insert the following: "and individuals seeking to enter nontraditional employment".

Page 133, beginning on line 4, "may have up to" and insert "shall within".

Page 133, line 6, strike "to".

Mr. GOODLING (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GOODLING. Mr. Chairman, this technical amendment includes changes to H.R. 1617 that are both constructive and noncontroversial, worked out by the other side, I believe, or in agreement. It is an amendment adding to a State's discretionary activities the ability to implement innovative programs to increase the number of individuals trained and placed in nontraditional employment, an amendment clarifying that nothing in this Act shall mandate that any individual, particularly youth, be required to meet federally funded or endorsed industry recognized skill standards or attain federally funded——

Mr. CLAY. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Missouri.

Mr. CLAY. Mr. Chairman, we have reviewed the amendments, and we have no objections.

Mr. GOODLING. In other words, Mr. Chairman, the gentleman is saying, "Stop talking; we agree."

Mr. CLAY. Yes, Mr. Chairman.

Mr. GOODLING. I will quit while I am ahead.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. GOODLING].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to section 2 of the bill?

If not, the Clerk will designate section 3.

The text of section 3 is as follows:

SEC. 3. PURPOSE.

The purpose of this Act is to transform the vast array of Federal workforce development and literacy programs from a collection of fragmented and duplicative categorical programs into a streamlined, comprehensive, coherent, high-quality, cost-effective, market-based, and accountable workforce development and literacy system that is designed to meet the education, economic, employment, and training needs of the workforce and the competitiveness needs of employers of the United States, both today and in the future.

The CHAIRMAN. Are there any amendments to section 3?

If not, the Clerk will designate section 4.

The test of section 4 is as follows:

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated—

(1) for title II, $2,324,600,000 for fiscal year 1997 and such sums as may be necessary for each of the fiscal years 1998 through 2002 to carry out the programs under such title;

(2) for title III, $2,183,000,000 for fiscal year 1997 and such sums as may be necessary for each of the fiscal years 1998 through 2002 to carry out the programs under such title; and

(3) for subtitle A of title IV, $280,000,000 for fiscal year 1997 and such sums as may be necessary for each of the fiscal years 1998 through 2002 to carry out the programs under such subtitle.

(b) PROGRAM YEAR.—

(1) IN GENERAL.—Beginning in fiscal year 1997, and each year thereafter, appropriations for any fiscal year thereafter, appropriations for any fiscal year for programs and activities under titles II, III, and IV of this Act shall be available for obligation only on the basis of a program year. The program year shall begin on July 1 in the fiscal year for which the appropriation is made.

(2) OBLIGATION.—Funds obligated for any program year under titles II, III, and IV, may be expended by each recipient during that program year and the two succeeding program years, except that the Secretary shall, in accordance with paragraph (3), reallot to eligible States the funds allotted to States from funds appropriated for reallotment.

(3) AMOUNTS AVAILABLE FOR REALLOTMENT.—The amount available for reallotment is equal to—

(A) the amount by which the unobligated balance of the State allotment at the end of the program year prior to the program year for which the determination under this section is made exceeds 20 percent of such allotment for the prior program year; plus

(B) the unexpended balance of the State allotment from any program year prior to the program year in which there is such excess.

The CHAIRMAN. Are there any amendments to section 4?

If not, the Clerk will designate section 5.

The text of section 5 is as follows:

SEC. 5. DEFINITIONS.

For purposes of this Act, except as otherwise provided:

(1) ADULT.—The term "adult" means an individual who is 16 years of age, or beyond the age of compulsory school attendance under State law (whichever age is higher), and who is not enrolled or required to be enrolled in secondary school.

(2) ADULT EDUCATION.—The term "adult education" means services or instruction below the postsecondary level for adults—

(A) who are not enrolled in secondary school;

(B) who lack sufficient mastery of basic educational skills to enable them to function effectively in society or who do not have a certificate of graduation from a school providing secondary education and who have not achieved an equivalent level of education;

(C) who are not currently required to be enrolled in school; and

(D) whose lack of mastery of basic skills results in an inability to speak, read, or write the English language which constitutes a substantial impairment of their ability to get or retain employment commensurate with their real ability, and thus are in need of programs to help eliminate such inability and raise the level of education of such individuals with a view to making them less likely to become dependent on others.

(3) AREA VOCATIONAL EDUCATION SCHOOL.—The term "area vocational education school" means—

(A) a specialized high school used exclusively or principally for the provision of vocational education to individuals who are available for study in preparation for entering the labor market;

(B) the department of a high school exclusively or principally used for providing vocational education in not less than 5 different occupational fields to individuals who are available for study in preparation for entering the labor market;

(C) a technical institute or vocational school used exclusively or principally for the provision of vocational education to individuals who have completed or left high school and who are available for study in preparation for entering the labor market; or

(D) the department or division of a junior college, community college or university operating under the policies of the State board and which provides vocational education in not less than 5 different occupational fields leading to immediate employment but not necessarily leading to a baccalaureate degree, if, in the case of a school, department, or division described in subparagraph (C) or this subparagraph, it admits as regular students both individuals who have completed high school and individuals who have left high school.

(4) AT-RISK YOUTH.—The term "at-risk youth" means—

(A) an out-of-school, at-risk youth who is an individual age 24 or younger and who is not enrolled in a secondary or postsecondary education program, has not received a high school diploma or its equivalent and must overcome barriers to employment such as lack of sufficient education or vocational skills, economic disadvantages, disability, or limited English proficiency; or

(B) an in-school, at-risk youth who is an individual age 24 or younger who is enrolled in an accredited secondary or postsecondary education program but is at risk of dropping out of school or must overcome barriers to complete an education program, such as economic disadvantages, disability, or limited English proficiency.

(5) COMPREHENSIVE CAREER GUIDANCE AND COUNSELING.—The term "comprehensive career guidance and counseling" means a program—

(A) which pertains to the body of subject matter and related techniques and methods organized for the development in individuals of career awareness, career planning, career decisionmaking, placement skills, and knowledge and understanding of local, State, and national occupational, educational, and labor market needs, trends, and opportunities;

(B) which assists such individuals in making and implementing informed educational and occupational choices; and

(C) which is comprehensive in nature.

(6) CAREER GRANT.—The term "career grant" means a voucher or a credit issued to a participant under title III of this Act, or title I of the Rehabilitation Act of 1973, for the purchase of education or training services from certified providers of such services, in accordance with the provisions of this Act, and with guidelines issued by the State.

(7) CASE MANAGEMENT.—The term "case management" means the provision of a client-centered approach in the delivery of services designed to—

(A) empower individuals to make informed career choices;

(B) prepare and coordinate comprehensive employment plans, based upon such individual choices, such as service strategies for participants, to ensure access to necessary training and supportive services, using, where feasible, computer-based technologies; and

(C) provide job and career counseling during program participation and after job placement.

(8) CHIEF ELECTED OFFICIAL.—The term "chief elected official" means the chief elected executive officer of a unit of general local government in a workforce development area.

(9) COMMUNITY-BASED ORGANIZATION.—The term "community-based organization" means a private nonprofit organization that is representative of a community or significant segments of a community that provides or facilitates education, vocational rehabilitation, job training, supportive services, or internship services and programs.

(10) DEMOGRAPHIC CHARACTERISTICS.—The term "demographic characteristics" means information on population, especially with reference to size, density, distribution, and vital statistics including, age, race, sex, ethnic origin, and income status.

(11) DISLOCATED WORKER.—The term "dislocated worker" means an individual who—

(A) has been terminated or laid off or who has received a notice of termination or layoff from employment, is eligible for or has exhausted entitlement to unemployment compensation, and is unlikely to return to a previous industry or occupation;

(B) has been terminated, or has received a notice of termination of employment, as a result of any permanent closure of, or any substantial layoff at, a plant, facility, or enterprise;

(C) has been unemployed long-term and has limited opportunities for employment or reemployment in the same or a similar occupation in the area in which such individual resides, including an older individual who may have substantial barriers to employment by reason of age; or

(D) was self-employed (including farmers and ranchers) but is unemployed as a result of general economic conditions in the community in which they reside or because of natural disasters.

(12) DISPLACED HOMEMAKER.—The term "displaced homemaker" means an individual who—

(A) is an adult; and

(B)(i) has worked as an adult primarily without remuneration to care for the home and family, and for that reason has diminished marketable skills;

(ii) has been dependent on public assistance or on the income of a relative but is no longer supported by such income; or

(iii) is a parent whose youngest dependent child will become ineligible to receive assistance under the program for aid to families with dependent children under part A of title IV of the Social Security Act within 2 years of the parent's application for assistance under title II of this Act.

(13) EARNINGS.—The term "earnings" means gross hourly wages before any deduction, plus the estimated hourly value of bonuses, tips, gratuities, commissions, and overtime pay either expected or received. In the case of individuals in subsidized employment, total hourly earnings include any wage subsidy paid to the individual.

(14) ECONOMIC DEVELOPMENT AGENCIES.—The term "economic development agencies" means State and local planning and zoning commissions or boards, community development agencies, and other State and local agencies and institutions responsible for regulating, promoting, or assisting in State and local economic development.

(15) ECONOMICALLY DISADVANTAGED.—The term "economically disadvantaged" means an individual who—

(A) receives, or is a member of a family which receives, cash welfare payments under a Federal, State, or local welfare program;

(B) has, or is a member of a family which has, received a total family income for the 6-month period prior to application for the program involved (exclusive of unemployment compensation, child support payments, and welfare payments) which, in relation to family size, was not in excess of the higher of—

(i) the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)), or

(ii) 70 percent of the lower living standard income level;

(C) is receiving (or has been determined within the 6-month period prior to the application for the program involved to be eligible to receive) food stamps pursuant to the Food Stamp Act of 1977;

(D) qualifies as a homeless individual under subsections (a) and (c) of section 103 of the Stewart B. McKinney Homeless Assistance Act;

(E) is a foster child on behalf of whom State or local government payments are made;

(F) in cases permitted by regulations of the Secretary, is an individual with a disability whose own income meets the requirements of subparagraph (A) or (B), but who is a member of a family whose income does not meet such requirements; or

(G) is an individual meeting appropriate criteria approved by a State.

(16) EDUCATIONAL SERVICE AGENCY.—The term "educational service agency" means a regional public multiservice agency authorized by State statute to develop, manage, and provide services or programs to local educational agencies, and is recognized as an administrative agency for such State's vocational or technical education schools or for vocational programs within its public elementary or secondary schools. Such term includes any other public institution or agency having administrative control and direction over a public elementary or secondary school.

(17) EMPLOYED.—The term "employed" means an individual who is currently—

(A) a paid employee;

(B) works in his or her own business, profession, or farm;

(C) works 15 hours or more per week as an unpaid worker in an enterprise operated by a family member or is one who is not working, but has a job or business from which he or she is temporarily absent due to illness, bad weather, vacation, labor-management dispute, or personal reasons; or

(D) on active military duty.

(18) ENGLISH LITERACY PROGRAM.—The term "English literacy program" means a program of instruction designed to help limited English proficient adults, out-of-school youths, or both, achieve full competence in the English language.

(19) EXCESS NUMBER.—The term "excess number" means, with respect to the excess number of unemployed individuals within a State, the number that represents the number of unemployed individuals in excess of 4.5

percent of the civilian labor force in the State, or the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such State.

(20) FAMILY AND CONSUMER SCIENCES.—The term "family and consumer sciences" means instructional programs, services, and activities which prepare students for personal, family, community, and career roles.

(21) GOVERNOR.—The term "Governor" means the chief executive of a State.

(22) INDIVIDUAL OF LIMITED ENGLISH PROFICIENCY.—The term "individual of limited English proficiency" means an adult or out-of-school youth who has limited ability in speaking, reading, writing, or understanding the English language and—

(A) whose native language is a language other than English; or

(B) who lives in a family or community environment where a language other than English is the dominant language.

(23) INDIVIDUALS WITH DISABILITIES.—The term "individuals with disabilities" has the meaning given such term in the Rehabilitation Act of 1973.

(24) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given such term in section 481 of the Higher Education Act of 1965.

(25) JOB SEARCH ASSISTANCE.—The term "job search assistance" means a service that helps a job-ready individual seek, locate, apply for, and obtain employment. Such services may include, job-finding skills, orientation to the labor market, resume preparation assistance, job finding clubs, job search workshops, vocational exploration, and other employability services.

(26) LABOR MARKET AREA.—The term "labor market area" means an economically integrated geographic area within which individuals can reside and find employment within a reasonable distance or can readily change employment without changing their place of residence. Such areas shall be identified in accordance with criteria used by the Bureau of Labor Statistics of the Department of Labor in defining such areas or similar criteria established by a Governor.

(27) LIBRARY.—The term "library" includes—

(A) a public library;

(B) a public elementary or secondary school library;

(C) an academic library;

(D) a research library; and

(E) a private library, but only if the State in which such private library is located determines that the library should be considered a library for purposes of this Act.

(28) LITERACY.—The term "literacy" means an individual's ability to read, write, and speak in English, and compute and solve problems, at levels of proficiency necessary—

(A) to function on the job, in the individual's family and in society;

(B) to achieve the individual's goals; and

(C) to develop the individual's knowledge potential.

(29) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the same meaning given such term in section 14101 of the Elementary and Secondary Education Act of 1965.

(30) MIGRANT FARMWORKER.—The term "migrant farmworker" means a seasonal farmworker whose farm work requires travel such that the worker is unable to return to a permanent place of residence within the same day.

(31) NATIVE AMERICAN.—The term "native American" means Indians, Alaskan natives, and Hawaiian natives.

(32) NONTRADITIONAL EMPLOYMENT.—The term "nontraditional employment" as applied to women refers to occupations or fields of work where women comprise less than 25 percent of the individuals employed in such occupation or field of work.

(33) ON-THE-JOB TRAINING.—The term "on-the-job training" means training in the public or private sector that is provided to a paid employee while engaged in productive work that—

(A) provides knowledge or skills essential to the full and adequate performance of the job;

(B) provides reimbursement to employers, up to 50 percent of the participant's wage rate, for the extraordinary costs of providing training and additional supervision; and

(C) is based on the Occupational Employment Statistics Program Dictionary.

(34) POSTSECONDARY EDUCATIONAL INSTITUTION.—The term "postsecondary educational institution" means an institution of higher education (as such term is defined in section 481 of the Higher Education Act of 1965) which continues to meet the eligibility and certification requirements under title IV of such Act (20 U.S.C. 1070 et seq.).

(35) PREEMPLOYMENT SKILLS TRAINING; JOB READINESS SKILLS TRAINING.—The terms "preemployment skills training" and "job readiness skills training" mean training that builds on family efforts to help prepare individuals for work by assuring that they are familiar with general workplace expectations and exhibit work behavior and attitudes necessary to compete successfully in the job market.

(36) PUBLIC ASSISTANCE.—The term "public assistance" means Federal, State, or local government cash payments for which eligibility is determined by a needs or income test.

(37) RAPID RESPONSE.—The term "rapid response" means assistance that is directly provided by the State, or by local grantees with funds provided by the State, in the case of mass layoffs or plant closures, and that establishes on-site contact with employer and employee representatives within a short period of time (preferably 48 hours or less) after becoming aware of a current or projected permanent closure or substantial layoff in order to—

(A) provide information on, and facilitate access to, available public programs and services for workers losing jobs as a result of such layoff or closure;

(B) provide emergency assistance adapted to the particular closure or layoff;

(C) promote the formation of labor-management committees, where appropriate;

(D) collect information related to economic dislocation and available resources within the State for dislocated workers;

(E) provide or obtain appropriate financial and technical advice and liaison with economic development agencies and other organizations to assist in efforts to avert worker dislocation; and

(F) assist the local community in developing its own coordinated response and in obtaining access to State economic development assistance.

(38) REGISTERED APPRENTICESHIP.—The term "registered apprenticeship" means a program registered by the Bureau of Apprenticeship and Training in the United States Department of Labor, or a State Apprenticeship Agency recognized and approved by the Bureau of Apprenticeship and Training as the appropriate body for State registration or approval of local apprenticeship programs and agreements.

(39) SCHOOL DROPOUT.—The term "school dropout" means a youth who is no longer attending any school and who has not received a secondary school diploma or a certificate from a program of equivalency for such a diploma.

(40) SEASONAL FARMWORKER.—The term "seasonal farmworker" means a person who during the eligibility determination period (12 consecutive months out of 24 months prior to application) has been primarily employed in farm work that is characterized by chronic unemployment or under employment.

(41) SKILL CERTIFICATE.—The term "skill certificate" means a portable, industry-recognized credential achieved through programs authorized under this Act, that certifies that an individual has mastered occupational skills at levels that are at least as challenging as skill standards endorsed by the National Skill Standards Board, except that until such skill standards are developed, the term "skill certificate" means a credential issued under a process endorsed by the State, based upon established industry standards and benchmarks.

(42) STATE.—The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.

(43) STATE EDUCATIONAL AGENCY.—The term "State educational agency" has the meaning given such term in section 14101 of the Elementary and Secondary Education Act of 1965.

(44) STATE LIBRARY ADMINISTRATIVE AGENCY.—The term "State library administrative agency" means the official agency of a State charged by the law of the State with the extension and development of public library services throughout the State.

(45) SUPPORTIVE SERVICES.—The term "supportive services" means services which are necessary to enable an individual eligible for training under this Act, but who cannot afford to pay for such services, to participate in a training or vocational rehabilitation program or job search activities funded under this Act. Such supportive services may include transportation, individual and family counseling, child care and dependent care, meals, temporary shelter, financial counseling, needs-based payments, and other reasonable expenses required for participation in a training, job preparation, or job placement program. Such services may be provided in-kind or through cash assistance, except that such services will be provided with funds provided under this Act only after alternative funding sources specifically designated for such services have been exhausted.

(46) UNEMPLOYED.—The term "unemployed" refers to an individual who is not employed, who is available for work, and who has made specific efforts to find a job within the prior 4 weeks. Included as unemployed are individuals who are not working, are available for work, and are waiting to be called back to a job from which they have been laid off.

(47) UNIT OF GENERAL LOCAL GOVERNMENT.—The term "unit of general local government" means any general purpose political subdivision of a State which has the power to levy taxes and spend funds, as well as general corporate and police powers.

(48) VETERAN.—The term "veteran" has the meaning given such term in section 101(2) of title 38, United States Code.

(49) WORK EXPERIENCE.—The term "work experience" means a time-limited work activity that provides an individual with the opportunity to acquire the general skills and knowledge necessary to obtain employment.

(50) WORKPLACE MENTOR.—The term "workplace mentor" means an employee or other individual, approved by the employer at a workplace, who possesses the skills and knowledge to be mastered by a student or program participant, and who instructs, critiques the performance, and challenges the student or program participant to perform well, and works in consultation with classroom teachers, training providers, parents, and the employer of the student or program participant.

(51) YOUTH.—The term "youth" means an individual under the age of 24.

The CHAIRMAN. Are there any amendments to section 5?

If not, the Clerk will designate section 6.

The text of section 6 is as follows:

SEC. 6. TRANSITION.

The Secretary of Education and the Secretary of Labor shall take such steps as they determine to be appropriate to provide for the orderly transition from any authority under provisions of statutes amended or repealed by this Act or any related authority under provisions of this Act.

The CHAIRMAN. Are there any amendments to section 6?

If not, the Clerk will designate title I.

The text of title I is as follows:

TITLE I—WORKFORCE DEVELOPMENT INFRASTRUCTURE

SEC. 101. PURPOSE OF TITLE.

The purpose of this title is to provide for the establishment of an infrastructure within States on which to build a comprehensive system of workforce development and literacy.

Subtitle A—State and Local Responsibilities

SEC. 102. STATE REQUIREMENTS.

(a) IN GENERAL.—For fiscal year 1997 and subsequent fiscal years, a State that desires to receive a grant under one or more of the programs specified in subsection (b) shall—

(1) establish a collaborative process, pursuant to section 103;

(2) develop a State workforce development and literacy plan, pursuant to section 104; and

(3) otherwise comply with the requirements of this Act.

(b) WORKFORCE DEVELOPMENT AND LITERACY PROGRAMS.—

(1) IN GENERAL.—The programs referred to in subsection (a) are the following:

(A) The program under title II, the Youth Development and Career Preparation Consolidation Grant.

(B) The program under title III, the Adult Employment and Training Consolidation Grant.

(C) The program under subtitle A of title IV, the Adult Education and Family Literacy Consolidation Grant.

(D) The program amended by subtitle A of title V (relating to title I of the Rehabilitation Act of 1973).

(2) DEFINITION.—For purposes of this Act, the term "Workforce Development and Literacy programs" means the programs specified in paragraph (1).

SEC. 103. COLLABORATIVE PROCESS REGARDING STATE SYSTEM.

(a) IN GENERAL.—The Governor of a State that desires to receive a grant under one or more of the programs specified in section 102(b) shall certify to the Secretary of Education and the Secretary of Labor that a collaborative process, as described in subsection (b) or (c), has been used in complying with the applicable provisions of this Act.

(b) COLLABORATIVE PROCESS.—The collaborative process referred to in subsection (a) is a process for making decisions which includes as participants, at a minimum, the Governor and—

(1) representatives of (which representatives are appointed by the Governor)—

(A) business and industry;

(B) local chief elected officials (representing both cities and counties);

(C) local educational agencies (including vocational educators);

(D) postsecondary institutions (including community and technical colleges);

(E) the State rehabilitation advisory council;

(F) organizations representing individuals served by programs established under this Act (including community-based organizations);

(G) employees;

(H) Parents or organizations representing parents; and

(I) providers of workforce development services (including private-for-profit sector providers); and

(2) the lead State agency official or officials for—

(A) the State educational agency or agencies (including the lead official or officials for vocational education, adult education and literacy, and libraries);

(B) the State agency responsible for economic development;

(C) the State agency or agencies responsible for employment security and for job training;

(D) the State agency responsible for postsecondary education;

(E) the State agency responsible for vocational rehabilitation, and where applicable, the State agency providing vocational rehabilitation services for the blind;

(F) the State agency responsible for administering welfare benefits; and

(G) the representative of the Veterans' Service assigned to the State under section 4103 of title 38, United States Code.

(c) RULE OF CONSTRUCTION.—With respect to compliance with subsection (b)—

(1) a State may use any existing State process (including any council or similar entity) that substantially meets the purposes of such subsection; or

(2) if prior to the date of enactment of this Act, a State has developed a one-stop career center system or a school-to-work system through a collaborative process substantially similar to the process described in subsection (b), the State may use such process.

(d) AUTHORITY OF GOVERNOR.—

(1) FINAL AUTHORITY.—If, after a reasonable effort, a Governor is unable to obtain agreement through the collaborative process described in subsection (b) or (c), the Governor shall have final authority to make decisions and to submit the State plan as described under section 104.

(2) EXCEPTION.—Nothing in this Act shall be construed to negate or supersede the legal authority, under State law of any State agency, State entity, or State public official over programs that are under the jurisdiction of the agency, entity, or official. Nothing in this Act shall be construed to interfere with the authority of such agency, entity, or official to enter into a contract under any provision of law.

SEC. 104. CONSOLIDATED STATE WORKFORCE DEVELOPMENT AND LITERACY PLAN.

(a) IN GENERAL.—The Governor of a State that desires to receive a grant under one or more of the programs specified in section 102(b) shall submit a strategic State workforce development and literacy plan that provides policy guidance with respect to workforce development programs operated in the State, and that meets the requirements of this section to the Secretary of Education and the Secretary of Labor.

(b) CONTENTS.—A State workforce development and literacy plan shall include the following:

(1) A description of the collaborative process under section 103 used in developing the plan.

(2) A statement of the goals of the State workforce development and literacy system, that includes—

(A) a description of how the State will progress toward achieving the goals and purpose of this Act as established in sections 3(a)(5) and 3(b);

(B) an assessment of the needs of the State with regard to current and projected demands for workers by occupation, the skills and education levels of the workforce, the vocational rehabilitation needs of individuals with severe disabilities residing in the State, the skill and economic development needs of the State, and an assessment of the type and availability of youth development and career preparation, workforce development, adult education, vocational rehabilitation, and literacy programs and services in the State; and

(C) the identification of progress indicators, based on the core indicators of performance described in section 110(f), built upon a model of continuous improvement, that the State will use to measure progress made by the State, local workforce development boards, and other applicable local entities who are recipients of financial assistance under this Act in meeting such goals;

(3) A description of how the State has complied, or will comply, with the provisions of sections 105 through 108.

(4) A description of how a State will participate in the national labor market information system under title II of the Wagner-Peyser Act, as added by section 132 of this Act.

(5) Any information required to be included in the plan under any of titles II through IV, and title I of the Rehabilitation Act of 1973, (in the case of a State that desires to receive a grant under any such title).

(6) A description of the measures that will be taken by the State to ensure coordination and consistency and avoid duplication among programs receiving assistance under this Act, including a description of common data collection and reporting processes.

(7) A description of the process used by the State to provide an opportunity for public comment, and input into the development of the plan, prior to submission of the plan.

(8) A description of the process used by the State to consult with representatives of business and industry with respect to the requirements of subparagraphs (A), (B), and (C) of paragraph (2) of this subsection.

(9) Assurances that the State will provide for fiscal control and fund accounting procedures that may be necessary to ensure the proper disbursement of, and accounting for, funds paid to the State under this Act.

(10) A description of the sanctions which the State may impose (including restrictions from future participation or consideration for funding) in instances where recipients of funds under this Act fail to achieve agreed upon expected performance levels, fail to adhere to State mandated fiscal control and funds accounting procedures, or take or fail to take other actions required under the State plan, contracts, or other agreements.

(c) DISAGREEMENT.—The Governor shall accept and include with the plan submitted under subsection (a) any disagreeing views submitted by a participant of the collaborative process if such views represent disagreement in the area in which such participant was selected for representation.

(d) MODIFICATIONS TO PLAN.—A plan submitted by a State in accordance with this section remains in effect until the State submits to the Secretary such modifications as the State determines necessary. This section applies to the modifications to the same extent and in the same manner as this section applies to the original plan.

SEC. 105. ESTABLISHMENT OF WORKFORCE DEVELOPMENT AREAS.

The Governor of a State that desires to receive a grant under one or more of the programs specified in section 102(b) shall, through the collaborative process established under section 103 and after consultation with local chief elected officials, and after consideration of comments received through the public participation process as described in the State plan, designate local workforce development areas within the State taking into consideration the following:

(1) Existing labor market areas.

(2) Units of general local government.

(3) Geographic areas served by local educational agencies and intermediate educational agencies.

(4) Geographic areas served by postsecondary institutions and area vocational education schools.

(5) Service delivery areas established under section 101 of the Job Training Partnership Act (29 U.S.C. 1511) (as such Act was in effect on the day before the date of the enactment of this Act).

(6) The distance that individuals will need to travel to receive services from integrated career centers.

SEC. 106. PROVISIONS REGARDING LOCAL WORKFORCE DEVELOPMENT BOARDS.

(a) IN GENERAL.—The Governor of a State that desires to receive a grant under one or more of the programs specified in section 102(b) shall ensure the establishment of a local workforce development board in each local workforce development area within the State.

(b) STATE CRITERIA.—The Governor, through the collaborative process described under section 103, is authorized to establish criteria for use by local chief elected officials in the workforce development area, in the selection of members of local workforce development boards, in accordance with requirements prescribed under subsections (c) and (d).

(c) REPRESENTATION REQUIREMENT.—Such criteria shall require, at a minimum, that a local workforce development board consist of—

(1) a majority of members who are representatives of business and industry, including individuals who are owners of businesses, chief executives or chief operating officers of private business, and other business executives with optimum policymaking authority in local businesses, selected from among nominees submitted by local business organizations and trade associations;

(2) an individual or individuals with disabilities, who have special knowledge or expertise in the area of vocational rehabilitation;

(3) representatives of education and training, including local educational agencies, postsecondary education institutions, and providers of job training and workforce development services, selected from among individuals nominated by regional or local educational agencies, vocational education institutions, institutions of postsecondary education (including community colleges), providers of job training and workforce development services (including private-for-profit providers), within the workforce development area; and

(4) representatives of community-based organizations, employees, and veterans as nominated or recommended to the board through a process established by the Governors through the collaborative process.

(d) ESTABLISHMENT OF BOARD.—

(1) SELECTION OF BOARD MEMBERS.—

(A) SINGLE UNIT OF LOCAL GOVERNMENT IN AREA.—In the case of a workforce development area that is comprised of only one unit of general local government, the chief elected official of such unit is authorized to select the members of the local workforce development board for such area, in accordance with the State criteria developed pursuant to subsection (b).

(B) MULTIPLE UNITS IN AREA.—In the case of a workforce development area that is comprised of more than one unit of general local government, the chief elected officials of such units are authorized to select the members of the local workforce development board from the individuals so nominated or recommended for such area in accordance with an agreement entered into by such officials and with the State criteria developed under subsection (b). In the absence of such an agreement, the appointments are authorized to be made by the Governor, through the collaborative process, from the individuals so nominated or recommended.

(2) CERTIFICATION.—The Governor is authorized to biennially certify one local workforce development board for each workforce development area.

(3) EXCEPTION.—In any case in which a local workforce development area is a State, the individuals comprising the Governor's collaborative process as described in section 103, may be reconstituted to meet the requirements of this section.

(e) DUTIES OF LOCAL WORKFORCE DEVELOPMENT BOARD.—

(1) LOCAL WORKFORCE DEVELOPMENT PLAN.—Each local workforce development board shall develop a biennial strategic plan and provide policy guidance with respect to workforce development programs operated within their respective workforce development areas. Such strategic plan shall be consistent with the State's collaborative workforce development and literacy plan, be approved by the appropriate chief elected official or officials, and be submitted to the Governor for approval. If after a reasonable effort, a local workforce development board is unable to obtain the approval of the chief elected official or officials, the Board has the authority to forward the plan, with the comments of the chief elected official or officials, to the Governor for final approval or disapproval. Such local plan shall include the following:

(A) Both short-term and long-term goals, and related strategies, to ensure that workforce preparation and development programs, including programs established pursuant to this Act, title I of the Rehabilitation Act of 1973, and the Wagner-Peyser Act, contribute to a coherent workforce development system in the workforce development area.

(B) A description of the performance measures to be used by the local workforce development board for measuring the performance of local service providers under chapter 2 of title II, title III, and title I of the Rehabilitation Act of 1973, and the performance of integrated career center system operators, with whom the Board contracts.

(C) A description of the local integrated career center system to be established in the workforce development area, including—

(i) a description of the process the local workforce development board will use to designate or establish a career center system which ensures that the most effective and efficient service providers are chosen;

(ii) an identification of the roles of individual workforce development programs and programs authorized by the Wagner-Peyser Act; and

(iii) a description of the funding sources to be used in the operation of the career center system.

(D) A description of strategies the local workforce development board will undertake to fully involve local employers, local educational agencies, postsecondary education institutions, adult education and literacy providers, local service providers, parents and other consumers, including individuals with disabilities, and older workers in the development of the workforce development system.

(F) Such other information as requested by the State.

(2) IDENTIFICATION OF OCCUPATIONS IN DEMAND AND TRAINING NEEDS.—The local workforce development board shall use available labor market information and other appropriate methods in order to identify and assess the needs of the workforce development area.

(3) BUDGET AND PROGRAM OVERSIGHT.—

(A) BUDGETING.—

(i) The local workforce development board, working through the State administrative agent, shall develop a budget for the purpose of carrying out local programs established under chapter 2 of title II, title III, and title I of the Rehabilitation Act of 1973, and for integrated career center systems established or designated under section 107 with the exception of funds made available under the Wagner-Peyser Act.

(ii) Such budget shall be subject to the approval of the appropriate chief elected official or officials in the workforce development area.

(B) PROGRAM OVERSIGHT.—The local workforce development board, in partnership with the chief elected official or officials in the workforce development area, shall conduct oversight of the workforce development programs listed in subparagraph (A), and of the integrated career center system established under this title.

(4) ADMINISTRATION.—

(A) FISCAL AGENT.—

(i) The local workforce development board may receive and disburse funds made available for carrying out programs authorized under chapter 2 of title II, title III, and title I of the Rehabilitation Act of 1973 of this Act, or the local workforce development board may designate a fiscal agent (which may include the State through a mutual agreement between the local board and the

State), for the purpose of disbursement of funds to career centers and other service providers, as designated by the local workforce development board.

(ii) The Board may employ its own staff, independent of local programs and service providers, and may solicit or accept grants and contributions from sources other than from this Act.

(B) LIMITATION.—The workforce development board, or employees of such board, may not operate programs established under this Act. The Governor is authorized to prohibit the employees of agencies providing staff support to such local workforce development boards from providing workforce development services to individuals served through the use of funds authorized under this Act, and under title I of the Rehabilitation Act of 1973.

(C) CONFLICT OF INTEREST.—A member of a workforce development board may not—

(i) discuss or participate in board consideration; or

(ii) cast a vote;

regarding the provision of services by such member (or by an organization that such member represents) or regarding any matter that would provide direct financial benefit to such member. The Governor may enforce more rigorous conflict of interest standards, as determined appropriate.

(D) INDEPENDENT AUTHORITY.—

(i) The Board shall elect its own chairperson from among the members of the board.

(ii) The board may adopt bylaws and other operating procedures as consistent with the purposes of this Act, and with the policies established in the State workforce development and literacy plan.

(5) OTHER.—The Governor may require local workforce development boards to carry out such other duties as determined to be appropriate by the Governor and the individuals and entities described in section 103, through the collaborative process described in the State plan.

SEC. 107. ESTABLISHMENT OF INTEGRATED CAREER CENTER SYSTEMS.

(a) IN GENERAL.—The Governor of a State that desires to receive a grant under one or more of the programs specified in section 102(b) shall ensure that each local workforce development board establish or designate an integrated career center system in the workforce development area of such board, consistent with criteria established under subsection (b).

(b) STATE CRITERIA.—The Governor, through the collaborative process described under section 103, is authorized to establish statewide criteria for use by local workforce development boards in the designation or establishment of integrated career center systems to ensure that the most effective and efficient service providers are chosen, consistent with the requirements prescribed under subsection (c).

(c) INTEGRATED CAREER CENTER SYSTEM REQUIREMENTS.—At a minimum, integrated career center systems shall include—

(1) common intake;

(2) preliminary assessment;

(3) integrated job search assistance;

(4) to the extent practicable, as determined by the Governor, unified and linked computer systems, including the availability of labor market information as described under title II of the Wagner-Peyser Act, as added by section 132 of this Act, and linkages through uniform management information systems; and

(5) to the extent practicable, as determined by the Governor, at least one physical, co-located site which provides comprehensive and fully integrated workforce development services to any individual seeking such services. Local workforce development areas are encouraged to establish a network of comprehensive and fully-integrated co-located career centers to provide the services described in subsection (f), supplemented with multiple affiliated sites or satellites that provide one or more of such services and are linked through electronic and technological access points. Such affiliated sites may include entities designated as having a specialization in addressing special needs, such as the needs of individuals with disabilities.

(d) COMMON ACCESS.—Information pertaining to the labor market which is compiled pursuant to title II of the Wagner-Peyser Act, as added by section 132 of this Act, shall be available, to the extent practicable, through integrated electronic networks, at all integrated career centers and affiliated sites.

(e) ELIGIBILITY FOR DESIGNATION.—Any entity or consortium of entities located in the workforce development area may be designated by the local workforce development board to operate an integrated career center or to participate in an integrated career center system. Such entities may include the following:

(1) Institutions of higher education.

(2) Area vocational education schools.

(3) Local employment service offices, established under the Wagner-Peyser Act.

(4) Private nonprofit organizations, (including community-based organizations).

(5) Private for-profit entities.

(6) Agencies of local governments.

(7) Other interested organizations and entities of demonstrated effectiveness, including local chambers of commerce and other business organizations, consistent with State criteria established pursuant to subsection (b).

(f) DUTIES.—Each integrated career center system shall, to the extent practicable as determined by the Governor, carry out the following duties:

(1) PROVISION OF CORE SERVICES.—An integrated career center system shall make available the following information and core services to individuals on a universal and nondiscriminatory basis, with reasonable accommodations to address the needs of individuals with disabilities, in the workforce development area in which such center is located:

(A) Outreach and intake for services provided under chapter 2 of title II, title III, subtitle A of title IV, and title I of the Rehabilitation Act of 1973.

(B) A preliminary assessment of the skill levels and the need for services of the individual for programs under chapter 2 of title II, title III, subtitle A of title IV, and title I of the Rehabilitation Act of 1973 of individuals, which may include such factors as basic skills, occupational skills, career development skills, prior work experience, employability, interests, aptitudes, vocational rehabilitation needs, and supportive service needs.

(C) Labor market information relating to local and State, and if appropriate, to regional or national, occupations in demand and skill requirements for such occupations, including job listings for the local labor market.

(D) Information relating to youth services, including information on at-risk youth development and career preparation programs authorized under title II, on vocational education and school-to-work opportunities, and on youth apprenticeship opportunities.

(E) Career counseling and career planning based on a preliminary assessment of the individual.

(F) Job search assistance.

(G) Information related to vocational rehabilitation services, as provided for in title I of the Rehabilitation Act of 1973.

(H) Information relating to federally funded education and job training programs (including registered apprenticeships), and student aid programs, including the eligibility requirements of and services provided by such programs.

(I) Information on, and assistance in accessing referral to additional services through programs providing adult education and literacy services, vocational rehabilitation, youth and adult workforce preparation and development, and supportive services, including those programs authorized in titles II through IV, title I of the Rehabilitation Act of 1973, available in the workforce development area.

(J) Information on the extent to which the services provided under titles II and III, subtitle A of title IV, and title I of the Rehabilitation Act of 1973, meet or exceed the expected levels of performance described in the State and local plans, and the performance-based information provided by the State to local workforce development boards on certified providers of education and training, as required under section 108(d)(3).

(K) Acceptance of applications for unemployment compensation.

(L) Other appropriate activities to assist individuals into employment.

(2) DISTRIBUTION OF CAREER GRANTS.—A center or an affiliated site may serve as the point of distribution of career grants for education, training, and vocational rehabilitation services to eligible individuals in accordance with section 108.

(3) SPECIAL ARRANGEMENTS.—For the purpose of providing core services to individuals with severe disabilities in the most effective and efficient manner possible, the integrated career center system may arrange to have such core services provided to an individual by a certified provider or the State either on a contract basis or through the use of career grants.

(g) ADDITIONAL SERVICES.—Integrated career center systems, may provide customized workforce development services to employers on a fee-for-service basis, as determined by the local workforce development board.

(h) ALTERNATIVE STATE STRATEGY.—Through the collaborative process described in section 103, the Governor has the authority to develop alternative strategies to the integrated career center system, which are designed to accomplish the full integration of workforce development programs. These alternative strategies shall be described in a proposal to the Secretaries of Education and Labor for joint review and approval or disapproval not later than 60 days after the date of receipt of such proposal.

SEC. 108. IDENTIFICATION OF ELIGIBLE EDUCATION, TRAINING, AND VOCATIONAL REHABILITATION SERVICE PROVIDERS.

(a) ELIGIBILITY REQUIREMENTS.—A program offered by a provider of education and training services shall be eligible to receive funds under title III, and title I of the Rehabilitation Act of 1973 through the receipt of career grants, or through contract, if such program and provider—

(1) is either—

(A) eligible to participate in title IV of the Higher Education Act of 1965, or

(B) determined to be eligible under the procedures described in subsection (b); and

(2) provides the performance-based information required pursuant to subsection (c), except that providers eligible under subparagraph (A) only have to provide information for programs other than programs leading to a degree.

(b) Alternative Eligibility Procedure.—

(1) In General.—The Governor shall establish an alternative eligibility procedure for providers of education, training, and vocational rehabilitation services (which may include private sector, for profit and nonprofit providers of such services) in any State desiring to receive funds under title III of this Act and title I of the Rehabilitation Act of 1973, but that are not eligible to participate in title IV of the Higher Education Act of 1965. Such procedure shall establish minimum acceptable levels of performance for such providers, and be based on guidelines developed by the Secretaries of Labor and Education. The Governor may utilize such criteria to certify service providers as having the ability to meet occupational skill standards promoted by the National Skill Standards Board, or to meet, high, industry-recognized standards that result in a portable skill certificate in the subject, occupation, or industry for which training is provided, except where such standards are not appropriate for the services rendered. The Governor shall utilize the local workforce development boards, for the identification of eligible qualified providers of education, training, and vocational rehabilitation services. During a transition period, not to exceed 2 years, identification of eligible programs and providers under this subsection may be based on the performance of such programs and providers under the Job Training Partnership Act, the Rehabilitation Act of 1973, or other objective measures of previous performance, such as employer evaluations.

(2) Notwithstanding paragraph (1), if the participation of an institution of higher education in any of the programs under such title of such Act is terminated, such institution shall not be eligible to receive funds under this Act for a period of not less than two years.

(c) Performance-Based Information.—The State shall identify performance-based information that is to be submitted by providers of services for programs to be eligible under this section. Such information may include information, relating to—

(1) the percentage of students completing the programs conducted by the provider;

(2) the rates of licensure of graduates of the programs conducted by the provider;

(3) the percentage of graduates of the programs meeting industry-recognized skill standards and certification requirements that are at least as challenging as skill standards endorsed by the National Skill Standards Board, once such standards are available.

(4) measures of program effectiveness such as the rates of placement and retention in employment, and the earnings of graduates of programs conducted by the provider, employer evaluations of provider services, and adherence to accepted industry quality standards (where available) by such providers;

(5) the percentage of students who obtained employment in an occupation related to the program conducted by the provider;

(6) the warranties or guarantees provided by such provider relating to the skill levels or employment to be attained by students;

(7) other information for providers of services under title I of the Rehabilitation Act of 1973 that reflects the priority of serving individuals with severe disabilities; and

(8) the percentage of students who, as a result of participation in the program demonstrate significant gains in literacy and basic skills.

(d) Administration.—

(1) State Agency.—The Governor is authorized to designate a State agency to collect, verify, and disseminate the performance-based information submitted pursuant to subsection (c).

(2) Application.—A provider of education and training services that desires to be eligible to receive funds under this title shall submit the information required under subsection (c) to the State agency designated under paragraph (1) of this subsection at such time and in such form as such State agency may require.

(3) List of eligible providers.—The State agency shall compile a list of eligible programs and providers, accompanied by the performance-based information submitted, and disseminate such list and information to the local workforce development boards and integrated career center systems within the State.

(4) Accuracy of information.—

(A) In general.—If the State agency determines that information concerning a provider is inaccurate, such provider shall be disqualified from receiving funds under this title for a period of not less than two years, unless such provider can demonstrate to the satisfaction of the Governor or his or her designee, that the information was provided in good faith.

(B) Appeal.—The Governor shall establish a procedure for a service provider to appeal a determination by a State agency that results in a disqualification under subparagraph (A). Such procedure shall provide an opportunity for a hearing and prescribe appropriate time limits to ensure prompt resolution of the appeal.

(5) Assistance in developing information.—The State agency established pursuant to paragraph (1) may provide technical assistance to education, training, and vocational rehabilitation providers in developing the information required under subsection (b). Such assistance may include facilitating the utilization of State administrative records, such as unemployment compensation wage records, and other appropriate coordination activities.

(e) On-the-Job Training Exception.—

(1) In general.—Providers of on-the-job training are not subject to the requirements of subsections (a), (b), (c), and (d).

(2) Collection and dissemination of information.—The Workforce Development Board shall collect such performance-based information from on-the-job training providers as the Governor may require, and disseminate such information to the local integrated career center systems.

(f) Rule of Construction Regarding State as Provider of Services.—This section does not prohibit a State from being a provider of education and training services under title III, or under title I of the Rehabilitation Act of 1973, subject to the State meeting the requirements of this section for serving as such a provider.

SEC. 109. MANAGEMENT INFORMATION SYSTEMS.

(a) In General.—Each State is authorized to use a portion of the funds it receives under this Act to design a unified management information system that is in accordance with guidelines established jointly by the Secretaries in consultation with the Governors.

(b) Requirements.—Each unified management information system shall, to the extent practicable as determined by the Governor—

(1) be utilized for federally required fiscal reporting and monitoring for each of the programs authorized under this Act;

(2) be used by all agencies involved in workforce development activities, including integrated career center systems which shall have the capability to track the overall public investments within the State and workforce development areas, and to inform policymakers as to the results being achieved and the demographic characteristics of the individuals served through that investment;

(3) contain a common structure of financial reporting requirements, fiscal systems and monitoring for all workforce development expenditures included in the workforce development system that shall utilize common data elements and the definitions included in section 5;

(4) support local efforts to establish workforce development systems, including intake and eligibility determination for all services; and

(5) contain data on the demographic characteristics on the participants served by programs authorized under this Act, which shall be collected, produced, and published by the Secretaries.

(c) Privacy.—Nothing in this Act shall violate the provisions of the Family Education Rights and Privacy Act under section 444 of the General Education Provisions Act and the privacy and confidentiality provisions under section 22(b) of title II of the Wagner-Peyser Act as amended by this Act.

SEC. 110. PERFORMANCE ACCOUNTABILITY SYSTEM.

(a) In General.—In order to promote high levels of performance and to ensure an appropriate return on the Nation's investment in the workforce development and literacy system, each State receiving funds under this Act shall develop, or have developed, a statewide performance accountability system in accordance with the provisions of this section.

(b) Indicators of Performance.—

(1) In general.—Each State receiving funds under this Act shall identify indicators of performance for each of the programs established under titles II through IV of this Act and title I of the Rehabilitation Act of 1973, consistent with State goals as described in the State plan in accordance with section 104. Such indicators shall, at a minimum, include the core indicators described in subsection (f), and be expressed in an objective, quantifiable, and measurable form. Such indicators may also include post-program surveys measuring customer satisfaction of both employers and program participants.

(2) Technical definitions of core indicators.—In order to ensure nationwide comparability of performance data, the Secretary of Labor and the Secretary of Education, in collaboration with the States and with representatives of business and industry, employees, educational agencies, service providers, participants, parents and other interested parties, shall promulgate technical definitions of each of the core indicators described in subsection (f), to be used under this Act in measuring performance.

(c) Expected Levels of Performance.—

(1) In general.—(A) Each State shall identify the level of performance, consistent with State goals described under section 104, that is expected for local workforce development areas and other applicable local administrative entities under this Act. In determining

such levels, the State shall take into account the challenging levels identified under paragraph (2), and initially develop baseline levels of performance upon which the State will measure continuous improvement.

(B) The Governor, through the collaborative process, may adjust the expected level of performance with respect to each local area taking into account specific economic, demographic, and geographic factors, and the characteristics of the population to be served.

(2) CHALLENGING LEVELS OF PERFORMANCE.—In order to encourage high levels of performance and advance the Nation's competitiveness in the global economy, the Secretary of Labor and the Secretary of Education, in collaboration with the States and with representatives of business and industry, employees, educational agencies, service providers, participants, parents and other interested parties, shall identify challenging levels of performance with respect to appropriate core indicators selected from among the core indicators described in subsection (f). Where applicable, such challenging levels of performance shall reflect industry-recognized skill standards.

(d) REPORT ON PERFORMANCE.—

(1) IN GENERAL.—The State shall report to the Secretary of Labor and the Secretary of Education, the levels of performance achieved by local workforce development areas and other applicable local administrative entities with respect to the indicators identified pursuant to subsection (b)(1) for each program year. The Secretaries shall make such information available to the general public through publication and other appropriate methods, and shall disseminate State-by-State comparisons, and comparisons with other industrialized nations (where appropriate).

(2) REPORTING OPTIONS.—In the collection and reporting of such data, States are encouraged to utilize administrative reporting data on quarterly earnings, establishment and industry affiliation, and geographic location of employment, such as unemployment insurance wage-data records.

(e) CONSEQUENCES FOR POOR PERFORMANCE.—

(1) CRITERIA.—The Governor, through the collaborative process, is authorized to establish criteria for determining whether local workforce development areas and other applicable local administrative entities have failed to meet expected levels of performance with respect to programs under this Act.

(2) CONSEQUENCES FOR POOR PERFORMANCE.—

(A) STATE CONSEQUENCES.—If a State fails to meet expected levels of performance for a program for any program year as established pursuant to subsection (a, the Secretary of Education or the Secretary of Labor, as appropriate to the particular program, may provide technical assistance, including assistance in the development of a performance improvement plan. If such failure continues for a second consecutive year, the appropriate Secretary may reduce by not more than 5 percent, the amount of the grant that would (in the absence of this paragraph) be payable to the State under such program for the immediately succeeding program year. Such penalty shall be based on the degree of failure to meet expected levels of performance.

(B) LOCAL CONSEQUENCES.—(i) If a local workforce development area, or other applicable local administrative entity, fails to meet expected levels of performance for a program for any program year under the criteria established in paragraph (1), the Governor, through the collaborative process, may provide technical assistance, including the development of a performance improvement plan.

(ii) If such failure continues for a second consecutive year, the Governor may take corrective actions, such as the withholding of funds, the redesignation of a local administrative entity, or such other actions as the Governor, through the collaborative process, determines are appropriate, consistent with State law, section 104(c)(3) of this Act, and the requirements of this Act.

(f) CORE INDICATORS OF PERFORMANCE.—

(1) COMMON CORE INDICATORS FOR ADULTS.—In addition to the core indicators of performance described in paragraph (2), common core indicators of performance for programs conducted under titles III and IV of this Act, and under title I of the Vocational Rehabilitation Act of 1973 shall be weighted and applied to each of the individual programs, according to the purposes of such titles, and include measures of—

(A) placement in unsubsidized employment;

(B) retention in unsubsidized employment for not less than 6 months and for not less than 12 months, respectively;

(C) increases in earnings, or in earnings in combination with employer-assisted benefits;

(D) attainment of industry-recognized occupational skills, including basic workplace competencies and industry-recognized skill standards, which may include the acquisition of a skill certificate in the occupation for which the individual has been prepared;

(E) attainment of a high school diploma, a general equivalency diploma, or a certificate of completion of a program authorized under the Rehabilitation Act of 1973; and

(F) such other measures of performance that the State may wish to collect.

(2) ADDITIONAL CORE INDICATORS FOR ADULTS.—

(A) ADULT EMPLOYMENT AND TRAINING PROGRAMS.—In addition to the common core indicators described in paragraph (1), the core indicators of performance for programs conducted under title III shall include measures of the success of individuals with barriers to employment, including dislocated workers, economically disadvantaged individuals, older workers, individuals with disabilities, displaced homemakers, veterans, and individuals who are basic skills deficient, in achieving performance goals established pursuant to this Act.

(B) ADULT EDUCATION AND FAMILY LITERACY PROGRAMS.—In addition to the common core indicators described in paragraph (1), the core indicators of performance for programs conducted under title IV shall include measures of—

(i) the number of individuals who, as a result of participation in programs funded under this Act, demonstrate significant gains in literacy skills; and

(ii) such other measures of performance that the State may wish to collect, including measures of the success of family literacy programs, increased English language skills, and increased community involvement.

(C) PROGRAMS ESTABLISHED UNDER TITLE I OF THE REHABILITATION ACT OF 1973.—In addition to the common core indicators described in paragraph (1), the core indicators of performance for programs conducted under title I of the Rehabilitation Act of 1973 shall include measures of the success of individuals with severe disabilities, including those individuals determined to have a disability under title II or title XVI of the Social Security Act, in achieving performance goals established pursuant to this Act.

(3) CORE INDICATORS FOR YOUTH DEVELOPMENT AND CAREER PREPARATION PROGRAMS.—The core indicators of performance for programs conducted under title II shall include measures of—

(A) attainment of challenging State academic standards;

(B) attainment of a high school diploma or a general equivalency diploma;

(C) attainment of industry-recognized occupational skills, including basic workplace competencies and industry-recognized skill standards, which may include the acquisition of a skill certificate in the occupation for which the individual has been prepared; if such skill certificate is acquired in addition to or in combination with a high shool diploma or general equivalency diploma;

(D) reduction in school dropout rates;

(E) positive results such as placement in postsecondary education or advanced training, military service, employment, or registered apprenticeships;

(F) the success of individuals described under section 201(12) in achieving performance goals established pursuant to this Act, including placement in nontraditional training and employment; and

(G) such other measures of performance that the State may wish to collect.

SEC. 111. LIMITATION ON FEDERAL REGULATIONS.

The Secretary of the Department of Labor and the Secretary of the Department of Education shall issue regulations under this Act only to the extent that such regulations are necessary to ensure that there is compliance with the specific requirements of this Act.

SEC. 112. GENERAL PROVISION.

Nothing in this Act shall mandate that any individual, particularly youth served under title II of this Act, be required to choose a specific career path or major.

SEC. 113. LIABILITY.

Expenditures that are disallowed (except in the case of fraud, embezzlement, or other criminal activities) under this Act or under title I of the Rehabilitation Act of 1973, may be repaid from funds allocated under the title for which such disallowance occurs, in subsequent program years or fiscal years, as appropriate, after the year in which such disallowance occured. The amount of funds repaid should be equal to the amount of funds disallowed.

Subtitle B—Amendments to Wagner-Peyser Act

SEC. 131. GENERAL PROGRAM REQUIREMENTS.

(a) DEFINITIONS.—Section 2 of the Act of June 6, 1933 (commonly known as the "Wagner-Peyser Act") (29 U.S.C. 49a) is amended—

(1) in paragraph (1), by striking "Job Training Partnership Act" and inserting "Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act";

(2) in paragraph (2) to read as follows:

"(2) the term 'local workforce development board' means a local workforce development board established under title I of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act;";

(3) in paragraph (4) to read as follows:

"(4) the term 'local workforce development area' means a local workforce development area established under title I of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act;";

(4) in paragraph (5), by striking the period at the end and inserting a semicolon; and

(5) by adding at the end the following new paragraphs:

"(6) the term 'public employment office' means an office which provides employment services to the general public as part of an integrated career center system; and

"(7) the term 'integrated career center system' means an integrated career center system established under title I of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.".

(b) DUTIES.—Section 3(a) of such Act (29 U.S.C. 49b(a)) is amended to read as follows:

"(a) The Secretary of Labor shall, pursuant to title II of this Act—

"(1) assist in the coordination and development of a nationwide system of labor exchange services for the general public;

"(2) assist in the development of performance standards, benchmarks, and continuous improvement models for such nationwide system which ensures private sector satisfaction and meets the demands of jobseekers; and

"(3) ensure the continued services for individuals receiving unemployment compensation.".

(c) REQUIREMENTS FOR RECEIPT OF FUNDS.—Section 4 of such Act (29 U.S.C. 49c) is amended by striking "a State shall, through its legislature" and inserting "the Governor of a State shall, through the collaborative process described in title I of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 5 of such Act (29 U.S.C. 49d) is amended by inserting before the period at the end the following: ", of which not less than 25 percent shall be for carrying out both section 14 and title II of this Act".

(e) USE OF FUNDS UNDER THIS ACT.—Section 7(c)(2) of such Act (29 U.S.C. 49f(c)(2)) is amended by striking "any of the following provisions of law" and all that follows and inserting "the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.".

(f) STATE PLAN.—Section 8 of such Act (29 U.S.C. 49g) is amended—

(1) in subsection (a) to read as follows:

"(a) Any State desiring to receive assistance under this Act shall submit to the Secretary, as part of the State workforce development and literacy plan authorized under title I of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act, detailed plans for carrying out the provisions of this Act within such State.";

(2) by striking subsections (b), (c), and (e); and

(3) by redesignating subsection (d) as subsection (b).

(g) ELIMINATION OF FEDERAL ADVISORY COUNCIL.—Section 11 of such Act (29 U.S.C. 49j) is hereby repealed.

(h) CONFORMING AMENDMENTS.—

(1) Such Act is amended by inserting after section 2 the following new heading:

"TITLE I—GENERAL PROGRAM REQUIREMENTS".

(2) Section 4 of such Act is amended by striking "United States Employment Service" and inserting "Secretary of Labor".

(3) Section 7(b)(2) of such Act is amended by striking "private industry council" and inserting "local workforce development board".

(4) Section 7(d) of such Act is amended—

(A) by striking "United States Employment Service" and inserting "Secretary of Labor"; and

(B) by striking "Job Training Partnership Act" and inserting "Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act".

(5) Section 12 of such Act is amended by striking "The Director, with the approval of the Secretary of Labor," and inserting "The Secretary of Labor".

SEC. 132. LABOR MARKET INFORMATION.

The Act of June 6, 1933 (commonly known as the "Wagner-Peyser Act"; 29 U.S.C. 49), as amended by section 131, is further amended by adding at the end the following new title:

"TITLE II—LABOR MARKET INFORMATION

"SEC. 21. PURPOSE.

"The purpose of this title is to ensure a comprehensive and coordinated system of labor market information which will provide locally based, accurate, up-to-date, easily accessible, and user friendly labor market information through a cooperative Federal, State, and local governance structure which includes partnerships with the private sector at all levels.

"SEC. 22. SYSTEM CONTENT.

"(a) IN GENERAL.—The Secretary of Labor, in accordance with the provisions of this title, shall oversee the development, maintenance, and continuous improvement of a nationwide system of labor market information using statistically valid data, which include—

"(1) statistical data from survey and projection programs and data from administrative reporting systems, which, taken together, enumerate, estimate, and project the supply and demand for labor at Federal, State, and local levels in a timely manner, including data on—

"(A) the demographic characteristics, as defined in section 5 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act, socioeconomic characteristics, and current employment status of the population, including self-employed, part-time, and seasonal workers, and individuals with severe disabilities, as such data are available from the Bureau of Census and other sources;

"(B) job vacancies, education and training requirements, skills, wages, benefits, working conditions, and industrial distribution of occupations, as well as current and projected employment opportunities and trends by industry and occupation;

"(C) the educational attainment, training, skills, skill levels, and occupations of the population aggregates, as such data area are available from the Bureau of Census and other sources;

"(D) information (such as unemployment insurance wage data records) maintained in a longitudinal manner on the quarterly earnings, establishment and industry affiliation, and geographic location of employment; and

"(E) the incidence, industrial and geographical location, and number of workers displaced by permanent layoffs and plant closings;

"(2) State and local employment and consumer information on—

"(A) job openings, locations, hiring requirements, and application procedures, as well as profiles of employers in the local labor market describing the nature of work performed, employment requirements, wages, benefits, and hiring patterns as such information is volunteered by employers;

"(B) aggregate data on job seekers, including their education and training, skills, skill levels, employment experience, and employment goals; and

"(C) education courses, training programs, job placement programs, and vocational rehabilitation programs (where appropriate), including—

"(i) program performance information as required by this Act, such as summary data on program completion, acquisition of industry-recognized skill standards, job placement, earnings, and the level of satisfaction of the participants and their employers; and

"(ii) descriptive information on programs, such as eligibility requirements, costs, financial support, or other supportive services, and other appropriate information which may be available with these courses and programs;

"(3) technical standards for data and information that will—

"(A) as a minimum guarantor of data usefulness and quality, ensure compatibility and additivity of data and information to enable comparisons among localities and States;

"(B) support standardization and aggregation of data and information from the administrative reporting systems of employment-related programs; and

"(C) include—

"(i) classification and coding systems for industries, occupations, skills, programs, and courses;

"(ii) nationally standardized definitions of terms;

"(iii) a common system for designating geographic areas;

"(iv) quality control mechanisms for data collection and analysis; and

"(v) common schedules for data collection and dissemination;

"(4) analysis of data and information for uses including—

"(A) Federal, State, and local economic policymaking;

"(B) the implementation of Federal policies, including the allocation of Federal funds to States and localities and the facilitation of job search and hiring in local labor markets;

"(C) Federal, State, and local program planning and evaluation; and

"(D) research on labor market dynamics;

"(5) dissemination mechanisms for data and analysis, including mechanisms which may be standardized among the States and technical standards in the design of automated databases, and the design of user interfaces and communications protocols;

"(6) programs of technical assistance for States and localities in the development, maintenance, and utilization of data, analysis, and dissemination mechanisms, including assistance in adopting and utilizing automated systems and improving the access, through electronic and other means, of youth, adults, and employers to labor market information for localities, States, and the Nation;

"(7) programs of research and demonstration, which may be carried out by States and other public or private entities, on ways to improve the products and processes authorized in this title; and

"(8) objective performance measures, which will allow for the continuous monitoring of the progress of the labor market information system at national, State, and local levels.

(b) INFORMATION TO BE CONFIDENTIAL.—

(1) IN GENERAL.—No officer or employee of the Federal Government or agent of the Federal Government may:

(A) use the information furnished under the provisions of this title for any purpose other than the statistical purposes for which it is supplied;

(B) make any publication whereby the data furnished by any particular establishment or individual under this title can be individually identified; or

(C) permit anyone other than the sworn officers and employees of any Federal department or agency to examine the individual reports.

(2) IMMUNITY FROM LEGAL PROCESS.—Any information which is collected and retained under this title shall be immune from the legal process and shall not, without the consent of the individual or establishment concerned, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding.

"SEC. 23. FEDERAL RESPONSIBILITIES.

"(a) IN GENERAL.—The Nation's labor market information system shall be planned, administered, overseen, and evaluated by a cooperative governance structure involving the Federal Government, States, and local entities.

"(b) DUTIES.—The Secretary, with respect to data collection, analysis, and dissemination of labor market information, shall carry out the following duties:

"(1) Ensure that all statistical and administrative data collection activities within the Department of Labor, including the Employment and Training Administration, Veterans' Employment and Training Service, Employment Standards Administration, and the Occupational Health and Safety Administration, are consistent with those of the Bureau of Labor Statistics.

"(2) Assign responsibilities, as appropriate, to agencies such as the Employment and Training Administration to work with the Bureau of Labor Statistics in the collection, analysis and, particularly, in the dissemination of labor market information, and in the provision of training and technical assistance to users of information, including the States, employers, youth, and adults.

"(3) In cooperation with other Federal agencies, including the Department of Commerce, Department of Defense, Department of the Treasury, Department of Education, Department of Health and Human Services, Department of Agriculture, Department of Veterans' Affairs, and the Office of Management and Budget, establish and maintain mechanisms for ensuring complementarity and nonduplication in the development and operation of statistical and administrative data collection activities, in order to ensure a comprehensive labor market information system.

"(4) Actively seek the participation of other Federal agencies, particularly the National Center for Education Statistics and the Division of Adult and Vocational Education, and the Rehabilitation Services Administration of the Department of Education, the Veterans' Employment and Training Service of the Department of Labor and the Department of Veterans' Affairs with respect to vocational rehabilitation programs in the design and provision of standardized information to the States to support section 22(2), and in the dissemination of labor market information.

"(5) Establish confidentiality standards for the labor market information system at Federal, State, and local levels, including such provisions as may be necessary, to be taken in coordination with the States, to ensure that privacy and confidentiality protections are guaranteed with respect to individuals and firm data.

"(c) ADDITIONAL DUTIES.—The Secretary, in collaboration with the Bureau of Labor Statistics, with the assistance of other agencies of the Department where appropriate, shall—

"(1) establish and maintain, with the cooperation of the States, elements of the system described in sections 22(a)(1) and 22(a)(3);

"(2) develop and promulgate standards, definitions, formats, collection methodologies, and other necessary system elements for the use of the States in their assembling and presentation of the employment information specified in section 22(a)(2);

"(3) eliminate gaps and duplication in statistical undertakings, with the systemization of wage surveys as an early priority;

"(4) recommend any needed improvements in administrative reporting systems to support the development of labor market information from their data; and

"(5) ensure that—

"(A) data are sufficiently timely relevant to employers and other users, and locally detailed for uses including those specified in section 22(a)(4);

"(B) administrative records are standardized to facilitate the aggregation of data from local to State and national levels and to support the creation of new statistical series from program records; and

"(C) paperwork and reporting requirements on employers and individuals are reduced.

"SEC. 24. ANNUAL PLAN.

"(a) IN GENERAL.—The Secretary of Labor, in collaboration with the Bureau of Labor Statistics, and with assistance of other appropriate Federal agencies, shall prepare an annual plan to be the operational mechanism for achieving a cooperative Federal/State governance structure for labor market information and provide the written justification for the Department of Labor's budget request to Congress by describing the activities and priorities of the Bureau of Labor Statistics, other offices within the Department of Labor, and other Federal agencies with regard to data collection, analysis, and dissemination of labor market information for fiscal years succeeding the fiscal year in which the plan is developed and shall include—

"(1) the results of a periodic review of users' needs and priorities, including the identification of new employment issues and the attendant emergence of new needs, on the part of Congress, the States, employers, youth, and adults, for data, analysis, and dissemination;

"(2) an evaluation, including the results of objective measures, of the performance of the labor market information system in meeting these needs and the steps to be taken to overcome deficiencies;

"(3) a summary of ongoing data programs and activities under section 22 and a description of the development of new data programs, analytical techniques, definitions and standards, dissemination mechanisms, training and technical assistance, governance mechanisms, and funding processes to meet new needs; and

"(4) the results of an annual review of the costs to the States of meeting contract requirements for data production under this title, including a description of how the Secretary's requested budget will cover these costs.

"(b) COOPERATION WITH THE STATES.—The Secretary and the Bureau of Labor Statistics, in cooperation with the States, shall develop the plan by—

"(1) establishing procedures and mechanisms for holding formal and periodic consultations on products and administration of the system, at least once each quarter, with representatives of employers as well as with representatives of the States from each of the 10 Federal regions of the Department of Labor, elected by and from among the State directors of labor market information, according to a process set forth by the Secretary; and

"(2) incorporating in the annual plan, for its submission to Congress, the results of these consultations, including any supplementary or dissenting views from representatives of the States.

"(c) REPRESENTATIVES OF STATES DEEMED TO BE FEDERAL EMPLOYEES.—For purposes of the development of the annual plan and to meet the provisions of Office of Management and Budget Circular A-11, the representatives of the States, elected in accordance with subsection (b)(1), shall be considered to be employees of the Department of Labor.

"SEC. 25. GOVERNOR'S RESPONSIBILITIES.

"(a) DESIGNATION OF STATE AGENCY.—The Governor of each State shall designate a single State agency to be the agency responsible for the management and oversight of a statewide comprehensive labor market information system and for the State's participation in the cooperative Federal/State governance structure for the nationwide labor market information system.

"(b) DUTIES.—In order to receive Federal financial assistance under this Act, the State agency shall—

"(1) develop, maintain, and continuously improve a comprehensive labor market information system, which shall—

"(A) include all the elements specified in section 22; and

"(B) be responsive to the needs of the State and its localities for planning and evaluative data, including employment and economic analyses and projections, as required by this Act, the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act, the Social Security Act, and other provisions of law which require the use of labor market information;

"(2) ensure the performance of contract and grant responsibilities for data collection, analysis, and dissemination;

"(3) conduct such other data collection, analysis, and dissemination activities as will ensure comprehensive State and local labor market information;

"(4) actively seek the participation of other State and local agencies, with particular attention to State education, economic development, human services, and welfare agencies, in data collection, analysis, and dissemination activities in order to ensure complementarity and compatibility among data; and

"(5) participate in the development of the national annual plan.".

Subtitle C—General Provision

SEC. 141. WORKER RIGHTS.

The following requirements shall apply to programs under titles II and III of this Act:

(1) PROHIBITION ON DISPLACEMENT.—A participant in a program under titles II or III shall not displace any currently employed worker (including a partial displacement, such as a reduction in the hours of non-overtime work, wages, or employment benefits).

(2) PROHIBITION ON IMPAIRMENT OF CONTRACTS.—A program under title II or III shall not impair existing contracts for services or collective bargaining agreements, and no such program that would be inconsistent with the terms of a collective bargaining agreement shall be undertaken without the written concurrence of the labor organization and employer concerned.

(3) PROHIBITION ON REPLACEMENT.—A participant in a program under title II or III shall not be employed—

(A) when any other individual is on temporary layoff, with the clear possibility of recall, from the same or any substantially equivalent job with the participating employer; or

(B) when the employer has terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created with the student.

(4) WORKPLACES.—A participant in a program under title II or III shall be provided with adequate and safe equipment and safe and healthful workplaces in conformity with all health and safety requirements of Federal, State, and local law.

(5) EFFECT ON OTHER LAWS.—Nothing in this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, religion, color, ethnicity, national origin, gender, age, or disability, or to modify or affect any right to enforcement of this Act that may exist under other Federal laws, except as expressly provided by this Act.

SEC. 142. TRANSFERABILITY.

The Governor, through the collaborative process, has the authority to transfer not more than 10 percent of the total allotment to a State under title II or title III of this Act, between such titles. Funds transferred under this authority must be distributed to local providers in accordance with the provisions of title II and III of this Act.

The CHAIRMAN. Are there any amendments to title I?

AMENDMENT OFFERED BY MR. KILDEE

Mr. KILDEE. Mr. Chairman, I offer an amendment.

The SPEAKER. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KILDEE: H.R. 1617: Page 91, strike lines 12 through 18.

Mr. KILDEE. Mr. Chairman, I am offering this amendment with my colleague, the gentleman from Montana [Mr. WILLIAMS]. This amendment would strike six lines in the bill which were added after the bill was reported from committee. That provision would allow transfer of 10 percent of funding from the youth block grant to the adult training block or vice versa. This provision would never have been approved in committee because it would completely undermine the ability of local communities to plan for the rational and effective use of limited education and work force preparation dollars.

When we set up these block grants, Mr. Chairman, we engaged in a productive debate about how to design an integrated, high performance career preparation and education system. In the face of 20 percent cuts in the authorization level, and over $2 billion in job training and education funds, this represents a very real threat to the stability of the system.

The greatest threat this poses is to local schools, your local schools. We all know that it is going to be next to impossible, Mr. Chairman, for States to meet the very stringent work requirements of the emerging welfare compromise.

Now, for Governors who are trying to avoid the penalties of failure to meet those targets, this new provision, which was not discussed in committee, will provide an irresistible source of funds for Governors. Our schools will be left holding the bag as Governors pull that 10 percent, from the schools transfer the funds to the adult training block to meet those emerging work requirements in welfare. So our schools again will be left holding the bag and the uncomfortable choice of raising local property taxes or new school levies.

Mr. Chairman, I would support this provision, if it contained the stipulation that the Governor certify that all needs under the title from which the funds are being transferred have been met. But that is not part of the provision. Otherwise this provision will seriously, I think, threaten the school-based part of vocational education by tempting the Governors to reach into the schools to pull more money toward those work requirements in the welfare bill.

So, I urge my colleagues to support this amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. MCKEON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan [Mr. KILDEE]. I realize that it did pass out of committee without this change, but we have had the Governors and others have come to us with requests, and in trying to reach down, trying to push the money down to the local communities, it seems that this is a worthwhile thing to give them, 10 percent of leeway between the two. Out of 100 percent of money, Mr. Chairman, we are only giving them 10 percent of leeway, and I think the Governors have every bit as much compassion on the local level as we do. There was language that this gives the States the flexibility to use the funds where there is the greatest need, but it does protect the basic four-grants structure of the bill. It gives the funds locally and ensures that the Federal dollars will reach the people and not the bureaucrats.

Some might argue and see this provision as the glass is half-empty, but I think that it is half-full in giving the local people more jurisdiction. The language provides a voice for local people. They can lobby their State legislators for funding, and their Governor. We are moving the decision-making out of Washington into the States, into the States and localities, and I think the whole premise of the bill is to drive decision-making down locally, however we do retain 10 percent of the decision here in Washington.

So, I think this is just a good compromise that we have been able to work out.

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. MCKEON. I yield to the gentleman from Michigan.

Mr. KILDEE. Two things that bother me:

First of all, schools have to plan. As my colleague knows, that is why we generally have education forward funded. The schools have to plan, and with the schools never knowing for sure whether the Governor may reach in and pull 10 percent of those funds out does not really make for good planning.

Would the gentleman be willing to put it some language saying that the Governor must certify that all needs under the block have been met before any funds are transferred.

Mr. MCKEON. Mr. Chairman, reclaiming my time, I served on a school board for 9 years. I understand what the gentleman is saying about planning, and it is a problem, but it is something that school boards live with all the time.

I know while I served on the school board the State would pass our budget and it would come down, the fiscal year was started in July, and throughout the whole year we were subject at any time to recall of some of those funds. They have that problem now that they live with, and this would be a small portion of the funds that they receive.

Mr. KILDEE. Mr. Chairman, if the gentleman will continue to yield, I have two sons in the military, so I would not want this to happen. But we would never say the President could transfer 10 percent of the funds from the Pentagon to some other program here, because the Pentagon has to plan also, and schools have to plan just like the Pentagon.

We would never be able to successfully have an amendment here on the floor allowing the President of the United States to transfer 10 percent of some Pentagon funds to another agency. Why do we do this to schools?

Mr. MCKEON. Mr. Chairman, reclaiming my time, the schools, as they are now operating in the real world, never plan to spend 100 percent.

Mr. KILDEE. The Pentagon is in the real world, I would hope. My two sons are lieutenants in the Army.

Mr. MCKEON. School boards never plan to spend their whole 100 percent because they understand how this process works, and they always leave a contingency there, and I think that is good sound planning. I think they would continue to do that on this basis.

Mr. KILDEE. Well, I am just wondering why we always make schools have bake sales to make up the difference. We always let people raid school funds and not other areas of government.

Mr. MCKEON. This is not just schools, it could be just the opposite. It could be 10 percent from those out of schools. It could mean more money for schools.

Mr. KILDEE. It could.

Mr. MCKEON. So, really, what we are looking at is we have 50 Governors over the 50 States, we have the State legislatures, who are very close to the people in their local States, their local communities, and we are just trying to give them a little discretion out of all this money that we are giving them. I think that this is reasonable.

Mr. KILDEE. Mr. Chairman, if the gentleman will continue to yield, I read the amendment. I know it could flow from title II to title III and vice versa. But in this environment which are we are in right now, while we are changing welfare as we know it, and we are putting increased pressure on getting into the work force, which I agree with, the pressure is going to be on pulling money from schools to the adult part. That is the way the money will flow in the next few years.

Mr. GUNDERSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to this amendment and encourage my colleagues to understand what we are talking about here. First and foremost we are talking about flexibility. That is the foundation of the whole bill.

Second, let us understand that we are recognizing that we are making cuts, cuts the gentleman from Michigan and I might not necessarily like, but the reality of deficit reduction means we are going to be making cuts. That means States and locals are going to have to make priorities.

Mr. Chairman, I will tell Members that the job training realities in Michigan are different than the job training realities in Wisconsin, and different than the job training realities in California, and different than the job training realities in Pennsylvania. What does that mean? That may mean in a unique situation there is some State that wants to take money out of the youth training and put it in the adult training. I am willing to venture that the bulk of the transfer of moneys, however, will be from adult training into the youth training. It will be into the schools. This money can go either way. There is not a prohibition that says it can only go in one direction.

Mr. Chairman, let us assume the worst case scenario. Let us assume the worst case scenario, that every Governor in every State decides to transfer 10 percent of the funds from one program to another nationwide. We are talking about the maximum amount of every Governor transferring is $200 million. That is the maximum number, based on the authorization not on the appropriation level. If we look at what the appropriation bills are doing in this area, it will be less than that.

I think we should understand here what we are trying to do. We are trying to recognize that we are going to have to allow some flexibility and some creativity in each State. We should take a look at the programs in the adult area and we will find that most of those programs in the adult area, most of the funding is in dislocated worker assistance or in adult training programs as we know them. Job Training Partnership Act. Let us assume a State like Wisconsin. We have a very good economy right now. I have little doubt what our Governor is going to do. Our Governor, who is committed to some of these transition programs for youth, I have little doubt that what he will do is take some of hat money that we would get under the adult training side and literally put it into the schools, because it would make sense from a Wisconsin Governor's perspective to do just that.

Mr. Chairman, I would encourage my colleagues to recognize flexibility goes both ways, and, most likely, when we look at the programs there in each area, especially when we are dealing with equal funding, the number of programs in the youth training program is 2.9, the number of programs that are in the adult training is 2.7. We are not robbing Peter to pay Paul. Here they are both starting on equal funding, and we are saying to the Governors we are going to recognize your desire for some flexibility in this area.

This is not going to be disastrous on either side. It is going to provide some flexibility, and, from that perspective, I would encourage my colleagues to reject the amendment and live with the base bill.

Mr. OWENS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment, and I would like to speak briefly about two aspects of this problem. One is, education is being cut drastically. Education is being cut by almost $4 billion. Federal aid to education. Those are not the only cuts in education. They are cutting education at the State levels and cutting education at the city levels. Education for children in school.

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield?

Mr. OWENS. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Chairman, I appreciate the gentleman yielding because that is the whole purpose. I was one of the Republicans who voted against the appropriations bill. I agree with the gentleman that we have cut education too much, but the bill we have in front of us will allow those Governors to transfer some money from those adult programs into the very education programs that the gentleman thinks have been cut too much.

Mr. OWENS. Mr. Chairman, reclaiming my time, I thank the gentleman for his observation, but what I am speaking of, has the gentleman seen these values that liquid can flow one way but it cannot flow back? We need a valve where they can transfer money into the school systems and not out of it. If we can get transfer that way, that is the most appropriate transfer, because the bleeding is taking place in the public school systems, in the systems that serve children.

That is where the tremendous lacerations have been made by this Republican controlled Congress; $4 billion, almost, is being lost, and now we are jeopardizing just another $200 million we say might be transferred. But every bit counts.

Mr. Chairman, there are some school systems, like the one that serves my constituents in New York City that started out with a negative: 8,000 high school children and no seats to put them in. There is no hope on the horizon for getting funds for new buildings. At the elementary school level they do not have money for chalk and erasers. So we are in a desperate situation here, and it will not be made better by the cuts they are going to face next fall.

They think things are bad this fall, wait until the Republican cuts go into effect next fall. And $1.1 billion is being cut out of title I. That is one-seventh of the title I funds. That means one-seventh of the money flowing into the New York City schools will be cut from the title I program. That is no small amount of money.

So, Mr. Chairman, we have a problem in terms of education, which we need so drastically. It is on the losing end. Never before have we had such drastic cuts in Federal aid to education. But that does not tell the whole story. The Federal Government is setting the tone for what is happening at the State and local levels. So there are cuts all around.

The other thing we must consider is the fact that this myth that has been perpetrated this year is totally inaccurate. The myth that State and local governments are superior to the Federal Government in terms of incorruptibility, in terms of competence, in terms of efficiency. That is a myth that has been generated this year. There is nothing in history to support that myth. There is nothing in the clippings of our local newspapers that will support that myth.

Mr. Chairman, if we go back and examine some of the worst corruption cases in the history of the country, the corruption cases are at the local level. There is corruption at the State level. If we look at Federal funding for programs close to the one we are considering today, look at the SETA program. SETA was destroyed by corruption and incompetence at the local level.

It is the local and State levels that were the problems and continue to be the problems. This myth we have invented for the convenience of the budget cutters, people who want to make drastic reductions in the Federal aid to education, have chosen to blow up local government and State government as some kind of paragons of virtue. They are not. The likelihood that we will have patronage considerations over educational considerations, the likelihood that we will have out-and-out corruption is greater at the local level and at the State level. Sure, it does not get as much publicity, and one of the reasons that corruption goes on and on forever is because it is not exposed in the way the Federal Government is exposed. At the Federal level we have much more visibility.

Mr. Chairman, we are up against a situation where there is the likelihood that Governors and local administrators will have more pressure put on them by the local clubhouse hacks to produce jobs and to produce results for the adult programs than for the children. That likelihood is very real. It is very real, and we need safeguards against it. Beyond the safeguards, we need to have some kind of incentives provided, some kind of protection provided for education.

Mr. Chairman, the one-way valve I am talking about would be a much more innovative and useful device for the education of children. I do not think children would be protected at all by leaving it wide open and allowing this flexibility at the level of the Governors and the local level. I think that the fact that this language was slipped in at the last minute shows that the people who are the authors of the bill do not lend credibility to themselves.

Mr. SOUDER. Mr. Chairman, I move to strike the requisite number of words, and I rise to reluctantly, and I want to say very reluctantly, oppose the amendment offered by the gentleman from Michigan.

I hope if there are ever grades given in the art of compromise, that I do not pass with high and flying colors; that I get it kicking and screaming, just a bare passing grade. As Members may know, in committee, I worked with the gentleman from Montana [Mr. WILLIAMS], and others that have concern about Governors moving the money between the different categories. I believe that when the Federal Government allocates the money, we can at least set minimum criteria, not in how to execute these grants but in basic guidelines of where, in general terms, the money should go and some overriding standards as to the results that should be achieved but not micromanage their decisions.

Mr. Chairman, I believe in this bill we have made a number of compromises in order to move forward, to keep the four categories as opposed to a general block grant, to protect as many of the categories as possible. While this does allow a minimum number of moving between a couple of categories, which I personally only supported with great reluctance, at this point I do believe we have a bill that can hold together and make it through the House and into law, and so I reluctantly oppose the gentleman from Michigan, even though I very much respect his point.

Mr. WILLIAMS. Mr. Chairman, I move to strike the requisite number of words, and I support the amendment of the gentleman from Michigan [Mr. KILDEE], my friend and colleague, although I must say, if we only look at the money that could be moved, it is a close call. It is not a close call, though, on other elements, which I think have not been fully explored during the debate, and that is with regard to governance.

Mr. Chairman, this amendment, allowing Governors to move money between youth and adult training programs, will allow them to do something with Federal money that they cannot now do with their own State money.

□ 1415

There are 15 States that elect chief State school officers and give them governance over education. There are nine States that have State elected boards of education. They choose a chief State school officer and provide all education governance to that chief State school officer.

So my friends, the point is this: In those States, Governors cannot move money from education to training. Yet we are going to give them the right to do that with Federal money, a right that they do not now have under law. They are going to be able to violate the constitutional responsibility of their own chief State school officer, take education money, up to 10 percent of the total of the Federal money, away from that chief State school officer, and put it over here in labor, in training programs. This is something they now cannot do with their own money, because of their own constitutional prohibitions.

Now, there is another problem in what we are doing. I think that first problem is very significant and going to create a lot of consternation in the States between the chief State school officers and the Governors. But there is a second problem.

This Congress, after many, many sessions of work, and after attempts by two or three Presidents, is finally, I think, going to pass significant welfare reform legislation, and we are going to have a massive training component and work requirement, at least work requirement, in that welfare reform bill. We are going to do something else: We are going to cut the money available to the Governors to train our own constituents.

What are the Governors going to do? Turn to the education money, pull 10 percent of it out, and put it over here in the training money so they can train their welfare reform people and bring them up to the standards that are going to be required.

So on the one hand, we are going to propel the Governors to do this through our welfare reform legislation; and on the other hand, we are forcing them into a fight, if they do do so, with the very people in their States who now have jurisdiction over this education money. We are going to force the Governors to reach in, take money from their chief State school officer, take it away from youth education and use it over here in adult training. That is a fight the Governors and chief State school officers are going to wish we had never forced them into.

Therefore, I think the gentleman from Michigan [Mr. KILDEE] is showing some good foresight here and wisdom in saying "Let's not start down this path. It will create governance problems, and, to a lesser degree, will create financial problems for the chief State school officers."

Mr. RIGGS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, with all due respect to my colleagues on the other side of the aisle, because I think they have made very constructive contributions to the drafting of this legislation, I should point out that the language presently in the bill, the 10-percent transferability, represent a compromise with the governors, who initially wanted a 20-percent transferability across the four consolidation block grants.

In drafting this legislation, we have attempted to at each stage of the way find a delicate balance between the concerns of various interest groups like the Governors, like the family groups, like the business community, in coming up with language that would be acceptable on a broad basis.

This bill language just observes the longstanding American tradition of decentralized decisionmaking in education. I do not think anybody participating in this debate today would dispute that longstanding tradition.

Furthermore, it respects the needs of local communities. We want to give not only the Governors, but local decisionmakers in local communities the maximum say and the maximum flexibility in ultimately deciding how to use these funds from the Federal taxpayers to best meet the needs of their local work force, and certainly of young people who are in the education system and are making steps towards entering the work force.

So, again, we are simply here trying to observe the concept of federalism, taking a decentralized approach, respecting the longstanding tradition of States and local communities to control education and job training decisions.

The other point I wanted to make was on the funding level, because we are going to hear a lot of debate here on the floor today about whether or not we are adequately funding these block grants. I want to point out to my colleagues that I share the concerns of the gentleman from Wisconsin [Mr.

GUNDERSON], as one member of the Committee on Appropriations.

I personally hope we are able to come through the appropriations process and fund these education and job training block grants at the postrescissions level. Another way of putting that is, I hope we can get the funding back to the level previously determined through a bipartisan agreement between the Republican-controlled Congress and the Democratic administration and the President on the rescisions bill. That is my hope and intent as we gear up here for the final stage of the appropriations process and go to conference on the Labor-HHS-Education appropriations bill with the Senate.

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. RIGGS. I yield to the gentleman from Michigan.

Mr. KILDEE. Mr. Chairman, I appreciate the gentleman's comments.

Mr. Chairman, the gentleman mentioned that this is a compromise with the Governors. It is a compromise with his side of the aisle, because the Governors never negotiated with us. We wrote this bill in committee in a very bipartisan spirit. The bill came out of committee, I think, with only four negative votes. Then the Governors came to that side of the aisle and worked out a compromise.

I think they have jeopardized a bipartisan effort. If they want a compromise, we are still here, too, but they choose to compromise only with that side of the aisle.

Mr. RIGGS. Mr. Chairman, reclaiming my time, I would simply point out, my personal view is that the suggestions and contributions by the Governors, and obviously we have been principally working with the Republican Governors, but all the Governors, have only helped to refine and improve the legislation before us.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. KILDEE].

The amendment was rejected.

AMENDMENT NO. 25 OFFERED BY MR. WILLIAMS

Mr. WILLIAMS. Mr. Chairman, I offer an amendment, amendment No. 25.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. WILLIAMS: Page 31, strike line 1 and insert the following:

(2) the lead State agency, entity, official, or officials

Page 31, line 4, after "(including" insert "the State entity responsible for setting education policies for activities under this Act, consistent with State law, on the day preceding the date of the enactment of this Act and".

Page 32, after line 16, insert the following:

(2) ACCEPTANCE OF CERTAIN RECOMMENDATIONS.—The recommendations of any State agency, State entity, or State public official described in subsection (b)(2) with respect to any portion of the State plan described in section 104 that affects programs that are under the jurisdiction of the agency, entity, or official shall be accepted by the Governor of the State and the other participants in the collaborative process, and shall be incorporated in the plan, unless the plan includes a finding by the Governor that the recommendations are inconsistent with the purpose of this Act.

Page 32, line 17, strike "(2)" and insert "(3)".

Page 36, after line 7, insert the following:

(11) A designation, consistent with State law, of the State agency or agencies to serve as administrative or fiscal agents for purposes of titles II and IV.

Mr. WILLIAMS. Mr. Chairman, this is my State governance amendment and follows on the last debate, and in particular on my words in the last debate. That is, I am concerned that this legislation, particularly given that the Kildee amendment has failed, will create a governance problem within the States among the Governor and the chief State school officers.

My amendment makes it clear that this bill does not interfere with the decisions that States themselves make with regard to how to organize themselves, particularly when they have done it under constitutional mandate. At both the subcommittee and full committee level I worked with both of the chairmen to develop language that stated that this bill was not intended to negate or supersede or interfere with State organizational decisions. Although we placed some language in the bill, we also set up a process for putting together State and local plans that could be in conflict with this principle and which could also lead to unnecessary confusion at the State and local level, and that would have the result of unfortunate political struggling.

So my amendment follows what I hope is a pretty simple path: It says when putting together the State plan for funding under this bill, the Governor has to include as part of that plan the recommendations of the State agency that has jurisdiction over those specific areas funded under this plan. If the Governor, however, finds out that those recommendations would be inconsistent with the purposes of this act, he would not have to include them in his agency recommendations.

Now, let me say again part of what I said during this debate just concluded. Let me tell you why this is, I believe, necessary.

In a number of States, there are State constitutions that place jurisdiction for education programs under the jurisdiction of some person other than a Governor, quite often an elected chief State school officer. Some States, by the way, do the same for labor programs and the training efforts that come under them.

We obviously have to respect those State constitutional decisions, or we will be allowing Governors, perhaps, to do something under the cover of Federal law that they cannot do under their own State constitutions. Maybe that is why Governors came in here at the last minute lobbying for some of these changes, do you suppose?

Let me also say again what I said before, in case there is anyone in the Chamber of listening that was not here during the last debate. We have 15 State school officers who are elected representatives of their people with jurisdiction over State education matters. They are the constitutionally chosen individuals within their States to administer education programs, including Federal education programs. But this bill, without this amendment that I am now offering, undermines those State decisions.

We have, as I said earlier, other States that elect their State school boards who appoint a chief State school officer and place in that person the jurisdiction of administering and being responsible for State education efforts. So in those States, education is not under the control of the Governor. In some States training programs are not under the control of the Governor

I think we should make it clear as possible with this legislation that we are not trying to impose on the States our governance structure through this bill with regard to what authority the Governors have, particularly if that governance structure in this bill is at variance with the State's constitution.

So my amendment makes no changes to the heart of this bill. But what it does do is preserve State decisionmaking, particularly governance matters and jurisdictions with regard to the States.

I encourage my colleagues to accept this amendment. I believe it is important. I think it will stop or prevent a lot of legal and political wrangling in the various States.

Mr. GOODLING. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this issue is always a very difficult issue on every piece of legislation that comes out of our committee, and we have gone round and round on this for many, many years. The problem, however, with this particular piece of legislation is it is so different than many others, in that we are not just talking about education, we are bringing into this collaborative process many different entities.

Now, if we would accept the gentleman's amendment, then we would set education on a totally different level than all of the others who are participating in this collaborative process. So normally we are talking only about education. It makes it a little more simple than this. But this particular time we are not only talking about education, we are trying to develop a collaborative process that will finally fine tune our programs so we will be able to compete on a worldwide basis in the 21st century. So my opposition would be that we will positively dilute the collaborative process if we go this route.

Now, in the bill we say nothing in this act shall be construed to negate or supersede the legal authority under State law of any State agency, State entity, or State public official over the programs that are under the jurisdiction of the agency and the official.

We say nothing in this act shall be construed to interfere with the authority with such agency, entity, or official to enter into a contract under any provision of law.

Several State constitutions which have elected chief State schooling officers or State boards of education, these State constitutions also require that education funds go to these elected bodies. Language in the CAREERS bill prohibits the Federal Government from superseding State constitution and State laws.

☐ 1430

In States where there is not a constitutional issue, CAREERS provides the Governor with the final authority.

So, again, I realize this is always a very difficult issue. I am sure it will get more recognition as we go through the conference. But it is somewhat different this particular time, because now we are talking about a collaborative process, we are not only talking about education in relationship to the Governor and the State.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Montana.

Mr. WILLIAMS. Mr. Chairman, I thank the gentleman for yielding to me.

I know from working with the chairman of the committee that he has the concern that this governance matter be properly respected. That is the matter to which he is speaking now. There is still, as the gentleman knows, a difference of opinion about whether we have really boilerplated this so as to stop this political and legal haggling which I fear we may create.

Knowing the chairman's wish to get this part right, I would be happy to withdraw the amendment with the Chair's assurances that the Chair is not entirely married to the committee language and is still willing to consider our point of view and work with us as we approach conference.

Mr. GOODLING. Mr. Chairman, I think we can consider each other's point of view between now and during conference, because I am sure it will be an issue again in conference. I share the gentleman's concern.

Mr. WILLIAMS. Mr. Chairman, we do have the gentleman's assurance that he shares the concern on the governance matter.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

AMENDMENT OFFERED BY MR. OWENS

Mr. OWENS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OWENS: Page 71, line 2, strike "Expenditures" and insert "With the approval of the Secretary, expenditures".

Page 71, line 3, insert after "other criminal activities" the following: ", or mis-expenditures of funds due to willful disregard to statutory requirements, gross negligence, or failure to observe accepted standards of administration".

Mr. OWENS. Mr. Chairman, this amendment would impose financial penalties for the misuse or abuse of Federal training dollars. One of the great mythologies, as I pointed out when discussing the previous amendment, one of the great mythologies upon which this bill is based is that the only bad government is the Federal Government, that waste and corruption can only occur in Washington and that State and local governments are populated by saints and angels.

Massive amounts of Federal dollars are turned over to States and local governments in this bill with minimal supervision and minimal accountability. There has not been a job training program this loosely structured since CETA, the Comprehensive Employment Training Act. Do Members recall what happened to CETA?

Do Members recall how infamy was brought to CETA by local and State governments? I have served at all levels of government. I know from experience that the sponsor's faith in the purity of State and local government is misplaced. This is a myth that has been deliberately created to justify moving large numbers of programs to the State and local level in order to cut those programs in the process.

Mismanagement, incompetence, greed, and venality are, if anything, more pervasive the lower one goes into government. It is less visible, but it is more pervasive. For that reason I have no doubt that, if this bill is enacted into law, we will all be reading about outrageous scandals and abuses in a year or two.

But if we are going to adopt the honor system when it comes to job training programs, if we are going to create CETA part 12, we should obtain some mechanism for the Federal Government to recover taxpayer dollars that are misspent or wasted. Under our current job training programs, as under all Federal grant programs, grantees who misspend funds must repay them to the Treasury with non-Federal dollars.

This bill, however, includes a very generous forgiveness provision that lets the wrongdoers off the hook. Taxpayers listen closely. Instead of repaying the money they misspend, they can just deduct is from their next grant. No questions asked.

The taxpayers lose their money. Persons who need training do not get it. And the bureaucrat responsible for it all gets away without even a slap on the wrist. My amendment would more carefully target those instances in which the forgiveness provision would be available.

It would deny forgiveness and require restitution when a bureaucrat misspends funds due to, one, a willful disregard of statutory requirements, gross negligence or, three, a failure to observe accepted standards of administration. In other instances when an auditing exception is due to simple error or an honest mistake, grantees could deduct the funds from the next grant. But when the misexpenditures are deliberate, or due to incompetence, restitution must be made.

In many cases, the problem will be deliberate misuse of funds, and this is not play money. These are tax dollars. No one, whether they are in Federal, State, or local government, should be given license to misspend the taxpayers' dollars.

This is a very elementary amendment, very elementary proposal. This is a very standard requirement that is included in all legislation up to now. Why are we suddenly creating incentives for misspending funds? Why are we creating temptations for people to play with Federal money? The amount of Federal money gets smaller and smaller that is available for education and for job training. We want to make small amounts of money more vulnerable to being raided by people who prey upon Federal programs and who prey upon the people who need these very critical programs.

I would like to know why this amendment cannot be accepted as sort of standard operating procedure being continued? We have it already. For what purpose has the majority decided to make things more easy, lenient for people who engage in misspending of Federal funds? For what purposes are we courting corruption? What do we gain by making the laws more lax as we go through this gigantic transformation of government pushing down to the local level and to the State level programs which recently worked under the jurisdiction of the Federal Government?

I do not understand why we have taken this step. All of us know that there are still cities and towns in this country controlled by organized crime. All of us know that there are rampant examples occurring every day of gross mismanagement in various departments of State government and city government.

I do not like to refer to the O.J. trial in this setting, but we see massive incompetence in every level of Los Angeles City government, and we see in the context of the police department a department of city government with ongoing gross corruption of the worst kind.

In New York State recently we had the State police facing a scandal of fingerprints being planted by State police. On and on it goes. Corruption at the local level is the basic problem, and we should try to counteract it.

Mr. GOODLING. Mr. Chairman, I move to strike the last word.

Mr. Chairman, first of all, I understand the concerns just expressed. We, too, of course do not want program dollars for individuals to be diverted to cover up sloppy administration. We want to work with you as we head to conference on the issue. But herein is the problem. It was mentioned over and over and over again, local officials, corrupt local officials.

I do not want to say that somehow or other all State and local officials are corrupt. I think we have some housing ghosts in our own closet on the Federal level. But herein lies the problem, we are trying to get away from having local officials dominating what happens. So we set up this work force board, and we set up a board that is primarily made up of local business persons.

We cannot assign them the risk, the liability. Who then do we assign the risk and the liability? Well, we assign it to those very local officials that were just degraded. That is the dilemma that we are faced with. How do we have this board be autonomous? How do we lift this board away from the influence and the control of those local elected officials?

If we do not deal with the liability issue somehow, we are not going to be able to make that change. The local officials are still going to be totally in charge, and that board, of course, will have very little influence whatsoever. And we are counting on that board to make the changes that we believe need to be made.

I realize it is a tremendous dilemma, but what we are doing, if we go strictly by the gentleman's amendment, what we are doing is turning it right back to total domination by those local elected officials that we talked about. There must be come way to change that.

Mr. CLAY. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Missouri.

Mr. CLAY. Mr. Chairman, we understand what problem the gentleman is trying to get at. We on this side, most of us agree that there is a problem. I was just wondering if maybe we could work on this and get some language by the time we get to conference that will achieve what we want.

I think that these funds ought to come out of the administrative funds that are going instead of penalizing the recipients of the training program. So I am in total agreement with what the gentleman is trying to accomplish.

Maybe between now and conference we can work on some language.

Mr. GOODLING. Mr. Chairman, I would be happy to work between now and the time we get to conference and see whether we cannot come up with some agreeable language where we can protect those local private people and at the same time not allow the local elected officials to dominate the changes we are trying to make, the reforms we are trying to make.

Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from New York.

Mr. OWENS. Mr. Chairman, in placing liability, I did not see where liability will be placed on the recipients. The gentleman said the recipients of the training would be suffering. I do not see where the recipients would suffer at all except in the case of where we take money out of next year's program to pay for mistakes that have been made in the previous program. Then we are shortchanging the recipients.

Mr. GOODLING. Mr. Chairman, I think where the recipients will be hurt is that we are going to turn the total control of the operation back to the local government that the gentleman had a lot of dissatisfaction with. That is where I think they will be hurt.

I think the recipients will get a much better program if we give as much flexibility and as much control to that board. But if we stick that board with liability, of course, then that board is not going to serve, is not going to function. It is going to be the local elected officials who are going to assume the liability and then assume control totally of the program. Then I think we are back to CETA.

Mr. OWENS. Mr. Chairman, if the gentleman will continue to yield, I do not agree with the liability being a problem where total control has to be regained. I think it is a far simpler procedure than that. But if the gentleman agrees to try to work it out, I certainly would agree to an effort to work this out.

Mr. GOODLING. Mr. Chairman, I thank the gentleman.

Mr. OWENS. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of gentleman from New York?

There was no objection.

The CHAIRMAN. Are there further amendments to title I?

If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—YOUTH DEVELOPMENT AND CAREER PREPARATION CONSOLIDATION GRANT

SEC. 201. PURPOSES.

It is the purpose of this title to provide States and local communities maximum flexibility in designing youth development and career preparation programs that—

(1) help youth attain the academic skills and occupational skills needed to be successful in a global economy and for lifelong learning;

(2) best suit the needs of in-school and at-risk youth in their communities;

(3) promote strong connections between in-school and at-risk programs, to ensure that youth are prepared for further education opportunities and good jobs, and promote youth development and career preparation programs that provide opportunities for youth to receive postsecondary education and occupational training;

(4) promote the formation of education and business partnerships that are dedicated to linking the worlds of school and work; and

(5) promote high academic and occupational standards and quality vocational-technical education, including improved secondary and postsecondary programs, by focusing resources on program improvement initiatives that help prepare youth for further education, training, and high-wage jobs in high-performance workplaces.

SEC. 202. DEFINITIONS.

For purposes of this title:

(1) The term "administration" means activities of a State necessary for the proper and efficient performance of its duties under this title, including supervision, but does not include curriculum development activities, personnel development, or research activities.

(2) The term "all aspects of the industry" means strong experience in, and understanding of, all aspects of the industry that youth are preparing to enter, including planning, management, finances, technical and production skills, underlying principles of technology, labor issues, and health and safety.

(3) The term "articulation agreement" means a commitment to a program designed to provide students with a nonduplicative sequence of progressive coursework in secondary and postsecondary education.

(4) The term "cooperative education" means a method of instruction of education for youth who, through written cooperative arrangements between the school and employers, receive instruction, including required academic courses and related instruction by alternation of study in school with a job in any occupational field. Such alternation shall be planned and supervised by the school and employers so that each contributes to the youth's education and employability. Work periods and school attendance may be on alternate half days, full days, weeks, or other periods of time in fulfilling the cooperative program.

(5) The term "corrections vocational education" means programs administered by the State to assist juvenile and adult criminal offenders in correctional institutions in the State, including correctional institutions operated by local authorities.

(6) The term "curricula" means instructional and related or supportive material, including materials using advanced learning technology, in any occupational field which is designed to strengthen the academic foundation and prepare youth for employment at the entry level or to upgrade occupational competencies of those previously or presently employed in any occupational field,

and appropriate counseling and guidance material.

(7) Except as otherwise provided, the term "eligible institution" means a local educational agency, an area vocational education school, an intermediate educational agency, an institution of higher education (as such term is defined in section 1201(a) of the Higher Education Act of 1965), a State corrections educational agency, or consortia of such entities.

(8) The term "partnership" means a local entity that is responsible for local youth development and career preparation programs and may consist of parents, employers, representatives of local educational agencies and local postsecondary educational institutions (including representatives of area vocational education schools, where applicable), local educators (such as teachers, counselors, or administrators), representative employee organizations, students, and may include other entities.

(9) The term "Secretary" means the Secretary of Education.

(10) The term "sequential course of study" means an integrated series of courses which are directly related to the educational and occupational skill preparation of youth for jobs, or preparation for postsecondary education.

(11) The term "single parent" means an individual who—

(A) is unmarried or legally separated from a spouse; and

(B)(i) has a minor child or children for whom the parent has either custody or joint custody; or

(ii) is pregnant.

(12) The term "special populations" includes individuals with disabilities, economically disadvantaged individuals, individuals of limited English proficiency, and individuals who are eligible for nontraditional training and employment.

(13) The term "tech-prep education program" means a program of study which—

(A) combines at least 2 years of secondary and 2 years of postsecondary education in a nonduplicative sequential course of study;

(B) integrates academic and vocational instruction;

(C) provides technical preparation in at least 1 field of engineering technology, applied science, mechanical, industrial, or practical arts or trade, or agriculture, health occupations, or business;

(D) builds student competence in mathematics, science, communications, and workplace skills, through applied academics and integrated instruction in a coherent sequence of courses;

(E) leads to an associate degree or certificate in a specific career field;

(F) leads to placement in appropriate employment or further education; and

(G) enables a student to fulfill a career relating to labor market needs.

(14) The term "vocational education" means organized educational programs offering a sequence of courses which are directly related to the preparation of youth in paid or unpaid employment in current or emerging occupations, including nonbaccalaureate certificate and degree programs and baccalaureate vocational degree programs. Such programs include competency-based applied learning which contributes to a youth's academic knowledge, higher-order reasoning, and problem-solving skills, work attitudes, general employability skills, and the occupational-specific skills necessary for economic independence as a productive and contributing member of society. Such term also includes applied technology education.

(15) The term "vocational student organizations" means those organizations for individuals enrolled in vocational education programs which engage in activities as an integral part of the instructional program. Such organizations may have State and national units which aggregate the work and purposes of instruction in vocational education at the local level.

Subtitle A—State Funding

SEC. 211. NATIONAL AND STATE FUNDING.

(a) NATIONAL PROGRAMS.—In each fiscal year, of the amounts made available under section 4, the Secretary is authorized to reserve 20 percent or $25,000,000, whichever is less, to carry out the provisions of subtitle D.

(b) STATE ALLOTMENT.—

(1) IN GENERAL.—Of the funds remaining after the reservation under subsection (a), the Secretary shall allot to each State for each fiscal year an amount based on that State's allotment percentage.

(2) ALLOTMENT PERCENTAGE.—(A) Except as provided in subparagraph (B), the allotment percentage of a State for a fiscal year shall be the same percentage of funds allotted to the State under this section in the preceding fiscal year.

(B) The allotment percentage of a State for fiscal year 1996 shall be the percentage of funds allotted to the State in fiscal year 1995 under—

(i) section 101 or 101A of the Carl D. Perkins Vocational and Applied Technology Education Act as such Act was in effect on the day before the date of the enactment of this Act; and

(ii) the funding allotted in fiscal year 1995 under section 252 and 262 of the Job Training Partnership Act as such Act was in effect on the day before the date of the enactment of this Act.

(3) STATE MINIMUM.—Notwithstanding any other provision of law and subject to paragraph (1), any fiscal year for which the amounts appropriated for programs authorized by this title exceed the amounts available under subparagraph (B) for fiscal year 1995, a State shall receive not less than one-quarter of one percent of the amount available for each such program for that fiscal year under this subsection. Amounts necessary for increasing such payments to States to comply with the preceding sentence shall be obtained by ratably reducing the amounts to be paid to other States.

(4) DEFINITION.—For the purposes of this subsection the term "State" means, in addition to the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

(c) FUNDING FOR STATE PROGRAMS.—Of the funds allotted to a State under subsection (b) for each fiscal year, the Governor, through the collaborative process, shall—

(1) make available not less than 90 percent to local providers;

(2) make available not more than 8 percent for State programs described in section 222; and

(3) make available not more than 2 percent for administrative purposes at the State level.

(d) PROVISO.—None of the funds made available under this title shall be used to compel any youth to pursue a specific career. Youth participating in programs under this title shall be eligible to change their course of study and training.

SEC. 212. WITHIN STATE ALLOCATION.

(a) IN GENERAL.—

(1) ALLOCATION OF FUNDS.—From the amounts made available pursuant to section 211(c)(1), the Governor, through the collaborative process, shall—

(A) allocate to eligible institutions an amount equal to not less than 40 percent of such amount for in-school youth programs described in section 241;

(B) allocate to local workforce development boards an amount equal to not less than 40 percent of such amount for at-risk youth programs described in section 245.

(2) DISCRETIONARY FUNDS.—From the amounts made available pursuant to section 211(c)(1), the Governor, through the collaborative process, is authorized to provide 10 percent of such amounts for discretionary purposes, as determined by the Governor, to eligible institutions or local workforce development boards for in-school and at-risk youth.

(3) REMAINDER OF FUNDS.—From the remainder of amounts made available pursuant to section 211(c)(1) and distributed pursuant to paragraphs (1) and (2) of this subsection, the Governor, through the collaborative process, shall allocate the remainder of any such amounts to carry out the purposes of subparagraphs (A) or (B) of paragraph (1).

(b) WITHIN STATE FORMULA.—

(1) ESTABLISHMENT.—The Governor, through the collaborative process, and after consultation with local chief elected officials in the local workforce development area and, where appropriate, local educators in such area, shall develop a formula for the allocation of funds in accordance with paragraph (1) of subsection (a). Such formula shall take into account—

(A) poverty rates within each local community, as determined by the State;

(B) the proportion of the State's youth population residing within each local community; and

(C) such other factors as considered appropriate.

(2) ADDITIONAL FACTORS.—In establishing such formula, the Governor shall ensure that funds are distributed equitably throughout the State, and that the factors described in paragraph (1) do not receive disproportionate weighting.

(c) MINIMUM GRANT AMOUNTS.—

(1) LOCAL EDUCATIONAL AGENCIES.—A local educational agency or consortium of such agencies that receives a subgrant from a State under paragraph (1) of subsection (a) for any fiscal year shall receive not less than $15,000.

(2) POSTSECONDARY INSTITUTIONS.—A postsecondary institution or consortium of such institutions that receives a subgrant from a State under paragraph (1) of subsection (a) for any fiscal year shall receive not less than $50,000.

(3) LOCAL DEVELOPMENT BOARD.—A local development board that receives a subgrant from a State under paragraph (1) of subsection (a) for any fiscal year shall receive not less than $15,000.

(4) SECONDARY-POSTSECONDARY CONSORTIA.—One or more local educational agencies and one or more eligible institutions may enter into a consortium agreement. A consortium formed pursuant to this paragraph that receives a subgrant from a State under this subtitle shall receive not less than $50,000 in any fiscal year.

(d) FUNDS TO CONSORTIUM.—Funds allocated to a consortium formed to meet the requirements of subsection (c) shall be used only for purposes and activities that are mutually beneficial to all members of the consortium. Such funds may not be reallocated to individual members of the consortium for purposes or activities benefiting only one member of the consortium.

(e) WAIVER.—The State may waive the application of subsection (c) in any case in which a grant recipient—

(1) is located in a rural, sparsely-populated area; and

(2) demonstrates an inability to enter into a consortium for purposes of providing services under this title.

Subtitle B—State Organizational, Planning, and Reporting Responsibilities

SEC. 221. STATE PLAN.

In addition to the requirements described in title I, a State that desires to receive funds for any fiscal year under this title shall, as part of the State Workforce Development and Literacy Plan under title I, submit to the Secretary of Education information that includes—

(1) a description of the State's plan to develop the academic and occupational skills of youth and provide the attainment of challenging vocational-technical education standards, including industry-approved skill standards and workplace competencies;

(2) a description of how the State will improve comprehensive career guidance and counseling which may include linkages to career exploration and guidance counseling outside of the school system and shall describe how the State will effectively demonstrate the system of career preparation for youth, which includes elements such as professional development, and secondary-postsecondary collaborations;

(3) a description of the strategy of the State for integrating academic, vocational, and work-based learning, including a description of how the State will promote collaboration between secondary and postsecondary occupational and academic programs and institutions and incorporating learning in all aspects of the industry; and

(4) a description of how the State will promote the active involvement of parents and business (including small- and medium-sized businesses) in the planning, development, and implementation of youth development and career preparation programs authorized under this title.

SEC. 222. STATE PROGRAMS AND STATE ACTIVITIES.

(a) GENERAL AUTHORITY.—From amounts made available to a State under section 211(c)(2), each State shall conduct State programs and activities.

(b) USES OF FUNDS.—The programs and activities described in subsection (a) may include—

(1) an assessment of programs conducted with assistance under this title, including the development of—

(A) performance indicators and measures for such programs; and

(B) program improvement and accountability with respect to such programs;

(2) the support for tech-prep education;

(3) support for workforce preparation programs for single parents, displaced homemakers, and single pregnant women;

(4) support for corrections vocational education;

(5) professional development activities for vocational teachers, academic teachers, school administrators, counselors, workplace mentors, and local providers regarding integration of vocational, academic, and work-based curricula, including—

(A) inservice and preservice training of teachers and faculty in state-of-the-art programs and techniques and nontraditional training and employment; and

(B) support of public teacher-education programs to ensure vocational teachers stay current with the needs, expectations, and methods of industry to meet employer standards;

(6) development, dissemination, and field testing of curricula, especially—

(A) curricula that integrate vocational, academic, and work-based methodologies;

(B) curricula that provide a coherent sequence of courses through which academic and occupational skills may be measured; and

(C) curricula for work-based learning;

(7) leadership and instructional programs in technology education;

(8) support for cooperative education;

(9) support for family and consumer science programs;

(10) creative use of technologies, including professional development in the use of such technologies for instructional purposes and to increase counselor's and youth's knowledge of, and use of, additional information resources;

(11) support for vocational student organizations; and

(12) improving comprehensive career guidance and counseling.

SEC. 223. INCENTIVE AWARDS.

The State, may, from the amount made available under section 211(c)(2) for any fiscal year make performance awards to 1 or more eligible institutions or local providers that have—

(1) exceeded in the performance goals described in section 110(f)(3);

(2) implemented exemplary youth development and career preparation programs at the local level in accordance with the purposes described in section 201; or

(3) provided exemplary education services and activities for at-risk youth.

Subtitle C—Subgrants for In-School and At-Risk Youth

SEC. 231. PARTNERSHIP AGREEMENTS.

(a) PARTNERSHIP.—A local workforce development board and eligible institutions that desire to receive a subgrant from a State under this subtitle in any fiscal year shall form a partnership for the purposes of collaborative planning, coordination of in-school and at-risk programs, and effective public participation.

(b) PLAN.—

(1) IN GENERAL.—The partnership referred to in subsection (a) shall, in collaboration, develop and submit for approval to the Governor through the State collaborative process a comprehensive youth development and career preparation plan for in-school and at-risk youth. Such plan shall describe how the youth development and career preparation system meets the requirements of sections 241 and 245 and shall address comments received through the collaborative process.

(2) COLLABORATIVE PROCESS.—The partnership shall assure the involvement of parents, teachers, and the community in the collaborative planning process which involves design of the indicators, strategies, articulation, and cooperative agreements, assessments, and evaluation of program activities.

(3) DISPUTES.—In the event a partnership cannot come to agreement on the content of local plans, the Governor, through the collaborative process, is authorized to develop procedures for the resolution of issues in dispute.

SEC. 232. DISTRIBUTION OF FUNDS.

(a) IN-SCHOOL PROGRAMS.—Based upon an application submitted by the partnership to the Governor through the State collaborative process, a State shall distribute funds made available in a fiscal year as provided in section 212(a)(1)(A) to eligible institutions to carry out in-school youth programs described in section 241.

(b) AT-RISK YOUTH PROGRAMS.—A State shall distribute funds made available in any fiscal year as provided in section 212(a)(1)(B) to local workforce development boards to carry out at-risk youth programs described in section 245.

CHAPTER 1—IN-SCHOOL YOUTH

SEC. 241. USES OF FUNDS FOR IN-SCHOOL YOUTH.

(a) GENERAL AUTHORITY.—Each eligible institution that receives a subgrant under this chapter shall use funds provided under such grant to improve youth development and career preparation programs.

(b) REQUIREMENTS FOR USES OF FUNDS.—Funds provided by a State pursuant to section 212(a)(1)(A) shall be used to provide in-school youth development and career preparation programs that—

(1) are of such size, scope, and quality as to be effective;

(2) integrate academic, vocational, and work-based learning, stressing applied and contextual learning, through a coherent sequence of courses so that youth achieve both academic and occupational competencies and have strong experience in, and understanding of, all aspects of the industry;

(3) involve employers in the design and implementation of programs;

(4) establish effective linkages with at-risk youth programs, secondary and postsecondary education;

(5) provide work-based learning experiences with adult mentoring where appropriate; and

(6) provide comprehensive career guidance and counseling, including exploration in the practical arts or trade.

(c) ADDITIONAL USES OF FUNDS.—In carrying out the provisions of subsection (b), funds may be used by an eligible institution for in-school youth activities such as—

(1) purchasing, leasing, or upgrading of equipment, including instructional aids and material;

(2) inservice training of vocational instructors, academic instructors, employers, and workplace mentors, to integrate academic and vocational education, and provide high-quality school-based and work-based learning experiences;

(3) tech-prep education programs;

(4) supplementary services designed to meet the needs of special populations;

(5) adaptation of equipment;

(6) apprenticeship programs;

(7) comprehensive mentoring programs in institutions of higher education offering comprehensive programs in teacher preparation which seek to fully use the skills and work experiences of individuals currently or formerly employed in business and industry, who are interested in becoming classroom instructors, and to meet the need of vocational educators who wish to upgrade their teaching competencies;

(8) local education and business partnerships for developing and implementing school-based youth development and career preparation systems;

(9) support for vocational student organizations;

(10) establishing effective activities and procedures to enable program participants and their parents to participate directly in decisions that influence the character of programs, including providing information and assistance needed for informed and effective participation; and

(11) support for programs which prepare youth with skills for personal and family life

management, work, and leadership in the community and the Nation.

CHAPTER 2—AT-RISK YOUTH

SEC. 245. USES OF FUNDS FOR AT-RISK YOUTH.

(a) GENERAL AUTHORITY.—Each local workforce development board that receives a subgrant under this chapter shall use funds provided under such grant to improve youth development and career preparation programs.

(b) REQUIREMENTS FOR USES OF FUNDS.—Funds provided by a State pursuant to section 212(1)(B) shall be used to provide youth development and career preparation programs for at-risk youth that—

(1) are of such size, scope, and quality as to be effective;

(2) integrate academic, vocational, and work-based learning, stressing applied and contextual learning, through a coherent sequence of courses so that in-school and at-risk youth achieve both academic and occupational competencies;

(3) involve employers in the design and implementation of programs;

(4) establish effective linkages with in-school youth programs, and secondary and postsecondary education;

(5) provide work-based learning experiences, including experiences in the practical arts or trade, if applicable;

(6) provide adult mentoring as a core component of the program;

(7) provide an objective assessment of the academic level, skill level, and service needs of each participant; and

(8) provide comprehensive career guidance and counseling.

(c) ADDITIONAL USES OF FUNDS.—In carrying out the provisions of subsection (b), providers of at-risk youth programs, as selected by the local workforce development board, may provide activities such as—

(1) tutoring, study skills training and instruction leading to completion of high school;

(2) alternative high school services;

(3) training or education that is combined with community service, and service learning opportunities;

(4) paid and unpaid work experience, including limited internships, entry-employment experience programs, and summer employment opportunities, that are integrated with year-round, school-based, or alternative school-based programs;

(5) dropout prevention strategies, strategies to encourage at-risk youth to reenter high school or alternative high school programs, and programs that encourage pregnant and parenting youth to stay in school;

(6) preemployment and work maturity skills training;

(7) peer-centered activities encouraging responsibility and other positive social behaviors during non-school hours; and

(8) training-related supportive services.

(d) LIMITATIONS ON USE OF FUNDS.—Not more than 10 percent of the funds provided under this chapter to a local workforce development board may be used for administrative purposes.

SEC. 246. AT-RISK YOUTH PROVIDERS.

(a) ROLE OF LOCAL WORKFORCE DEVELOPMENT BOARD.—A local workforce development board that receives funds under this chapter shall not operate programs, but shall contract with eligible providers of demonstrated effectiveness, or with eligible providers utilizing service methodologies with demonstrated effectiveness in serving the youth development and career preparation needs of at-risk youth, for the purpose of providing services under this chapter.

(b) ELIGIBLE PROVIDERS.—For purposes of this chapter, eligible providers may include—

(1) an "eligible institution" as defined under section 202(7);

(2) a unit of local government;

(3) a private, nonprofit organization (including community-based organizations);

(4) a private, for profit entity; or

(5) other organizations or entities of demonstrated effectiveness and approved by the local workforce development board.

Subtitle D—National Programs

SEC. 251. RESEARCH ACTIVITIES.

(a) GENERAL AUTHORITY.—

(1) IN GENERAL.—In order to carry out the purpose of this title, the Secretary may, directly or through grants, contracts, or cooperative agreements, carry out research, development, dissemination, replication of model programs, demonstration programs, evaluation, capacity-building, and technical assistance activities with regard to the services and activities carried out under this title.

(2) INFORMATION SYSTEMS.—Activities carried out under this section may include support for occupational and career information systems.

(b) DISSEMINATION.—The Secretary shall establish a system for disseminating information resulting from research and development activities carried out under this title.

SEC. 252. ASSESSMENT AND DATA COLLECTION OF YOUTH DEVELOPMENT AND CAREER PREPARATION PROGRAMS.

(a) IN GENERAL.—The Secretary, through the Office of Educational Research and Improvement, shall conduct a biennial assessment of services and activities assisted under this title, through studies and analyses conducted independently through competitive awards.

(b) CONTENTS.—The assessment required under subsection (a) shall examine the extent to which services and activities assisted under this title have achieved their intended purposes and results, including the extent to which—

(1) State and local services and activities have developed, implemented, or improved youth development and career preparation systems established under this title;

(2) services and activities assisted under this title succeed in preparing youth, including youth who are members of special populations, for postsecondary education, further learning, or entry into high-skill, high-wage careers;

(3) youth who participate in services and activities supported under this title succeed in meeting challenging State academic and industry-based skill standards; and

(4) the system improvement, participation, local and State assessment, and accountability provisions of this title, including the performance goals and indicators established under section 110(f)(3), are effective.

SEC. 253. NATIONAL CENTER OR CENTERS FOR RESEARCH.

(a) GENERAL AUTHORITY.—

(1) NATIONAL CENTER.—The Secretary may, through a grant or contract, establish one or more national centers for conducting applied research, development, dissemination, and technical assistance activities which would focus on improving the development and career preparation of youth. The Secretary shall consult with States prior to establishing one or more such centers.

(2) ELIGIBILITY.—Entities eligible to receive funds under this section are institutions of higher education, other public or private nonprofit organizations or agencies, and consortia of such institutions, organizations, or agencies.

(3) PREVIOUS CENTER.—The national center in existence on the day before the date of the enactment of the this Act shall continue to receive assistance under this section in accordance with the terms of its current award.

(b) ACTIVITIES.—

(1) IN GENERAL.—The applied research, development, dissemination, and technical assistance activities carried out by the national center or centers shall include—

(A) activities that assist recipients of funds under this title to meet the requirements of section 110(f)(3);

(B) research and development of activities that combine academic, vocational-technical education, and work-based learning;

(C) developing new models for remediation of basic academic skills which incorporate appropriate instructional methods;

(D) identifying ways to establish effective linkages among educational and job training activities at the State and local levels;

(E) new models for comprehensive career guidance and counseling;

(F) studies providing longitudinal information or formative evaluation on programs funded under this title, including an analysis of the effectiveness of youth development and career preparation programs in serving at-risk youth; and

(G) such other activities as the Secretary determines to be appropriate to achieve the purposes of this Act.

(2) DUTIES.—The center or centers shall—

(A) provide assistance to States and local recipients in developing and using systems of performance measures and indicators for improvement of youth development and career preparation programs and services; and

(B) provide technical assistance and outreach.

(3) SUMMARY.—The center or centers conducting the activities described in paragraph (1) shall annually prepare a summary of key research findings of such center or centers and shall submit copies of the summary to the Secretaries of Education and Labor. The Secretary shall submit that summary to the Committee on Labor and Human Resources of the Senate, and the Committee on Economic and Educational Opportunities of the House of Representatives.

(c) CLEARINGHOUSE.—The center or centers shall maintain a clearinghouse that will provide data and information to Federal, State, and local organizations and agencies about the condition of youth development and career preparation systems and programs funded under this title.

The CHAIRMAN. Are there any amendments to title II?

AMENDMENT OFFERED BY MR. KILDEE

Mr. KILDEE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KILDEE: Page 100, after line 17, insert the following:

(e) FISCAL EFFORT.—

(1) IN GENERAL.—No payments shall be made under this title for any fiscal year to a State unless the Secretary determines that the combined fiscal effort per student or the aggregate expenditures of such State with respect to vocational education for the fiscal year preceding the fiscal year for which the determination is made was not less than 100 percent of such combined fiscal effort or aggregate expenditures for the second fiscal

year preceding the fiscal year for which the determination is made.

(2) WAIVERS.—The Secretary may waive, for one fiscal year only, the requirements of this subsection if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

Mr. KILDEE. Mr. Chairman, I would label this amendment the State-national partnership for education amendment. It could also be called the no-free-lunch amendment.

Right now States must show that they are maintaining their fiscal commitment to programs that are receiving Federal funds. Why do we do this? Because it helps create a larger pool of funding and a shared commitment to achieving the goals of the program.

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My colleagues should know that the Senate job-training bill, which will be voted on next week, has the current law, the current maintenance-of-effort language. This was never an issue over in the Senate. It was assumed by our colleagues in the other body that both partners in this endeavor would be required to invest. The Senate welfare bill also has a maintenance-of-effort provision.

My good friend and chairman has on many occasions said that he is opposed to general revenue sharing, and that Federal funds should not replace State funds. Without my amendment, that is precisely what we will see.

Finally, I want to read a quote from a report recently issued by the Consortium for Policy Research in Education in "An Outlook for School Revenue in the Next 5 Years." The report states: "The environment for increases in real school revenue per pupil in the rest of the 1990s will not be favorable. The most significant problem is likely to be reductions in Federal aid to States. States will respond to decreases in Federal aid for social and health programs by trimming increases in State education aid."

Mr. Chairman, let us not hand States an open invitation to evade their responsibility. Let us keep this very healthy partnership alive. I recognize that in the manager's amendments, they put some half language in on supplement not supplant, but this does not address the core problem.

I think we have to have in place a strong requirement that the States not supplant their dollars with the Federal dollars; that they fully maintain their efforts. We should reinstate the language that we have used for years, the same language as the Senate in its wisdom kept in the bill.

Mr. MCKEON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the Federal Government is reducing the overall amount of funding provided for youth programs. The Federal Government should not at the same time, then, require States to continue their support when they are not maintaining the same amount. There is burdensome paperwork that would be involved with this. It is difficult to determine exactly what services would or could be included.

In the Senate bill, on their side they have a welfare bill offered by Senator DOLE on September 17 that requires States to maintain 80 percent of their current commitment for AFDC programs. The amendment would be added to the bill without any objection. What we are striving to do with this overall program is give as much leeway and help to the local governments as is possible, and this amendment would cause some problems with that. We are trying to work on this at this time.

Mr. RIGGS. Mr. Chairman, will the gentleman yield?

Mr. MCKEON. I yield to the gentleman from California.

Mr. RIGGS. Mr. Chairman, I just want to point out to our colleagues who may be following the debate on the floor that the gentleman made just a moment ago a very important point when he mentioned the action in the other body by Senate Majority Leader DOLE in his manager's amendment to the welfare reform job training bill in the other body requiring the States, under a maintenance of effort provision, to maintain 80 percent of their current commitment for AFDC programs. The amendment now on the floor before the House, in fact the gentleman from Michigan [Mr. KILDEE] was making mention just a moment ago, I believe, of recent actions in the other body, but his amendment would require 100 percent maintenance of effort. Obviously there is a vast difference between the 100 percent maintenance-of-effort requirement in his amendment and the amendment offered by Senator DOLE to the welfare reform job training program requiring that funding be maintained at 80 percent of the current level, but still allowing us to achieve one of our most important goals with the legislation, and that is to actually accomplish an administrâtive cost savings that can be applied to deficit reduction and used as part of our long-term efforts to balance the Federal budget.

I appreciate the gentleman yielding so I could make that very important distinction.

Mr. MCKEON. Relaiming my time, when I was home over the last weekend, Mr. Chairman, I was visiting with local school administrators and school board teachers. They wanted to go over some of the cuts we were talking about. They agreed that some of the cuts were necessary, but what they asked was if possible, then, would we not continue the mandates. If we are going to cut back the funds, let us not continue with the mandates. I am in strong support of that. I think when we cut back funds, we also should cut back mandates so we do not burden the local communities.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. KILDEE].

The amendment was rejected.

The CHAIRMAN. Are there further amendments to title II?

AMENDMENT OFFERED BY MRS. MINK OF HAWAII

Mrs. MINK of Hawaii. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 15 offered by Mrs. MINK of Hawaii: Page 105, after line 13 insert the following:

(5) a description of how the State will maintain programs for single parents, displaced homemakers, and single pregnant women and programs that promote the elimination of sex bias.

Mrs. MINK of Hawaii. Mr. Chairman, this amendment tracks parallel to the amendment that we have just been discussing. It is an amendment which goes to a concern that many of us have shared over a long period of time. That is, in the identifying of programs and structuring many of the programs in job training and vocational education, particularly for women, much has been left out. So about 11 years ago, the Congress saw fit to include in the description of the programs special attention for career development, vocational education, educational programs generally that would be focused upon the specific needs of girls and women.

What happens in this legislation, which block-grants into four categories large sums of moneys that are being committed to the States, for the States to identify exactly how they are to be spent and what programs are to be funded under it, we have no designations with respect to an emphasis or consideration for women and girls, for displaced homemakers, for single parents, for single pregnant women, and so forth.

While I understand the aversion of the majority Members of this body to earmarking and setting aside specific funds for this purpose, I do not think that the concerns of Members are any less today than they have been with respect to the recognition that girls and women in these particular categories need special attention, and we must not allow the programs that are developed at the State level using these block funds to forget or pay less attention to their needs.

What I have asked this committee to do is to distinctly provide in title II of this bill, H.R. 1617, language which requires the States, in submitting their plans, to describe how, in promoting the objectives of this legislation with the block grant authority which they will be given under title II, to maintain programs for the girls and women in this specific area.

I think that this generalized language, while it has no specific earmarks and designation of percentages or set-asides, will at least require the State and new committees that will be organized to decide that the plan is to at least address this issue of how much of their previous programs had been organized around the special needs of girls and women, both in and out of school.

As we know, in title II we have 40 percent of our program for the in-school youth, 40 percent for out-of-school in the at-risk category, and 20 percent for such other programs that might be considered appropriate under this title. I think, in view of the progress that the welfare reform debate has made, and the obvious recognition that the only way single parents in the category of welfare recipients are going to be able to make it, to find a job, is to have adequate educational opportunities and job training. While there is no specific earmark here, there may very well be some specific earmarks and allocations in the bills that deal with welfare.

It seems to me while we are refashioning these over 100 programs in job training, that we must at least cause the people who are fashioning the new guidelines and the new plans to look to this area and to make specific proposals with respect to how their new allocations are going to deal with this, and to maintain the effort and emphasis that has been put in this area in the past. So I would hope that the majority members of the committee on the other side would agree to this amendment and would accept it, and I believe it will go a long way to achieving justice for everyone, because by dealing and working for girls and women, in effect, we are helping the total community and the total society.

Mr. RIGGS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we on this side of the aisle are opposed to the amendment offered by the gentlewoman because it would effectively create a mandate on the States, which is quite contrary to the direction that we want to move here in terms of maximizing flexibility for the States. It would create a special population within title II of the bill, the youth consolidation grant, and really amount to nothing more or less than a gender-based maintenance of effort requirement.

This amendment would add a new requirement under the State plan requirements in the bill, the section of the bill that requires the State to report to the Federal Government on how they are going to use Federal taxpayer funds to accomplish their own self-developed and self-defined goals. Under the gentlewoman's amendment, the State would be required to describe how they are maintaining their programs for single parents, displaced homemakers, single pregnant women, and programs that eliminate sex bias. Again, I suggest that it really constitutes a gender-based maintenance of effort requirement imposed on the States.

The language of the gentlewoman's amendment would require that States maintain their current level of funding commitment, and in crafting this bill, we have endeavored to eliminate set-asides for these and other categorical programs, so the gentlewoman's amendment is, again, quite contrary to the fundamental intent and purpose of the bill.

The other point I would like to make is there is nothing in the bill that prevents the States and local communities from designing programs that are specifically targeted to the special populations which would be served or which are addressed by the gentlewoman's amendment. So while there is no mandate of services for the special populations addressed in the gentlewoman's amendment, the States are asked to report on how these special populations are served and how they have met performance goals.

Last, the bill allows, as an additional use of funds, for in-school programs "supplementary services designed to meet the needs of special populations," so again, there is nothing in the bill, the base bill, that prevents the States from designing and offering programs that are specifically targeted to these special populations. However, the bill is drafted in such a way so there is no mandate that these types of programs be offered to these special populations.

Mrs. MINK of Hawaii. Mr. Chairman, will the gentleman yield?

Mr. RIGGS. I yield to the gentlewoman from Hawaii.

Mrs. MINK of Hawaii. Mr. Chairman, I want to make it perfectly clear that the amendment, and certainly the intent of the amendment and the language, provides no such earmarks, no such set-asides, no such mandates, as has been described by the gentleman on the floor.

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Rather, what it is saying is for the States, in developing their plan, to look to those programs that can be identified as having been of special help to this category of girls and women in special circumstances and to try to establish exactly what they have done for these individuals and to come up with proposals as to how they might maintain that level of support.

There is no mandate. There is no requirement, no set-aside whatsoever.

I differ with your understanding of the amendment. That is clearly not what I intended.

Mr. RIGGS. Reclaiming my time, I am just looking at the language of the gentlewoman's amendment, "The States would be required to describe how they will," and here is the operative term, "maintain programs for single parents, displaced homemakers and single pregnant women in programs that promote the elimination of sex bias." I do not know how that can be construed as anything other than a mandate on the States, and again I would point out to the gentlewoman, in the committee bill we certainly have not inserted any language that effectively would preclude the States, those States that would elect to have special programs for these populations from offering those programs.

Ms. WOOLSEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of the Mink amendment to H.R. 1617.

Mr. Chairman, this Congress will soon complete consideration of a so-called welfare reform measure that does nothing—absolutely nothing—to get welfare recipients into work and off welfare permanently. This tragically will leave the most needy among us—women and children—without the Federal safety net which helped me, and my children, survive 27 years ago.

Now, on top of that, the new majority is attempting to scrap the existing job training programs which get women off of welfare and into jobs that pay a family wage.

The Mink amendment is absolutely essential if we want to successfully reform welfare. The amendment will preserve job training programs which help displaced homemakers and single moms become self-sufficient.

Sex equity programs help needy women escape the trap of pink-collar; low paying; dead-end jobs. These are smart programs. They end up saving the Government money in the long run by giving women a chance to support themselves and their children.

Let us not kid ourselves. If we do not stand up for sex equity job training programs today, they will be lost forever.

Pass the Mink amendment, and give women and children a real chance to succeed.

Ms. WATERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Mink amendment to help women and girls attain equal opportunities in education and employment.

Today, most women must work to earn a living. Yet women still earn 25 percent less than men. They are often tracked into traditionally female occupations which pay considerably less than the careers of their male counterparts.

This is why it is essential that we continue to encourage and train women to seek jobs which pay higher wages. This amendment would do just that. It would require States to maintain programs which encourage the elimination of sexual bias in job training and vocational education. In this way, women could substantially increase their incomes by training for nontraditional occupations which pay 20–30 percent more than traditional, predominantly female ones.

This amendment would also require States to continue to provide specialized services to meet the needs of displaced-homemakers and single parents. These programs, supported by both Democrats and Republicans for the past 11 years, have been tremendously successful in decreasing dependency on public assistance, and in increasing the employment and wage rates of participants.

In one State, 71 percent of the people who participated in the displaced homemakers/single parent and sex equity programs doubled their incomes after completing their training programs.

Let us be realistic. States will not continue to serve the needs of these important groups unless they are required to. Without establishing specific set-asides, this amendment would require each State to continue providing equitable job training and vocational education for women, to give them the tools to become economically self sufficient.

For the past 11 years, Congress has supported the effort to eliminate sex bias and stereotyping in employment. Let us continue to support women, as well as single parents and displaced homemakers, to learn new skills and increase their earning potential and productivity. Let us help them learn to permanently provide for themselves and for their families. Support the Mink amendment.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words.

I want to kill a little time because I know the gentlewoman from Maryland [Mrs. MORELLA] would be totally distraught if she could not get here and participate in this, so I say to the gentlewoman from Maryland [Mrs. MORELLA], if you are out there, you had better hustle because we may run out of participants in the debate.

But at any rate, I do not want to take a back seat to anyone when it comes to displaced homemakers. I do not want to pat myself on the back either, but I probably have had more to do over the years with keeping this program moving than most anyone. I have brought all of the successful participants in displaced homemaker programs from my district down to testify on numerous occasions.

What I want to point out is that it would appear to me that if we say to the State you must report how they are served and how you have met the performance goals, certainly we are sending a message to States that we expect them to take care of special needs.

What we have tried to get away from was the fact that over the years we get a set-aside for everything under the Sun, and then we diminish the effectiveness of the program because we reduce the amount of money available because we have had so many programs. We were trying to get away from that set-aside issue and at the same time indicate that certainly we have a strong interest that they meet those needs. That is why we say report on how they are served and how they met performance goals.

Mr. RIGGS. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from California.

Mr. RIGGS. Mr. Chairman, I thank the gentleman for yielding, just so I could make the point, the previous speaker on the other side, the gentlewoman from California, who is a very forceful and dynamic speaker, I think, used the term "require" three or four times in her remarks, making it explicitly clear the intent of this amendment is to require States to maintain programs in this particular area, and I share the Chairman's concern that all that ultimately leads to is fragmented job training services at the local level.

Furthermore, I would like to point out that I am not exactly sure why this amendment is being offered under title II, the youth development and career preparation consolidation grant. It seems to be misplaced. If it was to be offered anywhere, it seems it should be offered under title III.

Then when you go through the requirements under section 221, pertaining to the State plan, again, there is nothing in there that is preventing the State from incorporating these special populations into their State plan under the provisions of title II, subtitle B, section 221, State plan.

Mrs. MINK of Hawaii. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentlewoman from Hawaii.

Mrs. MINK of Hawaii. I would like the opportunity to respond to the inquiry. There is nothing in the amendment which requires the States to provide any explicit set-aside funding for these programs, and to the point of why the amendment was placed on page 105, subtitle B, that section has to do with the State plan, and that paragraph begins by saying, "In addition to the requirements described in title I, a State that desires to receive funds shall submit to the Secretary information," and then it lists the kinds of information that the Secretary is seeking to help it determine the nature of the programs that will be in place compared to the past. This is a way to evaluate the functioning of your new program.

It is not a requirement. It is a way for evaluating. It is a way to make assurances that you yourself say you have supported all of these years, and that is to help women in special circumstances.

So this description of a State plan to develop academic and occupational skills of youth, description of how the State will improve comprehensive career guidance, a description of the strategy of how to integrate academic programs with work-based training, a description of how the State will promote active involvement of parents, and then the fifth element, which I have added, which is a description of the States' prior commitment to this special area so that we can see what they have done in the past and measure it with the plan that they are now promulgating for the future and whether this particular category of special needs is going to be met.

I do not regard that as any kind of set-aside requirement, mandate or whatever. It is simply an effort to try to define what information base a State should provide the Secretary.

Mr. GOODLING. Reclaiming my time, would the gentlewoman like to end, after "bias," that nothing in this amendment requires the State to set aside any amount of money for this purpose?

Mrs. MINK of Hawaii. If the gentleman will yield further, I will be happy to consider that if you will agree to my amendment and we could discuss those kinds of limitations when we go to conference, but I think this concept should stand on its face. I hope the Members will support it.

Mr. GOODLING. Then did the gentlewoman indicate she would be happy to consider that?

Mrs. LOWEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Mink amendment. In a Congress where we have debated at length methods of moving families off welfare, and methods of helping individuals become self-sufficient, we must protect vocational educational programs for women and girls.

It is a fact that the earning power of American women directly impacts the well-being of the American family. Unfortunately, women who work full-time still only make 72 percent of their male colleagues' earnings. This is a particularly disturbing fact when viewed in the context of a recent survey that found that a majority of American women earn at least half of their family incomes. If we are going to value families, we have to value those programs that allow parents to care for their families.

The Mink amendment will preserve important programs that help assure equitable education and employment opportunities for women and girls. The

Perkins programs for displaced homemakers, single parents, and sex equity have been very successful. For the past 11 years, these programs have helped women move into new jobs that provide higher wages, better benefits, and the possibility of career advancement. Women in nontraditional occupations earn 20–30 percent more than women in traditional occupations.

Let me tell you about a woman from New York City, Kelly Miles. Kelly is a single mother of three, who was on public assistance for many years. Through a nontraditional employment training program for women, Kelly was able to move off of welfare, and is now a second year apprentice electrician. Kelly holds down a job, and goes to classes twice a week at the Electrician's Union so that she can keep advancing. Kelly is a perfect example of what women can achieve through these very important programs.

I urge all of my colleagues to support the Mink amendment. Through these programs we can reach thousands of Kelly Miles—women who want to be self-sufficient and just need a little bit of help. Please help us to protect these programs.

Mrs. MORELLA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me first commend the members of the Economic and Educational Opportunities Committee for their efforts to consolidate more than 150 training and employment programs into a coherent work force development system. I also want to express my great appreciation to Chairman GOODLING and Chairman MCKEON for agreeing to include language in the bill that will ensure that women have access to nontraditional jobs that pay higher wages and provide better benefits. For displaced homemakers and single parents, nontraditional jobs can be a pathway to economic self-sufficiency and family stability.

It is because of my interest in the self-sufficiency of women that I now rise in support of the Mink amendment which would preserve programs for displaced homemakers, single parents, and pregnant women. It is my understanding that this amendment does not add any cost to the bill. It merely requires the States to describe how they will maintain programs for displaced homemakers and single parents and programs that preserve sex equity.

Programs and services to displaced homemakers and single parents have received high marks. A national assessment of past program participants found that four out of five participants rated the program they attended as excellent or very good. Three out of four customers who participated in other Government programs such as the welfare system, JTPA, or Job Corps, rated the displaced homemaker or single parent programs as much better or better. Nearly all of the participants agreed that they would recommend the program to a friend.

The Mink amendment will assure that these successful programs will continue. The amendment would also provide States with the flexibility they need to meet the needs of the girls and women in their vocational education and job training programs. I urge my colleagues to support this important amendment.

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Ms. DELAURO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in strong support of the Mink amendment which enables women in crisis, single parents, single pregnant women to get the training, education and skills they need to lead economically self-sufficient lives.

Under the current law States are required to designate 10 percent of their education funds for these programs.

This set-aside was created to redirect women into higher skilled and high-wage employment and to address the unique needs of displaced homemakers and single parents.

This amendment, however, does not retain the specific set-aside, but merely requires that each State include in their State plan a description of how they will maintain these services.

I believe this language is essential to ensure equitable educational and employment opportunities for women and girls.

In New Haven County last year, these programs directly provided educational and employment assistance to nearly 500 women. Preparing them to enter the work force and meet the need of their children.

Let me tell you about just one of the extraordinary women in my district and her success story. Pamela C. of West Haven, CT, is a 49-year-old mother of three. When she came to the Displaced Homemaker Program in New Haven in 1993, Pamela was employed in the service industry and bringing home $16,000 a year for her family.

Pamela needed career counseling and a referral to job training so she could upgrade her job skills to earn more money each week and provide a better life for her family.

Pamela received vocational training as a home health aide. She is now working full time as a home health aide for the Visiting Nurses Association in New Haven County. Not only does this provide her substantially more in earnings, she enjoys her work and feels good about going to work each day.

Women like Pamela want to improve themselves and provide for their family. We must not shut the door of opportunity in their faces. The Mink amendment makes sure that door will remain open.

It is clear that these targeted services are needed and are working for families on the edge in my district.

The Mink amendment states that States should maintain programs for single parents, displaced homemakers, and single pregnant women who are struggling to provide for their families. These women are trying to help themselves and contribute, they should be supported and given assistance when possible.

At a time when Congress is reforming our welfare system, and specifically imposing time limits on welfare services, increasing the employability and earning potential of women should be our primary goal.

Mr. Chairman, the Mink amendment does not ask for a set-aside and its does not add any new costs to the bill.

I wholeheartedly support this amendment and urge my colleagues to vote in favor of it.

Mr. BILIRAKIS. Mr. Chairman, as a longtime supporter of programs designed to assist displaced homemakers, I rise today to urge my colleagues to vote in favor of the Mink amendment. I also want to commend my colleague from Hawaii for offering this important provision.

The Mink amendment will require States to include in their workforce development and literacy plan a description of how the State will maintain job training and education programs for displaced homemakers. It will not require States to earmark funds for these programs, nor will it add any cost to the underlying bill.

Mr. Chairman, displaced homemakers are primarily women who have been full-time homemakers for a number of years, but who have lost their source of economic support due to divorce, separation, abandonment, or the death or disability of a spouse. Many displaced homemakers are living at or near the poverty level, are younger than 35 and have children.

One out of every six American women is a displaced homemaker. In 1990, there were 17.8 million displaced homemakers in the United States. In my own State of Florida, there were over 1.1 million displaced homemakers in 1990—a 55 percent increase since 1980.

For many years, I have sponsored legislation to assist displaced homemakers by providing a tax credit to employers who hire and train them. In the present Congress, I have reintroduced this legislation as H.R. 110.

Specifically, my bill would allow employers a tax credit for hiring displaced homemakers by establishing them as a targeted group under the Targeted Jobs Tax Credit [TJTC] program. The TJTC program, which expired at the end of 1994, is intended to combat and lessen the problem of structural unemployment among certain hard-to-employ individuals.

My bill would reauthorize the TJTC program and extend it solely to displaced homemakers. Under the proposal, employers could apply for a tax credit if they hire and train these individuals who are having difficulty reentering the job market.

I see this approach as cost-effective. By providing prospective employers with the incentive to hire and train displaced homemakers, we avoid the much more costly alternative of publicly supporting these homemakers and their families.

Mr. Chairman, these are persons who are in financial need and want to work. The Mink amendment is designed to help them stand on their own and reduce dependency on public assistance. I hope my colleagues will join me in supporting this important provision.

AMENDMENT OFFERED BY MR. GOODLING TO THE AMENDMENT OFFERED BY MRS. MINK OF HAWAII

Mr. GOODLING. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. GOODLING to the amendment offered by Mrs. MINK of Hawaii: Beginning on line 1 of the matter proposed to be inserted by the amendment, strike out "maintain programs for".

At the end of the matter proposed, insert "Nothing in this Act shall be construed to mandate an amount be set-aside for these purposes."

Mr. GOODLING. Mr. Chairman, I yield to the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK of Hawaii. Mr. Chairman, I have reviewed this amendment and it is wholly consistent with my intent, and I accept it.

Mr. GOODLING. Mr. Chairman, I thank the gentlewoman for accepting the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. GOODLING] to the amendment offered by the gentlewoman from Hawaii [Mrs. MINK].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Hawaii [Mrs. MINK], as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN. Are there further amendments to title II?

AMENDMENT OFFERED BY MR. SAWYER

Mr. SAWYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAWYER: Page 105, line 17, insert ", consistent with State law," after "shall".

Page 109, line 9, before "In" insert "(A)".

Page 109, after line 13, insert the following:

(B) If procedures are not in place for the resolution of disputes an eligible institution of such partnership may apply directly to the State for a grant to carry out in-school youth programs described in section 241.

Page 109, beginning on line 16, strike "by the" and all that follows through "process," and insert "according to the requirements described in section 231".

Mr. SAWYER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SAWYER. Mr. Chairman, I appreciate the opportunity first to comment on the importance of what we are trying to accomplish here today, and on the federally funded employment and training services as proposed in this bill. It is important for Governors to have authority over the approval of the overall State plan. However, the education provisions of the plan in my view should be administered by the authorities within the States who have the clear responsibility for administering State and local education programs.

It is for that reason that I offer this amendment which gives the responsibility for the authority to establish procedures for dispute resolution, dispute settlement for local work force development boards, and to put that into a place that is consistent with State constitutional and statutory provisions.

These procedures would be used to settle disagreements over proposals for State subgrants throughout this title by delegating authority to establish dispute settlement procedures solely to the Governor, as the bill would suggest. The provision infringes on State laws and constitutions in about half of the States.

Now, I recognize that it is the intent, the expressed intent of many of the speakers prior to me that this not be the case. But the fact is that currently at the State level the administration of education is either shared by the Governor and State legislators or delegated to the education board or chief State school officer. In most cases it is not the sole responsibility of the Governor. It is our intent not to disrupt that for this procedural purpose.

I understand also that there are some 25 States or so in which the responsibility for the governance and administration of education is delegated by the Governor through his appointment of a policy-sensitive chief State school officer, and it is not my intention to disrupt that relationship either. Rather, it is to recognize the vocational education is important for our Nation's many students who do not go on to college. It is important for the elevation of skills available to employers, and so it is important to make sure that the dollars that are intended to go to these students get there.

Mr. Chairman, my amendment would defer to State law, and to give the authority to establish procedures to settle these disputes to whomever has control of the administration of education under State law.

My hope had also been to allow local authorities to apply for in-State subgrants in the event that a dispute cannot be resolved within and specified number of days. The goal would have been to prevent students from being penalized when a local work force development board cannot reach an agreement. But it is not, Mr. Chairman, my intent to prejudge or to provide any advantage to one side or another. So, I have removed language from the bill, but would rather leave in place a requirement that procedures for resolving the disputes be in place so that an eligible institution can apply directly to the State to carry out a grant in the event that those procedures are not in place.

I understand that, If I could have the attention of the chairman of the committee, that we have agreed fundamentally with this set of principles, and also understand that it is not our intent to leave stalemated disputes unresolved at the local level, but rather, it is not our intent either to give advantage to any of the parties that are a part of those local boards, and so recognize that it is important to work out such a dispute resolution mechanism at the local level between now and conference.

With that, Mr. Chairman, I want to just again say that I urge the support of this amendment in order to ensure that State sovereignty is honored and that our Nation's vocational students have access to these important funds in a timely way.

Mr. GOODLING. Mr. Chairman, I rise to strike the last word.

Mr. Chairman, I would engage in a colloquy with the gentleman from Ohio [Mr. SAWYER], so that I am exactly sure about what we have done.

At the beginning of the gentleman's amendment, it says, "consistent with State law" and then the gentleman has "after 'shall.'" Is the gentleman indicating that this only applies to States who have constitutional language that directs that money directly to the State education group?

Mr. SAWYER. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Ohio.

Mr. SAWYER. Mr. Chairman, constitutionally specified language as we have discussed in this bill, specifically with regard to States.

Mr. GOODLING. And then the gentleman eliminates line 11 and "as the case may be"; you have eliminated that language?

Mr. SAWYER. That is correct, Mr. Chairman.

Mr. GOODLING. And then the gentleman has eliminated in line two under (B), "Or a resolution is not reached within 45 days after a written request for resolution is made by a member of the partnership"?

Mr. SAWYER. Mr. Chairman, as we have discussed, that section is eliminated, recognizing of course that a way to break local deadlocks is important, and that we probably do not have the capacity to write language to accomplish that on the floor, but that we ought to try to achieve that between now and conference.

Mr. GOODLING. Mr. Chairman, with that understanding, we accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. SAWYER].

The amendment was agreed to.

Mr. MCKEON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I wish to engage in a colloquy with the gentlewoman from California [Mrs. SEASTRAND].

Mr. Chairman, I yield to the gentlewoman from California [Mrs. SEASTRAND], who has helped us so much on working on this bill, and I appreciate that gentlewoman's comments.

Mrs. SEASTRAND. Mr. Chairman, I thank the gentleman from California.

Mr. Chairman, it is important to recognize that our students of today are our entrepreneurs of tomorrow, and for many years we have sought to find the best ways to educate our children to be contributors to the society in which they live, and to be prepared to take that bold step from primary and secondary education to the workplace and provider.

Now, as we consider any legislation dealing with the education of our children, or enhancing the skills for those already in the workplace, or assessing the needs of those in need of help and assistance, whether it is an education or workplace preparation, we understand that the principles we must adhere to are those on which we place our successes of today, the free market system individual initiative, entrepreneurship, and personal freedom.

In this Congress, we are moving to reexamine our direction of the last 40 years and determine, when possible, how we can enhance those principles and reduce the amount of Government interference.

I believe the intent of this CAREERS bill was to do just that.

□ 1530

The Comptroller General of the United States identified 163 different Federal programs, administered by 14 different Federal agencies that offered some form of education, job training, or employment assistance to youth and adults with a total cost of $20 billion. The intent of CAREERS as presented to me was to end these duplications and fragmentations that existed within the varied Federal work force preparation and development programs, to eliminate conflicting requirements, and to streamline and consolidate programs while providing maximum authority and responsibility to State and local communities.

Now I also understood that CAREERS would stress private sector partnerships and increase leadership and responsibility of the private sector as it relates to investments in work force training and preparation, that it would establish a system which was market-driven, accountable, providing customer choice, improve education by stressing programs resulting in higher literacy rates, while simultaneously focusing on those trapped in poverty and exhibiting inadequate educational achievement.

Now I am supportive of all these goals, but, as I began to read the specifics, I realized that CAREERS, in transferring focus to the State and local levels, had initiated some actions that would work against our goals of a free market driven economy, individual creativity and initiative, and I saw particular need to correct certain situations, and I am satisfied that many have been made. However one major concern that remains relates to the ideas of national skill standards and requirements of skill certificates. I believe it is important that we emphasize that the responsibility of establishing standards and requirements for an individual to gain achievement within a particular field of work should be determined and maintained by those leaders within the particular field or industry and not the Federal Government.

This is an issue, I believe, that must be resolved, and I do not believe that this bill is the vehicle to do so. We should have an opportunity to debate the issue of national skills standards at another time, and so I think it is a topic of many concerns, I know, to constituents of mine and constituents across these United States.

So, Mr. Chairman, what I am asking and strongly encouraging is further discussion in the conference committee regarding this particular issue.

Mr. MCKEON. Mr. Chairman, because job training and work force preparation programs are about preparing individuals for careers, it is important that employers identify the skills needed in the workplace and the training be tied to such skills in order that employment and training programs are relevant and useful. CAREERS includes the attainment of industry-recognized skill standards in its performance indicators for both adults and youth. All references to the national board are tied to voluntary provisions in CAREERS. CAREERS says that the Governors may take into account industry-recognized skill standards at least as challenging as those endorsed by the national board in identifying education training providers who are eligible to participate in a voucher system.

As my colleague indicates, we do need to continue this discussion. We will do that in conference. We really appreciate all of the gentlewoman's hard work and effort in bringing this to the floor, and I pledge to her that we will continue to work with her as we go to the conference.

Mrs. SEASTRAND. Mr. Chairman, I thank the gentleman from California [Mr. MCKEON].

AMENDMENT OFFERED BY MS. WOOLSEY

Ms. WOOLSEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. WOOLSEY:

Page 121, after line 2, insert the following:

Subtitle E—Authorizations

SEC. 261. AUTHORIZATION OF APPROPRIATIONS.

Notwithstanding section 4(a), there are authorized to be appropriated—

(1) for title II, $3,000,000,000 for fiscal year 1997 and such sums as may be necessary for each of the fiscal years 1998 through 2002 to carry out the programs under such title;

(2) for title III, $3,225,000,000 for fiscal year 1997 and such sums as may be necessary for each of the fiscal years 1998 through 2002 to carry out the programs under such title; and

(3) for subtitle A of title IV, $597,000,000 for fiscal year 1997 and such sums as may be necessary for each of the fiscal years 1998 through 2002 to carry out the programs under such subtitle.

Ms. WOOLSEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. WOOLSEY. Mr. Chairman, it seems like we are on a roll here between the Republicans and the Democrats, so I thought I should take this opportunity for a very simple amendment.

Mr. Chairman, my amendment increases the amount of money that this bill authorizes for education, for job training, and literacy. It increases it to a level where the programs can actually be successful.

As my colleagues know, it is hard to believe that it was just last year when I convinced this body to approve a landmark resolution to increase our investment in education by 1 percent a year until the education budget accounts for 10 percent of our national budget, and that should be by the year 2002.

Well, guess what, folks? Times have changed. This bill does contain some important bipartisan initiatives that deserve to pass. But when it comes to funding, this bill sends us in the wrong direction. Unfortunately, the careers act actually cuts funds for job training programs for youths, for adults, and for adult literacy and education.

Careers consolidates 30 existing education and job training programs for youth into one block grant, and then cuts the funds for these programs by 20 percent. It combines all of the existing Federal employment and job training programs for adults, and reduces these funds by 20 percent. The adult education and literacy funds are cut by 10 percent.

Mr. Chairman, I find it truly ironic that on the same day our colleagues in the other body are voting on a bill to reform welfare, we are debating a bill that cuts funds for programs to get people off of welfare. It also makes it harder to prevent people from going on welfare in the first place, because it cuts programs that it train youth and workers for jobs that pay a liveable wage.

I have heard plenty of talk about "changing the welfare system as we know it." Well, my amendment gives this house the opportunity to "put its money where its mouth is." My amendment increases funds for education and training support for in-school and out-of-school youth by less than a billion dollars. It also adds close to $1 billion to the adult employment and training grant. The adult literacy and education grant is increased by less than $300 million.

Mr. Chairman, these modest increases will ensure that more people get the skills they need to get off welfare—and, for heavens sake, it will help prevent people from having to go on welfare in the first place.

Mr. Chairman, there has always been a bipartisan commitment to education in this House. Let us continue that commitment to education and training by voting for my amendment to raise the authorization levels in the CAREERS Act.

Mr. Chairman, I yield back the balance of my time.

Mr. GOODLING. Mr. Chairman, I rise in opposition to the amendment offered by the gentlewoman from California [Ms. WOOLSEY].

Mr. Chairman, I am much too young to have the noose come down around by neck and string me up on a scaffold someplace, and if I were to accept this amendment, I am sure that would happen because the mandate from the Committee on the Budget is different.

What I will promise the gentlewoman from California [Ms. WOOLSEY] is to certainly do everything I can, serving on that conference, to make sure that we move to the Senate numbers. Their 602(b) of course is not as difficult as ours, and there is no one, probably, who feels more strongly that particularly the youth block certainly is in a great deal of need for an increased appropriation, and I will work in conference to move to their numbers, away from our numbers, but, as I said, I am too young to die.

Ms. WOOLSEY. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentlewoman from California.

Ms. WOOLSEY. Mr. Chairman, I say to the gentleman, "I don't want you to die at all. I appreciate your consideration of this, and I know you will fight hard for it."

Mr. Chairman, we were on a roll; I think it ended.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from California [Ms. WOOLSEY].

The amendment was rejected.

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT:

Page 121, after line 2, insert the following:

SEC. 254. PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available under this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, with all this talk of death and dying, I offer the standard Buy American amendment.

Mr. Chairman, we have Governors making decisions, chief officers of the State school boards making decisions, all kinds of decisions being made talking about welfare, talking about education. Mr. Chairman, if we pass my amendment, I do not know how much it is going to do, but maybe there will be a few more jobs, and people pay a few more taxes, and we will have a few more dollars to keep this train coming down the track.

Mr. Chairman, this language has been added to every appropriation bill and to every authorizing bill in the Congress. It does not reinvent the wheel, but it does, in fact, encourage, to the most practical extent possible, that when people, regardless of who has jurisdictional authority to do so, expend the hard-earned Federal taxpayer dollars, they try, wherever possible, to buy, within the limits of the law, American-made products, made by American hands, who get American paychecks, pay American taxes. This is no walk in the park around here.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. Mr. Chairman, we will be very happy to accept the amendment on this side.

Mr. Chairman, I would feel much better if at the end of paragraph 1 where the gentleman has "American made" he would include "and manufactured and purchased in Ohio and Pennsylvania."

Mr. TRAFICANT. Mr. Chairman, yes, I would accept the gentleman's tremendous amendment. His intellect amazes me.

Mr. GOODLING. Mr. Chairman, we accept the amendment.

Mr. TRAFICANT. I appreciate that and just take a couple minutes here.

Mr. Chairman, I want to commend the gentleman from Pennsylvania [Mr. GOODLING], who has handled this bill. There was a lot of contentious items coming in, and there has been an awful lot of headway that has been made, and I think the gentleman deserves a lot of credit for that. I really mean that.

Mr. CLAY. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Missouri, the distinguished ranking member, who as well in the past has been a supporter of Buy American and Made in America. Hopefully he will maintain his record.

Mr. CLAY. Mr. Chairman, I have agreed with the gentleman in all of the other instances where he introduced a Buy American amendment, and I do not see any reason why I would disagree with him now. I think he is the champion of all Americans when it comes to Buy American.

Mr. Chairman, I was not listening to at what point in the bill the gentleman offered his amendment. I was trying to get together the next amendment. But I am sure, if it is consistent with what he has been doing in the past, that I will be supportive.

Mr. TRAFICANT. Mr. Chairman, I appreciate that, and with that I say it would apply to the entire act, and with that I appreciate the support.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title II?

If not, the Clerk will designate title III.

The text of title III is as follows:

TITLE III—ADULT EMPLOYMENT AND TRAINING CONSOLIDATION GRANT

SEC. 301. PURPOSE.

The purpose of this title is to establish an efficient, high-quality, and equitable system of employment, job training, and related assistance designed to facilitate the transition of adults into productive, high skills, private sector employment.

Subtitle A—Adult Employment and Training Consolidation Grant

SEC. 311. AUTHORIZATION.

(a) IN GENERAL.—In the case of each State that in accordance with the requirements of section 102 submits to the Secretary of Labor (hereinafter in this title referred to as the "Secretary") a State workforce development and literacy plan under section 104, the Secretary shall provide a grant to the State for the purpose of providing employment, job training, and related assistance for adults in the State.

(b) AMOUNT.—The grant shall consist of the allotment determined for the State under section 312.

SEC. 312. ALLOTMENT AMONG STATES.

(a) IN GENERAL.—Of the amount appropriated pursuant to section 4(a)(2) to carry out this title for a fiscal year, the Secretary shall—

(1) allot 85 percent of such amounts in accordance with subsection (b); and

(2) reserve 15 percent for use under subtitle B.

(b) ALLOTMENT AMONG STATES.—

(1) RESERVATION FOR THE TERRITORIES.—Of the amount allotted under subsection (a)(1), the Secretary shall allot not more than one quarter of one percent among the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, and the Virgin Islands.

(2) STATES.—After determining the amount to be allotted under paragraph (1), the Secretary shall allot the remaining amount to the remaining States so that each State receives an amount that bears the same proportion to such remaining amount as—

(A) the amount allotted to each such State from allotments under sections 202 and 302 of the Job Training Partnership Act (29 U.S.C. 1602 and 1652) (as in effect before the date of the enactment of this Act) for fiscal year 1995; bears to

(B) the aggregate of the amounts allotted to all such States from allotments under such sections for such fiscal year.

(c) MINIMUM ALLOTMENT.—No State shall receive less than one-quarter of one percent of the amount available under this title for a fiscal year. Amounts necessary for increasing such payments to States to comply with the preceding sentence shall be obtained by ratably reducing the amounts to be paid to other States.

SEC. 313. ALLOCATION WITHIN STATES.

(a) RESERVATIONS FOR STATE ACTIVITIES.—

(1) IN GENERAL.—The Governor of the State shall reserve not more than 20 percent of the amount allotted to the State under section 312(b) for a fiscal year for statewide activities for employment, job training, and related assistance for adults.

(2) MANDATORY ACTIVITIES.—Such activities shall include—

(A) rapid response activities; and

(B) additional assistance to areas that experience disasters, mass layoffs or plant closings, or other events which precipitate substantial increases in the number of unemployed workers, to be expended in accordance with the local plan of the relevant workforce development area.

(3) DISCRETIONARY ACTIVITIES.—

(A) IN GENERAL.—Such activities may include—

(i) subject to subparagraph (B), administration by the State of programs under this subtitle;

(ii) capacity building and technical assistance to local workforce development areas, integrated career center systems, and service providers, including the development and training of staff and the development of exemplary program activities;

(iii) incentives for program coordination, performance awards, and research and demonstrations;

(iv) implementation of innovative incumbent worker training programs, which may include the establishment and implementation of an employer loan program to assist in skills upgrading (in accordance with the requirements of section 324);

(v) implementation of experimentation, model activities, pilot projects, and demonstration projects which further the goals and purposes of this Act;

(vi) additional assistance for the development and implementation of the integrated career center system of the State established in accordance with title I; and

(vii) support for a common management information system as described in section 109.

(B) LIMITATION.—Not more than 25 percent of the amount reserved by the Governor under paragraph (1) may be used for administration by the State of programs under this subtitle.

(b) WITHIN STATE ALLOCATION.—

(1) IN GENERAL.—The Governor of the State shall allocate the remainder of the amount allotted to the State under section 312(b) to workforce development areas designated under title I of this Act, in accordance with paragraphs (1) and (2) of such section, for the purpose of providing employment, job training, and related services for adults in accordance with section 315.

(2) WITHIN STATE FORMULA.—

(A) ESTABLISHMENT.—The Governor, through the collaborative process under section 103 of this Act, and after consultation with local chief elected officials in the local workforce development area, shall develop a formula for the allocation of 90 percent of the remainder of funds described in paragraph (1), to workforce development areas, taking into account—

(i) poverty rates within each local workforce development area, as determined by the State;

(ii) unemployment rates within each local workforce development area;

(iii) the proportion of the State's adult population residing within each local workforce development area; and

(iv) such other factors as considered appropriate.

(B) ADDITIONAL FACTORS.—In establishing such formula, the Governor shall ensure that funds are distributed equitably throughout the State, and that the factors described in subparagraph (A) do not receive disproportionate weighting.

(3) WITHIN STATE DISCRETIONARY ALLOCATION.—In addition, the Governor is authorized to allocate 10 percent of the remainder of funds described in paragraph (1) to workforce development areas designated under title I of this Act. Amounts may be allocated to such areas as determined by the Governor.

SEC. 314. ADDITIONAL STATE PLAN REQUIREMENTS.

The State shall, as part of the State workforce development and literacy plan under title I of this Act, submit to the Secretary the following additional information:

(1) A description of how the State will serve the employment and training needs of dislocated workers, economically disadvantaged individuals, older workers, individuals with disabilities, displaced homemakers, veterans, and individuals with multiple barriers to employment (as determined by the State), including individuals who are basic skills deficient.

(2) A description of how the State will provide rapid response assistance to workers experiencing dislocation as a result of mass layoffs and plant closings, either through the direct provision of services or through the transfer of funds to local workforce development areas for the provision of such services.

SEC. 315. USE OF AMOUNTS.

(a) CORE SERVICES.—Amounts allocated under section 313(b) shall be used to provide core services to adults through integrated career center systems in accordance with title I of this Act.

(b) INTENSIVE SERVICES.—

(1) IN GENERAL.—Amounts allocated under section 313(b) shall be used to provide intensive services to adults—

(A) who are unable to obtain employment through core services under subsection (a); and

(B) who have been determined to be in need of more intensive services in order to gain employment.

(2) DELIVERY OF SERVICES.—Such intensive services shall be provided—

(A) directly through integrated career center systems in accordance with title I of this Act; or

(B) through contracts through such systems with service providers approved by the local workforce development board, which may include private, for-profit providers.

(3) TYPES OF SERVICES.—Such intensive services may include the following:

(A) Comprehensive and specialized assessments of the skill levels and service needs of adults, which may include—

(i) diagnostic testing and other assessment tools; and

(ii) in-depth interviewing and evaluation to identify employment barriers and appropriate employment goals.

(B) Development of an individual employment plan, to identify the employment goals, appropriate achievement objectives, and the appropriate combination of services for the adult to achieve the employment goal.

(C) Group counseling.

(D) Individual counseling and career planning.

(E) Case management for adults receiving education and training services under subsection (c) or supportive services under subsection (d).

(F) Follow-up counseling for adults placed in training or employment, for up to 1 year.

(c) EDUCATION AND TRAINING SERVICES.—

(1) IN GENERAL.—Amounts allocated under section 313(b) shall be used to provide education and training services to adults—

(A) who are unable to obtain employment through core services under subsection (a);

(B) who are in need of education and training services in order to gain employment as a result of determinations made through—

(i) preliminary assessments under section 107(f)(1)(B) of this Act; or

(ii) comprehensive and specialized assessments under subsection (b)(3)(A); and

(C) who are unable to obtain other grant assistance for such services, such as through Federal Pell Grants established under title IV of the Higher Education Act of 1965.

(2) DELIVERY OF SERVICES.—Such education and training services shall be provided through education and training providers certified in accordance with title I of this Act.

(3) TYPES OF SERVICES.—Such education and training services may include the following:

(A) Basic skills training, including remedial education, literacy training, and English literacy program instruction.

(B) Occupational skills training, including training for nontraditional employment.

(C) On-the-job training.

(D) Programs that combine workplace training with related instruction.

(E) Training programs operated by the private sector.

(F) Skill upgrading and retraining.

(G) Entrepreneurial training.

(H) Employability training to enhance basic workplace competencies.

(I) Customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.

(4) ADDITIONAL REQUIREMENTS.—

(A) USE OF CAREER GRANTS.—

(i) IN GENERAL.—Except as provided in clause (ii) and clause (iii), education and training services under this section shall be provided through the use of career grants in accordance with this subsection, and shall be distributed to eligible individuals through integrated career centers or affiliated sites as described in section 107, and in accordance with section 108 regarding the identification of eligible education and training providers.

(ii) EXCEPTIONS.—Education and training services authorized under this title may be provided pursuant to a contract for services in lieu of a career grant if—

(I) such services are on-the-job training provided by an employer;

(II) the local workforce development board determines there are an insufficient number of certified providers of education and training services in the workforce development area to accomplish the purposes of a career grant system;

(III) the local workforce development board determines that the certified providers of education and training in the workforce development area are unable to provide effective services to special participant populations; or

(IV) the local workforce development board decides to enter into a direct training contract with a community based organization serving special participant populations.

(iii) TRANSITION.—States may have up to three years from the date of enactment of this Act to fully implement the requirements of clause (i), but nothing shall prohibit states from beginning such implementation at an earlier date.

(B) LINKAGE TO OCCUPATIONS IN DEMAND.—Education and training services under this subsection shall be directly linked to occupations for which there is a demand in the local workforce development area, or in another area to which an adult receiving such services is willing to relocate.

(d) ADDITIONAL SERVICES.—

(1) SUPPORTIVE SERVICES.—Supportive services may be provided for individuals—

(A) who are receiving assistance under any of subsections (a) through (c); and

(B) who are unable to receive such services through other programs providing such services.

(2) NEEDS-RELATED PAYMENTS.—

(A) IN GENERAL.—Amounts allocated under section 313(b) may be used to provide needs-related payments to adults who are unemployed and do not qualify for (or have ceased to qualify for) unemployment compensation for the purpose of enabling such adults to participate in education and training programs under subsection (c).

(B) ADDITIONAL ELIGIBILITY REQUIREMENTS.—In addition to the requirements contained in subparagraph (A), a dislocated worker who has exhausted unemployment insurance benefits may be eligible to receive needs-related payments under this paragraph only if such worker was enrolled in education or training by the end of the 8th week of the worker's initial unemployment compensation benefit period, or, if later, by the end of the 8th week after the worker is informed that a short-term layoff will in fact exceed 6 months.

(e) PRIORITY.—Local workforce development boards shall establish a process through which priority is given to dislocated workers and economically disadvantaged individuals, for receipt of services provided under subsections (b) and (c), in the event that funds are limited within the workforce development area.

(f) PROHIBITION ON PRIVATE RIGHT OF ACTION.—Nothing in this section may be construed to establish a right for a participant to bring an action to obtain services under a program established under this section.

(g) LIMITATIONS ON USE OF FUNDS.—Not more than 10 percent of the funds provided under this title to a local workforce development board may be used for administrative purposes.

Subtitle B—Federal Programs

SEC. 321. NATIONAL DISCRETIONARY GRANTS.

(a) GRANTS FOR DISLOCATED WORKERS.—

(1) IN GENERAL.—From amounts reserved under section 312(a)(2) for any fiscal year, the Secretary is authorized to award national discretionary grants to address major economic dislocations that result from plant closures, base closures, or mass layoffs.

(2) APPLICATION.—To receive a grant under this section, an eligible entity shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary determines is appropriate.

(3) ELIGIBLE ENTITIES.—Grants under this section may be awarded to—

(A) the State;

(B) a local workforce development board administering assistance under this Act;

(C) employers and employer associations;

(D) worker-management transition assistance committees and other employer-employee entities;

(E) representatives of employees;

(F) community development corporations and community-based organizations; and

(G) industry consortia.

(b) INCENTIVE GRANTS.—From amounts reserved under section 312(a)(2) for any fiscal year, the Secretary may provide awards to States—

(1) to assist in the implementation of exemplary statewide workforce development system designs; and

(2) for the achievement of exceptional performance in the statewide workforce development system.

SEC. 322. DISASTER RELIEF EMPLOYMENT ASSISTANCE.

(a) IN GENERAL.—From amounts reserved under section 312(a)(2) for any fiscal year, the Secretary may provide assistance to the Governor of any State within which is located an area that has suffered an emergency or a major disaster as defined in paragraphs (1) and (2), respectively, of section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (referred to in this section as the "disaster area").

(b) USE OF FUNDS.—

(1) PROJECTS RESTRICTED TO DISASTER AREAS.—Funds made available under this section—

(A) shall be used exclusively to provide employment on projects to provide food, clothing, shelter, and other humanitarian assistance for disaster victims and on projects regarding demolition, cleanup, repair, renovation, and reconstruction of damaged and destroyed structures, facilities, and lands located within the disaster area; and

(B) may be expended through public and private agencies and organizations engaged in such projects.

(2) ELIGIBILITY REQUIREMENTS.—An individual shall be eligible to be offered disaster employment under this section if such individual is a dislocated worker or is temporarily or permanently laid off as a consequence of the disaster.

(3) LIMITATIONS ON DISASTER RELIEF EMPLOYMENT.—No individual shall be employed under this part for more than 6 months for work related to recovery from a single natural disaster.

SEC. 323. RESEARCH, DEMONSTRATION, EVALUATION, AND CAPACITY BUILDING.

(a) IN GENERAL.—From amounts reserved under section 312(a)(2) for any fiscal year, the Secretary is authorized to establish and carry out research, demonstration, and capacity building activities in accordance with this section.

(b) ACTIVITIES.—The Secretary is authorized to carry out the following activities under this section:

(1) RESEARCH.—The Secretary is authorized to conduct continuing research, which may include studies and other methods and techniques, that will aid in the solution of the employment and training problems of the United States. Such studies may include the extent to which individuals who participate in programs established under this title achieve self-sufficiency as a result of such participation, including the identification by State and locality, to the extent practicable, of indicators measuring such self-sufficiency.

(2) DEMONSTRATIONS.—The Secretary is authorized to conduct pilot and demonstration projects for the purpose of developing and improving methods and techniques for addressing employment and training needs which may include—

(A) projects conducted jointly with the Department of Defense to develop training programs utilizing computer-based and other innovative learning technologies. The Secretary may award grants and enter into contracts with appropriate entities to carry out such projects; and

(B) Projects which promote the use of distance learning, enabling students to take courses through the use of technology such as videos teleconferencing, computers, and the internet.

(3) EVALUATION.—

(A) ACTIVITIES.—

(i) JOB TRAINING ACTIVITIES.—The Secretary shall provide for the continuing evaluation of activities conducted under this Act, including the use of controlled experiments using experimental and control groups chosen by scientific random assignment, and at a minimum, determine whether job training and job placement programs effectively raise the hourly wage rates of individuals receiving training through such programs.

(ii) OTHER PROGRAMS.—The Secretary may conduct evaluations of other federally funded employment-related activities including programs administered under—

(I) the Wagner-Peyser Act (29 U.S.C. 49 et seq.);

(II) the National Apprenticeship Act (29 U.S.C. 50 et seq.);

(III) the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.); and

(IV) the Federal unemployment insurance program under titles III, IX, and XII of the Social Security Act (42 U.S.C. 501 et seq., 1101 et seq., and 1321 et seq.).

(B) EFFECTIVENESS.—The Secretary shall evaluate the effectiveness of programs authorized under this Act with respect to—

(i) the statutory goals;

(ii) the performance standards established by the Secretary; and

(iii) the extent to which such programs enhance the employment and earnings of participants, reduce income support costs, improve the employment competencies of participants in comparison to comparable persons who did not participate in such programs, and to the extent feasible, increase the level of total employment over the level that would have existed in the absence of such programs.

(4) NATIONAL PARTNERSHIP AND SPECIAL TRAINING.—The Secretary may award special grants to eligible entities to carry out activities that are most appropriately administered at the national level. Such activities may include—

(A) partnerships with national organizations with special expertise in developing, organizing, and administering employment and training services at the national, State, and local levels, such as industry and labor associations, public interests groups, community-based organizations representative of groups that encounter special difficulties in the labor market, in education and training; and

(B) activities that—

(i) address industry-wide skill shortages;

(ii) meet training needs that are best addressed on a multistate basis;

(iii) further the goals of increasing the competitiveness of the United States labor force;

(iv) require technical expertise available at the national level to serve the needs of particular client groups that encounter significant barriers to employment and who the Secretary determines require special assistance; and

(v) promote and experiment with model activities, pilot projects, and demonstration projects which further the goals and purposes of this Act.

(5) CAPACITY BUILDING AND TECHNICAL ASSISTANCE.—

(A) IN GENERAL.—The Secretary shall provide, through grants, contracts, or other arrangements, staff training and technical assistance to States, local workforce development boards, career centers, communities, business and labor organizations, service providers, industry consortia, and other entities, to enhance their capacity to develop and deliver effective employment and training services.

(B) ACTIVITIES.—The staff training and technical assistance authorized under subparagraph (A) may include—

(i) development of management information systems;

(ii) development and maintenance of a national capacity building, information and dissemination network; and

(iii) grants for the replication of successful employment and training models and activities.

SEC. 324. WORKFORCE SKILLS AND DEVELOPMENT LOANS.

(a) AUTHORIZATION.—

(1) IN GENERAL.—From amounts reserved under section 312(a)(2) for any fiscal year, the Secretary of Labor may use a portion of such amounts to provide grants to States to provide loans to eligible entities described in paragraph (2) to assist such entities in providing skills upgrading.

(2) ELIGIBLE ENTITIES.—An eligible entity described in this paragraph is—

(A) an employer;

(B) a representative of employees;

(C) a business association;

(D) a trade organization; or

(E) a consortium consisting of—

(i) more than 1 of the entities described in subparagraphs (A) through (D); or

(ii) an institution of higher education (as such term is defined in section 481 of the Higher Education Act of 1965 (20 U.S.C. 1088) which continues to meet the eligibility and certification requirements under section 498 of such Act) and 1 or more of the entities described in subparagraphs (A) through (D).

(b) APPLICATION.—The Secretary may provide a grant to a State under subsection (a) only if such State submits to the Secretary an application which contains such information as the Secretary may reasonably require.

(c) USE OF AMOUNTS.—A State shall use amounts received from a grant under subsection (a) to establish a loan guarantee program to assist eligible entities described in paragraph (2) of such subsection to provide skills upgrading. In carrying out such program, the State shall meet the following requirements:

(1) ESTABLISHMENT OF RESERVE FUND FOR LOAN GUARANTEES.—The State shall establish a reserve fund from amounts received from such grant for the purpose of making commitments to guarantee the payment of principal and interest on loans made by financial institutions to such eligible entities to provide skills upgrading.

(2) CRITERIA FOR LOAN GUARANTEES.—The State, in conjunction with appropriate financial institutions, shall establish and publish criteria for providing loan guarantees to eligible entities under the program, including criteria that provides for the following:

(A) A loan guarantee may be issued under the program only if, at the time such guarantee is issued the eligible entity agrees to pay as an insurance premium an amount equal to 1 percent of the principal received by such entity under the loan to the State's reserve fund.

(B)(i) Subject to clause (ii), the eligible entity will use amounts received from the loan to provide skills upgrading for mid- and lower-level employees, which may include—

(I) training in total quality management, statistical process control, production techniques, office automation, materials resource planning; and

(II) training to improve basic skills, including reading, writing, and arithmetic.

(ii) In providing such skills upgrading, the eligible entity shall give priority to employees who—

(I) directly produce or deliver goods or services; or

(II) are in danger of being terminated or laid off as a result of modernization in the workplace, corporate downsizing, foreign or domestic competition, or Federal policies adversely affecting 1 or more industries.

(C) Amounts from a loan shall not be used to pay the wages or other benefits of any employee receiving assistance under the program.

(3) PAYMENT BY STATE TO FINANCIAL INSTITUTIONS IN CASES OF DEFAULT.—

(A) IN GENERAL.—In accordance with criteria developed by the Secretary, the State shall make payments from the State's reserve fund to financial institutions that have provided loans to eligible entities that have defaulted on such loans for the purpose of reimbursing such institutions for the amount of principal and interest remaining unpaid to the institutions by reason of such default.

(B) NO FULL FAITH AND CREDIT OF THE UNITED STATES.—Loans provided by financial institutions to eligible entities under loan guarantee programs under this section shall not be obligations of, or guaranteed in any respect by, the United States.

(4) INTEREST FROM AMOUNTS IN RESERVE FUND.—Any interest earned from amounts in the State's reserve fund shall be credited to such fund.

(d) FEDERAL AND STATE SHARE.—

(1) FEDERAL SHARE.—The Federal share under this section may not exceed 50 percent of the total cost of the program established under subsection (c) for any fiscal year.

(2) STATE SHARE.—The State share shall be provided from non-Federal sources and may be in cash or in-kind, fairly evaluated.

SEC. 325. EMPLOYMENT, TRAINING, AND EDUCATION ASSISTANCE FOR NATIVE AMERICANS.

(a) AUTHORIZATION.—From amounts reserved under section 4(a)(2) for any fiscal year, there shall be reserved one quarter of one percent, or $85,000,000, whichever is less, to provide grants to, or enter into contracts or cooperative agreements with, Indian tribes and tribal organizations, tribally-controlled colleges, tribally-controlled postsecondary vocational institutions, Indian-controlled organizations serving off-reservation areas, Alaska Native village and regional entities serving areas as described in the Alaska Native Claims Settlement Act and Hawaiian Native-controlled organizations to provide employment, training, vocational rehabilitation, library services, and education assistance for Native Americans.

(b) TRANSFER OF AUTHORITY FOR VOCATIONAL EDUCATION ACTIVITIES.—In carrying out subsection (a), the Secretary of Labor may enter into an agreement with the Secretary of Education to carry out any portion of assistance under such subsection devoted to vocational educational activities, including support for the United Tribes Technical College and Crownpoint Institute of Technology.

(c) CONSOLIDATION OF FUNDS.—Entities receiving assistance under subsection (a) may consolidate such assistance with assistance received from related programs in accordance with the provisions of the Indian Employment, Training and Related Services Demonstration Act (Public Law 102–477).

(d) REGULATIONS.—The Secretary shall consult with Indian, Alaska Native and Hawaiian Native groups in establishing regulations to carry out this section, including performance standards for entities receiving assistance under subsection (a), taking into account the economic circumstances of such groups.

SEC. 326. EMPLOYMENT, TRAINING, AND EDUCATION ASSISTANCE FOR MIGRANT AND SEASONAL FARMWORKERS.

(a) AUTHORIZATION.—

(1) IN GENERAL.—From amounts reserved under section 4(a)(2) for any fiscal year, there shall be reserved one quarter of one percent, or $85,000,000, whichever is less, to provide grants to, or enter into contracts or cooperative agreements with, entities described in paragraph (2) to provide employment, training, and education assistance for migrant and seasonal farmworkers.

(2) ENTITIES DESCRIBED.—An entity described in this paragraph is an entity the Secretary determines to have the capacity to administer effectively a diversified workforce development program for migrant and seasonal farmworkers.

(b) USE OF AMOUNTS.—An entity shall use amounts received under subsection (a) to provide employment, training, educational development, high school equivalency, postsecondary education assistance, vocational rehabilitation, literacy, English as a second language, work-based education and development, worker safety training, employability enhancements, emergency or other disaster relief, housing, technical assistance, outreach, intake, assessment, follow-up, stipend support, supportive services, other needs-based assistance, self-employment and related business enterprise development education, and the management of a database on participating migrant and seasonal farmworkers.

(c) REGULATIONS.—The Secretary shall consult with seasonal and migrant farmworker groups in establishing regulations to carry out this section, including performance standards for entities receiving assistance under subsection (a)(2), taking into account the economic circumstances of such groups.

The CHAIRMAN. Are there amendments to title III?

If not, the Clerk will designate title IV.

The text of title IV is as follows:

TITLE IV—ADULT EDUCATION AND FAMILY LITERACY CONSOLIDATION GRANT AND LIBRARY SERVICES AND TECHNOLOGY CONSOLIDATION GRANT

SEC. 401. FINDINGS.

The Congress finds as follows:

(1) According to the 1990 census, 21 percent of our Nation's adults (more than 38 million persons) lack a high school credential or are limited English proficient.

(2) The National Adult Literacy Survey, conducted under the Adult Education Act, found that 20 percent of all adults in the United States, or about 40 million people, have minimal levels of literacy skills and that the lack of such skills is related to unemployment, low wages, and fewer weeks worked.

(3) The success of State efforts to reform and improve public education are dependent on the ability of the United States to break intergenerational cycles of illiteracy and inadequate education by ensuring that parents possess a strong educational foundation and, as the first and most continuous teachers of their children, model for, and instill in, their children a commitment to family literacy and life-long learning.

(4) Generations of immigrants have contributed to our communities and our economy, but for them to continue to do so given recent technologies and the competitive global economy, they must master English as rapidly as possible.

(5) Studies have found that incarcerated adults are twice as likely as nonincarcerated adults to lack a good education and that such lack is a significant statistical indicator of recidivism.

(6) Certain short-term and long-term goals of the Nation may not be met unless the United States improves its current system of adult education and life-long learning through Federal leadership.

SEC. 402. DEFINITIONS.

As used in this title:

(1) CORRECTIONAL EDUCATION AGENCY.—The term "correctional education agency" means an entity that provides programs for criminal offenders in corrections institutions and for other institutionalized individuals which include academic programs for basic education, special education, bilingual or English language instruction, vocational training, library development, corrections education programs, guidance and counseling, and other supportive services for criminal offenders which may emphasize coordination of educational services with educational institutions, community-based organizations of demonstrative effectiveness, and the private sector, designed to provide education and training.

(2) EDUCATIONALLY DISADVANTAGED ADULT.—The term "educationally disadvantaged adult" means an adult who—

(A) demonstrates basic skills equivalent to or below that of students at the fifth grade level; or

(B) has been placed in the lowest or beginning level of an adult education program when that program does not use grade level equivalencies as a measure of students' basic skills.

(3) FAMILY LITERACY SERVICES.—The term "family literacy services" means services that are of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in a family and that integrate all of the following activities:

(A) Interactive literacy activities between parents and their children.

(B) Training for parents on how to be their children's primary teacher and full partners in the education of their children.

(C) Parent literacy training.

(D) An age-appropriate education program for children.

(4) SECRETARY.—The term "Secretary" means the Secretary of Education.

Subtitle A—Adult Education and Family Literacy Consolidation Grant

SEC. 411. PURPOSES.

The purposes of this subtitle are to assist States to provide—

(1) to adults, the basic educational skills necessary for employment and self-sufficiency;

(2) to adults who are parents, the educational skills necessary to be full partners in the educational development of their children;

(3) to adults, the basic English language skills necessary to participate in the civic, social, and economic life of the United States; and

(4) to adults, the opportunity to attain a high school degree or its equivalent in order to permit them to pursue further education and training or improve their family and work situations.

CHAPTER 1—FUNDING

SEC. 421. RESERVATIONS FROM AMOUNTS APPROPRIATED.

(a) NATIONAL INSTITUTE FOR LITERACY.—For any fiscal year, the Secretary shall reserve $4,500,000 of the amount appropriated under section 4(a)(3) to carry out the activities of the National Institute for Literacy described in section 441.

(b) NATIONAL LEADERSHIP ACTIVITIES.—For any fiscal year, the Secretary shall reserve $4,500,000 of the amount appropriated under section 4(a)(3) to establish and carry out the program of national leadership and evaluation activities described in section 442.

SEC. 422. ALLOTMENT.

(a) INITIAL ALLOTMENT.—From the sums available for the purpose of making grants under chapter 2 for any fiscal year, the Secretary shall allot—

(1) $100,000 each to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Virgin Islands; and

(2) $250,000 to each of the other States.

(b) ADDITIONAL ALLOTMENT.—

(1) IN GENERAL.—From the remainder of the sums described in subsection (a) after the application of the subsection, the Secretary shall allot to each State an amount which bears the same ratio to such remainder as the number of qualifying adults in the State bears to the number of such adults in all States.

(2) QUALIFYING ADULT.—For purposes of this subsection, the term "qualifying adult" means an adult who—

(A) is at least 16 years of age, but less than 61 years of age;

(B) is beyond the age of compulsory school attendance under State law;

(C) does not have a certificate of graduation from a school providing secondary education (or its equivalent); and

(D) is not currently enrolled in elementary or secondary school.

CHAPTER 2—GRANTS TO STATES

SEC. 431. REQUIREMENT TO MAKE GRANTS.

For fiscal year 1997 and subsequent fiscal years, the Secretary shall make a grant to a State in an amount equal to the initial and additional allotments of the State for the year if the State—

(1) has satisfied the requirements of title I and section 433(a)(1);

(2) agrees not to expend the grant for any purpose other than in accordance with section 432;

(3) agrees to satisfy the grant requirements in section 433(a)(2) and 433(b); and

(4) agrees not to expend the grant for the purpose of supporting or providing programs, services, or activities for individuals who are not adults, except if such programs, services, or activities are related to family literacy services.

SEC. 432. USES OF FUNDS.

(a) STATE USES OF FUNDS.—

(1) GRANTS TO SERVE TARGET POPULATIONS.—

(A) IN GENERAL.—Of the funds paid to a State under this title for fiscal year 1998 and subsequent fiscal years, 3 percent shall be distributed as performance grants made by the State on a competitive basis, and consistent with subsection (b) and section 433(b)(2), to local service providers that have provided, during the immediately preceding fiscal year, adult education or family literacy services to the target populations described in subparagraph (C).

(B) LOCAL SERVICE PROVIDERS.—The local service providers referred to in subparagraph (A) may include the following:

(i) Local educational agencies.

(ii) Correctional educational agencies.

(iii) Community-based organizations.

(iv) Public or private nonprofit agencies.

(v) Institutions of higher education.

(vi) Libraries.

(vii) Other institutions that the State determines to have the ability to provide literacy services to adults and families.

(C) TARGET POPULATIONS.—The target populations referred to in subparagraph (A) are the following:

(i) Adults with more than one barrier to self-sufficiency, such as being unemployed or an educationally disadvantaged adult.

(ii) Families on public assistance (as determined by the State).

(iii) Parents who are educationally disadvantaged adults and who have a child who is less than 8 years of age.

(iv) Adults who are individuals with disabilities or who have similar special needs.

(2) GRANTS TO LOCAL SERVICE PROVIDERS.—Of the funds paid to a State under this subtitle for any fiscal year that remain after the application of paragraph (1), at least 85 percent shall be distributed as grants made by the State on a competitive basis, and consistent with subsection (b) and section 433(b)(2), to local service providers to establish, conduct, or expand programs, services, or activities to achieve a purpose of this subtitle. Such local service providers may include the local service providers described in paragraph (1)(B).

(3) OTHER STATE ACTIVITIES.—A State may use not more than 12 percent of the funds paid to the State under this subtitle for any fiscal year that remain after the application of paragraph (1) for one or more of the following purposes:

(A) The establishment or operation of professional development programs to improve the quality of instruction provided in local adult education and literacy programs, including instruction provided by volunteers.

(B) The provision of technical assistance to local service providers.

(C) The provision of technology assistance to local service providers to enable them to improve the quality of their programs, services, and activities that achieve a purpose of this subtitle, including—

(i) providing hardware and software;

(ii) paying for service connection fees associated with gaining access to computerized databases; and

(iii) upgrading the technological capabilities of local service providers to improve the quality of their services and to assist them in providing services on a flexible schedule that meets the needs of diverse populations.

(D) The support of State or regional networks of literacy resource centers that—

(i) enhance the coordination of literacy services across public and private programs and State agencies;

(ii) enhance the capacity of the State and local service providers to provide literacy services through the diffusion and adoption of state-of-the-art teaching methods and technologies;

(iii) provide linkages between the National Institute for Literacy established under section 441 and local service providers for the sharing of literacy information, research, and resources;

(iv) encourage government and industry partnerships; and

(v) provide training and technical assistance to literacy instructors in reading instruction, the use of state-of-the-art methodologies, instructional materials, and technologies, and professional development.

(E) Monitoring and evaluating the quality of, and the improvement in, services and activities conducted with Federal financial assistance under this subtitle, including carrying out section 433(a)(2).

(F) The support of a common management information system as described in section 109.

(G) Carrying out other activities of statewide significance that promote the purposes of this Act.

(4) ADMINISTRATIVE EXPENSES.—For any fiscal year, a State may use not more than 3 percent of the funds paid to the State under this subtitle that remain after the application of paragraph (1) or \$50,000, whichever is greater, for—

(A) planning, administration, and interagency coordination associated with a grant under this subtitle; and

(B) support for integrated career center systems described in section 107.

(b) LOCAL USES OF FUNDS.—A State shall require that a local service provider that receives a grant from the State under paragraph (1) or (2) of subsection (a) use the grant to establish or operate one or more programs that provide instruction or services within one or more of the following categories:

(1) Adult basic education that is designed for an adult who—

(A) has minimal competence in reading, writing, or computation;

(B) is not sufficiently competent in reading, writing, or computation to meet the requirements of adult life in the United States; or

(C) is not sufficiently competent in speaking, reading, or writing the English language to obtain employment commensurate with the adult's intellectual abilities.

(2) Adult secondary education that is designed for an adult who is literate and can function in everyday life, but who—

(A) has not acquired basic educational skills, including reading, writing, and computation; or

(B) does not have a certificate of graduation from a school providing education to students in grade 12, or its equivalent.

(3) English literacy instruction that is designed for an adult—

(A) who—

(i) has limited ability in speaking, reading, writing, or understanding the English language and whose native language is a language other than English; or

(ii) lives in a family or community environment where a language other than English is the dominant language; and

(B) who, by reason of a condition described in subparagraph (A), has sufficient difficulty reading, writing, or understanding the English language that the adult is unable—

(i) to learn successfully in a classroom where the language of instruction is English; or

(ii) to participate fully in the society of the United States.

(4) Family literacy services.

(c) AUTHORIZATION TO RECEIVE PAYMENTS FROM OTHER PROGRAMS.—A local service provider that receives a grant from a State under paragraph (1) or (2) of subsection (a), and that provides adult education and literacy services to an adult who was referred to the provider by a program supported under title II or III, may receive payment for the services from the program, either in the form of a career grant or by some other means.

SEC. 433. ADDITIONAL GRANT REQUIREMENTS.

(a) GOALS, PROGRESS INDICATORS, PERFORMANCE MEASURES.—

(1) PLANNING REQUIREMENTS.—A State that desires to receive a grant under this subtitle shall accomplish the following:

(A) Establish, through the collaborative process described in section 103, measurable goals for improving literacy levels, retention in literacy programs, and long-term learning gains of individuals in the State.

(B) Based on such goals and the performance measures described in section 110(f), establish, through such collaborative process, progress indicators to be used to evaluate the performance of local service providers receiving a grant under paragraph (1) or (2) of section 432(a).

(C) Describe such goals and progress indicators in the State workforce development and literacy plan submitted to the Secretary under section 104.

(2) IMPLEMENTATION REQUIREMENTS.—A State that receives a grant under this subtitle shall accomplish the following:

(A) With respect to each local service provider receiving a grant under paragraph (1) or (2) of section 432(a), based on the goals and progress indicators established under paragraph (1), measure the performance measures described in section 110(f) and use the data produced by such measurement to improve the quality of services provided to program participants or service recipients.

(B) Beginning on the date that is 2 years after the first date that a local service provider receives a grant under paragraph (1) or (2) of section 432(a), annually assess the degree to which the provider is meeting or exceeding the progress indicators applicable to the provider.

(C) Annually report to the Secretary on the performance measures described in section 434 for each category described in such section.

(b) OTHER REQUIREMENTS.—A State that receives a grant under this subtitle shall ensure the following:

(1) EXPENDITURES OF NON-FEDERAL FUNDS.—For any fiscal year for which a grant is made to the State under this subtitle, the State shall expend, on programs and activities relating to adult education and family literacy services, an amount, derived from sources other than the Federal Government, equal to 25 percent of the State's initial and additional allotments for the year.

(2) PRIORITY FOR PLANNING WITH BOARDS AND SYSTEMS.—In awarding grants to local service providers under paragraph (1) or (2) of section 432(a), the State shall give priority to providers that demonstrate joint planning with local workforce development boards and integrated career center systems.

(3) EQUITABLE ACCESS.—Local educational agencies, public or private nonprofit agencies, community-based organizations, correctional education agencies, institutions of higher education, libraries, and institutions which serve educationally disadvantaged adults shall be provided direct and equitable access to Federal funds provided under this subtitle in accordance with this subtitle.

(4) PAYMENTS BY LOCAL WORKFORCE DEVELOPMENT BOARDS TO LOCAL SERVICE PROVIDERS.—A local service provider that receives a grant from a State under paragraph (1) or (2) of section 432(a) may negotiate with a local workforce development board with respect to receipt of payments for adult education and literacy services provided by the provider to adults referred to the provider by a program supported under title II or III.

CHAPTER 3—NATIONAL PROGRAMS

SEC. 441. NATIONAL INSTITUTE FOR LITERACY.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There shall be established a National Institute for Literacy (in this section referred to as the "Institute"). The Institute shall be administered under the terms of an interagency agreement entered into by the Secretary of Education with the Secretary of Labor and the Secretary of Health and Human Services (in this section referred to as the "Interagency Group"). The Secretary may include in the Institute any research and development center, institute, or clearinghouse established within the Department of Education whose purpose is determined by the Secretary to be related to the purpose of the Institute.

(2) BOARD RECOMMENDATIONS.—The Interagency Group shall consider the recommendations of the National Institute for Literacy Advisory Board (in this section referred to as the "Board") established under subsection (d) in planning the goals of the Institute and in the implementation of any programs to achieve such goals.

(3) DAILY OPERATIONS.—The daily operations of the Institute shall be carried out by the Director of the Institute appointed under subsection (g).

(b) DUTIES.—

(1) IN GENERAL.—The Institute shall—

(A) provide national leadership for the improvement and expansion of the system for delivery of literacy services;

(B) coordinate the delivery of such services;

(C) support the creation of new methods of offering improved services;

(D) serve as a national resource for adult education and family literacy services by providing to the public the best and most current information available on the subjects; and

(E) assist States in developing levels of performance.

(2) AUTHORIZED ACTIVITIES.—In order to carry out the duties described in paragraph (1), the Institute may—

(A) establish a national electronic database of information that includes—

(i) information on—

(I) effective practices in the provision of literacy and basic skills instruction;

(II) public and private literacy and basic skills programs and Federal, State, and local policies affecting the provision of literacy services at the national, State, and local levels; and

(III) technical assistance, meetings, conferences, and other opportunities that lead to the improvement of literacy and basic skills services; and

(ii) a communication network for literacy programs, providers, and students;

(B) coordinate support for the provision of literacy and basic skills services across Federal agencies and at the State and local level;

(C) coordinate the support of research and development on literacy and basic skills in families and adults across Federal agencies and carry out basic and applied research and development on topics that are not being investigated by other organizations or agencies;

(D) collect and disseminate information on methods of advancing literacy that show promise of success; and

(E) assist in the development of policy with respect to literacy and basic skills.

(3) GRANTS, CONTRACTS, AND AGREEMENTS.—The Institute may enter into contracts or cooperative agreements with, or make grants to, individuals, public or private institutions, agencies, organizations, or consortia of such institutions, agencies, or organizations to carry out the activities of the Institute. Such grants, contracts, or agreements shall be subject to the laws and regulations that generally apply to grants, contracts, or agreements entered into by Federal agencies.

(c) LITERACY LEADERSHIP.—

(1) FELLOWSHIPS.—The Institute, in consultation with the Board, may award fellowships, with such stipends and allowances as the Director considers necessary, to outstanding individuals pursuing careers in adult education or literacy in the areas of instruction, management, research, or innovation.

(2) USE OF FELLOWSHIPS.—Fellowships awarded under this subsection shall be used, under the auspices of the Institute, to engage in research, education, training, technical assistance, or other activities to advance the field of adult education or literacy, including the training of volunteer literacy providers at the national, State, or local level.

(3) INTERNS AND VOLUNTEERS.—The Institute, in consultation with the Board, may award paid and unpaid internships to individuals seeking to assist the Institute in carrying out its mission. Notwithstanding section 1342 of title 31, United States Code, the Institute may accept and use voluntary and uncompensated services as the Institute determines necessary.

(d) NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—There shall be a National Institute for Literacy Advisory Board. The Board shall consist of 10 individuals appointed by the President with the advice and consent of the Senate from individuals who—

(i) are not otherwise officers or employees of the Federal Government; and

(ii) are representative of entities or groups described in subparagraph (B).

(B) ENTITIES OR GROUPS DESCRIBED.—The entities or groups referred to in subparagraph (A) are—

(i) literacy organizations and providers of literacy services, including—

(I) nonprofit providers of literacy services;

(II) providers of programs and services involving English language instruction; and

(III) providers of services receiving assistance under this subtitle;

(ii) businesses that have demonstrated interest in literacy programs;

(iii) literacy students;

(iv) experts in the area of literacy research;

(v) State and local governments; and

(vi) representatives of employees.

(2) DUTIES.—The Board shall—

(A) make recommendations concerning the appointment of the Director and staff of the Institute;

(B) provide independent advice on the operation of the Institute; and

(C) receive reports from the Interagency Group and the Director.

(3) TERMS.—

(A) IN GENERAL.—Each member of the Board shall be appointed for a term of 3 years, except that the initial terms for members may be 1, 2, or 3 years in order to establish a rotation in which ⅓ of the members are selected each year.

(B) VACANCY APPOINTMENTS.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that members' term until a successor has taken office. A vacancy in the Board shall be filled in the manner in which the original appointment was made. A vacancy in the Board shall not affect the powers of the Board.

(4) QUORUM.—A majority of the members of the Board shall constitute a quorum but a lesser number may hold hearings. Any recommendation may be passed only by a majority of its members present.

(5) CHAIRPERSON AND VICE CHAIRPERSON.—The chairperson and vice chairperson of the Board shall be elected by the members. The term of office of the chairperson and vice chairperson shall be 1 year.

(6) MEETINGS.—The Board shall meet at the call of the chairperson or a majority of its members.

(e) GIFTS, BEQUESTS, AND DEVISES.—The Institute may accept, administer, and use gifts or donations of services, money, or property, both real and personal.

(f) MAILS.—The Board and the Institute may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(g) STAFF.—The Interagency Group, after considering recommendations made by the Board, shall appoint and fix the pay of a Director.

(h) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director and staff of the Institute may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the maximum rate payable under section 5376 of title 5, United States Code.

(i) EXPERTS AND CONSULTANTS.—The Board and the Institute may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(j) REPORT.—The Institute shall submit a biennial report to the Interagency Group and the Congress.

SEC. 442. NATIONAL LEADERSHIP ACTIVITIES.

(a) IN GENERAL.—The Secretary shall establish and carry out a program of national leadership and evaluation activities to enhance the quality of adult education and family literacy programs nationwide.

(b) REQUIRED ACTIVITY.—

(1) IN GENERAL.—The program of national leadership and evaluation activities under subsection (a) shall include a national evaluation, conducted by the Secretary, of the programs and activities carried out by States and local service providers with Federal funds received under this subtitle. Such evaluation shall include information on the following:

(A) The manner in which States and local service providers use Federal funds, including the manner in which States allocate such funds among such providers.

(B) The manner in which States establish goals and performance standards and use such goals and standards to manage and improve programs.

(C) The effectiveness of the funds used under subparagraphs (B) and (C) of section 432(a)(3).

(D) The manner in which economically disadvantaged individuals and educationally disadvantaged adults are being served by States and local service providers.

(E) The coordination between programs and activities carried out with Federal funds received under titles II and III and programs and activities carried out with Federal funds received under this subtitle.

(F) The percentage of individuals receiving a service from an integrated career center system who are referred by such system to a local service provider providing adult education or literacy services.

(2) REPORT.—Not later than September 30, 2001, the Secretary shall provide to the Congress and publicly publish the results of the evaluation conducted under paragraph (1).

(c) AUTHORIZED ACTIVITIES.—

(1) IN GENERAL.—The program of national leadership and evaluation activities under subsection (a) may include the following:

(A) Assisting States in developing levels of performance.

(B) Research and development.

(C) Demonstration of model and innovative programs.

(D) Evaluations, including independent evaluations of adult education and family literacy programs carried out with financial assistance received pursuant to this subtitle.

(E) Data collection.

(F) Professional development.

(G) Technical assistance to States and local service providers receiving Federal financial assistance pursuant to this subtitle.

(H) Making grants to State or regional networks of literacy resource centers described in section 432(a)(3)(D).

(I) Other activities to enhance the quality of adult education and family literacy programs nationwide.

(2) GRANTS, CONTRACTS, AND COOPERATIVE AGREEMENTS.—The Secretary may carry out the activities described in paragraph (1) directly or through grants, contracts, and cooperative agreements.

Subtitle B—Library Services and Technology Consolidation Grant

SEC. 451. PURPOSES.

The purposes of this subtitle are—

(1) to consolidate Federal library service programs;

(2) to improve public access to information through electronic networks; and

(3) to provide linkages among and between libraries and integrated career center systems.

SEC. 452. AUTHORIZATION OF APPROPRIATIONS.

(a) In General.—There are authorized to be appropriated to carry out this subtitle $110,000,000 for each of the fiscal years 1997 through 2002.

(b) Advance Notice of Funding.—For the purpose of affording adequate notice of funding available under this subtitle, an appropriation to carry out this subtitle is authorized to be included in an appropriation Act for the fiscal year preceding the fiscal year for which such appropriation is first available for obligation.

SEC. 453. ALLOTMENTS.

(a) Initial Allotments.—

(1) In general.—From the sums appropriated under section 452 for any fiscal year, the Secretary shall allot—

(A) $40,000 each to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Virgin Islands; and

(B) $200,000 to each of the other States.

(2) Ratable reduction.—If the sums appropriated under section 452 for any fiscal year are insufficient to pay all of the allotments under paragraph (1), each such allotment shall be ratably reduced.

(b) Additional Allotments.—

(1) In general.—From the remainder of the sums appropriated under section 452 for any fiscal year after the application of subsection (a), the Secretary shall allot to each State an amount which bears the same ratio to such remainder as the population of the State bears to the population of all States.

(2) Determination of population of States.—For the purpose of this subsection, the population of each State, and the total population of all States, shall be determined by the Secretary on the basis of the most recent census data available to the Secretary, and the Secretary shall use for such purpose, if available, the annual interim current census data produced by the Secretary of Commerce pursuant to section 181 of title 13, United States Code.

SEC. 454. GRANTS TO STATES.

(a) In General.—The Secretary shall make a grant for a fiscal year to a State if the State—

(1) has submitted to the Secretary for the year an annual application that has been approved by the Secretary under section 456; and

(2) has entered into a written agreement with the Secretary that—

(A) the State will provide 100 percent of the funds paid to the State under this subtitle for the year to the State library administrative agency for the State;

(B) such agency will be required to use such funds to carry out activities that—

(i) are described in such annual application;

(ii) achieve the purposes of this subtitle; and

(iii) satisfy the requirements of section 455;

(C) there will be available from State and local sources for expenditure by such agency to carry out such activities an amount that equals or exceeds 25 percent of the total cost (as determined by the Secretary) of carrying out such activities for the year; and

(D) such agency has the fiscal and legal authority and capability to administer all aspects of such activities.

(b) Amount of Grants.—The amount of a grant to a State under subsection (a) for a fiscal year shall equal the lesser of the following:

(1) The sum of the initial and additional allotments of the State for the year.

(2) 75 percent of the total cost (as determined by the Secretary) of carrying out the activities described in subsection (a)(2)(B) for the year.

SEC. 455. USES OF FUNDS.

(a) In General.—Of the funds provided to a State library administrative agency under section 454(a)(2)(A), the agency shall expend (either directly or through subgrants or cooperative agreements) at least 97 percent for one or more of the following purposes:

(1) Electronically connecting libraries with integrated career center systems designated or established under section 107 and local service providers receiving grants under paragraph (1) or (2) of section 432(a).

(2) Establishing or enhancing linkages among libraries.

(3) Assisting libraries in accessing information through electronic networks.

(4) Encouraging libraries in different Federal, State, and local jurisdictions, and different types of libraries, to establish consortia and share resources.

(5) Paying costs for libraries to acquire or share computer systems and telecommunications technologies.

(6) Improving library and information services for individuals who have difficulty using a library or who need special library materials or services, including individuals under the age of 18.

(b) Administrative Expenses.—In any fiscal year, a State library administrative agency may use not more than 3 percent of the funds provided to the agency under section 454(a)(2)(A) for planning, administration, evaluations, and interagency coordination associated with a grant under this subtitle.

SEC. 456. ANNUAL APPLICATIONS.

(a) Submission.—A State that desires to receive a grant under this subtitle for a fiscal year shall submit to the Secretary, in such form and manner and before such deadline as the Secretary shall specify in regulations, an application for such year. Such application shall—

(1) establish goals, and specify priorities, for the State consistent with the purposes of this subtitle;

(2) describe activities that are consistent with such goals and priorities, the purposes of this subtitle, and the requirements of section 455 that the State library administrative agency will carry out during such year using such grant;

(3) describe the procedures that such agency will use to carry out such activities;

(4) describe the methodology that such agency will use to evaluate the success of such activities in achieving such goals and meeting such priorities;

(5) describe procedures that such agency will use to involve libraries and library users throughout the State in policy decisions regarding implementation of this subtitle; and

(6) provide assurances satisfactory to the Secretary that such agency will make such reports, in such form and containing such information, as the Secretary may reasonably require to carry out this subtitle and to determine the extent to which funds provided under this subtitle have been effective in carrying out its purposes.

(b) Approval.—

(1) In general.—The Secretary shall approve each application submitted under subsection (a) that satisfies the requirements of the subsection.

(2) Rights of States upon disapproval.—If the Secretary determines that an application submitted by a State under subsection (a) does not satisfy the requirements of such subsection, the Secretary shall—

(A) immediately notify the State of such determination and the reasons for such determination; and

(B) offer the State an opportunity to revise its application to correct any deficiencies.

The CHAIRMAN. Are there amendments to title IV?

If not, the Clerk will designate title V.

The text of title V is as follows:

TITLE V—AMENDMENTS TO REHABILITATION ACT OF 1973

Subtitle A—Vocational Rehabilitation Consolidation Grant

CHAPTER 1—TRANSITION PERIOD

SEC. 501. TRANSITION.

With respect to the amendment made by section 511(a)(4) to title I of the Rehabilitation Act of 1973, the Secretary of Education, acting through the Commissioner of the Rehabilitation Services Administration, shall administer the amendment in accordance with the following:

(1) During fiscal year 1996, the Secretary shall develop administrative policies for implementing the amendment.

(2) During the fiscal years 1997 and 1998, the Secretary shall begin implementing the amendment in accordance with paragraph (4).

(3) The Secretary shall ensure that, by the first day of fiscal year 1999, the amendment is fully implemented.

(4) For purposes of paragraph (2), the Secretary shall ensure that, before the first day of fiscal year 1999, the following requirements, administered as conditions on the receipt of grants under such title, have been met:

(A) The States have complied with section 103(b)(4) of such title (as amended by section 511) regarding the participation of certain providers.

(B) The States have established policies and made arrangements for the operation of the system of career grants described in section 103(c) of such title, including with respect to the reimbursement of providers.

(C) The States have established policies and made arrangements under section 103(b)(12) of such title regarding the training of the management and staff of integrated career center systems with respect to individuals with disabilities.

(D) The States have established policies and made arrangements under section 104 of such title regarding the establishment of such centers, including providing for the significant participation of community-based providers in the program carried out by the State pursuant to such title.

(E) Such other requirements under the amendment as the Secretary determines to be appropriate.

(5)(A) Notwithstanding the amendment, during the fiscal years 1996 through 1998, the provisions of title I of the Rehabilitation Act of 1973 that were in effect on the day before the date of the enactment of this Act continue to be in effect, subject to paragraphs (1) through (4). In implementing the amendment, the Secretary shall seek to avoid unnecessarily disrupting the provision of services under such title to individuals who, as of the date of the enactment of this Act, were receiving services pursuant to an individualized plan under such title.

(B) On and after the first day of fiscal year 1999, the provisions referred to in the first sentence of subparagraph (A) do not have any legal effect.

CHAPTER 2—REVISION OF TITLE I OF REHABILITATION ACT OF 1973

SEC. 511. REVISION OF TITLE I.

(a) IN GENERAL.—Effective October 1, 1995, the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended—

(1) by transferring section 112 from the current placement of the section;

(2) by redesignating such section as section 510;

(3) by adding such section at the end of title V; and

(4) by amending title I to read as follows:

“TITLE I—VOCATIONAL REHABILITATION SERVICES

“SEC. 100. PURPOSE.

“The purpose of this title is to assist States in making available to individuals with disabilities a program of employment, training, and rehabilitation services that is consistent with their strengths, resources, priorities, concerns, abilities, and capabilities; that maximizes individuals' control over their vocational and career choices; and that is in accordance with the goal of assuring equality of opportunity, full participation, independent living, and economic self-sufficiency for such individuals.

“SEC. 101. FORMULA GRANTS.

“(a) IN GENERAL.—

“(1) FORMULA GRANTS.—In the case of each State that submits to the Secretary a workforce development and literacy plan for fiscal year 1999 or any subsequent fiscal year that meets the requirement of section 104 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act, the Secretary shall make a grant for the year to the State as the Federal share of carrying out the purposes specified in this title. The grant shall consist of the allotment determined for the State under section 107.

“(2) CONDITIONS FOR GRANT.—A State may receive a grant under paragraph (1) for a fiscal year only if the State meets the conditions described in this title for the State for the fiscal year.

“(b) ADMINISTRATOR OF FEDERAL PROGRAM.—The Secretary shall carry out this title acting through the Commissioner of the Rehabilitation Services Administration, except as indicated otherwise.

“(c) RULE OF CONSTRUCTION.—The purpose specified in section 100 shall be carried out only in accordance with the other provisions of this title.

“(d) FUNDING.—

“(1) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this title, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1999 through 2002, except that the amount to be appropriated for a fiscal year shall not be less than the amount of the appropriation under this subsection for the immediately preceding fiscal year, plus the amount of the Consumer Price Index addition determined under paragraph (2) for the immediately preceding fiscal year.

“(2) ADJUSTMENTS PURSUANT TO CONSUMER PRICE INDEX.—

“(A) Not later than November 15 of each fiscal year, the Secretary of Labor shall publish in the Federal Register the percentage change in the Consumer Price Index published for October of the preceding fiscal year and October of the fiscal year in which such publication is made.

“(B) If in any fiscal year the percentage change published under subparagraph (A) indicates an increase in the Consumer Price Index, then the amount to be appropriated under paragraph (1) for the subsequent fiscal year shall be at least the amount appropriated for the fiscal year in which the publication is made under subparagraph (A) increased by such percentage change.

“(C) If in any fiscal year the percentage change published under subparagraph (A) does not indicate an increase in the Consumer Price Index, then the amount to be appropriated under paragraph (1) for the subsequent fiscal year shall be at least the amount appropriated for the fiscal year in which the publication is made under subparagraph (A).

“(D) For purposes of this paragraph, the term ‘Consumer Price Index’ means the Consumer Price Index for All Urban Consumers, published monthly by the Bureau of Labor Statistics.

“(3) AUTOMATIC EXTENSION OF AUTHORIZATION.—

“(A) Unless, in the regular session that ends prior to the beginning of the last fiscal year for which an authorization of appropriations is provided in paragraph (1), legislation has been enacted that has the effect of extending such authorization, such authorization is automatically extended for one additional year.

“(B) The amount authorized to be appropriated for the additional fiscal year described in subparagraph (A) shall be an amount equal to the amount appropriated for such program for fiscal year 2002, plus the amount of the Consumer Price Index addition determined under paragraph (2) for the immediately preceding fiscal year.

“(C) In any case where the Commissioner is required under an applicable statute to carry out certain acts or make certain determinations that are necessary for the continuation of the program authorized by this title, and such acts or determinations are required during the last fiscal year for which an authorization of appropriations is provided in paragraph (1), such acts and determinations shall be required during any fiscal year for which subparagraph (A) is in operation.

“SEC. 102. ALLOCATION WITHIN STATE OF ADMINISTRATIVE RESPONSIBILITIES.

“(a) IN GENERAL.—For purposes of section 101(a), a State will—

“(1) subject to subsection (b), reserve not more than 20 percent of the grant under such section for the fiscal year involved for carrying out the responsibilities of a State administrative agent under section 103; and

“(2) reserve not less than 80 percent of the grant for carrying out the responsibilities under section 104 of local workforce development boards and integrated career center systems with respect to workforce development areas.

“(b) ADDITIONAL STATE RESPONSIBILITIES.—Amounts reserved by a State under subsection (a)(1) may be expended by the State administrative agent to carry out responsibilities that otherwise would be carried out under section 104 by local workforce development boards or integrated career center systems, if the State determines that such expenditures are justified to make available goods and services that could not otherwise be obtained within a local workforce development area, to provide services to individuals unable to utilize the integrated career center systems, or to otherwise ensure the efficient and equitable provision in the State of services under this title, including the provision of services for individuals in rural areas.

“(c) CERTAIN DEFINITIONS.—For purposes of this Act, the terms ‘State administrative agent’, ‘local workforce development area’, ‘local workforce development board’, and ‘integrated career center’ have the meanings given such terms in sections 105 through 108, respectively, of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.

“SEC. 103. RESPONSIBILITIES OF STATE ADMINISTRATIVE AGENT.

“(a) STATE ADMINISTRATIVE AGENT.—In carrying out the requirements of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act, a Governor may designate—

“(1) one State administrative agent to be responsible for carrying out this title for individuals who are blind; and

“(2) a different State administrative agent to carry out the remaining responsibilities in this title.

“(b) RESPONSIBILITIES.—For purposes of section 101(a) and the operation in a State of the program under this title:

“(1) This subsection, and the subsequent provisions of this section, will be carried out by State administrative agents designated by the Governor in accordance with subsection (a), through the collaborative process established under section 103 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.

“(2)(A) The State will provide to the public an explanation of the methods by which the State will provide vocational rehabilitation services (as defined in section 104(b))—

“(i) to all eligible individuals (as defined in section 105(d)); and

“(ii) within all local workforce delivery areas in the State.

“(B) In the event that such services cannot be provided to all eligible individuals who apply for the services, the State will show and provide the justification for the order to be followed in selecting individuals to whom the services will be provided.

“(C) The order of selection under subparagraph (B) will be determined on the basis of serving first those individuals with the most severe disabilities, in accordance with criteria established by the State.

“(3) The State will establish guidelines providing that, in the case of an individual to whom the State will provide a service (in accordance with the order of selection under paragraph (2) and the assessment of needs under section 104(c)(1)), the individual will have the option of receiving the service from a provider designated by the center or from a provider selected by the individual pursuant to career grants under subsection (c).

“(4) Pursuant to section 109 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act, the State will make significant efforts to encourage the participation in the State program of community-based private providers, with special consideration given to providers who have received funds under this Act regarding projects with industry or supported employment services, or under the Act commonly known as the Javits-Wagner-O'Day Act (41 U.S.C. 46 et seq.) for employment and training services.

“(5) The State will establish provisions to govern determinations under section 105 (relating to the eligibility of individuals).

“(6) The State will establish standards to govern the conduct under section 104(c)(1) of assessments of need, including the development of a methodology that will be applied in a reasonably uniform manner to all individuals for whom such assessments are conducted, and that (subject to the order of selection under paragraph (2)) will be designed to prevent substantial disparities, among individuals with comparable circumstances, in the monetary value of the services to be provided pursuant to the assessments.

"(7)(A) The State will establish procedures through which an individual may request and obtain an impartial review, utilizing an impartial hearing officer, of whether standards for determinations of eligibility for services, assessments of vocational rehabilitation needs, and development of individualized rehabilitation and employment plans under this title were correctly applied to the individual by the integrated career center system involved.

"(B) The State will designate a number of days (applied uniformly to all individuals) within which review under subparagraph (A) will be conducted once a request for such review is made by an individual, subject to subparagraph (C).

"(C)(i) The State will provide that there may be an informal hearing, mediation, or alternatives to such review, if agreed upon by the individual and the integrated career center system involved.

"(ii) The State will provide that if, in a process utilized under clause (i) by an individual, there is a not a final disposition of the matter involved, review under subparagraph (A) will remain available to the individual.

"(8) The State will ensure that vocational rehabilitation services under this title, and related core services, are provided by personnel who are qualified to provide the services involved. For purposes of the preceding sentence, the term 'core services' has the meaning indicated for such term under title I of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.

"(9) The State will establish plans, policies, and procedures to be followed in carrying out the program under this title in the State (including entering into a formal interagency cooperative agreement with education officials responsible for the provision of a free appropriate public education to students who are individuals with disabilities). The State will ensure that such plans, policies, and procedures are designed in accordance with the following:

"(A)(i) To facilitate the development and accomplishment of the goals and objectives described in clause (ii) (including the specification of plans for coordination with the educational agencies in the provision of transition services), to the extent that the goals and objectives are included in an individualized education program of a student.

"(ii) The goals and objectives referred to in clause (i) are long-term rehabilitation goals; intermediate rehabilitation objectives; and goals and objectives related to enabling a student to live independently before the student leaves a school setting.

"(B) To facilitate the transition from the provision of a free appropriate public education under the responsibility of an educational agency to the provision of vocational rehabilitation services under this title, including the specification of plans for coordination with educational agencies in the provision of transition services to an individual.

"(C) To provide for—

"(i) provisions for determining State lead agencies and qualified personnel responsible for transition services;

"(ii) procedures for outreach to and identification of youth in need of such services; and

"(iii) a timeframe for evaluation and follow-up of youth who have received such services.

"(10) The State will provide for coordination and working relationships with the Statewide Independent Living Council established under section 705 and independent living centers within the State.

"(11) The State will provide for interagency cooperation with, and the utilization of the services and facilities of, the State agencies administering the State's public assistance programs, and other programs for individuals with disabilities.

"(12) With respect to the integrated career center system operated pursuant to section 104, the State will provide for the appropriate training of the management and staff of the centers regarding the effective provision of services to individuals with disabilities.

"(13) The State will provide technical assistance to local boards, integrated career center systems, and providers relating to the effective provision of vocational rehabilitation services under this title, including the effective development of individualized rehabilitation and employment plans, and will ensure that such technical assistance is provided through appropriate means.

"(c) AVAILABILITY OF CAREER GRANTS SYSTEM REGARDING SERVICES.—For purposes of section 101(a) and the operation in a State of the program under this title:

"(1) The State will provide for the establishment of a system to carry out this subsection.

"(2) In the case of an eligible individual who (in accordance with the order of selection under subsection (b)(2) and the assessment of needs under section 105(b)(2)(A)) will receive vocational rehabilitation services under this title, the integrated career center involved will, upon request of the individual, provide to the individual career grants in accordance with this subsection.

"(3) Career grants under this subsection will enable such individual to obtain the vocational rehabilitation services involved from providers selected by the individual from among a list of providers approved by the State for such purpose in accordance with section 109 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.

"(4) The monetary value of a career grant provided to the individual for a particular type of service will be calculated at a fair market value.

"(5) To the extent practicable, the list of providers under paragraph (3) will provide for the availability within each local workforce development area of a broad range of services.

"(6) The aggregate value of the career grants available to the individual will be established in proportion to the degree of the individual's need for rehabilitation (as determined under section 104(c)(1)). Such value regarding the individuals may be adjusted to address emerging needs that arise during the course of the individual's rehabilitation and employment program.

"(d) STATE OPTIONS.—With respect to compliance with this section, a State may, in the discretion of the State, expend a grant under section 101 for the following:

"(1) To disseminate findings from research regarding vocational rehabilitation services, after consideration of requests from local workforce development boards and integrated career center systems regarding the types of information needed by such boards and centers.

"(2) To conduct demonstration projects regarding improvements with respect to vocational rehabilitation services, subject to providing the results of such projects to the Commissioner and as appropriate disseminating the results within the State.

"SEC. 104. RESPONSIBILITIES FOR LOCAL BOARDS AND SERVICE CENTERS.

"(a) PROVISION OF VOCATIONAL REHABILITATION SERVICES.—For purposes of section 101(a) and the operation in a State of the program under this title:

"(1) This section will be carried out by the integrated career center system in the State, with each such center acting under the guidance of the local workforce development board for the local workforce area within which the integrated career center system operates. Such centers will provide services under this section directly or through contract.

"(2) In accordance with the order of selection under section 103(b)(2), an integrated career center system will, in expending amounts provided to the center from a grant under section 101, carry out the following:

"(A) Make determinations under section 105 of the eligibility of individuals for vocational rehabilitation services (as defined in subsection (b)).

"(B) Provide for vocational rehabilitation services for eligible individuals.

"(C) In the case of individuals with severe disabilities, conduct outreach and intake activities for such individuals who are not able to directly access the integrated career center system because of the nature of their disabilities.

"(3) An integrated career center system will, in expending amounts provided to the center from a grant under section 101, make vocational rehabilitation services available at a variety of locations and, as appropriate for particular populations, in a variety of environments.

"(b) DEFINITION.—For purposes of this title, the term 'vocational rehabilitation services' means such goods or services for eligible individuals as are—

"(1) necessary to render the individuals employable and achieve an employment outcome; and

"(2) provided in response to needs that arise, to a significant extent, from the disability involved and do not duplicate, to any significant extent, the core services available under title I of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.

"(c) CERTAIN SERVICES.—For purposes of section 101(a), the vocational rehabilitation services available through integrated career center systems will include the following:

"(1) An assessment of the needs of eligible individuals for such services.

"(2) Development, in accordance with section 105(b)(2), of an individualized rehabilitation and employment plan for the purpose of identifying employment goals, appropriate intermediate rehabilitation objectives, and an appropriate combination of goods and services for the individual to achieve the employment goals.

"(3) Counseling, guidance, and work-related placement services for individuals with disabilities, including job search assistance, placement assistance, job retention services, personal assistance services, and follow-up, follow-along, and specific postemployment services necessary to assist such individuals to maintain, regain, or advance in employment.

"(4) Vocational and other training services for individuals with disabilities, including personal and vocational adjustment, books, or other training materials, and such services to the families of such individuals as are necessary to the adjustment or rehabilitation of such individuals.

"(5) Rehabilitation technology services.

"(6) Supported employment services.

"(7) Physical and mental restoration services.

"(8) Interpreter services for individuals who are deaf, and reader services for individuals who are blind.

"(9) Rehabilitation teaching services and orientation and mobility services for individuals who are blind.

"(10) Referral and other services designed to assist individuals with disabilities in securing needed services from other agencies through agreements developed under section 103(b)(10), if such services are not available under this Act.

"(11) Transportation in connection with the rendering of any vocational rehabilitation service.

"(12) Telecommunications, sensory, and other technological aids and devices.

"(13) On-the-job, or other related personal-assistance services, provided while eligible individuals are receiving other vocational rehabilitation services under this title.

"(d) CERTAIN ARRANGEMENTS.—For purposes of section 101(a), an integrated career center system will, with respect to the provision of vocational rehabilitation services to individuals with the most severe disabilities, provide for necessary arrangements with community-based providers, including arrangements regarding supported employment services and extended services, periodic reviews of individuals placed in extended employment, and services to promote movement from extended employment to integrated employment.

"(e) OPTIONAL PROVISION OF OTHER SERVICES.—For purposes of this title, an integrated career center system may provide such vocational rehabilitation services in addition to the services specified in subsection (c) as the center determines to be appropriate.

"(f) ALLOCATION FOR CORE SERVICES.—For purposes of section 101(a):

"(1) With respect to a fiscal year, a local workforce development board receiving amounts from a grant under section 101 will reserve an amount for the provision of core services under title I of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.

"(2) The amount so reserved will be based on the number of eligible individuals with disabilities in the local workforce development area and the costs of training employees of the integrated career center system to provide high-quality services to individuals with disabilities.

"(g) PERFORMANCE PAYMENTS REGARDING CAREER GRANTS.—For purposes of section 101(a):

"(1) The local workforce development board involved will ensure that, in providing for the payment of services provided pursuant to career grants, a portion of the total payment is withheld from the provider until the delivery of the services involved is completed in reasonable accordance with the outcome designated for the service pursuant to a prior understanding with the provider.

"(2) In the case of education, training, and placement services that are designed to lead to an employment outcome, a portion of the total payment will be withheld from the provider until—

"(A) the participant has successfully completed the training; and

"(B) the participant has been employed, and has retained employment for a period of not less than 90 days.

"(h) PAYOR OF LAST RESORT REGARDING MEDICAL SERVICES AND EDUCATIONAL ASSISTANCE.—For purposes of section 101(a), a State will not expend a grant under section 101 to pay for training services in institutions of higher education, or to pay for medical services, unless significant efforts have been made to secure payments, in whole or in part, from other sources, except that such efforts are not required if making the efforts would delay the provision of such services to any eligible individual who is at extreme medical risk, or if making the efforts would result in the loss of a job placement that (but for the efforts) would be immediately available to an eligible individual.

"SEC. 105. ELIGIBLE INDIVIDUAL.

"(a) IN GENERAL.—For purposes of section 101:

"(1) An individual will not receive vocational rehabilitation services under this title unless the individual—

"(A) is an individual with a disability under section 7(8)(A); and

"(B) requires vocational rehabilitation services to prepare for, enter, engage in, or retain gainful employment.

"(2) If the individual has a disability or is blind as determined pursuant to title II or title XVI of the Social Security Act, the individual will be considered to have—

"(A) a physical or mental impairment which for such individual constitutes or results in a substantial impediment to employment under section 7(8)(A)(i); and

"(B) a severe physical or mental impairment which seriously limits one or more functional capacities in terms of an employment outcome under section 7(15)(A)(i).

"(3) It will be presumed that an individual can benefit in terms of an employment outcome from vocational rehabilitation services for purposes of section 7(8)(A)(ii), unless the integrated career center system involved can demonstrate by clear and convincing evidence that such individual is incapable of benefiting from vocational rehabilitation services in terms of an employment outcome.

"(b) PROCESS.—For purposes of section 101(a), a State will ensure that, subject to the order of selection under section 102(b)(2), the following applies to an individual:

"(1) Once the individual makes a request in person for a determination of eligibility:

"(A) A qualified rehabilitation adviser will be made available to the individual regarding the process of obtaining services under this title.

"(B) An initial interview will be conducted, followed by an initial assessment.

"(C) A final determination will be made not later than 30 days after the request (subject to the cooperation of the individual in the process of determination).

"(D) The determination of eligibility will be based on the review of existing data described in clause (i) of section 7(22)(A), and, to the extent necessary, the preliminary assessment described in clause (ii) of such section.

"(E) If it is determined that the individual is not an eligible individual, the individual will be provided a written statement explaining the following:

"(i) The basis of the determination.

"(ii) The availability of impartial review under section 103(b)(7).

"(iii) The availability of services under the client assistance program under section 510.

"(2)(A) If it is determined that the individual is an eligible individual—

"(i) the needs of the individual for vocational rehabilitation services will be assessed; and

"(ii) subject to subparagraph (D), an individualized rehabilitation and employment plan will be developed for the individual regarding the provision of services pursuant to clause (i).

"(B) The plan under subparagraph (A) will be developed and mutually agreed upon by the individual and an appropriate staff member of the integrated career center system involved.

"(C) A plan under subparagraph (A) is individualized if the plan is consistent with the unique strengths, resources, priorities, concerns, abilities, and capabilities of the individual for whom the plan is developed.

"(D) A plan under subparagraph (A) is not required for an individual if the individual signs a waiver stating that such a plan is not necessary for the individual.

"(c) RULE OF CONSTRUCTION.—This title may not be construed as establishing an entitlement in any individual.

"(d) DEFINITION.—For purposes of this title, the term 'eligible individual' means an individual described in subsection (a)(1).

"SEC. 106. STATE REHABILITATION ADVISORY COUNCIL.

"(a) IN GENERAL.—For purposes of section 101(a):

"(1) A State will establish a State Rehabilitation Advisory Council (referred to in this section as the 'Council') in accordance with this section.

"(2) The Council will be composed of the following:

"(A) Representatives of organizations within the State providing services to individuals with disabilities and their families, including representatives of the client assistance program under section 510.

"(B) Representatives of business, industry, and labor.

"(C) Representatives of disability advocacy groups representing a cross section of—

"(i) individuals with physical, cognitive, sensory, and mental disabilities; and

"(ii) parents, family members, guardians, advocates, or authorized representatives, of individuals with disabilities who have difficulty in representing themselves or are unable due to their disabilities to represent themselves.

"(3) The State administrative agent will be an ex officio member of the Council.

"(4) Members of the Council will be appointed by the Governor or another entity that has appointment authority under State law.

"(5) A majority of Council members will be persons who are—

"(A) individuals with disabilities described in section 7(8)(B); and

"(B) not employed by the designated State administrative agent.

"(6)(A) Except as provided in subparagraph (B), the Council will select a chairperson from among the membership of the Council.

"(B) In States in which the Governor does not have veto power pursuant to State law, the Governor will designate a member of the Council to serve as the chairperson of the Council or will require the Council to so designate such a member.

"(7) Each member of the Council will serve for a term determined by the Governor or another entity that has appointment authority under State law.

"(8) Any vacancy occurring in the membership of the Council will be filled in the same manner as the original appointment. The vacancy will not affect the power of the remaining members to execute the duties of the Council.

"(b) FUNCTIONS OF COUNCIL.—For purposes of section 101(a), the Council will carry out the following:

"(1) Advise the collaborative process under section 103 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act, and the State administrative agent, in the preparation of the State workforce development and literacy plan and other plans, reports, needs assessments, and evaluations required by this title.

"(2) To the extent feasible, conduct a review and analysis of the effectiveness of, and consumer satisfaction with, the delivery of core services and vocational rehabilitation services to individuals with disabilities within the State.

"(3) Prepare and submit an annual report to the collaborative process or appropriate State administrative agent and the Commissioner on the status of vocational rehabilitation programs operated within the State, and make the report available to the public.

"(4) Coordinate with other councils within the State established to address the needs of individuals with disabilities.

"(5) Perform such other functions, consistent with the purpose of this title, as the State Rehabilitation Advisory Council determines to be appropriate, that are comparable to the other functions performed by the Council.

"(c) RESOURCES.—

"(1) PLAN.—For purposes of section 101(a), the Council will prepare, in conjunction with the State administrative agent, a plan for the provision of such resources, including such staff and other personnel, as may be necessary to carry out the functions of the Council under this section. The resource plan shall, to the maximum extent possible, rely on the use of resources in existence during the period of implementation of the plan.

"(2) RESOLUTION OF DISAGREEMENTS.—For purposes of section 101(a), to the extent that there is a disagreement between the Council and the State administrative agent in regard to the resources necessary to carry out the functions of the Council as set forth in this section, the disagreement will be resolved by the Governor or appointing agency identified in subsection (a)(4).

"(3) SUPERVISION AND EVALUATION.—For purposes of section 101(a), the Council will, consistent with State law, supervise and evaluate such staff and other personnel as may be necessary to carry out its functions under this section.

"(4) PERSONNEL CONFLICT OF INTEREST.—For purposes of section 101(a), while assisting the Council in carrying out its duties, staff and other personnel will not be assigned duties by the State administrative agent or any other agency or office of the State, that would create a conflict of interest.

"(d) CONFLICT OF INTEREST.—For purposes of section 101(a), no member of the Council will cast a vote on any matter that would provide direct financial benefit to the member or otherwise give the appearance of a conflict of interest under State law.

"(e) MEETINGS.—For purposes of section 101(a), the Council will convene meetings and conduct such forums or hearings as the Council considers appropriate. The meetings, hearings, and forums will be publicly announced. The meetings will be open and accessible to the general public unless there is a valid reason for an executive session.

"(f) COMPENSATION AND EXPENSES.—For purposes of section 101(a), the Council may use funds appropriated under this title to reimburse members of the Council for reasonable and necessary expenses of attending Council meetings and performing Council duties (including child care and personal assistance services), and to pay compensation to a member of the Council, if such member is not employed or must forfeit wages from other employment, for each day the member is engaged in performing the duties of the Council.

"(g) RULE OF CONSTRUCTION.—Nothing in this section prohibits a State from establishing and providing funds to a separate council to carry out functions described in subsection (b) with respect to vocational rehabilitation services for individuals who are blind.

"SEC. 107. AMOUNT OF ALLOTMENT.

"(a)(1) Subject to the provisions of subsection (d), for each fiscal year beginning before October 1, 1978, each State shall be entitled to an allotment of an amount bearing the same ratio to the amount authorized to be appropriated under section 101(d) for allotment under this section as the product of (A) the population of the State, and (B) the square of its allotment percentage, bears to the sum of the corresponding products for all the States.

"(2)(A) For each fiscal year beginning on or after October 1, 1978, each State shall be entitled to an allotment in an amount equal to the amount such State received under paragraph (1) for the fiscal year ending September 30, 1978, and an additional amount determined pursuant to subparagraph (B) of this paragraph.

"(B) For each fiscal year beginning on or after October 1, 1978, each State shall be entitled to an allotment, from any amount authorized to be appropriated for such fiscal year under section 101(d) for allotment under this section in excess of the amount appropriated under such section for the fiscal year ending September 30, 1978, in an amount equal to the sum of—

"(i) an amount bearing the same ratio to 50 percent of such excess amount as the product of the population of the State and the square of its allotment percentage bears to the sum of the corresponding products for all the States; and

"(ii) an amount bearing the same ratio to 50 percent of such excess amount as the product of the population of the State and its allotment percentage bears to the sum of the corresponding products for all the States.

"(3) The sum of the payment to any State (other than Guam, American Samoa, the Virgin Islands, and the Northern Mariana Islands) under this subsection for any fiscal year which is less than one-third of 1 percent of the amount appropriated under section 101(d), or $3,000,000, whichever is greater, shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the allotment to each of the remaining such States under this subsection, but with such adjustments as may be necessary to prevent the sum of the allotments made under this subsection to any such remaining State from being thereby reduced to less than that amount.

"(4) For each fiscal year beginning on or after October 1, 1984, for which any amount is appropriated pursuant to section 101(d), each State shall receive an allocation (from such appropriated amount) in addition to the allotment to which such State is entitled under paragraphs (2) and (3) of this subsection. Such additional allocation shall be an amount which bears the same ratio to the amount so appropriated as that State's allotment under paragraphs (2) and (3) of this subsection bears to the sum of such allotments of all the States.

"(b)(1) If the payment to a State pursuant to this section for a fiscal year is less than the total payments such State received under section 2 of the Rehabilitation Act for the fiscal year ending June 30, 1973, such State shall be entitled to an additional payment (subject to the same terms and conditions applicable to other payments under this title) equal to the difference between the payment under this section and the amount so received by it.

"(2) If a State receives as its Federal share pursuant to this section for any fiscal year less than the applicable Federal share of the expenditure of such State for fiscal year 1972 for vocational rehabilitation services under the plan for such State approved under section 101 as in effect for such year (including any amount expended by such State for the administration of the State plan but excluding any amount expended by such State from non-Federal sources for construction under such plan), such State shall be entitled to an additional payment for such fiscal year, subject to the same terms and conditions applicable to other payments under this title, equal to the difference between such the payment pursuant to this section and an amount equal to the applicable Federal share of such expenditure for vocational rehabilitation services.

"(3) Any payment attributable to the additional payment to a State under this subsection shall be made only from appropriations specifically made to carry out this subsection, and such additional appropriations are hereby authorized.

"SEC. 108. STATE OPTION FOR WAIVERS REGARDING ALTERNATIVE DELIVERY SYSTEMS.

"(a) IN GENERAL.—In the case of the requirements specified in subsection (b), the Secretary shall provide to a State a waiver of such requirements as the State elects, if (subject to the other provisions of this section) the following conditions are met:

"(1) The Governor, through the collaborative process under section 103 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act, develops a proposed plan for alternative approaches (to be implemented by the State in lieu of the requirements involved).

"(2) The proposal is approved by each local workforce development board in whose local workforce development area the proposal (or any component of the proposal) is to be effective.

"(3) The local workforce development boards involved, and the Governor, determine that the following conditions have been met:

"(A) The proposal will better fulfill the purposes of this title than would compliance with the requirements involved.

"(B) In the development of the alternative approaches, the public was afforded a reasonable opportunity to comment on the proposed alternative approaches.

"(4) The Governor submits to the Secretary the following documents:

"(A) A notification that the State is electing to receive a waiver under this section.

"(B) A copy of the plan involved.

"(C) Such documents as the Secretary may require for purposes of verifying that the conditions established in paragraphs (1) through (3) have been met.

"(b) CERTAIN REQUIREMENTS REGARDING STATE ADMINISTRATIVE STRUCTURE FOR DELIVERY OF SERVICES.—The requirements referred to in subsection (a) are as follows:

"(1) The allocation under section 102 of amounts between State administrative agents and local workforce development boards.

"(2) The allocation under sections 103 and 104 of responsibilities between State administrative agents and local workforce development boards (including the use of integrated career center systems to provide vocational rehabilitation services).

"(3) The specification under section 103(a) of the State officials who are to administer the requirements of section 103.

"(c) APPLICABILITY OF WAIVER; REVIEW AND REVISION OF PLAN.—

"(1) APPLICABILITY.—A waiver under subsection (a) is effective for a fiscal year only if the documents under paragraph (4) of such subsection are submitted to the Secretary not later than 60 days before the beginning of the fiscal year.

"(2) REVIEW OF PLAN.—A waiver under subsection (a) is effective for such fiscal years as the State involved elects, except that, not less than once during each period of three fiscal years, the plan under the waiver is required (as a condition of the waiver remaining in effect) to be reviewed, and approved, by the Governor (through the collaborative process referred to in such subsection) and by the local workforce development boards involved.

"(3) REVISION OF PLAN.—The plan under a waiver under subsection (a) may be revised. Such subsection applies to such a revision to the same extent and in the same manner as the subsection applies to the original plan.

"(d) PERFORMANCE ACCOUNTABILITY SYSTEM.—A waiver under subsection (a) for a State does not, with respect to carrying out the program under this title in the State, affect the applicability to the State of section 110 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.".

(b) CERTAIN FUNDING PROVISION.—Effective October 1, 1995, the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended by inserting after section 3 the following section:

"AVAILABILITY OF FUNDS

"SEC. 3A. Notwithstanding any other provision of law, funding to carry out titles II through VII for any fiscal year is available only to such extent and in such amounts as may be provided in advance in appropriations Acts.".

(c) CONFORMING AMENDMENTS.—Effective October 1, 1995, the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended in the table of contents in the first section—

(1) by inserting after the item relating to section 3 the following item:

"Sec. 3A. Availability of funds.";

(2) by striking the items relating to sections 100 through 109, to sections 110 through 112, to sections 120 through 124, to section 130, and to sections 140 and 141;

(3) by striking the items relating to the title designation and heading for title I, and to the part designations and headings for parts A, B, C, D, and E of title I;

(4) by inserting after the item relating to section 21 the following items:

"TITLE I—VOCATIONAL REHABILITATION SERVICES

"Sec. 100. Purpose.
"Sec. 101. Formula grants.
"Sec. 102. Allocation within State of administrative responsibilities.
"Sec. 103. Responsibilities of State administrative agent.
"Sec. 104. Responsibilities for local boards and service centers.
"Sec. 105. Eligible individual.
"Sec. 106. State Rehabilitation Advisory Council.
"Sec. 107. Amount of allotment.
"Sec. 108. State option for waivers regarding alternative delivery systems.";

and

(5) by inserting after the item relating to section 509 the following item:

"Sec. 510. Client assistance program.".

Subtitle B—Other Amendments to Rehabilitation Act of 1973

SEC. 521. TRAINING AND DEMONSTRATION PROJECTS.

(a) IN GENERAL.—Effective October 1, 1995, the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended—

(1) in title III—

(A) by striking section 303;

(B) by striking section 304;

(C) in section 311—

(i) by striking subsections (c) and (f); and

(ii) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively;

(D) by striking section 312; and

(E) by striking section 316;

(2)(A) by transferring subsection (a) of section 802 from the current placement of the subsection;

(B) by redesignating such subsection as subsection (e); and

(C) by inserting such subsection at the end of section 311 (as amended by paragraph (1)(C) of this subsection);

(3)(A) by transferring subsection (g) of section 802 from the current placement of the subsection; and

(B) by redesignating such subsection as subsection (f); and

(C) by inserting such subsection at the end of section 311 (as amended by paragraph (2)(C) of this subsection);

(4)(A) by transferring subsection (c) of section 803 from the current placement of the subsection;

(B) by redesignating such subsection as subsection (g); and

(C) by inserting such subsection at the end of section 311 (as amended by paragraph (3)(C) of this subsection);

(5)(A) by transferring subsection (b) of section 803 from the current placement of the subsection;

(B) by redesignating such subsection as subsection (j); and

(C) by inserting such subsection át the end of section 302; and

(6) by striking the remaining provisions of title VIII.

(b) CONFORMING AMENDMENTS.—Effective October 1, 1995, the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended in the table of contents in the first section—

(1) by striking the items relating to sections 303, 304, 312, and 316;

(2) by striking the items relating to sections 801 through 803 of title VIII; and

(3) by striking the item relating to the title designation and heading for title VIII.

SEC. 522. EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS WITH DISABILITIES.

(a) IN GENERAL.—Effective October 1, 1995, title VI of the Rehabilitation Act of 1973 (29 U.S.C. 795 et seq.) is amended—

(1) by striking part A;

(2) by striking part C;

(3) by striking part D; and

(4) in part B, by striking the part designation and heading.

(b) PROJECTS WITH INDUSTRY.—Effective October 1, 1998, title VI of the Rehabilitation Act of 1973, as amended by subsection (a) of this section, is repealed.

(c) CONFORMING AMENDMENTS.—Effective October 1, 1995, the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended in the table of contents in the first section by striking the items relating to sections 611 through 617, to sections 631 through 638, and to section 641; and by striking the items relating to the part designations and headings for parts A, B, C, and D of title VI. Effective October 1, 1998, such table of contents is amended by striking the items relating to sections 621 through 623; and by striking the item relating to the title designation and heading for title VI.

SEC. 523. CERTAIN AMOUNTS.

(a) AMOUNTS REGARDING FISCAL YEAR 1996.—With respect to the aggregate amount that was available for fiscal year 1995 as direct spending for carrying out the programs under section 311(c), section 316, and part C of title VI of the Rehabilitation Act of 1973 (as such provisions were in effect for such fiscal year), an amount equal to such aggregate amount is hereby made available for fiscal year 1996 as direct spending for carrying out title I of such Act (in addition to the amount of direct spending that otherwise is available for such title I for fiscal year 1996).

(b) AMOUNTS REGARDING FISCAL YEAR 1999.—With respect to the amount made available in appropriations Act for fiscal year 1998 for carrying out title VI of the Rehabilitation Act of 1973 (as such title was in effect for such fiscal year), an amount equal to such amount is hereby made available for fiscal year 1999 as direct spending for carrying out title I of such Act (in addition to the amount of direct spending that otherwise is available for such title I for fiscal year 1999).

The CHAIRMAN. Are there amendments to title V?

Mr. CLAY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, there is an old saying that says, "If it isn't broke, don't fix it." Voc rehab certainly is not broken. Voc rehab is one of the most important mechanisms we have of assisting individuals with disabilities to obtain productive employment, to live independently, and to thrive in mainstream society. Whatever we do in this area, we should do carefully. Yet what we have before us today disrupts the current voc rehab system by limiting State flexibility, diluting accountability, and creating uneven access to services.

Mr. Chairman, I introduced this amendment because the gentleman from Texas, Mr. GENE GREEN, was late in arriving. The gentleman from Texas, Mr. GENE GREEN, will explain what the amendment does.

AMENDMENT OFFERED BY MR. GENE GREEN OF TEXAS

Mr. GENE GREEN of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GENE GREEN of Texas: Strike title V of the bill and insert the following:

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. EFFECT ON REHABILITATION ACT OF 1973.

Notwithstanding any other provision of this Act, this Act does not have any legal effect on any program under the Rehabilitation Act of 1973.

□ 1545

Mr. GENE GREEN of Texas. Mr. Chairman, I appreciate this opportunity. This amendment is offered not only by myself but also the gentleman from Arkansas [Mr. DICKEY], my good friend and colleague.

This amendment is an amendment we talked about earlier that would strike title V of the CAREERS bill that I talked about on earlier amendments. Even in my opening comments I have expressed grave concerns about the Rehabilitation Act of 1973 that is included in this bill.

The Committee on Economic and Educational Opportunities held no hearings specifically on title V. Now, on Thursday, the majority staff released changes to the marked-up bill, and today our chairman includes even more changes in the manager's amendment. We need to spend a great deal more time on dealing with vocational rehabilitation instead of over a weekend. This bill was out of committee for 2 months and we have seen a number of changes just in the last week.

Mr. Chairman, we have tried to work on a compromise amendment, and my colleague from South Carolina and I have talked about and I think we share a lot of the same concerns, but, again, on short notice and without having time to sit down like we would like to, that is why I think we should set aside vocational rehabilitation for more judicious concern by this whole Congress instead of on a short-term basis and include it in this bill.

The Green-Dickey amendment strikes title V from the CAREERS bill and assures the current vocational rehabilitation program remains intact. The gentleman from Arkansas [Mr. DICKEY] and I bring this to the floor because the vocational rehabilitation program is too important to continue to make arbitrary changes without any real thought about those most affected.

For more than 75 years Federal aid for vocational rehabilitation services has been provided in the form of a block grant to the States. National performance and quality standards have been established and States have been given broad discretion to determine how best to meet them. This is the original block grant. It just did not happen this January here in Congress.

Mr. Chairman, expanding consumer choice and integrating vocational rehabilitation services in a comprehensive system are worthwhile goals which I fully support. In its current form, title V would not advance these objectives. In fact, it could erode the quality and reduce the availability of rehabilitation services for persons with disabilities.

People with disabilities face extreme challenges in the pursuit of meaningful employment, challenges far beyond those faced by the average person who accesses Federal job training programs. We want to ensure that any eligible individual is guaranteed access to the same quality and range of rehabilitation services no matter where they reside in a State or in which State they reside.

The many people served by the current State vocational rehabilitation programs are coping with new disabilities, new self-images, new feelings about their competencies, new technologies and new ways to perform old tasks. Rehabilitation professionals are specifically trained to assist people in disabilities in these areas. Employees of more general training services do not have that ability.

I like the CAREERS bill when it deals with average employees who are laid off. We need to merge the programs. But when we deal with vocational rehabilitation, we should not lump people who are the recipients or the beneficiaries of vocational rehabilitation in with the general population.

Mr. Chairman, there is a great deal of concern, and we have letters from among the supporting organizations for the removal of vocational rehabilitation. The concern from these client agencies, not from the State bureaucrats as we heard, but from the clients, they are worried they will get lost in the shuffle when their provisions are included in this bill.

As I said earlier, I voted for the bill as it came out of committee. I tried to amend it in committee and we lost, with the understanding that we would try to work something out. We have not been able to work it out to the support of the client organizations that raise this concern. I can mention some of these groups. We have letters, but we also have, and a lot of Members will see this as they come in the door to vote in a few minutes, a yellow sheet of paper that talks about the number of groups from the client groups who are supporting this amendment to strike title V.

Another concern we have had is that we have heard the concern for the last 2 months and during our committee markup, in process, the Governors' Association wanting to be able to have flexibility. The concern I have about the original bill, the substitute I saw last week, and even the manager's amendment today is that it gives a great deal of flexibility to Governors and maybe not dealing with their legislatures in addressing it.

I have a letter from the National Governors' Association and it says, and I will paraphrase, we believe that the bill could be improved by adoption of two amendments that would be offered on the floor today and ask that Members support these changes; the amendment by Representative GREEN of Texas to maintain existing law with respect to vocational rehabilitation programs.

If we want to address the Governors' concern, the National Governors' Association supports this amendment.

Mr. GUNDERSON. Mr. Chairman, I move to strike the last word and rise in opposition to the amendment.

I wanted to get into a dialogue with the gentleman about the National Governors' Association letter, because, frankly, it took some of us on this side of the aisle by surprise, as the gentleman can imagine. We did a little investigation.

Mr. GENE GREEN of Texas. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I yield to the gentleman from Texas.

Mr. GENE GREEN of Texas. Mr. Chairman, I am glad for little things.

Mr. GUNDERSON. Mr. Chairman, reclaiming my time, the little things we found out are, first and foremost, the gentleman will notice that letter is not signed by any Governor. The head of the National Governors' Association happens to be my Governor in Wisconsin. He did not sign that letter. The best we can detect is this is a letter agreed on by staff of various Governors, not the Governors themselves.

Mr. GENE GREEN of Texas. Mr. Chairman, if the gentleman will continue to yield, I do not know the background to it, but I know it is on National Governors' Association stationery and your Governor is at the top of this. In fact, we heard your Governor a great many times in our committee this year.

Again, this letter is dated today, September 19, and it is the best available information I have and the most reliable on the National Governors' Association. If they have problems with their executive director, they may want to talk with him.

Mr. GUNDERSON. Mr. Chairman, reclaiming my time once again, as of 4:50 p.m., I think that is the most reliable information the gentleman has. If we can continue this debate for a few minutes, we are going to have a letter that will be signed by my Governor that will oppose the Green amendment and that will indicate that we should keep the bill as it is, because in order to make the kind of comprehensive job training and integration that CAREERS is all about, vocational rehabilitation has to be a part of that bigger pie.

What we are going to try to do, as we have done already in CAREERS, is, obviously, consolidate those programs. The Governors will have a role, and as the gentleman knows, many of the main vocational rehabilitation agencies in this country and associations support keeping title V in the bill. They believe this is the way to go.

Mr. GENE GREEN of Texas. If the gentleman will continue to yield for 30 seconds for my response.

Mr. GUNDERSON. Mr. Chairman, if the gentleman does not object when I ask for more time, he may go ahead.

Mr. GENE GREEN of Texas. Mr. Chairman, I will not object to the gentleman's having more time as long as I can respond.

I understand we may have a duel of letters here, one dated today, this afternoon, and maybe one later, but the concern I have is to whether the Governors are for or against it. I have just been told that the Governor of Texas, Governor Bush, is supporting the amendment. I know he does not represent the National Governors' Association but he is really concerned about including vocational rehabilitation in this bill. That is why I want vocational rehabilitation to be part of the one-stop center.

Mr. GUNDERSON. Mr. Chairman, reclaiming my time, the problem with my good friend from Texas is that every time I yield to him, he does not yield back. This is not the Senate, this is the House, where we have time limits.

I want to point out that I have been told that the Governor of Texas is not signing a letter pro or con, that he simply not taking a position on Title V. So, again, we are getting very different information regarding what the governor is saying, which suggests to me, with all due respect to the governors, that we should just ignore the Governors and debate this on the merits of what we think fits into this plan. When we do that, I think there is a lot of sense in the comprehensive integration of the CAREERS bill as we have brought it forth out of the committee.

The fact is, we want to inject some local control, some flexibility, and some competition. We do not cut any of the dollars. As the gentleman knows, we have tried to respect the uniqueness of vocational rehabilitation, which is why that is a separate funding stream that is not combined with the adult or the youth training or the adult education, but that does not mean there is not clearly a need for some kinds of reform in competition within that particular sector.

We think we have struck a fine balance in that. Certainly we have established a position that ought to take us into conference with the Senate, and, therefore, I would encourage my colleagues to stick with the bill as we have brought it out. It is a delicate balance. It is a compromise. And I would encourage us to reject the amendment.

Mr. DICKEY. Mr. Chairman, I move to strike the requisite number of words and I rise in support of this amendment.

I want to give a little history of what is going on in Arkansas as far as this particular bill is concerned. About 6 or 7 months ago I started hearing about this from the people who are disabled and the people who are involved in the rehabilitation services in Pine Bluff, particularly Bobby Simpson, who is a direct of the Arkansas Rehabilitation Services.

I was called upon, and had been called upon to go to meeting after meeting after meeting, Mr. Chairman, where people were coming and saying this is what is unusual, this is what is unique about the rehabilitation services; that there is a whole infrastructure set up in our rural area of Arkansas that takes into consideration both the needs of industries and businesses and the needs of the disabled people who would come under this service.

I had bought into this some time ago. Six months ago I bought into this, and I said, no, I think the gentleman is right. Part of that comes from the fact that I myself have been disabled; that I have spent time recovering from polio, been unable to walk, and knowing what it is like to have an inability to do what I was setting out to do. And how that might have related to my vocation or my ability to function is something that brings me to this issue quite honestly.

Mr. Chairman, I am aware of the fact that there is in this bill, the main bill not the amendment, a provision for this type of rehabilitation service to be given. My concern comes, though, not from the fact that the service would be given but by whom.

If we give a generic service in this respect, it is going to leave out and put in last place those people who are disabled, and I think we have a special need for it. We can always come back later and say that we can put this back in. If, in fact, this amendment is allowed, and we keep this separate, we can come back later and we can tailor make a little bit more of a type of a service that would combine the needs of industry and the needs of the disabled person.

Mr. Chairman, I am in favor of this. I would like to have this amendment pass.

Mr. PETE GEREN of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I stand in strong support of the Green amendment. H.R. 1617 is a good bill in almost all respects. It is a major step forward in our effort to try to make government more responsive to the needs of people, our efforts to streamline it, to save money and make it work for people who want to get to work, who need the skills that this bill will help them secure. There is a piece of the bill that should not be in it and that is why I rise in support of the Green amendment.

Mr. Chairman, the Green amendment would make clear that this bill does not have any effect on any program that is in place under the Rehabilitation Act of 1973. I know I speak for many people in the Congress when I say that we applaud the work of the chairman of the committee, applaud the work of the committee staff that worked so hard to bring this bill about, and it is not an effort to take away from the overall direction of the bill to lift this one piece out of it.

I have worked with people in the disability community in my area and they are very concerned that this provision is going to be counterproductive.

□ 1600

The public vocational rehabilitation program has put already over 13 million people back to work. It is the most successful job training program in the world for disabled. It more than pays for itself, because it takes people who want to work and help themselves and puts them back in the work force. It is a highly specialized process and does not fit in the CAREERS bill. It offers a broad range of services individually tailored to meet the needs of the disabled, and it is a great success story in and of itself. Where there is tremendous need for reform in so many other areas of the vocational training, this is an area that is a success. I do not think we should take a chance on compromising a program that already works in an effort to try to achieve economies of scale that I do not think would accrue to the benefit of this program.

So I urge my colleagues to support the Green amendment. I commend my colleague from Texas for his hard work in this area, and once again commend the sponsors of this bill for putting it together. This is a piece of it that needs to be deleted.

Mr. Chairman, I urge Members to support the Green amendment, and make sure this bill does not compromise great programs that are helping people that need the help, who want a helping hand and not a handout. I urge my colleagues to support the Green amendment.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in the strongest possible opposition I can to this amendment, because it is a direct slap in the face of the disability community, and particularly a slap in the face to those with severe disabilities.

Now, let us talk about quality. That is what was mentioned several times. That is what we heard so much about, quality. Now, look at the record. You see, if you are going to be brainwashed by the State rehab people, then, of course, quality is not going to matter, because quality is not what is there at the present time.

A little over 1 million persons are served under the current Federal-State vocational rehabilitation program. How many cases are closed in a year's time? At the most, 200,000. But closed, closed for what?

What is the rehabilitation standard? Well, let me tell you what VR's rehabilitative standard means: A 60-day job placement. Big deal. Big deal. A 60-day job placement.

Under this low standard, even with a standard that low, they could not come up with better than 71 percent. So, again, if you are looking at quality, then you are not looking at existing programs, you are being brainwashed by State vocational rehabilitation people who do not want any change.

They are not interested in quality. They are interested in keeping their control. They are interested in keeping their control over the disabled community. The largest group, who is headquartered in Dallas, TX, has indicated to us, "Do not even think about decoupling this. Do not allow them to do that to us, because then we continue to be stepsisters, as we have been in the past."

Under the tougher Social Security Administration standards, and that is a placement after 9 months for severely disabled persons on SSI and SSDI, only 9 percent of such case closures were rehabilitated. The 1993 GAO report on vocational rehabilitation programs concluded that the gains in economic status made by clients were temporary. Within the study group, the earnings of those classified as rehabilitated under the 60-day standard, I keep repeating, had, after 2 years, returned to near or below preprogram levels.

Mr. Chairman, we are trying to help those most disabled, those most disabled in our community. They are telling us, "Do not let us suffer as you have in the past under a state-run monopoly." They are saying to us, "Please, give us an opportunity to have some competition, so that we can get improved services."

Someone mentioned they might cream them. That is exactly what they do at the State level at the present time. That is why the disability community is so upset that someone is going to take them out of the CAREERS bill. They want to be there, because they know that the services they have received in the past have been anything but exemplary.

The Projects With Industries business-community partnership placed 10,901 persons in 1994, 81 percent of whom were severely disabled. That is what that competition did. And then they are worried that somehow or another there will be fly-by-night operations in our system. Read the legislation. They cannot be in there. They could not get any reimbursement if they were in the system. We have quality control set up in this bill that prevents any kind of reimbursement going to fly-by-night operations.

But this project, a similar project in the private sector, had 81 percent of those who were severely disabled, placed in meaningful jobs.

The status quo advocates cannot argue that their success is demonstrated or that their expertise is unique. However, in this bill we allow them to continue. In this bill we say State government agents can still provide the services. That is in the bill. We had some legislation that we were working out that even improved that, which hopefully will be done between now and conference.

But, again, I plead with my colleagues: If you really have any concern about the severely disabled in this country, then, please, do not allow the status quo to continue. We have to improve their lot.

Mr. Chairman, I might add also that I am not sure where the Governors' letter came from, but I believe the majority of Governors are on my side of the aisle, not the other side of the aisle, and I have their letter here. They are saying just the opposite.

Mr. DOGGETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this legislation, which is good legislation, but also in support of this amendment, which will make it a much better piece of legislation.

I have been amused at the suggestion by some of our colleagues that we should just ignore what the Governors say. You see, we have been through this before in Texas. The gentleman from Texas [Mr. GENE GREEN] when the issue of the formula for welfare came up during the welfare reform effort, pointed out that Texas was about to get hit and get hit hard by virtue of that formula.

Our Governor sat on his hands and did not want to get involved. But thanks to the efforts of Congressman GREEN, he has finally gotten motivated and gotten involved and recognized what a devastating effect that would have on the State of Texas, and we are beginning to get some change, belatedly, but finally. I think the same thing will be true with reference to the gentleman's efforts on this question of vocational rehabilitation.

The approach being taken here with this piece of legislation here today is really only taking a Texas idea and bringing it to the national level, because we have already done essentially the same thing in the last session of the Texas legislature that is being done in this bill. That is to merge our job training programs and to recognize we can do more for those who need work force development, job training, if we merge programs together, eliminate some of the inefficiencies. But when we did that in the State of Texas, we specifically excepted vocational rehabilitation, because it is a unique area. When you are dealing with persons with disabilities, they have some special needs in order to be able to achieve to the full extent of their ability.

I think that the gentleman, through his amendment, recognizes that, and as that message gets out I am sure somewhere in the legislative process the Governors of Texas and other States are going to join in recognizing in the State of Texas we have one of the most outstanding rehabilitation programs that the gentleman from Texas [Mr. GENE GREEN] and I have both had occasion to work with when we were in the State legislature, and it is not only the people that work as the rehabilitation experts, but the individuals with disabilities, who I know in my case, came out, a number of them, this past weekend, when I held office hours in a grocery store, to tell me of their very great concern about this piece of legislation, and that when you merge what is in essence already a block grant program and you merge that into a bigger block grant program, it may not be a merger. It may be a submerging of the particular needs of individuals with disabilities.

I know the gentleman has some more thoughts on this. I do, too. I would be glad to yield to you if you want to respond to some of these concerns, and then I want to add a further comment about the impact on Texas of making this kind of mistake.

Mr. GENE GREEN of Texas. Mr. Chairman, will the gentleman yield?

Mr. DOGGETT. I yield to the gentleman from Texas.

Mr. GENE GREEN of Texas. Mr. Chairman, another colleague of ours wants to join me. I would like to answer our chairman's concern about the current system. He thinks that the sponsors claim the current system is so bad anything is preferable, not this bill.

With that, I know our colleague from Massachusetts has to go to another markup.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. DOGGETT. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I appreciate the gentleman from Texas yielding. I wanted to just come to the House floor to speak in strong support of the Green amendment. This vocational rehab has done good work for tens and tens of thousands of some of the disabled people in this country that just simply need a little job training to be able to become productive members of society.

In my own neighborhood in Brighton, MA, there is a voc-rehab center that has trained literally thousands and thousands of people to go into mail rooms, to work at some of the biggest companies and the smallest companies in the city of Boston and the surrounding areas. Over 4,400 people in the State of Massachusetts were helped just last year through this program.

Why in God's name do we have to reform every program in the Government, regardless of whether or not it works or does not? This is fixing a problem that does not exist. You ask every one of the major voc-rehab groups in this country whether or not they want this bill. Their answer is a singular no.

This is a program that works to provide people an opportunity to grow to their full human potential. They have been denied, they have been injured, they have been born with brain defects, with physical deformities. They are struggling to become productive members of society.

The Government has a sort of Lincolnesque Republican idea that we want everyone to be treated equitably. That basic comprehension of how we ought to treat individuals in this country is what are contained in the values of the voc-rehab bill. So why do we have to come just in the name of reform? Are we so desperate to convince the people we are reforming everything in the Government that we will take a problem that does not exist and go and reform that as well?

Mr. Chairman, let us keep the program. Let us support the Green amendment.

Mr. RIGGS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let us be clear about the nature of this debate on the amendment of the gentleman from Texas. What we are really talking about here is whether or not we are going to maintain the status quo. We have heard arguments over the last couple of minutes that the present vocational rehabilitation program is working well, so therefore the argument goes, "It ain't broke and doesn't need fixing."

Well, as the chairman of the committee pointed out, if you look at unemployment for disabled persons, the statistics are staggering. Out of 12.6 million severely disabled persons in America today, only 2.9 million are employed, which equals a placement rate of 23 percent.

Furthermore, employment rates for persons with moderate disabilities are comparable with the nondisabled. But employment rates for the severely disabled are drastically lower. So the only conclusion you can make is that the advocates of the status quo, their argument is that vocational rehabilitation should not have a more positive impact on employment.

We also know that the present system is highly procedural and bureaucratic. Out of $2.5 billion, that is the combined Federal and State funding for vocational rehabilitation funding today, 10 percent is spent on administration, 34.6 percent on counseling and placement, and 54.8 percent on purchased services. This is a very process oriented program, and it is one that, by being so monopolistic, has very little to do with performance and results.

In fact, compare it with one program in the private sector, a program called Projects with Industries, a business community partnership which placed 10,901 persons in 1994, 81 percent of whom were disabled, 25 percent of those served by this program were severely disabled and their cost per placement was far less than the current Federal-State program.

So again, I think we have to be clear here. The current vocational rehabilitation system, contrary to the argument we hear from the advocates for the status quo, does not work. The current Federal-State rehabilitation system produces successes that are below comparable private programs and that are proven to not have much long-term impact. Another way to put it is we are not getting very much return on the taxpayer dollar.

The current vocational rehabilitation system segregates persons with disabilities. And in the CAREERS bill, we are integrating vocational rehabilitation with all other job training programs. Therefore, people with disabilities will no longer be ignored by general job training programs, because they have their own system and are forced into that separate system. CAREERS would integrate the different job training programs on a much better basis and it would effectively, and here is where the rub comes in, eliminate the vocational rehabilitation system monopoly.

□ 1615

State vocational rehabilitation systems have no competition, and, without competition, services are not consumer responsive.

So if my colleagues favor the status quo, if they want to see this bureaucracy and process-focused, process-led system continue, which we believe on this side of the aisle leads to wasted funds and poor services, then by all means vote for the gentleman's amendment. But if they are against a monopoly, if they want to see more accountability in the delivery of services, job training services for the disabled, then support the original language in the bill and defeat the gentleman's amendment.

Ms. JACKSON-LEE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Chairman, I was interested in hearing the gentleman from California [Mr. RIGGS]. I know we share the concern and support for the overall bill but not for this amendment.

You cannot put a rate-of-return requirement or a cost-benefit analysis requirement on vocational rehab services. It costs more to train and educate someone who needs those services than someone who is laid off because of a job.

Let us talk about the program. Let me respond a little bit to our chairman when he talked about the failure of the current program. We had 1992 amendments that increased the number of persons with disabilities eligible for the services. The agency case loads have risen significantly. Most of those new participants are persons with severe disabilities.

In 1993, the year of the GAO study, when these changes were being phased in, the number and percentage of successful cases closed dipped. The Republicans are now trying to use this statistic to junk the whole system and to talk about how bad it is. It has been serving people for 70 years, and 13 million people have found jobs under the current vocational rehab system. Let us not throw it out and just call for reform.

Let me talk about the GAO study that justifies their attacks. What they do not tell us is that the GAO overall assessment of the rehab program was positive. For every $1 invested in the current programs, it generates $18 in the form of reduced disabilities payments and taxes paid by these participants who obtain employment; whether it is 60 days and they have to come back to be retrained or a year, we are getting an $18 to $1 return. The earnings of persons with disabilities who participate in the program are four times greater than those who did not.

I would like to see it eight times greater, but let us not trash the current system just because they do not like something. We cannot put cost-benefit analysis when we are dealing with disabled people, because we need to make sure we provide that service whether it is cost-effective or not.

Ms. JACKSON-LEE. Mr. Chairman, I want to commend the gentleman from Texas for his amendment. Mr. Chairman, I have heard a very hollow sound. The reason is because we pretend to argue on behalf of those who are physically challenged. I think, if we looked at the real facts, we would find out that who you go to is the consumer.

I have a neighbor who works in rehabilitation. It is my belief and it is her recommendation that the specialized trainer, the specialized professional is the important key to helping the physically and mentally challenged because part of the fullness of what America offers is equality for all. Title V will simply decimate the rehabilitation delivery system. It particularly hurts those who are blind and need special attention in their job training.

I am listening to those on the other side of the aisle argue that they know best, but I can read off a variety of different organizations who support the removal of vocational rehabilitation from H.R. 1617: The Alexander Graham Bell Association of the Deaf, the American Council of the Blind, the American Society for Deaf Children, the Association of Community Based Rehabilitation Personnel. And the list goes on and on and on.

The real key is what has been successful and it has been successful when we focused and made sure that the training for those who are physically and mentally challenged is particularized.

Block grants equal scatter grants. It does not focus. It does not help. It does not enhance. What we have in a vocational training program is the need for a highly specialized process. We need a wealth of expertise. Why would we look at the success of 13 million people going to work and now we are trying to change it?

I am not sure where our colleagues on the other side of the aisle are trying to go. But I can assure them that those who are physically and mentally challenged are on the side of the gentleman from Texas, Mr. GENE GREEN, and those of us who believe that the special attention that we pay to those who are physically and mentally challenged has resulted in a bounty of successful workers, of people taking their rightful place in the American society and the recognition that all are created equal.

I would ask that the House join me and join the gentleman from Texas, Mr. GENE GREEN, in eliminating this provision and accepting the fact that we have a responsibility to ensure an even playing field and to make sure now that 13 million people are at work, that more people who are physically and mentally challenged and the children who need to be trained can also come up and be trained under the right rehabilitation system.

Mr. SOUDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this debate has baffled me somewhat. It is really at the core of much of what we are trying to do. One of the core assumptions here is that somehow the Governors of the United States are not going to be as sensitive to those who are physically and mentally challenged and need vocational rehabilitation as much as Washington would be, that Washington is the fount for all wisdom, that the laws that we devise here are somehow better able to take care for the people in their States than the Governors themselves who presumably are more responsible and more responsive to the people there on a regular basis than those State legislatures are.

In fact, this bill kept four different block grant categories, one of which was vocational rehabilitation, because we were concerned that there might be some creaming. In that we protected the funding stream.

If we in fact remove title V, it is not clear what we go to conference to the Senate with, since they have more for a general block grant and in fact passing this amendment could hurt both substantively in the sense of flexibility and in this bill in conference committee.

Furthermore, there is a lot of talk about how all the different groups feel on this. In fact, United Cerebral Palsy, the Arc, the Association for Retarded Citizens, Goodwill Industries, oppose taking this section out of the bill because they believe that it will provide more services to the people that they are providing services to and who they serve and who they advocate for. In fact most of the groups who favor this amendment are more people who are participating and getting funds from the Government in this process as opposed to those necessarily working on an individual basis without having a stake in how the programs are administered.

Many of the concerns that were raised earlier as far as State flexibility have been addressed. In fact, if Governors like the existing program really well and they are working in Indiana, for example, I do not think that Governor Bayh thinks a Republican Congress is going to do a better job for taking care of people in Indiana than he does. He is not from my party, but I am willing to give him more flexibility in the State.

I have met individuals in my office who have been served well in a number of programs, visited programs for those who need special vocational rehabilitation in Whitley County and in Huntington County. Those programs are working well.

At the State level they will adapt that and understand that and include those programs that are working well. But to say that we in Washington are the fount for all wisdom, that we cannot block grant and let the people at the local level make these decisions is challenging the core premise for this legislation. It has nothing to do with whether or not we want to serve those who need our help, because in fact we have a category that makes sure the funding stream is there. It is how it is implemented.

Mr. RIGGS. Mr. Chairman, will the gentleman yield?

Mr. SOUDER. I yield to the gentleman from California.

Mr. RIGGS. Mr. Chairman, I just wanted to add one other comment. That is, I served for almost 5 years on the Governor's Committee for Employment for Disabled Persons in California. I really based my experience on the large disability organizations which the gentleman mentioned, which include the United Cerebral Palsy, the Association for Retarded Citizens and Goodwill Industries in opposing removing vocational rehabilitation from Careers. These are the largest advocacy organizations for disabled Americans.

I wanted to just read quickly one paragraph from Joan Thompson, the chairperson for the Governmental Affairs Committee for the Arc. She writes to Chairman GOODLING: Our constituency, as you know, is among the most unemployed and underemployed segments of our society. Many citizens with mental retardation and other disabilities have also faced a lifetime of segregation and a woeful lack of opportunity to become productive members of our society. In this time of significantly constrained Federal spending, it is vital that every program with the potential to help people get and keep jobs be fully utilized. As employers prepare to assume new roles in work force development, it is imperative that they recognize that people with disabilities are a largely untapped source of new and willing workers. To delink—as the gentleman would do in his amendment—the vocational rehabilitation system from the new system will only serve to isolate the vocational rehabilitation system and people with mental retardation from the employers. No one would gain, except those professionals in the vocational rehabilitation system whose sole agenda is to protect their turf. We do not think that is what reform is all about.

Mr. GENE GREEN of Texas. Mr. Chairman, will the gentleman yield?

Mr. SOUDER. I yield to the gentleman from Texas.

Mr. GENE GREEN of Texas. Mr. Chairman, does the gentleman understand that the original block grant proposal—we have had block grants for 75 years from the Federal Government to the States. Each State already has that ability. It does not take this bill or this amendment to do that.

Mr. SOUDER. Mr. Chairman, but this is less prescriptive and gives flexibility to the States.

Mr. GENE GREEN of Texas. The gentleman understands States already have flexibility, though.

Mr. OWENS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Green amendment.

Mr. Chairman, I rise in support of the Green amendment for the sake of all Americans with disabilities and for every American that might tomorrow find themselves among those with disabilities.

I think we must exercise the greatest possible care in how we reform the vocational rehabilitation system. Let us not do it haphazardly as this bill is doing it. Let us not do it with confusing last-minute amendments. Let us go back to committee and do it right. That is what the Green amendment is telling us to do.

I support integrating vocational rehabilitation into a one-stop system. I support enhancing consumer choice, and I support adopting a more market oriented approach. But I cannot support the haphazardly constructed mess that we are faced with here in title V.

It is important for Members to understand the shoddiness of the process through which these provisions were developed, very shoddy process.

The bill makes the most far-reaching changes in vocational rehabilitation in 70 years. Yet our committee did not hold a single hearing on these provisions, not one hearing. No public opportunities were provided for people with disabilities who rely on vocational rehabilitation to make comments and suggestions. Everything was drafted behind closed doors without meaningful input from the public.

Unlike other parts of this bill, no efforts have been made to involve the minority in crafting title V. For as long as anyone can remember, disability policy in this House has been forged on a bipartisan basis. Republicans and Democrats worked in harmony together to set policy. That proud tradition ends with this bill.

Everybody recalls the Americans with Disabilities Act. I think we all recall the leadership of Justin Dart in that, in the passage of that act. Justin Dart is a Republican disability activist, and Justin Dart was the Bush administration commissioner for the Rehabilitation Services Administration.

In a letter dated August 30, 1995, Justin Dart says the following: I oppose the Careers Act, H.R. 1617, as it applies to vocational rehabilitation. The present form of H.R. 1617 would be harmful to people with disabilities and the Nation.

I agree wholeheartedly with Justin Dart. To make matters worse, the sponsors of this bill keep making dramatic changes in title V at the last minute. Last Friday one set of changes was made. Late last night another set were made. This morning still another set of changes. Instead of improving the bill, each one of these changes had made title V progressively stranger and more convoluted.

□ 1630

What these new provisions will do is impossible to know for sure. Preschoolers take greater care in making a fingerpainting than the sponsors of this bill have in putting together title V. They have great contempt for the community of people with disabilities in this process.

The sponsors say that anything is better than the current system. That is garbage. Some 9 million Americans with disabilities now have jobs, thanks to this program; 1.2 million are currently receiving services. The program's performance has been improving impressively. The job placement rolls increased 6.4 percent last year over the previous year. This year they are estimated to go up another 6 percent.

The system is also doing more with less. The number of persons served has skyrocketed since 1992, while the funds have remained even. Most of these new persons being served have the most severe disabilities, also.

I recently received a letter from a woman in Parkersburg, WV who did not think anything is better than the current system. She was first disabled in a car accident and then abandoned by her husband after he got his hands on her insurance check. She could not afford a private hospital. She called vocational rehabilitation. She writes, "I was treated wonderful. They taught me everything, like how to get in and out of bed, the shower, and how to drive with hand controls, all of this all by myself. They gave me back my independence. I am living at home, caring for the children, doing almost all I did before the accident. I thank God voc rehab exists, and I pray it will be there for others. Until you have been in my shoes, you cannot understand the destruction that passing H.R. 1617 would cause."

None of the people with disabilities have had a chance to say to the committee, to the majority Republicans in this House, what great destruction H.R. 1617 would cause. I hope that perhaps the committee managers would reconsider at this point in light of the bipartisan opposition to the bill, and recall it, and let us start all over on title V.

Mr. McKEON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I appreciate the opportunity of rising to speak in strong opposition to the Green amendment. I think one thing needs to be clarified. There was a comment that we never had hearings on this. We did have hearings. We did hear from people. We specifically wanted to have input from the people that would be involved, and we have letters here from many different groups that support the bill, that do not want to be excluded from the bill. I think it is important that we hear what they have to say.

The United Cerebral Palsy Association wrote this letter to Chairman GOODLING. They indicate their strong support of the bill and their opposition to an amendment that would exclude this block from the bill. It says: "UCPA," the United Cerebral Palsy Association, "is a network of 155 affiliate organizations across America that are committed to advancing the independence, productivity, and full citizenship of people with disabilities. UCPA has worked diligently with House staff to ensure that the CAREERS Act will assist in furthering employment for people with disabilities and not create yet more barriers in their path."

We have also heard from Goodwill Industries, who have done great work. Last year they helped 23,000 people who were in some way disabled in employment. They also strongly support the bill and oppose this amendment.

We have several letters that are similar that support the bill. They have been working with us. We have been working with them, right up until the current moment, to make sure that we are able to provide better service and reach out to all of these people.

That is the whole purpose of the bill, is to reach down into the local community, to reach more people, to have better service.

There have been other things said about Governors who support or do not support it. Let me read this letter that was just received from the Republican Governors' Association:

"Dear Bill," speaking of the chairman of the committee, the gentleman from Pennsylvania, Mr. GOODLING, "as members of the Republican Governors' Association Task Force on Work Force Development, we write to clarify our position on the Vocational Rehabilitation Title," which is title V, "of the CAREERS Act.

"While we have previously expressed numerous concerns related to design and delivery of services through title V of the act, we firmly believe this title should be included in the CAREERS Act. It is essential that vocational rehabilitation services be integrated as part of the overall State work force development system."

I think it has been mentioned, we have covered this strongly, that we are trying to reach out and help these people. They have participated in the hearings that we held, and while everybody is not totally satisfied, this bill does the best job in improving over the status quo and in reaching out.

Mr. RIGGS. Mr. Chairman, will the gentleman yield?

Mr. McKEON. I yield to the gentleman from California.

Mr. RIGGS. I appreciate the distinguished chairman of the subcommittee yielding to me.

I think it is important to stress, Mr. Chairman, just before we prepare to vote here, that we completely reform and overhaul the Federal job training programs. We create these four consolidated block grants. This is the only block grant where we not only maintain the current level of funding, but increase funding. I want to impress upon my colleagues that under our proposal, under the CAREERS Act, we are increasing funding for vocational rehabilitation employment-related services. I appreciate the gentleman for yielding so I could make that point.

Mr. McKEON. Reclaiming my time, I think this brings up another very important point. The gentleman from New Hampshire [Mr. ZELIFF] who spoke earlier today, had a bill that tried to do some of the same things. His bill was one block grant out to the local States and communities. One of the main reasons why we broke out into four block grants was specifically so we could help and do a better job with vocational rehabilitation. Vote "no" on the Green amendment. Support the bill.

Mrs. MINK of Hawaii. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Green amendment. The issue that I believe has been misunderstood is the question of the block grant. The legislation that is being proposed here today is not creating a new block grant for vocational rehabilitation. The vocational rehabilitation program has always been under a block grant. That is the current program that is in effect today.

The second misunderstanding is that this bill that is before us is going to create flexibility for the States in operating the program. The current program affords the States full flexibility in designing the programs which they feel are required to meet the needs of their disabled population and paying particular attention to those who are severely disabled, who have been through accidents, who have had stokes and other kinds of very debilitating experiences.

The current program has met the national requirements. It has fulfilled the needs of our local population. It has abided by performance and quality standards which the Congress has set, and yet it has given the States broad discretion in determining how to meet those standards.

The difficulty that we have in accepting title V, as written in the bill, is that the committee, the people that are responsible for writing this legislation, have not had any opportunity to deliberate on the needs and the specific reasons for consolidating this program into a new form of support for the States. Without that opportunity of hearing from the constituency, from the providers and so forth, it seems to me foolhardy for the Congress to now change a program that has been so successful.

Title V of this bill establishes a very prescriptive, one-size-fits-all rehabilitation delivery system for every State, based upon the concept of private enterprise market-driven forces.

Under title V of this bill, vocational rehabilitation clients would be provided vouchers through the work force development board, or a one-stop-career center, to shop for their own services. The availability of services in this private enterprise market-driven system is almost beyond belief as to how it could service this extremely disadvantaged population that needs a different character and mode of service, as has already been described. There is no guarantee whatsoever in the legislation that I can find that this one-stop opportunity, as they are saying they are providing, is going to meet the needs of these individuals.

Someone said earlier in the debate, in defending title V, that what is being done here is that the Congress is somehow substituting for what the people out there in the community have expressed in other areas as changes that must be made. Let me tell the Members that I am not here defending the providers and the bureaucracy of the State. I am here defending the people who have said to me time and time again one of the most wonderful services they have found available in their States currently are the services under the vocational rehabilitation program.

I have a letter here today that I received from a Curtis Inoue in Honolulu. I did not solicit this letter, but he was alarmed when he heard about what was happening to the program under title V. Let me read a portion of the letter.

He says, and I quote, "Public vocational rehabilitation has proven to be a successful cost-effective method of providing gainful employment to individuals with disabilities. I speak from experience, as an individual who is deaf. I have benefited greatly from vocational rehabilitation services. Whereas I was once a Supplemental Security Income recipient and Medicare beneficiary, I am now a productive, taxpaying citizen, thanks to public vocational rehabilitation services.

"I simply cannot see how the unique needs of individuals with disabilities can be met through generic programs that serve broad categories of individuals seeking employment. Vocational rehabilitation professionals with specialized skills are an essential component of ensuring long-term job retention for persons with disabilities. There is no way that I and many others would be in the position that we are in without having had such services. Please vote to sustain separate funding and services for vocational rehabilitation programs, and encourage your colleagues to do the same."

I rise to ask my colleagues to do exactly that.

Mr. GOODLING. Mr. Chairman, will the gentlewoman yield?

Mrs. MINK of Hawaii. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. First, Mr. Chairman, I would say that I am very happy that the present legislation we have before us does keep the separate funding.

The CHAIRMAN. The time of the gentlewoman from Hawaii [Mrs. MINK] has expired.

(On request of Mr. GOODLING and by unanimous consent, Mrs. MINK of Hawaii was allowed to proceed for 10 additional seconds.)

Mr. GOODLING. Mr. Chairman, will the gentlewoman yield?

Mrs. MINK of Hawaii. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. Mr. Chairman, the gentlewoman mentioned prescriptive. I merely wanted to say current law has 37 major requirements. The CAREERS bill has only 14.

Mr. ENGEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, before I begin, I yield to the gentleman from Texas, Mr. GENE GREEN, who correctly points out that the National Association of Governors, the bipartisan group of Governors, not only supports this bill, but supports the Green amendment to this bill.

Mr. GENE GREEN of Texas. Mr. Chairman, I thank my colleague from New York for yielding to me. I am glad he pointed that out. Again, the Governors are not here on the floor of the House. They have their authority in the State legislatures and they can work their will there, but we do have a battle of letters here today from Republican Governors, national Governors. The national Governors do support the flexibility of keeping vocational rehabilitation as a separate revenue source or a separate stream, separate from this CAREERS bill, because it has worked for 70 years. Sure, they have gone through reforms in 1992, and we will reform them again, but we do not need to do it by lumping them all together with everyone else.

Mr. ENGEL. Reclaiming my time, Mr. Chairman, I rise in strong support of the Green amendment. I have many reservations about the bill, and this amendment addresses one of my chief concerns. I do understand and agree with many of the points in support of the bill. The CAREERS bill does eliminate much of the overlap that exists in many Federal education and training programs. I am pleased that some effort is being made to correct the problems that exist. However, I feel that the negatives of this bill outweigh the positives, and would end up damaging the system that is in effect, rather than fixing it. Unless changes such as the amendment of the gentleman from Texas approved, it would be very difficult for me to support the bill.

This bill goes too far, I believe, in addressing problems that need to be corrected. Instead of dealing with overlap and waste, the CAREERS bill virtually guts the job training system for one that has little accountability and not enough safeguards for those who need these programs to improve their lives.

I did not have the chance to speak on the amendment offered by the gentleman from Montana [Mr. WILLIAMS] earlier, but I would like to take a while to comment on it here. As this bill is written, the Governors would have the chief authority to monitor funds provided by the Federal Government. The authors of the bill claim this will cut bureaucracy. However, instead of cutting bureaucracy, I believe this bill would actually increase it on the State level.

□ 1645

In my State of New York, the bill would impose a dual system of services for recipients. Currently a State system has been established through the provisions of the State constitution and statutes promulgated by the State legislature. This system administers both State and Federal funding.

However, the CAREERS bill will set up a separate system to monitor the Federal funding, to be administered by the Governor. Instead of improving services for New York recipients, this legislation will now install two levels of bureaucracy, making it more difficult to receive the same services. This is not the direction that this bill should be taking.

The proposal to change the way the vocational rehabilitation system is structured is totally unacceptable to me as currently written. The bill would limit State flexibility and create uneven access to services to those that are truly needy.

I am concerned that the specialized services that the people who depend on these programs require could be sacrificed in order to satisfy the financial requirements of the bill. Consolidating the specialized programs under this system with generic work force preparation activities could jeopardize the recipients of vocational rehabilitation services. Populations such as the blind and disabled need our full attention and must not be shortchanged.

The current system is fully supported by the disability community and is kept intact in the Senate bill. We must strike title V from this bill so that we can continue to help those who most need it. In the fervor to allegedly cut bureaucracy through the use of large block grants, we may just be creating new problems without taking care of the needs of the recipients.

Mr. Chairman, this bill has many flaws. It is underfunded, it has far too much consolidation, and it severely and adversely changes the vocational rehabilitation system.

This amendment can at least save the vocational rehabilitation system so that our recipients can be properly served. We are already cutting too much from the recipients. Let us not limit their access any further.

I want to conclude by saying what I have said many times in the past. I do not believe that block grants are a panacea to the needs of the States. They only work if they are fully funded, and this bill cuts a great deal.

I have grave reservations but believe that by supporting the gentleman's amendment, this bill will then go in the right direction. I urge my colleagues to support it.

Mr. WILLIAMS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, vocational rehabilitation is not broken, and I have not heard anyone claim it is. Vocational rehabilitation is one of the most important mechanisms in America, successfully administered and applied, for assisting individuals with disabilities in obtaining primarily 3 things: Productive employment, to live independently, and to thrive in mainstream society. The system is not broken. It works.

I support the gentleman's amendment because he recognizes and his amendment cures the problem that the bill as now written with regard to vocational rehabilitation—by the way, I want to say parenthetically, I still want a bipartisan approach to this bill and I am still for this bill. We have worked a lot on it in a very bipartisan way.

But the gentleman from Texas understands that the bill disrupts the current vocational rehabilitation system by limiting State flexibility, by diluting accountability and, worse, in the name of vouchers and private sector evening, private sector delivery, it creates uneven access to services. The rehabilitation clients who need the most services, the most attention, the most application, would be the ones least served under the legislated proposal.

Vouchers would not be an appropriate mechanism for the most severely disadvantaged citizens in need of vocational rehabilitation to be served. If one doubts that, look at the outpouring of opposition that greeted this bill from the disability community itself.

I suppose your phones have continued to ring all day long with opposition from the disability community. No, these are not State employees. These are people in need of help who like the system they now have because it is serving them properly. It does work.

We have heard just within the last hour or so from the National Association of Protection and Advocacy Systems, support the gentleman's amendment. We have heard from the Rehabilitation and Continuing Education Programs Consortium, from the National Council on Rehabilitation Education, from the National Association of Developmental Disabilities Councils.

The University of Tennessee at Knoxville, their College of Education, the Rehabilitation and Deafness Unit has written to us saying the bill is not right as it is, it needs fixing in the rehab department. They like the Green amendment. The National Rehabilitation Association, the Council of State Administrators of Vocational Rehabilitation, the National Council 'of State Agencies for the Blind.

These are the users of this system. These are the clients. These are the people that need the help, that get the service every day, saying the Green amendment is the right way to do this.

Let me make a suggestion. I urge my colleagues to drop this title from the bill, vote to drop this title from the bill. Let us review, in concert with the disability community, the vocational rehabilitation community, what we might do together as we move to conference.

If anybody thinks that we have already spent a long, long time on this vocational rehabilitation problem, let me tell the Members we have not. We had one hearing. I am the ranking member on the subcommittee. We had one hearing.

We heard primarily from the industry that would benefit by these vouchers. Everyone else that came before our hearing would have been in support of the Green amendment and was opposed to the bill as it sat. So the rehabilitation community is saying, "Slow down, wait a minute, you really are trying to fix something here that is not broken and works quite well."

I urge Members on both the Democrat and Republican side to listen to the disability community that is in need of this vocational rehabilitation. Vote to drop this title from the bill, and let us sit down as we have thus far and work this out in a bipartisan manner.

Mrs. FOWLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. GOODLING. Mr. Chairman, will the gentlewoman yield?

Mrs. FOWLER. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. I thank the gentlewoman for yielding.

Mr. Chairman, I will just take a minute. First of all, I want to make sure that everybody understands, vouchers is an administration proposal. The administration, I believe, of that side of the aisle. But it is an administration proposal. That is what vouchers are all about.

Second, in Georgia at the present time, they are using vouchers to serve the most disabled, the most disabled.

Lastly, all the references we just heard were references from State employees, State government, all of those who have some special concern. We did not hear those references from the severely disabled individuals.

I would hope that we can save the bill. The only way we can do that, of course, is to defeat this amendment.

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of this amendment.

Mr. GENE GREEN of Texas. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Texas.

Mr. GENE GREEN of Texas. I thank my colleague the gentleman from California for yielding.

Mr. Chairman, I think we are getting down to calling a vote on the amendment. Let me try and sum up the debate we have had for a good while here.

We have 2 different groups of governors. I have a letter from the National Governors Association saying they support the amendment, that we have had flexibility in vocational rehab for 70 years, it is the original block grant. Why lose a program that is effective, that was changed in 1992 and will be up for reauthorization in 2 years? Why should we lose that and lose that flow to our disabled community?

Let me talk about what the CAREERS Act would do. Under current law, eligible individuals are guaranteed access to the same quality and range of services no matter where they reside in a State. This guarantee would be eliminated under title V, whether the Work Force Development Board and their community had decided to provide this service, whether the work force development area could afford the service. That is why we need a State agency to provide this support and that is why the current system does not need to be lumped in with the CAREERS bill. The CAREERS bill is a good bill, I was proud to vote for it in committee as it came out with the understanding we would be able to address voc rehab. We have not been able to to the satisfaction of the client organizations that I have heard from. Again, we have client organizations, I understand, on both sides. But when there is confusion, we should not disrupt the system, we should let that be separate. Vocational rehabilitation is too important to have it lumped in with the general population. Let us keep that emphasis for vocational rehab for those clients who need it.

Mr. BROWN of California. Mr. Chairman, let me just conclude by saying that I have a very strong interest in this particular area. I began my career here in Congress more than 30 years ago serving on the then Committee on Education and Labor and being actively involved in the creation of some of these programs. I share the views that have been expressed here that when you have a good program that is working effectively, you should not try and make too many changes in it. I hope that I will be able to support this bill as we bring it to final passage. My ability to do that, of course, would be greatly assisted if we could also adopt this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas, Mr. GENE GREEN.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. GENE GREEN of Texas. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 231, noes 192, not voting 11, as follows:

[Roll No. 670]

AYES—231

Abercrombie
Ackerman
Andrews
Baesler
Baker (LA)
Baldacci
Barcia
Barrett (WI)
Barton
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Blute
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (OH)
Bryant (TX)
Buyer
Cardin
Chapman
Chenoweth
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Crapo
Cremeans
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Durbin
Edwards
Ehrlich
Engel
English
Ensign
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Flake
Flanagan
Foglietta
Forbes
Ford
Frank (MA)
Frost
Funderburk
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hayes
Hefner
Heineman
Hilliard
Hinchey
Hobson
Holden
Horn
Hoyer
Jackson-Lee
Jacobs
Johnson (SD)
Johnson, E. B.
Johnston
Jones
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
LaTourette
Lazio
Leach
Levin
Lewis (GA)
Lightfoot
Lincoln
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McCrery
McDermott
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mfume
Miller (CA)
Mineta
Minge
Mink
Mollohan
Montgomery
Morella
Murtha
Nadler
Neal
Ney
Nussle
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Pryce
Rahall
Ramstad
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schiff
Schroeder
Schumer
Scott
Serrano
Skaggs
Skelton
Slaughter
Smith (NJ)
Spratt
Stark
Stenholm
Stockman
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Waldholtz
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates
Zimmer

NOES—192

Allard
Archer
Armey
Bachus
Baker (CA)
Ballenger
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Christensen
Chrysler
Clinger
Collins (GA)
Combest
Cooley
Cox
Crane
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Doolittle
Dornan
Dreier
Dunn
Ehlers
Emerson
Everett
Ewing
Fawell
Foley
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Gallegly
Ganske
Gekas
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hoekstra
Hoke
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
Laughlin
Lewis (CA)
Lewis (KY)
Linder
Livingston
Longley
Lucas
Manzullo
Martini
McCollum
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Moran
Myers
Myrick
Nethercutt
Neumann
Norwood
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Quillen
Quinn
Radanovich
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Upton
Vucanovich
Walker
Wamp
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff

NOT VOTING—11

Brown (FL)
Fields (LA)
Fields (TX)
Jefferson
Moakley
Oberstar
Reynolds
Sisisky
Tucker
Volkmer
Walsh

☐ 1720

The Clerk announced the following pair:

On this vote:

Mr. Moakley for, with Mr. Fields of Texas against.

Mr. BAKER of California changed his vote from "aye" to "no."

Messrs. FORBES, ENSIGN, HORN, DINGELL, WATTS of Oklahoma, and BARTON of Texas changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. FIELDS of Louisiana. Mr. Speaker, on rollcall vote Nos. 664, 665, 666, 667, 668, 669, and 670 I was unavoidably detained in my district. Had I been present, I would have voted "aye" on 664, "aye" on 665, "aye" on 666, "no" on 667, "aye" on 668, "no" on 669, and "aye" on 670.

PERSONAL EXPLANATION

Mr. WALSH. Mr. Speaker, on rollcall No. 670 I was unavoidably detained. Had I been present in the Chamber, I would have noted "aye" on the amendment offered by the gentleman from Texas, Mr. GENE GREEN.

The CHAIRMAN. Are there further amendments to title V?

If not, the Clerk will designate title VI.

The text of title VI is as follows:

TITLE VI—HIGHER EDUCATION PRIVATIZATION

SEC. 601. REORGANIZATION OF THE STUDENT LOAN MARKETING ASSOCIATION THROUGH THE FORMATION OF A HOLDING COMPANY.

(a) AMENDMENT.—Part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.) is amended by inserting after section

439 (20 U.S.C. 1087–2) the following new section:

"SEC. 440. REORGANIZATION OF THE STUDENT LOAN MARKETING ASSOCIATION THROUGH THE FORMATION OF A HOLDING COMPANY.

"(a) ACTIONS BY THE ASSOCIATION'S BOARD OF DIRECTORS.—The Board of Directors of the Association shall take or cause to be taken all such action as it deems necessary or appropriate to effect, upon the shareholder approval described in subsection (b), a restructuring of the common stock ownership of the Association, as set forth in a plan of reorganization adopted by the Board of Directors (the terms of which shall be consistent with this Act) so that all of the outstanding common shares shall be directly owned by an ordinary business corporation chartered under State or District of Columbia law (the 'Holding Company'), as the Board of Directors may determine. Such actions may include, in the Board's discretion, a merger of a wholly owned subsidiary of the Holding Company with and into the Association, which would have the effect provided in the plan of reorganization and the law of the jurisdiction in which such subsidiary is incorporated. As part of the restructuring, the Board of Directors may cause (1) the common shares of the Association to be converted, at the reorganization effective date, to common shares of the Holding Company on a one for one basis, consistent with applicable State or District of Columbia law, and (2) Holding Company common shares to be registered with the Securities and Exchange Commission.

"(b) SHAREHOLDER APPROVAL.—The plan of reorganization adopted by the Board of Directors pursuant to subsection (a) shall be submitted to common stockholders of the Association for their approval. The reorganization shall occur at the reorganization effective date, provided that the plan of reorganization has been approved by the affirmative votes, cast in person or by proxy, of the holders of a majority of the issued and outstanding shares of the Association common stock.

"(c) TRANSITION.—

"(1) IN GENERAL.—Except as specifically provided in this section, until the dissolution date the Association shall continue to have all of the rights, privileges and obligations set forth in, and shall be subject to all of the limitations and restrictions of, section 439 of this Act as in effect on the effective date of this section, and the Association shall continue to carry out the purposes of such section. The Holding Company and its affiliates other than the Association shall not be entitled to any of the rights, privileges and obligations, and shall not be subject to the limitations and restrictions, applicable to the Association under section 439 of this Act as in effect on the effective date of this section, except as specifically provided in this section. The Holding Company and its subsidiaries (other than the Association) shall not purchase loans insured under this Act until such time as the Association ceases acquiring such loans, except that the Association shall continue to acquire loans as a lender of last resort pursuant to section 439(q) of this Act or under an agreement with the Secretary described in section 440(c)(6).

"(2) TRANSFER OF CERTAIN PROPERTY.—Except as specifically provided in this section, at the reorganization effective date or as soon as practicable thereafter, the Association shall use its best efforts to transfer to the Holding Company or its subsidiaries (or both), in each case, as directed by the Holding Company, all real and personal property of the Association (both tangible and intangible) other than the remaining property. Without limiting the preceding sentence, such transferred property shall include all right, title and interest in (A) direct or indirect subsidiaries of the Association (excluding any interest in any government sponsored enterprise), (B) contracts, leases, and other agreements, (C) licenses and other intellectual property, and (D) any other property of the Association. Notwithstanding the preceding provisions of this paragraph, nothing in this paragraph shall be construed to prohibit the Association from transferring remaining property from time to time to the Holding Company or its subsidiaries, subject to the provisions of paragraph (4).

"(3) TRANSFER OF PERSONNEL.—At the reorganization effective date, employees of the Association shall become employees of the Holding Company (or of the subsidiaries), and the Holding Company (or the subsidiaries or both) shall provide all necessary and appropriate management and operational support (including loan servicing) to the Association, as requested by the Association. The Association may, however, obtain such management and operational support from other persons or entities.

"(4) DIVIDENDS.—The Association may pay dividends in the form of cash or noncash distributions so long as at the time of the declaration of such dividends, after giving effect to the payment of such dividends as of the date of such declaration by the Board of Directors of the Association, the Association's capital would be in compliance with the capital standards set forth in section 439(r) of this Act. If, at any time after the reorganization effective date, the Association fails to comply with such capital standards, the Holding Company shall be obligated to transfer to the Association additional capital in such amounts as are necessary to ensure that the Association again complies with the capital standards.

"(5) VALUATION OF NONCASH DISTRIBUTIONS.—After the reorganization effective date, any distribution of noncash assets by the Association to the Holding Company shall be valued at book value on the date the Association's Board of Directors approved such distribution for purposes of calculating compliance with section 439(r) of this Act.

"(6) RESTRICTIONS ON NEW BUSINESS ACTIVITY OR ACQUISITION OF ASSETS BY ASSOCIATION.—After the reorganization effective date, the Association shall not engage in any new business activities or acquire any additional program assets described in section 439(d) of the Act other than—

"(A) in connection with (i) student loan purchases through September 30, 2003, and (ii) contractual commitments for future warehousing advances or pursuant to letters of credit or standby bond purchase agreements which are outstanding as of the reorganization effective date;

"(B) in connection with its serving as a lender-of-last-resort pursuant to section 439 of this Act; and

"(C) in connection with its purchase of loans insured under this part, if the Secretary, with the approval of the Secretary of the Treasury, enters into an agreement with the Association for the continuation or resumption of its secondary market purchase program because the Secretary determines there is inadequate liquidity for loans made under this part.

The Secretary is authorized to enter into an agreement described in subparagraph (C) with the Association covering such secondary market activities. Any agreement entered into under subparagraph (C) shall cover a period of 12 months, but may be renewed if the Secretary determines that liquidity remains inadequate. The fee provided under section 439(h)(7) shall not apply to loans acquired under any such agreement with the Secretary.

"(7) ISSUANCE OF DEBT OBLIGATIONS DURING THE TRANSITION PERIOD; ATTRIBUTES OF DEBT OBLIGATIONS.—After the reorganization effective date, the Association shall not issue debt obligations which mature later than September 30, 2007, except in connection with serving as a lender-of-last-resort pursuant to section 439 of this Act or with purchasing loans under an agreement with the Secretary as described in paragraph (6) of this subsection. Nothing in this subsection shall modify the attributes accorded the debt obligations of the Association by section 439, regardless of whether such debt obligations are incurred prior to, or at any time following, the reorganization effective date or are transferred to a trust in accordance with subsection (d).

"(8) MONITORING OF SAFETY AND SOUNDNESS.—

"(A) OBLIGATION TO OBTAIN, MAINTAIN, AND REPORT INFORMATION.—The Association shall obtain such information and make and keep such records as the Secretary of the Treasury may from time to time prescribe concerning (i) the financial risk to the Association resulting from the activities of any of its associated persons, to the extent such activities are reasonably likely to have a material impact on the financial condition of the Association, including its capital ratio, its liquidity, or its ability to conduct and finance its operations, and (ii) the Association's policies, procedures, and systems for monitoring and controlling any such financial risk. The Association's obligations under this subsection with respect to any associated person which is a third party servicer (as defined in 34 C.F.R. 682.200(b)) shall be limited to providing to the Secretary of the Treasury copies of any reports or other information provided to the Secretary of Education pursuant to 34 C.F.R. 682.200 et seq. The Secretary of the Treasury may require summary reports of such information to be filed no more frequently than quarterly. For purposes of this paragraph, the term 'associated person' shall mean any person, other than a natural person, directly or indirectly controlling, controlled by, or under common control with the Association.

"(B) SEPARATE OPERATION OF CORPORATIONS.—

"(i) The funds and assets of the Association shall at all times be maintained separately from the funds and assets of the Holding Company or any of its other subsidiaries and may be used solely by the Association to carry out its purposes and to fulfill its obligations.

"(ii) The Association shall maintain books and records that clearly reflect the assets and liabilities of the Association, separate from the assets and liabilities of the Holding Company or any of its other subsidiaries.

"(iii) The Association shall maintain a corporate office that is physically separate from any office of the Holding Company or any of its subsidiaries.

"(iv) No director of the Association that is appointed by the President pursuant to section 439(c)(1)(A) may serve as a director of the Holding Company.

"(v) At least one officer of the Association shall remain an officer solely of the Association.

"(vi) Transactions between the Association and the Holding Company or its other subsidiaries, including any loan servicing arrangements, shall be on terms no less favorable to the Association than the Association could obtain from an unrelated third party offering comparable services.

"(vii) The Association shall not extend credit to the Holding Company or any of its affiliates, nor guarantee or provide any credit enhancement to any debt obligations of the Holding Company or any of its affiliates.

"(viii) Any amounts collected on behalf of the Association by the Holding Company or any of its other subsidiaries with respect to the assets of the Association, pursuant to a servicing contract or other arrangement between the Association and the Holding Company or any of its other direct or indirect subsidiaries, shall be collected solely for the benefit of the Association and shall be immediately deposited by the Holding Company or such other subsidiary to an account under the sole control of the Association.

"(C) ENCUMBRANCE OF ASSETS.—Notwithstanding any otherwise applicable Federal or State law, rule, or regulation, or legal or equitable principle, doctrine, or theory to the contrary, under no circumstances shall the assets of the Association be available or used to pay claims or debts of or incurred by the Holding Company. Nothing in this subparagraph shall limit the right of the Association to pay dividends not otherwise prohibited hereunder or limit any liability of the Holding Company explicitly provided for in this part.

"(D) HOLDING COMPANY ACTIVITIES.—After the reorganization effective date and prior to the dissolution of the Association in accordance with section 440(d), Holding Company activities shall be limited to ownership of the Association and any other subsidiaries. All business activities shall be conducted through subsidiaries.

"(9) ASSOCIATION BOARD OF DIRECTORS.—Notwithstanding any other provision of part B of this title, after the reorganization effective date, the 14 directors of the Association elected by the Association's stockholders (which immediately after the reorganization effective date shall be the Holding Company) shall no longer be required to meet the eligibility requirements set forth in section 439(c).

"(10) ISSUANCE OF STOCK WARRANTS.—At the reorganization effective date, the Holding Company shall issue to the Secretary of the Treasury 200,000 stock warrants, each entitling the holder of the stock warrant to purchase from the Holding Company one share of the registered common stock of the Holding Company at any time on or before September 30, 2007. The exercise price for such warrants shall be an amount equal to the average closing price of the common stock of the Association for the 20 business days prior to and including the date of enactment of this section on the exchange or market which is then the primary exchange or market for the common stock of the Association, subject to any adjustments necessary to reflect the conversion of Association common stock into Holding Company common stock as part of the plan of reorganization approved by the Association's shareholders.

"(11) RESTRICTIONS ON TRANSFER OF ASSOCIATION SHARES AND BANKRUPTCY OF ASSOCIATION.—After the reorganization effective date, the Holding Company shall not sell, pledge, or otherwise transfer the outstanding shares of the Association, or agree to or cause the liquidation of the Association or cause the Association to file a petition for bankruptcy under title 11, United States Code, without prior approval of the Secretary of the Treasury and the Secretary of Education.

"(d) TERMINATION OF THE ASSOCIATION.—The Association shall dissolve, and its separate existence shall terminate on September 30, 2007, after discharge of all outstanding debt obligations and liquidation pursuant to this subsection. The Association may dissolve pursuant to this subsection prior to such date by notifying the Secretary of Education and the Secretary of the Treasury of its intention to dissolve, unless within 60 days of receipt of such notice the Secretary of Education notifies the Association that it continues to be needed to serve as a lender of last resort pursuant to section 439(q) of this Act or continues to be needed to purchase loans under an agreement with the Secretary described in subsection (c)(6) of this section. On the dissolution date, the Association shall take the following actions:

"(1) ESTABLISHMENT OF A TRUST.—The Association shall, under the terms of an irrevocable trust agreement in form and substance satisfactory to the Secretary of the Treasury, the Association and the appointed trustee, irrevocably transfer all remaining obligations of the Association to the trust and irrevocably deposit or cause to be deposited into such trust, to be held as trust funds solely for the benefit of holders of the remaining obligations, money or direct noncallable obligations of the United States of America or any agency thereof for which payment the full faith and credit of the United States is pledged, maturing as to principal and interest in such amounts and at such times as are determined by the Secretary of the Treasury to be sufficient, without consideration of any significant reinvestment of such interest, to pay the principal of, and interest on, the remaining obligations in accordance with their terms. To the extent the Association cannot provide money or qualifying obligations in the amount required, the Holding Company shall be required to transfer money or qualifying obligations to the trust in the amount necessary to prevent any deficiency.

"(2) USE OF TRUST ASSETS.—All money, obligations, or financial assets deposited into the trust pursuant to this subsection shall be applied by the trustee to the payment of the remaining obligations assumed by the trust. Upon the fulfillment of the trustee's duties under the trust, any remaining assets of the trust shall be transferred to the Holding Company or its subsidiaries, or both, as directed by the Holding Company.

"(3) OBLIGATIONS NOT TRANSFERRED TO THE TRUST.—The Association shall make proper provision for all other obligations of the Association, including the repurchase or redemption, or the making of proper provision for the repurchase or redemption, of any preferred stock of the Association then outstanding. Any obligations of the Association which cannot be fully satisfied shall become liabilities of the Holding Company as of the date of dissolution.

"(4) TRANSFER OF REMAINING ASSETS.—After compliance with paragraphs (1), and (3), the Association shall transfer to the Holding Company any remaining assets of the Association.

"(e) OPERATION OF THE HOLDING COMPANY.—

"(1) HOLDING COMPANY BOARD OF DIRECTORS.—The number and composition of the Board of Directors of the Holding Company shall be determined as set forth in the Holding Company's charter or like instrument (as amended from time to time) or bylaws (as amended from time to time) and as permissible under the laws of the jurisdiction of its incorporation.

"(2) HOLDING COMPANY NAME.—The names of the Holding Company and any subsidiary of the Holding Company other than the Association—

"(A) may not contain the name 'Student Loan Marketing Association'; and

"(B) may contain, to the extent permitted by applicable State or District of Columbia law, 'Sallie Mae', or variations thereof or such other names as the Board of Directors of the Association of the Holding Company shall deem appropriate.

"(3) USE OF SALLIE MAE NAME.—Without limiting paragraph (2), the Association may assign to the Holding Company, or any other subsidiary of the Holding Company, the 'Sallie Mae' name as a trademark and service mark, except that neither the Holding Company nor any subsidiary of the Holding Company other than the Association or a subsidiary of the Association may use the 'Sallie Mae' name on, or to identify the issuer of, any debt obligation or other security offered or sold by the Holding Company or any such subsidiary. The Association shall remit to the Secretary of Treasury $5,000,000 during fiscal year 1996 as compensation for the right to assign such trademark or service mark.

"(4) DISCLOSURE REQUIRED.—Until 3 years after the dissolution date, the Holding Company, and any subsidiary of the Holding Company other than the Association, shall prominently display—

"(A) in any document offering its securities, that the obligations of the Holding Company and any such subsidiary are not guaranteed by the full faith and credit of the United States; and

"(B) in any advertisement or promotional materials which use the 'Sallie Mae' name or mark, a statement that neither the Holding Company nor any such subsidiary is a Government-sponsored enterprise or instrumentality of the United States.

"(f) STRICT CONSTRUCTION.—Except as specifically set forth in this section, nothing contained in this section shall be construed to limit the authority of the Association as a federally chartered corporation, or of the Holding Company as a State or District of Columbia chartered corporation.

"(g) RIGHT TO ENFORCE.—The Secretary of Education or the Secretary of the Treasury, as appropriate, may request the Attorney General of the United States to bring an action in the United States District Court for the District of Columbia for the enforcement of any provisions of this section, or may, under the direction or control of the Attorney General, bring such an action. Such court shall have jurisdiction and power to order and require compliance with this section.

"(h) DEADLINE FOR REORGANIZATION EFFECTIVE DATE.—This section shall be of no further force and effect in the event that the reorganization effective date does not occur on or before 18 months after the date of enactment of this section.

"(i) DEFINITIONS.—For purposes of this section:

"(1) The term 'Association' means the Student Loan Marketing Association.

"(2) The term 'dissolution date' shall mean September 30, 2007, or such earlier date as the Secretary of Education permits the transfer of remaining obligations in accordance with subsection (d) of this section.

"(3) The term 'reorganization effective date' means the effective date of the reorganization as determined by the Board of Directors of the Association, which shall not be earlier than the date that stockholder approval is obtained pursuant to subsection (b) of this section and shall not be later than the date that is 18 months after the date of enactment of this section.

"(4) The term 'Holding Company' means the new business corporation formed pursuant to this section by the Association under the laws of any State of the United States or the District of Columbia.

"(5) The term 'remaining obligations' shall mean the debt obligations of the Association outstanding as of the dissolution date.

"(6) The term 'remaining property' shall mean the following assets and liabilities of the Association which are outstanding as of the reorganization effective date: (A) debt obligations issued by the Association, (B) contracts relating to interest rate, currency, or commodity positions or protections, (C) investment securities owned by the Association, (D) any instruments, assets, or agreements described in section 439(d) of this Act (including without limitation all student loans, forward purchase and lending commitments, warehousing advances, academic facilities obligations, letters of credit, standby bond purchase agreements, liquidity agreements, and student loan revenue bonds or other loans), and (E) except as specifically prohibited by this Act, any other nonmaterial assets or liabilities of the Association which the Association's Board of Directors determines to be necessary or appropriate to its operations.

"(7) The term 'reorganization' means the restructuring event or events (including any merger event) giving effect to the holding company structure described in subsection (a) of this section.

"(8) The term 'subsidiary' or 'subsidiaries' shall mean one or more direct or indirect subsidiaries of the Holding Company.".

(b) Technical Amendments.—

(1) Amendments to the higher education act.—Effective on the reorganization effective date (as defined in section 440(h)(3) of the Higher Education Act of 1965, as added by subsection (a))—

(A) section 435(d)(1)(F) of such Act (20 U.S.C. 1085(d)(1)(F)) is amended by inserting after "Student Loan Marketing Association" the following: "or the Holding Company of the Student Loan Marketing Association, including all subsidiaries of such Holding Company, created pursuant to section 440 of this Act,"; and

(B) sections 435(d)(1)(G) and 428C(a)(1)(A) of such Act (20 U.S.C. 1085(d)(1)(G); 1078-3(a)(1)(A)) are each amended by inserting after "Student Loan Marketing Association" the following: "or the Holding Company of the Student Loan Marketing Association, including all subsidiaries of such Holding Company, created pursuant to section 440 of this Act".

(2) Enforcement of safety and soundness requirements.—Section 439(r) of the Higher Education Act of 1965 (20 U.S.C. 1087-2(r)) is amended—

(A) by redesignating paragraph (13) as paragraph (15); and

(B) by inserting after paragraph (12) the following new paragraph:

"(13) Enforcement of safety and soundness requirements.—The Secretary of Education or the Secretary of the Treasury, as appropriate, may request the Attorney General of the United States to bring an action in the United States District Court for the District of Columbia for the enforcement of any provisions of this subsection, or may, under the direction or control of the Attorney General, bring such an action. Such court shall have jurisdiction and power to order and require compliance with this subsection.".

(3) Capital ratio amendments.—Section 439(r) of the Higher Education Act of 1965 is further amended—

(A) in paragraph (1)—

(i) by striking "and" at the end of subparagraph (A);

(ii) by striking the period at the end of subparagraph (B) and inserting "; and"; and

(iii) by adding at the end the following new subparagraph:

"(C) within 45 days of the end of each fiscal quarter, (i) financial statements of the Association, and (ii) a report setting forth the calculation of the capital ratio of the Association.";

(B) in paragraph (11), by striking "paragraphs (4) and (6)(A)" and inserting "paragraphs (4), (6)(A), and (14)"; and

(C) by inserting after paragraph (13) (as added by paragraph (2) of this subsection) the following new paragraph:

"(14) Actions by secretary.—If the shareholders of the Association shall have approved a reorganization plan in accordance with section 440(b) and, for any fiscal quarter ended after January 1, 2000, the Association shall have a capital ratio of less than 2.25 percent, the Secretary of the Treasury may, until such capital ratio is met, take any one or more of the actions described in paragraph (7), except that—

"(A) the capital ratio to be restored pursuant to paragraph (7)(D) shall be 2.25 percent; and

"(B) if the relevant capital ratio is in excess of or equal to 2 percent for such quarter, the Secretary of the Treasury shall defer taking any of the actions set forth in paragraph (7) until the next succeeding quarter and may then proceed with any such action only if the capital ratio of the Association remains below 2.25 percent.

Upon approval by the shareholders of the Association of a reorganization plan in accordance with section 440(b) for any period after January 1, 2000, the provisions of paragraphs (4), (5), (6), (8), (9), and (10) shall be of no further application to the Association.".

(4) Repeal of the association's charter.—Effective on the dissolution date (as defined in section 440(h)(2) of the Higher Education Act of 1965, as added by subsection (a)), section 439 of such Act (20 U.S.C. 1087-2) is repealed.

SEC. 602. PRIVATIZATION OF COLLEGE CONSTRUCTION LOAN INSURANCE ASSOCIATION.

(a) Repeal of Statutory Restrictions.—Part D of title VII of the Higher Education Act of 1965 (20 U.S.C. 1132f et seq.) is repealed.

(b) Status of the Corporation.—

(1) Status of the corporation.—The Corporation shall not be an agency, instrumentality, or establishment of the United States Government and shall not be a "Government corporation" nor a "Government controlled corporation" as defined in section 103 of title 5, United States Code. No action under section 1491 of title 28, United States Code (commonly known as the Tucker Act) shall be allowable against the United States based on the actions of the Corporation.

(2) Corporate powers.—The Corporation shall have the power to engage in any business or other activities for which corporations may be organized under the laws of any State of the United States or the District of Columbia. The Corporation shall have the power to enter into contracts, to execute instruments, to incur liabilities, to provide products and services, and to do all things as are necessary or incidental to the proper management of its affairs and the efficient operation of a private, for-profit business.

(c) Related Privatization Requirements.—

(1) Notice requirements.—During the 5-year period following the date of the enactment of this Act, the Corporation shall include in any document offering the Corporation's securities, in any contracts for insurance, guarantee, or reinsurance of obligations, and in any advertisement or promotional material, a statement that—

(A) the Corporation is not a Government-sponsored enterprise or instrumentality of the United States; and

(B) the Corporation's obligations are not guaranteed by the full faith and credit of the United States.

(2) Corporate charter.—The Corporation's charter shall be amended as necessary and without delay to conform the requirements of this Act.

(3) Corporate name.—The name of the Corporation, or of any direct or indirect subsidiary thereof, may not contain the term "College Construction Loan Insurance Association".

(4) Articles of incorporation.—The Corporation shall amend its articles of incorporation without delay to reflect that one of the purposes of the Corporation shall be to guarantee, insure and reinsure bonds, leases, and other evidences of debt of educational institutions, including Historically Black Colleges and Universities and other academic institutions which are ranked in the lower investment grade category using a nationally recognized credit rating system.

(5) Transition requirements.—

(A) Requirements until stock sale.—Notwithstanding subsection (a), the requirements of section 754 of the Higher Education Act of 1965 (20 U.S.C. 1132f-3), as in existence as of the day before enactment of this Act, shall continue to be effective until the day immediately following the date of closing of the purchase of the Secretary's stock (or the date of closing of the final purchase, in the case of multiple transactions) pursuant to subsection (d) of this section.

(B) Reports after stock sale.—The Corporation shall, not later than March 30 of the first full calendar year immediately following the sale pursuant to subsection (d), and each of the 2 succeeding years, submit to the Secretary of Education a report describing the Corporation's efforts to assist in the financing of education facilities projects, including projects for elementary, secondary, and postsecondary educational institution infrastructure, and detailing, on a project-by-project basis, the Corporation's business dealings with educational institutions that are rated by a nationally recognized statistical rating organization at or below the organization's third highest ratings.

(d) Sale of Federally Owned Stock.—

(1) Sale of stock required.—The Secretary of the Treasury shall, upon the request of the Secretary of Education make every effort to sell, pursuant to section 324 of title 31, United States Code, the voting common stock of the Corporation owned by the Secretary of Education not later than one year after the date of the enactment of this Act.

(2) Purchase by the corporation.—In the event that the Secretary of the Treasury is

unable to sell the voting common stock, or any portion thereof, at a price acceptable to the Secretary of Education and the Secretary of the Treasury within the period specified in paragraph (1), the Corporation shall purchase such stock at a price determined by the Secretary of the Treasury and acceptable to the Corporation based on independent appraisal by one or more nationally recognized financial firms. Such firms shall be selected by the Secretary of the Treasury in consultation with the Secretary of Education and the Corporation.

(e) ASSISTANCE BY THE CORPORATION.—The Corporation shall provide such assistance as the Secretary of the Treasury and the Secretary of Education may require to facilitate the sale of the stock under this section.

(f) DEFINITION.—As used in this section, the term "Corporation" means the Corporation established pursuant to the provision of law repealed by subsection (a).

The CHAIRMAN. Are there further amendments to title VI?

If not, the Clerk will designate title VII.

The text of title VII is as follows:

TITLE VII—REPEALERS AND OTHER AMENDMENTS

SEC. 701. HIGHER EDUCATION PROVISIONS.

(a) HIGHER EDUCATION ACT OF 1965 PROVISIONS.—The following provisions of the Higher Education Act of 1965 are repealed:

(1) Part B of title I (20 U.S.C. 1011 et seq.), relating to articulation agreements.

(2) Part C of title I (20 U.S.C. 1015 et seq.), relating to access and equity to education for all Americans through telecommunications.

(3) Title II (20 U.S.C. 1021 et seq.), relating to academic libraries and information services.

(4) Chapter 2 of subpart 2 of part A of title IV (20 U.S.C. 1070a–21 et seq.), relating to national early intervention scholarships.

(5) Chapter 3 of subpart 2 of part A of title IV (20 U.S.C. 1070a–31 et seq.), relating to presidential access scholarships.

(6) Chapter 4 of subpart 2 of part A of title IV (20 U.S.C. 1070a–41 et seq.), relating to model program community partnerships and counseling grants.

(7) Chapter 5 of subpart 2 of part A of title IV (20 U.S.C. 1070a–52 et seq.), relating to an early awareness information program.

(8) Chapter 8 of subpart 2 of part A of title IV (20 U.S.C. 1070a–81), relating to technical assistance for teachers and counselors.

(9) Subpart 8 of part A of title IV (20 U.S.C. 1070f), relating to special child care services for disadvantaged college students.

(10) Section 428J (20 U.S.C. 1078–10), relating to loan forgiveness for teachers, individuals performing national community service and nurses.

(11) Section 486 (20 U.S.C. 1093), relating to training in financial aid services.

(12) Subpart 1 of part H of title IV (20 U.S.C. 1099a et seq.) relating to State postsecondary review entity programs.

(13) Part A of title V (20 U.S.C. 1102 et seq.), relating to State and local programs for teacher excellence.

(14) Part B of title V (20 U.S.C. 1103 et seq.), relating to national teacher academies.

(15) Subpart 1 of part C of title V (20 U.S.C. 1104 et seq.), relating to Douglas teacher scholarships.

(16) Subpart 3 of part C of title V (20 U.S.C. 1106 et seq.), relating to the teacher corps.

(17) Subpart 3 of part D of title V (20 U.S.C. 1109 et seq.), relating to class size demonstration grants.

(18) Subpart 4 of part D of title V (20 U.S.C. 1110 et seq.), relating to middle school teaching demonstration programs.

(19) Subpart 1 of part E of title V (20 U.S.C. 1111 et seq.), relating to new teaching careers.

(20) Subpart 1 of part F of title V (20 U.S.C. 1113 et seq.), relating to the national mini corps programs.

(21) Section 586 (20 U.S.C. 1114), relating to demonstration grants for critical language and area studies.

(22) Section 587 (20 U.S.C. 1114a), relating to development of foreign languages and cultures instructional materials.

(23) Subpart 3 of part F of title V (20 U.S.C. 1115), relating to small State teaching initiatives.

(24) Subpart 4 of part F of title V (20 U.S.C. 1116), relating to faculty development grants.

(25) Section 597 and section 599(b) (20 U.S.C. 1117a, 1117c(b)), relating to early childhood staff training and professional enhancement.

(26) Section 605 (20 U.S.C. 1124a), relating to intensive summer language institutes.

(27) Section 607 (20 U.S.C. 1125a), relating to foreign language periodicals.

(28) Part A of title VII (20 U.S.C. 11326 et seq.), relating to academic and library facilities.

(29) Title VIII (20 U.S.C. 1133 et seq.), relating to cooperative education programs.

(30) Part A of title IX (20 U.S.C. 1134a et seq.), relating to women and minority participation in graduate education.

(31) Part B of title IX (20 U.S.C. 1134d et seq.), relating to Harris fellowships.

(32) Part C of title IX (20 U.S.C. 1134h et seq.), relating to Javits fellowships.

(33) Part E of title IX (20 U.S.C. 1134r et seq.), relating to the faculty development fellowship program.

(34) Part F of title IX (20 U.S.C. 1134s et seq.), relating to legal training for the disadvantaged.

(35) Part G of title IX (20 U.S.C. 1134u et seq.), relating to law school clinical programs.

(36) Section 1011 (20 U.S.C. 1135a–11), relating to special projects in areas of national need.

(37) Subpart 2 of part B of title X (20 U.S.C. 1135c et seq.), relating to science and engineering access programs.

(38) Part C of title X (20 U.S.C. 1135e et seq.), relating to women and minorities science and engineering outreach demonstration programs.

(39) Part D of title X (20 U.S.C. 1135f), relating to Eisenhower leadership programs.

(40) Title XI (20 U.S.C. 1136 et seq.), relating to community service programs.

(b) EDUCATION AMENDMENTS OF 1986 PROVISIONS.—The following provisions of the Higher Education Amendments of 1986 are repealed:

(1) Part E of title XIII (20 U.S.C. 1221–1 note), relating to a National Academy of Science study.

(2) Part B of title XV (20 U.S.C. 4441 et seq.), relating to Native Hawaiian culture and art development.

(c) EDUCATION AMENDMENTS OF 1992 PROVISIONS.—The following provisions of the Higher Education Amendments of 1992 are repealed:

(1) Part F of title XIII (25 U.S.C. 3351 et seq.), relating to American Indian postsecondary economic development scholarships.

(2) Part G of title XIII (25 U.S.C. 3371), relating to American Indian teacher training.

(3) Section 1406 (20 U.S.C. 1221e–1 note), relating to a national survey of factors associated with participation.

(4) Section 1409 (20 U.S.C. 1132a note), relating to a study of environmental hazards in institutions of higher education.

(5) Section 1412 (20 U.S.C. 1101 note), relating to a national job bank for teacher recruitment.

(6) Part B of title XV (20 U.S.C. 1452 note), relating to a national clearinghouse for postsecondary education materials.

(7) Part C of title XV (20 U.S.C. 1101 note), relating to school-based decisionmakers.

(8) Part D of title XV (20 U.S.C. 1145h note), relating to grants for sexual offenses education.

(9) Part E of title XV (20 U.S.C. 1070 note), relating to Olympic scholarships.

(10) Part G of title XV (20 U.S.C. 1070a–11 note), relating to advanced placement fee payment programs.

(d) CONFORMING AMENDMENTS.—The Higher Education Act of 1965 is amended—

(1) in section 453(c)(2)—

(A) by striking subparagraph (E); and

(B) by redesignating subparagraphs (F) through (H) as subparagraphs (E) through (G), respectively;

(2) in section 487(a)(3), by striking subparagraph (B) and redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively;

(3) in section 487(a)(15), by striking "the Secretary of Veterans Affairs, and State review entities under subpart 1 of part H" and inserting "and the Secretary of Veterans Affairs";

(4) in section 487(a)(21), by striking ", State postsecondary review entities,";

(5) in section 487(c)(1)(A)(i), by striking "State agencies, and the State review entities referred to in subpart 1 of part H" and inserting "and State agencies";

(6) in section 487(c)(4), by striking ", after consultation with each State review entity designated under subpart 1 of part H,";

(7) in section 487(c)(5), by striking "State review entities designated under subpart 1 of part H,";

(8) in section 496(a)(7), by striking "and the appropriate State postsecondary review entity";

(9) in section 496(a)(8), by striking "and the State postsecondary review entity of the State in which the institution of higher education is located";

(10) in section 498(g)(2), by striking everything after the first sentence;

(11) in section 498A(a)(2)(D), by striking "by the appropriate State postsecondary review entity designated under subpart 1 of this part or";

(12) in section 498A(a)(2)—

(A) by inserting "and" after the semicolon at the end of subparagraph (E);

(B) by striking subparagraph (F); and

(C) by redesignating subparagraph (G) as subparagraph (F); and

(13) in section 498A(a)(3)—

(A) by inserting "and" after the semicolon at the end of subparagraph (C);

(B) by striking "; and" at the end of subparagraph (D) and inserting a period; and

(C) by striking subparagraph (E).

SEC. 702. ELIGIBLE INSTITUTION.

(a) AMENDMENTS.—Section 481(b) of the Higher Education Act of 1965 (20 U.S.C. 1088(b)) is amended—

(1) by inserting before the period at the end of the first sentence the following: "on the basis of a review by the institution's independent auditor using generally accepted accounting principles";

(2) by inserting after the end of such first sentence the following new sentences: "For the purposes of clause (6), revenues from

sources that are not derived from funds provided under this title include revenues from programs of education or training that do not meet the definition of an eligible program in subsection (e), but are provided on a contractual basis under Federal, State, or local training programs, or to business and industry. For the purposes of determining whether an institution meets the requirements of clause (6), the Secretary shall not consider the financial information of any institution for a fiscal year began on or before April 30, 1994.".

(b) EFFECTIVE DATE.—Notwithstanding section 713 of this Act, the amendments made by subsection (a) shall apply to any determination made on or after July 1, 1994, by the Secretary of Education pursuant to section 481(b)(6) of the Higher Education Act of 1965.

SEC. 703. CARL D. PERKINS VOCATIONAL AND APPLIED TECHNOLOGY EDUCATION ACT.

The Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.) is repealed.

SEC. 704. SMITH-HUGHES ACT.

(a) REPEAL.—The Smith-Hughes Act (39 Stat. 929 as amended (20 U.S.C. 11–15, 16–28)) is repealed.

(b) EFFECTIVE DATE.—Notwithstanding section 713 of this Act, the repeal in subsection (a) of this section shall take effect on October 1, 1995.

SEC. 705. SCHOOL-TO-WORK OPPORTUNITIES ACT OF 1994.

The School-to-Work Opportunities Act of 1994 (20 U.S.C. 6101 et seq.) is repealed.

SEC. 706. SCHOOL DROPOUT ASSISTANCE ACT.

The School Dropout Assistance Act, (part C of title V of the Elementary and Secondary Education Act (20 U.S.C. 7261)) is repealed.

SEC. 707. ADULT EDUCATION ACT.

(a) IN GENERAL.—The Adult Education Act (20 U.S.C. 1201 et seq.) is repealed.

(b) CONFORMING AMENDMENTS.—

(1) ESEA.—The Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) is amended—

(A) in section 1202(c)(1), by striking "the Adult Education Act," and inserting "title IV of the CAREERS Act,";

(B) in section 1205(8)(B), by striking "the Adult Education Act," and inserting "title IV of the CAREERS Act,";

(C) in section 1206(a)(1)(A), by striking "the Adult Education Act;" and inserting "title IV of the CAREERS Act;"; and

(D) in section 9161(2), by striking "section 312(2) of the Adult Education Act." and inserting "section 5 of the CAREERS Act.".

(2) TECHNOLOGY FOR EDUCATION ACT.—The Technology for Education Act of 1994 (20 U.S.C. 6801 et seq.) is amended in section 3113(1) by striking "section 312 of the Adult Education Act;" and inserting "section 5 of the CAREERS Act;";

SEC. 708. NATIONAL LITERACY ACT.

The National Literacy Act of 1991, except section 101 of such Act, is repealed.

SEC. 709. LIBRARY SERVICES AND CONSTRUCTION ACT.

(a) IN GENERAL.—The Library Services and Construction Act (20 U.S.C. 351 et seq.) is repealed.

(b) CONFORMING AMENDMENT.—The Technology for Education Act of 1994 (20 U.S.C. 6801 et seq.) is amended in section 3113(10) by striking "section 3 of the Library Services and Construction Act;" and inserting "section 5 of the CAREERS Act;".

SEC. 710. TECHNOLOGY FOR EDUCATION ACT OF 1994.

Part F of the Technology for Education Act of 1994 (contained in title III of the Elementary and Secondary Education Act (20 U.S.C. 7001 et seq.)) is repealed.

SEC. 711. JOB TRAINING PARTNERSHIP ACT.

(a) IN GENERAL.—The Job Training Partnership Act (29 U.S.C. 1501 et seq.), except section 1, sections 421 through 439 (relating to the Job Corps), and section 441 of such Act (relating to veterans' employment programs), is hereby repealed.

(b) CONFORMING AMENDMENTS.—

(1) SHORT TITLE.—Section 1 of the Job Training Partnership Act (29 U.S.C. 1501, note) is amended—

(A) in the heading, by striking "; TABLE OF CONTENTS"; and

(B) by striking all that follows after "Job Training Partnership Act".

(2) JOB CORPS.—Such Act (29 U.S.C. 1501 et seq.), as amended by this section, is further amended—

(A) by redesignating sections 421 through 439 as sections 2 through 21, respectively;

(B) in section 2 (as redesignated), by striking "part" each place it appears and inserting "Act";

(C) in section 4(4) (as redesignated), by striking "sections 424 and 425" and inserting "sections 5 and 6";

(D) in section 5 (as redesignated)—

(i) in subsection (a), by striking "entities administering programs under title II of this Act,"; and

(ii) in subsection (b), by striking "part" and inserting "Act";

(E) in section 7 (as redesignated)—

(i) in subsection (a), by striking "section 428" and inserting "section 9"; and

(ii) by striking subsection (d);

(F) in section 8 (as redesignated)—

(i) by striking subsection (b); and

(ii) by redesignating subsection (c) as subsection (b);

(G) in section 14 (as redesignated)—

(i) in subsection (a)(4), by striking "part" and inserting "Act";

(ii) in subsection (c)(1), by striking "and activities authorized under sections 452 and 453"; and

(iii) in subsection (e), by striking "section 431" and inserting "section 12";

(H) in section 15 (as redesignated)—

(i) in subsection (a)—

(I) in the matter preceding paragraph (1), by striking "section 427" and inserting "section 8"; and

(II) in paragraph (4)(A), by striking "section 428" and inserting "section 9";

(ii) in subsection (c)(3), by striking "section 423" and inserting "section 4";

(iii) in subsection (d), by striking "sections 424 and 425" and inserting "sections 5 and 6"; and

(iv) in subsection (e), by striking ", pursuant to section 452(d),";

(I) in section 17 (as redesignated), by striking "purpose of this part" each place it appears and inserting "purpose of this Act";

(J) in section 20 (as redesignated), by striking "part" each place it appears and inserting "Act"; and

(K) in section 21 (as redesignated), by striking "part" and inserting "Act".

(3) VETERANS' EMPLOYMENT PROGRAMS.—Such Act (29 U.S.C. 1501 et seq.), as amended by this section, is further amended—

(A) by redesignating section 441 as section 22;

(B) by striking the heading of such section 22 (as redesignated), and inserting the following:

"VETERANS' EMPLOYMENT PROGRAMS"; and

(C) in such section 22, by striking "part" each place it appears and inserting "section".

(4) AUTHORIZATION OF APPROPRIATIONS.—Such Act (29 U.S.C. 1501 et seq.), as amended by this section, is further amended by adding at the end the following new section:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 23. There are authorized to be appropriated such sums as are necessary to carry out this Act.".

SEC. 712. STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.

(a) ADULT EDUCATION.—

(1) IN GENERAL.—Subtitle A of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421 et seq.) is repealed.

(2) TABLE OF CONTENTS.—The table of contents of such Act is amended by striking the items relating to subtitle A of title VII of such Act.

(b) SUBTITLE C.—

(1) IN GENERAL.—Subtitle C of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11441 et seq.), except section 738, is hereby repealed.

(2) TABLE OF CONTENTS.—The table of contents of such Act is amended—

(A) by striking the item relating to subtitle C of title VII of such Act; and

(B) by striking the items relating to sections 731 through 737 and sections 739 through 741.

SEC. 713. EFFECTIVE DATE.

The repeals and amendments made by this Act shall take effect on July 1, 1997, except for amendments to the Rehabilitation Act of 1973.

The CHAIRMAN. Are there amendments to title VII?

AMENDMENT OFFERED BY MR. KLINK

Mr. KLINK. Mr. Chairman, I offer an amendment, amendment No. 14 printed in the CONGRESSIONAL RECORD.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KLINK: Page 275, after line 4, insert the following:

TITLE VIII—SENSE OF CONGRESS

SEC. 801. SENSE OF CONGRESS.

It is the sense of Congress, that:

(1) to streamline and consolidate workforce preparation and development programs, eliminate unnecessary duplication and fragmentation in such programs as stated in section 3(a)(5)(A), and to provide maximum authority and responsibility to States and local communities for operation of State and local workforce preparation and development programs as stated in section 3(a)(5)(B), the Federal Government should transfer all of the functions of such programs to the State and local communities, including the responsibility to raise revenue to fund such programs; and

(2) Federal tax rates should be reduced by the amount saved by relinquishing Federal responsibility for workforce preparation and development programs.

Mr. KLINK. Mr. Chairman, I find myself in a very unusual position on the floor of the House.

The Chairman, the gentleman from Pennsylvania [Mr. GOODLING], my good friend and colleague, has graciously agreed to accept my amendment, and several Members on the other side of the aisle have indicated their support for the Klink amendment. The problem is this, that my amendment was being offered tongue-in-cheek, and I myself do not support the amendment, and I do not support the underlying bill. I was trying to make a point with this amendment, and I fully intend, Mr. Chairman, to withdraw this amendment. Again, my dear friend, the chairman, the gentleman from Pennsylvania [Mr. GOODLING], in all good faith, has offered to accept this amendment. Again, it was offered tongue-in-cheek, because I have a serious problem with the idea of block granting everything back to the States.

The underlying bill, which was trying to consolidate more than 100 educational and job training programs into 4 block grants to the States, while I believe Federal job training programs need consolidation, block grants I do not think are the best approach, and I do not think the whole idea we have in a number of other areas to block grant everything back to the States is a great idea either.

I am reminded of the story of a young child who was about 6 years old who wrote a letter to Santa Claus, and somehow the letter ended up coming here to Washington, DC, and the postmaster picked it up, and he looked at it; the letter was written with crayon. It had ended up in Washington, DC. The postmaster picked it up, and he looked at the letter. It said:

> Dear Santa, my family is not going to have a good Christmas because my father is unemployed. My mother has been sick. I simply ask you to send me $10. With that money, I can buy everyone in my family a little gift.

The postmaster was really touched. He reached in his pocket. All he had was a $5 bill. He sent that $5 bill to the young boy with a note. He signed it Santa Claus.

He got a thank you note back some weeks later. The boy said:

> Thank you so much, Santa, for sending that money to me. It made a great difference at Christmastime. But, please, next time do not send it through Washington, DC., because they keep half of it.

It makes no sense for us to send tax dollars to the Federal Government and, in turn, have the Federal Government redistribute that money to the States which, in turn, would redistribute the money to the counties under 50 different sets of guidelines.

In fact, Federal block grants have been tried before. Many of them were terminated in the first Reagan administration after revelations of waste and fraud by local recipients.

My amendment was to say would it not make more sense to let the States raise the money for these programs, run these programs themselves, distribute the funding and cut out the middleman, the Federal Government?

Again, what I am talking about is cutting out the middleman.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. KLINK. I yield to the gentleman from Pennsylvania.

□ 1730

Mr. GOODLING. In spite of the gentleman's story, we accept the amendment, and I do want to point out that block granting and revenue sharing are two different things, and I will assure the gentleman that block granting, coming from my committee, is not revenue sharing.

Mr. KLINK. Mr. Chairman, again to the Chairman, I thank him for his graciousness.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there further amendments to the bill?

If not, the question is on the amendment in the nature of a substitute, as amended.

The question was taken; and on a division (demanded by Mr. GOODLING) there were—ayes 66, noes 43.

So the amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. GILLMOR) having assumed the chair, Mr. MCINNIS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1617), to consolidate and reform work force development and literacy programs, and for other purposes, pursuant to House Resolution 222, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. RIGGS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 345, noes 79, not voting 10, as follows:

[Roll No. 671]

AYES—345

Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clement
Clinger
Coble
Coleman
Collins (GA)
Combest
Condit
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Eshoo
Everett
Ewing
Fawell
Fazio
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Longley
Lowey
Lucas
Luther
Manton
Manzullo
Martini
Mascara
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Meehan
Metcalf
Meyers
Mica
Miller (CA)
Miller (FL)
Minge
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Ortiz
Orton
Oxley
Packard
Parker
Pastor
Paxon
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Salmon
Sanford
Sawyer

Saxton
Scarborough
Schaefer
Schiff
Schroeder
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stokes
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Tiahrt
Torkildsen
Torres
Traficant
Upton
Vento
Visclosky
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Wyden
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—79

Abercrombie
Becerra
Bishop
Bonior
Brown (FL)
Clayton
Clyburn
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
DeFazio
Dellums
Dingell
Dixon
Durbin
Engel
Evans
Farr
Fattah
Fields (LA)
Filner
Fox
Frank (MA)
Gejdenson
Gordon
Hastings (FL)
Hilliard
Hinchey
Hostettler
Hoyer
Jefferson
Johnson, E. B.
Kennedy (MA)
Klink
Lewis (GA)
Lofgren
Maloney
Markey
Martinez
Matsui
McDermott
McKinney
Meek
Menendez
Mfume
Mineta
Mink
Nadler
Neal
Obey
Olver
Owens
Pallone
Payne (NJ)
Poshard
Rivers
Roybal-Allard
Rush
Sabo
Sanders
Scott
Seastrand
Serrano
Slaughter
Stark
Studds
Thompson
Thurman
Torricelli
Towns
Velazquez
Waters
Watt (NC)
Waxman
Woolsey
Wynn
Yates

NOT VOTING—10

Coburn
Fields (TX)
Moakley
Oberstar
Reynolds
Royce
Schumer
Sisisky
Tucker
Volkmer

□ 1755

Ms. EDDIE BERNICE JOHNSON of Texas, Mr. MATSUI, and Mrs. SEASTRAND changed their vote from "aye" to "no."

Mr. BONO, Ms. JACKSON-LEE, Mr. BEILENSON, and Mr. MILLER of California changed their vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 1617, CAREERS ACT

Mr. MCKEON. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 1617, the Clerk be authorized to make technical corrections and conforming changes to the bill.

The SPEAKER pro tempore (Mr. GILLMOR). Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. MCKEON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on H.R. 1617, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

REREFERRAL OF H.R. 2202, IMMIGRATION IN THE NATIONAL INTEREST ACT OF 1995, TO SUNDRY COMMITTEES

Mr. MCKEON. Mr. Speaker, I ask unanimous consent that H.R. 2202, the Immigration in the National Interest Act of 1995, be rereferred to the Committee on the Judiciary, and in addition to the Committees on Agriculture, Banking and Financial Services, Economic and Educational Opportunities, Government Reform and Oversight, National Security, and Ways and Means for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE CONCURRENT RESOLUTION 12

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of House Concurrent Resolution 12.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 1817, MILITARY CONSTRUCTION APPROPRIATIONS ACT, 1996

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 104–251) on the resolution (H. Res. 223) waiving points of order against the conference report to accompany the bill (H.R. 1817) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2274, DESIGNATING THE NATIONAL HIGHWAY SYSTEM

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 104–252) on the resolution (H. Res. 224) providing for consideration of the bill (H.R. 2274) to amend title 23, United States Code, to designate the National Highway System, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 927, THE CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY ACT OF 1995

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 104–253) on the resolution (H. Res. 225) providing for the consideration of the bill (H.R. 927) to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO FILE REPORT ON H.R. 2277, THE LEGAL AID ACT OF 1995

Mr. FLANAGAN. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight, Tuesday, September 19, 1995, to file the committee report on the bill, H.R. 2277, the Legal Aid Act of 1995.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PARK REFORM AND H.R. 260

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, today the House has an opportunity to remove the "For Sale" sign from our National Park System by voting no on H.R. 260. The administration is against this bill, as well as every environmental organization.

This bill establishes a Park Closure Commission to make recommendations to Congress on which units of the National Park System should be closed, privatized or sold to the highest bidder.

If you can imagine a Walmart in the middle of Valley Forge National Historical Park or a Wendy's inside the gates of Little Bighorn National Battlefield Park, then you have some idea of the brave new world after H.R. 260.

While Congress is poised to sell off our priceless national treasures, the American people we represent are making their voices known in ever-increasing visitation numbers to the parks.

In fact, park visitation, which will hit 270 million this year, is expected to hit 360 million by the year 2000, just 5 years from now.

I urge Congress to heed the concerns of the American people, not the beltway bandits who would rob us of our most precious assets. I urge a "no" vote on H.R. 260.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, September 16, 1995.

STATEMENT OF ADMINISTRATION POLICY

THIS STATEMENT HAS BEEN COORDINATED BY OMB WITH THE CONCERNED AGENCIES

H.R. 260—National Park System Reform Act of 1995—Hefley and eight cosponsors

The Administration strongly opposes H.R. 260 unless amended to delete provisions in sections 101 and 102 that establish a process for identifying National Park System (NPS) units that should be closed. This emphasis on closing existing parks undermines the commitment made by previous generations to protect this Nation's important natural and historic resources. The Administration supports other, forward-looking provisions in H.R. 260 that provide for a NPS Plan and the establishment of a clear process for identifying and evaluating potential new NPS units.

LEAGUE OF CONSERVATION VOTERS,
September 18, 1995.

Re oppose H.R. 260, the National Park System Reform Act.

U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE: The League of Conservation Voters is the bipartisan, political arm of the national environmental movement. Each year, LCV publishes the *National Environmental Scorecard*, which details the voting records of Members of Congress on environmental legislation. The Scorecard is distributed to LCV members, concerned voters nationwide and the press.

This Tuesday, the House of Representatives is expected to vote on a motion to suspend the rules and consider H.R. 260, the National Park System Reform Act. Under the guise of reforming and improving the National Park System H.R. 260 creates a politically appointed commission, whose sole responsibility would be to determine which park units should be closed. While there may be units in the National Park System that deserve scrutiny, LCV opposes the creation of a politically appointed parks closure commission and urges you to vote against passage of H.R. 260.

H.R. 260, and the parks closure commission it creates, threatens 315 units of the National Park System including: urban parks, historic sites, national monuments, national seashores, national recreation areas, and Civil War Battlefields. Instead of considering ways to improve the National Park System H.R. 260 unnecessarily creates a new layer of government and an expensive bureaucratic process, when in fact Congress already has the authority to remove units from the National Park System.

LCV views H.R. 260 as an assault on the protection of our cultural and natural heritage. By bringing H.R. 260 to the House floor on the suspension calendar Members are prevented from offering amendments which could significantly improve this flawed legislation. LCV believes that the full House of Representatives, like the House Resources Committee, should have an opportunity to vote on an amendment to delete the park closure commission. LCV urges you to oppose H.R. 260 so that this and other amendments can be offered under regular House procedures. LCV's Political Advisory Committee will consider including a vote on passage of H.R. 260 in compiling its 1995 Scorecard.

Thank you for your consideration of this issue. For further information, please call Betsy Loyless in my office at 202/785-8683.

Sincerely,

FRANK LOY,
Acting President.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, September 19, 1995.

H.R. 260 IS BAD FOR AMERICA—PARK CLOSURE COMMISSION COULD CLOSE PARK UNITS

DEAR COLLEAGUE: the House today is scheduled to vote on H.R. 260, legislation to establish a park closure commission which would have the authority to recommend to Congress which units of the National Park System should be considered for closure, privatization or sale to the highest bidder.

H.R. 260 specifically exempts the 54 units of the National Park System from the closure commission recommendations leaving less visited, smaller budgeted parks and important national monuments like Independence Hall, the Statute of Liberty, Mt. Rushmore, the Washington, Lincoln and Jefferson Monuments and the Martin Luther King Jr. National Historic Site on the chopping block.

Please consult the map and descriptive listing of the 369 units of the National Park System printed on the reverse of this page for more information on the specific units in your district.

H.R. 260 is highly controversial legislation which is opposed by a bipartisan coalition of Americans including the Clinton Administration, editorial boards from newspapers across the nation, and nearly every major national environmental organization. It does not belong on the suspension calendar.

When the House votes on H.R. 260 this morning, I urge a NO vote.

Who Opposes H.R. 260?

The White House.
The Department of Interior.
The National Park Service.
The League of Conservation Voters.
Environmental Action Foundation.
Sierra Club.
The National Parks and Conservation Association.
Defenders of Wildlife.
Sierra Club Legal Defense Fund.
Friends of the Earth.
Izaak Walton League of America.
American Hiking Society.
The Wilderness Society.

What papers have issued editorials against H.R. 260?

The New York Times.
The Salt Lake Tribune.
The Miami Herald.
The St. Louis Post-Dispatch.
The Philadelphia Inquirer.
The Wichita Eagle.
The Las Vegas Sun.

Please contact Ben Finzel of my staff (x56190) with any questions or for more information.

With warm regards,

BILL RICHARDSON,
Chief Deputy Whip.

SPEAKER GINGRICH'S OWN PRECEDENTS FOR INVESTIGATING A SPEAKER

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, according to the New York Times today the Committee on Standards of Official Conduct is beginning to allow and agree that they must appoint on outside counsel to investigate Speaker NEWT GINGRICH. The only question is what kind of authority will this outside counsel have? I ask unanimous consent to put in the RECORD at this point the Speaker's prior precedents that he had in 1988 when the Committee on Standards of Official Conduct last engaged in an investigation on a prior Speaker.

Mr. Speaker, in every single one of the Speaker's demands to the Committee on Standards of Official Conduct he said the outside counsel must have full authority. Those eight demands must be followed in this case, too, because no one could have said it better than Speaker GINGRICH said at that time is his letter to the Committee on Standards of Official Conduct. He said:

> The rules normally applied by the Ethics Committee to an investigation of a typical Member are insufficient in an investigation of the Speaker of the House . . . Clearly this investigation has to meet a higher standard of accountability and integrity.

Mr. Speaker, if it was true in 1988, it is true in 1995.

GINGRICH INSISTS ON THOROUGH INVESTIGATION

WASHINGTON, DC.—Congressman Newt Gingrich (R-GA) today insisted that the House Ethics Committee give the special counsel appointed to investigate House Speaker Jim Wright the independence necessary to do a thorough and complete job. Discouraged by several news reports that special counsel Richard Phelan would be restricted in the scope of his investigation, Gingrich took a series of actions including writing to House Ethics Committee Chairman Julian Dixon (D-CA), forwarding the letter to his colleagues in the House, and speaking on the House floor on the need for a truly independent counsel with full leeway in pursuing the investigation.

In his letter to Chairman Dixon, Gingrich wrote:

"I have a number of concerns regarding the Ethics Committee's contract with and instructions for the special counsel hired to conduct the investigation into Speaker Jim Wright's questionable financial dealings.

"First, I am concerned that the scope, authority, and independence of the special counsel will be limited by the guidelines the Ethics Committee has established."

Gingrich agreed with concerns raised by Common Cause Chairman Archibald Cox in a letter to Chairman Dixon earlier this week. The Common Cause letter urged the Ethics Committee to "commit itself to the following measures:

1. The outside counsel shall have full authority to investigate and present evidence and arguments before the Ethics Committee concerning the questions arising out of the

activities of House Speaker James C. Wright, Jr.;

2. The outside counsel shall have full authority to organize, select, and hire staff on a full- or part-time basis in such numbers as the counsel reasonably requires and will be provided with such funds and facilities as the counsel reasonably requires;

3. The outside counsel shall have full authority to review all documentary evidence available from any source and full cooperation of the Committee in obtaining such evidence;

4. The Committee shall give the outside counsel full cooperation in the issuance of subpoenas;

5. The outside counsel shall be free, after discussion with the Committee, to make such public statements and reports as the counsel deems appropriate;

6. The outside counsel shall have full authority to recommend that formal charges be brought before the Ethics Committee, shall be responsible for initiating and conducting proceedings if formal charges have been brought and shall handle any aspects of the proceedings believed to be necessary for a full inquiry;

7. The Committee shall not countermand or interfere with the outside counsel's ability to take steps necessary to conduct a full and fair investigation; and

8. The outside counsel will not be removed except for good cause."

Gingrich wrote to Chairman Dixon, "It is my impression from press reports that the Ethics Committee has specifically failed to meet the Common Cause standard. Furthermore, it is my understanding that the special counsel cannot go beyond the six areas outlined in your June 9, 1988, Resolution of Preliminary Inquiry. This leads me to believe that the special counsel will not be allowed to investigate the questionable bulk purchases of Mr. Wright's book, 'Reflections of a Public Man,' as a way to circumvent House limits on outside income.

"I am particularly concerned that the unusual purchases by the Teamsters Union, the New England Mutual Life Insurance Co., a Fort Worth developer, and a Washington lobbyist will not be investigated.

"I believe many will perceive this action as an attempt by the Ethics Committee to control the scope and direction of the investigation."

Gingrich requested a copy of the contract arranged between the Ethics Committee and Mr. Phelan. He also asked to know the extent of Mr. Phelan's subpoena power.

Gingrich said, "The House of Representatives, as well as the American public, deserve an investigation which will uncover the truth. At this moment, I am afraid that the apparent restrictions placed on this special counsel will not allow the truth to be uncovered.

"The rules normally applied by the Ethics Committee to an investigation of a typical Member are insufficient in an investigation of the Speaker of the House, a position which is third in the line of succession to the Presidency and the second best powerful elected position in America. Clearly, this investigation has to meet a higher standard of public accountability and integrity."

□ 1800

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. GILLMOR). Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

STATE OF TENNESSEE NOW ENJOYS REPUBLICAN MAJORITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. BRYANT] is recognized for 5 minutes.

Mr. BRYANT of Tennessee. Mr. Speaker, I rise tonight and join my fellow colleagues from Tennessee to proudly announce to this body that for the first time since reconstruction, the Tennessee State senate has a majority of Republicans.

State Senators Rusty Crowe of Johnson City and Milton Hamilton of Union City last week made the decision to make Tennessee history.

If I am not mistaken, this is the first time since the 104th Congress convened that a State senate has seen a party switch.

And what's more, it didn't even take an election to do it.

Senator Hamilton had served as a State senator for 25 years as a Democrat. After he made his announcement to switch parties, he said, and I quote: "I'll be honest with you. I should have switched a long time ago."

Prior to his switch, Senator Crowe stated, and again I quote: "If I do it, it will be because I believe it's the right thing for my constituency."

Mr. Speaker, clearly this latest action reinforces and validates the notion that our party has a vision for the future, that the fundamental restructuring of government we are implementing at the Federal level is continually gaining support at the State level.

Tennessee is leading the way for all of America for the cause of a smaller, less costly, and less intrusive Federal Government, and like my fellow colleagues here with me tonight, I'm proud to be a part of it.

But all of this positive change just did not take place on its own. It took many hours of long, hard work in order for this revolution to be realized.

While there were many who helped what once was surely only a dream to become a reality, there are a couple of individuals who have devoted themselves to the Republican cause.

Before I close, I would like to take just a moment to acknowledge the hard work and dedication of two special people back home.

Our State party chairman, Randle Richardson, deserves as much credit as anyone for securing a Republican majority in the senate. Randle has worked tirelessly for our party, and has devoted his life to the cause of a common-sense government.

And my predecessor, my good friend Gov. Don Sundquist, had a lot to do with this. Governor Sundquist has always extended an open and welcome hand, and we should all applaud him for his efforts.

TRAGEDY OVER PUGET SOUND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. WHITE] is recognized for 5 minutes.

Mr. WHITE. Mr. Speaker, I live on an island in the middle of Puget Sound, and a week ago yesterday, on Monday, I took the 6:20 a.m. ferry over to Seattle enroute to a meeting. As we left the harbor, a very sad thing happened. The captain of the ferry came on and said that we were going to have to slow down because he had had reports that a helicopter had crashed in Puget Sound and we would have to help in the search.

The fact is, as we went a little further across the sound, we saw some pieces of wreckage. A helicopter had, in fact, crashed and we spent several minutes cruising around the area trying to find survivors. Unfortunately, Mr. Speaker, there were no survivors and we learned that what this was was an Airlift Northwest medical helicopter coming over the island with a team of nurses to help in a medical emergency on the island, to take some people back to Seattle.

Mr. Speaker, a pilot and two medics died in this crash, and I would have to say that the captain came on the intercom on the ferry boat and said it probably best as we left the scene of the accident after looking for the survivors. He said:

> Ladies and gentleman, sorry for the inconvenience, sorry we had to spend a few minutes trying to help out in this search, but you have just seen the final resting place of three true American heroes.

Mr. Speaker, I would like to add just a few thoughts to what the captain of the ferry boat said on that morning. As I said, I live on Bainbridge Island and I have heard the helicopter go over my house many times bringing medical help to people who needed it on the island and could not get to a hospital. There are approximately 14,000 people living on this island and there are places like it all over the United States. Every day we counted on people at Airlift Northwest to help us out, we counted on them and they risked their lives to help us. We owe them the deepest debt of congratulations.

Today, Mr. Speaker, I would like to dedicate my remarks and give my thanks to Lee Bothwell, the pilot of that helicopter; to Marna Fleetwood, a nurse on the helicopter; and to Amy Riebe, another nurse on the helicopter. They are true heroes. I offer my condolences to their young families. All of them have young children. I hope they rest in peace.

IMPORTANCE OF A BALANCED BUDGET, WELFARE REFORM AND MEDICARE TO AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, I have just returned from 4 days in Georgia visiting with constituents, meeting with a few civic clubs, and riding in a parade or two. In talking around the district that I represent, the coastal area of Georgia, Georgia's first district, the three predominant things that seem to be on people's minds are balancing the budget, reforming welfare, and the changes in the Medicare Program.

On balancing the budget, even though the other body across the Hall failed to pass the balanced budget amendment, it is absolutely undeniable that the American people want us to balance the budget. As a member of the Committee on Appropriations I can say that we are moving in that direction. We have 1 appropriations bill left out of 13. Hopefully, we will pass that this week or next week. When we do, we will have all of our appropriations bills passed, which take us to having a balanced budget by the year 2002.

The importance of this, Mr. Speaker, is that as we have these billion dollar deficits each year, it takes money away from other programs and we are unable to pay down the debt. Now all we are doing is servicing the interest. Currently, the interest on the national debt is the third largest item in our budget every year. In 2 years that interest is expected to exceed all of the military spending. Once we get rid of the deficit, we can start paying off the principal beyond the interest of the debt. Of course, it will take many, many years. We have a $4.8 trillion debt.

The definition, Mr. Speaker, of a trillion, to illustrate it, and, first of all, it is almost beyond comprehension, but if we spent $100,000 a minute, 24 hours a day, it would take 19 years to get to $1 trillion. We currently have a debt of $4.8 trillion. We simply cannot pass that on to the children of the United States of America.

I think it is very important that this House is moving toward a balanced budget as fast as we can. I certainly hope the folks in the other body feel the same way.

We have passed welfare reform in the House. Our welfare reform has four significant planks to it.

No. 1, a work requirement. If an individual is able-bodied, in order to get welfare, they should have to work.

No. 2, a mechanism to discourage illegitimate births, since that is one of the biggest problems in America today.

No. 3, State flexibility. We may do it differently in Georgia than the folks in New York, but let us make those decisions.

And No. 4, no welfare benefits to illegal aliens. We want to help them if they are hurt in this country, but we also want them to get back home if they are not American citizens, so that they are not coming over to America to enjoy the benefits of our generous public benefits system.

The third thing people are interested in, of course, is the Medicare Program. The current trustees in April said that Medicare is going broke. We have to move to save it. We are trying to slow the growth of it, trying to make the growth of Medicare inflation about 6 percent, which is closer to what it is in regular medical inflation. Actually, regular medical inflation was down last year. It was not even inflation. But the costs were down.

The thing we need to do on Medicare is protect and preserve it by simplifying it. We want to give senior citizens a whole list of options: choice of doctors, choice of traditional fee-for-service plans, choice of traditional Medicare, and, along with that, some other options like Medisave accounts and so forth.

We believe all this can be done, Mr. Speaker, and the result will be a better product to American seniors. Again, we want to protect and preserve it.

The big frustration that the American people seem to be having is while we have done a lot of things in the House, across the Hall, in the other body, they are taking the route of inaction. It is true today they passed welfare reform, but we passed ours back in March. It is time to bring these issues to a question. Will the other body and will the executive branch join the House, the lower Chamber, in making the reforms necessary to preserve our country?

I hope that they will, because we are clearly on the road to personal responsibility, personal discipline, balancing the budget, lowering taxes, decreasing Government regulation and micromanagement out of Washington, and, best of all and most importantly, increasing personal freedom. We cannot do it alone. We have to have the cooperation of the full legislative branch of Government, which means the other body, and we have to have the executive branch to sign this into law.

Mr. Speaker, if we can get the cooperation of the folks across the hall, I believe we will have a balanced budget, we will have Medicare reform, and we will have welfare reform. This, Mr. Speaker, I believe, is what the American people are asking for.

DOMESTIC VIOLENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, I rise today to speak to my colleagues regarding the important legislation which is before the House in order to reduce domestic violence here and across the United States. I wish to illustrate the importance of such legislation by a domestic violence conference which was held in my home of Montgomery County, PA, just this past Saturday. It is the third in a series of three conferences sponsored by Laurel House, which is the shelter for abused children and women, the Victim Services Center of Montgomery County, and the Women's Center of Montgomery County, along with the Commission On Women and Families, sponsored by the county commissioners.

□ 1815

In this case, all of them work together to make sure that legislative action, as well as court action and police action, is in fact brought together so that we can reduce violence in the home, reduce violence across America.

I have to compliment the police departments across the country, as well as in my home area of Pennsylvania, for doing so much with the Protection From Abuse Act, which requires there be protection for those who have been abused, to be able to have protective orders, to be absent from the marital home, and in fact have the tranquility and the privacy they deserve and be free of harm from the offending spouse.

The courts as well have been very sensitive in being involved in sensitivity programs. Many of our jurists have been involved with domestic violence awareness and are very sensitive now in their sentences and their treatment of such cases.

But I call to your attention, Mr. Speaker, to some legislation which has been introduced which I am supporting, which in fact will go a long way to help those in the domestic violence network who are trying to prevent such occurrences from continuing, to the Molinari legislation, which will be calling for a prohibition of insurance companies in denying coverage for those who have been victims of domestic violence. This was very important legislation, and legislation that is so self-evident that it should already be passed. But I am hopeful as a result of the conferences we recently held in Montgomery County, as well as across the country, we will support this kind of legislation which is very important.

There is legislation as well that deals with and calls for training for domestic violence prevention for health care workers and health care professionals across the country. This is a very good area of influence and of assistance that we think can go a long way as well to reduce domestic violence.

Finally, legislation that I will be introducing shortly is going to call for coordinated community response for domestic violence. While we have worked together on the antidrug programs and in other important community endeavors, Mr. Speaker, this is one area where we need to make sure we bring all the forces together that can make a difference, whether it be the families, whether it be the clergy, whether it be the courts, whether it be police or those people who work in the victim services center, who work in the shelters for abused women and children, wherever it may be. We need to bring those coordinated efforts together so we are reducing the incidence of such crime, we are prosecuting those who commit such crimes, and make sure that America is safer because of our intervention and our coordinated assistance.

I will be pleased to report back to the Speaker and my fellow colleagues about legislation and coordinated community response as we in the 104th Congress unfold our proreform agenda, to make sure we take into account these anticrime efforts which will help support families.

MEDICARE CUTS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Texas [Mr. DOGGETT] is recognized for 60 minutes as the designee of the minority leader.

Mr. DOGGETT. Mr. Speaker, I am here again tonight, as I was last night and this morning, to talk about the future of Medicare and specifically to discuss the new Republican Medicare plan, which is the pay-more-get-less plan. In the event that anyone has not gotten all the details, that is really what it boils down to. But we will spend the next hour discussing the details of the impact of this plan.

Why is it that having discussed this plan to some extent already, that I am back again talking about it some more? Well, I can tell you that the reason is because on Thursday of this week, the day after tomorrow, just a few hours away, the Committee on Ways and Means will have 1 day of hearings, 1 day for all of the people in America, all of the experts on this subject, and let me assure you that some of the best experts on Medicare are the 37 million Americans who depend on Medicare for their health care, but 1 day in the entire year in which that committee will take time to hear what should the future of Medicare be, what should the specifics of legislation be. And in that 1 day and that 1 day only, will they focus on what ultimately could be the beginning of the total destruction of Medicare as we have known it for the last three decades. So it is critical to take every opportunity to focus attention and to advise the people of America on what is about to happen with reference to this critical Medicare system.

Now, I have to say to those who may have concern as to whether this message is getting out and whether people are hearing about it and really realize the impact of these drastic changes on them, that I believe the answer is a strong yes; that indeed the attention that we as Democrats have focused on the plan that the Republicans have to grab $270 billion out of the Medicare system in order to fund their tax breaks for the privileged few in this country, has already had a big impact.

It was a little over a month ago that the Washington Post stated, "Medicare premiums would soar under new options in Republican plan." They point out that under all three versions of the Republican working documents that have been leaked to the press, Medicare premiums would go up, Medicare deductibles would go up, and Medicare copayments will go up.

I can recall seeing some of those leaked documents and knowing that there were Republican Members actually advocating that we needed to discourage the seniors from having what is called Medigap insurance. That is to pick up the cost of what Medicare does not pay through private insurance. And it was part of this Republican theory that our seniors are simply not paying enough for their health care. Even though they have to pick up the costs for their prescriptions, even though we have no effective long-term health care plan for those seniors who might face the possibility of a nursing home, even with all of the things not covered by the Medicare system, as good as it is today, the Republicans say they are not having to pay enough and we need to find a way to actually discourage them from having this private Medigap insurance.

Well, when the plan was unveiled, to the extent the veil has been pulled back, and it is only a partial lifting of the veil that we have had in the last few days, when the plan was partially unveiled, the Republicans began to back off from this theory and began to say well, we really do not want to increase deductibles, and we are not sure we want to increase copayments, and yes, it is OK to have Medigap insurance.

So as they have heard from Americans across this country, as members of the Democratic Party have had the courage to stand here on the floor and speak out about this plan, they have begun to back off. I cannot help but think if we continue to speak out, even though they accord us only 1 day of hearings, if we continue to speak out at every possible opportunity, they will yet rethink the pay-more-get-less plan and recognize that it is not in the best interests of the American people.

Of course, with reference to the plan that they have unveiled in seeking 1 day of hearings, there have been a number of people, and not just Democrats, who have been critical of that. As I think about Republican-oriented newspapers in this country, I can think of few that are more Republican-oriented than the lead paper in the city of Dallas, in my home State of Texas, the Dallas Morning News. I want to quote briefly from an editorial that they had on this subject of limiting the right of the American people to know the details of this. I say almost the most Republican paper in this country, because undoubtedly the most Republican paper is the American Civilization Newspaper. It is the newspaper of the Progress and Freedom Foundation, which was founded by our Speaker, NEWT GINGRICH.

As you will recall in February of this year, the lead editorial from that foundation was entitled "For freedom's sake, eliminate Social Security." In that lead editorial in February, the editorial derided Social Security, in addition to Medicare, and it said that "It is time to slay," and I am quoting, "the largest government entitlement program of all, Social Security." It said, "Social Security must be abolished."

It is that kind of extreme ideological thinking that I think is behind the effort to first subvert and weaken the Medicare system with the pay-more-get-less system, and then to go after the weakening and the eventual destruction of the Social Security System, as the Speaker's own newspaper advocated back in February of this year.

But returning to Texas and returning to the very Republican-oriented Dallas Morning News, on September 10, under a title "Changing Medicare, public will need time to grasp reforms," the Dallas Morning News says,

> Remember last year when the Democrats tried to rush final health plan through Congress just before the August recess? At that time the Republican congressional leaders said look, these reforms are too complicated. The American people need time to absorb them. Let's break for August and let the American people digest and debate them.

They say, "The Republican response was appropriate." Of course, you would expect that from a Republican-oriented newspaper. But then they go on to point out this. They say, "but now their memory," referring to the Republicans, "seems short, if not selective. One year later, Republican congressional leaders are trying to rush their own health care reforms. Here comes the hypocrisy," they say. "Republicans want Congress to vote on the reforms within 10 days to 3 weeks. That is misguided. Congress soon must finish its plan to achieve a balanced Federal budget. Medicare, after all, is a lifeline for many senior citizens." They say, "changes should not be rammed down their throats."

That is what this discussion tonight is about. I was quoting the Dallas Morning News that changes should not be rammed down the throats of our Nation's seniors.

Then they go on to point out, "Let's not revisit the mess of last year. Republicans must listen to their own counsel."

That is what we are calling for. Do not just devote 1 day to wrecking a program that it has taken 30 years to get in place, a program that over 9 out of 10 Republican Members of the Congress, back when President Johnson signed Medicare into law, opposed. Let us focus attention and provide for detailed analysis.

After all, the Republicans in this House thought that the Whitewater affair was deserving of 28 days of public hearings, and yet when the issue is a whitewash for an attempt to undermine the Medicare system, they seem unwilling to devote more than a day.

Now, I see that my colleague from Texas, the gentlewoman from Houston, TX [Ms. JACKSON-LEE], is here. I know she had the occasion to sit through some of those hearings and to know about these matters, and perhaps she has some observation about the impact of this kind of pay-more-get-less plan and rushing it through in a single day.

Ms. JACKSON-LEE. Mr. Speaker, I appreciate the gentleman from Texas, my colleague, and also appreciate the persistence that he has offered in this effort, and all of us have come to this issue with a certain bit of perplexity. I am a little bit confused, not so much because I am confused about what I hear from my constituents in the 18th District of Texas, particularly the senior citizens, about the need for Medicare and the need for a balanced response to some of the concerns that are expressed, but the gentleman from Texas is correct. We are at a posture where we have the answer from the GOP plan, pay more and get less, and yet we are finding that few of our Republican colleagues want to lay this out for a full-blown hearing in order to hear from our constituents across the Nation.

My fourth grader is learning about the States in the United States, all 50 of them, and he takes great pride in pointing out the different States and the different distinctions. But when we look at this road map of the United States of America, the truth about the Republican Medicare cuts, we can see not one single State misses the bat, misses the heat, misses getting cut to the bone.

In particular, if we look at Texas, we will find that seniors will be paying $3,785 more over the next 7 years of out-of-pocket increases. We look at Connecticut, we look at Camden, CT, and we look at up in the New England States, we look at New York, we look at Washington, DC, down in Florida, where there is a huge senior citizen population, $5,082.

So the real question becomes, why the coverup? Why not a full force hearing on what we are doing with Medicare?

I might raise a point with the gentleman that gives me great pause for concern going home to my district. There is a discussion and an editorial, if you will, about this concept of managed care. Might I just inject that we have the healthiest population of Americans, elderly Americans, in the 30-year history, since 1965? We can point today that some 99.1 percent of Americans, but particularly seniors, are insured because of Medicare, with health coverage. We can point to a healthier senior citizen population and one that has experienced this whole trend toward preventive health care.

But the question becomes with this managed health care philosophy that is being promoted by Republicans, they will choose a managed care system. When you go into rural communities and some of our urban centers, it is already determined that what will happen is the healthiest of our seniors may have the opportunity to choose a managed care system. But what you will have remaining are the sickest of our seniors.

□ 1830

That then becomes an unfunded mandate of sorts on our local government and county government and State government. But beyond the dollars, what we will have will be a population that needs health care the most, that needs hospitalization the most, that needs the constant care the most, the long-term care, and they will not have it.

And so I think that, if we are going to fix Medicare, what we need to do is to have hearings where hospitals and administrators and long-term care givers and those elderly who are most sick can explain their medical needs. Not that we are looking to ensure a system for fraud and abuse; I do not hear you talking about that.

I think Democrats have come to the table and come to the table repeatedly, making the system work. But my concern is already about the increased cost with the recommendation by the Republicans, yet in cover of night, with no hearings.

Then secondarily, what do I answer, what do I tell my seniors who are now sick and who may be sicker, that the only thing that they have to do is wait to see if managed care or an HMO will pick them up. I do not think that will be the answer.

Mr. DOGGETT. As you have pointed out, when our fellow Texan signed Medicare into law in 1965, about half of the seniors in this country had no type of health insurance at all. Now we have covered about 99 percent of those seniors, and it seems to be a plan that works for them.

I do not find many of those seniors saying that they need somebody to manage them. The folks that I know down in Texas are a pretty independent lot. Managed care has its place; I am all for people being able to choose that alternative. But folks there do not seem to be too interested in being managed. They seem to be interested in having the kind of Medicare System that they can depend on.

There is some concern that under the plan that is being proposed that we will actually end up with a two-tier system, as you point out, leaving the sickest people within the Medicare System and then having some new kind of system that takes some for those who are in a little healthier condition.

I know also that in the city of Houston, as with many other parts of the country, as I am sure this is true in New Haven as well, that you have a huge medical complex there, a teaching hospital there. And there will be even more burden, I am confident, on the teaching hospitals, on the public hospitals for this kind of approach; is that your feeling?

Ms. JACKSON-LEE. Clearly, you have made a very accurate assessment. I took some time in the district during the August recess to visit several of the facilities, including the public hospital system. They offered to say that there would be an enormous burden, particularly as it relates to the teaching aspect. Our public hospital system has been a very strong component of our medical education training. Those leaders for that community indicated this would have a dastardly, devastating effect on them.

Let me leave you with one point before we yield to the gentlewoman from Connecticut. There is some discussion that the GOP claims that senior citizens will not mind paying more to save the trust fund. But not one penny from the increased part B beneficiary cost would help the Medicare trust fund. That is why we need the hearings.

I think we need to come from underneath the cover of night that I have been saying. One day seems to be extremely difficult to understand, where you would get any facts. The facts need to be on the table. What are we trying to save? Where is the money coming from, and what will it go into? Those answers are not yet on the table. I think the point is well taken.

Mr. DOGGETT. I yield to the gentleman from Pennsylvania for a question.

Mr. GREENWOOD. I certainly had not intended to participate in your discussion tonight. I was at my desk in my office listening to the discussion on Medicare. It is an issue I am greatly interested in because, as you may know, I am one of eight Republican Members of the task force that has been spending the last several months writing this reform package.

I came over to ask if you were interested in participating in a little bit more of a bipartisan discussion which I think might be more informative to the American people, particularly our seniors, than kind of a one-sided, partisan review of things?

I offer myself here as somewhat of an expert on the package since I helped to draft it and would like nothing more than to help have a real debate and a real discussion rather than kind of a one-sided affair.

Mr. DOGGETT. Certainly. In fact, just in response to that, I appreciate your presence. I have been one who had been hoping that Members of the Republican Party would come. Our Republican colleagues could use time like their special order time and use the opportunities we have here to speak and outline the details of the plan that you are advancing. More importantly, I think it is important for us to come together and reach a bipartisan resolution to this problem.

There are some areas that we have common agreement on: fighting fraud and abuse within the Medicare System, working to improve the Medicare System. But I think the problem has been, and I do not say this is necessarily an individual problem between you and me, but the problem has been one of from where we start in this debate.

This debate began back in the fall on the Committee on the Budget. People came and said, after a series of secret task force meetings, we need $270 billion out of the Medicare System. It began not with how can we improve and strengthen that system but where can we get the money from the Medicare System to do some other things that do not have anything else to do with Medicare?

Mr. GREENWOOD. I will be happy, in the spirit of bipartisanship, I will pose it in the form of a question. Would the gentleman not agree that the discussion on Medicare began when the trustees report consisting of three members of President Clinton's Cabinet, the trustees issued a report, and in that report they indicated that part A of the Medicare program, the hospitalization fund, goes broke in 7 years?

This year we are taking in more money than we are spending for Medicare. That is good. But next year we begin to spend more money than we take in. There is no dispute that it goes bankrupt in 7 years unless we do something.

Mr. DOGGETT. I would like to respond to that because I am so very pleased that you raised it. The impression that has been created over the last few months and certainly in the last few days is that, if we do not rush through what I think is fairly referred to as the pay-more-get-less plan, that suddenly this system will go broke and no one will have anything. I do not think that could be any further from the truth.

If this Congress did not act, I am not advocating that, I would like to see action, there is going to continue to be a strong Medicare System next year and for a number of years to come. There is no reason that this has to be rushed through with 1 day for hearings. But I do want to respond fully to your observation, because it is one of the most important.

With reference to the Medicare trustees report, you will recall in the Committee on the Budget, in the early part of this year, I pointed out that the report we got in the spring for this year was verbatim, the report that we got, I think with one or two words difference, last year.

Our party was concerned long before I got to Congress in addressing this problem. This trustees report is not anything new, nor does it provide a justification for raising premiums on part B. There are, as the gentleman well knows, an A part and a B part. And raising premiums in part B, as apparently is being proposed, is not going to do anything to strengthen this fund.

In fact, I think one of the real problems with the approach that many Republicans have advocated at least quietly in the halls and the back rooms of this Chamber is that they want to increase premiums, deductibles, and the like with reference to part B. We could raise them 1000 percent instead of just 100 percent, as has been advocated, and it would not make the Medicare trust fund one penny more secure than it is tonight.

So this use for the Medicare trust fund report is really very deceptive in terms of giving and misleading the American people into thinking that we have a crisis that demands rushing through a bill that is not being done to secure the Medicare trust fund.

Indeed, the other point that has to be made, and I think it is a very important one, is if there was real concern about the security of the Medicare trust fund, surely our Republican colleagues would not have come through with one of the provisions in their so-called Contract With America to actually take money out of the trust fund, with the changes that were made last year, to provide tax revenues to help protect and advance and secure that fund. Yet that is exactly what has happened.

All that our Republican colleagues have done so far, other than this generally veiled plan, in the legislation this House has approved over my objection, is to weaken it and have less money available.

I yield to the gentlewoman from Connecticut.

Ms. DELAURO. I think that this is such an important issue that it deserves a bipartisan discussion and debate.

I will say, first of all, that we have tried to engage in that effort, and we are seeing 1 day for hearings on changing probably the most important piece of legislation that we have, a major, major change, really a reconstituting of the Medicare System in a way that we have not seen in the past. It is an absolute fundamental change in the system.

Looking at this system, potentially turning it into a voluntary system, potentially privatizing, which is what the direction is going, and we have 1 day for hearings. So let me just say this to the gentleman. The fact of the matter is that you have been engaged in writing a plan that no one knows about. I want to go back to the last session of this Congress, where the whole issue of health care reform was not only on the table for debate in the public sector, of debate for almost 18 months in this body. Before the Committee on Ways and Means there were 14 days of debate on the health care reform bill.

The Republican leadership has determined that we will see 24 hours and, quite frankly, for a plan in which in yesterday's Washington Times the chairman of the Committee on the Budget has expressed uneasiness, fear that the plan falls about a third short of what your goal is, which is to cut $270 billion from Medicare, and does not want to engage in smoke and mirrors but is fearful, if you read the same news that I am reading, that in fact that is what is going to occur.

Mr. GREENWOOD. Mr. Speaker, the Committee on Ways and Means alone held 38 hearings on Medicare reform, and the Committee on Commerce on which I serve also held a number of hearings. I cannot enumerate them for you.

But if I may finish, one of the things I think the American people will be interested in, that is to what extent my two colleagues from the other side of the aisle are truly interested in an open dialog in which the truth comes out. The extent to which you are willing to engage me this evening in discussion, if you want to have, use 99 percent of the time to make unchallenged statements, then I think the American people will say: Gee, I do not think they are really interested in an open discussion in which both sides are presented. So, show the American people that you really are interested in bipartisanship and debate, and let us have a discussion.

Ms. DELAURO. I would like to also go back to say that there has been, first of all, we have heard about the plan. There are very few details about the plan.

Mr. GREENWOOD. I have them all. I am an open book.

Ms. DELAURO. You may be an open book, but let me tell you about the Congressional Budget Office, which says the following, and this is quoted yesterday:

> The details, until the details fully emerge, the Congressional Budget Office, the bipartisan Congressional Budget Office, Congress's economic analyst, will not be able to certify the savings, and the GOP plan will have a gaping budgetary hole.

I am not saying this. But the Congressional Budget Office is saying it, and more importantly, until there are details, if you are going to hearings this Thursday for 24 hours to debate the most significant change in one of the most significant pieces of legislation in this country, if the Congressional Budget Office cannot act on it, if no one else has the details of this effort, if the American public does not see the debate because what you want to try to do is to cover it up in 24 hours and get this done, I do not—why are we doing this? The American public has a right to know. There are several questions that are critical.

You asked about questions that ought to be asked. If the Republicans are truly interested in the solvency for Medicare, why is the solution to raise premiums on beneficiaries, premiums which in fact, as my colleague from Texas pointed out, do not go into the trust fund? That is the cruel hoax, because seniors are confused.

□ 1845

The cruel hoax here is that we are talking about trying to deal with the Medicare trust fund and making sure it is safe and secure, and there is $270 billion that is not going into the trust fund.

Mr. BONIOR. Mr. Speaker, will the gentleman yield?

Mr. DOGGETT. I yield to the gentleman from Michigan.

Mr. BONIOR. Not only is this money not going into the Medicare trust fund, our Republican colleagues about 4 months ago, and we had the tax bill before us on the floor, took $89 billion out of the trust fund to pay for the tax bill. So not only are they not dealing with this in a fair, rational, sacrosanct way in terms of the commitment that was made and the contract that was made between seniors and its government with regard to Medicare, but they raided the fund of $89 billion 4 months ago in order to pay for a tax cut for the wealthiest people in our society.

Mr. DOGGETT. Mr. Speaker, I want to respond to the gentleman's comment about the number of hearings that have been held, because we went through the same problem with the budget resolution, where one "think tank" person after another was brought in to talk in theory about the budget, but no hearing was held on the specific proposal. To date, we have not even had the gentleman or one of his colleagues come down here and outline the proposal and say how much higher the premiums will be, how much higher the deductibles and copayments will be, and the other changes.

It is hard to have a really meaningful hearing, or for that matter, a really meaningful bipartisan debate, in which the gentleman has said he wishes to engage tonight, without having the details of that plan laid out before us.

Mr. GREENWOOD. Mr. Speaker, will the gentleman yield?

Mr. DOGGETT. I yield to the gentleman from Pennsylvania.

Mr. GREENWOOD. Mr. Speaker, I thank the gentleman for yielding to me for a question.

My question is this: If in fact what the gentleman would like to do this evening with his time on the floor is to inform the American people, particularly our seniors, so they can make an evaluation about how they feel about this plan, will he not engage me? There are five of you, there is one of me. I am one of the drafters of this. I am happy to stand here all evening and answer questions and debate fine points as to what we should do, but I am going to repeat myself. The American people look at you and say, "Those five Democrats are not going to let the Republican who is one of the drafters of the bill have very much time at the microphone. I guess they do not want to hear what he has to say. I guess they do not want to know what is in this plan."

Mr. DOGGETT. I would be glad to have not only one of you, but 100 or 200 more here to debate fully and thoroughly. But I am concerned that what is going to happen, given the example of limiting these hearings to 1 day and 1 day only, that the idea will be to compress the real debate that occurs, once we have all the details of the plan, into the same limited time so people learn as much about it or as little about it as possible.

Perhaps the gentleman could tell us why there is 1 day and only 1 day of hearings once the plan is outlined, if he is indeed interested in a bipartisan presentation.

Mr. GREENWOOD. If the gentleman will continue to yield, as I said earlier, the committees of jurisdiction held dozens of hearings covering hundreds of hours on this issue.

Mr. DOGGETT. But not on this plan.

Mr. GREENWOOD. Number two, there will be hearings. Number three, we approach the end of the fiscal year, as my colleagues know. We are trying to deal with this issue in this fiscal year. The President of the United States has said that we need to reduce the growth in the Medicare program in the coming fiscal year by $124 billion, if we use the OMB budget line. If we use the CBO budget line, the budget line we are using and that the President encourages us to use, that is closer to $194 billion, so the gentleman said earlier that he wants to think about where we can agree.

Where there is not disagreement among honest brokers in this issue is that the President of the United States and the Republican Party believes that at least $190 billion needs to be reduced from the growth of spending in this program. So if you want to start from there, we can have an honest discussion.

Mr. DOGGETT. Reclaiming my time, Mr. Speaker, my question to the gentleman is, why is it that you are having only one day of hearings? And his response is, we are having hearings and it is near the end of the fiscal year. The hearings he is having are taking less than 1 day. The reason we are near the end of the fiscal year is that he has drug out throughout the course of this year this proposal. He still has not come to the floor of this House and outlined the details of the proposal, and proposes to rush it through on the eve of the close of the fiscal year, not because we have a crisis, but because I genuinely believe our Republican colleagues want the American people to know as little as possible over as short a time period as possible what this plan really does.

Mr. HEFNER. Mr. Speaker, will the gentleman yield?

Mr. DOGGETT. I yield to the gentleman from North Carolina.

Mr. HEFNER. I would just like to make a couple of observations. The gentleman said we are not sincere about doing something about Medicare, looking after senior citizens. I would just urge the gentleman to look at the track record.

Mr. GREENWOOD. I did not make those comments.

Mr. HEFNER. That was the inference I drew. Let me make one thing perfectly clear. If it is your purpose to cut $270 billion over 5 years, and then the Committee on the Budget chairman said today in a seminar that he came and spoke at, our seminar, that we have paid for the tax cut, it is bad enough that you frighten senior citizens, and the Speaker of this House, that says that Democrats have demagogued and terrified senior citizens, I am a senior citizen, and the last thing in the world we need, senior citizens, to be frightened about is health care.

If you spend very much time in your district office, you have these precious souls that come into your office, and their biggest concern is to make a decision whether they are going to be able to pay their rent, their water, or their lights, or have their prescriptions filled. Then when you talk about the changes in Medicare, even minimum, just a few dollars a month, to us a few dollars a month is not much, but for that senior citizen that is living on a fixed income that increase in premium is tremendous, $7 or $8 or $10 a month.

Then you are going to have a lookback provision that says, "Hey, if these things are not coming up, we are going to have to look back," and you are going to look back to the same people that you are going to come to again. The last thing in the world that the senior citizens need in this country is another hassle as they get into their declining and sunset years.

If you want to look at the track record, there is not a living Member of this House or the Senate that was here when Medicare passed that supported it. The tax cut is going to be $240 billion. It is not paid for. It is bad enough that you do this to Medicare and to senior citizens. At least you could have the decency to apply it to the budget deficit. It goes directly from Medicare, and it goes directly to a tax cut for Members of Congress, for some of the wealthiest people in this country. I am a senior citizen. I would a lot rather have the comfort of having my Medicare than to have a few dollars tax cut.

Let us just look at the track record of the Republicans on Social Security and Medicare. The first budget that Ronald Reagan's budget director brought to this House, David Stockman brought a budget to this House, and it called for a $125 a month cut in the minimum Social Security for our oldest, sickest senior citizens, $125. It was going to completely erase that from the Social Security payment. It caused such a ruckus and uproar that it was quickly withdrawn.

The record is not good. You have not supported Medicare. You were not here, and I will give you the credit for that, but no Republican supported Medicare. This is not something that has paid for a tax cut. You are using Medicare cuts, and why not be honest about it and say, "This is our philosophy. We want to make these cuts and we want to use these cuts to pay for tax cuts for our agenda." At least have the decency to say that. In road shows all over this country, the Speaker has gone all over this country in road shows talking about "We have paid for the tax cut, and we are going to give the senior citizens more choice. We are going to allow you to be sick up to $4,800 a year. After that we have to make some adjustments."

Mr. GREENWOOD. The gentleman is misinforming the House. I would be happy to correct him.

The SPEAKER pro tempore (Mr. GUTKNECHT). If the gentleman would suspend, I would remind the participants that the gentleman from Texas [Mr. DOGGETT] controls the time.

Mr. DOGGETT. I have yielded for a comment to the gentleman from North Carolina [Mr. HEFNER], and I will continue to yield to all of those here for questions and observations, but I would ask that you have the opportunity to finish, and that the rules of the House be enforced, and that we have regular order, if the gentleman would proceed.

Mr. HEFNER. The matter of fact is, and it is so evident if you listen to the arguments and listen to the numbers, $270 billion in Medicare cuts, $240 billion in tax cuts that go basically to the most privileged people in this country. if that is your philosophy, be proud of it. But it is not paid for. If it was paid for, it was paid for out of student lunch programs and from Medicare, and it came from the most vulnerable people in this country.

If that is your philosophy, be proud of it, but do not disguise it and say we have paid for the tax cut and senior citizens are going to get more choice. I can imagine me going to a carrier and saying, "I want to buy some insurance." You are going to give me a voucher. I go to an insurance carrier and say, "I have had heart disease. I have had open heart surgery." They are going to laugh me out of the office. The voucher is going to be no good for me.

We are not frightening senior citizens across this country, as the Speaker and everybody has said, we are telling the truth. It scares the devil out of them, and it should. We should tell the seniors the truth and let them know what they are in for, at least tell them the truth, because at least maybe they can prepare for the worst to come, and it is going to be some bad times for senior citizens in this country if this Medicare package passes.

Mr. DOGGETT. Mr. Speaker, we use tonight as an opportunity to share with colleagues across this House, because we are being denied an opportunity to have a full and fair debate in committee this week, so I yield to my colleague the gentleman from Michigan [Mr. BONIOR] for any questions or observations.

Mr. BONIOR. I thank the gentleman for yielding. I just want to follow up on what my colleague, the gentleman from North Carolina [Mr. HEFNER], said when he talked about the question of scaring our senior citizens today.

What is going on here is just an outrage with respect to the scare that has been put into these people by these proposals that have been offered by my friends on the other side of the aisle. I will tell the Members what is scary, Mr. Speaker. Scary is a 76-year-old woman who lives basically off of Social Security. Maybe she has a few pennies more than that. She has to pay for her heat, she has to pay for her rent, she is going to have a few pennies left over for her other odds and ends. Then she gets up, reads in the paper, hears on the radio or watches on TV, that her premium is going to be doubled from $46 a month to $90 a month.

Then she hears from the Senate Republicans that her deductible is going to be increased from $100 a month to maybe $150 to $250 a month. Then she hears and reads and sees on her TV that the House Democrats want to cut Medicaid by $82 billion. Sixty percent of Medicaid goes to older people in this country in the way of nursing home care.

Mr. DOGGETT. That the House Republicans want to pass.

Mr. BONIOR. The House Republicans. No wonder she is frightened. No wonder they are frightened and scared out there. They ought to be, because we are talking about huge amounts of money out of their pocket for basic health care, out of their Social Security check that is going to shrink every month. They ought to be scared and outraged because of the formula that is being devised here to shift that money to the wealthiest people in our society in the way of a tax cut.

Mr. Speaker, one might say that this is not a trend, it is something that the Republicans are just bent on doing. But today in the Committee on Ways and Means the Republican majority is talking about doing the same thing to middle-income people. They want to put a $1,000 tax increase on middle-income people, people making up to $27,000 a year, just today, the so-called earned income tax credit for middle-income folks. So it is not just happening to seniors, it is happening to middle-income people. They are after your pensions, they are after your health care.

What we are finding is this gap that is growing in this country between the wealthy in our society and the rest. The chasm is growing deeper and it is growing wider. It is time that people stood up and said, "Enough of this extremism, enough of this move to the far end of the political spectrum with respect to the economics of people." Medicare is too important of a sacred trust, a sacred trust that was made between the government and its people back in 1965, when we had tremendous percentages of poverty among our seniors. We have reduced that poverty tremendously as a result of Medicare. Now we are going to find ourselves in a situation in which our seniors and their children, who will be required or are obligated or duty-bound to pick up this tab for their parents or grandparents, are going to be pressed as well economically. I thank my colleague for his comments.

Mr. DOGGETT. I have just one response to the gentleman's observation, because I think it is an important one. That is that there may be some younger people that are watching and observing the debate going on across our Nation over Medicare, feeling that they do not have a stake in this. As you pointed out, many of those young people at the beginning of their earning power, working people in this country, the folks out there working for an hourly wage, are about to get hit with a tax increase by the Committee on Ways and Means under the Republican leadership.

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But they also stand in the course of this Medicare debate to suffer as well. One recent study that was done by Lewin VHI has pointed to the danger of cost shifting as a result of this Medicare plan and has suggested, and I quote, that lost wages in increased premium contributions would equal about $1,000 per covered worker over the 1996–2002 period.

So those same workers that we are talking about, that are about to get a

Republican tax increase with the changes being made in the Committee on Ways and Means, are also people that stand to lose about $1,000 from cost shifting under one study because of a Medicare plan that is being done in isolation from the rest of the health care problems of this country. That may simply cause hard-pressed hospitals and health care providers to shift more cost to those who are under 65 to try to recoup some of the losses that will occur to them if this plan goes into effect.

I know my colleague from New Jersey has arrived and that he has a number of questions and has spoken out eloquently on this subject. I yield to him.

Mr. PALLONE. Mr. Speaker, I just wanted to thank the gentleman from Texas again for doing this special order tonight. I really will say once again that that chart that he has up there that says "the GOP Medicare plan, pay more and get less," really says it all.

This is what the seniors are increasingly telling me in my district and throughout the State of New Jersey. They understand that this is nothing more than a tax increase and a reduction in services.

You cannot take the amount of money that we are talking about here, a $270 billion cut in Medicare—and I also notice that the rest of my colleagues talked about the cuts which are, I think, $180 billion in Medicaid as well—you cannot take that level of cuts in these programs without either reducing the quality of service or charging senior citizens more for what they are getting for health care.

The reality is that what the Republicans are talking about essentially are doing both, because they have already told us. I know my friend, the gentleman from Michigan [Mr. BONIOR], mentioned some of these things before. We have already heard about at least three possible implementations of this Medicare cut that would increase costs to seniors and in effect amount to a tax increase.

One is on the Senate side, the increased co-payment, I believe, for Part A for hospital care from $100 to $150. We have heard about the Gingrich proposal with regard to Part B that pays for physician services, that in essence doubles you premium for Part B over the next 5 to 7 years; and we have also talked about means testing.

I know that there has not been a lot of discussion in general about means testing, but this idea that we are going to charge wealthier people more for their Medicare premiums, for their Part B premiums, to the point where at some point they would not have any subsidy, would have to pay the whole cost of their Medicare premiums, well, right now the Republican leadership is talking about a $75,000 threshold for that. In other words, you would have to be making at least $75,000 before they start charging you that tax.

But the bottom line is, I know from my own experience and I have seen it in the State legislature and here in Congress, those thresholds start to go down very quickly when the Republican leadership of the Congress is looking for extra money. So do not be surprised, New Jersey residents or Americans, if next year it is 65 and the following year it is 50 and then it drifts down to 40. I have heard some of my colleagues already talking about a $35,000 threshold.

We know that there is a huge gaping hole here. On the one hand they have these various tax increases which I just mentioned. On the other hand they have cuts in providers' fees, cuts in the amount of reimbursement that is going to go to hospitals or other health care facilities.

Those things are going to result in less quality care. The hospitals in New Jersey, we have already identified through the New Jersey Hospital Association 76 hospitals that are on the critical list, that if they have any significant, and I am not talking about the level of cuts that we are talking about here but any significant cuts in Medicare or Medicaid, some of them are going to close and a lot them are going to significantly reduce their services.

But beyond that, beyond paying more for those taxes, as the gentleman from Texas said, beyond getting less because of the quality of care and because hospitals and other providers are going to reduce the services that are available, we still have this gaping hole which we know that the Republicans are saying, "Well, if all this doesn't squeeze enough money out of this system, then in a few years if we find out that we haven't saved enough, then we're just going to have to go back to the drawing board and come up with either more tax increases or more cuts in services."

What is that going to mean? Again, it is going to be more tax increases. You will see those premiums for part B going up even more. You will see that means-test threshold going down. You will see those co-payments or deductibles increasing, and at the same time you will see less and less money going to the hospitals and going to those who are providing the services.

There is no way to provide this level of cuts, to make this level of cuts in Medicare and also Medicaid, without having to pay more and get less, just as the gentleman says. I think that the Republicans and the leadership should fess up and say, look, this is a major tax increase, this is a tax increase on seniors that is going to pay for a tax cut for a lot of well-to-do Americans.

They might as well admit it because every day we see, as this unfolds, and it has not unfolded completely, there are still a lot of details that we have not gotten, but as it unfolds we see more and more that that is the bottom line and that is what we are getting.

I just wanted to congratulate again the gentleman from Texas and the gentlewoman from Connecticut for putting this together, because we have got to bring that point home.

Mr. DOGGETT. Mr. Speaker, I yield for a question to the gentleman from Pennsylvania.

Mr. GREENWOOD. That is very kind of the gentleman, and I appreciate it.

Mr. Speaker, with all due respect the amount of disinformation that has been brought forth this evening by my colleagues on the other side is breathtaking. Let me just correct a series of them very quickly.

There will be no increase in deductibles. There will be zero increase in deductibles. There will be zero increase in copays. The part B premium, which is at 31.5 percent for senior citizens today, will remain at 31.5 percent for senior citizens into the foreseeable future. That slight increase which seniors have received each year will be more than overcome by the COLA in their Social Security. They will be paying what they are paying today.

Second, with regard to the part of your poster there that says get less under our plan, every single senior citizen in America will be able to, next year and the year after that and for the next 7 years, be able to retain precisely the fee-for-service Medicare plan that they have today with every single benefit that they have today. There will be no change whatsoever. They will continue to pay 31.5 percent of the part B premium, and their friends and neighbors and children will pay the balance for them. In addition to that, they will have more choices.

Mr. DOGGETT. Reclaiming my time, I am so pleased to hear those comments from the gentleman tonight, because everything you have assured us that this plan will not do is what as you know one newspaper after another has reported was the plan of the Republican task force before last week. Thank heavens we are having some impact in educating the American people about the dangers of this Republican plan. Apparently there are at least some members of the Republican Party that are backing away from raising deductibles, not in the U.S. Senate where they propose to double them under the Republican Senate plan. There are some who may be backing off copayments.

The problem is, as the gentlewoman from Connecticut has pointed out with yesterday's Washington Times, hardly a mouthpiece of the Democratic Party, that you have a giant gap in your plan. That giant gap is proposed to be filled by what you call a look-back provision.

That means that at the end of the year, if you do not get the savings necessary to get the tax break for the privileged few, you are going to have some bureaucrat in Washington reach back and cut in the program. When that cut occurs, it is going to be even more difficult for people to find a health care provider that will provide them Medicare.

I know from my own community that there are many citizens right now that have difficulty finding a provider that will take Medicare. Fortunately you did provide some detail last week, and I am referring to the House Republican leadership packet, the so-called information packet, which is a bit of a contradiction because there is not much information in it, but in that packet you said that it was a myth that you would chase doctors out of Medicare.

Your answer, though, was that doctors today are turning away Medicare patients, which is true, and that doctors under your plan could choose to participate in what you call Medicare Plus. But Medicare Plus is not the Medicare system that people have relied on for the last 30 years, and which you say you would continue to give them the right to participate in. I do not think the Republican Party, tonight or in their so-called information packet or at any other time, has provided any genuine assurance to the American people that they are not going to be forced out of a Medicare system, and whether they are going to have providers who will provide them Medicare in the traditional way.

I yield to the gentleman from North Carolina.

Mr. HEFNER. I would just like to make a point. I know the gentleman's intentions are good. You can give us these numbers, but you do not know where the money is coming from. You do not even have the total numbers on all where this money is coming from or how you are going to pay for it, as late as today. You can give these assurances, but delivering them is another thing.

Where is the money going to come from? All these assurances that you have given to us here tonight, if you can give us these assurances and put our mind at ease, why do we not have an extensive debate, something at least as long as the Waco hearings or the Oklahoma hearings or what have you, and let the American people, the senior citizens, sit before the television and assure them? We will see who they believe and see whose record speaks for itself over the years. Let our backgrounds, let the history speak for itself. But the assurances that you give us, you cannot guarantee that. And your party cannot guarantee that.

Mr. GREENWOOD. If the gentleman will yield to me, I can.

Mr. DOGGETT. I yield to the gentlewoman from Connecticut.

Ms. DELAURO. I have a lot of respect for my colleague. We have worked together on a number of issues. I would like to believe and I think the American public would like to believe what you say.

Again, just yesterday in the Washington Times, it says that—

> The Congressional Budget Office will not be able to certify the necessary savings and the GOP plan will have a gaping budgetary hole. Senior GOP aides said an even larger problem is that a preliminary CBO analysis has revealed Republicans will glean little more than $30 billion from one of their most highly touted reforms, allowing seniors to enroll in health maintenance organizations instead of staying in Medicare's traditional fee-for-service program. Republican aides also said they foresee little savings from the malpractice reforms. The CBO also questions savings from reforms aimed at curbing waste, fraud and abuse. That leaves Republicans in a difficult position. They had been counting on saving as much as $80 billion from such reforms. A shortfall of that magnitude would reduce payments to doctors and hospitals each year by about $18 billion.

The look-back provision is buying a pig in a poke. You do not know if you take a look and your savings are not realized, you are going to go back after people again. We had this debate and discussion last night.

Mr. GREENWOOD. I would love for you to yield because I could give you wonderful answers to your questions if you are really interested in the truth.

Ms. DELAURO. Let me just say to you that when you cut back in the same way that you did in the Medicare Program, and we know that there are lower fees on reimbursements to doctors and hospitals, that you are doing the same thing in the Medicare system where it is not going to be just cuts to the providers.

We all agree that there can be cuts to the providers. I could not stand here and say that we could not do that. On the other hand, what you will see, you will see a cut in services. You will see a cut in the quality of care that is being delivered to our seniors.

Let me make one other point. There are some members of the other party that are trying to move away from their leadership. They are being quoted all over this country.

In Fresno, CA, one of my colleagues was heard saying, and this is a quote, one of my Republican colleagues: "We are concerned about saving Medicare at least for the next 15 years." Beyond that, he says he cannot commit to continued support from the Congress. Make no mistake about it. The plan is to end Medicare as we know it.

One of our colleagues in Maryland, when he went out in terms of his road show this weekend, one of his constituents asked, "Why are you offering tax cuts, while you're increasing the cost of Medicare?" The Congressman's response was, "Wouldn't you rather sing My Wild Irish Rose?" I am not making this up. This is his quote. When you cannot defend your position, you change the subject.

There are a lot of questions that are unanswered. I would ask the Republican leadership the following questions: If you are willing to have hearings, will you support the Dingell resolution that calls for 4 weeks of hearings in this body? If you are so interested in saving Medicare, are you willing to take the tax package off the table? Those are the questions that have to be answered.

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Mr. DOGGETT. I appreciate your questions, and I have only about a minute left, but I would yield for observation briefly to my colleague from Texas.

Ms. JACKSON-LEE. First of all, I am gratified that we attempted to have a bipartisan discussion, and I think it is important that we evidenced by this discussion that we need 4 weeks.

Lastly, the sickest of our seniors will be left without any coverage or at least without a sense of being able to have the best coverage. The system is not bankrupt. There is a life of 7 years, and there has always been a life on the Medicare system. That is the reality that we should teach the American public to get to national health reform.

I thank the gentleman from Texas.

Mr. DOGGETT. Mr. Speaker, I thank all of my colleagues for participating tonight, and particularly my Republican colleague from Pennsylvania, Mr. GREENWOOD. Under the procedures of this House, he and his party now have a full hour in which to present their plan, and I hope they lay it out line by line so that the American people can see what is in this plan.

They have yet to lay it out, perhaps, to some of their own Members who do not understand the details, and as the morning's papers seem to indicate, do not know, themselves, how they are going to fill the great void that is there in their plan, and how it is they are going to provide a $270 billion cut in Medicare, without demanding that America's seniors pay more and get less.

We need a full and thorough debate; not just in their forum tonight, but with a series of hearings and a full open rule when this matter comes before the House. I hope the presence of my Republican colleague here tonight is an indication that the Republican leadership is going to change its ways, just as he says they have changed their ways on some of the increases that they were originally contemplating in taking out of the pockets of our senior citizens, that they will change their ways and that they will not fade the heat any further from the American people, but will instead give us a full, fair and open debate in committee and on the floor of this Congress.

If we do that, if we have the kind of bipartisan exchange, then the American people will know what is about to happen to them. They can understand the full consequences of having to take from seniors in order to afford a tax break to the most privileged few in our society.

Mr. Speaker, I hope that we will see that happen and hope that our Republican colleagues in the hour that they now have, will indicate to the American people that we will have that kind of full, fair and open debate, unrestricted in terms of time, unrestricted in terms of amendments, so we can really get about the job of improving and strengthening the Medicare system instead of taking away from it.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1883

Mr. WELDON of Pennsylvania. Mr. Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor of H.R. 1883.

The SPEAKER pro tempore (Mr. GUTKNECHT). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AMERICANS ARE NOT BUYING THE "CHICKEN LITTLE" STORY OF THE DEMOCRATS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WELDON] is recognized for 5 minutes.

Mr. WELDON of Pennsylvania. Mr. Speaker, I have been here 9 years, my third term, and I take great pride in working in a bipartisanship manner on a number of issues. On the Committee on National Security on defense; on environmental issues, through the GLOBE organization; on energy issues; labor issues; and issues affecting working people as well as natural and manmade disasters, reaching out to both sides of the aisle to reach common consensus.

Mr. Speaker, after listening to what I heard for this past hour, and what I heard last night, I have to change the tone of my speech tonight. I would hope perhaps that some of my colleagues who are rushing out the doors will stick around for 5 minutes to hear what I have to say.

We have heard the story about Chicken Little, that the sky is falling. We heard that from the Democrats when they said, under Ronald Reagan, that Republicans were going to end the Social Security system. We heard that from the Democrats and from the President when we announced our child nutrition program, and they were proven wrong again. And then we heard the same argument from the Democrats on the student aid debate, and then we found that there are, in fact, no cuts being proposed for student aid.

Now, Mr. Speaker, we are hearing the same tired, worn out arguments on Medicare. Mr. Speaker, even senior Democrats nationally understand what is going on here. Let me quote, for instance, Democratic Mayor of Chicago, Bill Daley. He recently told The New York Times, and I quote Democrat Mayor Daley, "The only message we have got is the same one we had in November: The Republicans are going to cut Social Security and Medicare. People look at it and say, Forget it. We do not buy that. The sky is not falling."

Mr. Speaker, this is Democrat Mayor Bill Daley of Chicago saying that this is nothing more than the same old tired message attempting to scare people. The same thing we heard against seniors 4 years ago, against students and kids earlier this year. In fact, Mr. Speaker, the people of America are listening to what we are doing and they are responding in overwhelming numbers.

Let me give you some facts and statistics, and I will be happy to provide them to any of our colleagues who would like to come forth and ask for them. Since the Democratic convention in New York City 3 years ago, the Democrat party has lost a total of 685 Senators, House Members, Governors, State Senators and Representatives. That is 685 in just 3 years.

As a matter of fact, Mr. Speaker, last Friday, September 15, in Vice President GORE's home State of Tennessee, 2 Democrat Senators switched parties. Senator Milton Hamilton, Jr., and Rusty Crowe. When they switched to the Republican Party, they turned the Tennessee State Senate Republican for the first time since Reconstruction.

Now, is this an exception? Mr. Speaker, since Bill Clinton took office, 132 publicly elected officials have switched parties. Zero have switched from Republican to Democrat, and yet 132 have switched from the Democratic Party to the Republican Party. None have switched the other way.

In fact, 37 Members of Congress who were Democrats since Bill Clinton took office have either resigned or announced their retirements to date, and more will follow.

Another five, 2 U.S. Senators and 3 House Representatives, have switched to the Republican Party. An average of almost 1 Democrat U.S. Senator per month since Bill Clinton took office has either retired, resigned, or switched parties.

Mr. Speaker the American people are listening and when we get beyond the Beltway, the breeze that is blowing across America is unbelievable. The American people are seeing beyond the type of demagoguery and rhetoric that we heard tonight and last night on the House Floor.

In fact, in Georgia just 2 weeks ago, the first female district attorney switched parties. Lone rising star in Georgia, Cheryl Fisher Custer, switched to the Republican party. She said, "There is a growing sentiment in this country that there must be a fundamental change in government. I believe that the Republican party offers the best opportunity to effect that change and bring about responsible, common sense government."

Custer was the seventh Georgia Democrat elected official to switch to the Republican Party this year alone.

Let us go beyond. It is not just the South, Mr. Speaker. Let us go up to Maine and look what happened in Maine back in August. Maine Representative Edgar Wheeler switched parties. He became the 113th Democrat to switch since Bill Clinton took office.

Mr. Speaker, this is what he said: "For several years, I have felt out of tune with the Democratic Party, and during my first year as a legislator I recognized how far apart I really am from the party."

Mr. Speaker, all across America, beyond the Beltway, the people are speaking loud and clear. They are rejecting the Chicken Little story of the Democrats and they are understanding what we are doing and that is bringing some common sense back to this hallowed.

TOPICS OF IMPORT REGARDING REFORMS IN CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Washington [Mrs. SMITH] is recognized for 60 minutes.

Mrs. SMITH of Washington. Mr. Speaker, I yield 10 minutes to the gentleman from Pennsylvania [Mr. GREENWOOD].

MEDICARE REFORM

Mr. GREENWOOD. Mr. Speaker, I thank the gentlewoman for yielding and I will not take much of the time that she has reserved.

The gentlewoman may know, I was back in my office and some of my colleagues from the Democratic Party took to the floor and began to give such a tirade of incredibly breathtaking misinformation about Medicare reform, that since I am one of the 8 members of the Republican task force drafting the new plan, I felt compelled to come over here and set things straight. My friends would not yield me much time, and so I appreciate the gentlewoman doing so.

Number 1 thing that our colleagues from the other side of the aisle did not want to go into very much is the fact that the trustees of the Medicare program, part A, and those trustees include three Members of President Clinton's cabinet, issued a report back in the early part of this year. That report indicated that Medicare, part A, is in trouble.

The program is paid for by payroll taxes and this year, fortunately, we have more than enough funds to pay for that program. But next year we start to spend more than we take in, and in 7 years there is no money to pay senior citizen health care costs at all. The program goes broke.

We cannot let that happen. The President of the United States has agreed with that and, of course, what the other side did not mention at all is that President Clinton has suggested, has recommended in his budget document that in fact we need to do something about the outrageous, unsustainable inflationary rates in our Medicare program.

Medicare costs are going up by 10 and 11 and 12 percent a year, and there is no need for that. In the private sector, health care costs have all but leveled off. And if we continue to waste money in Medicare by continuing to have those 10 and 11 and 12 percent increases, we are foolish and we are wasting the taxpayers' money and we are doing nothing that values our senior citizens.

So what are we going to do? We are going to try to work together in a bipartisan fashion and here is what we are going to try to do. It is really quite simple. Our plan will ensure that every single senior citizen in America on Medicare, as well as those who are disabled, will have the option to stay exactly where they are. They will continue to receive what is called fee-for-service health care.

Mr. Speaker, that means they can go to the doctor of their choice when they choose and Medicare will pay all their bills. If they go to the hospital, Medicare will pay all of their bills just as it does now. Their cost for part B premium will stay just as it is now at 31.5 percent of the cost. And, as seniors know who have been on Medicare for some time, as the program inflates a little bit, that 31.5 percent costs a little bit more each year, but their COLA, the social security cost of living increase, more than compensates for that. Their Social Security check will be bigger next year than it is this year.

We are going to increase the amount of dollars that we spend on average for a Medicare beneficiary in this country from $4,800 a year this year to $6,700 a year in 7 years. And I need to repeat that, because all of this talk about cutting Medicare is outrageous. Listen again. We are going to increase, the Republican plan increases what we spend on average for each and every Medicare beneficiary, our moms and dads and our grandparents, from $4,800 per year per beneficiary this year, increase it 5 percent each year for the next 7 years for a total increase of 40 percent, up to $6,700 per year.

Then we are going to create some exciting new options for our seniors. We are going to make it more attractive for insurance companies to offer managed care. Managed care programs are programs where the managed care company tells you what your network of doctors will be, and if you want to get into that network, you can benefit from some of the additional benefits that they can offer you.

My mom and dad are in their middle-70s, on the low side of mid-70s, Mom, but they have chosen on their own to go into a managed care program and they love it. They no longer have to pay Medigap costs. They have a new prescription drug program. Their doctors are in their network and they get all of the referrals they need and they are very happy.

In the Republican plan, those seniors who want to gain those benefits and achieve those savings will be able to go into managed care and if for any reason their circumstances change or they are not happy with the plan, they simply opt out and go back into the fee-for-service program.

Mr. Speaker, I am very, very confident of the fact that later on this week when we unveil the Republican Medicare improvement plan, that the senior citizens of this country will like it and like it very much. They will understand that what we have done is not raised their deductibles, not raised their co-pays or limited their options, but in fact continued to give them the same first class health care program that they enjoy now with many more options.

What this is all about is a decision as a Nation as we look at the Medicare program going broke, as we look at the Nation as a whole going broke, $5 trillion in debt, are we going to be grown-up about it? Are we going to be adult about it? Or are we going to continue to act like adolescents, spending today without regard to tomorrow?

I think most Americans demonstrated in the last election that the policy of enjoying the benefits of programs today and expecting our children and our grandchildren to pay for them with ballooning debts and deficits are unconscionable. The senior citizens of this country know what it is to be grown-up and to act responsibly, and I believe that once they see how responsibly we Republicans have behaved in fashioning this program to meet their needs, they will then do the responsible thing and support it.

Mr. Speaker, I think the country will be better for it. Medicare will be better for it, and all of this political posturing will soon be behind us.

And with that, I would yield back the balance of my time and thank the gentlewoman from Washington [Mrs. SMITH] for yielding.

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ELIMINATING PACS AND OTHER CONGRESSIONAL REFORMS

Mrs. SMITH of Washington. It gets confusing sometimes, does it not? I hear all of these things out in the public and I do not know what to believe.

Mr. Speaker, I think the real thing that we can all believe is that Medicare is going to finally be preserved, and the President's task force said it was going to go belly up and be in stark trouble. Look at what is happening. We are debating the real issues and we are debating how to preserve it, to protect it. A few people are demagogueing it. But most of Congress, Democrat and Republican alike, understand that we have a responsibility above politics.

Mr. Speaker, with that, we want to talk tonight and share some of the thoughts going on in Congress, and just talk them through, because the American people often do not get to see what is happening behind the scenes. Today there was a meeting that was vitally important to this place, and we have decided that never, ever again in the history of Congress should we be having discussions over whether someone voted because of the money they got from special interests. This coalition went together and we put together a plan. After we reminded ourselves of all of the good things we have done so far, which there have been many, we decided that we still had to do more.

We would like to go through; and in fact, I would like to ask the gentleman from Michigan [Mr. HOEKSTRA] if he could help me remember. Mr. Speaker, it has been 10 months since we started this year and we have done so much reform. Let us go through what we have done, even though our group is going to ask for a lot more, and let us talk about what we have done so far.

Mr. HOEKSTRA. Will the gentlewoman yield?

Mrs. SMITH of Washington. I would be happy to yield.

Mr. HOEKSTRA. If we go back to opening day, we were here for what, 12, 13, 14 hours, and it was a long time ago. But when I think back about my first term of office and how different this session of Congress has been, because some of these changes that we made on opening day, we did go through and we reduced the size of committee staffs by one-third, so we are downsizing Congress. We went to a process now that is very important as we work towards a balanced budget within seven years, and we said that we would go into truth-in-budgeting baseline reform. A third reform is even in this Congress, we had a historic first vote on term limits for all Members of Congress.

What we were able to do on opening day is we were able to establish term limits for the Speaker, committee and subcommittee chairmen; we banned proxy voting, one of the reasons that so many of us are getting so much exercise this year, we are running back and forth between the House and various committees, making sure that we as Members are present and voting in committees, and we do not have chairmen there with a stack of paper saying how they believe Members should vote. We had sunshine rules concerning committee meetings. All of our committee meetings have been open to the public and the media. We have passed a supermajority regarding limitations, or the requirement for a supermajority on any future tax increases.

More recently we have seen the result of one of those other reforms that we put in. We had the first comprehensive House audit, and I think we all recognize the disappointing results of that House audit, basically not getting a clean bill of health like private and public corporations around the country are required to get from their auditors, but basically telling us that we had significant work to do in this House to bring our standards of financial accounting up to what is expected in the private sector.

Then the last significant reform that we had on opening day was the Congressional Accountability Act, where we went through and said that it was time to take many of the laws that applied to the rest of the country and apply those laws to Congress, so that we would get a better understanding of what is happening to small businesses, medium-sized businesses, individuals around the country, with the different laws that we have put in place and we have never lived under.

So that is kind of a quick overview of the types of things we passed on opening day. In the last Congress, those would have been considered historic. In this Congress, they are now considered a footnote because we passed them all on the first day, and people are now saying, well, you did that on the first day, where are you moving to now? What is the next step?

Mrs. SMITH of Washington. Mr. Speaker, we have moved along so quickly, we have had to do so much. Even the audit was monumental, because this House has not been audited in 40-some years. Can you imagine a business not being audited in that long?

So we have done a lot. But we had a meeting today of reformers, and there are a group of reformers, Democrat and Republican in this House, that want more and more, because we believe the American people want more and more. So we came to a conclusion today that we should eliminate PACs-giving. Now, that is historic, because it was a big enough group that we think that we can actually accomplish that if the American people come behind it and help us push.

We were asked, why eliminate PACs, and I am going to go back to the charts we were using in this meeting today to share them again, because I think the reason that people are unhappy with us is they think that once you get here, and I have not been here long, but once you get here, the money comes in, the committee chairs get more powerful, the people get more powerful, and the incumbents just stay because of that money and that power.

Well, Mr. Speaker, they are right. The American people are right. Right now, incumbents get 43 percent of their money from PACs, and that leaves individuals at 53 percent, and a lot of that is connected to both the lobbyists giving individually and the attorneys for those same entities, those same PACs. So when you start whittling this down and you take those out, very little, relatively, comes from the person's district from small contributions.

Now, look over here. That is the challenger on this side. The challenger, and no wonder not very many challengers win, get very little from PACs. PACs bet on the incumbents. The incumbents can sit here, never go home to middle-class America or to the streets of their districts, and they can just get reelected by fancy media campaigns and sending direct mail and never have to shake a hand of a constituent.

So, Mr. Speaker, we decided today some monumental things. I guess I would like to have you two share why you decided to participate in these reforms. I mean, this is pretty courageous, this is a pretty good sized group now of courageous people who have said, we are going to try to break the back of the old system and kick out the money brokers.

Mr. SANFORD. Mr. Speaker, I think the gentlewoman is exactly right, in that if you look at the number that you were just pointing at, the really interesting number is to look at the difference between incumbents and challengers. If you look at that 11 percent number that goes to challengers, what you really begin to see is corrosion of the democratic process.

For instance, in the 1992 election cycle, if you were to break the numbers which you would be looking at, is that roughly, challengers picked up around $15,000 per election cycle from PACs, while incumbents picked up about $212,000 per election cycle from PACs. That is not exactly what we call a level playing field back home in South Carolina. Mr. Speaker, again, $15,000 as compared to $212,000, and that is that kind of difference in terms of funding of campaigns that has a lot to do with the fact that we have a 90 percent reelection rate in Congress.

What people have been saying with the term limits movement is that we want to break the back of this sort of permanent political working class, and instead, they want to see a citizen legislature that goes in for a little while, tries to make a difference as best they know how, and then goes home. One of the keys to leveling that playing field is this money thing that we are talking about.

Mrs. SMITH of Washington. Mr. Speaker, I think the other piece that we decided on, although we have not decided exactly the mechanism, but we decided that most of the money, if not all, if we could get a constitutional okay on it, if enough people would say it was not unconstitutional, that we wanted all or most all of the money to come from the district or State of the voters that put that person into office, and no money to come from anywhere else. What do you think would happen next year if that were in place and the incumbents could not raise money from special interests here? What do you think would happen to those incumbents? What would they do, quite naturally?

Mr. SANFORD. They would either be in real big trouble or they would have to head back home to their districts, which is again how I think the finding fathers wanted it.

Mrs. SMITH of Washington. Or they would retire.

Mr. SANFORD. That is exactly right.

Mr. Speaker, on that point I would like to bring up the fact that a lot of people say well, there is no difference between PAC funding and individual funding, and as I think all three of us know, there is a fairly considerable difference, because a PAC is all about focused special, specific interests. That same amount of money coming from an individual; for instance, if I was to go back home to the fellow that runs the corner hardware store and say, well, it costs money to run a campaign and I sure would appreciate you helping out, and that person is not only concerned about business or concerned about that particular community, but they have children or grandchildren, so they care about education, they care about the Social Security system. There are 1,001 issues that make up that individual, and so you begin to get a general interest as opposed to a very specific interest, and I think that distinction is awfully important.

Mrs. SMITH of Washington. You know, I think it is common sense, as the first reforms we passed are common sense, that people are saying, other people used to vote by proxy and we did not know that, or why should a chair hold a committee chairmanship as long as he or she is alive and can be put in the chair? Mr. Speaker, that should be turned over every so many years so power does not get too tough.

Well, people know those things, but we seem to have kind of isolated ourselves here in Washington, DC, and forgotten some of those common sense conclusions.

Mr. HOEKSTRA. Will the gentlewoman yield?

Mrs. SMITH of Washington. Sure.

Mr. HOEKSTRA. Mr. Speaker, the discussion this evening is focusing on PACs, but I think if we go back and we take a look at, just for a moment, at the larger objective and the larger picture that we talked about today, we evolved to political action committee funding, but we started off with a vision of where we wanted to be, taking into consideration what we did on opening day, the process that we have gone through this year, and what we hope to accomplish yet during the next 15 months of this Congress.

Overall, where we want to move to is we want to move to an institution, a Congress, that the American people can feel good about, that they see that we have put in place a series of reforms, a series of change in procedures about how we go about doing our business that will reinforce to them that our primary interest, our only interest, is in doing what is good for the long term of this Nation, moving away from what I think a lot of people have perceived Congress has become and Congress people have become, which is focal points for special interest groups. That we are here, and we are about doing the people's business, and that what we are going to do is try to eliminate all of those things which detract us, or which move us from focusing on what is important, to focusing on special interest groups and no longer the good of the country. Political action committees are one of the primary things that do that.

We also talked today about a series of things about ethical reforms.

Mrs. SMITH of Washington. Let us go through those so that the American people know what is being talked about, and what we have been thinking about, because there are many things. I took a little bit of your time, but I will share all of the rest of it with you.

The American people are interested. Let us start talking about these other reforms, because even though we resolved on certain things today, we resolved on getting rid of PAC influence, returning campaigns to the streets of America, and eliminating all gifts and trips; other than that, then we got into things we wanted to add to strengthen, and let us talk about some of those.

Mr. HOEKSTRA. Well, we talked about things like ethical reform, what Members of Congress can do once they leave the institution; for instance, should they really be permitted to go work for foreign governments, taking the knowledge that they have gained here. Should they be permitted to come back and lobby Congress? We talked about pension reform: How lucrative should a retirement from Congress be?

Mrs. SMITH of Washington. Mr. Speaker, I think we said that Congress people should not get any more pension than an ordinary person, and I think that is what we came to.

Mr. HOEKSTRA. Yes. I think there is another whole series of things that I think are going to provide a very fertile ground for us to explore, not only reforming this institution, but also reforming the size of Washington government and our relationship with the American people.

The gentlewoman is well aware of some of the ideas that I have been pushing, such as the opportunity for the American people to recall Members of Congress in the Senate; the opportunity for them to have initiative and referendum, and those types of things, and I think we may hopefully also, as we put this package together, a comprehensive package of reform, of building trust in a relationship with the American people, we can have an exciting package of reforms that demonstrate that we are serious about changing the way that Washington, DC, does business, and we are serious about changing the way that Washington, DC, relates with people at the grassroots level.

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We are about change. We are about progress. We want to be about good Government.

Mrs. SMITH of Washington. I would like the gentleman to talk about the initiative referendum because it is something that was up last year. It has not been talked enough about this year, but you have been a leader in that. Then let us talk about that a little bit because it sure makes a lot of sense to me.

Mr. HOEKSTRA. The process we proposed 2 years ago, we came here 2 years ago with a smaller freshman class and with a different majority. And we recognized that we needed to put in place reforms. But we said, where do we get the pressure to really change and force Congress to act? How do we empower the American people?

One of the things we see is a total disconnect. People at the grass roots level no longer feel like they can really influence Congress because of things like PAC's. We said, there are a number of States, Michigan being one, where through a thoughtful, deliberative initiative and referendum process, people at the grass roots level have been able to put in term limits, put in tax limitation, put in good government measures, because they had a legislature that was unwilling do it so we provided them at the State level a mechanism to have an influence on legislation that would change the way government was done in the State of Michigan. We said, why can we not provide that same opportunity?

I think one of the things that we have a real opportunity to pass in this Congress is we have an unfinished agenda in the Contract With America. We passed much of what we wanted to do with the Contract With America. We fell short on one major item in the House of Representatives. That is term limits.

The Speaker of the House said that when we come back, if the Republicans are in the majority in the next Congress, the first legislative vote we will have in the next Congress is a revote of term limits. And I think an initiative process or a referendum process on term limits would be wonderful. Let the people, the candidates debate the pros and cons of term limits in the spring, summer and fall of 1996. Let them all go to the polls on the second Tuesday of November and advise us whether they think term limits is an appropriate piece of legislation. Take the results from that advisory referendum and in the first day that we are back in session in 1997, see if we cannot pass term limits and complete the agenda of this Congress.

This Congress has not heeded the call of the American people. The American people want term limits. This Congress said no. Let us give the American people one more chance to instruct us and see if the next Congress cannot get the message.

This is the process that we are looking at building yet during the next 15 months.

Mrs. SMITH of Washington. You can see it is a dynamic coalition.

Mr. SANFORD. If I may, you are talking about the American public getting the message or trying to send the message. Getting back to what we were talking about earlier with your charts in terms of PAC contributions, one of the messages that I think has been mixed are folks that say, there is really no difference, again, between an individual contribution and a PAC contribution.

One of the things that I think stands out on that front is not only the difference between the single issue and sort of the wide ranging issue, wide range of issues held by an individual, but as the recent Forbes article pointed out, it was here in the last year, I do not know if you saw it. I think it was very interesting. It tells a tale about how specific money is tied to certain issues in a way that is destructive to our democratic system.

It was a study done by the American Tort Reform Association on, of all things, the American Trial Lawyers Association. This is a Forbes article of October 24 of last year.

What was interesting about this study was they studied contributions by the American Trial Lawyers Association to California, Texas, and Alabama. Between the dates of January 1990 and June 1994, during that period, they contributed $17.3 million. By election time it was right at $20 million. And if you took it across all 50 States, you would be at about $60 million.

What is interesting about that number is the point of the article was, did these folks get a good return on their investment. The answer was, absolutely yes, because most attempts at sort of meaningful reform in terms of tort reform have been stymied in large part due to the $60 million. So I think, one, it is interesting the way the money flows to specific issues, but as well the bundling factor which is not talked about often with PAC's, which is that PAC's can contribute up to $5,000 per election cycle to a campaign, which means, for instance, in my race I had a primary and then a runoff and then a general, they could give $5,000 in the primary—$15,000.

Mrs. SMITH of Washington. One group?

Mr. SANFORD. One group.

Mrs. SMITH of Washington. And you would say that had no effect.

Mr. SANFORD. Exactly. They could get together with three other PAC's and you could be looking at $45,000 from one group, and the American public is looking at it and saying, wait, this does not pass the common sense test.

Mrs. SMITH of Washington. I have to say that people that are standing here have to be commended simply because we have been thrown into the system, a lot of freshmen, and you are a freshman too, as I am. We are standing up against it.

Now we have recruited, I call it the older reforms that got beat down. All of a sudden they are standing up with the freshmen saying, "We do not like the sewer either." They are talking about it from within. This is historic. Never, never before have they really pointed to the institution and themselves. They have always pointed to somebody else on the other side of the aisle or they got out of politics and then talked afterward.

Mr. SANFORD. Right.

Mrs. SMITH of Washington. So you are saying those things about your campaign is really historic, that you would be willing to step out.

Mr. SANFORD. Hopefully, that is what is different about our class. People will actually step to the plate, whether it is on term limits or whether it is on campaign finance reform, and stay that for too long people, as you have said, have just pointed the finger saying we need to reform all of this out here but never us. Hopefully we are beginning this cleansing process for beginning with ourselves.

Mrs. SMITH of Washington. I think that I really do commend you because I know that some of the folks have been afraid of pointing to it for fear that those that are not so kind will say, but you came in in a PAC system. What I say to them is, if you are willing to stand up now, I believe the American people will stand up with you. You ran against PAC mania, and if you challenged an incumbent they were raising it there. So it is quite natural.

Then you come in with a debt, and the PAC's are here, and they are paying off the debt. And your opponent has already filed against you the day after your last election. They are getting PAC money. So no matter where you are, are you courageous enough to stand up in it and say, no.

Mr. SANFORD. Speaking for PAC mania, I was looking at numbers from the Federal Election Commission showing numbers for PACS; December 31, 1974, they were right at basically 89 corporate PAC's total, 89 corporate PACS; July 1, 1994, 1,666 PAC's. You can see this explosion in terms of the way special interests have manifested themselves. So you are right when you say the word PAC mania.

Mrs. SMITH of Washington. We want to get our good friend here, the gentleman from South Carolina [Mr. GRAHAM].

But take a look at this. A total of PAC contributions just to the House for 80 million in 1984. There are 132 million just to the House in the last election. And it is going up just about the sharpest, just about like the national debt did. I wonder if it is connected.

Mr. GRAHAM. This is the upstate version. Mark is from the coastal area of South Carolina, and I am from upstate.

Mrs. SMITH of Washington. Good State.

Mr. GRAHAM. One thing we agree on is that the system needs to be changed. The gentlewoman has done a good job bringing the debate on the floor for the House tonight and throughout the Congress. Let me say why PAC contributions have gone up in my opinion.

We tried to reform giving in the past, and this was a loophole that we limited individual donations, so PACS were formed. They have replaced individual giving, corporate giving. We said corporations could not give in their own name so they created political action committees that will allow you to give in the same manner that you were before when corporations were giving directly.

When it comes time to evaluate whether we have done things differently in this Congress, I would like people at home to think about what the debates are now. The debate now is how much do we reduce Government, how much do we cut spending, how much do we deregulate, how quickly do we reform Medicare, how quickly do we balance the budget. I can tell you that 6 months ago that was not the debate in this country.

So there has been a substantive change in the way we are looking at national issues. I think our class had a lot to do with it. There are people that have been fighting for a long time in this institution to bring better Government about. But the whole debate has changed. I am proud to be a part of the new debate.

The only group of people that I know that has serious doubts about the merits of term limits at the national level happen to reside here. When you go out in my district, it is not a real serious debate as to whether or not you need term limits. There are people that genuinely believe that term limits is something that we should not do. Certainly not going to cure every Government ill, but the vast majority of Americans, 70 to 80 percent of them, believe it is time to experiment with our Government and try a new form of serving in Congress, make it an opportunity to serve your citizens and come back home.

Mrs. SMITH of Washington. Why do you think they want term limits?

Mr. GRAHAM. I think a recent example of someone who has been up here for a very long time, term limits and arrogance go together. I think the public sees it as a way to control the arrogance for power. The average committee tenure for chairmen tenure in Congress was 26 years on average. Committee chairmen had held their jobs for 26 years. And I do not see those people losing their jobs unless you change the institution.

Mrs. SMITH of Washington. What is wrong with that? What is wrong with all that experience? I had somebody say, well, that is experience.

Mr. GRAHAM. Well, experience is good in many areas, but in Government, the power centers are dominated by a few people. And literally, it has been true in Congress that if a handful of people did not like the idea, regardless of its merits, it could never see the light of day.

Mrs. SMITH of Washington. What kind of people?

Mr. GRAHAM. A handful of committee chairmen and the power structure here. As a freshman, we have been beat on a little bit. We are not always right, but we want change to come about quickly. We want change to come about, and it would be real change. I have been in the State legislature, and I know that enthusiasm that you get with a new job. It is irreplaceable.

After 12 years, I ran on 12-year term limits. At this pace I do not think I will last that long, but I guarantee that I will be part of the problem so that it will be good for this institution to have new people recycle through.

In my district there are a lot of people that could be good Congressmen. I am certainly not the only one, and I would give them a chance to do it. But term limits was the only item in the Contract With America that was failed, and it was the only item that affected our political future.

I hope and pray that people will not give up on this issue. We have an inclination in this body to still protect ourselves. There is no doubt in my mind if PAC reform gets to the floor for the House that campaign finance reform gets to the floor of the House. It will be a slam-dunk vote.

People in this institution are afraid to vote against the mood of the times, but our problem is getting it out on the floor for a vote. When it comes out and sees the light of day, these reform measures are going to pass. Our leadership is very busy now trying to balance the budget and reform Medicare, but I hope they will listen to us. More importantly, I hope they will listen to people back home and get real reform that affects Members themselves on the floor so that we can profess to people finally that we are serious about not only changing the way the Government works but the way we serve in Government.

If we can establish credibility at that level, then everything is possible. We can balance the budget. We can reform Medicare because we live by example, and I am optimistic that we are not too far away from that date happening.

So folks at home need to take some encouragement. The debate has changed, and we are going to get the Government back on track sooner or later. I think it is going to be sooner.

Mrs. SMITH of Washington. Has it not been exciting to be a part of freshman reformers on both sides of the aisle. I was thinking about that as we were setting a meeting today with reformers, Democrat and Republicans. I was looking at these people that were saying things, like I do not care if I get reelected, we have to do this, and that were willing to take on the old committee structure.

Some of the more difficult folks to change are going to be some of those that have been chairs forever or because Republicans took control, finally have chairmanship but who have been here for years. It is going to be hard for them to accept the change. But when I looked around that room and I saw the determination, I do not know how you feel, but I thought, I think that if the American people give us the support, we are going to be able to make sure that the leadership understands this has to get to a vote.

Did the gentleman fell good about the dynamics for the meeting today?

Mr. GRAHAM. Yes, I felt good about the fact that the people did seem very sincere. And I would be the first to admit, I enjoy my time in Congress. I limited my own term, and I am going to live by that if the people allow me to come back.

I am concerned about getting reelected but not at all costs. I would like to see this revolution through for several terms so that we can make sure that what we start today does not die next term. We need to sustain a majority with people of the right mind and right spirit.

I would rather be beat than not to balance the budget. I would rather be beat than to walk away from the Medicare system that is going broke. I would rather be beat than not to fund the military adequately. There are certain things that mean more to me than my political career because I can see the future, and the future is at stake now.

We are going to take one or two paths. We are going to deal with entitlement issues in this country in an honest way, or we are going to turn our back to them and worry about the reelection solely on the idea that, if you do not give the American people everything you perceive they want, they will not vote for you.

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What I perceive the American people wanting is honesty in government, to be honest with them about Medicare, to give reforms that are sincere, that are meaningful, and to get away from the rhetoric. I think the American people are our best ally. I am not afraid of them at all. I think we are way behind the power curve and they are way ahead of us.

Mrs. SMITH of Washington. I have been home a lot. I go home every weekend, 3 or 4 days a week. I find this place is so far removed from the American people. There is a lot of common sense. They want solutions. They do not want the polarization. What they consider common sense seems to be different than what is here.

Can you imagine if we had the American people here right now, we had them all in this room and they took a vote on whether lobbyists should be giving us money at all, what the vote would be?

Mr. GRAHAM. I came from a State in South Carolina where 16 to 18 people in the State legislature went to jail for taking bribes on their votes, for taking gifts illegally. We have the strongest ethics law in the country in South Carolina. You cannot take anything of value from a lobbyist. We were able to operate State government, I think, better.

If the American people could vote by television or some other device on these issues, it would be a slamdunk. It would be a slamdunk if this body had the opportunity to vote on campaign reform. So the message has to be: Call your Congressman, tell him that you are insistent that a vote come about.

We will have another vote on term limits, and I honestly believe that the American public is going to demand that this issue be resolved in favor of national term limits; that those people who consistently oppose term limits are going to lose their job through the democratic process.

The public has an agenda of its own. I think we have embraced that agenda in the Contract With America, but we have a lot more to do. Medicare to me is kind of a defining moment in this Congress. I believe this about Medicare: that if you take more money out of the system than you are putting in on average per couple, that the system is going to be subsidizing you. The number they tell me that is accurate is that the average American senior citizen couple takes out $10,000 more than they put in the system, which means their children and their grandchildren are paying the difference.

What we are trying to do up here is to even the playing field, reform a system that most of us believe does not work. The sicker you get in Medicare, the more money the doctor and the hospital gets. The incentives are all wrong. There is no opportunity to get reimbursed for preventive medicine, so we are going to create a system that has different incentives behind it and prevents the future generations from going bankrupt from subsidizing the system that really does not provide quality of medicine in an efficient manner. That is what the Medicare debate is about.

I think senior citizens in this country are going to step up to the plate and help us solve the problem. They won World War II, most of them lived through the Great Depression, they have seen the Great Society grow and interrupt their individual freedom. Can you imagine being a senior citizen in America and your sole source of income is Social Security, which the Government has its fingers in, and the only way you can get health service is through Government-sponsored health care? Who wants to be in that boat? You surely do not want that for your children and grandchildren. That is no place to be. We are trying to change that dynamic.

Mrs. SMITH of Washington. I think the exciting part for me about Medicare is this has been a Congress of courage. Instead of doing what was recommended by the President, just do nothing for a while, let us just do nothing until the next election, they decided to do it in spite of elections. Any time before we have tried to reform the major systems of Medicare and Social Security, the—I will just call them people that like to scare older people—have gone in there and done things, so they have not done it year after year.

When we all got here as freshmen, we had to face what they should have done 15 years ago in stabilizing these systems. Instead of us backing up and saying "We just got elected," we look at them. I went through the financials on Medicare. Serious problems. Anybody who has been here for 10 or 15 years that did not take a stab at really fixing them or trying to stabilize them before is really responsible. Here we were to handle them.

Instead of our freshman class and a lot of colleagues coming in saying, "Oh, my goodness, we are going to lose our elections," they said, "It is not responsible to not stabilize it and make sure it is there for the most vulnerable people. We have to do that."

Therefore, we have to talk about it. It did lay us open for criticism, but a leader that does not get criticized is probably not doing anything, or lying to both sides anyway. I appreciate that about the freshman class, being the motion behind that.

Mr. GRAHAM. I think that truly is the spirit of the class. The bill is now due for 30 and 40 years of socialism.

The bill has finally come due and it has come due on our watch. What are we going to do?

Mrs. SMITH of Washington. Instead of our grandchildren's.

Mr. GRAHAM. Now is the time to change it. By the time they inherit it, it is too late. We have the incentives all wrong. If you are a senior citizen and you make over $11,000, we start dipping into your benefits and punish you for staying in the work force. That is a crazy program. I would like every senior citizen in America that can work to keep working and pay taxes, Social Security taxes, for the rest of their live until they decide not to work; not have the Government punish you because you continue to work.

Welfare, we have a system now where you have to pick between dependence and independence. If you are a mother with a couple of children, the main reason that you want to stay on welfare is for health insurance. If you get a part-time job and you make $1 too much, we take your Medicaid benefits away from you. If you want to live together as man and wife, we take your benefits away from you because you went over a magic threshold.

I would like to see the Government help people help themselves. Do not have it all or nothing. Let us help you, and you work and help yourself, and as you go up the economic ladder we will reduce the benefit package but allow you to work and receive public assistance so you can be independent and feel good about yourself. The incentives in this system for the last 30 or 40 years have tried to keep people tied to it.

The entrepreneurial spirit and independence is a threat to the Great Society because the whole reason it has existed is extracting votes from the American public, because they are tied to Government, and I want to change that incentive. I want your vote because I come up with good policies, not because you are dependent on me for a check.

Mrs. SMITH of Washington. Today many of us met with Ross Perot, the head of United We Stand, and we talked about a poll of the independents, and how the independents, what they are looking at. They want strong change, they want real change, and they want us to do it now. They are not willing to wait very long, and I think that what we are doing is strong change that is constructive strong change. They are basically behind that change.

The one loose cog we have there, though, is they really want to eliminate PACs because it builds the confidence in the solutions. You made a really good comment during that meeting, that without the confidence, and I will not quote you, because you are here, something to do with the confidence we need of the American people in these solutions. I certainly do agree with you: if they do not trust us in the solutions, no matter how good they are, it is like trying to heal a patient that does not believe in the cure. They can have the best cure and die from a lack of trust in the cure, at times.

Mr. GRAHAM. The question is what makes us different. Rhetoric abounds in politics, but the public is not going to be satisfied until they see substantive changes. We have talked about concepts that are long overdue for change, but one thing we have to prove to the American people is that we are willing to change the way we serve, the length of time, and the benefits that we are getting from serving. If we are willing to do that, if we are willing to change our pension plans, if we are willing to change the way we get our elections financed, if we are willing to change the career nature of being in politics——

Mrs. SMITH of Washington. And no more gifts?

Mr. GRAHAM. And no more gifts, I think people will respond in a positive fashion and accept the other changes we are asking them to do in their daily lives. There is nothing wrong with politics that cannot be fixed. The only way we are going to win this war is for the people to stay involved and insist on change. And watch what we do when we vote, not just what we say up here talking; follow our voting records, follow what bills we sponsor. I take PAC money right now because I am the first Republican in 120 years to get elected from my district.

Mrs. SMITH of Washington. You want to give somebody PAC money? That is kind of the way the game is played.

Mr. GRAHAM. The Democrat Party spent as much as I did in PAC money, but the Democrat candidates have traditionally outspent Republican candidates 5 and 6 to 1. I am and I was competitive. I want to change the rules of my game, but I am not going to take my helmet off when I play football until everybody in the circumstances takes their helmet off.

I believe our class is willing to put the measures forward to vote on this floor and that we will win, but do not be too hard on us because we are unwilling to play by a different set of rules when the people who have run this place for 40 years will not.

Mrs. SMITH of Washington. That is what was exciting about the meeting with Ross Perot is that he said, "Just change the game." He really was not critical of us, because everyone came in running against people with PACs, and if you did not compete that way, it was like fighting with a B-B gun against a bazooka. But I think the scenario that came closest, he said, maybe before you were there or during the day, something to the extent of being thrown in a sewer and liking it. If you are there very long and it starts smelling good, you have a problem. If you are thrown in and you are trying to swim out and keep your nose above water, that is quite different, but you are not going to be willing to sink.

Mr. GRAHAM. There is nothing wrong with politics that a few good people working with their constituents cannot fix. And honest to goodness, we have changed the debate in this country, and I am committed now more than ever to reforming the government. I believe it is possible now more than ever, because we have changed the whole debate of what is going on in Washington within a 6-month period. To follow will be substantive changes in the law, but things do not happen overnight. We are well on our way.

The number one comment I get in my district in South Carolina is, "Do not turn back. Do not give up."

Mrs. SMITH of Washington. Do it faster?

Mr. GRAHAM. That is right. It excites me. I live in a district where the average per capita income is less than $14,000. I did not run on a campaign promising them more benefits from the Federal Government, an increase in the minimum wage. I ran on a platform of getting the Government out of your life, decentralizing the role of the Federal Government, giving you choices to raise and educate your children, giving you an opportunity to start your own business and succeed or fail based on your own merits, deregulating the society so we can be competitive internationally, and I won by 60 percent, by people who have traditionally been written off by the Republican Party. I think that is a shortcoming of our party. We are truly the hope of the future. The entrepreneurial spirit lies with this new generation of politicians. Let us bring it back to life.

The thing about democracy is that you give people opportunities, and when you have an opportunity, you can blow it and you can fail. We have to be willing in this country to allow people to take chances and fail, and understand that that is just the nature of competition.

Mrs. SMITH of Washington. So they sent you as a candidate for change?

Mr. GRAHAM. That is right.

Mrs. SMITH of Washington. They sent me as a candidate for change. My election was only 2 weeks in the primary, and then 6 or 7 weeks.

Mr. GRAHAM. You were a write-in candidate?

Mrs. SMITH of Washington. I was a write-in candidate. I came back from vacation and all people knew about me in the State, other than my direct Senate district I already represented, was that I had passed campaign reform and spending control, and that I was close to people. The polls afterwards show the people elected me to go and change Congress. They saw hope in me to be a change for this level, because I was at the State level.

I am a very, very strongly known person for being opinionated a little bit, maybe a whole bunch, you know me.

Mr. GRAHAM. It is not all bad.

Mrs. SMITH of Washington. If you follow the old political wisdom, they say, "If you have strong views, keep them to yourself because you do not make anybody mad." I did not follow that in my State, so in Washington State they know where LINDA stands on most everything, but they did not care on the things they disagreed with me on, as long as I would go in and clean house so the system would work, like we did in Washington. I look at our colleagues that have come in with us and some that came before us, and there has been a whole wave for 2 years of people sending people they want to change this place.

Mr. GRAHAM. The thing that amazes me about our class is that when we first got together at the very first part of Congress, I did kind of an informal poll. I think our campaign literature was absolutely the same. Whether you were in the deep South or in Washington or in Minnesota, you had the same view of what the problems were in this country; that you wanted a balanced budget amendment, and I want a balanced budget amendment in the Constitution to protect the public even from the Republican Party.

I want term limits not just for Democrats, but for anybody that wants to serve. I want to give the President of the United States the line item veto. I am very disappointed——

Mrs. SMITH of Washington. Even though he is a Democrat?

Mr. GRAHAM. I want to give it to President Clinton now, and I think we have sat on that issue far too long. It is time to act.

Mrs. SMITH of Washington. We passed it through the House.

Mr. GRAHAM. We did in the House. The Senate has a version, and they need to come together and get a version signed into law. Speaker GINGRICH has made a commitment to try to do that by the end of the year. Those types of reforms serve the country well, because you need the line item veto even if Republicans are in charge, because there is a habit up here of spending money to get reelected, and I would like to have somebody sitting over the shoulder, regardless of the party, saying, "That is not good for the country, even though it may be good for your district."

The balanced budget amendment, if I write a bad check as a private citizen I go to jail. If I write a bad check as a politician, I get reelected. I do not trust any party enough not to have institutional control.

Mrs. SMITH of Washington. It is not funny, but the ways of the past, all you can do is laugh about them.

Mr. GRAHAM. When you think things are not going so well, go home. I have been home every weekend but two. I went home and met with Senator THURMOND. He is 93 and he can run circles around me. He is for term limits. He said 12 more years and he is getting out.

They say, "How can you support Senator THURMOND and be for term limits?" I said the problem is not whether Senator THURMOND goes or TED KENNEDY goes, it is the institution. I am looking at institutional changes. There is no use picking on one person.

The thing that is great about this job is I got to go to the 100th anniversary of Saluda County, and I met a woman who used to babysit STROM THURMOND. She is 103. She said, "I want you to go to the old folks home with me, because they need cheering up." She goes every Sunday and pushes people around in a wheelchair. She has a lot of spirit.

Mrs. SMITH of Washington. Does she still believe in America?

Mr. GRAHAM. She believes in America now more than ever. She saw STROM THURMOND grow up. She said he was a nice young man. That was a great opportunity to see what is good about America. If anybody from the EPA wants to change the water in that area, they had better call me first, because the gentleman that sang the song at the end of the ceremony sang the same song at the 50th anniversary. Senator THURMOND laid the stone at the 50th anniversary when he was Governor, and his babysitter was at the same ceremony, so there is no problem about the water in my district, and they had better stay out of it.

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Mrs. SMITH of Washington. It sounds like you are getting real personal on that one. But when you go home you find out the truth of what people are wanting. They want us to be truthful and they want strong reform.

I think that today we turned, you might say, the corner when we put together the coalition that says we are going to ask the leadership to take strong votes before we leave for Thanksgiving on campaign and ethics reform, and we want votes and strong action, moving forward. To me that is a confidence builder for the American people like nothing else because they can trust our solutions. When we go home, they can say, job well done.

Mr. GRAHAM. I am going to go and jog with Senator THURMOND here in a second.

The only thing that will keep us from not passing campaign reform will be the lack of an opportunity to vote on it, because if it gets on the House floor it is going to pass, because nobody wants to face the wrath of the American people on this issue. So I really do believe the leadership is going to give us that opportunity the first part of next year and that when it gets on this floor, you are going to see some amazing votes.

Mrs. SMITH of Washington. And you are going to be one of the ones that pushes it to the top of the hill, are you not?

Mr. GRAHAM. I will be there cheering it on.

Mrs. SMITH of Washington. With that, I thank the gentleman. Good night. It has been a great day for America. We are moving ahead and turning the corner for real reform.

PASSAGE OF CAREERS ACT RELATIVE TO ECONOMY IN TRANSITION

The SPEAKER pro tempore. (Mr. GUTKNECHT). Under the Speaker's announced policy of May 12, 1995, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS. Mr. Speaker, today we passed the CAREERS Act. I was proud to vote against the CAREERS Act. The CAREERS Act is a consolation of job training programs, some adult education programs, and the programs for people with disabilities, the vocational rehabilitation programs. It is all merged into one program and given to the States in block grants.

The problem is that even if you agree that these programs should be merged, there are many small programs—and small is not necessarily bad, small can be very worthwhile—many of the small programs related to job training, like the small programs relate to education, were developed during the reauthorization processes of various reauthorizing committees. They represented a great deal of thought and care and interaction with community groups and professionals.

So many of the small programs that have been wiped out now and consolidated in one big set of block grants were good programs. To judge them by the fact that there were so many and they proliferated is to make a rather primitive assessment of the situation. That, nevertheless, has taken place already. I am sorry to say that the Clinton administration started some of that small is bad philosophy, and it just got of hand.

I agree that some consolidation was necessary and is desirable, especially if you are going to be flexible, and when you consolidate and you give the option to the States as to how they are going to run the programs, they also have something to work with in terms of resources. The problem with this consolidation is that whatever gains you acquire through consolidation, you lose because of the fact that the overall budget has been cut dramatically.

The amount of money available for job training and education programs has been drastically reduced by the same Congress that has focused on consolidation. We have cut $9 billion from the job training and education programs. The House of Representatives has passed an appropriation bill which cut $9 billion from education and job training programs.

No matter how you consolidate and how you reconfigure, you have a situation where less will be done. It is impossible to do as much as you were able to do before with such drastic cuts in resources.

I do not believe that throwing money at a problem is going to solve the problem or resolve any problems. Throwing money will not do it alone, but I assure you, you are never going to solve any problems unless you do have adequate resources. You do need some funds. You do need some reasonable amount of resources to deal with a problem.

Why am I opening with this particular recounting of today's activities. Because I think it is very appropriate in terms of what I have been talking about for the past few weeks. That is, that we are in an economy that is in a state of transition. The economy is changing in very rapid ways. It is changing in ways that are generating a great deal of upheaval, quite unsettling.

We have a phenomenon which is contradictory. The economy is robust and booming. The profits were never higher on Wall Street. The stock market is booming. Corporations are making tremendous profits. Yet at the same time the job market is being squeezed. The amount of jobs available is dropping dramatically, and the quality of those jobs in terms of the income that those jobs produce is changing rapidly. You have a contradictory movement, a Wall Street economy on the one hand, and on the other hand a job market that are going in different directions.

I had talked about this previously in terms of the very consolidated, solidified, economical way in which Lester Thurow stated this whole situation. I cannot help but come back to the quote that I have made several times in the last 2 weeks from Lester Thurow's article that appeared in the Sunday, September 3 issue of the New York Times on the op-ed page. I cannot help but begin with that first paragraph, because it is very appropriate for what happened today on the floor where we were cutting opportunities for people to get education.

We were cutting opportunities for people to be retrained so that they can fit into this new rapidly changing economy. We were cutting opportunities for people to move from the industrial age into the age of information. We were saying that the Government is going to play less and less of a role in preparing people for making these adjustments.

If Government does not provide the resources and the funding for job training programs, if Government does not provide the resources and the funding for adult education programs, then who will? The corporations are not going to do it. The corporations will only train the people they need to do the work they have available at a given moment. They are laying off these people. They are downsizing and getting rid of people who will have to be retrained. They will not devote any resources to those people that they are putting out of their doors, the people they are giving pink slips to.

In the more benevolent corporations, those that have some compassion, they give people a few months' pay and let them go. Some they may even give them half a year or a year of health benefits. In various ways some corporations do try to ease the burden of downsizing and streamlining which affects human beings. But the manner in which they do this at best is very limited, very temporary in the lives of the people that they are streamlining or downsizing out of a job.

We cannot depend on corporations. After all, corporations and businesses are set up for the purpose of making a profit. They are not humanitarian organizations. They are not social organizations. It is the Government that has to take care of the welfare of the general public.

But the welfare of the general public is not being taken care of. The welfare of those workers that are being victimized by the rapid changes of the age of information technology, they are not being taken care of. You have the results that Mr. Thurow talks about again in his first paragraph, he summarizes it very well.

I quote from Lester Thurow's article from the Sunday, September 3 issue of the New York Times:

"No country without a revolution or a military defeat and subsequent occupation has ever experienced such a sharp shift in the distribution of earnings as America has in the last generation. At no other time have median wages of American men fallen for more than 2 decades. Never before have a majority of American workers suffered real wage reductions while the per capita domestic product was advancing."

Let me just read another paragraph that I read before:

"The tide rose, the real per capita gross domestic product went up 29 percent between 1973 and 1993, but 80 percent of the boats sank."

I repeat, "The tide rose, but 80 percent of the boats sank. Among men, the top 20 percent of the labor force has been winning all of the country's wage increases for more than 2 decades."

To quote another paragraph from Mr. Thurow: "With our global economy where anything can be made anywhere and sold everywhere, the supply of cheap, often well-educated labor in the Third World is having a big effect on First World wages. One month's wages for a Seattle software engineer gets the same company an equally good engineer in Bangalore, India for a whole year."

In other words, you can get a competent, effective, well-educated Indian engineer for 1/12th of the wages you pay Americans, an Indian software engineer.

Software is very important. I need not dwell on that issue. What is driving the information revolution now is not so much the computers and the hardware but it is the ability to make use of the hardware with ever more creative software.

One of the second or third richest men in America is the owner of a software production company. They do not produce computers or hardware. Mr. Gates, Bill Gates, produces software. These software engineers in India will work for one-twelfth the wages of the software engineers in Seattle.

We are talking about an information age revolution which has just begun, ladies and gentlemen. Those who have college degrees are not any safer than those who are unskilled. Nevertheless, today we had a program on the floor, a CAREERS program which deals with job training and adult education, and we were emasculating the program dramatically through the block grant process, we were pushing the responsibility away from the Federal Government down to the States, and we were in the process of doing that cutting the budgets, also.

The first ripoff, the first emasculation is by cutting the budget. The second ripoff, the second emasculation is to give the power to the States, with very little accountability. I had an amendment on the floor just saying, at least we ought to hold people accountable for mismanagement, patterns of mismanagement. They should be liable, the States should be liable.

That, of course, was a great subject of controversy, just simple safeguarding of the taxpayers' money is a problem because in the process of pushing the money down to the States, we are holding our carrots and incentives to the Governors and the people at the State level, no accountability, you accept this reduced package and you tell us you want it and you applaud it and you support it and we will let you have your way. You do not have to be accountable.

That is just part of the process of washing the hands, like Pontius Pilate washed his hands, washing the Federal Government's hands of the problems and the miseries of people who need to be retrained. Like Pontius Pilate, it is about as heartless in its cold, calculating civilized way. "Let's forget about the dilemma of the workers. Let the States take care of that."

Then we know that the States do not have the capacity, they will have to deal with reduced money, and the myth of State government being more efficient and more effective than the Federal Government is just that, a myth. There are no facts to support that.

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State governments have suffered a great deal of corruption, of incompetency. The records of history, newspapers, exposés, go on and on about various things that have happened at State and local levels. Some of the worst corruption in the country has occurred at State and local levels. Some of the most embarrassing bureaucratic nightmares will be found at the State and local levels.

But we are pushing that away and washing our hands of the dilemmas, of the problems of working people in this fast-changing economy and saying that we do not want to be bothered. Let us let the States deal with it. And if the States cannot handle it, we really do not care.

Speaker GINGRICH has said we want to remake America. The question has not been answered directly, remake America for whom? For whom do you want to remake America? For what purpose do you want to remake America? Who will benefit after you are finished remaking America? Who benefits from your conception of the Contract With America?

According to Mr. Thurow, 80 percent of the American people are not benefited from what is happening now. You cannot blame that on Speaker GINGRICH or the Republicans who control the House and the Senate at this point. It has been going on for 20 years, and so Democrats have to take some of the blame also. The rapidity of the technological revolution, forces that have very little to do with government, may all be blamed and take the greatest share of the blame.

But that is a 20-year phenomenon. Now we have observed it for 20 years. Now we understand that something radically different is happening. We should be blamed if we do not take hold. We should be blamed if we do not develop policies, public policies which are designed to counteract and to soften and to make a more compassionate situation in the midst of all this turmoil and change that is being generated by the technological revolution, economic turmoil.

During the last campaign, the Clinton campaign wisely focused on the economy. "It's the economy, stupid," was the famous slogan that came out of that campaign. It is the economy.

It is the economy. It was the economy during that campaign. It is the economy now. When Speaker GINGRICH says he wants to remake America, what he is saying is he wants to remake the economy of America. That comes first.

We have to keep our eyes on the economy. Keep our eyes on the resources. Keep our eyes on the money. Keep our eyes on the taxes. Keep our eyes on policies which deal with expenditures, appropriations and budgets. Those are the things that matter, and the remaking of America is remaking the way America uses its resources, starting with the way the Federal Government uses its resources.

We have to keep our eyes on this, and I cannot stress that too much, because right now we are focused on the economy, on money, on budgets, on appropriations.

Today, the Republicans took one step further in issuing their plan for Medicare reform. Medicare is going to undergo a traumatic $270 billion cut; $270 billion over the next 7 years will be cut out of Medicare. That is a traumatic upheaval. That is a lot of money that has to come out of Medicare.

They are not talking much about Medicaid, but $180 billion will be cut out of Medicaid, and maybe they will go further. Since neither the Democrats nor the Republicans are focusing on Medicaid, they will take heavier cuts. That is about money and resources and it is about where the revenue and the tax dollars of the United States of America are going to go.

Keep our eyes on that. Keep our eyes on the fact that while we are going to take away from Medicare and Medicaid these hundreds of billions of dollars, we are proposing a $240 billion tax cut which will go mostly to the wealthier Americans. We are moving resources away from the sick and the elderly and the children and the people who are disabled to those people who are already wealthy and able to take care of themselves. That is the remaking of America. It is not so subtle, if you just keep your eyes on it.

The problem is that it is so obvious and so horrendous, that the Republican majority has no intentions of allowing us to keep our eyes on the economy, on the remaking of America by moving the resources around. They will come with diversions later on as we get closer and closer to the 1996 election.

You are going to hear less and less about the economy and more and more about affirmative action, and more and more about abortion, and more and more about gays in the military, and more and more about set-asides, and more and more about voting rights acts. More and more they will try to divert the attention of the American people by focusing on victims and scapegoats. There will be more and more about how the immigrants are destroying America.

Get ready for all of these diversionary issues. The great smoke screen will be thrown in our way. Start right now to prepare to look through the smoke screen and keep focusing on the economy. Keep focusing on the tax dollars. Keep focusing on the appropriations bills.

Focus on the Contract With America, which never said they were going to take Medicare and take $270 billion out of it. Focus on the Contract With America which never said that they were going to place a B-2 bomber in the highest priority, and in two big votes on the floor of the House and fight very hard to maintain a B-2 bomber, which nobody wants. A B-2 bomber which the President does not want; a B-2 bomber which the Secretary of Defense does not want and the Air Force does not want; the Joint Chiefs of Staff does not want; only the people who are manufacturing the B-2 bomber and making money off of it, they want it, and the people whose districts benefit from that, and the people who benefit from political action committees that are promoting the B-2 bombers.

Those are the people that want the B-2 bomber. Not the military. There is no smoke screen. You cannot say that we need it in order to defeat the evil empire. We do not need it. Russia defeated itself, along with some pressure and some preparedness from here. We will not take the credit away from American strategy, but it is no longer the excuse to use to maintain the B-2 bomber. And yet the B-2, which may absorb $33 billion over the 7-year period, that bomber is given precedence over Medicare and Medicaid, and over school lunches and over job retraining programs.

Just stop for a moment and consider, $9 billion was cut from the adult education, job training, vocational rehabilitation programs for the blind, disabled and the deaf, et cetera, $9 billion. That $9 billion is just one-third of the cost of a B-2 bomber over a 7-year period. Just one-third of the cost.

That $9 billion is the cost of four *Seawolf* submarines. A *Seawolf* submarine is $2 billion. They are pushing star wars. You know, we are going to go back to the pebbles in the sky to defend us from rockets that nobody has the capacity to launch. We are going to have additions being made to the budget of millions of dollars for defense systems that nobody needs.

Think about it all. You know, think about the scare tactics of the Republicans. Medicaid will go bankrupt if we do not do something about it. Yes, Medicaid could go bankrupt if we neglect it, but Medicaid was structured to be solvent 2 or 3 years ahead of time, but nobody thought that Medicaid would have instant solvency by itself. The Government stands behind Medicare and Medicaid.

Medicaid will be funded if you have a Government that cares about health care. We will set our priorities so that we do not waste our money on B-2 bombers or F-22's or *Seawolf* submarines.

The F-22 program will absorb $12 billion in the next 7 years. We will spend $12 billion on F-22's, produced in the

Speaker's district of Marietta, GA, a district that receives more funds than any other district in the country.

I take time to point that out, because I am from New York City and recently the Speaker renewed his attacks on New York City. They are nothing new. He has been doing that for the last 8 years, but in his new exalted position as Speaker, I thought that he would refrain from his attacks on New York City, which made him famous over the last 8 or 9 years.

And yet we have again attacks on New York City as being a place of welfare waste and you think that it is a danger to the country. The simple facts are that New York City and New York State has always generated more income for the Federal Government than it has received from the Federal Government. The history of New York State is the history of giving to the rest of the country.

There was a time when $22 billion more was being paid into the Federal coffers than was received back from the Federal coffers. Now, $9 billion more is coming out of New York State into the Federal coffers than will go back to New York State through any Federal programs.

That is not true of Georgia. Georgia receives $1 billion more from the Federal Government than it pays to the Federal Government. Certainly not true of Marietta, GA, if you narrowed it down in terms of the Federal contract they have there to manufacture the F-22 fighter plane, and probably some other Federal contracts around. You will find that they are getting far more than they are paying into the Federal coffers.

So, keep your eyes on the dollar figures. If you took each State of the Union and asked yourself the question: How much money does this State pay into the Federal coffers, and how much money does it get back from the Federal Government, you would be shocked.

Many of the States that are screaming for States' control of programs are going to find in a few years that if you are really serious about State control and you lessen the taxation on the States universally across the country, and have each State carry its own weight, you will find it impossible to maintain your State budgets and your local budgets, because the money that you get from the Federal Government, which is a loss from New York, flows out of New York, out of some of the bigger industrialized States, even though they are not as wealthy as they used to be, they are still generating more tax revenue than they are receiving back from the Federal Government.

That money is distributed in programs like Medicare and Medicaid. It is distributed in programs like Social Security too. It is distributed, certainly, in defense contracts, which New York City has almost none, but many of the States that complain about New York City receive very lucrative huge defense contracts.

The money that they receive in the State of Kansas, and some of the other surrounding States that have for years gone to the farmers, or the so-called farmers, the farming industry, the farmer cartels and businesses; the subsidies which average per family between $30,000 and $40,000 a year, money that is given not for any service rendered but for not planting corn or not planting grain, not plowing up the field, money that comes as a subsidy from the Federal Treasury, that money comes out of States like New York. That money will not be there if you are really serious about letting States carry their own weight.

Stop and think about it. If you remake America, a lot of people who believe that they will benefit under the assumption that they are not on some form of government subsidy or welfare are going to find that they really are the beneficiaries of a lot of Federal subsidy and some welfare. I would call the farm subsidy program a welfare program that has gone on and on. We should end farm subsidies as we know them. We should get rid of that kind of welfare.

We have some corporate welfare too we should get rid of. But my point today is to keep your eyes on the prize. Focus on the economy. Focus on the appropriations bill. Focus on the budget. Do not let them later on move you off into a concern for affirmative action, a concern for abortion, a concern for pornographic lyrics.

All of these problems are important. Family values are important. I think Mr. Thurow talks about family values in this article. The title of Mr. Thurow's article, what I am reading quotes from, is "Companies Merge and Families Break Up."

□ 2045

There is a point in here where he talks about the traditional family is being destroyed. I am quoting from Lester Thurow's article, the same man who started out telling us that this country is undergoing radical changes economically and 80 percent of the people are being left out, and only 20 percent are benefiting.

This same Lester Thurow, who is professor of economics at the Massachusetts Institute of Technology, who has written 10 or 15 books, who has testified in hearings in most of the committees here in Congress, such as the Joint Economic Committee, the Committee on Energy, the Committee on Economic and Educational Opportunities, he appeared many times before our committee, so he is well-known here and respected.

He is not a wild-eyed liberal or a radical. He believes in the global economy, he believes in free trade. He was in favor of NAFTA, in favor of GATT, a lot of things that I was not in favor of, but even this Mr. Thurow, who I would say leans toward the right in his economics, talks about the traditional family and ways in which you do not hear discussed here on the floor.

Let me quote from Mr. Thurow's article, which is about the economy. It is about what it means to have an economy which is throwing people overboard, wages are declining, hope is lessening because of the fact that nobody seems to care about the fact that you are undergoing this transition that is so devastating.

Mr. Thurow talks about the traditional family. Let me quote:

> The traditional family is being destroyed, not by misguided social welfare programs coming from Washington, although there are some government initiatives that have undermined family structures, but by a modern economic system that is not congruent with family values.

Let me quote that again, quoting Mr. Thurow:

> The traditional family is being destroyed, not by misguided social welfare programs coming from Washington, but by a modern economic system that is not congruent with family values. Besides falling real wages, America's other economic problems pale into insignificance. The remedies lie in major public and private investments, in research and development, and in creating skilled workers to ensure that tomorrow's high-wage, brain power industries generate much of their employment in the United States.

Let me just read that again:

> The traditional family is being destroyed, not by misguided social welfare programs coming from Washington, but by a modern economic system that is not congruent with family values. Besides falling real wages, America's other economic problems pale into insignificance. The remedies lie in major public and private investment and research and development, and in creating skilled workers to ensure that tomorrow's high-wage, brain power industries generate much of their employment in the United States.

Today we have on the floor a bill which turned its back on the effort to create skilled workers to ensure that tomorrow's high-wage brain power industries generate much of the employment in the United States.

The CAREERS bill is going in the opposite direction. The appropriations bill which reduced the funds available for education and job training by $9 billion is going in the opposite direction. The people in charge of the Government are not acting to promote the general welfare as they are charged with in the Constitution. They are not acting to take charge and understand that we are going through a transitional period, and because we are going through a transitional period, the Government and public policies must step in and do what the private sector can never do, what the private sector is not created to do, what the private sector has no duty to do. It is Government's duty.

Before I go on, let me just go back and read a complementary passage from Mr. Thurow related to the family. "Falling real wages," a quote from Mr. Thurow again:

> Falling real wages have put the traditional family into play as the one-earner, middle class family becomes extinct. With children needing ever-more costly educations for ever-longer periods of time, the cost of supporting a family is rising sharply, just as earnings plunge.

I repeat:

> Falling real wages have put the traditional American family into play, as the one—earner, middle class family becomes extinct. With children needing ever-more costly educations for ever-longer periods of time, the cost of supporting a family is rising sharply, just as earnings plunge.

Continuing to quote Mr. Thurow:

> Children exist, but no one takes care of them. Parents are spending 40 percent less time with their children than they did 30 years ago. More than 2 million children under the age of 13 have no adult supervision, either before or after school. Paying for day care would use up all or most of a mother's wages.

This is not a minister talking, it is not a politician talking, this is an economist. This is an economist looking at the hard, cold facts of the way our society has been altered, the radical changes that are being forced on society by the changes in technology and by economic changes. It is not just somebody's morality is automatically lower or his character is no good, there are economic forces at work which are creating a situation where children exist, but no one takes care of them:

> Parents are spending 40 percent less time with their children than they did 30 years ago. More than 2 million children under the age of 13 have no adult supervision, either before or after school. Paying for day care would use up all or most of a mother's wages.

I think it is important to emphasize the fact that Mr. Thurow is not a minister, he is not a politician, or an opportunistic politician, trumpeting family values because that is the appealing message of the day. Mr. Thurow is a hard-core economist, and we should take a look at what he is focused on: The resources, the opportunities to earn a living, income, jobs, and who is the technological revolution going to benefit? That is the question.

Let me just go back for one more minute and repeat again:

> Besides falling real wages, America's other economic problems pale into insignificance. The remedies lie in major public and private investment and research and development, and in creating skilled workers to ensure that tomorrow's high-wage brain power industries generate much of the employment in the United States.

I am going to talk about that for the rest of this evening, the remedies. What are the remedies for a transitional economy which has produced a phenomenon where Wall Street and corporations are making the highest profits they have ever made, the economy is booming for Wall Street, while at the other end, workers are getting lower wages, and there are fewer jobs available. The streamlining or the downsizing which creates more profits as you replace human beings with machines creates misery on the bottom.

Nobody wants to stop the information revolution. The industrial revolution could not be stopped. It is foolish to try to stop it, it is foolish to try to put chains on capitalism. Capitalism is the order of the day. But it is up to Government to understand that this is a transition period with an upheaval taking place which is causing a great deal of dislocation and misery, and it is going to escalate and get worse at a more rapid pace, and we as Congressmen, Senators, mayors, everybody elected to office anywhere, we have the responsibility, and if we do not take hold of the burden of the catastrophe that is coming, it will be on our shoulders. We deserve to be blamed.

Mr. Thurow says,

> The remedies lie in major public and private investment and research and development and in creating skilled workers to ensure that tomorrow's high-wage, brain powered industries generate much of their employment in the United States.

I think Mr. Thurow is naive if he thinks that private industry is going to invest in that endeavor. Private industry will invest only if they see an immediate profit, and when that is over, they will let it go. It is Government. The remedy lies in major public investment. We have to, the Government has to do it. We have to go in the opposite direction of the bill on the House floor today.

The CAREERS bill should have been doubled in size. Oh, yes, there are problems in making it effective and efficient, there are problems in making certain that there are jobs for people that are going to be there 10 or 20 years ago. All of those problems are soluble. It is like winning a war, it is like fighting a war, you do what you have to do, you develop the weapons you have to develop, you develop the systems you have to develop. You institute the policies for the training and for the recruitment, everything that has to be done. We are in a war to save America from economic chaos.

One of the things we have to do in order to win this war is to have a new approach to revenue. We have to have the money, the resources necessary. Taxpayers have to take a look at the revenue side of the problem and not just at the expenditure side. Yes, we need some cuts. I am in favor of cutting waste from government. Yes, it may be a good idea to have a balanced budget in 10 years, probably, or a longer period, not 7 years, but we ought to go toward a balanced budget as a way of getting accountability and squeezing the waste out of Government.

Yes, expenditures are always important. We must always be vigilant and make certain that we do not waste our resources, do not waste money, do not waste the taxpayers' dollars. On the other hand, there is a need for tax revenue, there is a need for a fair system of accumulating the revenue you need. The problem is that we are not looking at all at the revenue side enough.

We should take a look at the fact that revenue in America has been left in the hands of the Senate Finance Committee and the House Committee on Ways and Means. Mr. Speaker, these entities are part of a legislative body, but they have far too much power and the power has been abused and misused. They have done a horrendous job over the last 50 years.

The example I give over and over again, and any sophomore in high school can take a look at it, if you take a look at the revenue burden, the way the tax burden was structured in 1943, in 1943, corporations were paying 40 percent of the tax burden, were shouldering 40 percent of the tax burden in 1943, Individuals and families were shouldering 27 percent of the tax burden in 1943. From 1943 to 1995, today, individuals have gone from 27 percent of the tax burden to 44 percent of the tax burden. We are carrying 44 percent of the tax burden instead of 27 percent. In the same period of time, corporations have gone from 40 percent of the tax burden to 11 percent of the tax burden.

The people who are making the money on Wall Street, the profits are going to corporations. The folks who are making the money and getting the benefits of all of the years of science and technology and military research and development and law and order in the United States and wars that have been fought and won by American boys and the American total effort, those benefits are flowing to Wall Street, they are making the profits, yet they are paying the smallest share of the taxes. They are paying only 11 percent of the tax burden, while ordinary families and individuals are paying 44 percent of the tax burden.

One of the things we should be discussing is the way to balance the budget is to balance the tax burden, bring it down. Yes, give tax cuts. Families and individuals need tax cuts. I am certainly not in agreement with the Republican proposed tax cut which will give tax cuts to the people who are the owners of the corporations and the beneficiaries to the stocks and bonds.

We are giving the tax cuts to the wrong people. People, individuals and families do need a tax cut. We need to bring taxes down for individuals and families. But we do not have to drastically cut the flow of revenue, because we should be bringing up taxes for corporations from the 11 percent, we should go slowly up over a 10-year period and from the 44 percent for individuals and families, we should come down.

□ 2100

We should reach a point in 10 years where the burden is equally shared by corporations and individuals and families. In the process of doing that, you will find more revenue will be generated and less of a burden will be on individuals and families.

Additional revenue generated should be used to do what Mr. Thurow says needs to be done: Major public investment in job training, in research and development and creating new skills, new skilled workers. The money that you get from increasing the share of the tax burden borne by corporations should go into creating skilled workers, adult education, job training programs. That is where the answer lies.

We do not know exactly what the future holds in terms of which industries are going to prevail and what the exact specific occupational titles are going to be. But we have an idea that you are going to need very educated people. People are going to have to have a great deal of computer literacy. There are things we know already. There are things we can do already. But you need resources. You need finances. You cannot be cutting the budget for job training and adult education at a time like this. You should be using the increase in revenues coming from a fairer tax structure to finance the transition.

A massive program is needed. The GI Bill of Rights and the GI program that put thousands of men returning from World War II into colleges and universities and into trade schools, that massive endeavor, that massive undertaking by the American Government has been one of the best investments of public money ever in the history of the Nation or in the history of governments all over the world. They should show you where those trained GI's went, where they went after they left the universities and the colleges, where they went after they left the trade schools, what they did for the American economy. It should be a lesson, how a concentrated effort in the area of jobs training, adult education, and academic education, many of them went to colleges and universities, how it pays off. We need that kind of massive, intensively financed program now. You can do it without increasing the deficit. By raising the revenue that is produced by corporations, at the same time you can be bringing down the tax burden on individuals.

Several tax plans have been proposed. I want to conclude tonight by saying, my staff is preparing a bill which would call for the creation of a creative revenues commission, a creative revenues commission. We cannot leave it to Ways and Means. The Ways and Means Committee of the House of Representatives has shown that they will take us from a burden of 40 percent for corporations to 11 percent. At one time, under President Reagan in 1982, it went down as low as 8 percent. I serve on that Committee on Ways and Means and I might be accused of shirking my responsibilities. I am a Member of Congress. I stand on this floor. I vote for the bills that the Committee on Ways and Means brings here. But for your edification, it is important that you know that whenever a bill comes from Ways and Means which deals with taxes, there are no amendments allowed. We have never had on the floor of the House of Representatives an open rule for a Ways and Means bill, for bills that relate to taxation. You cannot amend. You can debate, but you have to debate what is brought to you by the committee.

The Senate Finance Committee, I suppose it may be a little different over there, but bills related to revenue and taxation have to originate here. The Constitution, they all come out of Ways and Means first. So Ways and Means and Members of Congress and Members of the House of Representatives and the Senate, we have betrayed the American people, some directly, some indirectly, by allowing a situation to develop where the burden of taxation borne by corporations has gone down from 40 percent to 11 percent. We have swindled the American people. We let the burden on them go up from 27 percent to 44 percent. We need to correct that. We need to address that.

If we cannot address it through the Ways and Means, then perhaps we should do what we are doing with the base closing. Base closings were such a difficult issue until we came up with a formula for retaining the power and the ultimate authority of Congress while at the same time taking advantage of the wisdom of more objective, nonpolitical, nonpartisan people out there. A Base Closing Commission was created. They go through a process. The President is involved and then we have the final say. They come back with rational recommendations. We can vote them up or down. So the power of the representatives of the people is the final power. But we have a rational product produced by people who are not on the phone with lobbyists, lobbyists in their ears promising all kinds of things that they can deliver on. We are not overwhelmed by the almighty might of corporate wealth in the process of making decisions.

We can deal with the situation rationally. Let the revenue commission, the creative revenue commission take a look at all the proposals for tax reform that are now being proposed.

Senator LUGAR and the CATO Institute have proposed a national sales tax. They propose to replace personal and corporate income tax taxes with a 16 to 24 percent national sales tax on all consumable items except stocks and bonds. The benefits of this, according to Senator LUGAR and the CATO Institute is that it eliminates any complicated tax filing system.

Some of the problems with this is that it is regressive. Wealthy people would pay a smaller share of their income in taxes than lower middle income tax people. We would end up with people with the real wealth paying a smaller percentage of their income, and you probably would have the corporations bearing no greater proportion of the tax burden.

But that is a plan that has been put forward by Senator LUGAR and the CATO Institute. It deserves to be looked at by an objective, rational group of Americans who are chosen for their expertise and their knowledge of the economy and taxes, and they can constitute a creative revenue commission.

The gentleman from Texas, Mr. ARMEY, and Senator SPECTER have proposed a flat tax. The flat tax concept you have heard a lot about. It is not revenue neutral. In the process of enacting the flat tax, as the gentleman from Texas, Mr. ARMEY, is proposing and Senator SPECTER is proposing, if you enact it now the way they propose it, you will end up with a deficit of $187 billion.

We do not need a taxing plan which creates a greater deficit. The Armey-Specter plan would not treat all income the same. Only wage and pension income would be taxed, wages, the thing that hourly people work for, not the big executive compensation packages and great amounts of money. They would not be taxed. Only wages and pension income would be taxed.

Interest, capital gains, and other forms of unearned income would not be taxed. Wage and pension income would be taxed at a flat 20 percent rate in the first rate, dropping to 17 percent when the proposal is fully phased in. This tax would only apply to earned wages and pension income, as I said before. Corporate income tax would be replaced by modified value-added tax.

In the Armey-Specter flat tax plan, corporations will get away with even more than they get away with now. They are going to not have to pay any corporate income tax. We are going to have a value-added tax. Businesses would pay a 17-percent tax on their gross sales minus wages paid to employees.

The current deduction for entertainment expenses capped at 15 percent would be 100 percent. Tax withholding would be eliminated. Taxes would be paid monthly by each individual like any other bill. That is the Armey-Specter flat tax plan.

Send the plan on. I do not agree with it. I think it is a continuation of the advantages to the rich and advantages to corporations. But let us send it on. Send the Armey-Specter tax plan to the commission, the creative revenues commission.

There is a value-added tax proposed by the gentleman from Florida [Mr. GIBBONS]. He does not have a specific proposal, but his basic concept is that you can replace income and corporate income taxes with a consumption or value-added tax administered at point of sale by businesses.

Value-added taxes are being used in many industrialized countries, and there is a lot of experience with value-added taxes. Australia and the United States presently are the only Western nations that do not have broad based consumption taxes. All European nations use both consumption and income taxes.

All European nations use both consumption and income taxes together, but they are able to charge less, have less of a burden borne by income taxes because they have the value-added tax which is based on consumption. And generally it discourages people from consuming so much.

Americans consume more than any other industrialized nation. That is why our balance of payments, while we import so much more than we export, because we are always consuming, consuming, and we need more and we buy more from those places which do not consume quite as much. One of the reasons they do not consume as much is because the value-added tax increases the cost of consumption.

So I think it is one that really ought to be looked at very carefully and worked into some total scheme of taxation, of revenue production.

Let the commission take a close look at it. There is the Nunn-Domenici tax. The basic concept is that all income, wages, interest, et cetera, would be treated the same and subject to tax. The taxpayer would not pay any taxes on savings. In other words, savings would be deduced from income before calculating the tax. What you put in the bank as savings would be deducted from your income before calculating the tax. Individual exemptions and deductions would be eliminated.

This plan is silent on what the tax rates for individuals would be. It could maintain progressive rate structure. It might tax the rich at a greater percentage than it does the middle class and the poor, but it might not. We do not know. It is not spelled out.

They do say that businesses would be taxed at a 10-percent flat rate and will retain most of the current deductions that they have already. I think it is a grand ripoff. If you are going to let businesses and corporations not only do what they are doing now but get away with even more, right now they are paying 11 percent of the tax burden. We are going to give them a 10-percent flat rate, which means they will be paying less. And while we give them the flat rate, we are going to let them deduct what they deduct now. If they decide to pay the chairman of a corporation or the president of the corporation $10 million, that is deducted from their tax bill. That is a tax deduction.

There is no way to stop them. It they decide that they are going to up their budget for training and have a vast network of sumptuous training quarters all over the world and move their employees around from one beach to another and call it training, that is deductible. Anything that they decide to do they can make a little sense with, it is deductible.

So not only do they pay a very small percentage, 11 percent of the total tax burden, but they get away already with deductions which are horrific. If individuals could get away with those kinds of deductions, everybody's tax bill would go down a great deal.

What this Nunn-Domenici bill does do is create a powerful incentive for saving. And it is simpler than current law. The great problem with it is what I have just stated. Only the wealthy can save. The wealthy can save. Middle-income people can save. Those who can save more would benefit more. But those who can save the most would be the wealthiest people. So you would have again a skewed system where the system is advantageous for the people who are most wealthy.

Then there is the Gephardt flat tax. The Gephardt flat tax is revenue neutral. It would not increase the deficit as the Armey flat tax would. The Armey flat tax would increase the deficit by $187 billion. The Gephardt would not increase the deficit. All income, wages, interests, income, et cetera would be treated the same under the Gephardt flat tax plan. All income would be taxed except Social Security benefits.

A 10-percent flat rate would apply to 75 percent of all taxpayers. But progressively higher rates of 20 percent to 34 percent would apply to higher income taxpayers, and all of these rates are lower than the current rates. The only deductions that would be retained by the Gephardt flat tax are the mortgage interest deduction and job related expenses. You could deduct your mortgage interest as you do now and job related expenses.

That coincides with Mr. Thurow's remedy of jobs and job training being a priority. If it is a priority, then one way the Government can show it is a priority is by allowing individuals to deduct any expenses related to job training. The Gephardt plan eliminates $50 billion in corporate welfare tax benefits that exist now.

☐ 2115

The Gephardt plan requires a national referendum to raise taxes in the future. The Gephardt plan has a great benefit. It would actually reduce taxes for most Americans. You probably have guessed by now that I would say that the Gephardt plan is a superior plan. That is my individual opinion, but let it go to a tax revenue commission. We do not need my individual opinion, we do not need the opinions of the Committee on Ways and Means and the Committee on Ways and Means' schemes that have resulted in a drastic, uneven tax burden being borne by individuals and families versus corporations.

We do not need anybody's opinions. Let them all take a very close look at what is happening with these plans. Let them all examine these plans. They may look at some other creative proposals that have come forward, like we have proposed to tax—instead of selling the frequencies in the air, lease them. Why not lease them and tax the income on them? Why not, if you are going to sell them, put them in a trust fund and use that revenue for some purpose, as they are proposing with the public broadcasting?

Public broadcasting wants a certain portion of the revenue we get from selling the bands in the air, frequencies. There is another word for that. I cannot get it right now. We have auctioned off about 9 billion dollars' worth. Why not have trust funds which generate income? Why not have the savings and loans contribute, at least the $250 billion that they took out of the taxpayers' coffers, out of the Treasury? Why not have a tax on the financial industry, a temporary tax which is a surcharge on everybody connected with the financial industries, and get back our money that we put into the savings and loan industry? Why not take a look at that?

Why not look at a more rapid reforming of the mining laws, so we stop giving away gold mines and copper mines and coal mines for pennies? We sold a mine recently for $250 which is expected to generate billions of dollars in gold. There are a lot of things that this tax commission could look at. We need a creative revenue commission to take a look at all these possibilities, to come back to the American people with a new revenue generation plan which will be a plan with enough money to finance the transition.

We are transitioning from the industrial age to the information age. The money to pay for the transition for the job training, for the research and development, can come out of a new, creative revenue tax plan. We can balance the budget at the same time we generate that income, and this commission is the key. We should accept the responsibility that has been given to us as elected officials, and understand that the problem is our problem. We have to solve it. A creative revenue tax commission would be a great step forward in solving this monumental problem.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. TORKILDSEN (at the request of Mr. ARMEY), for today until 11:45 a.m., on account of testifying at the North East Fisheries Management Council in Gloucester, MA.

Mr. FIELDS of Texas (at the request of Mr. ARMEY), for today after 2:30 p.m., on account of personal reasons.

Mrs. FOWLER (at the request of Mr. ARMEY), for today until 1 p.m., on account of illness.

Mr. TUCKER (at the request of Mr. GEPHARDT), for today and the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. KINGSTON) to revise and extend their remarks and include extraneous material:)

Mr. WHITE, for 5 minutes, today.

Mr. SAXTON, for 5 minutes, today.

Mrs. ROUKEMA, for 5 minutes, today.

Mr. GOSS, for 5 minutes, September 21.

Mr. KINGSTON, for 5 minutes, today.

Mr. WELDON of Pennsylvania, for 5 minutes, today.

(The following Members (at the request of Mr. DOGGETT) to revise and extend their remarks and include extraneous material:)

Ms. KAPTUR, for 5 minutes, today.

Mr. FRANK of Massachusetts, for 5 minutes, today.

Ms. DELAURO, for 5 minutes, today.

Mrs. MALONEY, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. FOX of Pennsylvania, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DOGGETT) and to include extraneous matter:)

Mr. GIBBONS.
Mr. MORAN.
Mr. LANTOS.
Mr. JOHNSON of South Dakota.
Mr. ACKERMAN.
Mr. POSHARD.
Mr. LIPINSKI.
Mr. BERMAN.
Mr. JACOBS.
Mrs. MALONEY.

(The following Members (at the request of Mr. KINGSTON) and to include extraneous matter:)

Mr. GALLEGLY.
Mr. BOEHNER.
Mr. FORBES.
Mr. BATEMAN.
Mr. GILLMOR.
Mr. CRANE.
Mr. BARTON of Texas.
Mr. PETRI.
Mr. DAVIS.
Mr. FLANAGAN.

(The following Members (at the request of Mr. OWENS) and to include extraneous matter:)

Ms. HARMAN.
Mrs. ROUKEMA.
Mr. CONYERS.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 19 minutes p.m.), the House adjourned until tomorrow, Wednesday, September 20, 1995, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1447. A letter from the Secretary of Energy, transmitting the Department's report entitled the "Low Emission Boiler System Program"; jointly, to the Committees on Appropriations and Commerce.

1448. A letter from the Secretary of Transportation, transmitting notification of the actions the Secretary has taken regarding security measures at Eldorado International Airport, Bogota, Colombia, pursuant to 49 U.S.C. 44907(d)(3); jointly, to the Committees on Transportation and Infrastructure and International Relations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ARCHER: Committee on Ways and Means. H.R. 2288. A bill to amend part D of title IV of the Social Security Act to extend for 2 years the deadline by which States are required to have in effect an automated data processing and information retrieval system for use in the administration of State plans for child and spousal support (Rept. 104–250). Referred to the Committee of the Whole House on the State of the Union.

Mr. MCINNIS: Committee on Rules. House Resolution 223. Resolution waiving points of order against the conference report to accompany the bill (H.R. 1817) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes (Rept. 104–251). Referred to the House Calendar.

Mr. QUILLEN: Committee on Rules. House Resolution 224. Resolution providing for consideration of the bill (H.R. 2274) to amend title 23, United States Code, to designate the National Highway System, and for other purposes (Rept. 104–252) Referred to the House Calendar.

Mr. DIAZ-BALART: Committee on Rules. House Resolution 225. Resolution providing for the consideration of the bill (H.R. 927) to seek international sanctions against the Castro government in Cuba, to plan for the support of a transition government leading to a democratically elected government in Cuba, and for other purposes (Rept. 104–253). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUNN of Oregon:

H.R. 2351. A bill to provide that pay for Members of Congress be made subject to annual appropriations; to the Committee on House Oversight.

By Mr. EVERETT (for himself, Mr. STUMP, and Mr. MONTGOMERY):

H.R. 2352. A bill to increase, effective as of December 1, 1995, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans; to the Committee on Veterans' Affairs.

By Mr. HUTCHINSON (for himself, Mr. EDWARDS, Mr. STUMP, and Mr. MONTGOMERY):

H.R. 2353. A bill to amend title 38, United States Code, to extend certain expiring authorities of the Department of Veterans Affairs relating to delivery of health and medical care, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. CREMEANS:

H.R. 2354. A bill to provide for the continuance of oil and gas operations pursuant to certain existing leases in the Wayne National Forest; to the Committee on Resources.

By Mr. BASS:

H.R. 2355. A bill to amend the Internal Revenue Code of 1986 to allow a corporation to elect the pooling method of determining foreign tax credits in certain cases, and for other purposes; to the Committee on Ways and Means.

By Mr. GIBBONS (for himself, Mr. GEPHARDT, Mr. STARK, Mr. JACOBS, Mr. FORD, Mr. MATSUI, Mrs. KENNELLY, Mr. COYNE, Mr. LEVIN, Mr. MCDERMOTT, Mr. KLECZKA, Mr. LEWIS of Georgia, Mr. PAYNE of Virginia, Mr. NEAL of Massachusetts, and Mr. WARD):

H.R. 2356. A bill to amend the Internal Revenue Code of 1986 to prevent the avoidance of tax through the use of foreign trusts; to the Committee on Ways and Means.

By Mr. JOHNSON of South Dakota:

H.R. 2357. A bill to amend the Internal Revenue Code of 1986 to correct a technical error in the expiration date for refunds on alcohol fuels; to the Committee on Ways and Means.

By Mr. LATOURETTE:

H.R. 2358. A bill to suspend until January 1, 1998, the duty on certain electrical capacitors; to the Committee on Ways and Means.

By Mr. McCOLLUM:

H.R. 2359. A bill to clarify the method of execution of Federal prisoners; to the Committee on the Judiciary.

H.R. 2360. A bill to amend title 18, United States Code, to permit Federal prisoners to engage in community service projects; to the Committee on the Judiciary.

By Mr. MOORHEAD:

H.R. 2361. A bill to amend the commencement dates of certain temporary Federal judgeships; to the Committee on the Judiciary.

By Mr. PETRI (for himself, Mr. Barrett of Wisconsin, Mr. Meehan, Mr. Zimmer, Mr. Miller of Florida, Mr. Dornan, Mr. Rohrabacher, Mr. Hoke, and Mr. Jacobs):

H.R. 2362. A bill to terminate marketing orders regulating the price of milk at the end of 1995 and to provide for the gradual reduction and eventual elimination of the price support program for milk; to the Committee on Agriculture.

By Mrs. ROUKEMA (for herself, Mr. Leach, Mr. McCollum, Mr. Roth, Mr. Baker of Louisiana, Mr. Bachus, Mr. Vento, Mr. Flake, Mr. Royce, Mr. Lucas, Mr. Weller, Mr. Metcalf, and Mr. Watts of Oklahoma):

H.R. 2363. A bill to provide for adequate funding for the Financing Corporation, to provide for the merger of the deposit insurance funds, to provide for the conversion of Federal savings associations into banks and the treatment of State savings associations as banks for purposes of Federal banking law, to abolish the position of Director of the Office of Thrift Supervision, and for other purposes; to the Committee on Banking and Financial Services, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SHADEGG (for himself, Mr. DeLay, Mr. McIntosh, Mr. Largent, Mr. Barton of Texas, Mrs. Cubin, Mr. Smith of Texas, Mr. Doolittle, Mr. Stump, and Mr. Radanovich):

H.R. 2364. A bill to provide incentives for the conservation and recovery of endangered species, and for other purposes; to the Committee on Resources, and in addition to the Committees on the Judiciary, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TALENT:

H.R. 2365. A bill to amend the Internal Revenue Code of 1986 to allow deductible contributions to individual retirement plans designated as Retirement Years Savings Accounts; to the Committee on Ways and Means.

By Mrs. VUCANOVICH (for herself and Mr. Waxman):

H.R. 2366. A bill to repeal an unnecessary medical device reporting requirement; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

161. By the SPEAKER. Memorial of the General Assembly of the State of California, relative to the Civilian Health and Medical Program of the Uniformed Services; to the Committee on National Security.

162. Also, memorial of the General Assembly of the State of California, relative to manufactured housing; to the Committee on Banking and Financial Services.

163. Also, memorial of the General Assembly of the State of California, relative to the auction of radio frequency spectrum; to the Committee on Commerce.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 44: Mr. Pomeroy, Mr. Goss, Mr. Hostettler, Mr. Bishop, and Mr. Gillmor.

H.R. 123: Mrs. Lincoln, Mr. Tiahrt, Mr. Hostettler, and Mr. Thomas.

H.R. 373: Mr. Moorhead.

H.R. 436: Mr. Franks of New Jersey.

H.R. 580: Ms. Danner and Mr. Ballenger.

H.R. 733: Mr. Talent and Mr. Barton of Texas.

H.R. 752: Mr. Ford, Mr. Brown of Ohio, Mr. Peterson of Minnesota, and Mr. Hinchey.

H.R. 773: Mr. McInnis.

H.R. 789: Mr. Weller, Mr. Schiff, Mr. Kolbe, Mr. Tiahrt, and Mr. Barton of Texas.

H.R. 842: Mr. Minge and Mr. Ganske.

H.R. 972: Mr. Gilman.

H.R. 997: Mr. Leach, Mr. Peterson of Minnesota, Mr. Hall of Ohio, Mrs. Chenoweth, and Ms. Lofgren.

H.R. 1021: Mr. Bateman.

H.R. 1023: Mr. Frost, Mr. Diaz-Balart, Mrs. Mink of Hawaii, and Mr. Bateman.

H.R. 1114: Mr. Taylor of North Carolina, Mr. Schiff, and Mr. Deal of Georgia.

H.R. 1402: Mr. Sanders.

H.R. 1458: Mr. Gilman.

H.R. 1625: Mr. Hyde and Mr. Doolittle.

H.R. 1744: Mr. Matsui.

H.R. 1856: Mr. Stupak, Ms. Lofgren, Mr. Bentsen, Mr. Ballenger, Mr. Goodlatte, Mr. Cox, Mr. Pickett, and Mr. Bartlett of Maryland.

H.R. 1960: Mr. DeLay.

H.R. 1963: Mr. Weldon of Pennsylvania.

H.R. 1972: Mr. Petri, Mr. Young of Alaska, Mrs. Kelly, Mr. Chapman, Mrs. Vucanovich, Mr. Ehrlich, and Mr. Allard.

H.R. 2026: Mr. Roberts, Mr. Hilleary, Mr. Moorhead, Mr. Bateman, Mr. Lewis of Kentucky, Mr. Ney, Mr. Emerson, Mr. Boehner, Mr. Chambliss, Mrs. Chenoweth, Mr. Latham, Mr. Brownback, Mr. Stump, and Mr. Bryant of Tennessee.

H.R. 2090: Mr. Weldon of Florida, Mrs. Myrick, Mr. Souder, Mr. Wicker, and Ms. Lofgren.

H.R. 2092: Mr. Scott, Mr. Coble, Mr. Kleczka, Mr. Filner, Mr. Owens, Mr. Gonzalez, Mr. Romero-Barcelo, Ms. Pelosi, Mr. Frost, Mr. Mineta, Mrs. Lowey, and Mr. Johnston of Florida.

H.R. 2132: Ms. Pelosi, Mr. Frazer, and Ms. Lofgren.

H.R. 2137: Mr. Foley and Mr. Hastings of Washington.

H.R. 2152: Mr. Rahall, Mr. Ehlers, Mr. Diaz-Balart, and Mr. Scarborough.

H.R. 2156: Mr. Ackerman.

H.R. 2181: Mr. Filner.

H.R. 2185: Mr. Gene Green of Texas, Mr. Ackerman, Mr. Waxman, Mr. Martinez, Ms. DeLauro, and Ms. Woolsey.

H.R. 2200: Mrs. Smith of Washington, Mr. Scott, Mr. Roberts, Mr. Largent, Mr. Hall of Ohio, Mr. Hastings of Washington, Mr. Hastert, and Mr. DeLay.

H.R. 2202: Mr. Norwood and Mr. Riggs.

H.R. 2330: Mr. Bryant of Tennessee, Mr. Hutchinson, and Mr. Bonilla.

H.R. 2342: Mr. Combest, Mr. Stockman, Mr. Thornberry, Mr. Gene Green of Texas, Mr. Frost, and Mr. Skeen.

H. Con. Res. 47: Mr. Yates, Mr. McCollum, Mr. Shays, Mr. Saxton, Mr. Pombo, and Ms. Furse.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1883: Mr. Weldon of Pennsylvania.

PETITIONS, ETC.

Under clause 1 of rule XXII

41. The SPEAKER presented a petition of the council of the city of Warren, OH, relative to the National Manual on Uniform Traffic Control Devices; which was referred to the Committee on Transportation and Infrastructure.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 927

Offered By: Mr. Stearns

(Page and line number references are to H.R. 2347)

Amendment No. 3: Add at the end of title I the following:

SEC. 112. CONGRESSIONAL NOTIFICATION OF CONTACTS WITH CUBAN GOVERNMENT OFFICIALS.

(a) Advanced Notification Required.—No funds made available under any provision of law may be used for the costs and expenses of negotiations, meetings, discussions, or contacts between United States Government officials or representatives and officials or representatives of the Cuban Government relating to normalization of relations between the United States and Cuba unless 15 days in advance the President has notified the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate in accordance with procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance act of 1961.

(b) Reports.—Within 15 days of any negotiations, meetings, discussions, or contacts between individuals described in subsection (a), with respect to any matter, the President shall submit a report to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate detailing the individuals involved, the matters discussed, and any agreements made, including agreements to conduct future negotiations, meetings, discussions, or contacts.

H.R. 1617

Offered BY: Mr. Traficant

Amendment No. 29: Page 27, after line 24, insert the following:

SEC. 7. PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.

(a) Sense of the Congress.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this Act should be American-made.

(b) NOTICE REQUIREMENTS.—In providing financial assistance to, or entering into any contract with, any entity using funds made available under this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

H.R. 2274

OFFERED BY: MR. BEILENSON

AMENDMENT NO. 19: Page 59, after line 7, insert the following:

(c) GUARANTEE AND WARRANTY CLAUSES.—Section 112 of title 23, United States Code, is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following:

"(f) GUARANTEE AND WARRANTY CLAUSES.—The Secretary shall, by regulation, permit a State highway department, in accordance with standards developed by the Secretary in such regulations, to include a clause in a contract for the construction of any Federal-aid highway project requiring the contractor to warrant the materials and work performed in accordance with the contractor's obligations and responsibilities under the terms of the contract. The warranty or guarantee clause shall be reasonably related to the materials and work performed and in accordance with the contractor's obligations and responsibilities under the terms of the contract and shall not be construed to require the contractor to perform maintenance.".

(d) REGULATIONS.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall initiate a rulemaking proceeding for developing standards under section 112(f) of title 23, United States Code, as added by subsection (c) of this section.

H.R. 2274

OFFERED BY: MR. KIM

AMENDMENT NO. 20: At the end of title III of the bill, add the following:

SEC. 354. ADVANCED CONSTRUCTION.

Section 115(d) of title 23, United States Code, is amended to read as follows:

"(d) LIMITATION ON ADVANCED FUNDING.—The Secretary may approve an application under this section for a project in a State authorized under section 103(e)(4), 104, 144, or 307, as the case may be, if the total amount of funds approved in applications for such projects do not exceed currently authorized funds for such State, plus an amount equal to the amount of the final year currently authorized funds for the State.".

Conform the table of contents of the bill accordingly.

H.R. 2274

OFFERED BY: MRS. LOWERY

AMENDMENT NO. 21: At the end of title III of the bill, insert the following:

SEC. 354. OPERATION OF MOTOR VEHICLES BY INTOXICATED MINORS.

"(a) IN GENERAL.—Chapter 1 of title 23, United States Code, is amended by adding at the end the following:

"§ 161. National standard to prohibit the operation of motor vehicles by intoxicated minors

"(a) WITHHOLDING OF APPORTIONMENTS FOR NON-COMPLIANCE.—

"(1) FISCAL YEAR 1999.—The Secretary shall withhold 5 percent of the amount required to be apportioned to any State under each of paragraphs (1), (3), and (5) of section 104(b) of October 1, 1998, if the State does not meet the requirement of paragraph (3) on such date.

"(2) THEREAFTER.—The Secretary shall withhold 10 percent (including any amounts withheld under paragraph (1)) of the amount required to be apportioned to any State under each of paragraphs (1), (3), and (5) of section 104(b) on October 1, 1999, and on October 1 of each fiscal year thereafter, if the State does not meet the requirement of paragraph (3) on such date.

"(3) REQUIREMENT.—A State meets the requirement of this paragraph if the State has enacted and is enforcing a law that makes unlawful throughout the State the operation of a motor vehicle by an individual under the age of 21 who has a blood alcohol concentration of 0.02 percent or greater.

"(b) PERIOD OF AVAILABILITY; EFFECT OF COMPLIANCE AND NONCOMPLIANCE.—

"(1) PERIOD OF AVAILABILITY OF WITHHELD FUNDS.—

"(A) FUNDS WITHHELD ON OR BEFORE SEPTEMBER 30, 2000.—Any funds withheld under subsection (a) from apportionment to any State on or before September 30, 2000, shall remain available until the end of the third fiscal year following the fiscal year for which such funds are authorized to be appropriated.

"(B) FUNDS WITHHELD AFTER SEPTEMBER 30, 2000.—No funds withheld under this section from apportionment to any State after September 30, 2000, shall be available for apportionment to such State.

"(2) APPORTIONMENT OF WITHHELD FUNDS AFTER COMPLIANCE.—If, before the last day of the period for which funds withheld under subsection (a) from apportionment are to remain available for apportionment to State under paragraph (1), the State meets the requirement of subsection (a)(3), the Secretary shall, on the first day on which the State meets such requirement, apportion to the State the funds withheld under subsection (a) that remain available for apportionment to the State.

"(3) PERIOD OF AVAILABILITY OF SUBSEQUENTLY APPORTIONED FUNDS.—Any funds apportioned pursuant to paragraph (2) shall remain available for expenditure until the end of the third fiscal year following the fiscal year in which such funds are so apportioned. Sums not obligated at the end of such period shall lapse or, in the case of funds apportioned under section 104(b)(5), shall lapse and be made available by the Secretary for projects in accordance with section 118.

"(4) EFFECT OF NONCOMPLIANCE.—If, at the end of the period for which funds withheld under subsection (a) from apportionment are available for apportionment to a State under paragraph (1), the State does not meet the requirement of subsection (a)(3), such funds shall lapse or, in the case of funds withheld from apportionment under section 104(b)(5), such funds shall lapse and be made available by the Secretary for projects in accordance with section 118.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following:

"161. National standard to prohibit the operation of motor vehicles by intoxicated minors.".

Conform the table of contents of the bill accordingly.

H.R. 2274

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 22. Page 97, after line 12, add the following:

SEC. 354. PROHIBITION ON PAYMENT OF SAFETY BONUSES.

Amounts in the Highway Trust Fund established by section 9503 of the Internal Revenue Code of 1986, and non-Federal funds required by law as a condition for the receipt of such amounts, may not be expended for the payment of a safety bonus to a contractor.

Conform the table of contents of the bill accordingly.

H.R. 2274

OFFERED BY: MR. NADLER

AMENDMENT NO. 23: Page 90, line 17, strike "for only those" and all that follows through the period on line 18 and insert the following:

in accordance with State law.

H.R. 2274

OFFERED BY: MR. NADLER

AMENDMENT NO. 24, Page 97, after line 12, add the following:

SEC. 354, EXTENSION OF DEADLINE FOR REPAYMENT OF FUNDS.

The Secretary shall extend by 2 years the deadline by which the State of New York is required under section 103(e)(7) of title 23, United States Code, to make a repayment to the Highway Trust Fund in connection with Federal funds expended to acquire property for a portion of Interstate Route 478 which was withdrawn from the Interstate System in accordance with the provisions of section 103(e)(4) of such title.

Conform the table of contents accordingly.

H.R. 2274

OFFERED BY MR. OBERSTAR

AMENDMENT NO. 25, Page 92, strike lines 15 through 17, and insert the following:

Section 154 of title 23, United States Code, is amended by adding at the end the following:

"(j) REPEAL.—The provisions of this section and section 141(a) shall not be effective with respect to a State if the Governor of the State—

"(1) prepares and submits to the Secretary and to the legislature of the state a report (using data available to the Governor on the date of the enactment of this subsection) on costs to the State of deaths and injuries resulting from motor vehicle crashes; and

"(2) enters into an agreement with the secretary under which the Governor agrees to prepare and submit to the Secretary and to the legislature of the state in fiscal year 1997, and biennially thereafter, a report (using methods approved by the Secretary) on costs to the State of deaths and injuries resulting from motor vehicle crashes.".

H.R. 2274

OFFERED BY: MR. RAHALL

AMENDMENT NO. 26, Strike section 348 and insert in lieu thereof the following:

Sec. 348. National Maximum Speed Limit.

Section 154(a) of title 23, United States Code, is amended—

(1) by striking "fifty-five miles" the first place it appears and all that follows through "or (4)" and inserting "65 miles per hour, or (2)"; and

(2) by striking "Clause (4)" and inserting "Clause (2)". Conform the table of contents of the bill accordingly.

H.R. 2274

OFFERED BY: MR. RAHALL

AMENDMENT NO. 27, Strike section 348.

H.R. 2274

OFFERED BY: MS. VELÁZQUEZ

AMENDMENT NO. 28, At the end of title III of the bill, insert the following:

SEC. 254. GOWANUS EXPRESSWAY REHABILITATION PROJECT, NEW YORK CITY, NEW YORK.

No Federal funds may be expended for the Gowanus Expressway rehabilitation project in New York City, New York, until the Secretary determines that a major metropolitan transportation investment study has been conducted for such project in accordance with the requirements of part 450 of title 23, Code of Federal Regulations, as in effect on the date of the enactment of this Act.

Conform the table of contents of the bill accordingly.

SENATE—*Tuesday, September 19, 1995*

(Legislative day of Tuesday, September 5, 1995)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, You have chosen and called us to know, love, and serve You as leaders of our Nation. We praise You for the wondrous gift of life and the privilege of living this day to the fullest. You are for us and not against us and seek to liberate us from anything that would debilitate us in living and working with freedom and joy, peace and productivity. Thank You for setting us free from any burdens of worry and anxiety, so we can think creatively for You today. We commit to You the challenges and decisions we will face and thank You that You will give us exactly what we need to serve You with excellence each hour. We claim Your promise to give us strength today, peace in the pressures, light for the way; help from above, the gift of wisdom, the assurance of love. When this day is done we will be careful to give You the praise for all that You have accomplished through our efforts. Give us positive expectation of Your timely interventions and an attitude of gratitude for Your guidance. In the name of our Lord through whom we have assurance of life now and forever. Amen.

SCHEDULE

Mr. THOMAS. Mr. President, for the information of all Senators, this morning there will be a period of morning business until the hour of 9:30. At 9:30, the Senate will resume consideration of H.R. 1976, the agricultural appropriations bill, and the pending Bryan amendment.

In accordance with the consent arrangement, following 15 minutes of debate there will be a rollcall vote on or in relation to the Bryan amendment. All Senators should therefore be alerted that there will be a rollcall vote at approximately 9:45 this morning.

Senators also should be reminded that following the recess for party conferences today, the Senate will resume the welfare bill, with a series of rollcall votes beginning at 2:45, which should complete action on the welfare reform bill.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ASHCROFT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. THOMAS). Without objection, it is so ordered.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 9:30, with Senators permitted to speak therein for up to 5 minutes each.

The Senator from Missouri.

THE WELFARE SYSTEM

Mr. ASHCROFT. Mr. President, today we embark upon a most important responsibility, a responsibility that the people of this country called upon us to undertake in the elections of 1994. I must say that I believe the people have been yearning that Congress confront this challenge forthrightly and productively for years. But I believe that the Congress has finally gotten the message, and we have been working very hard to change the welfare system—to change it from a system for keeping the poor and maintaining the poor. And, unfortunately, that is what we have done. We have maintained them and kept them poor through a system that should have become a transitional system, a system that would help people move from poverty to prosperity, move from welfare to work. And it is an important responsibility which we have.

The welfare system in the United States has been a system of failure. It has not been that the people have failed so much as the system has failed. We started out with an aggressive program in the 1960's to launch a war on poverty. And yet, in spite of the great war on poverty, spending over $5 trillion, we have more people in poverty now than we did when we started the war on poverty. We have a greater percentage of the children of America on poverty than we did when we started the war on poverty.

It occurs to me that we have a great responsibility to change this system—to change it profoundly so that, instead of a system which ends up trapping people in lives of poverty, we make this a transitional system; that, when people really need help, we move them from the desperation of needing help to the opportunity of work and responsibility.

So this national system which has become a national disgrace is the topic now of national debate, and it should be the topic of action in the Senate today.

As you and I well know, and as our colleagues here in the Senate well know, the House has already acted forthrightly in this respect. There are differences between what the House has passed and what those of us in the Senate have been working on. But we can find a way to reconcile our differences, and I believe we can give to the President of the United States, who has said that he wants to end welfare as we know it, a constructive bill.

During the past several weeks we have debated this measure, and we have properly spent substantial time on it because this is no small item. It does not just deal with the billions and billions of dollars. The welfare problem, the welfare challenge, deals with much money. It deals with the great set of natural and national resources—not just financial but human resources.

The fact of the matter is that the United States of America can ill afford to compete on the international scene, can ill afford to be a part of the challenge for productivity as one nation will seek to do and do better than another nation, if we have so many of our players that are not really on the field. We would not think of sending our team out to play another team for a Saturday or Sunday afternoon football game with half of our team not taking the field, not being capable of participating, and being ruled out of the system. Well, our team is a big team, and it is a strong team. It is a capable team in the United States. But we have too many that have been consigned to bench duty without any possibility of making it to the field. And we will not win in the competition of the international arena unless we find a way to bring people into productivity and out of poverty.

So the real challenge we face is changing the system, and changing it not just by tinkering around the edges. No rearrangement of the deck chairs on the welfare *Titanic* will get the job done. We need to have the kind of profound changes that will move people out of despair into industry, and out of hopelessness into opportunity.

So we will vote on a clear question today, and that is whether we will continue to fund the horror that came to define the United States welfare system and which came to detail the lives of individuals trapped in this system.

● **This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.**

Whether we have the courage to change that or not will be the real vote which we make today. I believe we have the courage to do that which is right, and I believe we will do so. And I believe we ought to do so.

I would say that this is not an ideal welfare bill. This is not something that is in my judgment the best that could be done. There are probably changes that almost every Member of this Chamber would make in the bill. I believe that the right thing to do would have been far broader, not just block granting AFDC with an option to block grant food stamps. In my judgment we should have had AFDC, food stamps, Medicaid and Supplemental Security Income. The big four of welfare should all have been in this bill, all reformed at the same time for a variety of reasons, such as stopping the insanity of entitlement spending. We should avoid cost shifting that would take people out of one program in which we removed the entitlement status and shove them over into another program which has remained as an entitlement. That kind of cost shifting should not be allowed. It should be avoided.

I would have preferred a more comprehensive bill. Obviously, I would have preferred one where the block grant for food stamps was mandated. I would have preferred one where we had Supplemental Security Income. I would have preferred a bill that would have had a more significant breadth, that had Medicaid in it as well. But we are making some first steps, and they are important first steps.

One of the important first steps is the reduction in bureaucracy here; the reduction in the redtape, the reduction in this micromanagement, this intermeddling micromanagement from the Federal Government which makes it very difficult for the States to adopt policies that will really make a difference and makes it very expensive when you have to comply with hundreds of pages of Federal bureaucratic redtape. It is expensive. Instead of money getting to the truly needy, instead of the resource making it to the population that wants to move from welfare to work, sometimes the resource gets clogged in the bottleneck of the bureaucracy and the money is spent there instead of being spent on the poor. We are going to reduce the number of regulatory impositions from Washington substantially. This bill will improve our ability to deliver the real kind of help that people need. That is important—maximum State flexibility.

Second, I believe it is important that we will end an entitlement. This philosophy that we do not care how much it costs, that as many people as can meet certain criteria are just entitled to self-appropriate to themselves—that has to stop. It is a major thing. First, reduce the bureaucracy; second, end entitlement; third, we are going to require work far more pervasively than ever before.

The American people have told us with a clarity that is unmistakable. We must require work, and, of course, provide the flexibility so that people can do in the various States and communities of this country what works there, not what somebody in Washington wants to impose, but to do simply what works.

This bill makes a statement that Washington does not have all the answers. We are now looking to the communities and the States to do what works there, to tailor programs, and to be experimental stations to say we will try this, and, if it works here, others might want to try it. But it should not be imposed on them because people should have an opportunity to do what works to move people from poverty to productivity. Washington, it may be said, has been the mad scientist seeking to impose its will. But the truth of the matter is we need to provide an opportunity for States to do that which works.

Well, this bill comes with an explicit admonition as well. This bill recognizes that Government alone will not solve these problems. And I think that it is important for us to express nationally and as a part of policy that we really expect charitable and nongovernmental institutions in this culture to rally to address this problem, and not expect the problem to be solved fully by Government.

So we have in this bill a specific invitation to private charities, nongovernmental entities, even faith-based organizations to participate in the solution of this serious challenge to the success of this society in the next century. And I believe that is a major step forward.

We have an opportunity. We have an opportunity to do something that is substantially in the best interests of the people of this country, something they have yearned for us to do. That is to change a welfare system which is badly broken, which has been the keeper of the poor and has kept people poor, which has managed to find more people in poverty after its great effort than less people in poverty.

The war on poverty has resulted in the children of America being taken as prisoners. We have to do something, and we have to do it well.

As I previously stated, this welfare reform bill is not perfect, but it does take the first steps. The lack of perfection in this bill, the absence of a mandate that the Food Stamp Program be sent to all the States, the lack of reforms to the SSI Program in the bill, are some of a number of things which keep it from being perfect but should not keep it from being passed.

This bill gives us the opportunity to say, "Let us pass this bill, but let the imperfections drive us to keep our focus and in the next year to continue to improve and extend it."

There has been a lot of talk in the last few weeks during the welfare reform debate about money and about resources. We know how desperately important it is for us to balance the budget, but the ultimate importance of this bill is not money. The savings we are talking about are the savings in lives and opportunities and, through those savings, the future of America. Our task in this welfare reform measure is then to save the lives and opportunities of citizens. To pass this welfare reform bill today would be a real step toward saving lives, and we must support it and must be driven by its imperfections to do even more when we reconvene next year.

THE DEATH OF STATE SENATOR JOHN PLEWA

Mr. FEINGOLD. Mr. President, I am deeply saddened by the loss of a dear friend and former colleague, State Senator John Plewa.

I had the pleasure of serving with John in the legislature for 10 years, and for 8 of them in the State senate. He represented the people of Wisconsin, first in the assembly, and then in the State senate, with dedication and devotion, and his constituents returned him to office at every election since he was first elected in 1972. At the time of his death, John had the fourth longest tenure among lawmakers currently serving in the Wisconsin Legislature.

John was a lifelong resident of Milwaukee, graduating from Don Bosco High School in 1963. He earned a bachelor of education degree in 1968 at the University of Wisconsin-Whitewater, and following that, taught history and social studies at Milwaukee Area Technical College prior to his service in the legislature.

A committed and passionate advocate for Wisconsin's families, John may be best remembered as the father of Wisconsin's family and medical leave law, which allows people to take time off from their job to provide assistance to a family member needing care, from newborns to an elderly relative—a law that helped pave the way for the Federal family leave law that was enacted in 1993.

His commitment to families in need went well beyond the family leave law. John was vice chair of the Senate Aging Committee when I chaired that body, and I saw first-hand his steadfast and effective support of long-term care reforms that help people with disabilities of all ages remain in their own homes with their families.

John was also vitally concerned with housing policy, serving on the board of Wisconsin's Housing and Economic Development Authority for 10 years. I had the pleasure of working with John in this area as well when we coauthored

Wisconsin's Housing Trust Fund, to provide flexible help to families in need of decent, affordable housing.

John would have been 50 years old this Friday. But even though he did not live to celebrate that anniversary, he left Wisconsin an impressive legacy.

Today, thousands are able to take time from work to care for a family member without the fear of losing that job. Other families are finally able to afford a decent home. Wisconsin families, who otherwise might be forced apart because of a long-term disability, are able to remain together, and individuals needing long-term care, who otherwise might be forced to seek services in an institution, are able to remain in their homes. All because of John Plewa. Wisconsin families have lost one of their foremost champions, and I know they join in offering their sympathy to the friends and colleagues John leaves behind, to his staff, and most especially to John's wife Susan and their two sons.

We will miss him.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, the skyrocketing Federal debt, now soaring toward $5 trillion, has been fueled for a generation now by bureaucratic hot air—and it is sort of like the weather—everybody talks about it but almost nobody did much about it until immediately after the elections in November 1994.

But when the new 104th Congress convened this past January, the U.S. House of Representatives quickly approved a balanced budget amendment to the U.S. Constitution. On the Senate side, all but one of the 54 Republicans supported the balanced budget amendment—that was the good news.

The bad news was that only 13 Democrats supported it—which killed hopes for a balanced budget amendment for the time being. Since a two-thirds vote—67 Senators, if all Senator's are present—is necessary to approve a constitutional amendment, the proposed Senate amendment failed by one vote. There will be another vote either this year or in 1996.

Here is today's bad debt boxscore:

As of the close of business Monday, September 18, the Federal debt—down to the penny—stood at exactly $4,963,468,747,991.22 or $18,841.41 for every man, woman, and child on a per capita basis.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER (Mrs. HUTCHISON). The Senator from North Dakota is recognized.

ORDER OF PROCEDURE

The PRESIDING OFFICER. At 9:30, the Senate is to go to the previous order. There is at least one other speaker, possibly two, so could we have a division of time so that everyone will have an opportunity to speak.

Mr. DORGAN. Madam President, I ask unanimous consent that I be allowed to speak for 4 minutes; I believe the Senator from Connecticut would like to speak for 4 minutes, and the Senator from Wyoming would like to speak for 4 minutes, and have the time adjusted at 9:30 to accommodate this request.

Mr. COCHRAN. Reserving the right to object.

The PRESIDING OFFICER. Is there objection?

Mr. COCHRAN. Reserving the right to object, Madam President, I was unable to hear the entire consent request. Could the Senator restate it?

The PRESIDING OFFICER. It would extend morning business beyond 9:30.

Mr. COCHRAN. Madam President, I am constrained to object to that. We made it very clear last night what the times were. We have Senators who have rearranged schedules to be here.

Mr. DORGAN. I withdraw my request, Madam President.

The PRESIDING OFFICER. Would it be possible to give 2 minutes to each of the three speakers?

Mr. DORGAN. Madam President, I request each of the three be allocated 2 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

WELFARE REFORM

Mr. DORGAN. Madam President, I intend to vote for the welfare reform bill today. It is not a perfect piece of legislation, but it does advance some of the issues that I think need to be advanced and begin some new directions that I think are necessary.

There is no disagreement in this Chamber about the proposition that the current welfare system does not work very well. There ought not be any disagreement in this Chamber either about the fact that when we change our welfare system, we ought to make sure we protect America's children.

There is a stereotype about welfare that is fundamentally inaccurate, that welfare is a woman who has 16 kids because it is profitable to have children; that welfare is some able-bodied person lying in a Lazy Boy recliner drinking beer, watching color television, and who is essentially slothful, indolent, and unwilling to work.

The fact is, that is not the statistical welfare recipient. The size of the average welfare family is almost identical to the size of the average American family.

Two-thirds of the people on welfare are kids under 16 years of age. As we go about trying to figure out how to change the system, we have to understand our obligation to protect children. We also need to provide the right incentives and to provide some hope to those who are hopeless, to extend a hand of help to those who are helpless, but also to say to them that welfare is temporary. We extend the hand of help because you need it, and it is to help you get up and out, to go get a job and be productive and be able to care for yourself.

These are the kinds of incentives we want to be included in this welfare reform bill. We have accomplished some of those goals, some of those goals we have not.

The Senator from Connecticut, who is going to speak for a couple of minutes, put a very important provision in this bill dealing with child care. That is enormously important and will allow a number of us to vote for this legislation. As I said, this bill is not perfect. I am concerned about the notion of block granting money, of wrapping up money and sending it to the States and saying, "By the way, here is some money you didn't collect. Go ahead and spend it."

I am concerned about a number of other things in the bill, but I do think it advances the welfare reform debate as it leaves the Senate. I do not know whether I will vote for it when it comes back from conference. I hope it will come out of conference as a good welfare reform bill, as well.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. THOMAS. Madam President, I rise in support of the welfare proposal that will be before us today. We have talked about it a very long time. Obviously, there are different views about how it should be implemented but, most of all, it is the first opportunity we have had in a very long time to make some changes, to make some of the kinds of changes that the American people asked us to make in November and, indeed, have been asking us to make for some time.

It is the first opportunity in a long time to make some of the kinds of changes that most of us have known needed to be made for a long time in the welfare program. Most everyone agrees that we need a program in this country to help people who need help and help them back into the workplace. The program as it now exists has not accomplished that. Indeed, the program we now have has not accomplished the basic things we think it should accomplish.

The provisions of this welfare proposal will allow us to encourage people back to work, to put in some incentives to go back to work, and to deal very properly with the notion of child care, with extending health benefits to single-parent families so that that parent can work.

We have done this in our own Wyoming Legislature. We recognized some time ago that if the option was to take a minimum wage job and lose those benefits, then the better thing to do was stay on welfare. We have to change that. We do have to make some changes if we expect different results, and too often we all talk expansively about change; we want to make change; we are all for change; but when the time comes, we really resist change. We simply cannot expect the results to be different unless we do some changing, and one of the principal, most important changes here is to allow the States to have more flexibility, to allow the States to be the laboratory for developing and testing and creating programs that, indeed, deliver the kinds of programs needed.

I urge my fellow Senators to vote in support of this welfare bill today.

I yield the floor.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from Connecticut is recognized.

Mr. DODD. I thank the Chair.

Madam President, just very briefly regarding the welfare reform proposal, this is a substantially improved product from what the other body, the House of Representatives, has passed. It is certainly improved over what was originally proposed by the majority leader in the areas of child care, maintenance of effort, and a number of other areas that have been included as part of this proposal. My concern is, of course, that this may be the best it ever gets and that as we go to conference, as historically happens, you find some sort of middle ground between what the Senate has done and what the House of Representatives has done.

If that is the case, this bill will come back to us from conference in a very weakened position. And so while I think there will be a substantial vote for the proposal today, having spoken now with a number of our colleagues, particularly on this side, Madam President, it should not be construed, if the vote is a strong vote for the Senate proposal, that this is some indication of a willingness to support whatever comes back from conference.

In order to have intelligent welfare reform, you have to make investments. The distinguished Senator from New York [Mr. MOYNIHAN], who, as I mentioned at the outset of this debate, knows more about welfare reform than most of us will ever know about the issue, has warned that if we do not make these investments, we are going to be looking down the road at a tragic situation.

It is not enough just give the issue back to the States. The problems exist primarily at the local level, the city and town level. I do not know how many States are necessarily going to allocate resources in those parts of their own jurisdiction where the problems persist the most.

Having said all of that, Madam President, I do not disagree with what my colleagues have generally said this morning, that this is a far better bill than what the other body has passed, a far better bill than was initially proposed and offered here in the Senate.

But I would still say that we have a long way to go before this bill becomes the kind of proposal that not only saves money, but allows people to go from welfare to work and protects the 10 million children who could be adversely affected by these decisions.

I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. THOMAS). Morning business is closed.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The PRESIDING OFFICER. Under the previous order, the hour of 9:30 having arrived, the Senate will resume consideration of H.R. 1976, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1976) making appropriations for Agriculture, rural development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1996, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Brown modified amendment No. 2688 (to committee amendment beginning on page 83, line 4, through page 84, line 2), to prohibit the use of funds for salaries and expenses of Department of Agriculture employees who carry out a price support or production adjustment program for peanuts.

(2) Bryan-Bumpers amendment No. 2691, to eliminate funding to carry out the Market Promotion Program.

AMENDMENT NO. 2691

The PRESIDING OFFICER. Under the previous order, there will now be 15 minutes for debate under the Bryan amendment No. 2691 equally divided. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I yield myself such time as I may consume. It is my intent to speak a few minutes in opposition to the Bryan amendment, to put in context the decision we will make at 9:45.

This is an amendment that does not seek to modify or simply reduce the funding for the Market Promotion Program. It is designed to kill the program, eliminate all funding under this legislation for this program in the next fiscal year. I think that would be a big mistake, Mr. President, and here is why.

The Foreign Agriculture Service undertook a study of this program in response to requests from the Congress and determined that for every $1 that we invest in this Market Promotion Program promoting U.S. agriculture commodities and foodstuffs that are exported in the international marketplace, $16 is generated in additional agriculture imports.

At a time when we are trying to compete more aggressively in the international market because of the opening up of new markets under the GATT Uruguay Round Agreement, we are trying to do a better job and use all the resources that we can muster to help ensure that we maintain a competitive edge and that we work with our farmers and ranchers and food processors to try to enlarge our share of markets. This is going to have just the opposite effect.

So I am hopeful that the Senate will vote against this amendment. I urge all Senators to carefully consider this. This is a proven, tested, workable, and effective program, and we have the facts to prove it. We debated this issue for an hour last night and laid all the facts out on both sides. I hope the Senators this morning will reject this amendment soundly.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. COCHRAN. Mr. President, if there is no one seeking to address the Senate in support of the amendment, I am going to suggest that the time during the quorum, which I am going to call, be charged to the proponents of the amendment. I ask unanimous consent that the time be so charged.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. COCHRAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. BOXER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I yield 2 minutes to the distinguished Senator from California.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, thank you very much. I listened last night to a debate we have had here many times, and my friend and colleague from Nevada, RICHARD BRYAN, my distinguished friend who I respect, lists all the companies that get this, shall we say, assistance for export promotion and points out they all make a profit, they make large profits and says that this is a program that we should not have.

But every year, and it seems like twice a year, I take to the floor to point out to my friend and to the rest of our colleagues on both sides of the aisle that the future of this country, the economic future of this country really lies in exports. That is where we are going to have the job creation, that is where we are going to have an economic future that is worth something.

We know scientifically, because we have the studies, that every dollar that is invested in market promotion yields far, far many more dollars in return. It is a multiplier effect because the companies match the moneys and we wind up selling more of our products overseas.

The other point I want to make is that every other country in the world with whom we compete have similar programs, as a matter of fact, have much broader and wider and deeper programs where they push the exports of their country. If we are to walk away from this, we will fall behind.

So, Mr. President, I know that the companies that are listed by my friend are successful companies, and I know that they do put some of their capital into this, but I think it is very appropriate for this country to have an export promotion program, just as I think it appropriate for our trading partners.

I stand with the chairman, and I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, I yield myself 3 minutes.

I point out to my colleagues that the MPP and its immediate predecessor, the Targeted Export Assistance Program, has cost the American taxpayers $1 billion—$1 billion. It is currently proposed for funding at $110 million. It is a program which has been soundly denounced by think tanks and organizations that are representing a broad spectrum of interest groups from the Cato Institute to the Competitive Enterprise Institute, the National Taxpayers Union, the Citizens Against Government Waste, the Center for Science in the Public Interest, the Progressive Policy Institute.

The General Accounting Office has reviewed this program and has concluded that there is no tangible, ascertainable basis upon which to conclude that, in fact, has assisted in the Market Promotion Program. There are no criteria in terms of large company, small company, who receives, no period of time in which one is supposed to graduate out of the program.

We are currently spending to assist our overall export promotion programs in this country about $3.5 billion annually. While agricultural products account for 10 percent of total U.S. exports, the Department of Agriculture spends $2.2 billion, or 63 percent of the total.

The way this program works, Mr. President, is that the advertising budgets of some of the largest corporations in the world receive a handout from the American taxpayer to supplement their budgets. Time restricts me from going into great detail, but here are some of the companies, all fine companies, that received in fiscal year 1993–1994 substantial amounts of money: Ernest & Julio Gallo, $7.9 million; Pillsbury, $1.75 million; Jim Beam Whiskey, $713,000, Campbell Soups, $1.1 million, to cite a few.

I think the American taxpayer, if he or she understood, would be shocked that, in effect, we are taking tax dollars collected from the American people and, in effect, adding them to the advertising budgets of some of the largest companies in the world.

Mr. President, the time to end this program has come. We have cut Medicare by $270 billion. We are cutting all kinds of programs involving educational assistance and a whole raft of programs. Yet, we seem to be unable to divorce ourselves from this form of corporate welfare.

I reserve the remainder of my time.

Mr. COCHRAN. How much time remains on each side?

The PRESIDING OFFICER. The Senator from Mississippi has 3 minutes 33 seconds. The Senator from Nevada has 2 minutes 50 seconds.

Mr. COCHRAN. Let me simply say that in response to the suggestion that large corporations are getting all this money, 80 percent of this money goes to trade associations, farmer cooperative groups, the association of exporters of poultry and eggs, cotton promotion groups, and others who are trying to take up for the interests of America's farmers, ranchers, and those in the food businesses that sell in the international market.

We are trying to save American jobs and promote American economic interests, American agriculture interests. These are companies that are involved in those businesses. But the majority of the money goes to small businesses, farmer cooperatives, and organizations like that, who sometimes use those companies to help promote what the ingredients are in their products that are sold in the international market.

So we hope Senators will keep that in mind. This is not corporate welfare—the catchy phrase some are using to discredit programs, this one included. It is not well-placed criticism. It is not accurate to judge the worth of this program on the basis of that kind of argument.

Mr. President, I reserve the remainder of our time.

Mr. BAUCUS. Mr. President, I rise today to express my strong opposition to the amendment offered by my colleagues from Nevada and Arkansas—the amendment to eliminate the funding for the Market Promotion Program. I think this effort is a misguided attack on a program which is successful in its accomplishments. In fact I believe funding for this program should be increased, not eliminated.

Mr. President, American agriculture is an example of successful export growth. This year our exports will be in the neighborhood of $50 billion. And our trade surplus in agricultural goods is around $20 billion. And one big reason is the MPP.

This program promotes American agricultural commodities in foreign markets. This program allows foreign businesses to advertise American products in their operations. The MPP helps put American beef in Chinese Big Macs—rather than less expensive, locally produced foods.

And the benefits of such a program are well-recognized by our competitors in the global marketplace. The European Union, our largest and most tenacious agricultural export adversary, outspends us nearly 3 to 1 in programs of this type. They spend as much to export wine as we do for all our commodities through the MPP. I think that speaks volumes about these programs.

This year we have seen significant advances in our ability to enter foreign markets. We've moved apples and broccoli in Japan, and negotiated an agreement to ship more meat into Korea. These exports mean jobs and revenue in America. And I am confident this trend will continue. But it makes no sense to eliminate the tools which have facilitated this progress. The MPP is one such tool.

Mr. President, I strongly endorse the Market Promotion Program and I urge my colleagues to join me in opposing this amendment to end the funding for this valuable program.

Mrs. FEINSTEIN. Mr. President, I oppose the Bryan amendment to eliminate funding for the Market Promotion Program.

The Market Promotion Program helps promote U.S. agricultural commodities abroad and build foreign markets for American agricultural products. I support the Market Promotion Program. And here is why:

First, the Market Promotion Program has been a very successful program. It has significantly benefited agriculture and expanded markets. There have been scores of success stories. For California agriculture, MPP moneys have boosted exports of almonds, asparagus, prunes, citrus, avocados, kiwifruit, canned peaches, canned pears, canned fruit cocktail, pistachios, strawberries, table grapes, tomatoes, walnuts, wine, raisins, cotton and cotton products, and more.

The California avocado industry, for example, used MPP moneys to increase Japanese consumers' awareness of the higher quality of California avocados as opposed to lower priced, lower quality foreign sources. In 3 years, using

MPP funds California avocado growers were able to increase exports to Japan by 200 percent.

Similarly, the U.S. cotton industry effectively used to promote the higher quality of products made with U.S. cotton. In the 5 years preceding the Market Promotion Program, exports of American cotton averaged only 5.3 million bales of raw cotton. This year, U.S. cotton exports will exceed 10 million bales. U.S. cotton exports have averaged $437 million more per year since the Market Promotion Program began.

Second, the Market Promotion Program is a cost-shared program. Recipients of MPP funds must contribute funds of their own as well. But the Federal funds serve as seed money that attract the private funding and bring diverse segments of an industry together on export promotion that would not otherwise be possible.

Third, the Market Promotion Program helps American agriculture compete in a global market. It is a GATT legal program. Agricultural exports now account for nearly one-third of total U.S. agricultural production and over $40 million in sales. But our competitors in world markets are aggressively supporting export and promotion of their agricultural products. We need to ensure that our growers are given the same support that their foreign competitors receive.

Mr. President, the Market Promotion Program works. We should not eliminate it.

Mr. GORTON. Mr. President, my message today is simple: If you are pro trade, pro growth, and pro jobs—you are pro MPP.

The Market Promotion Program is a proven success. For example, in my home State of Washington we have seen a dramatic increase in apple exports from 4.3 million cartons to 25.1 million, an increase of over 500 percent. Export sales now total over $300 million. This success is due to the Market Promotion Program.

My State alone exports over 1.1 billion dollars' worth of agriculture products. Such exports generate nearly $3 billion in economic activity and provide over 33,000 export-related jobs in my State of Washington. Programs like MPP are absolutely essential if U.S. agriculture—the most competitive industry in the world—is to remain viable and competitive in the international marketplace. MPP gives U.S. agriculture the tool it needs to develop, maintain, and expand commercial export markets for U.S. agriculture commodities in the new post-GATT environment.

In summary, Mr. President, without MPP we give our competitors an advantage and the opportunity to capture and maintain a significant share of the world market. U.S. agriculture is the most competitive industry in the world. We should provide the tools necessary so that U.S. agriculture can develop, maintain, and expand its share of the world market.

Mrs. BOXER. Will the Senator yield me 30 seconds?

Mr. COCHRAN. If I have 30 seconds, I will yield that to the Senator from California.

Mrs. BOXER. Mr. President, I strongly support the Market Promotion Program. I urge my colleagues to oppose the amendment offered by my colleague Senator BUMPERS to eliminate funding the Market Promotion Program. I would like to point out to the Senate why this program is so important for agriculture in my State of California, and many other States as well.

The MPP is an important tool in expanding markets for U.S. agricultural products. Continued funding for this program is an important step in redirecting farm spending away from price supports and toward expanding markets.

A 1995 Foreign Agricultural Service study, Evaluating the Effectiveness of the Market Promotion Program on High-Value Agricultural Exports, concluded that for every dollar invested in the MPP and its predecessor, the Targeted Export Assistance Program, since 1986, the United States has exported $16 dollars worth of agricultural products.

The U.S. Department of Agriculture estimates that each dollar of MPP money results in an increase in agricultural product exports of between $2 and $7. The program has provided much needed assistance to commodity groups comprised of small farmers who would be unable to break into these markets on their own.

While the program has been the subject of criticism, some of it justified, I believe it would be a mistake to cut the program because of a few cases of poor judgment. Overall, the program has greatly benefited the small growers for whom it was intended. New regulations went into effect in February 1995 to, among other things, give priority assistance to small businesses. In 1995 small businesses will receive over 50 percent of the funding provided for brand-name products up from 41 percent in 1994.

Last year, a task force of the U.S. Agriculture Export Development Council met for 2 days in Leesburg, VA, to review the role of the MPP, and other agriculture programs as part of our overall trade policy. This task force affirmed that the purpose of the MPP is to "increase U.S. agricultural project exports." It concluded that the increase in such exports helps to "create and protect U.S. jobs, combat unfair trade practices, improve the U.S. trade balance, and improve farm income."

According to the U.S. Department of Agriculture, U.S. agricultural exports reached $43.5 billion supporting almost 800,000 jobs. For fiscal year 1995, agricultural exports are expected to reach a record $51.5 billion. Individual export records have been set in 1994 for red meats, poultry, fresh fruit, fresh vegetables, tree nuts, wine and beer and other high value products. This has been achieved with the help of MPP and other USDA export programs.

Mr. President, the Market Promotion Program has been an unqualified success for California farmers. For many Californian crops, the MPP has provided the crucial boost to help them overcome unfair foreign subsidies. I would like to share two of the successes of this program in California.

California produces about 85 percent of the U.S. avocado crop on over 6,000 farms that average less than 8 acres per farm. Between 1985 and 1993, California avocado growers utilized $2.5 million of their own money, combined with $3.4 million of MPP funds to achieve over $58 million in avocado sales in Europe and the Pacific rim. This is better than a 17 to 1 return on our MPP investment that means jobs for California.

The growth of California walnuts exports also illustrates the success of this program. Since 1985, the year before the MPP began helping walnuts, 90 percent of the growth in California walnut sales has come from exports. And 90 percent of this export growth has been to markets where California walnuts have had MPP support. The total value of these exports in 1985 totaled $36 million. By last year, that total export value grew to $119 million.

This growth in MPP driven walnut exports has been the greatest in the heavily protected Japanese market. There, California walnut exports grew from about $3 million in 1985 to $28 million last year. The $19 million devoted by the MPP between 1986 and 1994 to promoting California walnuts in Japan has helped generate nearly $140 million in sales. This is a rate of return on the taxpayer's investment that approaches 700 percent.

The California walnut industry is not a monolithic corporation. It is made up of over 5,300 growers who farm orchards that average only 44 acres. And its these California family farmers, not big corporations, who benefit from the MPP support of walnut exports. Without the MPP, these farmers could not muster the resources they need to break into the Japanese and other protected markets.

Lastly, I would like to make a few comments on a possible initiative by my colleagues to means-test the Market Promotion Program. In California, nonprofit agricultural marketing cooperatives such as Sunkist, Blue Diamond, and Calvaro are owned by their farmer members and distribute all income to the individual farmers less operating expenses. Cooperatives such as these are associations of farmers who accomplish collectively what that cannot accomplish individually. The average farmer in these three cooperatives farms between 20 and 40 acres and the overwhelming majority of them are full-time farmers. I believe it would be unfair to penalize individual small farmers because they have joined together to form an effective cooperative. It defeats the purpose of a market development program. It is clear that these farmers could not individually be effective exporters to the world market.

In closing Mr. President, the MPP is a wise investment in American agriculture and I urge my colleagues to support it in its current form, at the highest possible level.

I ask unanimous consent that a list of export-related jobs in each State be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MARKET PROMOTION PROGRAM

Agriculture export related jobs by State

State:	*Jobs*
Alabama	11,000
Alaska	20,000
Arizona	10,000
Arkansas	33,000
California	137,000
Colorado	25,000
Connecticut	1,500
Delaware	2,000
Florida	22,000
Georgia	15,000
Hawaii	1,700
Idaho	22,000
Illinois	68,000
Indiana	36,000
Iowa	96,000
Kansas	69,000
Kentucky	25,000
Louisiana	17,000
Maine	400
Maryland	5,500
Massachusetts	1,100
Michigan	27,500
Minnesota	50,000
Mississippi	24,000
Missouri	24,000
Montana	6,000
Nebraska	74,000
New Jersey	2,000
New Mexico	3,000
New York	8,300
North Carolina	27,500
North Dakota	23,000
Ohio	33,000
Oklahoma	10,000
Oregon	15,000
Pennsylvania	11,000
South Carolina	7,000
South Dakota	25,000
Tennessee	9,000
Texas	77,000
Utah	2,800
Virginia	10,000
Washington	30,000
Wisconsin	27,500
Wyoming	1,400

Mrs. BOXER. Mr. President, I just received, from the farmer cooperatives a table that I have placed in the RECORD, which shows the number of jobs that are related to the export of agricultural products. They are shown by State. It is really an extraordinary list: Kansas, 69,000; Kentucky, 25,000; Texas, 77,000; California, 137,000. Virtually every State in the Union, thousands of jobs. I stand in strong support of this program.

I yield the floor.

Mr. BRYAN. Mr. President, might I inquire about the time?

The PRESIDING OFFICER. The Senator from Nevada has 2 minutes 50 seconds. The Senator from Mississippi has 1½ minutes.

Mr. BRYAN. I yield myself a minute and a half.

Mr. President, I simply make a point that this presumably is a time in America in which we are calling for shared sacrifice. We are saying that we cannot do business the way we have always done it. With all due respect to my distinguished colleague and friend from California, in terms of weighing the priorities, it seems to me it is pretty hard to contend when we are savaging the kinds of programs that affect the poor and those who are least able to defend themselves to support these kinds of dollars.

McDonald's, the hamburger folks, I think, reported a net profit of in excess of $1 billion. They continue to receive money to supplement their advertising account. Their advertising budget is in the range of $600 to $700 million. I would think that these outfits would be embarrassed, at a time when they are encouraging us to balance the budget, as we should, to simply say, look, it is time for us to kind of participate in this shared sacrifice and say, look, we will handle our own promotion and not depend upon the American taxpayer for a handout.

I reserve the remainder of my time.

Mr. COCHRAN. Mr. President, I yield myself as much time as I may consume. Let me remind the Senate that we voted on this same issue when we had the supplemental reconciliation bill before the Senate on April 6 of this year. I moved to table this same amendment that was offered by the Senators from Nevada and Arkansas. And on a vote of 61 yeas to 37 nays, this amendment was tabled. We fully debated the issue then. We have fully debated the issue now. Nothing has changed, Mr. President.

So I hope Senators will notice that I am going to put on the desk here how everybody voted on that previous occasion. I hope we will repeat the success of that favorable motion on the motion to table this same amendment. It is my intention to move to table when time has expired and we ask for the yeas and nays.

The PRESIDING OFFICER. Who yields time?

Mr. BRYAN. May I inquire as to how much time I have left?

The PRESIDING OFFICER. The Senator has 1 minute 44 seconds. The Senator from Mississippi has 30 seconds.

Mr. BRYAN. I will yield time to the Senator from Arkansas.

First, the point I seek to make, as I have over the past several years with my friend from Arkansas, is that this is really a question of a subsidy that in light of what I consider the new economic reality, where we are literally going to have to reexamine the way in which we do things in Government, and those programs that have long existed that are near and dear to many of my colleagues. Some of these programs simply cannot pass what I would call the "smell test." This is one of them.

I offer no criticism of these large agribusinesses, who have been extraordinarily successful. I compliment them. But I think the fundamental question is: Should the American taxpayer be paying for their advertising and promotion?

I reserve the remainder of my time.

I yield the Senator from Arkansas my remaining time.

Mr. BUMPERS. Mr. President, I ask unanimous consent that I be allowed to proceed for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I just came from downstairs where the House just receded to the Senate position on mine law reform. The effect of that is to take 233 patent applications that have been excluded from being grandfathered in last year and say you can have that, too. The biggest mining companies in America. Those 233 patent applications, which we just voted to allow to go forward contain $15.5 billion worth of gold, platinum, palladium, silver, and so on, underneath them. They will be given out to the biggest mining companies in the United States for zip—not $1 to the taxpayers of this country.

Here we are debating continuing a practice of giving $110 million to the biggest corporations in America, not just the 10 listed on that chart—dozens more. Some of them are almost as big. To the biggest corporations in the world, we are giving $110 million to help them sell McNuggets and Big Macs around the world. I found out last night that we have already spent $86 million on this program for alcoholic beverages. Who thinks that is a great idea?

We are doing that, while we are cutting welfare, kicking 50 percent of the people off of the rolls by the year 2000, cutting earned-income tax credit to keep people off the rolls, $270 billion in Medicare cuts for our elderly citizens, $240 billion in Medicaid cuts for the poorest of the poor for health care in this country, and on and on it goes. And this day, in one fell swoop, we have just voted to give $15 billion worth of minerals away and $110 million in the grossest kind of corporate welfare. Is that what the revolution of 1994 was about?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. COCHRAN. Mr. President, I yield myself the remainder of the time on this side.

Mr. President, this is a red herring. The fact is that the funds allocated under this program are to promote U.S. agriculture products. We are seeing the U.S. Poultry and Egg Export Council promoting the purchase of U.S. poultry products and eggs by foreign-owned and operated franchises of McDonald's. That does not mean that goes to corporate headquarters in Chicago, or wherever. This means that we are producing a promotional campaign using these funds to try to help sell more of what we produce in America.

It is a good program. It has worked and I hope the Senate will vote "yes" on this motion to table.

Mr. President, I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. SANTORUM). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 59, nays 41, as follows:

[Rollcall Vote No. 440 Leg.]

YEAS—59

Akaka
Ashcroft
Baucus
Bennett
Biden
Bond
Boxer
Breaux
Burns
Campbell
Cochran
Cohen
Conrad
Craig
Daschle
Domenici
Dorgan
Exon
Feinstein
Ford
Frist
Gorton
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Heflin
Helms
Hutchison
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kerrey
Kohl
Leahy
Levin
Lott
McConnell
Moseley-Braun
Murkowski
Murray
Nunn
Packwood
Pell
Pressler
Pryor
Rockefeller
Shelby
Simon
Simpson
Snowe
Specter
Stevens
Thomas
Thurmond

NAYS—41

Abraham
Bingaman
Bradley
Brown
Bryan
Bumpers
Byrd
Chafee
Coats
Coverdell
D'Amato
DeWine
Dodd
Dole
Faircloth
Feingold
Glenn
Grams
Gregg
Hollings
Inhofe
Kennedy
Kerry
Kyl
Lautenberg
Lieberman
Lugar
Mack
McCain
Mikulski
Moynihan
Nickles
Reid
Robb
Roth
Santorum
Sarbanes
Smith
Thompson
Warner
Wellstone

So the motion to lay on the table the amendment (No. 2691) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was tabled.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, we have about 10 minutes before we are to proceed with debate on the amendment dealing with poultry regulation. One hour on each side is available under that agreement for debate of that issue. We had hoped to take up another amendment and discuss it between now and then. I know Senator KERREY had considered bringing up his amendment, which is a Market Promotion Program amendment. I know of no other business that Senators have requested be transacted during this 10-minute period, so I will suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, I further ask I may be permitted to proceed as if in morning business for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. I thank the Chair.

(The remarks of Mr. BOND pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BOND. I thank the Chair, and I yield the floor.

EXCEPTED COMMITTEE AMENDMENT ON PAGE 83, LINE 4 THROUGH LINE 2 ON PAGE 84

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the excepted committee amendment regarding poultry regulations, on which there will be 2 hours of debate. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, as I understand the allocation of time, there is 1 hour on each side. If I am not mistaken, I think under the order, I am to control the time in opposition to the amendment of the Senator from California.

The PRESIDING OFFICER. The Senator is correct.

Mr. COCHRAN. Mr. President, I yield myself such time as I may consume.

The PRESIDING OFFICER. The Senator is recognized.

Mr. COCHRAN. Mr. President, what is at issue here in this amendment that will be offered by the Senator from California is a provision of the Senate bill as approved by the Appropriations Committee, which I will read. It is section 729 and found on page 83 of the bill:

> None of the funds appropriated or otherwise made available by this Act may be used to develop compliance guidelines, implement or enforce a regulation promulgated by the Food Safety and Inspection Service on August 25, 1995 (60 Fed. Reg. 44396): Provided, That this regulation shall take effect only if legislation is enacted into law which directs the Secretary of Agriculture to promulgate such regulation, or the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition and Forestry receive and approve a proposed revised regulation submitted by the Secretary of Agriculture.

This regulation, which has been promulgated after a great deal of discussion, public comment on the proposed regulation has the effect of prohibiting and actually preventing poultry producers and processors in the Southeast and Southwest from exporting their products into the California market. That is the practical consequence of the regulation as drawn and promulgated by this administration.

The origin of the initiative came from California to restate the regulations and rules regarding the labeling of poultry products with respect to whether they were frozen, chilled or not and what should be disclosed in that connection and how you measure the temperature with respect to which regulation or label would be appropriate.

This was all driven by the poultry industry in California which is a high-cost producer and processor of poultry products. High cost: High labor costs, regulations that are imposed locally and in the State of California, that elevate the price at which poultry products can be sold in California.

Different regulations with regard to the way these imported products are sent from the Southeast and the Southwest into that market, are packaged and labeled, could be drawn so as to increase the costs of and maybe even make it impossible to ship deeply chilled poultry products into that market.

So this issue was developed as a way for the California poultry industry to keep competition out of their market, to keep lower cost poultry processing firms in the Southeast, like in my State of Mississippi, from competing and undercutting the price being sold by California poultry producers in their own market.

To let the Senate know that this is not an issue that has been just hastily or capriciously injected into this appropriations bill, back in April, we were trying to convince the administration of the seriousness of this situation that would be caused throughout many parts of this country if this regulation were to be approved.

I am looking at a letter, which I will have printed in the RECORD, dated April 4, 1995. It is written on the letterhead of Senator JOHN WARNER of Virginia, but it is signed by 19 Senators: Senators DAVID PRYOR, JOHN WARNER, MITCH MCCONNELL, JESSE HELMS, HOWELL HEFLIN, PAUL COVERDELL, THAD COCHRAN, TRENT LOTT, STROM THURMOND, RICHARD SHELBY, BENNETT JOHNSTON, JOHN BREAUX, JIM INHOFE, SAM

NUNN, CHRISTOPHER BOND, LAUCH FAIRCLOTH, ROD GRAMS, KAY BAILEY HUTCHISON, and DON NICKLES.

What we said in this letter addressed to the acting Under Secretary of Agriculture for Food Safety, is that we believe it is appropriate for the Food Safety and Inspection Service to consider changes in the existing Federal standards, but we have major reservations about the standards that the Food Safety and Inspection Service are proposing. We talk about the consequences of the proposed regulations at that time, illogical from the point of view of measuring the temperature of chilled poultry and then having it labeled "previously frozen" or "frozen" and the consequences of that in terms of the businesses that deeply chill the poultry to protect it from contamination as it is transported across the country to other markets in the United States.

I ask unanimous consent, Mr. President, that a copy of this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
April 4, 1995.

Hon. MICHAEL TAYLOR,
Under Secretary for Food Safety (Acting), U.S. Department of Agriculture, Washington, DC.

DEAR MR. TAYLOR: We believe it is appropriate for the Food Safety and Inspection Service (FSIS) to consider changes in the existing federal standards for labeling "fresh" and "frozen" poultry. However, we have major reservations about the standards FSIS are proposing.

FSIS on January 18, 1995 proposed regulations that would allow a "fresh" label to appear only on those poultry products that have not been chilled below 26 degrees Fahrenheit. Poultry that had been chilled to 0 degrees or below would be labeled "frozen." Poultry chilled to a temperature of between 0 degrees and 26 degrees would be labeled "previously frozen."

The following are our most serious concerns about this proposal:

FSIS arbitrarily chose 26 degrees as the dividing line between "fresh" and other designations. There are other temperatures below 26 degrees that preserve the "fresh" characteristics consumers are seeking while giving poultry products the longer safe shelf life necessary for transportation across long distances.

The proposed regulation requires "fresh" poultry products to remain at no less than 26 degrees throughout processing, storage and transportation. The original processor does not control some of these operations and could lose a "fresh" designation through no fault of their own. The strict adherence to 26 degrees also does not take into account important differences in equipment calibration.

The designation of "previously frozen" poultry is completely illogical. Poultry chilled to between 0 degrees and 26 degrees never has met the proposed regulations definition of "frozen." How, then, can it accurately be labeled "previously frozen"?

As Members of Congress deeply concerned about food safety, accurate labeling for consumers and fairness for all segments of the poultry industry, we urge you in the strongest possible terms to make several changes to the proposed rule.

First, we urge FSIS to select a temperature lower than 26 degrees but higher than the current 0 degrees as the minimum temperature at which poultry can receive a "fresh" designation.

Second, we urge FSIS to consider a temperature variance from that minimum to accommodate temperature shifts during shipping and storage and to accommodate the important differences in the calibration of temperature measuring devices and refrigeration equipment. We would point out that USDA's Agricultural Research Service, working in laboratory settings, is able to control holding-chamber temperatures only to within three degrees of the target temperature.

Finally, we urge you not to require a label designation for poultry chilled to between 0 degrees and the minimum temperature as necessary for "fresh" labeling.

These common sense changes will result in a regulation that assures full labelling disclosure for consumers and the safest possible shipment of fresh poultry products across the nation.

Thank you for your attention to these recommendations; please do not hesitate to contact us if you have additional questions.

Sincerely,

David Pryor; Mitch McConnell; Howell Heflin; Thad Cochran; Strom Thurmond; J. Bennett Johnston; James Inhofe; Christopher S. Bond; Rod Grams; Don Nickles; John Warner; Jesse Helms; Paul Coverdell; Trent Lott; Richard C. Shelby; John B. Breaux; Sam Nunn; Lauch Faircloth; Kay Bailey Hutchison.

Mr. COCHRAN. Mr. President, before yielding time for others to discuss their views on this, let me just say the temperature threshold and the negative labeling that the California poultry industry has been promoting has only one objective, and that is keeping competitive products out of the California market, to make those products appear less appealing to California consumers. I do not believe the Federal Government should take actions which, like it would in this instance, influence improperly interstate trade and commerce in this matter.

This issue has absolutely nothing to do with improving product quality, nothing to do with enhancing food safety. The regulations will not improve consumer information or enhance consumer protection. This is an intraindustry trade dispute between California and the rest of the country where poultry products are produced and sold in that market, and I hope that the Senate will reject the amendment to be offered by the Senator from California.

The PRESIDING OFFICER. Who yields time?

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I yield myself as much time as I might consume.

The PRESIDING OFFICER. The Senator is recognized.

Mrs. BOXER. Mr. President, I was wondering how this debate would shape up because, to me, it is very straightforward. It is not about California; it is about common sense. The Agriculture Department, after 8 long years, finally issues a rule that says if your chicken or your turkey is frozen, then you cannot put a "fresh" label on it.

Let me repeat that. If the chicken or turkey is frozen when you send it out of your State, you cannot mislead consumers and put a "fresh" label on it. Hurray, a victory for common sense, a victory for the right to know what we are purchasing.

I have shopped for my family for many years, and these things are important. So what happens in the Appropriations Committee? A sneak attack on a fair rule. They are not going to allow this rule to go into effect. I say to consumers all over the country, listen to this debate because you are going to hear words that have no meaning. You are going to hear words such as exporting and fairness and barriers. But those are not the issues. This is about truth in labeling.

Now, to prove my point that this is not just a California issue, I might say on the Record to my friend, my chicken producers are for this rule, and my turkey producers are against this rule. I have business on either side. I line up with consumers. I hope you will, too, after listening to some of the points that I will make.

Perdue Chicken, which is produced in New York, and has headquarters in the State of Maryland and offices in Alabama, Delaware, Florida, Indiana, New Jersey, North Carolina, South Carolina, and Virginia, says, "We are opposed to companies selling products as fresh when they have been previously frozen or thawed."

Perdue is not a California company. This is simple corporate responsibility. What are we going to do in the U.S. Senate? I am glad it is not in the dead of night. At least it is in the day time and everybody can watch us. We are going to say that fresh is frozen and frozen is fresh. This makes no sense at all, for anybody who has ever gone into a supermarket. I think most Americans have, and they understand this.

Mr. President, I ask unanimous consent that I may show you this chicken.

Mr. COCHRAN. Mr. President, I object. I make a point of order that the display of any such product would violate rule 17 of the Senate rules.

The PRESIDING OFFICER. The Senator from Mississippi is correct.

Objection is heard.

Mrs. BOXER. I have put away my frozen chicken. I will not bring it out in violation of the rules. I respect my friend's right to object to my request. But what I was going to do was take that little chicken, which is frozen as hard as a rock and marked fresh, and put it on this table, and it would have sounded like this. And everyone could see the lunacy of this debate.

Mr. BUMPERS. Will the Senator yield?

Mrs. BOXER. Yes, I would be happy to.

Mr. BUMPERS. I could not agree with the Senator more. If you take a chicken frozen solid like that, one at zero degrees, and use it for a bowling ball, as a House Member did, or as a prop here, as you were proposing to do, I agree that is the sound it would make. But that is not what this debate is about.

Mrs. BOXER. Mr. President, if I may reclaim my time, because I have limited time, that is exactly what this debate is about. When my friend speaks, he can say what he thinks it is about. It is about taking a product that is frozen to one degree—what human being can say that one degree is not frozen—and enabling producers to mark it "fresh." Why? Because they want to get more money for a frozen product. That is what this is all about. They want to get more money by marking it "fresh."

So I would have shown you this chicken, hard as a rock, marked "fresh."

My friends objected, and I respect their right to object. So I will show you a picture instead. I know they cannot object to that. As you can see, there is a frozen chicken being used as a bowling ball headed for these pins and, as a result, I think some of them were knocked down. Now, do we believe for a minute that a chicken that is frozen like this should be marked "fresh" if it can knock down bowling pins?

Now, if I told you this desk was a chair, you would think I was kidding. And if I told you summer was winter, and ice was hot, warm was freezing, ovens were freezers, and freezers were toasters, you would send me to the nearest psychiatrist. And you would be right.

I do not know what came over the committee, but let me read you the definition of fresh. This is out of Webster's Dictionary: "Fresh: Recently made, produced, or harvested, not preserved as by canning, smoking, or freezing."

Yet, my friends on the committee say that if a chicken or a turkey is frozen to one degree, it can be marked fresh. Let me remind you what Webster said: ". . . not preserved as by freezing."

"Frozen: Made into, or covered with, or surrounded by ice; preserved by freezing."

That is frozen. "Immobile." I will add one: It knocks down bowling pins. Chickens that are that hard are not fresh, they are frozen. And everyone with a pulse, I think, understands that.

We have tried to straighten this mess out for 8 long years, and special interests come in every time and kill it. This time, the Clinton administration had the guts to issue this rule, and the Appropriations Committee—by the way, whose chairman said—and he is my friend, and I work with him and I admire him, and we just worked together on an issue—that we really should not do these things on appropriations bills, in relation to an article that appeared today. He said he does not believe in making policy on spending bills in relation to the mink program.

Mr. COCHRAN. Will the Senator yield?

Mrs. BOXER. Yes, on his own time.

Mr. COCHRAN. Mr. President, I am not quoted in that article. My office said something to the effect that I did not think policy should be established on appropriations bills. I am not sure my staff said that. My staff told me they told this reporter that I did not favor legislation on an appropriations bill. That was one reason why I was opposing that amendment. I am not advocating legislation on this bill. I am saying no funds shall be used to carry out this regulation.

Mrs. BOXER. I say to my friend and colleague, he is a very smart Member of this Senate. He is terrific. He gets his way a lot around here. A lot of the time he is right, and he should get his way. But if this is not legislating on an appropriations bill, I do not know what is. This is a rule that is going to go into effect so that when consumers go to the supermarket, they will know whether the chicken they buy is fresh or frozen. We are stopping it dead here in the Appropriations Committee, simply saying no funds shall be spent to enforce it. Well, if it cannot be enforced, then there is no rule. So we know what we are talking about here.

This rule is a victory for common sense. That is why the Consumer Federation supports the rule. That is why Citizen Action supports the rule, and Public Voice supports the rule, and Public Citizen supports the rule. Look at all the people who are for the rule. My friends say it is a California issue. Why do we have the National Association of Meat Producers and Meat Purveyors and all kinds of national unions, and the Oregon Broiler Growers Association and Pacific Egg and Poultry Association? As I told you, there are all these consumer groups and veterinary groups, et cetera.

Studies show consumers are willing to pay more for products that are fresh. These are their hard-earned dollars. They should be getting what they are paying for: a fresh product. And, by the way, there is nothing wrong with buying frozen produce, nothing at all. Some people prefer to do that.

Let me give you another serious problem with this. You go to the supermarket and buy a frozen product, it is defrosted, marked "fresh," so you think it is fresh. You go home and put it in your freezer. Then you defrost it again before you cook it. That could be dangerous to your health.

I have to say that this rule is very gentle on the people that my friends represent in Arkansas and in the Southern States. Why do I say that? Because it does not say they have to label it "frozen" until it gets down to zero. They can use the term, quote, "hard chilled." So the Department of Agriculture bent over backward. In my mind, if it is 10 degrees, it is frozen. They are allowed to say "hard chilled." That is a commonsense rule that looks out for those producers that my friends represent.

How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. There are 49 minutes, 23 seconds remaining.

Mrs. BOXER. How much time remains on the other side?

The PRESIDING OFFICER. There are 51 minutes and 42 seconds.

Mrs. BOXER. I see my friend, the senior Senator from California has joined me. I will yield the Senator 15 minutes.

The PRESIDING OFFICER. The Senator from California is recognized for 15 minutes.

Mrs. FEINSTEIN. I thank the Senator from California and I thank the President.

Mr. President, I rise in opposition to the committee amendment. I urge my colleagues to strike the committee language to ensure truthful labeling of poultry and poultry products.

Let me say first that the committee language in the fiscal year 1996 agriculture appropriations bill flies in the face of the consumer. It prevents the Department of Agriculture from implementing a new and commonsense regulation on what poultry products can be labeled as "fresh."

I might parenthetically say I never thought when I came to the U.S. Senate we would be debating this on the floor.

Be that as it is, I must say, Mr. President, I find it astonishing that any business engaged in the processing of food products can call something "fresh" when it has been frozen as hard as a rock. The whole thrust of Federal food labeling over the past several decades has been to provide consumers with accurate information about the quality and contents of the food they buy.

Existing departmental guidelines regarding poultry are really wrong. They allow consumers to be deceived into thinking they are choosing between two equally attractive pieces of poultry, when in fact one has been frozen to zero degrees and then thawed, while the other has never been frozen at all.

The consumer has a right to know if a chicken has been previously frozen. If it has, then it is not fresh.

The new Department of Agriculture Food and Safety Inspection Service rule, which is scheduled to take effect next year, ensures that the labeling corresponds with reality.

The new rule sets three labeling categories: First, poultry products which have never been chilled below poultry's freezing level of 26 degrees may be labeled as fresh. Second, hard chilled: Poultry products which have been chilled below 26 degrees but above zero degrees must be labeled as hard chilled. Third, frozen: Poultry products which have been chilled at zero degrees or below must be labeled as frozen or previously frozen.

It makes sense. However, until this new rule goes into effect, the poultry industry can use the term "fresh" on poultry that has been chilled down to zero degrees. In practice, this means that chicken and turkeys are being labeled and sold as fresh when, in fact, they have been frozen rock solid.

For example, in California, Foster Farms and Zacky Foods, among others, sell fresh chicken, while previously frozen chicken shipped in from Southern producers can also bear the "fresh" label.

In the Washington, DC, market, Perdue Farms sells fresh chicken, but labeling does not tell consumers that Tyson and Wampler chickens have been frozen.

Similarly, while Farmers Pride in Pennsylvania, Plainsville Farms in New York, and Sunset Acres Farm in Maine sell fresh poultry, their competitors who sell previously frozen poultry can also use the "fresh" label.

This situation makes a mockery of the label and misinforms consumers about the actual freshness of the product.

This most certainly is not reasonable, and it does not meet the expectations of today's consumers.

According to a telephone survey conducted by ICR Survey Research Group in June 1994, the vast majority—75 percent—of the public does not think chicken which has been shipped or stored below 26 degrees should be called "fresh."

The vast majority of the public questioned, 86 percent, said it was inappropriate to label as "fresh" chicken which has been stored below 26 degrees and then thawed out.

Four out of five consumers, 81 percent, said yes there is a difference between chicken which has never been frozen and chicken which has been frozen and thawed out.

By a margin of five to one, those questioned rated "never frozen" chicken as superior to chicken which had been "previously frozen."

That is the rub. Clearly, the consumer, if possible, would prefer to buy fresh chicken.

According to the Department of Agriculture, once food is thawed, when it is refrozen there may be a loss of quality due to high loss of moisture. Consumers certainly think so.

Consumers have a preference for fresh poultry and—this is the rub, as well—they are willing to pay a higher price for it. They should be getting, we think, what they are paying for.

As in many issues of national importance, California has taken the lead on truthful labeling of poultry products. In 1993, California enacted a law restricting the use of the term "fresh" on labels of poultry that have been chilled at or below 25 degrees and to allow the use of the term "fresh" only on poultry that has been kept above 25 degrees. However, the court subsequently ruled that California law was preempted by Federal law, which prohibits States from imposing labeling requirements that are different from, or in addition to, the Federal requirements.

California is preempted, even though California says what is fresh is fresh, and what is frozen is frozen, and never the twain will meet, and we will show you with our law. Bingo—they are preempted by the Federal Government.

In response to the consumers' continued demand for truthful labeling, the U.S. Department of Agriculture accepted its responsibility, and after a 15-month rulemaking process, the Department is prepared to implement truthful labeling.

The Department of Agriculture's new poultry labeling rule, we believe, is reasonable and fair to both consumers and the poultry industry. Not only does it ensure truthful labeling of fresh poultry and protect the consumers' right to know, it provides a new category of "hard chilled" and gives the industry 1 year to comply, allowing ample time to use up inventories of existing labels and make the necessary changes.

Accurate and truthful labeling is strongly supported by national consumer groups—the National Consumer League, the Public Voice for Food and Health Policy, and the Consumer Federation of America.

The committee language, on the other hand, will prohibit the Department from proceeding with its own order.

Unless the Department of Agriculture is permitted to implement its new poultry labeling rule, frozen poultry products will continue to be falsely labeled.

We do not allow fish which has been frozen to be labeled as fresh. We should not allow poultry to be mislabeled, either.

Let us, Mr. President, make the Federal Government be honest about what is fresh and what is frozen. Otherwise, we face the prospect of allowing the American public to be conned into going to Antarctica to lie on the beach.

I yield the remainder of my time to the Senator from California.

The PRESIDING OFFICER. Who yields time? The Senator from Mississippi.

Mr. COCHRAN. Mr. President, let me simply say in response to the distinguished Senator from California who has just spoken, on this issue of frozen and fresh, I happened to receive a letter from someone in California telling me her views on this issue, back when we were all corresponding with the Food Safety Inspection Service about this proposed regulation. I am going to read this letter and ask unanimous consent a copy of it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. COCHRAN. It is from Dr. Ann R. Stasch, who lives, according to the return address, in Northridge, CA. She writes it to me, Senator THAD COCHRAN, "Chair," she says, "of the Senate Appropriations Committee, Senate Office Building, Washington, DC."

DEAR SENATOR COCHRAN: I am interested in the frozen/fresh chicken controversy.

This is a handwritten letter.

I have recently retired as a University Professor of Food and Nutrition. As a consumer, I find little difference in the frozen and unfrozen chicken with regard to the state of thawing. The only chickens which are completely thawed, regardless of state of origin, are, for the most part, those on periodic price reduction sales. It has been my experience that wholly thawed at purchase chickens are often those which have been in storage the longest. These frequently have less flavor.

I prefer partially frozen (that is, not totally thawed) chicken when I purchase chicken, as chicken fat develops rancidity rather quickly. There are local differences in color of fat preferences by consumers and California chickens have a generally more yellow colored fat than southern chickens. If a chicken is going to sit 3 or 4 days between harvest and sale, it would probably be preferable that it be frozen, no matter the point of origin. It would be unfortunate if partially frozen chicken could not be sold at a regular price.

Sincerely,

ANN R. STASCH.

Mrs. BOXER. Will the Senator yield some time on my time to respond?

Mr. COCHRAN. I will be happy to yield for a question. I have other Senators I want to yield to for purposes of——

Mrs. BOXER. I was asking if the Senator will yield for a moment?

Mr. COCHRAN. I have the right to the floor now, but I do intend to yield to a Senator, as the Senator from California has yielded to a Senator on her side. It was my intention to yield to a Senator on our side, but I will be glad to yield to my colleague for a question.

Mrs. BOXER. I will put it in the form of a question. Is the Senator aware there are 32 million people in the State of California?

Mr. COCHRAN. I know it is a big State.

Mrs. BOXER. It is a big State, and this is one person's opinion. Is the Senator aware that clearly we are going to enable this woman to buy frozen products? We just want to make sure they will be marked "frozen" or "previously chilled" or "hard chilled." This would not stop this woman from buying frozen. It would just make her choice even clearer.

Mr. COCHRAN. I thought the Senate would benefit, Mr. President—I will reclaim my time—from a point of view which apparently is a thoughtful point of view by someone who is a recently retired university professor in the subject of food and nutrition.

Mr. President, I want to yield to my distinguished colleague from Mississippi such time as he may require.

EXHIBIT 1

NORTHRIDGE, CA,
April 21, 1995.

Senator THAD COCHRAN,
Chairman, Appropriations Committee, USDA, Senate Office Building, Washington, DC.

DEAR SENATOR COCHRAN: I am interested in the frozen/fresh chicken controversy. I have recently retired as a University Professor of Food and Nutrition. As a consumer, I find little difference in the frozen and unfrozen chicken with regard to the state of thawing. The only chickens which are completely thawed, regardless of state of origin, are, for the most part, those on periodic price reduction sales. It has been my experience that wholly thawed at purchase chickens are often those which have been in storage the longest. These frequently have less flavor.

I prefer partially frozen (that is, not totally thawed) chicken when I purchase chicken, as chicken fat develops rancidity rather quickly. There are local differences in color of fat preferences by consumers and California chickens have a generally more yellow colored fat than southern chickens. If a chicken is going to sit 3 or 4 days between harvest and sale, it would probably be preferable that it be frozen, no matter the point of origin. It would be unfortunate if partially frozen chicken could not be sold at a regular price.

Sincerely,

ANN R. STASCH.

The PRESIDING OFFICER (Mr. KYL). The Senator from Mississippi.

Mr. LOTT. Mr. President, I thank the distinguished chairman of the agriculture appropriations subcommittee for yielding me this time. I would like to go back and reiterate, for a moment, the process that is involved here.

On August 25 of this year, the Secretary of Agriculture revised regulations that imposed what I consider to be misleading restrictions on labeling of raw poultry products as "fresh." This regulation was designed, as I understand it, by the California poultry industry, to make it difficult for competing poultry products from other sections of the country to be marketed in California without jeopardizing product quality.

Here is an important point. This new regulation is to take effect August 1996.

Senator COCHRAN's language in the bill would prohibit implementation of this regulation. That is very strongly supported by the ranking member. That will give us time to consider this matter further, to make sure the regulation is properly drafted and to make sure it is fair. That is all that Senator COCHRAN does, in this language in the bill.

The Agriculture Committee, the authorization committee, has not even had hearings on this matter. It is very important to all of the different parties involved. I believe the poultry industry would be very happy to work with the agriculture authorization committee and with all those interested and involved, both on the Appropriations Committee and from the State of California and all the other States affected, to come up with a regulation that is fair and that we can all live with.

So I wanted to emphasize this. This regulation is not even scheduled to go into effect until August 1996. We have the time to look at this matter very carefully. Funds should not be used to implement, start implementing this regulation until we have had hearings and really thought it through carefully.

The purpose of the provision is to require that the Secretary of Agriculture develop and implement a more reasonable regulation. Pleas were made to the Secretary of Agriculture to do that. It does not prevent the Secretary from eventually imposing a final rule.

The fresh poultry regulation that we are dealing with right now is going to cause major problems. For instance, in my own State of Mississippi, if a poultry firm ships a load of poultry from our State to California at 28 degrees, but it is unloaded and put in a freezer set at 26 or 24 degrees, it will be labeled "hard chilled." The sender of this poultry, Sanderson Farms, in this case, followed all the procedures but its poultry would have to have a stamp which the consumer would mistake for it being frozen. When you ship something at 28 degrees, it is not hard frozen. It is not a bowling ball. And it is generally considered to still be in a very fresh state. Yet, once it gets to the State of California how it is handled could determine how it is labeled and could very much impact the sales in that State.

USDA's final rule also ignored the fact, in my opinion, that 23,000 of the 26,000 comments received objected to all or portions of the proposal. Ironically, the rule even ignores USDA's own study, done by the Agricultural Research Service, demonstrating that consumers cannot detect any quality differences, as pointed out by the letter from the lady in California, between poultry chilled to 26 degrees and products chilled to lower temperatures.

The same USDA study showed that, under ideal laboratory conditions, temperatures can only be controlled within plus or minus 2 degrees. Nevertheless, some reason, something caused USDA to go ahead and implement this regulation without providing any temperature variations or tolerances in the final rule, and that is critical. There must be some tolerance, some allowance for variation.

Also, I might note for those who represent pork and beef producing areas—and we have both of those in my own State—I think we need to be careful if we start down this road toward what can be considered, I believe, mislabeling. In the case of pork and beef, already, in order to be able to handle them better, products are brought below 26 degrees. Trim products from beef and pork boning operations are frozen. They are later thawed and used in ground beef and pork sausage sold as fresh. Frozen beef is mixed with fresh to get a mixture that forms well in patty equipment. Frozen lamb is routinely thawed at retail and sold fresh. Bacon is routinely chilled to below 26 degrees Fahrenheit to aid in slicing.

So, I just think what the Senator is trying to do here with the support of the senior Senator from Arkansas is say let us stop now, before we implement a rule that is misleading and unfair. Let us think about it. Let us talk about it. Let us have hearings on it. Then we can come up with a rule that we think everybody can live with.

So I urge my colleagues to support the action of the committee and oppose the amendment by the Senator from California.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I rise today in opposition to the amendment offered by the Senator from California.

Recently, USDA issued a final rule prohibiting poultry that has ever been chilled below 26 degrees from being called fresh. Under the new rule, poultry chilled below zero degrees would be labeled frozen, poultry chilled between zero and 26 degrees would be labeled hard chilled, and poultry held above 26 degrees would be labeled fresh.

All we are asking for is a little common sense.

The language in the committee's bill is simply designed to ensure that before implementing any new regulations on this matter, USDA address three issues: First, the temperature variance; second, the language on the label; and third, to ensure consumer health and safety is fully protected.

The USDA's new poultry labeling rule does not allow for a temperature variance. As it stands, a poultry product could drop one-tenth of a degree below the cutoff assigned by USDA, and it would have to be relabeled. Yet USDA's own studies show it is impossible to maintain a refrigerated product's temperature to within 2 degrees of the target temperature. Imagine transporting a refrigerated truck long distances, through a variety of climates, and many stops and handlers.

There needs to be some degree of flexibility in this rule to permit for those types of variations.

But I think the key words here are long distances. I hope no one is fooled by this debate. The issue here is competition—competition from out-of-State producers. Certain producers just do not want to compete with products from out of State. Maybe their production costs are too high, maybe they are not as efficient, or maybe they just do not want the competition. But the consumer does. The consumers I hear from want the greatest possible selection of safe foods at the lowest price. They do not care if their chicken comes from California or Arkansas or Virginia. They just want the highest quality product at the lowest price.

In case there is any doubt about what is a stake here, let me tell a story. A few months ago, I opened a Richmond, VA, paper and saw an add urging Virginians to call me and express their displeasure with my position on this issue. Obviously someone was very concerned for Virginia consumers. But down at the bottom of the add, in small print, were eight very telling words: "Paid for by the California Poultry Industry Federation."

Second, USDA has resorted to some unique terminology. Before USDA got into this there were two kinds of chicken: fresh and frozen. Simple enough. You went to the store, read the label, bought your chicken, and you were finished. Common sense.

Now, according to USDA, there are three kinds of chicken: fresh, frozen, and hard chilled. Some might call that an improvement. I call it confusing. As the junior Senator from California said earlier: "You will hear words that have no meaning." Well there are two.

Linda Golodner, president of the National Consumers League said "Consumers generally are familiar with the terms fresh and frozen. Now we have to educate them about what it means when something is 'hard chilled.'" Once again, regulatory zeal displaces common sense, and consumers need to be reeducated by those who know better.

But why not just call it fresh, frozen, or "from somewhere other than California." I guess hard chilled is more concise.

Whatever term USDA selects to describe this new category of poultry, it should be a neutral term, not one that denigrates the product, confuses the consumer, or that benefits one market segment over another.

Mr. President, the committee bill in no way hinders the regulatory process. We ask simply for a level playing field. In the end, I am convinced that sound science and common sense will prevail. I urge my colleagues to oppose the amendment.

Mr. President, I, likewise, am very supportive of the action taken by the committee on which I am privileged to serve, the Senate Agriculture Committee, and, indeed, the position taken by the distinguished floor managers.

I just wish to propound a question here. I think we should have a little colloquy among us on this issue, because I think the only concern that remains is not all the technical business about the temperatures and everything, but did our committee—it is I my understanding we did as a committee—take into consideration the fact that our action as a committee would in no way jeopardize the health of the consumers? That is the bottom line. I am satisfied it does not, but I think it would be wise if we had the distinguished floor managers address that issue, and perhaps other Senators who might likewise wish to address it.

Mr. COCHRAN. Mr. President, if the Senator will yield, I am happy to respond. The Appropriations Committee has been questioning witnesses from the administration on this issue for some time. I can remember 2 years ago, the Senator from Arkansas [Mr. BUMPERS] was chairman of this subcommittee. At our regular hearing on the budget request this came up. We have talked about it. It is not a new issue. The issue is not whether we want to ensure that these food products are safe and healthy and do not in any way jeopardize human health because there is no question about that. This does not in any way put at risk any consumers.

All we are saying, as the distinguished Senator from Mississippi so eloquently put it—we are asking for time to review this in the Committee on Agriculture, for example, on which the Senator has served. We have not had hearings, as Senator LOTT pointed out. And the Agriculture Committee, that has jurisdiction over this legislation, ought to look at it and ought to have an opportunity to be heard in some official way, in my view, as controversial and as far-reaching and as unfair as many say this is; that it is protectionist regulation and that the administration has simply ignored some of the facts about how this poultry industry does business and what is used, in terms of chilling, to protect consumers, really.

Mr. WARNER. Mr. President, that is a very satisfactory response to my question. As I said, I serve on the Senate Agriculture Committee. We will have hearings.

But in this period of time that is embraced by the proposal, which I support, of the Appropriations Committee, those hearings will take place. But we also give assurance to the people that we have primarily explored this question as to whether or not the current processing and transportation will in any way affect health and safety, and the answer is, flat out, "No, it will not." That is very important.

Mr. COCHRAN. Mr. President, for the information of the Senator, I put in the RECORD at the beginning of this discussion a copy of the letter that actually was written on your letterhead, signed by 19 Senators, fully discussed from the point of view that the proposed regulations were unfair, and why, and that we have the interest of consumers at heart as well as fairness in the poultry industry.

Mr. WARNER. Mr. President, I thank the Senator for his leadership on this issue. Mr. President, I thank my colleague from Mississippi.

By coincidence, I was in the valley of Virginia yesterday on the occasion of the anniversary of the date of the Third Battle of Winchester, which was a very significant engagement during the Civil War. And I had a chance to meet with some of my constituents because our poultry industry in large part is in that historic valley of Virginia of the Blue Ridge Mountains. I know these people so well. I have grown up with them and have been with them all of my life. They would not even think of asking the Federal Government or the Congress or anyone else to do something that in any way jeopardized the health of the American people.

We export millions of birds daily from that area of Virginia—all over the United States; indeed, all over the world. It is a very significant industry, but an industry operated in large measure by the family farmers as we know them, co-ops and so forth. And these people are gravely concerned that someone might raise the allegation, "Well, you are doing something that would jeopardize the health of the American people."

I am glad that we have put that issue to rest. I thank the chairman.

The PRESIDING OFFICER. Who yields time?

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. Mr. President, thank you.

Mr. President, I would like to respond to two comments that were made here, one by the Senator from Mississippi, which was echoed by the Senator from Virginia. Sometimes I wonder where I am. Is this "Alice in Wonderland"? On October 13, 1994, in a unanimous vote by the U.S. Senate on poultry labeling:

> It is the sense of the Congress that the United States Department of Agriculture should carry out the plans of the department to hold public hearings for the purpose of receiving public input on issues related to the condition under which poultry sold in U.S. may be labeled fresh; and, (b) finalize and publish a position on the issue as expeditiously as possible after holding those hearings, and no person serving on the expert advisory committee shall have a conflict of interest.

That passed overwhelmingly. It is the law.

Now Senators stand up here and say "not enough time, not enough hearings." That is extraordinary. We asked them to do this. Public Law 103-354, October 13, 1994. We said, "Do this expeditiously." And now, "Not enough time. This is not fair. Not enough time."

What a way to kill a commonsense rule. It is not even based on the truth and the facts.

The other comment was that the Department of Agriculture did not listen to the people who wrote in on this rule. The truth is they discarded the form letters that came from employees of Tyson Poultry, and other companies on both sides of the issue, because they had a conflict of interest. Sure, they were consumers, but they worked for these companies. They wanted to make sure that they were not making this rule based on what people who have an economic conflict of interest believe, but what is in the best interest of consumers.

I ask unanimous consent to have printed in the Record Public Law 103-354, October 13, 1994, asking the Department of Agriculture to pass a rule that was fair.

There being no objection, the material was ordered to be printed in the Record, as follows:

TITLE III—MISCELLANEOUS

SEC. 301. POULTRY LABELING.

It is the sense of Congress that—

(1) the United States Department of Agriculture should—

(A) carry out the plans of the Department to hold public hearings for the purpose of receiving public input on issues related to the conditions under which poultry sold in the United States may be labeled "fresh"; and

(B) finalize and publish a decision on the issues as expeditiously as possible after holding the hearings; and

(2) no person serving on the expert advisory committee established to advise the Secretary of Agriculture on the issues should stand to profit, or represent any interest that would stand to profit, from the decision of the Department on the issues.

Mrs. BOXER. Mr. President, if you ask the average person, "If a chicken is frozen to 10 or 20 degrees, is it frozen," they would say yes. The Department of Agriculture in its rule did not even force them to do that; it said you can market hard chill. And no one is up here saying that it is bad to buy a frozen chicken or turkey at all. All we are saying—the Consumer Federation of America and all the consumer groups that are lined up behind this rule—is, you have a right to know. You should know. It is only fair to know. Consumers now know how much fat there is in a product. I hope we all support that. That is an important health issue.

We know how many vitamins there are, how many minerals there are, how many calories there are, and how much protein there is. Should they not know if the product has been frozen? It affects the taste. It affects the price. It affects whether or not they will throw it in the freezer again because we know that is not a good thing to do if it has been defrosted once or twice.

Again, we hear a lot of talk about, oh, let us hold off. Do you know, my friends, when this all started? It was more than 8 years ago now because it was under the Bush administration. Eight years ago the Bush administration attempted to solve this problem. My colleagues came on the floor, "We need more time." How about 100 years? How much time does it take to understand that fresh is fresh and frozen is frozen? I think it is a no-brainer. But then again, others may disagree.

Truth in labeling should be a practice in this country. And the only reason I can see why people oppose this is—you guessed it—money. You can get more money for a fresh product, and they know they cannot deliver it fresh. So they freeze it, but they market fresh. And it is highway robbery, if you really want to get down to it, for the consumers of America. How are we going to do this?

I do not know where these votes are going to come out here, but I know there is an awful lot of money behind it. And if this Senate votes today that frozen is fresh, I do not know. That will be a low point for me in terms of common sense.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. COCHRAN. Mr. President, I yield 5 minutes to the distinguished Senator from North Carolina [Mr. Faircloth].

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. FAIRCLOTH. Mr. President, thank you.

Mr. President, I thank Senator Cochran.

Mr. President, I rise in opposition to the amendment offered by the Senator from California to strike a provision requiring the Department of Agriculture to report back to Congress with a new rule regarding poultry labeling. Both consumer groups and the poultry industry support the development of new labeling rules which are fair and based on scientific data about consumer views regarding descriptive labeling terms. But instead of taking this approach, the USDA arbitrarily established temperature ranges and descriptive terms which have no basis in science, marketplace experience, or consumer preference, and have never been heard of before.

Moreover, in issuing its recent labeling rule, the U.S. Department of Agriculture ignored 23,000 comments which it received in opposition to the proposed rule change. And it is worth mentioning that they only received 4,000 in support of the rule change, and these all primarily from one State.

This rule discriminates against poultry producers which market their products nationwide, and most agricultural products are marketed nationwide. But this rule carves out regional markets where local producers can sell their product free from out-of-State competition. It simply is a barrier to trade. Thus, in the end, this new rule is not at all proconsumer. It is anticompetitive and will result in higher consumer prices and protected markets where regional producers will reap monopolistic benefits.

The very day that Secretary Glickman was confirmed by the Senate, I came to the floor and voiced my concerns about this issue, which at the time was still in the form of a proposed rule.

Mr. President, I am disappointed and surprised that Secretary Glickman has allowed his Department to issue a final rule with as many flaws as this one has. I am shocked that he would tolerate the development of a major labeling rule with total disregard for scientific data or consumer views. He has allowed the USDA to pick the term "hard chilled" out of thin air. It is a term that has never existed in the poultry industry before. I have been around the industry all my life and had never heard the term. It is a totally meaningless term. There are absolutely no market data to support the appropriateness of the term, and there is no history of it ever having been used in the poultry industry.

Another problem with the USDA labeling rule is that it totally fails to provide for temperature variance for products shipped over long distances.

Common sense tells you that when you load a truck in Virginia and drive it across country to California, it is impossible to maintain an exact, no-variance temperature. I know from personal experience you just simply cannot maintain the temperature without any variance whatsoever as it travels through different climates and different time zones en route to its final destination. But what does a variance of 1 degree matter anyway?

In addition to the weather problems, the shippers also have to contend with cooling equipment, which is simply not that exact. Calibrating a thermostat to maintain a product temperature at exactly 26 degrees is a very inexact science and impossible to do. However, the USDA rule provides no temperature tolerance.

This is totally an unreasonable and farfetched idea, and it is completely unacceptable. A real proconsumer rule would be based on scientific data and would ensure competitive prices for poultry consumers throughout the Nation. The existing USDA rule accomplishes neither.

I encourage Secretary Glickman to revise the existing rules in a manner consistent with fairness, objectivity, and real marketplace competitiveness. Therefore, I strongly oppose the amendment offered by my colleague from California and urge its defeat. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. COCHRAN. Mr. President, I was prepared to yield some time to the distinguished Senators from Arkansas. I am going to let them decide which one goes first.

The PRESIDING OFFICER. There are 32 minutes on the side of the Senator from Mississippi, 33 minutes on the side of the Senator from Arkansas.

Mr. COCHRAN. Mr. President, I yield such time as the distinguished Senator from Arkansas [Mr. PRYOR] would like to have on this issue.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. PRYOR. Mr. President, let the RECORD show that the junior Senator from Arkansas was certainly willing to yield to the distinguished senior Senator from Arkansas to make his statement at this time. I have been looking forward to that statement. I think he, as the ranking member of the subcommittee, along with our friend from Mississippi, Senator COCHRAN, is doing a very good job of putting this issue exactly where it should be placed, and that is it is not an issue, in my opinion and I think in the opinion of many of my colleagues, of consumer protection. It is an issue basically of the protection of the State of California. That is where we see this issue coming down.

There is something missing about this debate, I might say, Mr. President, that is disconcerting to me, which I think, and hope, will deserve a response certainly, if I could elicit one, from my colleague from California, Senator BOXER. I am hoping to find out why the issue of only poultry—only poultry—is today before the Senate in this so-called great debate between frozen and fresh poultry products.

Mr. President, it is a known fact that beef, that pork, that fish may be frozen at any degree and they are not affected as the Senator from California, or I should say the Senators from California, would attempt to affect the products of poultry especially from the South and the Southeastern part of the United States.

I might say, also, Mr. President, that the Senator from Mississippi has rightfully offered his amendment and placed it into this basic legislation, into the committee bill. The Senator from Mississippi is not trying to obliterate what the U.S. Department of Agriculture is attempting to do. He is simply trying to say that any regulation in this area, assuming that we would have hearings, as the Senator from Virginia, Senator WARNER, has stated on the issue, that the Committees of Agriculture in the House and the Senate must approve ultimately any language that the U.S. Department of Agriculture would adopt in imposing and, I might say, implementing such a far-reaching, sweeping regulation, in regulatory language.

Mr. President, I think it is also needful, or let us say worthwhile, at this point for us to sort of go back just a couple of years and see how this issue got to the Senate in this form.

First, about 2 or 3 years ago, the State of California passed a law to prohibit fresh labeling as has been under discussion today. I think, if I am not mistaken, that was in 1992 or 1993. The American Meat Institute and the National Broiler Council and others took this issue to court, in fact to the Federal court. The court held, with the support of the Department of Agriculture, that this particular law passed by the State of California was preempting Federal law and therefore basically was struck down. The U.S. Department of Agriculture then, Mr. President, agreed to review this regulation and issued an interim or a proposed rule.

During the rulemaking process, as other Members of the Senate have mentioned this morning, during that particular time of several weeks when people could comment on how they felt about this rule about to be proposed, or which assumingly was going to be proposed by the Department of Agriculture, of the 26,000 comments that came in, 23,000 stated they felt that the regulation went too far.

We think it also interesting to note, and perhaps the RECORD could be made clear on this, we do not know of any consumer in the State of California who objected to this labeling process that we have had so long, that has been so fair. We do not know of any consumer in Senator BOXER's or Senator FEINSTEIN's State who has objected to this process.

Who objected? The California Poultry Association, which is an association made up of California poultry producers who might not be as efficient as those throughout the South and the Southeast in the field of poultry production.

Once again, Mr. President, I think that there is no scientific basis today that we can see for the U.S. Department of Agriculture's arbitrary selection of 26 degrees as the threshold temperature for determining whether poultry is fresh. In fact, some say that if you kept poultry at 26 degrees, it might well spoil.

What this is, I think, is a nontariff trade barrier erected by the California poultry industry, not brought about by California consumers. There is no objection from California consumers that we know of. Perhaps we might even consider initiating new GATT or NAFTA rounds for a trade agreement among the States, involving the State of California and these particular poultry concerns that they are raising this morning.

Mr. President, we have time to hold hearings. And with the Cochran amendment in place, if it is kept in place, we are certainly willing and, I think, able to work out a fair solution to the issue of fresh versus frozen poultry.

I sincerely hope that the Senate will defeat the amendment offered by our very good and distinguished friends, the Senators from California, Senator BOXER and Senator FEINSTEIN.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mrs. BOXER. Mr. President, I yield myself as much time as I might consume.

Let me say to my dear friend from Arkansas that he is correct that there were 26,000 comments. Now, 22,000 comments came from people who were employed in the chicken business in his home State and other Southern States, so I do understand their point of view. Of course I do.

A couple thousand came in from California, also people employed by the chicken industry there. So when they were making a decision, obviously people with a special concern do not carry as much weight as people who are not economically affected.

Let me tell you about that, because the Senators from Arkansas keep making this a California issue. As I said before, I have a split in my State. I have the chicken people backing this rule, and the turkey people strongly opposing it. I have come down on the side of consumers. As the Senator knows, it is hard when your State is not united. In this case, the Senator from Arkansas's State is pretty much united.

Let me say that I have a breakdown of the comments: 611 from poultry processors and growers, clearly with a special concern; 23 from trade associations; 12 from State government agencies; 6 from academia; 6 from consumer organizations; 5 from congressional Members; 3 from chefs who are interested in this issue; 2 from retailers; and 4 from other sources. And the vast majority of the individual letters were on company forms.

So I think it is hard to learn a lot from that. I think we all know if we are concerned that a rule might impact our economic abilities, of course we are going to write, and I support those people. But I think we have to cut to the bottom line here, which is, what is fair and what is just and what is right?

Clearly, the Senate is on record asking the Agriculture Department to issue this rule or this kind of a rule, which I think bends over backward. They did not say that produce under 26 degrees must be marked frozen—it allows the producers in Arkansas to mark those products "hard chilled" down to zero degrees—only when they go below zero. I also think it important that I place in the RECORD, and I ask unanimous consent to do so, a statement of the administration about this move by the Appropriations Committee to essentially cancel this rule or, if you will, I will say in nice terms, to deep-six this rule or to put it in a hard freeze.

This is what the administration says:

> The administration is strongly opposed to the committee bill's prohibition on the use of funds to implement or enforce the final regulation on fresh and frozen poultry, which was published on August 25, 1995. Publication of this regulation was the culmination of nearly 2 years of effort, during which the views of all stakeholders were heard and considered. The issue of proper labeling of poultry products has been the subject of litigation in Federal court as well as congressional- and USDA-sponsored public hearings throughout the Nation. Committee language would prevent consumers from receiving accurate information and assurance of a national standard in this area and could result in disparate and conflicting State enforcement activity.

I think this is important coming from the administration:

> The committee's language represents unwarranted legislative intrusion into the regulatory process.

We all know here that we are opposed to regulation that overreaches. But in this particular case, I say to my friend, the Senate itself voted, urging the Department of Agriculture to produce this rule, and now when they produce a rule that bends over backward to be fair—it takes them 2 years, public hearings all over the country—there is a backdoor attempt to stop it from going into effect.

I also want to make this other point. We keep hearing this is a California issue. I already told my friend that the California poultry industry is split on it, but I also want my friend from Arkansas to know that other States have passed labeling laws that mirror or are similar to this rule. Those States are: Alaska, Arizona, Delaware, Illinois, New York, Oregon, and Washington.

So clearly, these other State legislatures are waking up to the fact that their consumers deserve truth in labeling.

I ask unanimous consent to print in the RECORD a list of those States and the types of laws that they have.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

IRELL & MANELLA,
January 25, 1994.

To: Team
From: Matthew Sloan.

MEMORANDUM

File: NBC v. Voss and CPIF (Intervenor).
Re State Labelling Laws.

STATE LAWS

1. *Alaska* (unlawful to sell prev. frozen as fresh; no definition of fresh?):

Title 3: Agriculture and Animals: Section 03.05.035(a): Meat, fish or poultry which has been frozen may not be sold, represented or advertised as a fresh food.

(c) Commissioner shall adopt regs to provide for examinations to ascertain whether it has been frozen.

Title 45: Trade and Commerce: §45.50.471: Unlawful to (b)(21) "selling, falsely representing or advertising meat, fish or poultry which has been frozen as fresh food".

2. *Arizona* (defines fresh; prohibits misbranding):

Title 3: Agriculture and Dairying: §3-2151: Definitions. This section defines:

(7) "Fresh" means any dressed or ready to cook poultry or poultry product which has not been frozen.

(8) "Frozen" means any . . . poultry product which is in fact in a frozen state and which has been constantly maintained at a temperature of thirty-two degrees Fahrenheit or lower.

(11) and (12) define label and labelling.

(13) "Misbranded" shall apply to any poultry product under one or more of the following circumstances, if:

(a) Its labeling is false or misleading in any particular.

3. *Delaware* (fresh prohibition):

Title 16, Part IV, Chapter 33: Pure Food and Drugs. 16 Del. C. §3309:

Misbranding of Food:

For the purposes of this chapter, food is deemed to be misbranded:

(5) If it is obtained by the dealer in frozen bulk form and is subsequently thawed and offered for sale in a package or bearing a label indicating such food to be fresh.

4. *Illinois* (misleading; previously frozen requirement):

Chapter 410 Public Health Food and Drug Safety: Ill. Food, Drug and Cosmetic Act §410 ILCS 620/11

Sec. 11. A food is misbranded—(a) If its labeling is false or misleading in any particular.

(j) If it purports to be or is represented for special dietary uses, unless its label bears such [info prescribed by Director as necessary to inform buyers of value for such purposes].

(n) If its is a color additive unless [labelling in conformity with Section 706 of Federal Act] [Mr: shows when refer to federal act or regs for definitions/guidelines?]

(o) If a meat or . . . poultry food product has been frozen prior to sale unless when offered for sale, the package, container or wrapping bears, in type of uniform size and prominence, the words "previously frozen" so as to be readable and understood by the general public except that this subsection does not apply to [precooked items].

[My notes: (1) not define frozen; use federal definition? (2) This is a requirement not prohibition.]

5. *Kansas* (imported):

Section 65-6a47: requires that wholesaler or retailer label poultry from foreign country as "imported".

6. *Maine* (organic):

Title 7. Part 2. Chapter 103.

7 M.R.S. §553. Labeling and advertising.

Except as otherwise provided in this chapter, a good shall not be labeled or advertised as "organic," "organically grown," or "biologically grown" or by a similar term, unless the food is:

D. Meat, poultry or fish produced without the use of any chemical or drug to stimulate or regulate growth or tenderness, etc.

7. *Mississippi* (imported):

§75-33-101: must label foreign poultry as imported.

8. *Nevada* (imported)

§583.045: must label foreign poultry as imported.

9. *New York* (kosher labelling prohibitions and requirements; frozen labelling requirement.):

A. *Prohibits Using Kosher Label Unless Meets Orthodox Hebrew Requirements:*

See §201-a (1). Person who, with intent to defraud, represents poultry as kosher or k. for passover, if not meet orthodox Hebew religious requirements, is guilty of misdeameanor or felony (depending on amount of poultry.)

B. *If Retailer Sells "Kosher" Poultry Must Label either "Soaked and Salted" or "Note Soaked and Salted";*

See §201-a(2).

C. *Fresh Meat as defined under Kosher Law:*

Section 201-a(3): "Fresh meat, meat by-products and poultry shall be defined as meat or poultry that has not been processed, except for salting and soaking."

[Me: bolsters arguments that many different definitions of "fresh"?]

D. *Labelling Requirement for Food First Offered for Sale as Fresh and than Frozen:*

Section 214-g provides that if any poultry, seafood, or meat was first offered for sale as fresh and then later frozen, it must bear label in form prescribed by commissioner informing that it was previously offered for sale in its unfrozen state.

10. *New Jersey* (kosher prohibitions):

Section 2C:21-7.2 Defines "kosher" as prepared in strict compliance with orthodox reabbinate.

Section 2C:21-7.4(b)(3) defines as a "disorderly persons offense" falsely labelling food product as "kosher" or otherwise if tend to deceive.

[Me: Note that (b)(1) and (2) seem to apply only to retailers (they exempt manufacturer or packer of food) but (b)(3) has no such limitation).

11. *Ohio* (kosher labelling prohibitions and requirements):

A. *Kosher Prohibitions:*

Section 1329.29 (A) No person shall do any of the following:

(1) Sell or expose for sale at retail, or manufacture, any meat or meat preparations or any fowl or preparations from fowl and falsely represent the same to be "kosher" or as having been prepared under, and of a product or products sanctioned by, the Orthodox Hebrew religious requirements;

(2) Falsely represent any food products or the contents of any package or container to be constituted and prepared as described in division (A)(1) of this section by having or permitting to be inscribed thereon "kosher", "kosher style," etc.

[Me: Does this only apply to retail?]

B. *Kosher Requirements:*

§1329.29(B) requires that all prepackaged "kosher" meats/poultry must be "soaked and salted" and all fresh poultry marked "kosher" must either be labelled "soaked and salted" or "not soaked and salted."

12. *Oregon* (fresh; state of origin prohibitions):

Section 619.365 prohibits use of labels that say:

(A) misrepresent state of origin; or state that chicken

"(B) are fresh, if at any time after slaughter, they have ever been frozen".

[Me: Where's definition of frozen? Federal definition or state? More research]

13. *South Carolina* (foreign origin requirement):

Section 47-17-310 requires all meat (poultry?) imported into state from outside *shall* be labelled "imported" in 24 point type.

14. *Washington* (frozen/thawed label requirement):

Section 69.04.333 requires that if poultry has been frozen at any time it must bear a label "clearly discernible to customer that such product has been frozen and whether or not the same has since been thawed."

15. *California* (organic).

Mrs. BOXER. Mr. President, I hope I have debunked the myth that this is a California issue. Certainly, there is support among parts of our poultry industry for this rule, but it is not universal. The main issue here is, do the consumers have a right to know? They already know the fat content, they already know the calorie content, they already know the minerals in products, they already know the vitamins, protein. For goodness' sake, they ought to know if a product has been frozen or deep frosted, and exactly what they are getting when they pay their hard-earned dollars.

I just have to say, again, I understand that colleagues must fight for their States, and I understand that completely. When you have a State that ships these products out, I understand why you would be here fighting for that industry and making sure that your State was not disadvantaged. So I have total respect, and if I was the Senator from Arkansas, who knows what I would be doing. So I am not being holier than thou in any way, shape, or form.

But I have to make the point that this is really about money; it is all about dollars. Otherwise, who would be opposing such a commonsense rule? You can get more money for a fresh product, so you market fresh. What is a little lie? You can ship your frozen product miles and miles into another State to compete with truly fresh chicken, and no one will know and you get top dollar, so what is a little lie? I say it is wrong.

I would like to take a little time to read a Washington Post editorial, or just portions of it. I ask unanimous consent not that we print this copy in the RECORD, but that a smaller copy be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FAIR'S FAIR ON FOWL

"When I use a word," said Lewis Carroll's Humpty Dumpty, "it means exactly what I want it to mean." Humpty Dumpty was an egg, but the observation applies especially well to a fight that's going on about chickens. Michael Taylor, acting agriculture undersecretary for food safety, recently tried to call a halt to 2½ years of squawking by issuing a rule that chickens and turkeys frozen rock solid and shipped that way, then thawed, may no longer be labeled "fresh." At the last minute, though, a Senate subcommittee has come up with appropriations language that would block the rule, leaving frozen chickens and turkeys still eligible for the label of freshness.

The notion that fresh chickens aren't frozen, and vice versa, might at first seem uncontroversial. Consumers might like to know if a bird has been frozen and thawed, whether out of health or cooking preferences or because they prefer fresh meat. Small regional chicken companies see this preference for freshness as a possible selling point, since they, unlike the bigger producers, don't have to freeze their birds to ship them cross country. They have been wanting for some time to label their own birds "fresh" and to stop the national companies from so labeling theirs.

Inconveniently enough, however, the government at some point agreed that to be defined as legally "frozen" a chicken or turkey had to reach an internal temperature of zero degrees Fahrenheit, although the meat actually freezes solid at about 25 degrees above that. The big companies thus have been within their legal rights all this time to freeze their birds down to a point above zero and label the meat "fresh" because it has technically never been "frozen." The National Broiler Council beat back a California law that attempted to redefine "fresh" as having "never reached an internal temperature of 25 degrees or below for more than 24 hours." The big birders successfully sued to establish that the state law was superseded by the less nature-bound federal version.

Would a frozen chicken under the proposed rules now be referred to as "frozen"? Heaven forbid. "Frozen" chicken and turkey—the kind chilled below zero—would continue to be "frozen." The stuff that had been frozen to between zero and 26 degrees, previously called "fresh," would be labeled "hard chilled." For now, though, barring a Senate turnaround, the victory may remain with the broiler lobbyists who complain that it's too arbitrary to draw an either-or distinction between fresh and frozen at all. Seriously, you'd think this one would be easy.

Mrs. BOXER. Mr. President, the first paragraph says:

> "When I use a word," said Lewis Carroll's Humpty Dumpty, "it means exactly what I want it to mean." Humpty Dumpty was an egg, but the observation applies especially well to a fight that's going on about chickens. Michael Taylor, acting agriculture undersecretary for food safety, recently tried to call a halt to 2½ years of squawking by issuing a rule that chickens and turkeys frozen rock solid and shipped that way, then thawed, may no longer be labeled "fresh." At the last minute, though, a Senate subcommittee has come up with appropriations language that would block the rule, leaving frozen chickens and turkeys still eligible for the label of freshness.

My friend, that is what this is about. Some of us are trying to stop that attempt by the Appropriations Committee to block a rule that is over 2½ years in the making and, by the way, which started under George Bush. He tried to resolve this problem. We are talking about an 8-year-old issue that has not been resolved. He goes into the rule, which I have explained already, that says that it can be labeled "fresh" if it is down to 26 degrees, and "hard chilled" between 26 and zero, and it must be labeled "frozen" if it is below zero. The person who wrote this article is critical. He says:

> Would a frozen chicken under the proposed rules now be referred to as "frozen"? Heaven forbid. "Frozen" chicken and turkey—the kind chilled below zero—would continue to be "frozen." The stuff that had been frozen to between zero and 26 degrees, previously called "fresh," would be labeled "hard chilled." For now, though, barring a Senate turnaround, the victory may remain with the broiler lobbyists who complain that it's too arbitrary to draw an either-or distinction between fresh and frozen at all. Seriously, you'd think this one would be easy.

Mr. President, I echo that. I thought this one would be easy. This one is not easy; it is difficult.

Mr. PRYOR. I wonder if the Senator will yield for a question.

Mrs. BOXER. I would be happy to.

Mr. PRYOR. I wonder if the Senator from California would educate this Senator as to the California Legislature, I think in 1993, enacting the law only relating to poultry. Why is it that the State of California only objected to poultry labeling and not the labeling of beef, not the labeling of pork, and not the labeling of fish? Why is it that we are letting those groups off and concentrating only on poultry products?

Mrs. BOXER. I say to my good friend, I do not serve in the California State Legislature, and I do not always agree with them on things. I cannot answer for why they did this. I assume that one of the reasons they did this is because, clearly, the issue was brought to their attention. I say right now to my friend that I am very much in favor of doing more. He asked before, why are we not doing fish? As far as we know, that is under the FDA authority. I am happy to team up with my friend to work for truth in labeling on every conceivable product. That is what it is about to me, making sure consumers know what they are buying and what they are getting.

Again, I guess one of the problems I have is—and this Senator is certainly saying nothing ill about a frozen product. Some people prefer to buy a frozen product. All I am saying is that it ought to be labeled so we know what the truth is. In terms of the legislative agenda of the California State Assembly, remember, we have many thousands of issues that come before us. I would be happy to research the issue and come back with a specific answer. I can only speak for what I can do.

In this bill, the Appropriations Committee is stopping a truth-in-labeling bill that involves poultry. I would be happy to support my friend for truth in labeling in any and every product he would like to bring forward.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. COCHRAN. Mr. President, if the distinguished Senator has completed her statement at this moment, I will be happy to yield such time as he may consume to the distinguished Senator from Arkansas [Mr. BUMPERS].

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, how much time is remaining for the Senator from Mississippi?

The PRESIDING OFFICER. The Senator from Mississippi has 24 minutes remaining.

Mr. BUMPERS. Mr. President, this is another one of those issues which, on its face, would appear to give the California Senators the high ground. But it does not. It is the phoniest issue I think I have ever seen come before the Senate. The Senator from Arkansas, my colleague, Senator PRYOR, has just asked a very relevant question. Red meat products are routinely shipped at below 26 degrees and sold as fresh. Listen to this. Whole hog sausage is packed warm into tubs, then exposed to glyco or brine to chill below 26 degrees.

I can tell my colleagues that any time you buy sausage in the fancy meat section of the grocery store, the chances are about 90 percent of the time you are getting sausage that has been previously frozen. It is thawed for display purposes. Pork and beef loins and other products of beef and pork are routinely brought below 26 degrees. Why? So it is easier to slice. You get a better consistency in the slice if the temperature of the bacon is much lower than freezing. Trim products. When you trim steaks and roast, pork chucks and pork roasts, they take the trimmings and freeze them—not to 26 degrees, but to zero. And then they are later thawed and put with whole hog, and you buy whole hog sausage, some of which is fresh and some of which has been frozen.

Frozen beef: Frozen beef is mixed with fresh beef. Do you know why? To give it a better consistency, because it forms a patty better if half of it has been frozen. When you buy beef patties and pork patties, you are getting formerly frozen product. Frozen lamb is routinely thawed at retail and sold fresh.

Why are those things not included here? Because the California Poultry Federation does not care about lamb, they do not care anything about beef or pork, and they do not care anything about fish. What they care about is the fact that they only have 25 percent, or less, of the poultry business in California. California, right now, has the highest poultry prices in the United States. And if the Senators from California prevail, it will go a lot higher, under the name of consumerism.

Do you know what this regulation of the Department of Agriculture says? It says exactly what the California Legislature said in 1993—that the California Poultry Federation went to the California Legislature and said, "Look, we cannot compete with the Southern and Southwestern States, so here is the way we have conjured up to deal with the issue."

So the California legislature says, "Any poultry product coming into the State of California may not be below 26 degrees." What does this regulation say, after the court, incidentally, had ruled that one illegal? The very same thing. Dan Glickman did not think this up. The Department of Agriculture did not think this up. They never thought of it until the California Legislature told them to think of it. And when the Federal court declared that the Federal Government had preemption rights over the safety of food, they came to the California Senators.

I am not complaining about the California Senators going to bat for their State, and I hope nobody will blame me or Senator COCHRAN for going to bat for our States. So here we are on the floor of the Senate protecting the California poultry industry. Unhappily, this rule applies to the entire Nation.

Mr. President, I have watched this Congressman—I forget his name—over in the House. He got a lot of publicity. You have to do crazy things to get on the evening news around here. So he takes a chicken, frozen at zero degrees, and uses it for a bowling ball.

The ordinary citizen looks at that and says, "You mean I have been buying chicken like that?" The Senator from California came in here with a frozen chicken this morning. You can use that for a bowling ball, too.

That is not what the debate is about. You take a chicken frozen to 26 or 27 degrees and use it for a bowling ball, and you will get splattered. This chicken, when it leaves the plant to go to California or any other State, is usually at 27 or 28 degrees. When it arrives at its destination, there is a distinct possibility that over the course of that 2-day trip, that some chickens—they are in boxes; they are in what they call a "chill pack"; they are in a tray and the trays are in boxes—some of the boxes in the middle of the load may conceivably be below 26 degrees, maybe 25 degrees when it gets there.

Now, how are you going to handle that, Mr. President? Are you going to make them unload the whole load and relabel every chicken? Obviously, that is not doable. Economically, that is not doable.

So, what do you do? Nobody can tell you what the Department of Agriculture Inspection Service is going to ask for. I can tell you one thing: The $25 million that we put in for the Food Safety Inspection Service in the bill before the House is not going to be nearly enough to hire all the inspectors to check every temperature.

Is this just me? Listen to this. The Agriculture Research Service, which does all of the research on these things in their laboratories—in the laboratories—the Agriculture Research Service allows a plus or minus 3 degrees because that is the best they can do.

Yet, the California Senators say it has to be 26 degrees, not 1 degree below. As high above as you want to go, but if you go 1 degree below 26 degrees, no plus or minus allowances. Even the Agriculture Marketing Service has a minus or plus 2 degrees. No mistakes for mechanical failures, no allowance for anything.

Mr. President, while, as I say, this looks good on its face, I want to remind my friends from the red beef and the pork States and the fish States, you are next. Whoever you may be competing with, you can depend on them going to their legislature, the Department of Agriculture, and saying, "We want the same treatment."

The poultry industry has been attacked as long as I have been in this Senate. It is, as Gilda Radner said, it is always something, is it not, Senator? It was always inspection. Now the poultry industry has agreed to what we hope will be the best and final inspection of a product in the history of man: a macro-organism inspection system that will pick up anything on the carcass of a chicken.

Do you know who is squawking now even though it will cost a lot of money to put it in place? The labor unions, because ultimately it will be labor saving. As I say, it is always something.

Who do you think, Mr. President, finally, has the most to lose by shipping a bad product? It is the industry, is it not? If they send a bad product, if somebody gets sick, they are the ones that would pay the price.

Listen to this. Billions and billions and billions of chickens have been shipped to the State of California and all over this country, that left the packing plants at 27 or 26 degrees and when it gets there, maybe some of the chicken was at 25 degrees, some of it was at 26 and some of it was at 27.

Do you know something else? Not one complaint out of billions shipped all over the United States, not one single complaint from anybody but the California Poultry Federation. Does that tell you what this amendment is about?

I yield the floor.

Mrs. BOXER. Mr. President, my friend from Arkansas is a great debater. He says this is the phoniest issue he has ever seen come before the Senate. Let me tell you what is phony. What is phony is marking a frozen product fresh. That is phony. What this regulation is going to do is cure that problem.

To make this a California issue is misleading. Alaska: "It is unlawful to sell previously frozen as fresh." Why not attack Alaska, I say to my friend? Arizona: "Prohibits misbranding." Attack Arizona, I say to my friend. Delaware: There is a prohibition; you cannot misbrand a food. Illinois: If a meat or poultry product has been frozen, it cannot say fresh. It has to say "previously frozen." Why not attack Illinois?

New York: There is a frozen labeling requirement. Oregon prohibits the use of a label that says "are fresh, if at any time after slaughter, they have been frozen." Washington State: Poultry that has been frozen at any time must bear a label "clearly discernible to customer that such product has been frozen and whether or not it has been thawed." We know that California has a law, as was mentioned here several times.

So, put to rest the claim that this is only about one State. This is across the country, and I think that we in the U.S. Senate should respect those States that have gotten out in front of a consumer issue.

Now, I will tell you something, I know these consumer groups and they do not get behind a phony issue. I do not know if you have ever dealt with them before, but I do not see Citizen Action standing up here on behalf of one industry. I do not see consumer unions standing up behind one industry. I do not see National Consumer League standing up behind an industry. I do not see Public Voice doing that, and I do not see the American Veterinary Medical Association doing that.

Clearly, this is not a phony issue. But if we do not defeat the committee amendment, a phony situation will continue.

By the way, do not be misled. They say the committee will put a rule into effect, but when we pass it, when we decide it. It has been 8 years since we have been trying to solve this consumer problem and it will be another 8, 10, and God knows how long, the consumers will not have their right to know. So I think the issue is drawn.

My friend says the price will go up. How does the price go up? It is the opposite. The price is artificially up now because a product that says fresh gets a higher price. And that is why the people in your State do not want to put an accurate label on there. They fetch a premium price for a frozen product. Therefore, they want to keep calling it fresh.

On the contrary, when this goes through—and I hope it will, and I do not know how we will come out on it—prices will go down and consumers who want to get a good price can buy a frozen product.

By the way, there is nothing wrong with that. Some prefer it. All we are asking for is truth.

Then my friend says the California Senator said "26 degrees." We never said any such thing. The way the rule came about was because this Senate asked the Department of Agriculture to go hold public hearings, hear the experts, and they found out that the temperature in which it is frozen is 26 degrees. If they picked 24 degrees or 22 degrees, I could not challenge that, I say to my friend. It is a scientific determination. If it is rock solid it is rock solid at 25 degrees.

And he is right. He said a Congressman bowled a chicken down an alley to bring attention to this issue. He is right. It got the Congressman on the news. And sometimes people do that because they are so desperate that things like this will be legislated in the dead of night, in a committee, stuck into an appropriations bill, that they have to shine the light of day on this.

I hope every single consumer in America is watching this vote today. Because you will hear a lot of talk about pork, beef, fish—let us talk about that another time. I am with you. Let us have honesty in the way we sell products in this country. That is the way we are moving. We let consumers know a range of things about the products that they buy.

So, I am going to move, at the proper time, to table the committee amendment. As I understand the rules, and I ask the President if this is correct, the appropriate time would be just before the vote rather than at this time? Is that correct?

The PRESIDING OFFICER (Mr. ASHCROFT). The Senator is correct.

Mrs. BOXER. Then I will at that time reserve my right to move to table the committee amendment. At this time I reserve the remainder of my time.

Mr. HELMS. Mr. President, on April 4, 1995, 19 Senators sent a letter to the U.S. Department of Agriculture in which we expressed our concern about proposed changes in poultry labeling standards. The USDA has ignored our concerns and is preparing to impose unfair and subjective rules which will adversely and unnecessarily affect the poultry industry in North Carolina, indeed across this country.

At issue is the process by which the poultry industry labels its products—either "fresh" or "frozen"—and whether the USDA will change the rules, unnecessarily and unfairly, on America's food producers. The losers, if the USDA prevails, will not be confined to America's chicken and turkey producers and processors, but also the consumers who are certain to be confused and misled by this USDA bureaucratic meddling.

Senators should be aware of some important facts when considering whether the Senate should allow the USDA to proceed with such unnecessary requirements.

First, the proposed rule change unfairly singles out the poultry industry. Currently, meat, fish, and poultry products are allowed by USDA to be preserved at temperatures below 26 degrees and be labeled as "fresh." If the USDA has its way, the poultry industry alone must label its products as "previously frozen" when poultry products are stored at temperatures below 26 degrees.

Second, the proposed rule changes will hinder the growth of America's chicken and turkey industry. The USDA bureaucracy proposes to make permanent standards that the poultry industry already has had difficulty in meeting. Keep in mind, under the USDA's proposal, poultry companies will be required to process, store, and transport their products at specific temperatures beyond their control—and this bureaucratic meddling will automatically reduce the quality of food. This disservice to the consumer will also harm the poultry industry.

Mr. President, America's poultry industry is the envy of the world. Its further growth, and the confidence of the consumer, are at stake in this debate. The Senate should support Senators COCHRAN and BUMPERS in their efforts to prohibit funding for this unwise USDA rule change that will serve nobody's best interests—except, perhaps, the ego of the bureaucrats who came up with an idea whose time should never come.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Who yields time? The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I am happy to yield time to my distinguished friend and colleague from Alabama [Mr. HEFLIN]. How much time would the Senator request, 5 minutes? Ten minutes?

Mr. HEFLIN. Mr. President, 5, 6, 7, 8, somewhere in that neighborhood.

Mr. COCHRAN. I am happy to yield the distinguished Senator 8 minutes, Mr. President.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. Mr. President, I appreciate that. I rise in opposition. But first let me say that no opponent is more formidable than the little package of dynamite from California. Senator BOXER is a tremendous opponent. They say dynamite comes in little packages. And she certainly works on every issue that she takes a stand on. Most of the time she is right. But every now and then she gets misled and this is one of those instances.

My colleague asked me how much time I wanted, 5 minutes, maybe? I said 6, 7, 8, somewhere around that so I got 8—but, you know, as I think about that, why did I not say a specific time? Well, it is because there may be some variances of thoughts that I had, and variances are very important.

What is lacking from this, in regards to fresh, is variance. Thermometers differ. I have been in a hospital a good deal, and they take my temperature one way and it is one figure and they take it another way and it is a different figure. Then they, all of a sudden, will get thermometers that they take it in the ear for a minute, and in the old days you take the thermometer and you kept it for 3 minutes in your mouth, and you are supposed to put it in a certain spot and everything else relative to that.

The point I am making is you have a hard and fast rule and you are crossing the desert in a truck, you set it at 26 degrees, but by the time it gets through west Texas, where you are going through some area where the temperature is about 105, and 106, and it varies. Then I think what this also is, it is that we are going to see the inspectors are going to be the thermometer brigade. The thermometer brigade will be coming around, checking.

What we need here is some flexibility, some variance, that will allow—if you have something at 26 degrees, why not have it, say, a 4-degree variance because of weather or whatever else, relative to this? Trucks will have to stop and check the temperature about every 5 or 6 minutes to see that it gets to be 26 degrees.

As you travel across the desert and everything else they will stop. Sometimes, when these truckdrivers stop, they might also have something else to quench the heat. So I do not know what might be occurring relative to this. But, I think there is certainly a need for variance.

I have the front page and the introduction of the California Poultry Workgroup, University of California, Cooperative Extension, called "Turkey Care Practices." In the introduction it has this:

> The number of turkeys produced in California peaked at 32 million in 1990 and dropped to an estimated 24.5 million by 1993. The major causes for this reduction was the necessity to import feed grain and the unfavorable business climate in California. Production costs in California are higher than in other areas making it difficult for the California industry to competitively produce turkey meat products for the consumer.

That is said there. I assume feed is the same for chickens. The same climate is there for chickens as it is for turkeys.

When you get out there, this is a cost issue. It is basically a protectionist issue. It seems to me we are missing the point on all of this. The way I heard Senator BUMPERS talking about freezing various meats, and you freeze bacon to slice it and you freeze beef to do various and sundry things, but turkeys—I know very few people who, on Thanksgiving, do not have frozen turkeys. Most of the turkeys that you buy in the market are frozen. That is one of the delicacies of the American cuisine, is turkey on Thanksgiving. But how many live turkeys do you see? There is nothing wrong with frozen food. Frozen food has a lot of things.

We talk about diseases. It kills a lot of germs in a lot of things that might be flying around and get on to the meats. So this is a safety protection, a food safety provision that Senator COCHRAN has come up with as well, in regards to this.

So, there are a lot of things we feel that people are not reviewing, they are not thinking about in all of these. This 26 degrees that has been said is not any scientific number. A lot of the companies put it on the market at 26 degrees. It is pliable, it is soft, it is certainly, with the ideas we have on poultry and other things, this concept of fresh—if it is 25 degrees it is no longer fresh.

When you cannot tell the difference in the feel, you cannot tell the difference in anything else, even if it is 24 degrees instead of 26 degrees. The point I am making here is the Department of Agriculture has some 26,000 comments and 23,000 of them, as I recall, were against this proposal. But they have some zealots over there in the Department of Agriculture on certain issues who throw to the winds reason, who throw to the winds the logic that is necessary and the real facts that underlie all of this.

So I think this is a mistake on what the Department has done. We ought to adopt the Cochran amendment that is in the bill, send it back to them, and tell them, "All right. Let us take another look at it." At that time, Senator BOXER, with her dynamite approach toward her issues, can argue with the Department of Agriculture, and the California turkey group that I quoted from here can make their arguments. I just think that we are reaching out and making a very unrealistic approach toward an issue that is not the problem that it is being made here today.

Mr. President, I oppose the motion to strike the provision in this appropriations bill. The purpose of the language is to ensure that new poultry labeling rules are meaningful to all consumers.

The rule promulgated by the Food Safety and Inspection Service on August 25, 1995, prohibits poultry products that have ever been chilled below 26 degrees from being labeled "fresh," products chilled above 0 degrees but below 26 degrees would have to be labeled as "hard chilled" or "previously hard chilled."

There is nothing special or scientific about the 26-degree threshold temperature selected for determining freshness other than the fact that it is low enough to permit certain regional poultry companies to process their products in accordance with accepted industry practices. At the same time, the temperature suggested by those who have benefited by this regulation is just high enough to interfere with competing poultry products transported from other States from reaching these regional markets without jeopardizing product quality. This is especially true since USDA did not provide any temperature tolerance in the final rule.

You will not find anyone who can tell you with a straight face that poultry products at 26 degrees are fresh while those chilled to 25 degrees are no longer fresh. There is absolutely no scientific evidence that poultry freezes at those temperatures. That is something that came from a Hollywood script and a bureaucrat's desire to develop a punitive and unreasonable regulation. This kind of irresponsible regulation cannot be tolerated.

USDA has succeeded in developing a labeling system that designates high-quality poultry products and will confuse consumers. Poultry consumers will be misled by a labeling requirement that a product is hard chilled when it is, in fact, soft and pliable to the touch at the retail counter. Many consumers may be led to believe that such product is of lesser quality, when, in fact, it is the same high-quality product they have been buying for years.

Not only will consumers be misled by this designated labeling, but the threat of such labeling may force companies to ship poultry products at higher temperatures to avoid being required to use the labeling USDA has mandated, even in the absence of any affirmative quality claim. Basic science provides that cooler temperatures enhance the quality of food products. Poultry, as well as beef, pork, or lamb products, shipped at 24 or 25 degrees will have a longer shelf life and maintain their quality longer than products shipped at higher temperatures—to the benefit of consumers. Because of USDA's denigrating labeling requirement, however, poultry companies will be forced to ship products at higher temperatures, to the detriment of product quality and consumers.

The fresh poultry regulation was designed by the California poultry industry to make it difficult for competing poultry products from other sections of the country to be marketed in California without jeopardizing product quality. When consumers in California have fewer choices in the marketplace, they will pay higher prices for poultry. That is the hidden agenda of the California Poultry Industry Federation. It's simple economics—less competition, fewer choices, and higher prices. The consumer pays and the California poultry products take it to the bank.

We should reject USDA's misguided and ill-conceived regulation and instead require the agency, as we have been forced to do before, to develop a rule that will not result in consumers paying more for the high-quality poultry products they buy today.

The PRESIDING OFFICER. Who yields time?

Mrs. BOXER. Mr. President, might I ask how much time I have left in this great chicken debate?

The PRESIDING OFFICER. The Senator from California has 15 minutes and 53 seconds.

Mrs. BOXER. Let me say, Mr. President, to my friend, Judge HEFLIN, that he gave me a wonderful compliment. I really mean it. I want to give him one back. He is a powerhouse lawyer, judge, and Senator. He is very convincing. But on this one, I really believe fresh is fresh and frozen is frozen. You can talk about how to take the temperature.

By the way, while the Senator was speaking, I looked at who actually worked on this rule. Believe it or not—this is really interesting—this is an American Society of Heating, Refrigerating, and Air Conditioning Engineers. They actually made a decision that 27 degrees should have been the proper degree. But the Department of Agriculture gave the flexibility of a degree.

So there are scientists who worked on this. It had nothing to do with zealots. The National Institute of Standards and Technology came out with 26 degrees. So there was a disagreement. One said it is frozen at 27, and one said at 26 it is pretty frozen. But this is not about zealots. This is about common sense. The fact of the matter is we want to make sure our consumers know what they are getting.

I agree with my friend. There is nothing wrong with frozen turkeys, chicken parts, or anything. As I said, the Senator is right to say some people actually prefer to buy the frozen product.

All this rule says is you must clearly mark it as frozen if it is zero degrees or below, and you get to market hard chill if it is from zero to 26, which I think shows a great deal of flexibility.

On the inspection point, all the details will be worked out as they go into this rule with the industry. A lot of it is going to be self-enforcement, I might say to my friend. They are very aware, if there is a very large shipment, if one part of the shipment may have fallen below; it does not mean the entire shipment cannot be marked fresh.

So I think rather than saying that they are zealots over there, I think they have bent over backwards to be fair. They even have gotten criticized by some consumers for giving the folks a chance to have their product at 10 degrees marked "hard chill."

So my friend is a powerhouse. I have to say that respectfully I disagree with his conclusion on this one. I hope the Senate will support commonsense reform in this area. Again, the country is moving in that way. If people can know how much fat is in a product, how many vitamins are in a product, how many calories are in a product, how much calcium is in a product, and on and on, we have decided it is important for consumers to know this. They ought to know if a product is frozen or has been previously frozen. Eighty-six percent of the folks agree with that premise. We have a chance to stand with 86 percent of the folks.

I hope we will do that in defeating this particular committee amendment.

I reserve the remainder of my time.

Mr. COCHRAN. Mr. President, I yield 4 minutes to the distinguished Senator from Delaware [Mr. BIDEN].

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I thank my colleague, the distinguished chairman of the committee.

Mr. President, while we are exchanging compliments, I think this amendment is about the efficacy in the way in which the distinguished Senator from California protects her State. She does an incredible job. I do not know anybody since I have served here who looks out for California's interests better than she does. I think that is what this is all about.

We are very close friends, the Senator from California and I. I do not doubt for a single moment what she says about her concern about consumer interests. But I might say, if she prevails, California wins big in the marketplace. I am sure it is purely coincidental. But again, she is tenacious when it comes to California. She is too effective, as far as I am concerned, when it comes to California interests versus the interests of other parts of the country. I think that is what this is a little bit to do with.

She is also trying to influence my mind here by sliding something in front of me that has to do probably with something that says my position does not make any difference; I am not crazy about him anyway.

So, Mr. President, she will go to any lengths within the legitimate confines of the rules of the Senate to win, like just handing me that note.

This debate is not about health and safety. It is not about saving the taxpayers money. Let me state up front this amendment has absolutely no impact on Federal spending. Ensuring compliance will be essentially impossible. Literally one degree of variance would technically require a different label. A package placed, for example, near a refrigeration unit which cools to a temperature of less than 26 degrees would not be considered on par with poultry 10 or 15 feet away from that unit. That is hardly an efficient standard to impose on business. More importantly, the rule ignores the Agricultural Research Service study which demonstrates that consumers cannot detect any quality difference between poultry chilled to 26 degrees and poultry at 2 or 3 degrees lower. Again, there is no difference between these two types of poultry.

It is not surprising to me, Mr. President, that virtually all consumers place poultry in the freezer for later use. I know that the sponsor of that amendment is not suggesting that the tens of millions of items that consumers take home and put in freezers all of a sudden make that chicken somehow, that poultry somehow, less palatable than if they did not take it from the grocery store to their homes. Interestingly, the Agricultural Research Service study concluded that under ideal laboratory conditions, poultry temperatures can only be controlled to plus or minus 2 degrees. Let me repeat that: Under ideal conditions, literally perfect conditions, we can only control it within 2 degrees.

What the distinguished chairman of the committee has done, he has not said we are not going to have a ruling. He has said look, let us go back and look at this. In fact, I respectfully suggest that many of the advocates of this amendment are more concerned about freezing the delivery of out-of-State poultry, and not actually freezing the product that is being allegedly frozen. This is about freezing out.

We sell a lot of chickens in California. I expect that California poultry producers do not like that. We have not figured how to make those birds fly from the Delmarva Peninsula to California, and then jump into a processing plant. We have not figured out how to do that. We have to put them in trucks. We try to do it at 26 degrees.

We do not want to be put in the position where my distinguished friend implies that the chickens we are sending, which are not below zero degrees, by the way, which is now frozen, is somehow less palatable.

I imagine my time is running out. I apologize for being so disconnected here. But how much time do I have left?

The PRESIDING OFFICER. Your time has just expired.

Mr. BIDEN. I ask for 5 additional seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. This is not about E-coli bacteria or cryptosporidium. The committee language is about simple fairness. It is about fostering competition and about improving the information available to consumers.

I hope we reject the amendment of my distinguished friend from California.

I yield the floor.

Mrs. BOXER. Mr. President, I want to say to my friend that he may be right that there is no difference to consumers. But 86 percent of the consumers think they ought to know what they are getting, No. 1. No. 2, the Department of Agriculture said they will be flexible in their enforcement. They have recognized the problem that my friend put out on the table, and I commend him for that. No. 3, back in October 1994, the Senate passed a unanimous vote, a sense of the Congress, that the Department of Agriculture should issue this rule.

We gave them guidance. We told them to hold public hearings all over the country. They did. We told them to publish a decision on the issue as expeditiously as possible. They did that. I thought they were a little slow, taking 2 years, but they finally did that. And we said that no person on the expert advisory committee could have a conflict of interest in the outcome.

Mr. BIDEN. Will the Senator yield for 1 second?

Mrs. BOXER. Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 11 minutes.

Mrs. BOXER. Yes, I will be happy to yield.

Mr. BIDEN. Will the Senator tell me whether she thinks consumers know what "hard chilled" means?

Mrs. BOXER. I say to my friend they are going to know because of all the publicity we are giving it. I would prefer that we were just saying "frozen fresh," "previously frozen," "thawed." But what they tried to do in this rule, I say to my friend, is accommodate some of the producers in the Eastern States who did not want the word "frozen" placed on it, and so they said, OK, if it is between 26 degrees and zero degrees it is hard chilled, and if is zero degrees or colder it is frozen.

I think both of my friends who have spoken in opposition this morning said it is an arbitrary thing. The fact is right now the rules say if you are freezing below zero, you have to say frozen. No one has ever complained about that. Nobody ever said if it is minus 2 degrees, we should say fresh. So there has to be some cutoff point. And the science says it is 26 or 27 degrees and the rule came down at 26.

I would also say to my friend that Delaware has a law on the books that is called "Misbranding of food: For the purpose of this chapter, food is deemed to be misbranded if is obtained by the dealer in frozen bulk form and is subsequently thawed and offered for sale in a package bearing a label 'fresh.'"

So I think that the Senator's State, in looking at the overall issue, not necessarily poultry but the overall issue of fresh versus frozen, is one of the leading States here because there is only about 10 that have come forward with these kinds of laws.

Finally, I say to my friend—and we are in a mutual admiration society and I will not go into that—I do find myself fighting for my State, for the consumers of my State. The poultry industry in my State is split. The chicken people like the agriculture rule and the turkey people oppose it. So I have come down on the side of the consumers, which I believe is what we should really do.

I say to my friend, Citizen Action, Consumer Union, National Consumers League, the Public Voice, and many others believe that fresh is fresh and frozen is frozen, and that is why I feel very strongly we should strike the committee amendment.

The administration thinks it is wrong to derail this rule. Eight years ago we tried to resolve this issue. It has been hanging around for 8 years. We finally had it solved. I am really kind of sad that we might derail it because no matter what my dear friend says to me—and he has been around here a lot longer—I do not believe the committee is going to rush to get a new rule in place. I am putting it in the best terms. I think this is a way to put this rule into deep freeze for a long time, never to see the light of day. That is my own view.

Mr. BIDEN. Will the Senator yield?

Mrs. BOXER. I will be happy to yield.

Mr. BIDEN. Just for 10 seconds.

Mrs. BOXER. I will yield as long as my friend wants.

Mr. BIDEN. I say to my friend, the poultry industry in my State, which is divided, by the way—some of the poultry people who are in my State share the Senator's view—is not looking for there to be no rule. They are looking for some flexibility in the 26 degree mark—2 or 3 degrees either way. They are not asking there not be a demarcation. They are not saying that the rule should say zero and below is frozen, above that is fresh. They are not asking for that.

So I am not standing here making the argument that there is no rationale related to having a third category here. I am suggesting that it is not workable as the standard proposed by the Department now which, to use the term freeze, is being frozen by the committee until there can be some more rational way to look at this.

So I wish to make it clear, we are not asking and I am not of the view that there not be a distinction made among the categories of how a chicken or a piece of poultry is packaged and sold.

Mrs. BOXER. I might say to my friend, I am glad to hear that, but from the bottom of my heart, if this is killed, we are not going to see that happen.

Let me say this. This is a very difficult issue because there are special interests on all sides of it, as my friend knows. What my friend is trying to do, he has a situation in his State where some of the businesses are for it, some are against. He took a position he feels is correct. I took a position I feel is correct.

The Agriculture Department in writing this rule really went to the scientists to set the standard. They did not ask just the industry because each industry has a special interest. So they asked the American Society of Heating, Refrigerating and Air Conditioning Engineers. Clearly, this is a group that is not a household name, and they do not have a particular interest. They examined the problem, and they came out and said at 27 degrees ice crystals begin to form on the poultry flesh. They believed that 27 degrees was appropriate. Another group said it is 26 degrees. That group that said 26 degrees is—let me find it. I had it in the RECORD before. It is a technology group that said it is 26 degrees. So they went with the more, if you will, liberal number of 26 degrees.

Mr. BIDEN. Will the Senator yield for a brief comment?

Mrs. BOXER. I believe, if you leave it up to the businesses to come up with what they think is right, we are not going to have a fair rule. With all due respect to my friend, if we kill this today, I believe we are killing this for a very long time.

Mr. BIDEN. Will the Senator yield for another brief question?

Mrs. BOXER. Yes.

Mr. BIDEN. The experts in the refrigeration industry also point out that there is no way you can get that ideal number within less than 2 degrees. The science of refrigeration is not precise enough that you can get it within 2 degrees. So although they give you an ideal number of 26, they say that is when crystal began to form, they also say, if I am not mistaken, there are not refrigeration units made that can guarantee you can keep it at exactly 27 as opposed to 26 or 25 or 25 as opposed to 23.

So I would ask my friend the following question. Assume the issue here were to say 26 degrees plus or minus 3 degrees. Would she be willing to go along with that? Or is she stuck on precisely 27 degrees? Because the Senator from Delaware would be willing to go along with 26 degrees plus or minus 3 degrees, mainly because there is not the science in refrigeration that you can put a product in the back of a truck, send it off to be sold in California or anywhere else and be assured that for the duration of that trip it will not fluctuate several degrees above or below.

I might add, the reason why the producers are split in my State, the producers who sell only on the east coast think this is a good idea. The producers that sell in California say: I cannot get my product across guaranteeing it is exactly a certain temperature—I cannot assert, and the technology cannot guarantee me when I put it in the truck, that I can keep it within the rule no matter what I tell you.

Mrs. BOXER. May I say to the Senator I am down to 3 minutes.

Mr. BIDEN. I am sorry.

Mrs. BOXER. I have to say to my friend, this is exactly what I do not think we should get into: Will the Senator agree to 27 minus-plus. I believe if we start getting into that on the Senate floor, we are getting into minutia.

There is a science. Now, my friend may not believe it is accurate, but the other group that said it is 26 is the National Institute of Standards and Technology. The Agriculture Department said that flexible enforcement will be absolutely a defining goal. And today we enforce the law when it gets down to zero degrees. So at some point you have to have a cutoff with flexible enforcement, because clearly my friend makes a good point. But I never supported 26 degrees or 25 or 27. What I supported was science dictating when a product ought to be marked "frozen."

I think if we do not act today, I say to my friend—and I think he means it that he wants to work on something—it will be a long, cold month, 2 months and years before we get back to this issue.

I retain the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. COCHRAN. Mr. President, how much time remains on each side?

The PRESIDING OFFICER. The Senator from Mississippi has 10 seconds, the Senator from California has 113 seconds. Who yields time?

Mr. BUMPERS. Mr. President, the Senator from California has generously yielded me 30 seconds, which may be kinder than I would be to her under the circumstances.

Mrs. BOXER. Thanks.

Mr. BUMPERS. I thank her very much. Mr. President, I want to make the point the Senator from Delaware was making. If the Agriculture Research Service has to have a plus or minus 3 degrees in highly controlled labs and highly controlled labs have to have a plus or minus 2 degrees, to ask for a plus or minus 3 degrees in this situation without devastating an industry seems to make eminent good sense. It seems to me if we can transport chickens 2,000 miles and still beat the California Poultry Federation's price, there may be something wrong with the California Poultry Federation.

I thank the Senator for yielding.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, let me say to my friends, it is hard to know what to say to my friends at this point, because when we started this debate, we wondered if we could keep it together through the entire debate. I compliment all of us; we have kept it together.

Again, I am going to finish off where I started, and then you are going to have to hear it again for 2 more minutes before the vote.

If I told you that this desk is a chair, you would think I was kidding. And if I told you that winter was summer and summer was winter, and ice was hot and warm was cold, and freezers were toasters, you would send me to the nearest psychiatrist.

I have to say, everything stripped aside, because there is money in industry on one side and money in industry on the other side and we know that, the bottom line is what is fair and what is right and what is common sense and what is reality.

We can decide we are the scientists here, and we can decide at what degree it is frozen and what degree it is fresh. I do not think that is our job. We have a fine, I believe, Department of Agriculture headed by a very fine man from Kansas who knows agriculture. He stepped in and oversaw this rule. We have a good rule. I hope we support it and defeat the committee amendment.

I yield the floor and thank my friends.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, USDA's own study, conducted by the Agricultural Research Service, demonstrated that consumers cannot detect any quality differences between poultry chilled to 26 degrees and poultry chilled to lower temperatures.

The Food Safety and Inspection Service based its rule on assertions generated through a well orchestrated public relations campaign by those who would benefit from this new rule.

In effect, the agency is saying that although it cannot control temperatures under ideal conditions in a laboratory, the poultry industry must not let their products reach a temperature just 1 degree under 26 or the products will be declared out of compliance and mislabeled.

I urge Senators to vote against the California Senators' motion to table.

RECESS UNTIL 2:15 P.M.

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, at 12:33 p.m., the Senate recessed until 2:14 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. COATS).

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. What is the pending business?

FAMILY SELF-SUFFICIENCY ACT

The PRESIDING OFFICER. The clerk will report H.R. 4.

The legislative clerk read as follows:

A bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence.

The Senate resumed consideration of the bill.

Pending:

Dole modified amendment No. 2280, of a perfecting nature.

Gramm modified amendment No. 2615 (to Amendment No. 2280), to reduce the Federal welfare bureaucracy.

Dole/Daschle amendment No. 2683 (to Amendment No. 2280), to make certain modifications.

AMENDMENT NO. 2692 TO AMENDMENT NO. 2280

(Purpose: To provide a technical amendment)

Mr. DOMENICI. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Mr. DOLE, proposes and amendment numbered 2692 to amendment No. 2280.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 12, between lines 22 and 23, in the matter inserted by amendment no. 2486 as modified-

(1) in subparagraph (G), strike "3 years" and insert "2 years"; and

(2) in subparagraph (G), strike "6 months" and insert "3 months".

On page 69, line 18, in the matter inserted by amendment no. 2479, as modified—

(1) in section 413(a), strike "country" and insert "country"; and

(2) in section 413(b)(5), strike "eligible countries are defined as:" and insert "ELIGIBLE COUNTRY.—A county may participate in a demonstration project under this subsection if the county is—".

On page 50, line 6, in the matter inserted by amendment no. 2528—

(1) in subsection (d)(3)(A), strike "1998" and insert "1996";

(2) in subsection (d)(3)(C), strike "1998, 1999, and 2000" and insert "1996, 1997, 1998, 1999, 2000, 2001, and 2002"; and

(3) in subsection (d)(3)(C), strike "as may be necessary" and insert "specified in subparagraph (B)(ii)".

On page 77, between lines 21 and 22, insert the following new section:

"SEC. 420. ELIGIBILITY FOR CHILD CARE ASSISTANCE.

Notwithstanding section 658T of the Child Care and Development Block Grant Act of 1990, the State agency specified in section 402(a)(6) shall determine eligibility for child care assistance provided under this part in accordance with criteria determined by the State.".

On page 303, line 15, add "and" after the semicolon.

One page 304, line 22, strike "and" after the semicolon.

On page 305, line 16, insert ", not including direct service costs," after "administrative costs".

On page 305, line 18, strike the second period and insert "; and".

On page 305, between lines 18 and 19, insert the following:

"(C) by adding at the end thereof the following new paragraph:

"(6) SERVICES FOR THE WORKING POOR.—The State plan shall describe the manner in which services will be provided to the working poor."'.

Beginning on page 305, strike line 19, and all that follows through line 6, on page 306, and insert the following:

(d) CLARIFICATION OF ELIGIBLE CHILD.—Section 658P(4)(B) of the Child care and Development Block Grant Act of 1990 (42 U.S.C. 9858n(4)(B)) is amended by striking "75 percent" and inserting "100 percent".

On page 738, line 10, strike "on" and insert "for".

On page 753, line 8, strike "subsections (c) and (d)" and insert "subsection (c)".

On page 753, lines 20 and 21, strike "or serious physical, sexual, or emotional harm, or" and insert ", serious physical or emotional harm, sexual abuse or exploitation, or an act or failure to act which".

On page 776, line 1, strike "other" the second time such term appears.

On page 786, line 7, strike ", through 2000" and insert "and 1997".

On page 22, line 12, strike "$16,795,323,000" and insert "$16,803,769,000".

On page 99, line 20, strike "$92,250,000" and insert "$100,039,000".

On page 100, line 9, strike "$3,150,000" and insert "$3,489,000".

On page 100, line 22, strike "$4,275,000" and insert "$4,593,000".

On page 99, strike lines 4 and 5 and insert the following:

(I) by inserting "(or paid, in the case of part A of title IV)" after "certified"; and

On page 27, strike lines 17 through 22, and insert the following:

"(B) RATE OF INTEREST.—The Secretary shall charge and collect interest on any loan made under subparagraph (A) at a rate equal to the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the period to maturity of the loan.

On page 54, line 25, add after "amount." the following: "The Secretary may not forgive any outstanding loan amount nor interest owed thereon."

On page 293, lines 8 and 9, strike "any benefit described in clause (1)(A)(ii) of subsection (d)" and insert "any benefit under a program described in subsection (d)(2)".

On page 293, line 19 strike "subsection (d)(2)" and insert "subsection (d)(4)".

On page 293, line 21, insert "the" before "enactment".

On page 294, line 20, insert "under a program" after "benefit".

On page 297, line 11, strike "Federal".

On page 297, line 20, strike "and".

Beginning on page 297, line 21, strike all through page 298, line 3, and insert the following:

(2) the term "poverty line" has the same meaning given such term in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

On page 298, line 3, strike "involved." and insert "involved; and".

Line to be added at the appropriate place in Title XII of Dole's Amendment to HR. 4:

"In making reductions in full-time equivalent positions, the Secretary is encouraged to reduce personnel in the Washington, DC area office (agency headquarters) before reducing field personnel."

(1) In section 501(b)(1), strike "(IV), or (V)" and insert in lieu thereof "or (IV)".

(2) In section 502(f)(1), strike "(IV, or (v)" and insert in lieu thereof "or (IV)".

Mr. DOMENICI. Mr. President, this amendment contains technical changes. I ask unanimous consent that the amendment be considered and agreed to, en bloc. It has been approved on the other side.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the amendment (No. 2692) was agreed to.

MODIFICATION TO AMENDMENT NO. 2683

Mr. DOMENICI. Mr. President, on behalf of Senator DOLE, I send a modification to amendment No. 2683 to the desk.

The PRESIDING OFFICER. The Senator has that right. The amendment is so modified.

The modification is as follows:

Strike page 7 and insert in lieu thereof the following: participate in work for more than an average of 20 hours per week during a month and may count such parent as being engaged in work for a month for purposes, of section 404(c)(1) if such parent participates in work for an average of 20 hours per week during such month.

"(2) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to provide an entitlement to child care services to any child.

On page 17, line 22, insert before the period the following: ", and increased by an amount (if any) determined under subparagraph (D)".

On page 18, between lines 21 and 22, insert the following:

"(D) AMOUNT ATTRIBUTABLE TO STATE PLAN AMENDMENTS.—

"(i) IN GENERAL.—For purposes of subparagraph (A) and subject to the limitation in clause (ii), the amount determined under this subparagraph is an amount equal to the Federal payment under section 403(a)(5) to the State for emergency assistance in fiscal year 1995 under any State plan amendment made under section 402 during fiscal year 1994 (as such sections were in effect before the date of the enactment of the Work Opportunity Act of 1995).

"(ii) LIMITATION.—Amounts made available under clause (i) to all States shall not exceed $800,000,000 for the 5-fiscal year period beginning in fiscal year 1996. If amounts available under this subparagraph are less than the total amount of emergency assistance payments referred to in clause (i), the amount payable to a State shall be equal to an amount which bears the same relationship to the total amount available under this clause as the State emergency assistance payment bears to the total amount of such payments.

"(iii) BUDGET SCORING.—Notwithstanding section 257(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985, the baseline shall assume that no grant shall be made under this subparagraph after fiscal year 2000.

Strike page 11, and insert in lieu thereof the following: fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002 such sums as are necessary for payment to the Fund in a total amount not to exceed $1,000,000,000.

"(3) COMPUTATION OF GRANT.—

"(A) IN GENERAL.—Subject to subparagraph (B), the Secretary of the Treasury shall pay to each eligible State in a fiscal year an amount equal to the Federal medical assistance percentage for such State for such fiscal year (as defined in section 1905(b)) of so much of the expenditures by the State in such year under the State program funded under this part as exceed the historic State expenditures for such State.

"(B) LIMITATION.—The total amount paid to a State under subparagraph (A) for any fiscal year shall not exceed an amount equal to 20 percent of the annual amount determined for such State under the State program funded under this part (without regard to this subsection) for such fiscal year.

Mr. DOMENICI. I ask unanimous consent that the pending amendments to H.R. 4 at the desk be withdrawn, other than the Gramm and Dole amendments. This has been agreed to, also.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the 30 minutes for debate be postponed, to begin following the next two back-to-back rollcall votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I yield the floor.

VOTE ON AMENDMENT NO. 2615

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2615.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Oregon [Mr. HATFIELD] is necessarily absent due to illness.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 50, nays 49, as follows:

[Rollcall Vote No. 441 Leg.]

YEAS—50

Abraham
Ashcroft
Baucus
Bennett
Bond
Brown
Burns
Chafee
Coats
Cochran
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Helms
Hutchison
Inhofe
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—49

Akaka
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Campbell
Cohen
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone

NOT VOTING—1

Hatfield

So the amendment (No. 2615) was agreed to.

VOTE ON AMENDMENT NO. 2683, AS MODIFIED

The PRESIDING OFFICER. The question is on agreeing to the amendment numbered 2683, as modified.

Mr. DOLE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Oregon [Mr. HATFIELD] is absent due to illness.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "yea."

The PRESIDING OFFICER (Mr. INHOFE). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 87, nays 12, as follows:

[Rollcall Vote No. 442 Leg.]

YEAS—87

Akaka
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Brown
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Dole
Domenici
Dorgan
Exon
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Grassley
Gregg
Harkin
Hatch
Heflin
Hollings
Hutchison
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Murkowski
Murray
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Simon
Simpson
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone

NAYS—12

Abraham
Ashcroft
Coats
Faircloth
Gramm
Grams
Helms
Inhofe
Lott
Moynihan
Nickles
Smith

NOT VOTING—1

Hatfield

So, the amendment (No. 2683), as modified, was agreed to.

The PRESIDING OFFICER. Under the previous order, amendment 2280 is adopted.

So the amendment (No. 2280), as further modified, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. There will be 30 minutes for debate equally divided.

Mr. DOLE. Mr. President, I yield 2 minutes to the Senator from Texas, Senator HUTCHISON.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I want to thank the majority leader because this Senate is getting ready to take a major step to end welfare as we know it. The majority leader has put together a coalition that is bipartisan.

Mr. KENNEDY. Mr. President, may we have order? The Senator is entitled to be heard. She is making a very important statement. And could we insist on order for the remaining half hour?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I want to say that when we take this major step to end welfare as we know it, we will owe a great deal of the thanks to our majority leader for putting together this bipartisan coalition.

We are making an important policy change in America today. Welfare will be a hand up but not a handout. Welfare will be there for a transition, for people in trouble, but it will not become a way of life.

There will be a 5-year lifetime limit on able-bodied people getting welfare, so that family that is working hard to do better, to educate their children will know that they are not paying a bill for someone who is able but not willing to work.

In our bill, block grants replace entitlements for seven AFDC programs. We will be saving $60 billion in welfare costs, the most ever cut in welfare in our country's history.

What could have killed this bill was the inequity in block grants among the States. The States could have said, "Well, if I don't get this for my State, I'm walking away from welfare reform."

But many of us were able to get together and say each State is different. What we have done in the past is different, what we are going to do in the future is different and, therefore, we must accommodate each State.

Everyone has given so that we will have parity over the next 7 years. That is the hallmark of this bill: States rights, State flexibility to provide the programs that fit their needs.

In fact, it is the policy set by the Congress that States can become more efficient and responsive if Washington, DC, will just get out of the way. And today, Mr. President, Washington is going to get out of the way. Thank you.

Mr. MOYNIHAN. Mr. President, I yield 3 minutes to the indomitable Senator from Illinois, [Ms. MOSELEY-BRAUN].

The PRESIDING OFFICER. The Senator from Illinois.

Ms. MOSELEY-BRAUN. Thank you very much, Mr. President.

Mr. President, the Senate is poised to take action on one of the most political issues facing this Congress. There is bipartisan agreement that welfare reform is needed, welfare is not a free ride, and work requirements should be placed on adult recipients as a condition of receipt. Certainly anybody who can work should work.

Welfare should have more than one goal, however. It should not only put people to work but it should also protect children. This bill, however, regrettably, does neither. It bears repeating. Of the 14 million-plus welfare recipients, two-thirds, or nearly 9.6 million people, are children; 60 percent of those children are under 6 years old. It is the 5 million preschool-age babies who will be the real objects of our decisionmaking today.

The most stunning error of this bill, in my opinion, is that it ignores entirely the plight of poor children. It dismantles the 60-year-old Federal safety net that has assured at least some assistance to them. This bill completely ignores the consequences to our national community of the abandonment of a safety net for poor children.

Earlier in this debate, I showed pictures from around the turn of the century, before we had a national Federal safety net. Those pictures showed young children sleeping on grates and picking through trash. Is that where we want to be when we enter the 21st century?

Mr. President, I am afraid this bill could make that shameful history a new reality. In my opinion, this bill takes a Pontius Pilate approach to Federal responsibility. As a national community, we are here washing our hands of responsibility for these poor children. This bill sends the problem to the States with high-flown rhetoric about State responsibility and innovation.

But what if—what if—a State proves unwilling to address the poverty of children in its midst? Are we to concede there is nothing that we as a national community should do? This bill makes certain that there is nothing that we can do.

And what if the States find, as Senator MOYNIHAN has shown, that incidents of child poverty in this country are localized in urban areas or in pockets of rural poverty? What if the States find that? Child poverty may not be a problem that is most effectively addressed by block grants to State governments. Who will speak for the children then?

It is said that this bill will end welfare as we know it. Had it ended welfare abuses, I would have been among the first to applaud it. Had it rationally addressed ending the poverty that is the first level qualifier for welfare, I would have enthusiastically supported it. But it does neither, and it will not end welfare as we know it but rather creates 50 welfare systems with the potential for real tragedy for children.

In my opinion, Mr. President, that is the fatal flaw of this legislation; that this is welfare as we knew it, back to the days of street urchins and friendless foundlings and homeless half-orphans. I, for one, am not prepared to take so giant a step backward or to be so generous with the suffering of those 5 million poor children under the age of 6.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOLE. I yield 2 minutes to my colleague from Kansas, Senator KASSEBAUM.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, first, I would just like to respond to my colleague, whom I admire and whom I know feels deeply about children, about those who may not have a safety net protection. I would just like to say to Senator MOSELEY-BRAUN that I think one of the real strengths of this legislation is that we did strengthen child care, and child care is a very important requirement in order to have successful welfare reform.

I think this bill does strike a good balance, and I express my appreciation to those on both sides of the aisle who have worked to shape an exceptionally strong welfare reform bill, particularly the majority leader, Senator DOLE, who has tried hard to balance the interests of many people on both sides of this aisle, to Senator SANTORUM who also has worked tirelessly among those on our side of the aisle and those on the other side of the aisle. I will say to Senator DODD, as well, who has cared a great deal about trying to meet the needs of children in this legislation, that I think we do have a good welfare reform bill and, most importantly, it is not welfare as an entitlement. That starts us on a new path and one that I think will be most successful.

Mr. MOYNIHAN. I happily yield 3 minutes to my friend, the Senator from Minnesota [Mr. WELLSTONE].

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I have offered amendments that have been adopted—and so have other colleagues—that have mitigated some of the harshest effects of this piece of legislation. But an essential truth remains. For the first time in 60 years, we are eliminating a floor below which we never before allowed children to fall. Mr. President, for the first time in 60 years, we are saying that as a national commitment, as a national community, we will no longer take the responsibility to make sure that every child, even the poorest of children, at least has some minimal level of assistance, that children do not go hungry.

Mr. President, I ask myself the question: Will the passage of this legislation mean that there will be more impoverished children and more hungry children in America? The answer to that question is yes, and that is why I must vote no.

Mr. President, I ask myself the question: Is it true that the passage of this legislation will shut out hundreds of thousands of disabled children from essential services? The answer to that question is yes. That is why I will vote no.

Mr. President, I ask myself, as a Senator from Minnesota, the following question: In the context of all of the slash and burn—cuts in housing, cuts in Medicare, cuts in Medicaid, cuts in EITC, cuts in all these programs, with States then having to figure out where they are going to come up with the resources—I ask myself the question: Who is going to lose out? The answer is that it is going to be the children. They do not have a lobbyist. They do not have the PAC's. They are not the heavy hitters. They are the ones who are going to be left behind. And it is for that reason, Mr. President, that I will vote no.

We moved to a national standard in the early 1970's because we had children with distended bellies in our country. We had malnourishment and hunger in America. We said as a national community that we would not let that happen. Now we are turning the clock back. For the first time in 60 years, we move away from that commitment.

This is a profound mistake for America.

Mr. President, I ask myself the question: Is it the Minnesota tradition—an almost unique tradition—to speak for children, to advocate for children, to vote for children, to vote for all of God's children? And the answer to that question is "yes." Therefore, as a Senator from Minnesota, I will vote "no."

The Dole bill will also affect the Hmong, approximately 30,000 of whom live in Minnesota and share with us their rich heritage and culture. Many in the Hmong community came to the United States to escape persecution after they aided the United States in the secret war of Laos.

Many of the Hmong now receive SSI and will be in danger of losing their benefits under the Dole bill. It is difficult—due to language barriers, lack of formal education and age—for the Hmong to become self-sufficient. A large number of them depend on SSI benefits for their survival.

I yield the floor.

Mr. DOLE. Mr. President, I yield 2 minutes to the Senator from Rhode Island [Mr. CHAFEE].

Mr. CHAFEE. Mr. President, I want to express my support for the measure before us today. We have been working on this for many months. I am pleased we are finally able to approve a bill with bipartisan support. This bill is very conscious of the needs of children, a group I strongly believe should be cared for in any welfare program.

The measure before us contains additional money for child care and requires States to continue to maintain their financial effort for the life of the bill, for the 5 years. Senators BREAUX and DODD were very helpful in those issues. Under this measure, States would also be prohibited from denying benefits to single custodial parents with young children who do not work because the parents do not have child care.

This provision is extremely important for the protection of these very young children. The last thing we want to have happen is for parents to be placed in the untenable position of having to choose between leaving their children unsupervised while they work or losing their entire cash benefit.

I would like to note that S. 1120, the bill before us, does not make any changes in the foster care and adoption assistance programs. It has long been my belief that the Federal entitlement for these programs should continue and we should not roll back the Federal protection parts of the foster care and adoption assistance. Those entitlements are continued in this legislation.

On the subject of children's SSI, the Senate bill retains the concept of cash assistance for poor, disabled children and does not go as far as the House in scaling back eligibility. I am pleased that the Senate chose to take a more balanced approach to this issue than the House. Most of the children in this program are severely disabled. Were it not for SSI, they would not be able to remain at home with their families.

I would like to thank Senator DOMENICI for his contribution to this bill in two areas—particularly in providing for the maintenance of the effort by the States. Senator DOMENICI led that effort. I also thank him for his help in removing the mandatory family cap. Under the Domenici approach, which we adopted, the family cap remains an option for the States. There is no evidence that denying benefits to women who have additional children while on welfare has any impact on birth rates. Senator DOMENICI spoke forcefully on that.

Finally, I praise our majority leader, Senator DOLE. But for his extraordinary efforts to find a common ground, we would not be here today. That is no easy feat, given our differences when we started out.

I thank him for his able leadership and the fact that we were able to achieve a bipartisan bill today.

Mr. MOYNIHAN. Mr. President, I am pleased to be able to yield 3 minutes to my esteemed colleague from New Jersey, Senator BRADLEY.

Mr. BRADLEY. Mr. President, I will vote against this bill because it will wipe out every protection for poor families with children but would do nothing at all to repair what is really wrong with welfare. We have made some improvements to the bill, such as eliminating the job-training consolidation that never belonged in a welfare bill in the first place. And there are sections I strongly support such as the child support provisions which I wrote. But the fundamental structure is deeply flawed and can only lead to deeper poverty and more dependency.

All we are really changing with this bill is the one thing that is not wrong with welfare—the financial relationship between State and Federal bureaucracies. That is not the problem. In fact, block grants create a new problem because States that have increasing numbers of poor families, because of a bad economy or simple population growth, would not have enough funds to assist their people. Federal politicians should not simply transfer pots of money to State politicians without any standards about what the money would be used for. We do not need to transfer money from one bureaucrat to another; we need a commitment to individual poor children.

While this bill would abandon that commitment, the real problems with welfare would remain. The rules that penalize marriage and work. The indifferent local and county bureaucrats, who treat people as numbers and do nothing to help people take care of themselves. The brutal job market. The deeper cultural forces driving increases in divorce, illegitimacy and teen pregnancy. All these problems would remain. Many would get worse.

All this bill does is require States to penalize the children who are the victims of these problems. It does nothing to help them avoid the bleak circumstances into which they have been born and live today.

With all the rhetoric about changing welfare, how did we wind up with a bill that does nothing to change what is wrong with welfare? The answer is politics. Neither party was as serious about really changing welfare as it was about capturing "the welfare issue" from the other party. Democrats promised to "end welfare as we know it" by tinkering with the levers of government, mostly in positive ways, but not in a way that deeply changes the lives of people on welfare.

Republicans promised to do even better: "abandon the welfare state." They would toss aside the Federal responsibility for poor families and children altogether. But they did not know how to deal with the reality of poverty and welfare. So they came up with the solution of handing the whole problem over to States, for them to solve. Block grants create an appearance of change, not real change.

The debate of the last few days, during which we accepted every amendment that did not challenge the underlying political rhetoric and layered the bill with billions in new Government spending, brought this cynical politics into the light of day. It is politics as usual, made worse by the fact that it is a transparent deceit. We have not improved the bill; all we are accomplishing is to move the bill forward to a conference at which every single one of these provisions, including this massive last-minute compromise, will be dropped without debate in the first 5 minutes. Even if they became law, these ornaments do nothing to repair the deep fundamental flaw at the heart of this bill.

For those who think these provisions improve this bill enough to vote for it, I would like to remind you of what happened last week to my amendment that really would have addressed a central flaw in the bill. All I proposed to do was to require states to lay out the basic rules of their welfare system and assist all poor children who were eligible, unless their families were disqualified under the rules. The amendment made enough sense that the Majority Leader moved to adopt it by voice vote, but the majority staff was so determined to eliminate any hint of a reliable protection for children that we had to come back the next day and strike the provision on virtually a party-line vote.

Unless the heart of this bill is changed, the United States will be the only industrialized nation in the world that will not guarantee basic protection for children from hunger and abject poverty.

We can do much better than this bill. We can repair most of what is wrong with welfare, and over time, much that has gone wrong in our society that perpetuates welfare dependency. Instead of starting with political slogans, we have to start by looking at what really went wrong with welfare, and fixing it.

We should not only protect families from poverty, but lift families into the economic mainstream, by building connections to private-sector employers.

We should not only require teen parents to live at home, but create facilities like 15-Month houses for all those who lack a nurturing family.

We should make clear to mothers on welfare that having an additional child will significantly worsen their life chances, but also reduce the penalties for marriage and savings.

We should give States more responsibility, but also enlist the institutions of civil society—churches, neighborhood organizations, and YMCAs—to accomplish together what neither Government nor the market can accomplish on their own.

This legislation does not abandon the mythical "welfare state," but it does abandon our society's commitment to protect poor children from abject poverty, hunger, abuse, neglect and death. Meanwhile, it does nothing to fix the real problems. I would urge all of my colleagues to think twice before joining the rush to send this deeply flawed bill forward into a process where it will get even worse.

Mr. DOLE. Mr. President, I yield 2½ minutes to the distinguished Senator from North Carolina.

Mr. FAIRCLOTH. Thank you, Mr. President.

Mr. President, as I have been saying ever since Congress began welfare reform debate, unless we address illegitimacy, which is a root cause of welfare dependency, we will not truly reform welfare.

Only by taking away the cash incentive to have children out of wedlock can we hope to slow the increase of out-of-wedlock births and ultimately end welfare.

Middle-class American families who want to have children have to plan, prepare, and save money because they understand the serious responsibility involved in bringing children into this world. It is unfair to ask the same people to send their hard-earned tax dollars to support the reckless, irresponsible behavior of women who have children out of wedlock and continue to have them, expecting the taxpayers to support them.

It is clear that our country must begin to address the crisis of illegitimacy. Today, one-third of all children are born out of wedlock. According to Senator MOYNIHAN, the illegitimacy rate will hit 50 percent by 2003, or sooner. The rise of illegitimacy and the collapse of the family has had a devastating effect on children and society. Even President Clinton has declared that the collapse of the family is a major factor driving up America's crime rate.

Halting the rapid rise of illegitimacy must be the paramount goal of welfare reform. Unfortunately, the Senate has been unable to follow the example set earlier by the House and has not included provisions, like the family cap, ending the current cash incentives for teenage mothers to have children out of wedlock.

The bill before us is far better than the one we started with. It has strong work provisions, transfers flexibility to the States and, overall, is a good bill. Unfortunately, it fails in the one key area which I feel very strongly about. It does fail to address the crisis of illegitimacy.

It is a missed opportunity for the Senate to send out a loud and clear message that society does not condone the growth of out-of-wedlock childbearing, and that the taxpayers will not continue the same open-ended subsidies for illegitimacy which has characterized welfare in the past.

I hope this bill returns from conference with strong provisions on illegitimacy. If it does, I will support it enthusiastically.

Mr. MOYNIHAN. Mr. President, I yield 3 minutes to my friend from Massachusetts, Senator KENNEDY.

Mr. KENNEDY. Mr. President, there is a right way and a wrong way to reform welfare. Punishing children is the wrong way. Denying realistic job training and work opportunities is the wrong way. Leaving States holding the bag is the wrong way. Too many of our Republican colleagues want to reform welfare in the worst way, and that is exactly what this bill does.

After more than 60 years of maintaining a good-faith national commitment to protect all needy children, the Senate is on the brink of committing legislative child abuse. This measure is an assault on America's youngest and most vulnerable citizens. I urge my colleagues to join with me in doing the right and compassionate thing, and vote "no".

In 1935, President Roosevelt said:

> The test of our progress is not whether we add to the abundance of those who have

much. It is whether we provide enough to those who have little.

In passing the Social Security Act, Congress made a bold pledge to the elderly and to the children of our society that their well being would be ensured. It was a sign of what we stood for as a society.

With that legislation, Congress, made a historic promise—that no child would be left alone to face the cruel forces of poverty and hunger. Today, more than 60 years later, the Senate is breaking that promise. As an institution, we are turning our back on America's children.

If this legislation passes, whether needy children receive a helping hand will depend on whether they are fortunate enough to be born in a State that has the resources and the will to provide that assistance. A minimal safety net for children will no longer be a part of what makes America America, but rather a gamble of geography.

This bill nullifies one of the fundamental roles of the Federal Government—to bring our country together as a nation. Instead it will encourage border wars as States across the country selfishly compete to assure that they do not become too generous to the needy and attract families from other States.

Granted, the child care and other modifications achieved in recent days have made this legislation less bad than it was. And that is no small achievement. But it is hardly a reason to support a measure that will devastate the lives of millions of American children to say it could be even worse—and probably will be after the Conference with the House.

This bill is not about moving American families from welfare to work. It is about cutting off assistance to millions of poor, hungry, homeless, and disabled children.

This bill is not about fiscal responsibility or deficit reduction. It is about misguided priorities—for which, as the columnist George Will has said, we will pay dearly as a society for years to come.

This bill is not about eliminating the barriers to employment that exist for people on welfare. It is about shortchanging the job training and child care programs needed to give people a chance. It is about setting arbitrary time limits on assistance for families who cannot find jobs, and providing grossly inadequate resources to make genuine opportunity a reality.

This bill is not about giving States more flexibility. It is about Congress washing its hands of a difficult problem, by slashing Federal funding, and then turning the remains over to the States with little accountability or guidance and even less leadership.

This bill is not welfare reform—it is welfare fraud. We are all for work—but this plan will not work. The Congressional Budget Office estimates that only 10 to 15 States will be able to meet the bill's work requirements and the rest will simply throw up their hands.

These actions are in no way required by the current balanced budget environment. The Republican majority has already shown that it is willing to spend money when the cause is important enough to them. When the Republican majority wanted to preserve a $1.5 billion tax loophole for American billionaires who renounce their U.S. citizenship, they found the money to preserve it. When the Republican majority wanted to increase defense spending $6.5 billion more than the Defense Department requested for this year, they found the money to fund it. When the Republican majority wanted to give the wealthy a $245 billion tax break, they will find the money to fund it.

But now, when asked to reform welfare and create a genuine system to help America's 10 million children living in poverty, the Republican majority tells those children: "Sorry—check returned—insufficient funds."

For billionaires, the Republicans will move mountains. For poor children they will not lift a finger—and their record makes that clear. As President Kennedy said in his inaugural address: "If a free society cannot help the many who are poor, it cannot save the few who are rich."

Poor children in America are worse off than poor children in 15 of the 18 Western industrial nations. The annual incomes for the poorest 10 percent of Canadian families, including all benefits, is nearly twice that of families in the United States. The United States has the greatest gap between the rich and the poor—a gap that will surely grow in the years ahead because of this harsh legislation.

Despite these realities, the Republican majority wants to take $60 billion over the next 7 years from programs supporting poor children and families, in order to help balance the budget and pay for their tax breaks for the wealthy. That is their priority.

When we tried to pay for increases in child care by closing the billionaires' loophole or ending other forms of corporate welfare, the Republicans said no—take it out of food stamps. They would rather harm poor children than offend fat cats who live on corporate welfare.

Some in the Republican majority say that this legislation will succeed—that faced with the prospect of benefits being cut off, welfare recipients will have no choice but to find work. Governor Engler of Michigan made that argument when eliminating Michigan's State-funded General Assistance Program. Unfortunately, things did not work out the way the Governor had said. Only one-fifth of the former welfare recipients found jobs —the majority became even more destitute.

And so it goes when social experiments go wrong. The Republican majority is asking us to put the lives of children in their hands as they prepare to push welfare recipients off the cliff in the hope that they will learn to fly. And what happens if they fail? Ten million children, who make up the majority of AFDC recipients, will pay the price, and as a society, so will we.

This is not just theory. We already know some of the havoc this legislation will cause. The administration estimates that the 5-year time limit in the bill will result in one-third of the children on AFDC becoming ineligible for assistance—4 million children. Yet when we proposed to give the States the option of providing vouchers to protect these children after the time limit, the Republicans said no. So much for States rights.

Of the parents who will be affected by the time limit, only one-third have a high school degree. Yet recent studies show that three-quarters of the available jobs in low-income areas require a high school diploma. Sixty percent of those jobs require experience in a particular type of job. And there are already two to three jobseekers for every job vacancy.

This bill is not seriously designed to change those realities. There is no way this bill can create jobs for millions of low-income, low-skilled parents who will be looking for work at the same time in the same communities. It will not help schools do a better job of preparing young men and women for an increasingly demanding workplace. In fact, the Republican majority is busy cutting the very education and job training funds necessary to produce a skilled American work force in the years ahead.

Welfare reform cannot be accomplished on the cheap. Governor Tommy Thompson of Wisconsin, whose welfare expertise has been praised repeatedly by the Republican majority, was recently quoted in Business Week as saying that in order for welfare reform to be successful, "It will cost more up front to transform the welfare system than many expect." After his reforms in Wisconsin, administrative costs rose by 72 percent.

My Republican colleagues are correct when they say that this is an historic moment in the Senate. If this bill passes, today will go down in history as the day the Senate turned its back on needy children, on poor mothers struggling to make ends meet, on millions of fellow citizens who need our help the most. It will be remembered as the day the Senate broke a noble promise to the most vulnerable Americans. I urge my colleagues to vote "no"—for the children who are too young to vote and who cannot speak for themselves. This bad bill can be summed up in four simple words—"Let them eat cake."

I say to my colleagues—can you look into the eyes of a poor child in America and say, "This is the best hope for your future" I cannot—and that is why I must vote "no".

Ms. MIKULSKI. Mr. President, it is with reluctance that I rise in support of the welfare legislation which the Senate is about to pass.

I have serious reservations about many aspects of the bill as it now stands, not the least of which is the ability of States to address the needs of poor children during periods of recession or economic downturns.

Having said that, I believe that the modifications adopted in the agreement between the Democratic and Republican Leaders begin to move this bill in the right direction. Compared to legislation passed by the House earlier this year, it is substantially more responsible and in that sense, more likely to succeed.

First, the bill provides for an additional $3 billion for child care for those moving from welfare to work. We should expect those people on welfare to go to work. But to do so, we must give them the tools to go to work. And child care is the most significant problem young mothers face as they try to move into the work force.

Second, the bill now requires States to maintain a safety net for poor children through the so-called maintenance-of-effort requirement. As a result, States must continue to spend at least 80 percent of their current welfare spending for the next 5 years. This will help ensure States go the extra mile to move people from welfare to work, rather than simply forcing recipients off of the rolls with no chance for employment.

Third, the bill does not include a job training block grant that could have siphoned off precious dollars used to help retrain victims of foreign competition, base and plant closings, or the negative effects of corporate downsizing.

Fourth, the bill creates a very modest contingency grant fund of $1 billion which States could tap to deal with increased need due to the effects of a recession or population growth.

In addition to these provisions, the bill incorporates much of the Democratic Work First proposal, S. 1117, in several key areas.

Teen Pregnancy: The bill includes the tough stay-at-home and stay-in-school provisions of the Work First bill. It also makes $150 million available as seed money for second chance homes, locally-based, supervised group homes for teen-age mothers which have been popularized by the Democratic Leadership Council.

Private sector work bonus: The bill also contains a bonus pool of funds that will be awarded, in part, on the basis of States' success at moving welfare recipients into private sector work.

Parent empowerment contract: The final bill has a requirement for a parent empowerment contract that welfare recipients would have to sign once they sign up for benefits. This contract obligates them to take charge of their own lives, commit to acting as responsible parents, and undertake an intensive job search—all designed to move them from welfare to work.

Work requirements: Finally, the bill includes provisions of the work first bill that tell States they should do everything they can to be moving welfare recipients into the work force as quickly as possible, with the expectation that the period for a transition from welfare to work should be approximately 6 months.

Having announced my support for this measure, albeit with some great reservations, I want the conferees on this bill to know that I will not support any conference report that moves in any significant and substantial way toward the punitive and harsh proposals in the House-passed welfare bill.

If the conference agreement contains a mandatory family cap, or arbitrarily cuts off benefits for young women, I will oppose it.

If it modifies the child care or maintenance of effort provisions now in the Senate bill, I will not support it.

If it has no means for States to cope with economic downturns, I will withdraw my endorsement.

If it moves to block grants for foster care and adoption assistance, for food stamps or child nutrition programs, this Senator will cast a "no" vote on that conference report.

I hope that the Senate framework will emerge from the conference committee so that we can have bipartisan welfare reform this year. But if not, this Senator will be on this floor later this year fighting to stop a bad bill from getting enacted.

INFORMATION TECHNOLOGY AND WELFARE REFORM

Mr. COHEN. Mr. President, I would like to raise a subject which I believe will be a key problem for the States in implementing welfare reform under block grants—ensuring the States are able to make the necessary investments in information technology.

Most of our attention here on the floor has been with regard to very contentious social issues such as work requirements and unwed mothers. We have devoted little attention to the problems States will face in managing the vastly increasing responsibilities which this legislation will transfer to them. I am concerned that all our hard work to set the stage for new and successful human services programs will fall short of its goal if States are not equipped with the necessary information systems. If the States are unable to handle these enlarged responsibilities, pressure will rapidly build for the Federal Government, piece by piece, to become involved once again in managing these programs.

The unfortunate fact is that many States are far behind the rest of our society in computerizing and reinventing the delivery of their services. Among the State agencies, it is often the human service agencies which are the most in need of automation. While I endorse the concept of block grants and the latitude they provide to States, I believe the Federal Government must continue to provide specific assistance to States to automate.

Mr. SANTORUM. My colleague raises an excellent point. Many States at present are struggling to take advantage of the benefits which information technology can provide. Twenty-two States are currently under court order to improve their child welfare programs. One of the saddest examples is right here in the District of Columbia, where the foster care system was placed in receivership by the courts.

According to the court-appointed receivers, the system of foster care placement was failing some of the city's most needy children. One of the major problems was a lack of information available to the field, largely due to the lack of even basic computer support in the District's foster care system. This is symptomatic of problems across our Nation, problems which can be overcome through effective use of information technology. Yet the States and the District face compelling alternative uses for the funds as caseloads increase.

Mr. COHEN. Congress over the years has sought to ensure that States have the proper tools to handle their responsibilities in human services programs. For example, the fiscal year 1993 Omnibus Reconciliation Act provided matching of State funds over a 3-year period to be spent for information systems for foster care and adoption assistance programs. Forty-six States and the District of Columbia have responded, and are on their way to improving their information technology systems in these critical areas.

Mr. SANTORUM. Increased automation will bring many efficiencies to human services programs. In numerous cases, State workers enter essentially the same information as many as 200 times in required paperwork. This wasteful duplication can be eliminated through automation. Further, investments in information technology yield substantial savings in welfare programs through elimination of waste, fraud, and abuse. In Rhode Island, for example, a $10 million investment in technology saved over $7.7 million in erroneous welfare benefit payments in the first year of operation. By now this investment has paid for itself many times over. The system allowed the State to handle a 40-percent increase in welfare cases, while reducing its program work force by 15 percent over a 4-year period.

Mr. COHEN. Unfortunately, without Federal help, many States will not be able to afford the up-front costs required to plan, develop, and install these systems, and train personnel on their use. This is why the Federal Government has always maintained a leadership role in this area. I strongly believe we must continue specific assistance to States in making information technology investments, even in a block grant environment. I call on the eventual conferees on this legislation to carefully consider this point, and work with the House to ensure the States have the resources to make the necessary investments.

Mr. SANTORUM. I join my colleague in making this request. I think some further consideration of the information technology needs of the States is vital for welfare reform to succeed.

AMENDMENT NO. 2683

Mr. COHEN. Mr. President, I rise to speak in support of the Dole modified amendment. Every Member of this body has come to the floor and declared that it is time to "end welfare as we know it." We have disagreed on the most appropriate ways to do that but I hope that there can be no disagreement that welfare reform will not succeed without a more generous provision for child care services.

Even under the current system of entitlement, there are more than 3,000 children of working parents already waiting to receive child care assistance in Maine. Some of these parents have transitioned off of welfare, others are at-risk of going on welfare. One child care center in Maine has just now started serving families who have been on a waiting list for more than 2 years.

This amendment will create a separate block grant for child care services. By creating this separate grant fund, we hope to assist States by providing them with a specific amount of child care funds. This is identical to the approach the House of Representatives elected to take in the Personal Responsibility Act. We have gone further to provide States with additional funds and to help ensure that child care funding does not disappear for welfare families and low-income families alike.

I am glad to see that the Governors have finally weighed in on this issue. Last week, I received a copy of a letter sent to both the majority and minority leadership from the National Governor's Association requesting supplemental funds for child care services. I would like to quote one sentence from the letter, signed by Governor Thompson from Wisconsin and Governor Miller from Nevada. The NGA states that:

> Child care represents the largest part of the up-front investment need for successful welfare reform.

More women will be able to work when there are child care funds available. More women who have jobs now will keep them if there are funds for child care. In a report issued by the General Accounting Office in December, GAO found that child care costs are a significant portion of most low-income working families' budgets. In fact, child care consumes more than one quarter of the income for a family below the Federal poverty level. For families above the Federal poverty level, child care consumes about 7 percent of income.

Unlike the Dodd-Kennedy amendment, we know where the funds are coming from to pay for additional child care slots. I support our efforts to eliminate the deficit by 2002 but finding money for States to follow through on welfare reform is imperative. By agreeing to realize a smaller amount in overall savings from this legislation, we have taken the steps necessary to lead to successful welfare reform and help us maintain our goal to zero out the deficit.

While there has been an emphasis on the need to help States meet work participation requirements, of utmost concern is the safety of children. Some parents are already forced to leave their children in unsafe settings. I recently reviewed a report from the State of Illinois where more than 40 children, half of them under the age of two, were discovered being cared for in a basement by one adult. The cost of that care was $25 per week.

This is not an isolated case. Recent studies have indicated that 1 out of every 8 children in child care are being cared for in an unsafe setting.

The provision for child care services in Senator DOLE's earlier substitute did provide certain protections for children who are not yet in school by prohibiting States from penalizing mothers who cannot work because there simply is no child care available.

The Senate also overwhelmingly approved an amendment sponsored by Senator KASSEBAUM to eliminate a provision that allowed a transfer of up to 30 percent of the funds from the child care development block grant. The CCDBG has played an important role since its creation in 1990 as a source of funds targeted at enhancing the quality of child care and providing subsidies to low-income families.

I urge my colleagues to support this amendment. Without access to child care, mothers will not be able to work. When 92 percent of AFDC mothers are single mothers, the need for additional child care slots must be met if our version of welfare reform is going to be successful.

INTERRACIAL ADOPTION PROVISIONS

Mr. McCAIN. Mr. President, earlier this year I introduced the Adoption Antidiscrimination Act of 1995, S. 637, to ensure that adoptions are not denied or delayed on the basis of race, color, or national origin. I am pleased that the House passed an almost identical provision in its welfare reform bill, H.R. 1. It is my hope that the members of the conference committee on welfare reform will recognize the importance of this issue, and incorporate interracial adoption provisions in the conference report.

In the late 1960's and early 1970's, over 10,000 children were adopted by families of a different race. This was before many adoption officials decided, without any empirical evidence, that it is essential for children to be matched with families of the same race, even if they have to wait for long periods for such a family to come along. The forces of political correctness declared interracial adoptions the equivalent of cultural genocide. This was, and continues to be, nonsense.

Sound research has found that interracial adoptions do not hurt the children or deprive them of their culture. According to Dr. Howard Alstein, who has studied 204 interracial adoptions since 1972, "We categorically have not found that white parents cannot prepare black kids culturally." He concluded that "there are bumps along the way, but the transracial adoptees in our study are not angry, racially confused people" and that "They're happy and content adults."

Since the mid-1970's, there have been very few interracial adoptions. African-American children who constitute about 14 percent of the child population currently comprise over 40 percent of the 100,000 children waiting for adoption in foster care. This is despite 20 years of Federal efforts to recruit African-American adoptive families and substantial efforts by the African-American community. The bottom line is that African-American children wait twice as long as other children to be adopted.

Last year, Senator Metzenbaum attempted to remedy this problem by introducing the Multiethnic Placement Act of 1994 [MEPA]. Unfortunately, the bill was weakened throughout the legislative process and eviscerated by the Clinton administration Department of HHS in conference.

After the original MEPA bill was hijacked, a letter was sent from over 50 of the most prominent law professors in the country imploring Congress to reject the bill. They warned that it "would give Congressional backing to practices that have the effect of condemning large numbers of children—particularly children of color—to unnecessarily long stays in institutions or foster care." Their warning was not heeded, and the bill was passed as part of Goals 2000. As Senator Metzenbaum concluded, "HHS intervened and did the bill great harm."

The legislation that was finally signed by the President does precisely the opposite of what was originally intended. This is because it contains several huge loopholes that effectively permit continuing the practice of racial matching. For example, it states that an agency may not "delay or deny the placement of a child for adoption or into foster care solely on the basis of [race, color, or national origin]". This language can be used by those opposed to inter-racial adoptions to delay or deny placements by using race, color, or national origin as only part of their rationale.

An even bigger loophole is contained in the "permissible consideration" section of MEPA which states that an agency "may consider the cultural, ethnic or racial background of the child and the capacity of the prospective foster or adoptive parents to meet the needs of a child of this background as one of a number of factors used to determine the best interests of a child." While this language may appear innocuous, it can be used by those who are committed to racial matching to delay or deny a placement simply by claiming that an inter-racial adoption is not in the best interests of the child.

DHHS has issued guidelines for implementing the Multiethnic Placement Act. Again, on their face, the guidelines do not appear to be objectionable. However, consistent with the underlying MEPA law, they continue to allow race to be a major consideration that may be used by those who wish to stop interracial placements. Consequently, the National Council for Adoption and Institute for Justice have informed the Department that its guidelines do not adequately address this issue. They continue to believe that new legislation is necessary.

Clearly, we need to fix last year's flawed legislation. In considering the House provisions on this issue, the conferees should prohibit, under any circumstances, an agency that receives Federal funds from delaying or denying the placement of a child on the basis of the race, color or national origin. Racial or cultural background should never be used as a basis for denying or delaying the placement of a child when there is at least one qualified household that wants the child.

Perhaps, there are certain extremely limited circumstances in which an agency should be allowed to consider race, color or national origin, only when there are two or more qualified households that want the child and only as one of a number of factors used to determine the best interests of the child. But under no circumstances should such considerations be allowed to delay the adoption of a child. When there is only one qualified household that wants the child, that placement is, by definition, in the child's best interests.

Mr. President, I hope that the conferees will be willing to adopt a strong prohibition against consideration of race, color or national origin in placement decisions, and to close the gaping loopholes in the current law. By incorporating strong and reasonable anti-discrimination provisions in the Conference Report, we will help to remedy the national problem of children being held in foster care because the color of their skin does not match that of the individuals who wish to adopt them.

AMENDMENT NO. 2542

Mr. McCAIN. Mr. President, the welfare reform bill imposes upon the States a 6-month time limitation for any individual to participate in a Food Stamp Work Supplementation Program. This amendment, which is supported by the National Governor's Association and the American Public Welfare Association, would replace the 6-month limit with a 1-year limit. It would continue to allow an extension of this time limitation at the discretion of the Secretary.

Arizona's current cash-out of food stamps under its Empower welfare program allows individuals to participate in subsidized employment for 9 months with an option for a 3-month extension. There is no reason that the State should have to make another special request to the Secretary in order to maintain this policy. This amendment would allow States with such policies to continue their programs without disruption.

Ideally, I would prefer that the States be able to plan their work supplementation programs without being constrained by requirements imposed by the Federal Government. The States know best how to structure their programs to help their citizens become employable. Thus, my preference would be to eliminate the time limitation altogether.

However, I recognize that many of my colleagues are insisting upon a time limitation for individuals under the program, and I am pleased that we were able to come to an agreement that meets the needs of Arizona and other States that wish to pursue similar policies. In the future, I plan to revisit this issue to allow States maximum flexibility to plan their work supplementation programs.

Mr. President, a primary objective of this bill is to encourage the States to innovate. The best way to achieve this is to get out of their way. We should not impose requirements limiting the States' flexibility unless there is a compelling reason to do so. This amendment will give States additional leeway to innovate in their work supplementation programs and will thereby help them achieve their employment objectives.

AMENDMENT NO. 2544

Mr. McCAIN. Mr. President, this amendment would give States the right to correct problems in their welfare programs before penalties are imposed by the Federal Government. Titles I, III, and VIII of the bill impose significant penalties, in the form of reductions in grant funds, for States that are out of compliance with Federal requirements. I believe that it is simply unfair to punish States without first giving them an adequate opportunity to remedy the problems.

Under this amendment, a State would have 60 days in which to submit to the Federal Government a corrective action plan to remedy any violations for which a penalty could be assessed. The Federal Government would then have up to 60 days to accept or reject the State's corrective action plan. If it does not act within this period, the plan will be deemed to be accepted. Finally, the State would have 90 days to correct the violation pursuant to the plan before penalties may be imposed. A longer correction period would apply if it is part of an accepted plan.

A major objective of the welfare reform bill is to give States greater flexibility and freedom from Washington regulations in helping their welfare recipients to be productive, independent citizens. Where Federal requirements are imposed, States should have ample opportunity to comply with those requirements and correct any problems without being penalized. This amendment ensures this objective and the overall approach of giving States the flexibility to implement their programs.

Mr. President, this amendment is strongly supported by the National Governors' Association, the National Conference of State Legislatures, and the American Public Welfare Association. I ask unanimous agreement that the letter of support from the APWA be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN PUBLIC
WELFARE ASSOCIATION,
Washington, DC, September 12, 1995.

Hon. JOHN MCCAIN,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR MCCAIN: The American Public Welfare Association strongly supports your amendment number 2541, that relieves states from the excessive data collection and reporting requirements in H.R. 4, if sufficient funding to allow states to meet such excessive requirements is not provided. We are deeply concerned that between the 15% administrative cap approved by the Senate earlier this week, the bill's penalty provisions, and the array of new and burdensome reporting requirements contained in H.R. 4, states will not have the systems support they will all need for greatest transformation of their welfare systems to date.

APWA fully supports State accountability in the use of block grant funds for national programmatic and fiscal goals. APWA policy calls for a state federal partnership in the establishment of minimal, clear, concise federal audit standards, related penalties, or sanctions for noncompliance. In addition, APWA supports your amendment number 2544, providing states with advance notice of any impending penalty, with the option of entering into a corrective action plan. The measure provides for accountability by states and the Secretary of Health and Human Services during the implementation of a corrective action plan, and provides states with the opportunity to remain focused on reforming their systems, while coming into compliance with the statute.

Finally, we support your amendment number 2543, to broaden the definition of work to include job readiness workshops as a work activity. With regard to work programs under a cash assistance block grant, APWA policy calls for enhanced state flexibility to design and implement work programs, including the right to define work. We also support your amendment number 2542, to remove the six month limit for an individual's participation in a work supplementation program under the food stamp program. Each of your amendments contribute to increased flexibility for states.

Again, Senator McCain, thank you for offering these amendments that are so vitally important to the successful implementation of welfare reform.

Sincerely,

A. SIDNEY JOHNSON III,
Executive Director.

WELFARE REFORM, AGAIN

Mr. HOLLINGS. Mr. President, like many voters, I have heard before the siren call of welfare reform—that if we only pass revolutionary legislation, the recipients will work, the poor children will be nurtured, and benefits reductions will be returned to taxpayers. Frankly, I am very skeptical that this plan will work better than those that went before.

First, its promises continue to feed rife misperceptions. Note the following facts:

Welfare actually is less than 2 percent of our budget.

Illegitimacy, far from rising due to the United States welfare system, has risen across the board to approximately one third of all births (not just welfare births) in America, France, and England despite different welfare systems and declining welfare benefits in the United States.

True reform that employs recipients and cares for children is likely to cost more in the short run, not less.

In short, the savings proposed in this legislation are unlikely to materialize. The bill would not stop the rise in illegitimacy. And, without a newfound commitment from Governors to fill the gap in child care, children will be worse off.

Furthermore, the basic funding mechanism for this legislation is seriously flawed. Southern States, for a variety of reasons including lack of funds, have built smaller welfare programs as part of the historic Federal-State welfare funding partnership. Now, the legislation before us proposes to end that partnership and provide each State with a frozen level of funding and a requirement to employ 50 percent of recipients. Reasonably, the Federal Government should provide an equal per-child amount to each State under this approach since each State must reach the same target. Instead, this reform bill locks States in at the vastly different historic funding rates:

Federal funding per child

New York	$2036
Rhode Island	2244
Washington	2340
Vermont	2275
Alaska	3248
Massachusetts	2177
South Carolina	393
Alabama	408
Arkansas	375
Mississippi	331
Texas	405

I don't know why southern children are worth so little to our current welfare theorists. There is no reason—indeed, it is offensive—to freeze in place past inequities in the name of forward-looking reform.

Again, South Carolina and Rhode Island will each be given about $100 million per year to run their respective welfare programs, although South Carolina has more than three times as many people. Similarly, South Carolina has slightly more people than Connecticut—3.5 million rather than 3.2 million—but under the Dole plan, the Federal Government will give Connecticut more than twice as much—$247 million yearly instead of $103 million for South Carolina. In effect, the South Carolina taxpayer will chip in a double payment to help Connecticut while struggling to meet an extra burden at home to meet the Federal child care and training targets.

How about Kansas? Kansas has 2.5 million people. South Carolina has 3.5 million people. Despite having a million fewer people, Kansas gets $18 million more than South Carolina from Federal taxpayers over the next 3 years to run its welfare program.

Mr. President, this unfairness has not fazed many of our governors. They want the cash and the control, whether or not the plan will work. I predict that the promises of reform will again prove false, but as before, I endorse the goals. In 1988, I voted to make it possible for States to draw down adequate funding for workfare programs and child care to really reform welfare. We have recently seen a few glimmers of success after that legislation, but only where investments have been made. Similarly, I have voted for a community works progress pilot program to allow communities and welfare recipients to benefit mutually from community improvement jobs.

More importantly, I urge my colleagues to pay attention to the policy areas that are not called welfare, but which in reality, have huge, long-term effects on welfare rolls. Chief among these policy areas are education and job protection.

For instance, over the past 20 years, high school dropouts have become more likely to end up on welfare. Overall, the welfare rate for young adults has risen slightly from 4 percent to 5 percent. However, among the high school dropouts, the rate has nearly doubled, from 9.7 to 17.1 percent. These particular high school dropouts are mostly women, since women and their dependent children make up the vast majority of welfare recipients.

However, a similar economic decline has faced their male counterparts, who generally do not have dependent children who would trigger welfare eligibility. Earnings for black male high-school dropouts fell by half from 1973 to 1989. About one third of all American men aged 25–34 earn too little to raise a family of four out of poverty. And, not surprisingly from the perspective of poor women seeking a mate, poor young men and less than one third as likely to be married. In short, jobs have dried up for the high school dropout, marriage has become less likely than before and the children of their incomplete families are more likely to be on welfare at a lower benefit level.

I urge my colleagues to take note of these facts—the importance of education and livable-wage jobs to preventing welfare dependency—as they work on the related issue of welfare reform. While we pass this reform bill on the Senate floor, recently passed cuts to education are headed for conference with the House. Just as States are taking the initiative to eliminate high school general-track education and replace it with tech prep programs that move graduates into better paying jobs, we are cutting back on the Federal tech prep program that provided leadership and the Carl Perkins vocational education program appropriations that have helped fund implementation. Just as data show that the economic split between college graduates and non-college graduates is widening, we are cutting back on Perkins loans, student incentive grants, and in budget reconciliation, college loans. In short, the data is telling us to go one way on education, but we are going the other way fast and bragging about welfare reform.

Similarly, on trade we have unilaterally disarmed, and in manufacturing we refuse to invest. I have proposed a competitive trade policy, including a competitive restructuring of our tax policy, and have worked to invest in a stronger American manufacturing base.

Mr. President, I do not brag about today's welfare reform legislation. In fact, my favorable vote today is largely an effort to protect the child care improvements I have worked for in the Senate bill as it goes to conference with a less favorable House bill. Furthermore, I support it in the hope that, with welfare off the table, my colleagues will look at the underlying problems that I have outlined and continue to work on improving access to jobs and education.

Mr. HEFLIN. Mr. President, there is no doubt that our current system of welfare needs reforming. Each Member of the Senate knows that severe shortcomings exist in our welfare program and each is sincere in their efforts to solve these problems.

The bill before us highlights block grants as the principal instrument for reform. By folding several programs into a block grant directly to States, the Federal Government will be giving broad authority to the States to run their welfare programs, as well as lump-sum Federal payments to help cover costs. If this is done, the Federal guarantee of cash assistance to all eligible low-income mothers and children will end.

I originally supported the Daschle-Breaux-Mikulski Democratic alternative as the best, most compassionate means of reforming welfare. The Work First reform plan would have changed the current system by: abolishing the AFDC Program and replacing it with a Temporary Employment Assistance Program; establishing the Work First employment block grant for States to get welfare recipients into jobs and to keep them in the work force; and permitting the States to use block grant funds to provide such services as job-placement vouchers, wage subsidy and work supplementation, on-the-job training or other training or education for work preparation to assist recipients in obtaining jobs, and allowing the States to establish all eligibility rules.

Furthermore, it would have increased the Federal matching rate for work-related activities, consolidated child care programs and increased the Federal matching rate to make child care available to all those required to work or prepare for work, and extended Medicaid coverage for an additional 12 months beyond the current 1-year transition period. It would have also required community service for those not working within 6 months. In short, the Democratic plan would have met the basic objective of the Republican plan in terms of allowing for State flexibility.

Its strength was that it provided for much more flexibility on the part of the State governments while also correctly recognizing that arbitrary time-limits and monetary caps do not meet the test of sound policymaking. The plan which I strongly supported provided for major reforms in the system, but at the same time allowed for the fact that every situation and case is unique, and that arbitrary standards and block-grants are not panaceas for addressing every situation. It is these unique cases and situations that, unfortunately, are not addressed in the Republican plan. These are also the cases and situations which will end up costing the system more in the long-term than under the current system. I still believe this was the best reform plan we could have adopted.

The Dole-Daschle compromise welfare reform legislation, while not as sound as the original Democratic plan, is still a vast improvement over the Republican bill. I still have some objections to certain provisions contained in the measure, but I believe, overall, that the good outweighs the bad. As is the case with virtually any comprehensive omnibus legislation we consider, this test has to be our bottom line: Are there enough positives to offset the negatives? I think the compromise we have struck is a step in the right direction, and an overall positive effort at ending welfare as we know it.

One of the major problems I had with the original Dole bill was its funding formula, which, in my judgment, was somewhat punitive to the Southern States. In essence, it places the very States where most of the welfare population lives at a disadvantage as compared to other regions. The formula in the Graham-Bumpers children's fair share amendment, which was rejected, would have substantially increased poor States' funding for legitimate recipients of welfare. Senator GRAHAM tried again last Friday to alleviate some of the problems with the funding formula by allowing the Secretary of Health and Human Services more discretion in certain funding decisions, but that amendment was also defeated. As with most funding formulas, the figures can be misleading. In any event, I think that any problems that remain can be properly addressed when they appear in the future. There will also be an opportunity for the conference committee to address remaining deficiencies in the funding formula.

The Senate also agreed to a Daschle amendment creating a contingency fund for States during times of economic hardship. The original GOP block grant froze funding for States over the next 5 years, with no consideration for economic or natural disasters. This important provision provides eligible States with the resources necessary to manage unforeseen emergencies that are impossible to predict.

The second major objection I had to the original Republican plan was that it did not provide enough funding for child care for those mothers who will be required to work after 2 years. As Senator MOYNIHAN succinctly put it during the debate on child care, we will either have to pay for child care, or for orphanages.

Senate leaders wisely opted to cover more expenses for child care. Democrats were able to secure an additional $3 billion over 5 years for a total of $8 billion in funding to guarantee the availability of child care for mothers required to work. This is the key to shifting mothers of young children from the welfare rolls to the pay rolls. This major change will assist many mothers and their families to permanently move off of welfare and into the work force.

Welfare reform legislation is among the most important issues we will tackle during this or any other Congress. Our debate over the last couple of weeks has been civil, constructive, and, ultimately and most importantly, productive. We now have a bill before us which is a testament to the Senate and its leadership. In essence, it is a product of the Senate's legislative process working as it was designed to work, and I will vote in favor of this landmark welfare reform measure.

We have seen some hard-fought battles and witnessed significant changes in the original bill after some intense debate and good-faith negotiations between the two sides of the aisle. Each side has made concessions, while holding firm to certain core principles. We have arrived at agreements on several major issues. As a result, we now have a bill that contains stronger work provisions and that is not as harsh on children. While there are undoubtedly problems still remaining in the legislation that will have to be addressed down the road, the Dole-Daschle compromise is an overall positive step for reforming welfare, reducing dependency, and offering a brighter future for millions of American families.

CONTINGENCY FUND ELIGIBILITY TRIGGER

Mr. CONRAD. Mr. President, before we vote on the leadership compromise amendment, I would like to raise a concern about the contingency fund provision. I am concerned that, although included with the best of intentions, the unemployment-rate criteria used to trigger State eligibility has not worked particularly well in the extended unemployment benefits program, and may not be the best measure of State need for contingency fund assistance. I would appreciate the opportunity to work with the Finance Committee to identify another trigger that more effectively accomplishes the purpose of the contingency fund—to provide some degree of protection for States that experience economic downturns, population shifts or natural disasters. I would like to clarify whether the authors of the amendment share my concerns.

Mr. GRAHAM. Mr. President, I share the concerns of the Senator from North Dakota. I, too, am concerned about the ability of State to receive needed assistance from the contingency fund in the event of a recession or some other economic, demographic or natural calamity. I am very interested in the potential for exploring other trigger options in conference.

Mr. DASCHLE. The Senators from North Dakota and Florida have raised a very important issue. I believe this issue should be looked at more closely during conference. The trigger provision in the amendment is identical to the trigger for extended benefits under the unemployment program. I think it's fair to say that few of us are completely comfortable with using that trigger in this context. We clearly need more information than time currently allows before finalizing this issue.

Mr. DOLE. I share the opinion of the Democratic leader. We have every intention of closely examining this issue to ensure the contingency fund provides States with the protection it is intended to provide.

Mr. MOYNIHAN. Mr. President, might I just say that this is an extremely important issue, and requires the attention of the conference committee.

Mr. COHEN. Mr. President, one of the clear messages sent by the voters in last year's elections was that confidence in the Federal Government to solve problems has declined precipitously over the past 20–30 years. As David Broder observed in his Washington Post column, the 1994 elections "ushered in a fundamental debate about what government should do, and what level of government should do it."

There is a growing sense that the trend toward more centralized government in Washington should be reversed and that decisionmaking authority should revert back to the State and local levels. Some functions of government, like defense, must be conducted at the Federal level. Other functions, however, may best be left to the States.

Having said that, I believe we have a common and national interest in assuring an effective social safety net for all Americans, regardless of where citizens may reside. So I would not support any effort to completely remove the Federal Government from the welfare system.

Washington does not have all the answers. It is misguided, if not downright arrogant, for us to assume that one-size-fits-all Federal solutions offer better hope than granting more freedom to States to design approaches that address a State's unique set of circumstances.

In considering our welfare system, I think it is useful to distinguish beneficiaries by three major groups.

First, there are those in need of temporary assistance. People who, while they are generally able to support themselves and their families, they have fallen on hard times. Food stamps and other assistance must be there to provide temporary help when unforeseen economic crises occur.

The second group includes those whom most of us would agree cannot work. These individuals—through no fault of their own, are simply not able to economically provide for themselves. They have disabilities that warrant our compassion not our scorn. The welfare system should be there for them.

The third group consists of people who fall somewhere in between the first and second groups. They have been on and off the welfare rolls for years, yet they do not seem to fit the profile of someone whom most would agree cannot work.

It is this third group that should be the focus of the current welfare debate. The debate has often been extremely polarized. Many on the left are reluctant to vest any sense of personal responsibility in welfare recipients. They view them as unwitting victims of societal injustices, refusing to acknowledge the role that personal behavior may play.

On the other hand, many on the right are reluctant to acknowledge that no person is an island—that each of us thrives or fails to thrive, to some extent, as a result of our environment. Some on the right naively believe that we all have the same opportunities and that a failure to succeed is simply evidence of laziness.

As in most cases, the truth lies somewhere in the middle. We do no one a favor by excusing them of all personal responsibility. But some of the poorest members of our society are born into environments of drugs, crime, and severe poverty. Through government, we have an obligation to try to counter these negative influences.

Unavoidably, a debate about welfare is a debate about values. Richard Price, the author of "Clockers," a book about life in the inner city, said that during his year of living in a New York slum that he wanted to try to understand why some kids worked in McDonald's, earning minimum wage, while some of their peers hustled drugs outside, earning upward of $1,000 a day.

He said the key difference he was able to discern was that the kids working in McDonald's had someone to go home to who offered them hope. For these kids, working at McDonald's was a beginning not an end. The kids dealing drugs, however, had little hope about the future. They sensed that, if they went to work in McDonald's, they would never get out.

According to the author, the corollary to the hope that some homes offered was a sense of expectation that their children would meet certain expectations. They instilled a sense of discipline and a sense of hope that convinced their kids that minimum wage at McDonald's was better than hundreds of dollars in the drug trade.

Parents are the principal source of moral teaching. Regrettably, too many of our young people are growing up without two parents involved in their lives. The correlation between single parenthood and welfare dependency is overwhelming. Ninety-two percent of AFDC families have no father in the home.

Society must also acknowledge the correlation between crime and fatherlessness. Three-quarters of all long-term prisoners grew up without fathers in their homes or active in their lives. When 24 percent of children born today are born to unwed mothers, we cannot avoid this issue if we hope to break the cycle of poverty and crime that permeate some of our communities.

Unfortunately, no one really knows how to counter this trend. For this reason, I do not support efforts to attach a lot of strings to the welfare block grants, including provisions ostensibly designed to curb illegitimacy. It is clear that welfare reform cannot disregard the growing incidence of out-of-wedlock births, teen pregnancy, and absent fathers, but it is also clear that we do not know what will counter this trend. Accordingly, we ought not prescribe a Federal solution that would hamstring the ability of States to try different approaches.

Time will tell how effective States will be in improving our welfare system. To the extent that we clarify what level of government is responsible for welfare, I think we will go a long way to making the system more accountable and thereby more effective.

I support the general thrust of the pending welfare legislation to turn more decisionmaking authority over to the States. Consistency would suggest that we not at the same time put a lot of requirements on States on how and who to spend Federal welfare dollars. I do think that it is important to ensure that States share responsibility with the Federal Government by investing dollars at the State level in welfare programs. For this reason, I think it is important that the block grant provision include a maintenance of effort requirement.

Under current law, States have an incentive to spend their own money on AFDC and related programs. That incentive is the Federal match. Fourteen States receive 1 Federal dollar for each State dollar they invest. The rest of the States receive more than a dollar-for-dollar match.

A maintenance of effort provision continues the incentive for a State to spend its own resources to aid its own people. Understand, however, that the State match does not require a State to spend money. If a State is successful in trimming its costs, there is no requirement that it maintain its spending. But if a State is going to realize savings in its welfare program, I think the Federal Government should share in the savings, too.

I am also concerned about the bind States may find themselves in with respect to child care. Even under the current system of entitlement, there are more than 3,000 children of working parents already waiting to receive child care assistance in Maine. Some of these parents have transitioned off of welfare, others are at risk of going on welfare. The pending legislation has a strong work requirement—States that are not successful in placing 25 percent of recipients in work programs in 1996 will lose 5 percent of their block grant allocation, no questions asked.

The provision for child care services in Senator DOLE's substitute does provide protections for children who are not yet in school by prohibiting States from penalizing mothers who cannot work because there simply is no child care available.

I believe we are addressing my concerns with child care. Last week, the Senate overwhelmingly approved Senator KASSEBAUM's amendment which prohibits the transfer of money from the child care development block grant to activities not associated with child care. The amendment also streamlines the administration of child care programs because States will now be able to operate a unified child care system. No longer will mothers who successfully move off of welfare have to move their children out of a child care facility simply because they are no longer eligible for AFDC.

To give States a shot at meeting the goals of welfare reform, we have now provided States with $3 billion to expand child care services. In the year 2000, States must put 50 percent of their welfare population to work. This means that Maine will have to increase the number of working welfare recipients by 64 percent. Now that we have reached an agreement to realize a smaller amount of overall savings in the short term, in the long term these additional dollars will pay off.

A vivid example of a welfare program run amuck is the SSI Program, which I have investigated over the past several years through my work on the Special Committee on Aging.

Our investigations have discovered that the Federal disability programs, which were intended as a vital safety net for America's most vulnerable citizens—the elderly and the disabled poor—have mushroomed into the largest and fastest growing cash welfare programs in the Federal Government. Despite the huge outlay of taxpayer and social security trust fund dollars, we have paid far little attention to how these benefits are being spent and taken far too little notice of how the disability programs are being abused.

The lax management and rampant abuses in the SSI Program that have come to light through these investigations shocked the public. Drug addicts and alcoholics have been using cash SSI benefits to subsidize and perpetuate their addictions, and many addicts were actually seeking out the SSI Program as a steady source of cash to support their habits. The message of the program has been, "Stay addicted and you qualify for benefits. But stop drinking or shooting up drugs and the benefits will stop."

Tragically, these policies have not only drained the Federal Treasury, but have also been destructive to substance abusers themselves, by rewarding addiction and discouraging, or failing to require, necessary treatment to pave the way to rehabilitation.

Following legislation I introduced to correct these abuses, Congress took swift action to place protections on disability benefits paid to drug addicts and alcoholics. We took the cash out of the hands of the addicts by requiring them to have third parties handle their benefits for them, and made alcoholics and addicts eligible for SSI only if they receive treatment for their addictions. Finally, we imposed a 3 year cut-off of SSI and disability insurance benefits for addicts and alcoholics.

These changes enacted last year removed major incentives for abuse of the SSI Program and encouraged rehabilitation, rather than lifelong dependency.

Another stunning example of abuse of the SSI Program pertains to one of the major areas of growth in the SSI Program, namely, benefits for legal immigrants. Just last week, for example, I released a GAO report finding that the Social Security Administration is not doing enough to crack down on fraud by translators who fraudulently assist legal immigrants qualify for SSI benefits. In one case, a middleman arrested for fraud had helped at least 240 immigrants obtain $7 million in SSI benefits by coaching them on medical symptoms and providing false information on their medical histories. The GAO has identified major weaknesses in how SSA awards SSI benefits to legal immigrants.

While the bill before us will go far in reducing the problem of unchecked benefits to legal immigrants, this will continue to be an area of potential abuse that we must continue to watch carefully.

Fraud and abuse in SSI should not be the only cause for reform of the disability programs. Even more fundamental problems should motivate reform. First, the SSI and disability insurance programs as now structured encourage lifelong dependency, not rehabilitation. The programs return virtually no one to work: Less than 1 person in 1,000 on the SSI–DI rolls gets off the program through the programs' rehabilitation efforts.

We must address the growth of these programs if we are to preserve them for the truly disabled. Persons are getting SSI at younger ages, with very little chance of ever getting off the rolls. The SSA recently estimated that a typical SSI recipient will stay on the rolls for about 11 years, and we are paying out roughly $51,000 in SSI benefits to each new person on the rolls over this period of time. The cost to the Government for each recipient is far higher when Medicaid and food stamps are added to the equation: Recipients can receive total Federal benefits of about $113,000 when these other programs are taken into account.

With dollars this large at stake it is crucial that we do all we can to reform the disability program so that it emphasizes rehabilitation rather than dependency. In reforming this program, our guiding principle must be that we preserve the disability programs for the truly disabled, but that we not remain blind to the very real problems that exist within the SSI Program.

As Marvin Olasky noted in his recent book, "The Tragedy of American Compassion," effective welfare requires the ability to distinguish those who have fallen on hard times and need a helping hand from those who simply refuse to act in a disciplined and responsible manner. When welfare is a Federal entitlement, it is very difficult to make these distinctions. Giving State and local governments more discretion in the welfare system is a step in the right direction.

Block-granting AFDC to the States is not a panacea. A welfare system that has clearer lines of responsibility and accountability will be more effective. But this is not the end of the welfare debate. Hopefully, the legislation we enact this year will make meaningful improvements in the current system. But turning these programs over to the States will not itself fix the problems. Congress and the President must continue to work with States to improve the welfare system to make sure that a safety net is there for those who need it but is denied to those who abuse it.

Mr. SMITH. Mr. President, I rise in support of H.R. 4, the landmark welfare reform legislation that the Senate will be adopting this afternoon.

Mr. President, I call H.R. 4 landmark legislation first and foremost because it ends the 60-year status of welfare as a cash entitlement program. Once this bill becomes law, no person will be able to choose welfare as a way of life. Likewise, no person will be entitled to cash benefits from the Federal Government simply because he or she chooses not to work.

By dramatically cutting the Federal welfare bureaucracy and providing welfare block grants for the States, H.R. 4 recognizes that the best hope for making welfare programs successful lies in shifting major responsibility for their administration to a level of government where innovation and experimentation can flourish. That is a significant step toward reinvigorating federalism in our system of government.

H.R. 4 transforms welfare from a handout that fosters dependency into a temporary helping hand for those who fall on hard times. The bill places a 5-year lifetime limit on receiving welfare benefits. Individuals will be permitted to move on and off of the welfare rolls, but will, after a cumulative total of 5 years, become ineligible for additional benefits.

In return for Government's temporary helping hand, H.R. 4 requires that welfare recipients work for their benefits as soon as their States determine that they are "work ready." If a recipient refuses to report for work, then a pro rata—or greater—reduction in benefits is imposed. In fact, the States may terminate benefits for such recipients if they so choose.

Although I supported amendments to the bill that would have taken stronger steps to reduce the Nation's escalating out-of-wedlock birth rate, H.R. 4 does address that crisis in several very important ways. Most important, the legislation requires that minor mothers who have children out-of-wedlock must stay in school and live under adult supervision in order to receive welfare benefits. In doing so, the bill removes the perverse incentive under current law for a young girl to become pregnant and have a baby in order to receive a welfare check and thus become financially independent of her parents.

Moreover, Mr. President, H.R. 4 permits the States to refuse to give more cash benefits to mothers who have additional children while on welfare. Finally, H.R. 4 provides $75 million to encourage the States to establish abstinence education programs designed to reduce out-of-wedlock births and encourage personal responsibility.

I am also pleased, Mr. President, that H.R. 4 takes a number of steps toward ending the abuse of the welfare system by those legal immigrants who come to America not to go to work, but to go on welfare. H.R. 4 does this by giving the States the option to deny welfare benefits to noncitizens.

Equally important, Mr. President, H.R. 4 requires that, for most means-tested welfare programs, both the income and the assets of a legal immigrant's sponsor are deemed to be those of the noncitizen for a period of 5 years. This "deeming" provision is designed to prevent noncitizens from going on welfare. This is good public policy. Noncitizens, after all, remain, by definition, citizens of other countries. If they come to the United States and fall on hard times, they can, quite simply, go home. They should not, in all fairness, expect to be supported by Americans who are not their fellow citizens.

In summary, Mr. President, I commend those among my colleagues in the Senate who have worked long and hard to make this a strong welfare reform bill. I am pleased to support it. I look forward to supporting an even stronger bill when it comes back from the conference committee.

Thank you, Mr. President. I yield the floor.

Mr. BIDEN. Mr. President, this is not the best welfare reform bill that Congress could pass. And, this is not how I would have designed a welfare reform bill. There are, in my view, still some problems with it.

But, I cannot ignore why we are here today. Democrats and Republicans sat down together and came up with a bipartisan compromise.

That is what the American people sent us here to do. Not to bicker. Not to fight. Yes, to have honest disagreements. But, in the end, to sit down and work out our differences. That is exactly what happened here on welfare reform.

The result of us working together is a dramatically better bill than when we started. Not perfect. But, much, much better. And, it is far superior to the bill passed by the House of Representatives earlier this year.

The welfare bill before us today stresses that welfare recipients work for their benefits—and many will be required to do so.

It limits the amount of time that individuals can spend on welfare—so that welfare is no longer a way of life.

It takes a significant step toward ensuring that innocent children are protected—by providing safe day care while their mothers are working.

And it toughens the child support enforcement laws—so that everyone knows that when they bring a child into this world, they have a responsibility for that child.

These are the general principles that I have previously outlined as the major components that must be included in any welfare reform bill. And, the requirement that welfare recipients work for their benefits is a proposition that I have advocated since 1987.

Nevertheless, as I said a moment ago, this bill is not perfect. The details are not as good as I believe they could—or should—be.

I believe we could have had a bill that was both more compassionate to the children—by ensuring that they are taken care of even if their parents are kicked off of welfare—and also more demanding of the parents—through even stricter work provisions.

And, I still have concerns about the whole concept of block grants to States.

But, as Senator MOYNIHAN stated long ago, we should not let the best be the enemy of the good. This is not the best bill, but it is a better bill. And, I dare say that after the bipartisan agreement, it is a pretty good bill.

Mr. President, I cannot turn my back on the significant improvements that have been made in this proposal. And I cannot turn my back on the good faith bipartisan effort at reforming our welfare system.

So, I will—despite my continued reservations about some aspects of the legislation—vote for this welfare reform bill.

I only hope that this delicate compromise—and not the draconian House bill—is accepted when the bill goes to conference.

Mr. FEINGOLD. Mr. President, I will vote for passage of the welfare reform bill that has been crafted over the past several weeks.

I do so, however, with trepidation over where this reform may lead.

The Senator from New York [Mr. MOYNIHAN] has spoken eloquently on many occasions about the potential consequences of ending over 60 years of Federal commitment to the welfare of children who through no fault of their own have either been born into a life of poverty, or who have fallen into poverty because of family misfortune.

I will vote for this bill because the current system is badly broken, and we must find an alternative to the status quo.

No one likes the current system, least of all the families trapped in an endless cycle of dependency, poverty, and despair. We must change the system and I see this bill as the most moderate measure likely to move forward in the current climate.

The basic premise of this bill rests upon the notion that the current system has failed and that we ought to allow the States the opportunity to try to do a better job, with as much flexibility as possible. This approach places a great deal of faith in the good will of State governments to implement programs designed to help, not punish, needy citizens.

As a former State legislator, I have a good deal of respect for State governments. I am not convinced that the Federal Government always knows best how to handle every problem. Certainly, there are areas—like civil rights—which are national in dimension, which require a consistent, bedrock level of Federal involvement to insure that rights derived from our national constitution are fully protected. But I am not convinced that social policy, welfare policy in particular, must always be controlled from Washington.

I recognize that part of my willingness to try this approach of greater State control is based upon the fact that I come from a State, Wisconsin, which has long been a laboratory for progressive social policy and demonstration programs. I have said on the Senate floor that much of what Wisconsin has tried to do through direct investment in job training programs for welfare recipients makes sense and is designed to help people join the work force. Some of the policies, like Learnfare and Bridefare, I have voted against because there is little evidence to show that they will have any real impact on helping people move off welfare and into the work force. I have voted against mandatory family caps for the same reason.

Mr. President, I want to reiterate that this is not the kind of bill I would draft if I were the author.

I think it falls far short of what is needed in the areas of child care, job training, and services that will help families become self-sufficient.

Mr. President, the changes made in the bill through the bipartisan leadership amendment make this a more desirable bill than the one we began debating several weeks ago.

This amendment will provide an additional $3 billion for child care services. It includes a maintenance of effort that will require States to spend at least 80 percent of their 1994 level of State funding in order to receive the block grant. Without such a maintenance of effort requirement, Federal dollars would simply replace State contributions, and States like Wisconsin which make a substantial contribution to investing in welfare programs would have simply seen their dollars shifted to States which lack such investments.

The amendment contains a contingency grant fund to help States which run out of money under the block grant because of higher unemployment rates. It provides that up to 20 percent of recipients can be exempted from the 5-year time limitation for welfare assistance—a provision that will allow some flexibility in a provision which might otherwise cause untold hardships. The inclusion of each of these provisions has been critical to my decision to support this bill.

At the same time, the bill still falls far short of what I think needs to be done to achieve real, meaningful change. I believe that the States will be back here within a few short years asking for more Federal dollars to get the job done.

I am also deeply concerned about the provisions of the bill that remove the guaranteed Federal safety net for young children, replacing that 60-year Federal commitment with a system of State block grants which will create a patchwork quilt across this Nation to replace the current Federal commitment.

Many States will continue to provide protections for these children and will work hard to help families move from welfare into the work force. The Senate wisely rejected several efforts to impose the punitive-type provisions contained in the version of welfare reform passed by the other body.

But there will be some States which will exercise the punitive options available under this bill and will opt to impose harsh requirements upon needy families.

These provisions and the lack of national protections for children, wherever they may live, are deeply troubling to me.

But we cannot continue the current system. I am hopeful that many of the States will enact innovative programs, like the New Hope program in Milwaukee, WI, that will provide real opportunities for welfare recipients to become economically self-sufficient members of the work force.

This bill will give the States the opportunity to demonstrate whether they are willing to make the kinds of investments that will promote this self-sufficiency, rather than serve simply to punish those who fall through the system.

As I said at the outset, I am voting for this bill because I am not convinced that welfare policy can only be made in Washington, DC. I think the problems of welfare policy are so complex and difficult that it is a mistake to believe that there is only one approach. This bill will encourage State experimentation which may well lead to better policy development over the long period.

I believe that the vote being cast today is either for or against the status quo, and I do not support the status quo.

Although I will vote for the Senate bill, I want to make it very clear that I will not support a conference report that contains the kinds of punitive, harsh measures contained in the welfare reform bill proposed by the other body. I hope that the bill that emerges from conference will reflect the moderate efforts that went into the Senate bill.

Mr. BINGAMAN. Mr. President, in my home State of New Mexico and across the country, agreement is virtually unanimous: it is time to reform our Nation's welfare system.

The current system is not working as well or as efficiently as it could. The many State waivers already approved by the Secretary of Health and Human Services are compelling evidence that the current system is incapable of meeting the wide variety of differing needs across our country.

We need a system that is less costly; more efficient; and truly capable of moving people permanently from welfare to work. Most important, we need a system that gives States the flexibility they need to fund and operate programs specifically tailored to meet the needs of their citizens.

But as we move toward reform, we must do so carefully and thoughtfully. We need to fully understand the ramifications of our actions, and we need clear, measurable goals.

As we prepare to vote on final passage of welfare reform legislation, I would like to take a few moments to talk about effective goals and objectives for reform and to discuss how the majority leader's Work Opportunity Act and the Democratic Leader's Work First Act meet these goals. I would also like to discuss three critical differences in the two bills and the effect of these differences on my home State of New Mexico.

Recently, I read a book on homelessness in America, "The Visible Poor" by Joseph Blau. One of the statistics in the book that made a significant impression on me was that something like one-third of all the homeless people in this country are working Americans.

These Americans are doing everything we ask, and they still do not have the resources to afford basic housing.

Joseph Blau attributes this phenomena to several factors. One is the sorry state of our economy, and the fact that the minimum wage is not really a living wage in this country.

Many Americans are facing a declining standard of living. This has the obvious effect of forcing people to allocate a larger percentage of their income to the basic necessities; and when all of their income is not enough, to relinquish adequate housing in favor of food.

The declining standard of living in America also has the effect of exerting downward pressure on our social safety net.

I think all of us agree with the principle that work has to be rewarded. Working should pay more than not working.

For most of American history, when our living standards were on the rise, this philosophy did not conflict with ensuring that everyone in this Nation had the basic necessities of life. It was quite possible to help some people in need to obtain food, housing, and clothing without violating the premise that those who were working should have a better life. We did not create the perfect social safety net, but we did the best we could to ensure that the poorest among us—especially children, who are the most vulnerable members of any society—had the basics of life.

Today, however, when our economic living standard is in decline, some think the way to ensure that working pays more than not working is to take away from those who are not in the system.

In other words, the argument is that if our Nation is confronted with a situation where a person can work and still not be able to afford a place to sleep, then to correct this problem, we need to remove any benefits that would have enabled those outside the employment system to have a place to sleep.

Rather than making sure that those who work have a standard of living we can be proud of, we find ourselves taking away from the most vulnerable in society to make sure that those who work at least can find someone worse off in this Nation.

I believe a saner approach is to make sure that everyone who works for a living in this Nation gets a decent living. This approach ensures that everyone who can work has the right incentives to do so, and that we do not have to literally take food and shelter from children to ensure that those who work are receiving more than those who do not.

I hope that in the future, the Senate will engage on a debate on how to raise the rewards of working, through increasing the minimum wage, keeping the earned income tax credit, improving job training, and creating a national strategy on competitiveness. That would be an excellent policy debate.

In the meantime, however, it appears that we must first fight to ensure that we do not force more people who are on public assistance to the streets so that to work becomes relatively attractive.

I believe the scope of the compromise amendment worked out by the Democratic and Republican leadership is limited to this basic issue. The agreement should not be characterized as a significant step forward in the effort to reform and improve our Nation's welfare system.

The agreement simply will help prevent us from taking too many steps backward.

The compromise we are voting on today will enable States to get more unemployed parents into the work force because it will help make affordable child care more accessible for some. Not all families in need will be covered under the compromise, but a number of parents in each State will be able to move from welfare to work.

If the Senate votes today to reject the compromise amendment, in favor of the majority leader's bill, there is no question but that a substantial number of families, a growing percentage of the homeless already, will be forced onto the streets.

If we vote to accept the compromise amendment, we will lessen the blow to some, but not all, of these families. Throughout the welfare reform debate, I have been concerned about the effect of a massive overhaul of our public assistance programs on these families, and the working Americans who are hanging on to the economic ladder just one rung above them.

I am not saying that change is not needed. Some change is clearly needed. But in making changes, the Congress and the American people need to be aware of the degree to which these issues and programs are interconnected.

We need to understand the ripple effect of changing one, or two, or three Federal programs. If one nutrition program is eliminated or consolidated, are more working Americans going to have to make a choice between food and housing?

Of particular concern to me is the ripple effect in New Mexico: What does block-granting vital domestic programs mean to New Mexico's children?

What does it mean to New Mexico's poor working families who can just barely make ends meet today?

How are we going to guarantee that the basic needs of New Mexico's poor working families are met?

How are we going to guarantee that poor, rural States like New Mexico are not left with disproportionate and unmanageable financial and administrative burdens?

In seeking answers to these and other questions, I have reached the conclusion that the chief goals of welfare reform should be to create a system that encourages—and demands—personal responsibility and that helps people become self-sufficient, productive members of our society and work force.

To reach these goals, I believe we need a system focussed on education and on building the skills they will need to compete in the global marketplace of the 21st century. Four key components of an education-oriented system are: First, a strong public education system that includes training for adults, and, in particular, parents; second, affordable, accessible child care; third, affordable, accessible primary and preventive health care, including nutrition programs such as child care food assistance, and school lunch and breakfast programs; and fourth, real opportunities to earn a wage that allows working families to maintain a decent standard of living.

I do not believe the Republican leadership's Work Opportunity Act will help us reach these goals. In fact, I believe the block grants contained in the Republican bill take us in the wrong direction and lead us away from our goals.

Reducing essential funding and lumping many important social service programs into a few omnibus block grants, without any assurance of accountability or continuity among the states simply is not be the best way to reach our goals.

Instead, we in the Congress need to work together with three objectives in mind: First, to enact well-considered, effective, and fair legislation where needed; second, to consolidate, coordinate, or eliminate duplicative or outdated programs; and third, to support and improve those Federal programs with proven track records of success, such as child care programs, the school lunch program, and the child care nutrition program.

In my view, these three objectives are at the core of the Democratic leader's Work First welfare reform plan, which I am pleased to cosponsor.

The Work First plan recognizes the need for a Federal partnership role in helping States and individuals gain the tools and skills—education, effective job training, and child care—they need to become productive, contributing members of society. The Republican bill does not.

The Democratic and Republican plans differ significantly in three key areas: First, commitment to work; second, commitment to child care; and third, commitment to States and American families in general.

The top priority of the Democratic leader's plan is to move people from welfare to work. In fact, under the plan, welfare recipients must either go to work or enroll in school or job training within 6 months or sooner. To help meet these stringent work requirements, the Democratic bill helps States fund the education and training programs they will need. States will submit detailed plans for program implementation, so progress toward goals can be measured, but the states will have a great deal of flexibility in designing programs.

The majority leader's Work Opportunity Act also sets up work requirements, but it does not fund them. Instead, the bill shifts AFDC, Emergency Assistance, and transitional and at-risk child care into a single block grant to the States; then it freezes the annual funding for the total block grant at the fiscal year 1994 level—$16.7 billion—for the next few years.

If the Senate leadership's compromise is adopted, and additional $3 billion in funding for work-related child care, above the fiscal year 1994 level, will be available over the next 5 years.

Because the work requirements under the Republican plan are mandatory, many believe the bill essentially amounts to an unfunded mandate of more than $23 billion over 7 years.

In my home State of New Mexico, the unfunded work mandate totals $161 million over 7 years.

As I understand it, the compromise agreement addresses a portion of the burden of this State mandate by allowing States, at their option, to require that single parents with children age 5 and under work 20 hours per week, as opposed to 35 hours under Senator Dole's bill.

A key difference in the two bills, which is addressed in the compromise, involves child care. Both the Democratic bill and the compromise recognize that the No. 1 barrier to work for most parents is lack of child care.

The Democratic bill would ensure that child care is available for all welfare recipients who are working. The Senate leadership's compromise would help ensure that child care is available for many welfare recipients who are working.

In my view, this is a key difference between the Republican and Democratic bills—under the Dole plan, child care is not required or ensured. Existing Federal programs are simply lumped into an omnibus block grant to the States.

Under the Democratic bill, access to child care is real. No parent will be able to use inability to find child care as an excuse for not finding work. Under the compromise, child care is not guaranteed, but it is more likely to be available. In addition to the overall increase in funding, $3 billion over 5 years, the compromise stipulates that funding will be distributed at the Medicaid match rate to those States that agree to maintain funding for at-risk child care programs.

Despite the improvements that the leadership compromise would make to the majority leader's legislation, the Democratic and Republican proposals remain dramatically different in their fundamental commitment to the States and American families. The foundation of the democratic plan is an individual entitlement to American children and families. The foundation of the Republican plan—and the Senate leadership's compromise—is a block grant to the State.

Why is this distinction important, particularly in light of the increased funding under the compromise?

It is important, especially to poor families and poor States, because an individual entitlement is an unbreakable promise made by the Federal Government to its States and its citizens that in times of need, assistance will be there.

Now, I want to make clear: this is not unconditional assistance. This is not a give away. Always, assistance will be contingent on certain requirements, such as job training, completing school, or seeking employment.

Consistent with the Democratic bill's focus on work, the entitlement has a 5-year time limit, with exceptions for children. In addition, it is dependent on the signing of a parent empowerment contract, stating a participant's commitment to finding a job. No aid is provided unless a contract is signed, and penalties will be applied to those who violate the terms of their contract.

On the other hand, the majority leader's plan and the leadership compromise are based on block grants. These are fixed amounts of money given to the States with little or no requirement for accountability, either to taxpayers or the State's citizens, and with no assurance of continuity among State programs unless amendments offered and accepted during the floor debate are retained in conference.

The real problem is that the block grant may or may not be sufficient in times of need. When a State runs out of money, it runs out of money. Help simply will not be available to eligible, needy children and their families unless State and local taxpayers pick up the tab.

To help alleviate this situation, the compromise includes a $1 billion contingency grant fund, which States could use—so long as they meet certain matching requirements—in fiscal emergencies.

According to the information and statistics I have, my home State of New Mexico could be one of the first to apply for such a grant.

Under the Republican leadership's plan, an additional 14,400 jobs for welfare recipients would be needed in New Mexico by 2000, or the State would be assessed a 5 percent penalty in reduced Federal funding. Now, 14,400 new jobs may not sound like a high figure when compared to States like Texas or California, which must add more than 116,000 and 358,000 jobs to their economies respectively. But in a poor, rural State like New Mexico, 14,400 new jobs is a significant number—it represents a required increase in the State's current welfare-related work participation rate of 123 percent. And it represents an increased cost to the State of $13 million in fiscal year 2000 alone.

Directly tied to the increased work requirements are increases in the number of families needing child care.

In fiscal year 1994, about 2,970 children in New Mexico received AFDC/JOBS-related child care. Based on the Republican plan's work requirements, the number of children needing AFDC/JOBS-related care would grow to at least 4,720 by 2000. This represents an increase of 159 percent, and an increased cost of at least $23 million in fiscal year 2000.

Yet, the Republican plan does not provide any additional funding to cover the child care needs of these families. As a portion of the new temporary assistance block grant, the plan freezes funding for AFDC/JOBS child care at the fiscal year 1994 level.

The Senate leadership's compromise is only slightly better. It would make an additional $3 billion available over the next 5 years. When the additional funding is divided between the 50 States and spread over 5 years, the significance of the compromise tends to diminish. Fortunately from New Mexico's perspective, this additional funding would be drawn down by the States at the Medicaid match rate.

Mr. President, let me just review the costs to New Mexico of the increased work requirements and related child care expenses. Estimates are that by 2000, New Mexico would have to spend: $13 million more for work-related operating costs, $23 million more in child care costs. In total, from fiscal year 1996 to fiscal year 2000, $115 million increase.

These two costs represents 40 percent of New Mexico's total block grant, leaving only 60 percent to cover cash assistance and other programs. If this is insufficient, as it would be if benefit levels remained where they are today, the State will have no option but to greatly reduce benefits, deny eligibility to many families, or spend much more than it does today in State funds.

Based on current law projections, by 2005, 72,000 New Mexican children would be eligible for AFDC benefits. Under the Republican plan, which would strip parents—and their children—of all AFDC benefits after 60 months, 19,000 children—or 26 percent of all recipients—in New Mexico would be denied benefits.

Further, the State could decide to maximize its Federal funds by implementing various penalties available as options under the Republican plan. Each penalty denies more children benefits:

Children denied family cap: 12,000 if the family cap is added back in conference.

Children denied birth to unwed teen: 320.

Children denied family benefits for 24 months: 36,673.

Today, we are debating the wisdom of block granting essential safety net programs. The block grants would be authorized for the fiscal years 1996 to 2000. Because we cannot project with certainty the economic and employment situations of each State in future years, or whether migration among States will be more or less significant than it is today, or a variety of other factors, we cannot precisely project the actual degree of harm one State may endure under a fixed formula for block grants.

Mr. President, earlier in my remarks I said it was critical that we in the Senate work together, in a bipartisan matter, to enact real, goal-oriented welfare reform. I believe the compromise amendment worked out by the Senate leadership represents a step—albeit a small step—in that direction.

I will support the compromise, and despite some serious misgivings, I will vote to pass the underlying bill. However, I remain deeply concerned that in the rush to cut spending and send a message to the American people, the very people who need our compassion and assistance the most—vulnerable children and their families—could be the most gravely hurt.

In closing, I urge my colleagues who will take this bill to conference with the House to approach their deliberations carefully and thoughtfully.

Without question, we need to better coordinate our public assistance programs; we need to streamline many of them; but we cannot do so in a way that threatens the health and well-being of New Mexico's—or any State's—children and their families.

Mr. DORGAN. Mr. President, I intend to support this welfare reform bill and advance it to a conference with the U.S. House of Representatives. I do so even though I have some real problems with some provisions. Despite my concerns, I think it is important to move this legislation forward.

Mr. President, there is broad consensus in this country that the current welfare system serves no one well—not the recipients, not their children, not the American taxpayer. It fails both the people who need help and the working people who are paying for it. It has trapped all too many people, especially women, into a lifetime of dependency instead of helping them on a temporary basis to get on their feet and into the labor force. Sadly, the children of long-term welfare recipients all too often suffer irreparable harm and are likely to remain poor and disadvantaged for the rest of their lives.

Mr. President, the American people want us to overhaul a system which they perceive to be one that encourages dependency rather than one which encourages work. They see the current system as inefficient, unproductive, and a waste of their hard-earned tax dollars. They want a system that demands responsibility and accountability—a system where able-bodied individuals are required to work for their benefits. That is why we are here today.

But the American people are also compassionate. They do not want innocent children punished for the behavior of their parents. They expect us to protect poor and vulnerable children. And that is the most serious flaw in the legislation before us—innocent children are not guaranteed protection. The bill before us today does not guarantee that the children of parents who violate the rules or are removed from the rolls because of they have exceeded the time limits for benefits are protected.

I think we have a moral responsibility for these children. They ought not to be punished for the mistakes of their parents. There ought to be a safety net in this bill to ensure their protection. There is not. If this egregious hole in the social safety net is not remedied by the conference committee, I will have great difficulty supporting the final package. I am not willing to gamble with the life of one child in welfare reform.

Despite my very serious concerns about the impact this legislation will have on innocent children, the bill we are considering today is a vast improvement over the bill that emerged from the Finance Committee this spring. With bipartisan support, a number of the most serious flaws in the original legislation were corrected.

Nevertheless, I remain concerned about the block grant, no-strings-attached approach to welfare reform. I am especially concerned that the block grant funding levels are frozen for a 5-year period. In my view, that is a dangerous experiment. And it is an experiment that could impact the lives of 10 million children.

If a cash assistance welfare block grant had been enacted in fiscal year 1990, an historical analysis by the Department of Health and Human Services concludes that States would have received 29 percent less funding in fiscal year 1994 than they would have received under current law? If States do not have enough money to meet needs, what do we expect them to do? Surely, they will not raise taxes. What they will be inclined to do is establish more stringent eligibility criteria and reduce benefit levels to make ends meet. And who could suffer? Poor and vulnerable kids.

So let me repeat. I have serious reservations about the block grant concept. But a majority of Members of Congress seem to like the idea, and most governors relish it. We will not know the results of this block grant experiment for a number of years. Only then will be know for certain if it has been a wise or foolish undertaking.

Every expert agrees that lack of adequate child care is the No. 1 barrier in moving individuals from welfare to work. It is the linchpin for successful welfare reform. Yet, as originally proposed, not 1 dollar of the block grant was earmarked for child care. Under the compromise offered by Senators DOLE and DASCHLE, $5 billion of the block grant was earmarked for child care and an additional $3 billion was added to that pot. While the $8 billion funding level is still well short of the estimated need, it is a step in the right direction. Without this commitment to child care, the welfare reform effort was doomed to failure. If the final package does not contain this commitment to child care, I simply cannot support it.

Other modifications to the original Republican proposal were important to garnering my vote in support of this measure. First, mothers with children under age one will not be forced to go to work to receive benefits. Second, single mothers with children under age 5 will be exempt from the 5 year time limit if no child care is available. In other words, the 5-year clock will not begin ticking for these mothers if States do not make child care available to them. This makes eminent good sense. The last thing we should want to do is create a situation where young children will be left home alone. That is irresponsible. And that was exactly the scenario we were creating under the original proposal.

Finally, States will be given the option of not requiring single mothers with children under age 5 from working more than 20 hours a week. Giving mothers the ability to stay at home and nurture their children during the most formative years is the right thing to do.

These three improvements were crucial components in my decision to support this bill, and they must be retained in conference or I intend to oppose the final measure.

Shortly before final passage, the Senate finally agreed to include a maintenance of effort provision. As originally crafted, this bill did not require states to contribute one red cent of their own money for welfare reform. Under current law, states contributions constitute about 45 percent of total welfare expenditures. Think about that. Without a maintenance of effort provision, the pot of welfare money could have been reduced by almost half overnight. That was unconscionable in my view. Welfare has always been a State-Federal partnership. That partnership should be retained. The compromise agreement requires States to contribute at least 80 percent of the money they spent on welfare in 1994 in order to be eligible for their block grant money. While I would have preferred a 100 percent requirement, I can live with this percentage. This State maintenance of effort requirement must be retained by the conference committee. It is the right and fair thing to do.

Lastly, Mr. President, the compromise included a provision to address the crisis of teen pregnancy. Seventy percent of teen mothers are not married, and that percentage has escalated each year for the past two decades. If we do not get a handle on this problem, all our good efforts for welfare reform could prove to be in vain.

Too many unmarried teens are becoming parents, and too few are able to responsibly care for their children either emotionally or financially. The result: the child is deprived of a fair start in life, and the mother will very likely be doomed to a lifetime of poverty. No welfare reform effort can succeed without addressing this problem.

The compromise that was agreed to last week included a provision on teen pregnancy that was part of the Democratic plan. It is a good provision. It will establish second chance homes where unmarried teen parents can live in adult-supervised homes where they will receive the support and guidance they need to finish school and become successful parents and productive citizens. This provision ought to be enthusiastically embraced by the conference committee.

Mr. President, the original Republican plan for welfare reform has been significantly improved with the adoption of some very important bipartisan amendments. I commend the leadership of both parties for working together to make these changes. And I hope the bill will be further improved by the conference committee. If the final bill does not guarantee that innocent children are protected, however, I will have great difficulty in supporting it.

Mr. GRAHAM. Today, we will vote on final passage of S. 1120, the so-called Work Opportunity Act of 1995, better known as welfare reform.

During the robust Senate debate on welfare reform, I have been a critic and a skeptic about the fundamental fairness and the workability of the legislation advanced by our majority leader, Senator DOLE.

I have also watched this bill improve with time, and I remain hopeful that progress will continue through the conference process.

I remain hopeful because I have an abiding, underlying interest in achieving genuine welfare reform because I know the current system does not work.

The incentives in the current system are in all of the wrong places and trap individuals into welfare dependency. For so many Floridians on welfare, it pays to stay there instead of to work.

Why? Because without day care you can not train to get a job that pays a living wage. Without transitional, subsidized day care it is difficult to make ends meet when you first go back to work. And, finally, without some form of health insurance, a sick child in the house, is reason enough to stay at home and to stay on welfare.

That is the failed system that we have today in America. That is what we seek to discard today.

But we must make sure that the new system we are contemplating today is not a patchwork of slogans and wishful thinking, but instead a meaningful attempt to provide temporary assistance to families in need until they can return to the work force quickly.

Mr. President, you cannot just wish away the children on welfare while you deal with the adults who receive the welfare checks.

We must remind ourselves that children comprise almost 70 percent of the number of welfare beneficiaries. It is for the children that the old system was built, and in so many cases that system has failed them.

As we construct a new system, we must look at the real needs of the children: quality and available child care is a critical need.

I spoke earlier of the recent efforts which have been made to improve S. 1120. I would be remiss if I did not commend the leadership on both sides of the aisle, and also Senator DODD who helped lead the charge, for the improvements in the child care provisions from the original bill.

The additional $3 billion in funds for child care represents meaningful progress in the movement toward true welfare reform.

We know very well from our experiences in Florida that you can not get a mother back to work if her children have no place to go during the work day.

The old system forced a woman to choose between her children and work, and an enhanced Federal investment in subsidized child care can allow her to address both concerns. That is what the $3 billion Federal investment is intended to buy.

But before we celebrate these advances in the funding levels for child care, we need to look at the cold realities facing the families who comprise the so-called working poor.

Today in Florida, there is a waiting list of 25,000 children who are seeking subsidized day care. This number is not even representative of the actual unmet need when those who do not bother to add their names to this gargantuan list are considered.

Because Florida has taken steps the last several years to invest more dollars into its child care system, the amount of Federal dollars that will go to Florida due to the additional $3 billion in this bill, will barely maintain Florida where it is today.

This new money will actually only assist Florida to the point that it does not have to cut back on its subsidized day care program. Today Florida is investing in child care well beyond the 1994 spending base upon which S. 1120 is predicated.

Further, I think every Member of the Senate should pause and contemplate the effect the new work requirements will have on the availability of subsidized child care for the working poor.

In Florida, of the total child care pie, about half of it goes to the children of the working poor, primarily through the child care development block grant and the social services block grant programs.

S. 1120 imposes a requirement that 25 percent of all welfare recipients must be working in the first year, and 50 percent by the year 2000. Therefore, the States will be under extreme pressure to move all eligible welfare families to the front of the line for day care, at the expense of the working poor families presently enrolled.

The numbers speak for themselves, and currently Florida is barely half way toward that goal of 25 percent employment.

As the conferees wrestle with the issues of maintenance of effort, work requirements and State flexibility, they need to focus on this important child care trade-off.

This is not the time for shell games, moving some people off welfare and into work, while forcing others on welfare because we have withdrawn child care help from them. For a working poor family trying to make ends meet, the approximately $300 a month per child in day care in Florida can be a budget buster.

Mr. President, I want welfare reform. The people of Florida want welfare reform. The people of America want welfare reform.

For that reason, I am voting for this bill, with reservations. I am voting for this bill to keep this legislative process alive, with the hope that the bill will be improved when we vote on the conference report.

I would rather support this bill and keep this process moving, than vote no and kill any chance of welfare reform this year.

With that premise stated, I want to outline two key reservations about this bill:

First, the fundamental inequity of distributing resources under the proposed block grants to States.

Under this legislation, we would divide Federal resources based on spending patterns in 1994. This arbitrary method would lock in current inequities, would disadvantage growth States, would be difficult to change once it's in place, and would set a troubling precedent for our upcoming decisions on Medicaid.

In the past, the Federal welfare allocation to States has varied from State to State due to the local match incentive. If a State put more funds into the welfare system, it got more funds from Washington.

By using 1994 as the baseline for future allocations, we would perpetuate wide disparities among States. On a per-child basis, some States would receive five or six times the amount received by less-affluent States.

These stark disparities raise fundamental questions of fairness which I am hopeful the conference committee will address.

Second, my second reservation about this bill deals with its unfair treatment of legal immigrants.

Mr. President, most people of this Nation trace their heritage to somewhere else. My family came here from Scotland.

This Nation has benefited from a long tradition of legal immigration. Let me repeat: Legal immigration.

We set out rules and expectations for legal immigrants to become citizens. Under this bill, we are saying to legal immigrants who have followed the rules that we are going to change the rules, retroactively, on their way to citizenship.

Again, this raises fundamental questions of fairness.

Denying benefits to legal immigrants would unfairly impact certain communities in this Nation that have attracted a large number of newcomers.

I will leave for another day the discussion over how Florida currently picks up the Federal tab for illegal immigration, to the tune of hundreds of millions of dollars each year.

Permit me to focus on the dollars that are spent today for legal immigrants. In Florida in November, 1994, there were 34,224 legal immigrants on the welfare rolls, and 149,732 on the food stamp rolls. The estimated annual costs associated with these groups are $39 million and $133.5 million, respectively. In addition, Medicaid costs for legal immigrants in Florida in 1994 was greater than either AFDC or food stamps.

This represents a substantial sum of money which Florida spends and which Florida might be asked to absorb under certain versions of this welfare reform legislation.

This is a significant issue which must be addressed in conference.

Furthermore, changing the rules for legal immigrants would be unfair to the newest Americans. I am particularly concerned about access to education.

One of the great principles of America, that has bound us together as a diverse people and provided a foundation for the American Dream, is access to education.

I implore my colleagues to consider the impact of this legislation on students. At Miami-Dade Community College, an estimated 8,000 students could lose financial aid.

Is that the type of message we want to send to tomorrow's citizens, that the door to education is closed to you in the name of welfare reform?

I am hopeful that the House-Senate conference can work to remedy this inequity in the overall bill. In part, I base my hope on public comments made by Majority Leader Bob DOLE, who visited Florida last weekend.

Senator DOLE said he would prefer more flexibility on the issue of providing benefits to legal immigrants.

The Gainesville Sun, on Sunday, September 17, reported Senator DOLE's views as follows:

> Dole later said he supported giving some benefits to legal immigrants and said the amendment would be reviewed when the welfare package goes to conference committee.

I am pleased that the majority leader has not closed the door on changes to the portion of this bill that deals with treatment of legal immigrants.

I look forward to reviewing the product of the conference committee with the hope that my concerns about fairness will be addressed.

Mr. GRAMS. Mr. President, I rise to commend my colleagues for the honest debate which has produced the legislation we will vote on later today . . . legislation which takes a solid step toward fixing our badly broken welfare system. Both sides have put forth credible arguments, and more often than not we've been able to work together to find common ground.

Yes, we may disagree on many of the details of this compromise legislation . . . but we all agree that the welfare system is in desperate need of an immediate overhaul.

These facts are clear and indisputable: today, one American child in seven is being raised on welfare . . . one in three children is now born out of wedlock. And despite the $5.4 trillion taxpayer dollars we have funneled into the welfare system over the last 30 years, the poverty level has remained nearly the same.

Three years ago, during his Presidential campaign, President Clinton promised the American people that he would "end welfare as we know it." Since then, however—even though his party controlled both the House and Senate—the welfare system remained untouched. Today, less than one year after Republicans gained control of both Chambers, we are on the verge of passing legislation to dramatically reform a welfare system which has too often entrapped both welfare recipients . . . and the taxpayers who subsidize them.

At the heart of our legislation is the strong message from this Senate that the days of welfare without work are over.

The American taxpayers are fed up, Mr. President. They go to work every day—both spouses, more often than not—and struggle to make ends meet while trying to carve out a better life for themselves and their families. They make a combined average income of $47,000 . . . but hand over more than a third of that to the Federal Government. And when they see those precious tax dollars going to support welfare recipients who simply refuse to work . . . well, they have every right to be furious.

The taxpayers of this country have always been generous . . . but nobody likes to be taken for a fool.

The "pay for performance" provisions of this welfare reform legislation offered by myself and Senator SHELBY are intended to put accountability into the system. If a welfare recipient wants a Federal check, all we ask is that they start making a contribution to society . . . to their own future . . . by working for that money.

It is hardly a revolutionary concept. Every taxpayer in the Nation does the very same thing.

I am proud that this bill incorporates a second amendment of mine to further strengthen its work requirements. This amendment permits States—for the purpose of meeting their work participation rate—to count no more than 25% of their welfare caseload as "working" if they are enrolled in vocational education.

Without my amendment, the work requirements in this bill could be circumvented by substituting vocational education for actual time spent on the job. It is already happening in many states, where officials are avoiding the work requirements of the 1988 "Family Self-Sufficiency Act" by counting voc-ed programs as work.

Let me make this clear, Mr. President—work does not mean sitting in a classroom. Work means work.

Any farm kid who rises before dawn for the daily chores can tell you that. Ask any of my brothers and sisters what "work" meant on our family's dairy farm. It didn't mean sitting on a stool in the barn, reading a book about how to milk a cow. "Work" meant milking cows.

Now, I am not opposed to vocational education. Not every voc-ed program can be considered a success, but we are fortunate to have a number of effective programs operating in Minnesota . . . and we need to continue to give these kinds of efforts a chance.

But my neighbors back home are tired of sending other people's kids through school. They are struggling to send their own children to school. They want this government to reflect their values—hard work, respect, personal responsibility, and accountability.

It sometimes seems that the work ethic upon which this Nation was founded has gotten a little dusty. For example, experts say that less than one percent of the adults who receive welfare benefits are currently engaged in real work. That is a sharp departure from the past: during the Great Depression, welfare beneficiaries were expected to work for the assistance they received through federal programs such as the Civilian Conservation Corp and the Work Progress Administration.

What has changed?

Mr. President, the government has become the first call for help. But what we too often forget is that the government is funded by other people's money . . . and should be the last call for help.

One leading welfare expert sums it up quite clearly: "In welfare, as in most other things, you get what you pay for. By undermining the work ethic, the welfare system generates its own clientele. The more that is spent, the more people in apparent need of aid who appear."

What is most troubling of all is that because there are no incentives to move themselves off welfare and into the workforce, too many welfare mothers and fathers have given up the search for that better life. And the taxpayers who foot the bill feel powerless, too.

Mr. President, if we ever want welfare recipients to become self-sufficient, we must begin holding them to the same standards that apply to the taxpayers. How can we ever expect welfare beneficiaries to lift themselves up if we continue to ask less of them than we do of every other productive, taxpaying American citizen?

By allowing states to count 25% of their welfare caseload as "working" if they are engaged in vocational education, my amendment closes a gaping loophole . . . strengthens the work requirement . . . and gives states the flexibility to continue successful vocational education programs, while recognizing there is no substitute for work. Most importantly, this amendment moves welfare recipients a bit closer toward self-sufficiency.

Mr. President, the Majority Leader's welfare reform legislation is a serious first step toward fixing our fractured welfare system. While I am pleased that both of my tough work amendments were included in this final bill, I recognize that we still have a ways to go before we can say we've truly conquered the welfare problem.

Many important provisions which were not included in the Senate bill will be addressed by the House-Senate Conference Committee. I look forward to the Senate's consideration of the conference report . . . which I hope truly will end welfare as we know it. That is what we promised the American people, and that is what we must deliver.

"Far and away the best prize that life offers is the chance to work hard at work worth doing," said Theodore Roosevelt.

I urge my colleagues to hear those words and give this bipartisan legislation their support. It is good for welfare families . . . it is good for the taxpayers . . . and it is good government.

Mrs. BOXER. Mr. President, I have decided to vote for the Senate's welfare reform bill because I believe a bipartisan consensus has greatly improved it.

First child care to job training, to going after deadbeat parents—this Senate bill has moved in the appropriate direction.

I strongly oppose the House bill and believe that a strong vote going into the conference committee is essential.

I must state, however, that it is unfortunate to see the National Government backing away from a responsibility toward our Nation's children—a responsibility embraced by the Democratic alternative which was tougher on work and more compassionate toward children. I will work in the future for adoption of that kind of commonsense welfare reform.

Mr. LEVIN. Mr. President, I will vote for the compromise welfare reform bill which is before the Senate.

The Nation's welfare system does not serve the Nation well. It is broken in a number of places. It has failed the children it is intended to protect. It has failed the American taxpayer.

The compromise bill before us represents a bipartisan and constructive effort. Meaningful reform should protect children and establish the principle that able-bodied people work. Also, it would tighten child support enforcement laws and be more effective in getting fathers to support their children.

Additional funding has been included to assure that more child care resources will be available for children as single parents make the transition into work. This is a significant improvement in the bill and strengthens the work requirement because it better assures that States can effectively move people into job training, private sector employment, and community service jobs.

A provision has been added to strengthen the requirement on States to assure that they will take more responsibility and maintain their ongoing contribution to the welfare program.

The compromise adds a $1 billion contingency fund to provide for assistance to the States in economic emergency situations. The establish of such a provision is very important. As responsibility is shifted to the States and a block grant provided, it is critically important that there is some flexibility in the event of a recession or other economic crisis. I am particularly concerned about working people who lose their jobs and have exhausted their unemployment insurance benefits. Tens of thousands of such individuals are currently on welfare in my home State of Michigan. Such working people need the assurance of the safety net. I am also concerned that adequate contingency funds be available to protect children during periods of economic hardship. The contingency fund is a step toward such flexibility. I doubt that $1 billion will prove to be adequate, but Congress can revisit that issue in the future.

I am particularly pleased that the compromise bill contains my amendment which strengthens the work requirement in the bill.

The original Dole legislation required recipients to work within 2 years of receipt of benefits. My amendment, in its final version, adds a provision which requires that unless an able-bodied person is in a private sector job, school, or job training, the State must offer, and the recipient must accept, a community service employment within 3 months of receipt of benefits. In order to obtain its passage, it was necessary to include a provision which gives the States the flexibility to opt out of the requirement. However, I hope and expect that pressure from the American people, who overwhelmingly support strong work requirements, will convince their States to enforce the provision and not opt out.

Mr. President, this welfare reform bill is a positive step in the effort to get people, now on welfare, into jobs. It is a significant improvement over the original proposal put before us. It is stronger on work. It better protects children. It cracks down on parents who do not meet their responsibility to support their children. It provides some necessary child care.

I am troubled by some shortcomings. I would prefer a bill which did not end the Federal safety net for children, a bill like the Daschle Work First legislation which failed in the Senate narrowly and which I cosponsored. I am not fully convinced that the block grant approach will prove to be the right approach. Also, as I have already mentioned, I am not certain that the contingency fund which we have established will be adequate in a recession.

The decision is a close one.

So it is particularly important that partisanship not dominate the conference between the House and the Senate.

If it does, the progress made in the Senate would be undermined and welfare reform would be jeopardized.

Mr. PELL. Mr. President, the Senate has now debated welfare reform legislation for several weeks. The changes that have been incorporated in the legislation before us today are profound, marking a great departure from the system that has been in place for 60 years. As one who has served my State of Rhode Island and this Nation as a U.S. Senator for 35 of those 60 years, I do not take lightly the vote that I am casting today. I have thought long and hard about the desire for change, for reform, and for a better welfare system, and I share all of those goals.

As I look at the bill before us, I remain concerned. It does not provide nearly enough of what I think is necessary for quality welfare reform. And it does not sufficiently protect our children or provide adults with the tools they need to move off of welfare and into work.

But the bill before us is also a drastic improvement over the House welfare legislation, and, with the addition of the Dole-Daschle compromise, moves us more in the direction that I think is best for our Nation. So while it is with some reluctance. I have decided to cast my vote in favor of the bill before us today. I am doing so with the understanding that the American people want and demand action, and are seeking a new way of accomplishing what the existing system has not been able to accomplish. I am willing to try a new way, but acknowledge freely that without the minimal protections put into place by the Dole-Daschle agreement with respect to child care and other important provisions, I would not be voting "yea" today.

I cannot help hope that the conference committee will see fit to incorporate more of the provisions contained in the work-first proposal introduced by Senator DASCHLE, which I cosponsored. I still support and strongly prefer its provisions—its emphasis on transitioning welfare recipients to work, its understanding that providing childcare is a linchpin of successful reform, and its premise that, despite very real abuses of the current system by some welfare recipients, most people want to get off welfare and work at a job that provides a living wage. But I realize that the conference committee is more likely to move this bill in a direction that I cannot support, by being more punitive to parents and, in the process harming children who have not chosen their parents or their circumstances.

Mr. President, it would be my intention, should the bill return from the conference committee stripped of these moderating provisions, or including any of the more draconian provisions we defeated during the Senate debate, to cast my vote against the conference report. I hope that this will not be necessary and that we will be able to pass a conference report that really does move the Nation in the direction that we all want to see toward workable reform that moves this generation off of dependency while ensuring that the next generation does not suffer from its parents' failures or misfortunes.

Ms. SNOWE. Mr. President, I rise today to speak in support of a comprehensive overhaul of our Nation's welfare system.

I would like to commend the distinguished Majority Leader, Senator DOLE, and many of my colleagues for bringing a much-needed and timely bill to the floor of the Senate for action.

I am also looking forward to what I believe can be a genuine spirit of bipartisanship as we seek to address some of the aspects of our welfare system that have hurt, rather than helped, Americans forge a better future for themselves and their families.

Although it has been characterized as such, welfare reform should not be a conservative-versus-liberal issue, or a Democrat-versus-Republican issue. It should be an issue where we seek to involve and include various constructive points of view for a cause whose worth stretches beyond partisan political lines.

Simply put, what we must strive for in this debate is to end welfare as a way of life for millions of Americans and their families, while at the same time preserving a safety net for those in our society who need a leg-up rather than a hand-out to succeed in their personal quest of the American dream.

What we must be compelled to accomplish is to require more individual responsibility, a strengthened work ethic, and a sense of discipline and order to the family, all while continuing to maintain our historic and compassionate commitment to those who need our help in those dark times that are a part of everyone's life at some time or another.

Mr. President, I believe we can—and must—give them change with a human face. It is not necessary to be less compassionate or less understanding, but it is possible to be less spendthrift and less generous to those who have taken undue advantage of our system.

As we begin to meet these challenges and others, I am eager to work with all my colleagues to further improve this legislation and, in the process, craft a better America and set our Nation on a new and more responsible course into the 21st century.

Everything we and our parents have worked for to give us a better life and instill in us a sense of national purpose as well as personal responsibility is at stake in this debate.

We, in America, all too frequently judge our Nation and measure our country's worth as a people by standards of economic statistics, by gold, silver and bronze medals won at world tournaments, or by military might as the world's greatest democracy.

But to judge America in terms of a society, clearly we are lacking in many respects.

In today's society, it is hardly uncommon for an individual to be smoking or drinking by the time they are 10; to be caught stealing by the time they are 11; to be hooked on drugs by the time they are 12; to be sexually active by 13 years of age; to be pregnant by the time of their 14th birthday; to be on welfare at 15; to be a high school drop-out at 16; and to have the American dream be nothing more than a pipe dream at 17.

Mr. President, to many this may be nothing less or nothing more than a worst-case scenario. But, unfortunately, in the 1990's it has become an acceptable scenario in America. How tragic; and how wrong.

Welfare in America has become a way of life, a culture of despondency, a tradition of dismay, and has bequeathed a sad inheritance of dependance for millions of our citizens.

Our challenge in these proceedings is not to make their lives more difficult by our efforts here, or to perpetuate any negative stereotypes, or to treat harshly those people in need of help; our solemn challenge is to give them a new chance, a new beginning, and to show them a different and better way of life.

In the 1960's, when many welfare programs were designed and implemented by the Federal Government, we were willing to risk the involvement of central government in people's lives for the benefit of helping them to help themselves.

Instead, welfare in the 1990's is out of touch, out of cash, and out of tune with people's lives. In an August 1993 Yankelovich poll, respondents were asked, "Do you think our current welfare system helps more families than it hurts, or hurts more families than it helps?" Twenty-four percent said that it helps more, while a commanding 62 percent said it hurts more.

Many might wonder what it is that we have bought with over $5 trillion in welfare funds over the past 30 years. Many might wonder what the returns have been on an investment we made three generations ago.

It is a disappointing litany of our shortcomings as a society and as a compassionate democracy.

Mr. President, what we are doing is rewarding the failure of the individual spirit to strive for greatness and personal responsibility. As one pollster said, "Welfare rewards what life punishes."

Moreover, these social and cultural trends play a major role in other trends involving crime and violence, both on the streets and in our homes; they affect education, urban decay, and our economy. Their link to each other is unmistakable.

As former Education Secretary William Bennett said:

> Over the last three decades we have experienced substantial social regression. Today, the forces of social decomposition are challenging—and in some instances, overtaking—the forces of social composition. And when decomposition takes hold, it exacts an enormous human cost.

These figures exact the toll and tally that cost.

Since 1960, illegitimate births have soared by more than 400 percent; while only 5.3 percent of all births were out-of-wedlock in 1960, illegitimate births rose to 30 percent of all births by 1992.

The pregnancy rate among unmarried teenagers has more than doubled since the early 1970's, amounting to over one million—one million—teen pregnancies every single year.

While America's marriage rate has declined spectacularly for 20 years by almost one-third to an all-time low, America's divorce rate has increased by nearly 300 percent in the past 30 years, subjecting more of our children to more broken families than ever before.

The Congressional Budget Office reports that 77 percent of unmarried adolescent mothers become welfare recipients within 5 years of the birth of their first child. And many of them are staying on welfare for a long time. In fact, more than half of the 9.5 million children receiving AFDC have parents who never married each other.

Single-parent families account for 65 percent of poor families with children, and they account for over half of all poor families. I should mention that studies show that almost 1 out of every 4 children from one-parent families will be in poverty for 7 years or more, compared with only 2 percent from two-parent families.

And, despite an explosion in welfare spending, more children live in poverty today—22 percent—than in 1965; 15 percent, which is when the famous—or infamous—War on Poverty began. What does 22 percent mean in real terms? Try over 15 million children living in poverty in America today.

The percentage of all American children dependent on AFDC welfare increased from 3.5 percent in 1960 to over 13 percent in the 1990's.

While we are talking about AFDC—it has become a $23 billion Federal-State program supporting approximately 14.5 million people—and that is a 31-percent increase not over 1960 or 1965 or even 1970, but a 31-percent increase over 1989; only 6 short years ago.

Probably worst of all, among these terrible numbers, are these:

First, of the 4.5 million households currently receiving AFDC benefits, well over half will remain dependent on the program for over a decade—10 years—and many will remain dependent for 15 years or even longer.

Second, and even worse, children raised in single-parent families are three times more likely to become welfare recipients themselves as adults—a clear continuing legacy of failure and the unmistakable mark of what the Heritage Foundation calls intergenerational dependence.

That is highlighted by the fact that 60 percent of welfare recipients today are the children of welfare dependents from the previous generation.

As I mentioned, America has spent $5 trillion in welfare assistance since the start of the War on Poverty.

Mr. President, we are losing—badly losing—the war within our borders against poverty and social decay.

But through the haze and maze of this debate, we can learn from some of the success stories of people who were once on welfare and had the courage and stamina to leave the system and seek a better life.

For some, welfare meets a critical need; sometimes, a critical lifeline in troubled times. Our challenge is to reform this system so that it works for more people, encourages more to leave the system for good and return to wage-earning jobs, and yet retains the vital portions of the safety net for the neediest among us.

It can happen. It can work. We can make it a reality.

I know because I have met the success stories firsthand. Take Melissa Brough from Portland, ME. She succeeded in welfare. Sadly, she succeeded despite the system, not because of it. Listen to what she has to say:

> I started out just needing some subsidized child care so I could find a job to support us. I ended up trickling down through the system for 4 years. What a way to build self-confidence and self-esteem!
>
> It's no wonder people get trapped in the welfare system, when competing resources seem to have money and statistics in mind instead of individuals * * * [L]et's provide the resources and support * * * to help people along the road to self-sufficiency.

Mr. President, Melissa is right. Self-sufficiency should be our goal, and the system we design must provide the resources and support to help people along that road.

Sometimes, getting to success and self-sufficiency requires short-term sacrifices and tough choices. But there are stories to show that they are worth it.

Tecia Girardin is a proud mother of three sons living in Readfield, ME. She works 50 hours a week and takes home $350 weekly in pay through her job at Progressive Distributors, a warehouse distribution center. She is now getting $345 a month in child support, and 2 years ago put a downpayment on 48 acres of land, where she hopes to build a house in the near future.

But it was not always this way for Tecia and her boys. Years ago, she counted on food stamps to put food on her table at night. She used to rummage for aluminum cans to pay for the rent.

Looking back, Tecia recalls, "It was a nightmare, but we made it." She adds, "I was determined to make it on my own. I just do not think a life of dependency is good—whether it is dependency on alcohol, drugs, or government assistance * * * I wanted to be free of welfare."

With her pride and her self-confidence, Tecia broke the shackles of welfare and took several tough jobs before landing a position at Progressive Distributors, where she has now been for 5 years. She is off food stamps and off Medicaid, and it is been 4 years since her last benefit check. But times are still tough for her and her family.

We still need to do more to help people like Tecia break free of the system. I believe the majority leader's plan makes a good attempt to help people break free of the labyrinth of welfare.

This legislation recognizes that the Federal Government does not have the ability to create a one-size-fits-all welfare program. Instead, it has made a necessary and bold change: States are awarded block grants to design a local program that meets unique State needs.

I support this basic concept, and believe it is essential that welfare reform give States the flexibility to address the unique problems of their citizens. At the Federal level, we simply do not know what will work. Each State should have the flexibility to address the problem as they understand it.

In Maine, the principle reason that families go on welfare is divorce or separation. That is the No. 1 reason: 42 percent of all AFDC recipients are forced onto welfare as a result of divorce or separation. In Maine, 61 percent of adult AFDC recipients have obtained their GED. The people behind these statistics may require quite different welfare programs than people in densely populated States.

That is why flexibility is a crucial tool—missing from existing welfare programs—that must be extended to the States.

I also support the restoration of AFDC as a temporary assistance program, rather than a program which entangles and traps generation after generation after generation.

The legislation before us allows States to provide benefits for 5 years, but after that point benefits are terminated. As soon as a recipient is work ready, he or she will be required to work for their benefits. All recipients will be required to work after receiving benefits for 2 years.

Nothing like a time-limited welfare system has ever been tried in this country. But we need to send a message to recipients that there are responsibilities associated with receiving a welfare check: responsibility brings dignity. And to promote responsibility, there must be consequences to action or inaction.

This bill also makes progress in another critical area of concern, one that, for many welfare recipients, has forced them into poverty: child support enforcement.

Child support enforcement is one of the most important provisions in our campaign to revamp the welfare system of this country. It affects every State—children at every income level—and it affects both single-mothers and single-fathers. As a national problem, child support enforcement merits a national solution. And we must demonstrate our leadership by providing it.

I am proud to have worked in a bipartisan manner with the majority leader, Senator DOLE, and the Senator from New Jersey, Mr. BRADLEY, to develop a sound and comprehensive national child support enforcement solution. The major provisions of our legislation have been incorporated into this proposal.

To strengthen efforts to locate parents, the bill expands the federal parent locator system and provides for State-to-State access of the network.

To increase paternity establishment, the bill makes it easier for fathers to voluntarily acknowledge paternity and encourages outreach.

To facilitate the setting of effective child support orders, it calls for the establishment of a National Child Support Guidelines Commission to develop a national child support guideline for consideration by Congress, and provides for a simplified process for review and adjustment of child support orders.

And to facilitate child support enforcement and collection, the bill expands the penalties for child support delinquency to include the denial of professional, recreational, and driver's license to deadbeat parents, the imposition of liens on real property, and the automatic reporting of delinquency to credit unions.

This provision has proven very effective in my own State of Maine, where the State has collected more than $21 million in child support payments by sending letters to delinquent parents with a very real threat to revoke professional licenses.

This bill also grants families who are owed child support the right of first access to an IRS refund credited to a deadbeat parent and permits the denial of a passport for individuals who are more than $5,000 or 24 months in arrears.

Mr. President, as I have pointed out, this legislation seeks to implement on a national level some of the successful child support enforcement mechanisms being utilized by some innovative States, like my home State of Maine.

Clearly these efforts pay off. But we can—and must—do much more. We have the tools to replicate the successes of States like Maine on a national level and begin to ease and eventually lift the economic and emotional burdens caused by delinquent child support payments.

Mr. President, as we reform the system to encourage welfare recipients to work, we must also ensure that we provide for appropriate and adequate child care for mothers with young children. And in instances where that child care is not available, we cannot penalize mothers with young children at a very fragile and unstable time in their lives as they struggle to make ends meet.

When we in this chamber talk about the need to protect the neediest in society and to protect some of our less fortunate citizens by casting a so-called safety net, nothing could represent that support more than helping mothers care for their children as they seek to make the move from the world of welfare to the world of work.

We must not condone a situation where a woman would be forced to choose between her children's well-being and her job and benefits.

We cannot allow, for example, a woman to leave her two young children at home alone, unattended, because she is required to work. To do so would be to give them a Catch-22 choice, a choice between the devil and the deep blue sea.

And many more women could be faced with that difficult choice than ever before under this bill. By requiring work participation rates to reach 50 percent by fiscal year 2000, it is estimated this will add an additional 665,000 children to those currently in need of child care.

The truth is, we have a long way to go before we can assure access to child care—let alone affordable child care. In dozens of States across America, there are long waiting lists for child care. In Alabama, for example, there are nearly 20,000 children on the waiting list for child care, adding up to an average wait between one and one-and-a-half years.

In Texas, a staggering 35,692 children are on the waiting list, with waits as long as two years. In my home State of Maine, there are more than 3,000 children on the child care waiting list.

Fortunately, there is light at the end of what for many women in this country is a very long tunnel.

I am extremely pleased to be able to say that the majority leader has decided to incorporate a major provision, I authored along with some of my colleagues, into this proposal to help address the issue of child care for parents on welfare. This is a critical issue for welfare reform, and one I have been working to address since the debate on welfare began.

With this new provision incorporated into the proposal, States will be prohibited from sanctioning mothers with children aged 5 or under if the State cannot provide adequate and affordable child care for those recipients whom it requires to go to work.

This is important considering that the Department of Health and Human Services has estimated that almost 62 percent of welfare recipients have children aged 5 or under.

I am also pleased to have been involved in a bipartisan effort by working with Senators ORRIN HATCH, CHRISTOPHER DODD, BILL COHEN, JOHN CHAFEE, JIM JEFFORDS and NANCY KASSEBAUM to allocate an additional $3 billion over 5 years in child care services funding.

Under this agreement reached with the majority leader, the States will be required to match child care funds at the Medicaid match rate.

This additional funding, when combined with the $1 billion that Senator HATCH's amendment sets aside for child care, will go a long way to ensuring that we make our welfare reform proposals viable and realistic options for single parents who need care for their children in this country.

Adequate child care funding is a major issue that the Governors themselves—in a letter to Majority Leader DOLE dated September 13—called the largest part of the up-front investment needed for successful welfare reform. And they are right.

This provision on child care funding is a significant point of agreement and consensus for all of us in this historic legislation, and I am heartened to see its addition to the bill.

We have also made progress in another area that I consider critical to our reform efforts—and that is the important issue of State maintenance of effort.

I, along with many of my colleagues, believe this area is a central component to the success of the reforms before us because we believe it is essential to continue the shared Federal-State partnership in welfare.

Since 1935 when title IV of the Social Security Act was signed into law, welfare has been a shared Federal-State responsibility. As we move to reengineer the system, both sides must renew their commitment to the partnership—and by this I mean both their moral commitment and their financial obligations.

Indeed, the States, like the Federal Government, face many competing forces for funding.

With the mandate from the public to reduce spending and balance State budgets, Governors and State legislatures face the same tough choices that we in Congress are in the process of making.

Some have written that this "is not a question of trust." But I believe it is, and some States are working hard to meet that trust, and they are succeeding.

Many States, like my State of Maine, have already made a strong commitment to welfare reform and I know that they will continue to do so. But my concern is that some States—precisely because of those competing forces for funding—may not.

States have a tremendous stake in the success of our welfare system. They should have a financial commitment as well, both in the cost as well as in the potential savings.

That is why we must include provisions requiring States to continue the Federal-State partnership.

Let me be clear about one point: We are not asking the States to increase their financial contribution, but we need to make sure that they do contribute. Toward that end, I supported and was cosponsor of the Breaux amendment to make those figures a 90 percent contribution over five years.

In response, the leadership agreed to include language that would require States to provide 80 percent of their fiscal year 1994 contribution to welfare for 5 years—the full lifespan of this bill.

Mr. President, let me conclude by saying that, like all broad-reaching Government reforms, this is not a perfect solution to the vast challenges that face our welfare system. There are some aspects that can—perhaps should—be improved. But I believe that this legislation moves us closer to a workable solution.

We have already spent countless billions on a welfare system that has made little progress in resolving the problems of the poor. We cannot afford to simply do nothing—to maintain the status quo, with all of its perverse incentives.

Instead, we must act now, and begin the process of ending welfare as a way of life, and restoring welfare assistance to its original purpose, to provide temporary help to our neighbors in need.

Americans have long demonstrated their generosity and their commitment to help our neighbors, families, and children in need. Yet Americans deserve to see results for their efforts and their investment in assisting the neediest. For 30 years, our welfare system has delivered positive results sporadically at best. Americans are demanding more for their investment, and we in Congress must heed their call and help States achieve welfare's noble goals.

Thank you, Mr. President. I yield the floor.

Mr. ROCKEFELLER. Mr. President, for a very long time, I have argued for welfare reform. My fundamental goal for reform is to see parents work and accept personal responsibility. Welfare should be a temporary program to help people become independent, not a trap of long-term dependency. But at the same time, innocent children should be protected and not punished for circumstances beyond their control.

I rise to explain how I came to the conclusion to vote for the final version of welfare reform legislation before the Senate this afternoon. My vote is for the basic idea that the current welfare system can't be continued. It must be changed. This bill is now our opportunity for changing the rules and encouraging major reform. While I strongly opposed the original bill offered by the Majority Leader, BOB DOLE, I am relieved that the persistent, dedicated work of a team that I was proud to join has resulted in many changes—including some major improvements that were essential for West Virginia—to the legislation. In my view, there are still flaws and disappointments in this bill. But as someone who serves to achieve the most good possible through consensus and cooperation, I am voting for this bill to do just that.

West Virginians have told me for a long time why they are anxious for welfare reform. It is unfair to hard-working families when it is too easy for others to receive public assistance that does not end. And for parents who want to work or can work, the system has to emphasize the means to that end instead of the criteria for staying on welfare. None of this will be easy, but it is time for these changes.

This is not a new mission for me. I have worked on ways to reform our welfare system for years. In 1982 as Governor of West Virginia, I was proud to start a program called Community Work Experience Program in our State that required many parents on welfare to work in their community when they could not find private sector jobs, mostly because of high unemployment. This idea is more commonly known as workfare, and West Virginia was one of the first two States in the country to start this program and we are still using it today. I believe in workfare and community service as important alternatives when a private sector job is not available.

In the Senate, I continued to work on changing the welfare system, and I am proud of the efforts begun in 1988 under the Family Support Act that passed with strong bipartisan involvement and support. This legislation was an important first step. While we all know that the Family Support Act was not perfect, it began to change the system to move families from welfare to work. The Family Support Act also gave States the latitude to try various approaches to welfare reform which have now encouraged bolder efforts, today.

Based on my goals for West Virginia and my work as Chairman of the National Commission on Children, I participated in the welfare reform debate as a cosponsor and strong proponent of the Democratic Leader's bill, "Work First." In my view, it was a mistake for the Senate to reject our amendment containing this bill. "Work First" would end welfare as we know it by eliminating the existing Aid to Families With Dependent Children (AFDC). The Democratic alternative would require work and promote parental responsibility, and yet at the same time provide the best safeguards for both children and State budgets during times of economic downturns. Unfortunately, this strong package was not taken seriously by the Republican side and was defeated.

So in good faith, Democrats did not disappear from the process to enact welfare reform, nor did we surrender on the goals we think the American people share, too. We have spent the last week on the floor to push for consensus and compromise on very important issues. It was discouraging to deal with the original Republicans' bill that made promises without the means to keep those promises. The early refusal to work in a bipartisan spirit was unnecessary, and made it very difficult to work through decisions that will have consequences for taxpayers and poor families in our States. But we persisted in order to make our best attempt at achieving welfare reform and protecting principles represented in the "Work First" alternative.

As a result, major changes have been made to the Republican bill on the Senate floor, including adding a maintenance of effort requirement to ensure that States continue to invest their fair share to help needy children and their families. This was a victory for the principle of responsible government and a major step in reserving adequate resources for poor children.

Child care funding is another fundamental change to the original Dole bill that is absolutely crucial if we are serious about moving parents from welfare to work. We should insist that parents go to work, but we also must be realistic and acknowledge that a lack of safe, affordable child care remains a barrier. Democrats worked very hard to secure additional funding for child care. I still worry that this final compromise might be short on funding, but I am relieved that we secured the additional funds for something that families literally can not go without. Let us remember that parents are put in jail for leaving children unattended. Government can not require parents to be at work if they do not have a way for their children to be cared for. When we talk about family values, child care belongs in how to turn our rhetoric into reality.

If we make the huge leap from an entitlement to a block grant program, one of my early goals has been to secure a contingency fund to provide additional help to States when poverty rises. Under the Democratic "Work First" alternative, we maintained the historic Federal-State shared responsibility for this population so there was no need for a contingency fund. But under a block grant approach, there is a need for some type of safeguard in times of high unemployment, natural disasters, or other unforeseen reasons that increase the number of very poor families in a State.

As a former Governor who led my State of West Virginia through a severe recession with double-digit unemployment rates, I am keenly aware of this problem. Families who always worked and never wanted welfare were temporarily forced to seek assistance because of harsh economic conditions in my State in the 1980s. Then, Federal assistance was there to help needy families through hard times even though our State revenues declined, and it would have been impossible for West Virginia to serve needy families without additional Federal help. Even with a contingency grant fund, I worry how a block grant approach will work when a State or several States face problems of high unemployment or a natural disaster. But after a hard battle, we managed to get a provision into this final legislation that will make the contingency fund a grant program, instead of loans, and which will offer real help when families and States hit difficult times.

As we think about the problems of unemployment, it brings to mind the worries of what happens to families who hit the time-limit in the midst of a deep recession? I know numerous personal stories, because I know families on welfare in West Virginia who would eagerly work, but the jobs just are not there. I submitted two specific amendments to this bill designed to give States the option of waiving the time limits for good reasons—such as high unemployment or if adults simply could not work because they were ill, incapacitated, or caring for a disabled child. In my view, it would be best to spell out limited reasons for exceptions. While my criteria were not adopted, our success in winning an increase in the States' hardship waiver from 15 percent to 20 percent will achieve the same goal. I appreciate the strong support for my amendments that was voiced by the National Governors' Association, State Legislatures, and other officials who know the practicalities involved in real welfare reform.

I also want to note why it is so essential to maintain the Senate approach on child welfare, foster care and adoption assistance. In the Finance Committee, we specifically stated our intention to retain current law so that the Nation's basic commitment to abused and neglected child would continue. Child welfare is very different than general cash assistance for poor children. Child welfare serves children at risk of abuse and neglect in their own homes. We should not reduce or cap Federal aid to such vulnerable children. That means we must maintain the entitlement nature of foster care and adoption assistance. There is support from both sides of the aisle for this in the Senate, and I specifically want to commend Senator CHAFEE for his leadership on the important issue. The Senate approach on child welfare and foster care system must be preserved in the conference, and I am personally determined that we not retreat from the country's important guidelines and reliable support that abused and neglected children rely on.

Bold changes in child support enforcement are a real victory in this legislative package. Because this was one section developed in a bipartisan manner from an early point, it has not attracted much debate or public attention. But West Virginians and our fellow Americans certainly know the significance of child support and insisting on parental responsibility. There are billions of dollars owed to children by absent parents. I cosponsored the bipartisan legislation offered by Senator BRADLEY which provided a good framework for the tough provisions in this legislation that will help collect those dollars. Getting tough on child support is a priority.

In addition to changing the rules, we also need to change attitudes. It is pathetic that adults are more responsible about paying their car loan payments than their child support. This is unacceptable and must be turned around.

As Chairman of the bipartisan National Commission on Children, I have been working on the issue of welfare and families closely for years. I want to find creative, bipartisan ways to strengthen and stabilize families. Our Commission issued a unanimous report that called for a whole new approach on children and family policy at all levels—Federal, State, and in our communities. The legislation passed today reflect some of the direction recommended by the Children's Commission. I strongly support the idea that States and local communities must take a leadership role in helping all families, including those needy families on welfare.

And again, I repeat my hope that this country will maintain a nationwide, steadfast commitment to safeguarding children. Our country has a stake in every child, whether a child is born to a poor family in rural West Virginia or a family in an inner city. A child born to an unwed mother has the same basic needs and the same potential, as a child who is more fortunate and born into a stable, wealthy family. I honestly don't believe that the legitimate cry we hear for welfare reform is a demand to forget or abandon children.

As I said at the outset, I believe in welfare reform, and it is obvious that the American public demands it.

As someone who has fought for children and families for years, I hope that the States receiving so much new responsibility for the fate of their poor citizens will take it very, very seriously.

Children are two out of three people who depend on welfare today, and they should not be punished. Because of this deep concern, I was one of the members who pushed very hard to incorporate an evaluation amendment into this legislation. We should acknowledge that this legislation is a huge experiment. We are eliminating the Federal safety net that has assured minimum support for needy children and families for over 60 years, and this legislation will replace it with a new approach. While AFDC has serious flaws and must be changed, this approach is new and untested. I feel a strong moral obligation to thoroughly study and evaluate how this new approach serves children and families. Optimists and staunch supporters of the Work Opportunity Act predict this bill will reduce dependency and move families from welfare to work. Critics warn that children will end up on the streets.

I am willing to try, and I am willing to vote for this legislation. But I insist that we monitor it closely to evaluate carefully how children are affected. Because of our evaluation amendment, we now have this commitment and obligation.

I truly hope that this bill fulfills its bold promise to help move families from welfare to work and to end the cycle of dependency. When a conference is established to negotiate the final welfare reform bill to send to the President, I hope that the debate and revisions that have taken place here in the Senate will be taken extremely seriously. And if and when a welfare reform bill is signed into law, and if the warnings of the critics are true and children are abandoned, we must swiftly revise the law and try again.

My fundamental principle remains that children should be protected. From my work on the National Commission on Children, I believe in building consensus and trying creative approaches. For the sake of our children, and the future of our country, we need to chart a bipartisan course that emphasizes cooperation on behalf of children and families. Children should not become pawns in a partisan rhetoric and politics, and I hope that the conference on welfare reform will adopt such an approach so that common ground and reasonable compromises will be achieved.

I congratulate the numerous Senators, staff members, and experts who devoted untold hours and energy into preventing the original Dole bill from succeeding and working out important, vital improvements. West Virginia was better served through the process of these revisions, and will be better equipped to prod and help poor families avoid dependency. I worked hard to achieve the changes most important to my State, and I hope they will remain in the final welfare reform legislation that must be negotiated with the House.

Welfare reform must also work in the real world. We have seen in the recent months once again how attractive the words are to politicians and others who see advantage in dividing people, scoring cheap points, and pretending that the country's problems are easy to solve. That is an injustice to all Americans, to taxpayers frustrated with the welfare system and to the families who find themselves poor for whatever reason. We know that America feels best when we succeed in achieving ambitious goals by pulling together, living up to our Nation's principles, and making the effort required to get the job done. Welfare reform is a very ambitious goal, and the passage of this bill takes us one step further to accomplishing the real results and true change that Americans expect.

Mr. GORTON. Mr. President, 30 years ago President Johnson had a dream of a "Great Society" where the United States Government would undertake to lift the poor out of their wretchedness. Today, the intended nobility of his dream has been obliterated by the horrors of crime, drugs, illegitimacy and total family breakdown. Mr. President, I am not just saying that welfare does not work; I am saying that it is hurting those it purports to help.

Hundreds of thousands of Americans are suffering because the Federal Government insists on centralized control over a system that is not living up to its promises. Thirty years of welfare state have not eradicated poverty, not made a dent in poverty; if anything, poverty in America has become more wretched than ever before.

What we know now, Mr. President, is a Federal bureaucracy that has shown itself virtually incapable helping needy people. More Federal mandates are not the answer. Control over welfare must be relinquished to State and local governments. Federal control certainly does not work, and the only way we can determine what kind of public assistance program will work is if we let States and local communities experiment.

Mr. President, I have heard from people in Washington State who have knowledge of and experience with the present system and who fervently believe in disassembling welfare as we know it.

This year, Washington State legislators tried to overhaul the State welfare system. Their frustration mounted as their innovative ideas were killed by overwhelming amounts of waivers, directors and general red tape from the Federal Government.

Social workers are often too busy keeping up with paperwork and complicated, sometimes conflicting, Federal regulations to help people get jobs and become self-sufficient.

I have listened to people who are on or have been on welfare. Their stories alone are enough to convince me that the system has to be charged. Welfare, you see, punishes people for trying to get out. One woman in Whatcom County was not allowed to participate in a job training program because she hadn't been receiving public assistance long enough.

Mr. President, the faults and iniquities of welfare run wide and deep. We must face the problem. We must stop pretending that by tinkering here or changing a bit there that everything will be better. What we must do is completely restructure public assistance in America. It is well past time for Washington, DC to relinquish control over welfare to States and local communities.

There are a lot of things the Federal Government is good at—handing out checks and creating bureaucracies are particular areas of expertise. But the Federal Government is not so good at setting people free from its control.

The current system pits people against government institutions. it prohibits innovation. When local communities try to implement new ways to combat poverty, unemployment and illegitimacy, the bureaucracy balks, throwing up barriers to new ideas and community involvement, and enforcing the same old mandates.

Frankly, Mr. President, bureaucracies do not care if people get off welfare or stay on it for the rest of their lives. But there are many of us who do care, who do want to relieve the plight of so many of our fellow Americans.

The liberals who have supported the Welfare State these many years are reacting with vehemence against proposals to let States and local communities have more of a say in public assistance programs. This reaction points to the distrust most liberals have toward people, as opposed to government institutions. Does it make sense to say that a bureaucrat in Washington, DC cares more about needy people in Spokane, WA, than do the actual citizens of that community? I do not believe so.

Mr. President, the only way to stop the dependency, the illegitimacy, the family breakdown, and the hopelessness of the current system is to truly change—not merely tinker with—the way it is run. If our goal is to improve people's lives, then we can't continue on the path we're on now.

We must allow people the opportunity to make their own lives, to provide for themselves and their families, to feel the pride of honest work, and to be the deciders of their fate—not to have the Federal Government as their master.

Mr. President, I support the majority leader's welfare reform bill because it provides the best means for giving responsibility back to local communities and ending the Federal Government's control over how money is spent and programs administered. This legislation, America's Work and Family Opportunities Act of 1995, does not fall into the trap of trying to manage the system from Washington, DC. State and local governments, instead of being told what to do by Federal bureaucrats, are allowed to experiment and come up with solutions that meet local needs.

The last thing we need is yet more Federal mandates to stifle local innovations and solutions. Mandates that sound wonderful in the Nation's Capital can wreak havoc when they are put into practice—in truth, we have no way of knowing if they will work. Giving States flexibility will produce programs both successful and unsuccessful; when we can distinguish one from the other, perhaps more Federal guidance will be in order.

Our only hope for ending welfare as we know it, Mr. President, is to end the bureaucracy, end the incentives for staying on the rolls and out of work, and end the institution which has bred social disintegration. Washington, DC is going to have to do something entirely foreign to its nature: give up some of its power and mind its own business.

Mr. President, it is no longer enough to say that we mean well, that we have the proverbial good intentions. Let's stop the arrogant, self-important assumption that we can single-handedly run things out of Washington, DC. In the case of welfare, that's what we've been doing for 30 years, and its been a disaster.

My goals is reforming welfare area straightforward: Do away with the current system, and replace it with one that encourages work, discourages illegitimacy, and stops the cycle of family destruction. I believe America's Work and Family Opportunities Act of 1995 will best accomplish these goals.

Mr. DODD. Mr. President, although I vote today in support of welfare reform, it is with strong reservations.

We all agree that our Nation's welfare system needs reform. Members on both sides of the aisle, most of our constituents, our Governors, everyone agrees that the current system does not work.

And while we all have agreed that the system needs change, there has not been agreement on the right approach. The original Dole welfare proposal was totally unacceptable. It failed to designate a dime for child care, would force parents to leave kids home alone, and did not focus on actually getting our current welfare recipients into real work.

Enough significant improvements have been made, however, to lead me to vote for this bill. It looks totally different from the House version and is no longer the bill introduced by the majority leader.

The bill now emphasizes work. Unlike its original version, it now measures work instead of participation rates. It recognizes that child care is essential to getting people with young children to work. The bill now includes a work bonus for States and includes other provisions that truly commit us to moving adults off the welfare rolls and onto payrolls.

The current version of the bill also includes many more protections for children. The original Dole bill designated no money for child care. We now have $8 billion over 5 years to help ensure that no child is left home alone. I initially pushed for $11 billion, the amount we have heard is necessary to make the work requirements effective, and came close to securing that amount.

In the original Dole bill, women with infants and toddlers, in effect, would have been told to leave their kids home alone or face penalties. The bill we vote on today says that mothers with children under 6 cannot be sanctioned if they cannot find child care. The modification also says that States can limit required work hours for parents with kids under age 6 from 35 hours to 20 hours per week.

Democrats made significant improvements in other areas too. The bill now includes a maintenance of effort requirement for States so that taking care of our Nation's poor children remains a joint responsibility between the Federal and State governments. And the bill provides a limited contingency fund for States to deal with downturns in the economy. It is not as much as I would like to see, but it recognizes that flat-funded block grants do not address sudden or prolonged changes in a State's economy.

The bill also, now, provides money for second chance homes—as a way to really try and get at the problem of teen pregnancy. The original Dole bill had no money for these homes. I also am pleased that punitive measures that would have required all States to impose the family cap and deny benefits to teen mothers have been defeated and excluded from the bill.

While I am pleased with the changes we were able to make in the bill, problems remain. It includes no protection for children whose parents meet the time limit. Republicans opposed even allowing States to decide whether or not they would provide vouchers for children whose parents met the time limit. The absence of this provision—a safety net for kids—troubles me.

Also of concern, the contingency fund offers States only $1 billion where we sought $5 billion. I worry, ultimately, about the impact of these deficiencies on States that face economic downturns.

But ultimately, all of us must make a choice here today, and despite the measure's deficiencies—I intend to vote to move the process forward. But I want to make myself perfectly clear: if it returns from the House, looking less like the bill we have here today—if it destroys child protection programs, if it takes away school lunches, if its child care provisions do not reflect the significant progress that's been made in this body over the passed week—then this bill and welfare reform is in real trouble.

So I hope that a strong vote for the bill today will not be construed as an indication of support for whatever comes back from conference. This is simply not the case. A serious retreat from what we adopt here today will lead me to stand up and oppose the legislation.

As I have said all the way along, I believe that going from welfare to work is something that ought to be supported. This vehicle gives us the opportunity to do that with the improvements that have been made in it. So, with reluctance, I will support this legislation and await the outcome of the conference.

Mr. KERRY. Mr. President, making significant alterations in a governmental service or program that affects many people almost always will be controversial. The Senate will act today on a bill that falls into that category. The welfare reform legislation addresses a vexing set of social problems, a portion of our population that indisputably has great need, and our society's hopes and desires that people, especially children, be treated humanely but that all adults able to do so contribute to the Nation in which they live and achieve self-sufficiency to the extent of their potential.

There are some component issues about which there is widespread agreement. The existing welfare structure fails in far too many cases to provide a sufficient incentive to adults—and the various kinds of temporary assistance they need—to move toward self-sufficiency. The abuses of the existing system—while they very likely are statistically infrequent—are sufficiently frequent and sufficiently provocative that the system has lost the support of the American people. The commendable benevolence of the American people toward those who truly have experienced misfortune due to no fault of their own and need some help in getting back on their feet, has been sorely tested.

Indeed, my patience with the existing welfare system has been exhausted. It is my judgment that our welfare system badly needs overhaul. It is failing to contribute sufficiently to the self-sufficiency of those it is intended to help. Instead, all too often it perpetuates dependency.

Welfare reform was a prominent objective of those whose party won the elections last fall, and who gained control of both Houses of the Congress. They produced legislation to dramatically alter the existing welfare structure and system. Earlier this year, the House of Representatives passed a far-reaching bill. That bill basically takes the welfare problem and dumps it in the lap of State governments. It announces in effect, "Henceforth, the wellbeing of impoverished adults and their children will not be a Federal problem." That bill takes the Federal funding now being spent on welfare, and, after cutting the amount, simply hands it to the States and says "Go solve this problem. Good luck." While that is admittedly a dramatic oversimplification of the bill, it is a bill I could not support.

The majority leader, Senator DOLE, brought a welfare reform bill to the Senate floor in August—a significantly modified version of legislation reported earlier by the Senate Finance Committee. Mr. President, that bill was not satisfactory to me. It was excessively punitive—it appeared to penalize the poor harshly for conditions not infrequently beyond their control. It, like its House counterpart, appeared to be a headlong rush to dump the problem of welfare on State governments, with little concern for the impact on the impoverished or the States or the social fabric of our Nation.

But I'm pleased and relieved to say that, to a considerable extent, the legislative process our Founding Fathers established worked as it was designed. A number of colleagues on this side of the aisle, some on the other side, and I offered a series of amendments designed to transform the bill into a bill worthy of the term "reform."

The results of this process confront us today, Mr. President. It is not a perfect bill, not by a long shot. It differs in a number of ways from the bill I would design were I in a position to decree the complexion of our Nation's welfare system.

But in the face of great need to shore up the way in which our Nation deals with its impoverished population, a widespread demand by the public to make major changes in our welfare system, and the social imperative to focus our available resources on moving poor adults into self-sufficiency and provide a path from poverty for poor children, I believe this is a bill that meets the threshold test for acceptability. It turns the corner from a street going the wrong direction onto a street pointing toward our objective.

One has only to look at the alterations made in the bill while it was being considered on the floor.

While the ultimate responsibility for poor people is shifted to the States, the States are required, for the next 5 years, to continue to spend a minimum of 80 percent of the amounts they spent for welfare in past years and 100 percent of the amounts they have spent for child care. The original Dole bill contained no such maintenance of effort requirements.

The original Senate bill contained no funding whatsoever for child care for children of adults required by the bill to seek work. The bill on which we will vote today authorizes $8 billion for this purpose.

The original bill measured its success in moving persons from welfare to work on the basis of participation rates. The bill on which we will vote today will measure actual work.

The original Dole bill raided existing job training funds to include them in the welfare block grants to the States. The bill before us today drops the job training titles, and the Senate will return to address those separately at a later date.

The Dole bill required all adults on welfare to seek work and accept jobs when offered. The bill on which we will vote today exempts mothers of infants less than 1 year old.

The Dole bill made no distinction between women with very young children and women with school-age children. The bill we consider today permits the States to comply with the work requirement if mothers of children under age 6 work a minimum of 20 hours a week.

Mr. President, I am confident this bill will pass the Senate today. I intend to support it. Should this bill, or one substantially like it, become law, it will establish the national laboratory desired by the Governors and legislators of many of our States. The attention will now shift to the States—to see if they can, as they have fervently maintained, achieve economics never realized by the Federal Government, and, in particular, to see if they can move adult welfare recipients into work. I am very hopeful that the advocates—both at the State level and here in Washington—knew what they were talking about and will show themselves to have merited our trust and confidence on these very important matters.

This course is not without risk, but the imperative for reasonable action demands that we take some risk. That is the only way we can leave behind a psychology of dependency and instill a psychology of self-help with temporary, transitional government assistance. It is the only way we can redefine welfare so that, for the able bodied adult population, it means assistance in preparing for, finding, and holding gainful employment. I support these changes in direction; consequently I will vote to pass this bill.

In conclusion, Mr. President, I want to emphasize two key considerations. First, the conference action on this bill will be critical. The safeguards and moderations added to the bill on the Senate floor are vital to my support and that of a number of my colleagues. I am very hopeful that the conferees, particularly those of the majority party, will keep this in mind, and that they want to enact a bill that has the support from both parties that will be necessary to secure enactment.

Second, if this bill passes today—even if this bill becomes law—no one should prepare to relax. Some of the vexing problems confronting our society are addressed in this bill. But by and large this bill deals with persons who already have been left behind by our society. Its provisions are remedial. The bill does nothing to reach out to this Nation's greatest resource—our children—and provide to them the educational opportunities and the opportunities for participation in positive activities ranging from Boy and Girl Scouts to athletics that will weave them into the fabric of our culture, prepare them to take their place as self-sufficient and psychologically stable adults, and give them an alternative to falling into the activities of the street that can spell alienation, lives of crime, or even untimely death. We have much, much more to do, Mr. President, and this is only the opening chapter.

I commend those who struggled to make this bill more realistic, more humane, and more likely to live up to the grand promises it pronounces. I share the hope of those who vote for the bill that it will, indeed, change the course of public assistance for the benefit of the children and adults directly affected, our communities, our taxpayers, and our Nation as a whole.

Mr. ROTH. Mr. President, the American people are united by the fundamental issues of welfare reform which have divided us throughout much of this debate. It is clear that they have demanded a dramatic change to a system which they view as ineffective and indeed as an impediment to the progress of both the individual and society as a whole. The $387 billion welfare system has sapped the spirit of many, most especially of our young people, and our national economic strength.

It has now been 60 years since the Social Security Act was passed which created the aid to families with dependent children program. According to the act itself, the purpose of title IV of the Social Security Act, is in part, to help maintain and strengthen family life and to help such parents or relatives to attain or retain capability for the maximum self-support and personal independence.

For too many, this is no longer a system which helps to maintain and strengthen family life in America. Many, in fact, believe the welfare system has the opposite effect on families. The theories which supported public policy in the past have been dispelled by the last 30 years of experience. The misplaced hope that Washington could somehow correctly calculate the formula to solve the problems of poverty is simply wrong. What happens in the home, in the neighborhood, in schools and churches is far more powerful than the Federal Government. We have known this all along.

But knowing is different than doing. Today is the day we do something about what we know.

We know that work is necessary to attain self-support and personal independence, Today, we elevate the value of work to its proper level of esteem in public assistance programs. We know that if welfare is to be only a temporary means of support, the key to personal independence is work. We know this basic fact of life is true for all families, at all levels of income. It is true for past generations. It is true for this generation and all future generations. Work is not only necessary as the means for obtaining our daily bread, it is part of our social fabric. Whether in the neighborhood or in the world, work brings order to chaos. Many other freedoms flow from the freedom to work.

We know the current welfare system is designed for failure. Under the heavy hand of the ponderous and paralizing bureaucracy of the Potomac, no one is accountable for results.

Today, we will provide the States with the responsibility and authority they need to break down the barriers and false promises of the present system. Properly understood, welfare reform is about reforming how Government works. The American people will greatly benefit from the rejuvenation of the States' role in our system of federalism. The lines of accountability have been blurred for far too long.

Mr. President, today is the day to leave the past behind. To sum up what this debate is truly about, let me quote from a letter sent last week by Governor Allen of Virginia:

> What the debate really boils down to is who does the U.S. Senate trust to make these policy decisions—the Federal bureaucracy or the elected representatives of the people at the State level. This is a basic philosophical question. The choices you make will determine whether the bold innovations that are occurring in Virginia and other States can move forward, or whether Federal bureaucrats will continue to micromanage and second guess the decisions of the people of the States and their duly elected representatives. I respectfully urge you to place your trust in the States, which are leading the way.

Mr. President, I urge my colleagues to put our confidence and faith in the sovereign States. Let us break from the past and free the States and the families who need a temporary hand-up from the system which has failed us all.

Mr. President, there are a number of Members and staff who deserve our recognition and appreciation for moving this legislation forward. Above all, the majority leader has done a masterful job in delivering on the promise of welfare reform. At several points over the past few months, it looked as though a comprehensive bill would slip through our fingers. Once again, he has demonstrated his skills as a true leader.

I congratulate Senator MOYNIHAN on his tireless efforts on this legislation. His knowledge of these issues cannot be matched.

Let me also thank those Senators who did remarkable jobs managing this legislation under very demanding and trying circumstances, especially Senators NICKLES, SANTORUM, GRASSLEY, CHAFEE, HATCH, and SIMPSON.

Few people will understand or appreciate the enormous job done by the staff in helping to get this legislation passed. The bill itself was nearly 800 pages long at the beginning of consideration. We added more than 200 amendments into the process. The staffs from Finance, Agriculture, and Labor Committees as well as from the leadership offices, the Congressional Budget Office, and legislative counsel accomplished a rather remarkable feat. In particular, let me thank and commend Sheila Burke in the leader's office, and Lindy Paull, Kathy Tobin, Rick Grafmeyer and Joe Zummo from Finance for their great efforts and dedication. Other staff members who deserve our thanks are Dave Johnson, Peg Brown, Susan Hattan, and Shannon Royce. From the Democratic side, Margaret Malone, John Secrest, Joe Gale, and Mark Patterson made special contributions to this legislation.

There is still much work ahead of us as some of the details differ between this legislation and welfare reform as passed by the House last March. But the most important test, the strength of our will to break the cycle of poverty, has been met. I look forward to completing our work and to sending real welfare reform to the President.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I thank the distinguished managers and the Senator from Wisconsin for permitting me to speak for 5 minutes at this point on the welfare reform package. I have been engaged for the past several weeks, almost continuously, with the Ruby Ridge hearings, but I did want to make a few comments and have them printed in the RECORD before the vote.

Mr. President, I think we have passed a reasonable welfare reform package today with overwhelming, bipartisan support. The issue of welfare reform has been one that I have been very much concerned about for many years, having introduced welfare reform legislation going back to the 99th Congress, with Senate bills S.2578 and S.2579, and then in the 100th Congress, with Senate bills S.280 and S.281.

I especially compliment my colleague, Senator SANTORUM, for his outstanding contribution on this bill and all the Senators for working on a bill which has broad bipartisan support—a virtual consensus—of 87 votes in favor of this bill.

I am very much worried, frankly, about the admonition of our distinguished colleague from New York, Senator MOYNIHAN, who has issued the concern, the warning, that we may find children sleeping on grates. As we have structured this 5-year reform package, we have to be vigilant on that. Certainly, we have seen the development of a homeless class in America as a result of the release of people from mental institutions in the late 1970's without appropriate community support.

I am pleased to see that there have been significant improvements on this bill, characterized by the Congressional Quarterly this week at page 2805, September 16, 1995, commenting about how centrist Republicans have been able to achieve significant results with what you might characterize as the balance of power, coming in with a very strong stand on important matters like child care and maintenance of effort provisions for the States.

The bill did contain a provision, on which I worked from the outset of the welfare reform debate, that would not sanction the benefits of a single, custodial parent with a child under 5 who demonstrated an unmet need for child care.

There were a couple of important provisions where, frankly, I casted a couple of votes I was not happy about but did so in order to set the stage for compromises. One of them was an amendment to fund child care offered by Senator DODD, which was defeated narrowly, 50 to 48. My principal concern for opposing the amendment was a lack of an offset for six of the eleven billion it proposed. But that negative vote was cast in anticipation of a compromise which was later reached, providing for some $3 billion over 5 years exclusively for child care.

The second issue was the maintenance of effort provision, where Senator BREAUX offered an amendment requiring States to maintain 90 percent of their 1994 match on welfare spending for 5 years—the duration of the bill. I opposed the Breaux amendment with the assurance from the managers and the distinguished majority leader, Senator DOLE, that a 80 percent provision on maintenance of effort for the States would be inserted and would be fought for in conference as opposed to the 90 percent provision which would not be retained in conference. As usual, the better is the enemy of the good. I supported the majority leader's position, voted to defeat the Breaux amendment, and we have eight-tenths of the loaf with an 80 percent maintenance of effort.

Senator DOMENICI led a very important battle on the vote to strike the family cap, which was agreed to by a very substantial number, 66 to 34.

So that as we have come to the end of the debate on welfare reform, I think we have a reasonably good bill. Of course, we will all be watching it very, very closely to see what the outcome is from the conference. Beyond the conference report, we will have to maintain a very close vigil over this very important subject to make sure that the prediction and concerns expressed by Senator MOYNIHAN do not eventuate, where we do not find the situation where children are sleeping on grates.

Mr. DOLE. I yield 1 minute to the Senator from Michigan, Senator ABRAHAM.

Mr. ABRAHAM. Thank you, Mr. President.

For 30 years we have tried to fight the war against poverty and after 30 years, poverty is winning that war. We talk about helping children, yet today more people are below the poverty line than when we began the war on poverty—most of them children.

It is hard to argue that the programs that have been in effect are the ones that help children when you see the results of those programs up close, as we do in my State of Michigan. The last few years, through waivers, we had more flexibility in our State and we have been able to address many of the welfare problems much more effectively than any other State in the country.

This bill gives all States the kind of flexibility to deal with these problems the way we are dealing with them in Michigan. I believe it will succeed in moving more people to work and helping more children than the present system possibly could allow.

Mr. President, this bill also addresses, I think for the first time, the illegitimacy problem in this country. It may not go as far as some would like but takes an important first step in that direction. And, above all, I think by requiring tough work sanctions, it finally places the welfare debate, I think, where most persons would like to see it, where people who are the beneficiaries of Federal support and State support perform some type of community service or work in order to make a contribution to the process.

As a result, I think the majority leader deserves great credit for what he has done in 9 short months here. We have really ended business as usual. When we pass this bill today, we will be saying business as usual in welfare is over.

Thank you, Mr. President,

Mr. DOLE. I yield 2 minutes to the Senator from New Mexico, Senator DOMENICI, chairman of the Budget Committee.

Mr. DOMENICI. Mr. President, fellow Senators, first I want to join in complimenting Senator DOLE on putting together a bipartisan bill.

I have been sitting here listening to those who oppose this bill and it seems to me they are talking about a program, talking as if we have a welfare program that works. The problem is, we have a welfare program that does not work. We are not the only ones saying it does not work. About 90 percent of Americans say it does not work.

Why would we keep something that does not work? It would seem to me that we ought to try something new and different.

My second point is a very simple one. We are talking here as if the only one that knows how to take care of poor people is the U.S. Government. As a matter of fact, Mr. President, and fellow Senators, there is no welfare in America unless the States put up money. If the States have decided they do not care about children and they do not care about need, there would be no welfare program in the sovereign States of America.

All we are saying, since they put up the money, at least part of it—half of it or more—let them try to run the program. Some would have us think that that money they will get for 5 years from us they can spend on highways. They have to spend it on those people that are needy in their State.

We are giving them some flexibility to try to do it better. What is wrong with that? Essentially, we are saying to our States, "You have been paying for a program. We have been telling you how to run it. Now we would like you to run it yourselves." And the only way that the ominous predictions of those on the other side who have opposed this would be anywhere close to true is if the States in America, the Governors and the legislators, decide that they are going to purposely ruin the program. And even at that, they cannot spend the money on anything else.

I believe we are going to have better welfare programs, more responsive programs, that people are going to go to work if they are able-bodied—and I stress able-bodied—and I do not think there is anything wrong with that experiment.

It is as noble as the experiment that has failed.

I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Louisiana.

Mr. BREAUX. Mr. President, I yield myself 2 minutes of the Democratic leader's time.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, my colleagues in the Chamber today should vote for this bill, not because it is a perfect bill, because it is not, but because it is a good start. Some have said this bill is a block grant and for the first time Washington, DC, gets out of the way. My concern is that, being a block grant, it does nothing to solve the problems of welfare reform. It just puts all the problems in a box and mails it off to the States and hopes the State do a good job.

Someone said "Today, Washington, DC, gets out of the way." The original Republican proposal said and allowed for the Federal Government to, perhaps, pay for 100 percent of the costs of welfare reform. That is hardly saying that Washington would get out of the way, but rather that Washington would get stuck with the entire bill for welfare reform.

This bill really does address work. For the first time it says people should go to work within 6 months. Welfare reform is not about programs, it is about creating good jobs for people on welfare. This bill is a step in the right direction.

Reform should be about taking care of children, and while this bill is not perfect, it provides $8 billion for child care because of the efforts of many of us—my colleague from Connecticut on this side included. When it left the Finance Committee it had zero money for child care. This bill puts $8 billion in it for child care.

In addition, it says the State should do something. That is reform. The Finance Committee bill said the States had to do nothing whatsoever, and that was going to be reform. This bill says the States have to maintain at least 80 percent of what they were doing.

Mr. President, we should pass this bill. It can become a better bill. That is our hope.

The PRESIDING OFFICER. The time of the Senator has expired. The majority leader.

Mr. DOLE. Mr. President, I yield 3 minutes to the Senator from Pennsylvania, Senator Santorum.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. I thank the leader for yielding. Mr. President, I want to say, we have come a long way. Having worked on the House task force, 2 years ago, on welfare reform, and having introduced a bill and worked on it diligently since then, I do not think anyone, in as short a time as 2 years ago, would have expected us to pass a bill as dramatic, as progressive, and as focused in trying to create a dynamic system to try to help people out of poverty as we created in the Senate today, and I am proud of the accomplishment.

I want to recognize several people who turned this ship around when it did not look like it was going to sail. First, I thank Senator PACKWOOD from the Finance Committee. He put together the shell of this bill and really did work diligently with Senator Ashcroft and Senator GREGG, two former Governors, in putting together this shell that we then filled in as the process of negotiations off the floor and on the floor continued.

I also thank Senator HUTCHISON. I think, if we had not figured out the financing mechanism, the formulas, this bill would just simply not have been able to sail. She just did yeoman's work in putting that together, and really deserves a lot of credit for moving this bill forward.

For what happened all throughout the process, but particularly at the end, I thank the leader. He really had faith in the process to continue to move it forward, to bring it up when many thought it could not be done. He continued to push forward, finding common ground between the moderates and conservatives, bringing people together, constantly bringing people together to keep moving. Because I think he recognizes, as all of us do, the importance of solving this serious problem for millions of Americans. He deserves a lot of credit for this bill.

This bill is dramatic. You are going to hear reported it does not go as far as the House bill, and this is a minor reform, and they are going to downplay this. All they are going to talk about in the press is how we differ from the House. But I tell you, this bill goes so much father than anyone could have anticipated just a short time ago. It ends the entitlement to welfare. It requires work. It puts a time limit on welfare benefits, which again is a dramatic change in the current system.

I have heard people say we have eliminated the safety net. I do not know what safety net they are looking at, but I tell you, when you see millions of people trapped in poverty for their whole lives, generation after generation, that is not a safety net, it is a fisherman's net. You are trapping people in a fisherman's net, and what we are trying to do is cut back the net so people can climb out, not so people fall through.

That is the difference between what has been proposed in the past and what we are proposing today, and it is dramatic. It is significant. And I can tell you, the difference between the House and the Senate, while it will be played up in the press, is not that significant. What we have are the frameworks of two bills that are very similar. We are going to move in the same direction. I believe, when we get to conference, we will be able to get a bill and I do not think it is going to take as long as people think.

We have a lot of common ground here. We understand it is important to get this bill in for reconciliation and I believe we will do it. I, again, just want to tip my hat to the leader for his tremendous work on this bill. If it was not for him, we would not be here today.

The PRESIDING OFFICER. The time of the Senator has expired. Who yields time?

The Senator from Connecticut.

Mr. DODD. Mr. President, I ask consent to speak for 2 minutes under the leader's time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. Mr. President, I will be very brief. First of all, let me commend those who have been involved in this debate. We talked about a number of Members here today. Let me point out, as I have on numerous occasions, the distinguished senior Senator from New York, who has forgotten more about this issue than most people ever remember. I commend him and thank him for the enlightenment which he has shed on this particular issue.

Having said that, I am going to vote for this bill. I do so with a high degree of reluctance, as my colleagues know. I think this is a narrow call, but in my view, the product we vote on now is a substantial improvement over what was originally proposed. I say that with all due respect to my friend and colleague from Kansas, the majority leader. There are improvements here. And, it is substantial in its difference over what was passed in the House of Representatives. Of course, there are fundamental differences which may never be resolved over issues such as the entitlement.

But, because of the 20 or so improvements that were made to this bill by amendments offered from people on both sides of the aisle, principally on this side, this is a bill which I think can be supported today. It goes much further than the original proposal, certainly, in the area of child care. There was zero money designated for child care in this legislation at first. My colleagues know that I would have done more in the child care area. I would have liked to have seen as much as $11 billion over 5 years. We ended up with $8 billion over 5 years—still, a substantial improvement.

Let me say to those who will be responsible for moving this product forward, if this bill comes back from the House with any kind of serious retreat from what we have adopted here, then I will stand up and vehemently oppose the legislation and recommend that the President veto the legislation.

This is a bill that, in my view, can be supported. It steps in a direction, and no one can say with absolute certainty where it will take us. I appreciate that. But, clearly, the system does need changing and this proposal offers us that opportunity.

As I have said all the way along, I believe that going from welfare to work is something that ought to be supported. This vehicle gives us the opportunity to do that with the improvements that have been made in it. So, with reluctance, I will support this legislation and await the outcome of the conference.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOLE. Mr. President, I yield 2 minutes to the Senator from Wyoming, Senator SIMPSON, a member of the Finance Committee.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I never dreamed, when I came on the Finance Committee, we would be involved with so many vigorous activities. Of course, this was the principal beginning, and now, within these next hours, our committee will meet to decide how to trim some $470 billion from Medicare and Medicaid. And that is a must or else that program will go broke in the year 2002.

Welfare reform is long overdue. We have had 2 weeks of debate on all of the issues. It is time to pass this in a bipartisan way, give these programs over to the States. What we have done before has failed. So change is difficult, but something is very, very wrong with welfare. We know it. The Democrats know it. The Republicans know it. The President knows it. Now is the chance—to have a chance for the States to run these programs with much less Federal regulation, much more flexibility. They have recognized the needs of so many of us in this body.

I want to commend leader DOLE, BOB DOLE, Senator DOLE, on listening to our concerns, paying careful attention to our needs at every level, every State receiving necessary attention to the things that concern us and, because of his efforts, this is now a bipartisan effort with most Senators voting to support this legislation. He has accommodated many of the Democratic concerns, including much needed child care, State maintenance of effort, and a contingency fund for the States.

I thank him for his efforts. We will wait for the conference report but, hopefully, those of us who have been involved in this one so long know it is better to get a crumb when you cannot get a loaf, in this type of work.

Thank you very much.

Mr. MOYNIHAN. Mr. President, I yield myself the remaining 3 minutes in opposition.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, the word reform means to restore to an earlier good state. Sir, there was no earlier good state of our present welfare system. It began as a widow's pension, a societal transformation program.

In 1988, with the Family Support Act we began to say that welfare cannot be a permanent way of life; it has to be a transition. It has to be an exchange of effort between the society, and the individual caring for children.

A year and a quarter ago on this floor, I introduced S. 2224, the Work and Responsibility Act of 1994. This was the administration's welfare reform measure. I introduced it on behalf of myself and Mr. Mitchell, the majority leader at that time, Mr. BREAUX, Mr. DASCHLE, Mr. DODD, Mr. KENNEDY, and Mr. ROCKEFELLER. It had taken a year and a half to get to it, but it was welcomed, and it was in the tradition that we have upheld for a good 20 years now.

The table of contents sets the tone. Title I, JOBS—job opportunities and basic skills; title II, work; title III, child care; title IV, provisions with multi-program applicability; title V, prevention of dependency; title VI, child support enforcement; title VII, improving Government assistance and preventing fraud; and title VIII, self-employment and microenterprise demonstrations. That was the track we were on. The Family Support Act of 1988, to which this was to be a successor, came out of this Senate floor 96 to 1.

I fear we have lost that tradition. We are ripping out a portion of the Social Security Act today. I fear we may be now commencing the end of the Social Security system.

The one thing not wrong with welfare was the commitment of the Federal Government to help with the provision of aid to dependent children. We are abandoning that commitment today.

Mr. President, I thank the Chair. I thank all concerned.

I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, I ask unanimous consent that both the majority leader and I have 10 minutes remaining in the final moments of this debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, first let me begin by thanking Senators MIKULSKI, BREAUX, DODD, and MOYNIHAN for the great effort they have put forth to bring us to this point. Were it not for their leadership and their participation, we would not be here today.

I also want to thank the majority leader for his willingness to work with us and address many of the concerns that we have raised during the course of the last several months.

Most of us began this debate with the realization that the current welfare system needs repair. It does not enable people to become self-sufficient. It does not contain the resources to put people to work. It is not flexible enough for many States. It sends the wrong messages to welfare recipients—that work does not pay and that welfare can become a trap.

As a result, most people agree that reform—or whatever term we may want to use to address those problems—be addressed legislatively. We recognize that there is no perfect solution. There is no easy solution. As Senator MOYNIHAN has said, in spite of our best efforts, we have not found one today.

The disagreement really has been about the solution. In the view of most Democrats, the original Republican bill was extreme and misguided. It boxed up all of the current system and shipped it off to the States, saying, "You do it." It was our view that that was not reform.

The bill we have before us today is a better bill. The bill before us today requires that the States provide at least an 80 percent maintenance of effort, and 100 percent maintenance of effort for child care. There is a $1 billion contingency grant fund, and there are no mandates from the extreme right wing.

In our view, the original bill was not about work. In fact, the Finance Committee bill did not even require work. It did not measure work. It only measured what we call participation in the welfare system. No work was required for two years, and in our view that was not reform.

We have a better bill now, a bill reached in agreement over the last several days that measures real work and provides a work bonus when States exceed the goals that we lay out in this legislation. It sets out $8 billion in child care funds, dollars that can only be used for child care and nothing else. It requires 80 percent maintenance of effort from states. It deletes the job training titles that ought to be outside the realm of welfare itself, and provides for them to be addressed in other legislation later on.

It establishes a personal responsibility contract very similar to the parent empowerment contract that was required in the Work First bill. It allows a work exemption for mothers with children under 1, and requires work after 3 months.

Mr. President, we have made very significant improvements in many areas of the legislation that I believe warrant our support today. The original bill hurt children. It included no funds for child care. In fact, many of us originally called it the "home alone bill" simply because of our concern for what it meant for children whose mothers and fathers would have to go out and find jobs.

It sanctioned mothers who could not find or afford child care. It allowed 30 percent of the funding under the child care development block grant to be transferred. It included no safety net for children and only a 10-percent exemption to the time limit. And that, in our view, was not reform at all. That is aiming at the mother and hitting the child.

But we have a better bill now, reached in agreement over the last several days—$8 billion in child care: $5 billion as part of the block grant, and $3 billion in additional funding to address the very needs that we have talked about for the last several weeks. One hundred percent maintenance of effort is required on child care. Transfer of funds from the child care development block grant is prohibited. Mothers with children under 6 will not be sanctioned if they cannot find or afford day care.

We gave States the option to allow mothers with children under 6 to work no more than 20 hours per week in lieu of the 35 hours per week that was originally required. We increased the time-limit exemption from 15 to 20 percent. We require teen mothers to stay at home or live in an adult-supervised environment, just as required in the Work First bill. We provide $150 million for second chance homes, and we do not have any mandates that deny aid to teen mothers or impose family caps.

This is a better bill. The original bill was an unfunded mandate of enormous proportion. It provided no funds for child care, even though child care is the linchpin between welfare and work.

Although work rates increased from 20 to 50 percent, the CBO originally projected that 44 States would have failed to meet them. There was no contingency grant fund for uncontrollable circumstances.

That is not reform. That is shifting the welfare problem to the States. That is telling local taxpayers that they have to pick up the tab.

But Mr. President, it is a better bill now. Through agreements reached over the last several days, we provide the $3 billion in additional child care money, and $1 billion in contingency grant funds. We passed an amendment offered by the distinguished Senator from Minnesota, Senator WELLSTONE, to revert the Food Stamp Program back to an entitlement if the number of hungry children increases.

It is a better bill now. It is not perfect. It is not the bill I would have drafted alone. It is not the bill that would have passed 5 years ago or perhaps even last year. It does reflect, in my view, the political reality of today. It is the best bill that we are going to get under the circumstances that exist in the caucus, in the Senate, in the Congress, and in the country.

I have a number of reservations about this bill. There were provisions in the Work First bill that I regret were not adopted. I regret, for example, that the bill does not have the vouchers we proposed to address the needs of children after the time limit.

I regret that the bill ends the Federal-State matching responsibility for all those who qualify based on State-set criteria.

I regret the bill does not exempt families from time limits based upon specific criteria like high unemployment or serious disability.

I regret that there is no increased funding, beyond child care, for States to really put people to work.

I regret that the contingency fund is probably underfunded and we will likely have to revisit that issue again in the future.

I regret that the food stamp block grant option was not eliminated. Many food stamp recipients are working poor trying to stay off welfare; similarly, many food stamp recipients are elderly, and their problems will only be exacerbated. I remain concerned about the food stamp block grant choice.

So, as other Senators have indicated, we will be watching what the conference does. We were successful in enacting more than 20 major changes in this legislation, and those changes, Mr. President, are absolutely critical to retaining our support in the future. If the conference bill is not very close to the Senate bill, I will oppose it and I will recommend the President veto that bill when it reaches his desk.

The American people want a welfare system that is truly reformed. The American people want changes, not through rhetoric, but through reality. They want able-bodied adults to work. But they also want children to be protected. Children left home alone is no good for anybody. Arbitrary time limits alone will mean local taxpayers pick up the tab.

We have to ensure that we maintain the broad bipartisan support that final passage in just a few moments will represent. We will be watching the conference closely.

This is the beginning, Mr. President. If we can, indeed, come back from the conference with what we have accomplished in the Senate intact, then I believe it is the beginning of a series of changes over the course of the next several years that can move us to a welfare system that truly will work as we want it to. This cannot be the final word on what happens on welfare this decade. I support this legislation with reservations. I will watch closely as work continues in the conference committee.

I yield the floor.

Mr. DOLE. Mr. President, I thank the distinguished Democratic leader. I thank him for his support and his cooperation in getting us this far. I think we are going to have a display that we have not had recently of bipartisan support for major legislation, which I believe the American people will appreciate.

The Senate began debating welfare reform on August 7, and I predicted in my opening statement we were going to have a lot of contentious votes, a lot of debate, tough votes, and I also said that throughout all the debate we could not lose sight of two overriding facts. No. 1 was that our current welfare system had failed and, No. 2, it was our duty to fix it—talking about the Senate, not Republicans or Democrats.

So we have had about 100 hours of debate since that time, and some of it contentious, and we have now had I think 40 votes; 41 will be the final vote.

My colleagues remember the first week in August we thought we might be able to take up and finish welfare reform. But it appeared we had reached a roadblock after a couple days, and I recall some of the headlines. The media was quick to report that the Senate Republicans had failed and that welfare reform was on its last legs. The media got the story wrong because what is on its last leg in this Congress is the status quo.

Today, I am proud to say that the Senate has kept its promise—no more business as usual, no more tinkering around the edges with a system that has cost American taxpayers $5.4 trillion—that is with a "T"—in Federal and State spending over the past 35 years. Instead, we are fulfilling our duty. We are not only fixing welfare, we are revolutionizing it. We are writing truly historic landmark legislation, legislation that ends—ends—a 60-year entitlement program. And in the process we are closing the books on a 6-decade-long story of a system that may have been well-intentioned but a system that failed the American taxpayer and failed those who it was designed to serve.

So today we begin to write a new story, a story about Americans who earn a paycheck rather than drawing a welfare check, a story about an America where welfare is no longer a way of life and where people no longer will be able to receive endless Federal cash benefits just because they choose not to work, a story about an America where power is actually transferred away from Federal bureaucrats in Washington and given back to our 50 State capitals and our Governors, Democrats and Republicans, and our State legislatures, Democratic or Republican, a story about an America that recognizes that the family is the most important unit in our society.

Mr. President, there are some in this Chamber, including Senator MOYNIHAN from New York, for whom I have the greatest respect, who believe the story we write today may turn out to be a harsh one. I disagree. I believe nothing could be more harsh on American men and women and children in need than to continue with the system that has failed them year after year after year. And rather than being harsh, I believe the vast majority of Americans agree that the system we create today is fair, it does help those in need and, above all, it is based on common sense.

It is common sense to require welfare recipients who are actually able to work to do just that. It is common sense to put a 5-year lifetime limit on welfare benefits so it does not become a way of life. It is common sense to give our States the flexibility to devise programs that meet the specific needs of their citizens.

I remember what Governor Thompson of Wisconsin told a group of us in my office, speaking to the Governors, that we were talking about mandating Governors, strings, conservative strings in this case, and Governor Thompson said, "Who do you think we are? We are elected by the same people you are. Do you think I am going to allow somebody to go without medical treatment or without food in the State of Wisconsin?"

It is common sense. It is putting our faith in elected officials who are closer to the people. It is common sense to put a cap on spending because no program with an unlimited budget will ever be made to work effectively and efficiently. It is common sense to require that teenage mothers who have children out of wedlock stay in school and live under adult supervision in order to receive benefits. Otherwise, they have no chance to move off welfare. It is common sense to grant our

States the ability to try to reduce our alarming illegitimacy rate.

Mr. President, the American people should know that this legislation is not perfect. It is not going to magically solve all the problems, regardless of how we vote today, whatever the conference vote may be when it comes back. But the Work Opportunity Act does put an end to a failed system. It does offer hope and opportunity to millions of Americans. It is a revolutionary step in the right direction, and it is further proof of the commitment this Congress has made to the American people.

At the risk of forgetting someone, Mr. President, I wish to thank a number of my colleagues on both sides of the aisle who helped make today's victory for the American people possible. There have been references to my colleagues, Senator BREAUX and Senator DODD and certainly the Democratic leader and others on that side of the aisle. All members of the Senate Finance Committee, including Senator PACKWOOD, who was our chairman when we started this revolution, certainly deserve credit. Senator PACKWOOD put the original bill together, brought it to the floor and we have made changes. Senator HUTCHISON was instrumental in reaching agreement on the formula which kept the bill alive. Senator FAIRCLOTH led the fight for important amendments regarding abstinence education.

I wish to say a special word of thanks to our remarkable freshman class. They sunk their teeth into this issue from day one and never let go. Senators Abraham and Snowe and Ashcroft authored important amendments, and particularly Senator Santorum, who was in the Chamber every day, almost every minute, making certain the debate was moving forward. And he understands the program because he worked on it on the House side. I think he did an excellent job. And I know there are others I may have forgotten. But I thank also America's Governors, Republicans and Democrats—particularly Republicans because I work closely with the Republican Governors, whether it is Governor Voinovich of Ohio, Governor Engler of Michigan, or Governor Edgar of Illinois or Governor Thompson of Wisconsin, Governor Pataki of New York. They worked very closely with us throughout the process and so did State legislators and local governments because they are going to have the authority.

We are going to follow the 10th amendment. We are going to return power to the people, power to the States that the 10th amendment and Bill of Rights say we should.

So we are going to cast our votes in a few moments. It is not the end of the process; as the Democratic leader has indicated, we have to go to conference. We will have to reconcile our differences.

In the Senate-passed bill, I think we save between $65 billion and $70 billion. The House has more savings. About $10 billion of our savings, I think, are under the jurisdiction of the Finance Committee. I think we will iron out the differences we have, and then we will send a historic bill to the President of the United States, who has indicated, at least preliminarily, he will sign the bill.

I hope he will join with this Congress and the American people in writing a new chapter in the history of this great Nation.

As I listened to the debate and I listened to the Senator from Illinois and the Senator from Minnesota, I regret that they believe we are going to punish America's children. I disagree with that, because I believe we are creating a better opportunity for our children in this legislation, a future of more hope and more opportunity.

All of us come from different places in our lifetime. We have different backgrounds. Many come from hard-scrabble backgrounds and some not so hard scrabble. I can recall a long time ago in my family, in the small town of Russell, KS, when every member of the family worked. There were four children. Both my mother and father worked.

I can remember a time, even in those days, because of the Dust Bowl and a lot of other things that were happening, we could not make ends meet. We moved into the basement, six of us, and rented out the upstairs so we could make ends meet.

I think all of us can go back into our lives and say we had it tough. I remember coming to the Congress and working with Senator George McGovern from South Dakota on the Food Stamp Program, the WIC Program, and a lot of other programs that I believe protect children, contrary to what the Senator from Minnesota may have indicated.

I also can think back to the days when I was a county attorney in my small county of Russell County. One of the responsibilities of the county attorney in those days in my State was to sign every welfare check that left the office. In a small county, you know everybody who received those checks. In fact, it was old age assistance at the time. I knew two of them, my grandparents, who were caught up in the Dust Bowl days, in the dust storms and who had no other recourse but to seek help.

So I think when we vote on this bill, we should understand that, obviously, some are going to be in need and they are going to be taken care of and they are going to be young and old. But it is our hope that what we have demonstrated here, based on a lot of hearings and a lot of debate, is that we want to help people move out of this cycle of welfare, generation after generation, back in the mainstream, working, regaining their dignity and their self-esteem. That would be the goal of any welfare reform plan that I can think of.

So I know how tough it is for some people to accept assistance, and I have always had the view that people want to work. If given the opportunity, they will work. We call our bill the Work Opportunity Act of 1995. It is not going to be perfect but, in my view, it is a big, big step in the right direction.

I urge my colleagues on both sides of the aisle to vote for this bill. It is a big, big step in the right direction. The American people, by a vote of 88 percent, said this is the way they want to go, and I hope we will follow their lead.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that Senators vote from their desks and that their vote be announced.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The bill having been read the third time, the question is, Shall the bill pass, as amended?

Mr. DOLE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Oregon [Mr. HATFIELD] is absent due to illness.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "yea."

The PRESIDING OFFICER (Mr. THOMPSON). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 87, nays 12, as follows:

[Rollcall Vote No. 443 Leg.]

YEAS—87

Abraham
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brown
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Dole
Domenici
Dorgan
Exon
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Heflin
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kerry
Kohl
Kyl
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Murkowski
Murray
Nickles
Nunn
Packwood

Pell
Pressler
Pryor
Reid
Robb
Rockefeller

Roth
Santorum
Shelby
Simpson
Smith
Snowe

Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—12

Akaka
Bradley
Faircloth
Kennedy

Kerrey
Lautenberg
Leahy
Moseley-Braun

Moynihan
Sarbanes
Simon
Wellstone

NOT VOTING—1

Hatfield

So the bill (H.R. 4), as amended, was passed.

Amend the title so as to read: "An Act to enhance support and work opportunities for families with children, reduce welfare dependence, and control welfare spending.".

Mr. DOLE. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate insist on its amendments and request a conference with the House, and the Chair be authorized to appoint conferees.

The PRESIDING OFFICER. Without objection, it is so ordered.

• Mr. PACKWOOD. Mr. President, I would like to take this opportunity to praise the magnificent work of the people on the Senate Finance Committee, majority office, and in my personnel office who were at the core of my welfare reform team and who helped develop and reach a consensus on much of the historic welfare reform legislation that has passed the Senate today.

These individuals have been working tirelessly and at length this entire year with me and with other Senators, crafting policy that ends the broken welfare system as we currently know it. The reforms will help our Nation's poor develop self-respect, train them for jobs, lessen the burdens on the hard working taxpayers of this country, give our Governors the greater flexibility they have been asking for, and leave the safety nets of aid and nutrition in place for families, for the elderly and for the disabled. Well deserved praise and my thanks to Lindy Paull, Rick Grafmeyer, Kathy Tobin, Joe Zummo, and Rob Epplin of the Finance Committee, and Marcia Ohlemiller and Ginny Worrest on my personal staff.•

Mr. LAUTENBERG. Mr. President, I would like to take a few minutes to tell my colleagues why I voted against the Dole welfare reform bill.

Mr. President, we live in the greatest Nation on earth. We are the wealthiest country in the world. But it is clear that some in our society do not share in this wealth. They are poor. They are jobless and in some cases homeless. And they must rely on public assistance to survive. In America, this is unacceptable. And we should be committed to improving their lives.

Mr. President, there is no question that the current welfare system needs reform. But the central goal for any welfare reform bill should be to move welfare recipients into productive work.

This will only happen if we provide welfare recipients with education and job training to prepare them for employment. It will only happen if we provide families with affordable child care. It will only happen if we can place them into jobs, preferably in the private sector or—as a last resort—in community service.

But the Dole bill is not designed to help welfare recipients get on their feet and go to work. It's only designed to cut programs—pure and simple.

It's designed to provide funds so that Republicans can provide huge tax cuts for the rich. That's what's really going on here.

Unfortunately, Mr. President, the radical experiment proposed in this legislation will harm our society while producing defenseless victims.

Those victims are not represented in the Senate offices. They're not here lobbying against this bill. They don't even know they're at risk.

The victims will be America's children. and there will be millions of them.

Mr. President, the AFDC Program provides a safety net for 9 million children. These young people are innocent. They did not ask to be born into poverty. And they don't deserve to be punished.

These children are African-American, Hispanic, Asian, and white. They live in urban areas and rural areas. But, most importantly, they are American children. And we as a nation have a responsibility to provide them with a safety net.

The children we're talking about are desperately poor, Mr. President. They're not living high off the hog. These kids live in poverty.

Mr. President, it's hard for many of us to appreciate what life is like for the 9 million children who live in poverty and who benefit from AFDC.

I grew up to a working class family in Paterson, NJ, in the heart of the Depression. Times were tough. And I learned all too well what it meant to struggle economically.

But as bad as things were for my own family, they still weren't as bad as for millions of today's children.

These are children who are not always sure whether they'll get their next meal. Not always sure that they'll have a roof over their heads. Not always sure they'll get the health care they need.

Mr. President, these children are vulnerable. They're living on the edge of homelessness and hunger. And they didn't do anything to deserve this fate.

Mr. President, if we're serious about reforming a program that keeps these children afloat, we won't adopt a radical proposal like the Dole bill. We won't put millions of American children at risk. And we won't simply give a blank check to States and throw up our hands.

Mr. President, this Republican bill isn't primarily a policy document. It's a budget document.

Mr. President, if the Republicans were serious about improving opportunities for those on welfare, they would be talking about increasing our commitment to education and job training. In fact, only last year, the House Republican welfare reform bill, authored in part by Senator SANTORUM, would have increased spending on education and training by $10 billion.

This year, by contrast, the bill before us would cut education and training dramatically, with the bill's total cuts exceeding $65 billion.

So what's changed? The answer is simple. This year, the Republicans need money for their tax cuts for the rich.

Mr. President, shifting our welfare system to 50 State bureaucracies may give Congress more money to provide tax cuts. But it's not going to solve the serious problems facing our welfare system, or the people it serves.

To really reform welfare, Mr. President, we first must emphasize a very basic American value: The value of work.

We should expect recipients to work. In fact, we should demand that they work, if they can.

Of course, Mr. President, that kind of emphasis on work is important. But it's not enough. We also have to help people get the skills they need to get a job in the private sector. I'm not talking about handouts.

I'm talking about teaching people to read. Teaching people how to run a cash register or a computer. Teaching people what it takes to be self-sufficient in today's economy.

We also have to provide child care.

Mr. President, how is a woman with several young children supposed to find a job if she can't find someone to take care of her kids? It's simply impossible. There's just no point in pretending otherwise.

Unfortunately, the Dole bill doesn't address these kind of needs. It doesn't even try to promote work. It doesn't even try to give people job training. It does little to provide child care.

All it does is throw up its hands and ship the program to the States. That's it.

Mr. President, that's not real welfare reform. It's simply passing the buck to save a buck. And who's going to get the buck that's saved? The people the Republicans really care about: Those who are well off.

Mr. President, the Senate did adopt the leadership amendment that made some improvements in the Dole bill.

This amendment increases funding for child care, limits State cuts in welfare to 20 percent, and includes a $1 billion contingency fund.

Mr. President, I commend the Senators who crafted these improvements. But they do not change the basic design of the bill, which remains deeply flawed.

This bill would take away the safety net we established for poor children 60 years ago. It does far little to move recipients from welfare to work. And, when you get right down to it, it's main effect will be to take from the poor so that Congress can give a huge tax cut for the rich.

This was a historic vote, Mr. President. And I fear we are making a bad situation even worse. I only hope I am proved wrong.

I yield the floor.

Mrs. MURRAY. Mr. President, the Senate voted to approve welfare reform legislation by a vote of 87–12 this afternoon. I have spent weeks thinking about my vote on this issue, and today, after listening to people on all sides of this issue, including my family and my colleagues, I reluctantly cast my vote in favor of the Dole bill, as amended. In my brief tenure here in the U.S. Senate, this was one of the most difficult votes I have cast. Mr. President, I would like to explain why.

From the beginning of the welfare reform debate, my No. 1 concern has been about finding a way to rebuild American families. I have always believed we can only do that by emphasizing real personal responsibility, providing adequate child care for both working poor and welfare families, and ensuring our children can count on help from adults.

It has been my hope that we could achieve some positive changes to the current system. If there is one thing everyone can agree on, it's that the current system is flawed. It needs fixing, and I vowed to support reform. My challenge has been to influence that reform in the most constructive direction possible.

As someone who came to the Senate during the 1992 election year, I know we cannot continue to do things the way we always have. We must take a hard look at the sum total of our Government programs, and rework them to accurately reflect society's strengths, weaknesses, and needs.

We entered the debate with two bills, the Dole version and the Daschle Work-First bill. I cosponsored and voted in favor of the Daschle bill. I supported it because I felt it was the right place to start. It reflected a genuine commitment to helping poor families move up and into the work force.

Unfortunately from my perspective, a majority in the Senate rejected the Daschle bill. But I didn't give up there. I and others began devoting our energies to improving the Dole bill.

First, we offered an amendment to require full funding, and full protection for child care and children's programs. It would have provided the full $11 billion estimated by the Department of Health and Human Services to be necessary to meet child-care needs. Again, this amendment was narrowly defeated, 50–48.

Given the closeness of this vote, Senators DOLE and DASCHLE were able to reach a compromise that strengthened the Dole bill, but fell short of our original amendment. It includes provisions which: require States to maintain their welfare spending at a minimum of 80 percent of current levels; strike the job training title—which had no business in a welfare bill to begin with, establish a contingency grant fund to take care of States in times of economic downturns, and provide a total of $8 billion for child-care services nationwide. I support this compromise, though I feel ultimately we will have to do more.

Following the child-care debate, I cosponsored an amendment to establish greater protection for victims of domestic violence. I believe domestic violence to be the single, most destructive force against families in America today. No one, not the Senate, the President, or anyone else, can place a value on the price paid by mothers and their children attempting to survive an abusive household. This time the Senate agreed, and my amendment was adopted unanimously.

Having worked hard to improve the Dole bill, I found myself faced with a very difficult decision. I could either vote against the Dole bill based on its shortcomings for children, or I could vote to affirm the improvements we made to it.

I believe the Dole bill to be deeply flawed. I believe it draws into question the welfare of poor children throughout the Nation. But I also believe we have to start somewhere. The current system needs to be changed, and the Dole bill changes it fundamentally. Therefore, I voted yes.

Mr. President, change of any kind always involves risk. We will never know how great that risk is until we try something different. What we do know, however, is that change brings new responsibility.

We do not know whether this bill will make it into law. If it is enacted, we don't know if it will work. It may prove a fabulous success, or it may only prove to make problems worse for the poor.

But today, we have created a grave new responsibility for this Senate: to be watchdogs for our children. More than ever before, all Senators have an obligation to make the law work in favor of poor children, All Senators have a responsibility in the future to consider the successes and failures they have created this day, and to be prepared to make changes later if things don't work out.

The most unfortunate part of this debate, in my opinion, is that people don't think of children when they think of welfare. People think of dependency, complacency, poverty, and all the worst stereotypes. This troubles me because it is children who face the most difficult struggles. It is children who are most deserving of our care.

The outcome of this debate does not change one iota this basic fact: we need a national commitment to children in this country. I believe this to the very core of my being.

Children are under assault every single day in this country. In their homes, in school, on the streets, and yes, in this Congress. We see it in cuts to education and dismantling of crime prevention. We see it in Medicaid cuts, defunding of AmeriCorps, and elimination of student loans.

Today, I voted for change, to try something new. But I also took responsibility to live with that change, and to work even harder promoting a broad, national commitment to our children. Mr. President, I urge my colleagues to accept that responsibility with equal sobriety, and with equal vigor.

The outcome today was not in doubt. Nor is this the end of the debate. There will be a conference committee. We may even debate a conference report. More likely, we will see this bill again in the budget reconciliation yet to come.

I think we can change welfare for the better, and move more people into the work force. I look forward to working with you, Mr. President and all my colleagues, to this end; but also to build a stronger commitment to children. We must do this in welfare reform, and across the whole spectrum of issues we consider this session. The future is simply too important. And unlike before, it is our new responsibility.

Thank you, Mr. President. I yield the floor.

CHANGE OF VOTE

Mr. ROCKEFELLER. Mr. President, on rollcall 440 I voted aye; my intention was to vote no. I did not know it was a tabling amendment.

I ask unanimous consent that I be permitted to change my vote, which in no way will change the outcome of the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1976) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and related agencies for the fiscal year ending September 30, 1996, and for other purposes.

The Senate continued with the consideration of the bill.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXCEPTED COMMITTEE AMENDMENT ON PAGE 83, LINE 4, THROUGH PAGE 84, LINE 2

Mr. COCHRAN. Mr. President, what is the pending business, I inquire of the Chair?

The PRESIDING OFFICER. The pending question is the committee amendment on page 83 of the bill.

Mr. COCHRAN. Mr. President, 4 minutes remains to be debated on the amendment before we conclude debate on this subject?

The PRESIDING OFFICER. The Senator is correct.

Mr. PRYOR. Mr. President, there is not order in the Senate.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Mississippi.

Mr. COCHRAN. Mr. President, for the information of Senators, 4 minutes remain in debate time on this amendment. We have agreed Senator BOXER will use the first minute and the managers 2 minutes and then Senator BOXER will close the debate for the remaining 1 minute.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I hope my colleagues will listen to this because it is such a common sense issue. If I were to tell you that hot is cold and cold is hot, you would think I was kidding. And if I told you that freezers keep things warm and ovens keep things cold, you would think I had lost it. And then if I told you that chicken frozen to 1 degree was fresh you would question my brain capacity. And yet, every day in America's supermarkets, our consumers go in and buy chicken products, turkey products—they are marked fresh and they are hard as a rock. They are as low as 1 degree. And the Food Safety and Inspection Service finally has remedied that by saying if you are going to put a label on it, it has to reflect the condition of the product; fresh is fresh; frozen is frozen.

The committee amendment would stop that rule from going into effect. So I am going to move, at the appropriate time, to table that amendment.

They are going to tell you this is a parochial issue. It is not. It is a consumer issue. Every consumer organization thinks this rule should go into effect. I hope Senators will vote to table the committee amendment.

I reserve my 1 minute to close this very intriguing debate.

The PRESIDING OFFICER. The Senate will be in order. The Senator from Mississippi.

Mr. COCHRAN. I yield 1 minute to the distinguished Senator from Arkansas [Mr. BUMPERS].

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, this is one of those issues that if you look at it you would think the California Senators had the high ground. They do not.

In 1992 the California Poultry Association went to the California legislature and said, "We cannot compete. We have to do something." These chickens are coming in here at 26, 27, 28 degrees, which they have been for decades. They are not frozen hard. We are not talking about zero degrees. They said, "We cannot compete."

So the California Legislature adopted a rule which a Federal court promptly ruled out of order because we had preemption on it. So what happened? They go to the Agriculture Department. The rule we are talking about is exactly what the California Legislature passed.

I want to tell you this, we have shipped—Southern and Southeastern States have shipped billions and billions and billions of poultry all over the United States. Not just California, everywhere. One complaint, from the California Poultry Federation. They do not even want to allow you a 2 to 3 percent plus or minus allowance. It is the California Poultry Federation bill.

The PRESIDING OFFICER. The Senator has used 1 minute.

The Senator from Mississippi.

Mr. COCHRAN. I yield myself the remainder of the time.

It is clear from the evidence that this is an effort to protect California poultry producers from competition from outside the State. There is no doubt about it.

Somebody asked me a while ago, they said, "I do not understand this. Are we being told that if something is frozen that it is not fresh?" The point is, the Food Safety and Inspection Service has concluded, somehow, that fresh is the opposite of frozen. Fresh is the opposite of stale or unfit for consumption or something that does not taste good.

The fact of the matter is, this poultry is being sold in California that is being processed in Mississippi or Arkansas, Louisiana, Oklahoma, Virginia, Delaware—Senator BIDEN talked about his industry there. We would not be able to see our poultry processors ship any poultry into the California market because of this rule. The rule as promulgated is that it has to be at no less than 26 degrees, flat 26, no variance, no exceptions. Think about a truck going across the country to California and you have to maintain that exactness.

There is going to be a patrol of inspectors waiting on you from California to see if you have met these strict rules? They need to reexamine it. The amendment says no funds will be used to enforce this regulation until they review it. That is what we insist upon.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from California.

Mrs. BOXER. Mr. President, I heard my colleague mention California 13 times. I find it amusing. It was under the Bush administration that this truth in labeling started, in 1988; in 1988. This is a consumer issue and finally we have a chance to make sure that our people who walk into supermarkets, who take care of their families, who buy poultry, will know what they are getting. They know the fat content now. They know how much calcium is in a product now. They know how many minerals are in a product, how many calories are in the product, how much protein is in the product. They only thing they do not know is if a product has been previously frozen.

Sometimes they take it, throw it in the freezer, defrost it again, which is bad. It is a bad thing to do for the health of their families.

This is a consumer issue and the consumers are watching us. That is why every consumer group is on our side and says, "Please, vote to table the committee amendment."

The fact of the matter is, this is simple common sense. You can turn it around, you can say "California" 22 times—it does not change the fact. Fresh is fresh. Frozen is frozen.

All time has expired, so I move, at this time, to table the committee amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question occurs on the motion to lay on the table the committee amendment on page 83, line 4 of the bill.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Oregon [Mr. HATFIELD] is absent due to illness.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 38, nays 61, as follows:

[Rollcall Vote No. 444 Leg.]

YEAS—38

Akaka
Baucus
Bingaman
Boxer
Bradley
Bryan
Chafee
Cohen
Daschle
DeWine
Dodd
Dorgan
Exon
Feingold
Feinstein
Glenn
Gorton
Graham
Harkin
Kennedy
Kerrey
Kerry
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Packwood
Pell
Reid
Sarbanes
Simon
Snowe
Thompson
Wellstone

NAYS—61

Abraham
Ashcroft
Bennett
Biden
Bond
Breaux
Brown
Bumpers
Burns
Byrd
Campbell
Coats
Cochran
Conrad
Coverdell
Craig
D'Amato
Dole
Domenici
Faircloth
Ford
Frist
Gramm
Grams
Grassley
Gregg
Hatch
Heflin
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kohl
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Pressler
Pryor
Robb
Rockefeller
Roth
Santorum
Shelby
Simpson
Smith
Specter
Stevens
Thomas
Thurmond
Warner

NOT VOTING—1

Hatfield

So, the motion to lay on the table the excepted committee amendment on page 83, line 4 through line 2, page 84, was rejected.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the motion to table was rejected.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2688, AS MODIFIED

Mr. COCHRAN. Mr. President, as I understand it, the pending business is the Brown amendment to the committee amendment.

The PRESIDING OFFICER. The Senator is correct. Under the previous order, the Senate will proceed to consideration of the Brown amendment No. 2688, on which there shall be 60 minutes under the control of the Senator from Alabama [Mr. HEFLIN], and 30 minutes under the control of the Senator from Colorado [Mr. BROWN], with a vote on or in relation to the amendment.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside so that I can offer an amendment on behalf of Senator BINGAMAN which has been agreed to on both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2693

(Purpose: To reduce the energy costs of Federal facilities for which funds are made available under this act)

Mr. BUMPERS. Mr. President, I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS], for Mr. BINGAMAN, proposes an amendment numbered 2693.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . ENERGY SAVINGS AT FEDERAL FACILITIES.

(a) REDUCTION IN FACILITIES ENERGY COSTS.—The head of each agency for which funds are made available under this Act shall take all actions necessary to achieve during fiscal year 1996 a 5 percent reduction, from the average previous three fiscal year levels, in the energy costs of the facilities used by the agency.

(b) USE OF COST SAVINGS.—An amount equal to the amount of cost savings realized by an agency under subsection (a) shall remain available for obligation through the end of fiscal year 1997, without further authorization or appropriation, as follows:

(1) CONSERVATION MEASURES.—Fifty percent of the amount shall remain available for the implementation of additional energy conservation measures and for water conservation measures at such facilities used by the agency as are designated by the head of the agency.

(2) OTHER PURPOSES.—Fifty percent of the amount shall remain available for use by the agency for such purposes as are designated by the head of the agency, consistent with applicable law.

(c) REPORT.—

(1) IN GENERAL.—Not later than December 31, 1996, the Secretary of Agriculture (a) shall submit a report to Congress specifying the results of the actions taken under subsection (a) and providing any recommendations concerning how to further reduce energy costs and energy consumption in the future.

(2) CONTENTS.—Each report shall—

(A) specify the total energy costs of the facilities used by the agency;

(B) identify the reductions achieved: and (C) specify the actions that resulted in the reductions.

Mr. BINGAMAN. Mr. President, I rise today to commend the two floor managers of the bill, the distinguished Senator from Mississippi, Senator COCHRAN, and the distinguished Senator from Arkansas, Senator BUMPERS, and their staff, for their excellent and efficient management of the fiscal year 1996 Appropriations Act for the Department of Agriculture.

I would like to take a few moments to discuss an amendment I am offering on this appropriations bill. My amendment encourages agencies funded under the bill to become more energy efficient and directs them to reduce facility energy costs by 5 percent. The agencies will report to the Congress at the end of the year on their efforts to conserve energy and will make recommendations for further conservation efforts. I have offered this amendment to every appropriations bill that has come before the Senate this year, and it has been accepted to each one.

I believe this is a commonsense amendment: the Federal Government spends nearly $4 billion annually to heat, cool, and power its 500,000 buildings. The Office of Technology Assistance and the Alliance to Save Energy, a non-profit group which I chair with Senator JEFFORDS, estimate that Federal agencies could save $1 billion annually if they would make an effort to become more energy efficient and conserve energy.

Mr. President, I hope this amendment will encourage agencies to use new energy savings technologies when making building improvements in insulation, building controls, lighting, heating, and air conditioning. The Department of Energy has made available for government-wide agency use streamlined energy saving performance contracts procedures, modeled after private sector initiatives. Unfortunately, most agencies have made little progress in this area. This amendment is an attempt to get Federal agencies to devote more attention to energy efficiency, with the goal of lowering overall costs and conserving energy.

As I mentioned, Mr. President, this amendment has been accepted to every appropriations bill the Senate has passed this year. I ask that my colleagues support it.

Mr. BUMPERS. Mr. President, this is an amendment that requires the Department of Agriculture to use essentially a 3-year base for energy uses and requires them to cut their energy use by 5 percent.

Mr. COCHRAN. Mr. President, we have reviewed the amendment, and we have agreed to it with some modifications being made to the amendment by the Senator from New Mexico. We urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2693) was agreed to.

Mr. BUMPERS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

AMENDMENT NO. 2688, AS MODIFIED

Mr. HEFLIN. Mr. President, is the pending business the Brown amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. HEFLIN. I yield such time to Senator NUNN, of Georgia, as he may consume.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from Georgia.

Mr. NUNN. Mr. President, I rise to oppose the Brown amendment No. 2688, which would prohibit the outlay of any Federal funds for salaries and expenses of U.S. Department of Agriculture employees who carry out the peanut program.

I know the Senator from Colorado and the Senator from Alabama and the Senator from Georgia have spoken on this amendment. It is my hope there are going to be some changes in the amendment.

I speak to the amendment as it now exists. Mr. President, I oppose the Brown amendment on three basic grounds. No. 1, while well-intentioned, I am sure the amendment is poorly drafted. No. 2, even if the Brown amendment was drafted correctly, it singles out the administrative cost of the peanut program and raises questions that are beyond the scope of the bill, and No. 3, the Brown amendment preempts the legislative process and, I think, would undermine a very serious effort by a bipartisan group of Senators who are working for reform in the authorization bill to greatly lower, if not eliminate, the cost of the price support program from the agriculture budget.

First, let me speak to the language of the amendment. The amendment has two basic sentences. The sentence No. 1 says:

> None of the funds made available under this act may be used to pay the salaries and expenses of USDA employees who carry out a price support or production adjustment program for peanuts.

And then No. 2:

> Assessment.—The Secretary of Agriculture may charge producers a marketing assessment to carry out the program under the same terms and conditions as are prescribed under section 108B(g) of the Agriculture Act of 1949.

Mr. President, as I read this amendment, this means that an Agriculture Department employee who might spend 1 percent of his or her time administering the peanut program and 99 percent of his or her time administering the cotton or the CRP program or other programs will not receive any salary.

The amendment says that no funds may be used to pay salaries and expenses of anyone who runs the peanut program, period. It does not say "unless that money is reimbursed." That is what the second sentence implies, but that is not the way the amendment reads.

Even if a peanut grower paid the portion of the salary of a CFSA employee who administers the peanut program, that person, under a literal reading of the Brown amendment, could not receive a Federal salary at all for administering other commodity programs—cotton, feed grains, CRP program, and others.

The peanut program is run by county employees of Consolidated Farm Service Agency, and these same employees administer the other programs in the Department of Agriculture. So if read literally, as I think any interpretation would have to read it, the Brown amendment could terminate the operation of every Federal farm program in every county where peanuts are grown. Again, I do not think that is what the Senator from Colorado means, but that is what the amendment says.

Second, the Brown amendment singles out peanut producers to pay for the administrative costs of their own program. Notwithstanding the Brown sense-of-the-Senate amendment adopted yesterday on tobacco, no other group of producers has been asked to pay for the administrative cost of their program.

Furthermore, the other American groups, like bankers, do not pay for the cost of administering the banking program, the FDIC program and many other programs.

If we are going to do this, it ought to be done on a broad basis and not simply for one commodity. Why not do it for the feed program, sugar, dairy, and so forth? If this kind of reform is going to be undertaken, and there may be some merits for it, it would imply a much broader set of reforms going far further than the Department of Agriculture and really encompassing our entire Federal Government. That is not to say that the support price of it should not be addressed, and I am sure it is going to be addressed in the reform bill that is now occurring.

Finally, this amendment preempts the legislative process. Later this week, the Senate Agriculture Committee, I understand, will begin marking up commodity titles for the 1995 farm bill which will be part of the reconciliation bill. The Brown amendment, as I view it, would undermine a very serious effort by a number of Senators who are working for reform of the program in the authorization bill.

Peanuts are grown in 72 of Georgia's 159 counties. Yesterday, the junior Senator from Georgia, Senator COVERDELL, noted that in 75 percent of those counties, the poverty rate exceeds 20 percent. If we make an unreasoned and abrupt change, rather than an evolutionary change, in the peanut program, the economies of these counties will be hit very, very hard. That means that farm workers, not just landowners, will be deeply affected, as well as small and rural communities.

The top two peanut-producing counties in Georgia are Worth County—I believe that is the birthplace of our good friend from Alabama, Senator HEFLIN—and also Early County. In 1993, 9.71 percent of the population of Worth County received aid to families with dependent children benefits and 19.4 percent received food stamps. In Early County, 13.38 percent of the population received AFDC benefits; 28.9 percent of the population received food stamps.

Mr. President, no question about it, farming and the peanut program are vital to these economies. Nevertheless, peanut producers have not circled the wagon and said they are against all change. They have not rejected cost reductions. Indeed, peanut producers are working with Senators on both sides of the aisle toward a sound, workable program that will eliminate the taxpayers' cost of the overall support program. I do not believe we want to send a signal that a process like that will be thrown out the window by an amendment to the appropriations bill.

I concur with the Senator from Colorado that Government expenses ought to be eliminated from the peanut program to the greatest extent possible. I know that my colleagues, Senator COVERDELL, Senator COCHRAN, and Senator HEFLIN also generally agree with this sentiment.

I also agree with the Senator from Colorado that the program must be reformed to reflect new challenges and new opportunities presented by both the NAFTA Agreement and the GATT Agreement, but the amendment by the Senator from Colorado does not help in that regard. I think it impedes progress for real reform. Many in the peanut program did not support GATT or NAFTA, but these major trade programs passed, and they have been enacted into law. I voted for them.

We are now working through the farm bill to make sure the peanut and other programs reflect these new realities. This amendment would short circuit that process. NAFTA and GATT will require peanut producers to face new realities. They understand that. Our authorizers in the Agriculture Committee are working on orderly, but effective, reform of the peanut program.

Mr. President, I am a cosponsor of the bill, S. 1155, the Agriculture Competitiveness Act of 1995, which was introduced by Senator COCHRAN last month. This legislation eliminates the cost of the price support program to the U.S. Treasury. The Senator from Colorado mentioned that the peanut program cost $120 million last year. I agree with him that that cost has to be driven down. As I understand S. 1155, these costs would be eliminated over a period of time under that bill.

Mr. President, I am particularly proud of the leadership of Georgia's peanut growers in supporting legislation that will eliminate the costs of the price support program. The peanut title in S. 1155 is a real reform measure. It delivers real savings to the Government—$96 million in fiscal year 1997, according to the Congressional Budget Office.

In closing, Mr. President, let me reiterate that I agree with the Senator from Colorado that the costs of the peanut price support program to the taxpayer should be eliminated. I also agree with him that with the enactment of GATT and NAFTA, the program must reflect the realities of foreign competition. I am confident that under the leadership of Senators HEFLIN, COVERDELL, and COCHRAN, the Senate will produce peanut legislation that meets both of those goals. But the Brown amendment undermines this process.

I urge that the amendment of the Senator from Colorado be defeated. Unless it is substantially redrawn, I hope it will be defeated. It is my hope, after talking with the Senator from Alabama and the Senator from Colorado and others, that there may be some redrafting underway.

I yield back any time I have remaining that was yielded to me by the Senator from Alabama, and I thank him for yielding me the time.

Mr. WARNER. Mr. President, I rise today in opposition to the amendment offered by the senior Senator from Colorado.

The Agriculture Committee, of which I am a member, has been working diligently over the past several months to craft the 1995 farm bill. I have been working closely with other members of the committee to craft a bill that will achieve the cost savings necessary to reach a balanced budget, make our farm programs more market oriented, and ensure the continued success of the American farmer.

We have nearly reached that goal. As I am sure you are aware, there exists disagreement over the future of farm policy. But members and staff of the Agriculture Committee are working to forge a consensus.

Last month, I was pleased to join with six of my colleagues on the Agriculture Committee, including the Senator from Mississippi, to introduce the Agricultural Competitiveness Act of 1995. This bill sets forth our vision for the future of agriculture. Part of our consensus rests on the peanut program.

My colleagues and I on the committee have set forth a reformed peanut program that will operate at no cost to the taxpayer—none. We have outlined a program that will contribute upwards of $400 million towards deficit reduction and our ultimate goal of achieving a balanced budget. And we have championed a plan that will ensure the continued success of the family farmer, to ensure that he will be there producing the highest quality, safest, and most abundant food supply in the world.

All parties recognize the need for reform. And we all know that the budget is driving the debate over agriculture. So, I commend my colleague from Colorado for his contribution to the cause.

But as my colleague from Mississippi mentioned yesterday, we are crafting a comprehensive farm bill, one that will address farm policy in a coherent, unified manner. And that is a goal I believe we will have achieved, when all is said and done.

But we cannot address farm policy in a piecemeal manner on an appropriations bill, singling out not just farmers, but one type of farmer—our peanut farmers—to bear an extra burden.

Let me speak to that burden. This amendment is nothing more than a tax on farmers. During my travels around the State and my discussions with Virginia farmers, one message is delivered: Reduce the regulatory and tax burden on the farmer. This amendment does the opposite.

In addition, this amendment singles out one type of farmer: the peanut farmer. Now, I know the calls to reform this program have been heard. As I have said, in the Agriculture Committee, we are working on a reformed peanut program.

But some insist on attacking the farmer wherever they can. Appropriations is not the vehicle for setting farm policy—particularly when it's bad farm policy.

The Federal Government administers numerous programs. I see no reason why peanut farmers should be singled out for what is nothing more than another tax. If we are going to proceed with this policy, then let's apply it across the board, and make everyone pay for the incidental administrative expenses associated with their programs. But let's not just single out one group of farmers.

Reasonable people will disagree about the future of farm policy. But this is the very debate we are undertaking in the Agriculture Committee.

This is a battle for another day. I urge my colleagues to oppose this amendment.

Mr. BROWN. Mr. President, I yield myself such time as I may consume.

Mr. President, I thank the distinguished Senator from Georgia, Senator NUNN, and also Senator COVERDELL for their helpful comments in this area. It is clearly an area they are very knowledgeable in, as well as the distinguished Senator from Alabama, who has been very helpful in this regard.

The Senator from Georgia is right when he says the normal job of dealing with this is in the authorizing committee. I have served in Congress now for 15 years—10 of it in the House and the remainder here in the Senate—and through that entire period of time, I would find it difficult to name a single time when the authorization bill was really on the floor and available for markup in either body. It may have been because of what was going on when I was in each particular House. But in the House of Representatives when it came up, there were restricted rules.

Frankly, what happens is reform in this area is difficult to come by because it is difficult to author. Why do you need reform? For this reason: This program hurts the consumers of America. The world price of peanuts runs in the neighborhood of $350 a ton. Members will appreciate that it varies, as any commodity price does. But the established target price under the marketing control program here is $678. In other words, the price that American consumers pay for the domestic consumption is nearly double the real price. If somebody said you are going to pay double for this commodity what anybody else in the world pays, I do not think you would necessarily think they were consumers' friends.

This program clearly hurts consumers. This program hurts producers, too, Mr. President. How can that be? It hurts producers even though the program allows producers to produce other than products for the target price maintained under a special loan program. Even though it does allow them to produce additional peanuts that can be sold worldwide or inventoried to meet future quotas, what it does do is lead to the export of this industry.

This is a relatively new adjustment, but let me explain why I think it is so important that this be noted and that people understand why this program, as currently configured, does hurt producers. Under the new GATT market rules, access to the U.S. market has increased. Now, in the past, we could maintain a higher price in the world market because we had a protected market, because we not only restricted producers' ability to sell in the domestic market, but we restricted foreign competitors from selling under the U.S. rules.

Under the new GATT rules, foreign producers will gain greater access to the U.S. market. As that happens, it will be very difficult to maintain the target prices, and the cost of the program will skyrocket. Members want to do something about that.

Secondly—and this is perhaps the most important of all—it ought to be noted—this is, I think, quoted from Government sources, but I will quote it because I think it is so important here: "However, future imports of peanut products from Mexico under NAFTA are exempt from this quota." There are some exceptions.

Mr. President, what that means is, with NAFTA, we have let the Mexicans produce peanuts and sell them into our markets. They have not produced as big quantities in the past as they will in the future. They are rapidly expanding production in Mexico, and that will come out of United States production, because they will have access to our protected market. They will have the benefit of the significantly higher prices, even though they are not part of our program directly.

What is happening right now is processors of peanuts are trying to decide as to whether they pick up their processing equipment and move it to Mexico. If they do, they accommodate the vast expansion of competition for us in

Mexico, and incidentally, they reduce our ability to process and maintain an industry here in the States.

So whether we want to deal with this or not, we are being forced to. Having signed the trade agreement under NAFTA, we have new competition in Mexico, and that Mexican competition can produce peanuts at world prices, and those prices can dramatically undercut what we have in this program. Unless we act to change the program, we will drive much of this industry overseas.

It is a shame because American farmers are the best in the world. They are the most efficient, productive, and creative, and they are some of the hardest working people anywhere on the globe. To lose an industry that we do not have to lose because we cling to an out-of-date, above-market-price program would be a tragedy; it would be a tragedy for the good farmers and for this country's competitiveness.

Mr. President, I am sensitive to the argument that was so eloquently made by the Senators from Georgia and Alabama and other Members who have spoken on the floor about this. I think they are right when they say the best way to draft these reforms is in committee. I do not want this moment to pass without having this body go on record that we ought to at least address that and that it ought to be part of the consideration of a new farm bill.

So, Mr. President, at this point, in an effort to move the body forward, I would like to offer for consideration for the Senate a compromise that I believe has the approval of Members on both sides, which assigns this task of redrafting this area to the committee. But it puts the Senate on record of doing exactly what this original amendment was intended to do, and that is to add an assessment that goes to the people who enjoy the benefit of the program, have that assessment be big enough to cover the administrative costs.

Having stated clearly in this bill that it is the sense of the Senate that we should do that, I think it gives a strong foundation for the authorizing committee to do just that when they reauthorize this program and reconsider the changes that need to be made in it.

AMENDMENT NO. 2688, AS FURTHER MODIFIED

Mr. BROWN. Mr. President, I send a modification of my amendment to the desk.

The PRESIDING OFFICER. The Senator has that right.

The amendment is so modified.

The amendment, as further modified, is as follows:

At the appropriate place, insert the following:

"It is the sense of the Senate that the current nonrefundable marketing assessment for the peanut program should be amended to direct that the current assessment is utilized in a manner to help defray the cost of the peanut program, particularly to cover all administrative costs of the peanut program, including the salaries and expenses of Department of Agriculture employees who carry out the price support or production adjustment program for peanuts."

Mr. BROWN. I believe this amendment is approved by both sides. It says this:

It is a sense of the Senate that the current nonrefundable marketing assessment for the peanut program should be amended to direct that the current assessment is utilized in a manner to help defray the cost of the peanut program, particularly to cover all administrative costs of the peanut program, including the salaries and expenses of the Department of Agriculture employees who carried out the price support or production adjustment program for peanuts.

Mr. President, at this point, I yield to the distinguished Senator from Pennsylvania.

Mr. SANTORUM. I thank the Senator. I thank him for his original amendment, which I think is in the right direction, I think, reducing this cost to the Government. He recognizes this as someone who sees this program as really a flawed, but futilely flawed program—not fatally, but futilely, as in "futilism." He recognizes this is a much bigger issue than just the administrative costs. We are talking about literally millions or more dollars to the consumers of America in paying more for peanuts.

I think the key point, I think that Members who may not be familiar with the peanut program, the key point that the Senator from Colorado pointed out is that this system is doomed to fail. It cannot be sustained because of what is going to happen with NAFTA and with other trade agreements.

Mexico is in the process right now of planting more peanuts. They come into this country without the restrictions in place. They are going to replace growers here in this country, which means of course that we will be paying more money here at the Federal level to maintain that target price.

I think it is a system that if you talk to peanut growers and people who hold the quotas, as the Senator from Colorado pointed out, 70 percent of the quotas are held by people who do not grow peanuts.

It is a feudal system. You do not have to grow peanuts to own these quotas. To allow you to grow peanuts you basically have this passed down from your grandfather or great-grandfather. You hold and you collect all this money for someone else to grow peanuts on their land.

As I said, feudal system best describes it. Seventy percent are owned by people who do not farm the land. They are the ones getting rich on this program. They are the ones making all the money on this program. They are the ones running the ads that say, boy, you cannot touch the peanut program. I would not either.

I have a lot of peanut quota holders in Pennsylvania who do not like what I am doing, but I have a lot of jobs leaving the State of Pennsylvania from Hershey's, which just moved a plant to Mexico because of the sugar problem, which is another thing we need to talk about.

Peanuts is another problem. We lost jobs to Canada and other places in the confection industry, and by the hundreds.

If we were benefiting small farmers who are trying to grow their patch, that is one thing, but these are large quota interest holders who simply are making money because their granddaddy was around at the time they were passing them out.

I think that is not what our tax dollars should be used for. It is destroying the market. It is costing consumers literally billions of dollars a year.

The Senator had a very modest amendment. I agree with his modification in the sense that this should be worked out by the Agriculture Committee. It should be worked out in the reconciliation bill and in the farm bill.

We had meetings, as I am sure the Senator from Colorado did, today we had meetings in the Agriculture Committee on the Republican side and we will continue to meet to see if we can work out something to address this program, save the taxpayers' dollars and save the consumer money in peanut butter costs downstream.

I appreciate the Senator from Colorado who has really been a stalwart on this issue, who has been out here fighting this battle. I am a recent joiner of his forces. I want to congratulate him for coming to the floor, offering this amendment, keeping the pressure on the committee, keeping us moving forward so we can get rid of this system which is simply indefensible under any kind of budget restrictions.

I yield back the time of the Senator from Colorado.

Mr. HEFLIN. It is my understanding Senator DOMENICI desires to speak. Since this was worked out I did not intend to make a speech, but there have been certain statements that I do not want to leave that are erroneous.

No. 1, the peanut program does not have a target price and does not have a subsidy. It has a loan rate. Historically, the loan rate has every year been substantially lower than the price paid to the peanut farmer for his peanuts.

Historically over 10 years, the peanut program has averaged only $13 million a year in cost to the U.S. Government. It varies as to what may happen at various times.

In regard to the savings of the consumer, there was a GAO study that indicated that there could be savings to the first purchaser of peanuts.

In testimony before the Agriculture Committee of the House the GAO representative who was there testifying made a distinction between the first purchaser and the final consumer, and he went on to say that in the study they contacted the manufacturers and asked them, "Will the savings be passed on to the consumer?" The answer was "Well, we may develop new products and have a different promotional program."

There have been many studies over the years that have shown that as the price of peanuts goes up and down they are not passed on to the consumer. Purdue University has conducted two such studies and have traced over the history what the price has been.

I just wanted to make those statements. I can go into much more detail and make a further statement and speech but I see Senator DOMENICI is on the floor.

I yield 2 minutes.

Mr. DOMENICI. Mr. President, I might ask that chairman of the committee, as I understand it, Senator BROWN has changed his amendment to a sense of the Senate.

Mr. COCHRAN. The Senator is correct. Senator BROWN is on the floor and has modified his amendment substantially.

Mr. DOMENICI. Mr. President, let me say to Senator BROWN, it is a little known fact that New Mexico is a peanut grower. We all know about the South, but New Mexico grows a rare peanut called Valencia peanuts. They are a little bit different than peanuts grown in your State, Senator HEFLIN, or in Georgia.

Our program does not cost any money, and I understand that reconciliation is going to look at all the farm bill and all the commodity programs and in the process they will look at the peanut program, which would include New Mexico and a piece of Texas of the Valencia peanuts, and the industry is committed to a program that has no cost to the Federal Treasury.

As I understand it, Senator HEFLIN, that is not just what the Valencia peanut industry is saying but the peanut industry at large is committed to working out a bill in reconciliation with no cost to the Federal Government.

That is all I wanted to say. With that interpretation I assume we are not seriously opposed to this sense-of-the-Senate proposal that the distinguished Senator from Colorado offers.

I want to thank the Senator for leaving the issue—the real issue of how they go about doing that—to the Committee on Agriculture in the Reconciliation Act.

I was going to argue on your first amendment that you were not really saving money but I do not want to do that now. The truth of the matter is you would not have been, so maybe I will just say it.

Actually, unless you were willing to reduce the caps, that money would be spent by some other committee somewhere else. I was going to make that point, but you were judicious and amended it before we had to come down and do that.

I yield the floor.

Mr. BROWN. Mr. President, I want to thank the Senator from New Mexico for being enlightened, and I hope he has not given up on that task because I suspect that effort will be needed again.

I simply add to the RECORD, Mr. President, information included by the Congressional Research Service on this subject because we talked about the costs of the program.

CRS reports that in 1983 to 1986 the program averaged a cost of $9.9 million a year; in the periods of 1987 to 1991 the program averaged a cost of $15.5 million; more than a 50-percent increase; the period of 1992 to 1996, the program averaged $54.8 million a year, which is 3.5 times what it was in the previous period.

As we have noted, the program last year appears to be in the neighborhood of $120 million. CRS says $119.5 million is their estimate. That is not a finalized figure.

Mr. President, the other point that I think is important, that the real cost of this program is not what it costs the taxpayers, which is significant and growing dramatically. It is what it costs the consumers of America, which CRS indicates may be in the neighborhood of $300 million to $500 million a year.

It is clear this is an area that merits reform. I appreciate my colleagues pointing out the proper role of the authorizing committee here. I hope we will make progress on it. Since we have reached agreement on the revised amendment, I believe Members will be comfortable in voting on this by voice. A rollcall vote will not be necessary.

Mr. COCHRAN. Mr. President, if the Senator would yield for a response, the amendment now is acceptable, I am told, on both sides of the aisle.

I understand, too, that the yeas and nays had been ordered but that we can vitiate the yeas and nays and no rollcall vote would be necessary.

If there is no objection, I ask unanimous consent that the yeas and nays be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. I suggest to Senators who have time under the agreement if we yield back all time we can vote on the amendment on a voice vote.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Mr. President, I yield such time as I have.

Mr. HEFLIN. Mr. President, I yield back what time I have.

The PRESIDING OFFICER. All time having been yielded back, and no one wishing to speak on this amendment, the question now occurs on the Brown amendment, No. 2688, as modified, to the committee amendment on page 83, line 4 of the bill.

The question is on agreeing to the amendment.

The amendment (No. 2688), as modified, was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote.

Mr. CONRAD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE ON COMMITTEE AMENDMENT, ON PAGE 83, LINE 4 THROUGH LINE 2, PAGE 84, AS AMENDED

The PRESIDING OFFICER. The question now occurs on the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

Mr. COCHRAN. I move to reconsider the vote by which the committee amendment was agreed to.

Mr. CONRAD. I move to lay that motion on the table.

The motion to lay on the table was agreed to

The PRESIDING OFFICER. The Senator from North Dakota.

PRIME TIME TELEVISION—THE NEW FALL TV PROGRAM LINEUP

Mr. CONRAD. Mr. President, I would like to bring the attention of the Senate an article entitled "Sex and Violence on TV" from the most recent issue of U.S. News & World Report—September 11, 1995. The article reviews television network programming for the upcoming fall TV season. I am particularly troubled by the direction of the networks. The lead in the article describes the season as "to hell with kids—that must be the motto of the new fall TV season." The article suggests that the family viewing hour—the 8 p.m. to 9 p.m. period—is dead, and that sex, vulgarity and violence rules prime time.

Tom Shales in his review this weekend of fall television network programming in the Washington Post makes similar observations. He remarked, "vulgarity is on the rise. Sitcom writers make big bucks coming up with cheap laughs. Buried in the dust of competition is the old family viewing concept that made the 8 p.m. hour—7 p.m. on Sundays—a haven from adult themes and language."

As my colleagues are aware, earlier this summer, the Senate and House of Representatives debated at length the issue of television violence as part of the telecommunications bill, S. 652 and H.R. 1555. Both the House and Senate bills include provisions requiring that new television sets be equipped with technology to permit parents to block television programming with violent, sexual or other objectionable content. The measure also encourages the development of a voluntary rating system by the television industry, a system that would enable parents to make informed decisions about television viewing for their children.

Mr. President, with all the attention focused on television violence over the past few months—including a recent pledge by my distinguished colleague senator ROBERT DOLE to clean up television and movies—it is astonishing that television networks are promoting a fall TV season that demonstrates so much disregard for the wishes of American families and the clear majority of the House and Senate. American people want television networks to develop programming with considerably less violence, sexual and indecent content. The new fall television schedule is a tragedy.

Time and time again, I, and members of the Citizens Task Force on Television Violence have been told by the media that Government intervention to reduce violent and objectionable television programming is not necessary. We were assured that the media will act responsibly. The networks argue that the technology for parents to block programming and a rating system for programming are not necessary.

Mr. President, the U.S. News & World Report's review of fall TV programming suggests otherwise. It is regrettable that the networks are demonstrating such disregard for the wishes of American families. The UCLA Center for Communications Policy's Network Violence Study released earlier today confirms some of these continuing concerns regarding violent programming. The UCLA study points out that while some programming shows improvement in the overall reduction of violence, the study identified serious problems regarding the level of violence in theatrical films on television, on-air promotions, children's television and the lack of parental advisories. I urge the American public to let their Senators and Members of the House of Representatives know their views on programming for the upcoming fall TV season, and to express strong support for the v-chip legislation when it is considered by the House-Senate Conference on the telecommunications bill. I ask unanimous consent Mr. President, that the text of the article from the U.S. News & World Report be printed in the CONGRESSIONAL RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CONRAD. Mr. President, I just want to conclude by saying the evidence is, really, overwhelming. I have been working on this issue for 5 years. I have put together a national coalition that involves church groups, law enforcement, all of the children's advocacy groups, the principals of America, the teachers, the National Education Association, group after group after group who have said, "Enough is enough. Let us reduce the mindless, repetitive violence that is on television. Let us reduce that objectionable sexual content. Let us have television realize the promise that it offers the American people, to uplift, to educate, to inform." That is what our society desperately needs.

And over and over the networks have told us, "Be patient, just wait. We are going to act."

Now, we have the fall schedule and we can see how hollow those promises are. Over and over we have been told, "We are going to do better. We are going to reduce the level of violence. We are going to reduce other objectionable content."

Mr. President, they have not kept the promise. I call on my colleagues to stand fast. We passed here, by 73 to 26, the "choice chips" that will permit parents to decide what their children are exposed to. That is the appropriate response.

I, once again, call on the networks to take action to keep their promises and, hopefully, to support this legislation that will provide "choice chips" in new television sets so parents can choose; so parents can decide what their children are exposed to.

EXHIBIT 1

[From U.S. News & World Report, September 11, 1995]

SEX AND VIOLENCE ON TV

(By Marc Silver)

The family hour is gone. There's still a splattering of guts in prime time, but the story of the fall lineup is the rise of sex. Will the networks ever wise up?

To hell with kids—that must be the motto of the new fall TV season. You want proof? Look at the network lineups. Many of the wholesome sitcoms that once ruled the 8 p.m.-to-9 p.m. hour have gone to the TV graveyard, replaced by racier fare like "Cybill" and "Roseanne." As a *Wall Street Journal* news story put it in a recent headline, "It's 8 p.m. Your Kids Are Watching Sex on TV."

Vulgarity also rules in the first hour of prime time. In "Bless This House," an 8 p.m. CBS show starring shock comic Andrew Clay as a blue-collar dad, the mom accuses her 12-year-old daughter of "spend[ing] all morning staring at your little hooters." Chatting with a promiscuous chum who's said to be so eager for sex that she'd "do it on the coffee table," the mother wonders, "My God, don't you ever get your period?"

Say goodbye to the "family hour," the 8 p.m.-to-9 p.m. period ABC, CBS and NBC once reserved for you and the kids, and say hello to the Fox in the henhouse. The success of sexually frank programs like the Fox network's "Beverly Hills 90210" at 8 p.m. has uncorked a wave of me-tooism in the quest for a young (but not too young), hip and urban audience. As Alan Sternfeld, an ABC senior vice president, says of shifting "Roseanne" and "Ellen" to 8 p.m.: "We get reimbursed by advertisers when we deliver adults 18 to 49."

Despite the outcry over TV violence this year, it is the rise of sex on TV that is the real story of the fall lineup. Some media critics are pointing to moralistic plots on shows like "ER," "Roseanne" and "Seinfeld" as evidence that network TV is becoming as wholesome and earnest as *The Little Engine That Could*. But that's just a small part of what's happening in prime time.

"A lot of Hollywood says, 'If you criticize us about violence, then let's have some good, wholesome sex at 8 p.m.,'" says Lionel Chetwynd, a prominent writer, director and producer who has worked in TV for 20 years. "The idea that family viewing includes some sense of sexual propriety doesn't seem to have sunk into the Hollywood community."

Chetwynd sees a defensive reaction from his colleagues. They complain that they're an easy target, and also believe that only someone on the far right could possibly be upset by sex on TV. But that's not so. Plenty of "lifestyle conservatives"—a term coined by film critic Michael Medved—are fed-up viewers despite their moderate or liberal political views.

Those lifestyle conservatives have plenty to grouse about. A groundbreaking study by Monique Ward, a postdoctoral fellow in education at the University of California at Los Angeles, tracks and analyzes sexual content in the 1992-93 prime-time shows most popular among youngsters 2 to 12 and 12 to 17. On average, 29 percent of all interactions involved sex talk of some kind. "Blossom" at 58 percent and "Martin" at 49 percent led the pack. Sex is most often depicted as a competition, a way to define masculinity and an "exciting amusement for people of all ages," Ward found. Looks are everything. In an episode of "Blossom," a teenager's grandfather says of a blind date: "In case she's a dog, I can fake a heart attack." Ward's study will appear in the October *Journal of Youth and Adolescence*.

Then there's soap-opera sex, talk-show sex chatter, sex crimes on the news—how do kids process all that? Little academic work has been done in this area. Yet, researchers are moving ahead gingerly, and certain conclusions are emerging. In a study of how middleclass teenage girls react to sex in the media, Jane Brown, a professor in the school of journalism and mass communications at the University of North Carolina at Chapel Hill, identified three types of viewers: sexually inexperienced teens who find the whole thing "disgusting": "intrigued" girls who "suck it up," buying into the TV sex fantasy, and "critics," who tear irresponsible sexual messages to shreds. "but the media are so compelling and so filled with sex, it's hard for any kid, even a critic, to resist," says Brown. "I think of the media as our true sex educators."

Kids agree. This year, Children Now, an Oakland, Calif., advocacy group, polled 750 children ages 10 to 16. Six out of 10 said sex on TV sways kids to have sex at too young an age. Some shows to promote teenage abstinence or conversations about the consequences of sex, but that's the exception. One suggestion endorsed by Douglas Besharov, a scholar at the conservative-leaning American Enterprise Institute: Force TV honchos to show their products to their spouses, kids and parents.

Murder at 8 p.m.—Violence also is barging into the early evening this fall. Fox's "Space: Above and Beyond," a 7 p.m. sci-fi spatterthon, features flamethrowers, stun guns and, for nostalgia buffs, a crowbar and a noose of chains. "John Grisham's The Client," an 8 p.m. CBS drama, serves up two corpses and two bloody, on-screen murders in the first 15 minutes. That's more grist for politicians on the warpath about TV violence.

The "V-chip" is currently a favorite solution. Both houses of Congress have supported legislation requiring that new TV sets come with a chip enabling parents to block violent programs. The technology is a snap. Deciding which shows deserve a "V" for violence is the problem. The networks aren't eager to cooperate. A government committee raises the specter of censorship, along with thorny questions—for example, would violence in "M*A*S*H" be in the same category as shootings in "The Untouchables"?

In any event, the V-chip is a few years away. In the interim, children will see thousands of violent acts on TV. A study by the American Psychological Association figures that the typical child, watching 27 hours of TV a week, will view 8,000 murders and 100,000 acts of violence from age 3 to age 12. (Of course, that wouldn't apply to fans of "Mister Rogers' Neighborhood" or sitcom viewers.)

An upcoming report by the UCLA Center for Communication Policy sees some improvements on the TV-violence front. "The networks know what the public is looking for," says Jeffrey Cole, director of the center, which was hired by the networks to conduct what is arguably the most thorough review ever of violence in prime-time media. Looking at nearly 3,000 hours of television, the report concludes the overall level of violence is dropping.

Bloody promos.—But gratuitous violence is on the rise. "All violence is not equal," says Cole. "Context is everything, and in some instances, violence is unwarranted and not helpful to the plot. Some movies and made-for-TV movies about crime are just vehicles for violence." Promos for violent shows are especially prone to "condensed violence" with no context.

Hollywood isn't convinced that media mayhem inspires the real thing. "When I was little, I went to the movies every week and saw violent cartoons and two or three Westerns in which the entire Sioux nation was massacred by the cavalry," recalls Steven Bochco, creator of "NYPD Blue." "I never had a question that what I was watching was make-believe, because I was raised by a family that gave me a moral compass."

On the other side of the debate stand 1,000-plus studies establishing links between TV violence and the way people behave in real life. In a 1970 study at Pennsylvania State University, psychologist Aletha Huston and a colleague regularly showed cartoons of fist-flying superheroes to one group of 4-year-olds and bland fare to another. Among kids in both groups known to be above average in aggressive behavior, those who saw the action heroes were more likely to hit and throw things after watching. Nor do the effects of TV violence fade after childhood. Psychologist Leonard Eron of the University of Michigan's Institute for Social Research has tracked 650 New York children from 1960 to the present, looking at viewing habits and behavior. Those who watched the most violent television as youngsters grew up to engage in the most aggressive behavior as adults, from spouse abuse to drunk driving.

The flaw in Bochco's argument, Eron says, is that not all homes have a moral compass. Besides, no one's saying that all violence is inspired by television. One estimate, based on an analysis of 275 studies by George Comstock, S. I. Newshouse professor of public communication at Syracuse University, is that perhaps 10 percent of antisocial and illegal acts can be linked to TV. "But wouldn't it be great if we could reduce the occurrence of violence in this nation by 10 percent?" asks Eron.

Family fare?—Fans of family TV won't find much to cheer about in the fall 1995 season. "More channels doesn't mean more choices," says Kathryn Montgomery of the Center for Media Education, an advocacy group in Washington, D.C. In fact, one of the best family dramas on television, CBS's "Christy" was canceled this spring despite a slew of awards. "Christy," the story of a young teacher in backwoods Tennessee in 1912, had superb writing and acting—and lovely lessons about life with nary an ounce of schmaltz or sex, violence or swearing. The audience of about 10 million weekly viewers was "fairly substantial and intensely loyal," says David Poltrack, executive vice president of research and planning for CBS. But the young adults whom advertisers crave weren't watching in force, so "Christy" got the ax. Reruns will air on the Family Channel on Saturdays at 7 p.m. starting in October.

Since most new network shows weren't designed with a family audience in mind, Warner Bros. new WB network is trying to fill the 8 to 9 p.m. void with "family friendly" fare. On the menu this fall: a fairly clever carton called "Steven Speilberg Presents Pinky & the Brain" on Sundays at 7 p.m., about a smart lab rat trying to take over the world, and supposedly wholesome sitcoms that are, in fact, generally mediocre and occasionally offensive. In "Kirk," the lame tale of an older brother who assumes custody of three siblings, the younger brother brags of peeping into a nearby apartment and seeing a beautiful woman in a "Wonderbra and nothing else." Turns out the gal is a guy, even though he has "girl things."

Raunchy family fare is nothing new. In an episode of CBS's "The Nanny," a returning show that pitches itself to kids with promos during cartoons, the nanny comes home drunk and mistakenly stumbles into bed with her cold-ridden boss. The next day, neither can recall if they had sex. "We try to do a sophisticated 8 p.m. show," says "Nanny" Co-executive Producer Diane Wilk. "We wouldn't want to put anything on the air we wouldn't want our children to see." Counters Debra Haffner, president of the Sexuality Information and Education Council of the United States: "I wouldn't let my 10-year-old daughter watch. 'The Nanny'—or practically any other prime-time show—without me, so I can discuss the sexual messages with her."

Smart TV.—On Saturday mornings, network cynicism is symbolized by ABC's canning of "Cro," one of the few genuinely educational cartoons around. "Cro" wasn't the greatest show ever produced by the Children's Television Workshop, creators of "Sesame Street." But it managed to tuck science lessons into the adventures of a prehistoric tribe and did win its time slot last season. ABC says the show "underperformed." As "Cro" bowed out, an animated version of the movie *Dumb and Dumber* joined ABC's Saturday lineup. "This is beyond irony," says Reed Hundt, chairman of the Federal Communications Commission. "'Dumb and Dumber' is a description of this decision, not just a title."

PBS still has a fine roster of educational fare. But "Ghostwriter," a popular show for ages 6 to 11 that stresses reading skills in the mysteries it weaves, will have no new episodes, just reruns. Corporate money dried up for the series, and two commercial networks weren't interested in new episodes for Saturday mornings. "Wishbone," a new PBS daily series, debuting October 9 and aimed at the same age group, is a strong breed. The eponymous star is a terrier who imagines himself in literary works like *Romeo and Juliet*. The dog is appealing, yet a purist might wonder if this is the best way to introduce kids to great literature.

But "Wishbone" is a gem compared with Disney's new, allegedly educational syndicated series "Sing Me a Story: With Belle." To keep costs down, Disney is recycling old cartoons with new didactic voice-overs. In one episode, the lesson is: Friends are good, friends are good, friends are good. The live-action host is Belle, star of *Beauty and the Beast*.

Nonetheless, Disney could be the salvation of family-friendly television when it takes over ABC. Dean Valentine, president of Walt Disney Television and Television Animation, predicts the glut of adult-oriented 8 p.m. shows will provide an opening for something different. "In the next year or two, the hit shows will be family programs from Disney at 8 p.m.," he says.

Parents don't have to just sit and wait for better TV. Public outrage can play a role in reforming the media—that's why Calvin Klein decided last week to pull controversial ads for jeans depicting young people in various stages of undress. Then again, few have lost money being crass in the vast wasteland.

A GUIDE TO MEDIA LITERACY—WHAT TV-SAVVY PARENTS CAN DO TO HELP THEIR KIDS

As TV gets wilder and wilder, more parents are opting to junk television altogether. Those not ready for this drastic step can find solace in media literacy—the art of deconstructing television. Schools in Canada have taught media literacy for years, explaining to students that programs exist to deliver an audience to advertisers, that sex and violence sell and that TV news isn't all the news that's fit to air—it's more likely the news that gets the best ratings. American schools are just beginning to catch up. Here are six key precepts for a crash course at home.

1. Rethink your image of TV.—Newton Minow, former chairman of the Federal Communications Commission, suggests imagining a stranger in your house blathering on to you and your children about sex and violence all day long. No one dares interrupt or tell the stranger to shut up or get out. That stranger is your TV set.

2. Keep a diary.—Ask your kids how much TV they think they watch. Then have them write down everything they watch for a week. Parents might do the same. Both generations may be shocked by the results. A reasonable goal for kids: two hours a day. Several primers help with this and other steps: *The Smart Parent's Guide to Kids' TV* by Milton Chen (KQED Books, 1994, $8.95); "Taking Charge of Your TV," from the National PTA and the cable-television industry (free copies from 800–743–5355 or *http://www.widmeyer.com/ncta/home.htm* on the Internet); and guides from the Center for Media Literacy (call 800–226–9494 for a free catalog).

3. Be choosy.—You wouldn't stroll into a library and pick up the first book, and you shouldn't just turn on the TV and watch whatever's on. Media literacy mavens suggest choosing a week's worth of programs in advance. Sorry, no channel surfing.

4. Watch with them.—Unless parents are confident that a show is safe for youngsters (rarely the case these days), they should watch with their kids, then talk about controversial content. Sample queries: "Why

was that the lead story on the news?" "Could a cop really be back at work a week after being shot in the chest?" "When the star of the sitcom decided to have sex with a woman he just met, should she have suggested that he use a condom?"

5. Just say no.—And also why—which means you first need to watch the series in question. "My daughter, who's 11, wanted to see 'Married . . . With Children,'" says Karen Jaffe of Kidsnet, a children's media resource center in Washington, D.C. "I said no. I don't like the way the parents talk to the kids or the kids talk to the parents."

6. Media literacy isn't a cure-all.—No child can be immunized against all the bad stuff on TV. So parents (and children) need to make their objections known. Letters to the local station, with a copy to the local newspapers and the FCC, can carry weight, especially if you use the words feared by TV executives: "failing to serve the public interest" and "doesn't deserve to have its license renewed."

DOES KIDS' TV NEED FIXING?

Officials are debating whether to toughen the Children's Television Act: Should they require stations to air more quality kids' programming?

The Children's Television Act is either the last best hope for children's programs or an irksome symbol of how government meddles where it shouldn't. Enacted in October 1990, the act requires local stations to meet the "educational and informational needs of children" to renew their licenses. The act's supporters want to strengthen its terms by requiring, among other things, that a specific number of hours be devoted to children's programming; its critics say Uncle Sam has no business regulating a local station's schedule.

Pro:

Without government intervention, the television industry will not produce enough quality children's programming.

Broadcasters must serve the public.—They use spectra owned by the public and it's only right that their work benefit the public interest. "The law requires that broadcasters uphold public-interest standards regardless of the share of 18-to-49-year-olds that they capture for advertisers," said Federal Communications Commission Chairman Reed Hundt in a recent speech.

Children need an advocate.—Federal courts have already recognized that government has a role in protecting kids' interests that extends beyond the constitutional protections of free speech. One recent decision affirmed that role when it upheld the FCC's regulations restricting "indecent" programming to certain hours.

Broadcasters cut corners.—The children's Television Act vaguely defines educational as furthering "the positive development of the child in any respect." Broadcasters love that loophole. The Center for Media Education says some station license renewal applications have listed cartoons like "Casper" and "GI Joe" as educational. The definition of the word educational must be firmed up so that shows airing prior to 7 a.m. should not qualify and local stations are required to air a certain number of hours per week.

Threats of regulation bring results.—When presidents threaten to regulate the television industry, more educational shows are produced for children. Former ABC children's television chief Squire Rushnell has charted the relationship: Richard Nixon and Gerald Ford both advocated that there should be more educational children's programming or else the government would insist on it. As a result, the networks averaged almost 10 hours of such programming per week by 1975. By the end of Jimmy Carter's term, in 1980, the total was up to 11¼ hours. By 1990, after Ronald Reagan's tenure, it dropped to 1¾ hours. (Broadcasters dispute Rushnell's counting methods.)

Con:

While there is industry support for the Children's Television Act, the free market does a good job of creating quality shows without government edicts.

Strict regulations violate free speech.—When government tells broadcasters how much children's educational television they should produce and what time slots they should use for such programs, the First Amendment rights of those broadcasters are violated. "It takes away the discretion of the broadcasters," says Jeff Baumann, general counsel for the National Association of Broadcasters.

Government cannot make children watch "educational programming."—If TV producers have to scramble to produce educational shows to fulfill a requirement, the result will be a spate of mediocre programs that won't capture the imagination of children.

Broadcasters have responded to the act.—FCC Commissioner Rachelle Chong points out that since the act took effect, children's educational fare has increased from about one hour per week to three hours on average. She believes that broadcasters are getting the message about educational fare and plans to follow up with broadcasters who promise her that the trend will improve. Quantitative guidelines should be "our last resort."

The free market works.—Cable stations like the Disney Channel, the Learning Channel and Nickelodeon and several satellite and online services have all come into being to serve children (though 36 percent of American homes do not have cable). With new players entering the entertainment business, the choices for children will only increase. "If there's a program niche there, the marketplace will find it," says Ben Tucker, president of Retlaw Broadcasting and chairman of government relations for the CBS affiliate's advisory board.

The PRESIDING OFFICER. The Senator from Connecticut.

THE STATE OF TELEVISION TODAY

Mr. LIEBERMAN. Mr. President, I am, again, glad to join my colleague from North Dakota, Senator CONRAD, in commenting on the state of television today. I do not know that the Conrad-Lieberman review of the fall television season will rival Siskel and Ebert's review of movies. But I would say Senator CONRAD and I are quite clearly saying we give this fall TV season two thumbs down. That is, really, what I want to talk about today.

Three months ago this body voted overwhelmingly, on a bipartisan basis, in support of V-chip—or C-chip, C for choice—legislation that Senator CONRAD and I initiated. With that vote we said, in effect, that too much of television in America today has become so wild, so vulgar, so morally repugnant that it has actually become a threat to our children, a threat from which they need protection.

As Senator CONRAD indicated, there is new evidence out today on the extent of violence in television in the form of a study released by the Center for Communication Policy at UCLA which, while it does note some improvement, shows by its content that violence remains a serious problem in TV programming. But the American people do not need a study to tell them what they already know about the state of television today. Not only does violence remain a problem, but vulgarity is increasing as a problem.

I hear complaints whenever I go home and talk about this subject. Poll after poll depicts a citizenry fed up with the plummeting standards of the TV industry and the constant barrage of foul programming that is being thrown at our children.

Mr. President, our purpose—Senator CONRAD's and mine—in raising this issue today is to call our colleagues' attention to the industry's curious reaction to the public's anger about the state of television programming. For the fact is that the broadcast networks this week are embarking on a new fall season that is far more crude, more rude, and more offensive than anything we have seen before.

That is the conclusion reached by the television critic at Connecticut's largest newspaper, the Hartford Courant, James Endrst, who characterized a collection of new series this fall as the product of a "slow but steady slide into the gutter involving the Nation's most pervasive and persuasive medium." He went on to say that "viewers may be struck not so much by the shows, but by the scenes—TV moments signaling an aggregate acceptance of rude language, foul imagery and gross behavior in the entertainment mainstream."

It reminds me of Senator MOYNIHAN's searing and profound comment that we are defining deviancy down by lowering the standards of what we accept on television, particularly in what used to be family programming hours. We are lowering the standards of what is acceptable in our society, and we are sending a message to our children.

The Cincinnati Enquirer's editorial page bluntly talked about the "reeking crud of puerile trashcoms" that are so common this fall season. And Tom Shales, respected critic from the Washington Post, used the words "depraved" and "soul-killing" after viewing some of the same shows.

Mr. President, I would encourage my colleagues to watch some of these new shows, new shows that are premiering this week. Those of you who once may have watched "Car 54, Where Are You?" will probably end up asking "Common Decency, Where Are You?" on television today.

Mr. President, I am going to reference and read from a few lines from these shows, and perhaps I should issue a warning to any children that may be watching on C-SPAN or their parents to remove them from the sets. So I am going to quote from shows that are shown in the family hour on television today. It makes me feel like my childhood was a long time ago, and I am sure parents are yearning again for the time when they could turn on the television and not worry about being embarrassed to sit there with their children and hear what they hear—being worried about letting their children watch without them.

So let me cite from some of the shows that are new to the television this year.

ABC's "Wilde Again" in which the lead character advises her stepdaughter to "call me what you called me when we first met, 'Daddy's little whore'." Or, you can watch another ABC offering, a nighttime soap called "The Monroes," which in its premier last week showcased a woman making what we once referred to as an obscene gesture with her middle finger. That may be the most fitting symbol to characterize what too much of television is saying to the American public today, and also to our concerns about the degradation of our culture.

One of the most controversial new shows is a sitcom on CBS called "Bless This House." And it is controversial for good reason. On its premier last Monday night, the mother on the show tells her daughter that she would not need her own bathroom if "you didn't spend all morning staring at your little hooters."

What makes the crassness of "Bless This House" profoundly disturbing is that the network has made a decision to air the show at 8 p.m. during what we once thought of as the traditional family viewing hour.

Some of this stuff is obviously appropriate for adult viewing. But to put it on at 8 p.m. when families have been watching television is an insult to those families. The networks' commitment to that concept of the family television viewing hour has obviously eroded. But the fall season has slipped even further, as is evident from the number of what I would call sophomoric sitcoms that are being aired between 8 and 9 p.m. For instance, joining "Bless This House" is another CBS series, "Can't Hurry Love," which has featured in its premier episode some truly outrageous language from the lead characters.

Mr. President, the abandonment of the family viewing hour is evident also in the networks' decision to shift the number of established sitcoms with adult themes—such as "Cybill" on CBS and "Friends" on ABC—to this earlier time period. Those two shows which I have watched can be very engaging, very witty, and very entertaining. But they are often clearly not appropriate for children, particularly younger children. That is exactly the point which Senator CONRAD and I are trying to make.

I must say just as jarring as the language on new shows are some of the comments from network officials to justify their programming decisions. One high-ranking official at ABC said, "The society to some extent, has become crasser, and we move with that." That is not what I understood the purpose of entertainment to be, particularly not in the family viewing hours.

An executive from NBC explained that "life includes sexual innuendoes." And another NBC official also went so far as to say, "It's not the role of network television to program for the children of America." But the children of America are watching those programs. That official added that most small children "are watching Nick at Nite." Most of them do not watch network television in prime time.

If many young children are indeed watching Nickelodeon or the Disney Channel, it's because their parents are deeply troubled by the content of the major network's programming, and are searching for refuge from the tawdriness that characterizes too much of television today.

But the reality is that many children are watching broadcast television and these tasteless trashcoms, and the legion of perverse and near-pornographic talk shows that air each afternoon. No matter how hard parents work to monitor their children's viewing, habits, and no matter how many technological gadgets they have at their disposal, many children will continue to watch these channels, and their behavior will continue to be influenced by what they see on TV.

Mr. President, I realize that the TV industry is not a monolith. There are many responsible leaders in that community, just as there are some outstanding. thought-provoking series on the major networks. Some of them, such as the hit ABC comedy "Home Improvement," showed that you can be successful and funny, without being vulgar.

PBS obviously continues to offer both adults and children a number of engaging, challenging, thought-provoking, and entertaining series. And even among the new network offerings NBC is earning favorable reviews for a family-oriented program called "Minor Adjustments," a show about a child psychologist which will appear on Sunday nights.

But there is a clear direction that the networks are moving in. It is not just Senator CONRAD and I who see it. It is all or most of the TV critics who have reviewed this current fall season. We have reason to be deeply troubled about it. I can tell you that I am troubled about it not just in my capacity as an elected representative, but as a father of four kids, one of whom is 7 years old. Television executives need to recognize that they are part of a larger civil society to which they, like we, have obligations, and that the first amendment is not a constitutional hall pass that excuses them from their responsibilities to that civil society.

Mr. President, in the end, the new fall season I hope will clear up any doubts that our colleagues have about the need for the leadership, or the V-chip, and the need to help parents protect their kids as best they can from the messages that television is sending them that are so often inconsistent with what the parents are trying to send and teach their own children.

When the telecommunications bill comes out of conference, I hope my colleagues will join us in calling on the networks to acknowledge their responsibility to society and the impact that they have on our society and to remember this important point. They are obviously private businesses, but they are using the public airwaves, and they should not use those airwaves to hurt the public. The networks need to be reminded that they would not exist if the public and we, their representatives, did not grant them access to those airwaves.

No one here wants to talk about censorship. No one here wants to talk about constraining the freedom of the networks to program. But the reality is that the networks are moving so far away from reflecting the values commonly shared by most people in this country, let alone the interests of most people in this country, that they are inviting a reaction unless they discipline themselves.

Mr. President, one of television's finest moments was the Edward R. Murrow documentary "Harvest of Shame," which was broadcast four decades ago. I am afraid that the 1995 fall season might also be titled the "Harvest of Shame." I hope its excesses will inspire a reaction from the American people, a reaction from us, their representatives, here in Congress, and ultimately a reaction from those who can do most to diminish this problem, and that is those who own, operate and program our television networks today.

I thank the Chair. I yield the floor, and I note the absence of a quorum.

Mr. COCHRAN. Mr. President, will the Senator withhold.

Mr. LIEBERMAN. Mr. President, I withhold my notation.

The PRESIDING OFFICER. The Senator from Mississippi.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

Mr. COCHRAN. Mr. President, the situation, for the information of Senators, is that we are at the point now where we can proceed to take the remaining amendments up and consider them, dispose of them, and move to final passage.

There are several amendments that have been listed in an agreement we entered into yesterday limiting amendments that we understand will be called up and we will have to consider them.

Senator STEVENS has an amendment on the salary of an Under Secretary position at the Department of Agriculture. That will be offered soon, we understand. Senator MCCAIN has an amendment dealing with education funds for tribal colleges, and we are happy to consider that amendment at any time the Senator would like to offer it. We may very well be able to work that out without a rollcall vote. We hope we can.

I am saying all this to let Senators know that we are making progress. We are getting to the point where we hope we will be able to move to final passage on this bill in the early evening so we will not have to stay in late on this bill tonight. We want to finish the bill tonight. The majority leader has indicated that we will stay in until we finish the bill. I am simply saying I am encouraged that we may be able to finish this bill early this evening if Senators will come and offer their amendments.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I would like to thank the manager of the bill and Senator BUMPERS for their patience. I should be ready to propose this amendment within a few minutes as soon as I get one additional piece of information.

Would the Senator from Mississippi want me to suggest the absence of a quorum while we talk?

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER (Mr. GRAMS). Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, I understand that my colleague from Arizona, Senator MCCAIN, will shortly be offering an amendment to provide funds for American Indian postsecondary institutions. And I want to speak very briefly in support of this amendment.

Mr. President, Senator MCCAIN, as chair of the Committee on Indian Affairs, is offering this amendment which I am proud to cosponsor which will provide funds to those institutions that are authorized in the Equity in Educational Land Grant Status Act of 1994. That act was included as part of the Improving America's Schools Act, which we also passed in the last Congress.

Mr. President, I sponsored that legislation in the last Congress to rectify what I saw as an unjust situation. That is, that every State and territory in the country had a land-grant college that received funds by virtue of that designation, but none of the Indian-operated institutions were designated as land-grant institutions in spite of the very important work that they did preparing people for careers in agriculture.

Mr. President, we had the anomalous situation where the University of the District of Columbia was a land-grant college, but those institutions in my own State and elsewhere in the country which were dedicated to training Indian Americans to pursue careers in agriculture, as well as other careers, were not so designated. So the Equity in Educational Land Grant Act authorized land-grant programs for the 29 tribal and Indian-serving institutions, which came to be known as the 1994 institutions as a result of our passage of that legislation last year.

Those institutions serve 25,000 students from 200 different tribes. The legislation then passed in October 1994 had bipartisan support and had the endorsement of the Department of Agriculture, the National Association of State Universities and Land-grant Colleges, the 1890 historically black land-grant colleges and the existing land-grant colleges in States with tribal colleges.

The appropriation that Senator MCCAIN is calling for here would make funds available for four different purposes, as I understand it, for payment into the endowment, which would be much-needed; a certain amount of funding to strengthen curriculum in food and agriculture sciences in these 1994 institutions; a certain amount for capacity-building grants; and, again, a separate amount for competitively awarded extension programs administered through the existing State land-grant colleges in cooperation with these 1994 institutions.

The offset would be from a very small amount of the dollars provided for the benefit of the land-grant college system. I am persuaded that these funds will be well spent. The programs that the amendment provides for in all 29 colleges are roughly equal to the amount that the Department of Agriculture allocates to fewer than one of the existing land-grant colleges each year.

This funding will develop expertise in training to improve the training and use of over 50 million acres of Indian agricultural and forest land. The most recent surveys of tribal colleges found that even in the economically depressed areas where these schools are located, tribal college graduates are employed at rates of 74 to 85 percent, generating very large amounts in Federal taxes.

For these reasons, Mr. President, I urge my colleagues to support Senator MCCAIN and his amendment. I hope it is adopted by the full Senate.

Thank you, Mr. President. I yield the floor.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. I would like to thank my friend and colleague from New Mexico for his efforts on this issue but also many others that he and I have been involved in over a period of many years on behalf of native Americans. And, as he stated so eloquently, this is a matter of simple fairness.

I am pleased to note, Mr. President, that the distinguished manager, the Senator from Mississippi, and Senator BUMPERS have agreed to a compromise on this amendment which I will be proposing shortly. And, Mr. President, the compromise amendment that I will be proposing on behalf of myself, Senators DOMENICI, INOUYE, BINGAMAN, and CONRAD is fundamentally the same.

In the interest of time, I will make my remarks and then propose the amendment when the paperwork is finished, making the changes that are being implemented as a result of the compromise that Senator BUMPERS, Senator COCHRAN, and I have achieved.

Mr. President, this amendment would provide funding for extension education and capacity building and programs at the 29 tribally controlled community colleges in the United States.

These programs were fully authorized to be funded by the Department of Agriculture by the Improving America's School Act of 1994. I want to emphasize again, Mr. President, these programs were authorized in 1994.

What the distinguished chairman has agreed to is that we have approximately $4.1 million in funding for these 29 tribal-controlled community colleges. The funds necessary to fund these efforts, of course, will be small in comparison to the approximately $855 million that is provided in this bill for research and extension programs of the Cooperative State Research Education and Extension Service budget of the Department of Agriculture.

Mr. President, the tribally controlled community colleges and institutions in America share an unfortunate fact with other tribal organizations in Indian country: They perform an extremely important task on behalf of the poorer citizens in our country, yet they have been long ignored. While many colleges and universities in America are worried about protecting State and Federal funding, tribal colleges in Indian country are struggling to survive.

It is really not appropriate that while many universities continue to receive this great amount of money, tribal colleges live in fear of losing their accreditation due to an urgent lack of funds.

Recently, we have seen actions in this body that have not been favorable to native Americans, as we noted in the Interior appropriations bill. The 29 tribal colleges in America, often called the "1994 institutions," due to the fact that Congress gave them partial status as land-grant colleges last year, are extremely important to the goal of providing access of native Americans to education.

Many of these colleges are the only chance native Americans have to pursue their dreams of acquiring the skills and education they so desperately need to pursue their dreams. I think it is likely many Americans, and perhaps many Members of Congress, are unaware of the importance of tribally controlled colleges in Indian country. These colleges include among the 29, the Black Feet Community College in Browning, CO; the Sinte Gleska University in Rosebud, SD; the Southwest Indian Polytech Institute in Albuquerque, NM; and the Turtle Mountain Community College in Belcourt, ND.

Mr. President, there is a problem that native Americans have many times when they enter a college or university. Many of these young people have spent their entire lives in remote parts of our respective States, sometimes never coming in contact with more than 50 or 100 or at most 200 people for most of their lives, and then they are thrust into a large university situation.

In my own State, there are two large universities of 40,000 students each. When a native American student goes from the very small and very lowly populated environment to this very large scenario, they find many times it is a culture shock which is very difficult to cope with. As a result of this, the dropout rates of our large universities across the country, but also in Arizona, is extremely high, as high as 85 and 90 percent.

We find that in the tribal community colleges that the environment is much different and the success rate is dramatically improved.

Last year, a bipartisan coalition of Senators took note of the important work of tribally controlled colleges and the difficult circumstances they face and passed legislation authorizing the Department of Agriculture to assist agriculture-related programs at these schools.

It is very fitting for Department of Agriculture funds to be used to support native American colleges, as this amendment would achieve. American Indian lands span over 54 million acres in the United States, with 75 percent of this total being agricultural land and another 15 percent forestry land. Unfortunately, due to a lack of resources, millions of acres of these potentially productive lands lie fallow or are underutilized. The modest amount of funds provided by this amendment would empower tribally controlled colleges and students to assist their communities and effectively develop their agricultural resources.

Obviously, I believe this amendment is a matter of equity. The Congress and the President joined together last year to offer new hope to native American schools and students but are on the verge of failing to deliver a promise yet again due to the lack of funds in this bill. Tribal colleges will use very well this amount of money, and it will be vital to the existence of some of them.

Mr. President, I would like to, just for purposes of the Record, mention a couple of facts: The median age for American Indians residing on reservations was 20.7 years of age in 1990, the median age for the entire United States was 32.9 years.

Fifty-seven percent of the total American Indian population was age 24 or younger in the United States in 1990, as compared to 36 percent for the mainstream population of the United States.

The population age group 5 to 17 comprised an average 31 percent of the total American Indian population, as compared to the national average of only 18 percent.

The American Indian population increased 38 percent between 1980 and 1990; the total United States population increased by 9.8 percent in the same period.

The American Indian baby boom has now reached college and employment age. In 1989, 31 percent of American Indians lived below the poverty level; the national poverty rate was 13 percent in that same year.

Unemployment rates on Indian reservations averages 45 percent, while some reservations served by the tribal colleges have unemployment rates as high as 86 percent.

From a 1994 sample of 16 tribal colleges, fully 74 percent of tribal college graduates are successfully employed; 42 percent of tribal college graduates go on to continue their education in other postsecondary institutions.

Mainstream public colleges are geographically inaccessible to many young American Indians, and by depriving American Indians of an equal education, we are preventing American Indians from finding adequate employment opportunities.

Mr. President, 1,340 out of 1,575 graduates in a sample of six tribal colleges were successfully employed and paid a total of $2.73 million annually in taxes. This is a dramatic difference than there is, obviously, from the average native American, and I think it proves that in the long run, educating Indian children is just as productive, in fact in some ways more so, than as it is non-Indian children.

I note the presence of my friends from North Dakota and from Hawaii on the floor. I will state, hopefully the amendment will be finished in a few minutes so I can formally present the amendment. In the meantime, I yield the floor.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I wish to commend my friend, the distinguished Senator from Arizona, for his leadership and for his wise counsel in sponsoring this amendment. I hope that the Senate will adopt the amendment.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I commend the distinguished Senator from Arizona, and others, who are supporting this initiative for working with the managers to craft the language so this will be acceptable. We are going to recommend the approval of the amendment. It is being drafted, and I understand as soon as it is, it will be offered, and we will recommend that the Senate adopt it on a voice vote.

I know other Senators are here with other amendments. Until we have an opportunity to formally act on the amendment, I will yield the floor.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. I thank the Chair.

Mr. President, I want to thank my colleague from Arizona, Senator MCCAIN, for his leadership on this amendment. Senator MCCAIN and Senator INOUYE have been true friends of the Indian peoples of this country. Over and over and over, they have taken initiatives to try to make a difference in the lives of people who desperately need that assistance.

The amendment that the Senator from Arizona has offered this afternoon is especially important to me, because I remember very well speaking at the Turtle Mountain Community College that the Senator from Arizona referenced. I spoke at their graduation. I wish my colleagues could have been there to see the difference these community colleges are making. The idea that people were having a chance to make the most of themselves, that there was an educational opportunity, that there was a chance to go beyond what had been the experience of their parents and their grandparents, that there was a chance to develop themselves, which had filled them with such hope and such a sense of self-worth that you could see it in the eyes of the hundreds of students who were there. You could see that pride when they reached out and received a diploma that said they had mastered the subject matter.

Mr. President, in all of the time I have been in the U.S. Senate, there has never been a time that I was as moved personally by what I saw as I was on that day at graduation at the Turtle Mountain Community College. I was absolutely persuaded that this is making a difference in the lives of people.

If you could have gone to that reservation, like I did 25 years ago, and seen the conditions there and seen the difference that community college is making today, it is so dramatic that it is almost hard to believe you are in the same place. They now have several industries that are at work, that are producing goods for the military of this country that are second to none. Their tribal industry built the water trailers used in Desert Storm, and the Army says they are the finest water trailers they have ever had, and they were absolutely critical in that conflict. They were made by people who were the graduates of that community college. It is precisely the kind of thing we ought to be doing.

I thank the Senator from Arizona for his leadership and initiative.

Mr. McCAIN. If the Senator will yield for a question, concerning the water trailers, were they constructed by the tribal authority?

Mr. CONRAD. The tribal industries had built the water trailers that were used in Desert Storm.

Mr. McCAIN. What kind of an impact does that have on the tribal economy?

Mr. CONRAD. It is very dramatic because their contracts run in the tens of millions of dollars a year. It has made a dramatic difference to the economy of that reservation. I might say to my colleague, not only has that industry made a difference, they have also—this is very interesting—formed a computer company. That computer company now does the work for the Treasury Department. They manage the computer systems of the U.S. Treasury Department. They have done a first-class job. They employ literally hundreds of people in doing that service, and they have done a superb job, by the way, an absolutely superb job, and they are graduates of that particular community college.

Mr. McCAIN. Finally, would they be able to conduct and manage both industries if they did not have the community college training that is provided at Turtle Mountain?

Mr. CONRAD. No, clearly not. That community college has formed the basis of providing an educated cadre of employees that make those firms successful.

I say to my colleague, if you could go there and see the difference it is making in the self-confidence of those people, in their sense of self-worth, it is just a dramatic thing. Again, I thank my colleague for what he has done.

Mr. McCAIN. I say to my friend from North Dakota, I would consider it a privilege to come up sometime and visit Turtle Mountain Community College, because I really believe that these 29 community colleges provide what, frankly, we are not able to provide.

As I said earlier, at the University of Arizona and Arizona State University, we get many native American students entering those schools. Those 40,000 students are probably more people than some of the native American students have ever laid their eyes on in their lives. It is culture shock. And the dropout rate is high. As much as we try to design what are almost affirmative action programs, and special tutoring in special areas, we have great difficulty keeping them.

Yet, at the community colleges—for example, Navajo Community College, the dropout rate is very small because the environment and the climate is so conducive to an atmosphere where they feel a great degree of comfort. I think when we look at these community colleges, they play a far greater role than, perhaps, we could ever appreciate.

Mr. CONRAD. I could not agree more with the Senator from Arizona. If any colleague had a chance to go there and witness what I have seen, they would conclude that this is the single best expenditure we have made in the country.

Mr. McCAIN. Mr. President, I believe I am about 1 minute from being able to dispose of this amendment. If my friend from Massachusetts will indulge me, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2694

Mr. McCAIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. McCain], for himself, Mr. Domenici, Mr. Inouye, Mr. Bingaman, Mr. Conrad, and Mr. Dorgan, proposes an amendment numbered 2694.

Mr. McCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 25, line 14, strike "$568,685,000" and insert in lieu thereof "$564,685,000".

On page 15, line 13, after the semicolon insert "$1,450,000 for payments to the 1994 institutions pursuant to Sec. 534(a)(1) of P.L. 103–382;".

On page 15, line 17, strike "$418,172,000" and insert in lieu thereof "$419,622,000".

On page 18, line 2, after the semicolon, insert "$2,550,000 for payments to the 1994 institutions pursuant to Sec. 534(b)(3) of P.L. 103–382;".

On page 18, line 11, strike "$437,131,000" and insert "$439,681,000".

Mr. DOMENICI. Mr. President, I support the amendment which would provide $4.0 million in funding to support extension, education, and capacity building programs at the 29 tribally controlled community colleges and institutions in the United States.

I would also like to thank the committee for the $4.6 million already in the bill for the Native American Institutions Endowment Fund.

The amounts already provided in the bill and the amount in amendment will enhance educational opportunities for Native Americans by building educational capacity at the 29 institutions.

These institutions are in urgent need for additional resources to educate their 20,000 students from over 200 tribes.

This funding would enhance student recruitment and retention for Native Americans, curricula development, faculty preparation, instruction delivery, and scientific instrumentation for teaching.

The programs that are funded under this amendment are authorized under last year's elementary and secondary education amendments which was signed into law in October 1994.

I urge the adoption of the amendment.

Mr. McCAIN. Mr. President, I do not believe that the amendment requires any further debate or discussion.

I yield the floor.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to the amendment.

The amendment (No. 2694) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

AMENDMENT NO. 2695

(Purpose: To prohibit the use of appropriated funds for providing assistance to the United States Mink Export Development Council or a mink industry trade association)

Mr. KERRY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. Kerry], for himself, Mr. Bryan, Mr. Smith, and Mr. Lieberman, proposes an amendment numbered 2695.

Mr. KERRY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . MINK INDUSTRY.

(a) FINDINGS.—Congress finds that—

(1) since 1989, the Federal government, through the Department of Agriculture Market Promotion Program, has provided more than $13,000,000 to the Mink Export Development Council for the overseas promotion of mink coats and products; and

(2) the Department of Commerce has estimated that since 1989 the value of United States' exports of mink products has declined by more then 33 percent and total United States' mink production has been halved.

(b) FUNDING.—None of the funds made available in this Act may be used to carry out, or to pay the salaries of personnel who carry out, the market promotion program established under section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623), in a manner that provides assistance to the United States Mink Export Development Council or any mink industry trade association.

Mr. KERRY. Mr. President, I send this amendment to the desk on behalf of myself, my colleague, Senator BRYAN, Senator LIEBERMAN, and Senator SMITH. I know that Senator SMITH, I think, intends to speak on this amendment. But we will not take very long at all.

Over the course of the last few years, we have become accustomed to identifying a series of programs on the floor of the Senate that most people have come to a quick conclusion do not make sense, against almost any standard or judgment. I think there are a lot of programs, we have come to realize, that have outlived original purposes, but they are still staunchly defended by entrenched special interests. There are a lot of other programs which never served the national interest at all, but they were initiated to satisfy a very powerful political interest. This appears to be one of those programs that may even fit both of those criteria, but which at this point in time does not make sense.

We had a debate earlier today about the Market Promotion Program. I joined as a cosponsor with colleagues in trying to do away with the whole program because there is, on its face, an enormous, legitimate question as to whether or not while we are cutting so much and so in so many other areas and particularly when we are making important judgments about the ability of the private sector to do what the private sector ought to do, there are huge concerns about the Government ponying up money to pay for what very big ongoing concerns ought to be able to do on their own.

There is even a greater concern—just on a philosophical basis—there is a huge concern about why the public sector ought to be subsidizing private sector entities that are entirely profitable, but we are subsidizing things that are wholly within the mainstream of the normal commercial business.

There is a second question about why we ought to do that at a moment when we are asking a whole lot of Americans to give up things.

So I am particularly asking my colleagues to think about a component, one component, of the Market Promotion Program which is the money that we pay to the Mink Export Development Council.

No matter where you fall on the political spectrum, it would seem to me that we ought to be able to reach the commonsense rational conclusion that for the United States to be asking taxpayers to subsidize the sale of mink abroad does not meet any rational test.

Since 1989, we have spent $13.2 million for overseas promotions of minks. We ought to stop it now. We ought to signal to the country that we are prepared to stop it now.

That is an average, and it averages because it is different each year, about $2 million a year, of hard-earned taxpayers' money that goes to promote foreign fashion shows and advertising. It is precisely this kind of special interest that most Americans are saying, when are you going to cut out this nonsense?

We are about to say a teenaged mother is not going to be able to get child care paid for, for a certain amount when she goes to work, but we can pay $2 million to a company that makes a profit in order to help them promote mink sales abroad.

We will tell an elderly couple that we are cutting Medicare but we are going to keep the mink subsidy so this profitable company can sell mink.

We are going to tell a college student we have cut back on the Pell grants but we are not going to cut back on the mink subsidy.

We are going to tell a child we are not going to have Head Start but we are not going to cut back on the mink subsidy.

I think the arguments are very obvious and I do not need to belabor them.

I will share with my colleagues an advertisement which shows what this money is going to.

Here is money spent by the council on the sale of mink. This is in a Japanese magazine. It is in Japanese. I might add, nowhere does it say anything about America, or American mink or anything like that. It just says buy the mink.

Here is the translation: "Announcing the newest and best mink collection. Excellent material and design. A step above the rest. With our pride we will provide you with a unique opportunity to upgrade your personal style."

That is it. That is what the taxpayers of America are paying for.

Now, of the $13 million that we spent in the last few years, 90 percent of it has gone to three companies. One of those companies is a subsidiary of a large foreign-owned corporation, and every American ought to be outraged by that.

The two principal recipients of this largess are very large companies with significant revenues who simply do not need the average taxpayers of America giving them money to subsidize a foreign fashion show.

Mr. President, let me point to these two companies. From 1990 to 1994, Hudson Bay's North America Fur and American Legends received $11,840,866 during that period. North American Fur has revenues of $49 million and it is affiliated with a Canadian conglomerate that has 53,200 employees and $3.9 billion in sales.

This advertisement, this program, speaks for themselves. At a time of change in Washington this program ought to be included in that change. I hope my colleagues will join the House of Representatives who voted overwhelmingly to get rid of this ridiculous subsidy.

Mr. SMITH. Mr. President, I rise in support of the amendment of my colleague, the Senator from Massachusetts.

This is an amendment that is necessary. It should be so obvious, considering the types of debate we have been having about cuts and reductions in spending and balancing the budget.

I have always voted against market promotion programs but some like to refer to it as "corporate welfare." I am satisfied with simply calling it a costly program that frankly does not work.

That is really the issue here. If you are going to be providing subsidies, it ought to be accomplishing something, if you take a position that subsidies are necessary.

The amendment that passed the House focuses on one particularly disturbing use of Federal tax dollars which the Senator from Massachusetts has outlined. That is a $2 million subsidy for the Mink Export Development Council.

I came in late and I apologize to the Senator from Massachusetts, I do not know if he got into the amendment specifically in terms of the language.

I will read that amendment verbatim, so we know exactly what it is that we are voting on. A virtually identical amendment passed the House by a vote of 232–160.

It is very interesting, the findings in the amendment. This is right out of the House of Representatives amendment:

(a) Findings, (1) since 1989, the Federal Government through the Department of Agriculture Market Promotion Program, has provided more than $13 million to the Mink Export Development Council for the overseas promotion of mink coats and products; and

(2), the Department of Commerce has estimated that since 1989 the value of the United States exports of mink products has declined by more than 33 percent and total U.S. mink production has been halved.

The third finding is in the area of funding.

> None of the funds made available in this Act may be used to carry out, or pay the salaries of personnel who carry out the market promotion program established under section 203 of the Agriculture Trade Act . . . in a manner that provides assistance to the United States Mink Export Development Council or any mink industry trade association.

Mr. President, if I had my preference I would zero out the entire MPP program. We do not need it. That is very obvious. That is not really what the Senator from Massachusetts is talking about here.

What we are saying is if we are going to continue to fund this program, do not use it to subsidize the mink industry. Since 1989 this program, as I indicated in the findings of the amendment, has funneled nearly $13 million into the pockets of mink producers.

What are the funds being used for? What is the use of these funds? Well, they put on fashion shows for mink coats in Europe. I am sure that people who work hard for a living every day trying to make ends meet are very thrilled about that, paying their tax dollars.

They take out advertisements to promote these shows. That is what some of the money is being used for.

Who is paying for that? Who is paying for it? It is not you and me. It is probably not even our children. It is our grandchildren and their grandchildren. They will pay for these fashion shows. They will pay for all of that interest that accumulates on the money we borrow to pay for the mink ads. That is who is going to pay, Mr. President.

So, some of my colleagues might say, what the heck is $2 million? That is nothing, $2 million.

I guess when you are talking about trillions it probably is nothing. But we borrow money at about 7 or 8 percent. Let us say 7 percent. So 7 percent of $2 million is $140,000 in interest on that $2 million we are spending on this subsidy. Talk about borrowing $2 million, not just 1 year, not just this year, every year, year after year after year, paying it all back with interest.

As I said many times in speaking about some of the spending in this place, there is not a big fund sitting in the Treasury Department that has a surplus in it. We have a big debt and a big deficit. So we are borrowing this $2 million from hard-working men and women across this country who are trying to meet their child care responsibilities, maybe somebody on Medicare who really needs the money who is going to see a cut in Medicare, and we are going to fund $2 million in mink subsidies for mink coats and advertisements in Europe. It is a wasteful, ridiculous and, frankly, embarrassing spending program. I commend the Senator from Massachusetts for bringing it here to the attention of our colleagues.

To fully understand how reprehensible this program is, there is another side to it. Some may not choose to get into it. It is the whole issue of the inhumane manner in which these animals are treated.

Some might say the funding is paramount, and it is. But I think, also, you have to look at this other issue. I would like to point it out. If it gets another vote and that makes a difference, then I am more than happy to point it out.

There are a couple of letters. The ASPCA, in a letter to me dated August 28 this year, said:

> [They were] surprised to learn that the mink industry receives such a subsidy at all. Mink-rearing practices are extremely cruel. The animals often die by suffocation with hot, unfiltered carbon monoxide from motor vehicles, or are killed by lethal injection of the pesticide Black Leaf 40, diluted with rubbing alcohol. These wild animals are raised in small cages and exhibit classic signs of serious stress such as constant pacing, throwing themselves against the sides of the cage walls, and self-mutilation.

So I think that is an issue that may be of interest to some, the fact when you wear that coat you are participating in that cruelty and you are also spending a lot of hard-earned taxpayer dollars.

So another letter, which came to me from Wayne Pacelle, Vice President of Government Affairs of the Humane Society of the United States, in which he said:

> The mink subsidy is not providing a good return on investment. While the taxpayer subsidy to the mink industry has increased by 20 percent over the last 5 years, total U.S. exports of mink pelts have declined by 35 percent.

We are not getting any return on the investment we are making. So the bottom line is, it is inhumane to the animals, No. 1. No. 2, it is costing taxpayers a lot of money they should not be asked to spend, under these difficult budget times.

We ought to respect the fact that this money belongs to the people of the United States of America. It belongs to the taxpayers. We are not respecting that. The mink subsidy is not only opposed by the ASPCA and other animal rights groups, it is opposed by the National Taxpayers Union, Council for Citizens Against Government Waste, the International Brotherhood of Teamsters, the Heritage Foundation, and the Competitive Enterprise Institute—liberals, conservatives, both sides of the political agenda; pro-business, pro-labor; Democrats, Republicans. All are opposed to a very wasteful program.

In fact, just this morning—I think the Senator from Massachusetts may have referred to it—the Washington Post ran an excellent article about this mink marketing program. Just a couple of paragraphs from that article in today's Washington post. The lead story by Guy Gugliotta:

> Let's face it. At a time when Congress is talking about cutting off welfare mothers, student loans and low-income housing, it is pretty hard to argue that the nation's few hundred mink ranchers need a $2 million federal subsidy.

You cannot really say it much better than that:

> It just looks bad for the feds to be paying for overseas advertising and fashion shows to promote the only item on Earth that blends naturally with diamonds and a Cadillac limo.

That really is not the image that I want to have as a Member of this Senate and it is wrong. I do not think we ought to be promoting it.

People just are not interested, frankly, anyway, for the most part, in wearing mink. That is why the exports have gone down. You can do all the marketing in the world, but if people do not like the product they are not going to buy it.

So, if we decided to start pumping millions of Federal tax dollars into marketing zoot suits next, would people start buying them? I doubt it. But probably somebody around here might think up a Federal subsidy for zoot suits and probably would make an attempt to get it passed, if they made zoot suits in their State. But they are not in fashion. Frankly, mink coats are not in fashion anymore, either.

Where mink coats were once seen as a status symbol, now they are a symbol of cruelty. And, in addition, now, because we know they are being subsidized so extensively by the taxpayers, they are a symbol of Government waste. People are not interested in either one.

Over in the House, as the Senator from Massachusetts said, they voted to eliminate the mink subsidy. It was an easy decision. It was lopsided.

Yet here they tell me the vote is close. It is an easy decision for me. How can we tell men and women serving their country that we cannot afford to keep their military base open but we can toss away $2 million for overseas fashion shows? Or how do we tell a young man or young woman serving in some faraway country—maybe in Bosnia, in the very near future—at a recruit pay, basic pay, some of them on food stamps; we are going to tell them that we are going to fund the mink subsidy because that is more important than them?

Will you tell the thousands of other taxpaying businessmen and women who have never received a nickel of Government subsidy? I ask my colleagues to just think a little bit about the people in your State, business men and women whom you have run into in the past few years as you have campaigned or gone around meeting your constituents. Think about them: Barbers, construction workers, union guys, business guys. They work hard. Think about them. Do you think they would support this subsidy? You ought to ask them. Give them a call and ask them, if they support this kind of subsidy; that they think their dollars should go for this?

They have to save or even borrow money to pay college expenses or to perhaps promote their business, perhaps to buy a car, or even the basic essentials of life. Maybe they cannot afford to do that. So maybe they just go around and put a leaflet on the car promoting their business. I could find hundreds of ways to use the $2 million subsidies and so could they. Every one of them—think about it; $2 million. That is not how the free market works.

Most successful businessmen fully understand it. The brilliance of the competitive marketplace is if you provide a service that people want for a decent price there is no limit to your success. At the same time, if you are marketing a product that nobody wants, or very few people want, you will either go bankrupt, you will go out of business, or you will start making something else, some other product that somebody else might be interested in.

That is why stores do not have racks full of outdated clothes. Once they go out of style, people are not interested in them anymore so they get rid of them. When people stop buying them you take them off the rack and you replace them with the latest fashion. This principle has worked for over 200 years in this country—200 years, long before subsidies. You start confusing the system when you start to pump money into an industry that, frankly, cannot cut it, it cannot cut it on the open market, it cannot handle it. And we ought not to be putting Federal dollars, hard earned, working men and women's dollars into such an outrageous—outrageous subsidy.

For the Government to be using tax dollars to bring an outdated fashion back into vogue flies right smack in the face of the whole free market system. There are a lot of us in here on this side of the aisle, and some on the other side of the aisle, who profess to be strong advocates of the free market system. If you are a strong advocate of the free market, if people want to buy mink coats and there is plenty of mink out there, why do we have to have the taxpayers subsidize growing mink to provide those coats? Give me one good reason. I would like to hear one good reason.

If the voters said anything in the last election, they said cut spending and restore the free market principles to our country. That is what we are doing. This is $2 million, not a lot of money under a huge $1.5 trillion budget. But, my goodness, what a small, little step. If we cannot take this little, tiny step to stop subsidizing the production of mink coats, if we cannot do that, then I do not have a lot of hope that we are ever going to get to reconciliation and balance the budget. The House got the message. They supported this amendment 232 to 160. They did the right thing. Let us not be the laughingstock of the Congress and approve such an outrageous subsidy. That is an insult to every hard-working man and woman in this country. I would venture to say even the very few people left who wear mink coats would probably be opposed to this subsidy. How can anybody be for this subsidy? What is the justification for this subsidy? Let us show the voters that the Senate got the same message that the House got and not be the laughingstock of the Congress by passing such an outrageous, absolutely outrageous, subsidy.

I thank the Chair. I yield the floor.

Mr. BENNETT. Mr. President, my remarks will be brief.

I could rise to talk about the MPP program. But that is not what this amendment is about. This amendment is about excluding an industry from participation in this program simply because of a group that doesn't like mink, more specifically, mink coats—95 percent of which are exported.

The Senate voted yesterday to support the MPP program. The Senate has spoken. Why are we talking about fur? Why not grapes, cotton, raisins, wheat, or wine?

The Kerry amendment does not reduce spending for the MPP; it just prohibits funding for mink production. This amendment saves no money. Mr. President, that is the bottom line.

I urge my colleagues to oppose this amendment.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, for the information of Senators, the background of this amendment is that when the House, the other body, was considering this legislation, an amendment was offered on the floor which provides as follows: That no funds in the bill should be allocated under the Market Promotion Program to the U.S. Mink Export Development Council or any mink industry trade association.

So by this legislation there was a prohibition suggested in the amendment against allocating MPP funds for this purpose, to promote exports of U.S.-grown mink.

I think we have a big problem in trying to substitute our judgment for the decisions that the administrators of the Market Promotion Program have. This amendment does not seek to strike any funds. This amendment does not reduce the appropriation of money to the Market Promotion Program activity. As a matter of fact, we have already debated that issue. The issue was presented to the Senate by Senators BRYAN and BUMPERS. We debated it at length last night for a full hour. Most Senators had left for the evening. But we debated it, and we had a vote on it today. The vote was about 60-40, as I recall, to table the amendment.

The point was made during the discussion—I will repeat it here just briefly—that this program promotes the export of U.S.-grown agriculture commodities: food products, and the like. It is big business for the United States to sell what we produce in the export markets, and with the changes in the Uruguay round of GATT, more and more market opportunities are becoming favorable. This program has proved very helpful.

The difficulty I have as manager of the bill with this amendment is that it seeks to substitute the judgment of the Senate, and calls upon it to act on the floor of the Senate for the judgment of the administrators. I have received from the Department of Agriculture information about the program which says that mink exports in 1994 are estimated at about $100 million. That is a substantial increase from earlier levels.

The suggestion in the information we are given is that exports to Korea alone could exceed $40 million, which almost doubles the 1993 level. One of the associations that is involved in trying to promote the export of these products says that if it had not been for MPP funding here and the assistance that they provided to promote U.S. mink industry products, we would not have a domestic mink industry in the United States. The fact is 28 States have mink production. In the State of Wisconsin, I remember the number is $19 million in the local economy which depends on this industry alone.

So I am hopeful that the Senate will approve our motion to table this amendment and not get into the business of trying to micromanage and legislate changes in this program on an appropriations bill. That is what is being sought.

So at the time when Senators have spoken as much as they want to speak, it will be my intention to move to table and ask for the yeas and nays.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I hope the distinguished manager will move to table literally within minutes. I just have one quick response, unless somebody else wants to speak. My friend from Mississippi is absolutely correct. This is a question of whether or not we want to substitute our judgment. That is exactly what it is. I think most Senators would agree this is an outrageous, stupid judgment. We are not talking about computers here. We are not talking about foodstuff that is the mainstay of some developing country like wheat or something. We are talking about minks that my friend from New Hampshire appropriately said, and the Washington Post said today, blends in with diamonds and Cadillacs.

If those folks want to, let them pay a little more for the cost of the advertising, which I always thought was the notion of capitalism. That is the private sector. You make your money.

You go out and you do the cost of doing business. And everybody here has railed forever about the Government being involved in the process. Here is an opportunity to get the Government out of it. It is very, very simple and very straightforward.

So my friend is absolutely correct. Do we today want to substitute our judgment and suggest that the judgment of some people that want to spend this money is wrong?

I hope my colleagues will join together and say it is wrong. I am all for exports. I am not saying no to the mink industry. I have a mink farmer in Massachusetts. I hope my mink farmer in Massachusetts does very well, and continues to. That is fine. I just do not want the taxpayers subsidizing this particular endeavor. That is what this vote is about.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I move to table the amendment of the Senator from Massachusetts and ask for the yeas and nays.

The PRESIDING OFFICER (Mr. SANTORUM). Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi to lay on the table the amendment of the Senator from Massachusetts. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from Tennessee [Mr. FRIST] and the Senator from Wyoming [Mr. SIMPSON] are necessarily absent.

I further announce that the Senator from Oregon [Mr. HATFIELD] is absent due to illness.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "yea."

Mr. FORD. I announce that the Senator from Louisiana [Mr. JOHNSTON] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 18, nays 78, as follows:

[Rollcall Vote No. 445 Leg.]

YEAS—18

Ashcroft
Baucus
Bennett
Bond
Burns
Campbell
Cochran
Craig
Domenici
Feingold
Gorton
Grassley
Hatch
Kempthorne
Kohl
Packwood
Pressler
Specter

NAYS—78

Abraham
Akaka
Biden
Bingaman
Boxer
Bradley
Breaux
Brown
Bryan
Bumpers
Byrd
Chafee
Coats
Cohen
Conrad
Coverdell
D'Amato
Daschle
DeWine
Dodd
Dole
Dorgan
Exon
Faircloth
Feinstein
Ford
Glenn
Graham
Gramm
Grams
Gregg
Harkin
Heflin
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Kassebaum
Kennedy
Kerrey
Kerry
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Simon
Smith
Snowe
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone

NOT VOTING—4

Frist
Hatfield
Johnston
Simpson

So the motion to lay on the table the amendment (No. 2695) was rejected.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. KERRY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 2695) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KERRY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Alaska.

AMENDMENT NO. 2696

Mr. STEVENS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER (Mr. THOMAS). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 2696.

On page 32 of the bill, strike lines 7 through 11 and insert in lieu thereof the following:

SEC. . For necessary salaries and expenses of the Office of the Under Secretary for Natural Resources and Environment to administer the laws enacted by Congress for the Natural Resources Conservation Service, $677,000: *Provided*, That none of these funds shall be available to administer laws enacted by Congress for the Forest Service; *Provided Further*, That $350,000 shall be made available to the Secretary of Agriculture to administer the laws enacted by Congress for the Forest Service; *Provided Further*, That notwithstanding Section 245(c) of Public Law 103–354 (7 U.S.C. 6961(c)), the Secretary of Agriculture may not delegate any authority to administer laws enacted by Congress, or funds provided by this Act, for the Forest Service to the Under Secretary for Natural Resources and Environment.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, in 1948, the Congress passed a law that provided that "no part of any appropriation for the Bureau of Reclamation contained in this Act shall be used for the salaries and expenses of a person of any of the following positions:"

Mr. BUMPERS. Mr. President, the Senate is still not in order. It is very difficult to hear the Senator from Alaska. That really means we are not in order.

The PRESIDING OFFICER. The Senator is correct. The Senate will please come to order.

Mr. STEVENS. Mr. President, I shall not take umbrage at my friend from Arkansas, because normally I can be heard. I do appreciate his concern.

As I was saying, in 1948, Congress passed a law which, in effect, cut off the salary for the Commissioner for the Bureau of Reclamation.

In 1987, under the leadership of the now deceased Jamie Whitten, chairman of the Appropriations Committee, the Congress passed Public Law 100–202, which read as follows, and I ask unanimous consent that this be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. STEVENS. Mr. President, I want to read it:

Office of the Assistant Secretary for Special Services. For the necessary salaries and expenses to continue the Office of the Assistant Secretary for purposes of providing special services to the Department, $416,000: Provided, that none of these funds shall be available for the supervision of Natural Resources and Environment activities, the Soil Conservation Service, or the Forest Service.

By that amendment, Mr. Whitten, in effect, defunded the salary of a gentleman named Dunlop. He held the same position in the Department of Agriculture that my amendment applies to. My amendment applies to the Office of the Under Secretary of Agriculture that primarily deals with the area of natural resources and environment. He has been supervising the Forest Service. I hope that the Senators from Colorado and Washington, and others, will address this matter.

I am concerned that the Secretary of Agriculture has considered this amendment to be an amendment that deals with a dispute as to policy.

Let me assure the former Member of the House and now Secretary of Agriculture, this has nothing to do with policy. This has to do with the decision of one person of the executive branch not to follow the law as enacted by Congress and adopted by the President.

Mr. Lyons was one of those who was the author of the President's Northwest timber plan that promised 2 billion board feet of timber. Under his leadership, the Forest Service produced 300 million board feet. After Congress released the timber sales in the recent rescissions bill, Mr. Lyons tried to prevent that sale from being released, and the Federal court immediately agreed with Congress. The Senator from Washington will discuss this. In terms of Alaska, Mr. Lyons has repeatedly refused to follow the law as passed by the Congress.

In Montana, he decided on his own not to follow the law passed by Congress with regard to a roadless area in Montana, basically making that area wilderness, although Congress had specifically decided not to designate it as wilderness.

In Alaska, we have had flagrant refusal to follow the law that has been passed by Congress. In recent months, we had an amendment that was adopted that asked the Forest Service to limit the so-called habitat conservation zones in the national forests to the size that was the largest size used for such zones in what we call "the lower 48."

Under Mr. Lyons' leadership in the Forest Service, he had designated over 600,000 acres of the area that was available for timber harvest in the State of Alaska as habitat conservation zones. One of them was one-fifth the size of Rhode Island.

After the Congress passed the law and set the maximum area for such zones, Mr. Lyons just simply refused to follow it. I do not think this is a disagreement policy. We have had our arguments on policy and we have them here. When a law is passed and that law is ignored and really just faces a complete refusal of the person with the authority to administer it, refusal of that person to follow the law, I think it sets a very bad standard for our country as a whole.

We expect our people to follow laws that are enacted by Congress. As a matter of fact, most of those people that are not in Government employment, if they do not follow a law passed by Congress, they are fined immediately. I have an appeal from one miner that was fined $48,000 for failing to follow a directive issued orally by a person in the Government. We have repeated incidents of members of the public who are cited and brought into court, and many other things are done when they do not follow the law.

In this instance, there is nothing to be done. That is why I have raised this question. I raised the question of whether or not the Congress wants to follow the example set on at least two previous occasions and, in effect, remove the area of the Forest Service from the delegated authority of the Under Secretary. I have not gone as far as Mr. Whitten did, or the 80th Congress, in totally defunding the function. All this amendment really does is says to the Secretary of Agriculture, we no longer have faith in this person to fairly and impartially administer the laws of the Forest Service and, therefore, we redelegate the authority back to the Secretary. It is a simple matter. There is no change in the money available to the Department of Agriculture. There is no change in the money available to the Under Secretary's office, as far as his functions are concerned. But the money for the supervision of the Forest Service is restored to the Secretary's office, and the Secretary is placed back in the position of full responsibility for the Forest Service.

I cannot believe that we would allow a person to completely disregard the acts of Congress and refuse to carry them out. I am hopeful, as I said, that the Senator from Oregon may have a comment; and the Senator from Colorado, I know, wishes to come to the floor. I hope they will come to the floor and speak on this amendment.

I consider it to be just a modest shot across the bow, Mr. President. We in the West are tired of this war against the West. We want the laws that Congress passes, after long battles here in the Congress, to be observed. They have not been observed by this man. He has refused to follow them. He has refused to even keep his own word, as you will hear from other Members, concerning what he stated he would do and what he has actually done in carrying out the authority delegated to him in the past.

I am hopeful that the Senate will adopt this amendment and the House will see fit to adopt it. If we do not take action and require these people to follow the law, how can we expect the public to obey the laws we pass?

Mr. President, to me, this is a matter of simple justice. This man has refused to faithfully follow the laws that have been passed by Congress in the area in which he has been delegated authority to enforce those laws. I believe this amendment is in order.

EXHIBIT 1

PUBLIC LAW 100–202—DEC. 22, 1987

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. Because the spending levels included in this Resolution achieve the deficit reduction targets of the Economic Summit, sequestration is no longer necessary. Therefore:

(a) Upon the enactment of this Resolution the orders issued by the President on October 20, 1987, and November 20, 1987, pursuant to section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, are hereby rescinded.

(b) Any action taken to implement the orders, referred to in subsection (a) shall be reversed, and any sequesterable resource that has been reduced or sequestered by such orders is hereby restored, revived, or released and shall be available to the same extent and for the same purpose as if the orders had not been issued.

The following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of the Government for the fiscal year 1988, and for other purposes, namely:

SEC. 101.[1] (a) Such amounts as may be necessary for programs, projects or activities provided for in the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1988 at a rate of operations and to the extent and in the manner provided for, the provisions of such Act to be effective as if it had been enacted into law as the regular appropriations Act, as follows:

* * * * *

ENROLLMENT ERRATA

Pursuant to the provisions of section 101(n) of this joint resolution (appearing on 101 Stat. 1329–432 changes made are indicated by footnote.

The words "Government", when referring to the Government of the United States will be capitalized, "Act", if referring to an action of the Congress of the United States, will be capitalized, "State", when referring to a State of the United States will be capitalized, "title" and "section" will be lower case, when referring to the United States Code or a Federal law. The capitalization of the foregoing words may be changed, and not footnoted.

OFFICE OF THE ASSISTANT SECRETARY FOR SPECIAL SERVICES

For necessary salaries and expenses to continue the Office of the Assistant Secretary for purposes of providing special services to the Department, $416,000: *Provided*, That none of these funds shall be available for the supervision of Natural Resources and Environment activities, the Soil Conservation Service, or the Forest Service.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary expenses of the Office of the Assistant Secretary for Administration to carry out the programs funded in this Act, $498,000.

RENTAL PAYMENTS (USDA)

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92–313 for programs and activities of the Department of Agriculture which are included in this Act, $49,665,000, of which $3,000,000 shall be retained by the Department of Agriculture for non-recurring repairs as determined by the Department of Agriculture: *Provided*, That in the event an agency within the Department of Agriculture should require modification of space needs, the Secretary of Agriculture may transfer a share of that agency's appropriation made available by this Act to this appropriation, or may transfer a share of this appropriation to that agency's appropriation, but such transfers shall not exceed 10 per centum of the funds made available for space rental and related costs to or from this account.

BUILDING OPERATIONS AND MAINTENANCE

For the operation, maintenance, and repair of Agriculture buildings pursuant to the delegation of authority from the Administrator of General Services Authorized by 40 U.S.C. 486, $20,024,000, of which $3,245,000 is for one-time purchase of systems furniture.

ADVISORY COMMITTEES (USDA)

For necessary expenses for activities of Advisory Committees of the Department of Agriculture which are included in this Act, $1,308,000: *Provided*, That no other funds appropriated to the Department of Agriculture in this Act shall be available to the Department of Agriculture for support of activities of Advisory Committees.

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[1] Copy read "(a) Such amounts."

HAZARDOUS WASTE MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, except for expenses of the Commodity Credit Corporation, to comply with the requirement of section 107g of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C. 9607g, and section 6001 of the Resource Conservation and * * *.

* * * * *

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, never before in my career in the U.S. Senate have I considered or supported taking an action of this nature. Yet, I am convinced that, if anything, the proposal of the Senator from Alaska is too mild. Each and every one of us has had differences of opinion on matters of policy with persons in a national administration, sometimes with members of our own party, but more frequently with those of the other party. But these differences of opinion are cast in the terms of policy, not in the terms of either truthfulness or a willingness to abide by the law.

So I wish to emphasize as clearly as I possibly can that this amendment proposed by the Senator from Alaska does not stem from a difference of opinion over a matter of policy with Secretary Lyons. We differ with the entire administration on many matters of policy relating to the forests. But in the case of Mr. Lyons, we do not get truthful answers from him on questions of fact, and we get defiance with respect to the law, whether it has been on the law books for an extended period of time or is brand new, consistently. And there is a vindictive attitude toward any of those who disagree with him and toward almost all of those who are engaged in the profession of forestry in the private sector.

Let me give you just a few really very, very recent examples. Two of them come from the rescissions bill, which was passed by this Congress and signed by the President only a very few months ago. The most recent took place only last week. The bill on rescissions was, quite obviously, a controversial piece of legislation. And it carried with it, in addition to the cancellation of some spending programs, a number of substantive provisions. The first rescissions bill passed by this Congress was vetoed by President Clinton, as was his perfect right, on a number of grounds, one of which was the so-called "salvage timber" language that was included in that bill. During the period of time between that veto and the passage of a second rescissions bill, the language on salvage and other timber was negotiated literally line by line with the administration. And the administration was consistently represented by Assistant Secretary Lyons.

One of the issues was what timber was covered by one of the provisions in the bill. Secretary Lyons argued for a more restrictive provision. He ultimately asked those of us who were proponents of the language to give him a list of the timber sales that were authorized by the bill. That list of timber sales was given to him. The bill was passed. The bill was signed by the President of the United States, and immediately Assistant Secretary Lyons said that most of the contracts that were listed in the very list he had been given would not be released. He interpreted the section concerned in the manner he had advocated in these negotiations and was rejected by those negotiations.

His position has already been rejected by a U.S. District Court which stated that the meaning of the provision was absolutely clear. In spite of that ruling, Secretary Lyons has still not released the timber sales and a spokesman for his administration said, "This ruling was not an order. It doesn't direct us to do anything."

Obviously, requiring people to go back into court, once again, to enforce what Secretary Lyons understood to be the law before the law was passed, understood what it was after it was passed, understood it was after the court ruled, and understands what it is today.

Another provision in the same timber language for rescission had to do with other timber sales.

There was an extensive debate over the definition of a phrase "known to be nesting." We stated it meant (A), Secretary Lyons insisted it be amended to have the meaning (B). Secretary Lyons' position was rejected and the land which was stated to have meaning (A) was adopted and signed by the President.

Secretary Lyons immediately interpreted it to mean what he had asked us to change it to unsuccessfully. That matter is now in court.

Just last week, Assistant Secretary Lyons caused to be issued a final rule for the implementation of a 1990 law entitled the Forest Resources Conservation and Shortage Relief Act of 1990, dealing primarily with the export of logs from State and Federal lands. Mr. President, that law was passed in 1990.

A proposed rule has been under discussion literally for years and the companies involved in this business have managed their business in accordance with that proposed rule.

On September 8, Assistant Secretary Lyons issued a final rule for the implementation of the 1990 law dramatically different from the proposed rule—dramatically different—without having had any hearings or having given any notification as to those changes, as to those differences.

That new rule will require dramatically different business practices on the part of persons in the timber industry, the failure to observe, which will subject them to great fines in business penalties. Yet, Secretary Lyons made the rule effective immediately.

The burden he has imposed is an impossible burden to meet. Later on this evening I believe that we here will adopt an amendment to this bill directing that there be a 120-day period after the time of the promulgation of that rule until it becomes effective, so that people can at least change their business practices so that they are operating in accordance with the law. Making it effective immediately can only have been designed to persecute business enterprises engaged in this business who had no notice of what was going to be included in this rule whatever.

Mr. President, other Senators have told me of numerous occasions on which they have been given specific assurances of a matter of fact by the Assistant Secretary, only to have his actions dramatically and diametrically opposed to the commitments that he has made.

Mr. President, this is a Federal officeholder who operates outside of the law who believes that the law is whatever he feels appropriate policy is and who ignores actions by the Congress of the United States totally and diametrically opposed to his philosophies.

This is not an amendment that results from a disagreement on a matter of policy. It is an amendment to sanction an individual by removing the Forest Service from his jurisdiction for deliberate falsehoods to the Congress of the United States and for deliberate violations of the law. It should not be treated on a partisan matter. It should not be treated in the manner in which Members vote to defend actions of this sort.

All of us are implicated by this kind of lawless action on the part of an Assistant Secretary of Agriculture. All of us, by voting in favor of this amendment, can pass on the message which should be a message for all administrations of both parties under any set of circumstances, that policy differences in a free country are totally and completely appropriate, but that the law, the administrative law which applies to a given Department, must be honestly and forthrightly carried out by that Department.

That is not the case with this Assistant Secretary, Mr. President. It is dramatically not the case. We should sanction, by the adoption of the STEVENS amendment.

Mr. BROWN. Mr. President, I rise in strong support of the STEVENS amendment. I want to share with Members why I will be voting for that amendment.

Mr. President, we had discussed on this floor some of the problems associated with water policy during the current administration and prior administrations. This may seem somewhat far afield for Members who come from States where they have ample water and great resources, but, Mr. President, let me assure you the principle involved in it is extremely important for all of us.

The problem revolves around the ability to cross Federal grounds or use Federal grounds under a permit. That is an important question in Colorado because 37 percent of the State is owned by the Federal Government. Obviously, in Alaska it is a much higher percentage.

Let me suggest it is a question that every single Member of the Senate has to be concerned about. If the Federal Government owned title to a property, your State may need to get a permit to cross that ground to put down a utility line, to put down a waterline, to put down a sewer line, to lay highways and so on.

The reality is, Mr. President, the ability to get permits to cross or use Federal ground is essential for every State in this Nation. It is part of being good partners and part of working together.

What happens when those permits run out? The permits vary in length. In Colorado, they can be issued for 20 years, and some of the extensions have gone beyond that period.

What happens when a permit expires? Does it mean "tear down the highway"? Does it mean dig up the lines? Does it mean close down municipal drinking water? Believe it or not, the State of Colorado was faced with that decision.

The Forest Service, under a previous administration—not this administration, but the previous administration—suggested that for cities to renew their permit for a water line across Federal property, they would have to surrender a portion of their water rights. These offers to surrender a city's water rights started at a third with subsequent offers made for less than that.

Literally, the Forest Service suggested that to renew a Government permit to carry vital drinking water across Federal property, with no change whatever in function, the city would have to surrender a third of their water rights or less to renew their permits.

Frankly, some of Colorado's cities did not have a choice. They had to cross Federal grounds to get water from the reservoir to the city and its inhabitants. "Extortion" is not too strong a word to describe that policy.

As all Members can understand, strong protests were raised, and when it was brought to the attention of the Secretary of Agriculture, Secretary Madigan wrote me a letter and reversed the policy, directing his Department to issue renewals of permits without conditioning them on the forfeiture of a city's water rights.

Mr. President, Secretary Madigan's policy is very important. It corrects a practice that I believe was not only illegal but terribly unfair and damaging to the citizens of Colorado and, frankly, damaging to the citizens of any State that is dependent upon Federal permits to receive their water.

Why should I offer that background for this particular amendment? I offer that background because, included in the information I will submit at this point in the RECORD, are a series of letters that I received from Secretary Madigan as he put that policy into place. Those letters formed the core of the policy followed by the Secretary of Agriculture which relates to the current Secretary and the current Under Secretary of Agriculture.

Because renewing Federal permits is a continuing problem and a continuing concern, when the current Under Secretary came before the Subcommittee for Resource Conservation, Research and Forestry of the House Agriculture Committee, Under Secretary Lyons was called before that committee to testify. He was asked directly about the Madigan letter and that very important policy. Let me quote from Congressman ALLARD.

> . . . I'd like to proceed to a letter that was written to Senator Brown in 1992 by then-Secretary of Agriculture Madigan. And in that letter he said, and I quote from the letter, "I want to assure you that it is the policy of the Forest Service to ensure the private property rights, including water rights will be recognized and protected in the course of special use permitting decisions for existing water supply facilities. In addition, the Forest Service will recognize and respect the role of the States [in] water allocation and administration."

Mr. President, that is a quote from the letter and the commitment of Secretary of Agriculture Madigan.

Congressman ALLARD is asking Mr. Lyons if that is still their policy. His response as is apparent, and included in the transcript from that record is this: "Mr. Lyons. Yes, sir, we still operate in that manner."

Congressman ALLARD had quoted to him the Madigan letter and the policy and asked if that is still the Agriculture Department's policy and Mr. Lyons responds yes, it is. And indicates they operate in that manner.

Later on, Congressman ALLARD quotes again and says:

> Well, I would just remind you that and refer you back to the letter of Secretary Madigan, of which you said you haven't changed the policies from that letter, that you do recognize the role of the States in water allocation administration. And if you do recognize that, then there shouldn't be a constant demand for water.

Mr. President, he said that. Again, Under Secretary Lyons did not correct it.

What is wrong with this? The date of that testimony was February 15, 1995, earlier this year.

What is wrong with it is this. Just recently, on September 8 we were advised by Mr. Lyons and his staff that the Madigan letter, which he had said was still in effect when he testified on February 15, had been withdrawn, in effect repealed, and all of the letter was no longer the policy of the administration.

Moreover he said the withdrawal of that letter was done in August 1994. Mr. President, what is apparent here is that the recorded testimony of the Under Secretary about the specific provision was not correct. And, moreover, he had to have known it was not correct at the time.

Mr. President, what this man did was mislead the congressional committee in response to direct questions on a direct subject.

As Under Secretary, he is in immediate supervision of the Forest Service. One may disagree with the policy—although I doubt if any Member would want their State to have permits for crossing Federal grounds canceled or have water extorted from their cities, or other extortive conditions placed upon the continued functioning of their cities or towns. But one may disagree about the policies. Nonetheless, this question with the Under Secretary is not about the policy. Men and women of good faith and good conscience can disagree about the policy. But the Under Secretary has a responsibility to the Senate and to the House and to this Government that goes beyond simply giving the President his best advice and doing the kind of job that he feels is appropriate. He has a responsibility to be honest and candid and frank with the American people and with committees of this Congress.

If this Congress turns a blind eye to an administration official who comes, testifies and misleads congressional committees, we forfeit our legitimate and important role of overview and oversight of the executive branch. In addition, we forfeit our elected responsibilities in ensuring that critical administrative policy decisions that affect the most basic needs of the citizens in our States are subject to the voices of the elected representatives of the people.

This case is as clear as it can be. We have the testimony from the committee—Mr. President, I ask unanimous consent that the transcript of the hearing be printed in the RECORD of our proceedings at this point.

I also ask unanimous consent that copies of the letter that Mr. ALLARD and I sent to Secretary Glickman, and copies of the letters we received in 1992 from Secretary of Agriculture Madigan, be printed in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HEARING BEFORE THE SUBCOMMITTEE ON RESOURCE CONSERVATION, RESEARCH AND FORESTRY OF THE COMMITTEE ON AGRICULTURE, HOUSE OF REPRESENTATIVES, 104TH CONGRESS, 1ST SESSION, FEBRUARY 15, 1995

Mr. ALLARD. Mr. Lyons, I want to thank you for showing up to testify before this Committee.

I would agree with you that there are a lot of good things about the way the water is managed in Colorado. In fact, that is there because of a water management system developed by the State. And many of the streams that you talked about of free flow-in 50 years ago didn't have a flow year-round and today there is a year-round flow.

And because we provided the laws in order to manage that very valuable resource in the State of Colorado called water so that all the water comes down in the spring doesn't get dissipated out so that when we get into August and into the fall, the streams end up drying up. In fact, I can think of a number of rivers right now where there is a year-round flow out of the State of Colorado, but if you look back into the early journals of the settlers and explorers that came back into the State, they talk about digging down into the sand in order to find the water. In other words, there wasn't a flowing stream of water.

So in light of that, I'd like to proceed to a letter that was written to Senator Brown in 1992 by then-Secretary of Agriculture Madigan. And in that letter he said, and I quote from the letter, "I want to assure you that it is the policy of the Forest Service to ensure that private property rights, including water rights, will be recognized and protected in the course of special use permitting decisions for existing water supply facilities. In addition, the Forest Service will recognize and respect the role of the States and (sic—in) water allocation and administration.

Is this still the Forest Service policy?

Mr. LYONS. Yes sir, we still operate in that manner.

Mr. ALLARD. Can you explain what happened in Arapaho and Roosevelt National Forests with bypass flows, then?

Mr. LYONS. Well sir, I have with me Forest Supervisor Skip Underwood from the Arapaho and Roosevelt National Forests. He can explain in detail what the negotiations led to in terms of the development of a solution to a concern that was expressed by a number of permittees regarding conditions for their permits.

But the short of it is we worked with the permittees to develop a joint operating plan for waters flowing in the Cashelocuta drainage. This successfully avoided the need for the establishment of bypass flows, which I think is your primary concern, with the exception of one stream segment, and that was a stream segment which benefitted or which was part of the permit that operated for the benefit of the City of Fort Collins.

Mr. ALLARD. The agreement was with Fort Collins. But what about the other communities in that area? You've got Greeley and Loveland and Boulder.

Mr. LYONS. They were all part of the joint operating plan. And, in fact, we've recently signed easements with all those permittees, for the continued operation of their facilities.

Mr. ALLARD. And part of that arrangement was you've demanded as part of the agreement of bypass flow, irregardless of whether that was adjudicated water through the State water courts.

Mr. LYONS. Well, I don't believe we demanded that, Mr. Chairman. What we attempted to do was determine a mechanism by which we could meet our obligations under law to protect aquatic resources in a manner that would minimize the impact on the permittee. And, in fact, I think the permittee has indicated that he felt that the impacts or the permittee felt that the impacts would be fairly limited.

Mr. ALLARD. Well, the point is that you did end up with bypass flows.

Mr. LYONS. On one segment, yes, sir.

Mr. ALLARD. Yes. And you didn't go through the State courts to acquire that water right.

Mr. LYONS. That was through negotiated agreement with the permittee as a condition of the permit.

Mr. ALLARD. So it did avoid the State court provisions.

Mr. LYONS. Yes, sir.

* * * * *

Mr. ALLARD. Well, I would just remind you that and refer you back to the letter from Secretary Madigan, of which you said you haven't changed the policies from the letter, that you do recognize the role of the States in water allocation administration. And if you do recognize that, then there shouldn't be a constant demand for water.

Now you may not have a right, but you ended up with the water. You know, the States have traditionally recognized water as a private property right and has protected that right through their adjudication process, usually in the State court. And all the Western States have that type of legal process. And I think that's of real interest to this Committee. It's certainly of a lot of interest to me personally.

So I would encourage you work with the State of Colorado through the current water law that they're administering in that State.

Mr. LYONS. We fully intend to do that, Congressman. As I indicated, we have a whole slew of permits yet to be reviewed. We intend to work with the permittes, with other interested parties, and with the State. And we'll certainly work with you and other members of the delegation to try and achieve a balance in resolving these permit issues.

HOUSE OF REPRESENTATIVES, COMMITTEE ON AGRICULTURE, SUBCOMMITTEE ON RESOURCE CONSERVATION, RESEARCH, AND FORESTRY,

Washington, DC, September 14, 1995.

Hon. DAN GLICKMAN,
Secretary of Agriculture, U.S. Department of Agriculture, Washington, DC.

DEAR MR. SECRETARY: On Friday September 8th, your staff asserted in a briefing that the October 6, 1992 letter from Secretary Madigan which confirmed that the Forest Service would not impose new bypass flows on existing water supply facilities had been rescinded in August, 1994. If this assertion by your staff is accurate, we have several very serious concerns about this action.

First, the interpretation of the law contained in the Madigan letter is not only correct from a legal perspective, but is also critically important to the West. Colorado and other states are experiencing significant growth at a time when it is very difficult to develop new water supplies. This means that the continued availability of existing water supplies is absolutely essential. The illegal imposition of new or additional bypass flow requirements on existing water supplies takes water away from municipalities that need this water to supply and support their citizens and farmers that have long used this water to grow crops. In addition, the loss of these water supplies increases the demand for acquisition of new or substitute water supplies. In the case of Colorado's Front Range, the loss of these existing water supplies increases the need for new water storage facilities, which will have environmental impacts. More importantly, the loss of these supplies also leads to the conversion of agricultural water rights to municipal uses, and the resulting loss of socially and environmentally important open space currently provided by irrigated agriculture.

Second, the assertions by your staff are directly contrary to explicit representations made by you and Undersecretary Lyons in full Committee and Subcommittee. At a hearing before the House Agriculture Subcommittee on Resource Conservation, Research, and Forestry on February 15th of this year, we were assured by Undersecretary Lyons that the Madigan policy was still in effect;

"Mr. ALLARD. Mr. Lyons, I want to thank you for showing up to testify before this Committee.

"I would agree with you that there are a lot of good things about the way the water is managed in Colorado. In fact, that is there because of a water management system developed by the State. And many of the streams that you talked about of free flow-in 50 years ago didn't have a flow year-round and today there is a year-round flow.

"And because we provided the laws in order to manage that very valuable resource in the State of Colorado called water so that all the water comes down in the spring doesn't get dissipated out so that when we get into August and into fall, the streams end up drying up. In fact, I can think of a number of rivers right now where you look back into the early journals of the settlers and explorers that came to the State, they talk about digging down into the sand in order to find the water. In other words, there wasn't a flowing stream of water.

"So in light of that, I'd like to proceed to a letter that was written to Senator Brown in 1992 by then-Secretary of Agriculture Madigan. And in the letter he said, and I quote from the letter, "I want to assure you that it is the policy of the Forest Service to ensure that private property rights, including water rights, will be recognized and protected in the course of special use permitting decisions for existing water supply facilities. In addition, the Forest Service will recognize and respect the role of the States in [sic-and] water allocation and administration."

"Is this still the Forest Service policy?

"Mr. LYONS. Yes, sir, we still operate in that manner."

In addition, at a full committee hearing, you also assured the Committee that the Madigan policy was still effective;

"Mr. ALLARD. Mr. Secretary, welcome. I'd like to join some other members of this Committee in congratulating you on your appointment and subsequent confirmation as Secretary of Agriculture. And I do look forward to working with you on the issues that are facing agriculture.

"One issue that is particularly important in all of the Western United States is an issue pertaining to water and how the Forest Service is working with the States on the management plans for water.

"As you know, the Forest Service has been going around State water laws and demanding bypass water flows. And this has been a concern through 3 Secretaries of Agriculture and two Presidents.

"When Secretary Madigan was running the Forest Service, he sent a correspondence to

Senator Brown assuring him that—that's the senator from the State of Colorado—assuring him that it is a policy of the Forest Service to ensure that private property rights, including water rights, will be recognized and protected in the course of special use permitting decisions for existing water supply facilities.

"He further stated in his letter, "In addition, the Forest Service will recognize and respect the role of the States in water allocation and administration."

"Mr. Lyons assured me in February that it is the Forest Service's policy, now that you are heading up the Department do you agree that this should be the policy of the Forest Service?

"Mr. GLICKMAN. Absolutely."

The entire focus of the Madigan letter was on the issue of bypass flows. The letter promised that the Forest Service would protect private property rights and preserve state water allocation systems, and explicitly explained that this interpretation of the law meant that new bypass flows would not be imposed on existing water supply facilities. Both you and Undersecretary Lyons affirmed, without any qualification, limitation, or exception, Secretary Madigan's interpretation of the law on this issue. In light of your "absolute" ratification of these principles, your staff cannot credibly assert that your commitment meant something other than a complete acceptance of Mr. Madigan's conclusion that the Forest Service did not have the legal authority to impose new bypass flows on existing water supply facilities.

Finally, the purported recision of the Madigan letter occurred over a year ago. Since that time we have discussed the Madigan letter with you and Mr. Lyons on numerous occasions, and made it clear that this is a very important issue. Your failure to even disclose the existence of the August, 1994, action in the course of these subsequent discussions is incomprehensible, particularly in light of your absolute affirmation of the letter before the full committee.

In light of the withholding of this information, it is necessary for us to obtain, within 30 days of the date of this letter, copies of all documents, including telephone messages and logs, information generated or stored in computerized form (including E-mail), correspondence, memoranda, and other form of data or information in the possession of the Forest Service and USDA which relate or refer to the Madigan letter from November, 1992 through the present time. We would also like a written response by Monday, September 18th as to whether you will comply with this request.

We are deeply disappointed by this turn of events. We had hoped that you would use your tenure at the Department to ease tensions between western members of Congress, their constituents and the Department. Unfortunately, it appears that instead you are continuing the anti-West agenda this Administration began in 1993.

HANK BROWN,
Senator.
WAYNE ALLARD,
Congressman.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, DC, October 5, 1992.

Hon. HANK BROWN,
U.S. Senate,
Washington, DC.

DEAR HANK: Thank you for your August 12 letter regarding the renewal of special-use permits for water supply facilities on the Arapaho/Roosevelt National Forest in Colorado. I understand the importance of this issue to cities throughout the west that depend on facilities located on national forest lands for their water supplies.

This is a complex issue, but one that I believe has been resolved in a manner that is satisfactory to all interests. This progress is due in no small part to your ongoing interest and leadership in this important area.

I want to assure you that it is the policy of the Forest Service to ensure that private property rights, including water rights, will be recognized and protected in the course of special-use permitting decisions for existing water supply facilities. In addition, the Forest Service will recognize and respect the role of the States in water allocation and administration.

I agree that the Forest Service should not take actions that reduce historical water supplies from facilities located on national forest lands. The Forest Service will reissue permits for existing water supply facilities for 20 years with provisions to recognize and respect both the rights of the applicants and the multiple use objectives of the national forests. New bypass flow requirements will not be imposed on existing water supply facilities. However, unless amended, all permits will authorize only historical water rights associated with existing facilities. The permits will also obligate the permittee to accommodate resource goals of the Forest. This accommodation will be to the extent feasible without diminishing the water yield or substantially increasing the cost of the water yield from the existing facility.

In summary, special-use permits for existing water supply facilities will:

Authorize the use, operation, maintenance, repair, and replacement of the existing facilities described in an enclosure to the permit for the exercise of the water rights and water conservation or management practices described in an additional enclosure to the permit. The permit will not authorize expansion or enlargement of the facilities or water rights, water conservation, or management practices described in the enclosure.

Require the permittee to operate the facilities in a manner that accommodates the resource goals of the national forest without reducing the yield of the water rights or significantly increasing the cost of the water yield from the existing facility.

Require the permittee to provide the Forest Service, on an annual basis, a copy of the official records of the State agency having responsibility for administration of the water rights for the facilities described in the enclosure.

I am pleased to see that progress has been made on this issue and will instruct the Forest Service to reissue permits in accordance with this letter. I have asked the Chief of the Forest Service to initiate discussions with local interested parties to identify ways for carrying out the provisions and objectives of the individual permits.

Sincerely,

——— ———,
(For Edward Madigan, Secretary).

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, DC, October 9, 1992.

Hon. HANK BROWN,
U.S. Senate,
Washington, DC.

DEAR HANK: This letter is a follow-up to the one I sent to Senator Wallop on October 6 in response to his August 12 letter regarding special-use permits for water supply facilities on the Arapaho/Roosevelt National Forest in Colorado.

You asked for clarification of what is meant by the following sentence in paragraph 4 of my October 6 letter: "New bypass flow requirements will not be imposed in existing water supply facilities."

The entire October 6 letter is directed at clarifying conditions for renewing permits for existing water supply facilities only, and is not intended to pertain to new water supply facilities or expansions of existing ones.

An underlying principle for renewing permits for existing facilities, as stated in the same paragraph of the October 6 letter as the sentence in question, is: ". . . unless amended, all permits will authorize only historical water rights associated with existing water supply facilities." The sentence in question is intended only to emphasize that no new bypass requirements will be imposed beyond any that may have been specified in the old permit for the existing facility.

Sincerely,

——— ———,
(For Edward Madigan, Secretary).

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, DC, November 3, 1992.

Hon. HANK BROWN,
U.S. Senate,
Washington, DC.

DEAR SENATOR BROWN: Thank you for your September 21 letter to Secretary Edward Madigan on behalf of the cities of Greeley and Loveland, and the Grand County Water and Sanitation District, regarding the Forest Service position on bypass flows. The Secretary has asked me to respond to your letter.

Secretary Madigan's October 6 letter to you clarified our policy that ensures protection of private property rights, including water rights, when renewing special use permits for existing water supply facilities. This same policy applies to Greeley, Loveland, and the Grand County Water and Sanitation District facilities. The Forest Service will reissue special use permits for the city of Loveland's hydroelectric project on the Big Thompson River and Public Service Company of Colorado's hydroelectric project on Middle Boulder Creek consistent with the conditions of the Federal Energy Regulatory Commission licenses for the two projects.

We appreciate the interest of the respective City Officials in operating these facilities in harmony with the environment. The Forest Service will continue to work with the municipalities to achieve this objective.

Sincerely,

JOHN H. BEUTER,
Acting Assistant Secretary,
Natural Resources and Environment.

Mr. BROWN. Mr. President, the documentation is clear. I see before us on our desk a letter from Secretary Dan Glickman. Mr. President, I want to tell you I have the utmost respect for Secretary Glickman. I served with him in the House. I know him to be a person of integrity and honesty. We did not always agree but I respect his judgment and I respect his honesty. I do not believe Secretary Glickman would ever intentionally mislead this body or mislead the House or mislead anyone else. He is a person whose word can be counted on.

That does not mean that he was never incorrect. All of us get inaccurate information and Members will see referenced in those items a question that was raised. But I have no doubt in my mind that Secretary Glickman was honest and forthright and gave the best information which he had been given by his staff.

Mr. President, the question that is before us does not simply concern Secretary Glickman's letter. It ought to be given heavy weight. He is a thoughtful, reasonable person and his preferences deserve significant consideration. But as Members ponder the question placed before us by Senator STEVENS, they must also ask themselves this question: What do you do with an official who is actively involved and supervises the repeal of a major policy decision in 1994, and a few months later in testimony before Congress conceals the fact that the policy decision was reversed and the letter stating it withdrawn, and in fact testifies to the contrary?

Mr. President, this Senate must act. We cannot turn a blind eye. If we are to complete our responsibilities and do our job, we must insist that the Under Secretary either be frank, straightforward, and honest with Congress or we must get a new Under Secretary.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I must disagree with my good friend. I understand his concern. I understand his disagreement with the Under Secretary. But I hope one might take a look at the letter from the Secretary of Agriculture. Let me read one of the things Secretary Glickman says.

> When Congress differs with the Department's policies carried out by the Under Secretary, I recommend, and hope, we debate those policies on their merits; we will arrive at a much more satisfactory resolution of whatever disagreements may exist than we would by permitting policy debates to devolve into personalities.

The Secretary, who was a distinguished Member of Congress himself, was not unaware of how Members of Congress can express dissatisfaction with administration and administration policies. The Secretary served here in both Democrat and Republican administrations, as have I and the Secretary, like I have, would disagree with policies of both Democrat and Republican administrations and would fight to change those policies. But he, like I, would not think to do it by making basically personal attacks, an ad hominem attack against a member of the administration.

Secretary Glickman goes on to say:

> The amendments would, if adopted, set an alarming precedent that will no doubt continue under future Administrations. The precedent will, I fear, encumber, not enhance, our ability to resolve disagreements and will unnecessarily complicate arriving at mutually acceptable public policies.

Frankly, if each time we disagree with the Secretary, or anybody else, if we take our disagreement to the floor and try to eliminate that person's job, I agree that is not the precedent to set. I say that again, as one who, over 21 years here, has disagreed with policies set by those in the administration, both Democrat and Republican. But where we have disagreed I have sought ways to change those policies either by going directly to the administration and, when unsuccessful there, to write new legislation that might change the policy. I cannot recall any time that I sought to eliminate the person's job in doing it because I daresay in virtually any policy that is going on in any administration with 100 of us, there are going to be 40 to 50 different disagreements.

Are we going to be here as in the Dracula hours of legislation, those hours when actually legislation gets voted on after dark, after our families have gone home, after our families have gone to bed, and in keeping with the new family-friendly Congress, when we finally get around to decide to start voting on these things? Are we going to have 40, 50, 60 amendments out here attacking 40, 50, 60 individuals in the administration, this administration or the next administration or the administration after that? I do not think it is the way to do it. It does not make for good legislation. It does not make for good public policy, and it does not change things that we might want to change.

It is far better, if we have differences, to go to the Cabinet member who is the head of the agency. I know Dan Glickman, the Secretary of Agriculture. I daresay there is not a Member of this body who, if he or she called Secretary Glickman, who would not get a phone call back immediately, and they would be able to talk to him.

I have worked with Secretary Lyons, who I have found to be very helpful. I have found him to be very forthright, forthright not to tell me when he disagrees with me, and he will not do the things I might want. But we either agree or we disagree. If we go off and say that somehow because we disagree with him because of the law that he should be stripped of his authority, would we not have done that in the past administration? If we wanted to do that, think of the previous Assistant Secretary under the Bush administration.

The Federal court in Seattle found the Bush administration had violated the National Forest Management Act. That is not just one individual Senator's feeling that maybe they were not following the law; a Federal court found they violated the act. Have we seen Members of the Senate on either side of the aisle rush to the floor to introduce legislation to say the Bush administration has been found by the Federal courts to be in violation of the law, and, thus, the Assistant Secretary who is in charge of carrying out that law—we are going to get rid of him? I do not recall anybody doing that.

Nobody went to strip Assistant Secretary Jim Moseley of his authority. What we did was say here is what the Federal court has ruled. Here is what we are going to do as a law, and, if we want some changes in that law so they will fit under our policies, we will vote and we will change the law. But nobody came in here and said the Federal court has said the Bush administration is not following the law, and therefore, we are going to strip the Assistant Secretary.

We have a difference of policy. We have a difference of policy. We are not changing policy by legislatively firing somebody. Section 318 means in the end it is going to have to be decided by the courts. If we fire every Assistant Secretary who loses a lawsuit, we would have fired a whole lot in the last administration and, I suspect, the administrations before them. But that is not the precedent that we want to start.

I have found the Assistant Secretary to be forthright in his dealings with me. Like everybody else in this administration, I found times when I agree and sometimes when I disagree. I have found disagreements in the members of the Clinton administration, the Bush administration, the Reagan administration, the Carter administration, the FORD administration, and all administrations which I served in. I do not ever recall having a disagreement with anybody in any one of those administrations where I came in the floor and said, "Let us pass a law to fire him" because of my disagreement with him. I would not want to see that precedent started. I did not see that precedent in the FORD administration nor the Carter administration nor the Bush administration, and I certainly would not want to see something to start in the present administration.

Mr. STEVENS. Will the Senator yield?

Mr. LEAHY. I yield.

Mr. STEVENS. Does the Senator recall a precedent of Jamie Whitten securing the defunding of precisely this position in 1987 for about the same reasons? This is not a partisan matter. This is not a personality matter. This has happened before. It is not a precedent.

Does the Senator know that?

Mr. LEAHY. I can think only of the things I recall on the floor of the Senate, and that was not a matter I recall on the floor of the Senate, I say to my friend from Alaska. I am saying we can change policy. We can vote to change policies. But I do not ever recall voting to support the legislative firing of any member of any administration, Republican or Democrat. That is not the way we do things in Vermont. That is not the way I do things.

I yield the floor.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, this is not a question of changing the law or not changing the law. As the Senator from Washington pointed out, we passed a law in the rescissions bill to facilitate the Forest Service to carry out salvaging timber operations. The law was changed, and immediately after that in dealing with Mr. Lyons, he did not agree with the law, and said as much, and said, "I am not real happy about that. I do not think I will carry it out." And he said it before a committee, the Energy Committee. So we changed the law.

If he has been less than candid and straightforward with the committees and with the Congress of the United States of America, can we also say that maybe he is less than candid when he starts advising his President and the President has to start making decisions based on the information given to him by the Under Secretary of Agriculture?

I am saying the credibility has disappeared. And he is not serving his President or this country very well. In that rescissions law there was nothing in there that told the Under Secretary of Agriculture to sign a memorandum of agreement with four other agencies or three other agencies in order to carry out the salvaging of timber, both that timber that was damaged by fire, the fires of 1988 and the fires of 1994, or the dead and dying trees that we have in our National Forest. For, you see, when a tree dies, the longer it stands it loses value, and pretty soon the value is such that they will not be bid on at all.

So if you do not like the policy that has been put forth even by the President or by the Congress, you go into a delaying action. Basically, that is what has happened here. So it is not a question of partisan politics.

It is a question of arrogance, a question of being less than candid and less than straightforward with the Congress of the United States, and I would also say probably with the President and his people who have to make decisions on policy with regard to management of natural resources on our public lands.

That is what this debate is all about. My heavens, if it was one person who disagreed with Mr. Lyons, I do not think you would hear anybody standing on this floor supporting this amendment. So the frequency and the variety of it also lends to that of being pretty much on target whenever we start trying to make some policy decisions. Here is somebody who is getting in the way of public land managers, professional land managers who know how to manage national forests, who know how to grow and harvest a product for the United States of America and for all the people who live here and yet has his own personal little agenda, and he disregards the law of the land in his dealings with the Congress of the United States.

So I rise in support of the Stevens amendment. It is not an action that we enjoy. It is not an action that is without precedents. In fact, it is an action that we would try not to be a part of but is serious.

So I support the Stevens amendment, and I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER (Mr. ASHCROFT). The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I feel inclined to share with my colleagues my own personal feeling about the process that is underway here. Ordinarily, the President has the right to name his team to carry out his policies, and that is just the way it goes. You may not agree with those policies from time to time, but ordinarily we are able to work under a situation where we are able to communicate our point of view. While we may not always prevail in a situation such as we have here, where we have both the House and the Senate controlled by one party and our executive branch controlled by another party, we can still communicate and maintain a dialog and represent our constituencies.

Now, we are able to do that with the Secretary of Agriculture. There is absolutely no question. We have invited him up to our State of Alaska. He has met with us. We have expressed concerns. He has been responsive. Unfortunately, I cannot say the same thing about the Under Secretary for Natural Resources, Under Secretary Lyons.

I serve as chairman of the Energy and Natural Resources Committee. The Under Secretary has appeared before us on numerous occasions. While this debate may seem a debate focused on the West, let us remember that we have some unique natural resources, and timber is certainly one of them. We are blessed with those resources. Timber is a renewable resource. There is an industry that is dependent on it. It previously had been managed within the Forest Service by professionals who have dedicated themselves to, and come from, an approach to forest management based on the renewability of that resource. We need wood fiber; we need timber; we need paper products. With proper management we have that capability on a sustained basis.

That has been the whole concept of harvesting within our national forests. For the most part, that process has worked. Unfortunately, we seem to have in Mr. Lyons an Under Secretary who is going to manage lands as he sees how the public lands should be managed as opposed to the professionals.

We have seen a mass exit of professional forest managers from the Forest Service within the last few years. That is, indeed, unfortunate. It is my understanding that the proposal from the senior Senator from Alaska would be to not fund the Office of Under Secretary for Natural Resources. It has been addressed that, indeed, this is not a precedent. It has been done before. The purpose would be to transfer his reporting authority directly to the Secretary.

I hope my colleagues who are not from the West have listened to this debate carefully, because you have heard from all points of the West. You have not just heard from Alaska or Colorado. You have heard from Washington; you have heard from Idaho; you have heard from Montana. All of these are areas that have been heavily impacted by this Under Secretary's management according to the world as he sees it.

I am not going to repeat the specific points that have been brought up, the references to meetings, the references to not carrying out what were perceived agreements. But clearly, Members of the Senate, we have here an Under Secretary whose policies are not working. They are not working in communications with us. They are not working in concert with us.

I think it is appropriate to reflect that, in the last year of the Clinton administration, this is the first time we have had this unique situation where we have an individual with whom we simply cannot deal. So I would encourage you to reflect that something is clearly wrong here. We have a situation that is not working.

This is an extreme action, I agree, but we have had many conversations. We have tried to work out differences. But he seems to have a personal agenda virtually disregarding those of us who have a dependence on the national forests.

This is simply not the way to carry out public administrative responsibility. I can honestly say in my efforts to communicate with Mr. Lyons, I found a total insensitivity in the manner in which, while listening to our concerns, there was virtually no policy direction toward the points that we made or the people who were affected in our various States.

So I think this action is in order. And while I listened to the comments from the Senator from Vermont suggesting this is not the way to do things, I do not know how we should do things relative to the manner in which Mr. Lyons is carrying out his responsibilities, because it is simply not working. It is not my intent, by any means, to embarrass the administration. If this were a different situation, different administration, and we had the same set of circumstances, I would like to think I would be up here doing the same thing. I firmly believe we have an extraordinary situation that we simply cannot ignore, and we would be shirking our responsibilities as Senators representing States with national forest lands to just suggest this is a situation we can live with, because clearly we cannot. So I intend to support the Stevens amendment.

I thank the Chair. I yield the floor.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, without losing my right to the floor, I would like to yield to my colleague from Arkansas.

Mr. PRYOR. Mr. President, I thank my colleague, Senator BUMPERS, for yielding. I am here, Mr. President, not to participate in this debate but just to state that it is now 8:20 p.m. There seems to be a large number of Senators gathering in the Senate.

I assume that means there are going to be more speakers. I am just wondering if we could get some sort of word from the distinguished manager as to whether we might set a time certain to vote on this amendment or as to the possibility of perhaps stacking this vote early in the morning with another series of votes, otherwise we might go until midnight and never have a vote. I am just wondering if the distinguished manager might comment on this.

Mr. COCHRAN. Mr. President, if the Senator would yield to me.

I am prepared to respond and advise the Senate that the majority leader has given his consent and as a matter of fact requested that we try to identify the amendments, get time agreements on them, and stack votes tomorrow, and vote on final passage tomorrow. The point is, that we will continue to work here tonight though on those amendments we cannot agree on for votes, and with time agreements tomorrow. So this may not be the end of the session as far as the managers are concerned and Senators who have amendments.

But we know of, for instance, this amendment which will require a vote. We know the Senator from Arkansas, the Senator from Nevada, have another amendment on the Market Promotion Program; and that will require a rollcall vote. The Senator from Wisconsin, Senator FEINGOLD, has an amendment to strike special grants, research grants from this bill. And we cannot accept that, so we will have to move to table that and ask for the yeas and nays.

Those are three amendments that I know of that will require rollcall votes. We hope that the others will either not be offered or we can accept them on a voice vote and work out something that is satisfactory that would not require a rollcall vote. We are trying to see if we can do final passage on a voice vote. I would have no objection to that, if no one Senator insists on a rollcall vote. That means we could vote on the conference report when it comes back with a rollcall vote.

I am told we do have to have one vote. We have to vote on the Stevens amendment. I have just been advised on that. It would be nice if everybody got their stories straight and requests before I made these announcements like I knew what I was doing.

Mr. LEAHY. Why do we not just vote on it?

Mr. COCHRAN. I think we are prepared to vote. There are a couple other Senators that need to speak on the Stevens amendment. Why do not we do this and get the Stevens amendment over, and as we vote on that we can announce the schedule for the evening and tomorrow rather than talk about what we are doing. Rather than talk about it, let us just do it.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I will be very brief, and following the few remarks I have will move to table the amendment. So we will have a vote here very shortly.

First of all, I want to say that I understand some of the frustrations my Western Senator friends experience. Let me also say that while I am not a Western Senator, I have experienced a lot of the same frustrations but in other areas. I got terribly agitated at one time about the National Forest Service not allowing what I thought was an adequate timber cut in the Ouachitas and Ozarks that was having an adverse effect on the industry.

But let me just say—and I do not want to argue about these specific things. I know that Judge Hogan handed the Northwest a big victory this week in Federal court. That is exactly where these issues ought to be resolved. I labored 12 years under Presidents Reagan and Bush disagreeing with a vast majority of their policies and their interpretations of the law.

When I was Governor—and this is not unusual at the State level—occasionally some legislator would establish some little cabal with other members of the legislature because they had it in for somebody because they did not get what they wanted, and I would invariably have to deal with them or use a line-item veto.

Now, Mr. President, bear in mind we have serious disagreements on policy around here. We have serious disagreements on the interpretation of the law. Some people hate the Endangered Species Act and they do not want it enforced under any conditions, and so any excuse they can find to lambaste whoever is charged with the responsibility of enforcing it becomes the focal point.

But the Senate cannot be judge, jury and executioner under our Constitution. The genius of the Constitution is we have three branches of the Federal Government, Mr. President. And there is not a single Member of Congress that would change one jot and tittle. Sometimes there are so many changes proposed around here on the Constitution you would think it was just a rough draft, and that we were charged with the responsibility of finishing it.

Whether you like Bill Clinton or not, he is the President. Whether you like the people he hired or not, that is his prerogative. Whether you like the policy or not, they are charged under the last election with the responsibility of setting policy. And if you do not like the way they enforce the law, take them to court, as the Northwest did. Judge Hogan just gave, as I say, I think 1,700,000,000 feet. And that is a real victory for Oregon and Washington. I might also say that it was Bill Clinton who went to the Northwest and crafted a plan, which somebody said tonight Secretary Lyons was the focal point of this debate, Secretary Lyons crafted the agreement, and got it out from the court.

Let me remind you of something. The Northwest had been stopped dead in its tracks for timber cutting, long before Bill Clinton was elected President, by the courts. And because of the Constitution, there is not anything much anybody can do about that except appeal it or elect somebody who will change the law.

So I just want to say, I might agree with the Senator from Alaska about a particular personality, I might even agree with the Senators from Alaska, Montana and Colorado and Idaho on a policy that I think the administration is wrong on. But I have never, nor will I ever, come to the floor of the U.S. Senate and try to cut somebody's salary off or say, "You may not, Mr. Secretary, delegate this responsibility and that responsibility to this person or this office."

This amendment does not categorically say that we are cutting the salary of Secretary Lyons. What it says is we are giving the money from his office to the Secretary, and the Secretary is charged with the responsibility of taking away from Secretary Lyons any responsibility in the area he now administers relating to forest management issues. It is a dangerous precedent.

Finally, Mr. President, I want to remind my good friends over on the Republican side of the aisle, things always change. There is just a possibility, just a possibility, that one day in the not too distant future there will be more seats on this side of the aisle than there are on that side, there will be a Republican in the White House. You set a precedent like this, those things that are bad policy for the U.S. Senate have a tendency to come home to haunt you.

It is a very bad, in my opinion, flailing of the Constitution to say, "Mr.

Executive Branch, we will decide who you can hire. We will decide who you can keep."

We are the legislative branch. We should recognize it and we ought to honor the Constitution and the legislative branch.

Mr. President, I move to table the amendment and ask for the yeas and nays.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. At the moment there is not a sufficient second.

Mr. BAUCUS. Mr. President, will the Senator yield?

Mr. CRAIG addressed the Chair.

Mr. BUMPERS. Mr. President, do I still have the floor?

The PRESIDING OFFICER. Yes.

Mr. BUMPERS. Mr. President, I do not know how many more people want to speak around here. Everybody has been parading to my desk to say, "Let us vote. Let us vote." I thought everybody on this side that spoke—even the Senator from Idaho had forsaken his chance for 5 minutes.

Mr. BAUCUS addressed the Chair.

Mr. CRAIG addressed the Chair.

Mr. BAUCUS. Would the Senator not move to table for maybe 5, 6 minutes? I think the Senator from Idaho would like to make a brief statement, and certainly I would like to make a brief statement.

I would urge the Senator to withhold.

Mr. BUMPERS. Mr. President, I want people who have not spoken to have the opportunity to do so. If the Senator from Idaho wants to speak for 5 minutes; the Senator from Montana wants to speak for 5 minutes, I am not going to disagree with them.

Let me propound this unanimous consent request: That the Senator from Idaho be given 5 minutes and the Senator from Montana 5 minutes, after which I will be recognized to table the amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, a great deal of what the Senator from Arkansas has spoken to this evening is true. He and I do not disagree in the way that policy should be managed. We may disagree on the substance of policy, but I think both he and I respect the process, and we certainly respect the law.

The great frustration we have this evening, Mr. President, when we talk about this particular Under Secretary, is his arrogance in ignoring the law. Right after this administration came to power and this Under Secretary took power, he inherited a set of draft regulations that were being formulated as a result of this Congress under Democrat rule having passed an appropriations bill with appeals language. Very specifically, that bill spoke to the kind of appeals language we wanted to see inside the U.S. Forest Service.

This Under Secretary ignored that law, ignored the draft regulations, and went in an opposite direction totally. That is why we have this fight on the floor tonight. Amongst other things, he ignored the law. He ignored law that was crafted by a majority Democrat Party of the U.S. Senate.

That is the reality we are facing. Try to find a reason to defend this man for his actions and my guess is, you will have difficulty.

I would like to add to the RECORD a letter tonight which speaks to how this Under Secretary has handled his responsibility.

This letter is addressed to Michelle Gilbert, U.S. Department of Justice, Environment and Natural Resources Division, and it says:

> This letter is to inform you that the Northwest Forest Resource Council will move this week for an order to show cause to hold Jim Lyons in contempt of court.

Yes, the judge ruled, but Under Secretary Lyons ignores. That is what we are facing.

I would agree with you, we should not be crafting policy in the public courts of this land, but when a member of this administration ignores the law and the court tells him to do something and he continues to ignore it, then one finds it necessary to move for contempt of court. It is beyond my memory that any member of the Bush administration was held in contempt of court. That is why I very reluctantly agree with the Senator from Alaska.

This is no way to deal with anyone in Government, but when nothing else can deliver the message to this person, and now he is being held in contempt of court, it is time that this Senate speaks out. Time and time again, he has ignored our actions.

I cannot understand why anyone from either side of the aisle would argue in defense of this person when he puts together a Forest Service reorganization plan and begins to implement it and does not even seek our counsel. We have that responsibility to craft public policy. We demanded that he come up here, and that was a bipartisan request.

The Senator from Montana is here. The Under Secretary attempted to wipe out a major unit of the Forest Service in that Senator's State. And we said, "No, that is no way to run this place. Come sit down with us and work out the differences," and we finally forced him to do that.

That is why the Senator from Alaska, and a good many of us, have thrown our hands in the air and said, "What are we to do if we write law and it is ignored. This individual is ultimately gutting an organization in a way that makes it incapable of managing the public laws of this land that we have passed?"

So I hope tonight the Senate will uphold the motion of the Senator from Alaska and not vote to table. I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I am not going to take my full 5 minutes. We are presented with a problem here. On the one hand, those of us who know Under Secretary Lyons, who have dealt with him, at the very least, question his policies and question the advisability of him staying in office. On the other hand, I think we all agree that it probably is not wise, and it is not good policy to fire somebody by legislation.

The better route would be for us to change policy when we disagree with what an administration is doing, and work to try to get the person involved to change the views he has taken.

I, frankly, am disappointed with Under Secretary Lyons for many reasons. I supported his confirmation, voted for the confirmation. Unfortunately, due to a whole host of things that have occurred, some of which have been referred to tonight, I must say the time has come, in my judgment, for Under Secretary Lyons to gracefully tender his resignation.

I do not support the amendment before us, only because I think this is just not good policy. It is not good policy for us by legislation to fire somebody in the executive branch. There are better ways of doing this. I urge Senators to not support the amendment offered by the Senator from Alaska. But I also urge Under Secretary Lyons to not only listen to the words, but listen to the music and realize that he should probably leave.

We have a saying in the West that when someone has crossed the line and gone too far "he's broken his pick." Regrettably, Under Secretary Lyons has broken his pick in the West. The time has come to make some changes, not by legislation, but by urging Secretary Lyons and the administration to find some graceful way for him to no longer hold the position that he now has.

So I urge my colleagues to oppose the amendment, and I strongly urge not only Under Secretary Lyons but others involved to take appropriate action and put this matter to rest.

Mr. BUMPERS. Mr. President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Vermont [Mr. JEFFORDS] and the Senator from Kansas [Mrs. KASSEBAUM] are necessarily absent.

I further announce that the Senator from Oregon [Mr. HATFIELD] is absent due to illness.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "nay."

Mr. FORD. I announce that the Senator from North Dakota [Mr. DORGAN], the Senator from Ohio [Mr. GLENN], the Senator from Louisiana [Mr. JOHNSTON], the Senator from New York [Mr. MOYNIHAN] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 42, nays 51, as follows:

[Rollcall Vote No. 446 Leg.]

YEAS—42

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Conrad
Daschle
Dodd
Exon
Feingold
Feinstein
Ford
Graham
Harkin
Heflin
Hollings
Inouye
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone

NAYS—51

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Helms
Hutchison
Inhofe
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NOT VOTING—7

Dorgan
Glenn
Hatfield
Jeffords
Johnston
Kassebaum
Moynihan

So the motion to lay on the table the amendment (No. 2696) was rejected.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 2696) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Mississippi.

UNANIMOUS-CONSENT AGREEMENT

Mr. COCHRAN. Mr. President, I am going to propound a unanimous-consent agreement in hopes the Senate will approve our setting over until tomorrow all remaining votes on amendments that require votes. So I put the following request.

I ask unanimous consent that all remaining amendments in order to H.R. 1976 under the previous consent agreement must be offered and debated tonight and that any rollcall votes ordered with respect to those amendments be postponed to occur beginning at 9:45 a.m. on Wednesday.

Mr. CONRAD. Reserving the right to object.

The PRESIDING OFFICER. Objection is heard.

Mr. FORD. He is just reserving.

Mr. CONRAD. Mr. President, I ask the managers, we have worked for some time today to try to figure out if there was a way of working out an amendment. We have just received word from CBO that the means of paying for it are not acceptable, and I am wondering if there is a way for us to have the evening and potentially a vote tomorrow; that we have a place reserved for a vote if we are able to find an offset, but one that might not be agreed to on both sides so that we can at least have a vote.

Mr. COCHRAN. Mr. President, if the Senator will yield under his reservation, I think that certainly would be possible in this way. The Senator can offer his amendment tonight, say whatever he wanted to in support of it, and I could move to table it and ask for the yeas and nays. That will be voted on tomorrow. The Senator could be assured that there would be a vote on his amendment tomorrow.

Mr. CONRAD. Let me ask this. Will the managers agree to permit me to modify the amendment, if we were able to find an alternative means of financing it, overnight, working collectively, together?

Mr. COCHRAN. Mr. President, if the Senator will yield further, I certainly would not arbitrarily or capriciously refuse a legitimate request for a modification. If the amendment is changed entirely in its nature, I could not agree to that.

Mr. CONRAD. No, if we were to have a gentleman's understanding—I have full faith in the word of the Senator from Mississippi and in his good faith.

Mr. COCHRAN. I think the Senator could be assured we would not arbitrarily refuse such a request.

Mr. CONRAD. That will certainly be sufficient for me. Would we be modifying, then, this unanimous-consent agreement, or would it not require a modification?

Mr. COCHRAN. I do not think it is necessary with that understanding.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi?

The Senator from Arkansas.

Mr. BUMPERS. Reserving the right to object, the Senator from North Dakota has an amendment for which he has not yet found a suitable offset. It needs to be understood by everybody, if he offers the amendment tonight he will be offering it without an offset. That is, I assume, the modification that he wants to make, as soon as he hears from CBO.

What we need to clarify for sure is, if the Senator from Mississippi moves to table his amendment tonight, the agreement should be that even though a motion to table had been made, that he would have a right before the vote tomorrow to modify, to set out what the offset is. Is that a fair statement?

Mr. COCHRAN. That accurately reflects my assurance and the understanding I would be happy to have with the Senator.

Mr. FORD. Will the Senator yield for a minute? I ask the manager of the bill, should that not be in the agreement? If the offset is found, it has to be agreeable, I suspect, to the manager. You just would not take any arbitrary offset.

Mr. COCHRAN. I am not agreeing to support the amendment, that is what I am saying.

Mr. FORD. I just want to be sure that someone who is not here tonight, in all respect to their position and their ability, if it is not in the unanimous-consent agreement and they come in here and object to it—even though the Senator is very persuasive that does not happen—then my friend from North Dakota is excluded, I think, from making his modification once the Senator has moved to table and ask for the yeas and nays.

Mr. COCHRAN. I respect the suggestion. I have no problem including that in this agreement if the Senator would like to insert that in this agreement.

Mr. FORD. I think the Senator needs to do that, and I hope he would.

Mr. COCHRAN. Mr. President, I modify the request to include the right of the Senator from North Dakota to modify his amendment to show a different offset on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, for the information of all Senators, there will be no further votes this evening. However, Senators who intend to offer amendments must remain this evening to debate those amendments, and any rollcall votes ordered with respect to the amendments would occur beginning at 9:45 a.m., in a stacked sequence.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. BUMPERS. Will the Senator yield?

Mr. FEINGOLD. Yes.

Mr. BUMPERS. Mr. President, I wonder if we could have a time agreement with the Senator from Wisconsin, a 20-minute time agreement with 15 minutes to the Senator from Wisconsin and 5 minutes for the managers.

Mr. FEINGOLD. That is agreeable.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, thank you.

AMENDMENT NO. 2697

(Purpose: To prohibit the use of appropriated funds for the special research grants program that are not subject to a competitive approval process)

Mr. FEINGOLD. Mr. President, I send an amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD], for himself and Mr. MCCAIN, proposes an amendment numbered 2697.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . SPECIAL RESEARCH GRANTS PROGRAM.

(a) IN GENERAL.—None of the funds made available under this Act for the program established under section 2(c) of Public Law 89-106 (7 U.S.C. 450i(c)) may be used for a grant that is not subject to a competitive process and a scientific peer review evaluation by qualified scientists in the Federal Government, colleges and universities, State agricultural experiment stations, and the private sector.

(b) DEFICIT REDUCTION.—Any funds made available under this Act that are not expended because of subsection (a) shall revert to the general fund of the Treasury for deficit reduction.

Mr. FEINGOLD. Mr. President, the amendment I am introducing tonight will make a very simple change to the way in which some of USDA's research funds are distributed.

Right at the beginning, let me just correct a statement by the senior Senator from Mississippi which I think was just a brief description. He suggested that our amendment would strike the special purpose grant within the Department. It does not do that at all. It does not change the amount of the grant. It changes the way in which the grants are given. It requires a competitive approach rather than what is, in effect, an earmark approach.

So I want to be very clear throughout this debate that we are not striking the grants nor changing the way they would be given out.

The amendment would require any funds appropriated under the Special Research Grants Program within the Cooperative State Research Education and Extension Service be subject now to scientific peer review by scientists outside of USDA and that all research grants be awarded under this program on a competitive basis.

I am happy that the senior Senator from Arizona [Mr. MCCAIN] is a cosponsor of the amendment as well.

This particular program, the Special Research Grants Program, provides grants to State agricultural experiment stations, 1,890 institutions and land grant colleges to carry out applied agricultural research in fulfillment of USDA's mission to encourage and support agricultural research within the federal land grants and other research institutions. In conjunction with the many other programs conducting agricultural research, the Special Grants Program has helped foster important agricultural research.

As members of this Chamber may be aware, I have been working with bipartisan coalition of Senators to reduce the amount of so-called pork barrel spending in appropriations legislation. This amendment is intended to further that goal by addressing what I call hidden pork in this appropriations bill. The Special Research Grants Program while fairly straight forward on the surface, is actually not what it seems upon closer inspection.

USDA's Special Research Grants Program receives a single appropriation each year to fund the many grants for agricultural research conducted by universities around the country. Last year, Congress provided $52 million for these special research grants. This year, the Senate Appropriations Committee has provided about $50.5 million for special grants, of which some $9.8 million is to be focused on improved pest control research.

The funding for this program is very straightforward with only four lines devoted to it in H.R. 1976.

However, when I looked at the committee report accompanying this bill, I noticed an extensive list of projects that the Committee has recommended for funding under special research grants. I counted over 90 in all for this upcoming fiscal year. Looking at last year's conference agreement, I found 121 such projects, most of which are identified by one or more states.

Then I learned, that in fact, while these projects are not technically earmarks, in that they are not line-itemed in the actual appropriations legislation, USDA treats them exactly as if they were earmarks.

So they are in the committee report. But they end up being treated like earmarks. Of the 121 projects recommended for funding last year, all but one grant was awarded and that single grant had its funds rescinded. Based on information I received from USDA, of those 120 projects, not a single grant was awarded on a competitive basis and each grant was made in accordance with the Agricultural appropriations Subcommittee's recommendations.

I am sure that are many Members in this Chamber who will tell me that committee reports of course are technically non-binding. That may be technically true, but if the agency administering the program considers those recommendations to be binding, they most surely are. Mr. President, the recommendations for projects to be funded under the Special Research Grants Program are most certainly earmarks. Every Member of this Chamber who has even had a project in his/her State recommended for funding under this program, or has asked for a project to be on that list of recommendations, knows that is the case.

In fact, in the bill before us today, very little of the money proposed to be provided to universities will be awarded competitively and subject to scientific peer review. These institutions listed in the committee report simply submit their proposals and receive their funds with few questions asked by the agency.

I do not want to pick on any particular State or university, but I think it is important that Members understand specifically what projects they are agreeing to fund under this program. Let me just list a few of the 90 some projects that are earmarked in the committee report: there are recommendations for eight separate research projects relating to aquaculture to be provided to six different universities for a total of $2.5 million for fiscal year 1996. Some of those recommendations are for projects that are described by the committee, others are for research generally on "Aquaculture". We have earmarks for: $300,000 for molluscan shellfish research at Oregon State University; $127,000 for multicropping strategies for aquaculture—University of Hawaii; $370,000 for Chesapeake Bay aquaculture—University of Maryland; $305,000 for seafood and aquaculture harvesting, processing, and marketing research—Mississippi State University; $308,000 for alternative marine and fresh water species research—Mississippi State University.

And then there are the less descriptive earmarks: $592,000 aquaculture, Mississippi State University; $330,000 aquaculture, Louisiana State University; $169,000 aquaculture, University of Illinois.

All totaled $2.5 million earmarked for eight different research projects on aquaculture for six different research institutions.

Should not it be enough for Congress to merely recommend that aquaculture, generally, be a research priority and leave the specific projects, funding amounts and research institutions up to the USDA and external peer-review panels.

Mr. President, here is a sampling of some of the other projects that the Senate will be earmarking in this bill: $296,000 for jointed goatgrass research by the Washington State University; $303,000 for soybean cyst nematode research—University of Missouri; $162,000 for peach tree shortlife research at Clemson University.

Some of the projects have vague descriptions such as "forestry" or "dried beans," so it is difficult to know what the designated institutions will be doing with the money nor is it clear why these are projects of national priority that they are specifically identified in the committee report.

Mr. President, the question for my colleagues is not whether research on aquaculture, jointed goatgrass, or the soybean cyst nematode should be conducted. That is not at issue.

At issue is whether Congress should be making these very technical decision for the agricultural sector and for the USDA.

First, should Congress be defining for USDA research specialists the current research needs of agriculture down to the exact dollar and facility conducting the research?

Second, should Congress determine which research projects have the greatest scientific or economic merit?

Third, should Congress pick and choose among competing research institutions and decide, based on political circumstances, which Universities should receive the funding?

Fourth, is it at the business of Congress to decide how much of taxpayer dollars each project should receive? Can Congress effectively determine for over 90 research projects what costs are reasonable and which ones are not?

Mr. President, I believe that in a time of shrinking Federal dollars for vital agriculture research, the answer to all four of these questions has to be "no." Congress is not equipped to make these decisions, and it should not be our job to make those decisions. In too many cases too many projects are being funded for political reasons rather than scientific reasons. An agricultural researcher's chance of getting Federal tax dollars should not depend on whether that researcher has a person on the Appropriations Committee.

The amendment I am offering today ensures that research moneys under the Special Research Grants Program will be awarded to research institutions that submit proposals for projects that are consistent with the research needs of agriculture, that are competitive with respect to the cost of the project and the non-Federal matching funds, and have scientific or economic merit as determined by an external peer review panel.

Congress under this can still recommend projects for funding, but those recommended projects will have to compete among a pool of other qualified research institutions. If they cannot pass the competitive test of merit and peer review, then the project should not and will not be funded.

In 1994, the National Research Council stated that there remains considerable scope for expansion of the use of competitive grants at USDA and, equally important, the use of peer review.

The advantages of this different more competitive approach are indisputable.

First, competitive grants are responsive and flexible and can be adjusted to agricultural funding priorities consistent with national needs and the public interest.

In 1993, before the Senate Subcommittee on Agriculture Research, the GAO reported that congressional earmarking of research dollars was identified as one of the factors inhibiting USDA from focusing research dollars on current research priorities.

During that same hearing, USDA witnesses indicated specifically that congressional earmarking had prevented them from redirecting research dollars for the more current needs.

Second, competition attracts new scientists, researchers and economists to an area of research typically reserved to a few select institutions with entree to Congress. That can only be good for research that attempts to solve otherwise unresolved problems.

Third, competition in grant awards provides taxpayers and farmers with greater assurances that limited research dollars are being spent wisely and in the most cost-beneficial manner possible. It is that last point that I think is really critical.

Over the last 25 years, USDA's research budget in terms of real dollars has actually declined. Of course, now in our efforts to balance the budget research funds will probably continue to take greater hits. The proposed budget for CSREES research in fiscal year 1996 is down $14 million from fiscal year 1995. Compared to just 2 years ago, the funding for the Special Research Grants Program alone is down by $18 million.

Congress can no longer afford to operate the way we have for the last 25 years. It is time to open up the Special Research Grants Program to competition and peer review. While this programming accounts for only 5 percent of the budget, it accounts for about one-third of the nonformula research grants made by the agency, so it is pretty substantial. It is a critical component of this Nation's research agenda for agriculture.

So to conclude, let me be clear. My amendment does not cut any funding for the Special Research Grants Program. It does not, as was stated earlier in the Chamber, strike any of that funding. It merely imposes a process whereby research grants will be directed towards the most relevant research in the most cost beneficial manner. I think we owe it to taxpayers and consumers and farmers and others in the area of agriculture to adopt this amendment, and I urge my colleagues to support it.

I reserve the remainder of my time and yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I yield myself such time under the agreement as I may consume.

The debate about special grants and research projects for agriculture is not a new debate. There have been differences of opinion about how much should be allocated for basic research, how much should be in applied research, whether the Agriculture Research Service Federal laboratories ought to do it all, whether State land-grant universities and the experiment stations attached to them should do some of the research and, if so, how much? What is the role of State government in all of this? Do they have an obligation to participate? Are matching funds to be required in every instance for research and the construction of research facilities?

There are a lot of different issues involved in the agriculture research portion of this bill. We have tried to carefully review the requests this committee has received from Members of Congress, from outside groups, from others—the administration in its budget request.

We have considered their suggestions to try to have a careful and thoughtful balance among all of these competing interests and to do it in a way that safeguards the interests of the taxpayers that their dollars not be wasted.

There is no question that this bill is loyal to the responsibility of assuring that these dollars are invested to benefit American agriculture. They are not boondoggles. They are not pork barrel projects with no merit. As a matter of fact, many studies have documented the substantial public benefits which result from these investments in agriculture research. We need to maintain our technological advantage in American production agriculture to help ensure that our farmers can continue to operate profitably and protect the soil and water resources we have that are in many cases very fragile. And so we have a lot at stake in how these dollars are spent. We want them to be spent correctly.

The debate really is in some instances not on whether the research ought to be done but who does it and who decides who does it. This argument about peer review is suggesting that those who are the self-styled and self-anointed experts decide.

As Members of the Congress we have the responsibility of ensuring the careful and frugal expenditure of public taxpayer dollars so we are directly accountable and answerable to the public for any appropriation of funds along these lines that we approve. I am not ready to delegate the responsibility that the people of my State of Mississippi have entrusted in me to come here and help ensure that our State's interests, our State agriculture interests are taken into account in the research decisions that are made.

I am not going to delegate to some fancy group of scientists in some other State the authority to decide where the tax dollars that are paid by Mississippians are spent in agriculture research. I am not sure they will always come down on the side of the agriculture interests that we have in our region. So I wish to continue to play a role in it, and to do that we have to continue to exercise our responsibilities as Members of the Congress to determine how our tax dollars are spent.

That is what this bill does. It gives our colleagues and this Senate, a voice in where these dollars go and for what they are spent. The argument for competitive peer-review grants versus special grants, in my opinion, focuses on who is going to make the decisions regarding the allocation of Federal funds among competing legitimate demands. There is competition between the experiment stations, land-grant institutions, and other institutions.

It has been suggested that since each system has strengths and weaknesses, the arguments about the merits of the system should be cast in terms of the relative mix rather than their absolute merit. But we think we have done a good job.

Mr. President, $707 million for basic and applied research in this bill will be conducted at Federal laboratories, $40.7 million will go to special grants, and $99.5 million will go to competitive grants through the National Research Initiative. We think special grants play an important role because they address special local and regional needs. The authority for these special grants is spelled out in the law, Public Law 86-106. This authority provides that grants may be awarded to State agriculture experiment stations, land-grant colleges, universities, and other qualified institutions for the purposes of facilitating or expanding ongoing State-Federal food agriculture research programs.

Those who argue against these special research grants suggest that just because they are recommended by Members of Congress they have no merit or not as much as if they had been recommended by somebody else. I disagree with that. And so I think this is based on an erroneous assumption. The Senate ought to reject the amendment. I argue strongly for Senators to oppose the amendment offered by the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I thank the Chair and I thank the Senator from Mississippi. I admire his leadership in the agriculture area.

Let me use the brief time I have remaining to respond to a couple of points he has made about our amendment.

First of all, I just do not see how it is possible for a committee, despite its tremendous efforts with the staff and resources of the Appropriations Committee, to make this kind of sophisticated analysis and competitive determination that is sufficient to make a fair determination of competition.

The Senator says these are meritorious projects. I do not deny that. Certainly many of them are meritorious. How do we know? What is the criteria for evaluating whether or not the 120 out of 121 projects that were mentioned in the committee report last year were actually of merit to justify the taxpayers' dollars?

And given the comments of the Senator from Mississippi, in particular, how he does not want this process left up to a fancy group of scientists, well, this is about a $50 million program. The National Research Initiative, Mr. President, is a $100 million program, and that is left up to a fancy group of scientists. We do have peer review when it comes to $100 million worth. Why not have that fancy group of scientists—actually that is what they are, people who know what they are talking about from an economic and agricultural point of view—why not have those people handling the other $50 million and make it a fair competition?

What it comes down to, Mr. President, is what kind of competition are we going to have? The Senator from Mississippi fairly points out there is a competition of sorts for these earmarks. It is a political competition. It is a question of political muscle, who has got the most muscle to get a grant. I suggest that we need a different kind of competition, a competition based on merit. Many of us were elected and many of us particularly last year who came to this body were elected on the notion that we should run this Government like a business on the basis of merit, on the basis of quality, quality control. That is what this is all about, having some quality control in the midst of a very well intended series of efforts to improve agricultural research in this country. I thank the Chair and I urge my colleagues to support the amendment.

Mr. President, I yield back the remainder of my time.

Mr. COCHRAN. Mr. President, has all time been used on the amendment under the agreement?

The PRESIDING OFFICER. All time has expired.

Mr. COCHRAN. Mr. President, I think we have other amendments that can be disposed of tonight, or argued.

I notice the Senator from Nevada and the Senator from Arkansas have a Market Promotion Program amendment which they intend to present. The Senator from North Dakota has an amendment which he can propose and describe, if he chooses, at this time or we can defer it to later.

But we are going to proceed to try to meet the challenge of getting all these amendments argued tonight so we will know what we are going to vote on tomorrow. We appreciate the cooperation of the Senators.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

AMENDMENT NO. 2698

(Purpose: To provide that producers of a 1995 crop are not required to repay advance deficiency payments made for the crop if the producers have suffered a loss due to weather or related condition)

Mr. CONRAD. I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

The clerk will report.

The bill clerk read as follows:

The Senator from North Dakota [Mr. CONRAD] proposes an amendment numbered 2698.

Mr. CONRAD. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . REPAYMENT OF ADVANCE DEFICIENCY PAYMENTS FOR 1995 DISASTER LOSSES.

(a) IN GENERAL.—Notwithstanding subparagraphs (G) and (H) of section 114(a)(2) of the Agricultural Act of 1949 (7 U.S.C. 1445j(a)(2)), if the producers on a farm received an advance deficiency payment for the 1995 crop of a commodity and suffered a loss in the production of the crop due to weather or related condition, the producers shall not be required to repay an amount of the payment that is equal to, subject to subsection (b), the product obtained by multiplying the applicable crop acreage base and the farm program payment yield.

(b) LIMITATIONS.—The amount of the payment that the producers on a farm are not required to repay under subsection (a) shall—

(1) not exceed $2,500; and

(2) not be available for production on which crop insurance coverage is available, as determined by the Secretary of Agriculture.

(c) FUNDING.—Up to $35,000,000 that has been made available to carry out the export enhancement program established under section 301 of the Agriculture Trade Act of 1978 (7 U.S.C. 5651) during fiscal year 1996 may be used to carry out this section.

Mr. CONRAD. I thank the Chair. I appreciate the patience and the indulgence of the Chair as well.

Mr. President, I will try to be brief. The amendment that I have sent to the desk would deal with a very serious problem that is developing around the country. I am sure it affects producers in the State of the Chair; I am certain it affects the producers in the States of the managers. It deals with the problem of producers suffering crop losses this year because of very serious planting problems that developed around the country.

In many parts of the country we had excess moisture; in other parts of the country we had an extraordinary wave of heat that dropped the value of crops and in many cases destroyed crops for our producers.

Unfortunately, producers lucky enough to plant a crop were often met with these difficult conditions, and in some cases producers were not able to get a crop at all. The result is that producers who had the expense of planting a crop received an advance deficiency payment.

On wheat that amounted to 35 cents a bushel. Because of the crop situation in this country and around the world, prices then went up dramatically, which will require farmers to repay those advance deficiency payments, and in some cases they do not have a crop at all. In other words, farmers are being sent a large bill but have no crop from which to derive income to pay the bill back.

Now, in previous years a disaster payment would have been available to meet this situation. But now we do not have a disaster payment. We do have crop insurance. And what my amendment would do is say to producers, to the extent your crop could not be covered by crop insurance, you would be forgiven the advance deficiency payment if you have had a crop failure. We would also attach an additional provision. We would provide that no farmer would get more than $2,500 in forgiveness of advance deficiency payments.

Now, I understand $2,500 may sound like a lot to some people. To farmers who have very large expenses, it may sound like not much, but at least it would help offset the costs of putting in a crop, not getting any production, and then being expected to repay an advance deficiency payment when you have no income with which to pay it. And again I want to emphasize to my colleagues, we have provided that this is only available to the extent that crop insurance could not cover the crop affected.

In other words, let us say that a farmer took out the 75 percent coverage under crop insurance; only the 25 percent that could not be covered under crop insurance would be eligible for this forgiveness of advance deficiency payment. So on no bushel, not one, would any farmer receive crop insurance and a forgiveness of an advance deficiency payment.

In addition, if a farmer had chosen only to get 60 percent coverage and 75 percent coverage was available, he would only qualify as if he had the 75 percent coverage. Obviously we do not want to create a perverse incentive by saying to the guy that went out and purchased the 75 percent coverage, "You know, you were a fool to do that because the Government is going to come in here and at least forgive your advance deficiency payment on that part not covered by crop insurance."

So we have tried to target this in a way that makes sense. We worked with the Congressional Budget Office. They now tell us this would cost $35 million. We have offset that by reducing the amount available for the Export Enhancement Program next year by that $35 million. In other words, we say reduce by up to $35 million the amount available in the Export Enhancement Program for next year in order to fully pay for the forgiveness of advanced deficiencies for farmers who had disaster this year.

Again, I think we have crafted this in a careful way. Let me just say that this year on the EEP program we had $800 million authorized. We know we are going to only use $400 million. We had $800 million authorized, and we will use something less than $400 million.

I say to my colleagues, at least for the purposes of getting this to the conference committee, let us have a vehicle out there that allows us to forgive these advanced deficiencies to a total of $2,500 per farmer, and only on those bushels where they do not have crop insurance or could not have had crop insurance to offset some of the disaster we see around the country.

Many parts of the country—I know in the South the cotton crop was adversely affected by unusual heat. It came at a critical time and as a result that crop was damaged. In my part of the country we had flooding, most unusual flooding. I know in the State of the Chair, that flooding and wet conditions were serious. As a result, we have a whole series of disease problems.

With that, I would thank the chairman for his assistance this afternoon and this evening in trying to put something together.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, when the Senator from North Dakota brought this amendment to my attention and said that he would offer it, my immediate reaction was I favored it. I thought it certainly tried to do some of what we were doing yesterday, or endeavoring to do, when we offered the disaster assistance proposal to benefit those cotton farmers in the South who had suffered such terrible losses this year because of the infestation of army budworms, tobacco budworms, beet army worms.

These damages were heightened and made much worse because of the serious weather conditions. The excessive heat in many areas of our State, and I think this is true of Alabama and other Southern States, made this disaster possible. We are told by the entomologists and the experts this is a weather-related disaster, but it is more commonly referred to as infestation of pests that have caused these damages. In my State alone, over $100 million in losses are going to be sustained, they say, by cotton producers alone.

So I think this amendment may very well help some of those farmers. They were denied any extra help under the amendment that we had before the Senate on a rollcall vote. I think one of the reasons that amendment was defeated is because it was crop specific; it was targeted only to cotton producers. This amendment is not targeted to any specific kind of crop or farmer or region or State.

Before we get to a point of voting on the amendment, I am going to try to find out from those who know whether it will apply and provide assistance to Mississippi cotton farmers. I may end up voting for the amendment. I hope I can support it. But at this time tonight, I am not able to recommend approval of the amendment, because of the questions about the offset and the scoring.

If it is going to cost $35 million, where does the Department, or the ones making these estimates, think the benefits will go? Will they all go to the prairie, the North part of the farm belt, the Dakotas and that part of the country, and if so, how will it actually work? So there are questions that we still have to explore, and I hope by tomorrow when we get to a vote on this amendment, we will have those answers.

I am certainly not going to criticize the Senator for bringing this amendment up. My heart is where his is, and that is with these farmers who have sustained these terrible damages. I regret that the crop insurance program that we have now is big on promise but short on delivery of benefits to help in the recovery from serious disasters. That is what we learned, I think, in Mississippi this year, that the new Catastrophic Crop Insurance Program is a disaster in itself.

There has been a lot of hype. Farmers were told, "Don't worry, you're automatically eligible for these benefits. For $50, you're signed up." It sounded too good to be true, and guess what? It is too good to be true, because the benefits they are getting do not nearly equal what others had been getting from ad hoc benefit assistance programs in the past. They were told, "You are going to get about the same level of benefit that you would have under a disaster assistance program passed by Congress." It has not turned out that way. I sympathize with the farmers who have been misled and have not bought additional insurance to make up for what their losses could have been.

Those are my reactions to the amendment, and comments. We will have an opportunity to vote on the amendment tomorrow.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, might I just say that this has been designed with all farmers in mind. This has not been designed to benefit just one region or one crop. We know that losses have been severe throughout farm country from different situations in different parts of the country. In our part of the country, in an unusual turn of events, we have had too much water. That is a rarity in North Dakota, I might say. We have a million acres not planted in the State of North Dakota. That is truly a rarity.

But we know that there are different circumstances. In Indiana, they had excess heat at the time the crop was forming and, as a result, significant losses. I know Missouri has had the same problem North Dakota has, and terrible disease problems as a result of excess moisture. I know Mississippi has had problems as a result of weather conditions there.

The one thing farmers cannot do much about are the vagaries of weather and price. This year, prices have shot up, and that is terrific for those farmers who have a crop, but if you do not have a crop, it means you are going to have to pay back your advance deficiency payment at the very time you do not have the crop to get the income to pay it back.

I had a farmer call me the other day and he said, "Senator CONRAD, I have a bill coming due to pay back my advance deficiency payment, $8,000. I got no crop, and I got no money. I had the expense of planting. I had the expense of fertilizing, and I had the expense of putting it all in. Then we had disastrous flooding. So I've got no crop, and I have a bill coming due for another $8,000, and there's no way I can pay it. It is really not fair."

And just as the Senator from Mississippi described, those of us who are very wary of this notion of doing away with disaster programs, we are right because the crop insurance program does not make up for the lack of a disaster program. For many producers, that is going to be a disaster in and of itself.

I thank the Chair and yield the floor.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

AMENDMENT NO. 2699

(Purpose: To provide that funds made available for the market promotion program under this Act may be used to provide cost-share assistance only to small businesses or Capper-Volstead cooperatives and to cap the market promotion program)

Mr. BUMPERS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. If there is no objection, the pending amendment will be set aside. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS], for himself and Mr. BRYAN, proposes an amendment numbered 2699.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 65, line 18, before the period at the end, insert the following: ":*Provided further*, That funds made available under this Act to carry out the market promotion program established under section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) may be used to provide cost-share assistance only to organizations that are recognized as small business concerns under section 3(a) of the Small Business Act (15 U.S.C. 632(a)) or to associations described in the first section of the Act entitled 'An Act to authorize association of producers of agricultural products', approved February 22, 1922 (7 U.S.C. 291). *Provided further*, that such funds may not be used to provide cost-share assistance to a foreign eligible trade organization: *Provided further*, That none of the funds made available under this Act may be used to carry out the market promotion program established under section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) if the aggregate amount of funds and value of commodities under the program exceeds $70,000,000".

Mr. BUMPERS. Mr. President, this morning the Senate voted rather decisively—I believe it was 59 to 41—not to abolish the Market Promotion Program. Several Senators said to me they did not much like the program, but some industry in their State benefited from it or some agriculture cooperative in their State benefited from it.

And so my objection to the Market Promotion Program is that it is for the very biggest corporations in America, and at a time when we are trying to cut Medicaid and welfare and everything else, to reward the biggest corporations in America with Federal largess is inconsistent and, I think, almost immoral.

So Senator BRYAN and I have crafted an amendment that we think will meet, certainly meets our objections, and we believe it will meet the concerns of Senators who feel obligated to vote for market promotion every year.

There are four points to it. First, we eliminate the eligibility of foreign trading organizations. Right now, roughly $10 million of this money goes to foreign corporations. We eliminate them.

Second, we convert it into something of a small business program, because we make small businesses eligible and small business will be determined by the Small Business Administration. Generally, these businesses range in the area of 500 employees and gross sales of $50 million a year.

If people want to put their money where their heart is, maybe I should say where their mouth is, here is an opportunity to do something for small business to help them export, because they need more help, where big corporations do not.

Third, we make all the agricultural cooperatives in the country eligible. They are eligible now, and they stay eligible, and I know a lot of Members of the Senate voted for this because they have a cooperative. I have one in my State, Riceland Foods, who does a lot of exporting.

So we make all cooperatives of all sizes eligible under the amendment.

And fourth, we reduce the funding from $110 million to $70 million. You make it an attractive, palatable program that gives small businesses a chance to export. You take care of the agricultural interests because you allow the agricultural cooperatives to still apply for and be eligible for grants to help them export. You eliminate foreign corporations, which I think everybody will applaud and perhaps they will applaud louder for the reduction of $110 million to $70 million than anything else, a savings of $40 million. We do not take the $40 million and allocate it someplace else. It can go on the deficit. You could not find a better place for it.

Mr. President, those are all the remarks I care to make on it tonight. I will be glad to yield the floor.

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. I thank the Chair. Mr. President, the hour is late, and this has been debated extensively during the course of the last day or two.

Let me commend my colleague from Arkansas. He and I, it is clear I think to all Senators, if given a preference would like to eliminate the program.

We have tried, he and I together, for the past several years—and prior to my arrival in this body, I am sure he was trying even then—and it is $110 million in the appropriations bill this year. As he just pointed out, this is a carefully crafted compromise. We have preserved the right for small businesses, as defined under the Small Business Administration, to be eligible to participate in this program. We eliminate foreign companies from their eligibility. I think the more current number my colleague mentioned was $10 million. The information I have in the current year is that the program currently provides some $12 million. So we eliminate all foreign companies.

Certainly, my colleagues would agree that the American taxpayer has no business in providing money for the advertising accounts of foreign companies. Certainly, we ought to be able to agree to that. As he pointed out, the various co-ops in the country, representing a broad diversity of products that are exported abroad, would continue to be eligible as they are under current law under this program, and we limit it to $70 million.

We made some progress. The last time this issue came before us for a vote, my recollection is that we got 38 votes. This morning, we got 41 votes. That is incremental progress, and I suppose we should be grateful for that. But in an effort to accommodate the concerns that a number of our colleagues that say, look, we are not enamored with the program, but it provides help to small businesses, it provides assistance to local co-ops involved in export promotion, this is the compromise that is offered in good faith. I hope my colleagues—particularly those who have rejected efforts in the past to eliminate this program—will take a fresh look at this approach and say, look, we tried to strike a reasonable and responsive balance—not going as far as the Senator from Arkansas and I would like to go, but recognizing the concerns that a number of our colleagues have with respect to small businesses, and agricultural co-ops, and to eliminate the money that currently goes to foreign companies, some $12 million, and to try to at least begin to wean these programs from their current level of expenditure, which is $110 million, and to reduce that to $70 million.

I urge my colleagues to reconsider their previous position and support this amendment, which is offered in the spirit of compromise.

I thank the Chair and yield the floor.

Mr. COCHRAN. Mr. President, we have had a lot of discussion about the market promotion program today and yesterday. Last night, we were here on the floor for an hour—these three Senators—talking about this program and their amendment to actually do away with all funding for the program—cancel it, kill it. We had a full debate. We voted on a motion to table their amendment. The motion was agreed to by about 60 to 40, about the same amount of the vote that was cast earlier this year when the Senate rejected, by a vote of 61 to 37, the same proposal on the bill—the rescission bill, the supplemental we had before the Senate. April 6 was the date of that vote.

The point is this has already been fully discussed. I am not going to take a lot of time to argue against the amendment. I am going to make one point since this is a different approach to this issue.

This amendment seeks to rewrite the program, in effect, not only to authorize the funding at a lower level, which I think is $70 million, but to change a number of the provisions of the bill with legislative language, in effect, describing the kinds of eligible entities who can apply for funds under the market promotion program—the size of the entities, character of the entities, description about ineligible applicants. My problem with that is not that these may not be good suggestions, but that the Senate is being asked to function as a legislative committee.

Think about that, Mr. President. We are trying to function as a committee of the whole. They do that in the House when they go into session as a committee of the whole to take up amendments to legislation, and then the House actually reports the bill or approves the bill, and they have a vote on the legislation itself. But here in the Senate we do not have a committee of the whole. We have legislative committees that have that responsibility.

I think it is a big mistake to have legislative proposals presented to the Senate for the first time, a case of first impression, here in the Senate Chamber and we are called upon to listen to a few minutes of debate or, as is the case tonight, with almost nobody here but those of us here who are managing the legislation, to listen to the argument and make a decision based on what is best for this program. Should this program be reauthorized? And how should it be managed? What would the level of funding be? These are decisions for the legislative committee to make. They are to look at the options. They are the experts.

Senator BUMPERS is not on the Agriculture Committee. Senator BRYAN is not on the Agriculture Committee. Maybe they should be on the Agriculture Committee. Maybe they want to be on the Agriculture Committee and they are frustrated. They would like to have the opportunity to help write this authorization bill that we are going to be writing in the Agriculture Committee as a part of our reconciliation instruction. And I am told by those who are familiar with some of the proposals in the committee that there will be changes in this program recommended by the Agriculture Committee, and that there may be a reduction in the funding authorized by that committee. That is for them to decide.

We should not be on an appropriations bill trying to legislate a new kind of program. So I have a serious problem with the procedure. I urge the Senate to reject this amendment. It is an amendment that we cannot accept, and I hope that the Senate will follow the decision that it made earlier on this bill, on a similar amendment offered by these distinguished Senators.

Mr. President, as I understand the procedure, we need to get the yeas and nays ordered on the amendments that we have not been able to accept, so that votes will occur tomorrow.

UNANIMOUS-CONSENT AGREEMENT

Mr. COCHRAN. Mr. President, I ask unanimous consent that it be in order to request the yeas and nays on those amendments that will require record votes, and they are: The Feingold amendment, the Conrad amendment, and the Bryan-Bumpers amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I now ask for the yeas and nays on those three amendments.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. COCHRAN. Mr. President, for the information of Senators, there are several amendments we have agreed to take and to recommend that they be included in this bill. We have a package, a managers package that will be presented to the Senate. We will do that tonight.

Other than that package of amendments, which have been cleared on both sides, I know of no other amendments that are going to be offered, or intend to be offered, tonight. But just to be sure, I am going to yield the floor and await a call from the Cloakroom or someone coming to the floor to offer an amendment that we may not have heard about, that is described in the agreement and that would be eligible to be offered tonight. We expect to hear from anybody who intends to offer one that we have not indicated a willingness to accept.

Mr. BRYAN. If the Senator will yield, I am sure my colleague and I have no further amendments. Has there been a time set, or a sequence for the votes to occur on the amendments offered this evening?

Mr. COCHRAN. Under the agreement, there is time. It starts at 9:45 a.m. on Wednesday. The sequence would be, I presume, the order in which the amendments were offered. The yeas and nays were granted. So the sequence would be the Feingold amendment, the Conrad amendment, and the Bryan-Bumpers amendment.

Mr. BRYAN. That is certainly acceptable to me. Mr. President, I have a further question. If I might inquire of the chairman, is there any time allocated under the protocol that we are adopting for tomorrow to explain any of these amendments? I know that, previously, we have had arrangements where each side is given a couple of minutes. I simply inquire.

Mr. COCHRAN. Mr. President, I am advised 4 minutes equally divided has been made part of the agreement. That is the understanding.

Mr. BRYAN. I thank the Chair.

Mr. COCHRAN. For the clarification of this situation, of course I will be happy to read this agreement.

Let me read it, and if there are any problems, we will be told about it, I am sure, by Senators who have any questions.

ORDERS FOR WEDNESDAY, SEPTEMBER 20, 1995

Mr. COCHRAN. I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9:15 a.m. on Wednesday, September 20, 1995; that following the prayer, the Journal of proceedings be deemed approved to date; the time for the two leaders be reserved for their use later in the day, and then there be a period for morning business until the hour of 9:40 a.m., with Senator FORD recognized for up to 20 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. I further ask unanimous consent that at 9:40 a.m. the Senate then immediately resume consideration of H.R. 1976, the agricultural appropriations bill, and there be 4 minutes equally divided on the Feingold amendment, to be followed by a rollcall vote on or in relation to the Feingold amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. I now ask unanimous consent that following the disposition of the Feingold amendment there be 4 minutes for debate to be equally divided in the usual form, to be followed by a modification by Senator CONRAD, if necessary, and that following the modification, the Senate proceed to vote on or in relation to the Conrad amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. I further ask that following the disposition of the Conrad amendment there be 4 minutes to be equally divided in the usual form, to be followed by a vote on or in relation to the Bumpers amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. I further ask that following the disposition of the Bumpers amendment that H.R. 1976 be read for a third time without any intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. COCHRAN. For the information of all Senators, the Senate will resume consideration of the agricultural appropriations bill tomorrow morning. Under the previous order, there will be three rollcall votes beginning at 9:45 a.m. tomorrow. In addition, also following disposition of the agricultural appropriations bill the Senate will begin consideration of the foreign operations appropriations bill. Therefore, votes can be expected to occur throughout Wednesday's session of the Senate.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with consideration of the bill.

AMENDMENTS NOS. 2700 THROUGH 2706, EN BLOC

Mr. COCHRAN. Mr. President, we do have a list of amendments which we will present to the Senate and ask for their approval.

An amendment offered by Senators DORGAN and CONRAD on flooding at Devils Lake, North Dakota; an amendment offered by Senator DOLE providing funds for the Agricultural Research Service Grain Marketing Research Lab; an amendment offered by Senator ABRAHAM eliminating certain USDA advisory committees; an amendment for Senator GORTON regarding a timber regulation.

Mr. BUMPERS. Mr. President, on that amendment, is that the Gorton-Murray amendment?

Mr. COCHRAN. It is an amendment proposed by Senators GORTON, MURRAY, and BURNS.

Mr. BUMPERS. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. And an amendment offered by Senator BENNETT regarding the Colorado River Basin salinity control program; an amendment offered by Senator FEINGOLD regarding rural development program; an amendment offered by Senator LEAHY regarding a research facility.

Mr. President, these are amendments that we have reviewed and have been cleared on both sides of the aisle. I send the amendments to the desk en bloc and ask they be reported.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi, [Mr. COCHRAN] for other Senators, proposes amendments Nos. 2700 through 2706.

Mr. COCHRAN. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (Nos. 2700 through 2706) are as follows:

AMENDMENT NO. 1700

(Purpose: To express the sense of the Senate on United States-Canadian cooperation for relief of flooding in Devils Lake Basin, North Dakota)

At the appropriate place, insert the following:

SEC. ___. SENSE OF THE SENATE ON UNITED STATES-CANADIAN COOPERATION CONCERNING AN OUTLET TO RELIEVE FLOODING AT DEVILS LAKE IN NORTH DAKOTA.

(a) FINDINGS.—The Senate finds that—

(1) flooding in Devils Lake Basin, North Dakota, has resulted in water levels in the lake reaching their highest point in 120 years;

(2)(A) 667,000 trees are inundated and dying;

(B) 2500 homeowners in the county are pumping water from basements;

(C) the town of Devils Lake is threatened with lake water nearing the limits of the protective dikes of the lake;

(D) 17,400 acres of land have been inundated;

(E) roads are under water;

(F) other roads are closed and will be abandoned;

(G) homes and businesses have been diked, abandoned, or closed; and

(H) if the lake rises another 2 to 3 feet, damages of approximately $74,000,000 will occur;

(3) the Army Corps of Engineers and the Bureau of Reclamation are now studying the feasibility of constructing an outlet from Devils Lake Basin;

(4) an outlet from Devils Lake Basin will allow the transfer of water from Devils Lake Basin to the Red River of the North watershed that the United States shares with Canada; and

(5) the Treaty Relating to the Boundary Waters and Questions Arising Along the Boundary Between the United States and Canada, signed at Washington on January 11, 1909 (36 Stat. 2448; TS 548) (commonly known as the "Boundary Waters Treaty of 1909"), provides that ". . . waters flowing across the boundary shall not be polluted on either side to the injury of health or property on the other." (36 Stat. 2450).

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the United States Government should seek to establish a joint United States-Canadian technical committee to review the Devils Lake Basin emergency outlet project to consider options for an outlet that would meet Canadian concerns in regard to the Boundary Waters Treaty of 1909.

Mr. CONRAD. Mr. President, I appreciate this opportunity to let my colleagues know about the very serious flood my State is experiencing. Devils Lake is located within a completely closed basin with no outlet—much like the Great Salt Lake.

Due to several years of above-average rainfall, the lake has risen over 13 feet and increased in size by two-thirds within the past 2 years. The ever-advancing waters of Devils Lake have caused millions of dollars in damage to roads, farmland, public facilities and private property.

The Devils Lake flood has been especially difficult for farmers and ranchers in and near the basin. Eighty to 90 percent of the pasture and hayland around the lake are affected by the flood. Fields are flooded, roads used by producers are inundated with water, and wet conditions kept many farmers from planting last spring.

If water levels continue to rise—as they are likely to do for the foreseeable future—the lake could overrun the dike protecting the city of Devils Lake, threatening lives and causing millions more dollars in damage.

Let me give you just a few facts about this terrible flood: The water level of Devils Lake has risen 13 feet in the past 2 years, and is at its highest level in 120 years; Federal agencies have spent over $30 million to mitigate this disaster, including more than $21 million from the Federal Highway Administration to fix flood-ravaged roads; The Corps of Engineers recently placed a protective berm around the Minnewaukan city sewage lagoon because it was about to be overtaken by the lake. When constructed in 1956, the lagoon was more than 8 miles from the lake—8 miles, Mr. President; 1,768 Disaster Survey Reports of damage to public property have been submitted to FEMA's Disaster Field Office. 2,082 claims for Disaster Unemployment Assistance have been approved; and 2,500 homes in Devils Lake are pumping seepage from their homes, and many have basement floors that are heaving because of high water levels.

Much has been done to deal with the flood so far.

Federal Emergency Management Director James Lee Witt formed an interagency task force to deal with this disaster. Director Witt formed the task force to bring every relevant Federal, State and local agency togther—with the active participation of many Devils Lake Basin residents—to examine every feasible solution and work to find answers to this flood. The task force recently issued its report which identifies 17 action items to help mitigate the flood's damage.

One of the most promising of those action items is the construction of an outlet from Devils Lake. An outlet could drain water from the lake and help prevent further—and catastrophic—damage. The Corps of Engineers and the Bureau of Reclamation are in the process of studying a long-term lake stabilization plan that would make an outlet possible. Mr. President, this problem is of such enormity that every option must be considered.

However, an outlet raises international considerations. Water drained through an outlet would flow into the Sheyenne River, which in turn flows into the Red River of the North, which flows northward into Canada. Canadian officials have expressed concern about an outlet due to water quality issues. The Boundary Waters Treaty of 1909 provides the basis for protection of boundary waters interests of both the United States and Canada.

As a result, it is critically important that both the State of North Dakota and the U.S. Government work with Canadian officials as outlet plans are considered. The U.S. State Department participated in the interagency task force which has considered Devils Lake flood relief options. I was in Devils Lake recently and encouraged efforts to involve Canadian officials, especially from the province of Manitoba, in discussions of flood relief efforts.

Mr. President, it is precisely because of our desire to work with our neighbors to the North that my colleague and I introduce this amendment. Allow me to read from the amendment before us:

> . . . It is the sense of the Senate that the United States Government should seek to establish a joint United States-Canadian technical committee to review the Devils Lake Basin emergency outlet project to consider options for an outlet that would meet Canadian concerns in regard to the Boundary Waters Treaty of 1909.

In short, the amendment says two things. First, Devils Lake Basin flooding is a serious problem. Second, we want to work with the Canadians to find a treaty-compliant way to resolve it. The committee would seek to find a way to construct an outlet while fully complying with the treaty. Only by seeking the active participation of Canada can this project go forward.

Let me be clear, Mr. President, it is in the best interest of my State and of our Nation to work with Canadian officials to assuage their concerns about an outlet. That is why this amendment emphasizes the importance of the treaty, and states that the committee should work to meet Canadian concerns regarding the treaty.

Mr. President, I urge my colleagues to support this amendment.

Mr. DORGAN. Mr. President, this sense of the Senate Amendment to H.R. 1976 is in response to the devastating flooding being experienced within the State of North Dakota. This amendment will provide for a joint United States-Canadian technical committee to review the Devils Lake basin emergency outlet project and consider options for an outlet that would meet Canadian concerns regarding the Boundary Waters Treaty of 1909.

The Devils Lake basin is an enclosed basin (no outlet) with water loss through natural evaporation from the lake surface during periods of drought. With more rain than drought in recent years, the surface of the lake has been rising dramatically. In 1993, the surface of Devils Lake totaled 44,000 acres, today it covers over 72,000 acres. Eighty to 90 percent of the pasture and haylands around the lake have been flooded, saturated, or isolated by flood waters. There are eight counties represented in the Devils Lake basin. In just two of these eight counties, flooding has impacted 247,000 acres (nearly 386 square miles). For comparison, the District of Columbia covers only 67 square miles.

In the basin above the lake level, where crops can still be grown, the rains of this spring allowed only about half of the normal planting of small grains (wheat, durum, barley, and oats). Wet conditions also prevented proper weeding with the result that crop yield is expected to be significantly reduced.

Six hundred sixty-seven thousand trees in the basin are now flooded and will probably die within the next year.

Tribal roads and facilities have also been flood damaged. Tribal authorities report that their manufacturing (Dakotah Tribal Industries, Sioux Manufacturing) has declined in an area where unemployment is about 60 percent.

WE DESPERATELY NEED RELIEF FROM THIS NATURAL DISASTER

The Corps of Engineers in association with the Bureau of Reclamation plus other Federal and State agencies is investigating the feasibility of solutions to perennial flooding in the Devils Lake basin. Among the potential solutions, there are expected to be an outlet from the basin to relieve the flooding and an inlet to stabilize the lake level during periods of drought.

The outlet would allow basin water to reach the Red River and eventually the Hudson Bay in Canada. Some Canadian officials are concerned that releasing water from the Devils Lake basin could potentially allow the introduction of foreign biota and higher levels of dissolved solids to their vital waters. The Boundary Waters Treaty of 1909 between the United States and Canada states, in part, that ". . . water flowing across the boundary shall not be polluted on either side to the injury of health or property on the other." It is implicit from our treaty obligations that the governments involved in this issue should commence technical discussions.

I urge my colleagues to approve this "no additional cost" amendment to establish a joint United States-Canadian technical committee for the review of the Devils lake emergency outlet project. I understand that this amendment has been cleared on both sides, and I thank the chairman, Senator COCHRAN, and the ranking member, Senator BUMPERS, for their support and cooperation.

AMENDMENT NO. 2701

(Purpose: To fund the Grain Marketing Research Laboratory in Manhattan, Kansas)

On page 13, line 23, insert the following after "law": ": *Provided further*, That of the funds made available under this heading for the National Center for Agricultural Utilization Research, not less than $1,000,000 shall be available for the Grain Marketing Research Laboratory in Manhattan, Kansas".

AMENDMENT NO. 2702

(Purpose: To eliminate certain unnecessary advisory committees)

At the appropriate place in title VII, insert the following:

SEC. 7 . ELIMINATION OF UNNECESSARY ADVISORY COMMITTEES.

(a) SWINE HEALTH ADVISORY COMMITTEE.—Section 11 of the Swine Health Protection Act (7 U.S.C. 3810) is repealed.

(b) GLOBAL CLIMATE CHANGE TECHNICAL ADVISORY COMMITTEE.—Section 2404 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 6703) is repealed.

AMENDMENT NO. 2703

On page 84, line 1, insert the following new section:

SEC. 730. Upon the date of enactment of this Act, the Secretary of Agriculture shall immediately withdraw Federal regulation 36 CFR Part 223 promulgated on September 8, 1995, for a period of no less than 120 days; provided that during such time the Secretary shall take notice and public comment on the regulations and make the necessary revisions to reflect public comment. Any fines assessed pursuant to 36 CFR Part 223, from the effective date of said regulation to the date of enactment of this Act, shall be null and void. During the 120 day period, the interim regulatory guidelines published pursuant to 55 CFR 48572 and 56 CFR 65834 shall remain in effect.

Mr. GORTON. Mr. President, today I offer an amendment to the fiscal year 1996 Agriculture Appropriations bill that would delay final regulations implementing the 1990 Forest Resources

Conservation and Shortage Relief Act. This act governs the export of State and Federal logs in the Western United States.

Since 1990 the timber industry in the States of Washington, Oregon, Idaho and Montana has operated under interim regulations promulgated to enforce the 1990 law. The legislation is very complicated, and sets up a series of requirements for companies that wish to export State or Federal logs. Consequently, the regulations implementing the law must be very precise, and an entire industry—for the most part—must react to any regulations on this subject with painstaking attention to the details.

On Friday, September 8, the Department of Agriculture implemented—effective immediately—final regulations implementing the 1990 log export law. Let me say this again—the regulations were made effective immediately. The final regulations were dramatically different than the regulations as initially proposed, and, as a result completely and totally overwhelmed the timber industry in the Pacific Northwest.

The regulations are overly burdensome, and must be re-written. Let me give you a brief example of the specificity of these regulations, and why any rational person would not make the effective date immediate on the regulations.

For example, the regulation establishes a procedure for exporting finished lumber. When a company exports lumber, the new regulations require that company to keep in its possession for each shipment or order, a lumber inspection certificate, and a company certificate to ensure that export restricted timber is in fact processed before export.

The regulation establishes a procedure for marking Federal and private timber that originates from within a sourcing area. All private timber that is harvested inside a sourcing area must be marked on both ends of the log with highway yellow paint, before it can be removed from the harvest area. This paint signifies that the logs must be domestically processed. Based upon the industry reading of the regulation, this provision appears to apply to logs that will be processed in the company's own mill. The log must be marked throughout the entire process, from harvest to "mill in-feed," no matter how many times it has been cut.

The regulation establishes a procedure for disposing of private timber that originates from within a sourcing area. The regulations mandate a complex procedure of identification, notice, paperwork and record keeping process. The process is as follows:

Before a company sells any export restricted private timber, that is, private timber that originates from within a sourcing area, the selling company must do the following: Give notice to the purchaser that the timber cannot be exported; give notice that the timber has been marked and the mark must be retained; agree to send in the transaction statement to the Regional Forester within 10 calendar days; retain records of acquisition and disposition for 3 years from the date of manufacture or disposition, and make such records available for inspection by the Forest Service; acknowledge that failure to identify the timber as mentioned above and to accurately report is a violation of the act, and the "False Statement Act"; certify that the form has been read and understood. The purchasing company is required to follow a similar set of requirements.

As you can tell, the regulations are specific, and would require some major adjustments to current operating practices. When this is coupled with the fact that a violation of each aspect of the regulation carries with it a potentially heavy fine, it is clear that these regulations must be delayed.

According to the regulations, fines can be assessed for each violation—which includes the omission of just one paint stripe on a log. In addition, civil penalties are high—the Forest Service has the discretion, based upon the nature of the violation, to assess penalties of up to $500,000 or three times the gross value of the timber involved, plus the option to cancel all Federal timber contracts.

This Senator believes that a regulated entity—whether it's a small business or a big business—deserves to understand a set of regulations before it is implemented. This is just common sense. To do the opposite, as was done in this case—to blind-side an industry with draconian regulations that have never been reviewed by the regulated community—certainly fans the flame of anti-government sentiment.

My amendment, co-sponsored by Senator MURRAY and Senator BURNS, would delay the regulations for 120 days. During that 120-day period the regulations issued on September 8 would be treated as proposed regulations, affected parties would have the opportunity to comment on the regulations, and the Department is required to make the necessary revisions based upon such comments. During this 120 day period, the interim regulations would remain in place, and any fines assessed based upon the September 8 regulations would be null and void.

This amendment is not controversial. This amendment makes common sense, and I urge my colleagues to support my amendment.

AMENDMENT NO. 2704

On page 25, line 14, strike $564,685,000 and insert $563,004,000.

On page 37, line 8, strike $1,000,000 and insert $2,681,000.

AMENDMENT NO. 2705

(Purpose: To clarify that tourist and other recreational businesses located in rural communities are eligible for loans under the Rural Business and Cooperative Development Service's Business and Industry Loan Guarantee Program)

On page 44, line 16, before the period insert the following: "*Provided further*, That loan guarantees for business and industry assistance funded under this heading shall be made available to tourist or other recreational businesses in rural communities".

AMENDMENT NO. 2706

On page 14, strike on line 12, "40,670,000" and insert in lieu thereof, "42,670,000".

On page 15, strike on line 17, "$419,622,000" and insert in lieu thereof "$421,622,000".

On page 82, reduce "$800,000,000" by $4,444,000.

Mr. LEAHY. Mr. President, I thank the managers for accepting this amendment. It is my intention, and our understanding, that the additional funds included by this amendment, will be used to find the President's request submitted by the Department of Agriculture on page 9–32 of the fiscal year 1996 budget request of the Department of Agriculture.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendments en bloc.

The amendments (Nos. 2700 through 2706) were agreed to.

Mr. COCHRAN. I move to reconsider the vote.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mrs. BOXER. The U.S. Department of Agriculture's Animal and Plant Health Inspection Service recently issued a proposed rule governing the importation of Mexican Hass avocados into the United States. The proposed rule would allow Hass avocados to be imported into the Northeastern United States during the winter months of November through February.

I support the House report language concerning the Department of Agriculture's Animal and Plant Health Inspection Service proposed rule on the importation of Mexican avocados.

The House Committee report language, although not a permanent solution, adequately cautions the USDA to ensure scientific credibility on pest risk assessment and risk management, ensure that the USDA will commit the resources necessary to ensure sufficient oversight, inspection, and enforcement of any importation system which may result, and ensure that the avocado industry is provided the opportunity to give input on any proposed regulatory changes.

California avocado growers have expressed their continued concerns that a USDA proposed rule inadequately protects their industry from harmful pests or disease that imported avocados may carry.

I am very concerned about the potential impact of the proposed rule on avocado growers in California. There are about 7,300 avocado growers in the United States, 6,000 of whom are in California. On average, these hard-working farmers produce about 300 million pounds of avocados a year, and last year they produced $250 million worth of fruit.

But this proposed rule is not just about the avocado industry. It is about pests that threaten the $18 billion a year California agricultural industry: an industry that generates $70 billion a year in economic activity. California's agricultural industry is primarily export-driven, and even the hint of pest infestation threatens trade, as we have recently seen with Japan and the medfly threat.

The State of California and the Federal Government have spent more than $217 million since 1980 to combat periodic fruit fly infestations. Even with this significant commitment of resources, certain Mediterranean fruit fly eradication efforts remain under-researched and under-funded. The 34 pests that APHIS claims are commonly found in avocados grown in Mexico could devastate California agriculture. Many pests found in Mexico infest citrus, grapes, apples, and other agricultrual products.

California avocado growers are very concerned that APHIS lacks the resources to enforce the phytosanitary restrictions in the proposed rule. I share their concern. APHIS states in the proposed rule that it "agrees that adequate resources and personnel, especially inspectors, would have to be devoted to prevent introduction of avocado and other plant pests into the United States."

The Agriculture Quarantine and Inspection budget is primarily user-fee funded. Funds are kept in a dedicated account and are subject to annual appropriations. Although the budget is not slated for cuts in the fiscal year 1996 agriculture appropriations bill, the question remains whether it is realistic to assume that the current funding level is sufficient to cover the additional needs created by this proposed rule. For example, the transhipment of Hass avocados within the United States will be very difficult to control without an aggressive monitoring program.

Since 1914, it has been the policy of the United States to prohibit the entry of fresh avocados with seeds from Mexico and certain other countries of Central and South America. This quarantine, although specifically directed at seed weevils and moths, has also proven effective in preventing infestation of fruit flies, and other pests found in Mexican avocados which would adversely impact not only U.S. avocado production but numerous other fruit and vegetable crops in California, Arizona, Texas, Florida, and other States. I believe that current policy should continue until all of the legitimate concerns of the avocado industry are addressed.

Our quarantine against Mexican avocados is not unique. It is important to remember that pest-free fresh avocados enter the United States from other countries, such as Chile, which also prohibits entry of Mexican avocados due to pest risks.

Mexico has yet to implement an effective pest eradication or control program. As recently as July 1993, USDA officials concluded that Mexican avocados continue to pose a significant threat of introducing plant pests into the United States. Although the proposed rule details safeguards to be taken by Mexican growers and packers as well as strict oversight by APHIS, there is still no evidence that effective pest control and eradication programs have been developed and implemented by Mexico.

Unless Mexico implements a comprehensive and effective pest eradication and control program in its growing areas, USDA policy must ensure that the health of U.S. agriculture and consumers is not threatened.

Unfortunately, in the Senate committee report language on Mexican avocados the Senate committee does not concur with the House language and says that the Department published regulations to address the concerns about the protection of domestic avocado production after House action on this issue. While it may be true that the proposed rule was published after House action, the rule does not sufficiently address concerns and would allow Hass avocados to be imported into the Northeastern United States during the winter months of November through February.

I urge my colleagues to carefully reconsider this issue as they prepare to go to conference with the House, and urge them to defer to the House on this issue.

Ms. SNOWE. Mr. President, I request permission to engage the senior Senator from Maine and the chairman of the Agriculture Appropriations Subcommittee in a brief colloquy. As the chairman knows, new fungicide-resistant strains of the late blight potato fungus are causing serious damage to potato crops in a number of potato-growing States. Maine has been hit particularly hard by late blight over the past several years. To address this problem, the Congress provided $1.4 million for late blight control and research in Maine through extension in 1994, and it provided $800,000 for the Maine program in the current fiscal year through the Smith-Lever pest management funds. USDA officials have informed our offices that another $800,000 has been included in the President's budget for this purpose in fiscal year 1996 under pest management.

Mr. COHEN. I fully concur with Senator SNOWE that this funding is critical to helping potato growers in Maine and other States protect their crops from the devastation of late blight. We note that the committee has provided $10.9 million for pest management in its fiscal year 1996 bill, which is the same as the amount appropriated in the current fiscal year. Is it the chairman's understanding that the President's fiscal year 1996 budget request for this account includes $800,000 to continue this late blight control program in Maine?

Mr. COCHRAN. Mr. President, I would like to point out that the committee recognizes the very serious threats to potato production posed by late blight, and the heavy damage that has been incurred to date in Maine and other States. In response to the Senators' question, I can confirm that the President's fiscal year 1996 budget request for pest management does include $800,000 to continue the late blight control program described by the Maine Senators.

Ms. SNOWE. On behalf of the Maine delegation, I would like to thank the Chairman for clarifying this matter.

AGRICULTURAL RESEARCH SERVICE

Mr. CONRAD. As the Senator from Arkansas is aware, H.R. 1976 provides funding for the Agricultural Research Service to continue operating the ARS potato research facility in East Grand Forks, Minnesota, as an ARS worksite. Research direction and administration will be shifted to a primary ARS laboratory. The ARS Red River Valley Agricultural Research Center Northern Plains Area office in Fargo, North Dakota is located just 75 miles away, and is well equipped to handle administrative functions for the East Grand Forks facility. Is it the Senator's understanding that ARS should transfer the administrative responsibilities called for in this legislation to the Fargo ARS facility?

Mr. BUMPERS. The Senator is correct. ARS should transfer administration of the East Grand Forks facility to the ARS research center in Fargo, North Dakota.

Mr. CONRAD. Would the Chairman of the Subcommittee indicate whether he has the same understanding?

Mr. COCHRAN. I do agree with the Senator regarding the Fargo ARS center.

Mr. DORGAN. In addition, the bill contains funding for the Animal and Plant Health Inspection Service to continue a cattail management program for blackbird control. Is it the Subcommittee's intention that APHIS should continue to use a portion of those funds for cattail management and blackbird control in North Dakota?

Mr. BUMPERS. The Senator is correct. APHIS should continue using a portion of available funds to continue the cattail management program in North Dakota.

Mr. COCHRAN. Let me add that I share Senator BUMPERS' understanding.

DISTANCE LEARNING AND MEDICAL LINK FUNDING

Mr. KERREY. I would like to ask the distinguished chairman for assistance in dealing with two matters that are very important to me and the people of Nebraska.

The Distance Learning and Medical Link Program was designed to demonstrate the ability of rural communities to utilize existing or proposed telecommunications systems to achieve sustainable cost-effective distance learning or proposed medical link networks.

In Nebraska, there is a distance learning partnership between the School at the Center Project, the Nebraska Math and Science Initiative, Project EduPort and the Nebraska Rural Development Commission that would provide access to advanced telecommunications services and computer networks and improve rural opportunities.

Another program designed to provide much needed technology to rural communities is the Rural Community Advancement Program (RCAP). Included in RCAP is the Rural Business Enterprise Grant Program.

The Nebraska Department of Economic Development operates a program for innovative information technology applications that assists small and rural Nebraska businesses in becoming more competitive through effective use of information technology and telecommunications.

I feel that these are the types of projects contemplated under the Distance Learning and Medical Link Program and the Rural Business Enterprise Grant Program, and I would ask the chairman to join me in encouraging the Department to give consideration to funding both of these proposals.

Mr. COCHRAN. The committee did urge the Department to give consideration to funding a number of applications for both of these programs. I appreciate the Senator bringing these proposals to my attention. I would urge the Department to give equal consideration to these applications as those included in the committee report.

Mr. BUMPERS. Mr. President, I have been advised that Senator HEFLIN has two colloquies. These have not been submitted and will be submitted tomorrow.

Mr. President, let me make this unanimous consent request: Following the final vote on the Bumpers amendment, that it be in order if the colloquy has been submitted at that time and accepted by the floor managers, that a colloquy by Senator HEFLIN and Senator COCHRAN be eligible to be submitted for the RECORD, and a Heflin colloquy with Senator COCHRAN on agricultural weather stations, that those two be in order to be inserted in the RECORD prior to final vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. COCHRAN. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

COOPERATIVE STATE RESEARCH EXTENSION AND EDUCATION SERVICE GRANTS

Mr. LEVIN. Mr. President, my colleague from Michigan, Senator ABRAHAM, and I would like to engage the distinguished manager of the bill in a brief colloquy regarding an important Cooperative State Research Extension and Education Service [CSREES] grant that has supported innovative work conducted by Michigan State University [MSU] and the Michigan Biotechnology Institute [MBI]. Through CSREES support, MSU/MBI have been working to commercialize agricultural technologies, particularly those that stimulate new uses for agricultural commodities, from our Nation's universities and Federal laboratories.

Mr. ABRAHAM. Due in part to past CSREES Special Research Grant support, MSU/MBI has succeeded in creating five new companies using agricultural technologies. One company was created to market a new biodegradable plastic resin for applications such as plastic knives, forks and spoons used in fast food establishments. The new resin has all the benefits of conventional petroleum-based technology but you can throw it away and it will decompose without adding to our nation's landfills. This research has created new companies, new jobs, and increased Michigan's tax base. I strongly support these efforts.

Mr. LEVIN. The House fiscal year 1996 Agriculture Appropriations bill proposes to fund the Michigan Biotechnology Consortium—also read Institute—at $1 million. This is approximately a 50% reduction from the FY95 level of $1.995 million. I understand that the budget deficit demands sacrifice from all agencies and grant recipients, but a 50% cut will severely affect the cutting-edge work done by and the pace of technological innovation at MBI.

The Senate FY96 Agriculture Appropriations bill does not include funding for MBI under CSREES. However, the Senate conferees have receded to the House level for MBI in past years, with strong support from the Michigan Congressional delegation. I urge the Senate Conferees to once again accept the House's funding level and, if possible, return MBI funding to its FY95 level.

Mr. COCHRAN. I am aware of the valuable CSREES work that has been conducted by MSU/MBI. I assure my colleagues from Michigan that I will revisit MBI's FY96 funding in conference and will remember the Senators' strong support for MBI.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:48 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills, without amendment:

S. 464. An act to make the reporting deadlines for studies conducted in Federal court demonstration districts consistent with the deadlines for pilot districts, and for other purposes.

S. 532. An act to clarify the rules governing venue, and for other purposes.

The message also announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 641. An act to reauthorize the Ryan White CARE Act of 1990, and for other purposes.

The message further announced the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 83. Joint resolution relating to the United States-North Korea Agreed Framework and the obligations of North Korea under that and previous agreements with respect to the denuclearization of the Korean Peninsula and dialogue with the Republic of Korea.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 42. Concurrent resolution supporting a resolution to the long-standing dispute regarding Cyprus.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.J. Res. 83. Joint resolution relating to the United States-North Korea Agreed Framework and the obligations of North

Korea under that and previous agreements with respect to the denuclearization of the Korean Peninsula and dialogue with the Republic of Korea; to the Committee on Foreign Relations.

The following concurrent resolution was read and referred as indicated:

H. Con. Res. 42. Concurrent resolution supporting a resolution to the long-standing dispute regarding Cyprus; to the Committee on Foreign Relations.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1451. A communication from the Comptroller General, transmitting, pursuant to law, the report on the status of budget authority that was proposed for rescission in the special impoundment message for fiscal year 1995 (dated February 6, 1995); referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, Committee on the Budget, Committee on Agriculture, Nutrition and Forestry, Committee on Banking, Housing and Urban Affairs, Committee on Commerce, Science and Technology, Committee on the Environment and Public Works, Committee on Finance, Committee on Labor and Human Resources and the Committee on Small Business.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-291. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on Agriculture, Nutrition, and Forestry.

"SENATE CONCURRENT RESOLUTION

"Whereas, family violence is a severe problem in Texas, accounting for more than 22 percent of violent crime in the state; and

"Whereas, victims of family violence are frequently handicapped in their efforts to leave their abusers because of lack of support and shelter; and

"Whereas, current restrictions on food stamp applications may force some victims to return to their abusers due to requirements that a victim must seek and obtain refuge in a battered women's shelter to qualify for immediate reissuance of food stamps; and

"Whereas, in all of Texas there are only 62 full-service battered women's shelters, and these are frequently too crowded to accept new victims; and

"Whereas, the current federal policy frequently punishes victims of family violence: Now, therefore, be it

"*Resolved*, That the 74th Legislature of the State of Texas hereby memorialize the Congress of the United States to enact legislation to amend the food stamp program by adding a special provision to allow food stamp workers to reissue food stamp benefits to family members fleeing from domestic violence, regardless of where they seek refuge, provided the families present evidence that they were or are victims of domestic violence; and, be it further

"*Resolved*, That the Texas Secretary of State forward official copies of this resolution to the President of the United States, the President of the Senate and Speaker of the House of Representatives of the United States Congress, and all Members of the Texas delegation to the Congress with the request that this resolution be entered in the Congressional Record as a memorial to the Congress of the United States."

POM-292. A resolution adopted by the Council of the Township of Old Bridge, Middlesex County, New Jersey relative to demonstration programs; to the Committee on Appropriations.

POM-293. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on Appropriations.

"SENATE CONCURRENT RESOLUTION 87

"Whereas, chronic fatigue and immune dysfunction syndrome is the medical term for a group of symptoms that include debilitating fatigue, fever, depression, and a reduced ability to undertake normal daily activities or to function productively; and

"Whereas, the disease affects people of all ages, interrupting the education and employment of those afflicted and imposing enormous social costs ranging from burdensome medical expenses to increased demand for disability payments and other social services; and

"Whereas, the syndrome was first recognized 10 years ago, but there has been little effort to find either a cause or a cure for the disease, with the result that patients are often misdiagnosed, receive inadequate medical treatment, and can face difficulty in receiving social services and public assistance; and

"Whereas, both present and future generations would benefit greatly if the resources of government were marshalled to eliminate the personal and social costs of this insidious and debilitating disease: Now, therefore, be it

"*Resolved*, That the 74th Legislature of the State of Texas hereby memorialize the Congress of the United States to increase Federal funding for research relating to chronic fatigue and immune dysfunction syndrome; and, be it further

"*Resolved*, That the Texas Secretary of State forward official copies of this resolution to the President of the United States, to the Speaker of the House of Representatives and to the President of the Senate of the United States Congress, and to all Members of the Texas delegation to the Congress, with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. CHAFEE, from the Committee on Environment and Public Works:

Greta Joy Dicus, of Arkansas, to be a Member of the Nuclear Regulatory Commission for the term of five years expiring June 30, 1998.

(The above nomination was reported with the recommendation that she be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BAUCUS:

S. 1259. A bill to authorize the Secretary of Agriculture to use stewardship contracting in a demonstration program to restore and maintain the ecological integrity and productivity of forest ecosystems to insure that the land and resources are passed to future generations in better condition than they were found; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MACK (for himself, Mr. D'AMATO, and Mr. BOND):

S. 1260. A bill to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility for these programs from the Federal Government to States and localities, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MOYNIHAN:

S. 1261. A bill to amend the Internal Revenue Code of 1986 to prevent the avoidance of tax through the use of foreign trusts; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. D'AMATO:

S. Res. 173. A resolution to proclaim the week of September 24 through September 30, 1995, as National Dog Week; to the Committee on the Judiciary.

By Mr. GRAMS (for himself, Mr. DOLE, Mr. HELMS, and Mr. THOMAS):

S. Res. 174. A resolution expressing the sense of the Senate that the Secretary of State should aggressively pursue the release of political and religious prisoners in Vietnam; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BAUCUS:

S. 1259. A bill to authorize the Secretary of Agriculture to use stewardship contracting in a demonstration program to restore and maintain the ecological integrity and productivity of forest ecosystems to insure that the land and resources are passed to future generations in better condition than they were found; to the Committee on Agriculture, Nutrition, and Forestry.

THE FOREST ECOSYSTEM STEWARDSHIP DEMONSTRATION ACT OF 1995

• Mr. BAUCUS. Mr. President, I introduce the Forest Ecosystem Stewardship Demonstration Act of 1995. On May 18, 1995, my colleague from Montana, Congressman PAT WILLIAMS introduced this bill which would allow the experimental use by the U.S. Forest Service of a variety of stewardship contracts on private land.

About a month ago I held a meeting in Kalispell about the Forest Stewardship Demonstration Act of 1995. The meeting was attended by loggers, environmentalists, and timber landowners. I received input from many individuals, businesses and organizations, including the Montana Wilderness Association, the Montana Logging Association, Flathead Audubon Society, the Montana Wilderness Association and the Flathead Economic Policy Center. I was pleased to see people from all walks of life joining together to find common ground on what is usually a divisive issue and reach a consensus on a sound land-management program for a section of private property near Columbia Falls. The stewardship plan, created by the Flathead Forestry Project, emphasizes forest management strategies that will allow contracts to be written with enough flexibility and diversity to accommodate each system's needs.

This bill does not add red tape; does not reduce competition; and does not eliminate any existing public participation processes or environmental laws. Instead, this bill allows public forest owners and resource managers to directly select qualified forest contractors. This new contract format allows landowners to custom design their own specific plans. Contractors will work directly for the public. In turn, this will increase the pool of contractors who can bid on public forest projects.

We all know that it is in the best interest of our forests to manage our public lands in a manner that maintains their overall health. At the same time, it is important to recognize that these are public lands and citizens should be fully involved in participating in the decisions that affect our national forests.

The Forest Ecosystem Stewardship Demonstration Act of 1995 proposes a unique plan to protect the health of our forests while also protecting the economic well-being of those who utilize the natural resources that our forests have to offer us.

This bill will give the Flathead Forestry Project the opportunity to test this proposal on a section of private property in Montana. If successful, this plan can be used as a model for similar land management programs on public lands.

I want to recognize the hard work of some of the men and women in Montana who are personally responsible for this unique legislation; Floyd Quiram, Jack Jay, Rem Koht, Bob Stone, Carol Daly, Lex Blood, Keith Olson and Steve Thompson. I am proud to introduce this legislation on their behalf, and I urge my colleagues to give it their support.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1259

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Forest Ecosystem Stewardship Demonstration Act of 1995".

SEC. 2. FINDINGS, PURPOSES, AND DEFINITIONS.

(a) FINDINGS.—Congress makes the following finding:

(1) In many of the units of the National Forest System, current conditions—such as unnatural fuel loads, high tree density, threat of catastrophic fires, disease, and insect infestations, habitat loss, and loss of historic species, stand diversity and integrity—adversely affect the biodiversity, health, and sustainability of the forest ecosystems of such units.

(2) A new and innovative contracting process for the National Forest System is required to meet Federal goals of improving forest resource conditions through implementation of ecosystem management.

(3) Ecosystem management is not just a biological concept. It is the convergence of a set of activities that is simultaneously ecologically sound, economically viable, and socially responsible.

(4) The improvement of the health and natural functioning of the forest resource is vital to the long-term viability of species found on National Forest System lands.

(5) Ecosystem restoration and conservation work performed with revenues from forest activities would improve employment opportunities in communities near units of the National Forest System to the benefit of long-term economic sustainability and community viability.

(b) PURPOSES.—The purposes of this Act are as follows:

(1) To improve and restore the health of forest resources through implementation of ecosystem management.

(2) To provide for employment opportunities and economic health and viability for rural communities near units of the National Forest System.

(3) To provide for flexibility in procurement and funding practices to enter into stewardship contracts to achieve management objectives and requirements prescribed in the following provisions of law:

(A) The Act of June 4, 1897 (commonly known as the Organic Administration Act; 16 U.S.C. 473–475, 477–482, 551).

(B) The Multiple-Use Sustained Yield Act of 1960 (16 U.S.C. 528–531).

(C) The Forest and Rangeland Renewable Resources Act of 1974 (16 U.S.C. 1600–1614).

(D) Section 14 of the National Forest Management Act of 1976 (16 U.S.C. 472a).

(E) The Act of May 23, 1908, and section 13 of the Act of March 1, 1911 (16 U.S.C. 500).

(F) The Federal Grants and Agreements Act of 1977 (31 U.S.C. 6303–6308).

(G) National Forest Fund Act of March 4, 1907 (16 U.S.C. 499).

(c) DEFINITIONS.—For purposes of this Act:

(1) ACCOUNT.—The term "Account" means the Stewardship Account established under section 4.

(2) DESIGN SPECIFICATION CONTRACT.—The term "design specification contract" is used to describe contracts in which the contracting entity specifically identifies all the tasks to be performed, and the contractor performs per the designed specifications.

(3) FOREST STEWARDSHIP COUNCIL.—The term "Forest Stewardship Council" means any one of the local councils established under section 3(f) of this Act to, in cooperation with resource managers: prioritize and select stewardship projects, set operational goals in the context of current national forest management policies and local forest plans, evaluate contractor performance and accomplishments, recommend progress payments for work successfully completed by contractors, and make recommendations for the improvement of the stewardship contract process.

(4) PERFORMANCE SPECIFICATION CONTRACT.—The term "performance specification contract" is used to describe contracts in which the contracting entity identifies the parameters of the project, and the contractor identifies the method to accomplish the work.

(5) RESOURCE ACTIVITIES.—The term "resource activities" includes area access, site preparation, replanting, fish and wildlife habitat restoration or enhancement, silvicultural treatments, watershed improvement, fuel treatments (including prescribed burning), and road closure or obliteration.

(6) RESOURCE MANAGER.—The term "resource manager" refers to the line officer responsible for management decisions associated with project implementation on a national forest.

(7) ROADSIDE SALE.—The term "roadside sale" refers to the sale by the Forest Service to the highest bidder(s) of all contract-designated products of the forest removed as part of the management activities conducted under a stewardship contract. (Non-designated products may be assigned to the contractor for salvage.) A roadside sale is a completely separate transaction from the awarding of the stewardship contract itself.

(8) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

(9) STATEMENT OF WORK CONTRACT.—The term "statement of work contract" is used to describe contracts in which the contracting entity gives a general overview of the project, and the bidding contractor provides the specifics on how he/she envisions the project and the end result he/she would obtain using his/her particular approach to land stewardship.

(10) STEWARDSHIP CONTRACT.—The term "stewardship contract" means a contract for carrying out resource activities for the improvement and restoration of forest ecosystems of units of the National Forest System and to encourage or enhance the economic sustainability and the viability of rural and regional communities. A stewardship contract could use a design specification format (definition 2, above), a performance specification format (definition 4, above), a statement of work format (definition 9, above), or some combination thereof.

SEC. 3. USE OF STEWARDSHIP CONTRACTS.

(a) USE AUTHORIZED.—The Secretary shall establish and implement in the Forest Service a demonstration program through which forest- and/or district-level resource managers use stewardship contracts to carry out resource activities in a comprehensive manner to restore and preserve the ecological integrity and productivity of forest ecosystems within the National Forest System and to encourage or enhance the economic sustainability and the viability of nearby rural communities. The resource activities undertaken should be consistent with the precepts of ecosystem management and with the forest's management plan for achieving the desired future conditions of the area being treated.

(b) USE LIMITED.—Within the limits of available financial resources, each forest within the National Forest System may use stewardship contracts to carry out ecosystem management projects, if those contracts:

(1) Provide for payment to the contractor based on the number of acres satisfactorily treated in accordance with an approved plan to create a desired future condition on the land.

(2) Are used for projects where the harvest of timber is secondary to creating specific resource conditions (e.g., wildlife habitat enhancement, watershed improvement, insect and disease control).

(3) Are not used for projects involving the construction of new permanent roads or entries into roadless areas.

(4) Will result in the removal of no more than 300,000 board feet of merchantable timber per project.

(5) Provide for the roadside sale of all contract-designated merchantable timber which is extracted.

(6) Are awarded competitively to qualified contractors with no more than 25 employees.

(7) Include stewardship skill and experience qualification requirements which have been established by the local Forest Stewardship Council and approved by the Forest Service.

(8) Are monitored not only by the Forest Service, but also by the local Forest Stewardship Council.

(9) Provide for periodic progress payments to contractors based on successful completion of contract activities on a per acre basis. The acceptability of the contractor's work shall be determined by the Forest Service, taking into account the recommendation of the local Forest Stewardship Council.

(c) Demonstration Research Objectives.—The Secretary shall insure that in the carrying out of the provisions of this Act enough flexibility is provided to resource managers to enable them to test various approaches to solving questions left unresolved in previous demonstrations of stewardship and end results contracts authorized in fiscal year 1991 and 1992 through the Department of the Interior and Related Appropriation Acts. These questions include, but are not limited to:

(1) The need for the bonding of stewardship contractors and/or possible alternatives which could reduce the financial burden on small businesses.

(2) Preferred methods of marketing timber or other products of the forest removed as a result of stewardship contract activities.

(3) The standards to be used in evaluating the quality and acceptability of the work performed by a stewardship contractor.

(4) The desirability of multi-year contracts for stewardship projects.

(5) The relative merits of using design specifications, performance specifications, or statements of work in offering, awarding, and evaluating stewardship contracts.

(6) The costs, benefits, problems, and opportunities resulting from increased community involvement in the design and monitoring of stewardship contracts.

(7) The benefits and problems resulting from restricting stewardship contracts to very small (no more than 25 employees) contractors.

(8) The extent to which local economic sustainability and rural community viability are affected by the use of stewardship contracts.

(9) The difference between estimated and actual revenues derived from roadside sales of timber.

(10) The level of utilization of timber and other products of the forest derived from stewardship contract projects as compared with conventional timber sales.

(11) The extent to which stewardship contracting contributes to the achievement of forest ecosystem management plans.

(12) The extent to which the revenues from stewardship contracts cover the cost of such contracts or are offset by the costs which could reasonably be expected to result if the contracts are not carried out (e.g., fire suppression costs in areas with heavy fuel loads).

(13) The administrative costs or savings involved in the use of stewardship contracts.

(14) The benefits and/or disadvantages of using local Forest Stewardship Councils as part of the stewardship contracting process.

(15) The benefits and/or disadvantages of various methods of selecting members, organizing, administering, and conducting the business of local Forest Stewardship Councils.

(d) Development and Use of Contracts.—Each resource manager of a unit of the National Forest System may enter into stewardship contracts with qualified non-Federal entities (as established in regulations relating to procurement by the Federal Government or as determined by the Secretary.) The local Forest Stewardship Council, in cooperation with the Forest Service resource manager, shall select the type of stewardship contract that is most suitable to local conditions. Contracts should clearly describe the desired future condition for each resource managed under the contract and the evaluation criteria to be used to determine acceptable performance. The length of a stewardship contract shall be consistent with the requirements of section 14 of the National Forest Management Act of 1976 (16 U.S.C. 472a).

(e) Selection of Areas for Contracts.—In selecting areas within units of the National Forest System to be subject to stewardship contracts, the Secretary, resource managers, and local Forest Stewardship Councils shall base the selection on the need to improve forest health, maintain and improve soil and water quality, and improve fisheries and wildlife habitat. Priorities for activities within individual units will be established by local resource managers, in consultation with the appropriate local Forest Stewardship Council.

(f) Establishment of Local Forest Stewardship Councils.—Local Forest Stewardship Councils shall be established for each unit of the National Forest System which offers stewardship contracts. The role of a Forest Stewardship Council will be to, in cooperation with the resource managers, prioritize and select stewardship projects, set operational goals in the context of current national forest management policies and local forest plans, evaluate contractor performance and accomplishments, recommend progress payments for work successfully completed by contractors, and make recommendations for the improvement of the stewardship contract process. Each participating National Forest System unit shall establish, after soliciting the comments of local citizens, the size of the local council, the method of selection or election of council members, the terms of service of members, and the council administrative budget, if any. At least 51 percent of members of any Forest Stewardship Council shall be drawn from the private sector, in a manner which insures representation of a broad range of public interests. The functioning of the Forest Stewardship Councils must assure a continuing and open process and must in no way interfere with the broad public involvement in Federal resource management decision making required under the National Environmental Policy Act of 1976.

(g) Application of Contracts.—Subject to subsection (h), the revenue received from the sale of timber or any other products of the forest resulting to the Federal Government as a result of work carried out under a stewardship contract shall be deposited into a Stewardship Account as established in section 4(a).

(h) Effect on Other Revenue Requirements.—Twenty-five percent of the revenues received from roadside sale of products extracted through stewardship contract activities shall remain available for payments to States, as required under the Act of May 23, 1908, and section 13 of the Act of March 1, 1991 (16 U.S.C. 500). The Secretary shall first collect revenues to make such payments before exercising the authority provided in subsection g.

SEC. 4. STEWARDSHIP CONTRACT RECEIPTS AND EXPENDITURES.

(a) Receipts.—Monetary receipts received as payment for contract-designated timber and other products of the forest extracted through stewardship contract activities shall be deposited in a designated fund to be known as the "Stewardship Account". Amounts in the Account shall be used to make payments to States under the Act of May 23, 1908, and section 13 of the Act of March 1, 1911 (16 U.S.C. 500), and to fund resource activities. Amounts in the Account are hereby appropriated and shall be available to the Secretary until expended, except that those amounts found by the Secretary to be in excess of the needs of the Secretary shall be transferred to miscellaneous receipts in the Treasury of the United States. Any additional revenues made available through direct appropriations to the Forest Service for stewardship contracting and ecosystem management purposes also shall be deposited in the Account.

(b) Expenditures.—Not less than 80 percent of amounts in the Account available for resource activities shall be used for the direct costs of such resource activities. The revenues received from sales of contract-designated products resulting from stewardship contracts shall be returned to the national forest from which they were generated, to be used to fund additional stewardship contracts. To the extent that additional revenues are received in the Account from direct appropriations by the Congress of funds for stewardship contract activities, such funds shall be made available to those forest units using stewardship contracts through a process to be developed by the Secretary.

(c) Reporting.—As part of the annual report of the Secretary to Congress, the Secretary shall include an accounting of revenues, expenditures, and accomplishments related to the stewardship contracts.

SEC. 5. RELATION TO OTHER LAWS.

All stewardship contracts shall comply with existing applicable laws, and nothing in this Act may be construed as modifying the provisions of any other law except as explicitly provided in this Act.

SEC. 6. EFFECTIVE DATE.

This Act shall be effective upon passage.

SEC. 7. TERMINATION DATE.

Unless extended by a subsequent act of the Congress, this Act shall terminate five years from its effective date.•

By Mr. MACK (for himself, Mr. D'Amato, and Mr. Bond):

S. 1260. A bill to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility for these programs from the Federal Government to States and localities, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE PUBLIC HOUSING REFORM AND EMPOWERMENT ACT OF 1995

Mr. MACK. Mr. President, I am pleased to introduce, on behalf of Senators D'AMATO and BOND, the Public Housing Reform and Empowerment Act of 1995. This bill represents the first serious effort in decades to reform and consolidate the Nation's public and tenant-based assisted housing programs, and to redirect the primary responsibility for these programs away from the Federal bureaucracy and toward States and localities.

Public housing is home to 1.4 million American families, and much of it is good. Unfortunately, to many Americans the pictures in the national media of high rise public housing projects being imploded symbolize the failure of our housing policy. Clearly, some public housing, particularly in major cities, has fallen into a vicious cycle of crime, drug abuse, welfare dependency, and hopelessness. In far too many places, public housing developments, which are supposed to provide a housing platform from which lower-income families can achieve their own aspirations of economic independence and self-sufficiency, are little more than warehouses that rob the poorest of the poor of their dignity and hope.

The underlying principle of the Public Housing Reform and Empowerment Act is resident choice. By encouraging cost-effective and efficient use of resources, the bill gives housing authorities the ability to offer their residents tenant-based assistance where it is economically feasible. It also requires that distressed public housing be vouchered out to protect the right of residents to decent and safe housing.

A key to increasing resident choice is improving the ability of tenant-based assistance programs to meet the demand for affordable housing. This bill makes important changes in the section 8 voucher program. It repeals program requirements, such as "take one, take all," that discourage landlords from participating in the tenant-based program, and it emphasizes lease requirements similar to those in the marketplace.

Micromanagement by both Congress and the Department of Housing and Urban Development [HUD] has saddled housing authorities with rules and regulations that make it almost impossible for even the best of them to run their developments effectively and efficiently. Under today's rules, the residents of public housing face powerful disincentives to work and to achieve economic self-sufficiency. The public housing system must be changed radically before it is entirely discredited.

Our bill addresses the crisis in public housing by consolidating public housing funding into two block grants and transferring greater responsibility for the operation and management of public housing to the housing authorities. It provides greater flexibility to housing authorities to utilize their resources in a more efficient, effective, and creative manner to improve housing quality, while also providing for local accountability in the use of those resources.

The bill ends Federal requirements that have prevented housing authorities from demolishing their obsolete housing stock, concentrated and isolated the poorest of the poor, and created disincentives for public housing residents who want to work and improve their own lives. It would, among other things, permit housing authorities to change counterproductive rent rules that currently discourage employment and prevent the creation of mixed-income public housing communities.

It also repeals Federal preferences and allow housing authorities to operate according to locally established preferences that are consistent with a community's housing needs.

While allowing well-run housing authorities much more discretion, our bill would also crack down on those housing authorities that are troubled. Although small in number, these authorities with severe management problems control almost 15 percent of the Nation's public housing stock. HUD would be required to take over or appoint a receiver for PHA's that are unable to make significant improvements in their operations. This legislation would also give HUD expanded powers to break up or reconfigure troubled authorities, dispose of their assets, or abrogate contracts that impede correction of the housing authority's problems.

Mr. President, this legislation will help protect the Federal Government's sizeable investment in public housing. It will also empower residents by increasing their involvement in developing housing agency management plans, expanding tenant management opportunities, and making public housing a springboard to dignity and hope.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1260

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Public Housing Reform and Empowerment Act of 1995".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purpose.
Sec. 3. Definitions.
Sec. 4. Effective date.
Sec. 5. Technical recommendations; elimination of obsolete documents.

TITLE I—PUBLIC AND INDIAN HOUSING

Sec. 101. Declaration of policy.
Sec. 102. Nondiscrimination.
Sec. 103. Authority of public housing agencies.
Sec. 104. Definitions.
Sec. 105. Contributions for lower income housing projects.
Sec. 106. Public housing agency plan.
Sec. 107. Contract provisions and requirements.
Sec. 108. Expansion of powers.
Sec. 109. Public housing designated for the elderly and the disabled.
Sec. 110. Public and Indian housing capital and operating funds.
Sec. 111. Labor standards.
Sec. 112. Repeal of energy conservation; consortia and joint ventures.
Sec. 113. Repeal of modernization fund.
Sec. 114. Income eligibility for assisted housing.
Sec. 115. Demolition and disposition of public housing.
Sec. 116. Repeal of family investment centers; vouchers for public housing.
Sec. 117. Repeal of family self-sufficiency; homeownership opportunities.
Sec. 118. Conversion of distressed public housing to vouchers.
Sec. 119. Applicability to Indian housing.

TITLE II—SECTION 8 RENTAL ASSISTANCE

Sec. 201. Merger of the certificate and voucher programs.
Sec. 202. Repeal of Federal preferences.
Sec. 203. Portability.
Sec. 204. Leasing to voucher holders.
Sec. 205. Homeownership option.
Sec. 206. Technical and conforming amendments.
Sec. 207. Implementation.
Sec. 208. Effective date.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Public housing flexibility in the CHAS.
Sec. 302. Public housing flexibility in the HOME program.
Sec. 303. Repeal of certain provisions.
Sec. 304. Determination of income limits.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) there exists throughout the Nation a need for decent, safe, and affordable housing;

(2) as of the date of enactment of this Act, the inventory of public housing units owned and operated by public housing agencies, an asset in which the Federal Government has invested approximately $90,000,000,000, has traditionally provided rental housing that is affordable to low-income persons;

(3) despite serving this critical function, the public housing system is plagued by a series of problems, including the concentration of very poor people in very poor neighborhoods and disincentives for economic self-sufficiency;

(4) the Federal method of overseeing every aspect of public housing by detailed and complex statutes and regulations aggravates the problem and places excessive administrative burdens on public housing agencies;

(5) the interests of low-income persons, and the public interest, will best be served by a reformed public housing program that—

(A) consolidates many public housing programs into a single program for the operation and capital needs of public housing;

(B) streamlines program requirements; and

(C) vests in public housing agencies that perform well the maximum feasible authority, discretion, and control with appropriate accountability to both public housing residents and localities; and

(6) voucher and certificate programs under section 8 of the United States Housing Act of 1937 are successful for approximately 80 percent of applicants, and a consolidation of the voucher and certificate programs into a single, market-driven program will assist in making section 8 tenant-based assistance more successful in assisting low-income families in obtaining affordable housing.

(b) Purpose.—The purpose of this Act is to consolidate the various programs and activities under the public housing programs administered by the Secretary in a manner designed to reduce Federal overregulation, to redirect the responsibility for a consolidated program to States, localities, public housing agencies, and public housing residents, and to require Federal action to overcome problems of public housing agencies with severe management deficiencies.

SEC. 3. DEFINITIONS.

For purposes of this Act, the following definitions shall apply:

(1) Public housing agency.—The term "public housing agency" has the same meaning as in section 3 of the United States Housing Act of 1937.

(2) Secretary.—The term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 4. EFFECTIVE DATE.

Except as otherwise specifically provided in this Act or the amendments made by this Act, this Act and the amendments made by this Act shall become effective on the date of enactment of this Act.

SEC. 5. TECHNICAL RECOMMENDATIONS; ELIMINATION OF OBSOLETE DOCUMENTS.

(a) Technical Recommendations.—Not later than 9 months after the date of enactment of this Act, the Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking and Financial Services of the House of Representatives, recommended technical and conforming amendments to carry out the amendments made by this Act.

(b) Elimination of Obsolete Documents.—

(1) In general.—Effective 1 year after the date of enactment of this Act, no rule, regulation, or order (including all handbooks, notices, and related requirements) issued or promulgated under the United States Housing Act of 1937 before the date of enactment of this Act may be enforced by the Secretary.

(2) Proposed regulations.—Not later than 6 months after the date of enactment of this Act, the Secretary shall submit to the Congress proposed regulations that the Secretary determines are necessary to carry out the United States Housing Act of 1937, as amended by this Act.

TITLE I—PUBLIC AND INDIAN HOUSING

SEC. 101. DECLARATION OF POLICY.

Section 2 of the United States Housing Act of 1937 (42 U.S.C. 1437) is amended to read as follows:

"SEC. 2. DECLARATION OF POLICY.

"It is the policy of the United States to promote the general welfare of the Nation by employing the funds and credit of the Nation, as provided in this Act—

"(1) to assist States and political subdivisions of States to remedy the unsafe housing conditions and the acute shortage of decent and safe dwellings for low-income families; and

"(2) consistent with the objectives of this title, to vest in public housing agencies that perform well, the maximum amount of responsibility and flexibility in program administration, with appropriate accountability to both public housing residents and localities.".

SEC. 102. NONDISCRIMINATION.

Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 27. NONDISCRIMINATION.

"(a) Public Housing Residents.—No person shall be prohibited from serving on the board of directors or similar governing body of a public housing agency because of the residence of that person in a low-income housing project.

"(b) Nondiscrimination Based on Race, Color, National Origin, Religion, or Sex.—

"(1) In general.—No person in the United States shall, based on the race, color, national origin, religion, or sex of that person be excluded from participation in, denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

"(2) Applicability of other laws.—Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975, or with respect to an otherwise qualified handicapped individual, as provided in section 504 of the Rehabilitation Act of 1973 shall apply to any such program or activity.".

SEC. 103. AUTHORITY OF PUBLIC HOUSING AGENCIES.

(a) Authority of Public Housing Agencies.—

(1) In general.—Section 3(a)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(2)) is amended to read as follows:

"(2) Authority of public housing agencies.—

"(A) Ceiling rents.—Notwithstanding paragraph (1), a public housing agency may—

"(i) adopt ceiling rents that reflect the reasonable market value of the housing, but that are not less than the actual monthly costs—

"(I) to operate such housing; and

"(II) to make a deposit to a replacement reserve (in the sole discretion of the public housing agency); and

"(ii) allow families to pay ceiling rents referred to in clause (i), unless, with respect to any family, the ceiling rent established under this subparagraph would exceed the amount payable as rent by that family under paragraph (1).

"(B) Minimum rent.—Notwithstanding paragraph (1), a public housing agency may provide that each family residing in a public housing project or receiving tenant-based or project-based assistance under section 8 shall pay a minimum monthly rent in an amount not to exceed $30 per month.

"(C) Mixed-income projects.—

"(i) In general.—Notwithstanding paragraph (1), and subject to clause (ii), a public housing agency may own or operate one or more mixed-income projects, except as otherwise provided in the public housing agency plan of that public housing agency submitted in accordance with section 5A.

"(ii) Restriction.—No assistance provided under section 9 shall be used by a public housing agency in direct support of any unit rented to a household that is not a low-income household.

"(D) Police officers.—

"(i) In general.—Notwithstanding any other provision of law, a public housing agency may, in accordance with the public housing agency plan of the public housing agency, allow a police officer who is not otherwise eligible for residence in public housing to reside in a public housing unit. The number and location of units occupied by police officers under this clause, and the terms and conditions of their tenancies, shall be determined by the public housing agency.

"(ii) Definition.—As used in this subparagraph, the term 'police officer' means any person determined by a public housing agency to be, during the period of residence of such person in public housing, employed on a full-time basis by a Federal, State, or local government or any agency thereof (including a public housing agency having an accredited police force) as a duly licensed professional police officer.

"(E) Encouragement of self-sufficiency.—Public housing agencies shall develop rental policies that encourage and reward employment and upward economic mobility.".

(2) Regulations.—

(A) In general.—The Secretary shall, by regulation, after notice and an opportunity for public comment, establish such requirements as may be necessary to carry out section 3(a)(2)(A) of the United States Housing Act of 1937, as amended by paragraph (1).

(B) Transition rule.—Prior to the issuance of final regulations under paragraph (1), a public housing agency may implement ceiling rents, which shall be—

(i) determined in accordance with section 3(a)(2)(A) of the United States Housing Act of 1937, as such section existed on the day before effective date of this Act; or

(ii) equal to the 95th percentile of the rent paid for a unit of comparable size by tenants in the same project or a group of comparable projects totaling 50 units or more.

(b) High Performing Public Housing Agencies.—

(1) In general.—Section 3(a) of the United States Housing Act of 1937 (42 U.S.C. 1437(a)) is amended by adding at the end the following new paragraph:

"(3) High performing public housing agencies.—

"(A) In general.—Notwithstanding the rent calculation formula in paragraph (1), subject to subparagraph (B), the Secretary shall permit a high performing public housing agency, as determined by the Secretary, to determine the amount that a family residing in public housing shall pay as rent.

"(B) Limitation.—With respect to a family whose income is equal to or less than 30 percent of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, a public housing agency may not require a family to pay as rent under subparagraph (A) an amount that exceeds the greater of—

"(i) 30 percent of the monthly adjusted income of the family; and

"(ii) $30.".

(2) Phase-in period.—If a public housing agency charges rent pursuant to section 3(a)(3) of the United States Housing Act of 1937, as added by paragraph (1) of this subsection, the agency shall phase in any increase in the amount otherwise payable by the family over a 3-year period.

(3) Reports to congress.—

(A) Initial report.—Not later than 2 years after the date of enactment of this Act, the Secretary shall report to the Congress on the impact of section 3(a)(3) of the United States Housing Act of 1937, as added by paragraph (1) of this subsection, on residents and on the economic viability of public housing agencies.

(B) FINAL REPORT.—Not later than 5 years after the date of enactment of this Act, the Secretary shall submit to the Congress a final report on the impact of section 3(a)(3) of the United States Housing Act of 1937, as added by paragraph (1) of this subsection, on residents and on the economic viability of public housing agencies. The report shall include recommendations for any legislative changes to rent reform policies.

SEC. 104. DEFINITIONS.

(a) DEFINITIONS.—

(1) SINGLE PERSONS.—Section 3(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)) is amended—

(A) in subparagraph (A), in the third sentence, by striking "the Secretary shall" and all that follows before the period at the end and inserting the following: "the public housing agency may give preference to single persons who are elderly or disabled persons before single persons who are otherwise eligible"; and

(B) in subparagraph (B), in the second sentence, by striking "regulations of the Secretary" and inserting "public housing agency plan of the public housing agency".

(2) DEFINITION OF ADJUSTED INCOME.—Section 3(b)(5) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(5)) is amended to read as follows:

"(5) ADJUSTED INCOME.—The term 'adjusted income' means the income that remains after excluding—

"(A) $480 for each member of the family residing in the household (other than the head of the household or spouse)—

"(i) who is under 18 years of age; or

"(ii) who is—

"(I) 18 years of age or older; and

"(II) a person with disabilities or a full-time student;

"(B) $400 for an elderly or disabled family;

"(C) the amount by which the aggregate of—

"(i) medical expenses for an elderly or disabled family; and

"(ii) reasonable attendant care and auxiliary apparatus expenses for each family member who is a person with disabilities, to the extent necessary to enable any member of the family (including a member who is a person with disabilities) to be employed;

exceeds 3 percent of the annual income of the family;

"(D) child care expenses, to the extent necessary to enable another member of the family to be employed or to further his or her education;

"(E) excessive travel expenses, not to exceed $25 per family per week, for employment- or education-related travel, except that this subparagraph shall apply only to a family assisted by an Indian housing authority; and

"(F) any other income that the public housing agency determines to be appropriate, as provided in the public housing agency plan of the public housing agency.".

(b) DEFINITIONS OF TERMS USED IN REFERENCE TO PUBLIC HOUSING.—

(1) TECHNICAL CORRECTION.—Section 622(c) of the Housing and Community Development Act of 1992 (Public Law 102-550; 106 Stat. 3817) is amended by inserting "in paragraph (3)," after "is amended".

(2) HOUSING ACT OF 1937.—Section 3(c) of the United States Housing Act of 1937 (42 U.S.C. 1437a(c)) is amended—

(A) in paragraph (1), by inserting "and of the fees and related costs normally involved in obtaining non-Federal financing and tax credits with or without private and nonprofit partners" after "carrying charges";

(B) in paragraph (2), in the first sentence, by striking "security personnel)," and all that follows through the period and inserting the following: "security personnel), and all eligible activities under the Public and Assisted Housing Drug Elimination Act of 1990, or financing in connection with a low-income housing project, including projects developed with non-Federal financing and tax credits, with or without private and nonprofit partners.";

(C) in the undesignated paragraph immediately following paragraph (3), by striking "The earnings of" and all that follows through the period at the end; and

(D) by adding at the end the following new paragraphs:

"(6) PUBLIC HOUSING AGENCY PLAN.—The term 'public housing agency plan' means the annual plan adopted by a public housing agency under section 5A.

"(7) DISABLED HOUSING.—The term 'disabled housing' means any project, building, or portion of a project or building that is designated by a public housing agency for occupancy exclusively by disabled persons or families.

"(8) ELDERLY HOUSING.—The term 'elderly housing' means any project, building, or portion of a project or building, that is designated by a public housing agency for occupancy exclusively by elderly persons or families, including elderly disabled persons or families.

"(9) MIXED-INCOME PROJECT.—

"(A) IN GENERAL.—The term 'mixed-income project' means a project that is occupied both by one or more low-income households and by one or more households that are not low-income households.

"(B) TYPES OF PROJECTS.—The term 'mixed-income project' includes a project developed—

"(i) by a public housing agency or an entity controlled by a public housing agency; and

"(ii) by a partnership, a limited liability company, or other entity in which the public housing agency (or an entity controlled by a public housing agency) is a general partner, managing member, or otherwise has significant participation in directing the activities of such entity, if—

"(I) units are made available in the project, by master contract or individual lease, for occupancy by low-income families identified by the public housing agency for a period of not less than 20 years; and

"(II) the number of public housing units are approximately in the same proportion to the total number of units in the mixed-income project that, in the sole determination of the public housing agency, the value of the financial assistance provided by the public housing agency bears to the value of the total equity investment in the project, or shall not be less than the number of units that could have been developed under the conventional public housing program with the assistance.

"(C) TAXATION.—A mixed-income project may elect to have all units subject to the local real estate taxes, except that units designated as public housing units shall be eligible at the discretion of the public housing agency for the taxing requirements under section 6(d).".

SEC. 105. CONTRIBUTIONS FOR LOWER INCOME HOUSING PROJECTS.

Section 5 of the United States Housing Act of 1937 (42 U.S.C. 1437c) is amended by striking subsections (h) through (*l*).

SEC. 106. PUBLIC HOUSING AGENCY PLAN.

(a) IN GENERAL.—Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by inserting after section 5 the following new section:

"SEC. 5A. PUBLIC HOUSING AGENCY PLAN.

"(a) IN GENERAL.—

"(1) SUBMISSION.—Each public housing agency shall submit to the Secretary a written public housing agency plan developed in accordance with this section.

"(2) CONSISTENCY REQUIREMENT.—Each public housing agency plan submitted to the Secretary under paragraph (1) shall be—

"(A) made in consultation with the local advisory board established under subsection (c);

"(B) consistent with the Comprehensive Housing Affordability Strategy for the jurisdiction in which the public housing agency is located, as provided under title I of the Cranston-Gonzalez National Affordable Housing Act; and

"(C) accompanied by a certification by an appropriate State or local public official that the proposed public housing activities are consistent with the housing strategy of the jurisdiction to be served by the public housing agency, as required by subparagraph (B).

"(b) CONTENTS.—Each public housing agency plan shall contain, at a minimum, the following:

"(1) CERTIFICATION.—A written certification that the public housing agency is a governmental entity or public body (or agency or instrumentality thereof) that is authorized to engage in or assist in the development or operation of low-income housing. Any reference in any provision of law of the jurisdiction authorizing the creation of the public housing agency shall be identified and any legislative declaration of purpose in regard thereto shall be set forth in the certification with full text.

"(2) STATEMENT OF POLICY.—An annual statement of policy identifying the primary goals and objectives of the public housing agency for the year for which the statement is submitted, together with any major developments, projects, or programs, including all proposed costs and activities under the Capital and Operating Funds of the public housing agency established under section 9.

"(3) GENERAL POLICIES, RULES, AND REGULATIONS.—The policies, rules, and regulations of the public housing agency regarding—

"(A) the requirements for eligibility into each program administered by the public housing agency and the policies of the public housing agency concerning verification of eligibility, which verification shall be required upon initial commencement of residency and not less frequently than annually thereafter;

"(B) the requirements for the selection and admission of eligible families into the program or programs of the public housing agency, including the tenant screening policies, any preferences or priorities for selection and admission, and the requirements pertaining to the administration of the waiting list or lists of the public housing agency;

"(C) the procedure for assignment of persons admitted into the program to dwelling units owned, leased, managed, or assisted by the public housing agency; and

"(D) the requirements for occupancy of dwelling units, including all standard lease provisions, and conditions for continued occupancy, termination, and eviction.

"(4) MANAGEMENT.—The policies, rules, and regulations relating to the management of the public housing agency, and the projects and programs of the public housing agency, including—

"(A) a description of how the public housing agency is organized and staffed to perform the duties and functions of the public housing agency;

"(B) policies relating to the marketing of dwelling units owned or operated by the public housing agency;

"(C) policies relating to rent collection;

"(D) policies relating to security;

"(E) policies relating to services and amenities provided or offered to families assisted, including all related charges or fees, if any;

"(F) any system of priorities in the management of the operations of the public housing agency; and

"(G) a list of activities to enhance tenant empowerment and management, including assistance to resident councils and resident management corporations.

"(5) RENTS AND CHARGES.—

"(A) IN GENERAL.—The policies of the public housing agency concerning rents or other charges, the manner in which such policies are determined, and the justification for the policies.

"(B) FACTORS FOR CONSIDERATION.—In determining and justifying the policies described in subparagraph (A), the public housing agency shall take into account—

"(i) the goals of the public housing agency to serve households with a broad range of incomes, to create incentives for families to obtain employment, and to serve primarily low-income families;

"(ii) the costs and other financial considerations of the public housing agency; and

"(iii) such other factors as the public housing agency determines to be relevant.

"(6) ECONOMIC AND SOCIAL SELF-SUFFICIENCY PROGRAMS.—A description of any programs, plans, and activities of the public housing agency for the enhancement of the economic and social self-sufficiency of residents assisted by the programs of the public housing agency. The description shall include a statement of any self-sufficiency requirements affecting residents assisted by the programs of the public housing agency.

"(7) USE OF FUNDS FOR EXISTING UNITS.—

"(A) IN GENERAL.—A statement describing the use of distributions from the Capital Fund and Operating Fund of the public housing agency, established in accordance with section 9, including a general description of the public housing agency policies or plans to keep the property of the public housing agency in a decent and safe condition.

"(B) ANNUAL AND 5-YEAR PLAN.—An annual plan and, if appropriate, a 5-year plan of the public housing agency for modernization of the existing dwelling units of the public housing agency, a plan for preventative maintenance, a plan for routine maintenance, and a plan to handle emergencies and other disasters. Each annual and 5-year plan shall include a general statement identifying the long-term viability and physical condition of each of the projects and other property of the public housing agency, including cost estimates and demolition plans, if any.

"(8) USE OF FUNDS FOR NEW OR ADDITIONAL UNITS AND DEMOLITION OR DISPOSITION.—

"(A) IN GENERAL.—

"(i) CAPITAL AND OPERATING FUNDS.—If applicable, a description of the plans of the public housing agency for the Capital Fund and Operating Fund distributions of the public housing agency established under section 9, for the purpose of new construction, demolition, or disposition.

"(ii) ANNUAL AND 5-YEAR PLANS.—An annual plan and a 5-year plan describing any current and future plans for the development or acquisition of new or additional dwelling units, or the demolition or disposition of any of the existing housing stock of the public housing agency, including—

"(I) any plans for the sale of existing dwelling units to low-income residents, other low-income persons or families, or organizations acting as conduits for sales to low-income residents, or other low-income persons or families, under a homeownership plan; and

"(II) the plans of the public housing agency, if any, for replacement of dwelling units to be demolished or disposed of, and any plans providing for the relocation of residents who will be displaced by a demolition or disposition of units.

"(B) DEMOLITIONS.—In the case of a demolition of any existing housing stock, each plan required under subparagraph (A)(ii) shall include—

"(i) identification of the property to be demolished;

"(ii) the estimated costs of the demolition and the sources of funds to pay for the demolition;

"(iii) the uses and explanation of the uses to which the property will be put after demolition; and

"(iv) the reasons for the demolition and for the conclusion of the public housing agency that the demolition is in the best interests of the programs of the public housing agency.

"(C) DISPOSITIONS.—In the case of a disposition of any existing housing stock, each plan required under subparagraph (A)(ii) shall include—

"(i) a description of the property to be disposed of;

"(ii) a description of the use or uses to which the property will be put after disposition, including findings with regard to—

"(I) whether the new use or uses are consistent and compatible with any public housing agency dwelling units that will remain in the immediate vicinity of the property to be disposed of; and

"(II) whether the public housing agency plans to retain any control over or rights in the property after disposition;

"(iii) identification of any consideration, whether in money, property, or both, to be received by the public housing agency as part of the disposition, and the low-income uses that the public housing agency intends for the proceeds, pursuant to the requirements of section 18; and

"(iv) the reasons for disposition of the property by the public housing agency and for the conclusion of the public housing agency that the disposition is in the best interests of the tenants, programs, and activities of the public housing agency.

"(D) OTHER INFORMATION.—The public housing agency shall, with respect to any demolition or disposition plan required by subparagraph (A)(ii), comply with the requirements of section 18, and the public housing agency plan shall expressly certify such compliance.

"(9) OPERATING FUND PLAN.—

"(A) IN GENERAL.—A plan for the Operating Fund of the public housing agency, including—

"(i) an identification of all sources and uses of funding and income of the public housing agency;

"(ii) a description for the establishment, maintenance, and use of reserves; and

"(iii) an operating budget, a budget for any modernization or development, and any plans that the public housing agency has for borrowing funds, including a description of any anticipated actions to mortgage or otherwise grant a security interest in any of the projects or other properties of the public housing agency in connection with public housing agency borrowings.

"(B) APPROVAL BY THE SECRETARY.—Each plan under subparagraph (A) involving mortgaging or granting a security interest in the projects of the public housing agency shall—

"(i) be deemed to be approved by the Secretary, unless the Secretary provides a written disapproval to the public housing agency not later than 45 days after the date on which the plan is submitted under subparagraph (A); and

"(ii) include reasonable provisions for the relocation of low-income tenants in the event of displacement.

"(10) ADDITIONAL PERFORMANCE REQUIREMENTS.—A description of any additional performance standards established by the public housing agency.

"(11) ANNUAL AUDIT.—The results of an annual audit of the public housing agency, which shall be conducted by an independent certified public accounting firm pursuant to generally accepted accounting principles.

"(c) LOCAL ADVISORY BOARD.—

"(1) IN GENERAL.—

"(A) ESTABLISHMENT.—Each public housing agency shall establish one or more local advisory boards in accordance with this subsection, adequate to reflect and represent all of the residents of dwelling units owned, operated, or assisted by the public housing agency.

"(B) INCLUSION IN PUBLIC HOUSING AGENCY PLAN.—The rules governing each local advisory board shall be included in the public housing agency plan of the public housing agency.

"(2) MEMBERSHIP.—Each local board established under this subsection shall be composed of the following membership:

"(A) Not less than 60 percent of the board shall be residents of dwelling units owned, operated, or assisted by the public housing agency.

"(B) The remainder of the board shall be comprised of—

"(i) representatives of the community in which the public housing agency is located; and

"(ii) local government officials of the community in which the public housing agency is located.

"(3) PURPOSE.—Each local advisory board established under this subsection shall assist and make recommendations in the development of the public housing agency plan for submission under this section. The public housing agency shall consider the recommendations of the local advisory board in preparing the final public housing agency plan, and shall include a copy of such recommendations in the public housing agency plan submitted to the Secretary under this section.

"(d) PUBLICATION OF NOTICE.—

"(1) IN GENERAL.—Not later than 45 days before adoption of any public housing agency plan by the governing body of the public housing agency, the public housing agency shall publish a notice informing the public that—

"(A) the proposed public housing agency plan is available for inspection at the principal office of the public housing agency during normal business hours; and

"(B) a public hearing will be held to discuss the public housing agency plan and to invite public comment thereon.

"(2) PUBLIC HEARING.—Each public housing agency shall conduct a public hearing, as provided in the notice published under paragraph (1), not earlier than 30 days nor later than 50 days after the date on which the notice was published. After such public hearing, the public housing agency shall, after considering all public comments received and making any changes it deems appropriate, adopt the public housing agency plan and submit the plan to the Secretary in accordance with this section.

"(e) COORDINATED PROCEDURES.—Each public housing agency shall, in conjunction with the State or relevant unit of general local government, establish procedures to ensure that the public housing agency plan required by this section is consistent with the applicable Comprehensive Housing Affordability Strategy for the jurisdiction in which the public housing agency is located, in accordance with title I of the Cranston-Gonzalez National Affordable Housing Act.

"(f) AMENDMENTS AND MODIFICATIONS TO PLANS.—

"(1) IN GENERAL.—Nothing in this section shall preclude a public housing agency, after submitting a plan to the Secretary in accordance with this section, from amending or modifying any policy, rule, regulation, or plan of the public housing agency, except that no such significant amendment or modification may be implemented—

"(A) other than at a duly called meeting of commissioners (or other comparable governing body) of the public housing agency which is open to the public; and

"(B) until notification of such amendment or modification is sent to the Secretary and approved in accordance with subsection (g)(4).

"(2) CONSISTENCY.—Any significant amendment or modification to a plan submitted to the Secretary under this section shall—

"(A) comply with the requirements of subsection (a)(2); and

"(B) be considered by the local board, as provided in subsection (c).

"(g) TIMING OF PLANS.—

"(1) IN GENERAL.—

"(A) INITIAL SUBMISSION.—Each public housing agency shall submit the initial plan required by this section, and any amendment or revision to the initial plan, to the Secretary at such time and in such form as the Secretary shall require.

"(B) ANNUAL SUBMISSION.—Not later than 60 days prior to the start of the fiscal year of the public housing agency, after initial submission of the plan required by this section in accordance with subparagraph (A), each public housing agency shall annually submit to the Secretary a plan update, including any amendments or reports containing information constituting changes or modifications to the public housing agency plan of the public housing agency.

"(2) REVIEW AND APPROVAL.—

"(A) REVIEW.—After submission of the public housing agency plan or any amendment or report of changes or modifications to the plan to the Secretary, the Secretary shall review the public housing agency plan, amendment, or report to determine—

"(i) in the case of a public housing agency plan, whether the contents of the plan—

"(I) set forth the information required by this section to be contained in a public housing agency plan; and

"(II) are consistent with information and data available to the Secretary; and

"(ii) in all cases, whether the activities proposed by the plan, amendment, or report are prohibited by or inconsistent with any provision of this title or other applicable law.

"(B) APPROVAL.—

"(i) IN GENERAL.—Except as provided in paragraph (3)(B), not later than 45 days after the date on which a public housing agency plan is submitted in accordance with this section, the Secretary shall provide written notice to the public housing agency if the plan has been disapproved, stating with specificity the reasons for the disapproval.

"(ii) FAILURE TO PROVIDE NOTICE OF DISAPPROVAL.—If the Secretary does not provide notice of disapproval under clause (i) before the expiration of the 45-day period described in clause (i), the public housing agency plan of the public housing agency shall be deemed to be approved by the Secretary.

"(3) SECRETARIAL DISCRETION.—

"(A) IN GENERAL.—The Secretary shall have sole discretion to require such additional information and performance requirements as deemed appropriate for each public housing agency that is designated by the Secretary as a troubled public housing agency under section 6(j).

"(B) TROUBLED AGENCIES.—The Secretary shall provide explicit written approval or disapproval, in a timely manner, for a public housing agency plan submitted by any public housing agency designated by the Secretary as a troubled public housing agency under section 6(j).

"(4) STREAMLINED PLAN.—In carrying out this section, the Secretary may establish a streamlined public housing agency plan for—

"(A) public housing agencies that are determined by the Secretary to be high performing public housing agencies; and

"(B) public housing agencies with less than 250 units.".

(b) INTERIM RULE.—

(1) IN GENERAL.—Not later than January 1, 1996, the Secretary shall issue an interim rule to require the submission of an interim public housing agency plan by each public housing agency, as required by section 5A of the United States Housing Act of 1937 (as added by subsection (a) of this section).

(2) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall promulgate final regulations implementing section 5A of the United States Housing Act of 1937, as added by subsection (a) of this section. Such regulations shall be subject to negotiated rulemaking.

SEC. 107. CONTRACT PROVISIONS AND REQUIREMENTS.

(a) CONDITIONS.—Section 6(a) of the United States Housing Act of 1937 (42 U.S.C. 1437d(a)) is amended—

(1) in the first sentence, by inserting ", in a manner consistent with the public housing agency plan submitted under section 5A" before the period; and

(2) by striking the second sentence.

(b) REVISION OF MAXIMUM INCOME LIMITS; CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS; NOTIFICATION OF ELIGIBILITY.—Section 6(c) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)) is amended to read as follows:

"(c) [Reserved.]".

(c) EXCESS FUNDS.—Section 6(e) of the United States Housing Act of 1937 (42 U.S.C. 1437d(e)) is amended to read as follows:

"(e) [Reserved.]".

(d) PERFORMANCE INDICATORS FOR PUBLIC HOUSING AGENCIES.—Section 6(j) of the United States Housing Act of 1937 (42 U.S.C. 1437d(j)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B)—

(i) by striking "obligated" and inserting "provided"; and

(ii) by striking "unexpended" and inserting "unobligated by the public housing agency";

(B) in subparagraph (D), by striking "energy" and inserting "utility";

(C) by redesignating subparagraph (H) as subparagraph (J); and

(D) by adding at the end the following new paragraphs:

"(H) The extent to which the agency provides effective programs and activities to promote the economic self-sufficiency of tenants.

"(I) The extent to which the agency successfully meets the goals and carries out the activities and programs of the public housing agency plan under section 5(A)."; and

(2) in paragraph (2)(A)(i), by inserting after the first sentence the following: "The Secretary may use a simplified set of indicators for public housing agencies with less than 250 units.".

(e) LEASES.—Section 6(*l*) of the United States Housing Act of 1937 (42 U.S.C. 1437d(*l*)) is amended—

(1) in paragraph (3), by striking "not be less than" and all that follows before the semicolon at the end and inserting "be the period of time required under State law"; and

(2) in paragraph (5), by striking "on or near such premises".

(f) PUBLIC HOUSING ASSISTANCE TO FOSTER CARE CHILDREN.—Section 6(o) of the United States Housing Act of 1937 (42 U.S.C. 1437d(o)) is amended by striking "Subject" and all that follows through ", in" and inserting "In".

(g) PREFERENCE FOR AREAS WITH INADEQUATE SUPPLY OF VERY LOW-INCOME HOUSING.—Section 6(p) of the United States Housing Act of 1937 (42 U.S.C.1437d(p)) is amended to read as follows:

"(p) [Reserved.]".

(h) AVAILABILITY OF CRIMINAL RECORDS FOR SCREENING AND EVICTION; EVICTION FOR DRUG-RELATED ACTIVITY.—Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended by adding at the end the following new subsections:

"(q) AVAILABILITY OF RECORDS.—

"(1) IN GENERAL.—

"(A) PROVISION OF INFORMATION.—Notwithstanding any other provision of law, except as provided in subparagraph (B), the National Crime Information Center, a police department, and any other law enforcement agency shall, upon request, provide information to public housing agencies regarding the criminal conviction records of adult applicants for, or residents of, public housing for purposes of applicant screening, lease enforcement, and eviction.

"(B) EXCEPTION.—Except as provided under any provision of State or local law, no law enforcement agency described in subparagraph (A) shall provide information under this paragraph relating to any criminal conviction if the date of that conviction occurred 5 or more years prior to the date on which the request for the information is made.

"(2) OPPORTUNITY TO DISPUTE.—Before an adverse action is taken on the basis of a criminal record, the public housing agency shall provide the resident or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

"(3) FEE.—A public housing agency may be charged a reasonable fee for information provided under paragraph (1).

"(4) RECORDS MANAGEMENT.—Each public housing agency shall establish and implement a system of records management that ensures that any criminal record received by the public housing agency is—

"(A) maintained confidentially;

"(B) not misused or improperly disseminated; and

"(C) destroyed, once the purpose for which the record was requested has been accomplished.

"(5) DEFINITION.—For purposes of this subsection, the term 'adult' means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal or State law.

"(r) EVICTION FOR DRUG-RELATED ACTIVITY.—Any resident evicted from housing assisted under this title by reason of drug-related criminal activity (as such term is defined in section 8(f)(5)) shall not be eligible for housing assistance under this title during the 3-year period beginning on the date of such eviction, unless the evicted resident successfully completes a rehabilitation program approved by the public housing agency (which shall include a waiver of this subsection if the circumstances leading to eviction no longer exist).".

SEC. 108. EXPANSION OF POWERS.

(a) IN GENERAL.—Section 6(j)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437d(j)(3)) is amended—

(1) in subparagraph (A)—

(A) by redesignating clauses (iii) and (iv) as clauses (iv) and (v), respectively; and

(B) by inserting after clause (ii) the following new clause:

"(iii) take possession of the public housing agency, including any project or function of the agency, including any project or function under any other provision of this Act;";

(2) by redesignating subparagraphs (B) through (D) as subparagraphs (E) through (G), respectively;

(3) by inserting after subparagraph (A) the following new subparagraphs:

"(B)(i) If a public housing agency is identified as troubled under this subsection, the Secretary shall notify the agency of the troubled status of the agency.

"(ii) The Secretary may give a public housing agency a 1-year period, beginning on the date on which the agency receives notification from the Secretary of the troubled status of the agency under clause (i), within which to demonstrate improvement satisfactory to the Secretary. Nothing in this clause shall preclude the Secretary from taking any action the Secretary considers necessary before the commencement or the expiration of the 1-year period described in this clause.

"(iii) Upon the expiration of the 1-year period described in clause (ii), or in the case of a public housing agency identified as troubled before the effective date of this Act, upon the expiration of the 1-year period commencing on that date, if the troubled agency has not demonstrated improvement satisfactory to the Secretary and the Secretary has not yet declared the agency to be in breach of its contract with the Federal Government under this Act, the Secretary shall declare the public housing agency to be in substantial default, as described in subparagraph (A).

"(iv) Upon declaration of a substantial default under clause (iii), the Secretary—

"(I) shall either—

"(aa) petition for the appointment of a receiver pursuant to subparagraph (A)(ii); or

"(bb) take possession of the public housing agency or any development or developments of the public housing agency pursuant to subparagraph (A)(iii); and

"(II) may, in addition, take other appropriate action.

"(C)(i) If a receiver is appointed pursuant to subparagraph (A)(ii), in addition to the powers accorded by the court appointing the receiver, the receiver—

"(I) may abrogate any contract that substantially impedes correction of the substantial default;

"(II) may demolish and dispose of the assets of the public housing agency, in accordance with section 18;

"(III) if determined to be appropriate by the Secretary, may require the establishment, as permitted by applicable State and local law, of one or more new public housing agencies; and

"(IV) shall not be subject to any State or local law relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the receiver, substantially impedes correction of the substantial default.

"(ii) For purposes of this subparagraph, the term 'public housing agency' includes any project or function of a public housing agency, as appropriate, including any project or function under any other provision of this Act.

"(D)(i) If the Secretary takes possession of a public housing agency, or any project or function of the agency, pursuant to subparagraph (A)(iii), the Secretary—

"(I) may abrogate any contract that substantially impedes correction of the substantial default;

"(II) may demolish and dispose of the assets of the public housing agency, in accordance with section 18;

"(III) may require the establishment, as permitted by applicable State and local law, of one or more new public housing agencies;

"(IV) shall not be subject to any State or local law relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the Secretary, substantially impedes correction of the substantial default; and

"(V) shall have such additional authority as a district court of the United States could confer under like circumstances on a receiver to fulfill the purposes of the receivership.

"(ii) The Secretary may appoint, on a competitive or noncompetitive basis, an individual or entity as an administrative receiver to assume the responsibilities of the Secretary under this subparagraph for the administration of a public housing agency. The Secretary may delegate to the administrative receiver any or all of the powers given the Secretary by this subparagraph, as the Secretary determines to be appropriate.

"(iii) Regardless of any delegation under this subparagraph, an administrative receiver may not require the establishment of one or more new public housing agencies pursuant to clause (i)(III), unless the Secretary first approves an application by the administrative receiver to authorize such establishment.

"(iv) For purposes of this subparagraph, the term 'public housing agency' includes any project or function of a public housing agency, as appropriate, including any project or function under any other provision of this Act."; and

(4) by adding at the end the following new subparagraph:

"(H) If the Secretary (or an administrative receiver appointed by the Secretary) takes possession of a public housing agency (including any project or function of the agency) pursuant to subparagraph (A)(iii), or if a receiver is appointed by a court pursuant to subparagraph (A)(ii), the Secretary or receiver shall be deemed to be acting not in that person's or entity's official capacity, but rather in the capacity of the public housing agency, and any liability incurred, regardless of whether the incident giving rise to such liability occurred while the Secretary or receiver was in possession of the public housing agency (including any project or function of the agency), shall be the liability of the public housing agency.".

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply to a public housing agency that is found to be in substantial default, on or after the date of enactment of this Act, with respect to the covenants or conditions to which the agency is subject (as such substantial default is defined in the contract for contributions of the agency) or with respect to an agreement entered into under section 6(j)(2)(C) of the United States Housing Act of 1937.

SEC. 109. PUBLIC HOUSING DESIGNATED FOR THE ELDERLY AND THE DISABLED.

Section 7 of the United States Housing Act of 1937 (42 U.S.C. 1437e) is amended to read as follows:

"SEC. 7. AUTHORITY TO PROVIDE DESIGNATED HOUSING.

"(a) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency may, in its discretion and without approval by the Secretary, designate public housing projects or mixed-income projects (or portions of projects) for occupancy as elderly housing, disabled housing, or elderly and disabled housing. The public housing agency shall establish requirements for this section in the public housing agency plan of the public housing agency.

"(b) RELOCATION ASSISTANCE.—A public housing agency that converts any existing project or building, or portion thereof, to elderly housing or disabled housing shall provide to all persons or families who are to be relocated in connection with the conversion—

"(1) notice of the conversion and relocation not less than 6 months before the date of such action;

"(2) comparable housing (including appropriate services and design features) at a rental rate that is comparable to that applicable to the unit from which the person or family has vacated; and

"(3) payment of actual, reasonable moving expenses.

"(c) COMPARABLE HOUSING.—For purposes of this section, tenant-based assistance under section 8(o) shall be deemed to be comparable housing, if the person or family who is relocated may obtain with such assistance housing that is generally comparable to the housing that was vacated at a cost to the relocated person or family that is not in excess of the amount previously paid for the housing vacated.

"(d) UNIFORM RELOCATION AND REAL PROPERTY ACQUISITION ACT.—The Uniform Relocation and Real Property Acquisition Act shall not apply to activities under this section.".

SEC. 110. PUBLIC AND INDIAN HOUSING CAPITAL AND OPERATING FUNDS.

Section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g) is amended to read as follows:

"SEC. 9. PUBLIC AND INDIAN HOUSING CAPITAL AND OPERATING FUNDS.

"(a) IN GENERAL.—Except for assistance provided under section 8, all programs under which assistance is provided for public housing on the day before the effective date of the Public Housing Reform and Empowerment Act of 1995 shall be merged, as appropriate, into either—

"(1) the Capital Fund established under subsection (c); or

"(2) the Operating Fund established under subsection (d).

"(b) Use of Existing Funds.—With the exception of funds made available pursuant to section 20(f) and funds appropriated for the urban revitalization demonstration program authorized under the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Acts—

"(1) funds made available to the Secretary for public housing purposes that have not been obligated by the Secretary to a public housing agency before the effective date of the Public Housing Reform and Empowerment Act of 1995 shall be made available, for the period originally provided in law, for use in either the Capital Fund or the Operating Fund established under this section, as appropriate; and

"(2) funds made available to the Secretary for public housing purposes that have been obligated by the Secretary to a public housing agency but that, as of the effective date of the Public Housing Reform and Empowerment Act of 1995, have not been obligated by the public housing agency, may be made available by that public housing agency, for the period originally provided in law, for use in either the Capital Fund or the Operating Fund established under this section, as appropriate.

"(c) Capital Fund.—

"(1) In general.—The Secretary shall establish a Capital Fund for the purpose of making grants to public housing agencies principally—

"(A) to make physical improvements to, to replace, or demolish public housing projects, or portions of projects; and

"(B) for associated management improvements.

"(2) Grants.—The Secretary shall make grants to public housing agencies to carry out capital and management activities, including—

"(A) the development and modernization of public housing projects, including the redesign, reconstruction, and reconfiguration of public housing sites and buildings;

"(B) vacancy reduction;

"(C) addressing deferred maintenance needs and the replacement of dwelling equipment;

"(D) planned code compliance;

"(E) management improvements;

"(F) community services;

"(G) demolition and replacement;

"(H) tenant relocation; and

"(I) activities to improve the economic empowerment and self-sufficiency of public housing tenants.

"(3) Limit on use of funds.—Each public housing agency may use not more than 20 percent of the Capital Fund distribution of the public housing agency for activities under the Operating Fund of the public housing agency pursuant to subsection (d), provided that the public housing agency plan provides for such use.

"(d) Operating Fund.—

"(1) In general.—The Secretary shall establish an Operating Fund for the purpose of making assistance available to public housing agencies for the operation and management of public housing.

"(2) Grants.—The Secretary shall make grants to public housing agencies to carry out activities that relate to the operation and management of public housing, including—

"(A) anti-crime and anti-drug activities (including those activities eligible for assistance under the Public and Assisted Housing Drug Elimination Act of 1990 and the Drug-Free Public Housing Act of 1988); and

"(B) activities related to the provision of service coordinators for elderly persons or persons with disabilities pursuant to section 673 of the Housing and Community Development Act of 1992.

"(e) Establishment of Formulae.—

"(1) In general.—The Secretary shall establish formulae for providing assistance under the Capital Fund and the Operating Fund under this subsection.

"(2) Formulae Requirements.—The formulae established under paragraph (1) shall include the following:

"(A) The needs of public housing agencies as identified through their public housing agency plans submitted under section 5A.

"(B) The number of public housing dwelling units owned and operated by a housing management agency and occupied by low-income families (including the costs of conversion to tenant-based assistance under section 22).

"(C) The extent to which public housing agencies provide programs and activities designed to promote the economic self-sufficiency of tenants.

"(D) The age, condition, and density of the low-income housing owned or operated by the agency.

"(E) The number of dwelling units owned and operated by the housing management agency that are chronically vacant and the amount of assistance appropriate for such units.

"(F) The amount of assistance necessary to provide rehabilitation and operating expenses for public housing dwelling units including the amount of assistance to provide a safe environment.

"(3) Transition formula.—The transition formula shall provide that each public housing agency shall receive that percentage of funds which represents the percentage of funds that the public housing agency received, on average, for modernization costs and operating expenses during the 3 fiscal years of that public housing agency preceding implementation of a formula established under paragraph (1).

"(4) Procedures.—The Secretary shall establish formulae under paragraph (1) through negotiated rulemaking, and shall submit the formulae to the Congress for review not later than 2 years after the date of enactment of the Public Housing Reform and Empowerment Act of 1995.

"(5) Approval.—Unless the Congress acts to disapprove a formula submitted under this subsection, the formula shall be presumed to be approved until a revised formula is adopted.

"(6) Operating and capital assistance.—A resident management corporation managing a public housing development pursuant to a contract under this section shall be provided directly by the Secretary with operating and capital assistance under this title for purposes of operating the development and performing such other eligible activities with respect to the development as may be provided under the contract.

"(f) Native American Housing Programs.—Notwithstanding any other provision of law, from amounts appropriated for the Capital Fund or the Operating Fund, the Secretary shall establish such formulae and programs as may be necessary to provide such sums as may be necessary to carry out housing programs for Indians.

"(g) Technical Assistance.—To the extent approved in appropriations Acts for grants, the Secretary may provide—

"(1) technical assistance to public housing agencies, resident councils, resident organizations, and resident management corporations, including monitoring, inspections, training for public housing agency employees and residents, and data collection and analysis; and

"(2) remedial activities associated with troubled public housing agencies, as such agencies are so designated under section 6(j).

"(h) Funding for Resident Councils.—Of any amounts made available in any fiscal year to carry out this section, $25,000,000 shall be made available to resident councils, resident organizations, or resident management corporations, on a competitive basis, to carry out resident management activities, and other activities designed to improve the economic self-sufficiency of public housing residents.

"(i) Emergency Reserve.—

"(1) In general.—

"(A) Set-aside.—In each fiscal year, the Secretary shall set aside an amount not to exceed 2 percent of the amount appropriated to carry out this section for that fiscal year for use in accordance with this subsection.

"(B) Use of funds.—Amounts set aside under this paragraph shall be available to the Secretary for use in connection with emergencies, and to fund the cost of demolitions, modernization, and other activities if the Capital Fund and Operating Fund distributions of any public housing agency are not adequate to carry out activities relating to the goal of the public housing agency of providing decent, safe, and affordable housing in viable communities.

"(2) Allocation.—Amounts set aside under this paragraph shall be allocated pursuant to a competition based upon relative need to such public housing agencies, in such manner, and in such amounts as the Secretary shall determine.".

SEC. 111. LABOR STANDARDS.

Section 12 of the United States Housing Act of 1937 (42 U.S.C. 1437j) is amended by adding at the end the following new subsection:

"(c) Work Requirement.—

"(1) In general.—Notwithstanding any other provision of law, each adult member of each household assisted under this Act shall contribute not less than 8 hours of volunteer work per month within the community of that adult.

"(2) Inclusion in plan.—Each public housing agency shall include in the plan submitted to the Secretary under section 5A, a detailed description of how the public housing agency intends to implement and administer the requirements of paragraph (1).

"(3) Exemptions.—The Secretary may provide an exemption from the requirements of paragraph (1) for any individual who is—

"(A) not less than 62 years of age;

"(B) a person with disabilities who is unable, as determined in accordance with guidelines established by the Secretary, to comply with this section; or

"(C) working full-time, a student, receiving vocational training, or otherwise meeting work requirements of a public assistance program.".

SEC. 112. REPEAL OF ENERGY CONSERVATION; CONSORTIA AND JOINT VENTURES.

Section 13 of the United States Housing Act of 1937 (42 U.S.C. 1437k) is amended to read as follows:

"SEC. 13. CONSORTIA, JOINT VENTURES, AFFILIATES, AND SUBSIDIARIES OF PUBLIC HOUSING AGENCIES.

"(a) Consortia.—

"(1) IN GENERAL.—Any 2 or more public housing agencies may participate in a consortium for the purpose of administering any or all of the housing programs of those public housing agencies in accordance with this section.

"(2) EFFECT.—With respect to any consortium described in paragraph (1)—

"(A) any assistance made available under this title to each of the public housing agencies participating in the consortium shall be paid to the consortium; and

"(B) all planning and reporting requirements imposed upon each public housing agency participating in the consortium with respect to the programs operated by the consortium shall be consolidated.

"(3) RESTRICTIONS.—

"(A) AGREEMENT.—Each consortium described in paragraph (1) shall be formed and operated in accordance with a consortium agreement, and shall be subject to the requirements of a joint public housing agency plan, which shall be submitted by the consortium in accordance with section 5A.

"(B) MINIMUM REQUIREMENTS.—The Secretary shall specify minimum requirements relating to the formation and operation of consortia and the minimum contents of consortium agreements under this paragraph.

"(b) JOINT VENTURES.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency, in accordance with its public housing agency plan submitted under section 5A, may—

"(A) form and operate wholly owned or controlled subsidiaries (which may be nonprofit corporations) and other affiliates, any of which may be directed, managed, or controlled by the same persons who constitute the board of commissioners or other similar governing body of the public housing agency, or who serve as employees or staff of the public housing agency; or

"(B) enter into joint ventures, partnerships, or other business arrangements with, or contract with, any person, organization, entity, or governmental unit, with respect to the administration of the programs of the public housing agency, including any program that is subject to this title.

"(2) USE OF INCOME.—Any income generated under paragraph (1) shall be used for low-income housing or to benefit the tenants of the public housing agency.

"(3) AUDITS.—The Secretary may conduct an audit of any activity undertaken under paragraph (1) at any time.".

SEC. 113. REPEAL OF MODERNIZATION FUND.

Section 14 of the United States Housing Act of 1937 (42 U.S.C. 1437*l*) is repealed.

SEC. 114. INCOME ELIGIBILITY FOR ASSISTED HOUSING.

Section 16 of the United States Housing Act of 1937 (42 U.S.C. 1437n) is amended to read as follows:

"SEC. 16. INCOME ELIGIBILITY FOR ASSISTED HOUSING.

"(a) IN GENERAL.—

"(1) INITIAL OCCUPANCY BY CERTAIN HOUSEHOLDS.—Of the dwelling units of a public housing agency, including public housing units in a designated mixed-income project, made available for initial occupancy—

"(A) not less than 40 percent shall be occupied by households whose incomes do not exceed 30 percent of the area median income for such households; and

"(B) any remaining dwelling units may be made available for households whose incomes do not exceed 80 percent of the area median income for such households.

"(2) ESTABLISHMENT OF DIFFERENT STANDARDS.—Notwithstanding paragraph (1), if approved by the Secretary, a public housing agency may for good cause establish and implement an occupancy standard other than the standard described in paragraph (1).

"(b) APPLICABILITY TO INDIAN HOUSING.—Subsection (a) shall not apply to any dwelling unit assisted by an Indian housing agency.".

SEC. 115. DEMOLITION AND DISPOSITION OF PUBLIC HOUSING.

(a) IN GENERAL.—Section 18 of the United States Housing Act of 1937 (42 U.S.C. 1437p) is amended to read as follows:

"SEC. 18. DEMOLITION AND DISPOSITION OF PUBLIC HOUSING.

"(a) APPLICATIONS FOR DEMOLITION AND DISPOSITION.—Not later than 60 days after receiving an application by a public housing agency for authorization, with or without financial assistance under this title, to demolish or dispose of a public housing project or a portion of a public housing project, the Secretary shall approve the application, if the public housing agency certifies—

"(1) in the case of—

"(A) an application proposing demolition of a public housing project or a portion of a public housing project, that—

"(i) the project or portion of the project is obsolete as to physical condition, location, or other factors, making it unsuitable for housing purposes; and

"(ii) no reasonable program of modifications is cost-effective to return the project or portion of the project to useful life; and

"(B) an application proposing the demolition of only a portion of a project, that the demolition will help to assure the useful life of the remaining portion of the project;

"(2) in the case of an application proposing disposition of public housing project or other real property subject to this title by sale or other transfer, that—

"(A) the retention of the property is not in the best interests of the residents or the public housing agency because—

"(i) conditions in the area surrounding the project adversely affect the health or safety of the residents or the feasible operation of the project by the public housing agency; or

"(ii) disposition allows the acquisition, development, or rehabilitation of other properties that will be more efficiently or effectively operated as low-income housing;

"(B) the public housing agency has otherwise determined the disposition to be appropriate for reasons that are—

"(i) in the best interests of the residents and the public housing agency;

"(ii) consistent with the goals of the public housing agency and the public housing agency plan of the public housing agency; and

"(iii) otherwise consistent with this title; or

"(C) for property other than dwelling units, the property is excess to the needs of a public housing project or the disposition is incidental to, or does not interfere with, continued operation of a public housing project;

"(3) that the public housing agency has specifically authorized the demolition or disposition in the public housing agency plan of the public housing agency submitted under section 5A, and has certified that the actions contemplated in the public housing agency plan comply with the requirements of this section;

"(4) that the public housing agency—

"(A) will provide for the payment of the relocation expenses of each resident to be displaced;

"(B) will ensure that the amount of rent paid by the tenant following relocation will not exceed the amount permitted under this Act; and

"(C) will not commence demolition or disposition until all tenants residing in the unit are relocated;

"(5) that the net proceeds of any disposition will be used—

"(A) unless waived by the Secretary, for the retirement of outstanding obligations issued to finance the original public housing project or modernization of the project; and

"(B) to the extent that any proceeds remain after the application of proceeds in accordance with subparagraph (A), for the provision of low-income housing or to benefit the tenants of the public housing agency; and

"(6) that the public housing agency has complied with subsection (b).

"(b) TENANT OPPORTUNITY TO PURCHASE IN CASE OF PROPOSED DISPOSITION.—

"(1) IN GENERAL.—In the case of a proposed disposition of a public housing project or portion of a project, the public housing agency shall, in appropriate circumstances, as determined by the Secretary, initially offer the property to any eligible resident organization, eligible resident management corporation, or nonprofit organization for resale to low-income families, if such entity—

"(A) is operating only at the public housing project that is the subject of the disposition; and

"(B) has expressed an interest, in writing, to the public housing agency in a timely manner, in purchasing the property for continued use as low-income housing.

"(2) TIMING.—

"(A) THIRTY-DAY NOTICE.—A resident organization, resident management corporation, or other entity referred to in paragraph (1) may express interest in purchasing property that is the subject of a disposition, as described in paragraph (1), during the 30-day period beginning on the date of notification of a proposed sale of the property.

"(B) SIXTY-DAY NOTICE.—If an entity expresses written interest in purchasing a property, as provided in subparagraph (A), no disposition of the property shall occur during the 60-day period beginning on the date of receipt of such written notice, during which time that entity shall be given the opportunity to obtain a firm commitment for financing the purchase of the property.

"(c) HOMEOWNERSHIP ACTIVITIES.—This section does not apply to the disposition of a public housing project, or any portion thereof, in accordance with a homeownership program under which the property is sold or conveyed to low-income persons or families or to an organization acting as a conduit for sales or conveyances to such persons or families.

"(d) REPLACEMENT UNITS.—Notwithstanding any other provision of law, replacement housing units for public housing units demolished in accordance with this section may be built on the original public housing location or in the same neighborhood as the original public housing location if the number of such replacement units is fewer than the number of units demolished.".

(b) HOMEOWNERSHIP REPLACEMENT PLAN.—

(1) IN GENERAL.—Section 304(g) of the United States Housing Act of 1937 (42 U.S.C. 1437aaa-3(g)), as amended by section 1002(b) of the Emergency Supplemental Appropriations for Additional Disaster Assistance, for Anti-terrorism Initiatives, for Assistance in the Recovery from the Tragedy that Occurred At Oklahoma City, and Rescissions Act, 1995, is amended to read as follows:

"(g) [Reserved.]".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be effective for

plans for the demolition, disposition, or conversion to homeownerhsip of public housing approved by the Secretary after September 30, 1995.

(c) UNIFORM RELOCATION AND REAL PROPERTY ACQUISITION ACT.—The Uniform Relocation and Real Property Acquisition Act shall not apply to activities under section 18 of the United States Housing Act of 1937, as amended by this section.

SEC. 116. REPEAL OF FAMILY INVESTMENT CENTERS; VOUCHERS FOR PUBLIC HOUSING.

(a) IN GENERAL.—Section 22 of the United States Housing Act of 1937 (42 U.S.C. 1437t) is amended to read as follows:

"SEC. 22. VOUCHERS FOR PUBLIC HOUSING.

"(a) IN GENERAL.—

"(1) AUTHORIZATION.—A public housing agency may convert any public housing project (or portion thereof) owned and operated by the public housing agency to a system of tenant-based assistance in accordance with this section.

"(2) REQUIREMENTS.—In making a conversion under this section, the public housing agency shall develop a conversion plan and an assessment under subsection (b) in consultation with the appropriate public housing officials and residents, which plan and assessment shall be consistent with and part of the public housing agency plan submitted under section 5A, and shall describe the conversion and future use or disposition of the public housing project, including an impact analysis on the affected community.

"(b) CONVERSION ASSESSMENT.—

"(1) IN GENERAL.—Not later than 2 years after the date of enactment of the Public Housing Reform and Empowerment Act of 1995, each public housing agency shall assess the status of each public housing project owned and operated by that public housing agency and shall submit to the Secretary a report that includes—

"(A) a cost analysis of the public housing project, including costs attributable to the physical condition, modernization needs, operating costs, and market value (both before and after rehabilitation) of the project;

"(B) a market analysis of the public housing project, including an evaluation of the availability of rental dwelling units at or below the fair market rent in the market area in which the public housing project is located; and

"(C) the impact of the conversion on the neighborhood in which the public housing project is located.

"(2) STREAMLINED ASSESSMENT.—The Secretary may waive or otherwise require a streamlined assessment at the request of the public housing agency.

"(c) COST OF CONVERSION.—The cost of any conversion under this section shall be payable from funds made available from the Capital Fund and the Operating Fund established under section 9 attributable to the converted public housing and any additional funds made available by the Secretary or in an appropriations Act.".

(b) SAVINGS PROVISION.—The amendment made by subsection (a) does not affect any contract or other agreement entered into under section 23 of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act.

SEC. 117. REPEAL OF FAMILY SELF-SUFFICIENCY; HOMEOWNERSHIP OPPORTUNITIES.

(a) IN GENERAL.—Section 23 of the United States Housing Act of 1937 (42 U.S.C.1437u) is amended to read as follows:

"SEC. 23. PUBLIC HOUSING HOMEOWNERSHIP OPPORTUNITIES.

"(a) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency may sell low-income dwelling units, to the low-income residents of the public housing agency, to other low-income persons or families, or to organizations serving as conduits for sales to such persons.

"(b) SALE PRICES, TERMS AND CONDITIONS.—Any sales under subsection (a) may involve such sales prices, terms, and conditions as the public housing agency may determine in accordance with procedures set forth in the public housing agency plan of the public housing agency submitted under section 5A.

"(c) PROTECTION OF NONPURCHASING FAMILIES.—If a tenant decides not to purchase a unit, or is not qualified to do so, the public housing agency shall—

"(1) ensure that rental assistance under section 8 is made available to the tenant; and

"(2) provide for the payment of the reasonable relocation expenses of the tenant.

"(d) NET PROCEEDS.—The net proceeds of any sales under this section remaining after payment of all costs of the sale and any unassumed, unpaid indebtedness owed in connection with the dwelling units sold unless waived by the Secretary, shall be used for purposes relating to low-income housing and in accordance with the public housing agency plan of the public housing agency submitted under section 5A.".

(b) SAVINGS PROVISION.—The amendment made by subsection (a) does not affect any contract or other agreement entered into under section 23 of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act.

SEC. 118. CONVERSION OF DISTRESSED PUBLIC HOUSING TO VOUCHERS.

(a) IN GENERAL.—Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 28. CONVERSION OF DISTRESSED PUBLIC HOUSING TO VOUCHERS.

"(a) IDENTIFICATION OF UNITS.—Each public housing agency shall identify any public housing developments—

"(1) that are on the same or contiguous sites;

"(2) that total more than—

"(A) 600 dwelling units; or

"(B) in the case of high-rise family buildings or substantially vacant buildings, 300 dwelling units;

"(3) that have a vacancy rate of at least 10 percent for dwelling units not in funded, on-schedule modernization programs;

"(4) identified as distressed housing that the public housing agency cannot assure the long-term viability as public housing through density reduction, achievement of a broader range of household income, or other measures; and

"(5) for which the estimated cost of continued operation and modernization of the developments as public housing exceeds the cost of providing tenant-based assistance under section 8 for all families in occupancy.

"(b) CONSULTATION.—Each public housing agency shall consult with the applicable public housing tenants and the unit of general local government in identifying any public housing under subsection (a).

"(c) REMOVAL OF UNITS FROM THE INVENTORIES OF PUBLIC HOUSING AGENCIES.—

"(1) IN GENERAL.—Each public housing agency shall develop a plan in conjunction with the Secretary for the removal of public housing units identified under subsection (a), over a period of not more than 5 years, from the inventory of the public housing agency and the annual contributions contract. The plan shall be approved as part of the public housing agency plan under section 5A and by the relevant local official as consistent with the Comprehensive Housing Affordability Strategy under title I of the Housing and Community Development Act of 1992, including a description of any disposition and demolition plan for the public housing units.

"(2) EXTENSIONS.—The Secretary may extend the deadline in paragraph (1) by not more than 5 years if the Secretary makes a determination that the deadline is impracticable.

"(3) DEMOLITION AND DISPOSITION.—To the extent approved in advance in an appropriations Act, the Secretary may establish requirements and provide funding under the Urban Revitalization Demonstration program for demolition and disposition of public housing under this section.

"(d) CONVERSION TO TENANT-BASED ASSISTANCE.—

"(1) IN GENERAL.—The Secretary shall make authority available to a public housing agency to provide tenant-based assistance pursuant to section 8 to families residing in any development that is removed from the inventory of the public housing agency and the annual contributions contract pursuant to subsection (b).

"(2) CONVERSION PLANS.—Each conversion plan under subsection (c) shall—

"(A) require the agency to notify families residing in the development, consistent with any guidelines issued by the Secretary governing such notifications, that the development shall be removed from the inventory of the public housing agency and the families shall receive tenant-based or project-based assistance, and to provide any necessary counseling for families; and

"(B) ensure that all tenants affected by a determination under this section that a development shall be removed from the inventory of a public housing agency shall be offered tenant-based or project-based assistance and shall be relocated to other decent, safe, and affordable housing that is, to the maximum extent practicable, housing of their choice.

"(e) ADMINISTRATION.—

"(1) IN GENERAL.—The Secretary may require a public housing agency to provide such information as the Secretary considers necessary for the administration of this section.

"(2) APPLICABILITY OF SECTION 18.—SECTION 18 DOES NOT APPLY TO THE DEMOLITION OF DEVELOPMENTS REMOVED FROM THE INVENTORY OF THE PUBLIC HOUSING AGENCY UNDER THIS SECTION.".

SEC. 119. APPLICABILITY TO INDIAN HOUSING.

In accordance with section 201(b)(2) of the United States Housing Act of 1937, except as otherwise provided in this Act, this title and the amendments made by this title shall apply to public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority, as such term is defined in section 3(b) of the United States Housing Act of 1937.

TITLE II—SECTION 8 RENTAL ASSISTANCE

SEC. 201. MERGER OF THE CERTIFICATE AND VOUCHER PROGRAMS.

Section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) is amended to read as follows:

"(o) VOUCHER PROGRAM.—

"(1) PAYMENT STANDARD.—

"(A) IN GENERAL.—The Secretary may provide assistance to public housing agencies for tenant-based assistance using a payment standard established in accordance with subparagraph (B). The payment standard shall be used to determine the monthly assistance that may be paid for any family, as provided in paragraph (2).

"(B) ESTABLISHMENT OF PAYMENT STANDARD.—The payment standard shall not exceed 120 percent of the fair market rental established under subsection (c) and shall be not less than 80 percent of that fair market rental.

"(C) SET-ASIDE.—The Secretary may set aside not more than 5 percent of the budget authority available under this subsection as an adjustment pool. The Secretary shall use amounts in the adjustment pool to make adjusted payments to public housing agencies under subparagraph (A), to ensure continued affordability, if the Secretary determines that additional assistance for such purpose is necessary, based on documentation submitted by a public housing agency.

"(D) APPROVAL.—The public housing agency shall submit the payment standard of the public housing agency as part of the public housing agency plan submitted under section 5A.

"(E) REVIEW.—The Secretary shall monitor rent burdens and review any payment standard that results in a significant percentage of the families occupying units of any size paying more than 30 percent of adjusted income for rent. The Secretary shall require each public housing agency to modify the payment standard based on the results of such review.

"(2) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.—

"(A) FAMILIES RECEIVING TENANT-BASED ASSISTANCE; RENT DOES NOT EXCEED PAYMENT STANDARD.—For a family receiving tenant-based assistance under this title, if the rent for that family (including the amount allowed for tenant-paid utilities) does not exceed the payment standard established under paragraph (1), the monthly assistance payment to that family shall be equal to the amount by which the rent exceeds the greatest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by such agency to meet the housing costs of the family, the portion of such payments that is so designated.

"(B) FAMILIES RECEIVING TENANT-BASED ASSISTANCE; RENT EXCEEDS PAYMENT STANDARD.—For a family receiving tenant-based assistance under this title, if the rent for that family (including the amount allowed for tenant-paid utilities) exceeds the payment standard established under paragraph (1), the monthly assistance payment to that family shall be equal to the amount by which the applicable payment standard exceeds the greatest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by such agency to meet the housing costs of the family, the portion of such payments that is so designated.

"(C) FAMILIES RECEIVING PROJECT-BASED ASSISTANCE.—For a family receiving project-based assistance under this title, the rent that the family is required to pay shall be determined in accordance with section 3(a)(1), and the amount of the housing assistance payment shall be determined in accordance with subsection (c)(3) of this section.

"(3) FORTY PERCENT LIMIT.—At the time at which a family initially receives tenant-based assistance under this title with respect to any dwelling unit, the total amount that a family may be required to pay for rent may not exceed 40 percent of the monthly adjusted income of the family.

"(4) ELIGIBLE FAMILIES.—At the time at which a family initially receives assistance under this subsection, a family shall qualify as—

"(A) a very low-income family;

"(B) a family previously assisted under this title;

"(C) a low-income family that meets eligibility criteria specified by the public housing agency;

"(D) a family that qualifies to receive a voucher in connection with a homeownership program approved under title IV of the Cranston-Gonzalez National Affordable Housing Act; or

"(E) a family that qualifies to receive a voucher under section 223 or 226 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990.

"(5) ANNUAL REVIEW OF FAMILY INCOME.—Each public housing agency shall, not less frequently than annually, conduct a review of the family income of each family receiving assistance under this subsection.

"(6) SELECTION OF FAMILIES.—

"(A) IN GENERAL.—Each public housing agency may establish local preferences consistent with its public housing agency plan submitted under section 5A.

"(B) EVICTION FOR DRUG-RELATED ACTIVITY.—Any individual or family evicted from housing assisted under this subsection by reason of drug-related criminal activity (as defined in subsection (f)(5)) shall not be eligible for housing assistance under this title during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the public housing agency (which shall include waiver for any member of the family of an individual prohibited from receiving assistance under this title whom the public housing agency determines clearly did not participate in and had no knowledge of such criminal activity, or if the circumstances leading to the eviction no longer exist).

"(C) SELECTION OF TENANTS.—The selection of tenants shall be made by the owner of the dwelling unit, subject to the annual contributions contract between the Secretary and the public housing agency.

"(7) LEASE.—Each housing assistance payment contract entered into by the public housing agency and the owner of a dwelling unit shall provide that—

"(A) the screening and selection of households for such units shall be the function of the owner;

"(B) the lease between the tenant and the owner shall be for a term of not less than 1 year, except that the public housing agency may approve a shorter term for an initial lease between the tenant and the dwelling unit owner if the public housing agency determines that such shorter term would improve housing opportunities for the tenant;

"(C) except as otherwise provided by the public housing agency, may provide for a termination of the tenancy of a resident assisted under this subsection after 1 year;

"(D) the dwelling unit owner shall offer leases to tenants assisted under this subsection that are—

"(i) in a standard form used in the locality by the dwelling unit owner; and

"(ii) contain terms and conditions that—

"(I) are consistent with State and local law; and

"(II) apply generally to tenants in the property who are not assisted under this section;

"(E) the dwelling unit owner may not terminate the tenancy of any person assisted under this subsection during the term of a lease that meets the requirements of this section unless the owner determines, on the same basis and in the same manner as would apply to a tenant in the property who does not receive assistance under this subsection, that—

"(i) the tenant has committed a serious violation of the terms and conditions of the lease;

"(ii) the tenant has violated applicable Federal, State, or local law; or

"(iii) other good cause for termination of the tenancy exists; and

"(F) any termination of tenancy under this subsection shall be preceded by the provision of written notice by the owner to the tenant specifying the grounds for such action, and any relief shall be consistent with applicable State and local law.

"(8) INSPECTION OF UNITS BY PUBLIC HOUSING AGENCIES.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), for each dwelling unit for which a housing assistance payment contract is established under this subsection, the public housing agency shall—

"(i) inspect the unit before any assistance payment is made to determine whether the dwelling unit meets housing quality standards for decent and safe housing established—

"(I) by the Secretary for purposes of this subsection; or

"(II) by local housing codes that exceed housing quality standards or by housing agency-designed codes that exceed housing quality standards; and

"(ii) make periodic inspections during the contract term.

"(B) LEASING OF UNITS OWNED BY PUBLIC HOUSING AGENCY.—If an eligible household assisted under this subsection leases a dwelling unit that is owned by a public housing agency administering assistance under this subsection, the Secretary shall require the unit of general local government, or another entity approved by the Secretary, to make inspections and rent determinations as required by this paragraph.

"(9) EXPEDITED INSPECTION PROCEDURES.—The Secretary shall establish a demonstration project to identify efficient procedures to determine whether units meet housing quality standards for decent and safe housing established by the Secretary. The demonstration project shall include the development of procedures to be followed in any case in which a family receiving tenant-based assistance under this subsection is moving into a dwelling unit, or in which a family notifies the Secretary that a dwelling unit in which they no longer live fails to meet housing quality standards. The Secretary shall also establish procedures for the expedited repair and inspection of units that do not meet housing quality standards.

"(10) VACATED UNITS.—If a family vacates a dwelling unit, no assistance payment may be made under this subsection for the dwelling unit after the month during which the unit was vacated.

"(11) RENT.—

"(A) REASONABLE MARKET RENT.—The rent for dwelling units for which a housing assistance payment contract is established under this subsection shall be reasonable in comparison with rents charged for comparable dwelling units in the private, unassisted, local market.

"(B) NEGOTIATED RENT.—A public housing agency shall, at the request of a family receiving tenant-based assistance under this subsection, assist such family in negotiating a reasonable rent with a dwelling unit owner. A public housing agency shall review the rent for a unit under consideration by the family (and all rent increases for units under lease by the family) to determine whether the rent (or rent increase) requested by the owner is reasonable. If a public housing agency determines that the rent (or rent increase) for a dwelling unit is not reasonable, the public housing agency shall not make housing assistance payments to the owner under this subsection with respect to such unit.

"(C) UNITS EXEMPT FROM LOCAL RENT CONTROL.—If a dwelling unit for which a housing assistance payment contract is established under this subsection is exempt from local rent control provisions during the term of such contract, the rent for such unit shall be reasonable in comparison with other units in the market area that are exempt from local rent control provisions.

"(D) TIMELY PAYMENTS.—Each public housing agency shall make timely payment of any amounts due to a dwelling unit owner under this subsection. The housing assistance payment contract between the owner and the public housing agency may provide for penalties for the late payment of amounts due under the contract, which shall be imposed on the public housing agency in accordance with generally accepted practices in the local housing market.

"(E) PENALTIES.—Unless otherwise authorized by the Secretary, each public housing agency shall pay any penalties from administrative fees collected by the public housing agency.

"(12) MANUFACTURED HOUSING.—

"(A) IN GENERAL.—A public housing agency may make assistance payments in accordance with this subsection on behalf of a family that utilizes a manufactured home as its principal place of residence. Such payments may be made for the rental of the real property on which the manufactured home owned by any such family is located.

"(B) RENT CALCULATION.—

"(i) CHARGES INCLUDED.—For assistance pursuant to this paragraph, the rent for the space on which a manufactured home is located and with respect to which assistance payments are to be made shall include maintenance and management charges and tenant-paid utilities.

"(ii) PAYMENT STANDARD.—The public housing agency shall establish a payment standard for the purpose of determining the monthly assistance that may be paid for any family under this paragraph. The payment standard may not exceed an amount approved or established by the Secretary.

"(iii) MONTHLY ASSISTANCE PAYMENT.—The monthly assistance payment under this paragraph shall be determined in accordance with paragraph (2).

"(13) CONTRACT FOR ASSISTANCE PAYMENTS.—

"(A) IN GENERAL.—If the Secretary enters into an annual contributions contract under this subsection with a public housing agency pursuant to which the public housing agency will enter into a housing assistance payment contract with respect to an existing structure under this subsection, the housing assistance payment contract may not be attached to the structure unless the owner agrees to rehabilitate or newly construct the structure other than with assistance under this Act, and otherwise complies with the requirements of this section. The public housing agency may approve a housing assistance payment contract for such structures for not more than 15 percent of the funding available for tenant-based assistance administered by the public housing agency under this section.

"(B) EXTENSION OF CONTRACT TERM.—In the case of a housing assistance payment contract that applies to a structure under this paragraph, a public housing agency shall enter into a contract with the owner, contingent upon the future availability of appropriated funds for the purpose of renewing expiring contracts for assistance payments, as provided in appropriations Acts, to extend the term of the underlying housing assistance payment contract for such period as the Secretary determines to be appropriate to achieve long-term affordability of the housing. The contract shall obligate the owner to have such extensions of the underlying housing assistance payment contract accepted by the owner and the owner's successors in interest.

"(C) RENT CALCULATION.—For project-based assistance under this paragraph, housing assistance payment contracts shall establish rents and provide for rent adjustments in accordance with subsection (c).

"(14) INAPPLICABILITY TO TENANT-BASED ASSISTANCE.—Subsection (c) does not apply to tenant-based assistance under this subsection.

"(15) HOMEOWNERSHIP OPTION.—A public housing agency providing assistance under this subsection may, at the option of the agency, provide assistance for homeownership under subsection (y).".

SEC. 202. REPEAL OF FEDERAL PREFERENCES.

(a) SECTION 8 EXISTING AND MODERATE REHABILITATION.—Section 8(d)(1)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(1)(A)) is amended to read as follows:

"(A) the selection of tenants shall be the function of the owner, subject to the annual contributions contract between the Secretary and the agency, except that with respect to the certificate and moderate rehabilitation programs only, for the purpose of selecting families to be assisted, the public housing agency may establish, after public notice and an opportunity for public comment, a written system of preferences for selection that are not inconsistent with the comprehensive housing affordability strategy under title I of the Cranston-Gonzalez National Affordable Housing Act;".

(b) SECTION 8 NEW CONSTRUCTION AND SUBSTANTIAL REHABILITATION.—

(1) REPEAL.—Section 545(c) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is amended to read as follows:

"(c) [Reserved.]".

(2) PROHIBITION.—Notwithstanding any other provision of law, no Federal tenant selection preferences shall apply with respect to—

(A) housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of the United States Housing Act of 1937 (as such section existed on the day before October 1, 1983); or

(B) projects financed under section 202 of the Housing Act of 1959 (as such section existed on the day before the date of enactment of the Cranston-Gonzalez National Affordable Housing Act).

(c) RENT SUPPLEMENTS.—Section 101(k) of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s(k)) is amended to read as follows:

"(k) [Reserved.]".

(d) CONFORMING AMENDMENTS.—

(1) UNITED STATES HOUSING ACT OF 1937.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(A) in section 6(o), by striking "preference rules specified in" and inserting "written selection criteria established pursuant to";

(B) in section 7(a)(2), by striking "according to the preferences for occupancy under" and inserting "in accordance with the written selection criteria established pursuant to";

(C) in section 7(a)(3), by striking "who qualify for preferences for occupancy under" and inserting "who meet the written selection criteria established pursuant to";

(D) in section 8(d)(2)(A), by striking the last sentence;

(E) in section 8(d)(2)(H), by striking "notwithstanding subsection (d)(1)(A)(i), an" and inserting "An";

(F) in section 16(c), in the second sentence, by striking "the system of preferences established by the agency pursuant to section 6(c)(4)(A)(ii)" and inserting "the written selection criteria established by the public housing agency pursuant to section 6(c)(4)(A)"; and

(G) in section 24(e)—

(i) by striking "(e) EXCEPTIONS.—" and all that follows through "The Secretary may" and inserting the following:

"(e) EXCEPTION TO GENERAL PROGRAM REQUIREMENTS.—The Secretary may"; and

(ii) by striking paragraph (2).

(2) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—The Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704 et seq.) is amended—

(A) in section 455(a)(2)(D)(iii), by striking "would qualify for a preference under" and inserting "meet the written selection criteria established pursuant to";

(B) in section 522(f)(6)(B), by striking "any preferences for such assistance under section 8(d)(1)(A)(i)" and inserting "the written selection criteria established pursuant to section 8(d)(1)(A)"; and

(3) LOW-INCOME HOUSING PRESERVATION AND RESIDENT HOMEOWNERSHIP ACT OF 1990.—The second sentence of section 226(b)(6)(B) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4116(b)(6)(B)) is amended by striking "requirement for giving preferences to certain categories of eligible families under" and inserting "written selection criteria established pursuant to".

(4) HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking "preferences for occupancy" and all that follows before the period at the end and inserting "selection criteria established by the owner to elderly families according to such written selection criteria, and to near-elderly families according to such written selection criteria, respectively".

(5) REFERENCES IN OTHER LAW.—Any reference in any Federal law other than any provision of any law amended by paragraphs (1) through (5) of this subsection or section 201 to the preferences for assistance under

section 6(c)(4)(A)(i), 8(d)(1)(A)(i), or 8(o)(3)(B) of the United States Housing Act of 1937 (as such sections existed on the day before the date of enactment of this Act) shall be considered to refer to the written selection criteria established pursuant to section 6(c)(4)(A), 8(d)(1)(A), or 8(o)(6)(A), respectively, of the United States Housing Act of 1937, as amended by this subsection and section 201 of this Act.

SEC. 203. PORTABILITY.

Section 8(r) of the United States Housing Act of 1937 (42 U.S.C. 1437f(r)) is amended—

(1) in paragraph (1), by striking "assisted under subsection (b) or (o)" and inserting "receiving tenant-based assistance under subsection (o)";

(2) in paragraph (3)—

(A) by striking "(b) or"; and

(B) by adding at the end the following new sentence: "The Secretary may reserve amounts available for assistance under subsection (o) to compensate public housing agencies that issue vouchers to families that move into the jurisdiction of the public housing agency under portability procedures."; and

(3) by adding at the end the following new paragraph:

"(5) LEASE VIOLATIONS.—A family may not receive a voucher from a public housing agency and move to another jurisdiction under the tenant-based assistance program if the family has moved out of the assisted dwelling unit of the family in violation of a lease.".

SEC. 204. LEASING TO VOUCHER HOLDERS.

Section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)) is amended to read as follows:

"(t) [Reserved.]".

SEC. 205. HOMEOWNERSHIP OPTION.

Section 8(y) of the United States Housing Act of 1937 (42 U.S.C. 1437f(y)) is amended—

(1) in paragraph (1)(A), by inserting before the semicolon ", or owns or is acquiring shares in a cooperative";

(2) in paragraph (1)(B)(i), by inserting before the semicolon "and demonstrates to the public housing agency that it has sufficient resources for homeownership";

(3) by amending paragraph (2) to read as follows:

"(2) DETERMINATION OF AMOUNT OF ASSISTANCE.—

"(A) MONTHLY EXPENSES DO NOT EXCEED PAYMENT STANDARD.—If the monthly homeownership expenses, as determined in accordance with requirements established by the Secretary, do not exceed the payment standard, the monthly assistance payment shall be the amount by which the homeownership expenses exceed the highest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by such agency to meet the housing costs of the family, the portion of such payments that is so designated.

"(B) MONTHLY EXPENSES EXCEED PAYMENT STANDARD.—If the monthly homeownership expenses, as determined in accordance with requirements established by the Secretary, exceed the payment standard, the monthly assistance payment shall be the amount by which the applicable payment standard exceeds the highest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by such agency to meet the housing costs of the family, the portion of such payments that is so designated.";

(4) by striking paragraphs (3) and (4); and

(5) by redesignating paragraphs (5) through (8) as paragraphs (3) through (6), respectively.

SEC. 206. TECHNICAL AND CONFORMING AMENDMENTS.

(a) CONTRACT PROVISIONS AND REQUIREMENTS.—Section 6(p)(1)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437d(p)(1)(B)) is amended by striking "holding certificates and vouchers" and inserting "receiving tenant-based assistance".

(b) LOWER INCOME HOUSING ASSISTANCE.—Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) is amended—

(1) in subsection (a), by striking the second and third sentences;

(2) in subsection (b)—

(A) in the section heading, by striking "RENTAL CERTIFICATES AND"; and

(B) in the first undesignated paragraph—

(i) by striking "The Secretary" and inserting the following:

"(1) IN GENERAL.—The Secretary"; and

(ii) by striking the second sentence;

(3) in subsection (c)—

(A) in paragraph (3)—

(i) by striking "(A)"; and

(ii) by striking subparagraph (B);

(B) in the first sentence of paragraph (4), by striking "or by a family that qualifies to receive" and all that follows through "1990";

(C) by striking paragraph (5) and redesignating paragraph (6) as paragraph (5);

(D) by striking paragraph (7) and redesignating paragraphs (8) through (10) as paragraphs (6) through (8), respectively;

(E) in paragraph (6), as redesignated, by inserting "(other than a contract under section 8(o))" after "section";

(F) in paragraph (7), as redesignated, by striking "(but not less than 90 days in the case of housing certificates or vouchers under subsection (b) or (o))" and inserting ", other than a contract for tenant-based assistance under this section"; and

(G) in paragraph (8), as redesignated, by striking "Secretary" and inserting "contract administrator";

(4) in subsection (d)—

(A) in paragraph (1)(B)(iii), by striking "on or near such premises"; and

(B) in paragraph (2)—

(i) in subparagraph (A), by striking the third sentence and all that follows through the end of the subparagraph; and

(ii) by striking subparagraph (B) and inserting the following:

"(B) [Reserved.]";

(5) in subsection (f)—

(A) in paragraph (6), by striking "(d)(2)" and inserting "(o)(11)"; and

(B) in paragraph (7)—

(i) by striking "(b) or"; and

(ii) by inserting before the period the following: "and that provides for the eligible family to select suitable housing and to move to other suitable housing";

(6) by striking subsection (j) and inserting the following:

"(j) [Reserved.]";

(7) by striking subsection (n) and inserting the following:

"(n) [Reserved.]";

(8) in subsection (q)—

(A) in the first sentence of paragraph (1), by striking "and housing voucher programs under subsections (b) and (o)" and inserting "program under this section";

(B) in paragraph (2)(A)(i), by striking "and housing voucher programs under subsections (b) and (o)" and inserting "program under this section"; and

(C) in paragraph (2)(B), by striking "and housing voucher programs under subsections (b) and (o)" and inserting "program under this section";

(9) in subsection (u), by striking "certificates or" each place such term appears; and

(10) in subsection (x)(2), by striking "housing certificate assistance" and inserting "tenant-based assistance".

(c) RENTAL REHABILITATION AND DEVELOPMENT GRANTS.—Section 17(d)(6)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437o(d)(6)(B)) is amended by striking "holding certificates under" and inserting "receiving tenant-based assistance".

(d) PUBLIC HOUSING HOMEOWNERSHIP AND MANAGEMENT OPPORTUNITIES.—Section 21(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437f(b)) is amended—

(1) in the first sentence, by striking "(at the option of the family) a certificate under section 8(b)(1) or a housing voucher under section 8(o)" and inserting "tenant-based assistance under section 8"; and

(2) by striking the second sentence.

(e) DOCUMENTATION OF EXCESSIVE RENT BURDENS.—Section 550(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is amended—

(1) in paragraph (1), by striking "assisted under the certificate and voucher programs established" and inserting "receiving tenant-based assistance";

(2) in the first sentence of paragraph (2)—

(A) by striking ", for each of the certificate program and the voucher program" and inserting "for the tenant-based assistance under section 8"; and

(B) by striking "participating in the program" and inserting "receiving tenant-based assistance"; and

(3) in paragraph (3), by striking "assistance under the certificate or voucher program" and inserting "tenant-based assistance under section 8 of the United States Housing Act of 1937".

(f) GRANTS FOR COMMUNITY RESIDENCES AND SERVICES.—Section 861(b)(1)(D) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12910(b)(1)(D)) is amended by striking "certificates or vouchers" and inserting "assistance".

(g) SECTION 8 CERTIFICATES AND VOUCHERS.—Section 931 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437c note) is amended by striking "assistance under the certificate and voucher programs under sections 8(b) and (o) of such Act" and inserting "tenant-based assistance under section 8 of the United States Housing Act of 1937".

(h) ASSISTANCE FOR DISPLACED TENANTS.—Section 223(a) of the Housing and Community Development Act of 1987 (12 U.S.C. 4113(a)) is amended by striking "assistance under the certificate and voucher programs under sections 8(b) and 8(o)" and inserting "tenant-based assistance under section 8".

(i) RURAL HOUSING PRESERVATION GRANTS.—Section 533(a) of the Housing Act of 1949 (42 U.S.C. 1490m(a)) is amended in the second sentence by striking "assistance payments as provided by section 8(o)" and inserting "tenant-based assistance as provided under section 8".

(j) REPEAL OF MOVING TO OPPORTUNITIES FOR FAIR HOUSING DEMONSTRATION.—Section 152 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note) is repealed.

(k) PREFERENCES FOR ELDERLY FAMILIES AND PERSONS.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking "the first sentence of section 8(o)(3)(B)" and inserting "section 8(o)(6)(A)".

(*l*) ASSISTANCE FOR TROUBLED MULTIFAMILY HOUSING PROJECTS.—Section 201(m)(2)(A) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1715z-1a(m)(2)(A)) is amended by striking "section 8(b)(1)" and inserting "section 8".

(m) MANAGEMENT AND DISPOSITION OF MULTIFAMILY HOUSING PROJECTS.—Section 203(g)(2) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1701z-11(g)(2)), as amended by section 101(b) of the Multifamily Housing Property Disposition Reform Act of 1994, is amended by striking "8(o)(3)(B)" and inserting "8(o)(6)(A)".

SEC. 207. IMPLEMENTATION.

In accordance with the negotiated rulemaking procedures set forth in subchapter III of chapter 5 of title 5, United States Code, the Secretary shall issue such regulations as may be necessary to implement the amendments made by this title after notice and opportunity for public comment.

SEC. 208. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this title shall become effective not later than 1 year after the date of enactment of this Act.

(b) CONVERSION ASSISTANCE.—

(1) IN GENERAL.—The Secretary may provide for the conversion of assistance under the certificate and voucher programs under subsections (b) and (o) of section 8 of the United States Housing Act of 1937, as such sections existed before the effective date of the amendments made by this title, to the voucher program established by the amendments made by this title.

(2) CONTINUED APPLICABILITY.—The Secretary may apply the provisions of the United States Housing Act of 1937, or any other provision of law amended by this title, as such provisions existed on the day before the effective date of the amendments made by this title, to assistance obligated by the Secretary before such effective date for the certificate or voucher program under section 8 of the United States Housing Act of 1937, if the Secretary determines that such action is necessary for simplification of program administration, avoidance of hardship, or other good cause.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. PUBLIC HOUSING FLEXIBILITY IN THE CHAS.

Section 105(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)) is amended—

(1) by redesignating the second paragraph designated as paragraph (17) (as added by section 681(2) of the Housing and Community Development Act of 1992) as paragraph (20);

(2) by redesignating paragraph (17) (as added by section 220(b)(3) of the Housing and Community Development Act of 1992) as paragraph (19);

(3) by redesignating the second paragraph designated as paragraph (16) (as added by section 220(c)(1) of the Housing and Community Development Act of 1992) as paragraph (18);

(4) in paragraph (16)—

(A) by striking the period at the end; and

(B) by striking "(16)" and inserting "(17)";

(5) by redesignating paragraphs (11) through (15) as paragraphs (12) through (16), respectively; and—

(6) by inserting after paragraph (10) the following new paragraph:

"(11) describe how the jurisdiction's plan will help address the needs of public housing and coordinate with the local public housing agency plan under section 5A of the United States Housing Act of 1937;".

SEC. 302. PUBLIC HOUSING FLEXIBILITY IN THE HOME PROGRAM.

Section 212(d) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12742) is amended—

(1) in paragraph (3), by adding "or" at the end;

(2) by striking paragraphs (4) and (5); and

(3) by redesignating paragraph (6) as paragraph (4).

SEC. 303. REPEAL OF CERTAIN PROVISIONS.

(a) MAXIMUM ANNUAL LIMITATION ON RENT INCREASES RESULTING FROM EMPLOYMENT.—

(1) REPEAL.—Section 957 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12714) is repealed.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be deemed to have the same effective date as section 957 of the Cranston-Gonzalez National Affordable Housing Act.

(b) ECONOMIC INDEPENDENCE.—

(1) REPEAL.—Section 923 of the Housing and Community Development Act of 1992 (42 U.S.C. 12714 note) is repealed.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be deemed to have the same effective date as section 923 of the Housing and Community Development Act of 1992.

SEC. 304. DETERMINATION OF INCOME LIMITS.

(a) IN GENERAL.—Section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)) is amended—

(1) in the fourth sentence—

(A) by striking "County" and inserting "and Rockland Counties"; and

(B) by inserting "each" before "such county"; and

(2) in the fifth sentence, by striking "County" each place such term appears and inserting "and Rockland Counties".

(b) REGULATIONS.—Not later than the expiration of the 90-day period beginning on the date of the enactment of this Act, the Secretary shall issue regulations implementing the amendments made by subsection (a).

PUBLIC HOUSING REFORM AND RESIDENT EMPOWERMENT ACT—SUMMARY OF KEY PROVISIONS

FINDINGS

Recognizes the Federal government's limited capacity and expertise to manage and oversee 3,400 public housing agencies nationwide. Acknowledges the concentration of the very poor in very poor neighborhoods, disincentives for economic self-sufficiency, and lack of resident choice have been the unintended consequences resulting from Federal micromanagement of housing programs in the past.

PURPOSE

To reform the public housing system by consolidating programs, streamlining program requirements, and providing maximum flexibility and discretion to public housing authorities (PHAs) who perform well with strict accountability to residents and localities, and to address the problems of housing authorities with severe management deficiencies.

BASIC PROVISIONS

Program consolidation.—Consolidates public housing programs into two flexible block grants—one for operating expenses and one for capital needs. Requires HUD to establish new formulas through negotiated rulemaking.

Elimination of obsolete regulations.—Eliminates all current HUD rules, regulations, handbooks, and notices pertaining to the 1937 Housing Act one year after enactment; requires HUD to propose new regulations necessary to carry out revised Act within 6 months.

Public housing agency plan [PHAP].—As a condition for funding, requires each PHA to submit annually a written agency plan to HUD, developed with an advisory board made up of residents and members of the community. The plan is intended to serve as an operating, management and planning tool for PHAs. The plan would include: a description of the PHA's uses for operating and capital funds; a description of the PHA's management policies; procedures relating to eligibility, selection, and admission; and policies involving marketing, rents, security, and tenant empowerment activities.

Vouchering out of public housing.—Allows PHAs to convert any public housing development to a tenant-based or "voucher" system, but requires the vouchering out of all severely distressed public housing. Requires each PHA to assess all public housing for the purpose of vouchering out by performing a cost and market analysis and an impact analysis on the affected community.

Choice and opportunity for residents.—Provides families with vouchers and the freedom to move out of housing projects that are in deplorable, unlivable condition. Involves residents in the process of developing a PHA plan that is responsive to their needs. Provides funds for resident organizations to develop resident management and empowerment activities.

Federal preferences.—Repeals Federal preferences and allows PHAs to operate according to locally established preferences consistent with local housing needs.

Income targeting and eligibility.—Allows PHAs to serve families with incomes up to 80 percent of median income, except that at least 40 percent of the units must be reserved for families whose income does not exceed 30 percent of the area median.

Rent flexibility.—Allows high performing PHAs to establish rents with protections for very low income families (families with incomes below 30 percent of the area median would not have to pay more than 30 percent of their income for rent, except that a PHA could charge a minimum rent up to $30 per month). Encourages PHAs to develop rental policies that encourage and reward employment and upward mobility.

Ceiling rents.—Allows PHAs to set ceiling rents that reflect the reasonable rental value of units in order to remove the disincentive for residents to work or seek higher paying jobs where rents are based on a percentage of income.

Minimum rents.—Allows PHAs to set a minimum rent for both Section 8 and public housing units, not to exceed $30 per month.

Income adjustments.—Allows a PHA to disregard certain income in calculating rents to take away the disincentive for tenants to work and earn higher incomes.

Troubled PHAs.—Requires HUD to take over or appoint a receiver for PHAs that are in substantial default within one year of enactment. Expands HUD's powers for dealing with troubled PHAs by allowing it to break up troubled agencies into one or more agencies, abrogate contracts that impede correction of the agency's default, and demolish and dispose of a PHA's assets.

Demolition and disposition.—Repeals the one-for-one replacement requirement and streamlines the demolition and disposition process to permit PHAs to dispose of vacant or obsolete housing.

Criminal activity.—Strengthens the ability of PHAs to evict residents for drug-related criminal activity; denies housing assistance to residents evicted for drug-related activities for up to three years; and provides PHAs with greater access to the criminal conviction records of adult applicants and residents.

Consortia and joint ventures.—Allows PHAs to form a consortium with other PHAs, form and operate wholly-owned or controlled subsidiaries, or enter into joint ventures, partnerships or other business arrangements to administer housing programs.

Designated housing for the elderly and disabled.—Permits PHAs to separate elderly and disabled persons by designating specific projects or parts of projects for a particular population only.

Work requirements.—Requires residents to perform 8 hours of community work per month with the exception for the elderly, disabled and those working full time.

Section 8 tenant based assistance.—Merges the voucher and certificate program into a single voucher program that emphasizes lease requirements similar to the market place. Repeals requirements that are administratively burdensome to landlords, such as "take one take all," endless lease, federal preferences, and ninety-day termination notice requirements.

Mr. D'AMATO. Mr. President, I rise to cosponsor the Public Housing Reform and Empowerment Act of 1995. I wish to salute Senators CONNIE MACK and KIT BOND for their successful leadership in the development of this legislation. Without their guidance and direction, there would not be a public housing reform bill before you today. Both Senators are to be commended for their strong commitment to improving housing conditions in America.

Mr. President, "The Public Housing Reform and Empowerment Act of 1995" is an important first step in the lengthy process of addressing the housing concerns of our nation. It represents a significant starting point in the passage of long overdue reforms of the Department of Housing and Urban Development [HUD]. Given limited Federal resources and the need to balance the budget within 7 years, Congress must find more cost-effective ways to provide affordable housing. This bill represents a concrete step in the fulfillment of Congress' responsibility to the American taxpayer to ensure that every Federal dollar is maximized to its greatest potential.

Substantial input from HUD, public housing authorities, tenant associations and other interested parties has been received and incorporated into this legislation. However, I look forward to additional examination of this bill and further improvement of its provisions.

Mr. President, the Honorable Senator from Florida has outlined the provisions of the bill in great detail. I would like to comment on several guiding principles of the legislation. First, it would reform the public housing system through the devolution of control from the Federal Government to the public housing authorities and their tenants. It would consolidate programs, streamline program requirements and provide greatly increased flexibility to public housing authorities.

The bill also provides incentives to facilitate the transition from welfare to work and empower public housing tenants. This will allow our nation's public housing residents a greater opportunity to achieve economic independence. Furthermore, the bill would streamline the demolition and disposition process of distressed housing projects through the repeal of the one-for-one replacement requirement and other measures.

The bill recognizes that public housing is most effective when there is a viable income mix among its residents. Federal preferences would be repealed. High performance public housing authorities would be allowed to establish rents with protections provided for very low-income families. The "Brooke Amendment," which does not allow a rent greater than 30 percent of tenant income, would be waived in some instances. I will continue to closely analyze the impact, both immediate and future, which such a waiver would have on the tenants whom we are committed to serving. Also, special protections should be considered for elderly and disabled individuals living on fixed incomes.

The safety and security of the residents of public and assisted housing is a paramount objective. To that end, the bill would allow public housing authorities increased access to criminal conviction records and permit greater flexibility in the eviction of drug criminals. Public housing authorities depend on drug elimination funding to provide police to safeguard law-abiding tenants. I will continue to closely examine the practical effects of the bill's provision which would fold the drug elimination grant program into a block grant.

"The Public Housing Reform and Empowerment Act" officially embarks us on the reinvention of the Department of Housing and Urban Development and the redirection of our Nation's housing policy. I would like to personally congratulate Senator MACK for his initiative and steadfastness in producing a public housing reform bill which is thoughtful and well-balanced. As chairman of the Banking Subcommittee on Housing Opportunity and Community Development, he faces the strong challenge of reforming the Department of Housing and Urban Development. I strongly support the Senator's deliberate and measured approach to addressing the complex and difficult housing issues before us.

HUD is at a crossroads. HUD's fiscal crisis, poor management, and lack of capacity have placed the Department in a situation in which it can no longer continue with business as usual. HUD is expected to do too much and has too many varied and competing constituencies. We must determine which current functions should be transferred to other Federal agencies or other levels of government and which programs, if any, should be preserved within HUD.

The Banking Committee and its Housing Subcommittees will continue to evaluate proposals for HUD reorganization and elimination. Congress will seek to thoroughly address a myriad of housing issues.

I would like to acknowledge Senator LAUCH FAIRCLOTH, chairman of the Banking Subcommittee on HUD Oversight and Structure, for his diligence in his oversight role of the Department of Housing and Urban Development. His forthright views on the future of HUD effectively serve to widen the debate on the Department's potential for reform.

Additional legislative initiatives to reform HUD will be offered. However, reforms must be made with caution and careful consideration of budgetary and social impacts. Congress must assess fully the potential ramifications of statutory change on State and local governments and entities, the capital and bond markets, property owners and managers, local communities, and program recipients.

We must remember that the fundamental goal of this process is to address adequately the affordable housing and community development needs of our citizens in a time of dwindling Federal resources. It is imperative that we protect our needy poor and working class residents whom these programs are intended to serve. I believe this bill balances the social purpose of public and assisted housing programs while also responding to Federal fiscal constraints.

I look forward to working with all Members of the Banking Committee on a bipartisan basis to ensure the swift passage of this important housing initiative.

Mr. BOND. Mr. President, today, Senator MACK, Senator D'AMATO, and I are introducing a housing reauthorization bill, the Public Housing Reform and Empowerment Act of 1995.

Over the last several months, I have worked with my colleagues on the appropriating committee where I serve as chairman of the VA/HUD Appropriations Subcommittee, and my fellow members of the housing authorizing committee to do something about the train wreck that has occurred in public housing. Within this context, this public housing reform bill dovetails with many of the public housing reforms contained in the VA/HUD FY 1996 appropriations bill and reflects the need to provide streamlined programs and local responsibility as the most appropriate method to address local housing needs. This bill also represents a complete overhaul of the public housing system and a move away from HUD's "one size fits all" mentality.

As I discussed on this floor this summer, when the rescissions bill was before us, HUD not only is a dysfunctional agency but it has made far too many commitments to be able to live up to those commitments. HUD has undertaken advance commitments for new housing beyond its ability and capacity particularly under these budget constraints to fund.

We have in the rescissions bill taken over $6 billion out of the current year's budget authority for Department of Housing and Urban Development. In the coming fiscal year, our subcommittee has over $9 billion less for budget authority than we do in the current year. As a result, the budgetary pressures are forcing us to reevaluate all HUD housing and community development programs, including the public housing programs. It is not only the budget pressures, Mr. President; it is the total lack of foresight in planning in HUD that has led us to the situation where reforms are vitally needed.

Any of us who go back to our States and talk with people who are in housing, who are concerned about providing housing for those in need, know that reforms are needed. The housing reauthorization bill that I am introducing with my colleagues on the Banking Committee today goes a long way towards making the changes in law that will enable public housing authorities in local jurisdictions to make the decisions that are so vitally important to assure that we continue to supply housing to those who are counting on it.

In public housing, frankly, we are going to move to two flexible block grants, one for operating funds, one for capital grants. I emphasize flexibility; for example, the operating funds should be used by well performing public housing authority as that housing authority wants and needs. Too many times in too many areas we have seen HUD trying to second-guess the decisions made by those who are on-site directly responsible to the residents or tenants they serve, and the decisions have been delayed or denied. There has been an inordinate amount of red tape and delay, hamstringing the ability of public housing authorities to move forward.

This block grant system would allow PHAs to make the decisions on operating funds. PHAs also would have a separate fund for capital grants. This would enable them to decide how to modernize or rehabilitate public housing or, in many instances, demolish unusable and obsolete public housing.

We also tell housing authorities that if they have uninhabitable housing units that are not good places to raise families, that are unsafe, unclean, crime and drug havens, then they ought to tear them down and move those families out. This to me is a very important step for us to clean up our communities and provide decent housing for the people who depend upon publicly assisted housing.

We think there are tremendous savings and tremendously improved services that will come about from getting HUD out of the business of micromanaging public housing at the local level.

Now, we believe that good performing public housing authorities ought to be freed of the day-to-day regulation by HUD. We would require that all public housing authorities submit a public housing agency plan to HUD that tells how they are going to serve their tenants. They would have an advisory committee made up of 60 percent of the tenants or residents who would work with them on the plan, but the housing authority would have the final authority.

That plan would be submitted to the HUD Secretary, and the Secretary would have 45 days to disapprove it. If it were not disapproved, it would be in effect. The only reasons the Secretary could disapprove a plan is if it is incomplete, does not comply with law, or HUD has other information that the housing authority is not living up to the commitments made in its previous plans. So there would be some minimal oversight for good performing public housing.

We also make it clear that where public housing authorities are not doing their job, HUD can then step in and provide more extensive oversight, and if they are totally failed public housing authorities, HUD would be empowered to take over the authorities, be able to petition for a receiver and take over the management, turn it over to a competent manager, either private sector, not-for-profit or for-profit manager to make sure that the people who are in public housing are well served.

I have seen too many instances, as I have visited public housing authorities around this country, where they are not being well served; the residents are not being well served because too much time, effort and energy is being spent on complying with rules, requirements, and directives that HUD bureaucrats have laid down that make no sense and do not serve local needs.

In addition to the basic structure, we get rid of permanently the one-for-one hard unit replacement rule on public housing. That has prevented many, many housing authorities and communities from tearing down outmoded, obsolete and unsafe public housing units. Even though there may only be 25 percent occupancy, the rules that HUD has previously operated under say if you tear down a dilapidated, unsafe housing project, which is only 25 percent occupied, you have to replace it with 100 percent of the units. This removes the ability to make common sense decisions on the demolition and disposition of public housing. The Secretary of HUD has agreed with us, that the one-for-one replacement rule needs to go. That is essential for our communities.

This legislation would still continue to protect the poorest of the poor by requiring public housing authorities to continue to make 40 percent of all units available to families whose incomes do not exceed 30 percent of the area median income, and to make all other units available to families with incomes no greater than 80 percent of median.

This bill also addresses the problem of mixed populations in public housing where we house both the elderly and the young disabled, including drug abusers, alcoholics, and people with mental disabilities. This has been a significant housing problem and this housing legislation would provide local flexibility to designate elderly-only housing and disabled-only housing, subject to strong tenant protections. The existing, burdensome HUD requirements have proven to be unacceptable and unworkable.

Finally this bill reforms and consolidates the section 8 voucher and certificate programs into a single voucher program which is designed to reduce administrative burden and increase the acceptability of vouchers in the private housing market.

I think of this bill as part of a downpayment on a larger HUD reform which I expect will be pursued through appropriations and the Banking Committee. I reemphasize that the job is not simple; as chairman of the VA/HUD Appropriations Subcommittee and as a member of the Housing Opportunities Subcommittee of the Senate Banking Committee, I can personally attest to the many complexities of HUD programs and the need to redirect federal housing and community development policy from federal micromanagement to state and local decisionmaking.

HUD has become the poster child for bad government. Nevertheless, I am not recommending that we dismantle HUD, but I do suggest that we devolve many of HUD's responsibilities to states and localities or other entities better able to handle them.

Mr. President, I see that my time has expired. I ask unanimous consent that a letter in support of this measure prepared by the Missouri National Association of Housing Officers be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MISSOURI CHAPTER, NATIONAL ASSOCIATION OF HOUSING AND REDEVELOPMENT OFFICIALS,
Jefferson City, MO, September 15, 1995.
Hon. CHRISTOPHER S. BOND,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOND: The members of the Missouri Chapter of the National Association of Housing and Redevelopment Officials (NAHRO), representing 250 members of public housing organizations across the state today voted to endorse the draft Bond-Mack Public Housing Reform and Empowerment Act of 1995.

There is a need for safe, affordable housing in every community. Yet public housing authorities cannot hope to meet the needs of their communities in a new era of spending limitations without the flexibility to design and administer housing programs for their own set of challenges. Further, de-emphasizing the Housing and Urban Development Department's reams of regulations in favor of better accountability assessment and incentives is an idea which is long overdue.

The Bond-Mack legislation offers a reasonable step toward continuing a federal housing policy with consistent eligibility guidelines and rent floors, yet allowing the establishment of local priorities by providing broad flexibility for demolishing and disposing of obsolete public housing and simplifying the procedures for designating elderly and disabled public housing.

Especially important in this difficult budget time is the Bond-Mack bill's elimination of the numerous, restrictive funding categories administered by HUD in favor of a flexible Operating Fund and Capital Fund with part of the Capital Fund available for use for Operating Fund projects. The bill also consolidates the Section 8 voucher and certificate programs into a single voucher program, which translates into improved administrative efficiencies.

Public housing authorities welcome the opportunity to show that we can improve housing and streamline bureaucratic regulations if given the opportunity. The Bond-Mack bill recognizes that only by replacing restrictive federal regulations with local flexibility can public housing meet the needs of its communities in tough budget times, and we appreciate having had the opportunity to work with you and your staff during the drafting of the bill. Missouri NAHRO looks forward to continuing to work closely with you as the legislation continues to develop and move toward final passage.

Sincerely,

ALLEN POLLOCK, PE,
President, MO NAHRO.

By Mr. MOYNIHAN:

S. 1261. A bill to amend the Internal Revenue Code of 1986 to prevent the avoidance of tax through the use of foreign trusts; to the Committee on Finance.

THE USE OF FOREIGN TRUSTS TO AVOID U.S. TAXES

Mr. MOYNIHAN. Mr. President, I rise today to introduce legislation designed to stem the use of foreign trusts for the avoidance of U.S. taxes. The administration's fiscal year 1996 budget, which contained a series of proposals for change in the taxation of income from foreign trusts, called attention to this problem earlier this year. Since then, I have been committed to developing practical rules to dramatically improve tax compliance when foreign trusts are used, without unduly burdening legitimate financial transactions. The bill I introduce today represents a serious attempt to achieve that balance.

It is difficult to estimate precisely the magnitude of tax avoidance occurring through the use of foreign trusts. But we have some disturbing evidence. Under current law, U.S. taxpayers are required to report the assets held in foreign trusts that they have established. But the IRS reports that only $1.5 billion of foreign trust assets were reported in 1993. The estimates of total U.S. source funds held abroad in tax haven jurisdictions are staggering by comparison, in the hundreds of billions.

In 1989, the New York Times reported that financial institutions in the Cayman Islands, Luxembourg, and the Bahamas had $240 billion, $200 billion, and $180 billion, respectively, on deposit from the United States. (New York Times, October 29, 1989, pg. 10.) More recently, Barron's estimated that a total of $440 billion was on deposit in the Cayman Islands in 1993, with 60 percent of that amount—$264 billion—coming from the United States. (Barron's, January 4, 1993, pg. 14.) To put this in some perspective, Barron's calculated that there was more American money on deposit in the Cayman Islands than in all of the commercial banks in California. Although only a portion of U.S. funds abroad are held in foreign trusts, the Treasury Department estimates that tens of billions of dollars are held in offshore asset protection trusts established by U.S. persons.

Undoubtedly motivations behind establishing offshore accounts vary, and tax advantages may pale in comparison to the ability to protect assets from U.S. tort or other liabilities. Whatever the initial motivation for moving assets offshore, however, it seems clear that a very large portion of the assets soon disappear insofar as U.S. tax reporting is concerned. The result is rampant tax avoidance. Because tax haven jurisdictions typically have bank secrecy laws, the IRS is effectively precluded from uncovering the information necessary to enforce our tax laws. Tax enforcement is almost entirely dependent upon voluntary reporting by taxpayers, and the evidence is clear that voluntary compliance in this area is lacking.

Something must be done, and the intent behind this bill is to end the ease with which taxpayers can reduce their tax bills by legally or illegally taking advantage of existing foreign trust rules.

Over the past several months I have received extensive comments from practitioners and academics concerning the administration's original foreign trust proposals and possible alternatives. These comments have been very useful. I would like to thank in particular the tax section of the New York State Bar Association for their detailed analysis. A tremendous amount of work went into their submission, prepared on request and within a very short period of time.

The bill I introduce today is substantially revised from the original administration bill—S. 453—to reflect many of the comments received. It has been developed over the last few months in cooperation with my counterpart on the Ways and Means Committee, Congressman GIBBONS, who has been unwavering in his efforts to improve tax compliance in the foreign area. I have also worked with the Treasury Department to develop rules that adequately address the needs for effective tax administration.

There are a number of aspects to this legislation. The provisions designed to enable the IRS to obtain better information on foreign trusts are perhaps the most significant. The bill would substantially strengthen the current information reporting rules on transfers to, and annual operations of, foreign trusts. Among other changes, the bill includes new rules designed to lead most foreign trusts established by U.S. persons to appoint a U.S. agent that can provide trust information to the IRS. In addition, the recipients of monies from foreign trusts would be required to report amounts received. Penalties for failure to comply with reporting requirements would be raised so that they have genuine deterrent effect—as contrasted to the nominal penalties of current law.

The bill would also close a number of loopholes in the existing grantor trust tax rules, a series of rules that specify when the existence of a trust will be ignored for tax purposes because the creator of the trust retains sufficient control over the assets transferred to be appropriately treated as continuing to own the assets. For example, a foreign person—generally not taxable in the United States—transferring assets to a trust for the benefit of U.S. persons generally would not be treated as the tax owner of the assets in the trust unless the trust was fully revocable. Instead, the U.S. beneficiary receiving income from the trust would be taxed on receipt of that income.

The ability to manipulate other foreign trust rules also would be curbed. A U.S. beneficiary's use of property of a foreign trust would be treated as the receipt of a distribution from the trust, taxable to the beneficiary. In addition, a U.S. beneficiary receiving a distribution from a foreign trust's accumulated income would be charged a market rate of interest on taxes due—on a prospective basis—rather than the currently prescribed 6 percent simple interest.

Finally, the bill includes rules to provide greater certainty as to the classification of a trust as foreign or domestic. Under current law, there is considerable uncertainty on this issue because the determination is based on all relevant facts.

A more comprehensive description of the bill, and of the major differences between the legislation that I introduce today and the original administration proposal, has been prepared. I ask unanimous consent that this summary, together with the bill, be placed in the RECORD at the conclusion of my remarks.

Mr. President, I believe this legislation represents a balanced approach to the problem of tax avoidance through the use of foreign trusts, and a significant improvement over the administration's initial legislative proposal. There should be an opportunity to act this year to end the use of foreign trusts to avoid U.S. taxes. I look forward to continuing this effort.

Mr. President, I ask unanimous consent that the text of the bill and additional material be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1261

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Foreign Trust Tax Compliance Act of 1995".

SEC. 2. IMPROVED INFORMATION REPORTING ON FOREIGN TRUSTS.

(a) IN GENERAL.—Section 6048 of the Internal Revenue Code of 1986 (relating to returns as to certain foreign trusts) is amended to read as follows:

"SEC. 6048. INFORMATION WITH RESPECT TO CERTAIN FOREIGN TRUSTS.

"(a) NOTICE OF CERTAIN EVENTS.—

"(1) GENERAL RULE.—On or before the 90th day (or such later day as the Secretary may prescribe) after any reportable event, the responsible party shall provide written notice of such event to the Secretary in accordance with paragraph (2).

"(2) CONTENTS OF NOTICE.—The notice required by paragraph (1) shall contain such information as the Secretary may prescribe, including—

"(A) the amount of money or other property (if any) transferred to the trust in connection with the reportable event, and

"(B) the identity of the trust and of each trustee and beneficiary (or class of beneficiaries) of the trust.

"(3) REPORTABLE EVENT.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'reportable event' means—

"(i) the creation of any foreign trust by a United States person,

"(ii) the transfer of any money or property (directly or indirectly) to a foreign trust by a United States person, including a transfer by reason of death, and

"(iii) the death of a citizen or resident of the United States if—

"(I) the decedent was treated as the owner of any portion of a foreign trust under the rules of subpart E of part I of subchapter J of chapter 1, or

"(II) any portion of a foreign trust was included in the gross estate of the decedent.

"(B) EXCEPTIONS.—

"(i) FAIR MARKET VALUE SALES.—Subparagraph (A)(ii) shall not apply to any transfer of property to a trust in exchange for consideration of at least the fair market value of the transferred property. For purposes of the preceding sentence, consideration other than cash shall be taken into account at its fair market value and the rules of section 679(a)(3) shall apply.

"(ii) PENSION AND CHARITABLE TRUSTS.—Subparagraph (A) shall not apply with respect to a trust which is—

"(I) described in section 404(a)(4) or 404A, or

"(II) determined by the Secretary to be described in section 501(c)(3).

"(4) RESPONSIBLE PARTY.—For purposes of this subsection, the term 'responsible party' means—

"(A) the grantor in the case of the creation of an inter vivos trust,

"(B) the transferor in the case of a reportable event described in paragraph (3)(A)(ii) other than a transfer by reason of death, and

"(C) the executor of the decedent's estate in any other case.

"(b) UNITED STATES GRANTOR OF FOREIGN TRUST.—

"(1) IN GENERAL.—If, at any time during any taxable year of a United States person, such person is treated as the owner of any portion of a foreign trust under the rules of subpart E of part I of subchapter J of chapter 1, such person shall be responsible to ensure that—

"(A) such trust makes a return for such year which sets forth a full and complete accounting of all trust activities and operations for the year, the name of the United States agent for such trust, and such other information as the Secretary may prescribe, and

"(B) such trust furnishes such information as the Secretary may prescribe to each United States person (i) who is treated as the owner of any portion of such trust or (ii) who receives (directly or indirectly) any distribution from the trust.

"(2) TRUSTS NOT HAVING UNITED STATES AGENT.—

"(A) IN GENERAL.—If the rules of this subsection apply to any foreign trust, the determination of amounts required to be taken into account with respect to such trust by a United States person under the rules of subpart E of part I of subchapter J of chapter 1 shall be determined by the Secretary in the Secretary's sole discretion from the Secretary's own knowledge or from such information as the Secretary may obtain through testimony or otherwise.

"(B) UNITED STATES AGENT REQUIRED.—The rules of this subsection shall apply to any foreign trust to which paragraph (1) applies unless such trust agrees (in such manner, subject to such conditions, and at such time as the Secretary shall prescribe) to authorize a United States person to act as such trust's limited agent solely for purposes of applying sections 7602, 7603, and 7604 with respect to—

"(i) any request by the Secretary to examine records or produce testimony related to the proper treatment of amounts required to be taken into account under the rules referred to in subparagraph (A), or

"(ii) any summons by the Secretary for such records or testimony.

The appearance of persons or production of records by reason of a United States person being such an agent shall not subject such persons or records to legal process for any purpose other than determining the correct treatment under this title of the amounts required to be taken into account under the rules referred to in subparagraph (A). A foreign trust which appoints an agent described in this subparagraph shall not be considered to have an office or a permanent establishment in the United States, or to be engaged in a trade or business in the United States, solely because of the activities of such agent pursuant to this subsection.

"(C) OTHER RULES TO APPLY.—Rules similar to the rules of paragraphs (2) and (4) of section 6038A(e) shall apply for purposes of this paragraph.

"(c) REPORTING BY UNITED STATES BENEFICIARIES OF FOREIGN TRUSTS.—

"(1) IN GENERAL.—If any United States person receives (directly or indirectly) during any taxable year of such person any distribution from a foreign trust, such person shall make a return with respect to such trust for such year which includes—

"(A) the name of such trust,

"(B) the aggregate amount of the distributions so received from such trust during such taxable year, and

"(C) such other information as the Secretary may prescribe.

"(2) INCLUSION IN INCOME IF RECORDS NOT PROVIDED.—If adequate records are not provided to the Secretary to determine the proper treatment of any distribution from a foreign trust, such distribution shall be treated as an accumulation distribution includible in the gross income of the distributee under chapter 1. To the extent provided in regulations, the preceding sentence shall not apply if the foreign trust elects to be subject to rules similar to the rules of subsection (b)(2)(B).

"(d) SPECIAL RULES.—

"(1) DETERMINATION OF WHETHER UNITED STATES PERSON RECEIVES DISTRIBUTION.—For purposes of this section, in determining whether a United States person receives a distribution from a foreign trust, the fact that a portion of such trust is treated as owned by another person under the rules of subpart E of part I of subchapter J of chapter 1 shall be disregarded.

"(2) DOMESTIC TRUSTS WITH FOREIGN ACTIVITIES.—To the extent provided in regulations, a trust which is a United States person shall be treated as a foreign trust for purposes of this section and section 6677 if such trust has substantial activities, or holds substantial property, outside the United States.

"(3) TIME AND MANNER OF FILING INFORMATION.—Any notice or return required under this section shall be made at such time and in such manner as the Secretary shall prescribe.

"(4) MODIFICATION OF RETURN REQUIREMENTS.—The Secretary is authorized to suspend or modify any requirement of this section if the Secretary determines that the United States has no significant tax interest in obtaining the required information."

(b) INCREASED PENALTIES.—Section 6677 of such Code (relating to failure to file information returns with respect to certain foreign trusts) is amended to read as follows:

"SEC. 6677. FAILURE TO FILE INFORMATION WITH RESPECT TO CERTAIN FOREIGN TRUSTS.

"(a) CIVIL PENALTY.—In addition to any criminal penalty provided by law, if any notice or return required to be filed by section 6048—

"(1) is not filed on or before the time provided in such section, or

"(2) does not include all the information required pursuant to such section or includes incorrect information,

the person required to file such notice or return shall pay a penalty equal to 35 percent of the gross reportable amount. If any failure described in the preceding sentence continues for more than 90 days after the day on which the Secretary mails notice of such failure to the person required to pay such penalty, such person shall pay a penalty (in addition to the amount determined under the preceding sentence) of $10,000 for each 30-day period (or fraction thereof) during which such failure continues after the expiration of such 90-day period.

"(b) SPECIAL RULES FOR RETURNS UNDER SECTION 6048(b).—In the case of a return required under section 6048(b)—

"(1) the United States person referred to in such section shall be liable for the penalty imposed by subsection (a), and

"(2) subsection (a) shall be applied by substituting '5 percent' for '35 percent'.

"(c) GROSS REPORTABLE AMOUNT.—For purposes of subsection (a), the term 'gross reportable amount' means—

"(1) the gross value of the property involved in the event (determined as of the date of the event) in the case of a failure relating to section 6048(a),

"(2) the gross value of the portion of the trust's assets at the close of the year treated as owned by the United States person in the case of a failure relating to section 6048(b)(1), and

"(3) the gross amount of the distributions in the case of a failure relating to section 6048(c).

"(d) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed by this section on any failure which is shown to be due to reasonable cause and not due to willful neglect. The fact that a foreign jurisdiction would impose a civil or criminal penalty on the taxpayer (or any other person) for disclosing the required information is not reasonable cause.

"(e) DEFICIENCY PROCEDURES NOT TO APPLY.—Subchapter B of chapter 63 (relating to deficiency procedures for income, estate, gift, and certain excise taxes) shall not apply in respect of the assessment or collection of any penalty imposed by subsection (a)."

(c) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 6724(d) of such Code is amended by striking "or" at the end of subparagraph (S), by striking the period at the end of subparagraph (T) and inserting ", or", and by inserting after subparagraph (T) the following new subparagraph:

"(U) section 6048(b)(1)(B) (relating to foreign trust reporting requirements)."

(2) The table of sections for subpart B of part III of subchapter A of chapter 61 is of such Code amended by striking the item relating to section 6048 and inserting the following new item:

"Sec. 6048. Information with respect to certain foreign trusts."

(3) The table of sections for part I of subchapter B of chapter 68 of such Code is amended by striking the item relating to section 6677 and inserting the following new item:

"Sec. 6677. Failure to file information with respect to certain foreign trusts."

(d) EFFECTIVE DATES.—

(1) REPORTABLE EVENTS.—To the extent related to subsection (a) of section 6048 of the Internal Revenue Code of 1986, as amended by this section, the amendments made by this section shall apply to reportable events (as defined in such section 6048) occurring after the date of the enactment of this Act.

(2) GRANTOR TRUST REPORTING.—To the extent related to subsection (b) of such section 6048, the amendments made by this section shall apply to taxable years of United States persons beginning after the date of the enactment of this Act.

(3) REPORTING BY UNITED STATES BENEFICIARIES.—To the extent related to subsection (c) of such section 6048, the amendments made by this section shall apply to distributions received after the date of the enactment of this Act.

SEC. 3. MODIFICATIONS OF RULES RELATING TO FOREIGN TRUSTS HAVING ONE OR MORE UNITED STATES BENEFICIARIES.

(a) TREATMENT OF TRUST OBLIGATIONS, ETC.—

(1) Paragraph (2) of section 679(a) of the Internal Revenue Code of 1986 is amended by striking subparagraph (B) and inserting the following:

"(B) TRANSFERS AT FAIR MARKET VALUE.—To any transfer of property to a trust in exchange for consideration of at least the fair market value of the transferred property. For purposes of the preceding sentence, consideration other than cash shall be taken into account at its fair market value."

(2) Subsection (a) of section 679 of such Code (relating to foreign trusts having one or more United States beneficiaries) is amended by adding at the end the following new paragraph:

"(3) CERTAIN OBLIGATIONS NOT TAKEN INTO ACCOUNT UNDER FAIR MARKET VALUE EXCEPTION.—

"(A) IN GENERAL.—In determining whether paragraph (2)(B) applies to any transfer by a person described in clause (ii) or (iii) of subparagraph (C), there shall not be taken into account—

"(i) any obligation of a person described in subparagraph (C), and

"(ii) to the extent provided in regulations, any obligation which is guaranteed by a person described in subparagraph (C).

"(B) TREATMENT OF PRINCIPAL PAYMENTS ON OBLIGATION.—Principal payments by the trust on any obligation referred to in subparagraph (A) shall be taken into account on and after the date of the payment in determining the portion of the trust attributable to the property transferred.

"(C) PERSONS DESCRIBED.—The persons described in this subparagraph are—

"(i) the trust,

"(ii) any grantor or beneficiary of the trust, and

"(iii) any person who is related (within the meaning of section 643(i)(3)) to any grantor or beneficiary of the trust."

(b) EXEMPTION OF TRANSFERS TO CHARITABLE TRUSTS.—Subsection (a) of section 679 of such Code is amended by striking "section 404(a)(4) or 404A" and inserting "section 6048(a)(3)(B)(ii)".

(c) OTHER MODIFICATIONS.—Subsection (a) of section 679 of such Code is amended by adding at the end the following new paragraphs:

"(4) SPECIAL RULES APPLICABLE TO FOREIGN GRANTOR WHO LATER BECOMES A UNITED STATES PERSON.—

"(A) IN GENERAL.—If a nonresident alien individual has a residency starting date within 5 years after directly or indirectly transferring property to a foreign trust, this section and section 6048 shall be applied as if such individual transferred to such trust on the residency starting date an amount equal to the portion of such trust attributable to the property transferred by such individual to such trust in such transfer.

"(B) TREATMENT OF UNDISTRIBUTED INCOME.—For purposes of this section, undistributed net income for periods before such individual's residency starting date shall be taken into account in determining the portion of the trust which is attributable to property transferred by such individual to such trust but shall not otherwise be taken into account.

"(C) RESIDENCY STARTING DATE.—For purposes of this paragraph, an individual's residency starting date is the residency starting date determined under section 7701(b)(2)(A).

"(5) OUTBOUND TRUST MIGRATIONS.—If—

"(A) an individual who is a citizen or resident of the United States transferred property to a trust which was not a foreign trust, and

"(B) such trust becomes a foreign trust while such individual is alive,

then this section and section 6048 shall be applied as if such individual transferred to such trust on the date such trust becomes a foreign trust an amount equal to the portion of such trust attributable to the property previously transferred by such individual to such trust. A rule similar to the rule of paragraph (4)(B) shall apply for purposes of this paragraph."

(d) MODIFICATIONS RELATING TO WHETHER TRUST HAS UNITED STATES BENEFICIARIES.—Subsection (c) of section 679 of such Code is amended by adding at the end the following new paragraphs:

"(3) CERTAIN UNITED STATES BENEFICIARIES DISREGARDED.—A beneficiary shall not be treated as a United States person in applying this section with respect to any transfer of property to foreign trust if such beneficiary first became a United States person more than 5 years after the date of such transfer.

"(4) TREATMENT OF FORMER UNITED STATES PERSONS.—To the extent provided by the Secretary, for purposes of this subsection, the term 'United States person' includes any person who was a United States person at any time during the existence of the trust."

(e) TECHNICAL AMENDMENT.—Subparagraph (A) of section 679(c)(2) is amended to read as follows:

"(A) in the case of a foreign corporation, such corporation is a controlled foreign corporation (as defined in section 957(a)),".

(f) REGULATIONS.—Section 679 is amended by adding at the end the following new subsection:

"(d) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section."

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers of property after February 6, 1995.

SEC. 4. FOREIGN PERSONS NOT TO BE TREATED AS OWNERS UNDER GRANTOR TRUST RULES.

(a) GENERAL RULE.—

(1) Subsection (f) of section 672 of the Internal Revenue Code of 1986 (relating to special rule where grantor is foreign person) is amended to read as follows:

"(f) SUBPART NOT TO RESULT IN FOREIGN OWNERSHIP.—

"(1) IN GENERAL.—Notwithstanding any other provision of this subpart, this subpart shall apply only to the extent such application results in an amount being currently taken into account (directly or through 1 or more entities) under this chapter in computing the income of a citizen or resident of the United States or a domestic corporation.

"(2) EXCEPTIONS.—

"(A) CERTAIN REVOCABLE AND IRRECOVABLE TRUSTS.—

"(i) IN GENERAL.—Except as provided in clause (ii), paragraph (1) shall not apply to any trust if—

"(I) the power to revest absolutely in the grantor title to the trust property is exercisable solely by the grantor without the approval or consent of any other person or with the consent of a related or subordinate party who is subservient to the grantor, or

"(II) the only amounts distributable from such trust (whether income or corpus) during the lifetime of the grantor are amounts distributable to the grantor or the spouse of the grantor.

"(ii) EXCEPTION.—Clause (i) shall not apply to any trust which has a beneficiary who is a United States person to the extent such beneficiary has made transfers of property by gift (directly or indirectly) to a foreign person who is the grantor of such trust. For purposes of the preceding sentence, any gift shall not be taken into account to the extent such gift is excluded from taxable gifts under section 2503(b).

"(B) COMPENSATORY TRUSTS.—Except as provided in regulations, paragraph (1) shall not apply to any portion of a trust distributions from which are taxable as compensation for services rendered.

"(3) SPECIAL RULES.—Except as otherwise provided in regulations prescribed by the Secretary—

"(A) a controlled foreign corporation (as defined in section 957) shall be treated as a domestic corporation for purposes of paragraph (1), and

"(B) paragraph (1) shall not apply for purposes of applying part III of subchapter G (relating to foreign personal holding companies) and part VI of subchapter P (relating to treatment of certain passive foreign investment companies).

"(4) RECHARACTERIZATION OF PURPORTED GIFTS.—In the case of any transfer directly or indirectly from a partnership or foreign corporation which the transferee treats as a gift or bequest, the Secretary may recharacterize such transfer in such circumstances as the Secretary determines to be appropriate to prevent the avoidance of the purposes of this subsection.

"(5) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this subsection, including regulations providing that paragraph (1) shall not apply in appropriate cases."

(2) The last sentence of subsection (c) of section 672 of such Code is amended by inserting "subsection (f) and" before "sections 674".

(b) CREDIT FOR CERTAIN TAXES.—Paragraph (2) of section 665(d) of such Code is amended by adding at the end the following new sentence: "Under rules or regulations prescribed by the Secretary, in the case of any foreign trust of which the settlor or another person would be treated as owner of any portion of the trust under subpart E but for section 672(f), the term 'taxes imposed on the trust' includes the allocable amount of any income, war profits, and excess profits taxes imposed by any foreign country or possession of the United States on the settlor or such other person in respect of trust gross income."

(c) DISTRIBUTIONS BY CERTAIN FOREIGN TRUSTS THROUGH NOMINEES.—

(1) Section 643 of such Code is amended by adding at the end the following new subsection:

"(h) DISTRIBUTIONS BY CERTAIN FOREIGN TRUSTS THROUGH NOMINEES.—For purposes of this part, any amount paid to a United States person which is derived directly or indirectly from a foreign trust of which the payor is not the grantor shall be deemed in the year of payment to have been directly paid by the foreign trust to such United States person."

(2) Section 665 of such Code is amended by striking subsection (c).

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided by paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) EXCEPTION FOR CERTAIN TRUSTS.—The amendments made by this section shall not apply to any trust—

(A) which is treated as owned by the grantor or another person under section 676 or 677 (other than subsection (a)(3) thereof) of the Internal Revenue Code of 1986, and

(B) which is in existence on September 19, 1995.

The preceding sentence shall not apply to the portion of any such trust attributable to any transfer to such trust after September 19, 1995.

(e) TRANSITIONAL RULE.—If—

(1) by reason of the amendments made by this section, any person other than a United States person ceases to be treated as the owner of a portion of a domestic trust, and

(2) before January 1, 1997, such trust becomes a foreign trust, or the assets of such trust are transferred to a foreign trust,

no tax shall be imposed by section 1491 of the Internal Revenue Code of 1986 by reason of such trust becoming a foreign trust or the assets of such trust being transferred to a foreign trust.

SEC. 5. INFORMATION REPORTING REGARDING FOREIGN GIFTS.

(a) IN GENERAL.—Subpart A of part III of subchapter A of chapter 61 of the Internal Revenue Code of 1986 is amended by inserting after section 6039E the following new section:

"SEC. 6039F. NOTICE OF GIFTS RECEIVED FROM FOREIGN PERSONS.

"(a) IN GENERAL.—If the value of the aggregate foreign gifts received by a United States person (other than an organization described in section 501(c) and exempt from tax under section 501(a)) during any taxable year exceeds $10,000, such United States person shall furnish (at such time and in such manner as the Secretary shall prescribe) such information as the Secretary may prescribe regarding each foreign gift received during such year.

"(b) FOREIGN GIFT.—For purposes of this section, the term 'foreign gift' means any amount received from a person other than a United States person which the recipient treats as a gift or bequest. Such term shall not include any qualified transfer (within the meaning of section 2503(e)(2)).

"(c) PENALTY FOR FAILURE TO FILE INFORMATION.—

"(1) IN GENERAL.—If a United States person fails to furnish the information required by subsection (a) with respect to any foreign gift within the time prescribed therefor (including extensions)—

"(A) the tax consequences of the receipt of such gift shall be determined by the Secretary in the Secretary's sole discretion from the Secretary's own knowledge or from such information as the Secretary may obtain through testimony or otherwise, and

"(B) such United States person shall pay (upon notice and demand by the Secretary and in the same manner as tax) an amount equal to 5 percent of the amount of such foreign gift for each month for which the failure continues (not to exceed 25 percent of such amount in the aggregate).

"(2) REASONABLE CAUSE EXCEPTION.— Paragraph (1) shall not apply to any failure to report a foreign gift if the United States person shows that the failure is due to reasonable cause and not due to willful neglect.

"(d) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.".

(b) CLERICAL AMENDMENT.—The table of sections for such subpart is amended by inserting after the item relating to section 6039E the following new item:

"Sec. 6039F. Notice of large gifts received from foreign persons."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts received after the date of the enactment of this Act in taxable years ending after such date.

SEC. 6. MODIFICATION OF RULES RELATING TO FOREIGN TRUSTS WHICH ARE NOT GRANTOR TRUSTS.

(a) MODIFICATION OF INTEREST CHARGE ON ACCUMULATION DISTRIBUTIONS.—Subsection (a) of section 668 of the Internal Revenue Code of 1986 (relating to interest charge on accumulation distributions from foreign trusts) is amended to read as follows:

"(a) GENERAL RULE.—For purposes of the tax determined under section 667(a)—

"(1) INTEREST DETERMINED USING UNDERPAYMENT RATES.—The interest charge determined under this section with respect to any distribution is the amount of interest which would be determined on the partial tax computed under section 667(b) for the period described in paragraph (2) using the rates and the method under section 6621 applicable to underpayments of tax.

"(2) PERIOD.—For purposes of paragraph (1), the period described in this paragraph is the period which begins on the date which is the applicable number of years before the date of the distribution and which ends on the date of the distribution.

"(3) APPLICABLE NUMBER OF YEARS.—For purposes of paragraph (2)—

"(A) IN GENERAL.—The applicable number of years with respect to a distribution is the number determined by dividing—

"(i) the sum of the products described in subparagraph (B) with respect to each undistributed income year, by

"(ii) the aggregate undistributed net income.

The quotient determined under the preceding sentence shall be rounded under procedures prescribed by the Secretary.

"(B) PRODUCT DESCRIBED.—For purposes of subparagraph (A), the product described in this subparagraph with respect to any undistributed income year is the product of—

"(i) the undistributed net income for such year, and

"(ii) the sum of the number of taxable years between such year and the taxable year of the distribution (counting in each case the undistributed income year but not counting the taxable year of the distribution).

"(4) UNDISTRIBUTED INCOME YEAR.—For purposes of this subsection, the term 'undistributed income year' means any prior taxable year of the trust for which there is undistributed net income, other than a taxable year during all of which the beneficiary receiving the distribution was not a citizen or resident of the United States.

"(5) Determination of undistributed net income.—Notwithstanding section 666, for purposes of this subsection, an accumulation distribution from the trust shall be treated as reducing proportionately the undistributed net income for prior taxable years.

"(6) Periods before 1996.—Interest for the portion of the period described in paragraph (2) which occurs before January 1, 1996, shall be determined—

"(A) by using an interest rate of 6 percent, and

"(B) without compounding until January 1, 1996."

(b) Abusive Transactions.—Section 643(a) of such Code is amended by inserting after paragraph (6) the following new paragraph:

"(7) Abusive transactions.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this part, including regulations to prevent avoidance of such purposes."

(c) Treatment of Use of Trust Property.—

(1) In general.—Section 643 of such Code (relating to definitions applicable to subparts A, B, C, and D) is amended by adding at the end the following new subsection:

"(i) Use of Foreign Trust Property.—For purposes of subparts B, C, and D—

"(1) General rule.—If a foreign trust makes a loan of cash or marketable securities directly or indirectly to—

"(A) any grantor or beneficiary of such trust who is a United States person, or

"(B) any United States person not described in subparagraph (A) who is related to such grantor or beneficiary,

the amount of such loan shall be treated as a distribution by such trust to such grantor or beneficiary (as the case may be).

"(2) Use of other property.—Except as provided in regulations prescribed by the Secretary, any direct or indirect use of trust property (other than cash or marketable securities) by a person referred to in subparagraph (A) or (B) of paragraph (1) shall be treated as a distribution to the grantor or beneficiary (as the case may be) equal to the fair market value of the use of such property. The Secretary may prescribe regulations treating a loan guarantee by the trust as a use of trust property equal to the value of the guarantee.

"(3) Definitions and special rules.—For purposes of this subsection—

"(A) Cash.—The term 'cash' includes foreign currencies and cash equivalents.

"(B) Related person.—

"(i) In general.—A person is related to another person if the relationship between such persons would result in a disallowance of losses under section 267 or 707(b). In applying section 267 for purposes of the preceding sentence, section 267(c)(4) shall be applied as if the family of an individual includes the spouses of the members of the family.

"(ii) Allocation of use.—If any person described in paragraph (1)(B) is related to more than one person, the grantor or beneficiary to whom the treatment under this subsection applies shall be determined under regulations prescribed by the Secretary.

"(C) Exclusion of tax-exempts.—The term 'United States person' does not include any entity exempt from tax under this chapter.

"(D) Trust not treated as simple trust.—Any trust which is treated under this subsection as making a distribution shall be treated as not described in section 651.

"(4) Subsequent transactions regarding loan principal.—If any loan is taken into account under paragraph (1), any subsequent transaction between the trust and the original borrower regarding the principal of the loan (by way of complete or partial repayment, satisfaction, cancellation, discharge, or otherwise) shall be disregarded for purposes of this title."

(2) Technical amendment.—Paragraph (8) of section 7872(f) is amended by inserting ", 643(i)," before "or 1274" each place it appears.

(d) Effective Dates.—

(1) Interest charge.—The amendment made by subsection (a) shall apply to distributions after the date of the enactment of this Act.

(2) Abusive transactions.—The amendment made by subsection (b) shall take effect on the date of the enactment of this Act.

(3) Use of trust property.—The amendment made by subsection (c) shall apply to—

(A) loans of cash or marketable securities after September 19, 1995, and

(B) uses of other trust property after December 31, 1995.

SEC. 7. RESIDENCE OF ESTATES AND TRUSTS, ETC.

(a) Treatment as United States Person.—

(1) In general.—Paragraph (30) of section 7701(a) of the Internal Revenue Code of 1986 is amended by striking subparagraph (D) and by inserting after subparagraph (C) the following:

"(D) any estate or trust if—

"(i) a court within the United States is able to exercise primary supervision over the administration of the estate or trust, and

"(ii) in the case of a trust, one or more United States fiduciaries have the authority to control all substantial decisions of the trust."

(2) Conforming amendment.—Paragraph (31) of section 7701(a) of such Code is amended to read as follows:

"(31) Foreign estate or trust.—The term 'foreign estate' or 'foreign trust' means any estate or trust other than an estate or trust described in section 7701(a)(30)(D)."

(3) Effective date.—The amendments made by this subsection shall apply—

(A) to taxable years beginning after December 31, 1996, or

(B) at the election of the trustee of a trust, to taxable years ending after the date of the enactment of this Act.

Such an election, once made, shall be irrevocable.

(b) Domestic Trusts Which Become Foreign Trusts.—

(1) In general.—Section 1491 of such Code (relating to imposition of tax on transfers to avoid income tax) is amended by adding at the end the following new flush sentence:

"If a trust which is not a foreign trust becomes a foreign trust, such trust shall be treated for purposes of this section as having transferred, immediately before becoming a foreign trust, all of its assets to a foreign trust."

(2) Penalty.—Section 1494 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(c) Penalty.—In the case of any failure to file a return required by the Secretary with respect to any transfer described in section 1491, the person required to file such return shall be liable for the penalties provided in section 6677 in the same manner as if such failure were a failure to file a return under section 6048(a)."

(3) Effective date.—The amendments made by this subsection shall take effect on the date of the enactment of this Act.

Summary of Foreign Trust Proposals

I. Information Reporting

A. Transferors to Foreign Trusts

Current Law. U.S. persons are required to report transfers of money or property to a foreign trust. Any person who fails to file the required information is subject to a penalty of 5 percent of the amount transferred to the foreign trust, up to a maximum of $1,000. A reasonable cause exception is available.

Reasons for Change. Existing penalties have not proven adequate to encourage some U.S. taxpayers to report transfers to foreign trusts. Information reporting of transfers to such trusts is necessary to identify transactions subject to existing excise taxes and to identify foreign trusts that must be monitored in the future.

Proposal. The proposal would increase the penalty for failure to report a transfer to a foreign trust. The new penalty would be 35 percent of the gross value of the property transferred. In addition, monetary penalties could be imposed for continuing noncompliance with IRS requests for information. The reasonable cause exception is retained. The proposal would be effective for transfers occurring after the date of enactment.

Differences from the Administration Proposal. The current proposal is similar to the Administration proposal.

B. U.S. Grantors of Foreign Trusts

Current Law. A U.S. grantor of a foreign trust is required to provide an annual accounting of trust activities to the IRS. Any person who fails to file the required information is subject to a penalty of 5 percent of the value of the corpus of the trust, up to a maximum of $1,000. A reasonable cause exception is available.

Reasons for Change. Existing information reporting rules predate the significant expansion of the foreign grantor trust rules in 1976. In general, penalties for noncompliance with reporting requirements are minimal. As a result, U.S. grantors of foreign trusts often do not report the income earned by foreign trusts. Because these foreign trusts are frequently established in tax haven jurisdictions with stringent secrecy rules, IRS attempts to verify income earned by foreign trusts are often unsuccessful. A regime which allows the IRS access to information held by the foreign trust is necessary to enforce existing law.

Proposal. The proposal would require a U.S. grantor of a foreign trust to cause the trust to (1) appoint a U.S. agent that can provide relevant information to the IRS; and (2) provide an annual accounting of trust activities, including separate schedules (K-1s) for income attributable to the U.S. grantor. If the foreign trust does not appoint a U.S. agent, the IRS would be authorized to determine, in its discretion, the tax consequences of any trust transactions. The proposal would retain the existing penalty for failure to file of 5 percent of the value of the trust corpus, except that the penalty would no longer be limited to $1,000. In addition, monetary penalties could be imposed for continuing noncompliance with IRS requests for information. The reasonable cause exception is retained. The proposal would be effective for taxable years of the U.S. grantor beginning after the date of enactment.

Differences from the Administration Proposal. The Administration proposal would have allowed the IRS to redetermine tax consequences if the trust did not appoint a U.S. agent or if the trust did not file the required information. The current proposal modifies the Administration proposal by limiting the special IRS redetermination rule to instances where the trust does not appoint a U.S. agent. The Administration proposal would have imposed a monetary penalty of 35 percent of trust income if either the agent were not appointed or the information were not provided. The current proposal modifies this penalty to 5 percent of trust assets, and only imposes the penalty if the required information is not reported.

C. Beneficiaries of Foreign Trusts

Current Law. U.S. persons receiving distributions from foreign nongrantor trusts are required to report them on their U.S. income tax return. If distributions are not reported, the U.S. person could be subject to general tax penalties for failure to report taxable income. A reasonable cause exception is available. U.S. persons receiving distributions from a foreign grantor trust are not required to report them to the IRS.

Reasons for Change. Existing penalties have not proven adequate to encourage some U.S. taxpayers to report distributions from foreign nongrantor trusts. In addition, requiring reporting of distributions from foreign grantor trusts will allow the IRS to verify that the foreign trust is a grantor trust.

Proposal. The proposal would require a U.S. person receiving money or property from a foreign trust, whether a grantor trust or a nongrantor trust, to disclose the distribution on the individual's Federal income tax return. If a beneficiary does not disclose distributions or does not have sufficient records to substantiate the tax treatment of the distributions, then the distributions will be considered distributions of accumulated income from the trust's average year (the years the trust has been in existence divided by two). If the beneficiary does not disclose distributions or provides inaccurate information, a penalty equal to 35 percent of the trust distributions would be imposed upon the beneficiary. In addition, monetary penalties could be imposed for continuing noncompliance with IRS requests for information. The reasonable cause exception is retained. It is intended that the IRS respect the privacy of foreign taxpayers to the extent consistent with the interests of tax administration. This proposal would be effective with respect to distributions received after the date of enactment.

Differences from the Administration Proposal. The Administration proposal placed the responsibility of reporting trust distributions on the trust. The current proposal places that responsibility on the beneficiary.

II. OUTBOUND FOREIGN GRANTOR TRUSTS

Under current law, a special rule applicable to foreign trusts established by a U.S. person for the benefit of U.S. persons provides that such trusts are generally "grantor trusts", and the U.S. transferor is treated as the owner of property transferred to the trust. The proposal revises certain exceptions to this foreign grantor trust rule.

A. Sales to Foreign Trusts

Current Law. Sales of property to a foreign trust at fair market value are not transfers that are subject to the foreign grantor trust rule.

Reasons for Change. U.S. persons who transfer property to foreign trusts sometimes attempt to inappropriately avoid the foreign grantor trust rule by selling property to a foreign trust in exchange for a note from the trust which the U.S. transferor may not intend to collect. (If there is no bona fide debt, these transactions are subject to challenge under current law, because the exchange would not be at fair market value.)

Proposal. The proposal disregards any obligation issued or guaranteed by the trust to any related person in determining whether a sale to a foreign trust is for fair market value. This proposal would be effective for assets transferred to foreign trusts after February 6, 1995.

Differences from the Administration Proposal. The Administration proposal would have disregarded any trust obligation issued or guaranteed by the trust to any U.S. person. The current proposal only applies this rule to trust obligations issued to related persons.

B. Pre-immigration Trust

Current Law. The foreign grantor trust rule does not apply to a foreign settlor who transfers property to a foreign trust for the benefit of U.S. persons even if the settlor later becomes a U.S. person.

Reasons for Change. Prior to becoming residents of the United States, foreign persons often put their assets into irrevocable trusts in tax haven jurisdictions for the benefit of U.S. persons. As a result, the future trust income escapes U.S. tax until distribution. Thus, under current law, U.S. persons who have immigrated to the United States are able to avoid current taxation of trust income in ways that are not available to other U.S. persons.

Proposal. If a foreign person transfers property to a foreign trust with U.S. beneficiaries and the foreign person then becomes a U.S. person within five years of the transfer, the transferor would be treated as the owner of the trust assets when he becomes a U.S. person. This proposal would be effective for assets transferred to foreign trusts after February 6, 1995.

Differences from the Administration Proposal. The current proposal is similar to the Administration proposal.

C. Outbound Trust Migrations

Current Law. Although Revenue Ruling 91–6, 1991–1 C.B. 89, describes the rules that must be applied when a foreign trust becomes a domestic trust, current rules do not clearly describe the tax consequences of a domestic trust becoming a foreign trust.

Reasons for Change. Outbound trust migrations are becoming more common as tax haven jurisdictions enact legislation to enable U.S. trusts to move to those jurisdictions. Rules should be clarified to ensure that taxpayers will not be able to achieve tax results through the outbound migration of a domestic trust that they could not achieve directly by the creation of a foreign trust.

Proposal. If a domestic trust becomes a foreign trust during the life of a U.S. person who transferred assets to the domestic trust, the U.S. transferor will be considered the grantor of the foreign trust. This proposal would generally be effective for trust migrations after February 6, 1995.

Differences from the Administration Proposal. Under the Administration proposal, unless outbound trust migrations were part of a prearranged plan, beneficiaries of the migrating trust would be considered the grantors of the trust. Under the current proposal, if a U.S. person who transferred assets to a migrating trust is alive, that person is considered the grantor of the trust. If the transferor is not alive, a migrating trust is subject to the section 1491 excise tax (described below).

D. Other Provisions

Transfers at Death. The Administration proposal would have treated U.S. beneficiaries as grantors of foreign trusts which were funded at the death of a U.S. person. The current proposal does not include these provisions.

Discretionary Beneficiaries. Because of changes to the treatment of transfers at death and trust migrations, the provisions in the Administration proposal relating to the determination of a beneficiary's proportionate interests in trusts are no longer necessary. The current proposal does not include these provisions.

III. INBOUND FOREIGN GRANTOR TRUSTS

Current Law. A person with certain powers over the trust assets (the "grantor") is taxed as if he owned the trust assets directly. This treatment is designed to prevent attempts to shift income from U.S. grantors to U.S. beneficiaries who are likely to be paying taxes at lower rates than the grantor of the trust. Consequently, under existing anti-abuse grantor trust rules, the grantor of such a trust is taxed as if he owned the trust assets directly, even if he retains only minimal economic connections with the trust assets.

Revenue Ruling 69–70, 1969–1 C.B. 182, provides that if a foreign person is treated as the owner of a trust, a U.S. beneficiary of that trust is not taxable on trust income distributed to him.

However, special rules in the Code modify the general grantor trust rules where a U.S. beneficiary has made prior gifts to a foreign grantor. In such a case, the U.S. beneficiary is treated as the owner of the foreign trust assets to the extent of the U.S. beneficiary's prior gifts to the foreign grantor. The rule is designed to prevent wealthy U.S. persons who have immigrated to the United States from avoiding U.S. tax on their worldwide income. Prior to the enactment of this rule, before moving to the United States some immigrants transferred their assets to a foreign relative, who then retransferred those assets to a foreign trust for the benefit of the immigrant. Because the foreign relative retained limited powers over the trust, the immigrant treated the foreign relative as the owner of the trust assets, and did not pay U.S. tax on trust distributions.

Reasons for Change. Existing law inappropriately permits foreign taxpayers to affirmatively use the domestic anti-abuse grantor trust rules. Existing restrictions on the ability of foreign taxpayers to use these rules are not adequate to prevent U.S. beneficiaries, who enjoy the benefits of United States citizenship or residency, from avoiding U.S. tax on their income from trusts.

Proposal. The grantor trust rules generally will only apply to a trust if those rules would result in an amount being included (directly or indirectly) in the gross income of a U.S. citizen, domestic corporation, or a controlled foreign corporation. The grantor trust rules would continue to apply to trusts revocable by the grantor of the trust, to certain compensatory trusts, and for purposes of applying the foreign personal holding company rules and the passive foreign investment company rules. It is intended that no inference regarding the interpretation of present law be drawn from the exclusion of certain trusts, including compensatory trusts, from the application of the special rules of the proposal. These rules are not intended to apply to normal security arrangements involving a trustee (including the use of indenture trustees and similar arrangements). The proposal retains current rules regarding the treatment of U.S. immigrants who made prior gifts to a foreign grantor.

New rules would harmonize the treatment of purported gifts by corporations and partnerships with the new foreign grantor trust rules. In addition, U.S. persons would be required to report the receipt of what they claim to be large gifts from foreign persons in order to allow the IRS to verify that such purported gifts are not in fact, disguised income to the U.S. recipients.

If a foreign trust that is a grantor trust under current law becomes a nongrantor trust pursuant to this rule, the trust would be treated as if it were resettled on the date the trust becomes a nongrantor trust. Neither the grantor nor the trust would recognize gain or loss. The section 1491 excise tax would not be applied to such a trust if the trust migrates before December 31, 1996. Under special transition rules, these rules would not apply to certain foreign trusts where the foreign grantor retains substantial powers over the trust assets, if those trusts were funded prior to September 19, 1995. Otherwise, this proposal would be effective on the date of enactment.

Differences from the Administration Proposal. The current proposal modifies the Administration proposal by providing exceptions for revocable trusts, controlled foreign corporations, and compensatory trusts. The Administration proposal did not contain the special transition rules described above.

IV. FOREIGN NONGRANTOR TRUSTS

A. Accumulation Distributions

Current law. U.S. beneficiaries of foreign trusts are subject to a nondeductible interest charge on distributions of accumulated income earned by the trust in earlier taxable years. The charge is based on the length of time during which the tax was deferred because the accumulated income was not distributed. Under existing law, the interest charge is equal to 6 percent simple interest per year multiplied by the tax imposed on the distribution. Accumulated income is deemed to be distributed on a first-in, first-out basis. If adequate records are not available to determine the portion of a distribution that is accumulated income, the distribution is deemed to be an accumulation distribution from the year that the trust was organized.

Reasons for Change. Current rules need to be revised to eliminate U.S. tax incentives for accumulating income in foreign trusts. Practitioners sometimes advise U.S. persons to accumulate income trust because U.S. tax rules impose interest at such a low rate (6 percent simple interest). Thus, interest paid by U.S. beneficiaries of foreign trusts should be modified to reflect market rates of interest.

However, current rules also need to be liberalized to tax more appropriately distributions of accumulated income from foreign trusts. Currently, a U.S. beneficiary pays an interest charge on any distribution of accumulated trust income as if the oldest trust earnings were distributed first. The interest charge on such a distribution may be so high as to discourage the U.S. beneficiary from receiving any distributions from the trust. In addition, current rules effectively require U.S. beneficiaries to obtain extensive information about the foreign trust or, if information is not obtained, pay a substantial interest charge based on the assumption that all trust distributions were made from the year that the trust was organized.

Proposal. For periods of accumulation after December 31, 1995, the rate of interest charged on accumulation distributions would correspond with the interest rate that taxpayers pay on underpayments of tax.

Distributions of accumulated trust income would be deemed to come from a weighted average of the trust's accumulated income. This calculation should be simpler than current law because existing provisions require the taxpayer to maintain separate pools of accumulated income for each year of the trust. Under this weighted average method, the taxpayer would only need to maintain a single pool of undistributed income.

If information is not available regarding trust distributions, distributions would generally be deemed to be from income accumulated in the average year of the trust (the years the trust has been in existence divided by two). If a taxpayer is not able to demonstrate when the trust was created, the IRS may use an approximation based on available evidence.

Taxpayers have used a variety of methods (e.g., tiered trusts, divisions of trusts, mergers of trusts, and similar transactions with corporations) to convert a distribution of accumulated income into a distribution of current income or corpus. The proposal would authorize the IRS to recharacterize such transactions. Transactions that may be entered into to avoid the interest charge on accumulation distributions (e.g., excessive "compensation" paid to trust beneficiaries who are directors of corporations owned by the foreign trust) may be subject to recharacterization.

The proposal also clarifies existing law by providing that if an alien beneficiary of a foreign trust becomes a U.S. resident and thereafter receives an accumulation distribution, no interest would be charged during periods of accumulation that predate U.S. residency. The proposal would generally be effective for distributions after the date of enactment.

Differences from the Administration Proposal. The current proposal is similar to the Administration proposal liberalizes current law by imposing the interest charge based on the weighted average life of the trust's accumulated income instead of the trust's oldest undistributed income. The current proposal also makes a corresponding change to the treatment of trust distributions when information about the trust is not available.

B. Constructive Distributions

Current law. The tax consequences of the use of trust assets by beneficiaries is ambiguous under present law. Taxpayers may assert that a benefidiary's use of assets owned by a trust does not constitute a distribution to the beneficiary.

Reasons for Change. If a corporation makes corporate assets available for a shareholder's personal use (e.g., a corporate apartment made available rent-free to a shareholder), the fair market value of the use of that property is treated as a constructive distribution. Further, if a controlled foreign corporation makes a loan to a U.S. person, the loan is treated as a deemed distribution by the foreign corporation to its U.S. shareholders. The use of nongrantor foreign trust assets by trust beneficiaries should give rise to tax consequences that are similar to those associated with the use of corporate assets by corporate shareholders.

Proposal. If a U.S. beneficiary (or a U.S. related person) uses assets of a nongrantor foreign trust, the value of that use would be treated as income to the foreign trust which is deemed distributed to the U.S. beneficiary. Thus, if a nongrantor foreign trust made a residence available for use by a U.S. beneficiary, the difference between the fair rental value of the residence and any rent actually paid would be treated as a constructive distribution to that beneficiary. If a nongrantor foreign trust purported to loan cash or marketable securities to a U.S. beneficiary, the loan proceeds would be treated as a constructive distribution by the foreign trust to the U.S. beneficiary. For this purpose, an organization exempt from U.S. tax would not be considered a U.S. person. It is intended that no inference be drawn from the proposal as to the treatment under present law of the use of trust assetss by beneficiaries and others. The provisions would be effective for loans of cash or marketable securities after September 19, 1995, and uses of other trust property after December 31, 1995.

Difference from the Administration Proposal. The current proposal is similar to the Administration proposal.

V. RESIDENCE OF TRUSTS

A. Definition

Current Law. Under current law, a "foreign estate or trust" is an estate or trust the "income of which, from sources without the United States which is not effectively connected with the conduct of a trade or business within the United States, is not includible in gross income under subtitle A" of the Internal Revenue Code. Section 7701(a)(31). This definition does not provide criteria for determining when an estate or trust is foreign.

Court cases and rulings indicate that the residence of an estate or trust depends on various factors, such as the location of the assets, the country under whose laws the estate or trust is created, the residence of the trustee, the nationality of the decedent or settlor, the nationality of the beneficiaries, and the location of the administration of the trust. *See e.g., B.W. Jones Trust* v. *Comm'r*, 46 B.T.A. 531 (1942), *aff'd*, 132 F.2d 914 (4th Cir. 19543).

Reasons for Change. Present rules provide insufficient guidance for determining the residence of estates and trusts. In addition, the increasing mobility of people and capital make certain factors (e.g., nationality of the settlor or beneficiaries, situs of assets) less relevant. Because the tax treatment of an estate, trust, settlor or beneficiary may depend on whether the estate or trust is foreign or domestic, it is important to have an objective definition of the residence of an estate or trust. Fewer factors for determining the residence of estates or trusts would increase the flexibility of grantors and trust administrators to decide where to locate the trust and in what assets to invest. For example, if the location of the administration of the trust were no longer a relevant criterion, grantors of foreign trusts would be able to choose whether to administer the trusts in the United States or abroad based on nontax considerations.

Proposal. An estate or trust would be considered to be a domestic estate or trust if two factors are present: (1) a court within the United States is able to exercise primary supervision over the administration of the estate or trust; and (2) a U.S. fiduciary (alone or in concert with other U.S. fiduciaries) has the authority to control decisions of the estate or trust.

The first factor is intended to refer to the court with authority over the entire estate or trust, and not merely jurisdiction over certain assets or a particular beneficiary. Normally, the first factor would be satisfied if the trust instrument is governed by the laws of a U.S. State. One way to satisfy this factor is to register the estate or trust in a State pursuant to a State law which is substantially similar to Article VII of the Uniform Probate Code as published by the American Law Institute. The second factor would normally be satisfied if a majority of the fiduciaries are U.S. persons and a foreign fiduciary (including a "protector" or similar trust advisor) may not veto important decisions of the U.S. fiduciaries. In applying this factor, the IRS would allow an estate or trust a reasonable period of time to adjust for inadvertent changes in fiduciaries (e.g., a U.S. trustee dies or abruptly resigns where a trust has two U.S. fiduciaries and one foreign fiduciary).

The new rules defining domestic estates and trusts would be effective for taxable years of an estate or trust that begin after December 31, 1996. The delayed effective date is intended to allow an estate or trust a period of time to conform its governing instrument or to change fiduciaries so that the estate or trust may effectively elect to be treated as domestic or foreign. However, trustees will be allowed to elect to apply these rules for taxable years ending after the date of enactment.

Differences from the Administration Proposal. The current proposal is similar to the Administration proposal.

B. OUTBOUND TRUST MIGRATION

Current Law. Under current law, a 35 percent excise tax is imposed upon any appreciation in property that is transferred by a U.S. person to a nongrantor foreign trust. A taxpayer can avoid the excise tax by electing to pay income tax on any appreciation in the transferred property. No excise tax is imposed on transfers to foreign grantor trusts. Current law is not clear as to whether the excise tax applies when a nongrantor domestic trust changes its residence to become a nongrantor foreign trust.

Reasons for Change. The excise tax is designed to prevent U.S. persons from transferring assets to a nongrantor foreign trust without paying U.S. tax on the appreciation in those assets. Taxpayers should not be able to achieve tax results through migration of a domestic trust that they could not achieve directly by the creation of a foreign trust.

Proposal. The proposal would treat a nongrantor domestic trust that becomes a nongrantor foreign trust as having transferred, immediately before becoming a nongrantor foreign trust, all of its assets to a foreign trust. The section 1491 excise tax would apply to this transfer. Penalties would be imposed for failure to report any transaction subject to the excise tax. The provisions would be effective on the date of enactment.

Differences from the Administration Proposal. Under the Administration proposal, outbound migrations of trust with U.S. beneficiaries would generally have been subject to the foreign grantor trust rule, and the migrations would therefore not have been subject to the excise tax. Because the current proposal limits the application of the foreign grantor trust rule to certain outbound trust migrations, the current proposal applies the excise tax to outbound trust migrations that result in a nongrantor foreign trust.

ADDITIONAL COSPONSORS

S. 141

At the request of Mrs. KASSEBAUM, the name of the Senator from North Carolina [Mr. FAIRCLOTH] was added as a cosponsor of S. 141, a bill to repeal the Davis-Bacon Act of 1931 to provide new job opportunities, effect significant cost savings on Federal construction contracts, promote small business participation in Federal contracting, reduce unnecessary paperwork and reporting requirements, and for other purposes.

S. 358

At the request of Mr. HEFLIN, the name of the Senator from Oklahoma [Mr. INHOFE] was added as a cosponsor of S. 358, a bill to amend the Internal Revenue Code of 1986 to provide for an excise tax exemption for certain emergency medical transportation by air ambulance.

S. 381

At the request of Mr. HELMS, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 381, a bill to strengthen international sanctions against the Castro government in Cuba, to develop a plan to support a transition government leading to a democratically elected government in Cuba, and for other purposes.

S. 490

At the request of Mr. GRASSLEY, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 490, a bill to amend the Clean Air Act to exempt agriculture-related facilities from certain permitting requirements, and for other purposes.

S. 545

At the request of Mr. BUMPERS, the name of the Senator from California [Mrs. FEINSTEIN] was added as a cosponsor of S. 545, a bill to authorize collection of certain State and local taxes with respect to the sale, delivery, and use of tangible personal property.

S. 773

At the request of Mrs. KASSEBAUM, the names of the Senator from Virginia [Mr. WARNER], the Senator from Kentucky [Mr. FORD], the Senator from Idaho [Mr. KEMPTHORNE], the Senator from Virginia [Mr. ROBB], the Senator from South Dakota [Mr. PRESSLER], and the Senator from Oklahoma [Mr. NICKLES] were added as cosponsors of S. 773, a bill to amend the Federal Food, Drug, and Cosmetic Act to provide for improvements in the process of approving and using animal drugs, and for other purposes.

S. 881

At the request of Mr. PRYOR, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 881, a bill to amend the Internal Revenue Code of 1986 to clarify provisions relating to church pension benefit plans, to modify certain provisions relating to participants in such plans, to reduce the complexity of and to bring workable consistency to the applicable rules, to promote retirement savings and benefits, and for other purposes.

S. 949

At the request of Mr. GRAHAM, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 949, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 200th anniversary of the death of George Washington.

S. 959

At the request of Mr. HATCH, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 959, a bill to amend the Internal Revenue Code of 1986 to encourage capital formation through reductions in taxes on capital gains, and for other purposes.

S. 1181

At the request of Mr. STEVENS, the names of the Senator from Indiana [Mr. LUGAR] and the Senator from Texas [Mrs. HUTCHISON] were added as cosponsors of S. 1181, a bill to provide cost savings in the medicare program through cost-effective coverage of positron emission tomography (PET).

S. 1245

At the request of Mr. ASHCROFT, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 1245, a bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to identify violent and hardcore juvenile offenders and treat them as adults, and for other purposes.

SENATE RESOLUTION 173—TO PROCLAIM NATIONAL DOG WEEK

Mr. D'AMATO submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 173

Whereas, dogs play an integral role in our lives, communities and nation, in good and bad times; and their present and future well-being in society requires education about responsible dog ownership;

Whereas, many assistance dogs provide valuable service as seeing eye dogs; hearing dogs; disabled assistance dogs; drug, bomb and arson detection dogs; and for tracking and locating missing persons and fugitives;

Whereas, as the public good is advanced when we foster the ideas of canine good citizens by promoting the positive interaction between dogs and society;

Whereas, raising a canine good citizen, is first and foremost, an obligation of the owner;

Whereas, dog owners must make conscientious efforts to develop the essential traits and characteristics that comprise responsible dog ownership;

Whereas, the decision to become a dog owner is an emotional and monetary long-term commitment which carries a tremendous responsibility;

Whereas, dog owners bear a special responsibility to their canine companions to provide proper care and humane treatment at all times;

Whereas, this proper care and treatment includes an adequate and nutritious diet, clean water, clean and comfortable living conditions, regular veterinary care, kind and responsive human companionship and training in appropriate behavior;

Whereas, dog ownership requires honesty about an owner's readiness and ability to be responsible for their canine companion;

Whereas, this requires personal questioning about one's time commitments, desire for a dog and family situations;

Whereas, the next component of choosing a canine companion involves educating oneself about obtaining a dog or puppy from a responsible source;

Whereas, a responsible source will provide a prospective dog owner with appropriate information about the breed of dog, training, feeding and care;

Whereas, the Senate encourages people to be responsible dog owners and encourages people to recognize the positive ramifications on society of promoting Canine Good Citizens.

Whereas, the Senate encourages people to recognize the contributions that our canine companions make to all of us throughout the year;

Now therefore be it

Resolved, That the Senate proclaims the week of September 24–30, as National Dog Week.

• Mr. D'AMATO. Mr. President, I submit a resolution commemorating September 24 through September 30, 1995, as National Dog Week. Dogs have always been a source of comfort and companionship to men, women and children of all ages. They play an important role in the lives of many and provide valuable services such as seeing eye dogs, drug detection dogs and dogs that locate missing persons. Dog ownership requires a serious commitment by the owner, but the rewards are great. I urge my colleagues to support this resolution.•

SENATE RESOLUTION 174—RELATIVE TO VIETNAM

Mr. GRAMS (for himself, Mr. DOLE, Mr. HELMS, and Mr. THOMAS) submitted the following resolution; which was considered and agreed to:

S. RES. 174

Whereas there are many outstanding issues between the United States and Vietnam including a full accounting of MIAs/POWs; pursuant of democratic freedoms in Vietnam, including freedom of expression and association; and resolution of human rights violations;

Whereas the Government of Vietnam continues to imprison political and religious leaders to suppress the nonviolent pursuit of freedom and human rights;

Whereas the Government of Vietnam has not honored its commitments under the Universal Declaration of Human Rights and the International Covenant of Civil and Political Rights;

Whereas two American citizens, Mr. Nguyen Tan Tri and Mr. Tran Quang Liem, are among those recently sentenced to prison terms of 7 and 4 years, respectively, for their efforts to organize a conference, after 2 years of detention without charge; and

Whereas these two Americans are in poor health and are not receiving proper treatment: Now, therefore, be it

Resolved, That the Senate hereby—

(1) urges the Secretary of State to pursue the release of the American prisoners as well as all political and religious prisoners in Vietnam as a matter of the highest priority;

(2) requests that the Secretary of State submit regular reports to the Committee on Foreign Relations of the Senate regarding the status of the imprisonment and wellbeing of the two American prisoners; and

(3) requests that the President meet with relatives of the two Americans at his earliest convenience.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President and the Secretary of State.

AMENDMENTS SUBMITTED

THE WORK OPPORTUNITY ACT OF 1995

DOLE AMENDMENT NO. 2692

Mr. DOMENICI (for Mr. DOLE) proposed an amendment to the amendment No. 2280 proposed by Mr. DOLE to the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence; as follows:

On page 12, between lines 22 and 23, in the matter inserted by amendment No. 2486 as modified—

(1) in subparagraph (G), strike "3 years" and insert "2 years"; and

(2) in subparagraph (G), strike "6 months" and insert "3 months".

On page 69, line 18, in the matter inserted by amendment No. 2479, as modified—

(1) in section 413(a), strike "country" and insert "county"; and

(2) in section 413(b)(5), strike "eligible countries are defined as:" and insert "ELIGIBLE COUNTY.—A county may participate in a demonstration project under this subsection if the county is—".

On page 50, line 6, in the matter inserted by amendment No. 2528—

(1) in subsection (d)(3)(A), strike "1998" and insert "1996";

(2) in subsection (d)(3)(C), strike "1998, 1999, and 2000" and insert "1996, 1997, 1998, 1999, 2000, 2001, and 2002"; and

(3) in subsection (d)(3)(C), strike "as may be necessary" and insert "specified in subparagraph (B)(ii)".

On page 77, between lines 21 and 22, insert the following new section:

"SEC. 420. ELIGIBILITY FOR CHILD CARE ASSISTANCE.

Notwithstanding section 658T of the Child Care and Development Block Grant Act of 1990, the State agency specified in section 402(a)(6) shall determine eligibility for child care assistance provided under this part in accordance with criteria determined by the State.".

On page 303, line 15, add "and" after the semicolon.

On page 304, line 22, strike "and" after the semicolon.

On page 305, line 16, insert ", not including direct service costs," after "administrative costs".

On page 305, line 18, strike the second period and insert "; and".

On page 305, between lines 18 and 19, insert the following:

"(C) by adding at the end thereof the following new paragraph:

"'(6) SERVICES FOR THE WORKING POOR.—The State plan shall describe the manner in which services will be provided to the working poor.'".

Beginning on page 305, strike line 19, and all that follows through line 6, on page 306, and insert the following:

(d) CLARIFICATION OF ELIGIBLE CHILD.—Section 658P(4)(B) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n(4)(B)) is amended by striking "75 percent" and inserting "100 percent".

On page 738, line 10, strike "on" and insert "for".

On page 753, line 8, strike "subsections (c) and (d)" and insert "subsection (c)".

On page 753, lines 20 and 21, strike "or serious physical, sexual, or emotional harm, or" and insert ", serious physical or emotional harm, sexual abuse or exploitation, or an act or failure to act which".

On page 776, line 1, strike "other" the second time such term appears.

On page 786, line 7, strike ", through 2000" and insert "and 1997".

On page 22, line 12, strike "$16,795,323,000" and insert "$16,803,769,000".

On page 99, line 20, strike "$92,250,000" and insert "$100,039,000".

On page 100, line 9, strike "$3,150,000" and insert "$3,489,000".

On page 100, line 22, strike "$4,275,000" and insert "$4,593,000".

On page 99, strike lines 4 and 5 and insert the following:

(I) by inserting "(or paid, in the case of part A of title IV)" after "certified"; and

On page 27, strike lines 17 through 22, and insert the following:

"(B) RATE OF INTEREST.—The Secretary shall charge and collect interest on any loan made under subparagraph (A) at a rate equal to the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the period to maturity of the loan.

On page 54, line 25, add after "amount." the following: "The Secretary may not forgive any outstanding loan amount nor interest owed thereon."

On page 293, lines 8 and 9, strike "any benefit described in clause (1)(A)(ii) of subsection (d)" and insert "any benefit under a program described in subsection (d)(2)".

On page 293, line 19, strike "subsection (d)(2)" and insert "subsection (d)(4)".

On page 293, line 21, insert "the" before "enactment".

On page 294, line 20, insert "under a program" after "benefit".

On page 297, line 11, strike "Federal".

On page 297, line 20, strike "and".

Beginning on page 297, line 21, strike all through page 298, line 3, and insert the following:

(2) the term "poverty line" has the same meaning given such term in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

On page 298, line 3, strike "involved." and insert "involved; and".

Line to be added at the appropriate place in Title XII of Dole's Amendment to HR. 4:

"In making reductions in full-time equivalent positions, the Secretary is encouraged to reduce personnel in the Washington, DC area office (agency headquarters) before reducing field personnel."

(1) In Section 501(b)(1), strike "(IV), or (V)" and insert in lieu thereof "or (IV)".

(2) In Section 502(f)(1), strike "(IV), or (V)" and insert in lieu thereof "or (IV)".

AGRICULTURE APPROPRIATIONS FOR FISCAL YEAR 1996

BINGAMAN AMENDMENT NO. 2693

Mr. BUMPERS (for Mr. BINGAMAN) proposed an amendment to the bill (H.R. 1976) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1996, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . ENERGY SAVINGS AT FEDERAL FACILITIES.

(a) REDUCTION IN FACILITIES ENERGY COSTS.—The head of each agency for which funds are made available under this Act shall take all actions necessary to achieve during fiscal year 1996 a 5 percent reduction, from the average previous three fiscal year levels, in the energy costs of the facilities used by the agency.

(b) USE OF COST SAVINGS.—An amount equal to the amount of cost savings realized by an agency under subsection (a) shall remain available for obligation through the end of fiscal year 1997, without further authorization or appropriation, as follows:

(1) CONSERVATION MEASURES.—Fifty percent of the amount shall remain available for the implementation of additional energy conservation measures and for water conservation measures at such facilities used by the agency as are designated by the head of the agency.

(2) OTHER PURPOSES.—Fifty percent of the amount shall remain available for use by the agency for such purposes as are designated by the head of the agency, consistent with applicable law.

(c) REPORT.—

(1) IN GENERAL.—Not later than December 31, 1996, the Secretary of Agriculture (a) shall submit a report to Congress specifying the results of the actions taken under subsection (a) and providing any recommendations concerning how to further reduce energy costs and energy consumption in the future.

(2) CONTENTS.—Each report shall—

(A) specify the total energy costs of the facilities used by the agency;

(B) identify the reductions achieved; and

(C) specify the actions that resulted in the reductions.

McCAIN (AND OTHERS) AMENDMENT NO. 2694

Mr. McCAIN (for himself, Mr. DOMENICI, Mr. INOUYE, Mr. BINGAMAN, Mr. CONRAD, and Mr. DORGAN) proposed an amendment to the bill H.R. 1976, supra; as follows:

On page 25, line 14, strike "$568,685,000" and insert in lieu thereof "$564,685,000".

On page 15, line 13, after the semi-colon insert "$1,450,000 for payments to the 1994 institutions pursuant to Sec. 534(a)(1) of P.L. 103–382;".

On page 15, line 17, strike "$418,172,000" and insert in lieu thereof "$419,622,000".

On page 18, line 2, after the semi-colon, insert "$2,550,000 for payments to the 1994 institutions pursuant to Sec. 534(b)(3) of P.L. 103–382;".

On page 18, line 11, strike "$437,131,000" and insert "$439,681,000".

KERRY (AND OTHERS) AMENDMENT NO. 2695

Mr. KERRY (for himself, Mr. BRYAN, Mr. SMITH, Mr. LIEBERMAN, and Mr. DORGAN) proposed an amendment to the bill H.R. 1976, supra; as follows:

At the appropriate place, insert the following:

SEC. . MINK INDUSTRY.

(a) FINDINGS.—Congress finds that—

(1) since 1989, the Federal government, through the Department of Agriculture Market Promotion Program, has provided more than $13,000,000 to the Mink Export Development Council for the overseas promotion of mink coats and products; and

(2) the Department of Commerce has estimated that since 1989 the value of United States exports of mink products has declined by more than 33 percent and total United States mink production has been halved.

(b) FUNDING.—None of the funds made available in this Act may be used to carry out, or to pay the salaries of personnel who carry out, the market promotion program established under section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623), in a manner that provides assistance to the United States Mink Export Development Council or any mink industry trade association.

STEVENS AMENDMENT NO. 2696

Mr. STEVENS proposed an amendment to the bill H.R. 1976, supra; as follows:

On page 32 of the bill, strike lines 7 through 11 and insert in lieu thereof the following:

SEC. . For necessary salaries and expenses of the Office of the Under Secretary for Natural Resources and Environment to administer the laws enacted by Congress for the Natural Resources Conservation Service, $677,000: *Provided*, That none of these funds shall be available to administer laws enacted by Congress for the Forest Service: *Provided further*, That $350,000 shall be made available to the Secretary of Agriculture to administer the laws enacted by Congress for the Forest Service: *Provided further*, That notwithstanding Section 245(c) of Public Law 103–354 (7 U.S.C. 6961(c)), the Secretary of Agriculture may not delegate any authority to administer laws enacted by Congress, or funds provided by this Act, for the Forest Service to the Under Secretary for Natural Resources and Environment.

FEINGOLD (AND McCAIN) AMENDMENT NO. 2697

Mr. FEINGOLD (for himself and Mr. McCAIN) proposed an amendment to the bill H.R. 1976, supra; as follows:

At the appropriate place, insert the following:

SEC. . SPECIAL RESEARCH GRANTS PROGRAM.

(a) IN GENERAL.—None of the funds made available under this Act for the program established under section 2(c) of Public Law 89–106 (7 U.S.C. 450i(c)) may be used for a grant that is not subject to a competitive process and a scientific peer review evaluation by qualified scientists in the Federal Government, colleges and universities, State agricultural experiment stations, and the private sector.

(b) DEFICIT REDUCTION.—Any funds made available under this Act that are not expended because of subsection (a) shall revert to the general fund of the Treasury for deficit reduction.

CONRAD AMENDMENT NO. 2698

Mr. CONRAD proposed an amendment to the bill H.R. 1976, supra; as follows:

At the appropriate place, insert the following:

SEC. . REPAYMENT OF ADVANCE DEFICIENCY PAYMENTS FOR 1995 DISASTER LOSSES.

(a) IN GENERAL.—Notwithstanding subparagraphs (G) and (H) of section 114(a)(2) of the Agricultural Act of 1949 (7 U.S.C. 1445j(a)(2)), if the producers on a farm received an advance deficiency payment for the 1995 crop of a commodity and suffered a loss in the production of the crop due to weather or related condition, the producers shall not be required to repay an amount of the payment that is equal to, subject to subsection (b), the product obtained by multiplying the applicable crop acreage base and the farm program payment yield.

(b) LIMITATIONS.—The amount of the payment that the producers on a farm are not required to repay under subsection (a) shall—

(1) not exceed $2,500; and

(2) not be available for production on which crop insurance coverage is available, as determined by the Secretary of Agriculture.

(c) FUNDING.—Up to $35,000,000 that has been made available to carry out the export enhancement program established under section 301 of the Agricultural Trade Act of 1978 (7 U.S.C. 5651) during fiscal year 1996 may be used to carry out this section.

BUMPERS (AND BRYAN) AMENDMENT NO. 2699

Mr. BUMPERS (for himself and Mr. BRYAN) proposed an amendment to the bill H.R. 1976, supra; as follows:

On page 65, line 18, before the period at the end, insert the following: ": *Provided further*, That funds made available under this Act to carry out the market promotion program established under section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) may be used to provide cost-share assistance only to organizations that are recognized as small business concerns under section 3(a) of the Small Business Act (15 U.S.C. 632(a)) or to associations described in the first section of the Act entitled 'An Act to authorize association of producers of agricultural products', approved February 22, 1922 (7 U.S.C. 291): *Provided further*, That such funds may not be used to provide cost-share assistance to a foreign eligible trade organization: *Provided further*, That none of the funds made available under this Act may be used to carry out the market promotion program established under section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) if the aggregate amount of funds and value of commodities under the program exceeds $70,000,000".

DORGAN (AND CONRAD) AMENDMENT NO. 2700

Mr. COCHRAN (for Mr. DORGAN, for himself, and Mr. CONRAD) proposed an amendment to the bill H.R. 1976, supra; as follows:

At the appropriate place, insert the following:

SEC. ___. SENSE OF THE SENATE ON UNITED STATES-CANADIAN COOPERATION CONCERNING AN OUTLET TO RELIEVE FLOODING AT DEVILS LAKE IN NORTH DAKOTA.

(a) FINDINGS.—The Senate finds that—

(1) flooding in Devils Lake Basin, North Dakota, has resulted in water levels in the lake reaching their highest point in 120 years;

(2)(A) 667,000 trees are inundated and dying;

(B) 2500 homeowners in the county are pumping water from basements;

(C) the town of Devils Lake is threatened with lake water nearing the limits of the protective dikes of the lake;

(D) 17,400 acres of land have been inundated;

(E) roads are under water;

(F) other roads are closed and will be abandoned;

(G) homes and businesses have been diked, abandoned, or closed; and

(H) if the lake rises another 2 to 3 feet, damages of approximately $74,000,000 will occur;

(3) the Army Corps of Engineers and the Bureau of Reclamation are now studying the feasibility of constructing an outlet from Devils Lake Basin;

(4) an outlet from Devils Lake Basin will allow the transfer of water from Devils Lake Basin to the Red River of the North watershed that the United States shares with Canada; and

(5) the Treaty Relating to the Boundary Waters and Questions Arising Along the Boundary Between the United States and Canada, signed at Washington on January 11, 1909 (36 Stat. 2448; TS 548) (commonly known as the "Boundary Waters Treaty of 1909"), provides that ". . . waters flowing across the boundary shall not be polluted on either side to the injury of health or property on the other." (36 Stat. 2450).

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the United States Government should seek to establish a joint United States-Canadian technical committee to review the Devils Lake Basin emergency outlet project to consider options for an outlet that would meet Canadian concerns in regard to the Boundary Waters Treaty of 1909.

DOLE AMENDMENT NO. 2701

Mr. COCHRAN (for Mr. DOLE) proposed an amendment to the bill H.R. 1976, supra; as follows:

On page 13, line 23, insert the following after "law": ": *Provided further*, That of the funds made available under this heading for the National Center for Agricultural Utilization Research, not less than $1,000,000 shall be available for the Grain Marketing Research Laboratory in Manhattan, Kansas".

ABRAHAM (AND OTHERS) AMENDMENT NO. 2702

Mr. COCHRAN (for Mr. ABRAHAM, for himself, Mr. BROWN, and Mr. GRAMS) proposed an amendment to the bill H.R. 1976, supra; as follows:

At the appropriate place in title VII, insert the following:

SEC. 7 . ELIMINATION OF UNNECESSARY ADVISORY COMMITTEES.

(a) SWINE HEALTH ADVISORY COMMITTEE.—Section 11 of the Swine Health Protection Act (7 U.S.C. 3810) is repealed.

(b) GLOBAL CLIMATE CHANGE TECHNICAL ADVISORY COMMITTEE.—Section 2404 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 6703) is repealed.

GORTON (AND OTHERS) AMENDMENT NO. 2703

Mr. COCHRAN (for Mr. GORTON, for himself, Mrs. MURRAY, and Mr. BURNS) proposed an amendment to the bill H.R. 1976, supra; as follows:

To H.R. 1976, Title VII General Provisions, on page 84, line 1, insert the following new section:

SEC. 730. Upon the date of enactment of this Act, the Secretary of Agriculture shall immediately withdraw Federal regulation 36 CFR Part 223 promulgated on September 8, 1995, for a period of no less than 120 days; provided that during such time the Secretary shall take notice and public comment on the regulations and make the necessary revisions to reflect public comment. Any fines assessed pursuant to 36 CFR Part 223, from the effective date of said regulation to the date of enactment of this Act, shall be null and void. During the 120 day period, the interim regulatory guidelines published pursuant to 55 CFR 48572 and 56 CFR 65834 shall remain in effect.

BENNETT AMENDMENT NO. 2704

Mr. COCHRAN (for Mr. BENNETT) proposed an amendment to the bill H.R. 1976, supra; as follows:

On page 25, line 14, strike $564,685,000 and insert $563,004,000.

On page 37, line 8, strike $1,000,000 and insert $2,681,000.

FEINGOLD AMENDMENT NO. 2705

Mr. COCHRAN (for Mr. FEINGOLD) proposed an amendment to the bill H.R. 1976, supra; as follows:

On page 44, line 16, before the period insert the following: "*Provided further*, That loan guarantees for business and industry assistance funded under this heading shall be made available to tourist or other recreational businesses in rural communities".

LEAHY AMENDMENT NO. 2706

Mr. COCHRAN (for Mr. LEAHY) proposed an amendment to the bill H.R. 1976, supra; as follows:

On page 14, strike on line 12, "40,670,000" and insert in lieu thereof, "42,620,000".

On page 15, strike on line 17, $419,622,000" and insert in lieu thereof "421,622,000."

On page 82, reduce "$800,000,000" by $4,444,000.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Tuesday, September 19, 1995, at 9 a.m., in SR–332, to mark up the Committee's Budget Reconciliation instructions.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Tuesday, September 19, 1995, to conduct a hearing on legislation to reform public housing and tenant based section 8 assistance.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to conduct a business meeting Tuesday, September 19, at 9:30 a.m., hearing room SD–406, to consider the nomination of Greta Joy Dicus, to be a member of the Nuclear Regulatory Commission, and reconciliation legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. COCHRAN. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Tuesday, September 19, at 2:30 p.m. for a markup on reconciliation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON SMALL BUSINESS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Small Business be authorized to meet during the session of the Senate on Tuesday, September 19, 1995, at 2:30 p.m., in room 428A, Russell Senate Office Building, to conduct a hearing focusing on tax issues impacting small business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. COCHRAN. The Committee on Veterans' Affairs would like to request unanimous consent to hold a joint hearing with the House Committee on Veterans' Affairs to receive the legislative presentation of the American Legion. The hearing will be held on September 19, 1995, at 9:30 a.m., in room 334 of the Cannon House Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, September 19, 1995, at 6 p.m. to hold a closed business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, TECHNOLOGY, AND GOVERNMENT INFORMATION

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Technology, and Government Information of the Senate Committee on the Judiciary, be authorized to meet during a session of the Senate on Tuesday, September 19, 1995, at 10 a.m., in Senate Dirksen room G66, on the Ruby Ridge incident.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THIRD BATTLE OF WINCHESTER

• Mr. WARNER. Mr. President, I rise today to pay tribute to the brave Confederate and Union soldiers who fought in a turning-point battle 131 years ago today near Winchester, VA. The Third Battle of Winchester claimed more than 9,000 casualties and led to the burning and massive destruction of the Shenandoah Valley, which had effectively served as the Confederate Army's breadbasket, supplying food and materials that were critical to the war effort.

It is fitting that today the House of Representatives, under the skillful leadership of Representative Frank Wolf, passed H.R. 1091, which contains title IV, a section containing the Shenandoah Valley National Battlefield Partnership Act. I have introduced the same legislation here in the Senate. I note to my colleagues that we passed this bill by unanimous consent last year and I hope we will take the same step this year.

Mr. President, the Civil War is an important lesson for America and indeed, the rest of the world.

Here we are, 131 years since the War Between the States, and the same type of fighting and carnage that wrought havoc on Winchester and valley towns like New Market, Toms Brook, Port Republic, and Cedar Creek, is brutally being carried out in the Balkans today.

I have traveled five times to the war-torn Bosnian region. About 4 weeks ago I was there with my good and courageous friend Senator Kerrey of Nebraska. We were in Croatia, right on the border with Bosnia. We went through villages that had been ravaged by cannons and soldiers.

Senator Kerrey and I visited a refugee camp and talked with a doctor who appeared to be the spokesman for his group.

I asked this doctor, "Can you explain to me why we are here, in this century, fighting this type of war of wanton destruction between people who live in villages and towns together and who live inside the same country."

The doctor answered by saying, "Senator, go back and study the origins of your Civil War."

His answer, Mr. President, is the reason we must pay tribute to our heritage by preserving our Civil War battlefields in the Shenandoah Valley. We must preserve these battlefields so that we may create a better understanding in successive generations. The threats to the United States today are unlike World War I and World War II. The threats today are from the weapons of mass destruction, but also from the cultural and religious civil wars that take place throughout the world.

As we see in Bosnia and the Balkans today, these internal civil wars can boil over into neighboring countries and indeed, into Western Europe and North America.

The lessons for future generations are how best we can deter these wars from taking place. How best we, as a nation and leader of the free world, can step forward and try and bring about peace. Often the teachings and understandings begin hear at home and on hallowed ground like the Shenandoah Valley battlefields.

Mr. President, yesterday I attended the dedication of the Third Battle of Winchester. It was a great pleasure to be among so many friends and to join in the celebration of preserving that historic battlefield.

The commitment by local government and private preservation groups has energized me to ensure that the battlefields in the valley receive their long overdue national recognition.

Mr. President, I ask that my remarks from yesterday's ceremony be printed in the Record.

The remarks follow:

REMARKS BY SENATOR JOHN WARNER ON THE DEDICATION OF THE THIRD BATTLE OF WINCHESTER SEPTEMBER 18, 1995.

Good Morning, Director Kennedy, Director Diehl, distinguished guests and ladies and gentleman.

I want to join in applauding the tenacity of Congressman Wolf for successfully bringing the parties to agreement, the generosity of Dave Holliday as a responsible steward of this historic property, the commitment of the APCWS for effective preservation efforts here and throughout Virginia, and the responsiveness of the Civil War Trust for recognizing the urgency of preserving this unspoiled ground.

In the many years that I have traveled throughout the Valley, I have heard firsthand the heroic stories passed down from generation to generation about this war of valiant military strategies and brave personal sacrifices.

Many persons unfamiliar with the deep, intergenerational scars marking this period often ask, "why now"? Why, after more than a century, stoke the coals of resentment associated with the most divisive conflict in our history?

It is not about reviving old hostilities, but of remembering, and paying homage, to old hurts.

So many families, so many businesses were destroyed or damaged irrevocably by forces beyond their control.

Innocent civilians bore the burdens of "the burning."

No one who lived in this valley escaped some vestige of the misery which plagued the area throughout the conflict. Their descendants share the pain and the pride today.

This region suffered severely from the destruction caused by the 100 engagements that occurred here. Throughout the war, Winchester was pivotal to both sides, having changed hands seventy-six times.

The epic ebb and flow of Confederate and Union forces during this conflict, however, is eloquently preserved in books by America's most respected historians—Bruce Catton, Shelby Foote, Douglas Southall Freeman, and Jim McPherson—and on film for the benefit of future generations.

So I often marvel at the passion and the emotion that this chapter in our Nation's history still stirs in the hearts of so many of us.

I have come to know that it is the love of this land which brings us together today.

It is this land which allows us to visualize the fierce battle between Sheridan and Early.

It renews our respect for our forefathers whose lives were changed forever by this war.

It is the preservation of these battlefields to serve as outdoor classrooms so that our children may understand the sacrifices that were made for a cause to which each side was deeply committed.

It is the land that will remain long after we are gone. And it is the land that we must protect so that these events will not be forgotten.•

COMMEMORATING UKRAINIAN INDEPENDENCE DAY

• Mr. BRADLEY. Mr. President, I rise today to commemorate Ukrainian independence. Tomorrow, Ukrainian-Americans will be honoring the fourth anniversary of Ukraine's independence in observance here in our Nation's Capital.

Ukraine was established as a state in the 9th century, but has struggled valiantly against several invaders to gain its independence from foreign domination. On July 15, 1990, Ukraine's efforts successfully resulted in its declaration of sovereignty, followed by its declaration of independence on August 24, 1991.

Upon gaining independence, Ukraine has continued to work for both economic reform and democracy. In particular, Ukraine has taken significant steps to reform its economy, working to stabilize inflation, liberalize prices, and privatize industries. Further, through the creation and continued improvement of a constitutional framework, Ukraine is developing its own strong democratic tradition. In light of Ukraine's efforts, it is fitting that members of this Chamber join in paying tribute to Ukraine's long struggle for freedom.

I also wish to pay to tribute to the Ukrainian-American community. During the long years when Ukraine suffered under foreign control, Ukrainian-Americans helped keep alive the flame of Ukraine's culture and traditions. On behalf of the Ukrainian community in New Jersey and all Americans of Ukrainian descent, I am honored to pay tribute, on behalf of the Nation, to the Ukrainian community in commemoration of its independence day.•

TRIBUTE TO ROSALIND W. WYMAN

• Mrs. FEINSTEIN. Mr. President, I'd like to take a moment today to pay tribute to someone I consider to be one of my best friends in the world. She is a fireball of energy and someone who has truly touched the lives of many, many people.

Rosalind Wyman is an extraordinary friend.

"Politics, arts, sports and my family are my life," Roz Wyman once said. Roz has indeed turned her passion into results.

A native and resident of Los Angeles, Wyman has been involved in the political world since before she can remember; her baby book includes a picture of 2-year-old Roz smiling happily at a portrait of Franklin D. Roosevelt. Strongly influenced by her parents' belief that you should serve your community, she turned immediately to elective politics following her graduation from the University of Southern California.

At the age of 22, Roz became the youngest elected legislator in a major U.S. city when she was elected to the Los Angeles City Council.

From 1953 to 1965, Wyman served as a member of the non-partisan council, earning particular recognition for her successful drive to bring the Dodgers to Los Angeles.

The late owner of the Dodgers, Walter O'Malley, often said: "The Dodgers would not be in Los Angeles if it had not been for Roz." She also played a major role in the move of the Lakers basketball team to Los Angeles.

In the years since she left the council, Wyman has applied her formidable organizational skills to a variety of local, national and international tasks. Among her many other accomplishments, Roz served by appointment of the President on the Independent Commission to Review the National Endowment for the Arts grantmaking procedures. Locally, she became President of the Los Angeles County Music and Performing Arts Commission in 1992.

She served as executive chairperson of the Producers Guild of America (1977–1981) and as executive vice chair of the Los Angeles Center Theatre Group, which operates the Mark Taper Forum and the Ahmanson Theatre.

She helped direct State and national campaigns and chaired two Democratic Congressional Campaign Dinners, each of which set records by raising over $1 million.

Roz participated in the U.S. Delegation to the United National Economic and Social Council (UNESCO) and was part of the American delegation to the Commission on Security and Cooperation in Europe (Madrid, 1980).

But, it was in 1983 that Roz Wyman—this legend from Los Angeles—walked into my life.

Roz became the first woman ever selected to be the convention chair and chief executive officer for a Democratic Convention. She had been selected to chair the 1984 convention in San Francisco. I was Mayor of San Francisco at the time. And I can tell you this: The first time Roz Wyman walked into my office with her list of items that needed to be provided by the city of San Francisco, I knew I had met someone with formidable determination and tenacity. And I knew I had made a friend for life.

The convention was a huge success. And every convention since then has been modeled on what Roz made happen in San Francisco.

Since then, I always knew that Roz was someone who could get the job—any job—done.

When I thought about running for the U.S. Senate in 1992, Roz was one of the first people I turned to and she was one of the first people to volunteer to be a campaign co-chair.

For the last 4 years of my life, Roz has been the truly inspirational force who, in spirit, has never left my side.

She has opened her home to a tired candidate and staff. She has been the unyielding cheerleader who was always upbeat even in the face of tough times. And she has always been faithful to her vision of what is right for our State and our country.

One of Roz's dreams, she told me, was to see a woman elected U.S. Senator from California. I am so honored, and indeed lucky, to be the recipient of Roz's focused attention.

Roz will soon celebrate her birthday with her three children, her 5½ year-old granddaughter, Samantha, and her many, many friends. I am so glad that her family has asked some of Roz's friends to pay tribute in some way to our Roz.

There are few people in the world as passionate, as loving, as strong, and as inspiring as Roz Wyman.

Many may know Roz because she was the youngest person ever elected to the Los Angeles City Council or because she almost singlehandedly brought the Dodgers from Brooklyn to Los Angeles.

But, in my own heart, I will always know Roz because she is that special, life-long friend who helped make my dreams come true.•

GLIDERMEN OF NEPTUNE, THE AMERICAN D-DAY GLIDER ATTACK

• Mr. INOUYE. Mr. President, I would like to bring to my colleagues' attention a book written by Mr. Chuck J. Masters entitled, "Glidermen of Neptune, The American D-Day Glider Attack." The book portrays the American soldiers who flew in the "flying coffins" of the D-Day invasions of Europe. Unarmed, these gliders carried a brave group of World War II soldiers known as glidermen. One of these brave soldiers was Senate President pro tempore STROM THURMOND. I commend this book to you so you may become better acquainted with Senator THURMOND's contribution to our Nation.•

GERMANY'S AGREEMENT TO COMPENSATE HUGO PRINCZ FOR HIS SUFFERING IN NAZI CONCENTRATION CAMPS

• Mr. BRADLEY Mr. President, Hugo Princz's war has ended.

By now, we are all familiar with the tragic story of Hugo Princz. He and his family were American citizens living in Slovakia when World War II broke out. In 1942, before they were able to get visas to America, Hugo Princz and his family were rounded up and put on a grain to the Treblinka concentration camp.

While all of his family perished in the camps, Hugo Princz managed to survive Treblinka, Auschwitz, a labor camp in the Warsaw ghetto, and Dachau, It is a story of remarkable strength and courage. In 1945, while en route to an extermination camp, Hugo Princz was rescued from his death train by an American tank division.

However, Hugo Princz's tragedy did not end with his liberation. Because he was an American citizen and was not processed through a Displaced Persons Center, in 1955 he was declared ineligible by the German Government for the reparations paid to other Holocaust survivors.

Hugo Princz did not let the matter drop, for Hugo Princz's war was not yet over. While living in New Jersey, where he worked, paid taxes, raised a family, and was a credit to his community, Hugo Princz continued to pursue justice from the German Government. He showed the same courage and perseverance that had brought him through the horrors of the Holocaust.

Slowly, over time, Hugo Princz began to find support in this country for his quest. He enlisted the help of two talented lawyers, Steve Perles and Bill Marks, who pursued his claims in the courts. The adminsitration raised the case with the German Government at the highest levels. Congress, belatedly, went into action and threatened to strip German's sovereign immunity.

Finally, yesterday, 50 years after the formal end of World War II and the formal liberation of the concentration camp prisoners, Hugo Princz made his own peace and accepted a settlement. It is not enough in dollar terms, Indeed, no amount of money could ever compensate Hugo Princz for his suffering—both during the war and during his quest for reparations. But by accepting German's settlement, Hugo Princz has vindicated his life of courage. He has won recognition of the justice of his cause.

Hugo Princz is an inspiration to the people of New Jersey and the United States. I am proud to congratulate him and wish him well in his new, post-war life.•

TRIBUTE TO ERIC SHAEFER

• Mr. SARBANES. Mr. President, over this past weekend Baltimore experienced a devastating eight alarm fire which swept through the Clipper Industrial Park, claiming the life of one Baltimore city firefighter and seriously injuring three others. I rise to pay tribute to Eric Schaefer who gave his life

during this tragic event and to commend all of the firefighters who responded so quickly and put their lives on the line, including Capt. Joseph Lynczynski, Stu Curtain, and Barry Blackmon, who were injured in the blaze. This tragedy reminds us that firefighters risk their own lives every day to protect the lives and property of others against the very real dangers of fire. I ask that an article about Eric Sheafer, entitled "Firefighter Loved Everything About the Job," from the Baltimore Sun of Monday, September 18, 1995, be printed in the RECORD.

The article follows:

[From the Baltimore Sun, Sept. 18, 1995]

FIREFIGHTER 'LOVED EVERYTHING' ABOUT JOB

(By Dennis O'Brien)

If he wasn't fighting fires or jumping from airplanes, Eric Schaefer was probably working in his garden.

The 25-year-old Baltimore native spent much of his spare time raising peppers and tomatoes in the garden behind the Glenmore Avenue home, when he and his wife had settled after their wedding in July.

Mr. Scheafer, a Baltimore firefighter who was killed Saturday during a fire at a Baltimore foundry, will likely be remembered and eulogized in Maryland this week for dying a hero's death.

But friends and relatives said last night their memories are of a lively, flesh-and-blood personality—a nonstop talker and would-be gourmet cook who loved fighting fires for the city Fire Department and jumping out of airplanes as an Army Reserve paratrooper.

"He loved anything that would give him a rush," Tina Schaefer said last night of her late husband.

Mrs. Schaefer and other relatives said Mr. Schaefer never talked about the dangers of the job he held for 18 months.

"He loved being a firefighter. He just loved everything about the job," said Dorian Schaefer, Mr. Schaefer's father.

He enjoyed camping and reading books about World War II and Vietnam. He had an aquarium with eight fish and was fascinated by snakes—keeping 15 of them as pets.

"He'd play games with them, sort of tease you with them, say, 'Here take this,' and he'd practically put one on your lap," said William Boyd, a longtime friend.

Mr. Schaefer had the usual culinary tastes. He liked pizza and enjoyed spicing up his taco chips with salsa. But he also enjoyed cooking exotic meals—tuna steaks and scallops in garlic were his specialties.

Mr. Schaefer and the former Tina Robinson had known each other since they were in school together at St. Francis of Assisi Elementary School in Northeast Baltimore.

Stories about being a firefighter from his fiancee's grandfather, Kenneth A. Robinson, a retired Baltimore fire captain, and her father, Kenneth B. Robinson, a retired fireboat engineer, inspired the Overlea High School graduate to take the firefighter's exam.

When he was accepted into the Baltimore Fire Academy about two years ago, "He knew he had found his life's work," said Mr. Boyd.

Mr. Schaefer was born in Hamden, the oldest of three sons raised by Dorian Schaefer, a construction worker, and his wife, Suellyn.

Mr. Schaefer attended Archbishop Curley High School for three years and then transferred to Overlea High School, from which he graduated in 1989.

He worked as a picture framer at Total Crafts, a shop in the Parkville Shopping Center, until 1992. Then, he joined the Army Reserve, serving with the 450th Civil Affairs Battalion, an airborne unit based in Riverdale. As a paratrooper, he had 10 jumps to his credit, according to relatives.

Along with his parents and wife, Mr. Schaefer is survived by two brothers, Todd, 22, a dialysis technician in Baltimore, and Chad, 16, a senior at Overlea High School.

Services for Mr. Schaefer are set for 11 a.m. Thursday at St. Francis of Assisi Church on the 3600 block of Harford Road. There will be viewing at the Ruck Funeral Home on the 5300 block of Harford Road from 2 p.m. to 4 p.m. and from 7 p.m. to 9 p.m. tomorrow and Wednesday.

Mr. Schaefer's family has asked that memorial contributions be sent to the Johns Hopkins Bayview Medical Center Burn Center.●

ALBANIA AND THE UNITED STATES

●Mr. LIEBERMAN. Mr. President, Albanian President Berisha has recently concluded a successful visit to the United States, strengthening the relationship between his nation and ours. On this occasion, I would like to share with my colleagues the following article written by Michael D. Granoff, Director of the US-Albania Enterprise Fund, on September 6. I ask that the article be printed in the RECORD.

The article follows:

ALBANIA AND THE UNITED STATES: AN OLD NEW PARADIGM

There has been much handwringing lately by politicians, diplomats and pundits of all stripes lamenting the state of US foreign policy. The oft cited vision thing. I recently visited Albania as a Presidential appointee to the Board of the US-Albania Enterprise Fund and observed the beginning of a new relationship that may serve as a model as we confront a changing, and perhaps ironically a more unstable, world landscape.

Albania was one of the most isolated nations on earth under the communist dictatorship of Enver Hoxha after World War II. A nation with no relationship to the United States. Now, a democratically elected President, Sali Berisha, has embarked on a set of reforms to promote democratic institutions and the development of the private sector. Albania needs to create a new economy out of whole cloth. Its leaders do not have the benefit of prior experience in the world community. Its existing financial institutions are remnants of a bygone age and are not up to the task. To use the terminology of the venture capital business, Albania is a restart and restarts are always risky. In this case I think it may be a good bet.

I found President Berisha, Finance Minister Vrioni and other government officials to be committed to reform, honest about their problems and ready to take tough action. Our political leaders could perhaps learn something from the "developing" Albanians. Repressed for 50 years, the people of Albania exhibit a palpable desire to take control of their political and economic lives.

The US-Albania Enterprise Fund was initiated by President Clinton as the last of a series of funds first conceived under the Bush Administration to promote private sector development in the formerly communist countries of Eastern Europe. The Funds are controlled by Boards of Directors consisting largely of private business people appointed by the President, who serve without pay. As profit-seeking, privately managed entities, the funds represent a new approach to foreign assistance and offer one answer to the current impasse concerning the US foreign aid program in general.

The enterprise Fund's goal in Albania is to coinvest with Albanians in small and midsized businesses to create profitable enterprises. If successful, The Fund will assist Albanian employment, reduce imports and help integrate Albania into the global economic system. In addition to our efforts, the US Agency for International Development is well into a major program to assist with agriculture and housing sector development. The World Bank and other international financial institutions have weighed in with infrastructure and privatization assistance. Together we have the rare potential to work collectively with a government to substantially improve the lives of its people. Many problems remain. The transition from an isolated society where nearly everyone was poor to a democracy where there will be those with more than others will not be easy. For example, the distinctions between equal opportunity and equal outcome are no more easily understood in Albania than is apparent from the current debate in the US over affirmative action.

On the political side, the US and Albania are beginning to cooperate diplomatically and militarily on regional issues. Albania occupies an important strategic position in the southern Balkans and has begun to play a stabilizing role in preventing the spread of the Bosnia conflict. As a long time resident in a tough neighborhood, Albania can provide the US with a vital local perspective. The bottom line is that Albania, a tiny nation with which the US has previously had virtually nonexistent relations, has the potential to become an important ally with a growing comity of interests. In the process, I believe we may be creating a model for future US foreign policy that cuts across traditional political and ideological lines. We are doing what we always say US foreign policy is supposed to do—promote democracy and the development of the private sector. And from a geostrategic point of view we are establishing an important alliance in an increasingly unstable region.

When first appointed to the enterprise fund board, I must admit I had to look at a map to see exactly where Albania was. Albanian President Berisha will visit the US in September. US policymakers should take the opportunity to take out their maps. They may be surprised by the opportunity for a bipartisan foreign policy success.●

REVISED CONFEREES—S. 219 AND S. 4

Mr. COCHRAN. I ask unanimous consent that the following be considered the revised list of conferees to accompany S. 219, the regulatory reform bill, and S. 4, the line-item veto bill.

I ask unanimous consent that the list be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

S. 219: Mr. Stevens, Mr. Nickles, Mr. Thompson, Mr. Grassley, Mr. Glenn, Mr. Levin, and Mr. Reid.

S. 4: Mr. Stevens, Mr. Roth, Mr. Thompson, Mr. Cochran, Mr. McCain, Mr. Glenn, Mr. Levin, Mr. Pryor, Mr. Sarbanes, Mr. Domenici, Mr. Grassley, Mr. Nickles, Mr. Gramm, Mr. Coats, Mr. Exon, Mr. Hollings, Mr. Johnston, and Mr. Dodd.

RELATIVE TO POLITICAL AND RELIGIOUS PRISONERS IN VIETNAM

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 174, submitted earlier today by Senator GRAMS.

The PRESIDING OFFICER. The clerk will report the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 174), expressing the sense of the Senate that the Secretary of State should aggressively pursue the release of political and religious prisoners in Vietnam.

The Senate proceeded to consider the resolution.

Mr. GRAMS. Mr. President, today I am submitting Senate Resolution 174, which expresses the sense of the Senate that the Secretary of State should aggressively pursue the release of political and religious prisoners in Vietnam.

My resolution has been prompted by the recent sentencing of two American citizens for attempting to organize a conference in Vietnam to discuss democracy and human rights. These two American citizens, Mr. Nguyen Tan Tri and Mr. Tran Quang Liem, were detained for 2 years by the Vietnamese without charge. Mr. Tri has now been sentenced to a 7-year prison term and Mr. Liem to 4 years. Both are in ill health.

The resolution calls for the Secretary of State to pursue the release of these two prisoners as well as other American citizens—I understand that American citizens from the State of Virginia are imprisoned in Vietnam as well—and all political and religious prisoners in Vietnam.

The President has just normalized relations with Vietnam. I supported normalization, because I believe it will give us more leverage with the Vietnamese Government to pursue outstanding issues such as MIA's/POW's and the release of those imprisoned in violation of international law after expressing political and religious views. Not only are people jailed for espousing political views, but those who seek religious freedoms are as well. Persecution of Buddhist leaders is rampant. Catholic and other Christian leaders have also been imprisoned allegedly for political activities under the guise of their religion.

I was disappointed that Secretary Christopher and Secretary Lord did not address this matter with Vietnamese officials in Vietnam shortly after normalization was announced. While I appreciate the efforts of consular officers in Vietnam and lower-level State Department officials to address this matter with their peers in the Vietnamese Government, I believe this issue should have been addressed directly by Secretary Christopher.

Mr. President, I am told that Vietnam has now agreed to retry the cases of at least the two Americans. We do not know when, or if, that may occur. In my judgment, it is important to pass this resolution immediately to show Senate support for a quick resolution of this situation.

Passage of this resolution is being coordinated with other concerned governments. Last week the Canadian Parliament adopted a similar resolution, and the Australian Parliament will adopt one very shortly.

If we are to have a diplomatic relationship with Vietnam, we must work with them at the highest levels of government to urge them to honor their commitment under the Universal Declaration of Human Rights by releasing all religious and political prisoners. We must also urge Vietnam to continue our efforts to obtain a full accounting of MIA's/POW's.

I urge my colleagues to support the effort to pass this resolution under unanimous consent today.

Mr. COCHRAN. I ask unanimous consent the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 174) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S.RES 174

Whereas there are many outstanding issues between the United States and Vietnam including a full accounting of MIAs/POWs; pursuit of democratic freedoms in Vietnam, including freedom of expression and association; and resolution of human rights violations;

Whereas the Government of Vietnam continues to imprison political and religious leaders to suppress the nonviolent pursuit of freedom and human rights;

Whereas the Government of Vietnam has not honored its commitments under the Universal Declaration of Human Rights and the International Covenant of Civil and Political Rights;

Whereas two American citizens, Mr. Nguyen Tan Tri and Mr. Tran Quang Liem, are among those recently sentenced to prison terms of 7 and 4 years, respectively, for their efforts to organize a conference, after 2 years of detention without charge; and

Whereas these two Americans are in poor health and are not receiving proper treatment: Now, therefore, be it

Resolved, That the Senate hereby—

(1) Urges the Secretary of State to pursue the release of the American prisoners as well as all political and religious prisoners in Vietnam as a matter of the highest priority;

(2) requests that the Secretary of State submit regular reports to the Committee on Foreign Relations of the Senate regarding the status of the imprisonment and wellbeing of the two American prisoners; and

(3) requests that the President meet with relatives of the two Americans at his earliest convenience.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President and the Secretary of State.

SIGNING OF THE ISRAELI-PALESTINIAN DECLARATION OF PRINCIPLES

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of S. Res. 171, relating to the signing of the Israeli-Palestinian declaration of principles, and that the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate proceeded to consider the resolution.

Mrs. FEINSTEIN. Mr. President, 2 years and 6 days ago, on September 13, 1993, my colleagues and I were privileged to witness an historic moment on the White House lawn: the signing of the Israeli-Palestinian Declaration of Principles.

Last week, on behalf of myself, Senator BROWN, Senator LIEBERMAN, and Senator PELL I submitted S. Res. 171, a resolution expressing the sense of the Senate on this important anniversary.

Today, I am pleased to welcome this resolution's adoption by the full Senate. This is an important demonstration of the Senate's continued support for the Middle East peace process, and a note of encouragement to those working to bring it to a successful conclusion.

From time to time, it is worth taking a moment to recognize the remarkable progress that has been achieved in the Middle East in such a short time. The Middle East has changed so much in the last 4 years that we often take the changes for granted. But reviewing the changes makes us realize that we are witnessing a true transformation in the region.

Think of it:

Four years ago, before the Madrid Conference in October 1991, Israel had never sat face-to-face in peace talks with most of its Arab neighbors. Today, meetings between Israeli and Arab officials—from Israel's immediate neighbors, from the Persian Gulf States, and from North Africa—are so routine and so numerous that they scarcely receive mention in the news media.

Just over 2 years ago, Israeli and Palestinian negotiators remained locked in a fruitless stalemate, and direct talks between Israel and the PLO were deemed impossible. Today, there is Palestinian self-rule in Gaza and Jericho, Israel and the Palestinian Authority are on the verge of reaching an agreement on Palestinian elections and further Israeli troop redeployments in the West Bank, and handshakes between Israeli and PLO leaders are commonplace.

Just over 1 year ago, Israel and Jordan remained officially in a state of war. Today, thanks to the courage and leadership of King Hussein and Prime Minister Rabin, Israel and Jordan have signed a full peace treaty, enjoy full diplomatic relations, and are continually expanding their cooperation in security, economic development, tourism, the environment, and many other areas.

Mr. President, no one would deny that peace has not yet been secured in the Middle East. Much, much work remains to be done. Although the Israeli-Syrian negotiations have at times showed promise, with senior Israeli and Syrian military officers holding substantive talks on the security arrangements that must accompany an agreement, these talks currently seem caught in a stalemate. Clearly, many hard rounds of negotiations remain.

Israel's talks with Lebanon are essentially on hold until there is an Israeli-Syrian deal. Israel and the Palestinians must continue to overcome obstacles to the implementation of their agreements, and their negotiations will get no easier once final status talks begin next year.

In addition, the peacemakers of the Middle East face continual opposition from those who would use terrorism to upset the peace process. We were reminded of this once again on August 21 when a suicide bomber blew up a bus in Jerusalem, killing five Israeli civilians. Like the suicide bombings that preceded it, this was a heinous and unforgivable act of terrorism.

All who are committed to peace must do everything in their power to prevent acts of terrorism. Nowhere is this more true than in the areas controlled by the Palestinian Authority. While the performance of Chairman Arafat's Authority in security matters has improved with time, it must do even more to prevent and punish all terrorist acts. Suicide bombers and other extremists must not be allowed to succeed in their goal preventing the arrival of peace.

But, the obstacles and the hard work ahead do not change the fact that real peace in the Middle East is today genuinely within reach, as it never has been before. The long-held dream of Israelis to live in peace with all their neighbors, in secure borders, is now a real possibility.

To bring this process to a successful conclusion, the parties themselves must make all the difficult decisions. But the support of the United States has always been essential to Middle East peacemaking, and it remains so today.

Presidents Bush and Clinton, and Secretaries of State Baker and Christopher, deserve enormous credit for their unyielding commitment to pursuing a comprehensive peace in the Middle East, and their efforts have earned them the respect and gratitude of parties throughout the region.

The Congress has also been consistent in its strong support of all efforts to advance the peace process, and expressions of that support help bolster the parties in their efforts. One recent expression of that support was the introduction of S. 1064, the Middle East Peace Facilitation Act of 1995, which I was proud to cosponsor along with Senators HELMS, PELL, DOLE, DASCHLE, MACK, LIEBERMAN, MCCONNELL, LEAHY, and LAUTENBERG. This bill would allow the President to continue to provide assistance to the Palestinians and to conduct relations with the PLO, but it includes strict new language mandating compliance by the PLO and the Palestinian Authority with all of their commitments. This bill is now part of the Foreign Operations Appropriations Act, which will be considered by the full Senate shortly.

This past weekend, Israeli Foreign Minister Shimon Peres and PLO Chairman Yasser Arafat met to try to finalize the agreement on the second phase of the Declaration of Principles. While substantial agreements have been reached on Palestinian elections, the redeployment of Israeli troops, and the expansion of Palestinian self-rule in the West Bank, differences remain over security arrangements in Hebron and the distribution of water resources. Both sides reiterated their commitment to return to the negotiating table to complete this phase at the earliest possible date.

In adopting this resolution today, the Senate lends encouragement to Israel and the Palestinians as they seek to finalize the second phase of the Declaration of Principles. In doing so, we also mark an important milestone on the long road to peace between Israel and the Palestinians. As we take note of these achievements, let us also reiterate once again that the successful conclusion of a comprehensive peace in the Middle East is in the United States' national interest, and that we in the U.S. Senate stand firmly behind all those who are committed to achieving that peace.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements appear at an appropriate place in the RECORD as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 171) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

Whereas the Bush administration and the Clinton administration have both worked relentlessly to build on the Middle East peace process that began in Madrid in October 1991, with the goal of achieving a comprehensive, lasting peace between Israel and all its neighbors;

Whereas on September 13, 1993, the first major breakthrough of the Madrid peace process was achieved when Israel and the Palestinians signed the Declaration of Principles on Interim Self-Government Arrangements on the White House lawn;

Whereas September 13, 1995, marks the second anniversary of this important breakthrough;

Whereas the United States has pledged to support the Israeli-Palestinian Declaration of Principles through diplomatic and political efforts, the provision of assistance, and other means;

Whereas the May 4, 1994, Cairo Agreement between Israel and the Palestinians resulted in the withdrawal of the Israeli army from the Gaza Strip and the Jericho area and the establishment of a Palestinian Authority with responsibility for those areas;

Whereas Israel and the Palestinian Authority are continuing negotiations on the redeployment of Israeli troops out of Arab population centers in the West Bank, the expansion of the Palestinian Authority's jurisdiction into the areas vacated by the Israeli army, and the convening of elections for a Palestinian council;

Whereas the Israeli-Palestinian Declaration of Principles helped pave the way for the October 25, 1994, signing of a full peace treaty between Israel and Jordan, which established full diplomatic relations and pledged to resolve all future disputes by peaceful means;

Whereas the Israeli-Jordanian peace treaty has resulted in rapid normalization and unprecedented cooperation between the two nations in security, economic development, the environment, and other areas;

Whereas the Israeli-Palestinian Declaration of Principles helped pave the way for Israel to establish low-level diplomatic relations with Morocco and Tunisia, and to initiate official contacts with Qatar, Oman, and Bahrain;

Whereas the six nations of the Gulf Cooperation Council have announced their decision to end all enforcement of the secondary and tertiary boycotts of Israel;

Whereas extremists opposed to the Middle East peace process continue to use terrorism to undermine the chances of achieving a comprehensive peace, including on August 21, 1995, when a suicide bomber blew up on a bus in Jerusalem, killing one American and four Israeli civilians;

Whereas the issue of security and preventing acts of terrorism is and must remain of paramount importance in the Israeli-Palestinian negotiations; and;

Whereas compliance by the Palestine Liberation Organization and the Palestinian Authority with all of their solemn commitments is essential to the success of the peace process: Now, therefore, be it

Resolved, That the Senate—

(1) expresses its support for the Israeli-Palestinian Declaration of Principles on the second anniversary of its historic signing;

(2) supports the efforts of Israel and the Palestinians to conclude an agreement on implementation of the second phase of the Declaration of Principles;

(3) condemns, in the strongest possible terms, all acts of terrorism aimed at undermining the Israeli-Palestinian peace negotiations and other tracks of the Middle East peace process, and calls upon all parties to take all necessary steps to prevent such acts;

(4) calls upon the Palestine Liberation Organization and the Palestinian Authority to comply with all of their commitments;

(5) welcomes the progress made toward peace between Israel and its neighbors;

(6) commends those Middle Eastern leaders who have committed to resolve their differences through only peaceful means;

(7) reiterates its believe that a comprehensive, lasting peace between Israel and its neighbors is in the national interest of the United States;

(8) encourages all participants in the Middle East peace process to continue working to achieve lasting peace agreements while adhering fully to all commitments made and agreements reached thus far;

(9) calls upon the Arab states to demonstrate their commitment to peace by completely dismantling the Arab boycott of Israel in its primary, secondary, and tertiary aspects; and

(10) strongly supports the Middle East peace process and seeks to effect policies that will help the peace process reach a successful conclusion.

RECESS UNTIL 9:15 A.M. TOMORROW

Mr. COCHRAN. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 10:10 p.m., recessed until Wednesday, September 20, 1995, at 9:15 a.m.

NOMINATIONS

Executive nominations received by the Senate September 19, 1995:

DEPARTMENT OF JUSTICE

GLENN DALE CUNNINGHAM, OF NEW JERSEY, TO BE U.S. MARSHAL FOR THE DISTRICT OF NEW JERSEY FOR THE TERM OF 4 YEARS, VICE ARTHUR DAVID BORINSKY.

DEPARTMENT OF TRANSPORTATION

CHARLES A. HUNNICUTT, OF GEORGIA, TO BE AN ASSISTANT SECRETARY OF TRANSPORTATION, VICE JEFFREY NEIL SHANE, RESIGNED.

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

JAMES CHARLES RILEY, OF VIRGINIA, TO BE A MEMBER OF THE FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION FOR A TERM OF 6 YEARS EXPIRING AUGUST 30, 2000, VICE RICHARD V. BACKLEY, TERM EXPIRED.

IN THE COAST GUARD

THE FOLLOWING REGULAR OFFICERS OF THE U.S. COAST GUARD FOR PROMOTION TO THE GRADE OF COMMANDER:

JAMES E. BUSSEY III
ANDREW T. MOYNAHAN
TIMOTHY R. QUINTON
CURTIS J. OTT
MARK J. BURROWS
MICHAEL P. RAND
STEVEN D. HARDY
KEVIN E. DALE
JAMES M. OBERNESSER
PATRICK T. KEANE
JOHNNY L. HOLLOWELL
PAUL D. JEWELL
EARLE G. THOMAS IV
JACK V. RUTZ
JON D. ALLEN
ROBERT C. THOMSON
JOHN E. FROST
DENNIS M. HOLLAND
MICHAEL A. JETT
WILLIAM D. BAUMGARTNER
LARRY R. WHITE
TRACY S. ALLEN
STEPHEN E. MEHLING
MICHAEL C. GHIZZONI
DANIEL N. RIEHM
WILLIAM R. MARHOFFER
BRANDT R. WEAVER
DAVID S. HILL
JAMES D. MAES
CRAIG M. JUCKNIESS
MICHAEL A.NEUSSL
GEORGE H. HEINTZ
JOSEPH W. BRUBAKER
JEFFREY H. BARKER
MICHAEL D. HUDSON
GREGORY A. MITCHELL III
PAUL J. REID
GREGORY L. SHELTON
ROBERT J. WILSON IV
KEVIN J. CAVANAUGH
GEORGE A. ASSENG, JR.
DANIEL L. WRIGHT
KATHY A. HAMBLETT
MICHAEL R. LINZEY
CHRISTINE J. QUEDENS
JEFF R. BROWN
LEROY A. JACOBS, JR.
JOSEPH C. LICHAMER
CHRISTOPHER D. MILLS
DANIEL C. WHITING
NEAL J. ARMSTRONG
ROBIN D. ORR
KEVIN L. MAEHLER
TIMOTHY V. SKUBY
PARTICK J. DIETRICH
HARRY E. HAYNES III
JOSEPH F. RODRIGUEZ
DAVID J. REGAN
JONATHON P. BENVENUTO
JAMES A. MCEWEN
MICHAEL P. NERINO
TAMERA R. GOODWIN
DOUGLAS S. TAYLOR
JEAN M. BUTLER
RANKLIN R. ALBERO
ROBERT A. BALL, JR.
GARY M. SMIALEK
ROBERT E. DAY, JR.
ROBER E. ACKER
MICHAEL E. RABER
MICHAEL D. INMAN
SHARON W. FIJALKA
MONEYY T. KAZEK
AUSTIN F. CALLWOOD
STEVEN P. HOW
IAN GRUNTHER
JEFFREY R. FREEMAN
FREDRICK D. PENDLETON
MARK S. PALMQUIST
ADOLFO D. RAMIREZ, JR.
MARGARET E. JONES
PETER M. KEANE
BLAINE H. HOLLIS
JOHN C. WILLIAMS
GREGG W. STEWART
STEPHEN D. AUSTIN
DEREK H. RIEKSTS
CHRIS OELSCHLEGEL
THOMAS D. HOOPER
JAMES D. BJOSTAD
KEVIN M. ROBB
MARGARET F. THURBER
ROBERT L. KAYLOR
ROBERT M. O'BRIEN
PAUL A. FRANCIS
JOHN A. MCCARTHY
DONALD E. OUELLETTE
TERRENCE W. CARTER
DAVALEE G. NORTON
JOE MATTINA, JR.
MICHAEL C. MCCLOUGHAN
SERGIO D. CERDA
PAUL W. LANGNER
EDWIN M. STANTON
STEVEN M. DOSS
STEPHEN C. NESEL
GAIL A. DONNELLY
ROGER H. DEROCHE
JOSEPH M. JACOBS
GILBERT E. SENA
STANLEY M. DOUGLAS
MATTHEW B. CRAWLEY
DOUGLAS A. MCCANN
JAY G. MANIK
JAMES C. HOWE
JUDITH E. KEENE
PHILIP H. SULLIVAN
LANCE L. BARDO
ERIC B. BROWN
DAVID W. KRANKING
JONATHAN S. KEENE
STEPHEN C. DUCA
DARRELL E. MILBURN
SCOTT L. KRAMMES

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. BRETT M. DULA [redacted] U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. JAMES F. RECORD [redacted] U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL ON THE RETIRED LIST PURSUANT TO THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. THAD A. WOLFE, [redacted] U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. AIR FORCE TO THE GRADE OF BRIGADIER GENERAL UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 624:

To be brigadier general

COL. WILLIAM WELSER III, [redacted] REGULAR AIR FORCE.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR PROMOTION IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTIONS 611(A) AND 624(C):

To be brigadier general

COL. BETTYE H. SIMMONS, [redacted] U.S. ARMY.

THE FOLLOWING-NAMED MEDICAL CORPS COMPETITIVE CATEGORY OFFICERS FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE OF BRIGADIER GENERAL UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 611(A) AND 624(C):

To be brigadier general

COL GEORGE J. BROWN [redacted] U.S. ARMY.
COL. ROBERT F. GRIFFIN [redacted] U.S. ARMY.

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTION 624 OF TITLE 10, UNITED STATES CODE:

To be colonel

MEDICAL SERVICE CORPS

ANTHONY C. AIKEN [redacted]
ALLEN F. ALMQUIST [redacted]
JOHN A. BECKER [redacted]
FRANK E. BLAKELY [redacted]
LARRY E. CAMPBELL [redacted]
TERRY D. CARROLL [redacted]
FELIPE CASSO [redacted]
RICHARD DANIELSON [redacted]
DAVID L. DANLEY, [redacted]
JEFFREY W. DAVIES [redacted]
LEE I. DRIGGERS [redacted]
RONALD J. DUNN [redacted]
DAVID B. GORSKI [redacted]
JAMES R. GREENWOOD [redacted]
JAMES B. HAWKINS [redacted]
DORIS H. HENDERSON [redacted]
JOHN P. HIGHTOWER [redacted]
MARJORIE A. JACKSON [redacted]
GARY K. KAGAWA [redacted]
GEORGE L. KAUFFMAN [redacted]
JONATHAN M. KISSANE [redacted]
DAVID A. KOTZIN [redacted]
RICHARD L. KUSSMAN [redacted]
LARRY W. MATTHEWS [redacted]
PHILIP X. NAVIN [redacted]
GENNADY E. PLATOFF [redacted]
HARRY J. QUEBBEMAN [redacted]
MARK A. QUINN [redacted]
NANCY K. RAIHA [redacted]
ROBERT R. ROLAND [redacted]
JIMMY SANDERS [redacted]
CHARLES S. SERIO [redacted]
TERRY P. SHANAHAN [redacted]
ROBERT E. STIENEKER [redacted]
STANFORD K. SUR [redacted]
RAY J. TERRILL [redacted]
ROBERT W. THOMAS [redacted]

MEDICAL SPECIALIST CORPS

To be colonel

JEAN M. BRYAN [redacted]
BONNIE J. DEMARS [redacted]
KRISTIN D. KING [redacted]

VETERINARY CORPS

To be colonel

LYNN J. ANDERSON [redacted]
CLYDE B. HOSKINS [redacted]
WILLIAM INSKEEP, I [redacted]
CREIGHTON J. TRAHAN [redacted]

NURSE CORPS

To be colonel

NIRANJAN BALLIRAM, [redacted]
DAVID T. BOLESH [redacted]
DIANE L. BROWN [redacted]
ERLINDA D. CONNORS [redacted]
ROSEMARIE EDINGER [redacted]
CAROLIN EITELJORGE [redacted]
SUSAN R. FOX [redacted]
GWENDOLYN FRYER [redacted]
PATRICIA M. GILL [redacted]
EILEEN A. HEMMAN [redacted]
JANIS L. HOFMAN, [redacted]
JEANETTE S. JAMES [redacted]
SALLIE J. JOLLY [redacted]
WILLIAM T. KOEHLER [redacted]
STEPHANIE MARSHALL [redacted]
JOEL M. MESSING [redacted]
GEORGE F. NUSSBAUM [redacted]
VICKI R. ODEGAARD, [redacted]
AIDA R. PEREZ [redacted]
JILL S. PHILLIPS [redacted]
JEANNE PICARIELLO [redacted]
CONSTANCE L. SCOTT [redacted]
WENDY S. SWAN [redacted]
JOYCE M. WALLER [redacted]
DONNA M. WENDT [redacted]
JENNIFER T. WILBER [redacted]
KAREN L. WILKINS [redacted]

THE FOLLOWING-NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTION 624 OF TITLE 10, UNITED STATES CODE. THE OFFICERS IDENTIFIED BY AN ASTERISK (*) ARE ALSO NOMINATED FOR REGULAR APPOINTMENT IN ACCORDANCE WITH SECTION 531 OF TITLE 10, UNITED STATES CODE:

ARMY COMPETITIVE

To be major

DAVID L. ABBOTT [redacted]
*GEORGE A. ABELON [redacted]
*JOSEPH E. ACREE [redacted]
*BRUCE D. ADAMS [redacted]
JAMES W. ADAMS [redacted]
*TIMOTHY C. AGAZIO [redacted]
*ALFRED B. AGEE, [redacted]
*ALFONSO J. AHUJA [redacted]
MICHAEL C. AID [redacted]
ROBERT B. AKAM [redacted]
ELTON D. AKINS [redacted]
*ERIC S. ALBERT [redacted]
*GARY D. ALEXANDER [redacted]
*JEFFREY ALEXANDER [redacted]
*ROBERT E. ALI, [redacted]
*BARRETT S. ALLEN [redacted]
JOHN T. ALLEN [redacted]
JOHN W. ALLEN [redacted]
MICHAEL C. ALLEN [redacted]
MICHAEL J. ALLEN [redacted]
REGINALD E. ALLEN [redacted]
OLIVER B. ALT [redacted]
*PETER ALVAREZ [redacted]
*JOHN J. ALWINE [redacted]
FRANZ J. AMANN [redacted]
*ABRAHAM ANDERSON [redacted]

DAVID E. ANDERSON [redacted]
*JOSEPH A. ANDERSON [redacted]
*MARCUS A. ANDERSON [redacted]
*RANDAL S. ANDERSON [redacted]
RICHARD J. ANDERSON [redacted]
*ZELMA A. ANDERSON [redacted]
*BRENDA A. ANDREWS [redacted]
*DARREL W. ANDREWS [redacted]
*GUY B. ANDREWS [redacted]
JAMES T. ANIBAL [redacted]
PATRICK ANTONIETT [redacted]
ARTHUR J. ARAGON [redacted]
DENISE A. ARCHULETA [redacted]
JUAN L. ARCOCHA [redacted]
DAVID C. ARE [redacted]
CHRISTOPHER S. ARGO [redacted]
MICHAEL A. ARMSTEAD [redacted]
MARK R. ARN [redacted]
HENRY A. ARNOLD [redacted]
JOHN K. ARNOLD I [redacted]
JOHN A. ARUZZA [redacted]
*JAMES M. ASH [redacted]
JOHN C. ASHBAUGH [redacted]
*JAMES W. ATKINSON [redacted]
*MARY E. ATKINSON [redacted]
GARY L. AUEN [redacted]
*REGGIE L. AUSTIN [redacted]
*MICHAEL G. AYCOCK [redacted]
*STEPHEN M. BADGER [redacted]
*RICARDO E. BAEZ [redacted]
*CALVIN D. BAILEY [redacted]
*CHRISTOPHER BAILEY [redacted]
*CASEY E. BAIN [redacted]
STAN D. BAIN [redacted]
MICHAEL K. BAISDEN [redacted]
CHRISTOPHER BAKER [redacted]
DOUGLAS L. BAKER [redacted]
GREGORY P. BAKER [redacted]
*JANICE M. BAKER [redacted]
JOHN W. BAKER [redacted]
TERRY L. BALDWIN [redacted]
*WILLIAM E. BALES [redacted]
JAMES F. BALL [redacted]
SHAWN D. BALL [redacted]
CHRISTOPHER BALLARD [redacted]
*JEFFERY A. BALLMER [redacted]
WILLIAM P. BANKER [redacted]
JAMES B. BANKSTON [redacted]
MICHAEL J. BARBE [redacted]
JUNIO O. BARBER [redacted]
ROBERT BARINOWSKI [redacted]
*MARVIN BARKER [redacted]
*MARKS S. BARNES [redacted]
*RANDALL T. BARNES [redacted]
WILLIAM M. BARNETT [redacted]
*PHILIP S. BASILE [redacted]
DAVID E. BASS [redacted]
DAVID E. BASSETT [redacted]
JEROLD D. BASTIA [redacted]
MICHAEL A. BAUMAN [redacted]
*EARNEST A. BAZEMOR [redacted]
BRYAN S. BEAN [redacted]
MICHAEL D. BEA [redacted]
*JAMES E. BEASLE [redacted]
*JONATHAN D. BEASLE [redacted]
PETER B. BECHTE [redacted]
BRADLEY A. BECKE [redacted]
CRAIG I. BEL [redacted]
*SHELBY E. BEL [redacted]
*GERALD E. BELLIVEA [redacted]
*GREGORY S. BENDA [redacted]
*WILLIAM J. BENDE [redacted]
LEITH A. BENEDICT [redacted]
EARNEST C. BENNE [redacted]
*ERIC H. BENNETT [redacted]
*JOSEHP A. BENNET [redacted]
*LISA C. BENNETT [redacted]
JOHN G. BENNIS [redacted]
*CHRISTOPHER BENTLEY [redacted]
*STEWART W. BENTLEY [redacted]
RANDALL BENTZ [redacted]
*BRUCE V. BERARDIN [redacted]
JACOB L. BERLIN [redacted]
TIMONTHY BERNSTEIN [redacted]
*MICHAEL C. BERRY [redacted]
JOHN E. BESSLE [redacted]
*RICHARD A. BEZOL [redacted]
ROB A. BIEDERMANN [redacted]
CLINTON R. BIGGE [redacted]
*MARTIN G. BINDER [redacted]
ALLEN E. BIRI [redacted]
CARL D. BIRI [redacted]
GARRY P. BISHO [redacted]
*ROBERT G. BLAC [redacted]
BOBBY F. BLACKWEL [redacted]
MARLON D. BLOCKE [redacted]
MICHAEL BOEDIN [redacted]
*EVELYN R. BOETTGE [redacted]
*MARK O. BOGGS [redacted]
MITCHEL BOHNSTEDT [redacted]
JOHN E. BOKO [redacted]
*MICHAEL D. BOLLUYT [redacted]
*STEVEN S. BON [redacted]
*JOHN R. BONNE [redacted]
BRADLEY W. BOOT [redacted]
JOSEPH L. BORDER [redacted]
*JOHN J. BOREK [redacted]
KEVEN J. BOSTIC [redacted]
SHARON W. BOWERS [redacted]
RICHARD F. BOWYE [redacted]
ALLAN S. BOYCE [redacted]
*CRIS J. BOYD [redacted]
*ALLEN D. BOZARTH [redacted]
WILLIE L. BRADLEY [redacted]
CARL J. BRADSHAW [redacted]
*GARRY L. BRANCH [redacted]
*JAMES M. BRANDON [redacted]
*PORT BRANDONMOCRAW [redacted]
STEVEN BRATINA [redacted]
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JOHN T. RYAN [redacted]
RONALD A. RYNNE [redacted]
JEFFERSON RYSCAVAGE [redacted]
LARRY L. SADD, JR. [redacted]
ROBERT W. SADOWSKI [redacted]
*MICHAEL J. SAGE [redacted]
*JAMES R. SAGEN, [redacted]
KREWASKY A. SALTER [redacted]
*WILLIAM R. SALTER [redacted]
BOBBIE H. SANDERS [redacted]
FREDRICK D. SANDERS [redacted]
GARY S. SANDERS [redacted]
MICHAEL J. SANDERS [redacted]
*ROBERT E. SANDERS [redacted]
RICHARD J. SANDS [redacted]
*SABRINA SANFILLIPO [redacted]
ROGER N. SANGVIC [redacted]
*MARK C. SANSING [redacted]
MICKEY A. SANZOTTA [redacted]
SHERRY H. SARGENT [redacted]
NATHAN M. SASSAMAN [redacted]
BARTLETT F. SAUTER [redacted]
*MALCOLM K. SAVAGE [redacted]
*WALTER S. SAVOY [redacted]
*KENT D. SAVRE [redacted]
*CHRISTOPHER SCALIA [redacted]
SEAN M. SCALLY [redacted]
*CHARLES L. SCARBORO [redacted]
TERRY J. SCHAEFER [redacted]
WILLIAM J. SCHAFER [redacted]
*STEPHEN M. SCHILLER [redacted]
*THEODORE SCHILLER [redacted]
*MICHAEL SCHLEICHER [redacted]
BERND F. SCHLIEMANN [redacted]
MICHAEL SCHODOWSKI [redacted]
*JOHN F. SCHRADER [redacted]
*KATHRYN J. SCHRAMM [redacted]
CHARLES SCHRANKEL [redacted]
STEVEN E. SCHULER [redacted]
*ROBERT W. SCHUMITZ [redacted]
*RICHARD R. SCHWARZ [redacted]
KRISTINE L. SCHWEND [redacted]
JEWEL A. SCOTT [redacted]
*RANDY D. SCOTT [redacted]
*PATRICK J. SCRIBNER [redacted]
PAUL J. SCULLION [redacted]
TERRANCE C. SEAL [redacted]
*STEVEN L. SEARCY [redacted]
GROMOSKI L. SECTION [redacted]
*DAVID M. SEITZ [redacted]
*CHARLES E. SEXTON [redacted]
MARK A. SHAFFSTALL [redacted]
*WAYNE M. SHANKS [redacted]
*STEVEN A. SHAPIRO [redacted]
*CAROLYN R. SHARPE [redacted]
*JOSEPH SHAW, JR. [redacted]
MARY E. SHAW [redacted]
WILLIAM H. SHAW [redacted]
LINDA K. SHEIMO [redacted]
*STEVEN A. SHELBY [redacted]
*RICHARD L. SHELTON [redacted]
*DAVID T. SHEPHERD [redacted]
STEVEN K. SHERIDAN [redacted]
CHANDLER SHERRELL [redacted]
JAMES J. SHIVERS [redacted]
BARTHOLOMEW SHREVE [redacted]
ROBERT L. SHUMAR [redacted]
LAWRENCE S. SILAS [redacted]
*JULIAN C. SIMERLY [redacted]
GERALD R. SIMMONS [redacted]
*JOHN G. SIMMONS [redacted]
ROGER R. SIMMONS [redacted]
*DENNIS H. SIMON [redacted]
JAMES E. SIMPSON [redacted]
ROBERT L. SIMPSON [redacted]

WILLIAM P. SIMRIL [redacted]
*MICHAEL J. SINATRA [redacted]
JEFFREY A. SINCLAIR [redacted]
DONALD J. SINGER [redacted]
*VINCENT M. SINGER [redacted]
*KERRY T. SKELTON [redacted]
*ANTHONY R. SKINNER [redacted]
*RICHARD W. SKOW [redacted]
*DARREL SLAUGHTER [redacted]
KELLY E. SLAVEN [redacted]
*TIMOTHY S. SLEMP [redacted]
STEVEN A. SLIWA [redacted]
RALPH M. SLIWICKI [redacted]
VALERIE E. SLOAN [redacted]
CHRISTOPHER SMITH [redacted]
*CHRISTOPHER SMITH [redacted]
*DENNIS C. SMITH [redacted]
*DEREK S. SMITH [redacted]
*DOUGLAS P. SMITH, [redacted]
GINA SMITH [redacted]
JOHN T. SMITH [redacted]
KYLE G. SMITH [redacted]
MARK A. SMITH [redacted]
PEYTON E. SMITH [redacted]
PHILLIP G. SMITH, [redacted]
RODNEY D. SMITH [redacted]
STANLEY O. SMITH [redacted]
TODD D. SMITH [redacted]
*SCOTT S. SNOW [redacted]
CHAD A. SNYDER [redacted]
*GREGORY A. SOFRAN [redacted]
WILLIAM M. SOLMS, [redacted]
*EDWARD R. SOTELO [redacted]
JOE D. SOUTHERLAND [redacted]
CHRISTOPHER SPILLMAN [redacted]
*NICHOLAS SPIRIDIGLIOZZI [redacted]
WILLARD S. SQUIRE [redacted]
*JOHN M. ST [redacted]
*MAUREEN E. STAPLES [redacted]
DAVID P. STARK [redacted]
TYRONE K. STARK [redacted]
*BRUCE E. STATLER [redacted]
MICHAEL J. STAVER [redacted]
*ROBERT P. STAVNES [redacted]
*JOHNIE J. STEELE [redacted]
THOMAS C. STEFFENS [redacted]
*GEORGE E. STEIGER [redacted]
SHELLY STELLWAGEN [redacted]
EDWARD STEPANCHUK [redacted]
*BOYCE STEPHENS [redacted]
VICTOR STEPHENSON [redacted]
*MARGARET STERMERCOX [redacted]
JERRY D. STEVENSON [redacted]
*MICHAEL R. STEVES [redacted]
*DEANNA M. STEWART [redacted]
JAMES E. STEWART [redacted]
*MONTIETH H. STEWART [redacted]
NAPOLEON W. STEWART [redacted]
*STEPHEN K. STIRLING [redacted]
JOHN P. STOKES [redacted]
MICHAEL STOLLENWERK [redacted]
JANICE M. STONE [redacted]
*ROCKY D. STONE [redacted]
MICHAEL P. STONEHAM [redacted]
CURT E. STOVER [redacted]
*ROBERT B. STREET [redacted]
*TERRY L. STREETON [redacted]
*GEORGE P. STROBOT [redacted]
JACK E. STURGEON [redacted]
TIMOTHY S. SUGHRUE [redacted]
*DANIEL F. SULLIVAN [redacted]
ROBERT P. SULLIVAN [redacted]
BRIAN P. SUNDIN [redacted]
*THOMAS B. SUPPLEE [redacted]
JOHN R. SURDU [redacted]
MICHAEL J. SWANSON [redacted]
*JAMES F. SWITZER [redacted]
WILLIAM D. SWOPE [redacted]
ZSOLT SZENTKIRALYI [redacted]
*ARPAD J. SZOBOSZLAY [redacted]
IVAR S. TAIT [redacted]
*HUGH B. TALLEY [redacted]
DOUGLAS A. TAMILIO [redacted]
*ALFRED C. TANNER [redacted]
KENNETH R. TARCZA [redacted]
*JEROME M. TARUTANI, [redacted]
BRENDA F. TATE [redacted]
DAVID B. TAYLOR [redacted]
HAROLD W. TAYLOR [redacted]
KIP P. TAYLOR [redacted]
KURT L. TAYLOR [redacted]
*ROGER M. TAYLOR [redacted]
SCOTT R. TAYLOR [redacted]
MICHAEL J. TEAGUE [redacted]
*PAUL S. TEAGUE [redacted]
*RORY K. TEGIMEIER [redacted]
TURNER B. THACKSTON [redacted]
*NEIL R. THIBAULT [redacted]
PHILIP R. THIELER [redacted]
DANIEL L. THOMAS [redacted]
GEORGE THOMAS, JR. [redacted]
*NELLO A. THOMAS [redacted]
*PATTON W. THOMAS [redacted]
*ROUSELL THOMAS, JR. [redacted]
STEVEN N. THOMAS [redacted]
*CHRISTOPH THOMPSON [redacted]
LARRY M. THOMPSON [redacted]
*PRESTON THOMPSON [redacted]
ROBERT L. THOMPSON [redacted]
JOHN C. THOMSON [redacted]
LEO R. THORNE [redacted]
*TIMOTHY J. THURMOND [redacted]
EDWIN R. TIFRE [redacted]
DAVID E. TIGHE [redacted]
*RYAN L. TILLERY [redacted]
JOSEPH A. TIRONE [redacted]
RONALD C. TODD [redacted]
KAREN D. TOMLIN [redacted]
*DANIEL W. TOMLINSON, [redacted]
*GARY W. TONEY, [redacted]
SHERI L. TONNER [redacted]
*CHARLES M. TOROK [redacted]
*FERNANDO L. TORRENT [redacted]
*DOUGLAS M. TOSTRUD [redacted]
TOMMY J. TRACY [redacted]
*DAVID M. TRESHANSKY [redacted]
*VENCENT W. TRIPP [redacted]
ARTHUR N. TULAK [redacted]
*AMY F. TURLUCK [redacted]
CURTIS W. TURNER [redacted]
*LARRY N. TURNER [redacted]
RANDY L. TURNER [redacted]
*RICHARD J. TURNER [redacted]
FRANCIS J. TWAROG [redacted]
*STEVEN C. ULLOM [redacted]
IRELAND S. UPCHURCH [redacted]
GREGG UPSHAW [redacted]
*LENNIE R. UPSHAW [redacted]
CHRISTOPHER UPSON [redacted]
*JOE A. USREY [redacted]
GREGORY E. VALLET [redacted]
ROBERT S. VANBEUGE [redacted]
*MICHAEL VANDERBOGART [redacted]
*DONALD VANDERGRIFF [redacted]
*DIANE M. VANDERPOT [redacted]
ROBERTO L. VAZQUEZ [redacted]
ALEJANDRO J. VEGA [redacted]
DAVID VELAZQUEZ [redacted]
DAVID M. VENEZIA [redacted]
*BRUCE C. VERDE [redacted]
*RICHARD S. VICK [redacted]
ARMANDO R. VIGIL [redacted]
ALFRED J. VIGNA [redacted]
JAMES A. VIOLA [redacted]
*BERNARD VISHNESKI [redacted]
LOUIS A. VOGLER [redacted]
TIMOTHY A. VUONO [redacted]
STEVEN L. WADE [redacted]
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ERIC C. WAGNER [redacted]
MARC A. WAGNER [redacted]
DOUGLAS L. WAHLERT [redacted]
*GLENN R. WALKER [redacted]
*WILLIAM E. WALPOLE [redacted]
ERIC A. WALTERS [redacted]
ROBERT P. WALTERS [redacted]
MARK E. WALWORTH [redacted]
DARRELL A. WARD [redacted]
*DARRYL E. WARD [redacted]
DAVID L. WARD [redacted]
*JESSE S. WARD [redacted]
MICHAEL V. WARREN [redacted]
THOMAS F. WASHER [redacted]
ANDREW WASHINGTON [redacted]
VERSALL WASHINGTON [redacted]
JOHN D. WASON [redacted]
SCOTT T. WATERMAN [redacted]
BILLIE S. WATTS [redacted]
*CHARLES D. WATTS [redacted]
BRIAN K. WEATHERLOW [redacted]
*CHARLES B. WEBBER [redacted]
WILLIAM WEIGESHOFF [redacted]
HOWARD L. WEINSTOCK [redacted]
SCOTT C. WELIVER [redacted]
*CRAIG A. WELLS [redacted]
JOHN M. WENDEL [redacted]
ERIC P. WENDT [redacted]
ANTHONY N. WENGER [redacted]
*MICHAEL WESOLOWSKI [redacted]
KATHRYN WESTBROOK [redacted]
*MARVIN E. WESTEN, [redacted]
*CARY S. WESTIN [redacted]
*JEFFREY H. WESTON [redacted]
BRIAN R. WHALEN [redacted]
*ROBERT P. WHALEN [redacted]
*DAVID W. WHIPPLE [redacted]
MARVIN S. WHITAKER [redacted]
*ANDREW P. WHITE [redacted]
*CLIFFORD T. WHITE [redacted]
*DAVID J. WHITE [redacted]
*DAVID L. WHITE [redacted]
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*MARK M. WHITE [redacted]
*PETER J. WHITE [redacted]
*ROBERT L. WHITE [redacted]
ROBERT P. WHITE [redacted]
STEPHEN W. WHITE [redacted]
STEVEN C. WICAL [redacted]
*CHRISTOPHER WICKER [redacted]
TRACY L. WICKHAM [redacted]
KARL B. WIEDEMANN [redacted]
ROBERT F. WIELER [redacted]
MARK H. WIGGINS [redacted]
*DAVID L. WILCOX [redacted]
*GARY K. WILDS [redacted]
*PHILIP G. WILKER [redacted]
BRIAN L. WILLIAMS [redacted]
CHARLES A. WILLIAMS [redacted]
CHARLES E. WILLIAMS [redacted]
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*STEVEN B. WILLIAMS [redacted]
TASHA L. WILLIAMS [redacted]
JEFFREY WILLIAMSON [redacted]
*RANDALL WILLIAMSON [redacted]
DONALD G. WILSEY [redacted]
BELFORD S. WILSON [redacted]
*DANIEL A. WILSON [redacted]
*GREGORY K. WILSON [redacted]
GREGORY R. WILSON [redacted]
JEFFREY S. WILSON [redacted]
*JOHN S. WILSON [redacted]
*LATINA L. WILSON [redacted]
*RONALD L. WILSON [redacted]
THOMAS M. WILSON [redacted]
JEFFREY S. WILTSE [redacted]
*WILLIAM L. WIMBISH [redacted]
*LOUIS B. WINGATE [redacted]
KARL E. WINGENBACH [redacted]
*CEDRIC T. WINS [redacted]
NATHALIE WISNESKI [redacted]
*DAVID M. WITTY [redacted]
SUSAN F. WOJCIK [redacted]
*DOUGLAS J. WOLFE [redacted]
*BRADLEY J. WOOD [redacted]
*DONALD K. WOOD, [redacted]
TODD R. WOOD, [redacted]
*JOHN I. WOODBERY, [redacted]
*KENNETH C. WOODBURN [redacted]
BRENDA WORTHINGTON [redacted]
*ANTHONY O. WRIGHT [redacted]
GEORGE G. WRIGHT [redacted]
WILLIAM D. WUNDERLE [redacted]
*PHILLIP B. WYLLIE [redacted]
*DAVID WYRICK [redacted]
OLIVER K. WYRTKI [redacted]
*LAWRENCE Y. YAP [redacted]
*JAMES M. YOCUM, [redacted]
*KRISTINA A. YOUNG, [redacted]
ROBERT G. YOUNG [redacted]
DAVID A. YOUNGBERG [redacted]
*EVA M. YOUNGDAHL [redacted]
*STEVEN ZACHARCZYK [redacted]
WILLIAM J. ZAHARIS [redacted]
*MICHAEL T. ZARYCZNY [redacted]
*STEPHEN ZGLINICKI [redacted]
*MICHAEL V. ZIEBA [redacted]
ADAM C. ZIEGLER [redacted]
EDWARD W. ZIMMERMAN [redacted]
*MARC L. ZIMMERMAN [redacted]
NEAL O. ZIMMERMAN [redacted]
RANDAL J. ZIMMERMAN [redacted]
JOHN L. ZORNICK [redacted]
SCOTT W. ZURSCHMIT [redacted]
X0154
*X2001
X0082
X0596
*X1613
X2444

IN THE NAVY

THE FOLLOWING-NAMED LIEUTENANTS IN THE STAFF CORPS OF THE NAVY FOR PROMOTION TO THE PERMANENT GRADE OF LIEUTENANT COMMANDER, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFORE AS PROVIDED BY LAW:

MEDICAL CORPS OFFICERS

To be lieutenant commander

WILLIAM D. AGERTON [redacted]
MARC L. ALESSANDRIA, [redacted]
BRIAN A. ALEXANDER [redacted]
MIR B. ALI [redacted]
CORINNE J. ANCONA-YOUNG [redacted]
DAVID W. BAHL [redacted]
EDUARDO J. BALBONA [redacted]
THOMAS A. BALCOM [redacted]
STEVEN L. BANKS [redacted]
CHRISTOPHER J. BASHORE [redacted]
STEVEN L. BASKERVILLE [redacted]
MICHAEL B. BAUER [redacted]
SHIUYUEH L. BAXTER, [redacted]
DAVID A. BEARD [redacted]
BRUCE A. BECKER [redacted]
DAVID R. BIERER [redacted]
NANCY M. BISHOP [redacted]
CHARLES D. BISSELL [redacted]
KENT A. BLADE [redacted]
CHRISTOPHER B. BOOKOUT [redacted]
THOMAS L. BOSSHARDT [redacted]
PHILLIP M. BOUTERSE [redacted]
PATRICK H. BOWERS [redacted]
GLORIA BOWLES-JOHNSON [redacted]
PATRICK K. BOYLE [redacted]
JEFFREY C. BROWN [redacted]
JAMES E. BUNKER [redacted]
STEPHEN W. BURGHER [redacted]
RAFAEL A. CABRERA [redacted]
JOSEPH C. CAMPBELL [redacted]
ALEXANDER F. CARDENAS [redacted]
MATTHEW A. CARLBERG [redacted]
JANIS R. CARLTON [redacted]
PHILIP D. CARON [redacted]
JEFFREY S. CARSTENS [redacted]
KEITH A. CARUSO [redacted]
RHONDA S. CHANSON [redacted]
HOLLACE D. CHASTAIN [redacted]
JEFFREY W. CHUDOBA [redacted]

JOHN P. CHUTE [redacted]
DWAYNE C. CLARK [redacted]
CHUNJAI L. CLARKSON [redacted]
JEANNETTE M. CLEMONS [redacted]
WILLIAM G. CLOWDIS [redacted]
CATHERINE A. COUNARD [redacted]
WILLIAM D. CRAIG [redacted]
JOSEPH W. CUNNINGHAM [redacted]
DAVID J. CZERTAK [redacted]
DAVID J. DAMSTRA [redacted]
ADRIAN M. DANCHENKO [redacted]
THOMAS P. DAVIS [redacted]
THOMAS E. DEBLOIS [redacted]
DOUGLAS L. DECKER [redacted]
RICHARD A. DELACRUZ [redacted]
PAUL J. DEMARCO [redacted]
PETER DEMARTINO [redacted]
GREGORY L. DENISON [redacted]
GERALD D. DENTON [redacted]
JOAN C. DIMARZIO [redacted]
MICHAEL J. DORLE [redacted]
JAMES R. DUNNE [redacted]
DAVID M. EBBITT [redacted]
EDDY L. ECHOLS [redacted]
MARK S. EDENS [redacted]
ANN G. EGLAND [redacted]
DAWN O. ELLIOTT [redacted]
RICK A. FAIR [redacted]
BRUCE J. FEIGELSON [redacted]
CAROLYN J. FERRARI [redacted]
NOEL FIGUEROA [redacted]
MARSHA G. FINK [redacted]
JAY W. FLOYD [redacted]
ANNIE M. FONTAINE [redacted]
MARK A. FONTANA [redacted]
TERRANCE K. FOURNIER [redacted]
ROBERT J. FRENCH [redacted]
TONIANNE FRENCH [redacted]
JULIE A. GAGE [redacted]
MARCO V. GARCIAGALVEZ [redacted]
AMY L. GARRETT, [redacted]
BRENDON L. GELFORD [redacted]
JEFFREY S. GIBSON [redacted]
MICHAEL F. GITTER [redacted]
MARTHA K. GIRZ [redacted]
GARY S. GLUCK [redacted]
ACEVEDO A. GONZALEZ [redacted]
ELSIE T. GORDON [redacted]
BRIAN J. GRADY [redacted]
BRADLEY S. GRAHAM [redacted]
MARY L. GREBENC [redacted]
RICKY D. GROSS [redacted]
SUZAN M. GROSS [redacted]
BRADEN R. HALE [redacted]
ROBERT J. HALLMARK [redacted]
WILLIAM B. HAMMETT [redacted]
ERIC T. HANSEN [redacted]
AMIR E. HARARI [redacted]
WENDELL D. HATCH [redacted]
THOMAS J. HATTEN [redacted]
SCOTT W. HELMERS [redacted]
SARAJEAN M. HERRMANN [redacted]
TAMARA J. HOOVER [redacted]
JANE M. HOUTZ [redacted]
STEVEN C. HOWE [redacted]
JASON A. HUGHES [redacted]
JOHN D. HUGHES [redacted]
RANDALL N. HYER [redacted]
MICHAEL A. ILLOVSKY [redacted]
LISA INOUYE [redacted]
CRAIG A. IRIYE [redacted]
BETH R. JAKLIC [redacted]
CHRISTOPHER J. JANKOSKY [redacted]
KRISTOPHER L. JENSEN [redacted]
ANDREW S. JOHNSON [redacted]
JOHN L. KANE III [redacted]
PAUL D. KANE [redacted]
PATRICK J. KELTY [redacted]
MICHELE A. KETTLES [redacted]
SHAWN E. KIDDER [redacted]
SUSAN M. KING [redacted]
RICHARD A. KIRBY [redacted]
CHRISTOPHER W. KOTTKE [redacted]
JACQUELINE KOVACS [redacted]
ALAN M. KRYSTAL [redacted]
CHRISTOPHER C. LAGANKE [redacted]
DOUGLAS R. LANDRY [redacted]
DAVID M. LARSON [redacted]
HOANG T. LE [redacted]
LAWRENCE L. LECLAIR [redacted]
WENDY LEE [redacted]
KATHLEEN C. LEONE [redacted]
CHRISTOPHER J. LEONI [redacted]
IVAN K. LESNIK [redacted]
DARRYL F. LESOSKI [redacted]
EDGAR M. LEVINE [redacted]
JOHN L. LINDSEY [redacted]
ELIZABETH A. LIOTTA [redacted]
KIMBERLY A. LONGMIRE [redacted]
CHARLES E. LOPEZ [redacted]
RODNEY D. LUCAS [redacted]
ANDREW J. MACFADYEN [redacted]
FREDERICK J. MADING [redacted]
GAIL H.J. MANOS, [redacted]
ELIZABETH H. MASON [redacted]
BYRON C. MAY [redacted]
MICHAEL A. MAZZILLI [redacted]
MICHAEL D. MC BETH [redacted]
CHARLES E. MC CANNON [redacted]
EDISON P. MC DANIELS [redacted]
MICHAEL J. MC DERMOTT [redacted]
ELIZABETH G. MC DONALD [redacted]
JAMES V. MC DONALD [redacted]
THOMAS J. MC DONALD [redacted]
TERENCE M. MC GEE [redacted]
ELIZABETH A.G. MC GUIGAN [redacted]
BRIAN J. MC KINNON [redacted]
SHAWN A. MENEFEE [redacted]
DAVID S. MEZEBISH [redacted]
JAMES M. MICK [redacted]
MARGARET T. MIDDLEBROOK [redacted]
MARK A. MIGHELL [redacted]
BRADLEY T. MILLER [redacted]
CHRISTOPHER J. MILLER [redacted]
GREGORY A. MILLER [redacted]
MAURICE M. MILLER [redacted]
WILLIAM J. MILLIKEN [redacted]
PETER B. MISHKY [redacted]
MELANIE W. MITCHELL [redacted]
MICHAEL E. MOLLERUS [redacted]
WILLIAM L. MORSE [redacted]
CYNTHIA M. MOSBRUCKER [redacted]
KURT K. MUELLER [redacted]
CLIFFORD C. MUNESES [redacted]
ANTHONY J. MUSIELEWICZ [redacted]
DARLENE MYLES [redacted]
JOHN T. NEFF [redacted]
JEFFREY D. NELSON [redacted]
TRACY D. NELSON [redacted]
JOHN C. NICHOLSON [redacted]
DANIEL F. NOLTKAMPER [redacted]
CHRISTOPHER W. NORWOOD [redacted]
LOUIS D. OROSZ [redacted]
CARY A. OSTERGAARD [redacted]
JAMES R. PATE [redacted]
WILLIAM J. PEKARSKE [redacted]
TRUMAN L. PERRY, [redacted]
PAUL F. PIZZELLA [redacted]
CYNTHIA A. POLO [redacted]
JAMES M. POLO [redacted]
THOMAS J. POSCH [redacted]
MICHAEL H. POWER [redacted]
SCOTT A. RABER [redacted]
JOHN J. RAGAN [redacted]
ERIC RASMUSSEN [redacted]
JANET M. REYNOLDS [redacted]
BENJAMIN K. RHEE [redacted]
KEVIN P. RIEG [redacted]
SCOTT K. RINEER [redacted]
MICHAEL E. ROBIOLIO [redacted]
RICARDO J. RODRIGUEZ [redacted]
JAMES H. ROTHSTEIN [redacted]
ANTHONY M. ROWEDDER [redacted]
KEVIN L. RUSSELL [redacted]
MARGARET A. RYAN [redacted]
HOWARD J. SADINSKY [redacted]
DONALD R. SALLEE [redacted]
ANTHONY A. SANCHEZ [redacted]
LOYCE J. SCHIMEK [redacted]
MICHAEL S. SCHLEGEL [redacted]
SUZANNE B. SCHOELCH [redacted]
DOUGLAS R. SCHULTE [redacted]
JAMES G. SCHWENDIG [redacted]
MICHAEL E. SEIBERT [redacted]
JOY Y. SELIGMAN [redacted]
DAVID A. SEVERANCE [redacted]
JOSEPH M. SHAUGHNESSY [redacted]
JAMES S. SHERRER [redacted]
WILLIAM T. SHERRER [redacted]
STEVEN C. SHIU [redacted]
BRYAN A. SHOUSE [redacted]
RICHARD L. SIEMENS [redacted]
ROBERT J. SIGILLITO [redacted]
EDWARD D. SIMMER [redacted]
JEFFREY A. SIMON [redacted]
KRISTIN N. SLATTERY [redacted]
LLOYD W. SLOAN [redacted]
ERIC P. SMITH [redacted]
WILLIAM F. SMIT [redacted]
TERRENCE L. SOLDO [redacted]
ANNA M. STAUDT [redacted]
TERRY K. STEVENSON [redacted]
WENDY A. STROH [redacted]
CHRISTOPHER D. SWEARINGEN [redacted]
ANIL TANEJA [redacted]
DAVID J. TANZER [redacted]
CHARLES A. TAYLOR [redacted]
ELISE F. THOMAS [redacted]
JAMES W. THOMAS [redacted]
JOHN S. THURBER [redacted]
RICHARD TOMPSON [redacted]
CHARLES B. TONER [redacted]
JOHN C. TORRIS [redacted]
MATTHEW S. TURNER [redacted]
MARK W. ULRICKSON [redacted]
DANIEL J. VALAIK [redacted]
JAMES A. VANDERSLOOT [redacted]
KATHRYN M. VARGO [redacted]
DANIEL E. VANICK [redacted]
JONATHAN C. VOGAN [redacted]
JONATHAN H. VU [redacted]
JOHN W. WAIDNER [redacted]
YUSUKE WAKESHIMA [redacted]
CLARK W. WALKER [redacted]
JEFFREY W. WALL [redacted]
ANTOINE P. WASHINGTON [redacted]
BRENT T. WATSON [redacted]
JAMES A. WEBB [redacted]
PETER J. WEIS [redacted]
DAVID K. WEISS [redacted]
KIRK M. WELKER [redacted]
LOYD A. WEST [redacted]
DARRYL G. WHIT [redacted]
MICHAEL A. WHITMAN [redacted]
KENNETH D. WILLIAMS [redacted]
SYMPHOROSA M. WILLIAMS [redacted]
BRIAN D. WIPPERMANN [redacted]
LELAND T. WONG [redacted]
ROBIN E. WOOD, [redacted]
JAMES J. WOODS [redacted]
GERALD L. YANCEY [redacted]
BRIAN T. YATES [redacted]
KEVIN E. ZAWACKI [redacted]

SUPPLY CORPS OFFICERS

To be lieutenant commander

DAVID C. ACKERMAN, JR. [redacted]
WILLIAM G. BAKER [redacted]
TODD L. BARNUM, [redacted]
ROGER T. BEAUBIEN [redacted]
ROBERT J. BESTERCY [redacted]
DEBORAH L. BIENEMAN [redacted]
ROBERT B. BIRMINGHAM [redacted]
MICHAEL B. BOHN [redacted]
JIMMY L. BOSS, JR. [redacted]
ANTHONY P. BRAZAS, [redacted]
ROBERT L. BRUNSON, JR. [redacted]
MICHAEL J. BURR [redacted]
DAVID W. CASH, [redacted]
SHARON P. CHAPMAN, [redacted]
DUANE A. CHILDRESS [redacted]
SAMUEL S. CHINNAPONGSE [redacted]
LAWRENCE J. COFFEY [redacted]
SCOTT A. COHEN, [redacted]
GRISELL F. COLLAZO [redacted]
BOBBI L. COLLINS [redacted]
ARTHUR L. COTTON III, [redacted]
DWIN C. CROW, [redacted]
ALBERT L. DAVIS [redacted]
JAMES P. DAVIS, [redacted]
GEORGE DEVRIES [redacted]
STEVEN A. DIDIO [redacted]
ROBERT W. DILL [redacted]
KENT R. DILLS [redacted]
DALE A. DIMICK [redacted]
KIT A. DUNCAN [redacted]
JOSEPH F. DUNN [redacted]
JAMES M. ERSKINE [redacted]
PHILIP A. FAHRINGER [redacted]
KAREN FALLON [redacted]
JAMES D. FLOWERS [redacted]
ROBERT W. FOSTER [redacted]
MICHAEL L. FULTON [redacted]
DAVID M. FURR [redacted]
JOHN S. GONZALEZ, [redacted]
ROBERT A. GOODMAN, [redacted]
STEPHEN D. GRACE [redacted]
RANDALL L. GRAU [redacted]
JOHN S. GRAY, [redacted]
JOHN M. GROLL III [redacted]
KELLY J. GROSSKOPF [redacted]
DAVID E. GUILBERT [redacted]
STEVEN J. HAVERANECK [redacted]
STEVEN B. HEMMRICH [redacted]
CEDRIC D. HENRY [redacted]
MARK C. HENRY [redacted]
JOHN E. HICKS [redacted]
ARTHUR D. HUGHES [redacted]
CARY D. JOHNSON, [redacted]
CHRISTILYNN JONES [redacted]
DAVID G. JONES [redacted]
STUART S. JONES, [redacted]
SCOTT P. KELLEN [redacted]
MICHAEL D. KELLY [redacted]
ROBERT J. KILPATRICK, JR [redacted]
ROGER T. KISSEL, [redacted]
BRIAN L. KNOTT [redacted]
JOSEPH P. KUCZMARSKI [redacted]
PAUL J. LABELLE [redacted]
JOHN J. LANDRY [redacted]
TRACY A. LARCHER [redacted]
AMY L. LAUER [redacted]
TAE H. LEE [redacted]
VICTOR LOPEZ [redacted]
MICHAEL K. LUCAS [redacted]
STEVEN D. MAC DONALD [redacted]
DAVID J. MAILANDER [redacted]
BRIAN H. MALLADY [redacted]
VITO V. MANNINO, [redacted]
MELINDA L. MATHENY [redacted]
JAMES A. MC CORMACK [redacted]
JOHN R. MC KONE II, [redacted]
NEAL P. MC MAHON, [redacted]
THOMAS R. MC MURDY, [redacted]
JOHN G. MEIER III, [redacted]
MATTHEWABRAM MERRITT [redacted]
DAVID C. MEYERS, [redacted]
KEVIN F. MOONEY [redacted]
ANDREW S. MORGART, [redacted]
DANIEL J. MOTHERWAY [redacted]
JOHN M. MURDOCK, [redacted]
WILLIAM D. NELSON [redacted]
MARK S. NEWELL, [redacted]
GERALD W. NORBUT, [redacted]
TIMOTHY J. OBRIEN [redacted]
THOMAS B. ODOWD, [redacted]
THEODORE C. OLSON, [redacted]
RANDAL J. ONDERS [redacted]
GARY R. PAETZKE [redacted]
JAMES K. PATTON [redacted]
DAVID A. PETERS [redacted]
JOHN D. PICKERING [redacted]
DAVID R. PIMPO, [redacted]
GREGORY R. PORTER [redacted]
CHARLES T. RACE, [redacted]

ALFRED C. RAINES I [redacted]
SUSAN O. RANDALL [redacted]
KEVIN D. REDMAN [redacted]
JAMES M. REICH [redacted]
SCOTT M. RETZLER [redacted]
KATHRYN M. RING [redacted]
ELLEN E. ROBERTS [redacted]
MARK SANTACROCE, [redacted]
DUANE J. SCHATZ [redacted]
DONALD L. SINGELTON [redacted]
JAMES W. SMART [redacted]
WALTER P. SMITH [redacted]
GLEN T. STAFFORD [redacted]
TIMOTHY A. STARK [redacted]
BRETT A. STURKEN [redacted]
DAVID R. SUTTON [redacted]
DAVID W. TAYLOR [redacted]
MICHAEL L. TAYLOR [redacted]
REGINA A. TAYLOR-HINES [redacted]
CURTIN D. TEETERS [redacted]
WILLIAM J. TERRY [redacted]
GESELLE D. TOMPKINS [redacted]
DOUGLAS M. THOMPSON [redacted]
ERIK THOMPSON [redacted]
ROBERT F. TUCKER [redacted]
SCOTT R. VANDERMAR [redacted]
FREDERICK M. VANLUIT [redacted]
TIMOTHY S. VARVEL [redacted]
PAUL J. VERRASTRO [redacted]
FRANCIS K. VREDENBURGH JR. [redacted]
ROLAND G. WADGE [redacted]
THOMAS C. WARDWELL [redacted]
KEVIN D. WASKOW, [redacted]
LOTHAR M. WETZEL [redacted]
TIMOTHY H. WILKINS, [redacted]
BRIAN A. ZIRBEL [redacted]

CHAPLAIN CORPS OFFICERS

To be lieutenant commander

ROOSEVELT H. BROWN [redacted]
JOSEPH T. DEVINE [redacted]
STEPHEN A. GAMMON [redacted]
MARK J. LOGID [redacted]
KIERAN G. MANDATO [redacted]
DEBORAH L. MARIYA [redacted]
DAVID D. MITCHELL [redacted]
NESTOR NAZARIO [redacted]
DENNIS T. PINKNEY [redacted]
JOHN O. REITZ, [redacted]
ROBBIE H. SCOTT, JR. [redacted]
MARK G. STEINER [redacted]
PETER B. ST MARTIN [redacted]

CIVIL ENGINEER CORPS OFFICERS

To be lieutenant commander

WILLIAM W. ANDERSON, JR. [redacted]
TIMOTHY J. ARMSTRONG, [redacted]
ROBERT D. BAKER [redacted]
WILLIAM E. BENNETT III [redacted]
JOHN T. BERGSTROM [redacted]
MICHAEL A. BLUMENBERG, [redacted]
LOUIS V. CARIELLO [redacted]
DAVID B. CORTINAS [redacted]
MARK R. DEIBERT [redacted]
JEAN T. DUMLAO [redacted]
ROBERT O. FETTER [redacted]
WILLIAM E. FINN [redacted]
JOHN V. HECKMANN, JR. [redacted]
PAIGE K. HOFFMANN [redacted]
ROBERT P. HOLT [redacted]
MARK W. JACKSON [redacted]
BRYAN K. JAGOE [redacted]
JOHN W. KORKA [redacted]
IAN C. LANGE [redacted]
PETER S. LYNCH [redacted]
EDUARDO P. MANGLALLAN [redacted]
ANTHONY E. MASSENBURG [redacted]
PATRICK L. MCCORMACK, [redacted]
BRIAN K. MOORE [redacted]
NICK L. PETERSON [redacted]
BEN D. PINA [redacted]
JORGE P. RIOS [redacted]
MAX D. RODGERS [redacted]
PATRICIA T. SAMORA [redacted]
THOMAS A. SATTERLY [redacted]
WILLIAM M. SHEEDY [redacted]
JOHN T. SOMMER [redacted]
FRANK A. STICH [redacted]
ALLAN M. STRATMAN, [redacted]
PAUL F. WEBB, [redacted]
JAMES M. WINK [redacted]
GREGORY J. ZIELINSKI [redacted]

JUDGE ADVOCATE GENERAL'S CORPS OFFICERS

To be lieutenant commander

GREGORY P. BELANGER [redacted]
STUART W. BELT [redacted]
VICTOR E. BERNSON, JR. [redacted]
FRANCIS J. BUSTAMANTE [redacted]
THOMAS L. COPENHAVER, [redacted]
BRENT G. FILBERT [redacted]
NOREEN A. HAGERTY [redacted]
KRISTEN M. HENRICHSEN [redacted]
WILLIAM J. HESS III, [redacted]
STEVEN J. HIPFEL [redacted]
ABBY B. HOGAN, [redacted]
MICHAEL W. KERNS [redacted]
DULA M. J. LAWRENCE [redacted]
DEAN W. LEECH [redacted]
JOHN R. LIVINGSTON JR. [redacted]
JOANN W. MELESKY, [redacted]
ELIZABETH A. MILLER [redacted]
TAMARA A. MIRO, [redacted]
BRIAN T. ODONNELL, [redacted]
RICHARD W. RIDGWAY, [redacted]
JAMES L. ROTH [redacted]
ROBERT A. SANDERS [redacted]
PETER D. SCHMID [redacted]
NEIL A. SHEEHAN [redacted]
SUSAN C. STEWART [redacted]
KELVIN M. STROBLE, [redacted]
ROBERT P. TAISHOFF [redacted]
PETER J. VANHARTESVELDT [redacted]
BRIAN S. WILSON [redacted]
TODD A. WYNKOOP [redacted]
HELEN K. YOUNG [redacted]

DENTAL CORPS OFFICERS

To be lieutenant commander

JOANNE R. ADAMSKI [redacted]
LYNNE A. BALDASSARI-CRUZ [redacted]
MONICA E. BERNINGHAUS [redacted]
ELLEN V. BLANDO [redacted]
WENDY M. BORUSZEWSKI [redacted]
ROBERT A. BOUFFARD [redacted]
BRENT J. CALLEGARI [redacted]
RICHARD P. CAMPBELL [redacted]
KEITH M. COE [redacted]
KARINE M. CURETON [redacted]
JEFFREY D. DAY [redacted]
JANET A. DELOREY-LYTLE [redacted]
CHARLES L. ELLIS [redacted]
CHRISTINE M. EPSTEIN [redacted]
JOHN S. EVERED [redacted]
MICHAEL J. GRODE [redacted]
ARNE F. GRUSPE [redacted]
JERRY W. HAMLIN [redacted]
MATTHEW L. HERZBERG [redacted]
ROBERT L. KAUFMAN [redacted]
KEITH C. KEALEY [redacted]
ROBERT P. KUENZI [redacted]
VINCENT C. LAPOINTE [redacted]
FRANCISCO R. LEAL [redacted]
JOHN F. LEUNG [redacted]
KAREN M. LYNCH [redacted]
JOSEPH C. MCMURRAY [redacted]
JOY MEADE [redacted]
ROBERT H. MITTON [redacted]
ROBERT C. MOORE [redacted]
MONA M. MOORE-MEAUX [redacted]
CHERYL A. MORGAN [redacted]
LYNNETTA J. ODELL [redacted]
SCOTT A. OLSON [redacted]
MARGARET K. OROURKE [redacted]
KEVIN J. OTTE [redacted]
SCOTT W. PACKHAM, [redacted]
LEONARD J. PLAITANO [redacted]
ALONSO M. POZO, [redacted]
JOHN F. RANZINI, [redacted]
MARK F. ROBACK, [redacted]
RONALD A. SABINS [redacted]
MICHAEL A. STEINLE [redacted]
DAVID C. SUH [redacted]
SCOTT D. THOMAS, [redacted]
ARTHUR L. TOMASZEWSKI [redacted]
CHRISTINE V. TOMASZEWSKI, [redacted]
PATRICIA A. TORDIK, [redacted]
NGOC N. TRAN, [redacted]
JONATHAN G.I. VANDERMARK [redacted]
SUSANA VELEZ [redacted]
BENJAMIN W. YOUNG, JR [redacted]
CLIFFORD ZDANOWICZ, [redacted]
PETER J. ZEHREN [redacted]

MEDICAL SERVICE CORPS OFFICERS

To be lieutenant commander

RAOUL ALLEN, [redacted]
ELLEN M. ANDERSEN [redacted]
RAYMOND B. ANDERSON [redacted]
SCOTT L. ARCHER, [redacted]
DALE P. BARRETTE [redacted]
MELISSA T. BERRY [redacted]
WILLENE G. BROWN, [redacted]
ANNE M. BURKE [redacted]
TED F. CARRELL [redacted]
JENNIFER J. CARTELL [redacted]
GAIL D. CHAPMAN [redacted]
DAVID M. CLABORN, [redacted]
GILDA M. COLLAZO, [redacted]
CHARLENE C. COLON, [redacted]
DOUGLAS L. CRISPELL [redacted]
LISA V. DEPASQUALE [redacted]
JOSEPH D. DUPRE [redacted]
ROBERT A. EDGAR, [redacted]
BENJAMIN D. ERNST [redacted]
ROXANNE FRANCIS, [redacted]
RICHARD P. FRANCO [redacted]
JACK A. FROST [redacted]
SCHLEURIOUS L. GAITER [redacted]
JERRY L. GARDNER [redacted]
STEVEN L. GEARY [redacted]
DAVE E. GIBSON, [redacted]
ROBERT A. GRASSO, JR., [redacted]
BRUCE E. GREENLAND [redacted]
MAE C. GRIFFIN [redacted]
RICHARD M. GUZMAN, [redacted]
RACHEL D. HALTNER [redacted]
DAVID H. HAMBLETT [redacted]
CURTIS G. HANKAMMER, [redacted]
SAMUEL P. HARRY, [redacted]
BRENT A. HAYNIE, [redacted]
MARK L. HENISER, [redacted]
GARY L. HOOK, [redacted]
RALPH L. HOWE, [redacted]
WILLIE R. HUNTER, [redacted]
RANDALL L. JACOBS, [redacted]
JOHNNIE F. JOHNSON, JR., [redacted]
PAUL T. KAISER [redacted]
STEVEN L. KEENER [redacted]
KEVIN R. KENNEDY, [redacted]
NANCY A. KIM, [redacted]
JAMES J. KING [redacted]
ROGER Y. KIROUAC, [redacted]
THOMAS A. KLITZKA, [redacted]
JOHN R. KNOTTS, [redacted]
DAIZO KOBAYASHI, [redacted]
ANITA M. KOBUSZEWSKI, [redacted]
PATRICIA A. KRIER, [redacted]
ANGELA M. KRUEGER, [redacted]
TRACEY L. KUMM, [redacted]
JULITO P. LALUAN [redacted]
JOHN D. LARNERD, JR. [redacted]
CALVIN A. LATHAN III [redacted]
KENNETH A. LAUBE [redacted]
THOMAS A. LEINBERGER, [redacted]
DAVID R. LESSER [redacted]
MICHAEL C. LIBBY, [redacted]
SUSAN E. LICHTENSTEIN [redacted]
JULIE A. LONG, [redacted]
PAUL J. MARCINKO, [redacted]
PIETRO D. MARGHELLA, [redacted]
RITA L. MC CARTHY, [redacted]
PAULA H. MC CLURE, [redacted]
LARRY A. MC FARLAND [redacted]
RONALD N. MC LEAN, [redacted]
DAVID L. MC NAMARA, [redacted]
TERRY S. MOLNAR, [redacted]
THOMAS MOSZKOWICZ, [redacted]
JONATHAN P. NELSON, [redacted]
MATTHEW E. NEWTON, [redacted]
GINA M. NIZIOLEK, [redacted]
JAMES J. PELLACK [redacted]
THOMAS J. PETRILAK, [redacted]
DORKA M. PICARD, [redacted]
LARRY L. PICARD [redacted]
ALANA M. PIERCE, [redacted]
WAYNE F. PRESCOTT, [redacted]
WARREN R. PRESTON [redacted]
KEITH R. PROCTOR [redacted]
MAUREEN E. QUEENAN-FLORES, [redacted]
CELIA A. QUIVERS, [redacted]
JOEL D. RASTELLO [redacted]
RICHARD O. REED [redacted]
LEISA R. RICHARDSON [redacted]
JOSEPH M. RICHTER [redacted]
WALTER P. RUGGLES [redacted]
BOBBIE S. SALIRE [redacted]
WILFREDO A. SARTHOU [redacted]
MICHAEL S. SCHAFFER [redacted]
CARL E. SCHAUPPNER [redacted]
JEAN T. SCHERRER [redacted]
VIRGINIA A. SCHOENFELD [redacted]
ANNE R. SHIELDS [redacted]
ALAN V. SIEWERTSEN [redacted]
CAREY M. SILL [redacted]
STEPHANIE M. SIMON, [redacted]
LESLIE L. SIMS [redacted]
MICHAEL A. SOKOLOWSKI, [redacted]
LEE STEIGER, JR. [redacted]
GARY W. THOMAS [redacted]
ROBERT B. TOWLE [redacted]
HARVEY L. VANDENBURG [redacted]
RICKY L. VANWAY, [redacted]
MICHAEL L. VINEYARD [redacted]
STANLEY G. WADE, [redacted]
ROBERT M. WAGNER, [redacted]
DAVID F. WALTON, [redacted]
SHERYL L. WASHINGTON [redacted]
PATRICIA J. WATSON, [redacted]
DANIEL W. WATTS [redacted]
DOUGLAS E. WELCH, [redacted]
RICKY A. WENNING, [redacted]
GARY D. WERTZ, [redacted]
SILVA P. D. WESTERBECK [redacted]
WILLIAM J. WHOOLERY, [redacted]
CYNTHIA E. WILKERSON, [redacted]
CAREY C. WILLIAMS, [redacted]
JEAN M. WILLIAMS, [redacted]
REVLON O. WILLIAMS [redacted]
TOBY L. WILSON, [redacted]
DOUGLAS A. ZAREN [redacted]

NURSE CORPS OFFICERS

To be lieutenant commander

MARIA E.S. AGUILA [redacted]
ROBIN R. AKINS [redacted]
ROBERT L. ARBEENE, [redacted]
BRAD A. ARMSTRONG, [redacted]
HERBERT C. ARMSTRONG, [redacted]
ELIZABETH M. ARNOLD, [redacted]
CHARLIE M. BAKER, [redacted]
JAMES L. BARRETT [redacted]
OTIS J. BATY [redacted]
KATHY W. BAY, [redacted]
TOMI L. BEARGARCIA, [redacted]
KATHY T. BECKER, [redacted]
KARENA M. BELIN, [redacted]
JUDITH D. BELLAS [redacted]
HOLLY S. BENNETT [redacted]
ELIZABETH A. BIBEAU [redacted]

PATRICE D. BIBEAU [redacted]
ANDREW R. BIEGNER [redacted]
KAREN K. BIGGS [redacted]
JULIA E. BOND [redacted]
ELIZABETH N. BOULETTE [redacted]
RICHARD A. BRADLEY [redacted]
MICHAEL R. BRANTLEY [redacted]
MARY K. BROWN [redacted]
PAUL E. BUCK [redacted]
JO H. BYRD [redacted]
ALICE A. CAGNINA [redacted]
DENNIS M. CAMPBELL [redacted]
CATHALEEN A. CANLER [redacted]
DEBRA P. CARTER [redacted]
DEAN P. CARY [redacted]
DAWN M. CAVALLARIO [redacted]
DOROTHY C. CHRISTEN [redacted]
THERESA K. CHRISTMANN [redacted]
BRENDA A. CLARK [redacted]
WILLIAM D. CLARK [redacted]
EDA P. CLEMONS [redacted]
JACQUELINE D. COLE [redacted]
DEAN C. CONSTANTINE [redacted]
JOSEPH COSENTINO JR [redacted]
CHRISTOPHER J. COSTIGAN [redacted]
ROSEMARY COTA [redacted]
MARK S. DAHLEN [redacted]
CINDY L. DAVIS [redacted]
WILLIE M. H. DAVIS [redacted]
STEVEN E. DICHIARA [redacted]
CYNTHIA L. DOERING [redacted]
ROBERT E. DOYLE, JR [redacted]
B.J.V. DREW [redacted]
LAWRENCE J. DUANE [redacted]
LAURIE A. ERSKINE [redacted]
COLLEEN M. ESTES [redacted]
CONSTANCE J. EVANS [redacted]
CYNTHIA A. FLEMING [redacted]
SARA B. FORBUS [redacted]
JAMES P. FOWLER [redacted]
CONNIE L. FOX [redacted]
LORI S. FRANK [redacted]
DEBRA A. GAGNON [redacted]
COLLEEN K. GALLAGHER [redacted]
SUSAN J. GALLOWAY [redacted]
LAURIE GENTENE [redacted]
BETH W. GERING [redacted]
EDWARD W. GREER [redacted]
LORIE L. GREER [redacted]
CAROL A. GRUSH [redacted]
KATHERINE M. GULLON [redacted]
CAROL J. HADDOCK [redacted]
SUZANNE M. HAMLIN [redacted]
KATHY A. HANSEN [redacted]
SHARON K. HARPER [redacted]
WANDA P. HEISLER [redacted]
JOHN S. HILTIBIDAL [redacted]
JEANETTE S. HIRTER [redacted]
MARY J. HOBAN [redacted]
LORI J. HOFFMANN [redacted]
JOAN E. HOWLEY [redacted]
GARY M. JACKSON [redacted]
TRACI W. JARNIGAN [redacted]
LYNN N. JOHNSON [redacted]
JOHN J.S. KANE [redacted]
JOSEPH A. KELLY [redacted]
GAYLE S. KENNERLY [redacted]
REGINA M. KIEFER [redacted]
PATRICIA A. KISNER [redacted]
ALISA J. KOHL [redacted]
REMEDIOS J. LABRADOR [redacted]
ALICE M. LANG [redacted]
RAYMOND B. LANPHERE [redacted]
LORI A. LARAWAY [redacted]
KEITH G. LASTRAPES [redacted]
KEVIN D. LAUER [redacted]
ROBERT P. LAZARTE [redacted]
ANNE M. LEAR [redacted]
LOUIS X. LESH [redacted]
BRIAN J. LEWIS [redacted]
MICHELLE L. LOFLAND [redacted]
KATHLEEN M. LOVELAND [redacted]
JOHN F. LYONS [redacted]
SIMONE N. MARSAC [redacted]
LORI A. MARTIN [redacted]
TRISHA C. MARTIN [redacted]
HAROLD D. MAY [redacted]
LINDA S. V. MCCORD, [redacted]
MATTHEW L. MCCOUCHA [redacted]
PATRICIA MCDONALD [redacted]
SUSAN P. MCKEEFREY [redacted]
IRENE C. MCKIEL [redacted]
GEORGE F. MCMAHON [redacted]
TERRIE C. MCSWEEN [redacted]
PAMELA M. MILLER [redacted]
CAROLA A. MINER [redacted]
KATHY L. MORRIS [redacted]
KARL J. MUEHLFELD [redacted]
SHARON A. MULLANEY [redacted]
LINDA J. NAILE [redacted]
TINA L. NAWROCKI [redacted]
QUYEN H. NGUYEN [redacted]
DARRELL T. OPPERMANN [redacted]
CASSIE L. ORMSBY [redacted]
JUDITH M. OWENS [redacted]
VIOLETA O. PADORA [redacted]
TERIANNE PAPPAS [redacted]
JOEL L. PARKER [redacted]
NANCY L. PEARSON [redacted]
STEPHEN B. PEARSON [redacted]
DAVID PEDRAZA [redacted]
KERRI S. PEGG [redacted]
DAVID K. PENNEBAKER [redacted]
LAURA E. PISTEY [redacted]
ROBERT F. PROFETA [redacted]
MAUREEN M. PUGLISI [redacted]
MARK L. REITNAUER [redacted]
KURK A. ROGERS [redacted]
KATHERINE T. ROWAN [redacted]
TRUDENCE L. SAGE [redacted]
NANCY D. SAVALOX, [redacted]
CATHERINE A. SEGNI [redacted]
SHELLY A. SEIDEL [redacted]
JOANN E. SERSLAND [redacted]
DENISE L. SMITH [redacted]
CASSANDRA A. SPEARS [redacted]
CARLA J. STANG [redacted]
TANYA STEVENSON-GAINES [redacted]
MARY A. SUTHERLAND [redacted]
JILL M. SZYMANSKI [redacted]
DEBRA A. TERRELL [redacted]
SANDRA L. THOMAS-ROGERS [redacted]
SUSAN L. TITUS [redacted]
SHARON E. UNGAR [redacted]
MARY K. VANN, [redacted]
JENNIFER L. VEDRAL-BARON [redacted]
MARY E. VERBECK [redacted]
CLARENCE H. WAGONER [redacted]
KIM M. WALLIS [redacted]
WILLIAM E. WELLS [redacted]
LESTER M. WHITLEY, JR. [redacted]
SANDRA WHITTAKER [redacted]
STEVEN E. WILDASIN [redacted]
FRED K. WILKERSON [redacted]
DEBORAH G. WILLIAMS [redacted]
ANGELA WOOD [redacted]
MARGARET S. WOOD [redacted]
VICTORIA M. WOODEN, [redacted]
CONSTANCE L. WORLINE [redacted]
STEVEN J. WYRSCH [redacted]
SHARRON L. YOKLEY [redacted]
ALICE A. ZENGEL [redacted]
HUMBERTO ZUNIGA, JR. [redacted]

LIMITED DUTY OFFICERS (STAFF)

To be lieutenant commander

GENARO T. BELTRAN, JR. [redacted]
VINCENTE R. GILL [redacted]
JAMES A. HASTY [redacted]
JOHN H. HORNBROOK III [redacted]
EDGAR W. LEONARD [redacted]
JOHN E. SAWYER [redacted]
MICHAEL J. SPRAGUE [redacted]
WILLIAM M. TURNER [redacted]

EXTENSIONS OF REMARKS

LEGISLATION AMENDING THE INTERNAL REVENUE CODE RELATING TO THE EXPIRATION DATE FOR REFUNDING OF EXCISE TAXES ON GASOLINE BLENDED WITH ETHANOL

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1995

Mr. JOHNSON of South Dakota. Mr. Speaker, I am pleased today to introduce legislation that would amend a technical error in the expiration date for refunds of excise tax on gasoline blended with alcohol fuels.

Although the exemption from the excise tax for alcohol fuels clearly does not expire until September 30, 2000, the provision in Internal Revenue Code allowing businesses who routinely blend alcohol with gasoline and other fuels expires on September 30, 1995. Businesses still qualify for refunds for the excise tax paid, but the expiration of the provision for routine refunding of the excise tax paid requires Herculean efforts on the part of blenders and likely will cause some to quit blending alcohol fuel altogether. Extending the refund to coincide with the expiration dates for the exemption from excise tax is fair and budget neutral, as businesses using this refund procedure clearly do not owe the tax.

Failing to extend the expiration of this refund will be negative for the environment, negative for the truly American industry of ethanol production, and negative for America's farmers as a significant market for grain will be reduced.

Mr. Speaker, I am certain that you and the rest of my colleagues would agree that it is good policy to fix technical errors in Internal Revenue Code. The alternative is the policy of unintended consequences. This serves no public interest. I ask you to join me in making this technical correction to the Federal Tax Code.

DENYING THE POOR EQUAL ACCESS TO THE LAW

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1995

Mr. LANTOS. Mr. Speaker, I invite my colleagues to join me in opposing those who continue to scapegoat the poor for our Nation's ills, and now seek to kill the Legal Services Corporation which is often the only source of legal aid for those least able to pay or navigate their way through our system of justice. I wish to draw my colleagues attention to an honest, take-no-prisoners editorial in the San Francisco Chronicle which clearly demonstrates how utterly repugnant these proposals are to eliminate Federal funding for legal aid. I urge my colleagues to join me in protecting this important and vital guarantor of justice in America.

[From the San Francisco Chronicle, Sept. 13, 1995]

DENYING THE POOR EQUAL ACCESS TO THE LAW

A repugnant attack on the poor gets a hearing on the floor of the U.S. Senate tomorrow with the scheduled vote on a bill that would slash funds for legal aid and eliminate the 30-year-old Legal Services Corporation.

The 323 shoestring community legal agencies funded by the corporation often provide the only recourse for members of the nation's underclass who are dealing with domestic violence emergencies, tenant problems, nursing home complaints, discrimination and wage disputes and myriad other plights requiring legal expertise.

But in the name of balancing the budget, the Senate Appropriations Committee passed a bill that would cut already-insufficient $400 million funding by about half, abolish the corporation and make right-wing fundamentalists happy by imposing restrictions on the kinds of cases, such as divorce, that can be represented.

A similar and equally harmful and distasteful measure by Representative George Gekas, R-Pa., is making its way through the House.

The issue is "whether the government should be involved in breaking up families," was the know-nothing reaction of a spokesman for presidential hopeful Senator Phil Gramm when asked about the Texas Republican's support of the legal aid bills.

Typically, however, local legal aid lawyers working with limited funds must give priority to martial cases that involve spousal battering. They must often refer less urgent cases to others.

California received $47.2 million this year to help the poor with civil legal matters, far from enough to provide legal aid to all the indigent, not least of all poverty-stricken elderly, who need such help. Proposed cuts for the state could total $19 million.

Besides trying to use government-funded legal aid as a symbol of misplaced moral values, conservatives charge that the Legal Services Corporation spends too much time on high-profit class action suits.

To the contrary, most of the work of these dedicated, underpaid legal aid lawyers is spent on the gritty, routine case work involving families and housing, the disabled, patient rights, consumer and utility issues and wage issues. The legal and lawyers also help the poor wade through bureaucratic labyrinths that often make it difficult to collect the few federal benefits to which they are entitled.

The relatively small federal outlay in legal aid funds has meant the difference between justice and injustice for many poor Americans.

It is an investment that must continue to be honored if the country is not to abrogate its historic promise of equal access to the legal system.

CONGRATULATING THE NATIONAL CENTER FOR DISABILITY SERVICES

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1995

Mr. ACKERMAN. Mr. Speaker, I rise to salute the National Center for Disability Services, which is located in Alberston, NY. The National Center for Disability Services is a recipient of the U.S. Department of Labor's 1995 Epic Award, in recognition of its formidable success in assisting corporate America recruit and employ individuals with disabilities.

For over 40 years, this facility has demonstrated that people with disabilities can participate fully in our society if given the opportunity. This center provides a comprehensive array of services for people with disabilities, including a school for children, and career evaluation, training and placement services for adults.

Mr. Speaker, I ask all of my colleagues in the House of Representatives to join me now in congratulating Edmund L. Cortez, the center's president and chief executive officer, along with his entire staff, for this remarkable achievement.

PERSONAL EXPLANATION

HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1995

Mr. BATEMAN. Mr. Speaker, I was unable to participate in a number of rollcall votes in late July and early August. I also inadvertently missed rollcall vote 658 on September 13, 1995. In the interest of keeping my constituents informed of how I would have voted had I been present, I submit the following information:

Rollcall vote:

546	Yea.
547	Nay.
548	Nay.
549	Nay.
550	Nay.
551	Nay.
552	Nay.
553	Nay.
554	Yea.
555	Nay.
556	Nay.
557	Yea.
558	Nay.
559	Nay.
560	Nay.
561	Nay.
562	Nay.
563	Nay.
564	Yea.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

565	Nay.
566	Yea.
567	Nay.
568	Nay.
569	Yea.
570	Yea.
571	Nay.
572	Nay.
573	Nay.
574	Nay.
575	Nay.
577	Nay.
578	Nay.
579	Nay.
580	Nay.
581	Nay.
582	Yea.
583	Nay.
584	Yea.
585	Yea.
586	Yea.
587	Nay.
588	Nay.
589	Nay.
590	Nay.
591	Nay.
592	Nay.
593	Nay.
594	Nay.
595	Nay.
596	Nay.
597	Nay.
598	Nay.
599	Nay.
600	Yea.
601	Yea.
602	Nay.
603	Nay.
608	Present.
609	Nay.
610	Yea.
611	Nay.
612	Nay.
613	Nay.
614	Yea.
615	Nay.
616	Yea.
617	Nay.
618	Nay.
619	Nay.
620	Nay.
621	Nay.
622	Nay.
623	Yea.
624	Nay.
627	Yea.
628	Nay.
629	Yea.
630	Nay.
631	Yea.
632	Yea.
633	Yea.
634	Nay.
635	Yea.
658	Nay.

RECOGNIZING THE DRUG ENFORCEMENT AGENCY FOUNDATION

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1995

Mr. FORBES. Mr. Speaker, I rise today to recognize Drug Enforcement Agency Foundation [DEA] and their contribution to helping the American public respect, appreciate, and support the efforts of the men and women of the Drug Enforcement Agency.

Officials in other areas of law enforcement interact regularly with the general public. However, the DEA special agent does not have this opportunity and must work undercover for safety and security reasons.

It appears that lately, Mr. Speaker, people have forgotten about these individuals, the special agents of the DEA, who risk their lives daily for us. It is important to acknowledge DEA special agents, and their families who are prepared to risk everything to make America a better, safer place for all of us.

The DEA Foundation was recently formed by a group of leading American figures in the business community and medical professions. These ladies and gentlemen saw the need to raise funds to help educate our children about the dangers of drugs and the need to offer financial support to families of DEA agents killed in the line of duty. These generous supporters give selflessly of their time and energy to help the men and women of the DEA.

The Foundation's board of directors has taken a pledge to donate time and resources to developing programs to further benefit the Drug Enforcement Agency, its special agents, their families and the general public.

Authorized by the Department of Justice and the DEA, the Foundation works tirelessly to provide services to the community and the Drug Enforcement Agency that are not provided for in the DEA operating budget. In addition, the Foundation serves as the primary link for agents and their families in a time of crisis or need.

Mr. Speaker, I am sure that you and all Members of this House agree our quality of life can improve greatly with a reduction in crime. Studies have shown the direct link between illegal drugs and crime, making the Drug Enforcement Agency, with its dedicated agents, our first line of defense.

I want to thank the Drug Enforcement Agency Foundation for its continued efforts in supporting the men and women of the DEA and in helping reduce crime on our streets. Mr. Speaker, I recognize and thank First Chairman Dennis Jay Schnur and First Vice Chairman Abbey J. Butler, and the other 27 founding directors, who had the vision to establish the DEA Foundation and without whose commitment this Foundation would not and could not exist.

TRIBUTE HONORING ST. PAUL LUTHERAN CHURCH OF DANBURY

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1995

Mr. GILLMOR. Mr. Speaker, it gives me great pleasure to rise today and salute a church in my district. This year, St. Paul Lutheran Church in Danbury, OH, will celebrate the 150th year of its founding.

Located in northern Ohio along the coast of Lake Erie, the church wás founded in a log cabin on August 29, 1845. Many of the same family names are still in the congregation 150 years later. In fact, the speaker for the celebration, Rev. Cecil E. King, Jr., is a son of the St. Paul congregation. The vision at its founding 150 years ago was to be a church where people live with God and work for the communal good.

The same vision is true today. The church building has been a source of civic pride for many years and the stately design of the building solidifies its place as a local landmark. A monument such as this does not survive on structure alone, however. The building is a testament to the dedication of the congregation in preserving links to their heritage.

Mr. Speaker, as the church marks its 150th year of service, we commemorate the past and celebrate the future. A new generation continues the exemplary record of community service and pride that distinguishes St. Paul's. I ask my colleagues to join me in honoring this special church.

TRIBUTE TO THE ALEXANDRIA HARMONIZERS

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1995

Mr. MORAN. Mr. Speaker, I rise today to give much deserved recognition to the Alexandria Harmonizers Barbershop Chorus, a 130-voice barbershop chorus from Alexandria, VA. Led by Scott Werner, the Harmonizers have been entertaining audiences since 1948. This year the Harmonizers have been recognized for the seventh time since 1979, as the International Barbershop Chorus Champions, distinguishing them as No. 1 among over 825 men's barbershop choruses internationally. I admire their efforts to preserve this piece of American culture where synthesizers and electronic instruments would have taken over. I submit for the RECORD an article from the Washington Post which further expands on the history, and essence of the Harmonizers.

[From the Washington Post, Aug. 3, 1995]

HARMONIOUS HOTSHOTS—BARBERSHOPPERS HIT PRIZE-WINNING PITCH

(By Lan Ngyen)

Strike another high note for the Alexandria Harmonizers.

The all-male singing group just won its third international barbershop chorus championship in nine years, beating out 21 groups from the United States, Canada and England.

With its performance of "I'll Be Seeing You," a song above love, familiarity and remembrances that was written for soldiers in World War II, the 130-member chorus again wowed the judges at the annual contest sponsored by the Society for the Preservation and Encouragement of Barber Shop Quartet Singing in America.

The Harmonizers also staged a dazzling rendition of "Sweet Georgia Brown," which was widely popularized as the Harlem Globetrotters' theme song and is about a woman who comes to town and stirs a commotion among the men. Along with their booming four-part harmony, the singers sway side to side, snap their fingers, dance in a chorus line and synchronize the flashing of their purple-sequined vests.

"We want to be the best we can to bring to people not only an excellent singing group but an entertaining group at the same time," said Scott Werner, the group's director of more than 20 years. "It's not a professional group, but the level of our singing is comparable to a lot of professional groups. We've worked very hard at perfecting our hobby."

The Harmonizers is one of more than 800 groups in the Wisconsin-based barbershop singing society, whose motto is "Keep the World Singing." Their form of music is based on the four-part harmony of a bass, a baritone, a tenor and a lead, who sings the melody. The songs have simple versus and are sung a capella because the blend and the richness of the four tones require no instruments to embellish the sound.

This type of singing dates to the late 1800s, according to Brian Lynch, the society's public relations director. People on street corners and in churches would sing four-part harmony to pass the time. Yet barbershop singing began to fade with the demise of vaudeville in the 1930s, around the time the national organization was formed by two barbershop singing aficionados.

Part of the Harmonizers' mission is to keep barbershop music alive in an era of MTV, synthesizers and other electronic equipment that can play the sound of many instruments at once. For their part, the Harmonizers try to attract a wide range of audiences by singing more than traditional barbershop tunes, such as "Sweet Adeline." At a free concert last week at Fort Ward Park in Alexandria, for example, they crooned their version of "Music of the Night," a popular song from the play "Phantom of the Opera."

And unlike other barbershop chorus groups whose performances more resemble something you'd expect from a staid Sunday church choir, the Harmonizers emphasize pizazz in their pieces, with the help of Geri Geis, an actress and choreographer. In a remake of the 1950s rock-and-roll tune "Little Darlin'" by the Diamonds, all the singers sport sunglasses. In a medley of selections from "Guys and Dolls," they don 1930s costumes and act out scenes.

The Harmonizers range in age from 15 to 93, and they come from all walks of life—doctors, lawyers, students, architects and military colonels. Many grew up singing in church groups or performing in school musicals.

"Choruses like ours are made up of a bunch of Joes who like to sing," said Bob Sutton, a 10-year member. "There's a tremendous reward for those who join. It's a part of my life. As long as I can continue to get the thrill that you get singing four-part chords, I'm going to continue to do that."

The Harmonizers practice three hours a week, give two performances a month and stage two full-blown shows in the fall and spring to finance their trips and costumes. They've taken their act on the road for Supreme Court justices and for performances at Wolf Trap, Carnegie Hall and the Kennedy Center, where they've sung with the likes of Perry Como.

Members of the Harmonizers, founded 47 years ago by a dozen or so members, attribute their success and longevity to the fraternal bonds the men have forged practicing and singing together. They say they make lifelong friendships and keep in touch through a monthly newsletter that notes births, weddings and funerals.

"A lot of [the organizations' success] has to do with camaraderie and friendships that you build in an organization like this," said Tyce Light, 29, a D.C. computer analyst who joined the group three years ago. "When members of the chorus are sick or wives have babies, the Harmonizers do pull together with strong family spirit."

A POEM BY RITA RUDOLPH OF EULESS, TX, TO HONOR THE MEN WHO FOUGHT IN THE D-DAY INVASION

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 19, 1995

Mr. BARTON of Texas. Mr. Speaker, I submit the following for the RECORD:

D-DAY, 6TH OF JUNE; FIFTY YEARS LATER

White crosses, thousands, all in a row; how still.
Beneath them, young men who never grew old.
Heroes; some say, who died so that others could live in freedom.
Look closely at these crosses and listen to the voices of all these young men.
I died so that you might live in a free world.
I died so that you could do greater things with your lives.
I died so that this earth could be a better place for you and your children, so that peace, love and respect for each other as brothers would rein.
I gave you the rest of my life so that you could build a peaceful world. Each man living their lives for good; enjoying all the good things life has to offer.
I gave you the most precious gift I had; I gave you my life, my future.
Oh, if only we could rise up from this place where we have laid so long; we could show you what life should be like.
All of us here, could show you what life really means.

DAIRY FREEDOM ACT OF 1995

HON. THOMAS E. PETRI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1995

Mr. PETRI. Mr. Speaker, today I am introducing the Dairy Freedom Act of 1995. This bill deregulates the diary industry within 5 years by eliminating the Federal milk marketing order system on January 1, 1996, reducing the Federal dairy price support over the next 4 years beginning January 1, 1996, and then eliminating the price support program on January 1, 2000. It also directs the first savings realized through this plan toward eliminating the current dairy assessment paid by farmers, then applies all subsequent program savings to reduce and eventually eliminate the taxpayers' contribution to the program.

Through an oppressive and costly system of Federal milk marketing orders, the Federal Government currently fixes the price of 70 percent of the raw milk produced in the United States according to how the processor intends to use it. The Federal order system also pools and then redistributes milk revenues among farmers by computing a blend price which all processors are required by law to pay to farmers. And through the dairy price support system, the Federal Government attempts to support the price of raw milk by entering dairy product markets and buying butter, cheese, and nonfat dry milk at minimum guaranteed prices. This creates artificial demand in the market for dairy products and effectively encourages overproduction of certain products due to the fact that the Government is required by law to purchase them.

The fact that this program uses centralized government planning methods in an attempt to micro-manage the dairy industry is bad enough. But what I and many, many folks in the upper Midwest find truly despicable about it is that it effectively discriminates against our dairy farmers by holding their milk prices down, while keeping prices artificially high in other parts of the country. It is ironic and sad that this program—supposedly created to help dairy farmers—is now substantially to blame for driving more than a few of them out of business.

In addition, this program continues to cost farmers, taxpayers, and consumers hundreds of millions of dollars each every year. Farmers are required to pay an assessment in order to help defray the cost of purchasing surplus dairy products through the Federal dairy price support system. Rather than allowing the free market to counter overproduction of certain dairy products, the current program effectively sets floor prices and taxes farmers for part of the cost of maintaining those prices by removing manufactured products from the market. Taxpayers pick up the tab for most of the program's cost, which is expected to total more than $370 million in fiscal year 1996 if the program remains unchanged. Finally, consumers pay for this program at the checkout counter when they purchase dairy products or other food products made with milk which has been priced artificially high by the Federal Government.

I feel very strongly that any Federal dairy policy which continues to prevent the proper functioning of the free market in the dairy industry, and which effectively discriminates among farmers on a regional basis, is unacceptable. Instead of keeping this program intact and reauthorizing some semblance of the status quo, I propose today that the Congress take action to free America's dairy industry by incorporating my Dairy Freedom Act into the agriculture reauthorization language which is to be included in this year's budget reconciliation bill. I urge my colleagues to join me in taking this bold yet long-overdue step in favor of free markets, lower prices for consumers, less waste of taxpayer dollars, and free and fair competition in the U.S. dairy industry.

TRIBUTE TO ELIZABETH KAUFMAN

HON. HOWARD L. BERMAN

OF CALIFORNIA

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1995

Mr. BERMAN. Mr. Speaker, we are honored to pay tribute to Elizabeth Kaufman, who has just completed her 1-year term as president of the San Fernando Valley Bar Association. Elizabeth, who immigrated to the United States from Poland in 1964, is the classic example of a person who became a success through hard work and perseverance.

Elizabeth began her rise as a law clerk in the Los Angeles City Attorney's Office, where she worked while simultaneously attending San Fernando Valley College of Law. She graduated from law school in 1975. After admittance to the California Bar, Elizabeth began her private law practice, emphasizing family law and personal injury. She also quickly became immersed in a wide variety of activities associated with the law.

For example, Elizabeth served as a free arbitrator for the State Bar of California and the Los Angeles County Bar Association; family law court mediator; Superior Court arbitrator; and trustee of the Los Angeles County Bar Association.

In 1988, Elizabeth was elected as a trustee of the San Fernando Valley Bar Association. Six years later she became president. Elizabeth's tenure was marked by the launching of Lawyer's World magazine, and a significant increase in membership.

Elizabeth, married to Dr. Hershell L. Kaufman and the mother of three teen-age daughters, has considerable duties outside of her home and the law. She is director of the San Fernando Valley Community Mental Health Center; director of the Northridge Chamber of Commerce; and director of the Heschel Day School.

Mr. Speaker, we ask our colleagues to join us today in saluting Elizabeth Kaufman, whose devotion to her community, profession and family is exemplary. She is an inspiration to all of us.

FOREIGN TRUSTS

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1995

Mr. GIBBONS. Mr. Speaker, I am introducing legislation today to prevent avoidance of our tax laws by individuals transferring their assets to foreign trusts. I am introducing this legislation because it responds to a real and growing abuse of our tax laws.

The legislation that I am introducing today includes several provisions similar to proposals recommended by the President in his budget submission for fiscal year 1996. My proposal contains substantial changes to the proposals recommended by the President. These changes are largely in response to concerns raised by tax practitioners. In particular, I would like to thank the New York Bar Association for its thoughtful analysis of the President's foreign trust proposals. Many of their recommendations have been incorporated into the legislation that I am introducing today. Although I have made substantial revisions to the original Treasury proposal, the Treasury has indicated that it would support my bill as a reasonable approach to the problem of tax evasion through foreign trusts.

Recently, we had a long debate over provisions designed to prevent avoidance of our tax laws by American citizens renouncing their allegiance to this country. During that debate, I became aware that many other wealthy individuals, while retaining their citizenship in this country, are abusing our tax laws by hiding their assets in offshore trusts or other accounts located in tax havens with bank secrecy laws designed to facilitate tax evasion. I feel that these individuals are worse than the expatriates because they are renouncing their responsibilities to this country while retaining the benefits of citizenship.

Mr. Speaker, there is ample evidence that trusts and other accounts in tax havens are fast becoming a major vehicle for abuse of our tax system. In the Cayman Islands alone, $440 billion are on deposit with over 60 percent of this money estimated to be from United States sources (Barron's, January 4, 1993, pg. 14). Barron's estimates that there is more American money on deposit in the Cayman Islands than in all the commercial banks in California. In addition, Luxembourg has $200 billion on deposit from United States sources and the Bahamas has $180 billion from United States sources (New York Times, October 29, 1989). Legal experts outside the United States told the Washington Post (August 7, 1993) that they were getting a 100-percent increase in the business of offshore transfers every 6 months. An article in the Washington Times (November 7, 1994) quoted a promoter of these schemes as stating "only fools pay taxes in the United States." During the debate on the expatriate issue, there were constant assertions that the problem was neither large nor growing. That argument was dubious in the context of the expatriate issue but would clearly be erroneous in the context of foreign trusts. There is no question that the use of foreign trusts for tax avoidance is a problem that is both large and growing.

U.S. taxpayers are required to file annual information returns on trusts of which they are the grantor showing the aggregate amount of assets in such trusts. However, the rate of noncompliance with these requirements is staggering. The IRS estimates that in 1993 only $1.5 billion of foreign trust assets were reported. Treasury estimates that tens of billions of dollars of assets could easily be contained in foreign trusts created by U.S. persons. It appears to me that the rate of noncompliance exceeds 85 percent. While no legislation can ensure compliance by everyone, the Treasury Department estimates that my legislation would result in $3.4 billion in additional revenues over 10 years.

Many of these trusts are asset protection trusts established to avoid our tort laws rather than our tax laws. One promoter of asset protection trusts claims to have transferred over $4 billion to offshore trusts. Although these trusts may not be established for tax avoidance, their creators quickly realize that there is no third-party reporting to the Internal Revenue Service and they conveniently fail to report the income as required. Although I question the use of these trusts for what is in effect self-help tort reform, my legislation will not stop the use of these trusts for asset protection but will ensure proper payment of tax on the income from these trusts.

Mr. Speaker, I hope that the legislation that I am introducing today will be considered on a bipartisan basis. Neither party benefits when the public perceives that our tax laws can easily be evaded by wealthy individuals through devices such as expatriation or transfers to foreign trusts. We should be united in our efforts to ensure that there is maximum compliance with our laws. I am troubled by the fact that the Republican efforts to eliminate so-called waste, fraud, and abuse seem to be limited to programs for the poor and middle class. The Republicans decry the error rates in welfare programs and the earned income tax credit but do not seem to be bothered when wealthy individuals avoid tax through foreign trusts in tax havens.

Mr. Speaker, the bill that I am introducing today responds to the problem of tax avoidance through the use of foreign trusts in four ways. First, the bill modifies the current law reporting requirements by increasing the penalties for noncompliance, by providing the Internal Revenue Service with access to information to appropriately tax the income of foreign trusts, and by requiring reporting of trust distributions and large foreign gifts. Second, the bill modifies the grantor trust rules to prevent U.S. grantors from avoiding the provisions requiring current taxation of trust income and to prevent the manipulation of the grantor trust rules by foreign grantors. Third, the bill prevents the use of foreign nongrantor trusts for tax avoidance by modifying the interest charge on accumulation distributions and by treating use of trust property as a constructive distribution. Finally, the bill provides objective criteria for determining the residence of trusts and estates and clarifies the treatment of trust migrations under current law. Following is a brief technical description of these provisions.

I. REPORTING REQUIREMENTS.

A. PRESENT LAW

Under current law, any U.S. person who creates a foreign trust or transfers property to a foreign trust is required to report that event to the Internal Revenue Service. Also, any U.S. person who is subject to tax under the grantor trust rules by reason of being the grantor of a foreign trust is required to file an annual information return. Civil penalties not to exceed $1,000 are imposed for failures to comply with these reporting requirements.

B. REASONS FOR CHANGE

Compliance with the existing reporting requirements is minimal. Also, many foreign trusts are established in tax havens with strict secrecy laws. As a result, the IRS is often unsuccessful when attempting to verify the income earned by foreign trusts.

C. DESCRIPTION OF BILL.

The bill makes the following changes to the reporting requirements applicable to foreign trusts:

1. First, the bill increases the penalty for failure to comply with the current law requirement to notify the Internal Revenue Service when transferring assets to a foreign trust. The penalty for failing to comply with this requirement would be increased to 35 percent of the value of the property involved. The penalty would be increased in the case of failures that continue after notification by the Internal Revenue Service.

2. Second, the bill makes a U.S. grantor of a foreign trust responsible for ensuring that the trust files annual information returns. The U.S. grantor would be liable for penalties in the case of noncompliance.

The bill also ensures that the Internal Revenue Service will have adequate access to information to determine the proper tax treatment of U.S. grantors of foreign trusts by requiring foreign trusts with U.S. grantors to have an agent in the United States to accept service of process. This provision is similar to a current law provision requiring foreign corporations with U.S. subsidiaries to have U.S. agents.

3. Third, the bill requires U.S. beneficiaries of foreign trusts (including grantor trusts) to report distributions from those trusts and be able to obtain sufficient records to determine the appropriate tax treatment of the distributions.

The bill would also require U.S. persons to report gifts or bequests from foreign sources in excess of $10,000.

II. GRANTOR TRUST RULES

A. PRESENT LAW

Under current law, existence of a trust is disregarded where the grantor or other person holds certain powers over the trust assets. These rules, called the grantor trust rules, result in the grantor or other person being subject to current taxation on the income of the trust. These rules are anti-abuse rules designed to prevent shifting of income to beneficiaries likely to be taxed at lower rates.

In order to prevent tax avoidance by transfers by U.S. persons to foreign trusts, section 679 requires income from assets transferred to foreign trusts to be currently taxed in the income of the transferor even though he has no powers over the trust assets.

B. REASON FOR CHANGE

Taxpayers have avoided the application of section 679 by structuring transfers to foreign trusts as sales in exchange for trust notes. Also, foreign persons becoming residents of the United States often avoid section 679 by transferring their assets to a foreign trust before becoming a U.S. resident.

Under existing grantor trust rules, a foreign grantor can establish a trust for the benefit of U.S. beneficiaries and avoid tax on the income paid to the U.S. beneficiaries by retaining certain powers over the trust assets. The retention of limited administrative powers is sufficient for this result.

C. DESCRIPTION OF BILL

The bill makes the following changes to section 679 which requires U.S. transferors to be taxed on the income of foreign trusts:

1. In determining whether a transfer qualifies for the current law exception for sales at fair market value, debt obligations of the trust or related parties will be disregarded.

2. A foreign person who becomes a U.S. resident will be subject to tax under section 679 on the income of property transferred to a foreign trust within 5 years of becoming a U.S. resident.

(3) If a domestic trust becomes a foreign trust during the lifetime of a U.S. grantor, the grantor will be subject to tax under section 679 on the income of the foreign trust.

The bill provides that the grantor trust rules apply only to the extent they result in current taxation of a U.S. person. This provision would not apply in the case of revocable trusts, investment trusts, trusts established to pay compensation, and certain existing trusts. This provision also would not apply where the grantor is a controlled foreign corporation, personal holding company, or passive foreign investment company.

III. U.S. BENEFICIARIES OF FOREIGN NONGRANTOR TRUSTS

A. CURRENT LAW

1. Accumulation distributions

A U.S. beneficiary of a foreign trust which is not a grantor trust is taxed on the income of the foreign trust only when it is distributed. If the trust accumulates income and then distributes the accumulated income, there is an interest charge imposed on the beneficiary to eliminate the benefit of the tax deferral. The interest charge is based on a 6-percent rate with no compounding and the distribution is allocated to the earliest years with undistributed income.

2. Use of trust property

Under current law, taxpayers may assert that use of trust property by a beneficiary does not result in an amount being treated as constructively distributed to the beneficiary.

B. REASONS FOR CHANGE

1. Accumulation distributions

To effectively eliminate the benefit of the tax deferral in the case of accumulation distributions, the interest charge should be based on market rates with compounding.

2. Use of trust property

If a corporation makes corporate assets available for personal use by a shareholder, the shareholder is treated as receiving a corporate distribution equal to the fair market value of that use. In the case of domestic trusts, the absence of such a rule affects only which person is liable for the tax but not the amount of income subject to tax. However, the absence of such a rule in the case of foreign trusts can result in U.S. beneficiaries enjoying the use of trust income without any tax.

C. DESCRIPTION OF BILL

1. Accumulation distributions

For periods after December 31, 1995, the interest charge on accumulation distributions would be computed using the rate and method applicable to tax underpayments. Also, for purposes of computing the interest charge, the accumulation distribution would be allocated proportionately among the prior trust years with undistributed income rather than to the earliest of such years.

2. Use of trust property

The bill treats a loan of cash or marketable securities to a U.S. beneficiary as a constructive distribution. The bill also treats other uses of trust property as constructive distributions in an amount equal to the rental value of the property.

IV. RESIDENCE OF TRUSTS

A. PRESENT LAW

The Internal Revenue Code does not contain objective criteria for determining whether an estate or trust is domestic or foreign. Court cases and rulings have applied a variety of factors in determining the residence of an estate or trust. Also, the treatment of trust migrations under current law is unclear.

B. REASONS FOR CHANGE

Because the tax treatment of an estate or trust depends on its residence, it is appropriate to provide objective criteria for this determination.

C. DESCRIPTION OF BILL

The bill would provide that an estate or trust would be treated as domestic if a domestic court exercises primary supervision over its administration and one or more U.S. fiduciaries have the authority to control all substantial decisions of the trust. In other cases the estate or trust would be treated as foreign.

The bill would also provide that, when a domestic trust becomes a foreign trust, the trust would be treated as having made a transfer for purposes of section 1491 of the Code.

INDIA SHOULD RECOGNIZE FREE SIKH NATION OF KHALISTAN

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1995

Mr. CRANE. Mr. Speaker, I rise today to bring to the attention of the House a situation in India which is very troubling. This situation involves the treatment of the Sikh people living in India.

Since 1984 over 120,000 Sikhs have been killed, and other ethnic groups have had thousands of their members killed as well. The recent abduction of Human Rights Wing leader Jaswant Singh Khalra is but the least incident of repression focused on the Sikh people.

On October 7, 1987, the Sikh Nation declared its independence, forming the separate, independent country of Khalistan. At that time, Sikh severed all political connection with India, as we did with Britain in 1776. Sikhs were supposed to receive their own state in 1947, but were deceived by Indian promises of freedom. They ruled Punjab during the 18th and 19th centuries. They have their own language, religion, and culture. Clearly, the Sikh claim to independence is a legitimate one.

I am introducing into the CONGRESSIONAL RECORD a speech given on August 15, 1995 by Dr. Gurmit Sikh Aulakh, President of the Council of Khalistan, the Khalistani Government in exile, at a conference on self-determination held at the Luther Institute. It lays out the case for Khalistan. I urge my colleagues to read it carefully and consider his claims for Sikh independence.

I certainly support the Sikhs' claim for independence and a separate nation of Khalistan.

The speech follows:

Ladies and gentlemen—I am very happy to be here today and to be given the opportunity to speak to you today on the topic of self-determination. Ironically, today is India's Independence Day. And since India continues to suppress Sikh independence while celebrating its own, I led a demonstration of Sikhs in front of the India ambassador's residence today to express our disapproval. So, forgive me if my voice is not 100 percent.

For the past decade I've been intimately involved with the issue of self-determination. As President of the Council of Khalistan, I have been charged with working in the international community to secure the independence of the Sikh nation from the brutal oppression of the government of India. In the minds of many Westerners, India is a land of peace and spiritual tranquility—the land where problems are solved not through violence but through civil disobedience. The experience of the Sikhs—to say nothing of the Muslims of Kashmir, the Christians of Nagaland, the Assamese, Manipuris and the Dalits—has been quite the opposite.

Let me provide you with a few figures. Since 1984, the Indian regime has murdered more than 120,000 Sikhs. Since 1947 India has killed over 150,000 Christians in Nagaland. The Muslims of Kashmir claim a death toll of 43,000 at the hands of Indian forces. Tens of thousands of Assamese and Manipuris have also been killed. The Dalits—the so-called "black untouchables" of India—are perhaps the most oppressed people on the face of the earth. Just last week newspapers and wire services carried the story of a five-year-old Dalit girl who was beaten and blinded by her teacher after she drank from a pitcher reserved for the upper castes.

Press reports state that 70,000 Sikhs are being held in detention by the Indian regime at the present time. The State Department reported that between 1991 and 1993, the regime paid more than 41,000 cash bounties to policemen for the murder of Sikhs. Human Rights Watch issued a report in 1994 which quoted a Punjab police officer as saying that "4,000 to 5,000" Sikhs were tortured at his police station during his five-year tenure. There are over 200 such police stations/torture centers in Punjab. Indeed, the Sikh homeland can rightfully claim the title of the torture capital of the world.

Why is there such oppression against the Sikhs and other minority nations in India? The answer brings us back to the issue before us today: self-determination. All the nations and peoples suppressed by the Indian regime have in one way or another attempted to exert their independence either politically or culturally. In the case of the Sikhs, we have demanded outright sovereignty and separation from India, having declared our independence on October 7, 1987, forming the separate country of Khalistan.

The International community upholds the right of self-determination for all nations. Here in America, the political system is predicated on the principle that when any government no longer protects the life, liberty and security of the people it rules, it is the people's right to rid themselves of that government. The principle that the consent of the governed underlies all legitimate government is fundamental to the American idea. These two principles are being exported around the world. But in too many places today, these principles are being widely violated. One such country is India.

The government of India has attempted to rob the Sikhs of our nationhood at every turn. It should be known that the Sikh nation ruled all of Punjab from 1710 to 1716 and again from 1765 to 1849. Our reign extended well into present-day Pakistan and Kashmir, stopping at the Khyber Pass.

In the mid-19th century, British power and influence expanded on the subcontinent, but the Sikhs were the last nation to fall. We were also the first to raise the cry for independence. During the struggle to oust Britain from the subcontinent, 85 percent of those hanged by the British were Sikhs; 80 percent of those exiled were Sikhs; and 75 percent of those jailed were Sikhs. And at that time, the Sikhs constituted less than 2 percent of the population of the subcontinent. The Sikh nation's contributions to the freedom of the subcontinent cannot be underestimated.

When the British first arrived on the subcontinent, they dealt with the Sikhs as a separate nation, fighting a series of three wars with the Sikhs. When the British left the subcontinent, they again dealt with the Sikhs as a separate, distinct, sovereign nation. Thus during its withdrawal, the British transferred power to three nation-groups, the Muslims, the Hindus and the Sikhs. The Muslims took Pakistan on the basis of religion. The Hindus took India, and the Sikhs took their own homeland, opting to join with the Hindus on the solemn assurances of Indian leaders like Jawarhar Lal Nehru and Mahatma Gandhi that no laws unacceptable to the Sikhs would be passed by the Indian Congress. I quote Nehru who said to the Sikhs: "The Congress assures the Sikhs that no solution in any future constitution [of India] will be acceptable to the Congress which does not give the Sikhs full satisfaction. I also quote Mahatma Gandhi who told the Sikhs the following: "Take my word that if ever the Congress or I betray you, you will be justified to draw the sword as taught by Guru Gobind [Singh]."

Implicit in these assurances is the recognition of that the Sikhs as a nation possess the right of self determination. Indeed, Nehru and Gandhi were not ordering the Sikhs to join their grand vision of an India encompassing the entire subcontinent. In fact they possessed no such power over the sovereign Sikh nation. Rather they were attempting to woo the Sikhs as a nation to join their union, something at which they failed with the Muslims. In retrospect, the Sikhs made the wrong decision; but having made that decision, we never forfeited our right to self determination.

Indeed, Sikh history under Indian rule is a history of constant agitation for our most basic rights as a nation, and India has betrayed its promises to the Sikhs at every turn. In 1950, when India ratified its constitution, the Sikh representatives at the Constituent Assembly refused to sign the constitution because it was inimical to Sikh interests, contrary to what both Mahatma Gandhi and Jawarhar Lal Nehru promised. Since then Sikhs have been struggling to reclaim their nationhood

In June 1984, India's attempt to suppress the Sikh nation reached a climax. The Indian army launched a military assault on the Golden Temple, the holiest of Sikh shrines. Over 20,000 Sikhs were killed. The Akal Takht, which houses the original writings of the Sikh gurus was destroyed. Thirty eight other Sikh temples throughout the Sikh homeland were also attacked. Make no mistake about it, the reason India likes to attack important temples is because it symbolically reinforces the government's total domination over a given people. To put it another way, India wanted to show the Sikhs who was the boss.

This is India's way—complete denial of self determination, even if it means military action. The Sikhs, therefore, appeal to the international community to support their right to freedom as a sovereign nation. Despite its constitution, India has proven itself anti-democratic. Despite its image as the home of spiritual tranquility, India has proven itself one of the worst violators of human rights in the world. The time has come for the world to demand that India honor the freedom of the Sikh nation and other nations that struggle against its repressive policies.

On February 22, 1995. the U.S. Congress took a step in this direction when 30 Members of the House introduced House Congressional Resolution 32, which expresses the Congress's opinion that "the Sikh nation should be allowed to exercise the right of self-determination in their homeland, Punjab Khalistan."

I encourage similar action throughout the international community. A cursory look will tell the casual observer that India is not one nation. Rather it is a conglomeration of many nations thrown together for administrative purposes by the British. With 18 official languages, India is doomed to disintegrate just as the former Soviet Union did. Freedom for Khalistan and all the nations living under Indian occupation is inevitable. The Sikh Nation's demand for an independent Khalistan is irrevocable, irreversible, and nonnegotiable. We have been denied our right of self-determination too long. India's lip service to the principle holds no water. The time is now for the international community to pressure India with economic sanctions to honor the freedom of Khalistan. The time is now for the Indian government to sit down with the Sikh leadership and formally recognize the clear boundaries which separate Khalistan from India. Sikhs have motto that says, "*Khalsa Bagi Yan Badshah:* Either the Sikhs rule themselves or they are in rebellion." The Sikh nation will not rest until freedom is ours. It is our tradition. We are secure in our right to self-determination, and we will allow no foreign power to determine our fate,

Thank you.

CENTRAL SYNAGOGUE HONORED FOR YEARS OF SERVICE

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1995

Mrs. MALONEY. Mr. Speaker, I rise today to bring to the attention of my colleagues one of New York City's great centers of Jewish religion and culture. Founded 156 years ago, the Central Synagogue in Manhattan has played an important role in the development and growth of New York's secular and religious life.

In addition to serving as a pillar of New York's Jewish community, the Central Synagogue plays an active role in the community at-large. The Synagogue, through its wonderful members and staff, provides one-on-one English lessons for recent immigrants, food for 350 homeless persons per week, and a city-wide AIDS service.

Completed in 1872, the Syngogue itself is one of New York's greatest landmarks. The imposing moorish sanctuary was designed by Henry Fernbach, the first Jewish American architect, and was subsequently designated as a National Landmark.

Two years ago, the Synagogue embarked one of the most ambitious capital revitalization projects in the congregation's history. On September 28, 1995, the first step in this revitalization program will be completed when the sanctuary is finally rededicated. Having meticulously restored the stain glass window and facade, the Central Synagogue will once again assume its position as one of the most beautiful and striking sights in New York.

Mr. Speaker, there is a great deal to be proud of in New York City. The majesty, history and vitality of the Central Synagogue is something that we can all take pride in. I congratulate the Synagogue on the restoration of its sanctuary and wish the entire congregation luck as it continues with its capital improvement campaign.

THE ETHIC OF SERVICE

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1995

Mr. JACOBS. Mr. Speaker, Leslie Lenkowsky, president of the Hudson Institute and member of the board of directors of the

Corporation for National Service, has written a most enlightened and thoughtful article which was published by the Washington Times on August 4, 1995.

I insert the article in the RECORD.

[From the Washington Times, Aug. 4, 1995]

THE ETHIC OF SERVICE

(By Leslie Lenkowsky)

Today, the General Accounting Office is scheduled to issue the draft report of its analysis of AmeriCorps, the 10-month-old national service program.

If some in Congress had their way, this year would be AmeriCorps' last—the House voted Monday to provide no further funding. The GAO report, and my own experience as a member of the board of directors overseeing AmeriCorps, suggest the Senate should take a second look.

Here's what GAO concludes: AmeriCorps itself is investing slightly less per participant than originally estimated. Other parts of the federal government are also providing support, in nearly exactly the amounts AmeriCorps had predicted.

Parts of the GAO Report will trigger debates between supporters and directors of AmeriCorps—including whether private sector contributions, or state and local support, are a valuable benefit or just an addition to cost. But the bottom line for Congress' consideration should be that over which it has responsibility—the federal contribution—and there, AmeriCorps is right on budget.

GAO suggests that AmeriCorps is also on mission. The audit teams found local programs doing exactly what Congress had intended: rehabilitating housing, tutoring, analyzing crime statistics and developing prevention measures, strengthening communities, encouraging responsibility and expanding opportunity.

These findings track an earlier cost/benefit study done by an impressive team of economists. Like GAO, the economists didn't establish either AmeriCorps' costs or its benefits—but did present a well-reasoned estimate of what AmeriCorps may produce, if programs are held to their contractual objectives.

Therein lies Congress' challenge. GAO shows that it would be disingenuous to kill AmeriCorps on the basis of cost. It isn't costing the taxpayer any more than was intended, and it is difficult to premise fiscal salvation on a savings that amounts to less than one-thirtieth of a penny on a tax dollar.

Nor is it fair to attack AmeriCorps as the death-knell of selfless charity. AmeriCorps is too small for that, and Americans are too big. In the main, AmeriCorps members provide local charities with useful resources that can make more effective the voluntary assistance you and I can provide.

So should we worry about AmeriCorps being a political Trojan Horse—or at least a stalking horse for Clinton-Gore '96. I have to admit that I have been watching this topic very carefully. One test of intent and not rhetoric came in the willingness to examine the activities of ACORN Housing Corporation, an investigation I pushed for as a Board Member. The Corporation for National Service did the right and thorough thing—and even the Washington Times praised the outcome.

Politics can be expected to intrude upon nearly every policy debate. But Republicans have alternative to killing AmeriCorps. They can recognize that the initiative's foundations—responsibility, opportunity and citizenship—are distinctly Republican ideals (advanced with eloquence in William F. Buckley's "Gratitude," although not an endorsement of a new program). And AmeriCorps' structure places the bulk of the money and much of the decisionmaking in the hands of the states—thanks to Republican efforts when the legislation was drafted in 1993. Finally, despite the fracas within the Beltway, in the heartland this thing is wildly popular—with Republican governors like New Hampshire's Steve Merrill and many others; with businessmen who like the results they see in their own markets; with ordinary voters who (in Wall Street Journal polls) have wanted to defend AmeriCorps even more than Big Bird.

No, AmeriCorps won't revolutionize America—whether it's Newt Gingrich's revolution or Bill Clinton's. But it is making a difference for America in a distinctly American way. And it deserves both time and constructive criticism. As the Congress and the president do the job they have been elected to do—set national budget priorities—I would encourage them to emphasize innovative ways of using government to strengthen (not overpower) communities and encourage the ethic of service. Those goals can provide real meaning to the search for common ground.

TRIBUTE TO THE 1995 INDUCTEES TO THE ENTREPRENEURSHIP HALL OF FAME

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1995

Mr. LIPINSKI. Mr. Speaker, I rise today to recognize the entrepreneurial achievements of a select group of leaders from the Chicago metropolitan business community. I am proud to salute these entrepreneurs and founders of small and mid-sized businesses for their induction into the 11th Annual Entrepreneurship Hall of Fame, Thursday evening, October 19, 1995, in Chicago.

The Institute for Entrepreneurial Studies in the College of Business Administration at the University of Illinois at Chicago cofounded and continues to sponsor the Entrepreneurship Hall of Fame, honoring outstanding business leaders whose spirit and success help keep America's business community strong and vital.

The sponsors, the Arthur Anderson Enterprise Group, William Blair & Company, LaSalle National Bank, Lord Bissell & Brook, and the University of Illinois Chicago, have enabled the university to cement this partnership and recognize outstanding entrepreneurs. The program is exceptional because it creates an active partnership between the academic and business communities. Students and entrepreneurs alike benefit from an exchange of knowledge, experience and creativity.

Today, I would like to congratulate these leaders, each of whom is listed below, for using their imagination and resources to foster an excellent program which enhances the quality of higher education and underscores the value of entrepreneurship in America. I am sure that my colleagues join me in recognizing these entrepreneurial leaders for their important contributions to employment generation, the entrepreneurial spirit and our great Nation.

1995 INDUCTEES TO THE ENTREPRENEURSHIP HALL OF FAME

Robert Alcala
Richard Alcala
Robert H. Boller
Phillip Corcoran
Charles Wolande
Tom Corcoran
Barbara R. Davis
James L. Gaza
Sue Ling Gin
James L. Hanig
Henry Kalmus
Donald Lord
Helene J. Kenton-Taylor
Terry L. Kirch
Jim Liautaud
Richard B. Mazursky
Jack Miller
Melody O'Neal
Shan Padda
Bruno A. Pasquinelli
Anthony R. Pasquinelli
Frank Portillo
Michael A. Regan
Sally J. Rynne
Robert Sapio
Mitchell H. Saranow
Gary F. Seamans
Gordon Segal
Bill Steffenhagen
Ann Steffenhagen
Sanford Takiff
Janet Taylor
Charlie H. Trotter
Bob M. White
Arthur W. Wondrasek Jr.

A STRONG MARITIME INDUSTRY

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1995

Mr. GALLEGLY. Mr. Speaker, as events in Bosnia, the South China Sea, and the Persian Gulf have demonstrated time and again, it is absolutely critical that the United States maintain a strong Navy, Merchant Marine, and shipbuilding and repair industrial base.

Since the end of World War II, which we recently commemorated, our Merchant Marine has fallen from over 3,000 vessels to today's 350 vessels flying the Stars and Stripes. It has been over 60 years since the Merchant Marine Act was signed into law and 25 years since the Congress last approved a maritime promotion program.

Similarly, American shipyards, which, in 1944 produced surface combatants at a rate of 1 every 2½ weeks, are now down to 6 primary construction yards bidding on less than 10 new vessels each year.

These statistics are unacceptable and must be reversed. This Nation needs a new maritime program which will help preserve our shipbuilding industrial base while providing the U.S.-flag commercial shipping capability necessary to maintain our military and economic security.

These sentiments were forcefully stated recently by Senator TRENT LOTT who Chairs the Subcommittee on Surface Transportation and Merchant Marine. Senator LOTT stated that,

> Without a U.S. merchant fleet and a powerful U.S. shipbuilding industry, the U.S. would have to depend on foreign interests for sealift and logistics support.

In his testimony before Senator LOTT's subcommittee, Gen. Robert Rutherford, Commander of the U.S. Transportation Command, stated that:

> We have not forgotten the importance of the U.S. maritime industry to our overall sealift capabilities. Just as we did in the Gulf War, Somalia, and most recently back to the Gulf, we rely extensively on our commercial partners to support our worldwide commitments.

Today, the Congress has an opportunity to reverse the recent trends in our commercial shipping experiences.

H.R. 1350, the Maritime Security Act of 1995, and the Senate counterpart, S. 1139 would initiate a 10-year program to create a Maritime Security Fleet which would boost national security, stimulate the economy and domestic shipbuildings and promote a stronger, more efficient U.S. flag commercial fleet.

In a letter to the Commerce Committee, our colleagues HERB BATEMAN, RANDY CUNNINGHAM, CURT WELDON and others stressed that the:

> Enactment of H.R. 1350 will preserve and create American maritime jobs, generate much-needed revenues for federal and state taxing authorities, improve our balance of trade and ensure that our country will not become totally dependent on foreign nations and foreign crews to transport the supplies and equipment needed by American servicemen oversees.

With respect to domestic shipbuilding, a recent study released by the Maritime Administration indicated that jobs in commercial shipbuilding had declined some seven percent in 1994 and only one ocean-going commercial ship is currently on order.

While Navy shipbuilding has been the salvation of our shipbuilding industrial base over the past 7 years, the number of new orders is on the decline and must be stabilized at an adequate number. The Congress must continue to provide funding for the nuclear attack submarine fleet, the AEGIS surface combatant fleet and the amphibious and auxiliary ships necessary to support our Marine and Army forces.

Finally, the Congress can ensure the preservation of the U.S.-flag commercial fleet by resisting the proposal to repeal the Jones Act.

Since 1789, the United States has maintained a preference for carrying domestic commerce on U.S.-built, U.S.-flag vessels. In 1920, the Congress enacted the Jones Act mandating that cargoes carried between U.S. ports would be transported on U.S.-flag, U.S.-crewed vessels. These laws were seen as a way to promote the U.S. maritime industry as well as to ensure safe transportation and national defense considerations.

There are those who want to repeal the Jones Act claim the law is protectionist in nature. And, they may be correct. But, some form of Federal investment to promote a U.S. flag commercial fleet can be justified. Unlike the ocean-going fleet, the Jones Act operators do not receive any subsidy from the Federal Government either for operations or for construction. If preferential cargo treatment is the price we must pay to ensure that foreign flags-of-convenience carriers, who are not subject to U.S. safety laws and who cannot be counted on for our national defense do not enter our domestic commerce, then the investment may well be worth it. We simply cannot allow foreign vessels to gain total control over our domestic waterborne trade.

In addition, as Al Herberger, head of the Maritime Administration testified:

> When a U.S. shipper chooses to move cargo on a U.S.-flag vessel as opposed to a foreign-flag vessel, most revenue that is paid for freight remains in the U.S. economy. On the other hand, freight paid to foreign flag operators, increases our trade deficit because that revenue goes to foreign nationals.

Again, as Senator LOTT stated at his subcommittee's hearing:

> I want to maintain and promote a U.S.-flag fleet, built in U.S. shipyards and manned by U.S. crews . . . when I go home, I want to see the greatest amount possible of Mississippi agricultural products . . . moving on U.S. built and flagged ships.

The Jones Act, since its inception, has provided an important service to the U.S. economy and the maritime industrial base. Previous attempts have been made to repeal this law. However, the majority in the Congress has always resisted these ill-conceived attempts to destroy the U.S.-flag commercial fleet. In fact, on July 24 the House reaffirmed its commitment to the principals of cargo preference embodied in the Jones Act when it voted 324 to 77 to permit the export of Alaskan North Slope oil exclusively on U.S.-flag tankers.

Mr. Speaker, since the beginning of our history, this Nation has recognized that as a maritime Nation dependent on secure transport of ocean-borne commerce and military strength, we must remain committed to a strong maritime industry, led by a viable U.S.-flag merchant fleet. This simple fact has not changed in over 220 years and must not change now. The Congress must continue to support a strong Navy, a viable merchant marine, and an efficient shipbuilding industrial base.

TRIBUTE TO EARL BALTES

HON. JOHN A. BOEHNER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1995

Mr. BOEHNER. Mr. Speaker, I want to recognize Earl Baltes for his past and present efforts as a race track owner and promoter. Earl has been a promoter of auto racing for most of his life, providing race fans with the excitement of sprint car racing for more than 40 years.

Earl's racetrack, Eldora Speedway is just north of Greenville, OH, and has hosted veteran drivers such as Mario Andretti, A.J. Foyt, Johnny Rutherford, Roger McCluskey, and Bobby and Al Unser, Sr. just as they were beginning their careers. More recently, up and coming racers including Jeff Gordon, Ken Schrader, Ernie Irvan, and Jeff Purvis have competed at Eldora. Certainly, Eldora Speedway and the name Earl Baltes is familiar throughout the auto racing industry. While there may be a few who have raced at Eldora and do not have fond memories, they all fondly remember Eldora Speedway and Earl.

Earl's hard work and perseverance have come to fruition. Eldora Speedway ranks among the premier short-track facilities in the nation—attracting auto racing drives and fans from across the country and throughout the world. His dream of turning a cornfield into a top ranked race track has become a reality.

At age 74, when many have settled down to a life of retirement, Earl continues to thrill race fans with some of the greatest sprint car racing in the world. The sport has changed a great deal since Earl built Eldora Speedway in 1954, and only through determination and hard work has Earl remained successful.

Therefore, Mr. Speaker, I want to recognize Earl Baltes and thank him, on behalf of my district and on behalf of race fans everywhere for giving race car drivers the opportunity to excel and for providing fans the thrill of auto racing.

HONORING JAZZ GREAT BARRY HARRIS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1995

Mr. CONYERS. Mr. Speaker, today I rise to honor jazz pianist, composer, and teacher, Barry Doyle Harris. Barry was born gifted, and started learning piano at the age of 4 from his mother. He followed in her footsteps and played for his church, but soon became fascinated by jazz. He played in his hometown of Detroit throughout the 1950's, the time when I was first awestruck by his shows. In those years, his piano genius took him from the bowling alleys to the Blue Bird Inn, the Motor City's most prominent jazz club. Already, he had as much a passion for imparting his knowledge of music as he had for performing it.

He put out his first album in 1955 at the age of 25 under the direction of Donald Byrd. That same year he worked for several months with Miles Davis. By 1957, he was widely acclaimed in bebop circles and he began teaching formally that year. In 1960, he took his act to New York City where he played with Cannonball Adderley, Yusef Lateef, and Coleman Hawkins for many years. In the early 1980's, he played with a 75-piece orchestra, performed at Carnegie Hall, and then founded the Jazz Cultural Center, an educational institute and club in Manhattan.

From the day that Barry Harris started teaching, he knew that talent was really a torch to pass on to the next generation. This brought him to a lifelong commitment to getting young people exposed to jazz, keeping music in the schools, and defending the larger role of the arts in our society. He once said, "Teachers should teach where they come from, not where they are. They tell you life is complex and you have to suffer to give of yourself, and that's not true. Life is very simple, and if you simply live and simply learn to play, you'll really give." Today, with these words, I hope to reciprocate Barry's spirit of giving with a token of gratitude for his inspiring contribution to jazz, a great national treasure, just like him.

INTRODUCTION OF BIF/SAIF BILL

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 1995

Mrs. ROUKEMA. Mr. Speaker, today, I, together with my colleagues are introducing legislation that will have a monumental impact on the financial services industry. Its purpose is to provide a comprehensive reform of the deposit insurance funds and will merge the bank and thrift charters. This BIF/SAIF legislation reflects the hard work of a bipartisan working group of the Financial Institutions Subcommittee, which I chair, that was developed over the last several months.

Since the spring, the subcommittee has held three hearings on BIF/SAIF. The last of these hearings brought forth strong support for a comprehensive approach to the problem, which this legislation being marked up today represents.

In brief, the legislation provides a financial solution to the problem of the insurance funds similar to that proposed by the administration. It recapitalizes the SAIF and through the use of a one-time special assessment of SAIF members. It spreads the FICO costs proportionately among all members of the FDIC as of the date of enactment. In addition, it merges the BIF/SAIF.

What is critical here, is that it goes beyond the administration-sponsored financial fix and merges the bank and thrift charters on January 1, 1998, requiring thrifts to convert to banks. It tackles the complex tax treatment of bad debt reserves by advocating a fresh start approach, to avoid giving thrifts another lump sum obligation that would amount to billions of dollars. Finally, it provides for refunds for FDIC funds in excess of the designated reserve ratio.

It is my intention, given the requirements of the reconciliation process as determined by Banking Committee Chairman LEACH, that the movement of the BIF/SAIF legislation will be a two-track process. A markup of a similar provision in the Full Committee's markup of its budget reconciliation package is based on staff recommendations and is revenue-driven. My legislation will move in regular order and is based solely on crafting good public policy. In this regard, it is my commitment to continue to refine this legislation through a markup at subcommittee and hopefully at the full committee as it moves through the process in regular order to insure that there is a final legislative solution during this congressional session.

SENATE—*Wednesday, September 20, 1995*

(Legislative day of Tuesday, September 5, 1995)

The Senate met at 9:15 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Lord God, Sovereign of our Nation, personal Lord of our lives, we claim Your promise given through Isaiah, "Your ears shall hear a word behind you saying, 'This is the way, walk in it'."—Isaiah 30:21. We dedicate this day to walk humbly with You. We are challenged by the realization that the Hebrew meaning of "walk humbly" is "to walk attentively." And so, we commit our minds and hearts to listen attentively to You. Speak to us so that what we speak may be an echo of Your voice which has sounded in the depth of our receptive souls. In the din of the cacophony of voices demanding our attention, help us to seek to know and do Your will for what is best for our beloved Nation.

Grant us the greatness of minds tuned to the frequency of Your spirit's guidance. Free us of any tenaciously held positions that may not have been refined by careful listening to You. May our united position together be that of women and men committed to Your righteousness and justice.

We ask for Your blessing for our President, the House of Representatives, the Justices of the Supreme Court, and the judges of the courts of our land who seek to carry out Your will in their decisions, and all who assume the awesome responsibilities of government. We listen to hear Your voice saying, "This is the way, walk in it—together." In the name of our Lord. Amen.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for morning business.

Mr. FORD addressed the Chair.

The PRESIDENT pro tempore. The able Senator from Kentucky is recognized.

Mr. FORD. I believe I have a standing order this morning that I have up to 20 minutes. Is that correct?

The PRESIDENT pro tempore. Correct.

Mr. FORD. I thank the Chair.

APPRECIATION OF FLOOR STAFF

Mr. FORD. First, Mr. President, let me thank the floor staff for the effort they put forward all the time and the effort they made last evening to give this Senator a few moments of the Senate's time today, and I want them to know that I do appreciate it.

(Mrs. HUTCHISON assumed the chair.)

(The remarks of Mr. FORD pertaining to the introduction of S. 1262 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

UNANIMOUS-CONSENT AGREEMENT—H.R. 1976

Mr. FORD. Madam President, on behalf of the majority leader, I ask unanimous consent that the orders for the three back-to-back votes and the debate with respect to H.R. 1976 be postponed to occur at 12 noon today.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—H.R. 1868

Mr. FORD. Madam President, I further ask unanimous consent that at 9:45 a.m. the Senate begin consideration of H.R. 1868, the foreign operations appropriations bill, for opening statements until 11 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Madam President, therefore, the vote scheduled for 9:45 a.m. has now been postponed to occur at 12 noon and the Senate would instead begin consideration of the foreign operations appropriations bill at 9:45.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COCHRAN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONGRESSMAN JAMIE WHITTEN

Mr. COCHRAN. Madam President, last week, I was very honored to be able to attend the funeral in my State of former Congressman Jamie Whitten. Congressman Whitten was my good friend and colleague in the House. I served in the House 6 years before coming to the Senate. During that time, I got to know him and be with him frequently. Even though I was not on the Appropriations Committee at that time when I was elected to the Senate, I soon became a member of the Appropriations Committee, and as irony caused it, I was immediately the chairman of the Agriculture Appropriations Subcommittee.

The day I went on the Agriculture Subcommittee, the Republicans had become the majority in the Senate and that was my first assignment. Interestingly enough, on the House side, Congressman Whitten had been the chairman of the Agriculture Appropriations Subcommittee since about 1949. He had been in the House only 8 years when he became chairman of the House Appropriations Subcommittee for Agriculture.

So that first year, I recall having the opportunity of going to conference with Congressman Whitten chairing the subcommittee on the House side and I chairing it on the Senate side, both being from the same State. I was very new to the job, and I remember he said to me that day as we began our negotiation on the House-passed and Senate-passed appropriations bills funding the Department of Agriculture and related agencies, "THAD, you had better be careful what you ask for now; you might get it."

I have never forgotten that. It was an interesting lesson and a good thing to tell me because in that position you have to defend what you have recommended; you have to understand that there are going to be those who will look critically at the contents of the bill. And we worked very cordially together during those 6 years when I chaired that subcommittee.

As I was handling the bill in this Chamber for the last couple of days we have been considering the Agriculture appropriations bill, I thought several times about my good friend and former colleague in the House and the lessons that I learned, which have certainly been good lessons to learn.

He was a man who was very courteous, very knowledgeable about the subject. In his dealings with other Members of the House and Senate, he was always a gentleman. I respected that and appreciated that in Jamie Whitten.

When he retired from the House, we truly saw come to an end a legendary career in many ways, not because of length of service, which was longer than anyone had ever served in the

House of Representatives, but because of the kind of person he was and the way he did his job. He took it seriously. He was conscientious, he did it well, and he did it well for a long period of time.

I was reading editorials just over the last few weeks in our State, and there have been many written talking about Congressman Whitten. There were two that I particularly appreciated, and I will put them in the RECORD. One is from the Northeast Mississippi Daily Journal in Tupelo, and the other was written by Bill Minor, who has a syndicated political column in Mississippi, and this was printed in the Clarion-Ledger in Jackson, MS.

Madam President, I ask unanimous consent that both of these editorials be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Northeast Mississippi Daily Journal, Tupelo, MS, Sept. 12, 1995]

FORMER CONGRESSMAN JAMIE WHITTEN

Jamie Whitten started his public service career when some Mississippians still had eye-witness memories of the Civil War and only dreamed of one day having electricity in their houses. He concluded his public service after a 53-year tenure in the U.S. Congress when many Americans routinely communicate from their homes via computers with people halfway around the world.

His journey ends in Charleston, the same small town that nurtured his early political career and always sustained him as the place he called home. It was the place where almost everyone knew him and called him Jamie, not Mr. Chairman or Congressman or any of the other honorifics by which he was addressed in his official capacities. He was, in the words of longtime staff leader Buddy Bishop, "just one of the guys" in Charleston. His town, the state, and the nation bid Whitten farewell in a service at Charleston Presbyterian Church, where he had been an active member for almost 70 years.

Whitten, 85, died Saturday in an Oxford hospital less than a year after retiring from the U.S. House of Representatives. His 53 years in the House is the record for longevity in that chamber. He is second only to the late Sen. Carl Hayden of Arizona, whose 56 years in the House and Senate combined is Capitol Hill's longest tenure.

Whitten was a low-profile giant who thrived on the serious and demanding business of making public policy. His legislative gifts were no place more evident than in federal policy, laws and programs related to improving and enhancing life in rural America. The depth and breadth of his influence and interest inevitably grew as he moved up the ladder of power and responsibility in Washington. The ladder finally took him to the pinnacle chairmanship of the Appropriations Committee.

Mississippi's senior senator, Republican Thad Cochran, considered Whitten a congressional mentor and close friend. Cochran said Monday that Whitten possessed the invaluable gift of remaining unhurried and courteous in a political atmosphere that was more often frenetic and sometimes discourteous.

Whitten believed in federal investment in America, a practice some people derisively and mistakenly call pork-barrel spending. Whitten often stated his belief in spending federal dollars to generate a return from the productivity of American citizens. That idea always is unpopular with congressmen who don't have the intelligence or the influence to steer a share of the investment to their states and districts. Whitten understood, as he networked with colleagues from coast to coast, that a good investment provides a good return, no matter where it's made.

He also understood that the vast resources of the federal government, as a moral imperative, must be applied to people in crisis and people in need.

Many other members of Congress in this century have been more widely known, more colorful and more ambitious. A bare handful stand in company with Whitten's impact and influence because, for him, effectiveness was vastly more important than fame.

Winston Churchill said that "singleness of purpose and simplicity of conduct" are powerful attributes of public servanthood.

Those same qualities distinguish Congressman Jamie L. Whitten's long record as the people's representative in Washington.

[From the Clarion-Ledger, Sept. 17, 1995]

JAMIE WHITTEN KNEW REAL POWER WAS IN THE PURSE STRINGS

(By Bill Minor)

Mississippi's 53-year congressional veteran served his state well.

What Jamie Whitten's half-century in the House of Representatives did for the state of Mississippi is incalculable, because it is beyond comparison to any other person who has represented this state or almost any state in the Congress of the United States.

Certainly Whitten gave this relatively small state in the whole scheme of things for greater influence—you can call it clout—than it had reason to expect. He made the strongest case for longevity as opposed to the current demand for term limits.

In his incredible 53-year service in the U.S. House, Whitten wisely concentrated on the area where the real power lies in Congress, the power of the purse. He long ago staked out a seat on Appropriations, working his way up to the chairmanship in 1980. But for many years before that, he headed the agriculture subcommittee of Appropriations, the spot that earned him the sobriquet as "the permanent Secretary of Agriculture." It was true that Whitten held the purse strings for farm programs as well as a broad spectrum of other programs that were tucked under his wing and the huge agricultural industry of this country knew it. His first concern always was to see that the farm interests of Mississippi were well-served.

Whitten, said his onetime Mississippi colleague, former U.S. Rep. David Bowen, "could digest an appropriation bill faster than anyone" in Congress. His legendary reading of the fine print in an appropriation bill is what rescued the Tennessee-Tombigbee Waterway from the public works graveyard in 1967.

Whitten's reputation as the "mumbler" when he was handling amendments to complicated appropriations bills, was actually strategy and was done intentionally, says Bowen. "His speaking style may have seemed obfuscating, says Bowen, "but he was a very bright man." Perhaps he was not outwardly articulate as an orator in comparison to some of his colleagues, but Whitten got the job done.

One important thing in light of what has recently come out of the Bob Packwood diaries about the inordinate influence of Washington lobbyists, is that Whitten, with all his power in spending, never had much time for lobbyists.

The career of Jamie Whitten is a remarkable story of a small-town Mississippian who started out in Congress as a New Dealer with Franklin Roosevelt a half-century ago. Then be became a Dixiecrat in the 1950s when the Citizens' Council and Ross Barnett were in their heyday. In fact, he was one of the leaders in the anti-civil rights Southern Manifesto in Congress.

Back in those days he hardly let it be known back in Mississippi that he was a member of the Democratic Party. But by the late 1960s, Whitten began his transformation to a loyal team player for Democratic programs and eventually became a key cog in pushing liberal programs of the Democratic leadership.

While most political figures become more conservative as they grow older, Whitten on the other hand, grew more liberal, or as some close observers believe, he returned to his New Deal populist roots.

Yes, Jamie Whitten could be said to have been a pragmatic politician. However, he used the political system to not for his own glory, but in a very real sense for his own state. Essentially, Whitten believed in the fundamental value of the federal government as an instrument for the good of the people.

Fortunately, Whitten's best years were in the days before the austerity era became vogue in Congress, and when there was more money available to fund projects such as the Tenn-Tom.

It was never his style to dabble in someone else's politics or build a political organization beyond his own small, loose-knit cadre of followers. The furthest he ever ventured into statewide politics was once, in 1976, when came down to Jackson to endorse Jimmy Carter for president. That occasion was also his rare (maybe only) exposure to sharp questioning by the state press of Mississippi in a full-fledged news conference. I recall that it was quite an unsettling experience for him.

Jamie probably overstayed his time in Congress when his failing health made him no longer productive. Yet, with his passing last week at age 85, everyone in this state must be grateful that he served them so long and so well. It's unthinkable we'll ever see another like him.

WELFARE REFORM

Mr. PELL. Mr. President, yesterday the Senate concluded several weeks of debate on welfare reform legislation. The changes that were incorporated in the legislation are profound, marking a great departure from the system that has been in place for 60 years. As one who has served my State of Rhode Island and this Nation as a U.S. Senator from 35 of those 60 years, I did not take lightly the vote that I cast yesterday. I thought long and hard about the desire for change, for reform, and for a better welfare system, and I share all of those goals.

As I look at the bill, I remain concerned. It does not provide nearly enough of what I think is necessary for quality welfare reform. And it does not sufficiently protect our children or provide adults with the tools they need to move off of welfare and into work.

But the final bill was also a drastic improvement over the House welfare legislation, and, with the addition of the Dole-Daschle compromise, moves us more in the direction that I think is best for our Nation. So while it was with some reluctance, I decided to cast my vote in favor of the legislation that was before us yesterday. I did so with the understanding that the American people want and demand action, and are seeking a new way of accomplishing what the existing system has not been able to accomplish. I am willing to try a new way, but acknowledge freely that without the minimal protections put into place by the Dole-Daschle agreement with respect to child care and other important provisions, I would not have voted "yea."

I cannot help but hope that the conference committee will see fit to incorporate more of the provisions contained in the Work First proposal introduced by Senator DASCHLE, which I cosponsored. I still support and strongly prefer its provisions—its emphasis on transitioning welfare recipients to work, its understanding that providing child care is a linchpin of successful reform, and its premise that—despite very real abuses of the current system by some welfare recipients—most people want to get off welfare and work at a job that provides a living wage. But I realize that the conference committee is more likely to move this bill in a direction that I cannot support, by being more punitive to parents and, in the process, harming children who have not chosen their parents or their circumstances.

Mr. President, it would be my intention, should the bill return from the conference committee stripped of these moderating provisions, or including any of the more draconian provisions we defeated during the Senate debate, to cast my vote against the conference report. I hope that this will not be necessary and that we will be able to pass a conference report that really does move the Nation in the direction that we all want to see—toward workable reform that moves this generation off of dependency while ensuring that the next generation does not suffer for its parents' failures or misfortunes.

TRIBUTE TO AMERICAN LEGION AUXILIARY, UNIT 230, PIKE-HUSKA POST

Mr. PRESSLER. Mr. President, today I pay tribute to certain members of the American Legion Auxiliary, Unit 230, Pike-Huska Post in Aurora, SD. Governor William Janklow designated the first day of the recent South Dakota State Fair as "Victory Day Golden Anniversary Celebration" in honor of South Dakota veterans who served in the Second World War. Ten special women in the American Legion Auxiliary in Aurora provided South Dakota World War II veterans attending the celebration with tokens of their appreciation and gratitude in memory of our veterans' dedicated service.

Mr. President, I had the opportunity to join my fellow South Dakotans at the State fair in expressing appreciation to the outstanding men and women who served their country during the Second World War. I am proud of the contributions made by South Dakotans during the war years. More than 2,200 South Dakota National Guardsmen served on active duty. More than 41,000 South Dakotans were called into military service through the draft and 23,192 South Dakotans enlisted. More than 1,500 South Dakotans stood face to face against Hitler's war machine and gave their lives to turn back Nazi aggression. At home, South Dakotans dug deep into their pockets to keep American troops armed, fed, and clothed. During eight national fundraising campaigns, South Dakota consistently ranked first or second in the per capita sale of series "E" war bonds. In fact, South Dakotans raised $111.5 million from the sale of series "E" war bonds to help the war effort.

Mr. President, as a war veteran myself, having served in the United States Army as a lieutenant in Vietnam, I extend my sincere respect, admiration, and appreciation for the dedicated service and selfless sacrifice of South Dakota's Second World War veterans. I especially appreciate the 10 members of the American Legion Auxiliary in Aurora, SD, who provided on behalf of themselves and all South Dakotans, a small token of our boundless gratitude for those courageous veterans who answered the call to duty more than 50 years ago.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, before discussing today's bad news about the Federal debt, how about "another go," as the British put it, with our pop quiz. Remember? One question, one answer.

The question: How many millions of dollars does it take to add up a trillion dollars? While you are thinking about it, bear in mind that it was the U.S. Congress that ran up the Federal debt that now exceeds $4.9 trillion.

To be exact, as of the close of business yesterday, September 19, the total Federal debt—down to the penny—stood at $4,965,954,997,403.59, of which, on a per capita basis, every man, woman, and child in America owes $18,850.85.

Mr. President, back to our pop quiz, how many million in a trillion: There are a million million in a trillion.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1996

The PRESIDING OFFICER. The clerk will report H.R. 1868.

The assistant legislative clerk read as follows.

A bill (H.R. 1868) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1996, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Appropriations, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

H.R. 1868

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1996, and for other purposes, namely:

TITLE I—EXPORT AND INVESTMENT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: *Provided*, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country other than a nuclear-weapon State as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act that has detonated a nuclear explosive after the date of enactment of this Act.

SUBSIDY APPROPRIATION

For the cost of direct loans, loan guarantees, insurance, and tied-aid grants as authorized by section 10 of the Export-Import Bank Act of 1945, as amended, **[**$786,551,000**]** *$795,000,000* to remain available until September 30, 1997: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That such sums shall remain available until 2010 for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal years 1996 and 1997: *Provided further*, That up to $100,000,000 of funds appropriated by this paragraph shall remain available until expended and may be used for tied-aid grant purposes: *Provided further*, That none of the funds appropriated by this paragraph may be used for tied-aid credits or grants except through the regular notification procedures of the Committees on Appropriations: *Provided further*, That funds appropriated by this paragraph are made available notwithstanding section 2(b)(2) of the Export-Import Bank Act of 1945, in connection with the purchase or lease of any product by any East European country, any Baltic State, or any agency or national thereof.

ADMINISTRATIVE EXPENSES

For administrative expenses to carry out the direct and guaranteed loan and insurance programs (to be computed on an accrual basis), including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed $20,000 for official reception and representation expenses for members of the Board of Directors, **[**$45,228,000**]** *$46,000,000*: *Provided*, That necessary expenses (including special services performed on a contract or fee basis, but not including other personal services) in connection with the collection of moneys owed the Export-Import Bank, repossession or sale of pledged collateral or other assets acquired by the Export-Import Bank in satisfaction of moneys owed the Export-Import Bank, or the investigation or appraisal of any property, or the evaluation of the legal or technical aspects of any transaction for which an application for a loan, guarantee or insurance commitment has been made, shall be considered nonadministrative expenses for the purposes of this heading: *Provided further*, That, notwithstanding subsection (b) of section 117 of the Export Enhancement Act of 1992, subsection (a) thereof shall remain in effect until October 1, 1996.

OVERSEAS PRIVATE INVESTMENT CORPORATION

NONCREDIT ACCOUNT

The Overseas Private Investment Corporation is authorized to make, without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, such expenditures and commitments within the limits of funds available to it and in accordance with law as may be necessary: *Provided*, That the amount available for administrative expenses to carry out the credit and insurance programs (including an amount for official reception and representation expenses which shall not exceed **[**$35,000**]** *$20,000*) shall not exceed **[**$26,500,000**]** *$26,000,000*: *Provided further*, That project-specific transaction costs, including direct and indirect costs incurred in claims settlements, and other direct costs associated with services provided to specific investors or potential investors pursuant to section 234 of the Foreign Assistance Act of 1961, shall not be considered administrative expenses for the purposes of this heading.

PROGRAM ACCOUNT

For the cost of direct and guaranteed loans, **[**$69,500,000**]** *$79,000,000*, as authorized by section 234 of the Foreign Assistance Act of 1961, *to be derived by transfer from the Overseas Private Investment Corporation Noncredit account*: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That such sums shall be available for direct loan obligations and loan guaranty commitments incurred or made during fiscal years 1996 and 1997: *Provided further*, That such sums shall remain available through fiscal year 2003 for the disbursement of direct and guaranteed loans obligated in fiscal year 1996, and through fiscal year 2004 for the disbursement of direct and guaranteed loans obligated in fiscal year 1997. In addition, such sums as may be necessary for administrative expenses to carry out the credit program may be derived from amounts available for administrative expenses to carry out the credit and insurance programs in the Overseas Private Investment Corporation Noncredit Account and merged with said account.

FUNDS APPROPRIATED TO THE PRESIDENT

TRADE AND DEVELOPMENT AGENCY

For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, $40,000,000: *Provided*, That the Trade and Development Agency may receive reimbursements from corporations and other entities for the costs of grants for feasibility studies and other project planning services, to be deposited as an offsetting collection to this account and to be available for obligation until September 30, 1997, for necessary expenses under this paragraph: *Provided further*, That such reimbursements shall not cover, or be allocated against, direct or indirect administrative costs of the agency.

[INTERNATIONAL FINANCIAL INSTITUTIONS

[CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

[For payment to the International Finance Corporation by the Secretary of the Treasury, $67,550,000, for the United States share of the increase in subscriptions to capital stock, to remain available until expended: *Provided*, That of the amount appropriated under this heading not more than $5,269,000 may be expended for the purchase of such stock in fiscal year 1996.

[CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS MULTILATERAL INVESTMENT FUND

[For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the Fund to be administered by the Inter-American Development Bank, $70,000,000 to remain available until expended.]

TITLE II—BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 1996, unless otherwise specified herein, as follows:

[AGENCY FOR INTERNATIONAL DEVELOPMENT

[CHILDREN AND DISEASE PROGRAMS FUND

[For necessary expenses to carry out the provisions of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, for child survival, assistance to combat tropical and other diseases, and related assistance activities, $592,660,000, to remain available until September 30, 1997: *Provided*, That this amount shall be made available for such activities as (1) immunization programs, (2) oral rehydration programs, (3) health and nutrition programs, and related education programs, which address the needs of mothers and children, (4) water and sanitation programs, (5) assistance for displaced and orphaned children, (6) programs for the prevention, treatment, and control of, and research on, HIV/AIDS, polio, malaria and other diseases, (7) basic education programs, and (8) a contribution on a grant basis to the United Nations Children's Fund (UNICEF): *Provided further*, That funds appropriated under this heading shall be in addition to amounts otherwise available for such purposes.

[DEVELOPMENT ASSISTANCE FUND

ECONOMIC ASSISTANCE

[(INCLUDING TRANSFERS OF FUNDS)

[For necessary expenses to carry out the provisions of sections 103 through 106, of the Foreign Assistance Act of 1961, $655,000,000] *For necessary expenses to carry out the provisions of sections 103 through 106, chapter 10 of part I, and chapter 4 of part II of the Foreign Assistance Act of 1961, and the provisions of title V of the International Security and Development Cooperation Act of 1980 (Public Law 96–533) and provisions of section 401 of the Foreign Assistance Act of 1969, $2,117,099,331*, to remain available until September 30, 1997: *Provided, That funds made available under this heading for each of (1) sections 103 through 106, (2) section 104(b), (3) chapter 10 of part I, (4) chapter 4 of part II (exclusive of assistance for Israel and Egypt) of the Foreign Assistance Act of 1961, (5) title V of Public Law 96–533, (6) section 401 of the Foreign Assistance Act of 1969, and (7) for "Debt Restructuring", shall be the same proportion to the total amount appropriated under this heading as the proportion of funds appropriated to carry out each of such provisions was to the total amount appropriated for them in title II of Public Law 103–306, exclusive of assistance to Israel and Egypt: Provided further, That the use of any authority to waive the requirements of the previous proviso shall be subject to the regular notification requirements of the Committees on Appropriations: Provided further, That of the funds appropriated or otherwise available by this Act for population planning assistance administered by the Agency for International Development, not less than $350,000,000 shall be made available for the central Office of Population of the Agency for International Development in fiscal year 1996, which sum shall be made available to that office: Provided further*, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: *Provided further*, That none of the funds made available under this heading may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions; and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services: *Provided further*, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: *Provided further, That for purposes of this or any other Act authorizing or appropriating funds for foreign operations, export financing, and related programs, the term "motivate", as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options including abortion: Provided further*, That nothing in this paragraph shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act of 1961: *Provided further*, That, notwithstanding section 109 of the Foreign Assistance Act of 1961, of the funds appropriated under this heading [and under the heading "Development Fund for Africa",] not to exceed a total of $15,000,000 may be transferred to "International Organizations and Programs" for a contribution to the International Fund for Agricultural Development (IFAD), and that any such transfer of funds shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further, That none of the funds made available under this heading may be transferred to the Government of Zaire.*

[DEVELOPMENT FUND FOR AFRICA

[For necessary expenses to carry out the provisions of chapter 10 of part I of the Foreign Assistance Act of 1961, $528,000,000, to remain available until September 30, 1997: *Provided*, That none of the funds appropriated by this Act to carry out chapters 1 and 10 of part I of the Foreign Assistance Act of 1961 shall be transferred to the Government of Zaire: *Provided further*, That funds appropriated under this heading which are made available for activities supported by the Southern Africa Development Community shall be made available notwithstanding section 512 of this Act and section 620(q) of the Foreign Assistance Act of 1961.]

CYPRUS

Of the funds appropriated under the heading "Economic Assistance", not less than $15,000,000 shall be made available for Cyprus to be used only for scholarships, bicommunal projects, and measures aimed at reunification of the island and designed to reduce tensions and promote peace and cooperation between the two communities on Cyprus.

BURMA

Of the funds appropriated under the heading "Economic Assistance", not less than $2,000,000 shall be made available to strengthen democracy and support humanitarian activities in Burma: Provided, That of this amount, not less than $200,000 shall be used to support newspapers, publications and media activities promoting democracy inside Burma: Provided further, That funds made available under this heading may be made available to organizations and Burmese student groups to expand indigenous participation in the political process, transportation, communications, publications, administration, and medical supplies and humanitarian services: Provided further, That funds made available under this heading may be made available to support activities in Burma, along the Burma-Thailand border, and to support activities designated by this Act outside Burma: Provided further, That funds made available under this heading may be made available notwithstanding any other provision of law: Provided further, That provision of such funds shall be made available subject to the regular notification procedures of the Appropriations Committees.

PRIVATE AND VOLUNTARY ORGANIZATIONS

None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 per centum of its total annual funding for international activities from sources other than the United States Government: *Provided*, That the requirements of the provisions of section 123(g) of the Foreign Assistance Act of 1961 and the provisions on private and voluntary organizations in title II of the "Foreign Assistance and Related Programs Appropriations Act, 1985" (as enacted in Public Law 98-473) shall be superseded by the provisions of this section, *except that the authority contained in the last sentence of section 123(g) may be exercised by the Administrator with regard to the requirements of this paragraph*.

[Funds appropriated or otherwise made available under title II of this Act should be made available to private and voluntary organizations at a level which is equivalent to the level provided in fiscal year 1995. Such private and voluntary organizations shall include those which operate on a not-for-profit basis, receive contributions from private sources, receive voluntary support from the public and are deemed to be among the most cost-effective and successful providers of development assistance.

[INTERNATIONAL DISASTER ASSISTANCE

[For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, $200,000,000 to remain available until expended.]

DEBT RESTRUCTURING

[For] *Of the funds made available under the heading "Economic Assistance", for* the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts, through debt buybacks and swaps, [owed to the United States as a result of concessional loans made to eligible Latin American and Caribbean countries, pursuant to part IV of the Foreign Assistance Act of 1961, $7,000,000] *$15,000,000*, to remain available until expended.

MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM ACCOUNT

[For] *Of the funds made available under the heading "Economic Assistance", for* the subsidy cost of direct loans and loan guarantees, $1,500,000, as authorized by section 108 of the Foreign Assistance Act of 1961, as amended: *Provided*, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974*: Provided further, That guarantees of loans made under this heading in support of microenterprise activities may guarantee up to 70 percent of the prinicpal amount of any such loans notwithstanding section 108 of the Foreign Assistance Act of 1961*. In addition, for administrative expenses to carry out programs under this heading, $500,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development*: Provided further, That funds made available under this heading shall remain available until September 30, 1997*.

HOUSING GUARANTY PROGRAM ACCOUNT

[For administrative expenses to carry out guaranteed loan programs, $7,000,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development.]

Of the funds made available under the heading "Economic Assistance", for the subsidy cost, as defined in section 13201 of the Budget Enforcement Act of 1990, of guaranteed loans authorized by sections 221 and 222 of the Foreign Assistance Act of 1961, $8,000,000: Provided, That these funds are available to subsidize loan principal, 100 percent of which shall be guaranteed, pursuant to the authority of such sections: Provided further, That the President shall enter into commitments to guarantee such loans in the full amount provided under this heading, subject to the availability of qualified applicants for such guarantees: Provided further, That for administrative expenses to carry out guaranteed loan programs, $7,000,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: Provided further, That commitments to guarantee loans under this heading may be entered into notwithstanding the second and third sentences of section 222(a) and, with regard to programs for Eastern Europe and programs for the benefit of South Africans disadvantaged by apartheid, section 223(j) of the Foreign Assistance Act of 1961: Provided further, That none of the funds appropriated under this heading shall be obligated except through the regular notification procedures of the Committees on Appropriations.

INTERNATIONAL DISASTER ASSISTANCE

For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, $175,000,000 to remain available until expended.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the "Foreign Service Retirement and Disability Fund", as authorized by the Foreign Service Act of 1980, $43,914,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, [$465,750,000] *$490,000,000*[: *Provided*, That of this amount not more than $1,475,000 may be made available to pay for printing costs: *Provided further*, That none of the funds appropriated by this Act for programs administered by the Agency for International Development may be used to finance printing costs of any report or study (except feasibility, design, or evaluation reports or studies) in excess of $25,000 without the approval of the Administrator of that Agency or the Administrator's designee].

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667, [$35,200,000] *$30,200,000*, which sum shall be available for the Office of the Inspector General of the Agency for International Development.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

MIDDLE EAST FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, [$2,300,000,000] *$2,015,000,000*, to remain available until September 30, 1997[: *Provided*, That any funds appropriated under this heading that are made available for Israel shall be made available on a grant basis as a cash transfer and shall be disbursed within thirty days of enactment of this Act or by October 31, 1995, whichever is later]*: Provided, That of the funds appropriated under this heading, not less than $1,200,000,000 shall be available only for Israel, which sum shall be available on a grant basis as a cash transfer and shall be disbursed within thirty days of enactment of this Act or by October 31, 1995, whichever is later: Provided further, That not less than $815,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, and of which sum cash transfer assistance may be provided, with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years, and of which not less than $200,000,000 shall be provided as Commodity Import Program assistance: Provided further, That in exercising the authority to provide cash transfer assistance for Israel and Egypt, the President shall ensure that the level of such assistance does not cause an adverse impact on the total level of nonmilitary exports from the United States to each such country: Provided further, That it is the sense of the Congress that the recommended levels of assistance for Egypt and Israel are based in great measure upon their continued participation in the Camp David Accords and upon the Egyptian-Israeli peace treaty*[: *Provided further*, That none of the funds appropriated under this heading shall be made available for Zaire].

[INTERNATIONAL FUND FOR IRELAND

[For necessary expenses to carry out the provisions of part I of the Foreign Assistance Act of 1961, up to $19,600,000, which shall be available for the United States contribution to the International Fund for Ireland and shall be made available in accordance with the provisions of the Anglo-Irish Agreement Support Act of 1986 (Public Law 99–415): *Provided*, That such amount shall be expended at the minimum rate necessary to make timely payment for projects and activities: *Provided further*, That funds made available under this heading shall remain available until September 30, 1997.]

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(a) For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989, [$324,000,000] *$335,000,000*, to remain available until September 30, 1997, which shall be available, notwithstanding any other provision of law, for economic assistance and for related programs for Eastern Europe and the Baltic States.

(b) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the Fund's disbursement of such funds for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(c) Funds appropriated under this heading shall be considered to be economic assistance under the Foreign Assistance Act of 1961 for purposes of making available the administrative authorities contained in that Act for the use of economic assistance.

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

(a) For necessary expenses to carry out the provisions of chapter 11 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the new independent states of the former Soviet Union and for related programs, [$580,000,000] *$705,000,000*, to remain available until September 30, 1997: *Provided*, That the provisions of 498B(j) of the Foreign Assistance Act of 1961 shall apply to funds appropriated by this paragraph.

(b) None of the funds appropriated under this heading shall be transferred to the Government of Russia—

(1) unless that Government is making progress in implementing comprehensive economic reforms based on market principles, private ownership, negotiating repayment of commercial debt, respect for commercial contracts, and equitable treatment of foreign private investment; and

(2) if that Government applies or transfers United States assistance to any entity for the purpose of expropriating or seizing ownership or control of assets, investments, or ventures.

(c) Funds may be furnished without regard to subsection (b) if the President determines that to do so is in the national interest.

(d) None of the funds appropriated under this heading shall be made available to any government of the new independent states of the former Soviet Union if that government directs any action in violation of the territorial integrity or national sovereignty of any other new independent state[, such as those violations included in Principle Six of the Helsinki Final Act: *Provided*, That such funds may be made available without regard to the restriction in this subsection if the President determines that to do so is in the national security interest of the United States: Provided further,]: *Provided*, That the restriction of this subsection shall not apply to the use of such funds for the provision of assistance for purposes of humanitarian, disaster and refugee relief.

(e) None of the funds appropriated under this heading for the new independent states of the former Soviet Union shall be made available for any state to enhance its military capability: *Provided, That this restriction does not apply to demilitarization, defense conversion or non-proliferation programs.*

(f) Funds appropriated under this heading shall be subject to the regular notification procedures of the Committees on Appropriations.

(g) Funds made available in this Act for assistance to the new independent states of the former Soviet Union shall be subject to the provisions of section 117 (relating to environment and natural resources) of the Foreign Assistance Act of 1961.

(h) Funds appropriated under this heading may be made available for assistance for Mongolia.

(i) Funds made available in this Act for assistance to the new independent states of the former Soviet Union shall be provided to the maximum extent feasible through the private sector, including small- and medium-size businesses, entrepreneurs, and others with indigenous private enterprises in the region, intermediary development organizations committed to private enterprise, and private voluntary organizations [previously functioning in the new independent states].

[(j) The ratio of private sector investment (including volunteer contributions in cash or time) to United States government assistance in projects referred to in subsection (i) shall be no less than a ratio of 1 to 1.]

(k) Of the funds appropriated under this heading, not less than $15,000,000 should be available only for a family planning program for the new independent states of the former Soviet Union comparable to the family planning program currently administered by the Agency for International Development in the Central Asian Republics and focusing on population assistance which provides an alternative to abortion.

(l) Notwithstanding any other provision of law or this Act, of the funds appropriated under this heading, not less than $85,000,000 shall be made available for programs and activities for Armenia, of which $35,000,000 shall be available for food, $40,000,000 shall be available for fuel, and $10,000,000 shall be available for medical supplies and services.

(m) Of the funds made available by this or any other Act, not less than $30,000,000 shall be made available for programs and activities for Georgia.

(n) Of the funds appropriated under this heading, not less than $225,000,000 shall be made available for Ukraine: Provided, That of these funds made available, not less than $3,000,000 shall be made available to assist in establishing a commodities exchange board: Provided further, That not less than $5,000,000 shall be made available to support improvements in the delivery of social services: Provided further, That not less than $20,000,000 shall be available to support the development of small and medium enterprises: Provided further, That not less than $2,000,000 shall be provided to support strengthening in independent broadcast and print media: Provided further, That not less than $5,000,000 shall be available for a pilot project to screen, diagnose, and treat Chernobyl victims suffering from breast cancer: Provided further, That not less than $5,000,000 shall be available to support a joint United States-Ukraine geographic survey to determine levels of contamination caused by the Chernobyl reactor: Provided further, That not less than $2,000,000 shall be available to conduct an assessment of the energy distribution grid with recommendations on improvements necessary to provide comprehensive industrial, commercial and residential access to power: Provided further, That not less than $5,000,000 shall be made available for a pilot project to establish a management and market economics training partnership between a Ukrainian university and a United States university with demonstrated experience in Eastern Europe or the New Independent States and an ability to plan and direct a multi-faceted program including business management, manufacturing management, market economics, and public administration training.

(o) Of the funds made available for Ukraine, under this Act or any other Act, not less than $50,000,000 shall be made available to improve nuclear energy self-sufficiency and improve safety at nuclear reactors: Provided, That of this amount, not less than $30,000,000 shall be made available to provide technical assistance, training and equipment to develop institutions and procedures to license, purchase, transfer and use nuclear fuel assemblies consistent with International Atomic Energy Agency standards: Provided further, That of this amount, not less than $20,000,000 shall be provided for the purchase, installation and training for safety parameter display systems or safety control systems at all nuclear operational nuclear reactors, but on a priority basis at the Chernobyl facility.

(p) Notwithstanding any other provision of law or of this Act, of the funds made available under this heading, within 30 days of enactment of this Act, not less than $4,500,000 shall be transferred to the Federal Bureau of Investigation to establish Legal Attaché offices and related programs in Ukraine, Kazakhstan, and Estonia: Provided, That these funds shall support both in country and regional law enforcement liaison and investigation activities.

(q) Notwithstanding any other provision of law or of this Act, of the funds made available under this heading, within 30 days of enactment of this Act not less than $12,600,000 shall be transferred to the Federal Bureau of Investigation for international training and cooperation in Central Europe and the New Independent States: Provided, That these funds may support training conducted at the International Law Enforcement Academy in Hungary, in country training sessions in Central Europe, the Baltics, and the New Independent States, and efforts to establish national law enforcement institutes.

(r) Of the funds made available under this heading, not less than $20,000,000 shall be available for hospital partnership programs.

(s) Of the funds made available under this heading, not less than $45,000,000 shall be provided to the Western NIS Enterprise Fund.

(t) No funds may be made available under this heading, until the Department of State Office of the Coordinator for United States Assistance to the New Independent States submits a report to the Committees on Appropriations providing a country by country development strategy including the type of activities planned to carry out the strategy requirements.

(u) No funds may be made available under this heading for Russia unless the President determines and certifies in writing to the Committees on Appropriations that the Government of Russia has terminated all planning and implementation of arrangements to provide Iran with technical expertise, training, technology or equipment necessary to develop a nuclear reactor or related nuclear research facilities or programs.

(v) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the Funds disbursement of such funds. The Fund may retain for program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by Congress.

(w) Of the funds made available under this heading, not less than $15,000,000 shall be made available to support establishing a Trans-Caucasus Enterprise Fund.

[INDEPENDENT AGENCIES

[AFRICAN DEVELOPMENT FOUNDATION

[For necessary expenses to carry out the provisions of title V of the International Security and Development Cooperation Act of 1980, Public Law 96-533, and to make such contracts and commitments without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, $11,500,000.

[INTER-AMERICAN FOUNDATION

[For expenses necessary to carry out the functions of the Inter-American Foundation in accordance with the provisions of section 401 of the Foreign Assistance Act of 1969, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 9104, title 31, United States Code, $20,000,000.]

PEACE CORPS

For expenses necessary to carry out the provisions of the Peace Corps Act (75 Stat. 612), [$210,000,000] *$200,000,000*, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: *Provided*, That none of the funds appropriated under this heading shall be used to pay for abortions: *Provided further, That funds appropriated under this heading shall remain available until September 30, 1997.*

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL

For necessary expenses to carry out the provisions of section 481 of the Foreign Assistance Act of 1961, [$113,000,000] *$150,000,000*: *Provided*, That during fiscal year 1996, the Department of State may also use the authority of section 608 of the Foreign Assistance Act of 1961, without regard to its restrictions, to receive non-lethal excess property from an agency of the United States Government for the purpose of providing it to a foreign country under chapter 8 of part I of that Act subject to the regular notification procedures of the Committees on Appropriations: *Provided further, That of the funds appropriated under this heading, not less than $1,800,000 shall be available to establish and maintain a Federal Bureau of Investigation Legal Attaché office in Cairo, Egypt: Provided further, That not less than $5,000,000 shall be made available to the Federal Bureau of Investigation and the Secret Service to establish and maintain offices in the Triborder area of Argentina, Brazil and Paraguay.*

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross, assistance to refugees, including contributions to the International Organization for Migration and the United Nations High Commissioner for Refugees, and other activities to meet refugee and migration needs; *salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; salaries and expenses of personnel assigned to the bureau charged with carrying out the Migrations and Refugee Assistance Act; allowances as authorized by sections 5921 through 5925 of title 5, United States Code*, purchase and hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code, $671,000,000: *Provided, That not more than $12,000,000 shall be available for administrative expenses*[: *Provided*, That, one of the funds appropriated under this heading shall be available for salaries and expenses of personnel assigned to the bureau charged with carrying out the Migration and Refugee Assistance Act[: *Provided further, That not less than $80,000,000 shall be made available for refugees from the former Soviet Union and Eastern Europe and other refugees resettling in Israel.*

[REFUGEE RESETTLEMENT ASSISTANCE

[For necessary expenses for the targeted assistance program authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980 and administered by the Office of Refugee Resettlement of the Department of Health and Human Services, in addition to amounts otherwise available for such purposes, $5,000,000.]

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 260(c)), $50,000,000, to remain available until expended: *Provided*, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Migration and Refugee Assistance Act of 1962 which would limit the amount of funds which could be appropriated for this purpose.

ANTI-TERRORISM ASSISTANCE

For necessary expenses to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961, [$17,000,000] *$15,000,000*.

NONPROLIFERATION AND DISARMAMENT FUND

For necessary expenses for a "Nonproliferation and Disarmament Fund", $20,000,000, to remain available until expended, to promote bilateral and multilateral activities: *Provided*, That such funds may be used pursuant to the authorities contained in section 504 of the FREEDOM Support Act: *Provided further*, That such funds may also be used for such countries other than the new independent states of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so: *Provided further*, That funds appropriated under this heading may be made available notwithstanding any other provision of law: *Provided further*, That funds appropriated under this heading shall be subject to the regular notification procedures of the Committees on Appropriations.

TITLE III—MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, [$39,000,000] *$19,000,000*: *Provided*, That up to $100,000 of the funds appropriated under this heading may be made available for grant financed military education and training for any high income country on the condition that that country agrees to fund from its own resources the transportation cost and living allowances of its students: *Provided further*, That the civilian personnel for whom military education and training may be provided under this heading may also include members of national legislatures who are responsible for the oversight and management of the military, and may also include individuals who are not members of a government: *Provided further*, That none of the funds appropriated under this heading shall be available for Zaire *and Guatemala*[: *Provided further*, That funds appropriated under this heading for grant financed military education and training for Indonesia and Guatemala may only be available for expanded military education and training].

FOREIGN MILITARY FINANCING PROGRAM

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, [$3,211,279,000] *$3,207,500,000*: [*Provided*, That funds appropriated by this paragraph that are made available for Israel and Egypt shall be made available only as grants: *Provided further*, That the funds appropriated by this paragraph that are made available for Israel shall be disbursed within thirty days of enactment of this Act or by October 31, 1995, whichever is later: *Provided further*, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced weapons systems, of which not to exceed $475,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development: *Provided further*, That funds made available under this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act:] *Provided, That of the funds appropriated by this paragraph not less than $1,800,000,000 shall be available for grants only for Israel, and not less than $1,300,000,000 shall be available for grants only for Egypt: Provided further, That the funds appropriated by this paragraph for Israel shall be disbursed within thirty days of enactment of this Act or by October 31, 1995, whichever is later: Provided further, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced fighter aircraft programs or for other advanced weapons systems, as follows: (1) up to $150,000,000 shall be available for research and development in the United States; and (2) not less than $475,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development: Provided further, That funds made available under this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act: Provided further, That, for the purpose only of providing support for the Warsaw Initiative Program, of the funds appropriated by this Act under the headings "Assistance for Eastern Europe and the Baltic States" and "Assistance for the New Independent States of the Former Soviet Union", up to a total of $20,000,000 may be transferred, notwithstanding any other provision of law, to the funds appropriated under this paragraph: Provided further,* That none of the funds made available under this heading shall be available for any non-NATO country participating in the Partnership for Peace Program except through the regular notification procedures of the Committees on Appropriations.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct loans authorized by section 23 of the Arms Export Control Act as follows: cost of direct loans, $64,400,000: *Provided*, That these funds are available to subsidize gross obligations for the principal amount of direct loans of not to exceed $544,000,000: *Provided further*, That the rate of interest charged on such loans shall be not less than the current average market yield on outstanding marketable obligations of the United States of comparable maturities: *Provided further*, That funds appropriated under this heading shall be made available for Greece and Turkey only on a loan basis, and the principal amount of direct loans for each country shall not exceed *the following:* $224,000,000 *only* for Greece and [shall not exceed] $320,000,000 *only* for Turkey.

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: *Provided*, That all country and funding level increases in allocations shall be submitted through the regular notification procedures of section 515 of this Act: *Provided further*, That funds made available under this heading shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a): *Provided further*, That none of the funds appropriated under this heading shall be available for Zaire, Sudan, Peru, Liberia, and Guatemala: *Provided further*, That none of the funds appropriated or otherwise made available for use under this heading may be made available for Colombia or Bolivia until the Secretary of State certifies that such funds will be used by such country primarily for counternarcotics activities: *Provided further*, That funds made available under this heading may be used, notwithstanding any other provision of law, for demining activities, and may include activities implemented through nongovernmental and international organizations: *Provided further*, That not more than $100,000,000 of the funds made available under this heading shall be available for use in financing the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act to countries other than Israel and Egypt: *Provided further*, That only those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act: *Provided further*, That, subject to the regular notification procedures of the Committees on Appropriations, funds made available under this heading for the cost of direct loans may also be used to supplement the funds available under this heading for grants, and funds made available under this heading for grants may also be used to supplement the funds available under this heading for the cost of direct loans: *Provided further*, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: *Provided further*, That the Department of Defense shall conduct during the current fiscal year nonreimbursable audits of private firms whose contracts are made directly with foreign governments and are financed with funds made available under this heading (as well as subcontractors thereunder) as requested by the Defense Security Assistance Agency: *Provided further*, That not more than [$24,000,000] *$22,500,000* of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales: *Provided further*, That not more than $355,000,000 of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during fiscal year 1996 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations.

PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, [$68,300,000] *$72,033,000: Provided, That none of the funds appropriated under this paragraph shall be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.*

TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increases in capital stock for the General Capital Increase, [$23,009,000] *$28,189,963*, to remain available until expended.

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States contribution to the Global Environment Facility (GEF), [$30,000,000] *$50,000,000*, to remain available until September 30, 1997.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the International Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of increases in capital stock in an amount not to exceed [$743,900,000] *$911,475,013*.

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, [$575,000,000] *$775,000,000*, for the United States contribution to the tenth replenishment, to remain available until expended.

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

For payment to the International Finance Corporation by the Secretary of the Treasury, $67,550,000, for the United States share of the increase in subscriptions to capital stock, to remain available until expended: Provided, That of the amount appropriated under this heading not more than $5,269,000 may be expended for the purchase of such stock in fiscal year 1996.

CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK

For payment to the Inter-American Development Bank by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increase in capital stock, [$25,950,000] *$25,952,110, and for the United States share of the increase in the resources of the Fund for Special Operations, $20,000,000, to remain available until expended.*

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Inter-American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed [$1,523,000,000] *$1,523,767,142*.

CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS MULTILATERAL INVESTMENT FUND

For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the Fund to be administered by the Inter-American Development Bank, $70,000,000 to remain available until expended.

CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

For payment to the Asian Development Bank by the Secretary of the Treasury for the United States share of the paid-in portion of the increase in capital stock, [$13,200,000] *$13,221,596*, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Asian Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed [$647,000,000] *$647,858,204*.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increases in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended (Public Law 89–369), [$100,000,000] *$110,000,000*, to remain available until expended.

CONTRIBUTION TO THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the European Bank for Reconstruction and Development by the Secretary of the Treasury, [$69,180,000] *$70,000,000*, for the United States share of the paid-in share portion of the initial capital subscription, to remain available until expended: *Provided*, That of the amount appropriated under this heading not more than $54,600,000 may be expended for the purchase of such stock in fiscal year 1996.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the European Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed [$161,400,000] *$163,333,333*.

[NORTH AMERICAN DEVELOPMENT BANK

[For payment to the North American Development Bank by the Secretary of the

Treasury, for the United States share of the paid-in portion of the capital stock, $56,250,000, to remain available until expended.

[LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

[The United States Governor of the North American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of the capital stock of the North American Development Bank in an amount not to exceed $318,750,000.]

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, [$155,000,000] *$260,000,000*: *Provided*, That none of the funds appropriated under this heading shall be made available for the United Nations Fund for Science and Technology: *Provided further*, That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency: *Provided further*, *That any reduction in the amounts made available under this heading for each of the United Nations Development Program, the United Nations Children's Fund, the United Nations Environment Program, and the International Atomic Energy Agency, from the amounts made available under this heading for such organizations for fiscal year 1995, shall not exceed the percentage by which the total amount appropriated under this heading is reduced from the total amount appropriated under this heading for fiscal year 1995: Provided further*, That none of the funds appropriated under this heading that are made available to the United Nations Population Fund (UNFPA) shall be made available for activities in the People's Republic of China: *Provided further*, That not more than [$25,000,000] *$35,000,000* of the funds appropriated under this heading may be made available to the UNFPA: *Provided further*, That not more than one-half of this amount may be provided to UNFPA before March 1, 1996, and that no later than February 15, 1996, the Secretary of State shall submit a report to the Committees on Appropriations indicating the amount UNFPA is budgeting for the People's Republic of China in 1996: *Provided further*, That any amount UNFPA plans to spend in the People's Republic of China in 1996 above $7,000,000, shall be deducted from the amount of funds provided to UNFPA after March 1, 1996 pursuant to the previous provisos: *Provided further*, That with respect to any funds appropriated under this heading that are made available to UNFPA, UNFPA shall be required to maintain such funds in a separate account and not commingle them with any other funds[: *Provided further*, That up to $13,000,000 may be made available to the Korean Peninsula Energy Development Organization (KEDO) for administrative expenses and heavy fuel oil costs associated with the Framework Agreement: Provided further, That additional funds may be made available to KEDO subject to the regular notification procedures of the Committees on Appropriations].

TITLE V—GENERAL PROVISIONS

OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

SEC. 501. Except for the appropriations entitled "International Disaster Assistance", and "United States Emergency Refugee and Migration Assistance Fund", not more than 15 per centum of any appropriation item made available by this Act shall be obligated during the last month of availability.

PROHIBITION OF BILATERAL FUNDING FOR INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 502. None of the funds contained in title II of this Act may be used to carry out the provisions of section 209(d) of the Foreign Assistance Act of 1961.

LIMITATION ON RESIDENCE EXPENSES

SEC. 503. Of the funds appropriated or made available pursuant to this Act, not to exceed $126,500 shall be for official residence expenses of the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

LIMITATION ON EXPENSES

SEC. 504. Of the funds appropriated or made available pursuant to this Act, [not to exceed $5,000] *no funds* shall be for entertainment expenses of the Agency for International Development during the current fiscal year.

LIMITATION ON REPRESENTATIONAL ALLOWANCES

SEC. 505. Of the funds appropriated or made available pursuant to this Act, not to exceed $95,000 shall be available for representation allowances for the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: *Provided further*, That of the funds made available by this Act for general costs of administering military assistance and sales under the heading "Foreign Military Financing Program", [not to exceed $2,000] *no funds* shall be available for entertainment expenses and not to exceed $50,000 shall be available for representation allowances: *Provided further*, That of the funds made available by this Act under the heading "International Military Education and Training", not to exceed $50,000 shall be available for entertainment allowances: *Provided further*, That of the funds made available by this Act for the Inter-American Foundation, *no funds shall be available for entertainment and* not to exceed $2,000 shall be available for [entertainment and] representation allowances: *Provided further*, That of the funds made available by this Act for the Peace Corps, [not to exceed a total of $4,000] *no funds* shall be available for entertainment expenses: *Provided further*, That of the funds made available by this Act under the heading "Trade and Development Agency", *no funds shall be available for entertainment and* not to exceed $2,000 shall be available for representation [and entertainment] allowances.

PROHIBITION ON FINANCING NUCLEAR GOODS

SEC. 506. None of the funds appropriated or made available (other than funds for "International Organizations and Programs") pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used, except for purposes of nuclear safety, to finance the export of nuclear equipment, fuel, or technology.

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Iraq, Libya, North Korea, Iran, Serbia, Sudan, or Syria: *Provided*, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

MILITARY COUPS

SEC. 508. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to any country whose duly elected Head of Government is deposed by military coup or decree: *Provided*, That assistance may be resumed to such country if the President determines and reports to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office.

TRANSFERS BETWEEN ACCOUNTS

SEC. 509. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate: *Provided*, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations, except for transfers specifically referred to in this Act.

DEOBLIGATION/REOBLIGATION AUTHORITY

SEC. 510. *(a)* Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961 for the same general purpose as any of the headings under title II of this Act are, if deobligated, hereby continued available for the same period as the respective appropriations under such headings or until September 30, 1996, whichever is later, and for the same general purpose, and for countries within the same region as originally obligated: *Provided*, That the Appropriations Committees of both Houses of the Congress are notified fifteen days in advance of the deobligation and reobligation of such funds in accordance with regular notification procedures of the Committees on Appropriations.

(b) Obligated balances of funds appropriated to carry out section 23 of the Arms Export Control Act as of the end of the fiscal year immediately preceding the current fiscal year are, if deobligated, hereby continued available during the current fiscal year for the same purpose under any authority applicable to such appropriations under this Act: Provided, That the authority of this subsection may not be used in fiscal year 1996.

AVAILABILITY OF FUNDS

SEC. 511. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: *Provided*, That funds appropriated for the purposes of chapters 1, 8 and 11 of part I, section 667, and chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, and funds provided under the heading "Assistance for Eastern Europe and the Baltic States", shall remain available until expended if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: *Provided further*, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended: *Provided further*, That the report required by section 653(a) of the Foreign Assistance Act of 1961 shall designate for each country, to the extent known at the time of submission of such report, those funds allocated for cash disbursement for balance of payment and economic policy reform purposes.

LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

SEC. 512. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this Act: *Provided*, That this section and section 620(q) of the Foreign Assistance Act of 1961 shall not apply to funds made available in this Act or during the current fiscal year for Nicaragua, and for any narcotics-related assistance for Colombia, Bolivia, and Peru authorized by the Foreign Assistance Act of 1961 or the Arms Export Control Act.

COMMERCE AND TRADE

SEC. 513. (a) None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity: *Provided*, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity, *and the Chairman of the Board so notifies the Committees on Appropriations*.

(b) None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: *Provided*, That this subsection shall not prohibit—

(1) activities designed to increase food security in developing countries where such activities will not have a significant impact in the export of agricultural commodities of the United States; or

(2) research activities intended primarily to benefit American producers.

SURPLUS COMMODITIES

SEC. 514. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the North American Development Bank, the European Bank for Reconstruction and Development, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

NOTIFICATION REQUIREMENTS

SEC. 515. For the purposes of providing the Executive Branch with the necessary administrative flexibility, none of the funds made available under this Act for ["Child Survival and Disease Programs Fund", "Development Assistance Fund", "Development Fund for Africa",] "*Economic Assistance*", "International organizations and programs", "Trade and Development Agency", "International narcotics control", "Assistance for Eastern Europe and the Baltic States", "Assistance for the New Independent States of the Former Soviet Union", ["Economic Support Fund",] "Peacekeeping operations", "Operating expenses of the Agency for International Development", "Operating expenses of the Agency for International Development Office of Inspector General", "Nonproliferation and Disarmament Fund", "Anti-terrorism assistance", "Foreign Military Financing Program", "International military education and training", ["Inter-American Foundation", "African Development Foundation",] "Peace Corps", "*Middle East Fund*" *or* "Migration and refugee assistance", [or "United States Emergency Refugee and Migration Assistance Fund",] shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operations not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings unless the Appropriations Committees of both Houses of Congress are previously notified fifteen days in advance: *Provided*, That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 per centum in excess of the quantities justified to Congress unless the Committees on Appropriations are notified fifteen days in advance of such commitment: *Provided further*, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than [20] *10* per centum of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: *Provided further*, That the requirements of this section or any similar provision of this Act or any prior Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations may be waived if failure to do so would pose a substantial risk to human health or welfare: *Provided further*, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than three days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: *Provided further*, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

Drawdowns made pursuant to section 506(a)(2) of the Foreign Assistance Act of 1961 shall be subject to the regular notification procedures of the Committees on Appropriations.

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 516. Notwithstanding any other provision of law or of this Act, none of the funds provided for "International Organizations and Programs" shall be available for the United States proportionate share, in accordance with section 307(c) of the Foreign Assistance Act of 1961, for any programs identified in section 307, or for Libya, Iran, or, at the discretion of the President, Communist countries listed in section 620(f) of the Foreign Assistance Act of 1961, as amended: *Provided*, That, subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because of the implementation of this section or any similar provision of law, shall remain available for obligation through September 30, 1997.

ECONOMIC [SUPPORT FUND] ASSISTANCE FOR ISRAEL

SEC. 517. The Congress finds that progress on the peace process in the Middle East is vitally important to United States security interests in the region. The Congress recognizes that, in fulfilling its obligations under the Treaty of Peace Between the Arab Republic of Egypt and the State of Israel, done at Washington on March 26, 1979, Israel incurred severe economic burdens. Furthermore, the Congress recognizes that an economically and militarily secure Israel serves the security interests of the United States, for a secure Israel is an Israel which has the incentive and confidence to continue pursuing the peace process. Therefore, the Congress declares that, subject to the availability of appropriations, it is the policy and the intention of the United States that the funds provided in annual appropriations for [the Economic Support Fund] *economic assistance* which are allocated to Israel shall not be less than the annual debt repayment (interest and principal) from Israel to the United States Government in recognition that such a principle serves United States interests in the region.

PROHIBITION [CONCERNING ABORTIONS] *ON FUNDING FOR ABORTIONS* AND INVOLUNTARY STERILIZATION

SEC. 518. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations: *Provided, That in determining eligibility for assistance from funds appropriated to carry out section 104 of the Foreign Assistance Act of 1961, nongovernmental and multilateral organizations shall not be subjected to requirements more restrictive than the requirements applicable to foreign governments for such assistance: Provided further, That none of the funds made available under this Act may be used to lobby for or against abortion.*

REPORTING REQUIREMENT

SEC. 519. The President shall submit to the Committees on Appropriations the reports required by section 25(a)(1) of the Arms Export Control Act.

SPECIAL NOTIFICATION REQUIREMENTS

SEC. 520. None of the funds appropriated in this Act shall be obligated or expended for Colombia, Dominican Republic, Guatemala, Haiti, [Indonesia,] Liberia, Nicaragua, Pakistan, Peru, [Russia,] Sudan, or Zaire except as provided through the regular notification procedures of the Committees on Appropriations: *Provided*, That this section shall not apply to funds appropriated by this Act to carry out the provisions of chapter 1 of part I of the Foreign Assistance Act of 1961 that are made available for [Indonesia and] Nicaragua.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 521. For the purpose of this Act, "program, project, and activity" shall be defined at the Appropriations Act account level and shall include all Appropriations and Authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund and Foreign Military Financing Program, "program, project, and activity" shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the Agency for International Development "program, project, and activity" shall also be considered to include central program level funding, either as (1) justified to the Congress, or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within thirty days of enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

FAMILY PLANNING, CHILD SURVIVAL AND AIDS ACTIVITIES

SEC. 522. Up to $8,000,000 of the funds made available by this Act for assistance for family planning, health, child survival, and AIDS, may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the Agency for International Development for the purpose of carrying out family planning activities, child survival activities and activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome in developing countries: *Provided*, That funds appropriated by this Act that are made available for child survival activities or activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome may be made available notwithstanding any provision of law that restricts assistance to foreign countries: *Provided further*, That funds appropriated by this Act that are made available for family planning activities may be made available notwithstanding section 512 of this Act and section 620(q) of the Foreign Assistance Act of 1961.

PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

SEC. 523. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated to finance indirectly any assistance or reparations to Cuba, Iraq, Libya, Iran, Syria, North Korea, or the People's Republic of China, unless the President of the United States certifies that the withholding of these funds is contrary to the national *security* interest of the United States.

RECIPROCAL LEASING

SEC. 524. Section 61(a) of the Arms Export Control Act is amended by striking out "1995" and inserting in lieu thereof "1996".

NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

SEC. 525. Prior to providing excess Department of Defense articles in accordance with section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same conditions as are other committees pursuant to subsection (c) of that section: *Provided*, That before issuing a letter of offer to sell excess defense articles under the Arms Export Control Act, the Department of Defense shall notify the Committees on Appropriations in accordance with the regular notification procedures of such Committees: *Provided further*, That such Committees shall also be informed of the original acquisition cost of such defense articles.

AUTHORIZATION REQUIREMENT

SEC. 526. Funds appropriated by this Act may be obligated and expended [subject to] *notwithstanding* section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956.

OPPOSITION TO ASSISTANCE TO TERRORIST COUNTRIES BY INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 527. (a) INSTRUCTIONS FOR UNITED STATES EXECUTIVE DIRECTORS.—The Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution designated in subsection (b), and the Administrator of the Agency for International Development shall instruct the United States Executive Director of the International Fund for Agriculture Development, to use the voice and vote of the United States to oppose any loan or other use of the funds of the respective institution to or for a country for which the Secretary of State has made a determination under section 6(j) of the Export Administration Act of 1979.

(b) DEFINITION.—For purposes of this section, the term "international financial institution" includes—

(1) the International Bank for Reconstruction and Development, the International Development Association, and the International Monetary Fund; and

(2) wherever applicable, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the African Development Fund, and the European Bank for Reconstruction and Development.

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

SEC. 527A. (a) Notwithstanding any other provision of law, funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to enactment of this Act, shall not be made available to any country which the President determines—

(1) grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism, or

(2) otherwise supports international terrorism.

(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least fifteen days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.

COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. 528. Notwithstanding any other provision of law, and subject to the regular notification requirements of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to [Israel and] *Israel,* Egypt and NATO and major non-NATO allies for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.

COMPETITIVE INSURANCE

SEC. 528A. All Agency for International Development contracts and solicitations, and subcontracts entered into under such contracts, shall include a clause requiring that United States insurance companies have a fair opportunity to bid for insurance when such insurance is necessary or appropriate.

[STINGERS IN THE PERSIAN GULF REGION

[SEC. 529. Except as provided in section 581 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, the United States may not sell or otherwise make available any Stingers to any country bordering the Persian Gulf under the Arms Export Control Act or chapter 2 of part II of the Foreign Assistance Act of 1961.]

DEBT-FOR-DEVELOPMENT

SEC. 530. In order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including endowments, debt-for-development and debt-for-nature exchanges, a nongovernmental organization which is a grantee or contractor of the Agency for International Development may place in interest bearing accounts funds made available under this Act or prior Acts or local currencies which accrue to that organization as a result of economic assistance provided under title II of this Act and any interest earned on such investment may be used for the purpose for which the assistance was provided to that organization.

[LOCATION OF STOCKPILES

[Sec. 531. Section 514(b)(2) of the Foreign Assistance Act of 1961 is amended by striking out "a total of $200,000,000 for stockpiles in Israel for fiscal years 1994 and 1995, up to $40,000,000 may be made available for stockpiles in the Republic of Korea, and up to $10,000,000 may be made available for stockpiles in Thailand for fiscal year 1995." and inserting in lieu thereof "*$200,000,000 for stockpiles in Israel*, $40,000,000 for stockpiles in the Republic of Korea and $10,000,000 for stockpiles in Thailand for fiscal year 1996".]

COMPETITIVE PRICING FOR SALES OF DEFENSE ARTICLES

Sec. 531A. (a) Costing Basis.—Section 22 of the Arms Export Control Act (22 U.S.C. 2762) is amended by adding at the end the following:

"(d) Competitive Pricing.—Procurement contracts made in implementation of sales under this section for defense articles and defense services wholly paid for funds made available on a nonrepayable basis shall be priced on the same costing basis with regard to profit, overhead, independent research and development, bid and proposal, and other costing elements, as is applicable to procurements of like items purchased by the Department of Defense for its own use."

(b) Effective Date and Implementing Regulations.—Section 22(d) of the Arms Export Control Act, as added by subsection (a)—

(1) shall take effect on the 60th day following the date of the enactment of this Act;

(2) shall be applicable only to contracts made in implementation of sales made after such effective date; and

(3) shall be implemented by revised procurement regulations, which shall be issued prior to such effective date.

STOCKPILES OF DEFENSE ARTICLES

Sec. 531B. (a) Limitation on Value of Additions.—Section 514(b)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h(b)(1)) is amended by inserting "or in the implementation of agreements with Israel" after "North Atlantic Treaty Organization".

(b) Additions in Fiscal Years 1996 and 1997.—Section 514(b)(2) of such Act (22 U.S.C. 2321h(b)(2)) is amended to read as follows:

"(2)(A) The value of such additions to stockpiles of defense articles in foreign countries shall not exceed $50,000,000 for each of the fiscal years 1996 and 1997.

"(B) Of the amount specified in subparagraph (A) for each of the fiscal years 1996 and 1997, not more than $40,000,000 may be made available for stockpiles in the Republic of Korea and not more than $10,000,000 may be made available for stockpiles in Thailand.".

(c) Location of Stockpiles of Defense Authorities.—Section 514(c) of such Act (22 U.S.C. 2321h(c)) is amended to read as follows:

"(c) Location of Stockpiles of Defense Articles.—

"(1) Limitation.—Except as provided in paragraph (2), no stockpile of defense articles may be located outside the boundaries of a United States military base or a military base used primarily by the United States.

"(2) Exceptions.—Paragraph (1) shall not apply with respect to stockpiles of defense articles located in the Republic of Korea, Thailand, any country that is a member of the North Atlantic Treaty Organization, any country that is a major non-NATO ally, or any other country the President may designate. At least 15 days before designating a country pursuant to the last clause of the preceding sentence, the President shall notify the congressional committees specified in section 634A(a) in accordance with the procedures applicable to reprogramming notifications under that section.".

SEPARATE ACCOUNTS

Sec. 532. (a) Separate Accounts for Local Currencies.—(1) If assistance is furnished to the government of a foreign country under chapters 1 and 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the Agency for International Development shall—

(A) require that local currencies be deposited in a separate account established by that government;

(B) enter into an agreement with that government which sets forth—

(i) the amount of the local currencies to be generated, and

(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

(C) establish by agreement with that government the responsibilities of the Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

(2) Uses of Local Currencies.—As may be agreed upon with the foreign government, local currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

(A) to carry out chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), for such purposes as—

(i) project and sector assistance activities, or

(ii) debt and deficit financing; or

(B) for the administrative requirements of the United States Government.

(3) Programming Accountability.—The Agency for International Development shall take all appropriate steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(4) Termination of Assistance Programs.—Upon termination of assistance to a country under chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

(5) Conforming Amendments.—The provisions of this subsection shall supersede the tenth and eleventh provisos contained under the heading "Sub-Saharan Africa, Development Assistance" as included in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 and sections 531(d) and 609 of the Foreign Assistance Act of 1961.

(b) Separate Accounts for Cash Transfers.—(1) If assistance is made available to the government of a foreign country, under chapters 1 or 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as nonproject sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) Applicability of Other Provisions of Law.—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (H. Report No. 98–1159).

(3) Notification.—At least fifteen days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

(4) Exemption.—Nonproject sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.

COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

Sec. 533. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) For purposes of this section, "international financial institutions" are: the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the International Monetary Fund, the North American Development Bank, and the European Bank for Reconstruction and Development.

COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST IRAQ

Sec. 534. [(a) Denial of Assistance.—] None of the funds appropriated or otherwise made available pursuant to this Act to carry out the Foreign Assistance Act of 1961 (including title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation) or the Arms Export Control Act may be used to provide assistance to any country that is not in compliance with the United Nations Security Council sanctions against Iraq, Serbia or Montenegro unless the President determines and so certifies to the Congress that—

(1) such assistance is in the national interest of the United States;

(2) such assistance will directly benefit the needy people in that country; or

(3) the assistance to be provided will be humanitarian assistance for foreign nationals who have fled Iraq and Kuwait.

[(b) Import Sanctions.—If the President considers that the taking of such action would promote the effectiveness of the economic sanctions of the United Nations and the United States imposed with respect to Iraq, Serbia, or Montenegro, as the case may be and is consistent with the national interest, the President may prohibit, for such a period of time as he considers appropriate, the importation into the United States of any or all products of any foreign country that has not prohibited—

[(1) the importation of products of Iraq, Serbia, or Montenegro into its customs territory, and

[(2) the export of its products to Iraq, Serbia, or Montenegro, as the case may be.]

POW/MIA MILITARY DRAWDOWN

SEC. 535. (a) Notwithstanding any other provision of law, the President may direct the drawdown, without reimbursement by the recipient, of defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training, of an aggregate value not to exceed $15,000,000 in fiscal year 1996, as may be necessary to carry out subsection (b).

(b) Such defense articles, services and training may be provided to Vietnam, Cambodia and Laos, under subsection (a) as the President determines are necessary to support efforts to locate and repatriate members of the United States Armed Forces and civilians employed directly or indirectly by the United States Government who remain unaccounted for from the Vietnam War, and to ensure the safety of United States Government personnel engaged in such cooperative efforts and to support United States Department of Defense-sponsored humanitarian projects associated with the POW/MIA efforts. Any aircraft shall be provided under this section only to Laos and only on a lease or loan basis, but may be provided at no cost notwithstanding section 61 of the Arms Export Control Act and may be maintained with defense articles, services and training provided under this section.

(c) The President shall, within sixty days of the end of any fiscal year in which the authority of subsection (a) is exercised, submit a report to the Congress which identifies the articles, services, and training drawn down under this section.

(d) There are authorized to be appropriated to the President such sums as may be necessary to reimburse the applicable appropriation, fund, or account for defense articles, defense services, and military education and training provided under this section.

MEDITERRANEAN EXCESS DEFENSE ARTICLES

SEC. 536. During fiscal year 1996, the provisions of section 573(e) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, shall be applicable, for the period specified therein, to excess defense articles made available under sections 516 and 519 of the Foreign Assistance Act of 1961.

PRIORITY DELIVERY OF EQUIPMENT

SEC. 536A. Notwithstanding any other provision of law, the delivery of excess defense articles that are to be transferred on a grant basis under section 516 of the Foreign Assistance Act to NATO allies and to major non-NATO allies on the southern and southeastern flank of NATO shall be given priority to the maximum extent feasible over the delivery of such excess defense articles to other countries.

CASH FLOW FINANCING

SEC. 537. For each country that has been approved for cash flow financing (as defined in section 25(d) of the Arms Export Control Act, as added by section 112(b) of Public Law 99–83) under the Foreign Military Financing Program, any Letter of Offer and Acceptance or other purchase agreement, or any amendment thereto, for a procurement in excess of $100,000,000 that is to be financed in whole or in part with funds made available under this Act shall be submitted through the regular notification procedures to the Committees on Appropriations.

AUTHORITIES FOR THE PEACE CORPS, THE INTER-AMERICAN FOUNDATION AND THE AFRICAN DEVELOPMENT FOUNDATION

SEC. 538. Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act, or the African Development Foundation Act. The appropriate agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

IMPACT ON JOBS IN THE UNITED STATES

SEC. 539. None of the funds appropriated by this Act may be obligated or expended to provide—

(a) any financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States;

(b) assistance for the purpose of establishing or developing in a foreign country any export processing zone or designated area in which the tax, tariff, labor, environment, and safety laws of that country do not apply, in part or in whole, to activities carried out within that zone or area, unless the President determines and certifies that such assistance is not likely to cause a loss of jobs within the United States; or

(c) assistance for any project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, including any designated zone or area in that country: *Provided*, That in recognition that the application of this subsection should be commensurate with the level of development of the recipient country and sector, the provisions of this subsection shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.

AUTHORITY TO ASSIST BOSNIA-HERCEGOVINA

SEC. 540. (a) Congress finds as follows:

(1) The United Nations has imposed an embargo on the transfer of arms to any country on the territory of the former Yugoslavia.

(2) The federated states of Serbia and Montenegro have a large supply of military equipment and ammunition and the Serbian forces fighting the government of Bosnia-Hercegovina have more than one thousand battle tanks, armored vehicles, and artillery pieces.

(3) Because the United Nations arms embargo is serving to sustain the military advantage of the aggressor, the United Nations should exempt the government of Bosnia-Hercegovina from its embargo.

(b) Pursuant to a lifting of the United Nations arms embargo, or to a unilateral lifting of the arms embargo by the President of the United States, against Bosnia-Hercegovina, the President is authorized to transfer, subject to prior notification of the Committees on Appropriations, to the government of that nation, without reimbursement, defense articles from the stocks of the Department of Defense and defense services of the Department of Defense of an aggregate value not to exceed $50,000,000 in fiscal year 1996: *Provided*, That the President certifies in a timely fashion to the Congress that the transfer of such articles would assist that nation in self-defense and thereby promote the security and stability of the region.

(c) Within 60 days of any transfer under the authority provided in subsection (b), and every 60 days thereafter, the President shall report in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate concerning the articles transferred and the disposition thereof.

(d) There are authorized to be appropriated to the President such sums as may be necessary to reimburse the applicable appropriation, fund, or account for defense articles provided under this section.

RESTRICTIONS ON THE TERMINATION OF SANCTIONS AGAINST SERBIA AND MONTENEGRO

SEC. 540A. (a) RESTRICTIONS.—Notwithstanding any other provision of law, no sanction, prohibition, or requirement described in section 1511 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160), with respect to Serbia or Montenegro, may cease to be effective, unless—

(1) the President first submits to the Congress a certification described in subsection (b); and

(2) the requirements of section 1511 of that Act are met.

(b) CERTIFICATION.—A certification described in this subsection is a certification that—

(1) there is substantial progress toward—

(A) the realization of a separate identity for Kosova and the right of the people of Kosova to govern themselves; or

(B) the creation of an international protectorate for Kosova;

(2) there is substantial improvement in the human rights situation in Kosova;

(3) international human rights observers are allowed to return to Kosova; and

(4) the elected government of Kosova is permitted to meet and carry out its legitimate mandate as elected representatives of the people of Kosova.

(c) EXPANDED AUTHORITY.—Section 660(b) of the Foreign Assistance Act of 1961 is amended—

(1) in paragraph (3), by striking "or";

(2) in paragraph (4), by striking the period at the end thereof and inserting "; or"; and

(3) adding the following new paragraph:

"(5) with respect to assistance, including training, relating to sanctions monitoring and enforcement.".

SPECIAL AUTHORITIES

SEC. 541. (a) Funds appropriated in title II of this Act that are made available for [Haiti,] Afghanistan, Lebanon, and Cambodia, and for victims of war, displaced children, [displaced Burmese,] humanitarian assistance for Romania, and humanitarian assistance for the peoples of Bosnia-Hercegovina, Croatia, and Kosova, may be made available notwithstanding any other provision of law: *Provided*, That any such funds that are made available for Cambodia shall be subject to the provisions of section 531(e) of the Foreign Assistance Act of 1961 and section 906 of the International Security and Development Cooperation Act of 1985: *Provided further*, That the President shall terminate assistance to any country or organization that he determines is cooperating, [tactically or strategically, with the Khmer Rouge in their military operations] *tactically or strategically, with the Khmer Rouge in their military operations, or which is cooperating commercially with the Khmer Rouge.*

(b) Funds appropriated by this Act to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical forestry and energy programs aimed at reducing emissions of greenhouse gases, and for the purpose of supporting biodiversity conservation activities: *Provided*, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

(c) During fiscal year 1996, the President may use up to $40,000,000 under the authority of section 451 of the Foreign Assistance Act of 1961, notwithstanding the funding ceiling contained in subsection (a) of that section.

(d) The Agency for International Development may employ personal services contractors, notwithstanding any other provision of law, for the purpose of administering programs for the West Bank and Gaza.

POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT OF ISRAEL

SEC. 542. It is the sense of the Congress that—

(1) the Arab League countries should immediately and publicly renounce the primary boycott of Israel and the secondary and tertiary boycott of American firms that have commercial ties with Israel; and

(2) the President should—

(A) take more concrete steps to encourage vigorously Arab League countries to renounce publicly the primary boycotts of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel as a confidence-building measure;

(B) take into consideration the participation of any recipient country in the primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel when determining whether to sell weapons to said country;

(C) report to Congress on the specific steps being taken by the President to bring about a public renunciation of the Arab primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel; and

(D) encourage the allies and trading partners of the United States to enact laws prohibiting businesses from complying with the boycott and penalizing businesses that do comply.

ANTI-NARCOTICS ACTIVITIES

SEC. 543. (a) Of the funds appropriated [or otherwise made available by this Act for "Economic Support Fund",] *under the heading "Economic Assistance"*, assistance may be provided to strengthen the administration of justice in countries in Latin America and the Caribbean in accordance with the provisions of section 534 of the Foreign Assistance Act of 1961, except that programs to enhance protection of participants in judicial cases may be conducted notwithstanding section 660 of that Act.

(b) Funds made available pursuant to this section may be made available notwithstanding the third sentence of section 534(e) of the Foreign Assistance Act of 1961. Funds made available pursuant to subsection (a) for Bolivia, Colombia and Peru may be made available notwithstanding section 534(c) and the second sentence of section 534(e) of the Foreign Assistance Act of 1961.

ELIGIBILITY FOR ASSISTANCE

SEC. 544. (a) ASSISTANCE THROUGH NONGOVERNMENTAL ORGANIZATIONS.—Restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapters 1 and 10 of part I of the Foreign Assistance Act of 1961: *Provided*, That the President shall take into consideration, in any case in which a restriction on assistance would be applicable but for this subsection, whether assistance in support of programs of nongovernmental organizations is in the national interest of the United States: *Provided further*, That before using the authority of this subsection to furnish assistance in support of programs of nongovernmental organizations, the President shall notify the Committees on Appropriations under the regular notification procedures of those committees, including a description of the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance: *Provided further*, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion or involuntary sterilizations contained in this or any other Act.

(b) PUBLIC LAW 480.—During fiscal year 1996, restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under *titles I and II of* the Agricultural Trade Development and Assistance Act of 1954: *Provided*, That none of the funds appropriated to carry out title I of such Act and made available pursuant to this subsection may be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

(c) EXCEPTION.—This section shall not apply—

(1) with respect to section 620A of the Foreign Assistance Act or any comparable provision of law prohibiting assistance to countries that support international terrorism; or

(2) with respect to section 116 of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to countries that violate internationally recognized human rights.

EARMARKS

SEC. 544A. (a) Funds appropriated by this Act which are earmarked may be reprogrammed for other programs within the same account notwithstanding the earmark if compliance with the earmark is made impossible by operation of any provision of this or any other Act or, with respect to a country with which the United States has an agreement providing the United States with base rights or base access in that country, if the President determines that the recipient for which funds are earmarked has significantly reduced its military or economic cooperation with the United States since enactment of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991; however, before exercising the authority of this subsection with regard to a base rights or base access country which has significantly reduced its military or economic cooperation with the United States, the President shall consult with, and shall provide a written policy justification to the Committees on Appropriations: Provided, That any such reprogramming shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That assistance that is reprogrammed pursuant to this subsection shall be made available under the same terms and conditions as originally provided.

(b) In addition to the authority contained in subsection (a), the original period of availability of funds appropriated by this Act and administered by the Agency for International Development that are earmarked for particular programs or activities by this or any other Act shall be extended for an additional fiscal year if the Administrator of such agency determines and reports promptly to the Committees on Appropriations that the termination of assistance to a country or a significant change in circumstances makes it unlikely that such earmarked funds can be obligated during the original period of availability: Provided, That such earmarked funds that are continued available for an additional fiscal year shall be obligated only for the purpose of such earmark.

CEILINGS *AND EARMARKS*

SEC. 545. Ceilings and earmarks contained in this Act shall not be applicable to funds or authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs.

EXCESS DEFENSE ARTICLES

SEC. 546. (a) The authority of section 519 of the Foreign Assistance Act of 1961, as amended, may be used in fiscal year 1996 to provide nonlethal excess defense articles to countries for which United States foreign assistance has been requested and for which receipt of such articles was separately justified for the fiscal year, without regard to the restrictions in subsection (a) of section 519.

(b) The authority of section 516 of the Foreign Assistance Act of 1961, as amended, may be used in fiscal year 1996 to provide defense articles to Jordan[, except that the provision of such defense articles shall be subject to section 534 of this Act].

PROHIBITION ON PUBLICITY OR PROPAGANDA

SEC. 547. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of enactment of this Act by the Congress[: *Provided*, That none of the funds appropriated by this Act may be made available to carry out the provisions of section 316 of Public Law 96–533].

USE OF AMERICAN RESOURCES

SEC. 548. To the maximum extent possible, assistance provided under this Act should make full use of American resources, including commodities, products, and services.

PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS

SEC. 549. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations.

CONSULTING SERVICES

SEC. 550. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order pursuant to existing law.

PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

SEC. 551. None of the funds appropriated or made available pursuant to this Act shall be available to a private voluntary organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the Agency for International Development.

PROHIBITION ON ASSISTANCE TO FOREIGN GOVERNMENTS THAT EXPORT LETHAL MILITARY EQUIPMENT TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM

SEC. 552. (a) None of the funds appropriated or otherwise made available by this Act may be available to any foreign government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 40(d) of the Arms Export Control Act. The prohibition under this section with respect to a foreign government shall terminate 12 months after that government ceases to provide such military equipment. This section applies with respect to lethal military equipment provided under a contract entered into after the date of enactment of this Act.

(b) Assistance restricted by subsection (a) or any other similar provision of law, may be furnished if the President determines that furnishing such assistance is important to the national interests of the United States.

(c) Whenever the waiver of subsection (b) is exercised, the President shall submit to the appropriate congressional committees a report with respect to the furnishing of such assistance. Any such report shall include a detailed explanation of the assistance to be provided, including the estimated dollar amount of such assistance, and an explanation of how the assistance furthers United States national interests.

WITHHOLDING OF ASSISTANCE FOR PARKING FINES OWED BY FOREIGN COUNTRIES

SEC. 553. (a) IN GENERAL.—Of the funds made available for a foreign country under part I of the Foreign Assistance Act of 1961, an amount equivalent to 110 percent of the total unpaid fully adjudicated parking fines and penalties owed to the District of Columbia by such country as of the date of enactment of this Act shall be withheld from obligation for such country until the Secretary of State certifies and reports in writing to the appropriate congressional committees that such fines and penalties are fully paid to the government of the District of Columbia.

(b) DEFINITION.—For purposes of this section, the term "appropriate congressional committees" means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

LIMITATION ON ASSISTANCE FOR THE PLO FOR THE WEST BANK AND GAZA

SEC. 554. None of the funds appropriated by this Act may be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza unless the President has exercised the authority under section 583(a) of the Middle East Peace Facilitation Act of 1994 (part E of title V of Public Law 103-236) or any other legislation to suspend or make inapplicable section 307 of the Foreign Assistance Act of 1961 and that suspension is still in effect: *Provided*, That if the President fails to make the certification under section 583(b)(2) of the Middle East Peace Facilitation Act or to suspend the prohibition under other legislation, funds appropriated by this Act may not be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza.

EXPORT FINANCING TRANSFER AUTHORITIES

SEC. 555. Not to exceed 5 percent of any appropriation other than for administrative expenses made available for fiscal year 1996 for programs under title [I] *IV* of this Act may be transferred between such appropriations for use for any of the purposes, programs and activities for which the funds in such receiving account may be used, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 25 percent by any such transfer: *Provided*, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

WAR CRIMES TRIBUNALS

SEC. 556. If the President determines that doing so will contribute to a just resolution of charges regarding genocide or other violations of international humanitarian law, the authority of section 552(c) of the Foreign Assistance Act of 1961, as amended, may be used to provide up to $25,000,000 of commodities and services to the United Nations War Crimes Tribunal established with regard to the former Yugoslavia by the United Nations Security Council or such other tribunals or commissions as the Council may establish to deal with such violations, without regard to the ceiling limitation contained in paragraph (2) thereof: *Provided*, That the determination required under this section shall be in lieu of any determinations otherwise required under section 552(c): *Provided further*, That 60 days after the date of enactment of this Act, and every 180 days thereafter, the Secretary of State shall submit a report to the Committees on Appropriations describing the steps the United States Government is taking to collect information regarding allegations of genocide or other violations of international law in the former Yugoslavia and to furnish that information to the United Nations War Crimes Tribunal for the former Yugoslavia.

NONLETHAL EXCESS DEFENSE ARTICLES

SEC. 557. Notwithstanding section 519(f) of the Foreign Assistance Act of 1961, during fiscal year 1996, funds available to the Department of Defense may be expended for crating, packing, handling and transportation of nonlethal excess defense articles transferred under the authority of section 519 to countries eligible to participate in the Partnership for Peace and to receive assistance under Public Law 101-179.

LANDMINES

SEC. 558. Notwithstanding any other provision of law, demining equipment available to any department or agency and used in support of the clearing of landmines for humanitarian purposes may be disposed of on a grant basis in foreign countries, subject to such terms and conditions as the President may prescribe: *Provided, That section 1365(c) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 22 U.S.C., 2778 note) is amended by striking out "During the four-year period beginning on October 23, 1992" and inserting in lieu thereof "During the five-year period beginning on October 23, 1993".*

[REPORT ON THE SALARIES AND BENEFITS OF THE IMF AND THE WORLD BANK

[SEC. 559. The Comptroller General shall submit a report to the Committees on Appropriations not later than November 1, 1995, on the following—

[(1) a review of the existing salaries and benefits of employees of the International Monetary Fund and the International Bank for Reconstruction and Development; and

[(2) a review of all benefits paid to dependents of Fund and Bank employees.

Such report shall include a comparison of the salaries and benefits paid to employees and dependents of the Fund and the Bank with salaries and benefits paid to employees holding comparable positions in the public and private sectors in member countries and in the international sector.]

RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY

SEC. 560. None of the funds appropriated by this Act may be obligated or expended to create in any part of Jerusalem a new office of any department or agency of the United States Government for the purpose of conducting official United States Government business with the Palestinian Authority over Gaza and Jericho or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles: *Provided*, That this [subsection] *restriction* shall not apply to the acquisition of additional space for the existing Consulate General in Jerusalem: *Provided further*, That meetings between officers and employees of the United States and officials of the Palestinian Authority, or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles, for the purpose of conducting official United States Government business with such authority should continue to take place in locations other than Jerusalem. As has been true in the past, officers and employees of the United States Government may continue to meet in Jerusalem on other subjects with Palestinians (including those who now occupy positions in the Palestinian Authority), have social contacts, and have incidental discussions.

PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

SEC. 561. None of the funds appropriated or otherwise made available by this Act under the heading "INTERNATIONAL MILITARY EDUCATION AND TRAINING" or "FOREIGN MILITARY FINANCING PROGRAM" for Informational Program activities may be obligated or expended to pay for—

(1) alcoholic beverages;

(2) food (other than food provided at a military installation) not provided in conjunction with Informational Program trips where students do not stay at a military installation; or

(3) entertainment expenses for activities that are substantially of a recreational character, including entrance fees at sporting events and amusement parks.

[LIMITATION ON ASSISTANCE TO COUNTRIES THAT RESTRICT THE TRANSPORT OR DELIVERY OF UNITED STATES HUMANITARIAN ASSISTANCE

[SEC. 562. (a) IN GENERAL.—None of the funds made available in this Act may be used for assistance in support of any country when it is made known to the President that the government of such country prohibits or otherwise restricts, directly or indirectly, the transport or delivery of United States humanitarian assistance.

[(b) EXCEPTION.—Subsection (a) shall not apply to assistance in support of any country when it is made known to the President that the assistance is in the national security interest of the United States.]

NON-OVERTIME DIFFERENTIAL PAY

SEC. 562. Title 5 of the United States Code is amended by inserting the following:

(1) in section 5541(2)(xiv) after a "Foreign Service officer" ", except for a Foreign Service Officer who is a criminal investigator for the Agency for International Development, Office of Inspector General".

[REFERENCES TO AUTHORIZATION ACTS

[SEC. 563. The funds appropriated under the heading, "Child Survival and Disease Programs Fund" are provided pursuant to the

Foreign Assistance Act, as amended: under sections 103 through 106 (Development Assistance Fund), in the amount of $214,000,000; under part I, chapter 10 (Development Fund for Africa), in the amount of $131,000,000; under the provisions of section 498(6) (Assistance for the New Independent States of the Former Soviet Union), in the amount of $15,000,000; under the provisions of part I, chapter 1, section 104(c) of the Foreign Assistance Act and the Support for East European Democracy (SEED) Act of 1989, in the amount of $1,000,000; under provisions of chapter 4, part II (Economic Support Fund), in the amount of $23,000,000; under the provisions of section 301, in the amount of $100,000,000 as a contribution on a grant basis to the United Nation's Children's Fund (UNICEF): *Provided*, That funds derived from funds authorized under chapter 4, part II, shall be made available for projects meeting criteria set forth in part I section 104(c): *Provided further*, That funds appropriated under the heading "Child Survival and Disease Programs Fund" shall be in addition to amounts otherwise available for such purposes.

[PROHIBITION ON FUNDING FOR ABORTION

[SEC. 564. (a) IN GENERAL.—

[(1) Notwithstanding any other provision of this Act or other law, none of the funds appropriated by this Act for population assistance activities may be made available for any private, nongovernmental, or multilateral organization until the organization certifies that it does not now, and will not during the period for which the funds are made available, directly or through a subcontractor or sub-grantee, perform abortions in any foreign country, except where the life of the mother would be endangered if the fetus were carried to term or in cases of forcible rape or incest.

[(2) Paragraph (1) may not be construed to apply to the treatment of injuries or illnesses caused by legal or illegal abortions or to assistance provided directly to the government of a country.

[(b) LOBBYING ACTIVITIES.—

[(1) Notwithstanding any other provision of this Act or other law, none of the funds appropriated by this Act for population assistance activities may be made available for any private, nongovernmental, or multilateral organization until the organization certifies that it does not now, and will not during the period for which the funds are made available, violate the laws of any foreign country concerning the circumstances under which abortion is permitted, regulated, or prohibited, or engage in any activity or effort to alter the laws or governmental policies of any foreign country concerning the circumstances under which abortion is permitted, regulated, or prohibited.

[(2) Paragraph (1) shall not apply to activities in opposition to coercive abortion or involuntary sterilization.

[(c) COERCIVE POPULATION CONTROL METHODS.—Notwithstanding any other provision of this Act or other law, none of the funds appropriated by this Act may be made available for the United Nations Population Fund (UNFPA), unless the President certifies to the appropriate congressional committees that (1) the United Nations Population Fund has terminated all activities in the People's Republic of China; or (2) during the 12 months preceding such certification, there have been no abortions as the result of coercion associated with the family planning policies of the national government or other governmental entities within the People's Republic of China. As used in this section the term "coercion" includes physical duress or abuse, destruction or confiscation of property, loss of means of livelihood, or severe psychological pressure.]

WITHHOLDING OF ASSISTANCE TO COUNTRIES SUPPORTING NUCLEAR PLANT IN CUBA

SEC. 565. *(a) WITHHOLDING.*—The President shall withhold from assistance made available with funds appropriated or made available pursuant to this Act an amount equal to the sum of assistance and credits, if any, provided on or after the date of the enactment of this Act by that country, or any entity in that country, in support of the completion of the Cuban nuclear facility at Juragua, near Cienfuegos, Cuba.

(b) EXCEPTIONS.—The requirement of subsection (a) to withhold assistance shall not apply with respect to—

(1) assistance to meet urgent humanitarian needs, including disaster and refugee relief;

(2) democratic political reform and rule of law activities;

(3) the creation of private sector and nongovernmental organizations that are independent of government control;

(4) the development of a free market economic system; and

(5) assistance for the purposes described in the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103–160).

(c) DEFINITION.—As used in subsection (a), the term "assistance" means assistance under the Foreign Assistance Act of 1961, credits, sales and guarantees of extensions of credit under the Arms Export Control Act, assistance under titles I and III of the Agricultural Trade Development and Assistance Act of 1954, assistance under the FREEDOM Support Act of 1992, and any other program of assistance or credits provided by the United States to other countries under other provisions of law, except that the term "assistance" does not include humanitarian assistance, including disaster relief assistance.

[LIMITATION ON FUNDS FOR HAITI

[SEC. 566. Effective March 1, 1996, none of the funds appropriated in this Act may be made available to the Government of Haiti when it is made known to the President that such Government is controlled by a regime holding power through means other than the democratic elections scheduled for calendar year 1995 and held in substantial compliance with the requirements of the 1987 Constitution of Haiti.

[PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS

[SEC. 567. SENSE OF CONGRESS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

[(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

[LIMITATION ON ASSISTANCE TO TURKEY

[SEC. 568. Not more than $21,000,000 of the funds appropriated in this Act under the heading "ECONOMIC SUPPORT FUND" may be made available to the Government of Turkey.

[LIMITATION OF FUNDS FOR NORTH AMERICAN DEVELOPMENT BANK

[SEC. 569. No funds appropriated in this Act, under the heading "North American Development Bank" may be obligated or expended unless it is made known to the Federal entity or official to which funds are appropriated under this Act that the Government of Mexico has contributed a share of the paid-in portion of the capital stock for fiscal year 1996 equivalent to that appropriated by the United States.]

LIMITATION ON FUNDS FOR BURMA

SEC. 570. None of the funds made available in this Act may be used for International Narcotics Control or Crop Substitution Assistance for the Government of Burma.

ASIAN DEVELOPMENT BANK

SEC. 570A. The Secretary of the Treasury may, to fulfill commitments of the United States, subscribe to and make payment for shares of the Asian Development Bank in connection with the fourth general capital increase of the Bank. The amount authorized to be appropriated for paid-in shares of the Bank is limited to $66,614,647; the amount authorized to be appropriated for payment for callable shares of the Bank is limited to $3,264,178,021. The amount to be paid in respect of each subscription is authorized to be appropriated without fiscal year limitation. Any subscription by the United States to the capital stock of the Bank shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts.

SPECIAL DEBT RELIEF FOR THE POOREST

SEC. 570B. (a) AUTHORITY TO REDUCE DEBT.—The President may reduce amounts owed to the United States (or any agency of the United States) by an eligible country as a result of—

(1) guarantees issued under sections 221 and 222 of the Foreign Assistance Act of 1961; or

(2) credits extended or guarantees issued under the Arms Export Control Act.

(b) LIMITATIONS.—

(1) The authority provided by subsection (a) may be exercised only to implement multilateral official debt relief and referendum agreements, commonly referred to as "Paris Club Agreed Minutes".

(2) The authority provided by subsection (a) may be exercised only in such amounts or to such extent as is provided in advance by appropriations Acts.

(3) The authority provided by subsection (a) may be exercised only with respect to countries with heavy debt burdens that are eligible to borrow from the International Development Association, but not from the International Bank for Reconstruction and Development, commonly referred to as "IDA-only" countries.

(c) CONDITIONS.—The authority provided by subsection (a) may be exercised only with respect to a country whose government—

(1) does not have an excessive level of military expenditures;

(2) has not repeatedly provided support for acts of international terrorism;

(3) is not failing to cooperate on international narcotics control matters;

(4) (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights; and

(5) is not ineligible for assistance because of the application of section 527 of the Foreign Relations Authorization Act, fiscal years 1994 and 1995.

(d) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading "Debt Restructuring".

(e) CERTAIN PROHIBITIONS INAPPLICABLE.—A reduction of debt pursuant to subsection (a) shall not be considered assistance for purposes of any provision of law limiting assistance to a country. The authority provided by subsection (a) may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961.

[LIMITATION ON FUNDS FOR RUSSIA

[SEC. 571. Of the funds appropriated in this Act under the heading "Assistance for the

New Independent States of the Former Soviet Union", not more than $195,000,000 may be made available for Russia.

[LIMITATION ON ASSISTANCE TO MEXICO

[Sec. 572. In General.—None of the funds appropriated or otherwise made available by this Act may be obligated or expended for the Government of Mexico, except if it is made known to the Federal entity or official to which funds are appropriated under this Act that—

[(1) the Government of Mexico is taking actions to reduce the amount of illegal drugs entering the United States from Mexico, as determined by the Director of the Office of National Drug Control Policy; and

[(2) the Government of Mexico—

[(A) is taking effective actions to apply vigorously all law enforcement resources to investigate, track, capture, incarcerate, and prosecute illegal drug kingpins and their accomplices, individuals responsible for, or otherwise involved in, corruption, and individuals involved in money-laundering; and

[(B) is pursuing international anti-drug trafficking initiatives.

[HUMAN RIGHTS PROGRESS IN ETHIOPIA

[Sec. 573. The Department of State should closely monitor and take into account human rights progress in Ethiopia as it obligates fiscal year 1996 funds for Ethiopia appropriated in this Act.

[BASIC EDUCATION FOR CHILDREN

[Sec. 574. Not more than $108,000,000 under the Agency for International Development Children and Disease Programs Fund may be used for basic education for children.]

KOREAN PENINSULA ENERGY DEVELOPMENT ORGANIZATION

Sec. 575. No funds may be made available under this Act to the Korean Peninsula Energy Development Organization (KEDO) unless the President determines and certifies in writing to the Committees on Appropriations that—

(a) in accordance with Provision I of the Framework Agreement, KEDO has concluded a supply contract with the Democratic People's Republic of Korea (DPRK) designating a Republic of Korea company, corporation or entity the prime contractor to carry out construction of the light water reactors provided for in the Framework Agreement; and

(b) the DPRK has complied with the obligations of Provision III of the Framework Agreement regarding North-South dialogue including within three months after the enactment of this Act: (1) eliminating North-South barriers to trade and investment; (2) removing North-South restrictions on travel, telecommunications services and financial transactions; and (3) implementing the December 13, 1991, Nonaggression Pact and the January 1, 1992, Joint Declaration for a Non-Nuclear Korean Peninsula.

DRAWDOWN AUTHORITY FOR JORDAN

Sec. 576. During fiscal year 1996, the President may direct, for the purposes of part II of the Foreign Assistance Act of 1961, the drawdown for Jordan of defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training of up to an aggregate of $100,000,000: Provided, That—

(a) within six months of the last drawdown under subsection (a), the President shall submit a report to the Committee on Appropriations identifying the articles, services, training or education provided;

(b) section 506(c) of the Foreign Assistance Act of 1961 shall apply to the drawdown authority in this section; and

(c) section 632(d) of the Foreign Assistance Act of 1961 shall not apply with respect to drawdowns under this section.

TITLE VI—MIDDLE EAST PEACE FACILITATION ACT OF 1995

SHORT TITLE

Sec. 601. This title may be cited as the "Middle East Peace Facilitation Act of 1995".

FINDINGS

Sec. 602. The Congress finds that—

(1) the Palestine Liberation Organization (hereafter the "P.L.O.") has recognized the State of Israel's right to exist in peace and security; accepted United Nations Security Council Resolutions 242 and 338; committed itself to the peace process and peaceful coexistence with Israel, free from violence and all other acts which endanger peace and stability; and assumed responsibility over all P.L.O. elements and personnel in order to assure their compliance, prevent violations, and discipline violators;

(2) Israel has recognized the P.L.O. as the representative of the Palestinian people;

(3) Israel and the P.L.O. signed a Declaration of Principles on Interim Self-Government Arrangements (hereafter the "Declaration of Principles") on September 13, 1993 at the White House;

(4) Israel and the P.L.O. signed an Agreement on the Gaza Strip and the Jericho Area (hereafter the "Gaza-Jericho Agreement") on May 4, 1994 which established a Palestinian Authority for the Gaza and Jericho areas;

(5) Israel and the P.L.O. signed an Agreement on Preparatory Transfer of Powers and Responsibilities (hereafter the "Early Empowerment Agreement") on August 29, 1994 which provided for the transfer to the Palestinian Authority of certain powers and responsibilities in the West Bank outside of the Jericho Area;

(6) under the terms of the Declaration of Principles, the Gaza-Jericho Agreement and the Early Empowerment Agreement, the powers and responsibilities of the Palestinian Authority are to be assumed by an elected Palestinian Council with jurisdiction in the West Bank and Gaza Strip in accordance with the Interim Agreement to be concluded between Israel and the P.L.O.;

(7) permanent status negotiations relating to the West Bank and Gaza Strip are scheduled to begin by May 1996;

(8) the Congress has, since the conclusion of the Declaration of Principles and the P.L.O.'s renunciation of terrorism, provided authorities to the President to suspend certain statutory restrictions relating to the P.L.O., subject to Presidential certifications that the P.L.O. has continued to abide by commitments made in and in connection with or resulting from the good faith implementation of, the Declaration of Principles;

(9) the P.L.O. commitments relevant to Presidential certifications have included commitments to renounce and condemn terrorism, to submit to the Palestinian National Council for formal approval the necessary changes to those articles of the Palestinian Covenant which call for Israel's destruction, and to prevent acts of terrorism and hostilities against Israel; and

(10) the President, in exercising the aforementioned authorities, has certified to the Congress on four occasions that the P.L.O. was abiding by its relevant commitments.

SENSE OF CONGRESS

Sec. 603. It is the sense of the Congress that although the P.L.O. has recently shown improvement in its efforts to fulfill its commitments, it must do far more to demonstrate an irrevocable denunciation of terrorism and ensure a peaceful settlement of the Middle East dispute, and in particular it must—

(1) submit to the Palestine National Council for formal approval the necessary changes to those articles of the Palestinian National Covenant which call for Israel's destruction;

(2) make greater efforts to pre-empt acts of terror, to discipline violators and to contribute to stemming the violence that has resulted in the deaths of 123 Israeli citizens since the signing of the Declaration of Principles;

(3) prohibit participation in its activities and in the Palestinian Authority and its successors by any groups or individuals which continue to promote and commit acts of terrorism;

(4) cease all anti-Israel rhetoric, which potentially undermines the peace process;

(5) confiscate all unlicensed weapons and restrict the issuance of licenses to those with legitimate need;

(6) transfer and cooperate in transfer proceedings relating to any person accused by Israel to acts of terrorism; and

(7) respect civil liberties, human rights and democratic norms.

AUTHORITY TO SUSPEND CERTAIN PROVISIONS

Sec. 604. (a) In General.—Subject to subsection (b), beginning on the date of enactment of this Act and for eighteen months thereafter, the President may suspend for a period of not more than 6 months at a time any provision of law specified in subsection (d). Any such suspension shall cease to be effective after 6 months, or at such earlier date as the President may specify.

(b) Conditions.—

(1) Consultations.—Prior to each exercise of the authority provided in subsection (a) or certification pursuant to subsection (c), the President shall consult with the relevant congressional committees. The President may not exercise that authority or make such certification until 30 days after a written policy justification is submitted to the relevant congressional committees.

(2) Presidential Certification.—The President may exercise the authority provided in subsection (a) only if the President certifies to the relevant congressional committees each time he exercises such authority that—

(A) it is in the national interest of the United States to exercise such authority;

(B) the P.L.O. continues to comply with all the commitments described in paragraph (4); and

(C) funds provided pursuant to the exercise of this authority and the authorities under section 583(a) of Public Law 103–236 and section 3(a) of Public Law 103–125 have been used for the purposes for which they were intended.

(3) Requirement for Continuing P.L.O. Compliance.—

(A) The President shall ensure that P.L.O. performance is continuously monitored and if the President at any time determines that the P.L.O. has not continued to comply with all the commitments described in paragraph (4), he shall so notify the relevant congressional committees and any suspension under subsection (a) of a provision of law specified in subsection (d) shall cease to be effective.

(B) Beginning six months after the date of enactment of this Act, if the President on the basis of the continuous monitoring of the P.L.O.'s performance determines that the P.L.O. is not complying with the requirements described in subsection (c), he shall so notify the relevant congressional committees and no assistance shall be provided pursuant to the exercise by the President of the authority provided by subsection (a) until such time as the President makes the certification provided for in subsection (c).

(4) P.L.O. Commitments Described.—The commitments referred to in paragraphs (2) and (3)(A) are the commitments made by the P.L.O.—

(A) in its letter of September 9, 1993, to the Prime Minister of Israel; in its letter of September 9, 1993, to the Foreign Minister of Norway to—

(i) recognize the right of the State of Israel to exist in peace and security;

(ii) accept United Nations Security Council Resolutions 242 and 338;

(iii) renounce the use of terrorism and other acts of violence;

(iv) assume responsibility over all P.L.O. elements and personnel in order to assure their compliance, prevent violations and discipline violators;

(v) call upon the Palestinian people in the West Bank and Gaza Strip to take part in the steps leading to the normalization of life, rejecting violence and terrorism, and contributing to peace and stability; and

(vi) submit to the Palestine National Council for formal approval the necessary changes to the Palestnian National Covenant eliminating calls for Israel's destruction, and

(B) in, and resulting from, the good faith implementation of the Declaration of Principles, including good faith implementation of subsequent agreements with Israel, with particular attention to the objective of preventing terrorism, as reflected in the provisions of the Gaza-Jericho Agreement concerning—

(i) prevention of acts of terrorism and legal measures against terrorists;

(ii) abstention from and prevention of incitement, including hostile propaganda;

(iii) operation of armed forces other than the Palestinian Police;

(iv) possession, manufacture, sale, acquisition or importation of weapons;

(v) employment of police who have been convicted of serious crimes or have been found to be actively involved in terrorist activities subsequent to their employment;

(vi) transfers to Israel of individuals suspected of, charged with, or convicted of an offense that falls within Israeli criminal jurisdiction;

(vii) cooperation with the government of Israel in criminal matters, including cooperation in the conduct of investigations; and

(viii) exercise of powers and responsibilities under the agreement with due regard to internationally accepted norms and principles of human rights and the rule of law.

(5) POLICY JUSTIFICATION.—As part of the President's written policy justification to be submitted to the relevant Congressional Committees pursuant to paragraph (1), the President will report on—

(A) the manner in which the P.L.O. has complied with the commitments specified in paragraph (4), including responses to individual acts of terrorism and violence, actions to discipline perpetrators of terror and violence, and actions to preempt acts of terror and violence;

(B) the extent to which the P.L.O. has fulfilled the requirements specified in subsection (c);

(C) actions that the P.L.O. has taken with regard to the Arab League boycott of Israel;

(D) the status and activities of the P.L.O. office in the United States; and

(E) the status of U.S. and international assistance efforts in the areas subject to jurisdiction of the Palestinian Authority or its successors.

(c) REQUIREMENT FOR CONTINUED PROVISION OF ASSISTANCE.—Six months after the enactment of this Act, no assistance shall be provided pursuant to the exercise by the President of the authority provided by subsection (a), unless and until the President determines and so certifies to the Congress that—

(1) if the Palestinian Council has been elected and assumed its responsibilities, it has, within a reasonable time, effectively disavowed the articles of the Palestine National Covenant which call for Israel's destruction, unless the necessary changes to the Covenant have already been submitted to the Palestine National Council for formal approval;

(2) the P.L.O. has exercised its authority resolutely to establish the necessary enforcement institutions; including laws, police, and a judicial system, for apprehending, prosecuting, convicting, and imprisoning terrorists;

(3) the P.L.O. has limited participation in the Palestinian Authority and its successors to individuals and groups in accordance with the terms that may be agreed with Israel;

(4) the P.L.O. has not provided any financial or material assistance or training to any group, whether or not affiliated with the P.L.O., to carry out actions inconsistent with the Declaration of Principles, particularly acts of terrorism against Israel;

(5) the P.L.O. has cooperated in good faith with Israeli authorities in the preemption of acts of terrorism and in the apprehension and trial of perpetrators of terrorist acts in Israel, territories controlled by Israel and all areas subject to jurisdiction of the Palestinian Authority and its successors; and

(6) the P.L.O. has exercised its authority resolutely to enact and implement laws requiring the disarming of civilians not specifically licensed to possess or carry weapons.

(d) PROVISIONS THAT MAY BE SUSPENDED.—The provisions that may be suspended under the authority of subsection (a) are the following:

(1) Section 307 of the Foreign Assistance Act of 1961 (22 U.S.C. 2227) as it applies with respect to the P.L.O. or entities associated with it.

(2) Section 114 of the Department of State Authorization Act, fiscal years 1984 and 1985 (22 U.S.C. 287e note) as it applies with respect to the P.L.O. or entities associated with it.

(3) Section 1003 of the Foreign Relations Authorization Act, fiscal years 1988 and 1989 (22 U.S.C. 5202).

(4) Section 37 of the Bretton Woods Agreement Act (22 U.S.C. 286W) as it applies on the granting to the P.L.O. of observer status or other official status at any meeting sponsored by or associated with the International Monetary Fund. As used in this paragraph, the term "other official status" does not include membership in the International Monetary Fund.

(e) RELEVANT CONGRESSIONAL COMMITTEES DEFINED.—As used in this title, the term "relevant congressional committees" means—

(1) the Committee on International Relations, the Committee on Banking and Financial Services, and the Committee on Appropriations of the House of Representatives; and

(2) the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

This Act may be cited as the "Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996".

Mr. MCCONNELL. Madam President, let me just say at the outset of our discussion on the foreign operations bill this year, it appears at least to this point, based on information we have prior to taking up the bill, that this may be the least contentious foreign operations bill we have had in recent years. Obviously, that could change as the floor debate unfolds, but I think there is certainly clear potential to finish up this bill either late tonight or tomorrow in accordance with what the Republican leader hopes which, of course, would give us a greater chance of being out of here for a week the week after next.

In 1964, Henry Kissinger commented:

> To rely on the efficacy of diplomacy may lead to disaster but to rely on power with insufficient means is suicide.

Madam President, today we take up consideration of the appropriations bill for foreign operations, export financing, and related programs, a bill that provides the means to maintain our role as the sole remaining superpower. Despite Dr. Kissinger's caution, it is also the bill everyone loves to hate.

Foreign operations, like every other subcommittee, has struggled to apportion the substantial reductions in discretionary spending imposed by the budget resolution process. Obviously, this is not an easy task, and foreign assistance should obviously not be spared the responsibility of making a contribution to balancing the budget.

However, unlike other appropriations bills, foreign assistance has steadily declined over the past decade, at a time when both new threats and opportunities have emerged. To address these needs has been a challenge for, unlike other accounts, the administration of foreign assistance is the exclusive responsibility of the Federal Government. This is not something that can be handed off to the States through a block grant. In fact, I think it could safely be said that this is the diplomacy account, the nonmilitary way to engage with other countries around the world, and that is uniquely a responsibility of the Federal Government.

The bill unanimously reported by the Appropriations Committee reflects a $2 billion reduction and is more than 16 percent below the President's request. The administration asked for $14.7 billion and the bill provides $12.3 billion. That is $2.3 billion out of roughly a $1.5 trillion budget. We have tried to balance the distribution of the reduction as fairly and evenly as we possibly could while protecting and promoting priorities I think most of us share.

It is clear foreign aid must be better connected to American interests or we will lose all public support and risk complete elimination of resources. Accordingly, we have emphasized those programs which directly serve our economic, security, political, and humanitarian interests. These range from continuing to support the peaceful transition to free market democracies in Central Europe and the NIS to expanding our international effort to combat crime and narcotics trafficking.

Madam President, let me briefly summarize each of the titles of the bill to give everyone a sense of how aid can serve our interests.

Title I funds export promotion activities. These programs have a direct—I repeat direct—impact on creating jobs and expanding export opportunities. They enjoy bipartisan support as well as the endorsement of a wide range of commercial and manufacturing interests including labor unions, Fortune 500 companies, and small businesses.

It is no wonder since estimates provided from the private sector as well as the administration suggest that 300,000 jobs and 40 percent of our economic growth are linked to export activities.

The committee has provided $795 million to the Export-Import Bank, slightly over the House and last year's level, but well below the needs as reflected in the request.

We have fully funded the OPIC request. Credit reforms laws require the bill to indicate the amount of basic subsidy which funds OPIC activities. However, it is worth pointing out that while we subsidize OPIC, the corporation is completely self-sufficient. While we provide $79 million in subsidy, OPIC is expected to generate over $200 million this year which is returned to the Treasury.

The third agency involved in export promotion is the Trade Development Agency which is funded at the House level of $40 million, a sizable cut from the request of $67 million. TDA's principal responsibility is conducting feasibility studies and while important, there is not as immediate and direct an impact on jobs and exports as with the sister agencies.

One of the most important initiatives the subcommittee included in the treatment of economic assistance is the construction of title II. We have consolidated a number of development and economic accounts into a $2.1 billion account with very few earmarks. Traditional earmarks for the following programs have been eliminated: the Economic Support Fund, development assistance, the Development Fund for Africa, child survival, basic education, the Africa Development Foundation, the Inter-American Foundation, and the Ireland Fund.

I am not suggesting that these activities will not be funded. All the necessary statutory authorities to conduct these programs are preserved. But, the bill gives the President the flexibility to make the decision on the levels and the administration of programs.

My preference would have been to simply provide a sum for the President to allocate in accordance with emerging priorities. However, the ranking member, along with other members, expressed the concern that one account might bear the entire burden of the overall reduction.

To accommodate this concern, we have included language that requires a proportional distribution of the reduction. This means that accounts such as development assistance and the Development Fund for Africa will be smaller than last year, but they will each have approximately the same share of overall resources available this year as they have in the past.

Since this is not an absolute mathematical formula, some flexibility is maintained. And, so far, we have avoided the detailed micromanagement of specific activities which must be carried out within the broader accounts. We have avoided the inclination of past years to direct funding levels for community colleges, museums and other special interest projects.

Obviously, the Senate can decide to divide up the economic assistance account affording no flexibility at all to the President. I am not opposed to considering earmarks or recommendations on spending priorities, but I would urge each Member to carefully consider the impact of beginning to further carve up this small pie.

In addition to this broad category of economic aid, we have funded programs in the Middle East, Central Europe, and the NIS—regions I think most view as central to our security interests. We have fully funded the Camp David countries and included, once again, an earmark for resettling refugees in Israel.

The bill provides $335 million to support programs in Central Europe and $705 million for the New Independent States. Within the NIS account I have earmarked the following: $17.1 million for the FBI for law enforcement training and investigations. With 5,000 organized criminal enterprises expanding their activities into nuclear smuggling and areas of operations to our shores, our security interests compel an active role for the FBI in the region.

Thirty million dollars is earmarked for Georgia, where democracy is truly under siege.

Eighty-five million dollars is earmarked for Armenia to mitigate the severity of the economic consequences of the war and the blockade. Armenia has carried out important political and economic reforms in the past year but continues to need assistance to complete the transition.

Another country that I have had a longstanding interest in, going back to the dissolution of the Soviet Union: $225 million is earmarked for Ukraine with subearmarks to address the urgent priorities of strengthening the private sector and developing energy self-sufficiency. Although the administration has come around to the view that Ukraine has a uniquely important role to play in regional stability, levels of aid and the kinds of activities AID have been willing to undertake lag far behind requirements.

The sum of $15 million is set aside for a Trans-caucasus Enterprise Fund, which will complete congressional plans to have each region benefit from this innovative aid approach.

The NIS section also preserves the option of transferring resources to the Peace Corps to sustain their very successful efforts. Overall, the Peace Corps is spared the 16 percent reduction imposed on other programs and is cut roughly 8.5 percent to $200 million.

I might say that the occupant of the chair is, of course, a former director of the Peace Corps and has been an aggressive advocate for the Peace Corps and its programs. He has certainly made his views known to me as I worked to put together the chairman's mark.

Although this is a popular program I cannot understand why we need 149 volunteers in the Dominican Republic. In Africa, we saw an 18 percent increase from 1994 to 1995, bringing the number of volunteers up to 2,442. Unfortunately, the days of expanding programs are over.

Title II also funds our international efforts to combat crime, terrorism and narcotics trafficking. As I mentioned earlier, I think these are issues which every American understands has a direct impact on our Nation's interests. In restoring public confidence that our aid serves our interests, the committee has increased support for these activities.

Finally title II provides $490 million in operating expenses for AID. Each committee which has reported legislation on AID has recommended different levels of support. My recommendation is based on a recent GAO study which indicated the House authorization and appropriations levels would not be adequate to cover the cost associated with RIF's, closing missions and other measures to streamline AID's programs.

According to the GAO, $490 million will require significant actions on AID's part to eliminate program duplication, close overseas missions, cut personnel and otherwise accelerate streamlining and consolidation. But, let me be clear. This level will not compel consolidation.

Although I have supported the two attempts to pass legislation to carry out consolidation of AID and the State Department, the Administration has indicated it will veto any legislation which forces the reorganization of the executive branch without its consent. Given this unresolved situation, it did not seem appropriate for the Foreign Operations Subcommittee to move ahead of the authorization committee and include in a spending bill reorganization or activities not directed by law in legislation.

The rest of the news about the bill is bleak. Title III, security assistance is below the House level and the request. I think this is unfortunate, but a direct function of the budget reality.

Title III does provide authority to transfer funds from the European and NIS accounts to support the Warsaw Initiative. I think there is strong bipartisan support for accelerating the integration of former Warsaw Pact members into NATO through joint exercises and training and improving military interoperability. The transfer authority provided should relieve some of the pressure on the security assistance account.

Finally, title IV, the multilateral programs, are the hardest hit of all accounts. With three exceptions, the World Bank, International Finance Corporation, and the Inter-American Development Bank, we have not been able to fund existing commitments. Just one example tells the story. The request for IDA is $1.3 billion of which we only funded $775 million.

International organizations and programs were also drastically reduced from the request of $425 million to $260 million. Frankly, this is an account which has as many strong supporters as it does vocal detractors. There are some clear examples of international agencies which have effectively served international interests, such as the International Atomic Energy Agency. But, there are just as many with sloppy management, guilty of waste, fraud, and abuses. The committee has not earmarked levels of support for programs within IO and P with the view that contributions will offer the administration the opportunity to leverage management reforms. No agency is exempt from the urgency of reform and I include one of our collective favorites, UNICEF, in that category.

Let me now turn to Senator LEAHY for his comments. I would like to point out that the report takes note of the ranking member's dedicated service to victims of landmines by establishing the Patrick J. Leahy War Victims Fund. This was a program established several years ago to aid the recovery and rehabilitation of the thousands of people injured by antipersonnel mines. Senator LEAHY deserves special recognition for his effort in this area which the committee acknowledged by renaming the program in his honor.

Let me also say it has been a pleasure to work with my colleague from Vermont. Before I turn to him, let me mention one other item.

I think, Mr. President, Members of the Senate would be interested that earlier today the Central and East European Coalition held a press conference urging quick passage of this legislation. This coalition, comprising 18 grassroots organizations representing 22 million Americans, strongly support this legislation.

I want to emphasize that because I think it is frequently thought by many that nobody in America gives a hoot about foreign assistance. In fact, there are many Americans who came from somewhere else, or their ancestors did, who care deeply about this part of the Federal budget.

The Central and Eastern European Coalition represents 18 of those groups. They are very active in promoting better relations, strengthened relations between the United States and the various countries from which they come.

Mr. President, before turning the floor over to Senator LEAHY for his opening comments, I ask unanimous consent that the statements of the coalition be printed in the RECORD at this point and I yield the floor.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COALITION URGES GREATER U.S. FOCUS ON CENTRAL AND EAST EUROPE

(Statement by Eugene Iwanciw, Washington Office Director; Ukrainian Association, Inc.)

The Central and East European Coalition (CEEC), comprising 18 national grassroots organizations representing 22 million Americans who trace their heritage to that part of the world, applauds Chairman Mitch McConnell (R-KY) for his leadership in drafting a foreign assistance bill which provides much needed support for the countries of Central and East Europe. We are particularly pleased that the Senator and the Committee have focused additional attention on the non-Russian nations of the former Soviet Union, particularly Ukraine and Armenia.

The Coalition strongly believes that the long-term national security and budget interests of the United States require a strong commitment to the transition of Central and East European countries to fully democratic and free market nations. That commitment requires an active U.S. engagement in that part of the world.

The Central and East European Coalition believes that peace, stability, and democracy throughout Europe serve the national security interests of the United States. In this century, the United States was called upon to fight two world wars and a 45-year cold war—conflicts which emanated from the heart of Europe—in the furtherance of those vital geopolitical interests. The institutionalization of democracy and market economies in Central and East Europe is the best means of guaranteeing that there will be no further European conflicts which will entangle the United States. We believe that with the collapse of communism and the Soviet Union, the objectives of peace, stability, and democracy in Europe are achievable. For those objectives to be achieved, however, requires the continued engagement, support, and assistance of the United States and the West.

Since the signing of the Camp David Accords, the United States has wisely supported the peace process in the Middle East. That long-term commitment is now paying dividends with increased stability throughout that region of the world. Similarly, the strengthening of democracy and market economies in the countries of Central and East Europe will require a long-term commitment by the United States. Forty-five to seventy-five years of communist oppression and tyranny cannot be eradicated overnight.

Continued United States engagement in Central and East Europe must take various forms. The most visible is our foreign assistance. While we had hoped that the Administration's overall funding levels would be accepted by the Congress, we were particularly distressed by the severe cuts that House of Representatives made in the programs for Central and East Europe, particularly in the Freedom Support Act (FSA). We commend the Senate Subcommittee on Foreign Operations, under Chairman McConnell's leadership, for restoring many of those cuts and we urge the Senate to adopt the levels of funding for FSA and SEED contained in the bill as reported from the Appropriations Committee. We especially applaud the attention which Senator McConnell and the Committee have given to the non-Russian nations considered part of the New Independent States (NIS). For the past three years, the bulk of assistance to the NIS went to Russia. This bill provides U.S. policy with the balance it should have in our dealings with the nations of Central and East Europe.

Secondly, our engagement demands involvement in the security issues of the region. We believe that the general stability and security of the region can best be accomplished through the expansion of NATO to include all the nations of the region who desire to join the alliance and meet the criteria for membership. For that reason, we strongly support the funding for the Warsaw Initiative and the NATO Participation amendment which Senator Hank Brown (R-CO) will offer during floor consideration of the Foreign Assistance Appropriations Act.

Thirdly, we believe that the U.S. assistance should focus on those countries which have demonstrated progress in the establishment of democratic institutions and market reforms as well as respect for basic human rights. That criteria must also include a commitment not to hinder international humanitarian relief efforts. For that reason, we endorse the Humanitarian Corridor Act which Senate Majority Leader Robert Dole (R-KS) will offer as an amendment to the Appropriations Act during Senate floor consideration. This amendment would suspend assistance to any country which hinders U.S. humanitarian relief efforts to a third country.

Fourthly, as U.S. assistance to this important part of the world is unfortunately reduced, it is vital that the U.S. Agency for International Development (USAID) maximize the impact of every dollar of assistance. For far too long we have heard about waste, inefficiencies, and fraud in these programs. It is time to take the Beltway Bandits off the public dole and to work through organizations with both an understanding of the region and a demonstrated, long-term commitment to the establishment of democratic and free market institutions in the countries of Central and East Europe. In the six years since the Berlin Wall came down, USAID has been unable to institute these reforms so we call upon the Congress to take the initiative in reforming the delivery of U.S. foreign assistance.

Finally, an aspect of our engagement in Central and East Europe involves the flow of information and ideas to the peoples of Central and East Europe. For five decades, the United States has provided the peoples of this region with timely and accurate information through the Voice of America (VOA) and Radio Free Europe/Radio Liberty (RFE/RL). These programs are as vital today as they were during the communist period. Democracy is still in its infancy in most, if not all, of the nations of Central and East Europe. Few, if any, of these countries have a firmly-established independent media, particularly electronic media. Today, VOA and RFE/RL are playing critical roles in the establishment of democracy throughout the region. Last year the Congress enacted legislation which brings better coordination to the work of the two broadcasting services. This has resulted in substantial savings in the FY 1996 budget. It would, however, be a major mistake to reduce the budget of the broadcasting services below the levels currently in the Commerce, Justice, State, and Judiciary Appropriations Act and the Coalition strongly opposes any such effort.

The United States spent hundreds of billions of dollars to win the Cold War. It would be tragic were the United States to lose the peace through short-sighted policies and illusionary budgetary savings. An investment in democracy building today will pay dividends through long-term security and reduced military expenditures for the United States.

In conclusion, the Central and East European Coalition urges the Senate to approve the Foreign Assistance Appropriations Act with the Committee approved spending levels for FSA and SEED, to adopt the NATO Participation and Humanitarian Corridors amendments, to oppose any efforts to reduce funding for VOA and RFE/RL in the Commerce-Justice Appropriations Act, and to begin reforming USAID to insure that our foreign assistance is used effectively and efficiently. We especially urge the House conferees to accept these provisions during the House-Senate conference on the bills.

COALITION URGES RAPID EXPANSION OF NATO

(Statement by Frank Koszorus, Jr., Member of the Executive Committee; Hungarian American Coalition)

The Central and East European Coalition applauds the leadership of Senator Hank Brown (R-Col.) who, along with strong bipartisan support, will offer the NATO Participation amendment to the Foreign Assistance Appropriations Act. Senator Brown's Amendment will establish a process to facilitate the expansion of NATO in a manner that will advance vital U.S. geopolitical interests in Europe and preserve its leadership role in the world.

The Coalition is concerned with the glacial pace of NATO's expansion. The collapse of the Soviet Union has left a dangerous security vacuum in Central and Eastern Europe. That region must be rapidly reintegrated with the West to provide it with a sense of security and to shore up the new democracies. Rapid expansion of NATO to include countries which are committed to the concepts of democracy, market economies, civilian control of the military and human and minority rights would serve this objective as well as the foreign policy interests of the United States by ensuring Europe's overall stability.

The United States cannot afford to turn its attention away from the Central and Eastern European countries. Success in their transition to pluralism and democracy will validate the many sacrifices we made to win the Cold War. Failure will ensure a new world order far less congenial to our interests.

The adverse consequences of our withdrawal from Europe at critical times in the past fill history books. Had we reacted firmly to the turmoil threatening peace in Europe prior to the First and Second World Wars, many American lives and resources would have been spared. Similarly, the Cold War would have been far less expensive and dangerous had we not pulled back from the heart of Europe and had we resisted domestic pressure to "bring the boys home" before the European political order had been settled. As George F. Kennan wrote in 1950, "history does not forgive us our national mistakes because they are explicable in terms of domestic policies."

Today, we must not permit Central and East Europe to languish in a security vacuum. Russian interests are not threatened by the expansion of a defensive alliance. Moreover, stability and economic growth on the Western borders of Russia can only benefit Moscow.

Russia should not be isolated and mechanisms, such as a treaty between NATO and Russia, would dispel any lingering concerns Moscow may entertain about an enlarged NATO. Russia, however, should under no circumstances be permitted to veto NATO's enlargement. Western appeasement and indecisiveness will encourage Russian nationalists to assert expansionist tendencies and cause the U.S. and the West to lose credibility. Russia itself is in a fluid state with voices of nascent imperialism being heard with greater frequency. Yeltsin's harsh outburst in Budapest last year and his even more disquieting threats following NATO's bombing missions in Bosnia, vividly demonstrate the perils of procrastination.

Continued Western hesitation in expanding NATO would redraw the lines imposed by Stalin and signal Russian imperialists that they, in fact, enjoy a "sphere of influence" in Central and Eastern Europe. This ill-advised policy would be contrary to U.S. geopolitical interests in a stable, secure, unified, and democratic Europe.

Having won the Cold War, the United States should not prematurely retreat from the challenges posed by Central and Eastern Europe, if only to avoid being drawn back into exacerbated controversies. Expansion of NATO to include countries which desire to join the alliance and meet the criteria of NATO membership is an inexpensive yet vital insurance policy for the United States.

Senator Brown's amendment is a welcome first step in this direction. It must be followed by concrete steps, eligibility lists, criteria, and unambiguous timetables in 1996. As we approach the 21st Century, we simply cannot afford to squander a historic opportunity to safeguard peace and democracy.

COALITION URGES SENATE PASSAGE OF THE HUMANITARIAN AID CORRIDOR ACT

(Statement by Timothy Jemal, Director of Congressional Relations, Armenian Assembly of America)

First, we want to compliment Chairman McConnell for his leadership in drafting a bill that gives prominent support to the states of Central and Eastern Europe. We are particularly pleased that Senator McConnell and the committee are strengthening U.S. support for the non-Russian New Independent States (NIS), in spite of an overall reduction in funding. This redirection in resources will make a tangible and permanent contribution to the bold reforms taking place in such countries as Armenia and Ukraine. In spite of this overall shift, U.S. aid to the states of Central and Eastern Europe continues to be reduced, requiring maximum efficiency in the use of U.S. foreign assistance. It is this objective that is embraced in legislation supported by our Coalition and rapidly moving towards enactment.

Senate Majority Leader Bob Dole (R–KS), Senator Paul Simon (D–IL), along with a bipartisan group of Senators including Chairman McConnell, will offer the humanitarian Aid Corridor Act (S. 230) on the Senate floor as a amendment to the Foreign Operations Appropriations bill (H.R. 1868). The 18 member organizations of the Central and East European Coalition strongly urge the Senate to take quick, decisive action—in support of the Dole/Simon amendment. This legislation espouses the fundamental principle that the United States should not provide assistance to any country which deliberately prevents the transport of American humanitarian assistance through its borders. The U.S. cannot expect to meet the need for budget austerity and achieve important foreign policy goals without the cooperation of our allies.

The relevant committees in the Senate and the House have fully debated the bill and expressed clear, bipartisan support. On May 12, the House International Relations Committee approved the Corridor Act by a 27–7 vote. On June 7, the same bill was again approved by the Senate Foreign Relations Committee in a convincing 14–4 vote. To illustrate the genuine bipartisan nature of the bill, it was California Senator Dianne Feinstein who successfully offered Senator Dole's bill as an amendment before the Foreign Relations Committee. In addition, the Democrats on the Foreign Relations Committee voted unanimously for the Corridor Act. For the third time, the provision was approved by the House Foreign Operations Subcommittee on June 8, and retained in H.R. 1868 when it passed the House by a 333–89 vote.

Currently, the countries of Central and Eastern Europe are undergoing radical political and economic reforms to institutionalize democracy and free markets. The success of these reform programs will bring peace, security and stability to the region. The Coalition will continue to work toward securing the integration of our ancestral homelands into the western political, economic and defense structures. We oppose any obstacle or impediment to furthering this integration process and especially deplore the use of inhumane methods to prevent any nation of Central and Eastern Europe from having access to U.S. humanitarian aid. It simply does not make sense that the United States should provide aid to one nation which in turn denies U.S. humanitarian assistance to another state. We are firmly united in our view that U.S. assistance should be delivered in the most humane, cost-effective, fiscally responsible manner. This cannot be achieved when borders are closed to thwart U.S. assistance to people in need.

Senator Dole's amendment does not single out or exempt any country. All recipients of U.S. assistance will be held to the same standard, including such countries as Turkey, which has imposed an illegal and immoral blockade on Armenia since April of 1993. This blockade has resulted in slowing delivery of U.S. aid shipments while skyrocketing the transportation costs. Most importantly, the blockade has often precluded the safe delivery of vitally needed U.S. humanitarian assistance.

The Coalition believes that it is unconscionable for any recipient of U.S. aid to use the denial of food, medicines and other essential humanitarian needs as a political weapon. The United States should demand that its allies maintain a simple, humane policy that allows U.S. assistance to flow through open corridors. As taxpayers, we are rightfully indignant that the U.S. government would provide hundreds of millions of dollars to a country denying aid to suffering people. There is no more cruel and cynical policy than a government directive to block humanitarian assistance to the most vulnerable people for political or strategic ends. That any recipient of U.S. aid would do so is unacceptable to this Coalition.

We applaud Senators Dole and Simon for their leadership on this issue. The amendment is truly bipartisan, and a necessary element in strengthening American credibility abroad.

COALITION URGES REFORM OF U.S.A.I.D.

(Statement by Avo E. Ora, Director of Public Relations, Joint Baltic American National Committee)

Today, the Central and East European Coalition is united not only in our support for increasing foreign aid funding, we are also united in our demands for the effective use of these resources. Increased funding will not advance our national security interests nor Central and East European development if the funds continue to be wasted on short-term, less-than-efficient programs.

The end of the Cold War provided the US with the opportunity to reshape Europe as the Marshall plan reshaped war-ravaged Europe in 1947. America's present policy goals are similar to the goals outlined under the plan—we seek to facilitate and secure democratic and economic gains in post-Soviet nations, resulting in a stable and secure Europe.

Unfortunately, the US Agency for International Development did not seize this opportunity and conducted business as usual. Grants have generally shifted from Central America to Central Europe but continued to be implemented by generic developmental, fee-for-service contractors who generally lack interest, knowledge and long-term commitment to the region. Although some long-term, goal-specific USAID programs were successfully implemented, they were more an exception than the norm. The result is a characterization of US assistance as wasteful by Congress, the targeted states, and most damaging of all, by the American people.

How can we increase the sustainable development and effectiveness of foreign aid? The answer lies in our recommendations for the use of Region Specific Organizations in aid implementation and a more open and accountable grant procedure. These suggestions evolved from our efforts to guarantee the efficient and wise use of US taxypayer dollars.

Our first recommendation is the use of organizations that have historic ties and long-term commitments to the countries of Central Europe and the New Independent States. These Region Specific Organizations, including many in our ethnic communities, have high standards of professionalism, an intimate knowledge of the political, economic and social conditions in a given country, and language capabilities which others lack.

Our second recommendation calls for the public disclosure of specific tasks, goals, and funding levels of USAID contracts, insuring an open and fair process for awarding contracts and grants, and simplifying the contracting process to facilitate smaller Region Specific organizations. Recently, USAID's lack of planning and commitment became apparent when USAID attempted to unilaterally reduce funding for Armenia in fiscal year 1996. In addition, USAID failed to submit a strategy paper for public comment. We strongly recommend that USAID country strategy papers be subject to comment by the NGO and PVO community.

The Coalition contrasts the wasteful, region-wide spending practices of USAID, with the country specific contracting processes of the National Endowment for Democracy and the US Information Agency which result in much greater, quicker and more effective assistance to these countries. Moreover, these smaller agencies which have had and will continue to have a long-term commitment to democracy and free market reform in the region, have contracting processes which are "user friendly" to RSO's, such as those represented by the coalition.

Aid for Central Europe and the New Independent States were designed to be temporary. This finite time frame for assistance only increases our desire for effective programs. Estonia is already slated for USAID "graduation" in 1996—other nations are on the chopping bloc for 1997. While we agree that US assistance should promote self-sufficiency and not dependency, this goal is not being pursued by government programs before or after "graduation". Estonia, for example, called for "trade, not aid" but now finds itself locked out of scientific and technical exchanges that would facilitate economic development.

The United States has long-term strategic interests and needs in the region of Central and East Europe. Thus, it is vitally important that all US assistance programs be designed and implemented in such a fashion as to further those strategic interests and needs. We echo the calls to reform foreign aid made by Chairman McConnell and his Committee. After three years of the Administration's failure to address these problems, the Coalition calls on Congress to take the lead in a top-to-bottom reform of USAID.

The PRESIDING OFFICER. The Chair recognizes the Senator from Vermont.

Mr. LEAHY. I yield to the Senator from Arkansas who wishes to make a unanimous-consent request.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arkansas.

HELEN MCLARTY

Mr. PRYOR. Mr. President, I would like my colleagues to know at this time that over the weekend the mother of our friend Mack McLarty, who is the former White House Chief of Staff and who is the special counsel to the President—Mack McLarty's mother, Helen McLarty, lost a long battle with cancer over the weekend. She was a wonderful woman, a great citizen of our State.

I had the privilege, when I was Governor of our State, of naming Helen McLarty to become the first female member of the Arkansas Industrial Development Commission. She served with honor and with distinction. She will be missed by all, and her legacy will last for a long time—remembering this wonderful woman of great spirit, from Hope, AR.

The services for Helen McLarty will be this afternoon at 2 o'clock in Hope, AR., at the First Presbyterian Church. I am honored to have been asked by the family to participate in those final services for Helen McLarty.

LEAVE OF ABSENCE

Mr. PRYOR. Therefore, pursuant to rule VI of the Senate, I ask unanimous consent that I might be excused from further business of the Senate on this day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I thank the Chair and yield the floor.

I thank my very good friend, Senator LEAHY, from Vermont.

The PRESIDING OFFICER. The Chair recognizes the Senator from Vermont.

Mr. LEAHY. Mr. President, I applaud the distinguished Senator from Arkansas for his comments about our good friend's mother. I know, also, the trip he takes to Arkansas is not one of joy. But we wish him Godspeed on his trip, and safe home.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

Mr. LEAHY. Mr. President, I compliment Senator MCCONNELL for the job he has done in putting this bill together. Having served for 6 years as chairman of the Foreign Operations Subcommittee, and maybe for a dozen or more years before that as a member of the committee, I know how difficult it is to put this bill together. He and I, and our staffs, have worked closely on this. I think we have the makings of a bill the President can sign.

We have a time, as we know, when many of our fellow Senators, both Republicans and Democrats, favor cutting foreign aid even further than it has already been cut in recent years. Senator MCCONNELL has defended the need for foreign aid to protect U.S. interests around the world. I joined him in that. But, despite efforts by both of us to obtain a higher budget allocation for foreign operations, foreign operations which, like defense, is uniquely the responsibility of a Federal Government, our budget has been slashed. Today we see the consequences.

This bill represents nearly a $1.2 billion cut below the fiscal 1995 level; a $2.4 billion cut below the President's fiscal year 1996 request.

Had I written this bill this year I might have done some things differently. But neither Senator MCCONNELL nor I could have avoided serious damage because the money simply is not there. We ought to stop, and think, as a country. If we continue down this path in a very few years the United States, which today is the only superpower in the world, will have no money to carry out foreign policy other than to fight wars. We do not have the kind of money to stop a problem from happening. Yet we can come in with billions after the problem occurs, to fight a war.

There is not going to be money for peacekeeping, none for supporting economic development in countries that hold great promise for American exports. The jobs that we create here in the United States, preparing items for exports—those exports are going more to the developing world than to the developed world. Our increase in exports is to the developing world but we are not going to have money to support economic development of those parts of the world.

We will end up abandoning the World Bank, the United Nations. Then we will stand back and watch Japan and our other allies fill the void. And they will, because they are anxious to do so, because they know the long-term economic and political benefits are enormous.

We would be terribly shortsighted now, at the end of the cold war, when the United States stands as the economic and military giant of the world, if we just gave away our preeminence by nickel and diming the programs that might sustain it.

I do want to mention a couple of provisions of the bill which I believe stand between us and the President's signature. I have heard from several Senators about these provisions, including the ranking member of the Appropriations Committee, Senator BYRD, who mentioned them at the committee markup.

One is the provision relating to Korea. I am sympathetic to the chairman's goals, but I am told by the administration as a practical matter this would prevent the United States from contributing to KEDO. If we want this bill to get signed, we are going to have to substantially modify this provision. I am told our staffs are already making progress on them.

Another is the provision which would cut off all aid to Russia if it proceeds to the sale of nuclear equipment to Iran. On the merits, I am in complete agreement with this. I think of Iran as a pariah nation fostering terrorism, showing complete disregard for human rights, and certainly unwilling to carry out its obligations as a member of the world community. But I also want to be sure that either here or in conference we modify this provision so we do not jeopardize a program very much in our national interest.

And, finally, I note that the subcommittee voted 8 to 5 for my amendment to strike restrictive House language on funding for international population programs. I have to assume there is going to be an amendment to restore that language here on the floor, but I emphasize this bill continues the prohibition of funding for abortion that we have had for years. It also prohibits the use of any United States funds in China. Further restrictions along the lines of what the House has proposed could invite a veto.

Now, this bill should not take a lot of the Senate's time unless people want to make debating points rather than policy points. We have already had an opportunity to debate the State Department authorization bill when many of the foreign policy issues were discussed. There is no reason to repeat that episode in this bill. I hope that we will dispose of any amendments and dispose of them quickly if amendments come up that basically just ask us to retrod the ground we have already walked on in this session.

As I said, I will put a longer statement in the RECORD, but I do want to say how much I appreciate the bipartisan way Senator MCCONNELL and his staff approached this process. I think it bodes well to get this on to the President's desk.

Mr. President, despite Senator MCCONNELL's and my best efforts, this bill poses major challenges for the United States as the world's only superpower. At a time when the global threats to our security are too numerous to mention, funding to combat those threats is increased in only one area, export assistance, and even there it falls short of the President's request.

In other areas it makes unprecedented cuts in programs that seek to fight poverty, promote economic growth, reduce population growth rates, stop the spread of infectious diseases, care for growing numbers of destitute refugees, combat ocean pollution, the destruction of biodiversity and other environmental degradation, deter the proliferation of conventional and nuclear weapons, and countless other problems that directly threaten every American.

Again, this is despite the considerable efforts Senator MCCONNELL and I have made to spread the pain that the cuts in our allocation required.

Let me mention some specific programs, and what we have done.

For the first time, the bill consolidates all development assistance and non-Middle East economic support funds. This means, for example, that the Development Fund for Africa no longer exists in this bill as a separate account, and neither does population. There are no longer separate appropriations for the Inter-American Foundation or the African Development Foundation.

Frankly, this concerns me. The Development Fund for Africa has existed for almost a decade, and a population account since 1967. The DFA was created, in large part, to protect this extraordinarily vulnerable, poorest region in the world, and it has served its purpose well. We need to be sure that whatever we end up with in conference adequately protects Africa in the future.

Having said that, in order to minimize the possibility that any of these accounts or programs are disproportionately hurt when cuts are made, at my request Senator MCCONNELL agreed to include a provision that requires that the cuts be made on a proportional basis, reflecting each program's current percentage of the fiscal year 1995 level of funding for these combined accounts. Therefore, if in fiscal year 1995 the Development Fund for Africa received 15 percent of the total appropriation for these combined accounts, then Africa will receive 15 percent of the total appropriation for these accounts in fiscal year 1996. Again, I know some people have concerns that we should preserve the DFA intact, and we will revisit this issue in conference.

I know the same is said of the population account, and there are strong desires in both the House and Senate to maintain current levels of funding for child survival and microenterprise lending programs. As a longtime supporter of these programs I completely sympathize, but people need to recognize that we cannot do everything we once did and at the same time cut $1.2 billion from this bill. I believe our first aim should be to ensure that each program is treated as fairly as possible when cuts are made.

I want to note my concern about two other aspects of the consolidation approach. First, I do not believe it is wise to include ESF in the new economic assistance account. Interestingly, neither the State Department nor AID is happy with this approach. The danger I see is that funds that have been traditionally used for development programs will be increasingly tapped for ESF-type activities. I think it is predictable that, particularly in emergency situations, the State Department's concern for addressing short-term political crises will take precedence over long-term development goals.

I am also concerned about the fate of the IAF and ADF. While I recognize that budget constraints force us to make difficult choices, I want to know what the practical effect will be of leaving it up to AID to channel fund to these organizations.

There is a somewhat similar proportionality provision with respect to the international organizations and programs account, which is cut severely in this bill from $374 million in fiscal year 1995 to $260 million in fiscal year 1996. The provision requires that funding for several named organizations shall not be reduced below their proportional share of the current level of funding for the IOP account. My strong hope is that in the conference we can increase funding for these programs so we can maintain our leadership in them, especially those that are headed by Americans.

The multilateral development banks were also cut deeply. Although our contributions to these institutions reflect pledges we made in the context of international negotiations, we have not lived up to those commitments. I am very concerned that this year we add hundreds of millions of dollars in arrears to the hundreds of millions of dollars in arrears we have already accumulated. My amendment in the subcommittee markup to add another $200 million for the International Development Association, $20 million for the Global Environment Facility, and $20 million for the Inter-American Development Bank's Fund for Special Operations, was accepted by Senator MCCONNELL. However, this still falls far short of our commitments to the first two of these institutions, which directly support U.S. economic and environmental interests.

I was disappointed that we were unable to provide a contribution to the North American Development Bank which will provide funding to address acute environmental problems along the Mexico-United States border. However, I am hopeful that some of the funding in this bill for the Multilateral Investment Fund, which has a large pipeline and at the current rate of disbursement is projected to have reserves in excess of $150 million by the end of fiscal year 1996, can be transferred to the NAD Bank.

I was disappointed that we were not able to match the House level for international disaster assistance, but I do want to credit Senator McCONNELL for providing a modest increase above the current level. Nevertheless, I am informed that the House level is needed in order to avoid serious damage to the humanitarian program in northern Iraq, so this will be an issue for the conference.

Senator McCONNELL has substantially increased funding for international narcotics programs. This is one area where I would have preferred the House level. I am not convinced that these programs are cost-effective, and there are too many other programs in this bill that desperately need these additional funds.

I want to mention several policy issues, besides the three I mentioned earlier, that concern me.

One is the conspicuous lack of any reference to Indonesia in this bill. This concerns me because of the continuing human rights problems in Indonesia and East Timor. The Congress had included restrictions on funding for Indonesia on human rights grounds in the past several years, and I do not believe the situation there warrants a relaxation of those restrictions.

Another policy issue that concerns me is assistance to Turkey. The House imposed a ceiling on ESF for Turkey, due to concerns about the Turkish Government's treatment of the Kurdish minority in that country. Despite my own concerns about the rights of the Kurds, I do not believe this is a wise approach. I believe we have a strong interest in supporting economic development in turkey, which is an important and valued member of NATO. However, I may offer an amendment which I believe would more directly address concerns about human rights and the situation facing the Kurds. I also included language in the committee report which requests the administration to submit a report on the efforts of the Turkish and United States Governments to monitor the use of United States-origin military equipment by the Turkish Armed Forces. Specifically, this report should address the use of U.S. military aircraft which, according to the State Department's own reports, has been used to strafe and destroy Kurdish villages. I and others want to know what efforts are being made to reduce the use of these aircraft against civilians or targets occupied by civilians.

Another provision I support is the prohibition on assistance to any government or organization which cooperates commercially with the Khmer Rouge. The reasons for this provision are discussed in the committee report, but very briefly, it was included on account of the considerable evidence that Thai military personnel are routinely engaged in facilitating the export from Cambodia of valuable timber by the Khmer Rouge. These sales have provided the Khmer Rouge with a steady source of income to continue their murderous campaign against the Cambodian Government and the Cambodian people. This provision is intended to encourage the Thai Government to take steps to deter this cooperation.

Several other provisions deserve mention. The bill includes an 18 month extension of the Middle East Peace Facilitation Act, which enables funding to continue for the Palestinians. It also includes authority requested by the administration for the drawdown of up to $100 million in military equipment for Jordan. As in the past, there are earmarks for the Camp David countries, as well as Cyprus.

Last but not least, I want to mention Ireland. For the past decade, the United States has generously contributed to the International Fund for Ireland. August 31 was the one year anniversary of the IRA ceasefire, and the House bill provides $19.6 million for the IFI. Although the Senate bill does not contain an earmark for the IFI, I believe it is very important that the Congress support this program during this pivotal year. While trade and investment will be the engine that propels the economies of Ireland and Northern Ireland, the IFI remains an important source of funding during this critical transition period.

Mr. President, again, there are aspects of this bill that I do not agree with. There are programs that I would prefer to see receive a larger portion of the funds. However, I believe that on the whole it reflects a reasonable balance between Senator McCONNELL's and my priorities. Funding for foreign assistance has been falling since the mid-1980's and future budget projections do not bode well for these programs. The Congress needs to recognize that the reality is that this is not simply foreign assistance. The funds in this bill directly promote the interests of the American people. That becomes clearer the farther into the future one looks.

You know, Mr. President, there are a lot of things where we can disagree in this country. There are a lot of political issues we can disagree on. But I hope that most Americans can be proud of the fact that we have created the strongest democracy that history has ever known and we should be proud of our position in the world. But we should also understand our responsibilities in the world. We are a quarter of a billion people. We are the largest economy in the world. But even though we are only a small percentage of the world's population, we use close to half of the world's resources.

We have great opportunities but great obligations. The opportunities are to foster the kind of democracy that the United States has known and to encourage countries that want to become democratic nations.

But we also have a certain humanitarian responsibility to the rest of the world. God has blessed this country with great resources and great advantages. But at the same time I think you can say there is a moral responsibility to help those less fortunate. It is not the idea of having some massive giveaways. We do not. Our foreign aid budget is less than 1 percent of our overall budget. Much of it reflects our own security interests. A lot of it is designed to create jobs for Americans and our export markets, and a tiny part reflects the humanitarian concerns of the greatest nation history has known. We may want to look at just how tiny that percentage is.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2707

(Purpose: To provide for the streamlining and consolidation of the foreign affairs agencies of the United States, including the abolition of at least two of the following agencies: the U.S. Arms Control and Disarmament Agency, the U.S. Information Agency, and the Agency for International Development)

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from North Carolina [Mr. HELMS], for Mr. DOLE, for himself and Mr. HELMS, proposes an amendment numbered 2707.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER (Mr. KEMPTHORNE). Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. HELMS. Mr. President, this pending amendment will save the taxpayers of America $3 billion, if and when the Senate approves it.

This amendment will mandate the abolition of three outdated, anachronistic Federal agencies—the Arms Control and Disarmament Agency; the

Agency for International Development, which is the foreign aid giveaway agency, Mr. President; and the U.S. Information Agency. Reorganization of U.S. foreign affairs institutions puts the interests of the American people first, for a change, and prepares the United States for the 21st century. The American people voted for a change last November, if my understanding of what the people wanted is anywhere on target. It is now the Senate's duty to follow through.

Before I proceed, I must acknowledge that I have never, in my nearly 23 years in the Senate, seen such furious lobbying by the executive branch, and by the State Department, to resist cutting spending and resisting reorganization. They have made all sorts of charges, none of which is true; they have circulated all sorts of threats. They may have almost intimidated some Senators, but I do not think it will last—certainly not in all cases. But we must proceed, so that the Senate can decide whether it will join the House of Representatives in saving the American taxpayers billions of dollars by discarding outmoded, anachronistic Federal agencies that ought not to exist anyway.

I will tell you one thing, Mr. President. There is nothing so near eternal life as "temporary" Federal agencies. They go on and on and on like Tennyson's brook, and they cost the American taxpayers billions of dollars.

Now, I confess a reservation about my own amendment, Mr. President, the reservation that my own amendment does not go far enough in changing the situation. It does, however, go a long way toward accomplishing the objectives that I laid out in Senate Bill 908, the Foreign Relations Revitalization Act.

Just as importantly, this amendment is consistent with legislation introduced months ago—on February 15, to be precise—a bill numbered S. 422, offered by the distinguished Senator from Kentucky [Mr. McCONNELL]. Now, the McConnell proposal proposed to abolish the Agency for International Development—that foreign aid giveaway crowd—and transfer its function into the State Department. A similar provision is incorporated into the Foreign Relations Committee's bill, S. 908. American taxpayers would be saved millions of dollars by cutting AID's overextended operating costs.

On May 11, the distinguished Senator from Kentucky [Mr. McCONNELL] appeared before the Foreign Relations Committee, of which I happen to be chairman, and he said at that time that his bill, S. 422, includes "abolishing AID and consolidating the agency's functions under the Secretary of State * * *."

He proceeded to say it would also "move assistance programs into the State Department, reflecting my own view that the U.S. foreign aid must better serve the U.S. foreign policy interests. The connection between U.S. aid and U.S. interests has been lost with agencies acting wholly independent of our collective interests and good."

That was Senator McCONNELL on May 11 in his appearance before the Senate Foreign Relations Committee.

With all due respect, having praised Senator McCONNELL, as I have on many occasions for his courage and his foresight, I must say that the pending legislation, H.R. 1868, is a far cry from what he said when S. 422 was offered this past February to the Senate and about which Senator McCONNELL was speaking when he testified.

The pending amendment now at the desk will get us back on track by eliminating two of the three anachronistic, wornout Federal agencies. In fact, if Senator McCONNELL would like to direct that AID—the Agency for International Development—be one of the two, I will be happy to accommodate him. I do not think he is going to want to do that because a great deal of pressure has been applied by certain Federal bureaucrats. They have confused the issue and muddied the water, and we may have to straighten out the situation by careful evaluation of the true facts of the situation involving all of this legislation.

The congressional budget levels mandate that Congress deflate bloated bureaucracies in the Federal Government by eliminating vast duplications and by eliminating incredible waste across the board. Every Member of this Senate knows that duplication and waste has been going on. It is going on right now, and it will continue to go on, unless we have the guts to do something about it.

The amendment pending at the desk meets the Budget Committee target levels for international affairs required to balance the Federal budget by the year 2002. The savings thereby generated do not derive from excessive cuts in international programs. The savings derive entirely from reductions in the sprawling foreign affairs bureaucracy.

Let me say this with all of the sincerity that I possess, Mr. President. If the Senate and the House of Representatives, composing this Congress, fail to seize this opportunity to consolidate, the American taxpayers will be stuck with a massive international affairs budget which feeds a huge, enormous bureaucracy.

So the Senate, it seems to me, has two choices: One, it can save intelligently through consolidation; or two, it can cannibalize Federal programs.

As I said earlier, there is nothing so close to eternal life as a temporary Federal agency. The idea of eliminating these worn out bureaucracies—that were temporarily designated, and specified as temporary, when they were created—is just as old as the agencies themselves. During the past decades, at least 89 studies have been made on the subject of consolidating our foreign affairs institutions. These have been conducted by a series of administrations, Democrat and Republican. I think, as just one Senator, Mr. President, that we should stop talking and do something to benefit the American taxpayers.

In many respects, as I have said earlier, the pending amendment mirrors S. 908, the bill reported by the Senate Foreign Relations Committee. The State Department reorganization bill thus reported by the Foreign Relations Committee has been endorsed by five—count them, five—former Secretaries of State. Every one of them, without exception, supported the abolition of the Arms Control and Disarmament Agency, the Agency for International Development, and the U.S. Information Agency.

All five former Secretaries of State advocated publicly, in testimony, that all three agencies be eliminated and the money be saved. Now, the functions of these agencies will be transferred into the State Department, which in the process will be reorganized and revitalized.

I have to say that our good friend, Warren Christopher, the present Secretary of State, whom I respect and for whom I have affection, concluded that just such a plan makes sense. In November of last year, Secretary of State Christopher submitted to Vice President Gore a reorganization plan, the Christopher reorganization plan, a plan similar to our reorganization plan. But that plan, sad to say, lost out to the bureaucratic lobbyists in the administration—including the White House—who care more about protecting their fiefdoms than they do about streamlining the Federal Government for the post-cold-war world. Indeed, it is an irony, it seems to me, that Secretary Warren Christopher's reorganization proposal was rejected, rejected by the very same office that had been created with great fanfare—to do what? To reinvent Government. Some reinvention.

Let me say, Vice President GORE—and I liked him very much personally when he was a Senator and now as Vice President—but I feel obliged to mention the fact that AL GORE promised the American taxpayers that he would cut $5 billion out of the foreign affairs budget in the next 5 years while keeping the bureaucracy in place.

I wanted to see how he could do that. That promise reminded me of the fellow who applied for a job at a circus, saying he could jump off a 90-foot tower into a wet washcloth, which he did. The only problem, he broke his neck. You cannot cut down on the bureaucracy without cutting down on the bureaucracy.

In any case, our friend, AL GORE, Vice President of the United States, has not to this good day, this hour, submitted the first syllable of a plan for his proposal. Nothing. Zilch.

The Vice President has said simply that he has no plan. But he does have an opinion about others, including Secretary of State Christopher, who have tried their best to get this country embarked on the proposition that we have to cut down on the Federal bureaucracy. The State Department itself has not submitted even one syllable of a formal authorization request for fiscal year 1996, this fiscal year coming up.

Instead, what have we heard from the State Department? What have we heard from the Agency for International Development and others? We did have one pretty clear message which somebody slipped to us over the transom, a copy of an internal memorandum in which they outlined, Mr. President, exactly how they were going to oppose Senator HELMS in my effort to cut down on the Federal budget. They said the plan is to "delay, postpone, obfuscate, derail" the congressional debate on reorganization.

Now, Mr. President, I have consulted the highest levels of the administration on Foreign Relations Committee bill S. 908. In fact, inasmuch as the media has mentioned my visit with the President on August 11, I suppose it is common knowledge. I have never said publicly heretofore anything in detail about my meeting with President Clinton.

He was very gracious and generous with his time, and if I am able to read the expressions on anybody's face, I perceived that the President was much impressed at the detailed outline that was presented that afternoon.

In any case, the pending amendment provides enormous flexibility to the President. I think that is why Mr. Clinton appeared so receptive to proposals contained in S. 908 to consolidate those anachronistic foreign affairs bureaucracies.

The President understands that this is an issue about good government and about saving the American taxpayers billions of dollars.

It allows the executive branch even greater latitude than exists in current law. It requires the abolishment of only two or three outdated agencies. As a matter of fact, I am willing to settle for abolishing two of them—and I will let them decide which two. But let us do away with two of them, two out of the three.

This legislation, this amendment at the desk, does not—and I reiterate for emphasis—it does not legislate every position and office in the Department of State. But it does provide an organized framework for consolidation and it does provide necessary extraordinary authority for a smooth transition to a smaller, more efficient, far less expensive foreign affairs apparatus. As the President of the United States said on the afternoon of August 11, "Who can be against that?" "Who can be against that?"

I am not implying, nor should anybody infer, that the President has endorsed any plan. I do not know. He said he was going to get back to me, but he never did. I suspect that he was subjected to some rather severe lobbying from within the official family, but I do not know that. But I do know that consolidation of U.S. foreign affairs and all of its institutions is obviously the right thing to do. It is a wise proposal on which unanimous agreement should result. We ought not to be here prepared to debate it. We should not be here quibbling over $23 million or whatever. We should be standing in a phalanx, and: Yes, sir, we are going to cut down the size of this Government and especially the foreign aid giveaway programs. Because, by doing so we can save the American taxpayers, as I said at the outset, billions—not millions—billions of dollars. And in the process we will be strengthening the hand of the Secretary of State in the conduct of U.S. foreign policy.

That is why five former Secretaries of State appeared before the Foreign Relations Committee and endorsed our proposal that emerged from the committee.

Abraham Lincoln said it well, I think. He said, "The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise to the occasion. As our case is new," Mr. Lincoln said, "so we must think anew and act anew." Abe Lincoln said so many smart things, but he did not say one that was any smarter than that one. I agree with it and I think 99 percent of the American people, at least those who are not on the Federal payroll, will agree with what Abraham Lincoln said.

The need for innovative thinking is not tomorrow, next week, next month or next year. It is now. It is time to shed ourselves of these archaic, burdensome, anachronistic institutions so that we may enter a turbulent 21st century—and it is going to be turbulent—so we can go into that century with a more effective State Department and a more coherent foreign policy and one that does not, as now is the case, bleed the American taxpayer white.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. BROWN. Mr. President, I rise in strong support of the Helms amendment. I would like to make this point to Members. This is a controversial amendment. It does involve dramatic changes in the State Department and the way we organize that function. The choice we have is to spend $3 billion extra on overhead, or to save that money for real programs that help real people.

The fact is, America is in transition. We face tough competition from abroad. We face tough competition and problems in solving our own budget dilemma. That is going to be resolved in a happy way, only if we set priorities and eliminate those things least efficient, least productive, least creative in Government and concentrate the limited resources we all recognize we have on those things most productive. In short, the choice we have is to spend $3 billion in foreign affairs that experts tell us we can save through reducing unnecessary overhead and salaries and inefficiencies, and transfer that money to programs that are vital, that are important.

Everyone concerned about Social Security ought to be in favor of this amendment because this frees up $3 billion that can be spent to save Social Security.

Everyone concerned about Medicare and Medicaid ought to be for this amendment because it frees up money that can be reserved and used for those programs.

It is not enough to pretend we have the resources for everything in the world. We do not. The distinguished Senator from North Carolina, through his innovations, has found us $3 billion that we can reprogram for much higher priorities. I hope, while this is a tough decision, while it involves change, while it involves sacrifice, it does involve changing our priorities to move away from overhead and offices and unneeded supervision and unneeded duplication to a program that transfers that money over to our most efficient, effective and helpful programs.

I believe that is the essence of what good Government is about on the national level, taking a look at our budget and making sure it is spent in the most logical, thoughtful, productive ways.

The fact is that Democrats and Republicans who served as Secretary of State, who have served in that office in supervisory capacities, have come before the committee and have testified this is a wise and efficient and productive and efficient thing to do. We ought to get on with it.

I yield the floor.

Mr. MCCONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BROWN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE AMENDMENT ON PAGE 15, LINE 17, THROUGH PAGE 16, LINE 24

Mr. BROWN. Mr. President, I ask unanimous consent the Helms amendment be temporarily set aside and that we proceed to consideration of a committee amendment beginning on page 15.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2708 TO COMMITTEE AMENDMENT ON PAGE 15, LINE 17, THROUGH PAGE 16, LINE 24

(Purpose: To clarify restrictions on assistance to Pakistan and other purposes)

Mr. BROWN. Mr. President, I rise to offer an amendment to the committee amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. BROWN] for himself, Mr. HARKIN, and Ms. MOSELEY-BRAUN proposes an amendment numbered 2708 to committee amendment on page 15, line 17, through page 16, line 24.

Mr. BROWN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the committee amendment on page 15, line 17 through page 16, line 24, insert the following:

SEC. . CLARIFICATION OF RESTRICTIONS.

(a) IN GENERAL.—Section 620E of the Foreign Assistance Act of 1961 (22 U.S.C. 2375) is amended—

(1) in subsection (e)—

(A) by striking the words "No assistance" and inserting the words "No military assistance";

(B) by striking the words "in which assistance is to be furnished or military equipment or technology" and inserting the words "in which military assistance is to be furnished or military equipment or technology"; and

(C) by striking the words "the proposed United States assistance" and inserting the words "the proposed United States Military assistance".

(D) by inserting "(1)" immediately after "(e)"; and

(E) by adding the following new paragraph:

"(2) The prohibitions in this section do not apply to any assistance or transfer provided for the purposes of:

"(A) International narcotics control (including Chapter 8 of Part I of this Act) or any provision of law available for providing assistance for counternarcotics purposes;

"(B) Facilitating military-to-military contact, training (including Chapter 5 of Part II of this Act) and humanitarian and civic assistance projects;

"(C) Peacekeeping and other multilateral operations (including Chapter 6 of Part II of this Act relating to peacekeeping) or any provision of law available for providing assistance for peacekeeping purposes, except that lethal military equipment provided under this subparagraph shall be provided on a lease or loan basis only and shall be returned upon completion of the operation for which it was provided;

"(D) Antiterrorism assistance (including Chapter 8 of Part II of this Act relating to antiterrorism assistance) or any provision of law available for antiterrorism assistance purposes;

"(3) The restrictions of this subsection shall continue to apply to contracts for the delivery of F-16 aircraft to Pakistan.

"(4) Notwithstanding the restrictions contained in this subsection, military equipment, technology, or defense services, other than F-16 aircraft, may be transferred to Pakistan pursuant to contracts or cases entered into before October 1, 1990."; and

(2) by adding at the end the following new subsections—

"(f) STORAGE COSTS.—The President may release the Government of Pakistan of its contractual obligation to pay the United States Government for the storage costs of items purchased prior to October 1, 1990, but not delivered by the United States Government pursuant to subsection (e) and may reimburse the Government of Pakistan for any such amounts paid, on such terms and conditions as the President may prescribe, provided that such payments have no budgetary impact.

"(g) INAPPLICABILITY OF RESTRICTIONS TO PREVIOUSLY OWNED ITEMS.—Section 620E(e) does not apply to broken, worn or unupgraded items or their equivalent which Pakistan paid for and took possession of prior to October 1, 1990 and which the Government of Pakistan sent to the United States for repair or upgrade. Such equipment or its equivalent may be returned to the Government of Pakistan provided that the President determines and so certifies to the appropriate congressional committees that such equipment or equivalent neither constitutes nor has received any significant qualitative upgrade since being transferred to the United States and that its total value does not exceed $25 million."

"(h) BALLISTIC MISSILE SANCTIONS NOT AFFECTED.—Nothing contained herein shall affect sanctions for transfers of missile equipment or technology required under section 11B of the Export Administration Act of 1979 or section 73 of the Arms Export Control Act."

Mr. BROWN. Mr. President, this amendment is an amendment that deals with the subject of Pakistan and the longstanding sale of military equipment to that country and our further domestic relations with that country. It is a compromise amendment. It has been considered on the floor prior to this, with extended debate.

I offer it in hopes that those who feel strongly—and I recognize there are Members who feel strongly on both sides—will not only have an additional opportunity to share their views with the Senate, but allow us an opportunity to proceed and dispose of the issue one way or another.

Mr. President, with this background, I might mention that much of this issue started back in 1979 which started with an event which shocked America and shocked the world. It started with the Soviet invasion of Afghanistan, Pakistan's neighbor to the north.

President Carter responded strongly to this, and violated his understanding and agreements with the Soviet Government. It spoiled a period that might have developed into détente under his leadership, and it particularly affected our relationships with Pakistan and to some extent India. It affected those relationships because Pakistan was the neighbor immediately south of Afghanistan and faced great danger. The Soviet Union had made direct threats against Pakistan for their assistance and cooperation with the United States prior to that and, again, the threat of further Soviet retaliation against Pakistan was highlighted when they invaded their neighbor to the north.

It also aggravated the disagreement between the Indians and Pakistanis. The Pakistanis strongly condemned the invasion of Afghanistan but, tragically, the leader of India rose and in a speech supported and defended the Soviet invasion of Afghanistan. It further aggravated then strained relationships between India and Pakistan as well. It affected this country's relationship because the United States saw a need and an importance to work with Pakistan to thwart that Soviet occupation and subjugation of Afghanistan. It saw renewed and unique cooperation between our two countries. It resulted in a series of additional sales of military equipment to Pakistan as well.

Faced with the potential of the further Soviet activity on the northern border, we saw an interest in building up Pakistan's military strength. And, thus, in a period between 1986 and 1989, a series of sales of military equipment were made to Pakistan. Specifically, during that period, 1986 to 1989, we sold them a total of 60 aircraft, a total potentially then of 71, including 11 additional aircraft as part of the deal—a total of 71 aircraft that were considered. These were F-16 aircraft. It was not only a sale for United States industries, but it was a way to help strengthen and support Pakistan's military defense that they faced: the Russian invasion of Afghanistan on its northern border.

In addition, there were $368 million of other military equipment included in this sale. That equipment was a sale; that is, the Pakistanis paid for it with their own money. But what happened was, after that, two things occurred. First, finally the Soviets understood the folly of having invaded Afghanistan and began a withdrawal and began a settlement. Second, in 1990, the Pressler amendment kicked in. The Pressler amendment I think was well-intentioned, and it was designed to prevent nuclear proliferation. It was designed in a way, though, where it was country specific; that is, it applied to Pakistan but did not apply to India.

India had developed—or at least we believe they had developed—their own nuclear weapons. But—this is important—it did not violate the Pressler amendment because the Pressler amendment was not geared to the kind of activity India was involved in; that is, domestic development or primarily domestic development of their own weapons. But it did apply country specific to Pakistan. In other words, we established in the Pressler effort a rule that applied and was limited to Pakistan but not to India as it developed out.

So two things occurred. The Pressler amendment resulted in the noncertification of Pakistan under that amendment, and, according to the Pressler amendment, the sale of this equipment was cut off; that is, we were prevented by law from delivering it.

So here is the controversy in 1990. The United States has sold equipment to a good ally and a good friend, Pakistan, a total sale of 1.4 billion dollars' worth of equipment of which they have paid for and we have ordered the equipment to be built and are unable to give the equipment to Pakistan because of the Pressler amendment, and we are also unable to give them their money back. We are unable to give them their money back even though we cannot give the product because the Government has turned around and contracted for the production of the equipment.

So we are set in a controversy in 1990. We have the Pakistani money or the obligation. We are unable to deliver the equipment, and we are unable to give them their money back because we have already spent it for the equipment. Thus, for 5 years we have sat in a controversy with one of our best friends holding their money and their equipment and not willing to give either one of them, or not able to give either one of them, to them.

The next thing that happened was in 1993 when Pakistan was faced with the nondelivery, decided and agreed with the United States reluctantly to cut back their order of F-16 aircraft, which is by far the most controversial part of the package, from a total of 71, or the 60 they had purchased plus the 11, back to a total of 28. So the total has dropped from 71 back to 28. We are still faced, though, with the package of $1.4 billion in military equipment combined, which we have their money for and which we are unable to deliver.

Mr. President, I should point out also that there is a further problem here. Not only does this nondelivered, nonaccomplished contract aggravate our relations with Pakistan, but each year Pakistan has been charged with and is required to pay storage costs on the equipment they have paid for but which we refuse to deliver. It adds insult to injury to some extent.

In addition, the equipment each year of these last 5 years has become more and more obsolescent. Each year we fail to resolve this crisis, the equipment drops in value, the storage costs and maintenance costs continue on, and relations become more and more strained between our two countries. It is clearly in this Nation's interest to work out an arrangement to resolve this longstanding dispute.

Mr. President, I also think it is important for us to keep in mind what was behind the Pressler amendment; that is, a genuine and a sincere interest in stopping proliferation. So, in thinking about settling this dispute, it seems to me that we, as Americans, ought to be thinking about a couple of things. First, how do we resolve the dispute without sending the message that we are going to give up on stopping proliferation? Clearly, as we come out of this, we have to have in place something that is a discouragement for people from developing nuclear weapons.

So it is important I think that the solution come out. First, so that it is fair to both India, Pakistan, and the United States; and, second, so that there is still significant deterrence for people violating the structures, and the disincentives, against proliferation.

Mr. President, that is what this amendment is meant to do, a resolution of that longstanding controversy. What does it do?

The amendment is very clear, and for Members let me divide it into a couple of parts. First, simply a clarification of the Pressler amendment. That is, in the cutoff of certain relationships between the United States and Pakistan, we want to clarify some areas where we think it is in our interest to not have cutoff. What are they? For example, is it in the interest of the United States to cooperate with Pakistan in the suppression of terrorism?

I think most Members would think it is reasonable to say, of course, it is; that in cutting off relationships between the United States and Pakistan because of the Pressler amendment, one of the things we should not cut off is cooperation between our two countries with regard to suppressing terrorism. An example occurred earlier this year. Within Pakistan, we were able to apprehend, with the assistance of the Pakistani authorities, a suspected terrorist who was thought to be involved in the bombing within this country of the New York World Trade Center. We asked the Pakistanis to arrest him and extradite him to the United States.

Was that in our interest? Yes. Mr. President, incidentally, the Pakistanis did cooperate. Even though they faced pressure from Islamic fundamentalist countries that surround them, they arrested this suspected terrorist and they extradited him to the United States. I might mention that that kind of cooperation has not been seen by all countries in the world and Pakistan took particular risks in doing so. So I think it is in our interest to have an arrangement that allows us to cooperate with them in suppressing terrorism. I think it is also in our interest to have an arrangement that allows us to cooperate with them in suppressing drug traffic and arresting drug traffickers.

Why is it important to amend the Pressler amendment? The Pressler amendment—and it is not as clear as it might be—appears to cut off even assistance that, for example, would help them set up a lab, which is what we have done with a lot of countries, which would identify chemicals. So what we have done in a number of countries around the world is help them with technical expertise to identify what is cocaine, what is heroin, what these different chemicals and drugs are, and convict the people who are trafficking in them.

So the first part of the amendment is reasonably noncontroversial. It passed out of committee 16 to 2. What it says, in the so-called economic areas, we are going to clarify what Pressler means and we are going to allow cooperation in the areas of suppressing terrorism, counternarcotics control, peacekeeping, and multilateral nation building. I think there are a lot of examples. We have gone to the Pakistanis in recent years and asked them to help by sending troops to Haiti, by sending troops to Somalia. We want to make it clear that there is cooperation allowed. In other words, if we provide transportation, for example, for their troops to go to Somalia to help us with a mission, we want to clarify the Pressler amendment to make it clear that is allowed.

So the first piece of it we believe is fairly noncontroversial. It is clarifying that the Pressler amendment in the economic areas does not cut off areas where I think most every American would think it is to our advantage to cooperate with Pakistan.

The second aspect should be fairly noncontroversial as well, and that is it makes it clear by law that we will not deliver the F-16 aircraft, exactly what the Pressler amendment allows right now or provides right now, and it indicates that the President is authorized to sell the planes and return what money of the Pakistanis that he can through a sale of those aircraft to other people.

Now, Mr. President, the only thing new in that is making it clear that he is authorized to sell them and return the money such as he can. It does not appropriate money for this purpose, and that is an important difference. We are not, as I hope we would eventually and I think is important, by this amendment returning the Pakistani money. We are authorizing the President to sell those aircraft and authorizing the return of the proceeds from what he sells, but it does not appropriate money. It merely authorizes a resolution of that.

So what we have done is left in place the major penalty for Pakistan in this. The aircraft, the F-16's, are clearly things that the Indians are most concerned about. They have indicated it is their top priority. They have indicated it is the thing that is most important to them, to see that they are not delivered in the way of equipment to the Pakistanis. The aircraft amount to almost three-fourths of the entire military package.

So the way it deals with the second area is it makes it clear that those aircraft, none of them are to be delivered to Pakistan, and if there is money derived from selling them, that can be returned to Pakistan.

Third, Mr. President, it does authorize the delivery of about a fourth of the package, and that fourth is other equipment that is described as insignificant.

We have held extensive hearings on this question. Every witness that we had—we had a large number of witnesses, experts from academia, military experts, and a variety of other experts from the administration—every expert that came in who talked about this other package—that is, about a fourth of the military sale—described to us that these were militarily insignificant packages. Both Democrat and Republican, both liberal and conservative, both academic and military experts, all of them came in and described this part of the package—and it is $368 million of military equipment that they have contracted and paid for—as militarily insignificant.

Now, some critics have said, "Goodness, if you allow the delivery of this equipment that is 5 years old or older, it will upset the remainder of power between India and Pakistan."

I am happy to respond to that if it is made in the Chamber, and I wish to be very clear about it because the experts we have asked, all of them have come in and said, First, it is militarily insignificant and, second, it will have no effect whatsoever on the remainder of power between India and Pakistan. India is clearly the dominant power. It is 2 to 1 over Pakistan in almost every military aspect and, of course, in population has an advantage much greater than that. So while that is a point of contention in this, it is a controversial piece of it I hope Members will put in place. First, the experts say it is not militarily significant and will do nothing to change the major balance of power between India and Pakistan, which is clearly in India's favor and continues in a very significant way to be in India's favor.

Mr. President, let me deal specifically with what the amendment does not do because I think that is important. It does not repeal the Pressler amendment. It leaves it in place. It leaves in place a cutoff of military sales to Pakistan. Even though they have been our ally, even though they have been our friend, they cannot look to us even in difficult circumstances to buy military equipment.

The military equipment that here is involved is a sale that is 8 or 9 years old and that they have paid for and for which we are unable to return their money. So what we are doing is not delivering three-fourths of the material and delivering a quarter of it. But it leaves in place the Pressler amendment and the cutoff of sanctions. Second, it does not create instability with India. It leaves them with a 2-to-1 advantage in military hardware. Third, it does not—and this is very important, I think—undermine the nonproliferation efforts of the United States. It leaves in place tough sanctions against Pakistan.

Some may feel this amendment does not go far enough, that we ought to reconsider those tough sanctions. But this amendment does not do that. I must say personally, Mr. President, I think it is very important for us to keep in mind that we have to have credibility in terms of our strong stand against proliferation. As some Members may note, I have been one who has been concerned about our negotiations and discussions with North Korea. I think we jeopardize the credibility of our nonproliferation effort by what we have done there. So I think it is important to note this amendment leaves in place tough sanctions.

Mr. President, I wish to suggest to Members that there are three things I hope they will keep in mind as they consider this amendment. No. 1, Members from my side of the aisle have been critical at times of the President in his conducting of foreign policy, but here is an example where the President faced a tough problem. He faced a tough problem because it deals with relationships with Pakistan and India. He faced a tough problem because for 5 years we have had this equipment and we have refused to either deliver it or give the Pakistanis their money back. Previous administrations had not been able to deal with this problem, as difficult as it was.

Mr. President, here is a situation where the President of the United States faced a tough foreign policy problem and found a solution. He negotiated for this Nation and he developed a good compromise. The compromise he developed did not deliver the F–16's, which were the most controversial piece of the package, and did deliver a portion of the package, about a fourth of it, that is not thought to be militarily significant.

He negotiated a strong compromise that while it does not satisfy everyone, it gets this problem behind it. No one, I think, can look at this problem and think it makes sense to delay further in trying to resolve it. Every day that passes the equipment gets older and of less value. Every day that passes, there is storage costs that impose a greater and greater burden on the parties involved.

The question Members have to ask themselves is this: If they fail to pass the President's compromise, what do they do to his negotiating position in foreign policy? I think it is very clear they undercut it. I think it is very clear what happens. If you fail to pass the President's compromise in this area, we send a message to the world that they cannot negotiate in good faith with the President of the United States, that we will not back him when he steps forward to settle difficult problems. I think we undercut his position and his credibility and his ability to negotiate on behalf of the United States in the future.

It would be a tragic mistake to take an area where the President has shown real leadership and real courage in solving a tough problem, and to undercut him.

Second, Mr. President, I think there is a very important thing we ought to consider as we look at this package, and that is how people around the world will respond to the United States when we come and ask for help, when we come and ask for cooperation. They will look at how we have treated Pakistan and they will make a decision of whether or not they want to be our friend and whether or not they want to work for us.

Mr. President, there is a simple guideline for this solution as to how Pakistan has responded. When we have needed help and we have gone to Pakistan and asked for help, the Pakistanis were there for us. Let me review the record quickly.

In 1950, when North Korea invaded South Korea, the United States went to Pakistan and asked for their help in the United Nations to vote against that invasion and to authorize U.N. forces to go to war to save freedom and democracy in South Korea. Pakistan said yes when we asked them for help.

In 1954, when we organized the Central Treaty Organization, CENTO—it was designed to stop the spread of communism around the world—we went to Pakistan even though they were in a vulnerable position, close to the Soviet Union, and we asked them to join this military alliance to protect freedom and democracy around the world. Pakistan said yes when we asked them to join.

In 1955, when we helped organize the Southeast Asian Treaty Organization, SEATO, and asked Pakistan to join that organization, Pakistan said yes, and stood shoulder to shoulder with us to stop the spread of Marxism and communism around the world.

In 1959, when we went to Pakistan and asked them to sign a mutual defense treaty, Pakistan once again said yes to the United States. In accordance with that defense treaty Pakistan allowed the United States to set up military air bases within Pakistan designed to perform reconnaissance flights over the Soviet Union.

Now, Mr. President, keep in mind what this was. We asked Pakistan to allow us to set up a base in their own country that would fly our spy planes, our reconnaissance planes, over the Soviet Union, providing vital military intelligence to the United States. Pakistan, close to the Soviet Union, was at great risk and great danger. And once again, even at their own risk, Pakistan said yes to the United States.

Francis Gary Powers, incidentally, was involved in one of those flights, which Americans will remember.

Incidentally Khrushchev himself threatened to wipe this airbase off the face of the Earth. Pakistan took an enormous risk by letting us on their territory, and said yes to helping us.

In 1970, when we wanted to open up relationships with China, Pakistan said yes to our request to allow Henry Kissinger to enter China through Pakistan, cooperating and setting up that relationship with China. Even though the Soviets were very upset by Pakistan, and in less than a year signed a friendship treaty with India partly in relationship to their anger, Pakistan went ahead and said yes to the United States offers for help.

Americans should note that it was within a year after that cooperation with the United States that resulted in a friendship treaty between the Soviet Union and India that India then felt free to send their troops into east Pakistan which saw the Pakistanis lose that war and lose a significant portion of their country.

From 1979 to 1989 the United States went to Pakistan and asked them to cooperate with us in and help us fight the Soviet invasion of Afghanistan through infiltration of military equipment and other devices. Once again Pakistan said yes to the United States even though they faced great danger.

In the gulf war against Iraq in 1990 we asked Pakistan to send troops. They did. They stood side by side and fought with us to repel the Iraqi invasion.

Since 1992 and 1993, Pakistan has been at the forefront of peacekeeping operations. We went to them and asked them to supply troops for Somalia, and they said yes. And we went to them and asked them to supply troops for the Haiti operation, and they said yes. And in 1995 we went to them and asked them to return a suspected terrorist, and they helped arrest him and return him to the United States, a terrorist who was involved in the World Trade Center bombing.

Mr. President, when we have asked Pakistan for help, they have been there. They have stood side by side for America with America. They have stood side by side with us in resisting Soviet aggression. They have stood side by side with us to stop and reverse the Russian invasion of Afghanistan. And, Mr. President, they stood side by side to help us stop or reverse terrorism around the world.

Now, Mr. President, they are asking us, asking us to treat them fairly with regard to this sale that started almost 9 years ago.

Mr. President, at this time I would like to ask that Senator HARKIN and Senator MOSELEY-BRAUN be added as cosponsors to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWN. Finally, Mr. President, let me suggest this: The reason we ought to pass this amendment is not for Pakistan, although that ought to be a consideration, it is not for anyone else in the world except for the United States.

If there is one thing important to Americans, it is that our word be good, that our commitments be strong, that people place credibility in what America does. Is there anyone in this Chamber that is comfortable with us having taken the Pakistani money and refused either the equipment that we contracted for or their money back? I do not think so. Americans do not deal that way with people. We do not take their money on a contract and then refuse to deliver on the contract or refuse to return their money. We ought to adopt this amendment because of America and what we stand for and who we are, because our word is good, and our commitment is good, because we do not cheat people.

We ought to adopt this amendment because it is a fair compromise of a tough problem that treats people fairly and reasonably. Mr. President, I believe it would be wrong for us to both keep the money and the military equipment and to refuse to resolve that problem. And that stands as a cloud over the integrity of the United States.

Mr. President, I am proud of this country. I think we deal fairly with people. And I think we want people to know that. We ought to pass this amendment more than anything because it says a lot about the kind of people we are and the kind of integrity we have and the validity and the integrity of the word of the United States.

Mr. President, I yield the floor.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

The PRESIDING OFFICER. Under the previous order, the clerk will report H.R. 1976.

The legislative clerk read as follows:

A bill (H.R. 1976) making appropriations for Agriculture, rural development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1996, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Feingold-McCain amendment No. 2697, to prohibit the use of appropriated funds for the special research grants program that are not subject to a competitive approval process.

Conrad amendment No. 2698, to provide that producers of a 1995 crop are not required to repay advance deficiency payments made for the crop if the producers have suffered a loss due to weather or related condition.

Bumpers amendment No. 2699, to reduce funding to carry out the market promotion program and to target assistance to small companies.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, under the order, there are 4 minutes equally divided on the Feingold amendment, the first amendment to be voted on.

In connection with the Conrad amendment, there has been a modification submitted. In connection with the Conrad amendment, I ask the following: I ask unanimous consent that following the first of the ordered votes, there be 6 minutes of debate for the Conrad amendment No. 2698, with 4 minutes under the control of Senator CONRAD and 2 minutes under the control of Senator COCHRAN.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 2697

The PRESIDING OFFICER. Under the previous order, the pending question is amendment No. 2697, offered by the Senator from Wisconsin [Mr. FEINGOLD]. As indicated, debate on this amendment is limited to 4 minutes equally divided in the usual form.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, my amendment does not cut a dime from the Special Research Grants Program. I want to make that absolutely clear. It just subjects the proposals for funding under this program to new scientific peer review and competition.

Second, this amendment does not negate the committee's recommendations in the report. It just ensures that those recommendations, if they are funded, have to pass a competitive test to be sure they are merited.

Third, this amendment replaces the political competition for these research dollars, which I think is inappropriate for an ever-shrinking agriculture research budget, and what it replaces it with is science-based competition.

Currently, the defining criteria for which institutions are awarded research grants I am afraid is which Members have the most political muscle to get their projects approved by the committee, and I think that is wrong. I think it is unfair to U.S. farmers for Members of the Senate and the House to be spendthrift with these limited research dollars which continue to shrink each year.

Last night, my colleague, the senior Senator from Mississippi, said my amendment would delegate this authority to a "fancy group of scientists on peer review panels." Under our peer review, $50 million is done by peer review, rather than $100 million, which is already done by peer review. Why the difference?

I think it is appropriate to have a peer review panel. I think there still will be an opportunity for committee members to identify projects they believe in and to put them in the committee report, but they would have to go through, also, a peer review, and I am sure most of them would do well on this basis.

The point here is, if my amendment is adopted, the projects would have to be approved on their merit. We would replace a political competition with a fair competition.

Mr. President, I think it is irresponsible of Congress to continue funding these projects based on politics rather than merit. I would say that the scientists that are experts in their field are far better qualified to determine which projects are sound and which are not than are the Members of Congress.

So I urge my colleagues to support this item which I think is not only reform in the agriculture area but a reform in our entire budgeting process. I thank the Chair.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, let me say in response, last night we debated this fully. We had the opportunity to talk about all the different kinds of agricultural research—applied research, basic research, research that is targeted to specific problems of a region or a State. There is a very carefully balanced mix of research dollars in this legislation. Some of it—most of it, as a matter of fact—is done by the Agricultural Research Service at Federal laboratories, by scientists employed by the Government. Some of it is done through a National Research Initiative which is a competitive, peer-review program as the distinguished Senator from Wisconsin said.

Other dollars are allocated by formula, or under the supervision of the Department of Agriculture, which very closely monitors the use of all funds to determine that the research being done has merit and will benefit American agriculture. That is the important part of this.

I am not so much concerned with how we divide these funds, but we think the bill before the Senate provides a proper balance. Members of Congress have had a say-so in how these dollars are allocated, and that is how it should be. They are accountable to the taxpayers. If you turn this all over to a group of scientists somewhere, they are going to have their own buddy system, in effect, and you may see States and regions that will get left out, and I think it might be my region that may get left out.

You may have the large, more wealthy and well-entrenched hierarchy of academia in the Northeast and the Midwest dividing up all the money among themselves, and I am against that.

The system we have now that is reflected in this bill and the appropriations that we have made here and recommended to the Senate, I think, are very thoughtful. They are well crafted to make sure we serve agriculture broadly.

I hope the Senate will support our efforts.

The PRESIDING OFFICER (Mr. ASHCROFT). All time has expired.

Mr. COCHRAN. I move to table the Feingold amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question occurs on agreeing to the motion to lay on the table the amendment No. 2697, offered by the Senator from Wisconsin [Mr. FEINGOLD]. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Oregon [Mr. HATFIELD] is absent due to illness.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "yea."

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of attending a funeral.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 64, nays 34, as follows:

[Rollcall Vote No. 447 Leg.]

YEAS—64

Akaka
Baucus
Bennett
Biden
Bond
Breaux
Bumpers
Burns
Byrd
Campbell
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dole
Domenici
Dorgan
Exon
Faircloth
Ford
Frist
Gorton
Gramm
Grassley
Gregg
Harkin
Hatch
Heflin
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kempthorne
Kerrey
Lautenberg
Leahy
Levin
Lott
Mack
McConnell
Mikulski
Moseley-Braun
Murkowski
Nickles
Packwood
Pressler
Reid
Sarbanes
Shelby
Simpson
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond

NAYS—34

Abraham
Ashcroft
Bingaman
Boxer
Bradley
Brown
Bryan
Chafee
Dodd
Feingold
Feinstein
Glenn
Graham
Grams
Kassebaum
Kennedy
Kerry
Kohl
Kyl
Lieberman
Lugar
McCain
Moynihan
Murray
Nunn
Pell
Robb
Rockefeller
Roth
Santorum
Simon
Smith
Warner
Wellstone

NOT VOTING—2

Hatfield
Pryor

So the motion to lay on the table the amendment (No. 2697) was agreed to.

AMENDMENT NO. 2698

The PRESIDING OFFICER. The question now occurs on amendment numbered 2698 offered by the Senator from North Dakota [Mr. CONRAD].

Debate on the amendment is limited to 6 minutes, 4 minutes under the control of the Senator from North Dakota and 2 minutes under the control of the Senator from Mississippi.

Mr. COCHRAN. I ask unanimous consent that the rollcall on this Conrad amendment be limited to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2698, AS MODIFIED

Mr. CONRAD. Mr. President, I send a modification to the desk and ask unanimous consent to modify my amendment.

The PRESIDING OFFICER. The Senator has a right to modify in accordance with a previous order.

Without objection, it is so ordered, and the amendment is so modified.

The amendment (No. 2698), as modified, is as follows:

On page 82, line 15, strike "$795,556,000" and insert "$717,778,000".

At the appropriate place, insert the following:

SEC. . REPAYMENT OF ADVANCE DEFICIENCY PAYMENTS FOR 1995 DISASTER LOSSES.

(a) IN GENERAL.—Notwithstanding subparagraphs (G) and (H) of section 114(a)(2) of the Agricultural Act of 1949 (7 U.S.C. 1445j(a)(2)), if the producers on a farm received an advance deficiency payment for the 1995 crop of a commodity and suffered a loss in the production of the crop due to weather or related condition in excess of 35 percent, the producers shall not be required to repay the amount of the payment on lost production that does not exceed the percent of production on which crop insurance coverage was not available, as determined by the Secretary of Agriculture.

(b) LIMITATIONS.—The payments not required to be repaid under subsection (a) shall not exceed—

(1) $2,500 for the producers on a farm; and

(2) $35,000,000 for all producers.

Mr. CONRAD. I thank the Chair.

Mr. President, this amendment is to deal with what I think is clearly an unintended consequence. In many parts of the country this year we have crop failure, most of it weather related.

Whether it is wheat in North Dakota or Kansas, whether it is cotton in Mississippi, or corn in Iowa and Illinois, we have a series of circumstances in which unusual crop losses have occurred. That has led to a perverse result.

Farmers across the country are being presented with a bill to repay their advance deficiency payments and in many cases they have no crop with which to pay it back. What has happened is producers were paid an advance deficiency payment, prices rose because of these crop shortages and shortfalls and, as a result, farmers are expected to repay their advance deficiency payments. But those who have suffered a catastrophic loss have no crop with which to make these repayments.

Mr. FORD. Mr. President, may we have order, please? The Senator deserves respect while we listen to this debate.

The PRESIDING OFFICER. The Senator will proceed.

Mr. CONRAD. Mr. President, this is no giveaway program. A farmer must have a loss of at least 35 percent. It is only on that part of farmers' production that is not eligible for crop insurance that would be allowed any forgiveness. There is a $2,500 cap per farmer. On a national basis, there is a $35 million limit. And it is all paid for. It is paid for by reducing the authorization for the Export Enhancement Program from $795 million to $717 million.

I just say to my colleagues, this year we had an $800 million authorization. We are going to spend less than $400 million of that. So I believe these funds are available for this purpose. It will allow farmers to get forgiveness on part of their advance deficiency payment in those circumstances where they have faced massive losses; in those circumstances where they have part of their crop that could not be covered by crop insurance. Where they could have gotten it covered by crop insurance, they are expected to have done so.

It is paid for. It is fair. It will relieve suffering as a result of the transition from previous disaster programs to no disaster program. I urge my colleagues to support it.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, the Senator from North Dakota last night offered this amendment. We talked about it a good bit. I was determined to come to the floor and move to table it and ask for the yeas and nays.

But he modified the amendment. He sent a modification to the desk and, by so doing, this amendment applies nationwide to farmers who have had weather-related disasters. I am confident that there are some situations where there ought to be an opportunity for some disaster assistance.

You may remember, I was on the floor arguing strongly for a cotton disaster program and the Senate did not approve it. I think one reason why they did not is that it was crop specific. This amendment does apply to all crops. It takes money from the Export Enhancement Program to do this. The payments are going to be capped at a $2,500 per farmer limit. It may even go less, because only $35 million is available nationwide. Depending upon the needs out there and the justifications for these payments to reimburse for advance deficiency payments where a farmer has not made a crop because of disaster, it may exceed $35 million. If it does, there will be a proration of that available money so each disaster victim may get less than $2,500.

I am going to vote for the amendment but I hope this has explained it to the extent Senators will know what they are voting on and understand the amendment.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I think it is a bad amendment. I like farmers, but it is a little early for Christmas. We just did welfare yesterday, welfare reform, where we are dealing with low-income Americans. My view is, it is a great idea to give farmers $2,500. I think in my State they will understand if I vote "no."

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. If I might just conclude, I would like to say this is completely paid for. It is paid for out of farm accounts to another farm account where there is, I think, a clear need across the country, where producers have suffered a catastrophic loss, and where there was not the availability of crop insurance to cover that loss. To the extent there is crop insurance available, no payment is available.

Again, it is paid for completely out of other agricultural accounts.

Mr. FAIRCLOTH addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina. Does the Senator yield time?

Mr. CONRAD. I think all time has expired.

The PRESIDING OFFICER. There are 30 seconds remaining.

Mr. CONRAD. I yield back my time.

The PRESIDING OFFICER. All time has expired.

The Senator from North Carolina.

Mr. FAIRCLOTH. I am opposed.

The PRESIDING OFFICER. The Senator will need consent to address this issue.

Mr. FAIRCLOTH. Mr. President, I ask unanimous consent for 30 seconds to address the issue.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FAIRCLOTH. I am opposed to the amendment. The Senator says the money is there. It came from the taxpayers. We are simply putting $35 million more into another program that we should not be putting money into. The fact we might have put it into some agricultural bill and we are now shifting it to another one makes no difference. We are simply spending $35 million of the taxpayers' money.

The PRESIDING OFFICER. All time has expired. The question now occurs on amendment No. 2698, as modified.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Oregon [Mr. HATFIELD] is absent due to illness.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "nay."

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of attending a funeral.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 34, nays 64, as follows:

[Rollcall Vote No. 448 Leg.]

YEAS—34

Akaka
Baucus
Bingaman
Breaux
Bryan
Bumpers
Burns
Cochran
Conrad
Daschle
Dorgan
Exon
Ford
Grassley
Harkin
Heflin
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Leahy
Lott
Moseley-Braun
Moynihan
Murray
Pressler
Reid
Robb
Rockefeller
Sarbanes
Simon
Stevens
Wellstone

NAYS—64

Abraham
Ashcroft
Bennett
Biden
Bond
Boxer
Bradley
Brown
Byrd
Campbell
Chafee
Coats
Cohen
Coverdell
Craig
D'Amato
DeWine
Dodd
Dole
Domenici
Faircloth
Feingold
Feinstein
Frist
Glenn
Gorton
Graham
Gramm
Grams
Gregg
Hatch
Helms
Hutchison
Inhofe
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Lautenberg
Levin
Lieberman
Lugar
Mack
McCain
McConnell
Mikulski
Murkowski
Nickles
Nunn
Packwood
Pell
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Thomas
Thompson
Thurmond
Warner

NOT VOTING—2

Hatfield
Pryor

So, the amendment (No. 2698), as modified, was rejected.

The PRESIDING OFFICER. Under the previous order, the question now occurs on amendment No. 2699 offered by the Senator from Arkansas [Mr. BUMPERS]. There will be 4 minutes for debate equally divided prior to the vote.

AMENDMENT NO. 2699, AS MODIFIED

Mr. BUMPERS. Mr. President, I ask unanimous consent for permission to send a modification to the desk.

The PRESIDING OFFICER. Is there objection?

Without objection, the amendment is so modified.

The amendment (No. 2699), as modified, is as follows:

On page 65, line 18, before the period at the end, insert the following: ": *Provided further*, That funds made available under this Act to carry out non-generic activities of the market promotion program established under section 203 (e)(4) of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) may be used to provide cost-share assistance only to organizations that are non-Foreign entities recognized as small business concerns under section 3(a) of the Small Business Act (15 U.S.C. 632(a)) or to associations described in the first section of the Act entitled 'An Act to authorize association of producers of agricultural products', approved February 22, 1922 (7 U.S.C. 291). *Provided further*, That none of the funds made available under this Act may be used to pay the salaries of personnel who who carry out the market promotion program established under section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) if the aggregate amount of funds and/or commodities under the program exceeds $70,000,000''.

Mr. BUMPERS. Mr. President, I ask unanimous consent that Senator LEAHY be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I would like to have the attention of my colleagues because this will take just about 1 minute to explain to you what I have done on the Market Promotion Program.

I do not believe that it is defensible for the U.S. Congress to be giving money out to the biggest corporations in the world. I have no quarrel with the thrust of the Market Promotion Program.

So here is what I have done to that program. Four things: First, eliminate foreign corporations from eligibility; second, leave all the agricultural cooperatives as they are regardless of size eligible for the program; third, we cut the amount from $110 million to $70 million; and the coup de grace is make it a small-business program. Small businesses are the ones who have the most difficulty in exporting. It is not Gallo Wine. It is not Pillsbury. It is the small-business community.

So I make it small business, other than agriculture cooperatives. I make it a small-business program as defined by the Small Business Administration. While that varies, it is essentially a company that does $50 million a year or has 500 or fewer employees.

Here is a chance to make the program defensible. You can go home and talk to anybody you want to. Your farmers will love it because they stay eligible. Your small-business people love it because they will be eligible to export. Everybody else will love it because you are eliminating foreign corporations. And, finally, everybody will love it because we are cutting from $110 million to $70 million in the full knowledge that we are very likely to have to do some compromise with the House.

I thank the President.

I also ask unanimous consent that Senator KOHL be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I yield myself such time as I may consume.

Let me just make this point. I have brought to the floor a chart showing the dollar value of agricultural exports by State. We are trying to aggressively go after market share with our agriculture commodities. We are trying to promote and expand the business that we are able to do in overseas markets, and we are making good progress. One of the reasons why we are is because of this program.

Senator BUMPERS and Senator BRYAN have tried to kill this program. They tried it back on April 6 when we had the supplemental appropriations and rescissions bill on the floor. The Senate rejected their amendment. Yesterday, it rejected an effort. Here is another amendment. This is an effort to rewrite the whole program that is under the purview of the Agriculture Committee. We should not be asked to do that on the floor of the Senate. The Senators are not that familiar with the details of the program, the eligibility, the restrictions, and the safeguards that are written in there already. In addition, this amendment reduces the mandatory spending level for this program. That is a decision for the Agriculture Committee to make. They are under a reconciliation instruction. I understand the Agriculture Committee is considering this change.

I yield the remainder of my time to the distinguished Senator from Washington [Mr. GORTON].

Mr. GORTON. Mr. President, this amendment does not do what and exempt what the Senator from Arkansas says it does. He exempts co-ops from his prohibition, but he does not exempt the associations, which is the way most of your farmers will operate. There is not any apple grower in the State of Washington, I do not believe, who is not small enough to be a small business, but when he operates through an association, as he does and as they always do, he will not be exempted from the cuts that the Senator is imposing on him, nor will our asparagus growers, nor will any of your farmers who operate in that fashion.

Mr. BUMPERS. Mr. President, I ask unanimous consent for an additional 30 seconds.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BUMPERS. The modification I just sent to the desk took care of the very thing that the Senator from Washington was complaining about.

Mr. COCHRAN. Mr. President, I ask unanimous consent that this rollcall vote be limited to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi to lay on the table the amendment of the Senator from Arkansas. On this question, the yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from Oregon [Mr. HATFIELD] is absent due to illness.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "yea."

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of attending a funeral.

The PRESIDING OFFICER (Mr. CAMPBELL). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 36, nays 62, as follows:

[Rollcall Vote No. 449 Leg.]

YEAS—36

Ashcroft
Baucus
Bennett
Bond
Boxer
Campbell
Cochran
Craig
Daschle
Domenici
Feinstein
Ford
Frist
Gorton
Gramm
Grassley
Hatch
Heflin
Helms
Hutchison
Kempthorne
Kerrey
Lott
McConnell
Moseley-Braun
Murkowski
Murray
Packwood
Pressler
Shelby
Simon
Simpson
Snowe
Specter
Stevens
Thurmond

NAYS—62

Abraham
Akaka
Biden
Bingaman
Bradley
Breaux
Brown
Bryan
Bumpers
Burns
Byrd
Chafee
Coats
Cohen
Conrad
Coverdell
D'Amato
DeWine
Dodd
Dole
Dorgan
Exon
Faircloth
Feingold
Glenn
Graham
Grams
Gregg
Harkin
Hollings
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kennedy
Kerry
Kohl
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lugar
Mack
McCain
Mikulski
Moynihan
Nickles
Nunn
Pell
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Smith
Thomas
Thompson
Warner
Wellstone

NOT VOTING—2

Hatfield
Pryor

So the motion was rejected.

Mr. BUMPERS. Mr. President, I urge the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2699) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RURAL TOURISM IN ALASKA

Mr. STEVENS. Mr. President, I would like to engage my distinguished colleague, the senior Senator from Mississippi, in a colloquy concerning rural tourism in Alaska.

There are precious few opportunities for economic development throughout Alaska's 210 rural villages and communities, reflected by the fact that unemployment rates remain as high as 80 percent. Coupled with the geographical separation of these remote villages from other population centers, many Alaskans are denied access to the basic goods and services that stimulate local economic development.

The single bright spot on the horizon relates to growing interest in a rural Alaska tourism industry. In response, Alaska Village Initiative has, for several years, sought to offset the decline of traditional economic sectors with effective support to the rural tourism industry. I am told that approximately $300,000 would be required to establish and operate a Rural Tourism Development Center, RTDC, the next critical step to assisting these Native Alaskan villages along the road to self-sufficiency.

The RTDC will provide a range of technical assistance services to rural communities and individuals interested in developing tourism projects in Alaska. It will be a "one-stop shop" to assist entrepreneurs in developing their ideas from start to finish. It will also coordinate a wide variety of existing Government programs engaged in some aspect of rural tourism development.

The Department of Agriculture funds rural enterprise grants to address just this sort of need nationwide. Since such a grant would appear to be highly justified, I ask the chairman of the subcommittee whether the necessary funds could be provided to establish and operate a Rural Tourism Development Center in Alaska?

Mr. COCHRAN. As the Senator from Alaska noted, the subcommittee did address rural development grants, but was unaware of the problem in Alaska. I appreciate the Senator bringing this problem to my attention. I urge the Department to give equal consideration to an application to address this problem as those included in the committee report.

Mr. STEVENS. I thank the chairman.

Mr. HEFLIN. Mr. President, the aquaculture industry is of vital importance to the economy of west Alabama. In some west Alabama counties, for example, over 20 percent of the total population is employed directly in the production or processing of fish. The Southeastern Fish Cultural Laboratory in Marion, AL has played a major role in this process. It's my understanding that there are similar facilities in Arkansas and Mississippi.

Mr. BUMPERS. It is true that aquaculture is of great importance to the States of Arkansas, Mississippi, and Alabama. In Arkansas, the aquaculture industry is growing by leaps and bounds and the Stuttgart Aquaculture Center has been vital to that growth.

Mr. COCHRAN. The same can be said about the National Warm Water Aquaculture Research Center in Stoneville, MS. The expansion of the aquaculture industry in Mississippi, and the Nation has been responsible for sustaining rural economies that were recently in dire situations.

Mr. HEFLIN. We now have an annual trade deficit in fisheries products ranging from $4.5 to $7 billion. This trade imbalance is the largest of all agricultural commodities and ranks second only to petroleum among natural products. Our domestic aquaculture industry has the potential of turning this trade deficit into a trade surplus with only modest support and encouragement.

Mr. BUMPERS. While it is true that overall, agriculture has a positive balance of trade, the aquaculture sector does not. At the present time, the United States does not have the production capabilities to meet domestic demand for fish and fish products and therefore we are placed in the position that we are forced to import to meet the domestic demand. The aquaculture industry has the opportunity to turn this situation around and we should facilitate this process.

Mr. COCHRAN. Not only do we have the opportunity to turn our trade situation around relative to aquaculture, there is also a real human factor to be considered as well. Nearly 300,000 Americans are employed in aquaculture related work. The catfish industry alone accounts for 121,000 domestic jobs and nearly $2.5 billion in income. If we are able to facilitate the growth of this industry, the economic impact potential is overwhelming.

Mr. HEFLIN. As my colleagues from Mississippi and Arkansas are well aware, the U.S. aquaculture industry has grown more than 15 percent annually since 1980. As a result, aquaculture has emerged as a solid alternative agricultural opportunity and has allowed farmers to diversify. The research and extension infrastructure has been a major resource for aquaculture. Without this research it is doubtful that the aquaculture industry would have gotten off the ground.

Mr. COCHRAN. I could not agree more with my distinguished colleague and Alabama. The research that has supported the growth of this industry has been essential.

Mr. BUMPERS. Aquaculture is primed to take the next step forward and establish itself as an integral and vital form of agriculture. What aquaculture needs now is to be consolidated and coordinated under one department—the U.S. Department of Agriculture. Currently jurisdiction for aquaculture is spread out among the USDA, the Department of Interior, and the Department of Commerce. The Agriculture Research Service could truly assert itself in this regard if the U.S. Department of Agriculture is allowed to assume a leadership role in aquaculture.

Mr. HEFLIN. In an effort to facilitate the continued growth of the aquaculture industry and provide the necessary resource tools, it is highly desirable that all relevant departments and agencies of the U.S. Department of Agriculture, including Agricultural Research Service, take steps necessary to support research in the field of aquaculture and particularly to exercise its authority to assist and help the industry and related fields of aquaculture including the cooperation with and/or the assumption of fish culture laboratories including the Southeastern Fish Culture Lab at Marion, AL.

Mr. COCHRAN. I agree that the suggestion by Senator HEFLIN is desirable and should be carried out as long as it does not result in duplication of ongoing research activities at other research facilities.

Mr. BUMPERS. I concur in what Senator COCHRAN has just said.

CERTIFIED MEDIATION PROGRAMS

Mr. CONRAD. Mr. President, I note the chairman and ranking member of the subcommittee are on the floor. H.R. 1976 provides funding of $3,000,000 for grants to certified State mediation programs. Mediation is a proven effective tool in resolving disputes between the Department of Agriculture and America's farmers and ranchers. And as you know, mediation has been used for quite some time with regard to loans.

However, current law [7 U.S.C. sections 5101 through 5106] also directs certified State mediation programs to offer mediation in other areas of dispute with the Department of Agriculture. These areas include wetlands determinations, compliance with farm programs, including conservation programs, agricultural credit, rural water loan programs, grazing on National Forest System lands, pesticides, and other issues as the Secretary of Agriculture considers appropriate.

Mr. BUMPERS. The Senator is correct. The statute provides that certified State mediation programs are to be used for a wide variety of disputes with the Department of Agriculture. And as the law provides, in States with certified mediation programs, the Secretary of Agriculture is required to participate in "good faith" with certified State mediation programs.

Mr. CONRAD. While the legislation is clear, there is a question regarding the Senate Committee's report language of H.R. 1976. The report language states: "Grants will be solely for operation and administration of the State's agricultural loan mediation program." Is it the committee's intent that federal funding not be used for other issues covered by the certified State mediation program?

Mr. BUMPERS. No. It was not the committee's intent to limit the activities of the certified State mediation programs as currently allowed by statute.

Mr. CONRAD. Therefore, it is my understanding that the report language should not be read to limit or exclude activities of the certified State mediation programs that are currently described in the statute. The grants shall be used by certified State mediation programs in a manner which is consistent with 7 U.S.C. sections 5101 through 5106.

Mr. COCHRAN. The Senator is correct. The report language should not be read to limit the activities of the certified State mediation programs which receive grants from the Federal Government.

Mr. CONRAD. I thank the Senators for clarifying the report language with regard to certified State mediation programs.

TOURISM AMENDMENT

Mr. FEINGOLD. Mr. President, last night an amendment I had proposed to H.R. 1976 was adopted unanimously by the Senate. I thank the managers of this bill, the Senator from Mississippi [Mr. COCHRAN] and the Senator from Arkansas [Mr. BUMPERS] for their assistance and cooperation in this matter. I also wish to thank the chairman and ranking member of the Agriculture Committee for their help and guidance on this very important rural development issue intended to clarify that tourist and other recreational-type businesses located in rural communities are eligible for loans under the Rural Business and Cooperative Development Service's [RBCDS] Business and Industry [B&I] Loan Guarantee Program, funded in this bill in the Rural Community Advancement Program.

This is an issue that I first became aware of, and especially interested in, after a constituent approached me late last summer at the Rusk County listening session I held at Mount Senario College in Ladysmith, WI. The constituent owns a tourist lodge in northern Wisconsin and expressed his deep frustration at a problem Wisconsin tourist resort owners were having in attempting to obtain financing for rural development. Specifically, this constituent was interested in obtaining funding from the B&I Program to build an 18-hole golf course next to his lodge, but was told that recreational facilities were prohibited from receiving funding under the program. Concerned by this information, I decided to contact the Agency about the program. What I since learned is a clear illustration of why so many Americans are frustrated with the Federal Government.

The B&I Program was established by the Rural Development Act of 1972 with the aim of improving America's rural economy by creating, developing, or financing business, industry and employment in rural America. When the B&I Program was first established, no restrictions were placed on guaranteeing loans to tourist or other recreational-type businesses located in rural communities. However, on July 6, 1983, the Rural Development Administration revised its internal lending policy relative to the B&I Program and placed restrictions on the program's regulations by prohibiting such funding to tourist or recreation facilities. As a result, currently these loan guarantees are not made available to tourist or other recreational-type businesses.

This policy does not make too much sense to me especially since tourism can definitely play a major role in the development of rural areas. In fact, nationally tourism is a $400 billion industry, and is a $5.6 billion industry in Wisconsin alone. After initially contacting the RBCDS in September of last year, I was advised that the Agency was currently undergoing a review of its loan guarantee policy. I urged the Agency to consider changing its internal lending policy to allow guaranteed business and industry assistance to be made to recreational-type businesses located in rural areas. I want to make it clear that this policy is not the result of any restriction in the authorizing statutes, but rather an agency decision to restrict such funds.

In fact, a General Accounting Office [GAO] report released in July 1992 on the patterns of use in the B&I Program came to the same conclusion. It suggests that the B&I Program is underutilized, which is due in part to the Agency's current restrictions on using B&I funds for activities related to tourism. Furthermore, the GAO recommends revising the B&I program regulations to allow the selective use of loan guarantees for these activities.

All indications are that the Agency seems to be leaning in favor of adopting these changes. I ask unanimous consent that two letters I have received from the RBCDS indicating they "intend" to remove these restrictions, one dated October 14, 1994 and the other dated July 14, 1995, be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE,
RURAL DEVELOPMENT ADMINISTRATION,
Washington, DC, October 14, 1994.

Hon. RUSSELL D. FEINGOLD,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR FEINGOLD: Thank you for your letter concerning the availability of Rural Development Administration (RDA) loan guarantees for tourist resorts located in rural communities. RDA programs are administered at the local level by the Farmers Home Administration.

On July 6, 1983, the RDA Business and Industry (B&I) loan guarantee program regulations were revised and restrictions were placed on guaranteeing loans for tourist, recreation, and amusement facilities. A recent study by the General Accounting Office recommended that the agency revisit this issue. As a result, RDA is considering developing regulations that would allow loan guarantees in connection with certain types of tourist and recreation enterprises.

The purpose of the B&I program is to create jobs which will improve the economic climate in rural communities and provide lasting community benefits. You may be assured that your comments in support of this purpose will be taken into consideration.

We appreciate your support for this program and hope that you find this information helpful.

Sincerely,

WILBUR T. PEER,
Acting Administrator.

U.S. DEPARTMENT OF AGRICULTURE,
RURAL DEVELOPMENT ADMINISTRATION,
Washington, DC, June 14, 1995.

Hon. RUSSELL D. FEINGOLD,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR FEINGOLD: Thank you for your letter regarding the proposed changes to the Business and Industry (B&I) loan guarantee program. As you know, under the Department of Agriculture reorganization, this program is administered by the Rural Business and Cooperative Development Service (RBCDS). We appreciate learning of your concern and regret the delay in responding to your inquiry.

We appreciate your interest in our programs and are pleased to have the opportunity to respond to your concerns. As you note, tourist, recreation, and amusement facilities are currently ineligible loan purposes under the B&I program. However, a study by the General Accounting Office recommended that the Agency revisit the issue of making loans for these purposes and, as a result, RBCDS is developing regulations that would allow loan guarantees in connection with certain types of tourist and recreation enterprises.

The proposed draft regulation would remove restrictions placed on guaranteeing loans to hotels, motels, tourist resorts, beds-and-breakfasts, convention centers and other business involved in recreational services that meet certain standards. However, the regulation will continue to prohibit loan guarantees for golf courses, race tracks and other gambling facilities.

Currently, the regulations changes are being reviewed by our Office of the General Counsel. Unfortunately, we cannot predict with any certainty when the final regulations will be published in the Federal Register.

Again, we appreciate your continued interest in our programs and hope that this information is helpful to you. If we can be of further assistance, please do not hesitate to contact us.

Sincerely,

DAYTON J. WATKINS,
Acting Administrator, Rural Business and Cooperative Development Service.

Mr. FEINGOLD. Mr. President, it has been over 3 years since the GAO made its recommendations and over a year since I first contacted the RBCDS about this matter. However, rural America and, in particular, rural Wisconsin communities simply do not have the luxury to wait until Federal agencies finally decide to act.

Mr. President, rural America is indeed at a crossroads in terms of converting from traditional resource-based economies which are becoming less economically viable, to other types of activities which also make a substantial contribution to better living in these areas. Tourism can certainly play a major role in improving the quality of life in many rural communities and, in fact, rural tourism should be recognized for what it truly is—a legitimate means to enhance economic development in, and the copmetitiveness of, rural America.

Tourism can, and does, create jobs which help to improve the economic climate in rural communities and provide lasting community benefits. However, without economic assistance to help stimulate growth in rural development, any such successful transition to tourism may prove difficult. That is why the Government must act, and act in a timely fashion, to assist the economies of rural America.

Mr. President, this matter is of importance to rural America. This amendment is not controversial, and will have no budgetary impact. It simply clarifies that tourist and other recreational-type businesses located in rural communities are eligible for loans under the B&I program. I urge my colleagues to support this amendment, and move for its immediate consideration. I thank the Chair, and I yield the floor.

Mr. DOMENICI. Mr. President, I rise to address the Department of Agriculture and Related Agencies appropriations bill for fiscal year 1996.

The Senate-reported bill provides $63.1 billion in new budget authority [BA] and $45.6 billion in new outlays to fund most of the programs of the Department of Agriculture and other related agencies.

All of the funding in this bill is nondefense spending. This subcommittee received no allocation under the crime reduction trust fund.

When outlays for prior-year appropriations and other adjustments are taken into account, the Senate-reported bill totals $63.2 billion in BA and $52.8 billion in outlays for fiscal year 1996.

The Senate Agriculture Appropriations Subcommittee 602(b) allocation totals $63.2 billion in budget authority [BA] and $52.8 billion in outlays. Within this amount, $13.3 billion in BA and $13.6 billion in outlays is for discretionary spending.

Mr. President, there are two issues that I would like to highlight. One deals with a scoring issue and reconciliation, and the other relates to disaster assistance.

SCORING ISSUE

Mr. President, this bill includes mandatory savings to offset discretionary spending. I would caution the committee against including such savings in this bill.

As you know, this is an historic year in which we have set forth a plan to balance the budget in 7 years. The budget resolution contained reconciliation instructions that would cut mandatory spending by more than $600 billion over the next 7 years.

The authorizing committees already have a very difficult job to meet this target. These committees need the maximum flexibility to achieve these very significant deficit reduction savings.

When mandatory savings are included in appropriations bills, it is generally to offset discretionary spending, rather than to achieve savings for deficit reduction.

There are six provisions in this bill which result in mandatory savings totaling $521 million in BA and $381 million in outlays—some of which will be used in reconciliation.

One example is the freeze on the food stamp standard deduction at the 1995 level, which is also in the welfare reform bill now before the Senate. This provision saves $190 million in both BA and outlays in fiscal year 1996.

Because welfare reform is likely to be included in reconciliation, this provision will count toward the reconciliation instruction of the Senate Agriculture Committee.

We made a commitment this year to deficit reduction. We cannot accomplish this goal by double-counting savings in both appropriations and reconciliation bills.

The House struck most of the provisions from its bill at the insistence of the leadership and on behalf of the authorizing committee because the House fully intends most of these savings to be included in the reconciliation bill.

Mr. President, I ask unanimous consent that a letter from the chairman of the House Agriculture Committee outlining the need for the authorizing committees and appropriations committees to respect the jurisdictional parameters on mandatory and discretionary spending be inserted in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, DC, September 18, 1995.

Hon. PETE V. DOMENICI,
Chairman, Senate Committee on the Budget, Washington, DC.

DEAR MR. CHAIRMAN: During consideration of its 1996 Agriculture Appropriations bill, House Appropriators and Authorizers went through a very difficult and exhausting round of talks on the issue of mandatory and discretionary spending authority. Accordingly, in an agreement worked out by the House Leadership, the agriculture authorizing committee was directed to stay within the bounds of mandatory spending accounts and the agriculture appropriations subcommittee within the parameters of discretionary spending accounts.

It is my understanding that you are faced with a similar situation in several of the FY 96 appropriation bills coming before the Senate. I would have to agree with you that in addition to the leadership generated accord on this issue in this body, it has indeed been a gentleman's agreement that the appropriators do not steal from the authorizers and the authorizers do not steal from the appropriators. At a time when funds are diminishing rapidly in both the discretionary and mandatory side of the agriculture equation, each committee is being required to reform and drastically reduce its funding. Thus, intrusions by the various committees into accounts not under their purview are particularly harmful to the budgetary and policy reform process.

With this in mind, I was disappointed to learn that not only has the Senate Appropriations Committee chosen to disregard the will of the House on the issue of mandatory and discretionary spending, they have done so to the tune of over $800 million. This not only disregards sound fiscal and budgetary policy, but it also threatens real reform of agriculture programs and the efforts of this committee to reform mandatory entitlement spending.

I appreciate your tireless efforts to reduce the budget deficit and bring sanity to the federal budget. I want to pledge to you the full support of my committee and our colleagues in the House who represent rural districts and enlist your support in opposing any agriculture appropriations bill that contains spending cuts by the appropriations committees to mandatory programs.

With best regards.

Sincerely,

PAT ROBERTS,
Chairman.

Enclosure.

AGRICULTURE SUBCOMMITTEE

[Spending totals—House-passed bill (fiscal year 1996, in millions of dollars)]

	Budget authority	Outlays
Nondefense discretionary:		
Outlays from prior-year BA and other actions completed		3,751
H.R. 1976, as passed by the House	13,310	9,841
Scorekeeping adjustment		
Subtotal nondefense discretionary	13,310	13,592
Mandatory:		
Outlays from prior-year BA and other actions completed	501	3,337
H.R. 1976, as passed by the House	48,721	35,750
Adjustment to conform mandatory programs with Budget.		
Resolution assumptions	620	90
Subtotal mandatory	49,842	39,177
Adjusted bill total	63,152	52,769
Senate Subcommittee 602(b) allocation:		
Defense discretionary		
Nondefense discretionary	13,310	13,608
Violent crime reduction trust fund		
Mandatory	49,842	39,177
Total allocation	63,152	52,785
Adjusted bill total compared to Senate Subcommittee 602(b) allocation:		
Defense discretionary		
Nondefense discretionary	0	−16
Violent crime reduction trust fund		
Mandatory		
Total allocation	0	−16

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

Mr. DOMENICI. Mr. President, I am concerned that the authorizing committees will not have full flexibility if appropriation bills continue to use mandatory savings to offset discretionary spending.

I would hope that the authorizing and Appropriations Committee would resolve this issue in conference.

CROP INSURANCE

The Senate-reported bill includes $41 million in an hoc disaster assistance for the 1995 crop of cotton that was adversely affected by insect damage.

I would like to remind everyone that a $5 billion baseline adjustment was made last year to accommodate crop insurance reform, which was enacted into law.

The crop insurance reform was supposed to replace the system of providing assistance through ad hoc disaster legislation.

On August 25, 1994, I stated on the Senate floor that the crop insurance reform will only work if Congress restrains itself from providing future ad hoc disaster assistance.

I also said this will be difficult based on past experiences. What I have said has come true, and I believe that this is the beginning of the end of the newly reformed crop insurance program if we continue along the path that the Senate-reported bill has taken.

The administration strongly objects to this provision in the bill stating that it is in direct conflict with one of the major tenets of last year's crop insurance reform, namely, that farmers would be discouraged from risk-management through crop insurance as long as Federal crop disaster payments were continually provided on an ad hoc basis.

Mr. BINGAMAN. Mr. President, I rise today to indicate that I intend to vote for H.R. 1976, the Agriculture Appropriations Act of 1995.

I believe that H.R. 1976 is a reasonable piece of legislation that establishes adequate funding levels for one of the most important segments of our Nation's economy, the American farm and farmer.

While I intend to vote for this legislation, I remain very concerned by the actions of the Senate last night in approving the amendment offered by our colleague from Alaska, Senator STEVENS, to direct the Secretary of Agriculture to take away from the Under Secretary for Natural Resources and Environment any responsibility in the areas he now administers relating to forest management.

As many of my colleagues who opposed this amendment have noted, we here in the Senate often disagree vehemently on matters of policy. I have disagreed with my Republican colleagues in the Senate, and I have disagreed with my Democratic colleagues in the Senate. I have disagreed with both Democratic and Republican administrations. However, Mr. President, I am concerned that, in adopting the amendment by the Senator from Alaska, we have crossed the boundary of reasonable policy differences. I am afraid that we have strayed into an area where when we disagree with someone in the Administration, we can simply come to the floor and in essence fire that person. Mr. President, that is a dangerous and, I think, wrong precedent to be setting. Congress should let the executive branch direct the internal, personnel affairs of the executive branch. That is the system that the Constitution establishes and we should not try to undermine that by legislative fiat.

Again, Mr. President, I will vote for the agriculture appropriations bill, however, it is my sincere hope that the conference committee will remove the language added by the Senator from Alaska s amendment. If not, I will have serious concerns about being able to support the conference report.

LAND GRANT FUNDING FOR TRIBAL COLLEGES

Mr. DORGAN. Mr. President, I am pleased to offer my strong support for the amendment offered by my colleague from New Mexico. This amendment would provide $8.15 million in funding for extension, education and capacity-building programs for the 29 tribal colleges in this country.

The programs authorized under the Equity in Education Land-Grant Act of 1994 for fiscal year 1996 include a $4.6 million endowment payment for tribal colleges, which currently serve nearly 25,000 students. However, the law also authorized $1.45 million for curriculum strengthening grants, the $1.7 million for competitive capacity building grants, and the $5 million for extension programs—and these critical areas remain unfunded.

Land grant status has created new opportunities for tribal colleges and for the people served by them. To date, billions of dollars in land-grant programs for rural America have produced tremendous educational and economic benefits, but Indian lands have received very little. This makes no sense. Large amounts of Indian agricultural land is idle or underdeveloped, largely due to a lack of adequate agricultural training on reservations. And since 75 percent of 54.5 million acres of Indian land in this country is agricultural, a critical component of long-term economic self-sufficiency of tribes is helping people on reservations receive the training they need to use this land to its potential.

Tribal colleges, such as Turtle Mountain Community College in Belcourt, ND, can provide this training. Even though they are located in areas where unemployment ranges from 45 to 86 percent, tribal college graduates are employed at rates of 74 to 85 percent—which means these graduates have contributed millions of dollars in Federal taxes and provided leadership in their communities.

The need for agriculture training is extremely high on reservations, but it has not been met to date. And if tribes are to develop their natural resources and become more economically self-sufficient, we must meet that need. That is why I am pleased to support the Bingaman amendment, and I hope my colleagues will do the same.

The PRESIDING OFFICER. Under the previous order, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Mr. COCHRAN. Mr. President, I am going to ask unanimous consent—we are probably not going to take any time for debate before the vote on final passage. I ask unanimous consent there be 10 minutes available for concluding remarks before the vote on final passage. I do not expect that to be used, but I put that request.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I yield back the remainder of the time on this side.

I ask for the yeas and nays, and I ask unanimous consent that this vote be limited to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is the remaining time yielded back?

Mr. BUMPERS. I yield back such time as I may have remaining.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill, as amended, pass? The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from Oregon [Mr. HATFIELD] is absent due to illness.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "yea."

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of attending a funeral.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 95, nays 3, as follows:

[Rollcall Vote No. 450 Leg.]

YEAS—95

Abraham
Akaka
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Brown
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Dole
Domenici
Dorgan
Exon
Faircloth
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Heflin
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Nunn
Packwood
Pell
Pressler
Reid
Robb
Rockefeller

Santorum
Sarbanes
Shelby
Simon
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone

NAYS—3

Kyl
McCain
Roth

NOT VOTING—2

Hatfield
Pryor

So the bill (H.R. 1976), as amended, was passed.

Mr. COCHRAN. Mr. President, I move to reconsider the vote.

Mr. KERRY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, I move that the Senate insist on its amendments to H.R. 1976 and request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The motion was agreed to; and the Presiding Officer (Mr. CAMPBELL) appointed Mr. COCHRAN, Mr. SPECTER, Mr. BOND, Mr. GORTON, Mr. MCCONNELL, Mr. BURNS, Mr. HATFIELD, Mr. BUMPERS, Mr. HARKIN, Mr. KERREY, Mr. JOHNSTON, Mr. KOHL, and Mr. BYRD conferees on the part of the Senate.

Mr. COCHRAN. Mr. President, I want to compliment the good effort of all of the members of our committee and our staffs for the work they have done in preparing this bill, in getting it to the floor and handling the bill and answering questions, and my colleagues' dealing with amendments and all of the things that go into managing a bill on the floor of the Senate.

We appreciate the cooperation of all Senators in getting the bill passed in a timely fashion.

I especially want to single out for praise the staff members of this subcommittee: Rebecca Davies, Hunt Shipman, Jimmie Reynolds, Galen Fountain, and Carole Geagley. We thank them very much for their hard work and their expert assistance.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1996

The Senate continued with consideration of the bill.

AMENDMENT NO. 2708

The PRESIDING OFFICER. The Chair would note the pending question now is the Brown second-degree amendment to the committee on page 16 of H.R. 1868.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that I may proceed for about 7 or 8 minutes in morning business.

Mr. BROWN. Reserving the right to object, Mr. President, I will not object, but the distinguished Senators were concerned about the Pakistan amendment I have offered. I will make available an intelligence briefing to Senators in the near period.

I will not object to this, but I do want the Senate to know that I believe Senator LEVIN from Michigan and others will arrange for an intelligence briefing related to this, and those interested should contact Senator LEVIN for that briefing. I think that may speed it up.

I do not object.

Mr. MCCONNELL. Mr. President, will the Senator yield? I inquire of the Senator from Colorado whether he objects to our temporarily laying aside his amendment and taking up other amendments?

Mr. BROWN. The concerns expressed by Senator LEVIN and Senator GLENN do request some additional time for this briefing. I think it would be only due courtesy to them to allow some additional time, so I will not object to moving ahead with the D'Amato amendment.

Mr. GLENN. Reserving the right to object, and I will not object, it is a little premature to say we have this set up or to imply we do because we do not have it set up. We do not know whether we can get the proper official to do the briefing. We will arrange that as fast as we can and let everybody know about that.

The PRESIDING OFFICER. Is there an objection to the request of the Senator from New Jersey for 7 minutes under morning business?

Hearing no objection, the Senator is recognized.

FDA SHOULD REGULATE TOBACCO

Mr. LAUTENBERG. Mr. President, I wanted to take a little time to comment on some legislation that was introduced this morning by my colleague, friend, and distinguished Senator from Kentucky earlier this day, having to do with tobacco.

Mr. President, let me begin by commending the Senator from Kentucky for his acknowledgment that smoking is a serious public health problem among our young people.

Senator FORD's legislation seeks to curb advertising directed at young people and to limit children's access to tobacco. These are important goals. However, I strongly oppose the provision in the Senator's legislation that would seek to strip the FDA from asserting its authority to regulate tobacco products.

Mr. President, nicotine is an addictive drug. This has not only been proven by a number of scientific studies, but was also revealed in confidential industry documents in the past year.

Consider the following statement contained in an industry document by an official with the Brown and Williamson Tobacco Company. It said, "Moreover, nicotine is addictive. We are then," he goes on to say "in the business of selling nicotine, an addictive drug." Mr. President, this is directly from the tobacco industry.

Now, last month President Clinton took a bold step to fight teenage smoking. He stood up to the industry, the tobacco industry, and he did the right thing. He deserves a lot of credit. President Clinton took the side of parents, American parents. They do not want their children smoking. Neither do I and neither do most here.

The President is targeting smoking by teenagers, and I agree with this approach. It goes right to the source of the problem, especially if you consider the following: 3,000 children start smoking every day. More than 80 percent of all smokers had their first cigarette before the age of 18. If a child does not smoke before age 18, it is very unlikely that they will become a smoker in their adult life.

More than half of all adult smokers had already become addicted regular smokers before they were 18 years of age.

It is clear that smoking is a pediatric disease that ultimately contributes to over 400,000 deaths a year, enormous financial costs, terrific family dislocation and puts a burden on us that continues to add problems to our deficit.

Unfortunately, it is getting worse. Between 1991 and 1994, the percentage of eighth graders who smoked increased by 30 percent. The percentage of 10th graders who smoke increased by 22 percent.

Mr. President, we need the FDA to help us fight this major public health problem. Nicotine is an addictive drug, and the FDA is supposed to regulate addictive drugs. There is no reason to make a special exception for the tobacco industry.

Mr. President, it would be a terrible mistake to tie the agency's hands in this critical area. We need a strong watchdog to ensure compliance with the President's initiatives. We also have to be prepared to take additional steps to reduce teenage smoking. The FDA has a critical role to play.

Mr. President, ensuring compliance with President Clinton's new initiative is not going to be easy. In fact, I now have seen firsthand how easy it is for children to purchase tobacco products. In New Jersey, we have fairly strict rules on the ability to purchase tobacco by those underage. I went on a New Jersey Health Department compliance check in a couple of towns in New Jersey with two 17-year-olds. We went to 10 places to purchase cigarettes. These minors were able to purchase cigarettes at all 10 locations without a question, whether it was a machine which was supposed to be controlled by the management of the store of the location or whether it was directly over the counter.

This is outrageous, Mr. President. The products they were able to buy—and this is not to single out a particular brand because that is irrelevant—but the products are the ones that we commonly see, the better advertised, the more popular. They just happen to be there; some of them had room on the counter. You did not even have to look at the clerk to buy them—just get up and pay for them, no questions asked.

Mr. President, I think it is obvious keeping tobacco away from young people is going to be very difficult. We need the FDA to help lead that battle.

Now, unfortunately, the legislation of our distinguished colleague from Kentucky will strip them of the power needed to respond to this public health crisis. I intend to strongly oppose the proposal and to fight as hard as I can to protect the health and well-being and the futures of our young people.

I yield the floor.

Mr. FORD. Mr. President, I ask unanimous consent I might proceed as in morning business for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, the distinguished Senator from New Jersey and I are friends, and we disagree in some respects on this one particular item. One point I would like to make to the distinguished Senator is that I have made an extra effort to put forward legislation that would do what he wants to do. He does not have any penalty in what he is talking about. Under my bill, if it was law, those clerks would have a penalty. It would be a double penalty. And I think we would stop them. At least they would think before they would sell to possible underage people, or teenagers.

So, what we have attempted to do here is not move in and tell an adult—make a decision for him. As I said earlier, one of the things we pride ourselves in is to try to keep Big Brother out of our business. Senator after Senator after Senator has stood on this floor and fussed about FDA. They are not completing their business. They are not getting the job done. They are not approving drugs for the elderly. They are not doing all this. I can go back and give you page after page after page.

Now they want to take on this huge responsibility, additional responsibility. And we already have the mechanism to do it: The Federal Trade Commission and Health and Human Services. We already have the vehicle. Why create another bureaucracy? And why should I tax you, indirectly, and say, "You give me money so I can put you out of business." They want $150 million a year.

My distinguished friend from New Jersey is proud of the fact that he took a small business and built it into a very large business. But if Government had said to him, "Give me money so we can put you out of business," I do not believe the Senator would have liked that a bit.

He will say there is a difference between his product and the one we are discussing here today. That is fine. But the principle is still the same. So we take the vending machine law, the strongest one in the country, and say that if you break this law then the States and the principals are fined; they are double. And we have the mechanism to do it right now. So the constitutional question that we have is another problem, as to the content of the advertisement.

I am not going to be voting for an additional tax. I do not believe my friend from New Jersey will vote for an additional tax either. I hope we listen to him as he talks about the additional smokers per day. Every day we delay here, every day we say we are not going to help FORD pass his legislation, means that it is another day's delay. We could do it today rather than tomorrow. I think I have tried my best. But best is, apparently, not good enough.

So the FDA is just adding another layer of bureaucracy. They are asking for money, under their regulations. Lord knows how they are going to get it without an act of Congress. The constitutional question on first amendment rights—they have sent the lawyers from the manufacturers and advertising groups all to the courts the same day. So that will be in the courts for years and years and years.

So what is happening here, if we can pass my legislation we can get to the root of the problem. We banned advertising around schools. We banned the use of tobacco in movies. We banned the use of tobacco of any form in videos or amusement areas. But we do not say that an adult does not have a choice.

So what we are getting ready to do here, in the guise of protecting teenagers, is to go to prohibition. That is my problem. I am trying to be helpful. I am trying my best to be helpful. If he was in my place, I think he would be doing the same thing. But he says he is not and I understand that.

But rights are rights. When you become of age you have a right to make a choice in this country. Let us stop them under 18. I am for that, and my legislation will do that. If we just get a little help, instead of delaying the implementation of this law—I think we ought to go ahead and pass it so we can stop, sooner than later, teenage smoking in this country.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, in just a couple of minutes, one of the things that happens to us occasionally on this floor is that we have to argue with friends for whom we have respect and admiration because we disagree. I must give the distinguished Senator from Kentucky credit because he has worked cooperatively to try to reduce the exposure for young people to tobacco, recognizing along the way, obviously, the possibility exists that it could be—I do not want to put words in his mouth, but his legislative proposal suggests it could be addictive. So it is a long step along the way. I thank him and I respect the Senator from Kentucky's legislative perspective here.

I would say that I believe the FDA involvement is essential to the success of the program of curbing teenage smoking. I do appreciate and understand the position that the Senator from Kentucky is in. He is concerned about the farmers in Kentucky who grow tobacco, those who process the product, and I know he has long been an advocate of trying to make a sensible approach to the marketing of tobacco products without curtailing people's decisionmaking. I respect that.

But, Mr. President, I really do think the only way to make this an effective battle against teenage smoking is to include the FDA, to give them the responsibility as they would have for any other addictive drug, and to pursue the course of action proposed by the President of the United States.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York [Mr. D'AMATO], is recognized.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

Mr. D'AMATO. Mr. President, I ask if the pending amendment has not been set aside, the Brown amendment be set aside for purposes of my offering an amendment, at which time the amendment will recur.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2709

(Purpose: To limit Economic Support Fund assistance to Turkey, and for other purposes)

Mr. D'AMATO. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New York [Mr. D'AMATO], for himself, Mr. PRESSLER, Mr. SARBANES, and Ms. Snowe, proposes an amendment numbered 2709.

Mr. D'AMATO. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

LIMITATION ON ASSISTANCE TO TURKEY

SEC. . Not more than $21,000,000 of the funds appropriated in this Act under the heading "Economic Support Fund" may be made available to the Government of Turkey.

On page 11, line 10, before the period at the end of the line, insert the following: ": *Provided further*, That $10,000,000 of the funds made available under this heading shall be transferred to, and merged with, the following accounts in the following amounts: $5,000,000 for the Department of the Treasury, and $5,000,000 for the Department of Justice, to support law enforcement training activities in foreign countries for the purpose of improving the effectiveness of the United States in investigating and prosecuting transnational offenses".

Mr. D'AMATO. Mr. President, I offer this amendment on behalf of Senator PRESSLER, Senator SARBANES, Senator SNOWE and myself. I rise to propose an amendment to the foreign operations bill, which will help restore credibility to our foreign assistance program by ensuring that one of the largest recipients of United States aid, the Republic of Turkey, adheres to internationally accepted standards for human rights and humanitarian practices.

My amendment will cap at $21 million the amount of economic support funds that the United States gives to Turkey. Ten million dollars in savings by capping these funds would then be appropriated by $5 million each to the Treasury and the Justice Departments to support law enforcement training activities in foreign countries for the purpose of improving the effectiveness of the United States in investigating and prosecuting transnational offenses.

I am very pleased, and I want to commend the subcommittee, which has appropriated funds for the FBI with the same purpose. I want to make sure that there are enough funds to support the Treasury Department and other Justice Department activities in this area as well.

Mr. President, let me make it clear that this amendment does not restrict United States military aid to Turkey. It does not restrict. But what I am attempting to do is send a message that the United States will no longer tolerate the human rights abuses in violation of international law that Turkey has and is conducting.

This year the Turkish Government will receive $320 million in military aid from American taxpayers to address its security needs. In total, Turkey will receive $366 million. My amendment will bring this total to $341 million.

The time has come after years of fruitless so-called quiet diplomacy for the Congress to take the lead in addressing a broad range of issues dealing with Turkey. Let me go over some of them.

One, worsening human rights records; two, its continued blockade of humanitarian supplies to Armenia. It is incredible in this day and age that humanitarian supplies are being blocked to Armenia. Three, its refusal to work toward a lasting and equitable settlement in Cyprus, a situation that has been permitted to exist year after year after year; four, its denial of basic rights to its Kurdish minority.

In each of these areas, Turkey has consistently violated international treaties and agreements to which it is a signatory. Among these are the U.N. Universal Declaration of Human Rights, the Final Act of the Conference on Security and Cooperation in Europe, and the European Convention on Human Rights.

Mr. President, the Congress in the fiscal year 1995 foreign aid bill withheld 10 percent of the principal amount of direct loans for Turkey based on its human rights record and the situation in Cyprus. The Turkish Government has spoken clearly on that issue. It will reject any U.S. aid tied to its human rights record. It is clear, given the Turkish Government's response, that we must deal differently with Turkey on this subject.

On the question of human rights we need only to look at the State Department's recently released 1995 Country Reports on Human Rights. What does it say? We see that years—and even decades—of behind-the-scenes efforts by the State Department have not produced any improvement in the human rights situation in Turkey. This report concludes in fact that "the human rights situation in Turkey has worsened in 1994."

Mr. President, this is our Government's report, the State Department's report. This is not a report of the Senator from New York, or a conclusion that I have come up with. It is our Government's report. Again, the human rights situation in Turkey has worsened significantly in 1994.

Mr. President, do we reward them with aid? The full spectrum of human rights monitoring organizations have condemned Turkey for its systematic and widespread abuse of human rights, including the use of torture. Amnesty International, Human Rights Watch, the U.N. Committee Against Torture, the European Parliament, and others go on and on in their condemnation of their systematic deprivation of basic human rights.

Let us talk about Kurdish rights and the Kurdish problem. Nowhere is the case for cutting off aid to Turkey more compelling than the question of the Turks. To this day, Turkey continues to deny the very existence of its 15 million Kurdish citizens. Their military has systematically emptied over 2,000 Kurdish villages and uprooted over 1 million Kurdish citizens from their homes. This is not to mention the recent incursion into northern Iraq against the Kurds.

The Turkish Government's systematic and deliberate campaign to eradicate the Kurdish identity within its borders is in many ways the high-technology murder, massacres, and deportations of Armenian genocide earlier this century.

The question of Cyprus remains unresolved. Twenty-one years after Turkey illegally, in 1974, invaded the island nation, despite countless U.N. resolutions and international agreements, Turkey continues its illegal military occupation and obstructive efforts toward a peaceful settlement. The division of the island and the massive uprooting of the Greek Cypriots caused by the 1974 invasion remains a constant reminder of the failure of the international community to enforce a lasting and equitable resolution to the conflict. Turkey still must demonstrate its support for a settlement recognizing the sovereignty, independence, and territorial integrity of Cyprus with a constitutional democracy based on majority rule, the rule of law, and the protection of minority rights.

Mr. President, nowhere is the case more compelling for our stopping assistance—this does not relieve some assistance, but I believe it is a very reasonable course—than the case of what Turkey is doing today to Armenia. The failure of quiet diplomacy—that is what the State Department talks about—is no more evident than in the case of the Turkish blockade of humanitarian aid to Armenia. How in this day and age, in 1995, can we countenance Turkey refusing to permit humanitarian aid to a nation and to its people? It is in violation of all international law. It is in defiance of the United Nations. Yet they continue to blockade the borders with Armenia.

How long has this taken place and gone on? For 2 years. For 2 years the Turkish Government has refused to allow desperately needed United States and other international assistance to reach the people of Armenia. Even the United States of America—even planes from the United States delivering aid to Armenia have been refused. It is wrong. We should not reward nations with our money when they conduct that kind of policy.

Unable to cross Turkish territory or transit its airspace, relief supplies—we are not talking about equipment, warmaking equipment. We are not talking about munitions. We are not talking about tanks. We are not talking about armaments. We are talking about basic relief supplies—food, clothing, and medicine—have had to be rerouted through Georgia where, due to instability widespread, large portions of that aid have sometimes been lost, along with the cost and the time necessary to get basic aid to a people whose suffering mounts and the toll of the devastation increases.

We should not be rewarding with taxpayers' money that kind of conduct. And the business of saying they are our allies has long played out. It is not right that American taxpayers continue this kind of program. I hope that this sends a message that we say to the Turkish Government, fine, you are an ally, but basic human rights must be observed.

It is for those reasons that I have offered this amendment, not just for the American taxpayer but for the defense of American values and ideals. If we are to make a difference, certainly there is no more compelling case than here and now. This is a small step in signaling that we mean what we say, that we are for democracy and we are for human rights. I do not understand how we can be sending millions of dollars in America taxpayer moneys encouraging the kinds of activities that the Turkish Government is engaged in.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Ms. SNOWE. Mr. President, as a cosponsor of the D'Amato amendment, I would like to express my strong support for his proposal to reduce our economic assistance to Turkey. The D'Amato amendment would cut economic aid to Turkey by $25 million, capping aid to Turkey next year at $21 million. A similar amendment passed overwhelmingly in the House earlier this year.

Mr. President, this bill represents cuts of $1.2 billion from the fiscal year 1995 appropriated level. It is $2.4 billion less than the administration's $14.8 billion request. I support the fiscal responsibility of this bill, and I believe that this amendment will help to bring the Turkish account into line with other reductions contained in this bill.

But there are more important reasons to make this cut than just achieving budgetary savings. For decades, Turkey has had a consistent record of human rights abuses against its own people and against its neighbors.

I would like to emphasize that this cut will only affect economic assistance, not military assistance.

There are a great number of reasons to support this amendment, but I would like to list just a few:

Turkey has illegally occupied 40 percent of the territory of neighboring Cyprus for 21 years. Turkey has consistently refused to withdraw its 35,000 occupation troops, and has impeded efforts to reunify the island.

The Turkish army has forcibly evacuated or destroyed nearly 2,000 Kurdish villages. More than 2 million of Turkey's Kurdish citizens have been made refugees in their own country.

Over 10,000 Turkish Kurds have been killed by Turkish Government forces. More than 5,000 of these deaths have come in just the past 5 years.

American weapons and equipment have been used repeatedly by Turkey in their internal and external atrocities, including the 1974 invasion of Cyprus and the attacks against Kurds in U.N. protected areas of northern Iraq earlier this year.

Torture, extrajudicial execution, and unlawful detention continue to be common in Turkey. This has been confirmed by State Department human rights reports and all credible private human rights organizations such as Amnesty International and Human Rights Watch.

Turkey persists in blocking the delivery of desperately-needed humanitarian assistance to Armenia, a landlocked neighboring country. This is particularly egregious because of Turkey's own past atrocities toward the Armenian people during World War I. This is commonly referred to the Armenian Genocide, in which 1.5 million Armenians—or half of all the Armenian people at that time—died.

Seven European countries have cut off all arms sales to Turkey, and the European Union has refused to even consider a free trade agreement with Turkey because of the treatment of the Kurdish people.

Against its own international agreements, in 1971 Turkey shuttered the seminary school of the Eastern Orthodox Ecumenical Patriarchate. This was done in an effort to undermine and eventually destroy this most hallowed institution revered by over 200 million Eastern Orthodox faithful around the world.

Mr. President, I frankly do not understand why we continue to provide such high levels of economic assistance to Turkey. But the purpose of this amendment is not to totally cut off all aid to Turkey, only to send a strong message that Turkey must reform its human rights record both with its neighbors and with its own people.

I urge passage of the D'Amato amendment, and I yield the floor.

Mr. SIMPSON. Mr. President, I rise in opposition to the pending amendment of the Senator from New York, pertaining to assistance for Turkey. I will support the motion to table this amendment, and I urge my colleagues to do the same.

Mr. President, I have very firmly held beliefs regarding the importance of the United States-Turkish relationship, and these beliefs have only been strengthened, not diminished, by recent events. Turkey has long been considered of great strategic importance to the United States, most notably since the height of the cold war, when Turkey's participation in NATO gave this important alliance a steady anchor in the Middle East. It was a tremendous advantage to have a stalwart ally of the West sitting in between the Soviet Union and the oil fields and tensions of the Middle East.

Let us remember also how Turkey frequently provided more troops to NATO than any nation other than the United States. We are increasingly cognizant that the peace in Europe was kept throughout those years not by the procedures of the United Nations, but by the resolve of NATO—and Turkey played an indispensable role in that alliance.

During the cold war, we came to view the alliance with Turkey as being critically important largely for geographic reasons, and reasons of military strategy. However, since the demise of the Soviet Union, we have found our relationship with Turkey to be of even greater importance.

If one lists the principal international developments in the post-cold war world, one repeatedly comes across unmistakable trends which underscore the importance of Turkey. To name but a few: The expansionism of Turkey's neighbor Saddam Hussein, the disintegration of Yugoslavia along ethnic lines, renewed nationalism and anti-Western feeling on the part of many Moslem states, the breakaway of the central Asian republics from Russia, and on, and on.

I earnestly hope that my colleagues have noted the opposition of our most notable military leaders to any reductions in assistance to Turkey. Gen. John Shalikashvili has written to commend Turkey's participation in the Korean war, as well as Turkey's defense of 37 percent of the frontier between NATO and the Warsaw Pact during the cold war. During the gulf war, strike missions against Iraq were initiated from Turkish soil—nearly 2,700 sorties, according to the general.

Perhaps Turkey's biggest contribution to that effort was the closing of the Turkish-Iraqi oil pipeline, which clamped down solidly on Hussein's strength and surely cost Turkey and its economy dearly. Few Americans know that Turkey contributed troops to the Somalian effort, as well as 1,500 troops in Bosnia.

Secretary of Defense William Perry has also testified to the value of continued assistance for Turkey.

The great ideological contest in the world is no longer between communism and democracy—capitalist democracy has clearly been the victor of that battle for the allegiance of the greater part of humankind. But there are still contests taking place all over the globe, between competing visions such as secular democracies, nationalist autocracies, and military-religious states. Too much of the Moslem world has chosen the latter route, choosing to devote the resources of the state to military confrontation with their neighbors, and at home, enforcement of religious scruples by the state.

Not only did Turkey cast its lot with the West when it was in a lonely military position, surrounded by Soviet-leaning neighbors, but it chooses still to cast its lot with us even when in close contact with many anti-Western Moslem regimes. The majority of Turks believe this is the right thing to do, but there are also voices within Turkey who wonder why it chooses to ally itself with the West, only to receive criticism and suspicion in return from too many quarters.

It is greatly and unquestionably in the United States' interest that Turkey's decision to remain a friendly, secular republic be seen as fruitful for a Moslem nation. We do not have a good track record in our relations with Islamic countries. If Turkey is rebuffed in its continued allegiance to us, this will only provide fodder for those who believe that the West cannot be trusted to remain truly friendly toward a Moslem country.

None of us would claim that the human rights situation in Turkey is what we would like to see. But we should remember as well that Turkey has been the recipient of thousands upon thousands of uninvited guests, in many cases Kurdish refugees from northern Iraq. Most Kurdish people are not terrorists. They are poor refugees struggling to cope with the tragic reality of living under unfriendly, repressive regimes such as that of Saddam Hussein. But United States protection of the safe havens in northern Iraq also served to shelter those Kurds in the PKK, who were indeed engaged in terrorist attacks against Turkey. Thus we have made our own inadvertent contribution to the conflict Turkey is experiencing in the eastern part of the country. We would do well to confine our sermons about human rights to those situations to which we ourselves have not contributed.

Mr. President, I believe that it is strongly in the interest of the United States that we maintain a strong relationship with Turkey, both an economic and military relationship, and that the Turkish commitment to its status as a secular republic be proved again and again to be a most successful one which will assist our friends the Turks to continue the course and the cause of peace and prosperity in their country. We have a tremendous stake in this question, thus I strongly urge the defeat of the D'Amato amendment.

Mr. D'AMATO. Mr. President, I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I oppose the amendment offered by the able Senator from New York. It removes the discretion and the flexibility now in the bill for the President to provide economic assistance according to his best judgment as to the need of the recipient country.

Mr. President, Turkey is a member of NATO. It has been consistently of great assistance, great assistance to the United States—by the way, may I say also assistance to Israel—as we pursue our goals in the Middle East and southern Europe. Turkey has been of assistance as a NATO ally in supporting NATO's actions in Bosnia. She has provided support to the Bosnian Moslems, helping to right the balance in Bosnia vis-a-vis the Bosnian Serb forces.

Turkey was of crucial early assistance to us in the gulf war, as we all know. And she is still paying for that. She is still paying for having helped us. She was of crucial heroic assistance to the United States in Korea. Her economic needs are substantial. As I say, she is still paying a heavy price for cutting off the oil pipeline with Iraq. And she still loses revenue heavily on a daily basis. I cannot understand why anyone wants to remove the President's flexibility in this area, and I do not think that Turkey should be singled out.

I oppose the amendment, and I hope that the managers will move to table it.

I yield the floor.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from New York.

Mr. D'AMATO. I do not mean to have a protracted debate on this, but I will take the time to read several excerpts from the State Department countries report, our State Department's report this year on Turkey as it relates to human rights. This comes from the report directly.

> The human rights situation in Turkey worsened significantly in 1994.

Worsened significantly in 1994.

> The police and security forces often employed torture during periods of incommunicado detention and interrogation, and the security forces continued to use excessive force against noncombatants.

Let me go on a little further.

> Various agencies of the Government continued to harass, intimidate, indict, and imprison human rights monitors, journalists, lawyers, and professors for ideas which they expressed in public forums. Disappearances and mystery murder cases continued at a high rate in the southeast.

Let me go to page 3. I have another excerpt.

> Political murders and extrajudicial killings attributed to Government authorities and terrorist groups continued at the relatively high 1993 rates. Government authorities were responsible for the deaths of detainees in official custody; suspects in houses raided by security forces; and other types of civilian deaths in the southeast.
>
> Disappearances continued in 1994, while most of those reported in 1993 and earlier remained unsolved.

This is a pattern. This has not just evolved. And it is not getting better. It is getting worse.

Mr. President, again, it is not good enough to say that while one has joined us in an effort to investigate aggressions against the United States, to be helpful as it were, and more than helpful in our battle to liberate Kuwait, it is not sufficient to say that because one has loaned itself militarily to our defense, we look the other way when it continues these kinds of basic human rights violations not only of its citizens but of other citizens. It is inexcusable and intolerable for them to be permitted and for us to countenance by way of our actions, by way of making aid available, the continued blockade of the 2 million people in Armenia. It is wrong. And quiet diplomacy has not reduced that situation or resolved that situation. It continues. And on and on it goes.

One might talk about the situation in Cyprus and what the Government of Turkey has done is simply by way of armed force taken and occupied that country illegally, and it thumbs its nose at the United Nations and those attempting to bring about a peaceful resolve. I believe until we do what we are supposed to do—and I say it pays dividends because we did not win the cold war with the Soviets because we decided to look the other way on human rights abuses. It is because we stood up to them and we said we are not going to treat you the way we would the other nations that follow the normal patterns of conduct, conduct that is expected.

So, Mr. President, I hope that my colleagues will accept this amendment. I think this amendment will be a very powerful impact in sending the right signal and maybe seeing that someday there are basic freedoms that are guaranteed, that nations will not be suppressed by the use of Turkish military might, that food and aid to people who are needy and starving will be permitted. That seems to me to be something that is so easy, but when a nation is so intolerant and so indifferent to the rights of others, then I think we have to send a clear message and that is why the Senator offers this amendment.

I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I understand the message the distinguished Senator is trying to send, but we are also going to send a message to a valuable ally, a valuable ally, an ally that is struggling to continue to orient itself toward the West, an ally that sits within a sea of potential enemies, surrounded by Moslem countries. Turkey is a Moslem country itself. It is a representative democracy. There are forces in Turkey that would like very much to see that country become another Iran, and there is a very real danger it could become another Iran. Look at the map. Note the geopolitical position of Turkey, the old great crossroads of the world in the days of Constantinople and Byzantium. We can send a message, but we can also cut off our nose to spite our face, and we will not change anything except to drive a very valuable and dependable ally away from the West.

Turkey was very important to us in the Persian Gulf war, very important. We all wanted Turkey's help. We wanted Turkey to cut off the flow of oil. She cut it off.

Mr. President, I have an amendment in my pocket and I have the floor. I have a second-degree amendment to cut aid to Israel by $1 billion.

Now, we are getting ready to cut programs that are important to the American people. We talk about cutting Medicare, cutting Medicaid, cutting moneys for the Park Service, Fish and Wildlife, health programs, education programs. But not a word about cutting aid to Israel, not a word; $3 billion to Israel, $2 billion to Egypt.

Now, if anyone wants to talk about entitlements, those are looked upon as entitlement programs by the recipient countries. I am not anti-Israel nor am I anti-Egypt. But when we talk about cutting entitlements, cutting programs that benefit the American people, the old, the young—but not a word said about cutting that $5 billion for Israel and Egypt—why not offer an amendment that will cut that largesse and see how many brave souls there are in this Senate?

Senators would run like turkeys and head for the doors as if they were fire escapes. I know, because I have tried such an amendment on two occasions. I got one vote on each occasion. Perhaps these brave souls should be put to the test every now and then.

I will not offer my amendment to this amendment at this time. It would be an attractive idea to offer it to this amendment and then have someone move to table the underlying amendment; and with my amendment as the second-degree amendment, watch Senators head for the doors.

Where are all these brave souls? How about cutting aid to Israel? I will not offer the amendment at this time. I hope that the managers will move to table the pending amendment. I hope that it will be tabled by an overwhelming vote. Let us send a message to Turkey that we are still her friend, and we want her to be our friend.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Let me say with regard to the amendment of the distinguished Senator from New York, that the internal human rights practices of a number of America's close friends in that section of the world probably could not meet our test. And it seems to me the situation in Turkey is largely indistinguishable from the situation inside the borders of a number of other, not only good friends of the United States, but aid recipients of the United States in that part of the world.

I share the concern that many people have about the human rights situation in Turkey and in a lot of other places. The question is whether or not the amendment by the Senator from New York to cap, cut off assistance will generate any improvements. I am concerned, as the distinguished Senator from West Virginia is concerned, that it might have just the opposite effect.

First, let me point out that the administration is planning $100 million for ESF for Turkey whether or not we pass an amendment. Now I do not see how this level can be achieved given the overall reduction in the foreign operations budget.

It seems to me that before we engage in the kind of debate we are having, calling attention to Turkey's internal problems, we ought to think a little bit about the neighborhood. Iraq, Iran, Syria all present unique security challenges, complicated by the crisis in Georgia and ongoing conflict between Azerbaijan and Armenia.

In the middle of this, Turkey has preserved at least basic principles of democracy, including free and fair elections, the orderly transition of power, an independent legislature, and enacted a free press. Do they have some problems? Yes. But compared to other countries in the area, you would have to say they have done rather well. It is far from a perfect picture. But then many of our traditional friends and allies have not achieved the freedom and success that we enjoy here in this country.

Let us remember that Turkey has 62 million people, 99 percent of whom are Moslem, a factor which could easily influence closer ties with Iran. Yet Turkey remains the only secular democracy with a free market that has a majority Moslem population. Turkey has also maintained its strong link with NATO providing peacekeepers in Bosnia and participating in F–16 patrol of the no-fly zone. As the Senator from West Virginia mentioned, at the end of the Persian Gulf war, Operation Provide Comfort was established in northern Iraq to protect the Kurdish population, in addition to providing humanitarian aid. The Turkish Parliament voted to continue the operation for 6 more months.

Prime Minister Ciller takes the issue of human rights seriously, and committed her nation to a course of reform. In July, under her leadership, 16 amendments were passed to their Constitution, expanding political participation and democracy. When Parliament reconvenes in October, it is my understanding that there will be several more pieces of reform legislation considered.

So the point is, Turkey certainly is not perfect, but it has made a lot of progress. When you compare it to the others in the neighborhood, it does rather well.

Mr. President, I do not know what more needs to be said on this. It was my plan to offer a motion to table, which I will now do.

Mr. President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Kansas [Mrs. KASSEBAUM] and the Senator from Virginia [Mr. WARNER] are necessarily absent.

I also announce that the Senator from Oregon [Mr. HATFIELD] is absent due to illness.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "yea."

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of attending a funeral.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 60, nays 36, as follows:

[Rollcall Vote No. 451 Leg.]

YEAS—60

Abraham
Akaka
Ashcroft
Baucus
Bennett
Bingaman
Bond
Breaux
Brown
Bumpers
Burns
Byrd
Campbell
Chafee
Cochran
Cohen
Conrad
Coverdell
Craig
Daschle
Dorgan
Exon
Faircloth
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Hatch
Heflin
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kempthorne
Kerrey
Kyl
Leahy
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Murray
Nickles
Nunn
Packwood
Rockefeller
Roth
Shelby
Simpson
Stevens
Thompson
Thurmond

NAYS—36

Biden
Boxer
Bradley
Bryan
Coats
D'Amato
DeWine
Dodd
Dole
Domenici
Feingold
Feinstein
Gregg
Harkin
Helms
Kennedy
Kerry
Kohl
Lautenberg
Levin
Mikulski
Moseley-Braun
Moynihan
Murkowski
Pell
Pressler
Reid
Robb
Santorum
Sarbanes
Simon
Smith
Snowe
Specter
Thomas
Wellstone

NOT VOTING—4

Hatfield
Kassebaum
Pryor
Warner

So, the motion to table the amendment (No. 2709) was agreed to.

Mr. McCONNELL. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

PRIVILEGE OF THE FLOOR

Mr. MURKOWSKI. I ask unanimous consent that Eugene D. Schmiel, a recent addition to my staff, be extended the privilege of the floor. He is a State Department Fellow who will be fulfilling legislative duties.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I know the Senator from Colorado is seeking recognition. I will not hold the floor, but I urge Senators who have, on our side—and I suspect the distinguished Senator from Kentucky will make the same request on his side—I urge Senators on our side, who have amendments that they intend to offer to this bill, to come and let us know. There may well be amendments that could be accepted. At least let us know that. We will start working toward that situation so at some point the distinguished manager and myself could work at accepting those, and others that might not be accepted, may require rollcall votes, that we might set some time certain or at least get some time agreements on them.

I commend the distinguished Senator from New York and the distinguished Senator from West Virginia in their debate. They kept it to a very short time. We were able to move on. But this is a bill I know the distinguished Republican leader and the distinguished Democratic leader want to get moved forward, so I urge those who are listening to come let us know. At least on my side, I have a more accepting mood when it is early on in the game than I might toward the end.

I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado.

AMENDMENT NO. 2708

Mr. BROWN. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER. The pending amendment is the amendment No. 2708, offered by the Senator from Colorado to the committee amendment on page 15.

Mr. BROWN. Mr. President, one of the things the opponents have brought up in the series of extended debates preceding the offering of the amendment this time has been the question of how significant the one-fourth of the arms package is that would be delivered under the President's compromise.

We have held extensive hearings on this question. I wanted to share with the Members some quotes from the experts who testified. We made an effort to invite both Democrats and Republicans, both liberals and conservatives, experts from the military and academia as well as experts that had shown a greater degree of experience with India than Pakistan. Here are some brief quotes I think are helpful in describing that package.

It is $368 million of military equipment that was contracted for 9 years ago, whose delivery was withheld 5 years ago, even though in substance it had been paid for, committed for by the Pakistanis.

> In terms of the regional military balance, I don't think that the release of this military equipment . . . really will have no significant impact on the balance one way or the other.

That is from Stephen Cohen, who is the director of Program in Arms Control, from the University of Illinois.

From George Tanham, vice president of Rand Corp:

> . . . I agree with Steve that the package won't change the balance at all. In fact, there is no balance now. India dominates so strongly. They have twice as large an army as Pakistan, twice as large an air force, twice as large a navy, and twice as many tanks, twice as many airplanes. So there isn't a balance at the moment. And India has overwhelming strength.

This one is from the Honorable William Clark, Jr. He was the ambassador to India from 1989 to 1992. "We have got F–16's that have been sitting in the desert and being maintained. The P–3 and the Harpoon, three of them are marginally useful, if at all, and they have already been—the requirement has been met in other ways—from the politics of it, it is terribly important. The military utility of it"—he is referring to this settlement and those weapons—"they would rather buy more modern equipment with the money."

The focus of his remarks was simply to point out that actually if the Pakistanis had their choice, they could buy better equipment and more modern equipment with their money rather than the old equipment. Again, relating to the significance of the package that would be delivered under the President's compromise.

This is from James Clad. He is a professor at Georgetown University. They offer for Pakistan "exactly as Mr. Tanham pointed out, an equalizing hand in trying to somehow correct the subcontinental mismatch of conventional weaponry capability and geographical reality * * * I think another turn on a dime on this issue is going to I think do further damage to American diplomacy." The turn on the dime would be failure to follow up on the President's commitment.

This last one is from Bruce Fein. He is a constitutional and international law specialist and syndicated columnist. "It is true that they"—referring here to India—"they are searching at present for substantial additional arms purchases, hundreds of millions that I think would dwarf anything that would follow any relaxation of the Pressler amendment: (Incidentally) very high technology MiG aircraft." He is referring to what India already is doing.

What we have here is an effort to deny the President of the United States a vote on an arrangement, a negotiation that he himself instigated. The President took on a tough problem. For 5 years we have refused to return the Pakistanis' money, and for 5 years we have refused to deliver the planes, and for 5 years, because it has been a tough problem, we failed to act.

I think it is to the President's credit that he has been willing to step forward, he has been willing to negotiate out a compromise. Some may disagree with the compromise. Some may think it is too tough on Pakistan. Some may think it is too tough on India. But the President had the courage to step forward and negotiate that compromise and put a package and a recommendation before this Congress. The question is whether or not the President is allowed to have a vote on his package.

We considered this whole question in the drafting of the State Department authorization bill. But when that bill got to the floor, it was filibustered and the President was denied an opportunity to have his proposal which would have added to that as part of that which was voted on. We then offered this package as an amendment to the Defense authorization bill. But the opponents fought that, threatened to filibuster all night, and denied us a vote. Finally, in an effort to make sure that important Defense authorization bill passed without the delay that that threat brought about, I was willing to withdraw the amendment upon assurances that we would have an opportunity to offer it later and be voted on. That bill has moved ahead.

We bring it up today after notice and discussion. This amendment was offered shortly after 11 o'clock this morning. It was one of the first amendments offered to this bill. And the opponents again sought to delay. The first thing they said is, "We want a secret briefing for everyone." Mr. President, we have had secret briefings. We have had secret briefings covering the exact subjects that they want to talk about. First of all, the Intelligence Committee conducted a briefing on this very subject, exactly the same subject, at the end of July and early August. Members were invited. Those who did not attend could have come to a Members' briefing that I arranged with the subcommittee on last Tuesday.

Incidentally, Senator GLENN's staff attended that briefing. We invited every Member of the Senate to be present at that briefing. So the briefing that they talked about delaying this consideration for has not only already taken place, but it has already taken place twice. Incidentally, I might say transcripts of those are available for Members who want to see them.

So to suggest that we have to delay consideration of this proposal once again for a briefing is simply another tactic, in this Member's opinion, to delay consideration of an important amendment.

Mr. President, we have had hearing after hearing after hearing on this subject. We had a hearing on March 7. We had a hearing on March 9. We had a hearing and discussion—at least for comment—when we had committee markup. Incidentally, Senator PRESSLER was invited and appeared at that committee markup and gave comments. We had a hearing on this last Thursday in which Senator PRESSLER came and discussed it specifically.

So, Mr. President, what we have seen here is a concerted effort to avoid a vote on this question. I believe the President at least deserves a vote on the package, the compromise, that he has negotiated out. One may disagree with it. One may think it is right to keep both the military aircraft and Pakistanis' money. But, Mr. President, I do not. I think we deserve an answer one way or another.

What I find is an effort now to delay this important bill, an effort by filibustering this amendment to delay the consideration of this vital bill that has such a major impact on our foreign policy considerations around the world.

Once again, I do not want to delay the important business of the Senate. It is why I brought this amendment up early and brought it up for consideration. But what I find is a concerted plan and effort to simply filibuster this, to delay consideration and to deny the President of the United States a vote on his carefully negotiated compromise.

When I was asked to grant more time to opponents, we agreed to set aside this amendment for Senator LAUTENBERG to speak, which, of course, he did. Then once again, because the opponents wanted more time, we agreed to another delay and agreed to set aside the amendment for consideration of Senator D'AMATO's amendment, which has been fully debated and voted on, as the Senators will recall from just a few moments ago. But, Mr. President, further delay, further filibustering of this important legislation and delay of this important bill will be a mistake for the Senate. I believe it is important to move ahead on it.

I am saddened by the fact that the opponents have not come to speak up and to offer debate. Mr. President, most important of all, when the State Department authorization bill was here, they refused to join in a time agreement. When the Defense authorization bill was here, they refused to join in a time agreement. Now, in spite of my request and others' requests to have a time agreement, basically carte blanche whatever they want, they refused to join in a time agreement.

So, my proposal is this: I think the President deserves a vote. This is an important matter that does not get better by delay. The longer we delay, the more storage costs there are on the airplanes. The longer they filibuster, the more the quality of the material deteriorates. The longer they refuse to give the President a vote, the more cost is added to this proposal and the more difficult it is to work out a settlement.

Mr. President, my suggestion is this: Let us get a vote. If I do not have 60 votes, I am not going to stop this bill or have others filibuster this important piece of legislation just for this amendment. But if we can get 60 votes, then I want this considered, and we will see if we cannot bring closure on this issue. But I believe the President of the United States deserves an answer and deserves a vote.

Ms. MIKULSKI. Mr. President, I rise in support of the Brown amendment. This amendment will further United States relations with Pakistan—by allowing for cooperative programs on counternarcotics and counterterrorism—and by resolving a longstanding dispute over the delivery of military hardware.

I understand the concerns of opponents of this amendment—and I share some of them. There is no more important issue in South Asia than nuclear proliferation.

But I believe that this issue is hindering our efforts to build strong ties with Pakistan—and that strong relations with Pakistan are crucial to improving our security and furthering our interests in South Asia.

I also believe that we need to show support for the current Government of Pakistan. Prime Minister Bhutto is a woman of great courage. She has endured arrest, imprisonment, and exile. She has worked to transform Pakistan from a military dictatorship to a parliamentary democracy.

The Prime Minister has been courageous in her efforts to build close ties to the West. Under her leadership, Pakistan has proven to be a valuable ally in combatting terrorism and in stemming international flow of illegal drugs. She has been liberalizing the economy and opening it up to foreign trade and investment.

It has come to the point where this issue is clouding all others. Improved human rights, nonproliferation and greater trade and investment are held hostage to this largely symbolic issue.

So I will support the Brown amendment. The Pressler amendment will still stand—and it should. Pakistan will not receive the F–16's. But by passing the Brown amendment, we will remove an impediment to our relations with Pakistan—and we will be able to focus on improving security in South Asia.

Mr. BROWN. Mr. President, I move to table the Brown amendment and ask for the yeas and nays.

The PRESIDING OFFICER (Mr. GREGG). Is there a sufficient second?

Mr. LEAHY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The regular order is to determine if there is a sufficient second.

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LEAHY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. GLENN. I object.

The PRESIDING OFFICER. Objection is heard.

The assistant legislation clerk continued the call of the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, I ask unanimous consent that Senator KASSEBAUM and Senator PELL be allowed to address the Senate and, at the end of their comments, the status quo be resumed.

Mr. BROWN. Does that include a limitation on the amount of time? I reserve the right to object.

Mr. McCONNELL. How much time does the Senator from Kansas have in mind? I say to my friend from Colorado, I am trying to just process something here while we are waiting.

Mrs. KASSEBAUM. Mr. President, I came to speak because there was a quorum call on, so I could tailor my remarks to the time I would be allowed. I would say about 5 minutes.

Mr. BROWN. I take it the unanimous-consent request is for a maximum of 5 minutes?

Mr. McCONNELL. With 5 minutes for Senator PELL as well.

Mr. BROWN. I have no objection.

The PRESIDING OFFICER. Without objection, the Senator from Kansas is recognized.

Mrs. KASSEBAUM. Mr. President, I first want to commend the chairman of the Foreign Operations Subcommittee, Senator MCCONNELL, and the ranking member, Senator LEAHY, for their leadership on this bill. Getting a foreign operations appropriations bill through the Senate is never an easy process. I think they have done an extraordinary job. This legislation is a reasonable approach that meets the stringent reality of the Federal budget but also recognizes that our national interest requires America to be a leader in world affairs.

For years, we have been engaged in a debate about how best to reform our foreign aid programs. I have long been an advocate of reform, and I continue to believe it is necessary. The debate has taken on new vigor this year with the chairmanship of Senator HELMS in the Foreign Relations Committee, and it is ongoing.

The legislation before us today walks a fine line and, in my view, does so appropriately. On the one hand, it recognizes the substantial reform of our foreign aid programs is properly carried out through the authorizing legislation, not through this appropriations bill. On the other hand, this bill undertakes important reforms necessary to ensure that the shrinking resources it provides can be used to the greatest effect.

The foreign affairs budget, which, unlike other accounts in the Federal budget, had already been cut dramatically before this year, has been cut even further. I regret that decision, but that die was cast last spring during the budget resolution debate. Given the limited resources available, it will become increasingly important that the President have more flexibility to target our resources toward the areas of greatest importance.

This is not easy to do. We always feel that we want to have some hand—and we should have—in shaping those priorities. On the other hand, I think flexibility is needed for administrative decisions and it is important that legislative and administrative bodies work as closely together as possible.

While some of the accounts retain their traditional protection, this legislation on the whole has very few earmarks. Again, I want to commend the committee for that. It is not an easy task. At the same time, the bill seeks to promote fairness by preventing any single account or region of the world from bearing a disproportionate share of budget reduction.

As a long observer of United States policy toward Africa, I believe this legislation treats Africa fairly and recognizes that continent's importance in the overall reach of United States foreign policy. I am particularly pleased with the sincere effort to address the difficult problem of African debt relief.

However, important African issues will remain for the conference committee—in particular, this legislation's consolidation of the Development Fund for Africa into a larger economic assistance account diverges from the path Congress has followed since 1987. The House has retained the Development Fund for Africa regional account. The Congress created the DFA in 1987, with bipartisan support, to ensure that consistent long-term funding for African development would be there if it were necessary. I hope that as we debate funding the mechanisms and accounts this year, we will not lose sight of, or compromise, this important goal.

I am particularly concerned about the effect on our foreign policy and the sharp cuts in two programs in this bill. One is the International Development Association, funded at $775 million, well below the $1.3 billion request. While it has detractors, I believe this program is an effective means of leveraging U.S. foreign aid and effecting change in the economic policies of countries abroad. I worry that low-balling this funding—and the House is lower still—will cause other donors to do the same and threaten the viability of this important program.

I also worry about cuts in our contributions to international organizations and programs. Last year, we spent $374 million on this account, but this bill includes only $260 million—again, better than the House bill. Mr. President, international organizations and programs is never a popular part of the budget. Again, I share the view that we should critically reevaluate our participation in many low-priority international organizations. But it seems to me we should conduct that review as a matter of policy and take steps to reform or withdraw from organizations in accordance with the obligations we have made to them. We should not just stop paying our bills.

These cuts in important programs are, to me, made more frustrating by another item in the bill. This legislation would appropriate $150 million for international narcotics control—$45 million more than last year and $37 million more than was approved by the House. This account may be politically popular, but, in my view, it is a poor candidate for added funding. I doubted the effectiveness of this program in both the Reagan and Bush administrations—not that we do not want to direct our attention to getting narcotics abuse and use under control—even though, however, we had programs over the years in narcotics control initiatives, and they keep requesting more money. In 1995, we will spend nearly $13.3 billion on antidrug measures, of which $1.6 billion will go for international and interdiction efforts. I can only hope it will be successful. But I do question whether we are monitoring closely the successes of these efforts.

I care just as deeply as everybody else about getting the international narcotics problem under control, but I am not convinced that increased funding for this program will make any real difference in reducing the flow of drugs into this country. Frankly, I would prefer we consider reducing funding from fiscal year 1995 levels, but, at the very least, I think we should not increase funding. I suggest that the $45 million added beyond current-year levels will be better used elsewhere within this bill, or for deficit reduction.

Mr. President, I think I am beyond my time.

I ask unanimous consent for 2 additional minutes to speak to an amendment I would like to offer as well.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. KASSEBAUM. First, I conclude my statement by saying that despite the concerns I have raised I believe this bill on the whole represents very responsible leadership in the field of foreign affairs. I intend to support it.

AMENDMENT NO. 2710

Mrs. KASSEBAUM. Mr. President, I rise today to submit an amendment on Liberia.

Mr. McCONNELL. Mr. President, I think we need to lay aside the pending amendments.

Mrs. KASSEBAUM. I send that amendment to the desk. I understand it will be a noncontroversial amendment and it is just to express strong support for the latest Liberia peace agreement and facilitate the provision of limited United States assistance to Liberia.

It will be considered at another time. I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for a unanimous-consent agreement.

AMENDMENT NO. 2708

Mr. PELL. Mr. President, I wish to speak in connection with the Brown amendment on Pakistan. As many of us know, deliveries of United States military equipment purchased by Pakistan have been suspended since 1990 under the terms of the Pressler amendment. This amendment would lift the suspension temporarily to allow the delivery of much of the military equipment—including naval aircraft, missiles, and spare parts. While it would not permit the delivery of the F-16's purchased by Pakistan but still undelivered, the amendment would allow for a plan to sell the F-16's to a third country and to provide those proceeds to Pakistan.

The sponsors of this amendment argue that it will help to improve United States relations with Pakistan. I want to say at the outset that I well understand the importance of good relations with Pakistan. Not only was Pakistan an important ally in the Afghan resistance to the Soviet Union, but Pakistan also continues to be a key player in the South Asia region.

I also wish to be supportive of the current Prime Minister, Benazir Bhutto. When Pakistan was ruled by an oppressive military dictatorship, I tried to be helpful in securing Mrs. Bhutto's release from house arrest, and in promoting a return to democracy in Pakistan. I have long considered Prime Minister Bhutto a friend, and have promised her to do what I can to ensure strong United States-Pakistani relations. That being said, I must balance my support and affection for Pakistan against what I believe to be right for United States nonproliferation policy. And I believe that this amendment goes too far. I support resuming economic assistance, but oppose the delivery of the military equipment. I will vote accordingly when the time comes.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. INHOFE). Without objection, it is so ordered.

The PRESIDING OFFICER. The pending question is on the Brown motion to table the Brown amendment. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Oregon [Mr. HATFIELD] is absent due to illness.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "yea."

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of attending a funeral.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 37, nays 61, as follows:

[Rollcall Vote No. 452 Leg.]

YEAS—37

Abraham
Akaka
Bennett
Biden
Bingaman
Boxer
Bradley
Bumpers
Conrad
Coverdell
D'Amato
Daschle
DeWine
Dorgan
Exon
Feingold
Feinstein
Frist
Glenn
Gramm
Hollings
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
McConnell
Moynihan
Pell
Pressler
Robb
Sarbanes
Simon
Wellstone

NAYS—61

Ashcroft
Baucus
Bond
Breaux
Brown
Bryan
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Craig
Dodd
Dole
Domenici
Faircloth
Ford
Gorton
Graham
Grams
Grassley
Gregg
Harkin
Hatch
Heflin
Helms
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
Mikulski
Moseley-Braun
Murkowski
Murray
Nickles
Nunn
Packwood
Reid
Rockefeller
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NOT VOTING—2

Hatfield
Pryor

So the motion to lay on the table the amendment (No. 2708) was rejected.

Mr. BROWN. I move to reconsider the vote.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I suggest the absence of a quorum.

Mr. LEAHY. Mr. President, will the Senator withhold for one moment so I can make an announcement?

Mr. McCONNELL. I withhold.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, on this subject there will be a briefing at 5:30 in S–407, I am advised by the distinguished Senator from Ohio. It is open to all Senators and is on the subject we just voted on. But that will be in S–407 at 5:30. I wanted to make that announcement.

Mr. GLENN. It is a classified briefing.

Mr. LEAHY. It is a classified briefing.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Brown amendment No. 2708 be temporarily laid aside until 7 p.m. this evening, and at that time there will be 5 hours for debate to be equally divided in the usual form; and when the Senate resumes the amendment on Thursday, there be 1 hour remaining for debate to be equally divided in the usual form; and following the conclusion or yielding back of time, the Senate proceed to vote on the Brown amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCONNELL. I ask unanimous consent that the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, it is my understanding the Senator from Nevada is prepared to offer an amendment. We would like to handle as many amendments as we can between now and 7, when we resume debate on the Brown amendment.

So I encourage any Senators who have amendments they think can be accepted or would not be controversial to please come over and let us try to get them taken care of before 7, because we have very few remaining contentious amendments after the Pakistan amendment and some Helms amendments.

Mr. President, I yield the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. It is my understanding that we are now working on the committee amendments?

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. I ask unanimous consent that they be set aside and that I be allowed to offer my amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 2711

(Purpose: To prohibit female genital mutilation, and for other purposes)

Mr. REID. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, the pending amendment will be set aside.

The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 2711.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . FEDERAL PROHIBITION OF FEMALE GENITAL MUTILATION.

(a) TITLE 18 AMENDMENT.—

(1) IN GENERAL.—Chapter 7 of title 18, United States Code, is amended by adding at the end the following new section:

"§116. Female genital mutilation

"(a) Except as provided in subsection (b), whoever knowingly circumcises, excises, or infibulates the whole or any part of the labia majora or labia minora or clitoris of another person who has not attained the age of 18 years shall be fined under this title or imprisoned not more than 5 years, or both.

"(b) A surgical operation is not a violation of this section if the operation is—

"(1) necessary to the health of the person on whom it is performed, and is performed by a person licensed in the place of its performance as a medical practitioner; or

"(2) performed on a person in labor or who has just given birth and is performed for medical purposes connected with that labor or birth by a person licensed in the place it is performed as a medical practitioner, midwife, or person in training to become such a practitioner or midwife.

"(c) In applying subsection (b)(1), no account shall be taken of the effect on the person on whom the operation is to be performed of any belief on the part of that or any other person that the operation is required as a matter of custom or ritual.

"(d) Whoever knowingly denies to any person medical care or services or otherwise discriminates against any person in the provision of medical care or services, because—

"(1) that person has undergone female circumcision, excision, or infibulation; or

"(2) that person has requested that female circumcision, excision, or infibulation be performed on any person;

shall be fined under this title or imprisoned not more than one year, or both.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 7 of title 18, United States Code, is amended by adding at the end the following new item:

"116. Female genital mutilation.".

(b) INFORMATION AND EDUCATION REGARDING FEMALE GENITAL MUTILATION.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall carry out the following activities:

(A) Compile data on the number of females living in the United States who have been subjected to female genital mutilation (whether in the United States or in their countries of origin), including a specification of the number of girls under the age of 18 who have been subjected to such mutilation.

(B) Identify communities in the United States that practice female genital mutilation, and design and carry out outreach activities to educate individuals in the communities on the physical and psychological health effects of such practice. Such outreach activities shall be designed and implemented in collaboration with representatives of the ethnic groups practicing such mutilation and with representatives of organizations with expertise in preventing such practice.

(C) Develop recommendations for the education of students of schools of medicine and osteopathic medicine regarding female genital mutilation and complications arising from such mutilation. Such recommendations shall be disseminated to such schools.

(2) DEFINITION.—For purposes of this subsection, the term "female genital mutilation" means the removal or infibulation (or both) of the whole or part of the clitoris, the labia minor, or the labia major.

(c) EFFECTIVE DATES.—

(1) Subsection (b) shall take effect immediately, and the Secretary of Health and Human Services shall commence carrying it out not later than 90 days after the date of the enactment of this Act.

(2) Subsection (a) shall take effect 180 days after the date of the enactment of this Act.

Mr. REID. Mr. President, last September, about a year ago, I introduced a resolution condemning the practice of female genital mutilation.

At that time, there was talk on the Senate floor that perhaps the United Nations would do something, perhaps some States would do something. The fact of the matter is, a year has gone by and this practice continues.

Mr. President, it is very difficult for me to stand and talk about something as repulsive and as cruel and as unusual as this practice is. But I feel that we have an obligation to speak about the unspeakable, and that is what I am on the floor to talk about today.

What is female genital mutilation? I will be as brief in the description as I can be, but I feel that it is important to my colleagues for me to explain in some detail what this practice is.

There are many countries around the world that allow this practice to take place. Some call it female circumcision.

There are a number of countries around the world that this is, in effect, a rite of passage for little girls. Little girls between the ages of 6 and 11 are forced into this gruesome ritual of female circumcision by their parents most of the time.

The procedure is something that has been written about at great length, and for purposes of this debate, we will refer to this as FGM, female genital mutilation. I will not refer to those terms anymore.

Mr. President, in its most extreme forms, a little girl's external sexual organs are scraped away entirely, and then the procedure—most of the time very crudely, this is rarely, rarely done by physicians—the vulva is sewn together with some type of stitching. Many times, Mr. President, the little girl's legs are bound together for weeks while a permanent scar forms.

The reasons for this are historical in nature. No one really knows. In that this takes place in many Moslem countries, I think this is fair to say this is not in the Koran, this is nothing that is taught by the Koran, but it is practiced in 20 African countries, in Oman, South Yemen, United Arab Emirates, Malaysia, India, Pakistan.

So, I think we have the general idea of what this procedure is.

Why should we be talking about this on the floor of the U.S. Senate? We talk about it because it is important to focus attention on what is going on around the world, of course. It is important because these girls who go through this process die on occasion, but they are permanently scarred, not only physically but emotionally, because the immediate effect is bleeding, shock, infections, and even death because of hemorrhage and unhygienic conditions.

The reason I am involved in this is because I received a call from a close personal friend of mine in Las Vegas, NV, a mother of six children who called me to say that she had watched the night before the most repulsive thing that she had ever seen on television, and this was a picture which I saw on video later of a little girl having this process performed on her in Egypt.

As a result of that, I felt it was important that I learn more about it, as I have done. I have learned that some 15 percent of all these females die of bleeding or infections. As I have already stated, the rest of their lives the women are afflicted with scarring, physically and emotionally. They also have recurring infections, some suffer complicated and sometimes even fatal childbirths.

I realize the significance of this ritual in the cultural and societal systems in communities of Asia, Africa and the Middle East where it is done often. This procedure has been performed on not hundreds of women, not thousands of women, but we are now into the millions of women.

I repeat, this is a cruel and tortuous procedure performed on young girls against their will. The United States must make all efforts to condemn and to curb this practice.

Some might say that FGM is not a concern of the United States. Mr. President, it is a concern of the United States, because it does occur in the United States. Because of immigration patterns and for other reasons, this ritual comes to the United States with people coming from other parts of the world. The same procedure has been outlawed in the United Kingdom, Sweden, Switzerland, to name just a few. They have all passed legislation prohibiting FGM. France and Canada maintain that FGM violates already established laws.

So we in the United States also must speak out against this torture to women in the United States. Hopefully by speaking out, it will focus attention on this practice that is going on in other parts of the world.

I am really surprised that the United Nations takes up all the human rights things that they do, and I can appreciate that. We as a country take up human rights concerns. People who go to prison may spend too much time in prison. Why should we not speak out on the torture taking place on a daily basis to women throughout the world? This seems much more egregious than some of the other things we throw up our arms about dealing with human rights violations.

What this amendment does is make it illegal to perform the procedures of FGM on girls younger than 18. The legislation defines the following measures: That we compile data on the number of females in the United States who have already been subjected to this; that we identify communities in the United States in which FGM is practiced; that we design and implement outreach activities to inform people of the physical and psychological effects of FGM; and that we develop recommendations for educating students in our medical schools on treating women who have been subject to this torture.

As I have stated, this is difficult to talk about, but ignoring the issue perpetuates the silent acquiescence to this barbarous practice.

I was very happy to hear that at the conference in Beijing, China, which was just completed last weekend, that FGM was a topic at the U.N. Conference on Women. I say through this legislation, the United States can acknowledge the importance of this issue to all women.

I further say, Mr. President, that I appreciate the support of my efforts in this matter by Senator MOSELEY-BRAUN, Senator WELLSTONE, and Senator SIMON. I hope, Mr. President, that this matter will be resoundingly accepted. I think it is important for us as a body, as a Congress, and as a Nation to speak out against this. The very least we can do is have a law on the books that makes this illegal in our country.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, the issue of female genital mutilation

[FGM] was first brought before the Senate last September when Senator REID introduced a sense-of-the-Senate resolution condemning this cruel ritual practice and commending the Government of Egypt for taking quick action against two men who performed this deed on a 10-year-old girl in front of CNN television cameras.

This amendment would make it illegal to perform the procedures of FGM on girls younger than 18. In addition, it proscribes the following measures as necessary to the eradication of this procedure: compiling data on the number of females in the U.S. who have been subjected to FGM, identifying communities in the United States in which it is practiced, designing and implementing outreach activities to inform people of its physical and psychological effects, and developing recommendations for educating students in medical schools on treating women and girls who have undergone mutilations. I am proud to be a cosponsor of this amendment that addresses an issue so crucial to the mental and physical health of women and girls.

The ritual practice of female genital mutilation currently affects an estimated 80 million women in over 30 countries. Although FGM is most widespread in parts of Africa, the Middle East, and the Far East, immigrants from practicing groups have brought the custom to wherever they have settled.

In the countries and cultures of its origin, FGM is most commonly performed with crude instruments such as dull razor blades, glass, and kitchen knives while the girl is tied or held down by other women. In most cases, anesthesia is not used. Afterwards, herb mixtures, cow dung, or ashes are often rubbed on the wound to stop the bleeding.

Aside from the obvious emotional and physical trauma which are caused by this procedure, it has been estimated that 15 percent of all circumcised females die as a result of the ritual. The long term effects dealt with by American doctors who treat mutilated women and girls are listed by the New England Journal of Medicine as including chronic pelvic infections, infertility, chronic urinary tract infections, dermoid cysts (which may grow to the size of a grapefruit), and chronic anxiety or depression.

Although female genital mutilation has sometimes been viewed as a purely cultural phenomena, it is clear that no ethical justification can be made for this inhumane practice in any country.

Additionally, FGM has already been banned in many Western nations. In 1982, Sweden passed a law making all forms of female circumcision illegal, and the United Kingdom passed a similar law in 1985. France, the Netherlands, Canada, and Belgium have each set a precedent for the illegality of female circumcision by holding that it violates laws prohibiting bodily mutilation and child abuse. Action has been taken to enforce the statutes banning this practice in all the countries I've just mentioned.

However, due to complex cultural factors, dealing with this issue in the United States requires more than making the ritual practice of FGM illegal. Immigrant parents in the United States who import a circumciser from their home country or find an American doctor willing to perform the procedure claim to do so out of a desire to do the best thing for their daughters. In the societies and cultures that practice it, FGM is said to be an integral part of the socialization of girls into acceptable womanhood. Often, the mutilations are perceived by a girl's parents as her passport to social acceptance or the required physical marking of her marriageability. In spite of its obvious cruelty therefore, FGM is a part of cultural identity. Clearly, female genital mutilation must be dealt with in a manner which takes into account its complex causes and meanings.

Because of the complexity of this issue and the lack of available information regarding FGM in the United States, this amendment includes a provision ensuring that research be carried out to determine the number of females in the U.S. who have undergone mutilations. This research would also document the types of physical and psychological damage dealt with by American medical professionals who treat mutilated woman.

Finally, this amendment would ensure that medical students are educated in how to treat women and girls who have undergone FGM. In 1994, the New England Journal of Medicine reported that pregnant women who have undergone infibulation—in which the labia majora are stitched to cover the urethra and entrance to the vagina—are at serious risk, as are their unborn babies, if treated by physicians who have not been trained in dealing with infibulated women. In fact, untreated infibulated women have double the risk of maternal death and several times increased risk of stillbirth when compared with women who have not undergone mutilation.

Passage of this amendment would also send a clear message to American medical professionals, some of whom reportedly have been offered as much as $3,000 to perform mutilations on young girls. It would see to it that the names of Western doctors who mutilate girls would no longer be passed around in immigrant communities.

Female genital mutilation is the world's most widespread form of torture, yet no other mass dilation of humanity has received so comparatively little journalistic or governmental attention. We in the United States should make it clear that it is a serious crime if it occurs here. I urge my colleagues to support this amendment as an essential tool in the struggle against the perpetuation of this heinous practice.

Mr. McCONNELL. Mr. President, I am not aware of any opposition to the Reid amendment. We are prepared to accept it.

Mr. LEAHY. Mr. President, I compliment the Senator from Nevada. I have heard him discuss this in Appropriations Committee. I know this is something he feels passionately about. We have no objection to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2711) was agreed to.

Mr. REID. Mr. President, I move to reconsider the vote.

Mr. McCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCONNELL. Mr. President, the Senator from Alaska is here.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the pending committee amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. I ask unanimous consent to offer a freestanding amendment.

Mr. LEAHY. Reserving the right to object, I still have no idea what is in the amendment. I wonder if I might have a chance at least to see it before I agree.

Mr. MURKOWSKI. I am happy to provide the Senator from Vermont with a copy of the amendment. It would be a freestanding amendment.

Mr. McCONNELL. May I suggest the Senator from Alaska explain the amendment before he sends it up.

Mr. LEAHY. Mr. President, I advise my friend from Alaska, I do not want to block him from getting the amendment up, but I want some idea of what it is. Maybe he might try explaining it and then remake the motion.

Mr. MURKOWSKI. I thank my colleagues from Kentucky and Vermont.

My amendment adds specificity to the timing as well as the sequencing of aspects that are key to the agreed framework on nuclear issues, which the administration signed with North Korea last October. This would ensure that everyone, including the North Koreans, knows exactly how and when—and if—the funding will be provided by the Congress or additional diplomatic or economic steps will be taken toward North Korea.

The amendment parallels much of House Joint Resolution 83 passed September 18 by the House of Representatives. The Senate, I think, should go on record in similar detail.

I am pleased that the amendment is cosponsored by the chairman of the Foreign Relations Committee, Senator HELMS, as well as Senator MCCAIN, one of the Senate's most respected voices on North Korean matters, and the Senate Republican Policy chairman, Senator NICKLES.

AMENDMENT NO. 2712

(Purpose: To provide authorization for implementation of the Agreed Framework between the United States and North Korea)

Mr. MURKOWSKI. Mr. President, with permission of the floor managers, I propose a freestanding amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Alaska [Mr. MURKOWSKI], proposes an amendment numbered 2712.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following:

AUTHORIZATION FOR IMPLEMENTATION OF THE AGREED FRAMEWORK BETWEEN THE UNITED STATES AND NORTH KOREA

SEC. 575. (a) This section may be cited as the "Authorization for Implementation of the Agreed Framework Between the United States and North Korea Act".

(b)(1) The purpose of this section is to set forth requirements, consistent with the Agreed Framework, for the United States implementation of the Agreed Framework.

(2) Nothing in this section requires the United States to take any action which would be inconsistent with any provision of the Agreed Framework.

(c)(1) The United States may not exercise any action under the Agreed Framework that would require the obligation or expenditure of funds except to the extent and in the amounts provided in an Act authorizing appropriations and in an appropriations Act.

(2) No funds may be made available under any provision of law to carry out activities described in the Agreed Framework unless the President determines and certifies to Congress that North Korea is in full compliance with the terms of the Agreed Framework.

(d) None of the funds made available to carry out any program, project, or activity funded under any provision of law may be used to maintain relations with North Korea at the ambassadorial level unless North Korea has satisfied the IAEA safeguards requirement described in subsection (g), the additional requirements set forth in subsection (h), and the nuclear nonproliferation requirements of subsection (i).

(e)(1) The President shall not terminate the economic embargo of North Korea until North Korea has satisfied the IAEA safeguards requirement described in subsection (g), the additional requirements set forth in subsection (h), and the nuclear nonproliferation requirements of subsection (i).

(2) As used in this subsection, the term "economic embargo of North Korea" means the regulations of the Department of the Treasury restricting trade with North Korea under section 5(b) of the Trading With the Enemy Act (50 U.S.C. App. 5(b)).

(f)(1) If North Korea does not maintain the freeze of its graphite-moderated nuclear program as defined in the Agreed Framework, or if North Korea diverts heavy oil for purposes not specified in the Agreed Framework, then—

(A) no additional heavy oil may be exported to North Korea if such oil is subject to the jurisdiction of the United States, or is exported by a person subject to the jurisdiction of the United States;

(B) the United States shall immediately cease any direct or indirect support for any exports of heavy oil to North Korea; and

(C) the President shall oppose steps to export heavy oil to North Korea by all other countries in the Korean Peninsula Energy Development Organization.

(2) Whoever violates paragraph (1)(A) having the requisite knowledge described in section 11 of the Export Administration Act of 1979 (50 U.S.C. App. 2410) shall be subject to the same penalties as are provided in that section for violations of that Act.

(g) The requirement of this section is satisfied when the President determines and certifies to the appropriate congressional committees that North Korea is in full compliance with its safeguards agreement with the International Atomic Energy Agency (INFCIRC/403), in accordance with part IV (3) of the Agreed Framework under the timetable set forth therein, as determined by the Agency after—

(1) conducting inspections of the two suspected nuclear waste sites at the Yongbyon nuclear complex; and

(2) conducting such other inspections in North Korea as may be deemed necessary by the Agency.

(h) The additional requirements referred to in subsections (d) and (e) are the following, as determined and certified by the President to the appropriate congressional committees:

(1) That progress has been made in talks between North Korea and the Republic of Korea, including implementation of confidence-building measures by North Korea as well as other concrete steps to reduce tensions.

(2) That the United States and North Korea have established a process for returning the remains of United States military personnel who are listed as missing in action (MIAs) during the Korean conflict between 1950 and 1953, including field activities conducted jointly by the United States and North Korea.

(3) That North Korea no longer meets the criteria for inclusion on the list maintained by the Secretary of State under section 6(j)(1)(A) of the Export Administration Act of 1979 of countries the governments of which repeatedly provide support for acts of international terrorism.

(4) That North Korea has taken positive steps to demonstrate a greater respect for internationally recognized human rights.

(5) That North Korea has agreed to control equipment and technology in accordance with the criteria and standards set forth in the Missile Technology Control Regime, as defined in section 74(2) of the Arms Export Control Act (22 U.S.C. 2797c).

(i) The nuclear nonproliferation requirements referred to in subsections (d) and (e) are the following, as determined and certified by the President to the appropriate congressional committees and the Committee on Energy and Natural Resources of the Senate:

(1) All spent fuel from the graphite-moderated nuclear reactors of North Korea have been removed from the territory of North Korea as is consistent with the Agreed Framework.

(2) The International Atomic Energy Agency has conducted any and all inspections that it deems necessary to account fully for the stocks of plutonium and other nuclear materials in North Korea, including special inspections of suspected nuclear waste sites, before any nuclear components controlled by the Nuclear Supplier Group Guidelines are delivered for a light water reactor for North Korea.

(3) The dismantlement of all graphite-based nuclear reactors in North Korea, including reprocessing facilities, has been completed in accordance with the Agreed Framework and in a manner that effectively bars in perpetuity any reactivation of such reactors and facilities.

(j) The United States shall suspend actions described in the Agreed Framework if North Korea reloads its existing 5 megawatt nuclear reactor or resumes construction of nuclear facilities other than those permitted to be built under the Agreed Framework.

(k) The President may waive the application of subsection (g), (h), (i), or (j) if the President determines, and so notifies in writing the appropriate congressional committees, that to do so is vital to the security interests of the United States.

(k)(1) Beginning 6 months after the date of enactment of this Act, and every 12 months thereafter, the President shall transmit to the appropriate congressional committees a report setting forth—

(A) an assessment of the extent of compliance by North Korea with all the provisions of the Agreed Framework and this subtitle;

(B) a statement of the progress made on construction of light-water reactors, including a statement of all contributions, direct and indirect, made by any country to the Korean Peninsula Energy Development Organization from the date of signature of the Agreed Framework to the date of the report;

(C) a statement of all contributions, direct or indirect, by any country which is not a member of the Korean Peninsula Energy Development Organization for implementation of the Agreed Framework;

(D) a statement of all expenditures made by the Korean Peninsula Energy Development Organization, either directly or indirectly, for implementation of the Agreed Framework;

(E) an estimate of the date by which North Korea is expected to satisfy the IAEA safeguards requirement described in subsection (g);

(F) a statement whether North Korea is transferring missiles or missile technology to other countries, including those countries that are state sponsors of international terrorism;

(G) a description of any new developments or advances in North Korea's nuclear weapons program;

(H) a statement of the progress made by the United States in fulfilling its actions under the Agreed Framework, including any steps taken toward normalization of relations with North Korea;

(I) a statement of any progress made on dismantlement and destruction of the graphite-moderated nuclear reactors of North Korea and related facilities;

(J) a description of the steps being taken to implement the North-South Joint Declaration on the Denuclearization of the Korean Peninsula;

(K) an assessment of the participation by North Korea in talks between North Korea and the Republic of Korea; and

(L) a description of any action taken by the President under subsection (f)(1)(B).

(2) To the maximum extent possible, the President should submit the report in unclassified form.

(l) As used in this section:

(1) AGREED FRAMEWORK.—The term "Agreed Framework" means the document entitled "Agreed Framework Between the United States of America and the Democratic People's Republic of Korea", signed October 21, 1994, at Geneva, and the attached Confidential Minute.

(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means the Committees on Foreign Relations and Armed Services of the Senate and the Committees on International Relations and National Security of the House of Representatives.

(3) IAEA SAFEGUARDS.—The term "IAEA safeguards" means the safeguards set forth in an agreement between a country and the International Atomic Energy Agency, as authorized by Article III(A)(5) of the Statute of the International Atomic Energy Agency.

(4) NORTH KOREA.—The term "North Korea" means the Democratic People's Republic of Korea, including any agency or instrumentality thereof.

(5) INSPECTIONS.—The term "inspections" means inspections conducted by the International Atomic Energy Agency pursuant to an IAEA safeguards agreement, including special inspection of undeclared information or locations if the IAEA cannot account for nuclear material and is therefore unable to verify that there has been no diversion of nuclear materials.

Mr. MURKOWSKI. Mr. President, in view of the fact that much of the opening description of the amendment has already been read, I am going to dispense with that. I am sure the reporter has it.

Let me take a moment and review for my colleagues what was in the October framework agreement that I think deserves a little reflection. You will all recall that North Korea gets two 1000-megawatt light water reactors at a cost of at least $4 billion. We do not know exactly what that cost might be. It might be more than that right now. North Korea gets free oil, $500 million worth, until the new reactors can be brought on line. And North Korea gets normalized relations and relaxed trade restrictions with the United States, which they have sought for a number of decades. North Korea gets freedom from the IAEA special inspections for some years into the future.

I might add that North Korean is the only country which has been exempted from immediate special inspections by the International Atomic Energy Agency, to exempt from the mandatory inspections. South Africa, for example, opened up its entire program for inspection. So, clearly, what we have done in North Korea is without precedent.

Furthermore, we were led to believe that the United States would not be responsible for any significant funding. I am told unofficially that after we get a little further along the line with the commitments to provide the light water reactors, we are going to be asked to contribute a significant amount of aid for switch gear. The switch gear is the mechanical capability to dispense power once the power is generated, and the North Koreans do not have that capability, nor do they have anywhere near the capacity in their current switching gear. They will be requesting assistance in the amount of roughly $1 billion. We should see that as a likely reality.

I have told you what was in the October deal and what the North Koreans get. Let us review what we get. We get North Korea's promise to freeze the current nuclear program, including their graphite-moderated reactors and reprocessing facilities; we get North Korea's promise for the IAEA special inspections—only we get it some 5 years in the future, something they previously agreed to in January of 1992 but have refused to allow.

Finally, we get North Korea's promise that its some 8,000 spent nuclear rods filled with weapons-grade plutonium will not be reprocessed in North Korea. In the interim, we have won the right to stabilize these rods, at, apparently, our expense. The question of where these rods are going to be stored is still open—we have an issue in our own country, a significant issue, on the unacceptability of storing high-level nuclear waste rods at our power sites. That is what we get—promises, but nothing else yet.

So I remain a critic of several aspects of the deal, although, as they say, hindsight is cheap. I also recognize that the administration, of course, had the authority to negotiate the deal. I have always been critical of the deal because I think we gave away our leverage when we allowed the North Koreans to simply dictate the terms of the agreement. When you negotiate a deal, there are certain things that are on the table and certain things that are not on the table. The fact that we allowed the North Koreans to be exempt from special inspections, I think, was a very, very poor decision on behalf of the administration. Nevertheless, it is a decision that was made by the administration.

But I do believe that Congress has a role as well, and that role has thus far been somewhat ignored. It has been piqued when we had discussions or floor statements on the subject. But I do not think we can ignore it any longer, now that the administration has turned to us for funding. I will have, in a future speech, some specific references where the administration assured us there will be very little likelihood of significant funding.

However, today we are told the administration has sought funding from Congress for all aspects of the deal—all aspects: delivering heavy oil, dealing with spent fuel, the light water reactor project, and even the setup costs of KEDO. That is the international consortium that is attempting to put this together.

For fiscal year 1995, the administration spent $4.7 million in emergency Department of Defense funds. I have heard members of the Armed Services Committee on this floor question how in the world Department of Defense emergency funds could ever be utilized for this purpose. But that is where the administration saw fit to expend the funds. The administration took $4.7 million in emergency DOD funds and bought heavy oil for North Korea.

What did North Korea do with the heavy oil? They were supposed to use it for power generation. We know for a fact some of it was funneled off into industrial complexes, and it was interesting to note there was an increase in military activity shortly after that oil flowed in, which I find rather confounding. Mr. President, $10 million in reprogrammed Department of Energy funds have been used and $4 million from reprogrammed Department of State funds.

So when the administration suggests it is not going to cost much, we have already expended approximately $20 million.

For this fiscal year, the administration has requested $22 million in Department of State funds and $5 million of Department of Energy funds—about $27 million.

If U.S. taxpayers' funds are going to be used, then I think Congress must play a monitoring role. My legislation outlines that role for the Congress.

The proposed amendment is consistent with the agreed framework. It is not an attempt to sabotage the agreement, but the amendment does attempt to hold North Korea to its promises before the United States simply gives it everything it wants. So far we have been doing all the giving and North Korea has been doing all the taking. Eventually North Korea, too, has to do some giving, including giving up entirely its nuclear ambitions as well as the sale of arms to other nations.

Specifically, before the United States fully normalizes political and economic relations with North Korea, my amendment would require the full implementation of the IAEA safeguards requirements, including allowing inspections of the two suspected nuclear waste sites; allowing the removal of all spent fuel to a third country—any third country, of course, other than the United States, by preference; and making progress in North-South dialog.

In addition, North Korea must address other areas of U.S. concern:

First, they must agree to go beyond the current and very ineffective process for returning remains of United States missing in action from the North Korean war. Mr. President, currently we have 8,177—8,177—still listed as missing in action in North Korea. We have reason to believe we know where many of those remains might be, as we have identified crash sites and other areas of high-intensity activity.

It is interesting to do a comparison: 8,177 MIA's in North Korea, 1,621 in Vietnam. Yet the entire focus of the Nation has been traditionally on those missing in action in the Vietnam conflict. As a consequence of the success of the joint field activities in Vietnam, we propose that same type of joint field activities in North Korea.

Finally, North Korea must cease the export of ballistic missiles and related military technology. There is evidence that North Korea is exporting missiles to Iran, among other terrorist nations, from time to time.

The amendment would also condition future funding on North Korea fulfilling the terms of the agreed framework and the confidential minute in accordance with the schedule set forth on the agreed framework.

On the particular issue of the supply of heavy oil, the amendment would restrict U.S. support for exports of heavy oil if North Korea diverts heavy oil to purposes not specified in the agreed framework or otherwise is not in compliance with the agreed framework. We have already seen violations of this section of the agreement, as I have outlined for my colleagues.

Finally, the amendment makes clear that the United States will suspend its participation in the agreed framework if North Korea reloads its existing 5 megawatt reactor or resumes construction of nuclear facilities.

In concluding, let me reiterate that this amendment should not be seen as a rejection of the committee's original language but as a necessary enhancement. It contains a reasonable and detailed road map for progress in the United States-Democratic Republic of North Korea relations, while providing an appropriate monitoring role for Congress, because after all it is our money.

The House has also taken similar action. I think we should take steps to ensure that North Korea keeps its promises. I urge my colleagues and the administration to support this approach in the national interest and in the interest of continuity.

I thank my colleagues and I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. McCONNELL. I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending question is the Murkowski amendment No. 2712.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Murkowski amendment be laid aside.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, on behalf of the Senator from Florida, Senator MACK, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

Mr. McCONNELL. Not to be considered, just to be filed.

The PRESIDING OFFICER. The amendment will be submitted and numbered.

AMENDMENTS NOS. 2710, 2714 THROUGH 2722, EN BLOC

Mr. McCONNELL. Mr. President, I have seven amendments that are routine, and as far as I know there are no objections to them. Let me list them: an amendment by Senator SPECTER on section 660, which has to do with police training; amendments for myself regarding competitive financing; an amendment by Senator STEVENS of Alaska dealing with the issue of mapping; an amendment by Senator KASSEBAUM already at the desk regarding Liberia; an amendment by Senator BINGAMAN concerning energy; two amendments by Senator MACK, one relating to the World Bank and one relating to the index of economic freedom; and an amendment by my colleague from Vermont on Honduras.

Mr. President, I send those amendments to the desk en bloc and I ask for their immediate consideration.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. McCONNELL] proposes amendments numbered 2710, 2714 through 2722 en bloc.

Mr. McCONNELL. I ask unanimous consent that the reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 2710

(Purpose: Expressing the sense of the Congress with respect to the peace process in Liberia)

At the appropriate place in the bill, insert the following:

LIBERIA

SEC. . (a) The Congress finds that—

(1) the war in Liberia begun in 1989 has devastated that country, with more than 150,000 people killed, 800,000 people forced to flee to other countries, and thousands of children conscripted into the rebel armies;

(2) after nearly six years of conflict, on August 19, 1995, the Liberia factions signed a peace agreement in Abuja, Nigeria; and

(3) the Liberian faction leaders and regional powers appear to be committed to the most recent peace accord, including the installation of the new ruling council.

(b) It is the sense of the Congress that the United States should strongly support the peace process in Liberia, including diplomatic engagement, support for the west African peacekeeping force, humanitarian assistance, and assistance for demobilizing troops and for the resettlement of refugees.

(c) Section 1(b)(2) of Public Law 102-270 is amended by striking "to implement the Yamoussoukro accord".

Mrs. KASSEBAUM. Mr. President, I rise today to offer an amendment on Liberia. I am pleased to be joined by Senator SIMON, former chairman of the Africa Subcommittee, and Senator FEINGOLD, ranking member of the Subcommittee.

This amendment expresses strong support for the latest Liberia peace agreement and facilitates the provision of limited United States assistance to Liberia.

Begun on Christmas day 1989, the civil war in Liberia has devastated that country. More than 150,000 people have been killed, mostly innocent women and children. Upward of three-quarters of a million people have been forced to flee to neighboring countries. Most heart-wrenching is the disastrous effect of the war on the children of Liberia. Many young boys—probably tens of thousands—have been conscripted by the warring factions, handed weapons sometimes bigger than they are, and sent into battle.

Mr. President, in August 1990, the Economic Community of West African States sent a peacekeeping force led by Nigeria. The force, called ECOMOG, did stop the rebel advance—but over time became one of the combatants and did little to bring peace to Liberia.

And, the situation has only become more confused the last couple of years. The number of factions multiplied. Some of these groups have split and others connected with a rebel movement in Sierra Leone. ECOMOG formed alliances with certain factions. Arms flows continued. Clearly the warlords appeared much more interested in their personal power and wealth than in the future of their country.

After more than 5 years of brutal and inhuman conflict, many in the outside world had simply given up on Liberia. I must say that I was one who had become increasingly frustrated with the situation and pessimistic about the future of Liberia.

Yet, in the midst of the cynicism, we have seen a dramatic and very positive breakthrough in Liberia. Last month, the major faction leaders—under intense pressure from Ghanaian President Jerry Rawlings—signed a peace agreement in Abuja, Nigeria. Unlike the previous 11 accords, many believe and hope that this is a peace accord with a difference. For once, the Nigerians—the leaders of ECOWAS—and rebel leader Charles Taylor appear to have reached an understanding. All the major faction leaders are part of the transition.

Mr. President, I believe that now is the time for the international community, including the United States, to respond positively to this latest development. Liberia is a country founded by a group of freed American slaves. We have a long history of involvement in Liberia and, I believe, a special responsibility for its future.

This amendment expresses the sense of Congress that the United States should strongly support the recent peace accord. We should assist with the ECOMOG peacekeeping force. We should help demobilize the troops, many of which are children. We should support efforts to resettle the refugees.

This amendment also facilitates the delivery of United States relief by waiving the Brooke amendment for Liberia for these types of aid. Because of the irresponsible fiscal policies of former President Doe and the war, Liberia is prevented from receiving any nonemergency United States assistance under the Brooke amendment.

In 1992, I sponsored a bill—signed into law by President Bush—which waives the Brooke amendment for limited types of assistance to Liberia. That action followed an earlier peace accord that many hoped would end the fighting. But, as we know, the war resumed, and the current authority does not apply because the law refers only to the Yamoussoukro accord. This amendment simply deletes the reference to "Yamoussoukro" in the current law. It does not appropriate any new money or affect direct spending. It only gives the President the limited authority to support the latest peace agreement in Liberia from existing accounts.

Mr. President, I would urge support for this amendment. I believe it is a limited, but important, step in facilitating United States assistance for Liberia at this critical time. It is my hope that this latest peace agreement will hold and the devastating and brutal conflict in Liberia will finally end.

Mr. FEINGOLD. Mr. President, before I begin speaking about Liberia, I would like to congratulate the managers of this bill for the good work they have done on behalf of Africa in this bill. The Chairman's mark reflects cuts to the accounts that affect development in sub-Saharan Africa, but they do not paralyze our program or signal a United States withdrawal from the region. I think the Chairman acted very responsibly, and I would urge him and the other Senate conferees to protect this mark, at a minimum, in conference. The case for continued support for Africa is strong, and, I believe, that the United States has serious national security interests in the region, which make our investment there an imperative.

Today I want to talk about Liberia specifically, though, and to speak as a cosponsor of the Kassebaum amendment on Liberia, which I expect is noncontroversial. The amendment will make what a technical fix in existing law, and permit the United States to provide assistance to Liberia to implement the Abuja peace accords reached last month.

Since 1989, Liberia has suffered some of the most wretched and vengeful warfare in Africa. More than 180,000 people have been killed; approximately half the country's population has been displaced; and the capital city of Monrovia is bursting with three times its prewar population. The country has been shattered by senseless ethnic and individual rivalries, and has been on the verge of total collapse and anarchy. The conflict has contributed to instability throughout West Africa, and serious violence—mirroring Liberia's factional divides—has recently erupted in Sierra Leone.

I had the opportunity last year to visit Liberia with the past chairman of the Subcommittee on African Affairs, Senator SIMON, and listened to firsthand accounts about the war. Children were fighting children to seek revenge for relatives' deaths, or just simply to earn a day's food; arms flow from state to state, available to anyone seeking anything explosive; and violence marks the life of every Liberian citizen.

Since 1989 the United States has provided over $380 million for humanitarian relief in Liberia, and $60 million for efforts aimed at conflict resolution. The United Nations has maintained a small peacekeeping mission in Liberia, and the Economic Community of West African States [ECOWAS] has deployed thousands of peacekeepers in an effort to quell some of the violence. It has been a difficult assignment, to say the least.

There have been a dozen peace accords in Liberia in the past 6 years. They have failed for a variety of reasons, but most of them were doomed because they were not negotiated with the concept of powersharing for all the factional leaders; rather they sought to isolate some parties, in a war which nobody has won, and in fact everybody has lost. Consequently, there has not been a unified national will to stop the fighting.

The Abuja accord signed last month, though, represents a new way of doing business in Liberia: for the first time, all seven factions are represented and invested in the agreement; and for the first time, there is a concept of powersharing in Liberia. It also comes at a time when the people of Liberia have actively demonstrated their yearning for an end to the war. Ghanaian President Jerry Rawlings deserves a great deal of credit for his tenacity and creativity in facilitating the Abuja accord. I also commend the Nigerians for the role they have played in these groundbreaking negotiations.

For that reason, it is with a cautious sense of relief that I congratulate the people of Liberia on the peace agreement, and join Senator KASSEBAUM in urging support for the Abuja accord. Given the discouraging history of this war, success is, quite frankly, a longshot, but this agreement is Liberia's best hope at this time for peace.

The task of reconciliation in Liberia is daunting, so the Abuja accord must be viewed with a healthy dose of skepticism. But if the parties take the first steps and demonstrate their commitment to the process, then the United States will finally have an opportunity—after spending years of investing in humanitarian relief for Liberia—to bolster a peace.

The first signs have been promising. A ceasefire has been in place, and holding more or less, since August 26; the new transitional government, the Council of State, was inaugurated on September 1; an ambitious timeline for disarmament and demobilization has been set; and democratic elections have been scheduled for August 1996. But there is a long and difficult road ahead, with many obstacles to overcome.

For most of the problems, the answers will be hard to come by. For instance, when I was in Monrovia last year, Liberia was in the process of trying to disarm soldiers, pursuant to the Cotonou accords. Yet all they could offer a demobilized soldier was a bag of rice, a jug of cooking oil, and a pair of tennis shoes—just enough to feed a family for a few weeks, and hardly enough to substitute for a job as a soldier. Similarly, to reintegrate a child soldier requires a school and other constructive programs. Clearly, this will be a tremendously complicated and long-term process—one which involves not only national reconciliation, but also the development of alternative economic opportunities.

The United States has a moral interest in the fate of Liberia, and we have responded significantly to the humanitarian disaster of the past 6 years. We now must seize the opportunity to invest in peace. While we have limited funds to allocate to foreign aid at all this year, we can use our unique historical relationship with Liberia and the weight of creative diplomacy to advance the process of reconciliation in Liberia.

First, we must continue to offer support to the Council of State and, where appropriate and possible, facilitate attempts at reconciliation. We should be available to President Rawlings in his efforts through ECOWAS to forge peace in the region as well. Second, we should redouble efforts to work with other West African States—namely Burkina Faso, Cote D'Ivoire, Sierra Leone, and Nigeria—to stop the flagrant arms transfers to Liberia. Third, Liberia should be designated as a priority within our aid budget to Africa, and resources should be allocated accordingly to support the peace process. If the Abuja accords prove successful, then the Assistant Secretary of State for African Affairs, the Honorable George Moose, or other high-ranking Administration officials should consider visiting Monrovia. These are all issues we will explore when the subcommittee holds its hearings on the prospects for peace in Liberia next week.

Over the years, the United States has proven itself willing to contribute in disaster assistance to Liberia. With the Abuja accord, we have a long overdue opportunity to help support a peace. After 6 harsh years of sadistic violence and dislocation, Liberia needs this agreement to succeed. This amendment will clarify that that can happen.

I thank the Chair and yield the floor.

AMENDMENT NO. 2714

(Purpose: To Allow Training of Foreign Police Forces During and After U.S. Military Operations)

On page 81, line 21, strike "paragraph" and insert "paragraphs." On page 81, line 23, after "enforcement." insert the following:

"(6) with respect to assistance provided to reconstitute civilian police authority and capability in the post-conflict restoration of host nation infrastructure for the purposes of supporting a nation emerging from instability, and the provision of professional public safety training, to include training in internationally recognized standards of human rights, the rule of law, anti-corruption, and the promotion of civilian police roles that support democracy."

Mr. SPECTER. Mr. President, for two decades, section 660 of the Foreign Assistance Act of 1961 has prohibited the U.S. Government from training foreign police forces.

There are a number of exemptions, however: For example, antiterrorism and counterdrug training have been permitted. The foreign operations bill contains a new exemption; namely, for training foreign police to monitor and enforce sanctions.

The 1996 foreign operations report contains an additional exemption; that is, training for monitoring and enforcing embargoes.

Deputy Secretary John White and other officials believe that another exemption is needed.

In their view, the U.S. Government should be allowed to carry out police training during and after U.S. military operations.

During military operations in Grenada, Panama, Somalia, and Haiti, public order broke down. Creating new public safety forces in these countries was essential: U.S. forces were unable to leave until there was a new police force in place to protect the public.

But section 660 prohibitions technically prevented the Defense Department—the most effective organization in hostile environments—from performing this training; as the report of the congressionally mandated, bipartisan Commission on Roles and Missions of the Armed Forces stated, "there are no civilian agencies capable of short notice training in hostile, demanding environment. We expect DOD will continue to be called upon to carry out law enforcement operations in the future."

The Commission recommended that legislation that restricts the ability of the Federal Government to conduct constabulary training, for example, section 660, should be amended to allow greater DOD participation.

The Pentagon is prepared to accept its responsibility for short-term training in hostile environments, for example, Somalia. Before they do so, however, they wish to see section 660 amended.

The amendment would not require the Defense Department to do the training. Rather, it would allow the President to use whatever Government agency he felt was appropriate. In a lsss hostile environment, for example, Panama after Noreiga's capture, the FBI or other agency might do the training.

AMENDMENT NO. 2715

On page 67, line 11, add the following section:

(b) Direct costs associated with meeting a foreign customer's additional or unique requirements will continue to be allowable under such contracts. Loadings applicable to such direct costs shall be permitted at the same rates applicable to procurement of like items purchased by the Department of Defense for its own use.

AMENDMENT NO. 2716

(Purpose: To require a report providing a concise overview of the prospects for economic growth on a broad, equitable, and sustainable basis in the countries receiving economic assistance under title II of this act)

At the appropriate place in the bill, insert the following new section:

SEC. . INDEX OF ECONOMIC FREEDOM.

(a) REPORTING REQUIREMENT.—The President shall include in the congressional presentation materials on United States bilateral economic assistance submitted to the appropriate congressional committees for a fiscal year a report providing a concise overview of the prospects for economic growth on a broad, equitable, and sustainable basis in the countries receiving economic assistance under title II of this Act. For each country, the report shall discuss the laws, policies and practices of that country that most contribute to or detract from the achievement of this kind of growth. The report should address relevant macroeconomic, microeconomic, social, legal, environmental, and political factors and include economic freedom criteria regarding policies wage and price controls, state ownership of production and distribution, state control of financial institutions, trade and foreign investment, capital and profit repatriation, tax and private property protections.

(b) COUNTRIES.—The countries referred to in subsection (a) are countries—

(1) for which in excess a total of $5,000,000 has been obligated during the previous fiscal year for assistance under sections 103 through 106, chapters 10, 11 of part I, and chapter 4 of part II of the Foreign Assistance Act of 1961, and under the Support for Eastern Democracy Act of 1989; or

(2) for which in excess of $1,000,000 has been obligated during the previous fiscal year for assistance administered by the Overseas Private Investment Corporation.

(c) CONSULTATION.—The Secretary of State shall submit the report required by subsection (a) in consultation with the Secretary of the Treasury, the Administrator of the Agency for International Development, and the President of the Overseas Private Investment Corporation.

AMENDMENT NO. 2717

(Purpose: To direct USAID contracting of mapping and surveying to qualified U.S. contractors)

Add the following in the appropriate section:

"To the maximum extent possible, the funds provided by this Act shall be used to provide surveying and mapping related services through contracts entered into through competitive bidding to qualified U.S. contractors."

Mr. STEVENS. Mr. President, I rise to offer an amendment which will require AID to contract out mapping and surveying work to qualified U.S. companies when such work can be accomplished by the private sector.

Mr. President, I am deeply concerned that while the Agency for International Development requires surveying and mapping in countries that receive development assistance, this mapping work is most often contracted out by AID to other government agencies. In many instances Federal agencies are aggressively marketing their mapping capabilities to foreign governments in direct competition with qualified U.S. companies. Despite language in previous committee reports, the amount of contracting for such services has not increased.

I encourage my colleagues to support this amendment.

AMENDMENT NO. 2718

(Purpose: To reduce the energy costs of Federal facilities for which funds are made available under this Act)

At the appropriate place, insert the following:

SEC. . ENERGY SAVINGS AT FEDERAL FACILITIES.

(a) REDUCTION IN FACILITIES ENERGY COSTS.—The head of each agency for which funds are made available under this Act shall take all actions necessary to achieve during fiscal year 1996 a 5 percent reduction, from fiscal year 1995 levels, in the energy costs of the facilities used by the agency.

(b) USE OF COST SAVINGS.—An amount equal to the amount of cost savings realized by an agency under subsection (a) shall remain available for obligation through the end of fiscal year 1997, without further authorization or appropriation, as follows:

(1) CONSERVATION MEASURES.—Fifty percent of the amount shall remain available for the implementation of additional energy conservation measures and for water conservation measures at such facilities used by the agency as are designated by the head of the agency.

(2) OTHER PURPOSES.—Fifty percent of the amount shall remain available for use by the agency for such purposes as are designated by the head of the agency, consistent with applicable law.

(c) REPORT.—

(1) IN GENERAL.—Not later than December 31, 1996, the head of each agency described in subsection (a) shall submit a report to Congress specifying the results of the actions taken under subsection (a) and providing any recommendations concerning how to further reduce energy costs and energy consumption in the future.

(2) CONTENTS.—Each report shall—

(A) specify the total energy costs of the facilities used by the agency;

(B) identify the reductions achieved; and

(C) specify the actions that resulted in the reductions.

AMENDMENT NO. 2719

(Purpose: To require certification by the Secretary of the State that the International Bank for Reconstruction and Development has not approved any loans to Iran)

On page 39, after line 19, insert the following: "*Provided further*, That not more than twenty-one days prior to the obligation of each such sum, the Secretary shall submit a certification to the Committees on Appropriations that the Bank has not approved any loans to Iran since October 1, 1994, or the President of the United States certifies that withholding of these funds is contrary to the national interest of the United States."

AMENDMENT NO. 2720

(Purpose: To require additional reports pursuant to the United States-Hong Kong Policy Act (22 U.S.C. §5731)

At the appropriate place in the bill, insert the following new section:

SEC. . REPORTS REGARDING HONG KONG.

(a) EXTENSION OF REPORTING REQUIREMENT.—Section 301 of the United States-Hong Kong Policy Act of 1992 (22 U.S.C. 5731) is amended in the text above paragraph (1)—

(1) By inserting "March 31, 1996," after "March 31, 1995,"; and

(2) by striking "and March 31, 2000," and inserting "March 31, 2000, and every year thereafter,".

(b) ADDITIONAL REQUIREMENTS.—In light of deficiencies in reports submitted to the Congress pursuant to section 301 of the United States-Hong Kong Policy Act (22 U.S.C. 5731), the Congress directs that reports required to be submitted under that section on or after the date of enactment of this Act include detailed information on the status of, and other developments affecting, implementation of the Sino-British Joint Declaration on the Question of Hong Kong, including—

(1) the Basic Law and its consistency with the Joint Declaration;

(2) the openness and fairness of elections to the legislature;

(3) the openness and fairness of the election of the chief executive and the executive's accountability to the legislature;

(4) the treatment of political parties;

(5) the independence of the judiciary and its ability to exercise the power of final judgment over Hong Kong law; and

(6) the Bill of Rights.

Mr. MACK. Mr. President, the United States-Hong Kong Policy Act and the reports pursuant to that act have contributed to United States policy goals in Hong Kong. Senator MCCONNELL deserves thanks and appreciation for the work he did in seeing that bill passed into law.

The amendment adds the requirement of a report in 1996 and every year after 2000 pursuant to the United States-Hong Kong Policy Act. Currently, reports are not required in those years. The amendment also includes directive language establishing criteria for reporting on six issues related to the implementation of the 1984 Sino-British Joint Declaration on Hong Kong. Past reports have been deficient on these points. The purpose of the directive language, which does not amend the United States-Hong Kong Policy Act, is to give guidance on title III's existing reporting requirements. They do not reflect a departure or a change in Congress's stated policies in the act.

AMENDMENT NO. 2721

(Purpose: To require a report providing a concise overview of the prospects for economic growth on a broad, equitable, and sustainable basis in the countries receiving economic assistance under title II of this act)

At the appropriate place in the bill, insert the following new section:

SEC. . INDEX OF ECONOMIC FREEDOM.

(a) REPORTING REQUIREMENT.—The President shall include in the congressional presentation materials on United States bilateral economic assistance submitted to the appropriate congressional committees for a fiscal year a report providing a concise overview of the prospects for economic growth on a broad, equitable, and sustainable basis in the countries receiving economic assistance under title II of this Act. For each country, the report shall discuss the laws, policies and practices of that country that most contribute to or detract from the achievement of this kind of growth. The report should address relevant macroeconomics, microeconomic, social, legal, environmental, and political factors and include economic freedom criteria regarding policies wage and price controls, state ownership of production and distribution, state control of financial Institutions, trade and foreign investment, capital and profit repatriation, tax and private property protections.

Mr. MACK. Mr. President, once again this year, I have submitted an amendment to require administration reports on economic policies in countries receiving U.S. economic assistance. It seems to me that in the wake of the collapse of communism and the vindication of free-market capitalist economic policies, it is absolutely essential that our policymakers keep in mind the economic principles and protections that have made the United States the freest and strongest country on the face on the Earth.

AMENDMENT NO. 2722

(Purpose: To state the sense of the Congress that the Administration should expeditiously declassify documents relating to Hondurans who were allegedly "disappeared," and for other purposes)

At the appropriate place in the bill, insert the following:

SEC. . HONDURAS.

(a) FINDINGS.—The Congress makes the following findings:

(1) In 1981, a secret Honduran army death squad known as Battalion 316 was created. During the 1980's Battalion 316 engaged in a campaign of systematically kidnapping, torturing and murdering suspected subversives. Victims included Honduran students, teachers, labor leaders and journalists. In 1993 there were reportedly 184 unsolved cases of persons who were allegedly "disappeared." They are presumed dead.

(2) At the time, Administration officials were aware of the activities of Battalion 316, but in its 1983 human rights report the State Department stated that "There are no political prisoners in Honduras."

(b) DECLASSIFICATION OF DOCUMENTS.—It is the sense of the Congress that the President should order the expedited declassification of any documents in the possession of the United States Government pertaining to persons who allegedly "disappeared" in Honduras, and promptly make such documents available to Honduran authorities who are seeking to determine the fate of these individuals.

Mr. LEAHY. Mr. President, amendment that I am sponsoring on behalf of myself, Senator DODD and Senator SARBANES, calls on the administration to declassify documents relating to individuals who were disappeared in Honduras during the 1980's.

There is considerable evidence that in 1981, a secret Honduran army death squad was created with the knowledge and assistance of the American Government. It was known as Battalion 316, and during the 1980's it engaged in a campaign of systematically kidnapping, torturing and murdering suspected subversives. These were labor organizers, human rights activists, journalists, lawyers, students and teachers. The majority of them were engaged in activities that would be lawful in any democracy.

At that time, the American Embassy, which had ample reason to know about these activities, denied them. Even today, U.S. officials who were stationed there claim not to know.

But the fact is that as many as 184 people remain unaccounted for who may have been disappeared, and the Honduran Government, to its credit, has undertaken to determine their fate.

Regrettably, the U.S. Government has not done all it could to assist in this effort. In fact, it has been unhelpful. For that reason, consistent with a letter sent this week to the President by Senator HARKIN, myself, and several other Senators, this amendment calls on the administration to promptly make documents in its possession which pertain to these allegedly disappeared individuals available to Honduran authorities.

I understand this amendment is acceptable to the other side.

Mr. McCONNELL. Mr. President, as I indicated, I am unaware of any problems with the amendments that have just been submitted to the desk on this side.

Mr. LEAHY. Mr. President, I advise my friend from Kentucky that there are no objections on this side. They have been cleared for adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc.

So the amendments (Nos. 2710 and 2714 through 2722) were agreed to en bloc.

Mr. McCONNELL. I move to reconsider the vote.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY. Mr. President, I ask unanimous-consent that tonight when we have the debate under the previous unanimous-consent request regarding the Brown amendment, the time on this side under my control be under the control of the distinguished senior Senator from Ohio, Senator GLENN, or his designee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, let me just say that we are hoping to handle an amendment or two before 7. And I remind everyone that beginning at 7, as Senator LEAHY indicated, there is a period of 5 hours of debate on the Brown amendment which will kick in. But we would like to handle some more amendments before then.

Already I think we can see the light at the end of the tunnel. There is no reason why we cannot finish this bill sometime tomorrow. The number of contentious amendments is relatively small already. So I am optimistic we will be able to finish. Obviously we will be able to finish tomorrow much more easily if we can get some more amendments processed between now and 7. So I would invite anyone to come over. I know that Senator SMITH has an amendment and may well be willing to offer it sometime before 7. But we would welcome anyone to come over.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCONNELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. SNOWE). Without objection, it is so ordered.

Mr. McCONNELL. Madam President, in keeping with the earlier designation by Senator LEAHY, I ask unanimous consent that all time in opposition to the Brown amendment be under the control of Senator GLENN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCONNELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. For the information of all Senators, I see Senator SMITH is here and it is my understanding we will be able to have a vote on or in relation to the Smith amendment before 7 o'clock, so all Senators should be alert to the fact that there will be, in all likelihood, one more rollcall tonight before we go into debate, the lengthy debate on the Brown amendment.

Mr. SMITH addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. SMITH. Madam President, I ask unanimous consent that it be in order to offer an amendment to the committee amendment on page 11, lines 9 and 10.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2723 TO COMMITTEE AMENDMENT ON PAGE 11, LINES 8 THROUGH 10

(Purpose: To prohibit financial assistance to Vietnam unless certain conditions relating to Americans unaccounted for from the Vietnam war are met)

Mr. SMITH. Madam President, I send this amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. SMITH], for himself, Mr. THOMAS, Ms. SNOWE, and Mr. HELMS, proposes an amendment numbered 2723 to committee amendment on page 11, lines 8 through 10.

Mr. SMITH. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the Committee amendment, add the following:

PROHIBITION ON FINANCIAL ASSISTANCE TO THE SOCIALIST REPUBLIC OF VIETNAM

SEC. ___. None of the funds appropriated or otherwise made available by this Act may be used to establish most-favored-nation trading status with the Socialist Republic of Vietnam, or to extend financing or other financial assistance to the Socialist Republic of Vietnam from the Export-Import Bank of the United States, Overseas Private Investment Corporation, or Trade and Development Agency unless the President—

(1) provides Congress with the original case-by-case analytical assessments on unaccounted for American servicemen from the Vietnam Conflict which were completed by the Defense POW/MIA Office in July, 1995; and

(2) certifies to Congress that the Socialist Republic of Vietnam is being fully cooperative and fully forthcoming, on the basis of information available to the United States Government, in the four areas stipulated by the President, namely—

(A) concrete results from efforts by Vietnam to recover and repatriate American remains;

(B) continued resolution of discrepancy cases, live-sightings, and field activities,

(C) further assistance in implementing trilateral investigations with the Lao; and

(D) accelerated efforts to provide all documents that will help lead to the fullest possible accounting of POW/MIAs; and

(3) certifies to Congress, after consultation with the Director of Central Intelligence, that the Socialist Republic of Vietnam is being fully forthcoming in providing the United States with access to those portions of wartime Central Committee-level records and reports that pertain to the subject of Americans captured or held during the Vietnam War by North Vietnamese, Pathet Lao, or Vietcong forces in Vietnam, Laos, and Cambodia; and

(4) certifies to Congress that the Government of the Socialist Republic of Vietnam is making substantial progress to address United States concerns about the continued suppression of the nonviolent pursuit of democratic freedoms by the people of Vietnam, including freedom of expression and association, and the continued imprisonment of political and religious leaders, including American citizens.

Mr. SMITH. Madam President, I do not choose to take too much of the Senate's time. I will be very brief. I know that Senator THOMAS and Senator McCAIN are going to be speaking for and against the amendment.

I am very pleased in offering this amendment to join with the distinguished chairman of the Foreign Relations Subcommittee on East Asian and Pacific Affairs, Senator THOMAS, in offering this amendment. I very much appreciate his support. I also appreciate the support of the Senator in the chair, the Senator from Maine, for her support and cosponsorship as well.

The language in this amendment is very straightforward. It prohibits the granting of any special trading privileges to the socialist Republic of Vietnam unless the President makes two key certifications to Congress. The first of these is that Vietnam is cooperating fully with efforts to account for missing American servicemen from the Vietnam war.

That is very straightforward. It does not mean that they have to provide answers for every single person who is missing; some they may not be able to provide. The key is, are they fully cooperating with those efforts to account for missing Americans, giving us the help and assistance that we need to try to get information regarding our missing.

Second, that Vietnam has taken steps to improve its human rights record, which is far from exemplary, and that would include addressing United States objections over the detention of American citizens now in Vietnam. The POW/MIA-related portion of this amendment was part of a resolution I introduced this past May which was cosponsored by the majority leader, Senator DOLE, and by the chairman of the Foreign Relations Committee, Senator HELMS, and the chairman of the Armed Services Committee, Senator THURMOND, the Banking Committee chair, the Asian Pacific Subcommittee and Defense Appropriations Subcommittee, the Commerce-State-Justice Appropriations Subcommittee, and the International Operations Subcommittee. All of those chairs supported this.

As my colleagues may recall, since coming to office, President Clinton has taken five major steps to improve relations with Vietnam. Let me just briefly reiterate those.

One, in July 1993, 2 years ago, the President ended United States objections to Vietnam having access to International Monetary Fund loans, a very significant step, moving Vietnam allegedly into the international community.

Second, in September 1993, the President allowed United States companies to bid on internationally financed development projects in Vietnam.

Third, in February, 1994, he ended the U.S. trade embargo.

Fourth, in January 1995, the President allowed Vietnam and the United States to open liaison offices in our respective capitals.

And finally, Madam President, this past summer the President announced his decision to establish diplomatic relations with Vietnam.

So the administration has taken very dramatic steps in the past 2 years to bring Communist Vietnam into the family of nations, but it should not be one-sided, Madam President. There should be a two-sided equation.

Quite frankly, I think it is now time for Vietnam to take some very dramatic steps equaling in significance the steps taken by the President before the American taxpayer is asked to subsidize specific trading privileges with that country.

Specifically, I want the President to tell us if Vietnam is fully cooperating on the POW/MIA issue. That is all I am asking—the President to say Vietnam is fully cooperating with us on the POW/MIA issue.

I would like assurances that Vietnam is addressing our human rights concerns as well.

We also would like the President to provide us with complete information on the status of those who are still missing from the war, something which was required last year by a unanimous vote in this Chamber. By unanimous vote of the Senate, we asked that information on the status of Americans still missing from the Vietnam war be provided to the Congress.

Mr. President, for the information of my colleagues, I would just include three items in the RECORD that will give a perspective of where we are concerning the issue of human rights in Vietnam and the MIA/POW issue.

The first item is an Associated Press article from last month concerning the sentencing of two American citizens in Ho Chi Minh City who did nothing more than try to organize a nonviolent conference in Vietnam. That was their crime, a nonviolent conference.

I know that Senator THOMAS has already expanded on this issue of Vietnam's human rights record in a floor statement he made earlier this month so I am not going to belabor it because I think he will speak to that.

The second item is a letter I sent to the Under Secretary of Defense in August requesting information on POW/MIA cases, as is required by law. There has been no response to that request despite the congressional testimony earlier this year that the requested information would be provided to Congress by this past July. It is a difficult task to provide this information, and I am fully aware of that, but it has not been provided. I think Congress should have this information. That is all I am asking. Let Congress get this information before any further trade decisions are made on Vietnam.

I think this is especially important because these trade agreements with Vietnam are going to be subsidized through some of these international monetary organizations by the American taxpayer. We are cutting moneys everywhere to reconcile our budget, get it balanced and have a 7-year plan to do it, and surely the American taxpayer should not be subsidizing this country if it has not provided the information as required by the laws passed by this Congress.

The third item is a breakdown of 2,197 cases of unaccounted Americans from the Vietnam war by country of loss and military service. And I ask unanimous consent, Madam President, that these referenced items be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SMITH. Madam President, this is a very reasonable amendment. I know there is some opposition to it, but it makes clear to Vietnam, it sends a very strong message to Vietnam and to President Clinton about the seriousness of our resolve in Congress to obtain full cooperation on the POW issue as well as improvements in human rights cases. It sends that message. That is a reasonable message to send that we expect full cooperation and we expect improvement in human rights cases if we are going to provide taxpayer subsidies to help them, the Vietnamese, get loans. This is not an attempt to replay the decision that was made to establish full diplomatic relations. We lost that debate, and I understand that. I did not like it, but I understand it. But what we are trying to do now is make Vietnam comply with what is required.

When the President is ready to tell the American people that our concerns have been addressed, then I will withdraw any objections that I have to move forward on trade. But the President must tell us, and he has not done that. If the President is going to move forward on trade, forward on establishing the diplomatic relations and the mission and all of those things, is it too much to ask to simply have the President of the United States certify to Congress that we are receiving the fullest possible accounting?

I hope that my colleague, the Senator from Kentucky, might take a second look at opposition to this amendment because I do not think it is unreasonable. It is really very, very specific and very, very reasonable. We should not have to fund any trade decisions before receiving a certification from the President. It is that simple. That is what the law provides for.

Let us hope, Madam President, that the leaders of Vietnam will choose to respond in a significant way to the five major concessions that this President has already made to Vietnam. I have listed all five. And they have been made in the last 2 years, not over a period of 20 years, but a period of 2, very rapidly.

And I would just say that if those conditions would be met, if the Vietnamese could respond to those five points, the President steps forward and says that we have fully received now the full cooperation of the Vietnamese and we get that list on MIA's and we can get the cooperation on the human rights violations, both specifically—I think Senator THOMAS will discuss the two cases—then I think we can move on. But we should not be moving on before. A lot of people died in this war, and a lot of families are still waiting for answers. And they deserve to have the President of the United States step up to the microphone, face the American people, and say very simply, the Vietnamese are fully cooperating; they are providing all the information that they have and can provide unilaterally to the United States of America regarding their missing in action. When he says that, the day he says that, I will be the first Senator down on the floor to say, "Fine. Let us move on." That is all I am asking. That is not an unreasonable request.

Madam President, I ask unanimous consent that Senator DOLE be listed as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMITH. I yield the floor.

EXHIBIT 1

[From the Associated Press, Aug. 16, 1995]

STATE DEPARTMENT CALLS VIETNAMESE JAILING OF U.S. CITIZENS UNWELCOME

WASHINGTON.—The State Department says the jailing by Vietnam of two Vietnamese-Americans on subversion charges is unwelcome.

In a two-day trial ending Saturday, a court in Ho Chi Minh City sentenced Nguyen Tan Tri, 39, to seven years in prison and Tran Quang Liem, 45, to four years on charges of trying to overthrow Vietnam's government.

Both hold American as well as Vietnamese citizenship and have been held since November 1993. Seven Vietnamese also were sentenced.

David Johnson, a State Department spokesman, said Tuesday he did not know specific charges against the two Americans, although U.S. diplomats attended the trial.

"It's certainly unwelcome that American citizens engaged in the peaceful expression of political views are arrested and imprisoned," Johnson said.

[From Reuters, Aug. 16, 1995]

U.S. RIGHTS GROUP CONDEMN VIETNAM VERDICTS

(By John Rogers)

HANOI, VIETNAM.—The U.S government and human rights groups have attacked two Vietnamese court verdicts that showed communist authorities were maintaining a tough stance against dissidents.

The cases appeared likely to heighten strains over treatment of political offenders between Hanoi and Western countries with which it is doing increasing business, diplomats said in Hanoi Wednesday.

In Washington, the State Department criticized prison sentences passed by a Ho Chi Minh City court last week on two Americans of Vietnamese origin and seven other people for attempted subversion.

The nine were jailed for between four and 15 years for setting up an illegal opposition party in 1992 in Ho Chi Minh City, the official Vietnam News Agency (VNA) reported earlier.

The Communist Party is Vietnam's only legal party.

State Department spokesman David Johnson said Washington conveyed its displeasure to Hanoi over the case.

"We have repeatedly voiced our support for peaceful expression of political views and urged the Vietnamese authorities to recognize that right," he said.

The U.S.-based pressure group Human Rights Watch/Asia also attacked the verdict, as well as the jailing of a leading dissident Buddhist monk and five other Buddhists in an unrelated trial Tuesday.

The Ho Chi Minh City People's Court jailed the monk, Thich Quang Do, for five years over an attempt by dissident Buddhists to mount a relief effort separate from the government's for victims of severe floods in the Mekong Delta last year.

Do, deputy leader of the banned Unified Buddhist Church of Vietnam (UBCV), was tried under his lay name of Dang Phuc Tue because, the government said, the case did not involve religious activities.

He and his co-defendants, UBCV supporters, were convicted of undermining national solidarity and "taking advantage of the right of freedom and democracy to damage the interests of the government and social organizations."

Human rights Watch/Asia, in a statement sent to news bureaux in Hanoi, called for the release of those convicted.

"In both cases, we are unaware of any evidence that the defendants have committed any acts that could be characterized under international law as criminal." its counsel Dinah PoKempner said.

"Their offence appears to consist of having peacefully expressed controversial religious or political views."

Western diplomats said the two cases showed Hanoi was not easing political controls despite improving relations and business ties with the West and non-communist Asia.

The United States finally established diplomatic relations with Hanoi this month, 20 years after the Vietnam War. Vietnam joined the Association of Southeast Asian Nations (ASEAN) in July, becoming its first communist-ruled member.

The Paris-based International Buddhist Information Bureau, which acts as the UBCV's overseas mouthpiece, condemned Do's conviction and called for a retrial.

U.S. SENATE,
Washington, DC, August 18, 1995.

Hon. WALTER B. SLOCOMBE,
Under Secretary of Defense,
Department of Defense, Washington, DC.

DEAR WALTER: I am writing to express my concern that the Congress has yet to receive the final results of the comprehensive review of Vietnam-era POW/MIA cases promised by Secretary of Defense Perry in his letter to the Senate Armed Service Committee dated February 17, 1995. As you know this review was initiated in response to Section 1034 of the Fiscal Year 1995 National Defense Authorization Act (Public Law 103-337), the intent of which was to require a listing of such cases by November 17, 1994.

In a followup letter to me dated April 7, 1995, you stated that the Department of Defense was giving this matter its utmost attention and that you were confident the review would be completed during the summer. You also reiterated that "the Department will report the results of DPMO's review to Congress on its completion." Subsequently, in testimony before Congress on June 28, 1995, Deputy Assistant Secretary of Defense for POW/MIA Affairs James Wold stated that he expected that the review would be an "all-encompassing look at every individual case which would provide a solid analytic assessment of the appropriate next steps for achieving the fullest possible accounting." I support Secretary Wold's conclusion on June 28th with respect to this review that "our unaccounted for Americans deserve no less," and that he would "work to ensure that we keep our promise to them."

It is my understanding that the above-mentioned review has now been completed by the Defense POW/MIA Office (DPMO), in conjunction with J2 of the Joint Task Force (Full Accounting). I further understand that the analytical product which resulted from this review has been presented to National Security Council and Department of Defense policy level officials for comment before it is forwarded to the Congress.

As you know, there are many of us in Congress who believe that the results of an honest and thorough analytical review of outstanding POW/MIA cases by DPMO would likely reinforce previous CIA and DOD assessments that Communist Vietnamese and Laotian officials have the ability to unilaterally account for several hundred missing American servicemen.

It is my hope that you will keep the commitment in your letter dated April 7, 1995 to "report the results of DPMO's review to Congress on its completion." I certainly understand the obvious interest of DOD and NSC policy level officials in the results of this review, especially in view of Administration statements that Communist Vietnam's "splendid and superb" cooperation on the POW/MIA issue provided justification for the President's decision to expand diplomatic and economic relations with Hanoi. Nonetheless, I hope that any objective assessments by DPMO's intelligence analysts will not now be subjected at the policy level to "different views about how things should be put in the report," as you described on April 7th. As you know, I previously raised similar concerns about policy level skewing of intelligence information in my March 7, 1995 letter to you regarding Secretary Perry's February 17th interim report.

Accordingly, I request that the analytical results of DPMO's comprehensive review of Vietnam-era cases of unaccounted for personnel be immediately forwarded to the Congress. Aside from myself, there are several members of Congress, working on behalf of constituents and POW/MIA families, who have been waiting nearly a year to scrutinize this information.

Sincerely,

BOB SMITH,
United States Senator.

SUBJECT: MONTHLY PW/MIA STATISTICAL REPORT

Background: The Department of Defense, Washington Headquarters Service, and the Department of State report the current numbers of Americans who are unaccounted for in Southeast Asia:

FIGURE 1.—AMERICANS UNACCOUNTED FOR IN SOUTHEAST ASIA

Country of loss	PW/MIA	KIA/BNR	Total
North Vietnam	337	256	593
South Vietnam	430	592	1,022
Laos	317	181	498
Cambodia	36	41	77
China	6	2	8
Total	1,126	1,072	2,198

*Status as of Homecoming.

Figure 2 summarizes all unaccounted for Americans in Southeast Asia by components:

FIGURE 2.—U.S. LOSSES BY SERVICE COMPONENT

Component	PW/MIA	KIA/BNR	Total
USA	353	313	666
USN	115	317	432
USMC	101	174	275
USAF	523	260	783
USCG	0	1	1
Civilian	34	7	41
Total	1,126	1,072	2,198

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Madam President, I had some lingering hope that the Congress, or at least the Senate, had finished debating Vietnam. The President made his decision to normalize relations with Vietnam—a wise decision in my judgment—and most Americans, including most veterans, concurred in that decision. Editorial opinion was almost uniformly positive.

There was, of course, some inflammatory language coming from some Members of the House of Representatives—but they were so few in number

as to be insignificant. Suffice it to say, that the President was right to normalize relations with Vietnam, and the country has breathed a sigh of relief that our long war with Vietnam is over.

It is also apparent to all that there is little support in the Senate for reversing the President's decision to open an embassy in Hanoi. If there were such support I am sure we would be debating an amendment to prohibit funds for an embassy. Thus, Madam President, I was lulled into the comforting, but false notion that I would not be obligated to debate my colleagues again on the subject of Vietnam.

I should have known better.

Mr. dear friend—and he is my dear friend—from New Hampshire is a persistent opponent on this question. He has chosen to take another cut at running our Government's Vietnam policy out of his office. It is his right to make such an attempt. And while I respect his zeal and his patriotism, I hope he will under stand my disappointment in having to come to the floor to take issue with him again. I fear that it has become my fate to forever fight about Vietnam, and that is something I never anticipated when I left that country so many years ago.

Madam President, the President of the United States has set the policy for United States-Vietnam relations, as it is his duty to do. It is my friend from New Hampshire's right to oppose that policy. And make no mistake, his amendment is an attempt to overturn it.

Although the amendment does not reverse the President's decision to open an embassy, it does prevent or at least impede the development of normal relations between our two countries. I think that is a serious mistake; I think most Americans will see it as a mistake, and I hope the Senate will go on record in strong opposition to it.

On the question of using trade as leverage to ensure continued POW/MIA progress, let me point out an incontrovertible fact: Before the President lifted our trade embargo against Vietnam, opponents of that decision warned that without the coercion of an embargo, the Vietnamese would stop cooperating with our efforts to account for our remaining missing. As it turned out, quite the reverse happened. Vietnam's cooperation increased. Before the President decided to open an embassy in Hanoi, opponents of that decision warned that once we abandoned the incentive of diplomatic relations, the Vietnamese would stop cooperating with our accounting efforts. Again, quite the reverse happened. Cooperation has continued.

Eight sets of remains, believed to be Americans, have been recovered since the President announced his intention to normalize relations.

During his August visit, the Vietnamese gave Secretary Christopher a 3½ inch stack of wartime records, 116 documents in all.

Senator HARKIN, in his trip to Vietnam this summer, also received a great many pages of documents, records from the Vietnamese Interior Ministry.

Our 37th joint field operation with the Vietnamese is currently underway and yielding good results.

Now, the opponents of normal relations argue that if we do not freeze the development of normal relations by restricting United States businesses from trading with and investing in Vietnam, Hanoi will no longer cooperate with us. On this, as on every occasion in the past, they will be proven wrong. They will be proven wrong because the Vietnamese, like most Americans, believe it is in their interests—their best interests—to develop a strong, mutually beneficial relationship. Those interests override any lingering resentments from the war.

Vietnam's interests are numerous. The most obvious are Vietnam's desire to enter the modern world and enjoy the same economic growth and prosperity experienced by their Southeast Asian neighbors. They also are rightly concerned about regional stability and the determination that no single power dominate Southeast Asia.

It is for these reasons and others that Vietnam will continue to cooperate with our POW/MIA efforts. There is also the fact that there is nothing to be gained by not cooperating. The Vietnamese are a lot of things, but it has been my experience that they are seldom capricious. They act in their interest. Their interests are best served by good relations with the United States—whether or not we give them MFN or OPIC credits or whatever. They know that, and will act accordingly.

It is also in our interests to engage Vietnam. First, as I have already pointed out, because it best serves the cause of POW/MIA accounting. Second, because we too have an interest in regional stability, and an economically sound Vietnam playing a responsible role as a valued member of ASEAN serves that end very well.

I also believe that since it is not in our power to isolate Vietnam—they have rapidly developing relations with the rest of the world—our best hope for encouraging political reforms is to engage Vietnam and become more deeply involved in their economic well-being.

Madam President, I do not really want to debate this issue much longer. Few topics have been so extensively debated in American history as Vietnam. Frankly, I am extremely weary of the subject, so I will conclude with this reminder.

It is profoundly in our interest to construct from the peace a relationship with Vietnam that serves the interest of the Vietnamese and the American people far better than our old antagonism did. The war in Vietnam is over. It is over. I respectfully ask my colleagues to demonstrate that the Senate has grasped this reality and support the President in his attempt to make something better from our future relations with Vietnam than we were able to do in our sad distant past.

Madam President, I yield the floor.

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Madam President, I rise in strong support of the amendment of the Senator from New Hampshire to H.R. 1868, regarding the extending of economic benefits to the Socialist Republic of Vietnam.

I shall be brief. My associate from Missouri wants to speak, and we want to vote before 7 o'clock.

As Senator SMITH pointed out, while the Clinton administration has been quick to normalize relations with the Government of Vietnam, it has not been as quick to meet its obligations to the Congress and the American people. For example, section 1034 of Public Law 103–337 requires the Secretary of Defense to provide the Congress with a complete list of missing or unaccounted United States military personnel about whom it is possible that Vietnamese and Laotian officials could produce information or remains.

The statute mandated that report to be submitted to us by November 17, 1994. When the DOD requested an extension of the deadline to February 17, 1995, we did not object. We did not object when the DOD supplied us with a sadly incomplete interim report. But, Madam President, more than 7 months after that date, we still have not received the complete report required by the statute. This was not a request, not a casual invitation to provide information. It is a legal mandate.

Second, despite both administration and Vietnam protestations to the contrary, I do not believe the Government of Vietnam has done its fullest to account for the POW/MIA's, especially as regards records of United States servicemen who disappeared in, or were taken across the border into Laos.

Finally, in all this controversy surrounding the POW/MIA issue, we seem to have lost sight of the important fact that there is disregard for human rights in that country. I will not go into detail. I put them in the RECORD some time ago.

So I will just conclude by saying, until the President can certify to us that, in his judgment, the Vietnamese are living up to their expectation—that is not too much to ask—and their promises regarding the MIA's and POW's and its international right to commitment, I think it is irresponsible and bad judgment for us to provide funding for them.

I urge my colleagues to support the Senator's amendment. I yield the floor.

Mr. SMITH addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. SMITH. Madam President, I say to the Senator from Missouri, I will take just a couple minutes.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. SMITH. Madam President, I have a couple of brief responses.

I thank my colleague from Wyoming for his remarks. He has been very helpful on this issue. This amendment, I want to point out, does not reverse anything the President has already done. It does not reverse the diplomatic ties, it does not go back and replay the war, it does not mean that Senator SMITH is running Vietnam policy out of his office. What it does mean is that this debate continues because this is a one-sided equation. It continues because the President of the United States has made significant movements. Some of us oppose those movements, but we are not replaying that. He made those decisions, and he moved forward.

I respect the will of the majority. That decision has been made. I am not replaying that. But what I am trying to point out is that the Vietnamese have not responded in kind to those moves. I think we have an obligation to the families who still wait for answers to have them respond in time before the taxpayers of America, through subsidizing the International Monetary Fund and other international organizations, are going to be providing funds to the Vietnamese. I think they have a right to have the President of the United States, who implemented this policy, stand before the Congress and the American people and say: "The Vietnamese are fully cooperating with the United States Government on the accounting of our men."

I ask any of my colleagues who have spoken previously in opposition to my amendment, or who will speak in the future in opposition to my amendment, whether it be Senator BOND or anyone else, stand here on the floor of the Senate and make the statement in the affirmative that the Vietnamese are fully cooperating—fully cooperating—with the United States of America and the accounting of our men. I have not heard that.

If you think Vietnam has been fully cooperative, if you really think they have been, vote against my amendment; I want you to vote against my amendment. If you believe the Vietnamese are fully cooperating on this issue, then vote against my amendment. If you believe they are not, then you should vote for my amendment.

I yield the floor.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Madam President, I join my colleagues from Arizona and Massachusetts in urging Senators to oppose this amendment. Earlier this year, President Clinton made the decision to restore diplomatic relations with Vietnam. That was a correct decision for him to make, one which I supported and I believe a majority of this body supported.

Frankly, when the President announced his recognition of Vietnam, he made an announcement at the time that the conditions had been complied with. I think it is time the United States restore relations with Vietnam. It is in the best interest of the United States and in the best interest of the families of those soldiers who continue to be missing in action.

I did not serve in Vietnam, as did my colleagues from Arizona, Massachusetts, and New Hampshire, but I have traveled, however, to Vietnam in the past year. I participated in extensive meetings with our military officials there who are responsible for discovering the fate of those missing in action.

I came away from every single one of those conversations with the same clear message, and that is, the Vietnamese are working very hard to meet our request for assistance. I got the same message in June when I met with the Presidential delegation who just returned from meetings in Vietnam. Vietnam has allowed us to conduct field exercises, allowed us to dig up military cemeteries.

Can you imagine our permitting a nation with which we engaged in armed conflict to come in and dig up Arlington? You talk about cooperation. I had the opportunity to talk with Col. Mel Richmond who is in charge of the Joint Task Force for Full Accounting, and he has outlined the great lengths of cooperation to which the Vietnamese have gone. I can tell you from the men who are directly involved in the effort that they believe that increased contacts and relations between the United States and Vietnam will increase our ability to find out any possible leads to those who remain, and they are very few.

Those who were not lost at sea, those who have had any possible sightings, there are fewer than 100 open cases, and there have been extensive efforts on behalf of each of those cases to track them down.

The amendment that is offered by our friend from New Hampshire would set additional conditions before the administration can go forward with additional trade ties, including Eximbank support, OPIC, TDA and MFN status.

There would not, as suggested by my colleagues, be any savings to the American taxpayer. These activities, basically, are to provide assistance to American businesses which are now competing for business in Vietnam. These programs carry with them their own conditions on when they can be utilized, and there is, in my judgment, no reason to delay at this point the opportunities to obtain, through better contact, information from Vietnam by allowing American businesses who are there competing for the opportunities in a growing market to go further.

I believe that the demonstrated activities, the demonstrated efforts by the Vietnamese have justified the President's announcement on the signing of the relationship agreement with Vietnam that the conditions are being complied with.

That does not make sense. It would only have the impact of keeping United States firms from being competitive with their European, Japanese, and Taiwanese competitors. It will do nothing to help the MIA search.

All of these programs carry requirements that must be met in terms of human rights certifications, labor certifications, and so forth. It does not make sense to add additional requirements.

Certainly we need to keep pressure on the Vietnamese Government to help us with the MIA search, and certainly we need to keep pressure on them to improve human rights.

However, it only makes sense to increase bilateral ties, increase trade ties, and have as many Americans over there. That increased contact is the best thing we can do to influence their conduct.

Ms. SNOWE. Mr. President, as a cosponsor, I rise in support of the amendment offered by the Senator from New Hampshire, Senator SMITH.

Mr. President, I would like to recognize the distinguished Senator from New Hampshire for his tireless efforts on behalf of the families of American POW's and MIA's. As a Vietnam veteran, he has always kept first in his concern the fate of those American men and women who never returned from this most divisive of all of our wars.

This amendment puts aside the controversies over President Clinton's decision to grant full diplomatic relations to the Socialist Republic of Vietnam. Rather, this amendment simply says that Vietnam will not receive most favored nation trading status, or other trade benefits until the President reports to Congress that Vietnamese officials are fully meeting United States expectations on the POW/MIA issue.

I would like to emphasize that the criteria the President would have to certify are drawn directly from the President's own past statements on the strict standards he would use for judging whether the Vietnamese have indeed been entirely cooperative in achieving the fullest possible accounting of America's MIA's.

We all have the same goal, which is to achieve the fullest possible accounting for those Americans who did not return from Vietnam. But the families and loved ones of those Americans are not able to so easily put this issue behind them. They have a need to know; they have a right to know.

And that leads to what I believe this issue is all about: that is, what does this nation stand for? My personal belief is that a basic principle is at stake here.

What America is all about requires us to keep our faith with the families of those who remain missing and who are unaccounted for from the Vietnam war. This argues for using the leverage we have to ensure the greatest possible accounting for these missing Americans.

To this end, the United States has already come half way. Indeed, we have come more than half way.

In just the past 19 months, the United States lifted its economic and trade embargo, permitting full trade relations and investment by U.S. companies in the country. In addition, we reached an accord with Vietnam settling property claims between our two governments; we have established in Hanoi a United States liaison office staffed by American diplomats and functioning as a lower-level diplomatic presence; we have signed a diplomatic agreement protecting United States citizens who may reside in or travel to Vietnam; and we have established full diplomatic relations with Vietnam.

For years the Government of Vietnam refused to provide even the slightest assistance in resolving these MIA cases. Vietnam only began—grudgingly—to assist in accounting for these missing Americans when the country lost its patron with the collapse of the Soviet Union.

In the words of the American Legion, "Vietnam's cooperation on the resolution of the POW/MIA issue has not fulfilled reasonable expectations." The National League of Families of American Prisoners and Missing in Southeast Asia has also criticized those, "commending Vietnam for full POW/MIA cooperation despite evidence to the contrary."

In fact, the league has noted that actions the United States already took leading up to the President's normalization decision have, "signaled Vietnam that unilateral actions on their part are not expected nor required to achieve their political and economic objectives."

And since the President ended the United States embargo on Vietnam, only eight Americans who were captured or became missing in action in North Vietnam have been accounted for.

I believe that we should have been more insistent in using the considerable leverage we have with Vietnam—leverage that we are in danger of throwing away if this amendment is not approved. Vietnam is anxious to establish close economic and political ties to the United States as a counterweight to China, its traditional rival to the north.

But to me, and I believe to most Americans, full cooperation in accounting for our remaining MIA's should have been an absolute threshold that Vietnam was required to meet before we took the final step of rewarding the Vietnamese Government with a full United States trade relations.

The only step remaining is the granting of full trading relations to Vietnam. I believe that the status of our relations with Vietnam are still too new and too uncertain for such a precipitous step. Granting this final concession now is simply too great a risk, given continuing grave uncertainties about the true level of Vietnamese knowledge about the fate of the many of the Americans who never returned.

And the POW/MIA issue does remain in question. The names of 58,196 Americans have been etched into the reflective walls of the Vietnam Veteran's Memorial. Listed with them, each marked with a simple cross, are the names of 2,205 Americans still unaccounted for in Vietnam. This means that for every 25 young Americans who gave their life in Vietnam, an additional American simply disappeared and was never heard from again.

A much more reasonable approach, I believe, is the approach proposed by the Senator from New Hampshire, Senator SMITH. The Smith amendment would ensure that our duty and obligation as a nation is fully met to our MIA's and their families before we in the U.S. Senate endorse full trade relations between our two countries.

I urge adoption of the Smith amendment, and I yield the floor.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER (Mr. THOMAS). The Senator from Massachusetts.

Mr. KERRY. The hour of 7 o'clock will momentarily arrive. I know the Senate is under a UC to go into certain business.

I ask unanimous consent that I be permitted to proceed for no longer than 3 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. KERRY. I thank the Chair. I will be very, very brief. There are times when many of us have been prompted to come to the Senate floor in order to solicit action from the Congress on the basis that the President was not doing something or we were engaged in a bad policy. But, as my colleagues on the other side of the aisle know—and I know the Senator from Arizona has followed this as closely as anybody in the Senate—the President has been pursuing a very deliberate, very careful, very cautious strategy with respect to Vietnam and, step by step, has guaranteed that they are cooperating fully in the process of accountability.

We have heard these arguments before. Each year, when we have heard these arguments, we have seen irrefutable proof that Vietnam is cooperating to the best of our military commander's judgment, to the best of the judgment of the people in the field.

I would think most of my colleagues would feel that this is really an excessive intrusion on the part of the Congress, an unwarranted intrusion into the legitimate powers of the President, and at a time when there is nothing that suggests that anything but a careful and deliberative accounting process is going on.

Finally, there is language in this particular amendment which is so unspecific, nonspecific, as to open a Pandora's box of capacity for really an imprecision that allows nobody to know exactly what documents we are asking for, and precisely who has them. I say that based on my knowledge of this issue, at this point, there is no knowledge that they even exist. So we, once again, begin chasing one of the mythical dragons. I think it is unnecessary. I associate myself with the comments of my colleagues on the other side of the aisle.

I yield the floor.

The PRESIDING OFFICER. All time has expired.

Mr. MCCONNELL. Mr. President, it is my understanding that the yeas and nays have been ordered on the Smith amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. MCCONNELL. I suggest that we vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from Oregon [Mr. HATFIELD] is absent due to illness.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "nay."

Mr. FORD. I announce that the Senator from Delaware [Mr. BIDEN], and the Senator from West Virginia [Mr. ROCKEFELLER] are necessarily absent.

The PRESIDING OFFICER (Mr. BURNS). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 39, nays 58, as follows:

[Rollcall Vote No. 453 Leg.]

YEAS—39

Abraham
Brown
Byrd
Campbell
Coats
Cohen
Conrad
Coverdell
Craig
D'Amato
DeWine
Dole
Dorgan
Faircloth
Feingold

Gramm
Grams
Grassley
Gregg
Hatch
Helms
Hutchison
Inhofe
Kempthorne
Kyl
Lott
Mack
Moseley-Braun
Nickles
Santorum
Shelby
Smith
Snowe
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone

NAYS—58

Akaka
Ashcroft
Baucus
Bennett
Bingaman
Bond
Boxer
Bradley
Breaux
Bryan
Bumpers
Burns
Chafee
Cochran
Daschle
Dodd
Domenici
Exon
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Harkin
Heflin
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lugar
McCain
McConnell
Mikulski
Moynihan
Murkowski
Murray
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Robb
Roth
Sarbanes
Simon
Simpson
Specter

NOT VOTING—3

Biden
Hatfield
Rockefeller

So the amendment (No. 2723) was rejected.

Mr. HARKIN. Mr. President, I move to reconsider the vote.

Mr. BROWN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2708

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Mr. President, I believe the next item on the agenda is the debate scheduled on the Brown amendment. I would like at this time to yield 5 minutes to the distinguished Senator from Washington.

The PRESIDING OFFICER. The Chair advises the Senate that on the Brown amendment No. 2708, there will be 5 hours of debate equally divided, and the Senator from Colorado yields to the Senator from Washington, [Mr. GORTON].

The Senator from Washington.

Mr. GORTON. I thank the Chair.

I appear here this evening to add my voice to my vote in supporting the amendment of the Senator from Colorado. Much, perhaps all, that needs to be said on this issue has already been said, but I believe it important that there be more voices than the handful that have spoken out so far.

The Senator from Colorado has pointed out that in spite of the policies of the United States, Pakistan has continued to be a friend and an ally of the United States, has helped the United States when we were involved in assisting rebels in Afghanistan, has helped the United States in connection with the return of fugitives fleeing justice here in this country, has moved in spite of great difficulties more and more toward a democratic system and toward a system based on free market economies.

As the Senator from Colorado has pointed out, in a very difficult part of the world, this nation has helped in the pursuit of peace and security and stability.

I should like to say that in the most profound sense, as we deal with this issue, that friendship and that assistance is almost irrelevant. This debate in this body at least is not so much about Pakistan and India as it is about the United States, its administration, and this body.

Mr. President, a great nation honors its commitments. This Nation has repudiated its commitments and should reverse its course of action and embrace that part of honor once again. This Nation permitted the manufacture and sale to Pakistan of certain military aircraft. They have been bought and paid for, and yet for years we have not only denied the right of the purchaser to take possession of those aircraft, we have added insult to injury by not showing our willingness, having set this policy, to pay back the purchase price and in fact are demanding from Pakistan payment for storage charges for the aircraft.

That is not the action of an honorable country. That is not the action of a nation which keeps its commitments. I strongly suspect that the Senator from Colorado would prefer simply that we keep our original agreement. He has not gone so far. He has simply suggested that those items of military equipment that are owned by Pakistan that are here for repair, which have also effectively been confiscated by the actions of our Government, be returned to Pakistan and that in the most modest possible way of dealing with the aircraft, they be sold to third parties and the proceeds of those sales be returned to the nation which has paid for them.

I wish we were voting on a more decisive action, Mr. President. I have that wish not so much because of a strong opinion on the rivalry between India and Pakistan as I do to remove this blot from our own record. As I said earlier, an honorable nation keeps its commitments. We have not kept our commitments. We should do so to the extent required by this amendment.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. PRESSLER. Mr. President, will the Senator yield me time?

Mr. GLENN. I yield the Senator 20 minutes.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 20 minutes.

Mr. PRESSLER. Mr. President, let me give a little history of how this amendment came about, if I may be allowed to do so.

In the mid 1980's, the Carter administration had shut off aid to Pakistan because of their alleged nuclear activities. In about 1985, there was an amendment in the Foreign Relations Committee known as the Cranston amendment which would have legally shut off aid to Pakistan. The Reagan administration at that time asked me to offer an amendment to the Cranston amendment which would allow Pakistan to get money. The amendment said that Pakistan would receive United States aid money and buy military aircraft, and so forth, so long as the President could certify that they did not have a nuclear weapon.

Now, under the terms of that agreement, Vice President Bush at that time and others were promised by the Pakistanis that they were not developing a nuclear weapon and that the so-called Pressler amendment would never come into effect. Indeed, until 1990, Pakistan received aid and received military equipment and there was military sales.

Then, in 1990, then President Bush, who had been Vice President at the original time we worked this out, was President and his administration could no longer certify that Pakistan did not have a nuclear weapon. So, in other words, President Bush concluded that Pakistan had not told the truth and it was buying arms under false premises.

That is the twist to this debate which seems to have been forgotten. Originally, Pakistan supported the Pressler amendment. Originally, the Pressler amendment was a means to help Pakistan get money and to buy arms provided that she was not developing a nuclear weapon.

That seems to have been forgotten in this whole debate, because we talk about countries' honor and countries' decency, and so forth. There are many twists to this story regarding the Pressler amendment. Since 1990, each year our CIA with our technical means of assessment has concluded that Pakistan does, indeed, have a nuclear weapon, although Pakistan has continued to deny that, although on one or two occasions their top generals have said that that is true.

Another complex thing in this whole matter is that there seems to be two distinct governments in Pakistan. And let me say, first of all, I like Pakistan. I have been to Pakistan several times.

I want our country to be friends with Pakistan. I have been up to the Khyber Pass. I know that Pakistan has been our ally and Pakistan has done a great deal for and with the United States, and we have done a great deal for Pakistan. I want to be friends with India and Pakistan in the long run. I think China is driving the nuclear weapons race over there, basically. And China really is the country we should be worried about. So I am not here to beat up on Pakistan or to criticize it.

But I would also say that I have had some good talks with the Prime Minister of Pakistan about trying to get this resolved. The problem is that it is the Pakistani military who really makes the decisions, I think, on the issue of nuclear weapons and on whether or not they possess them. So that is how we have gotten to where we are today.

Now, it is proposed that we are somehow guilty or we have done something wrong as a nation. But Pakistan purchased these planes while knowing very well that they were developing nuclear weapons, knowing very well that we had a law against it, knowing very well that they would not be able to be delivered if that were discovered. And in 1990 that was discovered. So there has been kind of a twist put on this whole thing that is a reverse twist so to speak.

Now, Mr. President, the three key powers in the region—Pakistan, India, and China—have nuclear weapons programs. A fourth, the renegade terrorist state of Iran, will stop at nothing to acquire nuclear capability. All are striving to obtain modern delivery systems, such as ballistic missiles and aircraft. There also have been credible reports that Pakistan has received from Communist China M-11 ballistic missile technology. Without question, a nuclear war in South Asia would be cataclysmic. The names of the perpetrators, and their accessories, would be cursed for a millennium.

To its credit, Mr. President, the U.S. Senate consistently has taken initiatives to promote peace and stability in South Asia—the core of that leadership has been the Senate Foreign Relations Committee. In 1985, the committee—under the able leadership of the distinguished senior Senator from Indiana [Mr. LUGAR]—voted to adopt my amendment that allowed United States aid to Pakistan to continue as long as the President could certify that Pakistan was not in possession of a nuclear explosive device—the so-called Pressler amendment.

Why did the committee take this action? At that time, Pakistan was the third largest recipient of United States foreign assistance, receiving as much as $600 million annually. Pakistan and its people were instrumental in channeling American resources to Afghan rebels as they sought to repel Soviet invaders.

U.S. officials rightly were concerned, however, that the Government in Islamabad at that time was intent on developing a nuclear weapon—a course of action clearly not in our national interest.

I have recounted the events, but the purpose of the Pressler amendment was designed to send one message: Nuclear proliferation has a price. And if we are going to do what is in the Brown amendment, we are accepting nuclear proliferation.

Now, let me say, Mr. President, I think it is very strange that the Clinton administration, with all the things President Clinton and AL GORE have said about nonnuclear proliferation, that they would allow support for this amendment or they would give support for this amendment, because we are excusing nuclear proliferation, we are excusing a country that promised us, that made a deal with us, that they would not develop a bomb. We are giving them a carte blanche to go ahead.

In fact, a number of Senators believed enough evidence existed to verify Pakistan's drive for the bomb, and strong enforcement of United States laws that would result in an immediate cutoff of United States aid. The Pressler amendment was designed to avoid an immediate United States aid cutoff, but reinforce our Nation's policy that it would not condone—through United States taxpayer dollars—Pakistan's drive for the bomb. In addition, the Pressler amendment was designed to give Pakistan a financial incentive to ensure that its nuclear program served a peaceful purpose. In short, the Pressler amendment was designed to send one message: Nuclear proliferation has a price.

Mr. President, those were the key reasons why the U.S. Congress adopted the Pressler amendment 10 years ago. It was the right thing to do. President Ronald Reagan agreed. So did the Government of Pakistan at that time. Let me repeat that: the Government of Pakistan supported the Pressler amendment. It gave our Government its assurance that it was not pursuing a nuclear bomb program. By supporting the Pressler amendment. Pakistan agreed that if it acquired a nuclear explosive device, it deserved the penalty of a United States aid cutoff.

In 1990, President Bush could no longer certify, under the terms of the Pressler amendment, that Pakistan did not possess a nuclear explosive device. As a result, all United States economic and military aid to Pakistan was terminated. Further, a $1.4 billion commercial order of military equipment to Pakistan was put on hold.

Now, Mr. President, it is clear that Pakistan possesses nuclear weapons. It is also clear that Pakistan was pursuing a nuclear bomb program between 1985 and 1990, despite repeated public assurances that it was not. During that time, Pakistan received approximately $3.5 billion in United States foreign aid. Again, the Government received these funds from the American taxpayer in return for its assurance that it would not go nuclear. Yet, the reality was that the existing Government in Pakistan in fact produced nuclear explosive and used the American people's money to do it. That was an extraordinary act of deception.

That is the history behind the Pressler amendment. And to borrow the words of Abraham Lincoln, we cannot escape history. We cannot escape the fact that the United States subsidized Pakistan's nuclear weapons program for 5 years after the Pressler amendment became law. We cannot escape the fact that Pakistan repeatedly assured its ally, the United States, it was not pursuing a nuclear weapons program. Prime Minister Benazir Bhutto stood in this building—in the House Chamber—on June 7, 1989, and stated: "Speaking for Pakistan, I can declare that we do not possess nor do we intend to make a nuclear device. That is our policy." The opposite was true in each case.

Mr. President, we cannot escape history.

We also were given assurances by Pakistan's Government regarding the level of enrichment of its uranium, foreign nuclear procurement, cooperation with Communist China, and other related nonproliferation issues. In each case, the Government of Pakistan broke its word.

Thus, despite United States law, despite clear United States policy, and despite repeated assurances from its leaders, Pakistan built a nuclear weapons program and used American taxpayer dollars to do it.

Those are the facts. We cannot escape history.

Yet, we are here today to consider an amendment that ignores history. Even worse, if we adopt this amendment, we would be condemning ourselves to repeat history. Nothing in the Brown amendment would ensure that American taxpayer assistance would not further directly or indirectly Pakistan's bomb program. Do any of my colleagues believe we should reverse this long-standing United States policy? Should we risk once again subsidizing Pakistan's nuclear bomb program with the American people's tax dollars? Certainly not. That is the fundamental reason why this amendment should be defeated, because that is exactly what it would do.

So, Mr. President, what I am saying to you, in the past, American tax dollars directly or indirectly have been used to develop a nuclear bomb in Pakistan. The passage of this amendment will allow American taxpayers' dollars to be used in that regard again.

I urge my colleagues to consider the impact of unconditionally reversing a fundamental element of U.S. nuclear nonproliferation policy. I ask my colleagues to consider what signal this amendment would send to other nations who play by international nonproliferation rules. Frankly, it sends the worst possible message: nuclear proliferation pays.

Mr. President, some years ago I served as chairman of the Arms Control Subcommittee of the Foreign Relations Committee. We held numerous hearings, and we urged other nations to engage in nonproliferation policies. We have elaborate schemes and treaties. This amendment would leave a big hole and set a terrible precedent for our nuclear nonproliferation efforts throughout the world.

Perhaps no issue is more critical to our national security—and the security of all people—than nuclear nonproliferation. I agree strongly with the Senator from Colorado that we must improve our relations with Pakistan. And I would like for us to be friends with Pakistan. I consider myself a friend of Pakistan. Very few would disagree. The question is: How? My concern here is that our nuclear nonproliferation policy will made a sacrificial lamb on the alter of better relations with Pakistan.

The Pressler amendment has achieved a number of successes in the area of nuclear nonproliferation. First, through never verified, Pakistan claims it has ceased developing weapons grade enriched uranium. Second, the threat of Pressler sanctions has deterred a number of states that pursued active nuclear weapons research programs in the 1980's, including Argentina, Brazil, South Korea, Taiwan, and South Africa.

Second, despite what's being said, nuclear nonproliferation does not discriminate against Pakistan.

Pakistan is not the only country that is identified by name for nonproliferation sanctions. For years a number of other countries have been designated for special controls and sanctions. China has been singled out for violations of ballistic missile sanctions. Yet, ironically, Pakistan is the only country to receive waivers of United States nonproliferation laws in order to receive United States aid. One eight occasions, Congress authorized special waivers of United States nonproliferation laws just for Pakistan. The Pressler amendment itself was effectively a waiver to prevent tougher enforcement of U.S. law. Yes, Congress has engaged in special discrimination, but it was discrimination in favor of Pakistan, and against all other countries that play by international nonproliferation rules.

In addition, Mr. President let me point out that our relationship with India is impacted by United States nonproliferation policy. Because of India's unsafeguarded nuclear program, there is no United States/Indian agreement for nuclear cooperation. United States military cooperation with India is merely consultative. The United States will not export certain forms of missile equipment and technology to India and any other goods that are related to weapons of mass destruction. It is true that United States sanctions have not been invoked against India, but that is because India has not violated its commitments under United States law. Mr. President, the bottom line is this: in 1985, the Government of Pakistan agreed with the United States government that future United States aid would be tied to its development of a nuclear explosive device. That was Pakistan's contract with America. Pakistan understood and accepted the potential price if it development the bomb. I believe my friend and colleague from Ohio, Senator GLENN, said it best in 1989 when he said: "There simply must be a cost to noncompliance—when a solemn nuclear pledge is violated, the solution does not lie in voiding the pledge."

The Brown amendment proposes that very solution. We are being asked to void a portion of this contract by allowing nonmilitary aid to resume unconditionally.

Second, we are being asked to set aside Pakistan's contract with America so that the administration can deliver without conditions nearly $400 million of United States military equipment previously purchased by Pakistan. This package—part of a larger $1.4 billion order that included 28 F-16's—includes P-3C Orion antisubmarine aircraft, Harpoon and Sidewinder missiles, and engines and parts for Pakistan's existing fleet of Cobras and F-16 aircraft, which are capable of carrying nuclear weapons.

Though it supported its 1985 contract with America, the Government of Pakistan now argues that we should either return the military equipment or pay back Pakistan. In short, we are being asked to honor our military contract with Pakistan. The reason why the equipment and the funds remain out of Pakistan's hands is because Pakistan was found in 1990 to have violated its 1985 contract with America. Pakistan knew that if the Pressler contract was violated, its military contract would be put on hold. I recognize that is a tough deal. Again, nuclear proliferation has a price.

However, I am willing to consider options to compensate Pakistan. In fact, I would not oppose using proceeds from a third party sale of any of the equipment to reimburse Pakistan. That is a fair approach.

To his credit, President Clinton took my suggestion to seek a third party sale of the 28 F-16 aircraft sought by Pakistan. I commend the President. It was a wise move for one simple reason: F-16's are capable of carrying a nuclear payload. It would be contrary to the spirit and letter of our Nation's nuclear nonproliferation policy for the United States to waive a nonproliferation law so that Pakistan could take possession of nuclear delivery vehicles.

That is one of the main reasons why I called for a third party sale of the F-16's last May. However, I also stated I would oppose the return of any military equipment to Pakistan that would serve to undermine our nuclear nonproliferation goals, and add to the current instability in the region. That is why I am opposed to the Brown amendment.

The military transfer called for in the Brown amendment is ill-advised for three key reasons:

First, it would spark a renewed arms race between Pakistan and India. As my colleagues know, P-3's serve a dual function—they are naval reconnaissance aircraft with offensive capabilities. The military aid package also includes torpedoes and missiles that can be launched from a P-3. The P-3's would give Pakistan greater naval surveillance and striking capabilities than the aircraft Pakistan currently uses, the French-made Atlantique.

In addition, as the Department of Defense admitted, the F-16 components in the military package represent a reliability upgrade of Pakistan's F-16 aircraft, which are capable of carrying nuclear weapons. Given our longstanding policy on nuclear nonproliferation, I do not understand why the Clinton administration would seek to improve Pakistan's nuclear delivery capability with United States-made equipment.

I recognize that the Senator from Colorado has gone to great lengths and made every conceivable effort to reassure his colleagues that this military package would not upset the strategic balance between India and Pakistan.

However, the Indian Government assessed this package on all levels—political, strategic, and diplomatic. It concluded it would have no choice but to engage in additional military procurement if this transfer goes through. Why should the United States risk a potential arms race in an already unstable South Asia?

Second, the military transfer could inadvertently improve the terrorist state of Iran's military capability in the region. According to news reports, Iran and Pakistan have been cooperation on nuclear weapons research for a decade. Also, Iran and Pakistan have been engaged in cooperative military efforts dating back as far as last year, when the two countries conducted joint naval maneuvers in the Arabian Sea. I was disturbed to learn that a new round of naval maneuvers is scheduled later this fall.

Given this sustained Pakistan-Iran cooperation, the P-3's take on added significance. The P-3's surveillance capability would cover the entire Arabian Sea and the entire Persian Gulf. The data from this extended surveillance—data on the movements of our own Navy in the region—surely would be of critical use to Iran as it seeks to extend the reach of its naval power.

Is there anything in the Brown amendment that would require a written assurance from Pakistan that the P-3's or any other United States made military equipment would not be used to benefit a terrorist country? No.

If that is the case, why would we inadvertently enhance Iran's military alliance with Pakistan to the detriment of our own naval forces, and our friends and allies in the region? It makes no sense.

Finally, this transfer sends the worst possible message: nuclear proliferation pays.

In this case, a country that has gone into nuclear proliferation, after it agreed with us not to, is being rewarded, and we are supposed to have sanctions against countries that have entered into agreements and broken them. So we are rewarding nuclear proliferation in this very move.

The Clinton administration assured Congress that the United States would oppose any commercial military upgrades for Pakistan. This has been U.S. policy since 1990. Yet, the proposed transfer would break its assurance to Congress in the worst way—by upgrading Pakistan's nuclear delivery vehicles—its F–16's. This upgrade is not just a reversal of U.S. arms policy, it undermines the very principles of the Nuclear Nonproliferation Treaty. It defies logic that the Clinton administration would work so valiantly to ratify this treaty and then turn around and support a clear violation of that treaty's core principles.

Despite these very disturbing activities, the administration is intent on going ahead with the military transfer—one that does not achieve one credible United States policy initiative, while undermining three vital policies—regional stability in South Asia, containment of Iran, and worldwide nuclear nonproliferation.

Do we have alternatives? Yes. Last week, I called on President Clinton to expand this initiative one step further by pursuing the third party sale option on all the military equipment sought by Pakistan. And as I said with respect to the F–16's, if the administration and the Congress wish to use the proceeds from the third party sales to reimburse Pakistan, I would not object.

Mr. President, let me take a moment to discuss the provisions in the amendment that would repeal nonmilitary sanctions against Pakistan. My colleagues will recall that similar language was offered by my friend from Colorado during consideration of the Department of Defense authorization bill. These provisions, though seemingly well-intended, go too far.

First, this amendment specifically rewrites the Pressler amendment so that the sanctions apply only to military aid. This amounts to an unconditional repeal of nonmilitary sanctions against Pakistan. This is an extraordinary and far-reaching change that could have serious implications.

In fact, this amendment could be used to aid Pakistan's nuclear bomb program. All of us know that scores of nonmilitary items can serve military purposes. Pakistan knows that all to well. Let me provide one specific example: A story in the McGraw-Hill newsletter NuclearFuel, detailed how Pakistan intended to violate a joint venture with Siemens AG by using telecommunications equipment as part of a project to enhance uranium into bomb grade material. I ask unanimous consent that this story be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Nuclear Fuel, Aug. 28, 1995]

SIEMENS VENTURE BELIEVED USED IN PAKISTAN CENTRIFUGE QUEST

(By Mark Hibbs)

Departing from company procurement rules, Pakistan in 1991 used a national telecommunications joint venture with Siemens AG to try to obtain equipment in Germany that export control officials suspect had been sought instead for gas centrifuge rotor assemblies used to enrich uranium.

Intelligence sources said that the case is apparently similar to others in which it is believed Pakistan used legitimate businesses to disguise nuclear procurement. Sources said that in the U.S., Pakistan hid nuclear procurement by giving as the end use a bona fide Pakistan-U.S. program to supply equipment to maintain Pakistan's fleet of F-16 aircraft.

At issue in the German case are specialized ring magnets that Western officials say Pakistan has repeatedly sought from firms in Germany, Britain, and elsewhere in Europe since the mid-1980s for its clandestine uranium enrichment program.

The top magnetic suspension bearing of gas centrifuges built by Pakistan at its Kahuta enrichment plant features a pair of ring magnets. The upper magnet is suspended in a housing containing oil that is resistant to the highly corrosive uranium hexafluoride (UF6) gas fed through centrifuges. The other magnet is fitted to the top end cap of the rotor assembly.

According to Western officials, the Pakistan Embassy in Bonn, on behalf of Telephone Industries of Pakistan (PVT) Ltd., in early 1991 sought ring magnets from the firm Magnetfabrik Bonn (MFB) GmbH. But German experts suspected that the technical specifications given for the magnets did not match the non-nuclear end use cited by the Pakistan firm, and MFB blocked the transfer of the magnets after discussing the matter with German export control authorities. The export had initially been approved by Germany.

Telephone Industries of Pakistan is a joint venture between Siemens and Pakistan's national post, telephone, and telegraph (PTT) organization, and is located in Haripur, Pakistan. Siemens controls 30.02% of the venture. The government-owned Pakistan PTT owns 69.98%.

According to Reiner Schoenrueck, a Siemens spokesman, the Pakistan joint venture makes equipment, including telephones, for digital communications systems. Queried by NuclearFuel, he reported that Telephone Industries is authorized to independently purchase equipment locally in Pakistan. "But any equipment which Telephone Industries wants in Germany must be obtained through Siemens itself," Schoenrueck said, not by the Pakistan government or by officials at the venture's office in Haripur.

NuclearFuel has learned that regardless of these procurement guidelines, Telephone Industries of Pakistan recently renewed independent efforts to order magnet parts in Germany. Current attempts are said to involve items having different specifications than magnets ordered on its behalf in 1991. Sources said the Pakistan firm has given non-nuclear engineering end uses, such as motors and power equipment, for items it now seeks.

In March 1991, Azmat Ullah, an official at the Pakistani Embassy in Bonn, first made contact with MFB on behalf of Telephone Industries of Pakistan to obtain so-called aluminum-nickel-cobalt (Alnico)–260 S-ring magnets. Officials said that, after Pakistan provided a non-critical end use for the magnets, an export permit was awarded by Germany.

However, sources said that in late 1991, after the permit was awarded but before the magnets were exported, the manufacturer became aware of the potential use of ring magnets containing cobalt in gas ultracentrifuges. The company then contacted the Federal Economics Office, now the Federal Export Control Office (BAFA) in Eschborn, responsible for export controls, and the export authorization to Pakistan was rescinded.

Section 0201/2.D of Germany's commodity control list, valid in 1991 when the export was approved, required express authorization for complete magnet assemblies only: "Liquid-damped magnetic bearings, made of ring magnets, which are mounted in a housing containing a damping medium. The magnet is mounted on a rotor end cap pole piece or coupled to a second magnet." According to a spokesman at BAFA, the export to Pakistan of magnets not conforming precisely to these specifications would have been approved provided no "knowledge" was available that the equipment would be used in weapons of mass-destruction or that the peaceful end use was "implausible."

Western officials said the parts MFB was to make for Pakistan did not fall within 0201/2.D so the export was initially approved. Officials said, however, that the German firm later doubted the peaceful end use given by Pakistan after Pakistan specified that the magnets must feature unusually fine machining tolerances and a capability to withstand exceedingly high rotating speeds.

Pakistan had first indicated that Telephone Industries sought magnets sized at 52 millimeters in diameter and 8 mm in height, with a ring thickness of 36 mm. It later specified a precise diameter of 52.8 mm and a thickness of 36.8 mm and defined fine tolerance requirements in the range of a few hundredths of millimeters.

Azmat Ullah, the Pakistan government employee who sought the ring magnets for Telephone Industries of Pakistan, was listed in the official German register of foreign diplomats for 1991 and 1992 as an attache in the commercial section of the Pakistan Embassy. He left Germany in 1993. According to diplomatic sources, the Pakistani attache had been involved in previous attempts to obtain material in Germany for Pakistan's centrifuge program before he sought the ring magnets. Sources said that in 1985, for example, Ullah had been responsible at the embassy for ordering centrifuge-grade maraging steel produced by Arbed Saarstahl, a German specialty steel producer. The steel is believed to have been intended for making centrifuge rotor tubes for Kahuta.

In early 1992, after the planned magnet export to Pakistan was stopped, MFB alerted other German magnet-producing firms, including subsidiaries of Krupp AG and Thyssen AG, about the intended transaction. In addition to stopping the export from MFB to Pakistan by withdrawing the permit, BAFA also blocked transfer of the ring magnets to Pakistan from all other German firms.

NO CRITICAL MAGNET DEAL WITH IRAN

Contrary to previous non-official reports asserting that German firms contributed recently to an Iranian program to develop gas centrifuges, MFB, which was solicited without success by Pakistan to obtain ring magnets, never supplied any critical magnets or magnetic equipment to Iran, company officials said.

According to customs intelligence documents obtained by NuclearFuel, the Sharif University of Technology in Tehran has tried to obtain nuclear-related equipment from firms in Germany and elsewhere in Europe, including equipment meant to be used for a centrifuge development program (NF, 28 March '93, 10). On the basis of this information, BAFA will not award export permits for any equipment destined for end use at Sharif University. But the Zollkriminalamt (ZKA), Germany's customs investigative agency, denies that any German firms have exported equipment to Iran's nuclear program over the last 10 years (NF, 10 April '94, 5).

Herbert Krosney, author of the book "Deadly Business," claimed that Sharif University approached MFB for Alnico centrifuge magnets and that the German firm "received a substantive order from Iran."

MFB said this month that the statement is false. It asserted that the company never agreed to transact any Alnico centrifuge magnet business with Iran and that MFB was never contacted by Sharif University for any business. Since 1993, MFB has sold some ferritic magnets to Iran. They were not, BAFA ruled, useful for uranium enrichment.

In the wake of information it obtained alleging that MFB had been involved in violations of export rules, Western intelligence sources said, the Oberfinanzdirektion in Cologne, a customs investigation arm of the Federal Ministry of Finance, searched the MFB premises in 1990, one year before Pakistan attempted to obtain ring magnets from the Bonn company.

According to a statement that company management provided to employees, however, no violations were found and the firm's conduct was judged "exemplary."

Mr. PRESSLER. Mr. President, this is just one example. The fact is Pakistan built its current bomb program in part from seemingly nonmilitary transactions. Further, in February 1993, then-CIA Director James Woolsey described for the Senate Committee on Governmental Affairs how untied and seemingly nonmilitary loans and grants could further Pakistan's nuclear program.

Does the Brown amendment require Pakistan to make written and verifiable assurances that seemingly nonmilitary aid will not aid directly or indirectly its bomb program? No.

Again, Mr. President, we cannot escape history. We once before inadvertently aided Pakistan's bomb program. Now, with this open-ended, unconditional repeal of a portion of the Pressler amendment, we are setting ourselves up to make the same mistake yet again. Why would we once again put American taxpayers in the position of aiding Pakistan's bomb program?

Further, let me correct for the record a serious misperception of the Pressler amendment. Some have argued that we need this amendment so that we can provide vital civic and humanitarian assistance to Pakistan. We already can provide that assistance. Current law permits United States aid to Pakistan through nongovernmental organizations in a wide range of areas, including agriculture and rural development, nutrition, human rights, endangered species, and illicit narcotics prevention. Pakistan also continues to receive annually hundreds of millions of dollars in development assistance via multilateral lending agencies to which the United States is a major contributor. The Brown amendment goes beyond even a limited approach, and again would do so without requiring a single nuclear concession from Pakistan.

Mr. President, I strongly respect and admire my friend from Colorado. He sincerely is interested in trying to find ways to improve our relations with Pakistan and improve the conditions for the entire Indian subcontinent. I commend him for proposing a U.S.-led multilateral summit designed to reduce the presence of nuclear weapons in South Asia. I would support such a summit. It represents a more constructive first-step toward what I hope is the elimination of the nuclear threat from South Asia.

But, in this case, we are not moving toward nonproliferation with this particular amendment. We cannot escape history, and I have outlines that history of the Pressler amendment, of which there is much misunderstanding.

Beyond that, my friend from Colorado and I disagree on how best to approach the vexing problems in South Asia. We also need to keep in mind the question of United States—India relations. For more than 40 years, our relations with the world's most populous democracy were difficult, dictated largely by cold war conventional wisdom. Since 1991, our relations have improved markedly. India's economy is undergoing a remarkable transformation, fueled by a nearly five-fold increase in foreign investments from 1990 to 1994. More than one-third of those investments were from American firms. It is my hope that Pakistan can enjoy similar progress in the near future. Economic growth for both countries is the key to long-term regional stability.

One of the lessons of our improved relationship with India is that our actions have a clear impact on Indian public opinion. That certainly is the case in Pakistan as well. Given this impact, I believe that we must pursue our policies in South Asia with great care and great caution. We must ensure that we do not unnecessarily return to the previous, unproductive levels of our relationship. We also must ensure that we do not unnecessarily fuel the already strong tensions that exist in the region.

In conclusion, Mr. President, I must repeat yet again, we cannot escape history—both the history behind us and before us. The history we make today not only will determine the history of tomorrow, but will determine how well we comprehended the hard lessons of history. The Brown amendment is a grim reminder to all of us that those who try to escape history are condemned to relive it. I cannot allow that to happen. We must not ask the American taxpayer to subsidize a bomb program we cannot condone. Nor do we need ask the American taxpayer to subsidize an arms race in South Asia, or the military ambitions of a terrorist state.

Last year, the President states that no single foreign policy issue was more important than nuclear nonproliferation. If that is the case, there is no justifiable reason why Pakistan once again must be exempt from Federal nonproliferation laws or the nonproliferation policies we impose on all other signatories of the Nuclear Nonproliferation Treaty.

Let us give Pakistan some concrete incentives to honor its word.

Let us not reward proliferation.

Since we cannot escape history, let us learn constructively from it.

I urge the defeat of the Brown amendment. I yield the floor.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

ACTION ON AMENDMENT NO. 2721 VITIATED

Mr. BROWN. Mr. President, I ask unanimous consent to vitiate the action on amendment No. 2721. It is my understanding this has been cleared on both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2708

Mr. BROWN. Mr. President, I yield myself 5 minutes.

The PRESIDENT OFFICER. The Senator from Colorado is recognized for 5 minutes.

Mr. Brown. Mr. President, the distinguished Senator from South Dakota has raised a number of important points. I will not try to deal with all of them right now, but I do think it is important to respond.

First, let me commend the Senator for his leadership in this area. While we disagree on the particular resolutions of these contract items that have been in dispute for a number of years, I think his efforts toward nonproliferation and his sincerity and hard work in the area are to be commended and reflect great credit on the American psyche in dealing with foreign policy.

Mr. President, there are a couple of things that I think are important to look at, though, that I hope Members will consider.

First of all, statements were made that the amendment is unconditioned and open-ended repeal. Mr. President, I think he was referring to parts of it. But I sincerely believe that is not a fair description of what is anticipated here.

First of all, let me emphasize what the amendment does not do. It does not, in any way, repeal the restriction on military aid or military sales to Pakistan. There are a couple of areas that are clarified, though, and let me be specific about that. The bars and restrictions on aid and sales stay in place. We do a couple of things here. One, we make it clear that parts that had been sent—military parts—to the United States for repair and had never been repaired were to be shipped back to them. These are used parts that were not functioning. I suppose we can insist on keeping those used parts here, but it seemed like that should be sent back. I do not think that is an open-ended repeal. That is a disposition of parts that have been around for a long time and they are sent back unrepaired.

Second, we deal with contracts that are 8 and 9 years old that have been paid for. We allow three-fourths of them—or almost three-fourths of them—to have their money back and not get delivery of the planes. Those are the things that all of the people in the area have looked at and say are the most inflammatory—that is, the F-16. We allow delivery of $368 million of military equipment. Those are on contracts that were executed before the 1990 action under the Pressler amendment.

Mr. President, what this issue is all about is simply and solely saying you are either going to get your money back, or you are going to get the parts back, or you are going to get the things you contracted for. It is simple fairness. We signed a contract to sell military equipment. We have not delivered on it. We have taken their money, and we have refused both to give them their money back and/or deliver on our contract.

All we are trying to do with this is make it clear that we ought to either give them their money back or give them what they contracted for. The compromise, I suppose, somebody could criticize. This was worked out by the President. I do not think the President or the administration claims it is perfect, nor do I.

Mr. President, I do know that the planes amount to almost three-fourths of the entire package. The planes are the things that almost every critic I know of says is the most inflammatory and significant part of the package, and the planes are not delivered. The other parts of the package—and we already quoted from experts that indicate that these are not significant in terms of the military balance of the area. We have already pointed out that India enjoys a two-to-one advantage.

Mr. President, there is another item that I think ought to be at least quoted at this point. The suggestion was that we are already in the process of delivering aid to Pakistan and that it is not necessary to have this amendment. The suggestion was that NGO's are authorized under aid to Pakistan. Indeed, we have NGO's allowed to conduct activity in Pakistan right now. It is on temporary authority, and that authority is on a 1-year waiver and that waiver is not renewed and it runs out. So as far as NGO's being able to operate in the country and deliver aid, which they have talked about, the point is that the facts are exactly the opposite of what was said on the floor. The NGO's are not going to be able to do that. We need this legislation to be able to involve ourselves with Pakistan, and this is to our benefit. I have yet to hear anyone say that cooperating with the Pakistanis in the suppression of the narcotics trade is not to our benefit. It clearly is in our benefit. Cooperating with the Pakistanis in this is in our benefit. So both of those points do not hit the mark.

Let me put a few things in the RECORD, and I will try and do it briefly. I want to quote the Assistant Secretary of State, who responded to the committee's questions.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. BROWN. I yield myself 5 additional minutes.

This is what our Assistant Secretary of State said when asked about the Pakistan question, and particularly why we have been involved in assistance to Pakistan. That was certainly raised by the Senator. I will have more to say about this later. But I want to quote the Assistant Secretary of State on that question of why we aided Pakistan:

> Pakistan undertook substantial risks as our partner in an effort to stand up to the Soviet aggression in Afghanistan during the 1980's. Intrusions into Pakistan airspace by Soviet war planes were common. On several occasions, Soviet military aircraft actually bombed Pakistani facilities along the border in retaliation for Pakistan's assistance to the mujaheddin. I might say it was assistance to us in helping to liberate Afghanistan.

She continues:

> Pakistan was also a target of Scud missiles. During the period, the Soviets also initiated numerous covert actions against the government of Pakistan, including actions aimed at destroying caches of munitions and arms in Pakistan.

Mr. President, this is what Pakistan put on the line. They risked their very existence, they risked military attacks from one of the strongest military powers in the world, the Soviet Union. They did it at our request.

She continues:

> During the Soviet occupation, 5 million Afghan refugees flooded into Pakistan. With the help of the international community, Pakistan provided food and shelter for the refugees. Many remain in Pakistan because of the unsafe conditions in Afghanistan.

To suggest that our aid had nothing to do with the 5 million refugees that came in, I believe, ignores the facts.

She continues:

> Finally, there were widespread fears that the Soviet Union did not intend to stop its expansion into the Afghan border with Pakistan. Many in Pakistan believe that an accommodation with the Soviets was called for and the government was under pressure to follow such a course.

Mr. President, imagine what would happen if the Government of Pakistan—which has been so maligned in the discussions on this issue in this Chamber—would have acceded to people in their country to make an accommodation with the Soviet Union. It is not just the Afghans that would not have an opportunity for freedom today, it is a great many more people in the world.

Mr. President, she concluded her response to that question by this statement:

> The primary purpose of U.S. military and economic assistance to Pakistan during this period was to help Pakistan manage these risks and burdens.

Mr. President, the suggestion that the reason Pakistan got military aid and assistance during this period was solely to stop the development of nuclear weapons I do not believe is accurate. It certainly does not square with this. I do think it is accurate, as Members pointed out, that that was an interest of the United States at the time, that it was hoped that would be a reaction of the Pakistanis. But to say that is the reason for their aid, I do not think that squares with the history and with the statement of the Assistant Secretary of State.

Mr. President, I yield the floor and retain the remainder of my time.

Mr. GLENN. Mr. President, I yield 2 minutes to the Senator from Nebraska.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from Nebraska [Mr. EXON] is recognized.

Mr. EXON. I thank my friend from Ohio. Were it not for the fact that I have made a commitment to go to an affair elsewhere in the Capital City, I would stay and become involved in this debate. I am going to be very brief because others here will go into the matter in more detail.

I simply say, Mr. President, that while a case can be made that we need improved relations with Pakistan, from the information that I have, the proliferation arrangement and laws of the United States of America have been violated by arrangement, among others, of shipments of materiel from China to Pakistan. I simply say that while we can make excuses, and while we can say that we need the cooperation of Pakistan with regard to drugs and terrorism, which I agree with, the fact of the matter is that the laws of the United States have been violated.

An official of the Clinton administration called me and asked me to support the Brown amendment. I asked that individual was it not true that the laws had been violated, but the administration, working with the majority in the U.S. Senate, are simply going to wink at that and say, it is OK. It is OK. We are going to make this exception to make them happy.

It seems to me we are setting a precedent here. I do not believe my voice or the voice of others is going to change the vote, but as well intentioned as the amendment offered by the Senator from Colorado is, it is a mistake. It is a mistake entered into by the Clinton administration. They are wrong, in my opinion. I state that as clearly as I can.

What they are doing in this particular case, Mr. President, is simply to offer an alibi to try to soothe the Government of Pakistan.

If our laws with regard to proliferation are going to mean anything, then we have to recognize that both Pakistan and China should be subject to the laws that we enacted in the Congress of the United States and cannot be winked at.

I object to the fact that the Clinton administration is winking, going back on the laws that we have in our land. I think that is a mistake, Mr. President.

I suspect that the Senate is going to make a mistake because I do not think 5 hours of debate after most people have gone home is going to change any minds.

I simply back the position of Senator GLENN and Senator LEVIN, both associates of mine from long standing on the Armed Services Committee. I hope that the Senate will come to its senses and do an about face on the earlier vote that we had in the Senate on this matter today.

I thank my friend from Ohio. I thank my friend from Michigan. I thank my friend, Senator FEINSTEIN, from California, who I understand is going to speak on this. I thank my friend, LARRY PRESSLER of South Dakota, who was author, I believe, of the law that we have in place.

I simply say, Mr. President, this is a mistake. I hope the U.S. Senate will reverse course, recognize it is a mistake, notwithstanding the pressure that has been brought to bear by the Clinton administration to not change the vote.

Mr. BROWN. Will my good friend from Nebraska yield for a question?

Mr. EXON. I am happy to yield to the Senator.

Mr. BROWN. I know the Senator has had a number of people talk to him, and I did not know if the Senator was aware of subsection 8 where we specifically state, "Nothing contained herein shall affect sanctions for the transfers of missile equipment or technology required under section 11(B), the Export Administration Act of 1979, or section 73 of the Arms Control Act."

In effect, Mr. President, what we do is specifically make it clear that the ballistic missile sanctions are in no way affected by this.

Mr. EXON. I say to my friend from Colorado that I think if we get into those kinds of details, we may cloud the central purpose. The central purpose of my opposition to this, notwithstanding the strong feeling about my friend and associate from the neighboring State of Colorado, is that we are violating both the intent and the principles of the law that we have in effect with regard to proliferation. Therefore, this Senator feels it is a mistake.

Mr. BROWN. Mr. President, I yield myself 3 minutes.

Mr. President, I know we want to hear from other speakers, but I did want to respond to a very important point that I think the distinguished senior Senator from Nebraska made.

He is concerned about the potential impact of missile sanctions. Mr. President, I am concerned about that as well.

We have added to this amendment exact and specific language that makes it very clear that nothing in this amendment in any way interferes with the sanctions, should they ever take place.

Members should rest assured that I am very conscious of that, and we have provided specific legislative language to make it quite clear that this in no way waives any sanctions with regard to violations of missile agreements for U.S. legislation.

That point has been raised. The fact is, at least in my view, it is invalid because we specifically made it clear that this in no way interferes with that. Indeed, if they have violated it, they will be sanctioned, and they should be sanctioned.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement from our Secretary of State.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ADDRESS BY SECRETARY OF STATE WARREN CHRISTOPHER, ON U.S. NATIONAL INTEREST IN THE ASIA-PACIFIC REGION

QUESTION: Will the Clinton Administration order additional sanctions against China for supplying missile technology to Pakistan and Iran?

Secretary CHRISTOPHER: As I mentioned in my remarks, we are concerned about proliferation issues, and we are certainly concerned about it as they relate to South Asia. We monitor it very carefully and very closely.

At the present time, although there is a fairly large body of evidence, we do not think there is the evidence there that would justify the imposition of sanctions. But I want to assure all that we feel an obligation to keep this matter carefully under review and to follow and comply with the law in this regard.

Mr. BROWN. The question was asked, will the Clinton administration order additional sanctions against China for supplying missile technology to Pakistan or Iran?

Secretary Christopher said, "As I mentioned in my remarks, we are concerned about proliferation issues, and we are certainly concerned about it as they relate to South Asia. We monitor it very carefully and closely."

Here is what he says: "At the present time, although there is a fairly large body of evidence, we do not think there is evidence there that would justify the imposition of sanctions."

Mr. President, the point is this: The sanctions are for any violation of a missile treaty or missile technology restrictions in U.S. laws. In no way does this amendment interfere with those sanctions whatever. As a matter of fact, the review of the administration in this area has been clear and significant and, if sanctions are justified, they will take place.

I reserve the remainder of my time.

Mr. GLENN. I yield 15 minutes to the Senator from California.

Mrs. FEINSTEIN. Thank you very much, Mr. President. I thank the Senator from Ohio.

Mr. President, I rise in opposition to the amendment offered by the distinguished Senator from Colorado. As the ranking member of the Near Eastern and South Asian Affairs Subcommittee of the Foreign Relations Committee, I have worked closely with Senator BROWN, the chairman of this subcommittee, to try to work toward a more productive United States policy in South Asia.

I respect him and I respect what he is trying to do. However, while there are some issues on which we are in agreement, there are many on which we differ.

Let me first say that I echo the statement of the Senator from Nebraska by saying that I believe the administration is wrong.

I have heard two major reasons put forward as to why we should put this $368 million of military equipment in Pakistan's hands now. The first is, they paid for it, it is the honorable thing to do.

I agree. I will introduce an amendment which will carry with it Sense of Congress language which will say that the President is asked to try to sell the F–16's and return as much of the equity payment made by Pakistan back to Pakistan as possible. I believe that is the honorable thing to do.

The second thing I have heard is that we have to buttress the Bhutto regime. This is what gives me the deepest trouble.

If there is anybody that believes that one stabilizes or buttresses a regime which suffers from instability, in an area where there is a tinderbox of hostilities between two countries, and where both countries have the ability in a matter of days to have a nuclear capacity utilized—I think that is the wrong idea. I could not go to sleep at night knowing this equipment went, and that I voted for it, at absolutely the wrong time. I will explain in my remarks why I believe it is the wrong time.

Sanctions were invoked against Pakistan in 1990 because President Bush could not certify that Pakistan did not possess a nuclear explosive device.

Nothing has changed since that time. To this day, neither President Bush nor President Clinton has been able to make that certification. And today President Clinton cannot make that certification.

So, despite its remonstrances to the contrary, Pakistan to this day continues to develop its nuclear weapons program and has technology imported from abroad. And I believe even today Pakistan is engaged in developing an indigenous capability to produce nuclear weapons—not to have to get the technology from abroad, but to do it right at home.

As late as a couple of months ago, the Prime Minister of Pakistan denied that. That is a problem for me. That is a problem for me, to vote for something which I know will be used for one purpose and one purpose only, and that is probably to attack a neighbor, when I am told an untruth. As Senator GLENN, I believe, will outline, these same statements have been made year after year for the past decade.

So, under these circumstances, I believe it is wholly inappropriate for the United States to release to Pakistan this military equipment. For us to take this step, Pakistan should make vast improvements in the area of nonproliferation.

I believe that Pakistan has acquired M–11 missiles in violation of the MTCR. Pakistan is subject to MTCR sanctions. We have alleged that China sold these missiles to Pakistan. China is not a signatory to the MTCR. Recently, as a product of negotiations with our State Department, China has agreed to abide by the MTCR. But Pakistan knows better. They are subject to MTCR rules, and every M–11 has inherent nuclear capability. Let there be no doubt about that. So, if one looks at both India and Pakistan, to add weapons at this time is a big mistake.

Let me tell you what the Indian Ambassador has told me. What he has told me is that he believes that the 28 Harpoon missiles which are part of this package, would give Pakistan a standoff capability to which India has no immediate response.

What does this mean? If we do this now, India is a few months before an election. It simply fuels the fires within the Indian political structure and perhaps prompts them to deploy a missile known as the Prithvi, which they have, in response to this. That is a scenario that I find inescapable in the transfer of these weapons.

We can cloak this in any terms we want. But if we know and honestly believe that this might be the result of the delivery of these weapons, why are we doing it? How can we sleep and do it? The P–3C aircraft can launch a Harpoon. The Harpoon also has a surface-to-surface capability. The Indians believe the P–3C can carry the Harpoon from Karachi to Sri Lanka, so it has the distance.

There are certain aspects of the Brown amendment that I support. I certainly share the view that it is desirable for there to be an improvement in the United States-Pakistani relationship. Pakistan is strategically located, has a significant population, it is a good friend in the Moslem world, it is an emerging democracy in a part of the world where we would like to see more democracy.

As has been said, Pakistan has cooperated with the United States in a variety of ways. It is the second largest contributor of troops to U.N. peacekeeping operations. I think that is a big deal. Pakistan has been prepared to put its troops on the line to keep peace in the world, and I, for one, appreciate that.

It has assisted in our antinarcotics efforts, and it has been helpful to U.S. antiterrorism efforts. And it is helpful right now in a very terrible and tragic situation in Kashmir, where one American is still being held hostage.

There is certainly room for more cooperation and the kinds of nonmilitary assistance which would be allowed to resume under this proposal—antiterrorism assistance, antinarcotics assistance, immigration control training, environmental and population assistance, civil aviation cooperation—would not only build even greater cooperation, but they would directly benefit the effort and interests of the United States in a range of areas.

Part of the amendment I will offer will do just that: Take the nonmilitary part of Senator BROWN's amendment and allow it to go ahead. It is my understanding that these types of assistance were never envisioned to be cut off at the time that the Pressler amendment was adopted, so I see no harm and much good that could come by restoring these types of assistance programs to Pakistan.

I was pleased to cosponsor an amendment with the Senator from Colorado in the Foreign Relations Committee to allow this assistance. However, I think we need to tread much more carefully when it comes to military assistance. Returning Pakistan's broken spare parts is, I think, a reasonable gesture of good will—no problem with that. Allowing Pakistan to resume its participation in the IMET military training course will help rebuild the ties between the United States and the Pakistani military, which is important for strategic cooperation. But allowing the transfer of the package of equipment allowed by this amendment is another story.

The Pressler amendment sanctions took effect because our Government in effect knew that Pakistan was not abiding by earlier agreements made with our Government, and commitments made to United States Senators on this floor at that time, in the 1980's. They asked for aid contingent on them not pursuing nuclear weapons, and then they turned around and did just what they said they would not do.

Pakistan needs to make progress reversing that problem, and I believe we would send a dubious message by renewing our supply line to the Pakistani military. As I mentioned, the package transferred under this proposal would include P–3C surveillance aircraft, capable of providing submarine deterrence, which is a major concern to India; the Harpoon missiles; the TOW missile launchers; the spare parts for F–16's; and other sophisticated equipment.

It is not a significant enough package to substantially alter the military balance in South Asia, but it is a change in the military balance of South Asia. Do we want to change the military balance of South Asia shortly before a hotly contested election in India, when we know major candidates running in that race will be forced to respond? They will be forced to respond, and one of the things that has been a goal of American foreign policy is to prevent the deployment of the Prithvi missile. Instead, we are providing the excuse for the deployment of the Prithvi missile, and therefore further escalating and heightening tensions between the two countries.

And there is major tension. There is no subject as sensitive, as difficult, on which the sides are more implacable than the Kashmir problem. You have seen the worst results of that tension in terms of the taking of the hostages, the cutting off of the head of one of them, and the rolling of the head down the street. If that does not demonstrate what feelings are, I do not know what will.

So, I know the Clinton administration does not want to prop up unstable regimes, does not want to put equipment in the middle of a tinderbox, but that is exactly what this does, and there is no way to say it does not. It does.

Anyone who has had the security briefing I think better understands the problem.

So I cannot support a resumption of these arms transfers. The greatest threat of nuclear war on the planet today, I believe, rests in South Asia and rests between India and Pakistan.

India has contributed to this tension just as much as Pakistan has. But it is there. It is real. It is palpable and it is fueled by a dramatic ongoing debate which one country views as a major assault on its territorial sovereignty. What else does one need as a precipitant to a conflagration?

So I urge my colleagues to look carefully at this resolution, to look carefully at the list of equipment, at the rockets, at the missiles, at the parts that are being sent in this $368 million transfer. I hope that the Brown amendment might be defeated and that we would have an opportunity to put forward an amendment which would carry forth the economic and the humanitarian, the antinarcotics and antiterrorism portions of Senator BROWN's very well-meaning amendment.

I thank the Chair. I yield my time.

Mr. BROWN. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWN. Mr. President, first of all, I want to say what a great pleasure it has been to work with the distinguished Senator from California. She is bright and thoughtful and she has been very energetic in applying herself to not only the committee work but this particular problem. I have found her to be very thorough and very sincere in the kind of approach she has taken, I might say also very constructive. And I appreciate the fact that she will offer an alternative to Members of the Senate to review that will give them some choices on this issue.

I must say as a Member I have found it a bit difficult to discuss the issue in trying to develop legislation, which I think is our job as legislators, with some Members who simply want to preclude the issue from being reviewed or discussed or legislated on and view the right way to do it is with a filibuster. I believe reasonable men and women can come to a reasonable solution that is best for our country, and so I welcome her initiatives and I commend her on a very thoughtful approach to it.

Mr. President, I might say my approach all along has been to say, look, what is central here is for the United States to be true to itself. It is not in character for us to take someone's money for a contract and then refuse to return their money or refuse to deliver on that contract. What we need to do is either give them their money back or give them their equipment that they contracted for but not keep both. That I think is simple basic fairness that most Americans would agree with. I believe the Senator from California shares that view. She does have a different view than I in terms of the package, limited package of military equipment that my amendment would deliver.

Mr. President, I will simply add one other comment at this point. It is something of a technical background for Members. I note the distinguished Senator from Ohio is here and he has been a leader in the Senate, and in the world I might say, in terms of nonproliferation.

The MTCR, the Missile Technology Control Regime, has 25 countries—at least that is the latest CRS report—that indicate they are not so much signers but partners, in the parlance of the CRS, and these partners in addition have contacted other countries that do include China, that have agreed to abide by their guidelines. Pakistan is not a partner in MTCR, and they are not listed by the CRS among the countries that have agreed to observe it.

I believe the MTCR is a very important item here for Members to consider. We have statutes that are designed to control this technology. The suggestion has been made by some Members, for whom I have a great deal of respect, there may have been a violation of this statute with regard to China and Pakistan. If that is true, there will be severe sanctions. It is very important to know that the amendment which is before the Senate in no way waives those sanctions. As a matter of fact, it has a separate specific section that makes it crystal clear that nothing in this legislation waives those sanctions.

So should you be concerned about MTCR? Absolutely. But does this amendment in any way interfere with MTCR? Absolutely not. In fact, it does the opposite. It makes it crystal clear if there are sanctions there they have the responsibility to go ahead with them as provided by our law.

Mr. President, I retain the remainder of my time.

Mr. GLENN. Mr. President, I yield 15 minutes to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 15 minutes.

Mr. LEVIN. I thank the Chair, and I thank my friend from Ohio. And also let me commend the Senator from Ohio for the decades of work he has put in in the fight against the proliferation both of nuclear weapons, weapons of mass destruction, and means of delivery of those weapons. It is the missiles particularly which we are talking about today, but there are also weapons themselves which are involved in this debate, and nobody has worked harder than the Senator from Ohio to try to address the proliferation concerns which are the emerging threats to this world. The cold war may be over, but the world is a more dangerous place in many ways now than it was before. The reason it is more dangerous in many ways is because of the threat of nuclear weapons, weapons of mass destruction and means of their delivery, the proliferation threat which we face.

The issue is whether we are going to be serious about them. That is really what the Senate is going to decide tomorrow, whether or not we are going to be serious about a proliferation issue which is so clear that I would urge our colleagues to go up to the fourth floor, as about 10 of us have, and review the materials. They are there. The charts are there. They will be there in the morning. Some of us have had this briefing now three times. We can hide our head in the sand and we can say, well, gee, maybe there is not a violation of the Missile Technology Control Regime, which is supposed to be enforced by our export control laws, but I think it is pretty difficult to do that after the briefings that we have received.

Now, that is my conclusion. Maybe others can reach different conclusions. It is difficult for me to see how any of us can reach a different conclusion, but it is more difficult for me to see how we would not at least go up to the fourth floor and expose ourselves to those materials which are there very clearly for each Member of this Senate to see and consider.

If there is no more serious issue than proliferation—and I do not know of too many issues that are more serious—surely it is worth a visit to the fourth floor to review the intelligence reports on the question of whether or not China has delivered, transferred to Pakistan missiles or missile components which exceed the limits which are provided for in the Missile Technology Control Regime.

Now, our good friend from Colorado has given a bunch of reasons that we should proceed with the sale of this equipment to Pakistan. Pakistan is an ally; that is true. Pakistan has supported common goals in Afghanistan; that is true. Of course, it was in their own self-interest to pursue those goals, but nonetheless they were common goals and she pursued them. Pakistan, indeed, supports multinational peace enforcement. So do we.

I hope it is in her self-interest to do that. But the fact that we have a common interest in that is given as a reason for why we should proceed with the sale of this nature.

I think the other point that the Senator from Colorado makes, which is one I share, which is that it is not in our character to take folks' money and then not deliver the product, I must say in this regard I think that the Senator from Colorado is correct, that if equity requires that we not allow that money to be kept at the same time that the delivery has not been made, then true to ourselves, whatever portion of that money equity requires be returned to Pakistan should be returned to Pakistan.

But that is not the issue here tonight either. The Senator from California is going to be introducing an amendment tomorrow which will take us down that path which is the path of being true to ourselves and our laws on exports at the same time living up to a moral obligation to be true to ourselves to not take money from folks and not deliver the product.

Now, I believe that the Senator from California's amendment tomorrow is going to be worded in such a way that whatever funds equity requires be returned to Pakistan, or words to that effect, should be returned to Pakistan. And I would be supporting that amendment because that is the way we can be true to ourselves in all regard.

We can make sure that we enforce our laws against proliferation at the same time we do not take money which does not belong to us and keep money which does not belong to us. But we can do both.

The issue in this amendment tonight that we are debating, the Brown amendment, is whether or not we are going to ignore our law relative to the proliferation of missiles by authorizing the shipment of military equipment which, if Pakistan received missiles that exceed the limits in the missile technology control regime, could not be properly sent to Pakistan.

Now, our law is clear. It is the Arms Export Control Act. The law says that sanctions will be applied to those who export, transfer or trade in certain areas. And then they refer to the missile technology control regime annex. And that missile technology control regime is very specific, that if missiles or components of technology have a range of more than 300 kilometers and a payload of more than 500 kilograms, then that is violative of the missile technology control regime and then people who export, transfer or trade that type of missile or components for those missiles or technologies for those missiles will be subject the sanctions. It does not say "may be subject to sanctions," by the way. It says the President "shall impose sanctions" in that event.

Now, that leaves it up to each of us to reach our own conclusion as to whether or not missiles have been transferred to Pakistan which exceed those limits. If so, our law does not permit the transfer of the equipment which would be allowed under the Brown amendment. Our law just simply does not permit that.

Now, maybe individuals can conclude that the evidence is not clear on this issue, that Pakistan has received missiles of this range and payload. And if an individual, a Member of the Senate, can go up to the fourth floor and reach that conclusion, it seems to me they could then support the Brown amendment. But I would urge Members to do that. I have done that now twice. I have had a third briefing on top of that. I cannot in good conscience reach any conclusion such as that, or come close to it. It is not even, to me, a close question.

I think in order for a person to conclude anything other than what I have concluded would require absolutely closing one's eyes to the extraordinarily clear evidence on this subject. What is that evidence? We are not allowed to describe that on the Senate floor. It is classified. We can describe our own conclusions, and we have. We can urge our colleagues to go and review that evidence—it does not take long—and reach their own conclusions, which surely our colleagues I believe should do. But the issue here is so important. It is a proliferation issue that it is incumbent upon those of us who have seen that briefing to urge our colleagues tomorrow morning, prior to the vote, to take a few minutes and go up and look at those materials in room S-407.

Now, our good friend from Colorado—I must commend him for a lot of reasons—he has applied an intellectual acumen to this matter as well as his own great spirit which makes it always difficult for those of us who disagree with him to disagree with him, because he is a man of great reason and a man of great integrity. He has pointed out in his amendment that it specifically says that "nothing contained herein shall affect sanctions for transfers of missile equipment or technology required under section 11B." And that language is indeed in his amendment.

The problem is that his amendment does affect sanctions. The words in section 8 which I just read, which says nothing shall affect sanctions, are the words. But actions speak louder than words. The action part of this amendment is earlier in the amendment when it says that military equipment, "other than F-16 aircraft, may be transferred to Pakistan pursuant to contracts for cases entered into before October 1, 1990." So the words in subsection (h) which say that "nothing contained herein shall affect sanctions" are contradicted by what is contained herein, which is the authority to transfer military equipment to Pakistan. That is the action part of the amendment.

How I wish it were true that nothing herein affected sanctions for transfers of missile equipment required under section 11B. If there were nothing in here which affected our missile technology control regime, if there were nothing in here which affected our Arms Export Control Act, there would not be any opposition to the Brown amendment on this floor. The problem is that this very amendment, by authorizing the transfer of military equipment to Pakistan, is undermining the Arms Export Control Act which says that this equipment shall not be transferred if—this is the big "if"—if, in fact, Pakistan has received missiles or components or technology within the missile technology control regime. That is the "if."

Each one of us can reach our own conclusion. I think the conclusion is so crystal clear that there is not much room for doubt. The Secretary of State apparently has said that there is enough doubt in his mind that he has not yet reached that conclusion. How he has been able to say that in light of all that evidence beats me. But I hope everybody will reach their own conclusion. But this issue is so critically important, this proliferation issue, that it requires each of us to focus on that evidence, reach our conclusion, and if the conclusion is that, in fact, missiles have been transferred and if the conclusion is that they have a range and payload that exceeds the missile technology control regime, then it seems to me that the Brown amendment must be defeated.

And so, Mr. President, again, let me commend the Senator from Ohio, thank him for yielding me time. I also want to thank the Senator from California for the amendment which she is working on which will give us an opportunity to do two right things: One is to live up to our own Arms Export Control Act and to do the right thing on proliferation at the same time that we do what equity requires relative to the return of any funds that indeed equity might require be returned to Pakistan. We cannot do both things.

The Senator from California will be offering an amendment which will allow us to do both things, but the amendment before us puts us on a very, very difficult road which I think undermines the deep concerns which every Member of this body feels about proliferation.

Mr. HARKIN. Will the Senator yield?

Mr. LEVIN. I not only yield, I am happy to yield the floor.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. BROWN. Mr. President, the distinguished Senator from Vermont wants to make a brief presentation. While I have indicated to the Senator from Iowa that he would be next, with his acquiescence, I yield 5 minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 5 minutes.

Mr. JEFFORDS. Mr. President, I will be brief, as I have to take the chair as soon as I can.

PRIVILEGE OF THE FLOOR

Mr. JEFFORDS. Mr. President, I ask unanimous consent that John F. Guerra, a Pearson fellow on my staff, be granted the privilege of the floor for the pendency of this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JEFFORDS. Mr. President, I will be brief. First, I will support the amendment of the Senator from Colorado, but I also will take a moment to commend the Senator from Kentucky

[Mr. MCCONNELL] for the time and hard work he and his staff put into crafting this legislation. He has done a commendable job with a tough assignment: to reduce our expenditures on foreign aid by a significant amount without compromising national interests. I appreciate his willingness to work with all of the members of the subcommittee to craft a bill that meets the budget allocation and comes to the floor with a broad backing of both the Appropriations Committee and a majority of the foreign assistance community.

Let us look at the big picture for a moment. We have committed ourselves to reducing the crippling Federal deficit, and failure to do so would irrevocably cripple our Nation and our economy for years to come.

Yet, we must not blindly slash spending across the board. We must carefully review our priorities and assign our limited funds accordingly.

I have been arguing for some time that education must be one of our top priorities. Spending on education is only about 3 percent of the entire Federal budget. Yet, if we do not prepare our children for the future, we will be unable to maintain our standard of living.

I am concerned that the quality of our educational system is falling behind that of our major international competitors, and if this trend continues, we will find ourselves severely handicapped in our efforts to maintain a position of economic leadership and our standard of living.

The other very small, yet very important, area of Federal spending is foreign aid. While many Americans think we spend about 15 percent of our budget on foreign aid, in truth foreign aid comprises only 1 percent of the budget. And this small investment is being cut in this bill by almost 10 percent. Foreign aid is doing its share in contributing to deficit reduction.

Yet, there is a danger in cutting these accounts too deeply. Much of this funding goes to meeting basic human needs abroad and to empower people to take control of their own development. If we do not make a modest contribution to the efforts of certain less developed nations to get their societies and economies on the right track, then we will lose out as these markets open to foreign business. If we do not increase our exports, we will not be able to maintain our standard of living. It is that simple.

Let me touch briefly on a few of the concerns I have with the bill. I am confident that the chairman and the ranking member will continue to work with me and other Members to address the issues as we move through the process. While I am appreciative of the efforts that have been made to increase the funding for international organizations and programs account, more needs to be done. The funding is highly leveraged in most cases by funding matches from many other countries that share these development and environmental priorities.

I hope we can address this issue further as we move through this process. Otherwise, I worry that we may jeopardize the very good work done by many international organizations, including those ably led by Americans.

Let me mention the consolidation of the development assistance and economic support fund into a single assistance account. That dissolves the well-established separation between those two distinct aspects of U.S. economic aid. I am worried this change makes developmental assistance vulnerable, especially in the event of emergencies, to short-term pressures at the expense of long-term goals.

I understand the chairman's reasons for including both the development fund for Africa and the child's survival program in the new bilateral economic assistance account. However, I trust that as we move through the process, every effort will be made to protect these programs from any further reductions. It is critical that the funding for these neediest individuals and the neediest continent be preserved.

The cut of $28 million below the administration's request for voluntary funding for the peacekeeping account is also of concern. International peacekeeping is a great way of leveraging our defense expenditures and reducing the exposure of our troops, while helping to resolve conflicts of direct concern to us. It is one of the most cost-effective methods of increasing capabilities while sharing the burden in situations that demand our attention.

Mr. President, I want to again commend the Senator from Colorado for raising and discussing very eloquently this very difficult and important amendment. I also again want to commend both the chairman and ranking member of the subcommittee for their efforts in crafting a bill under extremely difficult circumstances.

Mr. President, I yield back the remainder of my time.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Mr. President, we have been trading back and forth. I have committed to the Senator from Iowa. I certainly will understand if the distinguished Senator from Ohio——

Mr. GLENN. That is all right.

Mr. BROWN. Mr. President, I thank him and thank him for his generosity in allowing us to proceed. I yield now to the Senator from Iowa such time as he may consume.

The PRESIDING OFFICER (Mr. JEFFORDS). The Senator from Iowa.

Mr. HARKIN. Mr. President, I thank the Senator for yielding me this time.

I am proud to join with my colleague, Senator BROWN, in cosponsoring this amendment to the foreign operations bill. I think this amendment by Senator BROWN is the first step in moving toward a stronger and more flexible relationship with Pakistan, and I commend the Senator for all of his work on this important issue.

First, I will just say that some may call this a pro-Pakistan amendment, implying this is to help Pakistan and nothing more. Quite frankly, I see this as a pro-American amendment that strengthens U.S. interests and objectives in a vital region of the world.

I am sorry I was not able to be here for some of the earlier statements that were made, but I was here for most of the comments made by my colleague from Michigan. As I was listening, I was jotting down some notes. I could not help but think, as the Senator from Michigan, my good friend, was speaking, that the missile technology control regime only covers exports and imports. It obviously does not cover missiles developed in the country.

The question I was going to pose to the Senator from Michigan when he yielded the floor was whether or not the Senator from Michigan would be willing to extend these kinds of sanctions to India, even though it is not under the MTCR? We understand that. But nonetheless, a duck by any other name is still a duck, and when you are talking about missile technology and throw weight and whether or not you have the capability of delivering certain types of weapons, then certainly India has proceeded down that path.

MTCR, as we know, only covers imports and exports, but when you are talking about sanctions in terms of a missile regime, I think you have to look at it more broadly than that. So, again, if you are going to have sanctions, why not have sanctions on India, too? I rather doubt the Senator would be in favor of that.

But I say to my friend from Michigan that I think—and I checked this; it has been checked by staff with the State Department—that the major flaw in the argument of the Senator from Michigan is this: If there are violations, would the MTCR prohibit only all new licenses to Pakistan and China? The items we are talking about here were already licensed in the 1980's. These are old licenses, not new.

So my point is that even if MTCR sanctions were imposed tomorrow, all of these items could still go to either Pakistan or to China.

So the Senator from Michigan made an interesting statement, but it just does not comport with the facts and with what MTCR covers.

Mr. President, again, whether or not this evidence exists, let me read here a statement made by Secretary Warren Christopher on July 28, 1995, this summer, to the National Press Club.

Here was the question:

> Will the Clinton Administration order additional sanctions against China for supplying missile technology to Pakistan and Iran.

Secretary CHRISTOPHER. As I mentioned in my remarks, we are concerned about proliferation issues, and we are certainly concerned about it as they relate to South Asia. We monitor it very carefully and very closely.

At the present time, although there is a fairly large body of evidence, we do not think there is the evidence there that would justify the imposition of sanctions. But I want to assure all that we feel an obligation to keep this matter carefully under review and to follow and comply with the law in this regard.

Mr. President, I ask unanimous consent that this statement appear at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ADDRESS BY SECRETARY OF STATE WARREN CHRISTOPHER ON U.S. NATIONAL INTEREST IN THE ASIA-PACIFIC REGION, NATIONAL PRESS CLUB, WASHINGTON, DC

Question. Will the Clinton Administration order additional sanctions against China for supplying missile technology to Pakistan and Iran?

Secretary CHRISTOPHER. As I mentioned in my remarks, we are concerned about proliferation issues, and we are certainly concerned about it as they relate to South Asia. We monitor it very carefully and very closely.

At the present time, although there is a fairly large body of evidence, we do not think there is the evidence there that would justify the imposition of sanctions. But I want to assure all that we feel an obligation to keep this matter carefully under review and to follow and comply with the law in this regard.

Mr. HARKIN. Mr. President, again, Secretary Christopher said, as late as July 28, there was not enough evidence that would justify the imposition of sanctions.

That is really kind of what we are talking about here. Again, my friend from Michigan mentioned something in his comments about the transfer of missiles and missile technology. All I can say is that the last paragraph of the amendment is very clear and unequivocal. It says:

> Nothing contained herein shall affect sanctions for transfers of missile equipment or technology required under section 11B of the Export Administration Act of 1979 or section 73 of the Arms Export Control Act.

You cannot get much clearer than that. Again, I think the Senator from Michigan sort of raised a kind of straw man here because, obviously, the amendment offered by the Senator from Colorado is explicit in its last paragraph in saying that nothing herein shall violate the Arms Export Control Act.

Next, Mr. President, in case anybody says, "Well, that was July 28 that Secretary Christopher made those comments," I have a copy of a letter here to the majority leader, Senator DOLE, from Secretary Christopher, regarding several issues, one of which is the issue regarding Pakistan. Let me read this paragraph that is in the letter dated September 20:

> We appreciate the bipartisan interest we have seen in improving our relationship with Pakistan. We would support an amendment that would permit aid to Pakistan that is in our own interest, such as trade promotion, counternarcotics assistance, and counterterrorism programs. We also support language that would allow for the return of military equipment for which Pakistan has already paid.

That is what is in the Brown amendment.

> To engage Pakistan on issues of concern to us, including non-proliferation, it is essential to resolve this unfair situation.

That is dated September 20.

Mr. President, I ask unanimous consent that that be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SECRETARY OF STATE,
Washington, September 20, 1995.

DEAR SENATOR DOLE: As the Senate begins consideration of the FY 1996 Foreign Operations Appropriations bill, I would like to address several issues in the version of the bill as reported by the full Appropriations Committee.

At the outset I would like to thank Chairman McConnell and Senator Leahy for their willingness to work with us and to include priority initiatives such as a long-term extension of Middle East Peace Facilitation Act (MEPFA) and a drawdown authority for Jordan in the subcommittee mark. We would oppose any amendments that would alter the carefully negotiated language for either of these initiatives. Also, we appreciate the Subcommittee's removal of objectionable conditions adopted by the House on population assistance and aid to Turkey, Haiti, and Mexico. We hope to continue in this cooperative fashion to produce a Foreign Operations bill that can be presented to the President with bipartisan support.

Despite the favorable aspects of the legislation, there are several items that are of great concern to be Department of State. The funding levels throughout the bill are well below the President's request level. The Foreign Operations cuts, coupled with the cuts being proposed to international programs in the Senate's Commerce, Justice, State Department Appropriations bill, represent a serious threat to America's leadership in international affairs.

The bill also contains numerous earmarks and substantially restructures our foreign aid accounts. We expect international agencies to do their share in the effort to balance the budget as the President's budget plan makes clear. However, we, the Administration, should have the flexibility to apply funds to the programs that provide the best results. Earmarks in our programs for the New Independent States, International Counternarcotics, and economic assistance would prevent us from being able to respond to the crises and unexpected requirements of the post-Cold War world. Further, the proportionality requirement in the new Economic Assistance account restricts our ability to change the distribution of these funds from year to year. We oppose these restrictions.

The bill also contains a number of objectionable policy provisions. Retrictions on our ability to contribute to the Korean Energy Development Organization (KEDO) would, in effect, prevent U.S. funding of KEDO and greatly hinder, if not destroy, the international effort to implement the Agreed Framework. We oppose linking KEDO funding to substantial progress on North Korean/South Korean dialogue. Imposing an artificial and unrealistic deadline on North/South talks, which have taken years to progress, will hold hostage the very funding that will facilitate the progress we all so desire. We remain convinced that the North/South dialogue will move forward substantially as a result of the Agreed Framework and the creation of KEDO. Our failure to contribute to KEDO will threaten its ability to meet its obligations under the Framework and, consequently, invite North Korean non-compliance. The Agreed Framework is working. North Korea has frozen its nuclear weapons program. We need Congressional support for KEDO to keep the freeze in place.

Regarding assistance to the New Independent States (NIS) and Russia, we have reached a critical moment in the reform process. Continued funding is essential. It can make a major difference in whether reformers in Russia, Ukraine, Armenia, Moldova and other states will be able to maintain momentum, or the opponents of reform will halt the development of democratic market societies. We need to stay the course for this transitional pericd, while normal trading and investment relationships develop in the former Soviet states. We very much appreciate the continued support we have received from the Congress, and the Senate Appropriations Committee in particular, for this critical effort, as reflected in this bill.

At the same time, however, we oppose new conditions on assistance to the NIS. It is of course tempting to withdraw our assistance as punishment when we do not agree with Russian actions or policies. But this would be a mistake. This assistance is in our national interest. Cutting or restricting aid would hurt reformers, the very people who have protested the war in Chechnya, criticized Russia's proposed nuclear sale to Iran, or insisted that Russia end cooperation with Cuba. We urge you to remove such conditions from this bill. Let me assure you that we share your concerns about Russia's policies in these areas; that is why we continue to work on other fronts to stop the Russian nuclear reactor sale to Iran and to prevent completion of the Cuban reactor project.

We also urge you to restore the national security waiver for the certification requirement on violations of territorial integrity, which has been removed from the Senate version of this bill. It is important that the President retain the ability to determine whether the national security of the United States justifies a waiver of this requirement. Moreover, removal of the waiver provision could have unintended consequences, such as prohibiting humanitarian assistance to the victims of regional conflicts in countries such as Armenia.

The language regarding restrictions on the terminaiton of sanctions against Serbia and Montenegro also reflects objectionable House language carried over in the Senate bill. The recent combination of NATO's resolve and energetic United States leadership on the diplomatic front has led to some encouraging opportunities for a negotiated settlement to the conflict. To prematurely close off any avenues that may lead to a diplomatic settlement, including adjustments to the sanctions regime against Serbia, would complicate our efforts.

We appreciate the bipartisan interest we have seen in improving our relationship with Pakistan. We would support an amendment that would permit aid to Pakistan that is in our own interest, such as trade promotion, counternarcotics assistance, and counterterrorism programs. We also support language that would allow for the return of military equipment for which Pakistan has already paid. To engage Pakistan on issues of concern to us, including non-proliferation, it is essential to resolve this unfair situation.

There remain other problematic issues in the bill, but we are encouraged by the willingness of the bill's managers to work with us, and we hope that these other issues can be resolved on the Senate floor or in conference.

Sincerely,

WARREN CHRISTOPHER.

Mr. HARKIN. Mr. President, last, regarding the letters, in making the point that the points of the Senator from Michigan are not in keeping with the views of the Secretary of State or of this administration, let me also read from a letter dated August 2 from the Secretary of Defense, William Perry, to the chairman of the Armed Services Committee, Senator STROM THURMOND. Again, I will read the first paragraph:

> For the past six months, the Administration has wrestled with the difficult problem of trying to build a stronger, more flexible relationship with Pakistan—an important, moderate Islamic democracy in a troubled region which has been a long-time friend and has become a major partner in peacekeeping operations—while promoting the very important nonproliferation goals of the Pressler Amendment.

Then he went on in the letter to point out basically what is in the amendment and what the President would support. And then Secretary Perry says this:

> While we recognize this is not a perfect solution, it is, we believe, the course which will best help us resolve a difficult problem with a country which has long been a friend. This is an effort to resolve issues involving "fairness" that have become a major irritant in our relationship with Pakistan—it is in no way an effort to resume a military supply relationship. Meanwhile, our ability to work with Pakistan to achieve nonproliferation goals is eroding. The status quo, unfortunately, offers few incentives for future cooperation or restraint by Pakistan—or by India, whose nuclear and missile programs are also of concern. If we succeed in putting this issue behind us, we will be in a better position to engage Pakistan in a constructive way on issues of concern to us, particularly nonproliferation.

Mr. President, I ask unanimous consent that this entire letter to Senator STROM THURMOND, dated August 2, 1995, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, DC, August 2, 1995.

Hon. STROM THURMOND,
Chairman, Committee on Armed Services, Washington, DC.

DEAR MR. CHAIRMAN: For the past six months, the Administration has wrestled with the difficult problem of trying to build a stronger, more flexible relationship with Pakistan—an important, moderate Islamic democracy in a troubled region which has been a long-term friend and has become a major partner in peacekeeping operations—while promoting the very important nonproliferation goals of the Pressler Amendment.

Based on a detailed review within the Administration and consultations with Congress, the President had decided to address this matter on three fronts:

First, he strongly supports provisions already contained in the House and Senate versions of the Foreign Aid Authorization bill that would permit us to resume economic assistance and limited military assistance affecting clear U.S. interests (including assistance in peacekeeping, counterterrorism and counternarcotics as well as IMET).

Second, the President has decided to seek authority, as provided by an amendment to be proposed by Senator Brown, that would release approximately $370 million worth of embargoed military equipment purchased by Pakistan before the imposition of Pressler sanctions. This authority would specifically exclude the release of the F–16s. Among the items that would be released are three P–3C Orion maritime patrol aircraft, Harpoon anti-ship missiles, counter-mortar radars, howitzers, and support kits for F–16s and Cobra helicopters already in the Pakistani inventory. These items will not disturb the conventional arms balance in South Asia which overwhelmingly favors India.

Finally, the President has decided that, rather than releasing the 28 F–16s to Pakistan, he will seek to sell them to a third country and deposit the proceeds of any sale in the Pakistan Trust Fund to reimburse, as much as the sale permits, Pakistan's investment in these aircraft.

While we recognize that this is not a perfect solution, it is, we believe, the course which will best help us resolve a difficult problem with a country which has long been a friend. This is an effort to resolve issues involving "fairness" that have become a major irritant in our relationship with Pakistan—it is in no way an effort to resume a military supply relationship. Meanwhile, our ability to work with Pakistan to achieve nonproliferation goals is eroding. The status quo unfortunately, offers few incentives for future cooperation or restraint by Pakistan—or by India, whose nuclear and missile programs are also of concern. If we succeed in putting this issue behind us, we will be in a better position to engage Pakistan in a constructive way on issues of concern to us, particularly nonproliferation.

The second aspect of this three-part effort—embodied in Senator Brown's pending amendment to provide authority to release the embargoed Pakistan equipment other than the F–16s—may be coming to a vote very shortly. I urge you to support our efforts to resolve this problem by supporting Senator Brown's amendment when it is offered.

Sincerely,

WILLIAM J. PERRY.

PUTTING THE RELEASE OF EMBARGOED PAKISTANI EQUIPMENT INTO PERSPECTIVE

The total package has a value of $368 million—not $700 million as has been reported.

Although the P–3C Orion provides a long-range offensive capability, three aircraft would hardly disturb India's nearly 2 to 1 advantage over Pakistan in naval systems:

It is claimed that the P–3s provide a "lethal stand off capability" against Indian naval targets as far south as Cochin; however, it should be noted that because the Pakistan Navy has no aircraft carriers (of which the Indian Navy has two), the Pakistanis would be unable to provide fighters to escort these slow aircraft when operating at such a great distance from Karachi—thus leaving them vulnerable to interception by either land-based Indian Air Force fighters or carrier based Indian Navy aircraft.

It is incorrect to say that the P–3C represent a new weapons system for the region as the Indian Navy already has two squadrons of similar maritime patrol aircraft that include five Il–38 (the Russian version of the P–3) and eight Tu–142 *Bear* F aircraft. While these aircraft do not have a system equivalent to the Harpoon, they do have equipment to locate submarines and are capable of launching torpedoes.

The Indian Navy also possesses an anti-ship missile, the *Sea Eagle*, which is similar to the Harpoon. Although not capable of being launched from the maritime patrol aircraft mentioned above, the Indian *Sea Eagles* can be carried on the *Sea Harrier* jets and the *Sea King* helicopters which operate from India's two aircraft carriers—thus giving the Indian Navy a more formidable long-range strike capability than that provided by three P–3s.

C–NITE would enable Pack Cobra helicopters to launch TOW 2 anti-tank guided missiles at night; however, these 19 helicopters, so equipped, would hardly offset India's 2 to 1 advantage (by over 2000 tanks) over Pakistan.

The Pakistani F–16s are already equipped with the AN/ALR–69 radar warning receiver and AN/ALQ–131 electronic counter measures jamming equipment. These are defensive rather than offensive systems. The ALR–69 alerts the pilot that a radar has "painted" his aircraft; the ALQ–131 electronically deflects the hostile missile. The ALR–69 and ALQ–131 kits that would be released would enhance the reliability of these systems rather than provide any new military capability.

Since Pakistan has previously received over 200 AIM–9L air-to-air missiles, the release of 360 more will not provide any new capability. Furthermore, India will still enjoy an almost 2 to 1 advantage in jet combat aircraft over Pakistan to include a better than 2 to 1 advantage in aircraft equivalent to the Pakistani F–16s (i.e., MiG–29 and Mirage 2000).

The 24 howitzers that would be released to Pakistan are M198 155 mm towed howitzers. Given the fact that the Indian Army has over 3000 towed artillery pieces (almost twice the number in the Pakistani inventory), 24 more will not make a significant difference. It should be noted that during the nearly five years that these howitzers were embargoed, India acquired over 250 equivalent artillery pieces from Czechoslovakia and Russia/USSR.

In regard to MK–46 torpedoes, Pakistan will receive parts that constitute less that one operational MK–46.

As for the 2.75" rockets, these constitute a resupply of ammunition for one of the weapons systems on the Pakistani Cobra helicopters—they do not give Pakistan any new capability.

Mr. HARKIN. Mr. President, I wanted to make those points up front to adequately refute, I think, some of the points made by my friend from Michigan. This basically is, as the Senator from Colorado has stated so many times, a basic issue of fairness. Pakistan has been a long-time friend and ally of the United States.

I know the hour is late, but I think it is important that, once again, we review a little bit of history so that we do not kind of operate in a vacuum, as though Pakistan was born yesterday, or that somehow our relationship with Pakistan just started.

This is a relationship that goes back a long way. At the time of its independence, in 1947, Pakistan made a conscious choice to promote friendship with the United States rather than the Soviet Union. The first Prime Minister of Pakistan, Liaqat Ali Khan, chose to undertake his first overseas visit to the United States instead of to the Soviet Union, despite efforts by Moscow to entice him there. While in the United States during 1950, the Prime Minister explained to various American audiences that the principles on which the nation of Pakistan was based were as compatible with the political, economical, and ideological goals of the United States as they were incompatible with communism. He expressed that it would be the view of his government to "throw all its weight in the effort to maintaining stability in Asia."

In a speech to this Congress, Prime Minister Liaqat Ali Khan proclaimed that "no threat or persuasion, no material peril, or ideological allurement could deflect Pakistan from its chosen path of free democracy."

Pakistan lived up to its commitments later on in June of 1950 when it declared its unqualified support for the United States in our war in Korea and backed us in that war.

In 1954, they joined the Central Treaty Organization. In 1955, they joined SEATO. These two American-backed alliances were aimed at the containment of communism and were very successful. In 1959, our two countries signed a Mutual Defense Treaty, which is still operational today. So this is a long history.

Again, some will say, well, Pakistan has had military dictatorships and violations of human rights. Listen, I understand that. But I believe that the freedom advocates in Pakistan have been at it continually. They have been assassinated and tortured, but they continue to struggle for democratic freedoms in that country. Those are the ones about whom I spoke, not the military dictators, not the repressive forces in Pakistan, of which there are more than just a few, but to those brave people of Pakistan who, through all of this, continue to struggle and to fight and to maintain an adherence to democracy. In 1960, Pakistan's commitment, its friendship to the United States was put to a very severe test.

Again, in accordance with the Mutual Defense Treaty, Pakistan allowed us to set up some bases. One of them was a base from which we flew our U-2 flights over the Soviet Union and one of those flights, as we all too sadly remember, was shot down by the Soviets. Francis Gary Powers was the pilot. We all know how the Soviets paraded him as one of their trophies.

Soviet leader Nikita Khrushchev turned his ire on Pakistan because he knew that is where the plane left from. He threatened to use nuclear arms and weapons against Pakistan. He boasted that the City of Peshawar would be wiped off the face of the earth because that is where the base was. The former Foreign Minister of Pakistan, in his recently published account of the incident, describes the cool and confident reaction of the then-President of Pakistan, who dismissed the Soviet threat by saying, "So what?"

Again, put yourself in that context. Korean war, Mutual Defense Treaty, allowing us to base our U-2 flights here. They are bordering right on the Soviet Union, and yet they stood by us.

Pakistan again came to the help of the United States by helping to facilitate the crucial opening of American relations with China. In 1970, then-Secretary of State Henry Kissinger undertook a secret visit to China from Pakistan. Thus, again, Pakistan served as that vital bridge between the United States and China. Again, it was critical in the cold war to restrain the Soviet Union.

Moscow began to speak of the Washington-Beijing-Islamabad axis. Again, it was only Pakistan which bore the brunt of Soviet anger when Moscow signed the defense treaty with India, and through a massive transfer of arms as well as political support which enabled India to invade East Pakistan in 1971.

Regrettably, the United States stood by even though we had a mutual defense treaty with Pakistan at that time.

In 1979, once again Pakistan's friendship with the United States was put to a severe test when the Soviet Union invaded Afghanistan. Over the next decade, Pakistan joined the United States in helping to roll back Soviet communism and expansion. It did so at great cost. Not only, again, did the Soviet Union threaten Pakistan with dire consequences, but launched a campaign of subversion and terror against Pakistan. The country experienced numerous violations of its ground and airspace, terrorist bombings, subversion.

To add to these problems, Pakistan provided refuge to more than 3.2 million Afghans at great political and economic cost to itself. Think about that, Mr. President: 3.2 million Afghans sought refuge in Pakistan.

Pakistan continues to pay the price for the role it played in the defeat of the Soviet Union in Afghanistan. But they stood by us and they helped. Ironically, however, this successful cooperation between Pakistan and the United States was followed by the worst period in their bilateral relations with our country with the imposition of the Pressler sanctions against Pakistan in 1990.

Even despite this development, Pakistan continued to seek friendly relations with the United States and came to our assistance whenever we requested. Pakistan made significant troop contributions to the multinational forces during the gulf war to liberate Kuwait. At the political level, Pakistan not only condemned the Iraqi invasion of Kuwait but was instrumental in promoting the U.N. efforts for the liberation of Kuwait.

Again, Pakistan took a lead role in the peacekeeping operations in Somalia, serving together with American troops in that country. It was not the first time that American and Pakistani soldiers died together for the same cause.

Again, at our request, Pakistan has been at the forefront of contributing to U.N. peacekeeping operations. Pakistan forces have been deployed for peacekeeping purposes in Bosnia, Liberia, Haiti. Pakistani troops were in Haiti, helping us to restore democracy to Haiti, Western Sahara, Mozambique, Georgia.

Recently, the United States and Pakistan have also joined hands in the fight against terrorism and narcotics. Recently, and in cooperation with American personnel, Pakistan recently apprehended Ramzi Yousaf for alleged involvement in the World Trade Center bomb blast, and Pakistan has extradited over half a dozen drug barons to the United States in our joint counternarcotics drive.

Again, Mr. President, I recite all this. I know a lot of people know this history, but maybe too many of us have forgotten, and we have forgotten what a close friend and ally Pakistan has been.

Again, as a moderate democratic Islamic country, Pakistan is the only tried and trusted friend that we have in that Islamic world. The recent visit of Prime Minister Bhutto clearly demonstrated that Pakistan's commitment to friendship with the United States remains as strong as it was during the cold war.

Mr. President, with this kind of history, for the life of me, I cannot understand why we continue to treat that country as we do. Again, I am only talking again about fairness. Secretary of State Christopher said that. It is an issue of fairness. Secretary of Defense Perry said it is a question of fairness and a question of our relationships with Pakistan.

Mr. President, again, neither India or Pakistan are a party to the Nuclear Nonproliferation Treaty. I wish they were. If I had an argument against Pakistan, it would be that argument. They ought to be a part of it. But so should India. India cannot skate by on this simply because they say they are not importing and they are building their own. They cannot skate by on that kind of flimsy excuse.

Again, I do not think anyone here would advocate unilateral disarmament on our part. Certainly, we could not expect Pakistan to have a unilateral disarmament on their part.

Again, I hope that both sides, India and Pakistan, would agree to a regime of peaceful relations and a downgrading of both of their military systems. But we cannot expect Pakistan unilaterally to do that, not given the history of that region.

I understand Pakistan is not a perfect country. But, again, what we are doing is not fair. Absolutely not fair.

The Brown amendment moves United States policy forward so that we can work with Pakistan to tackle a lot of problems: drug trafficking, international terrorism, peacekeeping, illegal immigration. But, again, it also strengthens a competitive position for United States companies to do business in Pakistan. So it advances our interests abroad.

Again, on the question of military equipment, the Brown amendment is a fair and responsible approach. A fair and responsible approach. We should not be charging Pakistan with the storage of military equipment they purchased that we did not release. It is not fair. We should not be holding on to military equipment that Pakistan simply sent here for repair. It is not fair. And we should not hold on to the money and hold on to the equipment that Pakistan has bought and paid for. That, too, is unfair.

This issue has led to a steady erosion of our relationship with Pakistan, an old friend—a struggling democracy, struggling, a very troubled part of the world.

So in order to strengthen our partnership and advance American interests, it is essential to put this problem behind us, wipe the slate clean and concentrate on the issue of nonproliferation, which is the intent of the Pressler amendment.

The Brown amendment helps us do just that.

Again, when you look at the equipment that we are talking about, there is nothing in here that is new. As I said, these are items that were already approved. These are not items that would be covered under the missile technology control regime.

I want to make that point one more time to my friend from Michigan. Even if the MTCR sanctions were imposed tomorrow, all the items in the Brown amendment could go because they had already been approved under the old regime.

Again, the Brown amendment is fair, it is responsible, it is reasonable, it will wipe the slate clean. I think it will help promote democracy and the democratic forces that are struggling and have struggled so hard in Pakistan. I do not think it will do one iota in any way to encourage any kind of nuclear proliferation or technology of missiles or anything else. As I said, the Secretary of State and the Secretary of Defense have both said that the evidence is not there in sufficient amount to impose these kinds of sanctions.

So, again, I would just say that it is in our best interests to adopt the Brown amendment. That is why the administration supports it so strongly. That is why I support it. I believe we have to get on with renewing our relationship with Pakistan, to wipe the slate clean, to treat them fairly—not unfairly.

If people want to talk about the country that has, I think, pushed us to the limits in terms of using nuclear devices, testing nuclear weapons, and building up nuclear arsenals, we ought to be talking about India, not Pakistan. So I think this will get us back on a more even keel and perhaps will set us up in a regime where we can actually engage both India and Pakistan to begin a process of more peaceful relations and negotiations leading to a cooling down in that region of the world and, perhaps, even a reduction in the weapons in both India and Pakistan.

If we continue on the way we are going, then I fear the hard line forces in Pakistan, the antidemocratic forces, are going to go to the forefront. I think they are the ones who are going to be able to say look, how can you trust the United States? Here we have done all these things for the United States over all these years—we have supported them, been their great friends, backed them up, and they turned their back on us.

If you want to push Pakistan, as some of these people are saying, closer to China, that is the way you do it. If you defeat the Brown amendment you will get just what you asked for. You will get the more repressive forces in Pakistan going along with the repressive forces that are dominant in China today, and then we really will have a problem in South Asia.

Mr. President, I urge the adoption of the Brown amendment and I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. GLENN. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. GLENN. Mr. President, before the Senator from Iowa leaves, I want to point out, he was questioning whether we would have the guts to sanction India. I point out to him that we did sanction India under the MTCR. We had United States sanctions imposed against India, the Indian space research organization, and against Russia, Glavcosmos, for the Russian transfer of cryogenic rocket engines. That was in 1992, I believe. So we did actually have sanctions against India.

What we did was we cut the United States exports of missiles for a 2-year period, I believe it was. I do not have the exact date it was put into effect—yes, we do. This is out of the May 12, 1992 Washington Post, an article by R. Geoffrey Smith titled, "U.S. Imposes Sanctions Against Russian-Indian Concerns Over Rocket Deals."

Mr. HARKIN. If the Senator will yield, that is true, but the sanctions have since expired.

Mr. GLENN. They expired, but I thought the point was we did not have guts enough to assign sanctions against India—but we did. We have done it.

Mr. HARKIN. Again, we continued the sanctions on Pakistan but let them expire on India.

Mr. GLENN. The same sanctions expired on India. But, anyway, the issue here is not the money, small amounts of equipment and so on. The issue is: Does the United States of America have a nuclear nonproliferation policy worthy of the name or not? That is basically what we are talking about. Do we have one and are we willing to abide by it? Or is it a sham? Is it only for press conferences? Is it only for campaign talk and little else? That is the question.

Talk about trusting the United States, let us talk about how much we can trust other nations of the world whom we try to help and work with. We have felt strongly enough about our nuclear stockpiles and what is going on around the world that we have exhorted other nations to please sign up under the nonproliferation treaty. At the same time, we pledged that if a situation ever got to where we could start working our stockpiles of nuclear weapons down, vis-a-vis the Soviet Union, we would do that. Fortunately, at this day and time, after all these years of cold war, we have reached that point where we now are downsizing, as we call it, our nuclear weapons stockpiles. And we are all glad that is occurring.

In the meantime we asked other nations to sign up under the NPT, to submit to IAEA inspections. And we have had 178 other nations that have put their faith in the United States of America, to follow our lead and say, "Yes, we trust you. And, yes, we will go along, we will not develop nuclear weapons in return for America's cooperation in peaceful uses of nuclear energy."

Who is the most egregious violator of all these things with regard to not signing up, refusing to sign up under the nonproliferation treaty, not cooperating in matters nuclear, in fact telling untruths, one right after the other, one right after the other, on and on and on and on and on? That is Pakistan.

I can appreciate very much the situation Pakistan finds itself in. Some years ago China developed nuclear weapons. They have been part of the nuclear weapons scene across the world for many years. India and China have had border troubles, disputed territories. Both claimed certain areas up along the border, and they have been back and forth at each other for many, many decades, going way back. So, as soon as China developed nuclear weapons, India felt they had to do the same thing or they would not be safe. So they set about a nuclear weapons development program. In 1974 they set off their first nuclear device. They called it a PNE, a peaceful nuclear explosion. OK, that is fine, they can call it what they want, but a bomb is a bomb is a bomb is a bomb, whether you call it a peaceful bomb underground for test purposes or whether it is a bomb that is usable, an explosive device that will go off somewhere else.

As a result of the Indian PNE, then we had Pakistan swore they would get the bomb one way or another, no matter what they had to do to do it. In fact then Prime Minister Bhutto, the current Prime Minister's father, who later died, said that, to quote his words, Pakistan would "eat grass" if it was necessary to get that nuclear capability. They have been embarked on a nuclear weapons program ever since, even though they have steadfastly denied it, year after year after year after year. And they have been untruthful to us.

I went to Pakistan, met personally with President Zia back years ago, with Yaqub Khan, who was foreign minister, and their atomic energy commissioner at that time, met with all these people, sat and talked to them one on one, looked them right in the eye, and they swore up and down they had no nuclear program under way. And I think they even knew at that time that I knew that what they were telling me was not true, even though we had good intelligence information at that time.

Let me just quote—I am going to put some of this in the RECORD later on at the end of my remarks, but let us bring it up to date here with the present Prime Minister, Benazir Bhutto. Listen to some of her comments on this. Going back when she was opposition leader, Benazir Bhutto, shortly before she became Prime Minister, the Washington Post quotes her as saying:

> We don't want any controversy with the U.S. on the nuclear issue. We want it clear beyond doubt that we are interested only in energy, not nuclear weapons.

That was on November 19, 1988.

On November 28, 1988, once again opposition leader Benazir Bhutto, interviewed in Time Magazine, says:

> We believe in a peaceful nuclear program for energy purposes and nothing else.

Now Prime Minister Benazir Bhutto, interviewed in the Calcutta Telegraph on December 14, 1988—she is now Prime Minister—is quoted as follows:

> I can tell you with confidence there is no bomb program in Pakistan. There is no bomb program. There is no bomb program.

Later on Prime Minister Benazir Bhutto, interviewed on MacNeil/Lehrer on December 16, 1988:

> We are committed to a peaceful energy program. We don't have any nuclear weapons policy. Pakistan doesn't have any intention to get a nuclear device or a nuclear weapon.

Bring it on up a little bit. Prime Minister Benazir Bhutto, once again addressing a joint session of the U.S. Congress, on the other end of the Capitol from us, when she came over here and addressed us on June 7, 1989, said:

> Speaking for Pakistan, I can declare that we do not possess nor do we intend to make a nuclear device. That is our policy.

That was to the Congress of the United States.

July 10, 1989, Prime Minister Benazir Bhutto:

> Pakistan has not, nor do we have any intention of putting together or making a bomb or taking it to the point where you can put it together.

Another one quoted by AFP on August 29, 1989:

> We do have the knowledge but I do think there is a difference between knowledge and capability. So we do have a knowledge, if confronted with a threat to use, but we do not in the absence of any threat intend to use that knowledge. In fact, as a matter of policy, my government is firmly committed to nonproliferation.

Then quoted in an interview in a German newspaper, as quoted by Reuters, on October 22, 1989:

> It is true that Pakistan has certain knowledge in the nuclear field but it has no intention of using this knowledge. To put it another way, we do not want to convert this knowledge into, shall we say, a nuclear capability at the present time.

And the last one that I will read here out of a number of other examples I could give was in 1994, last November, November 18, 1994, being interviewed by David Frost on PBS. Prime Minister Benazir Bhutto:

> We have neither detonated one nor have we got nuclear weapons. Being a responsible state and a state committed to nonproliferation, we in Pakistan through five successive governments have taken a policy decision to follow a peaceful nuclear program.

Well, at a later time I will ask to enter these in the RECORD at the end of my remarks. But those are examples of some of the statements and there are several dozen others here by various Pakistani officials that go along the same line.

Well, so much for the protestations that they have made through the years.

In 1987, Abdul Qadeer Khan, father of the bomb in Pakistan as he is known, in an interview, I believe it was in London, made the mistake of saying that, yes, they had the bomb. That was it, period.

MTCR was brought up a little while ago as well as M–11's. When we talked to some of the people over at the White House today, after I said, what if the missile technology, MTCR, has been violated? What would be the administration's policy? I was told by the person I was talking to, not the President, but I was told by the person I was talking to, "Well, if MTCR has been violated, we will abide by the law."

I hope they mean it. I wish they would do the same thing with regard to the Pressler amendment and with the other legislation that we have had on the books for a long time.

To understand how we arrived at this difficult state of affairs with Pakistan, in which they have paid $658 million in cash and used $200 million in credits for 28 F–16's but cannot have them delivered, I think we need to go back. I think we need to review a little bit of the history of Pakistan.

I would also add that $658 million in cash and $200 million in credits comes up to about $858 million that we are talking about.

But to go back a little bit, in the mid-1970's, Congress became concerned about increasing evidence of international nuclear trade in dangerous technologies associated with producing nuclear weapon materials.

A number of countries, including but not limited to Pakistan, South Korea, Brazil, Taiwan, were actively engaged in seeking such technologies, and suppliers such as France and Germany seemed prepared to meet the demand.

Now, in an attempt to dampen such activity, in 1976 and 1977, Congress enacted what is now called the Glenn–Symington amendment to the Foreign Assistance Act which provided that countries importing or exporting such dangerous technologies under certain conditions would be cut off from U.S. economic and military assistance.

This law was universal in its application. It was not directed specifically toward Pakistan at all. Nonetheless, in 1979, after much information became available about illegal Pakistani activities involving the smuggling of design information and equipment related to nuclear enrichment, President Carter invoked the Glenn–Symington amendment to cut off the Pakistanis.

After the war in Afghanistan broke out, attempts by the Carter administration to restore some assistance to Pakistan in return for restraints on their nuclear program were rebuffed by the Pakistanis. When the Reagan administration arrived, aid to Pakistan and the mujaheddin was high up on the administration's foreign policy agenda. At that time, they even suggested repeal of the Glenn–Symington amendment. That was suggested during some of the congressional consultations we had with them. That was rejected.

Instead, a proposal was made and adopted into law that allowed the

President to resume aid to Pakistan for 6 years despite its violations of section 669 of the Glenn-Symington amendment which related to uranium enrichment activities. President Reagan used this authority in 1982 and also issued a waiver under section 670 of the amendment. This related to reprocessing activities—to exempt Pakistan indefinitely from the cutoff provisions of that section of the Glenn-Symington legislation as well.

Now, he could not do the same under section 669 unless he had reliable assurances that the Pakistanis were not developing nuclear weapons. And such assurances were clearly not available.

Thus, a specific waiver for Pakistan was created and has been subsequently renewed five times. That allowed them to escape from the sanctions imposed by United States law for proliferators. This has been done for no other country that I am aware of. So anyone who thinks we are being too harsh on Pakistan, poor little Pakistan, we have renewed that waiver on five different occasions. Nonetheless, Congress was unwilling to give a complete blank check to Pakistan and stipulated in the waiver legislation that Pakistan would still be cut off if—if—it received or exploded a nuclear device.

Now, in addition, Congress stipulated that an annual report would be provided on Pakistan's nuclear activities so that Congress could confirm that United States assistance was indeed inhibiting Pakistan's bomb program as was confidently assumed by Reagan administration officials.

We have a number of statements that they made at that time about what a big thing this was going to be, and that was the best thing to do to get the Pakis to hold back on their bomb program. So we required reports, and those reports, along with supplementary intelligence information, revealed there was no effect whatsoever on the pace or the direction of the Pakistani bomb program.

The Pakistanis continued to say publicly they had no nuclear weapons program and continually lied to United States authorities whenever questioned. Indeed, then-President Zia and then-head of the Pakistani atomic energy commission, Mir Khan, both lied to me in my visit to Islamabad in 1984. Lying is a harsh word, but I cannot put any other word to it. That occurred when I asked about information I had concerning their nuclear program.

The result of all this mendacity, plus ongoing information that the Pakistani program was progressing, was the enactment of the Pressler amendment. The Pressler amendment was passed in 1985, which was designed to draw a new line in the sand regarding the extent of United States forbearance over Pakistan's nuclear weapons program.

The amendment required the United President to certify annually that Pakistan did not "possess," in quotes—"possess," key word—a nuclear explosive device in order for assistance to continue and that such assistance would significantly reduce the risk that Pakistan would possess such a device.

Please note that the argument about the Pressler amendment being unfair because it applies only to Pakistan is completely disingenuous because it ignores the fact that Pressler was created to shape further the unique special exemption from United States nonproliferation law given to Pakistan years earlier. If we had not had the waiver, we would not have needed Pressler.

It has been reported that CIA officials who were privy to intelligence information concerning the Pakistani program were very skeptical beginning from 1987 on that the President could make the appropriate certifications under Pressler to allow aid to continue; in other words, to say with some certainty that they did not possess any nuclear device and that our assistance was significantly reducing the risk that they would possess.

Statements from high-ranking Pakistani officials around this time suggested they had the bomb within their grasp. Nonetheless, President Reagan in 1987 and 1988 and President Bush in 1989 made those certifications. It has also been reported that President Bush told the Pakistanis in 1989 that he would be unable to make this certification the next year in 1990.

Now, the contract for the sale of 28 F-16's was signed in 1989, the year Pakistan ostensibly had been warned that there would be no further certification that would allow them to receive military equipment from the United States. The first cash payment by Pakistan of $50 million was made at the beginning of fiscal year 1990. Subsequent to the cutoff, which came because of the Pressler amendment which took affect in October 1990, Pakistan continued to send periodic payments for the manufacture of F-16's. That is, $150 million in fiscal 1991, $243 million in fiscal 1992, $215 million in fiscal 1993, for a total of $658 million.

Why did they continue to send money when they knew that U.S. law would not enable them to receive the planes? That is a question only they can answer. But it is not unlike an investor buying a stock of a company whose assets are under lien in the hope that the lien will somehow be removed. If it does not get removed, the investor can hardly call foul.

All this is to say that the Pakis are hardly entitled to any sympathy in their national security plight in South Asia. They fought three wars with a much larger adversary, India, who is pursuing a nuclear weapons program and exploded a device in 1974. By virtue of the India nuclear program being indigenous and not in violation of the terms of the Glenn-Symington amendment, the Indians have not been subject to the amendment sanctions, which would not have been effective in any case since the Indians received only token amounts of economic or military assistance from the United States.

But that is not the same thing as saying that United law is discriminatory in its application. Now, I indicated earlier we have 178 nations who have signed up and extended the nuclear nonproliferation treaty, made it a permanent treaty. It has been the policy of every American President over the past 25 years since the treaty went into effect to support the treaty, and we have been steadfast in that support.

Now, the members of the treaty deserve our trust. We have to be deserving of that trust. They put their trust in us.

Now, how will we be keeping faith with those 178 nations meeting in New York if the message that is sent is that a proliferator with a history of mendacity can receive from the United States a significant number of nuclear-weapons-delivery systems, that is, F-16's. Well, to even ask the question is to give the answer: The United States cannot be a champion of nonproliferation on the one hand and a facilitator of nuclear weapons development or delivery on the other.

Sending F-16's to Pakistan before full realization of the history we laid out in this letter would indeed be a gross violation of our commitment to foster nonproliferation ethics in the world through the NPT and other means and would rightfully subject us to strong international criticism.

I am certainly not an enemy of Pakistan. I visited there. I like the country. I supported them when they were threatened in the past, such as during the war in Afghanistan. I want their cooperation in the fight against terrorism and drugs. But surely we have to find a way to support them in these activities without enhancing their nuclear-weapons-delivery systems.

As to the cash payments for the F-16's, we cannot ignore the fact that, contrary to the grossly incorrect public statement made by Assistant Secretary Robin Raphel at a White House briefing on April 11, no payments were made by Pakistan before fiscal 1990. Sticking to the payment schedule of the contract until fiscal 1993 was a gamble by Pakistan that did not pay off. Now they want to be held harmless from losing their gamble.

Now, I want to get them their money back, if we can possibly do it. It is perhaps unfortunate that U.S. officials did not disabuse the Pakistanis of the hope that making those payments would put pressure on the United States to reverse the Pressler sanctions and deliver the planes. But that is no reason to turn that hope into reality right now.

Mr. President, there have been a number of milestones in the United States-Pakistan nuclear relations. The background of this arms transfer scheme can be summarized by recalling a sequence of some 10 milestones in the history of our nonproliferation efforts in Pakistan. I guess milestone 1 would involve those waivers and favors. Throughout the 1980's, officials from the executive branch assured Congress and the American taxpayers that billions of dollars in aid that we shipped to Pakistan throughout that decade would shore up Pakistan's security and thereby act as a substantial break on Pakistan's nuclear program.

Mr. President, I ask unanimous consent to insert at the end of my remarks a list of no less than 20 such assurances to Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1).

Mr. GLENN. To get this aid to Pakistan, Congress had to create some special waivers for the President to invoke, discriminatory waivers tailored exclusively on Pakistan's behalf. There was a waiver of our uranium enrichment sanctions on February 10, 1982, just for Pakistan. There was a waiver of our plutonium reprocessing sanctions on the same day, February 10, 1982, just for Pakistan. There was another waiver of our uranium enrichment sanctions on January 15, 1988, just for Pakistan. There was a waiver of a nuclear procurement sanction on the same day, January 15, 1988, just for Pakistan.

There was a waiver of our uranium enrichment sanctions on March 28, 1990, just for Pakistan.

There were waiver authorities of uranium enrichment sanctions that Congress created but which fortunately were not exercised by the President on November 5, 1990, October 6, 1992, and September 30, 1993, once again, just for Pakistan.

So much for the discrimination in United States policy, as though we are picking on Pakistan.

By this record, the United States has unquestionably and shamelessly discriminated on behalf of Pakistan where American law was concerned. The next time I hear much complaint about the fact that the Pressler amendment only refers to Pakistan, I can only wonder what has happened to our memory about these waivers and about our appreciation for that history.

The future of this great Republic depends upon our Nation's ability to learn from, not ignore, its experiences. I am tired of discrimination—all discrimination—but most especially discrimination in favor of proliferation. Of all the arguments that have been levied against the Pressler amendment, I have never heard anyone accuse it of being in favor of proliferation. That is more than I can say about the current proposal.

Milestone 2, we title this "Those Peaceful Nuclear Assurances."

Officials from Pakistan, meanwhile, lost no effort in blanketing our Capital with a blizzard of peaceful nuclear assurances. My staff assembled an impressive collection of over 70 of these promises, assurances, pledges and other offerings intended to reassure America that Pakistan was not just taking our aid and proceeding with its bomb, which is, of course, exactly what Pakistan was doing.

Mr. President, I ask unanimous consent to print in the RECORD at the end of my remarks a collection of these assurances that was compiled by Michelle Fraser, an intern with the Committee on Governmental Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. GLENN. Mr. President, I recall hearing the testimony of the State Department's Under Secretary James L. Buckley before the Nonproliferation Subcommittee of the Committee on Governmental Affairs back on June 24, 1981. He stated:

> I was assured by the ministers, I was assured by the President himself that it was not the intention of the Pakistani Government to develop nuclear weapons.

Mr. Buckley went on to argue how new United States aid would act to curb Pakistan's nuclear ambitions. Recall that at the time those remarks were spoken, very few commentators or analysts were claiming that Pakistan was a de facto nuclear weapons state. Pakistan did not have bomb-grade uranium from its unsafeguarded enrichment plant at Kahuta. News reports had not yet circulated that China had provided a design of a nuclear weapon to Pakistan along with other nuclear assistance. We had seen virtually nothing about Pakistan engaging in high-explosive testing of components of nuclear weapons.

Pakistan had no fleet of F–16 aircraft which could potentially be used as a delivery system for nuclear weapons. No, indeed, all the above came only after or during the massive flow of aid to Pakistan through the 1980's.

Despite this record, we are hearing today some of the same old recycled arguments: Provide aid and it will buy us influence. Some people just refuse to believe that what Pakistan really wants is both its bomb and our aid.

Milestone No. 3 we can title "Proliferation Unbounded." By the mid-1980's, the situation was really getting out of hand. Everybody knew that Pakistan's bomb program was rolling right along. This aid included substantial quantities of military assistance, even F–16 aircraft, that were quite suitable for use in delivering nuclear weapons.

To illustrate the scope of the progress Pakistan was making on its bomb as we continued providing aid, Mr. President, I ask unanimous consent to print in the RECORD at the end of my remarks a chronology showing how bad the problem was.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. GLENN. Mr. President, the record is thus quite clear. There was a direct positive relationship between the flow of United States aid and the progress of Pakistan's bomb program, not the negative relationship that the executive repeatedly assured Congress would exist.

Milestone No. 4, "Congress Steps In." By 1985, Congress justifiably had enough. With the agreement of the executive and even the Pakistani Government, we passed a law known as the Pressler amendment to set some ground rules to permit the resumption of aid to Pakistan.

That is overlooked, as my colleague Senator PRESSLER said on the floor just a while ago; that the Pressler amendment was supposed to set some ground rules to permit resumption of aid to Pakistan. First, Pakistan must not possess a nuclear explosive device, however; and second any new aid must reduce significantly the risk that it will possess such a device.

Note how far the current legislative proposal departs from these responsible standards. Not only does the proposal call for resuming full economic aid and significant new arms deliveries to Pakistan despite its failure to satisfy the nonpossession standard, but the aid is supposed to be provided even if it has no effect whatsoever upon reducing the risk of Pakistan getting the bomb. For those who truly care about nonproliferation, this is truly a lose-lose proposition. Where is the beef? There is no beef.

This brings me to milestone 5, the issue of the certifications that Pakistan did not possess the bomb. I guess we could title milestone 5, "From Red Line to Elastic Clause."

In the late 1980's, Pakistan crossed several additional red lines toward acquiring the bomb. Even its top nuclear scientists boasted in 1987 that Pakistan already possessed the bomb, and somehow Pakistan kept receiving its annual certification that it did not possess. As for the executive's approach to the word "possess" through that period, I am reminded of a quote from a character in Lewis Carroll's "Through the Looking Glass:" "When I use a word," Humpty Dumpty said in rather a scornful tone, "it means just what I choose it to mean, neither more or less."

That is where we find ourselves in regard to defining the word "possess." It can mean so many different things.

There comes a time when we need to hold the line against the temptation of our officials to redefine terms of law for diplomatic convenience. As for the possession standard, fate would soon catch up with Pakistan.

Milestone 6, "A Nuclear Near Miss." In the summer of 1990, Pakistan almost engaged in a nuclear exchange with India. If any of my colleagues are skeptical about the relevance of nuclear weapons proliferation in South Asia to United States national security, I strongly recommend they read Seymour Hersh, in an article published in the New Yorker on March 29, 1993, aptly entitled "On the Brink of Nuclear War: How Pakistan Came Close to Dropping the Bomb—And How We Helped Them Get It."

This article is, incidentally, also a good candidate of the eccentricities of our system for enforcing export controls. The article describes a 1986 United States undercover operation to stop yet another planned Pakistani purchase of United States nuclear-related material. According to Hersh:

> The State Department's Near East Bureau was not told of the planned operation, for fear that the officers there would tip off the Pakistanis, as they had done in the past, by sending a diplomatic protest (known as a demarche) to the Pakistani Government.

Though the operation ultimately led to the highly publicized arrest of Mr. Arshad Z. Pervez in July 1987 on charges of trying illegally to buy 25 tons of special steel used in Pakistan's uranium enrichment program, it was surely not due to much help from the regional experts in the State Department. In a statement related directly to our subject today, one nonproliferation official told Hersh in the article that.

> "The only thing we had going for us. . .was the Pressler and Solarz amendments."

Such accounts of our export control process only further reinforce my opposition to the scheme offered in the recent State authorization bill to abolish the Arms Control and Disarmament Agency and transfer all of its functions to the State Department, in effect, making State the new nonproliferation czar.

Fortunately, there do appear to be some individuals left in Government, as indicated in the last quote, who treat the Pressler amendment as a useful tool rather than an obstacle to be circumvented.

Milestone 7, "Judgment Day." By October 1, 1990, even the State Department lawyers had enough and finally ran out of words to explain why Pakistan deserved its annual nuclear certification. President Bush decided not to renew Pakistan's nuclear meal ticket. The time had finally come for proliferation to start costing something.

Milestone 8, "New Nuclear Assurances, This Time to Congress." Since 1990, representatives from both the Bush and Clinton Administrations have sought to repeal the Pressler amendment—these representatives promised Congress, in writing and repeatedly, that even if the Pressler amendment were repealed, rest assured, it would remain the policy of the United States to require Pakistan to satisfy the Pressler standards. Furthermore, Congress was assured by the Executive that when it came to licensing commercial arms sales, we would never, never, never approve any "upgrades" to existing military capabilities in Pakistan.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a few samples of these assurances.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONDITIONS FOR RESUMING ECONOMIC AID TO PAKISTAN: A HISTORICAL REVIEW OF EXECUTIVE BRANCH ASSURANCES TO CONGRESS

April 12, 1991: President Bush sends a letter to Congress accompanying the Administration's "International Cooperation Act of 1991"—the letter acknowledges an intent to repeal the Pressler Amendment, but reassures Congress that: "I will continue to insist on unambiguous specific steps by Pakistan in meeting nonproliferation standards, including those specifically reflected in the omitted language, known as the Pressler Amendment. Satisfaction of the Pressler standard will remain the essential basis for exercising the national interest waiver that is in the Administration's proposal in order to resume economic and military assistance to Pakistan."

November 24, 1993: State Department spokesman Michael McCurry says that: ". . . as a matter of administration policy, we will continue to apply Pressler standards" to Pakistan.

November 25, 1993: Assistant Secretary of State Wendy Sherman is quoted as having said in a letter to Congress accompanying the Clinton Administration's new foreign assistance bill that: "The absence of any country-specific language in this draft should not be interpreted as constituting a change in U.S. policy toward any country."

November 26, 1993: After the Clinton Administration introduced its new foreign aid legislation would repeal the Pressler Amendment, the State Department issued the following statement: "Even if a new foreign assistance act without specific language on Pakistan were passed, we would continue to apply Pressler standards to Pakistan."

November 30, 1993: State Department spokeswoman, Christine Shelley, tells reporters that despite the Administration's efforts to drop the Pressler Amendment, ". . . satisfaction of the Pressler standard will remain the essential basis for exercising any national interest waiver and for resuming economic and military assistance, including any decision by the U.S. Government to sell or transfer military technology to Pakistan . . . What we have indicated is that Pakistan would continue to be subject to sanctions along the lines of the Pressler amendment under the administration's new proposal."

Mr. GLENN. Just as the United States expects Pakistan to comply with its nuclear assurances, I think it is fair for the Congress to insist on the Executive honoring its own assurances to Congress when it comes to implementing our nuclear nonproliferation policy.

Milestone 9, "Some Early Signs of Restraint." Although Pakistan's bomb program is no doubt continuing, and it is indeed maintaining its nuclear and missile cooperation with China, it may have also acted to halt production of highly-enriched uranium I would like to inform my colleagues today that this is the most significant restraint I have seen in some 15 years in Pakistan's nuclear program—the bad news is that Pakistan's bomb program has not disappeared from the face of the earth, the good news is that it is not expanding as rapidly as we once thought, and the news which most Americans will probably be most gratified to hear is that this first demonstration of genuine nuclear restraint by Pakistan did not cost the American taxpayer a red cent—it is due entirely to the effect of the Pressler amendment. This is the law that detractors continue to tar as having been "ineffective" or "inflexible."

Supporters of the Pressler amendment make no apologies about standing up for this "inflexible" law. After all, my dictionary defines this term as follows, ". . . of an unyielding temper, purpose, will, etc." To supporters of nonproliferation generally, the alternative of "passive accommodation" has little attraction indeed. Thus we have no quarrel with the charge that the Pressler amendment has been inflexible. Let us be glad it has.

Unfortunately, this term is not quite accurate, given the significant flexibility that the law has shown in recent years to allow the following to occur in spite of Pakistan's continued violations of that law: First, the United States still issues licenses to export commercial munitions and spare parts to Pakistan, including spares for Pakistan's nuclear-weapon delivery vehicle, the F-16; second, United States military visits and joint training exercises continue to take place; third, United States aid with respect to agriculture, counterterrorism, nutrition, population control, literacy, advancement of women, health and medicine, environmental protection, disaster relief, and many other areas can continue to flow to Pakistan via nongovernmental organizations; fourth, the Export-Import Bank also has extended loans, grants, and guarantees to Pakistan; fifth, PL-480 agricultural aid continues; sixth, arms control verification assistance continues (a seismic station); seventh, millions of dollars of aid in the "pipeline" as of October 1990 was allowed to flow to Pakistan; eighth, cooperation on peacekeeping is continuing; and ninth, Pakistan continues to receive billions of dollars in development assistance via multilateral lending agencies.

Also under this so-called inflexible law, Pakistan has used almost $200 million in FMS credits to fund the purchase of 11 F-16's between fiscal years 1989 and 1993, of which about $150 million were used after the Pressler sanctions were invoked. And the United

States continues to review and license exports of dual-use goods and technology to Pakistan.

Milestone 10, "Today's Debate." Which brings us here today: a milestone of its own in the history of United States efforts to grapple with Pakistan's bomb. It is not so much a milestone as a crossroads—do we stand up for a strong nonproliferation policy, or do we tell Pakistan and the rest of the world that proliferation pays, in a big way?

Here we stand, debating a proposal which I think is appropriate to call, "Operation Deja Vu"—a scheme to ship, under the false flags of "fairness" and helping out an old friend, several more hundred million dollars of military equipment to Pakistan. Who knows, the argument goes, it may even lead to some sentiment of good will that may someday serve the cause of nonproliferation. There never was a better illustration a policy based on a triumph of hope over experience, than there has been with respect to United States policies toward Pakistan's bomb.

Why in the world, given the chronology I have just reviewed, should any one Member of this August Chamber believe for a single moment that the delivery of this lethal military gear will have any effect whatsoever on restraining Pakistan's bomb program? Why should we be unconditionally lifting all economic sanctions on Pakistan? Has anybody really even considered the signal such a gesture would send to proliferators around the world?

This gear that we would transfer under this proposal is, by the way, not only lethal, but it could well trigger a regional arms race that would destabilize the whole balance of power in South Asia. The Indian government has already said it would not simply stand by and watch hundreds of millions of dollars in new military gear flow from the United States to Pakistan. We are talking about delivering upgrades for Pakistan's nuclear weapon delivery vehicles. Upgrades for Cobra helicopters. Additional P-3 antisubmarine aircraft. All kinds of tactical missiles: Harpoons, AIMs, TOW's, and battlefield rockets. Over a quarter billion dollars' worth of such items. To say the shipment of these goods will have no political or military consequences in South Asia is simply wrong. But the proposal does not only address new military transfers.

It is the unconditional lifting of economic sanctions, also. The proposal would also lift unconditionally all economic sanctions against Pakistan under the Pressler amendment, even though Pakistan is still in violation of that amendment. It seems reasonable that before we rush off to provide United States Government guarantees for private loans to Pakistan, we should surely first take a close look at the potential risks and costs that will be borne by the American taxpayer who will, under the current proposal, underwrite those hundreds of millions of dollars in private United States investment in Pakistan—a country whose once-impressive leading city is now virtually off-limits to foreign visitors because it has become a battleground of urban terrorism. Editorials in Pakistani newspapers are themselves asking if Pakistan can survive in such a climate of domestic unrest.

Economic aid might also not quite be the peaceful activity that some might believe it is. For years, our intelligence experts have been aware of the potential role that economic assistance can play in assisting a country to acquire the bomb. Then-CIA Director James Woolsey, for example, stated the following in a written reply to a question after a hearing of the Governmental Affairs Committee on February 24, 1993:

> Loans and grants from both bilateral and multilateral aid agencies free money for Pakistan to spend on its nuclear program . . . these untied funds helped finance civilian imports, freeing an equivalent amount of funds to spend on the nuclear program.

No, unconditionally lifting economic sanctions on Pakistan is not a neutral benign act. It is an action that conflicts with, rather than promotes, our nonproliferation goals. Providing such assistance will not give Pakistan a free market. It surely does not have such a market today. Indeed, the Heritage Foundation recently issued a survey called "The Index of Economic Freedom" which placed Pakistan's market in the category, "Mostly Not Free." As for foreign economic aid, here is what the study had to say about past aid to Pakistan:

> Much of this aid has been squandered in economically useless projects, and Pakistan has been unwilling to adopt significant economic reforms.

Yet proponents of lifting economic sanctions still seem to believe—despite both facts and reason to the contrary—that this is a great idea. That it will serve our economic interests. That it will discourage proliferation.

All of this I feel is utter nonsense. The aid will only inspire the flow of American tax dollars out of the wallets of U.S. citizens to a country determined to have both the bomb and U.S. aid. I think that is the wrong course to go.

Now to look at the F-16's for a moment.

I have examined the list of items that would be shipped off to Pakistan under this proposal and find that it actually includes upgrades—that is right, reliability upgrades—to the engines for Pakistan's F-16 nuclear weapon delivery vehicles. So here we are, waving our finger at Pakistan's bomb program, while bending over backward to assist Pakistan directly to deliver such weapons. With due respect to my colleague from Colorado and to a few offices in the Executive who support this scheme, there is simply no justification for such a transfer that serves our nonproliferation interests. None.

I have heard it often said that basic "fairness" requires us to deliver this equipment since Pakistan already "paid" for it.

What exactly did Pakistan actually pay for? Pakistan surely did not pay cash for all of these goods—a good part of their purchases were financed by United States taxpayers by means of foreign military sales credits, many of them, by the way were used well after sanctions came into effect in October 1990. All of the P-3 aircraft that Pakistan wants to use for antisubmarine operations, for example, had an FMF funding source. In February 1994, I regret to report, Pakistan engaged in joint naval exercises with Iran—by at least one account, P-3 aircraft were used in those exercises. Why are we even considering shipping antisubmarine aircraft to a country that engages in joint military exercises with a terrorist state—not just any run-of-the-mill terrorist state, but a terrorist state that our own Secretary of State has declared is pursuing a crash program to acquire nuclear weapons?

The proposal would also upgrade Pakistan's Cobra helicopters—evidently abandoning our current policy of not upgrading Pakistan's military capabilities. This assistance too is funded by FMF credits. How about tactical missile systems? The Harpoon antiship, TOW missiles, AIM-9L air-to-air missiles, and 2.75-inch rockets in this little package are also funded via the FMF route—presumably these missiles are not exclusively for peaceful purposes, except perhaps by Pakistan's definition of the phrase.

Even many of the engine upgrades for Pakistan's F-16 nuclear weapon delivery vehicle were paid for using FMF money. Eleven of the twenty-eight F-16's that Pakistan ordered, but which could not be delivered due to Pakistan's noncompliance with the Pressler amendment, were financed with FMF money. Recall that of the $199 million available in FMF credits for the eleven planes, Pakistan used only a quarter of these credits by the time sanctions were invoked in October 1990. They used the remaining three-quarters after sanctions were in place. As for the remaining 17 planes, they were paid for in cash—of these payments, however, over $600 million out of a total $658 million were paid by Pakistan after sanctions were invoked in October 1990. In short, they were paying for planes they knew they were not qualified to receive.

Besides the issue of money, why should we help Pakistan to improve its nuclear weapon delivery capability? My staff has brought to my attention a major study performed by Stanford University's distinguished Center for International Security and Arms Control in 1991 entitled, "Assessing Ballistic Missile Proliferation and Its Control." Here is what the Stanford study had to say about Pakistan's F-16's:

> Pakistan is widely believed to have either already developed nuclear warheads or to be on the brink of acquiring them. Pakistani F-16 aircraft could be effective nuclear-delivery vehicles even if Pakistan's nuclear warheads are large and heavy.

Now that quote is significant enough to leave little doubt about the capabilities of this aircraft; indeed, they are nuclear-capable in our own inventory. But it is also interesting that at least three officials of the current administration, including Secretary of Defense Perry, were listed as participants in that study.

I am reminded also of a passage from Seymour Hersh's article in the March 1993 issue of the New Yorker. Writing about the near nuclear war between Pakistan and India in 1990, Hersh writes:

> The American intelligence community noticed an intense increase in Pakistani radar activity early in the year. Earlier reports showed that the Pakistani Air Force, working closely with officials from Pakistan's nuclear-weapons program, had stepped up its F-16 training to practice what seemed to be the dropping of a nuclear bomb. Further intelligence, from Germany, reported that the Pakistanis had designed a nuclear warhead that could be fitted under the wing of an F-16, and that the design had gone through a series of wind-tunnel tests. Pakistan was also reported to have learned to program its in-flight computer system to provide the correct flight path for a nuclear-bomb run.

I ask unanimous consent that several quotes relating to Pakistan's F-16's be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 4.)

Mr. GLENN. So now we are discussing shipping over some more spare parts for these nuclear weapon delivery vehicles. Here is what Pakistan's federal minister for defense production, Mir Hazar Khan Bijarani, said in an interview in 1992 concerning the various ways the Pressler amendment has been interpreted with respect to Pakistan's F-16's:

> We did face tremendous problems in acquiring spare parts [for F-16's] after the suspension of U.S. military assistance, but now we have overcome this problem as the Americans have lifted [the] ban on commercial sales.

See how this works. First we relax commercial sales of spare parts for Pakistan's nuclear weapon delivery vehicles. And now, here we are debating whether to provide on a government-to-government basis some gear to upgrade Pakistan's nuclear weapon delivery vehicles.

Let us not be blind to what we are proposing to do: after years of fighting for nuclear nonproliferation, the Congress under this proposal would put on the statute books America's first nuclear proliferation law. Rest assured, if this proposal passes, America will not be the only country with other nuclear proliferation laws on their own books. The race will be on to cash in on proliferation, rather than to prevent it. This is an extremely dangerous course and one which the Congress should summarily reject as contrary to the national security interests of the United States. It is an embarrassment to this legislature even to be debating this extremely ill-advised scheme.

WHAT IS FAIR?

I must come back to the basic question: what exactly is fair? Is it fair for Pakistan to have given the United States solemn assurances that it proceeded to break with impunity?

Recently, Prime Minister Bhutto declared during her recent visit to the United States that Pakistan had kept its contract with America. I will repeat this: that Pakistan had kept its contract with America.

Some of us might recall when Prime Minister Bhutto addressed a joint session of Congress back on June 7, 1989, when the Prime Minister solemnly stated the following:

> Speaking for Pakistan, I can declare that we do not possess, nor do we intend to make a nuclear device. [Extended applause.] That is our policy.

Mr. President, that was Pakistan's contract with America. That is what United States taxpayers were being told about Pakistan's bomb program. It is that contract, I submit, that Pakistan has proven so utterly incapable of fulfilling. Yet here we stand, debating fairness. The absurdity of the proposal that is the focus of this debate simply defies description.

I read recently a statement from Mr. John Malott, then the interim director of the State Department's South Asia bureau, which appeared in an AFP wire service report on May 16, 1993. Here is what Mr. Malott had to say about the fairness issue:

> We kept our part of the bargain but Pakistan let us down by crossing the line in 1990 . . . we had promised Pakistan billions and billions of dollars if that line was not crossed.

So much for what is fair. Mr. Malott, put it exactly right: Pakistan broke its contract with America. It is now paying a price that should only go up with time, not down. To lower the price of proliferation is to condone proliferation. That is not our policy. That is not our domestic law. That is not at all consistent with our solemn international treaty commitments. That is how we should want other countries to treat proliferants.

Mr. President, I want to restate very briefly the theme I used in starting out. This is not about fairness. We have been fair. Pakistan has been unfair with us.

The issue here is, are we serious about nonproliferation in the world? Are we a world leader in nonproliferation or are we not? Do we have a proliferation policy or is it one that only comes out for press conference purposes or at time of political campaigns?

We took the lead in getting 178 nations to sign the nonproliferation treaty. They put their trust in us. They also trusted that there would be sanctions against people who were not willing to cooperate, if they were egregious violators of what we thought was right.

We have seen Pakistan be the most egregious violator. We have seen them be uncooperative with regard to nuclear matters. They have not joined NPT. They have not gone by NPT rules. They have violated every norm of diplomatic behavior in telling us things that were not true and that we knew were not true. I do not think that kind of mendacity should be rewarded by sending the material that is proposed by the amendment.

These have been nothing but untruths told to us through the years, over and over again. I will not read those off again. It seems to me, if we are to deserve the trust of the nations that signed up under NPT and followed our leadership, then I believe we must refuse to approve this amendment. I know the Senator from California will have a proposal in the morning for a substitute amendment and we will look at it in the morning and see whether we feel we can support it or not. But as for the amendment we are debating tonight, it is one I just cannot support and I urge my colleagues not to support it.

EXHIBIT 1

U.S. AID POLICIES AND PAKISTAN'S BOMB: WHAT WERE WE TRYING TO ACCOMPLISH?

Letters to Congress from Presidents Reagan & Bush, 1985-1989, required under Sec. 620E(e) of Foreign Assistance Act (Pressler Amendment):

"The proposed United States assistance program for Pakistan remains extremely important in reducing the risk that Pakistan will develop and ultimately possess such a device. I am convinced that our security relationship and assistance program are the most effective means available for us to dissuade Pakistan from acquiring nuclear explosive devices. Our assistance program is designed to help Pakistan address its substantial and legitimate security needs, thereby reducing incentives and creating disincentives for Pakistani acquisition of nuclear explosives."—President George Bush, 10/5/89; President Ronald Reagan, 11/18/89; 12/17/87; 10/27/86; & 11/25/85.

President George Bush, letter to Congress (addressed to J. Danforth Quayle as President of the Senate), 12 April 1991, urging abandonment of Pressler certification requirement:

". . . my intention is to send the strongest possible message to Pakistan and other potential proliferators that nonproliferation is among the highest priorities of my Administration's foreign policy, irrespective of whether such a policy is required by law."

Deputy Assistant Secretary of State Teresita Schaffer, testimony before House subcommittee, 2 August 1989:

"None of the F-16's Pakistan already owns or is about to purchase is configured for nuclear delivery . . . a Pakistan with a credible conventional deterrent will be less motivated to purchase a nuclear weapons capability."

Deputy Assistant Secretary of Defense Arthur Hughes, testimony before House subcommittee, 2 August 1989:

"Finally, we believe that past and continued American support for Pakistan's conventional defense reduces the likelihood that Pakistan will feel compelled to cross the nuclear threshold."

Deputy Assistant Secretary of State Robert Peck, testimony before House subcommittee, 17 February 1988:

"We believe that the improvements in Pakistan's conventional military forces made possible by U.S. assistance and the U.S. security commitment our aid program symbolizes have had a significant influence on Pakistan's decision to forego the acquisition of nuclear weapons."

Special Ambassador at Large Richard Kennedy, testimony before two House subcommittees, 22 October 1987:

"We have made it clear that Pakistan must show restraint in its nuclear program if it expects us to continue providing security assistance."

Assistant Secretary of State Richard Murphy, testimony before Senate subcommittee, 18 March 1987:

"Our assistance relationship is designed to advance both our non-proliferation and our strategic objectives relating to Afghanistan. Development of a close and reliable security partnership with Pakistan gives Pakistan an alternative to nuclear weapons to meet its legitimate security needs and strengthens our influence on Pakistan's nuclear decision making. Shifting to a policy of threats and public ultimata would in our view decrease, not increase our ability to continue to make a contribution to preventing a nuclear arms race in South Asia. Undermining the credibility of the security relationship with the U.S. would itself create incentives for Pakistan to ignore our concerns and push forward in the direction of nuclear weapons acquisition."

Deputy Assistant Secretary of State Howard Schaffer, testimony before House subcommittee 6 February 1984:

"The assistance program also contributes to U.S. nuclear non-proliferation goals. We believe strongly that a program of support which enhances Pakistan's sense of security helps remove the principal underlying incentive for the acquisition of a nuclear weapons capability. The Government of Pakistan understands our deep concern over this issue. We have made clear that the relationship between our two countries, and the program of military and economic assistance on which it rests, are ultimately inconsistent with Pakistan's development of a nuclear explosive device. President Zia has stated publicly that Pakistan will not manufacture a nuclear explosives device."

Special Ambassador at Large Richard Kennedy, testimony before two House subcommittees, 1 November 1983:

"By helping friendly nations to address legitimate security concerns, we seek to reduce incentives for the acquisition of nuclear weapons. The provision of security assistance and the sale of military equipment can be major components of efforts along these lines. Development of security ties to the U.S. can strengthen a country's confidence in its ability to defend itself without nuclear weapons. At the same time, the existence of such a relationship enhances our credibility when we seek to persuade that country to forego [sic] nuclear arm . . . We believe that strengthening Pakistan's conventional military capability serves a number of important U.S. interests, including non-proliferation. At the same time, we have made clear to the government of Pakistan that efforts to acquire nuclear explosives would jeopardize our security assistance program."

Statement by Deputy Assistant Secretary of State Harry Marshall, 12 September 1983, before International Nuclear Law Association, San Francisco.

"U.S. assistance has permitted Pakistan to strengthen its conventional defensive capability. This serves to bolster its stability and thus reduce its motivation for acquiring nuclear explosives."

President Ronald Reagan, Report to Congress pursuant to Sec. 601 of the Nuclear Nonproliferation Act ("601 Report"), for calendar year 1982:

"Steps were taken to strengthen the U.S. security relationship with Pakistan with the objective of addressing that country's security needs and thereby reducing any motivation for acquiring nuclear explosives."

"President Ronald Reagan, Report to Congress pursuant to Sec. 601 of the Nuclear Nonproliferation Act ("601 Report"), for calendar year 1981:

"Military assistance by the United States and the establishment of a new security relationship with Pakistan should help to counterpart its possible motivations toward acquiring nuclear weapons . . . Moreover, help from the United States in strengthening Pakistan's conventional military capabilities would offer the best available means for counteracting possible motivations toward acquiring nuclear weapons."

Assistant Secretary of State James Malone, address before Atomic Industrial Forum, San Francisco, 1 December 1981:

"We believe that this assistance—which is in the strategic interest of the United States—will make a significant contribution to the well-being and security of Pakistan and that it will be recognized as such by that government. We also believe that, for this reason, it offers the best prospect of deterring the Pakistanis from proceeding with the testing or acquisition of nuclear explosives.

Undersecretary of State James Buckley, testimony before Senate Foreign Relations committee, 12 November 1981:

"We believe that a program of support which provides Pakistan with a continuing relationship with a significant security partner and enhances its sense of security may help remove the principal underlying incentive for the acquisition of a nuclear weapons capability. With such a relationship in place we are hopeful that over time we will be able to persuade Pakistan that the pursuit of a weapons capability is neither necessary to its security nor in its broader interest as an important member of the world community."

Testimony of Undersecretary of State James Buckley, in response to question from Sen. Glenn, Senate Foreign Relations Committee, 12 November 1981, on effects of a nuclear detonation on continuation of cash sales of F-16's:

"[Sen. Glenn] . . . so if Pakistan detonates a nuclear device before completion of the F-16 sale, will the administration cut off future deliveries?

"[Buckley] Again, Senator, we have underscored the fact that this would dramatically affect the relationship. The cash sales are part of that relationship. I cannot see drawing lines between the impact in the case of a direct cash sale versus a guaranteed or U.S.-financed sale."

Undersecretary of State James Buckley, letter to NY times, 25 July 1981:

"In place of the ineffective sanctions on Pakistan's nuclear program imposed by the past Administration, we hope to address through conventional means the sources of insecurity that prompt a nation like Pakistan to seek a nuclear capability in the first place."

EXHIBIT 2

PAKISTAN'S PEACEFUL NUCLEAR ASSURANCES: 1979–1995

"[Pakistan's government has] . . . summarily rejected as false the charge that Pakistan was developing its nuclear program with assistance from or in partnership with Libya or any other country."—Pakistani Foreign Ministry Spokesman, NY Times, 4/9/79.

"Pakistan has not sought or obtained financial assistance from Libya or any other country for its nuclear program."—Pakistan Embassy, Pakistan Affairs, 6/16/80.

"Pakistan's nuclear development programme is solely for peaceful purposes and it has no plans to make nuclear weapons."—Qutubuddian Aziz, Pakistan Embassy in UK, London Sunday Times, 2/1/81.

"I was assured by the ministers, I was assured by the President [Zia] himself that it is not the intention of the Pakistani Government to develop nuclear weapons."—Under Secretary of State James Buckley, congressional hearing, 6/24/81.

Senator JOHN GLENN. ". . . is it your view that we should go ahead with the arms sale to Pakistan without assurances that they are not in a [nuclear] weapons production mode?"

Under Secretary BUCKLEY. "That assurance was given . . . by the Pakistani government."—Under Secretary of State James Buckley, congressional hearing, 6/24/81.

"I say that Pakistan's nuclear technology will not be given to any other nation. We will work, we will borrow, and we will beg for this technology. God willing we will never pass it to any other nation."—President Zia-Ul-Haq, interview published in Turkish Hurriyet, 11/25/81.

"You know, Pakistan is engaged and will strive to acquire nuclear technology for peaceful purposes. But Pakistan has neither the capability nor the intention of making an atomic bomb . . . in no circumstances."—President Zia-Ul-Haq, after meeting with President Mitterrand, Reuters, 1/26/82.

"We, too, are engaged in a nuclear programme, with the sole aim of finding a viable alternate to the traditional sources of energy, which are in scarce supply in Pakistan. Despite our repeated assurances, however, there has been an orchestrated campaign to malign us by falsely attributing to our peaceful programme a nonexistent military dimension."—President Zia-Ul-Haq, address at US National Press Club, 12/8/82.

"The Pakistan side reiterated that Pakistan was not interested in the manufacture or acquisition of nuclear weapons. . . . We accept that the President of Pakistan is telling us the truth."—U.S. official, after meeting between Presidents Zia and Reagan, NY Times, 12/8/82.

"[President Zia] . . . stated very emphatically that it is not the intention of Pakistan to develop nuclear weapons and that it is not doing so."—Sen. Charles McC. Mathias, Washington Post, 12/8/82.

". . . I would like to state once again, and with all the emphasis at my command, if I have that, that our on-going nuclear programme has an exclusively peaceful dimension and that Pakistan has neither the means nor, indeed, any desire to manufacture a nuclear device. I thrust [sic] that this distinguished gathering will take note of my assurance, which is given in all sincerity and with a full sense of responsibility."—President Zia-Ul-Haq, address before Foreign Policy Association, 12/9/82.

"In our opinion, there is no such thing as a peaceful [nuclear] device or a nonpeaceful device. It's like a sword. You can cut your throat; you can save yourself. We are planning neither."—President Zia-Ul-Haq, Meet the Press, 12/12/82.

". . . I hereby certify that I have reliable assurances that Pakistan will not transfer sensitive United States equipment, materials, or technology in violation of agreements entered into under the Arms Export Control Act to any communist country, or to any country that receives arms from a communist country."—President Ronald Reagan, Presidential Determination 83-4, 1/3/83.

"The Government of Pakistan understands our deep concern over this issue [Pakistan's pursuit of nuclear weapons]. We have made clear that the relationship between our two countries, and the program of military and economic assistance on which it rests, are ultimately inconsistent with Pakistan's development of a nuclear explosives device. President Zia has stated publicly that Pakistan will not manufacture a nuclear explosives device."—Deputy Assistant Secretary of State Howard Shaffer, congressional testimony, 2/6/84.

"I must make one thing absolutely clear: contrary to the mischievous foreign propaganda, no foreign country has given financial or technical aid to us in this [nuclear] field . . . The 'Islamic bomb' is a figment of the Zionist mind . . .".—Dr. Abdul Qadeer Khan, Pakistan's top nuclear scientist, interview published 2/10/84.

"Pakistan has stated time and again that it has absolutely no intention of using nuclear technology for military purposes."—President Zia-Ul-Haq, address on 7/10/84.

"Pakistan does not deny that it has a research and development program on uranium enrichment at Kahuta. But it is of a modest scale and is designed entirely for acquiring technology to meet Pakistan's future power generation requirements based on light water reactors . . . Pakistan has no team for designing nuclear weapons . . . Pakistan has never used Turkey as a channel for the import of materials from French or West German companies. Nor has it imported uranium from Libya . . . It was established long ago that Libya was not giving Pakistan any assistance for its nuclear program. Similarly, the allegation of Saudi help is also without foundation. For its non-existent nuclear weapons program Pakistan has neither sought nor has it received assistance from China."—Information Division, Embassy of Pakistan, July 1984.

"We have repeatedly declared that our nuclear energy program has an exclusively peaceful dimension and that we have no intention of acquiring or manufacturing nuclear weapons . . . The allegation of any nuclear cooperation between Pakistan and China has been rejected by both countries . . ."—Foreign Minister Sahabzada Yaqub Kahn, Islamabad, 7/28/84.

"We are now approaching the end of 1984, but the dread explosion of imaginary Pakistani nuclear device is nowhere in sight. What could be a more convincing proof of the sincerity of Pakistan's repeated assurances that its program is not weapon-oriented?"—Iqbal Butt, Minister of Information, Embassy of Pakistan, Washington Post, 8/30/84.

"I have no fears at all that [American] aid will be stopped. The relationship is based on trust and I have said we are not building a nuclear bomb."—President Zia-Ul-Haq, interview with AP, 8/12/84. (Pakistan Affairs, 9/1/84).

"As we have repeatedly stated, we have assurances from the Pakistani government that its nuclear power program is entirely peaceful in intent and that it does not seek to acquire nuclear explosives of any kind."—State Department spokesman John Hughes, quoted by AP, 10/25/84.

"We accepted President Zia-Ul-Haq's categorical statement that Pakistan's nuclear program is devoted entirely to power generation."—US Ambassador at Large Richard Kennedy, 11/2/84, in Pakistan Affairs, 12/1/85.

"US officials say the letter [from President Reagan to President Zia] warned Zia not to process uranium at the controversial Kahuta plant outside Islamabad beyond 5 per cent enrichment . . . Zia's letter [of reply] gave assurances that Pakistan would respect the new marker . . . Other markers previously communicated to Pakistan include not testing a bomb, not reprocessing plutonium . . . not assembling a bomb, and not asking another country to test a device on Pakistan's behalf . . ."—Simon Henderson, London Financial Times, 12/7/84.

". . . our [nuclear] programme is for our own resources to be generated. It is not for any atomic bomb or any other purpose."—Prime Minister Mohammad Khan Junejo, interview, 6/14/85.

"The Government of Pakistan and its President have repeatedly declared that Pakistan would not produce nor acquire nuclear weapons, and that our research programme is for purely peaceful purposes."—Ali Arshad, Embassy of Pakistan in UK, London Times, 9/27/85.

"I take this opportunity to reaffirm Pakistan's policy of developing nuclear energy for peaceful purposes only and its irrevocable commitment not to acquire nuclear weapons or nuclear explosive devices. Pakistan has neither the capability nor the desire to develop nuclear weapons."—President Zia-Ul-Haq, Address before UN General Assembly, 10/23/85.

"As for the Kahuta laboratory, it has been clarified time and again at the highest political level that the modest exercise there in uranium enrichment is on a research and development scale. It is solely motivated by a desire to achieve a degree of self-reliance in the front end of the nuclear fuel cycle, that is, a 3-percent enrichment of uranium."—Leaflet from Information Division, Embassy of Pakistan, October 1985.

"Let me add here, Mr. Chairman, President Zia has, in fact, given the most unequivocal assurances on the question of a nuclear explosives program. He has stated there will be no such explosives program completed and that he understands fully the concerns which we have expressed to him and respects those concerns."—Ambassador Richard Kennedy, congressional testimony on 4/10/86.

"Dr. [Abdul Qadeer Khan] noted that President Zia ul-Haq had made a commitment to the U.S. not to enrich beyond 5 per cent and said "we are keeping to it."—Simon Henderson, interview with Dr. A.Q. Khan, Financial Times, 7/16/86.

"[Prime Minister Junejo reportedly assures U.S. senators that Pakistan is] . . . abiding by the guidelines" established by the U.S. and specifically that Pakistan is keeping components separate."—Don Oberdorfer, Washington Post, 7/17/86. [Oberdorfer wrote that Junejo appeared to be referring to Reagan's September 1984 letter asking Pakistan's to limit its uranium enrichment level at 5 percent, Oberdorfer added that "Earlier U.S. messages to Pakistan reportedly included a warning not to assemble components in a way that would create a bomb."]

"The prime minister [Junejo] confirmed that Pakistan pledged in response to a 1984 letter from Reagan not to enrich uranium in its nuclear facilities to a level higher than 5 percent."—Interview with Prime Minister Mohammad Khan Junejo, Washington Post, 7/18/86.

"Ours is a modest research programme. Its aim is to acquire fuel production capability for the reactors we need to meet our energy requirements. I reiterate here that Pakistan has no intention to produce nuclear weapons. We do not posses the capability and the resources."—Prime Minister Mohammad Khan Junejo, Foreign Policy Association, 7/21/86.

"[On U.S. concerns about Pakistan's bomb program] This matter has been raised between us and the United States for the last eight years. I have convinced them that we are using nuclear energy only for peaceful purposes."—President Zia-Ui-Haq, Interview, 8/23/86.

"President Reagan in late 1984 told Pakistani President Mohammed Zia ul-Haq in a top-secret letter that 5 percent would be the highest enrichment level acceptable to the United States."—Bob Woodward, Washington Post, 11/4/86.

"In an interview with the Post on July 18, [Prime Minister] Junejo confirmed that Pakistan had pledged, in response to a 1984 letter from Reagan, not to enrich uranium in its nuclear facilities to a level higher than 5 percent."—Washington Post, 11/5/86.

"Pakistan does not have and is not producing highly enriched uranium necessary for a nuclear explosive device . . . the enrichment level has remained well within limits of the research and development program for fuel."—Pakistani Foreign Secretary Abdul Sattar, Washington Post, 11/5/86.

"Pakistan has renounced for itself the military use of nuclear energy and has used this energy only in pecaeful fields."—President Zia-Ul-Haq, Interview, 1/29/87.

"A Foreign Office spokesman said in Islamabad today that Pakistan's nuclear program is of a peaceful nature and this fact has been proved during the last 6 or 7 years."—Karachi Domestic Service radio broadcast, 2/11/87.

Senator SASSER. "Have the Pakistanis pledged not to continue illegal purchases of nuclear equipment or technology from the United States?"

Ambassador RICHARD KENNEDY. "Yes sir, they have indicated which this is something which they understand is against the law and we have brought to their attention the law and its proscription."—Hearing, Senate Committee on Governmental Affairs, 2/25/87.

"As I so often publicly stated, Pakistan's enrichment research is solely aimed at the development of fuel-grade uranium for our future power reactors. The Government of Pakistan has made it abundantly clear that it has no desire to produce nuclear weapons."—Dr. Abdul Qadeer Khan, Pakistan's top nuclear scientist, NY Times, 3/2/87.

"The minister in charge for science and technology, Mr. Wasim Sajjad, categorically stated in the National Assembly today that Pakistan does not possess an atomic bomb, has no desire to have a bomb, and it cannot afford to manufacture and atomic bomb."—Karachi Overseas Service broadcast, 3/5/87.

"No power on Earth can deter us from pursuing our peaceful nuclear program because our conscience is clear and our aim is peaceful."—Pakistani Minister of State for Foreign Affairs, Zain Noorani, AP, 3/9/87.

". . . we believe in nonproliferation, and our nuclear research is, therefore, devoted entirely to peaceful purposes . . . the president and prime minister of Pakistan have repeatedly expressed their commitment to nonproliferation . . ."—Pakistani Ambassador Jamsheed Marker, Washington Post, 3/1/87.

"We are not producing Atomic weapons nor intend to do so, but we shall continue to develop our nuclear capabilities for peaceful purposes no matter whether any of our friends likes it or not."—Pakistani Minister of State for Foreign Affairs, Zain Noorani, statement, 3/16/87.

". . . Pakistan has not enriched its uranium above the normal grade level required for peaceful purposes."—President Zai-Ul-Haq, Time, 3/23/87.

"Pakistan has neither the desire, nor the intention, nor the capacity to develop a nuclear weapon . . . We have the ability to enrich uranium, but only below 5 percent, so it can only be used for power generation." [The article continued: "Zia said he had made a written commitment to President Reagan that Pakistan would not embarrass the United States and he would not go back on this gentleman's agreement"]—Pakistani President Zia-Ul-Haq, Interview in Defense Week, 4/6/87.

President ZIA. "We are honorable people, and when President Reagan wrote this [a certification in October 1986 that Pakistan does not possess the bomb], I gave him my assurances. When Prime Minister Junejo visited the United States of America early this, last year, he gave him the same assurances. And we will give him the assurances, with the word, that Pakistan's word is to be honored . . ."

Mr. MCLAUGHIN. ". . . is it safe for him [Reagan] to say that . . . by giving you the aid, he is going to, in effect, discourage you from moving on to develop the nuclear bomb?"

President ZIA. "According to the American thinking, he is just, and perfect and correct."

Mr. MCLAUGHLIN. "What about Pakistani thinking?"

President ZIA. "Exactly the same, because we have no intention of developing a nuclear device."

Mr. MCLAUGHLIN. "How does it follow if he gives you the aid you will be disinclined to develop the bomb?"

President ZIA. "Why do you want to have a bomb? To ensure security, to create a deterrent, to have our own defensive means. If we have it otherwise, why should Pakistan indulge in the proliferation, against which Pakistan on principle is opposed to?"

Mr. MCLAUGHLIN. [Asks if Pakistan is building the bomb by just producing all the components without assembling them.]

President ZIA. "Nonsense. False. Totally false. When Pakistan does not have the intention or the urge and desire to have a nuclear device, why should we have——

Mr. MCLAUGHLIN. "Why is this development going on?"

President ZIA. "Our effort is only in the technical field, for peaceful purposes. They are just enriching uranium to a particular degree. That's all."—President Zia-Ul-Haq, McLaughlin "One on One," 6/15/87.

"No agency of the [Pakistan] government placed any order for this steel and no evidence has so far been brought to our knowledge that even any private company in Pakistan is responsible for this order."—Pakistani foreign office spokesman, commenting about a recent US Customs sting operation, UPI, 7/16/87.

". . . the Pakistan government has provided assurances both certainly in public as well as in private that it is not enriching [uranium] above 5 percent."—Deputy Assistant Secretary of State Robert Peck, congressional testimony, 7/22/87.

"Pakistan's verifiable compliance with [its] past commitments is vital to any further United States military assistance."—Text of S. Res. 266, passed the Senate by unanimous consent on 7/31/87.

"The time has come [for Pakistan] to choose. If it wants to build nuclear weapons, under US law, it cannot have US foreign assistance. It is time for the Government of Pakistan to take concrete action to bring its nuclear program in line with its assurances."—Sen. Robert Byrd, Congressional Record, 7/31/87.

"[In passing S. Res. 266 Congress was] . . . simply calling upon the Government of Pakistan to make good on promises which it has already extended in the past years."—Sen. Gordon Humphrey, Congressional Record, 7/31/87.

"[America and Pakistan] . . . share an overriding mutual interest that can best be promoted by Pakistan's decision to comply with this own stated policy for peaceful nuclear development."—Sen. Bill Bradley, Congressional Record 7/31/87.

"Pakistan must be made to understand that the United States is to keep its commitments."—Sen. Claiborne Pell, Congressional Record 7/31/87.

". . . It is essential at a minimum that our allies, and especially the recipients of US economic and military assistance, understand that the United States expects reasonable commitments concerning non-proliferation."—Sen. Jesse Helms, Congressional Record 7/31/87.

"Mr. Armacost [US Under Secretary of State] also stressed the importance of Pakistan's compliance, with their assurance not to enrich uranium about the five percent level."—State Department spokesman Charles Redman, press briefing, 8/10/87.

"We are enriching uranium in very small quantities, meant only for peaceful purposes."—Minister of State for Foreign Affairs, Zain Noorani, interview on 8/27/87.

"Pakistan, let me reiterate, is against the spread of nuclear weapons in South Asia."—Foreign Minister Yaqub Khan, speech in Islamabad, 9/1/87.

"The bogey of 'the Islamic bomb' was made up in countries that mean harm to Islam and Pakistan . . . We have neither the intention nor the capability to produce a nuclear weapon . . . Our [nuclear] technology has no military dimension . . . we have stated many times that we do not possess a bomb."—President Zia-Ul-Haq, interview published on 10/3/87 Jordan.

"I have said in that past that we are not manufacturing a bomb. We are using nuclear technology for peaceful purposes . . . [Pakistan and Turkey] are not cooperating on the manufacture of a bomb. The Jewish lobby is probably behind such reports."—President Zia-Ul-Haq, interview published on 10/4/87 in Turkey.

"We gave [the United States nonproliferation] commitments at an earlier stage and as an elected government I will only go further" [if India gives commitments also].—Prime Minister Mohammed Khan Junejo, interview in Washington Post, 10/13/87.

Ambassador KENNEDY. ". . . Pakistan has assured us that they were conducting their [nuclear] program wholly for peaceful purposes . . . they have told us that they are renouncing nuclear explosives of any kind . . . and as to their enrichment facility, they have indicated that it is devoted to producing material at low enrichment levels for peaceful purposes only . . . [and] they have indicated that they would not undertake any testing . . ."

Mr. SOLARZ. "Have they also given us some assurances that they are not and do no intend to enrich uranium over the five percent level?"

Ambassador KENNEDY. "The president [Zia] has stated that publicly . . ."

Mr. SOLARZ. "I have the impression that position is also being conveyed directly to President Reagan by President Zia."

Ambassador KENNEDY. "The same kind of statement . . ."

Mr. WOLPE. "Are they not continuing to enrich uranium beyond the 5-percent level . . . In blatant violation of their own expressed explicit commitment to President Reagan?"

Ambassador KENNEDY. "That may well be, and we are concerned about that, and it is precisely because of that, we are exerting all kinds of pressure on them."—Ambassador Richard Kennedy, congressional testimony, 10/22/87.

"Pakistan . . . is not for a nuclear device, and I can assure you we will not embarrass the U.S. by suddenly producing one . . . The truth is that we don't have a device and we are not building one . . ."—President Zia-Ul-Haq, interview published in Washington Time, 11/16/87.

"[Pakistan has neither] . . . the capability nor the intention" to produce nuclear weapons.—President Zia-Ul-Haq, interview published in Wall Street Journal, 12/1/87.

"In his interview . . . Zain Noorani reiterated that Pakistan's atomic program is totally peaceful and its objective is to make the country self reliant in energy resources by 2000 AD."—Minister of State for Foreign Affairs Zain Noorani, Islamabad Domestic Service broadcast, 1/9/88.

"I am aware of your abiding interest in and strong commitment to, nuclear non-proliferation. We share these concerns, for Pakistan has unequivocally committed itself to nuclear non-proliferation."—Letter from Pakistani Ambassador Jamsheed Marker to Sen. John Glenn, 1/20/88.

"The Pakistan government has not modified its position that its uranium enrichment activities are strictly peaceful and that it will not enrich uranium above the 5% level, nor has it given any new assurances with respect to its enrichment activities."—Deputy Assistant Secretary of State Robert Peck, congressional testimony, 2/17/88.

"In August [1984], President Reagan drafted a letter to Zia warning Pakistan not to cross 'the red line' of enriching uranium above 5 percent . . . the President's letter, sent on Sept. 12 . . . [warned] that if Zia crossed the 5 percent 'red line,' he would face unspecified 'grave consequences.' In November 1984 . . . President Zia gave written assurances to Reagan that the American limit would be respected."—Hedrick Smith, "A Bomb Ticks in Pakistan," NY Times Magazine, 3/16/88.

"Perhaps the [US] effort was to stop us from that enrichment program. Having seen that Pakistan has gone and succeeded, the best thing now is to enjoy and relax." [Zia reportedly also stated that Pakistan does not have a nuclear weapon or a program to build one.]—President Zia-Ul-Haq, interview in Wall Street Journal, 4/26/88.

"Pakistan's commitment to nuclear non-proliferation is firm and unwavering . . . Pakistan does not possess nuclear weapons, nor does it intend to possess them. We have not carried out a nuclear explosion nor do we intend to conduct one. Our nuclear programme is emphatically peaceful in nature. Indeed, we are firm in our resolve to keep our area free from all nuclear weapons."—Pakistan's UN Ambassador S. Shah Nawaz, address before UN General Assembly, 6/13/88.

"Pakistan's nuclear programs are peaceful and do not represent a threat to any other nation in the region. Pakistan has repeatedly declared, at the highest levels of our government, that we do not possess, and have no intention of developing, a nuclear weapon."—Letter from Pakistani Ambassador Jamsheed Marker to Sen. John Glenn, 8/4/88.

"We don't want any controversy [with the US] on the nuclear issue . . . We want it clear beyond doubt that we're interested only in energy, not nuclear weapons."—Opposition leader Benazir Bhutto, Washington Post, 11/19/88, shortly before becoming Prime Minister.

"We believe in a peaceful [nuclear] program for energy purposes and nothing else."—Opposition leader Benazir Bhutto, interview in Time, 11/28/88.

"I can tell you with confidence that there is no bomb programme in Pakistan . . . There is no bomb programme . . . there is no bomb programme."—Prime Minister Benazir Bhutto, interview in Calcutta *Telegraph*, 12/14/88.

"We're committed to a peaceful energy program. We don't have any [nuclear] weapons policy . . . Pakistan doesn't have any intention to get a nuclear device or a nuclear weapon."—Prime Minister Benazir Bhutto, interviewed on "McNeil/Lehrer," 12/16/88.

"Talking to a visiting American [congressional] delegation . . . President Ghulam Ishaq Khan stated categorically that Pakistan's nuclear program was designed purely for peaceful purposes and that Pakistan had no intention to build or acquire nuclear weapons."—Islamabad Domestic Services broadcast, 1/16/89.

"It is right to say that we are one of the 'threshold' states . . . We have deliberately chosen not to take the final step, to build a bomb and test it, because we don't think it is right."—Pakistani Ambassador Jamsheed Marker, quoted in Washington Times, 2/8/89.

"We manufactured small reactors and built nuclear power plants. However, we have never considered this for military purposes."—Minister of State for Defense Ghulam Sarwar Cheema, in Istanbul Hurriyet, 5/4/89.

"The Pakistan delegate, Mr. Mirza Javed Chauhan, told the [UN] Disarmament Commission that Pakistan does not possess nuclear weapons, nor does it have any intention to do so."—Islamabad Domestic Service broadcast, 5/10/89.

"Speaking for Pakistan, I can declare that we do not possess nor do we intend to make a nuclear device. That is our policy."—Prime Minister Benazir Bhutto, address before Joint Session of US Congress, 6/7/89.

". . . Bhutto promised during her visit that Pakistan will not produce 'weapons-grade uranium' . . . or take the final step to assemble a nuclear device."—Washington Post, 6/15/89.

"Pakistan has not, nor do we have any intention of putting together or making, a bomb, or taking it to the point where you can put it together."—Prime Minister Benazir Bhutto, New York Times, 7/10/89.

"Pakistani Prime Minister Benazir Bhutto on Sunday flatly denied speculation that her country is developing nuclear weapons. She said in an interview with a British television network that Pakistan will never possess such weapons in the future."—Reported by Kyodo News Service, 7/10/89.

"We do have the knowledge but I think there is a difference between knowledge and capability . . . So we do have a knowledge, if confronted with a threat, to use . . . But we do not in the absence of any threat intend to use that knowledge . . . In fact, as matter of policy my government is firmly committed to nonproliferation."—Prime Minister Benazir Bhutto, quoted by AFP, 8/29/89.

"It is true that Pakistan has certain knowledge in the nuclear field but it has no intention of using this knowledge . . . To put it another way, we do not want to convert this knowledge into—shall we say—a nuclear capability at the present time."—Prime Minister Benazir Bhutto, interview in Die Welt, as quoted by Reuters, 10/22/89.

"There was a [nuclear weapons] capability in 1989 when the present Government came to power, and that means we could have moved forward in an unwise direction . . . But we didn't. Instead, we froze the program."—Pakistani Foreign Secretary Shahryar Khan, NY Times, 2/8/92.

"We kept our part of the bargain but Pakistan let us down by crossing the line in 1990 . . . We had promised Pakistan billions and billions of dollars if that line was not crossed."—John Malott, interim director of State Department South Asia Bureau, AFP, 5/16/93.

"India is the nuclear delinquent in the region while Pakistan has always been exercising restraint . . . [Pakistan] does not possess a nuclear explosive device and does not intend to make one."—Pakistani Foreign Minister Assef Ahmed Ali, quoted in AFP, 11/28/93.

"We are a very responsible country, and we do not believe in the proliferation of nuclear weapons."—Pakistani Foreign Minister Assef Ahmed Ali, quoted in Washington Times, 8/25/94.

"I want to say categorically and finally that Pakistan has not made nuclear weapons . . . Pakistan does not intend to make nuclear weapons."—Pakistani Foreign Minister Assef Ahmed Ali, quoted in New York Times, 8/25/94.

"We have made a sovereign decision not to produce nuclear weapons."—Munir Akram, foreign ministry spokesman, Washington Times, 8/25/94.

"We have neither detonated one, nor have we got nuclear weapons . . . being a responsible state and a state committed to non-proliferation, we in Pakistan, through five successive governments have taken a policy decision to follow a peaceful nuclear program."—Prime Minister Benazir Bhutto, interview with David Frost on PBS, 11/18/94.

". . . Pakistan has not acquired the [nuclear-capable] M-11 or any other missile from China that violates the Missile Technology Control Regime . . .".—Press Release, Information Division, Pakistan Embassy, 7/27/95.

Senator BROWN. "Did we have an agreement with the Pakistani government that in return for the assistance we provided, that they would not develop nuclear weapons? Was that a condition for our cooperation with them in the late 1980's?"

Assistant Secretary RAPHEL: "The short answer to that is no. There was no such explicit agreement . . . there was no explicit quid pro quo there."—Testimony of Assistant Secretary of State Robin Raphel, South Asia subcommittee of Senate Foreign Relations Committee, 9/14/95.

EXHIBIT 3

FROM MYTH TO REALITY: EVIDENCE OF PAKISTAN'S "NUCLEAR RESTRAINT"

Early 1980's—Multiple reports that Pakistan obtained a pre-tested, atomic bomb design from China.

Early 1980's—Multiple reports that Pakistan obtained bomb-grade enriched uranium from China.

1980—U.S. nuclear export control violation: Reexport via Canada (components of inverters used in gas centrifuge enrichment activities).

1981—U.S. nuclear export control violation: New York, zirconium (nuclear fuel cladding material).

1981—AP story cites contents of reported U.S. State Department cable stating "We have strong reason to believe that Pakistan is seeking to develop a nuclear explosives capability . . . Pakistan is conducting a program for the design and development of a triggering package for nuclear explosive devices."

1981—Publication of book, Islamic Bomb, citing recent Pakistan efforts to contruct a nuclear test site.

1982/3—Several European press reports indicate that Pakistan was using Middle Eastern intermediaries to acquire bomb parts (13-inch "steel spheres" and "steel petal shapes").

1983—Recently declassified U.S. government assessment concludes that "There is unambiguous evidence that Pakistan actively pursuing a nuclear weapons development program . . . We believe the ultimate application of the enriched uranium produced at Kahufa, which is unsafeguarded, is clearly nuclear weapons."

1984—President Zia states that Pakistan has acquired a "very modest" uranium enrichment capability for "nothing but peaceful purposes."

1984—President Reagan reportedly warns Pakistan of "grave consequences" if it enriches uranium above 5%.

1985—ABC News reports that U.S. believes Pakistan has "successfuly tested" a "firing mechanism" of an atomic bomb by means of a non-nuclear explosion, and that U.S. Krytrons "have been acquired" by Pakistan.

1985—U.S. nuclear export control violation: Texas, Krytrons (nuclear weapon triggers).

1985—U.S. nuclear export control violation: U.S. cancelled license for export of flash x-ray camera to Pakistan (nuclear weapon diagnostic uses) because of proliferation concerns.

1985/6—Media cites production of highly enriched, bomb-grade uranium in violation of a commitment to the U.S.

1986—Bob Woodward article in Washington Post cites alleged DIA report saying Pakistan "detonated a high explosive test develop between Sept. 18 and Sept. 21 as part of its continuing efforts to build an implosion-type nuclear weapon"; says Pakistan has produced uranium enriched to a 93.5% level.

1986—Press reports cite U.S. "Special National Intelligence Estimate" concluding that Pakistan had produced weapons-grade material.

1986—Commenting on Pakistan's nuclear capability, General Zia tells interviewer, "It is our right to obtain the technology. And when we acquire this technology, the Islamic world will possess it with us."

1986—Recently declassified memo to then-Secretary of State Henry Kissinger states, "Despite strong U.S. concern, Pakistan continues to pursue a nuclear explosive capability * * * If operated at its nominal capacity, the Kahuta uranium enrichment plant could produce enough weapons-grade material to build several nuclear devices per year."

1987—U.S. nuclear export control violation: Pennsylvania, maraging steel & beryllium (used in centrifuge manufacture and bomb components).

1987—London Financial Times reports U.S. spy satellites have observed construction of second uranium enrichment plant in Pakistan.

1987—Pakistan's leading nuclear scientist states in published interview that "what the CIA has been saying about our possessing the bomb is correct."

1987—West German official confirms that nuclear equipment recently seized on way to Pakistan was suitable for "at least 93% enrichment" of uranium; blueprints of uranium enrichment plant also seized in Switzerland.

1987—U.S. nuclear export control violation: California, oscilloscopes, computer equipment (useful in nuclear weapon R&D).

1987—According to photocopy of a reported German foreign ministry memo published in Paris in 1990, U.K. government official tells German counterpart on European nonproliferation working group that he was "convinced that Pakistan had 'a few small' nuclear weapons."

1988—President Reagan waives an aid cutoff for Pakistan due to an export control violation; in his formal certification, he confirmed that "material, equipment, or technology covered by that provision was to be used by Pakistan in the manufacture of a nuclear explosive device."

1988—Hedrick Smith article in the New York Times reports U.S. government sources believe Pakistan has produced enough highly enriched uranium for 4-6 bombs.

1988—President Zia tells Carnegie Endowment delegation in interview that Pakistan has attained a nuclear capability "that is good enough to create an impression of deterrence."

1989—Multiple reports of Pakistan modifying U.S,-supplied F-16 aircraft for nuclear delivery purposes; wind tunnel tests cited in document reportedly from West German intelligence service.

1989—Test launch of Hatf-2 missile: Payload (500 kilograms) and range (300 kilometers) meets "nuclear-capable" standard under Missile Technology Control Regime.

1989—CIA Director Webster tells Senate Governmental Affairs Committee hearing that "Clearly Pakistan is engaged in developing a nuclear capability."

1989—Media claims that Pakistan acquired tritium gas and tritium facility from West Germany in mid-1980's.

1989—ACDA unclassified report cites Chinese assistance to missile program in Pakistan.

1989—U.K. press cites nuclear cooperation between Pakistan and Iraq.

1989—Article in Nuclear Fuel states that the United States has issued "about 100 specific communiques to the West German Government related to planned exports to the Pakistan Atomic Energy Commission and its affiliated organizations;" exports reportedly included tritium and a tritium recovery facility.

1989—Article in Defense & Foreign Affairs Weekly states "source close to the Pakistani nuclear program have revealed that Pakistani scientists have now perfected detonation mechanisms for a nuclear device."

1989—Reporting on a recent customs investigation, West German magazine Stern reports, "since the beginning of the eighties over 70 [West German] enterprises have supplied sensitive goods to enterprises which for years have been buying equipment for Pakistan's ambitious nuclear weapons program."

1989—Gerard Smith, former U.S. diplomat and senior arms control authority, claims U.S. has turned a "blind eye" to proliferation developments in Pakistan and Israel.

1989—Senator Glenn delivers two lengthy statements addressing Pakistan's violations of its uranium enrichment commitment to the United States and the lack of progress on nonproliferation issues from Prime Minister Bhutto's democratically elected government after a year in office; Glenn concluded, "There simply must be a cost to non-compliance—when a solemn nuclear pledge is violated, the solution surely does not lie in voiding the pledge."

1989-90—Reports of secret construction of unsafeguarded nuclear research reactor; components from Europe.

1990—U.S. News cites "western intelligence sources" claiming Pakistan recently "cold-tested" a nuclear device and is now building a plutonium production reactor; article says Pakistan is engaged in nuclear cooperation with Iran.

1990—French magazine publishes photo of West German government document citing claim by U.K. official that British government believes Pakistan already possesses "a few small" nuclear weapons; cites Ambassador Richard Kennedy claim to U.K. diplomat that Pakistan has broken its pledge to the U.S. not to enrich uranium over 5%.

1990—London Sunday Times cites growing U.S. and Soviet concerns about Pakistani nuclear program; paper claims F-16 aircraft are being modified for nuclear delivery purposes; claims U.S. spy satellites have observed "heavily armed conveys" leaving Pakistan uranium enrichment complex at Kahuta and heading for military airfields.

1990—Pakistani biography of top nuclear scientist (Dr. Abdul Qadeer Khan and the Islamic Bomb) claims U.S. showed "model" of Pakistani bomb to visiting Pakistani diplomat as part of unsuccessful nonproliferation effort.

1990—Defense & Foreign Affairs Weekly reports "U.S. officials now believe that Pakistan has quite sufficient computing power in country to run all the modeling necessary to adequately verify the viability of the country's nuclear weapons technology."

1990—Dr. A.Q. Khan, father of Pakistan's bomb, receives "Man of the Nation Award."

1990—Washington Post documents 3 recent efforts by Pakistan to acquire special arc-melting furnaces with nuclear and missile applications.

1991—Wall Street Journal says Pakistan is buying nuclear-capable M-11 missile from China.

1991—Sen. Moynihan says in television interview, "Last July [1990] the Pakistanis machined 6 nuclear warheads. And they've still got them."

1991—Time quotes businessman, "BCCI is functioning as the owners' representative for Pakistan's nuclear-bomb project."

1992—Pakistani foreign secretary publicly discusses Pakistan's possession of "cores" of nuclear devices.

EXHIBIT 4

ARE PAKISTAN'S F-16'S "NUCLEAR-CAPABLE"? IT DEPENDS ON WHO YOU ASK

William T. Pendley, Office of Assistant Secretary of Defense/ISA, Letter to Sen. Glenn on 13 April 1993:

"Pakistan could . . . theoretically attach a [nuclear] weapon and deliver it to a target with their F-16s, or any other aircraft in their inventory, if arming and fuzing procedures were accomplished before takeoff, and safety and placement accuracy were not considered."

Robert Gates, CIA Director, Testimony Before Senate Governmental Affairs Committee, 15 January 1992:

[Sen. Glenn]—"How about delivery systems? Is there any evidence that Pakistan converted F-16s for possible nuclear delivery use?

[Gates]—"We know that they are—or we have information that suggests that they're clearly interested in enhancing the ability of the F-16 to deliver weapons safely. But we don't really have—they don't require those changes, I don't think, to deliver a weapon. We could perhaps provide some additional detail in a classified manner."

"Assessing ballistic missile proliferation and its control, "Report of Center for International Security and Arms Control, Stanford University, November 1991:

"Pakistani F-16 aircraft could be effective nuclear-delivery vehicles even if Pakistan's nuclear warheads are large and heavy."

"Western intelligence sources" cited in U.S. News & World Report, 12 February 1990:

"The sources say Pakistan, in violation of agreements with Washington, is busily converting U.S.-supplied F-16 fighter planes—60 more are scheduled to be sent this year—into potential nuclear-weapons carriers by outfitting them with special structures attached to the plane's underwing carriage. The structure allows the mounting of a dummy under one wing of the F-16 to balance the weight of the bomb under the other wing."

Deptuy Assistant Secretary of Defense Arthur Hughes, testimony before House Subcommittee, 2 August 1989:

"In order to deliver a nuclear device with any reasonable degree of accuracy and safety, it first would be necessary to replace the entire wiring package in the aircraft. In addition to building a weapons carriage mount, one would also have to re-do the fire control computer, the stores management system, and mission computer software to allow the weapon to be dopped accurately and to redistribute weight and balance after release. We believe this capability far exceeds the state of the art in Pakisan and could only be accomplished with a major release of data and industrial equipment from the U.S." . . .

[Rep. Solarz]—Now, in your testimony, Mr. Hughes, I gather you've said that the F-16s which we have already sold them are not nuclear capable?

[Hughes]—That's right sir.

[Rep. Solarz]—And the planes we're planning to sell will not be configured in such a way that they could deliver nuclear ordnance?

[Hughes]—That's right, Mr. Chairman.

Deputy Assistant Secretary of State Teresita Schaffer, testimony before House Subcommittee, 2 August 1989:

"None of the F-16s Pakistan already owns or is about to purchase is configured for nuclear delivery. Pakistan, moreover, will be obligated by contract not to modify its new acquisitions without the approval of the United States."

Views attributed to German Intelligence Agency (BND), in Der Spiegel, 24 July 1989:

"The Pakistanis have secretly planned to use the fighter aircraft as a delivery system for their bomb. According to a report by the Federal Intelligence Service (BND), relevant tests have already been successfully concluded. The BND has reported to the Chancellor's Office that, using an F-16 model, the Pakistanis have made wind tunnel tests and have designed to shell of the bomb in a way that allows them to install it underneath the wings. At the same time, the detonating mechanism has been improved, so that the weapons can now be used. . . According to the BND report, the Pakistanis long ago found out how to program the F-16 onboard computer to carry out the relevant flight maneuvers in dropping the bomb. According to the report from Pullach [BND headquarters], they also know how to make the electronic contact between the aircraft and the bomb."

Sen. John Glenn, letter to President Ronald Reagan, 5 March 1987:

"And I believe we should continue to try to provide assistance to the Afghans. But if the price that must now be paid is acceptance of Pakistani nuclear weapons production along with the continued provision of a 'make in the U.S.A.' delivery system (F-16s), a combination certain to ultimately erode the national security of the United States and some of its closest allies, then the price is too high."

Undersecretary of State James Buckley, testimony before the Senate Foreign Relations Committee, 12 November 1981:

[Sen. Hayakawa]—"Do the F-16's provide Pakistan with a delivery system for nuclear devices?"

[Buckley]—"Yes, they would. But by the same token, this is not the only aircraft that would have that capability. My understanding is that the Mirage III currently possessed by Pakistan, would have the capability of delivering a small nuclear device."

E.F. Von Marbod, Director of Defense Security Assistance Agency, testimony before two House Subcommittees, 16 September 1981:

[Solarz]—"I gather the F-16's are technically capable of carrying nuclear weapons. Will the F-16's supplied Pakistan be able to carry nuclear weapons?"

[Von Marbod]—"Mr. Solarz, all nuclear capabilities will be deleted from these F-16's. All wiring to the pylons, all computer software programs that manage the hardware stores and all cockpit controls that are nuclear-related."

Several Senators addressed the Chair.

Mr. GLENN. Mr. President, I ask unanimous consent that a letter to the President regarding the Pakistani situation that I sent on April 19 be printed in the RECORD, and I reserve the remainder of my time.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, DC, April 19, 1995.

President WILLIAM CLINTON,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I am writing to express my concern about the direction of U.S. nonproliferation policy in South Asia in the wake of the visit last week of Prime Minister Benazir Bhutto of Pakistan. Press reports and commentary regarding her visit and the joint press conference you held with her have been singularly devoid of information on the history of the Pressler Amendment, the activities of Pakistan in the nuclear area, and the circumstances surrounding the two 1989 contracts for the sale of F-16s. Without such understanding, it is easy to conclude that an injustice has been perpetrated upon Pakistan, and that to rectify it, a major adjustment in our nonproliferation policy must be made. The truth, however, is much more complicated, and the problem does not lend itself to easy resolution.

To understand how we have arrived at this difficult state of affairs with Pakistan, in which they have paid $658 million in cash and used $200 million in credits for 28 F-16s but cannot have them delivered, let us review some history.

In the mid-70s, Congress became concerned about increasing evidence of international nuclear trade in dangerous technologies associated with producing nuclear weapon materials. A number of countries, including but not limited to Pakistan, South Korea, Brazil, and Taiwan were actively engaged in seeking such technologies, and suppliers such as France and Germany seemed prepared to meet the demand. In an attempt to dampen such activity, in 1976 and 1977, Congress enacted what is now called the Glenn/Symington amendment to the Foreign Assistance Act which provided that countries importing or exporting such dangerous technologies under certain conditions would be cut off from U.S. economic and military assistance. This law was universal in its application and was not directed specifically toward Pakistan. Nonetheless, in 1979, after much information became available about illegal Pakistani activities involving the smuggling of design information and equipment related to nuclear enrichment, President Carter invoked the Glenn/Symington Amendment to cut off the Pakistanis. After the war in Afghanistan broke out, attempts by the Carter Administration to restore some assistance to Pakistan in return for restraint on their nuclear program were rebuffed by the Pakistanis.

When the Reagan Administration arrived, aid to Pakistan and the Mujahideen was high up on the administration's foreign policy agenda, and the repeal of the Glenn/Symington Amendment was suggested during Congressional consultations. This was rejected. Instead, a proposal was made and adopted into law that allowed the President to resume aid to Pakistan for six years despite its violations of "Section 669" of the Glenn/Symington Amendment (relating the uranium enrichment activities). President Reagan used this authority in 1982 and also issued a waiver under "Section 670" of the amendment (relating to reprocessing activities) to exempt Pakistan indefinitely from the cutoff provisions of that section of the Glenn/Symington legislation as well/ (He could not do the same under Section 669 unless he had "reliable assurances" that the Pakistanis were not developing nuclear weapons, and such assurances were clearly not available). Thus, a specific waiver for Pakistan was created (and has been subsequently renewed five times) that allowed them to escape from the sanctions imposed by U.S. law for proliferators. This has been done for no other country that I am aware of.

Nonetheless, Congress was unwilling to give a complete blank check to Pakistan, and stipulated in the waiver legislation that Pakistan would still be cut off if it received or exploded a nuclear device. In addition, Congress stipulated that an annual report would be provided on Pakistan's nuclear activities so that Congress could confirm that U.S. assistance was indeed inhibiting Pakistan's bomb program as was confidently assumed by Reagan Administration officials.

Those reports, along with supplementary intelligence information, revealed that there was no effect whatsoever on the pace or direction of the Pakistani bomb program. The Pakistanis continued to say publicly that they had no nuclear weapons program, and continually lied to U.S. authorities whenever questioned. Indeed, then-President Zia and the then-head of the Pakistani Atomic Energy Commission, Munir Khan, both lied directly to me during my visit to Islamabad in 1984 when I asked them about information I had concerning their nuclear program.

The result of all this mendacity, plus ongoing information that the Pakistani program was progressing, was the enactment of the Pressler Amendment, passed in 1985, which was designed to draw a new line in the sand regarding the extent of U.S. forbearance of Pakistan's nuclear weapons program. The amendment required the U.S. President to certify annually that Pakistan did not "possess" a nuclear explosive device in order for assistance to continue, and that such assistance would "significantly reduce the risk" that Pakistan would possess such a device. Please note that the argument about the Pressler Amendment being unfair because it applies only to Pakistan is completely disingenuous because it ignores the fact that Pressler was created to shape further the unique, special exemption from U.S. nonproliferation law given to Pakistan years earlier.

It has been reported that C.I.A. officials who were privy to intelligence information concerning the Pakistani program were skeptical, beginning from 1987 on, that the President could make the appropriate certifications under Pressler to allow aid to continue. Statements from high ranking Pakistani officials around this time suggested that they had the bomb within their grasp. Nonetheless, President Reagan in 1987 and 1988, and President Bush in 1989 made those certifications. It has also been reported that President Bush told the Pakistanis in 1989 that he would be unable to make the certification in 1990.

Now, the contracts for the sale of 28 F-16s was signed in 1989, the year Pakistan was ostensibly warned that there would be no further certifications that would allow them to receive military equipment from the United States. The first cash payment (of $50 million) was made at the beginning of FY 1990. Subsequent to the cutoff, which took effect in October, 1990, Pakistan continued to send periodic payments for the manufacture of F-16s, i.e., $150 million in FY 1991, $243 million in FY 1992, and $215 million in FY 1993, for a total of $658 million.

Why did they continue to send money when U.S. law would not enable them to receive the planes? This is a question only they can answer. But it is not unlike an investor buying the stock of a company whose assets are under a lien in the hope that the lien will somehow be removed. If it doesn't get removed, the investor can hardly call "foul".

All this is not to say that the Pakistanis are not entitled to any sympathy in their national security plight in South Asia. They have fought three wars with a much larger adversary, India, who is also pursuing a nuclear weapons program and exploded a device in 1974. By virtue of India's nuclear program being indigenous and therefore not in violation of the terms of the Glenn/Symington

Amendment, the Indians have not been subject to the amendment's sanctions (which would not have been effective in any case, since the Indians received only token amounts of economic or military assistance from the U.S.). That is not the same thing as saying that U.S. law is discriminatory in its application.

As I write this, more than 170 nations are meeting in New York to determine whether and for how long to extend the Nuclear Nonproliferation Treaty. It has been the policy of every American President over the past twenty five years since the Treaty went into effect to support the Treaty and we have been steadfast in that support. As a result, we have every right to ask, as you have done, that the members of the Treaty vote for indefinite extension. The NPT has been a success because we have cooperated with those Parties to the Treaty who have taken their nonproliferation commitments seriously, just as we are taking our own commitments seriously by reducing our stockpiles of weapons and engaging in a moratorium on testing.

How will we be keeping faith with those 170+ nations meeting in New York if the message we send is that a proliferator with a history of mendacity can receive from the United States a significant number of nuclear weapons delivery systems (F–16s)? To ask the question is to give the answer.

The U.S. cannot be a champion of nonproliferation on the one hand and a facilitator of nuclear weapons development or delivery on the other. To send F–16s to Pakistan with full realization of the history I have laid out in this letter would be a gross violation of our commitment to foster a nonproliferation ethic in the world through the NPT and other means, and would rightfully subject us to strong international criticism.

I am not an enemy of Pakistan, and I have supported them when they have been threatened in the past, such as during the war in Afghanistan. And I, along with you, Mr. President, want their cooperation in the fight against terrorism and drugs. Surely we ought to be able to find a way to support them in these activities without giving them a nuclear weapons delivery system. I am prepared to discuss with you or your representatives various options in which such support might be provided without undermining our nonproliferation standing and efforts around the world.

As to the cash payments for the F–16s, we cannot ignore the fact that, contrary to the grossly incorrect public statement made by Assistant Secretary Robin Raphel at a White House briefing on April 11, no payments were made by Pakistan before FY1990. Sticking to the payment schedule of the contract until FY1993 was a gamble by Pakistan that didn't pay off, and now they want to be held harmless from losing their gamble. It is perhaps unfortunate that U.S. officials did not disabuse the Pakistanis of the hope that making those payments would put pressure on the U.S. to reverse the Pressler sanctions and deliver the planes, but that is no reason to turn that hope into reality now.

In closing, Mr. President, I urge again that in finding ways to improve our relations with Pakistan, we not lose sight of the importance of keeping good relations with the nonproliferators of the world. They have a large claim on our loyalty.

Sincerely,

JOHN GLENN,
Ranking Member.

The **PRESIDING OFFICER.** The Senator from Colorado is recognized.

Mr. **BROWN.** Mr. President, I defer to the distinguished Senator from Rhode Island.

Mr. **GLENN.** I thank my colleague and I yield 10 minutes to the distinguished Senator from Rhode Island.

The **PRESIDING OFFICER.** The senior Senator from Rhode Island is recognized.

ENVIRONMENTAL PROVISIONS

Mr. **PELL.** Mr. President, I would like to briefly draw the attention of my colleagues to the funding measures that the foreign operations appropriation bill recommends with regard to our participation in important ongoing international environmental efforts. In particular, I wish to refer to the allocation of $50 million that have been earmarked for the Global Environment Facility, commonly referred to as the GEF. At the outset, let me highlight that while this amount falls short of the $110 million that the administration had requested, it represents a 66-percent increase from the amount that the House of Representatives had recommended. This important increase is the result of the joint efforts of Democrats and Republicans, who in a spirit of bipartisanship joined their efforts to increase funding for international environmental activities.

Mr. President, the GEF was recently restructured and now represents all the good that can come out of sound international efforts on the environment. The committee report that accompanies the foreign operations bill correctly emphasizes the need to maintain U.S. leadership in this vital organization, which seeks to combat ocean pollution, ozone depletion, loss of biodiversity, and other serious threats to the Earth's environment. Specifically, the GEF aims to assist developing countries in meeting the new challenges of sustainable development.

We are now at a time where the impacts of global change are starting to have significant effects on our environment and the United States just cannot afford to relinquish its leadership role. This point was highlighted in a recent editorial piece in the New York Times, which enumerated the mounting evidence experts now have on the depletion of the ozone layer and other climate change factors. I ask unanimous consent that a copy of this article be included at the end of my remarks. We should not be reducing our commitment to a healthy global environment at such a critical time.

I also note that the Senate Appropriations Committee has increased from the House bill the amount that will be dedicated to international organizations and programs, which also includes U.S. efforts to promote sustainable development, and particularly the protection of the global environment. The United States has been an active partner in the activities of the U.N. Framework Convention on Climate Change and the Montreal Protocol on the Depletion of the Ozone Layer. The administration has highlighted the fact that the Montreal protocol fund is a low-cost and very effective shield to protect the health of our citizens and our environment. The U.N. Framework Convention on Climate Change addresses the problem of climate change with policies that are both good for the environment and good for the economy. The committee report recognizes the importance of these organizations and programs and urges that adequate funding be provided for these important activities.

The need to protect biodiversity is also highlighted as a priority and the report recognizes that global biological wealth is vital to U.S. security and key to our own agricultural and pharmaceutical interests. The report thus urges AID to remain active in regions that are significant for biological diversity. I support that commitment.

Finally, the foreign operations bill recognizes the key role played by the U.N. Environment Programme [UNEP], by requiring that any reduction in the amounts made available for UNEP shall not exceed the percentage by which the total amount appropriated for international operations and programs is reduced. UNEP provides a means to pursue international environmental standards that are both compatible with U.S. interests and comparable to U.S. regulatory requirements and restraints. Further, UNEP goals are complementary to our own, particularly in the area of climate change and ozone depletion.

Mr. President, I am grateful for the bipartisn approach that prevailed in the Appropriations Committee which has allowed us to ensure that the United States will remain committed in our very important efforts to protect the environment.

Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the New York Times on that subject, and I yield the floor.

There being no objection, the articles was ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 18, 1995]

GLOBAL WARMING HEATS UP

The evidence mounted last week that manmade gases are causing deterioration of the earth's atmosphere. First came news that a United Nations scientific panel believes it has found, for the first time, evidence that human activities are indeed causing a much-debated warming of the globe. The report, though preliminary, appeared to strengthen the case that governments throughout the world may need to take stronger action to head off potential damage.

Then came an announcement from the World Meteorological Organization that a worrisome hole in the earth's protective ozone shield appears to be getting even larger over Antarctica. Such enlargement had been expected because it will take a while for corrective actions already taken by many governments to exert their effect. But the report underscored that the battle to save the ozone layer is not yet safely won.

The U.N.'s global warming report, described by William K. Stevens in the Sept. 10 Times, indicates that man-made global warming is a real phenomenon. It cannot be dismissed as unproved "liberal claptrap," as Representative Dana Rohrabacher, Republican of California, who heads a house environmental subcommittee, has derisively suggested.

For years now scientists have been arguing over whether the omission of "greenhouse gases," such as carbon dioxide generated by the burning of fossil fuels, has contributed to a small rise in global temperatures over the past century—and whether such emissions will drive temperatures even higher in coming decades.

Such a change in temperature might, if drastic enough, have serious consequences, as is made clear today in a second article by Mr. Stevens. Global warming could cause a rise in sea level that would flood coastal lowlands, an increase in weather extremes and damage to forest and croplands in some regions. Forestalling truly severe damage might well warrant action to slow the emission of greenhouse gases by reducing the world's reliance on fossil fuels. But that would be a wrenching, costly process that few political leaders are eager to undertake absent compelling evidence that human activities really are driving world temperatures toward dangerous levels.

Now the U.N's Intergovernmental Panel on Climate Change, the scientific panel charged with analyzing the problem, has concluded in a draft report that it is seeing signals that man-made global warming is underway. The signals are not in the form of a "smoking gun." Instead, they are found in computer patterns. The computer models that predict rising temperatures seem to be matching up more closely with some of the patterns of climate change actually observed. There are great uncertainties in how much the temperature will rise and how great any damage might be. But the case for being concerned about global warming is getting stronger.

That makes it especially distressing that committees in the House and Senate are slashing funds for programs aimed at protecting the global environment. Steep cuts have been imposed on research to study global climate change, on programs to help reduce carbon emissions and on funds to help developing countries phase out their ozone-destroying chemicals. It is perverse that, as the evidence of global atmospheric harm gets somewhat stronger, the political response to mitigating it gets progressively weaker.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. BROWN. Mr. President, I yield myself 10 minutes.

Mr. President, I compliment the distinguished Senator from Ohio for his very thoughtful comments. He has been a very sincere and a tireless advocate of the cause of nonproliferation, and he has made a major contribution not only to the United States effort in that but to the worldwide efforts in that. While we find ourselves on opposite sides of this particular issue, I certainly want to indicate my admiration for his tireless efforts and also my thanks for the contribution he has made to the debate tonight. I think it has been helpful and constructive. I do come to a different conclusion with regard to the amendment, but that does not mean I do not share his strong feelings toward nonproliferation. I do.

The first portion of what has been said that I want to deal with is the very significant question: What is the value, militarily, of the slightly more than one-fourth of the package that would be delivered under this amendment. These are arms negotiated for in 1986 and 1987 and 1988. These are arms that have aged somewhat, that are somewhat out of date. But I thought that was a valid question and an important one for our deliberations.

We held a series of hearings on this whole matter, including one directed specifically to that particular question; that is: How significant are these weapons? What kind of problems would they create? How significant are they in military terms?

I want to deal with the specifics of the answers but let me just summarize. The experts that we called in were both Democrat and Republican, they were both military personnel and personnel from academia. They were both people who had worked with India—we had the former Ambassador to India as well as other experts on India, consultants who work with India all the time—and there were experts who had worked in Pakistan. So we had a broad range of people, backgrounds, and issues. We asked all of them the same question: What is the effect on the balance of power in the area?

They said this. First, that India maintains the balance of power and that it is militarily overwhelming, roughly a ratio of 2 to 1, depending on the category of weapons system. In some areas the ratio is even more than 2 to 1. Certainly in population it is much more than that. In overall resources it is more than that.

Second, these experts said it would not affect the balance of power at all.

Third, they said the weapons themselves are not terribly significant.

I have summarized what they said. I want the RECORD to reflect precisely what they said. But the military significance of the items that would be transferred to Pakistan is a valid question. I think the Senator is right to raise it. I wanted the Senator and other Members of this Chamber to know I was concerned about it, that we called a hearing on it, that we got testimony from all the experts including the administration, all of which agreed that the equipment to be transferred would have little military significance.

I will just give a quick sampling of the testimony taken because it lends important background as Members consider this particular question. How significant are these arms that will be delivered under this amendment? Here is what Stephen Cohen, Director of the Program in Arms Control, Disarmament and International Security at the University of Illinois, said:

> In terms of the regional military balance, I don't think that the release of this military . . . equipment really will have no significant impact on the balance one way or another.

Those remarks, sentiments, were echoed by George Tanham. He was the Vice President of the Rand Corp. I believe he is retired at this point, but nevertheless is an important expert in this area.

I agree with Steve that the package won't change the balance at all. In fact, there is no balance now. India dominates so strongly. They have twice as large an army as Pakistan, twice as large an air force, twice as large a navy, twice as many tanks, twice as many airplanes. So there isn't a balance at the moment. India has overwhelming strength.

This one is from Michael Krepon. He is the president of the Henry Stimson Center.

> Conventional arms transfers like those under consideration by the Congress have not in the past been sources of instability or arms racing in the region.

This next one is by the Honorable William Clark, Jr. He was the U.S. Ambassador to India during the period of 1989 to 1992.

> We have got F-16's that have been sitting in the desert and being maintained. The P-3 and the Harpoon, three of them are marginally useful, if at all, and they have been already. The requirement has been met in other ways. From the politics of it, it is terribly important. The military utility of it, they would rather buy more modern equipment with the money.

What he is suggesting there is that if the Pakistanis had the choice, they probably could get better quality weapons if we returned their money than if we delivered the weapons. That is particularly important if, indeed, the amendment proposed by the Senator from California is offered with an alternative to return the money.

This is from James Clad, professor at Georgetown University.

> The offer for Pakistan is exactly as Dr. Tanham pointed out an equalizing hand in trying to somehow correct the subcontinental mismatch of conventional weaponry capability and geographical reality. I think another turn on a dime on this issue is going to do further damage to the American diplomacy.

Professor Clad's "other turn" was reversing the President's compromise reached after negotiations with the Pakistan government, which, of course, is the amendment we have offered. If we turn down the President after he has negotiated a settlement, after he has taken the lead and gotten an agreeable settlement in this very sore situation, we not only discredit the President but we undercut his ability to negotiate for us in the future. Those are my words, not Professor Clad's, but I think the point that he makes is very accurate.

The last one is from Bruce Fein. He is a constitutional and international law specialist and also a syndicated columnist.

> It is true that they—

Referring to India—

> are searching at present for substantial additional arms purchases, hundreds of millions, that I think would dwarf anything that would follow any relaxation of the Pressler amendment: very high technology MiG aircraft.

I might say, Mr. President, that nothing compares in this package to anything that India is currently shopping for, has the money to buy and apparently will buy at some point.

Mr. President, those comments deal as seriously as I know how to deal with the question of how significant the equipment that is transferred will be. The experts tell us it is not significant and, indeed, that is what the administration tells me.

Now, that was not HANK BROWN talking. Those statements were given by experts in the field in a public hearing subject to the scrutiny and review of the media and other experts. It is important because I must tell you my own view is I do not want to get involved in arms sales to the subcontinent that will create an escalating arms race or that change in the balance in favor of one side or the other. I want the United States to be friends with both countries. We have a great future of trade, investment and mutual development with both India and Pakistan.

Ultimately, the people who have tried to exploit the difference between those two countries will be viewed with hostility by both nations as well. Ultimately, both of these neighbors will face common challenges. They must be friends and must work together. The American sense that we do not want to get in between the two is the right sense. That is why it is so important to clear up this contractual dispute after 9 years and get it out of our way. The administration is right when they say it is not their intention to get involved in future arms sales.

That deals with the question of how significant the one-fourth of the package that is being delivered is. A second area that I thought maybe was worthwhile: Much has been made by my distinguished friends about the fact that Pakistan did not reveal the full extent of what they were doing with nuclear material or other areas.

What perhaps was not said is what India said about their nuclear program. We are not dealing with a nation in isolation. Pakistan's neighbor, which is geographically far bigger, has a much greater population and a military that is twice its size, also has nuclear weapons. But all that has been criticized here tonight are the statements and denials of Pakistan. Nothing has been said about the statements of India.

Now, it is in our interest as a country to run down either country, but it is unfair to turn a blind eye to what goes on in that subcontinent. If we are to be concerned about one country, we must be concerned about the other. The reality is that between the two countries, India and Pakistan, our legal restrictions apply to Pakistan but exempt India.

Is this an inconsistent policy? Mr. President, I believe it is. The waivers that were talked about earlier simply relate to Pakistan because the restrictions apply to Pakistan. The fact is this: If we are concerned about nuclear weapons, we ought to be concerned about both India and Pakistan and our laws ought to apply equally to both countries.

Mr. President, they do not. If we are concerned about statements countries make about their nuclear weapons program, we ought to be concerned about statements by India as well as by Pakistan. Mr. President, we have not heard that concern about India tonight. We have only heard it about Pakistan.

If Members are concerned about violations of the MTCR—and I am—if they are concerned and want to impose sanctions, they ought to be doing what the law says, which is to impose sanctions not only in the country that buys items that violate the MTCR but also on the country that sells in violation. We have had a lot of people talk about applying penalties against Pakistan under the MTCR. But who has come forward to propose penalties against China? Under MTCR, they are equally at risk if, indeed, the allegations are correct, but the reality is that all we have heard are sanctions against Pakistan and none against China, or at least the Members who have spoken have not talked about China.

Mr. President, I yield myself an additional 10 minutes.

It seems to me, if we are going to be consistent, we ought to apply our concerns about nuclear technology to both India and Pakistan. If we are concerned about nuclear technology, we ought to be willing to apply the laws that restrict its development and spread to both India and Pakistan, not just to one of the two. If we are concerned about missiles and missile technology, we ought to be willing to apply those restrictions to both India and Pakistan. The fact is the MTCR does not apply to missiles that are developed in-country but they do apply to a country that acquires them from outside.

Once again, we have drafted a law that only applies in this case to Pakistan and not to India, at least in relation to the two countries.

Lastly, Mr. President, if we are going to be consistent, we ought to talk about penalties not just for Pakistan if, indeed, they have violated the MTCR, but for China as well. Yet what we have heard tonight are slings and arrows pointed only at Pakistan.

Well, that is perhaps appropriate in some ways. This amendment does deal with Pakistan. It is right for them to bring these issues up. But from my point of view, our level of consistency ought to be higher than that.

Lastly, let me ask Members this: If you were a reporter and you talked to President Truman in 1944 and you said, "Mr. Truman, tell me whether or not the United States has a nuclear weapon?" What do you think President Truman would have said? Would he have said, "Well, it's a top military secret. Its disclosure would harm our national security. But I want to tell you anyway and I'll tell you all about it"?

Does anybody here think President Truman would have said that?

He was not President in 1944; he was Vice President. But at least at that period of time.

But the fact is, President Roosevelt—later President Truman who led us in the later 1940's—did not reveal, to questions, that we had a nuclear weapon. It was a matter of utmost national security.

Should the Pakistanis have revealed their national security secrets to us? Well, maybe they should have. I can understand Members' frustration with that. But I also understand this, India has the nuclear weapons. And they had them first. If anyone is shocked or surprised that Pakistan, who has been involved in three wars with India and lost all three, would think about developing weapons comparable to the country that beat them in three wars, I think they have not studied much of world politics.

Is anyone surprised that Pakistan sought to get missiles, if indeed they have? I suspect they have sought to find missiles. The fact is that India has developed missiles. Is anybody surprised that Pakistan then in turn would try to acquire missiles? I am not surprised. Do we wish this was not going on? Absolutely. But our challenge ought to be to think of ways that we can slow it down or stop it. That involves additional leverage. To ignore the situation, to close off our contacts and our discourse with Pakistan is not the way to solve the problem.

Mr. President, I offer these observations at the same time I want to renew my sense that it is terribly important that we pursue our efforts to slow proliferation or stop it. What is at stake here is solving an old dispute, and what stays in place, what is unharmed or unchanged is the flat prohibition on military aid or sales to Pakistan. That is unchanged. What stays in place is a strong penalty against Pakistan who has been our ally through thick and thin. We keep that in place because we want to keep a lesson out there for the rest of the world that there is a penalty.

But this amendment delivers a small portion of the package of equipment that Pakistan had contracted for 8 or 9 years ago, which they have paid for and which is deemed to be militarily insignificant by the experts, to them. Their money on three-fourths of the package is sent back to them, or at least inasmuch as we can sell those planes for something and send it back. What we do in this package is begin to deal fairly with Pakistan. What we do not do is undercut our efforts at nonproliferation. I believe in the long run we improve those efforts.

Mr. President, I retain the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. GLENN. Mr. President, as I understood it, we cannot carry this time over until tomorrow. The time has to be used this evening.

We have 1 hour total equally divided. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. GLENN. Mr. President, I would be prepared to yield back the remainder of my time, if the Senator from Colorado is prepared to do the same.

Mr. BROWN. Mr. President, I also would be happy to yield back the remainder of my time for this evening.

Mr. President, at this point I will suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GLENN. Mr. President, I ask unanimous consent that further proceedings under the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AID TO ISRAEL AND EGYPT

Mr. ABRAHAM. Mr. President, I rise today in support of U.S. aid to our strongest allies in the Middle East: Israel and Egypt.

I believe foreign aid should be dispensed only when and where it is in America's national interest, and H.R. 1868, the foreign operations, export financing and related appropriations bill of 1996, meets those criteria.

H.R. 1868 authorizes $3 billion for Israel, including $1.8 billion in military assistance and $1.2 billion in economic aid; and $2.12 billion for Egypt—$1.3 billion in military aid and $815,000 in economic assistance.

Mr. President I believe support for Israel and Egypt furthers our goal of supporting countries that defend and advance America's interests.

The Middle East is an incredibly volatile region and events that transpire there have major implications for the United States. Both Israel and Egypt help protect our strategic interests in that part of the world and for this reason they deserve our continued support.

Now is not the time to abandon our friends, but rather the time to assist them as they face many of the same challenges we do as we strive to promote stability in the post-cold war world.

The Middle East has witnessed historic changes that seemed unimaginable only 5 years ago: the collapse of the Soviet Union has removed the most powerful supporter of rogue nations in the region; the United States, with Egypt's crucial involvement, led an international coalition in a successful effort during the Persian Gulf War; political and economic relations were established between Israel and Morocco, Tunisia, and many other countries around the world; bilateral negotiations were initiated between Israel and some of her most ardent enemies; an agreement between Israel and the Palestinians was formalized; and a peace treaty between Israel and Jordan was signed.

But despite these developments and achievements, the Middle East is still among the most dangerous regions in the world.

Instability in the Middle East is contrary to our national security interests because it threatens the supply of oil, which could create a crisis the likes of which the people of Western Europe and America have experienced before. It could also threaten our access to the Suez Canal and increase the influence of terrorist regimes.

And this instability could resurface at any time. Parties opposed to the peace process have sought to undermine it. Economic underdevelopment in many countries breeds political instability and even violence.

In order to minimize these dangers while continuing to build on historic accomplishments in the region, United States support for Israel and Egypt is as critical today as ever. Both Israel and Egypt stand firmly with us in countering these threats.

The joint military exercises the United States conducts with Israel promote American goals in the region by solidifying a cooperative strategic plan which can be quickly implemented. Dozens of American weapons systems, including the Patriot missile and the F-15 fighter, have been improved with Israeli technological innovations. The Arrow missile program, which has been a joint American-Israeli project, should some day help America and our allies protect ourselves against ballistic missile attacks. I should also point out that aid to Israel is used primarily to purchase United States-made military equipment.

Similarly, joint United States-Egyptian military exercises have proven fruitful in such coordinated efforts as Desert Shield and Desert Storm. As the United States assists in maintaining the efficiency of the Egyptian armed forces, these forces can continue to protect and enhance our interests in the region. Furthermore, Egypt purchases over 85 percent of its military equipment from the United States, including the M1A1 tanks.

Mr. President, we must authorize these funding levels not only because it makes sense when considering our strategic goals in the Middle East, but also because it is consistent with our objectives in the ongoing peace process.

As the chief sponsor of both past and current peace negotiations, the United States should maintain its leadership role in pursuing peace in the region by continuing its unequivocal support for Israel and Egypt. Peaceful resolutions to Middle East conflicts will promote stability in this important part of the world.

The provisions of this aid package are, in my view, well structured to serve the interests of Americans, Israelis and Egyptians.

Additionally, H.R. 1868 provides funding for the United States to assist the Palestinians in the West Bank and Gaza as they develop their economy and strive to accomplish peace in the region. In my view, the United States should help lead an international community effort to stimulate private investment in Gaza and Jericho, including the continuation of a free-trade agreement and the development of industrial parks. Such initiatives can drive economic growth for the Palestinians. A stronger economy in turn will ultimately help produce peaceful self-rule.

Mr. President, I believe we must continue to assist nations which serve our interests by promoting stability in a volatile region. I am hopeful that ultimately there will be a peaceful resolution to the Arab-Israeli conflict. I urge my colleagues to vote for this legislation, because I believe aid to Israel and Egypt, as well as to the Palestinians, is a small price to help attain paramount international goal of the United States—permanent stability and peace in the Middle East.

I yield the floor.

Mr. GLENN. Mr. President, during the wrapup tonight—I know the procedures for tomorrow will be laid out by my distinguished colleague here. Since the regular floor managers for this bill are not here this evening, I would like to point out that Senator FEINSTEIN had hoped to be able to put her amendment in and have it considered at the end of the hour period and following the vote that will occur on Senator BROWN's amendment.

Although the managers are not here tonight, I hope we can honor that position for her so that the votes on this same subject will occur at about the same time or in sequence tomorrow. I hope that the floor managers tomorrow will look favorably on that, although they are not here to approve that tonight.

I yield the floor.

MORNING BUSINESS

Mr. BROWN. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 4:03 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1091. An act to improve the National Park System in the Commonwealth of Virginia

H.R. 1296. An act to provide for the administration of certain Presidio properties at minimal cost to the Federal taxpayer.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 402) to amend the Alaska Native Claims Settlement Act, and for other purposes.

ENROLLED BILL SIGNED

At 6:07 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 402. An act to amend the Alaska Native Claims Settlement Act, and for other purposes.

At 9:46 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1817) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 1976) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1996, and for other purposes, and agrees to the conference asked by Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. SKEEN, Mr. MYERS of Indiana, Mr. WALSH, Mr. DICKEY, Mr. KINGSTON, Mr. RIGGS, Mr. NETHERCUTT, Mr. LIVINGSTON, Mr. DURBIN, Ms. KAPTUR, Mr. THORNTON, Mrs. LOWEY, and Mr. OBEY as the managers of the conference on the part of the House.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 1091. An act to improve the National Park System in the Commonwealth of Virginia; to the Committee on Energy and Natural Resources.

H.R. 1296. An act to provide for the administration of certain Presidio properties at minimal cost to the Federal taxpayer, to the Committee on Energy and Natural Resources.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–1452. A communication from the Assistant Secretary of State for Legislative Affairs, transmitting, pursuant to law, the report on the program recommendations of the Karachi Accountability Review Board; to the Committee on Foreign Relations.

EC–1453. A communication from the Acting Administrator of the Consolidated Farm Service Agency, Department of Agriculture, transmitting, pursuant to law, the report entitled, "Farmer Programs Loan Assistance to Socially Disadvantaged Applicants"; to the Committee on Agriculture, Nutrition, and Forestry.

EC–1454. A communication from the General Counsel of the Department of the Treasury, transmitting, a draft of proposed legislation to authorize the Secretary of the Treasury to establish a flexible procedure for facilitating timely payment on claims on account of Government checks; to the Committee on Appropriations.

EC–1455. A communication from the Chairman of the Federal Deposit Insurance Corporation, transmitting, pursuant to law, the annual report for calendar year 1994; to the Committee on Banking, Housing, and Urban Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. FORD:

S. 1262. A bill to provide for the establishment of certain limitations on advertisements relating to, and the sale of, tobacco products, and to provide for the increased enforcement of laws relating to underage tobacco use, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. CONRAD (for himself, Mr. PRESSLER, Mr. THURMOND, and Mr. INOUYE):

S. 1263. A bill to direct the Secretary of Health and Human Services to revise existing regulations concerning the conditions of payment under part B of the medicare program relating to anesthesia services furnished by certified registered nurse anesthetists, and for other purposes; to the Committee on Finance.

By Mr. DASCHLE:

S. 1264. A bill to provide for certain benefits of the Missouri River basin Pick-Sloan project to the Crow Creek Sioux Tribe, and for other purposes; to the Committee on Indian Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PRESSLER:

S. Res. 175. A resolution expressing the sense of the Senate regarding the recent elections in Hong Kong; to the Committee on Foreign Relations.

By Mr. MURKOWSKI:

S. Con. Res. 27. A concurrent resolution to correct the enrollment of H.R. 402; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. FORD:

S. 1262. A bill to provide for the establishment of certain limitations on advertisements relating to, and the sale of, tobacco products, and to provide for the increased enforcement of laws relating to underage tobacco use, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE TOBACCO PRODUCTS CONTROL ACT OF 1995

Mr. FORD. Madam President, I want to talk just a bit about personal freedoms. That notion is so deeply embedded in how Americans define themselves that we fought wars to defend it, marched down every Main Street in America to guard it, and turned politicians out at the polls to protect it.

That dedication to personal freedom was at the very core of how our Founding Fathers defined a nation, and it has endured the test of time.

Thomas Jefferson said that the ultimate powers of society belong to the people themselves. And, when Government is concerned that people might not be knowledgeable enough to exercise their control in a healthy direction, he wrote, "The remedy is not to take it from them, but to inform."

He understood that Government has a mission to inform, but not to dictate, because when Government passes over that line of guidance to coercion, every American's guarantee of personal freedom is irrevocably damaged.

I want to say this in the most forceful way possible, Madam President, that no one—no one—supports teen smoking. I am introducing legislation today directed at reducing the number of teenaged smokers in this country.

But make no mistake, this legislation is equally driven by the need to prevent Government from regulating the legal choice of adults—of adults—in this country. And it does so by keeping the FDA out of the business of regulating tobacco.

It is no secret, Madam President, that the FDA would like to ban tobacco under the guise of regulating teen tobacco use. And that is why when many people in my State hear the phrase "Big Brother," they see the face of the FDA's David Kessler.

The other day I heard a radio interview of some stock car racing fans. They had some pretty harsh words for Washington and for the proposed regulations that could have a devastating effect on the sport that they enjoy so much. They used words like "misguided," and phrases like "Big Brother intruding."

You see, Madam President, they could not understand how the Government could prevent them from buying a T-shirt or a cap with their favorite race driver and sponsor on it. Plenty of those fans are parents who have no desire to see their children smoking cigarettes and who support commonsense efforts to reduce teen smoking. But something is clearly wrong when a regulation aimed at young people jeopardizes a sport where fewer than 3 percent in attendance are under the age of 18.

We are not just talking about sports fans or patrons of major art shows and performances. We are talking about the truck driver who chooses to wear a Skoal cap. We are talking about adults, whether they work on Wall Street, under the hood of a car, at the bank, or checking groceries, being able to get a pack of cigarettes at a local bar's vending machine, a place where no minor has any business being in the first place.

I am introducing this legislation today because I am fiercely opposed to Government interference into the legal decisions of adults in this country. I believe this is an issue we could have solved and still can without FDA intervention by working with industry and the administration. And in fact, many of the larger companies had already made substantial efforts in that direction. But I believe nothing less than complete prohibition is good enough for the regulators over at the FDA and the antitobacco zealots.

In fact, I am so concerned about the FDA's intentions to limit adults' rights with regard to tobacco that I believe some legislative solution is imperative to prevent further intrusion into the private decisions of adults in this country. That is why my legislation in no uncertain terms removes any FDA involvement in the regulation of tobacco.

But as I said on the day those regulations were announced, no one is here to protect peddling tobacco to minors. No one. And I am here today to follow up with serious, enforceable measures on advertising and access to stop underaged tobacco use.

You also find in this legislation retail and marketing restrictions which we incorporate into substance abuse and Mental Health Services Administration rules and State laws already on the books.

Under my legislation, we ban outdoor advertising of cigarettes and smokeless tobacco products within 500 feet of schools. We ban advertising of cigarettes and smokeless tobacco products in publications with any significant youth subscriptionship. We ban paid tobacco advertisements or props in movies. We ban cigarettes or smokeless tobacco advertising in videos, video game machines or family amusement centers.

We require States to restrict vending machine sales of cigarettes or smokeless tobacco products to supervised locations—bars, private clubs, or places of employment like factories and warehouses. And we require States to limit free sampling of cigarettes and smokeless tobacco products and use of coupons to locations where youth access is denied and where proof-of-age requirements have been met.

Instead of creating a whole new bureaucracy and turning jurisdiction over to the FDA, this legislation maintains the enforcement scheme of current SAMHSA law, extending it to tobacco sales and marketing restrictions and doubling—I underscore doubling—applicable penalties.

These are serious, enforceable measures to combat teenage smoking, but they do not interfere with the legal, private decisions of adults nor do they trample on freedom of speech that the first amendment protects. The same cannot be said for the FDA regulations, which have already sent advertising and tobacco industry lawyers scrambling to the courts setting up lengthy legal challenges where the fight will go on for years and years and years.

I have been told by those familiar with constitutional law that recent appellate court decisions and legal reviews have supported restrictions on the location of advertising but not on the content of the advertising. My bill responds to legal precedent, where FDA regulators have tried to circumvent all legal precedent, attempting to control an advertisement's content affecting not just a teenage publication, but a truck driver's baseball cap or a banker's financial magazine.

Nor does my legislation put an illegal tax on the industry forcing them to use millions and millions of their own dollars to tell the public not to use their product. Can you imagine that? They are going to ask the industry to put up millions to say, "Stop buying our product." Any other industry would go berserk. There is absolutely no other industry in this country that has been ordered—ordered, Madam President—to pay millions to put themselves out of business. Yet the FDA regulations attempt to raise taxes without any act of Congress.

We can address the issues of teen smoking today without new taxes or constitutionally suspect restrictions on advertising rather than waiting years and years and years for the courts to finally settle the matter. When it comes right down to it, whether a teenager gets a pack of cigarettes or not in large part depends on whether an individual store clerk decides to sell it to them. It is already illegal in every State in the this country for that clerk to do so.

But because too many store clerks do not feel pressured to enforce this law, we clearly need to change the current environment and leave no doubt in anyone's mind that it is in their best interest not to sell that pack of cigarettes to a minor. We do that through much tougher penalties and by ensuring that States have the enforcement resources they need to back up these laws.

My legislation also works to reduce the chances that a teenager will ever walk into that store looking to buy a pack of cigarettes in the first place. I think that is what all of us want, from the administration to my tobacco farmers to the American public. The President is clearly committed to making serious inroads on the issue of teenage smoking. And in his press conference before the August recess he stated his backing of the self-supporting tobacco program and of adults' rights to make their own decision with regard to smoking. Unfortunately, overzealous regulators under the direction of David Kessler have done the President and the country a disservice by going way too far beyond simply protecting our young people, and, instead, their regulations infringe on numerous constitutional rights, invade the privacy of average adult Americans, and take the first step on a short road to prohibition.

These overzealous regulators include a clause that essentially gives the FDA total control over tobacco's fate if there is not a 50 percent reduction in teenage tobacco use from 1993 levels—not 1995, but they go back to 1993—within 7 years. In fact, the percentage of teenage tobacco use is already well below the level it was 15 to 20 years ago. While we are willing to discuss additional, reasonable steps, these FDA regulations are nothing more than a guarantee that they are going to be coming back and attempt to expand their jurisdiction even further.

I took the President at his word when he said that he prefers a legislative solution. In this legislation, we have taken one of the toughest State laws on the books regarding advertising, and one of the toughest State laws on the books regarding vending machine sales and samples as the basis for a serious and enforceable national policy on teenage smoking.

The antismoking advocates talk forcefully about the numbers of teenagers who begin smoking every day. In citing those figures these advocates would be nothing short of negligent if they reject my legislation and allow this issue to be delayed indefinitely by a court fight. They will clearly be choosing a delay over compromise, self-promotion over certain progress.

There is no doubt that this legislation is about compromise. But make no mistake, it does not dodge the responsibility of ending teen tobacco use. I think this legislation represents a serious effort at meeting the President's goals on teenage smoking sooner, rather than later. Equally important, by leaving the FDA out of this process, my legislation will not set a course for tobacco that leads to prohibition.

Madam President, I believe this proposal establishes a framework which, taken in its entirety, is as tough as the toughest State laws on teenage tobacco use in existence today.

I challenge critics to show me a better approach—one equally strong and one equally reasonable. They are guided by common sense, both in the removal of the FDA from the process and in the expansion of laws already on the books. You will not find any new taxes or new bureaucracy, just strong, enforceable measures to end teenage smoking and teenage tobacco use today.

Madam President, I send a copy of my bill to the desk and ask that it be appropriately referred, and I ask unanimous consent that the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be received and appropriately referred.

S. 1262

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tobacco Products Control Act of 1995".

SEC. 2. AMENDMENT TO FEDERAL CIGARETTE LABELING AND ADVERTISING ACT.

The Federal Cigarette Labeling and Advertising Act is amended by inserting after section 6 (15 U.S.C. sec. 1335) the following new section:

"ADDITIONAL ADVERTISING RESTRICTIONS

"SEC. 7A. (a)(1) It shall be unlawful to advertise cigarettes on any outdoor billboard that is located within 500 feet of any public or private elementary or secondary school.

"(2) Paragraph (1) shall not apply to any advertisement—

"(A) on any outdoor billboard that is located adjacent to an interstate highway that is directed away from, and not visible from, such elementary or secondary schools or school grounds; or

"(B) that is erected or maintained at street level and affixed to business establishments selling tobacco products at retail.

"(b) It shall be unlawful to advertise cigarettes in a newspaper, magazine, periodical or other publication if the subscribers of such publication who are under the age of 18 years constitute more than 15 percent of the total readership of such publication. The Federal Trade Commission shall annually publish a list of the publications that are subject to this subsection.

"(c) No payment shall be made by any cigarette manufacturer or any agent thereof for the placement of any cigarette, cigarette package, or cigarette advertisement as a prop in any motion picture produced for viewing by the general public.

"(d) No cigarette brand name or logo shall be placed in a video or on a video game machine, and no brand name or logo may be placed on or within the premises of family amusement centers.

"(e) As used in this section—

"(1) the term 'family amusement center' means an enterprise offering amusement or entertainment to the public through the use of one or more amusement rides or attractions;

"(2) the term 'amusement ride or attraction' means—

"(A) any mechanized device or combination of devices that carry passengers along, around, or over a fixed or restricted course for the purpose of giving its passengers amusement, pleasure, thrills, or excitement; or

"(B) any building or structure around, over, or through which individuals may walk, climb, slide, jump or move that provides such individuals with amusement, pleasure, thrills, or excitement;

except that such term does not include coin-operated amusement devices that carry no more than 2 individuals, devices regulated by the Federal Aviation Administration, the Federal Railroad Administration (or State railroad administrations), or vessels under the jurisdiction of the Coast Guard (or State division of the water patrol), tractor pulls, auto or motorcycle events, horse shows, rodeos, or other animal shows, games and concessions, nonmechanical playground equipment, or any other devices or structures designated by the Secretary of Health and Human Services; and

"(3) the term 'video game' means any electronic amusement device that utilizes a computer, microprocessor, or similar electronic circuitry and its own cathode ray tube, or is designed to be used with a television set or a monitor, that interacts with the user of the device.".

SEC. 3. AMENDMENT TO COMPREHENSIVE SMOKELESS TOBACCO HEALTH EDUCATION ACT OF 1986.

The Comprehensive Smokeless Tobacco Health Education Act of 1986 is amended by inserting after section 3 (15 U.S.C. 4402 et seq.) the following new section:

"ADVERTISING RESTRICTIONS

"SEC. 3A. (a) BILLBOARDS.—

"(1) IN GENERAL.—It shall be unlawful to advertise a smokeless tobacco product on any outdoor billboard that is located within 500 feet of any public or private elementary or secondary school.

"(2) EXCEPTION.—Paragraph (1) shall not apply to any advertisement—

"(A) on any outdoor billboard that is located adjacent to an interstate highway that is directed away from, and not visible from, such elementary or secondary schools or school grounds; and

"(B) that is erected or maintained at street level and affixed to business establishments selling tobacco products at retail.

"(b) PERIODICALS.—It shall be unlawful to advertise any smokeless tobacco product in a newspaper, magazine, periodical or other publication if the subscribers of such publication who are under the age of 18 years constitute more than 15 percent of the total readership of such publication. The Federal Trade Commission shall annually publish a list of the publications that are subject to this subsection.

"(c) MOTION PICTURES.—No payment shall be made by any smokeless tobacco manufacturer or any agent thereof for the placement of any smokeless tobacco product, smokeless tobacco package, or smokeless tobacco advertisement as a prop in any motion picture produced for viewing by the general public.

"(d) VIDEO GAMES.—No smokeless tobacco product brand name or logo shall be placed in a video or on a video game machine, and no brand name or logo may be placed on or within the premises of a family amusement center.

"(e) DEFINITIONS.—As used in this section—

"(1) the term 'family amusement center' means an enterprise offering amusement or entertainment to the public through the use of one or more amusement rides or attractions;

"(2) the term 'amusement ride or attraction' means—

"(A) any mechanized device or combination of devices that carry passengers along, around, or over a fixed or restricted course for the purpose of giving its passengers amusement, pleasure, thrills, or excitement; or

"(B) any building or structure around, over, or through which individuals may walk, climb, slide, jump or move that provides such individuals with amusement, pleasure, thrills, or excitement;

except that such term does not include coin-operated amusement devices that carry no more than 2 individuals, devices regulated by the Federal Aviation Administration, the Federal Railroad Administration (or State railroad administrations), or vessels under the jurisdiction of the Coast Guard (or State division of the water patrol), tractor pulls, auto or motorcycle events, horse shows, rodeos, or other animal shows, games and concessions, nonmechanical playground equipment, or any other devices or structures designated by the Secretary of Health and Human Services; and

"(3) the term 'video game' means any electronic amusement device that utilizes a computer, microprocessor, or similar electronic circuitry and its own cathode ray tube, or is designed to be used with a television set or a monitor, that interacts with the user of the device.".

SEC. 4. AMENDMENT TO PUBLIC HEALTH SERVICE ACT.

Section 1926 of the Public Health Service Act (42 U.S.C. sec. 300x-26) is amended—

(1) in subsection (a)(1), to read as follows:

"(1) IN GENERAL.—Subject to paragraph (2), for fiscal year 1997 and subsequent fiscal years, the Secretary may make a grant under section 1921 only if the State involved has in effect a law providing that—

"(A) it is unlawful for any manufacturer, retailer, or distributor of cigarettes or smokeless tobacco products to sell or distribute any such product to any individual under the age of 18;

"(B) no person, firm, partnership, company, or corporation shall operate a vending machine which dispenses cigarettes or smokeless tobacco products unless such vending machine is in a location that is in plain view and under the direct supervision and control of the individual in charge of the location or his or her designated agent or employee;

"(C) the restrictions described in subparagraph (B) shall not apply in the case of a vending machine that is located—

"(i) at a private club;

"(ii) at a bar or bar area of a food service establishment;

"(iii) at a factory, warehouse, tobacco business, or any other place of employment which has an insignificant portion of its regular workforce comprised of individuals under the age of 18 years and only if such machines are located in an area that is not accessible to the general public; or

"(iv) in such other location or made available in another manner that is expressly permitted under applicable State law; and

"(D) it is unlawful for any person engaged in the selling or distribution of cigarettes or smokeless tobacco products for commercial purposes to distribute without charge any cigarettes or smokeless tobacco products, or to distribute coupons which are redeemable for cigarettes or smokeless tobacco products, except that this subparagraph shall not apply in the case of distribution—

"(i) through coupons contained in publications for which advertising is not restricted under section 7A of the Federal Cigarette Labeling and Advertising Act, coupons obtained through the purchase of cigarettes or smokeless tobacco products, or coupons sent through the mail;

"(ii) where individuals can demonstrate, through a photographic identification card, that the individual is at least 18 years of age;

"(iii) in locations that can be separately segregated to deny access to individuals under the age of 18; or

"(iv) through such other manners or at other locations that are expressly permitted under applicable State law.";

(2) in subsection (a)(2)—

(A) by striking "1993" and inserting "1997";

(B) by striking "1994" and inserting "1998"; and

(C) by striking "1995" and inserting "1999";

(3) in subsection (c)—

(A) in paragraph (1), by striking "10 percent" and inserting "20 percent";

(B) in paragraph (2), by striking "20 percent" and inserting "40 percent";

(C) in paragraph (3), by striking "30 percent" and inserting "60 percent"; and

(D) in paragraph (4), by striking "40 percent" and inserting "80 percent";

(4) in subsection (d)—

(A) in paragraph (1), by striking "1995" and inserting "1999"; and

(B) in paragraph (1), by striking "1994" and inserting "1998"; and

(5) by adding at the end thereof the following new subsections:

"(e) ENFORCEMENT.—Any amounts made available to a State through a grant under section 1921 may be used to enforce the laws described in subsection (a).

"(f) DEFINITIONS.—As used in subsection (a)(1), the term 'private club' means an organization with no more than an insignificant portion of its membership comprised of individuals under the age of 18 years that regularly receives dues or payments from its members for the use of space, facilities and services.".

SEC. 5. AMENDMENT TO FEDERAL FOOD, DRUG, AND COSMETIC ACT.

Chapter IX of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 391 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 906. PROHIBITION ON REGULATION OF TOBACCO PRODUCTS.

"Nothing in this Act or any other Act shall provide the Food and Drug Administration with any authority to regulate in any manner tobacco or tobacco products.".

By Mr. CONRAD (for himself, Mr. PRESSLER, Mr. THURMOND, and Mr. INOUYE):

S. 1263. A bill to direct the Secretary of Health and Human Services to revise existing regulations concerning the conditions of payment under part B of the Medicare Program relating to anesthesia services furnished by certified registered nurse anesthetists, and for other purposes, to the Committee on Finance.

THE MEDICARE ANESTHESIA SERVICES REFORM ACT

• Mr. CONRAD. Mr. President, today I, along with Senators PRESSLER, THURMOND, and INOUYE, introduce the Medicare Anesthesia Services Reform Act.

Whether the issue is Medicare reform or overall health care reform, our Nation needs to identify and develop efficient, cost-effective methods of delivering health care. But as we seek to cut health care costs, we must be careful to protect the quality of the health care that patients receive. One way to both provide quality care and better utilize our Nation's health care resources is to more appropriately use the services of Certified Registered Nurse Anesthetists—CRNA's.

The Medicare Anesthesia Services Reform Act addresses two important issues affecting the regulation of anesthesia practice as it affects CRNA's. The first defers to State laws in determining whether or not nurse anesthetists must be supervised by a physician. And the second provision provides parity of payment when two anesthesia providers are involved in a single Medicare case. The Act helps CRNA's maximize the use of their skills to provide quality health care to patients.

Nurse anesthetists administer more than 65 percent of the 26 million anesthetics given to patients each year in the United States. They are the sole anesthesia providers in 85 percent of rural hospitals, including all but a handful of counties in North Dakota. CRNA's play an integral role in providing rural medical facilities with obstetrical, surgical, and trauma stabilization capabilities. CRNA's perform the same anesthesia delivery functions as anesthesiologists and work in every setting in which anesthesia is delivered—traditional hospital suites, obstetrical delivery rooms, dentists offices, HMO's ambulatory surgical centers, Veterans Administration facilities, and others.

The first provision in the bill requires the Health Care Financing Administration to defer to State law when determining whether to condition Medicare reimbursement to CRNA's on physician supervision. Medicare's regulations require physician supervision of CRNA's as a condition for hospitals or ambulatory surgical centers to receive Medicare reimbursement, despite many State laws that allow nurse anesthetists to practice without such supervision. In fact, most States do not require physician supervision or direction of nurse anesthetists in the States' nurse practice acts, board of nursing rules and regulations, medical practice acts, or their generic equivalents.

The Federal supervision requirement creates several problems for CRNA's. First, some surgeons have been dissuaded from working with CRNA's, in the face of arguments that the physicians may be subjecting themselves to liability for engaging in supervision. But the truth is, the attending physician is no more legally liable for the CRNA's actions than he or she is for the acts of an anesthesiologist. Second, the Federal restriction is anti-competitive, acting as a disincentive for CRNA's to be utilized. Finally, the restriction creates an inaccurate perception among some surgeons that they have an obligation to direct or control the substantive course of the anesthetic process, even though there is no such obligation.

By eliminating this prescriptive Federal regulation, we can better maximize the use of nurse anesthetists and eliminate the confusion surrounding CRNA supervision. At a time when the Federal Government is deferring to State judgment on a whole host of issues, it seems completely consistent to let States decide how best to use nurse anesthetists, particularly in light of CRNA's long track record of success.

CRNA's have been around for a century. They have been the principal anesthesia providers in combat areas in every war the United States has been engaged in since World War I. CRNA's have received medals and accolades for their dedication, commitment, and competence. And recent studies indicate that better utilization of CRNA's could save the Federal Government as much as $1 billion per year by the year 2010. Clearly, it make sense for the Federal Government to defer to States on an issue that could very well save significant Federal expenses over time.

The second proposal included in the Medicare Anesthesia Services Reform Act applies to fairness in reimbursement to CRNA's and anesthesiologists. Under Medicare's current regulations, if an anesthesiologist and a CRNA work together on one case and Medicare later decides that the use of two anesthesia providers was not medically necessary, neither the hospital nor the CRNA gets paid. Consequently, there is an economic disincentive for hospitals to employ nurse anesthetists, even though they provide such cost effective services.

Obviously, Medicare should not pay for services that are not medically necessary. And our bill would not require Medicare to do so. Rather, it simply requires that anesthesiologists and CRNA's or the hospitals that employ them split the fee equally. If someone works on a Medicare case, he or she should get paid for it.

The problem CRNA's confront is the poor definition of what constitutes "medical necessity." Medical necessity is interpreted on a case-by-case basis, making it easy for Medicare carriers to deny a claim for payment to a CRNA who cannot prove medical necessity. If a claim is denied, then only the anesthesiologist gets paid, even though both the anesthesiologist and the CRNA did the work. That is just not fair.

Last year, I introduced legislation that would have required Medicare to reimburse CRNA's and anesthesiologists based on their contribution to the case. Under that proposal, if a CRNA did more of the work, he or she might get 60 or 70 percent of the payment compared with 30 or 40 percent for the anesthesiologist. If the anesthesiologist did more of the work, he or she would receive a greater percentage of the payment.

Some viewed the provision I proposed last year as too difficult to implement. In addition, during health care reform, I worked with the American Association of Nurse Anesthetists and the American Society of Anesthesiologists to develop a compromise that included the 50–50 split that has been incorporated into this bill. Given the negotiations that occurred last year, I believe it is best to include the 50–50 split provision, rather than the provision that I initially proposed.

Mr. President, this is sensible legislation. It is fair to both CRNA's and anesthesiologists, alike. And it eliminates some significant problems that are creating difficulty for nurse anesthetists and the hospitals that employ them.

Our proposal replaces outdated Medicare regulations and lets hospitals make their individual anesthesia staffing decisions based upon their own needs. It also gives more flexibility to the States. I hope my colleagues will support it.●

By Mr. DASCHLE:

S. 1264. A bill to provide for certain benefits of the Missouri River basin Pick-Sloan project to the Crow Creek Sioux Tribe, and for other purposes; to the Committee on Indian Affairs.

THE CROW CREEK SIOUX TRIBE INFRASTRUCTURE DEVELOPMENT TRUST FUND ACT OF 1995

Mr. DASCHLE. Mr. President, today I introduce the Crow Creek Sioux Tribe Infrastructure Development Trust Fund Act of 1995. This bill will provide for the development of certain tribal infrastructure projects funded by a trust fund set up for the Crow Creek Tribe within the Department of the Treasury. The trust fund would be capitalized from a percentage of hydropower revenues and would be capped at $27.5 million. The tribe would then receive the interest from the fund to be used according to a development plan prepared in conjunction with the Bureau of Indian Affairs and the Indian Health Service.

The Flood Control Act of 1944 created five massive earthen dams on the Missouri River. This public works project known as the Pick-Sloan Plan provides flood control, irrigation, and hydropower. Four of the Pick-Sloan dams are located in South Dakota.

The impact of the Pick-Sloan plan on the Crow Creek Sioux Tribe has been devastating. The Big Bend and Fort Randall dams created losses to the Crow Creek Tribe for which they have not been adequately compensated. Over 15,000 acres of the tribe's most fertile and productive land, the Missouri River wooded bottom lands, were inundated as a result of the Fort Randall and Big Bend components of the Pick-Sloan project.

By and through the Big Bend Act of 1962, Congress directed the U.S. Army Corps of Engineers and the Department of the Interior to take certain actions to alleviate the problems caused by the dislocation of communities and inundation of tribal resources. These directives were either carried out inadequately or not carried out at all.

Congress established precedent for this legislation in 1992 by the passage of the Three Affiliated Tribes and Standing Rock Sioux Tribe Equitable Compensation Act which I cosponsored. At that time, Congress determined that the U.S. Army Corps of Engineers failed to provide adequate compensation to the tribes when their land was acquired for the Pick-Sloan projects. There is little controversy on finding that the tribes bore an inordinate share of the cost of implementing the Pick-Sloan program. The Secretary of the Interior established the Joint Tribal Advisory Committee to resolve the inequities and find ways to finance the compensation of tribal claims. As a result, the Three Affiliated Tribes and Standing Rock Sioux Tribe Equitable Compensation Act set up a recovery fund financed entirely from a percentage of Pick-Sloan power revenues.

The Crow Creek Sioux Tribe Infrastructure Development Fund Act of 1995 will enable the Crow Creek Tribe to address and improve their infrastructure and will provide the needed resources for further economic development of the Crow Creek Indian Reservation.

This legislation has broad support in South Dakota. Gov. Bill Janklow strongly endorses this proposal to develop the infrastructure at the Crow Creek Indian Reservation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD and a letter from Gov. Bill Janklow.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Crow Creek Sioux Tribe Infrastructure Development Trust Fund Act of 1995".

SEC. 2. FINDINGS.

(a) FINDINGS.—The Congress finds that—

(1) the Congress approved the Missouri River basin Pick-Sloan project by passing the Act of December 22, 1944, commonly known as the "Flood Control Act of 1944" (58 Stat. 887, chapter 665; 33 U.S.C. 701–1 et seq.)—

(A) to promote the general economic development of the United States;

(B) to provide for irrigation above Sioux City, Iowa;

(C) to protect urban and rural areas from devastating floods of the Missouri River; and

(D) for other purposes;

(2) the Fort Randall and Big Bend projects are major components of the Pick-Sloan project, and contribute to the national economy by generating a substantial amount of hydropower and impounding a substantial quantity of water;

(3) the Fort Randall and Big Bend projects overlie the western boundary of the Crow Creek Indian Reservation, having inundated the fertile, wooded bottom lands of the Tribe along the Missouri River that constituted the most productive agricultural and pastoral lands of the Tribe and the homeland of the members of the Tribe;

(4) Public Law 85–916 (72 Stat. 1766 et seq.) authorized the acquisition of 9,418 acres of Indian land on the Crow Creek Indian Reservation for the Fort Randall project and Public Law 87–735 (76 Stat. 704 et seq.) authorized the acquisition of 6,179 acres of Indian land on Crow Creek for the Big Bend project;

(5) Public Law 87–735 (76 Stat. 704 et seq.) provided for the mitigation of the effects of the Fort Randall and Big Bend projects on the Crow Creek Indian Reservation, by directing the Secretary of the Army to—

(A) replace, relocate, or reconstruct—

(i) any existing essential governmental and agency facilities on the reservation, including schools, hospitals, offices of the Public Health Service and the Bureau of Indian Affairs, service buildings, and employee quarters; and

(ii) roads, bridges, and incidental matters or facilities in connection with such facilities;

(B) provide for a townsite adequate for 50 homes, including streets and utilities (including water, sewage, and electricity), taking into account the reasonable future growth of the townsite; and

(C) provide for a community center containing space and facilities for community gatherings, tribal offices, tribal council chamber, offices of the Bureau of Indian Affairs, offices and quarters of the Public Health Service, and a combination gymnasium and auditorium;

(6) the Secretary of the Army and the Secretary of the Interior have failed to meet the requirements under Public Law 87–735 (76 Stat. 704 et seq.) with respect to the mitigation of the effects of the Fort Randall and

Big Bend projects on the Crow Creek Indian Reservation;

(7) although the national economy has benefited from the Fort Randall and Big Bend projects, the economy on the Crow Creek Indian Reservation remains underdeveloped, in part as a consequence of the failure of the Federal Government to fulfill the obligations of the Federal Government under the laws referred to in paragraph (4);

(8) the economic and social development and cultural preservation of the Crow Creek Sioux Tribe will be enhanced by increased tribal participation in the benefits of the Fort Randall and Big Bend components of the Pick-Sloan project; and

(9) the Crow Creek Sioux Tribe is entitled to additional benefits of the Missouri River basin Pick-Sloan project, including hydropower revenues and infrastructure development.

SEC. 3. DEFINITIONS.

For the purposes of this Act, unless the context implies otherwise, the following definitions shall apply:

(1) FUND.—The term "Fund" means the Crow Creek Sioux Tribe Infrastructure Development Trust Fund established under section 4(a).

(2) PLAN.—The term "plan" means the plan for socioeconomic recovery and cultural preservation prepared under section 5.

(3) PROGRAMS.—The term "Programs" means the integrated programs of the Eastern Division of the Missouri River basin Pick-Sloan program, administered by the Western Area Power Administration, as determined by the Secretary.

(4) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(5) TRIBE.—The term "Tribe" means the Crow Creek Sioux Tribe.

SEC. 4. ESTABLISHMENT OF CROW CREEK SIOUX TRIBE INFRASTRUCTURE DEVELOPMENT TRUST FUND.

(a) CROW CREEK SIOUX TRIBE INFRASTRUCTURE DEVELOPMENT TRUST FUND.—There is established in the Treasury of the United States a fund to be known as the "Crow Creek Sioux Tribe Infrastructure Development Trust Fund".

(b) FUNDING.—Beginning with fiscal year 1997, and for each fiscal year thereafter, until such time as the aggregate of the amounts deposited in the Fund is equal to $27,500,000, the Secretary of the Treasury shall deposit into the Fund an amount equal to 25 percent of the receipts from the deposits to the Treasury of the United States for the preceding fiscal year from the Programs.

(c) INVESTMENTS.—The Secretary of the Treasury shall invest the amounts deposited under subsection (b) only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

(d) PAYMENT OF INTEREST TO TRIBE.—

(1) ESTABLISHMENT OF ACCOUNT AND TRANSFER OF INTEREST.—The Secretary of the Treasury shall, in accordance with this subsection, transfer any interest that accrues on amounts deposited under subsection (b) into a separate account established by the Secretary of the Treasury in the Treasury of the United States.

(2) PAYMENTS.—

(A) IN GENERAL.—Beginning with the fiscal year immediately following the fiscal year during which the aggregate of the amounts deposited in the Fund is equal to the amount specified in subsection (b)(2), and for each fiscal year thereafter, all amounts transferred under paragraph (1) shall be available, without fiscal year limitation, to the Secretary of the Interior for use in accordance with subparagraph (C).

(B) WITHDRAWAL AND TRANSFER OF FUNDS.—For each fiscal year specified in subparagraph (A), the Secretary of the Treasury shall withdraw amounts from the account established under such paragraph and transfer such amounts to the Secretary of the Interior for use in accordance with subparagraph (C). The Secretary of the Treasury may only withdraw funds from the account for the purpose specified in this paragraph.

(C) PAYMENTS TO TRIBE.—The Secretary of the Interior shall use the amounts transferred to the Secretary under subparagraph (B) only for the purpose of making payments to the Tribe.

(D) USE OF PAYMENTS BY TRIBE.—The Tribe shall use the payments made under subparagraph (C) only for carrying out projects and programs pursuant to the plan prepared under section 5.

(3) PROHIBITION ON PER CAPITA PAYMENTS.—No portion of any payment made under this subsection may be distributed to any member of the Tribe on a per capita basis.

(e) TRANSFERS AND WITHDRAWALS.—

(1) AMOUNTS DEPOSITED IN THE FUND.—Except as provided in subsection (d)(1), the Secretary of the Treasury may not transfer or withdraw any amount deposited under subsection (b).

(2) AMOUNTS TRANSFERRED TO ACCOUNT.—Except as provided in subsection (d)(2), the Secretary of the Treasury may not transfer or withdraw any amounts transferred to the account established under subsection (d)(1).

SEC. 5. PLAN FOR SOCIOECONOMIC RECOVERY AND CULTURAL PRESERVATION.

(a) PLAN.—

(1) IN GENERAL.—The Secretary of the Interior, acting through the Bureau of Indian Affairs, in cooperation with the Secretary of Health and Human Services, acting through the Indian Health Service, and the Crow Creek Tribal Council, shall prepare a plan for the use of payments made to the Tribe under section 4(d)(2).

(2) REQUIREMENTS FOR PLAN COMPONENTS.—The plan shall, with respect to each component of the plan—

(A) identify the costs and benefits of that component; and

(B) provide plans for that component.

(3) APPROVAL OF CROW CREEK TRIBAL COUNCIL.—The plan shall be subject to the approval of the Crow Creek Tribal Council.

(4) SUBMITTAL TO CONGRESS.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit the plan to Congress.

(b) CONTENT OF PLAN.—The plan shall include the following programs and components:

(1) EDUCATIONAL FACILITY.—The plan shall provide for an educational facility to be located on the Crow Creek Indian Reservation.

(2) COMPREHENSIVE INPATIENT AND OUTPATIENT HEALTH CARE FACILITY.—The plan shall provide for a comprehensive inpatient and outpatient health care facility to provide essential services that the Secretary, in consultation with the individuals and entities referred to in subsection (a)(1), determines to be—

(A) needed; and

(B) unavailable through existing facilities of the Indian Health Service on the Crow Creek Indian Reservation at the time of the determination.

(3) WATER SYSTEM.—The plan shall provide for the construction, operation, and maintenance of a municipal, rural, and industrial water system for the Crow Creek Indian Reservation.

(4) IRRIGATION FACILITIES.—The plan shall provide for irrigation facilities for not less than 1,792 acres.

(5) RECREATIONAL FACILITIES.—The plan shall provide for recreational facilities suitable for high-density recreation at Lake Sharpe at Big Bend Dam in South Dakota.

(6) OTHER PROJECTS AND PROGRAMS.—The plan shall provide for such other projects and programs for the educational, social welfare, economic development, and cultural preservation of the Tribe as the Secretary, in consultation with the individuals and entities referred to in subsection (a)(1), considers to be appropriate.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such funds as may be necessary to carry out this Act, including such funds as may be necessary to cover the administrative expenses of the Crow Creek Sioux Tribe Infrastructure Development Trust Fund established under section 4.

SEC. 7. EFFECT OF PAYMENTS TO TRIBE.

(a) IN GENERAL.—No payment made to the Tribe pursuant to this Act shall result in the reduction or denial of any service or program to which, pursuant Federal law—

(1) the Tribe is otherwise entitled because of the status of the Tribe as a federally recognized Indian tribe; or

(2) any individual who is a member of the Tribe is entitled because of the status of the individual as a member of the Tribe.

(b) EXEMPTIONS; STATUTORY CONSTRUCTION.—

(1) POWER RATES.—No payment made pursuant to this Act shall affect Missouri River basin Pick-Sloan power rates.

(2) STATUTORY CONSTRUCTION.—Nothing in this Act may be construed as diminishing or affecting—

(A) any right of the Tribe that is not otherwise addressed in this Act; or

(B) any treaty obligation of the United States.

STATE OF SOUTH DAKOTA,
EXECUTIVE OFFICE, STATE CAPITOL,
Pierre, SD, June 22, 1995.

Hon. DUANE BIG EAGLE,
Chairman of the Crow Creek Sioux Tribe,
Fort Thompson, SD.

DEAR CHAIRMAN BIG EAGLE: Thank you for giving me a copy of the proposed federal legislation that requires the federal government to fulfill the commitments made to the Crow Creek Sioux Tribe in the Big Bend Act of 1962.

I wholeheartedly support this legislation and your efforts to develop Fort Thompson with the infrastructure and community facilities that the Crow Creek community should have received long ago. The method for funding in the bill is fair and I hope a majority of both houses of Congress and the President will realize the importance of passing this bill and signing it into law.

In several different ways, all of the various groups of people who live in South Dakota have not received the benefits promised when the great dams were built in the 1950s. The persistence of the members of the Crow Creek Sioux Tribe to right this wrong is worthy of high praise. Congratulations on creating an excellent proposal.

If there is anything I can do to help you, please let me know.

Sincerely,

WILLIAM J. JANKLOW.

ADDITIONAL COSPONSORS

S. 298

At the request of Mr. DOMENICI, the names of the Senator from Oregon [Mr. HATFIELD], the Senator from Wyoming [Mr. SIMPSON], the Senator from Arkansas [Mr. BUMPERS], the Senator from Illinois [Mr. SIMON], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 298, a bill to establish a comprehensive policy with respect to the provision of health care coverage and services to individuals with severe mental illnesses, and for other purposes.

S. 684

At the request of Mr. HATFIELD, the name of the Senator from Pennsylvania [Mr. SANTORUM] was added as a cosponsor of S. 684, A bill to amend the Public Health Service Act to provide for programs of research regarding Parkinson's disease, and for other purposes.

S. 770

At the request of Mr. DOLE, the name of the Senator from Utah [Mr. BENNETT] was added as a cosponsor of S. 770, a bill to provide for the relocation of the United States Embassy in Israel to Jerusalem, and for other purposes.

S. 771

At the request of Mr. PRYOR, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 771, a bill to provide that certain Federal property shall be made available to States for State use before being made available to other entities, and for other purposes.

S. 851

At the request of Mr. DORGAN, his name was withdrawn as a cosponsor of S. 851, a bill to amend the Federal Water Pollution Control Act to reform the wetlands regulatory program, and for other purposes.

S. 942

At the request of Mr. BOND, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 942, a bill to promote increased understanding of Federal regulations and increased voluntary compliance with such regulations by small entities, to provide for the designation of regional ombudsmen and oversight boards to monitor the enforcement practices of certain Federal agencies with respect to small business concerns, to provide relief from excessive and arbitary regulatory enforcement actions against small entities, and for other purposes.

S. 1086

At the request of Mr. DOLE, the name of the Senator from Idaho [Mr. KEMPTHORNE] was added as a cosponsor of S. 1086, a bill to amend the Internal Revenue Code of 1986 to allow a family-owned business exclusion from the gross estate subject to estate tax, and for other purposes.

S. 1108

At the request of Mr. SMITH, the names of the Senator from Idaho [Mr. CRAIG] and the Senator from Arizona [Mr. MCCAIN] were added as cosponsors of S. 1108, a bill to amend the Internal Revenue Code of 1986 to allow individuals to designate that up to 10 percent of their income tax liability be used to reduce the national debt, and to require spending reductions equal to the amounts so designated.

S. 1219

At the request of Mr. FEINGOLD, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 1219, a bill to reform the financing of Federal elections, and for other purposes.

S. 1220

At the request of Mrs. BOXER, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of S. 1220, a bill to provide that Members of Congress shall not be paid during Federal Government shutdowns.

S. 1246

At the request of Mr. WARNER, the names of the Senator from Vermont [Mr. JEFFORDS] and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of S. 1246, a bill to amend titles 5 and 37, United States Code, to provide for the continuance of pay and the authority to make certain expenditures and obligations during lapses in appropriations.

SENATE RESOLUTION 147

At the request of Mr. BRADLEY, his name was added as a cosponsor of Senate Resolution 147, a resolution designating the weeks beginning September 24, 1995, and September 22, 1996, as "National Historically Black Colleges and Universities Week," and for other purposes.

AMENDMENT NO. 2699

At the request of Mr. BUMPERS, the names of the Senator from Vermont [Mr. LEAHY] and the Senator from Wisconsin [Mr. KOHL] were added as cosponsors of Amendment No. 2699 proposed to H.R. 1976, a bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1996, and for other purposes.

SENATE CONCURRENT RESOLUTION 27—CORRECTING THE ENROLLING OF H.R. 402

Mr. MURKOWSKI submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 27

Resolved by the Senate (the House of Representatives concurring)

The Clerk of the House is directed to correct the enrollment of H.R. 402 as follows:

Amended section 109 to read:

"SEC. 109. CONFIRMATION OF WOODY ISLAND AS ELIGIBLE NATIVE VILLAGE.

The Native Village of Woody Island, located on Woody Island, Alaska, in the Koniag Region, is hereby confirmed as an eligible Alaska Native Village, pursuant to Section 11(b)(3) of the Alaska Native Claims Settlement Act ("ANCSA"). It is further confirmed that Leisnoi, Inc., is the Village Corporation, as that term is defined in Section 3(j) of ANCSA, for the village of Woody Island. This section shall become effective on October 1, 1998, unless the United States judicial system determines this village was fraudulently established under ANCSA prior to October 1, 1998."

SENATE RESOLUTION 175—RELATIVE TO THE RECENT ELECTIONS IN HONG KONG

Mr. PRESSLER submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 175

Whereas the right to a fully elected legislature in Hong Kong is guaranteed by the 1984 Sino-British Joint Declaration on the Question of Hong Kong;

Whereas on September 17, 1995, the people of Hong Kong demonstrated their commitment to democracy by freely expressing their right to vote in the Legislative Council elections; and

Whereas the voters of Hong Kong have overwhelmingly expressed their desire for the establishment of a fully democratic government: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the people of Hong Kong are to be congratulated for exercising their right to vote on September 17, 1995;

(2) the People's Republic of China should respect the clear will of the people of Hong Kong to have a fully democratic government; and

(3) the Chinese government should enter into a dialogue with the democratically elected representatives of the Hong Kong people.

Mr. PRESSLER. Mr. President, when Mr. Christopher Patten became Governor of Hong Kong 3 years ago, he made a very important decision. He decided to allow the people of Hong Kong the opportunity to express their preference on a simple issue: Democracy—yes or no?

As the New York Times editorial today notes, "Hong Kong's voters declared overwhelmingly on Sunday their preference for democracy and their doubts about Beijing's plans for the colony's future." Final returns from Sunday's vote show the Democratic Party led by Mr. Martin Lee won the largest number of seats, 19, in the 60 seat legislative council. Other prodemocracy allies will give Mr. Lee a working majority of 31.

By contrast, pro-Beijing candidates of the Democratic Alliance for the Betterment of Hong Kong won only six seats and the party's top three officials were all defeated. Regrettably, spokesmen for Beijing have not learned to lose gracefully and have resorted to threats and intimidation.

Again Governor Patten has proved to be the best analyst: "Everybody has to recognize that Hong Kong has expressed its views about the present and the future with great clarity."

Mr. President, I am submitting a resolution expressing the sense of the Congress regarding the recent elections in Hong Kong. The resolution congratulates the people of Hong Kong for exercising their right to vote, calls on China to respect the clear will of the people of Hong Kong to have a fully democratic government, and calls on China to enter into a dialogue with the democratically elected representatives of the Hong Kong people.

Mr. President, I ask unanimous consent that number of articles and editorials from the Washington Post, the New York Times, and the Wall Street Journal be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 19, 1995]

Rebuff of China Proves Sweeping—Pro-Democratic Bloc in Hong Kong Legislature Could Hold Majority on Key Issues

(By Keith B. Richburg)

HONG KONG, Sept. 18.—China and Hong Kong today seemed set for a prolonged period of confrontation after residents here gave a substantial vote of no-confidence to Beijing's preferred legislative candidates, instead of choosing independent-minded lawmakers who are already promising to shout about human rights, free speech and the rule of law as Chinese rule approaches.

Final returns from Sunday's vote showed the Democratic Party, led by lawyer Martin Lee, will be the largest single party in the new legislature, with 19 of 60 seats. Counting other like-minded parties and independents, advocates of democracy who favor standing up to China will form a bloc of at least 27.

Published analyses indicated that on issues involving relations with China, the pro-democratic vote would be a majority of 31. The one clearly pro-China party won six seats.

In a victory press conference today, an elated Lee promised to continue the same kind of tough rhetoric that already has made him China's nemesis in the colony. Lee said the elections proved that Hong Kong people "want legislators who will stand up for them" to protect the territory's freedoms in the coming battles with China's Communist leadership.

Lee said the democracy bloc of the new legislature will use the remaining 21 months of British rule to try to strengthen laws protecting press freedom and free speech, to enact a freedom of information ordinance, and to try again to change a Sino-British agreement for a new supreme court to guarantee that future judges can act with greater independence.

Lee's statements are the sort that most unnerve mainland China, and make it more likely now, in the view of some analysts, that Beijing will take an even tougher stance toward Hong Kong, keeping its vow to jettison the local legislature and possibly even doing away with direct elections entirely after reversion in July 1997.

Pro-China politicians and official Chinese statements from Beijing tried to put the best face on the election results. The leader of the main pro-China party, the Democratic Alliance for the Betterment of Hong Kong (known as DAB), Tsang Yok-sing, explained the loss to reporters by saying the Democrats fielded far more incumbents and had more experience campaigning and organization.

A statement from the official New China News Agency said the elections "showed that hope for a smooth transition and love of the motherland and Hong Kong remain the main trend in Hong Kong." But the agency quoted an official in Beijing of the Hong Kong and Macau Affairs Office as repeating China's vow to dismantle the legislature and replace it with a provisional body whose deputies would be picked by China.

"Beijing will feel more insecure and more suspicious toward Hong Kong," said Joseph Cheng, a political science professor at the City University here. It's likely to result in "a tougher line."

"It seems the Hong Kong people want candidates who dare to criticize China, to provide some checks and balances, or at least to articulate their grievances," he said.

But Cheng said that under the existing colonial system, with most power still resting with the British governor, the new lawmakers may find themselves frustrated over the next 21 months. The legislature may not introduce any bills that would increase government spending, and the governor can ignore the legislature whenever he chooses.

Most analysts said the dismal performance of the main pro-China party suggested a new era of confrontation. Had more of its candidates won seats, the theory goes, China might have felt more comfortable about the idea of direct elections in Hong Kong and less inclined to abolish the legislature when it takes over.

But many of the candidates openly aligned with China were decisively beaten by the democracy advocates. The main pro-China party could manage no more than six seats.

Moreover, the pro-China party's three senior officers—the chairman, the vice chairman and the secretary general—all were crushed. The pro-China candidates together received about 30 percent of the popular vote, compared to more than 60 percent for the Democratic Party politicians.

In other results, the pro-business Liberal Party, which in pursuing commercial interests is likely to vote with them in mind, won 10 seats. The remaining 17 seats also represent interests that might shift according to the issue.

Analysts said the loss of so many pro-China politicians, considered relative moderates, means a likely dominance now of more hard-line Communist voices in Hong Kong's pro-Beijing United Front. The front as a whole took no part in the election, even as the DAB—a part of the front—went its own way on this matter and did so. This could presage a further heightening of the rhetoric and increasing polarization of the political dialogue, these analysts said.

The result also means the political situation is likely to become more confusing in the waning months of British colonial rule. Christopher Patten, the British governor and the man who engineered the changes that made the elections possible, is to remain until the end of June 1997. But the new legislature he helped create can claim it has the legitimacy of the people, since unlike the governor, all 60 members were elected, directly or indirectly.

China has said it will unveil its own "provisional legislature" next year, and although technically it will have no power until the turnover in 1997, it is foreseen as a "shadow legislature" competing with the elected one for influence. And China is also expected to name the team that will run the government in Hong Kong after July 1997, meaning there will also be a shadow executive and cabinet waiting in the wings.

[From the New York Times, Sept. 19, 1995]

China and Hong Kong Victors Square Off After the Election

(By Edward A. Gargan)

HONG KONG, September 18.—As jubilant members of Hong Kong's Democratic Party celebrated their sweeping defeat of pro-China parties in legislative elections on Sunday, Beijing renewed its promise that the legislature would be disbanded on July 1, 1997, the day the territory is scheduled to revert to Chinese rule.

"The last legislature of the British administration in Hong Kong will end on June 30, 1997," a spokesman for China's Hong Kong and Macao Affairs Office was quoted as saying today by the New China News Agency. "The attitude of the Chinese Government on this issue is consistent and will not change and will not be influenced by the result of the election."

But members of the Democratic Party, founded in the wake of the 1989 Tiananmen massacre to challenge China's plans for controlling Hong Kong and regarded by Beijing as a subversive organization, refused to accept what appears to be the inevitable demise of their careers as lawmakers.

"This election makes clear the will of Hong Kong," said Martin C.M. Lee, the party's chairman who decisively regained his seat in the Legislative Council. "This election is a referendum on the aspirations of the people of Hong Kong."

"Hong Kong people voted with their hearts and their minds for freedom and genuine democracy," he said. "The elections, in short, are a mandate for democratic government in Hong Kong and real constitutional, legal and human rights reform to ensure basic freedoms in Hong Kong after 1997."

Sunday's elections for the 60-seat Legislative Council, the last under more than a century of British rule, marked the first time that all seats were elected, whether directly or indirectly.

The Democrats took 12 of the 20 directly elected seats, and secured another 7 indirectly elected seats. Another 10 to 12 successful candidates who ran as independents or from smaller parties are regarded as allied to the Democrats, potentially giving the pro-democracy bloc a majority in the new legislature.

Most surprising, commentators said, was the defeat of the pro-China Democratic Alliance for the Betterment of Hong Kong. The party's top three officials were defeated and the party managed to secure only six seats, all but two from indirectly elected constituencies.

"From the Hong Kong people's point of view, the message is quite clear," said Joseph Cheng, a professor at City University of Hong Kong's Contemporary China Research Center. "The Hong Kong people always want a spokesman who can criticize China and who can provide checks and balances."

In their monthlong campaign, the pro-China candidates hammered the theme of their close relationship with the Chinese Government, cautioning Hong Kong voters that their interests would be best served by electing legislators who could communicate well with Beijing. Many Democratic candidates described that campaign as little short of blackmail, a suggestion that seemed to be borne out today in bitter comments by Gary Cheng Kai-nam, the No. 2 official in the pro-China party.

"The Hong Kong people will have to pay for it," he said, referring to the strong showing by the Democratic Party. "We warned that it would be better to see different voices."

Chinese companies, newspapers and the Chinese Government's official presence here, the Hong Kong office of the New China News Agency, were active throughout the campaign in support of the Alliance. Employees in Chinese companies were aggressively lobbied, left-wing unions rallied members to volunteer for Alliance campaigns and the pro-China newspapers daily assailed the Democrats for anti-China attitudes.

But the poor showing by pro-China candidates has created, in many people's views, new problems for China, one put bluntly by Gov. Christopher Patten, the architect of the elections.

"Everybody has to recognize the results," Mr. Patten said at a news conference today. "Everybody has to recognize that Hong Kong has expressed its views about the present and the future with great clarity."

Today, in one of his most forceful comments, Mr. Patten challenged China today to show how the elections violated either agreements reached with Britain or the territory's constitution, the Basic Law.

[From the New York Times, Sept. 19, 1995]

Hong Kong Votes for Democracy

Hong Kong's voters declared overwhelmingly on Sunday their preference for democracy and their doubts about Beijing's plans for the colony's future. Pro-China candidates lost consistently to members of the Democratic Party, which favors autonomy for Hong Kong after the planned takeover by China in 1997.

Ominously, China quickly threatened to dissolve the newly-elected Legislative Council. Perhaps even more ominously, Gary Cheng Kai-nam, an official of the pro-Chinese Democratic Alliance for the Betterment of Hong Kong, said the colony's six million people would "have to pay for" their choice. It is not in the interest of either Hong Kong or China for Beijing to crush Hong Kong's vibrant economy and developing democracy in 1997.

Britain is to hand Hong Kong over to Beijing's control when the 99-year lease on the colony expires. The agreement governing the terms of the handover was signed in 1984, at a time when China seemed to be liberalizing both its economic and political systems. Hong Kong's political structure then was not strictly democratic, and the prospects for finding a workable accommodation between the two systems seemed difficult but not impossible.

But since the Chinese crackdown on democracy demonstrations in Tiananmen Square in 1989, the match has seemed increasingly awkward. Hong Kong residents showed their revulsion for Beijing's brutality in a one-million-strong demonstration after the tanks rolled through Tiananmen Square. Since then Christopher Patten, Britain's last Hong Kong Governor, has sought to encourage and strengthen democratic institutions. Sunday's balloting was his latest move to cross the Chinese.

If China takes a heavy-handed approach and eliminates the new political institutions that Hong Kong's people clearly want, it risks undermining the business confidence that makes the territory such a valuable asset. Political turmoil is the enemy of a flourishing economy.

Beijing needs to take a longer view. If it wishes to preserve Hong Kong's unique role as a regional financial hub, it must find ways to accommodate its lively, individualistic culture, flavored by its long-term and intimate relationship with Western capitalism. Hong Kong's people, many of them refugees from the mainland, will not be easily silenced.

[From the Wall Street Journal, Sept. 19, 1996]

Hong Kong Voters Hand Setback To Candidates Backed by Beijing

(By Peter Stein)

Hong Kong.—Voters here signaled their willingness to stand up to China by giving pro-democracy candidates to the territory's Legislature a landslide victory over their China-backed opponents.

The magnitude of their triumph in the last Hong Kong elections to be held before the British colony reverts to Chinese sovereignty in mid-1997 seemed to take even the pro-democracy camp by surprise. Led by Chairman Martin Lee, the Democratic Party won 19 out of the 25 seats they contested, while allies of the Democrats secured eight more seats in the 60-seat Legislative Council. Before the vote, campaign staff had privately anticipated the party winning about 15 seats.

China-backed candidates fared worse than expected. The pro-China Democratic Alliance for the Betterment of Hong Kong won six seats. But the party's top leadership, including Chairman Tsang Yok Sing, a Marxist schoolteacher, were defeated by pro-democratic candidates.

Sunday's vote, Hong Kong's broadest exercise in democracy, represented the culmination of political reforms first introduced by Gov. Chris Pattern three years ago. Riled by those reforms, China has already vowed to dissolve Hong Kong's Legislature when it takes control of the territory July 1, 1997.

For Hong Kong's pro-democracy camp, which also swept the 1991 elections, the performance was a vindication of its hardline approach to dealing with China. "It has certainly quelled all our doubts as to whether we enjoy the support of the Hong Kong people," Mr. Lee said. The results signaled that "Hong Kong people love democracy, they love the rule of law, they want their rights preserved."

Throughout the campaign, China-backed candidates attacked the Democrats and their allies for their inability to enter into a dialogue with Beijing. Meanwhile, the pro-democracy candidates campaigned on their willingness to stand tough against Beijing on issues such as preserving Hong Kong's rule of law. Democrats campaigned hard against a compromise agreement between China and Britain on Hong Kong's future court of final appeal, which they argue will destroy the independence of Hong Kong's judiciary.

China's official Xinhua news agency, reporting on the election, avoided any mention of the Democrats' victory. "The results of the Hong Kong Legislative Council elections showed that hope for a smooth transition and love of the motherland and Hong Kong remain the main trend in Hong Kong," a Xinhua spokesman was quoted as saying. The spokesman nonetheless branded the elections as "unfair and unreasonable."

[From the Wall Street Journal, Sept. 19, 1995]

One China?

Coming on the heels of all the recent thunder out of China, the Hong Kong elections have a significance reaching far beyond one island. Especially since the anti-Beijing outcome is certain to be repeated in legislative elections in Taiwan in December, it's time for the U.S. and other democracies to review the basics of their China policy.

The "one China" policy was originally set out in the famous 1972 Shanghai communique. The U.S. declared that it "acknowledges that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is part of China. The United States government does not challenge that position. It reaffirms its interest in a peaceful settlement of the Taiwan question by the Chinese themselves." (In the same communique, China declared "China will never be a superpower and its opposes hegemony and power politics of any kind.")

When the U.S. established diplomatic relations with Beijing and suspended them with Taiwan in 1978, the joint communique stated that "the people of the United States will maintain cultural, commercial and other unofficial relations with the people of Taiwan." In a unilateral statement at the same time, the U.S. declared that it "expects that the Taiwan issue will be settled peacefully by the Chinese themselves." These understandings were codified into U.S. law by the Taiwan Relations Act of 1979.

In 1982, when the U.S. agreed to reduce arms sales to Taiwan, President Reagan issued a statement that the policy was based on "the full expectation that the approach of the Chinese government to the resolution of the Taiwan issue will continue to be peaceful." He added, a "We will not interfere in this matter or prejudice the free choice of, or put pressure on, the people of Taiwan in this matter."

These are the principles that the U.S. has followed ever since Richard Nixon and Henry Kissinger started the rapprochement with China. They stress above all that reunification should be peaceful. And they include a not-so-tacit premise that reunification is the desire of Chinese people on *both* sides of the Taiwan Strait, a premise that looks increasingly dubious.

To sharpen the point, throughout the history of the "one China" policy the United States has studiously avoided any suggestion that it would participate in forcing Taiwan into China against the will of its people. Of course this is precisely what Beijing wants when *it* talks of "one China" or "sovereignty" or an "internal matter." The course of events is splitting this delicate straddle, and a yes-or-no answer may impend.

This is why China threw a tantrum over the visit to Cornell by Taiwanese President Lee Teng-hui, though to use a college reunion looks like the unofficial relations contemplated by the 1978 communique. The missile tests splashing down north of Taiwan were a clumsy effort to intimidate the electorate there. President Lee has been pushing for more recognition of Taiwan in international organizations such as the World Trade Organization and the International Monetary Fund. The opposition party takes the position that Taiwan already is an independent nation; it holds a third of the parliamentary seats, and expects to gain in December.

China's efforts at intimidation will surely backfire, as they so clearly did in Hong Kong. While branded as "unpatriotic" and "subversive," Hong Kong's Democratic Party carried 12 of 20 contested seats, while like-minded independents took four more. Democratic leader Martin Lee got 80% of the votes in his own constituency, the highest margin of any candidate. The main pro-Beijing grouping, the DAB, captured only two seats, while its chairman and vice chairman were trounced in their races. These results confounded the public opinion polls, no doubt because residents did not give truthful answers to callers who might be reporting to Beijing.

It's easy enough to understand why voters in Hong Kong or Taiwan would have doubts about being ruled by the present government of China. It's been prone to lurches such as the Cultural Revolution and the post-Tiananmen crackdown. But at the same time, the current Chinese leadership can rightly feel that it has done much for its people over the past decade, by unleashing the economy and hastening development. In particular, an educated middle class has already started to emerge. The shape of China's transition, internal and external, will be determined by Chinese, but America and the Western World can help or hurt the prospects. With the Cold War over, surely there are few more important diplomatic tasks than incorporating a quarter of mankind into a peaceful and prosperous world system.

What China most of all needs from the world's remaining superpower is a constancy that has been sorely lacking. The world would have been far better off if the Clinton Administration had from the first said it would decide who could visit Ithaca. China did in the end release Harry Wu, after all, and has agreed to negotiate a code of conduct concerning the disputed and possibly oil-rich Spratly Islands. Beijing, that is, is perfectly capable of acting responsibly if someone stands up and asks it to.

The U.S. should be telling the Chinese authorities something like this: That the U.S. intends to maintain its historic "one China" policy, wishing the Han people well in efforts to forge one nation, but steadfastly opposing the use of force. That it's unthinkable that the U.S. would try to coerce a democratic Taiwan into an unwilling union, and seeking such an American commitment will be disruptive and counterproductive. That with the incorporation of Hong Kong in 1997, China will have an opportunity to show good faith by keeping its promise of a high degree of autonomy. That bringing Hong Kong to heel, destroying its institutions, is the last policy likely to result in a one China.

AMENDMENTS SUBMITTED

THE FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT FOR FISCAL YEAR 1996

DOLE (AND HELMS) AMENDMENT NO. 2707

Mr. HELMS (for Mr. DOLE for himself and Mr. HELMS) proposed an amendment to the bill (H.R. 1868) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1996, and for other purposes; as follows:

At the end of the committee amendment, add the following new title:

TITLE VII—CONSOLIDATION AND REINVENTION OF FOREIGN AFFAIRS AGENCIES

SEC. 701. SHORT TITLE.

This title may be cited as the "Foreign Affairs Reinvention Act of 1995".

SEC. 702. PURPOSES.

The purposes of this title are—

(1) to reorganize and reinvent the foreign affairs agencies of the United States in order to enhance the formulation, coordination, and implementation of United States foreign policy;

(2) to streamline and consolidate the functions and personnel of the Department of State, the Agency for International Development, the United States Information Agency, and the United States Arms Control and Disarmament Agency in order to eliminate redundancies in the functions and personnel of such agencies;

(3) to assist congressional efforts to balance the Federal budget and reduce the Federal debt;

(4) to strengthen the authority of United States ambassadors over all United States Government personnel and resources located in United States diplomatic missions in order to enhance the ability of the ambassadors to deploy such personnel and resources to the best effect to attain the President's foreign policy objectives;

(5) to encourage United States foreign affairs agencies to maintain a high percentage of the best qualified, most competent United States citizens serving in the United States Government while downsizing significantly the total number of people employed by such agencies; and

(6) to ensure that all functions of United States diplomacy be subject to recruitment, training, assignment, promotion, and egress based on common standards and procedures while preserving maximum interchange among such functions.

CHAPTER 1—REORGANIZATION OF FOREIGN AFFAIRS AGENCIES

SEC. 711. REORGANIZATION OF THE DEPARTMENT OF STATE AND INDEPENDENT FOREIGN AFFAIRS AGENCIES.

(a) SUBMISSION OF REORGANIZATION PLANS.—

(1) IN GENERAL.—The President is authorized to transmit to the appropriate congressional committees a reorganization plan or plans providing for the streamlining and consolidation of the foreign affairs agencies of the United States in order to carry out the purposes of section 702.

(2) ABOLITION OF AT LEAST TWO OF THE INDEPENDENT FOREIGN AFFAIRS AGENCIES.—The authority of paragraph (1) includes the authority to submit a plan providing for—

(A) the abolition of independent foreign affairs agencies which are described in at least two of the following clauses:

(i) The United States Arms Control and Disarmament Agency;

(ii) The United States Information Agency; and

(iii) The Agency for International Development and the International Development Cooperation Agency (exclusive of any component expressly established by statute); and

(B) the elimination in the duplication of functions and personnel between the Department of State and such other agency or agencies not abolished under subparagraph (A);

(C) the reduction in the aggregate number of positions in the Department of State and the independent foreign affairs agencies abolished pursuant to subparagraph (A) which are classified at each of levels II, III, and IV of the Executive Schedule;

(D) the reorganization and streamlining of the Department of State;

(E) the achievement of a cost savings of at least $3,000,000,000 over 4 years through the consolidation of agencies;

(F) the enhancement of the formulation, coordination, and implementation of policy; and

(G) the maintenance, to the maximum extent possible, of a United States presence abroad within budgetary constraints.

(b) PLAN ELEMENTS.—Each plan under subsection (a), consistent with the provisions of this title, shall—

(1) identify the functions of the independent foreign affairs agency or agencies that will be transferred to the Department of State under the plan, as well as those that will be abolished under the plan;

(2) identify the personnel and positions of the agency or agencies (including civil service personnel, Foreign Service personnel, and detailees) that will be transferred to the Department, separated from service with the agency or agencies, or be eliminated under the plan, and set forth a schedule for such transfers, separations, and terminations;

(3) identify the personnel and positions of the Department (including civil service personnel, Foreign Service personnel, and detailees) that will be transferred within the Department, separated from service with the Department, or eliminated under the plan and set forth a schedule for such transfers, separations, and terminations;

(4) specify the consolidations and reorganization of functions of the Department that will be required under the plan in order to permit the Department to carry out the functions transferred to the Department under the plan;

(5) specify the funds available to the independent foreign affairs agency or agencies that will be transferred to the Department under this title as a result of the implementation of the plan;

(6) specify the proposed allocations within the Department of unexpended funds of the independent foreign affairs agency or agencies;

(7) specify the proposed disposition of the property, facilities, contracts, records, and other assets and liabilities of the independent foreign affairs agency or agencies resulting from the abolition of any such agency and the transfer of the functions of the independent foreign affairs agencies to the Department; and

(8) contain a certification by the Director of the Office of Management and Budget that the Director estimates that the plan will achieve a budgetary cost savings to the Federal Government of at least $3,000,000,000 during the first four years after the plan becomes effective.

(c) LIMITATIONS ON CONTENTS OF PLAN.—(1) Sections 903, 904, and 905 of title 5, United States Code, shall apply to the plan transmitted under subsection (a), except that—

(1) the President may not withdraw a plan prior to the conclusion of the 60-day period of continuous session of Congress following the date on which the plan is submitted; and

(2) the plan may not establish a new agency or other independent entity within the executive branch of Government.

(d) EFFECTIVE DATE OF PLAN.—(1)(A) A plan transmitted under subsection (a) shall become effective on a date which is 60 calendar days of continuous session of Congress after the date on which the plan is transmitted to Congress, unless the Congress enacts a joint resolution, in accordance with subsection (e), disapproving the plan.

(B) Except as otherwise provided in this chapter, any provision of a plan submitted under subsection (a) may take effect later than the date on which the plan becomes effective.

(2) For purposes of paragraph (1)—

(A) continuity of session is broken only by an adjournment of Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of any period of time in which Congress is in continuous session.

(e) Congressional Priority Procedures.—(1) Except as provided in paragraph (2), sections 908, 910, 911, and 912 of title 5, United States Code, shall apply to the consideration by Congress of a joint resolution described in paragraph (3) that is introduced in a House of Congress.

(2) The following requirements shall apply to actions described in paragraph (1) without regard to chapter 9 of title 5, United States Code:

(A) A referral of joint resolutions under this section may only be made to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

(B) The reference in section 908 of such title to reorganization plans transmitted on or before December 31, 1984, shall have no force or effect.

(3) A joint resolution under this section means only a joint resolution of the Congress, the matter after the resolving clause of which is as follows: "That the Congress disapproves the reorganization plan numbered ___ transmitted to the Congress by the President on ___, 19___", which plan may include such modifications and revisions as are submitted by the President under section 903(c) of title 5, United States Code. The blank spaces therein are to be filled appropriately.

(4) The provisions of this subsection supersede any other provision of law.

(f) Abolition of Independent Foreign Affairs Agencies.—If the President does not transmit to Congress within six months after the date of enactment of this Act a single reorganization plan meeting the requirements of subsection (a)(2), or does not fully implement a plan so transmitted and made effective under this section, then the United States Arms Control and Disarmament Agency, the United States Information Agency, the Agency for International Development, and the International Development Cooperation Agency (exclusive of components expressly established by statute or reorganization plan) shall be abolished as of March 1, 1997, and the functions of such agencies shall be transferred in accordance with section 712.

(g) Definitions.—As used in this section—

(1) the term "foreign affairs agencies" means the Department of State and the independent foreign affairs agencies; and

(2) the term "independent foreign affairs agencies" means such Federal agencies (other than the Department of State) that solely perform functions that are funded under major budget category 150 and includes the United States Arms Control and Disarmament Agency, the United States Information Agency, the Agency for International Development, and the International Development Cooperation Agency.

SEC. 712. TRANSFERS OF FUNCTIONS.

(a) Department of State.—In the event of the abolition of the agencies specified in section 711(f) in accordance with that subsection, there are transferred to, and vested in, the Secretary of State on March 1, 1997, all functions vested by law (including by reorganization plan approved before the date of the enactment of this Act pursuant to chapter 9 of title 5, United States Code) in, or exercised by, the head of each of such agencies, the agencies themselves, or officers, employees, or components thereof, immediately prior to such date, except as otherwise provided in this section.

(b) Broadcasting Board of Governors.—There are transferred to, and vested in, a broadcasting board of governors to be established within the Department of State on March 1, 1997, all functions vested by law in, or exercised by, the Broadcasting Board of Governors of the United States Information Agency as of the day before that date.

SEC. 713. VOLUNTARY SEPARATION INCENTIVES.

(a) Authority To Pay Incentives.—The head of an agency referred to in subsection (b) may pay voluntary incentive payments to employees of the agency in order to avoid or minimize the need for involuntary separations from the agency as a result of the abolition of the agency and the consolidation of functions of the Department of State under this title.

(b) Covered Agencies.—Subsection (a) applies to the following agencies:

(1) The Department of State.

(2) The United States Arms Control and Disarmament Agency.

(3) The United States Information Agency.

(4) The Agency for International Development.

(c) Payment Requirements.—(1) The head of an agency shall pay voluntary separation incentive payments in accordance with the provisions of section 3 of the Federal Workforce Restructuring Act of 1994 (Public Law 103-226; 108 Stat. 111), except that an employee of the agency shall be deemed to be eligible for payment of a voluntary separation incentive payment under that section if the employee separates from service with the agency during the period beginning on the date of enactment of this Act and ending on February 28, 1997.

(2) The provisions of subsection (d) of such section 3 shall apply to any employee who is paid a voluntary separation incentive payment under this section.

(d) Funding.—The payment of voluntary separation incentive payments under this section shall be made from funds in the Foreign Affairs Reorganization Transition Fund established under section 1104. The Secretary of State may transfer sums in that Fund to the head of an agency under subsection (e)(1)(B) of that section for payment of such payments by the agency head.

(e) Termination of Authority.—The authority of the head of an agency to authorize payment of voluntary separation incentive payments under this section shall expire on February 28, 1997.

SEC. 714. TRANSITION FUND.

(a) Establishment.—There is hereby established on the books of the Treasury an account to be known as the "Foreign Affairs Reorganization Transition Fund".

(b) Purpose.—The purpose of the account is to provide funds for the orderly transfer of functions and personnel to the Department of State as a result of the implementation of this title and for payment of other costs associated with the consolidation of foreign affairs agencies under this title.

(c) Deposits.—(1) Subject to paragraphs (2) and (3), there shall be deposited into the account the following:

(A) Funds appropriated to the account pursuant to the authorization of appropriations in subsection (j).

(B) Funds transferred to the account by the Secretary of State from funds that are transferred to the Secretary by the head of an agency under subsection (d).

(C) Funds transferred to the account by the Secretary from funds that are transferred to the Department of State together with the transfer of functions to the Department under this title and that are not required by the Secretary in order to carry out the functions.

(D) Funds transferred to the account by the Secretary from any unobligated funds that are appropriated or otherwise made available to the Department.

(2) The Secretary may transfer funds to the account under subparagraph (C) of paragraph (1) only if the Secretary determines that the amount of funds deposited in the account pursuant to subparagraphs (A) and (B) of that paragraph is inadequate to pay the costs of carrying out this title.

(3) The Secretary may transfer funds to the account under subparagraph (D) of paragraph (1) only if the Secretary determines that the amount of funds deposited in the account pursuant to subparagraphs (A), (B), and (C) of that paragraph is inadequate to pay the costs of carrying out this title.

(d) Transfer of Funds to Secretary of State.—The head of a transferor agency shall transfer to the Secretary the amount, if any, of the unobligated funds appropriated or otherwise made available to the agency for functions of the agency that are abolished under this title which funds are not required to carry out the functions of the agency as a result of the abolishment of the functions under this title.

(e) Use of Funds.—(1)(A) Notwithstanding any other provision of law, the Secretary shall use sums in the account for payment of the costs of carrying out this title, including costs relating to the consolidation of functions of the Department of State and relating to the termination of employees of the Department.

(B) The Secretary may transfer sums in the account to the head of an agency to be abolished under this title for payment by the head of the agency of the cost of carrying out a voluntary separation incentive program at the agency under section 713.

(2) Funds in the account shall be available for the payment of costs under paragraph (1) without fiscal year limitation.

(3) Funds in the account may be used only for purposes of paying the costs of carrying out this title.

(f) Treatment of Unobligated Balances.—(1) Subject to paragraph (2), unobligated funds, if any, which remain in the account after the payment of the costs described in subsection (e)(1) shall be transferred to Department of State and shall be available to the Secretary of State for purposes of carrying out the functions of the Department.

(2) The Secretary may not transfer funds in the account to the Department under paragraph (1) unless the appropriate congressional committees are notified in advance of such transfer in accordance with the procedures applicable to reprogramming notifications under section 34 of the State Department Basic Authorities Act of 1956.

(g) Report on Account.—Not later than October 1, 1998, the Secretary of State shall transmit to the appropriate congressional committees a report containing an accounting of—

(1) the expenditures from the account established under this section; and

(2) in the event of any transfer of funds to the Department of State under subsection (f), the functions for which the funds so transferred were expended.

(i) Termination of Authority To Use Account.—The Secretary may not obligate funds in the account after September 30, 1999.

(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $200,000,000 for deposit under subsection (c)(1) into the account established under subsection (a).

SEC. 715. ASSUMPTION OF DUTIES BY APPROPRIATE APPOINTEES.

An individual holding office on the date of the enactment of this Act—

(1) who was appointed to the office by the President, by and with the advice and consent of the Senate;

(2) who is transferred to a new office in the Department of State under this title; and

(3) who performs duties in such new office that are substantially similar to the duties performed by the individual in the office held on such date,

may, in the discretion of the Secretary of State, assume the duties of such new office, and shall not be required to be reappointed by reason of the enactment of this title.

SEC. 716. RIGHTS OF EMPLOYEES OF ABOLISHED AGENCIES.

(a) IN GENERAL.—Except as otherwise provided by this title, the transfer pursuant to this title of full-time personnel (except special Government employees) and part-time personnel holding permanent positions shall not cause any such employee to be separated or reduced in grade or compensation for 1 year after the date of transfer of such employee under this title.

(b) EXECUTIVE SCHEDULE POSITIONS.—Except as otherwise provided in this title, any person who, on the day preceding the date of the abolition of a transferor agency under this title, held a position in such an agency that was compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, and who, without a break in service, is appointed in the Department of State to a position having duties comparable to the duties performed immediately preceding such appointment shall continue to be compensated in such new position at not less than the rate provided for such previous position, for the duration of the service of such person in such new position.

(c) TERMINATION OF CERTAIN POSITIONS.—Positions whose incumbents are appointed by the President, by and with the advice and consent of the Senate, the functions of which are transferred under this title, shall terminate on the date of the transferal of the functions under this title.

(d) EXCEPTED SERVICE.—(1) Subject to paragraph (2), in the case of employees occupying positions in the excepted service or the Senior Executive Service, any appointment authority established pursuant to law or regulations of the Office of Personnel Management for filling such positions shall be transferred.

(2) The Department of State may decline a transfer of authority under paragraph (1) (and the employees appointed pursuant thereto) to the extent that such authority relates to positions excepted from the competitive service because of their confidential, policy-making, policy-determining, or policy-advocating character, and noncareer positions in the Senior Executive Service (within the meaning of section 3132(a)(7) of title 5, United States Code).

(e) EMPLOYEE BENEFIT PROGRAMS.—(1) Any employee accepting employment with the Department of State as a result of such transfer may retain for 1 year after the date such transfer occurs membership in any employee benefit program of the transferor agency, including insurance, to which such employee belongs on the date of the enactment of this Act if—

(A) the employee does not elect to give up the benefit or membership in the program; and

(B) the benefit or program is continued by the Secretary of State.

(2) The difference in the costs between the benefits which would have been provided by such agency or entity and those provided by this section shall be paid by the Secretary of State. If any employee elects to give up membership in a health insurance program or the health insurance program is not continued by the Secretary of State, the employee shall be permitted to select an alternate Federal health insurance program within 30 days of such election or notice, without regard to any other regularly scheduled open season.

(f) SENIOR EXECUTIVE SERVICE.—A transferring employee in the Senior Executive Service shall be placed in a comparable position at the Department of State.

(g) ASSIGNMENTS.—(1) Transferring employees shall receive notice of their position assignments not later than the date on which the reorganization plan setting forth the transferal of such employees is transmitted to the appropriate congressional committees under this title.

(2) Foreign Service personnel transferred to the Department of State pursuant to this title shall be eligible for any assignment open to Foreign Service personnel within the Department.

SEC. 717. TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL.

(a) IN GENERAL.—Except as otherwise provided in this title, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred under this title, subject to section 1531 of title 31, United States Code, shall be transferred to the Department of State.

(b) TREATMENT OF PERSONNEL EMPLOYED IN TERMINATED FUNCTIONS.—The following shall apply with respect to officers and employees of a transferor agency that are not transferred under this title:

(1) Under such regulations as the Office of Personnel Management may prescribe, the head of any agency in the executive branch may appoint in the competitive service any person who is certified by the head of the transferor agency as having served satisfactorily in the transferor agency and who passes such examination as the Office of Personnel Management may prescribe. Any person so appointed shall, upon completion of the prescribed probationary period, acquire a competitive status.

(2) The head of any agency in the executive branch having an established merit system in the excepted service may appoint in such service any person who is certified by the head of the transferor agency as having served satisfactorily in the transferor agency and who passes such examination as the head of such agency in the executive branch may prescribe.

(3) Any appointment under this subsection shall be made within a period of 1 year after completion of the appointee's service in the transferor agency.

(4) Any law, Executive order, or regulation which would disqualify an applicant for appointment in the competitive service or in the excepted service concerned shall also disqualify an applicant for appointment under this subsection.

SEC. 718. PERSONNEL AUTHORITIES FOR TRANSFERRED FUNCTIONS.

(a) APPOINTMENTS.—(1) Subject to paragraph (2), the Secretary of State may appoint and fix the compensation of such officers and employees, including investigators, attorneys, and administrative law judges, as may be necessary to carry out the respective functions transferred to the Department of State under this title. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5, United States Code.

(2) A person employed under paragraph (1) may not continue in such employment after the end of the period (as determined by the Secretary) required for the transferal of functions under this title.

(b) EXPERTS AND CONSULTANTS.—The Secretary of State may obtain the services of experts and consultants in connection with functions transferred to the Department of State under this title in accordance with section 3109 of title 5, United States Code, and compensate such experts and consultants for each day (including traveltime) at rates not in excess of the rate of pay for level IV of the Executive Schedule under section 5315 of such title. The head Secretary may pay experts and consultants who are serving away from their homes or regular place of business travel expenses and per diem in lieu of subsistence at rates authorized by sections 5702 and 5703 of such title for persons in Government service employed intermittently.

SEC. 719. PROPERTY AND FACILITIES.

(a) IN GENERAL.—The Secretary of State shall review the property and facilities of each transferor agency for purposes of determining if the property is required by the Department of State in order to carry out the functions of the Department after the transfer of functions to the Department under this title.

(b) DEADLINE FOR TRANSFER.—Not later than March 1, 1997, all property and facilities within the custody of the transferor agencies shall be transferred to the custody of the Secretary of State.

SEC. 720. DELEGATION AND ASSIGNMENT.

Except where otherwise expressly prohibited by law or otherwise provided by this title, the Secretary of State may delegate any of the functions transferred to the Secretary under this title and any function transferred or granted to the Secretary after the effective date of this title to such officers and employees of the Department of State as the Secretary may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate. No delegation of functions by the Secretary under this section or under any other provision of this title shall relieve the Secretary of responsibility for the administration of such functions.

SEC. 721. RULES.

The Secretary of State may prescribe, in accordance with the provisions of chapters 5 and 6 of title 5, United States Code, such rules and regulations as the Secretary determines necessary or appropriate to administer and manage the functions of the Department of State after the transfer of functions to the Department under this title.

SEC. 722. INCIDENTAL TRANSFERS.

The Director of the Office of Management and Budget may, at such time or times as the Director shall provide, make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out the provisions of this title. The Director shall provide for the termination of the affairs of all entities terminated by this title and for such further measures and dispositions as may be necessary to effectuate the purposes of this title.

SEC. 723. EFFECT ON CONTRACTS AND GRANTS.

(a) PROHIBITION ON NEW OR EXTENDED CONTRACTS OR GRANTS.—Except as provided in subsection (b), the United States Arms Control and Disarmament Agency, the United States Information Agency, and the Agency for International Development may not—

(1) enter into a contract or agreement which will continue in force after the termination date, if any, of such agency under this title;

(2) extend the term of an existing contract or agreement of such agency to a date after such date; or

(3) make a grant which will continue in force after such date.

(b) EXCEPTION.—Subsection (a) does not apply to the following:

(1) Contracts and agreements for carrying out essential administrative functions.

(2) Contracts and agreements for functions and activities that the Secretary of State determines will be carried out by the Department of State after the termination of the agency concerned under this title.

(3) Grants relating to the functions and activities referred to in paragraph (2).

(c) EVALUATION AND TERMINATION OF EXISTING CONTRACTS.—The Secretary of State and the head of each agency referred to in subsection (a) shall—

(1) review the contracts of such agency that will continue in force after the date, if any, of the abolishment of the agency under this title in order to determine if the cost of abrogating such contracts before that date would be exceed the cost of carrying out the contract according to its terms; and

(2) in the case of each contract so determined, provide for the termination of the contract in the most cost-effective manner practicable.

SEC. 724. SAVINGS PROVISIONS.

(a) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(1) which have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred under this title, and

(2) which are in effect at the time this title takes effect, or were final before the effective date of this title and are to become effective on or after the effective date of this title,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Secretary of State or other authorized official, a court of competent jurisdiction, or by operation of law.

(b) PROCEEDINGS NOT AFFECTED.—The provisions of this title shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before the transferor agency at the time this title takes effect for that agency, with respect to functions transferred under this title but such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this title had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this title had not been enacted.

(c) SUITS NOT AFFECTED.—The provisions of this title shall not affect suits commenced before the effective date of this title, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this title had not been enacted.

(d) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the transferor agency, or by or against any individual in the official capacity of such individual as an officer of the transferor agency, shall abate by reason of the enactment of this title.

(e) ADMINISTRATIVE ACTIONS RELATING TO PROMULGATION OF REGULATIONS.—Any administrative action relating to the preparation or promulgation of a regulation by the transferor agency relating to a function transferred under this title may be continued by the Secretary of State with the same effect as if this title had not been enacted.

SEC. 725. SEPARABILITY.

If a provision of this title or its application to any person or circumstance is held invalid, neither the remainder of this title nor the application of the provision to other persons or circumstances shall be affected.

SEC. 726. TRANSITION.

The Secretary of State may utilize—

(1) the services of such officers, employees, and other personnel of the transferor agency with respect to functions transferred to the Department of State under this title; and

(2) funds appropriated to such functions for such period of time as may reasonably be needed to facilitate the orderly implementation of this title.

SEC. 727. ADDITIONAL CONFORMING AMENDMENTS.

The President may submit a report to the appropriate congressional committees containing such recommendations for such additional technical and conforming amendments to the laws of the United States as may be appropriate to reflect the changes made by this title.

SEC. 728. FINAL REPORT.

Not later than October 1, 1998, the President shall provide by written report to the Congress a final accounting of the finances and operations of the United States Arms Control and Disarmament Agency, the United States Information Agency, and the Agency for International Development.

SEC. 729. DEFINITIONS.

For purposes of this chapter, unless otherwise provided or indicated by the context—

(1) the term "appropriate congressional committees" means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives;

(2) the term "Federal agency" has the meaning given to the term "agency" by section 551(1) of title 5, United States Code;

(3) the term "function" means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program;

(4) the term "office" includes any office, administration, agency, institute, unit, organizational entity, or component thereof;

(5) the term "transferee agency" means—

(A) the Department of State, with respect to functions transferred under section 712(a), or as otherwise specified in a reorganization plan under this title; and

(B) the Broadcasting Board of Governors of the Department of State, with respect to functions transferred under section 712(b); and

(6) the term "transferor agency" refers to—

(A) each of the agencies specified in section 711(f), except that in the case of the functions of the Broadcasting Board of Governors, the transferor agency is the Broadcasting Board of Governors within the United States Information Agency; and

(B) Such other agency or instrumentality as may be specified in a reorganization plan under this title.

SEC. 730. LIMITATION ON PERSONNEL STRENGTH OF THE DEPARTMENT OF STATE.

(a) END FISCAL YEAR 1996 LEVELS.—The number of employees of the Department of State (including members of the Foreign Service) who are authorized to be employed as of February 28, 1997, shall not exceed a number which is 9 percent less than the number of such employees who are so employed immediately prior to the date of enactment of this Act.

(b) END FISCAL YEAR 1997 LEVELS.—The number of employees of the Department of State (including members of the Foreign Service) who are authorized to be employed as of September 30, 1997, shall not exceed a number which is 3 percent less than the number of such employees who are authorized to be so employed as of February 28, 1997.

(c) END FISCAL YEAR 1998 LEVELS.—The number of employees of the Department of State (including members of the Foreign Service) who are authorized to be employed as of September 30, 1998, shall not exceed a number which is 2 percent less than the number of such employees who are authorized to be so employed as of September 30, 1997.

CHAPTER 2—COORDINATION OF GOVERNMENT PERSONNEL AT OVERSEAS POSTS

SEC. 741. PROCEDURES FOR COORDINATION OF GOVERNMENT PERSONNEL AT OVERSEAS POSTS.

(a) AMENDMENT OF THE FOREIGN SERVICE ACT OF 1980.—Section 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927) is amended—

(1) by redesignating subsection (c) as subsection (e); and

(2) by inserting after subsection (b) the following:

"(c)(1) In carrying out subsection (b), the head of each department, agency, or other entity of the executive branch of Government shall ensure that, in coordination with the Department of State, the approval of the chief of mission to a foreign country is sought on any proposed change in the size, composition, or mandate of employees of the respective department, agency, or entity (other than employees under the command of a United States area military commander) if the employees are performing duties in that country.

"(2) In seeking the approval of the chief of mission under paragraph (1), the head of a department, agency, or other entity of the executive branch of Government shall comply with the procedures set forth in National Security Decision Directive Number 38, as in effect on June 2, 1982, and the implementing guidelines issued thereunder.

"(d) The Secretary of State, in the sole discretion of the Secretary, may accord diplomatic titles, privileges, and immunities to employees of the executive branch of Government who are performing duties in a foreign country.".

(b) REVIEW OF PROCEDURES FOR COORDINATION.—(1) The President shall conduct a review of the procedures contained in National Security Decision Directive Number 38, as in effect on June 2, 1982, and the practices in implementation of those procedures, to determine whether the procedures and practices have been effective to enhance significantly the coordination among the several departments, agencies, and entities of the executive branch of Government represented in foreign countries.

(2) Not later than 180 days after the date of enactment of this Act, the President shall submit to the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives a report containing the findings of the review conducted under paragraph (1), together with any recommendations for legislation as the President may determine to be necessary.

BROWN (AND OTHERS) AMENDMENT NO. 2708

Mr. BROWN (for himself, Mr. HARKIN and Ms. MOSELEY-BRAUN) proposed an amendment to the bill H.R. 1868, supra; as follows:

At the end of the committee amendment on page 15, line 17 through page 16, line 24, insert the following:

SEC. . CLARIFICATION OF RESTRICTIONS.

(a) IN GENERAL.—Section 620E of the Foreign Assistance Act of 1961 (22 U.S.C. 2375) is amended—

(1) in subsection (e)—

(A) by striking the words "No assistance" and inserting the words "No military assistance";

(B) by striking the words "in which assistance is to be furnished or military equipment or technology" and inserting the words "in which military assistance is to be furnished or military equipment or technology"; and

(C) by striking the words "the proposed United States assistance" and inserting the words "the proposed United States military assistance".

(D) by inserting "(1)" immediately after "(e)"; and

(E) by adding the following new paragraph:

"(2) The prohibitions in this section do not apply to any assistance or transfer provided for the purposes of:

"(A) International narcotics control (including Chapter 8 of Part I of this Act) or any provision of law available for providing assistance for counternarcotics purposes;

"(B) Facilitating military-to-military contact, training (including Chapter 5 of Part II of this Act) and humanitarian and civic assistance projects;

"(C) Peacekeeping and other multilateral operations (including Chapter 6 of Part II of this Act relating to peacekeeping) or any provision of law available for providing assistance for peacekeeping purposes, except that lethal military equipment provided under this subparagraph shall be provided on a lease or loan basis only and shall be returned upon completion of the operation for which it was provided;

"(D) Antiterrorism assistance (including Chapter 8 of Part II of this Act relating to antiterrorism assistance) or any provision of law available for antitorrism assistance purposes;

"(3) The restrictions of this subsection shall continue to apply to contracts for the delivery of F-16 aircraft to Pakistan.

"(4) Notwithstanding the restrictions contained in this subsection, military equipment, technology, or defense services, other than F-16 aircraft, may be transferred to Pakistan pursuant to contracts or cases entered into before October 1, 1990."; and

(2) by adding at the end the following new subsections—

"(f) STORAGE COSTS.—The President may release the Government of Pakistan of its contractual obligation to pay the United States Government for the storage costs of items purchased prior to October 1, 1990, but not delivered by the United States Government pursuant to subsection (e) and may reimburse the Government of Pakistan for any such amounts paid, on such terms and conditions as the President may prescribe, provided that such payments have no budgetary impact.

"(g) INAPPLICABILITY OF RESTRICTIONS TO PREVIOUSLY OWNED ITEMS.—Section 620E(e) does not apply to broken, worn or unupgraded items or their equivalent which Pakistan paid for and took possession of prior to October 1, 1990 and which the Government of Pakistan sent to the United States for repair or upgrade. Such equipment or its equivalent may be returned to the Government of Pakistan provided that the President determines and so certifies to the appropriate congressional committees that such equipment or equivalent neither constitutes nor has received any significant qualitative upgrade since being transferred to the United States and that its total value does not exceed $25 million."

"(h) BALLISTIC MISSILE SANCTIONS NOT AFFECTED.—Nothing contained herein shall affect sanctions for transfers of missile equipment or technology required under section 11B of the Export Administration Act of 1979 or section 73 of the Arms Export Control Act."

D'AMATO (AND OTHERS) AMENDMENT NO. 2709

Mr. D'AMATO (for himself, Mr. PRESSLER, Ms. SNOWE, Mr. SARBANES, and Mr. KERRY) proposed an amendment to the bill H.R. 1868, supra; as follows:

At the appropriate place in the bill, insert the following:

LIMITATION ON ASSISTANCE TO TURKEY

SEC.____. Not more than $21,000,000 of the funds appropriated in this Act under the heading "Economic Support Fund" may be made available to the Government of Turkey.

On page 11, line 10, before the period at the end of the line, insert the following: ": *Provided further*, That $10,000,000 of the funds made available under this heading shall be transferred to, and merged with, the following accounts in the following amounts: $5,000,000 for the Department of the Treasury, and $5,000,000 for the Department of Justice, to support law enforcement training activities in foreign countries for the purpose of improving the effectiveness of the United States in investigating and prosecuting transnational offenses".

KASSEBAUM (AND OTHERS) AMENDMENT NO. 2710

Mr. MCCONNELL (for Mrs. KASSEBAUM, for herself, Mr. FEINGOLD, and Mr. SIMON) proposed an amendment to the bill H.R. 1868, supra; as follows:

At the appropriate place in the bill, insert the following:

LIBERIA

SEC. ____. (a) The Congress finds that—

(1) the war in Liberia begun in 1989 has devastated that country, with more than 150,000 people killed, 800,000 people forced to flee to other countries, and thousands of children conscripted into the rebel armies;

(2) after nearly six years of conflict, on August 19, 1995, the Liberia factions signed a peace agreement in Abuja, Nigeria; and

(3) the Liberian faction leaders and regional powers appear to be committed to the most recent peace accord, including the installation of the new ruling council.

(b) It is the sense of the Congress that the United States should strongly support the peace process in Liberia, including diplomatic engagement, support for the west Africa peacekeeping force, humanitarian assistance, and assistance for demobilizing troops and for the resettlement of refugees.

(c) Section 1(b)(2) of Public Law 102-270 is amended by striking "to implement the Yamoussoukro accord".

REID AMENDMENT NO. 2711

Mr. REID proposed an amendment to the bill H.R. 1868, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . FEDERAL PROHIBITION OF FEMALE GENITAL MUTILATION.

(a) TITLE 18 AMENDMENT.—

(1) IN GENERAL.—Chapter 7 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 116. Female genital mutilation

"(a) Except as provided in subsection (b), whoever knowingly circumcises, excises, or infibulates the whole or any part of the labia majora or labia minora or clitoris of another person who has not attained the age of 18 years shall be fined under this title or imprisoned not more than 5 years, or both.

"(b) A surgical operation is not a violation of this section if the operation is—

"(1) necessary to the health of the person on whom it is performed, and is performed by a person licensed in the place of its performance as a medical practitioner; or

"(2) performed on a person in labor or who has just given birth and is performed for medical purposes connected with that labor or birth by a person licensed in the place it is performed as a medical practitioner, midwife, or person in training to become such a practitioner or midwife.

"(c) In applying subsection (b)(1), no account shall be taken of the effect on the person on whom the operation is to be performed of any belief on the part of that or any other person that the operation is required as a matter of custom or ritual.

"(d) Whoever knowingly denies to any person medical care or services or otherwise discriminates against any person in the provision of medical care or services, because—

"(1) that person has undergone female circumcision, excision, or infibulation; or

"(2) that person has requested that female circumcision, excision, or infibulation be performed on any person;

shall be fined under this title or imprisoned not more than one year, or both.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 7 of title 18, United States Code, is amended by adding at the end the following new item:

"116. Female genital mutilation.".

(b) INFORMATION AND EDUCATION REGARDING FEMALE GENITAL MUTILATION.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall carry out the following activities:

(A) Compile data on the number of females living in the United States who have been subjected to female genital mutilation (whether in the United States or in their countries of origin), including a specification of the number of girls under the age of 18 who have been subjected to such mutilation.

(B) Identify communities in the United States that practice female genital mutilation, and design and carry out outreach activities to educate individuals in the communities on the physical and psychological health effects of such practice. Such outreach activities shall be designed and implemented in collaboration with representatives of the ethnic groups practicing such mutilation and with representatives of organizations with expertise in preventing such practice.

(C) Develop recommendations for the education of students of schools of medicine and osteopathic medicine regarding female genital mutilation and complications arising from such mutilation. Such recommendations shall be disseminated to such schools.

(2) DEFINITION.—For purposes of this subsection, the term "female genital mutilation" means the removal or infibulation (or both) of the whole or part of the clitoris, the labia minor, or the labia major.

(c) EFFECTIVE DATES.—

(1) Subsection (b) shall take effect immediately, and the Secretary of Health and Human Services shall commence carrying it out not later than 90 days after the date of the enactment of this Act.

(2) Subsection (a) shall take effect 180 days after the date of the enactment of this Act.

MURKOWSKI (AND OTHERS) AMENDMENT NO. 2712

Mr. MURKOWSKI (for himself, Mr. MCCAIN, Mr. HELMS, and Mr. NICKLES) proposed an amendment to the bill H.R. 1868, supra, as follows:

At the appropriate place insert the following:

AUTHORIZATION FOR IMPLEMENTATION OF THE AGREED FRAMEWORK BETWEEN THE UNITED STATES AND NORTH KOREA

SEC. 575. (a) This section may be cited as the "Authorization for Implementation of the Agreed Framework Between the United States and North Korea Act".

(b)(1) The purpose of this section is to set forth requirements, consistent with the Agreed Framework, for the United States implementation of the Agreed Framework.

(2) Nothing in this section requires the United States to take any action which would be inconsistent with any provision of the Agreed Framework.

(c)(1) The United States may not exercise any action under the Agreed Framework that would require the obligation or expenditure of funds except to the extent and in the amounts provided in an Act authorizing appropriations and in an appropriations Act.

(2) No funds may be made available under any provision of law to carry out activities described in the Agreed Framework unless the President determines and certifies to Congress that North Korea is in full compliance with the terms of the Agreed Framework.

(d) None of the funds made available to carry out any program, project, or activity funded under any provision of law may be used to maintain relations with North Korea at the ambassadorial level unless North Korea has satisfied the IAEA safeguards requirement described in subsection (g), the additional requirements set forth in subsection (h), and the nuclear nonproliferation requirements of subsection (i).

(e)(1) The President shall not terminate the economic embargo of North Korea until North Korea has satisfied the IAEA safeguards requirement described in subsection (g), the additional requirements set forth in subsection (h), and the nuclear nonproliferation requirements of subsection (i).

(2) As used in this subsection, the term "economic embargo of North Korea" means the regulations of the Department of the Treasury restricting trade with North Korea under section 5(b) of the Trading With the Enemy Act (50 U.S.C. App. 5(b)).

(f)(1) If North Korea does not maintain the freeze of its graphite-moderated nuclear program as defined in the Agreed Framework, or if North Korea diverts heavy oil for purposes not specified in the Agreed Framework, then—

(A) no additional heavy oil may be exported to North Korea if such oil is subject to the jurisdiction of the United States, or is exported by a person subject to the jurisdiction of the United States;

(B) the United States shall immediately cease any direct or indirect support for any exports of heavy oil to North Korea; and

(C) the President shall oppose steps to export heavy oil to North Korea by all other countries in the Korean Peninsula Energy Development Organization.

(2) Whoever violates paragraph (1)(A) having the requisite knowledge described in section 11 of the Export Administration Act of 1979 (50 U.S.C. App. 2410) shall be subject to the same penalties as are provided in that section for violations of that Act.

(g) The requirement of this section is satisfied when the President determines and certifies to the appropriate congressional committees that North Korea is in full compliance with its safeguards agreement with the International Atomic Energy Agency (INFCIRC/403), in accordance with part IV (3) of the Agreed Framework under the timetable set forth therein, as determined by the Agency after—

(1) conducting inspections of the two suspected nuclear waste sites at the Yongbyon nuclear complex; and

(2) conducting such other inspections in North Korea as may be deemed necessary by the Agency.

(h) The additional requirements referred to in subsections (d) and (e) are the following, as determined and certified by the President to the appropriate congressional committees:

(1) That progress has been made in talks between North Korea and the Republic of Korea, including implementation of confidence-building measures by North Korea as well as other concrete steps to reduce tensions.

(2) That the United States and North Korea have established a process for returning the remains of United States military personnel who are listed as missing in action (MIAs) during the Korean conflict between 1950 and 1953, including field activities conducted jointly by the United States and North Korea.

(3) That North Korea no longer meets the criteria for inclusion on the list maintained by the Secretary of State under section 6(j)(1)(A) of the Export Administration Act of 1979 of countries the governments of which repeatedly provide support for acts of international terrorism.

(4) That North Korea has taken positive steps to demonstrate a greater respect for internationally recognized human rights.

(5) That North Korea has agreed to control equipment and technology in accordance with the criteria and standards set forth in the Missile Technology Control Regime, as defined in section 74(2) of the Arms Export Control Act (22 U.S.C. 2797c).

(i) The nuclear nonproliferation requirements referred to in subsections (d) and (e) are the following, as determined and certified by the President to the appropriate congressional committees and the Committee on Energy and Natural Resources of the Senate:

(1) All spent fuel from the graphite-moderated nuclear reactors of North Korea have been removed from the territory of North Korea as is consistent with the Agreed Framework.

(2) The International Atomic Energy Agency has conducted any and all inspections that it deems necessary to account fully for the stocks of plutonium and other nuclear materials in North Korea, including special inspections of suspected nuclear waste sites, before any nuclear components controlled by the Nuclear Supplier Group Guidelines are delivered for a light water reactor for North Korea.

(3) The dismantlement of all graphite-based nuclear reactors in North Korea, including reprocessing facilities, has been completed in accordance with the Agreed Framework and in a manner that effectively bars in perpetuity any reactivation of such reactors and facilities.

(j) The United States shall suspend actions described in the Agreed Framework if North Korea reloads its existing 5 megawatt nuclear reactor or resumes construction of nuclear facilities other than those permitted to be built under the Agreed Framework.

(k) The President may waive the application of subsection (g), (h), (i), or (j) if the President determines, and so notifies in writing the appropriate congressional committees, that to do so is vital to the security interests of the United States.

(l) Beginning 6 months after the date of enactment of this Act, and every 12 months thereafter, the President shall transmit to the appropriate congressional committees a report setting forth—

(A) an assessment of the extent of compliance by North Korea with all the provisions of the Agreed Framework and this subtitle;

(B) a statement of the progress made on construction of light-water reactors, including a statement of all contributions, direct and indirect, made by any country to the Korean Peninsula Energy Development Organization from the date of signature of the Agreed Framework to the date of the report;

(C) a statement of all contributions, direct or indirect, by any country which is not a member of the Korean Peninsula Energy Development Organization for implementation of the Agreed Framework;

(D) a statement of all expenditures made by the Korean Peninsula Energy Development Organization, either directly or indirectly, for implementation of the Agreed Framework;

(E) an estimate of the date by which North Korea is expected to satisfy the IAEA safeguards requirement described in subsection (g);

(F) a statement whether North Korea is transferring missiles or missile technology to other countries, including those countries that are state sponsors of international terrorism;

(G) a description of any new developments or advances in North Korea's nuclear weapons program;

(H) a statement of the progress made by the United States in fulfilling its actions under the Agreed Framework, including any steps taken toward normalization of relations with North Korea;

(I) a statement of any progress made on dismantlement and destruction of the graphite-moderated nuclear reactors of North Korea and related facilities;

(J) a description of the steps being taken to implement the North-South Joint Declaration on the Denuclearization of the Korean Peninsula;

(K) an assessment of the participation by North Korea in talks between North Korea and the Republic of Korea; and

(L) a description of any action taken by the President under subsection (f)(1)(B).

(2) To the maximum extent possible, the President should submit the report in unclassified form.

(1) As used in this section:

(1) AGREED FRAMEWORK.—The term "Agreed Framework" means the document entitled "Agreed Framework Between the United States of America and the Democratic People's Republic of Korea", signed October 21, 1994, at Geneva, and the attached Confidential Minute.

(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means the Committees on Foreign Relations and Armed Services of the Senate and the Committees on International Relations and National Security of the House of Representatives.

(3) IAEA SAFEGUARDS.—The term "IAEA safeguards" means the safeguards set forth in an agreement between a country and the International Atomic Energy Agency, as authorized by Article III(A)(5) of the Statute of the International Atomic Energy Agency.

(4) NORTH KOREA.—The term "North Korea" means the Democratic People's Republic of Korea, including any agency or instrumentality thereof.

(5) INSPECTIONS.—The term "inspections" means inspections conducted by the International Atomic Energy Agency pursuant to an IAEA safeguards agreement, including special inspection of undeclared information or locations if the IAEA cannot account for nuclear material and is therefore unable to verify that there has been no diversion of nuclear materials.

MACK AMENDMENT NO. 2713

(Ordered to lie on the table.)

Mr. MACK submitted an amendment intended to be proposed by him to the bill H.R. 1868, supra; as follows:

At the appropriate place in the bill, insert the following:

LIMITATION ON INTER-AMERICAN BANK FINANCING FOR BARBADOS

SEC. _____. The Secretary of the Treasury shall instruct the United States executive director of the Inter-American Development Bank hereafter to work in opposition to, and vote against, any extension by the Bank of any loan or other utilization of the resources of the Bank to or for Barbados until the Government of Barbados agrees to enter into mediation to resolve the claim against it by G.W. Martin, Incorporated, of Pompano Beach, Florida, in connection with work performed under a contract for marine construction.

SPECTER (AND HELMS) AMENDMENT NO. 2714

Mr. MCCONNELL (for Mr. SPECTER, for himself and Mr. HELMS) proposed an amendment to the bill H.R. 1868, supra; as follows:

On page 81, line 21, strike "paragraph" and insert "paragraphs."

On page 81, line 23, after "enforcement." insert the following:

"(6) with respect to assistance provided to reconstitute civilian police authority and capability in the post-conflict restoration of host nation infrastructure for the purposes of supporting a nation emerging from instability, and the provision of professional public safety training, to include training in internationally recognized standards of human rights, the rule of law, anti-corruption, and the promotion of civilian police roles that support democracy."

McCONNELL AMENDMENT NO. 2715

Mr. MCCONNELL proposed an amendment to the bill H.R. 1868, supra; as follows:

On page 67, line 11, add the following section:

(b) Direct costs associated with meeting a foreign customer's additional or unique requirements will continue to be allowable under such contracts. Loadings applicable to such direct costs shall be permitted at the same rates applicable to procurement of like items purchased by the Department of Defense for its own use.

MACK AMENDMENT NO. 2716

Mr. MCCONNELL (for Mr. MACK) proposed an amendment to the bill H.R. 1868, supra; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . INDEX OF ECONOMIC FREEDOM.

(a) REPORTING REQUIREMENT.—The President shall include in the congressional presentation materials on United States bilateral economic assistance submitted to the appropriate congressional committees for a fiscal year a report providing a concise overview of the prospects for economic growth on a broad, equitable, and sustainable basis in the countries receiving economic assistance under title II of this Act. For each country, the report shall discuss the laws, policies and practices of that country that most contribute to or detract from the achievement of this kind of growth. The report should address relevant macroeconomic, microeconomic, social, legal, environmental, and political factors and include economic freedom criteria regarding policies wage and price controls, state ownership of production and distribution, state control of financial institutions, trade and foreign investment, capital and profit repatriation, tax and private property protections.

(b) COUNTRIES.—The countries referred to in subsection (a) are countries—

(1) for which in excess a total of $5,000,000 has been obligated during the previous fiscal year for assistance under sections 103 through 106, chapters 10, 11 of party I, and chapter 4 of part II of the Foreign Assistance Act of 1961, and under the support for Eastern Democracy Act of 1989; or

(2) for which in excess of $1,000,000 has been obligated during the previous fiscal year for assistance administered by the Overseas Private Investment Corporation.

(c) CONSULTATION.—The Secretary of State shall submit the report required by subsection (a) in consultation with the Secretary of the Treasury, the Administrator of the Agency for International Development, and the President of the Overseas private Investment Corporation.

STEVENS AMENDMENT NO. 2717

Mr. MCCONNELL (for Mr. STEVENS) proposed an amendment to the bill H.R. 1868, supra; as follows:

Add the following in the appropriate section:

"To the maximum extent possible, the funds provided by this Act shall be used to provide surveying and mapping related services through contracts entered into through competitive bidding to qualified U.S. contractors."

BINGAMAN AMENDMENT NO. 2718

Mr. MCCONNELL (for Mr. BINGAMAN) proposed an amendment to the bill H.R. 1868, supra; as follows:

At the appropriate place, insert the following:

SEC. . ENERGY SAVINGS AT FEDERAL FACILITIES

(a) REDUCTION IN FACILITIES ENERGY COSTS.—The head of each agency for which funds are made available under this Act shall take all actions necessary to achieve during fiscal year 1996 a 5 percent reduction, from fiscal year 1995 levels, in the energy costs of the facilities used by the agency.

(b) USE OF COST SAVINGS.—An amount equal to the amount of cost savings realized by an agency under subsection (a) shall remain available for obligation through the end of fiscal year 1997, without further authorization or appropriation, as follows:

(1) CONSERVATION MEASURES.—Fifty percent of the amount shall remain available for the implementation of additional energy conservation measures and for water conservation measures at such facilities used by the agency as are designated by the head of the agency.

(2) OTHER PURPOSES.—Fifty percent of the amount shall remain available for use by the agency for such purposes as are designated by the head of the agency, consistent with applicable law.

(c) REPORT.—

(1) IN GENERAL.—Not later than December 31, 1996, the head of each agency described in subsection (a) shall submit a report to Congress specifying the results of the actions taken under subsection (a) and providing any recommendations concerning how to further reduce energy costs and energy consumption in the future.

(2) CONTENTS.—Each report shall—

(A) specify the total energy costs of the facilities used by the agency;

(B) identify the reductions achieved; and

(C) specify the actions that resulted in the reductions.

MACK AMENDMENTS NOS. 2719–2721

Mr. McCONNELL (for Mr. MACK) proposed three amendments to the bill H.R. 1868, supra; as follows:

AMENDMENT NO. 2719

On page 39, after line 19, insert the following: "*Provided further*, That not more than twenty-one days prior to the obligation of each such sum, the Secretary shall submit a certification to the Committees on Appropriations that the Bank has not approved any loans to Iran since October 1, 1994, or the President of the United States certifies that withholding of these funds is contrary to the national interest of the United States."

AMENDMENT NO. 2720

At the appropriate place in the bill, insert the following new section:

SEC. . REPORTS REGARDING HONG KONG.

(a) EXTENSION OF REPORTING REQUIREMENT.—Section 301 of the United States-Hong Kong Policy Act of 1992 (22 U.S.C. 5731) is amended in the text above paragraph (1)—

(1) by inserting "March 31, 1996," after "March 31, 1995,"; and

(2) by striking "and March 31, 2000," and inserting "March 31, 2000, and every year thereafter,".

(b) ADDITIONAL REQUIREMENTS.—In light of deficiencies in reports submitted to the Congress pursuant to section 301 of the United States-Hong Kong Policy Act (22 U.S.C. 5731), the Congress directs that reports required to be submitted under that section on or after the date of enactment of this Act include detailed information on the status of, and other developments affecting, implementation of the Sino-British Joint Declaration on the Question of Hong Kong, including—

(1) the Basic Law and its consistency with the Joint Declaration;

(2) the openness and fairness of elections to the legislature;

(3) the openness and fairness of the election of the chief executive and the executive's accountability to the legislature;

(4) the treatment of political parties;

(5) the independence of the judiciary and its ability to exercise the power of final judgment over Hong Kong law; and

(6) the Bill of Rights.

AMENDMENT NO. 2721

At the appropriate place in the bill, insert the following new section:

SEC. . INDEX OF ECONOMIC FREEDOM.

(a) REPORTING REQUIREMENT.—The President shall include in the congressional presentation materials on United States bilateral economic assistance submitted to the appropriate congressional committees for a fiscal year a report providing a concise overview of the prospects for economic growth on a broad, equitable, and sustainable basis in the countries receiving economic assistance under title II of this Act. For each country, the report shall discuss the laws, policies and practices of that country that most contribute to or detract from the achievement of this kind of growth. The report should address relevant macroeconomic, microeconomic, social, legal, environmental, and political factors and include economic freedom criteria regarding policies wage and price controls, state ownership of production and distribution, state control of financial institutions, trade and foreign investment, capital and profit repatriation, tax and private property protections.

LEAHY (AND OTHERS) AMENDMENT NO. 2722

Mr. McCONNELL (for Mr. LEAHY, for himself, Mr. DODD, and Mr. SARBANES) proposed an amendment to the bill H.R. 1868, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. ——. HONDURAS.

(a) FINDINGS.—The Congress makes the following findings:

(1) In 1981, a secret Honduran army death squad known as Battalion 316 was created. During the 1980's Battalion 316 engaged in a campaign of systematically kidnapping, torturing and murdering suspected subversives. Victims included Honduran students, teachers, labor leaders and journalists. In 1993 there were reportedly 184 unsolved cases of persons who were allegedly "disappeared." They are presumed dead.

(2) At the time, Administration officials were aware of the activities of Battalion 316, but in its 1983 human rights report the State Department stated that "There are no political prisoners in Honduras."

(b) DECLASSIFICATION OF DOCUMENTS.—It is the sense of the Congress that the President should order the expedited declassification of any documents in the possession of the United States Government pertaining to persons who allegedly "disappeared" in Honduras, and promptly make such documents available to Honduran authorities who are seeking to determine the fate of these individuals.

SMITH (AND OTHERS) AMENDMENT NO. 2723

Mr. SMITH (for himself, Mr. THOMAS, Ms. SNOWE, Mr. HELMS, and Mr. DOLE) proposed an amendment to the bill H.R. 1868, supra; as follows:

At the end of the Committee amendment, add the following:

PROHIBITION ON FINANCIAL ASSISTANCE TO THE SOCIALIST REPUBLIC OF VIETNAM

SEC. . None of the funds appropriated or otherwise made available by this Act may be used to establish most-favored-nation trading status with the Socialist Republic of Vietnam, or to extend financing or other financial assistance to the Socialist Republic of Vietnam from the Export-Import Bank of the United States, Overseas Private Investment Corporation, or Trade and Development Agency unless the President—

(1) provides Congress with the original case-by-case analytical assessments on unaccounted for American servicemen from the Vietnam Conflict which were completed by the Defense POW/MIA Office in July, 1995; and

(2) certifies to Congress that the Socialist Republic of Vietnam is being fully cooperative and fully forthcoming, on the basis of information available to the United States Government, in the four areas stipulated by the President, namely—

(A) concrete results from efforts by Vietnam to recover and repatriate American remains;

(B) continued resolution of discrepancy cases, live-sightings, and field activities,

(C) further assistance in implementing trilateral investigations with the Lao; and

(D) accelerated efforts to provide all documents that will help lead to the fullest possible accounting of POW/MIAs; and

(3) certifies to Congress, after consultation with the Director of Central Intelligence, that the Socialist Republic of Vietnam is being fully forthcoming in providing the United States with access to those portions of wartime Central Committee-level records and reports that pertain to the subject of Americans captured or held during the Vietnam War by North Vietnamese, Pathet Lao, or Vietcong forces in Vietnam, Laos, and Cambodia; and

(4) certifies to Congress that the Government of the Socialist Republic of Vietnam is making substantial progress to address United States concerns about the continued suppression of the nonviolent pursuit of democratic freedoms by the people of Vietnam, including freedom of expression and association, and the continued imprisonment of political and religious leaders, including American citizens.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the full Committee on Energy and Natural Resources to consider the nominations of Derrick Forrister to be Assistant Secretary for Congressional and Intergovernmental Affairs, Department of Energy; Patricia Beneke to be Assistant Secretary for Water and Science, Department of the Interior; Eluid Martinez to be Commissioner of the Bureau of Reclamation, Department of the Interior; and Charles William Burton to be a member of the Board of Directors of the United States Enrichment Corporation.

The hearing will take place Thursday, September 28, 1995, at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

For further information, please call Camille Heninger at (202) 224–5070.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, September 20, 1995, to conduct a markup of the Banking Committee's submission to the Budget Committee for reconciliation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on

Wednesday, September 20, 1995, for purposes of conducting a Full Committee business meeting which is scheduled to begin at 9:30 a.m. The purpose of this meeting is to consider pending calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Wednesday, September 20, 1995, beginning at 9:30 a.m., in room 485 of the Russell Senate Office Building for a markup of the nomination of Paul M. Homan to be Special Trustee for the Office of Special Trustee for American Indians in the Department of the Interior and to consider the implementation of Title III, Public Law 101-630, the National Indian Forest Resources Management Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, September 20, 1995, at 10:00 a.m. to hold a hearing on "The Copyright Term Extension Act of 1995, S. 483."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for an Executive Session, during the session of the Senate on Wednesday, September 20, 1995, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON SMALL BUSINESS

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on Small Business be authorized to meet during the session of the Senate on Wednesday, September 20, 1995, at 2:30 p.m., in room 428A Russell Senate Office Building, to conduct a hearing focusing on Tax Issues Impacting Small Business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. MCCONNELL. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a markup on pending legislation at 10:00 a.m. on Wednesday, September 20, 1995. The markup will be held in room 418 of the Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, September 20, 1995, at 9:30 a.m. to hold an open hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, TECHNOLOGY AND GOVERNMENT INFORMATION

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Technology and Government Information of the Senate Committee on the Judiciary, be authorized to meet during a session of the Senate on Wednesday, September 20, 1995, at 2 p.m., in the Dirksen Senate Office Building in room G50, on "Ruby Ridge Incident."

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE CONROY-RENYE-MCNEIL VFW POST 4422: 50 YEARS OF SERVICE TO THE COMMUNITY OF TAYLOR, MI

• Mr. LEVIN. Mr. President, on Saturday, September 23, 1995, the Conroy-Renye-McNeil VFW Post 4422 in Taylor, MI, is holding a special banquet commemorating 50 years of service to the community of Taylor, MI.

VFW Post 4422 was chartered on September 15, 1945 and was named in honor of Army Pvt. Robert Francis Conroy, Marine Buckley Renye and Navy Seaman Robert McNeil. Messrs. Conroy, Renye, and McNeil were the first citizens from Taylor, MI, to lose their lives while bravely serving the United States in World War II.

In honor of these three brave gentlemen from Taylor, MI, and in honor of all of the fine American men and women who served our country in times of war, the members of VFW Post 4422 have dedicated their efforts and resources for the last 50 years to provide community service projects for the Taylor community.

The community service projects that the members of VFW Post 4422 are involved in include: Youth programs, drug awareness programs, Americanism education, programs for senior citizens, programs for needy families and programs for veterans, their families, widows and orphans. The members of post 4422 are also especially proud of their efforts in 1983 when the Post collected and sent 1,500 Christmas gifts to our troops in Beirut.

Mr. President, the members of VFW Post 4422 have not only proudly served our country in military service, but they have continued to serve our country through their commitment to their community. The members of the Conroy-Renye-McNeil VFW Post 4422 deserve the Senate's congratulations as they mark their 50th year of service to the community of Taylor, MI. They also deserve our appreciation and gratitude for all of the good deeds that they have done and continue to do.•

JENNINGS RANDOLPH LAKE PROJECT

Mr. BROWN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 192, Senate Joint Resolution 20, relating to the Jennings Randolph Lake project; that the resolution be read a third time and passed; that the motion to reconsider be laid upon the table; and that any statements appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the joint resolution (S.J. Res. 20) was deemed read the third time and passed, as follows:

S.J. RES. 20

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL CONSENT.

The Congress hereby consents to the Jennings Randolph Lake Project Compact entered into between the States of West Virginia and Maryland which compact is substantially as follows:

"COMPACT

"Whereas the State of Maryland and the State of West Virginia, with the concurrence of the United States Department of the Army, Corps of Engineers, have approved and desire to enter into a compact to provide for joint natural resource management and enforcement of laws and regulations pertaining to natural resources and boating at the Jennings Randolph Lake Project lying in Garrett County, Maryland and Mineral County, West Virginia, for which they seek the approval of Congress, and which compact is as follows:

"Whereas the signatory parties hereto desire to provide for joint natural resource management and enforcement of laws and regulations pertaining to natural resources and boating at the Jennings Randolph Lake Project lying in Garrett County, Maryland and Mineral County, West Virginia, for which they have a joint responsibility; and they declare as follows:

"1. The Congress, under Public Law 87-874, authorized the development of the Jennings Randolph Lake Project for the North Branch of the Potomac River substantially in accordance with House Document Number 469, 87th Congress, 2nd Session for flood control, water supply, water quality, and recreation; and

"2. Section 4 of the Flood Control Act of 1944 (Ch 665, 58 Stat. 534) provides that the Chief of Engineers, under the supervision of the Secretary of War (now Secretary of the Army), is authorized to construct, maintain and operate public park and recreational facilities in reservoir areas under control of such Secretary for the purpose of boating, swimming, bathing, fishing, and other recreational purposes, so long as the same is not inconsistent with the laws for the protection of fish and wildlife of the State(s) in which such area is situated; and

"3. Pursuant to the authorities cited above, the U.S. Army Engineer District (Baltimore), hereinafter 'District', did construct and now maintains and operates the Jennings Randolph Lake Project; and

"4. The National Environmental Policy Act of 1969 (P.L. 91–190) encourages productive and enjoyable harmony between man and his environment, promotes efforts which will stimulate the health and welfare of man, and encourages cooperation with State and local governments to achieve these ends; and

"5. The Fish and Wildlife Coordination Act (16 U.S.C. 661–666c) provides for the consideration and coordination with other features of water-resource development programs through the effectual and harmonious planning, development, maintenance, and coordination of wildlife conservation and rehabilitation; and

"6. The District has Fisheries and Wildlife Plans as part of the District's project Operational Management Plan; and

"7. In the respective States, the Maryland Department of Natural Resources (hereinafter referred to as 'Maryland DNR') and the West Virginia Division of Natural Resources (hereinafter referred to as 'West Virginia DNR') are responsible for providing a system of control, propagation, management, protection, and regulation of natural resources and boating in Maryland and West Virginia and the enforcement of laws and regulations pertaining to those resources as provided in Annotated Code of Maryland Natural Resources Article and West Virginia Chapter 20, respectively, and the successors thereof; and

"8. The District, the Maryland DNR, and the West Virginia DNR are desirous of conserving, perpetuating and improving fish and wildlife resources and recreational benefits of the Jennings Randolph Lake Project; and

"9. The District and the States of Maryland and West Virginia wish to implement the aforesaid acts and responsibilities through this Compact and they each recognize that consistent enforcement of the natural resources and boating laws and regulations can best be achieved by entering this Compact:

"Now, therefore, be it *Resolved*, That the States of Maryland and West Virginia, with the concurrence of the United States Department of the Army, Corps of Engineers, hereby solemnly covenant and agree with each other, upon enactment of concurrent legislation by The Congress of the United States and by the respective state legislatures, to the Jennings Randolph Lake Project Compact, which consists of this preamble and the articles that follow:

"Article I—Name, Findings, and Purpose

"1.1 This compact shall be known and may be cited as the Jennings Randolph Lake Project Compact.

"1.2 The legislative bodies of the respective signatory parties, with the concurrence of the U.S. Army Corps of Engineers, hereby find and declare:

"1. The water resources and project lands of the Jennings Randolph Lake Project are affected with local, state, regional, and national interest, and the planning, conservation, utilization, protection and management of these resources, under appropriate arrangements for inter-governmental cooperation, are public purposes of the respective signatory parties.

"2. The lands and waters of the Jennings Randolph Lake Project are subject to the sovereign rights and responsibilities of the signatory parties, and it is the purpose of this compact that, notwithstanding any boundary between Maryland and West Virginia that preexisted the creation of Jennings Randolph Lake, the parties will have and exercise concurrent jurisdiction over any lands and waters of the Jennings Randolph Lake Project concerning natural resources and boating laws and regulations in the common interest of the people of the region.

"Article II—District Responsibilities

"The District, within the Jennings Randolph Lake Project,

"2.1 Acknowledges that the Maryland DNR and West Virginia DNR have authorities and responsibilities in the establishment, administration and enforcement of the natural resources and boating laws and regulations applicable to this project, provided that the laws and regulations promulgated by the States support and implement, where applicable, the intent of the Rules and Regulations Governing Public Use of Water Resources Development Projects administered by the Chief of Engineers in Title 36, Chapter RI, Part 327, Code of Federal Regulations,

"2.2 Agrees to practice those forms of resource management as determined jointly by the District, Maryland DNR and West Virginia DNR to be beneficial to natural resources and which will enhance public recreational opportunities compatible with other authorized purposes of the project,

"2.3 Agrees to consult with the Maryland DNR and West Virginia DNR prior to the issuance of any permits for activities or special events which would include, but not necessarily be limited to: fishing tournaments, training exercises, regattas, marine parades, placement of ski ramps, slalom water ski courses and the establishment of private markers and/or lighting. All such permits issued by the District will require the permittee to comply with all State laws and regulations,

"2.4 Agrees to consult with the Maryland DNR and West Virginia DNR regarding any recommendations for regulations affecting natural resources, including, but not limited to, hunting, trapping, fishing or boating at the Jennings Randolph Lake Project which the District believes might be desirable for reasons of public safety, administration of public use and enjoyment,

"2.5 Agrees to consult with the Maryland DNR and West Virginia DNR relative to the marking of the lake with buoys, aids to navigation, regulatory markers and establishing and posting of speed limits, no wake zones, restricted or other control areas and to provide, install and maintain such buoys, aids to navigation and regulatory markers as are necessary for the implementation of the District's Operational Management Plan. All buoys, aids to navigation and regulatory markers to be used shall be marked in conformance with the Uniform State Waterway Marking System,

"2.6 Agrees to allow hunting, trapping, boating and fishing by the public in accordance with the laws and regulations relating to the Jennings Randolph Lake Project,

"2.7 Agrees to provide, install and maintain public ramps, parking areas, courtesy docks, etc., as provided for by the approved Corps of Engineers Master Plan, and

"2.8 Agrees to notify the Maryland DNR and the West Virginia DNR of each reservoir drawdown prior thereto excepting drawdown for the reestablishment of normal lake levels following flood control operations and drawdown resulting from routine water control management operations described in the reservoir regulation manual including releases requested by water supply owners and normal water quality releases. In case of emergency releases or emergency flow curtailments, telephone or oral notification will be provided. The District reserves the right, following issuance of the above notice, to make operational and other tests which may be necessary to insure the safe and efficient operation of the dam, for inspection and maintenance purposes, and for the gathering of water quality data both within the impoundment and in the Potomac River downstream from the dam.

"Article III—State Responsibilities

"The State of Maryland and the State of West Virginia agree:

"3.1 That each State will have and exercise concurrent jurisdiction with the District and the other State for the purpose of enforcing the civil and criminal laws of the respective States pertaining to natural resources and boating laws and regulations over any lands and waters of the Jennings Randolph Lake Project;

"3.2 That existing natural resources and boating laws and regulations already in effect in each State shall remain in force on the Jennings Randolph Lake Project until either State amends, modifies or rescinds its laws and regulations;

"3.3 That the Agreement for Fishing Privileges dated June 24, 1985 between the State of Maryland and the State of West Virginia, as amended, remains in full force and effect;

"3.4 To enforce the natural resources and boating laws and regulations applicable to the Jennings Randolph Lake Project;

"3.5 To supply the District with the name, address and telephone number of the person(s) to be contacted when any drawdown except those resulting from normal regulation procedures occurs;

"3.6 To inform the Reservoir Manager of all emergencies or unusual activities occurring on the Jennings Randolph Lake Project;

"3.7 To provide training to District employees in order to familiarize them with natural resources and boating laws and regulations as they apply to the Jennings Randolph Lake Project; and

"3.8 To recognize that the District and other Federal Agencies have the right and responsibility to enforce, within the boundaries of the Jennings Randolph Lake Project, all applicable Federal laws, rules and regulations so as to provide the public with safe and healthful recreational opportunities and to provide protection to all federal property within the project.

"Article IV—Mutual Cooperation

"4.1 Pursuant to the aims and purposes of this Compact, the State of Maryland, the State of West Virginia and the District mutually agree that representatives of their natural resource management and enforcement agencies will cooperate to further the purposes of this Compact. This cooperation includes, but is not limited to, the following:

"4.2 Meeting jointly at least once annually, and providing for other meetings as deemed necessary for discussion of matters relating to the management of natural resources and visitor use on lands and waters within the Jennings Randolph Lake Project;

"4.3 Evaluating natural resources and boating, to develop natural resources and boating management plans and to initiate and carry out management programs;

"4.4 Encouraging the dissemination of joint publications, press releases or other public information and the interchange between parties of all pertinent agency policies and objectives for the use and perpetuation of natural resources of the Jennings Randolph Lake Project; and

"4.5 Entering into working arrangements as occasion demands for the use of lands, waters, construction and use of buildings and other facilities at the project.

"Article V—General Provisions

"5.1 Each and every provision of this Compact is subject to the laws of the States of Maryland and West Virginia and the laws of the United States, and the delegated authority in each instance.

"5.2 The enforcement and applicability of natural resources and boating laws and regulations referenced in this Compact shall be limited to the lands and waters of the Jennings Randolph Lake Project, including but not limited to the prevailing reciprocal fishing laws and regulations between the States of Maryland and West Virginia.

"5.3 Nothing in this Compact shall be construed as obligating any party hereto to the expenditure of funds or the future payment of money in excess of appropriations authorized by law.

"5.4 The provisions of this Compact shall be severable, and if any phrase, clause, sentence or provision of the Jennings Randolph Lake Project Compact is declared to be unconstitutional or inapplicable to any signatory party or agency of any party, the constitutionality and applicability of the Compact shall not be otherwise affected as to any provision, party, or agency. It is the legislative intent that the provisions of the Compact be reasonably and liberally construed to effectuate the stated purposes of the Compact.

"5.5 No member of or delegate to Congress, or signatory shall be admitted to any share or part of this Compact, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this agreement if made with a corporation for its general benefit.

"5.6 When this Compact has been ratified by the legislature of each respective State, when the Governor of West Virginia and the Governor of Maryland have executed this Compact on behalf of their respective States and have caused a verified copy thereof to be filed with the Secretary of State of each respective State, when the Baltimore District of the U.S. Army Corps of Engineers has executed its concurrence with this Compact, and when this Compact has been consented to by the Congress of the United States, then this Compact shall become operative and effective.

"5.7 Either State may, by legislative act, after one year's written notice to the other, withdraw from this Compact. The U.S. Army Corps of Engineers may withdraw its concurrence with this Compact upon one year's written notice from the Baltimore District Engineer to the Governor of each State.

"5.8 This Compact may be amended from time to time. Each proposed amendment shall be presented in resolution form to the Governor of each State and the Baltimore District Engineer of the U.S. Army Corps of Engineers. An amendment to this Compact shall become effective only after it has been ratified by the legislatures of both signatory States and concurred in by the U.S. Army Corps of Engineers, Baltimore District. Amendments shall become effective thirty days after the date of the last concurrence or ratification.".

SEC. 2. The right to alter, amend or repeal this joint resolution is hereby expressly reserved. The consent granted by this joint resolution shall not be construed as impairing or in any manner affecting any right or jurisdiction of the United States in and over the region which forms the subject of the compact.

NATIONAL HISTORICALLY BLACK COLLEGES AND UNIVERSITIES WEEK

Mr. BROWN. Mr. President, I ask unanimous consent that the Judiciary Committee be immediately discharged from further consideration of Senate Resolution 147 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

A resolution (S. Res. 147) designating the weeks beginning September 24, 1995, and September 22, 1996, as "National Historically Black Colleges and Universities Week", and for other purposes.

The Senate proceeded to consider the resolution.

Mr. BROWN. Mr. President, I ask unanimous consent that the resolution be agreed to; that the preamble be agreed to; that the motion to reconsider be laid upon the table; and that any statements relating to the resolution appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the resolution (S. Res. 147) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 147

Whereas there was 103 historically black colleges and universities in the United States;

Whereas black colleges and universities provide the quality education so essential to full participation in a complex, highly technological society;

Whereas black colleges and universities have a rich heritage and have played a prominent role in American history;

Whereas black colleges and universities have allowed many underprivileged students to attain their full potential through higher education; and

Whereas the achievements and goals of historically black colleges and universities are deserving of national recognition: Now, therefore, be it

Resolved, That the Senate designates the weeks beginning September 24, 1995, and September 22, 1996, as "National Historically Black Colleges and Universities Week". The Senate requests the President of the United States to issue a proclamation calling on the people of the United States and interested groups to observe the weeks with appropriate ceremonies, activities, and programs to demonstrate support for historically black colleges and universities in the United States.

CORRECTING ENROLLMENT OF H.R. 402

Mr. BROWN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Concurrent Resolution 27, submitted earlier today by Senator MURKOWSKI.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

A concurrent resolution (S. Con. Res. 27) correcting the enrollment of H.R. 402.

The Senate proceeded to consider the concurrent resolution.

Mr. BROWN. Mr. President, I ask unanimous consent that the resolution be agreed to; that the motion to reconsider be laid upon the table; and that any statements relating to the resolution appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the concurrent resolution (S. Con. Res. 27) was agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring),

The Clerk of the House is directed to correct the enrollment of H.R. 402 as follows:

Amend section 109 to read:

"SEC. 109. CONFIRMATION OF WOODY ISLAND AS ELIGIBLE NATIVE VILLAGE.

The Native Village of Woody Island, located on Woody Island, Alaska, in the Koniag Region, is hereby confirmed as an eligible Alaska Native Village, pursuant to Section 11(b)(3) of the Alaska Native Claims Settlement Act ("ANCSA"). It is further confirmed that Leisnoi, Inc., is the Village Corporation, as that term is defined in Section 3(j) of ANCSA, for the village of Woody Island. This section shall become effective on October 1, 1998, unless the United States judicial system determines this village was fraudulently established under ANCSA prior to October 1, 1998."

Mr. BROWN. Mr. President, we really ought to consider the balanced budget amendment, because things are going too well tonight. [Laughter.]

ORDERS FOR THURSDAY, SEPTEMBER 21, 1995

Mr. BROWN. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9:15 a.m. on Thursday, September 21, 1995; that following the prayer, the Journal of proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day; that there then be a period for morning business until the hour of 10 a.m., with Senators permitted to speak for up to 5 minutes each.

I further ask unanimous consent that at 10 a.m., the Senate then immediately resume consideration of H.R. 1868, the foreign operations appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWN. Mr. President, I further ask unanimous consent that at 10 a.m., the Senate resume the Brown amendment regarding Pakistan under the previous order of 1 hour equally divided, and I ask unanimous consent that the vote occur on the Brown amendment at 11 a.m. on Thursday, September 21, 1995.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BROWN. Mr. President, for the information of all Senators, the Senate will resume consideration of the foreign operations appropriations bill tomorrow morning. Under the previous order, there will be a rollcall vote at 11 a.m. tomorrow. Additional rollcall votes will occur in relation to the pending appropriations bill throughout Thursday's session of the Senate.

RECESS UNTIL 9:15 A.M. TOMORROW

Mr. BROWN. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 10:51 p.m., recessed until Thursday, September 21, 1995, at 9:15 a.m.

NOMINATIONS

Executive nominations received by the Senate September 20, 1995:

DEPARTMENT OF LABOR

SUSAN ROBINSON KING, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF LABOR, VICE DOUG ROSS, RESIGNED.

DEPARTMENT OF JUSTICE

JAMES WILLIAM BLAGG, OF TEXAS, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF TEXAS FOR THE TERM OF 4 YEARS, VICE RONALD F. EDERER, RESIGNED.

HOUSE OF REPRESENTATIVES—*Wednesday, September 20, 1995*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are thankful, O God, for our traditions, those guidelines of life that help direct our way and remind us of the paths of those who have gone before. We are grateful for the rich history of our Nation and the ideals of our Founders. We pray, gracious God, that we are worthy of the responsibilities we have in our day and faithful to our traditions that justice will flow down as waters and righteousness like an ever-flowing stream. This is our earnest prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. The gentlewoman from New Jersey [Mrs. ROUKEMA] will lead the membership in the Pledge of Allegiance.

Mrs. ROUKEMA led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. There will be fifteen 1-minutes on each side.

DEMOCRATS NOT COMMITTED TO SAVING MEDICARE

(Mr. BALLENGER asked and was given permission to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, it occurs to me that liberal Democrats work feverishly at nothing. At times they seem all bent out of shape and exercised beyond belief. It is truly a spectacle to behold. They cry and whine, and whine and cry, but they have proposed not one, not even one, idea to preserve Medicare or Medicaid.

To illustrate my point, this weekend, liberal Democrats will start a series of mock hearings on Medicare. Or should I say fake hearings—as opposed to the dozens of real hearings Congress has held since the release of the Medicare trustees report last April.

Mr. Speaker, it is fitting that Democrats would hold fake hearings because that really gets to the heart of their commitment level to saving and strengthening Medicare.

They would rather pose and posture at a fake hearing than come up with real solutions in the real Congress.

WHY ARE REPUBLICANS AFRAID TO DEBATE THEIR MEDICARE PLAN?

(Mr. BONIOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONIOR. Mr. Speaker, why are the Republicans so afraid to debate their plan on Medicare?

So far this year, we have had 28 days of Whitewater hearings. We have had 2 weeks of hearings on Waco and Ruby Ridge.

Yet, when it comes to deciding the future of a program that affects every single American family, they could only find time for 1 day of hearings.

But I suppose if I had a plan that doubled premiums to $100, took away the choice of doctors, and cut benefits just to pay for tax breaks for the wealthy, I would keep it hidden, too.

Mr. Speaker, the American people deserve better. They deserve at least 4 weeks of debate on Medicare.

The Republicans are trying to steamroll their Medicare plan through this House. I think the American people have a right to ask: what are the Republicans trying to hide?

MEDISCARE

(Mr. KINGSTON asked and was given permission to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, here we are two speeches into the day, and we are already hearing the Democrat Mediscare standard, boiler plate speech. We do not necessarily expect to have their help. It would be nice. Some of the Democrats are in the debate, and it is very good.

Let us just move away from the partisanship, move to an outside party. What does the Washington Post say? The Republican Party is anathema to the Washington Post. It would be the equivalent of a Georgia graduate saying something complimentary about Georgia Tech. So what does the Washington Post say about the Republican plan? Here is an editorial page, September 15; it talks about how great the plan is. I can get anybody who wants a copy of that. How do they describe Democrat Mediscare? Crummy stuff, demagoguery, big time scare tactics, expostulation, some kind of fancy Washington word, irresponsible.

What do they call the Republican plan? Remember, this comes from the Washington Post: Congressional Republicans have confounded the skeptics; it is incredible; it is gutsy; it addresses a genuine problem that only is going to get worse.

Ladies and gentlemen, that is coming from the Washington Post. Maybe the Democrats will get with the program. Who knows.

WHO SAYS IT IS NOT A CUT?

(Mr. GENE GREEN of Texas asked and was given permission to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, I rise today in strong objection to the proposed Medicare cuts and in objection to the propaganda we are hearing from the Republicans on their plan. It is not a cut. It is simple mathematics.

The elderly served by Medicare are growing, the population served. Thus, increases in funding are needed to provide services for more people. If you cut from the rate of growth, you either have to push people out or you provide them less services for what they are paying. It is all too simple.

Yet the majority would have us believe the reductions in Medicare are not cuts. Are we going back to the days when seniors had to choose between health care or food on their tables? Let us be honest about it. By cutting a program with a growing population, the result will mean more rationing. Health care will be rationed to those who cannot afford to pay more out of their pocket and will be asked to pay more and more of their fixed incomes or greatly lower their standard of living for seniors.

Ask yourselves these questions: Do you want poor seniors to pay more for less service, choose between health care or food? Do you want your elderly relatives to have surgery in a hospital, pushed to the brink of bankruptcy from cuts in Medicare? Or do you want a surgeon whose training has been reduced because of cuts in Medicare?

WHERE ARE THE DEMOCRATS?

(Mr. JONES asked and was given permission to address the House for 1 minute.)

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. JONES. Mr. Speaker, for decades Medicare has been a vital program that has helped millions of Americans get the medical care they need. Now, the Republicans in Congress are working for an even stronger Medicare system. The Democrats, on the other hand, are only offering scare tactics.

Here are the facts: Under the Republican plan, Medicare spending per beneficiary will increase from $4,800 today to $6,700 in the year 2002. Mr. Speaker, there are no cuts. We are working on a plan to save Medicare from bankruptcy, while increasing benefits for the seniors of America.

Mr. Speaker, this is one of the most important issues that Congress will face this year. Where are the Democrats? The Republicans in Congress have recognized this fact and have chosen to tackle the problem head on. It is our goal that Medicare remains strong for today's seniors and for generations to come.

THE TAXPAYER BILL OF RIGHTS

(Mr. TRAFICANT asked and was given permission to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, there is a taxpayer bill of rights coming to the floor. Let me say this: There can be no real taxpayer bill of rights as long as after it is all over a taxpayer is still considered guilty in front of a tax court. That is what is happening.

The IRS is successful once again. They have killed it for years. They say the major problem with the Traficant bill is it is too costly and the Government will lose too much revenue.

Let me ask this of all people here in Washington, DC: If some bureaucrats in a backroom would have scored the Constitution, would we, in fact, have a bill of rights today, ladies and gentlemen? Grand juries are too costly, juries are too expensive.

Let us tell it like it is. The Democrats abandoned taxpayers on this issue. In my opinion Democrats failed. I am a Democrat.

Republicans have a chance to right a major wrong. A taxpayer should be innocent until proven guilty like anybody else, and I should have a chance to bring my bill in the form of an amendment to that taxpayer bill of rights.

INTRODUCTION OF BIF-SAIF BILL

(Mrs. ROUKEMA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, yesterday, I introduced legislation that will have a monumental impact on the financial services industry and depositors. Its purpose is to provide a comprehensive reform of the deposit insurance funds and will merge the bank and thrift charters. This BIF-SAIF legislation reflects the hard work of a bipartisan working group of the Financial Institutions Subcommittee, which I chair, that was developed over the last several months.

Since the spring, the subcommittee has held three hearings on BIF-SAIF. The last of these hearings brought forth strong support for a comprehensive approach to the problem, which this legislation being marked up today represents.

In brief, the legislation provides a financial solution to the problem of the insurance funds similar to that proposed by the administration. It recapitalizes the SAIF and through the use of a one-time special assessment of SAIF members. It spreads the FICO costs proportionately among all members of the FDIC as of the date of enactment. In addition, it merges the BIF-SAIF.

What is critical here, is that it goes beyond the administration-sponsored financial fix and merges the bank and thrift charters on January 1, 1998, requiring thrifts to convert to banks.

This legislation will have a monumental impact on the financial services industry and provides a comprehensive solution to a complex problem. This bill will ensure that we do not see a repeat of the savings and loan debacle of the 1980's. It is a fair and balanced approach that will prevent the need for any future bailouts of the thrift industry.

I urge my colleagues' cosponsorship.

It is of vital concern to the banks the S&L's and the depositors and taxpayers.

REQUEST FOR PUBLIC HEARINGS ON CHANGES TO THE MEDICARE SYSTEM

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, after months of hiding their Medicare plan from public view, House Republicans are going to give the American people a look, but, be careful not to blink—you might miss it.

Republicans have announced that they will only have a single day of hearings to discuss their plan to radically dismantle the health care system that serves 37 million American seniors. So far this year, Republicans have treated the public to weeks of politically-charged hearings on Whitewater, Waco, and Ruby Ridge. But, when it comes to the largest cut in the history of Medicare, they cannot find the time on the schedule.

So therefore, I ask unanimous consent for the immediate consideration in the House of House Resolution 221, insisting that adequate time be set aside for public hearings on changes to the Medicare system proposed to be included in the reconciliation bill. The American people deserve open, and thorough hearings on the GOP Medicare plan. Two hundred Democrats have cosponsored a resolution calling for 4 weeks of hearings. If Republicans have nothing to hide, they should agree to let the American people judge their proposal on its merits.

Mr. GEKAS. Objection.

The SPEAKER pro tempore (Mr. KNOLLENBERG). Under the Speakers' guidelines, the gentlewoman will not be recognized, because that resolution has been referred to the Committee on Rules and not cleared for consideration.

PARLIAMENTARY INQUIRIES

Mr. DOGGETT. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. DOGGETT. Why would a unanimous-consent request to permit the immediate consideration of this resolution not be in order even if it has been referred to a committee.

The SPEAKER pro tempore. The Speaker has announced the following guidelines—

Mr. DOGGETT. This is an announcement by Speaker GINGRICH?

The SPEAKER pro tempore. First by Speaker O'Neill. It has been a continual policy. It has been the policy of the Speakers. Let the Chair quote precisely from section 757 of the Manual:

> The Speaker has announced and enforced a policy of conferring recognition for unanimous consent requests for the consideration of unreported bills and resolutions only when assured that the majority and minority floor and committee leaderships have no objection.

Mr. DOGGETT. Further parliamentary inquiry, the minority leadership has been consulted. Every Democrat has signed on to this proposal to allow us additional time to consider the details of this Medicare plan, and my inquiry would be then if the Democratic minority leadership has agreed to this, it is only the Republican leadership that wants to thwart a fair and open hearing?

The SPEAKER pro tempore. The Chair is not aware of clearance by all necessary Members.

Mr. DOGGETT. All Democratic Members have signed on to this resolution and the ranking member.

Mr. HOKE. Mr. Speaker, point of order.

Mr. DOGGETT. The Democratic membership here is indicating for fair and open hearings.

The SPEAKER pro tempore. The gentleman is no longer asking for a parliamentary inquiry. He can draw his own conclusions. The Chair has stated the fact.

Mr. DOGGETT. Further parliamentary inquiry, what procedure then would be appropriate for a Member, myself or a Member of our leadership, the gentlewoman from Connecticut, to present? What timing, what form would be appropriate to present a unanimous-consent request so that we could have a full hearing on Medicare instead of just 1 day?

The SPEAKER pro tempore. The Chair must be aware of clearance by all the necessary Members, as announced in the Speaker's policy.

□ 1015

Mr. DOGGETT. Further parliamentary inquiry then, Mr. Speaker.

If the Democrat leadership comes to the floor of this House and announces its desire to have this resolution considered immediately, will the unanimous-consent request be accepted at that time?

The SPEAKER pro tempore (Mr. KNOLLENBERG). The Chair will repeat. The Chair will not entertain that request according to the guidelines as a matter of discretionary recognition.

Mr. DOGGETT. So, further parliamentary inquiry, Mr. Speaker.

So a statement then on behalf of the Democrat leadership by the minority leader or by all members of the Democrat caucus that they request that this unanimous-consent request for full and complete Medicare hearings occur, that would not be enough to get it entertained here on the floor.

The SPEAKER pro tempore. Does the gentleman understand the Chair's guidelines? They have been stated at great length.

Mr. DOGGETT. If I understood it, I would not be asking the further parliamentary inquiry.

The SPEAKER pro tempore. The Chair has referred to what is proper. The leadership on both sides must consent to this request, and they have to clear this. It cannot be brought up in this manner.

Mr. DOGGETT. Further parliamentary inquiry, Mr. Speaker.

Unless Speaker GINGRICH clears us having more than 1 day of hearing, it cannot occur. Is that the ruling of the Chair?

The SPEAKER pro tempore. The majority floor leader and the chairman of the Committee on Rules must clear this request.

Mr. DOGGETT. So, unless the Republican chairman of the committee, Mr. SOLOMON, and——

Mr. HOKE. Mr. Speaker, point of order.

Mr. DOGGETT. We cannot take up a full hearing.

ELIMINATING THE FRAUD AND ABUSE WHICH RIDDLES MEDICAID

(Mrs. SEASTRAND asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SEASTRAND. Mr. Speaker, for years the liberal Congresses have been mandating States to spend billions of dollars on programs. I know because I served in the California State Legislature. One such program is Medicaid, which now consumes nearly one-fifth of our State's budgets. This coupled with the fact that $16 billion a year from this program is lost to fraud and abuse demonstrates the need for genuine reform.

Republicans know that more Washington bureaucracy is not the prescription to save this program. That is why the legislation which we are introducing will give more freedom to State and local officials. And recipients need not fear that they will lose benefits. Our resolution will increase funding to the States by 39 percent over the next 7 years.

Only by dismantling the oversized, inefficient Washington bureaucracy can we eliminate the fraud and abuse which riddles Medicaid. Only by increasing funding to the States can we heal this ailing program.

WHAT'S GOOD FOR THE GOOSE

(Mr. LEWIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Georgia. Mr. Speaker, "I am concerned that the scope, authority and independence of the special counsel will be limited by the guidelines the Ethics Committee has established. The House of Representatives, as well as the American public, deserve an investigation which will uncover the truth. At this moment, I am afraid that the apparent restrictions placed on this special counsel will not allow the truth to be uncovered. The rules normally applied by the Ethics Committee to an investigation of a typical member are insufficient in an investigation of the Speaker of the House. Clearly, this investigation has to meet a higher standard of public accountability and integrity."

Prophetic words, indeed, Mr. Speaker.

These are the words of the current Speaker of the House in 1988 referring to the investigation of a former Speaker of this House.

POINT OF ORDER

Mr. EHLERS. Mr. Speaker, I have a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. EHLERS. Mr. Speaker, I made the point yesterday with precisely the same speaker that it is out of order, according to the House rules, to discuss a matter that is pending before the Committee on Standards of Official Conduct.

Mr. LEWIS of Georgia. Mr. Speaker, I wish to be heard on the point of order.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Georgia.

Mr. LEWIS of Georgia. Mr. Speaker, the words, every single word except for "prophetic words, indeed," Mr. Speaker, that I spoke were the words that the current Speaker spoke in 1988. This is not a reference to the current investigation or the current Speaker.

The SPEAKER pro tempore. The Chair will read the following statement:

The Chair has consistently ruled that it is not in order during debate to refer to the official conduct of other Members where such conduct is not under consideration in the House by way of a report from the Committee on Standards of Official Conduct or as a question of the privileges of the House.

PARLIAMENTARY INQUIRY

Mr. DOGGETT. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. DOGGETT. Mr. Speaker, I do so so that, when I speak, I will understand the parameters of that.

As long as the focus is on the powers of a special counsel rather than a particular inquiry before the Committee on Standards of Official Conduct, it would not be out of order?

The SPEAKER pro tempore. The gentleman referred to a particular inquiry pending before the committee.

Mr. DOGGETT. But he can refer to the powers of the committee and the general subject of ethics?

The SPEAKER pro tempore. The Chair would judge those references when they are made.

POINTS OF ORDER

Mrs. SCHROEDER. Point of order, Mr. Speaker.

The SPEAKER pro tempore. The gentlewoman will state her point of order.

Mrs. SCHROEDER. Mr. Speaker, I just want a further clarification.

The gentleman from Georgia [Mr. LEWIS] is saying he is talking about a precedent of prior investigations. He is discussing precedents that were discussed in this House at prior times. Therefore I am not quite sure I understand, under the Speaker's guidance, why he is not allowed to proceed with the precedent and a statement made in 1988. He is not talking about an individual in 1995.

The SPEAKER pro tempore. Members should avoid references to current investigations pending before the Committee on Standards of Official Conduct.

Mrs. SCHROEDER. Further point of order, Mr. Speaker.

Is the Chair saying then no discussion can be made of precedents, and past cases, and how the House proceeded on those past cases?

The SPEAKER pro tempore. Not if related to current matters.

Mr. HOKE. Point of order, Mr. Speaker.

It was clear that the Member had not referenced what he was speaking to. He was clearly alluding to a current investigation that was taking place.

The SPEAKER pro tempore. The Chair has already ruled that the gentleman from Georgia [Mr. LEWIS] should not refer to the current investigation.

Mr. LEWIS of Georgia. Let me conclude, Mr. Speaker, by saying this House and the Speaker cannot tolerate a double standard. What is good for the goose is good for the gander.

NEW MEDICAID APPROACH

(Mr. EHLERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EHLERS. Mr. Speaker, there has been a great deal of discussion about Medicare in this Chamber, but I believe it is time to begin the discussion of Medicaid.

I recall when I served on the Michigan legislature some of the oldtimers told me when the original Medicaid bill was passed a Member got up and refused to vote for it. He said, "I predict that someday this State will spend $50 million a year on this program."

Mr. Speaker, he was wrong. Today the State of Michigan is spending $2 billion on that program every year, approximately 20 percent of their general fund budget. That was true for State after State.

In my State of Michigan, Mr. Speaker, when I was in the legislature, it was very frustrating because we knew where we could save money in the Medicaid Program, but the Federal Government refused to give us the freedom to pursue the actions that we wanted to pursue.

I believe it is very important that we proceed with the approach the Republicans are advocating, giving the States leeway in how they go on the program and giving them block grants so they can run it efficiently and properly. I urge that we adopt the new Medicaid approach operating through State block grants.

MEDICARE PREMIUM INCREASE

(Mr. LEVIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN. Mr. Speaker, the biggest Medicare cut in history, $270 billion, and the smallest possible number of hearings, one, and even in that hearing the deck is being loaded. The majority is picking a dozen or so witnesses and letting the minority pick a handful.

What are they trying to hide? The biggest premium increase in Medicare history doubling part B in 7 years, and a lot of people cannot afford this. In Michigan 85 percent of the seniors have income under $25,000 and 70 percent under $15,000.

A constituent wrote this to me:

> Please do not let these cuts to Medicare pass. It really would be very devastating for us. Please, please fight this for us.

That is what we Democrats are doing. We are determined to win this battle that is aimed right at the heart of seniors.

THE FEDERAL SHUTDOWN—NOT 1 MINUTE, NOT 1 SECOND

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, today I rise on behalf of millions of Federal workers who have become the unwilling passengers in what has been dubbed the great train wreck; the only thing is, a train wreck is an accident, and this is a situation we can avert.

There is a need to get this country's fiscal house in order. I support this, and it can be done without interfering with the lives of Federal workers. It can be done without the disruption a Government shutdown will have on our citizenry.

Our Federal work force provides this country with unquestionable loyalty and dedication. We remember the Federal worker, devastated and injured after the Oklahoma City bombing, still anguishing over her inability to get checks out to recipients.

Federal workers across the country and in my district do not want a shutdown this year or any subsequent year. They want to work, and I want them working.

The NIH researcher who is working on a possible cure for cancer should not miss work. We need that young woman working. There are people depending on her. I say, not 1 week, not 1 day of missed work.

The DOE scientist who is searching for alternative forms of energy should not miss work, not 1 hour, not 1 minute of missed work.

The education specialist who is designing strategies that will benefit our children should not miss work. Future generations are depending on this man. I say, not 1 second, not 1 fraction of a second of missed work.

The consequences are too great.

OUTSIDE COUNSEL WHEN INVESTIGATING THE SPEAKER SHOULD NOT BE LIMITED IN SCOPE

(Mr. WARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WARD. Mr. Speaker, we have an Ethics Committee and I would like to offer a primer on how the House should handle ethics cases.

Let me quote from a Member of this House, who also happens to be an experienced expert on ethics cases, who stated in 1988: "The rules normally applied to Members of Congress are insufficient in an investigation of the Speaker of the House." I repeat. He said, "The rules normally applied are insufficient in an investigation of the Speaker of the House." "Clearly, this investigation," he said "has to meet a higher standard of public accountability and integrity."

Mr. Speaker, I believe that this should be the standard by which all ethics cases before this House should be considered. When the House chooses to appoint an outside counsel to investigate a Speaker, that counsel should be allowed to investigate any and all possible wrongdoing and not be limited in scope.

WE CANNOT ALLOW THE GOVERNMENT TO SHUT DOWN

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, for several terms now I have introduced legislation which cannot pass the Congress of the United States, cannot be enacted into law, because it makes good sense. I have introduced legislation that would avoid the train wreck to which the gentlewoman from Maryland [Mrs. MORELLA] has just referred. What it does is if, on September 30, the Congress of the United States and the President have failed to enact a budget, then automatically into play comes instant replay of last year's budget beginning on October 1.

This prevents for all time the specter of a Government shutdown. At the same time it permits the President and the Congress, if there is disagreement as to the extent of the budget, to continue to work to create a new budget. In the meantime, science goes on, research goes on, the Federal workers stay in place, no havoc is wreaked in the bureaucracy of Washington, although some people would say that might be a good thing. But the point is that we cannot allow the Government to shut down.

□ 1030

REPUBLICAN CHANGES TO MEDICARE AND MEDICAID

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, out west where I came from people used to worry about snake oil salesmen, but we pretty much got that under control. Now we have a new type of snake oil salesmen on the other side of the aisle.

I think we heard in prior discussions going on this morning that we are not going to be allowed to discuss their compassionate, wonderful, no pain changes to Medicare and Medicaid. We are just to trust them.

We are going to have 1 day of hearing. My fast math says that is about 1 minute per every 120 pages of changes they have in their bill. Oh, I am sure we will get it.

I want to tell my colleagues, as a Westerner who grew up with the tradition of snake oil salesmen, that we thought were behind us, beware. Beware. If their cuts are so painless, so harmless, so futuristic, so wonderful, why can we not have time to look at them? Why can we not air them in the sunshine? This should not be a fungus, this should be a bill.

REFORM IN THE SUGAR PROGRAM

(Mr. MILLER of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Florida. Mr. Speaker, today the Committee on Agriculture begins markup of the 1995 farm bill. I am concerned that the Committee on Agriculture is trading real reform in some commodity programs in exchange for no reform in the sugar program.

The proposal put forth by the sugar growers, which the committee intends to adopt, is not real reform. It continues a big Government program that forces the American consumer to pay double the world price for sugar. The sugar program will continue to cost American consumers $1.4 billion every year and continue to add $90 million to our deficit every year.

The Republican Party is committed to putting every program except Social Security on the table, and we want to have the right to debate the sugar program. Chairman ROBERTS is an honorable man and I trust he will keep his word to me and permit debate and vote on the sugar program.

Mr. Speaker, my bill to repeal the sugar program has 104 cosponsors, Democrats and Republicans. My bill to repeal the sugar program is real reform. The House has not considered the program since 1990. If we do not get a chance this year, it will be 2002 before we get a chance.

HEARINGS ON THE FUTURE OF MEDICARE

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, when Medicare was created in 1965, seniors came from all over the United States to testify before Congress as to how to meet the health care financing needs of our Nation's elderly. As we reconsider the future of Medicare for 37 million Americans, our seniors, indeed all Americans, deserve the right to a fair and open period of public comment on an issue of concern to every family in America.

Yet as the Republicans are about to embark on the most significant changes in the Medicare system, in Medicare's history, by proposing a $270 billion cut in Medicare, the Republicans are blanking out America's voices. How unfortunate that the Republicans intend to hold only 1 day of hearings on a proposal that the American people, and especially American seniors, have yet to see. This is fundamentally unfair.

Mr. Speaker, a great Republican President hailed our democracy as a government of the people, by the people, and for the people. Our democracy is not just about free elections of representatives, it is about citizen participation in a free and open process in the formulation of public policy. Given the magnitude of the $270 billion cut, our citizens deserve better.

FEDERAL FUNDS FOR NATIONAL COUNCIL OF SENIOR CITIZENS

(Mr. LONGLEY asked and was given permission to address the House for 1 minute.)

Mr. LONGLEY. Mr. Speaker, I understand that being attacked and engaging in political debate is part of the terrain one deals with when one assumes this type of office, but imagine my surprise when I obtained a copy of the tax return of the National Council of Senior Citizens, a group which is currently orchestrating a tax on me in my district, which shows that they received nearly $73 million in Federal funds for the year ending June 30, 1994, almost 96 percent of their budget, from the Federal Government.

Furthermore, I obtained information that over the last two election cycles they had contributed nearly $417,000 exclusively to Democratic candidates. Not one red cent to a Republican candidate.

Again, it is a citizen's right to express their first amendment point of view, but is there a connection?

I also obtained a copy of the audit report of the National Council wherein they say in their report that the heavy reliance on governmental grants poses a potential danger to the long-term structure of the National Council. Absent such grants, the council would be unable to continue its current level of operations without seeking new revenue sources.

MORE HEARINGS NEEDED ON MEDICARE AND MEDICAID

(Mr. WISE asked and was given permission to address the House for 1 minute.)

Mr. WISE. Mr. Speaker, when I held a town meeting on Medicare last week in West Virginia, there was justifiable and understandable confusion about the details. Republicans want to cut $270 billion over 7 years. Democrats say somewhere between $90 and $120 billion will be enough. The Republicans argue do they want to take the difference and give it to a tax cut?

Mr. Speaker, people have genuine questions, yet on something like this there ought to be more than 1 day of hearings, on programs such as Medicare and Medicaid, that affect 70 million Americans. Almost 700,000 West Virginians alone will have their health care somehow brought into question, whether senior citizens or Medicaid recipients. They deserve more than health stealth.

This is a B-2 bomber. I know why they like it on the other side. They like it because it is flying low on the radar screen with no details out there. They plopped the plan out on the table yesterday and they will mark it up today with no hearings on Medicaid, a program that affects 400,000 West Virginians. They want to do the same on Medicare with 300,000 West Virginians affected.

Mr. Speaker, surely the single greatest changes in America's health care plans deserve more than 1 day of hearings.

REPEAL OF GOVERNMENT SUGAR PROGRAM

(Mr. DAVIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS. Mr. Speaker, I rise today to discuss the repeal of the Government sugar program. There is no plausible reason why our Government is involved with setting and controlling the price of sugar. It is Big Government at its worst. It is a sweet deal for a wealthy few. It promotes the destruction of one of our prized environmental landmarks—the Florida Everglades.

Because of this program, every citizen pays a hidden tax that takes money out of the pockets of American consumers to the tune of more than $1.4 billion every year in higher food prices, according to GAO. This hidden tax has cost Americans more than $10 billion over the last decade. In addition, the consumer interest group Public Voice has recently estimated that the sugar program has cost the Federal Government $110 million annually because of higher purchase prices for sugar and sugar containing products used in domestic feeding and food programs. This is money that my constituents could be saving, investing, or using to buy needed items for their families and children. But because of this program, they must pay higher prices on everything containing sugar—all because of the Federal Government interfering in the marketplace.

This fall the House will be debating a new farm bill. We will also be debating the budget reconciliation bill that will balance the Federal budget in 7 years, which will force substantial cuts in farm commodity programs such as wheat, dairy, corn, cotton, and rice. While these programs have faced cuts on average of 40 percent since 1985, sugar has not been cut one iota. This is simply unacceptable.

Mr. Speaker, I urge my colleagues to vote for repeal of this program.

THE CONTRACT WITH AMERICA: WHAT IT MEANS FOR MEDICARE

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. BROWN of Ohio. Mr. Speaker, three things will happen if the Republicans get their way with Medicare. No. 1, senior citizens will pay more in premiums. Hold on to your wallet, because House Republicans under NEWT GINGRICH have proposed a 100-percent increase in the monthly Medicare premium. That is right, a 100-percent increase, the largest premium increase in Medicare history.

The second thing that will happen is senior citizens will find it harder to choose their own doctor. Senate Republicans would try to push people into managed care, taking away their right to physician choice.

The third thing that will happen, Mr. Speaker, if Republicans get their way with Medicare, is that the American middle class will subsidize a huge tax break for the richest Americans.

We are starting to see the main effect of the Contract With America, a shift of money from the middle class to the rich. The Gingrich gravy train means at least $245 billion in tax breaks for the wealthiest Americans. And guess who pays the bill?

Mr. Speaker, Gingrich Republicans want to give the American people the largest Medicare cut in American history. It is simply not right.

WASHINGTON POST SUPPORTS REPUBLICANS ON MEDICARE

(Mr. HOKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOKE. Mr. Speaker, I do not normally go around quoting the Washington Post, because normally it does not agree with the way I see things, being a liberal paper of record. But look what they have said just 2 days ago about exactly what my friend from Ohio, prior speaker, was just talking about. It is called medagogues.

> Newt Gingrich and Bob Dole accused the Democrats and their allies yesterday of conducting a campaign based on distortion and fear. They are right. That is precisely what the Democrats are doing. It is pretty much all they are doing, and it is crummy stuff.

Crummy stuff. Those are tough words.

It is crummy stuff. They are absolutely right. And that is exactly what we hear day after day after day from the other side of the aisle.

The fact is, we are trying to simplify. We are preserving, saving, and improving Medicare and, again, that is exactly what they say.

> The Republicans have a plan. It is credible. It is gutsy, it is inventive, it addresses a genuine problem that is only going to get worse. What the Democrats have instead is a lot of expostulation, TV ads, and scare talk. It is demagoguery big time.

KEEP GOVERNMENT RUNNING

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, Speaker GINGRICH says we do not want to shut down the Federal Government. The majority leader says we do not want to shut down the Federal Government. President Clinton says we do not want to shut down the Federal Government.

Mr. Speaker, I offered an amendment in the Treasury-Postal bill last Wednesday which said we will continue the operations of Government because nobody wants to shut it down. They may want to reduce this program or cut out this program, but they want the Government to continue to serve Americans.

Why then, on almost a party line vote, when we have bipartisan support, the gentleman from Virginia [Mr. DAVIS], the gentleman from Virginia [Mr. WOLF], the gentleman from Maryland [Mr. WYNN], the gentlewoman from Maryland [Mrs. MORELLA], and others of us on both sides of the aisle, say nobody intends to shut down the Federal Government.

Why then do we not pass just a simple little bill that says we are not going to put this into politics. We will not play with people's lives, their ability to fund their mortgages, their food payments, their college tuition loans? Let us act responsibly. Let us keep our Government running. Let us pass the continuing resolution now.

PRESERVING MEDICARE

(Mr. DICKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DICKEY. Mr. Speaker, last April the Medicare trustees reported that if nothing was done to Medicare, that it would go bankrupt. What we have is a proposition that we are making to try to preserve Medicare. The opposition comes and says, no that is terrible, and presents all these scare tactics.

But I think we are in a step process. What I believe is that we do have the knowledge on the side of those people who are opposing these modifications, we do have that knowledge that comes from having control of the Medicare Program for 30 or 40 years.

These people know where we can make modifications, slow down the increases, and save Medicare. What we are probably doing right now is trying to get their attention. They are probably saying, "We do not believe they are going to do it. But if they do it, we can go in there and help."

I ask those people who are opposed to those changes we are trying to make to help us with specific information that you all have so that we can help the American people and save Medicare. That is what we are trying to do.

MORE TIME NEEDED FOR MEDICARE HEARINGS

(Mr. DOGGETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOGGETT. Mr. Speaker, it is September 20 and another day has passed, and not one Republican has been willing to come to the floor of this House and level with the American people by spelling out the details of how far they plan to reach into the pockets of American seniors and cut Medicare. I have come to the conclusion it is because most of them do not have the slightest idea. They just know they are on a mission for NEWT to cut $270 billion out of Medicare, and they do not want the details to get in the way.

Mr. Speaker, we are told that this afternoon they are going to finally spell out some of the details at some staff briefing, and then they will have a 1-day stacked hearing on it tomorrow, all that the American people will get to see in hearings on this plan.

They spent 28 days on Whitewater. Why just have 1 day, unless it is to whitewash this bad Republican cut in Medicare?

Mr. Speaker, I think as long as the Republicans are unwilling to have a genuine bipartisan discussion in hearings, as we have proposed with extended hearings, there is no reason for this House to meet. It ought to adjourn until the Republicans begin a real bipartisan discussion of how to reform Medicare.

□ 1045

COMMISSION TO INVESTIGATE GAMBLING IN AMERICA

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. WOLF. Mr. Speaker, I have a bill in now on which we have 53 cosponsors, bipartisan, which would set up a national commission to study the impact of gambling on the country.

Gambling is beginning to corrupt this country. It is spreading from two States 20 years ago to 48 States, and it is destroying the American family. Also the gambling interests are now hiring prominent political people of both parties to represent their interests.

We now have 53 cosponsors on this bill. The gentleman from Illinois, HENRY HYDE, has promised us hearings next week. I would ask and urge all Members of the Congress, Republican, Democrat, liberal, and conservative, to cosponsor this bill, so we can pass a bill that studies the impact of gambling, so when local boards of supervisors look, they know what the impact will be.

Mr. BONIOR. Mr. Chairman, will the gentleman yield?

Mr. WOLF. I yield to the gentleman from Michigan.

Mr. BONIOR. Mr. Speaker, I want to commend my colleague for raising this issue, and I want to ask him to put me on this resolution. I think this is far overdue.

Mr. WOLF. Mr. Speaker, I will put the gentleman on, and urge all other Members to sign on.

MOTION TO ADJOURN

Mr. BONIOR. Mr. Speaker, since we are not able to bring up the resolution with respect to hearings on Medicare, and we have no other choice on this side, I offer a privileged motion.

The SPEAKER pro tempore (Mr. KNOLLENBERG). The Clerk will report the motion.

The Clerk read as follows:

Mr. BONIOR moves that the House do now adjourn.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. BONIOR].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. BONIOR. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant of Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 167, nays 237, not voting 30, as follows:

[Roll No. 672]

YEAS—167

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clay
Clement
Clyburn
Coleman
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Green
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hefner
Hilleary
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (RI)
Kennelly
Kildee
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Miller (CA)
Mineta
Minge
Mink
Mollohan
Nadler
Neal
Ney
Oberstar
Obey
Olver
Ortiz
Orton
Pallone
Pastor
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rangel
Reed
Richardson
Rivers
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Studds
Stupak
Tejeda
Thornton
Thurman
Torres
Towns
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NAYS—237

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Menendez
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Norwood
Nussle
Packard
Parker
Paxon
Petri
Pombo
Portman
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Regula
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Torricelli
Traficant
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (FL)
Zeliff
Zimmer

NOT VOTING—30

Callahan
Chapman
Clayton
Collins (IL)
DeFazio
Diaz-Balart
Dornan
Fattah
Fields (TX)
Jefferson
Kennedy (MA)
Martinez
Meek
Mfume
Moakley
Moran
Murtha
Owens
Oxley
Payne (NJ)
Porter
Reynolds
Sisisky
Smith (WA)
Stokes
Thompson
Tucker
Waldholtz
Williams
Young (AK)

☐ 1108

Messrs. FLANAGAN, MILLER of Florida, and STOCKMAN changed their vote from "yea" to "nay."

Mr. NEY and Mr. HILLEARY changed their vote from "nay" to "yea."

So the motion was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mrs. COLLINS of Illinois. Mr. Speaker, during rollcall vote No. 672 on the motion to adjourn, I was unavoidably detained. Had I been present I would have voted "yea."

REQUEST FOR PERMISSION FOR SUNDRY COMMITTEES AND SUBCOMMITTEES TO SIT TODAY DURING 5-MINUTE RULE

Mr. RIGGS. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole House under the 5-minute rule.

The Committee on Agriculture, the Committee on Commerce, the Committee on Government Reform and Oversight, the Committee on International Relations, the Committee on the Judiciary, the Committee on National Security, the Committee on Resources, the Committee on Science, and the Committee on Veterans' Affairs.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. WISE. Mr. Speaker, reserving the right to object, I might note that all of these committees are sitting. We would like to actually have them sitting a little more and holding hearings on Medicare and Medicaid rather than the one hearing on Medicare they will be getting and the no hearings on Medicaid. Apparently, they are not going to sit. We are not going to delay that process, but everyone should know the train is rolling here. We think it is a sad day when you cannot have hearings on health matters that affect 70 million Americans.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. GIBBONS. Mr. Speaker, reserving the right to object, and I may object, I think it is a legislative sin and a shame that you have been in control of this House for 10 months, you have been promising a Medicare bill for 10 months, and today nobody has seen a copy of that bill. That is the most complicated piece of legislation that this Congress will take up this year.

You are trying to sneak it past us, very cleverly, very stealthily, without any hearings. No one will understand it. No one will understand it.

Look at me now, how can you do such a thing and then come here and ask unanimous consent that people can work while other things are going on? That is the most ridiculous argument I have ever heard.

The silence, the silence of the Republican side is typical of the silence that they have had all along on this Medicare proposal. They are going to take $270 billion out of the pockets of Medicare people and put it into the hands of the very rich constituents. You know that is what you are doing, and you will not give us any hearings, 1 day, and we do not even have a bill to have a hearing on. What a joke. What a joke.

We are going to have a Medicare hearing on Thursday, and we do not even have a bill. Shame.

Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard. The Chair will state that it requires 10 Members to object.

Mr. GIBBONS. Will the gentleman from Texas tell us where the bill is?

The SPEAKER pro tempore. The gentleman is out of order.

(Messrs. WISE, WAXMAN, GIBBONS, FAZIO of California, FROST, LEVIN, BONIOR, HEFNER, OBEY, and SABO also objected.)

The SPEAKER pro tempore. A sufficient number has objected.

Objection is heard.

MOTION FOR PERMISSION FOR ALL COMMITTEES AND SUBCOMMITTEES TO SIT TODAY AND THE REMAINDER OF THE WEEK DURING THE 5-MINUTE RULE

Mr. ARMEY. Mr. Speaker, I offer a privileged motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

> Pursuant to clause 2(I) of rule XI, Mr. ARMEY moves that all committees and subcommittees of the House be permitted to sit today and for the remainder of the week while the House is meeting in the Committee of the Whole House under the 5-minute rule.

PARLIAMENTARY INQUIRY

Mr. WISE. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. The gentleman from Texas [Mr. ARMEY] is recognized for 1 hour.

Mr. WISE. Mr. Speaker, parliamentary inquiry.

Mr. ARMEY. I am sorry. It has been necessary——

Mr. WISE. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from West Virginia will state his parliamentary inquiry.

Mr. ARMEY. Mr. Speaker, I do not yield for that purpose.

Mr. WISE. For a parliamentary inquiry?

The SPEAKER pro tempore. The gentleman does not yield.

Mr. WISE. Mr. Speaker, parliamentary inquiry. The Chair makes that decision. Parliamentary inquiry.

The SPEAKER pro tempore. Let us have order.

Mr. WISE. The gentleman does not yield for a parliamentary inquiry.

Mr. GIBBONS. In other words, we have been gagged, we have been stonewalled, and now we are being gagged. Is that it? Is that it, I ask the gentleman from Texas [Mr. ARMEY], stonewalling us? You have been stonewalling us for 10 months.

Mr. ARMEY. Mr. Speaker, I believe I control the time.

The SPEAKER pro tempore. The Chair is ready to rule. The parliamentary inquiry was sought before the time was given to the majority leader.

Mr. WISE. I thank the Chair. Parliamentary inquiry, is the Chair or is the gentleman going to, or does this side receive the customary 30 minutes in debate on this matter?

Mr. LINDER. That is not a parliamentary inquiry. Furthermore, the gentleman from Texas did not yield for that.

The SPEAKER pro tempore. That is up to the majority leader.

Does the majority leader yield?

Mr. ARMEY. Mr. Speaker, I do appreciate the inquiry made by the gentleman from West Virginia, and for whatever time I speak on my privileged motion, I will see to it that the gentleman from West Virginia is given twice as much time as I take.

Mr. Speaker, am I recognized to speak on my motion?

The SPEAKER pro tempore. The gentleman from Texas [Mr. ARMEY] is recognized for 1 hour.

□ 1115

Mr. ARMEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me again reiterate the fact that whatever time I spend speaking on this motion I will grant to the gentleman from West Virginia twice as much time as I take. This is an important motion. I am sorry it has become necessary to do so. We do want to, at least when we are operating within the Chamber, do so in an orderly fashion while we allow the remainder of work of Congress to go forward.

Mr. Speaker, I reserve the balance of my time with the reservation that the timekeeper report to me such time as I used to this point, and I will yield that amount of time to the gentleman from West Virginia [Mr. WISE] for purposes of debate only.

The SPEAKER pro tempore (Mr. DICKEY). The gentleman from Texas [Mr. ARMEY] consumed 30 seconds.

Mr. ARMEY. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, what is at issue here and what the gentleman from Florida [Mr. GIBBONS] has raised is the fact that we are just going to approve a number of committees sitting. Now they are sitting on some important matters, some not as important. None of them is as important as health care that affects 70 million Americans. Thirty-seven million Americans affected by Medicare, that receives one hearing on Thursday, Medicaid, which is being marked up, as I understand, today by the Committee on Commerce; the bill dropped on the floor yesterday affects roughly 31 to 32 million Americans.

Mr. Speaker, clearly it is outrageous that we can have 6 days of hearings on the National Highway System that we will take up in a minute, we can only have 1 day of hearings on Medicare, and none on Medicaid, and both make the National Highway System, as important as I think it is, pale by significance in dollars and in impact.

So, I would just urge Members to reflect on this and urge that we go ahead with the Dingell resolution, which will provide 4 weeks of hearings. I think, if we are going to change the health programs that affect the largest number of

Americans, have been in place for 30 years, we should get more than 1 day of hearings.

The SPEAKER pro tempore. The time of the gentleman from West Virginia [Mr. WISE] has expired.

Mr. ARMEY. Mr. Speaker, I yield back the balance of my time, and I move the previous question.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion.

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. ARMEY].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. ARMEY. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 243, nays 175, not voting 16, as follows:

[Roll No. 673]

YEAS—243

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Torricelli
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—175

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clay
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Green
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hayes
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Menendez
Miller (CA)
Mineta
Minge
Mink
Mollohan
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rangel
Reed
Richardson
Rivers
Roemer
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Skaggs
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thornton
Thurman
Torres
Towns
Velazquez
Vento
Visclosky
Volkmer
Ward
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—16

Chapman
Clayton
Clement
Fields (TX)
Flake
Jefferson
Kennedy (MA)
Meek
Mfume
Moakley
Payne (NJ)
Reynolds
Sisisky
Thompson
Tucker
Waters

□ 1137

Messrs. KENNEDY of Rhode Island, SPRATT, and CONYERS changed their vote from "yea" to "nay."

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

NATIONAL HIGHWAY SYSTEM DESIGNATION ACT OF 1995

Mr. QUILLEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 224 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 224

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 2274) to amend title 23, United States Code, to designate the National Highway System, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with section 302(f) of the Congressional Budget Act of 1974 are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Transportation and Infrastructure. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the amendment recommended by the Committee on Transportation and Infrastructure now printed in the bill, it shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule an amendment in the nature of a substitute consisting of the text of H.R. 2349. That amendment in the nature of a substitute shall be considered by title rather than by section. The first two sections and each title shall be considered as read. Points of order against that amendment in the nature of a substitute for failure to comply with clause 1(q)(10) of rule X, clause 5(a) of rule XXI, or section 302(f) of the congressional Budget Act of 1974 are waived. Before consideration of any other amendment it shall be in order to consider the amendment printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Shuster of Pennsylvania or his designee. That amendment shall be considered as read, may amend portions of the bill not yet read for amendment, shall be debatable for ten minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against that amendment are waived. After disposition of that amendment, the provisions of the bill as then perfected shall be considered as original text. During further consideration of the bill for amendment, the Chairman of the Committee of the whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. QUILLEN. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Texas [Mr. FROST], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 224 is an open rule providing for the consideration of H.R. 2274, the National Highway System Designation Act of 1995. The rule provides 1 hour of general debate divided equally between the chairman and ranking minority member of the Committee on Transportation and Infrastructure.

The rule makes in order an amendment in the nature of a substitute as an original bill for the purpose of amendment consisting of the text of H.R. 2349. The substitute shall be considered by title rather than by section, and the first two sections and each title shall be considered as read.

The rule waives section 302(f) of the Congressional Budget Act of 1974, prohibiting consideration of legislation providing new budget authority in excess of a committee's allocation, against consideration of the bill and against the amendment in the nature of a substitute.

Also, the rule waives clause 5(a) of rule XXI, prohibiting appropriations in a legislative bill, and clause 1(q)(10) of rule X, prohibiting inclusion in a general roads bill of provisions addressing specific roads, against the amendment in the nature of a substitute.

The rule further provides for the consideration of the manager's amendment printed in the Rules Committee report. The amendment is considered as read, and is debatable for 10 minutes equally divided between the proponent and an opponent. All points of order against the amendment are waived. If adopted, the amendment is considered as part of the base text for the purpose of further amendment.

The rule authorizes the Chair to accord priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD. Finally, the rule provides one motion to recommit, with or without instructions.

Mr. Speaker, as a freshman Member of Congress back in 1963, I proudly served on the Public Works Committee. I developed a high respect for the difficult and important work done by the committee. They did a great job back then, and that hasn't changed. Chairman BUD SHUSTER and the other members of the committee have done an outstanding job in putting together this important bill. As always, the committee worked with a bipartisan spirit and I strongly support this legislation.

The establishment of the National Highway System is essential to ensure the necessary infrastructure to carry people and goods safely and efficiently across the country will into the 21st century.

I understand that an agreement was made to allow a vote on taking the trust funds off budget at a later time. I personally support taking the various transportation trust funds off budget, but I don't want to see this legislation stalled because of those provisions, and I look forward to voting on this issue sometime in the near future.

There are some concerns over certain provisions of this bill, such as repealing the maximum speed limit and helmet penalties. This open rule will allow all Members to fully participate in the amendment process, and I urge its adoption.

Mr. Speaker, I insert extraneous materials into the RECORD as follows:

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of September 19, 1995]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-open [2]	46	44	47	74
Modified Closed [3]	49	47	15	23
Closed [4]	9	9	2	3
Totals	104	100	64	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of September 19, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17 H.J. Res. 1	Social Security Balanced Budget Amdt	A: 255–172 (1/25/95).
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/13/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security RevitSecurity Revitalization	PQ: 229–100; A: 227–127 (2/15/95).
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A:21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/2/95)
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95)
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/95)
H. Res. 108 (3/7/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95)
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95)
H. Res. 115 (3/14/95)	MO	H.R. 1159	Making Emergency Supp. Approps.	A: 242–190 (3/15/95)
H. Res. 116 (3/15/95)	MC	H.J. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95)
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95)
H. Res. 119 (3/21/95)	MC			A: 217–211 (3/22/95)

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued

[As of September 19, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423–1 (4/4/95)
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	A: voice vote (4/6/95)
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95)
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	A: 253–172 (4/6/95)
H. Res. 136 (5/1/95)	O	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95)
H. Res. 139 (5/3/95)	O	H.R. 1361	Coast Guard Auth. FY 1996	A: voice vote (5/9/95)
H. Res. 140 (5/9/95)	O	H.R. 961	Clean Water Amendments	A: 414–4 (5/10/95)
H. Res. 144 (5/11/95)	O	H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95)
H. Res. 145 (5/11/95)	O	H.R. 584	Fish Hatchery—Iowa	A: voice vote (5/15/95)
H. Res. 146 (5/11/95)	O	H.R. 614	Fish Hatchery—Minnesota	A: voice vote (5/15/95)
H. Res. 149 (5/16/95)	MC	H. Con. Res. 67	Budget Resolution FY 1996	PQ: 252–170 A: 255–168 (5/17/95)
H. Res. 155 (5/22/95)	MO	H.R. 1561	American Overseas Interests Act	A: 233–176 (5/23/95)
H. Res. 164 (6/8/95)	MC	H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225–191 A: 233–183 (6/13/95)
H. Res. 167 (6/15/95)	O	H.R. 1817	MilCon Appropriations FY 1996	PQ: 223–180 A: 245–155 (6/16/95)
H. Res. 169 (6/19/95)	MC	H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232–196 A: 236–191 (6/20/95)
H. Res. 170 (6/20/95)	O	H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221–178 A: 217–175 (6/22/95)
H. Res. 171 (6/22/95)	O	H.R. 1905	Energy & Water Approps. FY 1996	A: voice vote (7/12/95)
H. Res. 173 (6/27/95)	C	H.J. Res. 79	Flag Constitutional Amendment	PQ: 258–170 A: 271–152 (6/28/95)
H. Res. 176 (6/28/95)	MC	H.R. 1944	Emer. Supp. Approps.	PQ: 236–194 A: 234–192 (6/29/95)
H. Res. 185 (7/11/95)	O	H.R. 1977	Interior Approps. FY 1996	PQ: 235–193 D: 192–238 (7/12/95)
H. Res. 187 (7/12/95)	O	H.R. 1977	Interior Approps. FY 1996 #2	PQ: 230–194 A: 229–195 (7/13/95)
H. Res. 188 (7/12/95)	O	H.R. 1976	Agriculture Approps. FY 1996	PQ: 242–185 A: voice vote (7/18/95)
H. Res. 190 (7/17/95)	O	H.R. 2020	Treasury/Postal Approps. FY 1996	PQ: 232–192 A: voice vote (7/18/95)
H. Res. 193 (7/19/95)	C	H.J. Res. 96	Disapproval of MFN to China	A: voice vote (7/20/95)
H. Res. 194 (7/19/95)	O	H.R. 2002	Transportation Approps. FY 1996	PQ: 217–202 (7/21/95)
H. Res. 197 (7/21/95)	O	H.R. 70	Exports of Alaskan Crude Oil	A: voice vote (7/24/95)
H. Res. 198 (7/21/95)	O	H.R. 2076	Commerce, State Approps. FY 1996	A: voice vote (7/25/95)
H. Res. 201 (7/25/95)	O	H.R. 2099	VA/HUD Approps. FY 1996	A: 230–189 (7/25/95)
H. Res. 204 (7/28/95)	MC	S. 21	Terminating U.S. Arms Embargo on Bosnia	A: voice vote (8/1/95)
H. Res. 205 (7/28/95)	O	H.R. 2126	Defense Approps. FY 1996	A: 409–1 (7/31/95)
H. Res. 207 (8/1/95)	MC	H.R. 1555	Communications Act of 1995	A: 255–156 (8/2/95)
H. Res. 208 (8/1/95)	O	H.R. 2127	Labor, HHS Approps. FY 1996	A: 323–104 (8/2/95)
H. Res. 215 (9/7/95)	O	H.R. 1594	Economically Targeted Investments	A: voice vote (9/12/95)
H. Res. 216 (9/7/95)	MO	H.R. 1655	Intelligence Authorization FY 1996	A: voice vote (9/12/95)
H. Res. 218 (9/12/95)	O	H.R. 1162	Deficit Reduction Lockbox	A: voice vote (9/13/95)
H. Res. 219 (9/12/95)	O	H.R. 1670	Federal Acquisition Reform Act	A: 414–0 (9/13/95)
H. Res. 222 (9/18/95)	O	H.R. 1617	CAREERS Act	A: 388–2 (9/19/95)
H. Res. 224 (9/19/95)	O	H.R. 2274	Natl. Highway System	
H. Res. 225 (9/19/95)	MC	H.R. 927	Cuban Liberty & Dem. Solidarity	

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; C-closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

Mr. QUILLEN. Mr. Speaker, I reserve the balance of my time.

□ 1145

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Resolution 224 and in support of H.R. 2274. This is urgent legislation and I urge its quick passage in order to protect the funds for the Nation's highway system. The Transportation Committee is to be commended for bringing forward a bipartisan bill which is truly in the Nation's interest. While there are several issues which are controversial, most notably the repeal of the Federal speed limit and the motorcycle helmet requirement, this open rule will allow the House to fully debate these and other issues.

However, in spite of my support for this rule, it is my intention to call for a no vote on the previous question for this resolution. Mr. Speaker, tomorrow the Committee on Ways and Means is holding its only day of hearings on proposals to cut Medicare by $270 billion. In spite of the fact that my Democratic colleagues on Ways and Means have objected in the strongest possible terms to giving these enormous changes such short shift, the Republican majority has not seen fit to give the public the opportunity to fully digest and comment on their proposal. And, I might add, no one has actually seen any text and clairvoyance is required to comment on the specifics of the Republican proposal. For that reason, Mr. Speaker, I will call for a no vote on the previous question in order to allow an amendment to the rule to permit the consideration of House Resolution 221, a resolution sponsored by 201 Members calling for additional hearings on Medicare legislation.

As I stated at the outset, I support the open rule providing for the consideration of H.R. 2274. Mr. Speaker, I especially want to thank the Transportation Committee for their designation of Interstate 35 as a congressional high priority highway. This road, which runs through the middle of my congressional district, stretches from Laredo, TX at the Mexican border, to Duluth, MN, at the Canadian border. It also connects by a trunk road with the transportation facilities in Kansas City, MO. I–35 is a vital transportation link between the three NAFTA partner-nations and has rightfully been called a river of trade.

Because of the lack of adequate rail systems in Mexico, highways are truly a vital link for that Nation's trade to the north. In fact, approximately 74 percent of Mexico's trade with the United States travels on our highways and more than half of that amount crosses the border at Laredo.

Interstate 35 benefits every State and every community along its 1,500 mile route because trade is truly a two-way street. United States and Mexican officials are predicting a doubling of trade between now and the year 2000 and another doubling by 2010. Texas commerce with Mexico accounted for $20.3 billion in exports in 1992, and Oklahoma's exports to Mexico in 1993 totaled $158 million up 226 percent from 1989 levels. Running through the Nation's midsection, I–35 links the entire United States with Canadian and Mexican markets through rail, air and truck links.

It is the hope of the multistate I–35 Corridor Coalition that the designation of I–35 as a high priority corridor is just a first step toward the eventual designation of this vital transportation link as the International NAFTA Superhighway. With increased trade will come increased traffic and a need for enhanced safety mechanisms as well as construction and maintenance of the roadway. I–35 is currently the only fully constructed north-south Interstate link between Mexico and Canada and its high priority designation will enhance efforts to improve the road to accommodate the increase in commercial traffic that has begun and promises only to grow.

Mr. Speaker, I would also like to take the opportunity to salute my friend and colleague, NORM MINETA. His service to the Congress and particularly to the transportation needs of this great Nation has been a model of dedication and high-mindedness. He has been both a champion of noble causes and a workhorse in the day-to-day business of the House. Our country and this Congress are far better because of him and he will be missed. I salute you NORM and wish you well as you take leave of us.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore (Mr. DICKEY). The Chair joins in recognition of the gentleman from California [Mr. MINETA].

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentlewoman from Ohio [Ms. PRYCE], a very valuable member of the Committee on Rules.

Ms. PRYCE. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I rise in strong support of this open rule for H.R. 2274, the National Highway Designation System Act of 1995. As a member of the Committee on Rules, I am very pleased we are bringing to the floor today yet another open rule, one which will permit the House to have a thorough and complete debate on this very important, timely legislation. This resolution honors our commitment to an open amendment process, and by including a preprinting option, the committee continues to encourage Members to make their amendments available for their colleagues to review before debate begins on the House floor.

While the focus of this legislation is to designate the National Highway System, it also takes a much-needed step to provide immediate relief from a number of costly Federal mandates or requirements put in place by ISTEA in 1991. I would like to express my thanks to the gentleman from Pennsylvania, Chairman SHUSTER, and to other members of the Committee on Transportation and Infrastructure, especially my colleague from Mississippi, Mr. PARKER, for a thoughtful reconsideration of and for working to include in this bill a provision to repeal the so-called crumb rubber mandate.

Well intended, and enacted as an incentive to encourage the use of recycled paving material, the crumb rubber mandate also carried with it a heavy penalty for noncompliance. But the universal application of crumb rubber has, at its best, met with mixed results. For example, what works in warmer climates does not necessarily work in cold. Therefore, many State transportation departments, including the Ohio Department of Transportation, have voiced their strong concerns about this example of overreach by the Federal Government.

In Ohio alone, this mandate costs $50 million each year, money that could be used to repave nearly 700 miles of highways, or rehabilitate 137 bridges. Repealing this mandate simply reaffirms that States indeed know how best to build highways in their locales, and it is a very positive step toward allowing the States more freedom and flexibility to make important highway construction decisions.

Mr. Speaker, the Committee on Transportation and Infrastructure has reported a very responsible bill, which must be completed before the end of the month in order for valuable highway funds to continue flowing to the States. The rule before us will set the stage for this kind of deliberation that is needed in this body, and I urge my colleagues to support this fair and open rule.

Mr. FROST. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, the House is embarking on I think a very bad precedent and a very dangerous course. Many of my colleagues wonder why the motion to adjourn today? The answer is very simple: First of all, the rights of the Members of the institution are being severely impinged upon. The House is being called upon in just a few days to consider legislation on which there have been very little in the way of hearings; indeed, in our committee, no hearings on either the Medicare or Medicaid proposals, and in the Committee on Ways and Means, a similar situation. Members are not going to know what the questions are associated with regard to the legislation.

The bill, which was submitted to our committee and which is being written in our committee as we speak here at this moment, was submitted to the Congress Monday night; that is, September 18, at 9 p.m. The markup on this in our committee commences today. This is on proposal which was already changed since it was sent up. The staff on the Committee on Commerce spent all night Monday night and all night last night on the minority side looking to try to understand what is in this piece of legislation.

A similar situation impends with regard to the Medicare proposal. These proposals have been part of the Republican Contract on America since last summer when my Republican colleagues marched to the front of the Capitol to join in a big signing ceremony. They knew what was going to be in it, but they have not shared it with the American people.

Now, the question is, why is this great haste before us? Why are we being compelled to consider legislation which has not yet been made available to the Congress, on which no American citizen has either understanding or appreciation of all of the enormous subtleties?

These are pieces of legislation which will run to scores, if not hundreds, of pages. These are pieces of legislation which are going to affect every citizen in this country, which are going to have significant impact on the poor, the young, the old. Indeed, they are going to lend credit to the claims that the Republicans are giving new meaning to the words "women and children first," and that it is the women and children, and the old and the poor and the weak who are going to be most afflicted by these changes.

Now, I would say on the basis of some 40 years service in this body, that the best legislation is bipartisan legislation when it can be gotten. The second best legislation is legislation which is crafted and contrived in an open fashion, in which everyone here has an opportunity to ask questions and to understand fully all of the issues that are involved and to get the best answers we can, so that we craft the best public policy.

Here we have a situation with no hearings on either Medicare or Medicaid. There are not cost estimates from the Congressional Budget Office. There has been no opportunity for interested persons to be heard. And this is true with regard to either Medicare or Medicaid.

The bill on which this rule would be offered has had 6 days of hearings and markup. The bill was started February 8. Discussion has been going on for months. The early drafts were made available to the Congress. There has been fair discussion. And whether you are for or against the bill that this rule would make in order, you cannot say that the process has not been at least basically fair and open.

No such claim can be made with regard to Medicare and Medicaid. The matter has been conducted in such a haphazard, sloppy and concealed way, that no person can really tell you what is in the bill or what the impact of it is going to be.

We sought responses from Governors of a number of States, interestingly enough, all but one Republicans, and we got an answer from no one except from the one Democratic Governor, in which on Medicaid it was said the result would be devastation of the Medicaid program for the State of Florida.

These are not issues which are small. Even President Reagan talked about the safety net. And in his discussion of the safety net, he said it is going to take care of those who are most poor, least able to address change, and least able to sustain hurt, and those who have the least resources with which to address the costs and the stresses of life, particularly from the standpoint of health and things of that kind.

This legislation, with regard to Medicaid, which is not being marked up in our committee, is not a safety net anymore. It is simply a big concrete floor on which the poorest and the least well-to-do in our country are going to come smash. No hearings, no opportunity to be heard, and, indeed, a terrible result.

Reject this rule. Let us have an open rule, so that we can bring this legislation to the floor after an appropriate period of hearing and after the rule has been amended to enable this side to get full hearings on the matter.

□ 1200

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

I thought we were discussing the highway bill and not Medicare, and I think in the future, we should confine our remarks to the rule before us. I dislike making a point of order, and I will not do it at this time, but I would hope that we confine our remarks to the bill before us.

Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. SHUSTER], the distinguished chairman of the committee.

Mr. SHUSTER. Mr. Speaker, I thank the gentleman for yielding me this time. I thank the gentlewoman for letting me go essentially out of order so we can get all the things done we need to do.

Mr. Speaker, this is historic and urgent legislation, and I commend the Committee on Rules and the leadership for bringing this open rule to the floor.

We must pass this legislation quickly so that we free up nearly $6 billion of funds, critical highway funds that will go to our States.

As a show of good faith and a strong commitment to getting this bill out quickly, I have agreed to drop two important provisions. First, I have agreed to drop the provision in the bill which passed overwhelmingly in the committee, indeed, I believe unanimously, to take the transportation trust funds out of the general fund budget. I did this because I received a commitment from the leadership that we will, indeed, have a vote on this issue later this year after the appropriations and the reconciliation process.

It is important to emphasize that there are 222 Members of this body who are cosponsors of the legislation to remove the transportation trust funds off budget, a majority; many others have committed to vote for it who are not cosponsors. Indeed, a majority of the Republicans of the House are cosponsors; nearly a majority of the Democrats of the house are cosponsors; a majority of the Republican freshman class are cosponsors. That issue has strong bipartisan support. But I have agreed to drop it in the interests of moving the national highway system bill quickly.

Secondly, I have agreed to drop the trigger provision which will move up the reauthorization of ISTEA from 1997 to 1996. I still believe there are solid policy reasons for doing this. However, because we want to bring bipartisan legislation to the floor and some of my Democratic colleagues on the committee have problems with this, again, in the interests of bipartisanship and good faith, I have agreed to drop this provision in this legislation. We may well consider it in another context later this year, but we need to pass the national highway system bill quickly. Also, dropping these two important provisions, also, is being done with an eye toward demonstrating to the other body we want to cooperate with them. They have expressed concerns about these two provisions as well in this particular piece of legislation. So we have dropped those controversial provisions so that we can move quickly and get the national highway system final approval and get the money released to the States so we can build highways, improve productivity for Americans and save lives.

Mr. FROST. Mr. Speaker, I yield 6½ minutes to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, first of all, let me join my friend, the gentleman from Texas [Mr. FROST], in commending the distinguished gentleman from California [Mr. MINETA], the ranking member and former chairman of the Committee on Transportation and Infrastructure, for outstanding service to this Nation on important issues related to the committee on which he serves and particularly the highways of this country, and to also commend the gentleman from Pennsylvania for his leadership throughout the years as well, the gentleman from Pennsylvania [Mr. SHUSTER], and the Committee on Rules for bringing an open rule to the floor of the House, which is refreshing to see on this floor.

I wanted to talk about the priorities in which we are addressing issues in this Congress and, of course, the rule debate is on the priorities which we believe are important to bring forward to the American people. While I think this highway bill is, indeed, an important bill, I think it quite frankly this month or in the next 2 months, I should say, pales in comparison to what may in fact happen with respect to Medicaid and Medicare, a cut of over $450 billion for people who need those particular resources in order to survive either as senior citizens in this country or people who are struggling at the lower end of our economic spectrum. I would just echo the comments that were made by my colleague from Michigan, Mr. DINGELL, the ranking member of the Committee on Commerce. The gentleman from Michigan [Mr. DINGELL], I think, correctly pointed out that we have had hearings on this highway bill that lasted 6 days. They started on February 8. Discussions have been going on for 7 months. We have also seen that we have had Ruby Ridge debated in hearings for 2 weeks, Waco for 2 weeks, we had 28 days of hearings on Whitewater.

This bill, the highway bill that we are discussing today, 6 days, yet when it comes to the biggest bill that will affect over 70 million people directly and probably everyone in the country, cuts in Medicare and Medicaid, over $450 billion, this Congress is relegated to 1 day of hearings, none on Medicaid, 1 on Medicare. It is an outrage. It is an absolute outrage, Mr. Speaker, that that is where we are headed in this most important debate for Americans.

Do the American people not deserve more than 1 day debate? Do they not deserve more than 1 day to talk about these ideas?

For 9 months now we have heard talk from this side of the aisle about how they plan to save Medicare. But to this day we are still waiting to see what their plan is. We are still waiting for their details. They have brought a highway bill to the floor today, and in that highway bill, they have outlined where they want to take the country. I think they are going to find a lot of general agreement with that.

My friend from Pennsylvania, whom I had a kind word about just a second ago, the gentleman from Pennsylvania [Mr. SHUSTER], came to the floor 10 minutes ago. He talked about the highway trust fund and the moneys in that trust fund being reserved just for highways—just for highways—so they could not be used as a hedge against our ever, actually declining now, but at one time growing budget deficit. It strikes me as rather odd and peculiar that they would come to the floor and make that argument which, frankly, I do not have too much disagreement with, and yet, and yet, when it comes to Medicare, what they want to do and what they have done is they have raided the Medicare trust fund in order to pay for tax breaks for the wealthiest people in our country and the wealthiest corporations in our country. It is hard to understand that type of rationale.

But I guess I could understand it if I had a plan, as my colleagues on this side of the aisle do, that would double the Medicare premiums to about $100 a month, that would take away your choice of doctor, that would cut your benefits to pay for these tax breaks for the wealthy; I think I probably would want to keep that hidden, as well.

So you want to talk about the truth? Let us talk about the truth here this afternoon. I ask my colleagues on this side of the aisle, why do not you tell people that not a dime of what you are asking seniors to pay in Medicare cuts will go into the trust fund? We have talked about the highway trust fund. Not one dime in the cuts in the Medicare portion of the bill that we will have shortly—$270 billion—will go into the trust fund. It is going to another fund to pay for tax breaks for the wealthiest few.

Mr. Speaker, we know that the tax cut bill that is being proposed is $245 billion on this side of the aisle, and we also know that $270 billion in Medicare cuts, and we all know the people who will be hurt most by your cuts are the people who need Medicare the most—older Americans, who pay into the system all their lives, who live on fixed incomes, and who cannot afford to see their Medicare premiums doubled. I only hope that you would not come to the floor and tell us that you are not cutting Medicare.

Only in Republican Washington can you double somebody's monthly premium in this town and then not call it a cut. You talk about cuts, talk about Medicaid as well, Mr. Speaker. Republicans have proposed the biggest cuts, as I said, in Medicaid in the history of this country.

You think they realize that if your Medicaid cuts go through, tens of millions of Americans are going to be denied long-term care, the nursing home care they need to say alive? In this country, 60 percent of Medicaid goes into nursing home care and if these cuts go through, $182 billion worth, in my State of Michigan, I am going to lose 15,000 people who will not be able to have those services next year alone and 175,000 over the course of the 7-year proposal.

So, in conclusion, Mr. Speaker, let me just end by suggesting to my friends that it is simply an outrage that we are not allowed to have more hearings, as we are in the highway bill, on Medicare and Medicaid, 1 day of hearings, 1 day of hearings. We on this side of the aisle are so determined to let the American people speak on this that we will have hearings on the lawn of the U.S. Capitol over the next several days. We will bring people here so they can express themselves and express their views on what these proposals will do to them and their families.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentlewoman from Utah [Mrs. WALDHOLTZ], a very valuable member of the Committee on Rules.

Mrs. WALDHOLTZ. Mr. Speaker, I rise in support of this rule which provides for fair debate and consideration of the crucial issues affecting our Nation's transportation needs.

Without passage of a bill to designate the National Highway System, our States stand to lose a significant amount of funding desperately needed to improve this Nation's transportation infrastructure. My State of Utah alone stands to lose up to $78 million of funding per year without passage of an NHS bill, money we desperately need to address the impact of our robust growth.

Almost 2,200 miles of highways in Utah are proposed under the NHS bill. These highways carry more than 50 percent of the car travel and more than 80 percent of the truck travel in my State. This bill will play a major role toward promoting Utah's economic development and prosperity, reducing traffic congestion, improving air quality, and maintaining the quality of life Utahns have always appreciated.

In addition, I am pleased with the provisions included in this bill that would help to mitigate the negative impacts imposed under section 1003(c) of the 1991 ISTEA bill. Because of the difficulty of precisely estimating future ISTEA highway spending, the States will be hit with a significant reduction in highway funding for fiscal year 1996. This bill takes significant steps to help mitigate those impacts, helping to ensure that the States have funding they need to meet their highway needs for the coming fiscal year.

I am also pleased with provisions in the bill that repeal Federal mandates and penalties, including repeal of the national speed limit and the crumb rubber mandate.

I know repeal of these provisions is controversial; however, federal mandates such as the national speed limit simply do not make sense for sparsely populated western States like Utah. After discussing appropriate speed limits with our State director of public safety and other law enforcement officials, I am confident that the States will set speed limits that best meet their transportation needs without compromising public safety.

Finally, I would like to commend Chairman SHUSTER for his efforts to take the Transportation trust funds off budget. I believe it is time to release these trust funds for their intended purpose: rebuilding and expanding our badly over-used transportation infrastructure. While I am disappointed that a provision to take the trust funds off budget will not be included in the bill we consider on the floor today, I am pleased that we will have a chance to vote on this important issue later this year.

I urge my colleagues to support this open rule so that we may honor our commitment to designate the National Highway System to preserve and improve our Nation's transportation infrastructure.

Mr. FROST. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I want to commend the gentleman from Pennsylvania [Mr. SHUSTER], the gentleman from California [Mr. MINETA], the gentleman from Wisconsin [Mr. PETRI], and the gentleman from West Virginia [Mr. RAHALL] for this bill. I am going to support the rule.

I have two amendments that are being incorporated into the bill. I want to discuss them briefly.

The first one would aid safety rest stop areas for a full eligibility for 100 percent funding under the trust fund. In 1987 I was able to pass legislation signed into law that made bridge impact barriers, breakaway utility poles, signalization, pavement marking, signs, lights, 100 percent funded under the trust fund because people in States with limited money were fixing potholes but letting safety, which was our big talk, talking the talk, we were not walking the walk, in putting up the money for it.

□ 1215

My first amendment, Mr. Speaker, allows 100 percent funding for the safety rest-stop areas, and these are simple turnoffs, and I have report language that is submitted that is saying that they would be simple turnoffs, and there could be no fuel or food sold there because our intent is not to provide competition for commercial rest-stop areas by the States. That is a good amendment, and I appreciate the leaders on both sides having included it in this bill.

The second one will study the compliance of the Buy American Act in the procurement by the Federal highway funds and trust fund. Now everybody in this House strongly supports it. Very few people realize the waivers and loopholes that are involved. Japan, as we speak, is coming up with a $100 billion infrastructure program to move their economy, and the last time they did we were not allowed to bid on many of those projects. I believe we should be putting more Americans to work with, in fact, infrastructure improvements in America, but we should be at least looking at the procurement in these expenditures of American-made goods and products.

So, Mr. Speaker, the second amendment says, "Look. How is America complying with, and the Department of Transportation, with Buy American laws, and how many waivers and loopholes are created in here, and how much purchasing of foreign-made goods is going on?"

Mr. Speaker, I am going to support the bill, and I commend the respective leaders on both sides for this bill.

I want to commend the gentleman from Pennsylvania, Mr. SHUSTER, the gentleman from California, Mr. MINETA—who is retiring, as well as Mr. PETRI and Mr. RAHALL, for their work on this bill.

I want to talk about two amendments I had included in the bill during committee markup. The first amendment adds the construction of safety rest stop areas to the list of safety projects eligible for 100-percent Federal funding. Currently, the safety rest stop construction projects are not explicitly part of the Federal-aid program, and are not eligible for 100-percent Federal funding.

I am not talking about commercial rest stops—the ones with Roy Rogers and TCBY's. I am talking about the construction of simple turn-offs where drivers can safely get some rest. I would hope that in the conference report, language is added that explicitly defines the term "safety rest areas" as follows:

Any project that provides drivers with an area where they can pull in and rest to reduce fatigue; and/or

Any project to increase parking at existing rest areas where fuel and rooms for lodging are not available—in other words: non-commercial rest stops. This would ensure that States do not build rest facilities that compete with commercial truck stops or travel plazas.

During my 10 years on the committee, I have been an outspoken proponent of full Federal funding for highway safety projects. In 1987 I was successful in adding language to transportation legislation approved by the committee, and later signed into law, that made certain highway safety improvement projects, such as pavement marking, guard rail enhancement and traffic signalization, eligible for 100-percent Federal funding. My amendment would simply add safety rest stop areas to this list.

Numerous studies have shown that the construction of additional rest stops would significantly reduce driver fatigue—especially among truck drivers—thereby reducing the number of traffic accidents associated with driver fatigue. This amendment will ensure that commercial motor vehicle drivers have the opportunity and means to obtain the hours of rest required by Federal hours of service regulations (49 C.F.R. 395).

My amendment would not cost additional money—it simply gives States the flexibility necessary to use Federal highway money in the most effective manner to improve safety on their highways. This amendment says: "Trust the States to determine what safety projects are the most urgently needed, and let the States decide whether or not they have a shortage of safety rest stops."

My second amendment directs the Secretary of Transportation to study how well the States have been complying with the Buy American Act in spending Federal highway funds. As you know, since coming to Congress I have championed the buy American issue. I believe strongly that, to the greatest extent possible, Federal procurement dollars should be spent on American-made products. Nowhere should this be more true than in the Federal highway program.

Most Members of Congress strongly support the Buy American Act. But not many Members are aware of the many waivers and loopholes in the Act that, all too often, result in the purchase of foreign-made products with U.S. tax dollars. The intent of my amendment is to ascertain what percentage of the tens of billions of Federal dollars that have been spent through ISTEA by the States have been spent on goods made in this country. This is another commonsense amendment, and I am pleased that it was included in the bill.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, I want to thank the leadership of the Committee on Transportation and Infrastructure, the gentleman from Pennsylvania [Mr. SHUSTER], the gentleman from Wisconsin [Mr. PETRI], full committee ranking member, the gentleman from California [Mr. MINETA], and certainly the gentleman from West Virginia [Mr. RAHALL], for bringing this bill to the floor. It is certainly a bill that I think we can all support, a necessary bill, and I have a question, Mr. Speaker.

How would the American people feel if they knew this bill were coming to the floor, a bill that is going to control the spending of $20 billion a year out of a trust fund, if they knew this bill were coming to the floor without 1 day of hearings? They would feel pretty bad about it, particularly if it affected millions of Americans. Well, guess what, Mr. Speaker? They do not have to worry about it because the Committee on Transportation and Infrastructure on a bill that has a trust fund and that roughly appropriates, or handles, $20 billion a year; there were 6 days of hearings in 1995 on this important topic, there were 6 days of hearings in 1994 on this important topic, there were 7 months of bipartisan negotiations. There was a bill that was introduced months ago. The American public can be secure in knowing this bill was fully deliberated.

Now, how would they feel, Mr. Speaker, knowing that there is a bill, might be a bill, out there that appropriates about, and let me think, Mr. Speaker. It appropriates about six to seven times what is in the highway bill. That is the Medicare trust fund. How would they feel knowing that the bill that would not get a day of hearings, affects 31 million people, that the bill that the Medicare system will get 1 day of hearings; that affects 37 million people. How do they feel knowing that billions more is going to go into health care and will not get but 1 day of hearing between Medicare and Medicaid?

Highway trust fund, $20 billion a year, gets 6 days of hearings this year and 7 months of negotiations. Medicare and Medicaid, which Medicare is a trust fund, gets 1 day of hearings, and we have not seen the legislation yet that deals with that legislation, and someone spoke just a minute ago about States losing money. Thank goodness the National Highway System bill is moving because West Virginia could lose several hundred million dollars if it is not enacted by October 1. Thank goodness it is moving. Guess what West Virginia stands to lose under the Medicaid legislation that gets no days of hearings in which the bill came out and was introduced just 2 days ago? First estimates are somewhere between $3 and $3½ billion.

So, Mr. Speaker, we can hold 6 days of hearings when a State is going to lose a couple hundred million dollars. We hold no days of hearings when a State is at risk for $3½ billion and its entire health care system is at stake.

Mr. Speaker, I am urging a vote against the previous question. I do support the bill. I think it is interesting the roads that this will build will go to many hospitals. The routes will be open because of this bill; the hospitals could be closed because of the Medicare and Medicaid bill. I think people want a highway bill, but they do not want to get run over by the health care legislation.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, this proposed rule will set the priority for legislative business, and it is the wrong priority. This afternoon, after 9 months, we will have what a Republican aide to the Committee on Ways and Means has probably misdescribed as, I quote, the complete comprehensive details of the Republican paymore, get-less Medicare plan. But the same aide says that the legislation just is not ready, it is not ready, and we are not ready for the legislation.

So, Mr. Speaker, tomorrow we will have a meaningless, 1-day stacked committee hearing.

POINT OF ORDER

Mr. QUILLEN. Mr. Speaker, I make a point of order that the gentleman from Texas [Mr. DOGGETT] is in violation of House rule XIV that requires Members to confine themselves to the question under consideration.

Mr. Speaker, the question under consideration is House Resolution 224, the rule for the highway bill, and has nothing to do with Medicare.

Mr. FROST. Mr. Speaker, may I be heard on the point of order?

Mr. DOGGETT. And I also?

The SPEAKER pro tempore (Mr. DICKEY). The Chair recognizes the gentleman from Texas [Mr. FROST].

Mr. FROST. Mr. Speaker, the gentleman from Tennessee [Mr. QUILLEN] objects to the gentleman from Texas [Mr. DOGGETT] speaking about the resolution of the gentleman from Michigan [Mr. DINGELL], when the matter before the House is the rule on H.R. 2274.

The Speaker has ruled on this issue several times in recent years. Probably the clearest guidelines about relevant speech during consideration of a rule come from the Speaker's ruling of September 27, 1990, and I quote:

> In the Chair's opinion discussing the priority of business is within the confines of the resolution . . . the Chair has ruled that it is certainly within the debate rules of this House to debate whether or not this rule ought to be adopted or another procedure ought to be adopted by the House . . . but when debate ranges into the merits of the relative bills not yet before the House, the Chair would admonish the Members that that goes beyond the resolution . . .

Mr. Speaker, the gentleman from Texas [Mr. DOGGETT] has not discussed the merits of Medicare legislation. He has not discussed the details of it or engaged in anything like a debate on that important measure. Mr. Speaker, the gentleman from Texas has confined himself to the priority of business argument, that the House ought to be debating the resolution of the gentleman from Michigan [Mr. DINGELL] providing for hearings, providing for additional hearings, on Medicare before it gets to this important matter dealing with transportation. The gentleman from Texas has confined himself to the question of whether to adopt the rule before us or a different rule making in order the gentleman from Michigan's resolution that provides for hearings on Medicare.

Mr. Speaker, I believe the speech of the gentleman from Texas [Mr. DOGGETT] is relevant.

Mr. DOGGETT. Mr. Speaker, may I be heard on the point of order?

The SPEAKER pro tempore. The Chair recognizes the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, as my colleague from Texas has just pointed out, the focus of my remarks from the outset is the priority of legislative business. If a rule is not an appropriate time to discuss the priority of legislative business, I know not when one could discuss the priority, and of course my reason for raising this issue of priority is that I made a parliamentary inquiry only about an hour ago to the Speaker to find out how is it possible to get before the House a resolution signed by 201 Members of this House asking for more complete and fair hearings on Medicare, and I was told there was no way to do that without the approval of Speaker GINGRICH. So it seemed to me this was an appropriate way to discuss priorities because I would be denied, as has every other Member of this House, any other way of getting the issue before the House.

So, Mr. Speaker, this is a discussion of priorities which I plan, in the brief minute I have remaining, to intermingle with the highway bill under consideration because the two are very related.

The SPEAKER pro tempore. Any other Members desiring to be heard on the point of order?

If not, the Chair will rule.

Debate on a special order providing for the consideration of a bill may range to the merits of the bill to be made in order since the question of consideration of the bill is involved, but should not range to the merits of a measure not to be considered under that special order.

The gentleman from Tennessee [Mr. QUILLEN] has made the point of order that the gentleman from Texas [Mr. DOGGETT] is engaging in irrelevant debate. Because the gentleman's remarks have in some respects extended to the merits of other measures, the Chair finds that the point of order is well taken.

The gentleman from Texas [Mr. DOGGETT] shall proceed in order.

Mr. DOGGETT. Mr. Speaker, the bill before us is a highway bill, and it is very appropriate that this highway bill should be considered at a time that we are to hear the first details of the Medicare plan because, my colleagues, that plan has been parked at the end of a dark alley. Most people have no idea what is in it, but now suddenly it is being removed from the dark alley, being backed out of that dead-end alley, and being rushed into the fast lane of the highway. It is like one of those giant 18-wheelers going 90 to nothing down the highway and let everybody else get out of the way.

Mr. Speaker, in Texas we call it the bar ditch along the highway, and that is where American seniors are going to be left, in the bar ditch. They are going to feel that they have been hit by more than a highway, by a highwayman, a bushwhacker, because they will have more than a flat tire along that bar ditch. They will have a flat wallet, and it is wrong.

Mr. Speaker, the Republicans are proposing that America follow a highway to nowhere.

Mr. FROST. Mr. Speaker. I yield myself such time as I may consume.

Mr. Speaker, I urge my colleagues to defeat the previous question. If the previous question is defeated I will offer an amendment to the rule. The amendment provides for the immediate consideration in the House of House Resolution 221. House Resolution 221 requires that the public be given adequate time to examine the radical changes in the Medicare and Medicaid Programs proposed for the reconciliation bill. The resolution also insists that committees conduct more than a single day of hearings on the largest cuts to the Medicare ever proposed. The public should be allowed to express their views before we are required to vote on such changes.

Mr. Speaker, at this point I ask unanimous consent that the amendment I intend to offer be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The proposed amendment to House Resolution 224 is as follows:

At the end of the resolution, add the following new section:

"SEC. 2. Upon adoption of this resolution, it shall be in order, any rule of the House to the contrary notwithstanding, to consider immediately in the House the resolution, House Resolution 221, printed in section 3 of this rule providing that consideration in the House of Representatives and its committees and subcommittees thereof of any legisation changing existing law with respect to medicare or medicaid pursuant to the reconciliation instructions of the concurrent resolution on the budget for fiscal year 1996 shall be preceded by adequate time for public examination of such legislation and public hearings thereon, and expressing the sense of the House that the Senate should similarly provide for such public examination and hearings.

SEC. 3.—

H. RES. 221

Whereas the conference report on the concurrent resolution on the budget for fiscal year 1996 (H. Con. Res. 67, 104th Congress) and the accompanying statement of managers contain reconciliation instructions to the Committee on Ways and Means and the Committee on Commerce that assume reductions in spending on medicare of approximately $270,000,000,000 below what would be spent on medicare under current law during fiscal years 1996 through 2002;

Whereas that conference report and statement of managers contain reconciliation instructions to the Committee on Commerce that assume reductions in spending on medicaid of approximately $182,000,000,000 below what would be spent on medicaid under current law during fiscal years 1996 through 2002;

Whereas that conference report and statement of managers contain reconciliation instructions to the Senate Committee on Finance that assume reductions in spending on medicare and medicaid totalling $452,000,000,000 below what would be spent on those programs under current law during fiscal years 1996 through 2002;

Whereas approximately 37,000,000 elderly and disabled Americans rely on medicare for their health insurance and health security;

Whereas more than 36,000,000 women, children, and elderly and disabled Americans rely on medicaid for their health insurance and health security, and for protection against the cost of nursing home care;

Whereas hundreds of thousands of doctors, hospitals, laboratories, and other health care providers participate in the medicare and medicaid programs and receive direct or indirect reimbursement for their services from the Federal Government in connection with these two programs;

Whereas administrative and overhead costs are less than two percent of total program costs for medicare and less than four percent of total program costs for medicaid, far smaller percentages than any private sector health insurance enterprise currently in operation in the United States;

Whereas achieving the level of reductions in medicare and medicaid assumed by the concurrent resolution on the budget for fiscal year 1996 cannot therefore be achieved solely by reducing waste, fraud, and abuse;

Whereas achieving reductions of the magnitude contemplated by the budget resolution can only be accomplished by (1) increasing the payments required from women, children, elderly, and disabled beneficiaries, (2) reducing payments to physicians, hospitals, nursing homes, and other health care providers, (3) reducing coverage for current or future beneficiaries, or (4) some combination of the foregoing three strategies;

Whereas the budget resolution requires committees to submit their reconciliation recommendations to the Committee on the Budget by September 22, 1995;

Whereas as of the date of the introduction of this resolution, no legislative language to achieve the medicare and medicaid cuts contemplated by the budget resolution has been introduced or otherwise made public, so that members of the public and their Representatives in Congress have not had the benefit of adequate time to examine, analyze, and understand the impacts of the changes that will have to be proposed to achieve the contemplated reductions;

Whereas the Congress should serve as a partner with the American people in addressing the Nation's health care needs and problems;

Whereas with the exception of national security matters, there are few reasons for Congress to act behind closed doors in formulating policy that will directly and dramatically impact more than 73,000,000 Americans and their families and will indirectly impact every American;

Whereas there is concern that the lack of public and media access to the formulation of changes in the existing medicare and medicaid laws in connection with the reconciliation process threatens the ability of all affected Americans and their Representatives to evaluate such changes adequately when they are finally made public;

Whereas public hearings on the consequences for the United States and its health care system of any such changes in medicare and medicaid are necessary to educate the public who must live with those consequences and their Representatives in Congress who must act on the forthcoming medicare and medicaid changes: Now, therefore, be it

Resolved, That—

(1) any markup in the committees of the House of Representatives or any subcommittees thereof of any legislation changing existing law with respect to medicare or medicaid pursuant to the reconciliation instructions of the concurrent resolution on the

budget for fiscal year 1996 shall be preceded by a minimum of four weeks for public disclosure of the legislative text of such changes, during which time additional and thorough public hearings on such text shall be held;

(2) no such legislation shall be considered in the House of Representatives until the requirements of paragraph (1) have been met; and

(3) it is the sense of the House that the Senate should guarantee public and media access to and consideration of the legislative text of any changes to be considered in that body by adopting a similar schedule for public disclosure and hearings.

Mr. FROST. Mr. Speaker, I urge defeat of the previous question, and I have no further requests for time, and I yield back the balance of my time.

Mr. QUILLEN. Mr. Speaker, I, too, yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 5 of rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a recorded vote, if ordered, may be taken on the question of agreeing to the resolution.

The vote was taken by electronic device, and there were—yeas 241, nays 173, not voting 20, as follows:

[Roll No. 674]

YEAS—241

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kim
King
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Radanovich
Rahall
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—173

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (MI)
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Harman
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jacobs
Johnson (SD)
Johnson, E. B.
Johnston
Kaptur
Kennedy (RI)
Kennelly
Kildee
Kleczka
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Menendez
Miller (CA)
Mineta
Minge
Mink
Mollohan
Moran
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rangel
Reed
Richardson
Rivers
Roemer
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Tejeda
Thompson
Thornton
Thurman
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—20

Brown (FL)
Collins (IL)
Conyers
Flake
Hastings (FL)
Hefner
Jefferson
Kennedy (MA)
Meek
Mfume
Moakley
Payne (NJ)
Quinn
Reynolds
Schiff
Sisisky
Skeen
Torres
Tucker
Watts (OK)

□ 1248

Ms. MOLINARI and Ms. McCARTHY changed their vote from "yea" to "nay."

Mr. RAHALL changed his vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 375, nays 39, answered "present" 1, not voting 19, as follows:

[Roll No. 675]

YEAS—375

Abercrombie
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (MI)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dornan
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Everett
Ewing
Farr

Fawell
Fields (LA)
Fields (TX)
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manzullo
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Menendez
Metcalf
Meyers
Mica
Miller (FL)
Mineta
Minge
Mink
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Orton
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Spence
Spratt
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Traficant
Upton
Velazquez
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—39

Ackerman
Becerra
Brown (CA)
Brown (OH)
Chapman
Clay
Coyne
Dellums
Dingell
Dooley
Durbin
Edwards
Evans
Fattah
Filner
Frank (MA)
Hilliard
Hoyer
Johnston
Kaptur
LaFalce
Lantos
Lewis (GA)
Manton
Markey
Martinez
McHale
Miller (CA)
Ortiz
Owens
Rangel
Sabo
Schroeder
Stark
Tejeda
Towns
Vento
Waxman
Yates

ANSWERED "PRESENT"—1

Gibbons

NOT VOTING—19

Brown (FL)
Collins (IL)
Conyers
Doolittle
Fazio
Flake
Hastings (FL)
Hefner
Jefferson
Johnson (SD)
Kennedy (MA)
Meek
Mfume
Moakley
Payne (NJ)
Reynolds
Sisisky
Souder
Tucker

□ 1257

Ms. ROYBAL-ALLARD changed her vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mrs. COLLINS of Illinois. Mr. Speaker, during rollcall vote Nos. 674 and 675 on House Resolution 224, I was unavoidably detained. Had I been present I would have voted "nay" on 674 and "yea" on 675.

The SPEAKER pro tempore. Pursuant to House Resolution 224 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2274.

□ 1259

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2274) to amend title 23, United States Code, to designate the National Highway System, and for other purposes, with Mr. HANSEN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Pennsylvania [Mr. SHUSTER] will be recognized for 30 minutes, and the gentleman from West Virginia [Mr. RAHALL] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. SHUSTER].

□ 1300

Mr. SHUSTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased that once again the Committee on Transportation and Infrastructure brings to the floor of the House a bill with strong, overwhelming bipartisan support. It is an exciting bill, it is a crucial bill. This bill giving final approval to the new National Highway System will create for America in the 21st century what the Interstate System has done for America in the 20th century.

The new National Highway System recognizes and identifies 159,000 miles which will be the top priority miles for America as we move into the next century of highway miles. While this represents only 4 percent of the total highway miles in America, it represents 40 percent of all the highway travel, 75 percent of truck traffic, and 80 percent of tourism travel.

Indeed, every year we are experiencing on our highways a 3-percent increase in highway travel. If we compound that out, that means every 7 years about a 30-percent increase in highway travel. Beyond that, by the year 2000, we are told there will be a 28-percent increase in truck traffic on our highways. So there is a crucial need for identifying this new National Highway System, giving it the top priority. Of course, the original interstate, the 42,500 miles of the interstate, are the original backbone of this new system.

What we are about here today is building assets for America. Indeed, it is crucial that we pass this, because if we do not pass it quickly and get to conference with the other body, then $6 billion a year will be withheld from our States, money that has to go out to improve our highways.

Indeed, it is critical that we create this new National Highway System for economic growth for America. This system will be the backbone of the transportation system of America as we move into the next century, to move people and products more efficiently, more productively, more conveniently, and more safely.

I might close by sharing with the body something that a young married man who brought his wife to Washington on January 4 of this year, with his little children, said on television. When they asked him why was he here to see the opening of the new Congress, he said, "I just had to come and see it, because with the opening of the new Congress maybe there will be some changes. Maybe the Congress will get it right." Then he went on to say, "The Federal Government, in my opinion, has not done anything right in the past 20 years." Then he paused, and he said, "except build highways."

I think across America there is strong bipartisan recognition that we need to build the infrastructure of this country so that this country can remain productive, so that this country can have our people traveling safely on our highways. For all of those reasons, I urge my colleagues to give strong support to this bipartisan legislation.

Mr. Chairman, I yield such time as he may consume to the gentleman from Wisconsin [Mr. PETRI], the distinguished chairman of the subcommittee.

Mr. PETRI. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, H.R. 2274 was approved by voice vote by the Committee on Transportation and Infrastructure on September 8, 1995.

The most important provision of the bill before us today is the approval of the National Highway System, a 160,000 mile network of our Nation's most important roads. Although NHS routes comprise only 4 percent of our Nation's public roads, it will carry over 40 percent of our Nation's traffic and more than 70 percent of our commercial truck traffic.

The country has changed dramatically since the Interstate System was laid out more than 40 years ago, and the NHS will move us into the postinterstate era. Approval of H.R. 2274 will ensure continued Federal funding for these vital roads.

H.R. 2274 also provides a comprehensive solution to the reduction in Federal highway funding that each State will experience next year due to section 1003 of ISTEA. According to the latest estimates from the Federal Highway Administration, this reduction could total as much as $3 billion, amounting to a nearly 13-percent across-the-board cut in each program.

Unlike other proposals which have been put forth to address this situation, H.R. 2274 will fully restore funding for programs outside the obligation ceiling by utilizing available budget authority and, through the reprogramming of budget authority, will partially restore funding for programs subject to the obligation ceiling. It also will mitigate the effect of the remaining reduction by allowing States greater flexibility over a certain limited amount of unobligated program balances.

The basic balance of funding control provided by ISTEA is retained in this bill since a State may transfer unobligated balances of urban suballocated funds, which are controlled by metropolitan planning organizations, only with the written concurrence of the metropolitan planning organization for that area. In addition, funds provided to States as part of the section 1003 restoration are subject to the urban suballocation in accordance with ISTEA.

Finally, congestion mitigation and air quality funds must be spent in nonattainment areas, but can be used for any purpose—with all clean air requirements for transportation projects continuing to apply.

In order to ease the burden on States, certain Federal mandates also are repealed, including a repeal of the requirement that States use rubberized asphalt, or crumb rubber, in a certain percentage of Federal-aid highway projects or face the loss of Federal highway funds.

Although a prohibition on the implementation of the penalties has been included in annual appropriations bills over the past several years, H.R. 2274 provides for a permanent repeal. Also, the penalties for failure to implement various management systems are suspended until the reauthorization of ISTEA.

During the committee consideration of H.R. 2274, two amendments were adopted which repeal two further Federal mandates. First, the national maximum speed limit and associated penalties are repealed.

The power to set speed limits will be returned to the States as was the case prior to the energy crisis in 1974. The repeal amendment was adopted by the subcommittee and also was reaffirmed by the full committee by large, bipartisan votes.

Second, an amendment was adopted by the full committee to repeal the current penalties imposed on States which do not enact universal motorcycle helmet laws. Again, it will be left up to each State to determine whether to enact such a law, as was the case prior to ISTEA. This amendment was also adopted by a wide bipartisan margin of 38 to 17.

The remaining provisions in H.R. 2274 are, for the most part, minor and noncontroversial policy revisions or minor corrections to current law. I would note that certain trucking reform measures are also included in the bill which, again, are primarily very limited in scope and provided to certain segments of the trucking industry.

These groups have worked with the committee over the past several months to demonstrate why certain regulations which are aimed primarily at long-haul, over-the-road truckers, may not be appropriate for certain other types of driving activities.

In concluding, I want to thank our ranking member of the full committee, the gentleman from California, NORM MINETA, for the assistance he has provided on this bill and the leadership he has provided to our committee on both sides of the aisle over his years in the Congress and as a senior member of the committee.

As we know, Mr. MINETA will be leaving the Congress next month, although his involvement in transportation issues certainly will be continuing, and in some sense even deepen. His dedication and interest in improving the Nation's transportation system has been of great benefit to our country, and so, while we wish him well in his new endeavor, his departure will certainly be felt, and felt especially deeply on our committee, and by his colleagues.

The gentleman from West Virginia [Mr. RAHALL], the ranking minority member on the Subcommittee on Surface Transportation of the Committee on Transportation and Infrastructure, has once again provided valuable input on the development of the bill before us.

Finally, of course, the chairman, the gentleman from Pennsylvania [Mr. SHUSTER], has been instrumental in providing the critical leadership necessary to advance the national highway legislation. It is imperative that the House approve this bill so the required congressional approval of the National Highway System may be granted, so that the section 1003 restoration and mitigation provisions may be realized by the States, and so other improvements to our transportation programs may be enacted. I urge the House to approve H.R. 2274.

Mr. RAHALL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of this legislation, and I do urge my colleagues to do likewise when it comes to final passage. I join with the chairman, the gentleman from Pennsylvania [Mr. SHUSTER], and the chairman of the subcommittee, the gentleman from Wisconsin [Mr. PETRI], in commending all the work to bring this legislation together, including that of themselves, for their valuable patience in working with us, and willingness to compromise when such was necessary to move the process forward.

I also pay tribute to our ranking minority member, the gentleman from California [Mr. MINETA]. I shall have more to say about him in a moment, but he has been, of course, one of the fathers of ISTEA, and this bill that we consider today is a product of that legislation.

I say I am in support of the legislation, Mr. Chairman, because even though some of us cannot support every single provision of this bill, when all is said and done, the fundamental purpose of this legislation—the designation of a new National Highway System—is something that must be passed by this body and enacted into law in the very near future.

Yes, we have had our differences on certain provisions of this bill. For instance, it would repeal the national speed limit. I, for one, will be offering amendments to address this issue.

Yet, while I may not agree with what is contained in the committee bill on this issue, it is important to remember that this is a must pass piece of legislation, a number of accommodations have already been made to the minority since the bill was reported by the committee, and that today it is being debated under a free and open process that allows us to continue to pursue our concerns.

This bill must pass because at stake here is $5.2 billion in Federal highway funds to the States which will cease flowing on September 30th if we do not gain enactment, and an almost $3 billion in highway funds that will be lost due to a budgetary problem.

At the same time, with this bill we are creating in this Nation a new, integrated network of highways, to be known as the National Highway System—the NHS—that will be the centerpiece of the post-Interstate construction era. In effect, what we are talking about here today are the crown jewels of America's highways.

As I mentioned earlier, a number of accommodations have been reached on this bill since it was reported from the committee. As reported, it contained a provision that would have repealed Federal safety regulation of 40 percent of the truck traffic on the roads today. That provision has since been dropped from the bill.

It also originally contained a provision known as the "trigger" which would have jeopardized the entire fiscal year 1997 Federal Highway and Transit Program. This provision, at my insistence, and the minority's insistence, has also been dropped from the bill we are considering today.

And again, for those who continue to have concerns over the repeal of the national speed limit, or with the repeal of motorcycle helmet laws, as proposed by this bill, the democratic process is at work here today and we will have ample opportunity to address those issues.

So again, once the debates are ended, I urge all Members to support final passage of this bill.

In closing, I do, once again, commend the chairman, the gentleman from Pennsylvania [Mr. SHUSTER], and the subcommittee chairman, the gentleman from Wisconsin [Mr. PETRI], for their work on this measure. And I pay special personal and professional tribute to our dear friend, the gentleman from California, NORM MINETA, the ranking Democrat member on our Committee on Transportation and Infrastructure, who will leave this body next month.

The gentleman from California [Mr. MINETA] will be remembered by all of us for the many great things he has accomplished for his constituents and for the Nation as a whole during his service to the U.S. Congress. Today I take just a brief moment to salute him for his diligence to highway safety. His concern is not only for our public infrastructure, but for our environment, our future transportation policy, indeed, for our very future in this country, by ensuring that we have better roads and bridges, and improved safety for the people who travel upon them. NORM MINETA has served as chairman of four of our subcommittees on the Committee on Transportation and Infrastructure, and of course he has served as chairman of the full then Committee on Public Works and Transportation. A prime architect of the Intermodal Surface Transportation Efficiency Act, NORM MINETA has made his mark on the bill before us today as well. It is, again, a measure that we should all support.

Mr. Chairman, I reserve the balance of my time.

Mr. SHUSTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I certainly want to join in recognizing the gentleman from California, NORM MINETA, and the outstanding contributions he has made, not only to this committee and to his State of California, but to the Nation as a whole. I put an extensive statement in the RECORD Monday night relative to our distinguished colleague, and I would commend it to all of my colleagues.

Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Georgia [Mr. COLLINS] for a colloquy.

Mr. COLLINS of Georgia. Mr. Chairman, I appreciate the gentleman yielding to me.

Mr. Chairman, I have been concerned for some time over the growing shortage of qualified commercial truck drivers in this country. This stems from my own personal experience in the industry, as well as from my service on the Surface Transportation Subcommittee in the last Congress. Estimates are that there are 300,000 drivers needed in the industry per year over the next 10 years.

As you know, several years ago Congress required that any person operating a commercial vehicle must have a commercial drivers license [CDL] issued by his or her State of domicile. According to the Federal Highway Administration, this has had two important impacts on driver training:

First, it has limited the actual behind-the-wheel experience for potential drivers, which is critical to effective driver training.

Second, in addition, if a driver wishes to move temporarily to another State to undergo driver training, he or she cannot obtain either a learner's permit or a CDL because of the domicile requirements previously mentioned.

□ 1315

Recognizing these problems, the Federal Highway Administration issued a Notice of Proposed Rulemaking in 1990 to correct the situation. However, due to more pressing matters, the action was not finalized. I understand that FHWA is now in the process of pursuing the issue, due to increased interest and the need for truck drivers. And I think it is important to note that not only has the Federal Highway Administration recognized the problem; but the industry, represented by the American Trucking Associations has also supported a change.

For the purpose of expediting this rulemaking, I would simply like to ask the chairman whether you believe it appropriate for the Federal Highway Administration to address this issue, particularly with regard to issuing learners' permits.

Mr. SHUSTER. Mr. Chairman, if the gentleman will yield, I would respond to my friend, I certainly do think it is appropriate. The Federal Government has already required issuance of CDL's by the States. I am pleased Federal Highways is addressing this situation, and I fervently hope that they will move very expeditiously on this rulemaking.

Mr. COLLINS of Georgia. I thank the gentleman.

Mr. RAHALL. Mr. Chairman, because he has devoted so much of his career to improved transportation policy in this country, I yield such time as he may consume to the gentleman from California [Mr. MINETA], the ranking minority member.

Mr. MINETA. Mr. Chairman, today, two critical problems threaten the Nation's infrastructure and transportation program. First, if Congress does not designate the National Highway System by October 1 of this year, $5.2 billion of transportation funds will not go to the States. Second, because of an arcane budget scorekeeping rule, our highway programs face an estimated 13 percent, or $2.7 billion, cut across the board next year. The bill before the House today addresses both these issues: It designates the NHS and fixes the budget problem.

Mr. Chairman, I did support the bill as reported by the Transportation Committee. During committee consideration of the bill, several controversial safety amendments were adopted. When I considered these amendment, together with provisions already in the bill which were troublesome, I concluded that the bill no longer represented a viable means to designate the NHS and I could not in good conscience support it.

However, since reporting the bill, our committee leadership has worked together long and hard to work out a compromise and refocus this bill on designating the NHS, and I want to particularly commend Chairman SHUSTER, our very fine friend, Chairman PETRI, and the gentleman from West Virginia, Mr. RAHALL, for their long, hard efforts to reach this compromise. We all recognize the importance of this bill and have worked hard to minimize the kind of controversies which could impede its progress, even where that meant accepting policies which were contrary to each of our own positions, but really which were necessary to move the bill forward on a bipartisan basis. The result of all of our efforts has been a better bill.

Like any compromise, it perfectly reflects none of our views. Each of us can say there are many things in this bill we like and things we do not like. For instance, this compromise bill does not include the truth in budgeting provisions which the committee adopted and which I strongly support. These provisions would have taken the transportation trust funds off-budget and rededicated them to their original purpose.

However, this bipartisan compromise bill also does not include the so-called trigger provision which I strongly oppose. The trigger provision would have sequestered fiscal year 1997 highway and transit funds in the hopes of forcing the reauthorization of ISTEA next year. In my opinion, such a provision would break our commitment to the States and needlessly create uncertainty at a time when we should be rebuilding our highways, bridges, and transit systems.

In addition, the reported bill included a provision which I strongly opposed which would have waived all safety standards for commercial vehicles between 10,000 and 26,000 pounds. Under this blanket waiver of truck safety standards, nearly 40 percent of all currently regulated trucks on the road would have been completely exempt from important Federal safety requirements such as driver qualifications and drug and alcohol prohibitions.

However, again working together on a bipartisan basis, the en bloc amendment which the chairman of our committee will offer today includes a somewhat improved version on this issue. Under the new provision, the Secretary of Transportation will establish a pilot program to exempt motor carriers of regulatory requirements only, only if, after normal notice and comment, he finds that the carrier would have safety programs that achieve a level of safety equal to or greater than if they complied with the regulations. While this compromise language is not perfect, and I remain worried about opening the flood gates to truck safety exemptions. I believe that the provision in this en bloc amendment is much improved from its original form in the original legislation.

Despite these many improvements to the reported bill, the compromise bill still includes several controversial highway safety amendments which I adamantly oppose. This bill would repeal the Federal speed limit and allow States to have no speed limit at all if they wished. It would effectively repeal the motorcycle helmet requirement. And it would waive a variety of truck safety standards for specific industries. I believe that these provisions seriously threaten both our Nation's highway safety and the likelihood that Congress will be able to approve the NHS in a timely manner.

Therefore, although I support this bill overall, there are provisions in this bill which I strongly oppose. like the safety amendments, and which I expect the full House will revisit today. As we discuss these safety issues today and amid all the rhetoric about States' rights, let us not forget why we are here: To designate the National Highway System and to fix a budget problem. Let us not allow this bill to include provisions which threaten these important objectives.

If I might also ask of the subcommittee Chair, or the ranking member, indulgence in a little more time, I want to thank again the members of the committee who have expressed their generous comments about my work.

But one thing about the Committee on Transportation and Infrastructure is that it has always been a very strongly bipartisan committee. Whether it is the professional staff or the members, we have always tried to make sure public policy is in the forefront. So I would like to thank everyone for the courtesies that have been extended to me in the 20 years plus that I have been in the House.

I particularly want to commend my good friend, the gentleman from Pennsylvania [Mr. SHUSTER], whom I will miss very much. We have had a long career of working together on this committee. Mr. Chairman, I salute you and thank you very, very much for your working with all of us.

Then of course, to the chairman, the gentleman from Wisconsin [Mr. PETRI], who chaired this specific subcommittee, and to my very good friend, the gentleman from West Virginia [Mr. RAHALL]. I will cherish your friendship and your advice and counsel you have given to me over these long years.

Of course, it goes without saying I am going to miss especially my seat mate, the gentleman from Minnesota [Mr. OBERSTAR]. We came together in 1974. We have been very close personal friends. We have both gone through some very troubling times in the House, and we have counseled each other on a personal basis as well as on a professional basis. JIM, I will always hold you very close and dear to me.

Of course, to my colleague, the gentleman from Pennsylvania [Mr. SHUSTER], again, a very, very close and wonderful friend.

So I leave without regret. I am going to miss everyone, but by the same token, I know that this committee will carry on its very fine work. Again, I want to thank all the members of the committee as well as the professional staff for their wonderful work.

Ken House has been with me for all these years, and there is no one who probably knows this title of the United States Code better than Ken House, and he is sort of like a real reference book. Ken, I want to just thank you again for all the hours you have spent and the times I have called you on the phone at 11 at night and bothered you at home, but again, thank you very much, and to all of you, thank you.

Mr. RAHALL. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania [Mr. BORSKI], the ranking member of our Subcommittee on Water Resources and Environment.

Mr. BORSKI. Mr. Chairman, let me first thank the gentleman from West Virginia for yielding me this time, the distinguished chairman of our Subcommittee on Surface Water and Environment, the gentleman from Wisconsin [Mr. PETRI], our colleague, the gentleman from Pennsylvania [Mr. SHUSTER], our outstanding ranking member of our committee, the gentleman from California [Mr. MINETA].

Let me simply say, Mr. Chairman, that the gentleman from California [Mr. MINETA] has been a great leader of this committee and in this Congress and a great American. I shall remember forever all the excellent work that was done on the ISTEA legislation a few years back, the long hours, the difficult hours, and difficult issues. We got a piece of legislation through that this country can be very proud of, innovative, advancing our transportation system, and it would not have happened without the strong leadership of the gentleman from California [Mr. MINETA].

I shall also miss him as the ranking member, and while we had great successes with the ISTEA legislation on this side of the aisle, our successes were not so great in the Clean Water Act, but his leadership and friendship and guidance on that bill were extremely important to me and valuable to this process, and I shall miss him very, very much. I wish him great success in all he does, and I know he will be extremely successful.

Mr. Chairman, it is absolutely critical to our Nation's transportation system to have the National Highway System designated so that the States can have their fiscal year 1996 NHS funds.

I fully and strongly support the designation of the National Highway System.

I also believe we must correct the 10–0–3 problem that will result in an unfortunate reduction in the Nation's Surface Transportation Program.

However, the bill that is before us does much more than those two essential actions.

This bill is being used as a backdoor means of rewriting the compromises that made the Intermodal Surface Transportation Efficiency Act of 1991 a major breakthrough in transportation policy.

I am concerned that this bill is anti-urban, anti-metropolitan and anti-environment.

In recycling funds to solve the 10–0–3 problem, the bill provides another avenue for States to pressure MPO's into allowing STP funds that are attributed to that area to be used outside that area. What is the purpose of this attempt to rewrite the carefully constructed ISTEA compromise?

The bill also allows Sea-Mack funds to be used for purposes other than to meet air quality standards or to provide air quality benefits, which is the requirement under current law.

We can solve the 10–0–3 problem without rewriting ISTEA, without changing the rules for using the STP money and without setting up new procedures to transfer money out of metropolitan areas.

I am also concerned about section 301 which makes a larger cut in operating assistance for large transit systems than for smaller transit systems.

If we are going to cut operating assistance, then all systems should bear this cut equally.

The provision is unfair to the riders of metropolitan area transit systems who pay their fares just like the riders of the smaller systems.

Unfortunately, it appears that the critics of transit operating assistance believe the cuts should only come from certain systems, not all systems.

This bill makes it harder for metropolitan areas to solve their transportation problems. Transit operating assistance will be cut, resulting in higher fares and less service which will force people off the transit systems and into their cars.

Then we are allowing STP money to be transferred out of the urban areas and allowing congestion mitigation money to be used for other purposes.

These changes are unnecessary retreats from the first-ever recognition in ISTEA of the special needs of metropolitan areas.

These changes are bad transportation policy.

Mr. Chairman, these provisions raise important questions about the direction of our national transportation policy. I hope that some—or all—of these problems can be corrected as the bill works its way through the process.

□ 1330

Mr. RAHALL. Mr. Chairman, I yield 1 minute to the distinguished gentleman from North Carolina [Mr. ROSE].

Mr. ROSE. Mr. Chairman, I thank the gentleman from West Virginia [Mr. RAHALL], the ranking member, for yielding this time to me, and I just want to compliment the chairman and the members of this committee for this bill.

The section in this bill that deals with identification of high-priority corridors specifies a route of Interstate 73 and Interstate 74 through North Carolina that is the culmination of a tremendous amount of work that has been done by Members of Congress and especially the North Carolina Board of Transportation. It could not have happened without the good ear and the good help of the full committee, the chairmen of the subcommittee on both sides of the aisle, and I want to thank them and urge my colleagues to strongly support this legislation.

Mr. RAHALL. Mr. Chairman, I yield 6½ minutes to the gentleman from Minnesota [Mr. OBERSTAR], the current ranking minority member on the Subcommittee on Aviation, and any day, or any hour now, to be the new ranking member of our full committee.

Mr. OBERSTAR. Mr. Chairman, I rise in support of this bill. I shall vote for the bill on final passage, notwithstanding the outcome of votes which we will have on highway safety issues.

I want to make it very clearly I urge all Members on our side, all Members of the House, to support this legislation. I want to compliment the gentleman from Pennsylvania [Mr. SHUSTER] on his first highway bill, not exactly his first highway bill, but his first as chairman. He has been a partner with us on this side of the aisle for many years as we have crafted highway legislation. He has been a partner in developing what is the world's finest highway system bar none anywhere, in any country, and I know that his continued vigilance and enthusiasm for the highway program will ensure that we stay on track of maintaining the Nation's portfolio of highways, bridges, and seeing to the future growth needs of America which are founded upon our Nation's highways and bridges.

Nonetheless, Mr. Chairman, I do have some reservations about this legislation. It is in vogue in this 104th Congress to turn responsibilities back to the State or to give States new responsibilities, but the highway program is unique. On the interstate highway; 90 percent of the funds are Federal, 10 percent State. The noninterstate, 80 percent with matching funds provided by the State or local governments. The Federal Government raises the money, but States decide where the roads go, except for the Interstate System, which was thrashed out at the national level in consultation with State governments, and we are at the same point again, designating the post-Interstate Highway System, the National Highway System.

Unfortunately, however, Mr. Chairman, I think this legislation surrenders more authority to States for decisions on highways than is proper, than should be the appropriate balance of Federal and State responsibilities and one of the reasons Members over the last 10 years have come to the chairman and ranking member on the former Committee on Public Works and Transportation, now Committee on Transportation and Infrastructure, with complaints, is that States have not been responsive, sufficiently, to local concerns.

They say: "This highway or high-priority item in my district is not being built." The fundamental reason was the State made a decision not to do it or not to do it for 10, or 15, or 20 years, and ultimately we took on the responsibility of including in national legislation specifically designated highway segments that were of national significance and said to the State, "You shall build these segments." I think in a couple of years we will be back here again with complaints from Members saying the Governor, or the State Highway Department, is not responsive to my constituents. They are not building the roads that are high priority, necessary for economic growth, progress, not repairing the bridges, and would we, please, put something in the highway bill to do it, or they will go to the Committee on Appropriations and ask them to do it.

Mr. Speaker, that is the reservation I have about this bill as a policy matter, and I hope that in time we will address that matter and focus more authority at the national level as I think Members should have input because, after all, these roads go through our districts, serve our constituents, our communities, our local economic growth.

The other concern that I have about the legislation, and I will offer an amendment to deal with it, is the safety issue. This amendment will focus on gathering information. It is not a new mandate. It is not a new requirement. It does not require any cost of the States. It does not take money away nor give them incentives to do anything. It just says, "Gather information with the tools you already have about crashes, who pays, who gets hurt in crashes, how long are people hospitalized, what are the economic consequences locally, what are the consequences for health care providers."

Mr. Chairman, if we are going to take actions to diminish national highway safety standards, then the public ought to know what the consequences are, and we ought to have that information gathered so that at the appropriate time we can make the right policy judgments on highway safety.

Before concluding though, Mr. Chairman, I wanted to take this opportunity to pay very special tribute to our departing former chairman, the current ranking member, my friend, my seatmate of nearly 21 years, the gentleman from California [Mr. MINETA]. We unveiled his portrait in the Committee on Transportation and Infrastructure on Monday evening. There was a beautiful outpouring of praise. At the appropriate time I shall have that included in the CONGRESSIONAL RECORD because those words need to be memorialized. There is no person of greater integrity, commitment to public service, commitment to duty, commitment to fellow legislators, than the gentleman from California [Mr. MINETA]. He has been a personal friend, a professional friend, a person impeccable integrity who leaves an aura of great distinction upon this body.

Mr. Chairman, when asked, on the day he made his announcement of leaving the Congress, what he would like to be remembered for, the gentleman from California [Mr. MINETA] simply said, "For all the people in my district, that I never forget their names." There is no greater example of public service and of caring for people than that remark or than this person, my friend, Mr. MINETA.

Mr. SHUSTER. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Maryland [Mr. BARTLETT], my congressional neighbor.

Mr. BARTLETT of Maryland. Mr. Chairman, a sharply worded Cumberland Times editorial about U.S. Route 220 in western Maryland hit the highway nail right on the head: I quote: "U.S. Route 220 North is arguably the most dangerous stretch of highway in the (tristate) area * * * (its) s-curves make the road an obstacle course fraught with danger." In addition to highlighting the frightening hazards of 220's 3-mile twist in Alleghany County, the Times editorial rightfully noted the value of an improved Route 220 to the economic development of a region ripe with promise and perfect for business growth. The inclusion of Route 220 as a designated highway in our national roadway network will serve as the foundation upon which the region can build a better 220 and, consequently, a brighter tomorrow for all those dependent upon it.

Before today, any substantial discussion in western Maryland about the overall economic development of the tristate region was hindered by a lack of regionwide attention to—and funding for—Route 220.

With this comprehensive bill and thanks to the effective leadership of Committee Chairman BUD SHUSTER and Maryland's State Highway Administration, we're seeing Route 220 get what it certainly deserves: a designated place in our National Highway System. The measure before the House today appropriately includes the full stretches of Route 220—in Maryland, Pennsylvania, and West Virginia—as key highway links in the National Highway System.

As a result, planned improvements for Route 220 will receive Federal funding priority. In the long history of Route 220, this is good news, very good news.

The improvement of Route 220 north of Cumberland is not only important to Maryland but also to our neighbors in Pennsylvania and West Virginia. Route 220 continues into these States from Maryland. Maryland—under the impressive guidance of Transportation Secretary David Winstead, Highway Administrator Hal Kassoff, and House Speaker Cas Taylor—has authorized funding for right-of-way acquisition. Construction targets for Maryland's section of the road are within reach. For Route 220 to realize its full potential, it is imperative—as Speaker Taylor has consistently noted—that West Virginia, Maryland, and Pennsylvania join forces to make Route 220 an asset to the region rather than a hurdle to development and safety.

Improvements to Route 220 in any one of the three States must be matched by corresponding improvements to Route 220 in the others. I believe that this legislation is a terrific catalyst for such change, cooperation, and progress.

I look forward to the continuation of a Route 220 coalition dedicated to the completion of 220 improvements throughout the tristate region. I will soon be meeting with my colleagues from West Virginia and Pennsylvania in an effort to lend whatever assistance we can to the project.

At this juncture—and on behalf of those who share our interest in Route 220—I want to commend Chairman SHUSTER and urge the House to adopt the National Highway System language as detailed in the bill.

The State of Maryland has advised me that more than 7,500 vehicles face the Route 220 minefield daily. That number is predicted to double by 2015. In the name of safety and for the benefit of the region, it is essential that we give Route 220 the attention it deserves and the backing it needs to become a reality rather than a roadblock to progress.

I also want to thank Subcommittee Chairman TOM PETRI for his assistance in redesignating $440,000 in unused funds from Route 48 in Washington County for use in the I-70/I-270 interchange project, another very important project in our district, as part of H.R. 2274.

Frederick County is one of Maryland's fastest growing communities. Yet, the Frederick area is virtually the last place in America where major criss-crossing interstates lack complete, accessible, and safe connecting interchanges and sufficient highway feeder networks. Construction of the I–70/I–270 interchange is one of the highest priorities in the State of Maryland. The release of this $440,000 will help accelerate the work on phase I of this critical highway improvement project. This is one more step to ensure that Frederick County can remain an active force in the growth of the State's economy and that of the entire western Maryland region.

Mr. RAHALL. Mr. Chairman, I yield the balance of my time to the gentleman from Pennsylvania [Mr. MASCARA], a new member of our committee, one who has rolled up his sleeves and is ready to go to work on these issues.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. MASCARA] is recognized for 1 minute and 30 seconds.

Mr. MASCARA. Mr. Chairman, I would like to thank the chairman of the Committee on Transportation and Infrastructure, Mr. SHUSTER, as well as the ranking members, Mr. MINETA and Mr. RAHALL, for their hard work in bringing this important legislation before the House of Representatives today. With the September 30 deadline fast approaching for congressional approval of the National Highway System as required by ISTEA, I support House passage of the NHS designation bill—H.R. 2274.

It is important to point out that whatever feelings Members may have regarding certain amendments which were added or rejected during the Transportation Committee's markup or ones to be considered here today on the House floor; designation of the National Highway System is the most important part of this bill and the fundamental reason why the House should pass H.R. 2274.

Before coming to Congress, I served as chairman of the Washington County Board of Commissioners for 15 years and was actively involved in promoting transportation and economic development projects in southwestern Pennsylvania. One of my main objectives as a local elected official was to create jobs through the promotion of sound economic growth. My experience has taught me, as studies all over the world have shown, that there is strong correlation between quality transportation systems and economic growth. For our nation to succeed, both domestically and in the international market-place, we need a top quality transportation system. The designation of the National Highway System is a vital step in the process to achieving a modern, integrated transportation system for the next century.

I also know how important it is to hundreds of local economies throughout the country that there be no delay in delivering Federal transportation dollars—not to mention the hundreds of companies and thousands of construction workers that could be adversely affected if the National Highway System is not designated on schedule.

States and localities all across this country have complied with Federal transportation regulations in formulating their States' plan. State DOTs have their transportation projects ready for construction. Let us do our job, let us make sure that we pass H.R. 2274 and literally keep the country moving in the right direction.

Than you again to Chairman SHUSTER, ranking member Mr. MINETA, who I might add will be sorely missed from our committee, where he served as chairman during the 103d Congress and as a distinguished member of the House of Representatives as he moves on to life after politics. Also thank you to Surface Transportation Subcommittee chairman Mr. PETRI, and ranking member Mr. RAHALL for their diligent work on this legislation and I ask that all my colleagues support passage of H.R. 2274.

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Mr. SHUSTER. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from California [Mr. KIM].

Mr. KIM. Mr. Chairman, I rise in strong support of this House Resolution 2274, and I would like to enter into a colloquy with the distinguished gentleman from Pennsylvania [Mr. SHUSTER], the chairman of the Committee on Transportation and Infrastructure.

Mr. Chairman, I plan to offer an amendment that lets States use the advance construction mechanism during the final year of multiyear authorization. Advance construction allows States to begin a highway project with the State's own funds and then apply for reimbursement from future allocations.

I would like to point out that this does not commit the Federal Government to reimburse the project. It simply allows the State to apply for reimbursement. As the chairman knows, many States rely heavily upon advance construction programs. California, Florida, and many other States, including Pennsylvania, all commit over 75 percent of their annual highway apportionments through advance construction programs. Yet, because of a limitation we have under the current law, States cannot use their own money and then later ask for reimbursement in the last year of authorization. This is ridiculous.

I have been told, Mr. Chairman, that California will have to delay almost $500 million in projects over a year because of this provision.

I should also point out that my amendment is nothing new. In the past States were allowed to use advance construction programs at the end of a multiyear authorization. In fact, the advance construction law from 1987 to 1990 was almost identical to the amendment I plan to offer today. My amendment would simply restore this provision, which is badly needed in States like California, Florida and other States.

Mr. Chairman, even the Senate recognized this problem and included an advance construction provision in their language in their NHS bill. Their language is about the same as mine.

I am willing to withhold my amendment Mr. Chairman, because of the commitment of the gentleman from Pennsylvania [Mr. SHUSTER] to work with me in conference and perfect a set of language, and I thank the gentleman.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. KIM. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, I thank the gentleman and wish to say that Congressman KIM has certainly been a leader on our committee in bringing focus to many important issues, including this one about advance construction.

Mr. Chairman, I understand it is a very important issue in California and other States. Indeed, without the provision, California could be forced to delay hundreds of millions of dollars. I do not believe it was the intent of Congress to cause such a delay, and I will be pleased to work with the gentleman in conference with the Senate to perfect this language. The Senate does have language, and I believe that we will strongly support it.

Mr. KIM. I thank the gentleman.

Mr. POMEROY. Mr. Chairman, I rise today in strong support of this bill to designate the National Highway System [NHS].

When Congress passed the Intermodal Surface Transportation Efficiency Act [ISTEA], it directed the Federal Highway Administration to develop a national highway system prioritize our Nation's roadways. In these times of shrinking Federal budgets, our Nation must focus highway funds on our most heavily traveled roads. This bill to designate the NHS fulfills that objective.

Mr. Speaker, by improving the Nation's most important transportation routes through the designation of the NHS, we can sharpen our competitive edge in international markets. In North Dakota, our farmers rely on high quality transportation routes to remain the most competitive producers in the world. To preserve and improve our competitive edge in agriculture, we must designate commodity transportation routes as national priorities. Again, the NHS bill accomplishes that goal.

In addition to designating the NHS, this bill returns to the States important decisionmaking authority over transportation policy. An example, is the provision in the bill to repeal the Federal speed limit. I am an original cosponsor of legislation to repeal the Federal speed limit, and I am pleased it has been included in H.R. 2274.

I believe that the individual States are in the best position to establish safe and appropriate speed limits based on local driving conditions. In North Dakota, we certainly enjoy more than our share of wide open spaces. A speed limit that may be appropriate for the congested Northeast corridor is not at all suitable for the Great Plains. A simple and proper remedy is to allow the States to decide.

Today, Representative LOWEY will offer an amendment which would require States to enact zero tolerance, laws that would make it illegal for underage drivers to drive with a blood-alcohol content of .02 or higher. Under the Lowey amendment, failure to enact a zero-tolerance law would result in the Federal Government withholding 5 percent of highway funds in 1999 and 10 percent thereafter.

While I understand and support the intent of the Lowey amendment, I strongly object the imposition of a heavyhanded Federal sanction to achieve that end. I would certainly join with Representative LOWEY in encouraging States to adopt tough, strict drunk-driving laws. However, I do not believe that the Federal Government should dictate legislation to the States under threat of Federal sanction. The Lowey amendment is inconsistent with the bill before us today which repeals Federal sanctions and returns power and decisionmaking authority to the States. Therefore, I reluctantly, yet strongly, urge my colleagues to oppose the Lowey amendment and support this bill to designate the National Highway System.

Mr. PETE GEREN of Texas. Mr. Chairman, I rise in strong support of H.R. 2274, legislation designating the National Highway System [NHS]. This legislation not only designates the NHS as established as part of ISTEA, but it makes a number of important policy changes.

I am particularly supportive of this legislation because it recognizes the importance of Interstate 35 as a high priority corridor. I–35 is the only interstate in our Nation that connects Canada, Mexico, and the United States. I–35 is particularly vital to my district of Fort Worth and my home State of Texas because it serves as our main corridor of trade with Mexico.

In 1993, our country ratified the North American Free Trade Agreement. This was the first step in improving our economy and strengthening our trading relationship with our neighbors to the North and South. However, the passage of NAFTA was only the first step. The responsibility of the Congress did not end with that historic vote. We must now act collectively to make the most of NAFTA by developing an infrastructure that maximizes the benefits of this agreement.

One of the ways that we can accomplish this is to create a NAFTA Superhighway System. This concept continues to gain momentum around our Nation as an alternative to effectively and efficiently move cargo from point to point and from country to country. By recognizing the key arteries of trade in our Nation and utilizing the latest transportation technologies available, we can make great strides in ensuring that products manufactured in the United States reach their destinations in Mexico and Canada as quickly and as cheaply as possible.

The system that I and a number of my colleagues envision as providing the greatest economic benefit is one that uses I–35, from Laredo, TX to Duluth, MN as the trunk of a NAFTA superhighway system tree. From this trunk, the system will reach out like branches to the North and South, East and West. This option would tie together the major economic centers of our Nation with Canada and Mexico and ensure that all parts of our country benefit from international trade and NAFTA.

Mr. Chairman, I want to applaud our colleagues on the Transportation and Infrastructure Committee for recognizing the importance of I–35 to the continued economic growth of the United States. I look forward to continuing to work with them and all the Members of the House on doing all that we can to realize the benefits of international trade and NAFTA.

Mr. LATOURETTE. Mr. Chairman, I rise today in support of H.R. 2274, the National Highway System Designation Act.

I commend Chairman SHUSTER and Chairman PETRI, as well as their hardworking staffs, for their tireless efforts in bringing a bipartisan bill to the floor which not only reauthorizes the NHS but addresses funding shortfall problems which, if not corrected, will fall on the backs of our States.

The other day a reporter, during an interview about the NHS, mentioned to me that the NHS bill was, according to her editor, not very exciting. While roads and bridges do not necessarily equal the gripping drama of the O.J. Simpson trial or a Clint Eastwood movie, the NHS is essential to each and every person in this country.

The NHS represents some of our Nation's most heavily traveled byways, and while only containing 4 percent of U.S. roads, supports 40 percent of total vehicle travel and 75 percent of heavy truck travel. More importantly to anyone who travels our roads, the NHS means safety for travelers. Improvement of NHS routes, including widespread lanes and shoulders, controlled access and divided lanes, will help reduce accidents and fatalities. The NHS will help alleviate congestion on crowded urban highways. Also, it should not be overlooked that adoption of the NHS will not increase taxes. The funding will come from existing highway user-fees deposited in the Highway Trust Fund.

While this legislation corrects many problems and gives States flexibility, it successfully fixes the 1003(c) problem. This problem is the result of highway spending exceeding the estimates placed into ISTEA. If not corrected, 1003(c) will result in an estimated $4.2 billion in highway funds being cut from State apportionments in fiscal year 1996. For Ohio alone, not solving 1003(c) would mean a loss of $98.8 million. Additionally, for Ohio and other minimum allocation States, this legislation effectively addresses this issue.

Although taking transportation trust funds off budget is not in the bill we are debating today, I wanted to take this opportunity to commend the leadership of Chairman SHUSTER and ranking member MINETA, in addressing this issue. They have set the stage for this essential measure being brought before the House so we can decide this issue once and for all.

H.R. 842, legislation which will take transportation trust funds off budget, will put the trust back in the trust funds. In my State of Ohio, the Ohio Department of Transportation reports that we send about $1 billion in Federal motor fuel taxes to Washington annually. Last year, however, Ohio got back only $600 million of that money in Federal highway funds. What happened to the rest? Of the remaining $400 million, $345 million of Ohio gas taxes went to pay for the Federal deficit, while the remaining disappeared into what ODOT has termed "a bureaucratic black hole inside the beltway." This trust fund was created to keep funds for transportation projects around the country. Previous Congresses have abused the transportation trust fund as a smokescreen for their overspending in the general fund. I commend the Transportation and Infrastructure Committee for their commitment to put an end to these budget shenanigans.

Finally, I would be remiss if I failed to add my voice to the many others who have commended ranking member NORM MINETA. As a new Member of Congress, I have come to have the utmost respect for Congressman MINETA's insight, arguments and bipartisan handling of transportation issues. My regret is that his departure from this body will deprive our number of great wisdom. I shall greatly miss his presence and wish him nothing but the best.

Mr. Chairman, I urge all of my colleagues to support H.R. 2274.

Mr. BARRETT of Nebraska. Mr. Chairman, I rise today in support of the provisions of my bill, H.R. 2144, the hours of service exemption provisions, that have been included in the manager's amendment to the National Highway System legislation.

The hours of service requirements have severely restricted the ability of utility providers and others from performing their jobs. While the regulation had the good intention of improving safety for long-haul, transcontinental motor freight carriers, the regulations applied to all drivers of all vehicles that exceed a certain weight, irrespective of how the motor vehicle was employed. Many trucks and heavy equipment belonging to utility providers fell under this regulation. It imposed operational hardship on utility providers and also affected consumers.

In the case of utility vehicle drivers, most of the on-time duty is actually spent repairing utility lines and poles—not driving. However, because of the hours of service regulations, the driver is often prohibited from driving after being out on a major repair call. In addition, this regulation causes a paperwork burden for utility companies in order to comply with it.

The bottom line is this regulation can have an adverse effect on many important services. Being from a cold-weather State, I know the kind of damage ice and wind can have on utility poles and lines during the winter months. Unfortunately, the regulations prevent utility companies from using the summer months to rebuild lines and prepare them for the harsh winter. This ultimately affects the price and quality of utility service.

Under the NHS bill, utility providers would be permitted to have their limit on maximum driving and on-duty time be reset whenever they have an off-duty period of 24 hours. I believe that this is a step in the right direction. And after speaking with my Nebraska utility providers, they are pleased with this provision. They feel that this exemption will help them provide better service and prices to their customers.

I'm pleased with the attention the hours of service regulations have received. I would like to thank the Transportation Committee and my colleagues for their support of these exemptions and call on Congress to continue to work to make these and other regulations more sensible.

Mr. DELAY. Mr. Chairman, I support this National Highway System designation bill and urge all of my colleagues to vote in favor of this important legislation. This bill that we will pass today represents a major step in the right direction for further establishing highways as a national priority.

There is a provision in the bill that I am very interested in and remain committed in moving forward. That provision is the I–69 Interstate Highway project. This national highway is not only important because of the potential benefits for my district, but for all of Texas and the Nation as well.

The bill contains provisions that designate I–69 as a high priority corridor. There is also a provision that establishes I–69 through Houston, TX.

In my district, the development of the I–69 corridor will enhance mobility. Development of the I–69 corridor will assist in the widening and improvements along the Southwest Freeway from Rosenberg to Houston.

Interstate 69 will be truly multi modal linking highway, rail, air, and ports together like a network. The Texas gulf ports, for example, represent a massive source of wealth for the entire State. Together they generate $40.9 billion in trade—in 1993. I–69 provides for the continued growth of the port facilities and provides high quality interstate access to the trading centers throughout the Midwest and the Northeast.

I support designation of the I–69 corridor in the NHS legislation. I also support the Federal participation in I–69's locational study efforts. I will also support in any way that I can the Texas Department of Transportation's efforts to accelerate this planning and construction process for the I–69 corridor.

As cochairman of the I–69 caucus, I believe that the development of the I–69 corridor will induce regional development and begin a process of uniting States and counties into a trade/distribution market with benefits accruing to the I–69 region and the entire State where I–69 traverses.

This process begins with the development of the infrastructure—the development of the I–69 corridor. With increased trade with Mexico, the potential economic benefits gained by the completion of the I–69 corridor are tremendous.

Mr. Chairman, I have merely scratched the surface with regards to the benefits I–69 will provide for the future of Texas and to the Nation. I urge my colleagues to vote in favor of this important highway legislation.

Ms. JACKSON-LEE. Mr. Chairman, as the House debates the National Highway System designated, I would like to commend the members of the Transportation and Infrastructure Committee on the bipartisan manner in which this legislation was written. Throughout my career in public service, I have worked very closely with transportation issues and I understand the impact that Federal highway programs have on everyone's daily lives.

Understanding the importance of a strong infrastructure, I am very pleased that this bill begins the process of funding Interstate Route 69, the Mid-Continent Highway. This superhighway, which will run from Mexico to Michigan will be a gigantic boost to our Nation's economy. With the increasing levels of commerce in North America due to the North American Free-Trade Agreement, a roadway that traverses the continent would be essential to helping the agreement reach its full potential.

The highway will help create thousands of jobs, improve industrial productivity, and reduce transportation costs. The prosperity of our Nation is directly linked on our ability to move people and goods efficiently. I applaud the committee for their support of Interstate 69 and look forward to continuing the process to bring the dream of this highway to fruition.

Mr. RADANOVICH. Mr. Chairman, as this House considers H.R. 2274, the National Highway System Designation Act, it continues to engage in a long standing debate on the broader issue of Federal mandates. As is found in the content of H.R. 2274, previous legislation of the 104th Congress has established a theme consistent with the main tenets of the 10th amendment to the U.S. Constitution which states "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

The basis for which Chairman BUD SHUSTER's able leadership should be commended is in his clear commitment to the 10th amendment and to those efforts designed to empower the States and the people. Therefore, with the chairman's input, H.R. 2274 recognizes that individual States have unique needs and priorities that they are best suited to address. In addition, the legislation cuts the Federal seatbelts that attempt to harness individual citizens from dangers best determined by themselves.

There is no better example of Federal mandates being inconsistent with the Constitution than that of Federal statutes which require that

States pass laws requiring the use of motorcycle helmets or face reduced highway funding. The history of motorcycle helmet laws stems from the 102d Congress and 1991 legislation that rings with Federal bureaucracy: The Intermodal Surface Transportation Efficiency Act [ISTEA]. ISTEA penalizes States that do not enact motorcycle helmet and auto seat belt use laws by withholding up to 3 percent of their highway construction funds. The Motorcycle Riders Foundation has eloquently countered the faulty wisdom of these infallible laws in stating:

> Helmet laws raise very personal and emotional issues for motorcyclists. Issues like: adults being responsible for themselves; freedom of thought and expression; the government telling citizens how they must appear in public—a helmet is a piece of apparel; a person being forced to place an item on their body which they feel is not in their best interest and; the appropriate level of government control of and intervention into personal behavior.

I could not agree more with this rational position. This is why I am a cosponsor of H.R. 899, a bill to eliminate the penalties for noncompliance by States with the program requiring the use of motorcycle helmets. Chairman DON YOUNG, who presides over the Resources Committee of which I am a member, introduced this legislation to widespread support. Such support is most telling when recognizing that 202 Members have to date cosponsored the bill.

On this issue, let us heed the advice of the States and individual citizens who best understand transportation issues. And while the founder's of this country may not have envisioned automobiles or motorcycles they did have it quite right when they yielded to the principle that local issues are best solved by the insight of locals.

Mr. BEREUTER. Mr. Chairman, this Member rises in support of H.R. 2274, the National Highway System Designation Act.

Mr. Chairman, this Member would begin by commending the distinguished gentleman from Pennsylvania [Mr. SHUSTER], the chairman of the Committee on Transportation and Infrastructure, as well as the distinguished gentleman from California [Mr. MINETA], the ranking member of the committee, for their work on this bill.

This Member would also like to direct commendations to the distinguished gentleman from Wisconsin [Mr. PETRI], the chairman of the Surface Transportation Subcommittee, and the distinguished gentleman from West Virginia [Mr. RAHALL], the ranking member of the subcommittee for their exceptional work on bringing this bill to the floor.

Mr. Chairman, it's been said that if you don't know where you're going, any road will get you there. This Member is pleased, however, that this legislation not only gives direction to the surface transportation needs of the future, it also designates which roads will get us there. The National Highway System will provide a blueprint for this Nation's highway needs by identifying the roadways most important for defense, commerce, and travel.

This Member is pleased that the National Highway System includes a number of routes which are of great importance to Nebraska. Of particular significance is the inclusion of a generalized representation of a new connector route linking Highway 20 to the expected site of the new Newcastle area-Vermillion Bridge over the Missouri River. The exact route will be finalized following more careful study.

The addition of this route was included due to this Member's recommendation and the approval of the Nebraska Department of Roads. The bridge and its access road will serve as a connector for one of the major north-south routes across Nebraska. This Member has long expressed concern that an adequate access road be provided for this project. It is also encouraging that State Highway 2 and U.S. Highway 81 in Nebraska are designated as components of the National Highway System.

Another important addition to the National Highway System is the highway mileage for what will eventually be a south and east bypass around the city of Lincoln, NE.

The current transportation network in Lincoln, NE, a city of nearly 200,000, is under stress and the implementation of a new transportation system must be studied. The approach which seems to make the most sense is the completion of a circumferential roadway system by the development of highway segments south and east of the city. This completed circumferential roadway would help meet current needs and accommodate future growth before such highway development becomes prohibitively expensive. Completion of a beltway highway for Lincoln has been discussed for more than three decades and the need to implement such a plan becomes more apparent each year.

A recent city of Lincoln task force looking at the possibility of the beltway determined that the development of such a system would be a crucial component of the regional transportation network which would accomplish the goals of moving traffic around congested urban areas and providing for an expanded capacity of the urban system.

This Member would also like to stress that he has received written assurances from the city of Lincoln and the Nebraska Department of Roads that the current National Highway System designations are surrogate or temporary designations that will be replaced by new route designations when the bypass study identifies the desired route locations. This Member is voting for this legislation with that understanding.

This Member would further stress that the eventual corridor designation must be exclusively outside the city limits of the city of Lincoln. Although the study will determine the optimal corridor zone, this Member would like to reiterate what he stated before the Committee on Public Works' Subcommittee on Surface Transportation on March 8, 1994. This Member believes it would be preferable to locate the eastern segment on or between 96th and 134th Street and the southern segment on or between Yankee Hill Road and Saltillo Road. With respect to the southern route, this Member believes the corridor should be located no farther north than Yankee Hill Road and possibly south of Saltillo Road.

This Member is also very pleased that the bill includes a provision he introduced to provide regulatory relief for farmers and farm retailers. The provision specifies that regulations regarding maximum driving and on-duty time for motor carrier drivers will not apply to agricultural drivers transporting agricultural commodities or farm supplies within a 100-mile radius during the planting and harvesting seasons, as determined by each State.

The need for this change is obvious—each year farmers and their suppliers must be prepared to move quickly and work long hours when the weather permits. During certain weeks of the year, there is a small window of opportunity in the crop planting and harvesting season when the demand for farm supplies escalates. Unfortunately, this demand runs headlong into the Department of Transportation's regulations for the number of hours a driver can be "on duty." To address this problem, this Member introduced H.R. 526, which exempts farmers and retail farm suppliers from these requirements when operating within 100 miles of their farms or distribution points.

DOT's hours-of-service regulations are highly impractical, burdensome, and costly for farmers and farm suppliers because the law can require them to take 3 days off—at the peak of agricultural production—and wait in order to accumulate enough off-duty time to resume driving. This is because DOT regulations define "on duty" time as "all time from the time a driver begins work or is required to be in readiness to work until the time he/she is relieved from work."

The hours-of-service regulations are directed toward long distance truck drivers. However, they also apply to the local distribution of farm input materials even though driving is incidental to the farm supplier's principal work function of servicing farmers. Over 80 percent of our Nation's farmers utilize farm suppliers to help them cope with environmental regulations; develop, implement, and manage precision agriculture; and harvest profitable crops that produce safe, abundant and affordable food for Americans and the world.

A specific exemption is certainly not without precedent. DOT has already recognized that the on-duty time of certain occupations is subject to special demands and DOT has granted seasonal waivers from hours-of-service requirements for small package delivery drivers during the holiday season and for the oil and natural gas industry. Farmers and farm suppliers engaged in the transport of fertilizer and fertilizer materials, agricultural chemicals, pesticides, seed, animal feeds, crops, and other essential farm supplies also deserve regulatory flexibility.

As harvesting season draws closer, the agricultural community will once again be confronted with the hurdles presented by the unreasonable hours-of-service requirements which were obviously not designed to accommodate the special circumstances faced by farmers. This legislation resolves the problem in a responsible manner.

Mr. Chairman, H.R. 4385 addresses the current and future highway needs of the United States and this Member urges his colleagues to support the bill.

Mr. ROGERS. Mr. Chairman, I rise in strong support of H.R. 2274, the National Highway System Designation Act. I commend the Transportation and Infrastructure Committee for the leadership and commitment it has displayed time and again to creating a strong, viable transportation infrastructure to foster our Nation's economic development.

Infrastructure is the key to economic development, particularly in rural areas like mine. Without continued commitment to an adequate road system, the economies of areas like Southern and Eastern Kentucky will fail to improve. The National Highway System fulfills this commitment.

My district, located in the heart of Appalachia, continues to be poor relative to the rest of the Nation. Most of the area is located among mountainous terrain which, for years, has hindered access to my communities, resulting in geographic and economic isolation. Moreover, the mainstay of many of these counties' economies—the coal industry—has fallen on rough times, resulting in hardship that can only be reversed through investments that take many forms. One form of investment, highway infrastructure, may be the single most important to our future.

Therefore, I am delighted to see Southern and Eastern Kentucky has a strong presence on the National Highway System, a system that will serve us into the next century.

I commend the U.S. Department of Transportation and the Committee for recognizing the needs of my region. I strongly support their recommendations to designate several corridors in Southern and Eastern Kentucky as part of the proposed National Highway System. These corridors include: U.S. 27; I–75; the Daniel Boone Parkway and KY 80; U.S. 25 E east of I–75; the Mountain Parkway and its extension, KY 114; KY 15; U.S. 23; U.S. 119; and, U.S. 460 from Salyersville to Paintsville, KY.

Further, I commend the committee using this legislation, H.R. 2274, to take the next critical step forward on the East-West Trans-America Corridor—I–66. I thank the committee for working with me to designate the I–66 route from Virginia to Kansas, and for including provisions to designate of the Kentucky portion of the corridor through eastern and southern Kentucky.

Mr. Speaker, this legislation signifies a commitment to the transportation and economic development needs of this Nation. I urge all Members to support H.R. 2274.

Ms. DELAURO. Mr. Chairman, I think as we look at how this House should conduct its legislative business, that the bill before us today, the highway bill, should serve as a model. And, I commend members of the committee and the Republican leadership for allowing a full and thorough discussion of this legislation and all its implications.

The discussion of the highway bill has been ongoing for 7 months.

The first legislative draft was presented in August, giving members ample time to read it before the bill was introduced on September 7.

Finally, the committee held 6 days of public hearings on the highway bill, allowing the public to review the legislation and, more importantly, to allow the public to comment and testify on the legislation.

Unfortunately, the manner in which this legislation comes to the floor, stands in stark contrast to another piece of legislation in committee, regarding a $270 billion cut.

Instead of a month to study the legislation before it goes to the committee for a vote, the majority party will present its proposal for Medicare today and expect Members to be fully briefed for the hearing tomorrow.

Instead, of the 6 days of hearings that the highway bill received, legislation to radically alter the health care system that services 37 million American seniors, will have only a single day of hearings.

The American people have a right to full public hearings, on the GOP plan to cut $270 billion from Medicare to pay for a tax cut.

I commend members of the committee for their work on this highway bill. I wish that Republican members of the Ways and Means Committee would follow their example and allow full, public hearings on Medicare reform.

Mr. KIM. Mr. Chairman, I rise in strong support of the National Highway System bill.

I commend Chairman SHUSTER, Chairman PETRI and the other members of our committee for their success and hard work in bringing this bill to the floor.

As you know by now, we must pass this bill very soon.

If we don't, billions of Federal transportation dollars will be delayed.

But this is also a good bill.

It removes a number of burdensome mandates and restrictions on the States.

One of these restrictions would have a tremendous impact on my district in Orange County, CA.

There is a provision in Federal law which prohibits busses over a certain weight to travel on interstate highways.

The problem is that in order to comply with the Clean Air Act and the Americans with Disabilities Act, additional equipment must be added to the bus.

This equipment is very heavy.

And in Orange County, most of the public transit buses are now overweight.

Fortunately, there is an exemption for public transit buses that drive on interstate highways.

The Federal Highway Administration completed a study of this problem in 1994.

The study clearly stated that these busses do not create a safety hazard.

In addition, the Federal Highway Administration recommended that the busses be allowed to drive on the interstates until new, lighter busses are purchased by transit agencies.

Unfortunately, this exemption expires on October 6.

After October 6, these busses will not be allowed on the interstates.

In fact, the California Highway Patrol has already informed the Orange County Transit Authority that it will pull over these busses and force them to unload. This is ridiculous.

The Federal Highway Administration has already said there is no safety hazard, but the Highway Patrol will force the busses to unload.

To fix this problem, our bill exempts transit busses from the interstate restriction until ISTEA is reauthorized.

This will give Congress the opportunity to create a program that phases in new, lighter buses without penalizing existing transit authorities.

This is just one of the many ridiculous restrictions and mandates that our bill addresses.

It's a good bill, and I urge my colleagues to vote for final passage.

Mr. BARTLETT of Maryland. Mr. Chairman, a sharply-worded Cumberland Times editorial about U.S. Route 220 in western Maryland hit the highway nail right on the head; I quote: "U.S. Route 220 North is arguable the most dangerous stretch of highway in the (tri-state) area . . . (its) S-curves make the road an obstacle course fraught with danger." In addition to highlighting the frightening hazards of 220's three-mile twist in Allegany County, the Times editorial rightfully noted the value of an improved Route 220 to the economic development of a region ripe with promise and perfect for business growth. The inclusion of Route 220 as a designated highway in our national roadway network will serve as the foundation upon which the region can build a better 220 and, consequently, a brighter tomorrow for all those dependent upon it.

Before today, any substantial discussion in western Maryland about the overall economic development of the tri-state region was hindered by a lack of region-wide attention to—and funding for—Route 220. With this comprehensive bill and thanks to the effective leadership of Committee Chairman BUD SHUSTER and Maryland's State Highway Administration, we're seeing Route 220 get what it certainly deserves: a designated place in our national highway system. The measure before the House today appropriately includes the full stretches of Route 220—in Maryland, Pennsylvania and West Virginia—as key highway links in the National Highway System. As a result, planned improvements for Route 220 will receive federal funding priority. In the long history of Route 220, this is good news . . . very good news.

The improvement of Route 220 north of Cumberland is not only important to Maryland but also to our neighbors in Pennsylvania and West Virginia. Route 220 continues into these states from Maryland. Maryland—under the impressive guidance of Transportation Secretary David Winstead, Highway Administrator Hal Kassoff and House Speaker Cas Taylor—has authorized funding for right-of-way acquisition. Construction targets for Maryland's section of the road are within reach. For Route 220 to realize its full potential, it is imperative—as Speaker Taylor has consistently noted—that West Virginia, Maryland and Pennsylvania join forces to make Route 220 an asset to the region rather than a hurdle to development and safety. Improvements to Route 220 in any one of the three states must be matched by corresponding improvements to Route 220 in the others. I believe that this legislation is a terrific catalyst for such change, cooperation and progress.

I look forward to the continuation of a Route 220 coalition dedicated to the completion of 220 improvements throughout the region. I will soon be meeting with my colleagues from West Virginia and Pennsylvania in an effort to lend whatever assistance we can to the project.

At this juncture—and on behalf of those who share our interest in Route 220—I want to commend Chairman Shuster and urge the House to adopt the National Highway System language as detailed in the bill. The State of Maryland has advised me that more than 7,500 vehicles face the Route 220 minefield daily. That number is predicted to double by

2015. In the name of safety and for the benefit of the region, it is essential that we give Route 220 the attention it deserves and the backing it needs to become a reality rather than a roadblock to progress.

I also want to thank Subcommittee Chairman TOM PETRI for his assistance in redesignating $440,000 in unused funds from Rt. 48 in Washington County for use in the I–70/I–270 interchange project as part of H.R. 2274.

Frederick County is one of Maryland's fastest growing communities. Yet, the Frederick area is virtually the last place in America where major criss-crossing interstates lack complete, accessible and safe connecting interchanges and sufficient highway feeder networks. Construction of the I–70/I–270 interchange is one of the highest priorities in the state of Maryland. The release of this $440,000 will help accelerate the work on Phase I of this critical highway improvement project. This is one more step to ensure that Frederick County will remain an active force in the growth of the state's economy and that of the entire western Maryland region.

I thank Chairman SHUSTER and the Speaker for this opportunity and yield back the balance of my time.

Mr. DE LA GARZA. Mr. Chairman, as the debate proceeds on H.R. 2274, the National Highway System Designation Act, I want to register my views on several provisions that are of critical importance to the Nation as well as to my home State of Texas.

The bill establishes priorities for our highway and transportation needs. It provides us with a mechanism to support infrastructure projects which have national significance. One such project which I commend the committee for including in the legislation would extend high-priority corridor 18 from where it currently ends in Houston, TX, to the Mexican border in the Lower Rio Grande Valley.

The Rio Grande Valley of south Texas is one of the main gateways for goods entering and exiting the United States to Mexico. Its two main north-south transportation arteries, U.S. Highways 281 and 77, are the two busiest highways going to and from our southern border. In fact, in 1993, these two highways handled approximately 4.7 million vehicles, a fourth of which were trucks.

Rio Grande Valley highways service nine international border crossings which have a total of 30 lanes. In 1994, these nine ports of entry handled approximately 28.3 million crossings.

The extension of high-priority corridor 18 into the Lower Rio Grande Valley will link together many of the major economic centers of our Nation with Canada and Mexico, providing us with a seamless trade corridor for the safe and efficient flow of goods. The extension of corridor 18 into south Texas ties in with planned infrastructure developments in Mexico. The entire United States will benefit from this linkage which will enhance economic development and international trade.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I rise in strong support of the Lowey zero tolerance amendment to the national highway bill. At last, we have an amendment which will provide a Federal standard for making driving laws consistent with drinking laws. By restoring sensibility to our impaired driving laws, zero tolerance provisions make it illegal for underage persons to drink any amount of alcohol and then drive.

Driving inexperience and risk-taking behavior often leads teens to dangerous driving situations. If alcohol is introduced in the equation, it often becomes a deadly mixture. Research shows that young drivers are particularly susceptible to impaired judgment when driving under the influence of even small amounts of alcohol. A survey of Massachusetts teenagers who admitted consuming five or more drinks showed they were twice as likely to drive 20 miles over the speed limit, run red lights, and make illegal turns—and many without wearing their seat belts.

As of May 1995, 32 States and the District of Columbia have established lower blood alcohol contents [BAC's] for youthful drivers. Such provisions should be indiscriminately applied across all State lines, sending a clear message to our Nation's teens: If you are under 21 years old and are driving with any level of blood alcohol consumption, you will be considered intoxicated and your driver's license will be temporarily revoked.

Each year for the past decade, between 2,400 and 5,400 youths aged 15 to 24 were killed in alcohol-related crashes. If this amendment were adopted, it is estimated at least 375 single vehicle night fatal crashes would be prevented each year. These are more than just numbers—these are lives.

I applaud my colleague from New York, Ms. LOWEY, for her leadership in offering this amendment. I believe the time has come for us to engage in a national debate over the merits of formulating a new comprehensive alcohol policy. To that end, I am planning to offer a comprehensive alcohol bill in the coming weeks and would encourage my colleagues to lend their support. One provision of this bill parallels the ideas conveyed in the amendment we are debating today—establishing a national zero tolerance law for underage drinking drivers.

Responsible legislating can be manifested in various forms. Passing the Lowey zero tolerance amendment is the responsible thing to do. I urge my colleagues to adopt this amendment.

Mr. OBERSTAR. Mr. Chairman, the bill before us makes grave changes in the Nation's highway safety law, repealing national speed limits and mandatory helmet laws. The result will be a new, enormous unfunded mandate: Costs to the States as well as to the Federal Government and the general public of emergency, rehabilitative and long-term health care for those injured because these protections are gone; costs to employers of lost workdays; and costs to insurance companies, paid for by everyone who purchases insurance. An incalculable costs to family and friends, and to the victims themselves, who might have avoided injury or death if speed limits and helmet laws had remained in place.

The amendment I intended to offer would have required States, prior to raising their speed limits, to take a snapshot of the current costs of motor vehicle crashes, and another snapshot 1 year later, after changes had gone into effect. If we are going to permit repeal of safety laws, we should at least know the consequences of these actions.

The amendment agreed to with my good colleagues, which I offer now, is more modest. It requires the Secretary of the Department of Transportation, in cooperation with any State that raises its speed limit, to prepare a study of the costs to the State of deaths and injuries resulting from motor vehicle crashes, and the benefits associated with the repeal of the national maximum speed limit.

To provide meaningful, useful information, the report should include information on the costs before the State changes its safety laws, and after. It would thus be my intent that the Secretary's report, due September 30, 1997, include information on the costs of motor vehicle crashes in the year before changes go into effect; and again a year later.

That report should include, at a minimum, the costs of acute, rehabilitative and long-term medical care, sources of reimbursements and the extent to which these sources cover actual costs; and the costs to all levels of government, to employers, and others.

All States are not alike. Each State will want to know its own data, so that it can determine whether its problems are coming from alcohol-related or speed-related causes, from not wearing seatbelts or helmets, or other causes, and perhaps adjust its laws accordingly.

The report should therefore also include additional factors such as whether excess speed or alcohol were involved in the accident, whether seat belts and motorcycle helmets were used by those involved in the crash, and any other factors the Secretary may wish to add, or State to know.

We do know that the costs of motor vehicle crashes are substantial, even with the current laws in effect. NHTSA's data indicate that the lifetime economic costs of motor vehicle injuries, fatalities and property damage that occurred in 1990 will be $137.5 billion. American taxpayers will pay $11.4 billion of that total to cover publicly funded health care ($3.7 billion), reduced income tax revenue ($6.1 billion) and increased public assistance expenses ($1.6 billion).

The lifetime economic costs of alcohol-related motor vehicle injuries, fatalities and property damage that occurred in 1990 was $46.1 billion. Of this, the American taxpayer will pay $1.4 billion to cover publicly funded health care and $3.8 billion to cover reduced income tax revenue and increased public assistance.

States and the National Highway Traffic Safety Administration [NHTSA] have good data now on which to base the first report. NHTSA has been working with the States to develop such databases.

States want and need these data. The National Association of Governors' Highway Safety Representatives wrote on behalf of my original amendment:

> NAGHSR believes that such a requirement is both reasonable and necessary. It would allow every state to establish a baseline of data with which to determine the costs of motor vehicle crashes prior to the repeal of the mandatory federal safety requirements. It would also allow a state to determine the changes in these costs over time. States would be able to use the information to evaluate the effectiveness of their highway safety programs and Safety Management Systems. * * * The requirement will not be onerous to the States since crash cost information is already available through NHTSA.

The Federal Government—and Congress—have a legitimate interest in knowing what is happening on a Federal transportation system. We are not preventing States from doing what they want, but we and the States have a responsibility to know and squarely face the consequences of our actions.

We and the States need the facts. This report will provide the data and help guide future decisions. I urge my colleagues to support the amendment.

Mr. SHUSTER. Mr. Chairman, I have no additional requests for time, and I yield back the balance of my time.

The CHAIRMAN. All time for the general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute consisting of the text of H.R. 2349 shall be considered by titles as an original bill for the purpose of amendment. The first two sections and each title are considered read.

Before consideration of any other amendment, it shall be in order to consider the amendment printed in House Report 104–252 if offered by the gentleman from Pennsylvania [Mr. SHUSTER] or his designee. That amendment shall be considered read, may amend portions of the bill not yet read for amendment, is not subject to amendment, and is not subject to a demand for division of the question. Debate on the amendment is limited to 10 minutes, equally divided and controlled by the proponent and an opponent of the amendment.

After disposition of that amendment, the bill as then perfected will be considered as original text.

During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition to a Member who has caused an amendment to be printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

Mr. SHUSTER. Mr. Chairman, I ask unanimous consent that the debate on the amendment relating to the repeal of the speed limit be limited to 1 hour, equally divided, 30 minutes on either side, and that the subsequent speed limit amendment be limited to 20 minutes divided equally on either side.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AMENDMENT OFFERED BY MR. SHUSTER

Mr. SHUSTER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SHUSTER pursuant to House Resolution 224: Page 11, line 18, strike "$360,420,595" and insert "$321,420,595".

Page 15, strike lines 12 through 14 and insert the following:

(B) by striking "1996, and 1997" and inserting "and 1996, and $146,000,000 for fiscal year 1997".

Page 25, line 5, strike "any" and all that follows through "limitation so that" on line 8 and insert the following:

section 5336(d) of title 49, United States Code, the Secretary shall distribute the limitation on operating assistance under such section—

(1) so that

Page 25, line 12, strike "fiscal year 1996" and insert "each of fiscal years 1996 and 1997".

Page 25, line 14, by striking the period and inserting ", and".

Page 25, after line 14, insert the following:

(2) so that an urbanized area that had a population under the 1980 decennial census of the United States of more than 1,000,000 and has a population under the 1990 decennial census of less than 1,000,000, will receive under the distribution of such limitation for each of fiscal years 1996 and 1997, 90 percent of the amount of funds apportioned in fiscal year 1982 under sections 5(a)(1)(A), 5(a)(2)(A), and 5(a)(3)(A) of the Urban Mass Transportation Act of 1964 to such area.

Page 35, line 8, strike "shall be" and insert "shall not be less than".

Page 36, after line 9, insert the following:

(t) SUSPENDED LIGHT RAIL SYSTEM TECHNOLOGY PILOT PROJECT.—Section 5320 of title 49, United States Code, is amended—

(1) in subsection (h)(1)(A) by striking "for the fiscal year ending September 30, 1992,";

(2) in subsection (h)(1)(B) by striking "for the fiscal year ending September 30, 1993,";

(3) in subsection (h)(1)(C) by striking "for the fiscal year ending September 30, 1994,"; and

(4) by adding at the end the following new subsection:

"(l) DEADLINE.—

"(1) COMPLETION OF COMPETITION.—Notwithstanding any other provision of this section, not later than 60 days after the date of the enactment of this subsection, the Secretary shall complete the national competition initiated under subsection (c) by selecting the public entity referred to in subsection (c)(3).

"(2) THEREAFTER.—Following selection of the public entity in accordance with paragraph (1)—

"(A) the Secretary shall make to such public entity the payments under subsections (h)(1)(B) and (h)(1)(C); except that such payments shall be made in the form of grants under section 5312(a); and

"(B) the Secretary, upon completion of preliminary engineering and design, shall negotiate and enter into a full financing grant agreement with such public entity under subsection (e), consistent with section 5309(g).".

Page 36, line 10, strike "(t)" and insert "(u)".

Page 51, line 1, after "Secretary" insert ", in consultation with the Federal Communications Commission and the National Telecommunications and Information Administration,".

Page 69, line 18, before "Arkansas" insert "Mississippi,".

Page 69, line 25, strike "(20)" and insert "(18)".

Page 71, line 17, strike the closing quotation marks and the final period.

Page 71, after line 17, insert the following:

"(27) The Camino Real Corridor from El Paso, Texas, to Denver, Colorado, as follows:

"(A) In the State of Texas, the Camino Real Corridor shall generally follow—

"(i) arterials from the international ports of entry to I–10 in El Paso County; and

"(ii) I–10 from El Paso County to the New Mexico border.

"(B) In the State of New Mexico, the Camino Real Corridor shall generally follow—

"(i) I–10 from the Texas Border to Las Cruces; and

"(ii) I–25 from Las Cruces to the Colorado Border.

"(C) In the State of Colorado, the Camino Real Corridor shall generally follow I–25 from the New Mexico Border to Denver.".

Page 82, line 3, strike "and".

Page 82, line 15, strike the period and insert "; and".

Page 82, after line 15, insert the following:

(3) in item 33, relating to Orange County, New York, strike "Stuart Airport Interchange Project" and insert "Stewart Airport interchange projects".

Page 86, line 20, before the period insert ", including the structure over the Delaware River".

Page 93, line 17, strike "50" and insert "100".

Page 94, after line 13, insert the following:

(4) DRIVERS OF UTILITY SERVICE VEHICLES.—Such regulations shall, in the case of a driver of a utility service vehicle, permit any period of 8 consecutive days to end with the beginning of an off-duty period of 24 or more consecutive hours for the purposes of determining maximum driving and on-duty time.

Page 94, line 14, strike "(4)" and insert "(5)".

Page 96, after line 24, insert the following:

(6) UTILITY SERVICE VEHICLE.—The term "utility service vehicle" means any motor vehicle, regardless of gross weight—

(A) used on highways in interstate or intrastate commerce in the furtherance of building, repairing, expanding, improving, maintaining, or operating any structures, facilities, excavations, poles, lines, or any other physical feature necessary for the delivery of public utility services, including the furnishing of electric, water, sanitary sewer, telephone, and television cable or community antenna service;

(B) while engaged in any activity necessarily related to the ultimate delivery of such public utility services to consumers, including travel or movement to, from, upon, or between activity sites (including occasional travel or movement outside the service area necessitated by any utility emergency as determined by the utility provider); and

(C) except for any occasional emergency use, operated primarily within the service area of a utility's subscribers or consumers, without regard to whether the vehicle is owned, leased, or rented or otherwise contracted for by the utility.

Page 97, line 2, strike "erected under" and insert "referred to in".

Page 97, after line 12, insert the following:

SEC. 354. MOTOR CARRIER SAFETY PROGRAM.

Section 31136(e) of title 49, United States Code, is amended—

(1) by inserting "(1) IN GENERAL.—" before "After notice";

(2) by indenting paragraph (1), as designated by paragraph (1) of this section, and moving paragraph (1), as so redesignated, 2 ems to the right; and

(3) by adding the following at the end:

"(2) MOTOR CARRIER SAFETY PROGRAM.—

"(A) IN GENERAL.—The Secretary, within 180 days of the application of an operator of motor vehicles with a gross vehicle weight rating of at least 10,001 pounds but not more than 26,000 pounds, shall exempt some or all of such vehicles and drivers of such vehicles from some or all of the regulations prescribed under this section and sections 504 and 31502 of this title if the Secretary finds such applicant—

"(i) has a current satisfactory safety fitness rating issued by the Secretary; and

"(ii) will implement a program of safety management controls designed to achieve a level of operational safety equal to or greater than that resulting from compliance with the regulations prescribed under this section.

The Secretary shall modify the exemption if there is a material change in the regulations prescribed under such sections. In granting such exemption, the Secretary shall ensure that approved participants in the motor carrier safety program are subject to a minimum of paperwork and regulatory burdens.

"(B) MONITORING; EXEMPTION PERIOD.—The Secretary and participants in the program established by this paragraph shall periodically monitor the safety of vehicles and drivers exempted from regulations under the program. An exemption approved under subparagraph (A) shall remain in effect until such time as the Secretary finds—

"(i) that the operator has exceeded the average ratio of preventable accidents to vehicle miles travelled for a period of 12 months for the class of vehicles with a gross vehicle weight of at least 10,001 pounds but not more than 26,000 pounds; or

"(ii) that such operator's exemption is not in the public interest and would result in a significant adverse impact on the safety of commercial motor vehicles.

"(C) FACTORS.—In approving applications under the program established by this paragraph, the Secretary shall—

"(i) ensure that applicants in the program represent a broad cross-section of fleet size and operators of vehicles between 10,000 and 26,000 pounds; and

"(ii) to the extent feasible, ensure participation by as many qualified applicants as possible.

"(D) LIMITATION.—The Secretary shall not grant the exemptions set forth in subparagraph (A) to vehicles—

"(i) designed to transport more than 15 passengers; including the driver; or

"(ii) used in transporting material found by the Secretary to be hazardous under section 5103 of this title and transported in a quantity requiring placarding under regulations prescribed by the Secretary under such section 5103.

"(E) EMERGENCIES.—The Secretary may revoke or modify the participation of an operator in the program established by this section in the case of an emergency.

"(3) REVIEW OF REGULATIONS.—The Secretary shall conduct a zero-based review of the need and the costs and benefits of all regulations issued under this section and sections 504 and 31502 of this title to determine whether such regulations should apply to vehicles weighing between 10,000 and 26,000 pounds. The review shall focus on the appropriate level of safety and the paperwork and regulatory burdens of such regulations as they apply to operators of vehicles weighing between 10,000 and 26,000 pounds. The Secretary shall complete the review within 18 months after the date of the enactment of this paragraph. Upon completion of the review, the Secretary shall grant such exemptions or modify or repeal existing regulations to the extent appropriate.".

Conform the table of contents of the bill accordingly.

Mr. SHUSTER. Mr. Chairman, this is something I believe we have worked out. It is an en bloc amendment which makes several technical and conforming changes to existing provisions and adds noncontroversial, modest policy changes, reduces the authorized level of the State restoration program by $39 million in fiscal 1996, to eliminate a budget point of order, and to conform with a CBO estimate and strikes a fiscal 1996 National Highway Traffic Safety Administration rescission.

It makes technical and conforming changes which limit the distribution of operating assistance in light of budget cuts, and it makes technical and conforming changes to an IC transit project, description change, as well as other technical and conforming changes, and I would ask support for the amendment.

Mr. PETRI. Mr. Chairman, will the gentleman yield?

Mr. SHUSTER. I yield to the gentleman from Wisconsin.

Mr. PETRI. Mr. Chairman, I would like to say we have worked on this closely with leaders on both sides of the aisle. I believe it has everyone's concurrence and it does just make conforming and technical changes.

The CHAIRMAN. Does any Member rise in opposition to the amendment? If not, the gentleman from West Virginia [Mr. RAHALL] is recognized for 5 minutes.

Mr. RAHALL. Mr. Chairman, we have reviewed the amendment on our side that addresses many of the concerns which we addressed in our opening comments. I commend the chairman for offering this amendment and we support it.

Mr. SHUSTER. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SHUSTER]

The amendment was agreed to.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "National Highway System Designation Act of 1995".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Secretary defined.

TITLE I—NATIONAL HIGHWAY SYSTEM

Sec. 101. National Highway System designation.

TITLE II—HIGHWAY FUNDING RESTORATION

Sec. 201. Short title.
Sec. 202. Findings and purposes.
Sec. 203. State high priority project restoration program.
Sec. 204. Rescissions.
Sec. 205. State unobligated balance flexibility.
Sec. 206. Minimum allocation.
Sec. 207. Relief from mandates.
Sec. 208. Definitions.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Distribution of transit operating assistance limitation.
Sec. 302. Accountability for high cost Federal-aid projects.
Sec. 303. Letters of intent and full financing grant and early systems work agreements.
Sec. 304. Report on capital projects.
Sec. 305. Repeal and modification of existing projects.
Sec. 306. Miscellaneous transit projects.
Sec. 307. Metropolitan planning for transit projects.
Sec. 308. Contracting for engineering and design services.
Sec. 309. Ferry boats and terminal facilities.
Sec. 310. Utilization of the private sector for surveying and mapping services.
Sec. 311. Formula grant program.
Sec. 312. Accessibility of over-the-road buses to individuals with disabilities.
Sec. 313. Alaska Railroad.
Sec. 314. Alcohol and controlled substances testing.
Sec. 315. Alcohol-impaired driving countermeasures.
Sec. 316. Safety research initiatives.
Sec. 317. Public transit vehicles exemption.
Sec. 318. Congestion mitigation and air quality improvement program.
Sec. 319. Quality improvement.
Sec. 320. Applicability of transportation conformity requirements.
Sec. 321. Quality through competition.
Sec. 322. Applicability of certain vehicle weight limitations in Wisconsin.
Sec. 323. Treatment of Centennial Bridge, Rock Island, Illinois, agreement.
Sec. 324. Metric requirements and signs.
Sec. 325. ISTEA technical clarification.
Sec. 326. Metropolitan planning for highway projects.
Sec. 327. Non-Federal share for certain toll bridge projects.
Sec. 328. Discovery and admission as evidence of certain reports and surveys.
Sec. 329. National recreational trails.
Sec. 330. Identification of high priority corridors.
Sec. 331. High priority corridor feasibility studies.
Sec. 332. High cost bridge projects.
Sec. 333. Congestion relief projects.
Sec. 334. High priority corridors on National Highway System.
Sec. 335. High priority corridor projects.
Sec. 336. Rural access projects.
Sec. 337. Urban access and mobility projects.
Sec. 338. Innovative projects.
Sec. 339. Intermodal projects.
Sec. 340. Miscellaneous revisions to Surface Transportation and Uniform Relocation Assistance Act of 1987.
Sec. 341. Eligibility.
Sec. 342. Orange County, California, toll roads.
Sec. 343. Miscellaneous studies.
Sec. 344. Collection of bridge tolls.
Sec. 345. National driver register.
Sec. 346. Roadside barrier technology.
Sec. 347. Motorist call boxes.
Sec. 348. Repeal of national maximum speed limit compliance program.
Sec. 349. Elimination of penalty for noncompliance for motorcycle helmets.
Sec. 350. Safety rest areas.
Sec. 351. Exemptions from requirements relating to commercial motor vehicles and their operators.
Sec. 352. Traffic control signs.

Sec. 353. Brightman Street Bridge, Fall River Harbor, Massachusetts.

The CHAIRMAN. Are there any amendments to section 1?

If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. SECRETARY DEFINED.

In this Act, the term "Secretary" means the Secretary of Transportation.

The CHAIRMAN. Are there any amendments to section 2?

If not, the Clerk will designate title I.

The text of title I is as follows:

TITLE I—NATIONAL HIGHWAY SYSTEM

SEC. 101. NATIONAL HIGHWAY SYSTEM DESIGNATION.

Section 103 of title 23, United States Code, is amended by inserting after subsection (b) the following:

"(c) Initial Designation of NHS.—The National Highway System as submitted by the Secretary of Transportation on the map entitled 'Official Submission, National Highway System, Federal Highway Administration', and dated September 1, 1995, is hereby designated within the United States, including the District of Columbia and the Commonwealth of Puerto Rico.

"(d) Modifications to the NHS.—

"(1) Proposed modifications.—The Secretary may submit for approval to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives proposed modifications to the National Highway System. The Secretary may only propose a modification under this subsection if the Secretary determines that such modification meets the criteria and requirements of subsection (b). Proposed modifications may include new segments and deletion of existing segments of the National Highway System.

"(2) Approval of congress required.—A modification to the National Highway System may only take effect if a law has been enacted approving such modification.

"(3) Required submission.—

"(A) Initial submission.—Not later than 180 days after the date of the enactment of the National Highway System Designation Act of 1995, the Secretary shall submit under paragraph (1) proposed modifications to the National Highway System. Such modifications shall include a list and description of additions to the National Highway System consisting of connections to major ports, airports, international border crossings, public transportation and transit facilities, interstate bus terminals, and rail and other intermodal transportation facilities.

"(B) Congressional high priority corridors.—Upon the completion of feasibility studies, the Secretary shall submit under paragraph (1) proposed modifications to the National Highway System consisting of any congressional high priority corridor or any segment thereof established by section 1105 of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2037) which was not identified on the National Highway System designated by subsection (c).

"(4) Interim eligibility.—

"(A) In general.—Notwithstanding paragraph (2), a modification to the National Highway System which adds to the National Highway System a connection to a major port, airport, international border crossing, public transportation or transit facility, interstate bus terminal, or rail or other intermodal transportation facility shall be eligible for funds apportioned under section 104(b)(1) for the National Highway System if the Secretary finds that such modification is consistent with criteria developed by the Secretary for such modifications to the National Highway System.

"(B) Period of eligibility.—A modification to the National Highway System which is eligible under subparagraph (A) for funds apportioned under section 104(b)(1) may remain eligible for such funds only until the date on which a law has been enacted approving modifications to the National Highway System which connect the National Highway System to facilities referred to in subparagraph (A).".

The CHAIRMAN. Are there any amendments to title I?

If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—HIGHWAY FUNDING RESTORATION

SEC. 201. SHORT TITLE.

This title may be cited as the "Highway Funding Restoration Act of 1995".

SEC. 202. FINDINGS AND PURPOSES.

(a) Findings.—Congress finds and declares that—

(1) Federal infrastructure spending on highways is critical to the efficient movement of goods and people in the United States;

(2) section 1003(c) of the Intermodal Surface Transportation Efficiency Act of 1991 has been estimated to result in fiscal year 1996 highway spending being reduced by as much as $4,200,000,000;

(3) such section 1003(c) will cause every State to lose critical funds from the Highway Trust Fund that can never be recouped; and

(4) the funding reduction would have disastrous effects on the national economy, impede interstate commerce, and jeopardize the 40-year Federal investment in the Nation's highway system.

(b) Purposes.—The purposes of this Act are—

(1) to make the program categories in the current Federal-aid highway program more flexible so that States may fund current, high-priority projects in fiscal year 1996;

(2) to eliminate programs that are not critical during fiscal year 1996 and to reallocate funds so that the States will be able to continue their core transportation infrastructure programs;

(3) to restore funding for exempt highway programs;

(4) to ensure the equitable distribution of funds to urbanized areas with a population over 200,000 in a manner consistent with the Intermodal Surface Transportation Efficiency Act of 1991; and

(5) to suspend certain penalties that would be imposed on the States in fiscal year 1996.

SEC. 203. STATE HIGH PRIORITY PROJECT RESTORATION PROGRAM.

(a) In General.—On October 1 of each of fiscal years 1996 and 1997, or as soon as possible thereafter, the Secretary shall allocate among the States the amounts made available to carry out this section for Interstate highway substitute, National Highway System, surface transportation program, Interstate, congestion mitigation and air quality improvement program, bridge, hazard elimination, and rail-highway crossings projects.

(b) Allocation Formula.—Funds made available to carry out this section shall be allocated among the States in accordance with the following table:

States:	Allocation Percentages
Alabama	1.80
Alaska	1.20
Arizona	1.43
Arkansas	1.42
California	9.17
Colorado	1.27
Connecticut	1.74
Delaware	0.39
District of Columbia	0.52
Florida	4.04
Georgia	2.92
Hawaii	0.54
Idaho	0.70
Illinois	3.88
Indiana	2.18
Iowa	1.27
Kansas	1.13
Kentucky	1.53
Louisiana	1.52
Maine	0.65
Maryland	1.68
Massachusetts	4.11
Michigan	2.75
Minnesota	1.69
Mississippi	1.11
Missouri	2.28
Montana	0.93
Nebraska	0.79
Nevada	0.69
New Hampshire	0.48
New Jersey	2.86
New Mexico	1.02
New York	5.35
North Carolina	2.62
North Dakota	0.64
Ohio	3.64
Oklahoma	1.36
Oregon	1.23
Pennsylvania	4.93
Rhode Island	0.56
South Carolina	1.42
South Dakota	0.69
Tennessee	2.00
Texas	6.21
Utah	0.73
Vermont	0.43
Virginia	2.28
Washington	2.05
West Virginia	1.15
Wisconsin	1.90
Wyoming	0.65
Puerto Rico	0.46
Territories	0.01.

(c) Effect of Allocations.—Funds distributed to States under subsection (b) shall not affect calculations to determine allocations to States under section 157 of title 23, United States Code, and sections 1013(c), 1015(a), and 1015(b) of the Intermodal Surface Transportation Efficiency Act of 1991.

(d) Period of Availability.—Notwithstanding any other provision of law, amounts made available to carry out this section shall be available for obligation for the fiscal year for which such amounts are made available plus the 3 succeeding fiscal years and shall be subject to the provisions of title 23, United States Code. Obligation limitations for Federal-aid highways and highway safety construction programs established by the Intermodal Surface Transportation Efficiency Act of 1991 and subsequent laws shall apply to obligations made under this section.

(e) Special Rule for Urbanized Areas of Over 200,000.—

(1) General rule.—The percentage determined under paragraph (2) of funds allocated to a State under this section for a fiscal year shall be obligated in urbanized areas of the State with an urbanized population of over 200,000 under section 133(d)(3) of title 23, United States Code.

(2) Percentage.—The percentage referred to in paragraph (1) is the percentage determined by dividing—

(A) the total amount of the reduction in funds which would have been attributed under section 133(d)(3) of title 23, United States Code, to urbanized areas of the State with an urbanized population of over 200,000 for fiscal year 1996 as a result of the application of section 1003(c) of the Intermodal Surface Transportation Efficiency Act of 1991; by

(B) the total amount of the reduction in authorized funds for fiscal year 1996 that would have been allocated to the State, and that would have been apportioned to the State, as a result of the application of such section 1003(c).

(f) Limitation on Planning Expenditures.—One-half of 1 percent of amounts allocated to each State under this section in any fiscal year may be available for expenditure for the purpose of carrying out the requirements of section 134 of title 23, United States Code (relating to transportation planning). 1½ percent of the amounts allocated to each State under this section in any fiscal year may be available for expenditure for the purpose of carrying out activities referred to in subsection (c) of section 307 of such title (relating to transportation planning and research).

(g) Authorization of Appropriations.—There are authorized to be appropriated, out of the Highway Trust Fund (other than the Mass Transit Account), to carry out this section $360,420,595 for fiscal year 1996 and $155,000,000 for fiscal year 1997.

(h) Applicability of Chapter 1 of Title 23.—Except as otherwise provided in this section, funds allocated under this section shall be available for obligation in the same manner and for the same purposes as if such funds were apportioned under chapter 1 of title 23, United States Code.

(i) Territories Defined.—In this section, the term "territories" means the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

SEC. 204. RESCISSIONS.

(a) Rescissions.—Effective October 1, 1995, and after any necessary reductions are made under section 1003(c) of the Intermodal Surface Transportation Efficiency Act of 1991, the following unobligated balances available on September 30, 1995, of funds made available for the following provisions are hereby rescinded:

(1) $78,993.92 made available by section 131(c) of the Surface Transportation Assistance Act of 1982.

(2) $798,701.04 made available by section 131(j) of the Surface Transportation Assistance Act of 1982.

(3) $942,249 made available for section 149(a)(66) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(4) $88,195 made available for section 149(a)(111)(C) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(5) $155,174.41 made available for section 149(a)(111)(E) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(6) $36,979.05 made available for section 149(a)(111)(J) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(7) $34,281.53 made available for section 149(a)(111)(K) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(8) $164,532 made available for section 149(a)(111)(L) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(9) $86,070.82 made available for section 149(a)(111)(M) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(10) $52,834 made available for section 149(a)(95) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(11) $909,131 made available for section 149(a)(99) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(12) $3,817,000 made available for section 149(a)(35) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(13) $797,800 made available for section 149(a)(100) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(14) $2 made available by section 149(c)(3) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(15) $44,706,878 made available by section 1012(b)(6) of the Intermodal Surface Transportation Efficiency Act of 1991.

(16) $15,401,107 made available by section 1003(a)(7) of the Intermodal Surface Transportation Efficiency Act of 1991.

(17) $1,000,000 made available by item number 38 of the table contained in section 1108(b) of the Intermodal Surface Transportation Efficiency Act of 1991.

(18) $150,000,000 deducted by the Secretary under section 104(a) of title 23, United States Code.

(19) $10,800,000 made available by section 5338(a)(1) of title 49, United States Code.

(b) Reductions in Authorized Amounts.—

(1) Magnetic levitation.—Section 1036(d)(1) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 1986) is amended—

(A) in subparagraph (A) by inserting "and" after "1994,";

(B) in subparagraph (A) by striking ", $125,000,000" and all that follows through "1997"; and

(C) in subparagraph (B) by striking "1996, and 1997" and inserting "and 1996".

(2) Highway safety programs.—Section 2005(1) of such Act (105 Stat. 2079) is amended—

(A) by striking "and" the first place it appears and inserting a comma; and

(B) by striking ", 1995, 1996, and 1997" and inserting "and 1995, and $146,000,000 for each of fiscal years 1996 and 1997".

(3) Effective date.—The amendments made by paragraphs (1) and (2) shall take effect on the day after the date on which authorized funds for fiscal year 1996 are reduced as a result of application of section 1003(c) of such Act.

(c) Congestion Pricing Pilot Program Transfers.—After the date on which authorized funds for fiscal year 1996 are reduced as a result of application of section 1003(c) of the Intermodal Surface Transportation Efficiency Act of 1991, the amounts made available for fiscal years 1996 and 1997 to carry out section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 1938) shall be available to carry out section 203 of this Act, relating to the State high priority restoration program.

SEC. 205. STATE UNOBLIGATED BALANCE FLEXIBILITY.

(a) Reduction in Federal Funding.—

(1) Notification of states.—On October 1, 1995, or as soon as possible thereafter, the Secretary shall notify each State of the total amount of the reduction in authorized funds for fiscal year 1996 that would have been allocated to such State, and that would have been apportioned to such State, as a result of application of section 1003(c) of the Intermodal Surface Transportation Efficiency Act of 1991.

(2) Exclusion of certain funding.—In determining the amount of any reduction under paragraph (1), the Secretary shall deduct—

(A) the amount allocated to each State in fiscal year 1996 to carry out section 203 of this Act, relating to the State high priority project restoration program; and

(B) any amounts made available under section 157(a)(4)(B)(iii) of title 23, United States Code, for fiscal year 1996.

(b) Unobligated Balance Flexibility.—Upon request of a State, the Secretary shall make available to carry out projects described in section 203(a) of this Act in fiscal year 1996 an amount not to exceed the amount determined under subsection (a) for the State. Such funds shall be made available from authorized funds that were allocated or apportioned to such State and were not obligated as of September 30, 1995. The State shall designate on or before November 1, 1995, or as soon as possible thereafter which of such authorized funds are to be made available under this section to carry out such projects. The Secretary shall make available before November 15, 1995, or as soon as possible thereafter funds designated under the preceding sentence to the State.

(c) Special Rule for Urbanized Areas of Over 200,000.—Funds which were apportioned to the State under section 104(b)(3) of title 23, United States Code, and attributed to urbanized areas of a State with an urbanized population of over 200,000 under section 133(d)(3) of such title may only be designated by the State under subsection (b) if the metropolitan planning organization designated for such area concurs, in writing, with such designation.

(d) Congestion Mitigation and Air Quality Balances.—States may designate under subsection (b) funds apportioned under section 104(b)(2) of title 23, United States Code, and not obligated as of September 30, 1995, to carry out projects described in section 203(a) of this Act only if such funds will be obligated in areas described in section 104(b)(2) of such title or, in the case of a State which does not include such an area, the funds may be obligated in any area of the State.

(e) Interstate Construction Balances.—A State may not designate under subsection (b) any more than ⅓ of funds apportioned or allocated to the State for Interstate construction and not obligated as of September 30, 1995.

(f) Period of Availability.—Notwithstanding any other provision of law, amounts designated under subsection (b) shall be available for obligation for the same period for which such amounts were originally made available for obligation and shall be subject to the provisions of title 23, United States Code. Obligation limitations for Federal-aid highways and highway safety construction programs established by the Intermodal Surface Transportation Efficiency Act of 1991 and subsequent laws shall apply to obligations made under this section.

(g) Limitation on Statutory Construction.—Nothing in this section shall be construed to affect calculations to determine allocations to States under section 157 of title 23, United States Code, and sections 1013(c), 1015(a), and 1015(b) of the Intermodal Surface Transportation Efficiency Act of 1991.

(h) State.—In this section and section 203, the term "State" has the meaning such term has under section 401 of title 23, United States Code.

SEC. 206. MINIMUM ALLOCATION.

(a) FORMULA.—Section 157(a)(4) of title 23, United States Code, is amended—

(1) by striking "In fiscal" and inserting the following:

"(A) IN GENERAL.—In fiscal";

(2) by inserting "funds authorized to be appropriated by subsection (f)" after "shall allocate";

(3) by moving subparagraph (A), as designated by paragraph (1) of this subsection, 2 ems to the right; and

(4) by adding at the end the following:

"(B) ADDITIONAL ALLOCATION.—If the aggregate amount allocated to the States under subparagraph (A) after application of section 1003(c) the Intermodal Surface Transportation Efficiency Act of 1991 for any fiscal year beginning after September 30, 1995, is less than the amount authorized to be appropriated to carry out this section for such fiscal year, then the excess of such authorized amount shall be allocated as follows:

"(i) The Secretary shall first allocate to each State such amount as may be necessary to increase the allocation under subparagraph (A) to the amount that would have been allocated to the State for such fiscal year if the full amount of the funds authorized to be appropriated for such fiscal year by such Act out of the Highway Trust Fund (other than the Mass Transit Account) were appropriated without regard to such section 1003(c).

"(ii) If any of such excess remains after the allocation under clause (i), the Secretary shall allocate to each State such amount as may be necessary so that the amount authorized to be appropriated for such fiscal year for each project to be carried out in such State under sections 1103 through 1108 of such Act without regard to section 1003(c) of such Act is available for the project.

"(iii) The Secretary shall allocate among the States any excess remaining after the allocations under clauses (i) and (ii) so that each State is allocated the following percentages of the remaining excess:

"States:	Percentages
Alabama	1.80
Alaska	1.20
Arizona	1.43
Arkansas	1.42
California	9.17
Colorado	1.27
Connecticut	1.74
Delaware	0.39
District of Columbia	0.52
Florida	4.04
Georgia	2.92
Hawaii	0.54
Idaho	0.70
Illinois	3.88
Indiana	2.18
Iowa	1.27
Kansas	1.13
Kentucky	1.53
Louisiana	1.52
Maine	0.65
Maryland	1.68
Massachusetts	4.11
Michigan	2.75
Minnesota	1.69
Mississippi	1.11
Missouri	2.28
Montana	0.93
Nebraska	0.79
Nevada	0.69
New Hampshire	0.48
New Jersey	2.86
New Mexico	1.02
New York	5.35
North Carolina	2.62
North Dakota	0.64
Ohio	3.64
Oklahoma	1.36
Oregon	1.23
Pennsylvania	4.93
Rhode Island	0.56
South Carolina	1.42
South Dakota	0.69
Tennessee	2.00
Texas	6.21
Utah	0.73
Vermont	0.43
Virginia	2.28
Washington	2.05
West Virginia	1.15
Wisconsin	1.90
Wyoming	0.65
Puerto Rico	0.46
Territories	0.01.

"(C) TERRITORIES DEFINED.—In this paragraph, the term 'territories' means the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.".

(b) SPECIAL RULE FOR URBANIZED AREAS OF OVER 200,000 IN FISCAL YEARS 1996 AND 1997.—Section 157 of such title is amended—

(1) by redesignating subsections (d) and (e) as subsection (e) and (f), respectively, and

(2) by inserting after subsection (c) the following:

"(d) SPECIAL RULE FOR URBANIZED AREAS OF OVER 200,000 IN FISCAL YEARS 1996 AND 1997.—

"(1) GENERAL RULE.—The percentage determined under paragraph (2) of funds allocated to a State under subsection (a)(4)(B)(iii) for each of fiscal years 1996 and 1997 shall be obligated in urbanized areas of the State with an urbanized population of over 200,000 under section 133(d)(3).

"(2) PERCENTAGE.—The percentage referred to in paragraph (1) is the percentage determined by dividing—

"(A) the total amount of the reduction in funds which would have been attributed under section 133(d)(3) to urbanized areas of the State with an urbanized population of over 200,000 for fiscal year 1996 as a result of the application of section 1003(c) of the Intermodal Surface Transportation Efficiency Act of 1991; by

"(B) the total amount of the reduction in authorized funds for fiscal year 1996 that would have been allocated to the State, and that would have been apportioned to the State, as a result of the application of such section 1003(c).".

(c) FUNDING.—Section 157(f) of such title, as redesignated by subsection (b), is amended by inserting before the period the following: "and before October 1, 1995, $1,101,000,000 for fiscal year 1996, $1,378,000,000 for fiscal year 1997".

SEC. 207. RELIEF FROM MANDATES.

(a) MANAGEMENT SYSTEMS.—The Secretary shall not take any action pursuant to or enforce the provisions of section 303(c) of title 23, United States Code, with respect to any State during fiscal year 1996.

(b) ASPHALT PAVEMENT CONTAINING RECYCLED RUBBER.—Section 1038 of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 1987-1990) is amended—

(1) by striking subsection (d); and

(2) by redesignating subsection (e) as subsection (d).

SEC. 208. DEFINITIONS.

In this title, the following definitions apply:

(1) AUTHORIZED FUNDS.—The term "authorized funds" means funds authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) to carry out title 23, United States Code (other than sections 402 and 410) and the Intermodal Surface Transportation Efficiency Act of 1991 and subject to an obligation limitation.

(2) URBANIZED AREA.—The term "urbanized area" has the meaning such term has under section 101(a) of title 23, United States Code.

The CHAIRMAN. Are there any amendments to title II?

If not, the Clerk will designate title III.

The text of title III is as follows:

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. DISTRIBUTION OF TRANSIT OPERATING ASSISTANCE LIMITATION.

(a) IN GENERAL.—Notwithstanding any limitation otherwise imposed on operating assistance under section 5307 of title 49, United States Code, the Secretary shall distribute such limitation so that each urbanized area (as such term is defined under section 5302 of such title) that had a population under the 1990 decennial census of the United States of less than 200,000 will receive, under the distribution of such limitation for fiscal year 1996, 75 percent of the amount the area received under the distribution of such limitation for fiscal year 1995.

(b) CONSIDERATION.—In the distribution of the limitation referred to in subsection (a) to urbanized areas that had a population under the 1990 decennial census of 1,000,000 or more, the Secretary shall direct each such area to give priority consideration to the impact of reductions in operating assistance on smaller transit authorities operating within the area and to consider the needs and resources of such transit authorities when the limitation is distributed among all transit authorities operating in the area.

SEC. 302. ACCOUNTABILITY FOR HIGH COST FEDERAL-AID PROJECTS.

(a) REQUIREMENTS.—The Secretary shall require each recipient of Federal financial assistance for a highway or transit project with an estimated total cost of $1,000,000,000 or more to submit to the Secretary an annual financial plan. Such plan shall be based on detailed annual estimates of the cost to complete the remaining elements of the project and on reasonable assumptions, as determined by the Secretary, of future increases in the cost to complete the project.

(b) RECOMMENDATIONS ON WITHHOLDING OF ASSISTANCE.—As part of an annual report to be submitted under subsection (c), the Secretary shall make a recommendation to Congress on whether or not future Federal assistance should be withheld with respect to any project described in subsection (a) for which an annual financial plan is not submitted under subsection (a) or for which the Secretary determines that the estimates or assumptions referred to in subsection (a) are not reasonable.

(c) REPORT.—The Secretary shall submit to Congress an annual report on the financial plans submitted to the Secretary under this section, and any recommendation made by the Secretary under subsection (b), in the preceding fiscal year.

SEC. 303. LETTERS OF INTENT AND FULL FINANCING GRANT AND EARLY SYSTEMS WORK AGREEMENTS.

Section 5309(g) of title 49, United States Code, is amended—

(1) by indenting and dropping paragraph (1) down 1 line;

(2) by moving all the paragraphs, subparagraphs, and clauses of such section 2 ems to the right;

(3) by inserting after "(1)" the first place it appears the following: "LETTERS OF INTENT.—";

(4) in paragraph (1)(B) by striking "Public Works and Transportation" and inserting "Transportation and Infrastructure";

(5) by inserting after (2) the first place it appears "FULL FINANCING GRANT AGREEMENTS.—";

(6) by inserting after (3) the first place it appears "EARLY SYSTEM WORK AGREEMENTS.—";

(7) by inserting after (4) the first place it appears "TOTAL ESTIMATED FUTURE OBLIGATIONS AND CONTINGENT COMMITMENTS.—"; and

(8) by adding at the end the following:

"(5) PREAUTHORIZATION OF FULL FEDERAL FINANCIAL RESPONSIBILITY.—

"(A) IN GENERAL.—After the date of the enactment of this paragraph and before the date on which Federal-aid highway and transit programs are reauthorized, the Secretary of Transportation may not issue a letter of intent, or enter into a full financing grant agreement or early systems work agreement, under this section for a project or operable segment of a project unless the full amount of Federal financial responsibility for the project or operable segment of a project has been included in an authorization law.

"(B) LIMITATION.—The prohibition on entering into a full financing grant agreement under this paragraph shall not apply—

"(i) to any project for which a letter of intent was issued before the date of the enactment of this paragraph; and

"(ii) to any project included as an element of an interrelated project which also includes another project for which a letter of intent was issued before such date of enactment.".

SEC. 304. REPORT ON CAPITAL PROJECTS FOR FIXED GUIDEWAY SYSTEMS AND EXTENSIONS TO EXISTING FIXED GUIDEWAY SYSTEMS.

Section 5309(m) of title 49, United States Code, is amended—

(1) by indenting and dropping paragraph (1) down 1 line;

(2) by moving all the paragraphs and subparagraphs of such section 2 ems to the right;

(3) by inserting "PERCENTAGES.—" after "(1)" the first place it appears;

(4) by inserting "NONURBANIZED AREA ALLOCATION.—" after "(2)" the first place it appears;

(5) by inserting "REPORTS.—" after "(3)" the first place it appears;

(6) in paragraph (3) by striking "Public Works and Transportation" and inserting "Transportation and Infrastructure";

(7) in paragraph (3) by striking "a proposal on the allocation" and inserting "a report on the proposed allocation";

(8) in paragraph (3) by adding at the end the following:

"Such report shall include for each such capital project the following:

"(A) An analysis of the potential funding requirements of the project under paragraph (1)(B) in the succeeding 5 fiscal years.

"(B) A description of the planning and study process undertaken to select the locally preferred alternative for the project.

"(C) A description of efforts undertaken to seek alternative funding sources for the project."; and

(9) by inserting "MULTIPLE ALLOCATIONS.—" after "(4)" the first place it appears.

SEC. 305. REPEAL AND MODIFICATION OF EXISTING PROJECTS.

(a) LONG BEACH METRO LINK FIXED RAIL PROJECT.—Section 3035(o) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2131) is repealed.

(b) HONOLULU RAPID TRANSIT PROJECT.—Section 3035(ww) of such Act (105 Stat. 2136) is amended by striking "$618,000,000" and inserting "$541,100,000".

SEC. 306. MISCELLANEOUS TRANSIT PROJECTS.

(a) NEW JERSEY URBAN CORE PROJECT.—Section 3031(d) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2122–2123) is amended—

(1) by inserting after "Hudson River Waterfront Transportation System" the following: "(including corridor connections to and within the city of Bayonne)"; and

(2) by inserting after "Concourse," the following: "the West Shore Line,".

(b) NORTH BAY FERRY SERVICE.—Section 3035(c) of such Act (105 Stat. 2129) is amended by striking "$8,000,000" and all that follows through "1993" and inserting "$17,000,000".

(c) STATEN ISLAND-MIDTOWN MANHATTAN FERRY SERVICE.—Section 3035(d) of such Act is amended by striking "$1,000,000" and all that follows through "1993" and inserting "$12,000,000".

(d) CENTRAL AREA CIRCULATOR PROJECT.—Section 3035(e) of such Act is amended by striking the last sentence which begins "Such amount".

(e) SALT LAKE CITY LIGHT RAIL PROJECT.—Section 3035(f) of such Act is amended by inserting after "including" the following: "related high-occupancy vehicle lane, intermodal corridor design,".

(f) LOS ANGELES-SAN DIEGO RAIL CORRIDOR IMPROVEMENT PROJECT.—Section 3035(g) of such Act is amended by striking "not less than" the 1st place it appears and all that follows through "1994" and inserting "$20,000,000".

(g) SAN JOSE-GILROY-HOLLISTER COMMUTER RAIL PROJECT.—Section 3035(h) of such Act is amended—

(1) by striking "July 1, 1994" and inserting "September 30, 1996"; and

(2) by striking "August 1, 1994," and inserting "October 31, 1996,".

(h) DALLAS LIGHT RAIL PROJECT.—

(1) MULTIYEAR GRANT AGREEMENT.—Section 3035(i) of such Act is amended—

(A) by striking "6.4 miles" and inserting "9.6 miles";

(B) by striking "10 stations" and inserting "not to exceed 14 stations";

(C) by striking "such light rail line" and inserting "the program of interrelated projects identified in section 5328(c)(1)(G) of title 49, United States Code,"; and

(D) by striking "of such elements" and inserting "element of such program of interrelated projects".

(2) PROGRAM OF INTERRELATED PROJECTS.—Section 5328(c)(1)(G) of title 49, United States Code, is amended by striking "Camp Wisdom" and inserting "Interstate Route 20, L.B.J. Freeway".

(i) KANSAS CITY LIGHT RAIL LINE.—Section 3035(k) of such Act is amended by striking "$1,500,000 in fiscal year 1992, and $4,400,000 in fiscal year 1993" and inserting "$5,900,000".

(j) DOWNTOWN ORLANDO CIRCULATOR PROJECT.—Section 3035(l) of such Act is amended—

(1) by striking the subsection heading and inserting "DOWNTOWN ORLANDO CIRCULATOR PROJECT";

(2) by striking "No later than April 30, 1992, the" and inserting "The";

(3) by striking "for" the second place it appears and all that follows through the period at the end and inserting "and the completion of final design, construction, land and equipment acquisition, and related activities for the Downtown Orlando Circulator project.".

(k) DETROIT LIGHT RAIL PROJECT.—Section 3035(m) of such Act is amended by striking "not less than" the first place it appears and all that follows through "1993," and inserting "$20,000,000".

(l) LAKEWOOD-FREEHOLD-MATAWAN OR JAMESBURG RAIL PROJECT.—Section 3035(p) of such Act is amended by striking "$1,800,000" and all that follows through "1994" and inserting "$7,800,000".

(m) CHARLOTTE LIGHT RAIL STUDY.—Section 3035(r) of such Act is amended by striking "$125,000" and all that follows through "1993" and inserting "$500,000".

(n) SAN DIEGO MID COAST FIXED GUIDEWAY PROJECT.—Section 3035(u) of such Act is amended—

(1) in the subsection heading by striking "MID COAST LIGHT RAIL PROJECT" and inserting "METROPOLITAN TRANSIT IMPROVEMENT PROGRAM";

(2) by striking "No later than April 30, 1992, the" and inserting "The"; and

(3) by striking ", $2,000,000" and all that follows through the period and inserting "$27,000,000 for the integrated project financing of the San Diego Mid Coast and Mission Valley East Corridor fixed guideway projects.".

(o) EUREKA SPRINGS, ARKANSAS.—Section 3035(z) of such Act is amended by striking the text and inserting the following: "From funds made available under section 5309(m)(1)(C) of title 49, United States Code, the Secretary shall make available $63,600 to Eureka Springs Transit for the purchase of an alternative fueled vehicle which is accessible to and usable by individuals with disabilities.".

(p) BALTIMORE-WASHINGTON TRANSPORTATION IMPROVEMENTS PROGRAM.—Section 3035(nn) of such Act is amended—

(1) in paragraph (1) by striking "as follows:" and all that follows through "1994." and inserting "and shall be $60,000,000.";

(2) in paragraph (2) by striking "as follows:" and all that follows through the period at the end of subparagraph (C) and inserting "and shall total $160,000,000."; and

(3) in paragraph (3) by striking "for fiscal year 1993".

(q) DULLES CORRIDOR RAIL PROJECT.—Section 3035(aaa) of such Act is amended—

(1) by striking "No later than April 30, 1992, the" and inserting "The"; and

(2) by striking "the completion" and all that follows through "engineering for".

(r) CENTRAL PUGET SOUND REGIONAL TRANSIT PROJECT.—Section 3035(bbb) of such Act is amended to read as follows:

"(bbb) CENTRAL PUGET SOUND REGIONAL TRANSIT PROJECT.—From funds made available under section 5309(m)(1)(B) of title 49, United States Code, the Secretary shall make available $300,000,000 for the Central Puget Sound Regional Transit Project.".

(s) CANAL STREET CORRIDOR LIGHT RAIL.—Section 3035(fff) of such Act is amended—

(1) by striking "No later than April 30, 1992, the" and inserting "The"; and

(2) by striking "negotiate" and all that follows through "includes" and inserting "make available".

(t) ADDITIONAL TRANSIT PROJECTS.—

(1) CANTON-AKRON-CLEVELAND COMMUTER RAIL.—From funds made available under section 5309(m)(1)(B) of title 49, United States Code, the Secretary shall make available $6,500,000 for the Canton-Akron-Cleveland Commuter Rail project.

(2) CINCINNATI NORTHEAST/NORTHERN KENTUCKY RAIL.—From funds made available under such section, the Secretary shall make available $2,000,000 for the Cincinnati Northeast/Northern Kentucky Rail project.

(3) DART NORTH CENTRAL LIGHT RAIL EXTENSION.—From funds made available under

such section, the Secretary shall make available $2,500,000 for the DART North Central Light Rail Extension project.

(4) DALLAS-FORT WORTH RAILTRAN.—From funds made available under such section, the Secretary shall make available $5,000,000 for the Dallas-Fort Worth RAILTRAN project.

(5) FLORIDA TRI-COUNTY COMMUTER RAIL.—From funds made available under such section, the Secretary shall make available $10,000,000 for the Florida Tri-County Commuter Rail project.

(6) MIAMI-NORTH 27TH AVENUE.—From funds made available under such section, the Secretary shall make available $2,000,000 for the Miami-North 27th Avenue project.

(7) MEMPHIS, TENNESSEE, REGIONAL RAIL PLAN.—From funds made available under such section, the Secretary shall make available $2,500,000 for the Memphis, Tennessee, Regional Rail Plan project.

(8) NEW ORLEANS CANAL STREET CORRIDOR.—From funds made available under such section, the Secretary shall make available $10,000,000 for the New Orleans Canal Street Corridor project.

(9) ORANGE COUNTY TRANSITWAY.—From funds made available under such section, the Secretary shall make available $5,000,000 for the Orange County Transitway project.

(10) WHITEHALL FERRY TERMINAL, NEW YORK, NEW YORK.—From funds made available under such section, the Secretary shall make available $5,000,000 for the Whitehall Ferry Terminal project.

(11) WISCONSIN CENTRAL COMMUTER.—From funds made available under such section, the Secretary shall make available $14,400,000 for the Wisconsin Central Commuter project.

(12) SAN JUAN, PUERTO RICO, TREN URBANO.—From funds made available under such section, the Secretary shall make available $15,000,000 for the San Juan, Puerto Rico, Tren Urbano project.

(13) TAMPA TO LAKELAND COMMUTER RAIL.—From funds made available under such section, the Secretary shall make available $1,000,000 for the Tampa to Lakeland Commuter Rail project.

SEC. 307. METROPOLITAN PLANNING FOR TRANSIT PROJECTS.

Section 5303(b) of title 49, United States Code, is amended by adding at the end the following:

"(16) recreational travel and tourism.".

SEC. 308. CONTRACTING FOR ENGINEERING AND DESIGN SERVICES.

Section 5325 of title 49, United States Code, is amended by adding at the end the following:

"(e) SPECIAL RULES FOR ENGINEERING AND DESIGN CONTRACTS.—

"(1) PERFORMANCE AND AUDITS.—Any contract or subcontract awarded in accordance with subsection (d), whether funded in whole or in part with Federal transit funds, shall be performed and audited in compliance with cost principles contained in the Federal acquisition regulations of part 31 of title 48 of the Code of Federal Regulations.

"(2) INDIRECT COST RATES.—Instead of performing its own audits, a recipient of funds under a contract or subcontract awarded in accordance with subsection (d) shall accept indirect cost rates established in accordance with the Federal acquisition regulations for 1-year applicable accounting periods by a cognizant Federal or State government agency, if such rates are not currently under dispute. Once a firm's indirect cost rates are accepted, the recipient of such funds shall apply such rates for the purposes of contract estimation, negotiation, administration, reporting, and contract payment and shall not be limited by administrative or de facto ceilings of any kind. A recipient of such funds requesting or using the cost and rate data described in this paragraph shall notify any affected firm before such request or use. Such data shall be confidential and shall not be accessible or provided, in whole or in part, to another firm or to any government agency which is not part of the group of agencies sharing cost data under this paragraph, except by written permission of the audited firm. If prohibited by law, such cost and rate data shall not be disclosed under any circumstances.

"(3) STATE OPTION.—Paragraphs (1) and (2) shall take effect 2 years after the date of the enactment of this subsection with respect to all States; except that if a State, during such 2-year period, adopts by statute an alternative process intended to promote engineering and design quality and ensure maximum competition by professional companies of all sizes providing engineering and design services, such paragraphs shall not apply with respect to such State.".

SEC. 309. FERRY BOATS AND TERMINAL FACILITIES.

Section 129(c)(5) of title 23, United States Code, is amended—

(1) by inserting before the period at the end of the first sentence the following: "or between a point in a State and a point in the Dominion of Canada"; and

(2) in the second sentence by inserting after "Puerto Rico" the following: ", between a point in a State and a point in the Dominion of Canada,".

SEC. 310. UTILIZATION OF THE PRIVATE SECTOR FOR SURVEYING AND MAPPING SERVICES.

Section 306 of title 23, United States Code, is amended—

(1) by inserting "(a) IN GENERAL.—" before "In"; and

(2) by adding at the end the following:

"(b) GUIDANCE.—The Secretary shall issue guidance to encourage States to utilize, to the maximum extent practicable, private sector sources for surveying and mapping services for highway projects under this title. In carrying out this subsection, the Secretary shall determine appropriate roles for State and private mapping and surveying activities, including—

"(1) preparation of standards and specifications;

"(2) research in surveying and mapping instrumentation and procedures and technology transfer to the private sector;

"(3) providing technical guidance, coordination, and administration of State surveying and mapping activities; and

"(4) establishing a schedule with quantifiable goals for increasing the use by the States of private sector sources for surveying and mapping activities.".

SEC. 311. FORMULA GRANT PROGRAM.

(a) TRANSIT SECURITY SYSTEMS.—Section 5307(d)(1)(J)(i) of title 49, United States Code, is amended by inserting before "and any other" the following: "employing law enforcement or security personnel in areas within or adjacent to such systems,".

(b) FERRYBOAT OPERATIONS.—For purposes of calculating apportionments under section 5336 of title 49, United States Code, for fiscal years beginning after September 30, 1995, 50 percent of the ferryboat revenue vehicle miles and 50 percent of the ferryboat route miles attributable to service provided to the city of Avalon, California, for which the operator receives public assistance shall be included in the calculation of "fixed guideway vehicle revenue miles" and "fixed guideway route miles" attributable to the Los Angeles urbanized area under sections 5336(b)(2)(A) and 5335 of such title.

SEC. 312. ACCESSIBILITY OF OVER-THE-ROAD BUSES TO INDIVIDUALS WITH DISABILITIES.

Section 306(a)(2)(B)(iii) of the Americans With Disabilities Act of 1990 (42 U.S.C. 12186(a)(2)(B)(iii)) is amended—

(1) in subclause (I) by striking "7 years after the date of the enactment of this Act" and inserting "3 years after the date of issuance of final regulations under subparagraph (B)(ii)"; and

(2) in subclause (II) by striking "6 years after such date of enactment" and inserting "2 years after the date of issuance of such final regulations".

SEC. 313. ALASKA RAILROAD.

Section 5337(a)(3)(B) of title 49, United States Code, is amended by adding at the end the following: "The Alaska Railroad is eligible for assistance under this subparagraph with respect to improvements to its passenger operations.".

SEC. 314. ALCOHOL AND CONTROLLED SUBSTANCES TESTING.

(a) MASS TRANSIT TESTING.—Section 5331(b)(1)(A) of title 49, United States Code, is amended to read as follows:

"(b) TESTING PROGRAM FOR MASS TRANSPORTATION EMPLOYEES.—(1)(A) In the interest of mass transportation safety, the Secretary shall prescribe regulations that establish a program requiring mass transportation operations that receive financial assistance under sections 5307, 5309, or 5311 of this title or section 103(e)(4) of title 23 to conduct preemployment, reasonable suspicion, random, and post-accident testing of mass transportation employees responsible for safety-sensitive functions (as decided by the Secretary) for the use of a controlled substance in violation of law or a United States Government regulation, and to conduct reasonable suspicion, random, and post-accident testing of such employees for the use of alcohol in violation of law or a United States Government regulation. The regulations shall permit such operations to conduct preemployment testing of such employees for the use of alcohol.".

(b) RAILROAD TESTING.—Section 20140(b)(1)(A) of title 49, United States Code, is amended to read as follows:

"(A) a railroad carrier to conduct preemployment, reasonable suspicion, random, and post-accident testing of all railroad employees responsible for safety-sensitive functions (as decided by the Secretary) for the use of a controlled substance in violation of law or a United States Government regulation, and to conduct reasonable suspicion, random, and post-accident testing of such employees for the use of alcohol in violation of law or a United States Government regulation; the regulations shall permit such railroad carriers to conduct preemployment testing of such employees for the use of alcohol; and".

(c) MOTOR CARRIER TESTING.—Section 31306(b)(1)(A) of such title is amended to read as follows:

"(b) TESTING PROGRAM FOR OPERATORS OF COMMERCIAL MOTOR VEHICLES.—(1)(A) In the interest of commercial motor vehicle safety, the Secretary of Transportation shall prescribe regulations that establish a program requiring motor carriers to conduct preemployment, reasonable suspicion, random, and post-accident testing of operators of commercial motor vehicles for the use of controlled substance in violation of law or a United States Government regulation and to conduct reasonable suspicion, random, and post-accident testing of such operators for the use of alcohol in violation of law or a United States Government regulation. The regulations shall permit such motor carriers to conduct preemployment testing of such employees for the use of alcohol.".

(d) Aviation Testing.—

(1) Program for employees of air carriers and foreign air carriers.—Section 45102(a)(1) of title 49, United States Code, is amended to read as follows:

"(a) Program for Employees of Air Carriers and Foreign Air Carriers.—(1) In the interest of aviation safety, the Administrator of the Federal Aviation Administration shall prescribe regulations that establish a program requiring air carriers and foreign air carriers to conduct preemployment, reasonable suspicion, random, and post-accident testing of airmen, crewmembers, airport security screening contract personnel, and other air carrier employees responsible for safety-sensitive functions (as decided by the Administrator) for the use of a controlled substance in violation of law or a United States Government regulation; and to conduct reasonable suspicion, random, and post-accident testing of airmen, crewmembers, airport security screening contract personnel, and other air carrier employees responsible for safety-sensitive functions (as decided by the Administrator) for the use of alcohol in violation of law or a United States Government regulation. The regulations shall permit air carriers and foreign air carriers to conduct preemployment testing of airmen, crewmembers, airport security screening contract personnel, and other air carrier employees responsible for safety-sensitive functions (as decided by the Administrator) for the use of alcohol.".

(2) Program for employees of the Federal Aviation Administration.—Section 45102(b)(1) of title 49, United States Code, is amended to read as follows:

"(b) Program for Employees of the Federal Aviation Administration.—(1) The Administrator shall establish a program of preemployment, reasonable suspicion, random, and post-accident testing for the use of a controlled substance in violation of law or a United States Government regulation for employees of the Administration whose duties include responsibility for safety-sensitive functions and shall establish a program of reasonable suspicion, random and post-accident testing for the use of alcohol in violation of law or a United States Government regulation for such employees. The Administrator may establish a program of preemployment testing for the use of alcohol for such employees.".

SEC. 315. ALCOHOL-IMPAIRED DRIVING COUNTERMEASURES.

(a) Technical Amendment.—Section 410(d)(1)(E) of title 23, United States Code, is amended by striking "the date of enactment of this section" and inserting "December 18, 1991".

(b) Basic Grant Eligibility.—Section 410(d) of such title is further amended—

(1) in paragraph (3)—

(A) by inserting "(A)" after "(3)"; and

(B) by adding at the end the following:

"(B) A State shall be treated as having met the requirement of this paragraph if—

"(i) the State provides to the Secretary a written certification that the highest court of the State has issued a decision indicating that implementation of subparagraph (A) would constitute a violation of the constitution of the State; and

"(ii) the State demonstrates to the satisfaction of the Secretary—

"(I) that the alcohol fatal crash involvement rate in the State has decreased in each of the 3 most recent calendar years for which statistics for determining such rate are available; and

"(II) that the alcohol fatal crash involvement rate in the State has been lower than the average such rate for all States in each of such calendar years."; and

(2) by adding at the end the following:

"(7) Any individual under age 21 with a blood alcohol concentration of 0.02 percent or greater when driving a motor vehicle shall be deemed to be driving while intoxicated.".

(c) Supplemental Grants.—Section 410(f) of such title is amended by striking paragraph (1) and redesignating paragraphs (2) through (7) as paragraphs (1) through (6), respectively.

SEC. 316. SAFETY RESEARCH INITIATIVES.

(a) Older Drivers and Other Special Driver Groups.—

(1) Study.—The Secretary shall conduct a study of technologies and practices to improve the driving performance of older drivers and other special driver groups.

(2) Demonstration activities.—In conducting the study under paragraph (1), the Secretary shall undertake demonstration activities which incorporate and build upon gerontology research related to the study of the normal aging process. The Secretary shall initially implement such activities in those States which have the highest population of aging citizens for whom driving a motor vehicle is their primary mobility mode.

(3) Cooperative agreement.—The Secretary shall carry out the study under paragraph (1) by entering into a cooperative agreement with an institution that has demonstrated competencies in gerontological research, population demographics, human factors related to transportation, and advanced technology applied to transportation.

(b) Work Zone Safety.—In carrying out the work zone safety program under section 1051 of the Intermodal Surface Transportation Efficiency Act of 1991, the Secretary shall utilize a variety of methods to increase safety at highway construction sites, including each of the following:

(1) Conferences to explore new techniques and stimulate dialogue for improving work zone safety.

(2) Creation of a national clearinghouse to assemble and disseminate, by electronic and other means, information relating to the improvement of work zone safety.

(3) A national promotional campaign in cooperation with the States to provide timely, site-specific information to motorists when construction workers are actually present.

(c) Radio and Microwave Technology for Motor Vehicle Safety Warning System.—

(1) Study.—The Secretary shall conduct a study to develop and evaluate radio and microwave technology for a motor vehicle safety warning system in furtherance of safety in all types of motor vehicles.

(2) Equipment.—Equipment developed under the study to be conducted under subsection (a) shall be directed toward, but not limited to, advance warning to operators of all types of motor vehicles of—

(A) temporary obstructions in a highway;

(B) poor visibility and highway surface conditions caused by adverse weather; and

(C) movement of emergency vehicles.

(3) Safety applications.—In conducting the study under paragraph (1), the Secretary shall determine whether the technology described in this subsection has other appropriate safety applications.

SEC. 317. PUBLIC TRANSIT VEHICLES EXEMPTION.

Section 1023(h)(1) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 127 note) is amended—

(1) by striking "2-year" the first place it appears and all that follows through "Act," and inserting "period beginning on October 6, 1992, and ending on the date on which Federal-aid highway and transit programs are reauthorized after the date of the enactment of the National Highway System Designation Act of 1995,"; and

(2) by striking the second sentence.

SEC. 318. CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.

(a) Areas Eligible for Funds.—

(1) In general.—The first sentence of section 149(b) of title 23, United States Code, is amended—

(A) by inserting "if the project or program is for an area in the State that was designated as a nonattainment area under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)) during any part of fiscal year 1994 and" after "program" the 2nd place it appears; and

(B) in paragraph (1)(A) by striking "contribute" and all that follows through "; or" and inserting the following: "contribute to—

"(i) the attainment of a national ambient air quality standard; or

"(ii) the maintenance of a national ambient air quality standard in an area that was designated as a nonattainment area but that was later redesignated by the Administrator of the Environmental Protection Agency as an attainment area under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)); or".

(2) Apportionment.—Section 104(b)(2) of title 23, United States Code, is amended—

(A) in the second sentence, by striking "is a nonattainment area (as defined in the Clean Air Act) for ozone" and inserting "was a nonattainment area (as defined in section 171(2) of the Clean Air Act (42 U.S.C. 7501(2))) for ozone during any part of fiscal year 1994"; and

(B) in the third sentence—

(i) by striking "is also" and inserting "was also"; and

(ii) by inserting "during any part of fiscal year 1994" after "monoxide".

(b) Effect of Limitation on Apportionment.—Notwithstanding any other provision of law, for each of fiscal years 1996 and 1997, any limitation under an amendment made by this section on an apportionment of funds otherwise authorized under section 1003(a)(4) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 1919) shall not affect any hold harmless apportionment adjustment under section 1015(a) of such Act (105 Stat. 1943).

SEC. 319. QUALITY IMPROVEMENT.

(a) Life-Cycle Cost Analysis.—Section 106 of title 23, United States Code, is amended by adding at the end the following:

"(e) Life-Cycle Cost Analysis.—

"(1) Establishment.—The Secretary shall establish a program to require States to conduct an analysis of the life-cycle costs of all projects on the National Highway System with an estimated total cost of $25,000,000 or more.

"(2) Analysis of life-cycle costs defined.—In this subsection, the term 'analysis of life-cycle costs' means a process for evaluating the total economic worth of one or more projects by analyzing both initial costs as well as discounted future costs, such as maintenance, reconstruction, rehabilitation, restoring, and resurfacing costs, over the life of the project or projects.".

(b) VALUE ENGINEERING.—Such section is further amended by adding at the end the following:

"(f) VALUE ENGINEERING FOR NHS.—

"(1) REQUIREMENT.—The Secretary shall establish a program to require States to carry out a value engineering analysis for all projects on the National Highway System with an estimated total cost of $25,000,000 or more.

"(2) VALUE ENGINEERING DEFINED.—For purposes of this subsection, the term 'value engineering analysis' means a systematic process of review and analysis of a project or activity during its design phase by a multidisciplined team of persons not originally involved in the project or activity in order to provide suggestions for reducing the total cost of the project or activity and providing a project or activity of equal or better quality. Such suggestions may include a combination or elimination of inefficient or expensive parts of the original proposed design for the project or activity and total redesign of the proposed project or activity using different technologies, materials, or methods so as to accomplish the original purpose of the project or activity.".

SEC. 320. APPLICABILITY OF TRANSPORTATION CONFORMITY REQUIREMENTS.

(a) HIGHWAY CONSTRUCTION.—Section 109(j) of title 23, United States Code, is amended by striking "plan for the implementation of any ambient air quality standard for any air quality control region designated pursuant to the Clean Air Act, as amended." and inserting the following: "plan for—

"(1) the implementation of a national ambient air quality standard for which an area is designated as a nonattainment area under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)); or

"(2) the maintenance of a national ambient air quality standard in an area that was designated as a nonattainment area but that was later redesignated by the Administrator as an attainment area for the standard and that is required to develop a maintenance plan under section 175A of the Clean Air Act (42 U.S.C. 7505a).".

(b) CLEAN AIR ACT REQUIREMENTS.—Section 176(c) of the Clean Air Act (42 U.S.C. 7506(c)) is amended by adding at the end the following:

"(5) APPLICABILITY.—This subsection shall apply only with respect to—

"(A) a nonattainment area and each specific pollutant for which the area is designated as a nonattainment area; and

"(B) an area that was designated as a nonattainment area but that was later redesignated by the Administrator as an attainment area and that is required to develop a maintenance plan under section 175A with respect to the specific pollutant for which the area was designated nonattainment.".

SEC. 321. QUALITY THROUGH COMPETITION.

(a) CONTRACTING FOR ENGINEERING AND DESIGN SERVICES.—Section 112(b)(2) of title 23, United States Code, is amended by adding at the end the following new subparagraphs:

"(C) PERFORMANCE AND AUDITS.—Any contract or subcontract awarded in accordance with subparagraph (A), whether funded in whole or in part with Federal-aid highway funds, shall be performed and audited in compliance with cost principles contained in the Federal acquisition regulations of part 31 of title 48 of the Code of Federal Regulations.

"(D) INDIRECT COST RATES.—Instead of performing its own audits, a recipient of funds under a contract or subcontract awarded in accordance with subparagraph (A) shall accept indirect cost rates established in accordance with the Federal acquisition regulations for 1-year applicable accounting periods by a cognizant Federal or State government agency, if such rates are not currently under dispute. Once a firm's indirect cost rates are accepted, the recipient of such funds shall apply such rates for the purposes of contract estimation, negotiation, administration, reporting, and contract payment and shall not be limited by administrative or de facto ceilings of any kind. A recipient of such funds requesting or using the cost and rate data described in this subparagraph shall notify any affected firm before such request or use. Such data shall be confidential and shall not be accessible or provided, in whole or in part, to another firm or to any government agency which is not part of the group of agencies sharing cost data under this subparagraph, except by written permission of the audited firm. If prohibited by law, such cost and rate data shall not be disclosed under any circumstances.

"(E) STATE OPTION.—Subparagraphs (C) and (D) shall take effect 2 years after the date of the enactment of this subparagraph with respect to all States; except that if a State, during such 2-year period, adopts by statute an alternative process intended to promote engineering and design quality and ensure maximum competition by professional companies of all sizes providing engineering and design services, such subparagraphs shall not apply with respect to such State.".

(b) REPEAL OF PILOT PROGRAM.—Section 1092 of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 112 note; 105 Stat. 2024) is repealed.

SEC. 322. APPLICABILITY OF CERTAIN VEHICLE WEIGHT LIMITATIONS IN WISCONSIN.

Section 127 of title 23, United States Code, is amended by adding at the end the following:

"(f) OPERATION OF CERTAIN SPECIALIZED HAULING VEHICLES ON CERTAIN WISCONSIN HIGHWAYS.—If the 104-mile portion of Wisconsin State Route 78 and United States Route 51 between Interstate Route 94 near Portage, Wisconsin, and Wisconsin State Route 29 south of Wausau, Wisconsin, is designated as part of the Interstate System under section 139(a), the single axle weight, tandem axle weight, gross vehicle weight, and bridge formula limits set forth in subsection (a) shall not apply to the 104-mile portion with respect to the operation of any vehicle that could legally operate on the 104-mile portion before the date of enactment of this subsection.".

SEC. 323. TREATMENT OF CENTENNIAL BRIDGE, ROCK ISLAND, ILLINOIS, AGREEMENT.

For purposes of section 129(a)(6) of title 23, United States Code, the agreement concerning the Centennial Bridge, Rock Island, Illinois, entered into under the Act entitled "An Act authorizing the city of Rock Island, Illinois, or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Rock Island, Illinois, and to a place at or near the city of Davenport, Iowa", approved March 18, 1938 (52 Stat. 110, chapter 48), shall be treated as if the agreement had been entered into under section 129 of title 23, United States Code, as in effect on December 17, 1991, and may be modified in accordance with section 129(a)(6) of the title.

SEC. 324. METRIC REQUIREMENTS AND SIGNS.

(a) PLACEMENT OF SIGNS.—Before September 30, 1997, the Secretary may not require the States to expend any Federal or State funds to construct, erect, or otherwise place any sign relating to any speed limit, distance, or other measurement on any highway for the purpose of having such sign establish such speed limit, distance, or other measurement using the metric system.

(b) MODIFICATION OF SIGNS.—Before September 30, 1997, the Secretary may not require the States to expend any Federal or State funds to modify any sign relating to any speed limit, any distance, or other measurement on any highway for the purpose of having such sign establish such speed limit, distance, or measurement using the metric system.

(c) DEFINITIONS.—In this section, the following definitions apply:

(1) HIGHWAY.—The term "highway" has the meaning such term has under section 101 of title 23, United States Code.

(2) METRIC SYSTEM.—The term "metric system" has the meaning the term "metric system of measurement" has under section 4 of the Metric Conversion Act of 1975 (15 U.S.C. 205c).

SEC. 325. ISTEA TECHNICAL CLARIFICATION.

Section 131(s) of title 23, United States Code, is amended by striking the period at the end of the first sentence and inserting the following: "; except that nothing in this subsection or section 1047 of the Intermodal Surface Transportation Efficiency Act of 1991 shall restrict, or otherwise be applied by the Secretary to affect, the authority of a State under subsection (d) of this section with respect to commercial or industrial areas or the authority of a State under subsection (k) of this section to establish standards imposing stricter limitations than those established in this subsection.".

SEC. 326. METROPOLITAN PLANNING FOR HIGHWAY PROJECTS.

Section 134(f) of title 23, United States Code, is amended by adding at the end the following:

"(16) Recreational travel and tourism.".

SEC. 327. NON-FEDERAL SHARE FOR CERTAIN TOLL BRIDGE PROJECTS.

Section 144(l) of title 23, United States Code, is amended by adding at the end the following: "Any non-Federal funds expended for the seismic retrofit of the bridge may be credited toward the non-Federal share required as a condition of receipt of any Federal funds for seismic retrofit of the bridge made available after the date of the expenditure.".

SEC. 328. DISCOVERY AND ADMISSION AS EVIDENCE OF CERTAIN REPORTS AND SURVEYS.

Section 409 of title 23, United States Code, is amended by inserting "or collected" after "compiled".

SEC. 329. NATIONAL RECREATIONAL TRAILS.

(a) STATE ELIGIBILITY.—Section 1302(c) of the Intermodal Surface Transportation Efficiency Act of 1991 (33 U.S.C. 1261(c)) is amended—

(1) by striking "Act" each place it appears and inserting "part";

(2) in paragraph (2) by striking subparagraph (B) and redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and

(3) by adding at the end the following:

"(3) SIXTH YEAR PROVISION.—On and after the date that is 5 years after the date of the enactment of this part, a State shall be eligible to receive moneys under this part in a fiscal year only if the State agrees to expend from non-Federal sources for carrying out projects under this part an amount equal to 20 percent of the amount received by the State under this part in such fiscal year.".

(b) ADMINISTRATIVE COSTS.—Section 1302(d)(1) of such Act (33 U.S.C. 1261(d)(1)) is amended—

(1) by striking "and" at the end of subparagraph (C);

(2) by redesignating subparagraph (D) as subparagraph (E); and

(3) by inserting after subparagraph (C) the following:

"(D) contracting for services with other land management agencies; and".

(c) ENVIRONMENTAL MITIGATION.—

(1) IN GENERAL.—Section 1302(e) of such Act (33 U.S.C. 1261(e)) is amended—

(A) by redesignating paragraphs (5), (6), (7), and (8) as paragraphs (6), (7), (8), and (9), respectively; and

(B) by inserting after paragraph (4) the following:

"(5) ENVIRONMENTAL MITIGATION.—

"(A) REQUIREMENT.—To the extent practicable and consistent with other requirements of this section, in complying with paragraph (4), a State shall give priority to project proposals which provide for the redesign, reconstruction, nonroutine maintenance, or relocation of trails in order to mitigate and minimize the impact to the natural environment.

"(B) COMPLIANCE.—The State shall receive guidance for determining compliance with subparagraph (A) from the recreational trail advisory board satisfying the requirements of subsection (c)(2)(A).".

(2) CONFORMING AMENDMENT.—Section 1302(e)(4) of such Act (33 U.S.C. 1261(e)(4)) is amended by striking "paragraphs (6) and (8)(B)" and inserting "paragraphs (7) and (9)(B)".

(d) EXCLUSIONS.—Section 1302(e)(7) of such Act, as redesignated by subsection (c), is amended—

(1) by striking "(7) SMALL STATE EXCLUSION.—" and inserting the following:

"(7) EXCLUSIONS.—

"(A) SMALL STATE.—";

(2) by moving the text of subparagraph (A), as designated by paragraph (1), 2 ems to the right; and

(3) by adding at the end the following:

"(B) BEST INTEREST OF A STATE.—Any State which determines based on trail needs identified in its State Comprehensive Outdoor Recreation Plan that it is in the best interest of the State to be exempt from the requirements of paragraph (4) may apply to the Secretary for such an exemption. Before approving or disapproving an application for such an exemption, the Secretary shall publish in the Federal Register notice of receipt of the application and provide an opportunity for public comment on the application.".

(e) RETURN OF MONEYS NOT EXPENDED.—Section 1302(e)(9) of such Act, as redesignated by subsection (c), is amended—

(1) by inserting "the State" before "may be exempted"; and

(2) by striking "and expended or committed" and all that follows before the period.

(f) ADVISORY COMMITTEE.—Section 1303(b) of such Act (16 U.S.C. 1262(b)) is amended—

(1) by striking "11 members" and inserting "12 members";

(2) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively; and

(3) by inserting after paragraph (1) the following:

"(2) 1 member appointed by the Secretary representing individuals with disabilities;".

SEC. 330. IDENTIFICATION OF HIGH PRIORITY CORRIDORS.

(a) IN GENERAL.—Section 1105(c) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2032) is amended—

(1) by striking paragraph (5) and inserting the following:

"(5)(A) I–73/74 North-South Corridor from Charleston, South Carolina, through Winston-Salem, North Carolina, to Portsmouth, Ohio, to Cincinnati, Ohio, to termini at Detroit, Michigan and Sault Ste. Marie, Michigan. The Sault Ste. Marie terminus shall be reached via a corridor connecting Adrian, Jackson, Lansing, Mount Pleasant, and Grayling, Michigan.

"(B)(i) In the Commonwealth of Virginia, the Corridor shall generally follow—

"(I) United States Route 220 from the Virginia-North Carolina border to I–581 south of Roanoke;

"(II) I–581 to I–81 in the vicinity of Roanoke;

"(III) I–81 to the proposed highway to demonstrate intelligent transportation systems authorized by item 29 of the table in section 1107(b) in the vicinity of Christiansburg to United States Route 460 in the vicinity of Blacksburg; and

"(IV) United States Route 460 to the West Virginia State line.

"(ii) In the States of West Virginia, Kentucky, and Ohio, the Corridor shall generally follow—

"(I) United States Route 460 from the West Virginia State line to United States Route 52 at Bluefield, West Virginia; and

"(II) United States Route 52 to United States Route 23 at Portsmouth, Ohio.

"(iii) In the States of North Carolina and South Carolina, the Corridor shall generally follow—

"(I) in the case of I–73—

"(aa) United States Route 220 from the Virginia State line to State Route 68 in the vicinity of Greensboro;

"(bb) State Route 68 to I–40;

"(cc) I–40 to United States Route 220 in Greensboro;

"(dd) United States Route 220 to United States Route 1 near Rockingham;

"(ee) United States Route 1 to the South Carolina State line; and

"(ff) South Carolina State line to Charleston, South Carolina; and

"(II) in the case of I–74—

"(aa) I–77 from Bluefield, West Virginia, to the junction of I–77 and the United States Route 52 connector in Surry County, North Carolina;

"(bb) the I–77/United States Route 52 connector to United States Route 52 south of Mount Airy, North Carolina;

"(cc) United States Route 52 to United States Route 311 in Winston-Salem, North Carolina;

"(dd) United States Route 311 to United States Route 220 in the vicinity of Randleman, North Carolina.

"(ee) United States Route 220 to United States Route 74 near Rockingham;

"(ff) United States Route 74 to United States Route 76 near Whiteville;

"(gg) United States Route 74/76 to the South Carolina State line in Brunswick County; and

"(hh) South Carolina State line to Charleston, South Carolina.";

(2) in paragraph (18)—

(A) by striking "and";

(B) by inserting "Arkansas," after "Tennessee,"; and

(C) by inserting before the period at the end the following: ", and to the Lower Rio Grande Valley at the border between the United States and Mexico";

(3) by inserting before the period at the end of paragraph (20) the following: ", and to include the Corpus Christi Northside Highway and Rail Corridor from the existing intersection of United States Route 77 and Interstate Route 37 to United States Route 181"; and

(4) by adding at the end the following:

"(22) The Alameda Transportation Corridor along Alameda Street from the entrance to the ports of Los Angeles and Long Beach to Interstate 10, Los Angeles, California.

"(23) The Interstate Route 35 Corridor from Laredo, Texas, through Oklahoma City, Oklahoma, to Wichita, Kansas, to Kansas City, Kansas/Missouri, to Des Moines, Iowa, to Minneapolis, Minnesota, to Duluth, Minnesota.

"(24) The Dalton Highway from Deadhorse, Alaska to Fairbanks, Alaska.

"(25) State Route 168 (South Battlefield Boulevard), Virginia, from the Great Bridge Bypass to the North Carolina State line.

"(26) The CANNAMEX CORRIDOR from Nogales, Arizona, through Las Vegas, Nevada, to Salt Lake City, Utah, to Idaho Falls, Idaho, to Great Falls, Montana, to the Canadian Border as follows:

"(A) In the State of Arizona, the CANAMEX CORRIDOR shall generally follow—

"(i) I–19 from Nogales to Tucson;

"(ii) I–10 from Tucson to Phoenix; and

"(iii) United States Route 93 from Phoenix to the Nevada Border.

"(B) In the State of Nevada, the CANAMEX CORRIDOR shall follow—

"(i) United States Route 93 from the Arizona Border to Las Vegas; and

"(ii) I–15 from Las Vegas to the Utah Border.

"(C) From the Utah Border to the Canadian Border, the CANAMEX CORRIDOR shall follow I–15.".

(b) INCLUSION OF CERTAIN ROUTE SEGMENTS ON INTERSTATE SYSTEM.—Section 1105(e) of such Act (105 Stat. 2033) is amended by adding at the end the following:

"(5) INCLUSION OF CERTAIN ROUTE SEGMENTS ON INTERSTATE SYSTEM.—Where not a part of the Interstate System, the routes referred to in clauses (i), (ii), and (iii) of subsection (c)(5)(B) (other than the portion located in the State of West Virginia), in subsection (c)(9), and in subsections (c)(18) and (c)(20) are hereby designated future parts of the Interstate System. Any segment of such routes shall become a part of the Interstate System at such time as the Secretary determines that the segment—

"(A) meets the Interstate System design standards approved by the Secretary under section 109(b) of title 23, United States Code; and

"(B) connects to an existing Interstate System segment and functions as a safe and usable segment.".

SEC. 331. HIGH PRIORITY CORRIDOR FEASIBILITY STUDIES.

(a) EVACUATION ROUTES FOR LOUISIANA COASTAL AREAS.—Section 1105(e)(2) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2033) is amended by adding at the end the following new sentence: "A feasibility study may be conducted under this subsection to identify routes that will expedite future emergency evacuations of coastal areas of Louisiana.".

(b) EAST-WEST TRANSAMERICA CORRIDOR.—With amounts available to the Secretary under section 1105(h) of the Intermodal Surface Transportation Efficiency Act of 1991, the Secretary in cooperation with the States of Virginia and West Virginia shall conduct a study to determine the feasibility of establishing a route for the East-West Transamerica Corridor (designated pursuant to section 1105(c)(3) of such Act) from Beckley, West Virginia, utilizing a corridor entering Virginia near the city of Covington then moving south from the Allegheny Highlands to serve Roanoke and continuing east to Lynchburg. From there such route would continue across Virginia to the Hampton Roads-Norfolk area.

SEC. 332. HIGH COST BRIDGE PROJECTS.

The table contained in section 1103(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2027–2028) is amended—

(1) in item number 5, relating to Gloucester Point, Virginia, by inserting after "York River" the following: "and for repair, strengthening, and rehabilitation of the existing bridge"; and

(2) in item number 10, relating to Shakopee, Minnesota, by inserting "project, including the bypass of" after "replacement".

SEC. 333. CONGESTION RELIEF PROJECTS.

The table contained in section 1104(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2029–2031) is amended—

(1) in item number 1, relating to Long Beach, California, by striking "HOV Lanes on" and inserting "downtown Long Beach access ramps into the southern terminus of";

(2) in item number 10, relating to San Diego, California, by striking "1 block of Cut and Cover Tunnel on Rt. 15" and inserting "bridge decking on Route 15";

(3) in item number 23, relating to Tucson, Arizona, by inserting ", of which a total of $3,609,620 shall be available for the project authorized by item number 74 of the table contained in section 1106(b)" after "in Tuscon, Arizona"; and

(4) in item number 43, relating to West Virginia, by striking "Coal Fields" and inserting "Coalfields".

SEC. 334. HIGH PRIORITY CORRIDORS ON NATIONAL HIGHWAY SYSTEM.

Section 1105(c)(3) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2032) is amended by inserting before the period at the end the following: "commencing on the Atlantic Coast in the Hampton Roads-Norfolk area going westward across Virginia to a West Virginia corridor centered around Beckley to Welch as part of the Coalfields Expressway described in section 1069(v), then to Williamson sharing a common corridor with the I-73/74 Corridor (referred to in item 12 of the table contained in subsection (f)), then to a Kentucky Corridor centered on the cities of Pikeville, Jenkins, Hazard, London, Somerset, Columbia, Bowling Green, Hopkinsville, Benton, and Paducah, into Illinois, and into Missouri and exiting Western Missouri and entering the southeast corner of Kansas".

SEC. 335. HIGH PRIORITY CORRIDOR PROJECTS.

The table contained in section 1105(f) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2033–2035) is amended—

(1) in item 1, relating to Pennsylvania, by inserting after "For" the following: "the segment described in item 6 of this table and up to $11,000,000 for";

(2) in item 2, relating to Alabama, Georgia, Mississippi, Tennessee, by inserting after "Rt. 72" the following: "and up to $1,500,000 from the State of Alabama's share of the project for modification of the Keller Memorial Bridge in Decatur, Alabama, to a pedestrian structure"; and

(3) in item number 26, relating to Indiana, Kentucky, Tennessee, by striking "Newberry" and inserting "Evansville".

SEC. 336. RURAL ACCESS PROJECTS.

The table contained in section 1106(a)(2) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2037–2042) is amended—

(1) in item number 34, relating to Illinois, by striking "Resurfacing" and all that follows through "Omaha" and inserting "Bel-Air Road improvement from south of Carmi to State Route 141 in southeastern White County";

(2) in item number 52, relating to Bedford Springs, Pennsylvania, by striking "and Huntington" and inserting "Franklin, and Huntingdon";

(3) in item number 61, relating to Lubbock, Texas, by striking "with Interstate 20" and inserting "with Interstate 10 through Interstate 20 and Interstate 27 north of Amarillo to the Texas/Oklahoma border";

(4) in item number 71, relating to Chautauqua County, New York, by inserting "and other improvements" after "expressway lanes";

(5) in item number 75, relating to Pennsylvania, by striking "Widen" and all that follows through "lanes" and inserting "Road improvements on a 14-mile segment of U.S. Route 15 in Lycoming County, Pennsylvania";

(6) in item number 93, relating to New Mexico, by striking "Raton-Clayton Rd., Clayton, New Mexico" and inserting "U.S. Rt. 64/87 from Raton, New Mexico, through Clayton to the Texas-New Mexico State line"; and

(7) in item number 111, relating to Parker County, Texas (SH199)—

(A) by striking "Parker County" and inserting "Parker and Tarrant Counties"; and

(B) by striking "to four-" and inserting "in Tarrant County, to freeway standards and in Parker County to a 4-".

SEC. 337. URBAN ACCESS AND MOBILITY PROJECTS.

The table contained in section 1106(b)(2) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2043–2047) is amended—

(1) in item number (9), relating to New York, New York, by striking "Improvements" and all that follows through "NY" and inserting "Projects in New York City, New York (other than improvements to the Miller Highway)";

(2) in item number 13, relating to Joliet, Illinois, by striking "and construction and interchange at Houbolt Road and I-80";

(3) in item number 36, relating to Compton, California, by striking "For a grade" and all that follows through "Corridor" and inserting "For grade separations and other improvements in the city of Compton, California"; and

(4) in item number 52, relating to Chicago, Illinois, by striking "Right-of-way" and all that follows through "Connector)" and inserting "Reconstruct the Michigan Avenue viaduct".

SEC. 338. INNOVATIVE PROJECTS.

The table contained in section 1107(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2048–2059) is amended—

(1) in item 19, relating to Water Street, Pennsylvania—

(A) by striking "Water Street,"; and

(B) by inserting ", or other projects in the counties of Bedford, Blair, Centre, Franklin, and Huntingdon as selected by the State of Pennsylvania" after "Pennsylvania" the second place it appears;

(2) in item 20, relating to Holidaysburg, Pennsylvania—

(A) by striking "Holidaysburg," the first place it appears; and

(B) by inserting ", or other projects in the counties of Bedford, Blair, Centre, Franklin, and Huntingdon as selected by the State of Pennsylvania" after "Pennsylvania" the second place it appears;

(3) in item number 24, relating to Pennsylvania, by inserting after "line" the following: "and for the purchase, rehabilitation, and improvement of any similar existing facility within a 150-mile radius of such project, as selected by the State of Pennsylvania";

(4) in item number 29, relating to Blacksburg, Virginia, by inserting "methods of facilitating public and private participation in" after "demonstrate";

(5) in item number 35, relating to Alabama, by striking "to bypass" and all that follows through "I-85" and inserting "beginning on U.S. Route 80 west of Montgomery, Alabama, and connecting to I-65 south of Montgomery and I-85 east of Montgomery";

(6) in item 49, relating to Suffolk County, New York, by inserting after "perimeters" the following: "and provide funds to the towns of Brookhaven, Riverhead, Smithtown, East Hampton, Southold, Shelter Island, and Southampton for the purchase of vehicles to meet the transportation needs of the elderly and persons with disabilities";

(7) in item number 52, relating to Pennsylvania, by striking "2" and all that follows through "Pennsylvania" and inserting "or rehabilitate (or both) highway and transportation infrastructure projects within 30 miles of I-81 or I-80 in northeastern Pennsylvania";

(8) in item number 61, relating to Mojave, California, by striking "Mojave" and inserting "Victorville" and by inserting "Mojave" after "reconstruct";

(9) in item number 68, relating to Portland/S. Portland, Maine—

(A) by striking "Portland/S. Portland,"; and

(B) by inserting after "Bridge" the following: "and improvements to the Carlton Bridge in Bath-Woolworth";

(10) in item number 76, relating to Tennessee, by inserting "Improved access to" before "I-81" and striking "Interchange" and inserting after "Tennessee" the following: "via improvements at I-181/Eastern Star Road and I-81/Kendrick Creek Road";

(11) in item number 100, relating to Arkansas, by striking "Thornton" and inserting "Little Rock";

(12) in item number 113, relating to Durham County, North Carolina, by inserting after "Route 147" the following: ", including the interchange at I-85";

(13) in item number 114, relating to Corpus Christi to Angleton, Texas, by striking "Construct new multi-lane freeway" and inserting "Construct a 4-lane divided highway";

(14) in item number 193, relating to Corning, New York, by inserting "and other improvements" after "expressway lanes"; and

(15) in item 196, relating to Orlando, Florida—

(A) by striking "Orlando,"; and

(B) by striking "Land" and all that follows through "project" and inserting "One or more regionally significant, intercity ground transportation projects".

SEC. 339. INTERMODAL PROJECTS.

The table contained in section 1108(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2060–2063) is amended—

(1) in item number 12, relating to Buffalo, New York, by inserting after "Project" the

following: "and the Crossroads Arena Project"; and

(2) in item number 31, relating to Los Angeles, California, by striking "To improve ground access from Sepulveda Blvd. to Los Angeles, California" and inserting the following: "For the Los Angeles International Airport central terminal ramp access project, $3,500,000; for the widening of Aviation Boulevard south of Imperial Highway, $3,500,000; for the widening of Aviation Boulevard north of Imperial Highway, $1,000,000; and for transportation systems management improvements in the vicinity of the Sepulveda Boulevard/Los Angeles International Airport tunnel, $950,000".

SEC. 340. MISCELLANEOUS REVISIONS TO SURFACE TRANSPORTATION AND UNIFORM RELOCATION ASSISTANCE ACT OF 1987.

(a) CALIFORNIA.—Section 149(a)(69) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 191), relating to Burbank-Glendale-Pasadena Airport, California, is amended—

(1) in the first sentence by striking "highway";

(2) in the first sentence by striking "and construction of terminal and parking facilities at such airport"; and

(3) by striking "by making" in the second sentence and all that follows through the period at the end of such sentence and inserting the following: "by preparing a feasibility study and conducting preliminary engineering, design, and construction of a link between such airport and the commuter rail system that is being developed by the Los Angeles County Metropolitan Transportation Authority.".

(b) LOUISIANA.—

(1) RURAL ACCESS PROJECT.—

(A) RESCISSION.—Effective October 1, 1995, the unobligated balances on September 30, 1995, of funds made available for section 149(a)(87) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 194; relating to West Calcasieu Parish, Louisiana) are hereby rescinded.

(B) FUNDING.—Item number 17 of the table contained in section 1106(a)(2) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2038), relating to Lake Charles, Louisiana, is amended by striking "4.1" and inserting "8.8".

(2) I-10 EXIT RAMP AND OTHER PROJECTS.—Section 149(a)(89) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 191) is amended—

(A) by inserting "AND LAKE CHARLES" after "LAFAYETTE" in the paragraph heading; and

(B) by inserting before the period at the end "and, of amounts made available to carry out this paragraph, may use up to $456,022 to carry out a comprehensive transportation and land use plan for Lafayette, Louisiana, $1,000,000 to carry out a project to construct an exit ramp from the eastbound side of Interstate Route I-10 to Ryan Street in Lake Charles, Louisiana, and $269,661 under this paragraph for projects described in section 149(a)(90)".

(3) CONTRABAND BRIDGE.—Section 149(a)(90) of such Act (101 Stat. 191) is amended—

(A) by inserting "AND LAKE CHARLES" after "LAFAYETTE" in the paragraph heading; and

(B) by inserting "and a project to construct the Contraband Bridge portion of the Nelson Access Road Project" before the period at the end.

(c) PENNYSLVANIA.—Section 149(a)(74) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 192) is amended by inserting before the period at the end the following: "and other projects in the counties of Bedford, Blair, Centre, Franklin, and Huntingdon, Pennsylvania".

(d) MARYLAND.—Section 149(a)(92) of such Act (101 Stat. 194) is amended—

(1) by striking "UNITED STATES ROUTE 48" and inserting "WASHINGTON AND FREDERICK COUNTIES"; and

(2) by inserting "and to construct an interchange between Interstate Route I-70 and Interstate Route I-270 in Frederick County, Maryland" after "Mountain Road".

(e) BUS TESTING FACILITY.—Section 5318 of title 49, United States Code, is amended—

(1) in subsection (b) by inserting "or cooperative agreement" after "contract" each place it appears; and

(2) by adding at the end the following:

"(f) CONVERSION OF CONTRACTS.—The Secretary may convert existing contracts entered into under this section into cooperative agreements.".

SEC. 341. ELIGIBILITY.

(a) EXISTING PROJECT.—Section 108(b) of the Federal-Aid Highway Act of 1956 (23 U.S.C. 101 note) is amended—

(1) by striking "(1)" before "such costs may be further"; and

(2) by striking ", and (2) the amount of such costs shall not include the portion of the project between High Street and Causeway Street".

(b) OTHER EXISTING PROJECTS.—

(1) RECONSTRUCTION AND WIDENING.—The project authorized by section 162 of the Surface Transportation Assistance Act of 1982 (96 Stat. 2136) shall include reconstruction and widening to 6 lanes of existing Interstate Route 95 and of the Pennsylvania Turnpike from United States Route 1 to the junction with the New Jersey Turnpike.

(2) FEDERAL SHARE.—Notwithstanding any other provision of law, the Federal share payable on account of the project referred to in paragraph (1), including the additional through roadway and bridge travel lanes, shall be 90 percent of the cost of the project.

(3) TOLLS.—Notwithstanding section 301 of title 23, United States Code, the project for construction of an interchange between the Pennsylvania Turnpike and Interstate Route 95, including the widening of the Pennsylvania Turnpike, shall be treated as a reconstruction project described in section 129(a)(1)(B) of such title and tolls may be continued on all traffic on the Pennsylvania Turnpike between United States Route 1 and the New Jersey Turnpike.

(c) TYPE II NOISE BARRIERS.—No funds made available out of the Highway Trust Fund may be used to construct Type II noise barriers (as defined by section 772.5(i) of title 23, Code of Federal Regulations) pursuant to sections 109 (h) and (i) of title 23, United States Code if such barriers were not part of a project approved by the Secretary before the date of the enactment of this Act.

SEC. 342. ORANGE COUNTY, CALIFORNIA, TOLL ROADS.

The Secretary shall enter into an agreement modifying the agreement entered into pursuant to section 339 of the Department of Transportation and Related Agencies Appropriations Act, 1993 (Public Law 102-338) to conform such agreement to the provisions of section 336 of the Department of Transportation and Related Agencies Appropriations Act, 1995 (Public Law 103-331). Nothing in this section shall be construed to change the amount of the previous appropriation in such section 339, and the line of credit provided for shall not exceed an amount supported by the previous appropriation. In implementing such sections 336 and 339, the Secretary may enter into an agreement requiring an interest rate that is higher than the rate specified in such sections.

SEC. 343. MISCELLANEOUS STUDIES.

(a) PAN AMERICAN HIGHWAY.—

(1) STUDY.—The Secretary shall conduct a study on the adequacy of and the need for improvements to the Pan American Highway.

(2) ELEMENTS.—The study to be conducted under paragraph (1) shall include, at a minimum, the following elements:

(A) Findings on the benefits of constructing a highway at Darien Gap, Panama and Colombia.

(B) Recommendations for a self-financing arrangement for completion and maintenance of the Pan American Highway.

(C) Recommendations for establishing a Pan American highway authority to monitor financing, construction, maintenance, and operations of the Pan American Highway.

(D) Findings on the benefits to trade and prosperity of a more efficient Pan American Highway.

(E) Findings on the benefits to United States industry through the use of United States technology and equipment in construction of improvements to the Pan American Highway.

(F) Findings on environmental considerations, including environmental considerations relating to the Darien Gap.

(3) REPORT.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study conducted under this subsection.

(b) HIGHWAY SIGNS FOR NATIONAL HIGHWAY SYSTEM.—The Secretary shall conduct a study to determine the cost, need, and efficacy of establishing a highway sign for identifying routes on the National Highway System. In conducting such study, the Secretary shall make a determination concerning whether to identify National Highway System route numbers.

(c) COMPLIANCE WITH BUY AMERICAN ACT.—

(1) STUDY.—The Secretary shall conduct a study on compliance with the provisions of the Buy American Act (41 U.S.C. 10a–10c) with respect to contracts entered into using amounts made available from the Highway Trust Fund.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study conducted under paragraph (1).

SEC. 344. COLLECTION OF BRIDGE TOLLS.

Notwithstanding any other provisions of law, tolls collected for motor vehicles on any bridge connecting the boroughs of Brooklyn, New York, and Staten Island, New York, shall continue to be collected for only those vehicles exiting from such bridge in Staten Island.

SEC. 345. NATIONAL DRIVER REGISTER.

Section 30308(a) of title 49, United States Code, is amended by striking "and $2,550,000 for fiscal year 1995" and inserting "and $2,550,000 for each of fiscal years 1995 and 1996".

SEC. 346. ROADSIDE BARRIER TECHNOLOGY.

Section 1058 of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 109 note; 105 Stat. 2003) is amended—

(1) in subsection (a) by striking "median" and inserting "or temporary crashworthy";

(2) in subsection (a) by inserting "crashworthy" after "innovative";

(3) in the heading of subsection (c) by inserting "CRASHWORTHY" after "INNOVATIVE";

(4) in subsection (c) by inserting "crashworthy" after "innovative";

(5) in subsection (c) by striking "median";

(6) by inserting "or guiderail" after "guardrail"; and

(7) by inserting before the period at the end of subsection (c) ", and meets or surpasses the requirements of the National Cooperative Highway Research Program 350 for longitudinal barriers".

SEC. 347. MOTORIST CALL BOXES.

(a) Effective Control.—Section 131(c) of title 23, United States Code, is amended—

(1) by striking "and (5)" and inserting the following: "(5) signs, displays, and devices identifying and announcing free motorist aid call boxes and advertising their sponsorship by corporations or other organizations, and (6)"; and

(2) by adding at the end the following new sentence: "The Secretary shall ensure that spacing of signs, displays, and devices announcing motorist aid call boxes is reasonable.".

(b) Specific Service Signs.—Section 131(f) of title 23, United States Code, is amended by adding at the end the following: "For purposes of this subsection, the term 'specific information in the interest of the traveling public' includes identification, announcement, and sponsorship of motorist aid call boxes.".

SEC. 348. REPEAL OF NATIONAL MAXIMUM SPEED LIMIT COMPLIANCE PROGRAM.

Sections 141(a) and 154 of title 23, United States Code, and the item relating to section 154 in the analysis to chapter 1 of such title are repealed.

SEC. 349. ELIMINATION OF PENALTY FOR NONCOMPLIANCE FOR MOTORCYCLE HELMETS.

Subsection (h) of section 153 of title 23, United States Code, is amended by striking "a law described in subsection (a)(1) and" each place it appears.

SEC. 350. SAFETY REST AREAS.

Section 120(c) of title 23, United States Code, is amended by inserting "safety rest areas," after "signalization,".

SEC. 351. EXEMPTIONS FROM REQUIREMENTS RELATING TO COMMERCIAL MOTOR VEHICLES AND THEIR OPERATORS.

(a) Exemptions.—

(1) Transportation of agricultural commodities and farm supplies.—Regulations prescribed by the Secretary under sections 31136 and 31502 of title 49, United States Code, regarding maximum driving and on-duty time for drivers used by motor carriers shall not apply to drivers transporting agricultural commodities or farm supplies for agricultural purposes in a State if such transportation is limited to an area within a 50 air mile radius from the source of the commodities or the distribution point for the farm supplies and is during the planting and harvesting seasons within such State, as determined by the State.

(2) Transportation and operation of ground water well drilling rigs.—Such regulations shall, in the case of a driver of a commercial motor vehicle who is used primarily in the transportation and operation of a ground water well drilling rig, permit any period of 8 consecutive days to end with the beginning of an off-duty period of 24 or more consecutive hours for the purposes of determining maximum driving and on-duty time.

(3) Transportation of construction materials and equipment.—Such regulations shall, in the case of a driver of a commercial motor vehicle who is used primarily in the transportation of construction materials and equipment, permit any period of 8 consecutive days to end with the beginning of an off-duty period of 24 or more consecutive hours for the purposes of determining maximum driving and on-duty time.

(4) Snow and ice removal.—A State may waive the requirements of chapter 313 of title 49, United States Code, with respect to a vehicle that is being operated within the boundaries of an eligible unit of local government by an employee of such unit for the purpose of removing snow or ice from a roadway by plowing, sanding, or salting. Such waiver authority shall only apply in a case where the employee is needed to operate the vehicle because the employee of the eligible unit of local government who ordinarily operates the vehicle and who has a commercial drivers license is unable to operate the vehicle or is in need of additional assistance due to a snow emergency.

(b) Effective Date.—The provisions of subsection (a) shall take effect 180 days after the date of the enactment of this Act.

(c) Review by the Secretary.—The Secretary may conduct a rulemaking proceeding to determine whether granting any exemption provided by subsection (a) is not in the public interest and would have a significant adverse impact on the safety of commercial motor vehicles. If, at any time, the Secretary determines that granting such exemption would not be in the public interest and would have a significant adverse impact on the safety of commercial motor vehicles, then the Secretary may prevent the exemption from going into effect, modify the exemption, or revoke the exemption.

(d) Definitions.—In this section, the following definitions apply:

(1) 8 consecutive days.—The term "8 consecutive days" means the period of 8 consecutive days beginning on any day at the time designated by the motor carrier for a 24-hour period.

(2) 24-hour period.—The term "24-hour period" means any 24-consecutive hour period beginning at the time designated by the motor carrier for the terminal from which the driver is normally dispatched.

(3) Ground water well drilling rig.—The term "ground water well drilling rig" means any vehicle, machine, tractor, trailer, semitrailer, or specialized mobile equipment propelled or drawn by mechanical power and used on highways to transport water well field operating equipment, including water well drilling and pump service rigs equipped to access ground water.

(4) Transportation of construction materials and equipment.—The term "transportation of construction materials and equipment" means the transportation of construction materials, construction finished related products, construction personnel, and construction equipment by a driver within a 50 air mile radius of the normal work reporting location of the driver.

(5) Eligible unit of local government.—The term "eligible unit of local government" means a city, town, borough, county, parish, district, or other public body created by or pursuant to State law which has a total population of 3,000 individuals or less.

SEC. 352. TRAFFIC CONTROL SIGNS.

Traffic control signs erected under the experimental project conducted in the State of Oregon in December 1991 shall be deemed to comply with the requirements of section 2B-4 of the Manual on Uniform Traffic Control Devices of the Department of Transportation.

SEC. 353. BRIGHTMAN STREET BRIDGE, FALL RIVER HARBOR, MASSACHUSETTS.

Notwithstanding any other provision of law, the Brightman Street Bridge in Fall River Harbor, Massachusetts, may be reconstructed to result in a clear channel width of less than 300 feet.

The CHAIRMAN. Are there any amendments to title III?

AMENDMENT OFFERED BY MR. RAHALL

Mr. RAHALL. Mr. Chairman, I offer an amendment, No. 27.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 27 offered by Mr. Rahall: Strike section 348.

The CHAIRMAN. Pursuant to the unanimous-consent agreement, the gentleman from West Virginia [Mr. Rahall] will be recognized for 30 minutes, and the gentleman from Wisconsin [Mr. Petri] will be recognized for 30 minutes.

The Chair recognizes the gentleman from West Virginia [Mr. Rahall].

Mr. RAHALL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill before us contains a provision that would simply repeal the national speed limit. Plain and simple, it repeals the national speed limit.

Under this provision, then, the States could set no speed limit whatsoever. No speed limit whatsoever. Or they could establish a speed limit of 100 miles per hour or whatever.

Despite the fact that proponents of eliminating the national speed limit often couch their proposal in terms of this being a matter of States' rights, the bottom line, in my view, is that it is a matter of saving lives; and that, my colleagues, should take precedence over any of these idealistic assumptions over the role of State and Federal Governments. For let there be no doubt in anyone's mind, the effort to repeal the national speed limit represents nothing other than an attempt to increase speed limits.

Today, Mr. Chairman, 1,000 people are slaughtered each month on our Nation's highways in speed-related crashes, That is 12,000 deaths each year due to traveling at high speeds. This, I say to my colleagues, is under the existing 55 mile per hour national speed limit with 65 possible on rural interstate segments.

It should be obvious that the death toll will rise once the States begin increasing the maximum speed limit under the provision of this bill.

The enactment of the bill's repeal provision would, in effect, turn our Nation's highways into killing fields. It will turn our highways into killing fields.

I say to my colleagues, this is not a matter of State rights. It is a matter of human rights. The Federal Government paid 90 percent of the cost of constructing the Interstate System, and it still pays that amount to maintain it. There is, as such, a justifiable Federal role in ensuring the safety of those traveling on this system.

In addition, the interstates are just that, they are interstates. They are not intrastates. Cars traveling to the borders of States do not bounce around and go back and stay within that State. They travel across State lines.

We are talking about a Federal responsibility here. People traveling across State lines should not be subject to the dictates of any individual State.

So, again, I hardly see where a matter involving interstate transportation can be viewed as an intrusion of States rights; and I would urge that this type of rhetoric that we will hear during debate on this amendment be dismissed outright.

For these reasons, the amendment I am offering would strike the proposed repeal of the national speed limit; and it would maintain existing law.

I might add as well, Mr. Chairman, that Members have before them a letter from our Secretary, very fine Secretary of Transportation, Mr. Pena, stating the administration's opposition to removal of the national speed limit.

I say in addition to that fact we have in this Chamber today the administrator of our Federal Highway Administration, Mr. Rodney Slater, who has been very helpful to us in this legislation and will continue to be as we go on down the process. And he, as well, has expressed his very strong concerns about the removal of the national speed limit.

I would urge acceptance of this amendment, which returns to the law as we know it today, a law that has saved lives.

Mr. PETRI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I must oppose this amendment which would strike from H.R. 2274 the repeal of the national maximum speed limit and associated penalties.

We have already seen what happens when motorists believe that a particular speed limit is too low for the conditions of a road—they exceed the limit. How many Americans drive faster than 55 miles per hour? The recent increase to 65 miles per hour on some of our rural interstates simply made legal the status quo—we already were driving 65.

Let me be clear that if we remove the national maximum speed limit, we will not find ourselves with no speed limits on any roads as you might think from listening to some. The States will step in and take up this responsibility which is the way it should be. A one-size-fits-all approach has proven to be very frustrating from many States and motorists. What is an appropriate speed for the urban Northeast may not be appropriate for certain areas in Montana, or Texas, or other more desolate regions in the country.

I cannot understand why some seem to believe that only Washington is capable of setting speed limits. Do we really believe that States are not capable of doing this, that the States do not care just as much, if not more, for the safety and well-being of motorists in their States?

By repealing the national maximum speed limit, we will once again allow the States, based on their own intimate knowledge of particular road designs, conditions, location, and other relevant factors, to determine the appropriate speed limit for each of their roads.

I believe the States are capable of this, that they are concerned about the safety of their citizens and that they will act responsibly and in the best interests of motorists.

I urge the House to defeat this amendment.

□ 1400

Mr. RAHALL. Mr. Chairman, I yield myself such time as I may consume.

I have noted the ranking minority member's opposition to this amendment, Mr. Chairman, but I know that we had this issue debated in full committee, and we had, as I am sure we do on the floor, the very strong support for this amendment and vehement opposition to lifting the speed limit from the chairman of the full committee, the gentleman from Pennsylvania [Mr. SHUSTER], and I know he will make his position known before the day is over.

Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. MINETA], the ranking minority member.

Mr. MINETA. Mr. Chairman, I rise in strong support of the Rahall amendment. Quite simply, this amendment is a lifesaver. And, it is critical to controlling taxes and government spending.

My colleagues opposing this amendment will tell you that repealing the national speed limit does not actually raise a single speed limit. In fact, at least five States already have laws that immediately increase their speed limits, if we repeal the national limit. These very same States already have some of the highest rates of speed-related deaths in the country.

For example, Oklahoma's speed limit will increase to 70 miles per hour on interstates and 65 on secondary roads. Oklahoma already has the highest percentage of speed-related deaths in the country, 48 percent of all highway deaths, with current maximums in place. Imagine what the percentage will be with a 70-mile-per-hour limit. In California, my own home State, where legislators are already talking about speed limits up to 70 miles per hour, 40 percent of all highway deaths are speed-related.

Also, we can look at the situation before Congress enacted the national maximum speed limit. Only one State, New York, had a 55 mile per hour speed limit. Most States had limits of 70 miles per hour or greater. Two States, Montana and Nevada, had no limit whatsoever. And, we had over 54,000 highway deaths.

When the national limit took effect, highway deaths dropped by over 9,000, the very first year, 16 percent compared to a 2 percent drop in vehicle miles traveled.

My colleagues will argue that cars are safer today and therefore, higher speeds are safer than they used to be. That may be true, but no car has yet been built that will fully protect the occupants. Higher speeds increase the likelihood of a crash. Stopping distances are longer, and impact speeds are greater. When speed limits increased on some rural interstates after the 1987 change, hundreds more fatalities occurred, causing nearly $1 billion in additional costs.

Moreover, as speed increases, the impact force increases exponentially, increasing the likelihood of serious injury. This relationship holds no matter what safety equipment is on the car. It is a fundamental law of physics that this Congress cannot repeal. The National Highway Traffic Safety Administration estimates that raising the speed limit just to 65 miles per hour on all roads will lead to more than 6,400 additional deaths and nearly $20 billion higher total costs, every year. That is with the safety equipment on today's cars. This bill will result in far more deaths and far greater costs, because it would allow speed limits of far more than 65 miles per hour.

My colleagues opposing this amendment will argue that this issue is not about death and injury. They say that States and local governments can understand the body counts, just as well as Federal elected officials. They present this as simply a states' rights issue.

But the truth is that the results of repealing all Federal speed limits are not confined within the boundaries of the States that raise their speed limits. These results are not confined to the individuals who drive higher speeds. We all pay. The current number of speed-related crashes already costs $24 billion every year. We pay through higher taxes to fund Medicare and Medicaid for those who need long-term care due to severe injuries. We pay through higher prices for goods and services, because employers pay for sick leave for their employees and lost productivity.

Our actions are not self-contained. We are members of communities, in which individual actions impose costs and burdens on others. This amendment will impose substantial new burdens on taxpayers—its that simple. When one State raises its speed limits, taxpayers in all States will pay the costs.

The original purpose of today's bill is to designate the National Highway System, roads of national significance. No one is questioning this concept, roads of national significance. No one here is arguing that the Federal Government should stop funding highway programs.

To then argue that there is no national interest in the safety of these very same roads makes no sense. Therefore, I must strongly urge my colleagues to support the Rahall amendment.

Mr. RAHALL. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, this is one of the most important amendments we are going to consider on this National Highway System legislation. In this amendment we are dealing with the lives, livelihoods, and family life of drivers on America's highways. Those who are involved in accidents such as the driver of the car that caused the accident or the driver or passenger in another vehicle that was struck by the errant driver suffer long-term consequences, loss of mobility, loss of income, high cost of hospitalization, and, of course the ultimate tragedy, loss of life.

Several years ago when we first considered in this Chamber during my service in the Congress legislation to extend the drive 55 highway speed limit, I happened to be out in the southern part of my district meeting with Minnesota Highway Patrol officers. One of them had just come back from a tragic accident, a high speed accident on the highway. I said: "the day after tomorrow we are going to consider the matter of limiting speed on America's highways and keepin the drive 55 limit in place."

This officer looked me square in the eye with the burden of that tragedy still in his mind and blood on his uniform, and he said,

> It is at speeds of 75 and 80 and 85 when we see the torn aortas, and you cannot put them back together again, when the victim is lying there bleeding uncontrollably in a tangled mass of steel and you cannot cut him out soon enough to save the life. And if you allow at the national level the States to raise the speed limits, they will, and we will, out on the highway, be seeing more deaths and more tragedies and more broken families and more broken lives.

Our former chairman, the late Jim Howard, in the debate in committee and on the House floor, said there are few occasions in your career in public service when you have an opportunity to save 5,000 lives a year. This is one of those opportunities. We can save a minimum of 5,000 lives by keeping the highway speed limit in place.

I know that the thrust and the drive in this 104th Congress is to give States more responsibility, turn these authorities over to them, and that Congress should not set national standards, limits, requirements. But we, too, are responsible at the national level for what happens on America's highways. We, too, pass legislation. We impose the fuel tax, we set the conditions under which our National Highway System is constructed and operated, and we have a responsibility to the same people in our respective States that our Governors and State legislators have.

My vote in this Chamber is not relevant just to Minnesota; it is relevant to the whole country, as is the vote of every other Member in this Chamber. I have a responsibility to safety on the highways in every State, not just in Minnesota. At the dawn of the interstate era, when the Congress was considering establishing the national system of interstate and defense highways, the death toll on America's highways was going up at such a rate that it was estimated, if we did not build such a system of safe highways, in 15 years we would be killing 108,000 people a year on the Nation's highways. That was in 1956. The death toll went up to as high as 57,000 on the Nation's highways, until the energy crisis caused us, for reasons of energy conservation, to lower the speed limit to 55. Then we found the hidden benefit, that lowering the speed limit, as everybody knew and suspected but did not have the public courage to act upon, would save lives. And it did. Dramatically, the speed limit caused a lowering of the death rate.

As chair of the Subcommittee on Oversight and Investigations, I held hearings on highway safety, on roadside hazards that are built into the highway system that cause deaths when a person loses control of a car. We have made a great deal of progress in removing roadside hazards, in building safer highways, hazards that may occur when a person falls asleep at the wheel, or is otherwise distracted, caught in a snowstorm or rainstorm, and leaves the traveled roadway, that may cause injury or death. Instead of being impaled on a light pole, we have breakaway light poles. Instead of crashing into a metal barrier that decapitates the driver of the car, we now have the New Jersey barrier that guides the vehicle back on to the roadway.

We have about reached the limit of what we can do in building safer highways, safer bridges, educating the driving public to drive more safely. There are just some things that must be imposed upon people, and a speed limit is one of them.

Now, I have heard the discussion earlier today that well, you know, at 55, people are passing you, they are going 65, and all the 65 speed limit did was to ratify what people were doing on the highways. If you set it at 65, the highway patrol officers will tell you, people will drive another 10 miles an hour faster on the roadways.

□ 1415

Just a couple of weeks ago, before we began this debate, I met with highway patrol officers in Minnesota. They told me the same thing as others did 15 years ago: "If you raise the speed limit, people will again drive 10 or more miles per hour above it." Keeping the speed limit in place is a brake upon people's drive, ambition to go ever faster and risk their lives and those of other innocent people on America's roadways.

In the name of States rights, in the name of human rights, in the name of family rights, keep the speed limit in place.

Mr. PETRI. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. BREWSTER].

Mr. BREWSTER. Mr. Chairman, I thank the gentleman for yielding time to me.

I rise today in opposition to the Rahall amendment. There are many statistics that we can look at. They tell us that approximately 30 percent of the fatalities are committed by those who are speeding. We will also be told that approximately 70 percent of the drivers on the road are speeding. If we use those numbers, it would mean the 30 percent who are not speeding are involved in 70 percent of the fatalities. We can use all kinds of numbers for all kinds of things.

The national speed limit was put in place in 1973 to conserve fuel. It had nothing to do with safety. Cars have been upgraded significantly since then, highways have been upgraded significantly since then. So I submit that the national speed limit is not something that is important today. What is important is States rights. What is important is that the States have the right to make the selection of the speeds appropriate to them.

There is not a lot of commonality between the roads in New York and Texas, or New Jersey and Oklahoma. There is quite a lot of difference in density, in topography, and the quality of the roads themselves. That is quite different.

However, we are not raising the speed limit today. There is nothing in this bill that raises the speed limit. What we are saying is we are giving the States the opportunity to determine for themselves what is in their best interests in their States. I happen to believe that those in the Oklahoma Legislature or the Texas Legislature or the Nevada Legislature, and their State department of transportation, have a better understanding of their roads than some bureaucrat in Washington.

Those of us who vote for the Rahall amendment today, who vote to keep a national speed limit, are saying that our State legislatures, our State departments of transportation, do not have the sense or the ability to determine what is in their best interests. I happen to believe they do have. I believe that they have every bit of interest in safety that we have, and I believe that they can do it.

I urge Members to oppose the Rahall amendment.

Mr. RAHALL. Mr. Chairman, I yield myself such time as I may consume.

In response to my dear friend and fine colleague, the gentleman from Oklahoma, this particular Member does not mean to cast any aspersions on our State legislatures whatsoever. I did not have the honor of serving in such a body, but I know that they have the best interests of their States at heart, that they serve with a maximum amount of ability and talent to make the right decisions.

However, what we are doing here today, if we remove a national speed limit, is allowing in some States, without any decision of their State legislators, for that speed limit in that State to automatically increase, or not even exist, not even have a speed limit. So, in effect, without any decision of the State legislature or reconvening of that State legislature, we have no speed limit then in those States. Montana and Nevada, for example, had no speed limit prior to enactment of the national 55 miles per hour speed limit.

Granted, the original purpose for the enactment of this speed limit was the oil embargo in the mid-1970's, the desire to conserve fuel. That turned out to be an empty threat. Today, we are importing more oil than we were at that time, yet we have no threat of an oil embargo. And even if we were, I submit, it would be another empty threat.

If that is what it takes to save American lives, then I say let all of these empty oil threats come from whatever country wants to issue them against the United States. If that causes the U.S. Congress to save American lives, I submit that we ought to maintain this 55 miles per hour speed limit.

Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. BORSKI].

Mr. BORSKI. Mr. Chairman, I thank the gentleman from West Virginia for yielding me this time.

Mr. Chairman, I support the amendment offered by the gentleman from West Virginia which will save lives and prevent thousands of needless deaths on our Nation's highways.

The issue before us is not whether speed limits save lives—there is no question that they do. We have 20 years of evidence to show that—from speed limit laws that were passed to save energy, not to save lives.

The issue is whether we are willing to take the actions that will save lives—thousands of lives.

According to the National Academy of Sciences, the national speed limit law saves 2,000 to 4,000 lives each year.

Is saving 5 or 10 minutes on a trip worth an extra 2,000 to 4,000 lives every year along with countless injuries?

How many lives and injuries is it worth to save those extra few minutes on the road?

Based on the National Academy of Sciences study, the national maximum speed limit law has saved 40,000 to 80,000 lives in the past two decades.

Eighty thousand people is a lot of people—it is almost like wiping out the entire population of our State capital of Harrisburg.

There are very few other areas where we can look at laws and say they have direct impact on whether people live or die—but the national speed limit is one of them.

If we decide to eliminate the speed limit laws, we will be choosing death for thousands of our citizens every year.

When speeds increase, people have less control of their cars and crashes are more damaging.

There is a much greater chance of an accident resulting in death or serious injury at 65 than at 55. There is an even greater chance of death or serious injury at 75.

There should be no question that speeds will increase if the speed limit is increased. There are people who will always drive at 10 miles per hour more than the speed limit, no matter what the limit is.

There are also people who won't increase their speeds—increasing the differences in the rates of speed on the road and leading to even more accidents.

Mr. Chairman, the speed limit was not intended to be a safety measure but, through a combination of circumstances we stumbled on a measure that has been extremely effective in saving lives.

It would be a tragic mistake to repeal that life-saving measure now and set in motion a process that could result in thousands more Americans dying every year.

I urge support of the amendment by the gentleman from West Virginia.

Mr. PETRI. Mr. Chairman, I yield 3 minutes to my distinguished colleague, the gentleman from Madison, WI [Mr. KLUG].

Mr. KLUG. Mr. Chairman, I thank my colleague, the gentleman from Wisconsin, for yielding time to me.

Mr. Chairman, last Saturday I took my 6-year-old to a soccer game at Madison, pulled off the road on which we live to get onto the Beltway that surrounds the city of Madison, and was struck by three facts. First of all, the speed limits on the highway I had just driven onto were set by the Federal Government. If I was speeding on that highway, it would be the State of Wisconsin who would pull me over, and if I had to go to court to fight a ticket I would end up in a State of Wisconsin court. But here it is, the Federal Government telling the State of Wisconsin what the speed limit has to be outside of Madison, WI.

If Brett and I had been on a motorcycle instead of a car, we would have soon discovered that in the next couple of months, the State of Wisconsin would have had to pass a law to throw out a motorcycle education program we have had in place and put it with a motorcycle helmet law about to come down from the Federal Government; except if we prevail today, we will stop that, too.

Wisconsin used to have a motorcycle helmet law in place. We took it away and repealed it with an education program, and we now have fewer serious accidents, fewer serious accidents, and we have fewer fatalities than States that have helmet laws in place. However, here is Washington, telling us the speed limit and discussing helmet laws.

As I drove onto that highway, there was a sign that said how far it was from Madison to Milwaukee. It is about 72 miles. But there was a mandate from the Federal Government last year that said every county had to replace those mile signs with metric measurements. This is 500 yards down the road, and the Federal Government is telling me everything I can do along the way.

I think the provisions in this bill which repeal the speed limit and which repeal the mandates from Washington on the helmet laws are absolutely right on target. In fact, from my mind, it does not go quite far enough. I have 40,000 students at the University of Wisconsin in Madison. We, the Federal Government, tell the State what the drinking age has to be. I think you do to a 19-year-old who drinks and drives, what you do to a 39-year-old who drinks and drives, you take their license away. If it is necessary, you prosecute them and put them in jail. So we have done the right thing, we have gone two-thirds of the way, and we should go one step a little bit farther, and also give States the discretion to make decisions about drinking ages as well.

I just walked over from a Committee on Commerce hearing where we are about to give the States the authority to run Medicaid programs. I think that is absolutely appropriate. It should be a State decision. The Senate moved yesterday to turn many of the decisions involved in welfare reform over to the States.

If we are smart enough to run Medicaid, which is the biggest item in a State budget, and if the State governments are smart enough to run welfare reform, I think somehow the State capitol in Madison and capitols across this country have the judgment to make their own decision about speed limits in their own States.

Mr. PETRI. Mr. Chairman, I yield 2 minutes to my distinguished colleague, the gentleman, from Texas, Mr. PETE GEREN.

Mr. PETE GEREN of Texas. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong opposition to this amendment. The question I have is what makes anyone think that someone in Washington, DC, knows better as to how fast you should drive between Fort Worth, TX, and Abilene, TX, than does the State senator or State representative from Abilene? The only two reasons that would justify such a conclusion is that the person in Washington, DC, knows more about that stretch of road than does that State representative, or perhaps that the person in Washington cares more about the lives of Texans than does that State representative from Texas.

Mr. Chairman, I contend that neither is true. I know Texans know Texas roads better than does any resident of Washington, DC. I know Texans care as much about the health and safety of their fellow Texans as does anyone in Washington, DC. After all, when they cast a vote in Austin, TX, they are voting for the safety of their own children and their friends' children. It is not some bureaucrat in Washington, DC, making a decision about strangers 2,000 miles away.

With all due respect to those who support this amendment, roads in the hills of West Virginia or New York or Pennsylvania do not look like roads in west Texas. Those from the Northeast do not know what flat is, I can assure you. If it is safe to drive 55 anywhere in West Virginia, I can assure the Members, it is equally safe to drive faster than that in west Texas.

Mr. Chairman, let the experts make this decision, the experts in Texas, the experts in West Virginia, the experts in California, the experts in Montana, the experts in Minnesota. This is a very diverse country. Let us look to the wisdom of the people who live on those roads, who drive those roads, to make those decisions. Washington does not know best. The people in Texas know better than does the Federal Government about our roads, and I can assure you they care just as much as any employee in the Federal Government who has been in power to make this decision.

Mr. Chairman, I urge the defeat of the Rahall amendment.

Mr. PETRI. Mr. Chairman, I yield 3 minutes and 30 seconds to my colleague, the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Chairman, I thank my friend for yielding me this time.

Mr. Chairman, I want to compliment the gentleman from Wisconsin [Mr. PETRI] for the great job he is doing on his subcommittee. I think it is about time that we had that kind of common sense restored to Government.

I also want to tip my hat to the gentleman from California [Mr. MINETA] who is leaving the Congress, for the great job he is doing, and the gentleman from West Virginia [Mr. RAHALL] and the gentleman from Minnesota [Mr. OBERSTAR] and the entire committee.

Mr. Chairman, I strongly support the bill before us today, not this particular amendment, but certainly the bill. Most important, of course, this bill designates our National Highway System. This includes roads in northeast Wisconsin, like Highway Nos. 29, 41, and 441. These roads are the lifeline that connect us to the world, that move our goods and bring our tourists and support our businesses. However, it also restores nearly $1 billion in transportation money to the States.

My own State of Wisconsin, for example, will have nearly $200 million restored to the Wisconsin transportation budget, another $80 million in additional highway funds for Wisconsin will be released by the passage of this bill, and it gives the States new flexibility in how they use their highway funds. For that, we thank the good common sense and the great intelligence of the gentleman from Wisconsin [Mr. PETRI]. We need this money, and we need this flexibility.

Finally, this bill will eliminate the heavy burdens the Federal Government has imposed on the States over the years. It is time the Government, including the bureaucrats who are determined to run our lives, listen to the American people. Let us face it, it is simply a waste of time and money to require the States to convert their highway signs to the metric system. The Government has been trying to force the metric system down the throats of the American people since the Carter administration. It is time to wake up. The American people do not want it. Whenever I go back home, whenever you go back home to your town hall meetings, this issue comes up. Now we have a chance to address the wishes of the American people. That is why I am so much in favor of this legislation.

Furthermore, while I certainly believe that we must do all we can to promote safety, it is wrong for the Federal Government to hold the States hostage. It is time to remove Federal mandates that punish States that do not pass the kind of laws Big Brother Washington thinks that we should have. That is why I urge Members to support this bill, and oppose the amendments that would limit the authority of the States to make commonsense decisions for themselves.

□ 1430

Mr. RAHALL. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. I thank the gentleman for yielding me the time.

Mr. Chairman, our earlier speaker, the gentleman from Wisconsin, said he was struck by three facts. Pulling off the road thinking about highways in Wisconsin, he was just lucky not to be struck by three cars going at a high speed. He would have wound up in a hospital.

My good friend from Texas said we do not want speed limits set by some bureaucrat in Washington. I appeal to the gentleman, I am not some bureaucrat in Washington. I am not some bureaucrat in Washington. I protest. And I do not propose to speak for the people of Texas or to say that I know better about their road segments than they do.

But Interstate 35 either starts in Duluth or ends in Laredo, TX, or vice versa, and goes right through the gentleman's district. People in my State and district have a right to be protected against excessive speed on Federal aid highways in other States. We have something to say about how people drive on those roads. Make no mistake about it; this issue is not about whether we are going to drive faster or slower or whether States should have responsibility. This issue is about giving the States the right to increase speed limits. Opponents of national speed limits do not want these speed limits removed so people can drive slower.

States want, and people in States around the country, some people, not all of them, for goodness sakes not all of them, want to drive faster. It is a fact of life that we drive faster. We kill people.

We have just this summer been celebrating the end of World War II; 440,000-plus Americans were killed in action. Every decade we kill more people on America's highways than we did in World War II. That ought to stick with us. There is a war on America's highways and we have an opportunity to put a limit on it and say we shall not drive faster than this. Why can we not do that? We must do it.

Mr. RAHALL. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, let me state my very strong support for this amendment, obviously, but also the support of some 52 organizations that have written this body opposing the repeal of the national maximum speed limit. Among this very diverse group are the Advocates for Highway and Auto Safety, Alliance of American Insurers, American College of Emergency Physicians, American Insurance Association, American Nurses Association, American Red Cross, Consumer Federation of America, the Heads Up Injury Prevention Program, numerous insurance companies, Mothers Against Drunk Driving, Public Citizen, State Farm Insurance Companies, among many others, have written us in strong support of maintaining the 55-mile-per-hour speed limit.

In addition, we have a letter written to the ranking minority member of our committee from the American Trucking Associations' Mr. Tom Donahue, its president and CEO, maintaining their support, the American Trucking Associations' support for supporting the 55-mile-per-hour speed limit. Not only is it fuel conservation and less wear and tear on their equipment, but the most important reason the ATA states in their letter for supporting the 55-mile-per-hour national speed limit is that they are convinced it saves lives. This is from the ATA.

In conclusion, Mr. Chairman, I do urge support of this amendment. I may have been born at night, but I was not born last night; and I recognize where the votes lie on this issue. I say to those Members that are concerned about State flexibility, as we have heard during this debate, that, if you find in your heart and in your conscience your inability to support this particular amendment, I do have a followup amendment which will set a 65-mile-per-hour speed limit cap and allow all the State flexibility in the world under that cap as a followup compromise measure. I would certainly expect those concerned about States rights to support that particular amendment.

With that, I do urge adoption of this particular amendment in the name of saving lives.

Mrs. VUCANOVICH. Mr. Chairman, I rise in strong opposition to the Rahall amendment and in support of the national speed limit repeal as contained in the National Highway System bill.

For too long, Mr. Chairman, the Federal Government has maintained its heavy hand over our States in setting the Nation's speed limit and I can tell you as a westerner, with vast amounts of territory to drive through, the 55-mile-per-hour speed limit has always been viewed as ludicrous and mostly ignored. There is no question that in the early 1970's, during the Arab oil embargo, we all had to pull together and work to conserve our energy resources. The national speed limit was invoked as a temporary measure for the duration of that crisis.

Unfortunately, in Washington's typical way, someone got the idea that it would be best to take the one-size fits all approach and make 55 the law of the land. I can tell you that since that time, Nevadans have been adamantly opposed to a national speed limit and I have worked to give the responsibility of setting speed limits back to the States, where it belongs.

In 1987, I was proud to be a part of the effort that brought a little more common sense into this process by working to enact legislation that allowed the speed limit to be raised on our rural interstate highways to 65 miles per hour. It was a step in the right direction, but we need to take that final step and just plain get the Government out of this business. As with so many other issues best handled at the State level, it is Nevadans who know best what roads should be traveled at 35, or those that might be traveled at 65. Let's finish the job today!

The right of the State to handle such matters is fundamental, and I strongly endorse the actions taken by the committee to eliminate the national speed limit. I urge my colleagues to vote against the Rahall amendment.

Ms. BROWN of Florida. Mr. Chairman, I rise in support of Congressman RAHALL's amendment to retain our current speed limits. According to the National Academy of Sciences, the national speed limit law saves 2,000 to 4,000 lives each year.

Repeal of the national maximum speed limit is part of a larger effort by the majority to roll back the power and reach of the Federal Government in matters where States rights and individual choice are at issue. However, I don't believe the American people want their lawmakers to decrease public safety in the name of regulatory reform or under the banner of States rights. That is too high a price to pay.

Repeal of the national speed limit law endangers the safety of all Americans. Some State officials have already indicated their intent to immediately move to repeal safety laws if the Federal programs are eliminated. In several States, speed limits automatically go above 65 mph if the national maximum speed limit is repealed. If the national speed limit is repealed and we return to pre-1974 conditions, the Federal Transportation Department estimates we will be faced with an additional 4,750 highway deaths each year, at a cost of $15 billion.

Who pays the price, if the speed limit is repealed?

Taxpayers ultimately bear the cost for emergency medical and police response, medical treatment, days or years of lost productivity, disability compensation for the motor vehicle crashes that will result from higher speed limits.

We know that speed is a factor in nearly one-third of all traffic fatalities and that motor vehicle crashes already cost society more than $137 billion every year. The health care portion is approximately $14 billion—of which Medicare and Medicaid pay $3.7 billion or almost 30 percent.

I strongly believe that a Federal role encouraging safety is very necessary. If you share my concerns and want to save lives as well as taxpayer dollars, vote for the Rahall amendment.

Mr. ROBERTS. Mr. Chairman, I rise today in opposition to the Rahall amendment that would kill the effort to repeal the national speed limit.

I oppose this amendment on two fronts. First, reasons for the original speed limit are no longer valid. In 1973, because of the OPEC oil embargo, the Federal Government mandated that States lower speed limits to conserve oil. This original directive was in the interest of national security. The oil crisis has eased, automobiles are safer, and get far better mileage. In short, there is little reason to keep the mandate in place.

Second, and more importantly, the 55 m.p.h. speed limit is disregarded by an average of 7 out of 10 drivers. It is a law that breeds contempt of the law and the men and women who must enforce the unenforceable. Highway patrolmen are a limited resource. If more officers are required to enforce speed limits, fewer can be assigned to other safety activities, such as removing drunk drivers or stopping drug trafficking. Numerous studies have shown that raising the speed limit to 65 m.p.h. does not increase the overall speed on interstates.

The truth remains this—repeal is not a move by the Federal Government to raise speed limits, it simply gives States, which are in the best position to set speeds, the power to do so. Furthermore, interstates and Federal roads were built with taxpayers' money. This Congress should have gotten the message last November. The Federal Government doesn't have any money—it takes it from our citizens in the form of taxes.

I urge colleagues to oppose the Rahall amendment and support speed limit repeal.

Mr. RAHALL. Mr. Chairman, I yield back the balance of my time.

Mr. PETRI. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia [Mr. RAHALL].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTES

Mr. RAHALL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 112, noes 313, not voting 9, as follows:

[Roll No. 676]

AYES—112

Abercrombie
Becerra
Beilenson
Boehlert
Bonior
Borski
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Clay
Clayton
Clinger
Clyburn
Collins (IL)
Conyers
Coyne
DeLauro
Dellums
Dicks
Dingell
Dixon
Durbin
Ehlers
Engel
Eshoo
Evans
Farr
Fields (LA)
Foglietta
Ford
Fowler
Gejdenson
Gephardt
Gibbons
Gilchrest
Gilman
Gutierrez
Hall (OH)
Hastings (FL)
Hilliard
Hinchey
Hoyer
Jackson-Lee
Jacobs
Johnston
Kennedy (RI)
Kennelly
Kildee
LaFalce
Lantos
LaTourette
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Maloney
Manton
Markey
Martinez
Matsui
McDermott
McHale
McKinney
McNulty
Meek
Menendez
Mfume
Miller (CA)
Mineta
Mink
Molinari
Montgomery
Moran
Morella
Murtha
Nadler
Oberstar
Olver
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Rahall
Rangel
Reed
Roybal-Allard
Rush
Sabo
Scott
Serrano
Shuster
Slaughter
Spratt
Stark
Stokes
Studds
Thompson
Torres
Traficant
Velazquez
Vento
Visclosky
Waters
Waxman
Wise
Wolf
Woolsey
Wynn
Yates

NOES—313

Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute

Boehner
Bonilla
Bono
Boucher
Brewster
Browder
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clement
Coble
Coburn
Coleman
Collins (GA)
Collins (MI)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLay
Deutsch
Diaz-Balart
Dickey
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fazio
Fields (TX)
Filner
Flake
Flanagan
Foley
Forbes
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gekas
Geren
Gillmor
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E.B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
LoBiondo
Longley
Lucas
Luther
Manzullo
Martini
Mascara
McCarthy
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Meehan
Metcalf
Meyers
Mica
Miller (FL)
Minge
Mollohan
Moorhead
Myers
Myrick
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Ortiz
Orton
Oxley
Packard
Paxon
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Royce
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torricelli
Towns
Upton
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wyden
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—9

Barrett (NE)
Fattah
Kennedy (MA)
Moakley
Parker
Reynolds
Roukema
Sisisky
Tucker

□ 1456

Mr. DEFAZIO and Miss COLLINS of Michigan changed their vote from "aye" to "no."

Mr. MCDERMOTT, Mr. PAYNE of New Jersey, and Mrs. KENNELLY changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. EWING. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to engage in a colloquy with the gentleman from Wisconsin [Mr. PETRI], chairman of the Subcommittee on Surface Transportation.

Mr. Chairman, as the gentleman from Wisconsin [Mr. PETRI] is aware, I have been concerned that Illinois' ability to cap, by law, the amount available to cover salaries of engineering and design consultants could be vitiated by sections 308 and 321 of this legislation.

Mr. Chairman, I would like to ask the gentleman, our Subcommittee on Surface Transportation chairman, if it is the gentleman's intent that under the State options clause designated in section 308(e)(3) and section 321(a)(e) of H.R. 2274, State legislatures will have the authority to set, by law, direct and indirect salary caps for employees, principals, or subcontractors of engineering and design firms.

Mr. PETRI. Mr. Chairman, if the gentleman from Illinois will yield, the gentleman is correct. Under those two sections of H.R. 2274, State legislatures may set such salary caps within the 2-year timeframe designated for exercising this option.

Mr. EWING. Mr. Chairman, reclaiming my time, it is my understanding that this 2-year timeframe for the States to exercise their authority under the States option clause in H.R. 2274 is different from the timeframe designated in the Senate bill. Will the gentleman from Wisconsin and the House conferees insist on the 2-year timeframe contained in the House bill?

Mr. PETRI. Mr. Chairman, if the gentleman will again yield, it is my intent to support the 2-year timeframe contained in H.R. 2274.

Mr. EWING. Mr. Chairman, reclaiming my time, I want to thank the gentleman from Wisconsin for this clarification, and I would be pleased to work with the gentleman on this matter in conference.

□ 1500

Mr. WELDON of Pennsylvania. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to enter into a colloquy with my good friend and distinguished leader, who has done a great job on this legislation, the gentleman from Pennsylvania [Mr. SHUSTER].

I would like to ask the chairman for a clarification of the intent of section 325 of this bill, relating to the Federal ban on new billboards on scenic byways. My concern is over the effect of this section on roadways previously designated by States as scenic byways and which pass through industrial or commercial areas.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Pennsylvania. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, this section the gentleman refers to reaffirms the ability of States to establish standards stricter than those in Federal law. A basic feature of the Highway Beautification Act is to permit States to allow billboards to remain in industrial and commercial areas, if States so choose. The decision rests with the State. Section 325 is intended simply to correct an erroneous FHWA interpretation of section 1047 of ISTEA and return that decision to the State.

Mr. WELDON of Pennsylvania. So if a State wants to designate a scenic byway and ban billboards even along those sections of the roadway passing through commercial or industrial areas, section 325 would not limit the State's ability to do that? Is that correct?

Mr. SHUSTER. That is absolutely correct. States would have the discretion as to whether or not to ban billboards in commercial and industrial areas.

Mr. WELDON of Pennsylvania. Where a State has previously designated a roadway as a scenic byway and has already exercised its discretion to ban billboards in commercial and industrial areas, as Pennsylvania has done in the case of the Blue Route, enactment of section 325 would not in any way disturb or invalidate the State's decision and no further action would be required by the State to maintain that ban?

Mr. SHUSTER. That is absolutely correct. Again, it is very important to emphasize that States have complete authority to enact stricter prohibitions on billboards than those in Federal law. The purpose of the technical amendment in section 325 is to ensure that the designation of a scenic byway does not, by itself, change billboard regulation in commercial and industrial areas. But a State may ban new billboards anywhere in the State if it chooses and section 325 in fact reaffirms the State's authority to do so.

Mr. WELDON of Pennsylvania. I thank the chairman for that clarification, for his interest, and I also want to acknowledge the work of our State senate majority leader, Joe Loper, the speaker of the State house, Nat Ryan, whose district this road goes through, as well as our colleagues from Montgomery County, the gentleman from Pennsylvania [Mr. FOX], and from Delaware County and Philadelphia, the gentleman from Pennsylvania [Mr. FOGLIETTA].

Mr. LARGENT. Mr. Chairman, I move to strike the last word.

I would like to enter into a colloquy with the gentleman from Pennsylvania about an issue that is extremely important to my State of Oklahoma—the funding levels which donor States receive under the Intermodal Surface Transportation Efficiency Act of 1991.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. LARGENT. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, I thank the gentleman. I can assure the gentleman that I am committed to carefully examining the concerns of donor States as we head toward reauthorization of ISTEA. I expect the Subcommittee on Surface Transportation to conduct comprehensive hearings in the next months, including formula distributions.

I would like to emphasize to the gentleman that this NHS bill contains critical changes to the Minimum Allocation Program which will preserve its funding levels in the baseline beyond fiscal year 1997. Unless these changes are adopted, then the funds which have been used to equalize funding between the States will be lost forever.

Mr. LARGENT. Mr. Chairman, I appreciate your consideration of the concerns of donor States such as Oklahoma. I look forward to working with you and Surface Transportation Subcommittee Chairman PETRI.

The CHAIRMAN. Are there further amendments to title III?

AMENDMENT OFFERED BY MR. RAHALL

Mr. RAHALL. Mr. Chairman, I offer an amendment, amendment No. 26.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 26 offered by Mr. RAHALL: Strike section 348 and insert in lieu thereof the following:

SEC. 348. NATIONAL MAXIMUM SPEED LIMIT.

Section 154(a) of title 23, United States Code, is amended—

(1) by striking "fifty-five miles" the first place it appears and all that follows through "or (4)" and inserting "65 miles per hour, or (2)"; and

(2) by striking "Clause (4)" and inserting "Clause (2)".

Conform the table of contents of the bill accordingly.

The CHAIRMAN. Under the previous unanimous-consent agreement, the gentleman from West Virginia [Mr. RAHALL] will be recognized for 10 minutes and the gentleman from Wisconsin [Mr. PETRI] will be recognized for 10 minutes.

The Chair recognizes the gentleman from West Virginia [Mr. RAHALL].

Mr. RAHALL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this follow-up amendment is the perfect compromise on this issue. I, of course, was in strong support of the original 55-miles-per-hour speed limit. This amendment seeks to address the concerns often stated on the last amendment and by many other Members about the issue, in their minds anyway, of States rights.

This amendment simply establishes a maximum speed limit of 65 miles per hour. Under current law, as we all know, the Federal speed limit is set at 55 miles per hour for urban sections of interstate highways, and at the option of the State, 65 miles per hour for rural segments of the interstates. For all other highways and roads, the Federal speed limit remains at 55.

Mr. Chairman, the amendment adopted by the Committee on Transportation and Infrastructure, on the other hand, would completely abolish the Federal speed limit.

Under this approach, a State could opt to set speed limits at any level, or for that matter, set no speed limit whatsoever.

In this regard, I would note that prior to the establishment of the Federal speed limit, two States did not have any speed limits whatsoever. This type of situation would once again arise and be allowable under the committee bill as it stands.

Now, we have heard a lot of discussion about State rights and the need for greater flexibility in setting speed limits. We also know, from statistical data, that speed kills. There should be no doubt about that. Speed kills.

In addition there are economic costs. The economic costs of speed-related deaths in this country are $24 billion each year. Mr. Chairman, that is $44,000 a minute, in the costs of speed-related crashes each year.

Even the opponents of the last amendment and supporters of repealing any type of speed limit have not suggested that there not be speed limits whatsoever, and as such, my amendment, I think, represents a perfect dovetailing of the opposition concerns that have thus far been expressed. It recognizes that there may be a need for additional flexibility in establishing maximum speed limits, and it recognizes there should be some type of limitation on this flexibility in the interests of safety.

In my amendment, the maximum speed limit that could be established by a State would be 65. Let me be clear: A State would not have to accept that speed limit; it would simply have the option to establish speed limits for any type of highway or road up to the maximum of 65.

I not only view this amendment as being a fair and reasonable compromise on the issue of speed limits, but one that, in fact, addresses the concerns of both the supporters of the repeal of the national speed limit and the opponents of that approach.

I urge adoption of my amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. PETRI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I must oppose this amendment offered by Mr. RAHALL. This House has voted to turn back to the States the responsibility for setting speed limits—including maximum speed limits. I do not believe we here in Washington should prejudge what is the appropriate speed in every area of the country. I have long heard the frustration of my colleagues from Texas, Oklahoma, Montana, and other areas where distances between destinations are very far and drivers on the roads are few.

While my own State of Wisconsin, perhaps, may not see a reason to increase speeds beyond 65, other States may make the determination that it is the proper action to take. In any event, what we are saying today is—it is up to the States.

So while I appreciate the sincere interest of my colleague on the Surface Transportation Subcommittee, I must urge the House to defeat this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. RAHALL. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. MINETA], the ranking minority member.

Mr. MINETA. Mr. Chairman, I rise in support of the Rahall amendment.

I have made very clear my position on the national maximum speed limit. It should remain as it is today: 65 miles per hour on rural interstates and interstate equivalents, and 55 miles per hour on other, more congested and narrower, roads.

However, the bill before us repeals all Federal speed limits, allowing States to set the limit at 65, or 75, or 85, or even no limit at all. Before Congress enacted the national speed limit, 39 States had limits of 70 miles per hour or higher, and two had no limit at all. This bill now tells States that it is okay with us if a State says, "Drive whatever speed you want, the sky's the limit!"

If this were a States rights issue, I would agree with my colleagues who oppose this amendment. But we cannot escape the fact that the impacts of raising the speed limits spill over into other States and into the pocketbooks of taxpayers across this country.

The amendment offered by the gentleman from West Virginia is certainly not my position on speed limits, but at least it would reflect the national interest and put some upper bound on what the speed limit could be.

That's certainly not enough, but it is a vast improvement over where we would otherwise be. The number of deaths, the number of serious injuries, and the burden on taxpayers will not go up as much as they would under the sky's-the-limit provision now in the bill.

On that basis, I urge support for the amendment.

Mr. RAHALL. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. Mr. Chairman, I thank the gentleman for yielding me this time.

Again, opposition to a national speed limit is being couched in terms of let the States decide. The unspelled-out argument is let the States go as high as they want.

This is not a move to contain speed on America's highways. It is a move to allow the speed to rise, in some cases, to no limit. That is outrageous. This is a national highway system. The people that I represent in northern Minnesota have a right to be protected on highways they drive in other States, and when they drive on the highways of some other State, that they have a right to know that there is a reasonable limit on speed, that their life is not going to be endangered as they drive on America's highways in other parts of this country than the part that they come from.

We have a responsibility, as national legislators, to act. We have it within our reach today to put a limit on speed. That limit should be 55.

The House has spoken. It says, "No, let people drive as fast as they want." Make no mistake, that is not a States' rights vote, the last vote cast. That was a move to raise speed limits all over America.

People want to drive furiously at the risk of their own and other people's lives. They should not be allowed to do so. Those who drive with reckless abandon should know that there are limits and that they will be penalized and that this is a national will and we ought to find the national will in this Chamber to do so and stand up and speak.

We all know speed kills. We all know what the dangers are. We all know what the costs are. We ought not to shrink from our responsibility and say leave it up to the States, because, you know the pressures there are going to be on a smaller legislative body, that can be cross-cut and cut many different ways and which will give in to the loudest voice.

I regret the last vote. I regret even more a "no" vote on this amendment that puts a reasonable upper limit, gives States flexibility to set their own speed limit at any point, less than 65, and we ought to vote in favor of the very reasonable amendment that the gentleman from West Virginia has set forth.

Enough is enough. Stop the carnage on America's highways. We can, with one vote, do so.

Mr. PETRI. Mr. Chairman, I yield 2 minutes to our colleague, the gentleman from California [Mr. CUNNINGHAM].

□ 1515

Mr. CUNNINGHAM. Mr. Chairman, I will not take 2 minutes. I understand with good intention what the gentleman from West Virginia [Mr. RAHALL] wants to do. I know in my State of California, if you are driving 55 miles an hour, you are in danger. You cannot pull out, you cannot do anything, because you have streaks of lightning going by you.

But I think what the amendment attempts, there are a couple of issues. It is not just a States rights issue, but an issue of do we trust someone outside Washington, DC, to make the determination on what is right and proper for that particular district, or that particular State. I think we can trust local government and local people to take responsibility, and I think this bill says no, we do not trust them to do that. There is a big difference between San Diego, CA, and Maine, and a lot of country in-between, and each one has different rules, different rights, and I think that if we allow the States to make that determination, they will do it in a responsible way.

So even though there is good intention to the gentleman's amendment, I stand opposed to it, and I ask my colleagues to oppose it.

Mr. RAHALL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in conclusion, let me again urge support of this compromise. The previous speaker spoke of if you are driving 55 miles per hour on California highways, people pass by you in a streak of lightning. Again, this is a limit of 65 miles per hour and it does allow States the flexibility within and underneath that cap to set speed limits in different parts of their States as they see fit.

Mr. Chairman, I would submit as well, because this is a safety issue, that what we are discussing here is the Federal Government's responsibility to impose proper safety standards upon all of the people in this country, and we have a responsibility not only in this area when it comes to auto driving, but also in other areas, whether it is mine safety, consumer-related health, FDA, whatever, we could go down the list, but where the Federal Government does have a proper role and responsibility. It cannot be left to the States.

Again, I am not casting aspersions upon our State legislatures, which I am sure will rise above local interest and make the common good decision. Nevertheless, we have that responsibility on the Federal level and we cannot allow States to get in a contest of trying to outdo the other State. Again, we get into each State trying to go maybe 5 miles per hour above its neighboring State. Where does it stop? The sky is the limit under the committee-reported bill. This sets a reasonable limit. I think we ought to adopt this 65 mile an hour cap in the name of saving lives, and it is responsible public policy in this country.

Mr. Chairman, I yield back the balance of my time.

Mr. PETRI. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia [Mr. RAHALL].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. RAHALL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 133, noes 291, not voting 10, as follows:

[Roll No. 677]

AYES—133

Abercrombie
Baldacci
Barrett (WI)
Becerra
Beilenson
Boehlert
Bonior
Borski
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Castle
Clay
Clayton
Clinger
Clyburn
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Davis
DeLauro
Dellums
Dingell
Dixon
Dooley
Doyle
Durbin
Ehlers
Engel
Eshoo
Evans
Farr
Fazio
Foglietta
Ford
Fowler
Furse
Gejdenson
Gephardt
Gibbons
Gilchrest
Gilman
Goodling
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hilliard
Hinchey
Horn
Hoyer
Jackson-Lee
Jacobs
Johnson, E.B.
Johnston
Jones
Kanjorski
Kaptur
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
LaTourette
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Maloney
Manton
Markey
Martinez
Martini
Matsui
McCarthy
McDermott
McKinney
McNulty
Meek
Menendez
Meyers
Mfume
Miller (CA)
Mineta
Mink
Molinari
Mollohan
Montgomery
Moran
Morella
Murtha
Nadler
Oberstar
Olver
Pallone
Parker
Payne (NJ)
Pelosi
Poshard
Rahall
Rangel
Reed
Roybal-Allard
Rush
Sabo
Sawyer
Scott
Serrano
Shuster
Slaughter
Spratt
Stark
Stokes
Studds
Thompson
Torres
Traficant
Velazquez
Vento
Visclosky
Waxman
Wise
Wolf
Woolsey
Yates

NOES—291

Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehner

Bonilla
Bono
Boucher
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clement
Coble
Coburn
Coleman
Collins (GA)
Combest
Condit
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
de la Garza
Deal
DeFazio
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Doggett
Doolittle
Dornan
Dreier
Duncan
Dunn
Edwards
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foley
Forbes
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Ganske
Gekas
Geren
Gillmor
Gonzalez
Goodlatte
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, Sam
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
LoBiondo
Longley
Lucas
Luther
Manzullo
Mascara
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
Meehan
Metcalf
Mica
Miller (FL)
Minge
Moorhead
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Ortiz
Orton
Owens
Oxley
Packard
Pastor
Paxon
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Royce
Salmon
Sanders
Sanford
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torricelli
Towns
Upton
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wyden
Wynn
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—10

Fattah
Istook
Kennedy (MA)
Moakley
Neal
Reynolds
Roukema
Sisisky
Stockman
Tucker

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Mr. HOBSON changed his vote from "aye" to "no."

Mrs. CLAYTON and Mr. MARTINEZ changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. ISTOOK. Mr. Chairman, I was necessarily away from the Chamber during the last recorded vote. I believe the number was 677.

Had I been present, I ask the Journal to reflect I would have voted "nay".

Ms. VELÁZQUEZ. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I move to strike the last word for the purpose of entering into a colloquy with the chairman of the Transportation Committee on the Gowanus Expressway rehabilitation project.

Mr. Chairman, as you know, because of the long period of 7 to 10 years that it is estimated it will take to complete, and the devastating effect that this project will have on the surrounding communities—including an estimated loss of $200 million to the local economy, as well as increased pollution and safety problems—the issue of the Gowanus Expressway rehabilitation project is of great concern to me and many of my constituents.

The plan that the State has put forth on this matter falls far short of adequately addressing some very important issues. This has led to a bipartisan effort that has brought together community leaders, at all levels, in the hope of finding a sensible solution to this problem.

The rehabilitation of this highway will cost approximately $1 billion. That works out to nearly $300 million per mile, making this the costliest transportation project in New York State. Mr. Chairman, this single project will have an adverse effect on the quality of life of 300,000 New Yorkers—more than any other transportation project.

Other area highway projects, which affect far fewer New Yorkers, and cost far less money, have been subject to greater study. In this case, however, the State has done little in the way of examining measures that can reduce the harmful effects on the community or the options available to better address the transportation woes.

In the event that we are unable to resolve the problems which I have briefly outlined, it is my hope that as the House goes to conference on this bill, the chairman will be willing to leave the record open on this issue, so that it may be addressed in the final bill—either through a major investment study or through some other solution.

Mr. SHUSTER. Mr. Chairman, will the gentlewoman yield?

Ms. VELÁZQUEZ. I yield to the gentleman from Pennsylvania, the chairman of the Committee on Transportation and Infrastructure.

Mr. SHUSTER. Mr. Chairman, I understand that the gentlewoman has been working with our colleague, the gentlewoman from New York [Ms. MOLINARI], on this issue. I would encourage the State and local communities to work to address the issues raised here today. As we move forward with this bill I certainly agree to work with both of you on finding an agreeable solution to this problem.

Ms. VELÁZQUEZ. Mr. Chairman, I thank the gentleman from Pennsylvania [Mr. SHUSTER] for his commitment to this important issue, and, before I yield to my colleague, the gentlewoman from New York [Ms. MOLINARI], a fellow New Yorker who has been instrumental on this matter, I would like to also thank the gentleman from New York [Mr. TOWNS] for his support and attention to this matter and the leadership that the gentleman from California [Mr. MINETA] has provided in addressing this problem. I say to the gentleman, "Mr. MINETA, we are all going to miss you."

Ms. MOLINARI. Mr. Chairman, will the gentlewoman yield?

Ms. VELÁZQUEZ. I yield to the gentlewoman from New York.

Ms. MOLINARI. Mr. Chairman, I want to commend the gentlewoman from New York [Ms. VELÁZQUEZ] for bringing this issue to the attention of the House of Representatives. The Gowanus Expressway is a critical component of New York City's highway system. My constituents are very concerned about the time it will take to reconstruct this expressway as well as the major traffic implications which we New Yorkers will encounter for 10 years. It is my hope that we can work with the State to ensure that this project is done as quickly as possible with as little inconvenience as possible for thousands of New York drivers.

Let me also join in thanking the gentleman from Pennsylvania [Mr. SHUSTER] and the gentleman from California [Mr. MINETA] for their willingness to work with the gentlewoman from New York [Ms. VELÁZQUEZ] and my office to address this issue, and again I commend the gentlewoman for bringing this issue to the forefront of the House of Representatives, and hopefully together, with cooperation from the States, we can utilize some of the resources of the Federal Government to spur this construction which we admit is badly needed but cannot go on for 10 to 15 years.

Ms. VELÁZQUEZ. Mr. Chairman, I thank the gentlewoman from New York [Ms. MOLINARI] for her remarks, and I look forward to our continued working together on this issue, and I also want to thank the gentleman from Pennsylvania [Mr. SHUSTER] for his support.

The CHAIRMAN. Are there further amendments to title III?

AMENDMENT OFFERED BY MR. NADLER

Mr. NADLER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. NADLER: Page 90, line 17, strike "for only those" and all that follows through the period on line 18 and insert the following: "in accordance with State law."

Mr. NADLER. Mr. Chairman, I am seeking to change a section in this bill that amounts to an unfunded Federal mandate which singles out New York City from the rest of the country. Section 343 of the NHS bill requires New York's Tri-Borough Bridge and Tunnel Authority to collect tolls only in the westbound direction on the Verrazano-Narrows Bridge. This is the only provision of its kind in the United States. My amendment will restore local control over a fundamentally local issue; how New York should collect tolls on the Verrazano-Narrows Bridge. Should it be one-way westbound, one-way eastbound, or both ways? I do not think, with all due respect, that Congress and the President really have the expertise to know which is best for local traffic patterns. Let that be up to the government of New York City.

Currently, having a one way toll on the Verrazano-Narrows bridge creates a path into the central business district of Manhattan from Staten Island through Brooklyn across lower Manhattan out through the Holland Tunnel to New Jersey. This route is used by commuters and commercial vehicles to avoid paying any tolls whatsoever because the Holland Tunnel has a one-way toll in the other direction.

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This loophole has cost our transportation agencies between $7 and $8.2 million annually.

Let me turn my attention for a moment from this legislative issue to one of funding. Does anyone here feel so strongly that they would be willing to make up these lost local dollars out of their State's portion of ISTEA funds?

We are not talking money being paid by constituents all over the country. We are talking about money being paid by New Yorkers to our local transportation agencies for local transportation purposes. By what right does Congress tell New York how to raise money locally for local purposes or how to direct traffic on local streets?

In addition to costing us local transportation funds, at a time when urbanized areas are being hard hit by transportation cuts, this unfunded mandate diverts vehicles into Brooklyn and lower Manhattan, thus greatly increasing air pollution which creates large pockets of carbon monoxide.

We cannot afford this kind of increased air pollution in New York City. We are already a nonattainment area under the Clean Air Act and will be hit with penalties by this Congress if we do not comply. But the same Congress will not let us take action to reduce congestion and clean up our problem.

Besides being a cause of increased pollution and being an inconvenience for local residents, this congestion is choking off maritime commerce from the Red Hook and South Brooklyn Marine Terminals in Brooklyn, as well as from numerous small commercial and light manufacturing businesses on the Brooklyn waterfront and in Sunset Park. We are losing jobs, and it will get worse.

A small minority in our city want to use the Federal Government to circumvent local government and the popular will of the majority in our city. Left alone, New Yorkers will do what is in our own best interest. I am convinced we will get rid of the one-way tolls.

Maybe I am wrong and the gentlewoman from Staten Island is correct and the local decision will be to leave the tolls the way they are. The gentlewoman from Staten Island will get up in a few minutes and argue that I am wrong and that the one-way tolls are correct for various local reasons.

The point is that decision, whether I am right or she is right on local traffic patterns and impacts in New York City, should not be for this body. We claim to be for States' rights. I know we are not consistent. Sometimes we are, and sometimes we are not. But this is ridiculous. Congress is going to tell New York City which direction a toll should be for all time in law on a local bridge. The decision belongs locally.

This unfunded mandate has caused the congestion in our streets, killed local businesses, and destroyed the quality of life in some of our communities; and unless we adopt this amendment and allow New Yorkers to decide what is best for our city, Congress will be allowing and mandating the continuing deterioration of these areas.

I urge my colleagues to support this amendment, not put one-way tolls on the Verrazano Bridge into Federal law. Let New Yorkers make the decision whether the Verrazano Bridge should have one-way tolls eastbound, westbound, no tolls, or tolls in both directions. That is a local decision. It should be kept local, and I urge the adoption of this amendment.

Mr. PETRI. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York.

The language in the bill before us provides a permanent authorization for the current tolling configuration for the Narrows Bridge in New York City. This is simply making permanent language approved by Congress every year since 1986 to provide for the one-way toll on the bridge to Staten Island.

Should we go back to collecting tolls in both directions, Staten Islanders will be subjected to increased levels of carbon monoxide and other hazardous air pollutants from idling cars in residential areas as well as increased congestion.

While I am certainly aware of the concerns of our colleague, Congressman NADLER, I also understand that this amendment will not solve his problem; and, therefore, I urge the House to defeat this amendment.

Ms. MOLINARI. Mr. Chairman, I move to strike the last word and rise in strong opposition to this amendment regarding the Verrazano-Narrows Bridge one-way toll. Let me remind all Members that we have already defeated this exact same amendment during the transportation appropriations bill earlier this year, and with good reason.

Since 1986, tolls have been collected on this bridge connecting a Federal interstate in the westbound direction only. That is 9 years in a row in which such an attempt to reverse the toll collection has been defeated by Congress.

Two, the current one-way toll situation has improved traffic flow, reduced pollution, and helped thousands of New York and New Jersey commuters get to work on time. That is one reason why Senator D'AMATO and Senator LAUTENBERG from New Jersey had championed this issue in the U.S. Senate.

Contrary to the arguments just made, the one-way toll is not responsible for Brooklyn nor Manhattan's growing traffic problems. Rather, it is perfectly obvious to anyone familiar with traffic in the area that the reconstruction of the Brooklyn-Queens and the Gowanus are responsible for the current traffic patterns.

Lastly, we talk about a loophole and a funding loss. I would like my colleagues from the other boroughs to explain to me how they would react if their constituents were told that there was no other alternative for them to commute to another borough in the same city without being charged a $7 toll. Neither of them would stand for that, and the only thing they would ask is for some relief.

Let me remind my colleagues that the $7 toll goes largely toward relieving the toll pressures felt on your subways, which I do not have on Staten Island. In the spirit of fairness, all we ask is that, while we pay exorbitant rates to get to your boroughs to subsidize your mass transit, that we be given a little bit more time to get to work in the morning. I think that is a pretty darned good deal. I think it is a rather extravagant deal.

I commend the committee for including the current one-way toll system and recognizing how critically important this is to the tens of thousands of New York and New Jersey commuters who use the Verrazano-Narrows Bridge.

Again I say to my colleagues, as I have said before, if the traffic bothers them so much, then let us all join together and do what is really fair and do away with the toll on the Verrazano-Narrows bridge all together. Then we could all go home and say we did the right thing for New Yorkers.

Mrs. MALONEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of my colleague's amendment.

The gentleman from New York and I represent several neighborhoods in lower Manhattan and Brooklyn that bear the brunt of the current wrongheaded toll policy on the Verrazano Bridge.

First of all, our colleagues from around the country should rightly ask why is Congress becoming involved in what is a local traffic dispute. That is a very good question, especially when we consider that year after year the mandate of the one-way toll from Brooklyn to Staten Island was put into place over the objections of our city and State governments and all but one of our city congressional representatives.

Here is why the one-way toll continues to be a terrible idea. First, it wastes money. Toll evaders are ducking out of $7 million in lost revenue. This funding could improve New York's roads so that fewer tax dollars are needed for these roads in New York.

Second, it is an environmental disaster. The diverted traffic into my district has caused air pollution hot spots at which dangerous carbon monoxide exceed national standards. All this because residents of one particular section of our city and others from another State can save a few dollars a week by evading a toll.

The one-way toll over the Verrazano has caused a great deal of damage that can never be undone, but let us end this folly and pass the Nadler amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. NADLER].

The amendment was rejected.

The CHAIRMAN. Are there any further amendments to title III?

AMENDMENT OFFERED BY MR. NADLER

Mr. NADLER. Mr. Chairman, I offer amendment No. 24.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 24 offered by Mr. NADLER: Page 97, after line 12, add the following:

SEC. 354. EXTENSION OF DEADLINE FOR REPAYMENT OF FUNDS.

The Secretary shall extend by 2 years the deadline by which the State of New York is required under section 103(e)(7) of title 23, United States Code, to make a repayment to the Highway Trust Fund in connection with Federal funds expended to acquire property for a portion of Interstate Route 478 which was withdrawn from the Interstate System in accordance with the provisions of section 103(e)(4) of such title.

Conform the table of contents accordingly.

Mr. NADLER. Mr. Chairman, this amendment simply extends a statutory deadline for New York either to repay funds spent to acquire rights-of-way for the Westway project or to apply for a so-called payback waiver which would allow those funds to be spent current eligible projects.

The amendment is revenue-neutral. It provides no new funds for New York City, does not draw on the highway trust fund, nor would a failure to extend this deadline make available any additional funds to the highway trust fund. However, failure to extend this deadline could result in these funds being misdirected away from the communities whose transportation needs they were expended to serve.

This extension is temporary. It gives the State department of transportation 2 years to file a new application for a payback waiver in compliance with U.S. DOT guidance.

This is money New York received as part of its share of transportation funding. We should be able to use this funding for its intended purpose—to serve the transportation needs of our community. However, unless this deadline is extended, a legal technicality, combined with bureaucratic wrangling, could place these important transportation initiatives in jeopardy.

We fought long and hard to ensure that this money would be spent in the most productive and efficient manner possible. I ask my colleagues' assistance in straightening out this bureaucratic mess so that our local transportation authorities can move forward with serving the transportation needs of our city.

Mr. Chairman, there is currently pending, or there was, I should say, a lawsuit. The settlement of that lawsuit bound the Governor of the State of New York and the mayor of the city of New York and the two comptrollers that the Governor would make a good faith application for a payback waiver. The previous administration in New York made such an application in 1990. It was clearly not in compliance with Federal guidelines. It was, therefore, rejected by the Federal Government and it is not regarded as a good faith application.

The question is whether the State administration has met its legal mandate under the court order to make a good faith application. There is a lawsuit pending now, brought by the comptroller of the city against the State department of transportation. If the lawsuit is unsuccessful, this amendment will not be utilized. It will be irrelevant. If the lawsuit is successful, this amendment would give the administration of New York the opportunity beyond the expiration date on September 30, a 2-year opportunity, to meet its legal obligation and make the application for the payback waiver.

As I say, Mr. Chairman, this has no fiscal implications for the highway trust fund or the Federal Government but simply extends the waiver so New York can settle the lawsuit, get its act together, and make the application for the waiver.

Ms. MOLINARI. Mr. Chairman, I rise in opposition to this amendment which the State of New York and the city of New York are also opposed to.

Earlier this year the New York State Department of Transportation chose to no longer waive the payback of funds for the Westway project. As recently as today, my office again confirmed the State's position on this issue, and that has not changed, equally with the city of New York.

As I mentioned, during the committee markup of the National Highway Service bill, I hope to further address this issue with the State and the city of New York to determine whether a real solution can be worked out. In the meantime, however, on their behalf, I must rise in opposition to the amendment.

Mr. RAHALL. Mr. Chairman, I move to strike the last word and rise in support of the gentleman from New York's amendment and I yield to the gentleman from New York [Mr. NADLER].

Mr. NADLER. Mr. Chairman, let me say I join the gentlewoman in hoping that this will be worked out, but simply would observe that at this time there is a lawsuit pending. It was brought about a week ago by the comptroller of the city of New York against the Governor of the State of New York on issues having to do with whether, in fact, the State has met its legal obligation under a previous court settlement under which it is bound to make an application of the payback waiver.

If that lawsuit should be successful, they are going to be bound to make the application, but the deadline is September 30. If this is not worked out, if the lawsuit is unsuccessful, if the Governor is not compelled by the lawsuit to make an application or they decide that they are not going to, then this amendment is not necessary. But if the Governor should decide he wants to make the waiver, as these things are discussed in New York, or if the courts tell him he must, then this amendment will be necessary,

All the amendment does, Mr. Chairman, is give extra time to the Governor. It does not bind the Governor. It is up to him and the lawsuit in New York. This gives not just the Governor, this gives the State 2 years to make the application if they want to. Currently, the Governor does not want to because he does not agree with the conditions the Federal Government would impose on that waiver. But he will either decide to do so or he will not, or he will be ordered by the courts to do so, or he will not. All this amendment says is give New York some extra time.

So this does not prejudice anybody and it does not cost anybody any money. I suspect that the Governor is going to need this amendment, even if he does not think so now, if he should be ordered by the courts to make the application. Because if he is ordered to make the application, and there is no extra time, the court may very well tell him that he is bound by the conditions of the Federal Government but he does not get the money, or he does not get the positive aspects of it.

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So I think that adoption of this amendment will simply give the State an additional time for the option, and it does not force them to do it. I would urge this be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. NADLER].

The amendment was rejected.

AMENDMENT OFFERED BY MR. SHUSTER

Mr. SHUSTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHUSTER: Page 97, add the following new section:

SEC. 356. TECHNICAL AMENDMENT.

Notwithstanding title 23 U.S.C. 101(a), the projects described in section 149(a)(62) of P.L. 100–17 and section 1 of P.L. 100–211 shall be eligible under title 23 U.S.C. 204.

Mr. SHUSTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SHUSTER. Mr. Chairman, this is an amendment we have worked out with the other side, noncontroversial. The amendment merely clarifies the eligibility of two park roads. I understand the leadership on the other side is prepared to accept it.

Mr. RAHALL. Mr. Chairman, will the gentleman yield?

Mr. SHUSTER. I yield to the gentleman from West Virginia.

Mr. RAHALL. Mr. Chairman, we have no problems with the amendment. We have reviewed it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SHUSTER].

The amendment was agreed to.

Mr. POSHARD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise today in support of H.R. 2274, the National Highway System Designation Act of 1995. This is a sound piece of legislation, and I applaud my colleagues on the Transportation and Infrastructure Committee for helping bring this bipartisan bill to the floor.

By passing this legislation quickly we will ensure that critical highway funds will be sent to the States. Within H.R. 2274 are provisions guaranteeing the States will receive $6.3 billion in fiscal year 1996 highway funding. This equates to approximately $255 million for the State of Illinois, and allows much-needed highway projects to continue without disruption of Federal funding.

The National Highway System bill before us today lifts many burdensome mandates and Federal regulations that hinder progress of our Nation's highways. Contained within this bill are commonsense reforms to the hour-of-service regulations impacting farmers, and I fully support eliminating the penalty for noncompliance for motorcycle helmet use laws. The Illinois General Assembly has attempted three times to pass legislation complying with this Federal mandate. The people of Illinois do not support forced helmet use compliance, and I urge my colleagues to support this much-needed reform.

I support taking the transportation trust funds off budget. I believe it is important to enact the trust fund legislation, and feel a separate vote on that issue will accomplish the goal of guaranteeing these funds are used for their intended purposes. I appreciate the efforts of Chairman SHUSTER to reach a workable compromise on this, and other contentious issues.

Rural America is dependent on a sound and efficient network of roads. The National Highway System map we are designating today will play a vital role in America's infrastructure needs and will have a significant impact on the economy of my district. This map includes numerous routes through south-central Illinois which will help bolster the area's economy, and its ability to flourish. I want to particularly thank Joe McGuire of Wabash County and the other members of the Route One Committee for their tireless efforts in promoting the Route One Corridor as an integral part of the new National Highway System.

The National Highway System Designation Act of 1995 will shape the future of America's transportation system. Passage of this bill will ensure the States will receive their Federal highway funding, and I urge my colleagues to vote "yes" on this critical legislation.

AMENDMENT OFFERED BY MR. OBERSTAR

Mr. OBERSTAR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OBERSTAR: Page 97, add the following new section:

SEC. 356. SAFETY REPORT.

Not later than September 30, 1997, the Secretary of Transportation, in cooperation with any state which raises any speed limit in such state to a level above the level permitted under section 154 of Title 23, United States Code, as such section was in effect on September 15, 1995, shall prepare and submit to the Congress a study of—

(1) the costs to such state of deaths and injuries resulting from motor vehicle crashes, and

(2) the benefits associated with the repeal of national maximum speed limit.

Mr. OBERSTAR (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. PETRI. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Wisconsin.

Mr. PETRI. Mr. Chairman, we have enjoyed working with the gentleman on this amendment, have studied it, and are willing to accept it.

Mr. OBERSTAR. Mr. Chairman, reclaiming my time, I thank the chairman of the subcommittee and the chairman of the full committee for their cooperation, and the gentleman from West Virginia [Mr. RAHALL] for his participation. This is simply a safety report.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. OBERSTAR].

The amendment was agreed to.

AMENDMENT OFFERED BY MRS. LOWEY

Mrs. LOWEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mrs. LOWEY: At the end of title III of the bill, insert the following:

SEC. 354. OPERATION OF MOTOR VEHICLES BY INTOXICATED MINORS

"(a) IN GENERAL.—Chapter 1 of title 23, United States Code, is amended by adding at the end the following:

"§ 161. National standard to prohibit the operation of motor vehicles by intoxicated minors

"(a) WITHHOLDING OF APPORTIONMENTS FOR NON-COMPLIANCE.—

"(1) FISCAL YEAR 1999.—The Secretary shall withhold 5 percent of the amount required to be appropriated to any State under each of paragraphs (1), (3), and (5) of section 104(b) of October 1, 1998, if the State does not meet the requirement of paragraph (3) on such date.

"(2) THEREAFTER.—The Secretary shall withhold 10 percent (including any amounts withheld under paragraph (1)) of the amount required to be apportioned to any State under each of paragraphs (1), (3), and (5) of section 104(b) on October 1, 1999, and on October 1 of each fiscal year thereafter, if the State does not meet the requirement of paragraph (3) on such date.

"(3) REQUIREMENT.—A State meets the requirements of this paragraph if the State has enacted and is enforcing a law that makes unlawful throughout the State the operation of a motor vehicle by an individual under the age of 21 who has a blood alcohol concentration of 0.02 percent or greater.

"(b) PERIOD OF AVAILABILITY; EFFECT OF COMPLIANCE AND NONCOMPLIANCE.—

"(1) PERIOD OF AVAILABILITY OF WITHHELD FUNDS.—

"(A) FUNDS WITHHELD ON OR BEFORE SEPTEMBER 30, 2000.—Any funds withheld under subsection (a) from apportionment to any State on or before September 30, 2000, shall remain available until the end of the third fiscal year following the fiscal year for which such funds are authorized to be appropriated.

"(B) FUNDS WITHHELD AFTER SEPTEMBER 30, 2000.—No funds withheld under this section from apportionment to any State after September 30, 2000, shall be available for apportionment to such State.

"(2) APPORTIONMENT OF WITHHELD FUNDS AFTER COMPLIANCE.—If, before the last day of the period of which funds withheld under subsection (a) from apportionment are to remain available for apportionment to State under paragraph (1), the State meets the requirement of subsection (a)(3), the Secretary shall, on the first day on which the State meets such requirement, apportion to the State the funds withheld under subsection (a) that remain available for apportionment to the State.

"(3) PERIOD OF AVAILABILITY OF SUBSEQUENTLY APPORTIONED FUNDS.—Any funds apportioned pursuant to paragraph (2) shall remain available for expenditure until the end of the third fiscal year following the fiscal year in which such funds are so apportioned. Sums not obligated at the end of such period shall lapse or, in the case of funds apportioned under section 104(b)(5), shall lapse and be made available by the Secretary for projects in accordance with section 118.

"(4) EFFECT OF NONCOMPLIANCE.—If, at the end of the period for which funds withheld under subsection (a) from apportionment are available for apportionment to a State under paragraph (1), the State does not meet the requirement of subsection (a)(3), such funds shall lapse or, in the case of funds withheld from apportionment under section 104(b)(5), such funds shall lapse and be made available by the Secretary for projects in accordance with section 118.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end of the following:

"161. National standard to prohibit the operation of motor vehicles by intoxicated minors.".

Conform the table of contents of the bill accordingly.

Mrs. LOWEY. Mr. Chairman, I will include for the RECORD a letter from the Mothers Against Drunk Driving in support of my amendment.

Mr. Chairman, I rise today to urge my colleagues to close a loophole in the law that tragically claims thousands of lives each year on our Nation's roadways: Drinking and driving by minors.

While everyone knows that it is illegal to purchase alcohol if you are under 21 years of age, 23 States still permit underage drivers to drive legally with alcohol in their system as long as their blood alcohol content does not exceed the State's legal limit. So incredibly, in 23 States it is illegal for minors to purchase alcohol, it is illegal for them to publicly consume alcohol, but it is perfectly legal for them to drink and drive.

This loophole still exists despite the clearly lethal consequences of teenagers who mix drinking and driving. What is the result? Each year between 2,000 and 5,000 youths, age 15 to 24, are killed in alcohol-related crashing. In fact, according to the National Highway Traffic Safety Administration, 40 percent of traffic fatalities involving underage drivers are alcohol related.

Mr. Speaker, this is a very straightforward issue. It is an issue of getting tough on a crime that kills thousands of Americans every year. Since it is illegal in every State for children under the age of 21 to purchase and possess alcoholic beverages, it should also be illegal for children under 21 who have been drinking to drive.

My amendment sends a very clear message. If you are under 21, consumption of alcohol combined with driving will be treated under State law as driving while intoxicated. End of story. And to any of my colleagues who think it might be okay for a teenager to have a beer or two and then drive, let us look at the facts.

According to a 1991 study by the Insurance Institute for Highway Safety, male drivers between 16 and 21 who have a blood alcohol level of .01 to .04 are six times more likely to be in a fatal crash than drivers 25 years and older. Under my amendment, which was adopted by the Senate in June by a 2-to-1 margin, if a State fails to adopt a zero tolerance standard for drivers under 21 by the beginning of fiscal year 1999, they would lose 5 percent of their Federal highway funds for that year. In subsequent years if that State has failed to act, it would lose 10 percent of its funds.

Unfortunately, the bill before us today does not contain the zero tolerance measure adopted by the Senate. My amendment will make the House bill identical to the Senate in this lifesaving measure.

What can we expect from enactment of zero tolerance laws nationally? For the States that have adopted zero tolerance laws, Maine, New Mexico, North Carolina, and Wisconsin, they have experienced a 34-percent decrease in traffic fatalities among young drivers at night. Let me repeat, a 34-percent decrease in traffic fatalities.

If all States adopted zero tolerance laws, at least 375 fatal crashes would be prevented each year. Very simply, we are talking about saving lives. In designating the National Highway System of some 160,000 miles of road deemed to be of national significance, we in this Chamber have a responsibility to ensure the safe usage of those roads. Nothing is more detrimental to highway safety than drunk driving.

The approach my amendment takes has saved lives before. Since passage in 1984 of the bipartisan uniform minimum drinking age, or 21 law, States which fail to adopt 21 as the minimum age for the purchase or public possession of alcohol beverage, face a withholding of a portion of their highway construction funding. As a result, each State has made 21 the drinking age, and 1,000 American lives are saved each year.

Mr. Chairman, drunk driving is a serious crime. The swift and certain way to achieve zero tolerance of this crime by minors is to pass this amendment. My amendment builds on the success of the 21 law passed by Congress in 1984. Please support this amendment. We cannot be too tough on drunk driving.

Mr. Chairman, I urge Members to adopt my amendment.

Mr. SHUSTER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the reason I rise in opposition to this amendment is because it is counterproductive. The committee strongly believes in very tough drunk driving incentives, and indeed in the committee, in the legislation before us, thanks to the leadership of the gentleman from New York [Mr. QUINN], we have set .02 as the standard. But we have set it by incentives, not as a mandate. If there is anything we have learned around here with regard to mandates, it is that the hammer approach of sanctions has proven over the history of the Federal Aid to Highway Program to be unsuccessful. Incentives work much better.

For example, since the motorcycle helmet provisions and associated penalties were enacted in ISTEA in 1991, only one State has enacted a motorcycle helmet law that did not have one prior to ISTEA. Twenty-five States ignored taking action and had the Federal penalty imposed upon them.

States no longer respond positively to the heavy hand of the Federal Government mandates. They are speaking with their pocket-books. In fact, the irony here is that if we were to mandate a 5-percent reduction in funds, that simply means that the States would have less money to make the highways more safe. It is counterproductive.

We have in this legislation very strong incentives. Indeed, we should support, therefore, what is in the legislation and oppose this counterproductive amendment. A sanction of this sort will likely do more harm. The amendment proposed, and I am sure that is not the gentlewoman's intention, but will likely do more harm to the .02 cause than the positive improvement to the current incentive grant program contained in this bill.

So for those reasons, while I respect what the gentlewoman is attempting to do, it is counterproductive. Stick with the committee.

Mr. Chairman, I would urge defeat of this amendment.

Mr. GILMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of the amendment introduced by the gentlelady from New York [Mrs. LOWEY] and I commend the gentlelady for her efforts in bringing this important issue to the floor for our consideration.

According to the National Highway Traffic Safety Administration, 40 percent of traffic fatalities involving underage drivers are alcohol related. Given this telling statistic, it is beyond comprehension that although it is illegal in every State for persons under the age of 21 to purchase and consume alcoholic beverages, less than half the States have enacted zero tolerance laws to prohibit minors from drinking and driving regardless of the driver's level of intoxication.

This amendment strongly encourages the remaining States to adopt zero tolerance language by fiscal year 1998 or lose 5 percent of their Federal highway funding for that year. States which have adopted zero tolerance legislation have experienced a dramatic decrease in traffic fatalities among younger age drivers.

Mr. Chairman, this measure seeks to encourage common sense. Accordingly, I strongly urge my colleagues to support the Lowey zero tolerance amendment in the hope that we can reduce the number of senseless tragedies that result from underage drinking and driving.

Mr. BORSKI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wish to express my strong support for the very important amendment offered by the gentlewoman from New York [Mrs. LOWEY].

Teenagers simply should not be allowed to drink and drive. It endangers them and it risks the lives of everyone else who is on the road.

Teenagers are the one group with the absolute least experience with alcohol and with driving—and with coping with the combination.

This amendment simply continues the process we began in 1984 when we set sanctions for States that do not enact 21-year-old minimum drinking age statutes.

Unfortunately, the way the law is now written, a teenager may not purchase alcohol but that same teenager may get a drink some other way and then hit the road—legally.

The gentlewoman's amendment would change that by requiring States to adopt statutes reducing the legal blood alcohol content for anyone under 21 who is driving to zero tolerance.

The amendment would use the same sanctions that were used in 1984 for the 21-year-old minimum drinking age.

States would face the loss of 5 percent of their highway funds if they do not enact zero tolerance statutes after 1 year.

The States would face a 10 percent penalty if the zero tolerance statutes are not adopted after the second year.

Mr. Chairman, the 21-year-old minimum drinking age statute was successful. It reduced fatalities and it eliminated the blood borders that existed between States with different minimum drinking ages.

But far too many of our young people still die on our Nation's highways and there are far too many alcohol-related crashes.

In 1993 alone, more than 2,300 teenagers died in alcohol-related crashes. That is 2,300 young people in a single year.

The 12 States that currently have lower alcohol limits for under-21 drivers have had a 20-percent reduction in alcohol-related crashes.

It is estimated that at least 375 alcohol-related crashes would be prevented each year if all States adopted zero tolerance laws.

This zero-tolerance amendment is absolutely vital for making our Nation's highways safer and for reducing alcohol related accidents.

This zero-tolerance amendment is common sense and good government.

It uses a modest sanction to ensure that our young people will live longer and the roads will be safer for everyone.

Let's put this house in support of ending teenage drinking and driving.

I commend the gentlewoman from New York for offering this important amendment and I urge its passage.

□ 1615

Mr. QUINN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today to thank the gentlewoman from New York for her efforts to deter underage drinking and driving. While we share the same concerns, I must speak against her amendment, because it goes against everything we are trying to change about Washington.

My objection to the Lowey amendment is found in its approach, not in its substance. The gentlewoman's amendment will penalize the States by withholding 5 percent of their highway funds if they do not comply.

This is a States rights issue. At a time when we are trying to empower the States to govern themselves, we do not need to send them edicts and unfunded mandates from Washington that will withhold much needed highway funds if they do not comply.

This bill is a States rights bill. In the Transportation and Infrastructure Committee we started the trend to give rights back to the States by eliminating the national maximum speed limit and mandatory helmet laws. This amendment flies in the face of what we are trying to do here.

This very important safety provision of zero tolerance for underage drinking and driving has already been included in H.R. 2274. This provision, though, offers incentives to the States who comply, rather than penalizing them for not doing so.

Earlier this year I joined with my esteemed colleague from New York, the Reverend FLOYD FLAKE, to work on a bill designed to reduce drinking and driving among younger drivers.

It is a fact that traffic fatalities are the leading cause of death for those under the age of 21 and of those fatalities 40 percent are alcohol related. In addition, studies have shown that teenage driving is impaired at lower blood alcohol concentrations than that of an adult.

Zero tolerance laws that have been adopted in various States across the country have proven to reduce the incidence of fatal crashes among teenagers.

In closing, I would like to thank Chairman SHUSTER and Subcommittee Chairman PETRI for including my zero tolerance provision in this legislation.

Vote "yes" for zero tolerance of underage drinking and driving.

And vote "yes" for States rights by voting "no" on the Lowey amendment.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think we ought to support the Lowey amendment, because I think the Lowey amendment does what very often we like to do in our own families with our children, and which I think most American parents like to do with their children. That is, they like to be able to send a clear and unambiguous message, because very often we understand that young children need clarity in that message, and ambiguity very often confuses and causes misjudgments on their part.

What we have here is a situation where the government is sending two different messages. We clearly recognize that it is illegal, and with the support of the parents of this country, we have made it illegal for young people to drink under the age of 21. However, we say, on the other hand, "If you have been drinking and then you get into an automobile and drive, and you are under the influence, we can tolerate that, and you will not be punished or some other action taken."

So we are sending two different messages. It is illegal to drink, but if you do not get caught, but you are later caught in an automobile, actions are not going to be taken for your drinking.

That is a message that we should not be sending. The ambiguity of that message we should not be sending, and that is not a message that parents, I believe, want their government sending to young people. Yes, it is illegal, but if you do not get caught, it could be OK if you are in the right set of circumstances.

That is not what we do. We do not do this with marijuana, we do not do this with drugs. We do not say, You can use marijuana and then if you get caught driving under the influence, if you appear to be OK, you are released. We do not do that. I think we have to make it very clear here that parents send a message that they do not want their young people to use alcohol, and we ought not to allow this ambiguity.

Many of the arguments used against zero tolerance are the arguments that were used against it when we decided last year that we would have zero tolerance in our schools for people who bring weapons to schools. There are a lot of hard cases, a lot of difficult cases, but the fact is schools do not need to have weapons in them. People should not bring weapons to school. We needed to send out right messages. We heard that some States had done it, some were going to do it, some States did not like being told to do it. The fact is today all States have it. We have zero tolerance. We have sent a very clear message: Bring a gun to school, you are out for a year. No ambiguities. Bring a gun to school, you are out for a year.

What we are saying here, climb into a car, if you have been drinking and you are stopped for some reason, the State is going to make a determination about the price. This is not about sending edicts. This is not about sending mandates. This is about sending a set of values that we share with our constituents, we share them as parents, as grandparents, as people who are concerned with children. These are values that we share, and what we are saying is, Let us get on with it. Let us get down to the point where we can provide this kind of protection for our children. This is a very nonintrusive way. We are not saying how you have to mete out the penalties, we are not saying they cannot send them to education or counseling, what have you. All of that is available for communities and States to decide.

What we are saying is, as a national legislature we no longer want to tolerate the ambiguity and the danger, the danger that that ambiguity places our children in on a nightly and daily basis, and other people in on a nightly and daily basis on the roads of America.

Mr. WOLF. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in very strong, strong support of the amendment. We did this in 1984, and it worked. Let me tell the Members why.

In the Washington, DC, area and in my congressional district, we basically had a situation whereby we had a blood border. We had young men and women from my congressional district in McLean and places like that going into Washington, DC, where the drinking age was 18, purchasing alcohol, coming out and getting killed on the George Washington Parkway. The number of deaths on the George Washington Parkway was amazing. One night I was coming back and there were police there, and I stopped and pulled over to the side, and there was a young lady under a blanket who had just died, had been in a collision, just south of 123.

When we did this in 1984, we saved a lot of lives. I would tell the Members, as a father, a mother, a grandparent, or as somebody who has young children, think in terms of what this means to your family. I as a father of five children can still remember at nights listening to the gravel on the driveway, waiting for my children to come home, to know that they were safe. The most disturbing call that anyone can possibly get must be that telephone call, and I thank the good Lord that we have not gotten it, that telephone call at 12 or 1 o'clock to say your son or your daughter has been killed in an accident somewhere because of drunk driving, or things like that.

I do not want to put mandates on the States on all these other things. I stand with the body on most other issues. But on the safety issues and on this blood alcohol issue, I think this is one of the exceptions we should make. I would just ask, frankly, those of you out there who have never experienced what I have never experienced, we may not have experienced it because of the work that was done in this body in 1984. That language that we passed may have kept us from getting a telephone call, and we may not even know why we did not get the telephone call, but that may be why we did not get the telephone call. I would hope that the chairman would accept this language.

I would hope that something like this could come in, and maybe 5 percent is not it, maybe it should be 10 or 3, but somehow we know it worked in 1984, and we know it saved thousands of lives. We do not want the pain and agony in anyone's else's life. I strongly urge that it will work this time, and I urge support of this amendment.

Mr. Chairman, it is my pleasure to rise today in support of this amendment offered by the gentlewoman from New York [Mrs. LOWEY] to H.R. 2274, the National Highway System Designation Act.

This amendment will help save the lives of scores of young people and will make all our Nation's highway's safer. The amendment by the gentlewoman from New York strongly encourages States to implement zero-tolerance alcohol standards for drivers under the age of 21. It is the current law in every State that you must be at least 21 years of age to purchase or consume alcohol, and this amendment certainly is consistent with that law.

Furthermore, this amendment will be very effective, as States will lose a percentage of their basic Federal highway funds for each year, after October 1, 1998, that zero-tolerance laws are not in effect.

Did you know that according to the National Highway Traffic Safety Administration [NHTSA], 40 percent of traffic deaths involving underage drivers were alcohol related?

Did you know that in 1994 2,200 people were killed because minors were drinking and driving. And further that 1,600 of these people were teenagers themselves?

Mr. Chairman, it should be noted that the Lowey amendment has already been overwhelmingly adopted in the Senate version of this legislation and is supported by the National Association of Governors' Highway Safety Representatives and Mothers Against Drunk Driving.

I know what a widespread problem underage drinking and driving is. I have sponsored my own legislation, the High Risk Drivers Act of 1995, on this subject, and can remember the blood border days when youths would drive, many under the influence of alcohol, from States with higher drinking ages to places where they could more easily consume and buy alcohol.

The Lowey amendment will be an important step in combating drunk driving and, as a matter of public safety and concern for our children and grandchildren, should be accepted as part of H.R. 2274. Mr. Chairman, I applaud the efforts of the gentlewoman from New York and urge passage of her amendment.

Mr. WARD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am one of the gentlemen from Kentucky, and I mention that at the beginning of my remarks because distilled spirits are very important to the State of Kentucky, but I rise in support of this bill. I rise, knowing that the Distilled Spirits Council has come out with model legislation, Mr. Chairman, that the Distilled Spirits Council which represents distilleries across America, has used in State after State to encourage them to enact just the legislation we are discussing here today.

We need to make sure that young people understand, it is not a question of taking a little drink, it is not a question of being below a certain alcohol blood content level. It is a question of not getting behind the wheel of a car if you are drinking at all. If a young person up to age 21 is not allowed to drink or possess alcohol, what sense does it make, what sense does it make not to make sure they suffer the penalties of a drunk driving arrest?.

I may also be rising today because the day after tomorrow, on Friday, the September 22 I will be taking my then 16-year-old son to get this driver's license, his driver's permit. He turns 16 the day after tomorrow. When I take him to get that permit, I am going to be doing it with the same fear and the same concern that we have heard from other speakers; not necessarily that he will be driving while drinking, but rather, that he is going to be out on those roads, and that he could be at risk; that he could be at risk because another young person who does not understand zero tolerance is on the road.

We have seen a bipartisan, a truly bipartisan, support for this amendment here today. I think it should tell us something. It should tell us that a yes vote is what makes sense for the amendment offered by the gentlewoman from New York [Mrs. LOWEY].

Let me add one final issue, the issue of States rights. We are turning States rights on its head when we use that issue. I say that as one who has just come into this Chamber twice in a row on recorded votes and said that yes, States probably should have the right to set their own speed limits. I apologize to the gentleman from West Virginia [Mr. RAHALL], but I did vote against his amendments, because States do have different sets of circumstances that allow them and would justify different speed limits. We should not make that decision here in Washington.

However, I want to tell the Members, there is no different circumstance in any State in this Union that should allow a person under 21 to drive with one drop of alcohol in his or her blood. I support the amendment, and I urge its passage.

Ms. MOLINARI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the gentleman's amendment. Mr. Chairman, we have all, unfortunately, been touched by the deadly consequences of drunk drivers on our Nation's roads. We all struggle as Members of the human community and as legislators to figure out what we can do possibly to lower the chances of drunk driving.

How do we send that message? Today this amendment is one very important piece of sending that message. If a teenager is caught drinking and driving, even at very low blood alcohol levels, and he or she is penalized, chances are they will think twice next time. That is a chance, Mr. Chairman, we are obligated to take. Let me also comment on the States rights issues. We all struggle over the role of the Federal Government, and the heavy-handedness of it. Quite frankly, however, efforts to stop drunk driving and efforts to save lives on the road should reach across city, State, and Federal lines. This must be a united effort, and as Members of the Federal Government, as representatives elected to protect and promote safety, we cannot abdicate that role.

Again, let me just thank the gentlewoman from New York [Mrs. LOWEY] and commend her for bringing a very important amendment to a bill that is 99 percent there. It is a great national highway systems bill. With the gentlewoman's amendment adopted, it will certainly add to it.

Miss COLLINS of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in strong support of the Lowey amendment that would encourage States to enact a zero tolerance law to close a loophole in the National Minimum Drinking Age Law. Mr. Chairman, that law prohibits anyone under the age of 21 from consuming alcohol, yet does not prohibit them from driving after drinking. I ask my colleagues, does this loophole make sense? Certainly not. Zero tolerance laws make it illegal for underage persons to drink any amount of alcohol and then drive. As of 1994, 24 States had zero tolerance laws which make it illegal for an underage person to drink and drive with a .02 blood alcohol level or less. Less than one beer would put the average young adult over the limit.

Mr. Chairman, too many Americans have been personally affected by the tragedy of drunk driving. They have lost a family member, relative, or friend. While the 21-year-old drinking age has made significant strides in reducing these tragedies, we must not stop there. Mr. Chairman, we owe it to all members of society—particularly our children—to close this deadly loophole.

Support this important amendment.

□ 1630

Mrs. MORELLA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Lowey amendment which would require States to enact zero tolerance laws that make it illegal for minors to drink and drive.

In one year alone, more than 22,000 people were killed in drunk driving accidents. Ten percent of those killed, more than 2,200, lost their lives in crashes involving alcohol and minors. We can do something about this national tragedy.

Data from the National Highway Safety Transportation Administration [NHSTA] indicates that legislative efforts to reduce drunk driving are achieving some success. In all, 24 States have adopted zero tolerance laws, and the alcohol-related crashes among minors in all of those States is down by 10 to 20 percent. In four of those States—Maine, New Mexico, North Carolina, and Wisconsin—the traffic fatalities among young drivers at night has decreased by 34 percent.

Even at blood alcohol concentrations as low as 0.02 percent, alcohol affects driving ability and the likelihood of a crash. Under the Lowey amendment teenagers who take just one drink and get behind the wheel of a car would be in violation of the law and would lose their licenses for several months.

During the spring, I attended a high school assembly in Bethesda, MD, and listened to a young man from California, Brandon Silvera, tell an auditorium full of teenagers why it doesn't pay to drink and drive. Brandon had been an athlete and an outstanding student. The summer prior to his senior year in high school, he was looking forward to the coming football season and making choices about which college he would attend. One evening, after attending several parties where he had a few drinks, he fell asleep at the wheel. His car veered off the road and he crashed into a tree. He was just a short distance from his home.

Brandon is now in his twenties. He has difficulty walking and his speech is slurred. Nevertheless, he travels around the country with his father urging teenagers not to drink and drive. Perhaps a zero tolerance law would have prevented the accident that changed this young man's life.

In terms of States rights, young people may well drive from one State to another where there are different laws.

A recent survey revealed that 80 percent of the young people in the Washington area had their first drink at age 14. Teenagers in Maryland and Virginia are more likely to drink than those in the city of Washington. The Washington area has more than one million underage children, and many seem to have no problem buying or getting their hands on alcohol. Parents surveyed believe their children's friends drink and drive, but few parents think their own children drink and drive.

I urge my colleagues to join me in saying, enough, to the senseless and preventable slaughter on our highways by supporting the Lowey amendment.

Mr. RAHALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY. Mr. Chairman, I thank the gentleman from West Virginia [Mr. RAHALL] for yielding.

Mr. Chairman, it is true that H.R. 2274 purports to provide an incentive to States to adopt zero tolerance by making .02 BAC a basic criteria. Unfortunately, the incentive provided is minimal at best and will not accomplish our goal. My amendment is the only one with teeth. The bill says if the States adopt .02 BAC in addition to other safety measures, they will get an incentive grant.

Well, let us read the fine print. Right now the section 410 program says to the States, "undertake the following countermeasures to drunk driving and we will give you X amount of dollars." The trouble is when the States have complied with the criteria outlined in the 410 program, they do not get what they are promised, they get about half of what they were promised. So if we use the incentive grant as outlined in the bill, we are saying to the States, pass zero tolerance, and we promise not to give you any more of the money we already are not giving you.

What kind of an incentive is that? In 1984, we could have used incentive grants to encourage the States to pass 21 as the drinking age. Had we done that, 21 would not be the law of the land. It would be the law in part of the land. How many more of our children—and as a mother of three, I feel this very deeply—would have died as a result?

The key word in the Uniform Minimum Drinking Act of 1984 was uniform. We wanted all the States on a uniform basis to adopt 21 as the drinking age in a specified period of time. To those who favor the carrot over the stick, let us be honest. If we adopt my amendment, we will get zero tolerance in every State. We will get it soon. And as was the case with 21, no State will experience the withholding of any highway funds.

Mr. Chairman, I met with members of MADD in my district, in front of Mamaroneck High School just this week. I met with members of SADD, Students

Against Drunk Driving. I spoke with the Mamaroneck police chief and his officers. I spoke with a father who lost his daughter in a drunk driving accident. No one in Mamaroneck, Mr. Chairman, spoke of States rights. They spoke instead of the moral imperative of passing drunk driving laws.

Too many Americans have been personally affected by the tragedy of drunk driving. Too many Americans have died. As parents, we owe it to our children to close this deadly loophole. Let us do everything we can to ensure that no parent will be awakened in the middle of the night with the awful news that their child has been killed in a drunk driving accident.

Mr. Chairman, we just cannot be too tough on drunk driving. I urge my colleagues to adopt this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York [Mrs. LOWEY].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mrs. LOWEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 223, noes 203, not voting 8, as follows:

[Roll No. 678]

AYES—223

Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bilbray
Bishop
Bonior
Borski
Browder
Brown (CA)
Brown (OH)
Bryant (TN)
Bryant (TX)
Burr
Canady
Cardin
Castle
Chapman
Clay
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Coyne
Cramer
Danner
Davis
DeFazio
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dunn
Durbin
Edwards
Ehlers
Engel
English
Eshoo
Evans
Farr
Fawell
Fazio
Fields (LA)
Filner
Flake
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gilman
Goodling
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Hansen
Harman
Hastings (FL)
Hefner
Heineman
Herger
Hilleary
Hinchey
Hobson
Holden
Horn
Hutchinson
Hyde
Jackson-Lee
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
King
Kingston
Kleczka
Klink
LaFalce
Lantos
LaTourette
Lazio
Leach
Levin
Lewis (GA)
Lincoln
Lipinski
LoBiondo
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Minge
Mink
Molinari
Mollohan
Montgomery
Moran
Morella
Murtha
Nadler
Neal
Nussle
Oberstar
Ortiz
Orton
Owens
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Porter
Portman
Poshard
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Rivers
Roemer
Ros-Lehtinen
Rose
Roybal-Allard
Royce
Rush
Sanders
Sawyer
Saxton
Schiff
Schumer
Scott
Serrano
Shays
Slaughter
Smith (NJ)
Smith (WA)
Stark
Stockman
Stokes
Studds
Tanner
Tate
Thompson
Thornton
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Waldholtz
Wamp
Ward
Waxman
Weldon (FL)
Whitfield
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Williams
Wilson
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—203

Abercrombie
Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Boucher
Brewster
Brown (FL)
Brownback
Bunn
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clayton
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
de la Garza
Deal
DeLay
Dellums
Dickey
Doolittle
Dornan
Dreier
Duncan
Ehrlich
Emerson
Ensign
Everett
Ewing
Fields (TX)
Flanagan
Franks (NJ)
Gallegly
Ganske
Geren
Gillmor
Gonzalez
Goodlatte
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hilliard
Hoekstra
Hoke
Hostettler
Houghton
Hoyer
Hunter
Inglis
Istook
Johnson (CT)
Johnson, Sam
Kim
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
Laughlin
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
Lofgren
Longley
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Mineta
Moorhead
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Obey
Olver
Oxley
Packard
Paxon
Peterson (FL)
Petri
Pickett
Pombo
Pomeroy
Pryce
Quillen
Quinn
Radanovich
Riggs
Roberts
Rogers
Rohrabacher
Roth
Sabo
Salmon
Sanford
Scarborough
Schaefer
Schroeder
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Skaggs
Skeen
Skelton
Smith (MI)
Smith (TX)
Souder
Spence
Spratt
Stearns
Stenholm
Stump
Stupak
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thurman
Tiahrt
Torkildsen
Vucanovich
Walker
Walsh
Waters
Watt (NC)
Watts (OK)
Weldon (PA)
Weller
White
Wicker

NOT VOTING—8

Fattah
Kennedy (MA)
Moakley
Reynolds
Roukema
Sisisky
Solomon
Tucker

☐ 1659

Messrs. POMEROY, OLVER, TEJEDA, HILLIARD, Ms. BROWN of Florida, and Mrs. CLAYTON changed their vote from "aye" to "no."

Messrs. HUTCHINSON, RICHARDSON, ROSE, GOODLING, BRYANT of Tennessee, Mrs. KELLY, and Ms. RIVERS changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

☐ 1700

Ms. MCCARTHY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the National Highway System bill, which reaffirms the Federal Government's commitment to building and maintaining the finest highway transportation system in the world.

Before I begin, I would like to say a few words about my colleague and mentor, the gentleman from California [Mr. MINETA], who will soon retire from his Chamber. It is altogether fitting that the man who came to this body to "build bridges between people and over rivers" that we are completing a highway bill in his final days in Congress and that we are doing so in the spirit of comity and bipartisanship, the governing principals of NORM MINETA. I will sincerely miss his guidance and friendship.

The National Highway System [NHS] bill we consider today is very much the product of Mr. MINETA's extensive work over the years at the Transportation Committee. This bill builds on the 90,000-mile Interstate System by adding an additional 70,000 miles of roads to be included in the new highway system. The idea behind the new NHS is to connect the interstate system and other roads of national significance with, airports, sea and river ports, train depots, and commercial and downtown areas.

The fifth district of Missouri, in the geographic center of the Nation and with a reputation as a transportation hub for the country, will benefit greatly from passage of this bill. The measure includes the important designation of Interstate 35, a superhighway for trade connecting Canada, the United States, and Mexico. In addition, the NHS bill includes such roads as Jackson County Roadway, U.S. 50 and Missouri 291.

Mr. Chairman, this bill will help position the United States to enter the next century with the finest transportation system in the world and provide us with the ability to move goods and people in a more safe, efficient, and cost-effective manner. I encourage our colleagues to support this very important bipartisan effort.

Mr. LONGLEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to engage the gentleman from Pennsylvania in a colloquy.

I would like to clarify that section 351 provides adequate safeguards to ensure no adverse impact on safety.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. LONGLEY. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, I say to my good friend, section 351 provides no exemption shall go into effect for 6 months. It also provides the Secretary may modify, revoke, or not have the exemption go into effect if he finds the exemption is not in the public interest and would have a significant adverse impact on safety.

Mr. LONGLEY. I thank the gentleman. I am committed to insuring the safety of commercial motor vehicles.

Mr. SHUSTER. I share the gentleman's concern.

AMENDMENT OFFERED BY MS. FURSE

Ms. FURSE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. FURSE: At the end of title III, insert the following:

SEC. 354. The Secretary shall conduct a study to evaluate the effectiveness on reducing drunk driving of laws enacted in the states which allow a health care provider who treats an individual involved in a vehicular accident to report the blood alcohol level, if known, of such individual to the local law enforcement agency which has jurisdiction over the accident site if the blood alcohol concentration level exceeds the maximum level permitted under State law.

Ms. FURSE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Ms. FURSE. Mr. Chairman, drunk driving continues to be a serious health problem in America. According to Mothers Against Drunk Driving, over 950,000 people are killed or injured on our highways each year as a result of drunk driving. According to a study in my district, more than 86 percent of drunk drivers go through emergency rooms but are never charged in their offenses.

We can change these tragic figures. I want to tell you a story of a dedicated emergency room nurse from my district. Her name is Carol Bononno, and she was fed up with seeing the same drunk drivers come into her trauma unit time after time, and almost without exception these drunk drivers were not held accountable for their actions.

Mr. SHUSTER. Mr. Chairman, will the gentlewoman yield?

Ms. FURSE. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, I have examined the gentlewoman's amendment. I think it is a good amendment, and I support it. Our committee supports it.

Ms. FURSE. I thank the gentleman very much for that. I want to commend Ms. Carol Bononno for her work in doing this wonderful act. I thank the gentleman, and I thank the ranking member, too, for his kindness for accepting this amendment.

Mr. Chairman, drunk driving continues to be a serious health problem in America. According to a study conducted in my district, more than 86 percent of drunk drivers who go through emergency rooms are never charged for their offenses. In 1992, 41 percent of drivers killed in car crashes had alcohol in their system. According to Mothers Against Drunk Driving, over 950,000 people are killed or injured on our highways each year as a result of drunk drivers.

We can change this tragedy. I want to tell you the story of a dedicated emergency room nurse from my district, Carol Bononno, who was fed up with seeing the same drunk drivers come into her trauma unit time and time again. Almost without exception, these drunk drivers were not held accountable for their actions. Carol was frustrated that while there are laws for reporting serious public health problems such as child and elder abuse, there are none for drunk driving. Carol fought for 5 years to change Oregon's law. This year, after that long battle, she finally won. Carol proves that one person can make a difference. Carol's work will save the lives of Oregonians.

Blood alcohol reporting is nothing new, and has significant, widespread support. Currently, 29 States allow reporting in some fashion. My amendment is supported by Mothers Against Drunk Driving. In fact, a survey from the March 1992 edition of the American College of Emergency Room Physicians' Annals of Emergency Medicine said that 78 percent of emergency room physicians agree with blood alcohol reporting. Local police from my district helped draft this bill, and they say that these blood alcohol levels are often the critical piece of evidence necessary to help hold drunk drivers accountable. We need to encourage all States to examine this issue, and take this important step to give police the information they need to stop emergency rooms from being safe houses for drunk drivers.

Let me briefly state what my bill, H.R. 1982, does not do: It does not change the constitutional protections afforded all Americans regarding non consensual blood withdrawals. It does not require mandatory reporting of blood alcohol levels, although States are free to go further if they wish. It does not turn providers into police because these alcohol levels are obtained in the regular course of providing care. And it does not open health care providers to litigation because it has an immunity clause. But it does seek to solve a huge problem—drunk driving.

My amendment builds on the excellent alcohol provisions of H.R. 2274, and is a first step to promoting the goals of H.R. 1982. It calls for a study to evaluate the effectiveness of reducing drunk driving in States where blood alcohol reporting is permitted. This would be the first study of its kind, and it is my guess that it will be landmark study in the fight against drunk driving.

Importantly, it will mean that we are on the road to keeping 86 percent of drunk drivers slipping through the cracks of our laws. This amendment will mean that more emergency room nurses like Carol Bonnono will be able to help make our streets a safer place.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Oregon [Ms. FURSE].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BEILENSON

Mr. BEILENSON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment

The text of the amendment is a follows:

Amendment offered by Mr. BEILENSON: Page 59, after line 7, insert the following:

(c) GUARANTEE AND WARRANTY CLAUSES.—Section 112 of title 23, United State Code, is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following:

"(f) GUARANTEE AND WARRANTY CLAUSES.—The Secretary shall, by regulation, permit a State highway department, in accordance with standards developed by the Secretary in such regulations, to include a clause in a contract for the construction of any Federal-aid highway project requiring the contractor to warrant the materials and work performed in accordance with the contractor's obligations and responsibilities under the terms of the contract. The warranty or guarantee clause shall be reasonably related to the materials and work performed and in accordance with the contractor's obligations and responsibilities under the terms of the contract and shall not be construed to require the contractor to perform maintenance.".

(d) REGULATIONS.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall initiate a rulemaking proceeding for developing standards under section 112(f) of title 23, United States Code, as added by subsection (c) of this section.

Mr. BEILENSON. Mr. Chairman, I ask unanimous consent that I be recognized for 10 minutes to speak on behalf of the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BEILENSON. Mr. Chairman, I thank my colleagues for granting me the additional 5 minutes.

Mr. Chairman, at the outset, may I say that I am always somewhat amused, perhaps bemused is a better word, by the self-congratulatory oratory surrounding the highway bills we have here on the floor of the House of Representatives, all the accolades that we hear each year for our highway system and how it is the best in the world.

May I respectfully suggest that we stop burying our heads in the sand or perhaps it would be better to say burying our heads in the asphalt.

We may have the biggest highway system in the world. The truth of the matter is it is not the best. Anyone who has ever driven for any length of time on European highways and roads will be astonished at the difference in the quality between their roads and our roads. You can drive for hours in the old cities in the continent of Europe or the highways in the countryside and not experience the kinds of problems you experience here every day and everywhere in the United States.

Why? Because in most European countries they build their roads right in the first place, and so they have many fewer problems than we with maintaining them, and they are not forever repairing and repaving them as we are continually having to do here in the United States.

Mr. Chairman, the amendment that I am offering today proposes to do something about improving the quality of our highways. It would allow, not mandate, but merely allow State highway departments to use guarantee and warranty clauses on Federal aid highway construction contracts. Many Members are familiar with this very modest proposal and the base majority have given it overwhelming support twice during the past 4 years. When the House passed the ISTEA bill in October 1991, an amendment very much like this one passed by a vote of 400 to 26. It was replaced in the final bill by a GAO audit study reviewing the States' experiences with using warranties on highway contracts. This very same amendment, same as today's amendment, was agreed to last year by the House as a part of the national highway systems bill that we passed last year.

At that time, the chairman of the committee, my friend, the gentleman from California [Mr. MINETA], then ranking member and now the distinguished chairman, the gentleman from Pennsylvania [Mr. SHUSTER], and the chairman and ranking member of the subcommittee with jurisdiction, the gentleman from West Virginia [Mr. RAHALL], and the gentleman from Wisconsin [Mr. PETRI] all agreed to this identical language.

I think what was good enough for last year's bill designating the national highway system would be good enough for this legislation as well.

As most Members know, Mr. Chairman, Federal highway dollars have traditionally been reserved for construction rather than maintenance, and the Federal Highway Administration has generally prohibited States from requiring any warranties from contractors when awarding federally funded contracts. The rationale for this regulation is warranty might result in Federal participation in maintenance costs which, until recently, has been prohibited. The effect of this policy is we often reward the use of the cheapest, lowest-quality materials on highway construction and prevent States from building quality performance standards into their construction contracts.

Transportation officials have, since 1981, under Mr. Reagan's administration and then again in 1985 under Mr. Bush's administration, sought to change this outdated policy, which Members should know has no statutory mandate. Those officials have contended the introduction of contractor guarantees into the bidding process might spur innovation, superior quality in the use of the kind of advanced technology other countries are already aggressively taking advantage of. Building better-quality roads should be a hallmark of our highway system, and simply giving States permission to hold contractors accountable for their work must be part of our national plan.

In Europe, where highway contracts are awarded on the basis of a combination of costs, quality and a contractor's 3-to-5-year full replacement guarantee, roads traditionally cost somewhat more to construct. They last twice as long as they do here in the United States. Sounder sub-bases, thicker pavements, advanced polymer additives, and stronger asphalt produce highways smoother and quieter and are stubbornly resistant to ruts, cracks, and potholes. European roads can handle heavier loads than permitted on U.S. highways.

Meanwhile, our own strict low-bid system gives contractors no incentive at all to consider long-term performance when preparing their bids. We literally reward the use of the cheapest, lowest-quality materials, and the least expensive labor. We actually penalize any effort to improve road quality or offer superior workmanship. This is an inflexible, unwise, and shortsighted policy that costs taxpayers billions of dollars in unnecessary highway repair bills and results in intolerable traffic delays.

It should come as no surprise to us that while Government expenditures for roads have doubled over the past decade, fully half of all roads in America are rated in fair to poor condition, and as the Office of Technology Assessment reported back in 1991, when construction quality is poor and repairs are needed constantly, the costs of providing alternative service or of traffic diversion and delay can equal the original capital cost, doubling the total expense of the highway project.

As we embark on a multibillion-dollar investment in our Nation's highway system, we owe it to the taxpayers to do everything we can to adopt reforms that will save us money, help make the road construction industry more competitive, stimulate investment, make our transportation infrastructure more durable and efficient.

Mr. Chairman, I am not suggesting that permitting States to demand a guarantee of a minimum quality standard of quality on highway projects would by itself cure our country's infrastructure ills. But Americans should be outraged that in an era of huge budget deficits, when we are cutting back drastically in so many other areas of domestic spending, that we have failed to fulfill our responsibility to see that Federal highway money is well spent.

I would like to bring my colleagues' attention to several recent developments that deal with this specific topic. Five years ago the Federal Highway Administration initiated a special experimental project to evaluate innovative contracting practices such as the use of warranty clauses. Eight State highway departments have taken advantage of this experiment to improve quality and increase contractor accountability. State officials have found the use of warranty requirements valuable and have found that warranted projects are higher quality and helped in getting contractors to repair projects expeditiously.

Second, in September 1994, the GAO issued a report on the use warranties and other ways to improve quality of our Nation's highways as required by ISTEA. That report recommended the Federal Highway Administration encourage States to experiment with and to try warranties and to clarify the regulatory ban on use of warranties if it does not apply to non-Federal projects.

Finally, last month, the Federal Highway Administration issued an interim final rule to permit greater use of warranties on Federal aid highway construction contracts. The main reason for this change from the existing policy is the original rationale for the prohibition no longer exists. ISTEA set up an interstate maintenance funding category for the preventive maintenance activities, which are now eligible for Federal funds. In addition, through its 5 years of experience with warranty clauses under the experimental project, the administration has determined warranties may, indeed, enhance the quality of Federal aid construction projects.

I strongly believe this amendment is important to encourage the use of practices that will improve the quality of our Nation's highways along with concepts such as value engineering, performance-related specifications, and life-cycle cost analysis. The use of warranties will, I believe, help the States more successfully build quality performance standards into their construction contracts.

This amendment fits very neatly into the new congressional leadership's plans for returning power to the States and decentralizing government. If you believe States should have more flexibility, as the majority of the Members on the floor of the House have been saying all year, then you should favor this amendment.

Finally, Mr. Chairman, my friend over there, the chairman of the committee, having said all of this, Mr. Chairman, I do feel very strongly, as my friend from Pennsylvania and my other friends on the committee know, I feel very strong about this issue. I am, in fact, greatly encouraged by the interim final rule which was recently promulgated by the Federal Highway Administration that would, as the FHWA says in its summary description of the proposed rule, and I quote them here, "would permit a greater use of warranties on Federal aid highway construction projects within prescribed limits."

□ 1715

I commend the FHWA for proposing this change, and I and others encourage them to stick by their guns this time. Similar, although not so far-reaching rules changes have been proposed in the past, only to fail at being adopted because of opposition in most cases because of some within the industry whose interests perhaps would have been threatened, or they thought their interests would have been threatened by these proposed changes.

But I am hopeful, and there is now strong support even among some in the industry itself for these proposed changes. I think that therefore we ought to give the FHWA the chance to take this useful step on their own. Consequently, Mr. Chairman, the gentleman from Pennsylvania [Mr. SHUSTER], my chairman, and my friend here from West Virginia, I ask unanimous consent at this time that I may be permitted to withdraw my amendment.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. BEILENSON. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, I want to make it very clear that it is the gentleman's leadership which has brought about very substantial improvements. We have in this legislation for the new national highway system requirements for life cycle costing and value engineering, thanks to the leadership of the gentleman.

As the gentleman has indicated, Federal highways is issuing a rulemaking or revising the regulations. So we want to continue working with the gentleman, and I salute him for his efforts and for his willingness to withdraw the amendment so that we can try to work things out.

Mr. BEILENSON. Mr. Chairman, I thank the gentleman for his kind comments.

Mr. RAHALL. Mr. Chairman, will the gentleman yield?

Mr. BEILENSON. I yield to the gentleman from West Virginia.

Mr. RAHALL. Mr. Chairman, I would like to associate myself with the comments of the gentleman from Pennsylvania [Mr. SHUSTER]. There is more than one way to skin a cat, so to speak. The gentleman has certainly been dedicated to this issue and making sure that the public gets more bang out of their buck, so to speak, for money that is spent on highway projects and ensuring the quality of that type of construction.

The Chairman has referred to how we have addressed those concerns in this NHS bill by the technique of value engineering analysis for NHS projects. Also in this bill there is a requirement that States utilize life cycle costing for certain NHS projects. Under this particular technique, all costs are expected to occur over a highway's usable life analyzed rather than just their initial cost.

So we will continue to work with the gentleman from California whose dedication and diligence I commend very highly.

Mr. BEILENSON. Mr. Chairman, reclaiming my time, I would like to thank the gentleman from Pennsylvania and the gentleman from West Virginia for their kind and helpful remarks and for the good work that they have done in this bill, although personally I do not think it goes far enough. In fact, the good things in the bill which are quite true are there, but they do not hold people responsible and accountable the way these guarantees would if we finally could get to them.

Finally, I want to say something to my friends on the committee. if the FHWA fails or is unable to proceed with this very sensible and, I think, overdue reform within the few months, we shall be back with this next year when the ISTEA bill is before us. We will at that time push forward with this amendment.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mrs. MORELLA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to engage in a colloquy with the gentleman from Pennsylvania [Mr. SHUSTER], the chairman of the committee.

Mr. Chairman, I am sure that the gentleman will agree with me that no transportation safety issue is more important than the safe passage of our children.

Mr. SHUSTER. If the gentlewoman will yield, I certainly do agree.

Mrs. MORELLA. Mr. Chairman, countless children are at risk of serious injuries or death because their parents are unaware that some seatbelt systems are incompatible with child safety seats. Last year more than 700 children under age 4 died in car accidents and 80,000 more were injured. Denver recently set up a safety seat checkpoint. Of the 150 parents who brought in their cars, 148 out of 150 had improperly installed their child safety seat.

I think that tells us that perhaps we need to develop some short-term educational needs that can begin saving lives immediately by increasing proper child restraint use.

Mr. SHUSTER. If the gentlewoman will continue to yield, the gentlewoman, I think, will be pleased to note that section 402 of the safety grant program addresses this issue. Section 402 addresses the guidelines to encourage the proper use of child restraint systems.

Mrs. MORELLA. I appreciate that. However, Mr. Chairman, I feel that more specific measures should be encouraged. I would like to share some recommendations from the blue ribbon panel on child passenger safety established by the National Highway Traffic Safety Administration.

The panel recommends that child passenger safety education programs should be set up in every State. This includes telephone lines for consumers with questions, training for child passenger safety specialists, and one designated staff person in each State highway office that is fully trained in child passenger safety.

The panel also recommends that NHTSA should establish an electronic bulletin board system on child passenger safety to enable information on compatibility problems be shared among State highway safety offices.

Mr. SHUSTER. Mr. Chairman, I agree with the gentlewoman that this is indeed a necessary and worthwhile project. We will very seriously consider these recommendations made by the blue ribbon panel on child safety restraints.

Mrs. MORELLA. I thank the gentleman very much, Mr. Chairman, and I urge my colleagues to support the National Highway System Designation Act.

AMENDMENT OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Mr. Chairman, I offer an amendment, No. 22.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. MILLER of California: Page 97, after line 12, add the following:

SEC. 354. PROHIBITION ON PAYMENT OF SAFETY BONUSES.

Amounts in the Highway Trust Fund established by section 9503 of the Internal Revenue Code of 1996, and non-Federal funds required by law as a condition for the receipt of such amounts, may not be expended for the payment of a safety bonus to a contractor.

Conform the table of contents of the bill accordingly.

Mr. MILLER of California. Mr. Chairman, I introduce this amendment and present it to the body to raise an issue that I think is of serious concern that has been raised recently in the press in Los Angeles, basically in the Los Angeles Times. That is the payment of safety bonuses to the contractors on the Los Angeles Metro project where we see a situation where already some nearly $3 million has been paid in safety bonuses to contractors on that project. Those contractors are in fact eligible for millions of dollars and more in safety bonuses.

Now, we all agree about trying to achieve a goal of the safe workplace, and it has been a very high priority of mine throughout my congressional career, and I am a strong believer in that. But what upsets me in this situation is that we see safety bonuses being paid and they are paid to contractors whose safety record is not very good at all. In fact, as we know, this subway system has been plagued with a series of problems that not only have been embarrassing but also, tragically, have been dangerous to the workers in that area and, in some cases, even to the surrounding property owners.

I notice in the story that they say, despite the higher than average injury rates on some of the contracts, the agency, in this case the Metropolitan Transit Authority, says that they believe that the project's overall record is no worse, no worse, than any other major project nationwide.

Then why did we pay the bonuses for them if we only got a project that was no worse? The fact is, what we find out in this story is that the people that have received, or the companies and the consortiums that have received, these bonuses, in the case of Tudor Selby, I believe it is, and Perini, received $1.3 million in bonuses. But their comparison of them to the U.S. injury rate, they are 138 percent higher.

Then it goes on to Mass Electric, 113 percent higher, and they have $300,000 in safety bonuses.

My concern is that I do not think that these safety bonuses are all that much related to safety. My concern is sometimes maybe these are used to kind of lubricate the process to keep the job going and cover up for some of the mistakes, or what have you, that are going on, higher than the ordinary course of business decisions that have been made.

I just do not think that when transit dollars are as hard to come by as they are today in this Congress, and we know the demand that this committee has placed on it every year from people who want additional transit dollars, I introduced this amendment because I would like to believe that the committee would take a look at this.

I do not know the right solution. I introduced the amendment as a cutoff of funds, or not a cutoff, but saying you could in the use of Federal dollars, and I am informed that perhaps maybe Federal dollars are not being used, but we know once you combine the pool, money is fungible. And I am just concerned, one, very much so, that we are not buying an incremental value of safety important to the workers on this project; but, secondly, if the local transportation agency, whether it is the Bay Area Rapid Transit district in my area or the Los Angeles district, if they want to engage in this, maybe they ought to do that with their taxpayer or ratepayer dollars. And that should be a local decision.

If they want to think that, they want to spend this kind of money in L.A., that does not appear as a block, to greater safety, then maybe the ratepayers and the local taxpayers ought to be in on that decision. But they should not just be using a pool of money that is supposed to be buying miles of tunnel or miles of track or cars for these systems, and dishing it out in this fashion.

So I do not expect to press this today, but I would just hope that the committee would give some attention to this matter, because I think it goes to the credibility of our authorizing process and it clearly goes to the scarcity of transit dollars.

The CHAIRMAN. The gentleman's time has expired.

(On request of Mr. SHUSTER and by unanimous consent, Mr. MILLER of California was allowed to proceed for 3 additional minutes.)

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, I would say to the gentleman that, while we oppose this amendment today, we commend him for focusing on this. There have been some real violations of this; there have been some serious problems. I want to assure the gentleman that we are instructing our investigative staff to get into this and to work with his staff on this, because we think that these problems should be dealt with.

Now, the problem with the amendment, of course, is it prohibits all of us—and I understand there are some very, very great success stories. BART, I understand, is a success story. WMATA here in Washington is a success story where they have actually reduced costs and improved safety. I salute the gentleman for calling this to our attention, and I assure him that we will focus on it with our investigators and his staff.

Mr. MILLER of California. Mr. Chairman, I thank the gentleman for those assurances. I want to say to the gentleman how much I appreciate that, because I know the work load and the demands and the requests that this committee gets from all of the Members of this Congress. I appreciate his response to this amendment.

Mr. RAHALL. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from West Virginia.

Mr. RAHALL. Mr. Chairman, I appreciate the gentleman from California for yielding. I certainly salute him for his ever-constant vigilance of good, sound, public policy. We have just been made aware of this in the last couple of days. To my knowledge, we have not been aware of the problem with these safety bonuses before. As I understand, it has come to the public attention through a Los Angeles Times article this past Sunday.

I understand the gentleman's concern about Los Angeles, and there may or may not be a problem there. As I say, it has just come to our attention. We have not completely gathered all of that information there, and I commend the chairman for what he has said. I know that just recently I have been made aware that there is a safety bonus program in place in the bay area.

Mr. MILLER of California. Mr. Chairman, reclaiming my time, that is correct.

Mr. RAHALL. So, are there any problems there that we do not know about?

Mr. MILLER of California. Not that I know of. I thank the gentleman, and I would just say that I appreciate his comments. I would say that if we are buying incremental safety, if we are buying a value here, we are helping the workers, then maybe this program works. But if we are not doing that, then I think we are perpetrating a fraud on the workers and probably on the taxpayers.

I think that maybe people may be more diligent about it if it came out of their local—out of the fare box, so to speak, or out of their local tax rate, than if they just thought maybe the Federal Government was contributing half to the safety bonus programs. I do not know. That is for the committee, and that is why I am not pressing the amendment, because I do not know that this is a solution. And I do not want to paint every other transit district with the same problems that have been highlighted in this article.

But if the committee would give some attention to this, and the Chairman has been nice enough to ensure that, I appreciate it, and I thank the gentleman for his comments.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

□ 1730

AMENDMENT OFFERED BY MR. WARD

Mr. WARD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WARD: Strike section 349 of the bill and conform the table of contents accordingly.

Mr. WARD. Mr. Chairman, my amendment would strike the language in this bill which takes the motorcycle-helmet requirement that has been imposed by the Federal Government out of statutory law or out of our statutes. That is to say we have in our current statutes the requirement that States pass a law requiring the wearing of motorcycle helmets within their State or face a loss of Federal dollars.

Mr. Chairman, I firmly and deeply believe that motorcycle helmets save lives, that motorcycle helmets reduce the overall medical expense which is borne by the people of this country in one way or another through increased insurance premiums, through increased health expenditures, or increased local hospital expenditures. In one way or another we pay for the people who choose to ride a motorcycle without a motorcycle helmet.

Mr. Chairman, I move passage of the amendment.

Mr. PETRI. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Kentucky [Mr. WARD].

Mr. Chairman, I oppose this amendment which would strike from H.R. 2274 the repeal of the helmet penalties.

This year, 25 States lost to safety programs over $51 million in highway funds because they did not have universal helmet laws. If we adopt this amendment and do not repeal the penalties, this year and in the future that amount will double—that means that $100 million in highway construction and maintenance projects will not be able to go forward in these 25 States. I am sure that many of these foregone projects would go a long way toward improving safety.

Many penalized States are particularly frustrated with this loss of funds since many have fatality rates which are actually lower than many States which do have such laws. These States—through motorcycle rider education programs or other types of safety programs—have good motorcycle safety records.

Yet because they have chosen not to adopt the one method prescribed in Washington, these States are losing highway funds. And States with fatality rates far worse are not losing highway funds. This does not make sense.

I also oppose this amendment because I do not believe the Federal Government should be trying to impose its will on the States regarding this issue. Even without these penalties, a State can adopt a universal helmet law if it so chooses, and half of the States have done so. They don't need us telling them what to do.

As the Subcommittee on Surface Transportation has heard repeatedly over the past several years, States do view this as a Federal mandate.

And yet I must question the effectiveness of this mandate. Since ISTEA was enacted in 1991, only one State has passed the required law. This is not a good track record. Finally, I do not believe it is right or fair to try to blame the current problems of Medicaid or other health care problems on motorcycle riders. There are many activities people knowingly do which expose them to some health risk—using drugs, exposure to the sun, dangerous sports, overeating—and yet those people have not been subjected to the kind of rhetoric we hear on this issue.

We should repeal these penalties which take away much needed highway construction funds from fully half of all the States, which do not take into account other safety initiatives of the States, and have not proven to be effective. I urge the House to defeat this amendment.

Mr. MINETA. Mr. Chairman, I rise in support of the gentleman's amendment.

The helmet issue is another that is often described as a States' rights issue. Yet again, I must correct the record. When one State repeals its requirement for motorcycle riders to wear helmets, we all pay.

This is true for speed limits, and it is true for helmets.

Up to 80 percent of acute and long-term care is paid for with tax dollars. And helmets are 67 percent effective in preventing brain injury, exactly the type of injury that needs expensive, long-term care.

Most riders who incur these injuries are young people. That means the long-term care for such riders who incur severe injuries can last for 20, 30, or even 40 years. And, in most cases, public sources, such as Medicaid, will be paying the bills.

This body is currently considering reforming the Medicaid Program. If we care about controlling costs, we must care about preventing the lessening the severity of injuries in motorcycle crashes.

The best way to do that is to encourage States to require all riders to wear helmets. Current law does not force States to pass helmet laws. If they choose not to, a small portion of certain highway funds is directed to safety programs.

This is a reasonable approach that over time saves taxpayers millions of dollars.

I urge a "yes" vote on the amendment.

The CHAIRMAN. The question is on amendment offered by the gentleman from Kentucky [Mr. WARD].

The amendment was rejected.

The CHAIRMAN. Are there further amendments?

If not, the question is on the amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. DIAZ-BALART) having assumed the chair, Mr. HANSEN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2274) to amend title 23, United States Code, to designate the National Highway System, and for other purposes, pursuant to House Resolution 224, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SHUSTER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 419, nays 7, not voting 8, as follows:

[Roll No. 679]

YEAS—419

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner

Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velázquez
Vento
Visclosky
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—7

Beilenson
Dellums
Gibbons
Jacobs
Johnston
Orton
Waters

NOT VOTING—8

Kennedy (MA)
Moakley
Reynolds
Roukema
Sisisky
Taylor (NC)
Tucker
Volkmer

☐ 1753

Mr. GIBBONS changed his vote from "yea" to "nay."

Messrs. BACHUS, FATTAH, and FOGLIETTA changed their vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SHUSTER. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on H.R. 2274, the bill just passed.

The SPEAKER pro tempore (Mr. TORKILDSEN). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

NATIONAL HIGHWAY SYSTEM DESIGNATION ACT OF 1995

Mr. SHUSTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 440) to amend title 23, United States Code, to provide for the designation of the National Highway System, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 440

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "National Highway System Designation Act of 1995".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—HIGHWAY PROVISIONS

Sec. 101. National Highway System designation.
Sec. 102. Eligible projects for the National Highway System.
Sec. 103. Transferability of apportionments.
Sec. 104. Design criteria for the National Highway System.
Sec. 105. Applicability of transportation conformity requirements.
Sec. 106. Use of recycled paving material.
Sec. 107. Limitation on advance construction.
Sec. 108. Preventive maintenance.
Sec. 109. Eligibility of bond and other debt instrument financing for reimbursement as construction expenses.
Sec. 110. Federal share for highways, bridges, and tunnels.
Sec. 111. Applicability of certain requirements to third party sellers.
Sec. 112. Streamlining for transportation enhancement projects.
Sec. 113. Non-Federal share for certain toll bridge projects.
Sec. 114. Congestion mitigation and air quality improvement program.
Sec. 115. Limitation of national maximum speed limit to certain commercial motor vehicles.
Sec. 116. Federal share for bicycle transportation facilities and pedestrian walkways.
Sec. 117. Suspension of management systems.
Sec. 118. Intelligent transportation systems.
Sec. 119. Donations of funds, materials, or services for federally assisted activities.
Sec. 120. Metric conversion of traffic control signs.
Sec. 121. Identification of high priority corridors.
Sec. 122. Revision of authority for innovative project in Florida.
Sec. 123. Revision of authority for priority intermodal project in California.
Sec. 124. National recreational trails funding program.
Sec. 125. Intermodal facility in New York.
Sec. 126. Clarification of eligibility.
Sec. 127. Bristol, Rhode Island, street marking.
Sec. 128. Public use of rest areas.
Sec. 129. Collection of tolls to finance certain environmental projects in Florida.
Sec. 130. Hours of service of drivers of ground water well drilling rigs.
Sec. 131. Rural access projects.
Sec. 132. Inclusion of high priority corridors.
Sec. 133. Sense of the Senate regarding the Federal-State funding relationship for transportation.
Sec. 134. Quality through competition.
Sec. 135. Federal share for economic growth center development highways.
Sec. 136. Vehicle weight and longer combination vehicles exemption for Sioux City, Iowa.
Sec. 137. Revision of authority for congestion relief project in California.
Sec. 138. Applicability of certain vehicle weight limitations in Wisconsin.
Sec. 139. Prohibition on new highway demonstration projects.
Sec. 140. Treatment of Centennial Bridge, Rock Island, Illinois, agreement.
Sec. 141. Moratorium on certain emissions testing requirements.
Sec. 142. Elimination of penalties for noncompliance with motorcycle helmet use requirement.
Sec. 143. Clarification of Eligibility.
Sec. 144. Toll roads, bridges, tunnels, nontoll roads that have a dedicated revenue source, and ferries.
Sec. 145. Transfer of funds between certain demonstration projects in Louisiana.

Sec. 146. Northwest Arkansas regional airport connector.
Sec. 147. Intercity rail infrastructure investment.
Sec. 148. Operation of motor vehicles by intoxicated minors.
Sec. 149. Contingent commitments.
Sec. 150. Availability of certain funds for Boston-to-Portland rail corridor.
Sec. 151. Revision of authority of multiyear contracts.
Sec. 152. Feasibility study of evacuation routes for Louisiana coastal areas.
Sec. 153. 34th Street corridor project in Moorhead, Minnesota.
Sec. 154. Safety belt use law requirements for New Hampshire and Maine.
Sec. 155. Report on accelerated vehicle retirement programs.
Sec. 156. Intercity rail infrastructure investment from Mass Transit Account of Highway Trust Fund.
Sec. 157. Moratorium.

TITLE II—NATIONAL CAPITAL REGION INTERSTATE TRANSPORTATION AUTHORITY

Sec. 201. Short title.
Sec. 202. Findings.
Sec. 203. Purposes.
Sec. 204. Definitions.
Sec. 205. Establishment of Authority.
Sec. 206. Government of Authority.
Sec. 207. Ownership of Bridge.
Sec. 208. Capital improvements and construction.
Sec. 209. Additional powers and responsibilities of Authority.
Sec. 210. Funding.
Sec. 211. Availability of prior authorizations.

TITLE III—FEDERAL HIGHWAY AND RAILROAD GRADE CROSSING SAFETY

Sec. 301. Short title.
Sec. 302. Intelligent vehicle-highway systems.
Sec. 303. State highway safety management systems.
Sec. 304. Violation of grade-crossing laws and regulations.
Sec. 305. Safety enforcement.
Sec. 306. Crossing elimination; statewide crossing freeze.

TITLE I—HIGHWAY PROVISIONS

SEC. 101. NATIONAL HIGHWAY SYSTEM DESIGNATION.

(a) IN GENERAL.—Section 103 of title 23, United States Code, is amended by inserting after subsection (b) the following:

"(c) NATIONAL HIGHWAY SYSTEM DESIGNATION.—

"(1) DESIGNATION.—The most recent National Highway System (as of the date of enactment of this Act) as submitted by the Secretary of Transportation pursuant to this section is designated as the National Highway System.

"(2) MODIFICATIONS.—

"(A) IN GENERAL.—At the request of a State, the Secretary may—

"(i) add a new route segment to the National Highway System, including a new intermodal connection; or

"(ii) delete a route segment in existence on the date of the request and any connection to the route segment;

if the total mileage of the National Highway System (including any route segment or connection proposed to be added under this subparagraph) does not exceed 165,000 miles (265,542 kilometers).

"(B) PROCEDURES FOR CHANGES REQUESTED BY STATES.—Each State that makes a request for a change in the National Highway System pursuant to subparagraph (A) shall establish that each change in a route segment or connection referred to in the subparagraph has been identified by the State, in cooperation with local officials, pursuant to applicable transportation planning activities for metropolitan areas carried out under section 134 and statewide planning processes carried out under section 135.

"(3) APPROVAL BY THE SECRETARY.—The Secretary may approve a request made by a State for a change in the National Highway System pursuant to paragraph (2) if the Secretary determines that the change—

"(A) meets the criteria established for the National Highway System under this title; and

"(B) enhances the national transportation characteristics of the National Highway System.".

(b) ROUTE SEGMENTS IN WYOMING.—

(1) IN GENERAL.—The Secretary of Transportation shall cooperate with the State of Wyoming in monitoring the changes in growth along, and traffic patterns of, the route segments in Wyoming described in paragraph (2), for the purpose of future consideration of the addition of the route segments to the National Highway System in accordance with paragraphs (2) and (3) of section 103(c) of title 23, United States Code (as added by subsection (a)).

(2) ROUTE SEGMENTS.—The route segments referred to in paragraph (1) are—

(A) United States Route 191 from Rock Springs to Hoback Junction;

(B) United States Route 16 from Worland to Interstate Route 90; and

(C) Wyoming Route 59 from Douglas to Gillette.

SEC. 102. ELIGIBLE PROJECTS FOR THE NATIONAL HIGHWAY SYSTEM.

(a) IN GENERAL.—Section 103(i) of title 23, United States Code, is amended—

(1) by striking paragraph (8) and inserting the following:

"(8) Capital and operating costs for traffic monitoring, management, and control facilities and programs."; and

(2) by adding at the end the following:

"(14) Construction, reconstruction, resurfacing, restoration, and rehabilitation of, and operational improvements for, public highways connecting the National Highway System to—

"(A) ports, airports, and rail, truck, and other intermodal freight transportation facilities; and

"(B) public transportation facilities.

"(15) Construction of, and operational improvements for, the Alameda Transportation Corridor along Alameda Street from the entrance to the ports of Los Angeles and Long Beach to Interstate 10, Los Angeles, California. The Federal share of the cost of the construction and improvements shall be determined in accordance with section 120(b).".

(b) DEFINITION.—Section 101(a) of title 23, United States Code, is amended by striking the undesignated paragraph defining "start-up costs for traffic management and control" and inserting the following:

"The term 'operating costs for traffic monitoring, management, and control' includes labor costs, administrative costs, costs of utilities and rent, and other costs associated with the continuous operation of traffic control activities, such as integrated traffic control systems, incident management programs, and traffic control centers,".

SEC. 103. TRANSFERABILITY OF APPORTIONMENTS.

The third sentence of section 104(g) of title 23, United States Code, is amended by striking "40 percent" and inserting "60 percent".

SEC. 104. DESIGN CRITERIA FOR THE NATIONAL HIGHWAY SYSTEM.

Section 109 of title 23, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

"(a) IN GENERAL.—The Secretary shall ensure that the plans and specifications for each proposed highway project under this chapter provide for a facility that will—

"(1) adequately serve the existing and planned future traffic of the highway in a manner that is conducive to safety, durability, and economy of maintenance; and

"(2) be designed and constructed in accordance with criteria best suited to accomplish the objectives described in paragraph (1) and to conform to the particular needs of each locality.";

(2) by striking subsection (c) and inserting the following:

"(c) DESIGN CRITERIA FOR THE NATIONAL HIGHWAY SYSTEM.—

"(1) IN GENERAL.—A design for new construction, reconstruction, resurfacing (except for maintenance resurfacing), restoration, or rehabilitation of a highway on the National Highway System (other than a highway also on the Interstate System) shall take into account, in addition to the criteria described in subsection (a)—

"(A) the constructed and natural environment of the area;

"(B) the environmental, scenic, aesthetic, historic, community, and preservation impacts of the activity; and

"(C) as appropriate, access for other modes of transportation.

"(2) DEVELOPMENT OF CRITERIA.—The Secretary, in cooperation with State highway agencies, shall develop criteria to implement paragraph (1). In developing the criteria, the Secretary shall consider the results of the committee process of the American Association of State Highway and Transportation Officials as adopted and published in 'A Policy on Geometric Design of Highways and Streets', after adequate opportunity for input by interested parties."; and

(3) by striking subsection (q) and inserting the following:

"(q) ENVIRONMENTAL, SCENIC, AND HISTORIC VALUES.—Notwithstanding subsections (b) and (c), the Secretary may approve a project for the National Highway System if the project is designed to—

"(1) allow for the preservation of environmental, scenic, or historic values;

"(2) ensure safe use of the facility; and

"(3) comply with subsection (a).".

SEC. 105. APPLICABILITY OF TRANSPORTATION CONFORMITY REQUIREMENTS.

(a) HIGHWAY CONSTRUCTION.—Section 109(j) of title 23, United States Code, is amended by striking "plan for the implementation of any ambient air quality standard for any air quality control region designated pursuant to the Clean Air Act, as amended." and inserting the following: "plan for—

"(1) the implementation of a national ambient air quality standard for which an area is designated as a nonattainment area under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)); or

"(2) the maintenance of a national ambient air quality standard in an area that was designated as a nonattainment area but that was later redesignated by the Administrator as an attainment area for the standard and that is required to develop a maintenance plan under section 175A of the Clean Air Act (42 U.S.C. 7505a).''.

(b) CLEAN AIR ACT REQUIREMENTS.—Section 176(c) of the Clean Air Act (42 U.S.C. 7506(c)) is amended by adding at the end the following:

''(5) APPLICABILITY.—This subsection shall apply only with respect to—

''(A) a nonattainment area and each specific pollutant for which the area is designated as a nonattainment area; and

''(B) an area that was designated as a nonattainment area but that was later redesignated by the Administrator as an attainment area and that is required to develop a maintenance plan under section 175A with respect to the specific pollutant for which the area was designated nonattainment.''.

SEC. 106. USE OF RECYCLED PAVING MATERIAL.

(a) IN GENERAL.—Section 1038 of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 23 U.S.C. 109 note) is amended—

(1) by striking subsection (d) and inserting the following:

''(d) ASPHALT PAVEMENT CONTAINING RECYCLED RUBBER.—

''(1) CRUMB RUBBER MODIFIER RESEARCH.—Not later than 180 days after the date of enactment of the National Highway System Designation Act of 1995, the Administrator of the Federal Highway Administration shall develop testing procedures and conduct research to develop performance grade classifications, in accordance with the strategic highway research program carried out under section 307(d) of title 23, United States Code, for crumb rubber modifier binders. The testing procedures and performance grade classifications should be developed in consultation with representatives of the crumb rubber modifier industry and other interested parties (including the asphalt paving industry) with experience in the development of the procedures and classifications.

''(2) CRUMB RUBBER MODIFIER PROGRAM DEVELOPMENT.—

''(A) IN GENERAL.—The Administrator of the Federal Highway Administration shall make grants to States to develop programs to use crumb rubber from scrap tires to modify asphalt pavements. Each State may receive not more than $500,000 under this paragraph.

''(B) USE OF GRANT FUNDS.—Grant funds made available to States under this paragraph may be used—

''(i) to develop mix designs for crumb rubber modified asphalt pavements;

''(ii) for the placement and evaluation of crumb rubber modified asphalt pavement field tests; and

''(iii) for the expansion of State crumb rubber modifier programs in existence on the date the grant is made available.''; and

(2) in subsection (e), by striking paragraph (1) and inserting the following:

''(1) the term 'asphalt pavement containing recycled rubber' means any mixture of asphalt and crumb rubber derived from whole scrap tires, such that the physical properties of the asphalt are modified through the mixture, for use in pavement maintenance, rehabilitation, or construction applications; and''.

(b) FUNDING.—Section 307(e)(13) of title 23, United States Code, is amended by inserting after the second sentence the following: ''Of the amounts authorized to be expended under this paragraph, $500,000 shall be expended in fiscal year 1996 to carry out section 1038(d)(1) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 23 U.S.C. 109 note) and $10,000,000 shall be expended in each of fiscal years 1996 and 1997 to carry out section 1038(d)(2) of the Act.''.

SEC. 107. LIMITATION ON ADVANCE CONSTRUCTION.

Section 115(d) of title 23, United States Code, is amended to read as follows:

''(d) REQUIREMENT OF INCLUSION IN TRANSPORTATION IMPROVEMENT PROGRAM.—The Secretary may not approve an application under this section unless the project is included in the transportation improvement program of the State developed under section 135(f).''.

SEC. 108. PREVENTIVE MAINTENANCE.

Section 116 of title 23, United States Code, is amended by adding at the end the following:

''(d) PREVENTIVE MAINTENANCE.—A preventive maintenance activity shall be eligible for Federal assistance under this title if the State demonstrates to the satisfaction of the Secretary that the activity is a cost-effective means of extending the life of a Federal-aid highway.''.

SEC. 109. ELIGIBILITY OF BOND AND OTHER DEBT INSTRUMENT FINANCING FOR REIMBURSEMENT AS CONSTRUCTION EXPENSES.

(a) IN GENERAL.—Section 122 of title 23, United States Code, is amended to read as follows:

''SEC. 122. PAYMENTS TO STATES FOR BOND AND OTHER DEBT INSTRUMENT FINANCING.

''(a) DEFINITION OF ELIGIBLE DEBT FINANCING INSTRUMENT.—In this section, the term 'eligible debt financing instrument' means a bond or other debt financing instrument, including a note, certificate, mortgage, or lease agreement, issued by a State or political subdivision of a State, the proceeds of which are used for an eligible Federal-aid project under this title.

''(b) FEDERAL REIMBURSEMENT.—Subject to subsections (c) and (d), the Secretary may reimburse a State for expenses and costs incurred by the State or a political subdivision of the State, for—

''(1) interest payments under an eligible debt financing instrument;

''(2) the retirement of principal of an eligible debt financing instrument;

''(3) the cost of the issuance of an eligible debt financing instrument;

''(4) the cost of insurance for an eligible debt financing instrument; and

''(5) any other cost incidental to the sale of an eligible debt financing instrument (as determined by the Secretary).

''(c) CONDITIONS ON PAYMENT.—The Secretary may reimburse a State under subsection (b) with respect to a project funded by an eligible debt financing instrument after the State has complied with this title to the extent and in the manner that would be required if payment were to be made under section 121.

''(d) FEDERAL SHARE.—The Federal share of the cost of a project payable under this section shall not exceed the pro-rata basis of payment authorized in section 120.

''(e) STATUTORY CONSTRUCTION.—Notwithstanding any other law, the eligibility of an eligible debt financing instrument for reimbursement under subsection (a) shall not—

''(1) constitute a commitment, guarantee, or obligation on the part of the United States to provide for payment of principal or interest on the eligible debt financing instrument; or

''(2) create any right of a third party against the United States for payment under the eligible debt financing instrument.''.

(b) DEFINITION OF CONSTRUCTION.—The first sentence of the undesignated paragraph defining ''construction'' of section 101(a) of title 23, United States Code, is amended by inserting ''bond costs and other costs relating to the issuance of bonds or other debt instrument financing in accordance with section 122,'' after ''highway, including''.

(c) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 122 and inserting the following:

''122. Payments to States for bond and other debt instrument financing.''.

SEC. 110. FEDERAL SHARE FOR HIGHWAYS, BRIDGES, AND TUNNELS.

Section 129(a) of title 23, United States Code, is amended by striking paragraph (5) and inserting the following:

''(5) LIMITATION ON FEDERAL SHARE.—The Federal share payable for an activity described in paragraph (1) shall be a percentage determined by the State, but not to exceed 80 percent.''.

SEC. 111. APPLICABILITY OF CERTAIN REQUIREMENTS TO THIRD PARTY SELLERS.

Section 133(d) of title 23, United States Code, is amended by adding at the end the following:

''(5) APPLICABILITY OF CERTAIN REQUIREMENTS TO THIRD PARTY SELLERS.—

''(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), in the case of a transportation enhancement activity funded from the allocation required under paragraph (2), if real property or an interest in real property is to be acquired from a qualified organization exclusively for conservation purposes (as determined under section 170(h) of the Internal Revenue Code of 1986), the organization shall be considered to be the owner of the property for the purpose of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.).

''(B) FEDERAL APPROVAL PRIOR TO INVOLVEMENT OF QUALIFIED ORGANIZATION.—If Federal approval of the acquisition of the real property or interest predates the involvement of a qualified organization described in subparagraph (A) in the acquisition of the property, the organization shall be considered to be an acquiring agency or person as described in section 24.101(a)(2) of title 49, Code of Federal Regulations, for the purpose of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.).

''(C) ACQUISITIONS ON BEHALF OF RECIPIENTS OF FEDERAL FUNDS.—If a qualified organization described in subparagraph (A) has contracted with a State highway administration or other recipient of Federal funds to acquire the real property or interest on behalf of the recipient, the organization shall be considered to be an agent of the recipient for the purpose of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.).''.

SEC. 112. STREAMLINING FOR TRANSPORTATION ENHANCEMENT PROJECTS.

Section 133(e) of title 23, United States Code, is amended—

(1) in paragraph (3)—

(A) by striking ''(3) PAYMENTS.—The'' and inserting the following:

''(3) PAYMENTS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the''; and

(B) by adding at the end the following:

''(B) ADVANCE PAYMENT OPTION FOR TRANSPORTATION ENHANCEMENT ACTIVITIES.—

''(i) IN GENERAL.—The Secretary may advance funds to the State for transportation enhancement activities funded from the allocation required by subsection (d)(2) for a fiscal year if the Secretary certifies for the fiscal year that the State has authorized and uses a process for the selection of transportation enhancement projects that involves representatives of affected public entities, and private citizens, with expertise related to transportation enhancement activities.

"(ii) LIMITATION ON AMOUNTS.—Amounts advanced under this subparagraph shall be limited to such amounts as are necessary to make prompt payments for project costs.

"(iii) EFFECT ON OTHER REQUIREMENTS.—This subparagraph shall not exempt a State from other requirements of this title relating to the surface transportation program."; and

(2) by adding at the end the following:

"(5) TRANSPORTATION ENHANCEMENT ACTIVITIES.—

"(A) CATEGORICAL EXCLUSIONS.—To the extent appropriate, the Secretary shall develop categorical exclusions from the requirement that an environmental assessment or an environmental impact statement under section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332) be prepared for transportation enhancement activities funded from the allocation required by subsection (d)(2).

"(B) NATIONWIDE PROGRAMMATIC AGREEMENT.—The Administrator of the Federal Highway Administration, in consultation with the National Conference of State Historic Preservation Officers and the Advisory Council on Historic Preservation established under title II of the National Historic Preservation Act (16 U.S.C. 470i et seq.), shall develop a nationwide programmatic agreement governing the review of transportation enhancement activities funded from the allocation required by subsection (d)(2), in accordance with—

"(i) section 106 of the National Historic Preservation Act (16 U.S.C. 470f); and

"(ii) the regulations of the Advisory Council on Historic Preservation.".

SEC. 113. NON-FEDERAL SHARE FOR CERTAIN TOLL BRIDGE PROJECTS.

Section 144(l) of title 23, United States Code, is amended by adding at the end the following: "Any non-Federal funds expended for the seismic retrofit of the bridge may be credited toward the non-Federal share required as a condition of receipt of any Federal funds for seismic retrofit of the bridge made available after the date of the expenditure.".

SEC. 114. CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.

(a) AREAS ELIGIBLE FOR FUNDS.—

(1) IN GENERAL.—The first sentence of section 149(b) of title 23, United States Code, is amended—

(A) by inserting "for areas in the State that were designated as nonattainment areas under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d))" after "may obligate funds"; and

(B) in paragraph (1)(A)—

(i) by striking "contribute to the" and inserting the following: "contribute to—

"(i) the"; and

(ii) by adding at the end the following:

"(ii) the maintenance of a national ambient air quality standard in an area that was designated as a nonattainment area but that was later redesignated by the Administrator of the Environmental Protection Agency as an attainment area under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)); or".

(2) APPORTIONMENT.—Section 104(b)(2) of title 23, United States Code, is amended—

(A) in the second sentence, by striking "is a nonattainment area (as defined in the Clean Air Act) for ozone" and inserting "was a nonattainment area (as defined in section 171(2) of the Clean Air Act (42 U.S.C. 7501(2))) for ozone during any part of fiscal year 1994"; and

(B) in the third sentence—

(i) by striking "is also" and inserting "was also"; and

(ii) by inserting "during any part of fiscal year 1994" after "monoxide".

(3) ORANGE STREET BRIDGE, MISSOULA, MONTANA.—Notwithstanding section 149 of title 23, United States Code, or any other law, a project to construct new capacity for the Orange Street Bridge in Missoula, Montana, shall be eligible for funding under the congestion mitigation and air quality improvement program established under the section.

(b) REMOVAL OF CERTAIN FUNDING LIMITATIONS.—Section 149(b)(1)(A) of title 23, United States Code, is amended by striking "(other than clauses (xii) and (xvi) of such section), that the project or program" and inserting ", that the publicly sponsored project or program".

(c) EFFECT OF LIMITATION ON APPORTIONMENT.—Notwithstanding any other law, for each of fiscal years 1996 and 1997, any limitation under this section or an amendment made by this section on an apportionment otherwise authorized under section 1003(a)(4) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102-240; 105 Stat. 1919) shall not affect any hold harmless apportionment adjustment under section 1015(a) of the Act (Public Law 102-240; 105 Stat. 1943).

(d) TRAFFIC MONITORING, MANAGEMENT, AND CONTROL FACILITIES AND PROGRAMS.—The first sentence of section 149(b) of title 23, United States Code, is amended—

(1) in paragraph (2), by striking "or" at the end;

(2) in paragraph (3), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(4) to establish or operate a traffic monitoring, management, and control facility or program if the Secretary, after consultation with the Administrator of the Environmental Protection Agency, determines that the facility or program is likely to contribute to the attainment of a national ambient air quality standard.".

SEC. 115. LIMITATION OF NATIONAL MAXIMUM SPEED LIMIT TO CERTAIN COMMERCIAL MOTOR VEHICLES.

(a) IN GENERAL.—Section 154 of title 23, United States Code, is amended—

(1) by striking the section heading and inserting the following:

"§ 154. National maximum speed limit for certain commercial motor vehicles";

(2) in subsection (a)—

(A) by inserting ", with respect to motor vehicles" before "(1)"; and

(B) in paragraph (4), by striking "motor vehicles using it" and inserting "vehicles driven or drawn by mechanical power manufactured primarily for use on public highways (except any vehicle operated exclusively on a rail or rails) using it";

(3) by striking subsection (b) and inserting the following:

"(b) MOTOR VEHICLE.—In this section, the term 'motor vehicle' has the meaning provided for 'commercial motor vehicle' in section 31301(4) of title 49, United States Code, except that the term does not include any vehicle operated exclusively on a rail or rails.";

(4) in the first sentence of subsection (e), by striking "all vehicles" and inserting "all motor vehicles"; and

(5) by redesignating subsection (i) as subsection (f).

(b) CONFORMING AMENDMENTS.—

(1) The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 154 and inserting the following:

"154. National maximum speed limit for certain commercial motor vehicles.".

(2) Section 153(i)(2) of title 23, United States Code, is amended to read as follows:

"(2) MOTOR VEHICLE.—The term 'motor vehicle' means any vehicle driven or drawn by mechanical power manufactured primarily for use on public highways, except any vehicle operated exclusively on a rail or rails.".

(3) Section 157(d) of title 23, United States Code, is amended by striking "154(f) or".

(4) Section 410(i)(3) of title 23, United States Code, is amended to read as follows:

"(3) MOTOR VEHICLE.—The term 'motor vehicle' means any vehicle driven or drawn by mechanical power manufactured primarily for use on public highways, except any vehicle operated exclusively on a rail or rails.".

SEC. 116. FEDERAL SHARE FOR BICYCLE TRANSPORTATION FACILITIES AND PEDESTRIAN WALKWAYS.

Section 217(f) of title 23, United States Code, is amended by striking "80 percent" and inserting "determined in accordance with section 120(b)".

SEC. 117. SUSPENSION OF MANAGEMENT SYSTEMS.

Section 303 of title 23, United States Code, is amended—

(1) by striking subsection (c) and inserting the following:

"(c) STATE ELECTION.—A State may, at the option of the State, elect, at any time, not to implement, in whole or in part, 1 or more of the management systems required under this section. The Secretary may not impose any sanction on, or withhold any benefit from, a State on the basis of such an election."; and

(2) in subsection (f)—

(A) by striking "(f) ANNUAL REPORT.—Not" and inserting the following:

"(f) REPORTS.—

"(1) ANNUAL REPORTS.—Not"; and

(B) by adding at the end the following:

"(2) REPORT ON IMPLEMENTATION.—Not later than October 1, 1996, the Secretary, in consultation with States, shall transmit to Congress a report on the management systems required under this section that makes recommendations as to whether, to what extent, and how the management systems should be implemented.".

SEC. 118. INTELLIGENT TRANSPORTATION SYSTEMS.

(a) IMPROVED COLLABORATION IN INTELLIGENT TRANSPORTATION SYSTEMS RESEARCH AND DEVELOPMENT.—Section 6054 of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102-240; 23 U.S.C. 307 note) is amended by adding at the end the following:

"(e) COLLABORATIVE RESEARCH AND DEVELOPMENT.—In carrying out this part, the Secretary may carry out collaborative research and development in accordance with section 307(a)(2) of title 23, United States Code.".

(b) TIME LIMIT FOR OBLIGATION OF FUNDS FOR INTELLIGENT TRANSPORTATION SYSTEMS PROJECTS.—Section 6058 of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102-240; 23 U.S.C. 307 note) is amended by adding at the end the following:

"(f) OBLIGATION OF FUNDS.—

"(1) IN GENERAL.—Funds made available pursuant to subsections (a) and (b) after the date of enactment of this subsection, and other funds made available after that date to carry out specific intelligent transportation systems projects, shall be obligated not later than the last day of the fiscal year following the fiscal year with respect to which the funds are made available.

"(2) REALLOCATION OF FUNDS.—If funds described in paragraph (1) are not obligated by the date described in the paragraph, the Secretary may make the funds available to carry out any other activity with respect to which funds may be made available under subsection (a) or (b).".

(c) CONFORMING AMENDMENTS.—

(1) The table in section 1107(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 105 Stat. 2048) is amended—

(A) in item 10, by striking "(IVHS)" and inserting "(ITS)"; and

(B) in item 29, by striking "intelligent/vehicle highway systems" and inserting "intelligent transportation systems".

(2) Section 6009(a)(6) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 105 Stat. 2176) is amended by striking "intelligent vehicle highway systems" and inserting "intelligent transportation systems".

(3) Part B of title VI of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 23 U.S.C. 307 note) is amended—

(A) by striking the part heading and inserting the following:

"PART B—INTELLIGENT TRANSPORTATION SYSTEMS";

(B) in section 6051, by striking "Intelligent Vehicle-Highway Systems" and inserting "Intelligent Transportation Systems";

(C) by striking "intelligent vehicle-highway systems" each place it appears and inserting "intelligent transportation systems";

(D) in section 6054—

(i) in subsection (a)(2)(A), by striking "intelligent vehicle-highway" and inserting "intelligent transportation systems"; and

(ii) in the subsection heading of subsection (b), by striking "INTELLIGENT VEHICLE-HIGHWAY SYSTEMS" and inserting "INTELLIGENT TRANSPORTATION SYSTEMS";

(E) in the subsection heading of section 6056(a), by striking "IVHS" and inserting "ITS";

(F) in the subsection heading of each of subsections (a) and (b) of section 6058, by striking "IVHS" and inserting "ITS"; and

(G) in the paragraph heading of section 6059(1), by striking "IVHS" and inserting "ITS".

(4) Section 310(c)(3) of the Department of Transportation and Related Agencies Appropriations Act, 1995 (Public Law 103–331; 23 U.S.C. 104 note), is amended by striking "intelligent vehicle highway systems" and inserting "intelligent transportation systems".

(5) Section 109(a) of the Hazardous Materials Transportation Authorization Act of 1994 (Public Law 103–311; 23 U.S.C. 307 note) is amended—

(A) by striking "Intelligent Vehicle-Highway Systems" each place it appears and inserting "Intelligent Transportation Systems"; and

(B) by striking "intelligent vehicle-highway system" and inserting "intelligent transportation system".

(6) Section 5316(d) of title 49, United States Code, is amended—

(A) in the subsection heading, by striking "INTELLIGENT VEHICLE-HIGHWAY" and inserting "INTELLIGENT TRANSPORTATION"; and

(B) by striking "intelligent vehicle-highway" each place it appears and inserting "intelligent transportation".

SEC. 119. DONATIONS OF FUNDS, MATERIALS, OR SERVICES FOR FEDERALLY ASSISTED ACTIVITIES.

Section 323 of title 23, United States Code, is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following:

"(c) CREDIT FOR DONATIONS OF FUNDS, MATERIALS, OR SERVICES.—Nothing in this title or any other law shall prevent a person from offering to donate funds, materials, or services in connection with an activity eligible for Federal assistance under this title. In the case of such an activity with respect to which the Federal Government and the State share in paying the cost, any donated funds, or the fair market value of any donated materials or services, that are accepted and incorporated into the activity by the State highway agency shall be credited against the State share.".

SEC. 120. METRIC CONVERSION OF TRAFFIC CONTROL SIGNS.

(a) Notwithstanding section 3(2) of the Metric Conversion Act of 1975 (15 U.S.C. 205b(2)) or any other law, no State shall be required to—

(1) erect any highway sign that establishes any speed limit, distance, or other measurement using the metric system; or

(2) modify any highway sign that establishes any speed limit, distance, or other measurement so that the sign uses the metric system.

(b) Upon receipt of a written notification by a State, referring to its right to provide notification under this subsection, the Secretary of Transportation shall waive, with respect to such State, any requirement that such State use or plan to use the metric system with respect to designing, preparing plans, specifications and estimates, advertising, or taking any other action with respect to Federal-aid highway projects or activities utilizing funds authorized pursuant to title 23, United States Code. Such waiver shall remain effective for the State until the State notifies the Secretary to the contrary: *Provided*, That a waiver granted by the Secretary will be in effect until September 30, 2000.

SEC. 121. IDENTIFICATION OF HIGH PRIORITY CORRIDORS.

Section 1105(c) of the Intermodal Surface Transportation Efficiency Act of 1991 (Pub. L. 102–240; 105 Stat. 2032) is amended—

(1) by striking paragraph (5) and inserting the following:

"(5)(A) I–73/74 North-South Corridor from Charleston, South Carolina, through Winston-Salem, North Carolina, to Portsmouth, Ohio, to Cincinnati, Ohio, to termini at Detroit, Michigan and Sault Ste. Marie, Michigan.

"(B)(i) In the Commonwealth of Virginia, the Corridor shall generally follow—

"(I) United States Route 220 from the Virginia-North Carolina border to I–581 south of Roanoke;

"(II) I–581 to I–81 in the vicinity of Roanoke;

"(III) I–81 to the proposed highway to demonstrate intelligent transportation systems authorized by item 29 of the table in section 1107(b) in the vicinity of Christiansburg to United States Route 460 in the vicinity of Blacksburg; and

"(IV) United States Route 460 to the West Virginia State line.

"(ii) In the States of West Virginia, Kentucky, and Ohio, the Corridor shall generally follow—

"(I) United States Route 460 from the West Virginia State line to United States Route 52 at Bluefield, West Virginia; and

"(II) United States Route 52 to United States Route 23 at Portsmouth, Ohio.

"(iii) In the States of North Carolina and South Carolina, the Corridor shall generally follow—

"(I) in the case of I–73—

"(aa) United States Route 220 from the Virginia State line to State Route 68 in the vicinity of Greensboro;

"(bb) State Route 68 to I–40;

"(cc) I–40 to United States Route 220 in Greensboro;

"(dd) United States Route 220 to United States Route 1 near Rockingham;

"(ee) United States Route 1 to the South Carolina State line; and

"(ff) South Carolina State line to Charleston, South Carolina; and

"(II) in the case of I–74—

"(aa) I–77 from Bluefield, West Virginia, to the junction of I–77 and the United States Route 52 connector in Surry County, North Carolina;

"(bb) the I–77/United States Route 52 connector to United States Route 52 south of Mount Airy, North Carolina;

"(cc) United States Route 52 to United States Route 311 in Winston-Salem, North Carolina;

"(dd) United States Route 311 to United States Route 220 in the vicinity of Randleman, North Carolina.

"(ee) United States Route 220 to United States Route 74 near Rockingham;

"(ff) United States Route 74 to United States Route 76 near Whiteville;

"(gg) United States Route 74/76 to the South Carolina State line in Brunswick County; and

"(hh) South Carolina State line to Charleston, South Carolina.

"(iv) Each route segment referred to in clause (i), (ii), or (iii) that is not a part of the Interstate System shall be designated as a route included in the Interstate System, at such time as the Secretary determines that the route segment—

"(I) meets Interstate System design standards approved by the Secretary under section 109(b) of title 23, United States Code; and

"(II) meets the criteria for designation pursuant to section 139 of title 23, United States Code, except that the determination shall be made without regard to whether the route segment is a logical addition or connection to the Interstate System.";

(2) in paragraph (18)—

(A) by striking "and"; and

(B) by inserting before the period at the end the following: ", and to the Lower Rio Grande Valley at the border between the United States and Mexico"; and

(3) by adding at the end the following:

"(22) The Alameda Transportation Corridor along Alameda Street from the entrance to the ports of Los Angeles and Long Beach to Interstate 10, Los Angeles, California.

"(23) The Interstate Route 35 Corridor from Laredo, Texas, through Oklahoma City, Oklahoma, to Wichita, Kansas, to Kansas City, Kansas/Missouri, to Des Moines, Iowa, to Minneapolis, Minnesota, to Duluth, Minnesota.

"(24) The Dalton Highway from Deadhorse, Alaska to Fairbanks, Alaska.

"(25) State Route 168 (South Battlefield Boulevard), Virginia, from the Great Bridge Bypass to the North Carolina State line.".

SEC. 122. REVISION OF AUTHORITY FOR INNOVATIVE PROJECT IN FLORIDA.

Item 196 of the table in section 1107(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 105 Stat. 2058) is amended—

(1) by striking "Orlando,"; and

(2) by striking "Land & right-of-way acquisition & guideway construction for magnetic limitation project" and inserting "1 or more regionally significant, intercity ground transportation projects".

SEC. 123. REVISION OF AUTHORITY FOR PRIORITY INTERMODAL PROJECT IN CALIFORNIA.

Item 31 of the table in section 1108(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 105 Stat. 2062) is amended by striking "To improve ground access from Sepulveda Blvd. to Los Angeles, California" and inserting the following: "For the Los Angeles International Airport central terminal ramp access project, $3,500,000; for the widening of Aviation Boulevard south of Imperial Highway, $3,500,000; for the widening of Aviation Boulevard north of Imperial Highway, $1,000,000; and for transportation systems management improvements in the vicinity of the Sepulveda Boulevard/Los Angeles International Airport tunnel, $950,000".

SEC. 124. NATIONAL RECREATIONAL TRAILS FUNDING PROGRAM.

(a) CONTRACT AUTHORITY.—Section 1302 of the Intermodal Surface Transportation Efficiency Act of 1991 (16 U.S.C. 1261) is amended—

(1) by redesignating subsection (g) as subsection (i); and

(2) by inserting after subsection (f) the following:

"(g) CONTRACT AUTHORITY.—Funds authorized to be appropriated under this section shall be available for obligation in the manner as if the funds were apportioned under title 23, United States Code, except that the Federal share of any project under this section shall be determined in accordance with this section.

"(h) FEDERAL SHARE.—The Federal share of the cost of a project under this section shall be 50 percent.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) IN GENERAL.—Section 1302 of the Intermodal Surface Transportation Efficiency Act of 1991 (16 U.S.C. 1261) is amended—

(A) by striking subsection (c) and inserting the following:

"(c) STATE ELIGIBILITY.—A State shall be eligible to receive moneys under this part if—

"(1) the Governor of the State has designated the State agency responsible for administering allocations under this section;

"(2) the State proposes to obligate and ultimately obligates any allocations received in accordance with subsection (e); and

"(3) a recreational trail advisory board on which both motorized and nonmotorized recreational trail users are represented exists in the State.";

(B) in subsection (d), by striking paragraph (3);

(C) in subsection (e)—

(i) in paragraphs (3)(A), (5)(B), and (8)(B), by striking "(c)(2)(A) of this section" and inserting "(c)(3)"; and

(ii) in paragraph (5)(A)(i), by striking "(g)(5)" and inserting "(i)(5)"; and

(D) in subsection (i) (as redesignated by subsection (a)(1)), by striking paragraph (1) and inserting the following:

"(1) ELIGIBLE STATE.—The term 'eligible State' means a State (as defined in section 101 of title 23, United States Code) that meets the requirements of subsection (c).".

(2) Section 104 of title 23, United States Code, is amended—

(A) by redesignating subsection (h) as subsection (i); and

(B) by inserting after subsection (g) the following:

"(h) NATIONAL RECREATIONAL TRAILS FUNDING.—The Secretary shall expend, from administrative funds deducted under subsection (a), to carry out section 1302 of the Intermodal Surface Transportation Efficiency Act of 1991 (16 U.S.C. 1261) $15,000,000 for each of fiscal years 1996 and 1997.".

SEC. 125. INTERMODAL FACILITY IN NEW YORK.

(a) IN GENERAL.—The Secretary of Transportation shall make grants to the National Railroad Passenger Corporation for—

(1) engineering, design, and construction activities to permit the James A. Farley Post Office in New York, New York, to be used as an intermodal transportation facility and commercial center; and

(2) necessary improvements to and redevelopment of Pennsylvania Station and associated service buildings in New York, New York.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section a total of $69,500,000 for fiscal years following fiscal year 1995, to remain available until expended.

SEC. 126. CLARIFICATION OF ELIGIBILITY.

The improvements to, or adjacent to, the main line of the National Railroad Passenger Corporation between milepost 190.23 at Central Falls, Rhode Island, and milepost 168.53 at Davisville, Rhode Island, that are necessary to support the rail movement of freight shall be eligible for funding under sections 103(e)(4), 104(b), and 144 of title 23, United States Code.

SEC. 127. BRISTOL, RHODE ISLAND, STREET MARKING.

Notwithstanding any other law, a red, white, and blue center line in the Main Street of Bristol, Rhode Island, shall be deemed to comply with the requirements of section 3B-1 of the Manual on Uniform Traffic Control Devices of the Department of Transportation.

SEC. 128. PUBLIC USE OF REST AREAS.

Notwithstanding section 111 of title 23, United States Code, or any project agreement under the section, the Secretary of Transportation shall permit the conversion of any safety rest area adjacent to Interstate Route 95 within the State of Rhode Island that was closed as of May 1, 1995, to use as a motor vehicle emissions testing facility. At the option of the State, vehicles shall be permitted to gain access to and from any such testing facility directly from Interstate Route 95.

SEC. 129. COLLECTION OF TOLLS TO FINANCE CERTAIN ENVIRONMENTAL PROJECTS IN FLORIDA.

Notwithstanding section 129(a) of title 23, United States Code, on request of the Governor of the State of Florida, the Secretary of Transportation shall modify the agreement entered into with the transportation department of the State and described in section 129(a)(3) of the title to permit the collection of tolls to liquidate such indebtedness as may be incurred to finance any cost associated with a feature of an environmental project that is carried out under State law and approved by the Secretary of the Interior.

SEC. 130. HOURS OF SERVICE OF DRIVERS OF GROUND WATER WELL DRILLING RIGS.

(a) DEFINITIONS.—In this section:

(1) 8 CONSECUTIVE DAYS.—The term "8 consecutive days" means the period of 8 consecutive days beginning on any day at the time designated by the motor carrier for a 24-hour period.

(2) 24-HOUR PERIOD.—The term "24-hour period" means any 24-consecutive-hour period beginning at the time designated by the motor carrier for the terminal from which the driver is normally dispatched.

(3) GROUND WATER WELL DRILLING RIG.—The term "ground water well drilling rig" means any vehicle, machine, tractor, trailer, semi-trailer, or specialized mobile equipment propelled or drawn by mechanical power and used on highways to transport water well field operating equipment, including water well drilling and pump service rigs equipped to access ground water.

(b) GENERAL RULE.—In the case of a driver of a commercial motor vehicle subject to regulations prescribed by the Secretary of Transportation under sections 31136 and 31502 of title 49, United States Code, who is used primarily in the transportation and operation of a ground water well drilling rig, for the purpose of the regulations, any period of 8 consecutive days may end with the beginning of an off-duty period of 24 or more consecutive hours.

(c) REPORT.—The Secretary of Transportation shall monitor the commercial motor vehicle safety performance of drivers of ground water well drilling rigs. If the Secretary determines that public safety has been adversely affected by the general rule established by subsection (b), the Secretary shall report to Congress on the determination.

SEC. 131. RURAL ACCESS PROJECTS.

Item 111 of the table in section 1106(a)(2) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 105 Stat. 2042) is amended—

(1) by striking "Parker County" and inserting "Parker and Tarrant Counties"; and

(2) by striking "to four-lane" and inserting "in Tarrant County to freeway standards and in Parker County to a 4-lane".

SEC. 132. INCLUSION OF HIGH PRIORITY CORRIDORS.

Section 1105(d) of the Intermodal Surface Transportation Efficiency Act of 1991 (Pub. L. 102–240; 105 Stat. 2033) is amended by adding at the end the following: "The Secretary of Transportation shall include High Priority Corridor 18 as identified in section 1105(c) of this Act, as amended, on the approved National Highway System after completion of the feasibility study by the States as provided by such Act.".

SEC. 133. SENSE OF THE SENATE REGARDING THE FEDERAL-STATE FUNDING RELATIONSHIP FOR TRANSPORTATION.

(a) FINDINGS.—

(1) The designation of high priority roads through the National Highway System is required by the Intermodal Surface Transportation Efficiency Act (ISTEA) and will ensure the continuation of funding which would otherwise be withheld from the States.

(2) The Budget Resolution supported the re-evaluation of all Federal programs to determine which programs are more appropriately a responsibility of the States.

(3) Debate on the appropriate role of the Federal Government in transportation will occur in the re-authorization of ISTEA.

(b) SENSE OF SENATE.—Therefore, it is the sense of the Senate that the designation of the NHS does not assume the continuation or the elimination of the current Federal-State relationship nor preclude a re-evaluation of the Federal-State relationship in transportation.

SEC. 134. QUALITY THROUGH COMPETITION.

(a) CONTRACTING FOR ENGINEERING AND DESIGN SERVICES.—Section 112(b)(2) of title 23, United States Code, is amended by adding at the end the following new subparagraphs:

"(C) PERFORMANCE AND AUDITS.—Any contract or subcontract awarded in accordance with subparagraph (A), whether funded in whole or in part with Federal-aid highway funds, shall be performed and audited in compliance with cost principles contained in the Federal acquisition regulations of part 31 of title 48 of the Code of Federal Regulations.

"(D) INDIRECT COST RATES.—In lieu of performing its own audits, a recipient of funds under a contract or subcontract awarded in accordance with subparagraph (A) shall accept indirect cost rates established in accordance with the Federal acquisition regulations for 1-year applicable accounting periods by a cognizant Federal or State government agency, if such rates are not currently under dispute. Once a firm's indirect cost rates are accepted, the recipient of such funds shall apply such rates for the purposes of contract estimation, negotiation, administration, reporting, and contract payment and shall not be limited by administrative or de facto ceilings of any kind. A recipient of such funds requesting or using the cost and rate data described in this subparagraph shall notify any affected firm before such request or use. Such data shall be confidential and shall not be accessible or provided, in whole or in part, to another firm or to any government agency which is not part of the group of agencies sharing cost data under this subparagraph, except by written permission of the audited firm. If prohibited by law, such cost and rate data shall not be disclosed under any circumstances.

"(E) EFFECTIVE DATE/STATE OPTION.—Subparagraphs (C) and (D) shall take effect upon the date of enactment of this Act: *Provided however*, That if a State, during the first regular session of the State legislature convening after the date of enactment of this Act, adopts by statute an alternative process intended to promote engineering and design quality, reduce life-cycle costs, and ensure maximum competition by professional companies of all sizes providing engineering and design services. Such subparagraphs shall not apply in that State.".

SEC. 135. FEDERAL SHARE FOR ECONOMIC GROWTH CENTER DEVELOPMENT HIGHWAYS.

Section 1021(c) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102-240) (as amended by section 417 of the Department of Transportation and Related Agencies Appropriations Act, 1993 (Public Law 102-388; 106 Stat. 1565)) is amended—

(1) in paragraph (2), by striking "and" at the end and inserting "or"; and

(2) in paragraph (3), by striking "section 143 of title 23" and inserting "a project for the construction, reconstruction, or improvement of a development highway on a Federal-aid system, as described in section 103 of such title (as in effect on the day before the date of enactment of this Act) (other than the Interstate System), under section 143 of such title".

SEC. 136. VEHICLE WEIGHT AND LONGER COMBINATION VEHICLES EXEMPTION FOR SIOUX CITY, IOWA.

(a) VEHICLE WEIGHT LIMITATIONS.—The proviso in the second sentence of section 127(a) of title 23, United States Code, is amended by striking "except for those" and inserting the following: "except for vehicles using Interstate 29 between Sioux City, Iowa, and the border between Iowa and South Dakota and vehicles using Interstate Route 129 between Sioux City, Iowa, and the border between Iowa and Nebraska, and except for".

(b) LONGER COMBINATION VEHICLES.—Section 127(d)(1) of title 23, United States Code, is amended by adding at the end the following:

"(F) IOWA.—In addition to vehicles that the State of Iowa may continue to allow to be operated under subparagraph (A), the State of Iowa may allow longer combination vehicles that were not in actual operation on June 1, 1991, to be operated on Interstate Route 29 between Sioux City, Iowa, and the border between Iowa and South Dakota and Interstate 129 between Sioux City, Iowa, and the border between Iowa and Nebraska.".

SEC. 137. REVISION OF AUTHORITY FOR CONGESTION RELIEF PROJECT IN CALIFORNIA.

Item 1 of the table in section 1104(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102-240; 105 Stat. 2029) is amended by striking "Construction of HOV Lanes on I-710" and inserting "Construction of automobile and truck separation lanes at the southern terminus of I-710".

SEC. 138. APPLICABILITY OF CERTAIN VEHICLE WEIGHT LIMITATIONS IN WISCONSIN.

Section 127 of title 23, United States Code, is amended by adding at the end the following:

"(f) OPERATION OF CERTAIN SPECIALIZED HAULING VEHICLES ON CERTAIN WISCONSIN HIGHWAYS.—If the 104-mile portion of Wisconsin State Route 78 and United States Route 51 between Interstate Route 94 near Portage, Wisconsin, and Wisconsin State Route 29 south of Wausau, Wisconsin, is designated as part of the Interstate System under section 139(a), the single axle weight, tandem axle weight, gross vehicle weight, and bridge formula limits set forth in subsection (a) shall not apply to the 104-mile portion with respect to the operation of any vehicle that could legally operate on the 104-mile portion before the date of enactment of this subsection.".

SEC. 139. PROHIBITION ON NEW HIGHWAY DEMONSTRATION PROJECTS.

(a) IN GENERAL.—Notwithstanding any other law, neither the Secretary of Transportation nor any other officer or employee of the United States may make funds available for obligation to carry out any demonstration project described in subsection (b) that has not been authorized, or for which no funds have been made available, as of the date of enactment of this Act.

(b) PROJECTS.—Subsection (a) applies to a demonstration project or program that the Secretary of Transportation determines—

(1)(A) concerns a State-specific highway project or research or development in a specific State; or

(B) is otherwise comparable to a demonstration project or project of national significance authorized under any of sections 1103 through 1108 of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102-240; 105 Stat. 2027); and

(2) does not concern a federally owned highway.

SEC. 140. TREATMENT OF CENTENNIAL BRIDGE, ROCK ISLAND, ILLINOIS, AGREEMENT.

For purposes of section 129(a)(6) of title 23, United States Code, the agreement concerning the Centennial Bridge, Rock Island, Illinois, entered into under the Act entitled "An Act authorizing the city of Rock Island, Illinois, or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Rock Island, Illinois, and to a place at or near the city of Davenport, Iowa", approved March 18, 1938 (52 Stat. 110, chapter 48), shall be treated as if the agreement had been entered into under section 129 of title 23, United States Code, as in effect on December 17, 1991, and may be modified in accordance with section 129(a)(6) of the title.

SEC. 141. MORATORIUM ON CERTAIN EMISSIONS TESTING REQUIREMENTS.

(a) MORATORIUM.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency (referred to in this subsection as the "Administrator") shall not require adoption or implementation by a State of a test-only or I/M240 enhanced vehicle inspection and maintenance program as a means of compliance with section 182 of the Clean Air Act (42 U.S.C. 7511a), but the Administrator may approve such a program if a State chooses to adopt the program as a means of compliance.

(2) REPEAL.—Paragraph (1) is repealed effective as of the date that is 1 year after the date of enactment of this Act.

(b) PLAN APPROVAL.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency (referred to in this subsection as the "Administrator") shall not disapprove a State implementation plan revision under section 182 of the Clean Air Act (42 U.S.C. 7511a) on the basis of a regulation providing for a 50-percent discount for alternative test-and-repair inspection and maintenance programs.

(2) CREDIT.—If a State provides data for a proposed inspection and maintenance system for which credits are appropriate under section 182 of the Clean Air Act (42 U.S.C. 7511a), the Administrator shall allow the full amount of credit for the system that is appropriate without regard to any regulation that implements that section by requiring centralized emissions testing.

(3) DEADLINE.—The Administrator shall complete and present a technical assessment of data for a proposed inspection and maintenance system submitted by a State not later than 45 days after the date of submission.

SEC. 142. ELIMINATION OF PENALTIES FOR NONCOMPLIANCE WITH MOTORCYCLE HELMET USE REQUIREMENT.

Section 153(h) of title 23, United States Code, is amended by striking "a law described in subsection (a)(1) and" each place it appears.

SEC. 143. CLARIFICATION OF ELIGIBILITY.

The improvements to the former Pocono Northeast Railway Company freight rail line by the Luzerne County Redevelopment Authority that are necessary to support the rail movement of freight, shall be eligible for funding under sections 130, 144, and 149 of title 23, United States Code.

SEC. 144. TOLL ROADS, BRIDGES, TUNNELS, NONTOLL ROADS THAT HAVE A DEDICATED REVENUE SOURCE, AND FERRIES.

Section 129 of title 23, United States Code, is amended—

(1) by revising the title to read as follows:

"§ 129. Toll roads, bridges, tunnels, non-toll roads that have a dedicated revenue source, and ferries"; and

(2) by revising paragraph 129(a)(7) to read as follows:

"(7) Loans.—

"(A) In general.—A State may loan an amount equal to all or part of the Federal share of a toll project or a non-toll project that has a dedicated revenue source, specifically dedicated to such project or projects under this section, to a public entity constructing or proposing to construct a toll facility or non-toll facility with a dedicated revenue source. Dedicated revenue sources for non-toll facilities include: excise taxes, sales taxes, motor vehicle use fees, tax on real property, tax increment financing, or such other dedicated revenue source as the Secretary deems appropriate.".

SEC. 145. TRANSFER OF FUNDS BETWEEN CERTAIN DEMONSTRATION PROJECTS IN LOUISIANA.

Notwithstanding any other law, the funds available for obligation to carry out the project in West Calcasieu Parish, Louisiana, authorized by section 149(a)(87) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (Public Law 100–17; 101 Stat. 194) shall be made available for obligation to carry out the project for Lake Charles, Louisiana, authorized by item 17 of the table in section 1106(a)(2) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 105 Stat. 2038).

SEC. 146. NORTHWEST ARKANSAS REGIONAL AIRPORT CONNECTOR.

Notwithstanding any other provision of law, the Federal share for the intermodal connecter to the Northwest Arkansas Regional Airport from U.S. Highway 71 in Arkansas shall be 95 percent.

SEC. 147. INTERCITY RAIL INFRASTRUCTURE INVESTMENT.

(a) Interstate Rail Compacts.—

(1) Consent to compacts.—Congress grants consent to States with an interest in a specific form, route, or corridor of intercity passenger rail service (including high speed rail service) to enter into interstate compacts to promote the provision of the service, including—

(A) retaining an existing service or commencing a new service;

(B) assembling rights-of-way; and

(C) performing capital improvements, including—

(i) the construction and rehabilitation of maintenance facilities;

(ii) the purchase of locomotives; and

(iii) operational improvements, including communications, signals, and other systems.

(2) Financing.—An interstate compact established by States under paragraph (1) may provide that, in order to carry out the compact, the States may—

(A) accept contributions from a unit of State or local government or a person;

(B) use any Federal or State funds made available for intercity passenger rail service (except funds made available for the National Railroad Passenger Corporation);

(C) on such terms and conditions as the States consider advisable—

(i) borrow money on a short-term basis and issue notes for the borrowing; and

(ii) issue bonds; and

(D) obtain financing by other means permitted under Federal or State law.

(b) Eligibility of Passenger Rail as Surface Transportation Program Project.—Section 133(b) of title 23, United States Code, is amended—

(1) in paragraph (1), by inserting ", railroads," after "highways)";

(2) in paragraph (2)—

(A) by inserting ", all eligible activities under section 5311 of title 49, United States Code," before "and publicly owned";

(B) by inserting "or rail passenger" after "intercity bus"; and

(C) by inserting before the period at the end the following: ", including terminals and facilities owned by the National Railroad Passenger Corporation"; and

(3) in paragraph (6), by inserting ", and for passenger rail services," after "programs".

(c) Eligibility of Passenger Rail Under Congestion Mitigation and Air Quality Improvement Program.—The first sentence of section 149(b) of title 23, United States Code, is amended—

(1) in paragraph (2), by striking "or" at the end;

(2) in paragraph (3), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(4) if the project or program will have air quality benefits through construction of and operational improvements for intercity passenger rail facilities, operation of intercity passenger rail trains, and acquisition of rolling stock for intercity passenger rail service, except that not more than 50 percent of the amount received by a State for a fiscal year under this paragraph may be obligated for operating support.".

SEC. 148. OPERATION OF MOTOR VEHICLES BY INTOXICATED MINORS.

Section 158(a) of title 23, United States Code, is amended—

(1) by striking paragraph (1) and inserting the following:

"(1) Operation of motor vehicles by intoxicated minors.—

"(A) Fiscal year 1998.—If the condition described in subparagraph (C) exists in a State as of October 1, 1998, the Secretary shall withhold, on October 1, 1998, 5 percent of the amount required to be apportioned to the State under each of paragraphs (1), (2), (5), and (6) of section 104(b) for fiscal year 1998.

"(B) Fiscal years thereafter.—If the condition described in subparagraph (C) exists in a State as of October 1, 1999, or any October 1 thereafter, the Secretary shall withhold, on that October 1, 10 percent of the amount required to be apportioned to the State under each of paragraphs (1), (2), (5), and (6) of section 104(b) for the fiscal year beginning on that October 1.

"(C) Condition.—The condition referred to in subparagraphs (A) and (B) is that an individual under the age of 21 who has a blood alcohol concentration of 0.02 percent or greater when operating a motor vehicle in the State is not considered to be driving while intoxicated or driving under the influence of alcohol."; and

(2) in paragraph (2), by striking "After the first year" and inserting "Purchase and possession of alcoholic beverages by minors".

SEC. 149. CONTINGENT COMMITMENTS.

At the end of section 5309(g)(4) of title 49, United States Code, add the following new sentence: "The Secretary may enter future obligations in excess of 50 percent of said uncommitted cash balance for the purpose of contingent commitments for projects authorized under section 3032 of Public Law 102–240.".

SEC. 150. AVAILABILITY OF CERTAIN FUNDS FOR BOSTON-TO-PORTLAND RAIL CORRIDOR.

Section 5309 of title 49, United States Code, is amended by adding at the end the following new subsection:

"(p) Boston-To-Portland Rail Corridor.—Notwithstanding any other provision of law, up to $3,600,000 of the funds made available under this section for the rail corridor between Boston, Massachusetts and Portland, Maine may be used to pay for operating costs arising in connection with such rail corridor under section 5333(b).".

SEC. 151. REVISION OF AUTHORITY OF MULTIYEAR CONTRACTS.

Section 3035(ww) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 105 Stat. 2136) is amended by adding at the end the following: "Of the funds provided by this subsection, $100,000,000 is authorized to be appropriated for regionally significant ground transportation projects in the State of Hawaii.".

SEC. 152. FEASIBILITY STUDY OF EVACUATION ROUTES FOR LOUISIANA COASTAL AREAS.

Notwithstanding any other provisions of law, section 1105(e)(2) of Public Law 102–240 is amended by adding at the end the following new sentence: "A feasibility study may be conducted under this subsection to identify routes that will expedite future emergency evacuations of coastal areas of Louisiana.".

SEC. 153. 34TH STREET CORRIDOR PROJECT IN MOORHEAD, MINNESOTA.

Section 149(a)(5)(A) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (Public Law 100–17; 101 Stat. 181) is amended—

(1) in clause (i), by striking "and" at the end; and

(2) by inserting "and (iii) a safety overpass," after "interchange,".

SEC. 154. SAFETY BELT USE LAW REQUIREMENTS FOR NEW HAMPSHIRE AND MAINE.

The State of New Hampshire and the State of Maine shall be deemed as having met the safety belt use law requirements of section 153 of title 23, United States Code, upon certification by the Secretary of Transportation that the State has achieved—

(1) a safety belt use rate in each of fiscal years ending September 30, 1995 and September 30, 1996, of not less than 50 percent; and

(2) a safety belt use rate in each succeeding fiscal year thereafter of not less than the national average safety belt use rate, as determined by the Secretary of Transportation.

SEC. 155. REPORT ON ACCELERATED VEHICLE RETIREMENT PROGRAMS.

Not later than 180 days after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall transmit to Congress a report evaluating the effectiveness of all accelerated vehicle retirement programs described in section 108(f)(1)(A)(xvi) of the Clean Air Act (42 U.S.C. 7408(f)(1)(A)(xvi)) in existence on the date of enactment of this Act. The report shall evaluate—

(1) the certainties of emissions reductions gained from each program;

(2) the variability of emissions of retired vehicles;

(3) the reduction in the number of vehicle miles traveled by the vehicles retired as a result of each program;

(4) the subsequent actions of vehicle owners participating in each program concerning the purchase of a new or used vehicle or the use of such a vehicle;

(5) the length of the credit given to a purchaser of a retired vehicle under each program;

(6) equity impacts of the programs on the used car market for buyers and sellers; and

(7) such other factors as the Administrator determines appropriate.

SEC. 156. INTERCITY RAIL INFRASTRUCTURE INVESTMENT FROM MASS TRANSIT ACCOUNT OF HIGHWAY TRUST FUND.

Section 5323 of title 49, United States Code, is amended by adding at the end the following new subsection:

"(m) INTERCITY RAIL INFRASTRUCTURE INVESTMENT.—Any assistance provided to a State that does not have Amtrak service as of date of enactment of this Act from the Mass Transit Account of the Highway Trust Fund may be used for capital improvements to, and operating support for, intercity passenger rail service.".

SEC. 157. MORATORIUM.

(a) IN GENERAL.—Notwithstanding any other provision of law, no agency of the Federal Government may take any action to prepare, promulgate, or implement any rule or regulation addressing rights-of-way authorized pursuant to Revised Statutes 2477 (43 U.S.C. 932), as such law was in effect prior to October 21, 1976.

(b) SUNSET.—This section shall cease to have any force or effect after December 1, 1995.

TITLE II—NATIONAL CAPITAL REGION INTERSTATE TRANSPORTATION AUTHORITY

SEC. 201. SHORT TITLE.

This title may be cited as the "National Capital Region Interstate Transportation Authority Act of 1995".

SEC. 202. FINDINGS.

Congress finds that—

(1) traffic congestion imposes serious economic burdens on the metropolitan Washington, D.C., area, costing each commuter an estimated $1,000 per year;

(2) the volume of traffic in the metropolitan Washington, D.C., area is expected to increase by more than 70 percent between 1990 and 2020;

(3) the deterioration of the Woodrow Wilson Memorial Bridge and the growing population of the metropolitan Washington, D.C., area contribute significantly to traffic congestion;

(4) the Bridge serves as a vital link in the Interstate System and in the Northeast corridor;

(5) identifying alternative methods for maintaining this vital link of the Interstate System is critical to addressing the traffic congestion of the area;

(6) the Bridge is—

(A) the only drawbridge in the metropolitan Washington, D.C., area on the Interstate System;

(B) the only segment of the Capital Beltway with only 6 lanes; and

(C) the only segment of the Capital Beltway with a remaining expected life of less than 10 years;

(7) the Bridge is the only part of the Interstate System owned by the Federal Government;

(8)(A) the Bridge was constructed by the Federal Government;

(B) prior to the date of enactment of this Act, the Federal Government has contributed 100 percent of the cost of building and rehabilitating the Bridge; and

(C) the Federal Government has a continuing responsibility to fund future costs associated with the upgrading of the Interstate Route 95 crossing, including the rehabilitation and reconstruction of the Bridge;

(9) the Woodrow Wilson Bridge Coordination Committee, established by the Federal Highway Administration and comprised of representatives of Federal, State, and local governments, is undertaking planning studies pertaining to the Bridge, consistent with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and other applicable Federal laws;

(10) the transfer of ownership of the Bridge to a regional entity under the terms and conditions described in this title would foster regional transportation planning efforts to identify solutions to the growing problem of traffic congestion on and around the Bridge;

(11) any material change to the Bridge must take into account the interests of nearby communities, the commuting public, Federal, State, and local government organizations, and other affected groups; and

(12) a commission of congressional, State, and local officials and transportation representatives has recommended to the Secretary of Transportation that the Bridge be transferred to an independent authority to be established by the Capital Region jurisdictions.

SEC. 203. PURPOSES.

The purposes of this title are—

(1) to grant consent to the Commonwealth of Virginia, the State of Maryland, and the District of Columbia to establish the National Capital Region Interstate Transportation Authority; and

(2) to authorize the transfer of ownership of the Bridge to the Authority for the purposes of owning, constructing, maintaining, and operating a bridge or tunnel or a bridge and tunnel project across the Potomac River.

SEC. 204. DEFINITIONS.

In this title:

(1) AUTHORITY.—The term "Authority" means the National Capital Region Interstate Transportation Authority authorized by this title and by similar enactment by each of the Capital Region jurisdictions.

(2) AUTHORITY FACILITY.—The term "Authority facility" means—

(A) the Bridge (as in existence on the date of enactment of this Act);

(B) any southern Capital Beltway crossing of the Potomac River constructed in the vicinity of the Bridge after the date of enactment of this Act; or

(C) any building, improvement, addition, extension, replacement, appurtenance, land, interest in land, water right, air right, franchise, machinery, equipment, furnishing, landscaping, easement, utility, approach, roadway, or other facility necessary or desirable in connection with or incidental to a facility described in subparagraph (A) or (B).

(3) BOARD.—The term "Board" means the board of directors of the Authority established under section 206.

(4) BRIDGE.—The term "Bridge" means the Woodrow Wilson Memorial Bridge across the Potomac River.

(5) CAPITAL REGION JURISDICTION.—The term "Capital Region jurisdiction" means—

(A) the Commonwealth of Virginia;

(B) the State of Maryland; or

(C) the District of Columbia.

(6) INTERSTATE SYSTEM.—The term "Interstate System" means the Dwight D. Eisenhower National System of Interstate and Defense Highways designated under section 103(e) of title 23, United States Code.

(7) NATIONAL CAPITAL REGION.—The term "National Capital Region" means the region consisting of the metropolitan areas of—

(A)(i) the cities of Alexandria, Fairfax, and Falls Church, Virginia; and

(ii) the counties of Arlington and Fairfax, Virginia, and the political subdivisions of the Commonwealth of Virginia located in the counties;

(B) the counties of Montgomery and Prince Georges, Maryland, and the political subdivisions of the State of Maryland located in the counties; and

(C) the District of Columbia.

(8) SECRETARY.—The term "Secretary" means the Secretary of Transportation.

SEC. 205. ESTABLISHMENT OF AUTHORITY.

(a) CONSENT TO AGREEMENT.—Congress grants consent to the Commonwealth of Virginia, the State of Maryland, and the District of Columbia to enter into an interstate agreement or compact to establish the National Capital Region Interstate Transportation Authority in accordance with this title.

(b) ESTABLISHMENT OF AUTHORITY.—

(1) IN GENERAL.—On execution of the interstate agreement or compact described in subsection (a), the Authority shall be considered to be established.

(2) GENERAL POWERS.—The Authority shall be a body corporate and politic, independent of all other bodies and jurisdictions, having the powers and jurisdiction described in this title and such additional powers as are conferred on the Authority by the Capital Region jurisdictions, to the extent that the additional powers are consistent with this title.

SEC. 206. GOVERNMENT OF AUTHORITY.

(a) IN GENERAL.—The Authority shall be governed in accordance with this section and with the terms of any interstate agreement or compact relating to the Authority that is consistent with this title.

(b) BOARD.—The Authority shall be governed by a board of directors consisting of 12 members appointed by the Capital Region jurisdictions and 1 member appointed by the Secretary.

(c) QUALIFICATIONS.—One member of the Board shall have an appropriate background in finance, construction lending, or infrastructure policy.

(d) CHAIRPERSON.—The chairperson of the Board shall be elected biennially by the members of the Board.

(e) SECRETARY AND TREASURER.—The Board may—

(1) biennially elect a secretary and a treasurer, or a secretary-treasurer, without regard to whether the individual is a member of the Board; and

(2) prescribe the powers and duties of the secretary and treasurer, or the secretary-treasurer.

(f) TERMS.—

(1) IN GENERAL.—Except as provided in paragraph (2), a member of the Board shall serve for a 6-year term, and shall continue to serve until the successor of the member has been appointed in accordance with this subsection.

(2) INITIAL APPOINTMENTS.—

(A) BY CAPITAL REGION JURISDICTIONS.—Members initially appointed to the Board by a Capital Region jurisdiction shall be appointed for the following terms:

(i) 1 member shall be appointed for a 6-year term.

(ii) 1 member shall be appointed for a 4-year term.

(iii) 2 members shall each be appointed for a 2-year term.

(B) BY SECRETARY.—The member of the Board appointed by the Secretary shall be appointed for a 6-year term.

(3) FAILURE TO APPOINT.—The failure of a Capital Region jurisdiction to appoint 1 or more members of the Board, as provided in this subsection, shall not impair the establishment of the Authority if the condition of the establishment described in section 205(b)(1) has been met.

(4) Vacancies.—Subject to paragraph (5), a person appointed to fill a vacancy on the Board shall serve for the unexpired term.

(5) Reappointments.—A member of the Board shall be eligible for reappointment for 1 additional term.

(6) Personal liability of members.—A member of the Board, including any nonvoting member, shall not be personally liable for—

(A) any action taken in the capacity of the member as a member of the Board; or

(B) any note, bond, or other financial obligation of the Authority.

(7) Quorum.—

(A) In general.—Subject to subparagraph (B), for the purpose of carrying out the business of the Authority, 7 members of the Board shall constitute a quorum.

(B) Approval of bond issues and budget.—Eight affirmative votes of the members of the Board shall be required to approve bond issues and the annual budget of the Authority.

(8) Compensation.—A member of the Board shall serve without compensation and shall reside within a Capital Region jurisdiction.

(9) Expenses.—A member of the Board shall be entitled to reimbursement for the expenses of the member incurred in attending a meeting of the Board or while otherwise engaged in carrying out the duties of the Board.

SEC. 207. OWNERSHIP OF BRIDGE.

(a) Conveyance by Secretary.—

(1) In general.—After the Capital Region jurisdictions enter into the agreement described in subsection (c), the Secretary shall convey all right, title, and interest of the Department of Transportation in and to the Bridge to the Authority. Except as provided in paragraph (2), upon conveyance by the Secretary, the Authority shall accept the right, title, and interest in and to the Bridge, and all duties and responsibilities associated with the Bridge.

(2) Interim responsibilities.—Until such time as a new crossing of the Potomac River described in section 208 is constructed and operational, the conveyance under paragraph (1) shall in no way—

(A) relieve the Capital Region jurisdictions of the sole and exclusive responsibility to maintain and operate the Bridge; or

(B) relieve the Secretary of the responsibility to rehabilitate the Bridge or to comply with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and all other requirements applicable with respect to the Bridge.

(b) Conveyance by the Secretary of the Interior.—At the same time as the conveyance of the Bridge by the Secretary under subsection (a), the Secretary of the Interior shall transfer to the Authority all right, title, and interest of the Department of the Interior in and to such land under or adjacent to the Bridge as is necessary to carry out section 208. Upon conveyance by the Secretary of the Interior, the Authority shall accept the right, title, and interest in and to the land.

(c) Agreement.—The agreement referred to in subsection (a) is an agreement among the Secretary, the Governors of the Commonwealth of Virginia and the State of Maryland, and the Mayor of the District of Columbia as to the Federal share of the cost of the activities carried out under section 208.

SEC. 208. CAPITAL IMPROVEMENTS AND CONSTRUCTION.

The Authority shall take such action as is necessary to address the need of the National Capital Region for an enhanced southern Capital Beltway crossing of the Potomac River that serves the traffic corridor of the Bridge (as in existence on the date of enactment of this Act), in accordance with the recommendations in the final environmental impact statement prepared by the Secretary. The Authority shall have the sole responsibility for the ownership, construction, operation, and maintenance of a new crossing of the Potomac River.

SEC. 209. ADDITIONAL POWERS AND RESPONSIBILITIES OF AUTHORITY.

In addition to the powers and responsibilities of the Authority under the other provisions of this title and under any interstate agreement or compact relating to the Authority that is consistent with this title, the Authority shall have all powers necessary and appropriate to carry out the duties of the Authority, including the power—

(1) to adopt and amend any bylaw that is necessary for the regulation of the affairs of the Authority and the conduct of the business of the Authority;

(2) to adopt and amend any regulation that is necessary to carry out the powers of the Authority;

(3) subject to section 207(a)(2), to plan, establish, finance, operate, develop, construct, enlarge, maintain, equip, or protect the Bridge or a new crossing of the Potomac River described in section 208;

(4) to employ, in the discretion of the Authority, a consulting engineer, attorney, accountant, construction or financial expert, superintendent, or manager, or such other employee or agent as is necessary, and to fix the compensation and benefits of the employee or agent, except that—

(A) an employee of the Authority shall not engage in an activity described in section 7116(b)(7) of title 5, United States Code, with respect to the Authority; and

(B) an employment agreement entered into by the Authority shall contain an explicit prohibition against an activity described in subparagraph (A) with respect to the Authority by an employee covered by the agreement;

(5) to—

(A) acquire personal and real property (including land lying under water and riparian rights), or any easement or other interest in real property, by purchase, lease, gift, transfer, or exchange; and

(B) exercise such powers of eminent domain in the Capital Region jurisdictions as are conferred on the Authority by the Capital Region jurisdictions, in the exercise of the powers and the performance of the duties of the Authority;

(6) to apply for and accept any property, material, service, payment, appropriation, grant, gift, loan, advance, or other fund that is transferred or made available to the Authority by the Federal Government or by any other public or private entity or individual;

(7) to borrow money on a short-term basis and issue notes of the Authority for the borrowing payable on such terms and conditions as the Board considers advisable, and to issue bonds in the discretion of the Authority for any purpose consistent with this title, which notes and bonds—

(A) shall not constitute a debt of the United States, a Capital Region jurisdiction, or any political subdivision of the United States or a Capital Region jurisdiction; and

(B) may be secured solely by the general revenues of the Authority, or solely by the income and revenues of the Bridge or a new crossing of the Potomac River described in section 208;

(8) to fix, revise, charge, and collect any reasonable toll or other charge;

(9) to enter into any contract or agreement necessary or appropriate to the performance of the duties of the Authority or the proper operation of the Bridge or a new crossing of the Potomac River described in section 208;

(10) to make any payment necessary to reimburse a local political subdivision having jurisdiction over an area where the Bridge or a new crossing of the Potomac River is situated for any extraordinary law enforcement cost incurred by the subdivision in connection with the Authority facility;

(11) to enter into partnerships or grant concessions between the public and private sectors for the purpose of—

(A) financing, constructing, maintaining, improving, or operating the Bridge or a new crossing of the Potomac River described in section 208; or

(B) fostering development of a new transportation technology;

(12) to obtain any necessary Federal authorization, permit, or approval for the construction, repair, maintenance, or operation of the Bridge or a new crossing of the Potomac River described in section 208;

(13) to adopt an official seal and alter the seal, as the Board considers appropriate;

(14) to appoint 1 or more advisory committees;

(15) to sue and be sued in the name of the Authority; and

(16) to carry out any activity necessary or appropriate to the exercise of the powers or performance of the duties of the Authority under this title and under any interstate agreement or compact relating to the Authority that is consistent with this title, if the activity is coordinated and consistent with the transportation planning process implemented by the metropolitan planning organization for the Washington, District of Columbia, metropolitan area under section 134 of title 23, United States Code, and section 5303 of title 49, United States Code.

SEC. 210. FUNDING.

(a) Set-Aside.—Section 104 of title 23, United States Code (as amended by section 125(b)(2)(A)), is further amended—

(1) in the first sentence of subsection (b), by striking "subsection (f) of this section" and inserting "subsections (f) and (i)";

(2) by redesignating subsection (i) as subsection (j); and

(3) by inserting before subsection (j) the following:

"(i) Woodrow Wilson Memorial Bridge.—Before making an apportionment of funds under subsection (b), the Secretary shall set aside $17,550,000 for fiscal year 1996 and $80,050,000 for fiscal year 1997 for the rehabilitation of the Woodrow Wilson Memorial Bridge and for the planning, preliminary design, engineering, and acquisition of a right-of-way for, and construction of, a new crossing of the Potomac River.".

(b) Applicability of Title 23.—Funds made available under this section shall be available for obligation in the manner provided for funds apportioned under chapter 1 of title 23, United States Code, except that—

(1) the Federal share of the cost of any project funded under this section shall be 100 percent; and

(2) the funds made available under this section shall remain available until expended.

(c) Study.—Not later than May 31, 1997, the Secretary, in consultation with each of the Capital Region jurisdictions, shall prepare and submit to Congress a report identifying the necessary Federal share of the cost of the activities to be carried out under section 208.

(d) Distribution of Obligation Authority.—Section 1002(e)(3) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 23 U.S.C. 104 note) is amended by inserting before the period at the end the following: "and the National Capital Region Interstate Transportation Authority Act of 1995".

(e) Removal of ISTEA Authorization for Bridge Rehabilitation.—Section 1069 of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 105 Stat. 2009) is amended by striking subsection (i).

SEC. 211. AVAILABILITY OF PRIOR AUTHORIZATIONS.

In addition to the funds made available under section 210, any funds made available for the rehabilitation of the Bridge under sections 1069(i) and 1103(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 105 Stat. 2009 and 2028) (as in effect prior to the amendment made by section 210(e)) shall continue to be available after the conveyance of the Bridge to the Authority under section 207(a), in accordance with the terms under which the funds were made available under the Act.

TITLE III—FEDERAL HIGHWAY AND RAILROAD GRADE CROSSING SAFETY

SEC. 301. SHORT TITLE.

This title may be cited as the "Federal Highway and Railroad Grade Crossing Safety Act of 1995".

SEC. 302. INTELLIGENT VEHICLE-HIGHWAY SYSTEMS.

In implementing the Intelligent Vehicle-Highway Systems Act of 1991 (23 U.S.C. 307 note), the Secretary of Transportation shall ensure that the National Intelligent Vehicle-Highway Systems Program addresses, in a comprehensive and coordinated manner, the use of intelligent vehicle-highway technologies to promote safety at railroad-highway grade crossings. The Secretary of Transportation shall ensure that two or more operational tests funded under such Act shall promote highway traffic safety and railroad safety.

SEC. 303. STATE HIGHWAY SAFETY MANAGEMENT SYSTEMS.

(a) Amendment of Regulations.—The Secretary of Transportation shall conduct a rulemaking proceeding to amend the regulations under section 500.407 of title 23, Code of Federal Regulations, to require that each highway safety management system developed, established, and implemented by a State shall, among countermeasures and priorities established under subsection (b)(2) of that section—

(1) include public railroad-highway grade-crossing closure plans that are aimed at eliminating high-risk or redundant crossings (as defined by the Secretary);

(2) include railroad-highway grade-crossing policies that limit the creation of new at-grade crossings for vehicle or pedestrian traffic, recreational use, or any other purpose; and

(3) include plans for State policies, programs, and resources to further reduce death and injury at high-risk railroad-highway grade crossings.

(b) Deadline.—The Secretary of Transportation shall complete the rulemaking proceeding described in subsection (a) and prescribe the required amended regulations, not later than one year after the date of enactment of this Act.

SEC. 304. VIOLATION OF GRADE-CROSSING LAWS AND REGULATIONS.

(a) Federal Regulations.—Section 31311 of title 49, United States Code, is amended by adding at the end the following new subsection:

"(h) Grade-Crossing Violations.—

"(1) Sanctions.—The Secretary shall issue regulations establishing sanctions and penalties relating to violations, by persons operating commercial motor vehicles, of laws and regulations pertaining to railroad-highway grade crossings.

"(2) Minimum requirements.—Regulations issued under paragraph (1) shall, at a minimum, require that—

"(A) the penalty for a single violation shall not be less than a 60-day disqualification of the driver's commercial driver's license; and

"(B) any employer that knowingly allows, permits, authorizes, or requires an employee to operate a commercial motor vehicle in violation of such a law or regulation shall be subject to a civil penalty of not more than $10,000.".

(b) Deadline.—The initial regulations required under section 31310(h) of title 49, United States Code, shall be issued not later than one year after the date of enactment of this Act.

(c) State Regulations.—Section 31311(a) of title 49, United States Code, is amended by adding at the end the following new paragraph:

"(18) Grade-crossing regulations.—The State shall adopt and enforce regulations prescribed by the Secretary under section 31310(h) of this title.".

SEC. 305. SAFETY ENFORCEMENT.

(a) Cooperation Between Federal and State Agencies.—The National Highway Traffic Safety Administration, and the Office of Motor Carriers within the Federal Highway Administration, shall on a continuing basis cooperate and work with the National Association of Governors' Highway Safety Representatives, the Commercial Vehicle Safety Alliance, and Operation Lifesaver, Inc., to improve compliance with and enforcement of laws and regulations pertaining to railroad-highway grade crossings.

(b) Report.—The Secretary of Transportation shall submit a report to Congress by January 1, 1996, indicating (1) how the Department worked with the above mentioned entities to improve the awareness of the highway and commercial vehicle safety and law enforcement communities of regulations and safety challenges at railroad-highway grade crossings, and (2) how resources are being allocated to better address these challenges and enforce such regulations.

SEC. 306. CROSSING ELIMINATION; STATEWIDE CROSSING FREEZE.

(a) Statement of Policy.—

(1) Railroad-highway grade crossings present inherent hazards to the safety of railroad operations and to the safety of persons using those crossings. It is in the public interest—

(A) to eliminate redundant and high risk railroad-highway grade crossings; and

(B) to limit the creation of new crossings to the minimum necessary to provide for the reasonable mobility of the American people and their property, including emergency access.

(2) Elimination of redundant and high-risk railroad-highway grade crossings is necessary to permit optimum use of available funds to improve the safety of remaining crossings, including funds provided under Federal law.

(3) Effective programs to reduce the number of unneeded railroad-highway grade crossings, and to close those crossings that cannot be made reasonably safe (due to reasons of topography, angles of intersection, etc.), require the partnership of Federal, State, and local officials and agencies, and affected railroads.

(4) Promotion of a balanced national transportation system requires that highway planning specifically take into consideration the interface between highways and the national railroad system.

(b) Partnership and Oversight.—The Secretary shall foster a partnership among Federal, State, and local transportation officials and agencies to reduce the number of railroad-highway grade crossings and to improve safety at remaining crossings. The Secretary shall make provisions for periodic review to ensure that each State (including State subdivisions and local governments) is making substantial, continued progress toward achievement of the purposes of this section.

(c) Crossing Freeze.—If, upon review, and after opportunity for a hearing, the Secretary determines that a State or political subdivision thereof has failed to make substantial, continued progress toward achievement of the purposes of this section, then the Secretary shall impose a limit on the maximum number of public railroad-highway grade crossings in that State. The limitation imposed by the Secretary under this subsection shall remain in effect until the State demonstrates compliance with the requirements of this section. In addition, the Secretary may, for a period of not more than 3 years after such a determination, require compliance with specific numeric targets for net reductions in the number of railroad-highway grade crossings (including specification of hazard categories with which such crossings are associated).

(d) Regulations.—The Secretary shall issue such regulations as may be necessary to carry out this section.

MOTION OFFERED BY MR. SHUSTER

Mr. SHUSTER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Shuster moves to strike all after the enacting clause of S. 440 and insert in lieu thereof the text of H.R. 2274 as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to amend title 23, United States Code, to designate the National Highway System, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 2274) was laid on the table.

APPOINTMENT OF CONFEREES

Mr. SHUSTER. Mr. Speaker, pursuant to clause 1 of rule XX and at the direction of the Committee on Transportation and Infrastructure, I move to insist on the House amendments to S. 440 and to request a conference with the Senate thereon.

The motion was agreed to.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees:

From the Committee on Transportation and Infrastructure for consideration of the Senate bill and the House amendments, and modifications committed to conference: Messrs. Shuster, CLINGER, PETRI, EMERSON, LAHOOD, MINETA, OBERSTAR, and RAHALL.

There was no objection.

REQUEST TO SPEAK OUT OF ORDER

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. MCINNIS. Mr. Speaker, reserving the right to object, I am inquiring is this a 1-minute? What is the period of time being granted to the gentleman?

Mr. GIBBONS. Three minutes, Mr. Speaker.

The SPEAKER pro tempore. The gentleman has asked for 3 minutes. Is there objection to the request of the gentleman from Florida?

Mr. CHRISTENSEN. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

REQUEST TO ADDRESS THE HOUSE FOR 1 MINUTE

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent to speak out of order for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. CAMP. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

REQUEST TO SPEAK ON POINT OF PERSONAL PRIVILEGE

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent to speak on a point of personal privilege.

The SPEAKER pro tempore. The Chair cannot entertain a unanimous-consent request to speak on a point of personal privilege.

FREE AND FULL DEBATE MUST BE ALLOWED IN THE HOUSE

(Mr. GIBBONS asked and was given permission to address the House for 1 minute.)

Mr. GIBBONS. Mr. Speaker, I do not want to turn this body into an authoritarian dictatorship, but recently, in the Ways and Means Committee I attended a meeting regularly called and I attempted to speak on a motion that was being made. I was immediately cut off by a parliamentary maneuver, and not given a chance to speak.

☐ 1800

I have been here 33 years, Mr. Speaker. I do not believe I have ever seen that happen, I know in the Committee on Ways and Means, and I have never seen it happen on this floor. I know that my Republican friends are trying to hide their Medicare program from the American public, and we are doing the best we can to let the American public know what is going on. But the kind of parliamentary procedure I see around here now shocks me. This body is going to be seriously injured if we act in an authoritarian way and allow no debate.

CONFERENCE REPORT ON H.R. 1817, MILITARY CONSTRUCTION APPROPRIATIONS ACT, 1996

Mr. MCINNIS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 223 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 223

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 1817) making appropriations for the fiscal year ending September 30, 1996, and for other purposes. All points of order against the conference report and against its consideration are waived.

The SPEAKER pro tempore. The gentleman from Colorado [Mr. MCINNIS] is recognized for 1 hour.

Mr. MCINNIS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Ohio [Mr. HALL], pending which I yield myself such time as I may consume. During the consideration of this resolution, all time yielded is for the purpose of debate only.

House Resolution 223 is a straightforward resolution. The proposed rule merely waives all points of order against the conference report and against its consideration. This resolution was reported out of the Committee on Rules by voice vote.

Mr. Speaker, the conference report on H.R. 1817, the legislation making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for fiscal year 1996 is critical legislation. This conference report appropriates $11.2 billion in fiscal year 1996, the same as the House-passed bill, and $2.5 billion more than in fiscal year 1995. Additionally, 40 percent of the funds in the bill are appropriated for family housing. Furthermore, $3.9 billion, 35 percent of the total bill, is appropriated for base realignment and closure. I urge my colleagues to support the rule as well as the underlying legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to commend my colleague from Colorado, Mr. MCINNIS, as well as my colleagues on the other side of the aisle for bringing this rule to the floor.

House Resolution 223 makes it in order to consider the conference report on H.R. 1817, the military construction appropriation bill for fiscal 1996 and waives all points of order against the conference report. The Rules Committee reported the rule without opposition by voice vote.

The conference report on H.R. 1817 appropriates $4.3 billion for family housing, $3.9 billion for base realignment and closure projects, and $2.8 billion for other military construction. The funds will allow the Department of Defense to maintain adequate housing for members of the Armed Forces. It will also provide construction funds for upgrading existing structures and building new facilities.

I am pleased that the conference report includes $10 million for construction projects at Wright-Patterson Air Force Base. This includes $4.1 million to upgrade a 40-year-old electrical distribution system that supports laboratories on the base. The funds also include $5.9 million for a much-needed renovation of 66 units of housing at Page Manor, a neighborhood of homes for junior officers and enlisted personnel at Wright-Patterson.

Mr. Speaker, I urge adoption of the rule.

Mr. Speaker, I have no further speakers, and I yield back the balance of my time.

Mr. MCINNIS. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mrs. VUCANOVICH. Mr. Speaker, pursuant to House Resolution 223, I call up the conference report on the bill (H.R. 1817) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of September 14, 1995, at page H8954.)

PARLIAMENTARY INQUIRY

Mr. OBEY. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. OBEY. Mr. Speaker, I understand the rulings of the House provide that when the subcommittee chair and the ranking member are both in favor of the bill, that one-third of the time shall be allotted to allow a Member opposed to the bill.

The SPEAKER pro tempore. Is the gentleman from North Carolina [Mr. HEFNER] in favor of the conference report?

Mr. HEFNER. Mr. Speaker, I am in favor of the conference report, yes.

The SPEAKER pro tempore. The gentleman from North Carolina is in favor. The gentleman from Wisconsin [Mr. OBEY] is correct. There could be a three-way split of the time.

Mr. OBEY. Mr. Speaker, I would ask that I might be allotted one-third of the time being in opposition to the bill.

Mrs. VUCANOVICH. Mr. Speaker, we have no objection.

The SPEAKER pro tempore. The Chair assumes the gentleman from Wisconsin [Mr. OBEY] is opposed to the conference report?

Mr. OBEY. He certainly is.

The SPEAKER pro tempore. Pursuant to clause 2(a) of rule XXVIII, the gentlewoman from Nevada [Mrs. VUCANOVICH] will be recognized for 20 minutes, the gentleman from North Carolina [Mr. HEFNER] will be recognized for 20 minutes, and the gentleman from Wisconsin [Mr. OBEY] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the conference report we present to the House today for military construction, family housing and base closure recommends a total appropriation of $11.2 billion. This represents a $479 million increase over the President's request and a $2.4 billion increase over fiscal year 1995. Mr. Speaker, this is the exact level of funding which passed the House in June by a vote of 319 to 105.

Mr. Speaker, the House conferees had more than 200 differences to resolve, representing over $1 billion. We have done so in an equitable manner. At the same time, we held to our priorities and provided an additional $223 million for troop housing and $186 million for family housing above the President's request.

Overall, the agreement recommends $4.3 billion for items related to family housing; $3.9 billion for the implementation of base realignments and closures; and $2.8 billion for military construction. In addition, $161 million is provided for the NATO Security Investment Program.

Mr. Speaker, the projects to be implemented with this appropriation are still subject to authorization. While that conference is ongoing we have worked closely with the National Security Committee in crafting this bill. This cooperation has been invaluable and I understand they support this agreement.

As always, I want to express my appreciation to all the members of the subcommittee and especially our ranking minority member, Mr. HEFNER, for his cooperation in crafting this agreement. It has been done in a bipartisan manner and is an equitable compromise.

I would like to thank staff members for their professional and expert help. We couldn't do it without them.

This bill represents an investment program that has significant payback in economic terms and in better living and working conditions for our military personnel and their families. I urge my colleagues to support this conference report.

Mr. Speaker, I included statistical information for the RECORD.

FY 1996 MILITARY CONSTRUCTION APPROPRIATIONS BILL (H.R. 1817)

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
Military construction, Army	550,476,000	472,724,000	611,608,000	516,664,000	633,814,000	+83,338,000
Rescission				-6,245,000		
Total, Military construction, Army (net)	550,476,000	472,724,000	611,608,000	510,419,000	633,814,000	+83,338,000
Military construction, Navy	385,110,000	488,086,000	588,243,000	552,586,000	554,636,000	+169,526,000
Military construction, Air Force	516,813,000	495,655,000	578,841,000	569,616,000	587,234,000	+70,421,000
Rescission				-16,005,000	-8,765,000	-8,765,000
Total, Military construction, Air Force (net)	516,813,000	495,655,000	578,841,000	553,611,000	578,469,000	+61,656,000
Military construction, Defense-wide	504,118,000	857,405,000	728,332,000	828,078,000	640,357,000	+136,239,000
Rescission				-26,755,000	-23,521,000	-23,521,000
Total, Military construction, Defense-wide (net)	504,118,000	857,405,000	728,332,000	801,323,000	616,836,000	+112,718,000
Total, Active components	1,956,517,000	2,313,870,000	2,507,024,000	2,417,939,000	2,383,755,000	+427,238,000
Military construction, Army National Guard	188,062,000	18,480,000	72,537,000	156,357,000	137,110,000	-50,952,000
Military construction, Air National Guard	249,056,000	85,647,000	118,267,000	168,972,000	171,272,000	-77,784,000
Rescission				-6,700,000	-6,700,000	-6,700,000
Total, Military construction, Air National Guard (net)	249,056,000	85,647,000	118,267,000	162,272,000	164,572,000	-84,484,000
Military construction, Army Reserve	57,370,000	42,963,000	42,963,000	83,423,000	72,728,000	+15,358,000
Military construction, Naval Reserve	22,748,000	7,920,000	19,655,000	7,920,000	19,055,000	-3,693,000
Military construction, Air Force Reserve	57,066,000	27,002,000	31,502,000	35,447,000	36,482,000	-20,584,000
Total, Reserve components	574,302,000	182,012,000	284,924,000	445,419,000	429,947,000	-144,355,000
Total, Military construction	2,530,819,000	2,495,882,000	2,791,948,000	2,863,358,000	2,813,702,000	+282,883,000
Appropriations	(2,530,819,000)	(2,495,882,000)	(2,791,948,000)	(2,919,063,000)	(2,852,688,000)	(+321,869,000)
Rescissions				(-55,705,000)	(-38,986,000)	(-38,986,000)
NATO Security Investment Program	119,000,000	179,000,000	161,000,000	161,000,000	161,000,000	+42,000,000
Family housing, Army:						
Construction	170,002,000	43,500,000	126,400,000	71,752,000	116,656,000	-53,346,000
Operation and maintenance	1,013,708,000	1,337,596,000	1,337,596,000	1,339,196,000	1,335,596,000	+321,888,000
Total, Family housing, Army	1,183,710,000	1,381,096,000	1,463,996,000	1,410,948,000	1,452,252,000	+268,542,000
Family housing, Navy and Marine Corps:						
Construction	267,465,000	465,755,000	531,289,000	512,947,000	525,058,000	+257,593,000
Operation and maintenance	937,599,000	1,048,329,000	1,048,329,000	1,051,929,000	1,048,329,000	+110,730,000
Total, Family housing, Navy	1,205,064,000	1,514,084,000	1,579,618,000	1,564,876,000	1,573,387,000	+368,323,000
Family housing, Air Force:						
Construction	277,444,000	249,003,000	294,503,000	267,137,000	297,738,000	+20,294,000
Operation and maintenance	824,845,000	849,213,000	863,213,000	850,059,000	849,213,000	+24,368,000
House floor amendment			-6,986,000			
Total, Family housing, Air Force	1,102,289,000	1,098,216,000	1,150,730,000	1,117,196,000	1,146,951,000	+44,662,000
Family housing, Defense-wide:						
Construction	350,000	3,772,000	3,772,000	3,772,000	3,772,000	+3,422,000
Operation and maintenance	29,031,000	30,467,000	30,467,000	42,367,000	30,467,000	+1,436,000
Total, Family housing, Defense-wide	29,381,000	34,239,000	34,239,000	46,139,000	34,239,000	+4,858,000
Department of Defense Family Housing Improvement Fund 1/		22,000,000	22,000,000	22,000,000	22,000,000	+22,000,000
Homeowners Assistance Fund, Defense		75,586,000	75,586,000	75,586,000	75,586,000	+75,586,000
Total, Family housing	3,520,444,000	4,125,221,000	4,326,169,000	4,236,745,000	4,304,415,000	+783,971,000
Construction	(715,261,000)	(762,030,000)	(955,964,000)	(855,608,000)	(943,224,000)	(+227,963,000)
Operation and maintenance	(2,805,183,000)	(3,265,605,000)	(3,279,605,000)	(3,283,551,000)	(3,263,605,000)	(+458,422,000)
Family Housing Improvement Fund		(22,000,000)	(22,000,000)	(22,000,000)	(22,000,000)	(+22,000,000)
Homeowners Assistance Fund		(75,586,000)	(75,586,000)	(75,586,000)	(75,586,000)	(+75,586,000)
Base realignment and closure accounts:						
Part I	87,600,000					-87,600,000
Part II	265,700,000	964,843,000	964,843,000	964,843,000	964,843,000	+699,143,000
(By transfer)	(133,000,000)					(-133,000,000)
Part III	2,322,858,000	2,148,480,000	2,148,480,000	2,148,480,000	2,148,480,000	-174,378,000
Part IV		784,569,000	784,569,000	784,569,000	784,569,000	+784,569,000
Total, Base realignment and closure accounts	2,676,158,000	3,897,892,000	3,897,892,000	3,897,892,000	3,897,892,000	+1,221,734,000

FY 1996 MILITARY CONSTRUCTION APPROPRIATIONS BILL (H.R. 1817) — continued

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
Procurement: General provisions 2/	-10,421,000					+10,421,000
FY 1995 Emergency Supplemental (P.L. 104-6)	-100,600,000					+100,600,000
Grand total	8,735,400,000	10,697,995,000	11,177,009,000	11,158,995,000	11,177,009,000	+2,441,609,000
Appropriations	(8,735,400,000)	(10,697,995,000)	(11,177,009,000)	(11,214,700,000)	(11,215,995,000)	(+2,480,595,000)
(By transfer)	(133,000,000)					(-133,000,000)
Rescission				(-55,705,000)	(-38,986,000)	(-38,986,000)

1/ Budget amendment submitted 6/2/95 (H.Doc. 104-80).

2/ Budget amendment submitted 3/15/94 (H.Doc. 103-220, page 10).

Mrs. VUCANOVICH. Mr. Speaker, I reserve the balance of my time.

Mr. HEFNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of fiscal year 1996's military construction conference report and want to compliment the distinguished chairman of the Subcommittee on Military Construction for her fine work in this bill. I would like to congratulate her also on presiding over her first bill on military construction as the chairman of this subcommittee, and she has done a tremendous job.

I would also be remiss if I did not congratulate the very fine staff that has worked so hard in a bipartisan manner to put together this—what we consider a very, very good bill. I would also like to say that over the course of hearings on this bill we invited all the services in, all the people that had any interest whatsoever in military construction, whether it be Members or people in the private sector. We had extensive hearings, and we got a lot of information from people all over the country and from individual Members in this House on concerns that they had, as far as it goes, for quality of life for our military personnel and for our families that are involved in service to this great country of ours.

I think the gentlewoman basically covered all the numbers that we have come up with in this bill. It is somewhat over the President's request, and OMB has said that there could be some concern and there could be the possibility of a veto of this bill, but certainly we hope that would not be the case, because over the years we have worked very, very hard in this subcommittee addressing basically the quality of life for our men and women in our Armed Forces. We have continued to do that and we believe that this bill furthers the goal that will help us move forward to have better quality of life and help us with retention of the people that serve so nobly in our Armed Forces.

Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield myself 6 minutes.

Mr. Speaker, in the next 45 days, this Congress will define—for years to come—our top priorities. We will decide how much we are going to gouge senior citizens on Medicare; we will decide how much we are going to threaten the quality of children's education, their ability to get student loans, their ability to get the assistance they will need in early childhood education programs.

We will decide how much we are going to clobber low-income senior citizens, who are desperately struggling to avoid a choice between heating their homes and paying their prescription drug bills and their bills for food. Yet, this Congress is apparently ready to pass a Pentagon spending bill which will add billions of dollars to the amount requested by the President and the Pentagon leadership, and even on this bill, that warped sense of priorities continues.

□ 1815

Mr. Speaker, this conference report is $479 million over the amount requested by the President in his budget. It is almost $2½ billion above the amount spent last year, and that is a 28-percent increase in the amount that was spent last year. Of that amount, a significant portion is for what is known as quality-of-life projects such as barracks, child care centers, family housing. I do not begrudge anyone any of those projects, and I pose no objection to any of them. I have other objections to this bill, because this bill not only exceeds the amount requested by the President, but it adds significant amounts for unrequested projects, above the President's request.

The conference agreement funds 102 unrequested projects, totaling some $801 million. Again, it is no Federal offense for the Congress to decide that it is going to fund some items that the President and the Pentagon have not asked for. That is our prerogative. However, I would point out that if we compare the House add-ons and the add-ons in the Senate, the Senate bill added a total of $774 million, of which only $303 million was for quality-of-life projects.

While the conference agreement added some $430 million for quality-of-life, it also adds in excess of $370 million for non-quality-of-life. It contains funding for some 23 projects, totaling about $150 million, which are not even on the Pentagon's 5-year construction plan. That means that if we were to give the Pentagon all the money that they could spend for 5 years rather than 1 year for these construction projects, the Pentagon would still not choose to fund those 23 projects. It seems to me, at the very least, that the committee ought to reconsider the large amount of funding by which it has exceeded the Pentagon's 5-year project request list.

Because of that, and because the committee declined to further limit those kinds of projects, I feel I have no choice but to oppose the passage of this conference report. I have served on this subcommittee in the past, and I respect each and every member who serves on it. I would suggest that the lion's share of the projects in this bill are fully justifiable, but I do not believe, given the desperate condition of the budget, and given the excruciating competition for scarce dollars, that we can afford to be almost half a billion dollars above the request of the Pentagon and the President for these projects.

I would especially suggest that when we will be asked to vote very shortly on bills which make severe reductions in other programs that are severely needed by working-class people in this country—whether it be in programs for low-income workers who are being gouged by the loss of the earned income tax credit, whose taxes are being raised by recommendations, for instance, of the Committee on Ways and Means—we are going to be asked to swallow packages like that at the same time that we are being asked to buy this huge increase in spending. To me, it indicates a very warped sense of priorities and a degree of excess that the country neither can afford nor wants at this point. Therefore, I would urge opposition to final passage of the conference report.

Mr. Speaker, I reserve the balance of my time.

Mrs. VUCANOVICH. Mr. Speaker, I yield 3 minutes and 30 seconds to the gentleman from Colorado [Mr. HEFLEY], chairman of the Subcommittee on Military Installations and Facilities of the Committee on National Security.

Mr. HEFLEY. Mr. Speaker, I rise in strong support of H.R. 1817, the military construction appropriations bill for fiscal year 1996. At the outset, as the chairman of the Subcommittee on Military Installations and Facilities, I want to commend the chairman, the gentlewoman from Nevada [Mrs. VUCANOVICH], and the ranking Democratic member of the subcommittee, the gentleman from Colorado [Mr. HEFNER], for their commitment to working closely with the authorization committee in putting together a military construction program for the coming year that addresses some of the most serious deficiencies faced by the military services.

Mr. Speaker, I remember lots of times when the authorization committee around here is complaining that "The appropriators do not pay any attention to what we do." That was not the case. In fact, many times I was one of those complainers about various committees I have served on, but that was not the case at this point. If I had my druthers, I would say that I, too, prefer the bill that left the House here. That is not the way we play the game, because we have to go to the Senate, and the Senate put many things in here that were not our choices, but we do that in the spirit of compromise.

There is no question that critical portions of the military construction program are underfunded. For example, the Army has provided testimony to both committees that indicates they would need $250 million per year over the next 23 years to buy down the problem of inadequate and substandard barracks, yet the administration requested just under $201 million for troop housing for the Army in fiscal year 1996. This legislation provides an additional $101 million from the administration's request in troop housing for the Army.

The example I just gave reflects the guiding principle of our joint approach to military construction. H.R. 1817 puts a premium on quality-of-life improvements for service personnel and their families. Those improvements will enhance readiness and retention.

Some question the level of additional funding that Congress has dedicated to this purpose. There is no doubt in my mind that a careful examination of the extensive hearing record developed by both the appropriation and authorization committee leads to one inescapable conclusion: The military construction program is underfunded, and serious problems have been left wanting.

This is a problem which proves the administration of both parties have permitted the Nation's military infrastructure to deteriorate. We are at a crossroads, and this bill is a milestone to begin to turn the problem around. Despite the criticism of some in this House and the press, the facts are that the dollars added for unrequested projects for the military construction appropriations bill are fewer this year than in the recent past.

At the same time, more money has been put toward troop housing, family housing, child development centers, and medical facilities, all of which are needed by military personnel and their families. The quality-of-life package agreed to by the conferees represents 60 percent of the projects added to the bill.

What we should not lose sight of is that we have consulted with the services on these projects, and they reflect their priorities and their needs, not just ours. The conferees have done more with less. They have made hard choices. This legislation is essential to the operational needs of the services. It will provide the funding necessary to conclude the base closure and realignment process. More importantly, thousands of military personnel and their families will have their quality of life enhanced by this bill.

H.R. 1817 is a good bill and it deserves the support of the House, and the signature of the President.

Mrs. VUCANOVICH. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, my colleague, the gentleman from Wisconsin [Mr. OBEY], talked about poor children, education, and he used rough language to scare the American people. I would like to remind the gentleman that the President cut defense $177 billion, and cost over 1 million jobs in California. Ninety-five percent of education is funded out of State tax revenue.

We also, on a partisan line when they were in the majority, extended Somalia. We said, "It is going to cost billions of dollars." We had to run out of there with our tails between our legs. Look at Haiti, another embarkation. What would happen in Haiti? It is costing us billions of dollars. These kinds of funds which we need to support the defense of this country the gentleman disregards.

Yes, there are a lot of critical issues. They cut defense $177 billion. They called for additional base closures. Where do Members expect to put the carriers and the military construction when we close places like Alameda and put millions of people out of work? Think about it, I would say to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I had not intended to get into a rehash of this, but if the gentleman from California wants, I would be glad to oblige for as long as he desires it. Let me give some examples of the absolutely stupid and unnecessary spending which is being defended in the name of defense.

We start with the B–2. Despite the fact that the major study being done to determine what the proper level of purchases for that airplane would be, despite the fact that that commission came back and told us that we ought to buy 20, which is exactly what the Pentagon suggested we buy, the great wizards of this House have decided that we ought to buy 40. The additional cost of each B–2 is $1.2 billion, and Congress in its infinite wisdom, if it follows the judgment of this House, will buy twice as many as the Pentagon wants at a cost of $1.2 billion per plane.

For the cost of just one of those airplanes we could pay the tuition for every single student, every single undergraduate at the University of Wisconsin for the next 11 years. I call that widely outlandish and unnecessary and stupid spending.

Next we have the F–22. It is supposed to replace the F–15. When we started buying the F–15, we were told it would last us until the year 2015. Now we are told we have to replace that baby years early, at a cost of $70 billion. I make absolutely no apology for thinking that that is waste and that it ought to be eliminated.

I would also point out to the gentleman that after the seventh year of the budget, the defense budget adopted by this Congress is in fact lower than the defense budget submitted by President Clinton. There will not be room in that defense budget to fund every weapons system that this House has decided to buy. We are going to have to eliminate a number of them.

I make absolutely no apology for calling attention to the waste and stupidity associated with funding those weapons systems. I would be happy, if the gentleman wants to rehash the entire defense budget, to go on all night. But I would simply say at this point, I would repeat the original point I tried to make on this bill. It has a number of projects which the Pentagon itself would not even put on its construction list if we gave them 5 years' money, let alone the 1 year's money contained in this bill. I think that indicates there is some spending here that ought to be eliminated. I stand by my original position.

Mr. Speaker, I reserve the balance of my time.

Mrs. VUCANOVICH. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. BUYER].

Mr. BUYER. Mr. Speaker, I come here to the floor to thank both the chairman and the ranking member for working out at times what can be differences, but measured on the whole, I think is a very good military construction appropriation budget. I came here because I was hopeful I would listen to the gentleman from Wisconsin [Mr. OBEY] and whether or not he would address some concerns and allegations that he had made in a Dear Colleague, and some press statements, and which he did not come to the floor to retract, so I came here to open up a colloquy with the gentleman from Wisconsin [Mr. OBEY] about having some questions.

Mr. Speaker, I understand the politics and things, and what he has done is he has cited some examples of the pork. He cited a fire station at Grissom Air Force Base. He said, "There are numerous reasons that this $4.25 million project is not included in the Pentagon planning list. First, except for a small ammunition storage area used by the Reserves, this base is being closed," and he underlined that. "Second, the base already has one fire station, which in the judgment of the DOD construction authorities is more than adequate to support the future operations at the base."

□ 1830

Actually, I ask if the gentleman from Wisconsin [Mr. OBEY] has received a letter from me today to respond to the factual inaccuracies.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. BUYER. I yield to the gentleman from Wisconsin.

Mr. OBEY. I concede no inaccuracies.

Mr. BUYER. Reclaiming my time, then, the facts contained in the press release of the gentleman from Wisconsin [Mr. OBEY] are factually wrong and inaccurate, and I am hopeful not with any malicious intent. Grissom has not been closed. For him to say that that is accurate is completely false and someone is misguiding him. It has been realigned to a reserve base. It was done in October 1994. The Air Force has requested funds to build the fire training facility at Grissom in fiscal year 1996 and had the fire station placed on the schedule for construction in 1998. The House merely moves the request for the station up 2 years for the facility to be constructed within the reserve cantonment area.

Grissom is home to the 434th Air Refueling Wing. There is currently a proposal to move the Indiana National Guard helicopters to Grissom Air Force Base as well.

I invite the gentleman from Wisconsin [Mr. OBEY] to look at these facilities. He would know why we need this fire station for readiness. He is being misguided.

Mr. OBEY. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, the gentleman from Indiana [Mr. BUYER] in a letter to me dated today suggested that the Air Force base is not being closed as he said I erroneously asserted.

What I asserted, and I stand by it, in my letter, I said that the base is being closed except for an ammunition storage function, which is in fact the case for active duty forces.

I would point out with respect to the assertion that this proposal was scheduled to be on the 5-year Pentagon planning list, in fact, the Office of Management and Budget has assured me that this project is not included in the 5-year plan. Just because the base commander wants it included on the 5-year plan does not mean it has been put there yet.

Third, I would simply note that in 1991, as I understand this project, there were some 3,200 civilian employees. Now there are about 700. Yet we are told that we need yet another fire station when they got by with one, the old one, before this base was significantly downsized.

I stand by my view that this project under those circumstances ought not be funded.

Mr. BUYER. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Indiana.

Mr. BUYER. Mr. Speaker, I include for the RECORD a letter from General McIntosh, Chief of the Air Force, that talked about the military construction project, as follows:

DEPARTMENT OF THE AIR FORCE,
HEADQUARTERS U.S. AIR FORCE,
Washington DC, September 20, 1995.

Hon. BARBARA VUCANOVICH,
Chairwoman, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR MADAM CHAIRMAN: Congress has inserted a military construction project into the Air Force Reserve's fiscal year 1996 military construction program. This project, Construct New Fire Station at Grissom Air Reserve Base, Indiana, at an estimated cost of $4.25 million, is a valid Air Force Reserve requirement and is not affected by the base closure process.

MAJ. GEN. ROBERT A. MCINTOSH,
Chief of Air Force Reserve.

Mr. BUYER. Mr. Speaker, to say that this was just requested by a base commander is totally inaccurate.

Mr. OBEY. Mr. Speaker, taking back the balance of my time, just because a general wants it put on the 5-year list does not mean it is there yet. It is not. The OMB determines what is on that list as the gentleman knows. It is not on the list yet. It might be in the future if somebody's plans come true, but it is not on the list yet, and that is all we can go by.

Mr. BUYER. Mr. Speaker, if the gentleman will yield further, I think it is the U.S. Congress who is charged with the responsibility to build the forces to protect the Nation's national security. And that is extremely important.

Mr. OBEY. Taking back my time, that does not deny the fact that it is not on the Pentagon list. The gentleman is erroneous when he asserts it is.

Mr. BUYER. I say to the gentleman from Wisconsin [Mr. OBEY] that it is absolutely false and inaccurate, and completely disappointing.

Mr. HEFNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge an "aye" vote on the bill. It is not a perfect bill, but I think it is a very good bill and it accomplishes a lot of things that need to be done for our men and women in service and for retention.

Certainly there are some things in this bill that the gentlewoman from Nevada [Mrs. VUCANOVICH] and I would not like to have been in this bill, but we do have to go to conference and we do have to unfortunately have a conference with the other body. We do not get a perfect bill on every occasion. But we think that we have a good product. I would urge an "aye" vote on the final passage of the bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. OBEY. Mr. Speaker, I yield myself 2 additional minutes.

I would simply make one additional point with respect to the project that was just discussed between the gentleman from Indiana and myself.

As I understand it, there are some 2,600 projects on the Pentagon's 5-year list. What the gentleman wants this House to do as I understand it is to move his project ahead of those 2,600 projects. I do not think that is justified.

Mr. BUYER. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Indiana.

Mr. BUYER. How many C–130's are headed to Wisconsin?

Mr. OBEY. I do not support purchase of additional C–130's.

Mr. BUYER. I do not recall the gentleman moving to have them stricken from the budget.

Mr. OBEY. I did not realize I was required to offer an amendment opposing every item that I was opposed to.

Did the gentleman vote for my amendments to eliminate the F–22 and the B–2?

Mr. BUYER. No, I did not. I supported the B–2 bomber. If we have a disagreement with it, that is fine.

Mr. OBEY. We certainly do have a big disagreement. The gentleman wants to spend a lot of money that I do not want to spend.

Mr. Speaker, I yield back the balance of my time.

Mrs. VUCANOVICH. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I would like to again thank the gentleman from North Carolina [Mr. HEFNER] for working so closely with us to make a good bill. The compromise of course does not ever satisfy all of us, but we think we have come up with a good conference report.

With that, I urge support of our conference report.

Mrs. VUCANOVICH. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TORKILDSEN). Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 326, nays 98, not voting 10, as follows:

[Roll No. 680]

YEAS—326

Abercrombie
Ackerman
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Borski
Boucher
Brewster
Browder
Brown (FL)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Canady
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (GA)
Combest
Condit
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Dooley
Doolittle
Dornan
Doyle
Dreier
Dunn
Durbin
Edwards
Ehrlich
Emerson
English
Ensign
Eshoo
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Franks (CT)
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoke
Holden
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde

Inglis
Istook
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Klink
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Longley
Lowey
Lucas
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meek
Menendez
Metcalf
Meyers
Mica
Miller (CA)
Miller (FL)
Mink
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Neal
Nethercutt
Ney
Norwood
Ortiz
Oxley
Packard
Pallone
Parker
Paxon
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Radanovich
Reed
Regula
Richardson
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roybal-Allard
Salmon
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Scott
Seastrand
Serrano
Shaw
Shuster
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Spratt
Stearns
Stenholm
Stockman
Stokes
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Towns
Traficant
Visclosky
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Wynn
Young (AK)
Young (FL)
Zeliff

NAYS—98

Allard
Andrews
Ballenger
Barrett (WI)
Becerra
Beilenson
Berman
Bonior
Brown (CA)
Brown (OH)
Bryant (TX)
Camp
Cardin
Castle
Chabot
Coburn
Collins (IL)
Collins (MI)
Conyers
Cooley
Coyne
DeFazio
Dellums
Dingell
Doggett
Duncan
Ehlers
Engel
Evans
Filner
Fox
Frank (MA)
Franks (NJ)
Furse
Gutierrez
Gutknecht
Harman
Hinchey
Hoekstra
Horn
Johnston
Kennedy (MA)
Kleczka
Klug
Lincoln
Lofgren
Luther
Maloney
Markey
Martini
McDermott
Meehan
Mfume
Mineta
Minge
Nadler
Neumann
Nussle
Oberstar
Obey
Olver
Orton
Pastor
Payne (NJ)
Petri
Quinn
Rahall
Ramstad
Rangel
Rivers
Roemer
Roth
Roukema
Royce
Rush
Sabo
Sanders
Sanford
Sawyer
Schumer
Sensenbrenner
Shadegg
Shays
Slaughter
Souder
Stark
Studds
Torres
Torricelli
Upton
Velazquez
Vento
Waters
Watt (NC)
Woolsey
Wyden
Yates
Zimmer

NOT VOTING—10

Hilliard
Moakley
Owens
Reynolds
Sisisky
Spence
Stump
Tucker
Volkmer
Williams

□ 1856

Messrs. BRYANT of Texas, CAMP, CASTLE, SCHUMER, McDERMOTT, NEUMANN, GUTKNECHT, and Ms. RIVERS changed their vote from "yea" to "nay."

Messrs. FLAKE, JACOBS, and FOGLIETTA changed their vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. VUCANOVICH. Mr. Speaker, I ask unanimous consent that all Members may have 5-legislative days within which to revise and extend their remarks and that I may include extraneous and tabular material on the conference report on the bill, H.R. 1817.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nevada?

There was not objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1976. An act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1996, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 1976) "An Act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1996, and for other purposes", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. COCHRAN, Mr. SPECTER, Mr. BOND, Mr. GORTON, Mr. MCCONNELL, Mr. BURNS, Mr. HATFIELD, Mr. BUMPERS, Mr. HARKIN, Mr. KERREY, Mr. JOHNSTON, Mr. KOHL, and Mr. BYRD, be the conferees on the part of the Senate.

The message also announced that Mr. STEVENS, Mr. NICKLES, Mr. THOMPSON, Mr. GRASSLEY, Mr. GLENN, Mr. LEVIN, and Mr. REID, be appointed as conferees on the part of the Senate on the bill (S. 219) "An Act to ensure economy and efficiency of Federal Government operations by establishing a moratorium on regulatory rulemaking actions, and for other purposes", in lieu of Mr. NICKLES, Mr. STEVENS, Mr. THOMPSON, Mr. GRASSLEY, Mr. GLENN, Mr. LEVIN, and Mr. REID.

The message also announced that Mr. STEVENS, Mr. ROTH, Mr. THOMPSON, Mr. COCHRAN, Mr. MCCAIN, Mr. GLENN, Mr. LEVIN, Mr. PRYOR, Mr. SARBANES, Mr. DOMENICI, Mr. GRASSLEY, Mr. NICKLES, Mr. GRAMM, Mr. COATS, Mr. EXON, Mr. HOLLINGS, Mr. JOHNSTON, and Mr. DODD, be appointed as conferees on the part of the Senate on the bill (S. 4) "An Act to grant the power to the President to reduce budget authority" in lieu of Mr. ROTH, Mr. STEVENS, Mr. THOMPSON, Mr. COCHRAN, Mr. MCCAIN, Mr. GLENN, Mr. LEVIN, Mr. PRYOR, Mr. SARBANES, Mr. DOMENICI, Mr. GRASSLEY, Mr. NICKLES, Mr. GRAMM, Mr. COATS, Mr. EXON, Mr. HOLLINGS, Mr. JOHNSTON, and Mr. DODD.

The message also announced that pursuant to Public Law 99–498, the Chair, on behalf of the President pro tempore, appoints Dr. Robert N. Kelly, of Kansas, to the Advisory Committee on Student Financial Assistance for a 3-year term effective October 1, 1995.

APPOINTMENT OF CONFEREES ON H.R. 1976, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

Mr. SKEEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1976) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1996, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER pro tempore (Mr. TORKILDSEN). Is there objection to the request of the gentleman from New Mexico?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. DURBIN

Mr. DURBIN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DURBIN moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 1976, be instructed to agree to the amendment of the Senate numbered 88.

The SPEAKER pro tempore. Under the rule, the gentleman from Illinois [Mr. DURBIN] will be recognized for 30 minutes and the gentleman from New Mexico [Mr. SKEEN] will be recognized for 30 minutes.

The gentleman from Illinois [Mr. DURBIN] is recognized for 30 minutes.

Mr. DURBIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the motion instructs the House conferees to recede to the Senate number for section 502 rural low-income housing direct loans. The House-passed amount is $550 million, while the Senate provided $1 billion. The House-reported amount, however, was $900 million.

Receding to the Senate for this important, necessary and popular program will merely take the activity back to the approximate level originally recommended by the gentleman from New Mexico [Mr. SKEEN], my friend, the chairman of the subcommittee, and agreed to by the Committee on Appropriations. Even at the Senate level, the section 502 program will be $200 million below the $1.2 billion provided for fiscal year 1995 and the amount requested for 1996.

Mr. Speaker, I reserve the balance of my time.

□ 1900

Mr. SKEEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, my good friend and former chairman of the subcommittee, the gentleman from Illinois, is offering a motion to instruct the conferees to recede to the Senate mark for section 502 direct loans for rural housing.

The Senate amendment provides for a loan level of $1 billion, almost double the amount in the House bill. The Senate mark is actually a little more than the program level for the current fiscal year.

The gentleman knows as well as anyone the difficulty we had in providing funds for the rural housing and development programs given the severe budget constraints we have been under. However, he also knows that I and many other Members regard the 502 program and other rural programs as extremely important and I assure him that I will work hard in the conference with him to do the absolute best we can for rural America.

Mr. Speaker, I yield back the balance of my time.

Mr. DURBIN. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. DURBIN].

The motion was agreed to.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs: SKEEN, MYERS, of Indiana, WALSH, DICKEY, KINGSTON, RIGGS, NETHERCUTT, LIVINGSTON, DURBIN, Ms. KAPTUR, Mr. THORTON, Mrs. LOWEY, and Mr. OBEY.

There was no objection.

GENERAL LEAVE

Mr. SKEEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks, and that I may include tabular and extraneous material on the conference report on H.R. 1976.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY ACT OF 1995

Mr. DIAZ-BALART. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 225 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 225

Resolved, That at any time after the adoption of this resolution, the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 927) to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with clause 2(l)(2)(B) of rule XI are waived. General debate shall be confined to the bill and shall not exceed two and one half hours equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the amendment recommended by the Committee on International Relations now printed in the bill, it shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule an amendment in the nature of a substitute consisting of the text of H.R. 2347. That amendment in the nature of a substitute shall be considered as read. Points of order against that amendment in the nature of a substitute for failure to comply with clause 7 of rule XVI are waived. Before consideration of any other amendment it shall be in order to consider a further amendment in the nature of a substitute by Representative Hamilton of Indiana or his designee. Such a further amendment in the nature of a substitute shall be considered as read, shall be debatable for one hour equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment. If such a further amendment in the nature of a substitute is rejected or not offered, then no further amendment shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each further amendment may be considered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for twenty minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment except as specified in the report, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment. The Chairman of the Committee of the Whole may reduce to not less than five minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall be not less than fifteen minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Florida [Mr. DIAZ-BALART] is recognized for 1 hour.

Mr. DIAZ-BALART. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from California [Mr. BEILENSON], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for purposes of debate only.

Mr. Speaker, House Resolution 225 is a structured rule providing for the consideration of H.R. 927, the Cuban Liberty and Democratic Solidarity Act of 1995.

House Resolution 225 provides a very generous 2½ hours of general debate, increased from the standard 1 hour to accommodate various views on both sides of the aisle, equally divided between the chairman and the ranking minority member of the Committee on International Relations. The rule makes in order as an original bill for the purpose of amendment in the nature of a substitute the text of H.R. 2347. House Resolution 225 provides that prior to consideration of any other amendment, it shall be in order to consider a further amendment in the nature of a substitute, if offered by the gentleman from Indiana [Mr. HAMILTON] or his designee, which would be debatable for 1 hour equally divided between a proponent and an opponent. It also provides that the amendment shall be considered as read and that the amendment shall not be subject to amendment.

House Resolution 225 makes in order the amendments printed in part one of the Committee on Rules report and debatable for 20 minutes for each amendment equally divided between a proponent and an opponent and provides that the amendment shall be considered as read.

In addition, Mr. Speaker, the rule permits the Chairman of the Committee of the Whole to postpone and/or to cluster votes on amendments and, finally, provides for one motion to recommit with or without instructions.

Now, Mr. Speaker, in order to accommodate the differences of opinion on both sides of the aisle, we agreed, as I stated earlier, to increase the general debate time from 1 hour to 2½ hours. I believe that the debate will be important, and I look forward to its commencement.

At this time I would like to commend the gentleman from New York [Mr. SOLOMON], the gentleman from New York [Mr. GILMAN], the gentleman from Indiana [Mr. BURTON], the gentleman from New Jersey [Mr. TORRICELLI], the gentleman from New Jersey [Mr. MENENDEZ], my dear friend, the gentlewoman from Florida [Ms. ROS-LEHTINEN], the gentleman from Florida [Mr. DEUTSCH], and the many others who are too countless to name for their exemplary efforts in bringing this bill forward.

I would also like to publicly thank the leaders of our House, the gentleman from Georgia, Speaker GINGRICH, the gentleman from Texas, Mr. ARMEY, and the gentleman from Texas, Mr. DELAY, for finding time in the House's schedule this week and for all the assistance they have provided in ensuring its consideration in a timely manner.

Mr. Speaker, this legislation constitutes a powerful and very effective mechanism for accelerating the liberation of the Cuban people from the oppression that the dictatorship there has been carrying out against the Cuban people for over three decades.

Mr. Speaker, the Cuban people are facing an avalanche of collaborationism by governments and investors in the international community who are seriously considering, and in a few instances, accepting, the Cuban dictator's invitation to come in and partake of his oppression of Cuban workers, his guaranteed denial of all labor rights, and his fire sale of the island at dirt cheap prices to foreign capitalists who agree to collaborate with him by purchasing commercial property, property that in many instances was stolen from U.S. citizens.

This bill will stop the flow, Mr. Speaker. This bill will stop the flow of foreign capital to Castro. His last lifeline after the collapse of the Soviet Union is creating a cause of action in United States courts for United States citizens against foreigners who traffic in property that Castro stole from those United States citizens. In other words, and I would like to quote the Speaker of the House on this: "If anyone else in the world buys expropriated American property from Castro and they have property here in the United States, we can then sue them in American courts to make them pay the money they just gave Castro for the property that was expropriated by Castro from American citizens."

In effect, this will end Castro's possibility of obtaining the cash that he needs to keep his repressive machinery going, Mr. Speaker.

With this legislation, the American people's Representatives will be saying very clearly to those who are dealing in property stolen from Americans by the Cuban dictator: Do not do it, it is morally wrong, and if you nonetheless traffic in property stolen from American citizens, you will have to suffer consequences in the United States for your actions.

We will hear during the process of this debate many arguments, I am sure, that we have already heard at length during actually 3 days of debate, seemingly never-ending, on just a handful of amendments in the Committee on International Relations and again in the Committee on Rules yesterday. We will hear of course that this rule is unfair from our colleagues on the other side of the aisle, though we are providing, Mr. Speaker, about six times more time for debate with this rule than the last time that a bill regarding Cuba was brought to the floor of the House 3 years ago under a majority from the Democratic side of the aisle.

We are also providing about 500 percent more of an opportunity to amend the legislation than when the Democrats were in the majority. As we will recall, Mr. Speaker, they brought the Cuban Democracy Act to the House floor under a suspension calendar. So we are providing for what is, when you count up the amount of time that we are providing for debate on this important issue, about 6 hours of debate.

Mr. Speaker, in the context of the debate, we will probably hear things said like, for example, that constructive engagement is the way to treat the Cuban dictatorship. Interestingly enough, many people who were the leaders against constructive engagement with regard to the dictatorships in South Africa or the dictatorship in Haiti or the dictatorship in Chile, many of the people who were against so-called constructive engagement with regard to those dictatorships will probably be advocating for constructive engagement with regard to the dictatorship in Cuba.

They will probably say that it was constructive engagement that freed the peoples of Eastern Europe, when the fact Eastern Europe was freed when the Soviet empire could not compete with the United States as it attempted to maintain military parity with us, and superpower status, and we denied them the political legitimacy that they sought with MFN in contrast to the prior policy of so-called detente.

And then we will hear, I am sure, Mr. Speaker, that the United States is acting alone, that we are standing by the Cuban people, but the rest of the world, whether it is the Europeans or our NAFTA partners, are busy trying to collaborate and trade with the Cuban dictatorship. We will hear that we are standing alone. We will hear, for example, of the Canadian company, I am sure, Sherritt Mining, the largest publicly held Canadian mining company that has worked out a deal with the Cuban dictator by which they mine nickel, that mineral, in eastern Cuba. They take it to Canada for processing, and then the chemical waste, the chemical waste from that process, Castro agrees that Sherritt Mining consented, back to Cuba to be dumped on Cuban soil and Cuban waters. We will probably hear of that as an example of constructive engagement and one way to help bring freedom and democracy to the Cuban people.

□ 1915

We will rebut each and every allegation with regard to arguments that I am sure will be made that the time has come to treat Castro nicely, that the time has come to treat Castro like we are treating the communist Chinese or the Vietnamese.

The last argument that came to my attention, Mr. Speaker, was that this bill was going to cost a lot of money, because there would be many, many lawsuits brought by Americans in U.S. courts to defend their properties stolen by Castro.

I want to make clear from the very outset that all residential property in Cuba is excluded from even possible consideration for the Federal courts under this legislation, and I want to make very clear that the CBO, and I have the letter here, Mr. Speaker, the Congressional Budget Office, points out that the fiscal impact of this legislation is virtually zero. That is very important to point out, because we have heard in the Committee on International Relations and the Committee on Rules many distortions with regard to that.

One other distortion is, I am sure, the bill is different than the bill reported in the Committee on International Relations. There were very minor changes requested by the chairman of the Committee on Ways and Means, and the significant change was the deletion of the fiscal impact, which is important to bring out from the very beginning.

I think of all the arguments, though, that I have heard against a firm policy by the United States on behalf of the Cuban people and against the dictatorship, we will hear it I am sure over and over again, everybody seems to say that they want Castro to go, that they want democracy for Cuba, but that they are against anything to achieve it. In fact, some of our colleagues on the other side will be arguing that the way to achieve a democratization in Cuba is by giving Castro cash, giving Castro access to credits.

One thing that I think is particularly insidious, and I would say ethically objectionable, is when the same leaders who spearheaded sanctions against dictatorships in South Africa, and even in this hemisphere, in Haiti, call for help for Castro, trade for Castro, credits for Castro, that double standard is particularly, as I say, Mr. Speaker, insidious, hypocritical, and objectionable.

So we will debate this openly. The bill is fair. It provides, as I say, for approximately 6 hours of debate, and the gentleman from New York [Mr. SOLOMON], chairman of the Committee on Rules, in a communication in writing, as well as verbally to the Members of this House, stated a very firm deadline for amendments to be presented before the Committee on Rules for consideration, and the amendments that came in at that time that were timely were permitted for consideration.

I must say that I was one who had an amendment, it did not come in pursuant to the guidelines set by the chairman of the Committee on Rules and that amendment was not made in order and I accept responsibility and I commend the gentleman from New York [Mr. SOLOMON] for setting such a fair way of managing our committee. So I want to commend the gentleman for that.

Mr. Speaker, we look forward to debate on this rule. I believe that the rule for this legislation is fair, and I urge its adoption.

I include the following information from the Committee on Rules:

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of September 20, 1995]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-open [2]	46	44	47	74
Modified Closed [3]	49	47	15	23
Closed [4]	9	9	2	3
Totals:	104	100	64	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of September 20, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255–172 (1/25/95).
		H.J. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/13/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–100; A: 227–127 (2/15/95).
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/2/95).
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95).
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/95).
H. Res. 108 (3/7/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95).
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95).
H. Res. 115 (3/14/95)	MO	H.R. 1159	Making Emergency Supp. Approps.	A: 242–190 (3/15/95).
H. Res. 116 (3/15/95)	MC	H.J. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95).
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95).
H. Res. 119 (3/21/95)	MC			A: 217–211 (3/22/95).
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423–1 (4/4/95).
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	A: voice vote (4/6/95).
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95).
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	A: 253–172 (4/6/95).
H. Res. 136 (5/1/95)	O	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95).
H. Res. 139 (5/3/95)	O	H.R. 1361	Coast Guard Auth. FY 1996	A: voice vote (5/9/95).
H. Res. 140 (5/9/95)	O	H.R. 961	Clean Water Amendments	A: 414–4 (5/10/95).
H. Res. 144 (5/11/95)	O	H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95).
H. Res. 145 (5/11/95)	O	H.R. 584	Fish Hatchery—Iowa	A: voice vote (5/15/95).
H. Res. 146 (5/11/95)	O	H.R. 614	Fish Hatchery—Minnesota	A: voice vote (5/15/95).
H. Res. 149 (5/16/95)	MC	H. Con. Res. 67	Budget Resolution FY 1996	PQ: 252–170 A: 255–168 (5/17/95).
H. Res. 155 (5/22/95)	MO	H.R. 1561	American Overseas Interests Act	A: 233–176 (5/23/95).
H. Res. 164 (6/8/95)	MC	H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225–191 A: 233–183 (6/13/95).
H. Res. 167 (6/15/95)	O	H.R. 1817	MilCon Appropriations FY 1996	PQ: 223–180 A: 245–155 (6/16/95).
H. Res. 169 (6/19/95)	MC	H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232–196 A: 236–191 (6/20/95).
H. Res. 170 (6/20/95)	O	H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221–178 A: 217–175 (6/22/95).
H. Res. 171 (6/22/95)	O	H.R. 1905	Energy & Water Approps. FY 1996	A: voice vote (7/12/95).
H. Res. 173 (6/27/95)	C*	H.J. Res. 79	Flag Constitutional Amendment	PQ: 258–170 A: 271–152 (6/28/95).
H. Res. 176 (6/28/95)	MC	H.R. 1944	Emer. Supp. Approps.	PQ: 236–194 A: 234–192 (6/29/95).
H. Res. 185 (7/11/95)	O	H.R. 1977	Interior Approps. FY 1996	PQ: 235–193 D: 192–238 (7/12/95).
H. Res. 187 (7/12/95)	O	H.R. 1977	Interior Approps. FY 1996 #2	PQ: 230–194 A: 229–195 (7/13/95).
H. Res. 188 (7/12/95)	O	H.R. 1976	Agriculture Approps. FY 1996	PQ: 242–185 A: voice vote (7/18/95).
H. Res. 190 (7/17/95)	O	H.R. 2020	Treasury/Postal Approps. FY 1996	PQ: 232–192 A: voice vote (7/18/95).
H. Res. 193 (7/19/95)	C	H.J. Res. 96	Disapproval of MFN to China	A: voice vote (7/20/95).
H. Res. 194 (7/19/95)	O	H.R. 2002	Transportation Approps. FY 1996	PQ: 217–202 (7/21/95).
H. Res. 197 (7/21/95)	O	H.R. 70	Exports of Alaskan Crude Oil	A: voice vote (7/24/95).
H. Res. 198 (7/21/95)	O	H.R. 2076	Commerce, State Approps. FY 1996	A: voice vote (7/25/95).
H. Res. 201 (7/25/95)	O	H.R. 2099	VA/HUD Approps. FY 1996	A: 230–189 (7/25/95).
H. Res. 204 (7/28/95)	MC	S. 21	Terminating U.S. Arms Embargo on Bosnia	A: voice vote (8/1/95).
H. Res. 205 (7/28/95)	O	H.R. 2126	Defense Approps. FY 1996	A: 409–1 (7/31/95).
H. Res. 207 (8/1/95)	MC	H.R. 1555	Communications Act of 1995	A: 255–156 (8/2/95).
H. Res. 208 (8/1/95)	O	H.R. 2127	Labor, HHS Approps. FY 1996	A: 323–104 (8/2/95).
H. Res. 215 (9/7/95)	O	H.R. 1594	Economically Targeted Investments	A: voice vote (9/12/95).
H. Res. 216 (9/7/95)	MO	H.R. 1655	Intelligence Authorization FY 1996	A: voice vote (9/12/95).
H. Res. 218 (9/12/95)	O	H.R. 1162	Deficit Reduction Lockbox	A: voice vote (9/13/95).
H. Res. 219 (9/12/95)	O	H.R. 1670	Federal Acquisition Reform Act	A: 414–0 (9/13/95).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued

[As of September 20, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 222 (9/18/95)	O	H.R. 1617	CAREERS Act	A: 388–2 (9/19/95).
H. Res. 224 (9/19/95)	O	H.R. 2274	Natl. Highway System	PQ: 241–173 A: 375–39–1 (9/20/95).
H. Res. 225 (9/19/95)	MC	H.R. 927	Cuban Liberty & Dem. Solidarity	

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; C-closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

Mr. DIAZ-BALART. Mr. Speaker, I reserve the balance of my time.

Mr. BEILENSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Florida, [Mr. DIAZ-BALART], for yielding the customary 30 minutes of debate time to me.

Mr. Speaker, we oppose this rule in the strongest possible terms. It is an unfair and an unreasonable rule for the consideration of a major piece of legislation that would, if enacted, have serious effects on our foreign and domestic policy interests.

Procedurally, Mr. Speaker, this rule and the bill it makes in order have been handled in a most unfair and unusual manner. First, the rule itself: Last Thursday, September 14, the gentleman from California, [Mr. DREIER] made an announcement on the floor for the Committee on Rules describing the proposed treatment of amendments for H.R. 927. That was Thursday afternoon, when I remind my colleagues, Members were getting ready to leave or had already left Washington to return to their homes and to their districts.

At that time Mr. DREIER informed Members, and I quote him, "A preprinting option will likely be included," in the rule for the Cuban liberty bill. He went on to inform us, "It is not necessary for Members to file their amendments with the Committee on Rules or to testify."

That was the information that Members had and accepted in good faith when they left Washington on Thursday to return before votes on Tuesday, at which time, according to Mr. DREIER, who was speaking for the leadership, Members should not expect votes before 11 a.m.

Mr. Speaker, we were not privy to the discussions that led to the reversal of this policy that had been stated on the House floor, but an extreme reversal it was nonetheless.

On Monday, September 18, when most Members had not returned to Washington from their work in the districts they represent, since we were to have no votes that day here in Washington, the distinguished gentleman from New York [Mr. SOLOMON], our good friend, the chairman of the Committee on Rules, and a motion fair and decent gentleman he is, sent out a "Dear Colleague" letter announcing the postponement of the Committee on Rules hearing scheduled for Monday on H.R. 927 and rescheduling it for 2 p.m. on Tuesday, September 19. We were told the letter was not delivered in the morning mail, so Members could not have received it before 2 p.m. on Monday, and it was undoubtedly delivered to many offices much later.

His letter also contained a stunning reversal, Mr. SOLOMON, of the original leadership announcement of September 14. According to this new policy, the House would consider H.R. 927 under a structured rule, making in order only amendments prefiled by the Committee on Rules. Moreover, Members who wished to offer those amendments were required to file those amendments by 1 p.m. on Tuesday, September 19, less than 24 hours after the receipt of the letter.

Mr. Speaker, while we object in principle to the prefiling requirement, our objection would have been relatively constrained. It is usable, and properly so, I think, under some circumstances. What we strongly protest, however, is the fact that Members had been given such short notice of this extremely restrictive requirement.

Not only that, Mr. Speaker, but perhaps even more unfairly, if I may say so, the majority of our friends on the Committee on Rules, who should have known full well that many Members would be unable to quite meet this deadline, refused to give any leeway or grace at all to Members who filed their amendments even a few minutes beyond the 1 p.m. deadline. We were, to put it bluntly, astounded that a majority on the committee refused to extend this courtesy, which has been a customary practice in the past on the Committee on Rules, even though members were already operating under severe and unreasonable time constraints.

Several Members who drafted and then prefiled their amendments with the Committee on Rules have in fact been shut out of the amendment process on this very significant and controversial piece of legislation. And if those Members who learned somehow of the change in the rule and were attempting to comply with it are being denied the right to offer their amendments, we can only assume that others who would have wished to take part in this important debate were also denied that right because of the unexpected and untimely prefiling announcement which arrived when they were out of town.

In any event, Mr. Speaker, this is the situation: Because of this unreasonable restriction, the gentleman from Colorado [Mr. SKAGGS], whose two amendments on the importance of ultra high frequency capable television and the Television Marti service were received in the Committee on Rules only 15 minutes after the 1 p.m. deadline; the gentleman from Florida [Mr. DIAZ-BALART], our good friend over there, whose amendment on U.S. telecommunications payments to Cuban governments, was received 20 minutes after 1 o'clock; and the gentleman from Washington [Mr. MCDERMOTT], whose amendment making an exception to the trade embargo for medical supplies and staple foods and other emergency supplies was filed 40 minutes late, these gentleman will be unable to have their amendments debated separately during this historic debate.

Mr. Speaker, with respect to how the bill itself was considered, the ranking member of the Committee on International Relations, the gentleman from Indiana, [Mr. HAMILTON], testified very convincingly of his concerns with not only the substance of the bill but also in the manner in which the bill moved from his committee to the Committee on Rules. We think we should all be concerned about those procedures, which are being used more and more frequently and are in effect subverting the committee process.

First of all, we are rushing to judgment on an important bill that is not time sensitive in any way that we can know about. The original intention was to bring this bill to the floor in October. It has now appeared suddenly on the House Calendar this week, giving Members little warning that the legislation had been put on the fast track.

But more important, more important by far, the committees which have jurisdiction over the bulk of this bill, the committees with the real expertise on the questions of import policy, visa exclusions, and, most importantly, Federal Court jurisdiction, which is touched upon to some great degree in this bill, abdicated their responsibility to even consider this bill. That means that the Committee on Ways and Means and the Committee on the Judiciary, who have jurisdiction, have not considered, have never considered, have never considered, some very complicated and controversial legislative provisions that will be found in this bill. The House clearly generally would have benefited greatly from the work of those committees on a bill of this importance and of this magnitude.

So, Mr. Speaker, we have a modified closed rule, and we have major committees waiving consideration of the substantive bill. That means we have lost contribution of too many Members who have the expertise to monitor a bill of this nature, and we are, with the prefiling requirement, preventing them from contributing their knowledge and expertise to improving the bill on the floor.

The report of the Congressional Budget Office on this bill is highly unusual as well. CBO wrote that the bill as reported, "could have a significant budgetary impact through its authorization of discretionary appropriations."

Appropriations, it said, could exceed $1 billion. But amazingly, CBO goes on to say, "We understand from committee staff that a committee amendment would be offered on the House floor that would strip the bill of an open-ended authorization of appropriations, and that would make certain other provisions subject to further authorization and appropriations action. Such an amendment would reduce the bill's budgetary impact to relatively small amounts."

In other words, Mr. Speaker, CBO ignored the committee reported bill. That is a practice we hope will not become customary. Members deserve to know the accurate estimates for action that was actually taken by committee, and not for amendments that might or in fact will be offered on the floor.

Mr. Speaker, we might not be so strongly opposed to this modified closed rule with its restrictive prefiling requirements on amendments if the legislation itself did not mark such a radical shift in U.S. policy, especially foreign policy. Some of us, probably not the majority certainly, believe that we should be loosening the American economic embargo on Cuba, not tightening its restrictions even further. But that will be debated in the times to come.

But as the New York Times editorialized in opposing this legislation, and I quote from them, too, briefly if I may, "Cuba has kept its commitments to the United States on immigration. With the end of the Cold War, it posts no security threat to the United Stares, yet the restrictions on Havana are tighter than those imposed on Iraq."

The President, to his credit I think, has sensibly threatened to veto this bill. It is a bill that should alarm our allies, and apparently has, and the business interests of this country. The way we consider a bill of this magnitude, whatever our differences of opinion may be with respect to it, a bill which would have such far-reaching and serious consequences, should be open and fair and reasonable. Instead, we are being asked to take up a measure under a closed rule and to rush it through in just a day and a half. We do not support this procedure.

Mr. Speaker, we urge that the rule for H.R. 927 be defeated.

Mr. Speaker, I reserve the balance of my time.

Mr. DIAZ-BALART. Mr. Speaker, at this time it is my privilege to yield such time as he may consume to the gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules, a great ally of freedom throughout the world and specifically of the Cuban people in their quest for democracy.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman from Florida for yielding me the time. I want to congratulate him for his tireless effort in bringing this very, very important piece of legislation to the floor. Let me also commend the Committee on International Relations for the bipartisan spirit in which they have carried this bill to where it is today, along with the gentlewoman from Florida [Ms. ROS-LEHTINEN], a member of the Committee on International Relations, who has played such an important role, and the gentleman from Indiana [Mr. BURTON], the chairman of the Subcommittee on the Western Hemisphere.

Mr. Speaker, let me just say that while this is a structured rule, it does provide for a very thorough debate of the major issues associated with this bill, the Cuban Liberty and Democratic Solitary Act of 1995. As the gentleman from Florida [Mr. DIAZ-BALART] has said, the House will be provided a full 2½ hours of general debate on this legislation in which to discuss the provisions of this bill, and it is a narrowly focused bill, so that is, believe me, more than ample time. This will allow Members from both sides of the aisle to engage in what I would consider to be a meaningful discourse on this issue. We have allowed exactly the time that was requested from those that would be in opposition to the bill.

Furthermore, the ranking minority member of the Committee on International Relations, the gentleman from Indiana [Mr. HAMILTON], an opponent of the bill, is granted the opportunity to offer an entire substitute bill in which he could address all of his issues of disagreement and those issues that were brought up by the distinguished gentleman from California [Mr. BEILENSON]. That amendment will then be subject to another full hour of debate, which is more than ample and agreed to by both sides of the aisle.

In addition to these 3½ hours of debate, the rule also makes in order three other amendments, each debatable for 20 minutes, to focus the House's attention on three specific elements of the bill, and 20 minutes each was agreed to by both sides of the aisle. No one wanted more time than the 20 minutes. Therefore, this rule is fair, it is very reasonable.

Mr. Speaker, in reference to the bill itself, I would like to voice my strong support for two areas of the bill in particular. First, the bill would prohibit support for Cuba from international organizations or countries that receive funding from the United States. That means U.S. taxpayers' dollars. This prohibition is crucial to prevent the reoccurrence of foreign countries, and even foreign international organizations that we give U.S. taxpayer dollars to, exporting totalitarian rule and communism to this hemisphere.

Second, the bill would require the President to reduce United States assistance to the states of the former Soviet Union by an equal amount to any assistance or even credits provided by that state to the Castro regime in Cuba.

□ 1730

Mr. SOLOMON. You know, we watch what is happening in Bosnia and we give the United States aid, again United States taxpayers' dollars to the former Soviet Union, the country of Russia in particular. They in turn take those dollars we are giving them. They manufacture weapons, they give it to the Serbs, to the country of Serbia who then in turn gives it over, in spite of the sanctions and embargoes, they give it to the Bosnian Serbs to carry on the genocide that has been happening in that country there. That is just plain outrageous.

The provision in this bill would prevent that. This even tighter restriction on the former Soviet Union will send the message that the days of Soviet meddling in the affairs of fledgling Central and South American nations is over. It is over and done with. We will not and we cannot stand by and continue to send billions of dollars of taxpayers' money to the newly independent states of the former Soviet Union, only to have these taxpayers' dollars rerouted to this despicable Communist regime of Castro for use against the very democratic pillars of our own Nation and against his own people which he persecutes in his country.

Mr. Speaker, I would just urge my colleagues to support this fair rule and to support this very important piece of legislation so that our Nation can take a firm stand against the last bastion of communism in this hemisphere, and that is Cuba.

I really do thank the gentleman and commend him for all his tireless work on this effort.

Mr. BEILENSON. Mr. Speaker, I yield 7 minutes to the distinguished gentleman from Indiana, [Mr. HAMILTON].

Mr. HAMILTON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in opposition to both H.R. 927, the Cuban Liberty and Democratic Solidarity Act, and to the rule which is now before the House.

Many Members remain quite unfamiliar with the details of this bill. I will speak during the general debate about why I think this bill represents the wrong approach to U.S. policy toward Cuba.

I am not concerned only with the substance of this bill. I am deeply concerned that this bill has been and will today be considered in a manner that subverts appropriate processes in the House. This statement is not one I make lightly or easily.

TIMING: RUSHED TO THE FLOOR

I was informed only last Thursday that this bill would be scheduled for consideration on the House floor this week. We had asked repeatedly over the last month and were told repeatedly that it would not be considered by the House until October.

I do not understand the sudden rush to place this serious piece of legislation before the House this week. Those of us who oppose the bill would have liked a little more notice about its rapid jump to the top of the legislative calendar.

OTHER COMMITTEES BYPASSED

Let me describe the process by which this bill comes before the House.

The great bulk of the bill lies in the jurisdiction of the Ways and Means and Judiciary Committees—committees with real expertise that the International Relations Committee cannot claim on questions of import policy, visa exclusions, and Federal court jurisdiction. Titles III and IV of the bill—more than 50 percent of its content—are almost entirely within the jurisdiction of the Judiciary Committee. These titles contain very complicated provisions that will have a tremendous impact on the federal court system.

Yet both Judiciary and Ways and Means waived consideration of the bill. Now I understand that is well within the prerogative of a committee chairman, but I believe that waiving consideration on a bill of this magnitude is, to put it gently, not appropriate.

Let's be clear: when you combine waiving consideration with a closed rule—like the one we are considering now which makes only 4 amendments in order—you have shut out those Members of the House with the greatest ability to improve the legislation.

Additionally, the bill being considered before the House is not the bill reported by the International Relations Committee, the only committee to act. The text made in order by this rule include changes requested by another committee chairman, without any committee action. The bill reported to the House by the only committee to consider it included a section further regulating sugar imports. The bill to be considered under this rule does not contain that provision.

The bill before the House also makes significant changes in title II, the only title exclusively in the jurisdiction of our committee. The bill reported out of the Committee contained an authorization for assistance to a Cuba in transition. The bill that we will consider on the floor has no authorization. In fact, the bill before the House includes changes almost identical to those contained in an amendment offered in committee that was rejected by the Committee.

The changes made to title II appear to result directly from the cost estimate submitted by the Congressional Budget Office. That estimate itself is proof of the extent to which the role of committee consideration and the weight of a reported bill are being ignored.

The CBO letter states that appropriations for the bill as ordered reported "could exceed $1 billion" but prior to providing this estimate, it states that

> CBO understands from Committee staff that a Committee amendment will be offered on the House floor that would strip the bill of an openended authorization of appropriations and would make certain other provisions subject to further authorization and appropriations action. Such an amendment would reduce the bill's budgetary impact to relatively small amounts.

CBO apparently no longer even accords committees enough respect to provide a cost estimate specifically on the action the committee has taken.

These changes represent nothing short of a rewriting of the bill between the committee vote and floor consideration. In my view, changing the bill as it was reported from the committee in this manner is unacceptable.

THE RULE ITSELF

With respect to the Rules process, Members were first told last Thursday that it was "likely" that amendments pre-printed in the CONGRESSIONAL RECORD would be accorded preference in floor consideration. Mr. DRIER stated at that time that there was no need for Members to file their amendments with the Rules Committee.

It was also announced that amendments should be drafted to a substitute that Mr. BURTON had included in Thursday's CONGRESSIONAL RECORD. This announcement implied that most Members would have the ability to amend the bill.

Then, at noon on Monday—a day when no votes were scheduled—Chairman SOLOMON announced that Members should expect that the Rules Committee might report a structured rule, that amendments now had to be filed with the committee by 1 pm on Tuesday, and that those amendment should be drafted not to the Friday substitute, but to a bill that Mr. BURTON introduced that day. Effectively, this meant that Members—most of whom did not arrive back in Washington until Tuesday morning—were given only a few hours to submit their amendments to this new bill, all 79 pages worth.

Several Members were actually able to get amendments to the Rules Committee by Tuesday afternoon, prior to the start of the Rules hearing on this bill. And yet, not all amendments that the Rules Committee received were made in order. In fact, Mr. SKAGGS and Mr. MCDERMOTT were shut out entirely because their amendments arrived at Rules after 1 pm.

However, it is my understanding that Mr. BURTON's three amendments were late as well. But one of those amendments was made in order by the rule, giving special treatment to the Member that wrote the bill—the Member who needs special treatment the least.

The Rule does make a Hamilton substitute in order. Now that's fine. But I never requested that the Rules Committee make in order such a substitute and I do not intend to offer a substitute. I simply do not understand why the committee would make in order a substitute that they know I do not have while denying other Members the ability to offer amendments that they had drafted and ready to go.

At the Rules Committee hearing, several of my colleagues stated that this very restricted rule was acceptable on this bill, because all the elements of the bill had been considered many times before. I take issue with that statement. To the best of my knowledge, easily one half of the bill—all the property and visa provisions—are without precedent. We are creating new rights of action, we are creating new reasons to exclude entry to the United States. And we are doing so under an exceedingly restrictive process.

CONCLUSION

I think I have made clear the extent of my deep concerns about the process by which this bill comes before the House.

I urge a "no" vote on this rule.

Mr. DIAZ-BALART. Mr. Speaker, I yield myself such time as I may consume.

I would like to take issue very briefly with the distinguished gentleman from Indiana with regard to his analysis of how the bill has reached the floor and specifically his analysis of the changes that were made after the bill as reported from the Committee on International Relations and its arrival at the Committee on Rules where it was reported favorably yesterday.

As I attempted to state earlier, the chairman of the Committee on Ways and Means made some minor recommendations that (a) make certain that the bill does not violate international agreements; (b) made discretionary some of the bill's recommendations for assistance to a post-Castro democratic Cuba; and, as been stated by the CBO letter, ended the bill's fiscal impact.

Mr. Speaker, I yield 4 minutes to my distinguished colleague and dear friend, the gentlewoman from Florida [Ms. ROS-LEHTINEN].

Ms. ROS-LEHTINEN. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong support of the rule. This legislation is critical if we are to help the Cuban people break the chains that have denied them the most basic freedom for 36 years. Today the situation in Cuba seems to belong in the pages of a novel of terror. The millions of people who inhabit the island have no civil or human rights. They do not have the opportunity to freely elect their representatives. Instead, they are forced to belong to a failed Communist party which controls all activities. While tourists and foreigners enjoy lavish foods and amenities, the Cuban people are left to struggle daily for simple sustenance. Castro feeds the tourists. He starves the natives.

The people hunger for the truth. He feeds them lies. Dissidents are systematically persecuted, harassed and arrested. All this to satisfy the thirst for power of one man, Fidel Castro. For 36 years, this dictator and his Communist thugs have turned a once prosperous and developing nation into what analysts called an "undeveloping nation." The roads which were once filled with new cars are now invaded by inferior bicycles. The soil, once plentiful with food, is now desolate and barren, a tragic symbol of Castro's failed Marxist ideology. In Cuba today, the repression of the regime remains unabated in all sectors of society. Religious persecution has increased in recent months.

One of the most notable victims is Reverend Orson Vila Santoyo, a prominent evangelical leader who was arrested and sentenced to 2 years in prison for allowing religious services in his home. He was simply one of the victims in a large-scale harassment of religious institutions in that island. And persecution and harassment against journalists have also increased in Cuba. July saw a crackdown by the Castro dictatorship on independent journalists. During the first 2 weeks of that month, it was reported that Rafael Solano Morales, the founder of a clandestine independent news agency, Havanas Press, and Jose Rivero Garcia, of the Cuban Council of Independent Journalists, were arrested by Castro's police state. Solano Morales stated, "This is harassment and attempted intimidation of the free press in Cuba, but it will not have the desired effect." He is one of the 47 dissident leaders inside Cuba who have publicly endorsed this bill.

In a letter which JESSE HELMS received from Elizardo Sampedro Marin, and I quote,

> We support the alternative you propose. Its approval will mean a definite turn in our favor. We thank you sincerely for what you are doing and we are sure that those who criticize you today will congratulate you tomorrow for your contribution to the process of democratic transformation in Cuba.

It is valiantly signed by 47 dissidents of 30 groups at great personal risk to these individuals. We know that more groups would like to come out and more voices would like to be heard but, similarly, harassment against human rights activists has also increased. Last May we saw a nationwide harassment and detainment of these activists and this crackdown was described by the Human Rights/American Watch organization as "a kind of serious crackdown. It seems they, the Castro regime, is trying to scare them into leaving the country."

Mr. Speaker, it is clear that Castro will not change voluntarily. He will not reform himself if it means reducing his absolute power. Castro has to be eliminated, not by redundant dialogue but through swift and firm policies against him as embodied in this bill.

Today we will hear from opponents of this legislation that Castro is reforming. We may hear about foreign investments in Cuba and how these investors are gaining a windfall from these investments and how us in the United States, we are losing millions. But what you will not hear from them is who benefits from these investments or the conditions under which the Cuban people must work in order to satisfy these unscrupulous and immoral investors.

The reality is that Cuba today has brought back serfdom to our hemisphere. This is the best way to describe the slave-like conditions of the Cuban worker, for while Castro obtains the hard currency he needs from foreign investors, he pays the Cuban worker, at his whim, sometimes less than 5 percent of this money. Moreover, Castro is attracting foreign investors by promoting the repression that subjugates the Cuban worker. And that is why, Mr. Speaker, we must pass this rule and we must pass this bill today, in order to affirm the rights of these individuals, to say we are against this repression, and we dedicate this bill in their memory tonight.

Mr. BEILENSON. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from New York [Mr. RANGEL].

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Mr. RANGEL. Mr. Speaker, I rise in opposition to this rule, but before I state my reasons, I just want to make it abundantly clear that I have the utmost respect for those Members of Congress that seek to find democracy, as probably all of the Members of this Congress would want to see. I must admit that many of them have stronger ties to Cuba and therefore their feelings would be a lot more emotional.

By saying that, however, it does not mean that I have any lesser feelings for democracy. Certainly I am the beneficiary of the democracy of this great Nation, and I have fought when my country has asked me to preserve democracies in other countries, specifically South Korea.

I too have stood up in seeking to change dictatorships and hostile governments that oppressed the rights of people, yes, in Haiti and South Africa, and suggested the tools of using embargoes when the family of nations thought that this was an adequate thing to do in order to bring down those people who have a complete disregard of the rights of other people.

When I thought it was not working in Haiti, and before the President made up his mind that he was going to send in troops, I shared with the President of the United States that I thought it was time for us to review our embargo against the people in Haiti.

Certainly in South Africa there were nations all around the world who jointed with us. As a result of the initiatives that we have taken, and even the small role that I played in the Committee on Ways and Means to deny tax deductions to U.S. companies in South Africa that were deducting the taxes they paid to the fascist government of South Africa from their taxes, when that was denied I supported it, and democracy ultimately came.

If I thought for 1 minute that the family of nations thought the embargo was the way to go, and that 34 years of an embargo could ultimately lead to democracy in Cuba, I would be standing with my colleagues saying, yes, let us tighten it. Not only do I think the embargo is not working, but I think that we are now trying different ways to see how we can just show who is more for democracy, who is more against communism.

We do not find this feeling on the floor when we are talking about Communist China. We do not find this sense of being against communists when we talk about North Vietnam. We do not find this sense of communism when we talk about the people in North Korea. No, then we hear that America has to free people through trade.

I sit on the Committee on Ways and Means, which has some jurisdiction as it involves trade. I am there, and I am led to understand that the North American Free Trade Agreement is going to be good for America, that it is going to create jobs as we tear down the barriers of trade between nations.

I hear in the Caribbean Basin Initiative, these poor countries, that we should not give them fish, we should teach them how to fish, they should be able to trade with us. Trade, not aid.

Except for this little island there called Cuba. They are excluded from that. They are excluded from the North American Free Trade Agreement, not by other nations.

So we are being asked right here to say that we want to trade with everybody. We are the leaders in promoting free trade, except we say we are prepared to punish our trading partners if they see fit, in their national interest, to trade with Cuba.

How arrogant. How outrageous. Who is the United States of America to tell other people, people that we are begging to sit down at the negotiating table to trade with us and other countries, that they should not trade?

But why do I oppose this rule? I do not care how you cut it, something in here deals with trade.

I am on the Committee on Ways and Means. I have worked here a quarter of a century in the Congress and the Committee on Ways and Means. Now for the first time I am on the Subcommittee on Trade. Better than that, I am the senior Democrat on the Subcommittee on Trade in the Committee on Ways and Means. Even though I am not nearly as important as I used to be, trade issues come by my committee, unless Republican chairman talk with Republican chairmen and change certain things.

So along comes this bill, and where would they send the bill? To a lot of committees, but one of them was the Committee on Ways and Means. I could not wait for the bill. I could not wait for it, until I found out that the Republican chairman of the Committee on Ways and Means got together with the Republican chairman of the Committee on Foreign Affairs and said, can we take out anything that would allow us to have any interest at all in your trade bill?

Sure enough, they did it, and without a meeting, without discussion. Chairman ARCHER sends a letter to Chairman GILMAN, and therefore ranking member RANGEL never sees the bill. So we got a rule to tighten the trade screws on this Communist nation, Cuba. We have got to make certain anyone that trades with her is punished. If anybody, foreign, American, it does not make any difference, believes that Castro took any property, come to the U.S. courts and sue.

God forbid if other people start suing America in foreign courts and expect to get a return on it, but distinguished chairman of Judiciary Committees and things like that would straighten out those little international law matters, I am certain. Because in this Congress you do not need a lot of hearings, you do not need a lot of debate. All you need is a lot of votes, and the majority has got it.

Let me say this. This bill has nothing to do with this mean-spirited dictator Castro. It has nothing to do with punishing our trading partners who we beg to come to the Uruguay round, to come to the North American Free-Trade Agreement. All this bill has to do is to see how mean you can be in showing who likes democracy best.

May the record indicate, Mr. Speaker, when it comes to supporting democracy in this country around the world, I want to stand up with those fighters. But this is a bad bill at the wrong time. It is not in our national interest. The President is begging that you do not put it on his desk. He is going to veto it, and everybody who has worked in any State Department, Republican or Democrat, liberal or conservative, knows that this is not in the national interest of the United States of America.

I ask that we oppose this rule and that we defeat this rule and get on with our Nation's business.

Mr. DIAZ-BALART. Mr. Speaker, I yield 1 additional minute to the gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules.

Mr. SOLOMON. I thank the gentleman for yielding me the time.

Mr. Speaker, I just want to say that my good friend, the gentleman from New York [Mr. RANGEL], was eloquent as usual. He is always.

I just want to say one thing to the gentleman. He talks about it being arrogant, trying to dictate trade policy from other countries. But there is a big difference, and I mentioned it in my remarks. When we are giving them U.S. tax dollars, we then have an in to tell them what they ought to be doing. If we do not want to give them the tax dollars, the gentleman is right, then we should not be trying to dictate to them.

Another thing is, he talked about the NAFTA, whether or not that was good. That is bad in my opinion. It has been bad for upstate New York. It has been disastrous, We are losing jobs every single day.

He talked about North Korea. He talked about China. There are some Republicans on this side of the aisle that do not think we ought to be doing business with China because of their terrible human rights record. The same thing with North Korea. The same thing with Vietnam and other countries. I just wanted to point that out to my good friend.

Mr. BEILENSON. Mr. Speaker, I yield 30 seconds to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Speaker, the gentleman from New York [Mr. SOLOMON] is my dear friend and I know his strong feelings about protecting democracies, wherever they are, and, using trade to do it.

I would just like to say that I share those feelings, but I think that we only have one President at a time. I do not care whether it is Republican or Democrat. When it comes to trade and our international interests, I think we ought to give this President a chance, as we did President Bush and President Reagan. Our President asked at this time, do not put this on his desk, and I think he should be respected.

Mr. BEILENSON. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. DEUTSCH].

Mr. DEUTSCH. Mr. Speaker, if the debate was just about the Torricelli bill, the Cuban embargo bill, then I think some of the comments that the gentleman from New York [Mr. RANGEL] made would be quite relevant. But what I ask my colleagues to do is to at least read part of the bill or at least go through the index of the bill, the table of contents or the committee report on the bill. Because as the bill is now in front of us as a substitute, this bill is relatively narrow.

Let us talk about the specifics of what it does. It only deals with foreign companies, non-United States companies that have in some way ascertained, purchased, illegally confiscated property in Cuba. That is all that it deals with in its present form in front of us. That is the bill. That is the issue in front of the U.S. Congress.

Let us just again talk about what that means, the specifics. It is a factory in Cuba, a refinery in Cuba that was owned by an American citizen—someone has left Cuba, now in America, or maybe even an American citizen prior to the change in government—that was expropriated illegally by the Castro government and then sold to a company, sold to a non-United States company. That company now is producing in that factory and getting the benefits of the production of that facility, and an injustice is occurring.

What this bill says is there is a way to right that wrong. The way to right that wrong is to say and use some pretty strong sanctions, and I agree that there are strong sanctions.

My colleagues have mentioned some of the strong sanctions: giving access to the United States courts to the person or, for that matter, the company that has had their property illegally expropriated and then sold to a foreign, non-U.S. company. One of the sanctions deals with visa rights of non-U.S. citizens to even come to the United States of America. There are some strong sanctions in this bill to prevent this from happening, but what I would say is those are needed.

What we have seen, and again I point out to my colleagues, the gentleman from New York [Mr. RANGEL] as well, that the Cuban embargo is really the Torricelli bill that has been in effect several years, not 35 years. The changes that we have seen, and I know Members speak to people in Cuba and I have the opportunity to speak to people, as well, who are visiting the island, who have seen the island, the reality is that Castro is holding on by his fingernails, barely holding on by his fingernails.

I urge the adoption of the rule and urge the support of the bill.

Mr. DIAZ-BALART. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New York [Mr. GILMAN], the chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in support of House Resolution 225, the rule making in order consideration of H.R. 927, the Cuban Liberty and Democratic Solidarity Act.

I thank the gentleman from Florida [Mr. DIAZ-BALART], the gentlewoman from Florida [Ms. ROS-LEHTINEN], the gentleman from Indiana [Mr. BURTON], the gentleman from New Jersey [Mr. MENENDEZ], and the gentleman from New Jersey [Mr. TORRICELLI] for their decisive leadership on this important issue.

Mr. Speaker, House Resolution 225 is a fair rule that permits the House to take decisive action on one of the most important foreign policy issues in the Americas. This rule provides ample time for general debate—2½ hours—which will be evenly divided between proponents and opponents of the measure.

I welcome the decision of the Rules Committee to provide for a rule that allows us to act on H.R. 927 despite the crush of business at the end of the fiscal year.

Our committee held a lengthy markup on this bill, affording the minority ample time to offer and debate amendments fully. In fact, we acted on a dozen amendments that dealt with all of the key issues in this legislation. The bill, as amended, won a strong bipartisan vote of 28 to 9.

In response to concerns raised by several other committees of jurisdiction, substantial modifications are reflected in the final text coming to the floor.

H.R. 927 is a sound and important bill. I ask my colleagues to support the rule so we can bring this important issue to the floor

□ 2000

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. MENENDEZ].

Mr. MENENDEZ. Mr. Speaker, I thank the gentleman from California [Mr. BEILENSON], the distinguished member from the Committee on Rules, for yielding, especially since I rise to support the rule and the legislation. I appreciate him yielding time.

Mr. Speaker, I want to strongly support H.R. 927, the Cuban Liberty and Democratic Solidarity Act. I have worked tirelessly on this legislation since its introduction and written significant parts of it.

Mr. Speaker, this legislation strongly endorses the proposition that our policy toward the Cuban dictatorship must address the hard and disturbing realities of Castro's tyranny, not the unwarranted hopes for this dictatorship that some will maintain. It just as strongly rejects the notion that we must formulate policy toward Cuba's dictatorship as if it were not a dictatorship, as if it were a civilized member of the international community. It is not. There is no debate about Cuba's horrendous human rights record, its refusal to allow free and democratic elections, and its wanton disregard for the well-being of its people.

I support a structured rule on this vital piece of legislation. The reason that I support a structured rule in relation to this legislation is simple. Unlike other far reaching legislation, which covers a broad scope of issues—this legislation is issue specific and narrowly tailored to produce a designed result. It can be accepted or rejected on the House floor. I believe it will receive broad bipartisan support.

Do we want to be positive agents for democratic change in Cuba or do we want to squander the opportunity to promote democratic institutions and free markets? I am concerned that misplaced good intentions will delay the establishment of important transitional organizations that will promote freedom in this much oppressed country. I hope that the debate and amendments on this carefully crafted language will present constructive steps to promote democratization and not rehash cold war rhetoric.

This is not the time to abandon the bipartisan policy behind which the Nation united for 50 years and led to the ultimate defeat of totalitarianism. Ten Presidents have waited for the opportunity to bring freedom to America's only neighbor that suffers under dictatorship. It is time to render this regime to the dustbin of history and welcome a new neighbor to the fraternity of free nations.

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the gentlewoman from Florida [Mrs. MEEK].

Mrs. MEEK of Florida. Mr. Speaker, I rise in support of H.R. 927. I am from Miami, FL, and for the past 36 years I have supported the Cuban people. They live in Miami, a lot of them do. They are excellent citizens. They work very hard. I have bled with them, I have wiped their tears, I have listened to their pleas, and for many years I have represented them on the floor of the Florida House, even when there were no Cubans on the floor of the Florida House.

Mr. Speaker, I represent them now on the floor of this Congress, and say to my colleagues that this particular rule should be supported tonight, if for no other reason but for humanitarian reasons; if for no other reasons than to say we do not need a dictator in Cuba; if for no other reason to say that if one particular facet of our country is bleeding, the Cuban people in Miami and all over this country, then all of us are bleeding.

Mr. Speaker, Castro is the last remaining dictatorship in the Western Hemisphere and it is a brutal place. The Cuban people will tell us. Do they need freedom? I say yes. And why this rule? By whatever means necessary. By whatever means necessary to get Castro out of Cuba and to free Cuba for the Cuban people, instead of for him.

Mr. Speaker, my colleagues' vote will hasten final removal of Castro from power. We must use some action other than talk against Castro. So by whatever means necessary, let us remove him.

Mr. BEILENSON. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, in closing may I simply say, especially to my Democratic colleagues and especially to those amongst this side of the aisle who support the bill, everyone obviously is free to vote as he or she may desire. But however my colleagues feel about the bill, the rule does not deserve their support.

Mr. Speaker, not only is it not a fair rule, but many Members were actively misled as to what the provisions of the rule would be and what would be required of them if they were to have their wish to have their amendments made in order.

There are perfectly fair ways, there were and still would be perfectly fair ways in which to handle this controversial and difficult piece of legislation in the same amount of time. We did not need to close down the rule this way and in this particular manner. It is unfair to many who are interested in it.

Mr. Speaker, I would urge Members, however they feel about the bill, to vote against this rule so that in the least we might have a fair rule under which to discuss the bill.

Mr. DIAZ-BALART. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. HASTINGS].

Mr. HASTINGS of Florida. Mr. Speaker, I rise in strong favor of the proposed rule.

Mr. DIAZ-BALART. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I tell my colleague from New York, Mr. RANGEL, that I dream of the day when 2 members of parliament who disagree as deeply and as passionately on an issue, that obviously is very close to my heart, will be able to have discussions like we have in this Chamber in a free and democratic Cuba.

Mr. Speaker, the question before us is what can we do as representatives of the great American people to accelerate the inevitable liberation of the people of Cuba from the dictatorship that for over three decades has tortured them and oppressed them. Now, after losing the subsidy of the Soviet Union, it is clinging on to power, holding on to power with that last card available to the dictator, foreign investment with his fire sale at dirt-cheap prices of the entire island.

Mr. Speaker, the action we are taking today in passing this rule and debating and passing this legislation will, without any doubt, accelerate the liberation of the Cuban people. One issue that the gentleman from New York brought up, I think, is very important to end with.

The issue is that we are acting alone at this time in supporting the Cuban people. But throughout history, it is not the first time that the United States has acted alone and it is not the first time that a great power has stood alone in the world in support of an oppressed people.

Mr. Speaker, I remember reading the history of the American War of Independence. At that time, Great Britain was the great superpower and most of the world was aligned with Great Britain against the struggle of the American people for freedom and independence, and it was basically France and the Cubans at that time, who were forming as a nation and who were still under the flag of colonial Spain, who came to the help of the American people.

Here we have in this Chamber the picture, the portrait of Lafayette, that great French general, who along with other countrymen of his, and Spanish people, people under the Spanish flag in the forming Cuban nation, helped this Nation.

So, Mr. Speaker, we do not have to be ashamed that we are alone standing with the Cuban people. On the issue of Cuba, we only have to be concerned about standing with one people. On the issue of Cuba, we have to be concerned with standing with the Cuban people. We will be proving that we are with the Cuban people, and that is enough for the great American people for their conscience and their history that will reaffirm the greatness of this Nation, that in the 19th century alone stood with the Cuban people after the Cubans fought Spanish colonialism for half a century.

Again, in this era it is telling the international community if they go in there and try to prolong the ruthless dictatorship of Castro, they are going to have consequences against them in the United States of America.

Mr. Speaker, let us support this rule and pass it and let us pass this legislation.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TORKILDSEN). Without objection, the previous question is ordered on the resolution.

There was no objection.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BEILENSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 304, nays 118, not voting 12, as follows:

[Roll No. 681]

YEAS—304

Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clement
Clinger
Clyburn
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Deutsch
Diaz-Balart
Dickey
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, Sam
Jones
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
Manton
Manzullo
Martini
Matsui
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Meek
Menendez
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Ortiz
Orton
Oxley
Packard
Pallone
Pastor
Paxon
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Regula
Richardson
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Scott
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torricelli
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Wynn
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—118

Abercrombie
Baldacci
Barrett (WI)
Becerra
Beilenson
Bonior
Bryant (TX)
Clay
Clayton
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Danner
de la Garza
DeFazio
DeLauro
Dellums
Dingell
Dixon
Doggett
Doyle
Durbin
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Hall (OH)
Hamilton
Harman
Hefner
Hinchey
Holden
Hoyer
Jackson-Lee
Jefferson
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennelly
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lofgren
Lowey
Luther
Maloney
Markey
Mascara
McCarthy
McDermott
McKinney
Meehan
Mfume
Miller (CA)
Mineta
Minge
Mink
Mollohan
Moran
Nadler
Neal
Oberstar
Obey
Olver
Owens
Parker
Payne (NJ)
Payne (VA)
Pelosi
Pomeroy
Poshard
Rangel
Reed
Rivers
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Serrano
Skaggs
Slaughter
Stokes
Studds
Taylor (MS)
Torres
Towns
Velazquez
Vento
Visclosky
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wyden

NOT VOTING—12

Bateman
Dicks
Hilliard
Martinez
Moakley
Reynolds
Riggs
Sisisky
Stark
Tucker
Volkmer
Yates

□ 2030

Messrs. WISE, POMEROY, GEPHARDT, FAZIO of California, and HOYER changed their vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 2031

The SPEAKER pro tempore (Mr. TORKILDSEN). Pursuant to House Resolution 225 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 927.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 927) to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes, with Mr. DUNCAN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Indiana [Mr. BURTON] and the gentleman from Indiana [Mr. HAMILTON] each will be recognized for 1 hour and 15 minutes.

The Chair recognizes the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I yield 15 minutes to the gentleman from New Jersey [Mr. TORRICELLI], and I ask unanimous consent that he be allowed to yield time.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HAMILTON. Mr. Chairman, I yield 15 minutes of my time to the gentleman from New Jersey [Mr. TORRICELLI], and I ask unanimous consent that he be allowed to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. The gentleman from New Jersey [Mr. TORRICELLI] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we received a copy of a letter today from over 100 people in Cuba, not Cuban-Americans, but Cubans, and in that letter, they stated their support for what we are trying to accomplish here tonight. Some people in this Chamber have indicated that the Cuban people were not for the Burton-Helms or Helms-Burton bill, but the fact of the matter is, many, many, many are. I submit to you that a majority of the people of Cuba want freedom, democracy, and human rights and that is spelled out very vividly in this letter, and I would like to quote very briefly from this letter one paragraph.

Mr. Chairman, it says, "The economic embargo maintained by subsequent American administrations has begun to make its influence, felt not against the people, but against those who cling to power." And he is talking there about Fidel Castro, Raoul Castro and the rest of that Communist dictatorship down there.

Mr. Chairman, I would further like to say that I am very happy that a member of the Kennedy family, the gentleman from Rhode Island [Mr. KENNEDY], has chosen to endorse this piece of legislation, and I noted in the rule that just took place that both the gentleman from Rhode Island [Mr. KENNEDY] and the gentleman from Massachusetts [Mr. KENNEDY] supported the rule, and I would like to read from a statement by the gentleman from Rhode Island [Mr. KENNEDY], the nephew of one of our great Presidents, John F. Kennedy.

Mr. Chairman, he said, and I quote, "The bill is a clear statement that the American people stand arm in arm with the people of Cuba in their struggle against a repressive dictator, and that we will not back away from being partners in our common fight for freedom begun by my uncle, President Kennedy.

"We won the cold war because we never gave into communism. By standing firm, we brought down the iron curtain and saw communism collapse in Europe.

"The conditions which prompted President Kennedy to start the embargo have not changed.

"Now is not the time to offer relief to the Castro regime, especially relief at the expense of American citizens who had their property seized when Castro took power.

"This bill prevents the Castro regime and foreign corporations from profiting off the confiscated property of Americans.

"Let's be clear, foreign investment in Cuba means one thing, it is a lifeline to the Castro regime.

"It will legitimize an illegitimate government.

"It will offer protection to a man who must be brought down, just like the communist dictators of Eastern Europe.

"It will postpone the day that the people of Cuba will live in freedom and democracy.

"President Kennedy looked forward to the day Cubans would live in freedom. I share this hope for the future and this bill will help that day come soon."

I want to congratulate the gentleman from Rhode Island [Mr. KENNEDY]. I do not know if he is here tonight, but I want to congratulate him for that statement and for supporting what his uncle started back in the 1960s.

Mr. Chairman, our great Nation has always played a leading role in the promotion of freedom around the world. The inspiration of our Founding Fathers and the model of our Constitution are revered from Tokyo to Timbuktu, from Manila to Managua. Though our example is followed all over the globe, it is in our own hemisphere naturally that the American vision of freedom and democracy has had the most resonance.

Mr. Chairman, it is therefore a particular tragedy that the island of Cuba, so close to the shores of the United States and with which our Nation has such a long shared history and interaction, is still captive to the whims of a megalomaniacal dictator, Fidel Castro.

Freedom in Cuba is a concern not only for Cuban-Americans but for all Americans. Cuba is the last dictatorship in this hemisphere and the only holdout against a democratic tide. A free Cuba will benefit not only its own people, but the people of the Caribbean and Latin America.

The economic potential of Cuba is absolutely tremendous. Before the communist revolution, the Cuban people enjoyed one of the highest standards of living in Latin America, but today, after 36 years of Castro's mismanagement and communism, corruption, and the communist failure, the Cuban people suffer with the lowest per capita income in the Western Hemisphere, with the possible exception of Haiti. Let me restate that. They were the best economy in Latin America when Castro took power and now they are the absolute worst. That tells us what communism does.

The people of Cuba deserve to join the ranks of the millions of people around the world freed in recent years from the communist yoke. They yearn to be able to enjoy the benefits of the free market, of free trade, of investment and opportunity.

Mr. Chairman, with Castro in power, such dreams are impossible. Castro is determined to hold on to power no matter what the cost to his own people. His motto is still, and he said this just recently, socialism or death. That tells you he is in no mood to change. It is quite clear that he is not at all interested in reform, economic or political, for such a move would spell the end of his cruel and vicious dictatorship.

Oscar Arias said not too long ago, "There is no will to reform in the Castro regime." The changes that have been made in recent years by the Castro regime have been taken out of desperation and are only intended to perpetuate Castro's rule. The fall of the Soviet Union and the East Bloc, the so-called evil empire, meant the end of an annual $6 billion in subsidies to Castro. This means that the Cuban economy is in free fall today, having declined by 60 percent since 1989.

Castro is increasingly desperate for foreign currency. The only thing that can keep his regime in power. This is precisely the reason that he has embarked on a campaign to encourage foreign investment at the expense of Americans who had their property confiscated. It is this very lifeline that we must deny to this cruel dictatorship. Our bill is the tool that will deny him his last hope for keeping his regime in power.

Let no one believe the silly argument that the continuation of the embargo harms American business. What kind of business opportunities exist in a pathetic dictatorship where no respect for property rights exists, where investment from the outside is tightly controlled, and where the economy is moving backward at a very rapid rate, I might add, a process that has been described as dedevelopment.

Mr. Chairman, Freedom House rated Cuba dead last, dead last, even behind Somalia in terms of economic freedom in the entire world. Cuba is dead last in the world as far as business opportunity is concerned. It seems to me that despite all the rhetoric and propaganda, Cuba is just not a good business risk as long as Castro is in power. This is especially so given his track record. This is the same guy who confiscated $2 billion, that is 2,000 million dollars worth of U.S. property in 1962 dollars.

Even without these obvious risks, companies investing in Castro's Cuba today should remember that they will probably not be welcome in a Democratic Cuba tomorrow. I think that point needs to be made. Those who invest in Cuba today, who buy confiscated real estate and property, they are certainly not going to be welcome by those who are in a freely and democratically elected government in Cuba.

Mr. Chairman, besides the business dimension, there is a very serious moral dimension involved. Cuba, according to every single international human rights organization, every one without exception, is one of the worst violators in the world. Hundreds are still in prison for their political beliefs. Since Castro seized power, thousands have been imprisoned, killed, exiled, and tortured.

Just last year, and this is very important—I hope my colleagues will pay attention to this—just last year, a tug boat called the March 13th, full of men, women, and children, was purposely rammed and sunk by Castro's thugs. Over 70 innocent women and children and men drowned. They pulled their boat up, the navy of Castro, alongside this boat with women holding their children over their heads and they directed the hoses at them. When the women took the children down into the hold of the boat, they pulled up alongside, directed their hoses into the hold and drowned those innocent women and children just like rats.

Mr. Chairman, that is the kind of government we are talking about. The Cuban people continue to have their basic rights denied and there is no hope for change under Castro. He has made that very clear. He referred to Gorbachev as a traitor to communism. This is not a man who will ever reform.

Our bill, Mr. Chairman, is a beacon of hope for the people of Cuba. I have here a letter written by the leader of a major democracy movement I alluded to a moment ago and signed by well over 100 activists. They state very clearly once again that the Cuban people support what we are trying to do here and take comfort from it.

There are two major reasons to support our bipartisan bill, Mr. Chairman. First, it is in the U.S. interest to do so. Democracy in our hemisphere is beneficial to all of us and Cuba is today the skunk in the garden party of hemispheric democracy. Our bill will hasten democracy in Cuba. It is also in our interests because American citizens deserve the right, deserve the right, as was stated by the gentleman from New Jersey [Mr. MENENDEZ] a few moments ago, to sue to recover their stolen property. Our bill will give them that right.

The second major reason to support the bill is that morally it is the right thing to do and America always tries to do what is right and just. Our Founding Fathers firmly believed that freedom is the deserved legacy of all people wherever they may be around the world. In promoting freedom for the people of Cuba, our neighbors, our brothers, we do nothing less than follow in the hallowed footsteps of our own Founding Fathers.

Mr. Chairman, I reserve the balance of my time.

Mr. HAMILTON. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Florida [Mr. JOHNSTON].

Mr. JOHNSTON of Florida. Mr. Chairman, I rise to strongly support H.R. 927. I acknowledge the sponsor's intention in hastening Castro's downfall, which I would like also, yet I believe that both the premises and the specifics of the bill are fatally flawed.

I believe sincerely that the bill will backfire. First, the bill will give Castro the nationalist card again that he always plays. He has learned to thrive in the face of U.S. hostility.

□ 2045

Let us not give him another chance to rally his people around the American imperialist threat. The measures in this bill will give Castro another chance to play the victim. Every time we have him on the ropes, we allow him to escape with another embargo. We are the only country in the world that has embargoed this nation. This dictator will again blame the United States for Cuba's economic problems and he will likely throw open his borders again for another boatlift across the Florida Straits, inundating South Florida.

As a representative of south Florida and a native there, I am very concerned about the strain of the boatlift again. This is like the Tale of Two Cities. It is the best of times and the worst of times. The best of times is the quality of the people who have come to the United States from Cuba, three of whom are in the Chambers tonight, the gentleman from Florida, LINCOLN DIAZ-BALART, the gentlewoman from Florida, ILEANA ROS-LEHTINEN, and the gentleman from New Jersey, BOB MENENDEZ.

The worst of times is the quantity of people who have come from Cuba to the United States. Over 10 percent of the Cuban population, 700,000 people, now reside in Dade, Broward, and Palm Beach County. As they say, they are great citizens, but the strain of the infrastructure from any large immigration of that nature puts a great strain on the infrastructure. It has nothing to do with ethnicity. They could be Norwegian or Japanese or Germans, but 700,000, 10 percent, is too many, and I again am afraid it would open the doors.

I lived in south Florida in 1959 when Batista fell. I was in there in 1980 for Mariel, and I still live there. The provisions of this bill play right into his hands, and Cuba's communism will pass of a natural cause. It seems to me that every time he gets in trouble, we throw him a life jacket.

Let us not continue to prop up Castro with another self-defeating measure as this resolution. According to Carl Hiaasen, a respected columnist for the Miami Herald, and I quote, "The man has outlasted eight United States presidents and the trade embargo sits in Havana waiting for the next page of his script. He has been acting the same sorry play for 35 years because we keep giving him the material." Castro's material is the nationalist trump card, and let us not give it to him again.

Second, this legislation is based on a false premise that cutting off Cuba economically and politically will expedite his fall. To the contrary, I believe that a free flow of political and economic ideas is critical to the downfall of communism, just like it was in Eastern Europe when we allowed the Hungarians and the Rumanians and the Poles to look over the fence, they threw over communism and they threw over their dictator.

We have had this embargo in place now, as I said, eight presidents and now 33 years, and Castro is still with us. The way to get rid of him is, and I quote now from Stephen Rosenfeld of the Washington Post, "We had reason for concern in the days of Soviet adventurism and Cuba revisionism and subversion. But now Cuba represents no threat and it is a failed revolution to boot. The embargo has been on for 33 years. Is not a third of a century a sufficient test of whether our policy is working?"

I believe it is time to change. It is time to lift the embargo. We should seek a policy of positive engagement with the Cuban people, not with Fidel Castro, a policy which has demonstrated a track record in lessening and weakening the grip of communism. We share all the goals of encouraging a peaceful transition in Cuba, a transition with as little human suffering as possible.

I have talked to Cuban-Americans in south Florida who believe that if we had changed our policy earlier, Mariel would have never happened and Castro would have been long gone. Simply put, the embargo has failed. Clearly, my major objection to the bill is philosophical. Yet I have another one with somewhat more objective specifics. Several provisions of the bill call for extraterritorial reach of the United States law which is highly questionable under international law.

I strongly urge that this bill be defeated.

Mr. BURTON of Indiana. Mr. Chairman, I am very happy to yield such time as he may consume to the gentleman from New York [Mr. GILMAN], the very competent and fine leader of the Committee on International Relations.

Mr. GILMAN. I thank the gentleman for yielding time to me.

Mr. Chairman, the Cuban Liberty and Democratic Solidarity [LIBERTAD] Act does more than "stiffen sanctions" on Cuba. It has three constructive objectives:

To bring an early end to the Castro regime by cutting off capital that keeps the regime afloat;

To start planning now for United States support to a democratic transition in Cuba;

And, to help protect property confiscated from United States citizens that is being exploited today by foreign companies that are profiting at the expense of the Cuban people.

By passing this LIBERTAD Act with wide bipartisan support, Congress will force the Clinton administration to turn its energies to bringing about genuine, fundamental change that we all want in Cuba.

This legislation advocates a responsible course to encourage and support genuine, fundamental reforms in Cuba. And, in the meantime, it helps protect the property of U.S. citizens until they can reclaim it under a democratic government.

Mr. BURTON has worked with a strong bipartisan coalition. With the help of Ms. ROS-LEHTINEN, Mr. DIAZ-BALART, Mr. MENENDEZ, and Mr. TORRICELLI, he has fashioned a sound piece of legislation.

The Burton bill will make a difference for the better in Cuba and advance one of our most critical foreign policy objectives in the Americas.

Some critics of this legislation have argued that we should abandon our embargo as a relic of the cold war. I disagreed with these activists when they advocated a softer line on Castro when he still had troops in Africa and surrogates in Latin America. And I disagree with those critics today.

However, we do agree that it is immoral to accept the status quo without taking new measures now to hasten definitive change in Cuba. Based on a fair reading of the facts, I believe the Burton bill leads in the right direction.

We must consider that Castro did not feel the brunt of our embargo until the $4 to $5 billion in annual Soviet support dried up in the last few years. To put the size of this Soviet support in perspective, total United States economic assistance to all of Latin America and the Caribbean, with 40 times Cuba's population, exceeded $2 billion in only 7 of the last 35 years. Deprived of the Soviet subsidy, Cuba's economy has shrunk by 50 percent since 1989.

Those who have tried to cajole Castro toward reform have failed miserably. For decades he has flatly rebuffed the approaches of such friends as Mexico and Spain. And he has rejected the trend to democracy and respect for human rights in the Americas.

Despite their efforts to encourage reform through dialog, Castro's eager trading partners in Europe, Canada, and elsewhere are left to grumble about continued systematic, omnipresent repression in Cuba.

The 1994 report of the Inter-American Commission on Human Rights observed:

> The human rights situation in Cuba is extremely serious * * *. The deterioration in living conditions, the repressive control exercised by the state through the security agencies against individuals and groups who differ with the regime, and the extreme economic difficulties * * * caused a mass exodus of persons who put out to sea on makeshift rafts in search of new horizons, despite the fact that they were taking their lives in their hands by doing so.

For those who are quick to blame Cuba's desperate condition on United States policy, the Commission, which is respected for its fierce independence, observed, "The Cuban crisis has, primarily, deep internal roots."

However, instead of adopting genuine reforms that would liberate an economy that flourished before his revolution, on September 5 Castro approved a foreign investment law in a desperate effort to raise capital.

His so-called reform does just enough to attract unscrupulous investors with the opportunity to exploit Cuban workers who are paid a slave's wages and forbidden to strike. These investors are also attracted by property that was illegally confiscated from Americans. Ironically, even the corporate scavengers who have been looking to make a quick buck in Cuba have panned Castro's new foreign investment law:

The reason is that private property still does not exist in Cuba, so investors cannot take title to property. Castro retains absolute right to cancel all ventures, with the property involved reverting to the state. And, the regime will continue to control the labor supply and dictate contract terms.

These are not real reforms that benefit the Cuban people. By thwarting Castro's effort to hold on to power, we are sparing the Cuban people further exploitation and helping bring their dictator down.

How does the Cuban Liberty and Democratic Solidarity Act propose to break this tragic status quo?

First, it reaffirms longstanding United States policy toward Cuba, turning back efforts within the Clinton administration to warm relations with the regime.

Second, it requires the President to plan now to support a democratic transition, and it sets principled conditions under which the embargo will be suspended and certain types of U.S. assistance could be provided to a new government.

Third, it allows U.S. nationals to sue foreigners who exploit property stolen from them by the Castro regime. The simple purpose of this provision is to pose a stark choice between trading with Castro and trading with the United States.

Mr. Chairman, it simply makes no sense to lift our embargo just as the Castro regime is on the ropes like never before.

Normalizing relations without verifying fundamental political and economic reforms would merely resuscitate a fading dictator who is the chief obstacle to real reform. Trade with Cuba today only benefits the repressive ruling class, prolongs Cuba's anguish and structural poverty, and destroys United States credibility with the Cuban people.

Mr. TORRECELLI. Mr. Chairman, I am pleased to yield 2 minutes to my friend, the gentleman from New Jersey [Mr. ANDREWS].

Mr. ANDREWS. I thank my friend, the gentleman from New Jersey, for yielding time to me.

Mr. Chairman, I would like to rise in strong support for this legislation and to acknowledge the bipartisan support of the legislation by the gentlemen from Indiana, Mr. BURTON, and to thank my friends, the gentlemen from New Jersey, Mr. TORRICELLI and Mr. MENENDEZ, for their excellent leadership on this issue.

If we have learned anything in the last 10 years, we learned that America's greatest asset is not our military might or our industrial or economic strength. It is the power of our ideals and the impact that those ideals have on people around the world. Some people argue against this bill by saying America should not be out their by ourselves. I was proud that we were the first to step forward in many ways and lead the effort to dismantle the apartheid regime in South Africa. We did things by ourselves in that effort that we should have done. On the day, Mr. Speaker, that I took office as a Member of Congress, Nelson Mandela was in prison. Today, he is president of his country in a free election.

There are those who say that the best policy is incremental change, negotiation with those who would suppress human rights, as Castro has done. There were those who said that about the Soviet Union, and I think that one of the lessons of the 1980's is that where you meet tyranny with appeasement, where you meet tyranny with incremental change, you get more tyranny, not more progress.

There are those, and this is the toughest argument, who would oppose this bill because they talk of the very real plight and very real suffering of the Cuban people. Certainly we are sympathetic to that but we have come to this conclusion. As we did with the people of Eastern Europe where there was suffering, when we stood firm against the tyranny of the former Communist rulers in Eastern Europe, when we took the side of freedom and human rights, we have today achieved a result where we are no longer worried about leaders exploiting the freedom of their people. We are worried about people exploiting their freedom to the best use of their countrymen and countrywomen.

The time has come for us to once again take the lead on the international scene, to stand behind our principles with our actions and our dollars and to support this piece of legislation.

Mr. HAMILTON. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, our own enlightened self-interest ought to be our guide to a pragmatic policy with respect to Cuba. Instead, we have in this bill yet another iteration of an outdated, outmoded ideology, mindless isolation. What is the United States self-interest here? What should be our objective? It should be a peaceful transition to a Cuba with an open economic system and a democratic political system. What is the best way to achieve that objective? I submit that our recent experience is instructive here, our experience with the Soviet Union, our experience with Eastern Europe, our experience with China and even Vietnam, and that is an experience of engagement; engagement economically with trade and investment, showing the virtues of our economic system on the ground, in person, in their face.

Engagement ideologically with the free exchange of information and people, unimpeded travel of human beings and ideas. Our engagement culturally, cultural exchange, humanitarian involvement.

What are we afraid of here? We should be so encouraged by the ultimate success that we have enjoyed with the former Communist world and that we will enjoy with the soon-to-be former Communist world that we should be itching to apply the same lessons, the same strategy in Cuba. What are we afraid of? A small island nation with no strategic allies and a failed economic and political system.

Only a few weeks ago this House accepted the wisdom of a strategy that began with Richard Nixon, a strategy of engagement with respect to China in extending MFN another year. As much as we despise the human rights abuses, the political tyranny and all the rest that is objectionable in China, we understand that it is in our self-interest to engage with them on a broad range of activities, just as we did with the Soviets.

□ 2100

Just as we did with the Soviets, we understand that with regard to China that ultimately poses much greater risks to this country than Cuba, and we acted on that understanding precisely because we know that engagement politically, economically, culturally, that engagement holds out the best hope of avoiding those very risks, economic or military.

Why is that strategy not just as valid for Cuba? Perhaps because U.S. policy with respect to Cuba has for too long been captive of a hard-line ideology, an ideology driven by a group that may be more interested in settling old scores than setting a new course.

This bill takes U.S. policy in Cuba in exactly the wrong direction. It is absolutely contrary to the long-term self-interests of the United States. It will increase the prospect of a violent change that could present a real security and immigration crisis for the United States.

Let us learn from recent history, Mr. Chairman. Have the courage to say "no" to narrow ideology, to say "no" to special-interest-group domination of U.S. policy toward Cuba, and "no" to this bill.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself 15 seconds.

We had an embargo against South Africa, against Haiti just recently, against Libya. My colleagues on the other side of the aisle, many of whom have spoken already, supported those embargoes. This is a more important embargo in my opinion than any of those.

Mr. Chairman, with that, I yield 3 minutes to the distinguished gentleman from Louisiana [Mr. LIVINGSTON], chairman of the Committee on Appropriations.

Mr. LIVINGSTON. I thank my friend from Indiana for yielding me the time.

Mr. Chairman, I rise in strong support of the Cuban Liberty and Democratic Solidarity Act. I want to commend Chairman BURTON and Chairman GILMAN for moving this very important piece of legislation.

Perhaps the gentleman from Colorado does not recall, but I certainly do, that it was not engagement that collapsed the Soviet Union and the Soviet empire. It was containment. That is the policy that we are exercising in Cuba, especially with the passage of this act.

Cuba today continues under Fidel Castro to be an oppressive Communist relic of the cold war. Castro retains his backward totalitarian regime only 90 miles from our shore. He continues to imprison his opponents and to imprison human rights activists and persecute them unmercifully in the country of Cuba.

Basic freedoms are routinely repressed. Cuban prisons are full of political prisoners. I have met them by the tens, almost hundreds. I have to say that some of them have stayed and lived for 10, 15, 17, perhaps as long as 20 years in single cubicles. I have been astounded by the tales of torture and imprisonment and abuse of human rights. Yet we see that his failed economic policies are collapsing the country. I cannot believe what I hear, that the opponents of this legislation say it is time to engage with Castro. The fact is it is time to tighten the sanctions and end Castro's ruthless dictatorship.

Since the cutoff of Soviet assistance in 1991, he has launched a desperate campaign to lure foreign investment to Cuba, to generate hard currency to sustain his repressive apparatus. We must not allow Castro to prop up his failed government with foreign investment and properties which were confiscated from U.S. citizens. H.R. 927 permits American citizens to recover damages from foreign investors who are profiting from their stolen property in Cuba. This bill will block the foreign investment lifeline which still keeps Castro's regime alive and it will create a right for U.S. citizens to sue any individual or corporation which knowingly and intentionally trafficks in confiscated property of U.S. nationals. It also denies entry to the United States of any person who trafficks in such confiscated property. These are logical steps which compel international companies to confront a very fundamental choice. You can either ignore U.S. property rights to engage in business as usual with Castro or you can retain access to the world's largest market.

Only by ending Castro's access to foreign capital will we succeed in bringing his dictatorial rule to a halt.

While I strongly support the stick approach of increased economic sanctions to force Castro from power, I also support the carrots which are included in this legislation. I urge the adoption of this bill. It is needed and Castro's rule must come to an end.

Mr. HAMILTON. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from New York [Ms. VELÁZQUEZ].

Ms. VELÁZQUEZ. Mr. Chairman, I rise to strongly oppose H.R. 927.

At this time in our history, when we take such pride in declaring the end of the cold war, we should be moving toward demilitarization, breaking down cultural, economic, and social barriers, and extending a peaceful hand to our neighbors worldwide. Instead, with this bill, we are choosing to escalate economic war on a small country that poses absolutely no threat to our country.

The United States cut off trade and travel between the United States and Cuba in 1960, in retaliation against Fidel Castro and his Cuban revolution. Thirty-five years later, it is clear that the embargo has failed.

H.R. 927 now calls for even tighter restrictions. But let us take a closer look at the facts.

At the same time we are moving to establish diplomatic relations and open new markets with Vietnam, this bill will further restrict United States companies and loan institutions from trading freely with other countries and foreign companies. It will violate GATT and NAFTA by denying visas to people doing business with Cuba. And it will cost the taxpayers millions of dollars by committing our Federal court system to thousands of additional claims for expropriated Cuban-owned property.

The only tangible result of the embargo has been the resentment of average Cuban citizens. Rather than discrediting Castro, Uncle Sam has gotten the blame for the island's hardships. It is time to end the embargo, and bring this cruel legacy of the cold war to an end.

I urge my colleagues to vote against this bill.

Mr. BURTON of Indiana. Mr. Chairman, I yield 5 minutes to the very distinguished and helpful gentlewoman from Florida [Ms. ROS-LEHTINEN].

Ms. ROS-LEHTINEN. Mr. Chairman, the debate here tonight reminds me of the remarks by Benjamin Franklin, who once said, "There is nothing so tragic as the murder of a beautiful theory by a gang of brutal facts." What the opponents of this bill have is a beautiful theory: that Castro will reform if only you treat him nicely, that repression is easing in Cuba, and that economic liberalization is commencing.

But the brutal facts are that the repression is increasing, that worker exploitation in Cuba has returned serfdom to our hemisphere, and that the struggle for freedom for the Cuban people against the Castro dictatorship remains as difficult as ever.

But do not take my word for it. Listen to Castro's own spokesmen. Castro's Foreign Minister, Roberto Robaina, who said just recently, "For our enemies, the ideal would be to see us multiseparated, multidivided, and for that, they demand that we return to a multiparty system. That will not happen."

Trabajadores, one of Castro's journalistic puppets, recently said about the new foreign investment law in the country, "There is nothing in the investment law which weakens the leading role of our communist party." Clearly, these new cosmetic steps by Castro are not toward political or economic liberalization, but toward the extension of his cruel regime.

Opponents of this legislation talk about investments in Cuba, the millions of American dollars that should be going out to the investment market in Cuba. However, such talk misses the point, for the bottom line is that the situation in Cuba is not about investment or profiteering. It is, and should be, about the lack of freedom and human rights for the people of that island nation just 100 miles from my community of Miami.

What is the reality of Cuba? Unfortunately, the answer to this question is quite simple. For Cuba, under the Castro dictatorship, instead of progressing is regressing, not only economically but in the development of freedoms and liberties for its people. The Castro regime attracts investment by highlighting its repression of their workers. A Castro economic minister recently said, "We are free from labor conflict. Nowhere else in the world could you get this tranquility."

Mr. Chairman, Cuba has become one of the last bastions of tyranny in the world. Amnesty International describes the human rights situation in Cuba as "Members of unofficial political, human rights and trade union groups continued to face imprisonment, short-term detention, and frequent harassment."

The State Department and Human Rights report states that, "The authorities were responsible for the extrajudicial killings of citizens fleeing the country. The government sharply restricts basic political and civil rights, including the rights of citizens to change their government; the freedom of speech, press, association, assembly and movement; as well as the right to privacy and various workers rights."

These are just 2 examples of the human rights situation on the island, but Castro's long list of dubious achievements does not stop here. We should not forget that Castro's regime remains listed by our State Department as a state that promotes terrorism, and the FBI has acknowledged that the tyrant holds dozens of fugitives from American justice.

For decades the United Nations and foreign nations have refused to hear the cries of the desperate Cuban people. Even some of our colleagues who have supported economic embargoes to help the aspirations of freedom in other nations turn a blind eye toward Cuba.

This Congress, this country, should not engage in similar immoral conduct. This bill that we propose here today signals that the Congress of the United States will not sit idly by as unscrupulous investors and nations choose to make a quick dollar and conduct their dirty business with Castro, at the expense of the freedom and livelihood of the suffering people of Cuba.

As I have said, this legislation sends a clear and simple message. If you invest in Cuba by trafficking in confiscated American property, you can forget about doing business in the United States. Already, Mr. Chairman, this legislation even before it has been implemented is having the desired effect. The June 23 edition of the Miami Herald reported that investment in Cuba has been decreasing because of the threat that investors feel about this legislation.

No wonder that the Castro regime has mounted an unprecedented international propaganda campaign against this bill. The reason is because it threatens to cut its lifeline that maintains this evil regime in existence.

Mr. Chairman, it is highly cynical to believe that Castro and his henchmen, after more than three decades of absolute rule, will transform overnight into George Washingtons. This simply is not reality, it is a pure fantasy.

I urge my colleagues to support freedom and democracy in Cuba by supporting this legislation.

Mr. HAMILTON. Mr. Chairman, I yield 4 minutes to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Chairman, I rise in opposition to this bill. This bill is not likely to lead to democratization or political or social reform in Cuba. What it will do is create tremendous legal, business, and foreign policy problems.

In terms of legal problems, the idea of settling foreign land settlements, claims, in our courts sets an unbelievably bad example. Not only will it clog up our courts, but the precedent it sets for other immigrant Americans who have had their property seized I think is a wrong one and one that we will live to regret.

Of course, most of those settlements will result in default judgments, but it is precisely the kind of thing that will strengthen Castro's hand. The threat of all these land claims being settled in favor of the claimant is just what Castro needs to stay in power. It will create business problems. Those American corporations that hold the key to advancing the free enterprise system in Cuba will be prevented from being able to deal with Cuba when a transitional government begins, as it inevitably will, in Cuba.

□ 2115

It will create tremendous foreign policy problems. In fact, just at the point when the President will need to be able to help a transitional government in Cuba, it ties his hands with unbelievably rigid requirements.

It also completely undermines NAFTA that we just passed on the floor of this House. Our relationship with Mexico, with Canada, with our European allies, will all be undermined.

This bill does not advance the national interest of the United States. We ought to work on an approach to pressure Cuba on human rights and provide support to post-Castro Cuba. But this bill does just the opposite.

It would be better to support democratization in Cuba by encouraging the free flow of information and dialogue between the United States and Cuba and working with our allies and nongovernmental organizations to pressure Cuba for human rights and Democratic reforms. That is how we have shown success in our dealings with other countries, the Soviet Union in particular. We know what works and we know what does not work.

Those who support the increased isolationism of Cuba should explain how and why they think this policy can work, after it did not with Eastern Europe and the Soviet Union. And, in fact it was that beginning of openness, that Perestroika, that enabled communism to go down to defeat, just as Castro's communism will go down to defeat one day if we play it smart.

Mr. Chairman, I should also say that it is the attitude on the part of some people promoting this bill that is precisely the same attitude that contributed to the rise of Fidel Castro in Cuba. The classism, the racism, the elitism, the greed. That is why we have Castro 90 miles from our shore.

This is not a bill that is in the interests of the United States. It is in contradiction to our foreign policy. It is in contradiction to our attempts to open trade with both our allies and with countries who have the potential to develop a free enterprise system.

Mr. Chairman, it is certainly not in the interests of our U.S. judicial system to create a precedent that will clog up our courts inappropriately. I urge my colleagues to vote against this bill and to take the kind of constructive steps we have taken in the past to remove Castro and to establish a Democratic free enterprise system of government in Cuba.

Mr. TORRICELLI. Mr. Chairman, before yielding to the gentleman from Florida [Mr. DEUTSCH] I want only to say as a Member of this House who has given several years of my career to working against Fidel Castro and for freedom for Cuba, it is only out of profound respect for the gentleman of Virginia [Mr. MORAN] that I did not rise in opposition or, indeed, objection in having our motives questioned or being compared with the Bastista regime in our using this vehicle to fight for freedom in Cuba.

Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. DEUTSCH].

Mr. DEUTSCH. Mr. Chairman, I have sat here for about 2½ hours listening to a variety of debate about Cuba and free trade and about the cold war and what I would point out to my colleagues is that all of that is wonderfully interesting debate, but it just did not have a heck of a lot to do with this resolution that is in front of us.

This resolution deals with some very specific things. It does not deal with global cold war policy. What it does specifically is it deals with non-U.S. companies that have purchased illegally seized property and gives them a right to seek justice in American courts. That is what this legislation does. That is what it does.

Mr. Chairman, it does not deal, again, with the cold war, with big picture stuff. And there are plenty of issues that we can debate, and there may very well be other bills to debate those on. But I tell my colleagues, it is kind of hard to argue against what this bill does.

Think about it. Just simple justice for Americans who might have owned property in Cuba, or Cubans who left Cuba and became Americans, who are American citizens now. They owned a factory in Cuba, and they left because of the repressive regime. It could have been in the 50's or the 60's, or it could have been in the 80s for that matter, and then a non-U.S. company bought that factory or bought that refinery that was illegally seized from the government that illegally took that factory and is making money off of that factory.

Mr. Chairman, what this bill then says, if it is adopted into law, is that that U.S. citizen, or for that matter that U.S. company, has a right to seek justice, to seek compensation for what occurred. Yes, there are sanctions for those companies that bought illegally seized property and those sanctions are really somewhat severe. They deal with visa restrictions and a variety of other things. But for this to work, that is what we must do.

Again, I remind my colleagues that Castro is holding on by his fingernails in terms of his economy. He is using this expropriation and property thing even today. And for us not to pass this legislation is really effectively to support his regime. That is the effective result of failure to adopt this legislation would do.

Mr. Chairman, the message that it sends to Castro in particular is that he can seize property of Americans and get away with it. It is wrong. We need to adopt this legislation. We need to understand the specifics of it.

Mr. Chairman, I urge my colleagues to support the adoption of the legislation.

Mr. HAMILTON. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Chairman, I welcome this opportunity to oppose this legislation. It shows that in this great country people can have the same goals, but that in these halls that we can debate the manner in which we hope to achieve it.

Mr. Chairman, after the last debate on the bill, one of my friends that took an opposite side on the rule said, "If you are really concerned about freedom in Cuba, if you are really concerned about getting rid of Castro, why do you not talk more about that?" So, Mr. Chairman, I elect to do it.

Mr. Chairman, I would like to say, "Hey, Mr. Castro it is all over for dictators. Communism has failed. Stop blaming America and stop blaming the embargo. Stop fooling the Cuban people in believing that it is the United States' embargo that has denied the Cuban people an opportunity to dream and to think that they can aspire to improve the quality of life."

"Stop telling the American people over here in New Jersey, and the people in Miami, to keep putting up this embargo so that you can stay there as long as you want. Yes, Mr. Castro, stop making it appear as though that it is the United States of America, and allow us in these halls of the United States Congress to be able to say that we think the way to get rid of this guy is to let some sunshine in."

Mr. Chairman, let us see what is happening in human rights. Is the way to show the violation in human rights in Cuba to have a handful of people in Cuba say we cannot go there? Give me a break. We are creating somebody out there. We are responsible for that dictator.

Mr. Chairman, if we want to get rid of him, open up the doors of trade. Let in students and doctors and artists. Let us exchange, show them that America is the showcase of democracy. Do not have this bum running around saying, "Americans in the United States Congress say we cannot sell you food, we cannot sell you medicine, we cannot allow your kids to come here. You cannot come to the United States of America."

What kind of country is the United States of America that we are going to be afraid of a handful of socialists, or whatever they call themselves over there?

This great republic can stand up against the Communists in all of what used to be the Soviet Union, and we are scared of a handful of people that Castro has got over there? We are out of our minds.

This great Nation can stand up against a billion Communist Chinese, run over there and spend their money, but we are scared of a handful of guys in uniform in Cuba?

This great Nation can go to North Vietnam and North Korea and have our businesspeople trade and have our students sing, laugh, trade information, and come back as Americans and not be afraid of them, but we are scared to death of this bum Castro?

Why not let America's voice be heard by what we sell best? We sell democracy. We sell contracts. We sell food. We sell medicine. We sell ideas. And we win at it.

Do you colleagues know why we win at it? Because that is why we got the North American Free-Trade Agreement. That is why we have got GATT. That is why the United States of America leads in trade. That is why we have got Ron Brown. That is why we have got the Department of Commerce. We are salesmen. We produce and the world buys.

But when my colleagues say "embargo," it means do not talk, do not send reporters, do not let people see, Hey, America has got a great country. Let us see it. Let us see what is going on in Cuba. Who are we to tell Americans that they cannot go to Cuba? That we cannot have protection in Cuba? Are we afraid of this little island country in the Caribbean? They must be selling something that we better take a good look at.

Let us stop saying that we are afraid of Castro. The only way to get freedom in Cuba is to act as though America has got so much of it, so proud of it, that we can go any place and everyone would say, "I want to be like you."

But if we cannot allow them to come and listen to our music, our poets, our educators; if we cannot listen to their scientists and their doctors; if we cannot prove to them that America has more to offer than this overweight, old bearded guy that runs around there in combat boots, what kind of republic are we?

Mr. Chairman, I challenge my friends on the other side, tell the people in Cuba that it is not the American people that are doing this to them. We want to send them our food, our medicine, and our scholars. I think this bill separates Americans from Cuba and it is an impediment to democracy in Cuba.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to say to the gentleman from New York [Mr. RANGEL], my learned colleague, we are not afraid of Fidel Castro. I do not know where the gentleman got that idea, that we are afraid of Fidel Castro. But we certainly are not afraid of Fidel Castro.

Mr. Chairman, what we are concerned about is what he has done to the Cuban people; what he has done to the American people who had investment down there, whose property was confiscated, that he took away and is now trying to sell for hard currency so he can survive.

We are concerned with people like Armando Valdarez, a patriot that stood up against Castro who spent 22 years in the Cuban gulag, was tortured, and has told all sorts of stories about what goes on down there. He wrote a book called, "Against All Hope." I read it on an airplane and started crying, because of the atrocities perpetrated by Castro. People on the plane thought I was nuts, but the horrible things that he has done were so earth shaking to most people with heart that they say, "Some monster like that has to go." He continues that same policy today.

Mr. Chairman, he is not fit to rule. He rules by coercion. He rules by brute strength and power. That kind of thing we cannot tolerate. The gentleman from New York [Mr. RANGEL] says he is against embargo. The gentleman voted for the embargo on Haiti and for the embargo on South Africa. My colleague cannot have it both ways. The gentleman does not believe in this embargo.

Mr. Chairman, the fact of the matter is that the money that goes to Fidel Castro's regime for a hotel that is built down there for the employee, he equates the currency of Cuba with the dollar.

□ 2130

He says that they are equal in value. The actual fact of the matter is, it is a 70 to 81 differential. And he takes money from people that pay the salaries of Cubans who work in these hotels, let us say it is $400 or $500 a month, and he pays them back in pesos, which equates to $3 to $4 a month.

If we read what the American Institute For Free labor said in part, the growing number of partnerships between foreign investors and Cuban Government agencies has not improved a lot of workers or provided them with greater autonomy. Instead, the Cuban Government has used the exploitation of working people and the absence of free association as a lure to attract investors, often to the detriment of workers in neighboring countries.

The fact of the matter is, Castro believes in socialism or death. He does not care about the working people down there. Their plight has gone straight downhill since he took power. The only way it is going to change is for him to exit the scene, for him to exit the scene. The fact of the matter is, he was getting $4 to $6 billion a year from the old Soviet Union; he is not getting it anymore. The only time the embargo has started to work is in the last 2 to 3 years when the Cuban Democracy and Freedom Act sponsored by the gentleman from New Jersey [Mr. TORRICELLI] passed. That is when the embargo started to take hold and have teeth and work, and Castro has been on the ropes ever since.

He is scared to death. He had people in the Committee on Rules yesterday watching what went on, because he knows, if this bill passes, he is not going to be able to get the hard currency he needs to survive. His days are numbered, and we should not throw him a lifeline, we should throw him an anchor. And I submit to you, this bill is an anchor.

Mr. RANGEL. Mr. Chairman, will the gentleman yield?

Mr. BURTON. I yield to the gentleman from New York for just a moment.

Mr. RANGEL. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, All I am saying is that I share the same feelings about this person who is a dictator, and I hope that that would be understood. I have more feeling that this country has more power than any Communist, whether they were in China, whether they are in the Soviet Union, wherever they are, I have confidence in my Government.

When the President of the United States says that this is not in our national interests, when our Secretary of State says this is not in our national interest, as an American, the gentleman from Indiana [Mr. BURTON] said, one President at a time, and that is my only point.

Mr. BURTON of Indiana. Mr. Chairman, reclaiming my time, I might just say that I believe we are going to find that the President may have a position and the Secretary of State may have a position, but I will submit that tomorrow probably 300 Members of this body will have a different position, because we studied the issue and we want that man out of power.

This is going to pass overwhelmingly, because the people of this hemisphere and the people of this country want freedom, democracy and human rights for the people who have suffered over 30 years in Cuba.

Mr. RANGEL. Mr. Chairman, if the gentleman would yield, this will never become law in this country, and the gentleman knows it. It is going to be vetoed and will not be overridden. The gentleman knows and I know that this is theatrics, and it will never become law.

Mr. BURTON of Indiana. Mr. Chairman, reclaiming my time, I will say that I do not believe that. I believe it will become law and we will just see.

Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. ZIMMER].

Mr. ZIMMER. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong support of H.R. 927 and urge its passage.

The cold war was worth fighting. The cold war was worth the cost, and we won. But one of the last outposts of the evil empire still remains only 90 miles south of us, and we cannot forget that. Cuba is still Communist, Cuba is still totalitarian, and Fidel Castro still scorns the principles of freedom and democracy.

The men, women, and children of Cuba continue to suffer as a result of a tyrant who is utterly insensitive to the rights and the lives of his own people. Now, after 36 years, we are finally in a position to put an end to Castro's vicious regime. Now of all times is not the time to dither or to duck.

For the sake of democracy and for the sake of so many people whose lives have been torn asunder by a reprehensible dictatorship, I urge my colleagues to support the Libertad Act.

Mr. HAMILTON. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from California [Mr. TORRES].

Mr. TORRES. Mr. Chairman, I am grateful to my colleague, Mr. HAMILTON, for this opportunity to explain why the passage of Mr. BURTON's legislation, would be, in my opinion, not only a grave policy mistake by this body, but, would set in motion actions which would deliberately inflict upon the Cuban people suffering and deprivation. At worst, this legislation is a cruel attempt by Members in both bodies—who are still fighting the cold war—to provoke civil disorder in Cuba. Today we need to send a wake-up call to those cold warriors in our midst—the cold war has ended. We won—remember.

What threat does the Government of Cuba present to the territory or people of the United States which would justify unleashing further pain and suffering and, I would warn, possible bloodshed, among the people of Cuba.

The United States is the only world superpower. Our military might dwarfs that of the combined armies and navies of Europe and certainly of the Americas. We maintain an armed, military presence, on the Island of Cuba—how many of you appreciate this reality.

This country maintains an armed, military base on Cuba's southern coast. The U.S. controls 45 square miles of southern Cuba, including a harbor, naval docking and ship repair facilities ordinance, supplies and administrative facilities—we even have two water distillation plants. This U.S. military base includes both a naval and an air station. Over all—the United States military has a base right inside of Cuba which is three-quarters the total land area of the District of Columbia. One of the stated military mission for our base in Cuba is to serve as beachhead in case the United States decides to invade the Island. It costs the American taxpayer over $45 million a year to maintain this military base.

Now, it looks to me like the military threat is reversed—it appears to me that this island presents no military or strategic threat to the territory of the U.S. Why then are we considering legislation which appears to some to be designed to make economic and social conditions in Cuba so difficult for the average citizens, that these difficulties would create civic disorder, which would then provoke the Castro government to take measures against its population, which will result in increased violence and disorder on the island, which will be used as a pretext for United States military intervention.

At best, this legislation will have no effect upon the Cuban Government's hold on power, but will reveal to the international community the mindset of United States elected officials—who are so trapped, by old ways of thinking and by false pride, that they would act against a foreign government which poses no threat or danger to the national security of the United States of America. Now, Cuba has always been a peculiarly emotional issue in United States foreign policy. Past United States interests with regard to Cuba were of a security nature and had more to do with Washington's global rivalry with Moscow than with Cuba itself. In the early sixties, United States officials maintained that it was not the socialist nature of Cuba's system which drove United States opposition rather it was our Government's concern with Cuba's interventionist foreign policy and its military ties to the former Soviet Union.

The Carter administration added to this list, its demands that Cuba demonstrate greater respect for human rights.

As recently as 5 years ago United States barriers to improved relationships with Cuba were still conditioned by Cuba's commitment to the export of armed revolution and its close military ties to the Soviet Union. For 33 years the primary United States policy initiative responding to our criticisms of Cuba's foreign policy has been to maintain an economic embargo against Cuba. In one form or another this United States economic embargo against Cuba has been the policy of the last nine United States Presidents.

Since H.R. 927 is designated to tighten the economic blockade against the Cuban people, it behooves those who would agree to such action to examine more closely the history of our current embargo and to know in detail the outcomes of tightening this economic noose which is around Cuba.

The Burton bill proposes to tighten this embargo and to reinforce sanctions against our allies to stop trading with Cuba.

I feel that we ought to be able to examine now whether this past embargo has furthered U.S. policy goals. In terms of the stated U.S. security concerns we observe the following: Cuban troops are out of Africa; Cuba is no longer supporting revolutionary movements; and its military ties to Russia are virtually nonexistent—and certainly, not a threat to the United States.

So, if the intent of our embargo was to guarantee certain U.S. security interests, and if these concerns have been met, why are we now proposing to tightened the effects of our 33-year-old embargo, and ironically, provide Fidel Castro with fresh reasons for showing how his nation's economic problems are not his fault? I would maintain that United States policy interests toward Cuba are no longer based upon United States security issues, but rather are attempts to effect internal changes in Cuba. If the United States is now seeking internal political and economic changes in Cuba, does the Burton bill serve these ends? Certainly, 33 years of economic embargo have not toppled the Castro regime; there has been a renovation of the top political leadership; the government appears to have been able to impose severe economic restrictions because most Cubans, despite the hardships, have adjusted successfully; the state's security forces remain loyal and effective; compensation for United States property seized has not been reached; Cuba has not been isolated internationally; and the United States embargo—particularly the enactment of the Cuban Democracy Act of 1992, gave Cuban leaders a vehicle for mobilizing patriotic support to elicit the sacrifice necessary to make the economic adjustment. And, as I mentioned earlier, this act provided the Cuban Government with a target for blaming the United States Government as a cause of Cuba's many calamities. For a moment, let us suppose that the U.S. trade embargo were to be lifted tomorrow in its entirety.

What would be the effect on Cuba's economy in the short run? It is quite probable that not much would happen immediately to the Cuban economy: Cuba could not import more goods because it lacks the foreign exchange to pay for them. Cuba's principal product sugar, is over-supplied worldwide and is traded internationally at low prices in a residual market. The major impact of removing the embargo would be political: the Cuban government would be held responsible for the nation's economic problems. It seems to me that the United States' trade embargo policy is assisting the continuation of the Castro government—and the miseries of its people. I trust that others will speak to the suffering which has been visited on the Cuban people by our outdated trade embargo. I maintain that it is time for a new vision in United States policy toward Cuba.

As part of this "new vision" I would make the following suggestions: the Clinton administration should define United States interest in Cuba in simple and clear terms. Washington should consult with our democratic Latin American allies in shaping our own policy toward Cuba. Our policy should include the following elements:

To foster a respect for human rights and a transition to pluralized democracy;

To make clear that the United States has no intention of invading Cuba and to condemn violent actions by exile groups;

To facilitate the flow of international information into Cuba: This should include continuing the facilitation of telephone communications between our two countries; facilitate direct mail, cultural and academic exchanges, establish news bureaus, travel by United States citizens to Cuba;

In order to make credible United States claims that our objection is to Cuba's government, and not to hurt its people, the Untied States should indicate its readiness to remove aspect of the embargo if Cuba opens up its politics in specified ways.

In this way, the United States will signal its desire to respond to changes that the Cuban government chooses to adopt on its own; and

To remove all punitive measures from the Cuban Democracy Act which interfere with the normal exerciser of sovereign jurisdiction in other countries. Our economic relationships with Canada, Mexico and the European Community are of vital importance, and outweigh any remaining objectives the United States may have toward Cuba.

Furthermore, United States-Cuban policy provides a window of doubt for other governments to question United States ability to provide creative leadership in the post cold war world.

By adopting H.R. 927 the United States will violate international law and treaties, that we have signed, ratified, and promised to uphold. Furthermore, if adopted, this legislation would cause serious problems in our relations with our closest friends and trading partners. This bill would hurt U.S. business interests abroad. Our courts would become tied up with thousands of non-dismissable lawsuits, and, this bill will not advance democracy in Cuba.

This bill is a credit to bullies and dictators—not a democratic people, who are confident of their might and economic and political system. Indeed, this bill isolates the United States—provides ammunition to those who maintain that United States foreign policy is being made through campaign contributions, and that the United States has lost it belief in itself and in the inevitability of a peaceful transition to democracy in Cuba.

The Burton bill does not convey honor to this institution, nor to the American people. It is a mean spirited, vengeful, politically motivated measure which may in fact, itself, pose a danger to United States national interests in Cuba. For if this act is passed and if the misery and hardships which it is designed to create in Cuba, comes to pass then the prospects of prolonged violence could provoke mass migration and, even, United States military action.

This is the wrong bill, sending the wrong message, at the wrong time. Surely, a country which holds its democratic practices and traditions so high, would not stoop so low as to provoke economic and social hardships against innocent citizens of an independent republic.

Once again, old men and women with old ideas, are trying to force old, and bankrupt solutions. Why not trust the process of openness and of democracy. Let us reduce the hostility in United States-Cuban relations, let us encourage private markets the rule of law and independent organizations and let us promote pragmatic exchange between the United States and the Government of Cuba.

I urge you to return this outdated and poorly constructed bill to the dust bin of history. In name of integrity and honor, I urge the defeat of this bad bill.

Mr. BURTON of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. GOSS], my good friend and colleague.

Mr. GOSS. Mr. Chairman, I rise in support of H.R. 927, legislation that refocuses attention on the root of the problem in Cuba—Fidel Castro. His willingness to use his people as a leverage point, by deliberately manufacturing refugee crises, has been his greatest weapon. He has done a much better job of using this weapon than we have using ours—the embargo. But today Fidel Castro's regime is struggling to collect the hard currency it needs to survive. H.R. 927 ups the economic pressure on Castro by cutting off the currency supply line, in particular by sanctioning foreign investors willfully trafficking in the confiscated property of American citizens. The bill goes further to address some of gaps left by the 1992 Cuban Democracy Act regarding U.S. policy for the transition period after Fidel Castro's departure and before democratic elections. It is time for America to stand its ground and it is time for Castro to go—only then will we be able to re-embrace the closest of our hemispheric neighbors. I look forward to that. And that is what H.R. 927 is about. I urge my colleagues to join me in supporting it.

Mr. TORRICELLI. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey [Mr. MENENDEZ], one of the architects of this legislation, and one of the most important voices in this Congress on Cuban-American affairs.

Mr. MENENDEZ. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I came with prepared remarks, but let me just say, I understand the fire of this institution. I understand debate, but I do not understand the comments of some of my colleagues. I would wonder how my colleague, the gentleman from New York [Mr. SERRANO] or the gentleman from California [Mr. TORRES] who spoke before would feel if he heard, as we heard from one of our colleagues from Florida, that there are too many Cubans, you have to shut it down.

That is a hell of a statement. I appreciate the gentleman's kind words towards me, but that does not wipe that statement clean.

They have come to this country and contributed, they have worked hard, they have played by the rules, they have helped build up cities, and they have suffered. I do not understand that comment.

I do not understand the comments of the gentleman from Colorado [Mr. SKAGGS] about the special narrow interest groups. Over 300 Members of this House voted for the rule, over 72 Democratic Members, nearly one-third of the Democratic Caucus voted for a rule. Is that a narrow interest?

Why is it that when we talk about Cuban Americans it is a narrow interest? Was NAFTA a narrow interest for Mexican-Americans? Was the issue of Israel a narrow interest for those who are Americans of Jewish descent? No, we accept that.

I keep hearing that we violate NAFTA and GATT. This bill does not have anything to do with that. It did maybe with the sugar provisions. Those are out. Where is NAFTA and GATT involved here? I know that is an intent to lure the free traders away, but that is not in here.

I heard the gentleman from Virginia [Mr. MORAN], a colleague, upset me again. He paints with a broad brush. He said, the people who are about this, who support this are about elitism and greed. Well, I will have the gentleman know that my family was poor in Cuba and it was poor when it came to the United States. No one in my family graduated from college until I went to school here in the United States, and I resent those remarks.

The gentleman may have a divergence of view on policy, but the gentleman has no right to paint a group of people in such a manner, no right.

I listened to the gentleman from New York [Mr. RANGEL] who I respect at least in the context that he finally called Fidel Castro what he is, a dictator, which too many people who come here make believe that the United States are the bad guys. What about the dictatorship?

The one thing I have that none of the people who have spoken here, except for my colleagues, the gentleman from Florida [Mr. DIAZ-BALART] and the gentlewoman from Florida (Ms. ROS-LEHTINEN) have, is family in Cuba. Everybody else talks about it abstractly. Everybody else talks about it in the context that we are creating suffering and oppression of people in Cuba.

The only person who is doing that is Fidel Castro. And I say that as someone who has family there. No one else who spoke before, other than the people I have mentioned, can say that. And they still suffer. But they do not suffer because of what I do in the United States Congress. They suffer because of a person that has chosen a course of action that keeps them oppressed, not only from political liberties, but from economic reforms that would make their lives better.

□ 2145

I rarely talk about my family in these debates because I do not need them to suffer any more as a result of what I do here in this House, but my efforts are not to hurt my family. They are to try to liberate them, and I am upset to hear, upset to hear that what we seek is pain and bloodshed. The only blood that can be spilt in Cuba is the arms of Fidel Castro. He has the guns, he has the army, he has the security forces, and only he can turn those arms against the people of Cuba.

Mr. Chairman, let's talk about him. I understand differences in opinions as to how we proceed, but I do not accept the comments of some of my colleagues who say that there are too many Cubans here, that is why we have got to shut down the door. I do not accept the comments of some of my colleagues who call this a narrow interest of view when we have such a wide range of support. I do not accept those comments.

Mr. Chairman, I start with a very basic premise. It has always been, and I believe always will be, in the national interest of the United States to promote a change to peaceful and ultimately democratic change in Cuba. It is in our national interest. I speak as an American when I say it is in our national interest because Cuba has the third largest army in the entire Western Hemisphere under the command of a dictatorship. It is in our national interest because Castro seeks to finish a nuclear power plant 90 miles away from the United States of a Chernobyl type. We do not need another Chernobyl 90 miles away from the United States. It is in our national interest because Castro continues to violate the human rights of his people through political repression, incarceration, and yes, firing squads, and it is this political repression and the lack of economic reform that causes Cubans to flee their homeland that my colleague from Florida so much cares about and seek refuge in the United States.

Mr. Chairman, opponents of this bill would have us believe that it is the United States that is the villain, not Castro. And yet, we all agree that it is Castro who denies his people the right to free and democratic elections. It is Castro who permits the continuation of human rights abuses, and it is Castro who could end the suffering of the Cuban people tomorrow if he chose to.

Mr. Chairman, yesterday during the debate in the Committee on Rules, one member suggested that by ignoring Castro, we have heard that on the floor today, perhaps it would resolve itself, that perhaps absent U.S. attention, Castro would change his ways.

Mr. Chairman, Fidel Castro could change this instant. He can call elections today. He could allow alternative political parties to form today. He could release Cuba's political prisoners today. He could make substantive economic and market reforms that would help the Cuban people. Forget about anybody else. Help the Cuban people put more food on Cuban tables. Fidel Castro could make this bill irrelevant today, but instead, he chooses tyranny as his form of government, a choice he could easily reverse.

Mr. Chairman, with this in mind, nearly two years ago I suggested that we develop a proactive policy towards the Cuban people, that we prepare today for a change in Cuba tomorrow, that we combine our principled and firm opposition to Cuba's oppressors with a beacon of light to the Cuban people to say clearly to them, we are in solidarity with you, we want to help you, but we do not want to assist those who deprive you of your basic rights.

So I introduced with broad bipartisan support the Free and Independent Cuba Assistance Act, which is incorporated under Title II. It is not about pain and bloodshed. It is about assisting the Cuban people, sending out a blueprint from the United States of assistance to a government in transition, and ultimately, a government that is democratically elected, and it says to the Cuban people, here is how we want to help, and for the first time in foreign policy, it is proactive.

Finally, the second part of the bill really deals with the right of American citizens and the right of American companies to be able to sue in our courts for their confiscated properties illegally confiscated in Cuba. If my colleagues want to stand up for American citizens, if my colleagues want to stand up for American companies simply to have a right to go to court and sue some foreign company that wants to buy those properties that were illegally confiscated from Cuba, my colleagues will support this bill. No matter how much hocus-pocus we have here, no matter how much clouding of the issue we want to make it, that is the basic line. Help the people in Cuba, blueprint for a transition, the ability to sue so that they can therefore make sure that their confiscated properties do not become the illegal fruits of Fidel Castro.

Mr. HAMILTON. Mr. Chairman, I yield 6 minutes to the gentleman from New York [Mr. SERRANO].

Mr. SERRANO. Mr. Chairman, let me first preface my comments by saying that the beauty of democracy is the ability to disagree. For me, the pain of democracy tonight is to have to disagree with colleagues of mine from the Cuban-American community who have a special emotional involvement in this issue.

I come tonight not only as a person who was born an American citizen, but with a special feeling in my heart for having been born in an American city in the island of Puerto Rico, for those two islands, Cuba and Puerto Rico, hold historical and cultural bonds that some people in this body may just not understand. If the people in Cuba hurt, then I hurt, and I wonder how much of their pain is caused by us, not by their leadership.

So I think it is important for us to be honest with ourselves, at least in private if we do not say it out loud. This is not about democracy. It cannot be about democracy. Our country at this moment in its foreign policy statements has no moral grounds to say that this issue is about democracy, not when we are dealing with China and Vietnam and with Korea and with other countries, not when we see elections in the Caribbean, democratic elections that are very questionable in terms of how they were conducted and we look the other way.

Mr. Chairman, what this is about, in my opinion, is, in fact, a response to a well organized lobby in two parts of our country, in Florida and in New Jersey, which has taken their emotions and their ability to lobby well and made a lot of people feel that this is the kind of legislation we need. As much as I oppose the law of the gentleman from New Jersey [Mr. TORRICELLI], we could say there is this law already on the books, why do we need this, as the gentleman from New Jersey [Mr. TORRICELLI] said tonight, admitting that his law does not work. I have done that in the past. It is not an easy thing to admit.

What this is about is a group of people in this country, Members of Congress, who kneejerk immediately to the thought of getting to this quote, unquote, last communist left. How do we do it? By squeezing the Cuban people. If we squeeze them to a point where they are hungry on the streets, they will rise up against their government.

Mr. Chairman, I am not a scholar in world history, but I do not remember the last revolution led by hungry people. I do not remember the last revolution led and put together by people who cannot feed their family. It is usually the middle class and the upper class that leads these revolutions.

What do we do? We lie. We lie to ourselves because we say that the Cuban people support the embargo. Let me see if I get this straight. A mother in Cuba who does not know where she is going to feed and how she is going to feed her children tomorrow calls her sister in Miami. Her sister interrupts her dinner, pushes aside a plate of white rice or black beans, fried plantains, and a Coca-Cola, not to mention a little pork or beef and says, "Yes, what do you want, my dear?" She says, "Listen, I don't know how I am going to feed my children tomorrow, but I want you to support the embargo so I can get this guy off my back."

Are mothers in Cuba different from mothers throughout the world? Would a mother do that to her children? Give me a break. It is people here who support the embargo because the embargo will bring about a crisis in Cuba eventually they hope which will allow them to move in and play a role in a new

Cuba, for if we lift the embargo and negotiate with the Cuban Government, there will be a transition because Cuba already is on a road that will never turn away from where it is going now.

Mr. Chairman, do we know what will happen? The new Cuban Government will be composed of people who live in Cuba now, and that is bad news for people who want to go back to Cuba, not to visit relatives, but to run the government.

Let me say what I think is happening here and this is what I am afraid of. We in our profession like to make the predictions and be right. I make this prediction and I pray to God that I am wrong. We will squeeze the Cuban people more and there will be a crisis in Cuba, and it will become an immigration crisis for us, and that is when we really react negatively toward Cubans because we do not want any more Cubans in this country. We are anti-immigrants all of a sudden. So we will have to blockage Cuba and someone will fire a shot somewhere and we will be there the way we always know how to be with troops.

Mr. Chairman, the lawsuits allowing people who were not citizens at the time that their property was dealt with to now sue, the whole idea of telling a CEO from a foreign corporation, if you are dealing in Cuba with these properties, your children and you, your relatives, cannot enter this country, not even for a kidney transplant, what the heck are we talking about here?

Mr. Chairman, there are children in Cuba tonight who are on the road to more suffering. Can we be proud of that? Can we be proud of that? I started to say where I came from. A great poet once wrote that Cuba and Puerto Rico are of one bird; it is two wings. Both hurt in different ways. One is a colony and one with much pain. I would like it to end. It can end if we get off this machismo trip we are on, stop our obsession with one individual and deal with the Cuban people for the human beings they are.

Mr. Chairman, I rise in opposition to H.R. 927, the Cuban Liberty and Democratic Solidarity Act. This is an extreme bill that continues and strengthens diplomatic policies that have never been successful, and introduces troubling new policies that will adversely affect U.S. businesses, the court system in the United States, damage our relations with our closest allies, and, most important, increase the suffering of the Cuban people.

The existing Cuban embargo has not resulted in any change in Cuba's Government. The imposition of even stricter sanctions against Cuba would only exacerbate the already critical economic situation in Cuba and cause even more hardship to the real victims of this embargo, the Cuban people.

Cuba does not pose a threat to our democratic government, and the United States Government should not pursue the policy, contained in this legislation, which would serve to further increase Cuba's isolation. We should instead have the courage to develop and expand a constructive relationship with Cuba.

The existing Cuban embargo and current United States policy toward Cuba does not have the support of the world community. This support is vital for a successful foreign policy. H.R. 927 would even further damage our relationships with our allies, and violate the North American Free-Trade Agreement.

Passage of this legislation would have a very negative impact on the court system in the United States. This bill would allow any United States citizen, or any company organized under United States law, whose property was expropriated by the Cuban Government, to sue Cuba or any foreign business that is using the property today. The result will probably be the filing of thousands—maybe even hundreds of thousands—of lawsuits in U.S. courts. If the estimate of $4,500 in administrative costs per case (as provided by the Administrative Office of the U.S. Courts) is correct, the resulting cost to the U.S. court system and the taxpayers of the United States is tremendous.

Finally, the current trade embargo is already harming businesses in the United States. American businesses are banned from doing business in Cuba, and this has meant that European and Latin American investors are able to enjoy new business opportunities without any competition from United States business interests.

It is ironic that countries well known for their human rights violations are our trade partners. We have opened the doors of commerce with Vietnam and North Korea, and yet we continue to follow a policy that has no moral grounds and damages the national interests of the United States with respect to Cuba. I would urge my colleagues to vote against H.R. 927, a bill that moves U.S. foreign policy even further in the wrong direction. We should instead take the first steps in the path of bringing economic recovery to our neighbor, and building a productive and peaceful relationship.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, first of all, let me just say, we are the largest donator of food to the people of Cuba. I hope my colleague will hear that. We do not prohibit food or humanitarian assistance to go to Cuba. It is going down there every day. In fact, the gentleman from Florida [Mr. DIAZ-BALART] has helped organize getting food into Cuba so that lady we are talking about whose child is going to be starving and all that sort of thing will not be as a result of the people of the United States because we are the largest donator of food in Cuba.

It was also said that there might be somebody who would have a child who would need a kidney transplant who could not come to this country because we would not allow them to have a visa because their parents were trafficking in confiscated U.S. property. That is untrue because there is a Presidential waiver provision in this bill. The Secretary of State and our Embassies can waive that provision for any humanitarian purpose. They can do it on a case-by-case basis.

Mr. Chairman, those two arguments are like a sieve. They do not hold water.

Mr. Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. SANFORD].

Mr. SANFORD. Mr. Chairman, I rise tonight in support of this act. I think that we have heard a lot of discussion tonight, different opinions on, for instance, what is in the strategic best interest of our country and I think we would all agree that having a totalitarian regime with the third largest Army in the Western Hemisphere 90 miles from our coast is not a good idea.

Mr. Chairman, we have talked about what is it that will lead toward peaceful transition, away from Castro, and toward a democratically elected government. We have had discussion on what is it that will actually end Castro's control, his lock-neck control of Cuba, a control so tight that Amnesty International has rated him on the top of the charts in terms of nonhumanitarian work toward other humans, but I would like to suggest that in all these different options that we have heard tonight, maybe the real answer that is never suggested on the floor of the House is that maybe we do not know. Maybe we do not know.

I had the good fortune of actually visiting with refugees with the gentleman from Indiana [Mr. BURTON] and others 5 months ago, and in that visit we had conversations with refugees who said the way to solve the Castro problem is not by sending more tourists that will lead to replenishment of his bank accounts, not by sending him more plant and equipment which will lead toward greater industry, which will replenish his bank accounts, not by allowing him to sell off pieces of the island of Cuba which will lead toward him being able to replenish his bank accounts.

□ 2200

Instead, the only way that you solve the Castro problem is by tightening the noose.

These were people who had risked their lives and left behind all possessions that they owned for one simple thought, and that is the idea of freedom. Yet these were the people saying it is my cousin, my aunt, my uncle who will be the one hurt the worst as you tighten the noose, but do it because it is the only way to solve the problem.

With that, I would simply like to say that if the people most affected by the decision that we are contemplating say this is the way to solve the problem, then maybe in this case they are the ones that know the answer.

Mr. TORRICELLI. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, there has been a lot of heartfelt discussion, debate tonight, and I do not think that either side should question anybody's motives. Let me just say that I supported the embargo against apartheid, racist South Africa. I support the embargo against the Serbian regime. I support the embargo against Saddam Hussein in Iraq, an embargo in Iran, and I support the embargo against Castro's Cuba because I think that embargoes have been and can be effective tools in bringing down governments.

Castro has been in power a long, long time. Here it is 35 years later. He shows no signs of change, no signs of instituting political pluralism, no signs of instituting democracy. Why would we want to prop up an aging dictator in his waning years? I am opposed to dictatorships. Frankly, I do not care if they are right-wing or left-wing. If they do not give people the ability to express themselves politically, if they do not have a free-market economy, if they do not have a semblance of political pluralism, I do not want to apologize for them.

This bill attempts to deny Castro foreign capital. Is it a perfect bill? I have not seen any perfect legislation in the 7 years that I have been here, but it is an attempt to deny him the capital to help bring down his regime. Will it work? Time will tell. But I think this country ought to be on the side of trying to bring down his regime. I think this bill takes a step in that direction.

Here it is 1995. Castro brings people to the island and he shows them around and tells people how wonderful it is. But the fact of the matter is he is dealing much the same way he dealt throughout the 1960's and 1970's and 1980's. At a time when other countries have thrown off the yoke of oppression, Castro still has a noose around his people's neck.

Some people will argue that the American embargo has not worked all these years, so why would a tighter, more difficult embargo work now? The fact is that for years Castro had the Soviet Union prop him up and infuse capital into his country. The Soviet Union is gone now. There is no one to prop him up anymore. He is exposed for the world to see, and he is hurting.

I think that is what makes the difference. I think that is what will lead to the toppling of his regime. I think this act is something that ought to be voted upon. I think that Castro has to go. Why does he not just go and let his people have democracy and then there would be no need for this kind of bill? He will not do it because he cares about his regime. He cares about outdated ideas. The poor Cuban people have to suffer as a result.

I think we should have a bipartisan vote for this bill, and I support it.

Mr. HAMILTON. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Texas [Mr. BRYANT].

Mr. BRYANT of Texas. Mr. Chairman, I do not think there is a finer group of Members of this House than those who are in the room tonight and I include in that our adversaries in this debate.

I am opposed to this bill. I do think it is fair, however, for me to respond to a couple of things that have been said by the gentleman from New Jersey [Mr. MENENDEZ], the gentleman from Indiana [Mr. BURTON] and perhaps others, along the lines of the fact that somehow those of us that believe this bill is a mistake are trying to assert that somehow the United States has been the villain. No one has said that and no one believes that. We all are here to try to achieve the same purpose. Nor does anyone want to prop up any dictator anyplace. And I think in your hearts you know that is the case.

What we are saying is that perhaps the United States has followed the wrong policy for a very long time and that perhaps those of you who, in a heartfelt and sincere way, advocate this bill and have advocated other politics, frankly, which I have voted for in the past, perhaps are blinded by your deep-seated feelings to the fact that the policy which you have advocated has simply not worked.

The question tonight is whether we are going to act in the interest of the people of the United States, in the interest of this Nation as a whole, or whether we are going to continue to ignore common sense and history and the wisdom of the entire rest of the world that opposes this bill and our policy, and pass a bill that at bottom caters to the deep-seated sentiments of some of the people in our country and to the political dynamics of South Florida and New Jersey.

That is really what the question tonight is. It was not legislation like this that freed the people of the Soviet Union and Eastern Europe, nor was it an embargo that freed them. It was, rather, the inability of those governments to isolate their people from the cultural, commercial and political influences of the West. They could not close it out.

Yet what do they bring to us tonight? A bill which would further isolate the Cuban people from the political and economic culture of our country and the rest of the hemisphere and the rest of the world, exposure to which would hasten the end of tyranny in Cuba.

It makes no sense. It denies logic. It defies history. We have tried it your way for 30 years. What happened? Seeking to help people who were fleeing tyranny, we invited all Cubans who could get out to come to the United States and thereby drain the country of all of its natural opposition to the government that is there today.

Those people that have come here have been wonderful citizens, more productive than the average citizen. They have made great Members of Congress. We must recognize the fact that we have drained the island of its opposition.

What else did we do? We helped Casto convince its people that we were the villains, not his form of government, as ridiculous as that is, but he has managed to make the case. Why? Because we are the only nation in the entire world that pursues a policy like this toward Cuba, nobody else.

The gentleman from Indiana [Mr. BURTON], talked about South Africa, and I heard somebody mention the other embargoes that we have carried out in the past. We did that with the help of all the rest of the world. We have no help in this policy. The entire world is calling us and saying do not pass this legislation that is on the floor tonight. In spite of the failure of this policy, tonight you ask us to make our policy even more restrictive, to ignore the President, ignore the Secretary of State, ignore pleas from all the world's government and take another step in the wrong direction, the same direction we have been going without any success for 30 years.

This bill, simply put, is an orgy of illogical zealotry and individual political ambition all coming up at the same time. Who is going to pay for it? The kids in Cuba that would like to get a regular meal three times a day and cannot, the creative people there that would like to be somehow involved in our culture, to be more exposed to it, the budding entrepreneurs, and they are budding there if you read any of the authoritative reports, that would like to be involved in commerce with us. Having been made more prosperous, as the gentleman from New York, [Mr. SERRANO] said, would therefore be more influential and more able to speak for freedom and justice and openness in Cuba.

I urge the Members of the house to reject this backward step, to recognize where we have been, where we have made mistakes and not go even further in the wrong direction. Tonight is an opportunity to say no to a narrow interest and to speak for the American people.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself such time as I may consume. Let me just say, briefly, Mr. Chairman, the embargo that everybody has been alluding to has been in place since the Cuban Democracy Act was passed several years ago by an overwhelming majority of this House. This does not have anything to do with the embargo. What this does is it puts pressure on people who traffic in confiscated U.S. property by denying them visas, No. 1, and by providing a cause of action in U.S. courts for restitution if they buy confiscated U.S. property or traffic in it. That is what this does. So when I keep hearing my colleagues keep talking about this being an expansion of the embargo, all we are doing is saying that people who had

their property confiscated have a right, a cause of action, and that people who deal in confiscated property should not be allowed to make a profit by coming to the United States.

Mr. Chairman, I include for the RECORD the following articles from the Herald of September 20, 1995:

The articles referred to are as follows:

VIEWPOINTS ON UNITED STATES-CUBA RELATIONS—FIND A COMMON GROUND

The following is excerpted from a July letter to President Clinton from Oscar Arias, the Nobel Peace Prize laureate and former president of Costa Rica:

On June 26 I had the privilege of hearing your words at the commemoration of the 50th anniversary of the United Nations Charter in San Francisco. I congratulate you for your inspiring message. It is satisfying to hear the president of the most powerful nation in the world remind us that the signatories of the U.N. Charter thought that "merely punishing the enemy was self-defeating."

Encouraged by your words and actions, I write to discuss a topic that directly concerns all inhabitants of our continent: the relationship between the United States and Cuba. My immediate concern is the Cuban Liberty and Democratic Solidarity Act (Helms-Burton bill), which openly contradicts the principles so eloquently expressed in your speech in San Francisco.

I fervently hope that Congress will not pass such pernicious legislation. But, as unfortunate as that would be, I am confident that you will veto this bill.

This hope does not mean that I approve of the restrictions of liberty or the violations of human rights practiced by Fidel Castro's regime. Indeed, I have long been an outspoken critic of that regime. However, if "merely punishing the enemy is self-defeating," to punish the people who are victims of this enemy is abominable.

There is no longer any moral or ideological justification for the U.S. embargo. The United States and Cuba should set pride aside. Both nations should look not to the past but toward the horizons of the future. The stronger of the two sides, the one with the least to lose by opening up, would gain greater moral strength through such a tremendous act of political courage.

The embargo has served the Cuban government as an excuse for its own political and economic failures. The Helms-Burton bill would strengthen the hands of Marxist hardliners in Cuba. Rather than promoting dialogue and encouraging change, strengthening the embargo will only freeze the United States and Cuba into fixed political positions, devoid of openness.

You have said that "normalization and increased contact between Americans and Vietnamese will advance the cause of freedom in Vietnam just as it did in Eastern Europe and the former Soviet Union. The same principle applies to Cuba. And if the United States makes clear that it would not resort to any form of economic or military sanctions against Cuba, the international community will, without a doubt exert even stronger pressure upon Castro to initiate an opening of democracy on the island. I would personally work hard to achieve that.

Mr. President, I ask you to begin negotiating a new era of U.S.-Cuban relations. Only then can democracy begin to glimmer as a possibility in Cuba. Cuban leaders have already expressed their readiness to enter into immediate negotiation over common problems, such as immigration. Why not test whether this is true? Why not consider the possibility of successively opening topics such as the fight against drug trafficking, the protection of the environment, the problem of human rights violations, and above all, the political and economic transition of Cuban government and society?

LET US BEGIN ANEW

I invite you, then, Mr. President, to recall the words of President John F. Kennedy, in his inaugural speech of 1961: "So let us begin anew—remembering on both sides that civility is not a sign of weakness, and sincerity is always subject of proof. Let us never negotiate out of fear. But let us never fear to negotiate."

I am sure, Mr. President, that every effort you make to alleviate the tensions between the United States and Cuba, to ease the sufferings of the Cuban people, and to create the necessary conditions for a nonviolent transition toward democracy will be appreciated by present and future generations.

By ending the U.S. isolation of Cuba, you would gain the warm support and appreciation of every Latin American government. As you said in San Francisco: "Let us say No to isolation." You have put aside bitterness and resentment toward Vietnam in order to move beyond a painful past. In the same spirit of that grand gesture the community of nations calls upon you to seek a common ground with the Cuban people.

TIGHTEN THE EMBARGO

(U.S. Rep. Dan Burton, R-Ill., is chairman of the House Foreign Affairs Committee's Western Hemisphere Subcommittee and House author of the Cuban Liberty and Democratic Solidarity Act of 1995.)

Today the House will debate the Cuban Liberty and Democratic Solidarity Act of 1995, also known as the Burton-Helms Bill. This bill will be an effective tool for promoting freedom and democracy in Cuba. It will be of great benefit not only to the people of Cuba but to the entire hemisphere.

After 36 years of dictatorial rule Fidel Castro shows absolutely no sign of having learned the lessons of history or of having changed at all. His motto is still: "Socialism or Death!" He is a megalomaniac who views himself as inseparable from Cuba's destiny. His legacy is a sorry one indeed. Before Castro's 1959 revolution, Cuba was, per capita, one of the wealthiest countries in Latin America. Today it is one of the poorest, a testimony to communism's abject failure.

The Castro strategy for achieving longevity is simple: Cling to power at all cost, and do whatever it takes to attract foreign currency. His regime has developed one of the world's most brutal, repressive, and efficient control systems. It seems capable of keeping him in control for now.

Nonetheless, as economic conditions continue to deteriorate, Castro is becoming increasingly desperate for foreign currency. Thus the Cuban regime is now encouraging massive foreign investment for the first time. Property and businesses, many confiscated in the early 1960s from American citizens, are being sold at bargain prices to Mexicans, Canadians, and Europeans.

Some pundits contend that massive investment, including and especially from the United States, is the way to bring about reform in Cuba. They point to Eastern Europe and say that an infusion of Western capital and influence in Cuba will be too much for Castro to withstand.

This argument is false. Castro is determined to control tightly any foreign investment in Cuba. The proof is in Cuba's tourist industry. Hotels and resorts are off limits to the Cuban people. Workers are approved and paid by the government. The foreign currency benefits the Castro regime, not the Cuban people.

The Burton-Helms Bill is a very important vehicle for advancing U.S. interests in Cuba:

It reaffirms the long-standing bipartisan U.S. policy toward Castro, including the embargo.

It expands and internationalizes the embargo.

It would penalize international financial institutions for extending credit to the Castro regime.

It sets up a program to assist a transitional government in Cuba moving toward democracy.

It allows U.S. citizens who owned property confiscated in Cuba to sue for damages any foreigners who buy or use the property. This will have a chilling effect on unscrupulous individuals or corporations who may be contemplating such a move. We also would like to see a reduction in foreign investment in Cuba, investment that only helps to perpetuate the Castro dictatorship.

WHY CASTRO OPPOSES BURTON-HELMS BILL

The Burton-Helms Bill will send a clear message to Castro, the international community, and most important, the Cuban people. By passing our bill, we will let Castro know that we are serious about pressing him to allow his people to choose their own destiny. We will also be communicating to our allies and to other countries who seek American cooperation that Cuba is a matter of the utmost priority for U.S. policy.

Since the Burton-Helms Bill was introduced earlier this year, the Castro regime has been busy distorting its intent and potential effect. Cuba's state-controlled media are attempting to scare the Cuban people into believing that our bill is inmical to their interests. Last spring I visited Guantanamo Bay and met there with many of the thousands of Cubans who escaped from Castro last year. They were unanimous in encouraging us to forge ahead.

We have reason to believe that the Cuban people are aware of our legislation and that the vast majority support its passage. It is precisely for the well-being and democratic future of the people of Cuba that we are determined to see to it that our bill becomes law. The Cuban people deserve it, and the American people should support it.

Mr. Chairman, I reserve the balance of my time.

Mr. TORRICELLI. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from New Jersey [Mr. TORRICELLI] has 13½ minutes remaining.

Mr. TORRICELLI. Mr. Chairman, we are told tonight that Cuba represents no threat to the United States. She possesses few arms and perhaps no missiles. On the contrary, Mr. Chairman. Cuba represents a threat to things as old as this Nation itself, a threat to human freedom, the right to speak, to worship, to seek the consent of the governed.

We are told, Mr. Chairman, that the cold war is over, so indeed we have no conflict with Castro's Cuba. On the contrary, Mr. Chairman, America's fight for human decency, for the rights of the individual began 200 years before

the cold war and will outlive the last memory of the Soviet Union.

Mr. Chairman, all we do in this Nation is not defined by the cold war. We did not fight apartheid in South Africa because of a cold war. We do not stand up to Libyan terrorism because of the cold war. We stand up for racial justice, for peace, for the consent of the governed because of who we are. We are told that America may stand alone in standing up to Castro's Cuba.

Mr. Chairman, America has never stood in better company. The French may seek their profits, the Canadians may want their investments. After the last hotel has been built, the last child of Cuba has been sent onto the streets of Havana to prostitute herself, the United States will be talking about freedom and elections and human rights if we are the last people on earth who will do it.

Three years ago in a proud moment in this institution, in the proudest moment of my career in this Congress, on a bipartisan basis, we passed the Cuban Democracy Act. Built on the experience of the embargo against South Africa and Haiti, Rhodesia, North Korea, we decided to take a stand that we would not have American corporations profit off the misery of the Cuban people, that we would take a moral stand to demand elections for the Cuban people.

□ 2215

It was the use of a legitimate and historic tool of international diplomacy, the most effective alternative to military confrontation, the economic embargo. Two hundred years old, and effective in every generation. This has been no exception.

Fidel Castro responded to the Cuban Democracy Act by taking confiscated property, stolen from American citizens and corporations and the Cuban people themselves, and selling it on the world market to buy time for his dictatorship. That is the problem before this House tonight, not the embargo.

That judgment was made 3 years ago. The very fact that Fidel Castro has had to respond by confiscating and selling property is the real proof of how effective the embargo was 36 months ago. But the practical problem before the Members of this institution is that Fidel Castro has taken the property of your constituents, our citizens, stolen it, and is selling it on the world market.

Now, I ask the Members, as representatives of the American people, what is it we intend to do about it? What is it we are going to do? Is this the right of a foreign Nation, to take our property and then sell it wholesale? We have never allowed that to happen before. Is that some special privilege we will give to the Cuban government?

The bill of the gentleman from Indiana [Mr. BURTON] is an answer to the question. We will give the right to sue in an American court to a citizen who has lost their property, not because they should not have the right legitimately, appropriately, to take that suit to a Cuban court. That is the real answer, that is the right answer, but Castro will not let them in the court. If he would, we would not be here tonight. So if Members oppose the answer of the gentleman from Indiana [Mr. BURTON], the real question is, they have no answer.

Then there is the ultimate practical question of them all. No matter what side of this debate they are on tonight, Members know this: We all agree Fidel Castro's days are numbered. The end of the dictatorship is coming.

What are we to do when it happens? Are Members all prepared to vote the taxpayers' money to compensate American citizens who have had their property stolen? Is that what is to happen? This is to become the burden of the American taxpayer?

The better answer is that of the gentleman from Indiana [Mr. BURTON]. Stop the confiscation and the sales now. Do not let the sales take place at all.

He achieves this by a very practical answer. Mexican, Canadian, British companies, they have a choice. They can profit by the theft of American corporate and personal property. They may make a few dollars, but they will not visit or do business in the United States. They must make their choice.

Is that fair? How would Members feel as an American citizen if they saw an advertisement for the products of a company that was theirs, that was stolen, and the product is being sold? How would they like to walk down the streets of New York and see a visiting Mexican businessman, visiting our country as our guest, and he is living in their house, operating their business?

This is not against the Cuban people themselves. We have exempted out personal residences. No Cuban family will lose their home or their farmland or their means of support.

It is against international corporations that would profit by the loss of our constituents.

Mr. Chairman, this bill is an answer, I believe in my heart, maybe the last answer. We are in the final stages of a confrontation that has lasted more than a generation. Fidel Castro cannot escape. He cannot survive unless we allow him to.

The answers to the real questions that were here tonight are not in our hands. The embargo can end. It can end tomorrow. One man can end it: Fidel Castro. Under our law, under the Cuban Democracy Act, it ends the day he declares a free and fair election. The power is in his hands, but only if we make him use it.

If he thinks there is division in this hall, disagreement in this Government, he will never face that ultimate choice. Make him face that day, to call that election.

My colleagues, tomorrow Democrats and Republicans, liberals and conservatives, north and south, can send an unmistakable message to every student in Cuba who wants to take to the street to demand freedom but is afraid, to every political prisoner who lives in the shadows of a Cuban jail and wants hope, to every patriot in Cuba who longs to take a stand, that they are not alone, that we are with them. The moment is coming and this Nation, which has stood for so many free people in so many struggles in so many lands, stands with them now.

I urge my colleagues to support the gentleman from Indiana [Mr. BURTON] tomorrow, not by a narrow margin, by an overwhelming margin, not with doubt but with enormous resolve, that we will in our time end this dictatorship and for the first time in the 400-year history of the founding of this continent see free governments in every land, in every Nation, in all the Americas.

That, my friends, is the judgment. I congratulate the gentleman from Indiana [Mr. BURTON] on his legislation. It is my great pride to be part of crafting this bill. I urge my colleagues to vote affirmatively tomorrow.

Mr. HAMILTON. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from California [Mr. FARR].

Mr. FARR. Mr. Chairman, I rise today in opposition to this, I think, misguided bill.

Mr. Chairman, the cold war is over. The Soviet Union is gone. Cuba is no longer a threat to our Nation's security. Yet the supporters of this bill would seek to keep us fighting a cold war battle.

Mr. Chairman, we already maintain a comprehensive trade and travel embargo on Cuba. What have been the effects of this embargo? It has caused 10 million people of Cuba to suffer from critical shortages of food and medicine. It has kept United States businesses shut out of expanding investment opportunities in Cuba while other countries take advantage of it. It has not led to any major changes in the leadership of Cuba. This bill would change none of that. But what H.R. 927 would do is try to force other countries to keep from trading with Cuba as well. Not only is this a violation of trade law but it also risks our good relations with some of our most important trading partners, including Canada, England, Italy, and Mexico.

I ask my colleagues, is it worth hurting our own economy and running the risk of an international trade war just to make Cubans suffer a little more?

Mr. Chairman, I just do not see the need for a bill which puts burdens on our own economic future to fight a war that ended years ago. Even supporters of the current embargo agree, this bill is the wrong way to bring about political change. Do not be afraid of our human potential and our ability to prevail by example, not by ridiculous avoidance. Let us begin the leadership we are capable of. Vote against this bill.

Mr. HAMILTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think we have had an excellent debate tonight. I want to say that I think we choose tomorrow between 2 very different philosophies in promoting change in Cuba.

One philosophy is represented by this bill. It is that if you make conditions in Cuba significantly worse, you will prompt the Cuban people to rise up against their government. I want to say that I respect deeply the motivation and the intent of those who favor this bill. They are very good and very honorable Members of this institution. They make their arguments with total sincerity and with obvious skill.

The competing philosophy is that governments can be toppled peacefully by exposure to the free flow of ideas and the benefits of the free markets.

There is no difference among us in this Chamber that Castro must go. All of the denunciations of Castro that we have heard tonight are correct. We all agree that Cuba will and must make the difficult transition to democracy and free markets, and that is the American national interest here, that that occur. The question is how to bring about that change without jeopardizing U.S. national interests.

I believe that the choice is very clear. A policy of engagement, of contact, of exchange, of dialogue with the Cuban people offers in my view the best hope for peaceful change. That is the policy, after all, that was successful in eastern Europe and helped to bring about the end of the Cold War. A policy of engagement means showing a new generation of Cubans how to make their world different. It means engaging the Cuban people and that that increases the chances that a transition to democracy and free markets will be peaceful.

I think the policy of isolation is a fair riskier course. The theory is the greater the pressure, the greater the likelihood of Castro's overthrow. But what happens when the lid blows? The policy of isolation increases the risks of violent explosion in Cuba. It increases the risk of a massive exodus of refugees, and it increases the risk of possible U.S. military intervention.

I reject a policy based on isolation and hardship for the Cuban people. I reject a policy that pins its hope for change in Cuba on the promotion of unrest and violence.

We have had a lot of debate here tonight, but I do not know that we have described what is in this bill. Let me try to do that briefly and I hope fairly.

First, it tightens the embargo on Cuba. It urges the President to apply existing sanctions against any country assisting Cuba. It requires the United States representative to vote against any loan for Cuba in the international financial institutions, such as the World Bank and the IMF.

Second, for those who lost property in Cuba, this legislation creates a special and an unprecedented right to sue in U.S. courts. The purpose of that provision is to discourage any foreign investment in Cuba.

Third, this law imposes new visa restrictions. It requires the Secretary of State to exclude from the United States any person who has had even a remote connection to property confiscated by the Castro regime, whether they are aware of the connection or not.

Finally, the most constructive portion of this bill as reported out of the committee, an assistance program to promote democracy in a post-Castro Cuba, has been eliminated.

□ 2230

Now the bill says Congress will consider an aid plan, once Castro is gone. But it also sets conditions that are so stringent that it is unlikely an aid program would ever be approved in time to make a difference.

I think the bill damages U.S. interests in 3 ways: First, by increasing Cuba's isolation and hardship, this bill harms U.S. security. The bill states that the acts of the Castro government are a threat to international peace. That is not the assessment of the National Security Council.

What is the threat today? Castro is not exporting revolution. He has no Army, Navy or Air Force that can threaten the United States. According to General Sheehan, and he is the Commander-in-Chief of the Atlantic Command, the threat to the United States from Cuba today is from refugees.

Mr. Chairman, if we make conditions in Cuba more desperate, we increase the chances of another mass exodus of refugees to the United States. If we make conditions in Cuba more desperate, we risk prolonged violence and U.S. military intervention. Chaos in Cuba could mean young Americans and young Cubans meeting either other at gun point.

Second, this bill puts further isolation of Cuba above any other U.S. Government foreign policy goal. No other government in the world agrees with the stated policy of this bill, and without the support of other governments, that policy cannot succeed. In the course of increasing Cuba's isolation and seeking to force other countries to go along, this bill will damage our relations with our closest allies, friends, and trading partnerships in Europe, Japan, Canada, and Mexico.

This bill does violate NAFTA. NAFTA guarantees the free movement of business travelers throughout North America. This bill undermines world leadership at the World Bank and IMF by forcing the United States to withhold funds and dictating how the United States will vote.

Third, this bill creates an administrative and legal nightmare for the United States Government. The bill establishes an unenforceable standard for the exclusion of aliens. Every consular officer in the world will have to ask every visa applicant, "Do you own property once confiscated in Cuba?" Consular officers will be asked to make visa decisions in the absence of reliable information about property transactions in Cuba.

This bill will not ensure that property claims in Cuba are resolved fairly. There is an established procedure in place to handle expropriated property claims. It is called the Foreign Claims Settlement Commission, and it works. It worked in Vietnam, it worked in Iran, and when the United States has a Cuba with which it can negotiate, it will work there as well.

The claims commission examines the universe of possible claims and the universe of resources available for resolving those claims. This bill sets up an entirely new way of handling these disputes. It sends everyone to court. And keep in mind that a court looks only at the plaintiff and the defendant immediately before it. Under this bill, the only people with a chance of being helped are those who can afford to get to the courthouse first, or stay the longest.

Mr. Chairman, this bill makes it more difficult for the United States to negotiate a claims settlement with a transition government in Cuba. It makes it more difficult for the United States to look out for the interests of all Americans with property claims in Cuba.

I believe also that this bill is a litigation magnet. It invites anyone who has had property confiscated in Cuba over the past 30 years, whether a U.S. citizen or not, to incorporate and then to file a lawsuit in U.S. Federal courts.

Just this past winter when the House considered items from the Contract With America, it sought to limit the proliferation of lawsuits in this country. Now we are talking about mandating that Federal courts allow an entirely new, unprecedented right of action.

Having huge numbers of this kind of lawsuit pending will have a chilling effect on economic recovery when a transition in Cuba is underway. No one will invest in property for which there is no clear title. There will not be enough money available to resolve these lawsuits.

What impresses any observer of current relations between the United States and Cuba is that the two governments are at an impasse. They are dug in and neither is prepared to move.

Mr. Chairman, I do not expect any meaningful change from Castro. He continues to blame all of Cuba's problems on the embargo. He uses the embargo to justify repression, which we have had spelled out for us very well tonight, and to justify his resistance to change. But change is happening today all around Castro; change that he did not want, change that he cannot stop, and more change than at any time since he took power.

The beginnings of economic reform, forced by the end of the Soviet subsidies, has given a small but growing number of Cubans economic independence for the first time in 36 years. Mr. Chairman, 200,000 Cubans today are self-employed in restaurants, barbershops, repair shops, and other services. Small farmers and agricultural cooperatives are selling produce at market prices. Dollars are circulating legally.

The Catholic church is playing a larger role today in Cuban life. Small groups of Cuban citizens are gathering to discuss life after Castro. Signs of change in Cuba, modest changes to be sure, but they are beginning everywhere.

Mr. Chairman, the United States Government ought to be flexible and creative enough to respond to these changes, these signs of change in Cuba. We should have enough confidence in our Democratic values to take the initiative to cultivate and reinforce the process of change in Cuba.

Mr. Chairman, a key lever of United States policy should be the embargo of Cuba. I do not favor unilateral action to lift the embargo, but our willingness to ease the embargo, step by step in response to change in Cuba, is a powerful tool to foster and accelerate further change in the direction of reform.

We have other tools to foster change in Cuba. First, we can use that Cuban Democracy Act, sponsored by the gentleman from New Jersey [Mr. TORRICELLI], which I supported. Its provisions are designed to promote increased contact between the citizens of the United States and Cuba, including the free flow of information and the establishment of U.S. news bureaus in Cuba.

Second, we can spell out an assistance program to help bring about a transition in Cuba. We should authorize food, medicine, energy assistance for Cuba, and the same types of assistance we are providing to Eastern Europe and the former Soviet Union.

Insofar as I am concerned, I would advocate additional steps. The August 1994 limitations on remittances to Cuba were a step in the wrong direction. They should be lifted. The United States should promote, not curtail, people-to-people contacts between the United States and Cuban citizens by ending the travel ban. The United States should clear the way for the commercial sale of food and medicines in Cuba to help alleviate human suffering.

Mr. Chairman, I believe the issues in this debate are clear-cut. This bill increases the isolation of Cuba. I believe that is the wrong policy. The most important Republican foreign policy figure of his generation, President Richard Nixon, reached the same conclusion shortly before his death. He said, among other things, "It is time to shift to central focus of our policies from hurting Cuba's government to helping its people."

"Our best service," he writes, "to the Cuban people now, would be to build pressure from within by actively stimulating Cuba's contacts with the free world. What has worked in China now has the best chance of working in Cuba."

Still quoting him, "This means we should drop the economic embargo and open the way to trade, investment, and economic interaction, while insisting that ideas and information be allowed to flow as freely as goods."

I agree with former President Nixon. But he was not alone. Others opposed to further isolating Cuba include former Secretary of State Eagleburger, former National Security Advisor Brzezinski, William F. Buckley, Jr., and the editorial page of the Wall Street Journal. They also include Havana's Catholic bishops.

Mr. Chairman, I understand those who hate Castro. He has committed terrible acts over 36 years against the Cuban people. We all agree in this Chamber that Castro must go; the sooner the better. But we should not base our foreign policy on hatred of Castro. We should base our policy on what is best for the United States and what is best for the Cuban people. I think a policy based on punishing the Cuban people is not in the best interests of the United States.

Mr. Chairman, a policy of isolating Cuba over the past 36 years has failed to protect and promote United States interests in Cuba. Increasing that isolation and hardship, as this bill surely does, will only further harm the Cuban people and the American national interests. I think we should choose a different course. We should choose to engage the Cuban people in order to increase the chances for a peaceful transition to a democracy and a market economy.

Mr. Chairman, I also want to quote briefly from the letter from the Secretary of State. He recommends in a letter addressed to the Speaker, September 20, that the President veto the bill if it passes the Congress in its current form.

With respect to title II he says, "We believe that H.R. 927 would actually damage prospects for a peaceful transition." And I am quoting his letter:

> We have consistently objected to the overly rigid list of more than a dozen "requirements" for determining when a transition or a Democratic government is in power. These inflexible standards for responding to what may be a rapidly evolving situation could leave the United States on the sidelines during a transition.

Quoting again, "* * * the legislation fails to signal to the Cuban people that the United States is prepared to assist them once the inevitable to democracy in Cuba begins." The Secretary of State also says, with regard to the conditions in the bill, that they create a rigid conditioning of assistance that can have far-reaching consequences and may interfere with our ability to advance the national interests.

With respect to title III, he makes the argument, and I quote him, that is the title relating to property claims:

> While we are firmly committed to seeking the resolution of U.S. property claims by a future Cuban government, the right created by the bill to sue in U.S. courts persons who buy or invest in expropriated U.S. properties in Cuba is a misguided attempt to address this problem. Encumbering property in Cuba with litigation in U.S. courts is likely to impede our own efforts to negotiate a successful resolution of U.S.-citizen claims.

Mr. Chairman, he goes on to say, "This stance would be hard to defend under international law." With respect to title III, he says that:

> Title III will ultimately prove harmful to U.S. business. First, it sets a precedent that, if followed by other country, would increase litigation risks for U.S. companies abroad. Second, it will create a barrier to participation by U.S. businesses in the Cuban market once the transition to democracy begins.

He concludes on title III and says, "* * * the bill erects an enormous legal hurdle to participation by U.S. businesses in the rebuilding of a free and independent Cuba."

With respect to title IV, the Secretary concludes that it, "* * * will create enormous frictions with our allies and be both burdensome and difficult to administer." That is the title with respect to the visas.

Therefore, I urge my colleagues to defeat this bill when we vote tomorrow.

Mr. Chairman, I yield back the balance of my time.

Mr. BURTON of Indiana. Mr. Chairman, I want to thank the gentleman from New Jersey [Mr. MENDENDEZ], the gentleman from New Jersey [Mr. TORRICELLI], the gentlewoman from Florida [Ms. ROS-LEHTINEN], the gentleman from New Jersey [Mr. SMITH], the gentleman from Florida [Mr. DEUTSCH], the gentleman from New York [Mr. ENGEL], and especially, I thank the gentleman from New York [Mr. GILMAN], the chairman of the committee, for their very hard work in crafting a bill that I think will ultimately lead to the demise of the Castro regime in Cuba.

Mr. Chairman, I yield the balance of my time to the gentleman from Florida [Mr. DIAZ-BALART].

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Mr. DIAZ-BALART. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I wish to speak to a number of issues that have been brought out in the last minutes. A whole gamut of arguments have been leveled, have been produced to try to defeat this legislation.

Earlier in the evening we heard some simpler arguments. The distinguished ranking member of the Committee on International Relations has just, in his typically eloquent way, gone into depth, espousing the position of the Clinton administration that I know he shares with regard to this legislation, and I think he has done so very effectively.

There are a number of points that I think need to be rebutted that the distinguished gentleman brought out, because I take issue with them, and I think that it is important to attempt to set the record straight. I will be brief in attempting to do so.

For example, he stated that the bill would permit people to incorporate a legal entity, and then, based on the cause of action being created by this legislation, go into court and try to sue traffickers of American property. That is not correct. The American citizen, individual, or legal entity, would have to exist before the enactment, be a person, before the enactment of this legislation in order to take advantage of the cause of action.

Other things were stated, for example, with regard to the Foreign Claims Settlement Commission, which I think I need to make reference to, because again I take issue with what was said. The argument was made that this legislation in some way would hamper or interfere with the process of certified claims under the Foreign Claims Settlement Commission. That is not the case. That process remains untouched. Only those certified claims by the Foreign Claims Settlement Commission need to be represented by the U.S. Government.

The new cause of action created by this legislation will be private with regard to nonresidential property in Cuba, and will lie solely against the traffickers in stolen United States property, and will end upon the occurrence of free and fair elections in Cuba.

Now, the arguments that were made earlier, quite frankly, Mr. Chairman, were more difficult to remain calm upon hearing them, because some of them I think were very unfair. But, in a democracy, one respects all points of view, even the most differing points of view. I think it is important to the democratic process that debate be able to take place respectfully.

Again, we heard, even after the gentleman from New Jersey [Mr. MENENDEZ] spoke, the allegation that a somehow narrow interest has to do with this legislation, a narrow interest because Cuban-Americans support this legislation, despite the fact that we see speaking just a few minutes ago the gentleman from South Carolina [Mr. SANFORD], despite the fact that the sponsor, the gentleman [Mr. BURTON], is from Indiana. It is the narrow interest of Cuban-Americans.

So, as my dear colleague and friend, the gentleman from New Jersey [Mr. MENENDEZ] said, we do not hear that on this floor when Americans of Jewish descent or heritage speak about their very passionately held views on the Middle East, or when Irish-Americans speak about American policy with regard to Northern Ireland. We do not hear about that being a narrow interest.

But even after the gentleman from New Jersey [Mr. MENENDEZ] spoke, we again heard that here. But again, Mr. Chairman, we have learned not to take those points, those assertions personally, and, rather, try to stick to the legislation in this instance. We put up with and listen respectfully to statements, misstatements that are made or allegations that are unfair. We do so conscious of the fact that it is a privilege to serve in this body and to represent almost 600,000 constituents, and at the same time to dream of and fight for the freedom of 11 million people who, for 37 years, have been bound and gagged by a tyrant who refuses to grant them that elemental right to self-determination, which can only be exercised through free and fair elections.

We think and we pray for the oppressed people of Cuba, and we work for the day that they can be free, conscious, when we come here and we listen to unfair accusations, that when we compare that, the discomfort that unfair accusations can cause. When we compare that to, for example, what it means when the gentleman from Indiana [Mr. BURTON] and the gentlewoman from Florida [Ms. ROS-LEHTINEN] earlier made reference to this letter that we received today from, I believe it is 47 or 49 leaders of the dissident movement from within Cuba supporting this legislation, when we compare discomfort that may be caused to us by unfair allegations with what it means for these people and their families to, on the record, send us this letter on this debate, obviously, with the full knowledge and expectation that this letter will be used in this debate to help let the American people know about what the feelings of the oppressed Cuban people are. They know very well that the Cuban tyrant personally is watching this debate.

They know that he has representatives here in the gallery watching this debate. Those poor petrified souls, they are probably more scared of the tyrant than anyone can conceive of, because the head of the intersection here was just fired because he was not able to prevent this legislation from coming to the floor, despite the express orders of the tyrant and the Clinton administration. And I say this with all respect.

All of the arguments that we have heard them advance are prompted very simply by one reality. They were threatened by Castro in the summer of 1994 with an immigration crisis. Castro felt that President Clinton would respond to the blackmail by sitting down at the negotiation table, and he was correct. Then when he saw that the party that I am honored to belong to won the elections in 1994, and he saw that we filed this legislation, and he saw that the possibility existed, despite the feeling of outrage expressed by our colleague, the gentleman from New York [Mr. RANGEL], that it will never become law, when the tyrant of Cuba sees that he has to fire his intersection chief and that this very well may become law, he again threatened the Clinton administration.

He said, you must veto this, or that immigration agreement that we sat down and negotiated, where I promised to become in effect a collaborator, Castro said of the United States, in holding back refugees because of the anti-immigrant feeling now in the United States. Oh, Castro said to Clinton, now again, if you do not stop this bill, I will abrogate the agreement and unleash, once again, immigration blackmail.

A little history, Mr. Chairman, I think would be helpful at this time with regard to democratic transitions. I wanted to say, by the way, in wrapping up that concept that I have hope that the President of the United States will reconsider this position and that this letter that was sent to us today by the Secretary of State will tell Mr. Castro that the superpower is the United States, and that moribund dictatorship is the Castro regime.

I am confident that the President will reconsider his position and do with the letter sent to us by Mr. Christopher today what I think is required of him, which is to reject that advice, and reject the blackmail and the threats of the Cuban tyrant.

I am confident that the President of the United States, really that any President of the United States representing the great people of this Nation, the only superpower remaining in the world, will reconsider and tell the Cuban tyrant what he has to be told.

Now, as I stated, a little history with regard to democratic transitions would be helpful at this point, I think, Mr. Chairman. In every case where there has been a transition from a dictatorship in the last 40 years in the world to a democracy, it has been because, and I want to, if I may, speak separately about the Soviet Empire, because we have heard tonight that the Soviet Empire collapsed because of engagement.

I happen to believe that the Soviet Empire, as I think the gentleman from

Indiana [Mr. BURTON] mentioned before, collapsed when two factors came into being. First, the dictator that happened to take power in the Soviet Union in 1985 thought that he could make communism effective and efficient, and came up with a concept of glasnost and perestroika, in other words, that communism somehow, with some sort of human face, in other words, that he could be a dictator, a Communist dictator without killing.

When we combine that with having run into Ronald Reagan, this Strategic Defense Initiative, and the fact that the Soviet Union tried to match the United States and remain a military superpower, the Soviet Union exploded like a balloon full of hot air. So that is with regard to the Soviet Empire. But let us look at the other democratic transitions.

The Dominican Republic, after 32 years, the dictator Trujillo was assassinated. The Organization of America States had imposed sanctions and was in the process of expelling the Dominican Republic. The new regime, faced with the international sanctions, let the exiled opposition movement return, the Dominican Revolutionary Party, and agreed to hold elections in 1962 in Spain. There the dictator was not assassinated, but his hand-picked successor was, and then he died of natural causes in 1975.

I lived in Spain in my high school years. I recall the isolationism that Franco was subjected to. At the beginning of his regime he was actually expelled from the United Nations. All Ambassadors were withdrawn, and he was never admitted back into the European Community. And to the very end of his days, Franco had to, even with foreign investments coming in, had to live with the reality of absolute diplomatic exclusion and by charter, the European Community, which was then called the Common Market, stated that only representative democracies would be admitted into that organization.

What happened? The dictator physically disappeared. The regime agreed to legalize political activity and to hold elections.

The Greece of the colonels in the 1960s and 1970s, again excluded from the mechanism of the European Community, and nobody would have dreamt to advocate constructive engagement or letting the Greece of the colonels back into the incipient European Community organizations.

The South Africa of the apartheid regime, this Congress and the world community imposed international sanctions, and we saw that there, voluntarily, the dictatorship agreed to hold free and fair elections.

The chief of Chile, Pinochet, the world community again continued to condemn time after time and isolate the regime. Could it have been conceived of that Pinochet would have been invited to any conference of Latin American leaders?

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That any Latin American or European or any other leaders would have invited him to the table to sit down and be treated by like a democratically elected President? No. That dictatorship voluntarily, like the South African dictatorship, agreed to a change.

Mr. Chairman, where have there not been democratic transitions, where constructive engagement has not been accompanied by even political sanctions? China and Vietnam that we hear about all the time. The advocates of engagement, who coincidentally happen to be those who led the fight for sanctions in South Africa, led the fight for sanctions in Haiti, led the fight for sanctions against Chile, but with regard to Castro's Cuba are seeking so-called engagement.

Mr. Chairman, the gentleman from Indiana [Mr. HAMILTON] said that policy is working in China. What I see working in China is that Mao Tse Tung died and the communist dictators are still in power and there is no pressure for a democratic transition because if you get all the investment and you don't get any of the political sanctions or economic sanctions, you can be there, call yourself what you want to call yourself. Franco called himself a Phalangist. The Chinese fascist thugs still call themselves, I believe they still call themselves Marxist-Leninists. They are thugs, they are dictators. They demonstrated in Tiananmen Square just a few years ago. So that is a little history that I think is important to realize.

Mr. Chairman, the Cuban people are bound and gagged. The Cuban people, as the gentleman from South Carolina [Mr. SANFORD] said when we went with the gentleman from Indiana [Mr. BURTON], the gentlewoman from Florida [Ms. ROS-LEHTINEN], and the gentleman from New Jersey [Mr. MENENDEZ], when we went to meet with the democratically elected representatives of the Cuban people who had arrived weeks before at Guantanamo, 30,000 of them were there and they had elected their leaders, one of the few elections, the only election that had taken place on Cuban soil in many, many years, they told us, as the gentleman from South Carolina [Mr. SANFORD] said, why can you not get the Spaniards and the rest of the Europeans and the Mexicans to stop trading and join in international sanctions?

Well, we may not be able to get them to show any ethics in the United Nations. I think, by the way, and this bill calls for, the President to seek an international embargo at the U.N. Security Council. The administration comes back and says, "Well, even our unilateral embargo gets condemned." I had to hold my laughter when members of the National Security Council gave me that argument. I said, please do not tell me that when Mr. Aristide, in custody of the Secret Service in his Georgetown exile, votes to condemn American policy, that you are using much advocacy or really trying to convince Mr. Aristide not to condemn American policy in the General Assembly, and they could not answer it. Do not tell me that when you cannot get Mr. Balaguer of the Dominican Republic or the President of Guatemala or the President of Honduras to vote with the United States in the United Nations General Assembly that you are using a lot of political capital or advocacy. That is a farce.

Mr. Chairman, I think that every year the administration picks two or three countries not to condemn or embargo. That is my personal belief, no proof of it. But I think we could convince Guatemala and Honduras not to condemn us. I truly believe so, that our State Department could do that.

So the Cuban people, bound and gagged, for 37 years disarmed, one of the first things that Castro did was say when he arrived in Havana, the issue of racism was brought up, some people referred to him at that time as the great white hope. Another issue for discussion perhaps another day. He said, armas por que, arms for what? The people who had arms turned them over before they realized what kind of a totalitarian system this man was going to institute. They are unarmed, they are bound and gagged, they want the right to free elections. When we hear our colleagues say that we all support free elections, what are we willing to do about it?

What the American people are willing to do about it, number one, is tell our business community that they cannot trade and profit from the oppression of Castro, and now we are telling the international business community that if they want to go in there and purchase the property that used to belong to American citizens, nonresidential, Castro continues to lie about that, that then they will have consequences in this market.

The practical effect: Choose. Cooperate with the more abundant dictatorship or have access to the American market.

I think the American people are going to be proud of this bill. It is in the best traditions of the American people. The American people are the only people that helped the Cuban people in the 19th century after a hundred years of struggle when the Cubans were fighting against Spanish colonialism and the American people were proud of that chapter in American history.

They are going to be proud of the fact that the Cuban people, when they get over this nightmare, they will be able to look in the eye each and every

American citizen and say that you and each and every American citizen will be proud of the fact that their representatives followed a policy throughout this era that can make them proud. And that stands with the Cuban people, and on the issue of Cuba, the only people we have to be worried about standing with are the Cuban people.

Mrs. THURMAN. Mr. Chairman, Mr. Chairman, I rise in strong support of H.R. 927, a bill that will hasten the restoration of freedom to the people of Cuba.

The collapse of the Soviet Union ended the subsidies and trade benefits that have propped up Castro's regime. The end of these subsidies has highlighted Castro's inability to provide even basic necessities for the Cuban people.

In comparable circumstances in Eastern Europe, the United States sought political reform first and then expanded trade and eventually provided foreign assistance. Similarly, a policy of political and economic reform would provide the Cuban people an opportunity to regain the freedom they deserve.

Expanding commercial activity before real reforms occur, however, simply gives Castro an opportunity to obtain hard currency while continuing his policies of violating human rights and denying Cubans their personal liberties.

Mr. Chairman, Cuba is a unique case in American foreign policy. Policies that have worked in other parts of the world are not applicable in Cuba. Arguments that may have sounded proper when applied elsewhere ring hollow in Cuba.

As long as Castro rules Cuba, Florida will face the continued threat of massive illegal immigration. And Castro will rule as long as he receives hard currency that enables him to pay his minions. And Castro will continue to receive this money until we toughen our policies against those quick buck companies that are lining their pockets at the expense of the Cuban people.

I believe that this legislation will continue pressure on Castro while assuring the Cuban people that the United States will support a truly democratic Cuba in the future. Make no mistake about it—only a democratic Cuba that guarantees true freedom for all Cubans will remove from the people of my state the threat of more massive boatlifts of Cubans.

Mr. MARTINI. Mr. Chairman, I rise in strong support of H.R. 927 and congratulate Representatives ROS-LEHTINEN and DIAZ-BALART for their work on it.

I am convinced that each day that passes brings us one day closer to a free and democratic Cuba.

Such an isolated, repressive, and authoritarian regime cannot last much longer without its former patron, the Soviet Union.

Here in the United States and indeed in this House we witness every day the strong-willed determination that characterizes the Cuban people.

Such a people will not tolerate Castro's brutal and cowardly oppression if they see an opportunity to overthrow it.

In its place they will institute a democratic society grounded in an economy that respects private property and a political system that encourages freedom of thought.

This rebellion is inevitable, but the quicker we can weaken Castro's regime, the quicker the Cuban people can throw off his yoke.

To coddle this dictator, to deal with him and in so doing tacitly endorse his regime, would only prolong his rule and bring more misery to the Cuban people.

Tighten the noose around Castro's neck.

Support H.R. 927.

Mr. SMITH of New Jersey. Mr. Chairman, I rise in support of H.R. 927, the Cuban Liberty and Democratic Solidarity Act.

Cuba is one of the few countries in the world in which the struggle against totalitarianism has not yet been won. Because of the proximity of Cuba to the United States and the historically close relationship between the peoples of our two nations, it is especially important that this victory come sooner rather than later.

In evaluating all proposed legislation, administrative action, and diplomatic initiatives with respect to Cuba, it is important to keep several principles in mind:

First, such actions must be calculated to emphasize the status of the Castro government as a rogue regime with whom the civilized nations of the world should have no dealings. The 1994 and 1995 Clinton-Castro immigration agreements, which represent the clearest manifestations of the Clinton Administration's policy toward the Castro regime, fail this test miserably. They have enhanced Castro's international prestige as well as his domestic power. Now we hear that some within the Administration would like to give this brutal regime an even longer lease on life by making further diplomatic overtures. The Cuban Liberty and Democratic Solidarity Act of 1995 would restrict the ability of this administration or any other administration to make such a mistake.

Second, our actions must be calculated to hurt the Castro government, not the Cuban people. Again, the 1994 anti-refugee agreement was a terrible mistake. It gave the Castro government just what it wanted: an end to the longstanding United States policy to accepting people who escape from Cuba. The agreement specified that Castro was to use "mainly persuasive methods" to keep people from fleeing Cuba. The United States thereby accepted moral responsibility for whatever forms of persuasion he should choose to employ. The harsh conditions now being imposed on the refugees in Guantanamo—especially the requirement that they can only apply for refugee or legal immigrant status if they first return to Castro's Cuba—are another victory for the Castro government.

An economic embargo presents more complicated moral and practical problems. There is no question that an embargo imposes short-term economic hardship on innocent people. It is therefore justifiable only if it is genuinely calculated to bring a speedy end to the regime that is the real source of their suffering. An embargo is far more likely to have this effect if it is respected by as many nations as possible. Again, the Cuban Liberty and Democratic Solidarity Act would help, by denying certain benefits to non-U.S. entities that evade the embargo.

Finally, we should make it clear that Cuba will receive a warm welcome back into the family of free and democratic nations. The provisions of the Cuban Liberty and Democracy Act that provide for transitional support of a free democratic government during the immediate post-Castro period will help to send this message.

Mr. Chairman, it is important that we remember just what kind of regime we are dealing with. I hope that my colleagues, in casting their votes on H.R. 927, will bear in mind that the Castro regime is the No. 1 violator of human rights in our hemisphere.

According to the State Department's Country Reports on Human Rights Practices for 1994, "Cuba is a totalitarian state controlled by President Fidel Castro," who "exercises control over all aspects of Cuban life * * *." According to the Country Reports, among the more serious human rights violations by the Castro regime during 1994 were the following:

> The authorities were responsible for the extrajudicial killing of dozens of people.
>
> In two separate incidents, government vessels rammed and sank boats used by citizens to flee the country * * *. [O]n July 13, government vessels fired high-pressure water hoses at the tugboat Trece de Marzo * * *. They then rammed and sank the boat. * * * Approximately 40 [people], including children, drowned.
>
> [T]he Government continued to employ "acts of repudiation," which are attacks by mobs organized by the Government but portrayed as spontaneous public rebukes, against dissident activity.
>
> The Government also metes out exceptionally harsh prison sentences to democracy and human rights advocates whom it considers a threat to its control.
>
> [P]olice and prison officials often used beatings, neglect, isolation, and other abuse against detainees and prisoners convicted of political crimes (including human rights advocates) or those who persisted in expressing their views.
>
> Gloria Bravo, a member of the Association of Mothers for Dignity, had scars on her neck, chest, and arms from deep gouges made by long fingernails and welts on her back from a whipping.
>
> In September Minister of Higher Education Fernando Vecino Alegret affirmed that commitment to the revolution, including a willingness to defend the revolution in the streets, was a condition for admission to the university.
>
> Citizens have no legal right to change their government or to advocate change.
>
> The Government does not allow criticism of the revolution or its leaders.
>
> * * * The Communist Party controls all media as a means to indoctrinate the public.
>
> [R]eligious persecution continues.
>
> The Government has ignored calls for democratic reform and labeled activists who proposed them "worms" and traitors.

The decision on whether to embrace or isolate the Castro regime raises the question of what role human rights and basic decency are to play in our foreign policy. For American values and for the freedom of the Cuban people, please vote yes on H.R. 927.

The CHAIRMAN. All time for general debate has expired.

Mr. BURTON of Indiana. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. KIM) having assumed the chair, Mr. DUNCAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 927) to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes, had come to no resolution thereon.

COMMUNICATION FROM THE HONORABLE JIM KOLBE, MEMBER OF CONGRESS

The Speaker pro tempore laid before the House the following communication from the Honorable JIM KOLBE, Member of Congress:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, September 19, 1995.

Hon. NEWT GINGRICH,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House that my office has been served with a subpoena for testimony and the production of documents by the Justice Court of the State of Arizona, in and for the County of Pima in connection with a civil case.

After consultation with the General Counsel, I have determined that compliance is consistent with the privileges of the House.

Sincerely,

JIM KOLBE,
Member of Congress.

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SPECIAL ORDERS

The SPEAKER pro tempore (Mr. KIM). Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members are recognized for 5 minutes each.

G.V. MONTGOMERY COMMENDATION FOR COL. JAMES MATTHEW JONES JR.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, today I wish to congratulate Col. James Matthew Jones, Jr. who will retire from the Army in September. Colonel Jones faithfully served his country with the Army over the last 32 years and due to his outstanding effort and ability, deserves recognition at this time.

Colonel Jones enlisted in the U.S. Army on October 17, 1963. After completing basic training at Fort Gordon, GA, and advanced training at Fort Jackson, SC, he was assigned to Korea with the First Cavalry Division. He completed this tour of duty in May 1965 and was assigned to Fort Story, VA, prior to going to Officer Candidate School [OCS] at Fort Benning, GA, in March 1966. He was commissioned a second lieutenant of infantry on 22 September 1966 and assigned to Fort Polk, LA, where he served as a company executive officer and company commander. In July 1967 he was assigned to Vietnam with the 1st Battalion, 327th Infantry (Airborne), 1st Brigade, 101st Airborne Division, where he served as Rifle platoon leader, company executive officer and company commander. During this tour, he was wounded in action, but refused to be evacuated. He was, however, awarded the Purple Heart.

In August 1968, first lieutenant Jones returned to the States where he was promoted to captain and assigned to Fort Benning, GA, and the Infantry Officer Advanced Course. He returned to Vietnam and the 1st Battalion, 12th Cavalry, 1st Cavalry Division, where he served as a company commander and Battalion operations officer (S–3). During his two tours—2 years—of combat and as a small unit leader, he did not have one soldier killed in combat under his command. On the other hand, his soldiers killed and captured more enemy and equipment than like-size units. He returned from Vietnam in November 1971, spent 2 years on the staff at Fort Meade, MD, and graduated with honors from Morgan State University in 1975 under the Army Degree Completion Program. Captain Jones was subsequently assigned to Fort Bragg, NC, and the 2d Battalion (Airborne) 505th Airborne Infantry, 82d Airborne Division. While there he served as battalion adjutant and operations officer.

In November 1977, now Major Jones was assigned to the 25th Infantry Division at Schofield Barracks in Hawaii. His assignments included Brigade adjutant, officer management, and Battalion executive officer. Major Jones returned to the United States to attend the Command and General Staff College at Fort Leavenworth, KS, in the summer of 1980. He graduated as a member of the centennial class in June 1981. His follow-on assignment was with the Department of the Army Inspector General in the Pentagon.

In 1982 he was selected for lieutenant colonel and battalion commander of the 4th Battalion, 9th Infantry Regiment, 7th Infantry Division, Fort Ord, CA. During the next 2 years he led the unit through numerous successful field training exercises. Relinquishing command in July 1984, Lieutenant Colonel Jones attended the U.S. Army War College at Carlisle, PA, graduating in June 1985. He was assigned to OCLL as a liaison officer in the U.S. House of Representatives and later as a colonel and chief of the House Liaison Division. In June 1989, Colonel Jones assumed command of the 11th Infantry Regiment at Fort Benning, GA. Relinquishing command in July 1991, he served as the director of the Army's family support program for a short period of time prior to returning to OCLL as the deputy chief.

Col. Jim Jones is culminating his service as chief, Congressional Inquiry Division. He effectively used his vast knowledge of the Army, his personal communications skills, and his management abilities to tell the Army story. He had personal and daily contact with members of Congress and key committee staff providing critical information. Colonel Jones guided and personally assisted U.S. Representatives in verbal and written responses to consistency resulting in strengthened relationships while promoting the Army's interest and professional image to Congress.

Colonel Jones is indeed the quintessential officer. His selfless service, love for soldiers, commitment to excellence, and caring professionalism have continually provided inspiration to those with whom he has served. This exceptional officer truly personifies those traits of courage, competency, and integrity our nation has come to expect from our Army officers. He has served our Nation well and our heartfelt appreciation and best wishes for continued success go with him as he prepares for his next endeavor.

THE TRUE SITUATION WITH MEDICARE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from North Carolina [Mrs. MYRICK] is recognized for 25 minutes as the designee of the majority leader.

Mrs. MYRICK. Mr. Speaker, we thought we would like to give an explanation of what is really going on in the situation with Medicare. We have heard so much discussion over this past couple of weeks, and we are going to hear more, especially tomorrow, when the plan is actually released.

I wanted to clarify just a very simple point. That is that it really is true that the fund is going bankrupt, and will be bankrupt in 7 years, and this is not something that is just a figment of someone's imagination or politics or political rhetoric, it really is true. This is part of the conclusion of the Medicare trustees, as we see on the chart before us, that the fund will be exhausted in 2001, and that they also made a statement right after that that simply says that the present financing schedule for the Medicare program is sufficient to ensure the payment of benefits only over the next 7 years.

This is why the Republicans have taken it very seriously, that we must deal with this, we must be up front on this issue, and we must be responsible. We must find a solution. That is what we are doing with the help of the American people.

The thing that has been so gratifying to me is that when I have been home in my district over the last few weeks, we have spent so much time not only talking with seniors but talking with the hospitals and the providers, the doctors, and really getting a lot of input. I know all my colleagues have been doing the same thing. The encouraging part is that the people really do understand that there is a problem, and they want to be part of the solution.

We have been very, very, I think, pleased with the idea that people have come forward and said, "I want to help, and I would like to give my suggestions, and will you really take these to heart?" We want the American people to know that yes, we take these suggestions to heart, and we really are going to incorporate them to make a better system for the American people.

Mr. HAYWORTH. Mr. Speaker, will the gentlewoman yield?

Mrs. MYRICK. I am delighted to yield to my colleague, the gentleman from Arizona.

Mr. HAYWORTH. The gentlewoman from North Carolina, Mr. Speaker, makes a very valid point. As I look here tonight for this special order, I see my colleagues, the gentleman from Arizona, two of my colleagues from Oklahoma, and a colleague from Indiana.

I think nationwide we have been getting outstanding input from members of our various districts, citizens and constituents in our district. I think the unique aspect of this is something that the gentlewoman from North Carolina [Mrs. MYRICK] referred to. In stark contrast to that very cynical statement that laws are like sausages, no one should watch closely while either are being made, we are going in totally a different direction with this.

Indeed, because we are representatives serving here in the Congress, we are going home. We are not only talking to seniors in the district, but pulling together folks from various walks of life for our task force meetings, and the thing that I think is important to stress is that this discussion is open to everyone, regardless of their partisan affiliation or political dispensation, regardless of their age. Every citizen in this country should be involved in this vital debate, for while it now affects seniors, and I think particularly of my granddad who resides in the State of North Carolina, 91 years of age, and my parents who reside in the district represented by the gentleman from North Carolina [Mr. COBLE] who will soon be aging into that program, I think some 3 years away from Medicare, this is a program that vitally affects our seniors, but also has great implications for our future as a Nation in terms of offering choice; indeed, in terms of bringing elements of the free market back into medical coverage, and transforming and saving and improving Medicare for future generations.

I think the gentlewoman from North Carolina is to be commended for setting aside this time to take a look at what has transpired in the past, and again to say to the American people, Mr. Speaker, those joining us tonight via television, those who have written us, faxed us, phoned us, the debate continues on.

Mrs. MYRICK. That is very true.

Mr. HAYWORTH. I know with great clarity my colleague, the gentleman from Arizona, put together a town hall that was really quite a sight and very gratifying. I know that the input continues.

Mr. SALMON. Mr. Speaker, will the gentlewoman yield?

Mrs. MYRICK. I am glad to yield to the gentleman from Arizona.

Mr. SALMON. Mr. Speaker, this debate is probably the most crucial thing we have debated since we began this Congress in January. It is important for a lot of reasons. It is important because, as I have done my town halls back home and I have talked to the senior citizens in my district, they have very, very clearly given me the understanding that they want to change Medicare so that it lasts beyond the next 7 years.

I give the seniors that have come to my town halls, that have called my office, that have come in to visit with me personally, a lot of credit. They are not individuals who are shortsighted, who are not concerned about the future of this program. No. 1, most of them hope to live beyond the next 7 years, at least the ones that I have talked to. No. 2, they realize that this is an important program that needs to be around for their children and their children's children.

I have sensed a lot of support. In fact, the town hall that the gentleman from Arizona [Mr. HAYWORTH] was referring to, we had about 700 to 800 people show up. I was so pleased to see the kind of can-do attitude that Americans have always had, that we will fix this system, that we will preserve and protect the Medicare system, because it is too important to politicize.

As we talked about options, I think very clearly they gave me a message. That is, "When you go back there to fix this problem, make sure that you preserve our dignity and that you do not interfere with our relationship with our doctor, and that you do not take away our choices, but you enhance our choices so we can take the direction for our own medical care and take it away from the bureaucrats, give us more decisions. If the problem is waste and fraud, involve us in the solutions. Let us shop around so we can get the best deal."

That is why I am so thrilled with the prospect of the medical savings accounts, which puts the power back in the hands of the individual, not bureaucrats who do not have a vested interest in the outcome of this individual's health care, but it gives seniors the ability to barter, to choose the doctor of their choice, to stop the mumbo-jumbo that is created here in Washington, and to take control of their own lives. I am just really pleased that we have come up with a plan that incorporates so many choices, and will help seniors again to take control of their own destiny.

Mr. MCINTOSH. Mr. Speaker, will the gentlewoman yield?

Mrs. MYRICK. I yield to the gentleman from Indiana.

MR. MCINTOSH. Mr. Speaker, I want to say I appreciate my colleague's putting together the opportunity tonight to share with the American citizens what we are hearing about Medicare. I wanted to share a report from Indiana about what citizens in my district have been saying. I held 12 town meetings in August, and four more meetings just last weekend with a special Medicare advisory task force dedicated to developing ideas to preserve and protect and improve Medicare.

I wanted to let people know, probably the greatest worry that constituents in my district have was preserving Medicare. They are worried that if we do not act soon, it will not be available for 33 million Americans, and it will go bankrupt within the next 7 years.

I wanted to get their ideas on how we could fix that very serious problem. I told my constituents I would forward these ideas to my colleagues here in the House of Representatives, and to the Speaker, the gentleman from Georgia [Mr. GINGRICH], as we considered legislation in Congress to preserve, protect, and improve Medicare.

□ 2320

The following is what some of the Hoosiers in my district told me we should consider as we look for ways to improve the current Medicare system and ensure that we keep our compact with senior citizens to be able to provide them the quality health care in the world.

First, do not play politics. They do not want us to play around with this legislation. They do not like the fact that the President and members of the minority party are willing to do nothing in order to score political points, and they commend our effort to step up to the plate and address this very serious problem.

Second, they want us to tell the truth. A lot of them were very nervous about cuts in Medicare, and they were seeing on the nightly news that we are cutting Medicare. They asked me, "What are you going to do about this?" I showed them a chart similar to the one that we have here tonight and pointed out to them that the truth is Medicare is actually going to be increasing under our plan. It is going up from $4,800 per beneficiary this year to over $6,700 per beneficiary in the year 2002.

People were pleased that we were being honest about this. We pointed up, that is not as fast as some people want it to grow in Washington and they are calling it a cut because we did not increase it as fast as they wanted to, but they were relieved to see that Republicans were committed to increasing spending in Medicare so that we can provide good quality health care.

And then the No. 1 issue that senior citizens asked us to address was to reform the system so that they could eliminate the fraud and abuse that is driving up the cost, and the No. 2 issue was to provide them more choices, so that they could take advantage of a lot of the new benefits in the health care system and be able to choose for themselves what type of health care they wanted, what type of coverage they wanted to get, and how they wanted to have their relationship with their doctors structured.

I want to close my report from Indiana by saying that I was very pleased with the input I got from citizens all over the district and pleased that they were willing to spend the time to help us craft legislation that will allow us to increase spending on Medicare, preserve and protect the system for senior citizens in the future, and I think they will be thankful that this Congress did not play politics with a very serious issue and stepped up to the plate to do what is right for all Americans.

Every senior had a personal example of fraud in his Medicare billing, including one in Milroy who was billed $5 for one aspirin, or another in Columbus who would take a taxi to the hospital instead of a bus because Medicare would not reimburse travel for the less expensive bus.

Constituents in Pendleton said they were told by hospital officials not to worry about what was on their bills.

"Don't worry," one hospital official said. "You're not paying for this—Medicare is."

Excessive paperwork required by Medicare also was mentioned at every Town Meeting.

One constituent from Alexandria suggested paperwork could be reduced by introducing competition.

She suggested private-sector firms could be used to process claims, with those that process claims the fastest receiving a bonus.

A man in Pendleton suggested a flat tax-like form to reduce Medicare paperwork.

Seniors told me they should be allowed to purchase their own insurance, and that competition would reduce fraud and overall costs.

One woman in Cambridge City said her daughter's HMO provided greater coverage, such as for eyeglasses and dental services, than Medicare does.

"Competition is good," she said.

"Let me decide the kind of insurance that's best for me."

A woman in Elwood said people should be held responsible for their own bad health habits.

For example, she said, smokers should pay more for Medicare than nonsmokers, giving Americans an incentive to live healthy and reduce overall health costs.

One witness, in Muncie said that he welcomed choices but wanted to make sure we had "Truth in Health Care," each choice lays out cost and coverage.

Finally, Mr. Speaker, a man in Union City said seniors who work full-time past the age of 65 should have the option of remaining on their private insurance plans.

Mr. Speaker, I was heartened to learn that Hoosiers recognize the need for immediate action to save Medicare.

But more than that, they want to ensure that we learn from the problems in the current system as we work to preserve, protect and strengthen Medicare while also offering seniors more health care choices.

Mr. Speaker, Indiana seniors are paying attention to this issue.

They understand that something must be done. They expect us to act. They know we are listening, and I insist that we act boldly, responsibly, and without delay.

I see my colleague from Oklahoma has risen. Would you like to join us in reporting on what you are hearing from your part of the country?

Mr. WATTS of Oklahoma. If the gentleman will yield, I would like to do that.

Mr. McINTOSH. With pleasure.

Mr. WATTS of Oklahoma. It is interesting, my colleague from Indiana put up the chart there that says that Medicare spending will go from $4,800 per beneficiary this year to over $6,700 per beneficiary in the year 2002. Somehow or another over the last 4 or 5 months, some have been able to get a cut out of that. I know that my math is not what my other colleague's from Oklahoma is, but I just cannot figure that out, how that is a cut. That is almost like my son coming to me and let us say I am giving him a $10 allowance and he comes to me and he says, "Daddy, I want my allowance raised to 20 bucks."

I say, "Well, I'll give you 15," and he goes to his friend and says, "My dad cut my allowance." How he can get a cut out of that, I do not know.

In the town meetings that I did, and I did about 18 different forums, town meetings, over the August break, and what I found, it was interesting that last March I started doing some focus groups and visited with some folks, about 60 senior citizens in a local church, and we had dinner together. After dinner, we talked about Medicare. It was amazing what they were saying then, and I think because they use the system, they are out there in the trenches on a daily basis trying to make this system work, they saw many of the flaws that are in the system.

The number one complaint all over the district they have been talking about is the fraud and the abuse of the system and how that hurts those people that really do it the right way and really want to see the system work. But it was interesting the attitude shift from back in March when we first started doing the town meetings and the focus groups and the different forums to where it was in August, when we were doing the town meetings and focus groups.

Back in March there was a little apprehension and people were saying, "Well, yeah, we don't know what's going on with this Medicare thing, but we're willing to wait and see because we know there's some fraud, we know there's abuse, we know the system's a little out of kilter but we're wanting to see what you guys are going to propose." That was what was being said in March. In August they were saying, "Fix Medicare. Take care of the problems. Get rid of the fraud and the abuse, and cure all the problems with Medicare."

I think it is important to note, as it has been noted here with my 3 previous colleagues, is that the Medicare Board of Trustees in the last 2 annual reports, in 1994 and again in 1995, said that it is going bankrupt. It will be broke in 1996, it will be bankrupt by the year 2002. I think it is very irresponsible for any Congressperson that has a vote in the 104th Congress to say that we should not do what we must do to fix and save and protect and strengthen the Medicare system, as my colleague from Arizona said, not just for today's seniors but for future seniors that depend and that will be depending on this program.

I see my other distinguished colleague from the State of Oklahoma that represents my home district, by the way, he has risen, and I will yield to him.

Mr. COBURN. I appreciate that very much.

Mr. Speaker, I bring a somewhat different perspective to this debate. Many of the people in my district know that I am a practicing family practice physician. I get a unique perspective because not only have I been a provider in the Medicare system and I have hundreds and hundreds and near thousands of patients who are on Medicare. I get to see what they say and what they like about Medicare, and the security they have in knowing that their health care is going to be there, and at the same time the obligation of being a physician is to offer yourself to solve the problem.

It just strikes me that of the group of people that are talking here tonight, what the election in 1994 was all about. There is not a career politician among any of the group that has stood up here tonight to talk. Many of us have already signed commitments that we do not want to be here. I have no plans to be here 6 years from now.

Therefore, what is our goal? Is our goal self-aggrandizement? Is our goal to elevate ourselves? Or is our goal, do we really come here with the best interests of everybody in our district, the best interests of the senior citizens in this country, to solve the problem?

I want people to know that there is no patent on caring. I would not have left a medical practice, other people would not have left other great careers to come and do what we are doing if in fact we did not want to solve the problems.

We have lots of input on how to solve this. The one thing that we should all ask is are we getting value for what we are paying for? Therein lies the problem with Medicare.

And the seniors know the answers. The seniors know where the problems are, whether it is fraud, whether it is waste, whether it is a lack of comprehension of how the system works and how we have excluded seniors from the payment of bills so they will not know what they cost and how we have allowed a system to be overused and abused. It just strikes me that the way we solve this problem is that we are honest. We are going to make some mistakes. We are not going to have a perfect solution for Medicare. But what we are going to do is work hard, listen and try to do the right thing.

You cannot take that away from me. I can sleep every night knowing that my interest is best in watching for my district and the seniors, and also the taxpayers in our district. We can solve Medicare. We are going to solve Medicare. We are going to make a viable, optionable, quality-oriented health care system that every senior in this country can depend on and can count on and they are not going to have to go to bed at night worrying about whether or not it is going to be there in the future.

□ 2330

Mr. McINTOSH. Will the gentleman yield for a question?

Mr. COBURN. I yield to the gentleman from Indiana.

Mr. McINTOSH. As a doctor, were you hearing from citizens in your district that they welcomed the chance to have a choice about health care plans; that they would be able to maybe be able to get benefits to cover their medications, which they cannot right now under Medicare, and some of the other options that the current system, because it is so heavily regulated out of Washington, does not provide for senior citizens?

Mr. COBURN. I think that is very true. I think with a problem comes opportunity. And we have a problem. The trust fund is going broke, but the opportunity that we have is to not only preserve what we have, but to strengthen it and improve it.

I have seniors in my district that choose between eating supper and taking a pill. And to have them have an option that would take away that burden, where they will not have to make a choice between a medicine and supper, is something that many of them would welcome.

I talked to a lady today on the phone and she said, "I do not think that is possible. I think that is a scam." But the fact is, there are going to be options out these where seniors can choose to go into a program that will offer them their medications.

Mr. McINTOSH. Would that not be a blessing?

Mr. COBURN. It would be a blessing for hundreds and hundreds of people in my district to have that option. It is not available to them now.

We need to listen to the seniors of this country. They have a lot of experience to share with us.

Mrs. MYRICK. If the gentleman would yield for just a moment, I wanted to make a point too. There is another option we really have not discussed tonight and that is something that was asked of me a lot in my district when people would come up and say, "What is going to happen?" And we would tell about the choices and they would say, "Why can I just not stay in the plan that my employer had for me? It was a good plan and I liked it a lot better." That is going to be another option that we hadn't talked about; the option that they can stay as they are if they want to.

Mr. McINTOSH. So you are saying, under our reform, if somebody wanted to stay in Medicare under the program they know right now, they could do that?

Mrs. MYRICK. That is exactly right.

Mr. SALMON. Would the gentleman from Indiana yield? That is the beauty, and as I have talked to the seniors in my district, in fact, my father, before I came back to Washington this last week, he said, "Son, you better make sure when you get back there that you guys preserve those options that you have talked so much about, because I am looking forward to this. Right now, the current Medicare system just is not giving me these kinds of options, and I like the medical savings account option, personally, because it will incentive me to control my own costs. I think I can do a better job of controlling my costs than a nameless, faceless bureaucrat in Washington can do."

Let us talk about the options. Number 1, I think it has been mentioned that they can stay on the current fee-for-services type program. They can move to an HMO or PPO type program. They can go to a medical savings account.

Mr. COBURN. They can go to a provider-based network to do that. So the options that are, in fact, not available now, are going to be available that they have not had before. They not only will have choice of options, but choice of doctors.

Mr. SALMON. And the difference between who decides what those options will be is that it will not be dictated by some bureaucrat. The choice is up to the individual.

Mr. McINTOSH. If the gentleman would yield, the minority leader is on television a lot telling seniors they are going to have to spend another $2,000 under this plan, but is it not the truth that, in fact, some of these options will mean it will not cost them as much as it does right now? That they will actually save money because of our plan?

Mr. SALMON. I believe so. In fact, most people out there will actually do better under this plan.

Mr. McINTOSH. Why do seniors not know that?

Mr. SALMON. I would say this to the American public. If you think that Washington has managed your dollars well in the past, then we have every reason to believe that the bureaucrat-laden system that we have got is the best thing. But if we believe that the American people out there can take control of these costs, and that they can look out for their needs better than a bureaucrat can, then this option is the best way to go.

Mr. McINTOSH. So it really is just not true that they are going to have to pay thousands of dollars more, and, in fact, sometimes people will save money under our plan?

Mr. SALMON. In fact, I think in most circumstances the individuals will save money and will do better under our plan, because there are more options and there is less interference between their relationship with their doctor.

Mr. COBURN. I would like to interject one thing. It is not moral to take away somebody's comfort about their security. And there is no intention anywhere in any of the plans to do anything other than to make sure every senior citizen in this country has quality affordable health care.

Mr. WATTS of Oklahoma. If the gentleman would yield for 1 second, as we close, I want to clearly define why we are offering options and choices. That creates competition with doctors, hospitals, insurers. They compete. And when you make the marketplace compete for market share, that gives value, that brings about efficiency.

Just one simple illustration, if I see this ink pen, if I am the only one settling it I can sell it for what I want to sell it for. If my other colleagues come along and set up shop and say we are going to sell ink pens, I have to be more conscious about how much I am selling it for. That is why we are giving options for efficiency.

THE TRUTH ABOUT MEDICARE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 20 minutes as the designee of the minority leader.

Ms. JACKSON-LEE. Thank you, Mr. Speaker. And I appreciated the dialog and interchange of my colleagues who, like me, are mostly freshmen in this House. But I think that if we are to provide a real discussion, it must be clear, decisive, nonagrumentative, and as forthright as we can possibly be.

And I think if there is one singular indictment of this so-called proposal by Republicans to help Americans with respect to Medicare, it is that they absolutely refuse to have full and open hearings on this very major change in American history.

One day, the say. Fraudulent. Cover-up. Misrepresentation. Not many of us could understand a massive change in medical reform in 1 day.

Clearly, I would simply ask the question to my colleagues, and certainly I enjoyed the opportunity to work with them and come to this podium with no beggage, I would simply as the question: How do you manage to reform with $270 billion in cuts of a program that is in need of reform and in need of a major health reform in conjunction with the reform of Medicare?

The question simply becomes, How do you respond to the citizens in all 50 States in this Nation? The citizens in Florida that will be paid over $5,000 extra under the reform plan by the Republicans in the next 7 years, or the citizens in Louisiana for $4,000, or the citizens in Texas for $3,000?

Mr. HAYWORTH. Would the gentlewoman yield?

Ms. JACKSON-LEE. I would be happy to yield in a moment, just for a moment. Or, in fact, the citizens in California for $4,783? Or in Washington State for $2,246?

You simply do not have the facts, and the Democrats have been representing to the Republicans, our colleagues, that we stand ready to debate this issue truthfully and factually over a period where hearings can bring people from their distributes, I hope, from our districts, medical professionals, senior citizens, long-term care givers and actually discuss the real crux of the issue.

Just for a moment, let me frame the question for you. All of us can agree that we can fix Medicare on many planes and many platforms, but one that we can unanimously agree on is that we can save $61 million if we take away fraud, abuse and waste.

When I go to the 18th district of Texas, no one disagrees that they are prepared to work against and to inform and to improve Medicare from that perspective. But they do tell me, and the speakers that were here earlier indicated and did not give an answer, that they had seniors in their district that were making choices between prescriptions and food. I do too.

□ 2340

And those seniors will continue to have to make those choices or in fact have absolutely no health care under this plan by the Republicans.

Let me also mention a point that is extremely important. This whole masquerade about choices, which I think would be relevant to 4 weeks of hearings, because we could understand what the choices actually mean. But in fact, we know in the private sector that the sickest of the population are not insured.

In the present health care system that we have now in America, we do not have provisions for preexisting disease; we do not have portability, because we do not have national health reform. So how would that occur for senior citizens? Would there be the option for those who are sickest to have an opportunity to be in a solid program, or would you find a pool of the sickest senior citizens left by the wayside by the empty well not being able to drink the water?

I would simply raise the point that in this Nation we have now the most healthy population of senior citizens. Thirty years ago in 1965, not one Republican voted for Medicare. In fact, they argued vigorously against it. But 30 years into the history of Medicare, now 1995, we can brag on the fact that our senior citizens are healthier and they are living longer. Shame upon us, that we come now 5 years before the 21st century and what we will say to those entering the 21st century is not for the future, but that we will return to those very damaged days when those who were in need of health care were lost in the wilderness of health care in this Nation, and were lost and never found on their dying beds because they were not able to receive the coverage necessary.

I will yield to the gentleman for just a moment, for I have a long litany of things that I would like to proceed with, and I hope I can engage him in a discussion, and maybe he would give me an answer that we would in fact do well for the American public if we join together on 4 weeks at least, minimally, to have hearings to be able to have his position explained, not to each other, but to the American people, and to make the right choice and go in the right direction in the 21st century and to be able to be proud about the health care that we provide for our senior citizens.

Mr. Speaker, I yield to the gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. I thank the gentlewoman for yielding the time so graciously. Certainly the gentlewoman raises many questions tonight and I thank her for raising them.

First and foremost, I think it is important for us to understand as the gentlewoman has been doing in our district in Texas, as I have been doing in Arizona; in effect we have been holding our own hearings. But she raises a point that I think is of some interest. Of far more interest to me tonight is the chart purporting to talk about increase of out-of-pocket expenses. Could we explain the formula, the methodology, or the rationale that leads us to make this claim that the prices would rise so drastically. Because I can tell you it is certainly not my intent, nor did we come to the Congress with the notion of trying to bankrupt our seniors. Quite the contrary, we want to save this program.

So I am just curious where these numbers come from, how they were arrived at, how we arrived at these numbers.

Ms. JACKSON-LEE. Mr. Speaker, I would be happy to share with the gentleman that this is a basic analysis that takes into account the proposed $270 billion which results in a $245 billion cut in Medicare. But let me expand on that point so the gentleman can understand.

The gentleman uses the term bankrupt, and I think that is an important term, because the recent, the earlier discussion used that word frequently. In fact, we find that the Republicans rely so openly on the trustee report, and interestingly enough, that report was given last year with deafening silence in 1994.

But if I might refer to a chart that I have reviewed that shows in 1970, which I believe was under a Republican administration, there was only a 2-year life in the Medicare trust fund, if you will. Periodically over the years, since 1970 and 1995, we have seen it go up to 14 years and have seen it come down lower. In fact, the trustee report indicated this year that it would be a 7-year life and they in fact thought that that was a positive, because it gave the Congress a larger span of time to respond to some of the very issues my colleague has raised.

We agree that we need to fix Medicare. But today, 1995, rather than frightening seniors, if we all are to try to get forthright to bankruptcy, that is inaccurate. Bankruptcy is pending, or impending, it is tomorrow, it is next week, it means we have to file. There is a 7-year life on the Medicare trust fund of which we are responsible for trying to make sure there is a greater life. But we are better off today in 1995 than we were in 1970. These numbers are basically an analysis of how the breakdown in the premiums in the different States presently are and what would be reflected by a $270 billion tax cut that the Republicans want to offer that would be taken out of Medicare.

Mr. HAYWORTH. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE. I yield to the gentleman from Arizona.

Mr. HAYWORTH. I thank the gentlewoman for yielding to me for a moment.

I think the gentlewoman raises a compelling point, and it is this: If the trustees' report tells us that we have a 7-year window, then are we not compelled to act? In other words, is it not prudent, because both of us come from an environment where we were successful professionals in other endeavors; we are not professional politicians, we came here to serve our districts and we have differing philosophies. But is it not prudent to move now to solve the problem rather than taking our chances 2, 3, 4, 5 years down the road and simply hoping that we can correct it ourselves?

In other words, we went back to 1970 when of course this Chamber was controlled by her party, regardless of who sat in the White House. We went back to 1994, more recently, when this Chamber again was controlled by a different party and nobody moved to solve the problem. In other words, is it prudent to wait this out?

Ms. JACKSON-LEE. May I respectfully and vigorously disagree with the gentleman?

Mr. HAYWORTH. Certainly.

Ms. JACKSON-LEE. And the reason why I would do that is because, quite the contrary, in terms of your analysis, in 1970, under a Republican president. There were 2 years where there was a Democratic Congress. And over the years the Democratic Congress has maintained the viability of this Medicare program, both A and B. We recognize that we must fix this. That is something that I hope all of us embrace.

When I go into my inner city district and I have a town hall meeting or I send out massive information that comes back to me threefold where citizens of different walks of life are indicating, please help us save Medicare, they are recognizing that over the period of time that we were, as you will, in the majority, the Democrats worked to save this program. And there is no doubt that we should not wait 7 years out to in fact try to reform Medicare.

Let me add that reforming Medicare should be in conjunction with reforming this national health program that we have. And the issue is that over the 25 years the Democrats have been able to infuse support and energy into this Medicare system which has allowed it now to serve senior citizens for over 30 years, they have never been healthier, because Medicare provides partly a maintenance program. And so 30 years we have maintained it.

Now is the time to come to the table. But what has happened is, precipitously, we have a plan that has yet not seen the light of day. The gentleman may have copies of it. It may be easing out now, and it may be in full force tomorrow. But the hearing was delayed and we are only having 1 day, and I do not think that we can disagree on the reasonableness, not of waiting 7 years, but at least 4 weeks of hearings to deliberate on the best way to ensure that collectively we have a system that does not burden the American citizens and their children.

Might I add, and I happen to have seen and enjoyed meeting, I believe, your grandfather. And I am not pretending to speak for him or to suggest what his thoughts are. But I know the relationship that you have obviously with senior citizens. The question has to be, if we are both in agreement and in tandem on the idea that Medicare must be reformed, then I cannot see why Republicans are rebutting and refusing to open it up to the American public for 4 weeks of hearings in order to make a decided difference.

Mr. HAYWORTH. If the gentlewoman would yield, and again, I certainly respect, and I think the American public, Mr. Speaker, joining us tonight hear a constructive debate, albeit different, and dare we say in some ways partisan. But that is the nature of what goes on here.

I think it is very important to respond to several of the points that were raised. When we talk about improving a program, I think the philosophy could not be clearer in what I am hearing from the gentlewoman from Texas. Is it not more important to offer choices to Americans regardless of their age than to say, here is a one-size-fits-all program, basically 1964 Blue Cross Blue Shield codified into law in 1965. Is there not a way to expand choices and improve the program while maintaining for those seniors who want to remain on this program, Medicare as we know it, maintaining that program?

☐ 2350

Mr. HAYWORTH. You and I disagree and indeed, I will graciously give the time.

Ms. JACKSON-LEE. Let me reclaim my time, and I thank the gentleman for engaging in this discussion, and let me answer, and I am going to reclaim my time because the hour is fast closing.

I have been in this process before and I respect the gentleman for acknowledging that we all come from different backgrounds and have had different experiences, and as a member of the city council of the city of Houston, we have had to now, over the years, look very seriously about new health packages as the costs have gone up in the private sector. What we find happening and what I heard most of all in my district and from my seniors of all various economic backgrounds is that they like the choice that they have now, which is the choice and opportunity to go to those physicians that they have developed a comfort level with and those hospitals that they have developed a comfort level with, and I would beg to differ with the gentleman.

Reclaiming my time, what will happen is that the choices that the gentleman is talking about is the choice to be placed and forced into managed care and thereby forbidding and prohibiting seniors from those long-standing relationships, and what ultimately happens is that as the numbers begin to rise, then the choices become limited and the managed care becomes the only source and choice for these seniors.

Again, I go back to the concern that I have raised with many of my colleagues because I come from a district that has a very strong public hospital system and what I say is that the burden will fall on the sickest of our seniors, those needing long-term care and otherwise who cannot participate in a managed care because they are not viable and will not be selected. It is a mutual selection process and a cross-pollenization.

I would say to the gentleman that he raises some valid points. I vigorously disagree, but what would be more productive is that we have this openly discussed through those service providers, those seniors coming to the U.S. Congress. It does not do us as policymakers well for us to rely upon, as they say in the court of law, hearsay. It is important. Yours is hearsay, what you have heard in your district, and maybe what I am saying I am saying to you something that I heard in my district, we both know it is fact, but technically it is hearsay. The seniors are not here to tell either one of us.

So it is important then that if we are serious about reforming Medicare, which took some, I would say, some 65 years into the 20th century to be formulated, now when we try to reform it in such a major way, do we not owe the American public and owe this issue four weeks for hearings to decide it in the most effective and the best way? I cannot agree that cutting $270 billion for a tax cut that the Republicans are offering would in any way assist us in reform.

Mr. HAYWORTH. Would the gentlewoman yield?

Ms. JACKSON-LEE. I yield to the gentleman from Arizona.

Mr. HAYWORTH. Mr. Speaker, a couple of points need to be made and let me clear it up without having hearings. A misconception seemed to be put forth here a second ago. I am certainly not suggesting, nor do I think anyone in this new majority is suggesting that seniors be compelled to leave the doctors under whose care they find themselves now to somehow sacrifice that physician-patient relationship. Nothing could be further from our intent.

Moreover, with reference to $270 billion and somehow a tax cut for the rich, the gentlewoman from Texas certainly realizes that the Budget Committee, under the stewardship of the gentleman from Ohio [Mr. KASICH], worked very hard to make sure that those tax cuts were fully provided for in the budget plan and the road map and the glide path to a 7-year balanced budget. Moreover, even if the budget were balanced today, we would still have this threat of the Medicare Trust Fund.

Ms. JACKSON-LEE. Reclaiming my time, and I thank the gentleman for his insight on this, but let me respectfully share with the American people that the $270 billion tax cut has always been associated with the money that was going to be cut out of Medicare, plain and simple. Let me say to you that even those Republicans who no longer serve in government, Arthur Fleming, the health secretary, Health and Human Services Secretary under President Eisenhower, still going strong, has indicted the Republican Party and said he cannot believe that you would offer these proposals without allowing the American people, seniors in particular, to participate.

Mr. Speaker, what we are facing, and what I hope that we will engender, are calls from across this land, all of the States that are impacted by these draconian cuts. I hope that you all will get calls, and likewise in my office, demanding, if nothing else, a reasoned debate among the American people on this issue.

Might I say that we all will have to live with these cuts no matter what party we are in. We will have to live with them not so much because the Democrats were involved in cutting. That is not our posture. Our posture is to lay down before the bulldozer, but because our constituents will be harmed and hurt and it is probably going to be irreparable injury, and in a court of law, there are grand damages for that.

I would simply say to the gentleman what we will be facing in this Congress, without having proposed a national health reform program, we will not jointly be able to go to the American people and say that we in good conscience cut this for them 7 years, over $4,000 in some instances, people having to make the choices between food and prescription drugs, and in joint support of that, the cuts in Medicaid, $182 billion, and those indigent seniors who cannot get long-term care.

Mr. Speaker, I am reclaiming my time and I thank the gentleman for his interest, but the key is that those who are in long-term care needing Medicaid will likewise not have the right and not have the ability to have health care.

Let me just say one other point as we move toward closure. Can the gentleman not, or my colleagues that I have just heard my fellow freshmen that are Republicans, can they not deny that the population, the aging population is getting stronger, is living longer, and in fact, if you would analyze the trust fund and find out the real reason why there is a life span that is shortened each year is because people are living longer? We should be applauding that. We should be very, very enthusiastic that the gentleman from Arizona has a grandfather and many of us have our parents, my parents, alive and well because of Medicare.

Thirty years of Medicare, the healthiest population of Americans, and yet we are forced in this majority Congress of Republicans to stand up and tell the American senior citizens and those citizens who have to support senior citizens that we are going to cut them off at the knees and tell them that what is more important is the partisan debate, you are right, between Republicans and Democrats, rather than a reasoned set of hearings that would allow us to put forth programs to eliminate waste, fraud and abuse, to be able to work with the physician population, the hospital population, both private and public sector, the prescription or pharmaceutical industry and begin to analyze for real what we are doing or what we need to do to improve the delivery of services at a more efficient price, and not leave, and not leave that broken and bent body on the road we travel, unhealthy senior, left alone on the roadside seeking a simple drink of water. What are we going to give them?

Mr. HAYWORTH. Will the gentlewoman yield?

Ms. JACKSON-LEE. I think my time is up and I am going to continue to reclaim it because I think this is an important point I want to make.

The sickest of our seniors, the sickest of our seniors will be left without care, without attention, and as the gentleman is willing to debate me now, when I ask him or can I ask him, as he goes and leaves the floor and dialogues with his colleagues tomorrow the simple question, would it not be better for America if we had these hearings to present your presentation, to allow the debate on what I am offering to say, but most of all, to listen to the multitude of those who will be most impacted by these draconian cuts?

Mr. HAYWORTH. The gentlewoman asked a question. Would she yield for an answer?

Ms. JACKSON-LEE. I will yield for just a moment because I want to conclude.

Mr. HAYWORTH. Simple point. If the gentlewoman can explain to me how an increase over seven years in benefits per beneficiary of $2,000 can be a cut, going from $4,800 this year to $6,700 in 2002, where is the mathematical rationale to show me that that is the draconian cut that the gentlewoman has talked about so often this evening?

Ms. JACKSON-LEE. I would be happy to show you what the draconian cut results in because it is very clear, and the reason why it is very clear is because it is evident that you are dealing with provisions A and B, and obviously that masquerading of those particular sections are where the Republicans are suggesting to the American people that they are benefiting the beneficiaries.

These numbers clearly suggest that those citizens will be engaged in higher premiums, clearly will be paying higher premiums because of the large cuts that the Republicans are proposing. Where are the hearings? Where are the voices of the senior citizens? Let us resolve this on behalf of those citizens to make a whole colloquy for all Americans.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SERRANO) to revise and extend their remarks and include extraneous material:)

Mr. BONIOR, for 5 minutes, today.

Mr. GEJDENSON, for 5 minutes, today.

Mr. MILLER of California, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. ABERCROMBIE, for 5 minutes, today.

Mr. FARR, for 5 minutes, today.

Mr. VENTO, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Ms. SLAUGHTER, for 5 minutes, today.

Ms. JACKSON-LEE, for 5 minutes, today.

(The following Members (at the request of Mr. HAYWORTH) to revise and extend their remarks and include extraneous material:

Mr. BURTON of Indiana, for 5 minutes, today and on September 21.

Mr. HORN, for 5 minutes, on September 21.

Mr. SALMON, for 5 minutes, on September 21.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. SERRANO) and to include extraneous matter:)

Mr. BERMAN in two instances.

Mr. COYNE.

Mr. OWENS.

Mrs. SCHROEDER.

Mr. FOGLIETTA.

Mr. KLECZKA.

Ms. ROYBAL-ALLARD.

Mr. COLEMAN.

Mr. HAMILTON.

Mr. MONTGOMERY.

Mr. BONIOR in two instances.

Mr. STARK.

Mr. PETE GEREN of Texas.

Mr. CONYERS.

(The following Members (at the request of Mr. HAYWORTH) and to include extraneous matter:)

Mr. GALLEGLY.

Mr. QUINN.

Mr. PACKARD

Mrs. MEYERS of Kansas.

Mr. ZELIFF in two instances.

Mr. HORN in two instances.

(The following Members (at the request of Mr. HAYWORTH) and to include extraneous matter:)

Mr. LUTHER.

Mr. WAXMAN.

Ms. JACKSON-LEE.

ENROLLED BILL SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 402. An act to amend the Alaska Native Claims Settlement Act, and for other purposes.

ADJOURNMENT

Mr. HAYWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 midnight), the House adjourned until tomorrow, Thursday, September 21, 1995, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1449. A letter from the Under Secretary, Department of Defense, transmitting a report of a violation of the Anti-Deficiency Act which occurred at the 502d Air Base Wing at Maxwell Air Force Base, AL, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

1450. A letter from the Secretary, Department of State, transmitting notification of a proposed issuance of export license agreement for the transfer of defense articles or defense services sold commercially to Thailand (Transmittal No. DTC–45–95), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

1451. A letter from the U.S. Agency for International Development, transmitting notification that the President proposes to exercise his authority under section 614(a)(1) of the Foreign Assistance Act of 1961, as amended (the "Act"), to authorize the furnishing of defense articles and services to Rwanda, pursuant to 22 U.S.C. 2364(a)(1); to the Committee on International Relations.

REPORTS OF COMMITTEE ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLILEY; Committee on Commerce. H.R. 1020. A bill to amend the Nuclear Waste Policy Act of 1982; with an amendment (Rept. 10-4–254, Pt. 1). Ordered to be printed.

DISCHARGE OF COMMITTEE

Under clause 5 of rule X, the following action was taken by the Speaker:

H.R. 1020. The Committee on Transportation and Infrastructure discharged.

TIME LIMITATION OF REFERRED BILL PURSUANT TO RULE X

Pursuant to clause 5 of rule X, the following action was taken by the Speaker:

H.R. 1020. Referral to the Committees on Resources and the Budget extended for a period ending not later than October 20, 1995.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DOOLITTLE (for himself, Mr. Stump, Mr. Bryant of Tennessee, Mr. Hayworth, Mr. Boehner, Mr. Dornan, Mr. Bartlett of Maryland, Mr. Skeen, Mr. Emerson, Mr. Underwood, and Mr. Shadegg):

H.R. 2367. A bill to amend the Clean Air Act to further protect and enhance the public interest by ensuring an orderly transition from chlorofluorocarbons [CFC's] and halons to substitute compounds, and for other purposes; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LaFALCE:

H.R. 2368. A bill to establish audit authority in the U.S. General Accounting Office over the Niagara Falls Bridge Commission; to the Committee on Transportation and Infrastructure.

By Mr. UNDERWOOD (for himself and Mr. Faleomavaega):

H.R. 2369. A bill to provide for the development of the fishery resource within the exclusive economic zone of the insular areas of the United States, and for other purposes; to the Committee on Resources.

By Mr. STOCKMAN:

H.J. Res. 107. Joint resolution proposing an amendment to the Constitution of the United States regarding congressional pay and pensions; to the Committee on the Judiciary.

By Mr. PORTER (for himself, Mr. Lantos, Mr. Smith of New Jersey, Mr. Hamilton, Mr. Hyde, and Mr. Hoyer):

H. Con. Res. 102. Concurrent resolution concerning the emancipation of the Iranian Baha'i community; to the Committee on International Relations.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 38: Mr. Bass.

H.R. 89: Mr. Neumann.

H.R. 156: Mr. Frazer, Mr. Blute, and Mr. Stearns.

H.R. 325: Mr. Hoyer.

H.R. 528: Mr. Taylor of North Carolina, Mr. Diaz-Balart, Mr. Stockman, Mr. Hall of Ohio, Mr. Wolf, Mr. Ballenger, and Mr. Hall of Texas.

H.R. 580: Mr. Jones.

H.R. 598: Mr. Hefner, Mr. LoBiondo, Mr. Minge, Mr. Reed, Mr. McCollum, and Mr. Quinn.

H.R. 764: Miss Collins of Michigan.

H.R. 789: Ms. Kaptur.

H.R. 833: Mrs. Meyers of Kansas.

H.R. 885: Mr. Ackerman, Mr. Manton, Mr. Nadler, Mr. Schumer, Mr. Towns, Mr. Owens, Ms. Velazquez, Mrs. Maloney, Mr. Engel, Mrs. Kelly, Mr. McNulty, Mr. McHugh, Mr. Walsh, Mr. Hinchey, Mr. McIntosh, and Mr. LaFalce.

H.R. 924: Mr. Kildee.

H.R. 1020: Mr. Wamp, Mr. Hoke, Mr. Bateman, and Mr. Hastings of Washington.

H.R. 1023: Mr. McHugh and Ms. Molinari.

H.R. 1133: Ms. Danner, Mr. Souder, and Mr. Hancock.

H.R. 1136: Mr. Ackerman, Mr. Miller of California, Mr. Horn, Mr. Hastings of Florida, Mr. Jefferson, Mr. McKeon, Mr. Owens, and Mr. Romero-Barcelo.

H.R. 1202: Mr. Coble and Ms. Eddie Bernice Johnson of Texas.

H.R. 1386: Mr. Ney, Mr. Moran, and Mr. Cox.

H.R. 1400: Mr. Sanders.

H.R. 1488: Mr. Stump, Mr. Hamilton, Mr. Hefley, Mr. Doolittle, Mr. Hayes, Mr. Boucher, Mr. Hutchinson, Mr. Neumann, Mr. Spence, and Mr. Laughlin

H.R. 1591: Mr. Lantos.

H.R. 1662: Mr. Bereuter, Mr. Skeen, Mr. Hefner, Mr. Johnson of Florida, Mr. Bishop, and Mr. Nussle.

H.R. 1753: Mr. Pickett, Mr. Pallone, Mr. Brewster, Ms. DeLauro, Mr. Dickey, Ms. Eshoo, Mr. Farr, Mr. Fazio of California, Ms. Furse, Mrs. Lincoln, Mr. McKeon, Mr. Pombo, Ms. Velazquez, Mr. Baker of California, Mr. Frelinghuysen, Mr. Hoekstra, Mrs. Kennelly, and Mr. Rahall.

H.R. 1766: Mr. Zeliff, Ms. McKinney, Mr. Hutchinson, and Mr. Portman.

H.R. 1801: Mr. Hastert.

H.R. 1818: Mr. Hansen and Mr. Parker.

H.R. 1821: Mr. Metcalf and Mr. Livingston.

H.R. 1893: Mrs. Kelly, Mr. Kingston, Mr. Rangel, Mr. Ney, Mr. Jacobs, and Mr. Davis.

H.R. 1916: Mr. Barton of Texas, Mr. Beilenson, Mr. Dornan, Mr. Frank of Massachusetts, Mr. Jacobs, Mr. Manzullo, Mrs. Meyers of Kansas, Ms. Pryce, Mr. Quillen, Mr. Serrano, Mr. Smith of Texas, Mr. Taylor of North Carolina, and Ms. Rivers.

H.R. 1956: Mr. Callahan, Mrs. Fowler, Mr. Pickett, Mr. Metcalf, and Mr. Gillmor.

H.R. 1960: Mr. Burton of Indiana, Mr. Hostettler, and Ms. Molinari.

H.R. 1970: Mr. Hastings of Florida and Mr. Ackerman.

H.R. 1974: Mr. Franks of New Jersey.

H.R. 2019: Ms. DeLauro, Mr. Foglietta, and Mr. Payne of Virginia.

H.R. 2072: Mr. Inglis of South Carolina, Mrs. Roukema, Mrs. Chenoweth, and Mr. Herger.

H.R. 2090: Mr. Weldon of Pennsylvania.

H.R. 2144: Mr. Allard, Mr. Camp, Mr. Burton of Indiana, Mr. Hoekstra, and Mr. Roemer.

H.R. 2172: Mr. Lightfoot.

H.R. 2179: Mr. Kolbe.

H.R. 2199: Mr. Stearns.

H.R. 2205: Mr. Latham, Mrs. Mink of Hawaii, Mr. Stupak, Mr. Evans, Mr. Ortiz, and Mr. Riggs.

H.R. 2270: Mr. Doolittle, Mr. Hostettler, Mr. Smith of Texas, Mr. Stump, Mr. Herger, Mr. Baker of California, and Mr. Bartlett of Maryland.

H.R. 2277: Mr. Miller of Florida and Mr. Rohrabacher.

H.R. 2289: Mr. Flanagan, Mr. Bishop, Mr. Smith of New Jersey, Mr. Bilirakis, Ms. Brown of Florida, Mr. Weller, and Mr. Clement.

H.R. 2341: Mr. Stearns, Mr. Boehner, Mr. Dreier, Mr. Jacobs, Mr. Livingston, and Mr. Kolbe.

H.R. 2364: Mrs. Chenoweth.

H. Con. Res. 54: Mr. Franks of Connecticut.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 927

Offered By: Mr. Wynn

(Pursuant to the rule, page and line numbers are to H.R. 2347)

Amendment No. 4: Page 22, strike lines 4 through 20 and insert the following:

(a) OPPOSITION TO CUBAN MEMBERSHIP IN INTERNATIONAL FINANCIAL INSTITUTIONS.—(1) Until such time as the President determines that a transition government in Cuba is in power, the Secretary of the Treasury should instruct the United States executive director to each international financial institution to use the voice and vote of the United States to oppose the admission of Cuba as a member of such institution.

(2) Once a transition government in Cuba is in power, the President is encouraged to take steps to support the processing of Cuba's application for membership in any financial institution subject to the membership taking effect at such time as the President deems most likely to facilitate the transition to a democratically elected government in Cuba.

H.R. 927

OFFERED BY: MR. WYNN

(Pursuant to the rule, page and line numbers are to H.R. 2347)

AMENDMENT NO. 5: Page 22, strike line 4 and all that follows through page 23, line 7 and insert the following:

(a) OPPOSITION TO CUBAN MEMBERSHIP IN INTERNATIONAL FINANCIAL INSTITUTIONS.—(1) Until such time as the President determines that a transition government in Cuba is in power, the Secretary of the Treasury should instruct the United States executive director to each international financial institution to use the voice and vote of the United States to oppose the admission of Cuba as a member of such institution.

(2) Once a transition government in Cuba is in power, the President is encouraged to take steps to support the processing of Cuba's application for membership in any financial institution subject to the membership taking effect at such time as the President deems most likely to facilitate the transition to a democratically elected government in Cuba.

Page 23, line 8, strike "(c)" and insert "(b)".

H.R. 2274

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 29: Page 97, after line 12, add the following:

SEC. 354. PROHIBITION ON PAYMENT OF SAFETY AND PERFORMANCE BONUSES.

Amounts in the Highway Trust Fund established by section 9503 of the Internal Revenue Code of 1986, and non-Federal funds required by law as a condition for the receipt of such amounts, may not be expended for the payment of a safety or performance bonus to a contractor.

Conform the table of contents of the bill accordingly.

EXTENSIONS OF REMARKS

BANKING REFORM

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 1995

Mr. GALLEGLY. Mr. Speaker, what seemed to start out as a very promising year for important banking reform legislation seems to have once again come to a disappointing halt because of the ongoing dispute between banks and insurance agents.

Pending before the Rules Committee are two banking bills which would offer the Congress a historical opportunity to modernize our financial services system and make significant reductions in paperwork and compliance burdens for our banks.

It is clear that despite their current strength in the U.S. market, our banking system continues to face the threat of lost market share, especially in the international arena due to out-of-date, restrictive laws and unnecessarily burdensome regulations. Modernizing our banking system will help it keep pace with the rapidly changing, technology driven market and will offer new benefits to the banking consumer.

REGULATORY RELIEF

H.R. 1858, the Financial Institutions Regulatory Relief Act, contains over 80 provisions of regulatory relief for the banking industry. Regulating the commercial banking industry is complex and extremely broad in scope. However, while many of the current regulations seem to be appropriate on their face, they are often duplicative, sometimes contradictory, and impose unnecessary costs on our banking system. These costs are often paid by the consumer in the form of high fees and lower interest on accounts.

As a cosponsor of the original bill, H.R. 1362, I believe the changes made by the Banking Committee to areas such as RESPA, small bank exams, environmental liability, and CRA are sensible and will help make our lending institutions more efficient.

GLASS-STEAGALL REFORM

Created more than 50 years ago, the Glass-Steagall Act was enacted to separate, in part, the commercial and investment banking functions of our financial institutions. In today's technologically advanced and integrated financial markets, this act has outlived its usefulness and now serves as a barrier to healthy competition and efficient market operation.

H.R. 1062, the Glass-Steagall reform bill will create a more flexible financial services structure by stripping away old prohibitions which are no longer practical and will permit banks and securities firms to affiliate with each other. Glass-Steagall reform will create economic opportunity and growth by giving banks improved access to capital and financing and through the imposition of workable firewalls, without risk to the consumer or to federally insured deposits.

Mr. Speaker, both bills are extremely important to the future of our banking and financial services industry as well as to consumers. I urge the Rules Committee to allow both regulatory burden relief legislation and Glass-Steagall reform to come to the floor separately and clean of any provisions that threaten their passage. However, the House should be allowed an unrestricted opportunity to engage in an insurance debate which would take place in the context of expanding business-related activities for the banks.

TRIBUTE TO BISHOP MAXIMOS

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 1995

Mr. COYNE. Mr. Speaker, I rise today to pay tribute to one of my constituents—a man who is one of the most respected religious leaders in southwestern Pennsylvania. His name is Bishop Maximos, and he is the head of the Greek Orthodox diocese of Pittsburgh.

On September 28, the communicants of the Greek Orthodox diocese of Pittsburgh will honor their spiritual leader, Bishop Maximos, for his 16 years of service to the diocese. A banquet, which will also celebrate 16 years of diocesan life, is scheduled to be held at St. Nicholas Greek Orthodox Cathedral, Oakland. The Pittsburgh diocese consists of 50 parishes in Pennsylvania, Ohio, and West Virginia.

Through his ecumenical efforts, Bishop Maximos has been able to forge strong ties between his denomination and that of the other major Christian denominations in southwestern Pennsylvania. One of his fellow bishops of the Christian associates of southwestern Pennsylvania, which includes bishops of the Roman Catholic, Episcopal, and Methodist churches, remarked that Bishop Maximos is loved and respected among his peers and many consider him to be one of the finest Christian theologians in the United States.

Bishop Maximos, was born on the Island of Chios, Greece, on March 5, 1935. His Grace graduated from the Orthodox Theological School of Halki of the ecumenical patriarchate of Constantinople, in what is now modern day Istanbul, Turkey. His Grace received graduate degrees from the Catholic University of Louvain, Belgium. He represented the ecumenical patriarchate as observer-delegate to the third and fourth sessions of Vatican Council II.

Arriving in the United States on December 18, 1966, His Grace was appointed professor of dogmatic theology at the Holy Cross School of Theology in Brookline, MA, where he served for 14 consecutive years. On November 5, 1978, he was elected third vice president of the National Council of Churches of Christ in the United States. He served in that capacity for a triennium.

On April 27, 1979, in St. Nicholas Cathedral, he was enthroned as the first bishop of the Pittsburgh diocese by His Eminence Archbishop Iakovos. Since that time, Bishop Maximos has served the communicants of the diocese with wisdom and dedication, and he has made many valuable contributions to the community of faith in the region. I want to extend my congratulations and thanks to Bishop Maximos and the diocese of Pittsburgh on this happy occasion.

SALUTE TO COUNCILMAN ALVIN B. STEWART OF PHILADELPHIA

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 1995

Mr. FOGLIETTA. Mr. Speaker, I rise today to salute Councilman Alvin B. Stewart of Philadelphia for his outstanding contributions to the city of Philadelphia.

Councilman Alvin B. Stewart is being honored by his friends and family on October 6, 1995 as a tribute to his many years of service to the Philadelphia community. Councilman Stewart has served the eighth District of Philadelphia with honor, dignity and commitment, offering new and innovative ideas to the community. He has proudly served the Philadelphia civic community in many capacities including supervisor of the Board of Revision of Taxes, ward leader for the 11th Ward, former vice chairman of the United Black Ward Leaders and as a retired Philadelphia police officer.

Councilman Stewart has established many worthwhile programs in Philadelphia including a revitalization program in the Nicetown/Tioga area. The North Central Community Development Corp., founded by Councilman Stewart has planned to furnish the community with retail stores, affordable housing, a community center, job training, a satellite college, supermarket, bank, a facility for older Americans, and a full-service hospital.

I am proud of Councilman Alvin B. Stewart's many civic achievements, and I hope that my colleagues will join with me today in wishing him the very best in his continued service as councilman of the eighth District of Philadelphia.

STUDENTS IN MICHIGAN NEED SCHOOL-TO-WORK AND JOB TRAINING OPPORTUNITIES

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 1995

Mr. BONIOR. Mr. Speaker, the last thing we should be doing is eliminating economic opportunities for our young people. Yet, that's

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

exactly what the Gingrich majority is attempting to do. The Consolidated and Reformed Education, Employment, and Rehabilitation Systems [CAREERS] Act, H.R. 1617, under the guise of reform, repeals the School-to-Work Opportunities Act of 1994, most of the Job Training Partnership Act, and the Carl D. Perkins Vocational and Applied Technology Act, among others.

In addition, the CAREERS Act cuts funding for youth career development by 20 percent. The 70 percent of students in Macomb and St. Clair counties who don't go to college need the advanced technical training that will be threatened by this bill. Our students' earnings in the future will be based on what they learn today. We should be increasing the opportunities they will have in the future, not cutting the very educational tools that help them get ahead.

School-to-work and job-training programs are vital for preparing those who don't go to college for the highly skilled, good paying, technical jobs of the future. I believe the best investment this country can make is in the education and training of our next generation. We must be thoughtful in our approach, consolidate where needed and cut wasteful programs that don't work, but we must also ensure that we are providing our young people with the opportunity to earn and learn for the future. I don't believe the approach taken by this CAREERS Act guarantees those opportunities.

I believe we do need to reform, improve, and demand better performance from our employment training programs. The local school boards, elected officials, and business leaders must have the input to produce effective job-training programs, yet we all have a role to play. We ought to be building on the strong local, State, and Federal partnerships that we've established over the years to help our students, not destroying them.

While we need to fix education, employment, and job-training programs that don't work, we should not eliminate the ones that do. The blanket approach that starts from scratch and gives our Governors final authority over all school-to-work and job-training programs established by this bill is a serious error which will turn back the clock. For these reasons and others, I oppose this block grant approach.

RELIGION AND GOVERNMENT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 1995

Mr. HAMILTON of Indiana. Mr. Speaker, I would like to insert my Washington Report for Wednesday, September 20, 1995 into the CONGRESSIONAL RECORD.

RELIGION AND GOVERNMENT

For most Hoosiers I meet with, religion is very important. Religion helps form the values and character critical for strong families and communities, and faith has played an important role in the history of our nation. Today, more Americans believe in God and attend religious services than any other industrialized nation. Yet many Hoosiers worry that our political culture does not take religion seriously. This is a legitimate concern.

The First Amendment to the Constitution guarantees the free exercise of religion. To do so, it prohibits Congress from establishment of religion. At some periods in our history the concern was that religion had too much influence over public policy, but today the concern is that we do not permit enough religious influence in public policy. I think we should take religion seriously, and do not agree with those who trivialize matters of faith. I agree with Hoosiers who want to seek guidance from religion on moral decisions—including decisions about politics and government. As the son and brother of ministers, faith has always been important to me and my family, and there is no question my faith has a strong influence on my actions as an individual and as a public official.

There is a great deal of misunderstanding over the proper role of religion in government, and government in religion. Most agree that the government should not be in charge of any religious activity—in churches, public schools, or elsewhere. Most also agree that government officials should not tell us how to pray, what to pray, or when to pray. At the same time, an individual's right to practice his or her religion should be sacrosanct.

Our founding fathers were deeply suspicious of too much government involvement in religion. Over the years the Supreme Court has made clear that neither states nor the federal government can set up a church, pass laws to fund religion, or favor one religion over another. Unfortunately there are still gray areas in the law that need to be resolved—particularly regarding religion and public schools. Uncertainty over what the Constitution permits has led many schools to suppress religious activity and has prompted hundreds of lawsuits that could have been avoided. This newsletter is simply an effort to identify what is permissible under current law and what is not, and what areas need clarification.

The First Amendment imposes two equally important obligations on public schools. First, schools may not forbid students from expressing their personal religious views solely because they are religious in nature. For example, the 1984 Equal Access Act, which I cosponsored, requires schools to give the same access to student religious groups as other extracurricular student clubs. The Court recently upheld the constitutionality of this law. Second, schools may not endorse a particular religious activity or doctrine, nor may they coerce participation in religious activity. For example, school officials may not tell students what to pray in class.

Many people believe the law requires schools to be religion-free zones. I do not think that is an accurate view; there are many acts of religious faith in school that are both appropriate and constitutional.

PERMITTED ACTIVITY

According to recent Justice Department guidelines, students today in public schools have the right to pray and study religion individually, to discuss religion with other students, to read the Bible or other religious texts, to say grace before meals, to be taught about the importance and influence of religion, to meet in religious clubs before and after class hours, to express their religious beliefs in classwork, and to wear clothing or jewelry bearing religious messages or symbols.

PROHIBITED ACTIVITY

These actions are not allowed: religious services organized by school officials, religious harassment, teaching students to practice a particular religion, teaching or officially encouraging religious or anti-religious activity, and denying school rooms to religious groups if they are provided to other private groups.

Often actions to suppress legitimate activity are a result of school administrators who are simply not clear about complex court decisions and who fear litigation. There are isolated examples where students were told they could not say grace before lunch, or carry a Bible in class. The school was wrong in these cases. While I understand the difficulties confronting administrators in understanding the law, the suppression of religious expression is just as much a violation of the First Amendment as imposing a religion on students.

Of course, there are issues that still need clarification. For example, does a graduation prayer by a student amount to state-sponsored action? Courts have issued contradictory opinions on this issue, and the implementation varies from region to region. Ultimately, this issue should be resolved by the Supreme Court or Congress. In the meantime, many students have organized independent prayer services before or after graduation.

Some Members of Congress have suggested amending the Constitution to clarify some of these gray areas. Others believe Congress should act by statute, as it has in the past. Congress has previously considered provisions to protect moments of silent prayer and to allow students to engage in voluntary vocal prayer during noninstructional periods. Yet these issues have not been resolved, and further clarifications are necessary.

I am encouraged by the new dialogue on religion and public education. We are certainly getting a better understanding of what can and cannot be done. There is absolutely no reason to think that religious expression has to be left behind at the schoolhouse door. With the help of clergy, parents, teachers, and students, Congress should continue to clarify current law to avoid misunderstanding.

It is important to recognize that our founding fathers knew that religion gave our people the character and virtue without which a democracy cannot survive. They also recognized that, in a free country, government must not be permitted to coerce the conscience of any person. Our challenge is to maintain religion's protection from heavy-handed state interference while preserving the environment that has made the United States the most religious nation in the world.

TRIBUTE TO MSGR. DAVID A. GERNATT

HON. JACK QUINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 1995

Mr. QUINN. Mr. Speaker, I rise today in recognition of Msgr. David A. Gernatt, better known simply as Father Dave. Father Dave is retiring this year after nearly 50 years as a Catholic priest and over 25 years as the first and only pastor of St. Catherine of Siena Roman Catholic Church in West Seneca, NY.

Father Dave was the 6th of 10 children born to John and Martha Gernatt, immigrants from Austria and Germany. It was while growing up on the farm in Collins that Father Dave first learned his committed work ethic and deep devotion to his religion.

Father Dave entered the Josephinum Pontifical College of Worthington, OH at the age of 14. He spent 12 years there, studying through his high school years, his college years and 4 years of graduate courses in theology. Father Dave never received a high school or college diploma because his goal was not to graduate, but to become a priest.

Father Dave served at five parishes throughout western New York before returning to the Josephinum in 1966 to serve as spiritual director. At this time, Father Dave was invested as a monsignor. His time back at the college was short lived because in 1967 he resigned in order to become a paster; however, it did teach him valuable lessons about the new things going on in the church after the Second Vatican Council.

On October 22, 1967, Bishop James McNulty of Buffalo assigned Father Dave with forming the new Parish of St. Catherine of Siena. Church services were first held in the West Seneca Town Hall while the new church building was built on the former farm at 4928 Seneca Street. The ground breaking ceremony took place in October of 1967. The first mass was said there on June 1, 1970.

Father Dave had a vision of developing a family-like community. He believed that there were no distinctions between priests and lay people and both should work together. Father Dave always believed in his parishioners and worked to encourage involvement of everyone in the parish. Father Dave knew and believed that everyone has different gifts to offer and the entire community could only benefit from everyone offering their gifts.

This parish and Father Dave holds such a special place in many peoples' hearts. A small example of this is the fact that the membership of this community out stretches my Congressional District. The benefits of this small community that gathers throughout the week in West Seneca have literally been felt throughout the world.

Father Dave will always be a part of St. Catherine's. His vow of no bingo will long echo through St. Catherine's. Father Dave's belief that mass is no place to talk about money will continue to be carried on through the tradition of not passing a basket. Father Dave's goals will still continue to be met when night after night the church building is being used, not just Sundays. Father Dave's work will continue to be seen at every gathering at St. Catherine's when there is every age group represented offering its own gift at every meeting and function. The plain, simple structure of St. Catherine's will always be a mirror image of the exterior of Father Dave, just as the inner warmth, compassion, and love of Father Dave will continue to be felt inside St. Catherine's

Mr. Speaker, I am honored to have this opportunity to recognize Father Dave. I wish him a happy and healthy retirement. I also wish the people of the parish he built continue the ways that Father Dave laid down for them. I thank Father Dave for the strong and lasting positive effect he has had on the western New York community.

CONSTITUTION WEEK

HON. JAN MEYERS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 1995

Mrs. MEYERS of Kansas. Mr. Speaker, September 17–23 is Constitution Week commemorating the 208th anniversary of the Constitution of the United States. I commend the Daughters of the American Revolution for its efforts to remind all Americans of the importance of the U.S. Constitution.

The success with which Americans secured their liberty through representative government is unparalleled. Our Republic was built upon the foundation of limited government in which a written Constitution preserves individual freedoms and opportunity for all citizens. The ideals upon which this document is based are reinforced each day by the success of the system to which it gave birth. The political system established by our Constitution stresses the need for each citizen to know their rights, freedoms, and duties.

Mr. Speaker, I take this opportunity to thank the Prairie Rose Chapter of the Kansas Society of the Daughters of the American Revolution in my district who have committed a tremendous amount of time and effort in helping all Americans better understand the Constitution.

COMMEMORATING THE 25TH ANNIVERSARY OF MEDGAR EVERS COLLEGE

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 1995

Mr. OWENS. Mr. Speaker, I rise to salute Medgar Evers College as a beachhead of enlightenment in urban America which offers an institutional point-of-light as a model for all who care about education. Medgar Evers College is a liberal arts college, a community educational resource, and a pivotal cultural center for Central Brooklyn in New York.

Twenty-five years ago, the college, named for the martyred civil rights leader, was established with a clear mandate—to provide access to higher education for the residents of Central Brooklyn.

On September 28, the college will mark its 25th anniversary with a Founder's Day celebration that will include a commemorative ceremony in honor of the founders and a benefit dinner that will raise funds for student scholarships.

In offering outstanding academic programs and a wide range of services designed to meet the needs of the community, Medgar Evers College, a unit of the City University of New York [CUNY], has amply demonstrated that it is fulfilling its noble mission.

The college should be commended for the caliber of its innovative, career-oriented programs and the foresight it has demonstrated in providing needed services to area residents. Typical is the Small Business Development Center, which was created to deliver management assistance to small and minority-owned businesses in Central Brooklyn through courses, counseling, conferences, and seminars.

With great personal pride, I have watched the birth, growth, and mature refinement of Medgar Evers College. As a commissioner of the Community Development Agency under Mayor John Lindsay, I assisted in the selection of the first Community Advisory Committee for the college. Several years later, as a member of the Higher Education Committee of the New York State Senate, I led the fight to retain the status of the youthful Medger Evers College as a senior college. This fight was successful; however, in later negotiations with the chancellor of CUNY, a compromise reduced the institution to a community college with a few senior college programs. Medgar Evers College must be congratulated for waging a long struggle which culminated in its 1994 redesignation by the New York State Legislature as once more a full-fledged senior college.

Special tribute must be paid to the leadership of this fine institution—its distinguished president, Dr. Edison O. Jackson; its capable and concerned administrative staff; and an experienced and dedicated faculty.

At the benefit dinner, the college will present its first Uhuru Awards to Mrs. Myrlie Evers-Williams, chairperson of the board of the NAACP; Mrs. Coretta Scott King, chairperson of the board of the Center for Non-Violence in Atlanta; Dr. Betty Shabazz, the college's director of public affairs and cultural attaché; Dr. Ramona Hoage Edelin, founder and CEO of the National Urban Coalition; and former Congresswoman Shirley Chisholm.

Dr. Jackson assumed the presidency of the college in 1989. These have been exciting years, as evidenced by the fact that during this time, enrollment nearly has tripled; bachelor's degree programs in environmental and computer science have been introduced, as well as an associate degree program in nursing; and a core curriculum has been created to strengthen liberal arts education.

Just as significant is the ongoing effort by the college to internationalize its curriculum and thereby better prepare students to be a part of the global marketplace.

In a recent report in which he articulated his vision for the future, President Jackson spoke of the need to chart the proper course, "to ensure that Medgar Evers College achieves the greatness to which it is destined." He said further:

> [O]ur quest is to become one of the premiere institutions in this city, state and nation . . . our intent is to create an institution that will provide high quality academic programs and student support services in response to the many educational, social and economic contemporary challenges facing the community they serve. This unique role which Medgar Evers College is carving out for itself is adding to the richness and diversity of the City University of New York.

Mr. Speaker, its achievements in its relatively brief but eventful history bodes well for a bright future for Medgar Evers College, and as it prepares for the 25th anniversary celebration, the college merits our congratulations and sincerest good wishes for continued success. This relatively new but vibrant institution is truly a Point-of-Light for urban communities throughout the Nation.

TRIBUTE TO MARIE WHIPP

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 1995

Mr. BERMAN. Mr. Speaker, I am honored to pay tribute to Marie Whipp, a close associate, good friend, and a leader in the California Federation of Teachers for more than 30 years. I worked extensively with Marie during the 1960's and early 1970's, when I was a lawyer for the CFT. I found her to be hard working, diligent, and an excellent advocate for teachers and public education.

Marie's rise throught the ranks of the union began only a few years after she graduated from UCLA in 1957. While she was chair of the girl's physical education department at Palmdale High School, she became a member of Foothills, American Federation of Teachers Local 1424. From there she moved up the ladder; chapter chair, local secretary, local vice president and, in 1967, she was elected president of local 1424. At the time local 1424 had 15 chapters with over 900 members.

In 1970, Marie was elected secretary-treasurer of the CFT. The union could not have had a better person to help steer it through turbulent times. Marie served as secretary-treasurer during the collective bargaining fight for survival of the AFT in California and stabilized CFT finances by establishing good relations with all of the local treasurers, officers and staff of the CFT, the CFT credit union and the financial officers and staff of the AFT. Along with Marie's skill at debt management, these steps enabled the CFT to finance all collective bargaining elections.

During her record 24-year tenure as CFT secretary-treasurer, Marie also created and coordinated the CFT legal defense fund. This is just one more way in which she has made her mark on the CFT.

Mr. Speaker, I ask my colleagues to join me in saluting Marie Whipp, a person who has worked so hard to make a better life for California's schoolteachers. She deserves the respect and admiration of all of us who care about the fate of our public schools.

CUBA LIBERTY ACT

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 1995

Mr. GALLEGLY. Mr. Speaker, for more than 30 years the United States has imposed a unilateral economic embargo on the people of Cuba. The hope of course was that such international pressure and isolation would bring the dictator, Fidel Castro, to his knees.

Unfortunately, after all this time, Castro still rules the island. What is more unfortunate, however, is that the people of Cuba, most no longer fervent followers of the revolution, are living in a state of political and financial depression.

Nobody denies that Castro is an old tyrant whose time to give up the lost hope of the revolution has come. Cuba is the last country in the hemisphere without democracy, free elections and an open economy. But, the legislation we are considering here today, will not result in any changes in this current situation. It will not bring down Castro any faster than the existing embargo has failed to remove him. In fact, H.R. 927 will result in the perverse effect of further isolating this nation. The attempt in this bill to internationalize the economic embargo by threatening economic sanctions against any other nation which trades with or invests in Cuba is unworkable and will embroil us in heated debates with our allies and friends in this hemisphere and beyond.

This is not to say that we should give up our attempts to rid the island of Castro. But the almost paranoid behavior of many in this Nation with respect to Castro is no longer justified. Cuba is no military threat to the United States. Cuba is no longer a viable model for socialism. It is no longer a model for anything or anybody. So why the fixation.

As the recent report of the Inter-American Dialog Task Force on Cuba stated, "the prospects for change in Cuba are today greater than at any time since 1959. Yet, current United States policy neither encourages change in Cuba nor advances United States national interests."

Not long ago, during the House debate on whether we should renew most-favored-nation trade status with China, Members from both sides of the aisle argued passionately that while China's failure to live up to normal standards of international behavior was reprehensible, it was more important to engage the Chinese through political dialog and economic interaction. Without this face-to-face interaction, China's behavior could not be modified or changed.

Similarly, many Members of this Congress supported the President's decision to extend diplomatic recognition of Vietnam because they felt an open dialog would help us resolve once and for all the issue of our POW/MIA's.

Finally, this Nation has constantly engaged the North Koreans in frank and open discussion of their nuclear weapons programs and we have even agreed to sell them nuclear power generating equipment.

My point here is that this Nation has chosen to confront in full diplomatic dialog some of the most ruthless communist, civil rights abusing dictatorships in the world in the hope that this dialog would somehow influence their behavior both domestically and in the international arena.

So, what is wrong with our policy approach to Cuba. Is Cuba any more of a threat to us than China or North Korea? Hardly. Is Castro somehow more of a dictator than the leadership in Beijing or Hanoi? No.

So, why shouldn't the United States policy toward Cuba be changed to reflect the same approach that we take toward every other communist dictator in the world.

H.R. 927 creates a false sense of hope. It will not topple Castro but it will tighten the noose around the already miserable life most ordinary Cubans live under.

TRIBUTE TO MANCHESTER, NH POLICE CHIEF PETER FAVREAU

HON. WILLIAM H. ZELIFF, JR.

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 1995

Mr. ZELIFF. Mr. Speaker, I rise today to pay tribute to Manchester, NH Police Chief Peter Favreau for his leadership role in putting together one of the Nation's most successful antidrug crusades.

Manchester, a city with a population of 98,000, had the usual problems of a city that size. While the overall crime rate in the State's largest city has declined in recent years, drug offenses increased dramatically when the city became a target for gangs from nearby Lowell and Lawrence, MA, who came to Manchester to sell drugs.

Chief Favreau, ignoring generation-old, traditional police turf lines, invited the New Hampshire State Police into the city of Manchester for the first time to work hand-in-hand with his officers to combat this invasion of drug dealers, gang members, and their related crimes. Police Chief Favreau solicited and received a $100,000 grant from the State Department of Justice to set up an interagency law enforcement task force.

Manchester police, working together with agents from the Federal Drug Enforcement Administration, the Bureau of Alcohol, Tobacco, and Firearms, the Immigration and Naturalization Service, the Attorney General's Drug Task Force, the State Police Special Investigations Unit, and the Sheriff's Department, mobilized to rid the city of these drug dealers. The operation was stepped up in June in hopes of preventing an escalation of drug wars that had already resulted in the shooting deaths of two young men. Mayor Ray Wieczorek joined in by forming a task force of city health, building code enforcement, and police officials aimed at putting pressure on absentee landlords and their crumbling dwellings used for prostitution and drug dealing.

Chief Favreau, working in conjunction with U.S. Attorney Paul Gagnon's office and the unified law enforcement community, mobilized all the resources he could and successfully cleaned up the neighborhood.

Leaders of the T.B.O.N. organizations—Take Back Our Neighborhoods—say that as a result of Chief Favreau's task force's efforts, morale in the neighborhood is a lot better. They credit Chief Favreau and his leadership for making the area a much better place to live.

Mr. Speaker, Chief Peter Favreau's distinguished career is a model of the best we have in the law enforcement community. I ask my colleagues to join with me in saluting Chief Peter Favreau for his leadership in the Operation Streetsweeper program and immeasurably improving the lives of the people of the Manchester area. Because of Chief Favreau's dedication and ability, the citizens of Manchester feel much more comfortable and safer moving about the queen city.

IN HONOR OF THE CALIFORNIA PARALYZED VETERANS AND CASA CORAZON OF LONG BEACH, CA

HON. STEPHEN HORN

OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 20, 1995

Mr. HORN. Mr. Speaker, I rise to commend the California Paralyzed Veterans for their commitment to providing comfortable housing for disabled veterans in the 38th Congressional District. Their hard work and dedication has resulted in the construction in Long Beach, CA, of Casa Corazon—a model of housing for persons with disabilities.

Casa Corazon is also an outstanding example of what can happen when Government agencies in Washington and at the local level join together for the betterment of a community. To make the dream of Casa Corazon a reality, the California Paralyzed Veterans reached out to include the Department of Housing and Urban Development [HUD], the Long Beach Housing Authority and the city of Long Beach. Their cooperation contributed heavily to the successful completion of Casa Corazon.

The members of the California Paralyzed Veterans are role models of ongoing service to others. They began with their personal service and sacrifice for our Nation during times of war. Their service has continued into peace time with the creation of Casa Corazon. I commend the California Paralyzed Veterans for all that they have given our Nation and for all that they are doing to ensure a better quality of life for all members of our community. Their efforts and Casa Corazon serve as a reminder of another job well done.

CHRIST CHURCH, U.C.C., 100th ANNIVERSARY CELEBRATION

HON. GERALD D. KLECZKA

OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 20, 1995

Mr. KLECZKA. Mr. Speaker, I rise today to offer congratulations and best wishes to the people of Christ Church, a congregation of the United Church of Christ, on the celebration of their 100th anniversary of ministry on Milwaukee's south side.

Formally organized in September of 1895 with nine charter members, Christ Church has risen to every challenge of the past 100 years—and today continues to be a vibrant, committed congregation of 629 members. I suspect that when they look back over that century of ministry, they may be quite surprised at the remarkable things they have accomplished as a people of faith. But, in fact, they are living proof of the old saying, "What faith makes possible, love makes easy."

Mr. Speaker, I ask my colleagues to join me in congratulating the members of Christ Church for their 100 years of dedicated service to God and Country. May God continue to bless their labor.

ACCESS TO HIGHER EDUCATION

HON. RON PACKARD

OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 20, 1995

Mr. PACKARD. Mr. Speaker, there appears to be a great deal of misinformation circulating regarding Republican plans to cut aid for higher education. Scare tactics, as we know, are usually the last resort of a desperate cause without a plan of their own.

The Republican-led 104th Congress has worked diligently to reform, streamline, and cut costs in Government. But let us get the facts straight. Our balanced budget proposal does not cut a single student loan. In fact, there will be more loans available next year than ever in the history of the program. In-school interest subsidies remain. Loan fees are not increased and Pell grants are funded at the highest level in history. Student aid is not cut.

The future looks extremely bright for students, if we enact a balanced budget. With a balanced budget, interest rates for money borrowed will decrease by at least 2 percent. That means a student who originally borrows $11,000 for college at 8 percent could see the cost of that loan decrease by more than $2,000. If we don't balance the budget, student loan programs will go bankrupt, not to mention numerous other programs.

I urge my colleagues on the other side of the aisle and the Clinton administration to stop the scare tactics and work with us to craft a plan that will save student loans and the Federal Government from bankruptcy.

CANCER-RELATED INSURANCE REFORM—COVERAGE OF CLINICAL TRIALS

HON. RONALD D. COLEMAN

OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 20, 1995

Mr. COLEMAN. Mr. Speaker, clinical trials provide the best available treatment for many patients with cancer, AIDS, and other life-threatening diseases, for whom standard therapies offer a limited chance for survival or enhanced quality of life. This is particularly true for children with cancer; over 60 to 70 percent are treated in clinical trials.

However, many health care insurers refuse to reimburse patient care costs which result from participating in clinical trials by claiming such therapy is investigational or experimental. When this happens, individuals cannot receive what potentially may be the best treatment for their condition unless they can afford to pay significant out-of-pocket expenses often running into thousands of dollars. Unless these patient care costs are included in a standard benefits package, it is likely that the reformed system will evolve into one of two tiers of care—potentially one in which only the wealthy have access to the best anticancer treatments.

Reimbursement denials impede the ability to conduct effective and timely clinical research by increasing administrative burdens on medical institutions and reducing the number of patients eligible to participate in trials. If reimbursement is not available, fewer hospitals will be willing to participate in clinical research and the opportunity to test new and effective treatments will be lost. The data collected while providing state-of-the-art care to patients in clinical trial advance medical science and improve our ability to provide cost-effective therapies.

TRIBUTE TO ROZ AND ABNER GOLDSTINE

HON. HENRY A. WAXMAN

OF CALIFORNIA

HON. HOWARD L. BERMAN

OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 20, 1995

Mr. WAXMAN. Mr. Speaker, we ask you and our colleagues to join us in paying tribute to Roz and Abner Goldstine for receiving the Jewish Vocational Service's prestigious Lifetime of Service Award.

Roz and Abner Goldstine have devoted tremendous amounts of their time, energy, and creativity to the indispensable work of the Jewish Vocational Service, which is a nonsectarian, nondenominational organization that provides job training and placement services.

The Goldstines have been leaders in the Jewish Vocational Service's efforts to assist scientists, engineers, and aerospace workers whose jobs have been lost due to the end of the cold war and the related Federal downsizing and reordering of national priorities. As we all know, these changes have put a disproportionately large burden on the State of California. We owe a debt of gratitude to Jewish Vocational Service and the Goldstines for their work in meeting a great need. At the same time, the Goldstines have helped sustain the commitment of the Jewish Vocational Service to individuals at every level of the work force who seek employment opportunities.

Mr. Speaker, we ask our colleagues to join with us in saluting the Goldstines for their extraordinary service to the Los Angeles community. We wish them continued happiness and success in their endeavors.

THE POLITICS OF PATERNITY LEAVE

HON. PATRICIA SCHROEDER

OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 20, 1995

Mrs. SCHROEDER. Mr. Speaker, today I want to give thanks to Tom McMakin who in the September 25 issue of Newsweek, wrote a moving opinion piece that reminds us that the Government can be a force that helps the American family and fosters family values. In a time when bashing the Government is as popular as ever, Mr. McMakin took the time to point out how the Family and Medical Leave Act, a bill I first introduced in 1985 and Congress passed into law in 1993 has helped him in his new role as father to his 4-month-old daughter Valerie.

Tom McMakin's words are an inspirational "thank you" to the many Members of both sides of the aisle who worked, compromised, and persevered so that American families could bond with their newborns or take care of elderly parents without sacrificing their economic security.

As Mr. McMakin states in his article, the Government is not bad, but is "an expression of our collective will." Now, as we are debating bills that are going to significantly effect the lives of all Americans we should keep in mind what is really important to the millions of people who are like Tom McMakin.

[From Newsweek, Sept. 25, 1995]

THE POLITICS OF PATERNITY LEAVE

(By Tom McMakin)

Valerie's asleep now, having snacked most of the morning, fussed and finally closed the brightest blue eyes I've ever seen. Quiet moments like these are rare when you are taking care of a 4-month-old. When she sleeps, it's time for me to mix more formula, wipe the counter, call about life insurance and then, if time allows, break open the laptop and sit down to write for a few minutes. Welcome to paternity leave, a spicy stew of belches and smiles. DPT shots, heavy warm diapers and the odd moment of reflection.

The idea that fathers should take time off from work to be with their newborn children is a relatively new one, but it's an idea that is long overdue. Two years ago, time at home with Valerie would not have been possible. But thanks to the Family and Medical Leave Act of 1993, here I am changing my daughter's diapers and enjoying her first gurgles and giggles. Who would have thought it? A bunch of faraway lawmakers passed legislation, and it profoundly affected my life. Their law, PL103-3, requires that companies with more than 25 employees allow them to take up to 12 weeks of uncompensated time off to care for their children. Because of this legislation my life is richer.

Much richer. This bundle of sweet smells I call my daughter has given me the gift of new sight. A trip to the supermarket used to be a dreaded errand; now it is the highlight of my week. Valerie has taught me to look beyond our store's confusion of brands and hype and focus on the colors, shapes and happy chatter that make each visit a carnival of sight and sound. We squeal at the celery, spit heartily at the dairy rack and shrink in terror at the sight of the frozen turkeys. The moving counter by the cash register is a revelation.

A walk downtown has been similarly transformed. Everyone loves a baby. And we love them back for it. People I've never spoken with, but have passed on the street many times before, smile and ask how old she is. To be a baby, I've learned, is to live in a friendly, welcoming world. But it's not just her world; it's mine too. Because of my time home with Valerie, I'm also much more understanding of children and parents. I rush to help a mom with a stubborn car door or a dad whose youngest is on the verge of straying. I smile at mischievous kids, happy to see them speeding off in this direction or that, ruining their parents' best-laid plans.

I have paternity leave to thank for teaching me these and other lessons (never dump formula in cold water—it doesn't mix). I am grateful to my wife and to my employer for encouraging me in my decision to stay home and am grateful to a government that made taking this time possible.

Sadly, when Valerie and I walk downtown and stop at the local coffee shop, we hear people talking about government in two ways, neither of them very good. They say that government is either ineffective or misguided, with most agreeing that it is both. It is not hard to understand why the ranchers and business people clustered around the small Formica tables think this way. In our state of Montana, the public owns 39 percent of all land. That means there are legions of federal, state and local managers running around doing surveys, convening task forces, forming policy and interpreting regulations. With so much at stake and with so many bureaucrats in action, it is inevitable that these well-intentioned civil servants make mistakes. When they do, the mistakes are widely discussed and greatly criticized.

That's a shame. Somewhere in the rush to criticize, we have failed to see the forest for the trees. While Bozo the Clown may run a public agency or two, I cannot escape the fact that my sitting here today trading coos with my daughter is a salute to the possibility inherent in public action. On Feb. 5, 1993, our representatives in Washington decided it was important that families be allowed to spend time together when they most needed it and, more important, that wage earners should not lose their jobs while caring for a dying mother or recuperating from a serious operation or spending time with a newborn. In my book, that bad boy of American culture, Congress, did something right when it passed this law.

The citizenry of this country has expanding and contracting tastes in what it wants its government to do, not unlike the members of the credit union to which I belong. One year we may ask the credit union's management to make sweeping changes, add more services and expand the types of loans it is willing to make. And then that energy runs its course and the membership elects a new board or hires a new manager to trim costs and services. When we ask the credit union to add services, we are not suggesting that credit unions ought to take over the world. By the same token, when we ask it to cut services, we are not saying credit unions are worthless. It's more like riding a horse up a hill: you might go to the left for a while and then to the right, but, even with the zigs and zags, you are still headed in one direction—toward the top.

In this current season of scaling back government—both Republicans and Democrats seem to agree that this is a good thing these days—my hope is we remember that government is capable of doing things and doing them well. I work 40 hours a week because my great-grandfather voted for a reform Congress at the end of the last century. My savings at the credit union are insured because my grandmother voted for FDR. My dad put Eisenhower and a forward-looking Congress in place in the late '50s. As a result, it takes me one hour to travel to Butte and not two, on an interstate-highway system. Government isn't bad in and of itself. It isn't some malevolent Beltway-girdled ogre perched on the banks of the Potomac. It is, rather, an expression of our collective wills.

But wait. Valerie is stirring. Little wet slimy hands await. I need to warm a bottle, find a fresh diaper, pad upstairs and quietly make sure she is serious about ending this nap, and finally peek over the side of the crib and drink in that bright, beautiful smile that never fails to remind me why I so like being a dad at home.

IN MEMORY OF POLICE OFFICER MELVIN KEDDY

HON. WILLIAM H. ZELIFF, JR.

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 1995

Mr. ZELIFF. Mr. Speaker, I rise today to pay tribute to the cherished memory of Police Officer Melvin Alan Keddy, who was struck and killed while directing traffic at the scene of another accident. Mel Keddy is remembered by all who knew him as a good police officer and a friend.

The community has shown their love, respect, and friendship by the many messages left on the roadside, wooden cross erected at the site of Officer Mel Keddy's fatal accident. His friends and neighbors have left flowers, candles, messages, and balloons at this makeshift memorial.

As Police Chief Philip Consentino of neighboring Atkinson said, "Every police officer knows deep in his heart that every day you put on your badge, you can be killed in the line of duty. You don't expect it will happen, but when you see something like this, you know your fears are real and it could happen to you."

At the time of his death, Mel Keddy had been organizing a golf tournament to benefit the East Kingston Drug Abuse Resistance Education [DARE] Program. The fundraiser for the DARE Program typifies the life and career of Officer Keddy. He was a loyal friend, a dedicated officer, and always willing to take on another task to help improve the community where he lived.

Mr. Speaker, I ask my colleagues to join with me in honoring the life and service of Police Officer Mel Keddy and join me in expressing the heartfelt sympathy of the Members of the U.S. Congress to his son, Shayne, his daughter, Shyre, and his mother, Genieva A. Keddy.

TWENTY YEARS OF INVALUABLE SERVICE—CONGRATULATIONS TO SERRA CENTER

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 1995

Mr. STARK. Mr. Speaker, I rise today to congratulate the Serra Center, a non-profit organization located in Fremont, in California's 13th Congressional District. This month Serra is celebrating its' 20th anniversary of serving adults with mental retardation.

The Serra Center was founded in 1975 by a group of parents in the community, because there were no programs available to provide individualized care for their family members with mental retardation.

The goals of Serra Center are to empower individuals with mental retardation and give them the opportunity for independence and productivity; to help them achieve their maximum potential in the least restrictive environment consistent with their needs; and to integrate each person into the community with a sense of dignity and well-being. Services provided include training in household skills such as cooking, cleaning and money management; development of skills leading to employment; training in community skills such as how to use public transportation, libraries, and pay phones; recreation programs, and in-home support as needed.

Serra was dedicated on September 14, 1975, and began by serving 19 people in its residential program. In 1976, the Serra Center opened it doors with five on campus residences and an administration building. The organization has continued to grow, and now, in its 20th year of operation, the Serra Center has residential facilities for 57 people and provides services to 93 people living in their own homes and apartments in the Fremont community.

Mr. Speaker, I am proud to recognize the Serra Center on its 20th anniversary. I hope you and my colleagues will join me in congratulating the members of this organization who, 20 years ago, recognized a need in our community and have been working tirelessly to fill it ever since. I wish Serra the best and look forward to working with this organization for the next 20 years.

IN HONOR OF CAPT. SHINTA ASAMI

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 1995

Mr. HORN. Mr. Speaker, I join with the Long Beach, CA, maritime community in conveying the deepest respect and appreciation for Capt. Shinta Asami's many years of dedicated service to the economic growth of California and our Nation. As chairman and chairman emeritus of the International Transportation Service, Inc. [ITS], and as a good citizen of our community, he has been a most constructive force.

Captain Asami has been a maritime industry leader for over a half century and has spent the last 25 years at the port of Long Beach in the 38th Congressional District. During the last decade and a half, he has expanded and improved the terminal while adding facilities elsewhere in California, Washington, and New Jersey. Until recently, ITS was the only container terminal on the west coast to offer on-dock rail capability, with cargo boxes being loaded directly from ship to rail, thus improving the air purity by eliminating much of the truck traffic on the Los Angeles area's highways. Captain Asami worked diligently to establish this system and is now affectionately known as the "Father of On-Dock Rail."

I salute Captain Asami for his many contributions to our area and for his longstanding leadership in the California maritime community.

STATEMENT OF CONGRESSWOMAN SHEILA JACKSON-LEE REGARDING THE PLANNED REPUBLICAN CHANGES TO MEDICAID

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 1995

Ms. JACKSON-LEE. Mr. Sepaker, the Republican majority of this Congress has revealed its plan to decimate Medicaid less than 24 hours before the start of markup and voting activities were to begin in the House Commerce Committee. Without one single public hearing, Republicans are attempting to cut $182 billion from a program which millions of low-income working people and poor people depend upon for the most basic of medical services.

Good public policy takes something there is * * * Republican plan, I think my colleagues and I would be remiss if we did not demand, for ourselves and those we represent, time to study the repercussions of such a far reaching plan. Indeed, this plan does more to Medicaid than their plan will to Medicare, and they are proposing at least one day of hearings for it.

I can not but but believe that my cohorts across the aisle had nothing but good intentions when they and the thirty Republican governors crafted this plan. However, I must take issue with many parts of it which leave vulnerable many people who have no other means of medical support. This plan attempts to provide states with flexibility in how they may use their Medicaid funds. However, in attempting to do so, they have stripped the Federal government of its ability to protect the poor and the old, precisely those who need both protection and health care the most. Congress can no longer specify minimum requirements of health care. The states must do that. Congress can no longer specify eligibility requirements. The states must do that. Congress can no longer specify quality standards or guidelines. The states must do that. I believe that this plan is asking too much of the states.

The first point I take issue with is that of eligibility. Under the plan before the Commerce Committee, individual entitlement to medical assistance would be abolished for all populations. That spells disaster for healthcare for the needy across the nation. Furthermore, the plan earmarks a certain percentage of the states' plans for pregnant women and children, disabled people under 65 and elderly people, but the plan does not exactly define the requirements of eligibility within these groups.

Then there is the issue of access to healthcare. Within the plan, the States' ability to require beneficiary cost-sharing is almost unlimited—except for families below 100% of poverty that include either a pregnant woman or child—and elderly and disabled enrollees could be required to pay large premiums, deductibles and copayments. This version of cost-sharing reduces necessary utilization of services among low income populations. As a result, these requirements would effectively restrict beneficiaries' access to much needed health services.

The Republican party shields itself behind false and misleading statements regarding Medicaid, always blaming the poor for Medicaid's problems. Yet, current protections preventing impoverishment of the spouses or sons and daughters and their families to care for those needing long term care are gone. There would be no guarantee that spouses of nursing home residents would be able to retain enough monthly income to remain in the community. The Republicans are allowing, under their plan, families to go broke while trying to care for their elderly members seems slightly hypocritical.

The lack of specification of standards with respect to delivery systems is in my opinion, criminal in its neglect and thoughtlessness. This plan does not include quality standards, or general quality guidelines, for capitated managed care plans. The Federal Government is prevented from enforcing current access standards, such as physician to patient ratios as well as time and distance requirements. Finally, the ability of states to contract with managed care plans for services, case management, or coordination would be completely unfettered which could result in the reemergence of "Medicaid mills". This lack of accountability concerns me a great deal. I worry about all the unprotected older Americans who will be left naked and defenseless against the bean-counting efficiency experts of state governments and healthcare providers.

Not only does this plan cheat the young, elderly and disabled, but it also finds a way to inflict its suffering on the special populations of this country. Regardless of one's feelings towards undocumented workers, can anyone declare that those merely searching for a better life should be denied emergency services for the simple crime of not having been born a United States citizen? I think not. With regard to Native Americans, states would no longer be required to pay for services in IHS facilities. This country owes a certain debt to the Native peoples of this land, and I believe we should not forget or abrogate that responsibility.

Program integrity is indeed addressed in the GOP plan. Their version requires states to operate fraud control units to investigate and prosecute fraud, abuse and neglect of beneficiaries, but it does not provide funding to do so. If I am not mistaken, this is an unfunded state mandate, is it not?

Amongst many other things, the public needs to know that this revolutionary plan has language which says that "No person"–meaning beneficiary, doctor, hospital or private health plan—shall have a basis to sue a state for failing to comply with Federal Medicaid statues or the terms of the state's Medicaid program. Thus, this plan has stripped not only the Federal Government of its ability to protect beneficiaries, but has also stripped the beneficiaries any means of protecting themselves. Once again, the questions about accountability must be asked and answered.

Under the Republican plan, Texas will lose over $11 billion during the next 7 years and I have been told by public healthcare providers in my district that these cuts will cause great harm to the people they serve. These providers are concerned about having to close neighborhood clinics which administer preventive and primary care. They are concerned that the fiscal burden of caring for the poorer people of my district will increasingly fall upon the shoulders of the area taxpayers. They are worried that they will have to turn away the children they have sworn to help. And it is for these reasons that I am worried.

CELEBRATING THE CAREER OF NORMAN MINETA

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 1995

Mr. CONYERS. Mr. Speaker, I rise today to honor my good friend and distinguished colleague, Congressman NORMAN MINETA of California's 15th Congressional District. I will remember his service to this body as thoughtful, prolific, and endearing.

After operating an insurance business with his father in the 1960's, he became increasingly active in the Japanese-American community of San Jose, and the Japanese-American Citizens League in particular. His passion for public service took off from there. He served as a member of San Jose's Human Relations Commission, then moved on to the city's housing organization. After some time with the city council, he was elected mayor of San Jose in 1971 at a time when the city's population was exploding. It was during these years that MINETA's command of substance and service to the common good made his destiny at the national level certain.

Representative MINETA has served in Congress since 1974 and devoted himself to a sound economy through Government and the defense of the disadvantaged. There are several elements of his career as a legislator that I would like to highlight today, some of which are particularly timely in this Congress.

In the 102d Congress, in the face of a hostile President. Congressman MINETA led the fight for the successful passage of the Intermodal Surface Transportation Infrastructure Act of 1991, the single most important piece of transportation legislation passed by Congress in decades. This 6-year bill authorized $151 billion for the construction of highways, for highway safety programs and for revitalizing mass-transit throughout America. Committed to both an active Government and a responsible private sector, MINETA responded to proposed cuts in Government departments by declaring: "What sense does it make to reduce transportation investments that build our economy?"

Congressman MINETA's interests and concerns were truly broad. In 1993, he authored a bill that designated May 1993 and May 1994 as "National Trauma Awareness Month." Two other bills he wrote expanded the Air and Space Museum and the Natural History Museum of the Smithsonian. All of these became law. He also applied his energy and intellect to minority health issues. As Chair of the Congressional Asian-Pacific-American Caucus, he spoke for the Disadvantaged Minority Health Improvement Act Reauthorization last year. During that debate, he noted "the problem of discrimination in our Nation's health care system is a major one," and outlined how the bill would remedy this crisis, especially for geographically isolated minorities.

On matters related to the Judiciary Committee, we stood side-by-side often, supporting the assault weapons ban, and protecting access to abortion clinics last year. This spring, following his introduction with myself and Congressman MOORHEAD of a resolution urging China to enforce its intellectual property laws, NORMAN traveled through Asia with myself and others on a Judiciary Committee trip investigating such concerns. His wife Danealia's charm and style proved an asset too on that excursion.

Some might list his ascension to the chairmanship of the Public Works Committee in the 103d Congress as the crowing achievement of his career; in fact, he was the first Asian-American to chair a major committee. But I would list a different accomplishment that I have a great admiration for, and that I think he has a sound sense of pride: his legislation providing reparations for Japanese-Americans held in prisons during World War Two.

Rooted in his own traumatic experience as a child in an "internment camp" in Wyoming during the war, MINETA authored legislation that the 100th Congress passed that provided $20,000 each to the 60,000 surviving victims of those concentration camps, and even more importantly, a formal apology from the U.S. Government.

I share his belief that institutional or governmental memory consisting of documents, archives, and transcripts cannot be the sole guardian of the past. I believe that history is too important to leave to this kind of memory because institutions can choose what they want to forget, like the internment camps of slavery of African-Americans. Institutions also have weak mechanisms for providing an element of moral reflection to history. Many people do not know that the American Government has never officially acknowledged slavery. Together, we sponsored a bill for reparations for African-Americans, H.R. 891, to have the Government do just that. In a way, this bill forces a moral judgment into an official history of something that has been forgotten and denied for centuries. Because of his work for reparations for Japanese-Americans, he was always enthusiastic about exploring the meaning and broad implications of reparations.

I will miss his insight on reparations, intellectual property, health care and many other issues. I wish him the best of success in his private endeavors, and I feel honored to have served with him.

END TURKEY'S OCCUPATION OF CYPRUS

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 1995

Mr. BONIOR. Mr. Speaker, I rise in support of House Concurrent Resolution 42, a resolution calling for the demilitarization of Cyprus.

On July 20, 1974, Turkish troops invaded Cyprus and began a military occupation. Today, 35,000 Turkish troops still remain on Cyprus. They occupy one-third of the island. In a chilling reminder of the Berlin Wall, a barbed wire fence known as the Green Line cuts across Cyprus, separating thousands of Greek Cypriots from the towns and communities in which their families have lived for generations.

As a result of the invasion 21 years ago, thousands of people were killed, more than 200,000 people were expelled from their homes, and today, more than 1,600 remain missing—including 5 Americans.

Instead of helping us to locate the missing and enter negotiations aimed toward unity and freedom for Cypriots, Turkey today continues to keep troops on the island.

Mr. Speaker, this resolution calls for the troops to be withdrawn from Cyprus and urges compliance with United Nations resolutions on the issue, which Turkey has thus far refused to do. I am proud to join many of my colleagues as a cosponsor of the resolution and applaud its passage.

Over the past few years, we have witnessed tremendous changes around the world—the fall of the Berlin Wall, the beginning of reconciliation in the Middle East, and the end of apartheid. It is my sincere hope that soon we will be able to add Cyprus to that list of places where peace and freedom have triumphed.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, September 21, 1995, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 22

9:30 a.m.

Labor and Human Resources

Business meeting, to consider recommendations which it will make to the Committee on the Budget with respect to spending reductions and revenue increases to meet reconciliation expenditures as imposed by H.Con.Res. 67, setting forth the Congressional Budget for the United States Government for fiscal years 1996 through 2002, and to consider pending nominations.

SD–430

10:00 a.m.

Governmental Affairs

Business meeting, to consider recommendations which it will make to the Committee on the Budget with respect to spending reductions and revenue increases to meet reconciliation expenditures as imposed by H. Con. Res. 67, setting forth the congressional budget for the United States Government for fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002.

SD-342

Judiciary

Constitution, Federalism, and Property Rights Subcommittee

To hold joint hearings with the House Committee on Judiciary's Subcommittee on Constitution to examine the status and future of affirmative action, focusing on minority contracting.

SD-226

SEPTEMBER 26

9:30 a.m.

Commerce, Science, and Transportation

Business meeting, to consider recommendations which it will make to the Committee on the Budget with respect to spending reductions and revenue increases to meet reconciliation expenditures as imposed by H. Con. Res. 67, setting forth the congressional budget for the United States Government for fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002.

SR-253

SEPTEMBER 27

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Environment and Public Works

To hold hearings on the nomination of Kathleen A. McGinty, of Pennsylvania, to be a Member of the Council on Environmental Quality.

SD-406

SEPTEMBER 28

9:30 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to examine the use of ethanol's impact on clean air and the farm economy.

SR-328A

10:00 a.m.

Banking, Housing, and Urban Affairs

To hold hearings on proposed legislation to reform public housing and tenant based section 8 assistance.

SD-538

1:30 p.m.

Judiciary

Immigration Subcommittee

To hold hearings to examine non-immigrant immigration issues.

SD-106

2:00 p.m.

Judiciary

To hold hearings on pending nominations.

SD-226

SEPTEMBER 29

10:00 a.m.

Judiciary

To hold hearings to examine religious liberty in the United States.

SD-226

OCTOBER 25

10:00 a.m.

Veterans' Affairs

To hold hearings to examine veterans' employment issues.

SR-418

POSTPONEMENTS

SEPTEMBER 26

9:30 a.m.

Commerce, Science, and Transportation

Oceans and Fisheries Subcommittee

To hold oversight hearings on the science of slow management and hatchery supplementation, focusing on the recovery of Snake River anadromous species.

SR-253

10:00 a.m.

Judiciary

To hold hearings to review the incident which occurred in Waco, Texas.

SD-106

SEPTEMBER 27

10:00 a.m.

Judiciary

To continue hearings to review the incident which occurred in Waco, Texas.

SD-106

HOUSE OF REPRESENTATIVES—*Thursday, September 21, 1995*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. HAYWORTH].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 21, 1995.

I hereby designate the Honorable J.D. HAYWORTH to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Let us pray using the words of St. Francis.

Lord, make us instruments of Your peace. Where there is hatred, let us sow love; where there is injury, pardon; where there is discord, union; where there is doubt, faith; where there is despair, hope; where there is darkness, light; where there is sadness, joy.

Grant that we may not so much seek to be consoled as to console; to be understood as to understand; to be loved as to love.

For it is in giving that we receive; it is in pardoning that we are pardoned; and it is in dying that we are born to eternal life. Amen.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S.J. Res. 20. Joint resolution granting the consent of Congress to the compact to provide for joint natural resource management and enforcement of laws and regulations pertaining to natural resources and boating at the Jennings Randolph Lake Project lying in Garrett County, Maryland and Mineral County, West Virginia, entered into between the States of West Virginia and Maryland; and

S. Con. Res. 27. Concurrent resolution correcting the enrollment of H.R. 402.

THE JOURNAL

The SPEAKER pro tempore (Mr. HAYWORTH). The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The gentlewoman from New York [Mrs. MALONEY] will lead the membership in the Pledge of Allegiance.

Mrs. MALONEY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain ten 1-minutes from each side.

SALMON FLUSH MODEL

(Mr. METCALF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. METCALF. Mr. Speaker, salmon rehabilitation on the Columbia River is required by the Endangered Species Act. In Washington State, a computer model called the flush model is being used by Federal agencies as the basis for Columbia River salmon recovery efforts. While this model is used to justify reservoir drawdowns and spend hundreds of millions of dollars of expenditures, its scientific base has never been made public nor subject to peer review.

Despite months of repeated requests, I have not been able to obtain this model. The Resources Committee, under Chairman YOUNG, will issue a formal request for a copy of this model, but this information should have been available for public and peer review before the planning and costs of salmon recovery began.

But I have to ask: What do they have to hide?

MEDICARE CUTS FOR TAX CUTS

(Mr. PALLONE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PALLONE. Mr. Speaker, today is Thursday, September 21, and we still have no Medicare plan from Speaker GINGRICH and the House Republican leadership.

As you know, we were supposed to have it yesterday, and today was supposed to be 1 day of hearings before the House Committee on Ways and Means on the plan. Instead, the meeting was delayed. It is now scheduled for tomorrow, and we still have no Medicare plan to outline how the Republican leadership is going to cut $270 billion from Medicare over the next 7 years.

The Democrats feel very strongly there should be at least 4 weeks of hearings on Medicare and Medicaid. We tried to bring that up in the House yesterday and were denied that by the Republican majority. Instead, we are going to have to have our own alternative hearings starting tomorrow and going into next week just so that the American people can find out what the Republican plan is for cutting Medicare and Medicaid, how they are going to implement it, and how they are going to figure out what they are going to do to prevent the fact, to prevent all the tax cuts for Medicare cuts.

SPEAK OUT AGAINST VIOLENCE

(Mrs. MYRICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MYRICK. Mr. Speaker, I could not let another day go by without commenting on two senseless incidents that have happened in the last week that are very, very frustrating to me.

One of them was in my own home city of Charlotte, where a teenager, a high school student, was senselessly gunned down in a drive-by shooting. It was not the first time it has happened, there or in other parts of the country.

Last week there was an incident in Los Angeles where a young couple made a wrong turn. When they tried to turn around, they were stopped by a gang of youths who literally fired into their car, killed a 2-year-old, injured a 2-year-old and an adult.

I just ask: What has happened in America, and how long are we going to stand back and allow this to go on without us as a people speaking up? I mean, it is just like it has become so common and everyday what we do, feel, or say, that is just the way it is. We ignore it.

I implore everybody, no matter where you live in this country, to start to speak out, to let your voice be heard and to say we are not going to tolerate this type of behavior in this great land of the United States any longer.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The gallery is reminded they must refrain from applause or other editorial comments during the course of proceedings.

MEDICARE IS THE REAL CONTRACT WITH AMERICA

(Mrs. MALONEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MALONEY. Mr. Speaker, the Republican plan to cut Medicare by $270 billion strikes a mortal blow to health security for all senior citizens. Their plan to hold just 1 day of hearings is an insult to democracy.

We had 28 days of hearings for Whitewater, 10 days for Waco, 8 days for Ruby Ridge, and we are having 1 day only, only 1 day, for Medicare. I defy anyone to find an American anywhere in this country outside of Washington, DC, who agrees with that legislative agenda.

They are cutting $270 billion to preserve corporate welfare, extravagant defense spending, and tax cuts. The result for senior citizens is higher premiums, less access, low-quality health care, and, in many cases, poverty.

The $270 billion cut is far in excess of what is needed to keep Medicare solvent, yet Republicans have the gall to say they are saving Medicare.

They will save Medicare, all right. It will be a classic case of the operation was a success, but the patient died.

Let us have real hearings. Medicare is the real contract with the American people.

INTRODUCTION OF THE MEDICARE PRESERVATION ACT

(Mr. HOKE asked and was given permission to address the House for 1 minute.)

Mr. HOKE. Mr. Speaker, today being introduced in the House of Representatives is the Medicare Preservation Act, a comprehensive plan for a better Medicare.

What you have heard from the other side and what you hear repeatedly is this notion there have not been hearings or there will not be hearings. It is simply not true.

The fact is, and everybody knows it, that we have been dealing with this problem now for at least 3 years, that it is clear the trustees of the Medicare trust fund have said the trust fund is going broke. We have to do something about it. We have to do something about it now.

There has been voluminous testimony, numerous, innumerable hearings, tens of thousands of pages of evidence that has been given, and that somehow this subject that has been aired as exhaustively as any subject has been in the United States in the past 3 years has not gotten hearings is absolutely ridiculous. It is untrue.

What we will do, and what we are going to do, and what the American people expect us to do, is to preserve, protect, and strengthen the Medicare Program.

THE AMERICAN PEOPLE NEED JOBS, NOT DEBATE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, AT&T, after having already laid off 20,000 American workers, announced it will lay off another 8,500, including 1,000 workers in Dayton, OH. AT&T said through a spokesman they are restructuring because our economy is so strong.

Some economy, folks. Check it out. Westinghouse cut 6,000 jobs, United Technologies 11,000, McDonnell Douglas 9,000, IBM 50,000, General Motors 100,000, Xerox, Eastman Kodak 40,000.

Truth is, ladies and gentlemen, while Congress fights over partisan politics, America is becoming a colony once again. The American workers are fighting for their very jobs. The American people need jobs, not debate.

THE LEGAL SERVICES CORPORATION

(Ms. VELÁZQUEZ asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. VELÁZQUEZ. Mr. Speaker, last week, by voting to terminate the Legal Services Corporation, Republicans committed one of the most shameful attacks on the working poor that I have ever witnessed.

In my own community, Brooklyn Legal Services is there day after day, whether it is intervening to save an elderly woman from eviction or helping tenants receive fair treatment from their landlord. Legal Services is there fighting for their forgotten people.

Mr. Speaker, the Constitution says that we are all entitled to equal protection under the law, but in today's society, some of us are ore equal than others. In this country, if you have the money to hire a good lawyer, you can make your way through our legal system. But if you are poor, you will lose regardless of whether you are right or wrong.

Nothing should come at the price of denying individuals their constitutional rights.

I urge my colleagues to support the Legal Services Corporation. Let us show the American people there are still Members in this House willing to fight for those in need of a helping hand.

Mr. Speaker, I rise before you today to express my outrage over last week's move by House Republicans to terminate the Legal Services Corporation. These actions represent a shameful attack on the poor of this country.

Mr. Speaker, many of my colleagues will argue that we cannot afford programs like the Legal Services Corporation in this time of fiscal constraint. But I challenge them, and I ask, "How can we not?"

Let me tell you about a life that the Brooklyn Legal Services Corporation saved. An 86-year-old latino woman—one of my community's abuelitas—who was to be evicted from her home. It seems the landlord wanted this elderly woman's apartment for his own use, and decided to solve the problem by throwing her out on the street. What he did not tell her, and what she did not know, was that under the law senior citizens are protected from such evictions. The landlord was maliciously tricking this woman into—literally—signing away her right to this apartment. Then, Brooklyn Legal Services Corporation stepped in. They assessed the woman of her rights, and halted an injustice that would have condemned her to a certain death on the streets.

This is not an occasional happening. Recently, a landlord in my district decided that because he was going to sell his apartment building he no longer needed to bother with its maintenance and upkeep, so he left the families living there to fend for themselves. The building deteriorated, and it became a place unfit to live in—let alone raise a family. Once again, Brooklyn Legal Services Corporation intervened, and worked to get the building updated. Today, these families have a clean and safe building.

Mr. Speaker, the Constitution says we are all entitled to equal protection under the law, but in today's society some of us seem to be more equal than others. You see, in this country if you have the money to hire a good lawyer, you can make your way through our legal system. If you are poor, new to this country, or don't understand the legal system, however, you will lose regardless of whether you are right or wrong. That's why the efforts of the Legal Services Corporation are so important. They are in over 900 communities, working to make sure that those who need help have a fighting chance.

I urge my colleagues to support the efforts of the LSC. Let us show the American people that there are still Members in Congress willing to fight for those in need of a helping hand.

DEAL WITH THE FACTS ABOUT MEDICARE

(Mr. RIGGS asked and was given permission to address the House for 1 minute.)

Mr. RIGGS. Mr. Speaker, our liberal colleagues on the other side of the aisle have a very distorted view of politics. They equate leadership with scaring people, and they figure the only way they can shape events is by fear, by intimidation, and by denying reality.

This has had a fraudulent approach to politics, and it ultimately cheats the American people out of good government, does a disservice to our whole country.

Let us look at Medicare. We have been hearing these constant complaints. We saw this ranting and raving yesterday in the Halls of Congress regarding our proposal to protect and save and strengthen Medicare.

Where is the Democratic plan? One can only deduce by the lack of any plan from the Democrats they are prepared to vote for a drastic increase in payroll taxes or to ration health care benefits or even worse, to bankrupt Medicare.

Mr. Speaker, saving Medicare means dealing with the facts and leading, not denying the facts and scaring Americans.

SLOW DOWN ON MEDICARE

(Mr. GUTIERREZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTIERREZ. Mr. Speaker, with all the changes the Republicans are making, we should put some new signs to warn everybody.

Like the new highway bill, your State could have a new speed limit, not 65 miles an hour, but 65 plus.

There is another new limit that people should know about. Take a look, it is the Republican health care limit, 65 years old. That is right. When the Republicans raid Medicare, there is going to be a limit on affordable health care for every senior citizen, so if you depend on your car, you are going over 65, do not worry about it, you are safe.

But if you depend on Medicare and you are over 65, watch out, the GOP has its sights on you. They are going to pull you over, hand you a big ticket, just so that they can pay out the powerful few who paid for this victory last November. That is why there is a new health limit in America, but there is no limit on how low the Republicans will stoop. They will add to the wealth of the upper class and destroy the health of the middle class.

So, slow down, Mr. Speaker, because you are going too fast.

SAY IT AGAIN, SAM

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, the gentleman from Florida [Mr. GIBBONS] is one of the authentic heroes of this body. This man was a paratrooper in World War II. He reclaimed Europe from the Nazi blitzkrieg. He has served the public interest from the day he was old enough to do anything. He loves that flag more than anyone.

As ranking member on the Committee on Ways and Means, he has served there longer and knows more about Medicaid and Medicare than anyone in this body, and yesterday he had every right to blow up because he found there were no facts, there was no plan, there were no details, and that is very troubling.

We are being accused of trying to scare senior citizens. Well, if their plan is so non-scary, why can they not show it? The best assurance he got was if they ever get a plan, they will give 1 whole day of hearings to that plan. That is wrong.

Say it again, SAM; say it again, SAM; and say it again, SAM.

INTRODUCTION OF THE CONGRESSIONAL PAY ACCOUNTABILITY ACT OF 1995

(Mr. BUNN of Oregon asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUNN of Oregon. Mr. Speaker, as we come to the end of the fiscal year, many of my colleagues on the other side of the aisle seem more concerned about their salaries rather than the important issue of balancing the budget.

My Republican colleagues and I are committed to delivering on our promise of balancing the budget, and now is the time to show how serious we are.

That is why I introduced H.R. 2351, the Congressional Pay Accountability Act. This bill will show the American people that we are serious. H.R. 2351 requires that Congress return to appropriating Members of Congress each year just as they used to do. It is simple. If the appropriations bills do not pass, we do not get paid.

Yesterday, I met with Federal employees from my district who said, "We are scared. We have to pay rent. We have car payments to pay. We have food to buy for our families, and Congress is playing with our lives." I said, no; we are going to put ourselves in the same position that you are in and expect the same kind of treatment that you receive. We have to get behind balancing the budget. We have to take it seriously. We have to show that we are serious and will not get paid until the job is done.

My bill will prove just how serious we are. I ask my colleagues to join me by cosponsoring this important piece of legislation to show the American people that we are willing to put our money where our mouth is.

□ 1015

ONLY 1 DAY

(Mr. GENE GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, no wonder there are brawls in the House of Congress. It turns out that the Republican plan to raid Medicare of $270 billion to pay for $245 billion in tax cuts. By a party-line vote the Republicans delayed the release of their plan and only committed to 1 day of hearings, maybe tomorrow.

We had 28 days of hearings on Whitewater, 10 days on hearings on Waco, and 8 days of hearings on Ruby Ridge, and I did not object to any of those hearings. That is what Congress is supposed to do, is to have hearings. But this shows the hypocrisy of the Republicans when they are taking only 1 day to hold hearings on their plan they are so proud of.

Why is the majority rushing the Medicare reform bill to the House floor for a vote before the 37 million elderly Americans and their families have time to review the plan? I think the answer is clear. The Republican majority, they do not want the American people to know what is in their Medicare reform bill because it does major surgery when only minor surgery is needed. The $270 billion cut for Medicare and the $245 billion cut in tax cuts, we can cure Medicare by cutting fraud, waste, and abuse, but not major surgery.

WHY ALL THE CRITICISM ON THE PROPOSED $245 BILLION TAX CUT

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, there has been so much political criticism of the proposed $245 billion tax cut—but what are the facts?

First, this tax cut is spread over 7 years and averages about $35 billion a year.

This is just 2 percent of Federal spending over that period. Federal spending has risen almost 300 percent over the last 15 years. Do you really think we cannot give just 2 percent back?

Second, some of this tax cut will go to upper income citizens—but most of it will go to lower and middle income people. Somehow, we never hear about that.

Third, DICK ARMEY, our Republican majority leader, has introduced a flat tax proposal that totally excludes from Federal income taxes the first $26,000 of income for a single person and the first $38,000 for a married couple.

This would do a whole lot more for poor people than all the political rhetoric coming from those who do not want to cut taxes at all.

The people of this Nation need some of their money back—the bureaucrats have taken too much for far too long.

TRUE INTENT OF THE REPUBLICANS' PLANS FOR MEDICARE

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, how can we preserve, protect, and save Medicare, as the Republicans claim to do, by cutting $270 billion out of Medicare and drastically increasing premium fees and payroll taxes for 37 million elderly Americans? We cannot do it, and that is why Republicans are hiding the details of their Medicare plan and holding no hearings. I ask, can you blame them?

Mr. Speaker, they do not want to talk about it. They are setting up the American people and the Congress for a railroading of their plan in less than 10 days, hoping everyone will forget. They hope that no one will know the true intent of this plan, and that is to give a tax cut for America's wealthiest.

Mr. Speaker, that is not right. Let us be open. Let us see the light of day of this Medicare plan, and let us debate it openly.

Democrats have an alternative, and Democrats want to protect Medicare.

THE REPUBLICANS' IGNORANCE-IS-BLISS WAY OF MAKING DECISIONS ON HOUSING PROGRAMS

(Ms. ROYBAL-ALLARD asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROYBAL-ALLARD. Mr. Speaker, the House Committee on Banking and Financial Services cut $2.4 billion in banking and housing services for poor and moderate-income Americans. These draconian cuts eliminated the RTC and FDIC affordable housing programs, the FHA Mortgage Assignment Program, the Multifamily Property Disposition System, and neutralized the Community Redevelopment Agency, among others.

Mr. Speaker, these cuts were not based on facts and insights from expert testimony or those impacted by those decisions. Why? Because not one public hearing was held regarding these programs.

During the bill's markup, Mr. Speaker, Republicans and Democrats asked questions that could not be answered, forcing members to make decisions on communities and their housing needs with little understanding of their impact. With these cuts, Mr. Speaker, far too many will suffer before we all realize the painful consequences of the committee's actions.

It is tragic Republicans have applied the same ignorance-is-bliss in determining key policy issues for America.

RAMMING THE MEDICARE PLAN THROUGH CONGRESS REPRESENTS A NEW LOW

(Ms. WOOLSEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, I have said before that the new majority is going too far, too fast, and now I add the words, "too low." Yes, the way they are trying to ram their Medicare plan through the Congress represents a new low in backroom attacks on our seniors.

Let us make it clear; The new majority is allowing only 1 day of hearings on their Medicare plan. I repeat 1 day of hearings.

As a former city council member, I can tell you that we had more debate on sidewalk improvements than Speaker GINGRICH will allow on Medicare which affects millions of seniors and their families. But, you know, if I was in the new majority, I'd be hiding their Medicare plan, too, because it increases premiums on seniors and takes away their choice of doctor for one reason, and for one reason only: to pay for one of the most outrageous and unfair tax giveaways in American history.

Mr. Speaker, let us see the full details of your Medicare plan. Let us have public hearings. Let us get it out in the open, because as far as I am concerned, a plan that cannot withstand the bright light of day simply is not good enough for the seniors and families of this country.

THE DEMOCRATS' WAY TO ECONOMIC PROSPERITY IS NONSENSE

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, it is fascinating to listen to the parade of people from the minority party come before this Congress and tell us why they are in the minority. They are in the minority in large part because they hate the idea of tax cuts. Giving tax cuts to the middle class is an absolute anathema to them, and so, therefore, they come to the floor day after day and suggest that the idea of giving tax cuts to the middle class is exactly the wrong national policy and we ought to do nothing in terms of a budget that would get us to tax cuts for the middle class, because after all, they know that if we simply give a bigger and bigger Federal Government more money, that that is the way to economic prosperity.

Mr. Speaker, it is nonsense. The American people understand that their entire concept is nonsense.

Now they are talking about Medicare. We have a program to strengthen Medicare in a way to assure that Medicare is there for people in the future. Otherwise in 7 years it goes broke. The Democrats have nothing. They are coming to the floor, and they have nothing. They have offered nothing, they are willing to debate nothing, they have no plan whatsoever. They are willing to countenance bankruptcy.

So understand what their budget policy is. Their budget policy is bankrupt the American family by taxing them to death, and bankrupt the Medicare system so that nobody has medical care in the future.

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY ACT OF 1995

The SPEAKER pro tempore (Mr. HAYWORTH). Pursuant to House Resolution 225 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 927.

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IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 927) to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes, with Mr. DUNCAN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, September 20, 1995, all time for general debate had expired.

Pursuant to the rule, the amendment in the nature of a substitute consisting of the text of H.R. 2347 is considered as an original bill for the purpose of amendment and is considered read.

The text of the amendment in the nature of a substitute is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Purposes.
Sec. 4. Definitions.

TITLE I—SEEKING SANCTIONS AGAINST THE CASTRO GOVERNMENT

Sec. 101. Statement of policy.
Sec. 102. Enforcement of the economic embargo of Cuba.
Sec. 103. Prohibition against indirect financing of the Castro dictatorship.
Sec. 104. United States opposition to Cuban membership in international financial institutions.
Sec. 105. United States opposition to ending the suspension of the Government of Cuba from the Organization of American States.
Sec. 106. Assistance by the Independent States of the former Soviet Union for the Cuban Government.
Sec. 107. Television broadcasting to Cuba.
Sec. 108. Reports on assistance and commerce received by Cuba from other foreign countries.
Sec. 109. Authorization of support for democratic and human rights groups and international observers.

Sec. 110. Withholding of foreign assistance from countries supporting nuclear plant in Cuba.

Sec. 111. Expulsion of criminals from Cuba.

TITLE II—ASSISTANCE TO A FREE AND INDEPENDENT CUBA

Sec. 201. Policy toward a transition government and a democratically elected government in Cuba.

Sec. 202. Assistance for the Cuban people.

Sec. 203. Coordination of assistance program; implementation and reports to Congress; reprogramming.

Sec. 204. Termination of the economic embargo of Cuba.

Sec. 205. Requirements for a transition government.

Sec. 206. Requirements for a democratically elected government.

TITLE III—PROTECTION OF PROPERTY RIGHTS OF UNITED STATES NATIONALS AGAINST CONFISCATORY TAKINGS BY THE CASTRO REGIME

Sec. 301. Statement of policy.

Sec. 302. Liability for trafficking in property confiscated from United States nationals.

Sec. 303. Determination of claims to confiscated property.

Sec. 304. Exclusivity of Foreign Claims Settlement Commission certification procedure.

TITLE IV—EXCLUSION OF CERTAIN ALIENS

Sec. 401. Exclusion from the United States of aliens who have confiscated property of United States nationals or who traffic in such property.

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The economy of Cuba has experienced a decline of at least 60 percent in the last 5 years as a result of—

(A) the end of its subsidization by the former Soviet Union of between 5 billion and 6 billion dollars annually;

(B) 36 years of Communist tyranny and economic mismanagement by the Castro government;

(C) the extreme decline in trade between Cuba and the countries of the former Soviet bloc; and

(D) the stated policy of the Russian Government and the countries of the former Soviet bloc to conduct economic relations with Cuba on strictly commercial terms.

(2) At the same time, the welfare and health of the Cuban people have substantially deteriorated as a result of this economic decline and the refusal of the Castro regime to permit free and fair democratic elections in Cuba.

(3) The Castro regime has made it abundantly clear that it will not engage in any substantive political reforms that would lead to democracy, a market economy, or an economic recovery.

(4) The repression of the Cuban people, including a ban on free and fair democratic elections, and continuing violations of fundamental human rights have isolated the Cuban regime as the only completely nondemocratic government in the Western Hemisphere.

(5) As long as free elections are not held in Cuba, the economic condition of the country and the welfare of the Cuban people will not improve in any significant way.

(6) The totalitarian nature of the Castro regime has deprived the Cuban people of any peaceful means to improve their condition and has led thousands of Cuban citizens to risk or lose their lives in dangerous attempts to escape from Cuba to freedom.

(7) Radio Marti and Television Marti have both been effective vehicles for providing the people of Cuba with news and information and have helped to bolster the morale of the people of Cuba living under tyranny.

(8) The consistent policy of the United States towards Cuba since the beginning of the Castro regime, carried out by both Democratic and Republican administrations, has sought to keep faith with the people of Cuba, and has been effective in sanctioning the totalitarian Castro regime.

(9) The United States has shown a deep commitment, and considers it a moral obligation, to promote and protect human rights and fundamental freedoms as expressed in the Charter of the United Nations and in the Universal Declaration of Human Rights.

(10) The Congress has historically and consistently manifested its solidarity and the solidarity of the American people with the democratic aspirations of the Cuban people.

(11) The Cuban Democracy Act of 1992 calls upon the President to encourage the governments of countries that conduct trade with Cuba to restrict their trade and credit relations with Cuba in a manner consistent with the purposes of that Act.

(12) The 1992 FREEDOM Support Act requires that the President, in providing economic assistance to Russia and the emerging Eurasian democracies, take into account the extent to which they are acting to "terminate support for the communist regime in Cuba, including removal of troops, closing military facilities, and ceasing trade subsidies and economic, nuclear, and other assistance".

(13) The Cuban Government engages in the illegal international narcotics trade and harbors fugitives from justice in the United States.

(14) The Castro government threatens international peace and security by engaging in acts of armed subversion and terrorism such as the training and supplying of groups dedicated to international violence.

(15) The Castro government has utilized from its inception and continues to utilize torture in various forms (including by psychiatry), as well as execution, exile, confiscation, political imprisonment, and other forms of terror and repression, as means of retaining power.

(16) Fidel Castro has defined democratic pluralism as "pluralistic garbage" and continues to make clear that he has no intention of tolerating the democratization of Cuban society.

(17) The Castro government holds innocent Cubans hostage in Cuba by no fault of the hostages themselves solely because relatives have escaped the country.

(18) Although a signatory state to the 1928 Inter-American Convention on Asylum and the International Covenant on Civil and Political Rights (which protects the right to leave one's own country), Cuba nevertheless surrounds embassies in its capital by armed forces to thwart the right of its citizens to seek asylum and systematically denies that right to the Cuban people, punishing them by imprisonment for seeking to leave the country and killing them for attempting to do so (as demonstrated in the case of the confirmed murder of over 40 men, women, and children who were seeking to leave Cuba on July 13, 1994).

(19) The Castro government continues to utilize blackmail, such as the immigration crisis with which it threatened the United States in the summer of 1994, and other unacceptable and illegal forms of conduct to influence the actions of sovereign states in the Western Hemisphere in violation of the Charter of the Organization of American States and other international agreements and international law.

(20) The United Nations Commission on Human Rights has repeatedly reported on the unacceptable human rights situation in Cuba and has taken the extraordinary step of appointing a Special Rapporteur.

(21) The Cuban Government has consistently refused access to the Special Rapporteur and formally expressed its decision not to "implement so much as one comma" of the United Nations Resolutions appointing the Rapporteur.

(22) The United Nations General Assembly passed Resolution 1992/70 on December 4, 1992, Resolution 1993/48/142 on December 20, 1993, and Resolution 1994/49/544 on October 19, 1994, referencing the Special Rapporteur's reports to the United Nations and condemning "violations of human rights and fundamental freedoms" in Cuba.

(23) Article 39 of Chapter VII of the United Nations Charter provides that the United Nations Security Council "shall determine the existence of any threat to the peace, breach of the peace, or act of aggression and shall make recommendations, or decide what measures shall be taken . . ., to maintain or restore international peace and security.".

(24) The United Nations has determined that massive and systematic violations of human rights may constitute a "threat to peace" under Article 39 and has imposed sanctions due to such violations of human rights in the cases of Rhodesia, South Africa, Iraq, and the former Yugoslavia.

(25) In the case of Haiti, a neighbor of Cuba not as close to the United States as Cuba, the United States led an effort to obtain and did obtain a United Nations Security Council embargo and blockade against that country due to the existence of a military dictatorship in power less than 3 years.

(26) United Nations Security Council Resolution 940 of July 31, 1994, subsequently authorized the use of "all necessary means" to restore the "democratically elected government of Haiti", and the democratically elected government of Haiti was restored to power on October 15, 1994.

(27) The Cuban people deserve to be assisted in a decisive manner to end the tyranny that has oppressed them for 36 years and the continued failure to do so constitutes ethically improper conduct by the international community.

(28) For the past 36 years, the Cuban Government has posed and continues to pose a national security threat to the United States.

SEC. 3. PURPOSES.

The purposes of this Act are as follows:

(1) To assist the Cuban people in regaining their freedom and prosperity, as well as in joining the community of democracies that are flourishing in the Western Hemisphere.

(2) To seek international sanctions against the Castro government in Cuba.

(3) To encourage the holding of free and fair democratic elections in Cuba, conducted under the supervision of internationally recognized observers.

(4) To develop a plan for furnishing assistance to a transition government and, subsequently, to a democratically elected government when such governments meet the eligibility requirements of this Act.

(5) To protect property rights abroad of United States nationals.

(6) To provide for the continued national security of the United States in the face of continuing threats from the Castro government of terrorism, theft of property from United States nationals, and domestic repression from which refugees flee to United States shores.

SEC. 4. DEFINITIONS.

As used in this Act, the following terms have the following meanings:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means the Committee on International Relations, the Committee on Ways and Means, and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations, the Committee on Finance, and the Committee on Appropriations of the Senate.

(2) COMMERCIAL ACTIVITY.—The term "commercial activity" has the meaning given that term in section 1603(d) of title 28, United States Code.

(3) CONFISCATED.—As used in titles I and III, the term "confiscated" refers to—

(A) the nationalization, expropriation, or other seizure by the Cuban Government of ownership or control of property, on or after January 1, 1959—

(i) without the property having been returned or adequate and effective compensation provided; or

(ii) without the claim to the property having been settled pursuant to an international claims settlement agreement or other mutually accepted settlement procedure; and

(B) the repudiation by the Cuban Government of, the default by the Cuban Government on, or the failure by the Cuban Government to pay, on or after January 1, 1959—

(i) a debt of any enterprise which has been nationalized, expropriated, or otherwise taken by the Cuban Government;

(ii) a debt which is a charge on property nationalized, expropriated, or otherwise taken by the Cuban Government; or

(iii) a debt which was incurred by the Cuban Government in satisfaction or settlement of a confiscated property claim.

(4) CUBAN GOVERNMENT.—(A) The term "Cuban Government" includes the government of any political subdivision of Cuba, and any agency or instrumentality of the Government of Cuba.

(B) For purposes of subparagraph (A), the term "agency or instrumentality of the Government of Cuba" means an agency or instrumentality of a foreign state as defined in section 1603(b) of title 28, United States Code, with "Cuba" substituted for "a foreign state" each place it appears in such section.

(5) DEMOCRATICALLY ELECTED GOVERNMENT IN CUBA.—The term "democratically elected government in Cuba" means a government determined by the President to have met the requirements of section 206.

(6) ECONOMIC EMBARGO OF CUBA.—The term "economic embargo of Cuba" refers to the economic embargo imposed against Cuba pursuant to section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)), section 5(b) of the Trading With the Enemy Act (50 U.S.C. App. 5(b)), the International Emergency Economic Powers Act (50 U.S.C. 1701 and following), and the Export Administration Act of 1979 (50 U.S.C. App. 2401 and following), as modified by the Cuban Democracy Act of 1992 (22 U.S.C. 6001 and following).

(7) FOREIGN NATIONAL.—The term "foreign national" means—

(A) an alien; or

(B) any corporation, trust, partnership, or other juridical entity not organized under the laws of the United States, or of any State, the District of Columbia, the Commonwealth of Puerto Rico, or any other territory or possession of the United States.

(8) KNOWINGLY.—The term "knowingly" means with knowledge or having reason to know.

(9) PROPERTY.—(A) The term "property" means any property (including patents, copyrights, trademarks, and any other form of intellectual property), whether real, personal, or mixed, and any present, future, or contingent right, security, or other interest therein, including any leasehold interest.

(B) For purposes of title III of this Act, the term "property" shall not include real property used for residential purposes unless, as of the date of the enactment of this Act—

(i) the claim to the property is owned by a United States national and the claim has been certified under title V of the International Claims Settlement Act of 1949; or

(ii) the property is occupied by a member or official of the Cuban Government or the ruling political party in Cuba.

(10) TRAFFICS.—(A) As used in title III, a person or entity "traffics" in property if that person or entity knowingly and intentionally—

(i) sells, transfers, distributes, dispenses, brokers, manages, or otherwise disposes of confiscated property, or purchases, leases, receives, possesses, obtains control of, manages, uses, or otherwise acquires or holds an interest in confiscated property,

(ii) engages in a commercial activity using or otherwise benefiting from confiscated property, or

(iii) causes, directs, participates in, or profits from, trafficking (as described in clauses (i) and (ii)) by another person, or otherwise engages in trafficking (as described in clauses (i) and (ii)) through another person,

without the authorization of the United States national who holds a claim to the property.

(B) The term "traffics" does not include—

(i) the delivery of international telecommunication signals to Cuba that are authorized by section 1705(e) of the Cuban Democracy Act of 1992 (22 U.S.C. 6004(e)); or

(ii) the trading or holding of securities publicly traded or held, unless the trading is with or by a person determined by the Secretary of the Treasury to be a specially designated national.

(11) TRANSITION GOVERNMENT IN CUBA.—The term "transition government in Cuba" means a government determined by the President to have met the requirements of section 205.

(12) UNITED STATES NATIONAL.—The term "United States national" means—

(A) any United States citizen; or

(B) any other legal entity which is organized under the laws of the United States, or of any State, the District of Columbia, the Commonwealth of Puerto Rico, or any other territory or possession of the United States, and which has its principal place of business in the United States.

TITLE I—SEEKING SANCTIONS AGAINST THE CASTRO GOVERNMENT

SEC. 101. STATEMENT OF POLICY.

It is the sense of the Congress that—

(1) the acts of the Castro government, including its massive, systematic, and extraordinary violations of human rights, are a threat to international peace;

(2) the President should advocate, and should instruct the United States Permanent Representative to the United Nations to propose and seek, within the Security Council, a mandatory international embargo against the totalitarian Cuban Government pursuant to chapter VII of the Charter of the United Nations, which is similar to measures taken by United States representatives with respect to Haiti; and

(3) any resumption or commencement of efforts by any state to make operational the nuclear facility at Cienfuegos, Cuba, will have a detrimental impact on United States assistance to and relations with that state.

SEC. 102. ENFORCEMENT OF THE ECONOMIC EMBARGO OF CUBA.

(a) POLICY.—(1) The Congress hereby reaffirms section 1704(a) of the Cuban Democracy Act of 1992 that states the President should encourage foreign countries to restrict trade and credit relations with Cuba.

(2) The Congress further urges the President to take immediate steps to apply the sanctions described in section 1704(b) of that Act against countries assisting Cuba.

(b) DIPLOMATIC EFFORTS.—The Secretary of State shall ensure that United States diplomatic personnel abroad understand and, in their contacts with foreign officials, are communicating the reasons for the United States economic embargo of Cuba, and are urging foreign governments to cooperate more effectively with the embargo.

(c) EXISTING REGULATIONS.—The President should instruct the Secretary of the Treasury and the Attorney General to enforce fully the Cuban Assets Control Regulations set forth in part 515 of title 31, Code of Federal Regulations.

(d) TRADING WITH THE ENEMY ACT.—

(1) CIVIL PENALTIES.—Subsection (b) of section 16 of the Trading With the Enemy Act (50 U.S.C. App. 16(b)) is amended to read as follows:

"(b)(1) A civil penalty of not to exceed $50,000 may be imposed by the Secretary of the Treasury on any person who violates any license, order, rule, or regulation issued in compliance with the provisions of this Act.

"(2) Any property, funds, securities, papers, or other articles or documents, or any vessel, together with its tackle, apparel, furniture, and equipment, that is the subject of a violation under paragraph (1) shall, at the discretion of the Secretary of the Treasury, be forfeited to the United States Government.

"(3) The penalties provided under this subsection may not be imposed for—

"(A) news gathering, research, or the export or import of, or transmission of, information or informational materials; or

"(B) clearly defined educational or religious activities, or activities of recognized human rights organizations, that are reasonably limited in frequency, duration, and number of participants.

"(4) The penalties provided under this subsection may be imposed only on the record after opportunity for an agency hearing in accordance with sections 554 through 557 of title 5, United States Code, with the right to prehearing discovery.

"(5) Judicial review of any penalty imposed under this subsection may be had to the extent provided in section 702 of title 5, United States Code.".

(2) FORFEITURE OF PROPERTY USED IN VIOLATION.—Section 16 of the Trading With the Enemy Act is further amended by striking subsection (c).

(3) CLERICAL AMENDMENT.—Section 16 of the Trading With the Enemy Act is further amended by inserting "SEC. 16." before "(a)".

(e) COVERAGE OF DEBT-FOR-EQUITY SWAPS BY ECONOMIC EMBARGO OF CUBA.—Section 1704(b)(2) of the Cuban Democracy Act of 1992 (22 U.S.C. 6003(b)(2)) is amended—

(1) by striking "and" at the end of subparagraph (A);

(2) by redesignating subparagraph (B) as subparagraph (C); and

(3) by inserting after subparagraph (A) the following new subparagraph:

"(B) includes an exchange, reduction, or forgiveness of Cuban debt owed to a foreign country in return for a grant of an equity interest in a property, investment, or operation of the Government of Cuba (including the government of any political subdivision of Cuba, and any agency or instrumentality of the Government of Cuba) or of a Cuban national; and"; and

(4) by adding at the end the following flush sentence:

"As used in this paragraph, the term 'agency or instrumentality of the Government of Cuba' means an agency or instrumentality of a foreign state as defined in section 1603(b) of title 28, United States Code, with 'Cuba' substituted for 'a foreign state' each place it appears in such section.".

SEC. 103. PROHIBITION AGAINST INDIRECT FINANCING OF THE CASTRO DICTATORSHIP.

(a) PROHIBITION.—Notwithstanding any other provision of law, no loan, credit, or other financing may be extended knowingly by a United States national, permanent resident alien, or United States agency, to a foreign national, United States national, or permanent resident alien, in order to finance transactions involving any confiscated property the claim to which is owned by a United States national as of the date of the enactment of this Act.

(b) TERMINATION OF PROHIBITION.—The prohibition of subsection (a) shall cease to apply on the date on which the economic embargo of Cuba terminates under section 205.

(c) PENALTIES.—Violations of subsection (a) shall be punishable by the same penalties as are applicable to violations of the Cuban Assets Control Regulations set forth in part 515 of title 31, Code of Federal Regulations.

(d) DEFINITIONS.—As used in this section—

(1) the term "permanent resident alien" means an alien admitted for permanent residence into the United States; and

(2) the term "United States agency" has the meaning given the term "agency" in section 551(1) of title 5, United States Code.

SEC. 104. UNITED STATES OPPOSITION TO CUBAN MEMBERSHIP IN INTERNATIONAL FINANCIAL INSTITUTIONS.

(a) CONTINUED OPPOSITION TO CUBAN MEMBERSHIP IN INTERNATIONAL FINANCIAL INSTITUTIONS.—(1) Except as provided in paragraph (2), the Secretary of the Treasury shall instruct the United States executive director to each international financial institution to use the voice and vote of the United States to oppose the admission of Cuba as a member of that institution until the President submits a determination under section 203(c)(3) that a democratically elected government in Cuba is in power.

(2) Once the President submits a determination under section 203(c)(1) that a transition government in Cuba is in power, the President is encouraged to take steps to support the processing of Cuba's application for membership in any international financial institution, subject to the membership taking effect after a democratically elected government in Cuba is in power.

(b) REDUCTION IN UNITED STATES PAYMENTS TO INTERNATIONAL FINANCIAL INSTITUTIONS.—If any international financial institution approves a loan or other assistance to the Cuban Government over the opposition of the United States, then the Secretary of the Treasury shall withhold from payment to that institution an amount equal to the amount of the loan or other assistance to the Cuban Government, with respect to each of the following types of payment:

(1) The paid-in portion of the increase in capital stock of the institution.

(2) The callable portion of the increase in capital stock of the institution.

(c) DEFINITION.—For purposes of this section, the term "international financial institution" means the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guaranty Agency, and the Inter-American Development Bank.

SEC. 105. UNITED STATES OPPOSITION TO ENDING THE SUSPENSION OF THE GOVERNMENT OF CUBA FROM THE ORGANIZATION OF AMERICAN STATES.

The President should instruct the United States Permanent Representative to the Organization of American States to use the voice and vote of the United States to oppose ending the suspension of the Government of Cuba from the Organization until the President determines under section 203(c)(3) that a democratically elected government in Cuba is in power.

SEC. 106. ASSISTANCE BY THE INDEPENDENT STATES OF THE FORMER SOVIET UNION FOR THE CUBAN GOVERNMENT.

(a) REPORTING REQUIREMENT.—Not later than 90 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report detailing progress towards the withdrawal of personnel of any independent state of the former Soviet Union (within the meaning of section 3 of the FREEDOM Support Act (22 U.S.C. 5801)), including advisers, technicians, and military personnel, from the Cienfuegos nuclear facility in Cuba.

(b) CRITERIA FOR ASSISTANCE.—Section 498A(a)(11) of the Foreign Assistance Act of 1961 (22 U.S.C. 2295a(a)(11)) is amended by striking "of military facilities" and inserting "military and intelligence facilities, including the military and intelligence facilities at Lourdes and Cienfuegos".

(c) INELIGIBILITY FOR ASSISTANCE.—(1) Section 498A(b) of that Act (22 U.S.C. 2295a(b)) is amended—

(A) by striking "or" at the end of paragraph (4);

(B) by redesignating paragraph (5) as paragraph (6); and

(C) by inserting after paragraph (4) the following:

"(5) for the government of any independent state effective 30 days after the President has determined and certified to the appropriate congressional committees (and Congress has not enacted legislation disapproving the determination within that 30-day period) that such government is providing assistance for, or engaging in nonmarket based trade (as defined in section 498B(k)(3)) with, the Cuban Government; or".

(2) Subsection (k) of section 498B of that Act (22 U.S.C. 2295b(k)), is amended by adding at the end the following:

"(3) NONMARKET BASED TRADE.—As used in section 498A(b)(5), the term 'nonmarket based trade' includes exports, imports, exchanges, or other arrangements that are provided for goods and services (including oil and other petroleum products) on terms more favorable than those generally available in applicable markets or for comparable commodities, including—

"(A) exports to the Cuban Government on terms that involve a grant, concessional price, guaranty, insurance, or subsidy;

"(B) imports from the Cuban Government at preferential tariff rates;

"(C) exchange arrangements that include advance delivery of commodities, arrangements in which the Cuban Government is not held accountable for unfulfilled exchange contracts, and arrangements under which Cuba does not pay appropriate transportation, insurance, or finance costs; and

"(D) the exchange, reduction, or forgiveness of Cuban debt in return for a grant by the Cuban Government of an equity interest in a property, investment, or operation of the Cuban Government or of a Cuban national.

"(4) CUBAN GOVERNMENT.—(A) The term 'Cuban Government' includes the government of any political subdivision of Cuba, and any agency or instrumentality of the Government of Cuba.

"(B) For purposes of subparagraph (A), the term 'agency or instrumentality of the Government of Cuba' means an agency or instrumentality of a foreign state as defined in section 1603(b) of title 28, United States Code, with 'Cuba' substituted for 'a foreign state' each place it appears in such section.".

(d) FACILITIES AT LOURDES, CUBA.—(1) The Congress expresses its strong disapproval of the extension by Russia of credits equivalent to approximately $200,000,000 in support of the intelligence facility at Lourdes, Cuba, in November 1994.

(2) Section 498A of the Foreign Assistance Act of 1961 (22 U.S.C. 2295a) is amended by adding at the end the following new subsection:

"(d) REDUCTION IN ASSISTANCE FOR SUPPORT OF INTELLIGENCE FACILITIES IN CUBA.—(1) Notwithstanding any other provision of law, the President shall withhold from assistance provided, on or after the date of the enactment of this subsection, for an independent state of the former Soviet Union under this chapter an amount equal to the sum of assistance and credits, if any, provided on or after such date by such state in support of intelligence facilities in Cuba, including the intelligence facility at Lourdes, Cuba.

"(2)(A) The President may waive the requirement of paragraph (1) to withhold assistance if the President certifies to the appropriate congressional committees that the provision of such assistance is important to the national security of the United States, and, in the case of such a certification made with respect to Russia, if the President certifies that the Russian Government has assured the United States Government that the Russian Government is not sharing intelligence data collected at the Lourdes facility with officials or agents of the Cuban Government.

"(B) At the time of a certification made with respect to Russia pursuant to subparagraph (A), the President shall also submit to the appropriate congressional committees a report describing the intelligence activities of Russia in Cuba, including the purposes for which the Lourdes facility is used by the Russian Government and the extent to which the Russian Government provides payment or government credits to the Cuban Government for the continued use of the Lourdes facility.

"(C) The report required by subparagraph (B) may be submitted in classified form.

"(D) For purposes of this paragraph, the term 'appropriate congressional committees' includes the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate.

"(3) The requirement of paragraph (1) to withhold assistance shall not apply with respect to—

"(A) assistance to meet urgent humanitarian needs, including disaster and refugee relief;

"(B) democratic political reform and rule of law activities;

"(C) technical assistance for safety upgrades of civilian nuclear power plants;

"(D) the creation of private sector and nongovernmental organizations that are independent of government control;

"(E) the development of a free market economic system; and

"(F) assistance for the purposes described in the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103-160).".

SEC. 107. TELEVISION BROADCASTING TO CUBA.

(a) CONVERSION TO UHF.—The Director of the United States Information Agency shall implement a conversion of television broadcasting to Cuba under the Television Marti Service to ultra high frequency (UHF) broadcasting.

(b) PERIODIC REPORTS.—Not later than 45 days after the date of the enactment of this Act, and every three months thereafter until the conversion described in subsection (a) is fully implemented, the Director of the United States Information Agency shall submit a report to the appropriate congressional committees on the progress made in carrying out subsection (a).

(c) TERMINATION OF BROADCASTING AUTHORITIES.—Upon transmittal of a determination under section 203(c)(3), the Television Broadcasting to Cuba Act (22 U.S.C. 1465aa and following) and the Radio Broadcasting to Cuba Act (22 U.S.C. 1465 and following) are repealed.

SEC. 108. REPORTS ON ASSISTANCE AND COMMERCE RECEIVED BY CUBA FROM OTHER FOREIGN COUNTRIES.

(a) REPORTS REQUIRED.—Not later than 90 days after the date of the enactment of this Act, and every year thereafter, the President shall submit a report to the appropriate congressional committees on assistance and commerce received by Cuba from other foreign countries during the preceding 12-month period.

(b) CONTENTS OF REPORTS.—Each report required by subsection (a) shall, for the period covered by the report, contain the following, to the extent such information is known:

(1) A description of all bilateral assistance provided to Cuba by other foreign countries, including humanitarian assistance.

(2) A description of Cuba's commerce with foreign countries, including an identification of Cuba's trading partners and the extent of such trade.

(3) A description of the joint ventures completed, or under consideration, by foreign nationals involving facilities in Cuba, including an identification of the location of the facilities involved and a description of the terms of agreement of the joint ventures and the names of the parties that are involved.

(4) A determination whether or not any of the facilities described in paragraph (3) is the subject of a claim by a United States national.

(5) A determination of the amount of Cuban debt owed to each foreign country, including—

(A) the amount of debt exchanged, forgiven, or reduced under the terms of each investment or operation in Cuba involving foreign nationals; and

(B) the amount of debt owed to the foreign country that has been exchanged, reduced, or forgiven in return for a grant by the Cuban Government of an equity interest in a property, investment, or operation of the Cuban Government or of a Cuban national.

(6) A description of the steps taken to ensure that raw materials and semifinished or finished goods produced by facilities in Cuba involving foreign nationals do not enter the United States market, either directly or through third countries or parties.

(7) An identification of countries that purchase, or have purchased, arms or military supplies from the Cuban Government or that otherwise have entered into agreements with the Cuban Government that have a military application, including—

(A) a description of the military supplies, equipment, or other materiel sold, bartered, or exchanged between the Cuban Government and such countries;

(B) a listing of the goods, services, credits, or other consideration received by the Cuban Government in exchange for military supplies, equipment, or materiel; and

(C) the terms or conditions of any such agreement.

SEC. 109. AUTHORIZATION OF SUPPORT FOR DEMOCRATIC AND HUMAN RIGHTS GROUPS AND INTERNATIONAL OBSERVERS.

(a) AUTHORIZATION.—Notwithstanding any other provision of law, except for section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394-1) and comparable notification requirements contained in any Act making appropriations for foreign operations, export financing, and related programs, the President is authorized to furnish assistance and provide other support for individuals and independent nongovernmental organizations to support democracy-building efforts for Cuba, including the following:

(1) Published and informational matter, such as books, videos, and cassettes, on transitions to democracy, human rights, and market economies, to be made available to independent democratic groups in Cuba.

(2) Humanitarian assistance to victims of political repression, and their families.

(3) Support for democratic and human rights groups in Cuba.

(4) Support for visits and permanent deployment of independent international human rights monitors in Cuba.

(b) OAS EMERGENCY FUND.—(1) The President shall take the necessary steps to encourage the Organization of American States to create a special emergency fund for the explicit purpose of deploying human rights observers, election support, and election observation in Cuba.

(2) The President should instruct the United States Permanent Representative to the Organization of American States to encourage other member states of the Organization to join in calling for the Cuban Government to allow the immediate deployment of independent human rights monitors of the Organization throughout Cuba and on-site visits to Cuba by the Inter-American Commission on Human Rights.

(3) Notwithstanding section 307 of the Foreign Assistance Act of 1961 (22 U.S.C. 2227) or any other provision of law limiting the United States proportionate share of assistance to Cuba by any international organization, the President should provide not less than $5,000,000 of the voluntary contributions of the United States to the Organization of American States as of the date of the enactment of this Act solely for the purposes of the special fund referred to in paragraph (1).

SEC. 110. WITHHOLDING OF FOREIGN ASSISTANCE FROM COUNTRIES SUPPORTING NUCLEAR PLANT IN CUBA.

(a) FINDINGS.—The Congress makes the following findings:

(1) President Clinton stated in April 1993 that "the United States opposes the construction of the Juragua nuclear power plant because of our concerns about Cuba's ability to ensure the safe operation of the facility and because of Cuba's refusal to sign the Nuclear Non-Proliferation Treaty or ratify the Treaty of Tlatelolco.".

(2) Cuba has not signed the Treaty on the Non-Proliferation of Nuclear Weapons or ratified the Treaty of Tlatelolco, the latter of which establishes Latin America and the Caribbean as a nuclear weapons-free zone.

(3) The State Department, the Nuclear Regulatory Commission, and the Department of Energy have expressed concerns about the construction and operation of Cuba's nuclear reactors.

(4) In a September 1992 report to Congress, the General Accounting Office outlined concerns among nuclear energy experts about deficiencies in the nuclear plant project in Juragua, near Cienfuegos, Cuba, including—

(A) a lack in Cuba of a nuclear regulatory structure;

(B) the absence in Cuba of an adequate infrastructure to ensure the plant's safe operation and requisite maintenance;

(C) the inadequacy of training of plant operators;

(D) reports by a former technician from Cuba who, by examining with x-rays weld sites believed to be part of the auxiliary plumbing system for the plant, found that 10 to 15 percent of those sites were defective;

(E) since September 5, 1992, when construction on the plant was halted, the prolonged exposure to the elements, including corrosive salt water vapor, of the primary reactor components; and

(F) the possible inadequacy of the upper portion of the reactors' dome retention capability to withstand only 7 pounds of pressure per square inch, given that normal atmospheric pressure is 32 pounds per square inch and United States reactors are designed to accommodate pressures of 50 pounds per square inch.

(5) The United States Geological Survey claims that it had difficulty determining answers to specific questions regarding earthquake activity in the area near Cienfuegos because the Cuban Government was not forthcoming with information.

(6) The Geological Survey has indicated that the Caribbean plate, a geological formation near the south coast of Cuba, may pose seismic risks to Cuba and the site of the power plant, and may produce large to moderate earthquakes.

(7) On May 25, 1992, the Caribbean plate produced an earthquake numbering 7.0 on the Richter scale.

(8) According to a study by the National Oceanic and Atmospheric Administration, summer winds could carry radioactive pollutants from a nuclear accident at the power plant throughout all of Florida and parts of the States on the gulf coast as far as Texas, and northern winds could carry the pollutants as far northeast as Virginia and Washington, D.C.

(9) The Cuban Government, under dictator Fidel Castro, in 1962 advocated the Soviets' launching of nuclear missiles to the United States, which represented a direct and dangerous provocation of the United States and brought the world to the brink of a nuclear conflict.

(10) Fidel Castro over the years has consistently issued threats against the United States Government, most recently that he would unleash another perilous mass migration from Cuba upon the enactment of this Act.

(11) Despite the various concerns about the plant's safety and operational problems, a feasibility study is being conducted that would establish a support group to include Russia, Cuba, and third countries with the objective of completing and operating the plant.

(b) WITHHOLDING OF FOREIGN ASSISTANCE.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the President shall withhold from assistance allocated, on or after the date of the enactment of this Act, for any country an amount equal to the sum of assistance and credits, if any, provided on or after such date of enactment by that country or any entity in that country in support of the completion of the Cuban nuclear facility at Juragua, near Cienfuegos, Cuba.

(2) EXCEPTIONS.—The requirement of paragraph (1) to withhold assistance shall not apply with respect to—

(A) assistance to meet urgent humanitarian needs, including disaster and refugee relief;

(B) democratic political reform and rule of law activities;

(C) the creation of private sector and nongovernmental organizations that are independent of government control;

(D) the development of a free market economic system; and

(E) assistance for the purposes described in the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103–160).

(3) DEFINITION.—As used in paragraph (1), the term "assistance" means assistance under the Foreign Assistance Act of 1961, credits, sales, and guarantees of extensions of credit under the Arms Export Control Act, assistance under titles I and III of the Agricultural Trade Development and Assistance Act of 1954, assistance under the FREEDOM Support Act of 1992, and any other program of assistance or credits provided by the United States to other countries under other provisions of law, except that the term "assistance" does not include humanitarian assistance, including disaster relief assistance.

SEC. 111. EXPULSION OF CRIMINALS FROM CUBA.

The President shall instruct all United States Government officials who engage in official conduct with the Cuban Government to raise on a regular basis the extradition of or rendering to the United States all persons residing in Cuba who are sought by the United States Department of Justice for crimes committed in the United States.

TITLE II—ASSISTANCE TO A FREE AND INDEPENDENT CUBA

SEC. 201. POLICY TOWARD A TRANSITION GOVERNMENT AND A DEMOCRATICALLY ELECTED GOVERNMENT IN CUBA.

The policy of the United States is as follows:

(1) To support the self-determination of the Cuban people.

(2) To recognize that the self-determination of the Cuban people is a sovereign and national right of the citizens of Cuba which must be exercised free of interference by the government of any other country.

(3) To encourage the Cuban people to empower themselves with a government which reflects the self-determination of the Cuban people.

(4) To recognize the potential for a difficult transition from the current regime in Cuba that may result from the initiatives taken by the Cuban people for self-determination in response to the intransigence of the Castro regime in not allowing any substantive political or economic reforms, and to be prepared to provide the Cuban people with humanitarian, developmental, and other economic assistance.

(5) In solidarity with the Cuban people, to provide appropriate forms of assistance—

(A) to a transition government in Cuba;

(B) to facilitate the rapid movement from such a transition government to a democratically elected government in Cuba that results from an expression of the self-determination of the Cuban people; and

(C) to support such a democratically elected government.

(6) Through such assistance, to facilitate a peaceful transition to representative democracy and a market economy in Cuba and to consolidate democracy in Cuba.

(7) To deliver such assistance to the Cuban people only through a transition government in Cuba, through a democratically elected government in Cuba, through United States Government organizations, or through United States, international, or indigenous nongovernmental organizations.

(8) To encourage other countries and multilateral organizations to provide similar assistance, and to work cooperatively with such countries and organizations to coordinate such assistance.

(9) To ensure that appropriate assistance is rapidly provided and distributed to the people of Cuba upon the institution of a transition government in Cuba.

(10) Not to provide favorable treatment or influence on behalf of any individual or entity in the selection by the Cuban people of their future government.

(11) To assist a transition government in Cuba and a democratically elected government in Cuba to prepare the Cuban military forces for an appropriate role in a democracy.

(12) To be prepared to enter into negotiations with a democratically elected government in Cuba either to return the United States Naval Base at Guantanamo to Cuba or to renegotiate the present agreement under mutually agreeable terms.

(13) To consider the restoration of diplomatic recognition and support the reintegration of the Cuban Government into Inter-American organizations when the President determines that there exists a democratically elected government in Cuba.

(14) To take steps to remove the economic embargo of Cuba when the President determines that a transition to a democratically elected government in Cuba has begun.

(15) To assist a democratically elected government in Cuba to strengthen and stabilize its national currency.

(16) To pursue trade relations with a free, democratic, and independent Cuba.

SEC. 202. ASSISTANCE FOR THE CUBAN PEOPLE.

(a) AUTHORIZATION.—

(1) IN GENERAL.—The President shall develop a plan for providing economic assistance to Cuba at such time as the President determines that a transition government or a democratically elected government in Cuba (as determined under section 203(c)) is in power.

(2) EFFECT ON OTHER LAWS.—Assistance may be provided under this section subject to an authorization of appropriations and subject to the availability of appropriations.

(b) PLAN FOR ASSISTANCE.—

(1) DEVELOPMENT OF PLAN.—The President shall develop a plan for providing assistance under this section—

(A) to Cuba when a transition government in Cuba is in power; and

(B) to Cuba when a democratically elected government in Cuba is in power.

(2) TYPES OF ASSISTANCE.—Assistance under the plan developed under paragraph (1) may, subject to an authorization of appropriations and subject to the availability of appropriations, include the following:

(A) TRANSITION GOVERNMENT.—(i) Except as provided in clause (ii), assistance to Cuba under a transition government shall, subject to an authorization of appropriations and subject to the availability of appropriations, be limited to—

(I) such food, medicine, medical supplies and equipment, and assistance to meet emergency energy needs, as is necessary to meet the basic human needs of the Cuban people; and

(II) assistance described in subparagraph (C).

(ii) Assistance provided only after the President certifies to the appropriate congressional committees, in accordance with procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961, that such assistance is essential to the successful completion of the transition to democracy.

(iii) Only after a transition government in Cuba is in power, remittances by individuals to their relatives of cash or goods, as well as freedom to travel to visit them without any restrictions, shall be permitted.

(B) DEMOCRATICALLY ELECTED GOVERNMENT.—Assistance to a democratically elected government in Cuba may, subject to an authorization of appropriations and subject to the availability of appropriations, consist of additional economic assistance, together with assistance described in subparagraph (C). Such economic assistance may include—

(i) assistance under chapter 1 of part I (relating to development assistance), and chapter 4 of part II (relating to the economic support fund), of the Foreign Assistance Act of 1961;

(ii) assistance under the Agricultural Trade Development and Assistance Act of 1954;

(iii) financing, guarantees, and other forms of assistance provided by the Export-Import Bank of the United States;

(iv) financial support provided by the Overseas Private Investment Corporation for investment projects in Cuba;

(v) assistance provided by the Trade and Development Agency;

(vi) Peace Corps programs; and

(vii) other appropriate assistance to carry out the policy of section 201.

(C) MILITARY ADJUSTMENT ASSISTANCE.—Assistance to a transition government in Cuba and to a democratically elected government in Cuba shall also include assistance in preparing the Cuban military forces to adjust to an appropriate role in a democracy.

(c) STRATEGY FOR DISTRIBUTION.—The plan developed under subsection (b) shall include a strategy for distributing assistance under the plan.

(d) DISTRIBUTION.—Assistance under the plan developed under subsection (b) shall be provided through United States Government organizations and nongovernmental organizations and private and voluntary organizations, whether within or outside the United States, including humanitarian, educational, labor, and private sector organizations.

(e) INTERNATIONAL EFFORTS.—The President shall take the necessary steps—

(1) to seek to obtain the agreement of other countries and of international financial institutions and multilateral organizations to provide to a transition government in Cuba, and to a democratically elected government in Cuba, assistance comparable to that provided by the United States under this Act; and

(2) to work with such countries, institutions, and organizations to coordinate all such assistance programs.

(f) Communication With the Cuban People.—The President shall take the necessary steps to communicate to the Cuban people the plan for assistance developed under this section.

(g) Report to Congress.—Not later than 180 days after the date of the enactment of this Act, the President shall transmit to the appropriate congressional committees a report describing in detail the plan developed under this section.

(h) Trade and Investment Relations.—

(1) Report to congress.—The President, following the transmittal to the Congress of a determination under section 203(c)(3) that a democratically elected government in Cuba is in power, shall submit to the appropriate congressional committees a report that describes—

(A) acts, policies, and practices that constitute significant barriers to, or distortions of, United States trade in goods or services or foreign direct investment with respect to Cuba;

(B) policy objectives of the United States regarding trade relations with a democratically elected government in Cuba, and the reasons therefor, including possible—

(i) reciprocal extension of nondiscriminatory trade treatment (most-favored- nation treatment);

(ii) designation of Cuba as a beneficiary developing country under title V of the Trade Act of 1974 (relating to the Generalized System of Preferences) or as a beneficiary country under the Caribbean Basin Economic Recovery Act, and the implications of such designation with respect to trade with any other country that is such a beneficiary developing country or beneficiary country or is a party to the North American Free Trade Agreement; and

(iii) negotiations regarding free trade, including the accession of Cuba to the North American Free Trade Agreement;

(C) specific trade negotiating objectives of the United States with respect to Cuba, including the objectives described in section 108(b)(5) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3317(b)(5)); and

(D) actions proposed or anticipated to be undertaken, and any proposed legislation necessary or appropriate, to achieve any of such policy and negotiating objectives.

(2) Consultations.—The President shall consult with the appropriate congressional committees and shall seek advice from the appropriate advisory committees established under section 135 of the Trade Act of 1974 regarding the policy and negotiating objectives and the legislative proposals described in paragraph (1).

SEC. 203. COORDINATION OF ASSISTANCE PROGRAM; IMPLEMENTATION AND REPORTS TO CONGRESS; REPROGRAMMING.

(a) Coordinating Official.—The President shall designate a coordinating official who shall be responsible for—

(1) implementing the strategy for distributing assistance described in section 202(b);

(2) ensuring the speedy and efficient distribution of such assistance; and

(3) ensuring coordination among, and appropriate oversight by, the agencies of the United States that provide assistance described in section 202(b), including resolving any disputes among such agencies.

(b) United States-Cuba Council.—Upon making a determination under subsection (c)(3) that a democratically elected government in Cuba is in power, the President, after consultation with the coordinating official, is authorized to designate a United States-Cuba council—

(1) to ensure coordination between the United States Government and the private sector in responding to change in Cuba, and in promoting market-based development in Cuba; and

(2) to establish periodic meetings between representatives of the United States and Cuban private sectors for the purpose of facilitating bilateral trade.

(c) Implementation of Plan; Reports to Congress.—

(1) Implementation with respect to transition government.—Upon making a determination that a transition government in Cuba is in power, the President shall transmit that determination to the appropriate congressional committees and shall, subject to an authorization of appropriations and subject to the availability of appropriations, commence the delivery and distribution of assistance to such transition government under the plan developed under section 202(b).

(2) Reports to congress.—(A) The President shall transmit to the appropriate congressional committees a report setting forth the strategy for providing assistance described in section 202(b)(2) (A) and (C) to the transition government in Cuba under the plan of assistance developed under section 202(b), the types of such assistance, and the extent to which such assistance has been distributed in accordance with the plan.

(B) The President shall transmit the report not later than 90 days after making the determination referred to in paragraph (1), except that the President shall transmit the report in preliminary form not later than 15 days after making that determination.

(3) Implementation with respect to democratically elected government.—The President shall, upon determining that a democratically elected government in Cuba is in power, submit that determination to the appropriate congressional committees and shall, subject to an authorization of appropriations and subject to the availability of appropriations, commence the delivery and distribution of assistance to such democratically elected government under the plan developed under section 202(b).

(4) Annual reports to congress.—Not later than 60 days after the end of each fiscal year, the President shall transmit to the appropriate congressional committees a report on the assistance provided under the plan developed under section 202(b), including a description of each type of assistance, the amounts expended for such assistance, and a description of the assistance to be provided under the plan in the current fiscal year.

(d) Reprogramming.—Any changes in the assistance to be provided under the plan developed under section 202(b) may not be made unless the President notifies the appropriate congressional committees at least 15 days in advance in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394–1).

SEC. 204. TERMINATION OF THE ECONOMIC EMBARGO OF CUBA.

(a) Presidential Actions.—Upon submitting a determination to the appropriate congressional committees under section 203(c)(1) that a transition government in Cuba is in power, the President, after consulting with the Congress, is authorized to take steps to suspend the economic embargo of Cuba to the extent that such action contributes to a stable foundation for a democratically elected government in Cuba.

(b) Suspension of Certain Provisions of Law.—In carrying out subsection (a), the President may suspend the enforcement of—

(1) section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a));

(2) section 620(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(f)) with regard to the "Republic of Cuba";

(3) sections 1704, 1705(d), and 1706 of the Cuban Democracy Act (22 U.S.C. 6003, 6004(d), 6005);

(4) section 902(c) of the Food Security Act of 1985; and

(5) the prohibitions on transactions described in part 515 of title 31, Code of Federal Regulations.

(c) Additional Presidential Actions.—Upon submitting a determination to the appropriate congressional committees under section 203(c)(3) that a democratically elected government in Cuba is in power, the President shall take steps to terminate the economic embargo of Cuba.

(d) Conforming Amendments.—On the date on which the President submits a determination under section 203(c)(3)—

(1) section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)) is repealed;

(2) section 620(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(f)) is amended by striking "Republic of Cuba";

(3) sections 1704, 1705(d), and 1706 of the Cuban Democracy Act of 1992 (22 U.S.C. 6003, 6004(d), and 6005) are repealed; and

(4) section 902(c) of the Food Security Act of 1985 is repealed.

(e) Review of Suspension of Economic Embargo.—

(1) Review.—If the President takes action under subsection (a) to suspend the economic embargo of Cuba, the President shall immediately so notify the Congress. The President shall report to the Congress no less frequently than every 6 months thereafter, until he submits a determination under section 203(c)(3) that a democratically elected government in Cuba is in power, on the progress being made by Cuba toward the establishment of such a democratically elected government. The action of the President under subsection (a) shall cease to be effective upon the enactment of a joint resolution described in paragraph (2).

(2) Joint resolutions.—For purposes of this subsection, the term "joint resolution" means only a joint resolution of the 2 Houses of Congress, the matter after the resolving clause of which is as follows: "That the Congress disapproves the action of the President under section 204(a) of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995 to suspend the economic embargo of Cuba, notice of which was submitted to the Congress on ___.", with the blank space being filled with the appropriate date.

(3) Referral to committees.—Joint resolutions introduced in the House of Representatives shall be referred to the Committee on International Relations and joint resolutions introduced in the Senate shall be referred to the Committee on Foreign Relations.

(4) Procedures.—(A) Any joint resolution shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

(B) For the purpose of expediting the consideration and enactment of joint resolutions, a motion to proceed to the consideration of any joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

(C) Not more than 1 joint resolution may be considered in the House of Representatives and the Senate in the 6-month period beginning on the date on which the President notifies the Congress under paragraph (1) of the action taken under subsection (a), and in each 6-month period thereafter.

SEC. 205. REQUIREMENTS FOR A TRANSITION GOVERNMENT.

For purposes of this Act, a transition government in Cuba is a government in Cuba which—

(1) is demonstrably in transition from communist totalitarian dictatorship to representative democracy;

(2) has recognized the right to independent political activity and association;

(3) has released all political prisoners and allowed for investigations of Cuban prisons by appropriate international human rights organizations;

(4) has ceased any interference with Radio or Television Marti broadcasts;

(5) makes public commitments to and is making demonstrable progress in—

(A) establishing an independent judiciary;

(B) dissolving the present Department of State Security in the Cuban Ministry of the Interior, including the Committees for the Defense of the Revolution and the Rapid Response Brigades;

(C) respecting internationally recognized human rights and basic freedoms as set forth in the Universal Declaration of Human Rights, to which Cuba is a signatory nation;

(D) effectively guaranteeing the rights of free speech and freedom of the press;

(E) organizing free and fair elections for a new government—

(i) to be held in a timely manner within a period not to exceed 1 year after the transition government assumes power;

(ii) with the participation of multiple independent political parties that have full access to the media on an equal basis, including (in the case of radio, television, or other telecommunications media) in terms of allotments of time for such access and the times of day such allotments are given; and

(iii) to be conducted under the supervision of internationally recognized observers, such as the Organization of American States, the United Nations, and other elections monitors;

(F) assuring the right to private property;

(G) taking appropriate steps to return to United States citizens (and entities which are 50 percent or more beneficially owned by United States citizens) property taken by the Cuban Government from such citizens and entities on or after January 1, 1959, or to provide equitable compensation to such citizens and entities for such property;

(H) granting permits to privately owned telecommunications and media companies to operate in Cuba; and

(I) allowing the establishment of independent trade unions as set forth in conventions 87 and 98 of the International Labor Organization, and allowing the establishment of independent social, economic, and political associations;

(6) does not include Fidel Castro or Raul Castro;

(7) has given adequate assurances that it will allow the speedy and efficient distribution of assistance to the Cuban people;

(8) permits the deployment throughout Cuba of independent and unfettered international human rights monitors; and

(9) has extradited or otherwise rendered to the United States all persons sought by the United States Department of Justice for crimes committed in the United States.

SEC. 206. REQUIREMENTS FOR A DEMOCRATICALLY ELECTED GOVERNMENT.

For purposes of this Act, a democratically elected government in Cuba, in addition to continuing to comply with the requirements of section 205, is a government in Cuba which—

(1) results from free and fair elections conducted under the supervision of internationally recognized observers;

(2) has permitted opposition parties ample time to organize and campaign for such elections, and has permitted full access to the media to all candidates in the elections;

(3) is showing respect for the basic civil liberties and human rights of the citizens of Cuba;

(4) has made demonstrable progress in establishing an independent judiciary;

(5) is substantially moving toward a market-oriented economic system;

(6) is committed to making constitutional changes that would ensure regular free and fair elections that meet the requirements of paragraph (2); and

(7) has made demonstrable progress in returning to United States citizens (and entities which are 50 percent or more beneficially owned by United States citizens) property taken by the Cuban Government from such citizens and entities on or after January 1, 1959, or providing full compensation for such property in accordance with international law standards and practice.

TITLE III—PROTECTION OF PROPERTY RIGHTS OF UNITED STATES NATIONALS AGAINST CONFISCATORY TAKINGS BY THE CASTRO REGIME

SEC. 301. STATEMENT OF POLICY.

The Congress makes the following findings:

(1) The right of individuals to hold and enjoy property is a fundamental right recognized by the United States Constitution and international human rights law, including the Universal Declaration of Human Rights.

(2) The illegal confiscation or taking of property by governments, and the acquiescence of governments in the confiscation of property by their citizens, undermines the comity among nations, the free flow of commerce, and economic development.

(3) It is in the interest of all nations to respect equally the property rights of their citizens and nationals of other countries.

(4) Nations that provide an effective mechanism for prompt, adequate, and fair compensation for the confiscation of private property will continue to have the support of the United States.

(5) The United States Government has an obligation to its citizens to provide protection against illegal confiscation by foreign nations and their citizens, including the provision of private remedies.

(6) Nations that illegally confiscate private property should not be immune to another nation's laws whose purpose is to protect against the confiscation of lawfully acquired property by its citizens.

(7) Trafficking in illegally acquired property is a crime under the laws of the United States and other nations, yet this same activity is allowed under international law.

(8) International law, by not providing effective remedies, condones the illegal confiscation of property and allows for the unjust enrichment from the use of confiscated property by governments and private entities at the expense of those who hold legal claim to the property.

(9) The development of an international mechanism sanctioning those governments and private entities that confiscate and unjustly use private property so confiscated should be a priority objective of United States foreign policy.

SEC. 302. LIABILITY FOR TRAFFICKING IN PROPERTY CONFISCATED FROM UNITED STATES NATIONALS.

(a) CIVIL REMEDY.—

(1) LIABILITY FOR TRAFFICKING.—(A) Except as provided in paragraphs (3) and (4), any person, including any agency or instrumentality of a foreign state in the conduct of a commercial activity, that, after the end of the 6-month period beginning on the date of the enactment of this Act, traffics in confiscated property shall be liable to any United States national who owns the claim to such property for money damages in an amount equal to the sum of—

(i) the amount which is the greater of—

(I) the amount, if any, certified to the claimant by the Foreign Claims Settlement Commission under the International Claims Settlement Act of 1949, plus interest;

(II) the amount determined under section 303(a)(2), plus interest; or

(III) the fair market value of that property, calculated as being the then current value of the property, or the value of the property when confiscated plus interest, whichever is greater; and

(ii) reasonable costs and attorneys' fees.

(B) Interest under subparagraph (A)(i) shall be at the rate set forth in section 1961 of title 28, United States Code, computed by the court from the date of the confiscation of the property involved to the date on which the action is brought under this subsection.

(2) PRESUMPTION IN FAVOR OF CERTIFIED CLAIMS.—There shall be a presumption that the amount for which a person, including any agency or instrumentality of a foreign state in the conduct of a commercial activity, is liable under clause (i) of paragraph (1)(A) is the amount that is certified under subclause (I) of that clause. The presumption shall be rebuttable by clear and convincing evidence that the amount described in subclause (II) or (III) of that clause is the appropriate amount of liability under that clause.

(3) INCREASED LIABILITY FOR PRIOR NOTICE.—Except as provided in paragraph (4), any person, including any agency or instrumentality of a foreign state in the conduct of a commercial activity, that traffics in confiscated property after having received—

(A) notice of a claim to ownership of the property by a United States national who owns a claim to the confiscated property, and

(B) notice of the provisions of this section, shall be liable to that United States national for money damages in an amount which is the sum of the amount equal to the amount determined under paragraph (1)(A)(ii) plus triple the amount determined applicable under subclause (I), (II), or (III) of paragraph (1)(A)(i).

(4) APPLICABILITY.—(A) Except as otherwise provided in this paragraph, actions may be brought under paragraph (1) with respect to property confiscated before, on, or after the date of the enactment of this Act.

(B) In the case of property confiscated before the date of the enactment of this Act, no United States national may bring an action under this section unless such national acquired ownership of the claim to the confiscated property before such date.

(C) In the case of property confiscated on or after the date of the enactment of this Act, no United States national who acquired ownership of a claim to confiscated property by assignment for value after such date of enactment may bring an action on the claim under this section.

(5) TREATMENT OF CERTAIN ACTIONS.—(A) In the case of any action brought under this section by a United States national who was eligible to file the underlying claim in the action with the Foreign Claims Settlement Commission under title V of the International Claims Settlement Act of 1949 but did not so file the claim, the court may hear the case only if the court determines that the United States national had good cause for not filing the claim.

(B) In the case of any action brought under this section by a United States national whose claim in the action was timely filed with the Foreign Claims Settlement Commission under title V of the International Claims Settlement Act of 1949 but was denied by the Commission, the court may assess the basis for the denial and may accept the findings of the Commission on the claim as conclusive in the action under this section unless good cause justifies another result.

(6) INAPPLICABILITY OF ACT OF STATE DOCTRINE.—No court of the United States shall decline, based upon the act of state doctrine, to make a determination on the merits in an action brought under paragraph (1).

(b) DEFINITION.—As used in this subsection, the term "agency or instrumentality of a foreign state" has the meaning given that term in section 1603(b) of title 28, United States Code.

(c) JURISDICTION.—

(1) IN GENERAL.—Chapter 85 of title 28, United States Code, is amended by inserting after section 1331 the following new section:

"§ 1331a. Civil actions involving confiscated property

"The district courts shall have exclusive jurisdiction of any action brought under section 302 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995, regardless of the amount in controversy.".

(2) CONFORMING AMENDMENT.—The table of sections for chapter 85 of title 28, United States Code, is amended by inserting after the item relating to section 1331 the following:

"1331a. Civil actions involving confiscated property.".

(d) CERTAIN PROPERTY IMMUNE FROM EXECUTION.—Section 1611 of title 28, United States Code, is amended by adding at the end the following:

"(c) Notwithstanding the provisions of section 1610 of this chapter, the property of a foreign state shall be immune from attachment and from execution in an action brought under section 302 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995 to the extent the property is a facility or installation used by an accredited diplomatic mission for official purposes.".

(e) ELECTION OF REMEDIES.—

(1) ELECTION.—Subject to paragraph (2)—

(A) any United States national that brings an action under this section may not bring any other civil action or proceeding under the common law, Federal law, or the law of any of the several States, the District of Columbia, or any territory or possession of the United States, that seeks monetary or nonmonetary compensation by reason of the same subject matter; and

(B) any person who brings, under the common law or any provision of law other than this section, a civil action or proceeding for monetary or nonmonetary compensation arising out of a claim for which an action would otherwise be cognizable under this section may not bring an action under this section on that claim.

(2) TREATMENT OF CERTIFIED CLAIMANTS.—In the case of any United States national that brings an action under this section based on a claim certified under title V of the International Claims Settlement Act of 1949—

(A) if the recovery in the action is equal to or greater than the amount of the certified claim, the United States national may not receive payment on the claim under any agreement entered into between the United States and Cuba settling claims covered by such title, and such national shall be deemed to have discharged the United States from any further responsibility to represent the United States national with respect to that claim;

(B) if the recovery in the action is less than the amount of the certified claim, the United States national may receive payment under a claims agreement described in subparagraph (A) but only to the extent of the difference between the amount of the recovery and the amount of the certified claim; and

(C) if there is no recovery in the action, the United States national may receive payment on the certified claim under a claims agreement described in subparagraph (A) to the same extent as any certified claimant who does not bring an action under this section.

(f) DEPOSIT OF EXCESS PAYMENTS BY CUBA UNDER CLAIMS AGREEMENT.—Any amounts paid by Cuba under any agreement entered into between the United States and Cuba settling certified claims under title V of the International Claims Settlement Act of 1949 that are in excess of the payments made on such certified claims after the application of subsection (e) shall be deposited into the United States Treasury.

(g) TERMINATION OF RIGHTS.—

(1) IN GENERAL.—All rights created under this section to bring an action for money damages with respect to property confiscated before the date of the enactment of this Act shall cease upon the transmittal to the Congress of a determination of the President under section 203(c)(3).

(2) PENDING SUITS.—The termination of rights under paragraph (1) shall not affect suits commenced before the date of such termination, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this subsection had not been enacted.

SEC. 303. DETERMINATION OF CLAIMS TO CONFISCATED PROPERTY.

(a) EVIDENCE OF OWNERSHIP.—

(1) CONCLUSIVENESS OF CERTIFIED CLAIMS.—In any action brought under this title, the courts shall accept as conclusive proof of ownership a certification of a claim to ownership that has been made by the Foreign Claims Settlement Commission pursuant to title V of the International Claims Settlement Act of 1949 (22 U.S.C. 1643 and following).

(2) CLAIMS NOT CERTIFIED.—In the case of a claim that has not been certified by the Foreign Claims Settlement Commission before the enactment of this Act, a court may appoint a special master, including the Foreign Claims Settlement Commission, to make determinations regarding the amount and validity of claims to ownership of confiscated property. Such determinations are only for evidentiary purposes in civil actions brought under this title and do not constitute certifications pursuant to title V of the International Claims Settlement Act of 1949.

(3) EFFECT OF DETERMINATIONS OF FOREIGN ENTITIES.—In determining ownership, courts shall not accept as conclusive evidence of ownership any findings, orders, judgments, or decrees from administrative agencies or courts of foreign countries or international organizations that invalidate the claim held by a United States national, unless the invalidation was found pursuant to binding international arbitration to which United States national submitted the claim.

(b) AMENDMENT OF THE INTERNATIONAL CLAIMS SETTLEMENT ACT OF 1949.—Title V of the International Claims Settlement Act of 1949 (22 U.S.C. 1643 and following) is amended by adding at the end the following new section:

"EVALUATION OF OWNERSHIP CLAIMS REFERRED BY DISTRICT COURTS OF THE UNITED STATES

"SEC. 514. Notwithstanding any other provision of this title and only for purposes of section 302 of the Cuban Liberty and Solidarity (LIBERTAD) Act, a United States district court, for fact-finding purposes, may refer to the Commission, and the Commission may determine, questions of the amount and ownership of a claim by a United States national (as defined in section 4 of the Cuban Liberty and Solidarity (LIBERTAD) Act) resulting from the confiscation of property by the Government of Cuba described in section 503(a), whether or not the United States national qualified as a national of the United States (as defined in section 502(1)) at the time of the action by the Government of Cuba.".

(c) RULE OF CONSTRUCTION.—Nothing in this Act or section 514 of the International Claims Settlement Act of 1949, as added by subsection (b), shall be construed—

(1) to require or otherwise authorize the claims of Cuban nationals who became United States citizens after their property was confiscated to be included in the claims certified to the Secretary of State by the Foreign Claims Settlement Commission for purposes of future negotiation and espousal of claims with a friendly government in Cuba when diplomatic relations are restored; or

(2) as superseding, amending, or otherwise altering certifications that have been made pursuant to title V of the International Claims Settlement Act of 1949 before the enactment of this Act.

SEC. 304. EXCLUSIVITY OF FOREIGN CLAIMS SETTLEMENT COMMISSION CERTIFICATION PROCEDURE.

Title V of the International Claims Settlement Act of 1949 (22 U.S.C. 1643 and following), as amended by section 303, is further amended by adding at the end the following new section:

"EXCLUSIVITY OF FOREIGN CLAIMS SETTLEMENT COMMISSION CERTIFICATION PROCEDURE

"SEC. 515. (a) Subject to subsection (b), neither any national of the United States who was eligible to file a claim under section 503 but did not timely file such claim under that section, nor any national of the United States (on the date of the enactment of this section) who was not eligible to file a claim under that section, nor any national of Cuba, including any agency, instrumentality, subdivision, or enterprise of the Government of Cuba or any local government of Cuba in place on the date of the enactment of this section, nor any successor thereto, whether or not recognized by the United States, shall have a claim to, participate in, or otherwise have an interest in, the compensation proceeds or other nonmonetary compensation paid or allocated to a national of the United States by virtue of a claim certified by the Commission under section 507, nor shall any court of the United States or any State court have jurisdiction to adjudicate any such claim.

"(b) Nothing in subsection (a) shall be construed to detract from or otherwise affect any rights in the shares of the capital stock of nationals of the United States owning claims certified by the Commission under section 507.".

TITLE IV—EXCLUSION OF CERTAIN ALIENS

SEC. 401. EXCLUSION FROM THE UNITED STATES OF ALIENS WHO HAVE CONFISCATED PROPERTY OF UNITED STATES NATIONALS OR WHO TRAFFIC IN SUCH PROPERTY.

(a) Grounds for Exclusion.—The Secretary of State, in consultation with the Attorney General, shall exclude from the United States any alien who the Secretary of State determines is a person who—

(1) has confiscated, or has directed or overseen the confiscation of, property a claim to which is owned by a United States national, or converts or has converted for personal gain confiscated property, a claim to which is owned by a United States national;

(2) traffics in confiscated property, a claim to which is owned by a United States national;

(3) is a corporate officer, principal, or shareholder with a controlling interest of an entity which has been involved in the confiscation of property or trafficking in confiscated property, a claim to which is owned by a United States national; or

(4) is a spouse, minor child, or agent of a person excludable under paragraph (1), (2), or (3).

(b) Definitions.—As used in this section, the following terms have the following meanings:

(1) Confiscated; confiscation.—The terms "confiscated" and "confiscation" refer to—

(A) the nationalization, expropriation, or other seizure by foreign governmental authority of ownership or control of property on or after January 1, 1959—

(i) without the property having been returned or adequate and effective compensation provided; or

(ii) without the claim to the property having been settled pursuant to an international claims settlement agreement or other mutually accepted settlement procedure; and

(B) the repudiation by foreign governmental authority of, the default by foreign governmental authority on, or the failure by foreign governmental authority to pay, on or after January 1, 1959—

(i) a debt of any enterprise which has been nationalized, expropriated, or otherwise taken by foreign governmental authority;

(ii) a debt which is a charge on property nationalized, expropriated, or otherwise taken by foreign governmental authority; or

(iii) a debt which was incurred by foreign governmental authority in satisfaction or settlement of a confiscated property claim.

(2) Property.—The term "property" does not include claims arising from a territory in dispute as a result of war between United Nations member states in which the ultimate resolution of the disputed territory has not been resolved.

(3) Traffics.—(A) A person or entity "traffics" in property if that person or entity knowingly and intentionally—

(i) sells, transfers, distributes, dispenses, brokers, manages, or otherwise disposes of confiscated property, or purchases, leases, receives, possesses, obtains control of, manages, uses, or otherwise acquires or holds an interest in confiscated property,

(ii) engages in a commercial activity using or otherwise benefiting from confiscated property, or

(iii) causes, directs, participates in, or profits from, trafficking (as described in clauses (i) and (ii)) by another person, or otherwise engages in trafficking (as described in clauses (i) and (ii)) through another person, without the authorization of the United States national who holds a claim to the property.

(B) The term "traffics" does not include—

(i) the delivery of international telecommunication signals to Cuba that are authorized by section 1705(e) of the Cuban Democracy Act of 1992 (22 U.S.C. 6004(e)); or

(ii) the trading or holding of securities publicly traded or held, unless the trading is with or by a person determined by the Secretary of the Treasury to be a specially designated national.

(c) National Interest Exemption.—This section shall not apply where the Secretary of State finds, on a case-by-case basis, that making a determination under subsection (a) would be contrary to the national interest of the United States.

(d) Effective Date.—

(1) In general.—This section applies to aliens seeking to enter the United States on or after the date of the enactment of this Act.

(2) Trafficking.—This section applies only with respect to acts within the meaning of "traffics" that occur on or after the date of the enactment of this Act.

The CHAIRMAN. Before consideration of any other amendment it shall be in order to consider a further amendment in the nature of a substitute by the gentleman from Indiana [Mr. HAMILTON] or his designee. That amendment shall be considered read, shall be debatable for 1 hour, equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment.

If that amendment is rejected or not offered, no further amendment shall be in order except the amendments printed in House Report 104-253. Each further amendment may be considered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered read, shall be debatable for 20 minutes, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment except as specified in the report, and shall not be subject to a demand for division of the question.

The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment and may reduce to not less than 5 minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall not be less than 15 minutes.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. McDERMOTT

Mr. McDERMOTT. Mr. Chairman, pursuant to the rule, I offer an amendment in the nature of a substitute.

The CHAIRMAN. Is the gentleman from Washington the designee of the gentleman from Indiana [Mr. HAMILTON]?

Mr. McDERMOTT. I am, Mr. Chairman.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. McDERMOTT:

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995".

(b) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Purposes.
Sec. 4. Definitions.

TITLE I—SEEKING SANCTIONS AGAINST THE CASTRO GOVERNMENT

Sec. 101. Statement of policy.
Sec. 102. Enforcement of the economic embargo of Cuba.
Sec. 103. Prohibition against indirect financing of the Castro dictatorship.
Sec. 104. United States opposition to Cuban membership in international financial institutions.
Sec. 105. United States opposition to ending the suspension of the Government of Cuba from the Organization of American States.
Sec. 106. Assistance by the Independent States of the former Soviet Union for the Cuban Government.
Sec. 107. Television broadcasting to Cuba.
Sec. 108. Reports on assistance and commerce received by Cuba from other foreign countries.
Sec. 109. Authorization of support for democratic and human rights groups and international observers.
Sec. 110. Withholding of foreign assistance from countries supporting nuclear plant in Cuba.
Sec. 111. Expulsion of criminals from Cuba.
Sec. 112. Exports of food or medical items.

TITLE II—ASSISTANCE TO A FREE AND INDEPENDENT CUBA

Sec. 201. Policy toward a transition government and a democratically elected government in Cuba.
Sec. 202. Assistance for the Cuban people.
Sec. 203. Coordination of assistance program; implementation and reports to Congress; reprogramming.
Sec. 204. Termination of the economic embargo of Cuba.
Sec. 205. Requirements for a transition government.
Sec. 206. Requirements for a democratically elected government.

TITLE III—PROTECTION OF PROPERTY RIGHTS OF UNITED STATES NATIONALS AGAINST CONFISCATORY TAKINGS BY THE CASTRO REGIME

Sec. 301. Statement of policy.

Sec. 302. Liability for trafficking in property confiscated from United States nationals.
Sec. 303. Determination of claims to confiscated property.
Sec. 304. Exclusivity of Foreign Claims Settlement Commission certification procedure.

TITLE IV—EXCLUSION OF CERTAIN ALIENS

Sec. 401. Exclusion from the United States of aliens who have confiscated property of United States nationals or who traffic in such property.

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The economy of Cuba has experienced a decline of at least 60 percent in the last 5 years as a result of—

(A) the end of its subsidization by the former Soviet Union of between 5 billion and 6 billion dollars annually;

(B) 36 years of Communist tyranny and economic mismanagement by the Castro government;

(C) the extreme decline in trade between Cuba and the countries of the former Soviet bloc; and

(D) the stated policy of the Russian Government and the countries of the former Soviet bloc to conduct economic relations with Cuba on strictly commercial terms.

(2) At the same time, the welfare and health of the Cuban people have substantially deteriorated as a result of this economic decline and the refusal of the Castro regime to permit free and fair democratic elections in Cuba.

(3) The Castro regime has made it abundantly clear that it will not engage in any substantive political reforms that would lead to democracy, a market economy, or an economic recovery.

(4) The repression of the Cuban people, including a ban on free and fair democratic elections, and continuing violations of fundamental human rights have isolated the Cuban regime as the only completely nondemocratic government in the Western Hemisphere.

(5) As long as free elections are not held in Cuba, the economic condition of the country and the welfare of the Cuban people will not improve in any significant way.

(6) The totalitarian nature of the Castro regime has deprived the Cuban people of any peaceful means to improve their condition and has led thousands of Cuban citizens to risk or lose their lives in dangerous attempts to escape from Cuba to freedom.

(7) Radio Marti and Television Marti have both been effective vehicles for providing the people of Cuba with news and information and have helped to bolster the morale of the people of Cuba living under tyranny.

(8) The consistent policy of the United States towards Cuba since the beginning of the Castro regime, carried out by both Democratic and Republican administrations, has sought to keep faith with the people of Cuba, and has been effective in sanctioning the totalitarian Castro regime.

(9) The United States has shown a deep commitment, and considers it a moral obligation, to promote and protect human rights and fundamental freedoms as expressed in the Charter of the United Nations and in the Universal Declaration of Human Rights.

(10) The Congress has historically and consistently manifested its solidarity and the solidarity of the American people with the democratic aspirations of the Cuban people.

(11) The Cuban Democracy Act of 1992 calls upon the President to encourage the governments of countries that conduct trade with Cuba to restrict their trade and credit relations with Cuba in a manner consistent with the purposes of that Act.

(12) The 1992 FREEDOM Support Act requires that the President, in providing economic assistance to Russia and the emerging Eurasian democracies, take into account the extent to which they are acting to "terminate support for the communist regime in Cuba, including removal of troops, closing military facilities, and ceasing trade subsidies and economic, nuclear, and other assistance".

(13) The Cuban Government engages in the illegal international narcotics trade and harbors fugitives from justice in the United States.

(14) The Castro government threatens international peace and security by engaging in acts of armed subversion and terrorism such as the training and supplying of groups dedicated to international violence.

(15) The Castro government has utilized from its inception and continues to utilize torture in various forms (including by psychiatry), as well as execution, exile, confiscation, political imprisonment, and other forms of terror and repression, as means of retaining power.

(16) Fidel Castro has defined democratic pluralism as "pluralistic garbage" and continues to make clear that he has no intention of tolerating the democratization of Cuban society.

(17) The Castro government holds innocent Cubans hostage in Cuba by no fault of the hostages themselves solely because relatives have escaped the country.

(18) Although a signatory state to the 1928 Inter-American Convention on Asylum and the International Covenant on Civil and Political Rights (which protects the right to leave one's own country), Cuba nevertheless surrounds embassies in its capital by armed forces to thwart the right of its citizens to seek asylum and systematically denies that right to the Cuban people, punishing them by imprisonment for seeking to leave the country and killing them for attempting to do so (as demonstrated in the case of the confirmed murder of over 40 men, women, and children who were seeking to leave Cuba on July 13, 1994).

(19) The Castro government continues to utilize blackmail, such as the immigration crisis with which it threatened the United States in the summer of 1994, and other unacceptable and illegal forms of conduct to influence the actions of sovereign states in the Western Hemisphere in violation of the Charter of the Organization of American States and other international agreements and international law.

(20) The United Nations Commission on Human Rights has repeatedly reported on the unacceptable human rights situation in Cuba and has taken the extraordinary step of appointing a Special Rapporteur.

(21) The Cuban Government has consistently refused access to the Special Rapporteur and formally expressed its decision not to "implement so much as one comma" of the United Nations Resolutions appointing the Rapporteur.

(22) The United Nations General Assembly passed Resolution 1992/70 on December 4, 1992, Resolution 1993/48/142 on December 20, 1993, and Resolution 1994/49/544 on October 19, 1994, referencing the Special Rapporteur's reports to the United Nations and condemning "violations of human rights and fundamental freedoms" in Cuba.

(23) Article 39 of Chapter VII of the United Nations Charter provides that the United Nations Security Council "shall determine the existence of any threat to the peace, breach of the peace, or act of aggression and shall make recommendations, or decide what measures shall be taken . . ., to maintain or restore international peace and security.".

(24) The United Nations has determined that massive and systematic violations of human rights may constitute a "threat to peace" under Article 39 and has imposed sanctions due to such violations of human rights in the cases of Rhodesia, South Africa, Iraq, and the former Yugoslavia.

(25) In the case of Haiti, a neighbor of Cuba not as close to the United States as Cuba, the United States led an effort to obtain and did obtain a United Nations Security Council embargo and blockade against that country due to the existence of a military dictatorship in power less than 3 years.

(26) United Nations Security Council Resolution 940 of July 31, 1994, subsequently authorized the use of "all necessary means" to restore the "democratically elected government of Haiti", and the democratically elected government of Haiti was restored to power on October 15, 1994.

(27) The Cuban people deserve to be assisted in a decisive manner to end the tyranny that has oppressed them for 36 years and the continued failure to do so constitutes ethically improper conduct by the international community.

(28) For the past 36 years, the Cuban Government has posed and continues to pose a national security threat to the United States.

SEC. 3. PURPOSES.

The purposes of this Act are as follows:

(1) To assist the Cuban people in regaining their freedom and prosperity, as well as in joining the community of democracies that are flourishing in the Western Hemisphere.

(2) To seek international sanctions against the Castro government in Cuba.

(3) To encourage the holding of free and fair democratic elections in Cuba, conducted under the supervision of internationally recognized observers.

(4) To develop a plan for furnishing assistance to a transition government and, subsequently, to a democratically elected government when such governments meet the eligibility requirements of this Act.

(5) To protect property rights abroad of United States nationals.

(6) To provide for the continued national security of the United States in the face of continuing threats from the Castro government of terrorism, theft of property from United States nationals, and domestic repression from which refugees flee to United States shores.

SEC. 4. DEFINITIONS.

As used in this Act, the following terms have the following meanings:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means the Committee on International Relations, the Committee on Ways and Means, and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations, the Committee on Finance, and the Committee on Appropriations of the Senate.

(2) COMMERCIAL ACTIVITY.—The term "commercial activity" has the meaning given that term in section 1603(d) of title 28, United States Code.

(3) CONFISCATED.—As used in titles I and III, the term "confiscated" refers to—

(A) the nationalization, expropriation, or other seizure by the Cuban Government of ownership or control of property, on or after January 1, 1959—

(i) without the property having been returned or adequate and effective compensation provided; or

(ii) without the claim to the property having been settled pursuant to an international claims settlement agreement or other mutually accepted settlement procedure; and

(B) the repudiation by the Cuban Government of, the default by the Cuban Government on, or the failure by the Cuban Government to pay, on or after January 1, 1959—

(i) a debt of any enterprise which has been nationalized, expropriated, or otherwise taken by the Cuban Government;

(ii) a debt which is a charge on property nationalized, expropriated, or otherwise taken by the Cuban Government; or

(iii) a debt which was incurred by the Cuban Government in satisfaction or settlement of a confiscated property claim.

(4) CUBAN GOVERNMENT.—(A) The term "Cuban Government" includes the government of any political subdivision of Cuba, and any agency or instrumentality of the Government of Cuba.

(B) For purposes of subparagraph (A), the term "agency or instrumentality of the Government of Cuba" means an agency or instrumentality of a foreign state as defined in section 1603(b) of title 28, United States Code, with "Cuba" substituted for "a foreign state" each place it appears in such section.

(5) DEMOCRATICALLY ELECTED GOVERNMENT IN CUBA.—The term "democratically elected government in Cuba" means a government determined by the President to have met the requirements of section 206.

(6) ECONOMIC EMBARGO OF CUBA.—The term "economic embargo of Cuba" refers to the economic embargo imposed against Cuba pursuant to section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)), section 5(b) of the Trading With the Enemy Act (50 U.S.C. App. 5(b)), the International Emergency Economic Powers Act (50 U.S.C. 1701 and following), and the Export Administration Act of 1979 (50 U.S.C. App. 2401 and following), as modified by the Cuban Democracy Act of 1992 (22 U.S.C. 6001 and following).

(7) FOREIGN NATIONAL.—The term "foreign national" means—

(A) an alien; or

(B) any corporation, trust, partnership, or other juridical entity not organized under the laws of the United States, or of any State, the District of Columbia, the Commonwealth of Puerto Rico, or any other territory or possession of the United States.

(8) KNOWINGLY.—The term "knowingly" means with knowledge or having reason to know.

(9) PROPERTY.—(A) The term "property" means any property (including patents, copyrights, trademarks, and any other form of intellectual property), whether real, personal, or mixed, and any present, future, or contingent right, security, or other interest therein, including any leasehold interest.

(B) For purposes of title III of this Act, the term "property" shall not include real property used for residential purposes unless, as of the date of the enactment of this Act—

(i) the claim to the property is owned by a United States national and the claim has been certified under title V of the International Claims Settlement Act of 1949; or

(ii) the property is occupied by a member or official of the Cuban Government or the ruling political party in Cuba.

(10) TRAFFICS.—(A) As used in title III, a person or entity "traffics" in property if that person or entity knowingly and intentionally—

(i) sells, transfers, distributes, dispenses, brokers, manages, or otherwise disposes of confiscated property, or purchases, leases, receives, possesses, obtains control of, manages, uses, or otherwise acquires or holds an interest in confiscated property,

(ii) engages in a commercial activity using or otherwise benefiting from confiscated property, or

(iii) causes, directs, participates in, or profits from, trafficking (as described in clauses (i) and (ii)) by another person, or otherwise engages in trafficking (as described in clauses (i) and (ii)) through another person, without the authorization of the United States national who holds a claim to the property.

(B) The term "traffics" does not include—

(i) the delivery of international telecommunication signals to Cuba that are authorized by section 1705(e) of the Cuban Democracy Act of 1992 (22 U.S.C. 6004(e)); or

(ii) the trading or holding of securities publicly traded or held, unless the trading is with or by a person determined by the Secretary of the Treasury to be a specially designated national.

(11) TRANSITION GOVERNMENT IN CUBA.—The term "transition government in Cuba" means a government determined by the President to have met the requirements of section 205.

(12) UNITED STATES NATIONAL.—The term "United States national" means—

(A) any United States citizen; or

(B) any other legal entity which is organized under the laws of the United States, or of any State, the District of Columbia, the Commonwealth of Puerto Rico, or any other territory or possession of the United States, and which has its principal place of business in the United States.

TITLE I—SEEKING SANCTIONS AGAINST THE CASTRO GOVERNMENT

SEC. 101. STATEMENT OF POLICY.

It is the sense of the Congress that—

(1) the acts of the Castro government, including its massive, systematic, and extraordinary violations of human rights, are a threat to international peace;

(2) the President should advocate, and should instruct the United States Permanent Representative to the United Nations to propose and seek, within the Security Council, a mandatory international embargo against the totalitarian Cuban Government pursuant to chapter VII of the Charter of the United Nations, which is similar to measures taken by United States representatives with respect to Haiti; and

(3) any resumption or commencement of efforts by any state to make operational the nuclear facility at Cienfuegos, Cuba, will have a detrimental impact on United States assistance to and relations with that state.

SEC. 102. ENFORCEMENT OF THE ECONOMIC EMBARGO OF CUBA.

(a) POLICY.—(1) The Congress hereby reaffirms section 1704(a) of the Cuban Democracy Act of 1992 that states the President should encourage foreign countries to restrict trade and credit relations with Cuba.

(2) The Congress further urges the President to take immediate steps to apply the sanctions described in section 1704(b) of that Act against countries assisting Cuba.

(b) DIPLOMATIC EFFORTS.—The Secretary of State shall ensure that United States diplomatic personnel abroad understand and, in their contacts with foreign officials, are communicating the reasons for the United States economic embargo of Cuba, and are urging foreign governments to cooperate more effectively with the embargo.

(c) EXISTING REGULATIONS.—The President should instruct the Secretary of the Treasury and the Attorney General to enforce fully the Cuban Assets Control Regulations set forth in part 515 of title 31, Code of Federal Regulations.

(d) TRADING WITH THE ENEMY ACT.—

(1) CIVIL PENALTIES.—Subsection (b) of section 16 of the Trading With the Enemy Act (50 U.S.C. App. 16(b)) is amended to read as follows:

"(b)(1) A civil penalty of not to exceed $50,000 may be imposed by the Secretary of the Treasury on any person who violates any license, order, rule, or regulation issued in compliance with the provisions of this Act.

"(2) Any property, funds, securities, papers, or other articles or documents, or any vessel, together with its tackle, apparel, furniture, and equipment, that is the subject of a violation under paragraph (1) shall, at the discretion of the Secretary of the Treasury, be forfeited to the United States Government.

"(3) The penalties provided under this subsection may not be imposed for—

"(A) news gathering, research, or the export or import of, or transmission of, information or informational materials; or

"(B) clearly defined educational or religious activities, or activities of recognized human rights organizations, that are reasonably limited in frequency, duration, and number of participants.

"(4) The penalties provided under this subsection may be imposed only on the record after opportunity for an agency hearing in accordance with sections 554 through 557 of title 5, United States Code, with the right to prehearing discovery.

"(5) Judicial review of any penalty imposed under this subsection may be had to the extent provided in section 702 of title 5, United States Code.".

(2) FORFEITURE OF PROPERTY USED IN VIOLATION.—Section 16 of the Trading With the Enemy Act is further amended by striking subsection (c).

(3) CLERICAL AMENDMENT.—Section 16 of the Trading With the Enemy Act is further amended by inserting "SEC. 16." before "(a)".

(e) COVERAGE OF DEBT-FOR-EQUITY SWAPS BY ECONOMIC EMBARGO OF CUBA.—Section 1704(b)(2) of the Cuban Democracy Act of 1992 (22 U.S.C. 6003(b)(2)) is amended—

(1) by striking "and" at the end of subparagraph (A);

(2) by redesignating subparagraph (B) as subparagraph (C); and

(3) by inserting after subparagraph (A) the following new subparagraph:

"(B) includes an exchange, reduction, or forgiveness of Cuban debt owed to a foreign country in return for a grant of an equity interest in a property, investment, or operation of the Government of Cuba (including the government of any political subdivision of Cuba, and any agency or instrumentality of the Government of Cuba) or of a Cuban national; and"; and

(4) by adding at the end the following flush sentence:

"As used in this paragraph, the term 'agency or instrumentality of the Government of Cuba' means an agency or instrumentality of a foreign state as defined in section 1603(b) of title 28, United States Code, with 'Cuba' substituted for 'a foreign state' each place it appears in such section.".

SEC. 103. PROHIBITION AGAINST INDIRECT FINANCING OF THE CASTRO DICTATORSHIP.

(a) PROHIBITION.—Notwithstanding any other provision of law, no loan, credit, or other financing may be extended knowingly by a United States national, permanent resident alien, or United States agency, to a foreign national, United States national, or permanent resident alien, in order to finance transactions involving any confiscated property the claim to which is owned by a United States national as of the date of the enactment of this Act.

(b) TERMINATION OF PROHIBITION.—The prohibition of subsection (a) shall cease to apply on the date on which the economic embargo of Cuba terminates under section 205.

(c) PENALTIES.—Violations of subsection (a) shall be punishable by the same penalties as are applicable to violations of the Cuban Assets Control Regulations set forth in part 515 of title 31, Code of Federal Regulations.

(d) DEFINITIONS.—As used in this section—

(1) the term "permanent resident alien" means an alien admitted for permanent residence into the United States; and

(2) the term "United States agency" has the meaning given the term "agency" in section 551(1) of title 5, United States Code.

SEC. 104. UNITED STATES OPPOSITION TO CUBAN MEMBERSHIP IN INTERNATIONAL FINANCIAL INSTITUTIONS.

(a) CONTINUED OPPOSITION TO CUBAN MEMBERSHIP IN INTERNATIONAL FINANCIAL INSTITUTIONS.—(1) Except as provided in paragraph (2), the Secretary of the Treasury shall instruct the United States executive director to each international financial institution to use the voice and vote of the United States to oppose the admission of Cuba as a member of that institution until the President submits a determination under section 203(c)(3) that a democratically elected government in Cuba is in power.

(2) Once the President submits a determination under section 203(c)(1) that a transition government in Cuba is in power, the President is encouraged to take steps to support the processing of Cuba's application for membership in any international financial institution, subject to the membership taking effect after a democratically elected government in Cuba is in power.

(b) REDUCTION IN UNITED STATES PAYMENTS TO INTERNATIONAL FINANCIAL INSTITUTIONS.—If any international financial institution approves a loan or other assistance to the Cuban Government over the opposition of the United States, then the Secretary of the Treasury shall withhold from payment to that institution an amount equal to the amount of the loan or other assistance to the Cuban Government, with respect to each of the following types of payment:

(1) The paid-in portion of the increase in capital stock of the institution.

(2) The callable portion of the increase in capital stock of the institution.

(c) DEFINITION.—For purposes of this section, the term "international financial institution" means the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guaranty Agency, and the Inter-American Development Bank.

SEC. 105. UNITED STATES OPPOSITION TO ENDING THE SUSPENSION OF THE GOVERNMENT OF CUBA FROM THE ORGANIZATION OF AMERICAN STATES.

The President should instruct the United States Permanent Representative to the Organization of American States to use the voice and vote of the United States to oppose ending the suspension of the Government of Cuba from the Organization until the President determines under section 203(c)(3) that a democratically elected government in Cuba is in power.

SEC. 106. ASSISTANCE BY THE INDEPENDENT STATES OF THE FORMER SOVIET UNION FOR THE CUBAN GOVERNMENT.

(a) REPORTING REQUIREMENT.—Not later than 90 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report detailing progress towards the withdrawal of personnel of any independent state of the former Soviet Union (within the meaning of section 3 of the FREEDOM Support Act (22 U.S.C. 5801)), including advisers, technicians, and military personnel, from the Cienfuegos nuclear facility in Cuba.

(b) CRITERIA FOR ASSISTANCE.—Section 498A(a)(11) of the Foreign Assistance Act of 1961 (22 U.S.C. 2295a(a)(11)) is amended by striking "of military facilities" and inserting "military and intelligence facilities, including the military and intelligence facilities at Lourdes and Cienfuegos".

(c) INELIGIBILITY FOR ASSISTANCE.—(1) Section 498A(b) of that Act (22 U.S.C. 2295a(b)) is amended—

(A) by striking "or" at the end of paragraph (4);

(B) by redesignating paragraph (5) as paragraph (6); and

(C) by inserting after paragraph (4) the following:

"(5) for the government of any independent state effective 30 days after the President has determined and certified to the appropriate congressional committees (and Congress has not enacted legislation disapproving the determination within that 30-day period) that such government is providing assistance for, or engaging in nonmarket based trade (as defined in section 498B(k)(3)) with, the Cuban Government; or".

(2) Subsection (k) of section 498B of that Act (22 U.S.C. 2295b(k)), is amended by adding at the end the following:

"(3) NONMARKET BASED TRADE.—As used in section 498A(b)(5), the term 'nonmarket based trade' includes exports, imports, exchanges, or other arrangements that are provided for goods and services (including oil and other petroleum products) on terms more favorable than those generally available in applicable markets or for comparable commodities, including—

"(A) exports to the Cuban Government on terms that involve a grant, concessional price, guaranty, insurance, or subsidy;

"(B) imports from the Cuban Government at preferential tariff rates;

"(C) exchange arrangements that include advance delivery of commodities, arrangements in which the Cuban Government is not held accountable for unfulfilled exchange contracts, and arrangements under which Cuba does not pay appropriate transportation, insurance, or finance costs; and

"(D) the exchange, reduction, or forgiveness of Cuban debt in return for a grant by the Cuban Government of an equity interest in a property, investment, or operation of the Cuban Government or of a Cuban national.

"(4) CUBAN GOVERNMENT.—(A) The term 'Cuban Government' includes the government of any political subdivision of Cuba, and any agency or instrumentality of the Government of Cuba.

"(B) For purposes of subparagraph (A), the term 'agency or instrumentality of the Government of Cuba' means an agency or instrumentality of a foreign state as defined in section 1603(b) of title 28, United States Code, with 'Cuba' substituted for 'a foreign state' each place it appears in such section.".

(d) FACILITIES AT LOURDES, CUBA.—(1) The Congress expresses its strong disapproval of the extension by Russia of credits equivalent to approximately $200,000,000 in support of the intelligence facility at Lourdes, Cuba, in November 1994.

(2) Section 498A of the Foreign Assistance Act of 1961 (22 U.S.C. 2295a) is amended by adding at the end the following new subsection:

"(d) REDUCTION IN ASSISTANCE FOR SUPPORT OF INTELLIGENCE FACILITIES IN CUBA.—(1) Notwithstanding any other provision of law, the President shall withhold from assistance provided, on or after the date of the enactment of this subsection, for an independent state of the former Soviet Union under this chapter an amount equal to the sum of assistance and credits, if any, provided on or after such date by such state in support of intelligence facilities in Cuba, including the intelligence facility at Lourdes, Cuba.

"(2)(A) The President may waive the requirement of paragraph (1) to withhold assistance if the President certifies to the appropriate congressional committees that the provision of such assistance is important to the national security of the United States, and, in the case of such a certification made with respect to Russia, if the President certifies that the Russian Government has assured the United States Government that the Russian Government is not sharing intelligence data collected at the Lourdes facility with officials or agents of the Cuban Government.

"(B) At the time of a certification made with respect to Russia pursuant to subparagraph (A), the President shall also submit to the appropriate congressional committees a report describing the intelligence activities of Russia in Cuba, including the purposes for which the Lourdes facility is used by the Russian Government and the extent to which the Russian Government provides payment or government credits to the Cuban Government for the continued use of the Lourdes facility.

"(C) The report required by subparagraph (B) may be submitted in classified form.

"(D) For purposes of this paragraph, the term 'appropriate congressional committees' includes the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate.

"(3) The requirement of paragraph (1) to withhold assistance shall not apply with respect to—

"(A) assistance to meet urgent humanitarian needs, including disaster and refugee relief;

"(B) democratic political reform and rule of law activities;

"(C) technical assistance for safety upgrades of civilian nuclear power plants;

"(D) the creation of private sector and nongovernmental organizations that are independent of government control;

"(E) the development of a free market economic system; and

"(F) assistance for the purposes described in the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103-160).".

SEC. 107. TELEVISION BROADCASTING TO CUBA.

(a) CONVERSION TO UHF.—The Director of the United States Information Agency shall implement a conversion of television broadcasting to Cuba under the Television Marti Service to ultra high frequency (UHF) broadcasting.

(b) PERIODIC REPORTS.—Not later than 45 days after the date of the enactment of this Act, and every three months thereafter until the conversion described in subsection (a) is fully implemented, the Director of the United States Information Agency shall submit a report to the appropriate congressional committees on the progress made in carrying out subsection (a).

(c) TERMINATION OF BROADCASTING AUTHORITIES.—Upon transmittal of a determination under section 203(c)(3), the Television Broadcasting to Cuba Act (22 U.S.C. 1465aa and following) and the Radio Broadcasting to Cuba Act (22 U.S.C. 1465 and following) are repealed.

SEC. 108. REPORTS ON ASSISTANCE AND COMMERCE RECEIVED BY CUBA FROM OTHER FOREIGN COUNTRIES.

(a) REPORTS REQUIRED.—Not later than 90 days after the date of the enactment of this Act, and every year thereafter, the President shall submit a report to the appropriate congressional committees on assistance and commerce received by Cuba from other foreign countries during the preceding 12-month period.

(b) CONTENTS OF REPORTS.—Each report required by subsection (a) shall, for the period covered by the report, contain the following, to the extent such information is known:

(1) A description of all bilateral assistance provided to Cuba by other foreign countries, including humanitarian assistance.

(2) A description of Cuba's commerce with foreign countries, including an identification of Cuba's trading partners and the extent of such trade.

(3) A description of the joint ventures completed, or under consideration, by foreign nationals involving facilities in Cuba, including an identification of the location of the facilities involved and a description of the terms of agreement of the joint ventures and the names of the parties that are involved.

(4) A determination whether or not any of the facilities described in paragraph (3) is the subject of a claim by a United States national.

(5) A determination of the amount of Cuban debt owed to each foreign country, including—

(A) the amount of debt exchanged, forgiven, or reduced under the terms of each investment or operation in Cuba involving foreign nationals; and

(B) the amount of debt owed to the foreign country that has been exchanged, reduced, or forgiven in return for a grant by the Cuban Government of an equity interest in a property, investment, or operation of the Cuban Government or of a Cuban national.

(6) A description of the steps taken to ensure that raw materials and semifinished or finished goods produced by facilities in Cuba involving foreign nationals do not enter the United States market, either directly or through third countries or parties.

(7) An identification of countries that purchase, or have purchased, arms or military supplies from the Cuban Government or that otherwise have entered into agreements with the Cuban Government that have a military application, including—

(A) a description of the military supplies, equipment, or other materiel sold, bartered, or exchanged between the Cuban Government and such countries;

(B) a listing of the goods, services, credits, or other consideration received by the Cuban Government in exchange for military supplies, equipment, or materiel; and

(C) the terms or conditions of any such agreement.

SEC. 109. AUTHORIZATION OF SUPPORT FOR DEMOCRATIC AND HUMAN RIGHTS GROUPS AND INTERNATIONAL OBSERVERS.

(a) AUTHORIZATION.—Notwithstanding any other provision of law, except for section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394-1) and comparable notification requirements contained in any Act making appropriations for foreign operations, export financing, and related programs, the President is authorized to furnish assistance and provide other support for individuals and independent nongovernmental organizations to support democracy-building efforts for Cuba, including the following:

(1) Published and informational matter, such as books, videos, and cassettes, on transitions to democracy, human rights, and market economies, to be made available to independent democratic groups in Cuba.

(2) Humanitarian assistance to victims of political repression, and their families.

(3) Support for democratic and human rights groups in Cuba.

(4) Support for visits and permanent deployment of independent international human rights monitors in Cuba.

(b) OAS EMERGENCY FUND.—(1) The President shall take the necessary steps to encourage the Organization of American States to create a special emergency fund for the explicit purpose of deploying human rights observers, election support, and election observation in Cuba.

(2) The President should instruct the United States Permanent Representative to the Organization of American States to encourage other member states of the Organization to join in calling for the Cuban Government to allow the immediate deployment of independent human rights monitors of the Organization throughout Cuba and on-site visits to Cuba by the Inter-American Commission on Human Rights.

(3) Notwithstanding section 307 of the Foreign Assistance Act of 1961 (22 U.S.C. 2227) or any other provision of law limiting the United States proportionate share of assistance to Cuba by any international organization, the President should provide not less than $5,000,000 of the voluntary contributions of the United States to the Organization of American States as of the date of the enactment of this Act solely for the purposes of the special fund referred to in paragraph (1).

SEC. 110. WITHHOLDING OF FOREIGN ASSISTANCE FROM COUNTRIES SUPPORTING NUCLEAR PLANT IN CUBA.

(a) FINDINGS.—The Congress makes the following findings:

(1) President Clinton stated in April 1993 that "the United States opposes the construction of the Juragua nuclear power plant because of our concerns about Cuba's ability to ensure the safe operation of the facility and because of Cuba's refusal to sign the Nuclear Non-Proliferation Treaty or ratify the Treaty of Tlatelolco.".

(2) Cuba has not signed the Treaty on the Non-Proliferation of Nuclear Weapons or ratified the Treaty of Tlatelolco, the latter of which establishes Latin America and the Caribbean as a nuclear weapons-free zone.

(3) The State Department, the Nuclear Regulatory Commission, and the Department of Energy have expressed concerns about the construction and operation of Cuba's nuclear reactors.

(4) In a September 1992 report to Congress, the General Accounting Office outlined concerns among nuclear energy experts about deficiencies in the nuclear plant project in Juragua, near Cienfuegos, Cuba, including—

(A) a lack in Cuba of a nuclear regulatory structure;

(B) the absence in Cuba of an adequate infrastructure to ensure the plant's safe operation and requisite maintenance;

(C) the inadequacy of training of plant operators;

(D) reports by a former technician from Cuba who, by examining with x-rays weld sites believed to be part of the auxiliary plumbing system for the plant, found that 10 to 15 percent of those sites were defective;

(E) since September 5, 1992, when construction on the plant was halted, the prolonged exposure to the elements, including corrosive salt water vapor, of the primary reactor components; and

(F) the possible inadequacy of the upper portion of the reactors' dome retention capability to withstand only 7 pounds of pressure per square inch, given that normal atmospheric pressure is 32 pounds per square inch and United States reactors are designed to accommodate pressures of 50 pounds per square inch.

(5) The United States Geological Survey claims that it had difficulty determining answers to specific questions regarding earthquake activity in the area near Cienfuegos because the Cuban Government was not forthcoming with information.

(6) The Geological Survey has indicated that the Caribbean plate, a geological formation near the south coast of Cuba, may pose seismic risks to Cuba and the site of the power plant, and may produce large to moderate earthquakes.

(7) On May 25, 1992, the Caribbean plate produced an earthquake numbering 7.0 on the Richter scale.

(8) According to a study by the National Oceanic and Atmospheric Administration, summer winds could carry radioactive pollutants from a nuclear accident at the power plant throughout all of Florida and parts of the States on the gulf coast as far as Texas, and northern winds could carry the pollutants as far northeast as Virginia and Washington, D.C.

(9) The Cuban Government, under dictator Fidel Castro, in 1962 advocated the Soviets' launching of nuclear missiles to the United States, which represented a direct and dangerous provocation of the United States and brought the world to the brink of a nuclear conflict.

(10) Fidel Castro over the years has consistently issued threats against the United States Government, most recently that he would unleash another perilous mass migration from Cuba upon the enactment of this Act.

(11) Despite the various concerns about the plant's safety and operational problems, a feasibility study is being conducted that would establish a support group to include Russia, Cuba, and third countries with the objective of completing and operating the plant.

(b) WITHHOLDING OF FOREIGN ASSISTANCE.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the President shall withhold from assistance allocated, on or after the date of the enactment of this Act, for any country an amount equal to the sum of assistance and credits, if any, provided on or after such date of enactment by that country or any entity in that country in support of the completion of the Cuban nuclear facility at Juragua, near Cienfuegos, Cuba.

(2) EXCEPTIONS.—The requirement of paragraph (1) to withhold assistance shall not apply with respect to—

(A) assistance to meet urgent humanitarian needs, including disaster and refugee relief;

(B) democratic political reform and rule of law activities;

(C) the creation of private sector and nongovernmental organizations that are independent of government control;

(D) the development of a free market economic system; and

(E) assistance for the purposes described in the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103–160).

(3) DEFINITION.—As used in paragraph (1), the term "assistance" means assistance under the Foreign Assistance Act of 1961, credits, sales, and guarantees of extensions of credit under the Arms Export Control Act, assistance under titles I and III of the Agricultural Trade Development and Assistance Act of 1954, assistance under the FREEDOM Support Act of 1992, and any other program of assistance or credits provided by the United States to other countries under other provisions of law, except that the term "assistance" does not include humanitarian assistance, including disaster relief assistance.

SEC. 111. EXPULSION OF CRIMINALS FROM CUBA.

The President shall instruct all United States Government officials who engage in official conduct with the Cuban Government to raise on a regular basis the extradition of or rendering to the United States all persons residing in Cuba who are sought by the United States Department of Justice for crimes committed in the United States.

SEC. 112. EXPORTS OF FOOD OR MEDICAL ITEMS.

(a) AMENDMENT TO EMBARGO AUTHORITY IN THE FOREIGN ASSISTANCE ACT OF 1961.—Section 620(a)(1) of the Foreign Assistance Act of 1961 (22 u.S.C. 2370(a)(1)) is amended by striking the period at the end of the second sentence and inserting the following: ", except that any such embargo shall not apply with respect to the export of any medicines or medical supplies, instruments, or equipment, or staple foods. For purposes of the preceding sentence, the term 'staple foods' means meat, poultry, fish, bread, cereals, grains, vegetables, fruits, and dairy products.".

(b) LIMITATION ON EXISTING RESTRICTIONS ON TRADE WITH CUBA.—Upon the enactment of this Act, any regulation, proclamation, or provision of law, including Presidential Proclamation 3447 of February 8, 1962, the Export Administration Regulations (15 CFR 368–399), and the Cuban Assets Control Regulations (31 CFR 515), that prohibits exports to Cuba or transactions involving exports to Cuba and that is in effect on the date of the enactment of this Act, shall not apply with respect to the export to Cuba of medicines or medical supplies, instruments, or equipment, or staple foods.

(c) LIMITATION ON THE FUTURE EXERCISE OF AUTHORITY.—

(1) EXPORT ADMINISTRATION ACT OF 1979.—After the enactment of this Act, the President may not exercise the authorities contained in the Export Administration Act of 1979 to restrict the exportation to Cuba—

(A) a medicines or medical supplies, instruments, or equipment, except to the extent such restrictions would be permitted under section 5 of that Act for goods containing parts or components subjects to export controls under such section; or

(B) of staple foods.

(2) INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT.—After the enactment of this Act, the President may not exercise the authorities contained in section 203 of the International Emergency Economic Powers Act to restrict the export to Cuba—

(A) of medicines or medical supplies, instruments, or equipment, to the extent such authorities are exercised to deal with a threat to the foreign policy or economy of the United States; or

(B) of staple foods.

(d) DEFINITION.—For purposes of this section, the term "staple foods" means meat, poultry, fish, bread, cereals, grains, vegetables, fruits, and dairy products.

(e) CONFORMING AMENDMENTS.—(1) Section 1705 of the Cuban Democracy Act of 1992 (22 U.S.C. 6004) is amended—

(A) in subsection (b)—

(i) in the subsection caption by inserting "AND EXPORTS OF STAPLE FOODS" after "FOOD"; and

(ii) by striking the period at the end and inserting the following: "or prohibit exports to Cuba of staple foods. For purposes of the preceding sentence, the term 'staple foods' means meat, poultry, fish, bread, cereals, grains, vegetables, fruits, and dairy products.";

(B) by amending subsection (c)(1) to read as follows:

"(1) except to the extent such restrictions—

"(A) would be permitted under section 5 of the Export Administration Act of 1979 for goods containing parts or components subject to export controls under such section; or

"(B) are imposed under section 208 of the International Emergency Economic Powers Act to deal with a threat to the national security of the United States;"; and

(C) by striking subsection (d) and redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.

(2) Section 1704(b)(2)(B)(i) of the Cuban Democracy Act of 1992 (22 U.S.C. 6003(b)(2)(B)(i)) is amended by inserting after "Cuba," the following: "or exports of staple foods permitted under section 1705(b),".

TITLE II—ASSISTANCE TO A FREE AND INDEPENDENT CUBA

SEC. 201. POLICY TOWARD A TRANSITION GOVERNMENT AND A DEMOCRATICALLY ELECTED GOVERNMENT IN CUBA.

The policy of the United States is as follows:

(1) To support the self-determination of the Cuban people.

(2) To recognize that the self-determination of the Cuban people is a sovereign and national right of the citizens of Cuba which must be exercised free of interference by the government of any other country.

(3) To encourage the Cuban people to empower themselves with a government which reflects the self-determination of the Cuban people.

(4) To recognize the potential for a difficult transition from the current regime in Cuba that may result from the initiatives taken by the Cuban people for self-determination in response to the intransigence of the Castro regime in not allowing any substantive political or economic reforms, and to be prepared to provide the Cuban people with humanitarian, developmental, and other economic assistance.

(5) In solidarity with the Cuban people, to provide appropriate forms of assistance—

(A) to a transition government in Cuba;

(B) to facilitate the rapid movement from such a transition government to a democratically elected government in Cuba that results from an expression of the self-determination of the Cuban people; and

(C) to support such a democratically elected government.

(6) Through such assistance, to facilitate a peaceful transition to representative democracy and a market economy in Cuba and to consolidate democracy in Cuba.

(7) To deliver such assistance to the Cuban people only through a transition government in Cuba, through a democratically elected government in Cuba, through United States Government organizations, or through United States, international, or indigenous nongovernmental organizations.

(8) To encourage other countries and multilateral organizations to provide similar assistance, and to work cooperatively with such countries and organizations to coordinate such assistance.

(9) To ensure that appropriate assistance is rapidly provided and distributed to the people of Cuba upon the institution of a transition government in Cuba.

(10) Not to provide favorable treatment or influence on behalf of any individual or entity in the selection by the Cuban people of their future government.

(11) To assist a transition government in Cuba and a democratically elected government in Cuba to prepare the Cuban military forces for an appropriate role in a democracy.

(12) To be prepared to enter into negotiations with a democratically elected government in Cuba either to return the United States Naval Base at Guantanamo to Cuba or to renegotiate the present agreement under mutually agreeable terms.

(13) To consider the restoration of diplomatic recognition and support the reintegration of the Cuban Government into Inter-American organizations when the President determines that there exists a democratically elected government in Cuba.

(14) To take steps to remove the economic embargo of Cuba when the President determines that a transition to a democratically elected government in Cuba has begun.

(15) To assist a democratically elected government in Cuba to strengthen and stabilize its national currency.

(16) To pursue trade relations with a free, democratic, and independent Cuba.

SEC. 202. ASSISTANCE FOR THE CUBAN PEOPLE.

(a) AUTHORIZATION.—

(1) IN GENERAL.—The President shall develop a plan for providing economic assistance to Cuba at such time as the President determines that a transition government or a democratically elected government in Cuba (as determined under section 203(c)) is in power.

(2) EFFECT ON OTHER LAWS.—Assistance may be provided under this section subject to an authorization of appropriations and subject to the availability of appropriations.

(b) PLAN FOR ASSISTANCE.—

(1) DEVELOPMENT OF PLAN.—The President shall develop a plan for providing assistance under this section—

(A) to Cuba when a transition government in Cuba is in power; and

(B) to Cuba when a democratically elected government in Cuba is in power.

(2) TYPES OF ASSISTANCE.—Assistance under the plan developed under paragraph (1) may, subject to an authorization of appropriations and subject to the availability of appropriations, include the following:

(A) TRANSITION GOVERNMENT.—(i) Except as provided in clause (ii), assistance to Cuba under a transition government shall, subject to an authorization of appropriations and subject to the availability of appropriations, be limited to—

(I) such food, medicine, medical supplies and equipment, and assistance to meet emergency energy needs, as is necessary to meet the basic human needs of the Cuban people; and

(II) assistance described in subparagraph (C).

(ii) Assistance provided only after the President certifies to the appropriate congressional committees, in accordance with procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961, that such assistance is essential to the successful completion of the transition to democracy.

(iii) Only after a transition government in Cuba is in power, remittances by individuals to their relatives of cash or goods, as well as freedom to travel to visit them without any restrictions, shall be permitted.

(B) DEMOCRATICALLY ELECTED GOVERNMENT.—Assistance to a democratically elected government in Cuba may, subject to an authorization of appropriations and subject to the availability of appropriations, consist of additional economic assistance, together with assistance described in subparagraph (C). Such economic assistance may include—

(i) assistance under chapter 1 of part I (relating to development assistance), and chapter 4 of part II (relating to the economic support fund), of the Foreign Assistance Act of 1961;

(ii) assistance under the Agricultural Trade Development and Assistance Act of 1954;

(iii) financing, guarantees, and other forms of assistance provided by the Export-Import Bank of the United States;

(iv) financial support provided by the Overseas Private Investment Corporation for investment projects in Cuba;

(v) assistance provided by the Trade and Development Agency;

(vi) Peace Corps programs; and

(vii) other appropriate assistance to carry out the policy of section 201.

(C) MILITARY ADJUSTMENT ASSISTANCE.—Assistance to a transition government in Cuba and to a democratically elected government in Cuba shall also include assistance in preparing the Cuban military forces to adjust to an appropriate role in a democracy.

(c) STRATEGY FOR DISTRIBUTION.—The plan developed under subsection (b) shall include a strategy for distributing assistance under the plan.

(d) DISTRIBUTION.—Assistance under the plan developed under subsection (b) shall be provided through United States Government organizations and nongovernmental organizations and private and voluntary organizations, whether within or outside the United States, including humanitarian, educational, labor, and private sector organizations.

(e) INTERNATIONAL EFFORTS.—The President shall take the necessary steps—

(1) to seek to obtain the agreement of other countries and of international financial institutions and multilateral organizations to provide to a transition government in Cuba, and to a democratically elected government in Cuba, assistance comparable to that provided by the United States under this Act; and

(2) to work with such countries, institutions, and organizations to coordinate all such assistance programs.

(f) COMMUNICATION WITH THE CUBAN PEOPLE.—The President shall take the necessary steps to communicate to the Cuban people the plan for assistance developed under this section.

(g) REPORT TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, the President shall transmit to the appropriate congressional committees a report describing in detail the plan developed under this section.

(h) TRADE AND INVESTMENT RELATIONS.—

(1) REPORT TO CONGRESS.—The President, following the transmittal to the Congress of a determination under section 203(c)(3) that a democratically elected government in Cuba is in power, shall submit to the appropriate congressional committees a report that describes—

(A) acts, policies, and practices that constitute significant barriers to, or distortions of, United States trade in goods or services or foreign direct investment with respect to Cuba;

(B) policy objectives of the United States regarding trade relations with a democratically elected government in Cuba, and the reasons therefor, including possible—

(i) reciprocal extension of nondiscriminatory trade treatment (most-favored-nation treatment);

(ii) designation of Cuba as a beneficiary developing country under title V of the Trade Act of 1974 (relating to the Generalized System of Preferences) or as a beneficiary country under the Caribbean Basin Economic Recovery Act, and the implications of such designation with respect to trade with any other country that is such a beneficiary developing country or beneficiary country or is a party to the North American Free Trade Agreement; and

(iii) negotiations regarding free trade, including the accession of Cuba to the North American Free Trade Agreement;

(C) specific trade negotiating objectives of the United States with respect to Cuba, including the objectives described in section 108(b)(5) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3317(b)(5)); and

(D) actions proposed or anticipated to be undertaken, and any proposed legislation necessary or appropriate, to achieve any of such policy and negotiating objectives.

(2) CONSULTATIONS.—The President shall consult with the appropriate congressional committees and shall seek advice from the appropriate advisory committees established under section 135 of the Trade Act of 1974 regarding the policy and negotiating objectives and the legislative proposals described in paragraph (1).

SEC. 203. COORDINATION OF ASSISTANCE PROGRAM; IMPLEMENTATION AND REPORTS TO CONGRESS; REPROGRAMMING.

(a) COORDINATING OFFICIAL.—The President shall designate a coordinating official who shall be responsible for—

(1) implementing the strategy for distributing assistance described in section 202(b);

(2) ensuring the speedy and efficient distribution of such assistance; and

(3) ensuring coordination among, and appropriate oversight by, the agencies of the United States that provide assistance described in section 202(b), including resolving any disputes among such agencies.

(b) UNITED STATES-CUBA COUNCIL.—Upon making a determination under subsection (c)(3) that a democratically elected government in Cuba is in power, the President, after consultation with the coordinating official, is authorized to designate a United States-Cuba council—

(1) to ensure coordination between the United States Government and the private sector in responding to change in Cuba, and in promoting market-based development in Cuba; and

(2) to establish periodic meetings between representatives of the United States and Cuban private sectors for the purpose of facilitating bilateral trade.

(c) IMPLEMENTATION OF PLAN; REPORTS TO CONGRESS.—

(1) IMPLEMENTATION WITH RESPECT TO TRANSITION GOVERNMENT.—Upon making a determination that a transition government in Cuba is in power, the President shall transmit that determination to the appropriate congressional committees and shall, subject to an authorization of appropriations and subject to the availability of appropriations, commence the delivery and distribution of assistance to such transition government under the plan developed under section 202(b).

(2) REPORTS TO CONGRESS.—(A) The President shall transmit to the appropriate congressional committees a report setting forth the strategy for providing assistance described in section 202(b)(2) (A) and (C) to the transition government in Cuba under the plan of assistance developed under section 202(b), the types of such assistance, and the extent to which such assistance has been distributed in accordance with the plan.

(B) The President shall transmit the report not later than 90 days after making the determination referred to in paragraph (1), except that the President shall transmit the report in preliminary form not later than 15 days after making that determination.

(3) IMPLEMENTATION WITH RESPECT TO DEMOCRATICALLY ELECTED GOVERNMENT.—The President shall, upon determining that a democratically elected government in Cuba is in power, submit that determination to the appropriate congressional committees and shall, subject to an authorization of appropriations and subject to the availability of appropriations, commence the delivery and distribution of assistance to such democratically elected government under the plan developed under section 202(b).

(4) ANNUAL REPORTS TO CONGRESS.—Not later than 60 days after the end of each fiscal year, the President shall transmit to the appropriate congressional committees a report on the assistance provided under the plan developed under section 202(b), including a description of each type of assistance, the amounts expended for such assistance, and a description of the assistance to be provided under the plan in the current fiscal year.

(d) REPROGRAMMING.—Any changes in the assistance to be provided under the plan developed under section 202(b) may not be made unless the President notifies the appropriate congressional committees at least 15 days in advance in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394–1).

SEC. 204. TERMINATION OF THE ECONOMIC EMBARGO OF CUBA.

(a) PRESIDENTIAL ACTIONS.—Upon submitting a determination to the appropriate congressional committees under section 203(c)(1) that a transition government in Cuba is in power, the President, after consulting with the Congress, is authorized to take steps to suspend the economic embargo of Cuba to the extent that such action contributes to a stable foundation for a democratically elected government in Cuba.

(b) SUSPENSION OF CERTAIN PROVISIONS OF LAW.—In carrying out subsection (a), the President may suspend the enforcement of—

(1) section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a));

(2) section 620(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(f)) with regard to the "Republic of Cuba";

(3) sections 1704, 1705(d), and 1706 of the Cuban Democracy Act (22 U.S.C. 6003, 6004(d), 6005);

(4) section 902(c) of the Food Security Act of 1985; and

(5) the prohibitions on transactions described in part 515 of title 31, Code of Federal Regulations.

(c) ADDITIONAL PRESIDENTIAL ACTIONS.—Upon submitting a determination to the appropriate congressional committees under section 203(c)(3) that a democratically elected government in Cuba is in power, the President shall take steps to terminate the economic embargo of Cuba.

(d) CONFORMING AMENDMENTS.—On the date on which the President submits a determination under section 203(c)(3)—

(1) section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)) is repealed;

(2) section 620(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(f)) is amended by striking "Republic of Cuba";

(3) sections 1704, 1705(d), and 1706 of the Cuban Democracy Act of 1992 (22 U.S.C. 6003, 6004(d), and 6005) are repealed; and

(4) section 902(c) of the Food Security Act of 1985 is repealed.

(e) REVIEW OF SUSPENSION OF ECONOMIC EMBARGO.—

(1) REVIEW.—If the President takes action under subsection (a) to suspend the economic embargo of Cuba, the President shall immediately so notify the Congress. The President shall report to the Congress no less frequently than every 6 months thereafter, until he submits a determination under section 203(c)(3) that a democratically elected government in Cuba is in power, on the progress being made by Cuba toward the establishment of such a democratically elected government. The action of the President under subsection (a) shall cease to be effective upon the enactment of a joint resolution described in paragraph (2).

(2) JOINT RESOLUTIONS.—For purposes of this subsection, the term "joint resolution" means only a joint resolution of the 2 Houses of Congress, the matter after the resolving clause of which is as follows: "That the Congress disapproves the action of the President under section 204(a) of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995 to suspend the economic embargo of Cuba, notice of which was submitted to the Congress on ____.", with the blank space being filled with the appropriate date.

(3) REFERRAL TO COMMITTEES.—Joint resolutions introduced in the House of Representatives shall be referred to the Committee on International Relations and joint resolutions introduced in the Senate shall be referred to the Committee on Foreign Relations.

(4) PROCEDURES.—(A) Any joint resolution shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

(B) For the purpose of expediting the consideration and enactment of joint resolutions, a motion to proceed to the consideration of any joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

(C) Not more than 1 joint resolution may be considered in the House of Representatives and the Senate in the 6-month period beginning on the date on which the President notifies the Congress under paragraph (1) of the action taken under subsection (a), and in each 6-month period thereafter.

SEC. 205. REQUIREMENTS FOR A TRANSITION GOVERNMENT.

For purposes of this Act, a transition government in Cuba is a government in Cuba which—

(1) is demonstrably in transition from communist totalitarian dictatorship to representative democracy;

(2) has recognized the right to independent political activity and association;

(3) has released all political prisoners and allowed for investigations of Cuban prisons by appropriate international human rights organizations;

(4) has ceased any interference with Radio or Television Marti broadcasts;

(5) makes public commitments to and is making demonstrable progress in—

(A) establishing an independent judiciary;

(B) dissolving the present Department of State Security in the Cuban Ministry of the Interior, including the Committees for the Defense of the Revolution and the Rapid Response Brigades;

(C) respecting internationally recognized human rights and basic freedoms as set forth in the Universal Declaration of Human Rights, to which Cuba is a signatory nation;

(D) effectively guaranteeing the rights of free speech and freedom of the press;

(E) organizing free and fair elections for a new government—

(i) to be held in a timely manner within a period not to exceed 1 year after the transition government assumes power;

(ii) with the participation of multiple independent political parties that have full access to the media on an equal basis, including (in the case of radio, television, or other telecommunications media) in terms of allotments of time for such access and the times of day such allotments are given; and

(iii) to be conducted under the supervision of internationally recognized observers, such as the Organization of American States, the United Nations, and other elections monitors;

(F) assuring the right to private property;

(G) taking appropriate steps to return to United States citizens (and entities which are 50 percent or more beneficially owned by United States citizens) property taken by the Cuban Government from such citizens and entities on or after January 1, 1959, or to provide equitable compensation to such citizens and entities for such property;

(H) granting permits to privately owned telecommunications and media companies to operate in Cuba; and

(I) allowing the establishment of independent trade unions as set forth in conventions 87 and 98 of the International Labor Organization, and allowing the establishment of independent social, economic, and political associations;

(6) does not include Fidel Castro or Raul Castro;

(7) has given adequate assurances that it will allow the speedy and efficient distribution of assistance to the Cuban people;

(8) permits the deployment throughout Cuba of independent and unfettered international human rights monitors; and

(9) has extradited or otherwise rendered to the United States all persons sought by the United States Department of Justice for crimes committed in the United States.

SEC. 206. REQUIREMENTS FOR A DEMOCRATICALLY ELECTED GOVERNMENT.

For purposes of this Act, a democratically elected government in Cuba, in addition to continuing to comply with the requirements of section 205, is a government in Cuba which—

(1) results from free and fair elections conducted under the supervision of internationally recognized observers;

(2) has permitted opposition parties ample time to organize and campaign for such elections, and has permitted full access to the media to all candidates in the elections;

(3) is showing respect for the basic civil liberties and human rights of the citizens of Cuba;

(4) has made demonstrable progress in establishing an independent judiciary;

(5) is substantially moving toward a market-oriented economic system;

(6) is committed to making constitutional changes that would ensure regular free and fair elections that meet the requirements of paragraph (2); and

(7) has made demonstrable progress in returning to United States citizens (and entities which are 50 percent or more beneficially owned by United States citizens) property taken by the Cuban Government from such citizens and entities on or after January 1, 1959, or providing full compensation for such property in accordance with international law standards and practice.

TITLE III—PROTECTION OF PROPERTY RIGHTS OF UNITED STATES NATIONALS AGAINST CONFISCATORY TAKINGS BY THE CASTRO REGIME

SEC. 301. STATEMENT OF POLICY.

The Congress makes the following findings:

(1) The right of individuals to hold and enjoy property is a fundamental right recognized by the United States Constitution and international human rights law, including the Universal Declaration of Human Rights.

(2) The illegal confiscation or taking of property by governments, and the acquiescence of governments in the confiscation of property by their citizens, undermines the comity among nations, the free flow of commerce, and economic development.

(3) It is in the interest of all nations to respect equally the property rights of their citizens and nationals of other countries.

(4) Nations that provide an effective mechanism for prompt, adequate, and fair compensation for the confiscation of private property will continue to have the support of the United States.

(5) The United States Government has an obligation to its citizens to provide protection against illegal confiscation by foreign nations and their citizens, including the provision of private remedies.

(6) Nations that illegally confiscate private property should not be immune to another nation's laws whose purpose is to protect against the confiscation of lawfully acquired property by its citizens.

(7) Trafficking in illegally acquired property is a crime under the laws of the United States and other nations, yet this same activity is allowed under international law.

(8) International law, by not providing effective remedies, condones the illegal confiscation of property and allows for the unjust enrichment from the use of confiscated property by governments and private entities at the expense of those who hold legal claim to the property.

(9) The development of an international mechanism sanctioning those governments and private entities that confiscate and unjustly use private property so confiscated should be a priority objective of United States foreign policy.

SEC. 302. LIABILITY FOR TRAFFICKING IN PROPERTY CONFISCATED FROM UNITED STATES NATIONALS.

(a) CIVIL REMEDY.—

(1) LIABILITY FOR TRAFFICKING.—(A) Except as provided in paragraphs (3) and (4), any person, including any agency or instrumentality of a foreign state in the conduct of a commercial activity, that, after the end of the 6-month period beginning on the date of the enactment of this Act, traffics in confiscated property shall be liable to any United States national who owns the claim to such property for money damages in an amount equal to the sum of—

(i) the amount which is the greater of—

(I) the amount, if any, certified to the claimant by the Foreign Claims Settlement Commission under the International Claims Settlement Act of 1949, plus interest;

(II) the amount determined under section 303(a)(2), plus interest; or

(III) the fair market value of that property, calculated as being the then current value of the property, or the value of the property when confiscated plus interest, whichever is greater; and

(ii) reasonable costs and attorneys' fees.

(B) Interest under subparagraph (A)(i) shall be at the rate set forth in section 1961 of title 28, United States Code, computed by the court from the date of the confiscation of the property involved to the date on which the action is brought under this subsection.

(2) PRESUMPTION IN FAVOR OF CERTIFIED CLAIMS.—There shall be a presumption that the amount for which a person, including any agency or instrumentality of a foreign state in the conduct of a commercial activity, is liable under clause (i) of paragraph (1)(A) is the amount that is certified under subclause (I) of that clause. The presumption shall be rebuttable by clear and convincing evidence that the amount described in subclause (II) or (III) of that clause is the appropriate amount of liability under that clause.

(3) INCREASED LIABILITY FOR PRIOR NOTICE.—Except as provided in paragraph (4), any person, including any agency or instrumentality of a foreign state in the conduct of a commercial activity, that traffics in confiscated property after having received—

(A) notice of a claim to ownership of the property by a United States national who owns a claim to the confiscated property, and

(B) notice of the provisions of this section, shall be liable to that United States national for money damages in an amount which is the sum of the amount equal to the amount determined under paragraph (1)(A)(ii) plus triple the amount determined applicable under subclause (I), (II), or (III) of paragraph (1)(A)(i).

(4) APPLICABILITY.—(A) Except as otherwise provided in this paragraph, actions may be brought under paragraph (1) with respect to property confiscated before, on, or after the date of the enactment of this Act.

(B) In the case of property confiscated before the date of the enactment of this Act, no United States national may bring an action under this section unless such national acquired ownership of the claim to the confiscated property before such date.

(C) In the case of property confiscated on or after the date of the enactment of this Act, no United States national who acquired ownership of a claim to confiscated property by assignment for value after such date of enactment may bring an action on the claim under this section.

(5) TREATMENT OF CERTAIN ACTIONS.—(A) In the case of any action brought under this section by a United States national who was eligible to file the underlying claim in the action with the Foreign Claims Settlement Commission under title V of the International Claims Settlement Act of 1949 but did not so file the claim, the court may hear the case only if the court determines that the United States national had good cause for not filing the claim.

(B) In the case of any action brought under this section by a United States national whose claim in the action was timely filed with the Foreign Claims Settlement Commission under title V of the International Claims Settlement Act of 1949 but was denied by the Commission, the court may assess the basis for the denial and may accept the findings of the Commission on the claim as conclusive in the action under this section unless good cause justifies another result.

(6) INAPPLICABILITY OF ACT OF STATE DOCTRINE.—No court of the United States shall decline, based upon the act of state doctrine, to make a determination on the merits in an action brought under paragraph (1).

(b) DEFINITION.—As used in this subsection, the term "agency or instrumentality of a foreign state" has the meaning given that term in section 1603(b) of title 28, United States Code.

(c) JURISDICTION.—

(1) IN GENERAL.—Chapter 85 of title 28, United States Code, is amended by inserting after section 1331 the following new section:

"§ 1331a. Civil actions involving confiscated property

"The district courts shall have exclusive jurisdiction of any action brought under section 302 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995, regardless of the amount in controversy.".

(2) CONFORMING AMENDMENT.—The table of sections for chapter 85 of title 28, United States Code, is amended by inserting after the item relating to section 1331 the following:

"1331a. Civil actions involving confiscated property.".

(d) CERTAIN PROPERTY IMMUNE FROM EXECUTION.—Section 1611 of title 28, United States Code, is amended by adding at the end the following:

"(c) Notwithstanding the provisions of section 1610 of this chapter, the property of a foreign state shall be immune from attachment and from execution in an action brought under section 302 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995 to the extent the property is a facility or installation used by an accredited diplomatic mission for official purposes.".

(e) ELECTION OF REMEDIES.—

(1) ELECTION.—Subject to paragraph (2)—

(A) any United States national that brings an action under this section may not bring any other civil action or proceeding under the common law, Federal law, or the law of any of the several States, the District of Columbia, or any territory or possession of the United States, that seeks monetary or nonmonetary compensation by reason of the same subject matter; and

(B) any person who brings, under the common law or any provision of law other than this section, a civil action or proceeding for monetary or nonmonetary compensation arising out of a claim for which an action would otherwise be cognizable under this section may not bring an action under this section on that claim.

(2) TREATMENT OF CERTIFIED CLAIMANTS.—In the case of any United States national that brings an action under this section based on a claim certified under title V of the International Claims Settlement Act of 1949—

(A) if the recovery in the action is equal to or greater than the amount of the certified claim, the United States national may not receive payment on the claim under any agreement entered into between the United States and Cuba settling claims covered by such title, and such national shall be deemed to have discharged the United States from any further responsibility to represent the United States national with respect to that claim;

(B) if the recovery in the action is less than the amount of the certified claim, the United States national may receive payment under a claims agreement described in subparagraph (A) but only to the extent of the difference between the amount of the recovery and the amount of the certified claim; and

(C) if there is no recovery in the action, the United States national may receive payment on the certified claim under a claims agreement described in subparagraph (A) to the same extent as any certified claimant who does not bring an action under this section.

(f) DEPOSIT OF EXCESS PAYMENTS BY CUBA UNDER CLAIMS AGREEMENT.—Any amounts paid by Cuba under any agreement entered into between the United States and Cuba settling certified claims under title V of the International Claims Settlement Act of 1949 that are in excess of the payments made on such certified claims after the application of subsection (e) shall be deposited into the United States Treasury.

(g) TERMINATION OF RIGHTS.—

(1) IN GENERAL.—All rights created under this section to bring an action for money damages with respect to property confiscated before the date of the enactment of this Act shall cease upon the transmittal to the Congress of a determination of the President under section 203(c)(3).

(2) PENDING SUITS.—The termination of rights under paragraph (1) shall not affect suits commenced before the date of such termination, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this subsection had not been enacted.

SEC. 303. DETERMINATION OF CLAIMS TO CONFISCATED PROPERTY.

(a) EVIDENCE OF OWNERSHIP.—

(1) CONCLUSIVENESS OF CERTIFIED CLAIMS.—In any action brought under this title, the courts shall accept as conclusive proof of ownership a certification of a claim to ownership that has been made by the Foreign Claims Settlement Commission pursuant to title V of the International Claims Settlement Act of 1949 (22 U.S.C. 1643 and following).

(2) CLAIMS NOT CERTIFIED.—In the case of a claim that has not been certified by the Foreign Claims Settlement Commission before the enactment of this Act, a court may appoint a special master, including the Foreign Claims Settlement Commission, to make determinations regarding the amount and validity of claims to ownership of confiscated property. Such determinations are only for evidentiary purposes in civil actions brought under this title and do not constitute certifications pursuant to title V of the International Claims Settlement Act of 1949.

(3) EFFECT OF DETERMINATIONS OF FOREIGN ENTITIES.—In determining ownership, courts shall not accept as conclusive evidence of ownership any findings, orders, judgments, or decrees from administrative agencies or courts of foreign countries or international organizations that invalidate the claim held by a United States national, unless the invalidation was found pursuant to binding international arbitration to which United States national submitted the claim.

(b) AMENDMENT OF THE INTERNATIONAL CLAIMS SETTLEMENT ACT OF 1949.—Title V of the International Claims Settlement Act of 1949 (22 U.S.C. 1643 and following) is amended by adding at the end the following new section:

"EVALUATION OF OWNERSHIP CLAIMS REFERRED BY DISTRICT COURTS OF THE UNITED STATES

"SEC. 514. Notwithstanding any other provision of this title and only for purposes of section 302 of the Cuban Liberty and Solidarity (LIBERTAD) Act, a United States district court, for fact-finding purposes, may refer to the Commission, and the Commission may determine, questions of the amount and ownership of a claim by a United States national (as defined in section 4 of the Cuban Liberty and Solidarity (LIBERTAD) Act) resulting from the confiscation of property by the Government of Cuba described in section 503(a), whether or not the United States national qualified as a national of the United States (as defined in section 502(1)) at the time of the action by the Government of Cuba.".

(c) RULE OF CONSTRUCTION.—Nothing in this Act or section 514 of the International Claims Settlement Act of 1949, as added by subsection (b), shall be construed—

(1) to require or otherwise authorize the claims of Cuban nationals who became United States citizens after their property was confiscated to be included in the claims certified to the Secretary of State by the Foreign Claims Settlement Commission for purposes of future negotiation and espousal of claims with a friendly government in Cuba when diplomatic relations are restored; or

(2) as superseding, amending, or otherwise altering certifications that have been made pursuant to title V of the International Claims Settlement Act of 1949 before the enactment of this Act.

SEC. 304. EXCLUSIVITY OF FOREIGN CLAIMS SETTLEMENT COMMISSION CERTIFICATION PROCEDURE.

Title V of the International Claims Settlement Act of 1949 (22 U.S.C. 1643 and following), as amended by section 303, is further amended by adding at the end the following new section:

"EXCLUSIVITY OF FOREIGN CLAIMS SETTLEMENT COMMISSION CERTIFICATION PROCEDURE

"SEC. 515. (a) Subject to subsection (b), neither any national of the United States who was eligible to file a claim under section 503 but did not timely file such claim under that section, nor any national of the United States (on the date of the enactment of this section) who was not eligible to file a claim under that section, nor any national of Cuba, including any agency, instrumentality, subdivision, or enterprise of the Government of Cuba or any local government of Cuba in place on the date of the enactment of this section, nor any successor thereto, whether or not recognized by the United States, shall have a claim to, participate in, or otherwise have an interest in, the compensation proceeds or other nonmonetary compensation paid or allocated to a national of the United States by virtue of a claim certified by the Commission under section 507, nor shall any court of the United States or any State court have jurisdiction to adjudicate any such claim.

"(b) Nothing in subsection (a) shall be construed to detract from or otherwise affect any rights in the shares of the capital stock of nationals of the United States owning claims certified by the Commission under section 507.".

TITLE IV—EXCLUSION OF CERTAIN ALIENS

SEC. 401. EXCLUSION FROM THE UNITED STATES OF ALIENS WHO HAVE CONFISCATED PROPERTY OF UNITED STATES NATIONALS OR WHO TRAFFIC IN SUCH PROPERTY.

(a) GROUNDS FOR EXCLUSION.—The Secretary of State, in consultation with the Attorney General, shall exclude from the United States any alien who the Secretary of State determines is a person who—

(1) has confiscated, or has directed or overseen the confiscation of, property a claim to which is owned by a United States national, or converts or has converted for personal gain confiscated property, a claim to which is owned by a United States national;

(2) traffics in confiscated property, a claim to which is owned by a United States national;

(3) is a corporate officer, principal, or shareholder with a controlling interest of an entity which has been involved in the confiscation of property or trafficking in confiscated property, a claim to which is owned by a United States national; or

(4) is a spouse, minor child, or agent of a person excludable under paragraph (1), (2), or (3).

(b) DEFINITIONS.—As used in this section, the following terms have the following meanings:

(1) CONFISCATED; CONFISCATION.—The terms "confiscated" and "confiscation" refer to—

(A) the nationalization, expropriation, or other seizure by foreign governmental authority of ownership or control of property on or after January 1, 1959—

(i) without the property having been returned or adequate and effective compensation provided; or

(ii) without the claim to the property having been settled pursuant to an international claims settlement agreement or other mutually accepted settlement procedure; and

(B) the repudiation by foreign governmental authority of, the default by foreign governmental authority on, or the failure by foreign governmental authority to pay, on or after January 1, 1959—

(i) a debt of any enterprise which has been nationalized, expropriated, or otherwise taken by foreign governmental authority;

(ii) a debt which is a charge on property nationalized, expropriated, or otherwise taken by foreign governmental authority; or

(iii) a debt which was incurred by foreign governmental authority in satisfaction or settlement of a confiscated property claim.

(2) PROPERTY.—The term "property" does not include claims arising from a territory in dispute as a result of war between United Nations member states in which the ultimate resolution of the disputed territory has not been resolved.

(3) TRAFFICS.—(A) A person or entity "traffics" in property if that person or entity knowingly and intentionally—

(i) sells, transfers, distributes, dispenses, brokers, manages, or otherwise disposes of confiscated property, or purchases, leases, receives, possesses, obtains control of, manages, uses, or otherwise acquires or holds an interest in confiscated property,

(ii) engages in a commercial activity using or otherwise benefiting from confiscated property, or

(iii) causes, directs, participates in, or profits from, trafficking (as described in clauses (i) and (ii)) by another person, or otherwise engages in trafficking (as described in clauses (i) and (ii)) through another person,

without the authorization of the United States national who holds a claim to the property.

(B) The term "traffics" does not include—

(i) the delivery of international telecommunication signals to Cuba that are authorized by section 1705(e) of the Cuban Democracy Act of 1992 (22 U.S.C. 6004(e)); or

(ii) the trading or holding of securities publicly traded or held, unless the trading is with or by a person determined by the Secretary of the Treasury to be a specially designated national.

(c) NATIONAL INTEREST EXEMPTION.—This section shall not apply where the Secretary of State finds, on a case-by-case basis, that making a determination under subsection (a) would be contrary to the national interest of the United States.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—This section applies to aliens seeking to enter the United States on or after the date of the enactment of this Act.

(2) TRAFFICKING.—This section applies only with respect to acts within the meaning of "traffics" that occur on or after the date of the enactment of this Act.

The CHAIRMAN. Pursuant to the rule, the gentleman from Washington [Mr. MCDERMOTT] and a Member opposed, each will be recognized for 30 minutes.

Is the gentleman from Indiana [Mr. BURTON] opposed to the amendment?

Mr. BURTON of Indiana. Mr. Chairman, I am.

The CHAIRMAN. The gentleman from Indiana [Mr. BURTON] will be recognized for 30 minutes, and the gentleman from Washington [Mr. MCDERMOTT] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Washington [Mr. MCDERMOTT].

Mr. McDERMOTT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this proposal which is before us to deal with Cuba is primarily a bill dealing with property rights. It is in my opinion not a good bill, but this particular amendment, this substitute, deals with only one provision of that proposal which is before us, and that is to open up the possibility of sale of medical supplies, instruments, medical literature, and foodstuffs to Cuba.

Now, presently the embargo allows the donation of those kinds of things to Cuba. It puts no prohibition against that. But the fact is that we cannot through the charity system deal with the medical needs of Cuba.

Mr. Chairman, I have been in Cuba, I have visited clinics, I have visited hospitals, I have been to the medical schools, and it is clear to me that the Cuban people are suffering tremendously because of the shortage of modern-day medical supplies, and instrumentation, and pharmaceuticals.

Now it is inconceivable to me that a country 90 miles from our shores, when we, the United States, have in many places in the world insisted on international humanitarian standards being applied, would withhold from the Cuban people those things which are available to people in the United States.

Mr. Chairman, I could give my colleagues many examples, but let us just take the issue of asthma. Asthma is a disease that makes it difficult for people to breathe. There is one of the highest rates of asthma in Cuba, and they are short of the kind of medication you need to make it possible to open up people's breathing passages so they can breathe.

Now anybody who ever had asthma understands how awful that is, especially for children. The feeling in one's chest that they cannot breathe is something that any parent, looking at his own child, would never want his child to have, and yet we, by our Government policy, say that our pharmaceutical companies cannot sell the medication to the Cubans that is necessary so that parents can give to their children medication to relieve that dreadful disease. That is absolutely against anything that we as Americans hold ourselves out to the world as believing, and I do not think that that is the public policy that the U.S. Congress wants us to be espousing.

□ 1030

A patient came to me or a Cuban family came to me and told me about a cousin who was in Cuba who has leukemia. There is a treatment at the Hutchinson Cancer Center in Seattle where people can have that leukemia treated, and the success rate is about 90 percent. That medication is not readily available in Cuba, and their family member did not have access to that.

Now, there is no reason why that should not be available. Mr. Chairman, my distinguished opponents will say the medication can be donated to some hospital, some church hospital or something. I do not know, but that simply does not apply to the whole medical system in Cuba. We cannot, through donations, expect that the Sisters of Charity or whatever are going to deliver these kind of very specialized treatments if they are not available through what is essentially a government health care system.

By refusing to accept this amendment, we, as Members of the United States Congress, are saying to Cuban families, we, this bastion of democracy and humanitarianism, are going to withhold from people the ability to take care of their children and members of their family. There is no argument that I can see that would make possible that kind of a statement by the U.S. Congress.

It is for that reason, Mr. Chairman, that I offer this. I oppose a lot of the other parts of the bill, but I did not touch those. I simply touched the thing that I think is the hardest and absolutely indefensible, in my opinion.

As a physician, and if others have ever taken care of a kid and looked into the eyes of parents and recognized that we have the capacity to help them with their kid, and have been able to do it in this country, one can imagine what it is like in a country where we know that there is the medication available, but it is simply, because of the U.S. embargo, it is not available in another's country, and that child is going to either suffer or die. That is simply not what I think as an American we want our policy toward Cuba to be.

We want democracy. There is nobody on this floor who is supporting Mr. Castro. None of us think that is a good idea. Anybody who tries to paint that as the attack on us is simply misrepresenting the facts.

But in our process of pushing to change the situation in Cuba, we cannot use medicine and food staples as a way of doing that.

Mr. Chairman, the fact they cannot get modern textbooks, modern medical textbooks, why should they have to be dealing with a textbook from 1949 simply because we place an embargo on them? I think this is a good amendment and urge the adoption of it.

Mr. Chairman, I reserve the balance of my time.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this, I believe, is a red herring. The fact of the matter is, the United States of America is the largest giver of humanitarian aid to Cuba in the world today. The people who are suffering down there get a great deal of help from the United States, both in medical supplies and in food. The question then comes, why are we going to give Castro the right to buy these products?

My learned opponent says we are denying people with asthma the ability to be treated; children who have other maladies are not being able to be treated.

Mr. Chairman, that is absolutely not true. Castro can buy these medical supplies if he wants to from anyplace in the world. We are not trying to keep kids from being treated or families from being treated.

As a matter of fact, as I said, we are the biggest giver of humanitarian and medical supplies in the world from a humanitarian standpoint. We do not sell them to them, we give them to them. If somebody in Cuba wants to contact a relative in the United States and say, send us some asthma medicine, they can do it and they do it.

This is a red herring. I cannot understand why they are trying to add this to the bill. We are trying to put the squeeze on Fidel Castro by denying him hard currency so that the people of Cuba will have freedom, democracy, and human rights, which have been denied them for about 35 years.

Mr. Chairman, this amendment is not necessary. The United States is doing everything we can to help the people of Cuba. If medical supplies are needed, there are hundreds of countries from which Castro can buy these supplies. What it would do is get the camel's nose under the tent as far as breaking the embargo that we have on Cuba, and that is what I think my learned colleague is trying to do.

Mr. Chairman, I yield 4 minutes to the gentlewoman from Florida [Ms. ROS-LEHTINEN].

Ms. ROS-LEHTINEN. Mr. Chairman, I thank the gentleman for yielding time to me. Certainly the bill before us, H.R. 927, represents a new battlefront in our commitment for freedom for the Cuban people. Yesterday I showed the House—and many of our colleagues did as well—a letter signed by dozens of Cuban dissidents on the island, who, at great personal risk to their safety, sent this letter to Senator HELMS. Let us not let down those dissidents and the other millions of Cubans who daily fight against the dictatorship.

Mr. Chairman, as all of us know, Castro's repression does not go down at all. It does not diminish in any way. His power mongering continually increases. Firm and swift policies are needed to eliminate this dictator, and this bill, H.R. 927, contains those swift policies.

This substitute appears to be humanitarian in nature but it could very well constitute an economic windfall for Fidel Castro. As the chairman of the Subcommittee on the Western Hemisphere, the gentleman from Indiana [Mr. BURTON] has pointed out, food and medicine are allowed to go to Cuba now, from the United States to Cuba. No prohibition. There is no prohibition. If you want to send an aspirin from Washington to Havana, go ahead. There is no embargo on aspirin. Asthma medicine. Whatever you want. Food and medicine is not prohibited. There is no embargo.

I have said it five times, we will continue to say it for the entire hour. There is no prohibition on food and medicine going from the United States to Cuba. Also, Castro can get anything he wants, as Mr. BURTON pointed out, from every other country in the world anyway. Even if we were to have an embargo on food and medicine—which there is no embargo on—he can get it from any other country. Is the United States the only maker of aspirin in the world? I think not.

What does Castro do? He takes the food and medicine and he sells it to the tourists. He sells it to the Communist Party officials. If the people cannot get aspirin, if the people cannot get asthma medicine, it is not because it is not there in Cuba, it is because Castro takes it and sells it to the tourists. The best hospital facilities in the Caribbean are in Cuba for the tourists and for the Communist Party officials. But for the starving, needy people of Cuba, Castro decides—even if they want these supplies—he will not give it to them. It is his way of making sure that they know that he is their supreme ruler.

It is clear, Mr. Chairman, the goals of this bill. And once again let us restate them. The goals of the bill are simple. No. 1, let us try to have an end to the

Castro regime. No. 2, let us plan for a democratic transition for Cuba. And No. 3, let us protect property of United States citizens in Cuba. Let us bring an end to this Castro regime and let us make sure that we understand the human rights situation in Cuba.

We have said it over and over again. Organizations like Human Rights Watch Americas, Amnesty International, Inter-American Commission on Human Rights, what do they say? The Cuban Government continues to violate the rights of freedom of expression, freedom of association, freedom against arbitrary detention, security of the person, among others. Hundreds of political prisoners remain incarcerated under difficult conditions charged with political offenses that include handing out flyers, expressing their opinions, calling out for freedom in their island. That is a crime against the repressive police state.

Castro wants and again rejects any kind of democratic approaches that these helpful ideologues want to give them. He has rejected them from Mexico, he has rejected them from Spain, he will reject them time and time again. Let us not get confused. Once again, well-meaning substitute, it is not based on facts. There is no prohibition about food and medicine. Castro has to lift the embargo that he has on the Cuban people for food, medicine, and expression of ideas. That is the embargo that we must lift.

Mr. McDERMOTT. Mr. Chairman, I yield myself such time as I may consume. I think it is important to clarify what has just been said. There is no embargo on people giving. There is an embargo on any sale of staple foods or medicines or medical equipment in Cuba. No one should come away from listening to that last speech and believe that we can get adequate amounts of these materials into Cuba.

Mr. Chairman, I yield 4 minutes to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. I thank my colleague for yielding me the time.

Mr. Chairman, food and medical exports to Cuba, as would be authorized under the amendment offered by my colleague, the gentleman from Washington [Mr. McDERMOTT], represent a modest improvement in this bill, and I support it. It is a step, a small step in the right direction, whereas this bill fundamentally is headed in the wrong direction.

What is the right direction? Again, we are all interested in a Cuba that has an open economic system and a Democratic political system. How do we get there? Well, it is ironic to me that exactly the arguments just expressed by the gentlewoman from Florida [Ms. ROS-LEHTINEN] were offered up in this body quite recently during the debate on what should be our policy with respect also to a repressive regime that mistreats its people, that does not have the kind of open economic and political system that we want for Cuba, namely the government in China.

There, Mr. Chairman, we realize that exactly the kind of approach that the gentleman is suggesting in this amendment is in the United States' interest, and that is not a policy of isolation, of mindlessly trying to pretend that by raising up all possible impediments we are going to bring about the desired result in Cuba. Rather, it is a policy that reflects our thoughtful analysis of how we get what we want with respect to regimes like this everywhere else in the world except for Cuba, and that is a challenge directly on an economic playing field, a challenge directly, politically, culturally and, in the case of the amendment offered by the gentleman from Washington [Mr. McDERMOTT], in terms of humanitarian assistance.

The McDermott amendment is particularly addressing this last point. It is too bad it does not go beyond just the question of food and medicines to deal with the other many, many failings in the policy enacted into law previously through the Cuban Democracy Act and now being proposed to be further taken in the wrong direction by the legislation before the House.

For example, Mr. Chairman, this bill not only continues but accelerates the idiocy inherent in the TV Marti program. It is saying not only have we wasted $90 million of taxpayers' money that have accomplished zip, zilch, nada, in getting a United States' point of view received on Cuban TV sets, but we are going to go even farther faster in wasting taxpayers' money now by saying that USIA has to proceed again with the mindless, ideologically-driven program of converting to UHF, even though two-thirds of the TVs in Cuba do not get UHF reception and even though UHF signals by technical analysis will be more easily jammed than the current failed VHF program.

Again, Mr. Chairman, the gentleman's amendment, as far as it goes, makes great sense. I hope my colleagues will support it. And I would also be interested, if the sponsor of this amendment can explain to me, why it is we are in this corner, why with regard to Cuba, unlike all other areas in the world in which we are confronting Communist regimes and trying, through a whole range of strategies to get them to change, why the approach to Cuba is different than anyplace else in the world. Does the gentleman understand why we are doing it this way?

□ 1045

Mr. McDERMOTT. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, there is no explanation that makes any sense to me. We have adopted the policy in every other country that increased trade and involvement would ultimately bring about change in the government. We just opened our trade relationship with the Republic of Vietnam, a government that we still disagree with, that we consider oppressive. In fact, we are opening trade, we are involved in a variety of things. We are already, as the gentleman mentioned, in China doing that.

It makes no sense, particularly in this area, where you are not punishing Mr. Castro, you are not punishing anybody in the top of the organization. You are punishing the people. That does not work and is wrong.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I do not believe my learned colleagues have read current law. The current law says in section 1705, "Support for the Cuban people," under section B, "Donations of food," "Nothing in this or any other act shall prohibit donations of food to nongovernmental organizations or individuals in Cuba."

Under section C, "Exports of medicines and medical supplies," it says, "Exports of medicines or medical supplies instruments or equipment to Cuba shall not be restricted." Shall not be restricted. It goes on to say under subsection 1, "On-site verifications": "Subject to subparagraph B an export may be made under subsection C only when the President determines that United States Government is able to verify by on-site inspections and other appropriate means that the exported item is to be used for the purposes for which it was intended and only for the use and benefit of the Cuban people."

The reason that language was put in there was to make sure that Castro did not take these supplies and use them for some other purpose, other than to help the Cuban people. But they can get medical supplies today under current law.

Mr. Chairman, I yield 4 minutes to the gentleman from Florida [Mr. DIAZ-BALART].

Mr. DIAZ-BALART. Mr. Chairman, first of all, it is important to point out what this amendment is striking. Let us start off by reading what it says. "Strike all after the enacting clause and insert" their food and medicine provision, so-called food and medicine provision. In other words, no more requests for elections, no more demand for freedom, no more trying to get at Castro's lifeline or foreign investment. No, no.

I am sure that when the gentleman from Washington [Mr. McDERMOTT] goes down to Cuba, I bet he does not ask for elections there either. He is certainly not asking for elections in this substitute amendment.

I really think after 37 years, and I say this to our colleagues on the other side of the aisle, when are you going to demand elections for the Cuban people?

When? You demanded elections in South Africa. I joined you. And when the President of my party, at that time President Reagan, was unclear or incorrect with regard to the need to come down hard on the South African regime, I criticized that.

When are you going to ask for elections in Cuba? In your substitute amendment, which is here, you delete everything in the bill that stands for freedom in Cuba. So you come before us, speaker after speaker after speaker, saying "Oh, we support elections."

When have you made a statement, Mr. MCDERMOTT? Show me when you have gone to Cuba to demand of the regime there that you go and visit and have elections?

I will tell you this, sir: I think that it is most unfortunate that, after 37 years, you still come down here and in effect pay lip service to your supposed support for freedom for our closest neighbors, and yet come here and throw red herrings into this legislation.

A point was made by the distinguished gentleman from Colorado about the fact that other embargoes do not include food sales. The embargo, for example, on Iraq, or Serbia-Montenegro, those are international embargoes.

If the gentleman from Washington [Mr. MCDERMOTT] or the gentleman from Colorado [Mr. SKAGGS] joined us in going down to the White House and asking that the leadership of this Nation be utilized to seek an international embargo against the Castro regime, we will be the first ones in an international embargo to obviously exclude the food issue, like in the embargoes against Serbia or Iraq.

You not only are not seeking an international embargo against a 37-year-old dictatorship of Castro. No. You are coming here and gutting a bill which is trying to prevent the flow of dollars to a regime that, after the loss of the Soviet subsidy, is hanging on by the sale of a slave economy, a slave economy, and the denial of all labor rights and all workers' rights. And you in effect are trying to gut our attempt to stop the flow of dollars to Castro's repressive machinery by his continued offer to international capitalism of the slave economy and the slave conditions of the Cuban worker. That is what you are doing. That is what you are doing.

So do not come here and say that you are for freedom, when you are not asking for elections. Do not come here and say that you are for elections, when you go down to Cuba, and I have not seen any statement that you make there in demanding elections.

So let us be honest. If you want to defend the regime, say so. Then I will have more respect for you.

Mr. MCDERMOTT. Mr. Chairman, I yield myself such time as I may consume to respond to that.

Mr. Chairman, my distinguished colleague from Florida apparently did not read the bill. This is exactly his bill, with one phrase, that is allowing the sale of medication and staple foods. Everything else in the gentleman's bill is in this.

All that demagoguery was directed at some figment of his imagination. The gentleman simply did not pay attention to what is in this bill. It is your bill, with one addition. It simply is the addition of medication and staple foods. We have embargoes against every other country, such as Iraq, but we allow food and we allow medication, and your bill is untouched.

Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of this amendment to H.R. 927. I think it is important to bear in mind that we have the toughest sanction ever on Iraq, which I think we would all support, but the United States and the United Nations support full and open commerce in food and medicine with Iraq. So this is not a radical suggestion that we have full and open commerce in food and medicine.

But the problem with this bill that this amendment attempts to correct is that the bill is far too inflexible and really unworkable. It is unlikely to lead to democratization or to political or social reforms, and as was said in lengthy debate on this bill last night, it will create serious legal problems. It could potentially tie up our courts in land settlements, land claims for property outside the United States. That sets a very dangerous precedent in terms of other immigrant communities who may want to seize that precedent as well. I do not think we have the capacity within our judicial system to settle these legal problems, and this is not where they should be settled, in the United States.

It will create substantial business problems. It completely undermines NAFTA, which we just passed. It is going to make it extremely difficult for our corporations, who would in fact hold the key to a free enterprise system being established in Cuba from being able to trade with Cuba, and it creates unbelievable foreign policy problems. Just at the time when the United States President should be able to exercise his or her ability in the future, and I suspect we are talking about the near-term future, to help Cuba achieve a transitional democratic government, even if such a democratic government is not actually in place at the time, we can precipitate that occurring. But now, with this bill, if this bill were to pass, the President's hands will be completely tied behind his back. So it does not advance the interests of the United States.

This amendment will see to it that the United States would be able to act, instead of sitting on the sidelines, when change, inevitable change, does come to Cuba.

This bill is based upon a policy that dates back to when Cuba was clearly a Soviet surrogate. They were challenging our interests for Africa to Central America. But that time has passed. Russia is not playing that role, whether Castro would like Russia to or not. So it is time for a comprehensive review of United States policy toward Cuba.

So this debate is constructive, but a transition from dictatorship to democracy is not going to occur overnight. We know that from history. We ought to learn from history and try to do what we can to ensure that it be a peaceful transition to democracy, that it not be a violent revolution. We owe that to the Cuban people.

Fidel Castro is in his 35th year of absolute power, longest in Latin America history. It is not going to continue. What we need to do is to do the same thing we did with Eastern Europe, consolidate change in democracy by promoting free enterprise through a democratic system, not in this way, but by enabling the President to act flexibly, constructively, with the best interests of the Cuban people in mind.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, let me just restate, if you read current law, medical supplies can be sold to Cuba. There is no prohibition. I want to repeat, there is no prohibition. If they want to buy medical supplies to help the people of Cuba, they can do it. So this is just a red herring.

Mr. Chairman, I yield 4 minutes to my distinguished colleague, the gentleman from New Jersey [Mr. TORRICELLI].

Mr. TORRICELLI. Mr. Chairman, for 3 years the United States and Fidel Castro have been eyeball to eyeball. An unshakeable American determination for free elections in Cuba and a new respect for human rights. Fidel Castro's commitment to hold back the forces of history and preserve the last Communist bastion. One side or the other is going to win.

I know Americans are not a patient people, but 3 years is not a long time, and we are succeeding. Castro has made some beginnings of economic changes. The island is in economic collapse. Last year 40,000 students gathered on the streets of Havana. The pressure internally is enormous, and now there are those in this country, after only 36 months, who would step back. Eyeball to eyeball. There are some who would counsel to blink.

The amendment before this body offered by some Members of this institution who I respect more than any others is not a narrow change in the legislation of the gentleman from Indiana

[Mr. BURTON]. It is not an incremental difference. Let us recognize it for what it is: It is an end of the American embargo against Fidel Castro, it is a repeal of current bipartisan policy supported by 300 Members of this institution, and it is an acceptance of the status quo in Cuba. Period.

Fidel Castro is not attempting to import American automobiles or computers. These are the items, the commodities, that he wants. This is it. This is the end of the embargo, just when we built a bipartisan, strong, and effective policy.

Mr. Speaker, in substance the amendment before this body is the judgment on American policy. I know good and decent Members of this institution do not want to be a part of poor and suffering people of Cuba suffering any more than is necessary. That is why in the Cuban Democracy Act we exempted out food and medicine. For 33 years before that, food and medicine could not be donated to Cuba. We changed that, and today, per capita, more food and medicine goes from the United States to Cuba per capita than to any other nation in the world to ensure that the poorest of the poor have access to food and medicine.

□ 1100

That is not what this amendment is about. We already did that. This amendment is to allow Cuba to rejoin the family of nations in a trading relationship with the United States for full access.

What does it do? It allows Fidel Castro to escape the reality that communism failed in Cuba, cooperative farming, the broad state enterprises. A country that was once self-sufficient in food and exported food, now needs to import everything.

We would allow him to escape the reality that communism is in collapse.

The choice needs to remain clear. We will donate what is necessary through private charities to ensure that the poorest of the poor are protected. But Fidel Castro cannot be allowed to rejoin the family of trading relationships with the United States without having free elections and respecting human rights, eyeball to eyeball.

Every Member of this institution must decide whether they are going to be part of bringing that change or allowing Fidel Castro to maintain his Communist system.

You have all made that decision before, 300 of you. Your consistent vote is to stand both with the administration, which has supported the embargo, Democratic and Republican Presidents, and this institution.

This is not about an amendment to this bill. This is about a repeal of the embargo.

Please, stand with us on a bipartisan basis and reject this amendment and then return to support the legislation offered by the gentleman from Indiana [Mr. BURTON].

Mr. MCDERMOTT. Mr. Chairman, I yield myself 1 minute to say if I were a Member setting in my office watching this on television or sitting here on the floor watching this, I would be confused because the gentleman from Indiana [Mr. BURTON] said there is no need for this amendment; it is already law; they can do anything they want. And the gentleman from New Jersey [Mr. TORRICELLI] stands up and says that, in fact, this is repealing the entire embargo. Now, which is it?

Either we do not need the amendment because they can already do it, or this is a disastrous amendment which is destroying the whole policy. Somebody is wrong on the other side.

The fact is that the gentleman from Indiana [Mr. BURTON] is incorrect, or he is correct in one part. It is possible for medication and staple foods to go to Cuba. The difference is this: If we want to sell food to Spain, you do not have to get a special license. If you want to sell food to Zaire, you do not have to get a special license. If you want to sell food anywhere else in the world except Cuba, you have to get a special license, and the policy of the Government is not to grant the licenses.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself 2 minutes.

If you read the law, it is very clear. It says that the President of the United States determined that the United States Government is able to verify it is being used for the benefit of the Cuban people. If President Clinton wants it to go there, he can verify that it is going to be used for the Cuban people, then it can go.

Let me read you something from a businessman who had had a business, a Spanish businessman who had a business down there that was taken away from him by Castro. I want you to listen to this. One year ago, one year ago, it says:

> This same phenomenon also occurs in general with all foreigners in Cuba because of the mere fact they have dollars, hard currency, they have access to everything the Cuban people cannot purchase with their work: food, clinics with medicines, good clothes, gasoline or electricity and hotels. In Cuba there are two types of citizens: those who have dollars, as I did, mostly foreigners, and all with the privileges that that entails and those who have Cuban pesos who are literally dying of hunger and illness because of a regime that refuses to change a system that is absolutely incapable of generating a dignified way of life for the country.

The fact of the matter is Castro takes hard dollars, the money has to go to the government for somebody's payroll, and he gives them then the same amount of pesos. If they get $400 a month, he gets the $400 in hard currency, he gives them 400 pesos, which is 80-to-1 differential, which means they are getting $3.20 a month, and they cannot even buy things you are talking about. The fact of the matter is the Cuban people are suffering because of this Communist dictator and his policies.

It is a command economy that must be changed, and the only way it is going to change is if we pass our bill in its original form.

Mr. MCDERMOTT. Mr. Chairman, I yield myself 1 minute to respond to that.

I say to the gentleman from Indiana [Mr. BURTON], you just made my case. You require a special license under the law to sell medication. There is no way we can sell food to Cuba. There is no special license. There is no way.

What this bill is saying is we intend, if possible, to starve the Cuban people into submission, and that kind of policy from the Federal Government is why the U.N. General Assembly has voted 3 years in a row against our position.

Mr. Chairman, I yield such time as he may consume to the gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. Mr. Chairman, I thank the gentleman for yielding me this time. I commend him on his initiative, and I support his amendment.

Mr. Chairman, the amendment simply provides, I think, clear authority for United States companies to engage in direct commerce with Cuba in food and medicines. They cannot do that today.

I think the gentleman from Indiana, my friend, is correct when he says that current law does not prohibit food and medicines in Cuba, and that is done largely today through nongovernment organizations. What is missing in this debate so far, it seems to me, is the plight of the Cuban people. No matter what is going on there today with regard to food and medicine, we all know what that plight is. The sugar harvest this year in Cuba is the lowest in a half a century. Food and medicine, under anybody's standards, are in very short supply. Serious epidemics have broken out among the Cuban people.

In that circumstance, surely we want to try to help those Cuban people with the essentials of life, food and medicine, and that is all this amendment does. It changes no other part of the bill, as I understand it. It simply tries to help the Cuban people get more food and medicine. What in the world can be wrong with that?

This initiative will increase our contact with the Cuban people. It will help the Cuban people. It will generate goodwill, and it will begin to ease some of their long, long suffering.

This is no radical idea that we are presenting to you. The foremost Republican spokesman on foreign policy in this generation was Richard Nixon, and he argued shortly before his death that our policies in Cuba, toward Cuba, must turn away from hurting the Castro government to helping its people, and that is exactly right, and that is what this amendment tries to do.

Let me take just a moment to try to put this whole bill in a little broader perspective. What we will be voting on on the final passage of this bill is two very different approaches to how you deal with the problem of Cuba. On the one hand is the philosophy of this bill, H.R. 927. It is that if you make these conditions in Cuba significantly worse, you will prompt the Cuban people to rise up against their government. The other approach, the one I support and I think many in this institution do, perhaps not a majority, is the competing view that governments can be toppled peacefully by exposure to the free flow of ideas and benefits of the free market. Everybody in this Chamber agrees that Castro must go. But we must get away from this focus on Castro, and we must focus on the Cuban people and what is good for them.

A policy of engagement, of contact, of dialogue, of exchange offers the best hope for what we all want, which is a peaceful transition for the dictatorship of Castro to a free market and an open society. We support free elections in Cuba. I strongly support that, and I think we ought to do everything we can to put Castro on the spot and say, "Why don't you hold free elections?"

I am quite prepared to support you on that. You are absolutely right about it. Our policy should keep the pressure on him. But I think the policy of isolation is a risky policy, and the reason it is risky is because the more pressure you apply, the more desperate you make the Cuban people, the more likely they will turn to violence, and that is what we do not want there.

So that policy of isolation, of squeezing the Cuban people increases the risk of a violent explosion in Cuba and the massive exodus of refugees, and that, of course, is our most important concern because the primary threat today from Cuba is not an invasion from Cuba. It is not an export of revolution from Cuba. The primary threat to the United States from Cuba today is what you in south Florida have suffered so greatly from, and that is trying to assimilate a massive number of refugees.

I believe the issues in this debate are very, very clear. This bill increases the isolation of Cuba. It increases the hardship of the Cuban people, and it is the wrong policy. That is what President Richard Nixon emphasized over and over again, and that is what Secretary of State, former Secretary of State Larry Eagleburger, has said, and the national security adviser under the Carter administration, Mr. Brzezinski, and many, many others.

So I hope that this Chamber will defeat this bill. We should not base our policy on a hatred of Castro. We should base our policy on what is best for the United States, what is best for the Cuban people, and what is best for the United States and what is best for the Cuban people come together here.

A policy of isolating Cuba over 36 years has not worked. Let us break the impasse that exists between these two nations, open up contracts with them, and choose to engage the Cuban people in order to increase the chances for a peacetime transition to a democracy and a market economy.

I urge my colleagues to support the McDermott amendment, which begins this process in a very, very modest way, and I urge my colleagues to defeat H.R. 927.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself 30 seconds.

My colleagues from Indiana says we are hurting the Cuban people. Do you know how much they make, I ask the gentleman from Indiana [Mr. HAMILTON] every day? The average Cuban makes between 10 and 15 cents a day, 10 and 15 cents a day. How are you going to hurt them worse than Castro has? You cannot, and the only thing that is going to change is if we force this man from power, and if we deny him hard currency, we can get that job done and save the Cuban people. Ten cents to fifteen cents a day.

Mr. Chairman, I yield 1 minutes to the gentlewoman from Florida [Ms. ROS-LEHTINEN].

Ms. ROS-LEHTINEN. Mr. Chairman, I thank the gentleman for yielding me this time.

I want to talk about this healing process that will take place if food and medicine go to Cuba.

Castro has food now, and he feeds the tourists. Castro has medicine now, and he heals the tourists. He starves the Cuban people. He has the Cuban people suffering in pain.

There is no prohibition on feed and medicine going to the Cuban people. If you want your family to have medicine, you can send them the medicine. If charitable organizations want to send food and medicine now to nongovernment agencies in Cuba, they can do so. If you sell goods to Castro, he will sell the goods to the tourists. If you send food, he will give it to the tourists.

Because Americans are a generous people, we want all nations to belong to this humanitarian family, and we naively and foolishly believe that Castro wants the Cuban people to prosper, that he wants them to fulfill their dreams. What Castro wants is to remain in power, so he has the Cuban people suffering for their daily sustenance. It will go to the tourists. Reject the substitute.

Mr. BURTON of Indiana. Mr. Chairman, how much time does each side have remaining?

The CHAIRMAN. The gentleman from Indiana [Mr. BURTON] has 10 minutes remaining, and the gentleman from Washington [Mr. MCDERMOTT] has 5½ minutes remaining.

Mr. MCDERMOTT. Mr. Chairman, do we have the right to close?

The CHAIRMAN. The gentleman from Indiana [Mr. BURTON] has the right to close because he is the manager of the committee position on the bill.

☐ 1115

Mr. BURTON of Indiana. Mr. Chairman, I yield 6 minutes to the gentleman from New Jersey [Mr. MENENDEZ], a learned leader on the Democrat side of the aisle.

Mr. MENENDEZ. Mr. Chairman, I thank my distinguished colleague and sponsor of the bill, the gentleman from Indiana [Mr. BURTON], who I must say has been a strong proponent of freedom and democracy in Cuba, for yielding this time to me.

Mr. Chairman, unlike many others who have spoken here, and I question no one's motives, I believe that they want to help the Cuban people, but I believe that their efforts to do so are misguided. I say that as someone, not who deals with this issue in the abstract. I say it as someone who has family living in Cuba. I say it as someone who understands the difficulties they go through. I go through the phone calls, I go through the letters; that is not something others can say. I do not deal with this issue of humanitarianism in the abstract. I deal with it in reality.

But let us talk about some truths. Some of the truths are this:

The Cuban people suffer, yes. Why? They suffer because the dictatorship does not do the market reforms and create the political openings that can relieve their suffering. We are not the only providers of food and medicine in the world. If not, we would dictate the world's policies. The fact of the matter is that there are tremendous pharmaceutical companies in Europe. The fact of the matter is that we have countries that are part of the breadbasket of the world, and the fact is they all trade with Cuba, but they are unwilling to give it to them gratuitously. I say to my colleagues, you need something called hard currency. You need money to be able to purchase those foods and those medical supplies, and that is what Castro simply does not have because he relied on $6 billion of what was the Soviet Union, he lost it, and now he has not made the changes to help the Cuban people. And do we have national interests? Absolutely.

Mr. Chairman, this is the third-largest army in the Western Hemisphere. I do not suggest, the gentleman from Indiana [Mr. HAMILTON] has said we do not face a risk of invasion; that is not what I am suggesting. But why do they need the third-largest army in the hemisphere if their people are hungry? Why do they use money to have the largest standing army and a huge security force if their people are hungry?

Stop spending the money on the bullets and the rifles, and start putting food on the plates of families in Cuban homes, in my family's homes.

Now they have chosen to stay because they do not want to leave their homeland. They stay and fight, and they risk their lives every day to do so, and I risk it to some extent because of what I do here. Now that is something we do not have to worry about in the United States, so this debate in the abstract is one thing.

Now we have heard a lot about what do the Cuban people want. We want to relieve their suffering, but we cannot do it while we have someone who, in fact, seeks to do everything to repress them, use his resources not to put food and medical supplies that he can accomplish throughout the world, and we are the greatest remitters of that. The Cuban Democracy Act that the gentleman from New Jersey [Mr. TORRICELLI] helped pass and that was overwhelmingly voted by this House opened up the doors for medical supplies which did not exist prior to that in our embargo. But when we want to hear what the Cuban people have to say, I will give my colleagues two different specific examples.

When we went with a group of Members of the House to Guantanamo where 30,000 people risked the Florida Straits, risked their lives, brought their children with them to flee from a regime because of liberty, which is the word that used when we got there, not simply because of hunger, but for liberty, they was said to us, the democratically elected leaders of those camps, the first ones who had an opportunity to have a free election; they did not say to us, "The United States is punitive against us, you are hurting us." No, they said, "Why can't you get the Mexicans, and the Canadians, and the Spanish, and others to join with us and have an international embargo," as we did in Haiti, as we did in the divestitures of South Africa, to help free those people from those oppressive regimes. They said, "Why don't you do that? We want to end our suffering once and for all. We don't want to have to free our homeland." So who makes the Cuban people suffer? In the words of the Cuban people, not here in Congress; that is the words of those who were trying to flee, the 30,000. They said, "We support your efforts."

And just yesterday 40-something brave Cubans who risked their lives by putting their names to a letter saying, "We support his bill," told the Congress, "Vote with us, be with us, help us in a free and democratic Cuba." They said, "Vote with us."

Now these people risked their lives. Those who do not think that this is true, we have thousands of political prisoners in jail. We have these people who were willing for liberty, for freedom, and to end the suffering of the Cuban people.

Now I have heard a lot about this is cold war rhetoric. The fact of the matter is no one has told Fidel Castro the cold war is over. He has not gotten over it, he has not stopped repressing his people, and what is best for the Cuban people? They have told us, they have told us, the 30,000 who were in those camps, they told us, "Strengthen this embargo, try to get other countries to join you." They did not say to stop it, and what did the people who valiantly fight, who are dissidents in Cuba, fight for, and what are they willing to risk their lives? Today they said, in fact, "Go ahead and pass this bill."

This bill is about standing up for American interests, it is in the national interests, giving our companies and our citizens the right to sue for properties that were illegally confiscated, and it also says, the part that I wrote, "We can go help the Cuban people in a transition to democracy, and we lay out that groundwork."

Vote against the substitute, vote for the bill, in the United States interests and also in the interests of the Cuban people.

Mr. MCDERMOTT. Mr. Chairman, I yield 4 minutes to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Chairman, let us start by finding those things we agree on, and I think every Member in this body, every Member of the other body, wants to get rid of Fidel Castro. He is a thug, he got there by force, he has stayed in power by force. But the present plan is not working. The first embargo was put on Castro by Eisenhower. He was still there when President Kennedy put an embargo on him. He was still there when President Johnson put an embargo on him. He was still there when President Nixon put an embargo on him, still there when President Ford continued the embargo, President Carter continued the embargo, President Reagan continued the embargo, President Bush continued the embargo, and now, under the Clinton administration, we still have an embargo.

Embargo is not working. So let us try something different.

I am going to say something good about President Reagan, and one of the beauties of what President Reagan did in the military buildup against the Soviet Union was at the same time he said, "Let's trade with them. Let's show them what the worst could be, and let's show them what the best can be, with a free market, how a free market helps feed people, how a free market provides opportunities." I think we ought to do the same thing with the Cubans. I think we ought to lift the embargo. It is not working. I think the sooner the Cuban people can interface with the Americans, the sooner we give them, we show them, what our life is like, what our opportunities are like, in so many ways we give them the kind of hope, and I guarantee, if we were to lift the embargo within 2 years, Castro is gone, but he is gone in a peaceful manner rather than in the chaos that I think some people want to see happen.

Mr. Chairman, my biggest concerns are to balance the budget and to provide for the common defense, and right now Cuba is a threat, the chaos down in Cuba is a threat, in a couple of ways. First, it is only 90 miles from the continental United States. If Castro were to get hold of a missile from the former Soviet Union, then we have got a problem. It is also an expensive proposition right now where our Nation is spending about $30 million a month to take care of the Cuban boat people down at our base in Guantanamo, and that comes out of our defense budget, a defense budget that is already too small, a defense budget that is not building enough ships and taking good enough care of our people.

So I asked the chairman of the Atlantic Command, a four-star Marine general by the name of Sheehan, if he thought it was in our Nation's best interests to continue the embargo or to open diplomatic relations with the Cubans, and I want to quote him from what he said before the Committee on Armed Services.

> Gen. SHEEHAN. I think it will be extraordinarily helpful to start some type of dialogue with the process of the Cubans. That is going on to the intersection in Havana. We have almost on a daily basis, requirements to deal with the frontier border guard and the Cubans, either because there are Cuban migrants who are frustrated by the process, who are actually walking through mine fields to return to Cuba and in some cases they have maimed themselves. We are risking American lives who go into the mine fields and pull them out.
>
> We have Cubans on a weekly basis go into the water to swim back to Cuba. As a result, we need to have some kind of mechanism just from a sheer safety standpoint to make sure that these Cubans do not permanently maim or kill themselves in the process.
>
> Castro holds all of the cards on the migrant issue. He can put 100,000 Cubans in rafts tomorrow morning in a heartbeat. We cannot absorb 100,000 at Guantanamo Bay Cuba. It seems to me that it would be in our best interest to manage the change that is going to occur in Cuba. It is going to happen.

Mr. Chairman, this is not GENE TAYLOR of Mississippi speaking. This is a four-star Marine general who is in charge of the Atlantic Command for the United States of America.

Mr. HAMILTON. Mr. Chairman, I thank the gentleman from Washington [Mr. MCDERMOTT] for yielding this time to me, and I want to commend again the gentleman from Washington for this initiative. Let me just address this quick question that has arisen so frequently in the last few minutes about why the Cuban people are suffering.

Mr. Chairman, my friends on the other side of the aisle have repeatedly made the point that they are suffering because of Castro's policies. They are absolutely right about that. There is not any doubt about it. The principal reason that the people of Cuba are suffering today is because of the policies of Fidel Castro.

Mr. BURTON of Indiana. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. DIAZ-BALART], a great American, a Cuban-American, of whom I am very proud.

Mr. DIAZ-BALART. Mr. Chairman, I just want to point out to my colleagues an interesting wire that was just handed to me, a news wire that was just handed to me:

CUBA PROVIDES HELP FOR AFFECTED ISLANDS

Cuba is providing $47,000 in medicines to assist islands of the Caribbean Community (CARICOM) affected by the recent hurricanes.

The emergency aid will go to Antigua and Barbuds, Dominica, and St. Kitts and Nevis, according to Barbados-based Cuban Ambassador Lazaro Cabezas.

Cabezas is accredited to a number of CARICOM states, including Trinidad and Tobago, where Cuba plans to open a diplomatic mission by the end of the year.

Castro is not denied, as the gentlewoman from Florida [Ms. ROS-LEHTINEN] said, medicine. He has all the medicines he wants to buy with the dollars he gets, but he does not give them to the Cuban people.

If my colleagues want to go to one of the most luxurious medical centers in the world, go to the medical center that Castro provides for the tourists. He has got a thriving industry to collect dollars from tourists from throughout the world, medical tourism. The Cuban people cannot go to those medical centers. The Cuban people do not have medicines and do not have any of the amenities that the tourists have because of Castro's policies, not because of the United States.

So we continue to blame America first in this instance, blame America for the lack of medicines that Castro does not permit the Cuban people to have.

Let us defeat this gutting amendment. Let us move forward.

Mr. MCDERMOTT. Mr. Chairman, I yield the balance to my time to the gentleman from Indiana [Mr. HAMILTON].

□ 1130

Let us have no mistake about that. But it is also true that when you put on top of those failed policies an embargo from the United States, that that embargo increases the suffering of the Cuban people. If you ease that embargo by letting food and medicine go in there, which they desperately need, you are going to ease the plight of the Cuban people.

Now, Mr. Chairman, Castro takes this embargo we have and uses it as a repressive tool in Cuba today. He uses it as an excuse for repression. All this amendment does is give the opportunity for more food and medicine to go to Cuba. What in the world is wrong with that? Why should we be opposed to relieving the suffering of the Cuban people?

I do not know how much will go in. It may not be huge quantities. But we know the situation there today. They are suffering. They need medicine. They need food. Let us see if we can help them out with this very modest measure.

Mr. Chairman, I urge a vote against this bill, and I urge a vote for the McDermott substitute.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself the balance of my time.

The people in Cuba make 10 cents a day. My colleague over there says if we lift the embargo that we are going to help them. The fact of the matter is that Castro has the command of the economy; he controls the food and medicine.

My colleague from Florida just pointed out that he is giving medicine to the hurricane victims in other countries. If he is so strapped, why does he not keep the medicine for his own country?

He has the supplies. He has the food. As the gentlewoman from Florida [Ms. ROS-LEHTINEN] pointed out, he is selling it to tourists for hard currency so he can pay the military to keep him in power because he is afraid of his own people. We will not help the Cuban people by lifting this embargo.

Mr. Chairman, let me go on to say that the embargo really did not start until 2½ years ago when the Torricelli bill, the Cuban Democracy Act, passed. Up until that time, it had no teeth in it. When the Soviet Union cut off the aid, the $6 billion a year to Castro, he started to sink. He is desperately trying to survive today, and we should not throw him a lifeline as my colleagues unintentionally are trying to do. We should deny him the hard currency.

All this bill does is say he cannot sell confiscated U.S. property. Our constituents had property down there that he took away from them that he is now selling to try to get hard currency to survive. All we want to do is give our constituents a way to get restitution from this government and deny him the hard currency he needs to survive as the Communist dictator, the last Communist dictator in our hemisphere.

Mr. Chairman, I want to end up by reading to Members a part of a letter from Armando Valladares, who spent 22 years in Castro's gulags. He was our U.N. human rights ambassador, one of the most revered Cuban Americans and Cubans in the world. He says, "I am a former political prisoner of Fidel Castro's jails, where I was confined for 22 long years. In those jails I saw many of my best friends die due to the horrible tortures and inhumane treatment. I strongly believe that the remaining days of Castro's tyranny will be shortened once your Libertad bill, now up for a vote, is passed".

The endorsement of our legislative by the most influential dissident leaders inside Cuba, inside Cuba, proves that they are convinced, as I am, that this law is an important contribution towards our goal: A free and Democratic Cuba. Viva Cuba libre.

Mr. Chairman, we want liberty and freedom for the Cuban people, and this is the way to do it, to deny Castro his lifeline and the hard currency that he so desperately needs. With that, I urge a no vote on this amendment and a yes vote on the liberty amendment, the liberty bill, which I think will help the Cuban people.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Washington [Mr. MCDERMOTT].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. MCDERMOTT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 138, noes 283, not voting 13, as follows:

[Roll No. 682]

AYES—138

Abercrombie
Baesler
Baldacci
Barrett (WI)
Becerra
Beilenson
Bereuter
Berman
Bishop
Bonior
Boucher
Brewster
Brown (CA)
Bryant (TX)
Clay
Clayton
Clement
Clyburn
Collins (MI)
Conyers
Coyne
Danner
de la Garza
DeFazio
DeLauro
Dellums
Dicks
Dingell
Dixon
Doggett
Dooley
Durbin
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Frank (MA)
Frost
Furse
Gejdenson
Gibbons
Gonzalez
Gordon
Hall (OH)
Hamilton
Harman
Hayes
Hefner
Hilliard
Hinchey
Hoyer
Jackson-Lee
Jacobs
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Lewis (GA)
Lincoln
Lofgren
Lowey
Luther
Maloney
Markey
Martinez
Mascara
McCarthy
McDermott
McHale
McIntosh
McKinney
McNulty
Meehan
Mfume
Miller (CA)
Minge
Mink
Moran
Nadler
Neal
Oberstar
Obey
Olver
Owens
Parker
Pastor
Payne (VA)
Pelosi
Rahall
Rangel
Reed
Rivers
Roemer
Roybal-Allard
Rush
Sabo
Sawyer
Schroeder
Schumer
Scott
Serrano
Skaggs
Slaughter
Spratt
Stark
Studds
Stupak
Tanner
Taylor (MS)
Thompson
Thornton
Torres
Towns
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wyden
Wynn
Yates

NOES—283

Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonilla
Bono
Borski
Browder
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Coleman
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Deutsch
Diaz-Balart
Dickey
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Ford
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kaptur
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
Manton
Manzullo
Martini
Matsui
McCollum
McCrery
McDade
McHugh
McInnis
McKeon
Meek
Menendez
Metcalf
Meyers
Mica
Miller (FL)
Mineta
Molinari
Mollohan
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Norwood
Nussle
Ortiz
Orton
Oxley
Packard
Pallone
Paxon
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Richardson
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Royce
Sanders
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Tejeda
Thomas
Thornberry
Thurman
Tiahrt
Torkildsen
Torricelli
Traficant
Upton
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—13

Blute
Collins (IL)
Gephardt
Hilleary
Jefferson
Moakley
Ney
Payne (NJ)
Reynolds
Salmon
Sisisky
Stokes
Tucker

□ 1158

Mr. STARK and Mr. PAYNE of Virginia changed their vote from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in House Report 104–253.

□ 1200

AMENDMENT NO. 2 OFFERED BY MR. WYNN

Mr. WYNN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. WYNN: Page 22, strike line 4 and all that follows through page 23, line 7 and insert the following:

(a) OPPOSITION TO CUBAN MEMBERSHIP IN INTERNATIONAL FINANCIAL INSTITUTIONS.—(1) Until such time as the President determines that a transition government in Cuba is in power, the Secretary of the Treasury should instruct the United States executive director to each international financial institution to use the voice and vote of the United States to oppose the admission of Cuba as a member of such institution.

(2) Once a transition government in Cuba is in power, the President is encouraged to take steps to support the processing of Cuba's application for membership in any financial institution subject to the membership taking effect at such time as the President deems most likely to facilitate the transition to a democratically elected government in Cuba.

Page 23, line 8, strike "(c)" and insert "(b)".

The CHAIRMAN. Pursuant to the rule, the gentleman from Maryland [Mr. WYNN] and a Member opposed, the gentleman from Indiana [Mr. BURTON], will each be recognized for 10 minutes.

The Chair recognizes the gentleman from Maryland [Mr. WYNN].

AMENDMENT, AS MODIFIED, OFFERED BY MR. WYNN

Mr. WYNN. Mr. Chairman, I ask unanimous consent that I be allowed to modify my amendment so as to read as the text of amendment No. 4 printed in the September 20 CONGRESSIONAL RECORD. I believe a copy of the modification is at the desk and also in the possession of the subcommittee chair.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Amendment, as modified, offered by Mr. WYNN: Page 22, strike lines 4 through 20 and insert the following:

(a) OPPOSITION TO CUBAN MEMBERSHIP IN INTERNATIONAL FINANCIAL INSTITUTIONS.—(1) Until such time as the President determines that a transition government in Cuba is in power, the Secretary of the Treasury should instruct the United States executive director to each international financial institution to use the voice and vote of the United States to oppose the admission of Cuba as a member of such institution.

(2) Once a transition government in Cuba is in power, the President is encouraged to take steps to support the processing of Cuba's application for membership in any financial institution subject to the membership taking effect at such time as the President deems most likely to facilitate the transition to a democratically elected government in Cuba.

Mr. WYNN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment, as modified, be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The CHAIRMAN. Is there objection to the modification?

Mr. BURTON of Indiana. Mr. Chairman, reserving the right to object, I have talked with the gentleman offering the modification to the amendment. I think it is a good modification and we are prepared to accept that.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. WYNN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first let me thank the subcommittee chairman for his leadership on this issue. We have not always agreed on the appropriate approach but I certainly appreciate the courtesies he has extended to me during the course of this debate.

The modified amendment that I am offering today will simply give the President the flexibility to support Cuba's membership in international financial institutions after a transition government is in power in Cuba. I believe that the most effective time for international assistance is during the transition period.

If a pro-democracy transition in Cuba is going to be peaceful and if it is going to succeed, it will need the support of international financial institutions. The International Monetary Fund, the World Bank, and others can make an enormous difference in Cuba during the transition period because of their strict requirements for economic reforms. The IFI's could help Cuba privatize its industry, develop commercial banking systems, and develop a tax system that will support a market-based economy.

Nobody knows what a transition in Cuba will look like but we must be prepared to react and act quickly. Let me be very clear, however, that the transition period that we are talking about and a transition government is specifically delineated within the context of the existing language of the bill.

It is specified that a transition government is one in which there is freedom of political activity, freedom of association, freedom of the press, respect for internationally recognized human rights, and is in the process of organizing free elections. It also specifically states that a transition government may not include Fidel or Raoul Castro.

I believe we are talking about a very strictly defined set of circumstances under which international financial assistance could be of great importance. Quick involvement has shown, in the case of Eastern Europe, that we can lend a strong effort toward the movement to democracy. We were successful in Eastern Europe. I believe the same model will apply in the case of Cuba.

Mr. Chairman, what we saw in Eastern Europe was that the transition led to democracy, not toward some sort of non-Communist dictatorship. We would like to see the same model in Cuba. That is where the international financial institutions come into play.

At some point in time, Mr. Chairman, in the not-so-distant future, the Castro dictatorship is going to come to an end. I do not know how that will be but we do know that is fact it will be.

During that period of time, once the transition government has met the criteria specified in this bill, I believe that we ought to assist them with participation in international financial institutions. That is what this amendment would do. I would certainly ask the membership to support the amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself such time as I may consume.

Let me just say that the gentleman from Maryland [Mr. WYNN] has come up with a very valuable amendment. It was well thought out. I appreciate very much his contribution that he has made to this legislation. I want to thank him for being willing to work out an agreement that I think is going to be better for the bill and better for the legislation and better for the people of Cuba in the final analysis. It provides a mechanism for helping them rebuild Cuba once the Castro dictatorship falls.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from New York.

Mr. WALSH. I thank the distinguished gentleman for yielding.

Mr. Chairman, I rise today to enter into a colloquy with my distinguished colleague, the gentleman from New York [Mr. GILMAN], along with my good friend the distinguished gentleman from Texas [Mr. COLEMAN].

Mr. Chairman, section 401 of H.R. 927 would exclude from the U.S. aliens who have confiscated property of U.S. nationals or who traffick in such property. The report on H.R. 927 by our Committee on International Relations relates that the Department of State is actively engaged in prosecuting hundreds of confiscation claims of U.S. citizens in Nicaragua, Honduras, Costa Rica, and Cuba. The report then states:

> Persons who are responsible for these confiscations or who are trafficking in such property should be among those initially targeted for exclusion under this section.

I have been working to bring to resolution an egregious expropriation executed by the Dominican Republic's military against Western Energy Inc. Western Energy is a U.S. company that was operating an important liquid petroleum gas facility in the Dominican Republic and operates a similar facility in my district in New York.

Would the distinguished gentleman agree that the confiscators and traffickers in this case should also be among those initially targeted for exclusion?

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from New York.

Mr. GILMAN. I thank the gentleman for yielding.

Mr. Chairman, I agree with the distinguished gentlemen from New York and Texas. The report on H.R. 927 cites four countries which should be initial targets with respect to section 401 because they have been found to have the most confiscation cases. However, the seriousness of the Western Energy case merits priority attention for exclusion of the persons involved, and I will work with the distinguished gentlemen to try to achieve that result.

Mr. COLEMAN. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Texas.

Mr. COLEMAN. Mr. Chairman, I too have been working to bring to resolution this egregious expropriation suffered by Western Energy Co. that is headquartered in my congressional district. It is my understanding that numerous high-ranking Dominican Government officials have expressed both public and private outrage with their government's action but they have said they have been powerless to redress it.

I think, Mr. Chairman, that the U.S. Ambassador should be commended for her efforts to resolve the situation. An exclusion under section 401 of H.R. 927 would certainly buttress her efforts. The names of the persons involved in the confiscation and who are trafficking in Western Energy's property are well known and could be provided by the U.S. Embassy as anticipated in the report on section 401 of H.R. 927.

I thank the gentleman from New York [Mr. GILMAN] for his response. I understand that he agrees that these persons should be among those initially targeted for exclusion under section 401 of H.R. 927. Is that correct?

Mr. GILMAN. If the gentleman will yield, that is correct. I want to assure both gentlemen that we will work with them to try to correct these problems.

Mr. WALSH. I thank the gentleman.

Mr. COLEMAN. I thank the gentleman from Indiana for yielding to the gentleman from New York.

Mr. BURTON of Indiana. Let me end, Mr. Chairman, by saying once again that I appreciate the hard work of the gentleman from Maryland [Mr. WYNN]. He is a very thoughtful member of the Committee on International Relations. We are very happy to accept his amendment.

Mr. Chairman, I include for the RECORD correspondence to the Speaker concerning committee consultations on H.R. 927.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, August 3, 1995.

Hon. NEWT GINGRICH,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I am writing to you regarding the "Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995" (H.R. 927), legislation that has already been reported by the Committee on International Relations (H. Rept. 104–202, Pt. 1). When it was introduced, H.R. 927 was also referred to the Committee on the Judiciary and, following the filing of the report by the International Relations Committee, this referral period was extended until August 4, 1995.

H.R. 927 was referred to the Judiciary Committee because of a number of its provisions fall within the Rule X jurisdiction of this Committee. Specifically, section 302 would create a civil cause of action in U.S. district courts by "United States nationals" against any person that traffics in property that was confiscated by the Government of Cuba, on or after January 1959. A "United States national" includes individuals who became naturalized U.S. citizens after the confiscation occurred. Section 303 establishes an alternate method for determining the amount and ownership of claims brought under section 302. In doing so, both section 303 and section 304 impact on the decisions and jurisdiction of the Foreign Claims Settlement Commission, which is an agency under the jurisdiction of the Judiciary Committee. Section 401 impacts on this Committee's jurisdiction with respect to the Immigration and Nationality Act by permitting the Secretary of State to exclude from entry into the United States any alien who has confiscated the property of a U.S. national or who traffics in such property.

As a result of consultations between the International Relations Committee and the Judiciary Committee, a number of changes were made in the text of H.R. 927. Consequently, the Judiciary Committee does not intend to mark up H.R. 927. However, this does not in any way waive this Committee's jurisdiction over that bill or related legislation, nor over the general subject matters contained in the bill which fall within this Committee's jurisdiction. I also request that Members of the Judiciary Committee be appointed to serve on any conference committee appointed with respect to this legislation.

Sincerely,

HENRY J. HYDE,
Chairman.

COMMITTEE ON BANKING AND FINANCIAL SERVICES,
Washington, DC, July 24, 1995.
Hon. NEWT GINGRICH,
Speaker, The Capitol, Washington, DC.

DEAR MR. SPEAKER: I am writing concerning H.R. 927, the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995, which the House of Representatives may consider later this year. This legislation contains two provisions which fall under the jurisdiction of the Committee on Banking and Financial Services under Rule X of the Rules of the House of Representatives. These provisions are found in Sections 103 and 104.

Section 103 prohibits a U.S. national or agency from extending a loan, credit, or other financing to a foreign person or U.S. national to finance transactions involving any property confiscated by the Cuban government the claim to which is owned by a U.S. national as of the date of enactment of H.R. 927. This provision falls under the jurisdiction of the Banking Committee relating to international finance and investment policies. While enforcement of this provision could be complex, and its impact on the competitiveness of the U.S. financial services industry is uncertain, the Banking Committee agrees to waive consideration of H.R. 927 and requests to be discharged from further consideration of Section 103 without prejudice.

Section 104 requires the Secretary of the Treasury to instruct the U.S. executive director to each international financial institution (IFI) to use the voice and vote of the United States to oppose the admission of Cuba as a member of such institution until a democratically elected government in Cuba is in power. It further requires that if any IFI approves a loan or other assistance to Cuba over the opposition of the United States, the Treasury Secretary is to withhold payment to such institution, with respect to paid-in and callable capital, of an amount equal to the amount of loan or other assistance to the Cuban government.

In this regard, it has been longstanding United States policy to oppose Cuban membership in the international financial institutions. Indeed, Cuba is not now a member of any such international organization. Consequently, while the Committee would have serious concerns about the impact of IFI withholding provisions on U.S. foreign policy and the international financial institutions generally, the Banking Committee agrees to waive jurisdiction of H.R. 927 and requests to be discharged from further consideration of Section 104 without prejudice.

Sincerely,
JAMES A. LEACH,
Chairman.

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Washington, DC, August 3, 1995.
Hon. BENJAMIN A. GILMAN,
Chairman, Committee on International Relations, House of Representatives, Rayburn Building, Washington, DC.

DEAR MR. CHAIRMAN: This is to confirm my understanding of our agreement concerning further consideration of H.R. 927, the Cuban Liberty and Democratic Solidarity Act of 1995, which was referred to the Committee on International Relations, and in addition, to the Ways and Means Committee for a period ending on August 4, 1995.

Section 109 of H.R. 927, as reported by your Committee, would impose a certification requirement on exporters of sugar and sugar products to the United States. In addition, sections 201 and 202 contain statements about the trade policy objectives of the United States toward a democratic Cuba and authorize the President to take action to achieve those goals.

The action taken by the Committee on International Relations concerning the sugar provision was clearly contrary to clause 5(b) of Rule XXI of the Rules of the House, which provides that no bill carrying a tax or tariff measure shall be reported by any committee not having jurisdiction to report tax and tariff measures.

However, I now understand that you will offer a manager's amendment that will drop all provisions relating to trade in sugar (section 109) from the bill and change the text of the remaining minor trade-related provisions to language drafted by my staff. In addition, I understand that you have committed to oppose any modifications or additions to these provisions during further consideration in the House.

Based on your written assurances to that effect, and in response to your requests that I facilitate consideration of this important legislation, I do not believe that a markup of H.R. 927 by the Committee on Ways and Means will be necessary.

However, this is being done only with the understanding that this does not in any way prejudice the Committee's jurisdictional prerogatives in the future with respect to this measure or any similar legislation, and it should not be considered as precedent for consideration of matters of jurisdictional interest to the Committee on Ways and Means in the future. Should any provisions of jurisdictional interest remain in the bill after Floor consideration, I would request that the Committee on Ways and Means be named as additional conferees, and as sole conferees on provisions within its sole jurisdiction.

Finally, I would ask that a copy of our exchange of letters on this matter be placed in the Record during consideration on the Floor. With best regards,

Sincerely,
BILL ARCHER,
Chairman.

COMMITTEE ON
INTERNATIONAL RELATIONS,
Washington, DC, August 4, 1995.
Hon. BILL ARCHER,
Chairman, Committee on Ways and Means, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I write to you with respect to your August 3 letter and further House consideration of H.R. 927, the "Cuban and Democratic Solidarity (LIBERTAD) Act of 1995."

Pursuant to agreements reached between you and key proponents of this legislation, including the Chairman of the Western Hemisphere Subcommittee, Dan Burton, I would like to assure you that the Committee intends to offer an amendment during floor consideration of this measure which addresses the specific concerns raised by you and your staff with respect to sections 109, 201, and 202 of this legislation. Moreover, I would like to further assure you that we will work with you and Members of your Committee in opposing any proposed modifications or additions relating to these provisions during further House consideration of this legislation.

In addition, I understand that you will request that Ways and Means Members be appointed as conferees on these provisions and any other tax, tariff, or trade policy matters that might be at issue in a conference with the Senate on this legislation.

I should note that these understandings on this legislation do not prejudice in any way this Committee's jurisdiction over international economic policy issues and the Committee's authority to seek conferees on these and any other provisions of the bill that are within the jurisdiction of the Committee on International Relations during my House-Senate conference committee that may be convened on this legislation.

I extend to you my gratitude for your willingness to work with members of this Committee and other interested Members to move this important legislation to the full House without delay.

With best wishes,
Sincerely,
BENJAMIN A. GILMAN,
Chairman.

Mr. Chairman, I yield back the balance of my time.

Mr. WYNN. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. JACOBS].

Mr. JACOBS. Mr. Chairman, first I would like it to be understood on the record that there is no Member of this House for whom I have greater affection and respect than the gentleman from Indiana [Mr. BURTON].

One of the reasons I have so much respect for him is his consistency. He has the same trade policy for China as he has for Cuba. Those who differ between the two countries, I could say, puzzle me somewhat.

I want to quote a former U.S. Senator from Indiana, Homer E. Capehart, a member of the party of the gentleman from Indiana [Mr. BURTON], who said back in the late 1950's, "If you would let me turn loose 10,000 American salesmen in the Soviet Union, I would guarantee that the days of communism would be numbered."

Mr. WYNN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I do not have any further speakers. I would just indicate, therefore, in closing that I believe this is a constructive amendment. It will enable us to move quickly at such time as we see a transition government in Cuba and I believe that will help us move Cuba more quickly to democracy. I thank the gentleman from Indiana for his support with respect to this amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentleman from Maryland [Mr. WYNN].

The amendment, as modified, was agreed to.

The CHAIRMAN. The Chair is advised that amendment No. 3 will not be offered. Is that correct?

Mr. BURTON of Indiana. That is correct, Mr. Chairman.

The CHAIRMAN. It is now in order to consider amendment No. 4 printed in House Report 104-253.

AMENDMENT NO. 4 OFFERED BY MR. STEARNS

Mr. STEARNS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. STEARNS: Add at the end of title I the following:

SEC. 112. CONGRESSIONAL NOTIFICATION OF CONTACTS WITH CUBAN GOVERNMENT OFFICIALS.

(a) ADVANCED NOTIFICATION REQUIRED.—No funds made available under any provision of law may be used for the costs and expenses of negotiations, meetings, discussions, or contacts between United States Government officials or representatives and officials or representatives of the Cuban Government relating to normalization of relations between the United States and Cuba unless 15 days in advance the President has notified the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate in accordance with procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961.

(b) REPORTS.—Within 15 days of any negotiations, meetings, discussions, or contacts between individuals described in subsection (a), with respect to any matter, the President shall submit a report to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate detailing the individuals involved, the matters discussed, and any agreements made, including agreements to conduct future negotiations, meetings, discussions, or contacts.

The CHAIRMAN. Pursuant to the rule, the gentleman from Florida [Mr. STEARNS] and a Member opposed will each be recognized for 10 minutes.

Mr. JOHNSTON of Florida. Mr. Chairman, I am opposed to the amendment.

The CHAIRMAN. The gentleman from Florida [Mr. JOHNSTON] will be recognized for 10 minutes.

The Chair recognizes the gentleman from Florida [Mr. STEARNS].

Mr. STEARNS. Mr. Chairman, I yield myself such time as I may consume.

I will be brief. This is an amendment that I had put together as a piece of legislation, H.R. 1909. It was introduced earlier this year and had bipartisan support. We had the support of Chairman BURTON, ranking member TORRICELLI, as well as the Members from the State of Florida.

I intend, Mr. Chairman, to withdraw this amendment, but I wanted to just outline a little bit about the amendment because I think it is important that the House be aware of what this amendment intended to do.

It was also offered on the Senate side. The important part about this amendment is it says basically that when the administration negotiates with the Castro regime, that they cannot do so without notifying Congress first. I think that is important, particularly when we saw what happened in Vietnam.

My amendment would require that the President notify congressional leadership prior to any meeting with the Castro regime, and that a timely report be made to the leadership with the results of any such negotiations.

With the situation as delicate as it is right now, Mr. Chairman, I am a little concerned, particularly talking to people on both sides of the aisle, that this would move the negotiation process into a phase where there might be a lot of confrontation, and that the administration itself might not be amenable to this amendment.

I actually withdraw this amendment, but I would like to make my opening statement part of the RECORD.

Mr. Chairman, my amendment is largely identical to H.R. 1909 which I introduced earlier this year with broad bipartisan support and which includes Chairman BURTON, Ranking Member TORRICELLI, Representative ROS-LEHTINEN, and Representative DIAZ-BALART among its original cosponsors.

It was jointly introduced with an identical bill in the Senate offered by my colleague from Florida, Senator MACK, who was also joined with widespread support in the other Chamber, including Majority Leader DOLE, Foreign Relations Chairman HELMS and Senator LIEBERMAN.

My amendment will require that the President notify congressional leadership prior to any meetings with the Castro regime and that a timely report be made to the leadership with the results of any such negotiations.

The Cuban Liberty and Democratic Solidarity Act is an important piece of legislation. It rightly steps up the pressure on the Castro regime in the hope that Democracy can be restored to the people of Cuba.

But this legislation and its impact could be rendered meaningless if the present administration opens up negotiations which could legitimize the very regime we are trying to remove.

With a situation as delicate as negotiations with one of the last Communist dictatorships left in the world, it is essential that Congress be kept aware of any attempts made by the administration to legitimize the Castro government.

Already members of this administration have shown their willingness to deal with Castro. Chairman BURTON has wisely included language in this bill that emphasizes the true position of our Nation: Not to deal with the Communist dictatorship in Cuba. This Congress must remain vigilant and ensure that this policy is in fact the one being followed.

The normalization of United States relations with the Communist government of Vietnam is just one example of where the current administration has moved too quickly and without open discussions with the Congress prior to its actions. Had there been a provision such as this during the negotiations with Vietnam, at least the Congress would have had the ability to advise the President on how we felt. Instead, the President presented us with a fait accompli. We need to ensure that tomorrow we don't see a headline proclaiming "Administration Officials Meet With Castro, Congress Caught Totally Unaware."

Mr. Chairman, while I recognize that it is the prerogative of the President to conduct foreign affairs, it is also the responsibility of the President to keep Congress informed of his actions so that we might respond accordingly. This amendment will insure this just balance of power.

Mr. Chairman, I urge my colleagues to join me in making sure that the United States does not rush into a closer relationship with a Communist dictatorship without the elected Representatives of the people being properly informed. I urge the adoption of this amendment.

Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. McCOLLUM. Mr. Chairman, I rise today in strong support of H.R. 927, the Cuban Liberty and Democratic Solidarity Act.

This legislation has been carefully crafted to bring an end to the Castro regime by reaffirming the principles contained in the Cuban Democracy Act passed in 1992. This legislation seeks to close the loopholes in order to more effectively continue our embargo against Cuba.

Another provision in H.R. 927 prepares the United States to support a transition government which eventually will lead to a democratic government in Cuba. We realize that the isolated Government of Castro is on its last leg and this is a positive signal to the Cuban people that the United States will support their efforts toward democratization.

Finally, this legislation takes important steps to protect the property interests of U.S. nationals by making persons who intentionally traffic in stolen property liable for damages in U.S. Courts.

It is anathema to all Americans that in our own backyard we have one of the last Communist countries and one of the last dictators within a half hour plane flight. Today, Cuba is more backward than ever. This authoritarian regime now symbolizes the fact that communism has failed.

Since the collapse of the Soviet Union the $4.5 billion in annual support for Cuba has all but disappeared. No other countries have come to Castro's financial aid. Meanwhile, the United States embargo continues to keep Cuba without sought after American dollars.

Recent reports state that the deteriorating living conditions, the repressive control exercised by the state and economic difficulties led to the mass exodus on the high seas in 1994. These reports also state that the Cuban crisis has deep internal roots affecting not only the economic, political, and social sphere, but all of the island's institutions. This crisis is the direct result of the repressive policy of Castro coupled with the exclusion of differing viewpoints.

Castro has not shown a willingness to make any efforts to liberalize Cuba's political system or economic markets. For this reason stronger actions are needed to deal with his regime as compared to other Communist countries which recently have shown movement toward democratic principles.

In my judgment, H.R. 927 takes the necessary steps to increase pressure on the Castro regime to initiate needed political and economic reforms. By passing this measure we will also send a strong signal to Castro that the United States will stand firm until he is gone and Cuba becomes a democracy.

Mr. GEPHARDT. Mr. Chairman, I rise to express my support for the general thrust of H.R.

927. This legislation sends an important signal to the Castro regime in Cuba that the United States will continue its vigilance in opposing the communist dictatorship there. For this reason, I will support passage of this bill today. At the same time, however, there are a number of provisions in this legislation that I believe could have an unintended negative impact on our efforts to promote a transition to a democratic government in Cuba and impede the conduct of U.S. foreign policy elsewhere.

In particular, I have serious concerns about the bill's attempt to restrict United States assistance to international financial institutions and other nations based on their policies toward Cuba. I believe we have broader interests vis-a-vis these institutions and nations that should not be allowed to be dictated by our policy toward Cuba.

I am also concerned that the constraints imposed by the bill on the types of United States assistance that may be provided to a transitional or democratically elected government in Cuba may in fact hinder our ability to promote the changes we desire there.

In addition, it appears that some of the bill's provisions relating to property claims may have the unintended consequence of tying up considerable amounts of property in litigation for years after a transition to a democratic government has occurred. This could hinder investment by Americans desiring to promote economic development in a post-Castro Cuba.

For these reasons, my vote today in support of H.R. 927 does not indicate an intention to support the conference version of this bill. Rather, I will withhold my decision on support for final passage of this legislation pending action by the conferees to address the deficiencies contained in the House version of the bill.

Mr. COYNE. Mr. Chairman, I rise today in opposition to H.R. 927. I believe that every Member of Congress agrees on our foreign policy goals with regard to Cuba. We all want to encourage democracy and economic growth, protect human rights, and neutralize a potential military threat just miles away from the United States. We legitimately disagree, however, on the most effective means of achieving these goals.

The Cuban people deserve a free, democratic, society that respects human rights and political freedom. Specifically, they deserve to enjoy the fruits of their labors and the right to travel freely across international borders. They deserve the freedom to speak their minds freely, without fear of persecution. And they deserve the fundamental right to organize and to control the actions of their own government through a free, fair, and democratic electoral process. I would suggest, however, that H.R. 927 is not the most effective way to accomplish these goals.

The so-called Cuban Liberty and Democratic Solidarity Act of 1995 is intended to ratchet up the pressure on Cuba by intensifying the economic sanctions and travel restrictions already in place. The theory behind this legislation is that any additional hardship imposed on the Cuban people will be transformed into additional dissatisfaction with the Castro regime and will precipitate an indigenous insurrection against Castro. The problem with this reasoning is that in many ways it plays into Castro's hands by allowing him to blame the Cuban people's suffering on foreign enemies—namely, the United States. Sanctions like these provide Castro with a convenient scapegoat for the failings of his unsustainable regime. Moreover, some of the provisions in this legislation would violate GATT and NAFTA. While I am no supporter of NAFTA, I believe that the United States is bound to observe international treaties that have been duly signed and ratified by the U.S. Government. We can not pick and choose as the mood takes us. Violation of our obligations under these treaties could result in sanctions on U.S. trade and the loss of U.S. export-related jobs. This legislation would damage the economic health of the United States without advancing our foreign policy goals. Consequently, I must conclude that H.R. 927 would do more harm than good.

I believe that the most effective tool for fostering democracy, human rights, and economic development in Cuba is exposure to the citizens and cultures of free, democratic societies. Consequently, I am a cosponsor of H.R. 2229, the Free Trade with Cuba Act, which was introduced by my colleague from New York, Representative CHARLES B. RANGEL. This legislation would lift the existing sanctions on trade, travel, and commerce with Cuba. It would only allow the President to impose new export controls on Cuba in accordance with certain sections of the Export Administration Act of 1979, and it would allow the President to apply the authority granted him under the International Emergency Economic Powers Act only in the case of a new national emergency resulting from actions undertaken by the Cuban Government. In short, this bill would normalize United States relations with Cuba.

In closing, let me just point out that we've had sanctions against Cuba for over 30 years. They made some sense during the cold war, when Cuba was allied with a hostile superpower, but they haven't been particularly successful in undermining the Castro government. In the end, an ineffective economic system and political repression will bring down the Castro regime, just as similar institutions precipitated the collapse from within for the other countries of the Soviet bloc. The best ways to speed up that process is through engagement, not through isolation. Therefore, I urge my colleagues to join me in opposing H.R. 927 here today.

Mr. BURR. Mr. Chairman, I rise today in support of H.R. 927, the Cuban Liberty and Democratic Solidarity Act. I am proud to be a cosponsor of this legislation along with a bipartisan group of my colleagues.

We are at an important moment in the struggle for freedom for the Cuban people. It is a well-known fact that the Cuban economy is in complete disarray. In order to prop up his failing regime, Castro has attempted to attract foreign investors to the country so that he may obtain more hard currency for his benefit, I repeat his benefit. Let us not pretend that the people of Cuba will benefit from these investments. Have no doubt, the capital that comes with foreign investment is for the benefit of Castro and his regime, not the people of Cuba.

To those who will say that Castro is liberalizing his political and economic policies, this is simply untrue. There is no indication that elections held in Cuba are anything more than a rubber stamp of his corrupt regime and there simply are not real economic reforms occurring there. Castro will continue to control the Cuban economy and the Cuban people because he and his regime control all of the money received from foreign investments.

To those who argue that we must end the embargo because it has not worked in 35 years, I would tell you that the embargo has worked best in the last few years due to the end of subsidies from the Soviet Union. The embargo is working and should be tightened, as this bill seeks to do, so the end of the Castro regime comes as soon as possible.

Finally, I support the provisions of this bill that provide American citizens a right of action in a U.S. court of law to ensure that property confiscated from them is not sold for the benefit of the Castro regime. The only way to end Castro's dictatorship is to end his access to foreign capital. I support these provisions as well as those that provide for a smooth transition to democracy and I urge all of my colleagues to support this bill with a "yes" vote on final passage.

Mr. KENNEDY of Rhode Island. Mr. Chairman, this bill is a clear statement that the American people stand arm in arm with the people of Cuba in their struggle against a repressive dictator, and that we will not back away from being partners in our common fight for freedom.

We won the cold war because we never gave in to communism. By standing firm we brought down the Iron Curtain and saw communism collapse in Europe.

The conditions which existed when President Kennedy implemented our embargo have not changed.

Now is not the time to offer relief to the Castro regime, especially relief at the expense of American citizens who have had their property seized by Castro. Castro wants to use American property to lure foreign investors to Cuba who will provide cover for his dictatorship and cash to his treasury.

This bill prevents the Castro regime and foreign investors from profiting off the confiscated property of Americans. It says, quite simply, theft is wrong.

The Libertad bill allows Americans, whose property Castro has seized, to pursue legal redress if an international corporation or investor purchases that land for profit-making.

This is government-sanctioned theft.

The bill also states that we will not allow those who traffic in this stolen property to enter the United States. Why should we welcome those who profit from property stolen from our citizens, from our constituents, and who are exploiting the hopes, dreams, and labor of the Cuban people?

Let us be clear, foreign investment in Cuba means one thing—it is a lifeline to the Castro regime.

It will legitimize an illegitimate government.

It will offer protection to a man who must be brought down just like the Communist dictators of Eastern Europe.

It will postpone the day that the people of Cuba will live in freedom and democracy.

A vote for this bill is a vote in support of those trying to build democracy in a land that desperately wants freedom.

This bill will help that day of liberty come sooner. This is our duty as Americans.

Mr. NADLER. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Washington. This amendment, which includes the text of my bill, H.R. 1700, would lift the embargo against Cuba on the sale of medicines, medical supplies and equipment, and food. It is an appropriate amendment and would bring to an end a policy that is unworthy of this great Nation.

I realize that most of my colleagues support the embargo against Cuba and support this legislation that will tighten that embargo to new and even more absurd heights. That is not the issue before us in this amendment.

What this amendment asks us is, should the U.S. demonstrate its disapproval of another government by cutting off the sale of food and medicine to civilians, the elderly, the young, and the sick?

Historically, no matter how repugnant we have found the behavior of other governments, the United States has not resorted to this immoral and inhuman form of pressure.

When the Pinochet dictatorship in Chile set off a terrorist bomb on the streets of Washington, killing an American citizen, we didn't punish the Chilean people by embargoing food and medicine.

The Chinese Government brutally oppresses human rights from Beijing to Lhasa and is rewarded by this Congress with most-favored-nation treatment.

Salvadoran Government-run death squads slaughtered tens of thousands of civilians, including four American nuns and the Archbishop of San Salvador, and El Salvador was rewarded with United States aid.

Even when we went to war against Iraq, there was not embargo on food and medicine.

So what has Cuba done that merits this sort of inhuman treatment? Clearly, the Members of this House are so accustomed to voting for sanctions against Cuba that we have lost any sense of proportion.

I certainly understand that most Members of Congress want to seem tough on Cuba. I know that's where the votes are today. But in our zeal to be the big cowboy in the hemisphere, we should not lose sight of fundamental decency. The embargo on food and medicine is wrong; it is immoral, and it brings dishonor to the United States.

I urge the adoption of the amendment.

Ms. PELOSI. Mr. Chairman, I rise today to express my opposition to H.R. 927, the Cuban Liberty and Democratic Solidarity Act. I have tremendous respect for the leaders on this legislation, especially Representatives ROS-LEHTINEN, DIAZ-BALART, and MENENDEZ. Their commitment to promoting democracy around the world is unquestioned. On the question of Cuba, however, I respectfully disagree with this legislation.

I oppose H.R. 927 because I believe that the embargo on Cuba and the policy of which it is the centerpiece, have failed. The embargo has not contributed in any way to increased freedom and democratization in Cuba. Rather, it has only made life hard for the Cuban people. Fidel Castro is still in power and suffering no consequences from this embargo. The people of Cuba, however, suffer daily because of it.

H.R. 927 tightens the embargo against Cuba—an embargo which has only resulted in inadequate access to medicine, to food, to healthcare, to education, and to development, for the Cuban people. It has not had an impact on Castro. It has not contributed to a more open society. It has not opened any doors to freedom.

The world has changed dramatically in the past few years; unfortunately, our foreign policy has not. It is time for us to move beyond a failed policy of strangling the Cuban people in the hope of strangling Castro's regime. The Cuban people are suffering; we should implement a policy which reaches out to them and which fosters their support for democratization. The embargo and this legislation take us in the wrong direction. We should focus our policy on promoting democracy, not on punishing the Cuban people. I urge my colleagues to vote "no" on H.R. 927.

The CHAIRMAN. The question is on the amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. DUNCAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 927) to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes, pursuant to House Resolution 225, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment in the nature of a substitute.

The amendment in the nature of a substitute was agreed to.

□ 1215

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. JOHNSTON of Florida. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 294, noes 130, not voting 10, as follows:

[Roll No. 683]

AYES—294

Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Bartlett
Barton
Bass
Bateman
Bentsen
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Borski
Browder
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Coleman
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLay
Deutsch
Diaz-Balart
Dickey
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Everett
Ewing
Fawell
Fazio
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Ganske
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
Manton
Manzullo
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
McNulty
Meek
Menendez
Metcalf
Meyers
Mica
Miller (FL)
Mineta
Molinari
Mollohan
Montgomery
Moorhead
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Ortiz
Oxley
Packard
Pallone
Paxon
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Royce
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen

Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Tejeda
Thomas
Thornberry
Thurman
Tiahrt
Torkildsen
Torricelli
Traficant
Upton
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—130

Abercrombie
Baesler
Baldacci
Barrett (NE)
Barrett (WI)
Becerra
Beilenson
Bereuter
Berman
Bonior
Boucher
Brewster
Brown (CA)
Bryant (TX)
Clayton
Clement
Clyburn
Collins (IL)
Collins (MI)
Conyers
Coyne
DeFazio
DeLauro
Dellums
Dicks
Dingell
Dixon
Doggett
Dooley
Eshoo
Evans
Farr
Fattah
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Furse
Gejdenson
Gibbons
Gonzalez
Hall (OH)
Hamilton
Harman
Hayes
Hefner
Hilliard
Hinchey
Hostettler
Jackson-Lee
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kennedy (MA)
Kildee
Kleczka
Klink
LaFalce
Lewis (GA)
Lincoln
Lofgren
Lowey
Luther
Maloney
Markey
Martinez
McDermott
McHale
McKinney
Meehan
Mfume
Miller (CA)
Minge
Mink
Moran
Morella
Nadler
Neal
Oberstar
Obey
Olver
Orton
Owens
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Rangel
Reed
Richardson
Rivers
Roemer
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Serrano
Skaggs
Slaughter
Stark
Studds
Stupak
Tanner
Taylor (MS)
Thompson
Thornton
Torres
Towns
Velazquez
Vento
Visclosky
Ward
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—10

Clay
Hastings (FL)
Moakley
Reynolds
Salmon
Scott
Sisisky
Stokes
Tucker
Waters

☐ 1238

Mr. OWENS changed his vote from "aye" to "no."

Mr. COSTELLO, Mr. RAHALL, Mrs. KENNELLY, and Ms. McCARTHY changed their vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid upon the table.

PERSONAL EXPLANATION

Mr. HASTINGS of Florida. Mr. Speaker, on rollcall 683, I was unavoidably detained. Had I been present, I would have voted "aye."

GENERAL LEAVE

Mr. BURTON of Indiana. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 927, the bill just passed.

The SPEAKER pro tempore (Mr. LaHood). Is there objection to the request of the gentleman from Indiana?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 743, THE TEAMWORK FOR EMPLOYEES AND MANAGERS ACT OF 1995

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104–256) on the resolution (H. Res. 226) providing for the consideration of the bill (H.R. 743) to amend the National Labor Relations Act to allow labor management cooperative efforts that improve economic competitiveness in the United States to continue to thrive, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1170, THREE-JUDGE COURT FOR CERTAIN INJUNCTIONS

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104–257) on the resolution (H. Res. 227) providing for consideration of the bill (H.R. 1170) to provide that cases challenging the constitutionality of measures passed by State referendum be heard by a three-judge court, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1601, INTERNATIONAL SPACE STATION AUTHORIZATION ACT OF 1995

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104–258) on the resolution (H. Res. 228) providing for the consideration of the bill (H.R. 1601) to authorize appropriations to the National Aeronautics and Space Administration to develop, assemble, and operate the international space station, which was referred to the House Calendar and ordered to be printed.

APPOINTMENT OF CONFEREES ON H.R. 1530, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1530) to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

MOTION TO INSTRUCT CONFEREES OFFERED BY MR. DELLUMS

Mr. DELLUMS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Dellums moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill H.R. 1530 be instructed to insert upon amounts for authorization of appropriations for Operations and Maintenance accounts such that the total amount of such authorizations is not less than the total amount authorized for Operation and Maintenance accounts in section 301 of the House bill.

The SPEAKER pro tempore. The gentleman from California [Mr. Dellums] will be recognized for 30 minutes, and the gentleman from South Carolina [Mr. Spence] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. Dellums].

Mr. DELLUMS. Mr. Speaker, I yield myself such time as I may consume.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. DELLUMS. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Speaker, the gentleman from California is normally a person who does not flaunt his background and so forth, and speaks about defense from, you know, his philosophical ideas and so forth.

But I just want to say I ran across a Marine yearbook today, and I uncovered in here that the gentleman from California has had a very distinguished career as a Marine, if, indeed, the gentleman from California is exactly the same Ronald V. Dellums who is in here was in the Merit Platoon. I just want to say if this is the same gentleman, I hope everybody listens to this gentleman because if there is anything the Marines know about, it is readiness.

So is the gentleman from California the same one I am seeing here?

Mr. DELLUMS. The gentleman is the same gentleman, about 40-some years old, however.

Mrs. SCHROEDER. The Marines would be very pleased that the gentleman has not forgotten his training about readiness. I truly support the gentleman's motion to instruct, and I thank the gentleman.

Mr. DELLUMS. I thank my distinguished colleague.

Mr. Speaker, I thank the gentlewoman for her generous remarks.

Mr. Speaker, I rise to offer a motion to instruct conferees on the bill, H.R. 1530, the national defense authorization bill.

Mr. Speaker, Members of the House, this motion is very simple. It would assert that the House conferees insist on retaining the amounts that we have already voted to provide for the sufficient training and readiness of our Armed Forces personnel.

Let me take a few moments to place this motion in its proper context.

Mr. Speaker, the President requested $91.9 billion for readiness, fiscal year 1996. The House bill contains $94.7 billion for readiness. The Senate bill contains only $91.7 billion.

The conference, overall, will add about $7.1 billion to the President's overall budget request for this fiscal year for defense. In this gentleman's humble opinion, Mr. Speaker, we should not use all of this additional money for what I believe to be unnecessary hardware programs. Instead, we should retain the training and readiness funds the House made available to our men and women in uniform.

The majority members on the Committee on National Security started off the year, Mr. Speaker, with a series of hearings outlining what they considered to be the unfunded readiness needs of the service. Indeed, if you will recall, Mr. Speaker, they claim in the bill, H.R. 7, that came to this floor, voted upon by this body, and elsewhere, that insufficient funds for readiness threaten the imminent return to the hollow forces of the 1970's.

□ 1245

Whether my colleagues agreed or disagreed with that position, that was the assertion of the majority party in these Chambers in H.R. 7 and in a series of hearings before the Committee on National Security. As a result of all of that, they increased the readiness budget by over $2.8 billion over the President's request and stated on the floor of these Chambers that the balance between readiness and modernization was the appropriate balance. The House report accompanying H.R. 1530 states in part, and I quote:

> The committee has recommended additional spending in core readiness accounts such as depot maintenance, . . . real property maintenance to begin addressing what is likely to be a 30- to 50-year problem of halting the deterioration of base support facilities, mobility enhancements to allow more timely deployment of forces and reserve component readiness.

Mr. Speaker, if the majority of the House National Security Committee now feels that there has been significant change in the readiness posture of this country, then I believe the Members of the House deserve an explanation of what happened to change their minds. If, in fact the premise on which days and days of hearings that were held that were calculated to make the case that near-term readiness of our military was indeed in dangerous peril, is no longer a compelling factor, then we need to know why, and the proposition before the body that this gentleman offered is calculated to ask that question.

If, however, the majority of the committee has made the political decision and I underscore "political decision" that the readiness issue is secondary to their need to deliver certain procurement projects, then let the record reflect that fact.

So the proposition before the body is designed to either say, "You believed in what you were saying in H.R. 7, you believed in what you were saying in the Contract for American, you believed in what you were saying during the series of hearings, you believed what you said in H.R. 1530 about readiness, and you feel that it is important to maintain it," or that, "As you view the changing circumstances in the world, that that is no longer a compelling reason." Then step back; explain that to the body. Let us move forward. Or, as I said, to repeat, "If you make the political decision that you now can trade off readiness, which you made such a large issue over the last several weeks and months, and you are more interested in procuring weapons systems than readiness, then make that statement so that we understand where we are."

In either case, Mr. Speaker, I believe that the Members of this body deserve to know what has happened in the intervening months since the readiness hearings that has allowed our committee's majority to feel so much more relaxed about what they claimed to be a problem of Draconian proportions just a few short weeks ago.

While I have expressed my own personal doubts as a Member of this body that we need an increase in the defense top line, and over the last several months I have tried to argue that case, I am doubly certain that we need not raid our readiness accounts to pay for unneeded cold war weapon systems that no longer are appropriate. The dire forecast the majority makes regarding our modernization accounts, Mr. Speaker, fails to account for the fact that we have been able to defer procurement requirements over the past few years due to the carefully managed utilization of excess weapons systems and platforms that have resulted from force structure reductions. Simply stated, as we have downsized our military, we have excess property, and in managing that excess property there has been no need for us to escalate in our procurement account because we are now dealing with materiel that is in excess, and we can move along those lines, and that has been carefully drawn and carefully dealt with.

Mr. Speaker, I believe that our first priority in this conference should be to insure that our troops, active and reserve components, are trained and ready to meet the task which they can reasonably expect to be called on to perform.

Therefore, for all these reasons, Mr. Speaker, I ask my colleagues on both sides of the aisle in a bipartisan fashion to join with me in an effort to prevent shifting more funds out of the readiness account, an argument that was stated in a very powerful fashion over the last several months at the level of subcommittee, full committee, and an action taken before the body, and with those remarks, Mr. Speaker, I reserve the balance of my time.

Mr. SPENCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the gentleman's initiative and to let him know that I support his motion, and I also welcome him to support for the readiness of our military forces. I also rise to encourage all of my colleagues to join with us in our continuing efforts to ensure that the United States maintains a ready military force.

Because the gentleman's motion references specific figures, I need to remind my colleagues that H.R. 1530 passed the House before a final budget resolution had been agreed upon. Consequently, H.R. 1530's top-line reflected the House-passed budget resolution figures for Defense, which ended up being approximately $2.6 billion over the fiscal year 1996 Defense top-line figure in the final budget resolution. The Senate's Defense authorization bill and both Defense appropriations bills were passed based on the final budget resolution Defense figures.

In order to conference with the Senate, we obviously have to reconcile the higher figures in H.R. 1530 with the final budget resolution and the other Defense bills. Approximately $1.9 billion of this $2.6 billion reconciliation effort has occurred in the operations and maintenance accounts. While that might seem like a significant cut, it is not, since all of the funds cut lacked an appropriation. Therefore, they represented a hollow authorization.

H.R. 1530 still authorizes operations and maintenance funding at almost $93 billion—close to $1 billion over the President's request. In five main readiness categories beyond the traditional operational tempo accounts—depot maintenance, real property maintenance, base operations, mobility enhancement, and Reserve component readiness—H.R. 1530 is $1.6 billion over the President's request and $1.1 billion over the Senate bill. Of the four Defense bills, H.R. 1530 contains the highest operations and maintenance funding levels and is almost identical to the House-passed Defense appropriations levels for these accounts.

The committee has always been concerned with military readiness and will continue to address readiness problems, as well as quality of life and modernization, shortfalls as a priority. Therefore, as we head into conference with the Senate, I welcome the gentleman's support on the critical issue of readiness funding, and I stand prepared to accept the motion.

Mr. Speaker, I reserve the balance of my time.

Mr. DELLUMS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the distinguished gentleman from South Carolina [Mr. SPENCE] for his support. I think that that guarantees that this would be a bipartisan effort as we move into the conference with the other body, and I deeply am appreciative of the gentleman's remarks and his support.

Mr. Speaker, I yield 5 minutes to the gentleman from South Carolina [Mr. SPRATT], my distinguished colleague.

Mr. SPRATT. Mr. Speaker, one of the first bills brought to the floor in keeping with the Contract For America was H.R. 7, the National Defense Revitalization Act. Its very title implies that our Armed Forces are not ready, that they lack vitality. Now I question that assessment. But there is some findings in the preamble of that bill, and I would just like to read them again so that those who voted for it can be reminded of what assessment is contained in that bill. It says,

> A return to the "hollow forces" of the 1970's has already begun. At the end of fiscal year 1994, one-third of the units in the Army contingency force and all of the forward-deployed and follow-on Army divisions were reporting a reduced state of military readiness. During fiscal year 1994, training readiness declined for the Navy's Atlantic and Pacific fleets. Funding shortfalls for that fiscal year resulted in a grounding of Navy and Marine Corps aircraft squadrons and cancellation and curtailment of Army training exercises. Marine and naval personnel are not maintaining the standard 12- to 18-month respite between 6-month deployments away from home. Marine Corps units are spending up to 2 of their first 4 years away from their base camps. The significantly increased pace of Department of Defense operations has U.S. Forces overdeployed.

Now these findings are, I think, over some. They run counter to the Pentagon's assertions that our troops on the whole, with some exceptions, are ready, but following on these premises and these concerns, our committee in its markup of the defense authorization bill this year, our committee added by my calculation $2.8 billion to the administration's request of $91.9 billion for readiness. That is a 3-percent plus up. The Senate Armed Services Committee on the other hand provided $800 million less than the Clinton administration requested.

So, this motion before us is very simple. It says, "Stick to your guns. Stand by the House's position on the issue of readiness."

This is an opportunity to act once again on our readiness concerns, which I think all of us to one degree or another share. If we think our forces are in any way in a downward spiral, or that they are overdeployed, or if we think we are trending back or slipping down the slippery slope to the hollow forces of the 1970's, then a 3-percent plus up is a modest step indeed to reverse that trend.

Mr. Speaker, I urge my colleagues to stand by the House's position on readiness, to stiffen the resolve of our conferees, and to vote for this motion.

Mr. SPENCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do not have any other requests for time. I would just like to thank our colleagues on the other side of the aisle for supporting readiness, and, as I said before, I support the motion.

Mr. DELLUMS. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia [Mr. PICKETT], my distinguished colleague.

Mr. PICKETT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, 1995 has been a busy year for the U.S. military. Our Nation called repeatedly upon its Active and Reserve Forces to represent and protect our national interests all around the world.

The U.S. Armed Forces were able to respond to the call in Asia, in Europe, in Africa and elsewhere, in part, because this Congress and the American people have provided the military with the necessary assets and training to do the job.

Men and women in uniform responded to each challenge in a manner that makes all Americans proud. They have responded to the call to duty largely without complaint and served their country with honor and distinction.

This ability to provide flexible response is not without cost either in equipment or to our people. The services have had to switch money away from training to respond to these contingencies and valuable training opportunities have been lost.

Our first priority is to provide our military personnel with what they need to fight, to win, and to return home safely after having answered their country's call. They are among the finest young people our country has to offer. They serve their country out of a sense of duty. At the same time, these men and women expect Congress to give them the resources they need to do their jobs. They also expect Congress to provide them a reasonable quality of life for themselves and for their families, and a place in which to train and work that will allow them to give the best of themselves. Congress must live up to this commitment.

Mr. Speaker, the operations tempo in our military remains high. The service chiefs have reported that the force is stretched thin; that readiness is being impacted by a high current optempo; and that certain units are deploying repeatedly in support of contingency operations.

This high optempo has occurred at the same time U.S. force structure and defense budgets have been dramatically reduced. U.S. Forces continue to be asked to do more and more with less and less.

The most important component of readiness is people. The people serving in uniform today were selectively recruited and carefully trained. They are truly the finest force that the United States has ever had.

Readiness must be preserved both in the near term and in the long term. Readiness problems compound quickly and cannot be repaired easily or inexpensively. The military personnel that we put in harm's way deserve a full and continuing commitment from this Congress. The House of Representatives has met that commitment to readiness in the DOD bill that we passed. I urge my colleagues to ratify this effort by voting for this motion to instruct House conferees to support the higher House figure for readiness and to reject the lower Senate figure.

□ 1300

Mr. DELLUMS. Mr. Speaker, at this time I have no further requests for time, and I yield back the balance of my time.

Mr. SPENCE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LINDER). The question is on the motion offered by the gentleman from California [Mr. DELLUMS].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DELLUMS. Mr. Speaker, I object to the vote on the grounds that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Does the gentleman from South Carolina [Mr. SPENCE] have a unanimous-consent request?

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the automatic record vote on the motion to close the conference under clause 6, rule XXVIII be reduced to 5 minutes.

The SPEAKER pro tempore. Is there any objection to the request of the gentleman from South Carolina?

There was no objection.

The vote was taken by electronic device, and there were—yeas 415, nays 2, not voting 17, as follows:

[Roll No 684]

YEAS—415

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Christensen
Chrysler
Clayton
Clement
Clinger
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Minge
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—2

Neumann
Petri

NOT VOTING—17

Boehner
Browder
Chenoweth
Clay
Clyburn
Collins (MI)
Foley
Johnston
Kolbe
Mink
Moakley
Quinn
Reynolds
Sisisky
Stokes
Tucker
Waters

□ 1320

Mr. PETRI changed his vote from "yea" to "nay."

So the motion was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. KOLBE. Mr. Speaker, on rollcall No. 684, I was inadvertently not recorded. although I was on the floor during the vote. Had I been recorded, I would have voted "yea."

PERSONAL EXPLANATION

Mr. FOLEY. Mr. Speaker, on rollcall No. 684, a motion to instruct conferees, I was detained in a meeting and unable to reach the floor before the voting machine was locked. Had I been present, I would have voted "yea."

MOTION TO CLOSE CONFERENCE COMMITTEE MEETINGS ON H.R. 1530, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996, WHEN CLASSIFIED NATIONAL SECURITY INFORMATION IS UNDER CONSIDERATION

Mr. SPENCE. Mr. Speaker, pursuant to clause 6(a) of rule XXVIII I move that conference committee meetings on the bill H.R. 1530, to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, for military construction, and for defense programs of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, be closed to the public at such times as classified national security information is under consideration, provided, however, that any sitting Member of Congress shall have the right to attend any closed or open meeting.

The SPEAKER pro tempore. Pursuant to clause 6(a) of rule XXVIII, the vote on this motion will be taken by the yeas and nays.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 414, nays 1, not voting 19, as follows:

[Roll No 685]

YEAS—414

Abercrombie
Ackerman
Allard
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Christensen
Chrysler
Clayton
Clement
Clinger
Coble
Coburn
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham

Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—1

DeFazio

NOT VOTING—19

Andrews
Burton
Chenoweth
Clay
Clyburn
Coleman
Johnston
Kennelly
Lewis (CA)
Moakley
Rangel
Reynolds
Sisisky
Stokes
Tucker
Waters
Watt (NC)
Waxman
Wilson

☐ 1331

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. WATT of North Carolina. Mr. Speaker, it has come to my attention that I was not listed as being recorded on rollcall vote No. 685 on Thursday, September 21, despite the fact that I was here and put my card in the voting machine. I ask that this fact be noted in the RECORD, and that it be indicated that had I been present and recorded, I would have voted "yes."

The SPEAKER pro tempore (Mr. LINDER). Without objection, the Chair appoints the following conferees:

From the Committee on National Security, for consideration of the House bill (except for sections 801–03, 811–14, 826, 828–32, 834–38, 842–43, 850–96) and the Senate amendment except for sections 801–03, 815–818, 2851–57, and 4001–4801), and modifications committted to conference:

Messrs. SPENCE, STUMP, HUNTER, KASICH, BATEMAN, HANSEN, WELDON (PA), DORNAN, HEFLEY, SAXTON, CUNNINGHAM, BUYER, TORKILDSEN, Mrs. FOWLER, and Messrs. MCHUGH, WATTS (OK), JONES, LONGLEY, DELLUMS, MONTGOMERY, Mrs. SCHROEDER, and Messrs. SKELTON, SISISKY, SPRATT, ORTIZ, PICKETT, EVANS, TANNER, BROWDER, TAYLOR (MS), ABERCROMBIE, EDWARDS, and PETERSON (FL).

From the Committee on National Security, for consideration of sections 801–03, 811–14, 826, 828–32, 834–38, 842–43, and 850–96 of the House bill and sections 801–03 and 815–818 of the Senate amendment, and modifications committed to conference:

Messrs. SPENCE, STUMP, WATTS (OK), DELLUMS, and SPRATT.

From the Committee on National Security, for consideration of sections 2851–57 of the Senate amendment, and modifications committed to conference:

Messrs. SPENCE, HEFLEY, JONES, ORTIZ, AND MONTGOMERY.

From the Committee on National Security, for consideration of sections 4001–4801 of the Senate amendment, and modifications committed to conference:

Messrs. SPENCE, STUMP, TORKILDSEN, WATTS (OK), LONGLEY, DELLUMS, EDWARDS, and PETERSON (FL).

As additional conferees from the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 2 of rule XLVIII:

Messrs. COMBEST, YOUNG (FL), and DICKS.

As additional conferees from the Committee on Agriculture, for consideration of sections 2851–57 of the Senate amendment, and modifications committed to conference:

Messrs. ROBERTS, ALLARD, LAHOOD, DE LA GARZA, and JOHNSON (SD).

As additional conferees from the Committee on Commerce, for consideration of sections 601 and 3402–04 of the House bill and sections 323, 601, 705, 734, 2824, 2851–57, 3106–07, 3166, and 3301–02 of the Senate amendment, and modifications committed to conference:

Messrs. BLILEY, SCHAEFER, and DINGELL.

Provided, Mr. OXLEY is appointed in lieu of Mr. SCHAEFER for consideration of sections 323, 2824, and 3107 of the Senate amendment.

Provided, Mr. BILIRAKIS is appointed in lieu of Mr. SCHAEFER for consideration of section 601 of the House bill and sections 601, 705, and 734 of the Senate amendment.

Provided, Mr. HASTERT is appointed in lieu of Mr. SCHAEFER for consideration of sections 2851–57 of the Senate amendment.

As additional conferees from the Committee on Economic and Educational Opportunities, for consideration of section 394 of the House bill, and sections 387 and 2813 of the Senate amendment, and modifications committed to conference:

Messrs. GOODLING, RIGGS, and CLAY.

As additional conferees from the Committee on Government Reform and Oversight, for consideration of sections 332, 333, and 338 of the House bill, and sections 333 and 336–43 of the Senate amendment, and modifications committed to conference:

Messrs. CLINGER, MICA, BASS, Mrs. COLLINS (IL), and Mrs. MALONEY.

As additional conferees from the Committee on Government Reform and Oversight, for consideration of sections 801–03, 811–14, 826, 828–32, 834–40, and 842–43 of the House bill, and sections 801–03 and 815–818 of the Senate amendment, and modifications committed to conference:

Messrs. CLINGER, HORN, DAVIS, Mrs. COLLINS (IL), and Mrs. MALONEY.

As additional conferees from the Committee on Government Reform and Oversight, for consideration of sections 850–96 of the House bill, and modifications committed to conference:

Messrs. CLINGER, DAVIS, and Mrs. COLLINS (IL).

As additional conferees from the Committee on Government Reform and Oversight, for consideration of sections 4001–4801 of the Senate amendment, and modifications committed to conference:

Messrs. CLINGER, SCHIFF, ZELIFF, HORN, DAVIS, Mrs. COLLINS (IL), Mrs. MALONEY, and Mr. SPRATT.

As additional conferees from the Committee on House Oversight, for consideration of section 1077 of the

Senate amendment, and modifications committed to conference:

Messrs. THOMAS, ROBERTS, and HOYER.

As additional conferees from the Committee on International Relations, for consideration of sections 231–32, 235, 237–38, 242, 244, 1101–08, 1201, 1213, 1221–30, and 3131 of the House bill and sections 231–33, 237–38, 240–41, 1012, 1041–44, 1051–64, and 1099 of the Senate amendment, and modifications committed to conference:

Messrs. GILMAN, GOODLING, ROTH, BEREUTER, SMITH (NJ), HAMILTON, GEJDENSON, and LANTOS.

As additional conferees from the Committee on the Judiciary, for consideration of sections 831 (only as it adds a new section 27(d) to the Office of Federal Procurement Policy Act), and 850–96 the House bill and sections 525, 1075, and 1098 of the Senate amendment, and modifications committed to conference:

Messrs. HYDE, GEKAS, and CONYERS.

As additional conferees from the Committee on Rules, for consideration of section 3301 of the Senate amendment, and modifications committed to conference:

Messrs. SOLOMON, DREIER, and BEILENSON.

As additional conferees from the Committee on Science, for consideration of sections 203, 211, and 214 of the House bill and sections 220–21, 3137, 4122(a)(3), 4161, 4605, and 4607 of the Senate amendment, and modifications committed to conference:

Messrs. WALKER, SENSENBRENNER, and BROWN (CA).

As additional conferees from the Committee on Transportation and Infrastructure, for consideration of sections 223, 322, 2824, and 2851–57 of the Senate amendment, and modifications committed to conference:

Messrs. SHUSTER, WELLER, and OBERSTAR.

As additional conferees from the Committee on Veterans' Affairs, for consideration of section 2806 of the House bill and sections 644–45 and 4604 of the Senate amendment, and modifications committed to conference.

Messrs. SMITH (NJ), HUTCHINSON, and KENNEDY (MA).

As additional conferees from the Committee on Ways and Means, for consideration of sections 705, 734, and 1021 of the Senate amendment, and modifications committed to conference:

Messrs. ARCHER, THOMAS, and STARK.

There was no objection.

LEGISLATIVE PROGRAM

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Mr. Speaker, I yield to the distinguished majority leader for purposes of asking the schedule for next week.

Mr. ARMEY. I thank the gentleman for yielding.

Mr. Speaker, I am sure everybody is aware that we have had our last vote for the day and indeed we have had our last vote for the week since the House will not be in session tomorrow.

Mr. Speaker, in observance of the Jewish holiday Rosh Hashanah, there will be no recorded votes next Monday, September 25 and Tuesday, September 26.

On Wednesday, the House will meet at 12 noon, although we do not expect any recorded votes before 1 p.m. Next week we will consider the following bills, all of which will be subject to rules:

H.R. 743, the Teamwork for Employees and Managers Act;

H.R. 1170, the Three Judge Court Review for State-Wide Referenda Act;

H.R. 1601, the International Space Station Authorization Act; and

The District of Columbia Appropriations Act for fiscal year 1996.

As we approach the end of the fiscal year, it will be necessary to put together a continuing resolution to keep the Government operating. There are many variables involved in this process, and therefore we are unable to fix a firm time for the House to complete its business.

I must admit that if I had my druthers, we would adjourn the House on Friday, September 29 and start the October district work period then. However, Members should be advised that it may be necessary to continue working over the weekend and through to Tuesday, October 3. If this is the case we will adjourn no later than 12 noon on Tuesday.

Mr. BONIOR. If I could ask the distinguished majority leader what he expects in the way of appropriation bills next week. It is a week now before the end of the fiscal year, and we have not had one single appropriation bill that has been sent to the President.

We all understand that when the Congress fails to meet its responsibilities, we have to have what is known as a continuing resolution. We have heard through the rumor mill and through printed material that we have seen today that the majority is asking for a 6-week extension through the continuing resolution.

My question to the gentleman from Texas, the distinguished majority leader, would be, would it not be advisable to have a much shorter CR to keep the pressure on so we can get these appropriations bills—we only have a week to get them to the President, obviously we are not going to make it, but obviously it would keep the pressure on us to get them there, so we could finish our work and Members could return to their constituencies.

Mr. ARMEY. I say to the gentleman, of course we will be taking up the conference reports as soon as the conferences do report. The Senate I am sure will do the same. We will move this legislation as quickly as we can to the President's desk. We will probably do some next week.

The gentleman asked if I thought that maybe it would not be more advised for us to have a shorter continuing resolution than the one we expect to pass. My response is if I had thought that, I would have been bringing a shorter continuing resolution. I think the one we will bring will be appropriate to our circumstances.

Mr. BONIOR. May I ask if the distinguished majority leader expects it to be longer than 2 weeks.

Mr. ARMEY. My anticipation is that the continuing resolution will give us a period of time, approximately 6 weeks, which should be a comfortable period of time for everybody to get their work done.

Mr. BONIOR. Do you expect to bring the TEAM legislation to the House next week?

Mr. ARMEY. The TEAM legislation is scheduled for next Wednesday.

Mr. BONIOR. Could I get a sense from the distinguished majority leader if indeed the conference appropriation bills that he expects might fall in the following categories, the Defense conference bill, the Interior bill, the Transportation bill, the Ag bill, and the Treasury and Postal Service bill, are those the likely candidates to come to the floor next week?

Mr. ARMEY. If the gentleman will yield, they certainly are in the candidates and I have expectations that the work will be completed on some if not all of them. But again I would prefer to let the committee work and look forward to their report to the House and to the Senate.

□ 1345

Mr. BONIOR. Mr. Speaker, finally, I would ask the gentleman from Texas, my friend, again, if he would not indeed bring up the Dingell resolution, which would allow the public to have time to understand the Republican Medicare plan. We are asking for 4 weeks of hearings and this resolution would be brought to the floor so Members could understand and absorb it.

There are major, major, significant changes in Medicare in the majority's plan, and we think the country and the folks around the kitchen table ought to have the chance to absorb what is in it and we are asking to have a debate on that resolution and we ask the gentleman to bring it up.

Mr. ARMEY. Mr. Speaker, I appreciate the comments of the gentleman from Michigan [Mr. BONIOR] and with respect to the question put regarding the Dingell resolution, the gentleman should be advised that no, in fact I do not anticipate bringing up the Dingell resolution.

Mr. BONIOR. Mr. Speaker, in that case I would advise the gentleman from

Texas that since we are only going to have one day of hearings on the majority's direct plan, we anticipate that we will have our hearings on the lawn of the U.S. Capitol. We anticipate those hearings to commence tomorrow and will continue throughout the following week, so that the American people will have the right to understand and know that we are changing Medicare as we know it, and we are doing it not to save Medicare or to reduce the budget, but to provide tax cuts for the wealthiest people in our society.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Speaker, would it be possible, would there be any period of time that the gentleman from Texas would agree to extend? I mean, I am sure the gentleman from Michigan [Mr. DINGELL] would not want to cut the 4 weeks down, but would the gentleman from Texas agree to maybe 2 weeks or maybe 3 weeks or something? We have over 21 cosponsors who really feel that we need more than 1 day.

Mr. ARMEY. Mr. Speaker, I appreciate the gentlewoman's comments. In light of the fact that we have had over 30 hearings on Medicare already this year, we see no need, as you allege. But I would suggest that should the minority come up with a Medicare bill, we would certainly be willing to give some consideration to hearings on that bill, or make a place for that bill in the proceedings.

To this point, I have not seen even so much as an inkling of such a bill and, therefore, see no good reason to slow down continued progress on the bill that our side of the aisle has been working on.

Mrs. SCHROEDER. Mr. Speaker, would the gentleman from Michigan yield further? That is our problem. We have not seen so much as an inkling of a bill from the majority side. We understand there is like a 60-page concept paper, but the hearings would be there tomorrow and there is still no real there there.

Mr. Speaker, I think it is interesting. I know the best defense is an offense, but really we have been waiting to find out what the real bill is. We still do not know, and there have not been any hearings on the real bill because there is no real bill yet.

Mr. ARMEY. Mr. Speaker, I appreciate the comments of the gentlewoman from Colorado [Mrs. SCHROEDER] and the fact of the matter is that we do have a good deal of communication going on with the committees. We will continue to move on as scheduled.

It is, of course, always a difficult proposition for the minority when they do not participate in the process very actively. The frustrations are real and I do appreciate their frustrations, but we do have a schedule and we will be moving on with it.

Mr. BONIOR. Mr. Speaker, in conclusion, I would just invite my friend from Texas to join us on the lawn as the American people come and testify on this particular bill and problem that we have before us in this Congress. We will be meeting tomorrow on the lawn of the U.S. Capitol to have hearings on this important issue.

Mr. ARMEY. Mr. Speaker, would the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, I appreciate the invitation of the gentleman from Michigan [Mr. BONIOR]; unfortunately, I will be back in Texas speaking to my constituents tomorrow.

Mr. BONIOR. Mr. Speaker, we wish the gentleman a good voyage.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 94

Mr. PETERSON of Minnesota. Mr. Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor from House Resolution 94.

The SPEAKER pro tempore (Mr. LINDER). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

ADJOURNMENT TO MONDAY, SEPTEMBER 25, 1995

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday, September 25, 1995.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT FROM MONDAY SEPTEMBER 25, 1995 TO WEDNESDAY, SEPTEMBER 27, 1995

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns Monday, September 25, it adjourn to meet at noon on Wednesday, September 27, 1995.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. LINDER). Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

HELPING VICTIMS OF HEMOPHILIA-ASSOCIATED AIDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. GOSS] is recognized for 5 minutes.

Mr. GOSS. Mr. Speaker, for 6 years I and my staff have worked with victims of hemophilia-associated AIDS seeking justice and assistance from the Federal Government. Because hemophiliacs rely on blood-clotting products made from human blood, they are at an enormous risk of contracting blood-borne diseases. In the 1980's, tragedy struck this community, and approximately 8,000 Americans—or one-half of all hemophiliacs in this country—became infected with the deadly virus that causes AIDS. This tragedy occurred in part because the Federal Government failed to fulfill its unique responsibility for regulating the safety of blood products and for taking aggressive action to prevent the spread, through blood products, of the HIV virus. That conclusion was strongly supported in a recent report of the Institute of Medicine, a highly respected, objective, scientific analysis arm of the National Academy of Sciences. This report has confirmed my belief that the Federal Government shares the responsibility for what happened, since the regulatory system failed to respond to the clear early warning signs of blood-borne AIDS. As a result, in my view the Federal Government has a clear and compelling obligation to provide compassionate assistance to the victims of what has been called the worst medical tragedy in modern history. I have introduced legislation, called the Ricky Ray Hemophilia Relief Fund Act, to establish a compensation program that would allow the Government to own up to its obligation. This bill is named for a 15-year-old Florida boy who died in December 1992, and whose family today still suffers from his loss and the ongoing illnesses of Ricky's two brothers, who are also HIV positive hemophiliacs. The Ricky Ray bill, which carries more than 125 bipartisan cosponsors, establishes a trust fund from which eligible victims could each claim $125,000. The legislation specifies that the trust fund, once authorized, would sunset after 5 years and would be capped at a total of $1 billion, with the funds to come from the annual appropriation process. Some people have asked, what makes these victims special? What is it about this tragedy that moves us to provide Government compensation?

What is unique about the victims of hemophilia-associated AIDS? In my view, the record is clear: Government has established a unique regulatory scheme for blood products, overseeing their safety under the auspices of both the Food, Drug, and Cosmetic Act and the Biologics Act. In making its regulatory decisions about the safety of blood products, the FDA, until just recently, relied heavily on advice from an advisory panel comprised in large part of people with expertise from the blood banking industry itself. In addition, we have a national blood policy, established in 1974, that outlines our commitment to blood and blood products as a national resource. And blood products are exempted from national product liability legislation, fostering the development of a unique legal framework in which blood products are shielded from normal product liability standards under nearly all State laws.

Mr. Speaker, this is a brief outline of why I believe a strong case can be made that this situation—in which we have about one death every day of a hemophiliac with AIDS—is unique and requires a special Federal response. I understand that the Federal Government cannot become involved in every tragic case that occurs in this country. But this case is unique—and the Federal Government has a unique responsibility for what went wrong. I urge my colleagues to look at H.R. 1023—and I again ask that our Judiciary Committee schedule hearings to consider the complex regulatory, legal, and ethical questions this tragedy raises.

Mr. Speaker, it is not going to go away. Every day one more person is going to die tragically, and it is partially our fault. We need to deal with it.

HEARINGS ARE NEEDED ON MEDICARE REFORM PROPOSALS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized for 5 minutes.

Mrs. SCHROEDER. Mr. Speaker, I have come to the floor to talk a bit about what my biggest fear as a Member has always been, and that has been not being prepared.

Mr. Speaker, it is so difficult to try very hard to find out what is going on and to be prepared. I was trained as an attorney, and I learned you never step into a courtroom, you never do anything without being prepared.

Well, let me tell my colleagues in this Medicare-Medicaid debate, there is no way anyone can be prepared. Here we are on the eve of the 1 day of hearings that they are going to grant on Medicare, and there is still no bill. There is still no bill.

So, if we wanted to go to those hearings tomorrow and be prepared, I do not know how we would do it. Today, they released 60 pages of conceptual language, but there are no numbers. How do we know if they add up or do not add up? We do not know what the Congressional Budget Office is saying.

Mr. Speaker, I think that this is playing very fast and loose and I am very troubled, because if I were an average American watching this and watched the barbs being traded back and forth across the aisle, they are filled with both bravado and bluster and everything else. But the bottom line is there is no there there. They do not have a real bill there.

The same thing has happened with Medicaid. On Medicaid we did not have even 1 day of hearings. They just moved immediately into a markup. We are beginning to find out what is coming out of that markup, which is really fairly frightening. If we look at Medicaid, there are 18 million children that rely on Medicaid for their health care. There are 6 million disabled relying on Medicaid for their health care. Overall, there are 36 million Americans relying on Medicaid for health care.

Now, the numbers. It looks like they are going to cut my State of Colorado back by about a third. So what happens? How do you treat two-thirds of a child? How do you treat two-thirds of a disabled person? Where do you pick up the difference? How do you do this?

Well, there were no hearings. People from my area were not allowed to come forward. We had many people who would like to and, of course, we are going to see the same act tomorrow when it comes to Medicare.

When we look at Medicare, there are 37 million Americans that are affected by Medicare. Now, when I add 36 million for Medicaid and 37 million for Medicare, I end up with 73 million Americans. And we are holding the future of their health care in our hands as legislators.

Mr. Speaker, I find it really outrageous, as we hold the future of their health care in our hands, that we do not have a real bill; that we are not having real hearings; that we are not having people with the expertise in delivering this care looking at real bills to find out if they will really work.

Mr. Speaker, I would never say that I totally understand how this whole thing works. None of us can possibly understand every specialty that we have to deal with. That is what hearings are about. Otherwise, we could save a lot of money and never have hearings on anything.

So 73 million people, as I add these two numbers together, have got to be wondering what is happening. And I must say, I am very frustrated that tomorrow our side of the aisle has got to start alternative hearings out in the yard somewhere, and hope it does not rain, because we have not been able to get even a room assignment to do this.

Now, really, I think when we look at all the other things this body has had time to do, when we look at something this serious, we really should be going in with many more facts.

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Yes, I have heard people on that side saying, "You are just to trying to do Mediscare." We do not want to do Mediscare. But you start being very scared if nobody gives you the details. The devil is always in the details. You, also, worry very much about what the end result is going to be.

Whenever you ask a question, someone says, "Well, what is your plan?" The President put our plan out there. The people know what our plan is.

Then the other side continually says, "We are just trying to save it." Our question is: Maybe they are trying to kill it. But if it is so harmless, if they have found this wonderful way they are going to save all of this money without paying, why are they holding it? I would think the hearings this side of the aisle has been asking for and the 201 Members of this body have asked for, I would think they would love those hearings because people will be coming and saying, "Hosanna, how wonderful that they got all of this together."

So I really hope there is more than the 1 day of hearings, and I think it is a very sad day when we are forced to go outdoors and have alternative hearings without even a real bill.

THE RESTRICTIONS OF THE ISTOOK AMENDMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. SKAGGS] is recognized for 5 minutes.

Mr. SKAGGS. Mr. Speaker, the so-called Istook amendment to restrict political activities by people and organizations getting any kind of funding or thing of value from the Federal Government seems to be having more lives than the proverbial cat.

The House, of course, passed it as a rider to the Labor-Health appropriations bill. Now it is hanging up the House-Senate conference committee as a proposed rider to the Treasury-Postal Service appropriations.

Let me just say to the members of the conference committee, please, read the text of this dog. Do not believe the descriptions of the amendment by its supporters. It does not just apply, as they would have you believe, to lobbyists or to nonprofits or, for that matter, to the so-called special interests. With only a very few exceptions, it regulates every person and every organization in this country that gets not only funds but anything of value from the Federal Government.

Let us just look at one small set of people and organizations that would be caught up in this Orwellian net of political regulation, and they are the people receiving water from just one Federal water project, the Bureau of Reclamation's Colorado Big Thompson water project.

To begin with, those of us in the West know full well irrigation water is a thing of value. We can assure you of that. Looking at the text of the Istook amendment, the legal counsel for the water conservancy district, which distributes this water, has concluded that everybody getting water from the Colorado Big Thompson water project would be regulated under the Istook amendment.

Here is a partial list of all the people that would be affected by the Istook amendment and their political activities in one part of the State of Colorado, 2,000 individuals and organizations, mostly farmers and ranchers, individuals from Larry Accord to Henry Zimmerman, some companies, Anderson Farms, Boulder Valley Farms, Montford of Colorado, Reynolds Cattle Co. Besides farmers and ranchers, others would be regulated, too, because they receive water from this project: Ames Junior College, the Archdiocese of Denver, Boulder Country Club, Eastman Kodak, First Christian Church, IBM, Hewlett-Packard all get irrigation water from this Bureau of Rec project, and because of the Istook amendment, would all have their so-called political advocacy activities regulated according to the bill.

In addition, we could go on into other categories of persons affected that the sponsors of this incredible provision do not want you to know about, whether it is pregnant and nursing mothers getting WIC vouchers, disaster victims getting emergency assistance, students getting subsidized school lunches, whatever. What happens to all of these people? They face several major restrictions on how they can participate in the public life of their Nation and of their communities. So-called political advocacy activities would be regulated, restricted and, in many cases, prohibited including, depending upon how this kicks in, writing to your State legislator, school board member, applying for a building permit, because you are trying to influence a government decision, appealing the tax assessment on your home, writing a letter to the editor of your local paper, running for office or supporting someone who does. And beyond those things, it also attempts to regulate essentially derivative political activities, doing business with anybody or making a contribution to anybody who has exceeded the limits on political advocacy in this awfully ill-conceived proposal.

This might be described as a kind of secondary boycott requirement.

For example, hiring somebody who has been especially politically active would be prohibited to these people getting irrigation water. Can you believe that? Or buying something from a company that has just spent over 15 percent of its budget on "political advocacy," as might well happen in a year and which they had to get a new building permit and go through a zoning change. These are the kind of restrictions that would be applied not only to individuals but to family farms like the Leister family farm that gets their irrigation water, or to big companies like IBM.

What happens to them? Chilling, chilling requirements. They are barred from getting any kind of Federal Government support or assistance if in any of the previous 5 years they have spent more than 5 percent of their own private funds engaging in an incredibly broad range of public advocacy activities at the State, local or Federal level. They cannot spend any of what they received by way of assistance in dealing with anybody that has violated these political advocacy limits, and on and on and on.

This amendment has nothing to do with ending welfare for lobbyists, as its supporters claim. It has everything to do with shutting down free and open political discussion in this country.

TRADE DEFICIT WATCH

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, in Washington, we hear a lot of talk about legislative train wrecks these days. But has anyone noticed that America is hitched to a runaway locomotive racing us toward a record trade deficit this year?

Today the Jobs and Fair Trade Caucus begins a monthly report to the American people called the Trade Deficit Watch. Our focus will be on how our Nation's trade deficit acts as an undertow in our economy, destroying good jobs, pulling wages down and displacing investments and industry here at home. The latest trade deficit figures released yesterday show that this year America will record an overall trade deficit of $164 billion, and just looking at the merchandise portion of that, we are talking about over $200 billion more of goods coming in here from abroad than we are able to sell in other markets. Folks, that is a bigger deficit than the budget deficit we are trying so hard to reduce.

How will a $164 billion trade deficit this year affect the American people? Let us take a look at the historic debate that is about to occur here in Congress on Medicare. How does our historic trade deficit play a role in this debate? The administration often uses the ratio of 20,000 jobs equaling every 1 billion dollars' worth of trade. Therefore, a $164 billion deficit will put 3 million more good American jobs at risk, added to the 2 million well-paying manufacturing jobs that were destroyed since the 1980's.

Unfair competition with low-wage, undemocratic countries puts continuing pressure, downward pressure, on wages in this country, and it is no surprise. Real wages and purchasing power in America have declined steadily over the past 20 years. Talk to your relatives, talk to people who work every day. They know what is happening with the buying power of their check.

Think about this: With 5 million lost jobs, that is 5 million paychecks, fewer paychecks, from which FICA, the portion of your paycheck that pays for Medicare and Social Security, is not being collected.

Think about this, too: Trade deficits have bled our manufacturing base almost dry. America is becoming a nation of temporary workers, the fastest growing segment job market in this country.

Before, a worker earning a decent wage at General Motors contributed 33 cents an hour to Medicare and Social Security through their FICA deduction. But a temporary worker at Manpower who typically earns only $5 an hour contributes one-fourth as much, about 8 cents an hour, one-fourth as much as a worker who worked in one of those good jobs that we have continually destroyed over the last 15 years in this country. No wonder the Medicare trust fund and Social Security are in trouble.

We have to keep finding new answers to try to refinance them. The high-skilled, high-wage jobs needed to fill the coffers of these programs are disappearing right before our eyes, and Washington has been asleep for 15 years at the wheel.

But corporations and their profits have continued to soar. In fact, Wall Street is slaphappy at this point because with low-paid workers, corporations are required to pay only one-fourth of what they had been paying before into trust funds like Medicare.

So, what is the Clinton administration and the Republican leadership doing about these trade deficits? Today the Committee on Ways and Means decided to adopt legislation which will allow more trade agreements to come down the pike without the American people having a say in the matter. This is called fast-track, and it is a bill that will force Congress to again consider trade agreements with no debate and without the ability to make amendments. In other words, it is a done deal when it comes to the floor.

We are again ceding our constitutional responsibilities to the trade ambassadors.

What, may I ask, are we on a fast track to? Are we going to continue putting every high-skilled, high-wage job with benefits in America on fast track right out of this country? It is happening in every single trade sector of this economy.

We have got to stop cashing out American industries and American jobs for the sake of a few trade deals that make a few traders and their shareholders rich but bankrupt the rest of America.

Look around the towns that you live in. How does the Clinton administration or Speaker GINGRICH expect to balance the Federal budget or solve the Medicare problem if real wages for working Americans are locked in a race to the bottom because of trade policies that destroy good jobs and good wages here at home?

TRIBUTE TO A SPECIAL GROUP OF DEDICATED AMERICANS SERVING IN THE UNITED STATES AIR FORCE

The SPEAKER pro tempore (Mrs. MYRICK). Under a previous order of the House, the gentleman from Utah [Mr. HANSEN] is recognized for 5 minutes.

Mr. HANSEN. Madam Speaker, I rise today to pay tribute to a special group of dedicated Americans serving in today's United States Air Force. This is the incredible story of a new world record for around-the-world flight and more importantly the demonstration of a truly unique force projection capability within the U.S. Air Force.

Two B–1B bombers, from Dyess Air Force Base in Abilene, TX, completed the fastest flight around the world on June 2 and 3 of this year. According to the National Aeronautical Association, the flight measured 36 hours, 13 minutes and 36 seconds and covered a distance of 22,814.5 miles. This includes some 3,000 miles the crews did not plan on in order to divert around tropical storms in the Indian Ocean and a hurricane near the Phillipines. The planes each had 6 in-air refuelings and averaged over 630 m.p.h. to complete this amazing flight. The two B–1B Lancer's, from the 9th Bomb Squadron, were nicknamed "Hellion", and appropriately enough, "Global Power."

While these record flights are amazing in their own right, the awesome military power they reflect is even more impressive. To demonstrate the ability to project power anywhere in the world and return non-stop to the United States, the bombers also dropped 500-pound, concrete-filled training bombs on three continents during the mission dubbed "Coronet Bat." Coronet Bat clearly demonstrated the immense capability of the B–1B and reinforced its position as a vital component of our conventional bomber force.

Besides the awesome technical capability displayed in this historic flight, it also reflects the ingenuity, dedication and professionalism of today's Air Force. This mission required a genuine team effort and was designed to exercise the total force capabilities of our Nation's military. This type of mission proves the B–1B's readiness to meet global mission requirements.

Meticulous planning, requiring support across a full-range of Air Force commands, was required for this highly successful mission to prove the long-range, power-projection capability of the B1–B Lancer.

First, this mission required the idea, supplied by Capt. Christopher Stewart, a native of Logan, UT, the support of Air Force leadership and the skilled flight planning from dozens of professionals like Lt. Col. David Snodgrass, from the 9th Bomber Squadron, Capt. Jeffrey Kumro, the ground mission commander, and S. Sgt. Scott Fromm, now at Officer Training School, from the 7th Operations Support Squadron, who was responsible for coordinating the hundreds of airspace issues associated with such a complex mission.

Also key to the success of the mission were all the people who made possible the six in-air refuelings, closely coordinated around the globe, at precise times, to be sure the B–1B's had enough fuel to reach the next rendezvous.

Range support, at bombing ranges from Pachino, Italy, to Kadena, Japan, to the Utah Test and Training Range, allowed the crews to prove their global power by delivering ordnance on target around the globe.

And, of course this tremendous flight would never have been possible without the unsung heroes of military aviation, the maintenance crews, like crew chief, Sgt. Kenneth Kisner, who keeps these machines flying and safe for the air crews. A testament to their professionalism, these two aircraft left on time, completed the grueling mission, most of it a supersonic flight, and returned home requiring only minor post-flight maintenance.

Let me also recognize the flight crews who ultimately made Coronet Bat such a resounding success. In the lead, and record breaking aircraft, Hellion, was mission commander and 9th Bomber Squadron Commander Lt. Col. Douglas Raaberg, aircraft commander Capt. Ricky Carver, offensive systems officer, Capt. Gerald Goodfellow, and weapons systems officer, Capt. Kevin Clotfelter.

The crew of Global Power included Capts. Steve Adams, Chris Stewart, Kevin Houdek, and Steve Reeves.

As mission commander, Lieutenant Colonel Raaberg said, this was a global teamwork at its best and reinforces Air Force plans for the B–1B conventional upgrade program. Again, I want to offer my personal congratulations to all the members of the Air Force team that made this happen, and the thanks of the American people for the tremendous service you provide a grateful Nation each and every day.

Congratulations on a job well done.

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DEBATE OVER MEDICARE

The SPEAKER pro tempore (Mrs. MYRICK). Under a previous order of the House, the gentlewoman from New York [Ms. SLAUGHTER] is recognized for 5 minutes.

Ms. SLAUGHTER. Madam Speaker, in the 1930s I was growing up in the coal fields of eastern Kentucky, in a family with four children, and I watched for years as my mother and father took responsibility for the health care of both sets of their parents.

It was an enormous burden. Health care was not all that good in the 1930s. Blood transfusions were given by anybody who came in off the street, and they did not go through typing and crossmatching as we do today. I had a sister that died in North Carolina, as they were operating on her for appendicitis, and she died of double pneumonia. So you can see that the benefits of medicine have increased enormously in the past half century.

One of the most important beneficiaries of that improvement has been the elderly of the United States. Since 1965, families like mine when I was a child no longer have to struggle to meet the health care needs of elderly parents. I remember when the debate took place in 1965, and I remember when it passed, and there was rejoicing in the country that senior citizens who were alone or senior citizens who were in impoverished circumstances could get the same kind of health care, the same appropriate kind of health care as the wealthiest person in the country. And we felt very good about this development.

But the debate over Medicare, like the debate over Social Security, was vitriolic in both houses. There was no unanimity of consent in either the House of Representatives or the Senate for Social Security or Medicare. Indeed, if you were to read that debate, you would be surprised I think at some Members who are still here who voted against the Medicare program and spoke very strongly against it.

It was the Democrat Party that gave us Social Security. It was the Democrat Party that gave us Medicare. Now it is the Democrat Party that is struggling to try to save Medicare.

There is a recommendation by the Speaker of the House of Representatives to have the largest cut in Medicare in its 30-year history. They are recommending $270 billion be cut out of Medicare over the next 7 years in order to pay for a $245 billion tax cut for the rich, the wealthy and corporations.

This is going to be done with one hearing, which will take place here tomorrow. The Democrats have not been allowed to ask for a hearing or even to participate very much in the meeting that led up to the decision for the hearing tomorrow. And for that reason, the Democrat Party, which gave this country Medicare, will have to hold its hearing tomorrow out on the lawn of the Capitol of the United States.

I am confident that has never been done before. The Capitol is a pretty large building. Meeting rooms all over it. But we have been told that not a single one is available for us tomorrow to hold a hearing.

So tomorrow we will have ordinary Americans, hospital administrators, caregivers, rural hospitals, community health associations, home care specialists to be here to say what these awful cuts are going to do in the services that they can provide.

Thirty-seven million seniors now are on Medicare, and by the year 2002, if you factor in for inflation, we will need to be paying $8,400 a year to cover the same benefits that $4,800 buys today. The Republican proposal only provides $6,700. Now, how is the difference going to be made up? Higher premiums, higher deductibles, inability perhaps to choose your own doctor or accept fewer services, fewer choices, and lower quality.

I think that is a rotton set of choices for the elderly in this country.

Last week, the Speaker of the House assured the American people on television that Medicare beneficiaries could expect their premiums to increase by only $7 a month. Within days, the leadership was forced to admit the figure was actually going to be more like $32 a month, about $400 a year. For people who live on a fixed income, that can be a devastating blow and can really make the difference in their lives as to whether they can eat or pay their rent. If they cannot afford it and if they are lucky enough to have children or grandchildren who will chip in, perhaps they can survive it. But a lot of our seniors do not.

Those premium increases will hurt not only the people who are recipients of the care, but we anticipate the closure of a lot of hospitals and a lot of services and perhaps even of home care.

THE REPUBLICAN MEDICARE PLAN

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Texas [Mr. DOGGETT] is recognized for 60 minutes as the designee of the minority leader.

Mr. DOGGETT. Mr. Speaker, during this next hour I and a number of my colleagues are going to be discussing the Republican Medicare plan. It is the pay more, get less plan. We have been discussing it this week during the special orders because of the fact that there is no real opportunity to debate this plan on the floor of the U.S. Congress, except during these sessions.

Indeed, it has been impossible to get even a public hearing so that citizens across America could come forward, the experts could come forward; and our seniors are among the leading experts on how Medicare works. There has been no opportunity for them to come forward for all of these many months really and be heard on a specific Medicare plan. All they know is that they will have to pay more and get less.

Tomorrow we will have the only day that has been allocated to hear their concerns. And as I begin this discussion, I think it is appropriate, because the gentlewoman from New York [Ms. SLAUGHTER] has spoken so eloquently this afternoon on this matter, to hear the conclusion of her remarks, because she shares the same concern I do that if our seniors are saddled with a pay more, get less plan, this Nation will be much the worse off, and I would welcome the observations of the gentlewoman.

Ms. SLAUGHTER. I thank the gentleman for yielding to me, and I will be very brief.

I just want to make the point that the $270 billion cut in Medicare is almost equal to the defense budget of the United States. I think we pour over this month after month, and committee after committee looks into it, and debate often takes days on the floor of the House. To this day, a bill that we are supposed to vote on next week has not been printed. Nobody has seen a single written word on what the bill that the hearing is going to be held on tomorrow will cover, not one thing.

If you want to put this in some kind of context, imagine, if you will, the health care plan that was debated in Congress last year, had there been not a word of what was in it, not one sentence of what the consequences might be, just simply slash and burn, and that may give you some idea of what we are facing here with Medicare.

Mr. DOGGETT. Would the gentlewoman yield on that point?

Ms. SLAUGHTER. I would be happy to.

Mr. DOGGETT. I am a new Member, and so I was not here last year, but I read that when that health care plan came up and when the Congress moved along near the August recess, it was the Republican members of this body who were saying, even though there had been extensive hearings in several committees, we need more time, the people need more time.

Ms. SLAUGHTER. Absolutely, we need more.

Mr. DOGGETT. I know I read in the Dallas Morning News, a well-known publication and has been known throughout its history to have been known to have at least a slight Republican tinge to it, actually referring to the Republicans this year, and it was not my word but theirs, the Dallas Morning News word, as being guilty of hypocrisy.

How is it in 1 year, after having weeks of hearings on a health care plan, they could come to this Congress and deny us and the American people all but 1 day to focus on this essential problem?

Ms. SLAUGHTER. I think it is safe to say that nothing on the magnitude of this cut has ever gone through the Congress of the United States without complete hearings, without participation of the public, without an opportunity to go home and say to our constituents, what they have ahead of them.

We do not have anything to take home to show them. We get little notices in the press, and then we hear it is going to be $7 a month, and then we find out that that is not true. So, so far we are standing on sinking sand and shifting sands below us, and we do not know how it will affect the elderly of this country or indeed the fate of health care.

Mr. DOGGETT. I thank you for your important observations.

I see that we have been joined by other colleagues from Texas.

Again, I congratulate my colleague, the gentleman from Texas, Mr. GENE GREEN, for the work that he has been doing this session and for his victory this week on behalf of individuals with disabilities as he worked to preserve our State vocational rehabilitation system.

I know that there are people with disabilities across this country. Even though our focus in talking about this Medicare plan has been that it means pay more, get less for America's seniors, the same is true for many people with disabilities, several million in fact across America who are not 65 but because of a disabling condition are reliant or dependent upon the Medicare system. Perhaps you are aware of how they will be impacted by this vague plan that we have had presented.

Mr. GENE GREEN of Texas. Well, I thank the gentleman from Texas for yielding to me and my colleague from San Antonio. This is not just the Texas hour here.

But it will impact people who are not seniors, not only those who are disabled before they are 65 but the seniors' families. We all have family members who are over 65 and enjoy Medicare, because I have shared with my relatives what we had before 1965 when we had no Medicare, and we know the difference between 1964 and 1995 when we had no Medicare.

I rise today objecting to this phantom plan that we have that will be released today for two reasons: One, it is a proposed cut; and also objecting to the lack of the public hearings on the proposal.

Now, we have been told that the committees have been hearing Medicare proposals and talking about Mediscare tactics on what needs to be done, but we have not actually seen the plan, and we have not seen it as of today. And what they are going to have a hearing on tomorrow, 1 day of hearings is just wrong.

The propaganda being dumped on American people by the Republican Medicare plan that will be released, that it is not a cut and just slowing the growth is preposterous. We know that we have to plan, whether we are in business or in government, your expected growth in your business or in your senior population.

It is real simple that the population served by Medicare is growing, and there are going to be more people who will be 65 next year than were 65 last year or the year before. The people, thank goodness for our health care successes, are living longer. And yet when they say they are only slowing the growth in Medicare, they are actually going to end up rationing in the cut and in the growth. You either have to push people out of the system or you are going to provide people proportionally with less services. When they reduce that growth, they are affecting not only those who are currently beneficiaries in Medicare but those people who will become 65 next year and the year after and, you know, until the year 2002.

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If we go back to the days when seniors had to choose between health care and food on their tables, are we going to do that, and I think that is what will happen by cutting a program with a growing population. We will need rationing.

Last year I was here. My colleague was still on the Supreme Court of Texas. I was here and involved in the health care reform, and the fear from all of us, and we would have rationing if we had some national health care. Well, here we have a plan that will create rationing for seniors, and the health care will be rationed to those who can afford to pay more out of pocket. They will be asked to pay more and more of their fixed incomes, which will lower the standard of living for our seniors.

Now I have heard and read the articles that everyone has read about how our seniors are so much better off today than they were 30 and 40 years ago, and that is true. That is why Medicare was established, because you realized in the 1940's, and 1950's, and early 1960's, that seniors were being left out of the growth and the benefits of America after they spent their life to build this country, and a number of them literally put their life on the line to make sure this country can still enjoy the freedom, and now we are going to take those people who served in World War II and say, "OK, now you received Medicare, and we're going to make you pay more for less."

I think your poster is so correct, I say to the gentleman. We need to ask ourselves, "Do you want the force to pay senior citizens to pay more for less service and choose between health care and food? Do you want our elderly loved ones to have to have surgery in a hospital pushed to the brink of bankruptcy due to cuts in Medicare funding?"

In my district in Houston we have a number of hospitals that their patient base is substantially Medicare, and Medicaid, and managed care, and managed care is forcing hospitals to transfer those costs to Medicare recipients, and there is just no place to go if you cut the cost of Medicare. You are going to have hospitals close not only in rural areas, but in urban areas. Do you want to have to be operated on by a physician or surgeon whose training may have been reduced by the cuts in Medicare that we do now for medical education?

We hear a lot these days about avoiding a train wreck. Well, the seniors of our country will experience one of the most destructive train wrecks in history if this plan is passed.

If you answered no to any of these questions, then I hope it is not only our duties as Members of Congress, but our constituents and people all over the country, to oppose this Republican Medicare train wreck that will be fostered on us tomorrow.

My second objection is lack of public hearings that we have had to this not-yet-released plan, and here we are Thursday, and you and I have not seen it. Of course we do not serve on the Committee on Ways and Means, so we might not see it even until tomorrow when it is released publicly.

But I participated in 10 days of hearings on the Waco incident. I saw 28 days of hearings on Whitewater and 8 days of hearings on Ruby Ridge, and I do not object to those hearings.

Mr. DOGGETT. If the gentleman will yield on that, so that is 10 days about the tragedy that happened in Waco, 28 days about what the President may or may not have done; was that 12 years ago? Some long time ago, back when he was Governor of Arkansas. Twenty-eight days on that. And how long on this incident in Idaho?

Mr. GENE GREEN of Texas. Well, 8 days on the Ruby Ridge incident that happened in 1992, long before most of us, least the majority in the House, were ever elected. So we had all those days of hearings after the fact, and here we are only going to have 1 day of hearings, 1 day on a plan that will be released maybe today for hearing tomorrow, and that is where our priorities are wrong, and that is why the Republican majority is wrong, and they need to look at what the American people are saying, that we need to get our priorities straight here in Washington. We need to realize that we need to listen to our constituents, we need to have more than just 1 day to hear from them, and the people are asking us, "Don't go to Washington and lose touch." Well, this is a prime example of losing touch, by announcing a plan on Thursday, have 1 day of hearings on Friday, and then the whole House has to consider it.

Mr. DOGGETT. Let me ask you about that.

When you say "announcing a plan" it is true that the press release this week is thicker than the press release from last week, but you are going to be going, I know, in a few minutes back to a hearing on one of the other Republican ideas of this session, which is to destroy, or abolish, one of the Cabinet offices that has been here for decades in the United States. You do not go to that hearing without having a piece of legislation to consider. In other words, instead of just going there, and scratching your head, and thinking about somebody's good idea, or some think tank that has come up with some theoretical approach to deal with the security of health care for 37 million people, you do not go there without a specific proposal; do you?

Mr. GENE GREEN of Texas. We have had this proposal abolishing the Department of Commerce that I am not in favor of. I agree, in fact, that when we were in the Texas Legislature, you were the father of the sunset legislation, and you were in the State senate, and I was in the House, and I served on the sunset commission. I like the idea of looking at agencies and reforming them, but we reform them over a period of time. We do not all of a sudden wake up on Thursday and say we are going to abolish and we are going to change this agency to deliver services and provide assistance to American businesses. We are going to have vote on that Friday. You do not do that on those agencies, and why should we do it to the most important issue that this Congress may consider? It is like you said the health care for 37 million elderly U.S. citizens.

Mr. DOGGETT. And you know I am reminded by your comment that another of our fellow Texans who does not serve in this body, though I know he aspired to come to Washington, Ross Perot, who recently commented on this plan, though I have some differences with him about this subject among others, but he suggested if we were going to have these big changes in the way Medicare works, that just as you pointed out with business, you do not just jump what you have got and go to something else. You test it before you proceed to apply that to everyone and suggested that new ideas should be tested out before you make 37 million Americans the guinea pigs for this new approach that really amounts to little more than pay-more, get-less.

Mr. GENE GREEN of Texas. Well, we need to ask ourselves then why is the

Republican majority rushing the Medicare reform bill to the House floor for a vote before the American people without time to review the consequences. Well, I think the answer is clear. The Republican majority does not want the American people to know what is in their Medicare reform bill because it is incredibly harmful. Frankly, it is no wonder that the plan is shrouded in secrecy. If I had a plan that was going to make seniors pay more for less service and force them to give up their, possibly their, lifelong doctor, and all to pay for ill-advised tax cuts, I think I would be scared, too, and I would want to rush it through on a short notice.

We hear a lot of times about how Medicare is in trouble and we need to reform it. We have reformed it over the last 30 years from the time it was passed, but right now we can deal with fraud, abuse, and waste in Medicare and do some of those reforms that will save us some money and reform Medicare, but not for $270 billion to pay for $245 billion in tax cuts.

Mr. DOGGETT. Let me ask you about that because we do hear examples on the press. Seldom do you go out and visit with seniors, as I know you do in your district, and I do up in Austin, without hearing about an incident where a health care provider perhaps abused the system. That is the kind of subject that we ought to have some bipartisanship about. I have not seen anyone yet come on the floor and defend fraud, maybe someone will, but we ought to be able to come together and work together.

But let me ask you about in that regard in trying to achieve some bipartisanship. I am amazed to hear this. Except for the experience we have had within the last few weeks here, I understand that the chairman of the Committee on Rules, actually the ranking member of the Committee on Rules, the gentleman from Massachusetts, Mr. MOAKLEY's office went over to the chairman of the Republican Conference's office to ask for the 30-page outline that is now available on this plan, that this happened as we have been here debating this afternoon, and was told that is not available to Democrats.

Now, I do not know if you have seen other incidences of that kind of rude and arrogant behavior here before, but those who come and say you need to be more bipartisan, it is a little different to be bipartisan with people that would not allow a hearing and would not even give an outline of their sorry plan to you.

Mr. GENE GREEN of Texas. Well, in an outline that is 30 pages long can you imagine how big the plan must be for us to be able to analyze it before the hearing tomorrow and before the members of the Committee on Ways and Means may have to have it? The numbers on the plans are that we have heard leaked out just do not seem to add up either. We talk about increases in seniors paying their monthly amounts that they pay doubling it over the next 7 years, or maybe more. But there is still an $80 billion hole that they are looking for.

The President has come up with, has a Medicare reform plan, and even the trustees, who our majority, have talked about that they are running around like the world is going to end unless we listen to the trustees' report, these very same trustees said we do not need to cut $270 billion out. We can do $90 billion worth of reform and safeguard Medicare.

Now 10 years from now, 8 years from now, Congress is going to have to revisit that issue because again I wish you and I could stand here today and solve our problems today, but that does not work. We always have to be ready to change in reform whether you are in government or whether you are in business. There are different ways to do things. But we can solve Medicare's problems by without cutting $270 billion, and again I hope the American people understand we are looking at cutting $270 billion at the same time they are granting $245 billion in tax cuts, $245 billion. Medicare is paying for those tax cuts, and, if they can stand there on the floor and say that, I want to be bipartisan?

Let us solve Medicare's problem, but let us take those $245 billion in tax cuts off the table, and then we will talk about solving Medicare. Do not use Medicare to pay for tax cuts. We need to balance the budget, but we do not need to do it on the backs of Medicare.

I thank my colleague from Texas for the time, and I look forward to continue to being in the trenches.

Mr. DOGGETT. I know you have to be back for a piece of legislative markup, and, as you are departing, I will just continue some observations on this, and I think an appropriate observation in discussing this matter is to reflect on Congressman GREEN's remarks that many of the people who will be most directly affected by this are people who served our country both at home and abroad during World War II, and I do not think anyone served our country in a more distinguished role than a gentleman who figures prominently in this debate and was on national television last night, and that is the distinguished gentleman from Florida [Mr. GIBBONS], the ranking member of the Committee on Ways and Means, who will be considering this measure.

The gentleman from Florida [Mr. GIBBONS], for those of you who do not have personal familiarity with him, is a true American hero. He was a paratrooper on June 6, 1944, D-day, in France. He fought for this country. He fought against fascism and against tyranny, and since returning is now serving his country in another way in this body. He continues to be a true American patriot. It is not unlike the experience I just reflected on, about the inability of Democrats to even receive a copy of this measure, the incredible experience that he had yesterday.

True, sometimes the news media likes to focus on the fight rather than the substance of what produced the fight. But the American people and all of our colleagues who were not there should know that the reason that the gentleman from Florida [Mr. GIBBONS] expressed the anger and the dissatisfaction that he did was because of what occurred in the Committee on Ways and Means which was supposed to get a full outline of this measure yesterday and have a hearing on it as we are debating here this afternoon. But instead the committee met and refused to even permit the ranking member, a distinguished and senior Member of this body who served his country with such valor and distinction, to say word one. They would not let him discuss the proposal at all. Instead he was cut off without being able to say a word, a vote was taken in an autocratic method, and so his remarks were confined to what occurred in the hall outside this Chamber.

Again it is an example of how difficult it is for those of us who want to achieve a bipartisan solution not only to the issue of Medicare and the security of our Nation's health care, but on a widening range of matters in this House that, when you proceed with such arrogance, with such high-handedness, with such determination, to do it your way or no way, that it is very difficult to have a basis for reason and for moderation.

It is not only the State of Florida, of course, who has contributed heroes to this country like the gentleman from Florida [Mr. GIBBONS]. We have done our share in Texas as well. One of his contemporaries, I suppose, and someone who I have admired since earlier days in the public school system of Austin where he served as a distinguished member of the Texas legislature, is the gentleman from San Antonio, TX [Mr. GONZALEZ], my colleague who I know has some observations that bear on Medicare and a number of other things that are occurring here, and I would like at this time to yield for remarks that I know he has.

The dean of our Texas delegation, the Honorable HENRY B. GONZALEZ.

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Mr. GONZALEZ. Madam Speaker, I, in turn, want to thank my colleague from Texas, a young gentleman I have admired from the beginning and have watched his political trajectory as he rose in Texas and am so proud of him. I want to thank him for his kind remarks.

Congress is getting ready to pass something called the Budget Reconciliation Act, which is a bill that's required to bring Government spending into line with the budget resolution passed earlier this year. Usually, budget reconciliation is pretty straightforward, but this year the new Republican majority in the House is putting together a bill that does far more than line up spending with the desired targets. This year, the reconciliation bill is being used for all kinds of radical projects that the Republicans hope to force through, without letting anybody have a fair hearing, let alone a fair shake.

The biggest piece of this stealth legislation involves changes the Republicans want to make in Medicare. So far, we've seen only the barest outlines of their proposal, but what we've seen makes clear that senior citizens are about to get less medical care and pay more for it.

But the reconciliation bill is also going to be loaded down with other ideas, like legislation to eliminate all federally required highway speed limits and just about all safety requirements for mid-sized trucks. Legislation that says that mid-sized trucks don't need safety equipment is a crazed notion at best, and has nothing to do with balancing the Government's books.

In my own Banking Committee, the Republicans are using the reconciliation bill to wipe out what's left of the savings and loan industry. They're moving fast and ignoring lessons of the past that time after time have proven you have to be very careful when you change banking laws in such basic ways.

Another project of dubious merit is the Republican plan to gut something called the earned income tax credit, which is a tax benefit that goes to poor, low-wage workers. The tax benefit doesn't go to anybody that earns more than $11,000 a year, but it has the effect of putting $25 billion a year of money where it does the most good—right in the hands of underpaid and hard-working Americans who want to have the pride and dignity of work even at low wages. But the Republicans want to cut this benefit, by perhaps a third.

If we want people to work instead of drawing welfare benefits, we should adopt policies that make it possible to earn a living wage. One way to do that is to adjust the minimum wage upward, which hasn't happened in many years. And another way to help people get off welfare and into work is to be certain that they get child care and medical care. But guess what? The Republicans don't want to do any of those things. It looks as if they're simply aiming to make the poor a whole lot more miserable.

The greatest asset any country has is its own people. Laws that help people get an education; laws that help people to get a decent, affordable house; laws that help people earn a living wage; laws that enable people to get adequate medical care at a reasonable cost—those are the kinds of laws that make this or any other country a better place. Sadly, every one of the laws that are intended to make this a cleaner, better, safer, and more decent country are under attack in Congress. There are some who think that it doesn't matter, but the truth is in the end, all of us will suffer together if poverty grows, if schools aren't improved, if the air we breathe and the water we drink are degraded, and if more and more of us find it impossible to get and keep a decent job or to afford decent housing and medical care.

Many of the actions that are about to unfold in the so-called budget reconciliation bill are downright silly or verge on the irrational—but others are mean spirited and can only result in a country that offers less hope to those who are struggling to rise above poverty and personal tragedy.

I feel certain the President will veto the reconciliation bill, and will also veto many of the worst bills that are working through Congress these days. But no doubt about it, the next couple of months are going to be as mean as they ever get.

I thank my colleague.

Mr. DOGGETT. Madam Speaker, I thank the gentleman so much for his observations. I think actually, in referring to my colleague, Mr. GIBBONS, and some of his contemporaries, I may have referred to World War I. There actually may be some World War I folks that will benefit or be adversely affected by what we do on Medicare, but the gentlemen from Florida [Mr. GIBBONS] is not quite that senior and served during World War II. I think it is particularly that World War II generation that will be most troubled and has most reason to be concerned about what is happening here on Medicare.

Madam Speaker, I see that my colleague from New York, who has spoken so many times about the importance of not taking the care out of Medicare has arrived, and I would yield to him for such observations as he might have about the troubling developments of the day where the Republicans issue a bigger press release but do not give as much in the way of a detailed plan.

Mr. ENGEL. Madam Speaker, I thank my friend from Texas, who has certainly been one of the shining lights of the new freshman class of this Congress, who has spoken so eloquently on the floor not only today but many, many days, and the gentleman is quite right, the Republicans simply want to take the care out of Medicare.

Madam Speaker, Medicare actually was a program that was put into effect in the 1960's. It is a plan that many Republicans want to kill. And, in fact, that has been the modus operandi, the way the Republicans have operated, during this whole Congress. They take plans, they take bills, they take laws that they have wanted to kill for many, many years and say this law needs fixing. So instead of just fixing it, what do they do? They kill it or gut it.

We have seen it time and time again, not only with Medicare and Medicaid, but we have seen it in assaults against working people in this country. We have OSHA, which protects people; occupational safety and hazard laws, which protect the safety of American workers. Do they want to fix it? No, they want to kill it. They want to gut it. The National Labor Relations Board, which monitors unfair labor practices. They are trying to cut it, cut the funding and kill it. Davis-Bacon, which guarantees construction workers prevailing wage, a decent salary. They want to get rid of that, too.

As my colleague from Texas just mentioned, all the good environmental laws that bipartisan Congresses have put into effect for so many years, what are they trying to do? Not fix those laws, but kill it and gut it. Student loans. The same thing. Kill it and gut it.

The Republicans have been using the fact that they believe certain bills, certain laws like Medicare need fixing. They do not fix it, they kill it. So, Mr. Speaker, this is just the first assault on Medicare as we know it.

If we cut $270 billion from the program, we are, in essence, killing the program. It just starts that way and it goes on and on. One thing really ought to be made very, very clear. Medicare is a program that serves middle-class America. This is not some boondoggle or some program that is being doled out to people who have not worked in their lives, or people who have not made sacrifices in their lives; to people who have not done what they should do. Medicare benefits middle-class America, senior citizens who have worked hard and struggled all their lives, put a few dollars together only to see it dissipate in their later years. They are as scared as can be.

Madam Speaker, I take the case of my mother, who lives in Florida, and all her friends. They do not have money for prescription drugs right now. Many have to choose between eating well and buying medicines. Can any of us imagine what it will mean when $270 billion is cut out of Medicare? To my Republican friends who say, well, it is not a cut, we are actually increasing the funding; and, how could it be a cut if we are increasing the funding? Everybody knows if we do not increase the funding, with the rate of inflation, it is a cut. Everybody knows if we manipulate part A and B, it is a cut.

The bottom line is this, Madam Speaker, what kind of care do seniors get now under Medicare, and what kind of care will they be getting in the year 2002 after there is $270-billion worth of Republican cuts? The answer is very easy. Senior citizens, as my colleague from Texas says, the GOP Medicare plan means seniors will pay more for their health care and get less. That is the bottom line. Pay more in premiums, get less health care, get less choice, be forced into HMO's, be forced to accept strange doctors, because they sure will not be able to choose their doctors.

As we are talking right now, I will bet that senior citizens will suffer from a lack of choosing of their own doctors. It is not right, Madam Speaker. All we are saying on the Democratic side of the aisle is we want to have open hearings on this. The Republicans in this Chamber have the votes. They can outvote us every time. What is so terrible to let the light shine in so that the American people can understand what this means?

In the last Congress President Clinton proposed a health care plan. At the very, very beginning everyone seemed to be in favor of it, but as more and more people found out about it, for whatever reason, they decided they would not support it. And the Republicans, quite frankly, are afraid that if we let the light of day shine on their Medicare sham, or their Medicare proposal, that the American public will say, wait a minute, guys, this is not what we want. Medicare is a sacred covenant with the American people and we do not want to gut it. We do not want to hurt senior citizens.

They are afraid when their plan is exposed that seniors will understand that it hurts them; that it will be terrible for the senior citizens in this country. So how do they get around it? Let us only hold one hearing on this particular bill.

Now, the hearing is tomorrow. I do not know what is in their plan. I have not seen their bill. How can anyone have an intelligent hearing when we do not know what is in the bill? They would like to just blindfold us, gag us, not allow us to ask questions, and not allow us to hold hearings. What is so terrible with an open procedure?

Madam Speaker, the Republicans ranted and raved on the other side of the aisle in previous Congresses about muffling the minority. We are not talking about the minority or the majority. We are talking about the American people. They have the right to understand what this Congress is about to do. The only way we can do that is by holding hearings.

The hearings we are going to hold tomorrow are going to be on the lawn of the Capitol. That is because we could not get a decent hearing room in the Capitol to hold these hearings. What a disgrace. It is absolutely a gag rule. It is being perpetrated not on the Democrats in Congress but on the American people.

So the bottom line here, for me, is what is the quality of health care that senior citizens get under Medicare now, in 1955, and what will be the quality of care that they will get under the Republican plan in 2002? When we couple the 270 billion dollars' worth of cuts in Medicare and, at the same time, give $245-billion worth of tax breaks to the rich, that only adds insult to injury. To my friends on the other side of the aisle who say one has nothing to do with the other, well, $245 billion and $270 billion sounds pretty equal to me. If we eliminated the tax breaks for the rich, and even if we had to cut the Medicare Program, 270 minus 245 is only $25 billion. So we would have to cut it a lot less if we gave up on the tax breaks for the rich than we would under the Republican plan.

Mr. DOGGETT. Let me ask the gentleman one question about these hearings. Beginning about 9:30 or so eastern time tomorrow morning the gentleman has referenced hearings that will occur just outside the House Chambers here on the Capitol Grounds. Do I understand those hearings will continue into next week?

Mr. ENGEL. Yes, those hearings are planned to continue into next week, because if we cannot get 4 weeks of hearings, as we requested, we feel that we could at least have 4 days of hearings where senior citizens and representatives of senior citizen groups and people involved with Medicare can come and testify and tell us their opinions and tell us what Medicare means to them and tell us what the GOP Medicare plan will be.

Those are the only open hearings, unfortunately, that are going to be held on Capitol Hill.

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Mr. DOGGETT. They are open hearings. That is, any American citizen who would want to come forward and present their testimony, if we are not able to hear from all of them orally, can file their written testimony with us and get that to the attention of people, at least within the Democratic Caucus, the 200-plus Members here who would want to hear their observations.

Mr. ENGEL. The gentleman is absolutely right. We welcome testimony, written testimony and people testifying, from seniors in all walks of life, because we think it is very, very important to hear all points of view. Again, if the Republicans absolutely insist on ramming whatever they want to ram through, they have the votes in this Congress, but it ought not to be done under the secrecy of darkness. It ought to be done after we have an open and full hearing and the American people understand what is about to happen to them in Medicare.

Mr. DOGGETT. Indeed, given the ramifications of this particular plan, it might be well advised to have these hearings at a variety of different locations, since the Republicans are not doing that and we are forced to have ours outside the Capitol, for those citizens around the country who will not be able to come personally, perhaps someone who is confined to home and unable to leave and be here. Would there not be a mechanism where they could forward their comments here to the Capitol and advise people of their concerns about this plan or their suggestions improvements in Medicare to strengthen it?

Mr. ENGEL. Constituents can absolutely write to their Member of Congress, be it Democratic or Republican, and let us know what you feel, let us know what you think is happening to Medicare. I would hope that some of our colleagues would, and I know I plan to do it in my district in the Bronx, NY, and Westchester, NY, to have hearings in my district, have open forums in my district, so I can hear from the rank and file, from my constituents, who will be most affected by whatever Congress does on Medicare. I want to hear from them, what Medicare means to them, how important it is, not only not to cut Medicare, but to expand services. I want to see prescription drugs, for instance, expanded. I want seniors to be able to get prescription drugs.

There was one very interesting point. The Republicans have said that they want to balance the budget and they do not intend to touch Social Security. Well, for my senior citizens, if you do not touch Social Security, but you touch Medicare, it is the same darn thing, because senior citizens rely on Medicare as much as they rely on Social Security. So it is an absolute fraud to say we are not going to touch Social Security, when at the same time you are devastating Medicare.

Mr. DOGGETT. I thank you very much for your observations. I see another colleague of ours, Mr. BENTSEN, from Houston, TX has joined us, and may have an observation in response to your comments.

Mr. ENGEL. We have all these good Texans here. It is nice to join with them. We can bring New York and Texas a little closer together.

Mr. DOGGETT. Certainly when the issue is health care security and misrepresentation that is being made to our seniors about their health future, we all need to come together. I wish we could get more of our Republican colleagues coming together. There is nothing in the rules of the House that prevents them from coming to the floor this afternoon and utilizing their hour of time to outline in detail their plan, but apparently they have chosen not to do that.

Mr. ENGEL. It really is unfortunate, because I think the bottom line is, the only way we are really going to get a plan that helps our senior citizens is by doing it in a bipartisan fashion; not in this way, ramming it down everyone's throat without any kind of open hearings. I thank the gentleman.

Mr. BENTSEN. I thank my colleague from Texas for yielding. I thank him for taking the time today to speak about the issue of Medicare.

Let me just start out briefly by talking a little bit about procedure. I am glad to see that the dean of the Texas delegation, Mr. GONZALEZ, is on the floor, because I was with him the other day in the Committee on Banking and Financial Services where we were going through a similar process on legislation affecting the financial laws of this Nation. That appears to be similar to what is going on with Medicare.

We are now engaged in policy by the numbers, as opposed to policy for good government sake. I do not think there is any Member of the House who does not believe that our duty here is to have an efficient Government that works for all the people, but what appears to have happened is we are now driven purely by trying to achieve numbers in a budget and to form and fit the policy into that type of budget. That is what has brought us to his situation of having to cut $270 billion from Medicare and $180 billion from Medicaid.

I would start out by saying simply there is just no good way to cut $270 billion from the Medicare Program, and that is why we continue to hear little about what this Medicare plan will be. Unfortunately, we will have very little to say about it before it is put before the Committee on Ways and Means and put before the Congress.

Mr. DOGGETT. In other words, when our Republican colleagues coming up here, instead of giving us the details of their plan, they turn and say, "Why do not you Democrats come up with a plan to cut $270 billion out of Medicare," they are going to have to cut an awfully long time, because we do not believe $270 billion ought to be cut out of Medicare.

Mr. BENTSEN. I think the gentleman is correct. He will recall that earlier this year many of colleagues from the other side of the aisle would come down and hold up a pamphlet from the trustees of the Medicare system saying "Medicare is going broke and we need to do something to save it." But the facts are, if you read the report, not just the pamphlet, but if you read the report and talk to the trustees and hear what they have to say, No. 1, Medicare has always been projected, part A of Medicare, the hospital insurance program has always been projected to have shortfalls in the out-years, and it has been the Congress, and I would have to say the Democratic Congress, which has always stepped in to ensure that Medicare is a solvent program that runs forward. In fact, that is how the program was originally designed.

It is interesting to note that in the previous years, when both the gentleman from Texas and myself were not Members of this body but innocent bystanders, I guess, back in Texas, watching what was going on, that our Republican colleagues did not see any problem with the Medicare situation or the part A hospital insurance situation.

But, lo and behold, a year later, they are out crying wolf and saying we have this major probable out there.

Mr. DOGGETT. In fact, is it not true that last year, the trustee used the very words, save one or two, that they used this year, to express concern about the future of the trust fund.

Mr. BENTSEN. That is absolutely correct. In fact, if you go back and read the study, as I have done, the actuarial tables, you can see the points in time where the trustees in the past have said that Medicare would have an even shorter life than is projected today. You can also see the points in time where the Democratic Congress came in and made the necessary adjustments to make the cash flows work.

So I do not think that there is much basis of fact to that argument. Furthermore, we have heard from the trustees of the Medicare system that in fact you do not need $270 billion to save the program, and what little we do know of the plan that will be released tomorrow, I guess, the Republican plan on cutting $270 billion from Medicare, is that there is no evidence whatsoever that any of that money is actually going back into part A of Medicare.

The fact you are raising premiums on elderly citizens, something along the lines of $60 or $80 billion, if you look to see where the money goes, as they used to say in the Nixon times, you cannot find it going back into part A, which would lead me to believe that if in fact there is a problem in the fact we are taking money out of the system and not putting it back in the system, we are only going to exacerbate the situation that exists, and it does appear we are shifting money out of the Medicare system by raising premiums on the elderly into other parts of the budget, presumably a tax cut. That really makes no sense whatsoever.

Mr. DOGGETT. That strikes me as such a critical point. As you say, during the Nixon years they said follow the money. It was a good trail, to follow the money back there during the Watergate era. It still is with this Republican Medicare plan, because the first plank of the Republican Medicare plan is pay more. But from looking at the press release that came out today, the pay more part is over in the part B premiums.

As you were pointing out, I believe I have this correct, they will increase the part B premiums that every senior has to pay, but not one penny of those increased premiums will go into this Medicare trust fund that they said they were so concerned about after they read the trustees report saying the same thing the trustees had been saying for years when they did not care a flip about it.

Mr. BENTSEN. The gentleman is absolutely correct, that in fact money from part B is going elsewhere in the budget, and if there is a problem in part A, it continues to exist. So I think that that is a major flaw in the proposed Medicare plan from the GOP, and it is something that the American people need to know about.

I think that, furthermore, when we look at what has been released so far, we find a gaping hole of something along the lines of $80 billion that is going to be made up in something that is called the look-back. That is sort of a "trust us" type approach to governing, that we think we can get there, and if we do not get there in a couple of years, we will just tell the Secretary of Health and Human Services to come up with $80 billion.

Well, where is that $80 billion going to come from? Is it going to come out of somebody's pocket? Higher deductibles, higher premiums, higher copayments? We do not know. But that is a major problem.

When you add to that the global price control which will be set on services provided by hospitals and doctors as a result of this, you in effect will push the price for fee for service, choice of doctor health care, down to a level where I think you will see physicians who will get out of the business because they just cannot lose money and do the business. You will see hospitals who will say that we have no choice but to go into a captive program with a health maintenance organization, and seniors will no longer have the choice as current law provides; they will no longer have the choice to choose between a health maintenance plan like an HMO or a fee for service like they have had. They will be left with only what the market will be able to give them because of the price controls set by the plan.

Mr. DOGGETT. I would like to talk about each of those. You have extensive experience in business and investment banking, are familiar with principles of financial planning, and you referred to this look-back provision. As I understand it, and I do not believe, though there are many pages in this new press release, that there has been any explanation of how it is of this $270 billion, how they are going to cover their $80 billion or so gap. Just from the standpoint of good, sound business, financial planning, what kind of plan is it that says we will cut $270 billion, except we do not really know how we are going to get $80 billion of that $270 billion? We have just kind of guessed if everything we are thinking about but have not put in a bill anywhere happens to come out, maybe like we hope some day under the best of all circumstances it will, we still got another $80 billion out there hanging and we do not know where we are going to get that.

Mr. BENTSEN. The gentleman is correct. I guess you would say it is less than creditworthy in trying to put together a plan. What it will result in, I think, is that at some point they will come back and say well, gee, we are $80 billion short and have to make it up, so we are just going to cut you across the board. Sorry, Medicare recipients, we did not think we were going to hit you as hard as we did, but we came up short and are going to have to take more money out of your pocket.

Mr. DOGGETT. If I understand it, then someone in the bureaucracy here in Washington, acting under the authority of the Secretary of Health and Human Services or the Health Care Financing Agency, when the year is gone by and there is this big old gap there of billions of dollars, will go back and say well, the gap is there, next year we are just going to have to cut how much we pay these health care providers by 50 percent, 30 percent, or 25 percent, or however much it is. Is that the way this so-called look-back provision works?

Mr. BENTSEN. I think in terms of trying to set a budget, that is what you would have to do. It would be equivalent to sequestration, which was provided under the Gramm-Rudman Budget Act.

Mr. DOGGETT. That was a real winner.

Mr. BENTSEN. The problem that exists with that is it does not allow for any strategic planning on the part of health care institutions, hospitals, providers of health care services. So if you are going out several years and you are trying to set your budget based upon prices that you think you were going to receive reimbursement from Medicare, but you know out there, there is a $80 billion footnote that can come into play some time, it is going to be very hard for you to set your plan.

Mr. DOGGETT. Congressman, representing the city of Houston, I think you represented one of the world's finest health care systems, research hospitals, teaching hospitals, hospitals that provide services all around the world, but particularly provide a wide range of services to people who are seniors and who are people without substantial means to pay for them.

What kind of impact could a look-back provision like this, continually cutting payments, have on a world class hospital system of the type that you have there in Houston?

□ 1515

Mr. BENTSEN. I am afraid that if we continue along this process, that it will start to cut into research. I think that as a result of a lot of work that has been done to try to explain to the Republican majority the impact on medical education, we are starting to hear that, yes, we do understand the importance of medical education, and we are going to start to provide for that. That is good.

However, we still do not know all the details. We still have clinical research which is carried out in these academic hospitals through the Medicare system. As you clamp down on the payments to the hospitals, at the same time that you have health maintenance organizations which are trying to pay as little as they can, because they are in the business of doing that, and that is the way the system works and that is fine, the problem is going to become that you are going to lose the necessary clinical research dollars that better the health care system, make it more cost-effective, and make it more efficient for seniors and for everyone else. You also are going to end up with not only cutting back on that research, but you are going to end up with jobs being lost in large medical centers.

Mr. DOGGETT. Madam Speaker, the gentleman you mentioned another effect of continuing to cut down to too low a level the payments made to health care providers. I just happened to come across a report here on the impact in central Texas of problems we already have with Medicare, the kind of thing that I know you and I want to do to improve Medicare to deal with these problems.

There is the story of Richard Bergin, who is 74 years old, has lived in Austin for 40 years, served as a naval officer, as a professor at the University of Texas at Austin, and he was doing fine and had a relationship of his own with his primary care doctor. However, when his 83-year-old brother moved into town from out of town to live with him, they could not find any doctor there that would take Medicare in all of their initial searching. The American Association of Retired Persons reports that about 80 percent of the doctors in most Texas towns today will not accept new Medicare patients.

If they have this look-back provision and they keep chopping back the amount that health care providers are getting, will it not make it even more difficult for people like Professor Bergin and the others across Texas, whether it is in Houston, LaGrange, or Lubbock, or anyplace else in this country for that matter, will it not make it more difficult for them to find a physician that will take care of their needs?

Mr. BENTSEN. I think you are absolutely right. I think the fewer doctors who participate in the system, the harder it will be, particularly on rural communities and smaller urban communities, where there will be even fewer doctors who are willing to participate in the system.

I think there is another problem that comes into play here. By moving more people into health maintenance organizations, which again let me say, Medicare Select under current law already provides that choice, but what happens when you move more and more people into that system, basic macroeconomics will tell us that you will start to lose the efficiencies, and you will start to lose the ability to save costs or save money under that system. Therefore, I think that the projected cost savings from moving to an HMO system, where seniors do not have a choice of their doctors, are probably not correct. They are probably inflated. It is very hard to make those projections in the first place.

I think if you move from having 7 percent of the elderly population which are currently in managed care plans going to 90 percent, as is the desire of this legislation, that the cost savings that thus have been achieved will not carry forward at that time.

Mr. DOGGETT. I thank you very much for your observations and very helpful comments and, of course, your service here on behalf of all of the people of the Houston area and of our whole State.

My comments, of course, this afternoon and those of my colleagues have focused on the Republican pay-more-get-less Medicare plan. But I want to take just a moment here in concluding to tell people who are out there, who are thinking "Well, they really cannot do that. They really cannot intend to make the kind of cuts that they are making to the American people," that they have not heard it all yet. Yesterday, about the same time that the great American hero, the gentleman from Florida, SAM GIBBONS, was being denied across the hall even a chance to mutter a few words in defense of Medicare and to raise questions about why these hearings were not occurring, another of our committees here in the House was considering a plan concerning Medicaid.

Most people think of Medicaid as being a program that provides assistance to the poorest of Americans, and it is true that it does; but it also, because of some need for improvement in the Medicare system, is about the only way that seniors and people with disabilities can get nursing home coverage. Most of the people that are in nursing homes today, who do not have substantial means, are there with support from Medicaid.

There is another thing that comes out of that system Of Medicaid. That is that the Federal Government establishes some patient abuse standards, some safety standards in our nursing homes that they have to meet in order to receive Medicaid funds.

Yesterday, at the same time that a slash effort was going on with reference to Medicare, another committee was slashing in Medicaid. Now, if that committee's handiwork becomes law, there will not be one Federal regulation on the books to assure the quality of patient care at nursing homes in this country. I think that by itself is an outrage, that there are people who have become so committed to a rigid ideological agenda that they have forgotten their good sense, they have forgotten our responsibility to protect vulnerable seniors. It seems that the only time people get interested in some nursing homes is when someone is found with abuse, with a death occurring. That is not the way it ought to be.

There are many fine nursing homes out there doing their best to provide quality care, but there are always some that try to skim, and it is only with the support of these Federal safety standards, and some inspections, that we have been able to address some of the worst of these abuses, and now that will be totally eliminated.

As if that were not enough, the same Committee on Ways and Means that did not want to hear about Medicare yesterday has, within the last several days, approved a proposal that will encourage corporations to withdraw as much as $40 billion from their pension plans, $40 billion from their pension plans, something that people who are not only retired now but may hope, like many of us, to retire some day in the future, should be amply concerned about. There are a number of troubling developments that only by Americans speaking out and making their concerns known are we going to be able to change.

As for the Republican pay-more-get-less Medicare plan, lest anyone think that I have a partisan attitude on that plan, let me end by quoting a Republican who was on the radio this week, September 19, Kevin Phillips. He said of his fellow Republicans' Medicare plan: "Today's Republicans see Federal Medicare outlays to old people as a treasure chest of gold for partial redirection in their favorite directions: toward tax cuts for deserving corporations and individuals. The revolutionary ideology driving the new Republican Medicare proposal is simple: Cut the middle class and give back the money to the high-income taxpayers." That is the problem we face, but Americans can turn it around.

COMMUNICATION FROM THE HONORABLE JOSEPH M. McDADE, MEMBER OF CONGRESS

The SPEAKER pro tempore (Mrs. MYRICK) laid before the House the following communication from the Honorable JOSEPH M. MCDADE, Member of Congress:

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
Washington, DC, September 21, 1995.

Hon. NEWT GINGRICH,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to notify you formally, pursuant to Rule L(50) of the Rules of the House that a member of my staff has been served with a subpoena for testimony and the production of documents by the Court of Common Pleas, Lackawanna County, State of Pennsylvania in connection with a civil case.

After consultation with the office of the General Counsel, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,

JOSEPH M. MCDADE,
Member of Congress.

THE IMPORTANCE OF REDISTRICTING DECISIONS IN GEORGIA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Georgia [Ms. MCKINNEY] is recognized for 60 minutes.

Ms. MCKINNEY. Madam Speaker, I come again this afternoon as a continuing part of my mission. That mission involves the educational process around the issue of redistricting, and why what is happening in Georgia is so important, not just for the people of Georgia, but for all of the people of this country who value democracy, who value the opportunity for all people who call themselves American citizens to be able to sit at the table of public policymaking and feel that they have an investment in the decisions that are being made about this country.

I want to begin by commending the members of the Georgia Legislative Black Caucus, who have endured a tremendous trial during the recently disbanded, recently adjourned special session. The United States Supreme Court ruled that Georgia's 11th Congressional District was unconstitutional, and as a result of that decision, the Governor of the State of Georgia called the Georgia Legislature into special session. The purpose of the special session was to redraw the congressional districts to correct those flaws that the Supreme Court found, particularly in the 11th Congressional District of Georgia, but also, in the call for congressional redistricting, the Governor included legislative redistricting.

There had been no lawsuit against the State legislative districts. There had been no finding of unconstitutionality against those districts, but for some reason, some predetermined reason, those districts were included in the call. So begins the tragic story of the experiences of the Georgia Legislative Black Caucus that fought valiantly to protect its three democratic incumbents who are now in Congress, and to protect itself against what some have called a hoax.

I am going to begin by just a discussion of these districts that have been much maligned by supposedly powerful and very intelligent people. The 11th Congressional District was called a monstrosity by the lower court, the court in Georgia, a monstrosity. How can you call a district that allows for the first time people to have representation in the Halls of Congress a monstrosity? The district worked, it worked because people understood that the had an opportunity to elect their candidate of choice. They did not have to always be on the losing end. Those people in the 11th Congressional District chose to send me to Congress to represent their interests, to speak out on their behalf. I have tried to do a good job at it.

The 11th Congressional District of Georgia is no monstrosity. In fact, if there is a monstrosity, it rests with those people who would like to deny these people who have never had an opportunity to have someone walk in their neighborhood and then walk these Halls of Congress, to deny to those people, those people whom I call my valiant warriors, the opportunity to be elected by someone of their choice.

I have some maps here. The first map is the Sixth District of Illinois. Some might say that it is a monstrosity. It certainly is not pretty, but it is an effective district, because it allows the people who live inside this district the opportunity to elect their candidate of choice. This district is comprised of a supermajority. The supermajority just happens to be 95 percent white. This district has gone unchallenged in the courts. What is wrong with this district? Nothing is wrong with this district. This district functions according to our democracy.

I have another map here, Texas' Sixth District. It also might be called a monstrosity, but it has not been. It is composed of a supermajority. The supermajority just happens to be 91-percent white. This district, along with the entire map of Texas' congressional districts, was challenged in the courts.

□ 1530

The Texas court came back with a decision that invalidated the historic district represented once by Barbara Jordan. It invalidated the district that is currently represented by EDDIE BERNICE JOHNSON of Dallas, TX, a new district.

But the court said that this district, that goes from here and all the way around just like this and picks up people here, picks up people there, leaves out people there, that district is constitutional. Barbara Jordan's district is unconstitutional. EDDIE BERNICE JOHNSON's district is unconstitutional. But this district, that is 91-percent white, has been declared constitutional by the courts.

What is going on here? Is it that there are only funny-looking black districts? Obviously the answer is no.

Is it that only black districts are declared unconstitutional? Black districts and those districts that are majority Latino so far have been targeted for unconstitutionality.

I have here Georgia's 11th Congressional District, 64-percent black, one of the most integrated districts in the State of Georgia, one of the most integrated districts across the South. This district, that gives rise to voices that have been left out of the political process to finally be heard, this district was declared unconstitutional.

I would have to conclude that when it comes to the issue of redistricting and the shapes of districts, it ain't about shape at all. It is about the color of the representation that is elected from these districts, and the possibility that in the old South we could finally herald in a new era that bypasses, gets us across that bridge of racial divide and allows black people, white people, people of color, women, Latinos to sit down at the table of policymaking and fashion strategies to resolve our communities' problems.

What better America could we want for? The America of promise, the America of the American dream, the America which strives to include everybody? Or do we want to go back to yesterday? To go back to that infamous day when black people, who had been duly elected by the citizens of the various States throughout the South, were expelled for no other reason than the color of their skin?

What we are looking at today is the possibility that I could become the second African-American of the 20th century to be expelled for no other reason than the color of my skin. We cannot afford to allow that to happen.

What happened in Georgia particularly? What happened in Georgia can be summed up by the headline in this newspaper: "Committee Okays One Black District." The bottom line, it appears to me, is that the tolerance level for people from the State of Georgia to have three black people in Congress is not very high, and so there were some people who took an active involvement in trying to make sure that in the elections of 1996, Georgia is no longer represented in Congress by three African-Americans.

Now, I am a Democrat and I am a proud Democrat. I am proud to be a Democrat. But the head of my Democratic Party in the State of Georgia, who is the Governor of the State of Georgia, said he was going to stay out of the redistricting fray. This was not something that was going to occupy very much of his time.

So I wrote a plea to the Democratic leadership of the State of Georgia, "Ain't I a Democrat, Too?" When it comes to this issue of redistricting and protecting incumbents, protect me, too. Because when I cast my vote here in Congress, my vote counts the same as my Democratic colleagues, my vote counts the same as my Republican colleagues, and when I come here, I speak out on behalf of the people of the State of Georgia who have a valid voice to be heard.

There were some folks in Georgia who had something else in mind, and so before the special session even began, something happened. What happened was the Georgia General Assembly became hostage. It was held hostage by the plaintiffs, along with the Democratic leadership of the State of Georgia, because 17 State house districts and 5 State senate districts were targeted. These were districts that were majority black in the State legislature, and they were said to be unconstitutional. So the Georgia Legislative Black Caucus was told, "Now, y'all don't play ball and you're going to end up in the same boat as CYNTHIA, out of office."

The Georgia Legislative Black Caucus, caught between a rock and hard place, did what it could to protect its members, to protect the three Democratic incumbents of Congress who just happen to be black, and they were fooled. It was a hoax. It was a cruel hoax. They were tricked. In fact, State Senator Donzella James was so outraged—she happens to be with us now, up in the gallery—she was so outraged by what had happened that she felt compelled to put it down on paper.

She concludes:

> In this episode of political gamesmanship, Republicans attempted to play the white Democrats against the black Democrats by promising both sides their support in addressing their redistricting concerns.
>
> Further, the struggle within the Democratic Party between competing political interests was transformed into one involving race. The eagerness on the part of the white Democrats to "Republican proof" their districts blinded them to their overall goal. That is, to foster equal and inclusive representation for all of the people of Georgia.
>
> Self-serving individuals on all sides of the debate practiced deceitful game playing and clever trickery and have made a mockery of the reapportionment mandate. The Georgia General Assembly may come to regret this entire ordeal. A number of questions will have been answered concerning our legislative process. For example, was the court order legislative undertaking a hoax? And if so, could this be a needless waste of the taxpayers' money and will the lawyers laugh all the way to the bank?
>
> My fear is that when it is all over and done, will the redistricting issue be remembered as racial rights versus civil wrongs?

The Georgia Legislative Black Caucus, Representative George Brown compiled some information, Representative LaNett Stanley circulated it. After all the dust had settled, the Georgia Legislative Black Caucus, along with the other leadership of the State, voted to dismantle nine majority black districts in the House and two majority black districts in the senate.

All in all, in the senate, out of 56 seats, they changed 46 of them. In the house, from a total of 180 seats, 69 were changed.

There was a redistricting legislative free-for-all on the backs of black people in the State of Georgia.

One of the districts that was diluted was a district that I helped to draw in 1992. I was just the vehicle that the people used.

I served on the house reapportionment committee. We had a hearing down in Savannah, and a gentleman came to the hearing, obviously proud to be able to be counted among those who would come, to travel so far to try and get a little justice. He began his remarks. He said, "The name of my county is Liberty, but they still treat us like slaves."

At the end of the 1992 redistricting process, that gentleman had a district from which to elect his candidate of choice. But after this cruel hoax in the special session of 1995 that should go down in infamy, that gentleman lost the opportunity to elect his candidate of choice.

As a result, there is a letter that has been drafted and signed by some of the members of the Georgia Legislative Black Caucus. That letter is to Assistant Attorney General Deval Patrick, asking that the Department of Justice deny preclearance to those two bills that were passed by the legislature—the bill that dismantled the State house districts and the bill that dismantled the State senate districts.

I am going to read this letter, because if I have not been clear, I think this letter is.

It says:

> Dear Mr. Patrick, I am submitting this comment urging you to object to the reapportionment plans passed by the Georgia General Assembly in its special session in 1995. These plans were enacted by the State of Georgia with a racially discriminatory purpose and will have a retrogressive effect on black voters throughout the State.
>
> The plans for the State senate and State house also violate section 2 of the Voting Rights Act, because those plans dilute black voting strength. In carrying out these redistrctings, the State legislature specifically aimed their sights at legislative districts with majority black voting populations. The decision by the legislature, therefore, was targeted at black voters with the intent to reduce the black voting strength throughout the State.
>
> The legislature undertook this action even through their had been no court decision invalidating our existing plans, nor had there even been a lawsuit challenging any of the districts.
>
> The context in which these new plans were drawn is also important to understand. The special session in which these new reapportionment plans were enacted was called to address also the reapportionment of the congressional districts pursuant to the decision in Johnson v. Miller.

> The white leadership in our legislature forced the assembly to address legislative reapportionment first and then proceed to congressional reapportionment.
>
> In exchange for cooperation in legislative reapportionment, the leadership promised to work with the black Members of the legislature on congressional reapportionment. The leadership, therefore, used legislative reapportionment as a stick and forced legislators to make concessions they would otherwise not have made.
>
> The enclosed statistics show the degree of retrogression and discrimination. For all of these reasons, we urge you to object.

☐ 1545

This is sad. It is absolutely sad that the Democratic leadership of the State of Georgia would use black people as spare parts to bolster the political aspirations of their favorite sons. And I do put emphasis on the word "sons," because there is no room for women also in the good old boy network.

Who comprises this good old boy network? Well, as it turns out, we also discovered that there were some rich and powerful people that just did not seem to be able to deal with this new black woman who was representing poor folks, some of the poorest people in the country. They could not deal with this black woman from Georgia.

And so, Madam Speaker, seizing advantage of an opportunity, driven by the racist politics of race, they could also move forward on the agenda of greed.

We learned, in fact, State Senator Donzella James was moved once again during the special session to put out a press release entitled "Senator Donzella James Implicates Kaolin Interests in Driving Redistricting Agenda."

> State Senator Donzella James expressed concern today that Georgia kaolin companies are exerting undue influence on the State's redistricting process. As legislators slowly hammer out a new congressional map, Senator James is increasingly convinced that kaolin interests in Washington, Jefferson, and Glascock Counties have issued a veto threat over any congressional map which puts them in the 11th District represented by Democrat Congresswoman Cynthia McKinney.

Now, what is it? What is kaolin in the first place? After we came to this floor, we got quite a few telephone calls from folks wanting to know what is kaolin? Well, kaolin has been called Georgia's white gold. I guess Louisiana has oil; Kentucky has coal; Georgia has kaolin.

> Georgia's richest mineral resource is kaolin, a white clay used to make chemicals, medicines, and coated paper. Last year, a handful of mining companies, many of them foreign-controlled, dug a billion dollars' worth of kaolin out of Georgia's soil. They pay rural landowners as little as a nickel a ton for it, and after refining it, sell it for $50 to $700 a ton. They pay no mineral taxes to the State, whose wealth they are exporting and they operate in virtual, total secrecy.

Reporter Charles Seabrooks spent 5 months reporting the operations of the kaolin companies and their impact on the lives of thousands of poor Georgians, and in this, it says: What is kaolin used for? Glue, newsprint, magazines, cosmetics, china that we eat from, paint. It has a lot of different uses. Toothpaste. Kaopectate. The "kao" is kaolin.

It also chronicles here Grant Smith, who lives in a Milledgeville mental hospital, does not know that he is at the center of a dispute over his family's former farm and its kaolin riches.

Gentleman Gary Chambers: The industry leaves pits and craters and gullies on the surface of Georgia's soil. Ten-mile railway that links the kaolin belt in Georgia to the sea has made some of our richest Georgians. Robert Lee Watkins, a man who was sent to Federal prison, what the Atlanta newspapers may have called a political prisoner, this Grant Smith might have been a millionaire, but his guardians sold the family farm. Gary Chambers turned his land into a rutted ruin. Tar buttons, ten-mile railroad put them on the track to wealth and power.

"Crime and Punishment in Kaolin Country. Businessman who challenged the chalk companies receives a 5-year sentence for another man's lie." Nothing happened to the man who lied.

"Companies versus Landowners in White Gold Country." This is from USA Today. Another picture that I wish I could have blown up. The scarred landscape of my beautiful State of Georgia. "Weak Laws Slow Restoration of Ruined Land."

Shortly after the lawsuit was filed, I had an interesting conversation with one of our State's constitutional officers who told me, "CYNTHIA, you made some rich and powerful people mighty upset with you." And we have been hearing about this impending lawsuit against the 11th District, but somehow it never materialized. And suddenly, a letter appeared in the Sandersville Progress, which is a local newspaper down deep in kaolin country.

The letter was written by the executive vice president of one of kaolin companies. And guess what it said. It said that the 11th District ought to be dismantled. And then, miraculously, folks who do not have much were able to amass the hundreds of thousands of dollars that it takes to take a lawsuit all the way to the United States Supreme Court.

The general assembly came up with some maps, some maps that were pretty darn near the mark. But those maps had one target left out and that was those 7 kaolin counties.

The Atlanta Constitution has done some stories on our plight. "Bring in the Feds to Probe Kaolin." "McKinney Takes on Kaolin Industry. Her nosing around has infuriated the industry." "King Kaolin's Political Prisoner." This is about the story of Robert Watkins.

"This should not be CYNTHIA MCKINNEY's fight, but Georgia's politicians are so afraid of the kaolin companies, they do not dare raise a peep." "Taking On King Kaolin."

> So McKinney is now trying to get the U.S. Justice Department to look into the problems. Politically, that may not be a very smart move on her part, because kaolin money will try to unseat her. But then again, who knows, maybe McKinney will prove that a woman with a backbone can succeed in a State run by men with weak knees.

And so Georgia's special session, called for the purpose of redistricting, ended. They adjourned sine die. What did they accomplish? Well, they got rid of some minority districts. They even diluted the district of a sitting Member of the Georgia legislature who is black; dropped his district down to 41 percent. The gentleman who represents the district of the man who said, "I come from a county named Liberty, but they still treat us like slaves."

We do not know if we can even get Reverend Tillman reelected in that district, but we are darned sure going to try.

But congressional redistricting never happened. It did not happen. So now the issue of Georgia's 11th Congressional District is right back where it started: In the hands of the Court. We are, of course, law-abiding people, and whatever the dictates of the Court, I will be prepared to accept them.

However, I do not think anybody in this country ought to have a good feeling about what happened in the State of Georgia. Nobody who cares about diversity, inclusiveness, real deep-down democracy, should be thrilled or even happy about the picture that we have painted.

Now, after Georgia comes North Carolina and Texas and Florida and Illinois and New York and Mississippi, because all of those States now have challenges to their minority districts.

And what happened in the State of Georgia—the trickery and the tomfoolery and the deceitfulness—can happen to good-hearted, well-meaning people in those legislatures across this country.

So the State representatives and the State senators who now understand that they might be called into special session or special duty to address the issue of redistricting also need to understand that something else might be afoot.

☐ 1600

My father serves in the Georgia legislature. My dad has been there for 23 years. He is what I call a warrior, too. So I am really just a chip off the old block.

When he got elected in 1972, the first thing he did was file suit against the State of Georgia for unfair hiring practices. State of Georgia continues to be under a court order regarding that lawsuit that is over 20 years old.

And all I have done is to take advantage of a district that was borne of the pain of people in the State of Georgia and to elevate their pain right here on the floor of the House of the U.S. Representatives, and to remember them as I go about my business of casting my vote, speaking out in my committees, speaking to my colleagues, and speaking to the press, to always let people in this country know that in the State of Georgia we still have people who do not have running water in their homes and it is a crying shame, and that those people need to have representation. And that all of the largesse of the Federal Government ought to be delivered to them, too, that we have people who are suffering from teen pregnancy rates that ought to make us ashamed. And that we need to have an opportunity to help those people, because they are Americans, too. But that is just a little bit too much for some folks. I am just about finished.

I am reminded of a statute on the grounds of the Georgia State capitol, and the name of that statue is Expelled Because of Color. It commemorates the service of 33 African-Americans who, during the period of Reconstruction, were duly elected to serve in Georgia's general assembly.

But something happened. They did not have the right color. And so they were expelled. And this statue is from the slave ship to the ship of state, African-Americans holding up the State of Georgia, holding up the ideals of this country.

In 1901, there was an African-American also who had to exit from these halls. His name was George White from North Carolina. And he said, this is the Negro's temporary farewell from Congress. But Phoenix-like, the Negro shall rise again, and walk the Halls of Congress.

It happened in this country. It happened as a result of the Voting Rights Act of 1965. Black people, white people, died. Our own Representative, JOHN LEWIS, had his head broken open at the Edmund Pettus Bridge. No, I was not there.

But I was there 30 years later. And I am here today as a result. A few people in this country want to turn this country around. The majority of us have got to say no. We are not going to allow a few people to take back all that we have gained.

I am pleased that I have a hero right here on the floor of the U.S. Congress. And in 1992, after I was elected, the first person I came to was a Representative from Texas. And I told him, "You are my hero," because his legacy in this body has been one of complete devotion to his constituents, complete devotion to the people of Texas, complete devotion to the people of this country. His name is Congressman GONZALEZ.

I am very proud to yield to my leader.

Mr. GONZALEZ. I thank the gentlewoman very much.

I cannot find the words with which to adequately express my feelings at hearing your words, especially from you, the gentlewoman from Georgia, Ms. McKINNEY. I, of course, cannot describe to you the thrill and the happiness when I first was able to greet you here at your swearing in, and to have followed the course in your native State leading to your election.

For in my own experience, one reason I am in the Congress is in a way accidental. I had never intended to be involved in politics. But this was the issue. And that was that because of laws and constitutional provisions in the Texas State constitution, it was just accepted that a good portion of our citizens in Texas would be deprived of even the elementary right to participate in the most basic of all activities. And that is the right to vote.

So I am proud of the fact that very young and even before I ever even considered a politically active career, my thoughts were certainly not that way, I had my eyes opened early. And I have watched, of course, with great elation what has happened since those sad days, and elections such as yours. I cannot tell you in words how they have thrilled me.

I am saddened to hear of this retrogressive activity, not surprised. The forces of retrogression and return to, no matter what efforts they make, days and times that will not be returned, thank goodness, is always going to be confronted. They will never cease. The forces of retrogression are there. And when there is no forward activity on the part of the progressive forces, they can gather strength and they can set back the clock somewhat.

So I want to praise you for, first, your presence here, your willingness to seek a position of representation on this national body; and then, very happily seeing how through your competency and ability you have mixed right in the middle of the fray. You have not held back.

I just cannot tell you with what sadness I feel pervading in my heart as you report on some of the things that are still happening, 30 so many years ago, that we thought we had at least made it difficult to return even in these areas. So all I can say is that some of us are with you, there are more here now than we used to count on, and that is a very happy thing.

But I cannot begin to describe in words my admiration for your courage and your ability, above all, your willingness to serve, and of course to pledge to you my absolute support and loyalty to your cause.

Ms. McKINNEY. I thank the gentleman very much. I would like to conclude by acknowledging that in Georgia we have come a long way. But we still have a long way to go.

And in reporting the events of the special session and those events that took place just prior to the special session, it is not my intent to indict anyone who is innocent in this whole play. But there are some people who are very guilty. And those people know who they are.

There were some good people in the legislature who spoke out and said, quite frankly, what the problem was. But their voices were too few, too powerless, too muted. But I do want to take this opportunity to extend my appreciation and my thanks to them, because they did not have to say those kind things and they did not have to say those true things, but they did.

They wear a badge of courage, and they are now my additional warriors, who may not be in the 11th congressional district, but they are warriors nonetheless for that which is right. In the gallery, aside from State Senator Donzella James, who participated in the special session and who spoke out so eloquently against what happened, we also have State Senator Connie Stokes, who represents a portion of the 11th congressional district.

And I would like to take this moment to thank my own State Senator for her actions on behalf of preserving the 11th congressional district of Georgia. The members again of the Georgia Legislative Black Caucus worked day in and day out, and they only had one goal in mind. And that goal was to make sure that all of the folks of Georgia at the end of the day had an opportunity to case a vote, a meaningful vote, for the representative of their choice.

And so while the venue has moved to a new place and a new time, the camaraderie, the loyalty, the love, the cohesion of the Georgia Legislative Black Caucus, and the way that I was able to interact with all of the members, I will never forget.

From that, I know, will come a new and stronger, more lasting relationship. And also a better relationship will come from the Democratic leadership of the State, that saw that under no circumstance were they able to break the glue that struck the members of the Georgia Legislative Black Caucus together. And that was their loyalty to the people of the State of Georgia.

In conclusion, I would just say that it is a pleasure for me to serve in the U.S. House of Representatives, and I have come to love, to truly love many of my colleagues with whom I interact daily. I appreciate all of them for their strong shows of support, for their kind words of support, and I want them to know that no matter how this fight ends, they have a friend in me.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

GRANT REFORM

The SPEAKER pro tempore (Mr. EHLERS). Under the Speaker's announced policy of May 12, 1995, the gentleman from Maryland [Mr. EHRLICH] is recognized for 60 minutes as the designee of the majority leader.

Mr. EHRLICH. Mr. Speaker, I rise today to engage two freshmen colleagues personal friends and people I have high regard for, in a colloquy concerning grant reform. I want to take this opportunity to publicly thank the gentleman from Washington [Mr. TATE] and the gentleman from Indiana [Mr. MCINTOSH], the chairman of the subcommittee, for their wonderful leadership on this issue.

Let me begin the colloquy by making an observation. It seems as though there are a lot of people paying attention to what we have done in the House so far, with respect to grant reform, Mr. Speaker. Every major newspaper in the country has editorialized with respect to grant reform over the last few weeks, and we certainly hit a nerve with the American people.

Now I direct my first question to the gentleman from Indiana [Mr. MCINTOSH], the chairman of the committee and one of the leaders along with our friend, the gentleman from Oklahoma [Mr. ISTOOK], in our effort, and, of course, the gentleman from Washington [Mr. TATE], being one of the more recent victims of the opposition with regard to this issue.

□ 1615

My question to you, my friend, is a lot of people thought we would never get this far. And here we are. We had a resounding victory on the House floor. We are now in the Senate conference committee.

I see the gentleman from Washington [Mr. TATE] putting up a piece of demonstrative evidence we have used on this floor in the past. I know my chairman of the subcommittee wants to make a few remarks at the beginning here, and I will yield to him.

Mr. MCINTOSH. Mr. Chairman, I thank the gentleman for taking the lead in making the American people aware of what, quite frankly, has been a dirty little secret in this town, that Federal taxpayer money has been going to lobbying groups in the form of grants.

The chart that our colleague [Mr. TATE] has shown how this welfare for lobbyists works. The taxpayers paying $39 billion, some people estimate it would be as many as four or five times that amount in grants to many special interests.

Now, some of them are very worthy charities who are doing the right things in their communities, but there are a lot of those groups who are really lobbying and political front groups who are taking taxpayer dollars and using them to engage in political tactics.

Now, let me say I think everyone has a right to speak out in this country, but they do not have a right to speak out with somebody else's money and to be funded by the taxpayer.

One of the things that our committee is committed to doing is holding a series of hearings on this, looking into these groups and finding out some answers to some basic questions. Those groups that are lobbyist groups, we want to know, is it true that you are segregating the grant money you are receiving from political activities? Is it true that you have safeguards in place to make sure that you do not violate the current law that prohibits that direct funding? And then we also want to know what plans that group has been engaged in to encourage lobbying by other groups.

Mr. EHRLICH. Of course, that is the problem. That is really the problem.

Mr. MCINTOSH. Exactly. And it is a continuous cycle that has led to huge deficit spending in this country.

Then there is another group who say, we are not lobbying groups, but we do not like this reform. And what I want to know from those groups is, what do they do to ensure that their donors have accurately been informed of what lobbying they do do?

There are some very highly regarded groups in this country. I am thinking of groups like the United Way, the Red Cross, the Girl Scouts, the Boy Scouts, who also receive Federal grants, and they engage in very worthy and noble activities. Some of them tell us they also want to be lobbyists, not extensively, but part-time. And I think we need to tell their donors, did you know that they also want to lobby with some of the money that you have given them? How much of that money is spent on lobbying? Is there a problem with the Washington groups lobbying, whereas the groups in the States and the communities do not do that but are, in fact, engaged in charitable activities?

We are going to try to develop a record in our committee on those issues.

Mr. EHRLICH. If the gentleman would yield, really is that not the threshold fundamental problem here? It seems as though we have addressed this both here on the floor and at various times we have had to discuss this issue off the floor, and it seems for some reason, and the reason appears to be Federal money, to have developed over the years a distinction between acting as an advocate and fulfilling the mission of the particular organization.

I believe it is fair to characterize our piece of legislation as an attempt to return these groups. And we are not talking about, by the way, many groups out of thousands, tens of thousands of groups, only a few hundred who, in our view, have violated both the letter and the spirit of the law, by trying to get rid of that distinction, trying to limit that distinction to return these groups to their fundamental mission, which is to provide service for the less fortunate in our society.

Mr. MCINTOSH. The gentleman is exactly correct.

We heard testimony in one of our hearings in July from Mrs. Arianna Huffington who told us that there was a serious problem in the charitable community that, rather than doing good works, helping the elderly, helping clean up the environment, helping the young people, and you may remember she talked about Mrs. Hannah Hawkins here in Washington who had used her own money to set up a home for children after school in the inner city neighborhoods. They are moving away from those charitable missions into becoming lobbyists and advocates that the Federal Government take over those programs, and she thought that was, in fact, corrupting the spirit of charity in this country and that our bill would do a lot in this country to restore the true sense and purpose of charity.

So I think you are exactly correct on that point.

Mr. EHRLICH. Now, I know we have a lot to say about some of the misinformation our opposition has used, but I think probably the best Member to talk about that is our colleague, Mr. TATE, and I yield to Mr. TATE.

You have been a victim. What happened?

Mr. TATE. Well, first of all, I would like to thank the gentleman from Maryland [Mr. EHRLICH] and the gentleman from Indiana [Mr. MCINTOSH]. Mr. Speaker, these gentlemen, along with the gentleman from Oklahoma [Mr. ISTOOK], have done a phenomenal job of bringing this issue to the forefront.

Some of the arguments, and I will get into some of the attacks that are occurring at home by some of those organizations that are receiving public grants, mind you. Some of the opposition, for example, is: Well, you are violating free speech if you are limiting at some capacity what they can do with their private dollars.

The point is, how can it be free? Once again, how can it be free if the taxpayers are subsidizing it? The taxpayers are paying for this so-called free speech.

I am not here to tell an organization what they can do and cannot do with their own money. The point is, they are being subsidized by the taxpayers. So we have an obligation to watch out for what is going on.

The other point is that somehow it is intrusive in some other capacity, that somehow it is Orwellian to tell these organizations what to do.

I can think of nothing more intrusive to me or the people of the Ninth Congressional District of Washington State than to reach into my pocket and take my hard-earned money, to give it to some organization or to the Government that gives it to some organization that turns around and lobbies for things I do not believe in.

I mean, we have some great examples, if I may. The American Bar Association, for example, just this year as we were working on the flag amendment. We can argue whether we should have an amendment to protect the flag or not to protect the flag. That is part of our political system. What I find very offensive is when organizations like the American Bar Association receive millions of dollars in public grants and then turn around and lobby against legislation. That is wrong.

It hit close to home the last couple of weeks, I can tell you, in my particular district; and the Washington Times has done a good job of chronicling what has been going on.

Basically what is going on is taxpayer funding of the big lie. They are attacking me back in my district. The attacks have ranged from anywhere that there would be a greater chance of workers maybe being killed by the legislation being passed to somehow Medicare is being cut. Two lies. Two lies. And they are being subsidized by the taxpayers.

I can give you a couple of examples of the organizations and how much money they have received in public grants. For example, in my particular district, the AFL–CIO, under the guise of Stand Up For America, spent over $80,000. These on are ads back in my district.

Another organization called Save America's Families spent over $85,000 on television and radio ads, not counting the amount of money they spent on Medicare events, spreading the big lie at taxpayer expense.

For example, the AFL–CIO, which is the umbrella group for these organizations, received in grants last year, 1994, $1.2 million; and so far this year that we can document, they have spent $1.4 million in attack ads spreading the big lie across the country.

So, basically, what we are doing is, once again, hard-working people send their money to Washington, DC. They turn around, the Government turns around and gives it out to organizations that spend it attacking people trying to change the status quo.

So those are the kinds of changes that we are trying to make back here. I guess we should be judged by our enemies. Those organizations that are the defenders of the status quo do not like what is going on back here, and it is a sign that we are doing our job. If you are not making some enemies in Washington, DC, you are not doing your job.

I yield to the gentleman from Indiana [Mr. McIntosh].

Mr. McINTOSH. You mentioned that this advertising was going on in Washington State in your home area, and that in many cases they were, in fact, misinforming the public about what was happening and doing so from groups who have been receiving a lot of grant money.

I had received some information that there are a list of eight different groups who have received nearly $100 million in grants, who have spent over $6 million in lobbying and political activities, giving people bad information about what is happening.

One of the groups that is not listed there is 60 Plus, and they commended us for our effort to try to end the subsidy for these groups that are engaged in this type of political activity. The 60 Plus Association represents senior citizens in this country. They felt seniors were being mislead by a lot of this.

Was the National Council of Senior Citizens one of the groups that was involved in this type of political advocacy?

Mr. TATE. It is my understanding that they have been involved. In fact, the Save America's Families Coalition, which includes Citizen Action, the National Conference of Senior Citizens, the AFL–CIO, the Service Employees Union, and others, are the ones that are paying for the millions of dollars of ads across this country. And the thing to keep in mind with that organization is that they receive over $70 million every year, which makes up 96 percent of their entire budget, and then they turn around, and they are spending money with advertising.

Mr. McINTOSH. Do you mean to tell me that they receive over $70 million of taxpayer funding?

Mr. TATE. Absolutely. Taxpayer money, $750 million every year in taxpayer money, 96 percent of their entire budget, and then they are turning around and using money to lobby against reforms that preserve and protect Medicare. Taxpayer funding of the big lie.

Mr. McINTOSH. So this group has been receiving all of this taxpayer money, and yet they are spending it on commercials that are not even truthful to senior citizens?

Mr. TATE. You are exactly right.

Mr. McINTOSH. That is incredible.

Mr. EHRLICH. If the gentleman would yield, I think I speak for all three of the sponsors of this rider when I say we have a great deal of confidence that your constituents will see through all of these misrepresentations, because facts are dangerous to demagogues.

Mr. TATE. If the gentleman would yield, we have received, I think as of mid-yesterday, about 660 calls on this particular commercial that is running back in our district, and over 640 of the calls were saying, Randy, stick to your guns; do not give up; we elected you to go back there and make real change. What they are outraged about is the outrageousness of the lines and the fact that the opposition has no plan and that it is all being paid for, these ads, or at least subsidized, by their own tax dollars.

Mr. EHRLICH. The moral here is that these people are smarter than these organizations give them credit for.

Mr. TATE. Exactly.

Mr. EHRLICH. I see we have been joined by our colleague and friend, Mr. Istook from Oklahoma, and I know he has a lot to say on this subject. And I know I join my colleague, Mr. McIntosh from Indiana, in congratulating him on his great leadership on this bill, and I would like to recognize him.

As a lead-in to his comments, I would just like to point out the fact that I sat next to Mr. Istook on the floor when we had our debate here a few weeks back, and we were frustrated. Obviously, we had a time limitation with respect to how we could respond to some of the charges from other side. I believe we were termed as fascists, one of the more interesting adjectives used to describe us on the floor that day.

I know it has been very, very frustrating for all of us involved in this issue to have to respond to simple representations about what this rider is about. We have heard that it stops all advocacy, that Pell grants are affected, that specific groups are affected, that entitlements are affected, that the courts are affected, that States and local governments are affected, educational grants.

Is there any end to the misrepresentations we have heard on this floor? I direct the question to our colleague from Oklahoma.

Mr. ISTOOK. Well, I thank the gentleman. I appreciate people standing firm on this effort, because you hear outrageous things. You hear people saying, well, if you receive some sort of farm assistance or if you receive a student loan or if you receive welfare benefits. And yet the legislation clearly states that we are not talking about government assistance payments to any sort of individual. We are merely talking about government grants which go to organizations.

The situation is such that we have had what I feel is a perversion of the true reason for the existence of charities in this country, and Chairman McIntosh and his subcommittee has had hearings that has helped develop this. People talking about, you know, we were part of a group that was formed to be a nonprofit charity. We raised money trying to help people, trying to do good. Then we found people trying to take it over and saying, the way we can really do good is to spend all of our time and effort, or most of it, anyway, and our resources lobbying government for more government programs, more resources, higher taxes to pay for it, and they call that charity.

□ 1630

That is not charity. We need to help the private charities in this country to fulfill their true mission by helping separate them from those that are masquerading as charities, but are really extensions of the Federal Government and extensions of lobbying groups and political advocacy groups. We need to draw a clear distinction between them.

If someone says we want Federal money, now they are not forced to ask for Federal money, they are not forced to take Federal money, they voluntarily say they want Federal grants to further a purpose, which is different from so many other charitable groups. Yet at the same time, they want the Federal handouts, but they say nevertheless we want to continue to be political advocates rather than true charities.

There is a difference. There is a crucial difference in who we ought to be providing assistance to, and it really scares me that there have been some reports that say that the typical nonprofit group today receives a third of its money from the government. Now, that frightens me. We do not want people to be saying they are charities when actually they are extensions of government agencies. If they are an extension of the government, they should accept the same type of safeguards which would control a Federal agency if it were carrying out a particular program.

They would never be allowed to engage in the type of advocacy that is involved there. So if they are carrying out a private function, that is great. They ought to be satisfied with the private dollars. If they want public dollars, then they ought to accept the types of limitations that accompany public dollars.

It is wrong to ask taxpayers to subsidize political viewpoints through this. Thomas Jefferson had a statement on this, and he said to compel a man to furnish funds for the propagation of ideas he disbelieves and abhors is sinful and tyrannical. I have no desire, and I know you do not either, to try to limit the ability of people to exercise their free speech rights with their own resources and their own money. But if they want to be dependent upon Federal funds instead, then they need to decide they should not be political advocacy groups. That is the key distinction that we are trying to address in the legislation.

I thank the gentleman for the chance to speak to that and want to yield back the floor to him.

Mr. SKAGGS. May I ask the gentleman one question. I do not want to waste a lot of time. If it is the gentleman's intention not to yield at all, I will leave the floor.

Mr. EHRLICH. It is our intention not to yield.

Mr. SKAGGS. Mr. Speaker, the gentleman does not want to defend any of this with anybody with another point of view?

Mr. EHRLICH. Mr. Speaker, since the gentleman trekked over from his office, we will yield.

Mr. SKAGGS. Mr. Speaker, I thank the gentleman for yielding time.

I think the point that the gentleman from Oklahoma was just making is very, very revealing of the fundamental distortions that are going on in this debate. Does the gentleman believe that the efforts made, for instance, by the American Red Cross to work with local and State governments on emergency planning is political advocacy that is somehow a problem in this country? Does he believe that the efforts of the American Red Cross to work with all levels of government to ensure that regulations are in place to make the blood supply safe, is that somehow political advocacy that warrants restrictions? That is what the legislation will do.

Mr. McINTOSH. Mr. Speaker, I think our colleague from Colorado makes a very good point there. There has been a lot of misinformation about the content of the bill.

No, I do not think those activities of helping to plan for emergency preparedness and working with government agencies to implement a safe and effective blood supply in this country are political activities that are a problem. I do not think they should be defined as political activities.

Mr. SKAGGS. Mr. Speaker, but that is what the legislation does.

Mr. McINTOSH. If the gentleman would let me finish, Mr. Speaker. No, we have carefully, carefully crafted this bill to make it very clear that those activities are not covered. We have worked with the Red Cross and their attorneys in letting them know that it is our understanding that that would be the case.

What we are worried about are groups that would take Federal grants for those activities and then would begin running television advertisements or running media campaigns where they are advocating a particular point of view. So let me assure the gentleman we do not intend to cover those types of activities. We have worked with language that we think does not apply to them and have offered with the Red Cross to specify that very clearly.

Interestingly enough, even when we did that, they said, no, we still could not support this bill because we are concerned about the ability to be advocates. Then my question is, have they let their donors know that that is one of the things they have in their mission statement? Have they done a good job when they have done fundraising for these other activities of protecting the blood supply, working on emergency preparedness, of telling people, well, we also think it might be important that we could preserve the right to be a lobbyist? If they have done that disclosure, then they have acted in good faith with their donors.

Mr. SKAGGS. Mr. Speaker, if the gentleman would yield.

Mr. McINTOSH. Yes, I will yield for a question.

The SPEAKER pro tempore (Mr. EHLERS). It is the gentleman from Maryland's time. Does the gentleman yield?

Mr. EHRLICH. The gentleman will yield for a short followup.

Mr. SKAGGS. Mr. Speaker, does the gentleman not understand that very facile shift from advocacy to lobbying? Now, advocacy presumably does include the work of an organization like the Red Cross to make sure that we are prepared for an emergency or we have a safe blood supply. But with the nice easy elision to lobbying, we are suddenly into a whole different range of activity.

Why is it that we should restrict the ability of an organization like the Red Cross to advocate, not to lobby the Federal Government with Federal funds, that is against the law already, but to advocate for good emergency preparedness at the State and Federal and local level, what is wrong with that? Is that not absolutely consistent with what their donors expect them to be doing?

Mr. ISTOOK. Mr. Speaker, will the gentleman yield?

Mr. EHRLICH. Mr. Speaker, I will yield to the gentleman from Oklahoma.

Mr. ISTOOK. Mr. Speaker, of course the key is to understand, as we were careful to point out in the legislation, despite many misrepresentations that different people have made, is that we did not put in the legislation an absolute prohibition recognizing that some people may say, well, there is a gray line between things that are giving information back to government, and so forth. Some people may see some gray area between that and being an advocate, not an advocate for safety, not an advocate for emergency preparedness, but a political advocate.

So we specified in the legislation that we were not saying there is an absolute prohibition. We simply said that you should not be expending more than 5 percent of your non-federal funds, which is a threshold that has previously been adopted through courts and through the IRS as a key and reasonable threshold.

So we never said that a group could not engage in any type of political advocacy. We just wanted to make sure they were not engaging to any significant degree in that, and that very well takes in any type of gray area with which anyone may have a concern. So the opponents of this bill unfortunately have grossly misrepresented and overstated it, calling it, for example, a gag rule, which is totally absurd.

We have tried to take a common sense approach to it and understand that reasonable people may differ. Yet, I think that just about every American taxpayer who studies the issue would agree, it is wrong for taxpayers' money to be used for lobbying. It is wrong for taxpayers' money being used to prop up and be the difference between success and failure for an organization.

With that in mind, I would like to refer to an audit report which was part of the audit report, and I understand it was an internal audit report for the National Council of Senior Citizens which receives 95 or 96 percent of its budget from the taxpayers. Their own internal audit said the heavy reliance on governmental grants poses a potential danger to the long-term structure of NCSC. Absent such grants, the council would be unable to continue its current level of operations.

This is a group that is heavily engaged in lobbying in this country, and yet without government grants, they would not be able to sustain themselves. They do not have enough private sector support. They depend upon taxpayers' money, and I think that is wrong.

Mr. EHRLICH. Reclaiming my time, Mr. Speaker, I yield to our friend and colleague, the gentleman from California [Mr. DORNAN].

Mr. DORNAN. Mr. Speaker, one of the clarifying things about this aspect is what type of lobbying, and I understand our colleague from Colorado picking an easily discussed case, the Red Cross. To my knowledge, the Red Cross has never put PAC money for or against any Republican or Democrat in either Chamber on this Hill.

There are groups sustained 95 percent by taxpayers' money that give not only 100 percent money to Democrats, but they have to be of a liberal ideological bent. They are not just lobbying for a cause like Red Cross earthquake assistance. They are lobbying to fatten their own coffers, particularly whiplashing senior citizens. If we cannot reform that in this Congress, then there are going to be people coming up here with torches as though this were Dr. Frankenstein's castle to burn this place down in about 4 to 6 years.

Mr. EHRLICH. I thank the gentleman for his comments.

I have a question for our colleague from the State of Washington. He has earlier described some of the ads being run against him. This has really hit him in a very personal way, and the good news being that of the, I believe, 660 phone calls he received?

Mr. TATE. Mr. Speaker, there were 640 positive saying, stick to yur position.

Mr. EHRLICH. Mr. Speaker, with respect to the negative calls, the 20 or 30, did they actually buy what the commercials were trying to sell them? Was the staff able to articulate what these organizations were about and who was funding these organizations?

Mr. TATE. We are getting that message out as each call comes in. Mr. Speaker, our phones light up each time the commercials run. Like I said, 99 percent of the calls are positive. When we do get someone who is misled by what I call the big lie at taxpayers' expense, we spend the time to talk to them and let them know that they are being subsidized basically by their own tax dollars, and that alone is enough to outrage them. But when they find out that the advertisements are a complete misrepresentation of what the truth is, they are even more outraged.

Mr. EHRLICH. Mr. Speaker, The short follow-up question, the gentleman is one freshman.

Mr. TATE. Right.

Mr. EHRLICH. How much money with regard to the gentleman's best estimate at this time has been spent by all of these organizations just in his district within the last month?

Mr. TATE. Mr. Speaker, within the last month, we estimate about $165,000. That is the estimate that comes out of the newspaper by these particular organizations in their press conferences; $80,000 by Stand Up For American Families, which once again is an umbrella group for the AFL–CIO, which received millions of dollars in ads. The other one was for the Saving America's Families Coalition, another organization made up of the national seniors, the Council on Senior Citizens, the organization that receives over 95 percent of their money from the Federal Government.

So, to answer the gentleman's question, $165,000 that we can identify just from newspaper reports, not counting the countless Medicaravans and other misrepresentation of the truth that are subsidized once again by the taxpayers, $39 billion every year is being spent on lobbying, welfare for lobbyists.

Mr. EHRLICH. Mr. Speaker, I believe the chairman of the subcommittee, the gentleman from Indiana [Mr. McINTOSH], has a comment as well.

Mr. HOYER. Mr. Speaker, after that I would like my friend from Maryland to yield.

Mr. McINTOSH. Mr. Speaker, if I could point out one thing that I think is undermining a lot of the public confidence of charitable groups, that is when they see activities like we are describing where groups who are supposed to be engaged in charity in fact turn themselves into political groups and engage in that type of activity.

That comes on the heels of a few years ago tremendous scandals with the United Way and groups where they were misappropriating funds. By the way, they have cleaned up their act. I certainly hope they end up supporting our effort to end welfare for lobbyists to reassure people that they have changed and do not want to see the continued practice where a charity says they are doing one thing and then in fact does something else with the money they have raised. In this case it is engaging in political tactics that are totally unacceptable because they are misleading the public about very key and critical issues.

So there is a question of confidence about what can citizens expect from charitable groups. We heard from a lot of the charities who are very active in a day-to-day basis in helping people, saying they want to see this bill passed because they want to restore that confidence. They want us to go forward in this area and clearly separate lobbying and political activities from charitable activities.

So I think we can do them a tremendous favor in this country by helping to restore that confidence.

I also appreciate the gentleman from Washington being willing to share with us his experience in his State as an example of what has been happening there.

Mr. EHRLICH. Although this is highly unusual, out of an overabundance of friendship for my colleague, the gentleman from Maryland [Mr. HOYER], I will yield to him for a brief question.

Mr. HOYER. Mr. Speaker, I appreciate very much my friend from Maryland yielding. We are pleased to have him as a member of our delegation, even though from time to time we may disagree.

I ask my friend from Maryland, I have a letter here addressed: Dear STENY. It makes some comments, but it concludes with this: "To unduly restrict our ability to work with governmental representatives and agencies through the additional regulation envisioned by the Istook amendment would not be in the best interest of millions of people who rely on the Red Cross when help cannot wait. Sincerely, Elizabeth."

□ 1645

All of us know that Elizabeth Dole, the wife of majority leader of the Senate, is head of the Red Cross. Throughout this letter, as the gentleman may know, she is very concerned about the Istook amendment's proscription on the ability of the Red Cross to advocate positions which it believes to be in the best interest of the people of this country.

Mr. EHRLICH. Mr. Speaker, I thank my colleague from Maryland for asking a very legitimate question and I know my colleague from Oklahoma, who has had very, very recent communications with the Red Cross, as well as my colleague from Indiana, wants to answer my friend's question.

Mr. ISTOOK. Surely.

Mr. Speaker, I think what we have seen is there has been a vast disinformation campaign that has been stimulated by groups receiving Federal funds. They have made contracts, they have made some, frankly, scurrilous statements to all sorts of organizations, trying to use scare tactics, and certainly they have prompted concern to be expressed by those groups. What we have certainly done, in working on this legislation, is to have an open door policy, whether a group is for us or against us or in between, for an explanation.

We have certainly been working with the Red Cross both to explain to them the difference between what was told to them prompting their communications and what is really being pursued, and to make sure, of course, that the final form of the legislation is a form that does not put any undo restrictions on any sort of legitimate charitable organizations. What we have to do is make sure that the legislation has the appropriate filter to separate the good from the bad from the ugly.

Mr. Speaker, just because a group is organized with a so-called nonprofit structure does not mean that it has the reputation of the good deeds that the Red Cross, of course, is noted for. So we are working with the Red Cross and other organizations to address all legitimate concerns that are brought to our attention, and I think that is going to be reflected in the final product.

Mr. HOYER. Would the gentleman yield so I can enter into this colloquy?

Mr. EHRLICH. Yes, I would yield to the gentleman.

Mr. HOYER. Mr. Speaker, I understand what the gentleman has said. Presumably, Mrs. Dole, who has an ability to find out about the substantive legislation, in her letter to me of September 11 understood the legislation as it was then crafted; is that what the gentleman says? And if that is the case, have there been changes made since September 11 to the Istook amendment?

Mr. ISTOOK. What we have said, and the gentleman is aware, of course, from being a conferee with me on the Subcommittee on Treasury, Postal Service, and General Government, what we have said, I have said it to the gentleman from Maryland [Mr. HOYER] and to the gentleman from Colorado [Mr. SKAGGS], I have said it to Members of the Senate and the House, and conveyed it to White House representatives, that anyone who has constructive recommendations to make sure that this legislation is put in its best possible form so that it does not have unintended consequences, we want to listen to and we want to work with.

We do have a problem sometimes with some groups, rather than trying to make constructive recommendations, they make a knee-jerk reaction just opposing it, and, frequently, that comes from organizations that are heavily dependent on Federal funds and there is, as the gentleman knows, a lot of discussion about it and a lot of representations made to people about what is or is not in the bill.

We want to work with all persons that are concerned, and that will be reflected in the final product.

Mr. EHRLICH. Mr. Speaker, in further answer to my colleague from Maryland's inquiry, I recognize my friend, Mr. McINTOSH.

Mr. McINTOSH. And let me say, Mr. Speaker, in the effort of being constructive in this, our subcommittee of the Committee on Government Reform and Oversight will be having hearings further into the application of this bill. One of the hearings will be taking place next Thursday. We have invited Mrs. Dole to come and talk with us about areas where she thinks she might be hindered in her legitimate charitable activities so that we can address that problem.

We will also be asking if there are areas where she wants to cross over into the lobbying area, and is that more than 5 percent of their budget or would they be protected with that provision. I think that will allow us to build a record there of exactly how this bill would work, and, hopefully, reassure her of that.

I am looking forward to next Thursday and, hopefully, Mrs. Dole will be able to join us at that hearing.

Mr. TATE. Mr. Speaker, would the gentleman yield.

Mr. EHRLICH. Mr. Speaker, I want to further yield to my colleague from Washington, but I think my colleague from Maryland raises a very legitimate point. I want to enlarge it, however, because one of the prime criticisms of our initiative has been, quote-unquote, defunding the left.

If anything has occurred over the last few weeks, Mr. Speaker, it is a fact that groups from the right, the middle, and the left have problems with this legislation. I was driven by no particular philosophical orientation in becoming a cosponsor, along with these two gentleman, of this bill, other than my philosophical orientation to give the American taxpayers a break.

We have groups, I know, on the right who have opposed this bill; now we have groups on the left and in the center. I believe the "defunding the left charge" is now an empty charge. And certainly if we look at the groups actively lobbying against this bill, it just does not make sense.

Mr. Speaker, I yield to my colleagues from the State of Washington.

Mr. TATE. Mr. Speaker, I have two quick questions in response to the comments from across the aisle to the chairman of the committee. What is the threshold, Mr. Chairman?

Mr. McINTOSH. The key threshold is that for groups who take no Federal money at all, they are not covered by this provision. They can lobby. They can do whatever they would like to with their money.

For those groups who do take a Federal grant, are subsidized by the taxpayer in their activities, they can spend up to 5 percent of their own funds, no money from the taxpayer but 5 percent of their own funds, to lobby, and we are allowing that so they can be advocates at the local and Federal level. But when they start becoming predominantly a lobbying group and go over that 5-percent threshold, we are asking them to give up that taxpayer subsidy.

They make a choice, Mr. Speaker, they can be a lobbying group or they can be a charity, but we are not going to let them lobby with taxpayer dollars.

Mr. TATE. One last question, I guess a two-part question. One is, the 5 percent, up to the first $20 million. That would work out to be a million dollars in lobbying, is what we are talking about. Not exactly shutting down lobbying, as we know it. They would still be able to lobby. They should be able to get the job done on a million dollars.

And after that first $20 million, as I understand it, it is 1 percent after that. So we are talking about a significant amount of money. We have not ended it all together. We are not limiting free speech, but we are putting some limits so they cannot abuse the process, if I am not mistaken.

Mr. McINTOSH. That is correct, and if the gentleman will continue yielding.

Mr. EHRLICH. Mr. Speaker, I yield to the gentleman from Indiana.

Mr. McINTOSH. Let me also point out another key feature of the legislation. If a group decides to spend up to a million dollars in lobbying, they have to disclose that to their donors, so that we cannot have this secret effort on lobbying on the one hand with a group that is posing as one that is doing good works in charities when they go out to solicit money from the public. I think the donors have a right to know about that activity when they are making contributions as well.

Mr. EHRLICH. Mr. Speaker, reclaiming my time, the gentleman just analyzed the various categories of recipients, and it is true, is it not, that category A, those groups who do not take any Federal grants, account for 9 percent of all the groups we are talking about; is that correct?

Mr. McINTOSH. That is correct, although, as the gentleman from Oklahoma pointed out earlier, those small percentage who do receive Federal funds receive enormous amounts of Federal funds, and yield a disproportionate influence.

Mr. HOYER. Would the gentleman yield?

Mr. SKAGGS. Would the gentleman yield on that point about who is covered?

Mr. EHRLICH. Mr. Speaker, I yield to my good friend from Maryland.

Mr. HOYER. I thank my good friend from Maryland, Mr. EHRLICH, who makes a point that this legislation was originally perceived as defunding, trying to defund the left. He points out correctly that those in the middle and those on the right have now raised similar concerns to those on the so-called left.

As a matter of fact, I have in my hand another letter from Fred Kammer, Father Kammer, who is president of Catholic Charities of the United States of America. I do not know whether the gentleman from Maryland puts them on the left or on the right or in the middle. I would suggest they probably have a number of views which fall into maybe all of those categories at any given time.

Mr. EHRLICH. Depending on the issue, I guess.

Mr. HOYER. Depending on the issue. That is the point I make. I would suggest this is a very serious issue, and we are discussing it seriously, and I think that is important for the American public.

I have read a number of legal opinions, or CRS reports, including Professor Cole from Georgetown University Law Center, the law center from which I graduated. I have not seen a case that justifies or condones or holds constitutional the proscription of private dollars, nonpublic dollars, on lobbying or contact of government or trying to impact on policy activities of nonpublic groups.

Furthermore, let me suggest not only is that why it is a serious issue, because whether it is left, right or middle, we believe this is violative of the constitutional right to free speech and the right to petition one's government, but, in addition to that, I say to my friends, who I know feel very strongly about this, that the issue here is the reason so many of these groups have public funds is because we have decided as a Congress and as a people that it is better to give to the American Red Cross or the Catholic Charities or some other group funds to solve certain problems.

They are not necessarily doing us a favor. We are not doing them a favor by giving them these resources. In fact, we have judged that Catholic Charities does good work, and we want to give them resources because we believe they will more effectively distribute those funds than will the government.

So I say to my friend, as he can see, it is not just that, yes, they have Federal funds, because we have decided that we believe they can apply those funds effectively. As a matter of fact, I think that is consistent with some of the philosophy that Members on the other side of the aisle have discussed recently.

Mr. EHRLICH. Reclaiming my time, I intend to yield to the gentleman from Oklahoma, who is chomping at the bit over there, but, first, two points.

First of all, the gentleman raises a very legitimate point, again, with respect to the mission of these nonprofits and for-profits we are talking about, because that also has been lost in this dialog, the fact that we also cover under our version of this initiative for-profits.

Mr. SKAGGS. And individuals, too.

Mr. EHRLICH. No, no.

Mr. MCINTOSH. Actually, they are expressly exempt.

Mr. SKAGGS. Wrong.

Mr. EHRLICH. Mr. Speaker, the gentleman is right. Over the years, there has built up a momentum so that certain organizations have not only assumed a responsibility for their original mission but also a dual responsibility to advocate on behalf of their mission.

That is the bottom line philosophical question here when we get down to it, where that line really should be drawn. We believe that line has gone out too far, and I think we have some evidence presented with respect to Members of the freshman class, particularly concerning advocacy efforts around the country today in support of that point.

Also, the gentleman from Maryland, being a learned lawyer of good reputation, I will have delivered to his office tomorrow a memorandum from Professor Harrison, I believe from Virginia concerning the constitutionality of the Istook-McIntosh-Ehrlich initiative, which the bottom line is that it is constitutional. In fact, government does this all the time, attaches specific requirements, and I will yield in a moment to the gentleman from Indiana, but I will be glad to engage my friend from Maryland in a colloquy after he has an opportunity to read that memorandum as well.

I will at this time yield to my friend from Oklahoma, Mr. ISTOOK.

□ 1700

Mr. ISTOOK. Mr. Speaker, I thank the gentleman for yielding.

I would like to address the two points that the gentleman from Maryland mentioned, one regarding court decisions. In 1983 the U.S. Supreme Court, in the case of Regan versus Taxation With Representation, addressed that point when a group wanted to engage in lobbying and wanted to have Federal subsidies for that through the Tax Code.

The Court noted that Congress does not have to subsidize lobbying. In fact, the U.S. Supreme Court specified that "The Federal Government is not required by the First Amendment to subsidize lobbying. We reject the notion that First Amendment rights are somehow not fully realized unless they are subsidized by the State."

The notion that the government has to buy you a microphone or buy you a newspaper or give you funds with which to carry on your lobbying activities, I think is blatantly absurd. The taxpayers are not required to subsidize lobbying. If a group wants to lobby, that is fine. That is their constitutional prerogative, but it is not free speech if they say, "We want the taxpayers' money." That is a clear delineation and distinction.

The gentleman also mentioned, of course, Mr. Speaker, something from someone at Catholic Charities, U.S.A. He may not be aware, Catholic Charities, U.S.A. annually receives from the taxpayers, from the government, almost $1.3 billion. It is two-thirds of their operating budget. I think there is a bona fide question, anytime an organization has that level of funding, whether they are really an organization separate and apart from the government, or themselves have become an extension of the government.

If we have that kind of money flowing through the Department of Health and Human Services or HUD or the EPA or the Labor Department or Education or anything else, we would insist upon safeguards to limit its use, to assure it is not used for lobbying or political advocacy.

When any group has that level of its funding, $1.3 billion, just a little under that, two-thirds of its budget coming from the U.S. Government, we have a serious question at what point do they cease to be a private group and become an extension of the government.

We are talking about safeguards with taxpayers' money. We are trying to be very reasonable and prudent in the approach. We are open-minded, we are listening to that, but this is a severe problem that does need to be addressed.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. EHRLICH. I yield again, for the third time, to my colleague, the gentleman from Maryland.

Mr. HOYER. I want to thank profusely my colleague from Maryland, because I know this is their special order, but this is an important issue. We need to discuss it back and forth.

I would say to my friend, the gentleman from Oklahoma, for whom I have a great deal of respect, because he is one of the hardest working Members of this House, he has a good intellect and is industrious in applying that intellect, but I would say to my friend in this instance, he does reference language, but that language refers, as the gentleman knows, specifically and exclusively to taxpayers' money. The gentleman's amendment relates to nontaxpayers money, because it would not be necessary, because under present law, taxpayers' money is already legally precluded from being spent on lobbying activities.

The gentleman seeks to get at non-Federal taxpayers' money. That is the very significant and important distinction that the Court draws. It drew it in

Russell versus Sullivan, it drew it in the Regan case that you referred to, and it has drawn it in every case that I have reviewed.

Mr. Speaker, I would say to my friend, I thank him for yielding, and look forward to reading the memorandum that he is going to provide me with, but that is the nub of this issue. We are not talking about taxpayers' funds, we are talking about private funds.

Mr. EHRLICH. There is also a question here with regard to fungibility, and I know my colleague is going to address it.

If you read the Regan case, it was not a question of whether the subsidy would be received in the form of a check. The question was whether the organization would enjoy the tax-exempt status which, as the U.S. Supreme Court said, is a form of subsidy, just as a Federal check, a direct payment, would also be a form of subsidy.

Mr. ISTOOK. Mr. Speaker, if the gentleman will yield further, speaking both in terms of money received from private sources but protected by the Tax Code, private money but therefore, a form of Federal subsidy, or direct payments from the Government and therefore also a Federal subsidy, the Court applied the same standard in the language of the Regan case to both of them when it mentioned and held that taxpayers are not required to subsidize political activity or lobbying activity, whether that subsidy came in the form of a direct payment from the Government or whether it came in the form of favorable treatment through the Tax Code, even though you were talking about the use of privately earned money.

So I would submit to the gentleman that the Court was addressing funds from a private source as well as funds directly from a public source.

Mr. EHRLICH. Mr. Speaker, I would say to the gentleman from Maryland, I am happy to have had his part of the colloquy. This is a very important issue. He has raised some very important questions. I know you disassociate yourself from some of the terms that were used to describe the three of us during the debate on this floor a few weeks ago. That is why I specifically recognized both the gentleman from Colorado [Mr. SKAGGS] and the gentleman from Maryland [Mr. HOYER]. They are both well respected and we appreciate their input.

Mr. MCINTOSH. Mr. Speaker, will the gentleman yield?

Mr. EHRLICH. I yield to the gentleman from Indiana.

Mr. MCINTOSH. I thank the gentleman for yielding.

This is really in response to the question from our colleague, the gentleman from Maryland. One of the things we heard in our subcommittee over the summer when we had hearings on this was that there are groups out there who receive Federal funds and actually violate the provisions of their grants, and end up using those funds to, in the case that came before us, to conduct a symposium on how to lobby local governments. When the agency was notified of this, they did nothing to prevent that and did not ask that the grant be repaid and, in fact, were implicitly condoning that type of activity.

Therefore, I think some of the bill's provisions we have are aimed at, first, forcing disclosure on how both the private and the public sector funds are spent; and second, making it a very, very clear demarcation that if you are receiving a Federal taxpayer subsidy, you should not be lobbying. That, I think, is a very simple formula that underlies all of this effort, and one that I am very convinced the American people want to see.

Some of the editorial boards in my district have been commenting on this. By the way, they do not agree with a lot of the things I have been trying to do as a freshman Republican in reforming this, but in this area they do think we are on the right track, because, quite frankly, they did not know this lobbying was going on and they do not think it is appropriate to be doing it under the subsidy of a Federal taxpayer grant.

Mr. EHRLICH. It is certainly a new issue, and I think, quite frankly, that has been part of the problem. I know the gentleman from Indiana would agree with me, that certainly has been part of the problem. People were not ready to interpret this issue, to hear the terms of the debate. They really did not know what the status quo was. You may have received some opposition from your local editorial boards, but it is nice to know.

Mr. MCINTOSH. If the gentleman will yield, in this case the editorial boards are strongly in favor of it.

Mr. EHRLICH. That is nice to know, as well.

Mr. MCINTOSH. I will submit for the RECORD some of the editorials they have written. In this case, fairly liberal folks are saying, "You are on the right track, we need to clean up the outfit in Washington and end this government subsidy of lobbying."

Mr. EHRLICH. In addition to your local editorial boards, it is nice to know that groups, highly respected groups like the National Taxpayers Union, Citizens Against Government Waste, the National Association of Wholesale Distributors, the Eagle Forum, the Competitive Enterprise Institute, the 60-Plus Association—in fact, we have two senior citizens organizations supporting this initiative—the National Association of Manufacturers, and the list goes on and on, a lot of these groups appreciate the importance of this particular initiative. That is why they have come forward to support us.

I yield to the gentleman from Oklahoma.

Mr. ISTOOK. Mr. Speaker, I thank the gentleman for yielding. I realize our time is running low. I just want to say that I applaud my colleagues for working on this effort, the gentleman from Washington [Mr. TATE], the gentleman from Maryland [Mr. EHRLICH], and the gentleman from Indiana [Mr. MCINTOSH]. I think this is an extremely important issue.

Again, the heart of the matter I think was summed up, I am told, and I did not witness it, but I am told by a colleague that the President was good enough to appear on a local talk show recently while he was visiting another State. The first question asked him was how he felt about groups that are lobbying receiving Federal grants, taxpayers' money being used to subsidize that. His response was to say, "Well, I am in favor of free speech," and then changed the subject.

The essence of this point is it is not free speech. If you have organizations sometimes receiving a half a million dollars, $1 million, $10 million, $76 million, $100 million, over $1 billion, in one case, that is not what we categorize as free speech. We are talking about public money which has to have public protection. If there were a Federal agency engaging in these matters with taxpayers' money, everyone in this body, I would hope, would be outraged. When Federal money is being used to more or less have extensions of Federal agencies or extensions of a political party to do their bidding, that money deserves to have the same safeguards as if it were being spent directly through a Federal agency, and we are trying to honor that principle.

Mr. EHRLICH. What we are really talking about, at a very bottom line, fundamentally, is the Federal taxpayer's dollar being spent on direct service, actually helping the American people. I congratulate the gentleman from Oklahoma [Mr. ISTOOK] for his great leadership on this bill as well.

I yield to the gentleman from Indiana.

Mr. MCINTOSH. The gentleman is exactly right. We are talking about using this Federal money for real services that help people, in contrast to what our colleague, the gentleman from Washington [Mr. TATE] pointed out, where they are funding the big lie and misleading the public about very important issues.

Mr. EHRLICH. What better lead-in to close our colloquy than to yield to our friend, the gentleman from Washington [Mr. TATE].

Mr. TATE. Batting clean-up on this, I just want to thank the gentleman from Maryland [Mr. EHRLICH], the gentleman from Indiana [Mr. MCINTOSH], and the gentleman from Oklahoma [Mr. ISTOOK] for their leadership on this particular issue, and once again to reiterate $39 billion every single year is spent on lobbying. It comes in many forms, whether it is lobbying against the flag amendment, which we recently had on the floor, or right back in my own district where they are funding $165,000 in radio and television commercials spreading the big lie. And once again, that is taxpayer-funded, if not directly, indirectly, subsidizing the spreading of the big lie.

What we are trying to do, as the chairman, the gentleman from Indiana [Mr. McINTOSH], has said, is bring trust back in Government. People will know that when money is sent to the Government, it is being spent as it is designed, not for partisan politics. It should be spent to help the people of the United States and spent wisely. What we are trying to do is bring trust and responsibility back to Government, and this really puts faith back in Government. I am excited by what you folks are doing, and I just want to commend your work on this issue.

Mr. EHRLICH. Directed to the gentleman from the State of Washington, you have helped me to regain some of my faith; not that I have lost much, it has been a great 8 months here, but your constituents can still discern the difference between the truth on one hand and a lie on the other, and I think you will be all the better for it. I thank my colleagues very much.

AMERICAN CITIZENS RECENTLY SENTENCED TO IMPRISONMENT IN COMMUNIST VIETNAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 30 minutes.

Mr. DORNAN. Mr. Speaker, we have a tragic situation going on, as this, the most powerful, deliberative body in the free or democratic world, meets. We have American citizens sentenced to 7 and 9 years of imprisonment in Saigon, and some day it will be renamed Saigon again, not named after a Communist killer named Ho Chi Minh. Just as Lenin's name was removed from beautiful St. Petersburg in northern Russia, and as Stalin's name was removed from a strategic battle area in World War II, Stalingrad, and the city has back its less bloody name of Volgograd, some day it will be Saigon again. So as a free man, I will continue to call it Saigon.

In Saigon, and I want to speak slowly for our official recorder of debate here, so we get these names right, and unfortunately, the Americans sentenced to prison in Saigon are naturalized Americans; as was Alexander Hamilton naturalized, as is Henry Kissinger, as are a lot of great Americans who have invented things and fought and died for this country and our liberty.

Unlike Harry Wu, who I had a chance to meet as he was testifying before the Committee on International Relations of the gentleman from New York, BEN GILMAN, they did not affect Christian first names, probably because they are not Christians, they are Buddhists. But if they had taken an anglicized name, it would be easier to imprint in the consciousness of the American people and freedom-loving people in Europe and around the world the name of a victim of Communist tyranny, as we were able to do with Mr. Wu, because he took my father's first name, Harry. "Harry Wu" became a battle cry for liberal Democrats like the gentlewoman from California, NANCY PELOSI. It got all mixed up with the trip of the First Lady over to the Beijing Conference, the very controversial U.N. conference.

□ 1715

So much international pressure that the Chinese communists in Beijing knew there would be no trip of Hillary Clinton if they did not release Harry Wu.

But meanwhile, in the other Chamber, and I am going to go slow here so that I do not skirt a line and violate comity with the other Chamber on the north end of this building. But how is it that the Senate could vote yesterday blocking Senator BOB SMITH of New Hampshire's reasonable amendment, endorsed by the chairman of Foreign Affairs, Mr. HELMS, the chairman of Defense, Mr. STROM THURMOND, and the leader of the Senate and leading presidential candidate, BOB DOLE? How is it that a bunch of Republicans over there could dismiss Senator SMITH of New Hampshire's reasonable amendment that no trade negotiations could be furthered with United States taxpayers' money, let alone setting up an embassy in the communist capital of Hanoi, unless these human rights violations are reversed and these two Americans are set free, as Harry Wu was set free in China, and that we get a fullest accounting, that is a very key word. Not "full" or "fully." But "fullest" means reasonable accounting with the communist giving up the politburo and the Communist Central Committee records on our missing in action.

Unless those two things, and a handful of other reasonable small things, are conformed with by this communist government in Hanoi, as we put tremendous pressure on Castro and the communist government in Havana Cuba today, unless these reasonable requests are taken care of, then no money from the taxpayers of the United States Treasury should be provided to the communist government in Hanoi.

There is a cover story on a national magazine in the last couple of weeks about communism being far from dead. Not as long as it is persecuting 1,260,000,000 people in China. That is the United States plus a billion people. Not as long as Russia is rebuilding its KGB apparatus under a new name, under one of their old leaders, Yevgeniy Primakov. I have met with him in KGB headquarters with HENRY HYDE some years back. He is now helping to build up the intelligence capability of terrorist states like Iran, so designated by the State Department, even under liberal leadership under Clinton's appointed secretaries and under Secretaries.

Not only do we have that emerging problem in the much-reduced empire that is now down to Russia and a few adjoining countries they consider within their hegemony, countries that rely on them for gas and oil and other critical things to keep cities running. There are terror regimes still, depending on how you count the numbers of people that are terrorized, in Cuba, North Korea, we do not get much argument on North Korea, and communist Vietnam.

Very few, if any, Democrats in the other body, and most of the Republicans who voted against Mr. SMITH, all of them as a matter of fact, they dropped the word "communist" from any discussion of Vietnam and Hanoi, using it occasionally because "socialist" is in their title, as it was with all the communist countries at the height of the cold war when they were killing and jailing people by the tens of thousands, and killed hundreds of thousands, if not millions, in the Vietnam Southeast Asia area and in the Korean War. They always substituted the word "socialist" for "communist." Even they knew the dreaded impact of the word "communist."

But with Cuba, North Vietnam, now all of tortured Vietnam, North Korea, and communist China still engaging in massive human rights violations, why are two naturalized United States citizens written off, rotting in prison for 2 years this November in Saigon?

Here are their names: Nguyen, N-G-U-Y-E-N which is the Vietnamese cultural equivalent to Jones and Smith combined. It is the most common name in Vietnam society. Nguyen Tan Tri. Not a hard name to remember. Nguyen Tan Tri.

He was given a 7-year sentence. Tran Quang Liem. My ninth grandchild is named Liam, Irish-Gaelic. Liem should not be so hard to remember. Mr. Tran and Mr. Nguyen, 7 and 4 years respectively sentenced, and the U.S. State Department said it was unwelcome; that it was an unwelcomed deed.

Further on in the press release from an Associated Press story on August 16, the day after they were sentenced during our break; no one here to speak up for them on the House floor, myself included, the State Department statement goes on further to say that it was "disappointing." "Disappointing and unwelcomed."

Disappointing, because the sentence happened 6 days after the U.S. Secretary of State, in the job that was first held by Thomas Jefferson, whose beautiful marble medallion is up here, Warren Christopher posed in front of a bust of communist killer, Ho Chi-Minh, and 6 days later American citizens are sentenced to 6 and 4 years. Teddy Roosevelt, where are you when we need you to speak up for these two lost American citizens, Nguyen and Tran?

And by the way, they are both constituents of the Orange County delegation from southern California. Then, another constituent who used to be one of mine when he first fled communism and arrived in Westminster, that city since the reapportionment is now represented by my pal, DANA ROHRABACHER, this gentleman is thrown in prison—a businessman who went over there to promote democracy peacefully. But the communists have found out that if they capture businessmen, just like they are some Mafia thug operation, they can demand from their family in the United States ransom money, like it is King Richard the Lionhearted.

We will spit them out of our communist country if you give us ransom money; $15 thousand is the going price. This businessman from Westminster, a member of the Lien Viet party, his name is Van Thanh Nguyen.

Here is a lady from Corona, just up the road from me, the first city out of my district into L.A. County. She is another businesswoman, one of seven thrown in prison, ransom being demanded on them. Her name is Mrs. Binh Thy Nguyen, and then her married name, Tran. You can call her for short, Mrs. Binh Tran. She is rotting in prison.

She was pregnant when they arrested her, and because she was 2 months pregnant and in great emotional distress and complications set in, they forced her to have an abortion. This is not China I am talking about, killing babies for gender selection and infanticide, on top of an abortion Holocaust even worse than the United States toll of 1,500,000 American babies killed in their mother's womb. This is forced abortion in Saigon by a communist government. It is unbelievable.

How about a monk, a Buddhist monk? Considering how it turned America's newspapers upside down when Buddhist monks immolated themselves in 1963 and 1964. Here is a monk who, without government permission, went to help the flood victims of the constant flooding, seasonally, of the Mekong River, and because he did it as a religious person, a Buddhist monk and a leader, he gets 4 years in prison. I will look up the exact time he is going to have to rot in prison. He goes to prison. They would not even give him the dignity of his religious name. His religious name is Thich Quang Do. They tried him under his former name, before he became a priest, and he is a deputy leader of the Unified Buddhist Church in Vietnam. But that is a church that believes in a Supreme Being, so it is banned in Vietnam.

They said, "You are undermining national solidarity," these are the communists speaking, "and taking advantage of the right of freedom and democracy to damage the interests of the government and social institutions."

So, of course, great bipartisan groups like Human Rights Watch/Asia, have attacked this. Again, weak words from our State Department. So the Ho Chi Minh City, that is Saigon, People's Court jailed this monk for 5 years.

This is going on while the U.S. Senate debates, and my colleague, BOB SMITH, pours his heart out. And then another one of my friends gets up and attacks me and another couple of Members of this House.

PARLIAMENTARY INQUIRY

Mr. DORNAN. Mr. Speaker, I may have to ask for some parliamentary guidance on this. I was described as insignificant, Mr. Speaker, by a U.S. Senator. That is OK. I am a peacetime combat-trained warrior. But our colleague and friend, one of the greatest heroes, including all the heroes who came home from World War II, who serves in this Chamber, was attacked also as insignificant, SAM JOHNSON of Dallas, TX.

SAM spent 7 years in Communist captivity; 3½ years in solitary confinement. Was one of the most tortured men, and one of those so loyal that like other people, would not play basketball or volleyball or decorate fake Christmas trees, because he knew they would be filmed and used in propaganda films. He and 10 other men stood up to the Communist manipulation of them.

He was put in a little camp that they, with great American bravado and spirit, called Alcatraz, and for 11 years, Senator Jeremiah Denton, who served 6 great years in the other body, and Coker and McKnight and another hero who just died recently in a plane crash that his grown son mercifully survived, God's calls are strange indeed, sometimes. Eleven of the best, including a man who got the Medal of Honor that Alcatraz camp, who Ross Perot chose to be his Vice President in 1992, James Bond Stockdale.

They are all on a letter that I will put in the RECORD saying that we should not normalize relations with Vietnam.

My squadron commander, Robby Risner, also tortured months on end, as was SAM JOHNSON and James Bond Stockdale, decorated with the Air Force Cross. They are in agreement with me. Are they also insignificant, as this Senator has called me?

I want to ask a question to the Chair, because I want this to be perfect, what I put in the RECORD according to our rules of the House. Since I am mentioning a Senator, responding to him, trying to be respectful, I am not allowed to mention his name; is that correct, Mr. Speaker? Would you ask the Parliamentarian.

The SPEAKER pro tempore (Mr. HOBSON). For the benefit of the Member, the Chair will read the pertinent language of clause 1 of rule XIV. "Debate may include references to actions taken by the Senate, or by committees thereof, which are a matter of public record, and factual descriptions relating to Senate action or inaction concerning a measure then under debate in the House, but may not include characterizations of Senate action or inaction, or other references to individual Members of the Senate."

Members will recall that on October 8, 1991, the Chair held as unparliamentary remarks in debate advocating certain Senate action with respect to the pending nomination of Judge Clarence Thomas for appointment to the Supreme Court.

Members should be guided by that recent precedent. The Chair expects the cooperation of all Members in maintaining a level of decorum that dignifies the proceedings of this body and maintains comity with the other body.

Mr. DORNAN. Mr. Speaker, you will certainly get that. Let me ask one clarification problem. Yesterday's CONGRESSIONAL RECORD is public record now. Now, how can I discuss that debate and the words in that debate? Further clarification, if I do not mention a Senator's name, can I read his—well, I have already eliminated the seven or eight women over there—can I read his remarks from the public RECORD, the CONGRESSIONAL RECORD of yesterday? I know I can give the results of the vote.

The SPEAKER pro tempore. It is the Chair's understanding that the reference is improper unless there is a measure under consideration in the House.

Mr. DORNAN. There is.

The SPEAKER pro tempore. Only when under debate, then on the floor of the House, that the gentleman should refrain from referring to the proceedings in the Senate.

Mr. DORNAN. Right There is nothing on the House floor now, except my Special Order. So that is not the business relating to this business of Vietnam.

However, we have in conference a unanimous agreement by voice vote, with the only debate carried by the aforementioned SAM JOHNSON of Dallas, TX, a House item in our International Relations conference that no money shall be expended from the U.S. Public Treasury to send an ambassador to Vietnam, or to increase the size of our delegation there beyond what is was on July 12.

Now, since that has already passed the House and it is in conference, and the conference is pending, and I am meeting with the conferees in 5 minutes, does that make me able to make the case in countervention to the Senate case made yesterday that lost 58 to 39?

□ 1730

The SPEAKER pro tempore (Mr. HOBSON). The short answer is no, you may not speak in characterization of that.

Mr. DORNAN. Right. OK, let me broaden this.

Mr. Speaker, I am not a courtroom attorney, and I do not want to be unfairly clever since I have already mentioned part of this, and do a Jonathan Swift "Gulliver's Travels" trick here that I see happen all the time on the other side of the aisle now, and talk about characterizations. But let me broaden it out then to those people out there in America who try to compare Vietnam to Germany where we won the war, hung the war criminals, walked the battlefields, solved most missing in action, captured most of the archives, and sill had young Americans disappear into Stalin's gulag. Because our Soviet ally became our enemy before the ink was dry on the German unconditional signed surrender.

When this debate is couched in these terms on Communist Vietnam, that people hope the debate will go away, that it is over, the inflammatory language coming only from the House of Representatives, so few in number, although there is more than a few of us, that we are insignificant, that Mr. Clinton was right to normalize relations with Vietnam. Actually, that was his fifth deed in a rapid 18 months to try and insert this Communist dictatorship into the civilized nations of the world. And when people say that the Nation breathed a sigh of relief that Vietnam was finally over, it is not over for the families of missing in action Americans.

It is not over for the families of all of these people I have just discussed who are now in filthy, Communist dungeons in Saigon. It is not over for those who were arrested and thrown in prison in Hanoi for wanting open elections. This is what is causing Castro to be embargoed into his fourth decade, because he will not have an election. He is dictator for life.

What do we have in North Korea? For the first time in history, the worst of royal bloodline governments combined with Communist tyranny. A vicious dictator, Kim Il Sung, turns the reigns of power over to his pornography-loving and collecting son, Kim Jong Il, and it is ill for the country.

They are busy with Communist China and Iran, developing missiles and nuclear warheads to combine them with those missiles, and we have to spend millions and millions of United States taxpayers dollars to watch them like a hawk, with satellite imagery and slant imagery from outside their borders to make sure that they do not ignite that whole pathetic torn little peninsula into yet another Korean war.

Remember, when Clinton went to the dedication of one of the most stirring, tear-ripping memorials in this city, the Korean War Memorial, different from the Vietnam Memorial which was made sacred the second the first hero's name was chiseled into the wall, but to this date, still does not have an American flag on it. The American flag was pushed into the woods along with the statute of three heroic Americans coming out of the woods looking at the State Department, one African-American, one Hispanic heritage American, and one just generally Anglo-looking American. That statue and a plaque at the base of the flag that says they served under difficult circumstances. Yes, alluding to a war criminal named Robert Strange, and Strange is his mother's maiden name. People ask me if I made that up. Robert Strange McNamara, a war criminal, is on his way to Hanoi and it is being set up for him by the Council on Foreign Relations.

Friends of mine like our speaker and Alexander Haig and Bill Buckley, my pal, and other distinguished Americans who belong to the Council on Foreign Relations, ask me why I have never joined and why my friend, Ronald Reagan, who slam-dunked George Bush in 1980 on February 23, 1980, and I was the only one there for Reagan when he said, "I do not belong and I never will."

They wonder why some of us find not a conspiracy, but an elitist group, people who do not care about the average family as kids die in these wars. They are sending a team over to Hanoi next week to grease the path for war criminal Robert Strange McNamara who walked off the battlefield on the bloodiest month of the war, January 30 through February 29. He resigned on leap year day, February 29, 1968, so he would only have to think about it every 4 years, and then he went on vacation for a month at Aspen and skied while our hospitals were filled to capacity, the worst month of the whole 10-year decade, with amputees, double amputees and yes, triple amputees, more blind American soldiers in hospitals, four or five nurses dead, women captured and dying on the Ho Chi Minh Trail, forced marches up to the North, and McNamara is skiing in Aspen for the whole month of March in 1968.

But that wasn't enough. Then he went to the Caribbean for another week to meet with officials that he was going to serve with at the World Bank, and then he went off to the World Bank, thanks to one of our corrupt Presidents, corrupt in all of the history books if you read them, and not even carefully, either, it is right out there blatant. Ask Bill Moyers about corruption, including womanizing.

Then we see McNamara at the Caribbean about to start drawing his World Bank salary that he drew for 13 years at $250,000 a year. I must slow down and say this carefully three times: Tax free, tax free, tax free, and the Library of Congress told me in now dollars that is between $900,000 and $1 million a year. For 13 years McNamara, the architect of Vietnam, who created that immoral, sick vocabulary of gradualism, escalated response, strategic hamlets, body bags, fire fights, body counts, free fire zones, and the worst of all to airmen, Mig sanctuaries and SAM missile sites protected as they are built and only allowed to be targets intermittently after they have killed your wing man. Unbelievable.

And people are saying, in this city, that it is good, that Vietnam is over and the American people overwhelmingly want it over.

Well, I guess I cannot put the CONGRESSIONAL RECORD in the RECORD here. It would be redundant, but I would like it to be a part of my debate, so I would ask people, the million-plus audience of C-SPAN who quite intelligently and historically follows the proceedings of this Chamber, Mr. Speaker, I would tell them that I can read this, something congratulatory, BOB DOLE saying he hopes the House language prevails on the Missing In Act we are trying to enact into law. Here is a letter from 85 former POW's. Lt. Gen. John Peter Flynn, Robinson Risner, Brigadier General, my former squadron commander, SAM JOHNSON, our proud Member of Congress, Eugene "Red" McDaniel, the most tortured man in all of those captive men. Anybody tortured beyond him died under torture. And "Red" was one of the ones that helped to get this letter. I am looking at those who have written great books and are still inspirational speakers. Charlie Plum. It is a roll call of the bravest and the best. Michael Benge, who was over there 11 years, Col. Ted Guy, who testified before my Military Personnel subcommittee on June 28, Ted Guy, 4 years in solitary confinement. He was Senator JOHN MCCAIN's commander at the Plantation POW camp.

Look at this list. Here is Jack Bomar, one of the four colonels. They had four bird colonels in their hands. Leo Thorsness is my pal, Medal of Honor winner, former Senator in the State of Washington, now president of the Medal of Honor group.

As former POW's in Vietnam, here is what they say led by Red McDaniel, now president of the Defense Policy Association, "I strongly support the House version of the Missing Persons Act." And yet on "Meet The Press," a member of a legislative body around here told me that my figures were wrong when I said most POW's supported the gentleman from New York, Mr. GILMAN, and BOB DOLE'S language on this.

Here is a letter from the National Alliance of Families. I have a letter from Ann Griffith and the League of Families. Here is a letter from the Korean Cold War Family Association of The Missing. These three I am pretty sure, yes, I know I can put them in the record. Vietnam Veterans of America. The Marine Corps League, just came in yesterday. A letter to FLOYD SPENCE, chairman of the Committee on National Security from Ted Guy. Veterans of the Vietnam war from their program director.

Mr. Speaker, I will include all of these following my remarks.

Disabled American Veterans. A letter to my counterpart on the Senate side, chairman of the Senate Armed Services Subcommittee on Military Personnel to DAN COATS, our good friend and colleague who served with us here. From John Sommer, executive director of the American Legion. I cannot put that in, because it is critical of a member of the other body. The sister of Maj. Robert F. Coady begging that it go in. Pat Plumadore, who has lost a family member. The sister of a marine missing. When I went on "Meet The Press" and said that overwhelmingly, veterans groups want this Missing Persons Act, so we will not relive the nightmare of Korea and Vietnam and oppose normalization with Vietnam. When I said most POW's, when I said most Vietnam veterans of that conflict and Vietnam veterans of Korea, when I gave the percentages on most Vietnamese-Americans, and it is about 85 to 95 percent, when I talked about every person of the Democratic Freedom groups in Vietnam and in this country, and there is 1 million Vietnamese-Americans, about 700,000, 800,000 already American citizens, another 200,000 or 300,000, they have great family respect, a better than average birth rate among the Vietnamese community. This year or next, the Vietnamese-American community will tie the valiant anti-Communist Cuban-American community, and the valiant anti-Communist Hungarian-American community. When I gave all of those figures, someone from another legislative body says, "I do not buy any of Congressman DORNAN's figures or percentages or statistics," but offered none on the other side. These are the facts. Get the RECORD from today. I would hope, Mr. Speaker, that any American would get the RECORD from today and read how those of us, who are not insignificant, who are fighting for the honor of the 58,300 men and 8 women's names who are on that wall who should be honored with a plaque at the apex of the wall that simply says, "These good Americans died fighting Communism." Because Vietnam and Korea melted down the cold war, as its two biggest bloodletting subsets in what John F. Kennedy called that long twilight struggle against communism that is not over yet. And for the Vietnamese-American community, as I told them up in New York on August 19, you must study the success of the anti-Communist Cuban-American community and get into the political process, get your LINCOLN DIAZ-BALART's and ILEANA ROS-LEHTINEN's and BOB MARTINEZ's on the other side of the aisle, get people of your heritage elected to this body so that they can speak up to those who would dismiss all of this history in this long struggle, bloody struggle against communism that still goes on against China, Vietnam, North Korea, at least we kept half of that peninsula free, and yes, Cuba, 90 miles from Key West.

Mr. Speaker, I will keep returning, as I told several U.S. Senators in conference, I will return to this issue until the day I die. The motto is, "faithful until death," for me. I am not going to forget the missing or what communism did to Southeast Asia, what it did to Cambodia, the killing fields, Laos, Vietnam with over 100,000 executed, 68,000 people who befriended us, thought we were a superpower and a reliable ally, and they were executed under death orders, under the same Communist killers that shake hands with Members of Congress or are toasted to by Members of Congress and by General Giap who is called a war hero. General Giap is a war criminal who ordered children to be killed. I shall be back on this issue.

Mr. Speaker, I include for the RECORD the material previously referred to.

AMERICAN DEFENSE INSTITUTE,
ALEXANDRIA, VA,
September 18, 1995.

Hon. ROBERT K. DORNAN,
U.S. House of Representatives,
Washington, DC.

DEAR CONGRESSMAN DORNAN: As a former POW in Vietnam and now president of a defense policy organization, I strongly support the 1995 House version of the Missing Persons Act (H.R. 945). I am dismayed to learn of the efforts of some to "water down" this important legislation and decrease its impact.

I can think of nothing more critical to the morale of our fighting men than to know that, if they should go missing while fighting America's battles, their country will do everything humanly possible to determine their fate. Especially in view of the tragic manner in which information about our MIAs and POWs in Southeast Asia has been handled by our government, active duty personnel and their families need reassurance of their nation's commitment to them—and in the strongest language possible!

It is hard for me to imagine any high-ranking military officer implying that limited time and resources during conflict preclude accounting for missing soldiers. How can such an officer possibly lead men into battle? Accounting for missing personnel is a matter of military honor—and a matter of national honor.

Sincerely,
EUGENE "RED" MCDANIEL,
CAPT, USN (RET),
President.

Attachment:
John Peter Flynn, Lt. Gen, USAF (ret).
Robinson Risner, Brig. Gen, USAF (ret).
Sam Johnson, Member of Congress.
Eugene "Red" McDaniel, CAPT, USN (ret).
John A. Alpers, Lt. Col, USAF (ret).
William J. Baugh, Col, USAF (ret).
Adkins, C. Speed, MAJ, USA (ret).
F.C. Baldock, CDR, USN (ret).
Carroll Beeler, CAPT, USN (ret).
Terry L. Boyer, Lt. Col, USAF (ret).
Cole Black, CAPT, USN (ret).
Paul G. Brown, LtCol, USMC (ret).
David J. Carey, CAPT, USN (ret).
John D. Burns, CAPT, USN (ret).
James V. DiBernado, LtCol, USMC (ret).
F.A.W. Franke, CAPT, USN (ret).
Wayne Goodermote, CAPT, USN (ret).
Jay R. Jensen, Lt. Col, USAF (ret).
James M. Hickerson, CAPT, USN (ret).
James F. Young, Col, USAF (ret).
J. Charles Plumb, CAPT, USN (ret).
Larry Friese, CDR, USN (ret).
Julius Jayroe, Col, USAF (ret).
Bruce Seeber, Col, USAF (ret).
Konrad Trautman, Col, USAF (ret).
Lawrence Barbay, Lt. Col, USAF (ret).
Ron Bliss, Capt, USAF (ret).
Arthur Burer, Col, USAF (ret).
James O. Hivner, Col, USAF (ret).
Gordon A. Larson, Col, USAF (ret).
Robert Lewis, MSgt, USA (ret).
James L. Lamar, Col, USAF (ret).
Armand J. Myers, Col, USAF (ret).
Terry Uyeyama, Col, USAF (ret).
Richard D. Vogel, Col, USAF (ret).
Ted Guy, Col, USAF (ret).
Paul E. Galanti, CDR, USN (ret).
Laird Guttersen, Col, USAF (ret).
Lawrence J. Stark, Civ.
Michael D. Benge, Civ.
Marion A. Marshall, Lt. Col, USAF (ret).
Richard D. Mullen, CAPT, USN (ret).
Philip E. Smith, Lt. Col, USAF (ret).
William Stark, CAPT, USN (ret).
David F. Allwine, MSgt, USA (ret).
Bob Barrett, Col, USAF (ret).
Jack W. Bomar, Col, USAF (ret).
Larry J. Chesley, Lt. Col, USAF (ret).
C.D. Rice, CDR, USN (ret).
Robert L. Stirm, Col, USAF (ret).
Bernard Talley, Col, USAF (ret).
Paul Montague, Civ.
Leo Thorsness, Col, USAF (ret).
Robert Lerseth, CAPT, USN (ret).
Ray A. Vodhen, CAPT, USN (ret).
Richard G. Tangeman, CAPT, USN (ret).
John Pitchford, Col, USAF (ret).
Steven Long, Col, USAF (ret).
Brian Woods, CAPT, USN (ret).
Dale Osborne, CAPT, USN (ret).
Ralph Galati, Maj, USAF (ret).
Ronald M. Lebert, Lt. Col, USAF (ret).
Harry T. Jenkins, CAPT, USN (ret).
John C. Ensch, CAPT, USN (ret).
Render Crayton, CAPT, USN (ret).
Henry James Bedinger, CDR, USN (ret).
Brian D. Woods, CAPT, USN (ret).
Read B. Mecleary, CAPT, USN (ret).
Ted Stier, CDR, USN (ret).
James L. Hutton, CAPT, USN (ret).
John H. Wendell, Lt. Col, USAF (ret).
John W. Clark, Col, USAF (ret).
Carl B. Crumpler, Col, USAF (ret).
Verlyne W. Daniels, CAPT, USN (ret).
Roger D. Ingvalson, Col, USAF (ret).

SEPTEMBER 20, 1995.

Hon. FLOYD SPENCE,
U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN SPENCE: Strong legislation that will ensure the accountability of past and future missing in action (MIA) and prisoners of war (POW) is an absolute necessity. The revelation in the September 18, 1995, U.S. News and World Report concerning former President Bush and the Vietnam POW/MIA issue confirms this necessity.

Many former POWs, family members, activists and I have long suspected and have knowledge of Hanoi continually lying about the accountability of POWs and MIAs. I, and I suspect many others, have felt that U.S. government officials aided and abetted in these lies in an effort to save face. Thus the necessity of a strong and enforceable "Missing Persons Act."

As you may or may not know, I was the Senior Ranking Officer (SRO) of all prisoners captured in South Vietnam and Laos and separately interned in North Vietnam. During and after "Operation Homecoming" it was disclosed that some of us had been declared 'Killed in Action. Body not Recovered' (KBNR). In at least one case, one of my enlisted men's "remains" had been returned to the United States and buried! Needless to say, he was still very much alive.

The term missing in action (MIA) should be banished and all persons who disappear during a conflict should be carried as alive unless there is overwhelming evidence that survival was impossible. This alive status should continue until board action can determine status after the cessation of hostilities. No one expects all to be accounted for, but the lessons of Vietnam strongly suggest that premature actions were taken. The cost of pay and allowances to the family is insignificant when compared to other daily expenditures of the U.S. government.

I assure you that Senator John McCain does not speak for the families of the non returned nor for the majority of the returned POWs. As I recall, Senator McCain was the leading advocate of normalization with Vietnam, a move strongly opposed by many former POWs and many veterans' groups. To let McCain solely influence decisions concerning the "Missing Persons Act" is a discredit to the suffering families and concerned POWs.

Sincerely,

THEODORE W. GUY,
Col. (Ret) USAF,
Former POW 68–73.

SYRACUSE, NY,
September 11, 1995.

Hon. DAN COATS,
U.S. Senate, Washington, DC.

DEAR SENATOR COATS: As the sister of a Marine missing from the Vietnam war, I implore you to support the House version of The Missing Service Personnel Act of 1995. Any change from the language of the House version of this Bill would be yet another obstacle on the path to truth and/or closure for the families of our nations missing heroes and abandonment of our loved ones by this government once again.

Sir, no one, not the President, DOD, the Service Casualty Offices, nor the people supposedly responsible for accounting for our missing, ever seem to listen to the voices that have been screaming for help in unraveling the mystery of this travesty for so many long, long years. What has happened to my brother and subsequently, to his family, is a horror story that at times seems unbelievable even to me. I have lost faith in so many things that I held sacred and dear, my President, my party, my confidence in the honor and honesty of my elected officials. It appears that one of the first Orders of THE NEW WORLD is to wipe the slates clean without any real accounting, and to never, never use the words POW/MIA again.

Please, I beg you, don't let yourself be influenced by those who have their own agenda and who believe that money and the love of money are more important than my brother. My brother Kenny was left behind in 1967, please don't allow them to leave him behind again. We, the families of the missing, need this legislation as it is written by the House. If you could walk in our shoes for even one day, maybe you would understand why it is so important. My last attempt at getting answers from our government resulted in their telling me it would cost me $3,147.00 to process my FOIA request. Our government lost my brother, yet they want me to pay to find out how and why!

Please do not let the language of this bill be changed in any way?

Sincerely,

PAT PLUMADORE.

THE NEW YORK TIMES,
July 12, 1995.

It may be that many Republican primary voters, a more conservative subset of the more conservative party, are more opposed to Mr. Clinton's action than are Americans as a whole. Mr. Dole's stance may play well with them.

But the steps along this road that Mr. Bush and Mr. Clinton took earlier, including the lifting last year of a 19-year embargo on trade with Vietnam, failed to produce the groundswell of protest that the die-hards predicted. And Vietnam is now clearly a land of opportunities, which will inevitably draw much more American investment and many more visits by American tourists.

As a web of everyday political and economic links grows between the United States and Vietnam, as more and more Americans come to know Vietnam at peace, the old passions, already nearly spent for most Americans, will seem increasingly irrelevant. Normality is the enemy of grudges and hatreds.

At any rate, the deed is done. Congressional threats to withhold money for an American embassy in Hanoi are likely to come to nothing. Mr. Clinton acted just as the question of full diplomatic ties was beginning to be sucked into the vortex of the 1996 campaign. He could not have waited much longer, and by moving now, he may benefit from looking resolute on a tough issue.

Reminiscing this morning with a reporter he has known since the days of air raids over Hanoi and ground combat in the Central Highlands, Senator McCain commented that he was determined that his generation not leave a legacy of anger and vindictiveness.

"I got over the war about 45 minutes after the plane bringing me home took off from Hanoi," he said. "But not everyone feels that way. Some people hate me for backing this, call me the Manchurian Candidate, say I'm a collaborator, the most awful stuff. There will always be people like that, but fewer and fewer. Not many people talk about the dirty Japs anymore."

MARINE CORPS LEAGUE,
September 18, 1995.

Hon. ROBERT DOLE,
U.S. Senate, Washington, DC.

DEAR SENATOR DOLE: Why haven't you used your powerful position as Senate Majority Leader to push the House of Representatives language of the Missing Service Personnel Act of 1995?

We support the House language of the Missing Service Personnel Act of 1995.

Semper Fidelis,

WAYNE R. SILL,
Nat'l Chairman, POW/MIA Committee.

VIETNAM VETERANS OF AMERICA, INC.,
Washington, DC, Sept. 14, 1995.

Hon. BOB DORNAN,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVE DORNAN: Vietnam Veterans of America (VVA) urges you to preserve the House-passed provisions derived from the Missing Service Personnel Act (Section 563) as the conference committee deliberates the Defense Authorization Bill (HR 1530). The House-passed provisions are preferable, as they provide enhanced protection for families of service personnel listed as Missing-In-Action (MIA).

The Missing Service Personnel Act is a critical piece of legislation for MIA families because it would spell out in law a procedure for handling the very delicate question of how and when a member of the Armed Forces considered missing-in-action can be declared legally dead. VVA believes this legislation will correct mistakes realized in past wars. Most importantly, families would know what to expect and would be spared years of turmoil and pain.

VVA greatly appreciates your strong support for this legislation in the past, and urges you to maintain the House-passed language in the Defense Authorization conference report.

Sincerely,

JAMES L. BRAZEE, Jr.,
President.

KOREAN/COLD WAR FAMILY
ASSOCIATION OF THE MISSING,
Coppell, TX, Sept. 18, 1995.

Representative ROBERT DORNAN.

DEAR SIR: The families of the POW/MIA's from the Korean War (8,177) and the Cold War (139) sincerely request your assistance in passing the SB 256 in its original language which was very similar to that of the HR 945. It has come to our attention that Senator McCain and possibly others on the review committee are attempting to "water down" this bill. It is the view of the Families that this bill has already been "watered down" in excess.

We, the Families of the Missing, have been battling the bureaucracy for over 40 years, just trying to get the truth as to what happened to our loved ones. We have been shunned, hung-up on, ignored, called crazy and generally demeaned for requesting information to which we are entitled.

Most importantly, the Prisoners of War and the Missing in Action are denied their civil rights under the old Missing Service Personnel Law. This law was intended to financially assist the Families of the Missing. We did not know that this law would be used to "write off" the Missing. Even though the HR 945 is not nearly strong enough, it does give the Families some recourse when the government FAILS to do its duty by these Missing Service Personnel.

There have been letters written by Generals and Department of Defense personnel saying this new bill would put undue burden on them to account for their troops. If this is their attitude, God help the men and women they send into battle because their leaders certainly will not.

We would like to hear your response to our request.

Most sincerely,

PAT WILSON DUNTON,
President/Founding Director.

NATIONAL ALLIANCE OF FAMILIES,
Bellevue, WA, Sept. 19, 1995.

Re U.S. House of Representatives' Version of the "Missing Service Personnel Act of 1995"

(Attention: Mr. Duke Short.)

Hon. STROM THURMOND,
Chairman, Armed Services Committee,
Washington, DC

DEAR SENATOR THURMOND: The more than 10,000 members of the National Alliance of Families categorically support the above "House version" of this legislation which will make great strides in correcting the errors of the past and prevent a repeat of those errors during future conflicts.

Specifically, we endorse the provisions which call for board review at three year intervals, access to information for "immediate" family members, judicial review and retroactivity.

Many, including ranking military officers, are attempting to water down this relevant legislation claiming "reopening and mandatory review of cases from the past . . . will only cause great emotional and financial strain on the families involved." NAF membership glaringly resents the condescending and patronizing attitude of the Pentagon. Our family members wish the right to choose for themselves; if they will or will not avail themselves of those provisions cited in the "House version" of the "MSPA 1995". For too many years, the U.S. Defense Department has been allowed to "act" on behalf of the families, choosing what information was or was not submitted to the families for review. Due to research in the National Archives and the Library of Congress, many of our family members are only now, after twenty to forty years after the fact, able to view records and documents relating to their loved ones' cases which were not and have not been provided to them via the military casualty offices.

The families are quite capable of acting and speaking in their own behalf. We resent any attempt by those in the military to portray the families as emotionally fragile, in need of their protection. Our Family members do not need protection. They need the truth.

In the opinion of our membership, the "House version" of the "Missing Service Personnel Act of 1995" is the single most important POW/MIA Legislation to come before the U.S. Senate in years. The POW/MIA Families are tired of being lied to, chided, and patronized by an uncaring Executive and Legislative Branch of the U.S. Government. It is time that a truly meaningful piece of legislation is passed to protect America's fighting men and women. The old unwritten attitude of "just don't get captured" is not acceptable! Our service personnel and their families deserve protection under the law. That protection will come with the passage of this law as is.

Sincerely,

DOLORES APODACA ALFOND,
National Chairperson.

VETERANS OF THE VIETNAM WAR, INC.,
Dallastown, PA, Sept. 19, 1995.

Congressman STEVE BUYER,
Attention: Myrna Dugan

DEAR MYRNA DUGAN: As National POW/MIA Program Director for the Veterans of the Vietnam War, Inc., we need the Congressman to back Congressman Gilman's language of the House version of H.R. 945 so that we have the strongest language possible to protect our American servicemen and women. We strongly urge the Congressman to pass H.R. 945 "The Missing Service Personnel Act of 1995". We need this bill passed so that the families of our POW/MIA's won't ever have to endure the suffering that the Vietnam families have had to and continue to endure.

We as Veterans of the Vietnam War, Inc. want to guarantee that our present and our future American servicemen and women have the best chance of being returned home to their loved ones. That's why we strongly urger Congressman Buyer to pass this very important bill. Thank you for your help and time on this urgent matter. I would greatly appreciate a response to this letter on the Congressman's feelings on this matter.

MICHAEL T. BREIGHNER,
National POW/MIA Program Director.

DISABLED AMERICAN VETERANS,
Washington, DC, September 20, 1995.

Hon. STROM THURMOND,
Chairman, Senate Committee on Armed Services, Russell Senate Office Building, Washington, DC.

DEAR CHAIRMAN THURMOND: As National Commander of the more than one million members of the Disabled American Veterans (DAV) and its Auxiliary, I am writing you to express our concern regarding attempts to erode the effectiveness of the provisions of the Missing Service Personnel Act, section 563 of H.R. 1530, the Fiscal Year 1996 Defense Authorization Act.

The DAV supports the House language in the Missing Service Personnel Act because of the additional safeguards contained in the House version. The key provisions include: legal counsel for the missing person, access to information by immediate family members of the missing person, the availability of judicial review, and the retroactive provision of this legislation. We believe that these are important provisions; however, these provisions are missing from the Senate version.

As this measure is being considered in conference, I would urge you, in your leadership position, to encourage your colleagues to support the inclusion of these key provisions in the final version of the Defense Authorization Act. Otherwise, it is DAV's position that this legislation would be seriously flawed.

Thank you for your continued support.

Sincerely,

THOMAS A. MCMASTERS III,
National Commander.

THE AMERICAN LEGION,
Washington, DC, September 11, 1995.

Hon. DANIEL R. COATS,
Chairman, Senate Armed Services Subcommittee on Personnel, Russell Building, Washington, DC.

DEAR SENATOR COATS: The American Legion urges you in the strongest possible terms to support Section 563, H.R. 1530, the House version of the Missing Persons Act of 1995. In particular, there are four features of the bill we are interested in: board review at three year intervals; access to information for immediate family members; judicial review; and retroactivity. Senator Robert Dole has expressed his support of the House version of the Missing Persons Act in a written statement for the Congressional Record on September 5. We have worked very closely with Senator Dole on this issue for some time.

The House version of the Missing Persons Act will provide family members the ability to review records on which the Pentagon has kept close hold but that family members have the right to see.

The American Legion takes this issue very seriously and regards its passage as extremely important. This measure directly and substantially supports ongoing efforts to obtain information about missing American servicemen. Section 563, H.R. 1530 will provide an equitable basis for making status determinations on missing personnel not only from past wars, but also future conflicts.

Sincerely,

JOHN F. SOMMER, JR.,
Executive Director.

September 12, 1995.

Senator TRENT LOTT,
U.S. Senate, Washington, DC.

DEAR SENATOR LOTT: As the sister of Maj. Robert F. Coady, USAF, lost in Laos whose family believed the Air Force when they told us that we would be the first to know if there was information on Maj. Coady. Our first knowledge of information came 22 years after my brother's shoot down, when I requested to see my brother's file. I was amazed to find declassified documents that were 19 and 22 years old. I worked with Senators Shelby, Heflin, Mack and Johnson who wrote letters on my behalf. The Air Force told the Senators that I had all the information. I was given an opportunity to view my brother's file (after being told there was no more information) only to find new information.

We all remember what the Cold War families were told and the family from TN whose son was killed in the Gulf War by friendly fire. Along with what has happened in my family's case are disgraceful examples that explain the importance of the House version (H.R. 945) of the Missing Service Personnel Act.

Our country was founded on checks and balances. The House version (H.R. 945) of the Missing Service Personnel Act is our check and balance for family members that should not be taken away from us.

As a United States Senator, please protect our right to reopen and have a mandatory review as this is the only check and balance we have left.

Sincerely,

JUDITH COADY RAINEY.

CONFERENCE REPORT ON H.R. 1977, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

Mr. REGULA submitted the following conference report and statement on the bill (H.R. 1977) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1996, and for other purposes:

CONFERENCE REPORT (H. REPT. 104-259)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1977) "making appropriations for the Department of the Interior and related agencies, for the fiscal year ending September 30, 1996, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 21, 24, 26, 40, 54, 57, 67, 77, 83, 85, 94, 99, 100, 105, 107, 111, 117, 118, 123, 136, 138, 147, 148, 155, 163, 166, 171, 172, and 173, and agree to the same.

That the House recede from its disagreement to the amendments of the Senate numbered 10, 11, 13, 15, 16, 17, 18, 19, 20, 28, 32, 34, 36, 38, 45, 46, 48, 50, 51, 52, 56, 59, 61, 62, 66, 71, 72, 73, 74, 75, 76, 78, 80, 81, 82, 86, 87, 88, 93, 96, 97, 102, 103, 106, 109, 113, 121, 124, 126, 127, 128, 129, 130, 131, 133, 134, 137, 139, 140, 141, 142, 143, 144, 145, 149, 150, 157, 158, 159, 160, 161, and 162, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: , *and assessment of mineral potential of public lands pursuant to P.L. 96–487 (16 U.S.C. 3150 (a)), $568,062,000*; and the Senate agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended as follows:

After the first comma in said amendment insert: *of which $2,000,000 shall be available for assessment of the mineral potential of public lands in Alaska pursuant to section 1010 of P.L. 96–487 (16 U.S.C. 3150), and*; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$568,062,000*; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$3,115,000*; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$101,500,000*; and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$12,800,000*; and the Senate agree to the same.

Amendment number 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$93,379,000;* and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *$497,943,000, to remain available for obligation until September 30, 1997,* ; and the Senate agree to the same.

Amendment numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$37,655,000*; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$36,900,000*; and the Senate agree to the same.

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment insert: *:Provided further, That the Director of the Fish and Wildlife Service may charge reasonable fees for expenses to the Federal Government for providing training by the National Education and Training Center: Provided further, That all training fees collected shall be available to the Director, until expended, without further appropriation, to be used for the costs of training and education provided by the National Education and Training Center* ; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows:

Retain the matter proposed by said amendment amended as follows:

Following "Public Law 88-567," insert: *if for any reason the Secretary disapproves for use in 1996 or does not finally approve for use in 1996 any pesticide or chemical which was approved for use in 1995 or had been requested for use in 1996 by the submission of a pesticide use proposal as of September 19, 1995,* ; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$1,083,151,000* ; and the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$37,649,000* ; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$36,212,000* ; and the Senate agree to the same.

Amendment numbered 30:

That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$143,225,000*; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows:

In lieu of the sum stricken and inserted by said amendment insert the following: *$4,500,000 of the funds provided herein*; and the Senate agree to the same.

Amendment numbered 33:

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$49,100,000*; and the Senate agree to the same.

Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment insert: *: Provided, That any funds made available for the purpose of acquisition of the Elwha and Glines dams shall be used solely for acquisition, and shall not be expended until the full purchase amount has been appropriated by the Congress*; and the Senate agree to the same.

Amendment numbered 37:

That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment insert: *None of the funds in this Act may be spent by the National Park Service for activities taken in direct response to the United Nations Biodiversity Convention.*

And the Senate agree to the same.

Amendment numbered 39:

That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment insert:

The National Park Service shall, within existing funds, conduct a Feasibility Study for a northern access route into Denali National Park and preserve in Alaska, to be completed within one year of the enactment of this Act and submitted to the House and Senate Committees on Appropriations and to the Senate Committee on Energy and Natural Resources and the House Committee on Resources. The Feasibility Study shall ensure that resource impacts from any plan to create such access route are evaluated with accurate information and according to a process that takes into consideration park values, visitor needs, a full range of alternatives, the viewpoints of all interested parties, including the tourism industry and the State of Alaska, and potential needs for compliance with the National Environmental Policy Act. The Study shall also address the time required for development of alternatives and identify all associated costs.

This Feasibility Study shall be conducted solely by the National Park Service planning personnel permanently assigned to National Park Service offices located in the State of Alaska in consultation with the State of Alaska Department of Transportation.

And the Senate agree to the same.

Amendment numbered 41:

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *and to conduct inquiries into the economic conditions affecting mining and materials processing industries (30 U.S.C. 3, 21a, and 1603; 50 U.S.C. 98g(1)) and related purposes as authorized by law and to publish and disseminate data; $730,503,000*; and the Senate agree to the same.

Amendment numbered 42:

That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to read as follows: , *and of which $137,000,000 for resource research and the operations of Cooperative Research Units shall remain available until September 30, 1997, and of which $16,000,000 shall remain available until expended for conducting inquiries into the economic conditions affecting mining and materials processing industries*; and the Senate agree to the same.

Amendment numbered 43:

That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to read as follows: *:Provided further, That funds available herein for resource research may be used for the purchase of not to exceed 61 passenger motor vehicles, of which 55 are for replacement only: Provided further, That none of the funds available under this head for resource research shall be used to conduct new surveys on private property, including new aerial surveys for the designation of habitat under the Endangered Species Act, except when it is made known to the Federal official having authority to obligate or expend such funds that the survey or research has been requested and authorized in writing by the property owner or the owner's authorized representative: Provided further, That none of the funds provided herein for resource research may be used to administer a volunteer program when it is made known to the Federal official having authority to obligate or expend such funds that the volunteers are not properly trained or that information gathered by the volunteers is not carefully verified: Provided further, That no later than April 1, 1996, the Director of the United States Geological Survey shall issue agency guidelines for resource research that ensure that scientific and technical peer review is utilized as fully as possible in selection of projects for funding and ensure the validity and reliability of research and data collection on Federal lands: Provided further, That no funds are available for resource research may be used for any activity that was not authorized prior to the establishment of the National Biological Survey: Provided further, That once every five years the National Academy of Sciences shall review and report on the resource research activities of the Survey: Provided further, That if specific authorizing legislation is enacted during or before the start of fiscal year 1996, the resource research component of the Survey should comply with the provisions of that legislation: Provided further, That unobligated and unexpended balances in the National Biological Survey, Research, inventories and surveys account at the end of fiscal year 1995, shall be merged with and made a part of the United States Geological Survey, Surveys, investigations, and research account and shall remain available for obligation until September 30, 1996: Provided further, That the authority granted to the United States Bureau of Mines to conduct mineral surveys and to determine mineral values by section 603 of Public law 94–579 is hereby transferred to, and vested in, the Director of the United States Geological Survey*; and the Senate agree to the same.

Amendment numbered 44:

That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$182,994,000*; and the Senate agree to the same.

Amendment numbered 47:

That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert the following:

For expenses necessary for, and incidental to, the closure of the United States Bureau of Mines, $64,000,000, to remain available until expended, of which not to exceed $5,000,000 may be used for the completion and/or transfer of certain ongoing projects within the United States Bureau of Mines, such projects to be identified by the Secretary of the Interior within 90 days of enactment of this Act: Provided, That there hereby are transferred to, and vested in, the Secretary of Energy: (1) the functions pertaining to the promotion of health and safety in mines and the mineral industry through research vested by law in the Secretary of the Interior or the United States Bureau of Mines and performed in fiscal year 1995 by the United States Bureau of Mines at its Pittsburgh Research Center in Pennsylvania, and at its Spokane Research Center in Washington; (2) the functions pertaining to the conduct of inquiries, technological investigations and research concerning the extraction, processing, use and disposal of mineral substances vested by law in the Secretary of the Interior or the United States Bureau of Mines and performed in fiscal year 1995 by the United States Bureau of Mines under the minerals and materials science programs at its Pittsburgh Research Center in Pennsylvania, and at its Albany Research Center in Oregon; and (3) the functions pertaining to mineral reclamation industries and the development of methods for the disposal, control, prevention, and reclamation of mineral waste products vested by law in the Secretary of the Interior or the United States Bureau of Mines and performed in fiscal year 1995 by the United States Bureau of Mines at its Pittsburgh Research Center in Pennsylvania: Provided further, That, if any of the same functions were performed in fiscal year 1995 at locations other than those listed above, such functions shall not be transferred to the Secretary of Energy from those other locations: Provided further, That the Director of the Office of Management and Budget, in consultation with the Secretary of Energy and the Secretary of the Interior, is authorized to make such determinations as may be necessary with regard to the transfer of functions which relate to or are used by the Department of the Interior, or component thereof affected by this transfer of functions, and to make such dispositions of personnel, facilities, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to or to be made available in connection with, the functions transferred herein as are deemed necessary to accomplish the purposes of this transfer: Provided further, That all reductions in personnel complements resulting from the provisions of this Act shall, as to the functions transferred to the Secretary of Energy, be done by the Secretary of the Interior as though these transfers had not taken place but had been required of the Department of the Interior by all other provisions of this Act before the transfers of function become effective: Provided further, That the transfers of function to the Secretary of Energy shall become effective on the date specified by the Director of the Office of Management and Budget, but in no event later than 90 days after enactment into law of this Act: Provided further, That the reference to "function" includes, but is not limited to, any duty, obligation, power, authority, responsibility, right, privilege, and activity, or the plural thereof, as the case may be; and the Senate agree to the same.

Amendment numbered 49:

That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$173,887,000*; and the Senate agree to the same.

Amendment numbered 53:

That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *$1,359,434,000*; and the Senate agree to the same.

Amendment numbered 55:

That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *$100,255,000 shall be for welfare assistance grants and not to exceed $104,626,000*; and the Senate agree to the same.

Amendment numbered 58:

That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$68,209,000*; and the Senate agree to the same.

Amendment numbered 60:

That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$71,854,000*; and the Senate agree to the same.

Amendment numbered 63:

That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows:

Retain the matter proposed by said amendment amended as follows:

Before "*: Provided further*" in said amendment, insert: *, to become effective on July 1, 1997*; and the Senate agree to the same.

Amendment numbered 64:

That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$100,833,000*; and the Senate agree to the same.

Amendment numbered 65:

That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$80,645,000*; and the Senate agree to the same.

Amendment numbered 68:

That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows:

Retain the matter proposed by said amendment amended as follows:

In lieu of the sum named in said amendment insert: *$500,000*; and the Senate agree to the same.

Amendment numbered 69:

That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment, as follows:

Retain the matter proposed by said amendment, amended as follows:

In lieu of the first sum named in said amendment insert: *$4,500,000*

In lieu of the second sum named in said amendment insert: *$35,914,000*

In lieu of the third sum named in said amendment insert: *$500,000*; and the Senate agree to the same.

Amendment numbered 70:

That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *$65,188,000, of which (1) $61,661,000 shall be available until expended for technical assistance, including maintenance assistance, disaster assistance, insular management controls, and brown tree snake control and research*; and the Senate agree to the same.

Amendment numbered 79:

That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment, as follows:

Retain the matter proposed by said amendment, amended as follows:

In lieu of "October 1, 1995" named in said amendment insert: *March 1, 1996;* and the Senate agree to the same.

Amendment numbered 84:

That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment, as follows:

Restore the number stricken by said amendment, amended to read as follows:

SEC. 108. Prior to the transfer of Presidio properties to the Presidio Trust, when authorized, the Secretary may not obligate in any calendar month more than $1/12$ of the fiscal year 1996 appropriation for operation of the Presidio: Provided, That this section shall expire on December 31, 1995.

And the Senate agree to the same.

Amendment numbered 89:

That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment insert:

SEC. 118. Section 4(b) of Public Law 94–241 (90 Stat. 263) as added by section 10 of Public Law 99–396 is amended by deleting "until Congress otherwise provides by law." and inserting in lieu thereof: "except that, for fiscal years 1996 through 2002, payments to the Commonwealth of the Northern Mariana Islands pursuant to the multi-year funding agreements contemplated under the Covenant shall be $11,000,000 annually, subject to an equal local match and all other requirements set forth in the Agreement of the Special Representatives on Future Federal Financial Assistance of the Northern Mariana Islands, executed on December 17, 1992 between the special representative of the President of the United States and special representatives of the Governor of the Northern Marina Islands with any additional amounts otherwise made available under this section in any fiscal year and not required to meet the schedule of payments in this subsection to be provided as set forth in subsection (c) until Congress otherwise provides by law.

"(c) The additional amounts referred to in subsection (b) shall be made available to the Secretary for obligation as follows:

"(1) for fiscal years 1996 through 2001, $4,580,000 annually for capital infrastructure projects as Impact Aid for Guam under section 104(c)(6) Public Law 99–239;

"(2) for fiscal year 1996, $7,700,000 shall be provided for capital infrastructure projects in American Samoa; $4,420,000 for resettlement of Rongelap Atoll; and

"(3) for fiscal years 1997 and thereafter, all such amounts shall be available solely for capital infrastructure projects in Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, the Federated States of Micronesia and the Republic of the Marshall Islands: Provided, That, in fiscal year 1997, $3,000,000 of such amounts shall be made available to the College of the Northern Marianas and beginning in fiscal year 1997, and in each year thereafter, not to exceed $3,000,000 may be allocated, as provided in appropriations Acts, to the Secretary of the Interior for use by Federal agencies or the Commonwealth of Northern Mariana Islands to address immigration, labor, and law enforcement issues in the Northern Mariana Islands. The specific projects to be funded in American Samoa shall be set forth in a five-year plan for infrastructure assistance developed by the Secretary of the Interior in consultation with the American Samoa Government and updated annually and submitted to the Congress concurrent with the budget justifications for the Department of the Interior. In developing budget recommendations for capital infrastructure funding, the Secretary shall indicate the highest priority projects, consider the extent to which particular projects are part of an overall master plan, whether such project has been reviewed by the Corps of Engineers and any recommendations made as a result of such review, the extent to which a set-aside for maintenance would enhance the life of the project, the degree to which a local cost-share requirement would be consistent with local economic and fiscal capabilities, and may propose an incremental set-aside, not to exceed $2,000,000 per year, to remain available without fiscal year limitation, as an emergency fund in the event of natural or other disasters to supplement other assistance in the repair, replacement, or hardening of essential facilities: Provided further, That the cumulative amount set aside for such emergency fund may not exceed $10,000,000 at any time.

"(d) Within the amounts allocated for infrastructure pursuant to this section, and subject to the specific allocations made in subsection (c), additional contributions may be made, as set forth in appropriations Acts, to assist in the resettlement of Rongelap Atoll: Provided, That the total of all contributions from any Federal source after enactment of this Act may not exceed $32,000,000 and shall be contingent upon an agreement, satisfactory to the President, that such contributions are a full and final settlement of all obligations of the United States to assist in the resettlement of Rongelap Atoll and that such funds will be expended solely on resettlement activities and will be properly audited and accounted for. In order to provide such contributions in a timely manner, each Federal agency providing assistance or services, or conducting activities, in the Republic of the Marshall Islands, is authorized to make funds available through the Secretary of the Interior, to assist in the resettlement of Rongelap. Nothing in this subsection shall be construed to limit the provision of ex gratia assistance pursuant to section 105(c)(2) of the Compact of Free Association Act of 1985 (Public Law 99–239, 99 Stat. 1770, 1792) including for individuals choosing not to resettle at Rongelap, except that no such assistance for such individuals may be provided until the Secretary notifies the Congress that the full amount of all funds necessary for resettlement at Rongelap has been provided.".

And the Senate agree to the same.

Amendment numbered 90:

That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$178,000,000*; and the Senate agree to the same.

Amendment numbered 91:

That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *$136,794,000, to remain available until expended, as authorized by law*; and the Senate agree to the same.

Amendment numbered 92:

That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$1,256,253,000*; and the Senate agree to the same.

Amendment numbered 95:

That the House recede from its disagreement to the amendment of the Senate numbered 95, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$163,500,000*; and the Senate agree to the same.

Amendment numbered 98:

That the House recede from its disagreement to the amendment of the Senate numbered 98, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$41,200,000*; and the Senate agree to the same.

Amendment numbered 101:

That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment, as follows:

Retain the matter proposed by said amendment amended as follows:

Following "Forest Service," in said amendment insert: *other than the relocation of the Regional Office for Region 5 of the Forest Service from San Francisco to excess military property at Mare Island, Vallejo, California.*

And the Senate agree to the same.

Amendment numbered 104:

That the House recede from its disagreement to the amendment of the Senate numbered 104, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment insert:

Any funds available to the Forest Service may be used for retrofitting Mare Island facilities to accommodate the relocation: Provided, That funds for the move must come from funds otherwise available to Region 5: Provided further, That any funds to be provided for such purposes shall only be available upon approval of the House and Senate Committees on Appropriations.

And the Senate agree to the same.

Amendment numbered 108:

That the House recede from its disagreement to the amendment of the Senate numbered 108, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment insert:

Notwithstanding any other provision of law, for the duration of fiscal year 1996 none of the funds provided in this or any other appropriations Act may be used in the Tongass National Forest except to implement the Preferred Alternative P in the Tongass Land and Resource Management Plan and Final Environmental Impact Statement (dated October 1992) as selected in the Record of Decision Review Draft #3–2/93 (hereinafter referred to as "Alternative P") *which shall be deemed sufficient to satisfy all requirements of applicable law: Provided, That the Forest Service may amend the plan during fiscal year 1996 only to the extent necessary to accommodate commercial tourism if an agreement is signed between the Forest Service and the Alaska Visitors' Association: Provided further, That the Secretary shall continue the current Tongass land management planning process, and may replace or modify Alternative P with the selected alternative of a revised Tongass Land Management Plan ("TLMP") which shall, to the maximum extent practical, contain at least the number of acres of suitable, available timber lands and suitable, scheduled timber lands identified in Alternative P: Provided further, That if the Forest Service fails to complete work on a revised TLMP during fiscal year 1996, Alternative P shall remain in effect until such time as a revised plan is completed in accordance with this section and is in effect: Provided further, That hereinafter, notwithstanding any other provision of law, any timber sale or offering that was prepared for acceptance, or was awarded to a purchaser after December 31, 1988, which has been the subject of an Environmental Impact Statement under the National Environmental Policy Act ("NEPA") and a review under section 810 of the Alaska National Interest Lands Conservation Act ("ANILCA"), and was subsequently offered or awarded to a different purchaser or offeree shall not be subject to additional analysis under NEPA or ANILCA through any action of the Federal government or by order of any court of law if the Forest Service determines in a Supplemental Evaluation that no such analysis is necessary: Provided further, That section 502 of P.L. 104-19 shall be deemed permanent law.*

And the Senate agree to the same.

Amendment numbered 110:

That the House recede from its disagreement to the amendment of the Senate numbered 110, and agree to the same with an amendment, as follows:

In lieu of the sum stricken and inserted by said amendment insert: *and for promoting health and safety in mines and the mineral industry through research (30 U.S.C. 3, 861(b), and 951(a)), for conducting inquiries, technological investigations and research concerning the extraction, processing, use, and disposal of mineral substances without objectionable social and environmental costs (30 U.S.C. 3, 1602, and 1603), and for the development of methods for the disposal, control, prevention, and reclamation of waste products in the mining, minerals, metal, and mineral reclamation industries (30 U.S.C. 3 and 21a), $417,169,000*; and the Senate agree to the same.

Amendment numbered 112:

That the House recede from its disagreement to the amendment of the Senate numbered 112, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$149,028,000*; and the Senate agree to the same.

Amendment numbered 114:

That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$553,293,000*; and the Senate agree to the same.

Amendment numbered 115:

That the House recede from its disagreement to the amendment of the Senate numbered 115, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$140,696,000*; and the Senate agree to the same.

Amendment numbered 116:

That the House recede from its disagreement to the amendment of the Senate numbered 116, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$114,196,000*; and the Senate agree to the same.

Amendment numbered 119:

That the House recede from its disagreement to the amendment of the Senate numbered 119, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$72,266,000*; and the Senate agree to the same.

Amendment numbered 120:

That the House recede from its disagreement to the amendment of the Senate numbered 120, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$1,722,842,000*; and the Senate agree to the same.

Amendment numbered 122:

That the House recede from its disagreement to the amendment of the Senate numbered 122, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$238,958,000*; and the Senate agree to the same.

Amendment numbered 125:

That the House recede from its disagreement to the amendment of the Senate numbered 125, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$308,188,000*; and the Senate agree to the same.

Amendment numbered 132:

That the House recede from its disagreement to the amendment of the Senate numbered 132, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$6,442,000*; and the Senate agree to the same.

Amendment numbered 135:

That the House recede from its disagreement to the amendment of the Senate numbered 135, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$5,840,000*; and the Senate agree to the same.

Amendment numbered 146:

That the House recede from its disagreement to the amendment of the Senate numbered 146, and agree to the same with an amendment, as follows:

In lieu of matter proposed by said amendment insert:

PUBLIC DEVELOPMENT

Funds made available under this heading in prior years shall be available for operating and administrative expenses and for the orderly closure of the Corporation, as well as operating and administrative expenses for the functions transferred to the General Services Administration.

And the Senate agree to the same.

Amendment numbered 151:

That the House recede from its disagreement to the amendment of the Senate numbered 151, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended as follows:

In lieu of Subsection (g) insert the following:

(g) Section 3(b) of the Pennsylvania Avenue Development Corporation Act of 1972 (40 U.S.C. 872(b)) is amended as follows:

"(b) The Corporation shall be dissolved on or before April 1, 1996. Upon dissolution, assets, obligations, indebtedness, and all unobligated and unexpended balances of the Corporation shall be transferred in accordance with the Department of the Interior and Related Agencies Appropriations Act, 1996.".

And the Senate agree to the same.

Amendment numbered 152:

That the House recede from its disagreement to the amendment of the Senate numbered 152, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert the following:

SEC. 314. (a) Except as provided in subsection (b), no part of any appropriation contained in this Act or any other Act shall be obligated or expended for the operation or implementation of the Interior Columbia Basin Ecosystem Management Project (hereinafter "Project").

(b)(1) From the funds appropriated to the Forest Service and Bureau of Land Management: a sum of $4,000,000 is made available for the Executive Steering Committee of the Project to publish, and submit to the Committees on Agriculture, Nutrition and Forestry, Appropriations, and Energy and Natural Resources of the Senate and Committees on Agriculture, Appropriations, and Resources of the House of Representatives, by April 30, 1996, an assessment on the National Forest System lands and lands administered by the Bureau of Land Management (hereinafter "Federal lands") within the area encompassed by the Project. The assessment shall be accompanied by draft Environmental Impact Statements that are not decisional and not subject to judicial review, contain a range of alternatives, without the identification of a preferred alternative or management recommendation, and provide a methodology for conducting any cumulative effects analysis required by section 102(2)(C) of the National Environmental Policy Act (42 U.S.C. 4332(2)) in the preparation of each amendment to a resource management plan pursuant to subsection (c)(2). The Executive Steering Committee shall release the required draft Environmental Impact Statements for a ninety day public comment period. A summary of the public comments received must accompany these documents upon its submission to Congress.

(2) The assessment required by paragraph (1) shall contain the scientific information collected and analysis undertaken by the Project on landscape dynamics and forest and rangeland health conditions and the implications of such dynamics and conditions for forest and rangeland management, specifically the management of forest and rangeland vegetation structure, composition, density and related social and economic effects.

(3) The assessment and draft Environmental Impact Statements required by paragraph (1) shall not: contain any material other than that required in paragraphs (1) and (2); be the subject of consultation or conferencing pursuant to section 7 of the Endangered Species Act of 1973 (16 U.S.C. 1536); or be accompanied by any record of decision or documentation pursuant to section 102(2) of the National Environmental Policy Act, except as specified in paragraph (1).

(c)(1) From the funds appropriated to the Forest Service and the Bureau of Land Management, each Forest Supervisor of the Forest Service and District Manager of the Bureau of Land Management with responsibility for a national forest or unit of land administered by the Bureau of Land Management (hereinafter "forest") within the area encompassed by the Project shall—

(A) review the resource management plan (hereinafter "plan") for such forest, the scientific information and analysis in the report

prepared pursuant to subsection (b) which are applicable to such plan, and any policy which is applicable to such plan upon the date of enactment of this section (whether or not such policy has been added to such plan by amendment), including any which is, or is intended to be, of limited duration, and which the Project addresses; and

(B) based on such review, develop a modification of such policy, or an alternative policy which serves the basic purpose of such policy, to meet the specific conditions of such forest.

(2) For each plan reviewed pursuant to paragraph (1), the Forest Supervisor or District Manager concerned shall prepare and adopt an amendment which: contains the modified or alternative policy developed pursuant to paragraph (1)(B); is directed solely to and affects only such plan; and addresses the specific conditions of the forest to which the plan applies and the relationship of the modified or alternative policy to such conditions. The Forest Supervisor or District Manager concerned shall consult at a minimum, with the Governor of the State, and the Commissioners of the county or counties, and affected tribal governments in which the forest to which the plan applies is situated during the review of the plan required by paragraph (1) and the preparation of an amendment to the plan required by this paragraph.

(3) To the maximum extent practicable, each amendment prepared pursuant to paragraph (2) shall establish site-specific standards in lieu of imposing general standards applicable to multiple sites. Any amendment which would result in any major change in land use allocations within the plan or would reduce the likelihood of achievement of the goals and objectives of the plan (prior to any previous amendment incorporating in the plan any policy referred to in paragraph (1)(A)) shall be deemed a significant change, pursuant to section 6(f)(4) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604(f)(4)) or section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712), requiring a significant plan amendment or equivalent.

(4) Each amendment prepared pursuant to paragraph (2) shall comply with any applicable requirements of section 102(2) of the National Environmental Policy Act, except that any cumulative effects analysis conducted in accordance with the methodology provided pursuant to subsection (b)(1) shall be deemed to meet any requirement of such Act for such analysis and the scoping conducted by the Project prior to the date of enactment of this section shall substitute for any scoping otherwise required by such Act for such amendment, unless at the sole discretion of the Forest Supervisor or District Manager additional scoping is deemed necessary.

(5) The review of each plan required by paragraph (1) shall be conducted, and the preparation and decision to approve an amendment to each plan pursuant to paragraph (2) shall be made, by the Forest Supervisor or District Manager, as the case may be, solely on: the basis of the review conducted pursuant to paragraph (1)(A), any consultation or conferencing pursuant to section 7 of the Endangered Species Act of 1973 required by paragraph (6), any documentation required by section 102(2) of the National Environmental Policy Act, and any applicable guidance or other policy issued prior to the date of enactment of this Act.

(6)(A) Any policy adopted in an amendment prepared pursuant to paragraph (2) which is a modification of or alternative to a policy referred to in paragraph (1)(A) and upon which consultation or conferencing has occurred pursuant to section 7 of the Endangered Species Act of 1973, shall not again be subject to the consultation or conferencing provisions of such section 7.

(B) If required by such section 7, and not subject to subparagraph (A), the Forest Supervisor or District Manager concerned shall consult or conference separately on each amendment prepared pursuant to paragraph (2).

(C) No further consultation, other than the consultation specified in subparagraph (B), shall be undertaken on the amendments prepared pursuant to paragraph (2), on any project or activity which is consistent with an applicable amendment, on any policy referred to in paragraph (1)(A), or on any portion of any plan related to such policy or the species to which such policy applies.

(7) Each amendment prepared pursuant to paragraph (2) shall be adopted on or before July 31, 1996: Provided, That any amendment deemed a significant plan amendment, or equivalent, pursuant to paragraph (3) shall be adopted on or before December 31, 1996.

(8) No policy referred to in paragraph (1)(A), or any provision of a plan or other planning document incorporating such policy, shall be effective in any forest subject to the Project on or after December 31, 1996, or after an amendment to the plan which applies to such forest is adopted pursuant to the provisions of this subsection, whichever occurs first.

(9) On the signing of a record of decision or equivalent document making an amendment for the Clearwater National Forest pursuant to paragraph (2) the requirement for revision referred to in the Stipulation of Dismissal dated September 13, 1993, applicable to the Clearwater National Forest is deemed to be satisfied, and the interim management direction provisions contained in the Stipulation of Dismissal shall be of no further effect with respect to the Clearwater National Forest.

(d) The documents prepared under the authority of this section shall not be applied or used to regulate non-Federal lands.

And the Senate agree to the same.

Amendment numbered 153:

That the House recede from its disagreement to the amendment of the Senate numbered 153, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert the following:

SEC. 315. RECREATIONAL FEE DEMONSTRATION PROGRAM.

(a) The Secretary of the Interior (acting through the Bureau of Land Management, the National Park Service and the United States Fish and Wildlife Service) and the Secretary of Agriculture (acting through the Forest Service) shall each implement a fee program to demonstrate the feasibility of user-generated cost recovery for the operation and maintenance of recreation areas or sites and habitat enhancement projects on Federal lands.

(b) In carrying out the pilot program established pursuant to this section, the appropriate Secretary shall select from areas under the jurisdiction of each of the four agencies referred to in subsection (a) no fewer than 10, but as many as 50, areas, sites or projects for fee demonstration. For each such demonstration, the Secretary, notwithstanding any other provision of law:

(1) shall charge and collect fees for admission to the area or for the use of outdoor recreation sites, facilities, visitor centers, equipment, and services by individuals and groups, or any combination thereof;

(2) shall establish fees under this section based upon a variety of cost recovery and fair market valuation methods to provide a broad basis for feasibility testing;

(3) may contract, including provisions for reasonable commissions, with any public or private entity to provide visitor services, including reservations and information, and may accept services or volunteers to collect fees charged pursuant to paragraph (1);

(4) may encourage private investment and partnerships to enhance the delivery of quality customer services and resource enhancement, and provide appropriate recognition to such partners or investors; and

(5) may assess a fine of not more than $100 for any violation of the authority to collect fees for admission to the area or for the use of outdoor recreation sites, facilities, visitor centers, equipment, and services.

(c)(1) Amounts collected at each fee demonstration area, site or project shall be distributed as follows:

(A) Of the amount in excess of 104% of the amount collected in fiscal year 1995, and thereafter annually adjusted upward by 4%, eighty percent to a special account in the Treasury for use without further appropriation, by the agency which administers the site, to remain available for expenditures in accordance with paragraph (2)(A).

(B) Of the amount in excess of 104% of the amount collected in fiscal year 1995, and thereafter annually adjusted upward by 4%, twenty percent to a special account in the Treasury for use without further appropriation, by the agency which administers the site, to remain available for expenditure in accordance with paragraph (2)(B).

(C) For agencies other than the fish and Wildlife Service, up to 15% of current year collections of each agency, but not greater than fee collection costs for that fiscal year, to remain available for expenditure without further appropriation, in accordance with paragraph (2)(C).

(D) For agencies other than the Fish and Wildlife Service, the balance to the special account established pursuant to sub-paragraph (A) of section 4(i)(1) of the Land and Water Conservation Fund Act, as amended.

(E) For the Fish and Wildlife Service, the balance shall be distributed in accordance with section 201(c) of the Emergency Wetlands Resources Act.

(2)(A) Expenditures from site specific special funds shall be for further activities of the area, site or project from which funds are collected, and shall be accounted for separately.

(B) Expenditures from agency specific special funds shall be for use on an agency-wide basis and shall be accounted for separately.

(C) Expenditures from the fee collection support fund shall be used to cover fee collection costs in accordance with section 4(i)(1)(B) of the Land and Water Conservation Fund Act, as amended: Provided, That funds unexpended and unobligated at the end of the fiscal year shall not be deposited into the special account established pursuant to section 4(i)(1)(A) of said Act and shall remain available for expenditure without further appropriation.

(3) In order to increase the quality of the visitor experience at public recreational areas and enhance the protection of resources, amounts available for expenditure under this section may only be used for the area, site or project concerned, for backlogged repair and maintenance projects (including projects relating to health and safety) and for interpretation, signage, habitat or facility enhancement, resource preservation, annual operation (including fee collection), maintenance, and law enforcement relating to public use. The agencywide accounts may be used for the same purposes set forth in the preceding sentence, but for areas, sites or projects selected at the discretion of the respective agency head.

(d)(1) Amounts collected under this section shall not be taken into account for the purposes of the Act of May 23, 1908 and the Act of March 1, 1911 (16 U.S.C. 500), the Act of March 4, 1913 (16 U.S.C. 501), the Act of July 22, 1937 (7 U.S.C.

1012), the Act of August 8, 1937 and the Act of May 24, 1939 (43 U.S.C. 1181f et seq.), the Act of June 14, 1926 (43 U.S.C. 869–4), chapter 69 of title 31, United States Code, section 401 of the Act of June 15, 1935 (16 U.S.C. 715s), the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l), and any other provision of law relating to revenue allocation.

(2) Fees charged pursuant to this section shall be in lieu of fees charged under any other provision of law.

(e) The Secretary of the Interior and the Secretary of Agriculture shall carry out this section without promulgating regulations.

(f) The authority to collect fees under this section shall commence on october 1, 1995, and end on September 30, 1998. Funds in accounts established shall remain available through September 30, 2001.

And the Senate agree to the same.

Amendment numbered 154:

That the House recede from its disagreement to the amendment of the Senate numbered 154, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

Sec. 316. Section 2001(a)(2) of Public Law 104–19 is amended as follows: Strike "September 30, 1997" and insert in lieu thereof "December 31, 1996".

And the Senate agree to the same.

Amendment numbered 156:

That the House recede from its disagreement to the amendment of the Senate numbered 156, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

Sec. 319. GREAT BASIN NATIONAL PARK.

Section 3 of the Great Basin National Park Act of 1986 (16 U.S.C. 410mm–1) is amended—

(1) in the first sentence of subsection (e) by striking "shall" and inserting "may"; and

(2) in subsection (f)—

(A) by striking "At the request" and inserting the following:

"(1) EXCHANGES.—At the request";

(B) by striking "grazing permits" and inserting "grazing permits and grazing leases"; and

(C) by adding after "Federal lands." the following:

"(2) ACQUISITION BY DONATION.—

(A) IN GENERAL.—The Secretary may acquire by donation valid existing permits and grazing leases authorizing grazing on land in the park.

(B) TERMINATION.—The Secretary shall terminate a grazing permit or grazing lease acquired under subparagraph (A) so as to end grazing previously authorized by the permit or lease.".

And the Senate agree to the same.

Amendment numbered 164:

That the House recede from its disagreement to the amendment of the Senate numbered 164, and agree to the same with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *328*; and the Senate agree to the same.

Amendment numbered 165:

That the House recede from its disagreement to the amendment of the Senate numbered 165, and agree to the same with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *329*; and the Senate agree to the same.

Amendment numbered 167:

That the House recede from its disagreement to the amendment of the Senate numbered 167, and agree to the same with an amendment, as follows:

In lieu of the first section number named in said amendment, insert: *330*; and the Senate agree to the same.

Amendment numbered 168:

That the House recede from its disagreement to the amendment of the Senate numbered 168, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment insert the following:

SEC. 331. Notwithstanding any other provision of law, none of the funds made available to the National Endowment for the Arts under this Act may be used to promote, disseminate, sponsor or produce materials or performances which denigrate the objects or beliefs of the adherents of a particular religion.

And the Senate agree to the same.

Amendment numbered 169:

That the House recede from its disagreement to the amendment of the Senate numbered 169, and agree to the same with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *332*; and the Senate agree to the same.

Amendment numbered 170:

That the House recede from its disagreement to the amendment of the Senate numbered 170, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment insert:

SEC. 333. For purposes related to the closure of the Bureau of Mines, funds made available to the United States Geological Survey, the United States Bureau of Mines, and the Bureau of Land Management shall be available for transfer, with the approval of the Secretary of the Interior, among the following accounts: United States Geological Survey, Surveys, investigations, and research; Bureau of Mines, Mines and minerals; and Bureau of Land Management, Management of lands and resources. The Secretary of Energy shall reimburse the Secretary of the Interior, in an amount to be determined by the Director of the Office of Management and Budget, for the expenses of the transferred functions between October 1, 1995 and the effective date of the transfers of function. Such transfers shall be subject to the reprogramming guidelines of the House and Senate Committees on Appropriations.

And the Senate agree to the same.

RALPH REGULA
(except amendment 158),
JOSEPH M. MCDADE,
JIM KOLBE,
JOE SKEEN,
BARBARA F. VUCANOVICH,
CHARLES H. TAYLOR,
GEORGE R. NETHERCUTT, Jr.,
JIM BUNN,
BOB LIVINGSTON,
NORMAN D. DICKS,
Managers on the part of the House.

SLADE GORTON,
TED STEVENS,
THAD COCHRAN,
PETE V. DOMENICI,
MARK HATFIELD,
CONRAD BURNS,
ROBERT F. BENNETT,
CONNIE MACK,
ROBERT BYRD,
J. BENNETT JOHNSTON,
PATRICK LEAHY
(except amendment 136, 138, 168, 169)
Managers on the part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1977), making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1996, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The conference agreement on H.R. 1977 incorporates some of the provisions of both the House and the Senate versions of the bill. Report language and allocations set forth in either House Report 104–173 or Senate Report 104–125 which are not changed by the conference are approved by the committee of conference. The statement of the managers, while repeating some report language for emphasis, does not negate the language referenced above unless expressly provided herein.

The managers have included funding in each of the land acquisition accounts that is not earmarked by individual projects. The managers direct the Department of the Interior and the Forest Service to develop a proposed distribution of project funding for review and approval by the House and Senate Committees on Appropriations. In developing the proposed distributions, the agencies are encouraged to give consideration to a broader array of projects than was proposed in the FY 1996 budget, including but not limited to, projects for which capability statements have been prepared.

TITLE I—DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

Amendment No. 1: Appropriates $568,062,000 for management of lands and resources instead of $570,017,000 as proposed by the House and $563,936,000 as proposed by the Senate. The amendment also adds language to transfer responsibility for mineral assessments in Alaska from the Bureau of Mines.

The net decrease below the House consists of decreases of $1,500,000 for wild horse and burro management, $500,000 for threatened and endangered species, $1,000,000 for recreation wilderness management, $448,000 for recreation resources management, $50,000 for coal management, $50,000 for other mineral resources, $554,000 for land and realty management, $4,000,000 for ALMRS, $500,000 for administrative support, and $834,000 for bureau-wide fixed costs; and increases of $4,981,000 for Alaska conveyance, $500,000 for information systems operations and $2,000,000 for mineral assessments in Alaska formerly funded under the Bureau of Mines.

Amendment No. 2: Restores House provision stricken by the Senate which provides $599,999 for the management of the East Mojave National Scenic Area. The Senate had no similar provision. The amendment also adds language earmarking $2,000,000 for mineral assessments in Alaska.

Amendment No. 3: Restates the final appropriation amount for management of lands and resources as $568,062,000 instead of $570,017,000 as proposed by the House and $563,936,000 as proposed by the Senate.

WILDLAND FIRE MANAGEMENT

Amendment No. 4: Appropriates $235,924,000 for wildland fire management as proposed by the House instead of $240,159,000 as proposed by the Senate.

CONSTRUCTION AND ACCESS

Amendment No. 5: Appropriates $3,115,000 for construction and access instead of $2,515,000 as proposed by the House and $2,615,000 as proposed by the Senate.

The managers agree to the following distribution of funds:

Sourdough Campground, AK	$584,000
Byington Campground, ID	290,000
West Aravaipa Ranger Station, AZ	200,000
Railroad Flat Campground, CA	218,000
Penitentie Canyon, CO	220,000
James Kipp Campground, MT	345,000
Datil Well Rec Site reconstruction, NM	41,000
Encampment River Rec Area, WY	60,000
Indian Creek Accessibility Rehab, NV	57,000
El Camino Real Int'l Heritage Ctr., NM–A&E	500,000
Flagstaff Hill, OR	600,000
Total	3,115,000

The managers urge BLM and the non-Federal partners to consider during the A&E phase of the El Camino Real International Heritage Center project the fact that future construction funds are likely to be severely constrained

PAYMENTS IN LIEU OF TAXES

Amendment No. 6: Appropriates $101,500,000 for payments in lieu of taxes instead of $111,409,000 as proposed by the House and $100,000,000 as proposed by the Senate.

LAND ACQUISITION

Amendment No. 7: Appropriates $12,800,000 for land acquisition instead of $8,500,000 as proposed by the House and $10,550,000 as proposed by the Senate. The $12,800,000 includes $3,250,000 for acquisition management, $1,000,0000 for emergency and inholding purchases, and $8,550,000 for land purchases.

Funds provided under this account for land purchases are subject to the guidelines identified at the front of this statement.

OREGON AND CALIFORNIA GRANT LANDS

Amendment No. 8: Appropriates $93,379,000 for Oregon and California grant lands instead of $91,387,000 as proposed by the House and $95,364,000 as proposed by the Senate.

The net increase above the House consists of a reduction of $900,000 for resources management, and increases of $1,115,000 for facilities maintenance, and $1,777,000 for Jobs-in-the-Woods.

The managers are concerned about the many programs in the President's Forest Plan designed to provide assistance to timber dependent communities in the Pacific Northwest. The managers are disturbed by the inability of the agencies involved to provide a detailed accounting of funds appropriated in previous fiscal years in the President's Forest Plan for the unemployed timber worker programs.

The managers expect the Secretary of the Interior and the Secretary of Agriculture to prepare a detailed accounting and report of the funds appropriated in fiscal year 1995 for the President's Forest plan. The report shall include a careful accounting of appropriated funding, including: funds appropriated for timber production; administrative expenses, including the number of Federal employees employed to administer the various aspects of the President's plan; funds appropriated for the various jobs programs under the President's plan, including but not limited to the Jobs in the Woods program; the number of individuals employed by these programs; and the average length of employment in the various jobs. The managers expect the Secretaries to submit the report to the Committees no later than March 31, 1996.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

Amendment No. 9: Appropriates $497,943,000 for resource management instead of $497,150,000 as proposed by the House and $501,478,000 as proposed by the Senate.

The net increase above the House consists of increases of $3,800,000 for cooperative conservation agreements, $750,000 for listing, $2,237,000 for habitat conservation, $1,502,000 for migratory bird management, $600,000 for hatchery operations and maintenance, $800,000 for fish and wildlife management, $478,000 for the National Education and Training Center, and $885,000 for vehicle and aircraft purchase; and reductions of $500,000 for recovery, $230,000 for environmental contaminants, $6,542,000 for refuge operations and maintenance, and $2,987,000 for servicewide administrative support.

The conference agreement includes $3,800,000 for cooperative conservation agreements with private landowners to institute effective management measures that make listing unnecessary. The managers intend that these funds also be used to implement the 4(d) rule which is intended to ease endangered species land use restrictions on small landowners. The managers agree that none of the funding for cooperative conservation agreements or listing be used in any way to conduct activities which would directly support listing of species or designating critical habitat.

The managers have included $750,000 under the listing program to be used only for delisting and downlisting of threatened and endangered species in order to ease land use restrictions on private and public lands.

The conference agreement includes a reduction of $200,000 from the gray wolf reintroduction program. The managers expect the Service to continue the cooperative agreement with the Animal and Plant Health Inspection Service to provide assistance to ranchers experiencing livestock losses to wolves.

The managers agree with the Senate position regarding the continued operation of Federal fish hatcheries. However, the funding provided for hatcheries in total is below last year's level, so reductions will be necessary. The managers encourage those non-Federal parties that have expressed an interest in participating in hatchery transfers to continue to pursue this option, and the Service should provide the transitional assistance for such efforts as was contemplated in the budget. Within the funds restored for hatchery operations and maintenance, $500,000 is provided only for maintenance of those hatcheries transferred during fiscal year 1996.

The managers reiterate, however, the need for the working group proposed by the Senate to identify, by March 1, 1996, savings from the fisheries program that equal or surpass the savings associated with the hatchery transfers or closures proposed in the budget. Outyear funding for fisheries and other programs cannot be assured at a time of declining budgets, and future transfer proposals might not involve transitional assistance. The managers expect that there will be significantly fewer Federal fish hatcheries by the end of fiscal year 1997.

The National Fish and Wildlife Foundation is funded at a level of $4,000,000. The House recommended that no funds be provided for this purpose in the future. The Senate took no position regarding outyear funding for the Foundation.

The managers direct the Department to reinstate its 1992 policy, modified to reflect public comments received, regarding permit terms and conditions for hunting and fishing guides in Alaska providing permit terms of 5 years with one renewal period of 5 years, transferability under prescribed conditions, and a right of survivorship. At such time as the new policy is implemented, existing permit should be reissued consistent with this policy. The managers note that the existing policy limiting terms to one year makes it impossible to obtain financing for guiding operations while the limit on transferability and survivorship prevent long-term family businesses from continuing upon the death or illness of the permit holder.

The managers recognize the Fish and Wildlife Service's fisheries mitigation responsibilities pursuant to existing law and expect the working group to take into account such responsibilities.

Amendment No. 10: Extends availability of $11,557,000 for Lower Snake River compensation plan facilities until expended as proposed by the Senate, instead of limiting the availability to September 30, 1997 as proposed by the House.

Amendment No. 11: Includes language proposed by the Senate which prohibits listing additional species as threatened or endangered and prohibits designating critical habitat during fiscal year 1996 or until a reauthorization is enacted. The House had no similar provision.

CONSTRUCTION

Amendment No. 12: Appropriates $37,655,000 for construction instead of $26,355,000 as proposed by the House and $38,775,000 as proposed by the Senate.

The managers agree to the following distribution of funds:

Bear River Migratory Bird Refuge, UT, flood repair	$1,000,000
Bosque del Apache NWR, NM, repair	1,820,000
Hawaii captive propagation facility, HI	1,000,000
Mississippi refuges, bridge repair and equipment	1,120,000
National Education Training Center, WV, construction	24,000,000
Quivira NWR, KS, water management	760,000
Russian River, AK, rehab	400,000
Southeast Louisiana refuges, rehab	1,000,000
Wichita Mountains NWR, OK, Grama Lake and Comanche Dams, repair	700,000
Dam safety, servicewide inspections	460,000
Bridge safety, servicewide inspections	395,000
Emergency projects—servicewide	1,000,000
Construction management—servicewide	4,000,000
Total	37,655,000

The managers expect the Department to include the remaining funding necessary to complete the construction of the National Education and Training Center in the fiscal year 1997 budget.

NATURAL RESOURCE DAMAGE ASSESSMENT

Amendment No. 13: Appropriates $4,000,000 for the natural resource damage assessment fund as proposed by the Senate instead of $6,019,000 as proposed by the House.

The reductions below the House consist of $1,597,000 for damage assessments and $422,000 for program management.

LAND ACQUISITION

Amendment No. 14: Appropriates $36,900,000 for land acquisition instead of $14,100,000 as proposed by the House and $32,031,000 as proposed by the Senate. The $36,900,000 includes $8,000,000 for acquisition management, $1,000,000 for emergency and hardship purchases, $1,000,000 for inholding purchases, $1,000,000 for land exchanges, and $25,900,000 for refuge land purchases.

Funds provided under this account for land purchases are subject to the guidelines identified at the front of this statement.

NORTH AMERICAN WETLANDS CONSERVATION FUND

Amendment No. 15: Appropriates $6,750,000 for the North American Wetlands Conservation Fund as proposed by the Senate instead of $4,500,000 as proposed by the House.

The increase above the House includes $2,230,000 for habitat management and $20,000 for administration.

The House recommended that no funds be provided for this purpose in the future. The Senate took no position regarding outyear funding for this program.

WILDLIFE CONSERVATION AND APPRECIATION FUND

Amendment No. 16: Appropriates $800,000 for the Wildlife Conservation and Appreciation Fund as proposed by the Senate instead of $998,000 as proposed by the House.

Amendment No. 17: Deletes matching requirements proposed by the House and stricken by the Senate. The matching requirements of the Partnerships for Wildlife Act will continue to apply, and do not need to be stated in the appropriations act.

ADMINISTRATIVE PROVISIONS

Amendment No. 18: Provides authority to purchase 113 motor vehicles as proposed by the Senate instead of 54 passenger vehicles as proposed by the House.

Amendment No. 19: Deletes House prohibition on purchasing police vehicles. The Senate had no similar provision.

Amendment No. 20: Includes Senate provision that the Fish and Wildlife Service may accept donated aircraft. The House had no similar provision.

Amendment No. 21: Includes House provision prohibiting the Fish and Wildlife Service from delaying the issuance of a wetlands permit for the City of Lake Jackson, TX. The Senate had no similar provision.

Amendment No. 22: Modifies Senate provision on the distribution of refuge entrance fees by substituting language which allows the Fish and Wildlife Service to charge reasonable fees for expenses associated with the conduct of training programs at the National Education and Training Center. Any fees collected for this purpose will be sued to cover costs associated with the operation of this facility. The House had no similar provision.

Amendment No. 23: Modified Senate provision regarding use of pesticides on farmland within wildlife refuges in the Klamath Basin. The amendment is based, in part, upon the Service's representation that it has already approved or anticipates approval of certain materials that are needed for farming during this fiscal year and that it will consider other materials for 1996 and subsequent years. If these approvals do not occur or are withdrawn, the Senate language will prevail and growers will be subject to the same restrictions as growers on private lands. Allowing the pesticide use proposal process to remain in effect for the next fiscal year will enable growers and the Federal government to work constructively toward an agreeable process.

NATURAL RESOURCES SCIENCE AGENCY

RESEARCH, INVENTORIES AND SURVEYS

Amendment No. 24: Deletes Senate language providing $145,965,000 for a natural resources science agency and providings guidance on the operation of that agency. This agency would have replaced the National Biological Service. The House had no similar provision. The managers have agreed to eliminate the National Biological Service and to fund natural resources research as part of the U.S. Geological Survey as proposed by the House. This item is discussed in more detail under amendment Nos. 42 and 43.

NATIONAL PART SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

Amendment No. 25: Appropriates $1,083,151,000 for operation of the National park system instead of $1,088,249,000 as proposed by the House and $1,092,265,000 as proposed by the Senate. The reduction from the Senate level reflects the transfer of the equipment replacement account back to the construction account.

In keeping with the demands placed on other Interior bureaus, the managers have not funded uncontrolled costs and expect these costs to be absorbed through reductions to levels of reviews and management. Efficiencies should also be sought by exploring opportunities that exist and have been outlined in GAO reports to co-locate and combine functions, systems, programs, activities or field locations with other Federal land management agencies.

The managers are concerned about the costs associated with the current reorganization effort and strongly urge the NPS to limit expenditures for task forces, work groups and employee details and special assistants. The managers request that a report be submitted by February 1, 1996, detailing a budget history of past costs and future estimated costs associated with the reorganization.

The managers expect a report within 45 days of enactment of this Act identifying NPS preliminary allocations for fiscal year 1996. This report will serve as the baseline for any reprogrammings in fiscal year 1996.

In considering these allocations, the managers expect that none of the programmatic increases requested in the budget are to be considered except those necessary to meet specific park operating needs. This includes new and expanded programs. Any new initiative such as those related to training, reorganization or national service should be addressed through the reprogramming process.

The managers expect that the National Park Service will use these operating funds for core park programs.

The managers expect that the principle goal of the reorganization plan, which is to relocate staff from central and regional offices to the parks, will greatly alleviate the pressures placed on parks by increase visitation.

The managers have agreed to the House position regarding the termination of the Pennsylvania Avenue Development Corporation and the transfer of certain specific activities to other agencies including the National Park Service. This item is discussed in greater detail in amendment Number 151 in Title III.

Amendment No. 26: Restore House language stricken by the Senate regarding the availability of funds at the Mojave National Preserve.

NATIONAL RECREATION AND PRESERVATION

Amendment No. 27: Appropriate $37,649,000 for National recreation and preservation instead of $35,725,000 as proposed by the House and $38,094,000 as proposed by the Senate.

The reduction of $445,000 in Statutory and Contractual Aid from the Senate amount reflects the elimination of $23,000 for the Maine Acadian Cultural Preservation Commission and a reduction of $422,000 for the Native Hawaiian Culture and Arts program.

Amendment No. 28: Earmarks $236,000 for the William O. Douglas Outdoor Education Center as proposed by the Senate instead of $248,000 as proposed by the House.

As discussed under amendment No. 155, no funds are provided for the Mississippi River Corridor Heritage Commission. Within funds provided, the National Park Service shall publish the final report and enter into no other activities related to this corridor. The funds included in the Senate bill for the Commission have been transferred to the rivers and trails program.

HISTORIC PRESERVATION

Amendment No. 29: Appropriates $36,212,000 for the Historic Preservation Fund instead of $37,934,000 as proposed by the House and $38,312,000 as proposed by the Senate.

The managers have provided $32,712,000 for State grants and $3,500,000 for the National Trust for Historic Preservation.

The managers agree to a three year period of transition for the National Trust for Historic Preservation to replace Federal funds with private funding.

CONSTRUCTION

Amendment No. 30: Appropriates $143,225,000 for construction instead of $114,868,000 as proposed by the House and $116,480,000 as proposed by the Senate.

The managers agree to the following distribution of funds:

Andersonville National Historic Site, GA (prisoner of war museum)	$2,800,000
Assateague National Seashore, MD (erosion control)	300,000
Blackstone River Valley National Heritage Corridor MA/RI (interpretive project)	300,000
Blue Ridge Parkway, Hemphill Knob, NC (administration building)	1,030,000
Cane River Creole National Historic Park, LA (preservation and stabilization)	4,000,000
Chickasaw National Recreation Area, OK (campground rehabilitation)	1,624,000
Chamizal National Monument, TX (rehabilitation)	300,000
Crater Lake National Park, OR (dormitories construction)	10,000,000
Cuyahoga National Recreation Area, OH (site and structure rehabilitation)	2,500,000
Delaware Water Gap National Recreation Area, PA (trails rehabilitation)	1,050,000
Everglades National Park, FL (water delivery system modification)	4,500,000
Fort Necessity National Battlefield, PA (rehabilitation)	265,000
Fort Smith National Historic Site, AR (rehabilitation)	500,000
Gateway National Recreation Area, NY (Jacob Riis Park rehabilitation)	1,595,000
General Grant National Memorial, NY (rehabilitation)	1,000,000
Gettysburg National Military Park, PA (water and sewer lines)	2,550,000

Glacier National Park, MT (rehabilitate chalets)	328,000
Grand Canyon National Park, AZ: Transportation	1,000,000
Gulf Islands National Seashore, MS (erosion control)	600,000
Harpers Ferry National Historical Park, WV (utilities and phone lines)	455,000
Hot Springs NP, AR (stabilization/Lead Point)	500,000
James A. Garfield National Historic Site, OH (rehabilitation/development)	3,600,000
Jean Lafitte National Park and Preserve, LA (complete repairs)	2,100,000
Klondike Gold Rush National Historical Park, AK (restore Skagway historic district)	850,000
Lackawanna Valley, PA (technical assistance)	400,000
Lake Chelan National Recreation Area, WA (planning and design for repair of Company Creek Road)	280,000
Little River Canyon National Park, AL (health and safety)	460,000
Mount Rainier National Park, WA (replace employee dormitory)	6,050,000
Natchez Trace Parkway, MS	3,000,000
National Capital Parks—Central, DC (Lincoln/Jefferson memorials rehabilitation)	4,000,000
New River Gorge National River, WV (trails, visitor access and hazardous materials)	625,000
President's Park, DC: Replace White House electrical system	1,100,000
Sagamore Hill National Historic Site, NY (water and sewer lines)	800,000
Salem Maritime National Historic Site, MA (vessel exhibit)	2,200,000
Saratoga National Historical Park, NY (monument rehabilitation)	2,000,000
Sequoia National Park, CA (replace Giant Sequoia facilities)	3,700,000
Southwestern Pennsylvania Commission (various projects)	2,000,000
Stones River National Battlefield, TN (stablization)	200,000
Thomas Stone Historic Site, MD (rehabilitation)	250,000
Western Trails Center, IA	3,000,000
Wrangell-St. Elias National Park and Preserve, AK (Kennicott Mine site safety and rehabilitation)	1,500,000
Yosemite National Park, CA (El Portal maintenance facilities)	9,650,000
Zion National Park, UT (transportation system facilities)	5,200,000
Subtotal, line item construction	90,162,000
Emergency, unscheduled, housing	13,973,000
Planning	17,000,000
Equipment replacement	14,365,000
General management plans	6,600,000
Special resource studies	825,000
Strategic planning office	300,000
Total	143,225,000

The bill provides $1,000,000 for transportation related activities at Grand Canyon National Park. These funds are to be made available for transportation projects that the Superintendent of the Grand Canyon Park has identified as high priority. Therefore, it is the intent of the managers that these moneys be used for any transportation related expenditure, including the design of new transportation facilities and the purchase of new buses.

The managers encourage the National Park Service to proceed expeditiously with the necessary work at Cane River Creole NHP, LA.

Amendment No. 31: Earmarks $4,500,000 for the Everglades as proposed by the Senate instead of $6,000,000 as proposed by the House.

Amendment No. 32: Retains the Senate provision indicating Historic Preservation funds may be available until expended to stabilize buildings associated with the Kennicott, Alaska copper mine. The House had no similar provision.

LAND ACQUISITION

Amendment No. 33: Appropriates $49,100,000 for land acquisition instead of $14,300,000 as proposed by the House and $45,187,000 as proposed by the Senate. The $49,100,000 includes $7,200,000 for acquisition management, $3,000,000 for emergency and hardship purchases, $3,000,000 for inholding purchases, $1,500,000 for State grant administration, and $34,400,000 for other land purchases.

Amendment No. 34: Deletes the earmark inserted by the House and stricken by the Senate for Federal assistance to the State of Florida. Authority exists for the Department to use land acquisition funds for a grant to the State of Florida if approved pursuant to the procedures identified for land acquisition in fiscal year 1996.

Amendment No. 35: Modifies language proposed by the Senate which requires that funds which may be made available for the acquisition of the Elwha and Glines dams shall be used solely for acquisition, and shall not be expended until the full purchase amount has been appropriated by the Congress. The House had no similar provision. Consistent with the direction for the land acquisition accounts, no specific earmark is provided for this project. Under the procedures identified for land acquisition, however, funds could be made available for the Elwha and Glines dams.

The Elwha Act, P.L. 102–495, authorizes the purchase of the Elwha and Glines dams by the Secretary of the Interior at a total purchase price of $29,500,000. Recognizing the serious funding constraints under which the Committees are operating, bill language has been included which authorizes funding to be provided over a period of years, as necessary, in order to acquire the dams. The bill language specifies that the appropriated funds may only be used for acquisition. Appropriated funds cannot be expended until the total purchase price of $29,500,000 is appropriated.

Under the Elwha Act, the Secretary is authorized to study the benefits of the removal of both dams, and to assess the costs of such a removal to restore fish runs in the Elwha River. The managers continue to be disturbed greatly by the early projections from the Administration of costs that range from $80–$300 million for dam removal. Due to the lack of available funds, the managers strongly discourage the Administration and those parties supporting dam removal from continuing to support such a policy. Instead, the managers encourage interested parties to pursue other, less costly alternatives to achieve fish restoration. The managers urge parties interested in the Elwha Act to work to find, within the next year, a more fiscally responsible and achievable solution to fishery restoration in lieu of dam removal. If no conclusion can be reached on this issue, the appropriations committees, working with the authorizing committees, will be forced to work to find a legislative solution to the problem.

The managers have included $1,500,000 for administration of the state grant program. These funds are provided only to close down ongoing projects. No funds are provided for new grants and the managers intend that no funds will be provided in the future.

ADMINISTRATIVE PROVISIONS

Amendment No. 36: Retains Senate language regarding an agreement for the redevelopment of the southern end of Ellis Island and providing for Congressional review. Identical language has been included in previous Interior appropriations bills.

Amendment No. 37: Modifies language proposed by the Senate to clarify that funds may not be used by the National Park Service for activities taken in direct response to the United Nations Biodiversity Convention. The House had no similar provision.

Amendment No. 38: Retains language proposed by the Senate allowing the American Battlefield Protection Program to enter into cooperative agreements of various types with other entities. The House had no similar provision.

Amendment No. 39: Modifies Senate language regarding a feasibility study for a northern access route into Denali National Park and Preserve in Alaska. The modification is to require that the study also be submitted to the House and Senate Committees on Appropriations.

Amendment No. 40: Deletes Senate language regarding the Stampede Creek Mine at Denali National Park in Alaska. The House had no similar provision.

If requested by the University of Alaska at Fairbanks, the National Park Service shall enter into negotiations regarding a memorandum of understanding for continued use of the Stampede Creek Mine property. The Park Service should report to the relevant Congressional committees by May 1, 1996 on an assessment of damages resulting from the April 30, 1987 explosion. The repair or replacement should be to the same condition as existed on April 30, 1987. If the University of Alaska at Fairbanks seeks to replace the facilities, the Park Service should consider working with the Army to assist in any compensation to which the University of Alaska at Fairbanks may be eligible since the Army assisted the National Park Service with the explosives work conducted at Stampede Creek on April 30, 1987.

UNITED STATES GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

Amendment No. 41: Appropriates $730,503,000 for surveys, investigations and research instead of $686,944,000 as proposed by the House and $577,503,000 as proposed by the Senate. The amendment also provides authority for minerals information activities formerly conducted in the Bureau of Mines.

Changes to the amount proposed by the House include increases of $24,112,000 for natural resources research, $16,000,000 for minerals information activities transferred from the Bureau of Mines and $4,000,000 for university earthquake research grants, and decreases in Federal water resources investigations of $176,000 for data collection and analysis and $100,000 for hydrology of critical aquifers and a decrease of $277,000 in the National mapping program for cartographic and geographic research.

The managers have provided $4,000,000 for university research in the earthquakes program. If there is a compelling need for additional funds in this program in fiscal year 1996 and an acceptable funding offset can be justified, the USGS should notify the Committees following the existing reprogramming guidelines. The Committees will consider any such request on its merits.

The managers understand that the USGS is constrained from releasing certain information under interagency agreement No. AGP00473.94 with the Bureau of Indian Affairs absent the approval of the BIA. This issue is discussed in more detail in the BIA section of this statement.

The managers have agreed to fund a competitive program for the water resources research institutes with at least a 2 to 1 funding match from non-Federal sources. The managers expect that this approach likely will lead to the closure of some of the institutes. The managers recommend that in fiscal year 1996 a modest base grant of $20,000 per participating institute be provided with the balance of the funding for the program to be competitively awarded based on National program priorities established by the USGS. The need for continuing a small base grant beyond fiscal year 1996 should be carefully examined by the USGS in the context of its fiscal year 1997 budget priorities. The managers do not object to competitions being regionally-based if that approach is determined by the USGS to be the most productive, from the standpoint of meeting the most compelling information needs, and the most cost effective. If a regional approach is selected, the managers suggest that the USGS regions be consolidated so that there are no more than 4 or 5 large regional areas. The competition should not be structured to ensure that every participating institute in a region gets a competitive award. The USGS should report to the Committees in the fiscal year 1997 budget submission on how the competition is to be structured and should report in subsequent budget submissions on the distribution of competitively awarded grants by institute.

Amendment No. 42: Earmarks $137,000,000 for natural resources research and cooperative research units instead of $112,888,000 as proposed by the House. The Senate recommended funding this research under a separate account and at a level of $145,965,000 as discussed in amendment No. 24. The amendment also earmarks $16,000,000 for minerals information activities transferred from the Bureau of Mines, mines and minerals account (see amendment No. 47).

The managers agree that natural resources research in the Department of the Interior should be organized in a manner that ensures that it is independent from regulatory control and scientifically excellent. The managers intend the merger of these research activities into the USGS to be permanent. The USGS is directed to plan and manage the restructuring and downsizing of the former National Biological Service. Retrenchments required to remain within the reduced level of appropriations for the former NBS are to occur predominately in administrative, managerial and other headquarters support functions of that organization so as to maintain, to the maximum extent possible, scientific and technical capabilities.

The managers expect the agency to work closely with the land management agencies to identify priority science needs of concern to the Department's land managers on the ground. The managers are concerned that natural resource research be linked closely to management issues. In addition, attention should be provided to information related to wildlife resources entrusted to the stewardship of the Department; fisheries, including restoration of depleted stocks; fish propagation and riverine studies; aquatic resources; nonindigenous nuisances that affect aquatic ecosystems; impacts and epidemiology of disease on fish and wildlife populations; chemical drug registration for aquatic species; and effective transfer of information to natural resources managers.

During fiscal year 1996, funds appropriated for the functions of the former NBS shall remain a separate entity, titled "natural resources research", within the USGS. Upon completion of the necessary downsizing, and no later than nine months after enactment of this legislation, the managers direct the USGS to provide the Committees with a final plan for the permanent consolidation and integration of natural resources research functions into the USGS. As of October 1, 1996, employees of the former NBS shall be subject to the same administrative guidelines and practices followed by the USGS including peer review of research and investigations, maintenance of objectivity and impartiality, and ethics requirements regarding financial disclosure and divestiture. The managers expect that the USGS budget request for fiscal year 1997 will require amendment subsequent to its submission to reflect appropriately this consolidation. To reiterate, this merger is intended to be permanent and should be implemented fully by October 1, 1996.

During fiscal year 1996 the Department and the USGS are prohibited from reprogramming funds from other USGS programs and activities for any program or activity within the Department for natural resources research activities.

The managers also have agreed to provide $16,000,000 for minerals information activities, transferred from the Bureau of Mines. The funding represents a reduction from the fiscal year 1995 level and may require significant downsizing and restructuring of the program. The USGS should oversee the refocusing of the program. Until such downsizing is completed, the program should remain a separate and distinct budget and organizational entity within the USGS. To the extent job vacancies occur in the transferred program in fiscal year 1996, they should be filled with Bureau of Mines employees subject to termination or reduction-in-force. The managers understand that the existing USGS mineral resources survey activity is undergoing a restructuring and downsizing and expect that effort and the required downsizing of the minerals information program to proceed independently. When both downsizing efforts are completed, a single, refocused minerals program should be created which combines the minerals information activities transferred from the Bureau of Mines with other USGS mineral resources work.

Amendment No. 43: Modifies language inserted by the House and stricken by the Senate providing guidance on the conduct of natural resources research. The change to the House position expands the prohibition on the use of funds for new surveys on private property to include new aerial surveys for the designation of habitat under the Endangered Species Act unless authorized in writing by the property owner. With respect to natural resources research activities, the managers agree that funds may not be used for new surveys on private property without the written consent of the land owner, that volunteers are to be properly trained and that volunteer-collected data are to be verified carefully. The amendment also transfers authority from the Bureau of Mines to the Director of the USGS to conduct mineral surveys, consistent with the funding for that purpose earmarked under amendment No. 42.

MINERALS MANAGEMENT SERVICE

ROYALTY AND OFFSHORE MINERALS MANAGEMENT

Amendment No. 44: Appropriates $182,994,000 for royalty and offshore minerals management instead of $186,556,000 as proposed by the House and $182,169,000 as proposed by the Senate. Changes to the amount proposed by the House include decreases in information management of $151,000 for the absorption of fixed cost increases and $3,000,000 which is offset by the authority to use additional receipts as provided in amendment Nos. 45 and 46; and decreases in general administration of $306,000 for administrative operations and $105,000 for general support services.

The managers agree that the independent review of the royalty management program which was recommended by the House should not be conducted until the disposition of the hardrock minerals program is legislatively resolved: Accordingly, no funds are earmarked for this effort in fiscal year 1996.

Amendment No. 45: Provides for the use of $15,400,000 in increased receipts for the technical information management system as proposed by the Senate instead of $12,400,000 as proposed by the House.

Amendment No. 46: Permits the use of additional receipts for Outer Continental Shelf program activities in addition to the technical information management system as proposed by the Senate. The House had no similar provision.

BUREAU OF MINES

MINES AND MINERALS

Amendment No. 47: Appropriates $64,000,000 for mines and minerals instead of $87,000,000 as proposed by the House and $128,007,000 as proposed by the Senate. The conference agreement provides for the transfer of health and safety research to the Department of Energy (see amendment No. 110). The $64,000,000 provided for mines and minerals is to be used for the orderly closure of the Bureau of Mines.

The managers expect that the health and safety functions in Pittsburgh, PA, and Spokane, WA, will be continued under the Department of Energy as will the materials partnerships program in Albany, OR. The U.S. Geological Survey will assume responsibility for the minerals information program in Denver, CO, and Washington, DC. The Bureau of Land Management will assume responsibility for mineral assessments in Alaska. The managers do not object to a limited number of administrative support personnel being maintained in these locations. All other functions of the Bureau of Mines will be terminated and all other Bureau locations will be closed. The funds provided under this head should be sufficient to provide termination costs and to provide for environmental cleanup costs and for the required oversight and closeout of contracts.

The managers understand that some contracts will require oversight through a logical completion point to ensure that the Federal investment is not lost. One example is the construction associated with the Casa Grande in situ copper leaching program. The managers expect that there will be few such cases and expect the Secretary to notify the committees of the rationale for continuing specific contracts, not transferred to DOE, BLM, or USGS, beyond the closure of the Bureau. The managers expect the Secretary to proceed apace with the termination of the Bureau using the funds provided herein.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

Amendment No. 48: Appropriates $95,970,000 for regulation and technology as proposed by the Senate instead of $93,251,000 as proposed by the House.

ABANDONED MINE RECLAMATION FUND

Amendment No. 49: Appropriates $173,887,000 for the abandoned mine reclamation fund instead of $176,327,000 as proposed by the House and $170,441,000 as proposed by the Senate.

The net decrease below the House consists of reductions of $500,000 for donations, $2,000,000 for reclamation program operations, and $93,000 for administrative support; and increases of $13,000 for executive direction and $140,000 for general services.

Amendment No. 50: Deletes House earmark of $5,000,000 for the Appalachian Clean Streams Initiative. The Senate had no similar provision.

Amendment No. 51: Deletes House provision that allowed the use of donations for the Appalachian Clean Streams Initiative. The Senate had no similar provision.

Amendment No. 52: Includes Senate provision which allows States to use part of their reclamation grants as a funding match to treat and abate acid mine drainage, consistent with the Surface Mining Control and Reclamation Act (SMCRA). The House had no similar provision.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

Amendment No. 53: Appropriates $1,359,434,000 for the Operation of Indian Programs instead of $1,509,628,000 as proposed by the House and $1,261,234,000 as proposed by the Senate. Changes to the amount proposed by the House from Tribal Priority Allocations include decreases of $1,500,000 for contract support, $4,000,000 for small and needy tribes, and a general reduction of $117,136,000.

Changes from Other Recurring Programs include: Increases of $1,109,000 for ISEP formula funds, $1,000,000 for student transportation, and $73,000 for Lake Roosevelt; and decreases of $1,109,000 for ISEP adjustments, $1,000,000 for early childhood development, and $1,186,000 for community development—facilities O&M; and a transfer of $3,047,000 from trust services to the Office of Special Trustee for American Indians.

Changes from Nonrecurring Programs include: Increases of $400,000 for Self Determination grants, $1,500,000 for community economic development grants, $250,000 for technical assistance, and $1,500,000 for water rights negotiations; and decreases of $442,000 for attorney fees and $125,000 for resources management for absorption of pay costs.

Changes from Central Office Operations include: A decrease of $126,000 for the substance abuse coordination office, a decrease of $2,000,000 for education program management, a $12,477,000 transfer from trust services to the Office of Special Trustee for American Indians, a transfer of $447,000 from general administration to the Office of Special Trustee for American Indians, and a general reduction of $14,400,000.

Changes from Area Office Operations include a transfer of $2,367,000 from trust services to the Office of Special Trustee for American Indians and a general reduction of $14,447,000.

Changes from Special Programs and Pooled Overhead include: Increases of $1,337,000 for special higher education scholarships, $962,000 for the Indian Arts and Crafts Board, $1,780,000 for intra-governmental billings, and $57,000 for direct rentals; and decreases of $866,000 for the Indian Child Welfare Act, $1,500,000 for employee displacement costs, $141,000 for personnel consolidation, $664,000 for GSA rentals, $1,666,000 for human resources development, and a $23,000 general reduction.

Amendment No. 54: Deletes Senate earmark of $962,000 for the Indian Arts and Crafts Board. The House had no similar provision. The managers agree that within Special Programs/Pooled Overhead, $962,000 is earmarked for the Indian Arts and Crafts Board. In light of declining budgets, future funding for this program should be provided through non-Federal sources.

Amendment No. 55: Earmarks $104,626,000 for contract support costs as proposed by the Senate instead of $106,126,000 as proposed by the House and adds language earmarking $100,255,000 for welfare assistance.

Amendment No. 56: Earmarks up to $5,000,000 for the Indian Self-Determination fund as proposed by the Senate instead of $5,000,000 as proposed by the House.

Amendment No. 57: Earmarks $330,711,000 for school operations costs as proposed by the House instead of $330,991,000 as proposed by the Senate.

Amendment No. 58: Earmarks $68,209,000 for higher education scholarships, adult vocational training, and assistance to public schools instead of $67,138,000 as proposed by the House and $69,477,000 as proposed by the Senate.

Amendment No. 59: Retains a statutory reference to the Johnson O'Malley Act as proposed by the Senate. The House had no similar provision.

Amendment No. 60: Earmarks $71,854,000 for housing improvement, road maintenance, attorney fees, litigation support, self-governance grants, the Indian Self-Determination Fund, and the Navajo-Hopi settlement program instead of $74,814,000 as proposed by the House and $62,328,000 as proposed by the Senate.

Amendment No. 61: Deletes a reference to trust fund management as proposed by the Senate. Responsibility for trust fund management has been transferred to the Office of Special Trustee for American Indians.

Amendment No. 62: Deletes reference to the statute of limitations language, as proposed by the Senate. This language is included in the Office of Special Trustee for American Indians (amendment No. 80).

Amendment No. 63: Retains Senate language on the use of up to $8,000,000 in unobligated balances for employee severance, relocation, and related expenses and inserts new language regarding the effective date when schools can adjust salary schedules. The House had no similar provision.

The managers agree that:

1. Under Other Recurring Programs $409,000 is earmarked for Alaska legal services and salmon studies.

2. Not more than $297,000 shall be available for a grant to the Close Up Foundation.

3. Amounts specifically earmarked within the bill for Tribal Priority Allocations are subject to the general reduction identified for Tribal Priority Allocations. The managers expect the Bureau to allocate the general reduction in a manner that will not jeopardize funding provided from the Highway Trust Fund for road maintenance. In addition, the general reduction should not be applied to the $750,000 allocated for the Financial Management Improvement Team and for small and needy tribes. BIA should ensure that compacting and non-compacting tribes are treated consistently, except for compacting tribes who meet the criteria for small and needy tribes.

4. BIA should provide consistent treatment in allocating funds for small and needy tribes and new tribes. Allocations should be based on recommendations of the Joint Reorganization Task Force.

5. No funds are provided for the school statistics initiative. If the BIA wishes to pursue to initiative, the Committees will consider a reprogramming request.

6. Several steps must be completed before schools can adjust salary schedules. For this reason, bill language is included that will provide this authority beginning with the 1997–98 school year. The managers expect that within 30 days after enactment of this Act BIA should provide the Committees with a plan and time schedule advising how BIA will adjust salary schedules by the 1997–98 school year. The managers expect BIA to ensure that all necessary steps are taken to facilitate changes in salary rates for any schools desiring to use non-DOD pay rates.

7. $16,338,000 from the Operation of Indian Programs should be transferred to the Office of Special Trustee for American Indians (see Amendment No. 80).

The managers have agreed to a reduction of $2,000,000 for education program management in the Central Office Operations program. No reduction has been included for area and agency technical support in Other Recurring Programs. The managers expect the Bureau to review education program management at all levels to ensure that resources are properly allocated within the funding provided. If the Bureau wishes to reallocate the funds for these accounts, a reprogramming request should be submitted to the Committees.

The managers expect the Bureau of Indian Affairs to direct the U.S. Geological Survey to provide for the public release of all interpretations of data and reports (draft and final) completed under interagency agreement number AGP00473.94 and all related amendments immediately upon completion of the water studies. Within 15 days of enactment of this Act the BIA shall report to the Committees its decision as to whether or not it will direct the USGS to provide for the public release of the information. If the BIA does not allow for the public release of the information, the BIA should immediately cancel the interagency agreement with the USGS.

The managers have not agreed to the Senate amendment regarding a prohibition of the use of funds for travel and training expenses for the BIA. However, the BIA is expected to follow the guidance detailed in the discussion of Amendment No. 163.

CONSTRUCTION

Amendment No. 64: Appropriates $100,833,000 for construction instead of $98,033,000 as proposed by the House and $107,333,000 as proposed by the Senate. Changes to the amount proposed by the House include increases of $4,500,000 for the

Chief Leschi School, and $2,500,000 for the fire protection program, and decreases of $3,700,000 for the Navajo irrigation project and $500,000 for engineering and supervision.

The managers agree that the Chief Leschi School project will be phased in over a two-year period.

The managers agree that funding provided for construction projects should include the entire cost of a given project, which eliminates the need for a separate appropriation for contract support.

INDIAN LAND AND WATER CLAIM SETTLEMENTS AND MISCELLANEOUS PAYMENTS TO INDIANS

Amendment No. 65: Appropriates $80,645,000 for Indian land and water claim settlements and miscellaneous payments to Indians instead of $75,145,000 as proposed by the House and $82,745,000 as proposed by the Senate.

Amendment No. 66: Earmarks $78,600,000 for land and water claim settlements as proposed by the Senate instead of $73,100,000 as proposed by the House. Changes to the amount proposed by the House include an increase of $5,500,000 for the Ute Indian settlement.

Amendment No. 67: Earmarks $1,000,000 for trust fund deficiencies as proposed by the House instead of $3,100,000 as proposed by the Senate.

TECHNICAL ASSISTANCE OF INDIAN ENTERPRISES

Amendment No. 68: Appropriates $500,000 for technical assistance instead of $900,000 as proposed by the Senate and no funds as proposed by the House.

INDIAN GUARANTEED LOAN PROGRAM ACCOUNT

Amendment No. 69: Appropriates $5,000,000 for guaranteed loans instead of $7,700,000 as proposed by the Senate and no funds as proposed by the House.

The managers agree that $4,500,000 is for the cost of guaranteed loans and $500,000 is for administrative expenses.

TERRITORIAL AND INTERNATIONAL AFFAIRS

ASSISTANCE TO TERRITORIES

Amendment No. 70: Appropriates $65,188,000 for Assistance to Territories instead of $52,405,000 as proposed by the House and $68,188,000 as proposed by the Senate. The changes to the amount proposed by the House include an increase of $13,827,000 for territorial assistance and a decrease of $1,044,000 for American Samoa operations grants. The amount provided for territorial assistance includes increases over the House of $5,650,000 for technical assistance, $2,400,000 for maintenance assistance, $1,500,000 for management controls, and $750,000 for disaster assistance.

Amendment No. 71: Earmarks $3,527,000 for the Office of Insular Affairs as proposed by the Senate instead of no funds as proposed by the House. The managers agree that the Office of Territorial and International Affairs is abolished along with the Office of Assistant Secretary for Territorial and International Affairs. The funding provided is for staff to carry out the Secretary's mandated responsibilities and is to be located under the Assistant Secretary for Policy, Management and Budget. This action is consistent with the reorganization already approved by the Appropriations Committees.

Amendment No. 72: Retains Senate language directing the use of funds for technical assistance, maintenance assistance and disaster assistance.

COMPACT OF FREE ASSOCIATION

Amendment No. 73: Deletes House proposed language and funding for impact aid to Guam as proposed by the Senate.

The managers agree that Guam should be compensated for the impact caused by immigration from the freely associated states as authorized under the Compact of Free Association. Funding for compact impact shall be provided by a re-allocation of existing mandatory grant funds as discussed under amendment No. 89.

DEPARTMENTAL OFFICES

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

Amendment Nos. 74 and 75: The managers agree to the Senate language which changes the account name from Office of the Secretary to Departmental Management.

Amendment No. 76: Appropriates $57,796,000 for departmental management as proposed by the Senate instead of $53,919,000 as proposed by the House. A redistribution has been made which includes reductions of $296,000 to the Secretary's immediate office and $51,000 to Congressional Affairs. These funds have been transferred to Central Services.

The managers agree that these accounts have been restrained over recent years and that coordination of the Department's programs, particularly during the ongoing downsizing and restructuring process, is critical to ensure the overall effectiveness of the Department's programs. However, the managers feel that it is important to restrain these offices at the 1995 level considering that most of the Department's programs have sustained reductions, or face elimination, and all are being directed to absorb their uncontrollable expenses. The managers also recognize the need to have flexibility in the Departmental Offices to manage within reduced funding levels and with the displacements and uncertainties caused by reductions-in-force. Therefore, the managers agree that the Department may reprogram funds without limitation among the program elements within the four activities. However, any reprogramming among the four activities must follow the normal reprogramming guidelines.

The managers strongly support language included in the House Report which encourages each agency to reduce levels of review and management in order to cover the costs associated with pay raises and inflation. The Department should carefully review and eliminate excessive or duplicated positions associated with Congressional and Public Affairs offices.

Amendment No. 77: Deletes Senate language which prohibits the use of official reception funds prior to the filing of the Charter for the Western Water Policy Review Commission. The House had no similar provision.

CONSTRUCTION MANAGEMENT

Amendment No. 78: Appropriates $500,000 as proposed by the Senate instead of no funding as proposed by the House.

The managers agree to retain the core policy function from the Office of Construction Management in the Office of Policy, Management and Budget. The balance of the programs are transferred to BIA construction.

NATIONAL INDIAN GAMING COMMISSION

Amendment No. 79: Modifies language inserted by the Senate requiring a report detailing information on Indian tribes or tribal organizations with gaming operations. The modification changes the date the report is due to March 1, 1996. The House had no similar provision.

OFFICE OF SPECIAL TRUSTEE FOR AMERICAN INDIANS

FEDERAL TRUST PROGRAMS

Amendment No. 80: Appropriates $16,338,000 for Federal trust programs in the Office of Special Trustee for American Indians and establishes this new account as proposed by the Senate. The House had no similar provision.

The managers agreed to the following transfers from the Operations of Indian Programs account within the Bureau of Indian Affairs as proposed by the Senate: $3,047,000 from Other Recurring Programs for financial trust services; $2,367,000 from Area Office Operations for financial trust services; and $10,924,000 from Central Office Operations; including $10,447,000 for the Office of Trust Funds Management.

The managers concur with the need for establishing the office as articulated in the Senate report. The managers believe that the Special Trustee will be effective in implementing reforms in the Bureau of Indian Affairs only to the extent that the Trustee has authority over the human and financial resources supporting trust programs. Lacking such authority, the Trustee cannot be held accountable and the likely result will be simply one more office pointing out the shortcomings of the Bureau of Indian Affairs.

Furthermore, under the current financial constraints facing the Committees and the various downsizing activities taking place in the Department, it is essential that the Committees have a clear understanding of the organizational structure supporting trust programs and an assurance that the significant general reductions proposed to be taken against the Bureau of Indian Affairs do not impair the Secretary's ability to manage trust assets. The managers are aware that there may be additional activities that could be transferred to the Office and encourage the Special Trustee, the Department, the Bureau of Indian Affairs, the tribes, and the Office of Management and Budget to work closely with the appropriations and authorizing committees to identify the activities and related resources to be transferred.

Any increase in funding or staffing for the Office of Special Trustee should be considered within the context of the fiscal year 1997 budget request and with consideration for funding constraints and the downsizing occurring throughout the Department, particularly within the Bureau of Indian Affairs.

The managers have recommended funding in a simplified budget structure to allow the Special Trustee some flexibility in establishing the office and the budget structure. Prior to submission of the fiscal year 1997 budget request, the managers expect the Special Trustee to work with the Committees to establish an appropriate budget structure for the Office.

The managers expect the Special Trustee to provide by December 1, 1996 a detailed operating plan for financial trust services for fiscal year 1996. The plan should detail what specific activities relating to the reconciliation effort will be undertaken, both directly by the Office of Special Trustee and by its contractors. The plan should detail what products will be provided to the tribes and the Congress and when such products will be submitted. The plan should include staffing for financial trust services, including the number of vacant positions and when the positions are expected to be filled.

Within the funds provided, support should be provided to the Intertribal Monitoring Association (ITMA). The managers expect

ITMA to provide the Special Trustee with any information that is provided to the Appropriations or authorizing committees. If the Office of Special Trustee plans to continue funding ITMA in fiscal year 1997, the managers expect the Special Trustee to identify the funds to be available for ITMA in the fiscal year 1997 budget request.

To the extent possible, the managers expect that administrative support services will continue to be provided by the Bureau of Indian Affairs during fiscal year 1996. To the extent that resources exist within the Office of Special Trustee for budgeting or other administrative services, these activities should be provided by the Office of Special Trustee, rather than through the Bureau of Indian Affairs. The managers have not included any funds for overhead costs, such as GSA rent, postage, FTS-2000, PAY/PERS, or workers' compensation. These costs should be paid from the Operation of Indian Programs account during fiscal year 1996. The fiscal year 1997 budget should include appropriate overhead amounts in the Office of the Special Trustee.

ADMINISTRATIVE PROVISIONS

Amendment No. 81: Retains language inserted by the Senate changing the name of "Office of the Secretary" to "Departmental Management".

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

Amendment No. 82: Deletes an unnecessary comma as proposed by the Senate.

Amendment No. 83: Retains the House language stricken by the Senate granting the Secretary of the Interior authority to transfer land acquisition funds between the Bureau of Land Management, the U.S. Fish and Wildlife Service and the National Park Service.

Amendment No. 84: Modifies language proposed by the House and stricken by the Senate regarding the expenditure of funds for the Presidio. The managers are aware of legislation which may be enacted regarding the future management of the Presidio in California and have provided a funding limitation in order for the Congress to consider legislation this fall. In light of declining budgets, the managers recognize the need for an alternative approach for the Presidio that does not require additional appropriations from the Interior bill. Because the authorizing legislation may be enacted early in fiscal year 1996, the managers have included language which restricts how much funding can be obligated on a monthly basis for the first quarter of the fiscal year. However, if legislation is not enacted, the managers also recognize the need for the National Park Service to be able to fulfill its management and resource protection responsibilities at the Presidio. Thus, the obligation limitation would be lifted on December 31, 1995.

Because of concerns about sufficient resources remaining available to address the requirements of any authorization regarding the Presidio Trust, the managers expect the National Park Service to notify the relevant House and Senate appropriations and authorizing committees before awarding any major contracts after December 31, 1995, and prior to the establishment of the Presidio Trust once it is authorized.

Amendment No. 85: Restores language proposed by the House and stricken by the Senate repealing provisions of the Oil Pollution Act of 1990 with respect to Outer Continental Shelf leases offshore North Carolina. The repeal of this statute is not intended to excuse the United States from the liabilities, if any, it has incurred to date nor to otherwise affect pending litigation.

Amendment No. 86: Retains language proposed by the Senate limiting the allocation of self-governance funds to Indian tribes in the State of Washington if a tribe adversely impacts rights of nontribal owners of land within the tribe's reservation. The House had no similar provision.

Amendment No. 87: Retains language proposed by the Senate which requires the Department of the Interior to issue a specific schedule for the completion of the Lake Cushman Land Exchange Act within 30 days of enactment and to complete the exchange by September 30, 1996. The House had no similar provision.

Amendment No. 88: Retains Senate language authorizing the National Park Service to expend funds for maintenance and repair of the Company Creek Road in Lake Chelan National Recreation Area and providing that, unless specifically authorized, no funds may be used for improving private property. The House had no similar provision.

Amendment No. 89: Revises language proposed by the Senate to reallocate mandatory grant payments of $27,720,000 to the Commonwealth of the Northern Mariana Islands (CNMI).

The managers agree that for fiscal years 1996 through 2002 the CNMI shall receive $11,000,000 annually. This is consistent with total funding, matching requirements, and terms negotiated and set forth in the agreement executed on December 17, 1992, between the special representative of the President of the United States and the special representatives of the Governor of the Northern Mariana Islands.

The managers agree that Guam shall receive impact aid of $4,580,000 in fiscal year 1996. This funding level shall continue through fiscal year 2001, as authorized by the Compact of Free Association. The managers agree that these grant funds must be used for infrastructure needs, as determined by the Government of Guam.

The managers agree that $7,700,000 shall be allocated for capital improvement grants to American Samoa in fiscal year 1996 and that higher levels of funding may be required in future years to fund the highest priority projects identified in a master plan. The managers have agreed to language directing the Secretary to develop such a master plan in conjunction with the Government of American Samoa. The plan is to be reviewed by the Army Corps of Engineers before it is submitted to the Congress and is to be updated annually as part of the budget justification.

The managers understand that renovation of hospital facilities in American Samoa has been identified as one of the more critical and high priority needs. The Secretary of the Interior and the American Samoa Government are reminded that Congress required the creation of a hospital authority as a condition to Federal funding of health care facilities. The managers expect the existing hospital authority in American Samoa to be supported by the American Samoa Government so that it continues the purpose of improving the quality and management of health care.

The managers agree that $4,420,000 shall be allocated in fiscal year 1996 for resettlement of Rongelap Atoll. Language has been included that total additional contributions, including funding provided in this bill, may not exceed $32,000,000 and are contingent on an agreement that such contributions are a full and final settlement of all obligations of the United States to assist in the resettlement of Rongelap.

The managers have deleted language provisions proposed by the Senate which would legislate on several matters including minimum wage, immigration, and local employment in the Northern Mariana Islands.

The managers agree that the Secretary of the Interior should continue to submit an annual "State of the Islands" report. This report has been submitted for the past four years in accordance with Committee directives and is a valuable source of information for the Congress.

TITLE II—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST RESEARCH

Amendment No. 90: Appropriates $178,000,000 for forest research instead of $182,000,000 as proposed by the House and $177,000,000 as proposed by the Senate.

For forestry research, the managers reaffirm support for the consolidation of budget line items, to provide the agency additional flexibility with restructuring, and to allow efficiencies and cost savings as required to meet funding reductions. The managers agree that no forest and range experiment station, research program, or research project should be held harmless from deceases that would impose disproportionate reductions to other research activities. The agency should maintain its focus on core research activities—including forestry research—that support initiatives relating both to public and private forest lands, and cooperative research efforts involving the universities as well as the private sector, directed at forest management, resource utilization and productivity. The managers urge the Forest Service to avoid location closures where research is not conducted elsewhere, and to consolidate programs that are spread over multiple locations. The managers are particularly concerned that silvicultural and hardwood utilization research continue given the large number of public and private forests which rely on this research.

In addition, the managers note the growing importance of data and other information collected through the Forest Inventory Analysis (FIA) program and the resulting statewide forest inventories. The analysis and collection of information directed at forest health conditions on public and private forest lands has become especially important in recent years.

The managers have included $300,000 for landscape management research at the University of Washington, $479,000 for Cook County Ecosystem project, and $200,000 for research at the Olympic Natural Resources Center in Forks, WA.

STATE AND PRIVATE FORESTRY

Amendment No. 91: Appropriates $136,794,000 for State and private forestry as proposed by the Senate but deletes Senate earmarks for cooperative lands fire management and the stewardship incentives program. The House provided $129,551,000 for State and private forestry.

The net increase above the House includes increases of $4,500,000 for the stewardship incentives program, $3,000,000 for forest legacy program, and $5,500,000 for economic action programs; and reductions of $2,000,000 from forest health management, $621,000 from cooperative lands fire management, $1,636,000 for forest stewardship and $1,500,000 for urban and community forestry.

The managers agree to the following distribution of funds within economic action programs:

Forest products conservation and recovery	$1,000,000
Economic recovery	5,000,000
Rural development	4,800,000
Wood in transportation	1,200,000
Columbia River Gorge, economic grants to counties	2,500,000

The managers agree that $2,880,000 within rural development be allocated to the Northeast and Midwest, and that no funds are provided for economic diversification studies.

INTERNATIONAL FORESTRY

The managers agree that up to $4,000,000 of Forest Service funds may be utilized for purposes previously funded through the International Forestry Appropriation. Domestic activities requiring international contacts will continue to be funded, as in the past, by appropriate domestic benefiting program. The managers reiterate their expectations that the Service curtail foreign travel expenditures in light of budget constraints.

Operations formerly funded by International Forestry or other appropriations, other than research activities, of the International Institute of Tropical Forestry, Puerto Rico and the Institute of Pacific Islands Forestry, Hawaii may continue to be funded as appropriate. As with other programs, it may be necessary to reduce funding for these institutes due to budget constraints. Research activities will be funded from the Forest Research Appropriation.

The managers also expect the Forest Service to examine the best means to provide leadership in international forestry activities and meet essential representation and liaison responsibilities with foreign governments and international organizations, and agree that the Forest Service should not maintain a separate deputy chief for international forestry.

NATIONAL FOREST SYSTEM

Amendment No. 92: Appropriates $1,256,253,000 for the national forest system instead of $1,266,688,000 as proposed by the House and $1,247,543,000 as proposed by the Senate.

The net decrease below the House consists of reductions of $5,750,000 for recreation management, $1,750,000 for wilderness management, $435,000 for heritage resources, $1,750,000 for wildlife habitat management, $1,000,000 for inland fish habitat management, $1,750,000 for threatened and endangered species habitat management; and increases of $1,000,000 for road maintenance, and $1,000,000 for facility maintenance.

The managers expect the land agencies to begin to rebuild and restore the public timber programs on national forests and BLM lands. With the modest increase in funding provided, the Forest Service is expected to produce 2.6 billion board feet of green sales. With enactment of the new salvage initiative (P.L. 104–19) in response to the emergency forest health situation, the agencies are expected to proceed aggressively to expedite the implementation of existing programmed salvage volumes, with the expectation that the Forest Service will produce an additional increment of 1.5 BBF over the expected sale program for fiscal year 1996. The managers expect a total fiscal year 1996 Forest Service sale accomplishment level of 5.6 BBF, and note that this is nearly half the level authorized for sale just five years ago. The Forest Service is to report timber sale accomplishments on the basis of net sawtimber sold and awarded to purchasers, and on the volume offered. Those regions of the country which sell products other than sawtimber should continue to report accomplishments in the same manner as used in the forest plans. The reports are also to provide information on both green and salvage sales.

The managers encourage the Forest Service to use up to $350,000 to commission a third party field review of the environmental impacts and the economic efficiency of the emergency forest salvage program mandated by section 2001 of P.L. 104–19. The managers believe that funding such a review can be appropriately undertaken through the timber salvage sale fund.

The managers note the difference between the House and Senate reports pertaining to tree measurement and timber scaling. The managers also note that House Report 103–551 specifically allows Forest Service managers to use scaling when selling salvage sales or thinnings. The managers expect the Forest Service to use fully the flexibility authorized in House Report 103–551 for rapidly deteriorating timber, and to use sample weight scaling for the sale of low value thinnings. Further, the managers direct the Forest Service to undertake a study to identify: (1) which measurement method is more cost efficient; (2) to assess what percent of timber theft cases involve scaling irregularities and whether tree measurement discourages timber theft; (3) which measurement method is more efficient when environmental modifications are needed after a sale has been awarded; and (4) assess the agency's ability to perform cruising required under tree measurement. The study will measure Forest Service performance based on Forest Service Handbook cruise standards, including identifying how often uncertified employees are involved in cruise efforts. The Forest Service shall contract with an established independent contractor skilled in both cruising and scaling and report back to the Committees no later than March 1, 1996.

The conference agreement includes $400,000 for the development of a plan for preserving and managing the former Joliet Arsenal property as a National tallgrass prairie. The managers are aware of legislation to establish the Midewin National Tallgrass Prairie and urge the Forest Service to take such steps as are necessary, including a reprogramming, to begin implementing the legislation when enacted. The managers also urge the Forest Service to seek full funding for the Midewin National Tallgrass Prairie as part of its fiscal year 1997 budget request.

The managers are concerned about the many programs in the President's Forest Plan designed to provide assistance to timber dependent communities in the Pacific Northwest. The managers are disturbed by the inability of the agencies involved to provide a detailed accounting of funds appropriated in previous fiscal years for the unemployed timber worker programs in the President's Forest Plan.

The managers expect the Secretary of the Interior and the Secretary of Agriculture to prepare a detailed accounting and report of the funds appropriated in fiscal year 1995 for the President's Forest plan. The report shall include a careful accounting of appropriated funding, including: funds appropriated for timber production; administrative expenses, including the number of Federal employees employed to administer the various aspects of the President's plan; funds appropriated for the various jobs programs allowed for under the President's plan, including but not limited to the Jobs in the Woods program; the number of individuals employed by these programs; and the average length of each job. The managers expect the Secretaries to submit the report to the Committees no later than March 31, 1996.

The managers are concerned that the Forest Service reallocates funding pursuant to reprogramming requests before they are transmitted to Congress. The managers direct the Forest Service to adhere to the reprogramming guidelines, and not reallocate funds until the Appropriations Committees have had an opportunity to review these proposals.

The managers believe that additional opportunities exist for contracting Forest Service activities, and encourage expanding the use of contractors wherever possible.

WILDLAND FIRE MANAGEMENT

Amendment No. 93: Changes the account title to Wildland Fire Management as proposed by the Senate, instead of Fire Protection and Emergency Suppression as proposed by the House.

Amendment No. 94: Appropriates $385,485,000 for wildland fire management as proposed by the House instead of $381,485,000 as proposed by the Senate.

CONSTRUCTION

Amendment No. 95: Appropriates $163,500,000 for construction, instead of $120,000,000 as proposed by the House and $186,888,000 as proposed by the Senate.

The increase above the House includes $23,500,000 for facilities, $5,000,000 for road construction, and $15,000,000 for trail construction. Within the total for facilities, the conference agreement includes $36,000,000 for recreation, $10,000,000 for FA&O, and $2,500,000 for research.

The managers agree to the following earmarks within recreation construction:

Allegheny NF, rehabilitation	$150,000
Bead Lake, WA, boating access	60,000
Bead Lake, WA, roads	176,000
Columbia River Gorge Discovery Center, OR, completion	2,500,000
Cradle of Forestry, NC, utilities	500,000
Daniel Boone NF, KY, rehabilitation	660,000
Gum Springs Recreation Area, LA, rehabilitation phase II	400,000
Johnston Ridge Observatory, WA	500,000
Johnston Ridge Observatory, WA, roads	550,000
Lewis and Clark Interpretive Center, MT, completion	2,700,000
Multonmah Falls, OR, sewer system	190,000
Northern Great Lakes Visitor Center, WI	1,965,000
Seneca Rocks, WV visitor center, completion	1,400,000
Timberline Lodge, OR, water system improvements and new reservoir	750,000
Winding Stair Mountain National Recreation and Wilderness Area, OK, improvements	682,000

The managers agree that for the Northern Great Lakes Visitor Center, WI, funding is provided with the understanding that the project cost is to be matched 50% by the State of Wisconsin.

The conference agreement includes $95,000,000 for roads to be allocated as follows: $57,000,000 for timber roads, $26,000,000 for recreation roads, and $12,000,000 for general purpose roads.

The managers remain interested in Forest Service plans for restoring Grey Towers, and are concerned about the cost of the project. The managers expect the Forest Service to continue the implementation of the master plan for Grey Towers and to explore additional partnerships that can help cost-share required restoration work. The Forest Service should work with the Committees to provide a better understanding of the needs of Grey Towers and explore ways to reduce the cost to the Federal government.

The managers concur in the reprogramming request currently pending for Johnston Ridge Observatory and Timberline Lodge sewer system.

Amendment No. 96: Earmarks $2,500,000 and unobligated project balances for a grant to the "Non-Profit Citizens for the Columbia Gorge Discovery Center," and authorizes the conveyance of certain land, as proposed by the Senate. The House included no similar provision.

Amendment No. 97: Includes Senate provision which authorizes funds appropriated in 1991 for a new research facility at the University of Missouri, Columbia, to be available as a grant for construction of the facility, and provides that the Forest Service shall receive free space in the building. The House had no similar provision.

LAND ACQUISITION

Amendment No. 98: Appropriates $41,200,000 instead of $14,600,000 as proposed by the House and $41,167,000 as proposed by the Senate. The $41,200,000 includes $7,500,000 for acquisition management, $2,000,000 for emergency and inholding purchases, $1,000,000 for wilderness protection, $1,725,000 for cash equalization of land exchanges, and $28,975,000 for land purchase.

Amendment No. 99: Strikes Senate earmark for Mt. Jumbo.

Amendment No. 100: Strikes earmark for Kane Experimental Forest.

The managers expect that any movement of acquisition funds from one project to another regardless of circumstances must follow normal reprogramming guidelines. The managers have deleted all references to specific earmarkings included in the Senate report.

The managers continue to encourage strongly the use of land exchanges as a way in which to protect important recreational or environmentally significant lands, in lieu of the Federal Government acquiring lands. The managers believe that land exchanges represent a more cost-effective way in which to do business and encourage the Forest Service to give high priority to those exchanges either nearing completion, or where land management decisions are made particularly difficult due to checkerboard ownership.

The managers are concerned about the long history of problems associated with the implementation of land acquisition provisions in the Columbia River Gorge National Scenic Act. To date, nearly $40 million has been spent on land acquisitions in the Gorge, and the Forest Service estimates that nearly $20–$30 million in remaining land is left to be acquired. The Gorge Act authorizes land exchanges in the area, and while several exchanges have been completed, a substantial number of acres remain to be acquired to fulfill the purposes of the Scenic Act. The managers strongly support the use of land exchanges versus land acquisitions. The managers understand that the Forest Service has the existing statutory authority to conduct land exchanges in the Scenic Area, including tripartite land-for-timber exchanges.

The managers encourage the Forest Service to enter into land exchanges, including tripartite land exchanges, with willing land owners in the Gorge to diminish the need for future acquisitions.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Amendment No. 101: Retains Senate provision which prohibits any reorganization without the consent of the appropriations and authorizing committees and adds a provision exempting the relocation of the Region 5 regional offices from the requirement to obtain the consent of the authorizing and appropriations committees. The House had no similar provision.

The managers are concerned that the Forest Service is being required to move the Regional Office in Atlanta, Georgia from its present location to a new Federal Center in downtown Atlanta at greatly increased costs. At the same time, accessibility for both the public and employees will be made more difficult. Requiring the Forest Service to absorb increased costs for no increase in effectiveness or efficiency is not acceptable. The managers agree that any relocation of the Atlanta office can occur only pursuant to the bill language restrictions which require the advance approval of the authorizing and appropriations committees. This will allow the committees the opportunity to examine closely the costs and benefits of any such proposal, and require the Administration to justify fully any additional expenditures.

Amendment No. 102: Includes Senate provision which adds the Committee on Energy and Natural Resources to the list of committees which must approve reorganizations pursuant to amendment No. 101. The House had no similar provision.

Amendment No. 103: Includes the Senate provision which adds the Committee on Resources to the list of committees which must approve reorganizations pursuant to amendment No. 101. The House had no similar provision.

Amendment No. 104: Modifies Senate provision by deleting the prohibition on changes to the appropriations structure without advance approval of the Appropriations Committees, and substituting language allowing the relocation of the Region 5 regional office to Mare Island in Vallejo, CA, subject to the existing reprogramming guidelines. The House had no similar provision.

The conference agreement includes bill language which provides authority to finance costs associated with the relocation of the Region 5 regional office to excess military property at Mare Island Naval Shipyard at Vallejo, CA, from any Forest Service account. However, the managers expect a reprogramming request which justifies the relocation and identifies the source of funds to be used before funds are reallocated for this purpose. The allocation of other regions are not to be reduced in order to finance the move.

Amendment No. 105: Retains House language stricken by the Senate providing that 80 percent of the funds for the "Jobs in the Woods" program for National Forest land in the State of Washington be granted to the State Department of Fish and Wildlife. The Senate had no similar provision.

Amendment No. 106: Deletes House provision relating to songbirds on the Shawnee NF. The Senate had no similar provision.

Amendment No. 107: Deletes Senate provision which prohibits revision or implementation of a new Tongass Land Management Plan. The House had no similar provision.

Amendment No. 108: Modifies Senate provision requiring implementation of the Tongass Land Management Plan, Alternative P, during fiscal year 1996, and allows continuation of the current Tongass National Forest land management planning process which may replace or modify Alternative P. Language is also included relating to offering certain timber sales in Alaska, and making permanent section 502 of Public Law 104–19 relating to habitat conservation areas in the Tongass National Forest. The House had no similar provision.

The managers appreciate the critical need to resolve land and resource management issues relating to the Tongass National Forest in Southeast Alaska and further recognize that, to date, the Congress has provided sufficient guidance and funding for the Forest Service to develop a workable land management plan. Therefore, the Forest Service is directed to implement the preferred alternative identified in the Final Environmental Impact Statement dated October 1992 and its companion Record of Decision draft dated February 1993. The Forest Service may amend that plan to include a signed agreement between the Forest Service and the Alaska Visitors' Association, and is directed otherwise to proceed with timber sales and other plan features in accordance with this plan. The current plan revision process may continue, provided that any proposed revisions shall, to the maximum extent possible, contain no fewer acres to suitable timber lands than in the plan selected by this bill and any revision shall not take effect during fiscal year 1996.

Amendment No. 109: Includes Senate provision which prohibits applying paint to rocks or rock colorization. The House includes no similar provision.

DEPARTMENT OF ENERGY

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

Amendment No. 110: Appropriates $417,169,000 for fossil energy research and development instead of $379,524,000 as proposed by the House and $376,181,000 as proposed by the Senate. The amendment also provides for the transfer of authority for health and safety research in mines and the mineral industry from the Bureau of Mines (see amendment No. 47). Changes to the amount proposed by the House for coal research include an increase of $2,000,000 for Kalina cycle testing and decreases of $1,500,000 in coal preparation research, $1,650,000 for HRI proof of concept testing and $1,000,000 for bench scale research in the direct liquefaction program, $1,000,000 for in house research in the high efficiency integrated gasification combined cycle program, $500,000 for filters testing and evaluation in the high efficiency pressurized fluidized bed program, and $300,000 for international program support and $1,000,000 for university coal research in advanced research and technology development. Changes to the amount proposed by the House for oil technology research include increases of $1,500,000 for a data repository, $250,000 for the gypsy field project and $250,000 for the northern midcontinent digital petroleum atlas in exploration and supporting research, and decreases of $1,000,000 for the National laboratory/industry partnership and $1,000,000 for extraction in exploration and supporting research, $2,000,000 for the heavy oil/unconsolidated gulf coast project in the recovery field demonstrations program, and

$1,100,000 as a general reduction to the processing research and downstream operations program. Changes to the amount proposed by the House for natural gas research include decreases of $440,000 for conversion of natural gases to liquid fuels, $130,000 for the international gas technology information center and $30,000 for low quality gas upgrading in the utilization program and $1,000,000 for the advanced concepts/tubular solid oxide fuel cell program. Other changes to the House recommended level include increases of $40,000,000 for health and safety research ($35 million) and materials partnerships ($5 million) which are being transferred from the Bureau of Mines, $6,295,000 for cooperative research and development and $5,000,000 for program direction at the energy technology centers and a decrease of $4,000,000 for environmental restoration.

The funds provided for cooperative research and development include $295,000 for technical and program management support and $3,000,000 each for the Western Research Institute and the University of North Dakota Energy and Environmental Research Center. Within the funds provided for WRI and UNDEERC, the managers agree that a percentage comparable to the fiscal year 1995 rate may be used for the base research program, and the balance is to be used for the jointly sponsored research program.

The managers have included an increase of $5,000,000 for program direction, which is $1,000,000 less than recommended in the Senate bill. The managers expect the Department to allocate these funds commensurate with the program distributions in this bill. The various program and support functions of the field locators should continue to be funded out of the same line-items as in fiscal year 1995.

The managers are aware of proposals regarding the future field office structure of the fossil energy program. The managers take no position on the specifics of the various aspects of the strategic realignment initiative at this time as many of the details are not yet available. The managers expect the Department to comply fully with the reprogramming guidelines before proceeding with implementation of any reorganization or relocation. The managers are concerned about the basis for estimated savings, personnel impacts, budget changes, transition plans, and how any proposed integration will address market requirements and utilization.

In any proposal to privatize the National Institute for Petroleum and Energy Research (NIPER), the Department should seek competitively a non-Federal entity to acquire NIPER and to make such investments and changes as may be necessary to enable the private entity to perform high-value research and development services and compete with other organizations for private and public sector work. In the interim, to the extent the program level for oil technology allows, the Department is encouraged to maintain as much of the program at NIPER as possible.

With respect to the functions of the Bureau of Mines which have been transferred to the Department of Energy, the managers expect the Department to continue to identify the resources being allocated for these purposes and not to subsume these functions into other budget line-items within the fossil energy account. The Secretary should maintain the transferred functions and personnel at their current locations. In fiscal year 1996, any staffing reductions required to accommodate the funding level provided for health and safety research should be taken from within this activity and should not affect any other elements of the fossil energy research and development organization. Likewise, any additional or vacant positions which are required for the health and safety research function should be filled with Bureau of Mines employees who are subject to termination or reduction-in-force. The managers strongly encourage the Administration, and particularly the Office of Management and Budget, to work toward consolidating these health and safety functions in the same agency with either the Mine Safety and Health Administration or the National Institute for Occupational Safety and Health.

The managers do not object to the use of up to $18,000,000 in clean coal technology program funds for administration of the clean coal program. The managers are concerned that a clean coal project was recently changed without addressing Congressional concerns that were raised before and during the application review period. The managers expect the Secretary, to the extent possible, to ensure that the sulfur dioxide facility which was approved as part of the NOXSO clean coal project is constructed so as to begin operation when the elemental sulfur is available from the NOXSO process. The managers also expect the Department to report to the legislative committees of jurisdiction as well as the Appropriations Committees in the House and Senate on the rationale for approving the construction of a sulfur dioxide plant as part of the NOXSO project. As the remaining projects in the clean coal program proceed, the Department should focus on technologies that relate directly to the objectives of the program.

Amendment No. 111: Deletes language inserted by the Senate requiring that any new project start be substantially cost-shared with a private entity. The House had no similar provision. The managers expect the Department to make every effort to increase the percentage of non-Federal cost-sharing in its research and development projects.

NAVAL PETROLEUM AND OIL SHALE RESERVES

Amendment No. 112: Appropriates $149,028,000 for the Naval petroleum and oil shale reserves instead of $151,028,000 as proposed by the House and $136,028,000 as proposed by the Senate.

Amendment No. 113: Repeals the restriction on conducting studies with respect to the sale of the Naval petroleum and oil shale reserves as proposed by the Senate. The House had no similar provision.

ENERGY CONSERVATION

Amendment No. 114: Appropriates $553,293,000 for energy conservation instead of $556,371,000 as proposed by the House and $576,976,000 as proposed by the Senate. Changes to the amount proposed by the House for the buildings program include increases of $150,000 for the foam insulation project in the building envelope program, $100,000 for lighting and appliance collaboratives in commercial buildings in the building equipment program and $1,140,000 for energy efficiency standards for Federal buildings in the codes and standards program, and decreases of $400,000 for residential buildings/building America, $3,000 for residential efficiency/climate change action plan, and $1,500,000 for partnership America/climate change action plan in building systems; $150,000 as a general reduction to materials and structures in building envelope; $450,000 as a general reduction to lighting and $100,000 for appliance technology introduction partnerships/climate change action plan in building equipment; and $3,060,000 as a general reduction to the codes and standards program, consistent with the moratorium on issuing new standards (see amendment No. 157).

Changes to the amount proposed by the House for the industry program include an increase of $3,000,000 in industrial wastes to maintain the NICE3 program at the fiscal year 1995 level and decreases of $300,000 for combustion in the municipal solid waste program, $1,000,000 as a general reduction to the metals initiative in the materials and metals processing program with the expectation that none of the reduction is to be applied to the electrochemical dezincing project, $200,000 as a general reduction for alternative feedstocks and $700,000 as a general reduction for process development in the other process efficiency program, and $2,000,000 for environmental technology partnerships in implementation and deployment.

Changes to the amount proposed by the House for the transportation program include increases of $990,000 for metal matrix composites in vehicle systems materials; $200,000 for turbine engine technologies, $200,000 for the ceramic turbine engine demonstration project, $4,500,000 for automotive piston technologies, and $612,000 for combustion and emissions research and development in heat engine technologies; and $16,228,000 for on-board hydrogen proton exchange membrane fuel cells and $2,900,000 for fuel cell research and development in electric and hybrid propulsion development. Decreases from the House include $1,200,000 for fuel cells/battery materials and $500,000 as a general reduction in materials technology; $1,000,000 as a general reduction in vehicle systems materials; $6,462,000 as a general reduction to light duty engine technologies in the heat engine technologies program; and $500,000 for battery development, $1,000,000 to terminate the phosphoric acid fuel cell bus program and $15,528,000 as a general reduction for fuel cell development in the electric and hybrid propulsion development program.

Changes to the amount proposed by the House for the technical and financial assistance program include an increase of $3,250,000 for the weatherization assistance program and a decrease of $295,000 for the inventions and innovations program.

The managers have agreed to the Senate bill language restricting the issuance of new or amended standards in the codes and standards program (see amendment Nos. 156 and 157).

The managers agree that:

1. The Department should aggressively pursue increased sharing;

2. Projects that prove to be uneconomical or fail to produce results should be terminated;

3. The fiscal year 1997 budget should continue the trend of program downsizing with the focus on completing existing commitments;

4. Ongoing programs should not be grouped under the umbrella of large initiatives and described as new programs in the budget;

5. There should be no new program starts without compelling justification and identified funding offsets;

6. The home energy rating system pilot program should be continued with the existing pilot States; within the funds available for HERS, the managers expect the Department to work with Mississippi and other non-pilot program States on the States' home energy rating systems;

7. There is no objection to continuing the student vehicle competition in the transportation program at the current year funding level;

8. The Department should work with the States to determine what other programs should be included in a block grant type program along with the consolidated State energy conservation program/institutional conservation program;

9. There is no objection to continuing the interagency agreement with the Department of Housing and Urban Development for public assisted housing and other low-income initiatives to the extent that HUD reimburses the Department for this work;

10. The Office of Industrial Technologies may procure capital equipment using operating funds, subject to the existing reprogramming guidelines;

11. The Department should work with the Office of Management and Budget and the General Services Administration to ensure that agencies fund energy efficiency improvements in Federal buildings;

12. The Department should increase private sector investment through energy savings performance contracts in the Federal energy management program and should develop mechanisms to be reimbursed for these efforts;

13. The Department should submit a new five year program plan for the transportation program in light of current funding constraints; and

14. There are no specific restrictions on the number of contracts to be let for the long term battery development effort or activities within the electric and hybrid vehicle program. Given the level of funding provided, the Department should examine carefully its options in these areas in close coordination with its industry cooperators.

Amendment No. 115: Earmarks $140,696,000 for State energy grant programs instead of $148,946,000 as proposed by the House and $168,946,000 as proposed by the Senate.

Amendment No. 116: Earmarks $114,196,000 for the weatherization assistance program instead of $110,946,000 as proposed by the House and $137,446,000 as proposed by the Senate.

Amendment No. 117: Earmarks $26,500,000 for the State energy conservation program as proposed by the House instead of $31,500,000 as proposed by the Senate.

ECONOMIC REGULATION

Amendment No. 118: Appropriates $6,297,000 for economic regulation as proposed by the House instead of $8,038,000 as proposed by the Senate.

The managers agree that the Office of Hearings and Appeals should receive reimbursement for work other than petroleum overcharge cases and related activities as recommended by the House.

ENERGY INFORMATION ADMINISTRATION

Amendment No. 119: Appropriates $72,266,000 for the Energy Information Administration instead of $79,766,000 as proposed by the House and $64,766,000 as proposed by the Senate. The managers expect the reduction to be applied largely to EIA's forecasting efforts.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICES

Amendment No. 120: Appropriates $1,722,842,000 for Indian health services instead of $1,725,792,000 as proposed by the House and $1,815,373,000 as proposed by the Senate. Changes to the amount proposed by the House include increases of $1,500,000 for collections and billings, $750,000 for epidemiology centers, $200,000 for the Indians into Psychology program, and decreases of $2,000,000 for Indian health professionals, $3,000,000 for tribal managment, and a $400,000 transfer from hospitals and clinics to facilities and environmental health support.

Amendment No. 121: Earmarks $350,564,000 for contract medical care as proposed by the Senate instead of $351,258,000 as proposed by the House.

The managers agree that the Indian Self Determination Fund is to be used only for new and expanded contracts and that this fund may be used for self-governance compacts only to the extent that a compact assumes new or additional responsibilities that had been performed by the IHS.

The managers agree that the fetal alcohol syndrome project at the University of Washington should be funded at the fiscal year 1995 level.

The managers are concerned about the adequacy of health care services available to the Utah Navajo population, and urge IHS to work with the local health care community to ensure that the health care needs of the Utah Navajos are being met. IHS should carefully consider those needs in designing a replacement facility for the Montezuma Creek health center.

INDIAN HEALTH FACILITIES

Amendment No. 122: Appropriates $238,958,000 for Indian health facilities instead of $236,975,000 as proposed by the House and $151,227,000 as proposed by the Senate. Changes to the amount proposed by the House include increases of $750,000 of the Alaska medical center, $1,000,000 for modular dental units, $500,000 for injury prevention, $400,000 for a base transfer from hospitals and clinics, and a decrease of $667,000 for the Fort Yuma, AZ project.

The managers agree to delay any reprogramming of funds from the Winnebago and Omaha Tribes' health care facility. However, given current budget constraints, if issues relative to the siting and design of the facility cannot be resolved, the managers will consider reprogramming these funds to other high priority IHS projects during fiscal year 1996.

The Talihina, OK hospital is ranked sixth on the IHS health facilities priority list for inpatient facilities. The Choctaw Nation has developed a financing plan for a replacement facility. The Choctaw Nation proposes various funding sources to support its project for a community based hospital. The managers direct IHS to work with the Choctaw Nation to identify resources necessary to staff, equip, and operate the newly constructed facility. The managers will consider these operational needs in the context of current budget constraints.

The managers have not agreed to provisions in the Senate bill requiring the IHS to prepare reports on the distribution of Indian Health Service professionals and on HIV-AIDS prevention needs among Indian tribes. While the managers agree that closer examination of these topics may be warranted, the resources necessary to conduct adequate studies are not available at this time.

DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

INDIAN EDUCATION

Amendment No. 123: Appropriates $52,500,000 as proposed by the House instead of $54,660,000 as proposed by the Senate.

The managers agree that no funding is provided for the National Advisory Council on Indian Education.

OTHER RELATED AGENCIES

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

SALARIES AND EXPENSES

Amendment No. 124: Appropriates $20,345,000 for the Office of Navajo and Hopi Indian Relocation as proposed by the Senate instead of $21,345,000 as proposed by the House.

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

Amendment No. 125: Appropriates $308,188,000 for Salaries and Expenses instead of $309,471,000 as proposed by the House and $307,988,000 as proposed by the Senate.

The $200,000 increase is provided for the Center for folklife programs specifically for the 1996 Festival of American Folklife featuring the State of Iowa. This amount is provided in addition to the $400,000 base funding. The State of Iowa will contribute $250,000 toward this effort.

Amendment No. 126: Earmarks $30,472,000 as proposed by the Senate instead of $32,000,000 proposed by the House for the instrumentation program, collections acquisition and various other programs.

CONSTRUCTION AND IMPROVEMENTS, NATIONAL ZOOLOGICAL PARK

Amendment No. 127: Appropriates $3,250,000 for zoo construction as proposed by the Senate instead of $3,000,000 as proposed by the House. The increase is limited to repairs and rehabilitation and is not to be used for new exhibits of expansions.

REPAIR AND RESTORATION OF BUILDINGS

Amendment No. 128: Appropriates $33,954,000 for repair and restoration of buildings as proposed by the Senate instead of $24,954,000 as proposed by the House.

CONSTRUCTION

Amendment No. 129: Appropriates $27,700,000 for Construction as proposed by the Senate instead of $12,950,000 as proposed by the House. The managers agree that $15,000,000 is included for the National Museum of the American Indian Cultural Resource Center; $8,700,000 is included to complete the construction and equipping of the Natural History East Court Building and $3,000,000 is for minor construction, alterations and modifications.

The managers are providing $1,000,000 to be used to complete a proposed master plan and initiate detailed planning and design to allow for the development of a proposed financial plan for the proposed extension at Dulles Airport for the Air and Space Museum. The managers expect that the financial plan shall specify, in detail, the phasing of the project and commitments by the Commonwealth of Virginia and the Smithsonian toward construction and operation of the facility.

The managers agree that no Federal funds, beyond the costs of planning and design, will be available for the construction phase of this project.

The managers have provided $15,000,000 for the continued construction of the National Museum of the American Indian Cultural Resource Center in Suitland, Maryland. This amount will bring the Federal contribution to date for this project to $40,900,000. The managers have agreed that no additional Federal funds will be appropriated for this project.

The managers also strongly encourage the Smithsonian to develop alternative cost scenarios for the proposed National Museum of the American Indian Mall Museum including downsizing of the building and decreasing the amount of Federal funding.

Amendment No. 130: The managers agree to concur with the Senate amendment which strikes the House provision permitting a single procurement for construction of the American Indian Cultural Resources Center. The managers understand that authority provided previously for such purposes is sufficient.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

Amendment No. 131: Appropriates $51,844,000 for salaries and expenses as proposed by the Senate instead of $51,315,000 as proposed by the House.

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

Amendment No. 132: Appropriates $6,442,000 for repair, restoration and renovation of buildings instead of $5,500,000 as proposed by the House and $7,385,000 as proposed by the Senate.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

OPERATIONS AND MAINTENANCE

Amendment No. 133: Appropriates $10,323,000 for operations and maintenance as proposed by the Senate, instead of $9,800,000 as proposed by the House.

Amendment No. 134: Includes Senate provision which amends 40 U.S.C. 193n to provide the Kennedy Center with the same police authority as the Smithsonian Institution and the National Gallery of Art. The House had no similar provision.

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

SALARIES AND EXPENSES

Amendment No. 135: Appropriates $5,840,000 for the Woodrow Wilson International Center for Scholars instead of $5,140,100 as proposed by the House and $6,537,000 as proposed by the Senate.

The managers continue to have serious concerns about the total costs associated with the proposed move to the Federal Triangle building. Until such time as both the House and Senate Appropriations Committees' concerns are satisfactorily addressed, no funds may be used for this purpose.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

NATIONAL ENDOWMENT FOR THE ARTS

GRANTS AND ADMINISTRATION

Amendment No. 136: Appropriates $82,259,000 for grants and administration as proposed by the House instead of $88,765,000 as proposed by the Senate.

Amendment No. 137: Deletes House language making NEA funding contingent upon passage of a House reauthorization bill. The Senate had no similar provision.

The managers on the part of the House continue to support termination of NEA within two years, and do not support funding beyond FY 1997. The managers on the part of the Senate take strong exception to the House position, and support continued funding for NEA. The managers expect this issue to be resolved by the legislative committees in the House and Senate.

MATCHING GRANTS

Amendment No. 138: Appropriates $17,235,000 for matching grants as proposed by the House instead of $21,235,000 as proposed by the Senate.

Amendment No. 139: Deletes House language making funding for NEA contingent upon passage of a House reauthorization bill.

NATIONAL ENDOWMENT FOR THE HUMANITIES

GRANTS AND ADMINISTRATION

Amendment No. 140: Appropriates $94,000,000 for grants and administration as proposed by the Senate instead of $82,469,000 as proposed by the House.

The managers on the part of the House continue to support a phase out of NEH within three years, and do not support funding beyond FY 1998. The managers on the part of the Senate take strong exception to the House position, and support continued funding for NEH. The managers expect this issue to be resolved by the legislative committees in the House and Senate.

MATCHING GRANTS

Amendment No. 141: Appropriates $16,000,000 for matching grants as proposed by the Senate instead of $17,025,000 as proposed by the House.

Amendment No. 142: Earmarks $10,000,000 for challenge grants as proposed by the Senate instead of $9,180,000 as proposed by the House.

ADVISORY COUNCIL ON HISTORIC PRESERVATION

SALARIES AND EXPENSES

Amendment No. 143: Appropriates $2,500,000 for salaries and expenses as proposed by the Senate instead of $3,063,000 as proposed by the House.

While the Advisory Council works closely with Federal agencies and departments, the National Park Service and State historic preservation officers, it does not have responsibility for designating historic properties, providing financial assistance, overriding other Federal agencies, decisions, or controlling actions taken by property owners.

The managers encourage those Federal agencies and departments which benefit from the Advisory Council's expert advice to assist in covering these costs. The managers are concerned that some Advisory Council activities may duplicate those conducted by other preservation agencies. Therefore, the managers direct the Advisory Council to evaluate ways to recover the costs of assisting Federal agencies and departments through reimbursable agreements and to examine its program activities to identify ways to eliminate any duplication with other agencies. The Advisory Council shall report its findings to the Congress by March 31, 1996.

FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION

SALARIES AND EXPENSES

Amendment No. 144: Appropriates $147,000 as proposed by the Senate instead of $48,000 as proposed by the House.

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

SALARIES AND EXPENSES

Amendment No. 145: Appropriates no funds as proposed by the Senate instead of $2,000,000 as proposed by the House.

PUBLIC DEVELOPMENT

Amendment No. 146: Modifies language proposed by the Senate allowing the use of prior year funding for operating and administrative expenses. The modification allows the use of prior year funding for shutdown costs in addition to operating costs. In addition, prior year funds may be used to fund activities associated with the functions transferred to the General Services Administration. The House had no similar provision.

The managers agree that not more than $3,000,000 in prior year funds can be used for operating, administrative expenses, and shutdown costs for the Pennsylvania Avenue Development Corporation. The managers direct that the orderly shutdown of the Corporation be accomplished within six months from the date of enactment of this Act. No staff should be maintained beyond April 1, 1996. The managers agree that Pennsylvania Avenue Development Corporation staff associated with the Federal Triangle project should be transferred to the General Services Administration, and provision for the transfer has been included in the Treasury-Postal Services Appropriations bill.

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

HOLOCAUST MEMORIAL COUNCIL

Amendment No. 147: Appropriates $28,707,000 for the Holocaust Memorial Council as proposed by the House instead of $26,609,000 as proposed by the Senate.

Amendment No. 148: Restores language proposed by the House and stricken by the Senate providing that $1,264,000 for the Museum's exhibition program shall remain available until expended.

TITLE III—GENERAL PROVISIONS

Amendment No. 149: Retains Senate provision making a technical correction to Public Law 103–413.

Amendment No. 150: Includes Senate provision that any funds used for the Americorps program are subject to the reprogramming guidelines, and can only be used if the Americorps program is funded in the VA–HUD and Independent Agencies fiscal year 1996 appropriations bill. The House prohibited the use of any funds for the Americorps program.

Since the Northwest Service Academy (NWSA) is funded through fiscal year 1996, the managers agree that the agencies are not prohibited from granting the NWSA a special use permit, from using the NWSA to accomplish projects on agency-managed lands or in furtherance of the agencies' missions, or from paying the NWSA a reasonable fee-for-service for projects.

Amendment No. 151: Modifies House language stricken by the Senate transferring certain responsibilities from the Pennsylvania Avenue Development Corporation to the General Services Administration, National Capital Planning Commission, and the National Park Service. The modification transfers all unobligated and unexpended balances to the General Services Administration. The Senate has no similar provision.

Amendment No. 152: Modifies House and Senate provisions relating to the Interior Columbia River Basin ecoregion management project (the Project). The House and Senate contained different language on the subject, but both versions were clear in their position that the Project has grown too large, and too costly to sustain in a time of shrinking budgets. In addition, the massive nature of the undertaking, and the broad geographic scope of the decisions to be made as part of a single project has raised concerns about potential vulnerability to litigation and court injunctions with a regionwide impact. The language included in the conference report reflects a compromise between the two versions.

Subsection (b) appropriates $4,000,000 for the completion of an assessment on the National forest system lands and lands administered by the BLM within the area encompassed by the Project, and to publish two draft Environmental Impact Statements on the Project. The Forest Service and BLM should rely heavily on the eastside forest ecosystem health assessment in the development of the assessment and DEIS's, in particular, volume II and IV provide a significant amount of the direction necessary for the development of an ecosystem management plan. This document has already been peer reviewed and widely distributed to the public. Therefore, the collaborative efforts by many scientists can be recognized.

The two separate DEIS's would cover the project region of eastern Washington and Oregon, and the project region of Montana and Idaho, and other affected States. The language also directs project officials to submit the assessment and two DEIS's to the appropriate House and Senate committees for their review. The DEIS's are not decisional and not subject to judicial review. The managers have included this language based upon concern that the publication of DEIS's of this magnitude would present the opportunity for an injunction that would shut down all multiple use activities in the region.

The assessment shall contain a range of alternatives without the identification of a preferred alternative or management recommendation. The assessment will also provide a methodology for conducting any cumulative effects analysis required by section 102(2) of NEPA, in the preparation of each amendment to a resource management plan.

The assessment shall also include the scientific information and analysis conducted by the Project on forest and rangeland health conditions, among other considerations, and the implications of the management of these conditions. Further, the assessment and DEIS's shall not be subject to consultation or conferencing under section 7 of the Endangered Species Act, nor be accompanied by any record of decision required under NEPA.

Subsection (c) states the objective of the managers that the district manager of the Bureau of Land Management or the forest supervisor of the Forest Service use the DEIS's as an information base for the development of individual plan amendments to their respective forest plan. The managers believe that the local officials will do the best job in preparing plan amendments that will achieve the greatest degree of balance between multiple use activities and environmental protection.

Upon the date of enactment, the land managers are required to review their resource management plan for their forest, together with a review of the assessment and DEIS's, and based on that review, develop or modify the policies laid out in the DEIS or assessment to meet the specific conditions of their forest.

Based upon this review, subsection (c)(2) directs the forest supervisor or district manager to prepare and adopt an amendment to meet the conditions of the individual forest. In an effort to increase the local participation in the plan amendment process, the district manager or forest supervisor is directed to consult with the governor, and affected county commissioners and tribal governments in the affected area.

Plan amendments should be site specific, in lieu of imposing general standards applicable to multiple sites. If an amendment would result in a major change in land use allocations within the forest plan, such an amendment shall be deemed a significant change, and therefore requiring a significant plan amendment or equivalent.

Subsection (c)(5) strictly limits the basis for individual plan amendments in a fashion that the managers intend to be exclusive.

Language has been included to stop duplication of environmental requirements. Subsection (c)(6)(A) states that any policy adopted in an amendment that modifies, or is an alternative policy, to the general policies laid out in the DEIS's and assessment document that has already undergone consultation or conferencing under section 7 of the ESA, shall not again be subject to such provisions. If a policy has not undergone consultation or conferencing under section 7 of the ESA, or if an amendment addresses other matters, however, then that amendment shall be subject to section 7.

Amendments which modify or are an alternative policy are required to be adopted before July 31, 1996. An amendment that is deemed significant, shall be adopted on or before December 31, 1996. The policies of the Project shall no longer be in effect on a forest on or after December 31, 1996, or after an amendment to the plan that applies to that forest is adopted, whichever comes first.

The managers have included language specific to the Clearwater National Forest, as it relates to the provisions of this section. The managers have also included language to clarify that the documents prepared under this section shall not apply to, or be used to regulate non-Federal lands.

Amendment No. 153: Includes a modified version of provisions included by both the House and Senate relating to a recreational fee demonstration program. This pilot program provides for testing a variety of fee collection methods designed to improve our public lands by allowing 80 per cent of fees generated to stay with the parks, forests, refuges and public lands where the fees are collected. There is a tremendous backlog of operational and maintenance needs that have gone unmet, while at the same time visits by the American public continue to rise. The public is better served and more willing to pay reasonable user fees if they are assured that the fees are being used to manage and enhance the sites where the fees are collected.

Most of the provisions of the Senate amendment are incorporated into the amendment agreed to by the managers, which provides for the following:

(1) The maximum number of demonstration sites per agency is extended from 30 to 50.

(2) The time period for the demonstration is extended from one year to three years and these funds remain available for three years after the demonstration period ends.

(3) Agencies may impose a fine of up to $100 for violation of the authority to collect fees established by this program.

(4) The more simplified accounting procedures proposed by the Senate are adopted, such that fewer Treasury accounts need to be established than proposed by the House.

(5) In those cases where demonstrations had fee collections in place before this provision, fees above the amounts collected in 1995 (plus 4% annually) are to be used for the benefit of the collection site or on an agency-wide basis. The other fees collected will be treated like they are at non-demonstration sites, except funds withheld to cover fee collection costs for agencies other than the Fish and Wildlife Service will remain available beyond the fiscal year in which they are collected.

(6) For those Fish and Wildlife Service demonstrations where fees were collected in fiscal year 1995, the fees collected, up to the 1995 level (plus 4% annually), are disbursed as they were in 1995.

(7) The agencies have been provided more latitude in selecting demonstration sites, areas or projects. These demonstrations may include an entire administrative unit, such as a national park or national wildlife refuge where division into smaller units would be difficult to administer or where fee collections would adversely affect visitor use patterns.

(8) The Secretaries are directed to select and design the demonstration projects in a manner which will provide optimum opportunities to evaluate the broad spectrum of resource conditions and recreational opportunities on Federal lands, including facility, interpretation, and fish and wildlife habitat enhancement projects that enhance the visitor experience.

(9) Vendors may charge a reasonable mark-up or commission to cover their costs and provide a profit.

(10) Each Secretary shall provide the Congress a brief report describing the selected sites and fee recovery methods to be used by March 31, 1996, and a report which evaluates the pilot demonstrations, including recommendations for further legislation, by March 31, 1999. The reports to Congress are to include a discussion of the different sites selected and how they represent the geographical and programmatic spectrum of recreational sites and habitats managed by the agencies. The diversity of fee collection methods and fair market valuation methods should also be explained.

(11) In order to maximize funding for start-up costs, agencies are encouraged to use existing authority in developing innovative implementation strategies, including cooperative efforts between agencies and local governments.

(12) Although the managers have not included the Senate amendment language regarding geographical discrimination on fees, the managers agree that entrance, tourism, and recreational fees should reflect the circumstances and conditions of the various States and regions of the country. In setting fees, consideration should be given to fees charged on comparable sites in other parts of the region or country. The four agencies are encouraged to cooperate fully in providing additional data on tourism, recreational use, or rates which may be required by Congress in addressing the fee issue.

(13) The managers request that the General Accounting Office conduct a study and report to the Appropriations Committees by July 31, 1996 on the methodology and progress made by the Secretaries to implement this section.

Amendment No. 154: Deletes House language relating to salvage timber sales in the Pacific Northwest, and substitutes language which makes a technical correction to the emergency salvage timber program, Sec. 2001(a)(2) of Public Law 104–19 that changes the ending date of the emergency period to December 31, 1996. This correction is necessary to conform to the expiration date in Sec. 2001(j). The Senate included no similar provision.

Amendment No. 155: Retains House language stricken by the Senate prohibiting the use of funds for the Mississippi River Corridor Heritage Commission.

Amendment No. 156: Deletes House language stricken by the Senate placing a moratorium on the issuance of new or amended standards and reducing the codes and standards program in the Department of Energy by $12,799,000 and inserts language regarding grazing at Great Basin National Park. The codes and standards issue to discussed under the energy conservation portion of this statement.

Amendment No. 157: Deletes language proposed by the House and stricken by the Senate and retains Senate alternative language providing for a one-year moratorium on new or amended standards by the Department of Energy. This issue is discussed under the energy conservation portion of this statement.

Amendment No. 158: Strikes House language on mining patent moratorium and retains Senate language providing for fair market value for mineral patents exclusive of, and without regard to, the mineral deposits in the land or the use of the land instead of the House language which placed a moratorium on accepting or processing mine patent applications. The language also includes right of reentry by the United States if the patent is used for any purpose other than mining, requires the Department of the Interior to expedite processing of the backlog of pending patent applications, and requires the use of a third-party mineral examiner upon the request of a patent applicant.

Amendment No. 159: Includes the Senate provision which prohibits funding for the Office of Forestry and Economic Development after December 31, 1995. The House had no similar provision.

Amendment No. 160: Retains language inserted by the Senate prohibiting redefinition of the marbled murrelet nesting area or modification to the protocol for surveying marbled murrelets. The House had no similar provision.

Amendment No. 161: Retains language inserted by the Senate authorizing the Secretary of the Interior to exchange land in Washington State with the Boise Cascade Corporation. The House had no similar provision.

Amendment No. 162: Includes Senate provision which creates a new Timber Sales Pipeline Restoration Fund at the Departments of the Interior and Agriculture to partially finance the preparation of timber sales from the revenues generated from the section 318 timber sales that are released under section 2001(k) of Public Law 104–19. The House included no similar provision.

Amendment No. 163: Deletes language proposed by the Senate which would prohibit use of funds for travel and training expenses for the Bureau of Indian Affairs or the Office of Indian Education for education conferences or training activities.

The managers expect the Bureau of Indian Affairs and the Office of Indian Education to monitor carefully the funds used for travel and training activities. The managers are concerned about the cost of travel and training associated with national conferences attended by school board members or staff of schools funded by the Bureau of Indian Affairs. Because of the funding constraints faced by the Bureau, the managers expect that priority will be given to funding those activities which directly support accreditation of Bureau funded schools and covering costs associated with increased enrollment.

Amendment No. 164: Retains language inserted by the Senate prohibiting the award of grants to individuals by the National Endowment for the Arts except for literature fellowships, National Heritage fellowships and American Jazz Masters fellowships. The House had no similar provision.

Amendment No. 165: Includes Senate provision which delays implementation or enforcement of the Administration's rangeland reform program until November 21, 1995. The House had no similar provision.

Amendment No. 166: Strikes Senate section 331 pertaining to submission of land acquisition projects by priority ranking. Priorities should continue to be identified in the budget request and justifications.

Amendment No. 167: Includes Senate provision that makes three changes to existing law relating to tree spiking. Costs incurred by Federal agencies, businesses and individuals to detect, prevent and avoid damage and injury from tree spiking, real or threatened, may be included as "avoidance costs" in meeting the threshold of $10,000 required for prosecution. The language doubles the discretionary maximum penalties for prison terms to 40 years for incidents resulting in the most severe personal injury. Those injured would have recourse to file civil suits to recover damages under this law. The House had no similar provision.

Amendment No. 168: Modifies Senate language restricting grants that denigrate adherents to a particular religion. The modification specifies that this restriction applies to NEA. The House had no similar provision.

Amendment No. 169: Retains Senate language restricting NEA grants for sexually explicit material. The House had no similar provision.

Amendment No. 170: Deletes language inserted by the Senate extending the scope of the Arts and Artifacts Indemnity Act. The House had no similar provision. The amendment also inserts language providing that former Bureau of Mines activities, which are being transferred to other accounts, are paid for from those accounts for all of fiscal year 1996.

Amendment No. 171: Deletes language inserted by the Senate mandating energy savings at Federal facilities. The House had no similar provision.

Amendment No. 172: Deletes Senate amendment requiring the Indian Health Service to prepare a report on the distribution of Indian Health Service professionals. The House had no similar provision.

Amendment No. 173: Deletes Senate amendment requiring the Indian Health Service to prepare a report on HIV–AIDS prevention needs among Indian tribes. The House had no similar provision.

APPLICATION OF GENERAL REDUCTIONS

The level at which reductions shall be taken pursuant to the Deficit Reduction Act of 1985, if such reductions are required in fiscal year 1996, is defined by the managers as follows:

As provided for by section 256(1)(2) of Public Law 99–177, as amended, and for the purposes of a Presidential Order issued pursuant to section 254 of said Act, the term "program, project, and activity" for items under the jurisdiction of the Appropriations Subcommittees on the Department of the Interior and Related Agencies of the House of Representatives and the Senate is defined as (1) any item specifically identified in tables or written material set forth in the Interior and Related Agencies Appropriations Act, or accompanying committee reports or the conference report and accompanying joint explanatory statement of the managers of the committee of conference; (2) any Government-owned or Government-operated facility; and (3) management units, such as national parks, national forests, fish hatcheries, wildlife refuges, research units, regional, State and other administrative units and the like, for which funds are provided in fiscal year 1996.

The managers emphasize that any item for which a specific dollar amount is mentioned in an accompanying report, including all changes to the budget estimate approved by the Committees, shall be subject to a percentage reduction no greater or less than the percentage reduction applied to all domestic discretionary accounts.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1996 recommended by the Committee of Conference, with comparisons to the fiscal year 1995 amount, the 1996 budget estimates, and the House and Senate bills for 1996 follow:

New budget (obligational) authority, fiscal year 1995	$13,519,230,000
Budget estimates of new (obligational) authority, fiscal year 1996	13,817,404,000
House bill, fiscal year 1996	11,984,603,000
Senate bill, fiscal year 1996	12,053,099,000
Conference agreement, fiscal year 1996	12,114,878,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1995	−1,404,352,000
Budget estimates of new (obligational) authority, fiscal year 1996	−1,702,526,000
House bill, fiscal year 1996	+130,275,000
Senate bill, fiscal year 1996	+61,779,000

RALPH REGULA
(except amendment 158),
JOSEPH M. MCDADE,
JIM KOLBE,
JOE SKEEN,
BARBARA F. VUCANOVICH,
CHARLES H. TAYLOR,
GEORGE R. NETHERCUTT, Jr.,
JIM BUNN,
BOB LIVINGSTON,
NORMAN D. DICKS,
Managers on the Part of the House.
SLADE GORTON,
TED STEVENS,
THAD COCHRAN,
PETE V. DOMENICI,
MARK HATFIELD,
CONRAD BURNS,
ROBERT F. BENNETT,
CONNIE MACK,
ROBERT BYRD,
J. BENNETT JOHNSTON,
PATRICK LEAHY
(except amendment 136, 138, 168, and 169),
Managers on the Part of the Senate.

1994 CALENDAR YEAR REPORTS FROM THE DEPARTMENT OF TRANSPORTATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, without objection, together with the accompanying papers, referred to the Committee on Transportation and Infrastructure and the Committee on Commerce:

To the Congress of the United States:

I transmit herewith the 1994 calendar year reports as prepared by the Department of Transportation on activities under the Highway Safety Act, the National Traffic and Motor Vehicle Safety Act of 1966, and the Motor Vehicle Information and Cost Savings Act of 1972, as amended.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *September 21, 1995.*

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DOGGETT) to revise and extend their remarks and include extraneous material:)

Mr. GIBBONS, for 5 minutes, today.

Mrs. SCHROEDER, for 5 minutes, today.

Mr. SKAGGS, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

(The following Members (at the request of Mr. GOSS) to revise and extend their remarks and include extraneous material:)

Mr. HANSEN, for 5 minutes, today.

Mr. BARR, for 5 minutes, today.

Mr. TALENT, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Ms. SLAUGHTER, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DOGGETT) and to include extraneous matter:)

Mr. BONIOR.

Mr. KENNEDY of Rhode Island.

Mrs. MEEK of Florida.

Mr. STOKES.

Mr. COYNE.

Ms. ROYBAL-ALLARD.

Mr. STOKES in two instances.

(The following Members (at the request of Mr. GOSS) and to include extraneous matter:)

Mr. EHLERS.

Mr. ROTH.

Mr. BURR in two instances.

Mr. GALLEGLY.

Ms. DUNN of Washington.

Mr. FRELINGHUYSEN.

(The following Members (at the request of Mr. DORNAN) and to include extraneous matter:)

Mr. BROWN of Ohio.

Mr. BONIOR in three instances.

Mr. BARCIA.

Ms. DELAURO.

Mrs. CUBIN.

Mr. PACKARD.

Mr. WILLIAMS.

Mr. CONYERS.

Mr. GEPHARDT.

Mr. DICKS.

Mr. CAMP.

Mrs. MORELLA.

Mr. GANSKE.

Mr. PASTOR.

Mr. GILMAN.

Mr. BALLENGER.

Mr. COOLEY.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 20. Joint resolution granting the consent of Congress to the compact to provide for joint natural resource management and enforcement of laws and regulations pertaining to natural resources and boating at the Jennings Randolph Lake Project lying in Garrett County, Maryland and Mineral County, West Virginia, entered into between the States of West Virginia and Maryland; to the Committee on the Judiciary.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 464. An act to make the reporting deadlines for studies conducted in Federal court demonstration districts consistent with the deadlines for pilot districts, and for other purposes.

S. 532. An act to clarify the rules governing venue, and for other purposes.

ADJOURNMENT

Mr. DORNAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 45 minutes p.m.), under its previous order, the House adjourned until Monday, September 25, 1995, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1452. A letter from the Deputy Associate Director for Compliance, Department of the Interior, transmitting notification of proposed refunds of offshore lease revenues in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Resources.

1453. A letter from the Secretary, Department of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, sections 810(2) and 810(h)(3)(B), USC; to the Committee on Veterans' Affairs.

1454. A letter from the Secretary, Department of Labor, transmitting the quarterly report on the expenditure and need for worker adjustment assistance training funds under the Trade Act of 1974, pursuant to 19 U.S.C. 2296(a)(2); to the Committee on Ways and Means.

1455. A letter from the Secretary, Department of Health and Human Services, transmitting a copy of the annual report entitled "Monitoring the Impact of Medicare Physician Payment Reform on Utilization and Access," pursuant to Public Law 101-239; jointly, to the Committees on Ways and Means and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GEKAS: Committee on the Judiciary. H.R. 2277. A bill to abolish the Legal Services Corporation and provide the States with money to fund qualified legal services; with an amendment (Rept. 104-255). Referred to the Committee of the Whole House on the State of the Union.

Mrs. WALDHOLTZ: Committee on Rules. House Resolution 226. Resolution providing for the consideration of the bill (H.R. 743) to amend the National Labor Relations Act to allow labor management cooperative efforts that improve economic competitiveness in the United States to continue to thrive, and for other purposes (Rept. 104-256). Referred to the House Calendar.

Mr. DREIER: Committee on Rules. House Resolution 227. Resolution providing for the consideration of the bill (H.R. 1170) to provide that cases challenging the constitutionality of measures passed by State referendum be heard by a 3-judge court (Rept. 104-257). Referred to the House Calendar.

Ms. PRYCE: Committee on Rules. House Resolution 228. Resolution providing for the consideration of the bill (H.R. 1601) to authorize appropriations to the National Aeronautics and Space Administration to develop, assemble, and operate the International Space Station (Rept. 104-258). Referred to the House Calendar.

Mr. REGULA: Committee of Conference. Conference report on H.R. 1977. A bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1996, and for other purposes (Rept. 104-259). Ordered to be printed.

Mr. ARCHER: Committee on Ways and Means. H.R. 1756. A bill to abolish the Department of Commerce; with an amendment (Rept. 104-260 Pt. 1). Ordered to be printed.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 1815. Referral to the Committee on Resources extended for a period ending not later than September 29, 1995.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUYER (for himself, Ms. Waters, Mr. Stump, and Mr. Montgomery):

H.R. 2370. A bill to amend title 38, United States Code, to extend the veterans' adjustable rate mortgage demonstration project through the first 3 months of fiscal year 1996; to the Committee on Veterans' Affairs.

By Mr. ARCHER (for himself, Mr. Crane, and Mr. Dreier):

H.R. 2371. A bill to provide trade agreements authority to the President; to the Committee on Ways and Means, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. CUBIN (for herself, Mr. Cremeans, Mr. Ney, Mr. Mollohan, Mr. Hansen, Mr. Hayworth, Mr. Thornberry, Mr. Allard, Mr. Calvert, Mr. Doolittle, Mr. Pombo, and Mr. Cooley):

H.R. 2372. A bill to amend the Surface Mining Control and Reclamation Act of 1977 to minimize duplication in regulatory programs and to give States exclusive responsibility under approved States program for permitting and enforcement of the provisions of that act with respect to surface coal mining and reclamation operations, and for other purposes; to the Committee on Resources.

By Mr. BONILLA (for himself, Mr. Durbin, Mr. Thornberry, Mr. Kim, and Mr. Miller of Florida):

H.R. 2373. A bill to provide that neither the President, the Vice President, nor any Member of Congress shall be paid during Federal Government shutdowns; to the Committee on Government Reform and Oversight, and in addition to the Committee on House Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GILCHREST (for himself, Mrs. Morella, Mr. Shays, Mr. Boehlert, Mr. Castle, Mr. Greenwood, and Mr. Weldon of Pennsylvania):

H.R. 2374. A bill to amend the Endangered Species Act of 1973 to encourage the continued conservation of America's natural legacy for future generations; provide incentives for States, local governments, and private landowners to conserve species; and otherwise improve the act through increased flexibility and broader cooperation; to the Committee on Resources.

By Mr. LANTOS:

H.R. 2375. A bill to amend title 5, United States Code, to modify the early-retirement reduction provisions with respect to certain Federal employees who are separated from service due to a base closure under title II of the Defense Authorization Amendments and Base Closure and Realignment Act, and for other purposes; to the Committee on Government Reform and Oversight.

By Mr. McHALE:

H.R. 2376. A bill to develop a program regarding career opportunities by making such information available on publicly accessible networks and other electronic media; to the Committee on Economic and Educational Cpportunities.

H.R. 2377. bill to provide authority to executive departments and agencies to issue rulings respecting application of laws under their jurisdiction; to the Committee on Government Reform and Oversight,

H.R. 2378. A bill to amend the White House Conference on Small Business Authorization Act to require the final report of the national conference to be published in the Federal Register and distributed through the regional offices of the Small Business Administration; to the Committee on Small Business.

H.R. 2379. A bill to amend the Small Business Act to modify requirements relating to the personal net worth of individuals who may be considered economically disadvantaged for the purpose of receiving contract awards under section 8(a) of that act; to the Committee on Small Business.

H.R. 2380. A bill to amend the Internal Revenue Code of 1986 to permit the issuance of tax-exempt bonds for air and water pollution control facilities; to the Committee on Ways and Means.

H.R. 2381. A bill to amend the Internal Revenue Code of 1986 to disregard up to $15 million of capital expenditures in applying the provisions permitting a $10 million limit on qualified small issue bonds; to the Committee on Ways and Means.

H.R. 2382. A bill to amend the Internal Revenue Code of 1986 to allow employers a credit against income tax for 20 percent of the employee training expenses paid or incurred by the employer; to the Committee on Ways and Means.

H.R. 2383. A bill to amend the Internal Revenue Code of 1986 to modify certain rules relating to subchapter S corporations; to the Committee on Ways and Means.

H.R. 2384. A bill to amend the Internal Revenue Code of 1986 to restore the 10 percent regular investment tax credit; to the Committee on Ways and Means.

H.R. 2385. A bill to amend the Internal Revenue Code of 1986 to increase the exclusion for gain from certain small business stock to 100 percent for stock held for more than 10 years; to the Committee on Ways and Means.

By Mr. SCHUMER (by request):

H.R. 2386. A bill to save the lives of police officers; to the Committee on the Judiciary.

By Mr. WYDEN (for himself and Mrs. Morella):

H.R. 2387. A bill to amend part E of title IV of the Social Security Act to require States to regard adult relatives who meet State child protection standards as the preferred placement option for children, and to provide for demonstration projects to test the feasibility of establishing kinship care as an alternative to foster care for a child who has adult relatives willing to provide safe and appropriate care for the child; to the Committee on Ways and Means.

By Mr. THOMAS (for himself, Mr. Bilirakis, and Mr. Barton of Texas):

H.R. 2389. A bill to combat fraud and abuse in the Medicare Program, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Commerce, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. THOMAS (for himself, Mr. Bilirakis, and Mr. Barton of Texas):

H.R. 2390. A bill to revise the restrictions under the Medicare Program against payment for services furnished by a facility in which the referring physician has an ownership interest, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BALLENGER:

H.R. 2391. A bill to amend the Fair Labor Standards Act of 1938 to provide compensatory time for all employees; to the Committee on Economic and Educational Opportunities.

By Mr. COOLEY:

H.R. 2392. A bill to amend the Umatilla Basin Project Act to establish boundaries for irrigation districts within the Umatilla Basin, and for other purposes; to the Committee on Resources.

By Mr. GILMAN:

H. Con. Res. 103. Concurrent resolution expressing support for equal and fair access to higher education in the Albanian language in the former Yugoslav Republic of Macedonia; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. LIVINGSTON introduced a bill (H.R. 2388) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade and fisheries for the vessel *Shaka Maru*; which was referred to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 28: Mr. Hastert.

H.R. 65: Mr. Tate.

H.R. 104: Mr. Kim and Mr. Payne of Virginia.

H.R. 109: Mr. Doolittle.

H.R. 303: Mr. Tate.

H.R. 326: Mr. Goss.

H.R. 436: Mr. Hoekstra.

H.R. 468: Mr. Gilman.

H.R. 789: Mr. Ensign.

H.R. 803: Mr. White.

H.R. 892: Mr. Lipinski.

H.R. 941: Mr. Kleczka.

H.R. 945: Mr. Parker, Mr. Costello, Mr. Jefferson, Mr. Lipinski, Mr. Chambliss, Mr. DeFazio, Mr. Burton of Indiana, Mr. Hostettler, Mr. Watts of Oklahoma, Mr. Hastert, Mr. Allard, Mr. Chrysler, Mr. Brownback, Mr. Clement, Mr. Gillmor, Mr. Ehrlich, Mr. Kingston, and Mr. Klug.

H.R. 957: Mr. Coble and Mr. McKeon.

H.R. 1003: Mr. Hall of Texas and Mr. Minge.

H.R. 1061: Mr. Holden and Mr. Laughlin.

H.R. 1078: Ms. Lofgren and Mr. Ackerman.

H.R. 1161: Mr. Clement and Mr. Souder.

H.R. 1595: Mr. Longley, Mr. Camp, Mr. Martini, Mr. Durbin, Mrs. Meyers of Kansas, Mr. Schiff, and Mr. Kennedy of Rhode Island.

H.R. 1619: Mr. Fawell.

H.R. 1711: Mr. Baker of Louisiana.

H.R. 1713: Mr. Smith of Texas.

H.R. 1747: Mr. Greenwood and Ms. Pelosi.

H.R. 1776: Mr. Sabo, Mr. Dingell, and Mr. Quinn.

H.R. 1920: Mr. Weldon of Pennsylvania and Mr. Holden.

H.R. 2146: Mr. Coyne, Mr. Camp, and Mr. Klug.

H.R. 2195: Mrs. Seastrand.

H.R. 2244: Mr. WELLER.

H.R. 2265: Mr. ZELIFF, Mr. HEFNER, Mr. SCARBOROUGH, and Mr. WARD.

H.R. 2271: Ms. LOFGREN.

H.R. 2326: Mr. BEREUTER, Mr. FROST, Mr. GEJDENSON, Mr. ENGLISH of Pennsylvania, Ms. MOLINARI, Mr. BARRETT of Wisconsin, and Mr. ACKERMAN.

H.R. 2338: Mr. ACKERMAN.

H.R. 2353: Mr. FLANAGAN, Mr. BISHOP, Mr. SMITH of New Jersey, Mr. BILIRAKIS, Ms. BROWN of Florida, Mr. WELLER, Mr. CLEMENT, and Mr. BARR.

H.R. 2363: Mr. HOEKSTRA.

H. Res. 30: Mr. FRANKS of New Jersey and Mr. FIELDS of Louisiana.

H. Res. 134: Mr. FORBES, Mr. ENGLISH of Pennsylvania, Mr. BEILENSON, Mr. ENSIGN, Mr. GANSKE, Mr. GRAHAM, Mr. LUTHER, Mr. FOX, Mr. HAYWORTH, Mr. FOLEY, and Mr. CHRYSLER.

H. Res. 214: Mr. INGLIS of South Carolina, Mr. FORBES, Mr. LEACH, and Mr. LOBIONDO.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H. R. 94: Mr. PETERSON of Minnesota.

SENATE—*Thursday, September 21, 1995*

(Legislative day of Tuesday, September 5, 1995)

The Senate met at 9:15 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, from whom no secrets are hidden, and to whom we are accountable for our lives and our leadership, we come to You humbly and with a longing to be in a right relationship with You. If there is anything between us and You that needs Your forgiveness and cleansing, we confess it to You now. If there is any broken relationship with others that needs healing, we ask for Your reconciling power. If we have done or said anything that has hurt or maliciously distressed others, help us make restitution. And if there is any area of our work in which we have resisted Your will and guidance, we open ourselves to Your spirit anew for the challenges of this day.

Father, You have shown us how crucial it is for us to be open, receptive channels for the flow of Your power. Our Nation needs leaders who are Your agents of change, advancement, and creativity. We commit to You all that we have and are that we may think Your thoughts and realize Your plan for our Nation. Accept us as we are in our deep need to You and help is to be all that You intend us to be for Your glory today. In our Lord's name. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able Senator from North Carolina is recognized.

SCHEDULE

Mr. FAIRCLOTH. Mr. President, this morning the leader time has been reserved, and there will be a period for morning business until the hour of 10 a.m. Following morning business, at 10 a.m., the Senate will resume consideration of the foreign operations appropriations bill and the pending Brown amendment regarding Pakistan. Under the consent agreement, following 60 minutes of debate, there will be a rollcall vote on the Brown amendment. All Members can, therefore, expect a rollcall vote at 11 a.m. this morning. Further rollcall votes can be expected throughout today's session in an attempt to complete action on the foreign operations appropriations bill.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business.

FORMER HOMEWOOD, AL, MAYOR ROBERT WALDROP

Mr. HEFLIN. Mr. President, I rise with great sadness to announce that former Homewood, AL, Mayor Robert Waldrop passed away on September 9. Mayor Waldrop spent 24 years at the Birmingham suburb's helm of city government and was an outstanding, progressive leader who moved his community forward in countless ways during his long tenure. One of his crowning achievements was the establishment of Homewood's excellent school system, widely recognized as one of the State's best systems.

To Bob Waldrop, being mayor came naturally. His father had served as mayor of the Walker County, AL, town of Parrish, serving until he was 86 years of age. Bob was a native of Parrish, an Army veteran, a Mason, and a member of Trinity United Methodist Church and Zamora Shrine.

Since Bob had already retired from his career with the Liberty National Insurance Co. by the time he was first elected mayor in 1968 at the age of 55, he was known as being a full-time mayor for part-time pay. Truly, the city of Homewood was his life.

When Bob Waldrop left the Homewood mayor's office 3 years ago, I did a tribute to him on the floor of the Senate. This was on October 3, 1992. The Homewood City Council had just recently passed a resolution in his honor, and I wanted to have it inserted into the CONGRESSIONAL RECORD. I ask unanimous consent that a copy of my statement and the accompanying resolution from 1992 be printed in the RECORD. It describes his many accomplishments and explains why he was so beloved by so many for so long.

I extend my sincerest condolences to Bob's wife, Louise, and their entire family in the wake of this tremendous loss.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Congressional Record, Oct. 3, 1992]

TRIBUTE TO MAYOR ROBERT G. WALDROP

Mr. HEFLIN. Mr. President, we all know of those local elected leaders from our States who, because of their long tenures in office, accomplishments, dedication, and hard work, seem to define the term "public servant." These are the ones who do not necessarily seek headlines, but whose satisfaction comes from doing good things for their communities. I know of no other leader who fits this definition and style of public service more aptly than Homewood, AL, Mayor Robert G. Waldrop. Mayor Waldrop, one of the longest serving mayors in the State, will be leaving his post on October 5, after 24 years of service. More than anyone else, he deserves credit for the success and growth of this Birmingham suburb over the last 24 years.

Mayor Waldrop originally entered the political arena after completing two other full careers: for 15 years, he was a pharmacist and for the 18 after that was a successful insurance agent for Liberty National Insurance Co. He has worked virtually his entire life. As if to portend his career as a pharmacist, his first job was at a drugstore when he was only 12 years of age in the small coal-mining town of Parrish, in Walker County. His own father was once mayor of Parrish.

Bob graduated high school in 1932, attended Auburn University for 1 year, then went to Birmingham to study at Howard College, now Samford University. In 1941, he and his wife Louise moved to Homewood. He left school a couple of years later to join the U.S. Army. After the war, he reentered Howard and completed his bachelor's degree in pharmacy.

By the 1960's, Bob had become well known in Homewood as president of the Lions Club and as a member of the library board. In 1968, several concerned citizens prompted him to consider running for mayor. There was a concern among Waldrop and local merchants about the number of small companies which had left the town. Since Homewood was his hometown and its concerns were his, he decided to run, and, if elected, serve one 4-year term. The rest, as they say, is history: he has been mayor ever since, remaining in office a little longer than he had anticipated.

Mayor Waldrop has been in the unique position of watching his city grow and expand from a budget of $1 million to over $7 million. He watched as the library doubled its number of books and services and moved to a new location. He watched Homewood break away from the county school system and establish its own, now recognized as one of the best in the State. He has seen Brookwood Hospital grow into one of the leading health care institutions in the State. He has served on the board of directors of Lakeshore Rehabilitation Complex, helping to make decisions that have resulted in a $7 million renovation of the facility.

During his six terms as mayor, over 100 acres of park land have been added to the city and three swimming pools built. Mayor Waldrop initiated assessment-free street paving and waste pickup. Brookwood Village was constructed, and the Green Springs area annexed into the city during his tenure. In appreciation for his many years of service, Homewood's high school stadium was named in his honor.

At the State level, Bob Waldrop was effective in addressing issues of importance to local officials. He served for a term as president of the Alabama League of Municipalities, which he recounts as a very exciting

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

time for him. As its president, Mayor Waldrop was instrumental in getting the League's Workers' Compensation Fund established in 1976. He has served on the board of the fund since its inception, and as its president in recent years. He was also on the committee that created the Alabama Municipal Insurance Corp., a mutual insurance company offering liability, property, and casualty insurance to cities and towns. The mayor served on the first board of this company. He presided over the spouses' breakfast at the annual League of Municipalities convention for over a decade.

It is evident to all who know him that Mayor Robert Waldrop has served his community with a tremendous spirit and very apparent that he is a part of Homewood and Homewood a part of him. Although the voters in Homewood, like those in thousands of communities and jurisdictions across the country, opted for change this year, Mayor Waldrop can take pride in the fact that he did an outstanding job in looking after their interests and ensuring the progress of their city. He will long be remembered for his unique role in Homewood's history, and his legacy is one that mayors all over the State and country can look to as one to emulate.

It is my pleasure to commend Bob Waldrop for being the quintessential public servant. I am confident that his community has not seen the last of his tireless devotion. I wish him all the best in his future endeavors.

Mr. President, I ask unanimous consent that a resolution adopted September 14 by the Homewood City Council in honor of Mayor Waldrop be printed in the RECORD immediately following my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION NO. 92-21

Whereas, Robert G. Waldrop has served as Mayor of the City of Homewood, Alabama, since his election to that office in 1968 continuously to the present; and

Whereas, since Mayor Waldrop's election to office in 1968, the City of Homewood has enjoyed tremendous growth, expansion and success in business and opportunity for its residents; and

Whereas, during Mayor Waldrop's tenure as Mayor, he has received numerous awards and commendations, and has expended great energies to the benefit of the residents of the City of Homewood, Jefferson County, and the State of Alabama, which accomplishments include, but are not limited to, the following: (1) original organizer of the Jefferson County Mayor's Association in 1969 and served as its President from 1972 through 1974; (2) a motivating force and promoter of the Homewood School System; (3) honored by the Shades Valley Civitans as the Outstanding Citizen in Homewood in 1970; (4) elected the Boss of the Year in 1971 by the Alabama Business Women's Association; (5) honored by the Homewood Board of Education, by naming the football stadium the "Robert G. Waldrop Stadium" in 1976; (6) was elected President of the Alabama Workmen's Compensation Insurance Corporation for the State of Alabama; and (7) was elected President of the Alabama Legal Municipalities in 1976, and has served for the last fifteen (15) years on the Executive Board of the League; and

Whereas, Mayor Waldrop has provided the excellent leadership necessary for the development and growth of the City which accomplishments include development and expansion of a fine school system, development and expansion of Brookwood Hospital as a premier hospital in the southern portion of Jefferson County, annexation of numerous acres of property for residential and commercial development providing an excellent tax base and residential setting for Homewood residents, all of which growth and developments will be well chronicled in the history of the development of the City of Homewood, Alabama; and

Whereas, the members of the City Council of the City of Homewood desire to express officially, as well as individually, their appreciation for the outstanding services which Robert G. Waldrop has rendered to the City of Homewood and its residents during his twenty-four (24) years of service as Mayor of the City of Homewood; and

Now, Therefore, be it Resolved by the City Council of the City of Homewood, Alabama, at a regular meeting duly assembled, a quorum being present, as follows:

1. That the City Council of the City of Homewood, by the adoption of this Resolution, does publicly commend, thank and state as an expression of appreciation to Mayor Waldrop for the long and dedicated service which he has rendered to the citizens of Homewood as Mayor of the City of Homewood.

2. That the City Council of the City of Homewood desires to make a public statement of their thanks and gratitude to Robert G. Waldrop for his long and dedicated service to the City of Homewood and do by the adoption of this Resolution make such statement.

3. That the City Council of the City of Homewood does direct that a copy of this resolution, after its adoption by the City Council, be distributed to Robert G. Waldrop, members of his family and that appropriate certified copies thereof be forwarded by the City Clerk to such other persons or organizations as she deems appropriate in the premises.

4. That this resolution shall be made a part of the official minutes of the meeting of the Homewood City Council.

THE 80TH BIRTHDAY OF OSCAR HANDLIN

Mr. KENNEDY. Mr. President, September 29 is the 80th birthday of one of the Nation's great thinkers and historians, Oscar Handlin.

For decades, our country has been blessed by his insights and scholarship on our origins as a nation and our character as a people. His lively view of our history shows how America has drawn on the strengths of many nationalities as generation after generation works to build a better future for their children. It is this enduring lesson of our history that has inspired him, throughout his career, to project an optimism regarding our future. As he has often said, "Perhaps our brightest hope for the future lies in the lessons of the past."

Professor Handlin exhibited a scholar's curiosity and thirst for learning early in his extraordinary career. He completed college by the age of 19. Before turning 30, he was invited to join Harvard's faculty. At the time, he had not yet completed his doctorate.

He was a distinguished professor of history and directed various scholarly institutes devoted to the study of American history and ideas. His outstanding leadership as director of Harvard's Center for the Study of Liberty in America and, later, the university's Charles Warren Center for Studies in American History produced a remarkable body of scholarly work and countless young scholars of American history.

Professor Handlin is best known for his extensive works on immigration. Early in his career, he once said, "I thought to write a history of immigrants in America. Then I discovered that the immigrants were American history." He has always maintained that America "is not merely a nation, but a teeming nation of nations."

His doctoral dissertation analyzed the adjustment of immigrants in Boston. It was first published in 1941 and was republished on its fiftieth anniversary in 1991 because of the continuing public interest in his scholarship. His basic work on immigration, The "Uprooted," was first published in 1951. It won the Pulitzer Prize and to this day is considered a classic on America's immigrant history.

Professor Handlin's appealing writing style allowed him to touch a generation of Americans far beyond the confines of the academic world. His observations on our history dealt movingly with the experiences of immigrants from the beginning of our history. During his brilliant career, he published nearly a book a year, and each received wide acclaim.

As he notes, Americans have argued over immigration for centuries. To those concerned that today's immigrants will not adjust to America and contribute to American life, he replies that in 1850, 27 languages were spoken in Boston. Yet, these immigrants quickly learned English and joined our communities, just as immigrants are doing today.

When asked last month whether he still viewed our ethnic diversity a basic strength, he responded unequivocally, "More so than ever."

As we consider immigration reform today, we would do well to keep Professor Handlin's insights in mind. I know my colleagues join me in commending the contributions of this great scholar and outstanding American. I wish many happy returns as he and his family celebrate his 80th birthday this weekend.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, on that evening in 1972 when I first was elected to the Senate, I made a commitment to myself that I would never fail to see a young person, or a group of young people, who wanted to see me.

It has proved enormously beneficial to me because I have been inspired by the estimated 60,000 young people with whom I have visited during the nearly 23 years I have been in the Senate. Most of them have been concerned about the enormity of the Federal debt that Congress has run up for the coming generations to pay.

The young people and I almost always discuss the fact that under the U.S. Constitution, no President can spend a dime of Federal money that has not first been authorized and appropriated by both the House and Senate of the United States.

That is why I began making these daily reports to the Senate on February 22, 1992. I wanted to make a matter of daily record of the precise size of the Federal debt which as of yesterday, Wednesday, September 20, stood at $4,967,473,200,287.86 or $18,856.61 for every man, woman, and child in America on a per capita basis.

THE REED FAMILY OF POPLAR BLUFF, MO

Mr. ASHCROFT. Mr. President, today I rise to salute a family from southeastern Missouri whose dedication to providing a better life for their children and whose commitment to education serves as a model for parents and families across America.

Ferdie Reed had to leave school in the sixth grade to work in the cotton fields outside his home of Poplar Bluff, MO, and has worked as a night watchman at Three Rivers Community College for the past 28 years. He married Lillie Mae Arrington in 1950 and together they raised eleven children, stressing the values of hard work and responsibility as the keys to a successful future. Ferdie worked hard to provide for his family by farming, while holding other jobs. Lillie devoted herself to her family as a full time mother and was active in the work of the Reed's local church. She proved to be an inspiration for her children by going back to school and earning her General Equivalency Degree.

The emphasis the Reed family places on education and their example of hard work was followed by their 11 children, all of whom graduated from Three Rivers Community College in Poplar Bluff. Ten of the children have also gone on to earn bachelors' degrees at 4-year universities. Together, the 11 Reed children have more than 170 years of education.

Recently, the Reeds were honored in their home of Poplar Bluff for their dedication to education and the positive impact they have had on their children and their community. I join today in honoring Ferdie and Lillie Reed, as well as their children, Wendell, Ferdie Jr., Linda, Brenda, Sharon, Patricia, Kathryn, David, Karen, Paul, and Mary Ann for their significant achievements. I salute them for their dedication, determination, and perseverance in the pursuit of a better life through education.

Mr. FAIRCLOTH. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BROWN. Mr. President, I ask unanimous consent that further proceedings under the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FAIRCLOTH). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, morning business is closed.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1996

The PRESIDING OFFICER. Under the previous order, the hour of 10 a.m. having arrived, the Senate will now resume consideration of H.R. 1868, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1868) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1996.

The Senate resumed consideration of the bill.

Pending:

Helms (for Dole/Helms) amendment No. 2707 (to committee amendment on page 2, line 25), to provide for the streamlining and consolidation of the foreign affairs agencies of the United States.

Brown amendment No. 2708 (to committee amendment beginning on page 15, line 17 through page 16, line 24), to clarify restrictions on assistance to Pakistan. (By 37 yeas to 61 nays (Vote No. 452), Senate earlier failed to table the amendment.)

Murkowski amendment No. 2712, to set forth requirements for implementation of the Agreed Framework Between the United States and North Korea Act relating to the Korean Peninsula Energy Development Organization.

AMENDMENT NO. 2708

The PRESIDING OFFICER. Under the previous order, there will now be 1 hour of debate on the Brown amendment No. 2708, equally divided.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Colorado.

Mr. BROWN. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. So ordered.

Mr. BROWN. Mr. President, this amendment is about simple fairness. We have taken their money. We have obtained a contract to deliver equipment, and we do not want to deliver that equipment. I understand the feelings of those Members who have that position. But, Mr. President, it is wrong to take somebody's money and not deliver the equipment and not give them their money back.

If this were Sears, Roebuck in the United States, we would lock them up. The consumer protection laws do not apply to the U.S. Government, but, Mr. President, simple fairness does. The American people understand this issue because they understand what it is like when someone who is selling something takes their money and does not deliver either the product or the money. That is what this amendment is all about. It is about fairness, and it is about saying either give them their money back or give them the equipment they contracted for.

Mr. President, I retain the remainder of my time.

Mr. GLENN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BROWN. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER (Mr. COVERDELL). Without objection, it is so ordered.

Mr. BROWN. Mr. President, parliamentary inquiry.

Under the quorum call that just took place, how is the time charged to each side?

The PRESIDING OFFICER. It was charged to the Senator that suggested it.

Mr. GLENN. Would the Chair repeat?

The PRESIDING OFFICER. It was charged to the Senator who suggested it.

Mr. BROWN. Mr. President, my sense is that fairness would require that it be charged to both sides equally.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BROWN. I suggest the absence of a quorum and request the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GLENN. Mr. President, I ask unanimous consent that further proceedings under the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. Mr. President, I cannot disagree more with my distinguished colleague from Colorado when he says this is just a matter of fairness about giving money back as though we ordered something from Sears, Roebuck and did not get it so we ought to get our money back. That is such a simplistic view that it mocks what we have been trying to do with our nonproliferation policy, our nuclear nonproliferation policy for the last 30 years.

We have tried to prevent the spread of nuclear weapons around this world. That is what this issue is all about. It is a nonproliferation issue. The question: Are we serious about a U.S. leadership role in nonproliferation policy or are we not? I share the concern that Pakistan should get its money back, but not at the expense of dumping our nuclear policy and making our efforts around the world to further nuclear nonproliferation be mocked by the 178 nations that signed up under the Non-Proliferation Treaty. That is what this is all about.

Pakistan has been the most egregious violator. They refused to join the NPT and refused to cooperate and repeatedly told us untruth after untruth after untruth after untruth, lie after lie after lie, about their intentions on nuclear weapons.

They deliberately misled us—misled me personally. I was over there a couple times. Once I met with President Zia; with Yaqub Khan, the Foreign Minister; Mir Khan, from their atomic energy commission. They told me they had no program at all. They said that our intelligence was just flat wrong.

Prime Minister Benazir Bhutto repeatedly has made statements that they have no nuclear weapons objectives. And yet we know that is not true. So what this is about is not just about fairness of giving the money back as though a purchase had been made at Sears; this is a matter of nonproliferation and are we serious about it or not?

We all love to get up and make our press conference statements about how much we are against nuclear proliferation and we do not want to see nuclear weapons spread to more nations around the world. We, in fact, right now are getting control of our nuclear weapons stockpiles with the former Soviet Union, now the Russians, and we are scaling those down. At the same time we asked other nations, "Please do not go ahead with nuclear weapons programs. We will cooperate with you if you do not."

We cooperated with Pakistan when they were threatened and mutual interest indicated we should send weapons to the Mujaheddin in Afghanistan. It was in Pakistan's interest we do that, also. It was not just a gratuitous favor to the United States.

Through the years over and over we were assured Pakistan had no nuclear weapons program by their officials when we knew they did. During this time period we were successful in turning off a Taiwanese effort to start a nuclear weapons program. We were successful in turning off a South Korean effort to start a nuclear weapons program. South Africa, they finally gave up on their efforts after having a nuclear weapon or being close to it. Argentina and Brazil ceased their efforts. And 178 nations signed up under NPT. This is a great success story.

Do we mean it when we say we have a nonproliferation policy or not? I am very critical of this administration. I sent a long letter to the President with my position on this back in April. I included it in the RECORD last night. I think this is sort of a test case here. Do we mean it or not? If we let Pakistan go ahead and say we reward them then with all sorts of help, with economic aid, with all the things that are going on with the weapons program, with the spare parts, with things like that, with new missiles, and we reward them for these efforts, it makes a mockery—makes a mockery—out of our nonproliferation efforts when other nations say they may want to do the same thing that Pakistan has already done.

The international nuclear trade has been going up, I am sorry to say. We should be trying to cut it back. We passed legislation—we passed the Glenn-Symington amendment to deal with this way back. We passed the Pressler amendment later on that was Pakistan-specific, and should have been. It is the way it should be. But the Congress was unwilling to give a complete blank check to Pakistan, and stipulated in our waiver legislation that Pakistan would still be cut off if it received or exploded a nuclear device. "Received"—in other words, gained that capability.

Congress stipulated that an annual report would be provided on Pakistan's nuclear activities so that Congress could confirm that the United States assistance was indeed inhibiting Pakistan's bomb program, as was confidently assumed by Reagan administration officers. Waiver after waiver after waiver, which I went through in detail last night, waiver after waiver after waiver for Pakistan. And every time one was granted, it was granted on the basis that we need to be their friends so they will not continue along this route.

And we have that whole trail of broken promises, one after another after another. The result of all of this, all the untruths that were told to us, all this mendacity, plus ongoing information that the program was progressing, resulted in the Pressler amendment.

Well, the CIA, to their credit, was skeptical that any of these things would work back at that time. And they were right. So now we have the effort to give the money back. And it is supposedly that they would like to have you think that the proposal from the other side was that they just paid all this money out there, and then we jerked the rug out from under them.

The fact is that out of the $858 million, $50 million was paid before Pressler; the rest of it was all paid after the Pressler amendment was adopted, and Pakistan knew full well what they were doing. They knew exactly what they were doing, and they continued and paid the rest of that money after the Pressler amendment was adopted, hoping that we would back down, that we were not serious about our nuclear nonproliferation policy, and they were right. We backed down. The United States of America is still backing down on nuclear nonproliferation.

It is not easy for the Pakis, because they are entitled to some sympathy in their national security plight in South Asia. They fought three wars with a much larger adversary, India, who was also pursuing a nuclear weapons program and had exploded a device in 1984, and mainly built their program because of China's nuclear efforts.

I do have sympathy for them in that regard, but I do not have much sympathy when they have deliberately misled us, lied to us all through the years.

Mr. President, one after the other, officials in Pakistan have not told us the truth. I said before my own personal experience in meeting with President Zia, the foreign minister, Yaqub Khan, and from the atomic energy commission, Mir Khan, was that they all assured us they had no program when we knew that they did.

Let me read a few quotes. Back in 1988, opposition leader Benazir Bhutto, shortly before coming Prime Minister:

> We don't want any controversy [with the U.S.] on the nuclear issue . . . We want it clear beyond doubt that we're interested only in energy, not nuclear weapons.

Again, interview with Time magazine, November 1988:

> We believe in a peaceful [nuclear] program for energy purposes and nothing else.

Prime Minister Benazir Bhutto, interview in Calcutta Telegraph, December 1988:

> I can tell you with confidence that there is no bomb programme in Pakistan . . . There is no bomb programme . . . there is no bomb programme.

December, 1988:

> We're committed to a peaceful energy program. We don't have any [nuclear] weapons policy . . . Pakistan doesn't have any intention to get a nuclear device or a nuclear weapon.

Another one in June 1989, Prime Minister Benazir Bhutto, in an address before a joint meeting of Congress, right down the hall, a joint meeting of Congress, and made this statement to all of us. I was in attendance at that meeting:

> Speaking for Pakistan, I can declare that we do not possess nor do we intend to make a nuclear device. That is our policy.

New York Times, 1989 interview with Prime Minister Benazir Bhutto:

> Pakistan has not, nor do we have any intention of putting together or making, a bomb, or taking it to the point where you can put it together.

So much for the word of Pakistan.

So when we say, Mr. President, that this is an issue of just giving the money back, as though we have made a deal at Sears someplace, that is extremely misleading, and I disagree with that characterization of what this is about.

What this is about is whether the United States has a nuclear nonproliferation policy and whether we are truly willing to stick to it or are we not. Do we have the guts to make the tough decisions in the interest of seeing nuclear weapons not spread further around the world, just at the same time we are trying to get our own nuclear weapons stockpiles and those of the former Soviet Union under control and doing a good job in that area.

Mr. President, that is what this vote is all about. I know from the vote yesterday what the vote is likely to be today. I think it is a wrong vote because it sends all the wrong signals to the 178 nonproliferation members around the world who are doing what we wanted them to do, what we tried to lead them to do and which they have continued to do, and that is try and stop the spread of nuclear weapons around the world. That is what this vote is all about.

I reserve the remainder of my time.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Colorado.

Mr. BROWN. I yield myself 3 minutes.

Mr. President, there are several important points raised by the distinguished Senator from Ohio that I would like to address. One is the suggestion that we have somehow backed down on our nonproliferation objective or let Pakistan off the hook if this amendment is adopted.

I sincerely believe that is an inaccurate statement, and I want to draw the attention of the Members to the facts. The reality is, if this amendment is adopted that our restriction against military assistance stays in place and it stays in place even though Pakistan has significant national security problems, our restriction against military sales stays in place, and it does so even though they have a great need and want to buy equipment from the United States.

For a country that is in need of assistance and in need of weapons, those are significant and major restrictions, and to throw them away or ignore them, I think, ignores the facts. The fact is, they are strong sanctions that are in place and continue in place if the amendment is adopted.

We should not forget the fact as well that Pakistan signed a contract for these some 9 years ago, for other parts 8 years ago, and for other parts 7 years ago. They paid for those, and whether they paid all up front or paid in installments, as most people do, I think misses the point.

The fact is, they paid for these, they contracted for these. These items they have contracted for have sat around. Does anybody think military equipment that was due for delivery 5 years ago is as valuable today as when it came up? Of course, not.

So to suggest there have not been and do not continue to be enormously significant sanctions in place against Pakistan is to simply ignore the facts. It is misleading, I think, to say that there are not major penalties that we have demanded that the Pakistanis pay and will continue to pay in the future.

Mr. President, a great deal has been made about disingenuous statements by the Pakistanis with regard to their nuclear program. I, for one, think it is regrettable that that has happened. But, we should not be holier than Thou when we talk about misleading statements regarding national security. Are our memories so short around here, particularly with regard to Pakistan? Does not anyone recall that Francis Gary Powers' flight took off from Pakistan, an area we asked the Pakistanis to make available to us, at a base we asked them to let us fly out of, to fly over and spy on the Soviet Union? Has everyone forgotten how important that was to national security?

Incidentally, does anyone remember what President Eisenhower said when he was asked about it? No one has mentioned that today. But if you want to talk about disingenuous statements, what about President Eisenhower? Are we so holy we have forgotten it? This emanated from Pakistan. President Eisenhower denied the flights. Was it an incorrect statement? Of course it was. Why did he do it? To protect our national security.

Does anybody remember what President Kennedy said with regard to the Bay of Pigs? We do not dwell on it, but before we get so holy, before we get too holy, remember, Americans have felt a need to protect their national security, too, and it is strange that people would talk about the phenomenon of nuclear weapons with regard to Pakistan and not be willing to talk about the phenomenon of nuclear weapons with regard to India.

My own view of this is that we want to be friends with both India and Pakistan. We want to stand beside them. We want to work with both of them. Perhaps it was not widely noticed, but I was the prime critic of the administration when it was slow to name an ambassador to India. It seemed to me that was an important function to do, with a country that should be our friend and we want to work with.

I spoke out against the bashing of India over the question of Kashmir. I believe what we want is a balanced policy, but, Mr. President, we should not look at the questions regarding Pakistan's national security in a vacuum.

To assume that we are going to have a policy that denies Pakistan nuclear weapons and not comment about India's nuclear weapons is a mistake. To assume we are going to bash Pakistan for trying to find missiles and not say anything about India's missile program is a mistake. What we ought to have is a balanced policy in that part of the world, not a one-sided policy.

I retain the remainder of my time.

Mr. President, I yield 10 minutes to the distinguished Senator from Iowa.

Mr. HARKIN. Mr. President, I want to compliment the Senator from Colorado on his diligence and his effort to bring some rationality and reason to this debate, to try to get us to focus on fairness and equity in dealing with this part of the world.

I certainly would not want any of my comments that I made last night in the debate, or any I might make now, to be construed to indicate in any way that I have it in for India. That is not it at all. But I do believe that the history of our relations with Pakistan are such that we have to start dealing in a more evenhanded fashion in that part of the world.

Last night in my remarks, I went over the long history of Pakistani-United States friendly relations. I do not mean to belabor that again and go over that, other than to just say that going clear back to when Pakistan got its independence, Pakistan has always been oriented toward the United States. They supported us in the Korean war. As the Senator from Colorado pointed out, the flights of the U-2 over the Soviet Union came from Pakistan. After the U-2 was shot down, Nikita Khrushchev threatened Pakistan with nuclear weapons. Pakistan stuck with the United States. In the gulf war, Pakistan helped us out; they were on our side. In Somalia—and even in Haiti, Pakistan has sent troops to help restore democracy to Haiti.

So in almost everything that we have done, Pakistan has been our strong friend and ally. Yet, I believe we have not treated them evenhandedly. All this really is is a question of fairness.

Last night, I quoted—and I want to repeat that—the statement by the Secretary of State, Warren Christopher, in a letter dated September 20 to Senator DASCHLE. He said:

> We appreciate the bipartisan interest we have seen in improving our relationship with Pakistan. We would support an amendment that would permit aid to Pakistan that is in our own interest, such as trade promotion, counternarcotics assistance, and counterterrorist programs. We also support language that would allow for the return of military equipment for which Pakistan has already paid. To engage Pakistan on issues of concern to us, including nonproliferation, it is essential to resolve this unfair situation.

That is what the Brown amendment does.

Again, Mr. President, I ask unanimous consent that this letter, dated

September 20, from Secretary of State Christopher, be printed in its entirety in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF STATE,
Washington, DC, September 20, 1995.

Hon. THOMAS A. DASCHLE,
Democratic Leader,
U.S. Senate.

DEAR SENATOR DASCHLE: As the Senate begins consideration of the FY 1996 Foreign Operations Appropriations bill, I would like to address several issues in the version of the bill as reported by the full Appropriations Committee.

At the outset I would like to thank Chairman McConnell and Senator Leahy for their willingness to work with us and to include priority initiatives such as a long-term extension of the Middle East Peace Facilitation Act (MEPFA) and a drawdown authority for Jordan in the subcommittee mark. We would oppose any amendments that would alter the carefully negotiated language for either of these initiatives. Also, we appreciate the Subcommittee's removal of objectional conditions adopted by the House on population assistance and aid to Turkey, Haiti, and Mexico. We hope to continue in this cooperative fashion to produce a Foreign Operations bill that can be presented to the President with bipartisan support.

Despite the favorable aspects of the legislation, there are several items that are of great concern to the Department of State. The funding levels throughout the bill are well below the President's request level. The Foreign Operations cuts, coupled with the cuts being proposed to international programs in the Senate's Commerce, Justice, State Department Appropriations bill, represent a serious threat to America's leadership in international affairs.

The bill also contains numerous earmarks and substantially restructures our foreign aid accounts. We expect international agencies to do their share in the effort to balance the budget as the President's budget plan makes clear. However, we, the Administration, should have the flexibility to apply funds to the programs that provide the best results. Earmarks in our programs for the New Independent States, International Counternarcotics, and economic assistance would prevent us from being able to respond to the crisis and unexpected requirements of the post-Cold War world. Further, the proportionality requirement in the new Economic Assistance account restricts our ability to change the distribution of these funds from year to year. We oppose these restrictions.

The bill also contains a number of objectionable policy provisions. Restrictions on our ability to contribute to the Korean Energy Development Organization (KEDO) would, in effect, prevent U.S. funding of KEDO and greatly hinder, if not destroy, the international effort to implement the Agreed Framework. We oppose linking KEDO funding to substantial progress on North Korean/South Korean dialogue. Imposing an artificial and unrealistic deadline on North/South talks, which have taken years to progress, will hold hostage the very funding that will facilitate the progress we all so desire. We remain convinced that the North/South dialogue will move forward substantially as a result of the Agreed Framework and the creation of KEDO. Our failure to contribute to KEDO will threaten its ability to meet its obligations under the Framework and, consequently, invite North Korean non-compliance. The Agreed Framework is working. North Korea has frozen its nuclear weapons program. We need Congressional support for KEDO to keep the freeze in place.

Regarding assistance to the New Independent States (NIS) and Russia, we have reached a critical moment in the reform process. Continued funding is essential. It can make a major difference in whether reformers in Russia, Ukraine, Armenia, Moldova and other states will be able to maintain momentum, or the opponents of reform will halt the development of democratic market societies. We need to stay the course for this transitional period, while normal trading and investment relationships develop in the former Soviet states. We very much appreciate the continued support we have received from the Congress, and the Senate Appropriations Committee in particular, for this critical effort, as reflected in this bill.

At the same time, however, we oppose new conditions on assistance to the NIS. It is of course tempting to withdraw our assistance as punishment when we do not agree with Russian actions or policies. But this would be a mistake. This assistance is in our national interest. Cutting or restricting aid would hurt reformers, the very people who have protested the war in Chechnya, criticized Russia's proposed nuclear sale to Iran, or insisted that Russia end cooperation with Cuba. We urge you to remove such conditions from this bill. Let me assure you that we share your concerns about Russia's policies in these areas; that is why we continue to work on other fronts to stop the Russian nuclear reactor sale to Iran and to prevent completion of the Cuban reactor project.

We also urge you to restore the national security waiver for the certification requirement on violations of territorial integrity, which has been removed from the Senate version of this bill. It is important that the President retain the ability to determine whether the national security of the United States justifies a waiver of this requirement. Moreover, removal of the waiver provision could have unintended consequences, such as prohibiting humanitarian assistance to the victims of regional conflicts in countries such as Armenia.

The language regarding restrictions on the termination of sanctions against Serbia and Montenegro also reflects objectionable House language carried over in the Senate bill. The recent combination of NATO's resolve and energetic United States leadership on the diplomatic front has led to some encouraging opportunities for a negotiated settlement to the conflict. To prematurely close off any avenues that may lead to a diplomatic settlement, including adjustments to the sanctions regime against Serbia, would complicate our efforts.

We appreciate the bipartisan interest we have seen in improving our relationship with Pakistan. We would support an amendment that would permit aid to Pakistan that is in our own interest, such as trade promotion, counternarcotics assistance, and counterterrorism programs. We also support language that would allow for the return of military equipment for which Pakistan has already paid. To engage Pakistan on issues of concern to us, including non-proliferation, it is essential to resolve this unfair situation.

There remain other problematic issues in the bill, but we are encouraged by the willingness of the bill's managers to work with us, and we hope that these other issues can be resolved on the Senate floor or in conference.

Sincerely,
WARREN CHRISTOPHER.

Mr. HARKIN. Mr. President, there is also a letter from Secretary Perry, the Secretary of Defense, who said:

> This is an effort to resolve issues involving "fairness" that have become a major irritant in our relationship with Pakistan—it is in no way an effort to resume a military supply relationship. Meanwhile, our ability to work with Pakistan to achieve nonproliferation goals is eroding. The status quo, unfortunately, offers few incentives for future cooperation or restraint by Pakistan—or by India, whose nuclear and missile programs are also of concern.

We do not hear much talk about that around here. The nuclear programs and the missile programs of India ought to be a big concern of ours also.

Secretary Perry concluded:

> If we succeed in putting this issue behind us, we will be in a better position to engage Pakistan in a constructive way on issues of concern to us, particularly nonproliferation.

I ask unanimous consent that the letter from Secretary Perry, dated August 2, also be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, DC, August 2, 1995.

Hon. SAM NUNN,
Ranking Democrat, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR SENATOR NUNN: For the past six months, the Administration has wrestled with the difficult problem of trying to build a stronger, more flexible relationship with Pakistan—an important moderate Islamic democracy in a troubled region which has been a long-time friend and has become a major partner in peacekeeping operations—while promoting the very important nonproliferation goals of the Pressler Amendment.

Based on a detailed review within the Administration and consultations with Congress, the President has decided to address this matter on three fronts:

First, he strongly supports provisions already contained in the House and Senate versions of the Foreign Aid Authorization bill that would permit us to resume economic assistance and limited military assistance affecting clear U.S. interests (including assistance in peacekeeping, counterterrorism and counternarcotics as well as IMET).

Second, the President has decided to seek authority, as provided by an amendment to be proposed by Senator Brown, that would release approximately $370 million worth of embargoed military equipment purchased by Pakistan before the imposition of Pressler sanctions. This authority would specifically exclude the release of the F-16s. Among the items that would be released are three P-3C

Orion maritime patrol aircraft, Harpoon anti-ship missiles, counter-mortar radars, howitzers, and support kits for F-16s and Cobra helicopters already in the Pakistani inventory. These items will not disturb the conventional arms balance in South Asia which overwhelmingly favors India.

Finally, the President has decided that, rather than releasing the 28 F-16s to Pakistan, he will seek to sell them to a third country and deposit the proceeds of any sale in the Pakistan Trust Fund to reimburse, as much as the sale permits, Pakistan's investment in these aircraft.

While we recognize that this is not a perfect solution, it is, we believe, the course which will best help us resolve a difficult problem with a country which has long been a friend. This is an effort to resolve issues involving "fairness" that have become a major irritant in our relationship with Pakistan—it is in no way an effort to resume a military supply relationship. Meanwhile, our ability to work with Pakistan to achieve nonproliferation goals is eroding. The status quo, unfortunately, offers few incentives for future cooperation or restraint by Pakistan—or by India, whose nuclear and missile programs are also of concern. If we succeed in putting this issue behind us, we will be in a better position to engage Pakistan in a constructive way on issues of concern to us, particularly nonproliferation.

The second aspect of this three-part effort—embodied in Senator Brown's pending amendment to provide authority to release the embargoed Pakistan equipment other than the F-16s—may be coming to a vote very shortly. I urge you to support our efforts to resolve this problem by supporting Senator Brown's amendment when it is offered.

Sincerely,

WILLIAM J. PERRY.

Putting The Release Of Embargoed Pakistani Equipment Into Perspective

The total package has a value of $368 million—not $700 million as has been reported.

Although the P-3C Orion provides a long-range offensive capability, three aircraft would hardly disturb India's nearly 2 to 1 advantage over Pakistan in naval systems:

It is claimed that the P-3s provide a "lethal stand off capability" against Indian naval targets as far south as Cochin; however, it should be noted that because the Pakistan Navy has no aircraft carriers (of which the Indian Navy has two), the Pakistanis would be unable to provide fighters to escort these slow aircraft when operating at such a great distance from Karachi—thus leaving them vulnerable to interception by either land-based Indian Air Force fighters or carrier based Indian Navy aircraft.

It is incorrect to say that the P-3C represent a new weapons system for the region as the Indian Navy already has two squadrons of similar maritime patrol aircraft that include five Il-38 (the Russian version of the P-3) and eight Tu-142 Bear F aircraft. While these aircraft do not have a system equivalent to the Harpoon, they do have equipment to locate submarines and are capable of launching torpedoes.

The Indian Navy also possesses an anti-ship missile, the Sea Eagle, which is similar to the Harpoon. Although not capable of being launched from the maritime patrol aircraft mentioned above, the Indian Sea Eagles can be carried on the Sea Harrier jets and the Sea King helicopters which operate from India's two aircraft carriers—thus giving the Indian Navy a more formidable long-range strike capability than that provided by three P-3s.

C-NITE would enable Pak Cobra helicopters to launch TOW 2 anti-tank guided missiles at night; however, these 19 helicopters, so equipped, would hardly offset India's 2 to 1 advantage (by over 2000 tanks) over Pakistan.

The Pakistani F-16s are already equipped with the AN/ALR-69 radar warning receiver and AN/ALQ-131 electronic counter measures jamming equipment. These are defensive rather than offensive systems. The ALR-69 alerts the pilot that a radar has "painted" his aircraft; the ALQ-131 electronically deflects the hostile missile. The ALR-69 and ALQ-131 kits that would be released would enhance the reliability of these systems rather than provide any new military capability.

Since Pakistan has previously received over 200 AIM-9L air-to-air missiles, the release of 360 more will not provide any new capability. Furthermore, India will still enjoy an almost 2 to 1 advantage in jet combat aircraft over Pakistan to include a better than 2 to 1 advantage in aircraft equivalent to the Pakistani F-16s (i.e., MiG-29 and Mirage 2000).

The 24 howitzers that would be released to Pakistan are M198 155 mm towed howitzers. Given the fact that the Indian Army has over 3000 towed artillery pieces (almost twice the number in the Pakistani inventory), 24 more will not make a significant difference. It should be noted that during the nearly five years that these howitzers were embargoed, India acquired over 250 equivalent artillery pieces from Czechoslovakia and Russia/USSR.

In regard to MK-46 torpedoes, Pakistan will receive parts that constitute less than one operational MK-46.

As for the 2.75" rockets, these constitute a resupply of ammunition for one of the weapons systems on the Pakistani Cobra helicopters—they do not give Pakistan any new capability.

Brown Amendment Text

Add the following subparagraph to section 620E of the Foreign Assistance Act of 1961:

( ) Applicability.—(a) The restrictions of section 620E(e) of the Foreign Assistance Act of 1961 shall continue to apply to contracts for the delivery of F-16 aircraft to Pakistan.

(b) Notwithstanding the restrictions contained in section 620E(e), military equipment, technology or defense services, other than F-16 aircraft, may be transferred to Pakistan pursuant to contracts of cases entered into before October 1, 1990.

Impact of the Brown Amendment

The proposed legislation would authorize the release of approximately $368 million worth of military equipment purchased by Pakistan before the imposition of Pressler sanctions (1 October 1995) but not delivered to Pakistan due to Pressler sanctions. Specifically prohibited from release to Pakistan under this legislation are the 28 Pakistani F-16s. Items to be released include:

Item	Stored quantity	Stored value (millions)	Funding source
Army:			
C-NITE modification kits	18	$24.1	FMF.
M198 Howitzers	24	18.7	FMF/Cash.
TPQ-36 radars	4	10.5	FMF.
M-Series rebuild parts	NA	6.8	FMF.
TOW launchers	135	6.1	FMF.
2.75 inch rockets	16,720	9.4	FMF.
Miscellaneous Army items	NA	1.7	FMF/Cash.
Army subtotal		77.4	
Navy:			
P-3C aircraft	3	138.1	FMF.
Harpoon missiles	28	30.8	FMF/Cash.
AIM-9L missile components	360	19.7	FMF/Cash.
MK-46/Mod 2 torpedo components	NA	.1	Cash.
Miscellaneous Navy items	NA	2.1	FMF/Cash.
Navy subtotal		191.8	
Air Force:			
Peace Gate II support equipment, 220E engine kits	30,968	28.5	FMF/Cash.
Depot engine spares program	4,746	8.0	FMF.
ILC kits: Spares for ILC, ALQ-131, F-100, ALR-69, support	2,035	7.9	FMF/Cash.
Peace Gate III support package:			
Peculiar support equipment	37	.9	FMF.
Engine spares	511	9.1	FMF.
Spares	154	1.6	FMF.
Standard support equipment	67	.4	FMF.
Peace Gate IV support package:			
Engine components	14	.1	Cash.
Developmental support equipment	144	8.0	Cash.
Standard support equipment	386	1.2	Cash.
Non-standard support equipment	9	.5	Cash.
Standard spares	204	1.3	Cash.
Test equipment	NA	.1	Cash.
ALQ-131 pods and spares	20	21.7	Cash.
Class A explosives	245,046	1.5	Cash.
Other Air Force items	NA	8.2	FMF/Cash.
Air Force subtotal		98.8	
Grand total		368	

Initiative To Strengthen Relations With Pakistan

After extensive review and consultations with Congress, President Clinton has decided to support legislation to permit a stronger and more flexible relationship with Pakistan, while maintaining the nonproliferation goals of the Pressler Amendment.

The President's decision builds on provisions already in the House and Senate versions of the Foreign Aid Authorization bills, which would permit the United States to resume economic assistance and limited forms of military assistance (including IMET, counternarcotics, counterterrorism and peacekeeping assistance) to Pakistan.

The President has decided to seek authority, as provided for in legislation proposed by Senator Brown, to release to Pakistan approximately $370 million in military equipment, exclusive of F-16s, contracted for by Pakistan prior to the imposition of Pressler sanctions in October, 1990.

This equipment includes air-to-air and anti-ship missiles, radars, howitzers, three P-3C Orion Aircraft, and support kits for the F-16s already in Pakistan's inventory. This non-strategic equipment does not have the symbolism that the F-16s have come to acquire in the region. Release of this equipment would be a one-time exemption to the Pressler Amendment. We do not seek repeal of the Amendment or a resumed military supply relationship with Pakistan.

The President also decided not to seek release of the 28 F-16s in the pipeline. Instead, he will seek to sell the aircraft and return the proceeds of any sale to Pakistan, to reimburse as much as possible of the $684 million that Pakistan has expended on these aircraft.

Putting these issues behind us will permit a more normal and productive relationship between Washington and Islamabad, without which real progress on nonproliferation and other issues of importance to the United States will remain difficult.

Finally, in making his decision, the President stressed the importance of there being

> no substantial change in the status quo in Pakistan with regard to nonproliferation issues of concern to the United States. In particular, we expect that Pakistan will exercise restraint in the nuclear and missile areas.

Mr. HARKIN. On July 28, to the National Press Club, Secretary of State Christopher responds to a question. This gets to the heart of the arguments made by the Senator from Ohio and the Senator from Michigan about the so-called evidence that justifies the impositions of sanctions.

Here was the question:

> Will the Clinton administration order additional sanctions against China for supplying missile technology to Pakistan and Iran?
>
> SECRETARY CHRISTOPHER. As I mentioned in my remarks, we are concerned about proliferation issues, and we are certainly concerned about it as they relate to South Asia. We monitor it very carefully and very closely.
>
> At the present time, although there is a fairly large body of evidence, we do not think there is the evidence there that would justify the imposition of sanctions.

I ask unanimous consent that that be printed in the RECORD, also.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

> ADDRESS BY SECRETARY OF STATE WARREN CHRISTOPHER ON U.S. NATIONAL INTEREST IN THE ASIA-PACIFIC REGION, NATIONAL PRESS CLUB, WASHINGTON, DC, JULY 28, 1995
>
> QUESTION. Will the Clinton Administration order additional sanctions against China for supplying missile technology to Pakistan and Iran?
>
> Secretary CHRISTOPHER. As I mentioned in my remarks, we are concerned about proliferation issues, and we are certainly concerned about it as they relate to South Asia. We monitor it very carefully and very closely.
>
> At the present time, although there is a fairly large body of evidence, we do not think there is the evidence there that would justify the imposition of sanctions. But I want to assure all that we feel an obligation to keep this matter carefully under review and to follow and comply with the law in this regard.

Mr. HARKIN. Again, I want to point out that under the missile technology Control Regime, which has been talked about by the Senator from Michigan and the Senator from Ohio, even under that, even if MTCR sanctions were imposed tomorrow, all of the items in the Brown amendment could still go to Pakistan, because MTCR violations only prohibited new licenses to Pakistan and China. These items were already licensed in the 1980's.

Again, Mr. President, there is a lot of talk about Pakistan not admitting certain things. I think the Senator from Colorado answered that quite adequately.

Again I would just ask a question: Has India ever admitted that they have a nuclear weapon? We know that they detonated one in 1974. Has India ever admitted that they have a nuclear weapon? If not, are they lying to us, also?

I think that is enough of that. Mr. President, I want to close my remarks by pointing out that Pakistan has always gone the extra mile to try to get a reasonable solution and compromise in that part of the world with India. Let us keep in mind what we are talking about here. We have India, a large nation with 981 million people, confronting Pakistan, a small country with only about 125 million people. We have to kind of keep that in context.

I want to review for my colleagues some of the proposals that Pakistan has put forward, going back over 20 years. First of all, Pakistan proposed to establish a nuclear-weapons-free zone in south Asia in 1974.

In 1978, they proposed to issue a joint Indo-Pakistan declaration renouncing the acquisition and manufacturing of nuclear weapons.

In 1979, they proposed to have mutual inspections by India and Pakistan of nuclear facilities.

Also in 1979, they proposed simultaneous adherence to the Non-Proliferation Treaty by India and Pakistan.

Again in 1979, they proposed to endorse a simultaneous acceptance of full-scope international atomic energy safeguards and to have the IAEA do inspections.

They proposed, also in 1987, an agreement on a bilateral or regional nuclear test ban treaty.

In 1991, Pakistan proposed to commence a multilateral conference on the question of nuclear proliferation in south Asia.

A couple years ago, they proposed to create a missile-free zone in all of south Asia.

Pakistan has proposed all this. What is the stumbling block? India will not accept any of these. They are the ones that have said "no" to all of these proposals. Yet, we are the ones that are sticking it to Pakistan. I do not understand this at all. It seems to me that this is the kind of regime that we want in south Asia. We ought to be behind these proposals, and we ought to be using our influence with India and other countries in that area to agree with Pakistan, to sit down and negotiate these proposals, which were made in good faith by Pakistan.

Last, Mr. President, two quotes, first by President Clinton, April 11, 1995:

> I don't think what happened was fair to Pakistan in terms of the money . . . I don't think it is right for us to keep the money and the equipment. That is not right. And I am going to try to find a resolution to it. I don't like this.

President Clinton, April 11, 1995. That is exactly what the Brown amendment does.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BROWN. Mr. President, I yield to the Senator from Iowa 2 additional minutes.

Mr. HARKIN. Mr. President, the President is supporting the Brown amendment because it reflects exactly what President Clinton said April 11.

On the same date, Prime Minister Bhutto said:

> The Pressler amendment has been a disincentive for a regional solution to the proliferation issue.

April 11, 1995, Prime Minister Bhutto.

Mr. President, it is time to put this behind us. It is time for fairness and equity. It is time to recognize that if we want to support the democratic forces in Pakistan, if we want to give Prime Minister Bhutto the support she needs to consolidate the prodemocracy forces in Pakistan, then we have to put this behind us.

This will do more to help promote a regional solution to these problems than anything else we can do.

It is simply a question of fairness and equity. I hope that the vote will be overwhelming, overwhelming in favor of the Brown amendment. Let Pakistan know we will not turn our backs on Pakistan after all of these years of friendship and support that Pakistan has given to us.

I yield back whatever time is remaining. I thank the Senator from Colorado for his leadership on this.

Mr. GLENN. Mr. President, I yield 2 minutes to the distinguished Senator from Illinois, Senator SIMON.

Mr. SIMON. Mr. President, I will vote against the Brown amendment, though I agree with much of what my colleague from Iowa has to say. I will vote against any weapons in any amendment that go to Pakistan or India or China until we get this nuclear thing worked out.

Many of the things that Senator HARKIN says are correct; for example, Pakistan and India, Pakistan suggesting that they have mutual inspection of nuclear facilities and so forth. The difficulty is India also fears China. There has to be a tripartite agreement. I think that necessarily means United States leadership working together with Russia to bring that about.

There is no question Pakistan has some legitimate grievances. We ought to get those worked out. I think the Feinstein amendment that is going to be coming along shortly will help to move in that direction.

We want to maintain friendship with Pakistan. Pakistan has moved from a dictatorship to a functioning democracy. Like all functioning democracies, it has problems. We ought to be working with Pakistan more closely.

However, I do not think we ought to be sending weapons to any one of the three parties, who now have the greatest nuclear threat, I think, anywhere in the world.

I think it would be a mistake to approve the Brown amendment.

Mr. GLENN. How much time is remaining?

The PRESIDING OFFICER. The Chair will advise the Senator from Ohio that his side has 15 minutes.

Mr. GLENN. I yield 3 minutes to Senator LEVIN.

Mr. LEVIN. I thank the Chair and my friend from Ohio.

Mr. President, the Brown amendment moves us in the opposite direction of trying to restrain missile proliferation. We have a law on our books and it says that where there is a determination that a transfer of a missile with a certain range and payload has been made that we will then impose sanctions.

There is a large body of evidence. It is up on the fourth floor. We have had three briefings. The briefers left the material for us to look at. It is right there, a couple floors above us, for any of us to look at, to see whether or not each of us are satisfied that, in fact, a missile of a certain range and payload in excess of the missile technology control regime has been transferred from China to Pakistan. Under American law, if that occurs, sanctions are supposed to be imposed.

Now, what the Brown amendment does is take us in the opposite direction. It would have us amend Pressler, to then allow for the transfer of significant military equipment to Pakistan.

Instead of looking at this evidence and deciding whether or not it proves incontrovertible that there has been a transfer of missiles in excess of the range and payload that is provided for in the missile technology control regime which we have incorporated in our law, the amendment before the Senate would say that still could apply, but we will move in exactly the opposite direction.

This amendment makes a mockery—if it passes this Senate—will make a mockery of our efforts to restrain the proliferation of missiles. That is the issue before the Senate. It is American law. American law says if there is a transfer of a missile or missiles that meet certain tests, sanctions will be imposed.

I do not think we can in good conscience say that we are fighting the proliferation of missiles if we ignore that evidence two floors above us, if we do not take the time to at least look at that evidence two floors above us, and instead of acting on it, whatever our conclusions are, under American law, we move in exactly the opposite direction, amend Pressler, allow for the transfer of military equipment which otherwise could not be transferred. That is the issue before this Senate.

I hope we will adopt the Feinstein amendment, which will provide that any appropriate funds that are owed to Pakistan that they have given to us, whatever is equitable, be returned to Pakistan, without trashing the missile technology control regime.

I thank the Chair.

Mr. BROWN. Mr. President, I yield myself 2 minutes.

Mr. President, I want to deal with an aspect of this that I think is a fundamental problem because we have not addressed it, and maybe we have not addressed it for a good reason.

This amendment is about fairness and about the inequity of keeping both their money and their arms. I think Americans will respond strongly to that. They understand it, and would be outraged at any retailer who did the same thing or anyone who signed contracts to sell as well.

Other Members have brought up significant issues and concerns about arms in Southeast Asia. That is appropriate, and they should, and it ought to be a concern. It is why I made sure with the adoption of this amendment that very strong sanctions stay in place that send a clear message that Pakistan is paying a price for having developed weapons.

Mr. President, the aspect of this that needs Members' attention is this: We have sanctions that will sanction Pakistan for developing nuclear weapons, but we do not have sanctions that will sanction India for developing nuclear weapons. They are two nations, side by side.

The fact is, Pakistan's program literally came about in part because India was Pakistan's adversary and India developed nuclear weapons. We cannot ignore that when you think about trying to solve this problem.

There has been a lot of concern raised about missiles. That is a valid concern. I think we need to do more in that area.

Mr. President, you cannot talk about it in a vacuum. The fact is, Pakistan developed their program after India developed weapons, and there are strong indications that the potential of Pakistan's missiles, if they have them and if they uncrate them, is somewhat similar to what the potential of the Indian missiles are. If anything, India has stronger missiles.

You cannot talk about this in a vacuum. If you do talk about it in a vacuum and you think about it in a vacuum, you are doomed to failure. We want a nonproliferation program that works, that is effective.

The PRESIDING OFFICER. The 2 minutes of the Senator has expired.

Mr. BROWN. Mr. President, I yield 3 minutes to the Senator from Iowa.

The PRESIDING OFFICER. The Chair recognizes the Senator from Iowa.

Mr. HARKIN. Mr. President, I want to respond, perhaps, to my colleague from Illinois who talked about the weapons going to Pakistan. I have looked over the list of the items that are going. I thought I might, just for the RECORD, point out what some people have said about these items. All of the experts agree, it will not in any way upset the regional balance.

Steve Cohen is the director of program in arms control, disarmament and international security at the University of Illinois. He said,

> In terms of the regional military balance, I don't think that the release of this military equipment . . . will have . . . significant impact on the balance one way or the other.

George Tanham, who was a vice president of the Rand Corp., says, "I agree." He said:

> In fact, there is no balance now. India dominates so strongly. They have twice as large an army as Pakistan, twice as large an Air Force, twice as large a Navy, twice as many tanks, twice as many airplanes. * * * India has overwhelming strength.

So this small amount of equipment will not upset any balance. All of the experts basically agree that this amount of items that we are sending over there would not in any way upset that regional balance.

James Clad, professor at Georgetown University said:

> They offer for Pakistan "exactly as Dr. Tanham pointed out, an equalizing hand in trying to somehow correct the subcontinental mismatch of conventional weaponry capability and geographical reality."

So, again, I have gone over this list. I do not know if anyone has ever put it in the RECORD. But of the military equipment, adding to about $368 million, the biggest items are three P-C3 aircraft, four-engine turboprop aircraft. They are very slow aircraft. They do not have the capability in any way to threaten India, and I would be glad to get into a discussion with anyone if they would like to discuss that.

I want to make sure this is in the RECORD. I ask unanimous consent a list of the items be printed in the RECORD and also a description of these items be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PUTTING THE RELEASE OF EMBARGOED PAKISTANI EQUIPMENT INTO PERSPECTIVE

The total package has a value of $368 million—not $700 million as has been reported.

Although the P-3C Orion provides a long-range offensive capability, three aircraft would hardly disturb India's nearly 2 to 1 advantage over Pakistan in naval systems:

It is claimed that the P-3s provide a "lethal stand off capability" against Indian naval targets as far south as Cochin; however, it should be noted that because the Pakistan Navy has no aircraft carriers (of which the Indian Navy has two), the Pakistanis would be unable to provide fighters to escort these slow aircraft when operating at such a great distance from Karachi—thus leaving them vulnerable to interception by either land-based Indian Air Force fighters or carrier based Indian Navy aircraft.

It is incorrect to say that the P-3C represent a new weapons system for the region as the Indian navy already has two squadrons of similar maritime patrol aircraft that include five Il-38 (the Russian version of the P-3) and eight Tu-142 *Bear* F aircraft. While these aircraft do not have a system equivalent to the Harpoon, they do have equipment to locate submarines and are capable of launching torpedoes.

The Indian Navy also possesses an anti-ship missile, the *Sea Eagle*, which is similar to the Harpoon. Although not capable of being launched from the maritime patrol aircraft mentioned above, the Indian *Sea Eagles* can be carried on the *Sea Harrier* jets and the *Sea King* helicopters which operate from India's two aircraft carriers—thus giving the Indian Navy a more formidable long-range strike capability than that provided by three P-3s.

C-NITE would enable Pak Cobra helicopters to launch TOW 2 anti-tank guided missiles at night; however, these 19 helicopters, so equipped, would hardly offset India's 2 to 1 advantage (by over 2000 tanks) over Pakistan.

The Pakistani F-16s are already equipped with an AN/ALR-69 radar warning receiver and AN/ALQ-131 electronic counter measures jamming equipment. These are defensive rather than offensive systems. The ALR-69 alerts the pilot that a radar has "painted" his aircraft; the ALQ-131 electronically deflects the hostile missile. The ALR-69 and ALQ-131 kits that would be released would enhance the reliability of these systems rather than provide any new military capability.

Since Pakistan has previously received over 200 AIM-9L air-to-missiles, the release of 360 more will not provide any new capability. Furthermore, India will still enjoy an almost 2 to 1 advantage in jet combat aircraft over Pakistan to include a better than 2 to 1 advantage in aircraft equivalent to the Pakistani F-16s (i.e., MiG-29 and Mirage 2000).

The 24 howitzers that would be released to Pakistan are M198 155 mm towed howitzers. Given the fact that the Indian Army has over 3000 towed artillery pieces (almost twice the number in the Pakistani inventory), 24 more will not make a significant difference. It would be noted that during the nearly five years that these howitzers were embargoed, India acquired over 250 equivalent artillery pieces from Czechoslovakia and Russia/USSR.

In regard to MK-47 torpedoes, Pakistan will receive part that constitute less that one operational MK-46.

As for the 2.75″ rockets, these constitute a resupply of ammunition for one of the weapons systems on the Pakistani Cobra helicopters—they do not give Pakistan any new capability.

MILITARY EQUIPMENT (LESS F–16 AIRCRAFT) PURCHASED BY PAKISTAN BUT NOT DELIVERED DUE TO PRESSLER SANCTIONS

Item	Stored quantity	Stored value (millions)	Funding source
Army:			
C–NITE modification kits	18	$24.1	FMF.
M198 Howitzers	24	18.7	FMF/Cash.
TPQ–36 radars	4	10.5	FMF.
M-Series rebuild parts	NA	6.8	FMF.
TOW launchers	135	6.1	FMF.
2.75 inch rockets	16,720	9.4	FMF.
Miscellaneous Army items	NA	1.7	FMF/Cash.
Army subtotal		77.4	
Navy:			
P–3C aircraft	3	139.1	FMF.
Harpoon missiles	28	30.8	FMF/Cash.
AIM–9L missile components	360	19.7	FMF/Cash.
MK–46/Mod 2 torpedo components	NA	.1	Cash.
Miscellaneous Navy items	NA	2.1	FMF/Cash.
Navy subtotal		191.8	
Air Force:			
Peace Gate II support equipment, 220E engine kits	30,968	28.5	FMF/Cash.
Depot engine spares program	4,746	8.0	FMF.
ILC kits: Spares for ILC, ALQ–131, F–100, ALR–69, support	2,035	7.9	FMF/Cash.
Peace Gate III support package:			
Peculiar support equipment	37	.9	FMF.
Engine spares	511	9.1	FMF.
Spares	154	1.6	FMF.
Standard support equipment	67	.4	FMF.
Peace Gate IV support package:			
Engine components	14	.1	Cash.
Developmental support equipment	144	8.0	Cash.
Standard support equipment	386	1.2	Cash.
Non-standard support equipment	9	.5	Cash.
Standard spares	204	1.3	Cash.
Test equipment	NA	.1	Cash.
ALQ–131 pods and spares	20	21.7	Cash.
Class A explosives	245,046	1.5	Cash.
Other Air Force items	NA	8.2	FMF/Cash.
Air Force subtotal		98.8	
Grand total		368	

Mr. HARKIN. Mr. President, I would just point out that, given the overwhelming superiority of India in this case, the small amount of items we are sending over in no way upsets the regional balance whatsoever. Keep in mind again: India, at 981 million people; Pakistan, 125 million people. The imbalance is already there on India's side.

It is interesting to note in all this debate, we talk about MTCR sanctions on Pakistan but no one is trying to put the sanctions on China. I make that note for the record.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time? The Chair recognizes the Senator from Ohio.

Mr. GLENN. Mr. President, I yield 5 minutes to the distinguished Senator from California. I would like to make one remark. For those who were not at the briefing yesterday—most of the Senate, by far; we had just a few up in S-407—I urge people to go up and look at the chart, look at the information we retained. It is available in S-407 right now. You could look at it before you come to the floor to vote. I yield to the Senator from California.

Mrs. FEINSTEIN. Mr. President, I want to tell you how I look at this. If one were to take the top trouble spots of the world and say which are most likely to have a nuclear confrontation, I would have to name India and Pakistan as one of the top two.

So what are we doing? We are adding to the arsenal of one of those two countries at a very sensitive time, at a time which is a few months before a general election in India, when flames of hatred between the two countries are now being fanned by politicians on both sides of the India-Pakistani border. We are taking this time and we are sending several hundred million dollars worth of equipment.

The P-3C aircraft capable of sophisticated surveillance; the 28 Harpoon missiles capable of air-to-surface or surface-to-surface launch; 360 AIM-9L surface-to-air missiles; 135 TOW-2 missile launchers; spare parts for F-16's, and other sophisticated equipment, and we are launching that into the middle of this situation.

I heard the same experts testify. None of them could answer the question, "What does India do, then?" That seems to me to be the central question.

I will tell you what I think India does. I think India deploys the Prithvi missile. That certainly changes the balance in the area, if it happens. And that is a very likely result of what we are doing here today.

Is Pakistan a friend? Yes. Has Pakistan been helpful in a number of different pursuits? Yes.

I say there is a way we can say thank you in an amendment which some of us will offer following this amendment, that will take what I consider to be the good parts of the Brown amendment, the economic help, the military networking, the antiterrorism help, the antinarcotic help, and also carry with it a sense of the Senate that will say, the honorable thing and the fair thing for us to do is sell the F-16's, repay the money to Pakistan, and provide whatever equity requires. That is the right thing to do. That is something that is not going to change the balance of power.

So, I believe very strongly that the Brown amendment is a mistake. I have had three security briefings. Those briefings run directly counter to statements made by Pakistan. Let me tell you what they run directly counter to.

"We are a very responsible country and we do not believe in the proliferation of nuclear weapons." That is not true. That was a statement made by the Pakistani Foreign Minister in 1994. It is simply not true.

"I want to say categorically and finally that Pakistan has not made nuclear weapons. Pakistan does not intend to make nuclear weapons." The Pakistani Foreign Minister, 1994. That statement is categorically untrue.

"We have made a sovereign decision not to produce nuclear weapons." Again, a foreign ministry spokesman—untrue.

"We have not detonated one, nor have we got nuclear weapons. Being a responsible state and state committed to nonproliferation, we in Pakistan, through five successive governments, have taken a policy decision to follow a peaceful nuclear program."

I do not believe, based on three classified briefings, that these statements are true and correct. Therefore, I believe it is a mistake in judgment to add to the proliferation in the area by putting sophisticated weaponry in the hands of one of these countries at a time where there is a very sensitive and very difficult situation between the two countries.

I yield my time.

Mr. HARKIN. May I ask the Senator to yield?

Mr. BROWN. I yield to the Senator from Iowa 2 additional minutes.

The PRESIDING OFFICER. The Chair recognizes the Senator from Iowa.

Mr. HARKIN. Mr. President, surely the Senator from California does not want to imply in any way that the articles on this list add one iota to any nuclear capability of Pakistan? That is simply—that belies common sense. You can look at the list. There is nothing on there that has anything to do with nuclear proliferation or nuclear weaponry. Talk about a P-3C aircraft as being some kind of offensive aircraft? I happen to have flown in P-3 aircraft. It is a four-engine turbo-prop, basically built as an antisubmarine reconnaissance aircraft. The fact is that India already has two squadrons of similar type of patrol aircraft. I also point out that India has two aircraft carriers which Pakistan does not have.

They talk about the P-3 aircraft being able to penetrate and go as far south as Cochin in India. The fact is that it would have to do so without any fighter escorts whatsoever. This is a very slow airplane. India could shoot that thing down in a minute.

So the arguments made by the Senator from California I find are just off the mark because this in no way disrupts any balance or in any way adds to any kind of nuclear capability whatsoever.

I yield back any time I may have.

Mr. GLENN. Mr. President, I yield to the Senator from Massachusetts 2 minutes.

Before of I yield, I yield myself such time as I may require.

I would just add that a good part of this package is F-16 parts to keep the F-16's flying. They are a nuclear delivery system. That is the part of this that is very critical.

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank the Senator from Ohio.

Mr. President, I believe the amendment of the Senator from Colorado is a great mistake. The question is really a very simple question. Why would you relax sanctions that were put in place because of one proliferation problem at the exact moment when Pakistan is involved in another proliferation issue? Every one of us understands the reality from briefings and otherwise about the M-11 controversy. In 1989, Pakistan knew exactly what the sanctions would be and exactly what the results would be with respect to a continued nuclear development program, and they knew in 1995 what the consequences would be of pursuing ballistic missiles. They have done both. We know they have done both.

So, if we send a message that we are willing to undo the sanctions on the first proliferation issue, we are making it very clear that the second proliferation issue does not matter at all, I think. It is really that simple. And when you couple that with what the Senator from Ohio just said with respect to the nuclear delivery capacity and the type of weapons being sent, it is a mistake.

The Senator from California is absolutely correct. There is a matter of equity here. It is unfair for the United States to hold onto money which they delivered for products. So, obviously, we ought to rectify that as a matter of fairness and as a matter of proper judgment and proper relationships, and we need to cooperate with Pakistan. There is much we have in common and that we want to work on. But it would be an enormous mistake. We do not have a relationship with India with respect to the selling of weapons. And we have always had a certain tension over Western nuclear program proliferations.

We must hold the line on the question of people who break the law when we say that there will be a certain set of sanctions if certain actions are taken and, notwithstanding those warnings, those actions are taken. To do anything less than that would make a mockery of nonproliferation efforts.

I thank the Senator from Ohio.

Mr. BIDEN. Mr. President, I rise in strong opposition to the amendment of the senior Senator from Colorado.

I am deeply concerned about the signal that adoption of this amendment would send to the rest of the world, particularly to the numerous countries with nuclear ambitions. The effect of allowing the proposed transfer of sophisticated military equipment and the resumption of economic aid would be to legitimize Pakistan's nuclear program.

The issue here is much larger than just Pakistan and the military equipment they want to take delivery of—it is about the credibility of our entire nuclear non-proliferation policy.

The proposal before us rewards a country that repeatedly lied to us about its nuclear ambitions. It tells other would-be nuclear states that there is no price to be paid for seeking the most destabilizing weapon a country can acquire.

Mr. President, I want to make clear my view that Pakistan was a valuable ally in resisting the Soviet occupation of neighboring Afghanistan. In the course of our common fight against Soviet expansionism, we forged a strategic relationship that served both of our countries.

But, Mr. President, the Soviet threat was not the sole concern in our dealings with Pakistan in the 1980s. Throughout this period, this body repeatedly expressed its concerns regarding Pakistan's nuclear program. It is instructive to examine the record, because what many people forget is that at the time we were given ironclad assurances that Pakistan was not pursuing nuclear capability.

In fact, the Reagan administration told us that if we did not amply supply Pakistan with military hardware, then we would be encouraging it to pursue the nuclear option. Thus, high levels of assistance to Pakistan became an integral part of our nuclear nonproliferation policy.

Well, Mr. President, we supplied Pakistan with over $4 billion in military and economic aid during the eighties, and I must say that I have yet to see any evidence that massive American aid in any way deterred Pakistan's nuclear program.

One could argue that our assistance had the opposite effect. It freed up resources which would otherwise have been used for conventional defenses. And in fact, if you piece together the evidence, you will find that Pakistan's greatest nuclear strides correspond with the highest levels of American aid. This can only lead you to conclude that we helped to underwrite the Pakistani bomb.

The proposal which is before us today at the request of the Clinton administration strikes me as suffering from the same flawed logic as those advanced during the Reagan and Bush administrations. In exchange for easing the Pressler ban, we are getting absolutely nothing to address our non-proliferation concerns: No rollback, no freeze, not even a pause. The supporters of this amendment want to lavish Pakistan with destabilizing conventional weapons while that country proceeds full throttle with its nuclear program.

The Pressler amendment unambiguously states that no assistance can be supplied to Pakistan unless the President certifies that Pakistan does not possess a nuclear explosive device. It is unambiguous. It does not allow for any fudging. And fudging is what the Brown amendment amounts to.

The proposed transfer of military hardware not only contradicts the Pressler ban, it also fails to meet the standards of the licensing policy for commercial military sales to Pakistan. I might add that many in Congress strenuously objected to the Bush administration's decision to license commercial sales in the first place. Under that policy, any equipment which could upgrade Pakistan's military capability is to be denied a license. By the administration's own admission, many of the items they want to transfer now would be denied a license according to this standard.

There you have it. The administration is willing to eviscerate the Pressler amendment, and it is willing to waive its already lax standards while getting nothing in return.

If we are asked to undo a decade-old pillar of our non-proliferation policy, then the least we can ask for are some restraints on Pakistan's nuclear program.

I expect that some will say that Pakistan already paid for this equipment—it is rightfully theirs, and we ought to send the goods or return the money. Setting aside the argument that Pakistan knew a situation like this would result if it failed to be certified, I would favor finding a way to compensate Pakistan in some manner.

I would propose that the administration sell this equipment to third parties, and send the proceeds from such sales to Pakistan, just as it plans to do in the case of the F-16s.

Mr. President, invoking the Pressler amendment achieved what billions of aid dollars could not—a halt to fissile material production by Pakistan. Congress is not always right, but in this case we were.

Now is not the time to discard a policy that has worked. Press reports indicate that Pakistan has clandestinely acquired M-11 missiles from China, that it is quietly cooperating with Iran's nuclear ambitions, and that it has openly engaged in military exercises with Iran.

Mr. President, unless we reject the Brown amendment, we will be putting our imprimatur on these very dangerous developments.

The late Zulfikar Ali Bhutto, the present prime minister's father, once declared that his countrymen would eat grass in order to acquire nuclear capability. And Mr. President, Pakistan, like neighboring India, has more or less followed through on this promise. It has built a clandestine nuclear weapons program of unknown safety at tremendous cost, while doing nothing to improve the plight of its tens of millions of citizens trapped in poverty.

Well, Mr. President, if Pakistan's leaders choose to sacrifice the greater welfare of their people to further develop a nuclear arsenal, then that is a decision they will need to justify to their citizens. We should not make their job any easier in this regard. Unfortunately, that would be the effect of resuming economic assistance.

I fully understand the complex security situation that exists among India, Pakistan, and China. And I believe that we should be doing more to address the sources of instability among these three countries if we are to successfully deal with the nuclear menace in that part of the world.

But I do not think that the nuclear capability of Pakistan's neighbors should be an excuse for not enforcing our laws with respect to Pakistan.

The fact is there is no Pressler amendment for India, but there are laws that have been used to invoke sanctions to blunt India's nuclear weapons ambitions. I would also note that India, unlike Pakistan, did not receive billions of dollars in aid for the expressed purpose of preventing the development of a nuclear weapon.

The point is that we have to uphold the laws that are on our books. Pakistan was well aware of the Pressler amendment. It supported the amendment's adoption. And it chose to ignore the consequences of noncompliance with the amendment.

It is that simple. And it is up to us to demonstrate that on an issue of such vital importance to our national security, we mean what we say.

Mr. President, we must not reward the kind of behavior Pakistan has demonstrated. Others are watching this debate closely, and how we act in this situation could well affect the decisions of many other potential nuclear states.

Mr. GLENN. Mr. President, I ask unanimous consent to have printed in the RECORD a table identifying the military items to be transfered to Pakistan pursuant to the amendment.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

MILITARY EQUIPMENT (LESS F–16 AIRCRAFT) PURCHASED BY PAKISTAN BUT NOT DELIVERED DUE TO PRESSLER SANCTIONS

Item	Stored quantity	Stored value (millions)	Funding source
Army:			
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M-Series rebuild parts	NA	6.8	FMF.
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Navy subtotal	....	191.8	
Air Force:			
Peace Gate II support equipment, 220E engine kits	30,968	28.5	FMF/Cash.
Depot engine spares program	4,746	8.0	FMF.
ILC kits: Spares for ILC, ALQ–131, F–100, ALR–69, support	2,035	7.9	FMF/Cash.
Peace Gate III support package:			
Peculiar support equipment	37	.9	FMF.
Engine spares	511	9.1	FMF.
Spares	154	1.6	FMF.
Standard support equipment	67	.4	FMF.
Peace Gate IV support package:			
Engine components	14	.1	Cash.
Developmental support equipment	144	8.0	Cash.
Standard support equipment	386	1.2	Cash.
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Test equipment	NA	.1	Cash.
ALQ–131 pods and spares	20	21.7	Cash.
Class A explosives	245,046	1.5	Cash.
Other Air Force items	NA	8.2	FMF/Cash.
Air Force subtotal	....	98.8	
Grand total	....	368	

Mr. BROWN. Mr. President, how much time remains?

The PRESIDING OFFICER. There are 4 minutes on each side.

Mr. BROWN. Mr. President, I having offered the amendment, and I would like to close and retain the remainder of my time.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Ohio.

Mr. GLENN. Mr. President, I yield myself such time as I may require.

Mr. President, there appears to be no appreciation in the remarks on the Senate floor by the supporters of the Brown amendment of the history of Pakistan's violation of our laws. I do not condone India's nuclear weapons program, and I do not think there is any Senator in the Senate who has been more outspoken about that matter than I have.

I was in opposition to India's program. I led the fight in 1980 that ultimately resulted in the cutoff of nuclear materials to India because of her guarded nuclear program. So I certainly do not come down on India's side on this either. But India has not violated United States nonproliferation law.

When we passed the Glenn-Symington amendment in 1970, we did not have Pakistan in mind. The law applied to everyone; it was not aimed at a particular country. But Pakistan violated our law. As a result, the Carter administration—going clear back that far—cut them off from military and economic assistance. Then the Reagan administration got a waiver from the law for a temporary period for Pakistan only. We tilted in favor of Pakistan, for Pakistan only, in order to send aid after the Afghan invasion occurred.

Because relief from our nonproliferation law was given to Pakistan, the Congress set up a new line in the sand. We said we really mean it now. And we mean it, Pakistan. We passed the Pressler amendment, and it was Pakistan-specific.

So it is incorrect to say that we are not being evenhanded. It is not unevenhanded to say that those who violate our laws should not then be given the benefit of our shipments of economic and military help. They should be punished, those who do not abide by our laws. Those who abide by our laws should not be punished.

So I do not and will not defend the Indian program, but they did not violate our nonproliferation laws. And to claim that fairness requires that we ignore a violation of our laws time after time and not telling us the truth about what was going on, is to just condone behavior that we do not want to see exist. So I will not support changing our laws just to accommodate violations of our nonproliferation laws.

Mr. President, this is not a matter of fairness that we are talking about. It is a matter of nonproliferation. Are we going to have a nonproliferation policy for the United States of America and mean it? Or are we not? And that is the question.

I want to give Pakistan's money back even though most of it was paid in after the Pressler amendment was passed, so they knew what they were doing. They are not dummies. They knew exactly what they were doing. Now they want to say—they got caught and want us to make them whole. I want to see them get their money back—if we can sell the airplanes to somebody else.

To stand back and make a mockery of our nonproliferation laws when we have 178 other nations signed up under NPT and are trusting us to deal with them fairly—that is the issue. Are we a nation that stands for nonproliferation and backs up the laws we have to that effect, or are we not? That is what this vote is all about.

I know Senator Pressler is on the floor.

How much time do I have remaining?

The PRESIDING OFFICER. The Senator has no time remaining.

Mr. PRESSLER. I ask unanimous consent that I may proceed for 1 minute.

The PRESIDING OFFICER. Is there objection?

Mr. BROWN. Mr. President, does the Senator ask for 1 additional minute on each side?

The PRESIDING OFFICER. Is there objection?

Mr. BROWN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado has the remaining time.

Mr. LEVIN. Will the Senator from Colorado yield for a unanimous-consent request?

Mr. BROWN. I would be glad to yield.

Mr. LEVIN. Mr. President, I ask unanimous consent that there be 1 additional minute on each side so that Senator PRESSLER can speak for 1 additional minute.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Who seeks recognition?

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from South Dakota,

Mr. PRESSLER. Mr. President, I thank the Senator from Ohio for his remarks. His leadership on this issue has been remarkable.

Last night I traced the beginning of this amendment. It started out as a way to give Pakistan money and to give Pakistan arms. And Pakistan supported this amendment as the original thing. It was Pakistan's not telling the truth to then-Vice President George Bush and JOHN GLENN and others that led us into this problem. They bought the airplane under false pretenses. That is the whole problem that has led to where we are today. I do not want to go back and punish anybody for any right and wrong. But, if we pass the Brown amendment today, it will be opening the door to proliferation. We are rewarding a proliferator. We are rewarding a country that has violated an agreement on nuclear nonproliferation. And it is an amazing thing, because if it happens, all bets are off on nuclear nonproliferation.

I want to commend Senator GLENN for his leadership on this issue. He has fought it for years.

I made my speech last night. This is an amazing thing; if our country is for nuclear nonproliferation, we will be rewarding a country for proliferation.

The PRESIDING OFFICER. The Chair recognizes the Senator from Colorado.

Mr. BROWN. Mr. President, I yield myself the remainder of my time.

Mr. President, I am concerned about nonproliferation, and all Members ought to be concerned about it. They ought to be aware that if this amendment is agreed to, very strong, tough sanctions remain in place against Pakistan—a bar on military sales, a bar on military assistance, and a variety of other tough sanctions.

A lot has been said about the nonproliferation policy. The fact is this. Our current nonproliferation policy with regard to India is that India may build and develop nuclear weapons and there are no sanctions. That is a fact. Our policy is also that Pakistan may not do that, and there are heavy sanctions. That is not even-handed any way you slice it.

There are a couple considerations I hope Members will keep in mind as they consider this question. We have gone to the Pakistanis year after year and asked them for their help.

In 1950, we asked them to condemn the invasion of South Korea, and they gave us unqualified support and a strong condemnation of the North Korean invasion.

In 1954, we asked them to be an initial member of the Central Treaty Organization and help contain communism, and they gave unqualified support and joined.

In 1955, Pakistan joined the Southeast Asian Treaty Organization, SEATO, at our request and helped stem the tide of communism.

In 1956, we offered a resolution in the United Nations and asked Pakistan to support that 1956 resolution, condemning the Soviet Union's invasion of Hungary. Pakistan supported us. India abstained on the vote.

In 1959, we asked Pakistan to sign a mutual defense treaty with the United States at a tough time, and they did. Later on, we asked that the Pakistanis allow us to build a base in Pakistan to fly military aircraft out of it and spy on the Soviet Union, and they said yes.

In 1960, the Soviets shot down Francis Gary Powers and threatened to wipe the Pakistani base off the face of the Earth, and the Pakistanis still stood by us.

In 1970, Pakistan helped us open up China by staging the trip of Henry Kissinger, incurring the further wrath of the Russians.

From 1971 to 1989, we asked the Pakistanis to join us in fighting the Soviet invasion of Afghanistan, and they did.

Mr. President, in 1984, we asked for a vote in the United Nations condemning the Soviet invasion of Afghanistan and asked for the Pakistanis' support. They voted with us in condemning that invasion. India voted "no."

In 1990, we asked Pakistan's help in the war against Iraq, and they delivered troops.

In 1992 and 1993, we asked Pakistan's assistance for troops in Somalia, and they said yes and responded.

In 1993, we asked for their help with troops in Haiti, and they again said yes.

In 1995, we went to Pakistan and asked their help in apprehending a terrorist and returning him to the United States, the mastermind, at least the one we suspect was the mastermind, of the World Trade Center bombing, and they said yes.

Mr. President, when we have needed help Pakistan has responded and been there to help us. This amendment has specific language in it that makes it clear that any ballistic missile sanctions are not affected by this.

And last, the President of the United States has gone out on a limb. He has negotiated a compromise. He has shown leadership. This is not the time to condemn him.

Mr. President, I will yield the remainder of my time to the distinguished Senator from Illinois.

Ms. MOSELEY-BRAUN. I thank the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois.

Ms. MOSELEY-BRAUN. Mr. President, I wish to see the United States as a country that keeps its word in international affairs.

We entered into a contract with Pakistan to sell military equipment and accepted more than $1 billion for that equipment. Likewise, we have made it quite clear that we will not do business with countries that proliferate. We all understand that the transfer of the F-16's cannot be completed now because Pakistan has chosen not to work with the United States on proliferation issues. However, the United States cannot continue to retain both the planes and the money and in the process break its word. I believe this issue is as simple as that. Since the sale cannot be completed, I believe we have an obligation to come to an agreement to reimburse the Government and the people of Pakistan.

The President has offered a thoughtful solution which is being offered by the distinguished Senator from Colorado. I support it and I encourage my colleagues to support it.

I know my time has expired. I thank the Chair.

The PRESIDING OFFICER. All time has expired.

Mr. BROWN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been requested. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

The PRESIDING OFFICER (Mr. FRIST). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 55, nays 45, as follows:

[Rollcall Vote No. 454 Leg.]

YEAS—55

Ashcroft
Baucus
Bond
Brown
Bryan
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Craig
Dodd
Dole
Domenici
Faircloth
Ford
Gorton
Graham
Grams
Grassley
Gregg
Harkin
Hatch
Heflin
Helms
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kyl
Lott
Lugar
McCain
Mikulski
Moseley-Braun
Murkowski
Murray
Nickles
Packwood
Reid
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—45

Abraham
Akaka
Bennett
Biden
Bingaman
Boxer
Bradley
Breaux
Bumpers
Byrd
Conrad
Coverdell
D'Amato
Daschle
DeWine
Dorgan
Exon
Feingold
Feinstein
Frist
Glenn
Gramm
Hatfield
Hollings
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mack
McConnell
Moynihan
Nunn
Pell
Pressler
Pryor
Robb
Rockefeller
Sarbanes
Simon
Specter
Wellstone

So the amendment (No. 2708) was agreed to.

Mr. BROWN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Ms. MOSELEY-BRAUN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ADVANCED TELECOMMUNICATIONS

Mr. BURNS. Mr. President, I have been a supporter of the possibilities offered to this Nation's public and private sector by the burgeoning growth of the telecommunications industry. Coming from a rural Western State with vast distances between our communities, I realized that advanced telecommunications was likely the only avenue to Montana that could overcome the burdens of distance and geography to allow rural Americans to compete in a rapidly changing economy.

This spring, three United States universities—Montana State University, Virginia Commonwealth University, and Portland State University—combined with two universities from Northern Ireland—Queens University of Belfast and Armagh and the University of Ulster—to form the Distance Learning Consortium for International Management in the United States and European Union. This consortium has been formed for the purpose of providing interactive video and voice technologies. The consortium will offer programs in the area of international business, focusing on such topics as joint market opportunities, issues topical and germane to the U.S. and E.C. markets.

The project would make it possible for a businessman in Billings, MT, and anywhere else in America to walk into one of the participating universities and receive a real-time, interactive block of instruction on the latest in European Community regulations, or distribution channels, or constraints regarding their exports. These programs would be taught by some of the leading European experts. Conversely, a businessman in the European Community would be able to access the latest information on U.S. trade, commerce, regulations, and opportunities in a similar fashion.

While the consortium will utilize their own match, the consortium needs initial support of $500,000 to develop their interrelated curricula and harmonize their separate distance learning technologies.

I hope the manager of this bill will consider this project during its conference with the House.

Mr. McCONNELL. I appreciate Senator BURNS bringing this project to my attention, and I will be happy to work with him on this project.

Mr. President, it is my understanding that the distinguished Senator from South Carolina is going to address the Senate for a few moments, and then we will move along with our agenda. I yield the floor.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

DRAWDOWN AUTHORITY FOR JORDAN

Mr. THURMOND. Mr. President, I rise in opposition to section 576 of H.R. 1868, the Foreign Operations Appropriations Act, which would provide authority for the President to drawdown $100 million of defense articles from Department of Defense stocks.

I oppose the inclusion of this provision in the bill because there are no funds appropriated in the bill to reimburse the Department of Defense for the defense articles, services, training, or military education that would be provided. In fact, this provision would waive section 506(c) of the Foreign Assistance Act of 1961, which requires that there be an authorization and appropriation. The provision would also waive the requirement under section 632(d) of the Foreign Assistance Act of 1961, which would require the Department of State to reimburse the Department of Defense for the defense items which have to be replaced. In short, the Army will have to find $61 million in its operations and maintenance budget to pay for the training, transportation and handling, as well as repair and defense items which are to be sent to Jordan.

Mr. President, I believe it is important to support nations who work with the United States to achieve peace in regions where we have national interests, and where it is consistent with our other security priorities around the world. I appreciate the role that Jordan played in the Middle East peace process. I believe Jordan should have the defense items, services, and military training, that enable them to protect their borders and respond to terrorist threats. However, there are no funds authorized and there are no funds appropriated in this bill or the foreign aid bill for this drawdown. This is a function of the international affairs budget and there should be an appropriate authorization and appropriation within the foreign aid and foreign operations bills.

Mr. President, when the Defense authorization bill was before this body, the administration sought support for a similar provision. In a letter supporting the proposed amendment to the Defense authorization bill, the Secretary of Defense stated that without replacement of the nonexcess items and reimbursement to the military services for transportation and other costs, military readiness will suffer.

Mr. President, once again, I believe the United States should provide Jordan with the defense items that would be authorized by this drawdown. However, I cannot support the use of Defense funds without reimbursement to pay for this authority.

I will not offer an amendment to strike this provision from the bill. However, I want all Members to understand that the Senate Armed Services Committee worked very hard to ensure the Defense budget was not used for nondefense items.

This provision would use Defense funds to provide the defense articles and services to a foreign nation. The Department of State should reimburse the Department of Defense for these items. If there is no reimbursement, the Army will have to use money in fiscal year 1996 and future years, which has not been included in the future years defense plan, to replace these items. This cannot help but be detrimental to the future readiness of the U.S. Army. We should stop these raids on the Defense budget.

Mr. McCONNELL. Mr. President, with regard to the Jordanian drawdown, the $100 million drawdown will allow the United States to keep its commitments to King Hussein to address legitimate security concerns of Jordan in a post-peace environment. The King's courageous decision to provide refuge to the Iraqi defectors only increases his security problems.

Moreover, this drawdown package demonstrates America's resolve to support those who support peace in that area of the world. We are at a very critical time in the peace process and it is important we maintain our credibility if we are to maintain our leadership role in brokering further peace agreements.

The drawdown is designed to address the immediate needs of the Jordanian

Armed Forces primarily for border security. In the immediate post-peace treaty era with Israel, Jordan finds itself hard-pressed to prevent infiltration of its border with Israel by potential terrorists and smugglers. They desperately need to increase their capability to survey the border, especially at night.

I am well aware of the economic constraints our Nation faces as it fights a bulging deficit, which is precisely why the drawdown package is tailored so that it has a minimum impact upon our force readiness.

Mr. President, I will also say, while not typically being a spokesman for the administration, they are strongly in support of the Jordanian drawdown, as well.

I yield the floor.

Mr. LEAHY. Mr. President, I concur with what the distinguished chairman has said. I think this is extremely important. I have met a number of times with Jordanian officials, and a number of times with King Hussein regarding this and other issues involving Jordan.

Jordan is in a critical, pivotal position. I remember last year—actually, about 11 months ago now—when I had the privilege of accompanying the President of the United States to the signing ceremony of the peace agreement between Jordan and Israel, signed out in the desert in Al Aqabah, in 110-degree weather. I remember the day as though it was yesterday. There was a stiff desert wind blowing. People from Israel and Jordan and from the United States were there to witness the signing of this historic peace agreement. There was a very moving speech by Prime Minister Rabin and by King Hussein. The President of the United States was speaking for all Americans about our pride in this historic agreement.

Every commitment that King Hussein has made, he has kept. Every step he has said he would take, he has taken—many with great courage and great foresight.

This is not an easy time in the Middle East. Prime Minister Rabin, who justly deserves his Nobel Peace Prize, has pushed so hard to keep a peace agreement going in the face of political opposition and terrorist attacks. He and Foreign Minister Peres have worked so hard on this. There is really a handful of people in the Middle East who are trying to bring about peace—not so much for their generation, because their generation will soon reach a time when it fades from the scene, but for the generation of children, Arab and Jew alike. They are facing a potential for peace which their parents did not have, but a potential they now have. This is an area where we can help. The United States has strong and real security interests in that part of the world. We should help.

So I strongly support the administration's position. I think the President and Secretary of State are right.

PRIVILEGE OF THE FLOOR

Mr. LEAHY. Mr. President, I ask unanimous consent, on behalf of Senator WELLSTONE, to allow a fellow on his staff, Paul Mazur, the privilege of the floor during the consideration of H.R. 1868, the foreign ops bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSFER OF EXCESS NONLETHAL DEFENSE ARTICLES TO ALBANIA

Mr. LEVIN. Mr. President, I rise to discuss section 557 of this bill, a provision which I support. Last year, the Senate adopted my amendment to allow a waiver of transportation fees for nonlethal excess defense articles being transferred to Albania. I am pleased to see that this provision is being extended this year in both the Senate and House bills, and that it is in fact being expanded to cover all countries eligible to participate in NATO's Partnership for Peace Program, including Albania.

Albania is one of the poorest countries in Europe. Somehow, despite decades of isolation, tyranny and brutal Communist rule, the seeds of democracy survived in the people and have begun to sprout. The people of Albania still look to the United States as a model, admiring our values and desiring our support. In just a few short years, Albania has become an important ally of the United States in the fragile region of the Balkans and is working closely with NATO.

Albania is classified by the United Nations as the least-developed nation in Europe. Albania is trying to establish free markets and free institutions there, and they have a good chance of succeeding. Albania is one place where a little help from the United States can go a very long way to fostering democracy and building stability in the region.

The United States is properly providing some modest assistance to Albania. And one aspect of that assistance can be strengthening civilian control of the military in Albania, and the construction of modern, reformed national defense forces. Helping Albania in this way is clearly in the interest of United States security and European stability. Under the assistance provision adopted last year, Albania has received shipments of uniforms and other nonlethal excess defense materials from the United States without having to bear the cost of transporting those materials. That cost would have been prohibitive for Albania, but it is a small cost for us and one that yields a real benefit. Now, under section 557 of this bill, we will be able to continue waiving the transportation fees for such assistance to Albania, and to other countries eligible to participate in the Partnership for Peace Program.

Our efforts are helping. With United States advice and assistance, the Albanian military has been reorganized. The entire ministry staff was changed, and all of the people who had worked for the Albanian secret police were dismissed. The army was restructured from 21 divisions into just 9. Fifty percent of the commissioned officers and 30 percent of the enlisted officers were dismissed, reducing the total number of officers from 18,000 to 8,200. The heavily politicized military academies, based on old Soviet doctrine, were shut down and replaced with a new noncommissioned officer academy based on a United States model. A new rank system and promotion track was established.

The Albanian military is also shedding its isolationist policies and seeking extensive cooperation with the West and integration into regional security structures. Albania has been very cooperative with NATO efforts to help halt the conflict in the former Yugoslavia. Albania has allowed United States reconnaissance drones to be based at the Gjader base there since mid-summer, and those drones have been very useful in observing military activities in the former Yugoslavia.

Albania has participated in seven joint military exercises with United States and other NATO forces, most recently the Peaceful Eagle exercise last week, which trained Albanian units to be deployed in future U.N. peacekeeping missions. Notably, some of these joint exercises have brought Albanian forces together with troops from its neighbors in the region, including Greece, Bulgaria, and Romania, building important positive links where there have been historic animosities. And these exercises have also trained Albanian and other troops for peacetime missions, such as coordinated emergency disaster response.

Last week, Albania offered air bases in Albania for United States F–117 Stealth fighter-bombers that we may want to use in Bosnia. We had been unable to get agreement to base those planes in Italy. So we and NATO are seeking to build a valuable ally in Albania, and it is important to continue that assistance.

This month, Albanian President Sali Berisha traveled to Washington and met with President Clinton, Vice President GORE, Secretary of State Christopher, Secretary of Defense Perry and other officials. President Clinton praised Berisha for the country's economic and democratic reforms.

On the thorny problem of relations with its neighbor Greece, the two nations recently initiated talks on the rights of Greek and Albanian minorities in each other's country, at the urging of United States Assistant Secretary of State Holbrooke who was visiting the region.

Mr. President, there are other ways we can provide assistance to Albania at a small cost to ourselves. Last week President Clinton offered to help establish a training program for judges, prosecutors and police and to equip and outfit the Albanian peacekeeping contingent under the NATO Partnership for Peace Program. Albania still needs development assistance, help with legal structures, environmental protection and planning, and foreign investment. But we have made a good start, and section 557 of this bill helps permit that to continue.

OVERSEAS POLICE TRAINING

Mr. SPECTER. Mr. President, for 20 years the United States Government has been prohibited from training foreign police forces. Section 660 of the Foreign Assistance Act reflected earlier congressional concern that U.S. personnel should not train security forces in repressive regimes.

But for more than a decade we have realized that some overseas police training is necessary and important—particularly in the area of antiterrorism. This year's pending foreign operations appropriations bill adds another important exemption: It allows the training of overseas police forces to monitor and enforce sanctions. But I believe that another exemption is needed. The President, civilian officials, and U.S. military commanders, need the authority to conduct public-safety training during and after significant military operations.

As the United States discovered in Grenada, Panama, and Haiti, public order is likely to collapse when existing regimes collapse. In each of these cases, U.S. forces were unable to depart until order was restored—and a mechanism for maintaining public safety was created. In none of these cases was this done smoothly or efficiently. The U.S. Justice Department's International Criminal Investigative Training Assistance Program [ICITAP], which is permitted under current law to perform training in this hemisphere, did not perform well. Given the relatively small size of its training organization, and the demands created by hostile and demanding environments, this was not surprising.

During the past 10 years, there has not been an effective civilian organization for conducting public-safety training in the context of a U.S. military operation. In the words of the Commission on Roles and Missions of the Armed Forces, "our recent experience in Latin America, the Caribbean, and Africa shows that there are no civilian agencies capable of short-notice law-enforcement operations and training in hostile, demanding environments."

In the absence of an effective civilian training organization, the U.S. military was compelled to perform public-safety training. Military commanders worked hard to ensure that they did so without violating section 660. In Somalia, for example, marines trained auxiliary security forces rather than police forces. But because of section 660 restrictions, U.S. military commanders could not plan and train for this mission. In short, it was done on an ad hoc, reactive basis.

Mr. President, I am pleased the Senate has accepted my amendment on overseas training, which would permit the President to use whatever agency of Government was most appropriate to train public-safety forces during and after a military operation. In some cases, such as Haiti, the environment was relatively peaceful, and the training mission could be carried out by the Justice Department. But in other, more dangerous situations, such as Panama, the President might direct local military commanders to conduct short-term training. Once order is restored, civilian agencies could take over longer-term training and assistance.

In the post-cold-war world, the United States in my judgment will from time to time be compelled to use military force to protect our interests, and to carry out other operations where public safety will be an issue. Mr. President, I believe this amendment will help U.S. military commanders perform this mission much more effectively in the future. I thank the distinguished managers of the pending legislation for accepting my amendment.

I thank the Chair and yield the floor.

Mr. D'AMATO. Mr. President, I rise today to discuss United States aid to the PLO, as it has been included in the fiscal year 1996 foreign operations appropriations bill and to explain my vote on the subject.

We have to face the facts. The PLO is not complying with its responsibilities. It has failed to restrain the radicals in Gaza; failed to extradite terrorist murderers in its custody to Israel; it has failed to change the PLO Covenant; and it has failed to come clean with the amount of its assets. Most importantly, the PLO's overwhelming failure to restrain the radical elements within its areas of control is an insult to Israel and everyone who had placed hope in Yasir Arafat's ability to deliver the peace.

Mr. President, I am angered that the PLO will be funded in this foreign aid bill, and moreover, with the fewest of strings attached. The PLO is not living up to its end of the bargain, but the United States is rewarding this band of murderers, nonetheless. I would venture to say that the PLO has no plans to live up to its bargain. They were created with murder in mind, and they will continue that way.

I must say that I fear for Israel. While we provide aid and comfort for the PLO, Yasir Arafat concludes deals with Hamas, rediverts aid, and continues business as usual, laughing all the way to the bank. The United States should be ashamed of itself for giving aid and comfort to these murderers. In the end, though, it will not be the United States that suffers first. It will be Israel, and for them I feel sorry.

I want it known very clearly, I voted for the foreign operations appropriations bill so that Israel could receive the aid that it needs at this crucial time. It is in no way a vote in favor of aid to the PLO. However virulently against funding the PLO in the manner in which it will be funded, I am not willing to hurt Israel by voting against the entire bill. In fact, I think that it was wrong to link the two aid packages together because Senators, such as myself who support aid to Israel but not the PLO, are put in a difficult position. If one votes to kill the aid to the PLO by voting against the overall bill, he or she also votes to kill the aid to Israel. This is wrong and it distresses me greatly.

Mr. President, I ask to have printed in the RECORD, a letter to me from four grieving mothers, whose children have been taken from them by terrorist acts carried out by the very people to which the United States will be providing aid. This letter pleads for extradition by the PLO to Israel of the murderers of their children. I urge my colleagues to read this heartrending letter to further understand the mistake we are committing by providing this aid to the PLO with so few strings attached.

Mr. President, I also ask to have printed in the RECORD, copies of documents that are purported to be from the Palestinian Economic Council, Development and Reconstruction, otherwise known as PECDAR. These documents, which I make no claim to their authenticity, highlight a series of alleged economic diversions and schemes by the PLO to buy up property in the West Bank to leverage against Israel. Finally, I ask to have printed in the RECORD an article on this same subject by A. M. Rosenthal that details the documents in question.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

September 20, 1995.

Hon. Senator ALFONSE D'AMATO,
U.S. Senate, Washington, DC.

DEAR SENATOR: We are the mothers grieving for our precious children, of blessed memory, who were brutally murdered by merciless terrorists as they innocently hiked the countryside of the land of Israel. We, as mothers, have never been active politically. For years we tirelessly and lovingly dedicated ourselves to raising our children. In one day, our dreams were shattered when we received the bitter news that unconscionable murderers, with their knives in hand, butchered our beloved offspring.

We turn to you at this critical hour with regard to the granting of financial aid to the Palestinian Authority. We beseech your assistance regarding one specific issue—the extradition of the murderers who were apprehended by the Palestinian Authority and are currently being held in Jericho.

According to the agreement signed with Mr. Arafat, the State of Israel has the right to obtain the transfer of murderers of its citizens in order that they be tried in the courts of the State of Israel.

The State of Israel has turned to the Palestinian Authority and has requested the extradition of the murderers. However, the Palestinian Authority has refused to comply and transfer the killers of our children to the Israeli authorities.

We are terribly pained, anguished and distraught by the Palestinian's outright refusal to comply. We have turned to the Prime Minister, to Cabinet Ministers, and to members of the Knesset with our plea for compliance and justice. We recently met with the President of the State of Israel, Mr. Ezer Weitzman, who unequivocally stated to us his support of halting the peace talks as long as the Palestinian Authority refuses to comply and extradite the murderers to the State of Israel.

We look upon this issue of the extradition of the savage murderers of our children as not simply a political issue, but rather as a moral issue of the highest order.

The United States of America has been courageously battling terrorism for many years. In view of this honorable policy, it behooves this great country to insure the extradition of terrorists as a primary condition for the continuation of aid to the Palestinian Authority. Compliance with this matter by the Palestinian Authority will be a true test of the sincerity of the P.L.O., heretofore a terrorist organization, now professing to be a peace seeking organization.

As mothers struggling to cope with the incessant pain and sorrow of our losses, we wish to have a dialogue with members of the Senate. It would be scandalously immoral to provide the P.L.O. with funds as long as they continue to refuse to allow the State of Israel to bring the terrorists to justice.

Dear Senator, your intervention is our only hope. Our children cannot return to us. We dare not compromise their honor.

Please accept our heartfelt appreciation for your efforts regarding this critical issue.

Sincerely,

YEHUDIT SHACHOR.
BILHA BACHRACH.
RIFKA FORER.
BATYA BACHAR.

[From the New York Times, June 12, 1995]

On My Mind:

THE P.L.O. PAPERS

AID, CONGRESS AND A MOTHER-IN-LAW

(By A. M. Rosenthal)

Should the United States continue giving hundreds of millions of dollars to the Palestine Liberation Organization, and under what conditions?

Has Yasir Arafat lived up to the existing conditions of American aid? For instance, is all international money distributed through the P.L.O. being used for the economic benefit of Palestinians in territory turned over by Israel? Or has he used foreign help for his own personal and political purposes?

That is what is going on, according to copies of 28 letters in my possession. They deal with orders from Mr. Arafat's top finance aide in the Palestinian National Authority to Pecdar, the Palestinian economic development organization, which handles international aid and is supposed to be independent of political direction from Mr. Arafat.

With admonishments of secrecy, the letters contain instructions, and pecdar notices of compliance, to allocate money to such projects as buying a large chicken farm, other land, apartments and companies for P.L.O. notables, enlarging holdings in Jerusalem—and $2.5 million for an expanded propaganda apparatus, the money to be channeled through Mr. Arafat's mother-in-law.

Pieces of the correspondence have been printed in Israel, but have not surfaced publicly in the U.S. until this column.

The P.L.O. says they are forgeries. The Israeli Government does not want anything to interfere with U.S. aid to the P.L.O., as these letters could, but has been interestingly noncommittal about the letters.

The Clinton Administration also does not want any glitches about U.S. aid to the P.L.O. But American intelligence has been asked to examine the letters by Representative Ben Gilman, New York Republican, chairman of the House International Relations Committee.

I got them from Israeli and American sources who feel the labor Government's negotiating techniques with the P.L.O. and Syria amount to a giveaway of Israeli security that will not bring a lasting peace but make it impossible.

Iraeli officials finger Yigal Carmon, former adviser on terrorism to the previous and current Israeli Prime Ministers, as the source. He certainly was not mine. After I showed him the letters a month ago he returned with a reply he said he wished he did not have to make: certain informalities in Arabic usage gave him pause. Now he says that after consultations with other Palestinian and Israeli specialists, his linguistic questions are answered and the letters are authentic. Other anti-terrorist experts, who spent four months checking the letters, say they are not forgeries.

Spokesmen for the U.S., Israel and the World Bank tell me that the political projects outlined in the letters do not come from their contributions. They volunteered that the money could have come from other contributing nations or that international funding could have freed up more P.L.O. funds for secret political actions.

The letters are not the only question that the House and Senate will have to consider about continuing the $500 million U.S. aid to the P.L.O.

Why has Mr. Arafat not lived up to the condition that the P.L.O. eliminate the death-to-Israel clauses from its convenant? Will he ever stop encouraging Palestinians to believe that the peace negotiations are the first phase toward the convenant goal of control over all of what is now Israel? Why have more Israelis died in terrorist attacks since the Oslo agreement than before?

But the basic question before Congress is this:

Will peace be killed by insisting on P.L.O. compliance with conditions already outlined by the U.S. but unfulfilled by the P.L.O.? That is what Israeli and U.S. officials say they believe. Or could that make a lasting peace somewhat more possible? (My belief.)

In the Senate, Alfonse M. D'Amato, a Republican, demands proof of P.L.O. compliance on anti-terrorist action and changing the convenant as a price of aid. In the House, Democrats and Republicans have introduced wording that would also reduce aid if any is misspent. Among them are Democrats Eliot Engel and Charles Schumer of New York and Republicans Jim Saxton of New Jersey and Tom DeLay of Texas.

That's one great thing about Congress—there are always members of both parties around who insist on bringing up issues about which the Administration of the day wants only considerable shut-up.

PALESTINIAN ECONOMIC COUNCIL, DEVELOPMENT AND RECONSTRUCTION, (PECDAR),

December 17, 1994.

To the comrade Mohammad Zuhdi Alnashashiby, Finance Minister—Gaza.

Greetings of Return.

Referring to your letter dated 12.12.1994 No. MP/30/305 concerning the founding of a corporation of the name of corporation of advancing for import and export Palestinian sited in the city of Ramallah which shall be managed by the comrade Jameel Titarify with the participation of the national palestinian authority by 60% (six million US DOLLARS) a contact has been established with the comrade Jameel Altarify and the following steps have been taken:

1. The required amount has been shifted to the account of the comrade Jameel Altarify abroad for covering the financial commercial credits.
2. The receiving bank has confirmed reception of the transfer.
3. We have obtained a written commitment from the comrade Jameel Al tarify that the amount is a deposit in his hands.

We request to inform the comrade leader Abu Amar about the details and performance of the matter.

Respectfully,

———

Chairman, Palestinian Economic Council, Development and Reconstruction.

THE NATIONAL PALESTINIAN AUTHORITY, MINISTRY OF FINANCE,

August 25, 1994.

To the Chairman of the Palestinian Economic Council for Development and Reconstruction (PECDAR), Jerusalem.

Greetings of return.

In accordance with the desire of the comrade leader Abu Amar the President of the National Palestinian Authority to found a company for importing and exporting Ltd, according to the necessity and in order to ensure full and effective control on the commercial market it has been decided to assign this matter to the comrade Jameel Altarify with the participation of members of the frame of FATAH in the West Bank in the following manner:

1. To found a company in the name of "the Palestinian advanced company for importing and exporting under the management of the comrade Jameel Altarify who shall choose such appropriate people from the frame of FATAH.
2. The capital of the company shall be ten million dollars.
3. The National Palestinian Authority shall participate for 60% and its participation shall be registered in the name of sworn members of the frame of FATAH.
4. The central office of the company will be in the city of Ramallah. It may open branches in any part of the West Bank and Gaza Strip.

Please take all necessary steps for full execution of the matter and have us informed.

Respectfully,

MUHAMMAD ZUHDI ALNASHASHIBY,
Finance Minister.

PALESTINIAN ECONOMIC COUNCIL, DEVELOPMENT AND RECONSTRUCTION, (PECDAR)

December 15, 1994.

To the comrade Mohammad Zuhdi Alnashashiby, Finance Minister—Gaza.

Greetings of Return.

Referring to your letter dated 28.11.1994 No. MP/30/227 in the matter of founding a general contracting company for importing huge apparatus for construction similar to what is in international companies under the control and management of the comrade Jameel Altarify, the part of the National Palestinian Authority in the capital being thirty million dollars from fifty million dollars namely a proportion of 60%, we are to inform you the following:

1. The required transfer of the amount has been effected to the account of the comrade Jameel Altarify according to his request in his personal account abroad.

2. The bank has confirmed receipt of the transferred money.

3. We have taken a commitment from the comrade Jameel Altarify that the amount is a trust in his hand on behalf of the national palestinan authority.

Please do inform the leader comrade Abu Amar the President of the National Palestinian Authority about the matter in the due way.

Respectfully,

______ ______

Chairman, Palestinian Economic Council, for Development and Reconstruction.

THE NATIONAL PALESTINIAN AUTHORITY, MINISTRY OF FINANCE,

August 28, 1994.

To the Chairman of the Palestinian Economic Council for Development and Reconstruction (PECDAR), Jerusalem.

Greetings of return.

The comrade leader Abu Amar has communicated to us his wish for the formation of a general contracting company for building and importing of the huge apparatus for building like bulldozers and cars and modern supplies. Since the brother Jameel Altarify has a wide experience in this field it has been decided to assign to him this matter in the following manner:

1. A limited company shall be founded with shareholders from inland and abroad and it ought to compete with the international companies.

2. The capital of this capital shall be one million American dollars.

3. The company shall be sited in the city of Ramallah.

4. The national authority shall participate by 60% in the capital and its participation shall be registered in the names of men belonging to the cadre of FATAH who are reliable.

5. The approved capital of the company shall be fifty million dollars.

6. The necessary measures shall be taken for a speedy foundation of the company.

Please ensure taking the necessary financial and secondary measures to inform the comrade leader Abu Amar the President of the National Palestinian Authority.

Respectfully,

MUHAMMAD ZUHDI ALNASHASHIBY,
Finance Minister.

PALESTINIAN ECONOMIC COUNCIL, DEVELOPMENT AND RECONSTRUCTION, (PECDAR),

September 25, 1994.

To the comrade Mohammad Zuhdi Alnashashiby, Finance Minister—Gaza.

Greetings of Return:

Referring to your letter dated 17.9.1994 No. MP/30/155 we inform you immediately that all the measures for the execution of the orders of the comrade leader Abu Amar President of the National Palestinian Authority in the matter of financing the special central computer, in the following way:

1. On the basis of banking arrangements with the brother Dr. Nabeel Sha'ath minister of planning and international cooperation, it appears that he prefers to deal with his sons Ali and Maxin in this project.

2. The required informations have been obtained on the sons accounts abroad.

3. There was accomplished the transfer of eight dollars as required.

4. The bank has confirmed receipt of the transfer.

Please inform the leader comrade Abu Amar President of the National Palestinian Authority that his orders have been executed in due form.

Respectfully,

______ ______

Chairman, Palestinian Economic Council, Development and Reconstruction.

THE NATIONAL PALESTINIAN AUTHORITY, MINISTRY OF FINANCE

To the Chairman of the Palestinian Economic Council for Development and Reconstruction (PECDAR), Jerusalem.

Following our letter of 3.9.1944 No. MP/30/126 and relating to the instructions provided there by the comrade leader Abu Amar, President of the National Palestinian Authority and in pursuance of performing the projects (the comrade Dr. Nabeel Sha'ath) chairman of the Palestinian Economic Council for development and reconstruction, the second project concentrates on the following:

1. The private special central computer: There shall be founded a corporation for the private (or special) central computer in addition to the one which is the National Palestinian Authority.

2. The said corporation shall instruct and counsel in the technical and scientific operation of the central computer of the Authority in all places of the Gaza Strip. This activity shall further extend to the West Bank and to Jerusalem, capital of the Palestinian State.

3. The capital of the private corporation shall be eight US million dollars which shall be paid by the National Authority immediately to the corporation.

4. The corporation shall immediately appoint the necessary staff from the country and abroad, and they should be highly qualified.

5. The direct managers shall be the sons of Dr. Nabeel Sha'ath, Ali and Mazin, who are experts in this field.

The comrade leader Abu Amar, President of the National Palestinian Authority shows the highest interest in this scientific and technological project and urges to deal with it diligently.

Respectfully,

______

PALESTINIAN ECONOMIC COUNCIL, DEVELOPMENT AND RECONSTRUCTION (PECDAR),

October 7, 1994.

To the comrade Mohammad Zuhdi Alnashashiby, Finance Minister—Gaza.

Greetings of Return.

Referring to your letter dated 30.9.1994 No. MP/30/168 we are to inform that the necessary measures for the setting and enlarging of the corporation TEAM in Jerusalem has been effected with MM. Ali and Mazin sons of the comrade Dr. Nabeel Sha'ath Minister of Development and Reconstruction at the National Palestinian Authority in a way which is convenient to them. We shall add the following:

1. We have suggested to them a building in the suburb of the Bareed which comprises eight flats with a preliminary consent

2. A special budget has been assigned for purchasing of apparatus according to what was decided

3. A budget has been assigned for expenses and wages

Please convey to the comrade leader Abu Amar President of the National Palestinian Authority the content of this letter

Respectfully,

______,

Chairman, Palestinian Economic Council, Development and Reconstruction.

THE NATIONAL PALESTINIAN AUTHORITY, MINISTRY OF FINANCE.

To the Chairman of the Palestinian Economic Council for Development and Reconstruction (PECDAR), Jerusalem.

Greetings of return.

Following our letter of 17.9.1994 No. MP/30/155 and in performance of the instructions, provided there, of the comrade leader Abu Amar, President of the National Palestinian Authority and in pursuance of performance of the projects which have been attributed to Dr. Nabeel Sha'ath, the chairman of the council of planification and international cooperation, we are to inform you that the third project to be executed will concentrate on the following:

1. The international planning corporation for administration which is managed by the sons of the comrade Dr. Nabeel Sha'ath, and which have branches in Egypt and Lebanon and through it the Palestinian Authority will be able to obtain private informations and set clubs and congress in the country and abroad.

2. It will be agreed to purchase a building in Arab Jerusalem or its suburbs for an amount of two million dollars, to be the residence of the said corporation.

3. An amount of one million dollars shall be given to purchase the necessary office furnitures and appliances.

4. A budget of expenses in administrative matters and current expenses for an amount of two million dollars for a start. Therefore the required amount is five million dollars.

We stress the importance of the project and the necessity to provide diligently the required amounts.

Respectfully,

MUHDI ZUHDI ALNASHASHIBY.

PALESTINIAN ECONOMIC COUNCIL, DEVELOPMENT AND RECONSTRUCTION, (PECDAR),

October 15, 1994.

To the comrade Mohammad Zuhdi Alnashashiby, Finance Minister—Gaza.

Greetings of Return.

Referring to your letter dated 7.10.1994 No. MP/30/305 concerning the development projects which are under the management of the comrade Dr. Amin Hadad one of the pillars of the PECDAR member of the economic delegation which was negotiated in Paris and on the basis of the decree of the comrade leader Abu Amar, the transfer of fifteen million dollars has been effected according to the bank informations which have been brought to us by him.

We have checked the effective transfer of the said amount to his personal account in due course. Please inform the comrade leader Abu Amar that it has been done according to his wish.

Respectfully,

______ ______,

Chairman, Palestinian Economic Council, Development and Reconstruction.

THE NATIONAL PALESTINIAN AUTHORITY, MINISTRY OF FINANCE.

To the Chairman of the Palestinian Economic Council for Development and Reconstruction (PECDAR), Jerusalem.

Greetings of return.

On the basis of a decree of the comrade leader Abu Amar, President of the National Palestinian Authority and his full faith in one of the elements of the Palestinian Economic Council for development and Construction (PECDAR) and its unrelenting efforts for the setting of the institutions of the Authority, the leader symbol has decided to nominate Dr. Amin Haddad to manage the private projects. He shall have the power to appoint the faithful and reliable elements from among the cadre of "FATH". In order that the Authority should stay away from these projects the following shall be done:

1. The projects shall have the special stamp "A private or public shareholders corporation", its shareholders shall be Palestinians from the country and from abroad.

2. The foundation of construction which shall be named "The Palestinian corporation for projects and construction" shall build dwelling flats in the city of Ramallah with a capital of fifteen million US dollars.

3. There is no objection in having landowners participating in the said corporation.

4. A financial arrangement shall be provided with Dr. Amin Haddad to pay the approved amount in a way convenient to him.

5. The properties of this corporation shall belong to the National Palestinian Authority.

We stress that the comrade leader Abu Amar has the highest interest in this matter.

Respectfully,

MUHAMMAD ZUHDI ALNASHASHIBY.

PALESTINIAN ECONOMIC COUNCIL, DEVELOPMENT AND RECONSTRUCTION (PECDAR),

September 11, 1994.

To the comrade Mohammad Zuhdi Alnashashiby, Finance Minister—Gaza.

Greetings of Return.

Referring to your letter dated 3.9.1994 No. MP/30/126 Dr. Nabeen Sha'ath minister of planning and international cooperation—for the founding of a technological architectural corporation in both the Gaza Strip and West Bank, we inform you the following:

1. We have contacted the comrade Dr. Nabeel Sha'ath. He has furnished us the necessary banking informations.

2. The required transfer has been effected from the "special accounts".

3. The bank has confirmed receipt of the amount and its transfer in the account of the comrade Dr. Nabeel Sha'ath.

Please convey these informations to the comrade leader Abu Amar, President of the National Palestinian Authority and that his orders have been fully executed.

Respectfully,

—— ——,

Chairman, Palestinian Economic Council, Development and Reconstruction.

THE NATIONAL PALESTINIAN AUTHORITY, MINISTRY OF FINANCE,

September 3, 1994.

To the Chairman of the Palestinian Economic Council for Development and Reconstruction (PECDAR), Jerusalem.

Greetings of return.

In accordance with the instructions of the comrade leader Abu Amar, and whereas it is mandatory to initiate a technological scientific activity in the Gaza Strip and West Bank on a desirable scientific level, it has been decided to bestow this function on the Minister of Planning and International Cooperation Dr. Nabil Sha'ath, since these are private and personal projects and they should not contradict the interests of the other party who could exploit them politically in international circles among the donors and the Americans and thus may cause hard problems to the National Palestinian Authority. Therefore, the comrade leader Abu Ammar has decided to start as follows:

1. To found a technological architectural corporation having the required qualifications. It will start its activities first of all in the Gaza Strip and then shall go to the West Bank and the Arab villages and their suburbs.

2. The said corporation shall deal with instructing and counseling in the architectural and technological matters in the private and public sectors.

3. The capital of the corporation shall be five million US dollars. It may be increased, if necessary, by setting a shareholders corporation with the participation of Palestinians from the country and abroad.

We emphasize that the comrade leader Abu Amar considers the matter of setting the corporation as specially important.

Respectfully,

MUHAMMAD ZUHDI ALNASHASHIBY.

PALESTINIAN ECONOMIC COUNCIL, DEVELOPMENT AND RECONSTRUCTION (PECDAR)

October 28, 1994.

To the comrade Mohammad Zuhdi Alnashashiby, Finance Minister—Gaza.

Greetings of Return.

Referring to your letter dated 20.10.1994 No. MP/30/225 in the matter of the industries and antiques of Naplus that will be assigned to the comrade Amin Hadad and in accordance with the wishes of the comrade Abademar, the following financial procedures have been accomplished:

1. by arrangement with the comrade Dr. Amin Hadad instructions have been given for the transfer of the required amount six million US dollars.

2. A notice has been received to the effect that the amount has been received and entered in the personal account of the comrade Dr. Amin Hadad.

3. He has given a commitment personal that this project (according to the share) is the property of the National Palestinian Authority.

4. He has given a commitment that he will involve the maximum number of industrials in the city of Naplouse in this project.

Please convey to the comrade leader President of the National Palestinian Authority about the execution of his order.

Respectfully

—— ——,

Chairman.

It is forbidden to read this document without the special authorization of the President.

THE NATIONAL PALESTINIAN AUTHORITY, MINISTRY OF FINANCE,

October 20, 1994.

To the Chairman of the Palestinian Economic Council for Development and Reconstruction (PECDAR), Jerusalem.

Greetings of return

In execution of the order of the comrade leader Abu Amar the President of the National Palestinian Authority to bestow on the comrade Dr. Amin Hadad the function of developing industries in Naplus and mainly the soap industry and the antiques in the city and the neighbouring villages by founding a corporation which will gather all industrials in the city with a capital for an amount of ten million US dollars in which the National Authority shall participate with six million dollars it being 60% of the capital.

We request to take the necessary measures for the setting of this corporation on the aforesaid conditions. The National Authority shall be represented by Dr. Amin Hadad in his name and on behalf of persons from our staff reliable and having a good name.

In accordance with the desire of the comrade leader Abu Amar President of the National Palestinian Authority, the amount of six million US dollars should be diligently paid in a due way.

Respectfully

MUHAMMAD ZUHDI ALNASHASHIBY,

Finance Minister.

PALESTINIAN ECONOMIC COUNCIL, DEVELOPMENT AND RECONSTRUCTION (PECDAR),

November 11, 1994.

To the comrade Mohammad Zudhi Alnashashiby, Finance Minister—Gaza.

Greetings of Return.

Referring to your letter dated 30.10.1994 No. MP/30/241 concerning the Palestinian corporation for importation of iron and steel Ltd which the comrade Dr. Amin Hadad member of (PEDCAR) intends to found we are to inform you the following:

1. An understanding has been reached with the comrade Dr. Amin Hadad on the manner he prefers for the operation of financing.

2. A commitment has been obtained from the comrade Dr. Amin Hadad that the said corporation belongs to the Palestinian Authority and that it is a deposit in his hands.

3. You will be informed at the completion of the procedures of financing and reception of the amount and its deposit in the account of the comrade Dr. Amin Hadad soon with the wish of God.

Please inform the comrade Abu Amar president of the National Palestinian Authority on the details of the procedures.

Respectfully,

—— ——,

Chairman, Palestinian Economic Council, Development and Reconstruction.

It is forbidden to read this document without the special authorization of the President.

THE NATIONAL PALESTINIAN AUTHORITY, MINISTRY OF FINANCE,

August 25, 1994.

To the Chairman of the Palestinian Economic Council for Development and Reconstruction (PEDCAR), Jerusalem.

Greetings of return

The matter: A Palestinian Corporation for importation of iron and steel.

According to the instruction of the remarkable leader the comrade Abu Amar President of the National Palestinian Authority for the formation of a corporation which shall start to import iron and steel and to develop, the comrade leader has decided to put the comrade Dr. Amin Haddad in charge of this enterprise in the following way:

1. A limited corporation shall be registered under the name of the Palestinian Corporation for importation of Iron and Steel Ltd.

2. The corporation shall be sited in the city of Naplus.

3. Its capital shall be twenty million US dollars.

4. The National Palestinian Authority shall participate with a capital of 60% namely twelve million dollars and the balance shall be provided by shareholders (eight million dollars).

5. Activating the construction in the city and putting to market with favorable prices

iron and steel and also for local industrial organizations.

The comrade leader Abu Amar the President of the National Palestinian Authority stresses the acting in a speedy way in taking the necessary measures in order to publicise this corporation in the region.

Respectfully
MUHAMMAD ZUHDI ALNASHASHIBY,
Finance Minister.

PALESTINIAN ECONOMIC COUNCIL, DEVELOPMENT AND RECONSTRUCTION (PECDAR),
September 8, 1994.

To the comrade Mohammad Zuhdi Alnashashiby, Finance Minister—Gaza.

Greetings of Return.

Referring to your letter dated 12.8.1994 No. MP/30/85 which includes the decree by the comrade leader Abu Amar concerning the setting and founding of a poultry farm in Beer Zeit (Ramallah) which will specialize in strengthening the palestinian economy we inform you as follows:

1. We obtained all the plans and necessary informations concerning this project, we have studied it and have decided as follows:

2. We have contacted the comrade pressman Mr. Ibrahim Alkarain and obtained from him the necessary bank informations

3. The transfer of the required amount has been effected from the "special accounts"

4. The bank has confirmed to us receipt of the amount and its transfer in the account of the comrade Ibrahim Alkarain

Please convey these informations to the comrade leader Abu Amar President of the National Palestinian Authority and that his orders have been fully executed.

Respectfully
———,
Chairman, Palestinian Economic Council, Development and Reconstruction.

It is forbidden to read this document without the special authorization of the President.

THE NATIONAL PALESTINIAN AUTHORITY, MINISTRY OF FINANCE
August 12, 1994.

To the Chairman of the Palestinian Economic Council for Development and Reconstruction (PECDAR), Jerusalem.

Greetings of return

Whereas the National Palestinian Authority acts through the faithful palestinian elements to build and execute the economic projects and to help our people to progress and to be self-sufficient in our local markets and to rely on our products provided by our faithful people, therefore the comrade leader Abu Amar has decided as follows:

1. To set a huge poultry farm on a space of land of ten dounams. The place has already been chosen in the region of Beer Zeit (district of Ramallah). It will require the purchase of machines for . . . and whatever is needed by the farmer in order to compete with the international farms.

2. The capital of this farm shall be 1.5 million US dollars at the start.

3. The farm shall be managed by the pressman Mr. Ibrahim Alkarain owner of the review "Alawda" (The Return) and of the Palestine Press Office to him and his partners.

We stress that the comrade leader Abu Amar has the highest interest in the matter as it will provide work to palestinians.

Respectfully
MUHAMMAD ZUHDI ALNASHASHIBY,
Finance Minister.

PALESTINIAN ECONOMIC COUNCIL, DEVELOPMENT AND RECONSTRUCTION (PECDAR),
November 11, 1994.

To the comrade Mohammad Zuhdi Alnashashiby, Finance Minister—Gaza.

We refer to your letter dated 19.11.1994 No. M/30/266 and are to inform you immediately that all the measures for the execution of the instructions of the comrade leader Abu Amar President of the National Palestinian Authority concerning the financing of the Palestinian Press Office Review Alawda, as follows:

1. The necessary informations have been obtained from the pressman Ibrahim Tlkarain on his personal account in France he and his partners Remonde Altaweel.

2. The transfer has been effected of 2.5 million American dollars.

3. The bank has confirmed receipt of the transfer.

4. The way of transfer is sophisticated and the other party cannot in any way discover the way and style which has been taken in the transfer.

5. We have received an excessively important letter from the comrade Remonda Altaweel confirming receipt of the whole amount and thanking the comrade and beloved father Mr. Yasser Arafat "Abu Amar" with thanks from the Palestinian diaspora in France.

Please inform the comrade Abu Amar president of the National Authority that his orders have been executed properly.

Respectfully,
———,
Chairman, Palestinian Economic Council, Development and Reconstruction (PEDCAR).

THE NATIONAL PALESTINIAN AUTHORITY, MINISTRY OF FINANCE,
November 19, 1994.

To the Chairman of the Palestinian Economic Council for Development and Reconstruction (PEDCAR), Jerusalem.

Greetings of return.

Whereas the National Palestinian Authority encourages the saying of truth which stands above all, and encourages the development of a Palestinian press and journalists that they utter the truth with no fear of any danger anywhere and pursue the enemies of the homeland and unveil them to the public, therefore the comrade leader has proclaimed as follows:

1. The Palestinian Press Office shall support the comrade journalist Ibrahim Alkarain, the owner of the office which is sited in Arab Jerusalem, the capital of Palestine (Journal of the Return) and helping him to purchase modern printing machines and sophisticated computers and the purchase of press offices and providing for payments of employees and pressmen.

2. The center of the said office shall be in the Arab Jerusalem, the capital of the state of Palestine.

3. A preliminary amount of 2.5 million US dollars shall be provided in installments to be decided on.

4. A financial arrangement shall be provided to expend the amount in a way which will be convenient to (him).

Please take the necessary steps to execute the aforesaid and have us informed.

Respectfully,
MUHAMMAD ZUHDI ALNASHASHIBY.

PALESTINIAN ECONOMIC COUNCIL, DEVELOPMENT AND RECONSTRUCTION (PECDAR),
August 23, 1994.

To the comrade Mohammad Zuhdi Alnashashiby, Finance Minister—Gaza.

Greetings of return.

Referring to your letter dated 15.8.1994 No. MP/30/1994 which includes the matter of the decree promulgated by the comrade leader Abu Amar concerning the "inland Palestinians" from among members of the Knesseth and parties and philanthropic and cooperative organizations and local councils and private councils and churches "helps and contributions" and that this matter should be held directly and intensively by the brother Dr. Ahmad Tiby, we are to inform you as follows:

1. We have contacted Dr. Ahmad Tiby who has visited our office personally and he prefers not to talk on the telephone.

2. He has assured us of the necessity to pursue the transfer in the same way.

3. We should inform him by code of the receipt of the amount in his account special abroad.

4. The amount has been transferred and entered in his account in due form.

Please inform the comrade leader Abu Amar that the matter has been effected in the most secret way due to the sensitivity of the operations.

Respectfully,
———,
Chairman.

THE NATIONAL PALESTINIAN AUTHORITY, MINISTRY OF FINANCE,
August 5, 1994.

To the Chairman of the Palestinian Economic Council for Development and Reconstruction (PECDAR), Jerusalem.

Greetings of return.

Following our letter dated 7.8.1994 No. MN/30/75 in the same matter on the basis of building the auxiliary apparatus, the comrade leader Abu Amar has decided that the activity of the National Palestinian Authority should spread inside Israel and concentrate on the Arabs and inland Palestinians and that this function should rest on the comrade Dr. Ahmad Tiby and the comrades ought to be chosen from among the members of the Knesseth, the Municipal and Local Councils, the philanthropic organizations, the cooperatives, the villages and the churches in view of gaining their collaboration in achieving the following:

1. Helping the various parties which support the foundation of the Palestinian State which will include Jerusalem.

2. Helping such local councils as are suffering from financial deficit.

3. Contributing to the philanthropic and cooperative associations.

4. Contributing to the village councils.

5. Contributing to the bishops and religious persons who lead the churches of various communities.

6. For these activities an amount of twenty million US dollars shall be immediately reserved.

As it was mentioned in my previous letter the comrade leader Abu Amar recommends that the activities of the said committee should not be noticed by the public and they should be far and away from journalists and statesmen.

Respectfully,
MUHAMMAD ZUHDI ALNASHASHIBY,
Finance Minister.

Palestinian Economic Council, Development and Reconstruction (PECDAR)

August 31, 1994.

To the comrade Mohammad Zuhdi Alnashashiby, Finance Minister—Gaza.

Greetings of Return.

Referring to your letter dated 25.8.1994 No. MP/30/111 concerning the building of dwelling flats in Arab Jerusalem and its suburbs by decree of the leader comrade Abu Amar and assigning the matter to Dr. Ahmad Tiby with direct responsibility we are to clarify the following:

1. The transfer of the amount of twelve million dollars in the same way is not easy now.

2. Half of the amount may be transferred immediately (namely six million dollars) and the other half may be paid after a month from today.

3. The comrade Dr. Ahmad Tiby has consented to divide the amount and has affirmed that there is no urgency now and no prejudice will come out of the postponing.

Please convey the actual picture to the comrade leader Abu Amar and clarify that the amount of six million dollars has been brought in the account of the comrade Dr. Tiby when this letter will reach you.

Respectfully,

———.

Chairman, Palestinian Economic Council, Development and Reconstruction.

It is forbidden to read this document without the special authorization of the President.

The National Palestinian Authority, Ministry of Finance,

August 25, 1994.

To the Chairman of the Palestinian Economic Council for Development and Reconstruction (PECDAR)—Jerusalem.

Greetings of return.

In pursuance to our letter dated 15.8.1994 No. MF/30/93 (Dr. Ahmad Tiby) I am to inform you that the comrade leader Abu Amar has instructed me to convey to you his desire for the construction of dwelling flats in the Arab Jerusalem and its suburbs in buildings of ten flats each or more in accordance with the Town Planning Law (authorized) and that for this purpose an amount of twelve million US dollars should be assigned and the project should not be registered in the name of the National Palestinian Authority lest it would attract reactions from the other party which will be difficult for us to solve. Therefore, it shall be arranged as follows:

1. The comrade Dr. Ahmad Tiby shall be responsible for the setting of this commission with reliable people under his chairmanship.

2. There is no objection to the participation in this project of landlords who wish so.

3. An architectural tactic shall be followed whereby, if circumstances allow that, the same maps shall be used so that the building in all regions will be similar.

3.The moves of the commission should not attract any attention.

Please deal with the matter in the most secret way due to its sensitiveness and to the position of the comrade Dr. Ahmad Tiby in the region.

Respectfully,

Muhammad Zuhdi Alnashashiby,
Finance Minister.

Palestinian Economic Council (PECDAR)

August 17, 1994.

To the comrade Mohammad Zuhdi Alnashashiby, Finance Minister—Gaza.

Greetings of Return.

With reference to your letter dated 7.8.1994 No. MP/30/75 relating to the decree of the leader comrade Abu Amar concerning the setting of a land corporation sited in the city of Jerusalem which will specialize in purchasing lands in Arab Jerusalem (Eastern) the capital of the Palestinian State with the will of God and in the Old City, we are to inform you the following:

1. We have contacted the comrade Dr. Ahmad Tiby and have obtained from him the bank informations and the way and style which he prefers for the transfer of the required amount at the inception of this project.

2. The method of transfer of the amount is sophisticated and convincing. The other party will never be able, to discover the way and method whereby the transfer is effected.

3. We have contacted the bank to which the transfer has been effected and it has confirmed its receipt.

Please assure the comrade leader Abu Amar that the matter has been executed precisely and most secretly.

Respectfully,

———,
Chairman.

It is forbidden to read this document without the special authorization of the President

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The National Palestinian Authority, Ministry of Finance,

August 2, 1994.

To the Chairman of the Palestinian Economic Council for Development and Reconstruction (PECDAR)—Jerusalem

Greetings of return.

Since the National Palestinian Authority, with the assistance of faithful palestinian elements, is building various assisting apparatus in view of strengthening the basis of the palestinian state to which all aspire with the help of God in our beloved homeland while concentrating on the holy Jerusalem in order to strengthen our position there and intensify our presence in an active and strong way;

And whereas we don't want to have this activity appear in the name of the National Palestinian Authority lest it would be exploited counter for political aims in international circles by the other party and consequently jeopardize the peace process and the good name of the Palestinian Authority in the international circles by the (missing word) and mainly the American administration;

Therefore the comrade leader has decided as follows:

1. To found a land corporation which will be sited in Jerusalem, which will purchase lands in East Jerusalem and in the Old City and only in the name of this corporation.

2. The capital of the corporation shall be fifteen million american dollars at the start.

3. The manager of the chairman of the board will be Dr. Ahmad Tiby and the members of the Board will be the following:

1. Bassam Tcdel Hameed Alsa'ih, 2. Haj Faiz tk'ubaidy, 3. Abd Abu Diyab, 4. The lawyer Ali Guzlan, 5. Abdel Rauf Abu Assab (Abu Kaid), 6. Haj Tewfik Abu Zahra.

We stress that it is the desire of the comrade leader Abu Amar that the meetings of this group should be held secretly and its activities should not be noticed and it should keep its documents and registries away from the other party.

Respectfully,

———.

Mr. LEAHY. Mr. President, if nobody else is seeking recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COHEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2724

Mr. COHEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment will be set aside. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine [Mr. COHEN] proposes an amendment numbered 2724.

Mr. COHEN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At an appropriate place in the bill, insert the following new section:

SEC. . REPORT ON RUSSIAN MILITARY OPERATIONS.

(a) No later than three months after the date of enactment of this act, the President shall declassify, to the maximum extent possible, and resubmit to the Congress the report submitted to the Congress pursuant to Section 528 of Public Law 103–236, with an addendum updating the information in the report.

(b) The addendum referred to in subsection (a) shall be unclassified to the maximum extent possible and shall address, inter alia—

(1) Russian compliance or lack of compliance with the Russian-Moldovan agreement of October 24, 1994, providing for the withdrawal of Russian military forces from Moldova, subsequent Russian deployments of military forces to Moldova and Russian efforts to secure long-term military basing rights in Moldova;

(2) possible Russian complicity in the coup attempt of September-October 1994 against the government of Azerbaijan and the exertion of Russian pressure to influence decisions regarding the path of pipelines that will carry Azerbaijan oil;

(3) Russian efforts or agreements to assume partial or complete responsibility for securing the borders of countries other than Russia, using troops of the Russian Ministry of Defense, Ministry of the Interior or any other security agency of the Russian Federation;

(4) Russian efforts to integrate its armed forces, other security forces, or intelligence agencies with those of any other country and the relationship of such efforts to the development of institutions under the Commonwealth of Independent States; and

(5) Russian compliance with the Treaty on Conventional Armed Forces in Europe and the Organization on Security and Cooperation in Europe's Code of Conduct on the Politico-Military Aspects of Security.

Mr. COHEN. Mr. President, early last year, Mr. President, the Senate adopted an amendment I offered to require the President to submit a report on the revised Russian military doctrine and Russian military operations outside Russia's border.

The report was necessary because Russia has been engaging in a systematic effort to regain effective control over the countries that formerly made up the Soviet Union. The tools Moscow has been using in this effort have included economic, political, and military, including blatant military intervention and covert military actions.

Moscow fomented secessionist war on Georgia, bringing the government of Eduard Shevardnadze to the brink of defeat. Once Moscow had coerced him to capitulate to its demands to join the Commonwealth of Independent States and give Moscow permanent military bases, Russian troops rushed in to keep the peace.

In Moldova, Russian troops assisted ethnic Russian secessionists establish a self-proclaimed independent republic sandwiched between Moldova and Ukraine's western border.

In oil-rich Azerbaijan, Russian troops provided assistance to rebel forces that overthrew the democratically elected government and then may have supported coup efforts against the new government once it refused to succumb to Moscow's effort to dictate to it on oil policies.

Russian troops are heavily involved in the civil war in Tajikistan and patrol the borders of Tajikistan and Armenia, putting them once again on NATO's border.

The revised Russian military doctrine asserts Russia's right to intervene militarily throughout the territory that was the Soviet Union.

And so the Senate adopted the amendment requiring the President to tell us and the American people what the Russian military was doing and what the implications were for American and allied security.

But when the President submitted the report last September, it was classified from cover to cover, even though much of the report did not warrant being restricted by a security classification. The decision to throw a cloak of secrecy over this report probably was not related to the fact that it was submitted just a few days after his Washington summit with President Yeltsin. I am only speculating here, but perhaps the administration did not want to embarrass President Yeltsin, although it is not clear that he would have been embarrassed at all. Just prior to the summit, President Yeltsin embraced a Russian Foreign Intelligence Service report calling for reintegration of the former Soviet republic into a single economic and defense zone, complete with a unified military command and a Russian nuclear umbrella.

Perhaps the administration was worried about being embarrassed itself given its acquiescence to Russia military adventures.

In any case—no need to speculate about this—the decision to classify the report from cover to cover has prevented Congress from conducting a complete public debate about Russian actions and the administration's policy toward Russia, and it has prevented the American people from becoming fully informed on these matters.

And so I am offering an amendment today to require that the report be declassified to the maximum extent possible. The amendment also requires submission of an addendum, unclassified to the maximum extent possible, updating the information in the report.

Among the more recent issues that need to be addressed in the addendum are the agreement Prime Minister Chernomyrdin signed last October to withdraw Russian troops from Moldova within 3 years, which Moscow now seeks to nullify by pressuring Moldova for permanent basing rights. There have been further coup attempts in Azerbaijan in which Moscow might have had a hand as part of its intense effort to compel Azerbaijan to ship its oil through a Russian pipeline. Moscow continues its pressures to unify the defense policies of the newly independent states, with President Yeltsin personally endorsing the effort just last week. And Moscow seems intent on blatantly violating the Treaty on Conventional Armed Forces in Europe, the so-called CFE Treaty, which the administration has called the cornerstone of post-cold-war European military stability but which the administration is not proposing to amend in response to Russian threats to abandon the treaty.

Ironically, the Russians now object. After having negotiated and signed and ratified the CFE treaty—they now object to its provisions.

So, clearly, the need for a well informed public debate is greater today than when the Senate voted on this last year, calling for the President's report. The amendment I offer would ensure that such a debate can take place in Congress, in the media, and in other public fora. So I urge my colleagues to accept, or if not accept, adopt the amendment.

Mr. McCONNELL. I thank the Senator from Maine for bringing up a really, I think, significant issue, just the continued presence of Russian troops in the former Soviet Republics, and how that intimidates those young democracies.

So I think the amendment of the Senator is very well advised. This is the kind of information, it seems to me, that ought to be shared. I commend him for his amendment and I am prepared to support it. I am aware of no opposition on this side.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I have earlier discussed his amendment with the Senator from Maine. There is much I find very appealing, for a number of the reasons that he has laid out. There have been just a couple of questions raised on this side. I wonder if we might delay any action just for a few more minutes.

What I am going to do is suggest the absence of a quorum, but it will be only for a very few—I see the chairman may have something else to say about it. But I suggest, in a few more minutes we may be able to resolve this whole issue. I am sure that would be agreeable to the Senator from Maine.

Mr. COHEN. I have no objection.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, let me say in conclusion on the Cohen amendment, I think Senator KERRY will be here shortly to, as well, offer an amendment upon which a rollcall will be required.

Mr. D'AMATO. Mr. President, I rise to discuss with the chairman of the subcommittee an issue of importance regarding the opening of offices for the Federal Bureau of Investigation and the Secret Service in the triborder area of Argentina, Brazil, and Paraguay. This area has been identified as extremely dangerous with criminal and terrorist elements running rampant in the area. Today's organized terrorist and criminal organizations are international in nature and the presence of these agencies is of paramount importance to the security of the United States and its elected officials. The subcommittee, in its deliberations saw the preponderance of these criminal activities and appropriated funds for the establishment and maintenance of offices for both agencies. The bill in its current form allocates $5 million for both agencies to establish and maintain offices. It is my understanding that this appropriation is to be split evenly between the Federal Bureau of Investigation and the Secret Service, $2.5 million per agency. I realize that this was the intent of the subcommittee and I merely wanted the opportunity to ensure that the RECORD accurately reflects this appropriation.

Mr. McCONNELL. Mr. President, the Senator from New York is correct, and I thank him for his concern. This appropriation is intended to fund the establishment and maintenance of offices for the Federal Bureau of Investigation and the Secret Service. The intent of the subcommittee is for these funds to be split evenly between the two agencies. I understand the ambiguity of the wording in the bill and I hope this dialog will answer any questions or uncertainties.

Mr. D'AMATO. I thank my friend and colleague for that clarification. I feel the importance and immediacy of filling these law enforcement positions should not be delayed to bureaucratic debate on the amount of funds awarded to the different agencies.

Mr. McCONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. THOMAS). Without objection, it is so ordered.

AMENDMENT NO. 2724

Mr. McCONNELL. Mr. President, we have now cleared the Cohen amendment on both sides. I am not aware of any need for further debate.

Mr. LEAHY. Mr. President, as I noted earlier, I support the Cohen amendment. I wanted to doublecheck with a couple of people on this side. I appreciate the Senator from Maine and the Senator from Kentucky delaying action while we did that. That checking has been done.

I compliment the Senator from Maine on his amendment. It is acceptable on this side.

The PRESIDING OFFICER. If there is further debate, the question is on agreeing to the amendment of the Senator from Maine.

The amendment (No. 2724) was agreed to.

Mr. McCONNELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, parliamentary inquiry: What is the situation before the Senate right now?

The PRESIDING OFFICER. The pending amendment is No. 2712 offered by the Senator from Alaska.

Mr. HARKIN. Mr. President, so my understanding is that for any amendment offered there has to be unanimous consent to lay aside that amendment. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HARKIN. Mr. President, I ask unanimous consent to set the amendment aside.

The PRESIDING OFFICER. Is there objection?

Mr. McCONNELL. Objection.

The PRESIDING OFFICER. Objection is heard.

Mr. McCONNELL. Mr. President, I might say I would like to discuss the matter with Senator HARKIN. For the time being I would object to laying the amendment aside until I see what he would like to achieve.

Mr. HARKIN. Mr. President, I have a sense-of-the-Senate resolution which I am going to offer on the bill at some point. I figured since there was a lull in the proceedings, we do not need to take much time.

Senator FEINGOLD and I have an amendment which we would enter into a time agreement on. It is a sense-of-the-Senate resolution. I figured there was no one else doing anything around noontime.

Mr. McCONNELL. Mr. President, I would be happy during the quorum to discuss with the Senator from Iowa what he has in mind. Maybe I would not have an action to laying aside the current amendment. I would like to have a sense of what we are doing here.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. LEAHY. Mr. President, I ask unanimous consent that floor privileges be granted to Stephanie Eglinton, a Javits fellow currently on Senator BIDEN's staff, for the duration of debate on the Foreign Operations Appropriations Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, I say to my friend from Iowa, would he be agreeable to vote on a motion to table his amendment at a quarter to 1?

Mr. President, I ask unanimous consent that there be a vote on the Harkin amendment, on or in relation to the Harkin amendment at 12:45.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HARKIN. I thank the Senator.

Mr. President, did I understand the unanimous consent that there would be a tabling motion at quarter to 1 with no amendments to my amendment?

The PRESIDING OFFICER. There is a vote ordered on the amendment or in relation to the amendment at 12:45.

Mr. McCONNELL. I might say to the Senator from Iowa, it would be my intention to offer a motion to table at that point.

Mr. HARKIN. A plain motion to table?

Mr. McCONNELL. Yes, a plain motion to table.

Mr. LEAHY. Mr. President, could we ask unanimous consent that no other motions or amendments be in order?

The PRESIDING OFFICER. Is there objection?

Mr. McCONNELL. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. I thank the Chair. I thank the floor managers.

AMENDMENT NO. 2725

(Purpose: To express the sense of the Senate on the conference on S. 4, the Line-Item Veto Act)

Mr. HARKIN. Mr. President, I have an amendment I send to the desk and ask for its immediate consideration on behalf of myself, Senator FEINGOLD, Senator DORGAN, and Senator BRADLEY.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself, Mr. FEINGOLD, Mr. DORGAN, and Mr. BRADLEY, proposes an amendment numbered 2725:

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE ON THE CONFERENCE ON S. 4, THE LINE ITEM VETO ACT.

(a) FINDINGS.—The Senate finds that—

(1) the line item veto was a major plank in the House majority's "Contract With America" and has received strong bipartisan support in the 104th Congress;

(2) the House of Representatives on February 6, 1995, passed H.R. 2, the Line Item Veto Act of 1995, on a vote of 294–134;

(3) the Senate on March 23, 1995, passed S. 4, the Separate Enrollment and Line Item Veto Act of 1995, on a vote of 69–29;

(4) the House of Representatives passed S. 4, with the text of H.R. 2 inserted, by voice vote on May 17, 1995, 50 days after passage by the Senate;

(5) notwithstanding the failure of the House of Representatives to request a conference, the Senate disagreed with the House amendment, requested a conference, and appointed conferees on S. 4 on June 20, 1995;

(6) the House of Representatives appointed conferees on September 7, 1995, 168 days after both Houses of the Congress had passed line item veto legislation;

(7) with the passage of time, it increasingly appears that the Congress may pass and send to the President not only the appropriations bills for fiscal year 1996 but also the reconciliation bill required by H. Con. Res. 67 (the concurrent resolution setting forth the congressional budget for fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002) without first passing and sending to the President a line item veto bill;

(8) it is now only 9 days until the end of the fiscal year when the fiscal year 1996 appropriation bills need to become law in order to avoid disruption of the Government services; and

(9) the conferees on S. 4 still have not met.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the conferees on S. 4 should meet by September 26;

(2) the conferees should expeditiously resolve the differences between the 2 bills in

> sufficient time for the House of Representatives and the Senate to consider the conference report on S. 4 prior to the time the President is required to act upon the first fiscal year 1996 appropriation bill; and
>
> (3) if the conferees do not complete action on the conference report in time to allow for the House of Representatives and Senate to consider the conference report prior to the time the President is required to act upon the fiscal year 1996 appropriation bills, S. 4 should, to the extent possible, contain provisions making the provisions of S. 4 applicable to the fiscal year 1996 appropriation bills and the 1995 reconciliation bill.

Mr. HARKIN. Mr. President, this resolution provides that the conferees meet on the line-item legislation by next Tuesday, September 26.

This sense-of-the-Senate amendment provides that Congress move forward and send the line-item veto legislation to the President expeditiously. It calls on the conferees, as I said, to meet by next Tuesday, and further calls on the conferees to resolve their differences and bring a conference report to the floor in time for the President to use the authority of the line-item veto on the first fiscal year 1996 appropriations bills. And if the conferees do not complete action by that time, the amendment provides that it is the sense of the Senate that the conferees should include a provision to make it effective for the fiscal year 1996 bills already signed.

Mr. President, this body passed a line-item veto bill on March 23. The other body passed it on February 6. It was part of their so-called 100-day Contract With America. But we had to wait not 100 days, or 130, or 140, or 150, we had to wait 168 days for the other body just to appoint conferees.

One of the major items that they wanted—it took them 168 days just to appoint conferees. Days rolled by, weeks rolled by, months rolled by. Still no conferees. Finally, on August 1 Senator DORGAN proposed a sense-of-the-Senate resolution calling on the other body to appoint conferees on the line-item veto legislation. It passed on a vote of 83–14 in this Senate.

And on September 7, the conferees were finally appointed. But to this very day they have not even met. And they have not even scheduled a day to meet. Imagine that? Passed the House on February 6. It passed here on March 23. They appointed the conferees 168 days later. Still have not even met. Unfortunately, we have just 10 days before the end of the fiscal year. And we are not much further than we were a half-year ago toward passing a line-item veto.

Mr. President, I must confess, I am a little confused. I thought this was supposed to be priority legislation of the majority party. I thought we needed it now—not next month, not next year, not next decade, but now. And I thought I heard that the line-item veto was too important to take a back seat to partisan politics.

Well, I know what the cynics might say, "Wait a second. I know what is going on here. The majority does not want to hand this new power over to a Democratic President."

I have to say that could not be the case. After all, on the day that the line-item veto passed the House, the Speaker of the House, Speaker GINGRICH said:

> It does show our sincerity, I think, that we are prepared to deal with giving President Clinton increased power because we think it is good for America.

On the day the legislation passed the Senate, our majority leader, Senator DOLE, said:

> During the 1980's, opponents of the line-item veto used to say that Republicans supported it only because a Republican happened to be President at the time. With the passage of this measure we hope to dispel that myth once and for all. We believe that any President of the United States, as Chief Executive, should be given more power to reduce Federal spending. . . . Now we are in the majority, and we are prepared . . . to give this authority to a Democratic President.

So, Mr. President, this could not certainly be about partisan politics. This could not be about a Republican Congress and Democratic President. So let us move forward.

Now, Mr. President, I do not think that the line-item veto is a panacea for everything. I had concerns and still have some concerns about it. But I also see the huge job we face in responsibly balancing the budget. I believe the time has come to use all the tools we have. And the line-item veto is one of those tools. We need every effective tool to weed out the wasteful spending and cut the pork and not the people. It will help this country reach a balanced budget more easily and hopefully more quickly.

Let me repeat the words of the majority leader.

> We all believe that any President of the United States, as Chief Executive, should be given more power to reduce Federal spending. If we cannot control ourselves—maybe the Chief Executive can help.

I believe that the conferees and the congressional leadership owe the American people a proposal that will pass the House and the Senate and be sent to the President so he has the ability to exercise the line-item veto on appropriate provisions in the 13 appropriations bill that we are now passing. It can and should be done. Let us have a conference report before the House and the Senate by the end of this month so this President can exercise the line-item veto that the majority party has said for so long that they want to give to the President.

Mr. President, I yield the floor.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. I thank the Chair, and I especially thank my colleague and friend from Iowa, Mr. HARKIN, who has taken the lead on this. I am delighted to participate with him, along with the Senator from North Dakota, Mr. DORGAN, and the Senator from New Jersey, Mr. BRADLEY, in expressing the sense of the Senate that the conferees on S. 4, the line-item veto bill, should, by September 26, expeditiously resolve the differences of the two Houses in time to consider the conference report on S. 4 prior to the President needing to sign the fiscal year 1996 appropriations bills and also this year's reconciliation bill.

If the conferees do not complete action on the conference report in time to allow Congress to consider the report, prior to the President signing of the fiscal year 1996 appropriations bills and this year's reconciliation bill, as the Senator from Iowa pointed out, this amendment further expresses the sense of the Senate that the line-item veto conference report should, to the extent possible, contain provisions making the bill applicable to the fiscal year 1996 appropriations bills and the 1995 reconciliation bill. Simply stated it would give this President, President Clinton, the opportunity to clean out some of the pork in the bills that we may pass in next few weeks this year instead of having to wait until next year.

Mr. President, the Senate passed S. 4, the Line-Item Veto Act of 1995 on March 23, many months ago. A few weeks earlier, in early February, the other body had passed their own version of this important legislation. And this was trumpeted quite loudly throughout the country as one of the leading items in the so-called Contract With America. For something other than an emergency appropriations bill, that was very rapid consideration, and I would say in this case rightly so.

The line-item veto proposal, in one form or another, in my view, could be a useful tool to help reduce the Federal deficit and balance the Federal budget and more importantly to bring reform to the whole budget process. Indeed the line-item veto was part of the so-called Contract With America agenda and initially being given this kind of expedited treatment.

But, Mr. President, the expedited treatment of the line-item veto ended some time ago. The line-item veto bill began to slow and eventually it stalled and it remains stalled. The other body did not ask for a conference committee until mid-May, and it was a month before the Senate appointed conferees. Until last week the other body had still to appoint its own conferees.

Now, Mr. President, some have suggested that the failure of the other body to appoint conferees in a timely manner and the general slowing down of the measure was partisan in nature, the delay was a deliberate effort by leadership to deny President Clinton an effective budget tool during this very crucial period of time when we have to consider appropriations bills and reconciliation and the overriding need to balance the budget as soon as possible.

I hope this is not the case. Certainly in this body it has to be said that one of the leading proponents of the line-item veto has been the senior Senator from Arizona [Mr. MCCAIN], a Republican. Now, I know he supports moving rapidly on this question and to give this President this new authority in time to address this year's budget measures.

It has been my privilege to work with Senator MCCAIN on a number of reform measures including a number that target these very budget practices that tend to load up our bills with pork and they cannot be eliminated because of the lack of a line-item veto. I was especially pleased that an amendment we offered to the line-item veto bill relating to emergency appropriations was also included in the Senate version of the measure. So this also is dependent on moving quickly on the line-item veto issue.

Senator MCCAIN is committed to budget reform. And I believe many of his Republican colleagues in this body share that commitment. I believe that they are ready and willing to provide President Clinton with the line-item veto authority in time to exercise it during this budget cycle.

However, Mr. President, as I noted, it was not until last week that the other body finally appointed conferees that allowed Congress the opportunity to come to an agreement on this important issue and give this President, President Clinton, the flexibility that he needs to shape this Federal budget. With the fiscal year almost at an end, and work on various appropriations bills and reconciliation measures scheduled to be completed in the next few weeks, this delay in hammering out a line-item veto measure may well jeopardize our ability to provide President Clinton with this very important additional authority.

This amendment we are offering today speaks to this very issue by expressing the sense of the Senate that if a new line-item veto authority is created, that this President be able to act on that authority on this year's appropriations measures and this year's reconciliation bill.

This amendment allows Members to go on record to refute those who would suggest that the line-item delay is partisan. And in doing so, it also expresses clear support to allow the President to begin to exercise the kind of specific budget pruning that many of us feel is a necessary response to the budget abuses that do persist in this year's appropriations bills. Pork did not end in this place on November 8. I have a suspicion it increased over the 103d Congress.

Just last month, my friend and colleague, Senator MCCAIN, who has helped form a number of colleagues into a group of pork busters, took to the floor and specifically identified a number of problems with the fiscal year 1996 defense appropriations bill. He mentioned an appropriation of $20 million to fund an unauthorized transfer of federally owned educational facilities on military installations to local education agencies.

He mentioned a transfer that was not even reviewed by the Armed Services Committee. He mentioned a $1 million earmark for the marine and environmental research and training station, also unauthorized, and he mentioned that this was contrary to the wishes of the Navy.

Senator MCCAIN also mentioned the granting of authority for the Coast Guard to draw $300 million from the defense business operations fund, a new authority that I am informed was not considered by the Armed Services Committee.

So, Mr. President, there are many examples, but these are good examples of the kinds of provisions that could and should be eliminated with the appropriate application of the line-item veto, and there are equally good candidates for line-item veto review by the President in other appropriations bills as well.

I do not think any fairminded person would suggest that this year's crop of appropriations bills is sufficiently pure of budgetary mischief that the line-item veto authority should be postponed until next year. There is plenty that needs to be taken out now.

That should be reason enough to act on a line-item veto in a timely manner, but I also believe there is another, possibly more important reason for acting quickly, and it goes to the heart of the original line-item veto debate.

Mr. President, I supported the line-item veto measure as it passed this body, and hope to support a conference committee agreement as well, but the question is a very close one for me.

I have deep concerns about the potential abuse of an overly expansive line-item veto authority.

In Wisconsin, we have seen the abuse of an overly broad veto authority by a number of Governors, and it is safe to say that no one anticipated the extent of those abuses when the line-item veto authority was first contemplated.

The current Governor, Governor Thompson, has used the veto authority not only to rewrite entire laws, but to increase spending and increase taxes.

In the hands of a President, that kind of abusive authority would not only defeat the intent of those who have advocated expanded veto authority, it could well upset the checks and balances so carefully designed by the Framers of the Constitution.

That is the potential peril of the line-item veto, and I believe it is shared by many of my colleagues who supported S. 4 as it passed the Senate.

If the cynics are right, and the line-item veto measure is being deliberately stalled to gain partisan advantage by denying a Democratic President the opportunity to use this new tool, then there may be real cause for concern about what the end product of the conference committee will be.

Partisan political advantage is an irresponsible and reckless basis on which to establish this additional authority for the President.

A new line-item veto authority crafted on such a foundation may well be susceptible to being overly broad, and one that is subject to Presidential abuse when the authority is finally granted.

Instead of fashioning a useful tool to help shape a better, leaner budget, a line-item veto authority that is driven by partisan considerations could dramatically shift the balance of power between the legislative and executive branches that was so carefully crafted by the Framers of the Constitution.

Mr. President, I very much view our amendment as an insurance policy against just such a disaster.

If the Republican-controlled conference committee knows that a President of the opposing party is to have this new expanded authority, they will be less likely to structure a line-item veto that would allow the kind of abuse we have seen in Wisconsin.

And the taxpayers are doubly winners.

First, because a modest line-item veto authority will be exercised all the sooner.

And second, because future Presidents of either party will not become backdoor emperors that can dictate to Congress.

Mr. President, I urge my colleagues to support this amendment, to demonstrate to cynics that at least this body is sincere in its support of a line-item veto, and to ensure that this year's budget gets the kind of thorough review to which taxpayers are entitled.

I will conclude by saying that I see that the Senator from North Dakota, who has been a great leader on this issue, is here. I defer to him at this point, given the limited time that is available.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, this vote is currently scheduled for quarter to 1. I ask unanimous consent that the vote occur at 10 minutes to 1 and that—how much time does the Senator from West Virginia desire?

Mr. BYRD. I would like to have about 5 days on it, but since you only have 5 minutes, that will be fine.

Mr. MCCONNELL. The Senator from West Virginia will have the last 5 minutes before the vote, at which point I be recognized to make a motion to table.

Mr. HARKIN. Reserving the right to object, since we have about 20 minutes left for debate, I wonder if we can at least equally divide whatever time is remaining.

Mr. McCONNELL. I think that will be fine, divide the remaining time until 10 minutes to 1 evenly.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, may I inquire of the Senator from Iowa if I might speak for 5 minutes?

Mr. HARKIN. How much time do we have, Mr. President?

The PRESIDING OFFICER. There are 20 minutes remaining, and each side has 10 minutes.

Mr. HARKIN. I yield 5 minutes to the Senator.

Mr. DORGAN. Mr. President, it is very rare these days that I disagree with my friend, the distinguished Senator from West Virginia, Senator BYRD. I have watched him on the floor, and he almost always comes to the floor right on the bull's eye of an issue.

In this case, however, we have a disagreement. He will no doubt speak eloquently, as he does, in his opposition to the line-item veto, but I reached a different conclusion on this issue.

I voted for and supported a line-item veto when President Reagan was President, believing as a Democrat that this President, President Reagan, ought to have a line-item veto. I felt the same way and voted the same way when President Bush was President, and I feel the same way now that President Clinton is President.

The Senator from Iowa says, "Let's get moving." We passed a line-item veto bill, the Senate passed a line-item veto bill, it is in the Contract With America, and yet it has been stalled. Why? I assume it has been stalled because some folks want to talk about it more than they want to do it. They prefer that a line-item veto be given to a Republican President but not a Democratic President.

Let me describe to you why I think a line-item veto might be appropriate for the interest of the taxpayers in this country. We recently had a Defense bill on the floor of the Senate, both an authorization bill and an appropriations bill. If you take a look at the Defense bill, No. 1, it spent $7 billion more than the Department said they wanted to defend this country. In other words, the Defense Department said, "Here are our needs for defense purposes," and then the Senate added $7 billion more.

They decided that we should buy trucks that the Defense Department says we do not need; we should buy submarines the Defense Department says we do not want; we should buy jet fighter planes that the Defense Department did not ask for.

And the hood ornament, in my judgment, on all of the pork that exists in these bills, especially that bill, was in the Defense authorization bill. Someone wrote in, with no hearings and no discussion, that we should buy blimps, $60 million to buy blimps in the Defense authorization bill. It apparently is the *Hindenburg* strategy of defense. It demonstrates that hot air exists all over this town, even in the bowels of the Defense authorization bill to spend $60 million without a hearing and without thoughtful discussion to buy blimps.

I speak only as one, but I guess I would like to see when the Defense authorization committee or Appropriations Committee says, "Let's buy trucks" that we do not need, that somebody might be able to say, "Well, I'm going to veto that line. There is no sense buying trucks we don't need for the military."

Or when somebody says, "let's buy blimps," without a hearing on why we need blimps to defend America, maybe someone can get out a veto pen and say, "I'm sorry, in the interest of the American taxpayer, that is something we ought not do." That is why a line-item veto makes sense; you can go into those bills and do it.

In the recent defense bill, they resurrect star wars. They have $300 million to build a new star wars project with an accelerated deployment in 1999. The President says, "That does not make any sense. In my judgment, it is an awful waste of the taxpayers' money." If the President had the line-item veto, the President could go into that appropriations bill and just veto the line for star wars, veto the line that says, "Let's spend $300 million we don't have to build something we don't need."

I would like the President to have that veto power. Why does he not have it? Because we have a lot of folks who are stalling and foot dragging. They talk about the line-item veto, but they really do not believe in it. Had they believed in it, they would have brought that back from conference.

Mr. President, do you know something? They have not even been to conference—have not even been to conference. Month after month they roar and bellow around here having press conferences and all kinds of charades on the steps of the Capitol talking about what they stand for, what they fight for. The fact is, what they fight for is evident on the floor of the Senate and the House. They do not fight so hard for the line-item veto. Apparently, they are willing to pass it and talk about it, but they are not ever willing to go to conference.

The Senator from Iowa is saying, let us get this thing to conference, get it back and get it done. If you believe in it, as you say you do, join us, let us finish the job. Let us give this President the opportunity with the line-item veto to write a line through some blimps, strike a line through some star wars, get rid of some trucks, yes, even get rid of a few submarines that this country does not need and is now going to apparently ask the taxpayers to pay for it.

That is why we should have the line-item veto. I hope we adopt the amendment Senator HARKIN offers. I intend to support it.

Mr. President, I yield back the remainder of my time.

Mr. McCONNELL. How much time do I have, Mr. President?

The PRESIDING OFFICER. Ten minutes.

Mr. McCONNELL. I yield 8 minutes to the distinguished Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Kentucky [Mr. MCCONNELL].

Mr. President, I was not informed that there was about to be a time limitation on this amendment. I just happened to be eating one of those "coal miner's steaks," one of those bologna sandwiches, downstairs in my office when I heard the booming voice of my friend from Iowa, Mr. HARKIN, coming across the TV screen advocating this piece of foolishness.

I was somewhat surprised that nobody had called me to see if I had any objections to limiting the time on this amendment. I think everybody in the Senate, including all the staff, knows that I do not enter into time agreements on line-item veto amendments or constitutional amendments to balance the budget.

Nevertheless, "the moving finger writes; and, having writ, moves on," so we are limited as to our time.

I hope that the Senate will table this silly amendment and do so with an overwhelming vote. Number one, the Senate should not be trying to tell the other body what it should do. Under the Senate rules, Senators on this floor are not supposed to criticize any Member of the other body or criticize the other body concerning its work. Certainly, we are not supposed to attempt to instruct, in any way, the other body as to how it should act.

Now, we are going to get ourselves into a situation where, in the House, they will be making speeches critical of the Senate or adopting measures that seek to instruct Senate conferees, as this amendment would instruct House conferees. I think we ought to be very careful about floor action or debate that can disturb the comity between the two Houses.

It works two ways. This rule is a good rule.

Secondly, Mr. President, this is truly a political maneuver. I want, as much as anybody, to oppose many of the efforts being made by Senators on both sides of the aisle, and Members on both sides of the Capitol, to cut or emasculate vital programs. Some programs need to be cut. Some funding programs need to be reduced. Some, perhaps, need to be eliminated. But I think that we are going too far in some of the things that are being advocated by the party that is now in control of both Houses.

I expect to see the President use his veto on occasions when merit would require it. I will be among the foremost in defending some of the programs that stand to be cut or in opposing misguided policies. As ranking member on the Senate Appropriations Committee, I am confronted with such problems every day. So I am not at all happy with some of the actions that are taking place around here.

But this amendment is a political move. I do not think it is a very worthy one. It is never worthy to play politics with the Constitution of the United States. I will say it this way. I have great respect for the Senators who are advocating this approach. Their intentions are good. But I must say that I am a little surprised at some of those who are advocating it. I am under the impression that some of the supporters of this amendment have been against the line-item veto in the past. Yet, now they, apparently, are advocating that this President be given the line-item veto.

I do not advocate that any President be given the line-item veto. I was against it when Mr. Reagan was President. I was against it when Mr. Bush was President. I am against it now that Mr. Clinton is President. I do not think it is appropriate for us on the Democratic side to be against a line-item veto when there is a Republican President in the White House and then to be for it when we have a Democrat in the White House. It tinkers with the Constitution and flies in the face of the separation of powers, and checks and balances, which constitute the very pillar of our republican system of Government. I think it is a mistake for us on the Democratic side to advocate giving this President, President Clinton, a line-item veto.

In the final paragraph, the amendment advocates or proposes that the conference report on S. 4 contain language making the provisions of S. 4 applicable to the fiscal year 1996 appropriations bills and the 1995 reconciliation bill—in other words, making it retroactive. I think that is a mistake, Mr. President. I am sorry that I have to come to the floor at this time and make these few comments. But I feel so deeply about the line-item veto. I think it is a surrender of the authorities and powers of the legislative branch to the executive branch.

I think Members will rue the day if the line-item veto ever becomes part of the Constitution or part of the law of this land. Frankly, I do not think the line-item veto can be given to the President by legislation. I think that it would require a constitutional amendment to give the President a line-item veto. We cannot change the Constitution of the United States by legislation—resolution or otherwise. Now, this is just a sense-of-the-Senate amendment and, therefore, it will not have much impact anyhow. However, it is the wrong direction in which to move.

Mr. President, Nero, the Roman Emperor who reigned from 54 to 68 A.D., was condemned by the Senate. When he heard that the Senate had passed a decree condemning him, he fled. He was in the company of one of his servants and two or three friends, and they fled to a country house, where he sought to remain hidden from the Senate. When he heard the sound of horses' feet approaching—bearing the Senate-appointed enforcers of the execution decree—he tried to get one of those persons who were with him to die first so as to show him—Nero—how to die, and thus give him the courage to die. But he had no takers. So when the horses' hooves sounded louder and louder and were almost upon him, he put a dagger to his throat and said, "I die shamefully."

Mr. President, the day that the Congress hands to the President the line-item veto, the Congress will put a dagger to its own throat and it will "die shamefully."

I hope that the manager of the bill will move to table this iniquitous amendment and that it will be tabled overwhelmingly.

Mr. McCONNELL. Mr. President, I will soon move to table the Harkin amendment and ask for the yeas and nays.

The PRESIDING OFFICER. The motion is not in order until the Senator has utilized his time.

The Senator from Iowa.

Mr. HARKIN. I thank the Chair. I understand the opposition of the Senator from West Virginia, which has been long, constant, consistent, and eloquent. I understand that.

However, I point out that some of the words he used, like "foolish" and "silly" and all that—I simply point out, Mr. President, that on August 1 of this year, the Senate passed a similar resolution, stating it is the sense of the Senate that the Speaker of the House should move to appoint conferees on S. 4 immediately so that the House and Senate may resolve their differences on this important legislation.

That resolution passed 83 to 14 in this body.

Mr. BYRD. Will the Senator state whether or not it had my vote?

Mr. HARKIN. Of course, it did not have the vote of the Senator from West Virginia. I wanted to point out that it was a sense-of-the-Senate resolution. It dealt with the Speaker of the House. We have done this before many times. It passed 83 to 14. I also point out to the Senator from West Virginia that there was a 30-minute time limit, also, on that resolution on August 1. So we operated under a 30-minute time limit at that time.

Mr. President, again, this is similar to the Dorgan resolution of August 1. It passed 83 to 14.

All we are saying in this resolution is, wait a minute, it is time for the conferees to meet.

Now, I have been informed that there is maybe tentatively possibly a meeting on September 27, not that it has been published or anything like that. I hope that takes place.

I hope we pass this overwhelmingly so that the conferees will get these instructions to meet and to report the bill expeditiously back to the Senate and the House so that the Senate and House can work its will and send this on to the President.

Again as I said, Mr. President, I may also have misgivings about line-item vetoes, but I think the time has come because of the great deficits we are operating under that we need to give this President the line-item veto.

I could not agree more with the Senator from North Dakota when he said it just looks as though the majority party is trying to hold this up so that the President cannot line-item veto some of the pork, some of the profligate spending, some of the wasteful spending, that is in these appropriations bills. The time to give the President that power is now.

This resolution is very similar in tone and in verbiage to the resolution that passed here on August 1 by 83–14. We should not back down. We should continue the effort. We should demand that the conferees meet. We should get this bill before us and give the President the line-item veto that he needs to cut some of the wasteful spending out of this bill.

Mr. FEINGOLD. How much time is remaining?

The PRESIDING OFFICER. Thirty seconds.

Mr. HARKIN. I yield 30 seconds to the Senator from Wisconsin.

Mr. FEINGOLD. I thank the Senator from Iowa. I have a lot of misgivings about any notion of a constitutional amendment for a line-item veto and would oppose it.

However, what passed the Senate was a 5-year sunsetted line-item veto. I think, obviously, we are going to have an experiment with a line-item veto. That is going to be the result of this Congress.

The purpose of this amendment is not to say that the line-item veto is automatically a good idea. But it says since we are going to have this experiment anyway, since that is going to be an outcome of the 104th Congress, get on with it, and let this President have that opportunity.

Mr. McCONNELL. Mr. President, I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment No. 2725 offered by the Senator from Iowa [Mr. HARKIN].

The yeas and nays have been ordered.

The clerk will call the roll.

The bill clerk called the roll.

The PRESIDING OFFICER (Mr. KYL). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 76, nays 24, as follows:

[Rollcall Vote No. 455 Leg.]

YEAS—76

Abraham
Akaka
Ashcroft
Bennett
Bond
Boxer
Brown
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
DeWine
Dodd
Dole
Domenici
Faircloth
Frist
Glenn
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Heflin
Helms
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kyl
Levin
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—24

Baucus
Biden
Bingaman
Bradley
Breaux
Daschle
Dorgan
Exon
Feingold
Feinstein
Ford
Graham
Harkin
Hollings
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Lieberman
Robb
Simon
Wellstone

So the motion to lay on the table the amendment (No. 2725) was agreed to.

Mr. McCONNELL. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, first let me make a general statement.

As Members on both sides know, we are trying to work together so we can finish all the appropriations bills by next Saturday on the 30th. I do not think there will be a Saturday session this week because, frankly, some of the Members who would have to manage the bills are not here. We have not had much success in working out that Saturday session. So I would hope that we can keep the Medicare amendments and line-item veto amendments, and others, off the bill. But if they have to be offered, do not come around next week to me and say, "Why can't we go home?" So I will just leave it up to whatever. We probably will not go home in any event because maybe it does not make any difference.

AMENDMENT NO. 2707

Mr. DOLE. Mr. President, I want to make a few comments about the Dole-Helms amendment offered yesterday. Our amendment will save money, make government more efficient, and better protect American interests overseas. The Foreign Affairs Reinvention Act of 1995 streamlines and consolidates U.S. Foreign Affairs agencies. Our amendment builds on the hard work by Senator HELMS and his staff in their months of effort to reduce bureaucracy, and reinvent the international agencies for the U.S. Government.

In July, the Senate considered S. 908, the Foreign Relations Revitalization Act of 1995. At administration prodding, Democrats filibustered the bill. The Senate fell five votes short of invoking cloture on two successive votes on August 1. Because of the lack of Democratic willingness to allow consideration of reorganization legislation, I was forced to return S. 908 to the Senate Calendar.

During debate on S. 908, Democrats conceded the need for reorganization. Senator LIEBERMAN, for example, said:

> Senator Helms and his committee, I say, have acted on sound impulse, which is that we do need to do a searching reappraisal of the way we conduct our foreign policy in the post-cold-war era. The committee has produced a coherent new architecture for our Foreign Affairs agencies.

Democrats supported reorganization, but they expressed concern over Congress mandating the details of reorganization. Give the President flexibility they said. Senator KERRY of Massachusetts, for example, said:

> All we are suggesting is give the President a mandate from the Congress to make the cuts, but allow the President to determine exactly how they are going to be made.

Mr. President, that is exactly what the Dole-Helms amendment does.

The amendment requires the President to submit a plan in 6 months with the following guidelines:

Achieve cost savings of $3 billion over 4 years; Abolish at least two of three major Foreign Affairs agencies; and Specify how the consolidation of all personnel and functions will occur.

The plan is enacted automatically within 60 calendar days unless Congress passes a resolution of disapproval. If the President does not submit a plan which meets these guidelines, the three agencies are abolished. Finally, transition funds are authorized to allow an orderly transfer.

So the Helms amendment—it is primarily Senator HELMS' amendment; I am very honored to be a cosponsor—streamlines bloated bureaucracies and eliminates duplication. It increases the control of the Secretary of State over the conduct of American foreign policy. That is why five former Secretaries of State from Henry Kissinger to Jim Baker endorsed Senator HELMS' original effort. The Dole-Helms amendment also meets the stated concerns of Senate Democrats about Presidential flexibility in reorganizing Foreign affairs agencies.

The scaremongers in the administration claim reorganization is a ploy by isolationists—some kind of veiled effort to help America withdraw from the world. Nothing could be further from the truth. Our plan is a way to better support American engagement in the world. Five Secretaries of State are not isolationists and would not endorse a plan that diminished America's ability to protect its global interests. After sitting on the budget sidelines all year—we have had all this talk about line-item vetoes since March; we have had this all year long—the administration now says funding cuts will imperil American diplomacy. Yet the best way to avoid deep cuts in programs is to save money by reducing duplication and by streamlining bureaucracy. I do not want to complicate action on Senator MCCONNELL's legislation. Much of this plan is consistent with legislation proposed by Senator MCCONNELL earlier this year.

We have tried to reach agreement with other Senators, and I believe the Senate should know what offer has been made and rejected. Senator KERRY yesterday suggested he would support an agreement along the following lines: Pull the amendment from this bill; bring up freestanding legislation which requires the President to submit a plan abolishing only one agency—only one agency; vote after 4 hours of debate; release all 15 State Department nominees currently on the Executive Calendar; resume the normal business of the Foreign Relations Committee on nominations and treaties.

Mr. President, that is a very fair deal. No one guarantees the outcome of the vote or the outcome of the conference or the eventual fate of any conference report. Nominees would be confirmed immediately, like today, or whenever we had the vote, and more would be reported to the Senate. Unfortunately, after Chairman HELMS indicated his willingness to accept the terms proposed by Senator KERRY, the White House said no. One State Department official said, "There's nothing in that deal for us."

I must say we also made inquiries, I made inquiries to the White House, saying this seems to be a reasonable proposal to me to have all these Ambassadors confirmed, talking about eliminating one agency. I thought it was a rather reasonable effort. We would do it freestanding. It would have to go through the House. The President could veto it if he wished. There are all kinds of options the President has.

So it would seem to me that the partisanship out of the White House and State Department does not serve our country well and only jeopardizes important issues from Ambassadors to China, Indonesia, Panama, and other critical countries to ratification of the START II treaty.

I do not know if President Clinton knows what his advisers turned down because he has not been in town much the last few weeks, but I do know that 15 nominees and their families know what has happened. They ought to know what has happened and they ought to know who turned it down.

I do not know why the Clinton administration would want to keep gridlock going on foreign affairs. I do not know why they are now afraid of the reorganization proposed by Secretary Christopher earlier this year. I hope they quit saying "no, no, no" and begin to engage honestly in the legislative process. If they have a counteroffer, let us hear it.

So it would seem to me, if the President had this information, he would be saying, "Take the Kerry proposal." Let us set it aside, take it off this bill, and have 4 hours of debate. I hope the President would weigh in; if not, the Vice President, or, if not, somebody in the administration. I think we have made a lot of agreements around here, and I certainly think this is a very reasonable effort—one agency, freestanding bill, 4 hours of debate. It has to go to the House. The President can veto it. The nominees are confirmed immediately. The other nominations pending in the Senate go back through the orderly business and come back to the floor.

So I would hope there could be some disposition because I know the Senator from North Carolina shares the view of the Senator from Kentucky. We want to get this bill finished. We want to finish the bill this evening. Then we want to take up the District of Columbia appropriations, maybe follow that with State-Justice—if not, VA/HUD. And there is one other one floating around out there somewhere, but it is a major one.

So I would just hope that we could resolve this issue. I know the manager wants to move very quickly. There are other relevant amendments. But I must say—and this is a relevant amendment—if we are going to continue to have a lot of amendments that have nothing to do with this bill, then I do not know what the managers have in mind. But hopefully we can complete action by early this evening.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. Mr. President, I wanted to just take a moment to offer my congratulations to Senator McCONNELL and Senator LEAHY and the Appropriations Committee for presenting the Senate with a useful and constructive foreign operations bill. Unlike most or many of the foreign and defense-related bills that have come to the Senate floor in this budget cycle, this bill tries to be forward looking and positions America to continue to play an important role in the world.

The committee, under the leadership of Chairman McCONNELL and the ranking member, Senator LEAHY, was able to work within a tight budget constraint and still find extra funding for the truly essential programs for America in this post-cold-war world.

Particularly, I would like to point to the former Soviet Union and Eastern Europe where the committee increased funding from the House levels by $125 million for the NIS assistance and $11 million for Eastern Europe and the Baltic States. Now, of course, it is up to the administration to use this money on good programs that help the people of the NIS, Eastern Europe, and the Baltics, and not use this money for American consultants.

The committee also managed to squeeze out an extra $37 million to combat drug trafficking.

Mr. President, I note the committee's action on international financial institutions. Every $1 of U.S. assistance to these institutions results in $20 of donor support for developing countries. So I was very pleased to see the committee find almost $200 million over the House level.

These are just a few examples of the way Senator McCONNELL and Senator LEAHY and their committee staffs and their committee were able to do more with less. In light of the overall reduction in foreign assistance resources, the committee decided to provide the administration with a great deal of flexibility and reduced the number of earmarks. As a strong supporter of the international children's vaccine program, basic education programs and primary health care programs for children in developing countries, I would urge the administration to use this flexibility the committee provided to adequately fund these programs.

Again, Mr. President, I would like to offer my congratulations on a job well done to Chairman McCONNELL and his ranking member, Senator LEAHY.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, the distinguished majority leader said he would be back in a moment. I know Senator HELMS was here a minute ago.

I would like to make sure the RECORD accurately reflects where we have traveled with respect to possible agreements or nonagreements. I thought that Senator DOLE made a very fair summary of most of the journey that the discussions have traveled. But I think there is one incorrect judgment made, and that is whether or not I had at any time signed off on what was a negotiation in progress, and in fact as part of the negotiation we had proposed that the START treaty be permitted to come to the floor of the Senate, and that was not mentioned as a component, or one of the ingredients that we were waiting to hear back on. And so we never had reached any kind of final agreement.

It is true that I did say that reducing it to the one Agency abolition would suit me because that was in keeping with an amendment that I had proposed in the committee itself. But with respect to our ability to move forward here and now, there were other elements under discussion at that time, and I think appropriately. For instance, the unanimous-consent request of the Senator from North Carolina suggested 4 hours on the bill itself as a freestanding bill, but it allowed no amendments. And we had a number of Members on our side who were obviously, as I think anybody would be here, concerned about this thing being presented fait accompli without the ability to be able to amend it.

So that was also under discussion at the time, and we never had any cloture with respect to this. In fact, I have never had any sort of final conversation with either Senator HELMS or his staff. Now, it is also true, however, that the administration did signal back directly to Senator DOLE as well as to Senator HELMS that some form of whatever was under discussion was not acceptable, and that I am aware of, and that message was indeed conveyed.

Mr. DODD. Will my colleague yield for a point?

Mr. KERRY. I am happy to yield.

Mr. DODD. Mr. President, I appreciate the points my friend and colleague from Massachusetts is making.

I just wanted to ask my colleague from Massachusetts as well if he would not agree with me, having listened to the majority leader, with all due respect, talk about the families of these nominees who are now being held up because we do not agree to this formulation he has presented, that it was in fact the very holds that were put on those nominations—this is almost October—back in July. If we are going to express sympathy for these families of the nominees, let us not try to blame the Clinton administration or Democrats here who have a legitimate substantive disagreement over an important substantive point where all these nominations are being held up because we do not agree with it. The very holds were placed by the majority on those nominees, and if the families want to be upset, they ought to be asking the people who put the holds on those nominations, not blaming Democrats or the administration for their unwillingness to agree to something that substantively has some profound implications. Does my colleague not agree?

Mr. KERRY. I do agree. I think the Senator is absolutely correct, that the business of the committee has obviously been wrapped up almost entirely in the effort to try to ram this through.

And one of the things that concerned a great many of us—I think the distinguished chairman knows this because I expressed it to him personally and in private conversations—was the sense that there was not really a bipartisan effort to try to mold the bill. It was a bill created, and that at a subsequent point we only entered into last-minute negotiations before the markup. And I said that to the Senator at the time.

Now, I would like to say to the chairman, I would like to see if we could find some measure of agreement here. I am prepared to move forward on the one-agency abolition that I talked about previously. I am not backing down on that.

But the other components of my amendment had a different sum of money in them. Now, the Senator is looking for $3 billion. And my amendment, which he keeps suggesting that he is embracing, had a $2 billion savings. And there is a very strong reason for that. I mean, in the last decade the appropriations for function 150 have declined by $15.6 billion constant. They have gone from $36.8 to $21.2 billion in 1995. And under the budget resolution, the discretionary function, 150 plummets from $17.1 billion in budget authority down to $15.1 billion in 1999 and $14.7 billion by the year 2002. So we have gone from $36.8 billion down to $14.7 billion by the year 2002.

There is nobody examining the various functions that are effected who cannot suggest that this is not going to have just, you know, a gargantuan impact in the capacity of this country to affect its foreign policy around the world.

Now, I am prepared—certainly speaking just for myself, this Senator—if we could—in fact, yesterday in the last discussion that we had we suggested that there was some problems with the numbers. And we wanted to try to come closer to the House structure on numbers.

Now, I believe that if we were to embrace the House structure on numbers, we could conceivably proceed forward. But there did not even seem to be a response to that. So we had no sense of whether or not that might be possible.

Mr. McCONNELL. Will the Senator from Massachusetts yield?

Mr. KERRY. I will be happy to yield.

Mr. McCONNELL. Does the Senator from Massachusetts support the underlying bill?

Mr. KERRY. Apart from this?

Mr. McCONNELL. Yes. Would you like to see it become law?

Mr. KERRY. I think the rest of the bill is, generally speaking, acceptable.

Mr. McCONNELL. One of the concerns I have is the Vice President indicated to me yesterday in conversation that the President is going to veto this bill if the Helms amendment on reorganization is in this bill.

Now, I personally support, in concept, what the Senator from North Carolina is trying to do.

What I am mystified by is why it is not possible, on the assumption that my friend from Massachusetts and other Democrats support this bill, why it is not possible to reach an agreement that would take this issue off of this bill and have it dealt with free standing. It seems to me it serves everybody's interest, the Senator from North Carolina, the Senator from Massachusetts. Certainly it serves my interest, because I would like to see this bill become law.

I am mystified as to why we are not able to work out an agreement, particularly since the Senator from North Carolina generally offered to allow—how many nominees?

Mr. HELMS. All of them.

Mr. McCONNELL. All of them, whatever nominees may be currently pending in the Foreign Relations Committee to go forward. I am stunned that we cannot reach an agreement here because it seems to me the agreement that has been suggested serves everyone's interest.

Mr. KERRY. Well, I know that the Senator from Kentucky is not easily stunned. So I understand that this must be one of those major legislative brouhahas. But I am not sure that it really is. I do not think it is that stupefying. At this moment in the legislative process, a consolidation in a format that the administration does not accept at a level of reduction that the administration does not accept is not going anywhere.

Mr. McCONNELL. Right.

Mr. KERRY. But if, merely because the chairman holds up all the nominations, and then attaches himself to a bill that his colleagues on his side of the aisle want very badly, all of a sudden we on this side of the aisle are supposed to give up our legislative prerogative and reward the holding of hostage of all of these ambassadors with the creation of a legislative agenda that is totally contrary to the administration's interests, I do not find it very puzzling why people would oppose that.

Mr. McCONNELL. Would the Senator yield?

Mr. KERRY. Yes.

Mr. McCONNELL. You would not be giving up a thing. Presumably, as a freestanding measure, the President would veto it and it would not become law. You would not have lost a thing. All you would have allowed is the underlying bill to become law.

Mr. KERRY. That is not, in fact, accurate, because I think, as the Senator well knows, there is a world of difference whether or not colleagues are asked to vote on a motion to table and whether or not they have to vote to sustain a veto of the President, No. 1. That is just No. 1.

No. 2, it seems to me that there is also a world of difference as to whether or not we should give up our legislative prerogatives, which at this point are shared by many that is sort of a one-sided, rather heavy-handed effort to drive home simply one point of view.

I mean, usually—let me give you an example. Last year we jointly worked on this. We sat down and worked on every aspect of the authorization bill together. It came to the floor. And I think we passed one of the first authorizations in a record amount of time.

This year, under a new regime, none of those sorts of preliminary discussions ever took place. We wound up with every single Democratic member of the committee voting against this bill even coming to the floor. So here we are with a not even marginally bipartisan effort now being presented to us in a way that requires us to give it freestanding life that it does not have on its own.

Now, if the Senator from North Carolina, which I am very happy to do—I am prepared to vote for some consolidation requirements. I am prepared to vote for a one-agency abolition requirement. But the Senator seems completely unwilling even to embrace the notion that we would move closer to the structure of the House on numbers or we could agree to have the START treaty come to the floor.

Mr. HELMS. Mr. President, I object to the thrust of the Senator's comments.

Mr. KERRY. Mr. President——

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. KERRY. I have always been willing to yield, by an appropriate request, to a colleague.

I would be happy to yield.

Mr. HELMS. No. I thank the Senator for his generosity, but I want the floor in my own right before I begin to discuss what the real facts are.

When the Senator is ready to yield the floor, I want the floor.

Mr. KERRY. Well, let me ask the Senator from North Carolina, if I may. I would ask the Senator, is it not a fair representation on my part that the committee amendment that I proposed—that the Senator from Massachusetts proposed, embraced the notion of the $2 billion reduction as well as a one-agency abolition?

Mr. HELMS. That is correct. That part of it is correct, yes.

Mr. KERRY. So it is correct then that the Senator is appropriately representing that there has always been a difference in the amount of money that we have been willing to embrace as appropriate for a mandated reduction.

Mr. HELMS. But the amount in question depends on which of the conversations the Senator is referring to.

Mr. KERRY. Well, let me ask the Senator——

Mr. HELMS. With all due respect, Senator, you have been all over the map with what you have been saying.

Mr. KERRY. I am happy to have it right out in the open. I want it to be very clear to everybody, then there cannot be any question about any conversation.

Is it not also fair to say that I mentioned yesterday that we were more interested in the House numbers than in the ones that the Senator from North Carolina was proposing?

Mr. HELMS. Well, I understand that you said that to my able assistant here. You did not say it to me.

Mr. KERRY. I did not say to the Senator when we were standing by the cloak room door that I was interested in some numbers, and that the Senator then left the conversation and left us to discuss it as he went into the cloakroom?

Mr. HELMS. Mr. President, perhaps the Senator will yield some time for me to discuss the very point he is making?

Mr. KERRY. Well, I will in one moment. I do not want to keep the floor.

Mr. HELMS. I need only 30 seconds.

Mr. KERRY. I would be happy to.

Mr. HELMS. Now, we checked on that very point, with everybody associated with me, on the issue of numbers. House versus Senate, it was an issue raised by the Senator from Massachusetts very late in the day after I had acceded to your first suggestion. Yes, but very late in the conversation and day. The Senator kept stipulating additional things, but the Senator did not discuss the issue of numbers with the Senator from North Carolina.

Mr. KERRY. Let me say to my friend, because I think these kinds of dealings are very important and I do not want the Senator from North Carolina to feel somehow this was a moving target. The Senator from Massachusetts recalls having——

Mr. HELMS. That is precisely what it is, a moving target.

Mr. KERRY. Beg your pardon?

Mr. HELMS. The Senator has been a moving target from the very beginning.

Mr. KERRY. Let me say to my friend from North Carolina, there was a conversation over here with Senator LEAHY, and we subsequently engaged in a conversation. I do not think I had any late-in-the-day conversations at all yesterday. The entire discussion was in the morning and in the early afternoon. I came over immediately and said to your able assistant that there were concerns by other Senators being expressed, and those concerns entailed whether or not we could get the full agenda of the committee liberated, and I specifically mentioned not just the START treaty but also the CWC treaty.

We were told the CWC treaty was out of the question, but the START treaty we would see. I never personally had a response with respect to the START treaty, and I do know that the administration in between that had some conversations and made it clear to the Senator that the numbers were simply unacceptable.

It seems to me that the key here is to try to see whether or not we could get an agreement on the numbers. I think we have an agreement on the rest of the framework. I am prepared to vote for a consolidation requirement—always have been; I was in the committee. But the issue is whether we are going to do it under a stricture of numbers that are so draconian that we are leaving no discretion and no capacity for the Department itself to operate properly.

And facing that, it is not inappropriate for us to be concerned about creating a freestanding entity that then could go over to the House—for instance, it could go to the House, and it could then be attached to the authorization bill in the House. The authorization bill could be what comes back, and we are faced with sort of this same round robin, unless there is some meeting of the minds

Mr. President, I will be happy to see if we can engage in some discussion on that. In the meantime, I am prepared to yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, the exchanges on this floor sometimes may sound a little more heated than they really are. My reaction to some of the things that have been said is more amusement than anything else.

It is a fact that Senator PELL did not want to manage the State Department reorganization bill offered by the Senator from North Carolina and approved by every Republican Senator.

It is also true that three Senators on the Democrat side came to me and told me what a great bill this was. In addition to that, I do not think the Senator from New Jersey [Mr. BRADLEY], will object to my mentioning the conversation we had at a dinner sponsored by the Senate wives. He came over to the table where Dorothy Helms and I were seated with others, and said, "That's a great bill. I want to help you with it any way I can."

I did not realize, until Senator PELL, my good friend, one of the kindest, most gentle men I have ever known, advised me that Senator KERRY was his designee to oppose my bill, and I think Senator PELL will verify what I have just said.

Mr. PELL. Will the Senator yield for one correction?

Mr. HELMS. Certainly.

Mr. PELL. I yielded to the Senator from Massachusetts not to oppose but to manage the bill. There is a difference.

Mr. HELMS. All right, I accept that. I understood it the other way. But if the Senator remembers it that way, that is fine. I have no quarrel with Senator PELL. He is a thoroughbred gentleman. Always has been, always will be.

The moment that we began discussion of the State Department reorganization bill, which by the way, Mr. President, let me reiterate, five former Secretaries of State came before the committee or wrote to the committee, or both, and say, in effect, this is the greatest thing since sliced bread, it needs to be done. As soon as the markup, as we call it, began, there was one protest, one suggestion after another. I do not know how many times the distinguished Senator from Massachusetts and I went to the back room. We recessed the committee; he would make a proposition, and I would agree to it.

Then someone would insist on another concession, and another and there would always be something else, another suggested concession. And that is the way it has been on this floor each time legislation comes up regarding State Department reorganization.

The truth of the matter is, Mr. President, the State Department does not like this bill—well, half of the State Department. You would be surprised, Mr. President, at how many State Department people tell us privately that they want this bill. The opposition from the bureaucrats has been vociferous because they do not want to lose their well-paying positions.

Here you have, for example, the Agency for International Development, the foreign aid giveaway program, if you please, which has lobbied everybody in sight. They had a session down at the National Press Club where they engaged in personal ridicule. Brian Atwood for example said, "Well, HELMS drew up his reorganization plan on the back of an envelope."

Immediately the media came to me: "Did you hear what Brian Atwood said?"

"Well, yes, I did," I acknowledged.

"What is your response?"

I said, "Abraham Lincoln did pretty well on the back of an envelope. I hope I do one-tenth as well."

That is the way it has been.

The Vice President is in charge of reinventing Government and has done so with much fanfare. He pledged that "we are going to do this, and we are going to do that." I myself talked with the Vice President on the telephone and said, "Mr. Vice President, let's work together on this thing." All we got was a little bit of doubletalk and to this day—to this day—not one scintilla has come from the reinventing office. I will tell you what they reinvented up there, or down there. They have reinvented a horse and buggy, and that is about all.

Senator KERRY came on the floor back in July—July 31. There was a concerted effort from the Democrats: "Don't vote for cloture," they intoned, including the three Senators—four Senators actually—who told me what a great bill it was. But not one Democrat, except the distinguished ranking member of the committee, voted for cloture. And I do not want to speak for Senator PELL, I believe I am correct in my understanding that he has never voted for cloture. There was a phalanx of opposition. They were not going to allow it to be voted on because they do not want to trim down the bureaucracy, they do not want to cut foreign aid, and I would not yield to demands that we bring down our bill to the point that it was absolutely meaningless.

Now, we have moved from abolishing three agencies to abolishing two agencies to abolishing one. I believe Senator KERRY has already acknowledged that this is the case. My recollection is that he accepted the $3 billion savings provision when I offered my proposition—one agency abolition.

Mr. KERRY. Will the Senator yield for one point?

Mr. HELMS. Yes, briefly.

Mr. KERRY. The Senator said he accepted the $3 billion. The $3 billion was originally in his bill. We proposed $2 billion. So nothing was accepted.

Mr. HELMS. Mr. President, when we agreed to move it to one agency—I will ask the Senator what he recalls he said yesterday about the amount of money?

Mr. KERRY. Mr. President, I say to my friend that what I said—his able aide, Steve, was there at the time. We were interested in trying to see if we could use the structure of the House numbers, because under that structure we felt there was sufficient discretion within the capacity of the administration to do the consolidating that would be required. It seems to me that given the fact that we know we are going to wind up in a conference anyway, and the House has a position, it was a reasonable proposal to try to make in the spirit of cooperation. His staff informed me, Mr. President, at that time that there was a contingency fund contained within the Helms legislation of about $125 million, and that that fund ought to be able to be sufficient to take care of some of the concerns of the administration because it had flexibility.

So I then went back to examine that, but found, in fact, that there are other problems presented because the money is not there. So you have a serious problem if the money is, in fact, not there, No. 1. And we never actually got back to a further conversation.

Mr. HELMS. Mr. President, I cannot yield for the Senator to make a speech.

Mr. KERRY. I am trying to explain.

Mr. HELMS. Please, Senator. There is no money in this amendment, none. So on what does the Senator base his conversation about that?

Mr. KERRY. To answer the question, the Senator is absolutely correct. There is no money in his amendment.

Mr. HELMS. That is not what the Senator has been saying.

Mr. KERRY. The money is in the appropriations bill, but it is not in the appropriations bill in the amount that the money is in the Senator's amendment. So for us to accept his staff's word that because it is authorized, somehow the problem goes away, is incorrect. The problem remains because the appropriators have not given us the money.

Mr. HELMS. Mr. President, maybe we are getting somewhere. I think before this exchange with the distinguished Senator from Massachusetts began, he said something to the effect, "perhaps we can get together." Is that what the Senator said?

Mr. KERRY. I am always prepared to try to see if we can work things out.

Mr. HELMS. All right. Let us see how far the Senator is willing to go. May I ask the Senator if he is suggesting a reduction in the $3 billion savings as required in the amendment?

Mr. KERRY. Mr. President, I have suggested an alternative figure.

Mr. HELMS. I did not understand the response.

Mr. KERRY. That is affirmative. We have suggested an alternative figure and structure.

Mr. HELMS. Well, there is only one figure. There is only one figure in the amendment. Do you want to go to $2.7 million in savings as a compromise?

Mr. KERRY. Mr. President, first of all, I would love to put in a quorum call and have a moment to talk to my friend and see if we can work through it. Again, let me outline what we have suggested as a fair approach. We would like to know a date certain that the START Treaty could come to the floor and have a vote.

Mr. HELMS. Mr. President, I cannot allow my friend to take off on a rhetorical gambit. I did not mention the START Treaty.

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. HELMS. The Senator from Massachusetts knows as well as anybody that neither of us can set the date for a START Treaty in this bill or in this amendment. The leadership will set that date, not Senator KERRY, not JESSE HELMS, not in this legislation and not in the amendment.

Mr. KERRY. Will the Senator yield for a question?

Mr. HELMS. If I know the answer, I will, yes.

Mr. KERRY. I know the Senator knows the answer to this because he taught most of us how to do it. That is, through a unanimous-consent request, when there is this kind of a legislative impasse, you can accomplish anything on the Senate floor; is that not true?

Mr. HELMS. Well, yes, but agreements involving the scheduling of treaties has happened on either side. The Senator knows what he is doing when, at the last minute, as another feature of his compromise, he wants to stipulate when the START Treaty will start.

Mr. KERRY addressed the Chair.

Mr. HELMS. I have the floor, do I not?

The PRESIDING OFFICER. The Senator has the floor.

Mr. HELMS. Let me tell you the position the Democrats are in and the administration is in. They moan and groan about the Ambassadors being held up. They remind me of the fellow who shot his mother and father and then asked the court for mercy because he was an orphan. They have deliberately blocked consideration of the original State Department reorganization bill, beginning on the first day of debate.

Who was the Senator whom they brought in for 2 hours 12 minutes? The distinguished senior Senator from Massachusetts, who wanted to talk about the minimum wage. For the past 2 years, during his chairmanship of the relevant Senate committee, the senior Senator from Massachusetts did not even mention minimum wage.

So, obviously, a filibuster began at the beginning. The instructions had been handed down. And, yes, I am perfectly willing to clear the deck and clear all of the Ambassadors and all the rest of it to the extent I am able to. But I cannot speak for the majority leader, BOB DOLE, and I will not, or for the minority leader, to work out to their satisfaction.

Let me state a few things that I will be willing to do. If the Senator from Massachusetts wants to present, representing the majority of his side, a reduction in the $3 billion savings required in the amendment, we will talk about it. I want to know how much reduction they want in the savings. But I will tell you one thing, Mr. President; the American people want at least $3 billion saved in the foreign aid giveaway. That is the meat of the coconut. That is what the Democrats oppose. That is what Brian Atwood is opposing.

Somewhere in these discussions, I am going to bring up the arrangement by the Agency for International Development to move into a sort of Taj Mahal, at $55 per square foot. It is going to cost—in the bill there is about $40 million just for moving expenses for the Agency for International Development—the foreign aid giveaway program which, by the way, began as one of those Federal temporary programs. Mr. President, there is nothing so close to eternal life as a temporary Federal bureaucracy. This is a demonstration of it. That is the reason they are fighting so hard. I have never seen such lobbying. Wendy Sherman, a nice lady, has absolutely reached the ultimate in ferocity in campaigning against this legislation from the very beginning.

She is good at what she does. I acknowledge that. I have told her so.

The fight is about whether the U.S. Senate and the U.S. Congress is going to do what the people demanded in last year's election, and that is to cut Federal spending. One of the top things on the minds of 80 percent of the American people is cutting foreign aid.

That is the problem with this bill. That is the reason we keep getting this stone stew sort of a thing.

I see the distinguished Chaplain of the U.S. Senate sitting there, our good friend, Dr. Ogilvie. I related to him the story about the farmer who had a visitor one day who claimed he could make a delicious stew out of a stone, water, and nothing more.

His friend said, "I want to see you do it." So he got a stone, put it in a pot of water. He said to his friend, "This would be a better stew if you had a few carrots in it." So his friend got a few carrots. "And it would be better if it had a few beans, beef," and added various other ingredients. In the end, his stone stew was tasty.

That is the way our dear friend from Massachusetts negotiates. He comes and says, "We will do this but it needs more of that. How about more of something else?" I agree but it doesn't come to an end. This happened in committee, as well as here on the floor yesterday.

Then he said, "Well, you have to do this, too." I have tried to be accommodating. From three agencies to two agencies to one agency. See? Then Senator KERRY comes back and he ends up requesting the great big piece of roast beef, that is something that he knows I cannot do. That is to guarantee when the START treaty is going to be considered by the Senate. That is his coup de'tat, the way to kill any hope of any negotiation.

Now, I will accept the Senator's statement as his word. His word is his bond. If he wants to sit down in good faith and specify what he is willing to do, I am willing to work with him.

Now, I have been provided with some figures. The moving of the quarters of the Agency for International Development for fiscal year 1994 and 1995 at a cost to the taxpayers of $14 million. That is just the move. In fiscal year 1996 it will cost another $17 million. For fiscal year 1997, another $9 million. This little temporary agency that started way back yonder is going to take 3 years to move, one bureaucratic mess to the Taj Mahal at $55 a square foot.

Anyway, let me say again for the RECORD, I will not debate further with the Senator from Massachusetts, if he decides to sit down and negotiate in good faith, and specify what he is willing to do and stick by it, he has a deal. I will either accept it or reject it in equally good faith.

I yield the floor.

Ms. SNOWE. I thank you, Mr. President.

I certainly want to join in this discussion because I think it is critical as chair of the Subcommittee on International Operations in this Senate, and I have been the ranking member of the same subcommittee in the House of Representatives for the last 10 years.

It is surprising to hear the tenor of this debate here today about the consolidation proposal.

First of all, I think it should be understood that the administration never submitted a State Department authorization, which is a first, at least to my knowledge and with the experience I have had on that subcommittee for the last 10 years, there has never been a case where the President has not submitted his own proposals with respect to the State Department authorization.

This consolidation issue is not something that just developed in recent days or weeks. In fact, it was first initiated by the current Secretary of State, Warren Christopher, back in January, only to be rejected by the President.

Interestingly enough, the Secretary of State's proposal for consolidating the State Department and the other agencies that we are referring to today, by Chairman HELMS, pretty much approximates what this consolidation proposal is all about.

In response to Secretary Christopher's proposal and in rejecting it by the administration, on January 26, Vice President GORE issued a press release announcing the second phase of the national performance review. "It is anticipated that the overall review of international affairs programs and agencies will result in savings of at least $5 billion over 5 years and a substantially enhanced capacity to deliver more effective programs overseas and provide value to the American taxpayers."

I remind my colleagues that the administration and, indeed, the Vice President, proposed $5 billion over 5 years. This consolidation proposal is referring to $3 billion over 4 years. The $3 billion was determined by the Budget Committee, but it is less than what the administration proposed for consolidating and cutting within the State Department and its related agencies.

I think the bottom line here is that the administration, the President on down—and what we are hearing today and is reflected in the comments made by the Senator from Massachusetts—is that they do not want any consolidation proposal.

I should remind you we started out consolidating three agencies, and the Senator from Massachusetts and I had a number of conversations. In fact, we had hearings at the subcommittee level and at the full committee level. This is an issue that has been discussed throughout this year.

The President does not want a consolidation proposal. We started out with three agencies to be merged into the State Department. Chairman HELMS recommended yesterday that we will take two agencies.

In fact, the Senator from Massachusetts, before the committee, had recommended one agency for consolidating and merging to State Department. In fact, Chairman HELMS said he would accept that. Now we are down from three to two to one, and we are still not able to reach an agreement.

Yes, it should not be on this bill. We hoped we could complete the State Department authorization bill. That should have been done long before the recess. In fact, it was here on the floor, but it was clear we were not making any progress, that a stalemate had occurred because of this consolidation proposal.

So really that is what it is all about, that the President does not want to consolidate these agencies. The President will not even submit a plan to tell us how we reach this goal of $3 billion or tell us where he stands on anything other than opposing consolidation. He does not even put forward his own proposals.

So we have to move forward because the American people deserve to have a more innovative approach to the problems we are facing. They certainly deserve to have consolidation and savings within the State Department. We want to do it on a reasonable basis. I think going from three agencies to consolidate to two, to one is a very fair compromise. It is more than compromising. Yet we do not seem to be making any progress.

Over this last year we were told time and again, "We want to work with you to produce an agreement." We started out last winter, we had our hearings, we had more hearings because they said they needed to examine this issue further. And I say that is fair because this is serious business. We do not take this consolidation lightly. We do not say we have all the right answers with respect to this proposal. Clearly we could not be that far off the mark since Secretary of State Warren Christopher proposed essentially the same proposal for consolidating.

Then it came to the committee markup, and the Senator from Massachusetts did propose an alternative at the last minute but we said again "Let's work before we go to the floor."

We went to the floor and nothing happened. It went on and on, and it was clear we had to move on to other subjects pending before the Senate. So here we are now on the appropriations bill.

What we would like to know is, how do we move beyond this so we can resolve this question, complete the State

Department authorization, and also do what we need to do with respect to savings? We have to achieve $3 billion in savings, and that is the issue here. I cannot believe that the President would oppose consolidation within the State Department. There are five former Secretaries of State and two former National Security Advisers who have endorsed this proposal. That represents many years of experience with respect to foreign relations.

I cannot believe we would just systematically reject out of hand the idea of consolidation. At a time when we are driving to balance the budget over the next 7 years, we are saying we are not going to do it with respect to the State Department and related agencies. A proposal was put forward—come your way, down to one agency—and we have still yet to make any progress.

I think that is regrettable. I certainly have not experienced this in all the years in which I have addressed this issue. Believe me, we had many contentious issues with previous administrations on the State Department, but we were able to resolve them. At the very least, we had a President who was willing to submit a proposal. This President has not.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition? The Senator from Vermont.

Mr. LEAHY. Mr. President, I am concerned that we have a proposal to reform U.S. foreign affairs agencies on this bill. It is a major proposal. It restructures the way we administer our foreign aid programs. It merges most foreign affairs functions into the Department of State.

The reason I am concerned is it is in this bill. This is an appropriations bill. We have had a lot of hearings on appropriations. We had a lot of hearings on where we spend money on everything from the security interests of the United States abroad to how we help in humanitarian programs. We have not had hearing one on how we might rewrite, in the appropriations bill, a formal change in our whole foreign policy apparatus.

If we are going to have that debate, we have an excellent Foreign Relations Committee. They can bring an authorization bill to the floor. They have once. Bring one down, get it passed. That is where it should be. But to suddenly take the appropriations bill—not even the State Department appropriations bill, but the foreign operations appropriations bill—and say let us rewrite the Department of State and our whole foreign policy apparatus, that makes very, very little sense to me.

It would be like saying we are going to take the District of Columbia appropriations bill and while we are doing it, let us redo the Department of Housing and Urban Development. Because, after all, the District of Columbia is an urban area and the Department of Housing and Urban Development handles urban matters. It is about that related. To do it here, simply because the Senate rejected attempts to do it in another guise, does not make much sense to me.

I have long advocated better coordination among the executive branch agencies and foreign policymaking. I have done that in both Democrat and Republican administrations because both Democrat and Republican administrations have had problems in such coordination. But I think the proposal we see here would result in U.S. national interests being less well, not better, served.

Why is the Foreign Agriculture Service administered by the Department of Agriculture, not by the State Department? Because farmers know they can count on USDA to represent their interests better than the Department of State. And all experiences have proven that.

Why, 15 years ago, did we take the commercial function away from the State Department and create a foreign commercial service in the Department of Commerce? It was because State had for years neglected export promotion. They would sacrifice export interests to foreign policy priorities. They treated their own commercial officers as second-class employees, and it was because the American business community demanded we do something better.

The reason we have separate Foreign Service bureaucracies is that many of our foreign policy interests are actually domestic policy interests and they are best pursued abroad by technical experts from domestic policy agencies, not by foreign policy generalists from the State Department. You go to the domestic policy agencies that know a particular area and send them.

I do not know about North Carolina farmers or Maine farmers but Vermont farmers are not all anxious to see the State Department expand its influence over U.S. foreign agricultural policy. If you shift power from domestic agencies to the State Department, that is not going to strengthen representation of United States interests and United States policy, but it will strengthen representation of French interests and Argentine interests and Russian interests and interests of other parts of the world.

I have been advocating reform of our foreign aid program ever since the fall of the Berlin wall so I am happy to see a discussion of this issue. Sponsors of the amendment say our foreign aid program should further our national interests. I do not know anybody who agrees more with that than I do. But I do not agree with the definition of the problem.

The problem is not that the Agency for International Development is somehow ignoring America's national interests. The problem is, since 1961—going back to a time before I was old enough to vote—when the Foreign Assistance Act was enacted, much of our foreign aid was allocated to winning allies in the fight against communism. Billions went to rightwing dictatorships with little or no commitment to democracy or improving the living conditions of their people or even allowing business competition—either our business competition or their own business competition.

So a lot of that aid failed by standards that we, all of us, would apply today. But it is unfair and I believe it is even disingenuous to judge AID's effectiveness today against the failures of the past, because in the past our goals were fundamentally different.

The Secretary of State has full authority under statute to give policy direction to AID. The State Department, we all know, influences AID's activities every day. If AID's projects deviate from State Department policy, it is not because AID is out of control. It is because the people at the State Department are not paying enough attention to what they are doing.

I think the amendment ignores the considerable efforts of administration to improve AID's performance. There have been years of neglect—we all have to admit that—under the previous administrations. But, with Brian Atwood at the head of the AID, with the efforts of an awful lot of people and with the support of an awful lot of Members of Congress, Republican and Democrat alike, there have been significant improvements.

Over the past 2 years, we have seen dramatic progress at the Agency for International Development and the Treasury and State Departments in redefining our foreign aid priorities. They focus resources where they can achieve the most advance in U.S. interests abroad. They have done that, in spite of the constraints of an obsolete Foreign Assistance Act—as I said, a Foreign Assistance Act that passed later in that year when I finally became old enough to vote. It has been a long time. That could require some changes.

We are not going to do it in the appropriations bill. As I said before, it would be like trying to reorganize HUD on the District of Columbia appropriations bill. We have enough trouble trying to take care of the problems of the District of Columbia.

Here we have major issues. Chairman MCCONNELL and I and others on both sides of the aisle have worked very closely to try to improve things and try to work within the constraints of the amount of money we have for those programs specifically under this bill. To ask us somehow to take on something our committee has not handled, that we have had no hearings on, and to write it in, pages and pages and pages and pages of authorizing legislative language on this appropriations bill, I cannot accept that.

I cannot accept the fact that it ignores what has happened. I mentioned AID Administrator Brian Atwood before. He has made extensive changes at AID. He initiated an agencywide streamlining effort that resulted in plans to close 27 missions. Incidentally, that is a reduction of 1,200 staff. He is installing state-of-the-art data processing systems that links headquarters in Washington with project officers in the field in real time which ensures that the information available at the one end of the pipeline is also available at the other. That is going to increase efficiency and improve decisionmaking. It is going to be a quantum leap forward from what it was just a few years ago.

Administrator Atwood has decentralized decisionmaking. People closest to the problems have now the full opportunity to design solutions. AID is improving its performance because, for the first time since the mid-1980's, it has hands-on leadership that is really committed to making our foreign aid program have effective leadership that actually cares that it works in the best interests of the United States.

Can they make that performance better? Sure. It is like every one of us who may feel we run our offices very, very well. Every one of us can honestly say there have to be ways we can make it better. Anything can be made better. But the question here has to be not can AID make it better, especially with the tremendous steps forward which they have made, the question has to be: But can you take it away from AID, turn it over to the State Department and have them do it better? I doubt it. If you abolish AID, if you ask the regional Assistant Secretaries of the State Department to manage its functions, I think that would be a serious mistake. These Assistant Secretaries are very good. But they are chosen for their expertise in broad foreign policy. They do not have the experience—many of them—in managing money and programs as AID does. Lord knows. Many of them are up to their necks in alligators trying to deal with the daily emergencies and complexities of our political relationships with the countries in their regions.

Even former Secretary of State Lawrence Eagleburger, a man whose management skills I have always admired, and whose political policy savvy I also have admired—and a Republican—expressed doubt about this proposal in his testimony before the Foreign Relations Committee on March 23. I quote Secretary Eagleburger. He said:

> The State Department is not well suited, either by historical experience or current bureaucratic culture, to assume many of these new responsibilities.

I might put it a little more bluntly. The State Department speciality is making policy. It has never—and probably never will—manage these kinds of programs well. Secretary Eagleburger offered the hope that with Cabinet selection of Under Secretaries it might do better. But I am reluctant to trade a bureaucracy that is doing reasonably well and getting better every day at delivering foreign aid with one that has no competence or outside chance that it might get better. If we disperse the responsibility of foreign aid among Assistant Secretaries of State, we are going to hear more stories about misguided failed projects—not fewer—and more questions about why we have foreign aid—not fewer.

AID performs a wide array of tasks that enjoy overwhelming support among the American people. Every year they managed programs worth $1 billion aimed at protecting the Earth's environment. Does protecting the Earth's forests and oceans and atmosphere matter to us as Americans? Why, it should. Does it further our foreign policy interest? Of course, it does. A century from now we are not going to have any foreign policy unless we join with other countries today in protecting our environment because we will be spending all of the time just trying to stay alive in an environment not suited for the habitat of humans.

Every year AID manages hundreds of millions of dollars to international health programs. Is this money wasted? Is tuberculosis infectious? Is AIDS infectious? Of course, they are. Tuberculosis just does not sit in one country. AIDS just does not sit in one country. They go worldwide. I tell you right now. There are 250 million Americans who will tell you unequivocally that we can do things to try to wipe out these diseases worldwide so they do not come across our borders they would be for it.

Every year AID commits a large part of its budget to promoting free markets and democratic development in countries where the United States has important interests. That is not diplomacy. It is hands-on assistance that requires people with special expertise on the ground who can get the job done, working with foreign governments and private organizations on the nuts and bolts of solving real problems. That is what AID does.

When we get those free markets going, when we get that democracy going, do you know who profits by it? Many, many times companies in my State, and the other 49 States, because they export. We all know that we are getting far more exports, and a far greater increase in our exports, I should say, in the developing world than we do in the developed world. The greatest percentage of new export jobs are created in exporting to the developing world. AID helps in that.

We have a strong need to rewrite the Foreign Assistance Act. We define the framework for foreign aid. That is the job of the Foreign Relations Committee. They had an opportunity earlier this year to do that. I suspect that they will work at it again, and will bring it to the floor. And we will have a real debate, and we will agree with some, disagree with others, and finally the Senate will work its will on such legislation; but not on an appropriations bill.

AID can continue downsizing and improve its efficiency. Let us not abolish an agency that is aggressively adapting itself to the changed world we live in to a shrinking foreign aid budget.

Mr. President, I strongly hope that this legislation will not be considered on this bill. The distinguished leadership can bring it up as an authorizing piece of legislation if it wants. We can argue and debate other things. Let us get our appropriations bill through. If we stick to the items that are within the jurisdiction of the Appropriations Committee, if we vote on matters that are within the jurisdictions of the Appropriations Committee, if we vote on matters that are actually part of this bill, why, we could be done before the Dracula hour of legislation.

My colleagues know the Dracula hour is what I refer to as the time when too often we end up voting. Those are the hours after darkness when people who work for family-friendly organizations tend to see their families. And those who want to be home tend to be there. Where we with a sense of camaraderie and perhaps people who do not have families tend to stay here together eagerly looking forward to vote after vote into the wee hours of the night.

Frankly, Mr. President, if we could just talk about appropriations matters on this, we could all go home for supper tonight. Think what a novel idea. Think of opening the door and having children say, "You look so familiar. Didn't I see your picture in the paper once?" To have, if you have one, a pet responding perhaps with some dim memory of who you are, and not bite you as you come in the door; to have your neighbors look out and say, "I know him" or her.

Perhaps they might even ask for an autograph, or at least not call the police thinking you are a stranger.

Think how wonderful it would be and we would probably have a good piece of legislation.

I see the distinguished Republican leader on the floor. I see others seeking the floor.

I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER (Mr. DEWINE). The majority leader.

Mr. DOLE. Mr. President, I think the Senator from Rhode Island is also seeking recognition.

I am going to offer an amendment and make a brief statement, and then I think there will be statements made in support or maybe even in opposition.

I ask unanimous consent that all pending amendments be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2726

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its consideration.

I ask that the amendment be read. It is very brief. I think that will sort of explain the purpose of the amendment as well as I can.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE), for himself, Mr. SIMON, Mr. HELMS, Mr. HATFIELD, Mr. D'AMATO, Mrs. FEINSTEIN, and Ms. MOSELEY-BRAUN, proposes an amendment numbered 2726.

The amendment is as follows:

At the appropriate place in the Bill, add the following:

LIMITATION ON ASSISTANCE TO COUNTRIES THAT RESTRICT THE TRANSPORT OR DELIVERY OF UNITED STATES HUMANITARIAN ASSISTANCE

SEC. . (a) IN GENERAL.—None of the funds made available in this Act may be used for assistance in support of any country when it is made known to the President that the government of such country prohibits or otherwise restricts, directly or indirectly, the transport or delivery of United States humanitarian assistance.

(b) EXCEPTION.—Subsection (a) shall not apply to assistance in support of any country when it is made known to the President that the assistance is in the national security interest of the United States.

Mr. DOLE. Mr. President, I ask unanimous consent that in addition to Senator SIMON, Senator HELMS, Senator HATFIELD, Senator D'AMATO, Senator FEINSTEIN, and Senator CAROL MOSELEY-BRAUN be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I rise today to thank my colleagues for their support of the Humanitarian Aid Corridor Act. The amendment that has been offered, I think, is clear and precise, not very long. We just had it read. It has strong bipartisan support, and it furthers an important American foreign policy objective, which is to facilitate the prompt delivery of humanitarian aid.

The amendment, which overwhelmingly passed the House, prohibits U.S. foreign assistance to countries that impede or prohibit the delivery or transport of U.S. humanitarian assistance to other countries. This legislation also recognizes there may be a compelling U.S. national security interest which would override the principle of noninterference with humanitarian aid.

For this reason, U.S. foreign aid to nations in violation of this act may be continued if the President of the United States determines that such assistance is in the national security interest of the United States.

Let me say, Mr. President, this bill does not single out or exempt any one country. All nations are held to one standard. The intent is simple, to ensure that American humanitarian aid can be delivered where it is needed and when it is needed.

Currently, there is one country that is clearly affected by this legislation. Turkey, a valuable ally in NATO and in Operation Desert Storm, continues to receive a large amount of assistance in the form of grants and concessional loans financed by the American taxpayers. At the same time, however, they continue to enforce an immoral blockade on Armenia.

Mr. President, today marks the fourth anniversary of Armenia's independence from the Soviet Union. We as Americans welcome their independence and through our humanitarian efforts strive to help this fledgling democracy grow and prosper. Their road has not been an easy one, but the United States has been willing to provide the assistance they need. The delivery of humanitarian assistance to aid those in need is consistent with the fundamental values of our Nation. This legislation will also strengthen our ability to deliver such assistance, which, as I stated before, is an important component of our foreign policy.

Just let me conclude by saying it does not make sense to offer U.S. taxpayer dollars unconditionally to countries that hinder our humanitarian relief efforts. And in light of budgetary constraints, it is imperative that U.S. relief efforts be timely and efficient. The Federal budget deficit and spending constraints require maximum efficiency in the usage of U.S. foreign assistance. And no doubt about it, countries that prevent the delivery of such assistance or intentionally increase the cost of the delivery of such assistance do not deserve unrestricted American assistance.

I urge my colleagues to support this amendment, not for partisan politics, but for the belief in the fundamental values this Nation is built on.

Let me repeat. If some country out there is receiving American aid and they are preventing delivery of assistance paid for by the American taxpayers or if they circumvent delivery or make it almost impossible or impede delivery, or increase the cost of delivery, then I do not believe they should receive American assistance. And that is all this amendment is about. It does not exempt any specific country. It does not apply to a particular country. Right now, it applies to Turkey, but in the future it will apply to any other country that would follow the same practice.

I hope, if the amendment cannot be accepted, it can be voted on rather quickly.

I also ask unanimous consent to add my colleague, Senator MURRAY, as a cosponsor, and my colleagues, Senator KERRY from Massachusetts, Senator PRESSLER from South Dakota, and the manager of the bill, the Senator from Kentucky, Mr. MCCONNELL as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I see my primary cosponsor, Senator SIMON, is in the Chamber, and I yield the floor.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Let me just say very briefly I wish to commend the majority leader for this amendment. Like many of my colleagues, I share the desire to see that countries are not allowed to block delivery of U.S. humanitarian assistance. Senator DOLE has led a bipartisan coalition of Senators in promoting this ideal through the cosponsorship of this amendment. I applaud his efforts and am glad to be a cosponsor of this amendment.

This particular measure enjoys widespread support in both the House and the Senate. Earlier this year, the House International Relations Committee approved the bill by a vote of 27 to 7. The Senate Foreign Relations Committee followed suit and voted in favor of the bill by a vote of 14 to 4. And most recently the House voted to include the provision in its foreign operations appropriations bill which passed the House overwhelmingly.

Countries which choose to blockade the delivery of U.S. humanitarian assistance exponentially increase the cost of that assistance. Currently, we find ourselves facing a situation where we are forced to stretch every dollar in the foreign assistance account. Allowing a nation to needlessly increase the cost of our assistance, thereby further limiting the amount of aid we are able to provide, is just simply unacceptable. We have a responsibility to the American taxpayer to ensure that their hard-earned money is sufficiently utilized.

If the United States is going to remain actively engaged in world affairs, as I believe it should, it must be allowed to provide assistance which is needed. This amendment makes good budget sense and is an important moral statement.

Clearly, we cannot afford to leave this issue unaddressed. I think Senator DOLE's proposal offers a reasonable and intelligent solution to this problem. I deeply appreciate his efforts and leadership on the issue.

In addition, I would like to thank him for including an emergency waiver provision in the proposal. While we want to ensure countries do not block our efforts to deliver assistance, it is important that we provide the President the ability to waive this provision in the event of humanitarian or security emergencies.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I thank the Chair.

I am pleased to be a cosponsor of this legislation.

As Senator DOLE pointed out, this does not apply specifically in the language to any one country. Now, it does apply immediately to our relationship with Turkey because Armenia faces a very, very grim situation. And I have to say I was a little appalled when, I guess about 2 years ago, I flew to Armenia with colleagues in the Senate and we could not fly over Turkey, after all the aid we have given Turkey. We had to go around to get to Armenia. But when you get there, you see the countryside in many areas with trees taken down, what once were beautiful trees on great avenues, because they are desperate for fuel. It is a tough situation.

Ironically, Turkey would benefit economically by entering into normal diplomatic and trade relations with Armenia. Azerbaijan wants to have an oil line going from Azerbaijan, through Armenia, through Turkey to supply the world with oil. Turkey benefits. Armenia benefits. Azerbaijan benefits. This is not an anti-Turkish resolution, but it does say in simple words, if you get American aid, you cannot stop humanitarian assistance to another country.

That has been what Turkey has been doing. I regret that. Turkey has been a valuable ally. I am old enough, perhaps unlike the Presiding Officer; I can remember the Korean war very well when Turkey was one of the few countries that really provided assistance. In many ways I feel grateful to Turkey, but I believe the message beyond this is that Turkey ought to be getting along better with her neighbors. That means Greece, that means Armenia.

But the principle that is in this legislation is sound: You do not get American foreign aid if you block humanitarian assistance to a nation that needs it. I am pleased to be a cosponsor. And I hope the Senate will overwhelmingly accept the amendment.

Mr. COCHRAN. Mr. President, I hope this amendment will not damage the longstanding alliance between the United States and Turkey.

Located in one of the most volatile regions of the world, bordered by Greece, Bulgaria, Iraq, Iran, Syria, and several former Soviet Republics, Turkey acts as a stabilizing force in the region. She has stood with the United States in all its conflicts since the Second World War, from the Korean war to the gulf war. She was the bulwark of NATO's southern flank during the cold war, defending 37 percent of the NATO-Warsaw Pact land frontier, as well as her Black Sea coast and the straits controlling Soviet access to the Mediterranean.

Turkey is connected geographically, ethnically, or politically to the problems of Iraq, Iran, Armenia, Azerbaijan, Bosnia, Cyprus, Greece, Bulgaria, Russia, Tajikistan, Syria, and Islamic fundamentalism. As one journalist has written, "Turkish foreign policy today is a 360-degree nightmare." Now more than ever, the United States should work with Turkey as she continues to be the strong bridge between the Moslem world and the West, her Western orientation serving as a model for many of the republics of the former Soviet Union.

I believe that both Turkey and Armenia recognize their need to lessen tensions and to cooperate with the United States to resolve regional problems, including the Armenian-Azerbaijan conflict over Nagorno-Karabakh. As a good will gesture toward Armenia in April 1995, turkey opened an air corridor connecting Erzurum to Yerevan, previously closed for 2 years. I hope that Armenia will reciprocate and that the process toward improved relations—already well under way—will continue.

Mrs. FEINSTEIN. Mr. President, I rise today in support of the proposed amendment to prohibit U.S. assistance to countries that prohibit or restrict the transport or delivery of U.S. humanitarian aid. This is a basic matter of principle: No country should have the right to interfere with the delivery of humanitarian assistance anywhere. When the United States provides food, medicine, and clothing to suffering civilian populations, in response to war or natural disaster, there is simply no justification for a country to block this assistance, especially when that country receives assistance from the United States itself.

The United States goes to great lengths to ensure that nations in dire need for humanitarian aid receive it in the most expedient and efficient way. Supplying humanitarian aid to people in need is consistent with the basic values of our Nation, and we should not ignore attempts to hinder its delivery.

This amendment would apply to all countries which receive U.S. assistance. However, as we all know, the major problem in this area today lies with Turkey's blocking of United States humanitarian aid to Armenia, a contemptible practice which has gone on for over 2 years.

While Turkey has made some progress on this issue, agreeing to open an air corridor to Armenia, this does not begin to address the problem of humanitarian assistance which must be transported over land. The bulk of the assistance we send to Armenia requires such land conveyance.

It is my hope that the administration will work with Turkey to ensure that all routes available for bringing humanitarian aid to Armenia are opened. Opening an air corridor is only the first step toward resolving this serious problem. Perhaps by working with Turkey on this issue, we can help to avoid ever having to invoke the aid cutoff called for in this amendment.

It is important to note that this amendment includes a national security waiver, thereby recognizing the fact that there may be compelling national security interests which require U.S. assistance to countries even when the recipient is blocking humanitarian aid to others. This waiver also appropriately preserves the President's prerogative to conduct U.S. foreign policy.

Turkey is an important United States ally, and I realize that assistance to Turkey is an integral part of our foreign policy to ensure regional security in that part of the world. However, we simply cannot continue to assist Turkey, or any other nation, which impedes the delivery of humanitarian aid to others. Again, this is a matter of principle, and it is my hope that my colleagues from both sides of the aisle will support it.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

REORGANIZATION AND THE FOREIGN RELATIONS COMMITTEE'S BUSINESS

Mr. PELL. Mr. President, earlier today some statements were made on the floor of the Senate concerning the proposed reorganization plan for the State Department. The suggestion was made that Democratic Members—specifically those on the Foreign Relations Committee, are responsible for holding up the processing of Ambassadorial nominations and other business by delaying the passage of the reorganization plan.

I think that suggestion warrants a response. Why? The reorganization plan at issue is not a bipartisan plan. I only wish it was. Its existence was made known only yesterday, and it was crafted without the knowledge or input of even one Democratic Member. Already, it is clear that there are serious differences and much disagreement about the plan.

I have other thoughts about this plan which should be expressed later.

But I just wanted to respond to the suggestion that somehow it is the Democratic side of the committee that is delaying the consideration of nominations, legislation, treaties, and other important matters.

The truth is that there is not, nor has there ever been, a Democratic hold on the Foreign Relations Committee's business. It is entirely the prerogative and within the power of our Republican colleagues to resume the committee's business. The halt in activity is an attempt to force an amendment that is supported and written and endorsed only by Republicans. We should not succumb to it simply because the proponents state erroneously that Democratic Members are responsible for the delay.

Mr. President, during the years that I chaired the Foreign Relations Committee, I always tried to move every nomination and conduct business in both a timely and collegial fashion. Never—never—during those years—and indeed during those years of service on the committee—since 1964—can I recall a time when the committee was stopped dead in its tracks to force the consideration of a controversial measure. I do not think that is a proper way to conduct business and a tactic I have always—always resisted using over a great many years.

I would hate to see it being used now, and the Senate becoming a battlefield, saying some of the Members will not do what they should do anyway, what they were hired to do, plus the treaty, plus the nomination, and in the meantime say, "We will not do what we are supposed to do until you do what we want you to do." And I think it is a bad precedent.

I would hope that the Senate turns it down.

I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

AMENDMENT NO. 2726

Mr. LEAHY. Mr. President, I understand that we may have one or two others who might want to speak—that we may not have any others that want to speak on the pending amendment.

Am I correct, Mr. President, in understanding that the pending amendment is the Dole amendment on humanitarian corridors?

The PRESIDING OFFICER. The Senator is correct.

Mr. LEAHY. Mr. President, I agree with the distinguished Republican leader on this amendment. In fact, I would ask to be named as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, one of the greatest things the United States can do as a country with worldwide reach is to help in humanitarian matters. We are very, very fortunate as a country. Periodically, we have faced devastating situations in our own country. We did in Los Angeles, of course, during the earthquakes. We did in Florida during the hurricanes. We have seen devastation of Americans in the Virgin Islands, in Puerto Rico in the past few days. But we are such a powerful nation and such a wealthy nation that we can help each other out. Whether it is the flood of a couple years ago in Montpelier, VT, my hometown, we are America; and through our Federal Government, we came together to help with the floods in the Midwest of a year ago. But there are other countries that are so small and so poor that when they are faced with an earthquake or faced with tornadoes or faced with flooding, devastation, they have nowhere to look to but the international community. And the United States, along with many of our allies, have always responded.

I remember earthquakes in Armenia, flooding in Bangladesh, famine in Africa, earthquakes in other parts of the world—Mexico, for example—we have responded. We have the ability to reach out and fly supplies literally anywhere in the world. We have the ability to send medical technicians and experts and rescue operations and others anywhere in the world. It is something that, just to stop and think, in our lifetime, for most of us in our lifetime it was impossible for any nation to even think of doing this in the way that we do with the communications, the logistics, just the resources. And a child suffering loss of family because of an earthquake, anywhere in the world, is a child suffering; or an adult who has had their whole livelihood washed away in a flood, is an adult suffering, no matter where they are in the world.

If the United States and the American people, through everything from Red Cross, Catholic Charities, Decatur, and the Federal Government, respond, we respond not to say, well, we will respond to this child because they are politically correct, but not this child because they have a different ideology or something, we respond because they are human beings suffering. We responded in countries that technically were countries that were adversaries of ours. We responded to people. We will always continue to do so. But I think when we do it, and I think when our allies do, we should not be blocked from giving that humanitarian aid because we give it not to advance a political agenda of the people aided or of our own. We do it to help people suffering.

So this amendment is not intended to embarrass or cause problems with Turkey or any other country. It is a matter of principle. It says that the people's needs should not be denied aid for political reasons. We have given aid. I remember a time even during the cold war when those allied with the Soviet Union who were in need, and the United States, like our allies, responded to that need when called upon to. It is like a ship hearing another ship in distress. You do not ask what flag they carry; you say they are under distress, and we go to help them.

So, I would say to any of our allies who may be concerned about such an amendment, this is not intended to embarrass you. It is intended to carry out what has always been the policy of the United States. People desperately need help. If we can help, we do. We do this in Vermont. If a neighbor's home or barn is on fire, or they are suddenly incapacitated, we go to help. We do this as world neighbors, too.

Mr. President, I would hope that the amendment would be accepted. And while we check to see if there are others coming, I was going to put in a call for a quorum, although I see the distinguished chairman on his feet. I yield to him.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. I am unaware of anyone who wants to speak on this side, nor am I aware of any calls for a rollcall vote. So if the distinguished ranking member can check his side, we will be ready to vote.

Mr. LEAHY. I wonder in the meantime if we might just suggest the absence of a quorum.

Mr. MCCONNELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, the purpose of my offering an amendment—I ask unanimous consent that all pending amendments be laid aside temporarily.

The PRESIDING OFFICER. Is there objection?

Mr. PELL. There is objection.

The PRESIDING OFFICER. Objection is noted.

Mr. HELMS. In that case, I will discuss the amendment. I can certainly do that.

The PRESIDING OFFICER. That is in order.

Mr. HELMS. Mr. President, let me read the text of the amendment that I shall offer presently. It is entitled, "Prohibition on use of funds for relocating Agency for International Development to Federal Triangle Building."

> Section 577. Notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by this act may be used to relocate the Agency for International Development, or any part of that agency, to the Federal Triangle Building in Washington, District of Columbia.

When I send this amendment to the desk and it is stated, the Senate will have before it a rather interesting set of circumstances. While the Senate Foreign Relations Committee was busy approving legislation to abolish the Agency for International Development, this very same entrenched bureaucracy at AID was preparing to spend $40 million to move its offices into some of the most expensive real estate in the entire Washington area.

Apparently, AID officials must believe they are playing with Monopoly money, and that the Agency for International Development has just landed on Boardwalk.

In any case, the building known as the Federal Triangle and dubbed by one of the Washington newspapers as "a blueprint for a boondoggle," was originally supposed to cost $362 million. But its cost ended up being in the neighborhood of $700 million. Tom Sherman, former Assistant Administrator at the General Services Administration called it "the project from hell."

Yet, despite congressional efforts to abolish the Agency for International Development, that agency now intends to burrow in at this plush, new Taj Mahal on Pennsylvania Avenue, further isolating itself from the Department of State.

(Mrs. HUTCHISON assumed the Chair.)

Mr. HELMS. Now, you will recall, Madam President, that early on I referred to the fact that five former Secretaries of State have endorsed—and now Senator DOLE has joined in sponsorship—my plan was to reorganize the State Department and to abolish three independent Federal agencies. When I say independent, I mean independent.

All three of these agencies were established as temporary Federal agencies. As I said earlier today, there is nothing so near eternal life as a temporary Federal agency. The Agency for International Development is one of the three agencies that would be abolished under my plan to reorganize the State Department. And AID itself says its proposed move has already cost the taxpayers $13.6 million in fiscal years 1994 and 1995, and will cost at least an additional $27 million in fiscal years 1996 and 1997.

When a Federal agency contemplates such a move, it usually does so with the goal of saving taxpayers' money. But that is not the goal of the Agency for International Development. AID, obviously, intends to go in exactly the opposite direction. Right now, AID pays $20 million for its leases in the DC area, but after the move, AID will spend more than $32 million a year in rent. So this move would, in fact, increase the Agency for International Development's annual rent by more than a third.

The pending amendment, which I shall send to the desk momentarily, would save at least $16 million next year alone by prohibiting AID from spending any money to facilitate its move out of the State Department.

So let me explain why this move will be so costly to the American taxpayers, 80 percent of whom do not like the foreign aid program anyhow. On the chart next to me is the cost of USAID's luxury offices. The average cost of office space, per square foot, is $37 in DC, $23 in Northern Virginia, and $20 in suburban Maryland. Had the Agency for International Development chosen one of those sites. But, oh, no, AID chose the luxury building. Look at the cost—$55 per square foot. You can see what that is. The chart clearly shows that the average cost to lease space in either Virginia or Maryland is less than $29 per square foot. Even in central Washington the going rate for leasing space is $37 per square foot. But, at this moment, under the terms negotiated by the Agency for International Development and the General Services Administration, AID intends to lease space in the Federal Triangle building for a minimum—that is a minimum—of $55 per square foot, which is far more than any private business in Washington would agree to pay. It does not take a rocket scientist to perceive that the people at the Agency for International Development have been snookered in this deal—whether they knew it or not is yet to be determined.

More shocking, I suppose, is that the Agency for International Development intends to lease a substantial amount of what it calls structurally-changed space for more than $97 per square foot, and that is three times the fair market value of this space.

So, Madam President, while some of us in Congress are working to abolish the Agency for International Development, the Agency for International Development, itself, has been busily figuring out ways to spend even more Federal Government money—meaning the taxpayers' money—with this new move to this high-rent district.

So I say, Madam President, I hope the Senate will vote to give the taxpayers a break for a change. The Agency for International Development neither needs, nor deserves, to be an occupant of a Taj Mahal. This facility, by the way, is the second largest in the District of Columbia, the Pentagon being the largest.

Now then, Madam President, I send my amendment——

Mr. LEAHY. Madam President, what is the parliamentary situation?

The PRESIDING OFFICER. The pending question is the Dole amendment.

Mr. LEAHY. Does that have to be set aside, or is this an amendment to the Dole amendment?

Mr. HELMS. It was set aside, I inform the Chair.

Mr. LEAHY. The understanding of the Senator from Vermont is that it was not set aside.

The PRESIDING OFFICER. I am told by the Parliamentarian that the Senator from Rhode Island objected to the Dole amendment being set aside. So the pending business is still the Dole amendment.

Mr. HELMS. I think what he objected to—but I will not contest the issue—was my sending the amendment to the desk. If that is the Chair's ruling, fine. But, Madam President——

Mr. LEAHY. If the Senator will withhold, let me explain the situation, the way I understand it is.

Madam President, I do not want to stop the Senator from bringing this or any other amendment up, unless it is something that requires a point of order. But we have one amendment pending, and that was set aside to take up an amendment by the distinguished Republican leader. I would like to start getting some of these things that are backed up here voted on one way or the other. I would like to get the humanitarian one done and then go to others.

I say that only because I am afraid we will keep having amendments after amendments out here in ether and about 9 o'clock or 10 o'clock tonight when everybody will be coming to the distinguished Senator from Kentucky and myself saying, "When will we go home? on the outside chance we will see our family again," and then we start voting.

I know that is not the intent of the distinguished Senator from North Carolina, but I wonder if maybe we could get rid of the one that is there once the Senators who wish to speak on it do, and then go on to more.

I know that an objection was made by the distinguished Senator from Rhode Island, and I will at least for the moment—I am sure the Senator from North Carolina understands we have to protect that objection.

The PRESIDING OFFICER. I am told by the Parliamentarian that the Senator from North Carolina could offer a second-degree amendment to the Dole amendment without unanimous consent.

Mr. HELMS. Let me ask a parliamentary question of the Chair. I know the answer before I ask.

Suppose I should call for regular order?

The PRESIDING OFFICER. If you call for regular order, the question would be on the Senator's first amendment, No. 2707, which is pending to the first amendment.

Mr. HELMS. I am not going to do that.

Mr. LEAHY. Further parliamentary inquiry.

Mr. HELMS. I have not yielded the floor.

I am perfectly willing, for my part, to offer my amendment as a second degree to the otherwise pending Dole amendment, of which I am a cosponsor, by the way.

But I think I ought to do him the courtesy of asking if he has any objection to that.

Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I shall not detain the Senate long. I apologize to Senators for the delay, but I have to say that there are too many things happening today.

I was tied up in an appropriations conference on the Transportation appropriations bill when I understood that Mr. DOLE had offered his amendment and hoped to have a vote soon.

Therefore, with that explanation, I shall proceed now to what I have to say otherwise.

Senator DOLE has offered an amendment which, although it does not spell out by name the country Turkey, it is clearly aimed at Turkey. The amendment, a repeat of S. 230, the Humanitarian Aid Corridors Act, cuts U.S. assistance to countries that "prohibit or restrict the transport or delivery of United States humanitarian assistance" to other countries. It is clearly aimed at Turkey's refusal to allow aid to pass through Turkey to Armenia.

I would like to say I have been listening to statements that have been made and I would like to, as Paul Harvey says on the radio—or used to say, I do not get a chance to listen to him anymore—tell "the rest of the story." Why does Turkey restrict the passage of aid to Armenia? Or, I should say, why did Turkey restrict the passage of aid to Armenia, since Turkey opened the air corridor from Erzurum to Yerevan on April 20, 1995, subject to the establishment of direct communication links and an aviation protocol between the two countries?

Prior to 1993, Turkey allowed hundreds of tons of third party assistance to pass through its territory and airspace to Armenia. But in 1993, Armenia escalated the conflict in Nagorno-Karabakh, an autonomous region of ethnic Armenians located within the Republic of Azerbaijan. Azerbaijan and Armenia are both neighbors of Turkey. Currently, more than 20 percent of Azerbaijani territory is occupied by Armenia, and one of every seven Azerbaijanis is a refugee in his own country. At the time, the official U.S. reaction was to condemn the Armenian offensive, which undermined the CSCE-sponsored—Conference on Security and Cooperation in Europe—CSCE-sponsored peace process. Human rights groups have chronicled the human rights abuses against Azerbaijan. In February 1995, the Human Rights Watch/Helsinki group published a 118-page report on the subject, entitled "Azerbaijan: Seven Years of Conflict in the Nagorno-Karabakh." Madam President, if human rights were the real issue here, perhaps aid to Armenia should also be reduced.

So, I say this just to say that this is a matter that is so more complicated than has been presented thus far. The government of Turkey is not to be said to be acting capriciously. It has responded to the concerns of its own citizens, who are culturally closer to the Azeris than to the Armenians. Public opinion in Turkey, something that we respect a great deal in this country, would not support assistance going to Armenia. Humanitarian aid to Armenia, which would allow that nation to concentrate on a military offensive in Azerbaijan while still addressing the needs of its own people, while Azeris were being turned into refugees, simply could not be tolerated. Cutting off the passage of aid was a political decision, designed to help push for the end of the conflict between Armenia and Azerbaijan as quickly as possible. This is not unreasonable, but it is understandable.

I would also note, as an aside, that Armenia is slated to receive $85 million in U.S. assistance from this bill. However, as there is some question as to Armenia's cooperation in allowing humanitarian aid to reach Azerbaijan, it is not entirely clear that Armenia will not also be caught in the net that is being woven in this amendment for Turkey.

Finally, I would like to again remind my colleagues of the many sound reasons the United States has for maintaining a strong relationship with Turkey. I have only yesterday noted the unique position of Turkey as a moderate, predominately Muslim nation, a representative democracy in a region that is increasingly becoming radicalized and extremist. Turkey was among the first nations to recognize Israel, and it has been an example and a supporter of peace in the Middle East.

Turkey is also a member of NATO, and during the Cold War was responsible for defending 37 percent of the NATO/Warsaw Pact border, along the strategically critical Southern Front. Turkey continues to maintain a large military, like the United States, but unlike most other NATO allies. This military security allowed Turkey to stand bravely with the West, in the face of some internal opposition, against Saddam Hussein, and all this despite a 331 kilometer border with Iraq. Turkey has paid the price for that cooperation. It closed the oil pipeline from Iraq, losing millions in revenues. It has supported the economic sanctions against Iraq, previously its second largest trading partner. It made quite a sacrifice in doing that. Over 2,700 air sorties to strike Iraq originated in Incirlik, Turkey. Since the war, over 23,000 sorties flown over Iraq to protect the Kurds in northern Iraq have been flown from bases in Turkey. The U.S. Operation Provide Comfort to support the Kurds in Iraq would not be possible without the support of the Turkish government and its people.

Both Secretary of Defense Perry and Chairman of the Joint Chiefs of Staff, General Shalikashvili, have written letters in support of a continued strong U.S.-Turkish relationship. A continued strong relationship with Turkey is in our interest. It is in the interests of Turkey. It is in the interests of Israel. It is in the interests of Greece.

Poorly disguised pro-Armenian, anti-Turkish amendments and bills serve only to undermine the support that the United States needs to serve our interests in sustaining Iraqi sanctions, honoring our promise to protect the Kurds in northern Iraq, promoting moderation in Middle East politics, and maintaining the NATO alliance.

Madam President, this amendment does contain a waiver for national security reasons. I hope that, should this amendment be adopted, the President will exercise that waiver and maintain a strong and important U.S.-Turkish relationship.

I ask unanimous consent to have printed in the RECORD the letter from the Secretary of Defense, Mr. William Perry, dated May 24, 1995, in which letter Mr. Perry writes as follows:

> I am also disturbed by some provisions of H.R. 1561 which would impose unnecessary restrictions on the ability of the President to conduct U.S. foreign policy. Its prohibition on assistance to countries which in any way restrict the flow of U.S. humanitarian aid would unduly damage our important security relations with Turkey.

And, also, a letter written to representative SONNY CALLAHAN, member of the House Appropriations Committee, and signed by the chairman of the Joint Chiefs of Staff, John M. Shalikashvili, in which he states—I will include this in the RECORD:

> Imposing more restrictions on this valued ally will only hinder our attempts to encourage progress and bring about lasting change. The Turks are proud people, and respect for the military is a time-honored tradition. By withdrawing support for them and taking on the role of adversary, we lose access to key decision makers. Recent progress combined with Turkey's unquestioned strategic importance, should drive the United States to increase support to Turkey in order to achieve our objectives, not destroy bilateral relations.

Madam President, I ask unanimous consent that the letter be printed in the RECORD in its entirety at this point, as well as a statement by Nick Burns, Office of the Spokesman, U.S. Department of State, dated April 30, 1995, and I yield the floor.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
WASHINGTON, DC,
May 24, 1995.

Hon. RICHARD GEPHARDT,
Minority Leader,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE GEPHARDT: I am deeply concerned by some of the recommendations of the Committee on International Relations regarding the American Overseas Interests Act of 1995 (H.R. 1561), particularly as they affect the President's International Affairs (150) budget request. The 150 budget is critical to our ability to protect our nation's security interests. Though these funds are provided in the 150 account, the Department of Defense has a direct stake in the outcome of this debate, because they directly support our national security program.

H.R. 1561, as reported by the Committee, would authorize 150 programs at significantly reduced levels. Adequate International Affairs funding, however, is essential to crisis prevention and gives us an alternative to unilateral U.S. action in support of our interests. For example, foreign affairs spending can mitigate internal and regional conflicts that, left to fester, could require U.S. military logistical involvement and possibly direct intervention, with escalating human and material costs. The costs of such contingencies are borne primarily in the DOD budget at the expense of military readiness. Underfunding the International Affairs budget, in my view, runs the risk that the United States will be unable to protect its interests except with military force.

I am also disturbed by some provisions of H.R. 1561 which would impose unnecessary restrictions on the ability of the President to conduct U.S. foreign policy. Its prohibition on assistance to countries which in any way restrict the flow of U.S. humanitarian aid would unduly damage our important security relationship with Turkey. Cutting off security assistance to this important Western-style democracy would only hurt our efforts to contain the threats in the Middle East. Other restrictions in H.R. 1561 would hinder our ability to implement and fund the Agreed Framework with North Korea, undercutting our achievements in preventing the spread of nuclear weapons. Finally, H.R. 1561 would restrict our ability to contribute to international organizations which can help shoulder our security burden.

I appreciate the support for military assistance activities, particularly IMET, included in H.R. 1561. However, for the reasons stated above, I would recommend that the President veto the bill if it were presented to him in its present form.

Sincerely,

WILLIAM J. PERRY.

Hon. SONNY CALLAHAN,
House Appropriations Committee,
Washington, DC.

DEAR MR. CALLAHAN: Thank you for the opportunity to provide my views on the military importance of Turkey. Now that Turkey occupies the new front line in the post-Cold War era, the strategic value to the United States of having a staunch and steadfast ally situated in a critical strategic location in the flanks and Middle East cannot be overstated.

Turkey has had a tradition of supporting Western interests over the past 50 years. From 1950 to 1953, Turkey provided a 4,500-man infantry brigade to join the United States in the U.N. effort in Korea. Turkish forces fought with enormous valor and distinction. Turkey was also the bulwark of NATO's southern flank during nearly the entire Cold War, defending 37% of the NATO-Warsaw Pact land frontier, as well as Turkey's Black Sea coast and the straits controlling Soviet access to the Mediterranean.

During Operations Desert Shield and Desert Storm, Turkey was a stalwart supporter of the United States and coalition efforts. Turkey allowed the deployment of Joint Task Force Proven Force fighters and other aircraft to Incirlik Air Base. The Turks allowed strike missions against Iraq from Incirlik—almost 2,700 sorties were flown from Turkish territory. The Turks have paid a heavy price for their support of the coalition during the Gulf War, due not only to the closing of the Turkish-Iraqi oil pipeline but also as a result of sanctions against Iraq, formerly Turkey's second largest trading partner. As of 19 June, the coalition has flown over 23,000 sorties out of Incirlik in support of humanitarian operations protecting the Kurds of northern Iraq. Further, without Turkish military support, our humanitarian operations in Provide Comfort would have long since been terminated and Saddam Hussein would have subjugated the Kurds of northern Iraq.

Additionally, the Turks have stood with us in Somalia, contributing 350 troops and the commander of the military elements of the U.N. force after U.S. forces withdrew. They also support current operations in Deny Flight and Sharp Guard with over 1,500 troops in UNPROFOR in Bosnia. Turkey represents a positive role in the Middle East peace equation and uses traditional influence with the Central Asian Republics to spread democratic values, secular principles, and to promote market-based economies. In our endeavors to reduce tensions in the Aegean between Greece and Turkey, the Turkish military has been forthcoming in providing unilateral good faith gestures toward the Greeks and working with us to establish military-to-military Confidence Building Measures to bring about a reduction in tensions.

Turkey's continued participation NATO as a strong ally of the U.S. remains vitally important as new security arrangements evolve in Europe. Next to the U.S., Turkey maintains the largest standing army in NATO. We have supported their efforts to modernize commensurate with the threats they face in this rough neighborhood. While some of Turkey's neighbors continue development of weapons of mass destruction, Turkey faces increasing fiscal constraints in efforts to modernize and remains vulnerable to the threats posed by these weapons.

It is my understanding some individuals would eliminate military assistance to Turkey based on human rights concerns. The Turkish military is actively engaging in efforts to improve human rights awareness among its personnel. Progress is visible in their newfound willingness to discuss this sensitive issue openly. They have instituted new rules of engagement for all military operations and provided additional training to many soldiers assigned to anti-terrorist operations. While the recent operations in northern Iraq drew sharp criticism from many of Turkey's European neighbors, evidence indicates that Turkish military went to great lengths to protect the lives of innocent civilians while destroying terrorist base camps. There has been, in short, significant progress on the human rights front.

I have personally engaged General Karadayl, Turkey's Chief of Defense, in dialogue regarding human rights and found him to be willing to assist in moving forward with new measures aimed at enhancing Turkish democracy and human rights. The Turkish military leadership is backing progress on human rights and is ready to make a concerted effort to see democratization legislation pass. Imposing more restrictions on this valued ally will only hinder our attempts to encourage progress and bring about lasting change. The Turks are proud people, and respect for the military is a time-honored tradition. By withdrawing support for them and taking on the role of adversary, we lose access to key decision makers. Recent progress combined with Turkey's unquestioned strategic importance, should drive the United States to increase support to Turkey in order to achieve our objectives, not destroy bilateral relations.

Your support in ensuring continued military assistance to Turkey is appreciated. Please do not hesitate to call if I can be of further assistance.

Sincerely,

JOHN M. SHALIKASHVILI,
Chairman, Joint Chiefs of Staff.

U.S. DEPARTMENT OF STATE,
OFFICE OF THE SPOKESMAN,
April 20, 1995.

[Statement by Nick Burns, Spokesman]

TURKEY: OPENING OF AIR CORRIDOR WITH ARMENIA

The United States is pleased to note that the government of Turkey has decided to reopen an air corridor to Armenia. This should help the flow of humanitarian aid to Armenia. It represents the first concrete step in what appears to be a warming trend in Turkish-Armenian relations, and can help further efforts for peace in Nagorno-Karabakh and stability in the region.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. SIMON. Madam President, let me respond just briefly to my friend from West Virginia, and he is my friend. I have tremendous respect for him, and he gives us a historical perspective not only in the Senate but from the centuries. If you visit the Simon household you will see in our dining room a print of a painting by a young ROBERT BYRD done some years ago. I forget the year. I am sure ROBERT BYRD could tell us the year of that painting.

Mr. BYRD. It would have to be at least, Madam President, 100 years ago for me to have been young.

[Laughter]

Although I feel that my spirit is still young.

Mr. SIMON. But let me, Madam President, respond to what Senator BYRD had to say. When he called this a poorly disguised anti-Turkey amendment, both Senator DOLE and I mentioned in discussing the amendment initially that it would immediately affect Turkey. There has been no attempt to hide that. Though the principle, we think, is sound, a nation that denies humanitarian assistance to another nation should not get American foreign aid.

On the situation in Karabakh, I have not visited that region. I have visited Yerevan, the capital of Armenia, and Baku, the capital of Azerbaijan. Karabakh is a region where the large majority of people are Armenian by heritage. Again, I say this as someone who has not visited the area, but there is a division of opinion within Karabakh. Some of them want that as an independent country. Some of them want Karabakh to be part of Armenia.

But the Government of Armenia, while clearly the sympathy and public opinion in Armenia is powerful just as it is in Turkey—Senator BYRD mentioned public opinion in Turkey—the Government of Armenia has assisted by providing electricity to Karabakh, and there is at least the strong possibility, maybe a probability, that they have provided some weapons to assist the government there. Whether that has been done by the government or whether it has been done surreptitiously just by volunteers I frankly do not know. But there is in that region now a cease-fire, and there is movement toward negotiation.

There have been small steps forward. And one of the small steps forward was mentioned by Senator BYRD. When the Prime Minister of Turkey—and right now the Prime Minister of Turkey is trying to reorganize the Government of Turkey, as I am sure Senator BYRD is aware. But she has shown some small steps toward reconciliation with Armenia. We ought to be encouraging those small steps, and other steps to be taken. That is the aim of this resolution.

Mr. BYRD. Will the Senator yield just at that point?

Mr. SIMON. I am pleased to yield.

Mr. BYRD. We should be encouraging additional steps. I am just not sure that this is the way to go about it.

Mr. SIMON. That is where my friend and I differ. I think this is a way to send a message, and as the Senator from West Virginia has pointed out, we have flexibility in here. The President can negate this. The President can say it is in our national interest to go ahead despite this violation. So I think it is wise.

One other point Senator BYRD makes that I think is a point which we should keep in mind—not only in this but in other things. Turkey is predominantly a Moslem country. We are going to have to be more sensitive to the Moslem world than we have been. We have in the United States more Moslems than we have Presbyterians today, one of the amazing statistics, at least as it applies to me when I learned it. That is why I think what we did in Somalia by helping the people of Somalia was very important, and I think it was one of George Bush's finest hours despite the criticism that sometimes is made of our small reaction.

But the principle that is established here in the Dole amendment I think is sound. Does it apply to Turkey right now? Yes. Will it apply in other situations in the future? Yes. Do we have flexibility with it? Yes. Because we permit the President of the United States to have a waiver.

So I think the resolution should be adopted. I hope we will accept it, and move ahead.

Again, I make clear that neither on the part of Senator DOLE nor on my part is this designed as an anti-Turkey amendment. It is a message, however, to the Turkish Government.

Madam President, I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Madam President, my distinguished friend says that this amendment sends a message. He interprets the message in a different way from the way I interpret it. That is what I am concerned about. It will not be interpreted in Turkey as the way, perhaps, Senator SIMON wants it to be. I cannot speak authoritatively, of course. But I do not believe this is the way to send a positive message to the Turks. I am concerned that we will send a message that backfires. I have no particular ax to grind for Turkey, or for Greece, or for Israel. I am not anti-Turkey. I am not anti-Armenian. I am not anti-Israel, and I am not anti-Greek. I am pro all of them. But I am even more pro-American. My first interest and my last interest, and my interest all the time, is in what I feel to be the best interests of the United States of America.

I think we sometimes offer amendments that may appeal to this, or that, or some other special interest group or lobby, and there are some pretty powerful ones that can sway a lot of votes in this Senate. I suppose in that regard, I might wish that Turkey had a more powerful American lobby. Turkey does not have a powerful lobby in this country. And for that matter neither do the American people.

I am here lobbying for the American people. I do not claim to be more patriotic than any other Senator. I do not ascribe any ulterior purpose to anyone. We are all patriotic. But I am afraid that we may weaken and undermine the interests of our own country when we become a little overly enthusiastic at times in sending so-called messages to countries that are our friends, and that have demonstrated time and time again their friendship towards the United States.

Look at the strategic position of Turkey on the map. The people of Israel, and the people of Greece should recognize that there is a strong Turkey protecting their flanks and their security interests. There are forces within Turkey that are striving to turn Turkey's face away from the West and may someday succeed in converting Turkey into another Iran. Then where would Israel be? Then where would Greece be? Then where would NATO be? Our own security interests would suffer. I am just pro United States, and I see Turkey as a friend, an ally. So we cannot afford to insult her. It seems that we have a proclivity for wanting to slap Turkey around—to send a "message."

Madam President, I respect the views of other Senators, but I hope the Senate will not adopt this amendment. If it does, I hope that the President will exercise the authority to waive this provision.

I yield the floor.

Mr. McCONNELL. Madam President, I do not believe there are any other speakers on this side of the aisle on the Dole amendment, nor do I have a request for a rollcall vote. So I think we are ready to move forward.

Mr. LEAHY. Madam President, I would be perfectly happy, since no one is requesting a rollcall vote on this side, to go with a voice vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2726) was agreed to.

Mr. McCONNELL. Madam President, I move to reconsider the vote.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCONNELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I wish to inquire of the managers or acting manager, as the case may be, is there now any objection to my setting aside temporarily the pending amendment so that I can have stated the amendment that I have already discussed?

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. I am not sure I understand the question. There was some noise here, and I literally could not hear the Senator.

The PRESIDING OFFICER. Is the Senator from North Carolina asking that the pending amendment be set aside so that he can offer his amendment?

Mr. HELMS. All pending amendments.

The PRESIDING OFFICER. All pending amendments. That is the question.

Is there objection to setting aside all the pending amendments so the Senator from North Carolina——

Mr. HELMS. Madam President, if I inferred or if I implied that I want to set aside the committee amendment, I do not want to do that.

The PRESIDING OFFICER. That is correct.

Mr. LEAHY. Madam President, I am not sure. Has the Senator made that request, or was he asking Senator McCONNELL as the manager, and myself as the ranking manager whether we would accept such a request? That was my problem.

Mr. HELMS. The communication will go all the way down. I do not understand what the Senator said.

Mr. LEAHY. We seem to have a communication problem.

Might we enter a quorum call for just a moment?

Mr. HELMS. Fine.

Mr. LEAHY. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Madam President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

AMENDMENT NO. 2727 TO COMMITTEE AMENDMENT ON PAGE 2, LINE 25

(Purpose: To prohibit the use of funds for relocating the Agency for International Development to the Federal Triangle Building, Washington, District of Columbia)

Mr. HELMS. Madam President, oh, about 30, 40 minutes ago I was delayed in having my amendment, which is now at the desk, stated.

When I asked unanimous consent to have all amendments laid aside, except the committee amendment, there was an objection. Now there is no objection, as I understand it. So I now ask that the amendment be stated.

The PRESIDING OFFICER. Is there objection?

If not, the clerk will read the amendment.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 2727 to the committee amendment on page 2, line 25.

The amendment is as follows:

At the appropriate place in the committee amendment insert the following:

PROHIBITION ON USE OF FUNDS FOR RELOCATING AID TO FEDERAL TRIANGLE BUILDING

SEC. 577. Notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by this Act may be used to relocate the Agency for International Development, or any part of that agency, to the Federal Triangle Building in Washington, District of Columbia.

Mr. HELMS. Mr. President, while the Senate Foreign Relations Committee was busy approving legislation abolishing the Agency for International Development, the entrenched bureaucracy at AID has been preparing to spend $40 million to move its offices into some of the most expensive real estate in the entire Washington area. Apparently, AID officials think they are playing with monopoly money and that AID has just landed on Boardwalk.

The building, known as the Federal Triangle and dubbed by the Washington Times a "Blueprint for a Boondoggle," was originally supposed to cost $362 million but its cost has soared to $700 million. Tom Sherman, former assistant administrator of GSA called it the project from Hell. Yet, despite congressional efforts to abolish AID, they intend to burrow-in at this plush, new Taj Mahal on Pennsylvania Avenue, further isolating AID from the Department of State.

According to AID, its proposed move has already cost taxpayers $13.6 million in fiscal years 1994 and 1995 and will cost at least an additional $27 million in fiscal years 1996 and 1997. Now, when a Federal agency contemplates a move, it usually does so with the goal of saving taxpayers money. But AID intends to do just the opposite. Right now, AID pays $20 million annually for its leases in the D.C. area. After the move, AID plans to spend more than $32 million a year in rent—so this move would actually increase AID's annual rent by more than one-third.

The pending amendment would save at least $16 million next year by prohibiting AID from spending any money to facilitate its move out of the State Department.

Let me attempt to explain why this move will be so costly to the taxpayers. The chart next to me illustrates how much AID intends to spend per square foot for this new lease as compared to lease costs elsewhere in the Washington area.

The chart clearly shows that the average cost to lease space in Washington is less than $29 per square foot. Even in central Washington, the going rate for lease space is only $37 per square foot. But right now, under the terms negotiated between AID and the General Services Administration [GSA], AID intends to lease space in the Federal Triangle building for a minimum of $55 per square foot—far more than any private business in Washington would agree to pay. It does not take a mathematician to know that the folks at AID have been snookered on this deal.

More shocking, AID intends to lease a substantial amount of what it calls structurally changed space for more than $97 per square foot—triple the fairmarket value of this space. So, while Congress is working to abolish AID, AID is busy figuring out ways to spend more Federal money with this move to the high-rent district.

Mr. President, let us give the taxpayers a break. AID does not need a new Taj Mahal.

I yield the floor.

The PRESIDING OFFICER. The amendment is pending.

The question is on agreeing to the amendment.

So the amendment (No. 2727) was agreed to.

Mr. MCCONNELL. I move to reconsider the vote.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. MCCONNELL. Madam President, it is my understanding we are down to about four or five amendments left that would require a rollcall vote, other than amendments that the distinguished chairman of the Foreign Relations Committee may have and that the majority leader may have. So I would like to encourage—and I see one of those Senators here on the floor, the distinguished Senator from New Mexico.

Again, let me repeat, we are down to about four or five amendments that will require a rollcall vote, other than the amendments that may be offered by the distinguished chairman of the Foreign Relations Committee and by the majority leader. So that is where we are at the moment. I see Senator BINGAMAN here.

Mr. LEAHY. Madam President, the Senator includes in that—so we make sure we understand—one that would obviously require a rollcall. That would be the major reorganization amendment that we debated earlier today.

Mr. MCCONNELL. I say to my friend from Vermont that is one of the amendments of the distinguished chairman of the Foreign Relations Committee.

Mr. LEAHY. Madam President, while we are waiting for just some administrative work being done on an amendment which is about to be offered, we have here, at least as it came out of committee, basically a very straightforward appropriations bill. The distinguished chairman and myself worked very, very hard on this. We tried to accommodate the concerns and desires of Republicans and Democrats alike in the Appropriations Committee and others who came to us with amendments. Those things that we could not agree on when we did it, we had votes in the committee on them.

We are now, on the 21st of September, 9 days before the end of the fiscal year, on one of the 13 major appropriation bills that have to be passed. Frankly, I would like to see—and I suspect the distinguished chairman agrees with this—I would like to see if sometime by early evening we could just vote and pass all of these; either vote these amendments up or vote them down, and then vote up or vote down on the final bill. And I urge our colleagues to work toward that end.

Frankly, my willingness to accept or accommodate amendments diminishes as the Dracula hour approaches. I yield the floor.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER (Mr. GORTON). The Senator from New Mexico is recognized.

AMENDMENT NO. 2728

(Purpose: To allow residents of the United States to send to their immediate family members in Cuba small amounts of money to pay for basic necessities such as food, clothing, and medical care)

Mr. BINGAMAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] proposes an amendment numbered 2728.

The amendment is as follows:

At the appropriate place insert the following:

SEC. . PROTECTION OF HUMANITARIAN EFFORTS.

Notwithstanding any provision of law to the contrary:

(a) FAMILY SUPPORT PAYMENTS.—Residents of the United States shall not be prohibited from sending to their parents, siblings, spouses, or children currently residing in Cuba small amounts of money (not to exceed $200 per month) to be used for the purchase of basic necessities, including food, clothing, household supplies, rent, medicine, and medical care.

(b) COMPASSIONATE TRAVEL.—Residents of the United States shall not be prohibited from traveling to Cuba for a period up to thirty (30) days to attend to a medical emergency involving, or to attend the funeral of, such resident's parent, sibling, spouse, or child.

(c) NATIONAL DISASTER RELIEF.—The United States shall not be prohibited from participating in humanitarian relief efforts of multilateral organizations of which the United States is a member, where such humanitarian relief efforts are made in the aftermath of a natural disaster on the island of Cuba.

Mr. BINGAMAN. Mr. President, this amendment, as the language of the amendment just read indicates, is an effort to put the Senate on record and the Congress on record as favoring protection of some basic humanitarian efforts made by Americans on behalf of the Cuban people.

More importantly, it also allows Cuban-Americans currently residing in the United States to ease the suffering of immediate family members who they may have still remaining in Cuba.

First, the amendment would allow Cuban-Americans and American citizens who currently reside in the United States to provide modest cash remittances of not more than $200 a month to immediate family members.

The reason that this is an important provision is that, as I understand it, we presently have in place a policy or Executive order that is prohibiting those remittances. That has been in place ever since we were negotiating sometime last year with the Cuban Government. I do not believe that this will hurt any efforts to bring democracy to Cuba or aid the Cuban Government, but it will go a great distance in aiding or in easing the suffering of the Cuban people.

Second, the amendment would protect the rights of Cuban-Americans to travel to Cuba in the event of a medical emergency or death in their immediate family. Cuban-Americans would be able to travel for periods of up to 30 days for such emergencies. I am sure my colleagues would agree that any individual should be able to freely travel in order to attend the funeral of a family member or deal with a family medical emergency.

Finally, the amendment says that the United States would not be prohibited from participating in humanitarian efforts of multilateral organizations in the aftermath of any natural disaster that might occur involving the island of Cuba. These international efforts or humanitarian efforts referred to would be efforts initiated by multilateral organizations of which we are already a member, and we, of course, would be aiding in relief efforts through those organizations.

Mr. President, I am sure that all Members of the Senate will agree that the protection of these basic humanitarian efforts by Americans and Cuban-Americans on behalf of the Cuban people and family members is the right thing to do. We may have serious disagreements about United States policy and how that policy can best achieve democracy in Cuba, but surely we can all agree that such a policy should not be inhumane to the people of that country.

Our Government's dispute with the Cuban Government should not interfere with clearly humanitarian efforts and basic family rights of Cuban-Americans residing in this country.

Mr. President, I believe it is important for the Senate to be on record in support of this, particularly in light of some of the Executive orders that have been issued recently.

I urge my colleagues to support the amendment. I yield the floor.

Mr. LEAHY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that Senator PELL, the Senator from Rhode Island, be listed as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, will the Chair inform me as to what the lineup of amendments is as they now stand?

The PRESIDING OFFICER. The Senate is considering an amendment of the Senator from New Mexico, amendment No. 2728.

Mr. HELMS. That is the pending business. There are three other amendments in line, are there not?

The PRESIDING OFFICER. Two other amendments were set aside. One is an amendment of the Senator from Alaska, Mr. MURKOWSKI, and the other an amendment by the distinguished Senator from North Carolina for himself and for Senator DOLE.

Mr. HELMS. May I ask the manager of the bill, do they intend to accept the amendment? Does the Senator from New Mexico intend to ask for the yeas and nays on his amendment?

Mr. BINGAMAN. In response to the Senator from North Carolina, I was hoping to have a vote on the amendment that I have offered. I would be glad to do that at this time.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. MCCONNELL. Mr. President, we need to withhold from going to the vote. We have not cleared the time yet on this side.

Mr. President, I suggest the absence——

Mr. HELMS. If the Senator will withhold. Would the Senator like to set aside the pending amendment so I can call up another amendment?

Mr. MCCONNELL. Mr. President, is the distinguished Senator from North Carolina suggesting that we handle the—I do not see a number on this—PLO amendment?

Mr. HELMS. Middle East peace, yes.

Mr. MCCONNELL. It is my understanding that that has been cleared by both sides. Is that Senator LEAHY's understanding?

Mr. LEAHY. I am doublechecking that right now. If it is, we can dispense with it in about 2 minutes. Maybe we can save ourselves even more time if we can withhold for just a couple of minutes.

Mr. HELMS. In any case, if the Senator will yield, I do have a statement which would take 5, 10 minutes in connection with the amendment.

Mr. LEAHY. I have no problem with that at all. That might kill two birds with one stone.

Mr. HELMS. I thank the managers of the bill. I shall be as brief as possible. This amendment, as I understand it, has been cleared on both sides. I hope that is correct.

Mr. President, Senator PELL, the distinguished Senator from Rhode Island and ranking member of the Foreign Relations Committee, and I and the several other cosponsors of the Middle East Peace Facilitation Act of 1995 introduced our bill, S. 1064, on July 21, with the now-obvious overly-optimistic assumption that it could and would be incorporated into the State Department authorization bill.

I shall not recount the well-known reasons why the Foreign Relations Committee's State Department authorization bill was given such scant consideration by the minority of the Senate, except to say that it ran into bureaucratic bombardment from the State Department, the White House, and a coterie of independent agency bureaucrats who were tormented by the very idea that their multibillion dollar playpens might be broken up, which, I might add, was precisely the intent of my piece of legislation.

In any case, here we are with the Foreign Relations Committee's authorization bill now in part tacked onto the appropriations bill.

I certainly find no joy in that set of circumstances. The authorization bill, S. 1964, had bipartisan support, in part because there was a fairly explicit presumption that Chairman GILMAN, the distinguished gentleman over in the House, chairman of the House International Relations Committee, and I would be able to act on our respective reservations about the authorization bill when it went to conference. Now all of that is out the window—at least for the time being. So, as it turned out, BEN GILMAN and I never got the chance.

There are a number of improvements that can and should be made to this legislation. But let me offer some purely personal and fundamental problems that I have with the so-called Middle East Peace Facilitation Act, which is now pending.

If you wonder if I trust Yasser Arafat, the answer is "no." His hands are bloody; his career is smeared with unspeakable acts of terrorism. I will never fully understand how the leaders of Israel could reach the decision to turn over land to Arafat, a man whose creed calls for the destruction of the nation of Israel, and whose co-conspirators have referred to Israel as the "eternal enemy."

Will this peace process convince Arafat that he cannot promote peace while he is winking at gun-toting terrorists in Hamas? I do not know, but I frankly doubt it. Will it matter to Arafat that the Congress of the United States regards Jerusalem as the capital of Israel, and that this Congress has not the slightest predisposition or intent to help finance PLO offices in Jerusalem? I think not.

One thing is certain about the Middle East Peace Facilitation Act of 1995, the pending amendment. One thing or the other is going to happen. Yasser Arafat will have a final opportunity to demonstrate that for once a leopard can change its spots. He will have an opportunity to astonish everybody by demonstrating that he does indeed wish to join the ranks of the decent and honorable in this violent and troubled world. He may astonish me, and I pray that he can and that he will.

All around are leaders willing to risk giving Yasser Arafat one last chance. I fear that I know what is going to happen down the road, and not very far down the road. As is so often said, "let's give peace a chance," even if it proves to be one last exercise in futility.

I have several amendments to offer, none of which will kill the peace process, and the PLO can comply with each and every one of them if Yasser Arafat has even a spark of genuineness in him.

First, although Senators may not be aware of it, the PLO has at least 10 offices operating within the city limits of Jerusalem. The PLO does not belong in Jerusalem. If those offices are not shut down within 6 months, then under this amendment, all U.S. aid to the PLO would be cut off.

Second, 2 years ago Yasser Arafat pledged he would cooperate in providing information regarding the fate of an Israeli-American soldier captured by a PLO faction. To the best of anybody's knowledge, he has not done that. No doubt there is information in Mr. Arafat's hands about other Americans held by the PLO and those affiliated with the PLO.

The President of the United States, under this amendment, must certify that Yasser Arafat is being specifically helpful in the search by the United States for information regarding victims of terrorism. Surely this is a small request in return for assistance that the United States provides.

Third, this Middle East Peace Facilitation Act is to be 18 months in duration. Several Members of the House of Representatives have argued for a 12-month bill. I happen to believe they are right. The situation in the Middle East is so fluid that 12 months will serve everyone better, in my judgment.

Then I have two technical amendments which will follow shortly to clean up some unclear language regarding the Palestinian covenant and the participation of active terrorist groups in Palestinian elections. I doubt that anybody in this Chamber will find either of these objectionable.

In summary, there has been a great deal of discontent and doubt about this peace process. I hope we can relieve some of that. I do hope that all Senators who have suggested alternatives or amendments to MEPFA, I hope they will offer them for an open discussion that will, of course, benefit all of us.

Mr. President, I thank you. I yield the floor.

Mr. LEAHY. Mr. President, this amendment of the Senator from North Carolina is acceptable on this side.

I wonder if the distinguished floor manager would be interested in doing it this way: That we pass by voice vote the amendment by the Senator from North Carolina and then go for rollcall, the yeas and nays having been ordered on the amendment of the Senator from New Mexico.

Mr. McCONNELL. Mr. President, approving the Helms amendment is fine.

I indicated to the Senator from New Mexico that the Senator from Florida, Senator MACK, will want to speak on his amendment, so we will not be able to go forward on the Bingaman amendment yet.

I see no problem in moving ahead on the Helms amendment that is currently before the Senate. I am aware of no opposition to it, Mr. President.

The PRESIDING OFFICER. The amendment has not yet been offered.

Mr. LEAHY. I am referring to the amendment that the Senator from North Carolina has been speaking about.

AMENDMENT NO. 2729 TO THE LAST COMMITTEE AMENDMENT

(Purpose: To Amend the Middle East Peace Facilitation Act)

Mr. HELMS. I send an amendment to the desk for immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 2729.

Mr. HELMS. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 113, lines 25 and 26, strike "eighteen" and insert "twelve".

On page 119, line 15, insert "and thereby nullified" after the phrase "effectively disavowed".

On page 120, lines 3 and 4, strike "in accordance with the terms that may be agreed with Israel" and insert "that neither engage in nor practice terrorism or violence in the implementation of their political goals".

On page 120, line 15, strike "and".

On page 120, line 19, strike the period and insert "; and".

On page 120, between lines 19 and 20, insert the following:

(7) the P.L.O. has not funded, either partially or wholly, or has ceased funding, either partially or wholly, any office, or other presence of the Palestinian Authority in Jerusalem.

(8) the P.L.O. is cooperating fully with the Government of the United States on the provision of information on United States nationals known to have been held at any time by the P.L.O. or factions thereof.

At the appropriate place in the Committee amendment, insert the following new section:

COERCIVE POPULATION CONTROL METHODS

SEC. . Notwithstanding any other provision of this Act or other law, none of the funds appropriated by this Act may be made available for the United Nations Population Fund (UNFPA), unless the President certifies to the appropriate congressional committees that (1) the United Nations Population Fund has terminated all activities in the People's Republic of China; or (2) during the 12 months preceding such certification, there have been no abortions as the result of coercion associated with the family planning policies of the national government or other governmental entities within the People's Republic of China. As used in this section the term "coercion" includes physical duress or abuse, destruction or confiscation of property, loss of means of livelihood, or severe psychological pressure.

The PRESIDING OFFICER. If there is no further debate on the amendment, the question is on agreeing to the amendment.

The amendment (No. 2729) was agreed to.

Mr. HELMS. I move to reconsider the vote.

Mr. McCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, a few minutes ago we passed the humanitarian corridor amendment, of which I was a cosponsor. I ask unanimous consent that the distinguished Senator from Nevada [Mr. REID] be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I have an unprinted amendment—it is a printed amendment—at the desk. I ask it be stated.

The PRESIDING OFFICER. Does the Senator ask unanimous consent to set aside the pending amendment?

Mr. HELMS. Yes, sir. I thank the chair.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2730 TO THE COMMITTEE AMENDMENT

(Purpose: To restrict the availability of funds for the U.N. Population Fund (UNFPA))

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 2730 to the committee amendment.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the Committee amendment, insert the following new section:

COERCIVE POPULATION CONTROL METHODS

SEC. . Notwithstanding any other provision of this Act or other law, none of the funds appropriated by this Act may be made available for the United Nations Population Fund (UNFPA), unless the President certifies to the appropriate congressional committees that (1) the United Nations Population Fund has terminated all activities in the People's Republic of China; or (2) during the 12 months preceding such certification, there have been no abortions as the result of coercion associated with the family planning policies of the national government or other governmental entities within the People's Republic of China. As used in this section the term "coercion" includes physical duress or abuse, destruction or confiscation of property, loss of means of livelihood, or severe psychological pressure.

Mr. HELMS. Mr. President, the pending amendment is directed toward the U.N. Population Program familiarly known as UNFPA. It is directed at the U.N. Population Program and the People's Republic of China.

The arrest earlier this year of my friend, Harry Wu—and he is a friend of a lot of Senators here—again highlights, I think, China's dismal human rights record. And of course all Senators have heard the horror stories associated with the brutal population control program of the People's Republic of China.

The pending bill proposes to hand over another $35 million to UNFPA—$20 million less than the Clinton administration proposed in my judgment, and I think the judgment of many other Senators, it is still $35 million too much. I, therefore, expect a few UNFPA defenders to come down to the Senate floor and say that U.N. Population Program activities in China really don't matter because UNFPA does some good things elsewhere. Others will claim that language specifically restricting the United States contribution from being used in China is all that is needed. But, I do not buy that, and neither do the American people, if I am any judge of the attitude of the people.

Either UNFPA is mixed up in China's grotesque and cruel population control program, or it is not. And the fact is, UNFPA helped design China's one-child-per-family population control program 20 years ago, and it has actively supported the program ever since. Indeed, UNFPA holds up China's program as a model for the developing world.

The pending amendment insists that the U.N. Population Program terminate its activities in China or the United States Government will terminate its association with UNFPA. It is as simple as that. The amendment is identical to language in the House version of this bill, and should be included in this bill.

Let me say, parenthetically, that a foreign aid conference report may experience some trouble in the House unless this and other pro-life, pro-child provisions remain. Foreign aid is as unpopular in the House as it has ever been, and I do not think that pro-life Congressmen will be inclined to vote for this bill without language protecting unborn children.

Mr. President, let us be clear about the kind of abuses that occur in China under the nose of UNFPA. Women are dragged into government clinics and forced to have an abortion if they already have one child. Women and men are forced, like animals, to undergo sterilization procedures if they violate the one-child policy. This inhumane program—of which UNFPA is so proud—has caused an alarming increase in abortions of baby girls because many Chinese value boys more.

In light of this cruelty against the most innocent and helpless members of the human race, the Christian Coalition's Contract with the American Family specifically targets eliminating funding for UNFPA. A cogent explanation of why UNFPA is targeted is on pages 72–74 of the contract. I shall do everything I can to require that UNFPA pull out of China, or face termination of United States taxpayers' funding.

Mr. President, this bill carries another provision—as have previous foreign aid appropriations bills since 1985—designed to prohibit funding UNFPA, but without identifying UNFPA by name. The provision, known as the Kemp-Kasten amendment, prohibits funding of any "organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization." Senator Kasten and Congressman Kemp had Communist China in mind, where UNFPA operates one of its cornerstone programs.

From 1986–92, the Reagan and Bush administrations determined that UNFPA was in violation of the Kemp-Kasten amendment. Indeed, President Bush vetoed the fiscal year 1990 foreign operations appropriations bill because it gutted the Kemp-Kasten amendment. President Bush opposed funding UNFPA because it was the only organization that violated the Kemp-Kasten amendment and because, as Mr. Bush put it:

> The [U.N. Population Program] participates in and strongly defends the program of a particular foreign government [China] which relies heavily upon compulsory abortion. This fund received no United States assistance since 1985, precisely because of its involvement in the coercive abortion policy.

It is well known that one of the first actions taken by President Clinton, when he assumed office, was to reverse this longstanding policy—despite the administration's full knowledge of China's cruel program and UNFPA's close relationship with it. That is why the pending amendment is the pending business in the Senate right now.

AID Administrator Brian Atwood told the chairman of the House Foreign Operations Appropriations Subcommittee, in an August 6, 1993, letter, that

"* * * if there are not significant improvements in China's population program, the United States will not support continued UNFPA assistance to China beyond 1995 when the current program ends."

The fact is, Mr. President, the situation in China has worsened, but UNFPA does not intend to pull out of China, and the Clinton administration has every intention of contributing money to UNFPA. The administration apparently gives UNFPA a wink and a nod in New York, and then glibly tells Congress, "trust us, the United States doesn't support UNFPA assistance to China."

Let me say this in conclusion. Mr. President, Americans already believe that too much of their tax money goes to the United Nations. Poll after poll after poll shows that. And they certainly do not want any administration to give money to the U.N. Population Program, thereby condoning that organization, including its involvement with China's grotesque population control program.

Since China clearly has made no improvement on human rights, and since UNFPA's relationship with China remains unchanged, I strongly urge Senators to support the amendment to force UNFPA out of China.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, as the Senator from North Carolina, I believe, mentioned in his statement, the amendment he offered was in the original chairman's mark which was then stripped out at the subcommittee level, so I obviously support the amendment of the Senator from North Carolina.

One of the thoughts that my friend from Vermont and I were discussing is the possibility of a hour and half, or a 2-hour time agreement on the amendment, if that is acceptable to the Senator from North Carolina. That would give Senators notice that there would be a vote at a time certain in a couple of hours from now.

I am curious. I would ask Senator LEAHY if he has any feeling about the appropriateness of such time agreement.

Mr. LEAHY. Mr. President, I strongly support it if we are ever going to finish this bill in our lifetime. I understand one Senator is not on the floor, and he would be on the floor in about a minute or two.

I would suggest this, that we go off this amendment for about 3 minutes, bring back the Bingaman amendment during that time, and then 3 minutes from now go back to the Senator from North Carolina.

Mr. President, I ask unanimous consent that we go off the pending amendment, go back to the Bingaman amendment, and I assure my colleague I will be asking that we go back to the Helms amendment in a matter of 3 or 4 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. On the Helms amendment?

Mr. HELMS. Yes.

The PRESIDING OFFICER. Is there objection to the request? Hearing no objection, is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. I thank the Chair. I thank the managers.

Mr. BINGAMAN. Mr. President, what is the pending business?

The PRESIDING OFFICER. The Chair informs the Senator from New Mexico that the pending amendment is the amendment of the Senator from New Mexico.

AMENDMENT NO. 2731 TO AMENDMENT NO. 2728

(Purpose: To allow residents of the United States to send to their immediate family members in Cuba small amounts of money to pay for basic necessities such as food, clothing, and medical care)

Mr. BINGAMAN. Mr. President, I send a second amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] proposes an amendment numbered 2731 to amendment No. 2728.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the first word and insert the following:

SEC. . PROTECTION OF HUMANITARIAN EFFORTS.

Notwithstanding any provision of law to the contrary:

(a) FAMILY SUPPORT PAYMENTS.—Residents of the United States shall not be prohibited from sending to their parents, siblings, spouses, or children currently residing in Cuba small amounts of money (not to exceed $195 per month) to be used for the purchase of basic necessities, including food, clothing, household supplies, rent, medicines, and medical care.

(b) COMPASSIONATE TRAVEL.—Residents of the United States shall not be prohibited from traveling to Cuba for a period up to thirty (30) days to attend to a medical emergency involving, or to attend the funeral of, such resident's parent, sibling, spouse, or child.

(c) NATIONAL DISASTER RELIEF.—The United States shall not be prohibited from participating in humanitarian relief efforts of multilateral organizations of which the United States is a member, where such humanitarian relief efforts are made in the aftermath of a natural disaster on the island of Cuba.

Mr. BINGAMAN. Mr. President, I ask for the yeas and nays on the second-degree amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BINGAMAN. Mr. President, I yield the floor.

Mr. LEAHY. Mr. President, I ask unanimous consent that we temporarily lay aside the Bingaman amendment and that we go back to the Helms amendment we were discussing just a moment ago.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, what I was going to suggest, subject to the approval of the other side, is that we schedule the vote on the Helms amendment for 6:30.

Would that work?

Mr. BINGAMAN. Mr. President, reserving the right to object, would it be possible in that same unanimous-consent agreement to have a provision for a vote on the second-degree amendment that I just offered giving sufficient time for debate?

Mr. McCONNELL. I say to my friend from New Mexico, we are still trying to get the input from one Senator on his amendment now as amended. So at this particular moment I think that would not be possible.

Mr. BINGAMAN. I will not object, Mr. President.

Mr. LEAHY. Mr. President, I have absolutely no objection. In fact, I think it would be a good idea to have the vote on the Helms amendment in an hour and a half, with the time equally divided under control of the managers.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the vote on the Helms amendment occur at 6:30 and that the time on the amendment be equally divided in the usual fashion.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged equally.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2730

Mr. LEAHY. Mr. President, I yield 15 minutes from the side in opposition to the distinguished Senator from Wisconsin [Mr. FEINGOLD].

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 15 minutes.

Mr. FEINGOLD. Thank you, Mr. President. I thank the manager very much for the 15 minutes in order to oppose the Helms amendment on UNFPA and to support the committee language on population and abortion.

Everyone understands that this is the same debate we had in the Senate Foreign Relations Committee this summer, when the committee voted by a decisive 11-5 vote to authorize $35 million in funding for UNFPA.

The UNFPA is the world's leading family planning agency, with approximately one-third of all population assistance to developing countries channeled through it.

It provides funds and training for maternal and child health care, family planning devices, and technical assistance for population programs.

UNFPA, by its own mandate, is not involved in abortions or abortion-related services. It is family planning agency.

So, this is a debate on population. It should not be a debate on abortion.

That is why the amendment by the Senator from North Carolina demonstrates a fundamental misunderstanding of what the UNFPA does, and will do nothing to end the horrific practice of coercive abortion.

Nowhere in the world—including China does the UNFPA involve itself with abortion policy or the delivery of abortion and abortion-related services. Indeed, if I believed that UNFPA or any U.S. Government program was being used to support coercive abortion, I would vehemently object.

Like the chairman, I too, am the father of two daughters and am horrified by the Chinese policies on baby girls. To insinuate that anyone in this body supports such a practice is really disingenuous.

That is one of the reasons I introduced legislation with the chairman to revoke most-favored-nation status for China. I believe it should be at the forefront of our human rights agenda with China.

It should be an issue at bilateral and multilateral fora;

It should be linked to benefits, such as MFN, which the Chinese desire;

It should be a subject for the U.N. Commission on Human Rights;

And it should be an issue for foreign corporations in China as they are sincerely interested in improving the quality of life for their Chinese employees.

But withdrawing from the UNFPA would do nothing to combat coercive abortion because UNFPA is not involved in the policy, and current law governing the United States contribution to UNFPA wholly separates United States funds from being used in China altogether.

That law was reaffirmed by a strong, bipartisan 11-5 vote in the Senate Foreign Relations Committee last month when we debated the UNFPA issue in an amendment to the foreign aid authorization bill.

Current law not only explicitly prohibits United States funds from being used in UNFPA's China program, it also mandates that UNFPA must hold United States funds in separate accounts to ensure that they are not comingled with other moneys which may be supporting family planning services in China.

Our provisions also require that the administration certify that China is receiving only the $7 million which the UNFPA 5-year plan allocates. Under current law, if the report shows that UNFPA invests more than $7 million in China, then the United States contribution to UNFPA will be deducted by that proportional amount, so there is no way that additional funds from the United States can be put in in this way.

Mr. President, we will do more to influence the China program if we stay involved with UNFPA. The current program ends in December 1995. If we are not contributors to UNFPA, then we will not be at the table at the end of the year to help decide if and how this organization will work in China. That is certainly no way to stop coercive abortion.

Further, if we withdraw, we will pull no other country with us. Let me remind my colleagues that when the United States withdrew from UNFPA in 1984, not one single other country joined in our boycott. In any event, it makes no sense to withdraw from this organization since it is in fact exactly the services performed by UNFPA that make abortion less likely and less frequent.

Let us talk about that for a minute. Let us talk about the threat of overpopulation to our national security interests and what UNFPA and global population programs are doing to address it. The world population is exploding. From 1800 to 1930, our planet grew from 1 to 2 billion people. Today, we are up to 5 to 6 billion people, with 1 million born every 96 hours. At this rate, we will have quadrupled our population by the end of this century.

Overpopulation hampers economic development, harms world health standards, threatens food security. It stresses the environment, it harms the status of women, and it often forces dangerous migration and refugee patterns. These are among the most serious threats in the 21st century. We must be able to use the achievements of the 20th century; namely, family planning, to counter them. With the UNFPA in the lead, contraceptive use worldwide has quintupled in the past 20 years while the average family size has been halved. Yet, according to the World Health Organization, approximately 350 million couples still completely lack access to family planning services and information.

Mr. President, population will be the key to whether improved economic policies succeed; whether we will coexist with our environment or deplete it; and whether political crises become large-scale humanitarian disasters or not.

There are fortunately, Mr. President, many success stories to illustrate this point.

The so-called Asian Tiger economies—Indonesia, Malaysia, and Thailand—have been very successful in family planning programs, and they have been put together with assistance from UNFPA.

I have also visited, Mr. President, a family planning clinic in Tunisia which has one of the most successful programs in the world. It is also a country which is fast modernizing and developing a strong middle class. In my view, there is no coincidence that the economies of these countries are doing so well. There is no coincidence that the role of women in these societies is improving. Like human rights, global population concerns are U.S. national concerns.

Let me say again, while I share the outrage of the Senator from North Carolina about China's abortion policy, I believe that it makes no sense to sacrifice UNFPA for China's abortion policy in which that organization plays no role. If we can focus on what the real issue is here, I think my colleagues will be persuaded that a U.S. contribution to the UNFPA is clearly in our national interest and does not contradict our national values.

Mr. President, this amendment really spawns a false debate, and I urge the Senate to follow both the Foreign Relations Committee and also the Appropriations Committee and to defeat it.

I thank the Chair and yield the remainder of whatever time I have back to the manager. I yield the floor.

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. I thank the Chair.

The PRESIDING OFFICER. The Senator from Washington is informed that time is controlled. Does she wish to ask unanimous consent to take a certain amount of time from the Senator from Vermont?

Mrs. MURRAY. How much time remains on our side?

The PRESIDING OFFICER. There are 43 minutes and 7 seconds.

Mrs. MURRAY. Will the Senator from Vermont yield 10 minutes?

I thank the Senator.

The PRESIDING OFFICER. Without objection, the Senator from Washington has 10 minutes.

Mrs. MURRAY. I thank the Chair.

Mr. President, I rise in support of the committee position on funding for international family planning programs and against the Helms amendment to cut and restrict family planning aid.

The Helms amendment before us today is a wolf in sheep's clothing. It pretends to be antiabortion but in fact it is antifamily planning and does not effect the question of abortion funding at all.

In addition, the Helms amendment pretends to address the horrendous problem of forced abortions in the People's Republic of China, ostensibly trying to solve that terrible problem by denying United States support for the U.N. Population Fund.

Mr. President, the debate surrounding UNFPA began over a decade ago during the Reagan administration. Foes of UNFPA claimed then, as they do today, that the United States should withdraw support for UNFPA because of the fund's presence in China where there have been persistent reports of government sanctioned forced abortions.

There is no question that the Chinese do many things that I abhor. Forcing women to have abortions or forcing individuals to undergo sterilization is a gross violation of human rights and should be condemned by our Government at the highest levels.

Likewise, the killing of female infants in China is widespread in the country and appears to often go unpunished by Chinese officials. But it would be illogical—and counterproductive—for the United States to pull out of those international agencies that give aid to children in China because of the horrific practice of female infanticide that plagues that nation.

So why should we ask this organization to carry the sins of China on its shoulders when it comes to the question of family planning? The facts have never supported this approach. When the question of UNFPA funding was first debated during the Reagan administration, officials under President Reagan investigated the issue and found, and I quote from an AID document from that time, "that UNFPA is a benevolent factor in China which works to decrease the incidence of coercive abortion" in China by providing effective family planning services.

That same Reagan administration investigation found absolutely no evidence that the UNFPA participated in or supported in any way China's coercive family planning practices. Sadly, caught up in the pro-life politics of the time, UNFPA was nonetheless defunded by President Reagan. President Clinton has since resumed U.S. support for this agency and therein lie the roots of today's debate. Through all of this, however, the facts have been clear, that UNFPA has been part of the solution in China by helping to reduce the incidence of abortion in that country and others by providing high-quality voluntary family planning services. UNFPA's goal is to eliminate the need for abortions. They do so by providing maternal and child health care and voluntary family planning services. These are the kinds of programs that are unquestionably the most effective means of preventing abortion. And the majority of UNFPA's assistance goes toward projects in these areas. Ironically, by denying support to this most effective international family planning agency, the Helms amendment might well have the unintended effect of increasing the incidence of abortion in China.

As has been pointed out by others during this debate, the committee bill before us continues the longstanding policy of banning the use of U.S. funds for abortions overseas. That ban, commonly known as the Helms amendment, has been part of the permanent foreign aid statutes since 1973 and remains unchanged in the committee's bill.

In addition, the bill prohibits the use of U.S. funds for abortion lobbying.

So the real question facing the Senate today is this: The committee bill is already stringently antiabortion, but by disqualifying one of the most tried and true family planning organizations from receiving U.S. support, do we really want to make this bill antifamily planning as well?

Let me take a minute to review for my colleagues the important work that is being done by UNFPA and why U.S. support for this agency is so important. The United States played a key role in establishing the UNFPA in the late 1960's, seeking to form an organization where we could work with other nations to address the problem of overpopulation. Since that time, UNFPA has become a respected and trusted source of safe and effective family planning services for women and families in poor and developing nations.

With programs in over 140 countries, UNFPA is the world's largest voluntary family planning program. The guiding philosophy behind UNFPA's work in the developing world is to invest in women. UNFPA recognizes that by investing in women, we strengthen entire communities as well as national economies. In addition to family planning services, UNFPA provides life-saving maternal health care programs.

While childbirth anywhere carries certain risks, in the developing world mothers face grave statistics. In Africa, for example, 1 out of every 21 women will die as a result of pregnancy or childbirth, making the African women 200 times more likely to die as a result of bearing her children than a European woman.

The kinds of programs provided by UNFPA can prevent many of these maternal deaths. So when we support UNFPA, we are supporting those women and families across the developing world who seek the means to space their births and avoid high-risk pregnancies.

Equally important, when we support UNFPA we are increasing the chances that child survival rates will rise across the developing world. We know that babies born in quick succession to a mother whose body is not yet recovered from her previous birth are the least likely to survive.

UNFPA programs seek to support child survival efforts and help women understand the vital link between child survival and family planning.

For the record, let me outline UNFPA's position on abortion. UNFPA does not and never has supported abortions or abortion-related services in any country it operates in. According to the UNFPA's governing council, it is "the policy of the UNFPA not to provide assistance for abortion, abortion services, or abortion-related equipment and supplies as a method of family planning."

So, as I noted in my earlier remarks, the Helms amendment will do nothing to prevent abortions in China or elsewhere, but it will prevent vital health services from being delivered to women and children in the world's poorest nations.

I urge my colleagues to remember what is really at stake here. This is a public health issue and an extremely serious one. Family planning saves lives. Experts estimate that the lives of 5.6 million children and 200,000 women could be saved every year if all the women who wanted to limit their families had access to family planning. I ask my colleagues to really think about those statistics; 5.6 million children and 200,000 women every year.

So when we debate this issue of whether to support voluntary family planning programs like UNFPA, let us keep this debate focused squarely where it belongs—on the world's young women who struggle against impossible odds to better their lives and who desperately need reproductive health care services. Let us keep this debate squarely focused on young mothers around the world who have small children or babies and need family planning assistance to ensure that they do not become pregnant again too quickly and endangering their own lives and that of their babies and young children. Let us keep this debate squarely focused on thousands of women in poor nations who, lacking access to reproductive health care, resort to self-induced abortions and too often tragically lose their lives. Experts estimate at least 500,000 women will die from pregnancy-related causes, roughly 200,000 from illegal abortions which are prevented when women have family planning services.

The issue of refunding the UNFPA came before Congress again and again when Presidents Bush and Reagan were in office. Congress repeatedly voted for the United States to resume funding. So let us move on to the task of ensuring that women in the developing world have access to the kinds of reproductive health services they deserve, the kinds of services that will save their lives and the lives of their children.

In closing, Mr. President, I urge my colleagues to remember that this is a public health issue and an extremely serious one. We should reject the Helms amendment and vote in support of women and children across our globe. I thank you and I yield the floor.

The PRESIDING OFFICER (Mr. ABRAHAM). Who yields time?

Mr. LEAHY. Mr. President, how much time is remaining for those in opposition to the amendment?

The PRESIDING OFFICER. You have 32 minutes 30 seconds.

Mr. LEAHY. Mr. President, I yield myself such time as I may require.

Mr. President, I strongly oppose this amendment. What it does is it reverses the action taken by the subcommittee in legislation that was then in the full bill as reported out of the full committee.

By a vote of 8-5 the Foreign Operations Subcommittee passed my amendment to strike the kind of restrictions imposed by the House and proposed in this amendment that were in the bill that came before the Foreign Operations Subcommittee. I moved to strike the House language, taking the same position as the distinguished Senator from Washington, and before her, the distinguished Senator from Wisconsin. The Foreign Operations Subcommittee approved of my amendment. And that is the condition we are in now.

When you look at what we have done, the bill simply continues current law and practice. We are not asking for anything radically different. This is what we have always done. At a time when support for voluntary family planning programs and women's reproductive health is growing around the world, it would be foolhardy for the United States to once again, as we did in the early 1980's, surrender our leadership in this area.

This bill has the same prohibition on funding for abortion that we have had for years. Now, I have listened to some speaking around this Chamber. I want to make sure everybody understands. No funds in this bill can be used for abortion. It is not just the case that there is not any money in there for abortion; there is an explicit prohibition against money being used for abortion. So, basically, we are putting up a straw person to knock down here.

And then the question is, what might happen in China? No funds in this bill can be used in China. None, nada, neant, rien.

So what is the problem? The whole point of the program in this bill is to promote contraceptive and other alternatives to abortion—alternatives to abortion. We are trying to have alternatives to abortion. We say none of the money can be used for abortion and none of the money can be used in China where they have forced abortions, and, instead, the money can be used for alternatives to abortion. We all ought to jump on board with that one. Every dollar is for voluntary family planning.

So, if you support this amendment, you are opposing voluntary family planning. If you support the amendment on the floor right now, you are against voluntary family planning. Provisions relating to the U.N. population fund would enable us to contribute to this organization, which is the largest international family planning agency in the world.

UNFPA does not fund abortions. It funds contraceptives and information, education about family planning in 140 countries. It is absolutely vital that the United States play a leading role in this agency, especially when the decisions we make today will determine if the world's population doubles or triples.

Can you imagine what this bill would look like, the overall foreign aid bill here, if the world population doubled or tripled?

That is not our population of the United States, that is the rest of the world, most of it in the area where we have the gravest concerns in this bill.

The bill does not earmark funding for UNFPA, but it would permit up to $35 million for UNFPA, which even in the unlikely possibility that that amount is available, is still $15 million below last year's level, and it contains all the restrictions on our contributions. There is an explicit prohibition against using U.S. funds in China, despite the fact UNFPA's program in China promotes voluntary family planning and human rights.

Let us not go backward in this bill, not when so many governments are finally seeking help in limiting the growth of their own population growth. Many of these countries are already impoverished, and the poverty increases because the population grows. We have the technology, the expertise, and we ought to help.

This amendment would require UNFPA to withdraw from China. That is not a decision UNFPA can do, nor can we pass a law to require it to do. It is a decision of its governing board. It is made up of donor governments and a large majority support UNFPA's program in China. By attaching a requirement that UNFPA cannot meet, we cut off funding in 139 other countries.

There is no money for abortion, no money for China. There is no reason to vote for this amendment, unless somehow you are against voluntary family planning altogether. If you have that attitude, then I guess there is nothing I can say.

I ask unanimous consent that a letter from Stirling Scruggs, the chief of information at UNFPA, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED NATIONS POPULATION FUND,
July 26, 1995.

Senator PATRICK LEAHY,
Senate Russell Building,
Washington, DC.

DEAR SENATOR LEAHY: It has just come to my attention that on June 28, 1995 during a debate on the House floor, Representative Chris Smith quoted Dr. Sadik, Executive Director of UNFPA, "China has every reason to feel proud of and pleased with its remarkable achievements made in its family planning policy and control of its population growth over the past 10 years. Now the country could offer its experiences and special experts to help other countries." Senator Jesse Helms used the same quote in the Senate Foreign Relations Committee Report accompanying S-961.

I believe this quote comes from China Daily, an English language newspaper published in Beijing. I was with Dr. Sadik when she was interviewed for this article in 1991. This article was a terrible distortion of what she actually said. Dr. Sadik did say that China should be proud of its record of improving women's and children's health since 1949. She commended China's continuing efforts to improve maternal and child health by discussing a joint UNFPA and UNICEF project in 300 poor counties in China that especially focuses on improving children's health through training and supplies for treatment of acute respiratory infection and diarrhea, promotion of prenatal care and nutrition, breast-feeding, assisted deliveries and family planning that assured several contraceptive choices and informed consent. She went on to say that this project was a model that could be replicated in other countries.

I have no idea why Dr. Sadik was misquoted. I tried unsuccessfully at the time to secure a retraction from China Daily. I remember during her visit being very proud of Dr. Sadik's tenacity and courage and my disappointment with the China Daily article which was not only wrong, but contradictory of her real position.

In fact, during this trip, Dr. Sadik attended a series of meetings that included: the Ministers of Family Planning and Health, the Head of the People's Congress and several of his colleagues and the General Secretary of the Communist Party of China. During these meetings she was very critical of new laws in several provinces requiring sterilization of the mentally retarded. She also successfully negotiated projects designed to increase training for informed consent and voluntary participation in family planning, and research that would examine the safety and efficacy of the Chinese steel ring IUD. The first project, currently ongoing, provides interpersonal counseling training and promotes contraceptive choice for grass-roots family planning workers in several provinces. The second resulted in a Chinese ban on steel ring IUD's in favor of copper based IUD's which in ten years will prevent 35.6 million abortions. It would also prevent 16,300 maternal deaths; 365,000 potential infant and 28,000 potential child deaths.

For 3½ years I served as UNFPA's Country Director in China. I know first hand what we did and said in China and I can tell you that the way we are frequently portrayed, such as in the statement in question, is absolutely and unequivocally untrue.

UNFPA has always represented international norms and human rights standards as articulated in several U.N. documents including the Universal Declaration of Human Rights, the World Population Plan of Action and the Programme of Action of the International Conference on Population and Development. For example, Chapter VII, para. 12 of the Programme of Action which states ". . . the principle of informed free choice is essential to the long-term success of family-planning programmes; that any form of coercion has no part of play, that governmental goals or family planning should be defined in terms of unmet needs for information and services; and that demographic goals, while legitimately the subject of government development strategies, should not be imposed on family-planning providers in the form of targets or quotas for the recruitment of clients".

In particular, Dr. Sadik has been a champion of human rights, women's equality and reproductive rights. In the 14 years I have known her, I have never heard her use the phrase "population control."

We deeply appreciate your past and continuing support and hope you can help set the record straight regarding the quote used by Representative SMITH and Senator HELMS.

Sincerely,

STIRLING D. SCRUGGS,
Chief, Information and
External Relations Division.

Mr. LEAHY. Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. LEAHY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Twenty-six minutes.

Who yields time?

Ms. MIKULSKI. Mr. President, I rise in opposition to the Helms amendment to end U.S. participation in the United Nations Population Fund, UNFPA. It will have a disastrous effect on women's health. It would weaken the most effective organization we have for delivering family planning services to the world's poorest women. And it ignores the fact the United States funds are not used for abortions and are not used in China.

Over 100 million women throughout the world cannot obtain or are not using family planning because they are poor, uneducated, or lack access to care; 20 million of these women will seek unsafe abortions. Some will die, some will be disabled. Only 25 to 35 percent of women in Africa and Asia receive prenatal care. Many of these women are very young—still children themselves. When children have children, they often lose their chance of schooling, a good job, self-sufficiency.

Why is the UNFPA so important? Because it has the infrastructure, the expertise, and the personnel to be the most effective program for providing family planning services around the world. It specializes—it does nothing but provide family planning and maternal and child health. And it is in 140 countries—whereas U.S. bilateral programs are only in 56 countries. At a time when foreign aid is being cut to the bone—UNFPA makes the most use of scarce U.S. foreign aid dollars.

We should be clear about what is in the bill—and what isn't. There is no money for abortions or abortion lobbying. Federal funds cannot be used to fund abortions—this bill retains this prohibition. That is why opponents of this amendment include Senators who strongly oppose abortion—because they know that effective family planning actually reduces abortions.

There is no money for China in this bill. We all agree that coerced abortions and sterilization are despicable. That is why no United States funds may be spent in China now. The bill retains this policy. United States contributions to UNFPA are segregated from other UNFPA funds; none of the United States funds may be used for China; and the United States contribution would be fully refunded if any United States funds were used for China or for abortions. These provisions ensure that not one cent of United States funds can be used in China.

What is in the bill? We simply maintain current law. We continue to provide modest funding for UNFPA. Without U.S. funds—there is no U.S. influence. We would have no say on how and where international family planning services are delivered.

In this bill we seek to maintain our modest role in providing family planning to the world's poorest women. I wish we could do more to ensure that all women have access to family planning. But the bill passed by the committee ensures that we continue to do something to help the world's poorest women to control and improve their lives. I strongly urge my colleagues to oppose the Helms amendment.

Mrs. BOXER. Mr. President, I rise today in opposition to the Helms amendment, which would defund the United Nations Population Fund [UNFPA].

UNFPA is the largest internationally funded source of population assistance, directly managing one-third of the world's population assistance to developing countries. The United States was instrumental in creating the UNFPA in 1969 and until 1985 provided nearly 30 percent of its funding.

The UNFPA is the principal multilateral organization providing worldwide family planning and population assistance. Operating in over 140 countries, in the poorest and most remote regions of he world, nearly half of the UNFPA assistance is used for family planning services and maternal and child health care. Another 18 percent is allocated for related population information, education, and communication.

The fund also provides support for population data collection and analysis, demographic and socio-economic research, and population policy formulation and evaluation.

In 1993 UNFPA supported 1,560 projects in 141 countries, including 44 countries in sub-saharan Africa, 33 countries in Latin America and the Carribean, 39 countries in Asia and the Pacific, and 25 countries in the Arab States and Europe.

UNFPA programs contribute to improving the quality and safety of contraceptives, to reducing the incidence of abortion and to improving reproductive health and strengthening the status of women. These programs have saved the lives of countless women and children.

UNFPA also helps to promote male participation and responsibility in family planning programs, address adolescent reproductive health, and reach isolated rural areas with high demands for family planning services.

The Helms amendment is really just a back door assault on family planning and that is a big mistake. Experts now recognize that population is an explosive problem and the committee has responsibility recommended steps to deal with it.

This is not about China. Existing law specifically states that none of the funds made available to the UNFPA shall be made available for activities in the People's Republic of China. I strongly support this prohibition and oppose any coercive population practices around the world.

I urge my colleagues to recognize the importance of family planning and oppose the Helms amendment.

Mr. BINGAMAN. Mr. President, I rise to speak in opposition to the amendment offered by my colleague from North Carolina.

I would like to take a few moments to talk about the United Nation's population program more generally, because quite clearly, the underlying intent of the amendment is to eliminate U.S. funding for all of UNFPA's population stabilization efforts.

Mr. President, I believe direct, substantial, and long-term benefits flow to American families from our national investment in sustainable development and population efforts.

Today, as we approach the 21st century, we are facing a world that will be more economically competitive and more challenging than ever before. This is not the time to be weakening our role as the world leader in these areas.

Instead, I believe it is in the best interest of America's children and families for the Congress to reaffirm and solidify our commitment in to population stabilization, reproductive choice, and other critical health and sustainable development programs.

For the past 12 years or so, I have spent a lot of my time here in the Senate focusing on the domestic and international high tech industries. I have worked to develop strategies to strengthen the technology and manufacturing bases in this country and to secure higher-wage jobs for Americans.

I have focused on these issues because of my concern for the long-term economic viability of our Nation. I believe that to secure our economic future, the United States must be fully equipped to compete long-term with Japan and other highly developed countries.

But at the same time, I believe we cannot have a successful economic strategy in this country if we do not devote serious attention to the economies of the developing world.

Over the past 10 years or so, growth in U.S. exports to the developing world has exploded; and today, developing countries account for about 40 percent of a growing U.S. export market.

In fact, trade with the developing world is growing at a rate that far exceeds the growth rate of U.S. exports to developed countries:

Between 1990 and 1993, U.S. exports to developed countries grew by 6.2 percent.

In 1993 alone, U.S. exports to developing countries grew more than 14 percent. Over the period between 1990–93, exports to developing countries rose nearly 50 percent—49.8 percent.

In terms of dollars, Latin America is a good example. In Latin America, United States exports rose by nearly $30 billion between 1989 and 1993—from $44 billion to $71 billion—representing a 61-percent gain.

I believe a significant factor in this growth has been the modest U.S. commitment to development and population assistance in the developing countries. Thailand, Costa Rica, Mexico are examples of countries in which a small United States investment in population and development assistance has repaid itself many times over in increased trade opportunities.

It is in our economic interest to continue support for UNFPA. The concerns raised by the Senator from North Carolina are addressed under current law and in the bill before the Senate today.

I urge my colleagues to reject this amendment.

Mr. LEAHY. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time run equally.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, there is currently laid aside an amendment which is in the second degree, I believe, by the Senator from New Mexico, Senator BINGAMAN. I ask unanimous consent that a vote on or in relation to the Bingaman amendment occur immediately at the end of the currently scheduled vote at 6:30, and that the duration of time on that vote to immediately follow the Helms amendment be 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. LEAHY. Mr. President, the distinguished Senator from Maine is on the floor and wishes to speak. I ask her how much time she would like.

Ms. SNOWE. About 8 minutes.

Mr. LEAHY. I yield 8 minutes to the distinguished Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine.

Ms. SNOWE. Mr. President, I want to thank the Senator from Vermont for yielding me time. I certainly want to express my position on this issue with respect to international family planning and the amendment that was offered by Senator HELMS, because I think that this is a very important issue.

I certainly oppose the restrictions that would be placed by the Helms amendment with respect to funding for UNFPA, which has been a very effective organization in providing for family planning services throughout the developing world.

I think it is important to understand, first off, that the current law already contains strong conditions on U.S. contributions to UNFPA. For more than a decade, no United States funds provided to UNFPA have been spent in China. In addition, it requires half of the United States contribution to UNFPA to be spent after March 1 so that Congress can review the amount that UNFPA has budgeted for activities in China as reported to Congress in mid-February.

This is important because it provides us with the opportunity to ensure that UNFPA has not taken any action to increase the amount of money it spends in its programs in China so there is no direct correlation between the United States contribution to UNFPA and the amount that it provides to China.

It also will ensure, for those who have been critics of our contributions to UNFPA, that our funds are not fungible and that United States funds are used in China even indirectly. I think it is important to note that our contributions to UNFPA cannot be commingled with UNFPA's funds at all. They are maintained in separate accounts and cannot be spent on UNFPA's activities in China. I think that is important, because we want to make sure that our funds are in no way linked, No. 1, but second, to ensure we are not doing anything directly or indirectly to enhance their program activities in China.

But I think we should understand what the funding of UNFPA is not about. First of all, it is not about abortion. UNFPA has a firm policy against any involvement in abortion services advocacy.

Second, and I think we all recognize and are concerned about China's controversial population program, human rights abuses in China have continued despite, not because of, UNFPA's small presence in China. It is unfortunate this has occurred not only at the central level of Government in China but also that the abuses and the policies have been promoted by the independence of the provincial governments as well in China.

So many of the worst abuses appear to be happening at the provincial level. But I think it is essential to underscore the fact that UNFPA's presence in China is to do everything that it can to prevent those abuses from occurring.

UNFPA has had a very successful voluntary program with respect to family planning throughout the developing world. It has had a presence in more than 140 countries, and nearly half of UNFPA's support is in the area of maternal and child health care and family planning.

There are other areas, including education, population data collection and analysis and research on demographic and socioeconomic relationships. I would like to reemphasize, because it is important, that UNFPA does not provide support, nor has it ever provided a policy of support for abortions or abortion-related activities anywhere in the world.

UNFPA was established back in 1969, interestingly enough, with strong encouragement from the United States. It happens to be the largest multilateral provider of population and family planning assistance to the developing countries. Approximately one-third of all population assistance to developing countries go through UNFPA.

So it has a presence in a number of countries where it plays a very critical role. Consider the facts. According to the World Health Organization, of the 500,000 women who die each year of pregnancy-related causes, 99 percent are in the developing world. So we should be doing everything as a country to support the activities of organizations like UNFPA and what they are doing in many of these Third World countries. We should be for family planning programs. We should not be doing everything to undermine the value of family planning programs in these countries.

As a matter of fact, the United States was the leader, the forerunner in support of these family planning programs internationally. We did everything to encourage, as I said, organizations like UNFPA and IPBF to do everything that they can to support strong programs in the developing world regarding family planning programs.

So I think that it is unfortunate that, as we discuss our contributions to such valuable organizations, we are now getting it interspersed and intertwined with the abortion debate. We all have our disagreements on the issue of abortion. But no one should be able to disagree on the issue of family planning. That is why we should be supporting such organizations, because the more they can do in providing family planning services to these countries, the more we will reduce not only the incidence of death, but of abortion as well.

So I hope that Members of the Senate will oppose the Helms amendment. We all know that rapid population growth is becoming a very critical problem. If you consider the fact that the world population is going to grow by 90 million people this year alone, this is like adding a new country the size of Nigeria to the world every year, or a city the size of New York City every month. Based on various assumptions about fertility rates, the U.N. population projections for the middle of the next century range between 8 and 12 billion people.

This rapid population growth has serious implications for global economic, and social stability. Ground water supplies are dwindling; rivers and lakes are fouled with pollutants from industries, municipalities, and agriculture. Tropical forests are being cleared at the rate of 17 million hectares a year.

Rapid population growth, especially when overlaid with sharp social or economic divisions, places great strains on political institutions. So to the extent that population pressures contribute to weakening economic and political structures, the adversely affect international stability and peace. This directly affects our own national security interests around the world.

Let us consider for a moment the benefits of population assistance, because they are substantial. A cost-benefit analysis of Thailand's family planning program, which reduced the average number of children per woman from 6 in the late 1960's to 2.1 in 1991, found that the average return on each dollar invested was estimated to be more than $7.

The PRESIDING OFFICER. The time of the Senator has expired.

Ms. SNOWE. I ask for 5 additional minutes.

Mr. LEAHY. How much time remains?

The PRESIDING OFFICER. There are 16 minutes 40 seconds remaining.

Mr. LEAHY. I know the Senator from Wyoming needs some time. How much will he need?

Mr. SIMPSON. Six minutes.

Mr. LEAHY. I yield the Senator from Maine an additional 5 minutes.

Ms. SNOWE. A similar study in Mexico concluded for every peso invested in family planning, 9 pesos are saved that would have to be spent on maternal and child health care. In Indonesia, each dollar spent on family planning will result in $12.5 of savings in public expenditures for health and education. This does not even take into account the benefits that accrue to every single person on this planet from reduced environmental trauma, reduced immigration pressures, improved standards of living, and improved social and political stability.

So I think that the benefits are clear of international family planning programs, and that is why we should not impede the ability of organizations, like UNFPA, that have done so much to enhance family planning services in the developing world.

In the 28 countries with the largest U.S.-funded family planning program, the average number of children born per family has dropped from 6 in the 1960's to 4 today, a decline of one-third. Since the 1960's, births for women in developing countries have dropped 37 percent, child mortality by 50 percent, and primary school enrollment is up by 38 percent. None of this would have been accomplished without U.S. leadership in international family planning. To forestall the still-looming world population crisis, we need to strengthen and continue our leadership and not pull away from our leadership.

So I hope that we will defeat the Helms amendment because I think we have to do everything that we can to support these services. I want to repeat, once again, that UNFPA is not involved in any of the abuses or coercive programs that have been advanced by the Government of China, or the provincial government within China. In fact, they have done everything to discourage it. It is more important that they have a presence there. But the fact is that they will, at the end of their 5 years, be reexamining their program. They are doing everything they can to reduce the abuses that are occurring in China. We should do everything that we can to assist them in the process. We have limited our contributions to UNFPA in the past. We know that our funds are not being used for UNFPA's program in China. Our appropriation process already places restrictions so that our funds are not comingled in any way with UNFPA's program in China.

So we have already in place the necessary procedures and restrictions to ensure that our money is not being used in any way, directly or indirectly, in China. So I urge my colleagues to support the committee position and oppose this amendment, so that we can continue to permit our U.S. leadership in the effort to stabilize the world's population through voluntary family planning services. We can only do this by supporting the efforts of UNFPA and the private organizations that have had a proven record of effectiveness and efficiency. We must maintain our international leadership, not just to assist the poor countries of the world that need our assistance, but, first and foremost, we need to continue our leadership in international family planning programs for our own Nation and our own future.

With that, Mr. President, I yield the remainder of my time.

Mr. LEAHY. Mr. President, I see the distinguished senior Senator from Wyoming on the floor. I yield to him 6 minutes.

Mr. SIMPSON. Mr. President, I thank the Chair. I particularly thank my friend from Maine, who has been such a stalwart worker in this area. Senator SNOWE has proven time and time again, on these issues and other issues of reproductive choice, that this issue is not about abortion. It is sad, actually, that somehow this issue of funding the U.N. Population Fund settles back on the issue of abortion. That is not so.

I support this U.S. funding. I commend my colleague from Maine and thank her for her consistency and the energy that she puts into this program and all programs of this nature. It is wonderful to have an ally like that because it has sometimes been a rather lonely venture over here on these particular issues. But you have to, in this situation, give President Clinton some credit, because during the Reagan-Bush administrations, these programs fell into disarray on the issue of abortion, which is very unfortunate.

This year, we are looking at funding levels of $35 million. I do understand where we are, obviously, with the budget. I just left a room where we will talk about how we are going to get $270 billion in savings in Medicare and some $180 billion in Medicaid. We all know what is confronting us. But I do not like to see these programs unfairly targeted. It sends a wrong message to the rest of the world. I was a congressional delegate at a conference in Cairo with Senator JOHN KERRY. There were not a great deal of our colleagues seeking passage to Egypt at that time.

I have always very much admired President Mubarak and the Government of Egypt. They gave us a remarkable convention and convocation, and I was impressed with the leadership of the Vice President in that effort as that consensus document was formed concerning maternal and child health care, strengthening family planning programs, promotion of educational opportunities for girls and women, improving the status of rights of women across the world, discussion of all issues, including contraception, fertility, and many other serious things.

Of all of the challenges that face the country—and, boy, there are plenty of them all around the world—none compares to the increasing of the population of the Earth. Every single effort we use or try to do here to protect the environment, promote economic development, jobs, everything is compromised and severely injured by the staggering growth in the world's population.

I hope we realize that there are currently 5.7 billion people on the Earth, and in 1950, when I was a freshman at the University of Wyoming, not that long ago, there were 2.5 billion people on the face of the Earth. Mr. President, 2.5 billion in 1950; 5.7 billion today.

Where do we think we are going if current birth and death rates continue? The world's population will again double in 40 years. We will not have to worry about methane gas from cows and how much propellant there is in a shaving cream can. There will not be anything left of the Earth. It will be totally overpopulated.

Then what happens to the babies, the old, and the people we all talk about all day who have not enough to sustain them. Civilizations have gone down in that fashion in years past.

Here we are again, this same issue. I think we should show our support here. The fund is supported entirely by voluntary contributions, not by the U.N.'s regular budget. There are donors ready to assist, budget has been cut back, and it would be a real shame if the United States were to back away from its commitment to the world's largest source of multilateral assistance for population programs.

This is subject to all the restrictions in the past, as Senator SNOWE has said. These restrictions are already in place to address concerns about U.S. funds being spent in China. Under current appropriations law, foreign aid funding is denied to any organization or program that supports or participates in the management of a program of coerced abortion or involuntary sterilization in any country. That is in the law.

Furthermore, current appropriation law assures that none of the United States contribution to this program may be used in China. The United States is not funding any of the population activities of China. The U.N. Population Fund does not fund abortions or support coercive activities. UNFPA funds go toward family planning services and maternal and child health care across the developing world.

No U.S. funds may be commingled with any other of these U.N. funds, and numerous penalties exist in the law for any violation of the requirement.

For those reasons, I strongly oppose the pending amendment introduced by the Senator from North Carolina to require the United States to stop funding this program unless the fund withdraws from China.

I have serious concerns about China, its abortion policy, its coercion in that area, but forcing the U.N. population fund to withdraw from China will not affect that policy. In fact, without the careful monitoring that the fund performs, conditions in China will just simply get much worse.

The world and the United States cannot turn its back on what is currently going on in China. We certainly cannot turn our back on the necessity of these funds for the rest of the world, for the sake of humanity.

I thank the Chair.

Mr. LEAHY. How much time is remaining?

The PRESIDING OFFICER. On your side 6 minutes 20 seconds, and the other side has 49 minutes.

Mr. MCCONNELL. I believe under the unanimous consent agreement, time runs equally charged, is that right?

I suggest the absence of a quorum, and I ask that the time be equally charged.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. Who yields time?

Mr. MCCONNELL. Mr. President, I am told that Senator LEAHY is controlling the time on the other side and is more than happy to yield at least 3 minutes to the Senator from Vermont.

Mr. JEFFORDS. Mr. President, there are few issues that bear more directly on the future of the globe, and on our own health and way of living, than population growth. If the world's population continues to grow at the current rate, our prosperity and the potential for prosperity in much of the developing world are at grave risk. And if we are slow in stepping up to the challenge of controlling population growth, then it just might be too late.

Experience has proven that it does not take a lot of money to have a large effect upon population growth. However, it does take efficient programming, consistency, and a commitment for the long term. The U.S. Agency for International Development runs the premier bilateral family planning program, and UNFPA runs the largest and most effective multilateral program.

I am troubled by certain aspects of this debate. For many years we have hashed over the issue of what kind of conditions we should place on organizations that receive U.S. population assistance. A majority of this body repeatedly spoke up in opposition to imposing stricter conditions upon family planning activities overseas than we impose on U.S. organizations receiving family planning funding at home. This policy seemed to be clearly in our best interest and was certainly the most effective way of supporting the best international family planning programs. We thought that debate had been settled. Yet here we are again.

Mr. President, I do not think a lot has changed in the rest of the world since we last revisited this issue. Our family planning assistance is still urgently needed. UNFPA is still the premier international family planning organization. And it is still in our best interest to cooperate with those groups which are doing the best work. Imposing stringent conditions upon our assistance will merely undercut our own long-term goal—which is to prevent unchecked growth of the world's population from robbing all of us of the opportunity to give our children a better future.

I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Kentucky.

Mr. MCCONNELL. Is the Senator from Kentucky correct that the time will be charged equally to both sides if there is an absence of a quorum suggested?

The PRESIDING OFFICER. That will require unanimous consent.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that during the quorum call time be equally charged to both sides, and I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCONNELL. Mr. President, and Members of the Senate, the situation is this: Senator KERRY is now on the floor prepared to offer an amendment. It will be our intention to debate the Kerry amendment between now and the first vote at 6:30 and then stack the vote on the Kerry amendment. All Senators should be aware that in all likelihood there will now be three votes beginning at 6:30.

I see Senator KERRY is here. I am certain that he will shortly send his amendment to the desk.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Thank you, Mr. President.

AMENDMENT NO. 2732 AND AMENDMENT NO. 2733

Mr. KERRY. Mr. President, I send two amendments to the desk and ask for their consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. KERRY) proposes amendments numbered 2732 and 2733.

Mr. KERRY. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 2732

On page 26 of the bill, strike lines 4 through 22.

AMENDMENT NO. 2733

On page 29 of the bill, strike the word "Appropriations:" on line 17 and all that follows it on that page and insert in lieu thereof: "Appropriations.".

Mr. KERRY. Mr. President, these two amendments are in sequence. They amend two different committee amendments but they go to the same issue. Obviously, if the first one fails, on a vote, I will be happy to have a voice vote sequentially on the other.

This amendment is an amendment to the bill in order to strike earmarks that designate a total of $23.7 million which is taken from the Department of State's budget for international narcotics control and anticrime assistance, and it is transferred to the Federal Bureau of Investigation. And in one case, a small amount of money transfers to the Secret Service.

In my judgment—and particularly in the judgment, more importantly, of both the Justice Department and the State Department—this earmark has a number of problems. First, it appears to be a very significant back-door funding of the FBI going around the normal appropriations process of the Senate in order to obtain from the foreign operations bill what it could not obtain from its own appropriations bill.

It is my understanding that Senator HOLLINGS advised the FBI very directly that he wanted the FBI, and the committee wanted the FBI, to concentrate first on its efforts of crime fighting here at home in the United States, and that, while foreign crime fighting is important, he did not think they ought to place their principal thrust on operations so far away from home.

So when the FBI asked for money and in its own budget placed agents abroad, the subcommittee looked at those requests and decided not to give the FBI that money that it wanted. The FBI now has come back through a different appropriations bill and received an earmark taken out of the State Department's appropriations.

I believe—again more importantly the Justice Department and the State Department believe—that this back-door approach creates a lot of difficulties. It is not simply that both the Departments of State and Justice oppose it, but the FBI's earmark takes funds not just from the State Department it winds up taking money from every other U.S. law enforcement agency engaged in fighting crime abroad. It takes money from the Drug Enforcement Administration. It takes money from the U.S. Customs. It takes money from the Financial Enforcement Center of the Treasury Department, from the Internal Revenue Service, from the Secret Service, and from diplomatic security.

The result is that the money that is grabbed here by the FBI in this earmark outside of its own appropriations bill would shut down operations and training programs that the United States has placed in a number of different countries and which link up all of these law enforcement agencies, each of which are operating as part of a team.

What this earmark does is destroys the team, eliminates the training programs, and winds up plunking the money down in the hands of the FBI, when the committee that has jurisdiction over the FBI said we do not want to do that.

Let me tell you some of the programs that will be lost by virtue of this earmark, this very special earmark for the FBI. We would lose the training program in Byelarus by the U.S. Customs for enforcing limits on contraband which help our own customs here at home make cases involving smuggling out of Byelarus.

We would lose the funding for the Newly Independent States by the IRS which is specifically trying to fight the multibillion-dollar problem of money laundering. There would be no more cases made as a result of the relationship which we would lose from that money.

We would lose the training by the Secret Service in computer crime investigations in the former Soviet Union, and there would be no further crime computer tips to the Secret Service or its counterparts in Russia or the Ukraine because the Secret Service would be taken out of that linkage altogether.

In addition, there would be no further training in Russia in postblast investigation of the kind that was needed to figure out who shot at the embassy the other day. Maybe the FBI can do this on its own. But the fact is that if they cannot, you will have cut off the assistance of those other agencies that currently exist.

We would lose the training program of people in the former Soviet Union or Central Europe that deals with fraudulent passports, visas, travel documents. This is not a specialty of the FBI—never has been a specialty of the FBI. It is a specialty of the State Department diplomatic service and their programs will be robbed of money because of this earmark.

We would lose the antidrug training by the DEA in Byelarus, Georgia, Kazakhstan, Ukraine, Turkmenistan, and Uzbekistan.

We will lose the training with the Hungarian police to develop witness protection programs that would help the United States to fight organized crime, and we would shut down the airport interdiction program that we currently have in Budapest which is conducted by the DEA. The Baltics would lose their drug enforcement programs. We would lose the training in dealing with fraudulent travel documents. We would see a shutdown of our courses and training in Central European law enforcement agencies on how to deal with gunrunners and also with the information sharing that we have currently set up with our own law enforcement agencies.

In Poland, we would lose the efforts to combat economic crime and counterfeiting, activities that threaten United States citizens and particularly our businesses and our currency.

We would have to shut down the advance counterfeit investigations that our Secret Service is currently engaged in with the Polish Government. And we would have to shut down our postblast training in Poland as well as our microcomputer training.

In Rumania, we would lose the combating of economic fraud and counterfeiting as well as the postblast training taking place there, and we would lose the United States capacity currently developed against the use in Rumania of fraudulent visas and passports.

In summary, Mr. President, if the FBI gets this money earmarked at the expense of the State Department that currently metes out this money to these various activities, we would be shutting out these other agencies, unless the FBI decided out of their good will to somehow bring them in and parcel it out. You would lose many of these relationships throughout Central Europe and the Baltics in order simply to augment FBI agents' incapacity. In some cases, this earmark would actually provide money to the FBI that they have never even requested. For example, the Bureau has never asked to maintain offices in Kazakhstan, and according to the Department of State there currently is not a lot of work there for the FBI to do even though they have other specialized efforts that they want to perform in Kazakhstan.

In addition, Mr. President, because of the structure, the way each of these entities work in another country, it is entirely possible that even with this earmarking the FBI would not be able to put the money to use because the Ambassador in the country could decide that the Ambassador does not want those moneys used or those people positioned, and the Ambassador, as the personal representative of the executive in a foreign country, has the right to determine what entities will be based in a country. That is why these efforts are coordinated out of the State Department in the first place.

What that means is that if the FBI wants to have someone abroad and the Ambassador does not believe it is a good idea for that person to be there, given the underlying political situation, the FBI is not permitted to base somebody there.

So here we are taking the money away from the people who have the right to decide who is going to be there doing it, and you might in effect wind up not only cutting the money from the people who are there now that the

Ambassadors want to have use it, but you might give it to somebody who in effect the Ambassador would decide they did not want to have use it. There are all kinds of political reasons why an Ambassador in some country might not want the fabled FBI involving itself in some of the activities of a particular country.

It seems to me there are a series of problems raised by this. The political situation in a particular country or certain forces in a particular country might well want to use the FBI presence in that country to raise political issues such as leaking information for political purposes, and it would hardly be advantageous to the United States to have the FBI conceivably become used or involved in those kinds of activities.

Those are kinds of things the DEA, CIA, or a host of other agencies have used before and they are best left under the control of our Ambassadors, under the control of our executive.

I might add that neither the Justice Department nor the Treasury Department believe this is a good idea, and I do not believe that it is a wise idea for the Senate to end run Cabinet Secretaries and other entities and go to a subagency and wind up funding it through the back door of a whole different department's arena.

Mr. President, I will reserve some time here. I know my colleague wants to say a few words. We can come back and revisit it. But I really think that we should stick with the original intention of the Appropriations Committee that has jurisdiction over this issue.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER (Mr. BENNETT). The Senator from Kentucky.

Mr. MCCONNELL. My good friend from Massachusetts could not be more wrong. The amendment does not take $23.9 million out of the State Department; $17.1 million of the funds are drawn from the NIS account, an account we substantially increase over the House level.

The fact of the matter is, Mr. President, if we are going to continue this program, which has been extremely effective, the only way to do it is the way that we have done it in the underlying bill. The FBI—the letter from Director Freeh to me of September 18 makes the point, "The FBI does not have funding for these international training efforts in our budget. It is from the support that you and your colleagues provided last year that we were able to undertake these endeavors. Because the FBI has no separate appropriation for this purpose, we must rely upon the Department of State for grants." That was the situation last year, Mr. President.

Let me tell you what happened, Mr. President and Members of the Senate. Last year the Senate provided $30 million for this purpose. The FBI had begged for the money from the State Department. The State Department begrudgingly gave them $6 million.

In other words, the State Department does not like this project. They are against this project. The $12.6 million earmark in this underlying bill will support the International Law Enforcement Center in Budapest, as well as short-term training sessions in Poland, Estonia, Lithuania, Latvia, Kazakhstan, Moldova, the Czech Republic, Slovakia, Kyrgystan, and Slovenia. They are earmarked for the FBI but will support the DEA, BATF, Secret Service, and other law enforcement agencies working in the center in Budapest.

What is this about, Mr. President? Russian organized crime is impacting us here in this country. And if there is any provision in this foreign operations appropriations bill that directly affects us here at home, it is the efforts the FBI has been making to help the Newly Independent States begin to deal more effectively with their own criminal problem which is spilling over to our shores.

Now, some people say that foreign aid is something they have a hard time understanding. They have a hard time seeing how it has any impact here. Well, of all the items in this bill, the one that has the most direct bearing on us here at home is the efforts we are making with the Russians and with the others in that part of the world to begin to get a handle on an extraordinarily serious crime problem that is spilling over to our shores.

The reason these earmarks are necessary is because if it is left up to the State Department like it was last year, Mr. President, they will not give this program anything or very little, because they do not care about it.

This is about priorities. And what the underlying bill says is that it is a priority for us to help them do a better job of dealing with an organized criminal effort that not only adversely affects them, but adversely affects us. So the Kerry amendment is completely inappropriate, and I certainly hope that it will not be approved.

Earlier this week the Russian Ambassador was in my office, and we discussed a number of issues, including this very issue, the devastating impact that crime was having on Russia's economic and political process. And Ambassador Vorontsov lamented the fact that corruption and violence over there has reached epidemic proportion. Last Tuesday, the New York Times provided a disturbing analysis of the weaknesses of the banking sector over there.

To quote the New York Times article:

> Banking in Russia has developed a reputation as a risky business, especially for bankers who are gunned down—

Gunned down—

> with horrifying frequency by mobsters intent on intimidation and extortion.

At the end of August, the Washington Post ran an editorial titled, "Murder Inc. in Moscow." The editorial called attention to an unusual demonstration outside the secret police headquarters. Middle-aged businessmen with briefcase and bodyguards in tow were protesting the murder of a colleague, Ivan Kivalidi. As the Post pointed out, Mr. Kivalidi, chairman of the Russian Business Round Table, was a "notable figure in the world of Russian finance; a casualty in the war now underway between the two kinds of private enterprise in Russia—the legitimate and the violently criminal."

Although a $1 million reward was offered for information on his murder, his colleagues were pessimistic.

One commented: "We have grounds to think that the police are closely related to the killings. None of the investigations of contract killings in the last year produced results."

When Prime Minister Chernomyrdin announced new tough anticrime measures, he was scorned—scorned—by the local news media. Izvestia questioned the 70 pages of crimefighting declarations already issued by the Government, and the result, they asked? "The government is unable to fight crime."

Now, everyone is impressed by the remarkable progress Russia has achieved. But as the Washington Post warns, if the crime trend continues, "Russians are going to believe that democracy means confusion and that respect for law means weakness. Uncontrollable violent crime is turning into a greater threat than any political force now on the scene."

This is not a new problem. Since our trip to Moscow in 1993, Senator LEAHY and I have repeatedly raised the crime problem. It was the principal concern expressed by the business community, our business community. Indeed, the principal impediment to expanding foreign investment over there—the principal impediment; there are plenty of impediments to Americans doing business in Russia—but the principal impediment is this: Beginning in 1993, we encouraged the administration to provide adequate funds to support legal reforms and the drafting and implementation of a tax, criminal, and commercial code.

Last year, Mr. President, we voted 100 to 0 to support this effort by earmarking resources for the FBI and for local law enforcement training. We were just beginning to see how problems in the NIS were spilling over and infecting Europe.

We were also beginning to see evidence that the 5,000 organized criminal enterprises which were strangling Russia were expanding their bank fraud, smuggling, and narcotics trafficking to United States shores.

Mr. President, Russian crime is now American crime. There are no longer borders or boundaries. The problem has swept across the ocean and arrived here at home.

In July, the FBI arrested five Russians in New York City involved in a string of international extortion and murder cases.

And extortion is not the worst of the problems we can expect. For the past 2 years, Judge Freeh has warned of the ominous rise in arrests of individuals involved in smuggling nuclear material—smuggling nuclear material, Mr. President.

Yet the administration keeps citing the need for flexibility, just as they did last year when they prevailed upon the conferees to strip out $30 million for law enforcement activities.

In the meantime, the problems have gotten worse. Crime is a serious problem. The solution requires a serious effort and investment on our part.

This spring with congressional support, the FBI opened an international law enforcement training center in Budapest. In addition, the FBI cobbled together short term, in country training programs. But those activities have been ad hoc and funded on a shoestring.

Concerned about this crazy quilt approach, I asked the FBI for an unofficial and rough estimate of the costs for several initiatives which would address our interests in the region.

Roughly $12 million is needed to sustain training, exchanges, and investigative and technical assistance both at the center in Budapest and in country. I believe these programs should be complemented by an ongoing presence of legal attaches in the region, so I have also provided funds to support legal attachés in Estonia, Ukraine, and Kazakhstan. Given the magnitude of the problem, this is really a relatively modest investment.

I ask unanimous consent to have printed in the RECORD a recent exchange of letters I had with Judge Freeh about my decision to expand the Bureau's role and an August 26, 1995, newspaper article.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF JUSTICE,
FEDERAL BUREAU OF INVESTIGATION,
Washington, DC, September 15, 1995.

Hon. MITCH MCCONNELL,
Chairman, Subcommittee on Foreign Operations, Senate Appropriations Committee.

DEAR MR. CHAIRMAN: I am writing to advise you the Departments of State and Justice are adamantly opposed to any earmarking of funding for the Federal Bureau of Investigation in the Foreign Operations, Export Financing, and Related Programs Appropriation Bill, 1996. Pursuant to those objections, I respectfully request the Committee not to use this mechanism to fund the FBI programs in question.

The programs for which this funding is being made available remain critically important and the FBI remains committed to the democratization process in Central Europe, Russia, and the New Independent States. Quite frankly, it has been through the support and commitment of people like yourself that the FBI in the past year has been able to make a significant impact in the region. As you know, in the past year, we have brought training to over 1,700 middle to upper-level police officers in their countries, at the FBI Academy in Quantico, and through innovative efforts at our newly created International Law Enforcement Academy in Budapest.

As we continue our efforts, we are hopeful that the Department of State will continue to support our efforts to confront the problems of international organized crime, drug trafficking, nuclear trafficking, and terrorism.

Sincerely yours,

LOUIS J. FREEH,
Director.

U.S. DEPARTMENT OF JUSTICE,
FEDERAL BUREAU OF INVESTIGATION,
Washington, DC, September 18, 1995.

Hon. MITCH MCCONNELL,
Chairman, Subcommittee on Foreign Operations, Committee on Appropriations, U.S. Senate.

DEAR MR. CHAIRMAN: Thank you for your letter of this date. My view, remains that the law enforcement training initiatives we have undertaken and cop-to-cop relationship that will flow from these endeavors are absolutely essential to the long-term public safety and national security of the United States. In addition to the contributions these efforts provide toward democratization, we have seen tangible results from the joint investigations and subsequent prosecutions of international criminals made possible only because of these initiatives.

The FBI does not have funding for these international training efforts in our budget. It is from the support that you and your colleagues provided last year that we were able to undertake these endeavors. Because the FBI has no separate appropriation for this purpose, we must rely upon the Department of State for grants.

In a related issue, I understand that the Commerce, State, Justice appropriations bill for Fiscal Year 1996 would provide some funding that could be used for limited expansion of our Legal Attache program. These offices are essential in our effort to combat international crime.

I hope this information has been helpful to you.

Sincerely yours,

LOUIS J. FREEH,
Director.

U.S. SENATE,
Washington, DC, September 18, 1995.

Hon. LOUIS J. FREEH,
Director,
Federal Bureau of Investigation,
Washington, DC.

DEAR JUDGE FREEH: I have received your letter of September 15th, and appreciate the difficult circumstances you find yourself in.

As you know, I share your belief that combating the growing international crime problem is essential. I am sympathetic to the State Department's objections to earmarks but worry that eliminating this provision would deny funds to this worthwhile effort. Would the FBI be able to fund these programs without support from the Foreign Operations Appropriation Bill?

I look forward to your reply, and congratulate you on the success this initiative has enjoyed to date.

Sincerely,

MITCH MCCONNELL,
United States Senator.

[From the Washington Post, Aug. 26, 1995]

MURDER INC. IN MOSCOW

As demonstrations go in Moscow, it was decidedly unusual. The participants were middle-aged businessmen carrying briefcases, surrounded by their bodyguards, gathered near the building that houses the secret police for the purpose of protesting the murder of a banker—and calling attention to the very slight chance that justice will ever catch up with the people who did it. The victim, a man named Ivan Kivelidi, was also chairman of the Russian Business Round Table and a notable figure in the emerging world of Russian finance. He was a casualty in the war now underway between the two kinds of private enterprise in Russia—the legitimate and the violently criminal.

Mr. Kivelidi's death is important because it is typical of many in a country where racketeering has become pervasive. Anyone who hopes to see Russia develop as a prosperous democracy can only read with dread about this epidemic of killings, the great majority of which remain unsolved. If Russia's elected government cannot organize effective law enforcement, it risks being replaced by other kinds of government as public fears increase.

Russia's police and system of justice is disorganized and demoralized, frequently corrupt and generally ineffectual. The post-Soviet government has, with reason, wanted to change it from the instrument of repression that it used to be into something else. But the transformation has gotten bogged down, leaving the system uncertain and incompetent, with salaries eroded by inflation and with no consensus regarding its purpose and its powers.

If this condition continues, Russians are going to begin to believe that democracy means confusion and that respect for law means weakness. Russia is an inherently rich country, with immense natural resources and a well-educated population. In less than four years since the collapse of the Soviet Union, its private sector has grown with remarkable speed. After a sharp economic decline, a recovery now seems to be well underway.

But this promise of growth and steadily improving living conditions depends on political and social stability. Uncontrollable violent crime is turning into a greater threat to it than any political force now on the scene. That little funeral demonstration on a summer evening in Moscow, in memory of Mr. Kivelidi, was a warning. Anarchy is not a popular form of government.

Mr. MCCONNELL. On Monday, Judge Freeh wrote to advisé me that the State Department and the Justice Department opposed earmarking funds for the FBI in the foreign operations bill. Frankly, he felt obliged to register their concerns. He did go on to point out, however, that congressional support last year was what was responsible for training over 1,700 middle- to upper-level police officers at Quantico and at the new center in Budapest.

I wrote back and asked Judge Freeh if these programs were important and whether they could be sustained from existing FBI resources. And here is what he said, Mr. President.

JUDGE FREEH: My view remains that the law enforcement training initiatives we have undertaken and cop-to-cop relationships that flow from these endeavors are absolutely essential to the long-term public safety and national security of the United States.

Of this country.

In addition to the contributions these efforts provide toward democratization, we have seen tangible results from joint investigations and subsequent prosecutions of international criminals made possible only (only) because of these initiatives.

This is Judge Freeh now. "The FBI does not have the funding for these international training efforts in our budget." The recent arrests in New York provide just one more example of the joint investigations which produced concrete results protecting American interests.

No doubt some of my colleagues will want to sidetrack this important earmark into a debate about the FBI's role somewhere else. I would rather see the FBI live up to its potential, and I think that this particular amendment is absolutely essential if we are going to help achieve something not only for the Russians but ourselves in the law enforcement area.

Obviously, I hope the Kerry amendment will be defeated overwhelmingly. I think it is a very bad amendment. It obviously takes us in the wrong direction.

Mr. President, we have about 10 minutes left. I suggest we split the remaining 10 minutes.

Mr. D'AMATO. Mr. President, I might inquire of the manager of the bill for a moment——

Mr. MCCONNELL. Yes.

Mr. D'AMATO. If I might have 2 minutes.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the remaining 10 minutes before the vote be divided equally.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Who yields time?

Mr. MCCONNELL. Mr. President, I yield 4 minutes to the distinguished Senator from New York.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, I do not intend to take all that time.

The FBI is earmarked for $12.6 million for foreign law enforcement training in the International Law Enforcement Academy in Hungary.

This earmark is essential for the security of the United States. And I say this because the FBI is training the law enforcement officers of Russia and the former Soviet Union and also Eastern Europe so that the organized crime gangs do not bring their business to the United States.

And when I say the United States, I want you to know that they are doing a thriving business in my own State of New York, in Brighton Beach, which has been called "the hub of the Russian mafia."

I am encouraged by FBI Director Louis Freeh's deep commitment to fighting Russian organized crime. His efforts have highlighted his concern for the issue and we want to support him as he has taken the clear initiative on this important front.

With these funds the FBI will be able to continue international cooperation on a level heretofore not seen in international law enforcement. The FBI will be able to provide training in organized crime and related investigative matters, forensic and other advanced investigative technological support, and continue the goodwill efforts begun last year with Director Freeh's visit to the region. Because the countries of Eastern Europe are facing the Russian crime gangs first, before they come here, this type of cooperation is vitally necessary and unprecedented in the history of law enforcement.

Presently, one of the greatest threats facing democracy in Russia and Eastern Europe today, is the rapid expansion of organized crime. The situation is so bad that organized crime literally threatens to undermine the very democracy that the United States and the West seek to protect through their assistance programs, and more so by connection, our own security.

President Yeltsin has stated that "organized crime is trying to take the country by the throat."

When one looks at the numbers, this is becoming all too clear. At the beginning of 1994, according to Russian First Deputy Minister of Internal Affairs Mikhail Yegorov, there were 5,691 organized crime groups in Russia, with over 100,000 gang members.

In addition to the number of groups operating in Russia, there are close to 100 criminal groups concentrated in 29 countries, including Germany, Italy, Poland, Hungary, the Baltic countries, Turkey, China, and 24 in the United States alone, with a concentration in my own backyard of Brighton Beach, NY.

In Brighton Beach, Russian organized crime gangs become intimately involved in gasoline-tax scams, insurance fraud, drug trafficking, forgery, and contract killings.

In addition to New York, Russian organized crime gangs operate in San Francisco, Los Angeles, Miami, Chicago. Their activities range from money laundering, illegal money transactions, control of gambling and prostitution, narcotics trafficking, and most dangerously, in 1993, 241 cases of illegal trading in nuclear material in Germany.

Worse yet, these gangs have formed connections with the Sicilian mafia and the Colombian gangs.

Additionally, it is very alarming to look at the activities of these gangs in counterfeiting U.S. Federal Reserve notes, FRN's. During fiscal year 1992, there were no counterfeit FRNs reported as appearing in Russia by either Russian or United States governmental entities. The reason for the absence of reported counterfeit United States currency activity was apparently in direct correlation to the restricted Russian-American political and economic relationship.

During fiscal year 1993, however, without any assistance directed at the detection of counterfeit United States currency, $1,049,090 in counterfeit United States currency was documented as appearing in Russia. According to law enforcement officials, this activity is apparently "only the tip of the iceberg," and the actual amount of activity would readily become more apparent when U.S. law enforcement personnel can get to the region.

If we do not begin work on solving this problem now, we are headed for a situation where crime will so inundate the region that democracy itself will become threatened and perhaps fall. If an extremist were to come to power in a backlash to a situation of near or total anarchy, we might find ourselves again threatened with confrontation with Russia. As for the other former states of the Soviet Union, they might also find themselves threatened by the resurgent nationalism these extremists espouse.

For these reasons, we must act now to stem the tide of Russian organized crime. If we do not act now, the fate of Russia and our own security will become threatened. We cannot allow this chance to stop the violence, from slipping through our hands.

If the Russian crime syndicates continue at the pace they are taking, it could cause a right-wing backlash in Russia, bringing another dictatorial leader to power, this time from the right. This situation would invariably throw the fate of democratic reform into doubt and cast the world back into the throws of the cold war.

Let me say this, Mr. President. These moneys are absolutely essential if we are going to have any success dealing with the kind of organized crime efforts that have made an incredible impact in the United States of America from abroad but yet impacting my city, the city of New York, and its people.

I have to tell you, this earmark is essential for the security of the United States, and it is being used today productively to fight crime. We have an area in New York that, unfortunately, has become a magnet for organized crime. That is in Brooklyn, Brighton Beach. I want you to know that they are doing a thriving business.

What the FBI is attempting to do is to coordinate, to train and to build the kind of relationship abroad, not only in Russia, but in other areas, so that they have the ability to communicate, to interdict, to stop and, hopefully, stop it before it becomes so pervasive in the United States.

This money funds organized crime investigations, insurance fraud, bank fraud, murder, smuggling—and do you know where that is taking place? Not just abroad, but here. That is the impact. I cannot believe that we would want to in any way impede this very successful program for a very modest investment. It is absolutely essential that we continue. We should be doing more.

So I hope, as well-intentioned as my colleague's endeavors—and I believe them to be so; he has been a proponent of more anticrime legislation or as much as anybody. But I hope that we let the Director and let the other agencies, the Treasury Department and the DEA, have that opportunity to make an impact in saving lives, in battling crime right here in the United States of America, because that is what the impact of these funds are.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank my colleague and friend for his comments and the acknowledgement of what this Senator has done in this area. It is precisely because of that that I am here today.

It was my intention, and is my intention, to ask at the end of my comments to withdraw these amendments, but I wanted to raise this debate. My hope is that, in the days to come, there can be some further discussion in the context of the conference, and otherwise, to guarantee what is really at the heart of what this Senator is concerned about.

I do not think there is any Senator—I do not say this with any special finger pointing—but I think I have had as many hearings and as much focus in my 11 years here on international crime and organized crime as anyone in the Senate. It is my concern that what is at stake here is the capacity to control and the capacity to have oversight and an appropriate coordination. This is not a question about whether the FBI should get money. It is a question about how it ought to get the money and who will coordinate these international efforts today.

It ought to be of great concern to Senators that both the Justice Department and Treasury Department are opposed to a subagency coming in and getting funding separately outside of the Cabinet process, outside of the normal appropriations process. It ought to be of concern that the FBI wants to begin a training program in Ukraine for a model of the FBI on their own, without the oversight and input and constructive effort of all of these other agencies. This is a team effort in this country. We have always been best when law enforcement is a team effort. This represents solo flying. I respectfully suggest that we ought to be concerned about this question of control.

The fact is that the FBI has received over half of the funds available to the State Department for this purpose last year, and every single one of the FBI's request to undertake training last year was granted by the State Department. Not a single FBI request was turned down. So let us put this in its proper perspective.

But, on the other hand, I think it is the kind of issue where Senators coming to the floor and voting with the Appropriations Committee's issues the way they are, that this would be best resolved through further discussions.

My hope is the appropriate parties will engage in that effort so that we can guarantee that we are not injuring other aspects of a coordinated team effort; rather, that we are enhancing all of our capacity to fight this new and significantly increasing threat of international organized crime.

So I ask unanimous consent that I be permitted to withdraw both amendments.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The amendments are withdrawn.

The amendments (Nos. 2732 and 2733) were withdrawn.

Mr. McCONNELL. Mr. President, I want to thank my friend from Massachusetts for withdrawing the amendments. It has been a useful discussion.

I ask unanimous consent that immediately following the vote on the Helms amendment No. 2730, which will start momentarily, that there be 4 minutes of debate equally divided in the usual form prior to a motion to table the Bingaman amendment, upon which we will vote right after the Helms amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOTE ON AMENDMENT NO. 2730

The PRESIDING OFFICER. The hour of 6:30 having arrived, under the previous order, the question is on agreeing to the Helms amendment No. 2730.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The legislative clerk proceeded to call the roll. The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 43, nays 57, as follows:

[Rollcall Vote No. 456 Leg.]

YEAS—43

Abraham
Ashcroft
Bennett
Biden
Bond
Breaux
Burns
Coats
Cochran
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Heflin
Helms
Hutchison
Inhofe
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Santorum
Shelby
Smith
Thompson
Thurmond
Warner

NAYS—57

Akaka
Baucus
Bingaman
Boxer
Bradley
Brown
Bryan
Bumpers
Byrd
Campbell
Chafee
Cohen
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Hatfield
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Packwood
Pell
Pryor
Reid
Robb
Rockefeller
Roth
Sarbanes
Simon
Simpson
Snowe
Specter
Stevens
Thomas
Wellstone

So the amendment (No. 2730) was rejected.

Mr. LEAHY. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCONNELL. Mr. President, I am going to yield the floor. I hope the Senator from New Mexico would seek recognition.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I am informed by the managers of the bill that it would be more appropriate to offer this as an amendment to the State, Justice, Commerce bill which is scheduled for consideration next week.

For that reason, I withdraw the amendment at this time.

The PRESIDING OFFICER. Is there objection? Without objection, the amendment is withdrawn.

Mr. LEAHY. Mr. President, I have been discussing this with the distinguished chairman.

Mr. FORD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senator will please suspend. The Senate is not in order.

Mr. LEAHY. I yield to the Senator from Kentucky.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, and Members of the Senate, where we are we have one more amendment upon which we will be voting, a motion to table very shortly, the Helms amendment. And in all likelihood the only additional vote will be final passage. There is one other amendment we are still working on. So there could possibly be two rollcall votes plus final passage; but in all likelihood one rollcall on an amendment, a tabling motion, and then final passage. So we are very, very close to finishing the bill.

Mr. LEAHY. Mr. President, following that, I would hope Senators would cooperate. We know we are going to have to pass this bill. We know the distinguished Republican leader and the distinguished Democratic leader have said there are other bills coming along behind it. I would hope we would go forward with it.

I note one thing for my colleagues. I have listened to the discussion of the distinguished Republican leader this afternoon and the distinguished chairman of the Foreign Relations Committee. I assume this would mean, if he has his up-or-down vote, or a clear vote on his amendment——

The PRESIDING OFFICER. Will the Senator suspend while the Senate comes to order?

Mr. LEAHY. Mr. President, I assume after that vote we would then go forward with the confirmation of a number of ambassadors. This is not just some small matter. It is now mid-September, and we have people who have children. The children do not know where they are going to be going to school, and they do not know whether they will move out of the house or in.

This is a very, very real situation for these families. We may have our efforts back and forth with each other, but the children ought to have some idea where they are going to be going to school, and what they are going to be doing.

Mr. McCONNELL. Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, is the Senator from Kentucky correct that the pending amendment is the Helms amendment regarding State Department reorganization?

AMENDMENT NO. 2712, WITHDRAWN

The PRESIDING OFFICER. The pending question is on the Murkowski amendment No. 2712.

Mr. MURKOWSKI. Mr. President, I have reviewed the revision of section 575 of the committee amendment of H.R. 1868 concerning North Korea, to which I understand the managers of the bill have agreed. I do not believe that this revised section is as strong or specific as it should be, nor is it even as strong as the original version. Further, I still believe that my amendment would provide a more concrete and fundamental structure for monitoring compliance with the agreed framework on nuclear issues between the United States and North Korea.

Nevertheless, it appears to me that the revised section 575 takes at least a few first steps toward the objectives of my amendment, No. 2712. Just as importantly, it puts the administration and the North Koreans on notice that we will be monitoring closely the implementation of the agreed framework on nuclear issues, including North Korea's commitment to participate in dialog with the Republic of Korea.

As a result, and to save time for the Senate as it moves to complete this bill, and because the revised amendment comes at least some way toward my amendment, I would like to withdraw my amendment at this time.

However, in doing so, I want to advise my colleagues that since this issue deserves extensive further debate and consideration within the Senate, I am going to propose my amendment in the form of a freestanding bill in the near future. I also advise my colleagues that my friend Senator HELMS has promised to consider this matter in his committee expeditiously.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Murkowski amendment be laid aside and that the pending business be the Helms amendment regarding State Department reorganization.

Mr. MURKOWSKI. Mr. President, I would like to advise the floor manager the Murkowski amendment has been withdrawn.

The PRESIDING OFFICER. The Senator has the right to withdraw his amendment.

Does the Senator from Alaska request that?

Mr. MURKOWSKI. The Senator from Alaska does request that.

The PRESIDING OFFICER. The amendment is withdrawn.

So the amendment (No. 2712) was withdrawn.

VOTE ON AMENDMENT NO. 2707

Mr. McCONNELL. Mr. President, is the pending business the Helms amendment regarding State Department reorganization?

The PRESIDING OFFICER. The Senator from Kentucky is correct.

Mr. LEAHY. Mr. President, I move to table the Helms amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the Helms amendment No. 2707. The yeas and nays have been ordered. The clerk will call the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 43, nays 57, as follows:

[Rollcall Vote No. 457 Leg.]

YEAS—43

Akaka
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone

NAYS—57

Abraham
Ashcroft
Baucus
Bennett
Bond
Brown
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hollings
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

So the motion to table the amendment (No. 2707) was rejected.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

AMENDMENT NO. 2707, WITHDRAWN

Mr. HELMS. Mr. President, parliamentary inquiry. Have the yeas and nays been ordered on the amendment?

The PRESIDING OFFICER. The yeas and nays have not been ordered on the amendment.

Mr. HELMS. Mr. President, I withdraw the amendment.

The amendment (No. 2707) was withdrawn.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, obviously, I agree with the withdrawal of the amendment and hope that will be an issue better addressed in another forum. I am pleased it was. I also hope that we may see soon the Ambassadors—this confirmation is still being withheld—so the family, the children, everybody else can make plans, especially since the school year is now upon us.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to, en bloc; that the bill be considered as original text for the purpose of further amendment; and that no points of order be waived thereon by reason of this agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the committee amendments were agreed to, en bloc.

The PRESIDING OFFICER. Are there further amendments?

Mr. NUNN. Mr. President, I have great reservations about a provision in this bill that cuts overall aid to Russia based on the Iranian nuclear reactor sale. I will not detain the Senate tonight. I will ask for Senators to think very carefully about this. I think it is essential that we understand that the number one national security challenge we have in the next 5, 10 years relates to proliferation.

I completely agree with the critics of this sale by the Russians to the Iranians. It is my view that this is against the U.S. national security interests and also against the security interests of Russia. We have a common security interest in preventing the proliferation of nuclear weapons. We differ because the Russians are making the sale for economic reasons. The question is: How do we respond? Do we respond with a shotgun attack, cutting overall aid which is what this bill does, or do we have a more refined approach, a rifle approach, making it clear that our own policy is not in any way going to permit them to do this without protest, nevertheless, reserving some economic leverage—

Mr. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. NUNN. Mr. President, I think it is important that we not use all of our economic leverage on this matter, as important as it is. If the Russians wanted the Iranians to have nuclear weapons, they could get them nuclear weapons in 24 hours. Yet, this provision in this bill acts as if the Russians are indeed trying to give the Iranians a nuclear weapons capacity. That is not what the Russians are doing. They are trying to gain economic advantage because of their economic situation.

I do not have an amendment on this. I think all Members ought to think about this very carefully. The Russians are the only empire in history with 30,000 nuclear weapons that has collapsed. They have some thousands and thousands of tons of chemical weapons, and no one even knows how much in biological weapons, and with scientists that know how to produce this material and know how to make these weapons of mass destruction.

We have an enormous amount of security at stake in maintaining our good relationship with Russia, as long as they proceed and struggle toward democracy and market reform. If Russia becomes unstable, if Russia becomes paranoid, if Russia becomes nationalistic, we are going to have terrible difficulties in the years ahead, and even the months ahead, in dealing with this situation. That may happen, inevitably, but certainly we should do no harm.

This provision in this bill is going to cause very big problems if it remains in conference. I hope all Senators will think carefully about this situation. I hope the conferees will look very carefully as to whether they can use a rifle approach, making it clear what our policy is, making it clear that we disagree with this sale, that it has some penalties attached, but not cutting overall economic assistance to a country that really holds the future of nuclear proliferation in its hands with its huge arsenal of weapons, and a country whose own stability is enormously important to our own national security.

I ask the conferees to consider this matter very carefully when they go to conference and not to be locked into this position, which I think is unwise and against our own national security interests.

Mr. President, I would like to comment briefly on the section of H.R. 1868 that provides:

> No funds may be made available under this heading for Russia unless the President determines and certifies in writing to the Committees on Appropriations that the Government of Russia has terminated all planning and implementation of arrangements to provide Iran with technical expertise, training, technology or equipment necessary to develop a nuclear reactor or related nuclear research facilities or programs.

It is clear, Mr. President, that the Government of Russia has decided, over strong and I believe well-founded United States objections, to proceed with the sale of light water reactor technology and equipment to Iran. So the effect of this provision would be to block all United States foreign assistance to Russia in the coming fiscal year.

Mr. President, I oppose the sale of Russian nuclear reactor technology and equipment to Iran. It is not in our country's national security interests. I believe it also will not serve Russia's national security interests.

However, I think we need to consider carefully whether a cutoff of all foreign assistance to Russia will advance our national security interests. I have serious doubts that this provision will serve U.S. interests.

First, I believe Russia's decision to proceed with this sale was based on economic considerations. The Russian economy, and particularly the budget of the Ministry for Atomic Energy, badly needs additional revenue. From their perspective, this deal appears very lucrative.

Second, in my view, a cutoff of U.S. foreign assistance is not going to stop this deal. The decision has been made at the highest level, after the Russian side listened to the best arguments the United States side could made in opposition to the proposed sale. The Russian Government has invested too much prestige, and expects too much monetary return, for this decision to be reversed because of cessation of United States aid.

Third, I believe Russia has wrongly discounted the disruptive impact on international affairs that Iran could play, should it succeed in developing even crude nuclear weapons. Yet it is unreasonable to assume that Russia wants to help Iran to become a nuclear weapons state. Russia possesses over 20,000 nuclear warheads, tons of weapons-grade fissile material, and hundreds of scientists and technicians skilled in creating nuclear weapons. Russia does not need to build a light water reactor in Iran to boost the Iranian nuclear weapons program. If Russia decides to supply Iran with nuclear weapons, it can do so in a few hours.

Fourth, I believe we must ask whether United States influence on Russia to safeguard nuclear technology, to prevent it from being applied to the Iranian nuclear weapons program, will be increased by a ban on United States assistance to Russia. I think the reverse is more likely: that cessation of United States aid will decrease the likelihood of Russian cooperation with us on this vital issue.

Mr. President, our concern over Russia's determination to continue with sale of civilian nuclear reactory technology and equipment to Iran should be addressed, in my view, with a carefully-aimed marksman's rifle, not with a shotgun blast that demolishes everything in front of it. If we cut off all aid because of this sale to Iran, what do we take away the next time Russia acts in a way we believe is contrary to our interests? We will have fired all our ammunition and will have little economic leverage left.

It may be that some aspects of our assistance to Russia merit critical review and reduction. That is another issue entirely. Overall, however, I believe our assistance has made an important contribution to movement toward the development of market economy, a political democracy, and a pluralistic society in Russia. To my mind, this is clearly in our national security interests and should not be brought to a total halt because of our disagreement with an unwise decision by the current Russian Government.

Mr. President, I offer these remarks in the hope that the Senate conferees will review this provision carefully as they enter into conference on H.R. 1868.

Mr. LEVIN. Mr. President, I want to associate myself with the remarks of Senator NUNN, relative to the provision restricting funds for Russia.

I hope the conferees will add Presidential waiver language to that section. Otherwise the language could endanger the chances for our relationship with Russia to continue to grow and could lessen the chances for democracy to survive in Russia.

Mr. LEAHY. Mr. President, I will be very brief. The Senator from Georgia has just raised issues of concern that many of the rest of us have. I hope this is a matter, as we work through conference, that can be handled. During this whole bill, we have been helped by the cooperation on both sides, by the distinguished chairman, by Robin Cleveland, Jim Bond and his staff, Tim Rieser on mine. I am sure that will continue that throughout the conference.

AMENDMENTS NOS. 2734 THROUGH 2767, EN BLOC

Mr. McCONNELL. Mr. President, I send a group of amendments, en bloc, to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. McCONNELL] proposes amendments numbered 2734 through 2767, en bloc.

Mr. McCONNELL. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 2734

(Purpose: To make $3,000,000 available for the World Food Program)

On page 43, line 17, strike out "*Provided,*" and insert in lieu thereof "*Provided,* That not less than $3,000,000 of the funds appropriated under this heading shall be made available for the World Food Program: *Provided further,*".

Mr. COCHRAN. Mr. President, I thank the distinguished chairman of the Appropriations Subcommittee on Foreign Operations for accepting my amendment making $3,000,000 available for the World Food Program [WFP].

As the largest WFP donor, the United States expects more and more every year from WFP as the key provider of food aid in emergencies. In its investigation of WFP effectiveness, the General Accounting Office determined that a larger cash component in United States food donations is needed to improve the efficiency of our food aid distribution operations in such difficult emergencies as those found in Rwanda, Bosnia, Angola, and Sudan.

While this earmark will not increase WFP funding from this account, it will continue the current level of U.S. support and give us time to address through other legislation the fundamental problem of linking cash to food in order to improve the management of food aid so desperately needed around the world.

I deeply appreciate the acceptance of my amendment and thank the chairman and his staff for their consideration of this important issue.

AMENDMENT NO. 2735

On page 11, line 10 insert after "Zaire": ": *Provided further,* That, Not less than $2,000,000 shall be provided to the International Fertilizer Development Center".

AMENDMENT NO. 2736

At the appropriate place under the heading on page 8, "Economic Assistance" add the following proviso: "*Provided further,* That not less than $800,000 of the funds made available under this heading shall be made available for support of the United States Telecommunications Training Institute;".

AMENDMENT NO. 2737

(Purpose: To increase amounts appropriated for international narcotics control and to decrease amounts available to the Agency for International Development)

At the appropriate place in the bill, insert the following:

SEC. . Notwithstanding any other provision of this Act, $20,000,000 of the funds made available under this Act for or through the Agency for International Development shall be transferred to, and merged with, the appropriations account entitled "INTERNATIONAL NARCOTICS CONTROL" and shall be available for the same purposes for which funds in such account are available.

Mr. COVERDELL. Mr. President, I am here today to warn about the serious illegal drug problem that poses a major post cold war threat to our Nation's peace and security. Frankly, I worry that these words will fall on the deaf ears of an America that seems unwilling to face reality and commit the resources to stop its own destruction. We are indeed at a crucial point. Representative WILLIAM ZELIFF, wrote last March: "There is growing consensus that America's domestic counterdrug strategy is failing. In 1993 and 1994, respected University of Michigan surveys of 51,000 American students indicate that gains once made are slipping. We are in the midst of a major reversal—in use and attitudes."

After a steep drop in monthly cocaine use between 1988 and 1991 from 2.9 to 1.3 million users, and a similar drop in overall drug use between 1991 and 1992 from 14.5 to 11.4 million users, numbers released earlier this year revealed drug use up in 1994 for all surveyed grades for crack, cocaine, heroin, LSD, non-LSD hallucinogens, inhalants, and marijuana.—The Washington Times, "Renewing Drug War Strategies," by William Zeliff March 9.

In 1994, according to this Michigan study, twice the number of eighth graders were experimenting with marijuana as did in 1991, and daily use of marijuana by seniors was up by half just from 1993. Also, the nationally recognized Drug Abuse Warning Network has reported that drugrelated emergency visits in 1994 were up 8 percent over 1993—now standing at their highest point ever.

Meanwhile, the resurgence of heroin use in the U.S. borders on epidemic proportions. Heroin related admissions to emergency rooms have increased 30 percent since 1990. DEA Administrator Thomas Constantine recently noted that heroin is now available in more cities at lower prices and higher purities than ever before in our history. In November 1993, the Clinton administration announced that it would develop a separate strategy to combat the heroin threat. However, a recommended strategy was only just presented in June of this year, and still awaits the President's approval.

One expert is very blunt: "If these trends continue, by 1996, the Clinton administration will have presided over the greatest increase in drug use and the largest expansion in the supply of illegal drugs in modern American history."—John Walters, president of the New Citizenship Project and former acting director for supply reduction, Office of National Drug Control Policy.

If that's not a loud enough wakeup call, there's more:

About 23 million Americans use drugs, of which at least 6 million use cocaine. If current trends continue, the jump in marijuana use among children from 1992–94 signals that 820,000 more of them will try cocaine; about 58,000 will become regular users or addicts.

Illegal drug use among the Nation's high school seniors has risen 44.6 percent in the last 2 years according to the Department of Health and Human Services. And there is a decline in the perceived risk which leads to an increase in actual drug use. According to Lloyd D. Johnson of the University of Michigan, there is an increase in drug glorification messages aired on television news and entertainment shows. There is a softening of informal and formal antidrug attitudes.

Over 70 percent of the prison population—which is at 1.4 million—tested positive for drugs after their arrest. Whether it is violent crime, child abuse, homelessness, or inner-city poverty, drugs—and particularly crack—have made those pathologies far more acute and in some places unmanageable. Violent crime, largely induced by drug use, is increasing at an alarming rate. And, according to DEA Administrator Constantine: "For the first time in our history, America's crime problem is being controlled by worldwide drug syndicates who operate their networks from places like Cali, Colombia * * *."

The number of police officers, lawyers, accountants, judges who have been tainted by drug money has never been quantified, but the erosion of public trust is apparent.

Drug abuse is costing America about $100 billion annually, excluding billions in taxes on illegal profits from the drug trade, but the moral cost to the U.S. social and political system is immeasurable.

These distressing facts are not simply a reflection of society's more permissive attitudes. This administration also changed counterdrug policies. Just days after inauguration, Clinton moved the White House office created to direct national antidrug—the Office of National Drug Control Policy [ONDCP] efforts to a backwater and slashed its personnel by over 80 percent. Enforcement has been deemphasized. Mandatory minimum sentences have been reduced. Prosecution statistics from the Administrative Office of U.S. Courts for 1992–94 reveal: a 14-percent drop in charges under all Federal drug laws and a 30-percent drop in charges under narcotics offenses.

The Clinton administration slashed drug interdiction. Information provided at a recent Senate Judiciary hearing revealed a cut of 50 percent between 1993 and 1994 alone in the ships and aircraft devoted to the interdiction of drugs from South America. America's low-key drug czar, Lee Brown, has warned of the need to restore assets to the interdiction force structure. He reported that all Federal agencies involved in drug interdiction had reached a consensus: "that to maintain adequate resources in theater, we must return to the 1992–93 levels of effort." But shortly after that warning, the administration released its fiscal year 1996 budget requesting a cut in interdiction funds to $1.27 billion—almost 35 percent below the fiscal year 1992 level.

Even drug treatment and especially prevention—often held up by this administration as alternatives to rigid enforcement, had their budgets trimmed by $100 million and $130 million, respectively.

According to recent testimony from the GAO's Joseph Kelly, Director in Charge International Affairs Issues, National Security and International Affairs Division, before the House of Representatives, Subcommittee on National Security, International Affairs, and Criminal Justice, Committee on Government Reform and Oversight, the executive branch had difficulty implementing a key part of the strategy—shifting resources from the transit zone to the source countries.

Defense Department officials have also complained that the amount of resources applied to the transit zone has been significantly reduced without a shift in resources to the source countries. For example, the DEA is reducing its presence in Colombia, the U.S. Southern Command is now flying fewer sorties each month in support of source-country interdiction than it did in 1993, and counternarcotics assistance to the three primary source countries was less in 1995 than in 1991 or 1992. In short, Kelly admits that "shifting resources between and within agencies has been problematic."

Kelly mentions other severe problems with America's so-called war on drugs, including the need for better coordination. No single organization seems in charge of the drug war in either the cocaine source or the transit countries. He mentioned better leadership as required to develop a coherent plan, and to integrate all U.S. programs.

What we have now is virtually no strategy at all. The result is "U.S. Falling Far Short in the Drug War," as written in the Washington Post by Jeffrey Smith. Smith and others have noted—and frankly, I am deeply concerned—that American officials on both sides of the aisle are seriously underestimating the threat. I have painted a bleak, yet accurate, account of the tragedy of drug abuse, the violence, the health costs, the destruction of lives. But I doubt that this Senate or our antidrug officials have fully grasped the magnitude, complexity, and sheer danger of the drug trade.

Corruption is leading a path right to the heart of the political system. And many foreign leaders appear unable to deal with the problem. The facts are daunting: Large, criminal drug trafficking empires, better armed than many police forces, and with ties to other organized international crime branches around the globe are wreaking destruction around the world, particularly in this hemisphere. The CIA estimates that illicit narcotics is a $300 billion a year industry. Yet, U.S. and independent experts warn that cuts are harming Washington's ability to interrupt the new alliances being formed by major criminal organizations involved in drug activities on different continents.

A senior U.S. intelligence official recently stated that these organizations "are developing massive capital. I am concerned that they are going to link together * * * to leverage Democratic societies around the world * * * There is a tremendous dimension to this problem that we have hardly begun to see."—the Christian Science Monitor, "Spy Agency Adapts Cold-War Tactics for Drug War," by Jonathan Landay, July 5, 1995. Political instability, rising corruption, and porous borders in the United States, Europe, and Asia have enabled criminal organizations to expand into lucrative opium growing areas and new cocaine markets.

The technological advancement of the drug trade also has been underestimated. Colombia's Cali cartel has apparently changed its transportation mode from single- and twin-engine aircraft to larger commercial aircraft, such as 707's and 727's. There are no estimates on how many large commercial flights are used. But the traffickers are creating economies of scale to bring in tons of cocaine. Jeffrey Smith notes: "The United States and other developed countries are falling further behind in the war on drugs as criminal organizations in Latin America and Asia have increased production and become more sophisticated in distributing cocaine and heroin."

With profits as high as 75 percent, heroin and cocaine producers can afford to spend tens of billions of dollars annually on sophisticated counterintelligence programs, telecommunications equipment, as well as hiring some of the best marketing and legal talent that U.S. colleges and universities produce. While the problem has often been compared to efforts to undermine America's crime mob, that comparison may be misleading. Today's drug leaders are better armed, have much more funds at their disposal, and have access to sophisticated technology to carry out their trade.

In the Western Hemisphere, drug traffickers have invested in a nationwide chain of pharmacies; legal drug labs—even their own brand of aspirin and vitamins; investments in soccer teams; hotels; shopping centers; car dealerships; apartments; poultry farms; ranches with thousands of heads of cattle—and they are even believed to have purchased some newly privatized State industries, according to the FBI and other sources.

Based on the extent of coca leaf production in South America, the Western Hemisphere's annual cocaine production is about 1,100 metric tons. Drug users in the United States consume an estimated 300 tons; police and customs seize another 300 tons. That leaves a tremendous glut of cocaine on the world market, keeping street dealers on several continents flush, despite continuing victories like the arrest of major traffickers.

Proponents of efforts to stop the production of drug crops and substances at the source—in Latin America and Asia—believe that reducing the foreign supply of drugs is crucial to lowering the levels of drug use in the United States. They argue that, coupled with intense law enforcement, such programs will succeed since it is easier to locate and destroy crops in the field than to locate subsequently processed drugs in America's streets. Opponents generally believe that the reduction of the foreign supply is unrealistic, and that the only ultimate solution is the reduction of demand. By now, any reasonable person has surely come to the conclusion that it will take both: We must decrease demand, even as we reduce the flow of illegal drugs.

Here's just a sample of the reality I must deal with in trying to stem the flow of drugs into the United States, as the Western Hemisphere Subcommittee chairman on the Foreign Relations Committee:

Mexico: Fifty to 70 percent of the illegal drugs that enter the United States are smuggled through Mexico. Between 60 to 80 percent of the foreign-grown marijuana available in the United States is of Mexican origin, and Mexico supplies about 23 percent of the heroin. Mexico is also a key transshipment point for cocaine entering the United States, and has expanded its role over recent years as a clearinghouse for worldwide drug shipments and money laundering.

The Office of National Drug Control Policy has designated Mexico as the second most important country in the international narcotics program, behind Colombia. The DEA attache in Mexico has recommended that Mexico be reclassified as a source country so it can be considered for more resources under the administration's counterdrug strategy.

Faced with a growing threat from narcotics trafficker, President Zedillo has singled out the drug trade as Mexico's most pressing national security problem. But even that key admission is not enough. In a disturbing development, drug smugglers are buying passenger jets and flying in huge amounts of drugs into Mexico for transport to the United States. According to the State Department, drug-laden cargo jets "are one of the most difficult and critical challenges * * * facing Mexico." International Narcotics Control Strategy Report, March 1995. Zedillo has ordered the Mexican military to take a greater role in the counterdrug fight, including the use of air force fighter jets to intercept cocaine-laden planes.

Experts say that Mexican drug organizations have built a financial empire using the tourist industry and stock market, while converting billions of dollars in drug profits into legitimate forms of capital. Mexico's National University estimates that Mexican drug lords spend as much as $500 million a year on bribery. Some bankers suspect that last December's financial crisis was partly the result of a massive transfer of drug money.

Colombia: We vigorously congratulate recent success in Colombia apprehending Cali cartel kingpins, Gilberto Rodriguez Orejuela and Jose Santacruz Londono, among others. The Cali cartel has accounted for at least 80 percent of the cocaine shipped into the United States. We are elated and anxiously await more traffickers being brought to justice. But we are wise enough to recognize that the problems down there are far from over. We need to determine that those captured will be prosecuted, fully. These kingpins must receive punishment commensurate with their crimes. Short sentences, in which they're able to hold on to their ill-gotten gains would be counterproductive. Hopefully, Colombia's institutions will deliver and operations against the Cali cartel will continue.

But last year Columbia achieved only minimum success in the tactical arenas of drug interdiction, illicit crop eradication, and precursor chemical seizures. Colombia is now producing so much cocaine that U.S. officials can barely keep track of it, and it may well have surpassed Bolivia as the world's second largest coca grower. Peru remains the largest coca grower, accounting for nearly two-thirds of the world's coca production, most of which is processed in Colombia. Colombia is also believed to have the dubious distinction of surpassing Mexico as the hemisphere's leading poppy producer.

Early this year, Columbia's justice minister released a report concluding that judges and prosecutors were overly generous in the use of plea bargains. Even Columbia's chief prosecutor described the situation as virtual impunity. We applaud Columbia for coming clean on a failed program, but the reality is: Colombian officials themselves are embarrassed by the lenient sentences.

Ernesto Samper's Presidency remains tainted with allegations that his 1994 campaign received up to millions of dollars in contributions from traffickers. The corruption of Colombia's Congress continues to be a problem, with one former U.S. officials warning that as much as 50 to 75 percent of the Colombian Congress is influenced by the drug cartels.

Notwithstanding present doubts about the effectiveness of America's strategy in the war against drugs, there was success against the drug cartels during the mid 1980's to early 1990's. The energy and resources devoted to the antidrug effort during the Bush and Reagan administrations, combined with hardening public attitudes produced declines in the drug problem. And while Federal spending on the drug war was substantial—approaching $12 billion at the end of the Bush years—it never exceeded Federal spending for NASA. Clearly, neither the space program nor the Federal antidrug effort ever presented a serious burden in terms of the Federal budget. Meanwhile, modest progress against drug trafficking was also being made in my area of the globe; eradication and drug seizures were up. These successes were achieved despite the criminals' resolve.

Then, as now, we recognize the valiant efforts made by law enforcement personnel in Mexico, Colombia, and throughout Latin America who have lost their lives to stopping the flow of illegal drugs into this country. In the past decade, Colombia has lost 23 judges, 63 journalists, 4 presidential candidates, and more than 3,000 police officers and journalists. And we agree with many of the leaders of the region that America simply must do more to curb its appetite for illegal drugs. They must not see us as hypocritical—watching their every move, while reducing our own financial commitment to the problem.

But, even more, I fear that political leadership and world class American will to fight the drug scourge is eroding throughout the Western Hemisphere. But now here in America we seem asleep in the face of a problem that is devastating our future and threatening our national security. If we are willing to commit the resources and implement a coherent program, even as we attack the drug consumption problem, we will experience renewed success. The alternative—reducing badly needed counterdrug resources at this crucial time—would further threaten our national security, would risk democracy and stability throughout the hemisphere, and would place our young people's very lives at risk.

Mr. GRASSLEY. I support the amendment to restore funding to the international narcotics program. I am aware that the bill already contains a considerable increase for the program but it still remains well below what is essential to sustain a viable international narcotics effort.

In the last several years, funding for our international narcotics program has been in a free fall. In addition, the administration has failed to articulate a coherent strategy or consistently defend the programs that it has put forward. This has left the impression that it does not care about the drug program, does not see fit to push its own ideas.

Some in Congress seem to have concluded from this that the drug program does not work and that the money can do better service someplace else.

Both views are wrong.

When we made the drug issue a continuing policy concern we saw success. And when we provided our efforts with adequate guidance and support, backed up by the moral authority of the government in support of the public, we made significant progress on the drug problem. We saw the result in steady declines in use, the most important barometer of how we are doing.

We can also see the results of a retreat from our earlier commitment. In the last 2 years we have seen marijuana use among 12–17-year-olds soar, up 50 percent. At this rate, within the next year or so we will have wiped out the gains made in reducing use over the last 13 years. It is from this new, emerging user population that tomorrow's addicts will come. The situation reminds me of what happended to us in the 1970's. We let indifference get the better of us. We had to suffer a major drug epidemic to learn our lesson. We cannot afford to let that lesson go to waste.

It is a national tragedy if we let drug use escape us again. With serious effort we reversed the worst years of drug abuse. What clearer indication can there be of the effects of meaningful effort and indifferent effort than in these contrasting pictures.

More important, I would remind my colleagues that it has been Congress that has lead the effort in representing the public's interest on the drug question. In 1986 and 1988, we moved to increase both the funding for our drug efforts and to put pressure on the administration to take forceful action. We saw results. Just this year, the Senate Foreign Relations Committee, and Senators HELMS and COVERDELL, took the lead in putting pressure on Colombia to do something about arresting drug kingpins, something everyone told us could not and would not happen. Well, it happened in jig time. Consistency and meaning what you say are still solid currency, here and abroad. It is that kind of fortitude and stick-with-it-ness that we still need.

We still have a substantial responsibility to represent the American public on the drug issue. And we still have the need to be the leaders in insisting on adequate funding for well-executed programs. This does not mean we have to measure our drug efforts by impossible standards of success. We need to be realistic and we need to be consistent.

Given recent gains in putting drug kingpins behind bars in Colombia we also need to build on our efforts to go after the second and third tier of cartel leaders. This means continued support for our international programs.

I would also remind my colleagues, that the money we spend on this foreign assistance program goes directly to support efforts aimed at individuals and groups that target Americans, whose actions daily kill and wound more people than all the terrorists combined. Drug dealers, here and abroad, are real enemies whose actions have direct and immediate consequences on the quality of life in our homes and on our streets. Money spent on this international program pays real benefits here. We can see the result when we are willing to act and we can see the consequences when we fail.

I support the amendment to increase the international narcotics program by a further $20 million, which still brings the total international effort in at over $40 million below the administration's request. This funding will help us do the job we must continue to do.

AMENDMENT NO. 2738

(Purpose: To provide for the transfer of excess defense articles to Estonia)

At the end of section 546 of the bill, insert the following:

(c) The President may transfer to Estonia such excess defense articles as the President determines necessary to help modernize the defense capabilities of Estonia, subject to the requirements of subsections (b) through (f) of section 519 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321m).

Mr. GORTON. Five years ago I was invited to be the first United States Senator to address the newly elected Estonian Parliament as it liberated itself from 50 years of illegal Soviet occupation. I was denied entry into Estonia by the Soviet regime, but have since taken a distinct and parochial interest in Estonia's well-being.

Recently I met with Lt. Gen. Aleksander Einseln, commander of the Estonian Armed Forces. In our meeting, he outlined the significant material problems that his nascent military faces. With the almost complete withdrawal of Russian military forces, Estonia must now look to its own defense. Estonia is struggling to heal its wounds of 50 years of Soviet domination. Its resources are very limited; its army small—merely 4,000 soldiers I am told.

This amendment gives the President authority to transfer to Estonia such excess defense articles as the President determines necessary to help modernize its defense capabilities. The transfer is subject to the provisions of section 519 subsections (b) through (f) of the Foreign Assistance Act of 1961. In short, those provisions authorize the President to transfer excess, nonlethal defense articles to a country if a foreign military financing program has been justified for the fiscal year in which the transfer is to be made; allow the United States to help said country modernize its defense capabilities; allow the transfer of the excess defense articles only if the equipment is drawn from existing DOD stocks, no DOD procurement funds are used in connection with the transfer, the President determines the transfer will not have an adverse effect on the military readiness of the United States, the President determines transferring said articles is preferable to selling them; require the President to notify the Senate and House Committees on Appropriations, Armed Services—or National Security—and Foreign relations; require the President to submit an annual report to said committees detailing the value of the shipment; require said country to pay for all crating, packing, handling, and transportation costs.

Estonia has joined the United Nations, the Organization for Security and Cooperation in Europe and the Partnership for Peace. Its government has developed a robust democracy while fully embracing the principles of a market economy. For our part, any help the United States can provide will, I believe, be invaluable to our strategic and moral interests. This amendment does just that.

AMENDMENT NO. 2739

On page 18, line 24, after "assistance:" insert the following: "*Provided further*, That not less than the Egyptian pound equivalent of $85,000,000 generated from funds made available by this paragraph, or from any other source including from funds made available for Egypt for fiscal year 1997, shall be made available to the United States pursuant to the United States-Egypt Economic, Technical and Related Assistance Agreements of 1978, for the following endowments established under such agreements: the Egyptian pound equivalent of $50,000,000 shall be made available to replenish the existing endowment for the American University in Cairo, and the Egyptian pound equivalent of $35,000,000 shall be made available to replenish the existing endowment for projects and programs which promote the preservation and restoration of Egyptian antiquities:"

Mr. STEVENS. Mr. President, the amendment I am offering would designate 85 million dollars' worth of Egyptian local currencies to be used for two programs in Egypt that have enjoyed considerable support from this body in the past. This amendment does not affect the dollar appropriation for Egypt nor does it add any new money to the bill.

First, the amendment requires that the existing endowment for the American University in Cairo be replenished by the equivalent of $50 million in Egyptian pounds.

The Congress has twice before directed that local currencies generated from our aid programs be used to support AUC. However, as the pound has devalued against the dollar, the value of the existing endowment for AUC has continued to shrink, thus making an additional contribution necessary. In addition, lower interest rates, while obviously good for the general economy in Egypt, have resulted in significant income decline from these funds.

Mr. President, AUC is an institution of outstanding importance, not only in providing an American-type university education in Egypt and elsewhere in the Middle East, but also as a key element in the close relationships that have developed between the American and Egyptian peoples. Our colleague, the distinguished chairman of the Appropriations Committee, was instrumental in securing the original allotment of Egyptian pounds for this important institution.

AUC is a cost-effective instrument for building cultural and intellectual bridges. Reflecting on its American heritage, AUC attracts Egyptians from all sectarian communities. Egyptian youths compete for an opportunity to acquire the American-style education which AUC offers and, in the process, learn something intangible about American culture and values. Several years ago the State Department concluded that, "AUC enhances United States long-term national interest in Egypt and the Middle East and does it at a very reasonable cost." I and my cosponsors have supported the work of AUC for many years, and note that the Egyptology department at AUC played a pivotal role concerning the recent find in the Valley of the Kings.

Mr. President, this amendment, which represents the third congressionally directed contribution to the endowment of AUC, is a "no-cost" way of fostering U.S. values in a region of the world that is vital to our national interest.

The second program for which local currencies are designated is an endowment for the preservation of Egyptian antiquities. Again, prior legislation, written by Senator INOUYE and I, had directed the establishment of an endowment with Egyptian local currencies. The amendment makes the equivalent of $35 million available for this purpose.

Egypt's cultural heritage is one of the richest and most important in the world's history. Yet, it is seriously endangered by pollution, decay, and the simple passage of time. An endowment was established in the Foreign Aid Appropriations Act for fiscal 1993 to address this problem and for reasons similar to those affecting AUC, the endowment now needs replenishment.

Mr. President, both of these programs are worthy ones. In the past, the Congress has used this innovative way of providing them with support without costing the taxpayer anything. I would hope that this practice can continue with the adoption of my amendment.

AMENDMENT NO. 2740

In lieu of the matter proposed to be stricken insert the following:

NORTH AMERICAN DEVELOPMENT BANK

For payment to the North American Development Bank by the Secretary of the Treasury, for the United States share of the paid-in portion of the capital stock, $25,000,000, to remain available until expended; Provided, that for the payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the fund to be administered by the Inter-American Development Bank, $45,000,000 is provided to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the North American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of the capital stock of the North American Development Bank in an amount not exceed, $318,750,000.

Mr. DOMENICI. Mr. President, I rise to offer an amendment to raise the fiscal year 1996 appropriation for the North-American Development Bank to $25 million. I believe that this amendment makes good environmental sense as well as good economic sense.

Mr. President, some of today's most pressing environmental problems are along the United States-Mexico border.

Rapid population growth along both sides of the border have created situations where large numbers of people are living in areas that have inadequate drinking water, wastewater, or municipal solid waste facilities.

To address this situation, the United States and Mexico entered into a joint agreement to establish the North American Development Bank [NAD-Bank].

NAD-Bank will provide the capital for these much-needed border projects, choosing those projects from lists developed by the multilateral Border Environment Cooperation Commission [BECC].

NAD-Bank will not provide grants or equity funding for environmental infrastructure projects, but instead will act a real world investment bank, providing financing to both public and private entities to build the environmental projects recommended by the BECC.

NAD-Bank ensures that the best projects are constructed through the following criteria:

All projects financed by the NAD-Bank must address the environment along the 100 km region on both sides of the United States-Mexico border.

NAD-Bank projects must be able to demonstrate repayment of their loans and guarantees. NAD-Bank will closely review factors that may affect capital outlays, construction, operations and maintenance, and project revenues—user fees, state/local backing, guarantees.

All beneficiaries must share some project costs and/or responsibilities.

Projects must use designs and technologies which result in a least cost solution for long term facilities' operations and maintenance.

In addition to the fact that NAD-Bank's projects will promote a healthier environment, NAD-Bank's activities will benefit the United States economy as a whole.

Specifically, properly planned and developed border infrastructure will help United States-Mexico trade to flow freely.

Finally, NAD-Bank was created by the United States and Mexican governments as an equal partnership to address these environmental problems. Mexico has already put up its share of the money of NAD-Bank.

We have an obligation to show that we are as committed to addressing these problems as is our southern neighbor.

In sum, therefore, this amendment makes good economic as well as good environmental sense, and I urge its adoption.

Mrs. HUTCHISON. Mr. President, I rise tonight in support of the North American Development Bank, which was created to assist border States and local communities in coordinating, designing, and facilitating border infrastructure projects. It is a unique binational financial institution which acts as a catalyst for private and public capital investment for projects certified by its sister organization, the Border Environment Cooperation Commission [BECC].

Established through a joint agreement between the United States and Mexico, the NADBank also establishes the United States and Mexico as equal partners, under which both the United States and Mexico contribute equally to the Bank's resources. Importantly, each government's capital subscription is not an operational expenditure. It represents an investment in a sound financial institution which will appreciate with the Bank's earnings and may eventually be returned to its investors—United States and Mexican citizens.

The NADBank's role is a crucial one; it acts as the lead bank, like an investment bank, financing border environmental infrastructure projects as a complement to other public and private sector financial sources. It also has an important private sector orientation. Unlike other multilateral development banks which lend primarily to public entities, the NADBank may provide financing to any entity—public or private.

What will NADBank capital be used for? Well, 90 percent will go to border infrastructure projects. Ten percent will be used to fund separate domestic programs in the United States and Mexico beyond the Mexican border. Clearly, the role of the NADBank is an important one not just to border States but to any community.

Mr. President, pollution does not require a visa. Border pollution impacts both Mexico and the United States, and growing public health concerns and a lack of adequate clean water prevent economic growth extending out and beyond the border regions. Growing health concerns due to the inadequacy of municipal infrastructure are a potential time bomb. If the health risks associated with lack of adequate infrastructure are not addressed, the border will face even more severe health problems over the next decade. The NADBank, in its efforts to address growing infrastructure needs, will benefit the entire border region's health standards. The proper use of the Bank's capital will be guarded carefully, therefore, as if it were a trust for our children.

Properly planned and developed border infrastructure will help United States-Mexico trade to flow freely.

Mr. BINGAMAN. Mr. President, I rise today to join my colleagues, Senator DOMENICI of New Mexico, Senator HUTCHISON of Texas, and Senator KYL of Arizona, in supporting the amendment to restore funding to the North American Development Bank, better known as the NADBank. As a cosponsor of this amendment, I want to tell you how important NADBank funding is to improving environmental conditions along the United States-Mexico boarder. This is important not only to my State of New Mexico, but to all the border States and to our Nation.

The North American Development Bank was created in 1993 as a supplement to the North American Free Trade Agreement [NAFTA]. Its purpose is to provide loans and loan guarantees to projects certified by the Border Environmental Cooperation Commission [BECC], also created as part of the NAFTA, for high priority border environmental and health projects. Due to its lack of wealth, the border region cannot be self-financing in its endeavor to develop and implement these types of infrastructure projects. These projects are absolutely critical to the border area in managing its considerable problems with air and water pollution, wastewater treatment, municipal solid waste, and hazardous waste.

The NADBank is patterned after other multilateral development banks, such as the World Bank and the Inter-American Development Bank. The United States and Mexico each are to contribute $225 million over a 4-year period in initial paid-in capital. The NADBank will then use this capital, along with funds raised in the financial markets and other resources to fund environmental and health projects along the border and to supplement privately funded projects. These funds will be combined with existing State and local funding, Federal grants and State revolving loans, and World Bank and Inter-American Development Bank loans to Mexico to provide for the substantial investment that is needed to provide the basic level of protection to human health and the environment.

Rapid population growth and industrialization in the border cities has overwhelmed existing wastewater, water supply, and solid waste infrastructure. Untreated domestic and industrial sewage currently flows north to the United States and into the Rio Grande River. Thousands of residents lack safe drinking water and adequate solid waste disposal facilities. Air quality is severely deteriorated by emissions of industrial pollutants, and dangerous levels of carbon monoxide and ozone-forming hydrocarbons from urban traffic.

Let me be clear that while this funding is for binational projects, U.S. citizens will realize substantial benefit from potential border infrastructure improvements. About 6 million people live in metropolitan areas along the United States-Mexico border. This population is critically impacted by water pollution coming across the border from Mexico in areas such as the Tijuana River and New River in California, the Santa Cruz River in Arizona, and the Rio Grande in Texas and my home State of New Mexico. By investing in pollution control in these areas, there is a direct and important benefit to U.S. citizens in terms of health protection, crop protection, and improved recreational benefits and increased property values.

There are economic benefits that will accrue to us as well in maintaining our commitment to the border area. U.S. jobs will be generated in the equipment manufacturing and professional services sectors, which are found in almost all 50 States. The United States has a strong competitive advantage for providing equipment, instrumentation, and professional services for the construction of Mexico wastewater facilities along the border. With a potential need of almost $8 billion in border water related facilities over the next decade, up to $2 billion of business could be generated in U.S. products and services.

In closing, I would urge my colleagues to support this amendment, to ensure the future protection and preservation of the environment along the United States-Mexico boarder. It is good, not only for the health of our border communities, but also for the environment along the United States-Mexico border, and for the economy of the entire United States.

AMENDMENT NO. 2741

On page 43, under the heading, "International Organizations and Programs," add the following provisio; "*Provided further*, That not less than $1,500,000 of the funds appropriated under this heading shall be made available for the United Nations Fund for Victims of Torture;".

AMENDMENT NO. 2742

(Purpose: To increase transfer authority for IFAD)

On page 11, line 3, strike "$15,000,000" and insert in lieu thereof "$30,000,000".

Mr. DODD. Mr. President, I send to the desk an amendment and ask for its immediate consideration. The amendment I am offering simply increases the transfer authority that the administration may utilize to fund the U.S. contribution to IFAD. Specifically the amendment increases that authority by $15 million. Let me assure my colleagues that this transfer authority will not require any offsetting cuts to be made as the overall funding of the foreign operations budget is not increased.

The International Fund for Agricultural Development [IFAD] is the only international financial institution with the specific mandate to address rural poverty, hunger, and malnutrition. To this end, IFAD promotes participatory, cost-effective approaches to help poor groups such as smallholder farmers, rural women, and the landless to increase their output and incomes in sustainable ways.

In January 1995, the Governing Council of IFAD agreed that the target for the Fourth Replenishment should be $600 million, and urged both developing and developed countries to join in a partnership to achieve this target. To date, the United States is the only country that has not announced its pledge.

As you know, the U.S. commitment to the Fourth Replenishment is expected to be $92 million over a 3-year period. While the transfer authority of $15 million is a positive step for IFAD, it does not fulfill the first $30 million annual payment by the United States toward its expected 3-year pledge.

The transfer authority for $30 million would allow the United States to continue its leadership in IFAD and allow us to continue our successful work to increase the productivity and incomes of the rural poor. A transfer of $30 million to IFAD will also make it possible for the United States to pledge its commitment of $92 million to the Fourth Replenishment, bringing the 3-year negotiations on this replenishment to a successful conclusion. Once the Fourth Replenishment is concluded, a new governance structure will go into effect. New voting procedures will reflect the level of contributions made, and will ensure that the voice of larger contributors will be heard more clearly.

The transfer authority will not harm the programs and accounts from which the funds are transferred. With a U.S. contribution of $92 million, the $600 million level of the Fourth Replenishment will be achieved and with another $600-plus million from loan repayments and investments, a total of $1.2 billion will be available to IFAD to fight poverty and hunger around the world. About 40 percent of the resources available in our Fourth Replenishment will go to Africa. Hence the transfer authority will make it possible for IFAD to commit $160 million per year for Africa, increasing over fivefold the total development resources for that region. IFAD is an effective and efficient organization that through strict loan repayment and investment policies and contributions from other member countries leverages about $13 for every $1 that the U.S. commits. Without the U.S. pledge there will not be a successful conclusion of the Fourth Replenishment, and will not be able to provide this level of resources to the region.

I urge my colleagues to support this amendment.

AMENDMENT NO. 2743

At the appropriate place in the bill add the following new section:

SEC. . GUATEMALA.

(a) FINDINGS.—The Congress makes the following findings:

(1) The Government of Guatemala, under President De Leon Caprio, has made significant progress towards negotiating an end to Guatemala's civil conflict which has resulted in numerous human rights violations, claimed tens of thousands of lives and impeded economic development in that country.

(2) President De Leon Caprio has taken steps to improve human rights, including his support for the U.N. mission for the verification of human rights and of compliance with the commitments of the comprehensive agreement of human rights in Guatemala (Minugua) and his recent decision to abolish the military commissioners, but his efforts to bring human rights violators to justice have been impeded by certain members of the Guatemalan Armed Forces;

(3) Despite numerous appeals by the families of victims of human rights abuses, human rights organizations and Members of the United States Congress, there has been minimal progress towards resolving specific human rights cases including cases involving American citizens or their relatives;

(4) President De Leon Caprio deserves the support of the United States in his efforts to resolve Guatemala's conflict peacefully, to support democratic elections, and to improve respect for human rights.

(b) LIMITATIONS.—Notwithstanding any other provisions of law—

(1) No assistance in this Act or any other Act shall be made available to the Guatemalan Armed Forces or the URNG;

(2) No sales of defense articles or services shall be licensed or approved for Guatemala for the Armed Forces or URNG; and

(3) No visas shall be granted for any member of the Guatemalan Armed Forces or the URNG suspected of participating in or ordering any violation of human rights or of seeking to coverup or otherwise thwart the investigation of such acts.

(c) CERTIFICATION.—The limitations contained in subsection (b) shall cease to apply when the President certifies to the Committee on Appropriations and the Committee on Foreign Relations that—

(1) The Guatemalan Armed Forces and the URNG are fully cooperating with efforts—

(A) By the family of U.S. citizens Michael Devine who was murdered in 1990 to bring to justice those responsible for the murder or coverup of the murder;

(B) The October 1994 murders of Roderico Baudilio De Leon and Flavio Matias Marroquin;

(C) By Jennifer Harbury to exhume the body of her husband, Efrain Bamaca Velasquez; and

(D) By human rights organizations and the Guatemalan attorney general to investigate and bring to justice those involved in the prominent human rights cases committed by both sides to the conflict, including those cases enumerated in the April 7, 1995 letter to President Clinton by twelve Members of the United States Senate.

(2) The Guatemalan Government and Armed Forces are complying with the recommendations in Minugua's first and second reports, particularly those related to the investigation and prosecution of human rights cases.

(3) The U.S. Representative to the United Nations Human Rights Commission has consulted with Representatives of other Member States to determine whether respect for human rights would be enhanced by the appointment of a special United Nations rapporteur for Guatemala.

Mr. DODD. Mr. President, this amendment is very straight forward. It says that until we see some tangible progress in the human rights performance of the Guatemalan military, including cooperation with efforts to investigate and bring to justice those responsible for the murder and cover up of United States citizen Michael DeVine, no assistance of any kind will be forthcoming for that institution.

The prohibitions on military assistance, sales of defense articles and service, and the denial of visas to members of the armed forces suspected of wrong doing are to remain in effect until the President certifies to the Congress that the Guatemalan Armed Forces are cooperating with efforts to investigate a number of high profile human rights cases, including the murders of Michael DeVine, Myrna Mack, and Efrain Bamaca Velasquez, the husband of United States citizen Jennifer Harbury.

Mr. President, Guatemala is at an important turning point in its rather tragic history. A civil war has been waging there for 35 years. More than 140,000 Guatemalans have lost their lives as a result of that conflict. The bulk of those killings occurred in the 1980's when the Guatemalan Armed Forces mounted massive counterinsurgency operations, particularly against rural populations.

But killings have not been limited to the seventies and eighties. Political violence in this decade has been more targeted, most notably against teachers, human rights workers, and politicians. In 1994, the Guatemalan Catholic Church reported that there were some 356 political killings and another 40 cases of forced disappearances. Almost none of these cases have been resolved.

Thanks in large measure to the efforts of the U.N.-facilitated peace negotiations, the parties to the conflict have been making progress in reaching a diplomatic solution to their differences. Agreement has already been finalized in a number of areas of mutual concern.

On March 29, 1994, the parties signed a global accord on human rights that sets forth basic human rights principles. This agreement also resulted in the deployment of a U.N. human rights verification mission to Guatemala early in 1995 in order to monitor compliance with that agreement. In the most recent report of the U.N. verification mission, it found that "impunity remains the most serious obstacle to the enjoyment of human rights in Guatemala, despite the manifest concern and commitment of the President of the republic to combat it".

The Guatemalan military and security forces, like every other sector of Guatemalan society, must demonstrate that they are not above the law, that their members will be held accountable for illegal acts. The first step in making this a reality is a demonstration such forces that they are prepared to cooperate in bringing to justice those within their ranks responsible for some of the most notorious human rights abuses—most notably the murder of U.S. citizen Michael DeVine.

The pending amendment is intended to prod those in control of the military and security forces to take demonstrable steps to end nearly 40 years of impunity. Mr. President, I believe that this amendment has been carefully targeted to lend support to the President of Guatemala in his efforts to reorganize the military and security forces and to institute civilian control over such forces in the context of a final peace agreement. I would urge my colleagues to support this amendment.

FOREIGN OPERATIONS APPROPRIATIONS—AMENDMENT NO. 2743

Mr. LEAHY. Mr. President, this amendment, which I cosponsored with Senator DODD and which was also cosponsored by Senators KERRY and MURRAY, aims to address the travesty that has been going on in Guatemala for as long as most of us can remember.

Guatemala is now the only country in Central America still plagued by civil war. It is winding down, but it continues to claim innocent lives, and it is an excuse for continuing human rights atrocities by the Guatemalan Armed Forces, as well as the URNG guerrillas.

But it is the Guatemalan Armed Forces, and their armed supporters, that are guilty of the majority of these crimes. Their victims are students, nuns, journalists, human rights lawyers, union organizers—anyone who dares speak out about Government corruption or Government-sponsored violence.

The estimate of the number of killed and disappeared ranges from 40–70,000, over the past three decades. In any given week, the toll is staggering. Death threats, disappearances, and extrajudicial executions are routine in human rights reports on Guatemala.

Let me describe some recent incidents. In May of this year, nearly 100 bodies were found with signs of torture—an increase in extrajudicial executions by 40 percent, with 195 violent deaths reported.

In June, a teacher was abducted, 21 judges were threatened with death, a 17-year-old street youth was shot to death by a member of the National Police, several bodies of disappeared persons were found, a union leader was abducted, beaten, and raped, a former judge was attacked for the third time with a bomb, high school student leaders were harassed by armed men—who reportedly tried to abduct them, a Congressman was attacked, and the remains of hundreds of people in mass graves were exhumed.

On June 14, several religious organizations and human rights advocates signed a letter to President Clinton, asking that an independent human rights expert be appointed to undertake a full investigation into human rights violations in Guatemala. On Father's Day, a march was organized for children of disappeared parents. "The father who took care of us was taken away," said one of the children at a press conference. "He did not come back and we never heard from him again."

For years, the Congress has passed resolutions, written letters, cut off aid. We have tried to get the Guatemalan Army's attention, to no avail. There has been virtually no progress in bringing to justice those responsible for any of the thousands of human rights abuses.

Jennifer Harbury, a U.S. lawyer, lost her husband 3 years ago and has been searching for him ever since. His name is Efrain Bamaca Velasquez. He was murdered after being tortured. There is evidence that a Guatemalan colonel, paid by the CIA, may have been involved in Bamaca's torture and death, as well as the death of American Michael DeVine.

A Guatemalan officer who was convicted in the DeVine case mysteriously escaped from prison the next day, and has not been seen since. Efrain Bamaca's fate remains unknown, and the Guatemalan army has obstructed justice every step of the way. Despite a court order, they have refused to permit a special prosecutor to excavate where Bamaca's body, and the bodies of many others, are believed to be buried.

Mr. President, I am not going to take the time to repeat the details. I have spoken before about the Harbury case, the DeVine case, about numerous other human rights cases in Guatemala over the years.

Guatemala's President de Leon Carpio is doing his best, and he deserves credit for keeping the peace negotiations moving forward, enabling U.N. human rights monitors to take up residence in Guatemala, supporting democratic elections, and taking some steps to improve human rights. But impunity among the army and civil patrols remains the central problem. There is no justice when a member of the armed forces is involved.

This amendment makes it clear who is the problem. It praises President de Leon Carpio, who deserves our support. But it prohibits any assistance to the armed forces and the URNG, any sales of military equipment, and cuts off visas for any member of the armed forces and URNG who are suspected of involvement in human rights violations, or of covering up such crimes.

These restrictions will end when the President certifies that the Guatemalan armed forces are fully cooperating in solving these crimes, and in carrying out the recommendations of the U.N. monitors.

I am not among those who believes that everyone in the Guatemalan army is corrupt, or guilty of crimes. Far from it. I know some honorable, honest Guatemalan officers who are disgusted by what some of their fellow officers do. I also know that there are honorable members of the URNG who are fighting because for years they were excluded from the political process, but that is changing. This amendment is aimed at the bad apples. It is time for all Guatemalans who believe in respecting human rights, in justice, to stand up for it, and to end the impunity once and for all.

AMENDMENT NO. 2744

(Purpose: To permit the continued provision of assistance to Burma only if certain conditions are satisfied)

On page 104, strike lines 7 through 10 and insert the following:

SEC. 570. None of the funds made available in this Act may be used for international narcotics control assistance under chapter 8 of part I of the Foreign Assistance Act of 1961, or crop substitution assistance, directly for the Government of Burma unless the Secretary of State certifies to the appropriate congressional committees that any such programs are fully consistent with United States human rights concerns in Burma and serve a vital United States national interest. The President shall include in the annual International Narcotics Control Strategy Report submitted under chapter 8 of part I of the Foreign Assistance Act of 1961 a description of the programs funded under this section.

Mr. KERRY. Mr. President, I rise in support of my colleague from Arizona's amendment to restore authority for the State Department to use funds for counter narcotics efforts and crop substitution programs in Burma as long as the President certifies that any such program is fully consistent with human rights concerns and serves vital United States interests.

Human rights is an issue of extreme importance and deep concern to every Senator in this Chamber, and must remain a significant element in our dealings around the world, and no Senator is more committed to the issue than Senator MCCAIN.

His amendment is a commonsense amendment that gives the United States the necessary flexibility to act in its interest in a nation which provides 60 percent of the heroin smuggled into this country. To prohibit counternarcotics efforts would be ill-advised and counterproductive.

Whatever our deep and abiding concern for human rights, it is important to note, Mr. President, that Burma's most noted victim of human rights violations, Aung San Suu Kyi, supports drug control efforts in her country, and that, Mr. President, is the best argument for support of the McCain amendment.

We have three important objectives in Burma—democracy, counter-narcotics, and human rights. All three demand our attention and our support; but common sense would tell us that we cannot diminish potential success in any of these areas because of specific failures in another as long as we are sensitive to the impact of our actions on overall diplomatic progress.

Mr. President, the State Department is well aware of congressional concerns and I fully anticipate that it will conduct counternarcotics efforts consistent with our overall international policy and in consultation with the Congress.

I think, therefore, that this is a commonsense amendment that allows us to do what we need to do to fight the drug problem at its source while recognizing the limitations of our involvement and maintaining a strong focus on human rights.

I would urge support of the Senator from Arizona's amendment, and I yield the floor.

Mr. MCCAIN. Mr. President, this amendment would modify the provision in the underlying bill that prohibits funding for international narcotics control assistance in Burma. The amendment would modify that prohibition by permitting such assistance only if the Secretary of State certifies to Congress that such programs are fully consistent with United States human rights concerns in Burma, and that they serve a vital United States national interest.

That vital national interest is obvious, Mr. President. Sixty percent of the heroin that comes to this country originates in Burma—60 percent. We have a compelling, urgent responsibility to do whatever we can to eliminate or at least reduce Burma's export of that dangerous narcotic. Without a strategy that addresses the heroin trade in Burma, we have no effective antinarcotic program at all.

I can well understand the Senate's desire to influence the Burmese regime's treatment of the Burmese people. That treatment has been abominable and well deserves our severe reproach. I visited Burma last March and was exposed to a pretty representative sampling of how abominable that treatment has been and continues to be.

Daw Aung San Suu Kyi's release was a very welcome development. But in and of itself it does not represent evidence of political reform or even an indication of progress toward an objective standard of human rights in Burma. Burma has a very long way to go.

I know the authors of this provision feel very strongly, as do I, that the United States must actively support the cause of human freedom in Burma, and make it unmistakably clear to Burma's State Law and Order Restoration Council, the SLORC, that the United States, indeed, all of the civilized world expect them to begin respecting the will and the rights of the Burmese people.

But what I have difficulty understanding is why we must refrain from acting in our own national interest while we attempt to act in the interest of the Burmese people. I could understand the objective of this provision if it stated that no funds for drug control could be made available directly to the SLORC. I would not support this assistance either if the State Department were proposing to simply provide money to the SLORC with the promise that the SLORC would use it to eradicate poppy fields. It is quite probable that such funds would be used by the SLORC to further oppress ethnic minorities in Burma, like the Wa.

But, Mr. President, that is not what the administration proposed to do with this assistance. First, it is a relatively small amount of money that we are talking about, with most of it going to the efforts of the U.N. Drug Control Program [UNDCP] in Burma; $2 million would be provided to the U.N. to work with ethnic minorities on crop substitution and other programs intended to begin making some, although admittedly small, progress in reducing poppy cultivation. None of that assistance would be funneled through the SLORC.

A limited—a very limited amount of assistance, $50 thousand, I believe—would be provided to train Burmese customs officials. But I fail to see the harm in that, given that the amount is so small, and the need for better Burmese control of drug smuggling at the borders so obvious.

Mr. President, $2 million isn't going to solve America's heroin problem. But

I do not see how we begin to get any control over that problem absent some kind of program in Burma.

Opium production in Burma has skyrocketed in recent years. It is, by far, the largest heroin producing country in the world. Again, 60 percent of heroin in the United States originates in Burma.

The enormous increase in heroin production globally has substantially reduced the street price of heroin while simultaneously increasing the purity, and consequently, the lethality of the drug. Overdoses—fatal overdoses—have increased rapidly in the United States.

Sadly, as long as there is demand for heroin, we will never be able to keep it out of all our children's hands. But if in Burma and elsewhere our efforts make some progress in restricting the flow of heroin to the United States, we will make the drug more expensive and less readily available on our streets than it is today.

Mr. President, before I conclude, I should also add that in meetings attended by American Embassy officials in Rangoon, Daw Aung San Suu Kyi, had no objections to counternarcotics programs in Burma. While advising that the U.N. counternarcotics effort in Burma be closely monitored—as it should be, she also understood the importance of reducing poppy cultivation. Further, she observed that the U.N. Burma program employs many prodemocracy supporters.

I am convinced that the counternarcotics assistance envisioned for Burma is consistent with our human rights goals in Burma. But, I repeat, to ensure that it remains so, this amendment requires the Secretary to certify that all the program which our assistance would support are fully consistent with our human rights concerns in Burma.

Mr. President, I believe—as we have in many other countries—the United States can advance or values and protect our national interests in Burma simultaneously. They are not mutually exclusive, and should not be treated so.

I commend the Senator of Kentucky and also the Senator from Vermont for their abiding concern for the rights of the people of Burma. I understand the motive—the very decent motive—for authoring the provision I seek to amend. My only concern is over this particular approach to achieving a very worthy objective. So let us find a way to advance the cause of freedom in Burma and reduce the flow of heroin to the streets of America.

AMENDMENT NO. 2745

(Purpose: To express the Sense of the Senate concerning the provision of spare parts and other military equipment to Peru)

At the appropriate place add the following new section:

SEC. . (a) The Senate finds the following:

(1) Since March 1995 the Peruvian government has engaged in an aggressive air interdiction program to prevent narcotics traffickers from violating Peruvian airspace for the purpose of transporting illegal narcotics to Colombia.

(2) As a result of the Peruvian interdiction program, the number of illicit flights detected in recent months has dropped to its lowest level in over three years and the price of transporting narcotics out of Peru has risen by as much as 500 percent.

(3) The inability of the traffickers to move cocaine base out of Peru has produced a glut of coca leaf and cocaine base in Peru with a resulting 50 percent decline in the price.

(4) The Peruvian government's ability to sustain the success of its interdiction program is dependent on the maintenance and upkeep of a very limited number of aircraft.

(5) As a result of the internal Peruvian political situation and the conflict earlier this year between Peru and Ecuador, the United States suspended military transfers to Peru.

(6) As much as 80 percent of the cocaine that reaches the United States comes from coca grown in Peru and the disruption of the air corridor between Peru and Colombia is important to United States counter narcotics efforts.

(7) The situation which led to the cutoff of military equipment for the air interdiction effort have been satisfactorily resolved or have progressed to a point where the cutoff of this military equipment is no longer in the interest of the United States.

(b) It is the Sense of the Senate that the President should, as soon as possible, provide limited spare parts and other military equipment to the government of Peru in support of Peruvian Air Force efforts to monitor, intercept and interdict aircraft and other forms of transportation engaged in illegal narcotics trafficking activities.

Mr. KERRY. Mr. President, last Friday the New York Times reported rather substantial increases in the price of cocaine on the streets of New York City. The article attributed this price rise to the recent arrests in Colombia of six of the seven biggest drug kingpins.

Certainly the decapitation of the Cali cartel has played an important part in disrupting the supply of cocaine, but we should not overlook the other factors at work here. I want to draw particular attention to the efforts undertaken by the Governments of Peru and Colombia to shut down illicit narcotics flights between their countries.

This air interdiction program was made possible by an amendment adopted last year by Senate during consideration of the Defense authorization bill. That amendment removed a legal impediment to sharing United States intelligence information with Peru and Colombia.

Since our intelligence sharing began earlier this year, the Peruvian and Colombian Air Forces have seized aircraft, destroyed them on the ground, forced them down and, as a last resort after complying with strict verification procedures, shot them down.

The resulting disruption in the flow of cocaine and cocaine base out of Peru has been impressive. The number of illicit flights detected in May, June, and July was the lowest level in 3½ years.

The price of transporting narcotics out of Peru has risen by as much as 500 percent. In many cases the traffickers cannot hire pilots at any price.

Constricting the flow of drugs through this critical choke point has led to an oversupply of coca leaf and cocaine base in Peru, the source country for 80 percent of the cocaine that reaches our streets.

This glut has caused the price of coca leaf and cocaine base to plummet. In parts of Peru the price is down 50 percent and there are scattered reports of farmers abandoning coca fields because it is not worth their effort to harvest the crop.

Unfortunately the air interdiction effort that is producing these noteworthy results faces a serious problem. The Peruvians cannot obtain spare parts from the United States for the A-37 aircraft that they use to intercept the traffickers planes.

The United States suspended the transfer of these parts in 1991 when President Fujimori dissolved the Peruvian legislature and threw out the constitution. The situation was further complicated by the conflict earlier this year between Peru and Ecuador.

The conditions which led to the cutoff of military equipment have evolved to the point where it is no longer productive to continue denying these parts. President Fujimori was overwhelmingly reelected in May and a cease fire holds sway in the border conflict with Ecuador. This amendment is offered as a way to encourage to the administration to rethink and modify its position.

I know that the distinguished Senator from Vermont and others have concerns bout the human rights record of the Peruvian military and I share those concerns. This amendment should not be interpreted as an attempt to open the flood gates for broad military assistance.

The only assistance I am encouraging is equipment for the interdiction program that is already in the pipeline. The Peruvian military needs to make much more progress in the area of respect for human rights before the United States should consider other forms of assistance.

It would be a travesty if the Peruvians were forced to shut down this program because the United States would not send spare parts for two airplanes. Keeping cocaine in Peru, keeps cocaine off our school yards and street corners. I encourage the Senate to adopt this amendment.

I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Time, Sept. 15, 1995]

COLOMBIA ARRESTS RAISE PRICE OF COCAINE IN NEW YORK CITY

(By Clifford Kauss)

Only a few months after the Colombian Government began arresting the top leaders of the Cali drug cartel, law enforcement officials said the supply and potency of cocaine in New York City is dwindling, forcing wholesale and street prices to soar.

In what officials described as the most precipitous shift in almost six years, the wholesale price of cocaine has increased nearly 50 percent since May, while retail prices have gone up 30 percent. Similar increases, they said, are evident in other big Eastern cities dependent on New York-based Cali operatives for supplies.

In addition, they said, recent seizures and intelligence indicate that the size and number of shipments of cocaine into the New York area have declined. Only four months ago, Federal agents say, shipments weighing 1,000 pounds or more were coming into the city in trucks, ships and airplanes; now, they typically weigh less than 200 pounds.

The shifts are also evident in the city's drug markets. Drug dealers in Washington Square Park said this week that the same gram of cocaine that sold for $50 in May now goes for $80, an increase that they said was beginning to drive away younger buyers who come to Greenwich Village from New Jersey.

"I've been around 39 years," said one Washington Square dealer, whispering as he gave knowing glances to prospective buyers walking through the park. "So I know when they bust the big guys in Colombia, that's when the coke goes up."

Law enforcement authorities cautioned that the shifts in supply and price might be temporary, evidence of another periodic realignment of international trafficking networks with little long-lasting importance. But they said that the declining sizes of cocaine shipments and five recent fatal shootings between competing drug gangs in Queens appeared to be strong signs that the world's richest drug trafficking organization is at least going through a painful period of adjustment.

"Maybe it's only a breather that is benefiting the community," said Peter A. Crusco, chief of narcotics investigations in the Queens District Attorney's office. "But relatively little is coming in. The big-level people are not risking moving the cocaine."

Officials say cocaine buyers can still find the drug in neighborhoods across the city, but New York police officials say laboratory tests show that dealers are now mixing their small bags and tins of cocaine powder with 30 percent more sugar or baking powder to stretch supplies.

On the other hand, officials say supplies and prices of crack—the cocaine-based drug of choice among many poor users—have not been affected, because its purity is low to begin with and abusers need little to become intoxicated.

Though they are encouraged by the tightened supply of cocaine, some police officials expressed concern that shortages of cocaine could eventually increase demand for heroin, which is already gaining in popularity and is mostly distributed by organized crime groups that compete with the Cali cartel.

They also worry that if drug profits continue to be stretched, street gangs competing for customers, territory and supplies could turn more violent, much as they did when crack first became popular in the late 1980's.

Investigators said information collected through wiretaps and informers indicate that supplies of cocaine are being held up in Colombia and Mexico, where they are stockpiled before moving across the border, because the leaders who once personally supervised their release are in jail or on the run.

Middle-level traffickers, the wiretaps and informers indicated, are holding back shipments, in part because they feared that the captured leaders might be trading information about cartel operations in exchange for more lenient treatment.

"The one person who moved the cocaine between Colombia and Mexico, Miguel Angel Rodriguez Orejuela, is out of commission for at least the moment," said a senior Drug Enforcement Administration official who spoke on condition that he not be named. "One can logically surmise that right now there is a quandary, a state of confusion, and problems with people hooking up with the traffickers both in Colombia and Mexico."

The most striking effect of the arrests in Colombia have so far been at the wholesale level of the drug trade, officials said, Responding to the decreased supplies, several law enforcement officials said top cocaine dealers have increased their prices to their largest distributors to an average of $26,000 per kilogram, from $18,000 only four months ago.

In Detroit, the Drug Enforcement Administration has reported an increase in wholesale prices from $22,000 to $32,000 per kilogram in the last two months alone.

A bodega owner in Washington Heights with broad knowledge of the cocaine trade in New York said the recent increase had forced middle-level dealers to drop some street sellers, shave profits, dilute their inventory and hoard supplies in case the current shortages continued.

"A lot of people are just holding onto their good stuff for when prices really go up," he said.

The last time cocaine prices in New York rose so much and so fast was in late 1989, when a shooting war broke out between the Medellin cartel and the Colombian Government. The Medellin group never recovered, but within months the Cali cartel picked up the trafficking slack, and prices returned to normal levels.

State Department and law enforcement officials said that Mexican trafficking groups and smaller Colombian cartels operating on Colombia's northern coast are now jockeying for new markets. Mexican traffickers have already taken control of much of the cocaine market in the Southwest, they said, and wholesale prices there have not risen as sharply as in New York.

But Thomas A. Constantine, the head of the Drug Enforcement Administration, said in a recent interview that there was no cartel waiting in the wings that could match the Cali group's financial resources, political clout in Colombia, and international trafficking connections.

"Nobody out there even compares," he said, saying that the Cali group had already surpassed the Medellin cartel in sophistication and resources at the time of the Medellin group's downfall.

But Mr. Constantine and other officials cautioned that it was too soon to tell how harshly the Colombian authorities would punish the six top Cali leaders they captured this year. United States officials noted that the cartel leaders were able to negotiate some of the terms of their surrender, and none have suffered confiscations of ill-gotten gains like their mountainside mansions or fleets of yachts.

In addition, the United States officials say, the cartel leaders are still able to communicate with their lieutenants sporadically through family members who visit them in jail and by paying off guards. But perhaps because their telephone conversations are being monitored, the officials say, they have not directed their underlings to release huge loads of cocaine warehoused in Colombia and Mexico.

Whatever the long-term impact, law-enforcement officials say, the latest price rises demonstrate that the cartel's top leaders direct the most minute details of their cocaine wholesale operations in the New York area. Recent captures of cartel records include items like personnel evaluations and Con Edison bills.

"We have done investigations involving wiretaps," said Robert H. Silbering, the Special Assistant District Attorney in charge of citywide narcotics cases, "that show a direct link from the streets of New York to the estates of Cali."

Mr. LEAHY. Mr. President, I have agreed to accept this amendment, because it is narrowly written and deals only with the authority to provide spare parts for Peruvian aircraft used in the drug interdiction program. It does not authorize funds on equipment for the Peruvian Army. We prohibit military aid to Peru in this bill on account of longstanding human rights concerns. We do not want to undermine that policy in any way, by providing equipment to the army for any purpose.

However, this amendment would not do that. It only permits the delivery of spare parts to permit the Peruvian Air Force to operate its drug interdiction aircraft, which I am told by the sponsor of the amendment, Senator KERRY, are having an effect. I am willing to see that effort continue if it is helping interrupt the flow of cocaine, but I cannot agree to any assistance to the Peruvian Army.

AMENDMENT NO. 2746

(Purpose: To ensure that the current proportion of economic assistance continues to be channeled through private and voluntary organizations and cooperatives)

On page 9, insert after the end of line 8 the following: "*Provided further*, That the President shall seek to ensure that the percentage of funds made available under this heading for the activities of private and voluntary organizations and cooperatives is at least equal to the percentage of funds made available pursuant to corresponding authorities in law for the activities of private and voluntary organizations and cooperatives in fiscal year 1995:".

Mr. PELL. Mr. President, I offer an amendment in support of the excellent work done by private, voluntary organizations and cooperatives, I believe my amendment will be acceptable to both sides. It is cosponsored by Senators MIKULSKI, SARBANES, and SIMON.

My amendment is very simple. It says that the President shall seek to ensure that the same percentage of our economic assistance that currently is channeled through PVOs, continues to be channeled through PVOs next year. This language is identical to a provision that was included in the foreign aid authorization bill reported by the Foreign Relations Committee, and it is similar to a provision in the House-passed foreign operations appropriations bill.

I think this amendment is important because private, voluntary organizations—PVOs—are our most cost-effective vehicle for delivering foreign assistance, and in this era of shrinking budgets we simply cannot afford to abandon our partnership with them. PVOs operate in countries and circumstances in which our government cannot or will not. They not only reflect American values and generosity, but are an efficient means of delivering people-to-people assistance that has a positive and lasting impact on the lives of the poor and builds long-term friendships for the United States.

In addition to commanding broad public support, our partnership with PVOs and cooperatives leverages vast private resources. Much of the assistance we provide through PVOs is matched by contributions from corporations and private individuals. Thus reductions in the level of PVO participation in our foreign aid program could have a very damaging multiplier effect.

Unfortunately, it appears that some cuts in development assistance are unavoidable. My amendment simply seeks to ensure that PVOs are not cut disproportionately. I think it is critical that the Senate go on record in support of the tremendous work done by these organizations and I would urge that the Senate adopt my amendment.

AMENDMENT NO. 2747

At the appropriate place in the bill, insert the following:

Of the funds appropriated for Turkey under the heading "Economic Assistance", not less than $5 million shall be made available only through non-government organizations to be used only for projects in the ten southeastern provinces currently under a state of emergency, and shall be used only for projects designed to promote economic development, cultural and ethnic tolerance, and human rights activities, and to support the development and activities of non-governmental organizations.

Mr. PELL. Mr. President, I am offering an amendment that directs that a small amount of our overall assistance to Turkey be used by nongovernmental organizations for specific activities in the poorest part of Turkey—the southeast. Specifically, the amendment designates that not less than $5 million of our aid to Turkey be used for projects designed to promote economic development, cultural and ethnic tolerance, and human rights activities, and to support the development and activities of nongovernmental organizations in the southeast. The southeast, of course, is a traditionally Kurdish area where Kurds are caught in a vise between PKK terrorism and the Turkish military.

Earlier this week, I released a report on Turkey prepared by members of the minority staff of the Foreign Relations Committee. The report, which was based upon a trip that the staff conducted in August, found, among other things, that the Kurdistan Workers' Party [PKK] poses a grave threat not only to Turkey, but to regional stability as well. According to the report, the PKK bears direct responsibility for much of the tensions in southeast Turkey and for prompting the recent Turkish invasions of Iraq.

The report also found, however, that the Government of Turkey bears much of the responsibility for the continued suffering in the southeast. The report acknowledges the great political challenges Prime Minister Ciller faces as she tries to address the Kurdish problem—a fact borne out by developments of the last several days by the fall of her government. The bottom line, however, is that the government has been unable—or unwilling—to distinguish the genuine threat posed by the PKK from the legitimate rights and aspirations of the Kurdish people. As a result, Turkey refuses to engage in a political dialog with nonviolent Kurdish representatives, and is executing a heavy-handed, indiscriminate military campaign to eradicate what it views as a monolithic threat to the unity of the country.

By equating all Kurdish aspirations with the terrorist designs of the PKK, Turkey effectively has eliminated outlets for nonviolent Kurdish political or cultural expression. As a consequence, Turkey unintentionally may be contributing to the PKK's appeal. I believe it is important to encourage Turkey to offer Kurds and other groups outlets for nonviolent expression.

One response to the well-chronicled Turkish rights violations has been to cut assistance. In fact, as many of my colleagues may be aware, the House voted to limit economic support funds for Turkey to $21 million. I propose that we take a different approach by addressing some of the very real economic needs Turkey is facing in the southeast—and to do so through nongovernmental organizations.

The Foreign Relations Committee staff visited Diyarbakir, one of the main cities in the southeast, which in many ways symbolizes the ethnic difficulties that persist within Turkey. That city has become a haven for rural Kurds forced to evacuate neighboring towns and villages destroyed by the Turkish military. By some estimates, the city's population has grown from roughly 300,000 to more an 1,500,000 during the past 5 years. Although Turkish officials, local residents, and some independent observers suggest that tensions have subsided during the past 2 years, it is evident that any existing calm is tenuous and the result of Turkey's overwhelming—and at times oppressive—security presence, which has exacted a high cost in terms of human rights violations. I believe that my amendment would have a positive impact by improving economic conditions in a very unstable area.

This amendment also sends an important message to Turkey—as it faces the challenge of forming a new government—about the need to address other underlying problems such as the lack of ethnic and cultural acceptance and human rights abuses in the southeast. Turkish officials speak of the need to increase stability in the southeast. True stability can only come with increased tolerance. This amendment is intended to bolster that effort.

AMENDMENT NO. 2748

On page 36, line 4, after the word "Turkey" insert the following: ": *Provided further*, That the President should seek the agreement of the Prime Minister of Turkey to permit access throughout Turkey for international humanitarian organizations which operate confidentially, and report to the Committee on Appropriations by June 1, 1996, on progress towards such agreement".

AMENDMENT NO. 2749

(Purpose: To amend the NATO Participation Act of 1994 to expedite the transition to full membership in and cooperation with the North Atlantic Treaty Organization of European countries emerging from Communist domination)

On page 121, below line 24, add the following:

TITLE VII—NATO PARTICIPATION ACT AMENDMENTS OF 1995

SECTION 701. SHORT TITLE.

This title may be cited as the "NATO Participation Act Amendments of 1995".

SEC. 702. FINDINGS.

The Congress makes the following findings:

(1) Since 1949, the North Atlantic Treaty Organization (NATO) has played an essential role in guaranteeing the security, freedom, and prosperity of the United States and its partners in the Alliance.

(2) NATO has expanded its membership on three different occasions since 1949.

(3) The sustained commitment of the member countries of NATO to mutual defense of their security ultimately made possible the democratic transformation in Central and Eastern Europe and the demise of the Soviet Union.

(4) NATO was designed to be and remains a defensive military organization whose members have never contemplated the use of, or used, military force to expand the borders of its member states.

(5) While the immediate threat to the security of the United States and its allies has been reduced with the collapse of the Iron Curtain, new security threats, such as the situation in Bosnia and Herzegovina, are emerging to the shared interests of the member countries of NATO.

(6) NATO remains the only multilateral security organization capable of conducting effective military operations to protect Western security interests.

(7) NATO has played a positive role in defusing tensions between NATO members and, as a result, no military action has occurred between two NATO member states since the inception of NATO in 1949.

(8) NATO is also an important diplomatic forum for the discussion of issues of concern to its member states and for the peaceful resolution of disputes.

(9) America's security, freedom, and prosperity remain linked to the security of the countries of Europe.

(10) Any threat to the security of the newly emerging democracies in Europe would pose a security threat to the United States and its European allies.

(11) The admission to NATO of European countries that have been freed from Communist domination and that meet specific criteria for NATO membership would contribute to international peace and enhance the security of the region.

(12) A number of countries have expressed varying degrees of interest in NATO membership, and have taken concrete steps to demonstrate this commitment.

(13) Full integration of Central and East European countries into the North Atlantic Alliance after such countries meet essential criteria for admission would enhance the security of the Alliance and, thereby, contribute to the security of the United States.

(14) The expansion of NATO can create the stable environment needed to successfully complete the political and economic transformation envisioned by European states emerging from Communist domination.

(15) In recognition that not all countries which have requested membership in NATO will necessarily qualify at the same pace, the accession date for each new member will vary.

(16) Nothing in this title should be construed as precluding the eventual NATO membership of European countries never under Communist domination, namely, Austria, Finland, and Sweden.

(17) The provision of NATO transition assistance should include those countries most ready for closer ties with NATO and should be designed to assist other countries meeting specified criteria of eligibility to move forward toward eventual NATO membership.

(18) The evaluation of future membership in NATO for countries emerging from Communist domination should be based on the progress of those nations in meeting criteria for NATO transition assistance and evolving NATO criteria, which require enhancement of NATO's security and the approval of all NATO members.

SEC. 703. UNITED STATES POLICY.

It should be the policy of the United States—

(1) to join with the NATO allies of the United States to redefine the role of the NATO Alliance in the post-Cold War world;

(2) to actively assist European countries emerging from Communist domination in their transition so that such countries may eventually qualify for NATO membership; and

(3) to work to define the political and security relationship between an enlarged NATO and the Russian Federation.

SEC. 704. REVISIONS TO PROGRAM TO FACILITATE TRANSITION TO NATO MEMBERSHIP.

(a) ESTABLISHMENT OF PROGRAM.—Subsection (a) of section 203 of the NATO Participation Act of 1994 (title II of Public Law 103–447; 22 U.S.C. 1928 note) is amended to read as follows:

"(a) ESTABLISHMENT OF PROGRAM.—The President may provide expanded security assistance and other related assistance to countries designated under subsection (d) to facilitate their transition to full NATO membership.".

(b) ELIGIBLE COUNTRIES.—

(1) ELIGIBILITY.—Subsection (d) of section 203 of such Act is amended to read as follows:

"(d) DESIGNATION OF ELIGIBLE COUNTRIES.—

"(1) PRESIDENTIAL REVIEW AND REPORT.—Within 60 days of the enactment of the NATO Participation Act Amendments of 1995, the President shall transmit to the Congress an evaluation of Poland, Hungary, the Czech Republic, and Slovakia, as well as all other European countries emerging from Communist domination which have expressed an interest in joining NATO, in accordance with the criteria in paragraph (3) and specifically designate one or more of these countries to be eligible to receive assistance under the program established in subsection (a). The President shall provide a report of the country-by-country evaluation as well as an evaluation of each designated country's progress toward conformance with criteria for full NATO membership.

"(2) OTHER EUROPEAN COUNTRIES EMERGING FROM COMMUNIST DOMINATION.—In addition to the country or countries designated pursuant to paragraph (1), the President may designate other European countries emerging from Communist domination. The President may make such a designation in the case of any such country only if the President determines, and reports to the designated congressional committees, that such country meets the criteria specified in paragraph (3).

"(3) CRITERIA.—The criteria referred to in paragraph (2) are, with respect to each country, that the country—

"(A) has made or is making significant progress toward establishing—

"(i) shared values and interests;

"(ii) democratic governments;

"(iii) free market economies;

"(iv) civilian control of the military, of the police, and of intelligence services;

"(v) adherence to the values, principles, and political commitments embodied in the Helsinki Final Act of the Organization on Security and Cooperation in Europe; and

"(vi) more transparent defense budgets and is participating in the Partnership For Peace defense planning process;

"(B) has made public commitments—

"(i) to further the principles of NATO and to contribute to the security of the North Atlantic area;

"(ii) to accept the obligations, responsibilities, and costs of NATO membership; and

"(iii) to implement infrastructure development activities that will facilitate participation in and support for NATO military activities;

"(C) is not ineligible for assistance under section 563 of Public Law 103–306, with respect to transfers of equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 40(d) of the Arms Export Control Act; and

"(D) could, within five years of the determination of the President under paragraph (1) or (2), be in a position to further the principles of the North Atlantic Treaty and to contribute to its own security and that of the North Atlantic area.

"(4) PROHIBITION ON FUNDING FOR PARTNERSHIP FOR PEACE ACTIVITIES OR ON FUNDING FOR THE WARSAW INITIATIVE.—Effective 60 days after the date of enactment of the NATO Participation Act Amendments of 1995, no funds authorized to be appropriated under any provision of law may be obligated or expended for activities associated with the Partnership for Peace program or the Warsaw Initiative until the President has designated at least one country to participate in the transition program established under subsection (a).".

(2) CONFORMING AMENDMENTS.—

(A) Subsections (b) and (c) of section 203 of such Act are amended by striking "countries described in such subsection" each of the two places it appears and inserting "countries designated under subsection (d)".

(B) Subsection (e) of section 203 of such Act is amended—

(i) by striking "subsection (d)" and inserting "subsection (d)(2)"; and

(ii) by inserting "(22 U.S.C. 2394)" before the period at the end.

(C) Section 204(c) of such Act is amended by striking "any other Partnership for Peace country designated under section 203(d)" and inserting "any country designated under section 203(d)(2)".

(c) TYPES OF ASSISTANCE.—Section 203(c) of such Act is amended—

(1) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively; and

(2) by inserting after subparagraph (D) (as redesignated) the following new subparagraphs:

"(E) Assistance under chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the Economic Support Fund).

"(F) Funds appropriated under the 'Nonproliferation and Disarmament Fund' account".

"(G) Assistance under chapter 6 of part II of the Foreign Assistance Act of 1961 (relating to peacekeeping operations and other programs).".

"(H) Authority for the Department of Defense to pay excess defense articles costs for countries designated for both grant lethal and nonlethal excess defense articles.

"(I) Authority to convert FMF loans to grants, and grants to loans, for eligible countries.

(3) by inserting "(1)" immediately after "TYPE OF ASSISTANCE.—"; and

(4) by adding at the end the following new paragraphs:

"(2) For fiscal years 1996 and 1997, in providing assistance under chapter 5 of part II of the Foreign Assistance Act of 1961 for the countries designated under subsection (d), the President shall include as an important component of such assistance the provision of sufficient language training to enable military personnel to participate further in programs for military training and in defense exchange programs.

"(3) Of the amounts made available under chapter 5 of part II of the Foreign Assistance Act of 1961 (relating to international military education and training), $5,000,000 for fiscal year 1996 and $5,000,000 for fiscal year 1997 should support—

"(A) the attendance of additional military personnel of countries designated under subsection (d)(1) or (d)(2), particularly Poland, Hungary, the Czech Republic, and Slovakia, at professional military education institutions in the United States in accordance with section 544 of such Act; and

"(B) the placement and support of United States instructors and experts at military educational centers within the foreign countries designated under subsection (d) that are receiving assistance under that chapter.".

SEC. 705. ASSISTANCE FOR NATO PARTICIPATION ACT DESIGNEES.

The President is authorized to obligate and expend $60,000,000 from funds made available under the Foreign Assistance Act of 1961 in support of countries designated to receive transition assistance under section 203(a) of the NATO Participation Act, as follows:

(1) Poland: $20,000,000.

(2) Czech Republic: $10,000,000.

(3) Hungary: $5,000,000.

(4) Slovakia: $5,000,000.

(5) Other European countries designated under subsection (d)(1) or subsection (d)(2): $20,000,000.

SEC. 706. TERMINATION OF ELIGIBILITY.

Section 203(f) of the NATO Participation Act of 1994 (title II of Public Law 103–447; 22 U.S.C. 1928 note) is amended to read as follows:

"(f) Termination of Eligibility.—(1) The eligibility of a country designated under subsection (d) for the program established in subsection (a) shall terminate 60 days after the President makes a certification under paragraph (2) unless, within the 60-day period, the Congress enacts a joint resolution disapproving the termination of eligibility.

"(2) Whenever the President determines that the government of a country designated under subsection (d)—

"(A) no longer meets the criteria set forth in subsection (d)(2)(A);

"(B) is hostile to the NATO alliance; or

"(C) poses a national security threat to the United States,

then the President shall so certify to the appropriate congressional committees.

"(3) Nothing in this Act shall affect the eligibility of countries to participate under other provisions of law in programs described in this Act.

(b) Congressional Priority Procedures.—Section 203 of such Act is amended by adding at the end the following new subsection:

"(g) Congressional Priority Procedures.—

"(1) Applicable procedures.—A joint resolution described in paragraph (2) which is introduced in a House of Congress after the date on which a certification made under subsection (f)(2) is received by Congress shall be considered in accordance with the procedures set forth in paragraphs (3) through (7) of section 8066(c) of the Department of Defense Appropriations Act, 1985 (as contained in Public Law 98-473 (98 Stat. 1936)), except that—

"(A) references to the 'resolution described in paragraph (1)' shall be deemed to be references to the joint resolution; and

"(B) references to the Committee on Appropriations of the House of Representatives and to the Committee on Appropriations of the Senate shall be deemed to be references to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate.

"(2) Text of joint resolution.—A joint resolution under this paragraph is a joint resolution the matter after the resolving clause of which is as follows: 'That the Congress disapproves the certification submitted by the President on ________ pursuant to section 203(f) of the NATO Participation Act of 1994.'.".

SEC. 707. REPORTS.

(a) Annual Report.—Section 206 of the NATO Participation Act of 1994 (title II of Public Law 103-447; 22 U.S.C. 1928 note), as redesignated by section 705(1) of this Act, is amended—

(1) by inserting "**ANNUAL**" in the section heading before the first word;

(2) by inserting "annual" after "include in the" in the matter preceding paragraph (1);

(3) in paragraph (1), by striking "Partnership for Peace" and inserting "European"; and

(4) by striking paragraph (2) and inserting instead the following new paragraph:

"(2) In the event that the President determines that, despite a period of transition assistance, a country designated under section 203(d) has not, as of January 10, 1999, met criteria for NATO membership set forth by the North Atlantic Council, the President shall transmit a report to the designated congressional committees containing an assessment of the progress made by that country in meeting those standards.".

SEC. 708. DEFINITIONS.

The NATO Participation Act of 1994 (title II of Public Law 103-447; 22 U.S.C. 1928 note), as amended by this title, is further amended by adding at the end the following new section:

"SEC. 207. DEFINITIONS.

"For purposes of this title:

"(1) NATO.—The term 'NATO' means the North Atlantic Treaty Organization.

"(2) Designated congressional committees.—The term 'designated congressional committees' means—

"(A) the Committee on International Relations, the Committee on National Security, and the Committee on Appropriations of the House of Representatives; and

"(B) the Committee on Foreign Relations, the Committee on Armed Services, and the Committee on Appropriations of the Senate.

"(3) European countries emerging from communist domination.—The term 'European countries emerging from Communist domination' includes, but is not limited to, Albania, Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Moldova, Poland, Romania, Slovakia, Slovenia, and Ukraine.".

Mr. ROTH. Mr. President, I rise as a cosponsor of the Brown amendment—the NATO Participation Act Amendments of 1995.

No other issue is more crucial to European security than NATO's relationship with Central and Eastern Europe. Today, we are in the midst of an historical era, an era of transition. It is a phase in which the strategic landscape of Europe is particularly malleable—a phase that will not last forever. How the Alliance manages its relationship with the nations of this region during this period will determine whether or not Europe will ultimately have the benefits of an enduring and stable peace.

Careful, gradual, but undeterred enlargement of NATO should be the geopolitical priority of America's Europe policy. The Alliance is uniquely qualified to provide the institutional foundation for regional security and peace. No other institution combines the two necessary requisites to serve in this role: a transatlantic dimension and proven operational capability.

The Brown amendment explicitly endorses and facilitates a process of NATO expansion. Passage of this amendment is an important step toward establishing a system of European security consisting of two pillars: an enlarged NATO and a strategic partnership between the Alliance and Russia.

Since I have endorsed this legislation before in this Chamber, allow me, Mr. President, to briefly review the key reasons why we should support the process of NATO enlargement and why we should vote for the NATO Participation Act Amendments of 1995:

First, extending the Alliance's membership to the nations of Central and Eastern Europe, beginning with Poland, Czechia, Slovakia, and Hungary, will help transform this region from a source of instability into a cornerstone of peace. Both recent and long-term history show us that the region's strategic vulnerability has been a source of danger on the continent—with calamitous consequences that drew the United States into two World Wars.

Second, NATO enlargement would help facilitate the economic and political integration of this region into the West. Passage of this amendment would demonstrate America's commitment to consolidating an enlarged Europe, and it would give more incentive to all the nations of Central and Eastern Europe to continue their reforms.

Third, the extension of NATO membership to Central and Eastern Europe would positively influence the evolution of two great powers, Germany and Russia. These two nations are now undergoing very complex and sensitive transformations. The outcomes will be significantly shaped by the future of Central and Eastern Europe. NATO enlargement would further lock German interests into a transatlantic security structure and thereby consolidate the positive role Bonn plays in European affairs.

Moreover, and this leads to my fourth point, NATO enlargement into Central and Eastern Europe benefits Russia. By enhancing and reinforcing stability in Eastern Europe, an enlarged NATO would bring greater stability to Russia's frontiers and would enable Russia to direct more of its energy to the internal challenges of political and economic reform.

Mr. President, this point is too often forgotten in this debate. There has been too strong a tendency in United States policy to overreact to outdated Russian sensitivities at the expense of strategic realities and objectives central to the interests of the Alliance, as well as to the United States.

Finally, Mr. President, let me emphasize the NATO Participation Act Amendments endorse a vision of European security in a manner fully consistent with the spirit and charter of the Washington Treaty. It calls upon the President to undertake programs that will help the nations of Central and Eastern Europe prepare themselves for the responsibilities of NATO membership.

Enlargement is a process for which the Alliance has always been geared. Indeed, Article 10 of the Washington Treaty provides for the enlargement of the Alliance to any European state "in a position to further the principals of this Treaty and to contribute to the security of the North Atlantic area."

Mr. President, America's policies toward Europe must be structured to shape a strategic landscape that enhances economic, political, and military stability in all parts of Europe. This is in our Nation's best interest, and it is the intent of the NATO Participation Act Amendments to see such policies embraced. For this reason, I call upon my colleagues to pass this legislation.

Mr. PELL. Mr. President, I want to thank the Senator from Colorado for working with me and others to revise S. 602, the NATO Participation Act Amendments of 1995, which he and Senator SIMON introduced earlier this year. While there are still a few changes that I hope we can make down the road, I share the amendment's goal of assisting our friends in Central and Eastern Europe to make the transition from Communist domination to greater integration with the rest of Europe. I believe that overall, the amendment before us is a vast improvement over S. 602, and I will support it.

NATO expansion is very important. In fact, the United States has taken the lead within the Alliance to address the issues thoroughly and expeditiously. Stepping up security assistance to former Communist states is critical to the Partnership for Peace initiative as well as to NATO expansion. The administration has already put forth a proposal—the Warsaw Initiative—to facilitate the participation of democratic European states in Partnership for Peace activities. The Brown-Simon amendment complements what the President is already doing in this regard. This amendment does not alter the fact that Partnership for Peace is becoming an important feature of the European security system.

This amendment sets up a series of eligibility criteria for countries to receive additional assistance leading to the transition to full NATO membership. The criteria, which include having a democratic government and a free market economy, civilian control of the military and the intelligence services, adherence to OSCE principles, and a commitment to prevent the sale of defense articles to terrorist states, are quite appropriate and reasonable.

I want to be clear, however, that adoption of this amendment should not be taken as a signal that Congress can deem that certain countries are more ready than others for NATO membership. The 16 NATO countries have a process in place for addressing the expansion issue. That is as it should be. NATO has almost completed its internal study of expansion, which will be made public as early as next week. Then NATO will begin briefing Partnership for Peace members regarding expansion.

Under Senator LUGAR's leadership, the European Subcommittee is conducting a series of hearings to examine NATO expansion issues. To date, the subcommittee hearings have shown that the issue of expansion has not been thoroughly examined or vetted by the Congress or by the American public. The costs and responsibilities of NATO expansion have not been thoroughly examined. Therefore, any unilateral congressional determination as to which countries are ready for NATO membership is inappropriate.

This amendment does not make a pronouncement regarding NATO membership. It simply authorizes the President to help countries that are already members of Partnership for Peace, and that may be interested in full NATO membership.

I believe that this amendment strikes an appropriate balance between encouraging the administration to reach out to our friends in Central and Eastern Europe on the one hand and supporting the process among our NATO allies on the other.

AMENDMENT NO. 2750

(Purpose: To provide a substitute for the provision relating to the Korean Peninsula Energy Development Organization)

Strike all after "that" on p. 108 line 18 through line 10 on page 109, and insert in lieu thereof the following:

(a) in accordance with Section I of the Agreed Framework, KEDO has designated a Republic of Korea company, corporation or entity for the purpose of negotiating a prime contract to carry out construction of the light water reactors provided for in the Agreed Framework; and

(b) the DPRK is maintaining the freeze on its nuclear facilities as required in the Agreed Framework; and

(c) the United States is taking steps to assure that progress is made on (1) the North South dialogue, including efforts to reduce barriers to trade and investment, such as removing restrictions on travel, telecommunications services and financial transactions; and (2) implementation of the January 1, 1992 Joint Declaration on the Denuclearization of the Korean Peninsula.

(d) A report on the specific efforts with regard to subsection (c) shall be submitted by the President to the Committees on Appropriations six months after the date of enactment, and every six months thereafter.

Mr. McCONNELL. Mr. President, the language in the bill takes the standards for improvements in the United States relationship with North Korea and applies them to the North-South relationship. In other words, the language codifies what I believe is our policy of parallel progress between North and South and the United States relationship with the North.

There is real concern that each time the North Koreans want something new in the way of equipment, economic assistance, or a concession, they threaten to lift the freeze.

We then inch closer in our bilateral relationship. My concern has been that this has been at the expense of the long-standing United States alliance with the South. Ultimately, I think the North is determined to drive a wedge between the South and the United States. And, their strategy seems to be working. We have responded to threats by canceling joint military exercises, offering unconditional economic aid in the form of oil, while insisting on no clear steps in the North-South dialog.

Let us keep in mind that in spite of the freeze, there is no date certain by which North Korea will come into full compliance with their treaty obligations. Indeed, I believe we have set a dangerous precedent in rewarding violations of the NPT with free reactors and economic aid.

And, the North's response? When the South recently sent a relief shipment of rice, the North captured the boat and held the crewmembers hostage.

I think it will have an adverse impact on stability on the peninsula if we trade away our current commitments to South Korea to secure the North's future compliance with their obligations under the NPT and IAEA safeguards agreement.

Talks are again underway on the next phase of implementing the Framework Agreement. It will not surprise anyone to learn that, once again, the North is linking a continuation of the freeze to being granted millions more in assistance.

This time, apparently they are interested in the equipment needed to build an energy distribution grid.

Like every Member of this body, I think a freeze on North Korea's nuclear program is important—but we need to lock in that freeze—to freeze it, if you will.

At this point, it has been reduced to a negotiating chip which the North keeps recycling. Every time they want something new, the North threatens to lift the freeze.

In the last round of talks, the North was adamant that no mention be made of South Korean participation in the provision of the light water reactor covered under the Framework Agreement.

To accommodate this demand, we negotiated an arrangement where the North agreed to allow KEDO to announce the contracting decision. KEDO, in turn, announced that a reactor originally based on a United States design but modified by the South would be the reactor provided.

I gather the ambiguity of this arrangement was unsatisfactory to the South but a private letter from President Clinton to President Kim Yong Sam was sufficiently reassuring that the South Korean administration agreed to go along.

Unfortunately, side letters do not bear the same official weight as obligations spelled out in agreements. Once again, the North seems to have achieved their goal of access to energy and easing economic pressure while minimizing contact with the South.

I think it is essential to clarify just what we expect in the North-South dialog. Ambiguity will ultimately invite challenge and confrontation.

The North's opposition to a clearly defined role for the South is the threat to stability. The danger does not lie in imposing obligations that are parallel and consistent with our own—the danger lies in abandoning our current security commitments to South Korea in an attempt to obtain future compliance with IAEA and NPT requirements.

Mr. President, the principal objection the administration had to the restrictions I included in the Foreign Operations bill was the timetable I established for progress in the North-South dialog. I would like my colleagues to know that the timetable I included was exactly the same as the schedule the United States was expected to comply with in fulfilling obligations to normalize economic and political relations.

However, given the difficulty of the problem I can appreciate the administration not feeling able to move as rapidly as I would like, so I have modified the language to accommodate those concerns. The amendment I am offering on behalf of Senators BYRD, NUNN, HATFIELD, STEVENS, INOUYE, LEAHY, and myself balances our interest in clarifying our goals on the North-South dialog while giving the administration sufficient time and a measure of flexibility to advance those interests.

Mr. BYRD. Mr. President, I thank the distinguished chairman of the subcommittee, and manager of the bill, for his flexibility in accommodating my concerns over the provision in the bill on the Korean Framework Agreement. That agreement, concluded on October 21, 1994, if properly implemented, holds the promise of relaxing tensions on the Korean Peninsula, of steering the North Korean Government off its path of nuclear weapons development, and of reducing the long-term expenditure of resources by the United States to ensure the safety of South Korea.

The agreement mainly concerns obligations entered into between the United States and the North Korean Government, but also refers to the need for a dialog between the North and South Korean Governments as well. In provision III of the agreement, the North Korea Government has agreed to "engage in a North/South dialog, as this Agreed Framework will help create an atmosphere that promotes such dialogue." The amendment which has been offered encourages progress in this regard, in particular with reference to reducing North-South barriers toward trade and investment, including removing restrictions on travel, telecommunications services, and financial transactions. If such barriers are removed, much of the suspicion, fear, and anger that infuses the North-South relationship can be mitigated, and an atmosphere of peaceful cooperation could be fostered. Such a development is certainly in the national security interest of the United States.

The amendment also requires the President to certify that the North Koreans are maintaining their current freeze on nuclear facilities, which is required in the Framework Agreement. This is the quid pro quo for United States support to the South Korean and Japanese consortium to put into place new light water reactor powerplants in the North, which will help resolve the overall nuclear issue on the Korean Peninsula.

The administration supports this amendment, and I am pleased that Senators could reach this accommodation on the language in the bill. It supports America's vital leadership role to bring peace and an atmosphere of cooperation on the Korean Peninsula, and head off any further danger that the North Koreans might pursue a nuclear option which would lead to more tension and perhaps a conflict there.

I commend the chairman, and others who have contributed to this result.

AMENDMENT NO. 2751

On page 24, line 5 add the following after "services": "*Provided*, That these funds shall be in addition to funds justified for programs in the fiscal year 1996 congressional presentation documents."

AMENDMENT NO. 2752

(Purpose: To express the sense of the Congress regarding the recent elections in Hong Kong)

At the appropriate place in the bill, insert the following:

SEC. . HONG KONG ELECTIONS.

(a) FINDINGS.—The Congress finds the following:

(1) The right to an elected legislature in Hong Kong is guaranteed by the 1984 Sino-British Joint Declaration on the Question of Hong Kong.

(2) The United States-Hong Kong Policy Act declared the Congress's support for full implementation of the 1984 Sino-British Joint Declaration;

(3) The People's Republic of China declared in the Joint Declaration that Hong Kong would be "vested legislative, executive and independent judicial power" and would have "a legislature constituted by elections".

(4) On September 17, 1995, the highest number of Hong Kong voters ever demonstrated their commitment to democracy by freely expressing their right to vote in the Legislative Council elections.

(5) The voters of Hong Kong have overwhelmingly expressed their desire for the establishment of a fully democratic government by electing 60 legislative councillors for four-year terms.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the people of Hong Kong are to be congratulated for exercising their right to vote on September 17, 1995;

(2) the People's Republic of China should respect the clear will of the people of Hong Kong to have a fully democratic government;

(3) the Government of the People's Republic of China should enter into a dialogue with the democratically elected representative of the Hong Kong people; and

(4) the Government of the People's Republic of China should respect the mandate of the elected members by withdrawing its pledge to abolish the Legislative Council in violation of the Joint Declaration's provisions on Hong Kong's legislature and autonomy in all but defense and foreign affairs.

Mr. PRESSLER. Mr. President, on behalf of myself and others I am offering an amendment that expresses the sense of the Congress in support of last Sunday's successful elections in Hong Kong.

Mr. President, when Mr. Christopher Patten became Governor of Hong Kong 3 years ago, he made a very important decision. He decided to allow the people of Hong Kong the opportunity to express their preference on a simple issue: democracy—yes or no?

As last Monday's New York Times editorial noted, "Hong Kong's voters declared overwhelmingly on Sunday their preference for democracy and their doubts about Beijing's plans for the colony's future." Final returns from Sunday's vote show the Democratic Party led by Mr. Martin Lee won the largest number of seats, 19, in the 60-seat Legislative Council. Other prodemocracy allies will give Mr. Lee a working majority of 31.

By contrast, pro-Beijing candidates of the Democratic Alliance for the Betterment of Hong Kong won only six seats and the party's top three officials were all defeated. Regrettably, spokesmen for Beijing have not learned to lose gracefully and have resorted to threats and intimidation.

Again Governor Patten has proved to be the best analyst: "Everybody has to recognize that Hong Kong has expressed its views about the present and the future with great clarity."

Mr. President, the amendment I have offered congratulates the people of Hong Kong for exercising their right to vote, calls on China to respect the clear will of the people of Hong Kong to have a fully democratic government, and calls on China to enter into a dialog with the democratically elected representatives of the Hong Kong people.

I wish the people of Hong Kong well as they continue to demonstrate their clear will to maintain the cause of democracy. I urge my colleagues to support this amendment.

AMENDMENT NO. 2753

(Purpose: To impose sanctions against Burma, and countries assisting Burma, unless Burma observes basic human rights and permits political freedoms)

At the appropriate place in the bill insert the following.

SEC. 2. SANCTIONS AGAINST BURMA.

Except as provided in section 4, the following sanctions shall apply to Burma, effective 90 days after the date of enactment of this Act (or on such other date as is specified in this section):

(1) INVESTMENTS.—No United States national may make any investment in Burma.

(2) UNITED STATES ASSISTANCE.—United States assistance for Burma is prohibited.

(3) TRADE PRIVILEGES.—The President shall continue the suspension of special trade privileges pursuant to the Generalized System of Preferences (GSP), and shall continue the suspension of nondiscriminatory trade treatment (most-favored-nation status), with respect to Burma.

(4) IMPORTATION OF GOODS.—No article which is produced, manufactured, grown, or

extracted in Burma may be imported into the United States.

(5) TRADE AND INVESTMENT TREATIES.—The United States should continue to suspend carrying out obligations under bilateral trade and investment treaties with Burma.

(6) TRAVEL RESTRICTIONS.—The Secretary of State shall prohibit the use of United States passports for travel to Burma except for travel by United States diplomatic personnel.

(7) DIPLOMATIC REPRESENTATION.—The President is urged not to accept diplomatic representation from Burma at a level greater than the level of diplomatic representation accorded the United States in Burma.

(8) FOREIGN ASSISTANCE.—The United States shall suspend assistance under the Foreign Assistance Act of 1961 and the Arms Export Control Act to any foreign government which sells or otherwise transfers arms to the Government of Burma.

(9) INTERNATIONAL ORGANIZATIONS CONTRIBUTIONS.—The United States shall withhold from each international organization that funds activities in Burma other than humanitarian activities an amount equal to the United States proportionate share of that funding.

(10) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury shall instruct the United States executive director of each financial institution to vote against any loan or other utilization of the funds of the respective bank to or for Burma.

(11) EMINENT PERSONS GROUP.—The President, acting through the United States Permanent Representative to the United Nations, should urge the United Nations to establish an eminent persons group to report on compliance by the Government of Burma with United Nations resolutions.

(12) INTERNATIONAL ARMS EMBARGO.—The President, acting through the United States Permanent Representative to the United Nations, should urge the establishment by the United Nations of an international arms embargo of Burma.

SEC. 3. AGREEMENTS TO IMPOSE SANCTIONS ON BURMA.

(a) NEGOTIATIONS WITH TRADING PARTNERS.—

(1) IN GENERAL.—Not later than 15 days after the date of the enactment of this Act, the President shall initiate negotiations with all foreign countries with which the United States trades for the purpose of entering into agreements with the countries—

(A) to support United States sanctions against Burma, and

(B) to cease trade with and investment in Burma.

(2) CERTIFICATION OF NEGOTIATIONS AND AGREEMENTS.—Not later than 90 days after the date of the enactment of this Act, the President shall certify to the Congress each country that—

(A) has failed to enter into an agreement described in paragraph (1), or

(B) has entered into such an agreement but is not enforcing it.

(3) ACTION BY THE PRESIDENT.—Notwithstanding any other provision of law, if a certification is made with respect to any country under paragraph (2) the President shall withdraw—

(A) any designation of such country—

(i) as a beneficiary developing country for purposes of title V of the Trade Act of 1974 (19 U.S.C. 2461 et seq.),

(ii) as a beneficiary country for purposes of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2701 et seq.), or

(iii) as a beneficiary country for purposes of the Andean Trade Preference Act (19 U.S.C. 3201 et seq.),

(B) from such countries the benefits of any other special tariff treatment program under which the special rates of duty apply under column 1 of the Harmonized Tariff Schedule of the United States, and

(C) most-favored-nation trade treatment with respect to any such country.

(b) APPLICABILITY.—

(1) IN GENERAL.—The provisions of this section apply to goods entered, or withdrawn from warehouse for consumption, originating in or imported from a country with respect to which an action described in subsection (a)(3) has been taken, during the period beginning on the date that is 15 days after the date of the certification described in subsection (a)(2) and ending on the date that is 15 days after the earlier of—

(A) the date the President certifies to the Congress that such country has entered into an agreement described in subsection (a)(1) and is enforcing the agreement, or

(B) the date a certification described in section 4 is made.

(2) RATE OF DUTY DURING PERIOD DESIGNATION IS WITHDRAWN.—During the period described in paragraph (1), goods entered, or withdrawn from warehouse for consumption, originating in or imported from a country described in subsection (a)(3) shall be subject to duty at the rates of duty specified for such goods under column 2 of the Harmonized Tariff Schedule of the United States.

SEC. 4. CERTIFICATION.

The sanctions of section 2 shall not apply upon the determination and certification by the President to the appropriate congressional committees that the following conditions are met:

(1) The Government of Burma has unconditionally released all political prisoners, including Aung San Suu Kyi.

(2) The Government of Burma has fully implemented the results of the 1990 elections in Burma, including the transfer of power to civilian authority, the protection of basic human rights, and guaranteeing the right of Burmese citizens to participate freely in the political process, assuring freedom of speech and the right of association and assembly.

(3) The Government of Burma has implemented an effective counternarcotics effort.

SEC. 5. SANCTIONS AGAINST THE PEOPLE'S REPUBLIC OF CHINA.

The Secretary of the Treasury shall instruct the United States executive director of each multilateral financial institution to vote against any loan or other utilization of the facilities of the respective institution to or for the People's Republic of China until the President determines and certifies to the appropriate congressional committees that the People's Republic of China has terminated arms sales and other arms transfers to Burma.

SEC. 6. SANCTIONS AGAINST THE GOVERNMENT OF THAILAND.

The President shall withhold all United States assistance to the Government of Thailand until the President determines and certifies to the appropriate congressional committees that the Government of Thailand is fully cooperating in providing support and relief for Burmese exiles and refugees.

SEC. 7. REPORT.

Not later than 45 days after the date of enactment of this Act, the President shall submit a report to the appropriate congressional committees on—

(1) the chemical and biological weapons capability of Burma;

(2) a plan to provide United States assistance in support of the democracy movement active inside Burma;

(3) the treatment by the Government of Thailand of Burmese students, refugees, and exiles resident in Thailand; and

(4) the status of arms sales and other arms transfers to the Government of Burma, including the amount of expenditures by the Government of Burma in the acquisition of arms.

SEC. 8. DEFINITIONS.

As used in this Act:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives.

(2) INVESTMENT.—The term "investment" includes any contribution or commitment of funds, commodities, services, patents, processes, or techniques, in the form of—

(A) a loan or loans;

(B) the purchase of a share of ownership;

(C) participation in royalties, earnings, or profits; and

(D) the furnishing of commodities or services pursuant to a lease or other contract.

(3) HUMANITARIAN ACTIVITIES.—The term "humanitarian activities" means the provision of food, medicine, medical supplies, or clothing and does not include cash transfers.

(4) FINANCIAL INSTITUTIONS.—The term "financial institutions" includes the International Bank for Reconstruction and Development, the International Development Association, the Asian Development Bank, and the International Monetary Fund.

(5) UNITED STATES ASSISTANCE.—The term "United States assistance" means assistance of any kind which is provided by grant, sale, loan, lease, credit, guaranty, or insurance, or by any other means, by any agency or instrumentality of the United States Government to any foreign country, including—

(A) assistance under the Foreign Assistance Act of 1961 (including programs under title IV of chapter 2 of part I of the Act);

(B) sales, credits, and guaranties under the Arms Export Control Act (22 U.S.C. 2751 et seq.);

(C) sales under title I (7 U.S.C.A. 1701 et seq.) or III (17 U.S.C.A. 1727 et seq.) and donations under title II (17 U.S.C.A. 1721 et seq.) of the Agricultural Trade Development and Assistance Act of 1954 of nonfood commodities;

(D) other financing programs of the Commodity Credit Corporation for export sales of nonfood commodities; and

(E) financing under the Export-Import Bank Act of 1945 (12 U.S.C.A. 635 et seq.).

Mr. McCONNELL. Mr. President, in July 1989, Ong Son Sue Chi, leader of the National League for Democracy was placed under house arrest. In spite of her arrest, National League for Democracy representatives swept the elections, held the following May, winning 392 of the 485 seats in Parliament. As we all know, the State Law and Order Restoration Council, SLORC, rejected the outcome and has maintained an iron grip on Burma ever since.

While Sue Chi has now been released, today like all others for the people of Burma marks one more day of ruthless repression. The recent U.N. Special Rapporteur summed up the view of every human rights group and democratic activist I have spoken with. People are fearful that whatever they say or do will risk interrogation or arrest. In cold and dispassionate terms he reported his concern about forced labor, forced porterage, forced relocations, arbitrary killings, beatings, rape, and confiscation of property by the army.

I urge all of you to read the July National Geographic article on Burma. While holding out hope that Burma's rich natural resources will someday offer its people a prosperous future, the article describes how clearly the SLORC enriches itself using fear and intimidation to exploit both the people and the land—an opinion shared by the Wall Street Journal.

Some of you might ask why I am more concerned about Burma than other countries questionable human or political rights records. I am hard pressed to find another regime on earth that I find as insulted, self serving, and repugnant.

This is not a honorable government interested in stability and freedom. It is a dictatorship and signs cease-fires with ethnic leaders then unleashes 10,000 well-armed troops on their camps of supporters. Last December, when Manerplaw was under attack, I offered the view that SLORC would release Sue Chi after annihilating all the groups that actively supported her democracy movement. The fall of Manerplaw generated 80,000 refugees. Today, as we speak, Karenni camps are under siege, in direct violation of a negotiated cease-fire. Twenty thousand civilians have fled the fighting.

SLORC is not a responsible government interested in development—it is a corrupt dictatorship driven to protect its power and wealth. While people starve, this regime has spent 45 percent of its budget on arms.

Unlike China, where I believe economic liberalization is benefiting hundreds of thousands of people and leading to political change, only SLORC officials and their cronies benefit in Burma. I think that is why there is unanimous support for this legislation from Burmese student, ethnic and democratic leaders alike.

Before talking about the bill, I want to take just a minute to discuss why I think it is important to move legislation at this point.

As we redefine our priorities in the post-cold-war world, there is an urgency to transnational threats. I put international narcotics trafficking and crime at the top of my list of concerns.

In 1986, 15 percent of the heroin coming into this country was coming from Asia, now it's 65 percent. Just as important is the purity. National and local law enforcement officials in Kentucky tell me that 10 years ago, heroin on our streets was 2 to 3 percent pure. Today it's anywhere from 25 to 65 percent pure.

Heroin trafficking is a serious national security threat.

In a Foreign Operations Subcommittee hearing I recently asked the Assistant Secretary of State for Asia, Win Lord, several questions on Burma, SLORC, and the narcotics problem. His response offers insight into why I think we should press to isolate the SLORC.

Since SLORC has an enormous security apparatus with a tight grip on the nation, I asked him what were the major impediments to an effective counternarcotics effort. He said,

> What is going to solve the problem over the long run is a popular, representative open government—all other efforts are minuscule compared to whether you have an open system there.

I agree.

Last November a senior State Department official issued an ultimatum to the SLORC—bilateral relations would only improve if there was progress on human rights, democracy, and counternarcotics. No one disputes, inside or outside the administration, that we have seen a real deterioration on all fronts. Unfortunately, the administration has failed to follow through. A few weeks ago, Ambassador Albright visited Burma. According to news accounts she reiterated the November message—we want to see improvements.

SLORC must be wondering by now—improvements, or what?

What are the real consequences? So far, none.

Which is why I have decided to move forward with this legislation. Let me turn now to the contents of the amendment.

I think we would all agree that unilateral sanctions are not as successful in applying pressure to a government as an international effort. There are several provisions which address U.S. unilateral action including banning investment, trade, imports, aid and support through international financial institutions. I also require the President to initiate negotiations to secure support with our trading partners for international sanctions. Countries failing to reach agreement on an embargo will risk their MFN and and GSP status.

At this point, after years of self-imposed exile, there is very little foreign investment in Burma. I am willing to guess that few nations will be willing to put their existing trading relationship with the United States at risk for potential future financial gain in Burma.

The amendment also requires the executive director at international financial institutions to vote against loans to China if the PRC continues to sell or transfer arms to Burma. The State Department estimates that SLORC spends 45 percent of their budget on weapons—arms used solely to terrorize their own citizens.

The amendment will also suspend United States assistance to Thailand if there continues to be a lack of cooperation in the provision of relief and support to students, refugees, and democratic activists living in exile. Students and leaders have been arbitrarily detained, arrested, had their offices broken into and documents removed. The problems are usually resolved when various officials are paid so-called fees and fines. I am not suggesting that there is a condoned program orchestrated by the Thai Government at work, but I do think there should be a more serious effort to control the conduct of rogue officials.

The amendment also requires several reports among which is one on SLORC's chemical and biological weapons capabilities. In the attacks carried out last year against various camps, thee were a number of eyewitness accounts of the use of some kind of toxic substance. I understand clothing and other items have been turned over to the U.S. labs for analysis. I earnestly hope the report advises us that there is no reason to believe the SLORC has a CBW capability.

Let me conclude with a personal observation made recently by an International Red Cross official with years of experience in Asia. After dragging their feet for 7 years, the SLORC recently rejected the ICRC's request for access to political prisoners. Although they stand ready to return at any point, the ICRC decided to withdraw in July because SLORC will not grant them the simplest of terms, which 59 other countries accept, that being unsupervised, regular access to political prisoners. I think at one point SLORC offered access to Sue Chi, but she courageously declined asking that she not be given any preferential treatment not offered to other political prisoners.

When asked when and why the talks collapsed, this official said,

> Last summer when they started to really make money. SLORC realized they could secure their position and their wealth without paying any political price.

Shortly after she was released, SUU CHI cautiously welcomed this legislation saying,

> These are very tough sanctions. They—the sponsor—have shown they are interested in how the democracy movement progresses. I am very grateful for it.

In July she was reluctant to directly call for a ban on investment fearing retaliation by SLORC. Now that months have passed with no progress she has taken a tougher stand. In a recent interview with an Australian journalist she called for a suspension of foreign investment until real progress on the democratic front has been achieved.

I think it is important that we respect and promote that agenda. Keeping the pressure on SLORC will assure that her release is translated from a symbolic gesture to freedom and democracy for all Burmese.

Mr. President, let me conclude by noting this initiative is supported by a wide variety of organizations and individuals including Nobel Laureate Betty Williams and Desmond Tutu, the AFL–CIO, the Democratic Burmese Students Organization, the National Coalition Government of the Union of Burma, the American Baptist Convention, the Asian-American Civic Alliance, and the United Front for Democracy and Human Rights in Burma. I have also heard from ethnic leaders endorsing the approach including ministers representing the Karen, Karenni, and Mon people. I ask unanimous consent to print in the RECORD letters from some of the these groups.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL COALITION GOVERNMENT
OF THE UNION OF BURMA, OFFICE
OF THE PRIME MINISTER,
Washington, DC, March 29, 1995.

Hon. MITCH MCCONNELL,
U.S. Senate, Russell Building,
Washington, DC.

DEAR SENATOR MCCONNELL: I have recently learned of your intention to introduce a bill to impose US economic sanctions on Burma. On behalf of the democratically elected government of Burma, I am writing to give you my wholehearted support as well as that of my government in your effort.

The imposition of sanctions should never be taken lightly. Any measure designed to constrict the economy of a country will cause some degree of hardship to the people. However, I believe, and the democratic forces working to liberate our country believe, that foreign investment serves to strengthen the outlaw State Law and Restoration Council (SLORC). It is providing SLORC with the means to finance a massive army and intelligence service whose only job is to crush internal dissent. SLORC controls all foreign investment into Burma and channels contracts to the military and its party officials. Unlike other countries, investment will not serve to create a middle class of entrepreneurs, only reinforce allegiance to a regime that has murdered tens of thousands of people whose crime was the desire for democracy and to live in a free society. SLORC is in desperate need of foreign currency. Cutting off access to US funds will be a severe blow to SLORC.

Your decision to move forward on this issue will not be popular with the US business community or countries in Europe and Asia. There are many who place trade and money over Burma's deplorable narcotics, political, and human rights record. I applaud your courage and will do everything in my power to see you succeed.

The United States has a very special place in the hearts of my countrymen. During the massive democracy demonstrations in 1988, students could be seen marching in Rangoon carrying American flags and demonstrating in front of the US Embassy. Supporting us in our struggle is the International Republican Institute. This organization funds pro-democracy activities inside Burma. The Burmese people desperately want what Americans have: the ability to live in peace without fear of government persecution, respect for human rights, and social justice. American ideals will always be a symbol for what we can achieve.

I want to personally thank you for your leadership and raising your voice to support those who are oppressed. I look forward to assisting you in any way possible.

With my highest consideration,

Yours Sincerely,

(SEIN WIN),
Prime Minister.

AMERICAN FEDERATION OF LABOR
AND CONGRESS OF INDUSTRIAL ORGANIZATION,
Washington, DC, February 6, 1995.

Hon. WARREN CHRISTOPHER,
Secretary of State, U.S. Department of State,
Washington, DC.

DEAR MR. SECRETARY: I write to you to express my strong concerns about the continuing egregious behavior of the State Law and Order Restoration Council (SLORC) regime of Burma. Directly contradicting its claims that it seeks peace and national reconciliation, SLORC sent the Burmese army to viciously attack, capture and sack Manerplaw, the headquarters of the Karen people and key base area for many groups, including the Federation of Trade Unions Burma (FTUB), seeking to restore democracy in Burma.

We believe that the blatant, unprovoked attack on Manerplaw is a major setback for the cause of democracy in Burma and merits a strong response from the U.S. Government. In the "two visions" policy laid out by Deputy Assistant Secretary Hubbard during his visit to Rangoon, the U.S. indicated that, if progress by SLORC on issues of democracy and human rights was not forthcoming, the U.S. would renew its campaign to isolate the regime. In line with this policy, now is the time for the U.S. to show, by actions, that it is serious.

Accordingly, we urge the U.S. Government to implement a full trade and investment embargo against Burma. Since most U.S. investment enters Burma through joint ventures with SLORC government agencies or entities wholly controlled by the regime, implementing sanctions would have a direct impact on the ability of the SLORC to repress its people and conduct war on groups opposed to this illegitimate government. The withdrawal of the Commercial Officer from the U.S. Embassy in Rangoon would further underscore this message. We also renew our call for the U.S. Government to exert pressure to block development and aid projects of international institutions that benefit the SLORC.

Sincerely,

LANE KIRKLAND,
President.

ASIAN-AMERICAN CIVIC ALLIANCE,
Ft. Lauderdale, FL, July 10, 1995.

Hon. Senator MITCH MCCONNELL,
U.S. Senate,
Washington, DC.

DEAR SENATOR: We are very grateful of your great effort which have contributed towards the release of Aung San Suu Kyl.

We hope that you will continue to assist bring Democracy in our beloved country, Burma.

Please continue your most powerful Bill against the Military Regime in Burma so that the 43 millions Burmese—every citizen can enjoy the Democracy and human rights in their life time once again over there.

We support you wholeheartedly.

With Sincerity and respect,

KYIN HO, M.D.,
President.

OFFICE OF THE SUPREME HEADQUARTERS, KAREN NATIONAL UNION,
Kawthoolei, September 5, 1995.

Hon. Senator MCCONNELL,
U.S. Congress,
Washington, DC.

DEAR SENATOR: We are much impressed and encouraged to hear that you are to submit the bill as intended in Congress next month, for imposing trade sanctions on Burma.

Apart from releasing Daw Amg San Sun Kyi from detention, the SLORC has not taken any step for democratic reform. Nearly one thousand political prisoners detained unjustly by the SLORC are still in prison. Forced labor, midiscriminate killings and human rights violations are still being committed on a wide scale by the SLORC army troops. Cease-fire agreements between the SLORC and the ethnic groups, remain to be a temporary arrangement without any progress toward agreement for lasting peace and stability. In the case of Karemi, hostilities have broken out again as the SLORC troops violated the cease-fire terms.

With regard to us. the SLORC has been avoiding with excuses the materializing of talks, while it has been massing 101 battalions of troops against our areas. Military operations have already begun in some of our areas even when the rainy season is in full force. This shows that the SLORC's so-called "policy of national reconciliation" is only an expedient measure in its attempt to perpemate the military dictatorship.

In conclusion, we would like to say that we are firm in our support for you with regard to your effort to have trade sanctions imposed on Burma. We pray for your success and send our best wishes and regards to you and our colleagues.

Sincerely,

SAW BO MYA,
President.

UNITED FRONT FOR DEMOCRACY
AND HUMAN RIGHTS IN BURMA,
North Potomac, MD, July 10, 1995.

Hon. MITCH MCCONNELL,
U.S. Senator,
Washington, DC.

DEAR MR. SENATOR: On behalf of the United Front for Democracy and Human Rights in Burma and its affiliated organizations such as Burma America Fund, Burma-Canada Society and the United States of Burma Relief Fund Committee, as well as the people of Burma inside and outside the country, I wish to convey our most sincere appreciation of the continuing efforts you have been making for the down-trodden peoples of Burma.

In particular, we would like to express our appreciation of the bill to impose trade and economic sanctions against the military regime in Burma. We understand that you will go ahead with the sanction bill as you said it would be more important than ever to maintain the pressure on the SLORC to fully implement the results of the 1990 election, and to restore democracy and human rights to Burma. We agree with you entirely that the release of Daw Aung San Suu Kyi alone would not solve the problems in Burma, Still there are hundreds of political prisoners being detained and the military is still continuing its reckless campaign against the ethnic minorities, in particular the Karennis with whom the SLORC signed a cease-fire only in March 1995. In violation of the cease-fire agreement, the SLORC sent four battalions into the cease-fire designated area and fighting is now going on between the SLORC troops and the Karennis.

While we welcome with great pleasure the release of Daw Aung San Suu Kyi, the symbol of Burma's democracy movement, we feel that this is just a beginning in the long process of peace-making and restoration of human rights and national reconciliation in Burma. With the history of the cunning tactics that has been used by the brutal regime, we have to wait and see if the SLORC is going to change its ways to bring about genuine democracy and follow a national reconciliation process that will lead to the early establishment of a genuine democratic government by immediately transferring the administration to the elected representatives of the 1990 elections and to form an interim government led by Daw Aung San Suu Kyi, who is the only Burmese national leader loved and respected by all the peoples of Burma.

Until it is definite that the democracy process is assured, just as in South Africa after the release of Nelson Mandela, the sanctions that you proposed should be imposed. We are confident that the international community would agree with this approach.

We wish to repeat our wholehearted support of your efforts and thank you again for your unrelentless efforts for the cause of democracy and human rights in Burma and elsewhere in the world.

Yours sincerely,

U BA THAUNG,
Chairman.

HUNTSVILLE, TEXAS,
July 6, 1995.

Senator MITCH MCCONNELL,
Russell Office Building,
Washington, DC.

DEAR SENATOR MCCONNELL: I wish to take this opportunity to offer my support to the initiative you are preparing to undertake on behalf of my sister laureate Aung San Suu Kyi and the people of Burma. It has been brought to my attention that you intend to introduce legislation on July 11, 1995 which will ban all U.S. foreign investment in Burma.

On June 26, 1995, while commemorating the 50th Anniversary of the United Nations, Bishop Desmond Tutu, Lech Walesa, Oscar Arias Sanchez and myself presented a letter to the United Nations which included the signatures of seven other Laureates asking for the release of Daw Suu. The letter stated, "She has endured six long years of solitary detention without trial at the hands of the military regime. There is no sign at all of her release. We resolutely oppose political oppression disguised as criminal detention." Bishop Tutu, in a statement to a forum at the UN Anniversary called for sanctions to be imposed on Burma.

This legislative initiative is long overdue and will play a critical role in bringing about a transfer of power to the democratically elected 1990 representatives, allowing them to take their rightful (and legitimate) seats in parliament.

I offer congratulations for implementing this endeavor and hope that your colleagues in the Senate will join you in this worthy effort which I hope will lead to a political dialogue and settlement of the Burma conflict and, most importantly, democracy in Burma.

Most sincerely,

BETTY WILLIAMS,
Nobel Laureate 1976.

AMENDMENT NO. 2754

At an appropriate place in the bill add the following new section:

SEC. . SENSE OF THE SENATE ON THAILAND.

(a) FINDINGS.—The Senate makes the following findings—

(1) the Royal Thai Government has had a policy of not supporting or cooperating with the Khmer Rouge; and

(2) Thailand is host to large numbers of persons displaced from neighboring countries, including Burma, placing a significant burden on Thailand's economy.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the President should—

(1) affirm to the Royal Thai Government the support of the United States for that Government's policy not to support or cooperate with the Khmer Rouge and encourage the Royal Thai Government to prosecute vigorously its efforts to prevent cooperation between individual members of the Royal Thai Armed forces and the Khmer Rouge; and

(2) take appropriate steps to assist the Royal Thai Government in providing and facilitating relief to displaced persons from Burma and other neighboring countries and to encourage that Government to fully cooperate in such relief efforts.

Mr. COHEN. Mr. President, last year, Mr. President, the foreign operations conference report contained a provision that caused serious difficulties in our relationship with Thailand.

The provision conditioned military education and training for Thailand and required a report on the Thai military's support for the Khmer Rouge.

This provision was viewed by in Thailand as a ban on military education and training and an accusation that the Government of Thailand was providing support for the Khmer Rouge. The provision was, in fact, somewhat more subtle than that, but this was nonetheless the perception in Thailand and was the basis for the Thai reaction.

This came at a sensitive time in United States-Thai military relations, as the United States sought Thai approval to deploy six Army prepositioning ships off the Thai coast to support potential combat operations in Korea or the Persian Gulf. As chairman of the Seapower Subcommittee of the Armed Services Committee, which is responsible for projection forces such as these Army prepo ships, I can assure Members of the Senate that prepositioning more equipment in Asia is critical to defend our interests.

If we had not cut the Defense budget for 11 straight years, perhaps we could afford to preposition such equipment in both the Persian Gulf and Korea. But we only have the money for one set of equipment, and so we must deploy it in a location where it can swing in a short time to either Korea or the gulf.

The United States military—and the Thai military—were quite optimistic that Thai approval could be obtained for putting these prepo ships off the shores of Thailand, a long-time ally. But the issue became a political hot potato in Bangkok and our request was denied.

The foreign operations provision on IMET and the Khmer Rouge was not the only factor in making this politically sensitive in Thailand, but it was a factor. I was in Bangkok immediately after the Thai denial and know that the foreign operations provision drew great attention in the Thai media and great resentment in the Thai Government, which unfortunately was exacerbated by similar accusations about Thai Government support to the Khmer Rouge from an Australian official.

Beside contributing to the denial of the request to preposition ships, the foreign operations provision nearly led Thailand to terminate its support for our military advisory group in Thailand, which is responsible for arranging Thai purchase of United States-produced military equipment.

The great irony is that the concern about Thai Government support to the Khmer Rouge is off target. Thai Government support for the Khmer Rouge was a legitimate concern at one time. But well before the foreign operations provision was enacted, the Government of Thailand adopted a policy of not supporting or cooperating with the Khmer Rouge. United States officials in the best position to know confirm that the Thai Government has adhered to this policy. Thus the Thai Government and the Thai people have a reasonable basis for being upset when accusations are made.

As one Thai official told reporters at the time,

> One has to wonder at the American timing. They come here asking for a tremendous favor at a time when their Congress is threatening us over what we believe to be a nonissue.

I do not mean to suggest that there are no Thai military personnel engaging in any cooperation with members of the Khmer Rouge. We can, should, and are encouraging the Thai Government to work energetically to prevent such cooperation by individuals or groups of personnel deployed in the field. But our military alliance with Thailand, the value of which stretches from the oil fields of the Persian Gulf through the booming economies and vital sealanes of Southeast Asia to the Korean DMZ, cannot be made a hostage to such freelancing.

Are we going to suspend military cooperation with certain NATO allies because, according to credible press reports, some of their troops deployed as peacekeepers in Bosnia have engaged in unprofessional and even heinous acts?

And so, Mr. President, rather than repeating last year's mistake by gratuitously and even mistakenly criticizing the Thai Government, we should correct the record.

Similar considerations apply on the question of Burmese migrants in Thailand. Last year's foreign operations bill required a report on the Thai Government's efforts to impede support for Burmese democracy advocates, exiles, and refugees, and did so in a way that seemed to link this issue to the imposition of conditions on Thailand's participation in IMET.

The bill completely ignored the heavy burden imposed on Thailand's economy over a period of many years by the large numbers of Burmese and migrants and refugees from other countries in the region who have made their way to Thailand. The bill completely ignored the assistance Thailand is providing to these migrants and refugees, as well as Thai facilitation of the assistance provided by private and international relief agencies.

Mr. President, I would like to quote from some official statements about Thailand's treatment of displaced persons.

State Department spokewoman Christine Shelley, January 1995:

> It has been Thai policy over the years to provide refuge to displaced persons, including Burmese, for as long as it is unsafe for them to return to their place of origin. We commend the Thai for this humanitarian policy.

The Foreign Minister of Australia, January 1995:

> Thailand has a good record of sheltering previous waves of Burma border-crossers.

The United Nations High Commissioner for Refugees' Representative in Thailand, January 1995:

> Permit me to express to . . . the Royal Thai Government the international community's gratitude for the temporary asylum and assistance that Thailand is providing in the border area with (Burma), until such time as conditions in that country are conducive to the return of the affected population in conditions of safety and dignity.

A coalition of human rights groups in Burma and international human rights groups, February 1995:

> We thank the Royal Thai Government for their magnanimous and benevolent treatment of the thousands of Burmese refugees taking shelter on Thai territory.

In direct response to the accusations of Thai Government interference with relief to displaced Burmese, Secretary of State Christopher earlier this year reported to the Congress that:

> Royal Thai Government treatment of Burmese democracy advocates, exiles, and refugees is generally humane and in accord with international norms. The Royal Thai Government does not, as a matter of policy or practice, impede humanitarian support for non-combatant Burmese in Thailand.

Thailand may not do everything for the 200,000 Burmese migrants and refugees that some might like, including allowing the use of Thailand as the launching pad for political attacks on a well-armed neighbor with whom Bangkok has no choice but to maintain a constructive relationship. While it is easy for to tweek Burmese generals from Washington, the Thais do not have a buffer of 12 time zones.

I would also note that Thailand has adhered to the Comprehensive Plan of Action, the U.N.-sponsored plan for handling Vietnamese and other migrants and refugees in the region. In contrast, the 104th Congress has called the CPA into question, triggering riots at migrant camps across Southeast Asia. Yet some think it appropriate for Congress to freeze United States aid and cooperation with Bangkok until it improves its treatment of migrants in Thailand.

Throughout Southeast Asia the question of whether America intends to remain engaged is asked constantly by political, business, and military leaders who must calculate with which big power to cast their lot. Clearly, Mr. President, if this is the way we treat our allies in the region, few will view us as reliable or even reasonable partners.

Accordingly, Mr. President, I am offering this amendment. After last year's mistake by Congress, it would set the record straight by acknowledging that the Government of Thailand has had a policy of not supporting or cooperating with the Khmer Rouge and is host to large numbers of displaced persons from neighboring countries, placing a significant burden on the Thai economy.

It also expresses the sense of the Senate that the President should affirm to the newly elected Thai Government United States support for this Thai policy, established by the last government, against the Khmer Rouge. It also calls on the President to encourage the Thai Government to vigorously pursue efforts to prevent freelancers in the military from violating this policy.

With regard to Burmese in Thailand, the amendment would call on the President to encourage Thailand to fully cooperate with relief efforts. And, since it is not enough to criticize and cajole, it would call on the President to take appropriate steps to assist Thailand in such efforts.

I believe that this is a more constructive approach than gratuitously and even erroneously slamming the Thai Government, and I hope that it will help to salve some of the wounds from last year's ill-considered provision.

I urge Senators to support this amendment.

AMENDMENT NO. 2755

Add the following new Section to Title V:

EXTENSION OF TIED AID CREDIT PROGRAM AND AUTHORITY TO CONDUCT A DEMONSTRATION PROJECT

SEC. . EXTENSION OF TIED AID CREDIT PROGRAM.

(a) Section 10(c)(2) of the Export-Import Bank Act of 1945 (12 U.S.C. 635i-3(c)(2)) is amended by striking "1995" and inserting "1997".

(b) Section 10(e) of the Export-Import Bank Act of 1945 (12 U.S.C. 635i-3(e)) is amended by striking "1993, 1994, and 1995" and inserting "1996 and 1997".

SEC. 102. AUTHORITY TO CONDUCT A DEMONSTRATION PROJECT.

(a) Notwithstanding section 4701(a)(1)(A) of title 5, United States Code, the Export-Import Bank of the United States may conduct a demonstration project in accordance with section 4703 of such title 5.

AMENDMENT NO. 2756

On page 45, line 4, after the word "funds" insert the following:

"*Provided further*, That of the funds appropriated under this heading, not less than $1,000,000 shall be made available to UNIFEM.

AMENDMENT NO. 2757

At the appropriate place, insert the following:

CONVENTIONAL WEAPONS REVIEW

(a) FINDINGS.—The Congress makes the following findings:

(1) On September 26, 1994, the President declared that it is a goal of the United States to eventually eliminate antipersonnel landmines.

(2) On December 15, 1994, the United Nations General Assembly adopted a resolution sponsored by the United States which called for international efforts to eliminate antipersonnel landmines.

(3) According to the Department of State, there are an estimated 80,000,000 to 110,000,000 unexploded landmines in 62 countries.

(4) Antipersonnel landmines are routinely used against civilian populations and kill and maim an estimated 70 people each day, or 26,000 people each year.

(5) The Secretary of State has noted that landmines are "slow-motion weapons of mass destruction".

(6) There are hundreds of varieties of antipersonnel landmines, from a simple type available at a cost of only two dollars to the more complex self-destructing type, and all landmines of whatever variety kill and maim civilians, as well as combatants, indiscriminately.

(b) CONVENTIONAL WEAPONS CONVENTION REVIEW.—It is the sense of Congress that, at the United Nations conference to review the 1980 Conventional Weapons Convention, including Protocol II on landmines, that is to be held from September 25 to October 13, 1995, the President should actively support proposals to modify Protocol II that would implement as rapidly as possible the United States goal of eventually eliminating antipersonnel landmines.

(c) MORATORIUM ON USE OF ANTIPERSONNEL LANDMINES.—(1) UNITED STATES MORATORIUM.—(A) For a period of one year beginning three years after the date of the enactment of this Act, the United States shall not use antipersonnel landmines except along internationally recognized national borders or in demilitarized zones within a perimeter marked area that is monitored by military personnel and protected by adequate means to ensure the exclusion of civilians.

(B) If the President determines, before the end of the one year period of the United States moratorium under subparagraph (A), that the governments of other nations are implementing moratoria on use of antipersonnel landmines similar to the United States moratorium, the President may extend the period for the United States moratorium for such additional period as the President considers appropriate.

(2) OTHER NATIONS.—It is the sense of Congress that the President should actively encourage the governments of other nations to join the United States in solving the global landmine crisis by implementing moratoria on use of antipersonnel landmines similar to the United States moratorium as a step toward the elimination of antipersonnel landmines.

(d) ANTIPERSONNEL LANDMINE EXPORTS.—It is the sense of Congress that, consistent with the United States moratorium on exports of antipersonnel landmines and in order to further discourage the global proliferation of antipersonnel landmines, the United States

Government should not sell, license for export, or otherwise transfer defense articles and services to any foreign government which, as determined by the President, sells, exports, or otherwise transfers antipersonnel landmines.

(e) DEFINITIONS.—

For purposes of this Act:

(1) ANTIPERSONNEL LANDMINE.—(A) The term "antipersonnel landmine" means any munition placed under, on, or near the ground or other surface area, delivered by artillery, rocket, mortar, or similar means, or dropped from an aircraft and which is designed, constructed, or adapted to be detonated or exploded by the presence, proximity, or contact of a person.

(B) The term "antipersonnel landmine" does not include command detonated Claymore munitions.

(2) 1980 CONVENTIONAL WEAPONS CONVENTION.—The term "1980 Conventional Weapons Convention" means the Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects, together with the protocols relating thereto, done at Geneva on October 10, 1980.

AMENDMENT NO. 2758

(Purpose: To extend the authority to administer au pair programs through fiscal year 1999.)

At the appropriate place in the bill, insert the following new section:

SEC. ____. EXTENSION OF AU PAIR PROGRAMS.

Section 8 of the Eisenhower Exchange Fellowship Act of 1990 is amended in the last sentence by striking "fiscal year 1995" and inserting "fiscal year 1998".

AMENDMENT NO. 2759

Funds appropriated by this Act may be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956: *Provided*, That this section shall not apply with respect to any accounts for which a general authorization of appropriations for fiscal year 1996 is enacted in law on or before April 1, 1996.

AMENDMENT NO. 2760

(Purpose: To limit the availability of funds for the Government of Haiti until certain human rights conditions are met, and for other purposes)

At the end of the last committee amendment, insert the following:

SEC. ____. LIMITATION ON ASSISTANCE FOR HAITI.

(a) LIMITATION—None of the funds appropriated or otherwise made available by this Act or any other Act may be furnished to the Government of Haiti until the President determines and reports in writing to the Congress that—

(1) the government of Haiti has conducted or is conducting a thorough and professional investigation into, and prosecution of those responsible for the murder of Mireille Durocher de Bertin on March 28, 1995, and other possible cases of political or extrajudicial killings, including the 20 cases of "commando-style executions" cited by the United Nations/Organization of American States International Civilian Mission in Haiti on September 12, 1995;

(2)(A) the police and security forces of Haiti are not assassinating or abducting civilians, are not engaging in other acts of violence directed at civilians, and are controlling such activities by elements subject to the control of those forces; or

(B) the government of Haiti is investigating effectively the members within its police and security forces engaged in acts of violence against civilians, and has put in place effective policies to deter and punish such activities in the future.

(3) the Government of Haiti has actively sought and encouraged a law enforcement service from outside Haiti to assist and monitor investigators of the Government of Haiti in their investigation of the murders cited in section ____(1) above; and

(4)(A) the Government of Haiti has cooperated fully and in a timely fashion with U.S. Federal Bureau of Investigation efforts to investigate the murder of Mireille Durocher de Bertin, including providing access to Haitian government employees in a manner which facilitates prosecution of those responsible for her murder; or

(B) the Government of Haiti has not cooperated fully and in a timely fashion with U.S. Federal Bureau of Investigation efforts to investigate the murder of Mireille Durocher de Bertin, including providing access to Haitian government employees in a manner which facilitates prosecution of those responsible for her murder, in which case the President shall submit a detailed accounting of the areas of non-cooperation and his assessment of all the reasons for such non-cooperation by the government of Haiti.

(b) REPORT.—Not later than 60 days after enactment of this section, the President shall report to the appropriate committees of Congress, based on information available to him, on the identity or identities of those responsible for the murder and any subsequent coverup, and on the status of the Government of Haiti's investigation of:

(1) the murder of American citizen Richard Andre Emmanuel on February 13, 1991;

(2) the murders of Bastian Desrosiers, Stevenson Desrosiers, Jacques Nelio, Pierre Schiller and Louis Walky on July 26, 1991;

(3) the murder of Reverend Sylvio Claude on September 17, 1991;

(4) the murder of Roger Lanfontant on September 29, 1991;

(5) the murder of Antoine Izmery on September 11, 1993; and

(6) the murder of Minister of Justice Guy Malary on October 14, 1993.

(c) HUMANITARIAN ASSISTANCE.—Nothing in this section shall be construed to restrict the provision of humanitarian or electoral assistance to the Haitian people by non-governmental or private voluntary organizations.

(d) WAIVER.—The President may waive the requirements of this section if he determines and certifies to the appropriate committees of Congress that it is necessary to facilitate the safe and timely withdrawal of American forces from Haiti.

Mr. DOLE. Mr. President, it has been almost exactly 1 year since the United States sent military forces to restore President Aristide to Haiti. The purpose of U.S. military intervention was to promote democracy and increase observance of human rights. President Clinton argued that American national security interests were at stake in Haiti. I disagreed with President Clinton, and I opposed U.S. military intervention in Haiti.

Many of us were concerned that the invasion and occupation of Haiti would not substantially change Haiti, and could lead to unnecessary casualties. We were also concerned that it could be very difficult to withdraw American forces once committed to Haiti.

We should be clear about what American intervention has achieved—Cedras and the thugs that ran Haiti for 3 years are gone. Human rights violations have decreased. The lifting of the economic embargo on Haiti has resulted in some economic activity, and thanks to the professionalism and bravery of American Armed Forces, American casualties have been limited. However, one American soldier, Sgt. 1st Class Gregory D. Cardott, 36, was shot to death January 12 in Gonaives, Haiti.

Mr. President, we should also be clear about the lack of success in the American intervention in Haiti. The stated purpose of American intervention in Haiti was to restore democracy—not just to restore Aristide, but to restore democracy. Elections have been held, but Haiti has failed the democratic test. The initial June 25 elections were, by objective accounts, deeply flawed. A report from the Carter Center and former National Security Council member Robert Pastor concluded: "Of the 13 elections that I have observed, the June 25 Hatian elections were the most disastrous technically, with the most insecure count." Pastor further states that he witnessed "the compromise of one-third of the ballot boxes in Port-au-Prince." Pastor concludes that "the international community will not help Haiti's democratic process by being silent or dishonest. It has a responsibility to insist that the parties' concerns be effectively addressed." The OAS concluded that it could not determine whether the election was free and fair.

The human rights situation in Haiti is not something America should be proud of. The joint United Nations Organization of American States International Civilian Mission in Haiti has identified some 20 cases of "commando-style" executions in which theft does not seem to have been the motive. Some might argue that Haiti should not be held to a high standard, or that there have not been enough killings to be concerned. I disagree. The standard should be much higher for a country which was invaded and occupied by American military forces. The Government of Haiti was put in place by American military power. That makes the situation fundamentally different from a country like El Salvador where we simply provided military assistance.

Mr. President, the American people have seen more than $2 billion of their tax dollars go to the Hatian operation. All this amendment says is do not send any more money to the Hatian Government unless the President certifies they are not conducting political assassinations. The amendment is modeled after many similar provisions supported by Democrats throughout the

1980's. In addition to certification on political killings by Haitian Government forces, it addresses the issue of Haitian cooperation with the FBI. On March 28, 1995, a Haitian political opponent of President Aristide was killed in broad daylight. President Clinton promptly offered the services of the FBI to investigate the brutal slaying. At one time, 20 FBI special agents were in Haiti. The result of their efforts—the Government of Haiti stonewalled, harassed, and refused cooperation. A high-priced Miami law firm suddenly entered the picture to represent members of the Haitian Government forces that the FBI sought to interview. And yesterday, the Government of Haiti released four Haitians charged with the crime for "lack of evidence." This is not justice, this is an outrage. This is not good faith, it is an affront to the risks undertaken by the men and women of the American Armed Forces to democratize Haiti.

My amendment says enough is enough. No aid unless our concerns are met. I urge its adoption and ask unanimous consent that the September 20 Reuters article dealing with the death of Mireille Durocher Bertin and the release of the suspects be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOUR HAITIAN SUSPECTS FREED FOR LACK OF EVIDENCE

PORT-AU-PRINCE.—Four people arrested six months ago in connection with the killing of a leading opponent of Haitian President Jean-Bertrand Aristide were freed Tuesday for lack of evidence, diplomatic and family sources said.

Those freed included brothers Eddy and Patrick Moise, members of the Front for United Militants, a far-left paramilitary group with alleged ties to Libya, who were arrested March 19 for allegedly plotting to kill lawyer Mireille Durocher Bertin.

An ardent defender of former military chief Lt. Gen. Raoul Cedras, Bertin and a client of hers, Eugene Baillergeau, were gunned down on a busy street in the capital March 28—nine days after the arrest of the Moise brothers.

"It doesn't mean they are not guilty," said a diplomat, who spoke on condition of anonymity. "But there is just no evidence, no evidence acceptable in a court of law."

Also freed were Haitian-American Claude Douge and his wife Evelyn.

"If anything had happened to these people in jail it would have been a huge embarrassment for the government," the diplomat noted.

The spectacular daytime killing prompted alarm among Republicans in the U.S. Congress that Aristide, ousted in a 1991 coup, may have sanctioned acts of vengeance against his political opponents since his restoration to office by U.S.-led multinational troops in October.

But F.B.I. investigators who arrived in Haiti a day after the double assassination have not turned up any findings and diplomats say there is no evidence linking Aristide to a recent string of professional-style murders.

The decision to release the four detainees came a few days after two former army supporters, imprisoned on charges of plotting to destabilize the government during pre-Lenten carnival celebrations, were also freed for lack of evidence.

Observers said the government was responding to pressures from human rights groups and Republicans in Congress who have repeatedly threatened to cut aid to the Aristide government.

AMENDMENT NO. 2761

(Purpose: To increase the total value of defense articles and defense services which may be transferred to the Government of Bosnia and Herzegovina under the legislation)

In subsection (b) of the section entitled "AUTHORITY TO ASSIST BOSNIA-HERZEGOVINA", strike "$50,000,000" and insert "$100,000,000".

Mr. DOLE. Mr. President, I offer an amendment which would amend Section 540(b) to increase the Department of Defense draw down authority in this bill for Bosnia and Herzegovina from $50 million to $100 million. I am joined by the distinguished chairman of the Foreign Relations Committee, and the distinguished Senator from Connecticut, Senator LIEBERMAN. This authority could be exercised pursuant to either a lifting of the United Nations arms embargo on Bosnia or a unilateral lifting of the United States arms embargo.

Mr. President, there is no doubt that the majority—an overwhelming majority—of the United States Congress supports lifting the arms embargo on Bosnia. And there should be no doubt that some time in the not so distant future the arms embargo will be lifted. Under what circumstances, I am not certain. It will depend on developments over the next couple of weeks.

Nevertheless, we need to be prepared to provide the Bosnians with meaningful military assistance—whether in the context of continued fighting or as part of a settlement. In spite of the recent administration euphoria over prospects for peace, according to news reports today the Bosnian Serbs violated the no-fly zone and conducted air strikes on Bosnian and Croat positions. These planes reportedly came from Banja Luka airfield—which escaped the wrath of the NATO bombing campaign. The fact is that the war is not over.

Passage of this measure will also facilitate Senate consideration of the Multilateral Bosnia and Herzegovina Self-Defense Fund—introduced by Chairman HELMS—which would create a multilateral fund for contributions from the United States and other countries for the defense of Bosnia. These contributions of equipment or financial aid would be held in a U.S. chaired fund until the U.S. arms embargo is lifted.

Mr. President, the arms embargo has prolonged the war in Bosnia. If it had been lifted 3½ years ago, the war would have been over—with far less suffering. Moreover, a couple weeks of NATO air strikes do not substitute for allowing a sovereign nation to defend itself. This issue may be delayed, but cannot be avoided.

I hope that my colleagues will support this measure, as they have supported lifting the arms embargo on Bosnia.

AMENDMENT NO. 2762

(Purpose: To establish the Croatian-American Enterprise Fund and make available funds to support the Fund)

At the appropriate place in the bill, insert the following new section:

SEC. . CROATIAN-AMERICAN ENTERPRISE FUND.

(a) DESIGNATION OF FUND.—The President shall designate a private, nonprofit organization as eligible to receive funds and support pursuant to this section with respect to Croatia in the same manner and with the same limitations as set forth in section 201(d) of the Support for East European Democracy (SEED) Act of 1989. Such organization shall be known as the "Croatian-American Enterprise Fund".

(b) APPLICATION OF SEED ACT.—Except as otherwise specifically provided in this section, the provisions contained in section 201 of the Support for East European Democracy (SEED) Act of 1989 (excluding the authorizations of appropriations provided in subsection (b) of that section) shall apply to the Croatian-American Enterprise Fund. The officers, members, or employees of the Croatian-American Enterprise Fund shall enjoy the same status under law that is applicable to officers, members, or employees of the Enterprise Funds for Poland and Hungary under the Support for East European Democracy (SEED) Act of 1989.

(c) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated to the President for purposes of this section, in addition to funds otherwise available for such purposes, $12,000,000 for fiscal year 1996 to fund the Croatian-American Enterprise Fund established under subsection (a).

(2) Funds appropriated under this subsection are authorized to remain available until expended.

(d) APPROPRIATIONS.—Of the funds appropriated or otherwise made available by this Act under the heading entitled "ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES", $12,000,000 shall be available only to support the Croatian-American Fund established by subsection (a).

Mr. DOLE. Mr. President, I rise to offer an amendment, together with the distinguished Senator from Utah, Senator HATCH, which would create an enterprise fund for Croatia and makes available $12 million for that purpose.

Much has changed in Croatia over the past few months. Less than 5 percent of Croatian territory is not under the Government's control. As a result, the number of displaced persons is rapidly dwindling.

It seems to me that with the situation in Croatia normalizing, with the return of displaced persons to their hometowns and villages, that an enterprise fund could make a significant contribution to Croatia's economy. Moreover, it would do so in a way that would promote free enterprise and a market economy—American values.

Mr. President, this Croatian-American enterprise fund would offer hope and opportunity to the average Croatian—whether he or she is a would-be restauranteur or shopowner. Croatia has a lot of economic potential—next year should be a big year for Croatia's tourist industry, in particular.

I would also like to point out that the Croatian-American community in the United States has distinguished itself in many business sectors and will prove to be a rich source of support and expertise for the Croatian-American enterprise fund.

Mr. President, I believe that the time is right for establishing this fund and I urge my colleagues to support it.

AMENDMENT NO. 2763

(Purpose: To earmark funds for humanitarian assistance to the former Yugoslavia)

Before the period at the end of the heading entitled "INTERNATIONAL DISASTER ASSISTANCE", insert the following: ": *Provided*, That of the amount appropriated under this heading, $40,000,000 should be available only for emergency humanitarian assistance to the former Yugoslavia, of which amount not less than $6,000,000 shall be available only for humanitarian assistance to Kosova".

Mr. DOLE. Mr. President, I offer an amendment which would earmark $40 million for emergency humanitarian assistance to the former Yugoslavia with no less than $6 million of that amount for Kosova.

While there is some new optimism about the prospects for a settlement in Bosnia and Herzegovina, the humanitarian situation remains grim for large segments of the population of the former Yugoslavia. Winter is fast approaching. Life in Sarajevo is still one of minimum subsistence. Gorazde is a large refugee camp surrounded by hostile forces. Thousands of refugees are flooding the town of Banja Luka.

The bottom line is that even if a peace settlement were signed tomorrow, the humanitarian situation in Bosnia would not repair itself overnight—nor over the next few weeks and months. The humanitarian crisis will remain with us for the foreseeable future.

Furthermore, a peace settlement along the lines pursued by the administration would not address Kosova—a serious error from my perspective. In Kosova, 2 million Albanians continue to live as they have for the past 6 years—under martial law, without jobs and without enough food and medicine.

And so, I believe that we must do what we can to ensure that the people of the former Yugoslavia, particularly in Bosnia and Herzegovina and Kosova, are provided with food and medicine to relieve their suffering.

I trust that my colleagues will support this amendment.

AMENDMENT NO. 2764

(Purpose: To impose sanctions against countries harboring war criminals)

At the appropriate place in the bill, insert the following new section:

SEC. . SANCTIONS AGAINST COUNTRIES HARBORING WAR CRIMINALS.

(a) BILATERAL ASSISTANCE.—Assistance may not be provided in any fiscal year under the Foreign Assistance Act of 1961 or the Arms Export Control Act for any country described in subsection (c).

(b) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury shall instruct the United States executive directors of the international financial institutions each fiscal year to work in opposition to, and vote against, any extension by such institutions of financing or financial or technical assistance to any country described in subsection (c).

(c) SANCTIONED COUNTRIES.—A country described in this subsection is a country the government of which permits entry into or presence in the territory of such country to any person—

(1) who has been indicted by the International Criminal Tribunal for the former Yugoslavia, the International Criminal Tribunal for Rwanda, or any other international tribunal with similar standing under international law, or

(2) who has been indicted for war crimes or crimes against humanity committed during the period beginning March 23, 1933 and ending on May 8, 1945 under the direction of, or in association with—

(A) the Nazi government of Germany;

(B) any government in any area occupied by the military forces of the Nazi government of Germany;

(C) any government which was established with the assistance or cooperation of the Nazi government of Germany; or

(D) any government which was an ally of the Nazi government of Germany.

(d) DEFINITIONS.—As used in this section—

(1) the term "international financial institutions" includes the International Bank for Reconstruction and Development, the International Development Association, the International Monetary Fund, the European Bank for Reconstruction and Development, the International Finance Corporation, the Multilateral Investment Guarantee Agency, the Inter-American Development Bank, the Inter-American Investment Corporation, the African Development Bank, the African Development Fund, and the Asian Development Bank; and

(2) the term "war crime" includes any offense which is—

(A) a grave breach of any of the four Geneva Conventions for the Protection of War Victims of August 12, 1949;

(B) a violation of the Hague Convention (IV) Respecting the Laws and Customs of War on Land of October 18, 1907, or the Regulations annexed thereto;

(C) a violation of the Convention on the Prevention and Punishment of the Crime of Genocide of December 9, 1948; or

(D) a violation of the Charter of the International Military Tribunal of August 8, 1945.

Mr. DOLE. Mr. President, I offer an amendment which I believe is of great significance—and reflects our commitment to the pursuit of justice around the world.

This amendment would penalize any country that permits entry into or permits the presence of any person indicted for war crimes. Very simply, this amendment would prohibit U.S. bilateral assistance or support for multilateral assistance from international financial institutions to any country that provides sanctuary to war criminals.

Over the past 3 years, we have been witnesses to crimes against humanity. Courageous journalists revealed the horrors of starving and tortured Bosnian Moslems herded into concentration camps at Manjaca and Omarska. CNN brought the haunting images of the Rwandan genocide into our living rooms.

These crimes against humanity cannot be swept aside or forgotten. We cannot pretend not to know the truth. And because we know the truth, we have a duty to do all we can to bring those responsible to justice.

The International War Crimes Tribunal for the former Yugoslavia, under the able leadership of Justice Goldstone of South Africa, has already handed down a number of indictments—to include Gen. Ratko Mladic, the commander of Bosnian Serb forces and Radovan Karadzic, the leader of the Bosnian Serbs. However, the tribunal does not have the means to pursue those indicted. It is up to the countries where these indicted war criminals reside to turn them over.

Mr. President, the provisions of this legislation would apply not only to war criminals indicted by the International War Crimes Tribunals for the former Yugoslavia and Rwanda, but to any individuals indicted for war crimes—including Nazi war criminals.

I want to bring to my colleagues attention that one of the most notorious Nazi war criminals, Alois Brunner, is still alive and believed to be residing in Syria—where he went around 1955. Brunner is the former aide to Adolf Eichman and has been blamed for the deaths of 100,000 to 120,000 Jews and 60,000 non-Jews. His job was to ship prisoners under his charge to concentration camps. If it is true that Brunner is residing in Syria, then Syria would be subject to the sanctions under this legislation.

I hope that all of my colleagues will support this legislation. Passing this measure will send a strong message to war criminals that there are few places of safe refuge for them. It will also send the message to countries that provide sanctuary to individuals indicted for crimes against humanity, that there is a significant price to pay.

AMENDMENT NO. 2765

(Purpose: To limit the use of funds for Bosnia and Herzegovina (other than for refugee or disaster assistance) to activities in the territory of the Bosniac-Croat Federation)

On page 121, after line 24, insert the following new section:

LIMITATION ON FUNDS TO THE TERRITORY OF THE BOSNIAC-CROAT FEDERATION.

SEC. 605. Funds appropriated by this Act for activities in the internationally-recognized borders of Bosnia and Herzegovina (other than refugee and disaster assistance and assistance for restoration of infrastructure, to include power grids, water supplies and natural gas) may only be made available for activities in the territory of the Bosniac-Croat Federation.

Mr. DOLE. Mr. President, I rise to offer an amendment, together with the distinguished senator from Delaware, Senator BIDEN, which would limit the availability for United States assistance to Bosnia and Herzegovina—with the exception of humanitarian or refugee assistance—to activities in the territory of the Bosniac-Croat Federation.

The purpose of this amendment is two-fold: to induce Bosnia to remain unified and to guard against United States assistance falling into the hands of war criminals.

The fact is that the recently concluded "Agreed principles" recognizes two entities: the Bosniac-Croat Federation and a Bosnian Serb Republic. There is no agreement on a superstructure to unite these entities. The goal of the Bosnian Serb leadership has been to break away from the Republic of Bosnia and Herzegovina. There are no signs that this goal has been abandoned nor are there any indications that recognizing a Bosnian Serb republic is not just an interim step toward a Greater Serbia.

Furthermore, there are no guarantees or provisions in the "Agreed principles" to ensure that the Bosnian Serb republic will not have at its helm indicted war criminals such as Radovan Karadzic and General Mladic. So, if we do not make some provision in this legislation to take this possibility into account, United States assistance could end up in the hands of those indicted by the International War Crimes Tribunal for the former Yugoslavia.

Mr. President, I believe that this legislation sends a strong message of support for a unified Bosnia and Herzegovina, while protecting United States interests. My office has been in contact with the Serb members of the Bosnian Presidency and they have indicated their support for this measure. In their view, this amendment if adopted will not only encourage Bosnian Serbs to remain in Bosnia, but will prevent United States assistance from being used to shore up the leadership positions of Bosnian Serb separatists and war criminals.

I hope that all of my colleagues will support this measure.

AMENDMENT NO. 2766

At an appropriate place in the bill insert the following new section:

"SEC. . RUSSIAN COMPLIANCE WITH THE CFE TREATY AND PRIORITIES FOR MODIFYING EXISTING ARMS CONTROL TREATIES.

"It is the sense of the Senate that—

"(a) the failure by the Russian Federation to meet any obligation under the Treaty of the Conventional Armed Forces in Europe shall constitute non-compliance with the Treaty;

"(b) the United States should insist on full compliance by the Russian Federation with all of the obligations of the Treaty on Conventional Armed Forces in Europe;

"(c) the Treaty on Conventional Armed Forces in Europe provides adequate means by which the Russian Federation can meet its claimed military requirements for treaty-limited equipment in the flank zone defined by Article V of the Treaty, including movement of equipment within the flank zone, temporary deployment of additional equipment to the flank zone, and the temporary removal of equipment from designated permanent storage sites located in the flank zone; and".

AMENDMENT NO. 2767

(Purpose: To require the submission to Congress of a plan making recommendations for a strategic reorganization of the United Nations)

On page 121, after line 24, add the following new section:

PLAN RECOMMENDING A STRATEGIC REORGANIZATION OF THE UNITED NATIONS

SEC. ___. (a) SENSE OF CONGRESS REGARDING UNITED NATIONS REFORM.—It is the sense of Congress that—

(1) the 50th anniversary of the United Nations provides an important opportunity for a comprehensive review of the strengths and weaknesses of the United Nations and for the identification and implementation of changes in the United Nation that would improve its ability to discharge effectively the objectives of the United Nations set forth in the United Nations Charter;

(2) the structure of the United Nations system, which has evolved over 50 years, should be subject to a comprehensive review in order to identify the changes to the system that will best serve the interests of the United States and of the international community;

(3) the United States, as the strongest member state of the United Nations, should lead this comprehensive review;

(4) reforms that produce a smaller, more focused, more efficient United Nations with clearly defined missions are in the interest of the United States and of the United Nations;

(5) the United States should develop a unified position in support of reforms at the United Nations that are broadly supported by both the legislative branch and the executive branch;

(6) the need for reform of the United Nations is urgent; and

(7) the failure to develop and implement promptly a strategic reorganization of the United Nations will result in a continued diminution of the relevance of the United Nations to United States foreign policy and to international politics generally.

(b) UNITED NATIONS REORGANIZATION PLAN.—

(1) REQUIREMENT FOR PLAN.—The President shall submit to Congress, together with the budget submitted pursuant to section 1105 of title 31, United States Code, for fiscal year 1997, a plan recommending a strategic reorganization of the United Nations.

(2) REQUIREMENT RELATING TO DEVELOPMENT.—The President shall develop the plan in consultation with Congress.

(3) PLAN ELEMENTS.—The plan should include the elements described in subsection (c) and such other recommendations as may be necessary to achieve the efficient, cost-effective conduct of the responsibilities of the United Nations.

(c) CONTENTS OF REORGANIZATION PLAN.—It is the sense of the Congress that the reorganization plan required by subsection (b)(1) should—

(1) constitute a comprehensive statement of United States policy toward reform of the United Nations;

(2) set forth an agenda to implement the reforms set forth in the plan in a timely manner;

(3) include specific proposals to achieve—

(A) a substantial reduction in the number of agencies within the United Nations system, including proposals to consolidate, abolish, or restructure mechanisms for financing agencies of the United Nations that have a low priority;

(B) the identification and strengthening of the core agencies of the United Nations system that most directly serve the objectives of the United Nations set forth in the United Nations Charter;

(C) the increased cooperation, and the elimination of duplication, among United Nations agencies and programs;

(D) the consolidation of the United Nations technical cooperation activities between the United Nations Headquarters and the offices of the United Nations in Geneva, Switzerland, including the merger of the technical cooperation functions of the United Nations Development Program (UNDP), the United Nations Population Fund (UNFPA), the United Nations Environmental Program (UNEP), the United Nations Industrial Development Organization (UNIDO), the International Fund for Agricultural Development (IFAD), the United Nations Capital Development Fund (UNCDF), and the United Nations Development Fund for Women (UNIFEM);

(E) the consolidation of the United Nations emergency response mechanism by merging the emergency functions of relevant United Nations agencies, including the United Nations Children's Fund, the World Food Program, and the Office of the United Nations High Commissioner for Refugees;

(F) a substantial reduction in, or elimination of, the cost and number of international conferences sponsored by the United Nations;

(G) a significant strengthening of the administrative and management capabilities of the Secretary General of the United Nations, including a cessation of the practice of reserving top Secretariat posts for citizens of particular countries;

(H) a significant increase in the openness to the public of the budget decision-making procedures of the United Nations; and

(I) the establishment of a truly independent inspector general at the United Nations; and

(4) include proposals to coordinate and implement proposals for reform of the United Nations such as those proposals set forth in the communique of the 21st annual summit of the Heads of State and Government of the seven major industrialized nations and the President of the European Commission at Halifax, Nova Scotia, dated June 15-17, 1995.

Mrs. KASSEBAUM. Mr. President, I rise today to offer an amendment to help focus our approach to reform of the United Nations and to ensure that Congress is fully involved in administration initiatives on this important matter.

This amendment is identical to language that was included in S. 908, the State Department authorization bill, except I have deleted a paragraph, to which the administration objected, which would have called for a review of potential amendments to the U.N. Charter. The amendment before us focuses exclusively on reforms that can be achieved without opening the charter to amendment.

The administration has welcomed this initiative generally and has not opposed other provisions of this amendment, which was accepted in the manager's amendment to S. 908. When Congressman LEE HAMILTON and I outlined our thoughts on U.N. reform earlier this year, we were strongly encouraged by the support we received from many different quarters, including from the White House and from the majority leader, Senator DOLE. My hope is that this amendment will provide a framework for building a broad-based consensus on U.N. reform.

This amendment has two key elements. First, it states sense of Congress that the United States should lead an effort to develop and implement reforms of the United Nations, and it outlines several specific reform proposals that should be considered. This not intended to be an exhaustive list but rather to outline several proposals that are of particular concern. Second, it requires that the President submit to Congress along with his fiscal year 1997 budget a plan recommending a strategic reorganization of the United Nations. It also requires that Congress be closely consulted as the administration develops this plan.

Mr. President, I long have had a keen interest in reforming the United Nations. This is an effort I have undertaken with colleagues in both Houses and on both sides of the aisle. I believe it is imperative that we start to bring together the many divergent voices calling for U.N. reform and develop a single, responsible agenda for reform that all Americans can support.

The language I propose today is a small step, but I believe it will help us advance toward the goal of reaching consensus on what reforms we believe the United Nations must undertake. I urge my colleagues to support this amendment.

The PRESIDING OFFICER. Without objection, the amendments are agreed to, en bloc.

So the amendments (Nos. 2734 through 2767) were agreed to.

Mr. MCCONNELL. Mr. President, I move to reconsider the vote.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MICROENTERPRISE PROGRAMS

Mr. DASCHLE. Mr. President, I would like to engage the distinguished chairman of the Appropriations Subcommittee on Foreign Operations, Senator MCCONNELL, and the distinguished ranking member of the subcommittee, Senator LEAHY, in a colloquy on microenterprise programs and H.R. 1868, the fiscal year 1996 Foreign Operations, Export Financing, and Related Programs appropriation bill.

Mr. MCCONNELL. Mr. President, Senator LEAHY and I would be happy to discuss the provisions in the appropriations bill regarding microenterprise programs with the Democratic leader, Senator DASCHLE.

Mr. DASCHLE. Mr. President, before discussing the fiscal year 1996 Foreign Operations appropriations bill, I would like to express my sincere appreciation for the support the chairman and the ranking member have given microenterprise lending programs in the past. Their leadership in this regard has made it possible for microenterprise programs to improve the lives of millions of poor people around the world.

Mr. President, I understand the fiscal year 1996 Foreign Operations appropriations bill, as approved by the Appropriations Committee, does not designate a specific level of support for microenterprise poverty programs.

Mr. MCCONNELL. Mr. President, the Senator is correct. In an effort to maximize the President's flexibility, the committee recommended the consolidation of a number of bilateral economic assistance accounts including microenterprise poverty programs.

Mr. LEAHY. Mr. President, although the committee did not designate specific earmarks for microenterprise poverty programs, I would point out that the report accompanying the bill includes language reaffirming the committee's strong support for the program's efforts to encourage micro and small business as a means to help the truly poor transition out of poverty.

Mr. MCCONNELL. Mr. President, the ranking member is correct. The committee—on a bipartisan basis—agrees that these programs promote sustainable, market-base development at relatively little cost and deserve our support.

Mr. DASCHLE. Mr. President, it is also my understanding that the committee included language in the bill that requires a proportional allocation for accounts consistent with levels enacted in fiscal year 1995.

Mr. LEAHY. Mr. President, that is correct. The committee recommends approximately $2.1 billion for traditional bilateral aid, which is approximately 16 percent less than the level appropriated for fiscal year 1995. To ensure that no single account sustains an unreasonable share of reductions, the committee included language in the bill that requires a proportional allocation among accounts consistent with appropriated levels in fiscal year 1995. It flows from that premise that, as the committee report states, microenterprise poverty programs deserve support substantially consistent with last year's level.

Mr. DASCHLE. Mr. President, I appreciate knowing that the committee continues to support microenterprise programs and included bill language protecting development assistance from disproportional cuts. As a longtime proponent of microenterprise programs, I would like to encourage the chairman and the ranking member to do everything they can to maintain appropriate funding for these programs when they go to conference with the House.

I would also encourage Senate conferees to insist on conference report language reflecting that commitment as well as encouraging AID to allocate one-half of microenterprise resources to poverty lending programs that provide loans of less than $300 and to channel up to $39 million through central mechanisms structured to meet the goals of nongovernmental organizations like the Grameen Trust.

Mr. MCCONNELL. Mr. President, Senator LEAHY and I have discussed this matter and would like to assure the Democratic leader that we will do everything we can to include these recommendations into the conference report.

Mr. DASCHLE. Mr. President, I want to thank the chairman and the ranking member of the Appropriations Subcommittee on Foreign Operations for their clarification and assurances.

Mr. HATFIELD. Mr. President, I would like to begin by commending my colleagues the chairman of the subcommittee, Senator MCCONNELL, and the ranking member, Senator LEAHY, for their efforts on this bill.

While I am not pleased with the decreasing funding allocation for foreign aid operations, I understand the reality we face with regard to all of our discretionary spending. I support bringing our budget into balance and believe we must make sacrifices to achieve this end.

However, I continue to believe that foreign aid serves important U.S. interests. We have much more work ahead as we try to build basic health, education, and welfare infrastructures in the developing world. Of course, this cannot be an isolated U.S. effort. We must continue to work with our friends and allies throughout the world to expand global development efforts.

My opposition to the military aid in this bill remains firm. The United States should be ashamed by the level of arms sales included year after year in this bill. I would much rather see this money go toward development assistance.

Funding for international family planning assistance continues to be one of my priorities. I have included an earmark for the central office or core funding for AID Office of Population. This earmark will ensure the continued success of AID's population program, which is arguably the best in the world. Over the past 30 years, this program has been adjusted and finetuned time and again so that it runs as efficiently and effectively as it does today.

In addition, I am pleased by the level of funding for migration and refugee assistance. Worldwide, we continue to see a rise in the number of refugees fleeing ethnic strife, civil war, and political persecution. The United States must retain a strong commitment to providing for the protection and care of these refugees.

It is my hope that the Senate will act quickly to pass this bill and conference with the House so that we can get it on the President's desk as soon as possible.

MEPFA AMENDMENTS

Mr. LEAHY. Mr. President, the bill also includes several floor amendments to the Middle East Peace Facilitation Act of 1995. One relates to Palestinian Authority offices in Jerusalem. Under the Israel-Palestinian agreements, the Palestinian Authority may only maintain offices in the areas under its jurisdiction, which do not include Jerusalem. Recently, Israel and the Palestinians satisfactorily resolved questions that had been raised about existing Palestinian institutions in Jerusalem. The amendment included in the bill would deny assistance to the PLO if it were to fund a new office in Jerusalem that did not conform to Israeli-Palestinian agreements and understandings. A second amendment included in the bill requires the PLO to cooperate fully with the United States on the provision of information on U.S. nationals known to have been held by the PLO or its factions. This amendment would cut off U.S. assistance if the PLO is not responsive to further, specific U.S. requests for information that may be in its possession.

Mrs. BOXER. Mr. President, in our Nation's continuing efforts to balance the budget, calls to slash foreign assistance are frequently heard. I will take a few moments today to explain my thoughts on the importance of our foreign assistance programs and the continuing need for U.S. leadership around the world.

It must be understood that foreign assistance is only a minuscule fraction of the Federal budget—less than 1 penny of every dollar spent by the Government is used for foreign assistance. And since the end of World War II, the share of the Federal budget dedicated to foreign assistance has consistently declined. Foreign assistance is not busting the Federal budget. That is a simple fact. Those who believe that we can balance the budget painlessly overnight by slashing foreign assistance are simply wrong.

What do we get for the 1 percent of the budget we invest in foreign assistance? In my view, our meager investment has yielded incalculably valuable returns. Through foreign assistance, we have promoted peace and stability throughout the world and avoided countless wars and their tremendous human and financial costs.

For example, in the Middle East—one of the most explosive regions of the world—our commitment to a strong and secure Israel and our dedication to the framework established in the Camp David accords has been a major contributor to the peace process now underway.

Through our foreign assistance programs, we have shown unequivocally that the United States strongly supports the State of Israel as a friend, fellow democracy, and key strategic ally. We have sent the equally important message to Israel's neighbors that they will be welcomed into the community of nations if they are willing to make peace. That was the spirit of the Camp David accords.

More recently, Israel has reached major agreements with Jordan and the Palestinians. Each of these historic agreements was reached with the assistance of U.S. facilitators and the promise of our development assistance. Without the promise of foreign assistance, it is possible that none of these important agreements would have been reached.

The bill before the Senate today wisely builds upon the peace process by earmarking funds for our Camp David partners. Also the bill includes a new legislative provision, the Middle East Peace Facilitation Act of 1995, which will enable the administration to continue to play an active role in the Middle East peace process.

For these and other reasons, I urge my colleagues to support this bill.

Mr. DOMENICI. Mr. President, I rise in support of H.R. 1868, the foreign operations, export financing, and related agencies bill for fiscal year 1996.

I am pleased to join the committee in supporting the passage of this bill by the full Senate.

Mr. President, the foreign operations appropriations bill provides $12.3 billion in budget authority and $5.9 billion in new outlays to operate the programs of the Department of State, export and military assistance, bilateral and multilateral economic assistance, and related agencies for fiscal year 1996.

When outlays from prior-year budget authority and other completed actions are taken into account, the Senate bill totals $12.3 billion in BA and $13.8 billion in outlays for fiscal year 1996.

The bill is at the subcommittee's 602(b) allocation for budget authority and $127.2 million in outlays below the subcommittee's section 602(b) allocation. It is $2.4 billion in BA and $0.5 billion in outlays below the President's budget request. It is $442.5 million in BA and $13.4 million in outlays above the House-passed bill.

I want to thank the distinguished chairman and ranking member of the full Appropriations Committee, as well as my friends on the subcommittee, for deleting a provision in the bill that included a directive with respect to the budget scoring of the bill.

This action prevents this bill from being subject to two points of order under the Congressional Budget Act, and I am certain it will expedite consideration of this important bill.

Mr. President, I ask unanimous consent that a table displaying the Budget Committee scoring of this bill be printed in the RECORD, and I urge the adoption of the bill.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FOREIGN OPERATIONS SUBCOMMITTEE

[Spending totals—Senate-reported bill (fiscal year 1996, in millions of dollars]

	Budget authority	Outlays
Nondefense discretionary:		
Outlays from prior-year BA and other actions completed	68	7,950
H.R. 1868, as reported to the Senate	12,300	5,841
Scorekeeping adjustment		
Subtotal nondefense discretionary	12,368	13,791
Mandatory:		
Outlays from prior-year BA and other actions completed		
H.R. 1868, as reported to the Senate	12,300	5,841
Adjustment to conform mandatory programs with Budget	0	0
Subtotal mandatory	12,300	5,841
Adjusted bill total	24,668	19,632
Senate Subcommittee 602(b) allocation:		
Defense discretionary		
Nondefense discretionary	12,368	13,918
Violent crime reduction trust fund		
Mandatory	44	44
Total allocation	12,412	13,962
Adjusted bill total compared to Senate Subcommittee 602(b) allocation:		
Defense discretionary		
Nondefense discretionary		−127
Violent crime reduction trust fund		
Mandatory	12,256	5,797
Total allocation	12,256	5,670

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

Mrs. FEINSTEIN. Mr. President, I am pleased that the Senate Appropriations Committee has wisely earmarked $350 million for the Office of Population at the U.S. Agency for Development because I understand the extreme importance of family planning program availability and population assistance.

Investment in population assistant programs today will save us from much more costly investments in the future when unchecked population growth results in environmental deterioration, scarcity of resources, and pronounced economic hardship. Overpopulation is one of the most serious problems our world faces today.

Reducing spending in these areas will have the immediate effect of negatively impacting, in a serious way, the health and well-being of women and children.

However, I oppose the attempt to prevent these U.S. funds deemed for population planning assistance from contributing to the United Nations Fund for Population Activities [UNFPA]. I would like to emphasize a few particulars about this international organization.

UNFPA is the primary multilateral organization providing global family planning and population assistance programs. UNFPA directly manages one-third of the world's population assistance to developing countries; its work has saved countless numbers of lives since its inception.

Programs managed by UNFPA improve the quality and safety of contraceptives available to women which contributes to reducing the incidence of abortion. UNFPA does not support abortion or abortion-related activities.

UNFPA helps improve women's reproductive health and provides both maternal and child heath care—basic health care services which are largely unavailable throughout the developing world.

I am dismayed by opponents of UNFPA who wrongly submit that this organization is involved in providing abortion services in China or otherwise. This is simply not the case. Let me state again, UNFPA is not involved in abortion services anywhere.

UNFPA has proven its expertise in this area since its founding in 1969, increasing availability of contraceptives in the developing world, reducing population growths, and saving lives. I believe that U.S. contributions to the U.N. Fund for Population Activities is appropriate and wise, and I oppose this attempt to prevent funding to be used for this purpose.

Mr. BYRD. Mr. President, this foreign operations appropriations bill, totaling $12.3 billion, is 16.5 percent below the President's request of $15.2 billion. In most respects, it represents a substantial change from previous foreign operations bills. Bilateral economic assistance is cut 22 percent below the President's request. U.S. contributions to multilateral development banks are cut by 43 percent from the fiscal year 1996 request. While harsh, these cuts are in keeping with the other deep and painful cuts being made in most other appropriations bills that fund vital domestic programs.

In one important respect, however, this foreign aid appropriations bill has not changed to reflect either the current difficult budget realities or the changing world situation. Assistance to Israel and Egypt, and particularly to Israel, remains constant. In fiscal year 1995, Israel received over one-third of the total foreign aid appropriation of $14.4 billion. Israel's $5.0 billion in foreign aid from the United States included $1.2 billion in economic support funds—a direct cash infusion to the Israeli Government's coffers—$1.8 billion in foreign military financing grants; $80 million in refugee settlement grants; $2.0 billion in loan guarantees; $10 million in cooperative development grants—for Israel's foreign aid programs to other countries; and $3.5 million in regional cooperative assistance funds. This total does not include other funds and programs, primarily contained within the Department of Defense appropriations bill, that also benefit Israel's military, security, and military research and development programs.

Fiscal year 1996, the request for Israel includes $1.2 billion in economic support funds, $1.8 billion in military assistance, $80 million for refugee assistance, $10 million for cooperative development grants, $3.5 million for regional cooperative assistance, and up to $200 million in excess defense equipment. Because of the Camp David Accords that established peace between Israel and Egypt in 1978, Egypt also benefits from United States largess to Israel. The Camp David Accords were followed by a foreign aid funding equation that also rewards Egypt, but to a lesser degree. In fiscal year 1996, Egypt will receive $1.3 billion in foreign military financing grants, $815 million in economic support funds, and an earmark for a telecommunications project.

While peace between Israel and Egypt was and remains important, and while the United States-Israel relationship remains close, I must question the wisdom in continuing to reward these two countries at the same historically high levels when the cost is counted in sharply decreased United States assistance and influence in other areas of the world that are also important to the United States. Israel and Egypt made peace in 1978, 17 years ago. How long does the United States intend to reward this accomplishment with financial support? Financial rewards on the same scale have not been offered to Jordan, which most recently agreed to make peace with Israel.

There has been a lot of rhetoric on this floor about "sharing the burden of deficit reduction." Domestic programs, including historically untouchable programs like Medicare, Medicaid, and veterans benefits, are all being forced to swallow the bitter tonic and budget cuts necessary to meet draconian budget goals. Other foreign interests of the United States are being cut quite dramatically in order to support the sacrosanct aid to Israel and Egypt and also address other vital foreign interests, such as reducing the former Soviet nuclear stockpile. Other longtime allies, including Turkey and Greece, both important NATO members, have seen significant changes in their foreign assistance. Why not Israel?

Israel has received a grand total of more than $67 billion in foreign and military assistance from the United States since its founding in 1949. Since 1976, Israel has been the largest annual recipient of cumulative United States assistance since World War II. Mr. President, I do not raise these points because I am a foe of Israel. I do not wish to be thought of as anti-Israel. I hold no malice toward the people of Israel. But at a time in which all spending is under tremendous pressure, at a time in which other deeply revered and historically important government priorities are being crushed to squeeze out savings for deficit reduction, it simply does not seem fair to shield foreign aid to Israel and Egypt from the same budgetary forces. Surely, we can continue to safeguard the physical and economic security of Israel while subjecting United States assistance to the same budgetary scrutiny that all other assistance and domestic programs undergo.

Mr. President, I have always favored putting my support behind domestic priorities, such as education, roads, police, and other programs that support American competitiveness. All of these domestic priorities are under the budgetary axe. For the most part, U.S. overseas interests supported in this bill are also being reduced. But not the single largest recipients of U.S. foreign aid. This is not reasonable, and it is not equitable. For these reasons, I shall not vote in favor of this bill.

AMENDMENT NO. 2760

Mr. DODD. Mr. President, I want to put some perspective on the amendment that has just been offered by Senator DOLE with respect to Haiti. First, I say without equivocation that I believe that the President's policy with respect to Haiti has been a tremendous success. I for one am proud of the decision that the President made to restore democracy to Haiti. I thought it was the right thing to do then, and it certainly has proved to be the case thus far.

Let's review for a moment what has happened since that dramatic moment last September when the President ordered the deployment of United States Forces to Haiti:

The multinational force was peacefully deployed, without loss of life, and facilitated the departure of the military coup leaders;

Conditions were created that permitted President Aristide to return to Haiti on October 15 to resume office;

The multinational force was replaced by a much smaller U.N. force with the number of U.S. troops significantly reduced;

The Government of Haiti conducted elections and run-offs to fill more than 2,000 parliamentary and municipal posts—the most complex elections in Haiti's history;

The Armed Forces have been effectively dissolved and the interim police force is being replaced with a professionally trained permanent force under civilian control;

The human rights situation, while by no means perfect, is light years better than 1 year ago when more than 3,000 Haitians were being killed annually.

The Haitian economy which suffered significant decline during the military coup has begun to turn around and show positive growth.

That is quite a remarkable set of accomplishments in a very short period of time. On October 15, President Aristide will truly have something to celebrate at the 1-year anniversary of his restoration to office.

We have all read press reports of the confusion and disorganization that surrounded last month's elections in Haiti. I would be the first to say that I would have preferred an electoral process that was picture perfect, and strictly by the book. That didn't happen. It didn't happen in large measure because the situation in Haiti isn't perfect—it is a desperately poor country in which at least 50 percent of the population cannot read or write.

It is a country that has been plagued by political violence for much of its tragic history. It is a country with a history of predominantly dictatorial rule.

I do not seek to make excuses for the events which transpired in Haiti in June, but I do think some analysis of the circumstances surrounding the elections will help to put the process in some perspective.

First and foremost, until 11 months ago the prospects of any election being held in Haiti were virtually zero. Only after President Clinton's courageous decision last October to return President Aristide to office did the possibility of elections become a real option.

The newly returned Aristide administration had enormous hurdles to overcome, just to deal with the day-to-day running of the government. It returned to Port-au-Prince to find government offices stripped bare—no typewriters, no paper, no pens, no desks, in some instances even toilets were gone. On top of that, the international community insisted that elections for more than 2000 parliamentary and municipal offices be held as quickly as possible. No small task in a country where one can count on one hand, perhaps on one finger, the number of Democratic elections that have occurred. Election preparations had to take place virtually from scratch. Voter registration had to be undertaken on a massive scale nationwide. An election commission had to be formed and thousands of citizens recruited to participate in getting the election organized.

It seems to me that on June 25, the Haitian people made it pretty clear that, despite all the warts associated with the days leading up to the election, they had enough faith in the process to turn out and vote in large numbers. So did the vast majority of Haiti's political parties—left, right, and center—who chose to have their candidates appear on the ballot. When election day dawned—the people of Haiti came out to participate. They came from miles away. They stood in line, sometimes for hours in the hot sun. They exercised their constitutional right to cast their ballots and to choose the individuals who would represent them in their national and local governmental structures. That to me says a great deal about the validity of the process.

Yes, there were misplaced voter registration cards—yet election officials were able to register nearly 90 percent of all eligible voters. Yes, a very small percentage of political candidates were excluded from running for ill-defined reasons, yet more than 10,000 individuals ended up running for 2,200 public offices. Yes, there were some polling places which did not open on time, or in some cases at all, yet in many others the polling stations opened, the ballots were available and people made their choices.

Haitian authorities have already acknowledged that mistakes were made. They had special elections in August and run off elections in September. Improvements were made to the electoral process. Changes were made in the electoral council.

I for one am glad that the people of Haiti had the opportunity to participate in elections recently, imperfect as they were. I suspect that were we to ask, them they would overwhelming share that view. Today, the people of Haiti are one step closer to having the kind of government to which they aspire. Tomorrow, as they learn from their mistakes and through their own hard work they will be closer still.

Instead of attempting to score partisan political points, as some would seek to do, I believe that we all should stand behind our current policy, try to make it work, so that the people of Haiti can have a brighter future after having suffered for so long in the shadows of oppression.

I ask unanimous consent that the attached articles be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE HUMAN RIGHTS RECORD OF THE GOVERNMENT OF HAITI

The human rights observers of the joint OAS/UN International Civilian Mission have been in Haiti since February 1993 with two interruptions brought about by evacuations for security reasons.

Our mandate:

to monitor and report on the human rights situation; to promote and to protect human rights; and to contribute to the reinforcement of institutions.

The International Civilian Mission has therefore been able to monitor in the field, the evolution of the human rights situation under the de facto regimes of the period of the coup d'état and under the constitutional government.

The human rights situation under the military who dominated all the institutions was characterized by widespread and systematic human rights abuses—extrajudicial executions, torture or other forms of cruel, inhuman or degrading treatment, forcible disappearances, illegal arrests and detentions; and restrictions on the freedoms of expression and assembly. These abuses were carried out by the security agents of the state—the police and the army and those to whom they gave impunity, the attachés (armed civilian thugs) and later on the members of the paramilitary group, FRAPH.

The return of President Aristide in October 1994 has brought about and also facilitated a number of structural changes which have had a positive impact on the human rights situation.

First, the return to constitutional government has brought about the re-assertion of civilian authority and ended the subordination of key institutions to the military;

Second, the elimination of the army an the consequent neutralizing of the attachés and the para-military groups have dismantled the repressive network responsible for widespread human right abuses during the coup d'etat period; and

Third, institutional reforms, in particular the training and deployment of the new civilian professional Haitian National Police, improvements to the administration of justice and to prisons in the framework of judicial and penal reforms.

These structural changes and institutional reforms carried out with the assistance of the international community have been accompanied by the clear determination of the government to improve the quality and the performance of judicial officials and to supervise the conduct of the new security agents (code of conduct, inspectorate for the Haitian National Police, applications of sanctions in cases of misconduct), whose activities impinge directly on the respect or lack thereof for human rights. The outcome of all these elements has been considerable improvement in the human rights situations. Widespread and systematic abuses are no longer the rule. The freedoms of expression and of assembly are now exercised by different sectors of Haitian society, including by those critical of the policies of the President and his government. Time limits on legal procedures are more frequently respected as well as legal and constitutional guaranties. The treatment of prisoners and to a lesser extent the conditions of detention have improved with the establishment of a new cadre of trained correction officers. President Aristide's constant calls for reconciliation have without doubt played an important role in limiting incidents of vengeance and contributed to a more relaxed atmosphere and a feeling of security in the country. It should also be emphasized that Haitians have voted three times over the past four months in a secure and largely non-violent climate.

A great deal of ground has been covered over the past eleven months. A clear sign of these improvements is the dramatic decrease in the number of complaints brought to the attention of the International Civilian Mission. However, a lot more remains to be done, and there are concerns. We are concerned by acts of summary "Justice" carried by the population, though there has been a sharp decrease of late. Also of concern is the series of some 20 cases of killings by unidentified individuals, most of them "Commando style", recorded since the beginning of the year, where robbery did not appear to be the motive and the victims were targeted. The reasons for these killings remain unknown. The Mission has not been able to identify any set of elements which would link these crimes together or to agents of the state. Some reports of ill-treatment of detainees and abuses of power by agents of the state have been brought to the attention of the International Civilian Mission. Procedural irregularities with regard to arrest and detention continue to endanger the respect for human rights and due process. The International Civilian Mission has repeatedly urged the government to develop its criminal investigation capacity to bring an end to impunity which has been traditional in Haiti.

The challenge of the coming months will be to build on the steps already taken. Improving human rights means not only reducing human rights violations but also creating and strengthening structures and mechanisms to prevent their recurrence in the long term. The government must pursue the reforms of the institutions which have a direct bearing on the protections of human rights, (justice, prisons and police). Strengthening the mechanisms of accountability will send a clear message that the state will not tolerate human rights violations. The already considerable improvement in the human rights situation must be continued. The government has already shown it has the political will to act in this domain.

Amnesty International USA Statement on Human Rights in Haiti Since the Return of Constitutional Rule

Amnesty International has been following human rights issues in Haiti for a number of years. We have documented the extensive violations in the city and in the countryside, under Papa Doc, Baby Doc, and those that followed the fall of Baby Doc in 1986. Amnesty documented human rights violations in the first administration of President Jean Bertrand Aristide. But we also documented the first genuine attempts at dismantling repressive structures, with the dismantling of the system of the chefs de section and the disbanding of the notorious tontons macoutes, who had been renamed by Baby Doc. We watched with horror as the coup that overthrew President Aristide heralded a new wave of terror unparalleled in its extent and in its ferocity in Haitian modern history. Only a few notable exceptions failed to notice the horror that unfolded in Haiti.

Amnesty International welcomed the changes in the human rights panorama after constitutional government was restored by the UN Multilateral Force. Significant among these changes was the precipitous drop in documented extrajudicial executions, incidents of torture and ill-treatment, and the use of rape as a political terror tool. This is not due to a lack of information available because the population is too afraid to report violations. On the contrary, with the return of constitutional rule in Haiti, the UN/OAS International Civilian Observer Mission returned to Haiti to document abuses, and international and other non-governmental human rights organizations have had more access than under the de facto government. Furthermore, there has been more access to members of the press. Thus the drop in numbers is not due to a reluctant public cowed into submission.

There have been a number of killings over the past few months of people across the political spectrum. So far, apart from the Mireille Durocher Bertin case in which in any case, arrests have been made but the motivation still remains unclear, Amnesty International has not received any specific allegations that government officials were involved either directly or indirectly. Indeed, criminal investigations are believed to be under way into most if not all of the killings, and in some arrests have been made. There have been one or two reports that so-called "brigades de vigilance" were responsible for some killings in rural areas which Amnesty International is investigating. However, there is no central structure for such brigades and they vary widely in their composition and functions. Amnesty International has so far not received any evidence indicating that they are centrally coordinated or that the authorities are using them for such purposes.

Problems do remain in Haiti, although we can be unequivocally clear that Amnesty International has found no evidence of any kind of systematic targeting of government opponents by the current Haitian government. Amnesty's overriding concern at the moment is the question of impunity. This impunity, the escaping from punishment, is benefiting those who once terrorized the population during the years of de facto rule, the very opponents of the current government.

So far there have only been a few attempts to bring perpetrators of past abuses to justice. This is due partly to the slowness of reforms to the judiciary. It is very hard to find out exactly what cases have been brought to trial and to get details of the procedures/outcome as they do not get much publicity, either inside or outside Haiti. There was a trial in absentia of the ex-police chief of Cayes, former lieutenant Emery Piram, and was sentenced to sixty years' imprisonment for the death under torture of Jean-Claude Museau in 1992. This is one of the few cases the government said it wanted to bring to trial. In addition to this trial, the exparamilitary member Gerard Gustave (alias "Zimbabwe") has been sentenced to life at hard labour for his part in the assassination of Antoine Izmery in September 1993. Other investigations and trials are underway, although this still only represents a few of the cases of HRVs known to have taken place under the de facto government. We are currently investigating the trial proceedings to ensure they conform to international standards.

While it would not be true to say that nothing is happening on this front, it is clearly inadequate and slow and the government has not so far shown much determination to confront the issue. However, the international community must also do its part to help rebuild civil institutions. A significant contribution will be to disburse the already promised assistance to the Truth Commission. In any case, from what we can gather, as well as the six or so cases the government itself said it was investigating, many victims and victims' relatives have presented complaints to the authorities so it is not for lack of cases that little progress has been made. It is imperative that impunity in Haiti be broken; time and again we have seen how those who terrorized once can terrorize again.

Amnesty International certainly welcomes what steps have been taken so far to bring perpetrators of past and current abuses to justice and urge the government, as a matter of urgency, to further strengthen the judiciary to ensure that as many cases as possible can be pursued and that all such trials adhere to international standards for a fair trial. We believe it would be very useful if more was made public concerning the progress of investigations and trials.

Insofar as prison conditions are concerned, these are said to be improving gradually and a national overseer of prisons has been appointed. We understand that nutrition has modestly improved and the International Committee of the Red Cross has had access.

[From the Washington Times; Sept. 18, 1995]

Haiti, One Year Later

Remember Haiti? One year ago, our attention was focused on that small island country, as 20,000 American troops waited for the signal to invade. Self-styled American ambassador at large Jimmy Carter was busy negotiating with Gen. Raoul Cedras, hoping to persuade him to exit peacefully rather than face the U.S. forces with his ill-equipped army of thugs. On that day also, Gen. Colin Powell was in the news, having accompanied Mr. Carter to lend some muscle to the mission. And back in Georgetown was President Jean-Bartrand Aristide, urging the U.S. government on to deal with his enemies.

Haiti may have been as tiny a nation as we could have found to invade, but the thought of sending American soldiers into harm's way in a place known for its brutal, corrupt regimes and abject poverty, nonetheless made many here at home highly skeptical about the whole enterprise. Nor did it inspire confidence that the Clinton administration had shown itself particularly inept at handling foreign affairs and previously endured the humiliation of having to withdraw a transport ship with U.N. troops, including 200 Americans, from Port-au-Prince when faced with an unruly mob. It would not be too much to say that the operation was attended by the lowest possible level of expectation here at home.

One year later, the good news is that the dire misgivings, expressed among others by this page, have not come true. The only deaths experienced by U.S. soldiers there have been due to suicide. Significant armed resistance to the Americans did not materialize, and the military strongmen finally agreed to depart the scene back in October (with much of their ill-gotten gains). That meant the crippling sanctions could be lifted and President Aristide returned. The flood of boat people, which spurred the U.S. action in the first place, was stopped. By March 31, the bulk of the U.S. troops could be sent home, and the mission officially over to the United Nations. The remaining Americans are scheduled to leave after the presidential elections early next year.

So far, so good. Nevertheless, a huge question remains about Haiti's long-term future. Certainly the return of Mr. Aristide has not meant much improvement materially for most Haitians. And the elections held in June were not much of a cause for celebration. The international community had more than half a year to prepare for them, yet due to incompetence and the intransigence of the Haitian election committee, dominated by Aristide supporters, the event which so many Haitians had longed for turned into a dreadful mess. There was murder and violence, and some 100,000 Haitians were unable to vote; make-up elections had to be held in August. Just this weekend, we had yet another act in this drama as run-off elections were held between candidates in a tie for their seats. The voting was boycotted by opposition politicians who claim fraud perpetrated by Lavalas and its sister parties. Nor is it clear whether Mr. Aristide will in fact step down at the end of his five-year term; quite a "movement" has gotten under way to "persuade" him to stay on.

Still, there may be some important lessons to be learned here for the United States. One, which is now being applied in the former Yugoslavia, is that American leadership can work, and that it helps tremendously when it is backed by the willingness to use overwhelming force. The Bosnian Serb army this weekend started to withdraw its heavy weapons from around Sarajevo. For three murderous years, the Serbs stubbornly refused to do just that, until the NATO bombing campaign changed their minds. What was also learned in Haiti (as in Somalia and Bosnia) is that such operations cannot be trusted to the United Nations because that means essentially no one is in charge and no one is responsible for the outcome. The conclusion here should not be that the

United States must become international policeman and nanny; it is still debatable whether U.S. interests are at stake in Haiti. What is clear, however, is that where the stakes are deemed high enough, American initiative and muscle can be as effective as ever.

[From the New York Times, Sept. 21, 1995]

MR. ARISTIDE'S FIRST YEAR

A year after American troops landed in Haiti to secure the return of its exiled President, the country is clearly in better shape. Despite the fears of his detractors, Jean-Bertrand Aristide has not incited his followers against their former oppressors, but urged reconciliation. Most Haitians no longer live in fear of political violence. Mr. Aristide has reached out to business leaders. He has made a credible beginning, but there is still much to do.

Mr. Aristide wisely declared he will not run for another presidential term, resisting the temptation to take advantage of his popularity to carry on the Haitian tradition of government-by-personality cult. Now he needs to use the time left in his term to broaden his governing skills. Mr. Aristide is not much of an administrator.

Mr. Aristide's senior officials operate with little direction, and the country is still chaotically governed. The simple necessities for doing business—such as electricity—are still in short supply. While there has been some domestic investment, virtually no money has come into the country from foreign investors, and international lending institutions are leery of providing aid with few government structures in place. Inflation, however, has fallen below 25 percent from 52 percent last year, and gross domestic product has risen by 3 percent, compared to a 10 percent decline last fiscal year.

The recent highly flawed parliamentary elections—which resulted in overwhelming victories for Mr. Aristide's Lavalas Party—have left opposition parties feeling disgruntled and cheated. Although there was little evidence of outright fraud, the electoral commission was unacceptably disorganized. The electoral commission's inept chairman was dismissed, but reform of the commission itself has been stalled.

The United Nations force of 6,000—including 2,400 American troops—is due to leave at the end of February. The new police force has made a good start. Recruiting has been selective, and officers have won confidence in neighborhoods where police were regarded as the enemy. Reform of the justice system is proceeding well, with judges and prosecutors receiving training from international experts. But with no civil service tradition, much of the government bureaucracy is still dysfunctional.

Given Haiti's violent history, simply calming the country's polarized political climate is an impressive achievement. But Mr. Aristide now needs to break his isolation, cooperating with his senior ministers to come up with a coherent plan for getting the country back on its feet.

For now most Haitians are simply grateful that they can sleep free from fear. But that gratitude will wear thin if Mr. Aristide does not figure out how to take the next steps, which include everything from creating jobs to collecting the garbage.

INDONESIA'S DEPLORABLE HUMAN RIGHTS RECORD

Mr. FEINGOLD. Mr. President, as the Senate considers the foreign operations appropriations bill, I want to discuss two provisions which sanctioned Indonesia for its deplorable human rights record in East Timor, and which were eliminated in the chairman's bill. I want to make it clear that Indonesia has done nothing to improve its human rights record in the past year which would recommend any change in United States policy.

As my colleagues know, Indonesia has brutally occupied the Catholic population of East Timor since 1975. In that time, East Timor has been the focus of many international human rights efforts, not the least of which are those that have been spearheaded by my friend and colleague from Rhode Island, Senator PELL. To my disappointment, those causes have not been championed by any U.S. administration.

But in recent years the Indonesia military rule has become particularly cruel. Today, I want to dispel any myths among my colleagues that despite Indonesia's economic successes in the past few years, its human rights record continues to be dismal, and is particularly deplorable in its activities in the last year in East Timor. Such instability and violations can only destabilize the regime that some business interests are all to quick to invest in.

Since the Indonesians invaded East Timor 20 years ago, over 200,000 East Timorese have died—about a third of the entire population. Indonesia's self-styled annexation of the territory has not been recognized by the United Nations, nor the United States, which acknowledges that "no act of self-determination has ever taken place." The military is practically omnipresent throughout the island, and according to diplomats stationed in Indonesia, "its callousness in dealing with the local population" is shocking.

East Timor made international headlines in 1991 when the military massacred, by conservative estimates, at least 100 East Timorese who were attending a funeral. It was all videotaped before international cameras. Today, the National Human Rights Commission in Jakarta says it has evidence that the massacre was "not a spontaneous reaction to a riotous mob, but rather a planned military operation designed to deal with a public expression of political dissent." Today, 66 people remain unaccounted for, and the commander of the operation is Vice President of Indonesia.

Congress has acted twice since then. First, in 1992 we cut off IMET funding for Indonesian soldiers to distance our support for the Indonesian military that committed the atrocity at Dili. Last July, to signal further disappointment with the disintegrating situation, we codified administration policy on the linkage between the sale of small arms and human rights.

I have a letter from the administration, addressed to Senator LEAHY and myself, which indicates that the administration will continue its ban on the sale or licensing of small and light weapons, and crowd control instruments, until there has been significant progress on Indonesia's human rights record. The letter also says the administration will offer only expanded-IMET—human rights training for the military—to the Indonesians. I ask unanimous consent that the letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. FEINGOLD. Mr. President, I regard this is as a commitment from the administration that current policy will remain in place, whether we legislate it or not. I expect the administration to continue to consult with Congress on Indonesia. I am particularly concerned that we agree upon what "significant progress" means. Our legislation has included six conditions, including significant troop withdrawals from East Timor and Indonesian participation in the U.N. Secretary General's peace talks. Indonesia must understand that there is an international price to pay for their continuing occupation.

Since last July, when Congress passed this amendment, there have been several developments in East Timor—most of them quite discouraging, some quite violent, and some hopeful.

The tension in East Timor has been intensifying for the past year—influenced in part by the ongoing power struggles in Jakarta, the increased resentment of the presence of Indonesian military officers and vigilante groups, and the immigrant settlers brought in by Indonesia to consolidate their occupation of the island.

The Indonesians have had some bizarre responses. For instance, last summer, they went to great lengths to pressure their ASEAN partners to prevent private conferences on East Timor to take place in the Philippines, Malaysia, and Thailand.

But the violence has been on the increase as well—particularly since the APEC summit in November. During the summit protesters were detained and, by most accounts, tortured. Reports of deaths of protesters at the hands of Indonesian soldiers have been constant all year.

On January 12, 1995, there is documented evidence that the military tortured and killed six civilians in Liquicia in a horrendous incident. Even the Government-appointed National Commission on Human Rights acknowledged that "a process of intimidation and torture by security officials" occurred and resulted in "unlawful shootings by the military." It found that "there was intimidation and torture by the security officers in charge at the time to extract confessions."

Recently, there has also been an outbreak of gang violence, of hooded vigilantes terrorizing, abducting, assaulting, intimidating, and harassing East Timorese. These gangs—commonly known as Ninjas—have been described by residents and human rights monitors as military-related death squad-type bands. Travelers describe walking on the tropical island on a sunny Sunday afternoon, and being passed by armed youths, covered in ski masks.

Notably, the Ninjas have not been reigned in by the same military that has so effectively suppressed the East Timorese. For that reason, there is reason to believe that they are tolerated by the military. There is even some evidence that they were created by the military to do what uniformed soldiers cannot because of international attention.

Mr. President, there must be an investigation into the operations of these groups, and why they are permitted to continue functioning in East Timor.

Other forms of torture by the military are still commonplace in East Timor as well. In January 1994, the U.N. Human Rights Commissioner's Special Rapporteur on Torture reported that the most common forms of torture are beating on the head with wood, iron bars, bottles, and electric cables; kicking with heavy boots; electric shocks—mostly with cattle prods; slashing with razor blades and knives; death threats and faked executions; hanging people upside down by their feet; isolation; sleep deprivation; and the rape of East Timorese women.

The U.N. Special Rapporteur for Torture reported last year that there were "patterns of dealing violently with political dissent and [a] virtual impunity enjoyed by members of the security forces responsible for human rights violations."

The U.N. Human Rights Commission this year once again comdemned Indonesian abuses in East Timor. It also forced Indonesia to invite the U.N. Human Rights Commissioner to visit East Timor. This was the first time that happened since 1975.

The United States, in my view, has not lived up to its leadership responsibilities on this issue. While administration rhetoric—though measured—sounds supportive of human rights protections, the policy has not been forceful enough, given the extreme extent of the brutality that I described. For example, the United States defers to the U.N. peace process by which the Indonesians and Portuguese are supposed to work with the East Timores, yet the United States has not applied sufficient—if any—pressure to get the Indonesians to participate seriously in the talks. The administration says it is concerned about the military troop presence in East Timor, yet it has never devised a plan of action to work with the Indonesians, or requested a plan for Indonesian troop withdrawal from the island. In fact, at most, the administration seems to investigate the level of troop presence in East Timor only when a Member of Congress asks whether the promised reductions ever took place.

I am also perplexed why the United States is even trying to placate Indonesia. The administration permits Indonesia to buy IMET: However, for years they have been lobbying to get the taxpayer to subsidize the Indonesian military training. And while there is a small arms ban in place to prevent United States weaponry for being used in human rights violations, the administration is now trying to sell F-16's to the Indonesian military.

Mr. President, given Indonesia's defiant human rights policies, I see no reason to weaken United States policy toward it. In fact, the record of the past 2 years only indicates continued repression, continued deterioration, and increased violence against the East Timorese.

I appreciate the administration's commitment to continue its current policy, and only hope that it will redouble its efforts on behalf of human rights in Indonesia and East Timor.

I thank the Chair and yield the floor.

EXHIBIT 1

U.S. DEPARTMENT OF STATE,
Washington, DC, September 21, 1995.

DEAR SENATOR FEINGOLD: I am writing about your continuing concern about the human rights situation in Indonesia, including in East Timor, and your interest in the Administration's policy towards that country, specifically our current arms sales policy and our proposed International Military Education and Training (IMET) program.

We too are concerned about the human rights situation in Indonesia, including in East Timor, and we raise our concerns with the Indonesian government regularly. Our current arms sales policy, codified in law last summer and included in S. 908, prohibits the sale or licensing for export of small or light arms and crowd control items until the Secretary has determined that there has been significant progress on human rights in Indonesia, including in East Timor. Current law also forbids funding of International Military Education and Training (IMET) for Indonesia. As you are aware, the Administration has proposed that this ban be rescinded, and there is language in the House authorization and appropriations bills that would permit funding for Expanded IMET (E-IMET) courses.

We understand that you or other Senators may be considering amendments to the Foreign Operations Appropriations Bill that would further restrict the types of defense items that can be sold or licensed for export to Indonesia. We also have heard that some Senators who oppose any IMET funding for Indonesia are considering working to have the complete ban on such funding retained.

You have proposed that you and others in the Senate will refrain from attaching language to the Senate's version of the bill restricting arms sales to Indonesia and banning IMET funding if the Administration will agree to abide by our current arms sales policy and accept only funding for E-IMET in FY 1996.

We will abide by our current arms sales policy and, though we would have preferred restoration of full IMET, will fund only Expanded-IMET during the coming fiscal year.

I hope this information will be useful to you. Please do not hesitate to contact us if we may be of further assistance.

Sincerely,

WENDY R. SHERMAN,
Assistant Secretary, Legislative Affairs.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, this will be the last vote tonight. Tomorrow morning, starting at 9:30 we will take up the MilCon conference report, to be followed by the D.C. appropriations bill, to be followed by the legislative appropriations conference report. Therefore, I would expect one, two, three, and maybe one amendment on the D.C. bill, so maybe four votes tomorrow. We should finish early. Then I will tell you what will happen next week. Hopefully, we will finish those bills and take the next week off. But we are not there yet.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

Mr. McCONNELL. Mr. President, I ask for the yeas and nays on the bill.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays are ordered, and the clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER (Mr. SMITH). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 91, nays 9, as follows:

[Rollcall Vote No. 458 Leg.]

YEAS—91

Abraham
Akaka
Ashcroft
Baucus
Bennett
Biden
Bond
Boxer
Bradley
Breaux
Brown
Bryan
Bumpers
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
D'Amato
Daschle
DeWine
Dodd
Dole
Domenici
Dorgan
Exon
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Hatfield
Heflin
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kennedy
Kerrey
Kerry
Kohl
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Packwood
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Simon
Simpson
Snowe
Specter

Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone

NAYS—9

Bingaman
Byrd
Craig
Faircloth
Helms
Hollings
Kempthorne
Nunn
Smith

So the bill (H.R. 1868), as amended, was passed.

Mr. McCONNELL. Mr. President, I want to take one moment to thank Tim Rieser and Luke Albee of Senator LEAHY's staff; and from the Appropriations Committee staff Jim Bond, and Juanita Rilling; and, particularly, Mr. President, I want to extend my great appreciation to my personal staff members, Billy Piper, and my long-time foreign policy adviser, Robin Cleveland, for their determined work in helping us to produce this bill.

I am extremely grateful to Billy, particularly to Robin, for good advice not only on this occasion but over the years.

Mr. President, I yield the floor.

Mr. LEAHY. Mr. President, I thank the chairman for his gracious words, and I was also glad—I mentioned a number of these folks earlier—but I was also glad to have my chief of staff, Luke Albee, to join us also on this bill, as well as John P. Dowd, my legislative director.

Tim Rieser, I think all of us on our side will agree, was a dynamo. Tim handled just about everything for everybody.

I do appreciate all of them.

Mr. President, before we voted earlier, the Senator from Wisconsin was going to speak in relation to this matter on this bill. As a courtesy to the other 99 Senators, he withheld for the vote on the assurance that he could be heard. I hope that it might be possible for the Senator from Wisconsin to be heard.

I assume we will appoint conferees. I wonder if we could yield for that.

Mr. BENNETT. Mr. President, I move that the Senate insist on its amendments and request a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. SMITH) appointed Mr. MCCONNELL, Mr. SPECTER, Mr. MACK, Mr. GRAMM, Mr. JEFFORDS, Mr. GREGG, Mr. SHELBY, Mr. HATFIELD, Mr. LEAHY, Mr. INOUYE, Mr. LAUTENBERG, Mr. HARKIN, Ms. MIKULSKI, Mrs. MURRAY, and Mr. BYRD conferees on the part of the Senate.

MORNING BUSINESS

Mr. BENNETT. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNITED STATES/UNITED KINGDOM AVIATION RELATIONS

Mr. PRESSLER. Mr. President, I rise today to express my great disappointment that an agreement further liberalizing United States/United Kingdom aviation relations was not struck in London last week. Once again, I believe the British Government put the interests of one constituent above the best interests of British consumers.

The United Kingdom is one of our largest and most important trading partners. For many years that trading relationship has flourished. Open market principles have been the engine responsible for its success. Without a doubt, the free flow of commerce between our two nations has significantly benefited both economies. Perhaps the biggest winners of all have been consumers on both sides of the Atlantic who have reaped the benefits of enhanced consumer choice and competitive prices.

Regrettably, over the last few decades, the British have repeatedly rebuffed our attempts to extend our open trade relationship to include commercial aviation rights. In fact, the United States/United Kingdom bilateral aviation agreement is our most restrictive international aviation agreement. For good reason, that agreement, the so-called Bermuda II agreement signed in 1977, is widely regarded as being the high water mark for international aviation protectionism.

In London last week, the United States and United Kingdom had an historic opportunity to further liberalize our aviation relationship. Instead of taking a major step forward, United States/United Kingdom aviation relations seem to have taken a giant leap backward. I am very concerned that the failure to reach agreement last week has squandered hard earned momentum from the phase 1 deal in June and resurrected mistrust between the countries that has plagued negotiations for years.

Mr. President, despite these concerns, the United States and United Kingdom must press forward with phase 2 negotiations. We owe it to consumers on both sides of the Atlantic. For far too long the United States/United Kingdom aviation debate has focussed primarily on the interests of passenger and cargo carriers. I urge negotiators on both sides of the table to resume talks with a broader focus, one which considers the significant stake consumers have in enhanced air service and more competitive prices.

In a speech before the Aviation Club of Great Britain earlier this week, Gerald Greenwald, the Chairman and CEO of United Airlines, echoed this point. Mr. Greenwald called for a "renewed concentration on consumers" and quite accurately observed that the real losers under the restrictive Bermuda II agreement are consumers "in the United States and United Kingdom alike." He is absolutely correct.

I ask unanimous consent that Mr. Greenwald's speech before the Aviation Club of Great Britain to which I referred be inserted in the RECORD at the conclusion of my remarks.

Mr. President, I hope benefits to consumers are factored into the equation next time American and British negotiators meet in phase 2 talks. Perhaps then the need for liberalization of the United States/United Kingdom bilateral aviation agreement will be clearer to the British. Undoubtedly, the benefits of liberalization will be more readily apparent.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

GERALD GREENWALD; AVIATION CLUB OF GREAT BRITAIN, CHAIRMAN AND CEO, UNITED AIRLINES

LONDON—September 19, 1995. Thanks, all of you for this warm welcome. Let me salute Allan Winn, Chairman of the Aviation Club of Great Britain, along with the many leading lights of Great Britain's aviation industry—public and private sector alike—whom I am honored to address today.

I promised Allan I would refrain from any "commercial" plugs for my company, although temptation, of course, is great. But Allan was kind enough to ask—as people often do when a visitor arrives—how was my trip?

I want to assure you: The flight over in United's new 777 was quite comfortable. I enjoyed the full 64 inches of leg room, the five star first-class service—and what must be the most courteous flight attendant and pilot crew in the business.

So Allan—thanks for asking.

I appreciate the opportunity to address you today. I see this as a chance to advance a dialogue that must take place if any of us, on either side of the Atlantic, are to prosper in our new environment. This industry has to look ahead—this industry has to change because its growth—needs to outpace that of the world economy.

The fact is, at no time since the Second World War has the airline industry been presented with market forces more conducive to profitable growth. The demand for thinking for the future is almost overwhelming. And that is what I want to talk about today because, as an industry, we are not meeting the challenge, not doing justice to our customers.

But I didn't come here to talk to you about what everybody else talks about—the way everyone in our industry is mesmerized by the growth in air traffic. That kind of looking inward—that fixation on ourselves—is a kind of corporate indulgence we can't afford: Short-term gain for long-term grief.

I came here to make the case for change in focus—for a renewed concentration on the customer.

We're slow to recognize what the customer wants from the travel experience.

Back on my side of the ocean, the travel agents are fighting with the airlines ... the airlines are fighting with one another ... and meanwhile, the customer stands alone at the counter.

It's as if we grow so accustomed to our place in the market—to our sheer size and staying power—that we forget who has the power to bring us down.

I'm not talking about a competitor... or another company... or some amorphous notion such as "competition"...

I'm talking about the consumer. The most powerful economic factor in the world.

It's a concept we grasp quite easily in political dimension. But the freedom of choice at the ballot box has its parallel in the economy as well: In every consumer's checkbook choice—the freedom to take his or her business elsewhere.

Now, provided we put the customer first—the fundamentals are in place for a very positive forecast. Consider the state of our industry.

The fundamentals are there for a very positive forecast. Consider the state of our industry.

In the beginning of this decade, in 1990, worldwide airline revenues totaled $211 billion.

Estimates now predict industry revenues—both business and leisure travel—will reach $350 billion by the year 2000.

To put that in perspective, consider the world's total GDP will rise 50 percent between 1990 and the year 2000. Over that same timeframe, airline revenues will rise an even faster 60 percent.

All told, it's an impressive record. A century that began with mankind's first powered flight—a span of 120 feet lasting 12 seconds—ends with the movement of 1.2 billion passengers on 17 million flights across 24 time zones at every hour of the day and night.

So if all of that's true—and it is—why do so many of us want to grimace rather than grin?

Because we know the rest of the picture. We know that revenues, however great, are not profits—and growth, no matter how rapid, is not necessarily a reflection of success or superior service.

Granted, this industry has grown. But too many airlines have lost too much money for their shareholders and the taxpayers who support them. Too many customers regard what they get from us with a combustible combination of cynicism and suspicion.

Some of our passengers take us for granted. Other passengers think every time they buy a ticket—as we say in America, we're taking them for a ride.

It's hard in that kind of atmosphere to build the bonds of trust—to establish the loyalty that keeps customers coming back. That's the central challenge in a service industry such as ours—a challenge United is working to meet as the world's largest employee-owned company.

And we are a new company—a new United—since Steve Wolf stood before you just over a year ago. What we're about isn't just a phrase—it's a deep-felt philosophy: A solid sense that of all the measures management can take to improve productivity none has more up-side potential than empowering our workforce. And what better way than turning employees into owners? As Peter Drucker has observed, the only sustainable corporate advantage in the new, open, global marketplace—is people.

When we entered into our employee-ownership (ESOP) agreement, we were banking on more than a structural shift in our organization—we were counting on a change in corporate culture to take us to a more competitive level. And in a service industry, employee satisfaction shows—in the finished product—in the face we present every day to our passengers.

And we're seeing that change in culture translate into strong results. You're used to hearing about Returns on Investment—well, our ESOP's delivering what I call Return on Ownership:

Fewer sick days: Down 21 percent last month—in our year-over-year comparison. And increased "dependability" means a savings of about $52 million.

Fewer grievances: Down 75 percent year-over-year. And again—that's an opportunity to resolve differences without costly and time consuming procedures—energy that could be spent on serving our customers.

Overall, it's part of the positive numbers United's putting on the board:

Revenue is up $729 million—6.7 percent over last year.

Operating earnings are up—our operating margin is up. So are net earnings and net margin. And unit revenue is outpacing unit cost.

Let me give you just one market example. Thanks in part to our new Shuttle by United, the Los Angeles region is solidly profitable.

Our departures are up 73 percent in the last 4 years—and we're serving more major domestic and international destinations from L.A. than any other carrier.

All of the changes we've made within our company are moving us in the right direction. But there's still the matter of the environment around us—the system in which we—and all our competitors—have to operate.

And that is where external factors dictate the difficulties we face—in the form of a system that stops us from serving our customers as well as we could. And that system is my subject today.

What do I mean? Let me ask: How many of us would maintain a fleet of DC-7s or Lockheed Constellations—how many of us would want to sell passengers on the virtues of an 15 hour crossing of the Atlantic, or only a handful of domestic flights to our country's largest cities?

In other words, how well do we think we'd fare with a 1950's fleet in our 1990's world?

Yet we're struggling along with an equally antiquated structure governing our flights/our routes/and our schedules. Simply put: The structure of our industry is not adapting to the needs of the new customers, new nations, and new regions we serve.

If this industry is to reach its potential—if we are to continue not simply to expand but to excel—we have to change. We have to raise our standards—raise our own expectations to a level above and beyond that of the customers and the countries who rely on us. We have to stop talking about today's weather and create a new climate.

Because in the end, there is only one route to customer service—and that is competition.

Nothing could be further from that ideal than our present World War II vintage system of bilateral regulation. Created in an era when national frontiers were also market boundaries—when economies were isolated entities, self contained islands of commerce—Conceived at a time when Churchill roamed Number 10 Downing Street, and both the Democrats and Republicans were competing to see who "liked Ike."

Our bilateral system was a Frankenstein, stitched together when colonialism was fading, nationalism was coming to the fore—and a protectionist system of managed trade seemed the best we could muster.

And that bad beginning got steadily worse—reaching bottom with the so-called Bermuda II agreement in 1977.

It's a wonder the system served us as well as it did, as long as it did.

Today—we must all agree—the system is slowly strangling us.

What we have now is a kind of controlled chaos—an industry impasse in which no one is comfortable with the system as it is, but no one can make the move to the more competitive system we need.

Take United's position as a case in point, squeezed by the straight-jacket we call Bermuda II. Geographically, the U.K. is key to United: A gateway to the entire continent of Europe—and beyond, a critical crossroad in the global aviation market.

While we are one of only two U.S. carriers allowed to serve Heathrow, if we look at United's major hubs in the U.S.—every one carries tight restrictions on capacity to Heathrow:

At Washington, DC, we have been running load factors to Heathrow of 92 percent for the last three months—and yet we were just turned down for two extra frequencies a week.

At Chicago, our largest hub, after a four-year struggle, last week we finally gained access to Heathrow—and yet it's limited to seven weekly flights in a 767. Let me emphasize—this is from the world's busiest airport to the world's largest international destination. But even that is better than Denver, our second largest hub—where we can provide no service at all to Heathrow. Of all the major country-to-country agreements to which the U.S. is party, none is more restrictive than Bermuda II.

But as bad as I believe Bermuda II is—this much I know: The real losers are the consumes. In this, Bermuda II claims its casualties on both sides of the Atlantic—hurting consumers with higher prices and poorer service in the U.S. and the U.K. alike.

So what's the solution? Certainly not the 1950's thinking that argues that the way to build your carrier's market share is to handicap the competitiveness of the others.

Market shares in aviation should be driven by customer choices—just as they are in most areas of trade today. I submit there is only one answer for the 1990s—working together for change—working together to open the skies of Europe, America, Asia and every point in between—to competition.

Now, I want to be clear: Just as the current bilateral constraints increasingly serve no one—competition, too, has its costs. Not all airlines will succeed—not all will even survive. But the alternative—the price of sticking with the status quo—is truly like two scorpions in a bottle. Neither will come out alive.

Why tinker at the margins managing trade? Why not simply throw open the doors—and let the competition begin?

Anything less than full competition really doesn't do either of us a favor—because in an industry as global as ours, we really can't hide from competition anyway.

What do we need? Liberalization—as much as possible, as soon as possible. A beginning today that we can build on tomorrow.

As our target, we ought to take an example from outside our industry: From the world of telecommunications. When you pick up a telephone and dial an international number or send a fax to an international destination—you don't want to negotiate with each of the different companies that carries the signal or routes the call.

It doesn't matter to you whether it crosses the ocean floor by cable or skips over by satellite—what you care about is getting through to the other end. Yet our current system of air travel does just that to our customers—confronting them with a bewildering array of barriers and bottlenecks between them and their destination.

To their credit, both the U.S. and Britain have recently taken significant steps toward the liberalization of air transportation between our two countries. The differences seem to be over the pace of that movement, not the ultimate objective.

And, as I have pointed out to the U.S. government, in recent months—to give credit where credit is due—it has been the British side that maintained the momentum toward liberalization, while the U.S. (and United) was all but immobilized by our own internal squabbles.

To be candid, our struggle to launch direct Chicago-London service last week was impeded as much by vested interests in the U.S. as in the U.K.

Now of course, our small steps forward have been accompanied by two steps back—away from the negotiating table. We must all hope our two governments get back to the table—and resume the Phase II talks that are the only path to progress and to open skies.

There is a mystery I cannot comprehend: And that is how the U.S. and the U.K.—two countries that literally live by international trade—and with the possible exception of Japan, endure the rockiest bilateral relationship in the aviation industry.

The plain fact is—liberalization can't be limited. On the other side of the world—as across the Atlantic—the principle of consumer choice must prevail. The principle I hope will soon be put in practice for our two countries should apply equally to the opening of new routes in Asia.

Few tasks will be tougher. Japan's Ministry of Transportation, for example, seems fixated on a protectionist path—marching in one direction while the rest of the world moves in another.

What Japan seems to want in 1996 is a replay of the mistake the U.S. and the U.K. made in 1976 when we started down the path of Bermuda II. And as a recent editorial in the Far Eastern Economic Review noted, you can't open an issue of the Orient Airlines Association magazine without finding a list of reasons why competition is bad.

Much of the air service industry there remains locked in a mercantilist mindset. And that's unfortunate because Asia and Asian consumers are not exempt from the adverse consequences of attempts to limit air traffic.

There's no free lunch: When Japan's Ministry of Transportation imposes regulations to protect their carriers—consumers pay the price. It's an iron law of economics: One company's windfall is the consumer's downfall.

Competition is consumer friendly. It's a notion we haven't quite grasped yet. Take the recent positive steps toward opening more Japan destinations to Federal Express.

In the industry, people are asking—Who won? Japan or the U.S.? I'll tell you who won. The consumers—of both countries!

As for United, we're ready right now to take interim steps toward the broad liberalization that will ultimately serve all of us best. In Japan, as we did in Germany, we are prepared to accept a period of constrained growth—to give JAL breathing space. But our ultimate aim at the end of that period must be—once again, as it was in Germany—a market driven regime.

In the end, freeing up competition—evolving an open skies approach—is in every country's interest. Liberalization and internationalization go hand in hand. And they are essential in today's economy.

And that really is my message today.

Gone are the days when we could chart a future built on cozy arrangements and backroom bilateral deals. The one covenant that counts—is the promise we make to the people we serve.

Thank you.

MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session the Presiding Officer laid before the Senate a message from the President of the United States submitting a nomination which was referred to the Committee on Armed Services.

(The nomination received today is printed at the end of the Senate proceedings.)

REPORT ENTITLED "HIGHWAY SAFETY: 1994"—MESSAGE FROM THE PRESIDENT—PM 83

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation.

To the Congress of the United States:

I transmit herewith the 1994 calendar year reports as prepared by the Department of Transportation on activities under the Highway Safety Act, the National Traffic and Motor Vehicle Safety Act of 1966, and the Motor Vehicle Information and Cost Savings Act of 1972, as amended.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *September 21, 1995.*

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 2:13 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker signed the following enrolled bills:

S. 464. An Act to make the reporting deadlines for studies conducted in Federal court demonstration districts consistent with the deadlines for pilot districts, and for other purposes.

S. 532. An Act to clarify the rules governing venue, and for other purposes.

At 5:45 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence with the Senate:

H.R. 1617. An Act to consolidate and reform workforce development and literacy programs, and for other purposes.

The message also announced that the House insists upon its amendments to the bill (S. 440) to amend title 23, United States Code, to provide for the designation of the National Highway System, and for other purposes, and asks a conference with the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. SHUSTER, Mr. CLINGER, Mr. PETRI, Mr. EMERSON, Mr. LAHOOD, Mr. MINETA, Mr. OBERSTAR, and Mr. RAHALL as the managers of the conference on the part of the House.

The message further announced that the House disagreed to the amendment of the Senate to the bill (H.R. 1530) to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1996, and for other purposes and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints the following Members as the managers of the conference on the part of the House:

From the Committee on National Security, for consideration of the House bill (except for sections 801–803, 811–814, 826, 828–832, 834–838, 842–843, 850–896) and the Senate amendment (except for sections 801–803, 815–818, 2851–2857, and 4001–4801) and modifications committed to conference: Mr. SPENCE, Mr. STUMP, Mr. HUNTER, Mr. KASICH, Mr. BATEMAN, Mr. HANSEN, Mr. WELDON of Pennsylvania, Mr. DORNAN, Mr. HEFLEY, Mr. SAXTON, Mr. CUNNINGHAM, Mr. BUYER, Mr. TORKILDSEN, Mrs. FOWLER, Mr. MCHUGH, Mr. WATTS of Oklahoma, Mr. JONES, Mr. LONGLEY, Mr. DELLUMS, Mr. MONTGOMERY, Mrs. SCHROEDER, Mr. SKELTON, Mr. SISISKY, Mr. SPRATT, Mr. ORTIZ, Mr. PICKETT, Mr. EVANS, Mr. TANNER, Mr. BROWDER, Mr. TAYLOR of Mississippi, Mr. ABERCROMBIE, Mr. EDWARDS, and Mr. PETERSON of Florida.

From the Committee on National Security, for consideration of sections 801–803, 811–814, 826, 828–832, 834–838, 842–843, and 850–896 of the House bill and sections 801–803 and 815–818 of the Senate amendment, and modifications committed to conference: Mr. SPENCE, Mr. STUMP, Mr. WATTS of Oklahoma, Mr. DELLUMS, and Mr. SPRATT.

From the Committee on National Security, for consideration of sections 2851–2857 of the Senate amendment, and modifications committed to conference: Mr. SPENCE, Mr. HEFLEY, Mr. JONES, Mr. ORTIZ, and Mr. MONTGOMERY.

From the Committee on National Security, for consideration of sections 4001–4801 of the Senate amendment, and modifications committed to conference: Mr. SPENCE, Mr. STUMP, Mr. TORKILDSEN, Mr. WATTS of Oklahoma, Mr. LONGLEY, Mr. DELLUMS, Mr. EDWARDS, and Mr. PETERSON of Florida.

As additional conferees from the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 2 of rule XLVIII: Mr. COMBEST, Mr. YOUNG of Florida, and Mr. DICKS.

As additional conferees from the Committee on Agriculture, for consideration of sections 2851–2857 of the Senate amendment, and modifications committed to conference: Mr. ROBERTS, Mr. ALLARD, Mr. LAHOOD, Mr. DE LA GARZA, and Mr. JOHNSON of South Dakota.

As additional conferees from the Committee on Commerce, for consideration of sections 601 and 3402–3404 of the House bill and sections 323, 601, 705, 734, 2824, 2851–2857, 3106–3107, 3166, and 3301–3302 of the Senate amendment, and modifications committed to conference: Mr. BLILEY, Mr. SCHAEFER, and Mr. DINGELL: *Provided*, That Mr. OXLEY is appointed in lieu of Mr. SCHAEFER for consideration of sections 323, 2824, and 3107 of the Senate amendment: *Provided further*, that Mr. BILIRAKIS is appointed in lieu of Mr. SCHAEFER for consideration of section 601 of the House bill and sections 601, 705, and 734 of the Senate amendment: *Provided further*, That Mr. HASTERT is appointed in lieu of Mr. SCHAEFER for consideration of sections 2851–2857 of the Senate amendment.

As additional conferees from the Committee on Economic and Educational Opportunities, for consideration of section 394 of the House bill, and sections 387 and 2813 of the Senate amendment, and modifications committed to conference: Mr. GOODLING, Mr. RIGGS, and Mr. CLAY.

As additional conferees from the Committee on Government Reform and Oversight, for consideration of sections 332–333, and 338 of the House bill, and sections 333 and 336–343 of the Senate amendment, and modifications committed to conference: Mr. CLINGER, Mr. MICA, Mr. BASS, Mrs. COLLINS of Illinois, and Mrs. MALONEY.

As additional conferees from the Committee on Government Reform and Oversight, for consideration of sections 801–803, 811–814, 826, 828–832, 834–840, and 842–843 of the House bill, and sections 801–803 and 815–818 of the Senate amendment, and modifications committed to conference: Mr. CLINGER, Mr. HORN, Mr. DAVIS, Mrs. COLLINS of Illinois, and Mrs. MALONEY.

As additional conferees from the Committee on Government Reform and Oversight, for consideration of sections 850–896 of the House bill, and modifications committed to conference: Mr. CLINGER, Mr. DAVIS, and Mrs. COLLINS of Illinois.

As additional conferees from the Committee on Government Reform and Oversight, for consideration of sections 4001–4801 of the Senate amendment, and modifications committed to conference: Mr. CLINGER, Mr. SCHIFF, Mr. ZELIFF, Mr. HORN, Mr. DAVIS, Mrs. COLLINS of Illinois, Mrs. MALONEY, and Mr. SPRATT.

As additional conferees from the Committee on House Oversight, for consideration of section 1077 of the Senate amendment, and modifications committed to conference: Mr. THOMAS, Mr. ROBERTS, and Mr. HOYER.

As additional conferees from the Committee on International Relations, for consideration of sections 231–232, 235, 237–238, 242, 244, 1101–1108, 1201, 1213, 1221–1230, and 3131 of the House bill and sections 231–233, 237–238, 240–241, 1012, 1041–1044, 1051–1064, and 1099 of the Senate amendment, and modifications committed to conference: Mr. GILMAN, Mr. GOODLING, Mr. ROTH, Mr. BEREUTER, Mr. SMITH of New Jersey, Mr. HAMILTON, Mr. GEJDENSON, and Mr. LANTOS.

As additional conferees from the Committee on the Judiciary, for consideration of sections 831 (only as it adds a new section 27(d) to the Office of Federal Procurement Policy Act), and 850–896, of the House bill and sections 515, 1075, and 1098 of the Senate amendment, and modifications committed to conference: Mr. HYDE, Mr. GEKAS, and Mr. CONYERS.

As additional conferees from the Committee on Rules, for consideration of section 3301 of the Senate amendment, and modifications committed to conference: Mr. SOLOMON, Mr. DREIER, and Mr. BEILENSON.

As additional conferees from the Committee on Science, for consideration of sections 203, 211, and 214 of the House bill and sections 220–221, 3137, 4122(a)(3), 4161, 4605, and 4607 of the Senate amendment, and modifications committed to conference: Mr. WALKER, Mr. SENSENBRENNER, and Mr. BROWN of California.

As additional conferees from the Committee on Transportation and Infrastructure, for consideration of sections 223, 322, 2824, and 2851–2857 of the Senate amendment, and modifications committed to conference: Mr. SHUSTER, Mr. WELLER, and Mr. OBERSTAR.

As additional conferees from the Committee on Veteran's Affairs, for consideration of section 2806 of the House bill and sections 644–645 and 4604 of the Senate amendment, and modifications committed to conference: Mr. SMITH of New Jersey, Mr. HUTCHINSON, and Mr. KENNEDY of Massachusetts.

As additional conferees from the Committee on Ways and Means, for consideration of sections 705, 734, and 1021 of the Senate amendment, and modifications committed to conference: Mr. ARCHER, Mr. THOMAS, and Mr. STARK.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 1617. An Act to consolidate and reform workforce development and literacy programs, and for other purposes, to the Committee on Labor and Human Resources.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–1456. A communication from the Chairman of the National Transportation Safety Board, transmitting, pursuant to law, notice of a response to the Office of Management and Budget; to the Committee on Commerce, Science, and Transportation.

EC–1457. A communication from the Secretary of Transportation, transmitting, pursuant to law, notice of action relative to the Eldorado International Airport, Bogota, Columbia; to the Committee on Commerce, Science, and Transportation.

EC–1458. A communication from the Chairman of the National Transportation Safety Board, transmitting, pursuant to law, the report of the budget estimate for fiscal year 1997; to the Committee on Commerce, Science, and Transportation.

EC–1459. A communication from the Deputy Associate Director for Compliance, Minerals Management Service, Royalty Management Program, Department of the Interior, transmitting, pursuant to law, notice of the intention to make refunds of offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC–1460. A communication from the Deputy Associate Director for Compliance, Minerals Management Service, Royalty Management Program, Department of the Interior, transmitting, pursuant to law, notice of the intention to make refunds of offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–294. A joint resolution adopted by the Military Chaplains Association relative to military retired pay; to the Committee on Armed Services.

POM–295. A resolution adopted by the Military Chaplains Association relative to the retention of military commissaries; to the Committee on Armed Services.

POM–296. A resolution adopted by the Military Chaplains Association relative to cost-of-living adjustments; to the Committee on Armed Services.

POM–297. A resolution adopted by the Military Chaplains Association relative to the Uniformed Services University of the Health Services; to the Committee on Armed Services.

POM–298. A resolution adopted by the House of the Legislature of the State of Texas; to the Committee on Armed Services.

"RESOLUTION NO. 38

"Whereas, Americans recognize and appreciate the enormous sacrifices made by United States military personnel who served courageously in the Vietnam War and the conflict in Southeast Asia, some of whom are still classified as missing in action; and

"Whereas, while the status of most of the American soldiers who lost their lives or were injured during this long military engagement is certain, the fate of more than

2,000 military personnel remains unknown decades after the United States' final withdrawal from Vietnam; and

"Whereas, the unresolved status of those brave individuals is, understandably, a source of great concern for their families, their friends, and their fellow citizens and represents a chapter in our nation's history that cannot be satisfactorily concluded until their whereabouts are known; and

"Whereas, recognizing the important of this vital obligation to American military personnel and their families, the United States Congress has sought to locate these individuals in the past and should continue to take all necessary steps to fulfill this important duty in the future: Now, therefore, be it

"*Resolved*, That the House of Representatives of the 74th Texas Legislature hereby request the Congress of the United States to continue its efforts to determine the location and status of all United States military personnel still missing in Southeast Asia; and, be it further

"*Resolved*, That official copies of this resolution be prepared for the President of the United States, the Speaker of the House of Representatives of the United States Congress, the President of the Senate of the United States Congress, and all members of the Texas delegation to the Congress."

POM-299. A joint resolution adopted by the Legislature of the State of California Uniformed Services; to the Committee on Armed Services.

"JOINT RESOLUTION NO. 27

"Whereas, California is proud to be the home of millions of active and retired military personnel; and

"Whereas, these personnel and their families have earned the right to have access to quality health care because of distinguished service to our state and country; and

"Whereas, this quality health care is to be delivered through the Civilian Health and Medical Program of the Uniform Services (CHAMPUS) program; and

"Whereas, these personnel and their families have already been seriously inconvenienced by the actions of the federal government in closing many of the military bases where they customarily received their medical care, forcing them to travel great distances to receive medical care from different providers; and

"Whereas, these personnel and their families were again inconvenienced by the action of the federal government in changing the administration of the CHAMPUS program last year. These changes required some of these military and veteran families to change medical providers, and to travel greater distances to receive medical care; and

"Whereas, the Federal government is contemplating making even further major changes to the CHAMPUS program. These changes will cause dislocation in the provider networks that will require that military families endure a stressful transition to new doctors and providers; and

"Whereas, many of these changes will result in fewer medical providers available to families which will adversely affect medical quality: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly*, That the Legislature of the State of California respectfully memorializes the United States Department of Defense to make every effort to ensure that the commitment made to provide medical benefits to our military and veteran families through the CHAMPUS program be honored, and that when changes are contemplated for the program that priority be given to protecting the benefits of military and veteran families by ensuring that quality medical care is available at convenient locations for these families, and in doing this, that the Department of Defense take into consideration the impact and the dislocation caused to military and veteran families by previous changes to the program and that any future changes be designed to minimize further dislocation and to enhance the CHAMPUS program rather than to reduce the benefits already earned by our military; and be it further

"*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the United States House of Representatives, to the Secretary of Defense, to the Director of the Office of Management and Budget, and to each Senator and Representative from California in the Congress of the United States."

POM-300. A joint resolution adopted by the Legislature of the State of California; to the Committee on Armed Services.

"JOINT RESOLUTION NO. 21

"Whereas, McClellan Air Force Base, located in the City of Sacramento, California, is one of the five major Air Force logistic command centers in the United States; and

"Whereas, this base has been a major aircraft repair facility for almost 60 years; and

"Whereas, McClellan is one of the largest United States Air Force bases as well as the largest employer in northern California; and

"Whereas, McClellan is the home facility for other critical and essential military organizations, including the Coast Guard Rescue Service, a Reserve Tanker Wing, and a National Guard Tanker Unit; and

"Whereas, the base plays a key function in supporting the responsibility of the entire Air Force and has been a major maintenance and support element in World War II, the Korean Conflict, the Vietnam Conflict, the Gulf Conflicts, as well as fulfilling numerous other tactical maintenance requirements; and

"Whereas, McClellan has been a part of the State of California prior to the buildup of our armed forces during World War II and its capability could not be duplicated today without a major expenditure of funds; and

"Whereas, McClellan Air Force Base is geographically and strategically located on the West Coast and serves as a gateway to our forces in the Pacific Basin; and

"Whereas, McClellan has developed extremely advanced technology not only for aircraft maintenance but for medical research as well as composite research that is world renowned; and

"Whereas, Potential loss both to the personnel at McClellan as well as the State of California that would result from closure of the base is inestimable in terms of technology, health and welfare, jobs, and community spirit. Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly*, That the Legislature of the State of California respectfully memorializes the Defense Base Closure and Realignment Commission, the President and Congress of the United States to consider the strategic importance of McClellan Air Force Base and to oppose proposals to close this important military installation; and be it further

"*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the Chairman of the Defense Base Closure and Realignment Commission, to the President and Vice President of the United States, and to each Senator and Representative from California in the Congress of the United States."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on Armed Services:

*John T. Conway, of New York, to be a Member of the Defense Nuclear Facilities Safety Board for a term expiring October 18, 1999.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. THURMOND. Mr. President, for the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the RECORDS of July 20, July 24, August 3, August 10, and September 5, 1995, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORDS of July 20, 24, August 3, 10, and September 5, 1995 at the end of the Senate proceedings.)

*In the Navy there are 2 promotions to the grade of rear admiral (list begins with Ralph Melvin Mitchell, Jr.) (Reference No. 97).

*In the Naval Reserve there are 10 promotions to the grade of rear admiral (lower half) (list begins with Kenneth Peter Barausky) (Reference No. 165).

*In the Navy there are 2 promotions to the grade of rear admiral (list begins with Barton D. Strong) (Reference No. 249).

*Rear Adm. (lower half) S. Todd Fisher, USN to be rear admiral (Reference No. 526).

*Col. William J. Dendinger, USAF to be brigadier general (Reference No. 531).

**In the Army there are 2 promotions to the grade of lieutenant colonel and below (list begins with John D. Pitcher) (Reference No. 534).

**In the Navy there are 4 appointments to the grade of ensign (list begins with Kyujin J. Choi) (Reference No. 535).

**In the Air Force Reserve there are 29 promotions to the grade of lieutenant colonel (list begins with Von S. Bashay) (Reference No. 538).

**In the Navy there are 11 appointments to the grade of ensign (list begins with Scott A. Avery) (Reference No. 539).

**In the Marine Corps there are 7 appointments to the grade of second lieutenant (list begins with Bradley J. Harms) (Reference No. 540).

**In the Marine Corps Reserve there are 35 promotions to the grade of colonel (list begins with Charles H. Allen) (Reference No. 541).

**In the Naval Reserve there are 159 promotions to the grade of captain (list begins with Glenn M. Amundson) (Reference No. 542).

**In the Naval Reserve there are 411 promotions to the grade of commander (list begins with Richard J. Alioto) (Reference No. 543).

**In the Marine Corps Reserve there are 166 promotions to the grade of lieutenant colonel (list begins with Douglas E. Akers) (Reference No. 544).

*Maj. Gen. Jefferson D. Howell, Jr., USMC to be lieutenant general (Reference No. 561).

**In the Army Reserve there are 9 promotions to the grade of colonel and below (list begins with Gerhard Braun) (Reference No. 562).

**In the Army Reserve there are 36 promotions to the grade of colonel and below (list begins with John A. Belzer) (Reference No. 563).

**In the Army Reserve there are 23 promotions to the grade of colonel and below (list begins with Robert Bellhouse) (Reference No. 564).

**In the Army Reserve there are 34 promotions to the grade of colonel and below (list begins with Terry C. Amos) (Reference No. 565).

**In the Naval Reserve there are 777 promotions to the grade of commander (list begins with Andrew W. Acevedo) (Reference No. 566).

**In the Army there are 410 promotions to the grade of major (list begins with Jeffrey S. Almony) (Reference No. 567).

*Adm. William O. Studeman, USN to be placed on the retired list in the grade of admiral (Reference No. 568).

*Vice Adm. Norman W. Ray, USN to be placed on the retired list in the grade of vice admiral (Reference No. 569).

**In the Army Reserve there are 35 promotions to the grade of colonel and below (list begins with David G. Barton) (Reference No. 580).

**In the Air Force Reserve there are 9 promotions to the grade of lieutenant colonel (list begins with Michael D. Bouwman) (Reference No. 606).

**In the Air Force Reserve there are 20 promotions to the grade of lieutenant colonel (list begins with Gary L. Ebben) (Reference No. 607).

**Col. Michael L. Jones, USA for appointment as Director of Admissions at the United States Military Academy (Reference No. 608).

**In the Army Reserve there are 44 promotions to the grade of colonel and below (list begins with Gerard H. Barloco) (Reference No. 609).

**In the Navy there are 5 appointments to the grade of ensign (list begins with Jeremy L. Hilton) (Reference No. 610).

**In the Air Force Reserve there are 21 appointments to the grade of colonel and below (list begins with Maria A. Berg) (Reference No. 619).

**In the Army there are 3 promotions to the grade of lieutenant colonel and below (list begins with Lillian A. Foerster) (Reference No. 620).

**In the Navy and Naval Reserve there are 10 appointments to the grade of commander and below (list begins with Gary E. Sharp) (Reference No. 621).

**In the Air Force there are 140 appointments to the grade of second lieutenant (list begins with Mark B. Allen) (Reference No. 622).

*Rear Adm. (lower half) David J. Nash, USN to be rear admiral (Reference No. 627).

Total: 2,421.

The following-named officer for appointment to the grade of lieutenant general in the U.S. Marine Corps while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

Maj. Gen. Jefferson D. Howell, Jr., [redacted].

The following-named officer for promotion in the Navy of the United States to the grade indicated under title 10, United States Code, section 624:

CIVIL ENGINEER CORPS

To be rear admiral

Rear Adm. (LH) David J. Nash, [redacted], U.S. Navy.

The following-named officer to be placed on the retired list of the U.S. Navy in the grade indicated under section 1370 of title 10, United States Code:

To be vice admiral

Vice Adm. Norman W. Ray, [redacted].

The following-named officer to be placed on the retired list of the U.S. Navy in the grade indicated under section 1370 of title 10, United States Code:

To be admiral

Adm. William O. Studeman, [redacted].

The following-named officer for promotion in the Navy of the United States to the grade indicated under title 10, United States Code, section 624:

SENIOR HEALTH CARE EXECUTIVE

To be rear admiral

Rear Adm. (LH) S. Todd Fisher, [redacted], U.S. Navy.

To following-named rear admirals (lower half) in the restricted line of the U.S. Navy for promotion to the permanent grade of rear admiral, pursuant to title 10, United States Code, section 624, subject to qualifications therefore as provided by law:

AREOSPACE ENGINEERING DUTY OFFICER

To be rear admiral

Rear Adm. (L) Barton D. Strong, [redacted], U.S. Navy.

SPECIAL DUTY OFFICER (CRYPTOLOGY)

To be rear Admiral

Rear Adm. (L) Thomas F. Stevens, [redacted], U.S. Navy.

Nominate the following-named rear admirals (Lower Half) in the Supply Corps of the U.S. Navy for promotion to the permanent grade of rear admiral, pursuant to title 10, United States Code, section 624, subject to qualifications therefore as provided by law:

SUPPLY CORPS

To be rear admiral

RADM (LH) Ralph Melv Mitchell, Jr., [redacted], U.S. Navy.

RADM (LH) Leonard Vincent, [redacted], U.S. Navy.

The following named captains of the Reserve of the U.S. Navy for permanent promotion to the grade of rear admiral (lower half) in the line and staff corps, as indicated, pursuant to the provision of title 10, United States Code, section 5912:

UNRESTRICTED LINE OFFICER

To be rear admiral (lower half)

Capt. Kenneth Peter Barausky, [redacted], U.S. Naval Reserve.

Capt. Martin Edward Janczak, [redacted], U.S. Naval Reserve.

Capt. Pierce Jarvis Johnson, [redacted], U.S. Naval Reserve.

Capt. Michael Robert Scott, [redacted], U.S. Naval Reserve.

INTELLIGENCE OFFICER

To be real admiral (lower half)

Capt. Larry Lafayette Poe, [redacted], U.S. Naval Reserve.

PUBLIC AFFAIRS OFFICER

To be rear admiral (lower half)

Capt. Richard Harry Wells, [redacted], U.S. Naval Reserve.

MEDICAL CORPS OFFICER

To be rear admiral (lower half)

Capt. John Bert Cotton, [redacted], U.S. Naval Reserve.

Capt. John Conant Weed, Jr., [redacted], U.S. Naval Reserve.

SUPPLY CORPS

To be rear admiral (lower half)

Capt. Fred Joseph Schuber III, [redacted], U.S. Naval Reserve.

CHAPLAIN CORPS

To be rear admiral (lower half)

Capt. Peter Hess Beckwith, [redacted], U.S. Naval Reserve.

The following-named officer for promotion in the Regular Air Force of the United States to the grade of brigadier general under title 10, United States Code, section 624:

To be brigadier general

Col. William J. Dendinger, [redacted], United States Air Force.

(The above nominations were reported with the recommendations that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. LEAHY (for himself and Mr. HARKIN):

S. 1265. A bill to authorize the Secretary of Agriculture to make temporary assistance available to support community food security projects designed to meet the food needs of low-income people, increase the self-reliance of communities in providing for their own food needs, and promote comprehensive, inclusive, and future-oriented solutions to local food, farm, and nutrition problems, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LEAHY (for himself and Mr. HARKIN):

S. 1265. A bill to authorize the Secretary of Agriculture to make temporary assistance available to support community food security projects designed to meet the food needs of low-income people, increase the self-reliance of communities in providing for their own food needs, and promote comprehensive, inclusive, and future-oriented solutions to local food, farm, and nutrition problems, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE COMMUNITY FOOD SECURITY ACT OF 1995

Mr. LEAHY. Mr. President, today I am introducing a bill with Senator HARKIN which is designed to help communities alleviate hunger at the local level. The Community Food Security Act of 1995 will provide one-time grants to local organizations which are working to both meet the immediate food needs of low-income people while seeking future-oriented solutions to local food, farm and nutrition problems.

This is a good bill. It enjoyed strong bipartisan support in the House.

The Community Food Security Act will provide Federal support to local projects such as farmers market nutrition programs, food policy councils, community gardens and urban farms all of which promote good nutrition while helping family farms. At a time when many people are advocating that we give more power to the States—this bill goes one step further. The Community Food Security Act will give money directly to the private organizations who know where it is most needed.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Community Food Security Act of 1995".

SEC. 2. ASSISTANCE FOR COMMUNITY FOOD SECURITY PROJECTS.

(a) DEFINITIONS.—In this section:

(1) COMMUNITY FOOD SECURITY PROJECT.—The term "community food security project" means a community-based project that—

(A) is designed to—

(i) meet the food needs of low-income people;

(ii) increase the self-reliance of communities in providing for their own food needs; and

(iii) promote comprehensive, inclusive, and future-oriented solutions to local food, farm, and nutrition problems; and

(B) requires a one-time infusion of Federal assistance to become self-sustaining.

(2) ELIGIBLE ENTITY.—The term "eligible entity" means an entity that has experience in the area of—

(A) community food work, including the development of new markets in low-income communities for agricultural producers, particularly small- and medium-sized farms; or

(B) job training and business development activities for food-related businesses in low-income communities.

(3) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

(b) AUTHORIZATION.—The Secretary may make grants to assist eligible entities in establishing and carrying out community food security projects.

(c) APPLICATIONS.—An eligible entity may submit to the Secretary an application, in such form and containing such information as the Secretary may require, that—

(1) demonstrates competency in implementing a community food security project;

(2) demonstrates fiscal accountability;

(3) contains an agreement that the entity will collect data and prepare reports and other documentation, as required by the Secretary; and

(4) demonstrates that the entity is willing to participate in a continuing assessment of regional food security and to share information with researchers, practitioners, and other interested parties.

(d) PREFERENCE FOR CERTAIN PROJECTS.—In selecting community food security projects to be supported by grants under subsection (b), the Secretary shall give preference to projects designed—

(1) to develop linkages between 2 or more sectors of the food system;

(2) to support the development of entrepreneurial solutions to local food problems;

(3) to develop innovative linkages between the for-profit and nonprofit food sectors; or

(4) to encourage long-term planning activities and multisystem, interagency approaches.

(e) MATCHING FUNDS.—

(1) REQUIREMENTS.—The Federal share of the cost of establishing or carrying out a community food security project that receives assistance under subsection (b) may not exceed 50 percent of the cost during the term of the grant.

(2) CALCULATION.—The non-Federal share of the cost of carrying out a community food security project may be provided through a payment in cash or in kind, fairly evaluated, including facilities, equipment, or services from private, State, or local sources.

(f) SINGLE GRANT.—A community food security project may be supported by only a single grant under subsection (b), for a term of not to exceed 3 years.

(g) TECHNICAL ASSISTANCE AND RELATED INFORMATION.—The Secretary shall—

(1) provide technical assistance regarding community food security projects, processes, and development to entities seeking such assistance;

(2) provide for the sharing of information about community food security projects and issues among and between government agencies, private for-profit and nonprofit groups, and the public through publications, conferences, and other appropriate form; and

(3) participate in assessments of regional food security and share information with researchers, practitioners, and other interested parties.

(h) EVALUATION AND REPORT.—The Secretary shall—

(1) provide for the evaluation of community food security projects supported using funds under this section; and

(2) not later than January 30, 2000, submit to Congress a report on the results of the evaluation.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $4,000,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000.

ADDITIONAL COSPONSORS

S. 44

At the request of Mr. REID, the name of the Senator from Wyoming [Mr. THOMAS] was added as a cosponsor of S. 44, a bill to amend title 4 of the United States Code to limit State taxation of certain pension income.

S. 1257

At the request of Mr. WELLSTONE, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 1257, a bill to amend the Stewart B. McKinney Homeless Assistance Act to reauthorize programs relating to homeless assistance for veterans.

SENATE RESOLUTION 146

At the request of Mr. JOHNSTON, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of Senate Resolution 146, a resolution designating the week beginning November 19, 1995, and the week beginning on November 24, 1996, as "National Family Week", and for other purposes.

AMENDMENTS SUBMITTED

THE FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT OF 1996

COHEN AMENDMENT NO. 2724

Mr. COHEN proposed an amendment to the bill (H.R. 1868) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1996, and for other purposes; as follows:

At an appropriate place in the bill, insert the following new section:

SEC. ___. REPORT ON RUSSIAN MILITARY OPERATIONS.

(a) No later than three months after the date of enactment of this act, the President shall declassify, to the maximum extent possible, and resubmit to the Congress the report submitted to the Congress pursuant to section 528 of Public Law 103-236, with an addendum updating the information in the report.

(b) The addendum referred to in subsection (a) shall be unclassified to the maximum extent possible and shall address, inter alia—

(1) Russian compliance or lack of compliance with the Russian-Moldovan agreement of October 24, 1994, providing for the withdrawal of Russian military forces from Moldova, subsequent Russian deployments of military forces to Moldova and Russian efforts to secure long-term military basing rights in Moldova;

(2) possible Russian complicity in the coup attempt of September-October 1994 against the government of Azerbaijan and the exertion of Russian pressure to influence decisions regarding the path of pipelines that will carry Azerbaijani oil;

(3) Russian efforts or agreements to assume partial or complete responsibility for securing the borders of countries other than Russia, using troops of the Russian Ministry of Defense, Ministry of the Interior or any other security agency of the Russian Federation;

(4) Russian efforts to integrate its armed forces, other security forces, or intelligence agencies with those of any other country and the relationship of such efforts to the development of institutions under the Commonwealth of Independent States; and

(5) Russian compliance with the Treaty on Conventional Armed Forces in Europe and the Organization on Security and Cooperation in Europe's Code of Conduct on the Politico-Military Aspects of Security.

HARKIN (AND OTHERS) AMENDMENT NO. 2725

Mr. HARKIN (for himself, Mr. FEINGOLD, Mr. DORNAN, Mr. BRADLEY, Mr. ROBB, and Mr. WELLSTONE) proposed an amendment to the bill H.R. 1868, supra, as follows:

At the appropriate place, insert the following:

SEC. ___. SENSE OF THE SENATE ON THE CONFERENCE ON S. 4, THE LINE ITEM VETO ACT.

(a) FINDINGS.—The Senate finds that—

(1) the line item veto was a major plank in the House majority's "Contract With America" and has received strong bipartisan support in the 104th Congress;

(2) the House of Representatives on February 6, 1995, passed H.R. 2, the Line Item Veto Act of 1995, on a vote of 294–134;

(3) the Senate on March 23, 1995, passed S. 4, the Separate Enrollment and Line Item Veto Act of 1995, on a vote of 69–29;

(4) the House of Representatives passed S. 4, with the text of H.R. 2 inserted, by voice vote on May 17, 1995, 50 days after passage by the Senate;

(5) notwithstanding the failure of the House of Representatives to request a conference, the Senate disagreed with the House amendment, requested a conference, and appointed conferees on S. 4 on June 20, 1995;

(6) the House of Representatives appointed conferees on September 7, 1995, 168 days after both Houses of the Congress had passed line item veto legislation;

(7) with the passage of time, it increasingly appears that the Congress may pass and send to the President not only the appropriations bills for fiscal year 1996 but also the reconciliation bill required by H. Con. Res. 67 (the concurrent resolution setting forth the congressional budget for fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002) without first passing and sending to the President a line item veto bill;

(8) it is now only 9 days until the end of the fiscal year when the fiscal year 1996 appropriation bills need to become law in order to avoid disruption of the Government services; and

(9) the conferees on S. 4 still have not met.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the conferees on S. 4 should meet by September 26;

(2) the conferees should expeditiously resolve the differences between the 2 bills in sufficient time for the House of Representatives and the Senate to consider the conference report on S. 4 prior to the time the President is required to act upon the first fiscal year 1996 appropriation bill; and

(3) if the conferees do not complete action on the conference report in time to allow for the House of Representatives and Senate to consider the conference report prior to the time the President is required to act upon the fiscal year 1996 appropriation bills, S. 4 should, to the extent possible, contain provisions making the provisions of S. 4 applicable to the fiscal year 1996 appropriation bills and the 1995 reconciliation bill.

DOLE (AND OTHERS) AMENDMENT NO. 2726

Mr. DOLE (for himself, Mr. SIMON, Mr. HELMS, Mr. HATFIELD, Mr. D'AMATO, Mrs. FEINSTEIN, Ms. MOSELEY-BRAUN, Mr. BRADLEY, Mrs. MURRAY, Mr. KERRY, Mr. PRESSLER, Mr. MCCONNELL, Mr. LEAHY, Mr. KENNEDY, and Mr. HARKIN) proposed an amendment to the bill H.R. 1868, supra, as follows:

At the appropriate place in the bill, add the following:

LIMITATION ON ASSISTANCE TO COUNTRIES THAT RESTRICT THE TRANSPORT OR DELIVERY OF UNITED STATES HUMANITARIAN ASSISTANCE

SEC. . (a) IN GENERAL.—None of the funds made available in this Act may be used for assistance in support of any country when it is made known to the President that the government of such country prohibits or otherwise restricts, directly or indirectly, the transport or delivery of United States humanitarian assistance.

(b) EXCEPTION.—Subsection (a) shall not apply to assistance in support of any country when it is made known to the President that the assistance is in the national security interest of the United States.

HELMS AMENDMENT NO. 2727

Mr. HELMS proposed an amendment to the bill H.R. 1868, supra, as follows:

At the appropriate place in the committee amendment insert the following:

PROHIBITION ON USE OF FUNDS FOR RELOCATING AID TO FEDERAL TRIANGLE BUILDING

SEC. 577. Notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by this Act may be used to relocate the Agency for International Development, or any part of that agency, to the Federal Triangle Building in Washington, District of Columbia.

BINGAMAN (AND PELL) AMENDMENT NO. 2728

Mr. BINGAMAN (for himself and Mr. PELL) proposed an amendment to the bill H.R. 1868, supra, as follows:

At the appropriate place insert the following:

SEC. . PROTECTION OF HUMANITARIAN EFFORTS.

Notwithstanding any provision of law to the contrary:

(a) FAMILY SUPPORT PAYMENTS.—Residents of the United States shall not be prohibited from sending to their parents, siblings, spouses, or children currently residing in Cuba small amounts of money (not to exceed $200 per month) to be used for the purchase of basic necessities, including food, clothing, household supplies, rent, medicines, and medical care.

(b) COMPASSIONATE TRAVEL.—Residents of the United States shall not be prohibited from traveling to Cuba for a period up to thirty (30) days to attend to a medical emergency involving, or to attend the funeral of, such resident's parent, sibling, spouse, or child.

(c) NATIONAL DISASTER RELIEF.—The United States shall not be prohibited from participating in humanitarian relief efforts of multilateral organizations of which the United States is a member, where such humanitarian relief efforts are made in the aftermath of a natural disaster on the island of Cuba.

HELMS AMENDMENTS NOS. 2729–2730

Mr. HELMS proposed two amendments to the bill H.R. 1868, supra, as follows:

AMENDMENT NO. 2729

On page 113, lines 25 and 26, strike "eighteen" and insert "twelve".

On page 119, line 15, insert "and thereby nullified" after the phrase "effectively disavowed".

On page 120, lines 3 and 4, strike "in accordance with the terms that may be agreed with Israel" and insert "that neither engage in nor practice terrorism or violence in the implementation of their political goals"

On page 120, line 15, strike "and".

On page 120, line 19, strike the period and insert ";and".

On page 120, between lines 19 and 20, insert the following:

(7) the P.L.O. has not funded, either partially or wholly, or has ceased funding, either partially or wholly, any office, or other presence of the Palestinian Authority in Jerusalem.

(8) the P.L.O. is cooperating fully with the Government of the United States on the provision of information on United States nationals known to have been held at any time by the P.L.O. or factions thereof.

AMENDMENT NO. 2730

At the appropriate place in the Committee amendment, insert the following new section:

COERCIVE POPULATION CONTROL METHODS

SEC. ___. Notwithstanding any other provision of this Act or other law, none of the funds appropriated by this Act may be made available for the United Nations Population Fund (UNFPA), unless the President certifies to the appropriate congressional committees that (1) the United Nations Population Fund has terminated all activities in the People's Republic of China; or (2) during the 12 months preceding such certification, there have been no abortions as the result of coercion associated with the family planning policies of the national government or other governmental entities within the People's Republic of China. As used in this section the term "coercion" includes physical duress or abuse, destruction or confiscation of property, loss of means of livelihood, or severe psychological pressure.

BINGAMAN (AND PELL) AMENDMENT NO. 2731

Mr. BINGAMAN (for himself and Mr. PELL) proposed an amendment to amendment No. 2728 proposed by Mr. BINGAMAN to the bill H.R. 1868, supra, as follows:

Strike all after the first word and insert the following:

PROTECTION OF HUMANITARIAN EFFORTS

Notwithstanding any provision of law to the contrary:

(a) FAMILY SUPPORT PAYMENTS.—Residents of the United States shall not be prohibited from sending to their parents, siblings, spouses, or children currently residing in Cuba small amounts of money (not to exceed $195 per month) to be used for the purchase of basic necessities, including food, clothing, household supplies, rent, medicines, and medical care.

(b) COMPASSIONATE TRAVEL.—Residents of the United States shall not be prohibited from traveling to Cuba for a period up to thirty (30) days to attend to a medical emergency involving, or to attend the funeral of, such resident's parent, sibling, spouse, or child.

(c) NATIONAL DISASTER RELIEF.—The United States shall not be prohibited from participating in humanitarian relief efforts of multilateral organizations of which the United States is a member, where such humanitarian relief efforts are made in the aftermath of a natural disaster on the island of Cuba.

KERRY AMENDMENTS NOS. 2732–2733

Mr. KERRY proposed two amendments to the bill H.R. 1868, supra, as follows:

AMENDMENT NO. 2732

On page 26 of the bill, strike lines 4 through 22.

AMENDMENT NO. 2733

On page 29 of the bill, strike the word "Appropriations:" on line 17 and all that follows it on that page and insert in lieu thereof: "Appropriations."

COCHRAN AMENDMENT NO. 2734

Mr. McCONNELL (for Mr. COCHRAN) proposed an amendment to the bill H.R. 1868, supra; as follows:

On page 43, line 17, strike out "*Provided*," and insert in lieu thereof "*Provided*, That not less than $3,000,000 of the funds appropriated under this heading shall be made available for the World Food Program: *Provided further*,".

SHELBY AMENDMENT NO. 2735

Mr. McCONNELL (for Mr. SHELBY) proposed an amendment to the bill H.R. 1868, supra; as follows:

On page 11, line 10 insert after "Zaire" ": *Provided further*, That, not less than $2,000,000 shall be provided to the International Fertilizer Development Center".

INOUYE AMENDMENT NO. 2736

Mr. McCONNELL (for Mr. INOUYE) proposed an amendment to the bill H.R. 1868, supra; as follows:

At the appropriate place under the heading on page 8, "Economic Assistance" add the following provision;

"*Provided further*, That not less than $800,000 of the funds made available under this heading shall be made available for support of the United States Telecommunications Training Institute;

COVERDELL AMENDMENT NO. 2737

Mr. McCONNELL (for Mr. COVERDELL) proposed an amendment to the bill H.R. 1868, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . Notwithstanding any other provision of this Act, $20,000,000 of the funds made available under this Act for or through the Agency for International Development shall be transferred to, and merged with, the appropriations account entitled "INTERNATIONAL NARCOTICS CONTROL" and shall be available for the same purposes for which funds in such account are available.

GORTON AMENDMENT NO. 2738

Mr. McCONNELL (for Mr. GORTON) proposed an amendment to the bill H.R. 1868, supra; as follows:

At the end of section 546 of the bill, insert the following:

(c) The President may transfer to Estonia such excess defense articles as the President determines necessary to help modernize the defense capabilities of Estonia, subject to the requirements of subsections (b) through (f) of section 519 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321m).

STEVENS (AND OTHERS) AMENDMENT NO. 2739

Mr. McCONNELL (for Mr. STEVENS for himself, Mr. HATFIELD, and Mr. INOUYE) proposed an amendment to the bill H.R. 1868, supra; as follows:

On page 18, line 24, after "assistance:" insert the following:

Provided further, That not less than the Egyptian pound equivalent of $85,000,000 generated from funds made available by this paragraph, or from any other source including from funds made available for Egypt for fiscal year 1997, shall be made available to the United States pursuant to the United States-Egypt Economic, Technical and Related Assistance Agreements of 1978, for the following endowments established under such Agreements: the Egyptian pound equivalent of $50,000,000 shall be made available to replenish the existing endowment for the American University in Cairo, and the Egyptian pound equivalent of $35,000,000 shall be made available to replenish the existing endowment for projects and programs which promote the preservation and restoration of Egyptian antiquities:

DOMENICI (AND OTHERS) AMENDMENT NO. 2740

Mr. McCONNELL (for Mr. DOMENICI for himself, Mrs. HUTCHISON, Mr. KYL, Mr. McCAIN, Mr. BINGAMAN, and Mr. GRAMM) proposed an amendment to the bill H.R. 1868, supra, as follows:

NORTH AMERICAN DEVELOPMENT BANK

For payment to the North American Development Bank by the Secretary of the Treasury, for the United States share of the paid-in portion of the capital stock, $25,000,000, to remain available until expended; *Provided*, that for the payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the fund to be administered by the Inter-American Development Bank, $45,000,000 is provided to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the North American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of the capital stock of the North American Development Bank in an amount not exceed, $318,750,000.

WELLSTONE AMENDMENT NO. 2741

Mr. McCONNELL (for Mr. WELLSTONE) proposed an amendment to the bill H.R. 1868, supra, as follows:

On Page 43, under the heading "International Organizations and Programs", add the following proviso; "*Provided further*, that not less than $1,500,000 of the funds appropriated under this heading shall be made available for the United Nations Fund for Victims of Torture;"

DODD (AND OTHERS) AMENDMENT NO. 2742

Mr. McCONNELL (for Mr. DODD for himself, Mr. LEAHY, Mrs. MURRAY, Mr. DORGAN, and Mr. LUGAR) proposed an amendment to the bill H.R. 1868, supra, as follows:

On page 11, line 3 strike "$15,000,000" and insert in lieu thereof "$30,000,000".

DODD (AND LEAHY) AMENDMENT NO. 2743

Mr. McCONNELL (for Mr. DODD for himself and Mr. LEAHY) proposed an amendment to the bill H.R. 1868, supra, as follows:

At the appropriate place in the bill add the following new section:

SEC. . GUATEMALA.

(a) FINDINGS.—The Congress makes the following findings:

(1) The Government of Guatemala, under President De Leon Carpio, has made significant progress towards negotiating an end to Guatemala's civil conflict which has resulted in numerous human rights violations, claimed tens of thousands of lives and impeded economic development in that country;

(2) President De Leon Carpio has taken steps to improve human rights, including his support for the U.N. mission for the verification of human rights and of compliance with the commitments of the comprehensive agreement of human rights in Guatemala (Minugua) and his recent decision to abolish the military commissioners, but his efforts to bring human rights violators to justice have been impeded by certain members of the Guatemalan armed forces;

(3) Despite numerous appeals by the families of victims of human rights abuses, human rights organizations and Members of the United States Congress, there has been minimal progress towards resolving specific human rights cases including cases involving American citizens or their relatives;

(4) President De Leon Carpio deserves the support of the United States in his efforts to resolve Guatemala's conflict peacefully, to support Democratic elections, and to improve respect for human rights.

(b) LIMITATIONS.—Notwithstanding any other provisions of law—

(1) No assistance in this act or any other act shall be made available to the Guatemalan Armed Forces or the URNG;

(2) No sales of defense articles or services shall be licensed or approved for Guatemala for the Armed Forces or URNG; and

(3) No visas shall be granted for any member of the Guatemalan Armed Forces or the URNG suspected of participating in or ordering any violation of human rights or of seeking to coverup or otherwise thwart the investigation of such acts.

(c) CERTIFICATION.

The limitations contained in subsection (b) shall cease to apply when the President certifies to the Committee on Appropriations and the Committee on Foreign Relations that—

(1) The Guatemalan Armed Forces and the URNG are fully cooperating with efforts—

(A) By the family of U.S. citizen Michael Devine who was murdered in 1990 to bring to justice those responsible for the murder or coverup of the murder;

(B) The October 1994 murders of Roderico Baudilio De Leon and Flavio Matias Marroquin;

(C) By Jennifer Harbury to exhume the body of her husband, Efrain Bamaca Velasquez; and

(D) By human rights organizations and the Guatemalan Attorney General to investigate and bring to justice those involved in the prominent human rights cases committed by both sides to the conflict, including those cases enumerated in the April 7, 1995 letter to President Clinton by twelve Members of the United States Senate.

(2) The Guatemalan Government and Armed Forces are complying with the recommendations in Minugua's first and second reports, particularly those related to the investigation and prosecution of human rights cases.

(3) The U.S. Representatives to the United Nations Human Rights Commission has consulted with Representatives of other member states to determine whether respect for human rights would be enhanced by the appointment of a special United Nations Rapporteur for Guatemala.

MCCAIN (AND KERRY) AMENDMENT NO. 2744

Mr. MCCONNELL (for Mr. MCCAIN for himself and Mr. KERRY) proposed an amendment to the bill H.R. 1868, supra, as follows:

On page 104, strike lines 7 through 10 and insert the following:

SEC. 570. None of the funds made available in this Act may be used for international narcotics control assistance under chapter 8 of part I of the Foreign Assistance Act of 1961, or crop substitution assistance, directly for the Government of Burma unless the Secretary of State certifies to the appropriate congressional committees that any such programs are fully consistent with United States human rights concerns in Burma and serve a vital United States national interest. The President shall include in the annual International Narcotics Control Strategy Report submitted under chapter 8 of part I of the Foreign Assistance Act of 1961 a description of the programs funded under this section.

KERRY AMENDMENT NO. 2745

Mr. MCCONNELL (for Mr. KERRY) proposed an amendment to the bill H.R. 1868, supra, as follows:

At the appropriate place add the following new section:

SEC. . (a) The Senate finds the following:

(1) Since March 1995 the Peruvian government has engaged in an aggressive air interdiction program to prevent narcotics traffickers from violating Peruvian airspace for the purpose of transporting illegal narcotics to Colombia.

(2) As a result of the Peruvian interdiction program, the number of illicit flights detected in recent months has dropped to its lowest level in over three years and the price of transporting narcotics out of Peru has risen by as much as 500 percent.

(c) The inability of the traffickers to move cocaine base out of Peru has produced a glut of coca leaf and cocaine base in Peru with a resulting 50 percent decline in the price.

(4) The Peruvian government's ability to sustain the success of its interdiction program is dependent on the maintenance and upkeep of a very limited number of aircraft.

(5) As a result of the internal Peruvian political situation and the conflict earlier this year between Peru and Ecuador, the United States suspended military transfers to Peru.

(6) As much as 80 percent of the cocaine that reaches the United States comes from coca grown in Peru and the disruption of the air corridor between Peru and Colombia is important to United States counter narcotics efforts.

(7) The situations which led to the cutoff of military equipment for the air interdiction effort have been satisfactorily resolved or have progressed to a point where the cutoff of this military equipment is no longer in the interest of the United States.

(b) It is the sense of the Senate that the President should, as soon as possible, provide limited spare parts and other military equipment to the government of Peru in support of Peruvian Air Force efforts to monitor, intercept and interdict aircraft and other forms of transportation engaged in illegal narcotics trafficking activities.

PELL (AND OTHERS) AMENDMENT NO. 2746

Mr. MCCONNELL (for Mr. PELL for himself, Mr. SIMON, Ms. MIKULSKI, and Mr. SARBANES) proposed an amendment to the bill H.R. 1868, supra, as follows:

On page 9, insert after the end of line 8 the following: *Provided further*, That the President shall seek to ensure that the percentage of funds made available under this heading for the activities of private and voluntary organizations and cooperatives is at least equal to the percentage of funds made available pursuant to corresponding authorities in law for the activities of private and voluntary organizations and cooperatives in fiscal year 1995:

PELL (AND LEAHY) AMENDMENT NO. 2747

Mr. MCCONNELL (for Mr. PELL for himself and Mr. LEAHY) proposed an amendment to the bill H.R. 1868, supra, as follows:

At the appropriate place in the bill, insert the following:

Of the funds appropriated for Turkey under the heading "Economic Assistance", not less than $5 million shall be made available only through non-governmental organizations to be used only for projects in the ten southeastern provinces currently under a state of emergency, and shall be used only for projects designed to promote economic development, cultural and ethnic tolerance, and human rights activities, and to support the development and activities of non-governmental organizations.

LEAHY AMENDMENT NO. 2748

Mr. MCCONNELL (for Mr. LEAHY) proposed an amendment to the bill H.R. 1868, supra, as follows:

On page 36, line 4, after the word "Turkey" insert the following:

": *Provided further*, That the President should seek the agreement of the Prime Minister of Turkey to permit access throughout Turkey for international humanitarian organizations which operate confidentially, and report to the Committee on Appropriations by June 1, 1996, on progress towards such agreement"

BROWN (AND OTHERS) AMENDMENT NO. 2749

Mr. MCCONNELL (for Mr. BROWN for himself, Mr. SIMON, Ms. MIKULSKI, Mr. ROTH, Mr. DOLE, Mr. HELMS, Ms. MOSELEY-BRAUN, Mr. SANTORUM, Mr. MCCONNELL, and Mr. SPECTER) proposed an amendment to the bill H.R. 1868, supra, as follows:

On page 121, below line 24, add the following:

TITLE VII—NATO PARTICIPATION ACT AMENDMENTS OF 1995

SECTION 701. SHORT TITLE.

This title may be cited as the "NATO Participation Act Amendments of 1995".

SEC. 702. FINDINGS.

The Congress makes the following findings:

(1) Since 1949, the North Atlantic Treaty Organization (NATO) has played an essential role in guaranteeing the security, freedom, and prosperity of the United States and its partners in the Alliance.

(2) NATO has expanded its membership on three different occasions since 1949.

(3) The sustained commitment of the member countries of NATO to mutual defense of their security ultimately made possible the democratic transformation in Central and Eastern Europe and the demise of the Soviet Union.

(4) NATO was designed to be and remains a defensive military organization whose members have never contemplated the use of, or used, military force to expand the borders of its member states.

(5) While the immediate threat to the security of the United States and its allies has been reduced with the collapse of the Iron Curtain, new security threats, such as the situation in Bosnia and Herzegovina, are emerging to the shared interests of the member countries of NATO.

(6) NATO remains the only multilateral security organization capable of conducting effective military operations to protect Western security interests.

(7) NATO has played a positive role in defusing tensions between NATO members and, as a result, no military action has occurred between two NATO member states since the inception of NATO in 1949.

(8) NATO is also an important diplomatic forum for the discussion of issues of concern to its member states and for the peaceful resolution of disputes.

(9) America's security, freedom, and prosperity remain linked to the security of the countries of Europe.

(10) Any threat to the security of the newly emerging democracies in Europe would pose a security threat to the United States and its European allies.

(11) The admission to NATO of European countries that have been freed from Communist domination and that meet specific criteria for NATO membership would contribute to international peace and enhance the security of the region.

(12) A number of countries have expressed varying degrees of interest in NATO membership, and have taken concrete steps to demonstrate this commitment.

(13) Full integration of Central and East European countries into the North Atlantic Alliance after such countries meet essential criteria for admission would enhance the security of the Alliance and, thereby, contribute to the security of the United States.

(14) The expansion of NATO can create the stable environment needed to successfully complete the political and economic transformation envisioned by European states emerging from Communist domination.

(15) In recognition that not all countries which have requested membership in NATO will necessarily qualify at the same pace, the

accession date for each new member will vary.

(16) Nothing in this title should be construed as precluding the eventual NATO membership of European countries never under Communist domination, namely, Austria, Finland, and Sweden.

(17) The provision of NATO transition assistance should include those countries most ready for closer ties with NATO and should be designed to assist other countries meeting specified criteria of eligibility to move forward toward eventual NATO membership.

(18) The evaluation of future membership in NATO for countries emerging from Communist domination should be based on the progress of those nations in meeting criteria for NATO transition assistance and evolving NATO criteria, which require enhancement of NATO's security and the approval of all NATO members.

SEC. 703. UNITED STATES POLICY.

It should be the policy of the United States—

(1) to join with the NATO allies of the United States to redefine the role of the NATO Alliance in the post-Cold War world;

(2) to actively assist European countries emerging from Communist domination in their transition so that such countries may eventually qualify for NATO membership; and

(3) to work to define the political and security relationship between an enlarged NATO and the Russian Federation.

SEC. 704. REVISIONS TO PROGRAM TO FACILITATE TRANSITION TO NATO MEMBERSHIP.

(a) ESTABLISHMENT OF PROGRAM.—Subsection (a) of section 203 of the NATO Participation Act of 1994 (title II of Public Law 103–447; 22 U.S.C. 1928 note) is amended to read as follows:

"(a) ESTABLISHMENT OF PROGRAM.—The President may provide expanded security assistance and other related assistance to countries designated under subsection (d) to facilitate their transition to full NATO membership.".

(b) ELIGIBLE COUNTRIES.—

(1) ELIGIBILITY.—Subsection (d) of section 203 of such Act is amended to read as follows:

"(d) DESIGNATION OF ELIGIBLE COUNTRIES.—

"(1) PRESIDENTIAL REVIEW AND REPORT.—Within 60 days of the enactment of the NATO Participation Act Amendments of 1995, the President shall transmit to the Congress an evaluation of Poland, Hungary, the Czech Republic, and Slovakia, as well as all other European countries emerging from Communist domination which have expressed an interest in joining NATO, in accordance with the criteria in paragraph (3) and specifically designate one or more of these countries to be eligible to receive assistance under the program established in subsection (a). The President shall provide a report of the country-by-country evaluation as well as an evaluation of each designated country's progress toward conformance with criteria for full NATO membership.

"(2) OTHER EUROPEAN COUNTRIES EMERGING FROM COMMUNIST DOMINATION.—In addition to the country or countries designated pursuant to paragraph (1), the President may designate other European countries emerging from Communist domination. The President may make such a designation in the case of any such country only if the President determines, and reports to the designated congressional committees, that such country meets the criteria specified in paragraph (3).

"(3) CRITERIA.—The criteria referred to in paragraph (2) are, with respect to each country, that the country—

"(A) has made or is making significant progress toward establishing—

"(i) shared values and interests;

"(ii) democratic governments;

"(iii) free market economies;

"(iv) civilian control of the military, of the police, and of intelligence services;

"(v) adherence to the values, principles, and political commitments embodied in the Helsinki Final Act of the Organization on Security and Cooperation in Europe; and

"(vi) more transparent defense budgets and is participating in the Partnership For Peace defense planning process;

"(B) has made public commitments—

"(i) to further the principles of NATO and to contribute to the security of the North Atlantic area;

"(ii) to accept the obligations, responsibilities, and costs of NATO membership; and

"(iii) to implement infrastructure development activities that will facilitate participation in and support for NATO military activities;

"(C) is not ineligible for assistance under section 563 of Public Law 103–306, with respect to transfers of equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 40(d) of the Arms Export Control Act; and

"(D) could, within five years of the determination of the President under paragraph (1) or (2), be in a position to further the principles of the North Atlantic Treaty and to contribute to its own security and that of the North Atlantic area.

"(4) PROHIBITION ON FUNDING FOR PARTNERSHIP FOR PEACE ACTIVITIES OR ON FUNDING FOR THE WARSAW INITIATIVE.—Effective 60 days after the date of enactment of the NATO Participation Act Amendments of 1995, no funds authorized to be appropriated under any provision of law may be obligated or expended for activities associated with the Partnership for Peace program or the Warsaw Initiative until the President has designated at least one country to participate in the transition program established under subsection (a).".

(2) CONFORMING AMENDMENTS.—

(A) Subsections (b) and (c) of section 203 of such Act are amended by striking "countries described in such subsection" each of the two places it appears and inserting "countries designated under subsection (d)".

(B) Subsection (e) of section 203 of such Act is amended—

(i) by striking "subsection (d)" and inserting "subsection (d)(2)"; and

(ii) by inserting "(22 U.S.C. 2394)" before the period at the end.

(C) Section 204(c) of such Act is amended by striking "any other Partnership for Peace country designated under section 203(d)" and inserting "any country designated under section 203(d)(2)".

(c) TYPES OF ASSISTANCE.—Section 203(c) of such Act is amended—

(1) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively; and

(2) by inserting after subparagraph (D) (as redesignated) the following new subparagraphs:

"(E) Assistance under chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the Economic Support Fund).

"(F) Funds appropriated under the 'Nonproliferation and Disarmament Fund' account".

"(G) Assistance under chapter 6 of part II of the Foreign Assistance Act of 1961 (relating to peacekeeping operations and other programs).".

"(H) Authority for the Department of Defense to pay excess defense articles costs for countries designated for both grant lethal and nonlethal excess defense articles.

"(I) Authority to convert FMF loans to grants, and grants to loans, for eligible countries.

(3) by inserting "(1)" immediately after "TYPE OF ASSISTANCE.—"; and

(4) by adding at the end the following new paragraphs:

"(2) For fiscal years 1996 and 1997, in providing assistance under chapter 5 of part II of the Foreign Assistance Act of 1961 for the countries designated under subsection (d), the President shall include as an important component of such assistance the provision of sufficient language training to enable military personnel to participate further in programs for military training and in defense exchange programs.

"(3) Of the amounts made available under chapter 5 of part II of the Foreign Assistance Act of 1961 (relating to international military education and training), $5,000,000 for fiscal year 1996 and $5,000,000 for fiscal year 1997 should support—

"(A) the attendance of additional military personnel of countries designated under subsection (d)(1) or (d)(2), particularly Poland, Hungary, the Czech Republic, and Slovakia, at professional military education institutions in the United States in accordance with section 544 of such Act; and

"(B) the placement and support of United States instructors and experts at military educational centers within the foreign countries designated under subsection (d) that are receiving assistance under that chapter.".

SEC. 705. ASSISTANCE FOR NATO PARTICIPATION ACT DESIGNEES.

The President is authorized to obligate and expend $60,000,000 from funds made available under the Foreign Assistance Act of 1961 in support of countries designated to receive transition assistance under section 203(a) of the NATO Participation Act, as follows:

(1) Poland: $20,000,000.

(2) Czech Republic: $10,000,000.

(3) Hungary: $5,000,000.

(4) Slovakia: $5,000,000.

(5) Other European countries designated under subsection (d)(1) or subsection (d)(2): $20,000,000.

SEC. 706. TERMINATION OF ELIGIBILITY.

Section 203(f) of the NATO Participation Act of 1994 (title II of Public Law 103–447; 22 U.S.C. 1928 note) is amended to read as follows:

"(f) TERMINATION OF ELIGIBILITY.—(1) The eligibility of a country designated under subsection (d) for the program established in subsection (a) shall terminate 60 days after the President makes a certification under paragraph (2) unless, within the 60-day period, the Congress enacts a joint resolution disapproving the termination of eligibility.

"(2) Whenever the President determines that the government of a country designated under subsection (d)—

"(A) no longer meets the criteria set forth in subsection (d)(2)(A);

"(B) is hostile to the NATO alliance; or

"(C) poses a national security threat to the United States,

then the President shall so certify to the appropriate congressional committees.

"(3) Nothing in this Act shall affect the eligibility of countries to participate under other provisions of law in programs described in this Act.

(b) CONGRESSIONAL PRIORITY PROCEDURES.—Section 203 of such Act is amended by adding at the end the following new subsection:

"(g) CONGRESSIONAL PRIORITY PROCEDURES.—

"(1) APPLICABLE PROCEDURES.—A joint resolution described in paragraph (2) which is introduced in a House of Congress after the date on which a certification made under subsection (f)(2) is received by Congress shall be considered in accordance with the procedures set forth in paragraphs (3) through (7) of section 8066(c) of the Department of Defense Appropriations Act, 1985 (as contained in Public Law 98-473 (98 Stat. 1936)), except that—

"(A) references to the 'resolution described in paragraph (1)' shall be deemed to be references to the joint resolution; and

"(B) references to the Committee on Appropriations of the House of Representatives and to the Committee on Appropriations of the Senate shall be deemed to be references to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate.

"(2) TEXT OF JOINT RESOLUTION.—A joint resolution under this paragraph is a joint resolution the matter after the resolving clause of which is as follows: 'That the Congress disapproves the certification submitted by the President on _______ pursuant to section 203(f) of the NATO Participation Act of 1994.'.".

SEC. 707. REPORTS.

(a) ANNUAL REPORT.—Section 206 of the NATO Participation Act of 1994 (title II of Public Law 103-447; 22 U.S.C. 1928 note), as redesignated by section 705(1) of this Act, is amended—

(1) by inserting "**ANNUAL**" in the section heading before the first word;

(2) by inserting "annual" after "include in the" in the matter preceding paragraph (1);

(3) in paragraph (1), by striking "Partnership for Peace" and inserting "European"; and

(4) by striking paragraph (2) and inserting instead the following new paragraph:

"(2) In the event that the President determines that, despite a period of transition assistance, a country designated under section 203(d) has not, as of January 10, 1999, met criteria for NATO membership set forth by the North Atlantic Council, the President shall transmit a report to the designated congressional committees containing an assessment of the progress made by that country in meeting those standards.".

SEC. 708. DEFINITIONS.

The NATO Participation Act of 1994 (title II of Public Law 103-447; 22 U.S.C. 1928 note), as amended by this title, is further amended by adding at the end the following new section:

"**SEC. 207. DEFINITIONS.**

"For purposes of this title:

"(1) NATO.—The term 'NATO' means the North Atlantic Treaty Organization.

"(2) DESIGNATED CONGRESSIONAL COMMITTEES.—The term 'designated congressional committees' means—

"(A) the Committee on International Relations, the Committee on National Security, and the Committee on Appropriations of the House of Representatives; and

"(B) the Committee on Foreign Relations, the Committee on Armed Services, and the Committee on Appropriations of the Senate.

"(3) EUROPEAN COUNTRIES EMERGING FROM COMMUNIST DOMINATION.—The term 'European countries emerging from Communist domination' includes, but is not limited to, Albania, Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Moldova, Poland, Romania, Slovakia, Slovenia, and Ukraine.".

McCONNELL (AND OTHERS) AMENDMENT NO. 2750

Mr. McCONNELL (for himself, Mr. BYRD, Mr. INOUYE, Mr. LEAHY, Mr. NUNN, Mr. HATFIELD, Mr. STEVENS, Mr. THOMAS, Mr. ROBB, and Mr. LUGAR) proposed an amendment to the bill H.R. 1868, supra, as follows:

Strike all after "that" on p. 108, line 18 through line 10 on page 109, and insert in lieu thereof the following:

(a) in accordance with Section 1 of the Agreed Framework, KEDO has designated a Republic of Korea company, corporation or entity for the purpose of negotiating a prime contract to carry out construction of the light water reactors provided for in the Agreed Framework; and

(b) the DPRK is maintaining the freeze on its nuclear facilities as required in the Agreed Framework; and

(c) the United States is taking steps to assure that progress is made on (1) the North South dialogue, including efforts to reduce barriers to trade and investment, such as removing restrictions on travel, telecommunications services and financial transactions; and (2) implementation of the January 1, 1992 Joint Declaration on the Denuclearization of the Korean Peninsula.

(d) A report on the specific efforts with regard to subsection (c) shall be submitted by the President to the Committees on Appropriations six months after the date of enactment, and every six months thereafter.

McCONNELL AMENDMENT NO. 2751

Mr. McCONNELL proposed an amendment to the bill H.R. 1868, supra, as follows:

On page 24, line 5 add the following after "services":

: *Provided*, That these funds shall be in addition to funds justified for programs in the fiscal year 1996 congressional presentation documents.

PRESSLER (AND OTHERS) AMENDMENT NO. 2752

Mr. McCONNELL (for Mr. PRESSLER for himself, Mr. D'AMATO, Mr. HELMS, Mr. MACK, Mr. THOMAS, and Mr. LIEBERMAN) proposed an amendment to the bill H.R. 1868, supra, as follows:

At the appropriate place in the bill, insert the following:

SEC. ___. HONG KONG ELECTIONS.

(a) FINDINGS.—The Congress finds the following:

(1) The right to an elected legislature in Hong Kong is guaranteed by the 1984 Sino-British Joint Declaration on the Question of Hong Kong.

(2) The United States-Hong Kong Policy Act declared the Congress's support for full implementation of the 1984 Sino-British Joint Declaration;

(3) The People's Republic of China declared in the Joint Declaration that Hong Kong would be "vested legislative, executive and independent judicial power" and would have "a legislature constituted by elections".

(4) On September 17, 1995, the highest number of Hong Kong voters ever demonstrated their commitment to democracy by freely expressing their right to vote in the Legislative Council elections.

(5) The voters of Hong Kong have overwhelmingly expressed their desire for the establishment of a fully democratic government by electing 60 Legislative Councillors for four-year terms.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the people of Hong Kong are to be congratulated for exercising their right to vote on September 17, 1995;

(2) the People's Republic of China should respect the clear will of the people of Hong Kong to have a fully democratic government;

(3) the Government of the People's Republic of China should enter into a dialogue with the democratically elected representatives of the Hong Kong people; and

(4) the Government of the People's Republic of China should respect the mandate of the elected members by withdrawing its pledge to abolish the Legislative Council in violation of the Joint Declaration's provisions on Hong Kong's legislature and autonomy in all but defense and foreign affairs.

McCONNELL AMENDMENT NO. 2753

Mr. McCONNELL proposed an amendment to the bill H.R. 1868, supra; as follows:

AMENDMENT NO. 2753

At the appropriate place in the bill insert the following:

SEC. 2. SANCTIONS AGAINST BURMA.

Except as provided in section 4, the following sanctions shall apply to Burma, effective 90 days after the date of enactment of this Act (or on such other date as is specified in this section):

(1) INVESTMENTS.—No United States national may make any investment in Burma.

(2) UNITED STATES ASSISTANCE.—United States assistance for Burma is prohibited.

(3) TRADE PRIVILEGES.—The President shall continue the suspension of special trade privileges pursuant to the Generalized System of Preferences (GSP), and shall continue the suspension of nondiscriminatory trade treatment (most-favored-nation status), with respect to Burma.

(4) IMPORTATION OF GOODS.—No article which is produced, manufactured, grown, or extracted in Burma may be imported into the United States.

(5) TRADE AND INVESTMENT TREATIES.—The United States should continue to suspend carrying out obligations under bilateral trade and investment treaties with Burma.

(6) TRAVEL RESTRICTIONS.—The Secretary of State shall prohibit the use of United States passports for travel to Burma except for travel by United States diplomatic personnel.

(7) DIPLOMATIC REPRESENTATION.—The President is urged not to accept diplomatic representation from Burma at a level greater than the level of diplomatic representation accorded the United States in Burma.

(8) FOREIGN ASSISTANCE.—The United States shall suspend assistance under the Foreign Assistance Act of 1961 and the Arms Export Control Act to any foreign government which sells or otherwise transfers arms to the Government of Burma.

(9) INTERNATIONAL ORGANIZATIONS CONTRIBUTIONS.—The United States shall withhold from each international organization that funds activities in Burma other than humanitarian activities an amount equal to the United States proportionate share of that funding.

(10) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury shall instruct the United States executive director of each financial institution to vote against any loan or other utilization of the funds of the respective bank to or for Burma.

(11) EMINENT PERSONS GROUP.—The President, acting through the United States Permanent Representative to the United Nations, should urge the United Nations to establish an eminent persons group to report on compliance by the Government of Burma with United Nations resolutions.

(12) INTERNATIONAL ARMS EMBARGO.—The President, acting through the United States Permanent Representative to the United Nations, should urge the establishment by the United Nations of an international arms embargo of Burma.

SEC. 3. AGREEMENTS TO IMPOSE SANCTIONS ON BURMA.

(a) NEGOTIATIONS WITH TRADING PARTNERS.—

(1) IN GENERAL.—Not later than 15 days after the date of the enactment of this Act, the President shall initiate negotiations with all foreign countries with which the United States trades for the purpose of entering into agreements with the countries—

(A) to support United States sanctions against Burma, and

(B) to cease trade with and investment in Burma.

(2) CERTIFICATION OF NEGOTIATIONS AND AGREEMENTS.—Not later than 90 days after the date of the enactment of this Act, the President shall certify to the Congress each country that—

(A) has failed to enter into an agreement described in paragraph (1), or

(B) has entered into such an agreement but is not enforcing it.

(3) ACTION BY THE PRESIDENT.—Notwithstanding any other provision of law, if a certification is made with respect to any country under paragraph (2) the President shall withdraw—

(A) any designation of such country—

(i) as a beneficiary developing country for purposes of title V of the Trade Act of 1974 (19 U.S.C. 2461 et seq.),

(ii) as a beneficiary country for purposes of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2701 et seq.), or

(iii) as a beneficiary country for purposes of the Andean Trade Preference Act (19 U.S.C. 3201 et seq.),

(B) from such countries the benefits of any other special tariff treatment program under which the special rates of duty apply under column 1 of the Harmonized Tariff Schedule of the United States, and

(C) most-favored-nation trade treatment with respect to any such country.

(b) APPLICABILITY.—

(1) IN GENERAL.—The provisions of this section apply to goods entered, or withdrawn from warehouse for consumption, originating in or imported from a country with respect to which an action described in subsection (a)(3) has been taken, during the period beginning on the date that is 15 days after the date of the certification described in subsection (a)(2) and ending on the date that is 15 days after the earlier of—

(A) the date the President certifies to the Congress that such country has entered into an agreement described in subsection (a)(1) and is enforcing the agreement, or

(B) the date a certification described in section 4 is made.

(2) RATE OF DUTY DURING PERIOD DESIGNATION IS WITHDRAWN.—During the period described in paragraph (1), goods entered, or withdrawn from warehouse for consumption, originating in or imported from a country described in subsection (a)(3) shall be subject to duty at the rates of duty specified for such goods under column 2 of the Harmonized Tariff Schedule of the United States.

SEC. 4. CERTIFICATION.

The sanctions of section 2 shall not apply upon the determination and certification by the President to the appropriate congressional committees that the following conditions are met:

(1) The Government of Burma has unconditionally released all political prisoners, including Aung San Suu Kyi.

(2) The Government of Burma has fully implemented the results of the 1990 elections in Burma, including the transfer of power to civilian authority, the protection of basic human rights, and guaranteeing the right of Burmese citizens to participate freely in the political process, assuring freedom of speech and the right of association and assembly.

(3) The Government of Burma has implemented an effective counternarcotics effort.

SEC. 5. SANCTIONS AGAINST THE PEOPLE'S REPUBLIC OF CHINA.

The Secretary of the Treasury shall instruct the United States executive director of each multilateral financial institution to vote against any loan or other utilization of the facilities of the respective institution to or for the People's Republic of China until the President determines and certifies to the appropriate congressional committees that the People's Republic of China has terminated arms sales and other arms transfers to Burma.

SEC. 6. SANCTIONS AGAINST THE GOVERNMENT OF THAILAND.

The President shall withhold all United States assistance to the Government of Thailand until the President determines and certifies to the appropriate congressional committees that the Government of Thailand is fully cooperating in providing support and relief for Burmese exiles and refugees.

SEC. 7. REPORT.

Not later than 45 days after the date of enactment of this Act, the President shall submit a report to the appropriate congressional committees on—

(1) the chemical and biological weapons capability of Burma;

(2) a plan to provide United States assistance in support of the democracy movement active inside Burma;

(3) the treatment by the Government of Thailand of Burmese students, refugees, and exiles resident in Thailand; and

(4) the status of arms sales and other arms transfers to the Government of Burma, including the amount of expenditures by the Government of Burma in the acquisition of arms.

SEC. 8. DEFINITIONS.

As used in this Act:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives.

(2) INVESTMENT.—The term "investment" includes any contribution or commitment of funds, commodities, services, patents, processes, or techniques, in the form of—

(A) a loan or loans;

(B) the purchase of a share of ownership;

(C) participation in royalties, earnings, or profits; and

(D) the furnishing of commodities or services pursuant to a lease or other contract.

(3) HUMANITARIAN ACTIVITIES.—The term "humanitarian activities" means the provision of food, medicine, medical supplies, or clothing and does not include cash transfers.

(4) FINANCIAL INSTITUTIONS.—The term "financial institutions" includes the International Bank for Reconstruction and Development, the International Development Association, the Asian Development Bank, and the International Monetary Fund.

(5) UNITED STATES ASSISTANCE.—The term "United States assistance" means assistance of any kind which is provided by grant, sale, loan, lease, credit, guaranty, or insurance, or by any other means, by any agency or instrumentality of the United States Government to any foreign country, including—

(A) assistance under the Foreign Assistance Act of 1961 (including programs under title IV of chapter 2 of part I of the Act);

(B) sales, credits, and guaranties under the Arms Export Control Act (22 U.S.C. 2751 et seq.);

(C) sales under title I (7 U.S.C.A. 1701 et seq.) or III (17 U.S.C.A. 1727 et seq.) and donations under title II (17 U.S.C.A. 1721 et seq.) of the Agricultural Trade Development and Assistance Act of 1954 of nonfood commodities;

(D) other financing programs of the Commodity Credit Corporation for export sales of nonfood commodities; and

(E) financing under the Export-Import Bank Act of 1945 (12 U.S.C.A. 635 et seq.).

COHEN AMENDMENT NO. 2754

Mr. MCCONNELL (for Mr. COHEN) proposed an amendment to the bill H.R. 1868, supra, as follows:

At an appropriate place in the bill add the following new section.

SEC. . SENSE OF THE SENATE ON THAILAND.

(a) FINDINGS.—The Senate makes the following findings—

(1) the Royal Thai Government has had a policy of not supporting or cooperating with the Khmer Rouge; and

(2) Thailand is host to large numbers of persons displaced from neighboring countries, including Burma, placing a significant burden on Thailand's economy.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the President should—

(1) affirm to the Royal Thai Government the support of the United States for that Government's policy not to support or cooperate with the Khmer Rouge and encourage the Royal Thai Government to prosecute vigorously its efforts to prevent cooperation between individual members of the Royal Thai Armed Forces and the Khmer Rouge; and

(2) take appropriate steps to assist the Royal Thai Government in providing and facilitating relief to displaced persons from Burma and other neighboring countries and to encourage that Government to fully cooperate in such relief efforts.

MCCONNELL AMENDMENT NO. 2755

Mr. MCCONNELL proposed an amendment to the bill H.R. 1868, supra, as follows:

Add the following new section to title V:

SEC. . EXTENSION OF TIED AND CREDIT PROGRAM.

(a) Section 10(c)(2) of the Export-Import Bank Act of 1945 (12 U.S.C. 6351-3(c)(2)) is amended by striking "1995" and inserting "1997".

(b) Section 10(e) of the Export-Import Bank Act of 1945 (12 U.S.C. 6351–3(e)) is amended by striking "1993, 1994, and 1995" and inserting "1996 and 1997".

SEC. 102. AUTHORITY TO CONDUCT A DEMONSTRATION PROJECT

(a) Notwithstanding section 4701(a)(1)(A) of title 5, United States Code, the Export-Import Bank of the United States may conduct a demonstration project in accordance with section 4703 of such title 5.

HELMS AMENDMENT NO. 2756

Mr. McCONNELL (for Mr. HELMS) proposed an amendment to the bill H.R. 1868, supra, as follows:

On page 45, line 4, after the word "funds" insert the following: "Provided further, that of the funds appropriated under this heading, not less than $1,000,000 shall be made available to UNIFEM."

LEAHY AMENDMENT NO. 2757

Mr. McCONNELL (for Mr. LEAHY) proposed an amendment to the bill H.R. 1868, supra, as follows:

At the appropriate place, insert the following:

CONVENTIONAL WEAPONS REVIEW

(a) FINDINGS.—The Congress makes the following findings:

(1) On September 26, 1994, the President declared that it is a goal of the United States to eventually eliminate antipersonnel landmines.

(2) On December 15, 1994, the United Nations General Assembly adopted a resolution sponsored by the United States which called for international efforts to eliminate antipersonnel landmines.

(3) According to the Department of State, there are an estimated 80,000,000 to 110,000,000 unexploded landmines in 62 countries.

(4) Antipersonnel landmines are routinely used against civilian populations and kill and maim an estimated 70 people each day, or 26,000 people each year.

(5) The Secretary of State has noted that landmines are "slow-motion weapons of mass destruction".

(6) There are hundreds of varieties of antipersonnel landmines, from a simple type available at a cost of only two dollars to the more complex self-destructing type, and all landmines of whatever variety kill and maim civilians, as well as combatants, indiscriminately.

(b) CONVENTIONAL WEAPONS CONVENTION REVIEW.—It is the sense of Congress that, at the United Nations conference to review the 1980 Conventional Weapons Convention, including Protocol II on landmines, that is to be held from September 25 to October 13, 1995, the President should actively support proposals to modify Protocol II that would implement as rapidly as possible the United States goal of eventually eliminating antipersonnel landmines.

(c) MORATORIUM ON USE OF ANTIPERSONNEL LANDMINES.—(1) UNITED STATES MORATORIUM.—(A) For a period of one year beginning three years after the date of the enactment of this Act, the United States shall not use antipersonnel landmines except along internationally recognized national borders or in demilitarized zones within a perimeter marked area that is monitored by military personnel and protected by adequate means to ensure the exclusion of civilians.

(B) If the President determines, before the end of the one year period of the United States moratorium under subparagraph (A), that the governments of other nations are implementing moratoria on use of antipersonnel landmines similar to the United States moratorium, the President may extend the period of the United States moratorium for such additional period as the President considers appropriate.

(2) OTHER NATIONS.—It is the sense of Congress that the President should actively encourage the governments of other nations to join the United States in solving the global landmine crisis by implementing moratoria on use of antipersonnel landmines similar to the United States moratorium as a step toward the elimination of antipersonnel landmines.

(d) ANTIPERSONNEL LANDMINE EXPORTS.—It is the sense of Congress that, consistent with the United States moratorium on exports of antipersonnel landmines and in order to further discourage the global proliferation of antipersonnel landmines, the United States Government should not sell, license for export, or otherwise transfer defense articles and services to any foreign government which, as determined by the President, sells, exports, or otherwise transfers antipersonnel landmines.

(e) DEFINITIONS.—For purposes of this Act:

(1) ANTIPERSONNEL LANDMINE.—(A) The term "antipersonnel landmine" means any munition placed under, on, or near the ground or other surface area, delivered by artillery, rocket, mortar, or similar means, or dropped from an aircraft and which is designed, constructed, or adapted to be detonated or exploded by the presence, proximity, or contact of a person.

(B) The term "antipersonnel landmine" does not include command detonated Claymore munitions.

(2) 1980 CONVENTIONAL WEAPONS CONVENTION.—The term "1980 Conventional Weapons Convention" means the Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed To Be Excessively Injurious or To Have Indiscriminate Effects, together with the protocols relating thereto, done at Geneva on October 10, 1980.

HELMS AMENDMENT NO. 2758

Mr. McCONNELL (for Mr. HELMS) proposed an amendment to the bill H.R. 1868, supra, as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . EXTENSION OF AU PAIR PROGRAMS.

Section 8 of the Eisenhower Exchange Fellowship Act of 1990 is amended in the last sentence by striking "fiscal year 1995" and inserting "fiscal year 1998".

McCONNELL AMENDMENT NO. 2759

Mr. McCONNELL proposed an amendment to the bill H.R. 1868, supra, as follows:

Funds appropriated by this Act may be obligated and expended notwithstanding section 10 of Public Law 91–672 and section 15 of the State Department Basic Authorities Act of 1956: *Provided*, That this section shall not apply with respect to any accounts for which a general authorization of appropriations for fiscal year 1996 is enacted in law on or before April 1, 1996.

DOLE (AND OTHERS) AMENDMENT NO. 2760

Mr. McCONNELL (for himself, Mr. DOLE, Mr. McCAIN, Mr. GREGG, Mr. HELMS, and Mr. COVERDELL) proposed an amendment to the bill H.R. 1868, supra, as follows:

At the end of the last committee amendment, insert the following:

SEC. . LIMITATION ON ASSISTANCE FOR HAITI.

(a) LIMITATION.—None of the funds appropriated or otherwise made available by this Act or any other Act may be furnished to the Government of Haiti until the President determines and reports in writing to the Congress that—

(1) the Government of Haiti has conducted or is conducting a thorough and professional investigation into, and prosecution of those responsible for the murder of Mireille Durocher de Bertin on March 28, 1995, and other possible cases of political or extrajudicial killings, including the 20 cases of "commando-style executions" cited by the United Nations/Organization of American States International Civilian Mission in Haiti on September 12, 1995;

(2)(A) the police and security forces of Haiti are not assassinating or abducting civilians, are not engaging in other acts of violence directed at civilians, and are controling such activities by elements subject to the control of those forces; or

(B) the Government of Haiti is investigating effectively the members within its police and security forces engaged in acts of violence against civilians, and has put in place effective policies to deter and punish such activities in the future.

(3) the Government of Haiti has actively sought and encouraged a law enforcement service from outside Haiti to assist and monitor investigators of the Government of Haiti in their investigation of the murders cited in section (1) above; and

(4)(A) the Government of Haiti has cooperated fully and in a timely fashion with U.S. Federal Bureau of Investigation efforts to investigate the murder of Mireille Durocher de Bertin, including providing access to Haitian government employees in a manner which facilitates prosecution of those responsible for her murder; or

(B) the Government of Haiti has not cooperated fully and in a timely fashion with U.S. Federal Bureau of Investigation efforts to investigate the murder of Mireille Durocher de Bertin, including providing access to Haitian government employees in a manner which facilitates prosecution of those responsible for her murder, in which case the President shall submit a detailed accounting of the areas of non-cooperation and his assessment of all the reasons for such non-cooperation by the Government of Haiti.

(b) REPORT.—Not later than 60 days after enactment of this section, the President shall report to the appropriate committees of Congress, based on information available to him, on the identity or identities of those responsible for the murder and any subsequent coverup, and on the status of the Government of Haiti's investigation of:

(1) the murder of American citizen Richard Andre Emmanuel on February 13, 1991;

(2) the murders of Bastian Desrosiers, Stevenson Desrosiers, Jacques Nelio, Pierre Schiller and Louis Walky on July 26, 1991;

(3) the murder of Revered Sylvio Claude on September 17, 1991;

(4) the murder of Roger Lanfontant on September 29, 1991;

(5) the murder of Antoine Izmery on September 11, 1993; and

(6) the murder of Minister of Justice Guy Malary on October 14, 1993.

(c) HUMANITARIAN ASSISTANCE.—Nothing in this section shall be construed to restrict the provision of humanitarian or electoral assistance to the Haitian people by non-governmental or private voluntary organizations.

(d) WAIVER.—The president may waive the requirements of this section if he determines and certifies to the appropriate committees of Congress that it is necessary to facilitate the safe and timely withdrawal of American forces from Haiti.

DOLE (AND OTHERS) AMENDMENT NO. 2761

Mr. McCONNELL (for himself, Mr. DOLE, Mr. HELMS, and Mr. LIEBERMAN) proposed an amendment to the bill H.R. 1868, supra, as follows:

In subsection (b) of the section entitled "AUTHORITY TO ASSIST BOSNIA-HERZEGOVINA", strike "$50,000,000" and insert "$100,000,000".

DOLE (AND HATCH) AMENDMENT NO. 2762

Mr. McCONNELL (for Mr. DOLE for himself and Mr. HATCH) proposed an amendment to the bill H.R. 1868, supra, as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . CROATIAN-AMERICAN ENTERPRISE FUND.

(a) DESIGNATION OF FUND.—The President shall designate a private, nonprofit organization as eligible to receive funds and support pursuant to this section with respect to Croatia in the same manner and with the same limitations as set forth in section 201(d) of the Support for East European Democracy (SEED) Act of 1989. Such organization shall be known as the "Croatian-American Enterprise Fund".

(b) APPLICATION OF SEED ACT.—Except as otherwise specifically provided in this section, the provisions contained in section 201 of the Support for East European Democracy (SEED) Act of 1989 (excluding the authorizations of appropriations provided in subsection (b) of that section) shall apply to the Croatian-American Enterprise Fund. The officers, members, or employees of the Croatian-American Enterprise Fund shall enjoy the same status under law that is applicable to officers, members, or employees of the Enterprise Funds for Poland and Hungary under the Support for East European Democracy (SEED) Act of 1989.

(c) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated to the President for purposes of this section, in addition to funds otherwise available for such purposes, $12,000,000 for fiscal year 1996 to fund the Croatian-American Enterprise Fund established under subsection (a).

(2) Funds appropriated under this subsection are authorized to remain available until expended.

(d) APPROPRIATIONS.—Of the funds appropriated or otherwise made available by this Act under the heading entitled "ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES", $12,000,000 shall be available only to support the Croatian-American Fund established by subsection (a).

DOLE (AND D'AMATO) AMENDMENTS NOS. 2763–2764

Mr. McCONNELL (for Mr. DOLE for himself and Mr. D'AMATO) proposed two amendments to the bill H.R. 1868, supra, as follows:

AMENDMENT NO. 2763

Before the period at the end of the heading entitled "INTERNATIONAL DISASTER ASSISTANCE", insert the following: ": *Provided*, That of the amount appropriated under this heading, $40,000,000 should be available only for emergency humanitarian assistance to the former Yugoslavia, of which amount not less than $6,000,000 shall be available only for humanitarian assistance to Kosova".

AMENDMENT NO. 2764

At the appropriate place in the bill, insert the following new section:

SEC. ___. SANCTIONS AGAINST COUNTRIES HARBORING WAR CRIMINALS.

(a) BILATERAL ASSISTANCE.—Assistance may not be provided in any fiscal year under the Foreign Assistance Act of 1961 or the Arms Export Control Act for any country described in subsection (c).

(b) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury shall instruct the United States executive directors of the international financial institutions each fiscal year to work in opposition to, and vote against, any extension by such institutions of financing or financial or technical assistance to any country described in subsection (c).

(c) SANCTIONED COUNTRIES.—A country described in this subsection is a country the government of which permits entry into or presence in the territory of such country to any person—

(1) who has been indicted by the International Criminal Tribunal for the former Yugoslavia, the International Criminal Tribunal for Rwanda, or any other international tribunal with similar standing under international law, or

(2) who has been indicted for war crimes or crimes against humanity committed during the period beginning March 23, 1933 and ending on May 8, 1945 under the direction of, or in association with—

(A) the Nazi government of Germany;

(B) any government in any area occupied by the military forces of the Nazi government of Germany;

(C) any government which was established with the assistance or cooperation of the Nazi government of Germany; or

(D) any government which was an ally of the Nazi government of Germany.

(d) DEFINITIONS.—As used in this section—

(1) the term "international financial institutions" includes the International Bank for Reconstruction and Development, the International Development Association, the International Monetary Fund, the European Bank for Reconstruction and Development, the International Finance Corporation, the Multilateral Investment Guarantee Agency, the Inter-American Development Bank, the Inter-American Investment Corporation, the African Development Bank, the African Development Fund, and the Asian Development Bank; and

(2) the term "war crime" includes any offense which is—

(A) a grave breach of any of the four Geneva Conventions for the Protection of War Victims of August 12, 1949;

(B) a violation of the Hague Convention (IV) Respecting the Laws and Customs of War on Land of October 18, 1907, or the Regulations annexed thereto;

(C) a violation of the Convention on the Prevention and Punishment of the Crime of Genocide of December 9, 1948; or

(D) a violation of the Charter of the International Military Tribunal of August 8, 1945.

DOLE (AND BIDEN) AMENDMENT NO. 2765

Mr. McCONNELL (for Mr. DOLE for himself and Mr. BIDEN) proposed an amendment to the bill H.R. 1868, supra, as follows:

On page 121, after line 24, insert the following new section:

LIMITATION ON FUNDS TO THE TERRITORY OF THE BOSNIAC-CROAT FEDERATION.

SEC. 605. Funds appropriated by this Act for activities in the internationally-recognized borders of Bosnia and Herzegovina (other than refugee and disaster assistance and assistance for restoration of infrastructure, to include power grids, water supplies and natural gas) may only be made available for activities in the territory of the Bosniac-Croat Federation.

COHEN AMENDMENT NO. 2766

Mr. McCONNELL (for Mr. COHEN) proposed an amendment to the bill H.R. 1868, supra, as follows:

At an appropriate place in the bill insert the following new section:

SEC. RUSSIAN COMPLIANCE WITH THE CFE TREATY AND PRIORITIES FOR MODIFYING EXISTING ARMS CONTROL TREATIES. It is the sense of the Senate that—

(a) the failure by the Russian Federation to meet any obligation under the Treaty of the Conventional Armed Forces in Europe shall constitute non-compliance with the Treaty;

(b) the United States should insist on full compliance with the Russian Federation with all of the obligations of the Treaty on Conventional Armed Forces in Europe;

(c) the Treaty on Conventional Armed Forces in Europe provides adequate means by which the Russian Federation can meet its claimed military requirements for treaty-limited equipment in the flank zone defined by Article V of the Treaty, including movement of equipment within the flank zone, temporary deployment of additional equipment to the flank zone, and the temporary removal of equipment from designated permanent storage sites located in the flank zone; and

KASSEBAUM AMENDMENT NO. 2767

Mr. McCONNELL (for Mrs. KASSEBAUM) proposed an amendment to the bill H.R. 1868, supra, as follows:

On page 121, after line 24, add the following new section:

PLAN RECOMMENDING A STRATEGIC REORGANIZATION OF THE UNITED NATIONS

SEC. . (a) SENSE OF CONGRESS REGARDING UNITED NATIONS REFORM.—It is the sense of Congress that—

(1) the 50th anniversary of the United Nations provides an important opportunity for a comprehensive review of the strengths and weaknesses of the United Nations and for the identification and implementation of changes in the United Nation that would improve its ability to discharge effectively the objectives of the United Nations set forth in the United Nations Charter;

(2) the structure of the United Nations system, which has evolved over 50 years, should

be subject to a comprehensive review in order to identify the changes to the system that will best serve the interests of the United States and of the international community;

(3) the United States, as the strongest member state of the United Nations, should lead this comprehensive review;

(4) reforms that produce a smaller, more focused, more efficient United Nations with clearly defined missions are in the interest of the United States and of the United Nations;

(5) the United States should develop a unified position in support of reforms at the United Nations that are broadly supported by both the legislative branch and the executive branch;

(6) the need for reform of the United Nations is urgent; and

(7) the failure to develop and implement promptly a strategic reorganization of the United Nations will result in a continued diminution of the relevance of the United Nations to United States foreign policy and to international politics generally.

(b) UNITED NATIONS REORGANIZATION PLAN.—

(1) REQUIREMENT FOR PLAN.—The President shall submit to Congress, together with the budget submitted pursuant to section 1105 of title 31, United States Code, for fiscal year 1997, a plan recommending a strategic reorganization of the United Nations.

(2) REQUIREMENT RELATING TO DEVELOPMENT.—The President shall develop the plan in consultation with Congress.

(3) PLAN ELEMENTS.—The plan should include the elements described in subsection (c) and such other recommendations as may be necessary to achieve the efficient, cost-effective conduct of the responsibilities of the United Nations.

(c) CONTENTS OF REORGANIZATION PLAN.—It is the sense of the Congress that the reorganization plan required by subsection (b)(1) should—

(1) constitute a comprehensive statement of United States policy toward reform of the United Nations;

(2) set forth an agenda to implement the reforms set forth in the plan in a timely manner;

(3) include specific proposals to achieve—

(A) a substantial reduction in the number of agencies within the United Nations system, including proposals to consolidate, abolish, or restructure mechanisms for financing agencies of the United Nations that have a low priority;

(B) the identification and strengthening of the core agencies of the United Nations system that most directly serve the objectives of the United Nations set forth in the United Nations Charter;

(C) the increased cooperation, and the elimination of duplication, among United Nations agencies and programs.

(D) the consolidation of the United Nations technical cooperation activities between the United Nations Headquarters and the offices of the United Nations in Geneva, Switzerland, including the merger of the technical cooperation functions of the United Nations Development Program (UNDP), the United Nations Population Fund (UNFPA), the United Nations Environmental Program (UNEP), the United Nations Industrial Development Organization (UNIDO), the International Fund for Agricultural Development (IFAD), the United Nations Capital Development Fund (UNCDF), and the United Nations Development Fund for Women (UNIFEM);

(E) the consolidation of the United Nations emergency response mechanism by merging the emergency functions of relevant United Nations agencies, including the United Nations Children's Fund, the World Food Program, and the Office of the United Nations High Commissioner for Refugees;

(F) a substantial reduction in, or elimination of, the cost and number of international conferences sponsored by the United Nations;

(G) a significant strengthening of the administrative and management capabilities of the Secretary General of the United Nations, including a cessation of the practice of reserving top Secretariat posts for citizens of particular countries;

(H) a significant increase in the openness to the public of the budget decision-making procedures of the United Nations; and

(I) the establishment of a truly independent inspector general at the United Nations; and

(4) include proposals to coordinate and implement proposals for reform of the United Nations such as those proposals set forth in the communique of the 21st annual summit of the Heads of State and Government of the seven major industrialized nations and the President of the European Commission at Halifax, Nova Scotia, dated June 15–17, 1995.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Thursday, September 21, 1995, at 9:30 a.m. in open session, to consider the nomination of Gen. John M. Shalikashvili for reappointment as Chairman of the Joint Chiefs of Staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, September 21, 1995, for purposes of conducting a full committee business meeting which is scheduled to begin at 9:30 a.m. The purpose of this meeting is to consider pending calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a business meeting during the session of the Senate on Thursday, September 21, 1995, at 10 a.m. in SD226.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AFRICAN AFFAIRS

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Subcommittee on African Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, September 21, 1995, at 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL FINANCE

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Subcommittee on International Finance of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, September 21, 1995, to conduct a hearing on the oversight of the Export Administration Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, TECHNOLOGY AND GOVERNMENT INFORMATION

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Technology and Government Information of the Senate Committee on the Judiciary, be authorized to meet during a session of the Senate on Thursday, September 21, 1995, at 2 p.m., in Senate Dirksen room G50, on Ruby Ridge incident.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

ICC FUNDING AND RAILROAD MERGERS

• Mr. BOND. Mr. President, I rise today to discuss some concerns I have about the flurry of recent proposed mergers by certain rail carriers.

The Commerce, State, Justice appropriations bill that we will consider later, terminates funding for the Interstate Commerce Commission at the end of year. Downsizing the Federal Government and eliminating Federal agencies is a goal I certainly support and I have supported elimination of the ICC, but as of today, reorganization of the ICC's statutory responsibilities has not been done. I understand the Commerce Committee is preparing to report out legislation to accomplish this reorganization and I support that effort as I believe we must not eliminate the Commission without reassigning their most important regulatory responsibilities.

In the meantime, the Commission continues its mission. One responsibility they have that I wish to comment on today is their review of proposed railroad mergers.

In the past several months we have seen two huge railroad combinations. The Burlington Northern/Sante Fe merger has been approved and appears to be moving toward completion. Now recently, the Union Pacific/Southern Pacific merger has been proposed. Little thought seems to have been given to the impact that both these mergers will have on the continued availability of effective and efficient railroad transportation. For example, what effect will these exceptionally large combinations have on consumers, shippers, and communities as well as on the surviving competing railroads? Consider the current critical rail transportation situation in the Midwest, as reported recently in the Journal of Commerce, where timely rail movement to market of grain, corn, and soybeans is seriously threatened. According to this article, which follows my remarks, because of a shortage of cars, freight rates are going up significantly.

What will be the impact of these megamergers on other railroads and their ability to provide a needed and competitive service? Take for example, a regional railroad such as Kansas City Southern Railroad Co., and I am sure there are others; will KCS survive as a reliable competitive line offering a needed service to thousands of shippers and hundreds of communities? If it and others like it do not survive as viable competitors, isn't it likely that the serious freight car shortage and escalating rate problems we're seeing, as reported by the Journal of Commerce, will become even more serious? And how about the consumers? Any such increased costs of necessity are passed on to them.

If all of this were not worrisome enough, the Union Pacific/Southern Pacific combination is being hurried through at a time when the only deliberative body charged with evaluating the ramifications of this sort of activity, the ICC, is threatened with legislative extinction. In the absence of the ICC, who is going to impartially assess the anticompetitive impact on the public of these mergers? Serious nationwide public policy issues are raised which must be addressed before the merger of the Union Pacific and Southern Pacific Railroads is consummated. It is not my intention to prejudge the legitimacy of this merger, but only to be certain that the public interest is not adversely threatened.

Mr. President, these megamergers pose very serious questions which must be answered by the players themselves or the agencies charged with maintaining an essential competitive transportation system.

Mr. President, I ask that the Journal of Commerce article referred to in the body of my statement appear in the RECORD at this point:

The article follows:

[From the Journal of Commerce, Sept. 13, 1995]

RAILS STRAIN TO SERVICE MIDWEST GRAIN HARVEST

(By Rip Watson)

The U.S. Midwest's rail network, normally no stranger to the crunch of the fall harvest, is beginning to strain this year under the weight of strong demand, tight car supply and skyrocketing prices.

Conditions are so tense in Iowa that farm trade associations will hold a Grain Transportation Summit on Thursday in Des Moines to vent their frustrations with some rail carriers, while seeking ways to ease the problem before soybean harvests begin in a few days.

"Grain is hot. Export demand is huge and will continue to be that way in the foreseeable future," said Jim Higgins, an analyst for Donaldson, Lufkin & Jenrette in New York.

As an industry, railroads boosted grain carloadings 23% in August from a year ago. Burlington Northern Railroad led the pack with a 28% increase, followed by Union Pacific Railroad at 19%.

That higher traffic volume is proving to be little comfort to Iowa shippers.

"We are sitting with most of our facilities full." said Dawn Carlson of the Iowa Institute for Cooperatives. "People are getting concerned. Every day that goes by is tacking on more and more charges and the farmer will get less and less for the grain delivered. If we don't get the grain moving, we'll have a lot of grain sitting on the ground."

Arthur Breenken, manager for the Farmers Co-Op Society in Wesley, Iowa, said, "The Soo Line is shipping cars but they are not supplying them fast enough." He said the problem was that much Iowa grain is moving to the Gulf of Mexico instead of the Mississippi River, which lengthens the round trip time to more than 30 days.

John Bromley, a spokesman for Union Pacific, blamed rail unions for not allowing UP employees to work in Iowa, where the railroad is short staffed. UP is hiring and training new workers now, he said.

Without those industrywide increases, the Association of American Railroads would have been 1% lower than last year.

"Our export projections are strong," said Brad Clow, director of transportation for Sparks Commodities in Memphis, Tenn. "In some commodities, shipments could outdo USDA forecasts."

With export demand strong and the corn and soybean harvests expected during the next several weeks, industry observers see no changes in the rate and car supply situation.

"We expect cars to remain tight until January or February," Mr. Clow said.

"It would surprise me if we didn't continue to have this shortage problem for a while," said Steve Strege, who directs the North Dakota Grain Dealers Association in Fargo. "We're just getting into the usual crunch time. I don't know if there is much precedent for us to have a problem at this time of year and have it relax at the time of corn and soybean harvest."

With shippers paying premiums of up to $500 a car to guarantee availability of covered hopper cars for grain shipments late in 1995, Mr. Strege said he believed rates will continue to climb.

"We have people willing to pay a hell of a premium for cars," one official said.

"These programs (for ordering cars in advance) give signals to the railroads that they should or can raise their rates," Mr. Strege said.

Other forces are influencing the 1995 grain shipping picture.

Operating under a strike threat last year, CP Rail System's Soo Line unit posted meager grain carloadings in August 1994 that were nearly quadrupled last month.

Barge freight markets are facing similar pressures, several industry observers said.

One factor affecting the barge markets is the continued strong northbound river movements of aluminum ore, steel and other products that have reduced availability of barges to haul grain, said Jerry Fruin, a transportation economist for the University of Minnesota in Minneapolis.

"Even with the recent fall in rates in the past week, we expect barge freight rates will continue to remain very strong as we move into harvest," Mr. Clow said.

The traffic picture is brightening for some other commodities but remains dim for manufactured goods.

Coal traffic could pick up this month, Mr. Higgins said, because of the hot summer and a resulting reduction in utility stockpiles that have to be replenished.

Export traffic is showing some cyclical strength driven by demand for some steam coals and metallurgical coal, he said.

August carloadings were 2% below last year.

"We're expecting a strong fourth quarter (for coal)," said Dave Rohall, director of planning for CSX Transportation.•

READY, FIRE, AIM

• Mr. D'AMATO. Mr. President, I rise today in support of the Affordable Housing Tax Credit [the Credit], which is the Federal Government's principal and most successful rental housing program. The Credit Program, however, is under attack and is threatened with termination. As part of budget reconciliation, the Ways and Means Committee has proposed to sunset the Credit at the end of 1997 pending a GAO review of the management of the program. Crafted this way and if accepted by the Senate, the proposal would greatly reduce private equity attracted to affordable housing through 1997, and if terminated after 1997, would halt the development or rehabilitation of affordable rental housing.

In essence, Ways and Means is adopting a "Ready, Fire, Aim Strategy." The committee proposes to eliminate the program before determining there is a problem. No hearings have been held and no study has been conducted. Shoot first and ask questions later.

Mr. President, I have written the chairman of the Finance committee, Senator ROTH, urging that the Committee not consider the Ways and Means proposal to sunset the Credit. Oversight of any Federal program is always appropriate, and the Credit should not be exempt. But a mandated sunset before review is just a budget gimmick to pick up revenues in the out years. Congress can always change the program if mismanagement is found, but only after hearings. Termination without review will drastically slow the flow of private capital to projects currently being planned. Action before study is rash. Budgetary needs should not dictate housing policy.

The Credit has enjoyed widespread bi-partisan support. Indeed, the program was originally sponsored by former Senator Mitchell and my colleague from New York, Congressman RANGEL, as part of the Tax Reform Act of 1986, and signed into law by President Reagan. In the Bush administration, Secretary of HUD, Jack Kemp, was the chief advocate of the Credit on behalf of the administration.

Under current law, the Credit is limited to $1.25 per capita per State and administered by the States on behalf of the Federal Government. Eligible affordable housing units are provided a

Federal tax credit each year for 10 years, though the units must remain affordable for at least 15 years—many States require 30 or more years of affordability. Investors provide equity to projects in exchange for the credits to facilitate the development of affordable units.

Based on the Nation's population of approximately 260 million, States are able to allocate approximately $325 million of credits from their 1995 per capita volume limitation. Although the credits are utilized each year for 10 years by investors, those investors provide equity upfront during the development process. At today's market pricing, the roughly $325 million of volume cap credits available in 1995 will result in approximately $1.85 billion of private capital invested in affordable rental housing.

This private equity translates into rental housing for families in need of affordable housing. According to the National Council of State Housing Agencies [NCSHA], since 1986 the Credit has assisted in the development of over 700,000 units rental housing. In 1994 alone, according to NCSHA, the Credit produced 114,000 new or rehabilitated units, spurred construction activity leading to 98,000 jobs, $3.1 billion of wages, and $1.5 billion in tax revenues.

According to the New York State Housing Finance Agency and the Division of Housing and Community Renewal, in 1994, over 6,100 units of rental housing were made possible because of the Credit in my home State. The production of these units resulted, directly, in an estimated $520 million of housing investment in the State. Of the 6,100 units, over 4,700 were for low-income families. Also, in 1994, New York participated in a national redistribution of unused credits from the prior year. As a result, $9 million in additional credits were allocated leading to $90 million of new housing production activity and 1,200 units of rental housing. The corresponding benefits to New York State's economy translated to gainful employment and badly needed stimulation of our business community.

This is why I have been contacted by my Governor, George Pataki, his commissioner of housing, Joseph Holland, and his housing finance agency president, Stephen Hunt, to oppose any curtailment of the Credit Program until careful study has determined a need for change. Additionally the City of New York has urged me to stand up to the House Ways and Means Committee's proposal. Without the Credit my State, and its biggest city, would be deprived of its most important rental housing production program.

The Credit was only made permanent in 1993. Prior to that the program would sunset and Congress would have to enact legislation to extend its authority. Since the permanent extension in 1993, the market has been flooded with equity; principally from major corporations otherwise not involved in affordable housing. The value of credits in the marketplace has dramatically increased as these companies compete for scarce credits awarded by States. The Ways and Means action will put a chill on this market driving down the amount of equity available for housing in 1996 and 1997. There is no assurance that the program would be extended after 1997. As a result, private equity available for affordable housing will dramatically drop because of political uncertainty and looming termination. This is unwarranted since no hearings or studies have shown problems with the Credit Program.

As chairman of the Banking Committee, with jurisdiction over housing and HUD, I am keenly aware of the dramatic decline in Federal appropriations for housing programs. Mr. President, I am also very sensitive to the difficulties with HUD managing large Federal spending programs to support affordable rental housing. I have talked at length with Secretary Cisneros about his HUD reinvention blueprint based on less regulation and bureaucracy. Federal spending programs managed by HUD are slow moving and filled with red tape. On the other hand, the Credit is allocated promptly and is not dominated by Byzantine Federal regulations and paperwork. If anything, Congress should and will move beyond the Secretary's blueprint. But we should not terminate a program and slow the flow of capital derived from the Credit, until hearings have determined a need for change.

Mr. President, I urge rejection of the proposed Ways and Means Committee action to sunset the Credit. As a member of the Finance Committee I will work assiduously to protect this important program.•

NATIONAL FUND FOR HEALTH RESEARCH ACT

• Mrs. BOXER. Mr. President, I rise as an original cosponsor of the Hatfield-Harkin bill. I wish to express my strong support for this legislature which provides additional resources for health research over and above those provided to the National Institutes of Health [NIH] in the annual appropriations process.

This legislation would create the National Fund for Health Research Act, financed by a tobacco tax, in the form of 25 cents per pack and an equivalent tax on other tobacco products. As a result of this act, annual revenue in excess of $4 billion would be raised to provide additional funds for medical research, which is an important, but often underfunded part of our health care system.

Investment in medical research yields benefits in countless ways: improvements in preventing disease, better methods of diagnosis and treatment, and breakthroughs that have led to cures and therapies for afflictions ranging from cancer to schizophrenia.

Improvements in public health depend on basic research to find answers to fundamental questions about disease processes. The most widely heralded medical triumphs—such as the discovery of antibiotics, the vaccine for polio, the identification of human immunodeficiency virus—reflect the vast body of fundamental knowledge accumulated through medical research.

In addition, medical research is the first line of prevention defense. Research has produced immunizations, a screening test to prevent the transmission of HIV through blood products and the finding that AZT can reduce by two-thirds the rate of HIV transmission from mother to infant. With rising health care costs, it is in our best interest to fund medical research to further both prevention and treatment of disease.

This legislation raises funds for research while protecting our children. Everyday more than 3,000 children become smokers and more than 1,000 of them will eventually die as a result of smoking. Raising tobacco taxes is a highly effective manner in which to reduce tobacco use by children. A 25 cent tax will discourage an estimated 1.3 million children and adults from smoking.

I urge my colleagues to recognize the importance of medical research to the American people and support the Hatfield-Harkin bill.•

NAFTA

• Mr. LEVIN. Mr. President, during the Senate debate over the North American Free-Trade Agreement I put together a brochure entitled "NAFTA MATH: It Doesn't Add Up." This brochure questioned the job creation claims of NAFTA proponents and showed those job claims to be a distortion of what would really happen under NAFTA.

In the brochure and during the NAFTA debate I pointed out that the job gain claims were based solely on expected increases in exports. These job creation claims totally ignored any potential and expected increase in imports from Mexico—which result in the loss of American jobs.

An op-ed published in Monday's New York Times confirms the worst of my fears. I will ask to have printed in the RECORD a September 11 New York Times op-ed by Bob Herbert which confirms the fact that NAFTA has not resulted in the increase in U.S. jobs promised by its supporters. In fact, it has resulted in the opposite.

Mr. Herbert writes about the findings of a Public Citizen study of U.S. jobs created under NAFTA. Public Citizen looked at the job creation promises of dozens of companies that supported NAFTA. Mr. Herbert writes, "Public Citizen noted that every one of those companies has already 'laid off workers because of NAFTA.'" In addition, "Of the companies surveyed, 89 percent had failed to take any significant step toward fulfilling their promises of job creation or export expansion."

In addition, "There has been no meaningful job creation from NAFTA, which has been in effect for 20 months. But the U.S. Department of Labor, through its NAFTA Trade Adjustment Assistance Program, which was designed to help people thrown out of their jobs by NAFTA, has certified that 38,148 workers lost their jobs by mid-August. An additional 30,000 workers have filed for assistance under the program. It is expected that the true job loss under NAFTA will reach 1 million by the end of the year."

Finally, Mr. Herbert writes that although exports from the United States have increased to Mexico as NAFTA proponents predicted, as I feared, imports to the United States from Mexico increased even faster, especially for high value-added manufactures such as automobiles and other high-technology items.

Unfortunately, some of our fears about the implications of NAFTA were well founded. NAFTA's problems were evident even before the devaluation of the peso which hurt hopes for a growing consumer market in Mexico. With Mexico's current fiscal problems, these trends could well get worse.

I ask that the op-ed by Bob Herbert be printed in the RECORD.

The material follows:

[From the New York Times, Sept. 11, 1995]

NAFTA'S BUBBLE BURSTS

(By Bob Herbert)

Back in 1993, in a typical declaration of faith in the projected glories of the North American Free Trade Agreement, a vice president of the Mattel Corporation named Fermin Cuza assured a Congressional subcommittee that Nafta would result in the creation of new jobs at Mattel and have "a very positive effect" on the 2,000 men and women already employed by Mattel in the United States.

Mr. Cuza's was just one of many promises made during that season of devotion to free trade. The consumer group Public Citizen took a look back at them.

Let's start with Mattel. Not only have no jobs been created, but a check of Federal records by Public Citizen found that 520 workers at Mattel's Fisher-Price facility in Medina, N.Y., have been certified as laid off specifically because of "increased company imports from Mexico" that resulted from Nafta.

Public Citizen's Global Trade Watch unit surveyed the job creation promises of dozens of staunchly pro-Nafta corporations. They included, in addition to Mattel, Allied Signal, General Electric, Procter & Gamble, Scott Paper and Zenith.

In a report released last week, Public Citizen noted that every one of those companies has already "laid off workers because of Nafta."

Of the companies surveyed, 89 percent had failed to take any significant step toward fulfilling their promises of job creation or export expansion.

In November 1993, President Clinton asserted, "If this trade agreement passes—Nafta—we estimate America will add another 200,000 jobs by 1995 alone."

He was mistaken. There has been no meaningful job creation from Nafta, which has been in effect for 20 months. But the U.S. Department of Labor, through its Nafta Trade Adjustment Assistance program, which was designed to help people thrown out of their jobs by Nafta, has certified that 38,148 workers lost their jobs by mid-August. An additional 30,000 workers have filed for assistance under the program, which is not well known and not available to most workers who are at risk. It is expected that the true job loss under Nafta will reach one million by the end of the year.

It is fashionable now for Nafta supporters to blame the end-of-the-year peso crash for problems that were inherent in the trade agreement. During the first year of Nafta, before the big devaluation in December, the value of the peso relative to the dollar had already declined by nearly 15 percent. That wiped out any advantage the U.S. would have realized from Nafta's lower tariffs. The average tariff decline was just 10 percent. In other words, the "market access advantage" that the U.S. was supposed to enjoy had vanished before the peso crash.

Proponents of Nafta are quick to note that U.S. exports to Mexico increased during the first year of Nafta. True. But what they fail to mention is that imports to the U.S. from Mexico increased even faster, with automobiles and other high-technology items increasing twice as fast. We were well on our way to a trade deficit with Mexico (and the big job losses that would entail) before the crash of the peso.

Worse, much of the increase in exports to Mexico came from items that boomerang back to the U.S. in the form of imports—for example, component parts shipped to Mexico for assembly into finished goods and infrastructure equipment for use in the building of factories.

And then there's the small matter of the wages of American workers. In Nafta's first year, before the collapse of the peso, America's 77 million production workers endured a 3 percent drop in their real hourly wages—the steepest one-year decline ever recorded.

That, of course, was directly related to the overall expansion of the labor pool under Nafta, and the fact that the number of companies choosing to relocate to Mexico has, as expected, accelerated. The chilling effect of these developments on wage demands should be obvious.

The peso devaluation has dried up the consumer market in Mexico. That simply means that as bad a deal as Nafta was originally, Mexicans are now even less able to buy American goods.

But it was Nafta that put us on this highway to nowhere in the first place. The collapse of the peso just increased the speed.●

SUPPORT OF THE LOW-INCOME HOUSING CREDIT

● Mr. MOYNIHAN. Mr. President, I rise today to express my great dismay at a proposal passed this week by the House Ways and Means Committee to repeal the low-income housing tax credit.

The housing credit is the Federal Government's principal and most successful affordable housing program. The Enterprise Foundation estimates that the housing credit is responsible for almost all of the new private construction of housing units for lower income renters, and that almost 800,000 units of rental housing for lower income working families and the elderly have been constructed or rehabilitated as a result of the housing credit. They also report that the 106,000 affordable housing units generated with the housing credit in 1993 resulted in the creation of approximately 90,000 jobs, $2.8 billion in wages, and $1.3 billion in additional tax revenues.

I have visited many of the projects in New York that have been made possible by the housing credit, and I can assure you the credit is having a dramatic effect on the availability of good, affordable housing. Yet now some of our colleagues in the House would repeal it. I do not understand what their reasoning is.

The House Ways and Means Committee proposal would sunset the credit at the end of 1997. The committee acted without holding any hearings to review the housing credit. And while the committee calls on the Government Accounting Office to review the management and operation of the housing credit, it acts nonetheless.

The housing credit was devised by the Senate Finance Committee during consideration of the Tax Reform Act of 1986, and was signed into law by President Reagan. It has enjoyed solid bipartisan support for nearly a decade.

I was pleased in 1993, as Chairman of the Senate Finance Committee, to bring legislation before the Senate which permanently extended the housing credit. That legislation was enacted as the Omnibus Budget Reconciliation Act of 1993. We were able to permanently extend the housing credit in a bill which produced the largest amount of deficit reduction in this country's history. The Office of Management and Budget estimates that the direct and indirect effects of the bill were to reduce the baseline deficit by a cumulative amount of one trillion dollars. In sum, while making a very significant attack on the deficit, we were still able to find the resources for this important national priority. And yet just 2 years later we see an effort to repeal it. This is an odd development, indeed, and I urge my colleagues to join me in opposing it.●

UNANIMOUS-CONSENT AGREEMENTS

Mr. BENNETT. Mr. President, I ask unanimous consent that at 9:30 a.m. on Friday the Senate proceed to the conference report to accompany H.R. 1817, the military construction appropriations bill, and it be considered under the following time agreement: 20 minutes equally divided between Senators

BURNS and REID, or their designee; 10 minutes under the control of Senator BINGAMAN; and, 20 minutes under the control of Senator MCCAIN.

I further ask that, following the conclusion or yielding back of time, the Senate proceed to a vote on the adoption of the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENNETT. Mr. President, I ask unanimous consent that when the Senate considers the conference report to accompany H.R. 1854, the legislative appropriations bill, that it be considered under the following time agreement: 30 minutes to be equally divided between Senators MACK and MURRAY; and 10 minutes under the control of Senator SIMON.

I further ask that, following the conclusion or yielding back of time, the Senate proceed to vote on the adoption of the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENNETT. Mr. President, I ask unanimous consent that, immediately following the disposition of the military construction appropriations conference report on Friday, the Senate proceed to Calendar No. 188, S. 1244, the District of Columbia appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

MERCURY-CONTAINING BATTERY MANAGEMENT

Mr. BENNETT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 1882, S. 619.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 619) to phase out the use of mercury in batteries and provide for the efficient and cost-effective collection and recycling or proper disposal of used nickel cadmium batteries, small sealed lead-acid batteries, and certain other batteries, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Environment and Public works, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 619

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Mercury-Containing and Rechargeable Battery Management Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) it is in the public interest to—

(A) phase out the use of mercury in batteries and provide for the efficient and cost-effective collection and recycling or proper disposal of used nickel cadmium batteries, small sealed lead-acid batteries, and other regulated batteries; and

(B) educate the public concerning the collection, recycling, and proper disposal of such batteries;

(2) uniform national labeling requirements for regulated batteries, rechargeable consumer products, and product packaging will significantly benefit programs for regulated battery collection and recycling or proper disposal; and

(3) it is in the public interest to encourage persons who use rechargeable batteries to participate in collection for recycling of used nickel-cadmium, small sealed lead-acid, and other regulated batteries.

SEC. 3. DEFINITIONS.

[In**]** *For purposes of* this Act:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) BUTTON CELL.—The term "button cell" means a button- or coin-shaped battery.

(3) EASILY REMOVABLE.—The term "easily removable", with respect to a battery, means detachable or removable at the end of the life of the battery—

(A) from a consumer product by a consumer with the use of common household tools; or

(B) by a retailer of replacements for a battery used as the principal electrical power source for a vehicle.

(4) MERCURIC-OXIDE BATTERY.—The term "mercuric-oxide battery" means a battery that uses a mercuric-oxide electrode.

(5) RECHARGEABLE BATTERY.—The term "rechargeable battery"—

(A) means 1 or more voltaic or galvanic cells, electrically connected to produce electric energy, that is designed to be recharged for repeated uses; and

(B) includes any type of enclosed device or sealed container consisting of 1 or more such cells, including what is commonly called a battery pack (and in the case of a battery pack, for the purposes of the requirements of easy removability and labeling under section 103, means the battery pack as a whole rather than each component individually); but

(C) does not include—

(i) a lead-acid battery used to start an internal combustion engine or as the principal electrical power source for a vehicle, such as an automobile, a truck, construction equipment, a motorcycle, a garden tractor, a golf cart, a wheelchair, or a boat;

(ii) a lead-acid battery used for load leveling or for storage of electricity generated by an alternative energy source, such as a solar cell or wind-driven generator;

(iii) a battery used as a backup power source for memory or program instruction storage, timekeeping, or any similar purpose that requires uninterrupted electrical power in order to function if the primary energy supply fails or fluctuates momentarily; or

(iv) a rechargeable alkaline battery.

(6) RECHARGEABLE CONSUMER PRODUCT.—The term "rechargeable consumer product"—

(A) means a product that, when sold at retail, includes a regulated battery as a primary energy supply, and that is primarily intended for personal or household use; but

(B) does not include a product that only uses a battery solely as a source of backup power for memory or program instruction storage, timekeeping, or any similar purpose that requires uninterrupted electrical power in order to function if the primary energy supply fails or fluctuates momentarily.

(7) REGULATED BATTERY.—The term "regulated battery" means a rechargeable battery that—

(A) contains a cadmium or a lead electrode or any combination of cadmium and lead electrodes; or

(B) contains other electrode chemistries and is the subject of a determination by the Administrator under section 103(d).

(8) REMANUFACTURED PRODUCT.—The term "remanufactured product" means a rechargeable consumer product that has been altered by the replacement of parts, repackaged, or repaired after initial sale by the original manufacturer.

SEC. 4. INFORMATION DISSEMINATION.

The Administrator shall, in consultation with representatives of rechargeable battery manufacturers, rechargeable consumer product manufacturers, and retailers, establish a program to provide information to the public concerning the proper handling and disposal of used regulated batteries and rechargeable consumer products with nonremovable batteries.

SEC. 5. ENFORCEMENT.

(a) CIVIL PENALTY.—When on the basis of any information the Administrator determines that a person has violated or is in violation of any requirement of this Act, the Administrator—

(1) in the case of a willful violation, may issue an order assessing a civil penalty of not more than $10,000 for each violation and requiring compliance immediately or within a reasonable specified time period, or both; or

(2) in the case of any violation, may commence a civil action in the United States district court in the district in which the violation occurred for appropriate relief, including a temporary or permanent injunction.

(b) CONTENTS OF ORDER.—An order under subsection (a)(1) shall state with reasonable specificity the nature of the violation.

(c) CONSIDERATIONS.—In assessing a civil penalty under subsection (a)(1), the Administrator shall take into account the seriousness of the violation and any good faith efforts to comply with applicable requirements.

(d) FINALITY OF ORDER; REQUEST FOR HEARING.—An order under subsection (a)(1) shall become final unless, not later than 30 days after the order is served, a person named in the order requests a hearing on the record.

(e) HEARING.—On receiving a request under subsection (d), the Administrator shall promptly conduct a hearing on the record.

(f) SUBPOENA POWER.—In connection with any hearing on the record under this section, the Administrator may issue subpoenas for the attendance and testimony of witnesses and for the production of relevant papers, books, and documents.

(g) CONTINUED VIOLATION AFTER EXPIRATION OF PERIOD FOR COMPLIANCE.—If a violator fails to take corrective action within the time specified in an order under subsection (a)(1), the Administrator may assess a civil penalty of not more than $10,000 for the continued noncompliance with the order.

(h) SAVINGS PROVISIONS.—The Administrator may not take any enforcement action against a person for selling, offering for sale, or offering for promotional purposes to the final consumer a battery or product governed by this Act that was—

(1) purchased ready for final sale; and

(2) sold, offered for sale, or offered for promotional purposes without modification.

SEC. 6. INFORMATION GATHERING AND ACCESS.

(a) Records and Reports.—A person who is required to carry out the objectives of this Act, including—

(1) a regulated battery manufacturer;

(2) a rechargeable consumer product manufacturer;

(3) a mercury-containing battery manufacturer; and

(4) an authorized agent of a person described in [subparagraph (A), (B), or (C)] *paragraph (1), (2), or (3),*

shall establish and maintain such records and report such information as the Administrator may by regulation reasonably require to carry out the objectives of this Act.

(b) Access and Copying.—The Administrator or the Administrator's authorized representative, on presentation of credentials of the Administrator, may at reasonable times have access to and copy any records required to be maintained under subsection (a).

(c) Confidentiality.—The Administrator shall maintain the confidentiality of documents and records that contain proprietary information.

SEC. 7. STATE AUTHORITY.

Except as provided in sections 103(e) and 104, nothing in this Act shall be construed to prohibit a State from enacting and enforcing a standard or requirement that is more stringent than a standard or requirement established or promulgated under this Act.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

TITLE I—RECHARGEABLE BATTERY RECYCLING ACT

SEC. 101. SHORT TITLE.

This title may be cited as the "Rechargeable Battery Recycling Act".

SEC. 102. PURPOSE.

The purpose of this title is to facilitate the efficient recycling or proper disposal of used nickel-cadmium rechargeable batteries, used small sealed lead-acid rechargeable batteries, other regulated batteries, and such rechargeable batteries in used consumer products, by—

(1) providing for uniform labeling requirements and streamlined regulatory requirements for regulated battery collection programs; and

(2) encouraging voluntary industry programs by eliminating barriers to funding the collection and recycling or proper disposal of used rechargeable batteries.

SEC. 103. RECHARGEABLE CONSUMER PRODUCTS AND LABELING.

(a) Prohibition.—

(1) In general.—No person shall sell for use in the United States a regulated battery that is ready for retail sale or a rechargeable consumer product that is ready for retail sale, [which] *if the battery or product* was manufactured on or after the date that is 12 months after the date of enactment of this Act[, unless—

[(A) in the case of a regulated battery, the regulated battery—

[(i) is easily removable from the rechargeable consumer product; or

[(ii) is sold separately; and

[(B) in the case of a regulated battery or rechargeable consumer product, the labeling requirements of subsection (b) are met.]

unless the labeling requirements of subsection (b) are met and, in the case of a regulated battery, the regulated battery—

(A) is easily removable from the rechargeable consumer product; or

(B) is sold separately.

(2) Application.—Paragraph (1) does not apply to [a sale of] *any of the following:*

(A) *The sale of* a remanufactured product unit unless paragraph (1) applied to the sale of the unit when originally manufactured[; or].

(B) *The sale of* a product unit intended for export purposes only.

(b) Labeling.—Each regulated battery or rechargeable consumer product without an easily removable battery manufactured on or after the date that is 1 year after the date of enactment of this Act, whether produced domestically or imported, shall [be labeled with—] *bear the following labels:*

(1)[(A)] 3 chasing arrows or a comparable recycling symbol[;] .

[(B)(i) on each nickel-cadmium battery, the chemical name or the abbreviation "Ni-Cd"; and

[(ii) on each lead-acid battery, "Pb" or the words "LEAD", "RETURN", and "RECYCLE";

[(C) on each nickel-cadmium regulated battery, the phrase "BATTERY MUST BE RECYCLED OR DISPOSED OF PROPERLY."; and

[(D) on each sealed lead acid regulated battery, the phrase "BATTERY MUST BE RECYCLED.";]

(2)(A) On each regulated battery that is a nickel-cadmium battery, the chemical name or the abbreviation "Ni-Cd" and the phrase "BATTERY MUST BE RECYCLED OR DISPOSED OF PROPERLY.".

(B) On each regulated battery that is a lead-acid batters, "Pb" or the words "LEAD", "RETURN", and "RECYCLE" and if the regulated battery is sealed, the phrase "BATTERY MUST BE RECYCLED.".

[(2) on] *(3) On* each rechargeable consumer product containing a regulated battery that is not easily removable, the phrase "CONTAINS NICKEL-CADMIUM BATTERY. BATTERY MUST BE RECYCLED OR DISPOSED OF PROPERLY." or "CONTAINS SEALED LEAD BATTERY. BATTERY MUST BE RECYCLED.", as applicable[; and].

[(3) on] *(4) On* the packaging of each rechargeable consumer product, and the packaging of each regulated battery sold separately from such a product, unless the required label is clearly visible through the packaging, the phrase "CONTAINS NICKEL-CADMIUM BATTERY. BATTERY MUST BE RECYCLED OR DISPOSED OF PROPERLY." or "CONTAINS SEALED LEAD BATTERY. BATTERY MUST BE RECYCLED.", as applicable.

(c) Existing or Alternative Labeling.—

(1) Initial period.—For a period of 2 years after the date of enactment of this Act, regulated batteries, rechargeable consumer products containing regulated batteries, and rechargeable consumer product packages that are labeled in substantial compliance with subsection (b) shall be deemed to comply with the labeling requirements of subsection (b).

(2) Certification.—

(A) In general.—On application by persons subject to the labeling requirements of subsection (b) or the labeling requirements promulgated by the Administrator under subsection (d), the Administrator shall certify that a different label meets the requirements of subsection (b) or (d), respectively, if the different label—

(i) conveys the same information as the label required under subsection (b) or (d), respectively; or

(ii) conforms with a recognized international standard that is consistent with the overall purposes of this title.

(B) Constructive certification.—Failure of the Administrator to object to an application under subparagraph (A) on the ground that a different label does not meet either of the conditions described in subparagraph (A) (i) or (ii) within 120 days after the date on which the application is made shall constitute certification for the purposes of this Act.

(d) Rulemaking Authority of the Administrator.—

(1) In general.—If the Administrator determines that other rechargeable batteries having electrode chemistries different from regulated batteries are toxic and may cause substantial harm to human health and the environment if discarded into the solid waste stream for land disposal or incineration, the Administrator may, with the advice and counsel of State regulatory authorities and manufacturers of rechargeable batteries and rechargeable consumer products, and after public comment—

(A) promulgate labeling requirements for the batteries with different electrode chemistries, rechargeable consumer products containing such batteries that are not easily removable batteries, and packaging for the batteries and products; and

(B) promulgate requirements for easy removability of regulated batteries from rechargeable consumer products designed to contain such batteries.

(2) Substantial similarity.—The regulations promulgated under paragraph (1) shall be substantially similar to the requirements set forth in subsections (a) and (b).

(e) Uniformity.—After the effective dates of a requirement set forth in subsection (a), (b), or (c) or a regulation promulgated by the Administrator under subsection (d), no Federal agency, State, or political subdivision of a State may enforce any easy removability or environmental labeling requirement for a rechargeable battery or rechargeable consumer product that is not identical to the requirement or regulation.

(f) Exemptions.—

(1) In general.—With respect to any rechargeable consumer product, any person may submit an application to the Administrator for an exemption from the requirements of subsection (a) in accordance with the procedures under paragraph (2). The application shall include the following information:

(A) A statement of the specific basis for the request for the exemption.

(B) The name, business address, and telephone number of the applicant.

(2) Granting of exemption.—Not later than 60 days after receipt of an application under paragraph (1), the Administrator shall approve or deny the application. On approval of the application the Administrator shall grant an exemption to the applicant. The exemption shall be issued for a period of time that the Administrator determines to be appropriate, except that the period shall not exceed 2 years. The Administrator shall grant an exemption on the basis of evidence supplied to the Administrator that the manufacturer has been unable to commence manufacturing the rechargeable consumer product in compliance with the requirements of this section and with an equivalent level of product performance without the product—

(A) posing a threat to human health, safety, or the environment; or

(B) violating requirements for approvals from governmental agencies or widely recognized private standard-setting organizations (including Underwriters Laboratories).

(3) Renewal of exemption.—A person granted an exemption under paragraph (2)

may apply for a renewal of the exemption in accordance with the requirements and procedures described in paragraphs (1) and (2). The Administrator may grant a renewal of such an exemption for a period of not more than 2 years after the date of the granting of the renewal.

SEC. 104. REQUIREMENTS.

For the purposes of carrying out the collection, storage, transportation, and recycling or proper disposal of used rechargeable batteries, batteries described in section [3(3)(C)] *3(5)(C)* or in title II, and used rechargeable consumer products containing rechargeable batteries that are not easily removable rechargeable batteries, persons involved in collecting, storing, or transporting such batteries or products to a facility for recycling or proper disposal shall, notwithstanding any other law, be regulated in the same manner and with the same limitations as if the persons were collecting, storing, or transporting [batteries subject to subpart G of part 266 of title 40, Code of Federal Regulations, as in effect on January 1, 1993, except that sections 264.76, 265.76, and 268.7 of that title shall not apply] *spent lead acid batteries that are recyclable materials subject to regulations of the Environmental Protection Agency under subpart G of part 266 of title 40, Code of Federal Regulations, as in effect on January 1, 1995, except that the requirements of title 40 relating to unmanifested waste reports (40 CFR 264.76 and 265.76) and to waste analysis and recordkeeping (40 CFR 268.7) shall not apply.*

SEC. 105. COOPERATIVE EFFORTS.

Notwithstanding any other law, if 2 or more persons who participate in projects or programs to collect and properly manage used rechargeable batteries or products powered by rechargeable batteries advise the Administrator of their intent, the persons may agree to develop jointly, or to share in the costs of participating in, such a project or program and to examine and rely on such cost information as is collected during the project or program.

TITLE II—MERCURY-CONTAINING BATTERY MANAGEMENT ACT

SEC. 201. SHORT TITLE.

This title may be cited as the "Mercury-Containing Battery Management Act".

SEC. 202. PURPOSE.

The purpose of this title is to phase out the use of batteries containing mercury.

SEC. 203. LIMITATIONS ON THE SALE OF ALKALINE-MANGANESE BATTERIES CONTAINING MERCURY.

No person shall sell, offer for sale, or offer for promotional purposes any alkaline-manganese battery manufactured on or after January 1, 1996, with a mercury content that was intentionally introduced (as distinguished from mercury that may be incidentally present in other materials), except that the limitation on mercury content in alkaline-manganese button cells shall be 25 milligrams of mercury per button cell.

SEC. 204. LIMITATIONS ON THE SALE OF ZINC-CARBON BATTERIES CONTAINING MERCURY.

No person shall sell, offer for sale, or offer for promotional purposes any zinc-carbon battery manufactured on or after January 1, 1996, that contains mercury that was intentionally introduced as described in section 203.

SEC. 205. LIMITATIONS ON THE SALE OF BUTTON CELL MERCURIC-OXIDE BATTERIES.

No person shall sell, offer for sale, or offer for promotional purposes any button cell mercuric-oxide battery for use in the United States on or after January 1, 1996.

SEC. 206. LIMITATIONS ON THE SALE OF OTHER MERCURIC-OXIDE BATTERIES.

(a) PROHIBITION.—On or after January 1, 1996, no person shall sell, offer for sale, or offer for promotional purposes a mercuric-oxide battery for use in the United States unless the battery manufacturer—

(1) identifies a collection site that has all required Federal, State, and local government approvals, to which persons may send used mercuric-oxide batteries for recycling or proper disposal;

(2) informs each of its purchasers of mercuric-oxide batteries of the collection site identified under paragraph (1); and

(3) informs each of its purchasers of mercuric-oxide batteries of a telephone number that the purchaser may call to get information about sending mercuric-oxide batteries for recycling or proper disposal.

(b) APPLICATION OF SECTION.—This section does not apply to a sale or offer of a mercuric-oxide button cell battery.

SEC. 207. NEW PRODUCT OR USE.

On petition of a person that proposes a new use for a battery technology described in this title or the use of a battery described in this title in a new product, the Administrator may exempt from this title the new use of the technology or *the* use of *such a* battery in the new product on the condition, if appropriate, that there exist reasonable safeguards to ensure that the resulting battery or product without an easily removable battery will not be disposed of in an incinerator, composting facility, or landfill (other than a facility regulated under subtitle C of the Solid Waste Disposal Act (42 U.S.C. 6291 et seq.)).

Mr. SMITH. Mr. President, today the Senate is considering S. 619, the Mercury-Containing and Rechargeable Battery Management Act. I introduced this measure on March 24, 1995, along with Senators LAUTENBERG, FAIRCLOTH, MCCONNELL, LIEBERMAN, SIMON, MACK, BOND, GRAHAM, WARNER, and REID as original cosponsors. In addition, Senator INHOFE and Senator SNOWE cosponsored the bill following its introduction. This legislation is urgently needed to remove Federal barriers detrimental to much-needed State and local recycling programs for batteries commonly found in cordless products such as portable telephones, laptop computers, tools, and toys. In order to respond to this urgent need, the Senate Committee on Environment and Public Works reported S. 619 out of the committee, by voice vote, on August 2, 1995.

Since 1992, Federal battery legislation has been approved in various congressional forums, including full Senate passage in 1994, but it did not become law because the legislation that it was attached to did not move forward. S. 619 which is virtually identical to the Senate passed provisions last year, would: First, facilitate the efficient and cost effective collection and recycling or proper disposal of used nickel cadmium [Ni-Cd] and certain other batteries by: (a) Establishing a coherent national system of labeling for batteries and products; (b) streamlining the regulatory requirements for battery collection programs for regulated batteries; and (c) encouraging voluntary industry programs by eliminating barriers to funding the collection and recycling or proper disposal of used rechargeable batteries; and second, phase out the use of mercury in batteries.

I am pleased to report that the U.S. Conference of Mayors, at its June meeting, passed a resolution in support of S. 619. As the resolution recognized, passage of this legislation will decrease the quantities of mercury and cadmium contributed to the environment by dry cell batteries. In addition, S. 619 will facilitate implementation of State battery laws in the 13 States that have enacted such provisions. These States are New Hampshire, Rhode Island, New Jersey, California, Connecticut, Florida, New York, Iowa, Oregon, Maine, Vermont, Minnesota, and Maryland. The bill also will assist all other States in moving forward with an industry financed and developed national battery collection program.

Mr. President, although industry has developed a national collection program to comply with these laws, without enactment of a Federal bill, EPA's current regulatory requirements preclude industry from fully implementing this program and from complying with the State collection requirements. Regulatory changes currently under consideration, even if promulgated, will not provide the necessary solution. Additional lengthy rulemaking procedures would also be necessary to make the regulation operational on a national basis. Further, we would still lack a coherent national system of labeling, which is necessary to facilitate nationwide marketing of batteries and products while advancing a national battery collection program. Federal legislation is the only real solution to removing the barriers to complying with State battery recycling laws, and to achieving a comprehensive recycling program.

The prompt passage of this bipartisan legislation will achieve a number of important goals. First, by establishing uniform national standards to promote the recycling and reuse of rechargeable batteries, this legislation provides a cost effective means to promote the reuse of our Nation's resources. Second, our bill will further strengthen efforts to remove these potentially toxic heavy metals from our Nation's landfills and incinerators. Not only will this lower the threat of groundwater contamination and toxic air emissions, but it will also significantly reduce the threat that these materials pose to the environment. Third, this legislation represents an environmentally friendly policy choice that was developed as the result of a strong cooperative effort between the States, environmental groups and the affected industries. Our bill is strongly supported by the Electronic Industries

Association [EIA], the Portable Rechargeable Battery Association [PRBA], and the National Electrical Manufacturers Association [NEMA]. For all of the reasons cited above, I believe that this legislation provides a substantial win-win from both an environmental as well as an economic standpoint.

Mr. President, I believe this bill represents a significant and positive step in removing potentially toxic heavy metals from our Nation's solid waste stream, and I urge its immediate adoption.

Mr. LAUTENBERG. Mr. President, I rise to join Senator CHAFEE and Senator SMITH in supporting S. 619, the Mercury-Containing and Rechargeable Battery Management Act.

The bill is based on the bipartisan bill that I sponsored with Senators FAIRCLOTH, LIEBERMAN, REID and GRAHAM during the last Congress.

Mr. President, this legislation is an important step in our efforts to control the amount of toxic wastes entering the waste stream. Specifically it deals with mercury, cadmium and lead which are contained in some battery casing. These materials pose no risk while a battery is in use. But they can be a significant concern when discarded in our solid waste stream.

Cadmium, which is used in the electrodes of rechargeable nickel-cadmium batteries, can cause kidney and liver damage.

Mercury exposure can cause significant damage to the nervous system and kidneys. It has also been linked to decreased motor functions and muscle reflexes, memory loss, headaches and brain function disorders. And when mercury enters the aquatic environment, it can form methyl mercury, which is extremely toxic to both humans and wildlife.

Although dry cell batteries account for less than one tenth of 1 percent of the 180 billion tons of garbage we generate each year, dry cell batteries have been significant sources of mercury, cadmium, and lead in our waste stream.

According to a New York State report, mercury batteries accounted for 85 percent of the mercury, and rechargeable batteries accounted for 68 percent of the cadmium, in New York's solid waste.

In landfills, dry cell batteries can break down to release their toxic contents and contaminate our waters. In incinerators, the combustion of dry cell batteries containing toxic metals leads to elevated toxic air emissions, and has increased the concentrations of toxic metals in the resulting fly and bottom ash.

This bill, by limiting the amount of toxics used in primary batteries and creating a recycling program for rechargeable nickel cadmium, will remove a significant source of toxics from our landfills.

Besides widespread bipartisan support, this bill is supported by the Portable Rechargeable Battery Association, and the National Electrical Manufacturers Association. I urge speedy approval of this measure.

Mr. BENNETT. I ask unanimous consent that the committee amendments be adopted, the bill then be deemed read a third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (S. 619) was deemed to have been read three times and passed.

S. 619

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Mercury-Containing and Rechargeable Battery Management Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) it is in the public interest to—

(A) phase out the use of mercury in batteries and provide for the efficient and cost-effective collection and recycling or proper disposal of used nickel cadmium batteries, small sealed lead-acid batteries, and other regulated batteries; and

(B) educate the public concerning the collection, recycling, and proper disposal of such batteries;

(2) uniform national labeling requirements for regulated batteries, rechargeable consumer products, and product packaging will significantly benefit programs for regulated battery collection and recycling or proper disposal; and

(3) it is in the public interest to encourage persons who use rechargeable batteries to participate in collection for recycling of used nickel-cadmium, small sealed lead-acid, and other regulated batteries.

SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) BUTTON CELL.—The term "button cell" means a button- or coin-shaped battery.

(3) EASILY REMOVABLE.—The term "easily removable", with respect to a battery, means detachable or removable at the end of the life of the battery—

(A) from a consumer product by a consumer with the use of common household tools; or

(B) by a retailer of replacements for a battery used as the principal electrical power source for a vehicle.

(4) MERCURIC-OXIDE BATTERY.—The term "mercuric-oxide battery" means a battery that uses a mercuric-oxide electrode.

(5) RECHARGEABLE BATTERY.—The term "rechargeable battery"—

(A) means 1 or more voltaic or galvanic cells, electrically connected to produce electric energy, that is designed to be recharged for repeated uses; and

(B) includes any type of enclosed device or sealed container consisting of 1 or more such cells, including what is commonly called a battery pack (and in the case of a battery pack, for the purposes of the requirements of easy removability and labeling under section 103, means the battery pack as a whole rather than each component individually); but

(C) does not include—

(i) a lead-acid battery used to start an internal combustion engine or as the principal electrical power source for a vehicle, such as an automobile, a truck, construction equipment, a motorcycle, a garden tractor, a golf cart, a wheelchair, or a boat;

(ii) a lead-acid battery used for load leveling or for storage of electricity generated by an alternative energy source, such as a solar cell or wind-driven generator;

(iii) a battery used as a backup power source for memory or program instruction storage, timekeeping, or any similar purpose that requires uninterrupted electrical power in order to function if the primary energy supply fails or fluctuates momentarily; or

(iv) a rechargeable alkaline battery.

(6) RECHARGEABLE CONSUMER PRODUCT.—The term "rechargeable consumer product"—

(A) means a product that, when sold at retail, includes a regulated battery as a primary energy supply, and that is primarily intended for personal or household use; but

(B) does not include a product that only uses a battery solely as a source of backup power for memory or program instruction storage, timekeeping, or any similar purpose that requires uninterrupted electrical power in order to function if the primary energy supply fails or fluctuates momentarily.

(7) REGULATED BATTERY.—The term "regulated battery" means a rechargeable battery that—

(A) contains a cadmium or a lead electrode or any combination of cadmium and lead electrodes; or

(B) contains other electrode chemistries and is the subject of a determination by the Administrator under section 103(d).

(8) REMANUFACTURED PRODUCT.—The term "remanufactured product" means a rechargeable consumer product that has been altered by the replacement of parts, repackaged, or repaired after initial sale by the original manufacturer.

SEC. 4. INFORMATION DISSEMINATION.

The Administrator shall, in consultation with representatives of rechargeable battery manufacturers, rechargeable consumer product manufacturers, and retailers, establish a program to provide information to the public concerning the proper handling and disposal of used regulated batteries and rechargeable consumer products with nonremovable batteries.

SEC. 5. ENFORCEMENT.

(a) CIVIL PENALTY.—When on the basis of any information the Administrator determines that a person has violated or is in violation of any requirement of this Act, the Administrator—

(1) in the case of a willful violation, may issue an order assessing a civil penalty of not more than $10,000 for each violation and requiring compliance immediately or within a reasonable specified time period, or both; or

(2) in the case of any violation, may commence a civil action in the United States district court in the district in which the violation occurred for appropriate relief, including a temporary or permanent injunction.

(b) CONTENTS OF ORDER.—An order under subsection (a)(1) shall state with reasonable specificity the nature of the violation.

(c) CONSIDERATIONS.—In assessing a civil penalty under subsection (a)(1), the Administrator shall take into account the seriousness of the violation and any good faith efforts to comply with applicable requirements.

(d) Finality of Order; Request for Hearing.—An order under subsection (a)(1) shall become final unless, not later than 30 days after the order is served, a person named in the order requests a hearing on the record.

(e) Hearing.—On receiving a request under subsection (d), the Administrator shall promptly conduct a hearing on the record.

(f) Subpoena Power.—In connection with any hearing on the record under this section, the Administrator may issue subpoenas for the attendance and testimony of witnesses and for the production of relevant papers, books, and documents.

(g) Continued Violation after Expiration of Period for Compliance.—If a violator fails to take corrective action within the time specified in an order under subsection (a)(1), the Administrator may assess a civil penalty of not more than $10,000 for the continued noncompliance with the order.

(h) Savings Provisions.—The Administrator may not take any enforcement action against a person for selling, offering for sale, or offering for promotional purposes to the final consumer a battery or product governed by this Act that was—

(1) purchased ready for final sale; and

(2) sold, offered for sale, or offered for promotional purposes without modification.

SEC. 6. INFORMATION GATHERING AND ACCESS.

(a) Records and Reports.—A person who is required to carry out the objectives of this Act, including—

(1) a regulated battery manufacturer;

(2) a rechargeable consumer product manufacturer;

(3) a mercury-containing battery manufacturer; and

(4) an authorized agent of a person described in paragraph (1), (2), or (3),

shall establish and maintain such records and report such information as the Administrator may by regulation reasonably require to carry out the objectives of this Act.

(b) Access and Copying.—The Administrator or the Administrator's authorized representative, on presentation of credentials of the Administrator, may at reasonable times have access to and copy any records required to be maintained under subsection (a).

(c) Confidentiality.—The Administrator shall maintain the confidentiality of documents and records that contain proprietary information.

SEC. 7. STATE AUTHORITY.

Except as provided in sections 103(e) and 104, nothing in this Act shall be construed to prohibit a State from enacting and enforcing a standard or requirement that is more stringent than a standard or requirement established or promulgated under this Act.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

TITLE I—RECHARGEABLE BATTERY RECYCLING ACT

SEC. 101. SHORT TITLE.

This title may be cited as the "Rechargeable Battery Recycling Act".

SEC. 102. PURPOSE.

The purpose of this title is to facilitate the efficient recycling or proper disposal of used nickel-cadmium rechargeable batteries, used small sealed lead-acid rechargeable batteries, other regulated batteries, and such rechargeable batteries in used consumer products, by—

(1) providing for uniform labeling requirements and streamlined regulatory requirements for regulated battery collection programs; and

(2) encouraging voluntary industry programs by eliminating barriers to funding the collection and recycling or proper disposal of used rechargeable batteries.

SEC. 103. RECHARGEABLE CONSUMER PRODUCTS AND LABELING.

(a) Prohibition.—

(1) In general.—No person shall sell for use in the United States a regulated battery that is ready for retail sale or a rechargeable consumer product that is ready for retail sale, if the battery or product was manufactured on or after the date that is 12 months after the date of enactment of this Act, unless the labeling requirements of subsection (b) are met and, in the case of a regulated battery, the regulated battery—

(A) is easily removable from the rechargeable consumer product; or

(B) is sold separately.

(2) Application.—Paragraph (1) does not apply to any of the following:

(A) The sale of a remanufactured product unit unless paragraph (1) applied to the sale of the unit when originally manufactured.

(B) The sale of a product unit intended for export purposes only.

(b) Labeling.—Each regulated battery or rechargeable consumer product without an easily removable battery manufactured on or after the date that is 1 year after the date of enactment of this Act, whether produced domestically or imported, shall bear the following labels:

(1) 3 chasing arrows or a comparable recycling symbol.

(2)(A) On each regulated battery that is a nickel-cadmium battery, the chemical name or the abbreviation "Ni-Cd" and the phrase "BATTERY MUST BE RECYCLED OR DISPOSED OF PROPERLY.".

(B) On each regulated battery that is a lead-acid batteries, "Pb" or the words "LEAD", "RETURN", and "RECYCLE" and if the regulated battery is sealed, the phrase "BATTERY MUST BE RECYCLED.".

(3) On each rechargeable consumer product containing a regulated battery that is not easily removable, the phrase "CONTAINS NICKEL-CADMIUM BATTERY. BATTERY MUST BE RECYCLED OR DISPOSED OF PROPERLY." or "CONTAINS SEALED LEAD BATTERY. BATTERY MUST BE RECYCLED.", as applicable.

(4) On the packaging of each rechargeable consumer product, and the packaging of each regulated battery sold separately from such a product, unless the required label is clearly visible through the packaging, the phrase "CONTAINS NICKEL-CADMIUM BATTERY. BATTERY MUST BE RECYCLED OR DISPOSED OF PROPERLY." or "CONTAINS SEALED LEAD BATTERY. BATTERY MUST BE RECYCLED.", as applicable.

(c) Existing or Alternative Labeling.—

(1) Initial period.—For a period of 2 years after the date of enactment of this Act, regulated batteries, rechargeable consumer products containing regulated batteries, and rechargeable consumer product packages that are labeled in substantial compliance with subsection (b) shall be deemed to comply with the labeling requirements of subsection (b).

(2) Certification.—

(A) In general.—On application by persons subject to the labeling requirements of subsection (b) or the labeling requirements promulgated by the Administrator under subsection (d), the Administrator shall certify that a different label meets the requirements of subsection (b) or (d), respectively, if the different label—

(i) conveys the same information as the label required under subsection (b) or (d), respectively; or

(ii) conforms with a recognized international standard that is consistent with the overall purposes of this title.

(B) Constructive certification.—Failure of the Administrator to object to an application under subparagraph (A) on the ground that a different label does not meet either of the conditions described in subparagraph (A) (i) or (ii) within 120 days after the date on which the application is made shall constitute certification for the purposes of this Act.

(d) Rulemaking Authority of the Administrator.—

(1) In general.—If the Administrator determines that other rechargeable batteries having electrode chemistries different from regulated batteries are toxic and may cause substantial harm to human health and the environment if discarded into the solid waste stream for land disposal or incineration, the Administrator may, with the advice and counsel of State regulatory authorities and manufacturers of rechargeable batteries and rechargeable consumer products, and after public comment—

(A) promulgate labeling requirements for the batteries with different electrode chemistries, rechargeable consumer products containing such batteries that are not easily removable batteries, and packaging for the batteries and products; and

(B) promulgate requirements for easy removability of regulated batteries from rechargeable consumer products designed to contain such batteries.

(2) Substantial similarity.—The regulations promulgated under paragraph (1) shall be substantially similar to the requirements set forth in subsections (a) and (b).

(e) Uniformity.—After the effective dates of a requirement set forth in subsection (a), (b), or (c) or a regulation promulgated by the Administrator under subsection (d), no Federal agency, State, or political subdivision of a State may enforce any easy removability or environmental labeling requirement for a rechargeable battery or rechargeable consumer product that is not identical to the requirement or regulation.

(f) Exemptions.—

(1) In general.—With respect to any rechargeable consumer product, any person may submit an application to the Administrator for an exemption from the requirements of subsection (a) in accordance with the procedures under paragraph (2). The application shall include the following information:

(A) A statement of the specific basis for the request for the exemption.

(B) The name, business address, and telephone number of the applicant.

(2) Granting of exemption.—Not later than 60 days after receipt of an application under paragraph (1), the Administrator shall approve or deny the application. On approval of the application the Administrator shall grant an exemption to the applicant. The exemption shall be issued for a period of time that the Administrator determines to be appropriate, except that the period shall not exceed 2 years. The Administrator shall grant an exemption on the basis of evidence supplied to the Administrator that the manufacturer has been unable to commence manufacturing the rechargeable consumer product in compliance with the requirements of this section and with an equivalent level of product performance without the product—

(A) posing a threat to human health, safety, or the environment; or

(B) violating requirements for approvals from governmental agencies or widely recognized private standard-setting organizations (including Underwriters Laboratories).

(3) RENEWAL OF EXEMPTION.—A person granted an exemption under paragraph (2) may apply for a renewal of the exemption in accordance with the requirements and procedures described in paragraphs (1) and (2). The Administrator may grant a renewal of such an exemption for a period of not more than 2 years after the date of the granting of the renewal.

SEC. 104. REQUIREMENTS.

For the purposes of carrying out the collection, storage, transportation, and recycling or proper disposal of used rechargeable batteries, batteries described in section 3(5)(C) or in title II, and used rechargeable consumer products containing rechargeable batteries that are not easily removable rechargeable batteries, persons involved in collecting, storing, or transporting such batteries or products to a facility for recycling or proper disposal shall, notwithstanding any other law, be regulated in the same manner and with the same limitations as if the persons were collecting, storing, or transporting spent lead acid batteries that are recyclable materials subject to regulations of the Environmental Protection Agency under subpart G of part 266 of title 40, Code of Federal Regulations, as in effect on January 1, 1995, except that the requirements of title 40 relating to unmanifested waste reports (40 CFR 264.76 and 265.76) and to waste analysis and recordkeeping (40 CFR 268.7) shall not apply.

SEC. 105. COOPERATIVE EFFORTS.

Notwithstanding any other law, if 2 or more persons who participate in projects or programs to collect and properly manage used rechargeable batteries or products powered by rechargeable batteries advise the Administrator of their intent, the persons may agree to develop jointly, or to share in the costs of participating in, such a project or program and to examine and rely on such cost information as is collected during the project or program.

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The purpose of this title is to phase out the use of batteries containing mercury.

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No person shall sell, offer for sale, or offer for promotional purposes any alkaline-manganese battery manufactured on or after January 1, 1996, with a mercury content that was intentionally introduced (as distinguished from mercury that may be incidentally present in other materials), except that the limitation on mercury content in alkaline-manganese button cells shall be 25 milligrams of mercury per button cell.

SEC. 204. LIMITATIONS ON THE SALE OF ZINC-CARBON BATTERIES CONTAINING MERCURY.

No person shall sell, offer for sale, or offer for promotional purposes any zinc-carbon battery manufactured on or after January 1, 1996, that contains mercury that was intentionally introduced as described in section 203.

SEC. 205. LIMITATIONS ON THE SALE OF BUTTON CELL MERCURIC-OXIDE BATTERIES.

No person shall sell, offer for sale, or offer for promotional purposes any button cell mercuric-oxide battery for use in the United States on or after January 1, 1996.

SEC. 206. LIMITATIONS ON THE SALE OF OTHER MERCURIC-OXIDE BATTERIES.

(a) PROHIBITION.—On or after January 1, 1996, no person shall sell, offer for sale, or offer for promotional purposes a mercuric-oxide battery for use in the United States unless the battery manufacturer—

(1) identifies a collection site that has all required Federal, State, and local government approvals, to which persons may send used mercuric-oxide batteries for recycling or proper disposal;

(2) informs each of its purchasers of mercuric-oxide batteries of the collection site identified under paragraph (1); and

(3) informs each of its purchasers of mercuric-oxide batteries of a telephone number that the purchaser may call to get information about sending mercuric-oxide batteries for recycling or proper disposal.

(b) APPLICATION OF SECTION.—This section does not apply to a sale or offer of a mercuric-oxide button cell battery.

SEC. 207. NEW PRODUCT OR USE.

On petition of a person that proposes a new use for a battery technology described in this title or the use of a battery described in this title in a new product, the Administrator may exempt from this title the new use of the technology or the use of such a battery in the new product on the condition, if appropriate, that there exist reasonable safeguards to ensure that the resulting battery or product without an easily removable battery will not be disposed of in an incinerator, composting facility, or landfill (other than a facility regulated under subtitle C of the Solid Waste Disposal Act (42 U.S.C. 6291 et seq.)).

ORDERS FOR FRIDAY, SEPTEMBER 22, 1995

Mr. BENNETT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9:30 a.m. on Friday, September 22, 1995; that following the prayer, the Journal of proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate then proceed to the consideration of the military construction appropriations conference report as under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BENNETT. Mr. President, for the information of all Senators, the Senate will consider and complete action on several items on Friday. At 9:30, the Senate will begin consideration of the MilCon appropriations conference report under a short agreement. Senators can expect a rollcall vote on that conference report possibly before 10:30 tomorrow.

The Senate will also complete action on the legislative appropriations conference report on Friday. The Senate will also consider the D.C. appropriations bill. Senators can therefore expect rollcall votes throughout tomorrow's session of the Senate.

ORDER FOR RECESS

Mr. BENNETT. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in recess under the previous order following the remarks of Senator PELL.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, the Senate has now adopted legislation making appropriations for foreign operations, export financing, and related programs—the so-called foreign ops appropriations bill.

This is the first major foreign-affairs-related legislation to pass the Senate this year. We have not yet passed authorizations for the State Department and other foreign affairs agencies, or for the foreign aid program. We also have yet to pass an appropriation for the State Department—which is usually done along with the Commerce and Justice Departments.

The reason why we have not yet passed these measures—and why we were able to pass the foreign ops bill—gets to the very heart of bipartisanship. The authorization bills and the Commerce, Justice, State appropriations bill represent, in my mind, partisan efforts to mandate drastic and poorly conceived cuts and reductions in foreign policy programs and agencies. In their present form, the bills are so controversial that it has proven difficult even to bring them up for consideration.

I am pleased to note though—with a few notable exceptions—the foreign ops bill has been crafted with a fair amount of bipartisanship, and by comparison to the other bills, represents a sound basis for discussing our foreign assistance and other programs.

I do not wish to suggest that I support every provision of this bill. I do not. I have deep concerns about the unnecessarily low spending levels and about some of the language dealing with the former Yugoslavia, North Korea, and Russia—countries and issues of critical importance to the U.S. foreign policy agenda. While most of the multilateral lending institutions have fared reasonably well in this bill, I also regret that there is such a low level for the International Development Association, which lends to the poorest of the poor. I hope that where possible compromise language can be worked out on all of these matters in conference.

I also want to note that the Appropriations Committee, in its report accompanying the foreign ops bill, expressed strong support for the American Schools and Hospitals Abroad Program, known as ASHA, a small but effective program of which I have been a longtime advocate. Among other things, this program has provided U.S. support to the American University of Beirut, the Lebanese American University, and other important institutions that have advanced U.S. foreign policy goals abroad.

Mr. President, I again want to emphasize and commend the bipartisan approach that has been apparent on this bill. I hope that spirit can be preserved as we move down the road.

I yield the floor.

RECESS UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER. There being no further business to come before the Senate, under the previous order the Senate will stand in recess until the hour of 9:30 a.m., Friday, September 22, 1995.

Thereupon, the Senate, at 8:16 p.m., recessed until Friday, September 22, 1995, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate September 21, 1995:

DEPARTMENT OF DEFENSE

JOHN WADE DOUGLASS, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF THE NAVY, VICE NORA SLATKIN, RESIGNED.

EXTENSIONS OF REMARKS

HOW MEDICAID CUTS WILL HURT CHILDREN

HON. NORMAN D. DICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. DICKS. Mr. Speaker, last week, Congressman JOHN MCDERMOTT, Democratic leader DICK GEPHARDT, and I had the opportunity to listen to remarks delivered by Dr. John Neff, medical director of Children's Hospital and Medical Center in Seattle. In those remarks, Dr. Neff attempted to dispel many of the myths about Medicaid, and he issued a strong warning against the dangers of converting Medicaid funds into block-grant formulas. For the RECORD, Mr. Speaker, I would like to submit a copy of Dr. Neff's brief remarks, in addition to a news story published the next day in the Seattle Post Intelligencer entitled "Medicaid cuts may threaten children." I believe this perspective from the director of one of the Nation's most respected children's hospitals is a valuable one, and one that can add greater depth to the debate here in Congress on these proposed changes.

COMMUNITY ASSESSMENT OF FEDERAL BUDGET CUTS TO OUR COMMUNITIES—SUPPORT FOR CHILDREN AND THE ELDERLY

HOW FEDERAL PROGRAM CUTS WILL HURT CHILDREN—BY DR. JOHN NEFF, MEDICAL DIRECTOR, CHILDREN'S HOSPITAL AND MEDICAL CENTER, SEATTLE

My name is John Neff and I'm medical director at the Children's Hospital & Medical Center. I have been taking care of children as a pediatrician now for over 35 years. The first six years of my career were before Medicaid was implemented and the next 29 years were under the Medicaid legislation. I can tell you from personal experience that not only was the medical care system prior to Medicaid terrible but the institutions that cared for the poor and the elderly are either no longer with us or have been significantly transformed. The old municipality run hospitals and institutions are no longer part of our medical care system and they were grossly inadequate at that time to meet the needs of children. I would consider it a great failure to have to return to those days even in part.

We need to retain national standards for the health care of children. We must not go back in time and place arbitrary limits on the services that children need especially those who are unfortunate to have special health care needs.

Now let me dispel a series of myths concerning Medicaid.

1. The currently proposed reductions in Medicaid are not cuts but are caps on Medicaid growth at a rate of 4% by 1998. It is cited that Medicaid's annual growth rate now is approximately 10%:

In order to dispel this myth let us look at what this 10% Medicaid annual growth rate means. This growth represents new enrollees among children and the elderly, an expansion of Medicaid eligibility and services, and medical inflation. The actual real medical inflation of Medicaid is probably not more than 5%. Given the level of poverty and the aging of our population, the need for Medicaid services will continue to increase, thus to cap the annual rate of growth at 4% by 1998 will represent real cuts and will result in certain actions: A decrease in the number of new enrollees or an expenditure cap on enrollees; elimination of current enrollees; actual cuts in benefits or services.

Fifteen percent of children covered by Medicaid are "medically needy" because their health care expenses could reduce their families to poverty. Private insurance is often unavailable or unaffordable. Medicaid is literally their insurer of last resort.

To cap Medicaid at a growth rate of only 4% per year will result in real elimination of services or cutting individuals out of the Medicaid program.

2. Block grants give more control to states:

What block grants will really do will be to eliminate federal standards and eliminate federal obligation. Children covered by Medicaid should be guaranteed they will have medically necessary care regardless of the state in which they live. Children also need to be assured they will have access to pediatric trained providers to meet their specialized health care needs regardless of the state in which they live.

What block grants will do initiate a huge battle among states on who receives what portion of Medicaid funds. Currently, there are significant differences in the amount of funding that states receive. As an example, in New York each enrollee receives $7,909; in Washington it is $4,279; in Texas it is $3,838 (HCFA, 1994). Block grants will politicize and perpetuate these unequal distributions to states. States will develop different standards for benefits and eligibility requirements for Medicaid programs. Under the worst scenario, block grants would create unfair or uneven distribution of funds to states and there is the potential to create massive migrations of individuals from one state to another as they move to obtain maximum benefits. If this occurs, some children in some states will receive better benefits than in others.

This will be particularly difficult for children as the pediatric expertise is often concentrated in regional tertiary care centers, such as Children's. We see children from a 4-state region including Washington, Alaska, Idaho and Montana.

3. Medicaid Reductions can be Reached by Improved Efficiencies:

This state and many other states already put in significant efforts to improve efficiency. Currently, in the state of Washington, nearly 60% of all Medicaid clients are in managed care and this state also covers children up to 200% of the federal level of poverty.

There are not significant savings in improved efficiencies and further savings will cause reductions in services and decrease in those covered.

4. Medicaid is the same as Welfare:

Currently, in the United States, 25% of all children receive their health care through Medicaid but more important, 40% of all children in the United States are either covered by Medicaid or have no insurance at all. Forty percent of our children are not "dead beats". The fact that 40% of the children in the United States have no health insurance or are covered by Medicaid reflects a failure in our private health care system to adequately cover children. This is one of the reasons that there is a real need for health care reform, not arbitrary reduction in services or coverage. In fact, a decrease in Medicaid coverage will increase the number of uninsured, indirectly increase family poverty and, in the long run, will decrease family employment and individual productivity.

Well over half of children assisted by Medicaid (57.5%) live in working families. In the 1980's, Congress delinked Medicaid from welfare, which is based on unemployment, so as to not penalize poor but working families with loss of health coverage for their children. Parents should not have to choose between being able to hold a job or having to sacrifice employment in order to qualify for Medicaid coverage for their children.

5. Children are a Burden on our Federally Sponsored Health Care System:

While it is true that 53% of all Medicaid beneficiaries are children, it is also true that children consume less than 20% of Medicaid expenditures and in the state of Washington children consume only 13% of Medicaid funds. To put it in proper context, one must consider all of the health care funds that are federally sponsored for adult care. This includes the VA system, Medicare and 80% of the federal portion of Medicaid. In this context the total amount of public funds that are utilized for health care for children in this country is indeed very small.

In reality, if Medicaid funds are developed into block grant formulas and allocated to the states, there is a danger of unleashing a terrible political battle which will pit children against the elderly and disabled and within the children's health care system, primary care providers against those who care for those with special needs. Such a battle would be destructive to both families and providers.

6. medicaid is different than Medicare and Private Insurance because Medicaid Recipients do not Contribute to their own Health Care as do individuals who receive Private Insurance Benefits or Medicare Benefits.

It is true that Medicaid funding come almost entirely from tax dollars and not from earned employment benefits. (Medicaid spending accounts for 6% of the federal budget and may run as high as 18% of state spending). To use this, however, as a reason why Medicaid funds should be cut to a disproportionately greater degree than those funds supported by employment benefits is grossly discriminatory against children. Children do not pay taxes, do not work and do not develop employment benefits. It is our public obligation to support the uninsured portion of health care benefits for children. If we do not, we will not only cause untold misery on families but the long term effects of an unhealthy childhood population will be felt for years.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

[From the Seattle Post Intelligencer, Sept. 14, 1995]

MEDICAID CUTS MAY THREATEN CHILDREN

(By Joel Connelly)

Congress will set off "a terrible battle" that pits children against the elderly and the infirm if it sharply curtails growth of the federal Mediciad program, three House members were told yesterday.

Dr. John Neff, medical director at Children's Hospital, warned that congressional Republicans' proposed 4 percent cap in growth will put extreme pressure on Medicaid, which not only supports long-term nursing-home care for many elderly and disabled, but also furnishes health care for about 25 percent of American children.

"We must not go back in time to a set of arbitrary limits on the services children need," said Neff, who has spent more than 35 years as a pediatrician.

He said public institutions that provided medicine to children were often terrible before Medicaid was established 30 years ago.

House Democrat Leader Dick Gephardt of Missouri, in Seattle for a candidate recruiting and fund-raising visit, joined Reps. Jim McDermott and Norm Dicks, both D-Wash., for a meeting with hospital administrators.

Responding to Neff's point, Gephardt warned that children will be the losers if they must compete with elderly people and nursing homes for scarce Medicaid resources.

"Elderly folks vote," he said. "Children do not. Children are not heard in the political system."

The Democrats heard from hospital officials as Republicans in Washington, D.C., prepared to unveil details of their proposed cost controls in Medicaid and Medicare, which provides medical care for senior citizens.

"By the year 2000, my hospital would be underfunded annually by $125 million," said Nancy Giunto, administrator of Providence Seattle Medical Center. The hospital receives 62 percent of its income from Medicare and Medicaid.

Rogelio Riojas, chief executive of Sea Mar Community Health Centers, warned that cuts will deny regular medical services to low-income families.

"The poor will simply wait until they are more and more ill, and then they will go to the emergency wards of hospitals," said Riojas, who added that emergency care is far more costly than preventive care.

The Democratic congressmen were able to offer little reassurance to those who met with them at Harborview Hospital.

Republicans want to save $270 billion by 2002 by scaling back the growth rate of Medicare to between 6 percent and 7 percent. They're aiming to realize $180 billion more by slashing Medicaid's growth rate to 4 percent.

The two federal health care programs have been growing at an annual rate of about 10 percent. Half the growth has come from rising medical costs. The other half is because of sharp increases in enrollment.

Neff said the cuts will leave Medicare and Medicaid with three options: decrease the number of new enrollees; eliminate some people already enrolled, particularly in Medicaid; or cut services.

He predicted the country will see "a low-grade, continuous erosion of services" if the funding is held to levels in the GOP's budget plans.

Larry Zakn of Harborview Hospital said the effects of the GOP budget proposals would be felt in such places as his hospital's renowned trauma care program.

"There's no way I can see that we would ever maintain these levels of service if we had these levels of funding," he said.

Harborview stands to lose as much as $185 million in Medicaid and Medicare funding over the next seven years under the GOP proposals. Medicaid pays 48 percent of its patients' bills, one of the highest figures for any hospital in the country. Harborview has a tradition of caring for all people regardless of their ability to pay.

Republicans are holding off releasing details on their proposal until week's end. Already, however, a partisan battle over numbers has broken out on Capitol Hill. House Speaker Newt Gingrich, R-Ga., said last weekend that seniors with income above $125,000 would pay more for Medicare, but most people would face increases of only about $7 a month.

But Democrats calculated that the elderly will wind up paying almost $20 a month extra by 2002 and more than $1,300 each over the next seven years.

Republicans challenged their opponents' math and accused them of ignoring the $270 billion in savings the GOP is seeking.

But they also conceded that the Medicare Part B premium may be as much as $10 a month higher in 2002 under their plan than under President Clinton's budget—not $7, as Gingrich said Sunday. Before Congress' August recess, Republican leaders armed GOP House members with scripted "talking points," charts and instructions on how to defuse public anxiety over Medicare and Medicaid.

Opinion polls have shown, however, that the public's worries have not gone away. Democrats have vowed to fiercely defend programs seen as cornerstones of John F. Kennedy's New Frontier and Lyndon Johnson's Great Society. "People's quality of life has gone up. It has gone up because of Medicare and Medicaid," Gephardt said yesterday. "We must not take large steps back into history where we don't want to go."

He noted that there are four major teaching hospitals in the Seattle area, responsible for medical education over a four-state area. "The federal government is providing a research service that the private sector cannot and will not afford," he added.

The issue gets personal for Gephardt. At age 18 months, his son was diagnosed at a St. Louis hospital with a cancerous tumor and given no chance to live.

"A young resident approached us the next morning," he recalled. "He had been running the case through the computer, and noted that a program of triple-drug chemotherapy and radiation had been developed in Houston. He encouraged us to try it.

"Matt is now 24 years old. I left him off yesterday at Northwestern University in Chicago to continue his education. I rest my case."

TIME FOR COURAGE AND MOVEMENT ON NORTHERN IRELAND PEACE PROCESS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. GILMAN. Mr. Speaker, Thomas L. Friedman of the New York Times on September 20, 1995 wrote a very provocative and important piece on the current stalemate in the peace process in the north of Ireland.

His work "No Guts, No Glory" is a challenge to all sides and interested governments, including our own, not to let the extraordinary opportunity, which the current peace process presents for lasting peace and justice in Northern Ireland slip away.

Mr. Friedman constructively reviews the difficult arms decommissioning issue, and supports the proposal for an international commission to handle that difficult question which currently has stalled the peace process for months.

I ask that the piece by Mr. Friedman be reprinted at this point in the RECORD for the benefit of my colleagues, and all those interested, and charged with finding solutions in the long and difficult struggle to bring lasting peace and justice to Northern Ireland.

I also ask that a statement I issued just recently in support of the international arms decommissioning dual track approach to help move the peace process along at this critical moment in Irish history, also be included in the RECORD at this point.

It is time for all sides to show guts, and plenty of glory will surely follow for all those concerned about lasting peace for the warm and generous Irish people.

[From the New York Times, Sept. 21, 1995]

NO GUTS, NO GLORY

(By Thomas L. Friedman)

WASHINGTON.—The lion in "The Wizard of Oz" didn't have it, but at least he knew where to get it. Nelson Mandela had it, and so did F. W. de Klerk, and they used it to good effect. Yitzhak Rabin has it and so does Yasir Arafat, although occasionally they lose it and need help finding it again. It's called "courage," and unfortunately none of the key players in the Northern Ireland conflict have it right now.

Gerry Adams of Sinn Fein doesn't have it, the British Prime Minister John Major, certainly doesn't have it and the Protestant leader David Trimble wouldn't know it if it were pinned to his chest. And that's why 13 months after the cease-fire took effect in Northern Ireland, the parties still have not begun peace talks to bring a permanent end to the fighting.

The sticking point has been the British-Protestant refusal to sit down for peace talks with Sinn Fein—the I.R.A.'s political wing—until the Catholic gunmen of the I.R.A. first surrender some weapons.

This is poppycock and nothing more than a pretext by Mr. Major to disguise his ambivalence about entering into negotiations with the I.R.A. at all. If the I.R.A. had tanks, missiles and MIG-29's, there might be some strategic merit to the British insistence that it turn in some weapons first. But the I.R.A. arsenal consists almost exclusively of handguns, knives, flaming bottles and some plastique explosives. They could turn them all in tomorrow and replenish most of their arsenal the next day with a Guns & Ammo mailorder catalogue and a visit to the local hardware store. The I.R.A invented the fertilizer bomb.

The issue is not how to deprive the I.R.A. of their military capabilities, which are endlessly replenishable. The issue is how to change their intentions to resort to violence. The only hope of doing that is through all-party peace talks. (If Israel could talk to the P.L.O. without insisting it disarm, the British can talk to the I.R.A.)

A perfectly reasonable compromise is on the table: an international commission would be formed, parallel with the start of peace talks, that would bring British, Protestant and I.R.A. representatives together to discuss how weapons might be "decommissioned" as part of a final peace deal. This international commission could, in effect, disconnect and isolate the weapons issue from the peace negotiations, while giving everyone a sense that as progress was made around the peace table, there would also be progress toward all sides surrendering some weapons. Unfortunately the British have balked even at this idea, because they want to reserve the right to demand that the I.R.A. hand over some weapons even before convening all-party talks.

But John Major is not the only one who has gone wobbly. Gerry Adams is now also resisting the idea of an international commission on weapons, because he wants to be assured that such a commission won't, at some stage, ask it to make a symbolic gesture in retiring some guns before negotiations really get under way.

This too is cowardly. No international commission (which the U.S. would likely run) is going to ask the I.R.A. to make any gestures on arms until there is parallel progress at the peace table. If the I.R.A. had any vision or leadership right now it would quietly tip off the British to a small pile of I.R.A. explosives somewhere. Such unilateral handover would ease British concerns, without costing the I.R.A. a thing.

President Clinton, who helped engineer the cease-fire, seems to have lost interest and fallen asleep at the wheel. Fortunately, the Prime Ministers of Britain and Ireland are meeting Friday in another attempt to break the deadlock. The fact that the cease-fire in Northern Ireland has lasted for more than a year should tell them something. It should tell them that the people want this new way of life to be permanent and they have given the politicians a silent mandate to make it so. But instead of listening to the silence, the politicians are listening only to themselves.

This isn't complicated. It's time for the British and the Protestants to start all-party talks with Sinn Fein, and for all three to accept an international commission that could defuse the weapons issue until there is progress at the peace table. But that sort of simplicity takes some courage. Sad to say that among British, Protestant and I.R.A. leaders right now there is no one who answers to that name.

[From the House International Relations Committee, Sept. 13, 1995]

GILMAN URGES IMMEDIATE ALL PARTY TALKS ON NORTHERN IRELAND: SUPPORTS SEPARATE COMMISSION TO ADDRESS ARMS ISSUE

(By Benjamin A. Gilman)

WASHINGTON.—Committee Chairman Benjamin A Gilman (20th-NY) today called for "immediate all party talks" on peace in Northern Ireland, and suggested that the issue of arms decommissioning be addressed by an international commission on a separate track.

Gilman spoke out following meeting with Sinn Fein President Gerry Adams in which the status of the peace process was discussed.

"Efforts by the British government to dictate preconditions or outcomes prior to talks merely obstructs access to the only means of finding a consensus political solution in Ireland, namely the peace negotiating table," Gilman said.

Noting that arms decommissioning has long been a stumbling block to peace talks, Gilman said "a separate track is needed for this issue that could be in the form of an international commission whose findings would be binding, however, such a commission should not become yet another precondition to talks."

Gilman warned that "these past 13 months of peace have been a window of opportunity to achieve a just and lasting peace after a quarter century of violence and bloodshed. We must not allow this window to be shut against those who are earnestly seeking peace."

Long a champion of peace and justice in Northern Ireland, Gilman this year led the Committee's first hearings on the Macbride fair employment principles, and saw their inclusion in the House-passed foreign affairs bill as part of the U.S. contribution to the International Fund for Ireland.

The Macbride principles are aimed at ending systemic job discrimination, most often aimed at the Catholic community in Northern Ireland.

SUPPORTING THE FOURTH WORLD CONFERENCE ON WOMEN (BEIJING)

HON. LUCILLE ROYBAL-ALLARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Ms. ROYBAL-ALLARD. Mr. Speaker, the United Nations Fourth World Conference on Women was an opportunity for delegates from over 180 countries to take a step toward granting women equal rights in all aspects of life.

One of the major points made at the conference was the importance of promoting programs which lead to women's economic and political empowerment.

Our world today, is comprised of women who are breaking new ground in industry and the professions, and who are becoming integral members of labor forces everywhere.

The conference created an environment where new understandings of women's roles in the workplace and in government were examined along with the difficulties that women continue to encounter throughout the world, such as the inability to own land, the inaccessibility of business loans, and the lack of child care.

The diversity of the delegates experiences and backgrounds raised the world's level of consciousness about women's plight worldwide and provided humanity with a greater understanding of the economic and political condition of women.

Through free discussion and open debate, the delegates came forward with recommendations promoting women's rights and equality for our world's governments to consider.

The challenge for governments and policymakers throughout the world will now be to turn these recommendations into policies and laws that help insure that the women of today and our daughters and sisters of tomorrow will have the opportunity to realize their full potential, free from oppression and discrimination.

A SPECIAL SALUTE TO "GREAT BOOKS" ANNIVERSARY

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. STOKES. Mr. Speaker, I rise today to salute the Great Books group. Mr. Ray Habian, a member of the organization, recently brought to my attention the fact that the Cleveland Great Books group is celebrating its 50th anniversary. The organization boasts members throughout the Greater Cleveland area. I rise today to share with my colleagues and the Nation some information regarding the Great Books group.

It is believed that the formation of discussion groups for the purpose of reviewing the Great Books was started after World War I by John Erskine. In 1927, Mortimer Adler launched 15 adult education courses in New York City to discuss the Great Books. A few years later, in 1930, Robert Hutchins joined Mr. Adler in introducing Great Books seminars into the undergraduate curriculum at the University of Chicago. Soon, across the United States, ordinary laymen with a love for literature began to form and lead Great Books seminars in their local communities.

The first meeting of the Cleveland Great Books group was held in 1946 at the East Cleveland Public Library. It is interesting to note that the first group gathered for a candid discussion of the Declaration of Independence. In the following years, the group continued to examine topics that were popular in American society, as well as in literature. In 1972, the Great Books group moved its meeting site to the Noble Road Library in Cleveland Heights. The group discussions have focused on the philosophy of Plato; the epics of Homer; and the drama of William Shakespeare, just to name a few.

Mr. Speaker, I am proud to report that today, more than 400 Great Books groups meet in libraries across America. The discussions provide insight into the personal, moral, social, political, and economic problems of mankind. I am also pleased to note that over the years, Great Books programs have helped to build a strong and lasting relationship between our libraries and communities. With the dawn of Great Books groups, citizens realize that their libraries can provide dynamic platforms for public discussions of historical and popular literary pieces.

Mr. Speaker, on September 19, 1995, the Cleveland Great Books group will begin its 50th consecutive year. The candid discussions and seminars continue to arouse the interest of citizens throughout the community. I am proud to applaud Ray Habian and the entire membership of the Great Books group. As they celebrate this historic anniversary, I wish members of the Great Books group many more years of success.

THE NEED FOR EQUAL OPPORTUNITY IN HIGHER EDUCATION IN THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. GILMAN. Mr. Speaker, one of the most difficult challenges facing the fledging democratic governments of Eastern Europe involves learning to treat equally and fairly all of their citizens—regardless of ethnic background—in the areas of rights and opportunities. Unfortunately, some of those governments are still seeking to treat their citizens from minority ethnic groups in traditionally nationalistic and counterproductive ways. Rather than working to ensure that all citizens are treated equally, they seek to limit the rights and opportunities of those citizens who do not belong to the majority ethnic group.

In the Balkans region of Eastern Europe, the manner in which ethnic minorities are treated is crucial to the peace of that region. If further violence and repression are to be avoided in the successor states to the former Yugoslavia, each of those states needs to take meaningful steps to ensure that all of their citizens are accorded equal opportunities and rights in areas such as education that are necessary to ensure democracy and inter-ethnic peace.

Mr. Speaker, the former Yugoslav Republic of Macedonia has been blessed by peace since it gained its independence in 1991. There are troubling signs, however, that the Government of Macedonia is not taking sufficient steps to ensure that those of its citizens from its considerable Albanian minority are provided with adequate opportunities for higher education in the Albanian language. The most worrisome consequence of this lack of educational opportunity is an increasing resentment toward that government among many of its ethnic Albanian citizens. Their frustration has led some ethnic Albanian citizens to attempt to open an Albanian-language university to ensure that opportunities for professional education are readily available to those who have been raised and educated in Albanian at the secondary school level.

In February of this year, a renewed attempt to open such a university of Tetovo, Macedonia led to a violent clash between ethnic Albanians and Macedonian police. Tragically, one individual lost his life and 28 others were wounded in that violent incident.

Mr. Speaker, I believe all of us want to see the former Yugoslav Republic of Macedonia and, in fact, all of the Southern Balkans avoid the kind of ethnic violence that has wracked the Northern Balkans for 4 years now. We need to encourage the Government of Macedonia to constructively address the issue of fair opportunities for higher education in the language of its Albanian minority. I am therefore introducing today House Congressional Resolution 103, a resolution that focuses specifically on Macedonia and on the issue of proper access to higher education in that country. This resolution calls on the Government of Macedonia to:

Ensure the fair and equitable treatment of all of its citizens, regardless of ethnic background;

Consider all means by which higher education conducted in the Albanian language can be provided, including the possible establishment of an Albanian language university;

Ensure the establishment of Albanian language pedagogical facilities at existing universities, and;

Provide pardons for those convicted of charges relating to the events that accompanied attempts to open an Albanian language university at Tetovo in February 1995.

The Resolution also calls on the President of the United States to:

Express our country's strong support for Macedonian efforts to ensure access to higher education conducted in the Albanian language;

Offer appropriate support for those international organizations that are working to resolve the issue of higher education in the Albanian language in Macedonia, and;

Offer appropriate support for efforts by the Government of Macedonia to ensure access to higher education conducted in the Albanian language, including assistance for establishing necessary curricula and provision of textbooks and related course materials.

Mr. Speaker, I want to strongly encourage my colleagues to join in cosponsoring this timely and important measure.

SALUTE TO E. JUNE HEITMAN

HON. GREG GANSKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. GANSKE. Mr. Speaker, I would like to bring your attention to the fine work and outstanding public service of E. June Heitman and her fellow nurses serving in the U.S. Cadet Nurse Corps during and after World War II.

The 27 nurses who graduated from the Jennie Edmunson Memorial Hospital School of Nursing Class in September 1944 served the United States by caring for wounded soldiers returning from Europe as part of the ,U.S. Cadet Nurse Corps. The graduates were given assignments in Iowa, Maryland, Missouri, and Nebraska.

June and some nursing school roommates, Doris Cochran Kerber and Stella Wisner Scheel, were given a 3-month assignment at Schick General Hospital in Clinton, IA, to assist with wounded soldiers.

Professional military nursing has been an invaluable service to the military throughout American history. Gen. George Washington requested the congressional establishment of nurses to care for sick soldiers and an Army general hospital in 1775. Florence Nightingale's crusade in Crimea in 1854 reduced the mortality rate of sick and wounded soldiers from 42 percent to 2 percent within 1 year.

On June 15, 1943, in response to the critical shortage of nurses for the military and for civilian health, the Bolton Act was approved and the U.S. Cadet Nurse Corps was created. This Act provided Government funds to train nurses for civilian and military hospitals.

Demand for nurses was quickly exceeding the supply. The training period for nurses was 24 to 30 months, far longer than the training period for many of the other women's branches of the armed services. Cadet nurses enrolled in an accelerated nursing program that prepared them to replace graduate nurses going overseas.

The Jennie Edmunson Memorial Hospital Class of 1944 is part of this honorable tradition of nursing service. As we remember the end of World War II, please join me in recognizing June Heitman and all of the hardworking members of the U.S. Cadet Nurse Corps for their devotion, patriotism, and service to the United States.

MANUFACTURED HOUSING

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. GALLEGLY. Mr. Speaker, earlier this year, President Clinton and HUD Secretary Cisneros announced an new program to help thousands of families realize the American dream of homeownership.

Calling on all national housing-related organizations to form a partnership for this national homeownership strategy, the President set a goal of creating 8 million additional American homeowners over the next 5 years. The accomplishment of this goal will have dramatic effects on those young families setting out on the quest for the American dream, will stimulate the real estate and home building industries, and will strengthen the economy through the ripple effect on the secondary and tertiary industries which rely on homebuilding and resale.

One of the industries which can play a major role in the achievement of the President's goal is the manufactured housing industry. Last year, more than 300,000 homes sold in the United States were manufactured homes. As younger families come into the market for a home, and as the population in this Nation ages, and shifts to retirement communities, manufactured housing will become the preferred housing for thousands of citizens looking for quality housing at an affordable price.

The ability of the manufactured housing industry to continue to provide quality, affordable housing will depend most directly on the industries ability to loosen the regulatory stranglehold currently imposed by the Department of HUD.

Over the last 20 years, the manufactured housing industry has evolved from one providing a temporary, mobile dwelling to a sophisticated, highly efficient producer of permanent housing. Unfortunately, the regulatory apparatus ensconced within HUD has not kept up with the changing industry on a timely basis. It is time for a change.

As the Congress contemplates the overall future of HUD, certain small steps could be taken now to reinvent the oversight of Federal housing programs. Since the manufactured housing industry received no Federal funds, the issue is how to recreate a regulatory body which would regulate and enforce manufactured housing codes and regulations while maintaining some oversight by HUD or whatever new housing agency would be created.

Three years ago, the Congress created a Commission which was tasked to look into the industry and make recommendations. The Commission did propose that a new consensus committee or office be created which would oversee the industry in a more efficient, less bureaucratic manner. I believe it is time to create such an entity.

A new manufactured housing committee or office created outside of HUD, would be comprised mostly of representatives of the industry, but could include local authorities and a consumer watchdog. The Secretary or Housing Administrator, could appoint one committee member to serve as his liaison who would shuttle regulatory recommendations back and forth between the Housing Administrator and the industry. Current Federal uniform building codes and its enforcement program would be maintained but the committee would be empowered to contract with a private organization to be its code enforcement authority and it would continue the current practice of imposing fees on the industry membership in order to fund the committee's operation and its outside contracts.

Finally, any legislation creating such a new system should remove unnecessary restrictions, such as the permanent chassis requirement, which would help lower the cost of producing these homes. In fact, recent action taken by the California State Assembly called on the Congress to take just such action on the chassis issue. I am enclosing a copy of the joint resolution passed by the State legislature.

ASSEMBLY JOINT RESOLUTION NO. 7—RELATIVE TO MANUFACTURED HOUSING

LEGISLATIVE COUNSEL'S DIGEST

AJR 7, Hauser. Manufactured housing.

This measure would memorialize the President and the Congress of the United States to amend the definition of "manufactured home" in federal law to allow these homes to be designed to accommodate a removable chassis, so long as the home is intended to be permanently sited on a foundation and so long as the floor system is designed to accommodate appropriate design loads.

Whereas, Manufactured homes constructed pursuant to the National Manufactured Housing Construction and Safety Standards Act provided an important source of nonsubsidized affordable housing to Californians; and

Whereas, The State of California is a national leader in efforts to encourage and expand the use of manufactured housing by eliminating unnecessary regulatory barriers and by developing and encouraging innovative land use and financing policies; and

Whereas, The State of California has deemed manufactured homes a permitted use in all residential zoning districts, subject to the same development standards applicable to other dwellings in that zoning district; and

Whereas, Construction and safety standards for manufactured homes are established in federal law and regulation and all such standards preempt local and state codes; and

Whereas, The federal Manufactured Home Construction and Safety Standards have been determined by the State of California to meet or exceed performance standards established for other dwellings; and

Whereas, Federal law requires every federally certified manufactured home to be constructed on a chassis which must remain a permanent feature of the home's substructure; and

Whereas, The chassis is not necessary for the home's structural integrity if the home is sited on a permanent foundation and the home's floor system is designed to accommodate appropriate design loads; and

Whereas, This mandatory feature represents an unnecessary regulatory barrier to greater design flexibility for manufactured homes; and

Whereas, This regulatory barrier prevents innovative uses of manufactured homes to meet the demand for affordable housing in California; and

Whereas, This regulatory barrier prevents manufactured home producers from developing a recycling program for chassis systems which could save consumers between $1,000 and $2,000 per home; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to amend the definition of "manufactured home" in federal law to allow such homes to be designed to accommodate a removable chassis, so long as the home is intended to be permanently sited on a foundation and so long as the floor system is designed to accommodate appropriate design loads; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to each member of the House Committee on Banking, Housing, and Financial Services, the Senate Committee on Banking and Urban Affairs, and the House and Senate appropriations subcommittees on HUD/VA and independent agencies.

Mr. Speaker, if we as a Nation are going to succeed in this new strategy to help thousands of Americans realize their dream of homeownership, the manufactured housing industry must play an important role in providing quality homes at an affordable price. To start this process, the industry must be removed from the regulatory burdens placed on its operation by a Federal bureaucracy which cares little for the industry and shows no interest in an efficient system of regulation and enforcement.

ARCHBISHOP IAKOVOS HONORED

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mrs. MALONEY. Mr. Speaker, I rise to pay tribute to one of the most outstanding religious leaders in the world, Archbishop Geron Iakovos. Head of the Greek Orthodox Church of the Western Hemisphere, Archbishop Iakovos is retiring after 36 years of distinguished service as a spiritual leader and fighter for worldwide justice.

Archbishop Iakovos, born Geron Iakovos in Istanbul, Turkey, was ordained a priest in Lowell, MA, in 1940. He is a graduate of the Harvard University Divinity School. In 1959 he ascended to the leadership of the Greek Orthodox Church in the Western Hemisphere. He has been at the forefront of the worldwide ecumenical as well as the civil rights movement.

In 1959 he met with Pope John XXIII, thus becoming the first Greek Orthodox Leader in almost 400 years to meet with a Roman Catholic Pope. He also served as copresident of the World Council of Churches for 9 years.

As an outspoken religious leader against segregation in the United States, he marched with the Reverend Martin Luther King, Jr. in Selma, AL. He has continually fought for the independence of Cyprus, preservation of Greece, and enhanced United States-Greek relations. He was awarded the Presidential Medal of Freedom in 1980 by President Jimmy Carter. He is a magnificent and stalwart friend of American Jewry, voiced support for Soviet Jews, and has been a strong advocate for Israel.

This extraordinary spiritual and religious leader has been a very sensitive pastor at every level. His warm pastoral dimension expresses itself to not only his own people, but to people of all religions, cultures, and nationalities. Beyond fulfilling his duties to the Church, he has been a leader in the cause of justice in America and all over the world. I know all of my colleagues join with me in wishing this extraordinary individual the very best in his retirement.

THE MEDICARE PRESERVATION ACT OF 1995

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. FRELINGHUYSEN. Mr. Speaker, I rise today to discuss the Medicare crisis to share with my colleagues the suggestions I have received from my constituents about how best to preserve, protect, and strengthen Medicare.

In April, when the Medicare trustees issued their annual report which stated quite clearly that the Medicare Trust Fund would be bankrupt in 7 years, I felt it was my duty to inform the people of the 11th Congressional District of the problem.

I mailed the facts of the trustees report to over 22,000 people in my district. I met with the presidents of nearly every senior citizens club in the area. I listened to thousands of Medicare beneficiaries at Morristown Memorial Hospital, the Morris Plains VFW, and at St. Clare's Riverside Medical Center in Denville. In addition to discussing the Medicare crisis, I also asked people for suggestions on how we could save and improve the program, while holding down costs.

Mr. Speaker, the response has been overwhelming. Who better to suggest ways to improve Medicare than the very people who have to deal with the system every day? As you might imagine, the meetings yielded a litany of suggestions. A man from Sparta suggested that Medicare should have a better verification system to weed out overcharges and duplication of services rendered. A couple from Livingston strongly suggested that millions of dollars could be saved by reducing the mountains of paperwork involved in the Medicare bureaucracy.

The responses touched on other subjects as well. At the Morris Plains VFW, several people indicated that more preventive care was needed such as mammograms, prostate screenings, and diabetes screening. I agree. This would not only help reduce costs but greatly improve people's health and I was surprised that the current Medicare program was weak in this area. If we can keep people healthier and provide routine health care and appropriate checkups, we can avoid using the most costly method of health care which is the emergency room.

I have listened to all of these concerns and brought them back to Washington. In fact, I applaud the leadership for giving Members an opportunity to testify on behalf of our constituents. I was pleased to have that opportunity, and testified on September 7, on what I have learned from the people of the 11th Congressional District. One constant theme was that the people know there is a problem, and they want to be part of the solution. If we do not give them that opportunity, Mr. Speaker, then we have really solved nothing at all.

To be sure, I will continue this thoughtful and important discussion and listen to these very knowledgeable people. Last week, when the preliminary Medicare preservation options were presented to us, I called for a series of town meetings so that my constituents could share the exact information given to me on possible solutions and plans to strengthen Medicare. I am sure they will take a hard look at these options, and will continue to provide guidance for me and this Congress as we fulfill our responsibility to preserve Medicare for all Americans—present beneficiaries as well as the next generation. The Medicare Preservation Act is just that, a comprehensive plan to ensure a better Medicare.

On September 16, hundreds of older Americans attended two town meetings in Fairfield and Parsippany, and listened to the broad outline of the proposed Medicare Preservation Act. I expect that the turnout will be even heavier this weekend, September 23, when we continue the Medicare discussions at town meetings in Roxbury and Madison.

I welcome this open exchange of ideas and encourage my colleagues to continue the dialogue with the American people on how to save this important program. While it is very easy to be sidetracked in Washington by special interest groups, media hype, and partisan politics, listening to people on a face-to-face level permits a much clearer message to emerge.

Mr. Speaker, the message that I hear more and more is that we know there is a problem and we are willing to fix it. They have said that Medicare is indeed important for us but is also important for our children and grandchildren. And finally, they tell me that if Medicare is really going bankrupt, then we as Members of Congress have a responsibility to save it.

I have confidence that we are moving toward fulfilling that responsibility, and I thank the thousands of people in the 11th Congressional District for their guidance on these very complex issues. Their willingness, contributions, and suggestions will assure successful reforms of the Medicare program and its preservation. I am fortunate to be their Representative, and am also fortunate to help deliver a comprehensive plan which will ensure a better Medicare system for years to come.

THE COMPENSATORY TIME FOR ALL WORKERS ACT OF 1995

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. BALLENGER. Mr. Speaker, today I am introducing "The Compensatory Time for All Workers Act of 1995" which would allow private sector employers to offer employees the choice of taking time-and-a-half compensatory time as payment for overtime. In 1938, the Fair Labor Standards Act [FLSA] was written for a predominantly male work force and a marketplace primarily comprised of manufacturing firms. These demographics have dramatically changed. Today, women make up a much greater percentage of the work force, private enterprise is dominated by service and high technology industries rather than heavy manufacturing, global competition has significantly increased, and the lines between white and blue collar workers have been blurred.

The FLSA, however, has failed to keep pace with these changes and, as such, restricts the ability of employers to meet the needs of their work force. The Subcommittee on Workforce Protections, which I chair, has heard from employees and employers of large and small companies, and State and local governments on a variety of problems which they face because of the act.

Currently, the FLSA impedes an employer's ability to accommodate employee requests for greater flexibility in scheduling. Companies who want to be family friendly find that flexible scheduling can be extremely difficult for those employees who are covered by the act and whose hours must be kept track of. Suppose an employee has a terminally ill parent who lives several States away. Days off with pay can become precious for that employee when a 2-day weekend does not provide enough time to travel and spend time with that parent. Thus, when that employee works a few hours overtime each week, he or she may prefer to be paid with time off rather than money. However, the FLSA says the employee must receive money instead and is therefore forced to use previous paid leave to spend time with the ill parent.

In 1985, Congress provided the public sector with the flexibility to use compensatory time in lieu of overtime pay. Congress has gone even further in providing flexibility for Federal workers. In 1978, Congress passed the Federal Employees Flexible and Compressed Work Schedules Act, which enabled Federal workers to arrange alternative work schedules which meet their personal needs and their employers' needs. This was so successful that Congress reauthorized the program in 1982 and 1985. President Clinton acknowledged the benefit of flexible scheduling when he directed all executive departments and agencies to expand their use of flexible family friendly work arrangements in a memorandum on July 11, 1994. In issuing the memorandum, Mr. Clinton stated, "broad use of flexible work arrangements to enable Federal employees to better balance their work and family responsibilities can increase employee effectiveness and job satisfaction, while decreasing turnover rates and absenteeism."

It is time that private sector employees be given greater flexibility similar to what the public sector has enjoyed for some time. This legislation would allow employers to offer employees compensatory time off in lieu of overtime pay under an agreement with the employee. If an employer made compensatory time available, employees would be free to choose to have their overtime compensated with cash or with paid time off. As with overtime pay, the compensatory time would accrue at a rate of time and a half. Employees who prefer to receive overtime pay would be free to choose this. Similarly, employers would have the choice of continuing to compensate their employees with overtime pay only. Employees who do not use the compensatory time would be paid for the time at the end of the year.

The FLSA currently stands in the way of companies who attempt to utilize flexible human resource strategies in order to allow workers to pursue more fulfilling combinations of work, family life, and other interests. As the percentage of employees who must balance work and family issues grows rapidly, there is more and more pressure from employees for increased control over their work schedule. Flexibility in the workplace continues to rank high on the list of issues of major concern to most employees. This legislation would allow employers to provide employees with the choice of overtime pay or compensatory time to help ease the burdens of juggling work and personal responsibilities.

HOLY TRINITY CHURCH

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. KANJORSKI. Mr. Speaker, I rise today to commemorate the 100th anniversary of my hometown parish, Holy Trinity Church in Nanticoke, PA. This Sunday, September 24, Bishop James C. Timlin will celebrate the Pontifical Celebration Mass of Thanksgiving in honor of the church's centennial.

According to historical documents, the church was founded when a group of Polish immigrants separated from another local parish to form the Holy Trinity Church. The cornerstone of the original church was laid on May 4, 1885. Rev. Francis Hodur, Holy Trinity's first pastor, led the church for 2 years. Seven different pastors served the church in the 20 years following Father Hodur. In 1919 Father Roman Wieziolowski began 48 years of service at Holy Trinity Church. Under his leadership a brick school with eight classrooms was built in 1923 and 3 years later, construction of the present church was begun. Five years later the church was completed at a cost of $225,000. By then, the parish had

1,000 families and the school was always filled to capacity.

In 1967 Father Walter Poplawski, who had served as an assistant under Father Wieziolowski, was appointed Pastor. Under his guidance repairs and modernization were undertaken to meet the liturgical renewal. Father Poplawski considered Catholic education a priority during his leadership at Holy Trinity and worked with other area pastors to merge the Nanticoke area Catholic schools into a central school system, which became the Pope John Paul II School. This newly formed school, which is housed at Holy Trinity and St. Stanislaus Churches, still serves the youth of the Nanticoke area.

Mr. Speaker, I am pleased to have the opportunity to bring the history of Holy Trinity to the attention of my colleagues. An integral part of the religious community of northeastern Pennsylvania, Holy Trinity Church has a tradition of dedicated service to the faithful. I join with the community in congratulating the Holy Trinity Church on this milestone anniversary.

SALUTING THE ALLIANCE OF POLES OF AMERICA

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. STOKES. Mr. Speaker, I rise today to salute an organization in my congressional district which will celebrate its centennial anniversary. During the period of September 23 to 24, 1995, the Alliance of Poles of America will mark 100 proud years of existence. Since its founding in 1895, the organization has been an integral part of the Cleveland community.

The Alliance of Poles of America was founded for the purpose of uniting citizens of Polish descent and, by doing so, maintaining important traditions and ties. It is an organization which has proven to be extremely beneficial to both American Poles and Polish immigrants. Under the leadership of its national president, John Borkowski, the Alliance of Poles has fostered educational and social programs to serve its membership.

Mr. Speaker, the alliance offers low-cost home mortgage loans; its credit union provides auto and personal loans; and the organization provides assistance to its elderly members. The Alliance of Poles also sponsors a Polish school which teaches children the Polish language and culture. In addition, classes are held for adults, and college scholarships are offered to qualified members. On the cultural front, the alliance sustains a Polish library which is unequaled in the Greater Cleveland area, a Polish theater group, and an adult dance group. The organization also publishes a newsletter, the Alliance, in both the Polish and English language. I am proud to note that the Alliance of Poles of America has shown a special concern for those who are less fortunate. The alliance raises funds for blind children in Poland, and contributes to veterans organizations, community groups, churches, and other worthy causes.

Mr. Speaker, to mark its historic centennial celebration, the Alliance of Poles of America will host a centennial banquet, a grand parade, and a special mass. It is expected that a host of elected officials, community leaders, and other distinguished guests will join members of the alliance for these events.

As the Representative of Ohio's 11th Congressional District, I take special pride in saluting the Alliance of Poles of America. Over the years, I have benefited from a close working relationship with members of this distinguished organization on issues of both national and international significance. I applaud the organization for its leadership, and I extend my best wishes for a memorable centennial celebration.

TRIBUTE TO LAWRENCE L. MURRAY

HON. VERNON J. EHLERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. EHLERS. Mr. Speaker, it is with great pleasure that I take this opportunity to recognize the achievements and contributions of Larry Murray, who is retiring after 21 years as the founder and director of the Area Agency on Aging of Western Michigan. His work and dedication have been superb over the years. He will be sorely missed by our community and the people he has come in contact with.

A native of Pittsburgh, PA, Larry attended elementary and high school there. He went on to graduate from Duquesne University in his hometown. In 1939, Larry began his professional career as a sales trainee for the United States Gypsum Co. After learning the ropes of the industry, he rose quickly through the ranks and eventually became the company's national sales manager of insulation products. Three years after he began his first job, Larry enlisted in the U.S. Army to serve his country during World War II. Four years after enlisting Larry was honorably discharged, and he returned to his job with the United States Gypsum Co. He remained with the company and began his association with Grand Rapids, MI.

Larry remained involved in the gypsum industry for another 14 years, working as a sales manager for the Grand Rapids Gypsum Co. Midway through his tenure with the company Larry was appointed as vice president of sales and marketing. As vice president, he oversaw all phases of the marketing program including prices, policies, and profits. In 1970, he retired from the gypsum industry to pursue a personal business venture. From 1970 to 1974, Larry owned and operated a consulting service geared toward the construction industry.

In 1974, Larry was appointed as director of the newly developed Area Agency on Aging of Western Michigan. The agency is responsible for planning, coordinating, and serving as a funding agency for older adult programs in nine-county area. As director of the agency, Larry dedicated himself to providing the best possible services for area seniors.

Larry's contributions to the care of seniors have been recognized not only by the citizens of west Michigan but also across the Nation. Throughout his 21 years with the Area Agency on Aging, Larry has been applauded by his peers and recognized with awards and leadership roles on various boards. He is one of the founders of the National Association of Area Agencies on Aging and served on the first board of directors for two terms. In 1986, he received the "Distinguished Area Agency Director Award for the United States" from the director of 675 Area Agencies on Aging in the United States. He also served as a representative to the 1981 White House Conference on Aging. This litany of activities demonstrates that he has been very active on State and national levels in promoting aging related issues.

Not only has Larry blessed many people with his commitment to helping, he has also been blessed with a wonderful, caring family. Providing support over the years for this dedicated man have been his wife Mary Lou of 52 years, and his children Dr. Lawrence Murray III, Patrick J. Murray, Mary Anne Timmer, and Jim Murray.

Mr. Speaker, I have only touched the surface of the many contributions Larry has made to our community. I want to personally thank him for all that he has done in marking west Michigan a better place for the seniors of our community. It is with great pleasure that I take this time today to honor the many achievements and contributions of this outstanding and dedicated citizen.

THE 100TH ANNIVERSARY OF THE UNIVERSITY OF PITTSBURGH SCHOOL OF DENTAL MEDICINE

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. COYNE. Mr. Speaker, I rise today to congratulate the administration, faculty, and students of the University of Pittsburgh School of Dental Medicine on the 100th anniversary of its opening, and to thank the school for 100 years of dedicated service to the people of the State, the region, and the Nation.

A great many things have changed since 1896, when the school, then known as the Pittsburgh Dental College, first opened its doors. Automobiles were rare and remarkable machines, large parts of our country were not served by electricity, telephones, or running water, and the skies above Pittsburgh were black with smoke at mid-day. Dentistry was not nearly as advanced as it is today. Nevertheless, even then, the school represented a strong commitment to providing proper dental care.

In the intervening years, this commitment has been sustained as the school has expanded and matured. In 1926, the school was cited as an example of teaching excellence in the Carnegie Foundation for the Advancement of Teaching's groundbreaking Gies Report. The school established a continuing education extension program in 1962, a dental assistant-oral hygiene program in 1963, a dental clinic for children with disabilities in 1965, a cleft-palate-craniofacial treatment center in 1966, and programs for research, treatment, and graduate education programs in implantology in 1983.

In short, the school has been a leader in the training and education of dental professionals, in the conduct of biomedical research, and in the provision of clinical aid to patients. I commend the faculty and staff of the University of Pittsburgh School of Dental Medicine as the school begins its year-long commemoration of its 100th anniversary.

CONGRATULATIONS S.SGT. DEAN JONES

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. BARCIA. Mr. Speaker, I am pleased and honored today to be able to announce to you and our colleagues that Marine Corps Staff Sergeant Dean L. Jones is this year's winner of the Kenneth A. Innis Award for Aviation Command and Control Marine of the Year. This award, sponsored by Loral Defense System—Eagan, is given for the most outstanding contribution to Marine aviation by an enlisted Marine. This award is being presented this weekend, at the annual meeting of the Marine Corps Aviation Association, in Crystal City, VA.

SSGT Jones is being recognized for multiple accomplishments between May 1994 and April 1995 which, according to his citation, "dramatically increased the mission effectiveness of Marine air command and control and enhanced unit level publications throughout the Marine Corps."

Dean Jones had been a resident of my congressional district, having graduated from Elkton-Pigeon-Bay Port High School, before joining the Marines in 1982. Several members of his family, including his mother, Eunice Jones, and aunts and uncles Alice and John Kleinfeld and Theo and Bob Frent, still reside in the area, and are tremendously proud of his recognition.

Mr. Speaker, the strength of our military has always been in the men and women who believe in service to their country, and demonstrate their belief by volunteering their lives to protect the freedoms we all enjoy. Dean Jones represents the finest of these individuals, working to make sure that the tasks for which he is charged are completed as effectively and successfully as possible, knowing that these missions can make a critical difference should we find ourselves in an armed conflict. His years of service, including assignments in electronics maintenance, communication, and his most recent assignment with Marine Tactical Air Command Squadron 38, 3rd Marine Aircraft Wing, at MCAS El Toro, CA, show that this is a Marine who cares, among a corps rich in tradition, bravery, and sacrifice.

I am sure that his wife Suzanne, and his children Timothy, Thomas, and Rebecca, are all very proud of him. I also want us to recognize his family, because the life of any member of the Armed Forces is most certainly impacted by the sacrifices that the family has to make. This entire family, I am sure, contributed to the atmosphere that allowed SSGT Dean Jones to win this award.

Mr. Speaker, I urge you and all of my colleagues to join me in congratulating Staff Sergeant Dean L. Jones with his receipt of the Kenneth A. Innis Award, and in appreciation of his job well done.

HELPING THOSE THAT LIVE AND WORK IN THE UMATILLA BASIN

HON. WES COOLEY

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. COOLEY. Mr. Speaker, today I am introducing legislation that will go a long way to correct unintended problems that face hardworking irrigators in my district. These irrigators and the communities they support have labored many hours and spend thousands of their own dollars in an attempt to address these changes through the Bureau of Reclamation. Unfortunately, the Bureau has been stubborn and reluctant to resolve the problems that the Bureau has promulgated. In light of this, corrective legislation is warranted—and imperative—for the continued viability of those that live and work in the Umatilla Basin.

This legislation would direct the Secretary of the Interior to change the boundaries of the four irrigation districts in the Umatilla Basin, Oregon (Hermiston, Stanfield, West Extension, and Westland). This boundary change would include all lands receiving deliveries of Federal project water and/or natural flows for irrigation through their respective facilities prior to October 1, 1988, as specified in the Umatilla Basin Project Act of 1988.

The new boundaries would not result in any additional watering of acreage or additional delivery of water by the districts than the Environmental Impact Statement (EIS) of the act studied, addressed, or evaluated.

The act was enacted after many years of evaluation, negotiation, planning, cooperation, and compromise by all affected entities. These interests include the irrigators, tribes, local business, agriculture community, and county and State government. This act was an historic precedent, but its success is not complete until the boundary changes are made. The irrigators were key to development of the act, based on the agreements struck by the multi-faceted interests involved in the act's development. However, the Bureau has not followed through with its end of the deal and has stonewalled resolution of this predicament for baseless reasons.

My legislation clarifies the issues that are under attack by the Bureau and others that the irrigation districts, urban business community, agri-business community, and community leaders has negotiated, agreed to, and promoted in building support for the act. When the act was approved by Congress in 1988, there were a handful of water issues that had not been resolved. However, agreements were struck by the affected interests, the necessary studies were conducted, and these outstanding issues could have easily been remedied years ago by simply administrative action. Unfortunately, the Bureau has welched on its end of the agreement and the irrigators find their portion of water (guaranteed by law) in peril.

It is time that the Congress hold the Bureau accountable. In order to accomplish the intent of the language of the act, it is necessary to enact corrective legislation that will direct agency action and disallow discretionary abuses by the Bureau, as is currently the case. My bill will resolve some of the more obvious problems, and I look forward to my colleagues' support in this endeavor.

TRIBUTE TO DOROTHY DAVIS, COMMUNITY LEADER

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mrs. MEEK of Florida. Mr. Speaker, it is my honor to extend best wishes to Dorothy Davis, a truly remarkable public servant who has had a huge impact on Dade County. Her retirement from government service as executive director of the Dade County Community Action Agency will take place on September 29, 1995.

Dorothy graduated from Clark College in Atlanta, GA, in 1962 with a bachelor of arts in social science. She began her career in community service as a social investigator at the New York City Welfare Department.

In 1964, Dorothy joined the Miami office of the Florida Department of Public Welfare. She quickly advanced through the ranks, eventually becoming community organizing officer for the metropolitan Dade County Office of the Department of Housing and Urban Development Community Services Division.

In 1975, Dorothy joined the team at metropolitan Dade County's Community Action Agency. Here, she began her grass-roots efforts to develop programs desperately needed in the Dade County community.

During her tenure, Dorothy coordinated and implemented programs in 16 low-income areas related to community planning, citizen participation, and the delivery of social services. In 1982, Dorothy returned to school and earned a masters degree in Social Work from Barry University in Miami, FL.

In 1986, her hard work and dedication earned her the position of executive director of the Dade County Community Action Agency. Our community would not be what it is today without her hard work, personal integrity, and leadership.

Mr. Speaker, this remarkable woman has dedicated many years of her life to our community. I join with all our citizens in extending to her our thanks and congratulations for a job well done. I know that my colleagues join me in honoring Dorothy Davis on this special day and wishing her continued success in whatever she decides to do in the future.

TRIBUTE TO RALPH LEACH

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to Mount Clemens businessman and civic leader, Ralph Leach. After many years in business, Ralph has sold his popular office supply and craft store, Art-O-Craft, and is retiring. He is being honored this evening during the city's annual ArtParty.

Ralph Leach is known in Mount Clemens, MI, as a man of faith—faith in God, hard work, family, and community service. At one time Ralph operated three successful Art-O-Craft stores. However, many years ago, Ralph decided that family life and community service were the key to success, not being the wealthiest man in town.

Ralph Leach has worked hard to revitalize the community of Mount Clemens. As a retailer, business leader, and community activist, Ralph has worked with other members of the Mount Clemens Business Association to rejuvenate the city. He has helped foster a sense of cooperation between local business people that has helped give the city a new look and attitude. Mount Clemens has again become a city where people are proud to work, shop, and live.

Ralph's commitment to service and hard work are not limited to his entrepreneurial endeavors. The Mount Clemens Salvation Army and the YMCA represent only a few of the many organizations to which he has committed his time and talents. In fact, Ralph's life will probably be as busy in retirement as it was when he operated Art-O-Craft. Ralph plans to become more active in his role as a minister. Currently he serves as chaplain at St. Joseph's Hospital where he ministers to the spiritual needs of patients and their families. He also is chairman of the deacon board at Community Baptist Church in St. Clair Shores, MI. Sunday school classes for youngsters, senior citizens, and women's groups have all benefited from the faith and insight Ralph is able to provide. Ralph even ministers to the needs of prisoners. The Macomb County sheriff asked him to join the jail ministries board where he has served for 7 years.

Taking an active role in one's community is a responsibility we all share, but few fulfill. Ralph Leach has dedicated much of his life to this endeavor. I deeply admire his strong values and outstanding example of civic involvement. His time, talents, and energy are appreciated by all of us. I thank Ralph Leach for his efforts and commend him for his good work.

I have known Ralph for many years and he richly deserves all the best in retirement. I ask that my colleagues join me in offering heartfelt congratulations to Ralph Leach on the event of his retirement.

TRIBUTE TO SARAH FABRY SMEJA, RON NOWACZYK, AND JOHN AND LORRAINE HEDRICH

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. CAMP. Mr. Speaker, I rise today to honor four Michigan residents as they are recognized for their contribution to polka and the State of Michigan. Sarah Fabry Smeja, Ron Nowaczyk, and John and Lorraine Hedrich, will be inducted into the State of Michigan Polka Music Hall of Fame on Sunday, October 1, 1995.

America was built by the hard work and commitment of settlers who brought with them a rich and varied heritage. Polka flourished in Michigan largely due to the devotion of those who brought with them their families' traditions and customs, as well as their love of polka. Sarah, Ron, John, and Lorraine were just a few of those special individuals who were proud to keep an honored tradition alive.

Sarah Fabry Smeja, of Swartz Creek, MI especially enjoys Czechoslovakian melodies first introduced to her by her father at a very early age. Throughout her career she has played the piano, trumpet and baritone, as well as conducted a choir called the Friendship Club.

Ron Nowaczyk, of Saginaw, MI has played the drums for over 40 years. Ron has had the opportunity to play with several bands, and record two albums with the John Lipinski orchestra. He was awarded the European American Music Award from radio station WOAP in 1994, and currently volunteers, and serves as a radio personality on WKNX in Frankenmuth, MI.

John Hedrich, from Chesaning, MI has been playing the drums since the age of 5. His wife, Lorraine, has been playing the accordion since she was 11 years old. In 1973 they began playing together in a two-piece band still known today as The J & L Blue-tones. Currently, John and Lorraine are members of the Saginaw Musical Association Local 57.

Mr. Speaker, thanks to the efforts of Sarah, Ron, John, and Lorraine, we are all able to enjoy an old musical tradition from many years ago. They will be honored at a reception in Owosso, MI because of their dedication and commitment to spreading the polka tradition and helping others enjoy this special music. I am confident that the musical legacy of these outstanding individuals will be remembered for decades to come.

FEDERAL ACQUISITION

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. PACKARD. Mr. Speaker, we have been given the opportunity to set right a problem that has long plagued the Government, the Federal procurement process.

It is no great secret that while the private sector has increased its efficiency by downsizing and decentralizing, the Federal Government remains saddled with an archaic procurement system that is expensive to operate and laden with paperwork and bureaucracy. The system as it is, forces taxpayers to pay a 20-percent premium on Federal purchases. This is not responsible government.

If we are to balance the Federal budget, it is our responsibility in Congress to make the procurement process an efficient and cost-effective one. The taxpayers deserve it. The contractors deserve it, and the Federal Government deserves it.

A TRIBUTE TO CHEVY CHASE COMMUNITY LIBRARY

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mrs. MORELLA. Mr. Speaker, it is a proud moment for me to rise in tribute to the Chevy Chase Community Library in Montgomery County, MD, on the occasion of its 30th anniversary.

In celebration of the library's 30th birthday, the Chevy Chase Historical Society is setting up three displays that depict the town of Chevy Chase as far back as the turn of the century. The library also is collecting pictures and momentos from citizens that will recreate the Chevy Chase community as it was in 1965.

The library has changed since its opening on September 22, 1965. At the time, everyone wondered how they were ever going to fill all of the empty shelves. Now the library is overflowing with books and "bursting at the seams," according to Kathie Meizner, the agency head of Chevy Chase Library.

Over the years, the library has provided programs and activities for young children and their families. The library has been a resource for parents in the community, enabling them to become participants rather than observers in their children's education. On a daily basis, the staff of the library responds to the needs of the diverse Chevy Chase community, helping people obtain access to meaningful information vital to good decision making. The library has record of dedicated service to individuals with special needs, individuals from the business and industry sector, government and community leaders, and senior citizens.

The biggest change at the Chevy Chase Library has evolved in response to the challenges of the information age. The library is no longer an isolated resource center in a small town; it is now connected to other local libraries and to libraries in other States and countries.

In September of 1965, President Johnson was urging Congress to grant home rule to Washington, DC. More troops were sent to Vietnam. On Broadway, Ginger Rogers was starring in "Hello Dolly!," and Art Carney and Walter Matthau were "The Odd Couple." In Montgomery County, MD, the Chevy Chase Library first opened its doors.

Mr. Speaker, I congratulate the Chevy Chase Library on its 30th birthday, and I wish the staff, the volunteers, and the citizens of the Town of Chevy Chase continued success.

GOOD TRANSPORTATION CHOICES

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. FILNER. Mr. Speaker, Americans need good transportation choices. We in Congress need to help empower people to make transportation choices that work for commuters, for businesses, for senior citizens, and young people alike. Toward that end, I want my colleagues to see an article that appeared in the New York Times business section, Sunday, August 20, reflecting the broad base of support for the transportation policies we passed in ISTEA. This article was cowritten by Gerald Bartels, the president of the Atlanta Chamber of Commerce, and Jeff Blum, transportation policy director of the consumer group Citizen Action.

MORE HIGHWAYS ALONE WON'T EASE TRAFFIC

(By Gerald L. Bartels and Jeff Blum)

Across America, we are building more highways to relieve traffic congestion in metropolitan areas, but it doesn't work. Our roads are simply too crowded—and building more means intolerable costs and environmental problems, while the congestion reappears in a few short years. As we enter the 21st century, public transportation is the only cost-effective way that growing communities can ensure mobility for their citizens.

The most cost-effective transportation budget is, therefore, one that balances investments in roads, trains, and buses. Four years ago, Congress and President George Bush developed the Intermodal Surface Transportation Efficiency Act in an attempt to reduce traffic congestion and air pollution by investing in both public transportation and highway construction.

But the budget versions adopted now by the U.S. House of Representatives and Senate have unwisely abandoned that balanced approach.

For Fiscal Year 1996, Congress has proposed to slash funds for public transportation and Amtrak while substantially increasing highway subsidies. 89% of the proposed House cuts in transportation assistance would come out of public transit and Amtrak, though they constitute 15% of the Federal transportation budget.

Meanwhile, highway subsidies—52% of the transportation budget—would rise by more than a half billion dollars. The Senate plan, while reducing highway funding by 3.7%, cuts mass transit funding by three times as much.

In the Atlanta area, events at the Georgia Dome and Atlanta/Fulton County Stadium, as well as next year's Olympics, depend on the transit system, MARTA. And the growing Perimeter Center commercial district on the edge of town will thrive only with the expansion of public transit, as well as carpooling and pedestrian walkways.

America needs efficient buses, subways and intercity trains to keep traffic moving quickly, to keep our air clean and to get people to their jobs. Americans need efficient transit to encourage compact community development that preserves open space and uses infrastructure wisely so that metropolitan areas can sustain growth for generations to come.

America needs convenient, affordable transit to allow people leaving welfare to get to jobs. America also needs a healthy balance between local needs and federal resources. Congress should, therefore, promote a balanced transportation policy that:

Offers equal Federal matching dollars for public transportation and highways alike: Why skew our building projects toward more highways, if what communities really need is more public transit? Local elected officials should set the priorities and make the allocations of transportation dollars.

Continues to assist local transit systems through the transit operating assistance program: Many communities, especially smaller ones, depend on federal aid to keep buses and subways running. The Mobile, Ala., bus system has shut down in anticipation of unbridgeable cuts in Federal assistance. And as many as 60 other systems may follow suit.

Maintains the strong Federal interest in transit capital and technological-innovation programs: With little room to expand our packed metropolitan-area highways, the nation must expand public transit. Federal help should be available to regions that cannot afford such a major investment—just as large infusions of Federal capital helped build our world-renowned highway system. At the same time, the Government must continue to support the development of innovation like high-speed intercity rail; low-weight, low-pollution buses; up-to-the-minute schedule information accessible from peoples' homes, and technology that allows buses to pass through traffic signals ahead of cars.

Preserves a strong national passenger railroad: In many congested regions, intercity rail is by far the most cost-effective way to travel. Amtrak passenger miles rose 48% between 1982 and 1993. Ridership rose 87% on Northeast Corridor Metroliners, 49% between San Diego and Los Angeles, and 10% between St. Louis and Chicago.

Yes, Congress and the President must be hardheaded when it comes to spending our dollars. But when we reduce the budget, let's give public transportation a fighting chance.

SIKH MILITANTS ASSASSINATE CHIEF MINISTER IN PUNJAB

HON. SHERROD BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. BROWN of Ohio. Mr. Speaker, I wish to call our colleagues' attention to the latest in the tragic series of events that have plagued the Punjab region of India for more than a decade. On August 31, 1995, Chief Minister Beant Singh, a leading advocate of peace in the Punjab region, was viciously assassinated by Sikh terrorists.

Mr. Speaker, the time has come for every Member of this House to condemn these violent acts perpetrated by Sikh militant factions. Unfortunately, some of our colleagues have chosen to carry the banner for the Sikh militants in Punjab by working closely with the so-called Council of Khalistan. Perhaps this latest tragic act will be enough to convince those Members that support for groups that promote violence only begets further violence.

Responsible Members of this House must condemn each and every terrorist act perpetrated by these militants. We must also challenge our colleagues who support the Council of Khalistan because it benefits their own domestic political needs to realize that their support for the council is furthering a terrorist agenda in India.

While fighting terrorist, Chief Minister Singh also worked simultaneously to bring the people of Punjab back into the mainstream political democracy upon which the nation of India prides itself.

Mr. Singh was duly elected by the people of Punjab in 1992 and he dedicated his life to maintaining democracy.

Mr. Speaker, as the relationship between our country, the world's oldest democracy, and India, the world's democracy, continues to flourish and expand, let us support unequivocally the advocates of peace in Punjab. And, without fear or hesitation, I would hope that every Member, regardless of political persuasion or ideology, would join me in condemning those enemies of peace who assassinated the Chief Minister and his staff.

HONORING COCOPAH TRIBE CHAIRMAN PETER SOTO

HON. ED PASTOR

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. PASTOR. Mr. Speaker, it is with great remorse that I inform my colleagues on the passing of a friend and a great leader of our native American community: Mr. Peter Soto, chairman of the Cocopah Nation.

Pete, as a young man, received his education in Yuma, AZ. A firm believer that education was the key to success, Pete devoted himself to pursuing a degree, which he attained at Harvard University. After graduating, Pete returned to the Cocopah Nation and served as tribal vice chairman. During his tenure as the vice chairman, Pete worked with the Indian Education Program and the Yuma High School district.

Completing his term as vice chairman, Pete assumed a position with the Bureau of Indian Affairs Education Department. In that capacity, Pete was instrumental in developing and directing educational programs for the Bureau of Indian Affairs. Pete was a strong advocate of education and was dedicated to improving the educational opportunities for our native American youth. Through his endeavors many of our young native Americans have received, and continue to receive, an education.

In 1990, Pete returned to his nation to serve as the Cocopah tribal business facilitator. Pete strove to enhance and implement economic development for the Cocopah Nation. During this time he also served his community as vice chairman of the board of commissioners for the housing authority.

On July 8, 1994, Pete was elected as chairman of the Cocopah Nation. Under his leadership, the nation began an extensive program to make education available to all members of his nation. Pete continued his strong advocacy of tribal economic development, and strove to develop business enterprises and to attract business investment to his nation.

I would also like to recognize Pete for his dedicated service in defense of our Nation. Pete served with the U.S. Army and was honorably discharged.

I share with my friends of the Cocopah Nation a deep personal loss. The Cocopah Tribe has not only lost a great leader, but I have lost a dear friend. I request that my fellow colleagues join me in honoring and remembering this great man: Chairman Peter Soto of the Cocopah Nation.

STATEMENT REGARDING THE JOB CORPS

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. WILLIAMS. Mr. Speaker, I wanted to take this opportunity to clarify the legislative intent of H.R. 1617 regarding the Job Corps Program.

The committee did not include Job Corps as part of the block grant consolidation proposed in H.R. 1617. After numerous hearings, site visits, and debate, the committee determined that Job Corps is one of the few Federal programs that is most cost-effectively administered at the national level. The committee strongly believes that Job Corps should remain a distinct, national program for the following reasons:

Job Corps is effective. Historically, the young people served by Job Corps are America's poorest and most at-risk. Their needs have not been met by their schools, families, communities, or State governments. Job Corps, through its comprehensive residential education and training components, is extremely effective in dealing with this difficult population. In fact, in program year 1994—July 1994–June 1995—73 percent of all participants were placed into jobs or advanced to higher education.

Job Corps provides universal access. By virtue of being a national program, Job Corps allows equal, universal access to all young people eligible for the program, regardless of their residence. There are no constraints of State boundaries. In fact, a substantial amount—roughly 35 percent of all Job Corps students attend centers not located in their State.

Low administrative costs. As currently operated, Job Corps has minimal bureaucratic overhead. There are 179 Federal staffs that oversee services to almost 65,000 youth annually at 110 centers nationwide. It would make no sense to create 50 separate State bureaucracies to administer approximately 2 Job Corps centers per State.

Job Corps is accountable. Given its size and cost, Job Corps must be accountable to Congress. Today, Job Corps has the most extensive performance standards of any job training program. Job Corps measures student advancement in academics, vocational completion, and job placement rate as well as the starting salary once they leave the Job Corps. This is done for every one of Job Corps' 65,000 students each year. In addition, Job Corps has now instituted student surveys to assess student perceptions of the program and campus safety.

Local input with a national focus. Job Corps is unique from other Federal training programs in its uniformity across the Nation. This has allowed the program to develop a cost-effective and efficient system to serve both the local and national needs of Job Corps students. Each Job Corps campus is required by law and regulation to develop community linkages, local support groups, and participation. Students are referred to and from other State programs and services. The national network of placement services offered through the international labor unions and the National Association of Home Builders allow Job Corps graduates access to job markets across the Nation.

Mr. Speaker, while the goal of H.R. 1617 is to consolidate the vast array of job training and education programs into a more cohesive structure that makes sense to participants, to service providers, to the Congress, and most importantly to the American taxpayer, we did not want to eliminate programs that operate effectively. Job Corps is one program the committee felt was best kept at the national level. As the old adage goes "if it ain't broke, don't fix it."

HONORING THE EPIPHANY BYZANTINE CATHOLIC CHURCH

HON. THOMAS M. DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. DAVIS. Mr. Speaker, I rise today to honor the Epiphany Byzantine Catholic Church of Annandale, VA, which is celebrating its 25th anniversary on Sunday, September 24, 1995.

The parish was founded in 1970 by a few Slavic people with a vision and love for their Byzantine Rite. Many of the founders were first generation Americans who wanted a place to worship in the traditions of their Slavic ancestors. Since that time the parish has grown and become an integral part of the community and serves over 300 families of diverse ethnic and cultural backgrounds who live in the Washington metropolitan area.

In 1973, the construction of Epiphany Byzantine Catholic Church was completed and on April 29 was dedicated. Father John Danilak who served as pastor at that time wrote the following to parishioners: "The erection of this beautiful edifice shall ever by a living testimonial of the generations of the unborn, and it will be a memorial to of your ardent faith and an inspiration for your children to manifest the God-given faith and the glorious heritage that you will entrust to them. May the doors of the Epiphany Church be always open to all who seek the soothing balm of Christ's healing graces and that there be charity and love for the helpless, and that Epiphany serve as a reservoir of moral strength for the weak, a sanctuary for the oppressed and comfort and consolation for the aged and forgotten."

Since those words were written in 1973, Epiphany Byzantine Catholic Church has strived to fulfill this commitment. The parish has grown and people of different cultures and backgrounds attend and participate in the religious services. Yet, the goals set in 1973 remain unchanged. Epiphany Byzantine Catholic Church continues to nurture its family in the gospel of Jesus Christ, through the unique genius of the Byzantine Rite.

In 1987, the multipurpose parish center was dedicated and serves as a place for parishioners and the community to meet for educational and social events. The parish not only continues traditions of the Slavic people but also the ethnic and cultural traditions of their parents and grandparents. Epiphany Parish is truly committed to the Byzantine Catholic Rite and welcomes all who desire to worship with them.

Mr. Speaker, I know my colleagues join me in honoring the Epiphany Byzantine Catholic Church on the occasion of its 25th anniversary.

TRIBUTE TO DR. ABRAHAM M. PHILLIPS

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. GEPHARDT. Mr. Speaker, I rise before my colleagues today to pay tribute to Dr. Abraham M. Phillips, a pediatric specialist in juvenile diabetes in the St. Louis community. Dr. Phillips is a colonel in the U.S. Army Reserve and a commander of the 21st General Hospital in St. Louis.

Dr. Phillips' career is a remarkable story of dedication and service to his community and his country. After being commissioned to service in 1971, he moved quickly through military ranks and was appointed colonel in 1987. He has held various non-active duty hospital assignments in the St. Louis area and was assigned to active duty in Kuwait and Saudi Arabia during the Persian Gulf war. After more than 24 years of service in the military, Dr. Phillips has been decorated with more than 18 medals and awards in recognition of his outstanding military service.

In his role as a civilian physician, Dr. Phillips' service and scope of work to the medical community are equally impressive. He serves as the medical advisor to a local high school football team, is the consulting physician to a diabetic camp for children in Missouri, and recently concluded work for the Nursery and Newborn Clinic Service at Deaconess Hospital in St. Louis. In addition, Dr. Phillips serves on the Pediatric Quality Assurance Committee at John's Mercy Hospital and on the Pre-Natal and Pediatric Care Committee at Deaconess Hospital, both of which are located in St. Louis.

Dr. Phillips' work illustrates the importance of military reservists in our country, and their invaluable contributions to our society. He has unselfishly given his time and talents to our community. His devotion to our community and to our country should be an inspiration to us all.

THE SURFACE MINING CONTROL AND RECLAMATION AMENDMENTS ACT OF 1995

HON. BARBARA CUBIN

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mrs. CUBIN. Mr. Speaker, today I am pleased to introduce the Surface Mining Control and Reclamation Amendments Act of 1995. I am joined in this effort by Mr. CREMEANS and several other colleagues all of whom share my interest in reinforcing the original intent of the 1977 statute: To place with the primacy States the exclusive jurisdiction to regulate surface coal mining operations within their borders. The bill will clarify the respective roles of the Federal and State governments, avoid costly and inefficient duplication in inspection and enforcement and establish clearer lines as to the activities subject to the law.

When the Surface Mining Control and Reclamation Act [SMCRA] was enacted in 1977, it was hailed as a model of cooperative federalism. It established a set of pervasive environmental and reclamation performance standards for all surface and underground mines in the United States. It also included provisions to allow each coal producing State which was able to demonstrate that it had adequate laws and organizations in place to assume primary responsibility for regulating coal mining operations with its State. Since that time, 23 of the 26 coal producing States have assumed the role as the SMCRA regulatory authority.

Unfortunately, The Office of Surface Mining [OSM] has proven reluctant to live up to this statutory promise and hand over fully the reins of regulation to these primacy States. Instead, OSM has perpetuated a dual regulatory scheme by its policies that entail daily interference through the issuance of notice of violations [NOV's] directly to coal mine operators in primacy States. The original act was clear that OSM's oversight role did not allow such pervasive intervention. OSM is only authorized to issue a cessation order for serious violations constituting an imminent harm or danger to the public or environment. Otherwise, OSM was to evaluate State performance, and if dissatisfied, initiate proceedings to substitute either Federal enforcement or a Federal program for all or part of the State program.

OSM's policies have ignored the careful balance of authority by intervening every day in State program matters by issuing notice of violations directly to operators anytime OSM disagrees with a State's view of program requirements. This practice has victimized coal mine operators caught in the middle of Federal-State disputes; perpetuated a scheme of dual and conflicting program administration; caused regulatory uncertainty and confusion, and bred disrespect for the States and the law itself.

As one Federal court observed, OSM's practice has upset SMCRA's fragile balance "between the federal and state roles with its trampling of the state's right to enforce its laws." *Fincastle Mining Inc.* v. *Babbitt*, 842 F.Supp. 204, 209 (W.D. Va. 1993).

A poignant example of this problem occurred in 1993 when OSM challenged one of Wyoming's existing permit conditions at the Black Thunder Mine as it related to its rough backfilling and grading plan. OSM wanted to issue an order requiring Black Thunder to mine and reclaim in a manner that practically speaking could not be achieved and which was actually based on an outdated rule.

After the mine submitted a modified mining and reclamation plan to the State agency, the State requested that it delay its backfilling and grading until it had an opportunity to review the plan revisions. In the meantime, OSM issued a 10-day notice to the Wyoming Department of Environmental Quality in an effort to pressure the State into bringing enforcement action against the mine. The State rigorously opposed OSM's efforts. Yet only after extensive time and resources were expended on the issue did OSM finally agree that the issue was programmatic rather than regulatory and dropped its threat.

The amendments act will clarify that OSM does not have the authority to issue notice of violations in primacy States unless and until it has followed the procedures set forth in the 1977 law to substitute Federal enforcement for the State program.

The act's legislative history confirms the original intent that notice-of-violation authority belonged only to the regulatory authority and operators need to know who that regulatory authority is at any particular time—OSM or the States. My legislation will further restore meaning to the concept of State primary by codifying the well-established principle that the approved State program is the law applicable in that State. Permits issued pursuant to those State programs would be the benchmark for compliance until modified in accordance with the permit revisions procedures of the State program.

This legislation is also intended to avoid regulatory duplication among various programs, require greater efficiency in enforcement actions and streamline the administrative appeal process for agency actions.

Since the passage of SMCRA, the number of producing mines has declined by more than 50 percent and the States have assumed the primary role for implementing SMCRA for 97 percent of the Nation's mines and production. However, the agency overseeing the States, OSM, has not changed significantly in terms of its size or duplicative role. The agency still has substantially more personnel than it had 12 years ago when the States assumed primacy.

As a result, the agency has sought to expand its reach to other activities such as regulating public roads, attempting to assume the role of separate agencies vested with authority to administer the Clean Water Act and raising stale matters as possible violations of SMCRA.

My amendments to the act will clarify that: public roads are not subject to regulation; the authority to administer the Clean Water Act at coal mines belongs to the regulatory authority under the Clean Water Act and not SMCRA; and, place a 3-year time limitation upon commencing actions for alleged violations. Finally, the legislation would remove an extra and inefficient layer of administrative review of agency decisions before seeking review in court. The extra layer of administrative appeals is a creature of OSM's regulations and not mandated by the existing statute.

In summation, the Surface Mining Control and Reclamation Amendments Act of 1995 would reinforce the federalist scheme of the original law and restore true meaning to the concept of State primacy.

THE KEY TO JOBS

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. ROTH. Mr. Speaker, I had a meeting this morning with the congressional travel and tourism caucus.

I'm reporting that the travel and tourism is hard at work in every district in the Nation: from restaurants to retailers, hotels to campgrounds, airlines to rental cars.

With 13 million employees nationwide and an economic impact of $416 billion, each and every one of you here needs to stand up and take notice.

Now, I know we're all very busy, but listen to these facts: Tourism is No. 1 in service exports; tourism generates exports equal to exporting 4-million cars, 1.15-million blue jeans or 5.5-billion bushels of wheat.

Tourism generates $54 billion in Federal, State, and local taxes.

If this had to be replaced, the average American household would have to pay an additional $652 in income tax every year.

But note well for straight years, U.S. market share of international travelers has deteriorated. And it's going to fall again this year.

Clearly, we must take action. I offer you three solutions:

First, On October 30 to 31, join the 1,700 travel industry professionals for the first ever White House Conference.

Second, join the tourism caucus—support your district. We already have more than 273 members.

Third, cosponsor H.R. 1083—The Travel and Tourism Relief Act. It's economically vital to your district and it's vital to America.

MILITARY EXCESS AND THE PROGRESSIVE ALTERNATIVE

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 21, 1995

Mr. CONYERS. Mr. Speaker, I have addressed this body often to discuss America's exorbitant defense spending. As the former chairman of the Government Operations Committee and its subcommittee on Legislation and National Security, I am intimately familiar with fraud, waste, and financial self-indulgence in the Pentagon and the military-industrial complex at large. The fact that every one of the top 10 military contractors has either been convicted of or admitted to procurement fraud since 1980 as the Campaign for New Priorities recently pointed out, reminds all of us just how deep and pervasive their breach of trust with the American taxpayer has been.

Besides abuse and mismanagement in the private sector though, neglect by the Government remains equally of concern. We have funded meaningless, unnecessary military programs year after year.

Today I rise to bring to your attention the work of my distinguished colleague from California, RON DELLUMS, the ranking member of the House National Security Committee, who has articulated an alternative to this madness. In the October 2 issue of the The Nation, he outlines a post cold war paradigm—at post cold war funding levels. I think this article, which I am entering into the RECORD, demonstrates my colleague's years of reflection and expertise on these issues. I commend him for his scholarship and I hope you will grant it the careful study it deserves.

STEALTH BOMBING, AMERICA'S FUTURE

(By Ronald Dellums)

The September 7 House of Representatives vote to approve funding for the B-2 bomber—money the Pentagon does not even want—thrust forward the crucial question of the nation's military budget. After World War II, the United States rejected opportunities to utilize most effectively a newly established international architecture for conflict resolution and economic development. An enormous financial and human price ensued during the five-decade cold war, with its nuclear and conventional arms races, numerous surrogate wars and potential for cataclysmic confrontation. Now, early in a post-cold war era, Congressional leaders and the Clinton Administration are spurning similar opportunities to avert future arms races and restrain potential conflicts.

By maintaining the current extraordinary levels of military spending in order to support a "go it alone" armed force capable of continuing worldwide intervention, U.S. policy-makers are once again seeking long-term security in short-term military superiority rather than in enduring international stability. Such a course significantly risks rekindling the threatening environment that existed during that now-fading era. And because other nations will undertake military modernization in part due to their reaction to any U.S. drive for improved capacity, long-range U.S. security interests will be better served by restraint in our own programs.

The Clinton Administration's military plan—known as the "bottom-up review"—maintains too much of the cold war force structure and fails to respond optimally to emerging security challenges. I reject the B.U.R.'s conclusion that the United States should maintain military forces sufficient to fight two major regional wars simultaneously without allied assistance, and with the type and size of military forces with which the allies fought Desert Storm. This implausible "worst case" assessment has provided the principal rationale for the stall in military force reductions that started after the fall of the Berlin wall. The B.U.R. mandates the perpetuation of old habits—such as routine deployments of aircraft carriers in three oceans—that then rationalize excessive peacetime acquisition programs and needlessly consume billions of dollars.

If the Administration is too cautious, members of the Republican Congressional majority will pursue a powerfully destabilizing and dangerous set of policies. They will rekindle a nuclear arms race by reconstituting Star Wars, abrogating the A.B.M. treaty and abandoning the START II agreement that is designed to secure substantial reductions in U.S. and Russian nuclear weapons arsenals. They are on a wild buying spree of major weapons systems. They needlessly pursue confrontational relationships with former adversaries and reject foreign policy initiatives that could lead to regional stability. They reject peacekeeping and engagement with the United Nations. Both the Administration and Republican policies unjustifiably divert scarce national resources from urgent domestic requirements, enhancing the potential for social instability and civil strife.

What alternative view—critical and constructive—do progressives in the Congress offer? Any alternative must begin with the three elements of a truly progressive national security policy: a right-sized military, an engaged foreign policy and a determined effort to rebuild our nation's communities.

A right-sized military: The nation could further reduce our aircraft carrier groups from twelve to as low as eight, and still accommodate the war-fighting requirements of the bottom-up review. Despite 30 percent reductions in land forces, there are still 50,000 soldiers that the Army does not plan to employ under the scenarios emerging from the B.U.R. More of our air forces can be demobilized or placed into reserve status.

Those of us who reject the B.U.R. see that even greater reductions and smart reorganization can occur. We seek a force structure sufficient for defense of U.S. interests through participation in allied or multinational efforts to halt aggression, undertake peacekeeping operations and meet humanitarian operations requirements. Such a realignment would present a very different picture of U.S. intentions to the world from what emerges either from the Administration or Republican plans.

One need not now declare a "steady state" number of divisions, aircraft or naval forces to know that we can safely make these substantial additional reductions without harm to national security, and that we will be able to make follow-on reductions in the future as other nations respond to our initiatives. My proposal to the House Budget Committee placed us back on the path of additional force reductions and canceled cold war-based weapons programs, resulting in $82.5 billion in savings in just five years.

Under my plan, the United States would also commit to prompt, significant reductions in our nuclear weapons arsenal in compliance with the Non-Proliferation Treaty (N.P.T.), coupled with a continuing commitment to the prompt elimination of other weapons of mass destruction. This would lead to a minimum sufficient deterrent force of only several hundred weapons, significantly below START II limits of 3,500 strategic warheads, and we would work to secure a Russian commitment to a similar reduction. (The Senate Armed Services Committee bill contains an absurd requirements to retain the nuclear arsenal at much higher START I levels.) Such an arsenal would ease the current pressure to find a production source for tritium, and would place us more squarely on a path to eventual nuclear disarmament as is called for in the N.P.T., and which is stated U.S. policy.

What we should seek to acquire for the military are the logistics capabilities, intelligence assets and personnel training that will allow U.S. forces to participate effectively and to lead, where appropriate, in peace operations and coalition efforts to stanch genocide or to meet humanitarian crises. Such a program would less likely be perceived as hostile by other nations, and would not as readily trigger reactive military buildups or arms acquisition programs.

Preventive engagement: Active U.S. engagement with the U.N. and regional organizations to solve local conflicts can help to avert serious crises before they arise, and will increase international confidence in U.S. intentions. Funding a fairer share of international development efforts can help to enhance stability in various regions. Engaged and imaginative diplomacy, the use of good offices in conflict resolution and international peacekeeping mechanisms can help to defuse—or constrain when necessary—ethnic, religious, sectarian, racial or transnational conflict. Vigorous pursuit of further arms control agreements governing weapons of mass destruction and conventional armaments will effectively complement these commitments.

Social investment: The third element of a progressive national security policy is investment in education infrastructure, and the strengthening of other institutions essential to enhancing community and individual well-being.

Throughout the 1980s domestic programs were ravaged by a costly arms buildup. President Reagan transferred $50 billion from domestic accounts to military programs in his first budget, and continued such transfers throughout his tenure. Our communities have never recovered.

Republican Congressional budget planners are now shifting additional tens of billions from domestic accounts to the military, and slashing billions more for deficit reduction.

The nation is at a critical crossroads; the income gap between rich and poor is growing. Many of our children do not enjoy access to, much less training in, the technology that will drive the economy of the future. Our infrastructure—civic and industrial—is in desperate need of serious investment. Our citizens see their quality of life eroding, yet the answers from Washington are more tax breaks for the rich, environmental degradation and global economic strategies that benefit those with capital at the expense of those who must work for their livelihood.

These distorted priorities are a recipe for disaster. During the Vietnam War, Dr. King observed that the bombs being dropped in Vietnam were exploding in the ghettos and barrios of America—the diversion of resources to fight an unjust war was killing our children and their future. His metaphor for that time is just as grimly appropriate for assessing the domestic impact of today's excessive and unwarranted military spending.

SENATE—*Friday, September 22, 1995*

(Legislative day of Tuesday, September 5, 1995)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

O Gracious God, Sovereign of our land and source of courage, we thank You that You know our needs before we ask for Your help, but You have ordained that in the asking we would find release from the anxiety of carrying the burdens of leadership on our own shoulders. Help us to remember that You are the instigator of prayer. It begins with You, moves into our hearts, gives us the clarity of knowing how to pray, and then returns to You in petitions that You have refined and guided us to ask. We are astonished that You have chosen to do Your work through us and to use prayer to reorient our minds around Your guidance for the issues we will face today. We say with the psalmist, "You are my rock and my fortress; therefore, for Your name's sake, lead me and guide me."—Psalm 31:3. Suddenly, we see prayer in a whole new perspective. It is the method by which You brief us on Your plans and bless us with Your power. May this whole day be filled with magnificent moments of turning to You for Your purposes, Your glory, and honor in America. May we receive a dynamic vision to be that quality of leaders. In the all-powerful name of our Lord. Amen.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

SCHEDULE

Mr. BURNS. Mr. President, for the information of all Senators this morning, the Senate will begin the consideration of the conference report accompanying the military construction bill under a 50-minute time limit. This is to advise Senators that the vote will come around 10:30 this morning. And then after that, we will go to the D.C. appropriations bill during today's session, so rollcall votes can be expected throughout the session in order to complete action on these items today.

MILITARY CONSTRUCTION APPROPRIATIONS ACT, 1996—CONFERENCE REPORT

The PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of the conference report accompanying H.R. 1817, which the clerk will report.

The assistant legislative clerk read as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1817) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

(The conference report is printed in the House proceedings of the RECORD of September 14, 1995.)

The PRESIDING OFFICER (Mr. KYL). Under the previous order, there will be 20 minutes of debate equally divided between the Senator from Montana [Mr. BURNS], and the Senator from Nevada [Mr. REID], or their designees. There will be 10 minutes under the control of the Senator from New Mexico [Mr. BINGAMAN], and there will be 20 minutes under the control of the Senator from Arizona [Mr. MCCAIN].

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I am pleased to bring before the Senate the conference report on military construction appropriations for fiscal year 1996.

The conference report is within the 602(b) budget allocation for both budget authority and outlays. I would like to mention just briefly some of the provisions in this conference agreement.

First, the conferees agreed with the Senate and approved $3.9 billion for the implementation of the base realignment and closure decisions. This amount includes $785 million for the 1995 round. There is also $457 million for environmental cleanup of these facilities. It has been a difficult year for all of us in this area, and I am hopeful that these funds will relieve some of the burden that has affected the communities and what they are experiencing with these base closings.

Mr. President, 38 percent of our bill is for family housing. We have included Secretary Perry's initiative for a new family housing program. We are hopeful that this will start to relieve some of the burden in keeping adequate housing for our service people.

With regard to the barracks and dormitories, we provided $675 million. We are hopeful that the Department will soon begin another program to provide alternative methods of housing our service members. We cannot afford to continue to build brandnew barracks when we still have people living in open bays.

The conferees did agree to earmark 430 million dollars' worth of funds for the National Guard and Reserve. The Department continues to ignore the needs of our citizen soldiers, and we will not ignore them, because we are keenly aware of the vital role they play in the defense of this country.

We did not fund any armories this year. This has been a difficult decision. However, we want the National Guard to take a hard look at where we are going with armories. There are about 3,000 armories in the United States, and we cannot keep adding new ones. In these austere times, the overhead has become too much of a burden.

This is the first year for me on this subcommittee, and I look forward to the process next year. We have just begun to change on how we build and maintain our facilities for the military.

Mr. President, I thank my colleague from Nevada, with whom I have worked closely on this bill, and the conferees in the House, because I think we have come through with a bill that is fair and balanced. We have kept everybody informed exactly on what we have been doing, and we have also taken a look at what the administration wants to do and some of the needs that might have been overlooked by the administration.

So I yield the floor to my friend, the ranking minority member, the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, at this time, I ask Senator BINGAMAN to go ahead and use his 10 minutes.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I appreciate the chance to speak on this legislation. I wish to speak in opposition to the conference report on H.R. 1817, which is the fiscal year 1996 Military Construction Appropriations Act.

I opposed the bill when the Senate debated it in July, and now the conferees, in my view, have brought back an even worse bill with even more addons for Member interest projects.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

We hear much these days about the need for deficit reduction. Critical domestic programs, such as education and health care and energy assistance for the poor and civilian research are being decimated by the Republican Congress on the grounds that we absolutely must fulfill the electorate's mandate to balance the budget by the year 2002.

Committees throughout the Congress are busily reporting their contributions to the reconciliation bill and including provisions that, in my view, will do major damage to our Nation's health and future prosperity.

We have already debated some appropriations bills that make major reductions in critical programs, such as Indian education and health. We will soon be debating others which decimate domestic programs in housing, education, and many other areas.

While these domestic programs are being cut to the bone, we have before us now a conference report that includes 129 Member interest projects not requested by the Pentagon.

The projects, totaling $795 million, are spread among 45 States—all except Connecticut, Maine, Delaware, Wisconsin, and Minnesota. Texas tops the list with nine add-on projects, totaling $47 million. Kansas has five projects worth $33.5 million and, accordingly, is another big winner.

Mr. President, this bill makes a mockery of all the protestations about deficit reduction coming from this Congress and leading Republican candidates. In my view, the President should veto this bill. The President was not stingy in his request for funding for military construction projects. His fiscal year 1996 military construction budget proposed a 22-percent increase; that is nearly a $2 billion increase above the 1995 level. He put particular emphasis on the needs for family housing and implementation of base closure and realignment recommendations.

What this Congress is now proposing to send to the President is a pork-laden bill with a net addition of $479 million above the President's budget request. Essentially, this so-called fiscally conservative Congress is saying that a 22-percent increase in military construction is not enough, that the increase needs to be 28 percent.

Mr. President, where else are we saying that this year? Outside of the defense budget, is there a single major discretionary or mandatory spending category that is growing 27 percent? I cannot think of a single one. I can think of a lot that are being cut at least 28 percent. In reality, the increase is even larger because many of the so-called cuts made in the bill are phony. They will just pay the bills in future years. A few large projects are stretched out so that we can defer paying the total bill until some future fiscal year. For example, $92 million is postponed from the third phase of a project in the Army Institute of Research in Maryland out of $119 million requested.

I could give other examples. Unfortunately, this bill has sailed through both Houses with bipartisan support. There is so much money available to spend in this area that there has been plenty to allocate to interest items on the Democratic as well as the Republican side. When Senators McCAIN, KERREY, and I attempted on July 21 to trim $300 million out of the Senate version of the bill that had at the time about 100 unrequested projects, we were defeated 77 to 18. That vote occurred minutes after the Senate had given final approval to the $16 billion in rescissions in domestic programs for fiscal year 1995.

The President has not condoned business as usual on this bill in the Congress. Throughout the budget process, the administration has expressed strong objections to the hundreds of millions of dollars in unrequested military construction projects. OMB Director Alice Rivlin told Senate Appropriations Chairman HATFIELD on July 18 that "with the Nation facing serious budget constraints, such a spending increase is not affordable."

The American people are not clamoring for additional spending for the Pentagon. What little support there is for increased Pentagon spending, in my view, will dwindle further when the public realizes how the additional funds would be spent by the Congress.

Mr. President, I hope that President Clinton will not associate himself with this bill. He should use his bully pulpit to explain to the American people that there are better uses for this money, including deficit reduction and education and health.

The American people want a strong defense. They also want a brighter future for their children through investments in education and research. They want a society that does not turn its back on those least able to fend for themselves. Our defense is not strengthened by squandering money on projects that the Pentagon has not requested. If Congress insists on doing so, the American people should hold us accountable for these misplaced priorities.

Mr. President, I urge my colleagues to set aside the narrow parochial interests and to resist the temptation of the easy press release about how good this bill is for bases in their home State, and to cast a vote against this conference report in the national interest.

Mr. President, I yield the floor.

Mr. REID. Mr. President, how much time does the Senator from New Mexico have?

The PRESIDING OFFICER. He has 3 minutes, 20 seconds.

Mr. REID. Will the Senator allow that time to be used by Senator GLENN?

Mr. BINGAMAN. I am pleased to yield that time to Senator GLENN.

Mr. GLENN. I appreciate that. Mr. President, I will be brief today.

Mr. President, I rise today to raise my concerns over the pending fiscal year 1996 military construction conference report.

The conference agreement provides a total of $11.2 billion in funding which is $480 million more than the budget request; $775 million of that amount is for military construction projects for which the Pentagon made no request.

I have mixed feelings about this conference report, Mr. President. I strongly disagree with the practice Congress has developed over the years, with the tacit assent of the Pentagon, that results in $770 million in unrequested projects being included in the bill.

Members are expected to get military construction projects added to each year's bill in order to demonstrate that he or she can bring home the bacon. This, in part, results from the Pentagon's recurring failure to adequately fund Guard and Reserve construction requirements. The Pentagon does not request these projects but, instead, expects Congress to add these projects to the budget.

The result is a skewing of priorities, in my opinion, Mr. President. Rather than informing Congress of what is really needed, projects are funded based on a given member's ability to get the funding included in the authorization and appropriations bills. The Senator from Arizona and I contacted Secretary Perry earlier this year to express our concern over this practice and asked that the Guard and Reserve requirements be included in the budget request.

As I mentioned, I have mixed feelings about this year's conference report because, even though we are still engaging in the practice of adding close to a billion dollars in projects, on the Senate side, we have adopted a set of criteria by which to measure add-on requests. I have worked on those criteria over the years with the chairman of the Readiness Subcommittee, the Senator from Arizona. And, I am pleased that the appropriators followed those criteria this year as well.

I do not think it is too much to ask, Mr. President, that a military construction project meet certain minimum standards like being a valid military requirement, being in the service's 5-year program or having the project be sufficiently designed to be able to begin the project in the year in which it is authorized and appropriated. Quite frankly, if a project does not meet these criteria, we should not be including it as a military construction project.

Unfortunately, there are projects in this conference report that do not meet the standards we have set. I understand that these projects came over in conference from the House, but there are several that are not included in the 5-year plan and there is one that the Army simply does not want. I hope we can continue our efforts to clean up the add-on process so that we do not end up with these kinds of projects being funded in the future.

I will add that I think we are making enormous progress in this area. We used to have sheets and sheets of these things that came over. Almost every member on the committees over there, and also here, wanted something put in to sweeten the pot to show back home that they made a special effort. This year we are down to very few—practically none in the Senate, and about a dozen or so, or 15 or 20 from over in the House.

There are several important positive things about the conference report that are worthy of support. The BRAC accounts are fully funded—these projects are important so that we can get closed back into productive use. Secretary Perry's housing initiative is fully funded—we are hopeful that this new approach will work to leverage limited funds to get new housing for our troops and their families. And, there is a considerable number of barracks, family housing projects, health care centers, and child care centers that will add to service members' quality of life.

All in all, I can support this conference report, Mr. President, but I felt compelled to outline my concerns on the add-on issue. I would hope next year we can see, for the first time, no add-ons that do not meet the criteria.

Thank you, Mr. President. I yield the floor.

Mr. McCAIN addressed the Chair.

Mr. BURNS. Will the Senator yield so I can propound a unanimous-consent request?

Mr. McCAIN. Yes.

Mr. BURNS. Mr. President, first of all, I ask for the yeas and nays on the adoption of the conference report.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BURNS. Mr. President, I ask unanimous consent that the vote occur at 10:20 this morning.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. McCAIN. Mr. President, I thank my friend from Ohio for all his efforts on behalf of bringing about a rational and reasonable process in allocating scarce taxpayer dollars for military construction projects. I also agree with my friend from Ohio that we have made significant progress. There has been a dramatic decrease in the numbers of MilCon properties that have been added—if I might say bluntly, pork barrel projects—over the years.

I say to my friend from Ohio, we have a long way to go. There are in this bill 21 projects that came from the House of Representatives that had no—no—relation to any national security requirement, was not on any person's list, was not any requirement by the Defense Department and simply was added on because it clearly related to members of the committee of oversight.

Let me also point out there is one here on the Senate side which jumps out to me. It is from the State of West Virginia.

Now, there is no rationale for that project. There is no rationale for the 21 that are from the House. There is also a distortion in the process which Senator GLENN and I are working on with the Secretary of Defense, and that is that when we take from the future years defense plan MilCon projects we are given a list of several thousand projects that would be proposed over the next 5 or 6 years.

What Senator GLENN and I are proposing to Secretary of Defense Perry is that now the Department of Defense prioritize their list 1 through 2,000 or 10,000 or whatever it is, so when we pick additional projects—and Mr. President, I deeply regret the reality there will be additional add-ons which I will talk about, whether we should be adding on money for military construction projects or other priorities as articulated by the Secretary of Defense, the President of the United States, and all of the Joint Chiefs—when we do have add-ons, at least there will be a priority list.

Now, some of these additions that meet the criteria that Senator GLENN and I were working on come from projects that were not planned by the Pentagon until the year 2001. That is not appropriate, either, I say to my dear friend from Ohio. We have to narrow this down and make it a lot better.

Again, I appreciate the fact that Senator GLENN and I have been able to work on this issue in a bipartisan fashion now for some 8 years. I do believe that we are making some progress.

I do not mean my remarks to be critical about the hard work of the chairman of the subcommittee, and the ranking member from Nevada. I believe that they have done a very dedicated job and I appreciate their efforts.

I point out that there are $706 million of add-ons in this bill, $480 million above the President's request and there are 110 new projects.

Mr. President, I wrote a letter on August 9 to the four military service chiefs and I asked them to comment on their priorities for add-ons. I want to talk about this because I hear from people who support these additional projects. "Well, we are doing this for the good of the men and women of the military. We have to improve their lifestyle. We have to make sure that their living conditions are better," et cetera, et cetera. No one is more dedicated to that proposition than the service chiefs.

The service chief priorities, all four I wrote to, with the exception of the Chief of Staff of the Air Force, said their priorities are different than those of the members of the Military Constructions Appropriations Subcommittee.

Admiral Boorda said, "* * * there is no issue more important to Navy than our long-term shipbuilding and TACAIR procurement requirements."

General Krulak, "My first program priority is for those initiatives, both ground and air, that will enable us to out-maneuver and out-shoot our opponents on tomorrow's battlefield."

General Fogleman, "At the top of the list are * * * F–22, * * * strategic airlift, * * * additional six F–15E's and six F–16 block 50 aircraft * * *."

On and on and on. I got the same response from the Secretary of Defense.

So, we should not be a little deceived at our zeal for the betterment of the men and women in the military. All of us share that commitment and desire. But the fact is that this is not in keeping with the priorities of the service chiefs and the Secretary of Defense.

Since 1990, we have had $5 billion—billion, Mr. President—add-ons which are not requested by the Secretary of Defense for military construction projects.

Now, we have done some good things. There is a new effort at better housing conditions for the men and women in the military, and military families.

In the Readiness Subcommittee and in the Personnel Subcommittee we worked very hard on seeing that initiative move forward. We took a step forward on improvement of barracks. That is the rational way to do it.

It is not rational, Mr. President, to add 21 projects which have no requirement whatever by the Department of Defense. Hypervelocity ballistic range facility at Redstone Arsenal, AL; a fire station at Grissom Air Force Reserve Base in Indiana; electrical system upgrade at Picatinny Arsenal, NJ; Stallion Range Center water development project at White Sands Missile Range; infantry platoon battle course and antiarmor tracking and live-fire range at Fort Drum, NY; Coscom health center and SOF barracks at Fort Bragg.

Notice, Mr. President, most of the 21 add-ons that came from the other body have nothing to do with quality of life. There are some, but most of them in my view are simply pork barrel projects.

A foundry renovation at Philadelphia Naval Shipyard; modified record-fire range at Tullahoma Training Site in Tennessee; dining facility at Fort Bliss; a highway overpass at Fort Sam Houston; a BEQ expansion in Corpus Christi; small craft berthing pier at Ingleside; dormitory at Fairchild Air Force Base, WA; family housing at several other places.

Mr. President, I think it is important to point out 37 States are represented on the Defense Committee or 74 percent of the total States. Mr. President, 34 of these States got add-ons in this bill, 84 projects totaling $537 million, representing 75 percent of the total adds that were awarded to those 34 States. Mr. President, I do not think it is coincidence.

Mr. President, General Shalikashvili, responding to questions from the Armed Services Committee was clear and unequivocal in his prioritization of additional funding, did not mention military construction. He said:

> Contingency funding is at the top of the list for any additional funding provided by Congress. . . priorities for additional 1996 funding would include the accelerate of warfighting enhancements identified in the Bottom-Up Review. . . other priorities would include funding critical modernization and procurement requirements that have slipped in the future year's defense plan.

None of the service chiefs or the Chairman cited any specific military construction projects as a high priority for additional funding.

Now when we stand up here and talk about how this bill is for the betterment of the men and women in the military, I repeat, the service chiefs and the Chairman of the Joint Chiefs of Staff and the Secretary of Defense have the same zeal and dedication to their betterment.

They also know that they have to have the weapons with which to fight and die. General Mundy, before my subcommittee, stated he wanted the wife of a marine officer or enlisted person to be living in a very decent house but he did not want that person to be living in a decent house when the chaplain came to tell her that her husband was killed because he did not have the proper war-fighting equipment with which to save his life.

I think that is as important a statement as I have ever heard and encapsulates my opposition to the $5 billion we have added since 1990 in unneeded and unwanted military construction add-ons.

Last year, the Congress added over $1 billion for specific unrequested military construction projects, and I believe this bill is too high, but it is only two-thirds of that amount, and I believe that is progress of a sort.

I want to talk a moment about two projects which demonstrate the illogic of the decisions of funding add-ons. One is an add-on of $6 million for renovating a foundry at the Philadelphia Naval Shipyard. The funds are used to bring the facility up to occupational standards to be utilized by the Navy at some point in the future.

This project was not requested by the Navy, nor was it included in the Navy's long-term funding plan. It does not meet the Senate's criteria, and not included in the Senate's version of the bill, but it survived in the conference agreement. I do not understand why this project was chosen as a high-priority military requirement by the conferees.

The other probability that I want to talk about is the addition of $10 million for the Barstow-Daggett Airport facility. This project was not requested. In fact, it was specifically rejected by the Army in a letter dated September 12 in which the Secretary of the Army stated that the project was not necessary because of better, cheaper and more readily available facilities at Edwards Air Force Base, yet the House added $10 million for the projects for the conferees and the conferees included in their agreement.

Let me note that I do not intend to include this project in the military construction authorization conference report and I believe Secretary Perry should include both of these projects in his list of rescissions of low-priority military construction projects.

Mr. President, I want to tell the chairman and the manager of the bill and the distinguished minority member, the Senator from Nevada, I intend to send a letter to the Secretary of Defense and the President seeking for him to submit to Congress a list of rescissions. I hope we will have passed that line-item veto legislation by then so that the President could simply line-item veto it.

Mr. President, I cannot point solely to the Appropriations Committee for continuing the egregious practice of adding funding for unrequested military construction projects.

With the addition of $7 billion to the overall defense budget request, I must admit that the Armed Services Committee was not able to resist the temptation to fund Members' special interest projects. One authorization conference report will likely authorize most of the added projects in this bill, even over my objection.

The American people sent a message to Congress last year that things in Washington had to change, but unfortunately this bill shows just how much they have not changed.

I mentioned already the amounts of money. Mr. President, 37 States are represented on either or both the Armed Services and Appropriations Committees, and 34 of those States got projects. Mr. President, 84 State projects totaling $503.7 million, or 75 percent of the total add-ons, are awarded to those 68 percent of the States which are represented on the committee. The list goes on and on. The bottom line is 86 percent of the States receiving add-ons in this bill are represented in the committee.

It seems to me there is a shift occurring, and I am glad to see some of it happening, though. The $700 million added for unrequested projects as well as more than $5 billion added over the past 5 years were added directly for high priority programs supported by the armed services.

As I noted before, the services need money for modernization, readiness, and other valid military requirements, not for military construction projects selected by Members of Congress. I recognize the futility of expecting Congress to stop adding money for military construction projects, but I think it is time to make those allocations based on the military services' priorities rather than location.

This year is the first year, as Senator GLENN pointed out, the Senate used, or was supposed to use, the evaluation criteria for Member add-ons which were adopted last year in the 1995 Defense Authorization Act. These criteria were set forth in a sense-of-the-Senate provision, and were designed to allow the Senate to evaluate Members' requests for additional military construction projects. Now that we have completed most of the review cycle, I discovered an oversight in the criteria, which I mentioned before, and we need to correct that. I hope we can correct it soon.

I intend to add to the established criteria a requirement that requests for add-ons be screened for priority against the relevant services' unfunded military construction priorities. In this way, the highest priorities can be funded first.

Another serious concern I have about this bill concerns the inclusion of projects which do not meet the criteria of last year, and I have already discussed that.

We still have a long way to go in the fight to eliminate pork barrel spending from the military construction bill in both the authorizing and appropriating cycles. The good news is that the total amount of military construction addons this year will be only two-thirds of the $1 billion added last year. In just 1 year, that is progress.

The bad news is that when additional funds are available for Defense, it is difficult to argue successfully that none of these additional funds should be spent for military construction projects. My colleagues should also consider that it will be even more difficult next year to provide additional funding for Defense. Balancing the budget has become the most urgent priority facing the country.

Another consideration of which my colleagues should become aware is the potential of a veto of the 1996 Defense appropriations bill. The President has threatened a veto in large part because of the additional $7 billion added to Defense. If the Defense bill is vetoed, Congress may be forced to cut back on some of the added spending in that bill, spending which was allocated principally to the modernization program so important to our military service chiefs.

The question I put to my colleagues is: What share of any reduction in defense spending will be allocated to military construction? That may be a very important question.

The conference report in some ways represents a significant improvement, but I believe we have a long way to go. I am glad to see the conferees did not add funding for any projects which were not included in either the House or the Senate versions of the bill. Of that I am deeply appreciative. There are many other laudable provisions in the bill, particularly the new family housing initiative which will, I believe, begin to solve the daunting problem of undertaking a massive overhaul of military housing across the Nation.

I want to summarize by saying, in case some of my colleagues have not recognized it, defense spending overall has come under intense scrutiny and intense criticism throughout America. Many Americans do not understand why we are spending as much money as we are on defense in light of the fact that the cold war is over. They do not understand why we are purchasing post-cold-war relics such as the B-2 bomber and *Seawolf* submarine. They certainly do not understand why we add on military construction projects which have no relevance to national security requirements.

The problem that we are facing, all of us, is maintaining the confidence of the American people that their tax dollars which are earmarked for defense are being spent wisely. If we continue to fund unneeded and unwanted projects, we will see further cuts in defense, which in my view will endanger our ability to defend this Nation's vital national security interests.

I urge my colleagues to take that into consideration as they consider projects which are relevant only to their home State or district.

I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. INHOFE). The Senator from Nevada.

Mr. REID. Mr. President, how much time does the Senator from Montana have left?

The PRESIDING OFFICER. The Senator from Montana has 5 minutes. The Senator from Nevada has 10 minutes. And the Senator from Arizona has 3 minutes left.

Mr. REID. How much time does the distinguished President pro tempore require?

Mr. THURMOND. About 4 minutes.

Mr. REID. I will yield him 2 minutes of my time and the Senator from Montana will yield 2 minutes of his time.

Mr. BURNS. That will be good.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I want to compliment Senator BURNS and Senator REID for their leadership in arriving at this conference. This military construction bill mirrors the construction priorities and criteria for projects established by the Armed Services Committee. I am particularly pleased by the emphasis placed on projects that will enhance the quality of life of the men and women in our military and on projects which will enhance the readiness of our Armed Forces. The bill also fully funds the base closure account request and provides the necessary funds to support environmental compliance projects. Both are areas which have historically been used as sources of funds for other projects.

Mr. President, I believe overall this is a good conference report, and I urge my colleagues to support it.

Although I urge the adoption of this conference report, I do not favor every item in it. If I had my way, I would have eliminated some of the add-ons, and other parts of the report. But this Appropriations Committee—and I am not a member of that committee—has studied this matter well. They have come up with this report. It is not perfect. No report is perfect. No report pleases everybody. But as a whole, this report will provide for the needs of the Defense Department and the men and women of our Armed Forces. I think it is important to our Nation and to our defense.

I urge the Senate to adopt the report.

The PRESIDING OFFICER. Who yields time?

Mr. MCCAIN. Mr. President, I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I am pleased to join with the distinguished chairman of the subcommittee, Senator BURNS from Montana, in presenting this conference report on military construction for the next fiscal year. I also want to extend my appreciation to the distinguished Senator from South Carolina, the President pro tempore of the Senate, for his statement in support of this conference report.

There is no one in the Senate who has more authority, more experience, and more ability in speaking about military readiness of this country than the distinguished Senator from South Carolina. It means a lot to the two managers of this bill to have him on the floor supporting this conference report.

This conference report fulfills an obligation to fund downsizing of our extensive military overhead, extensive basing system, and fully funds the implementation of the Base Realignment and Closure Commission. That is a sizable chunk of this bill, almost $4 billion. More than a third of the dollars appropriated in this measure go to the Base Realignment and Closure Commission.

So the Senator from Montana and the Senator from Nevada really were in an uphill battle in arriving at the conference report we did, when we start out using approximately one-third of the dollars appropriated for base closing and realignment.

There are two other aspects of the bill which merit the Senate's attention. It goes a long way to getting our hands around the long-neglected problem of housing for our military families and for our single soldiers. Housing has always taken a back seat to more urgent near-term military requirements.

But it is the feeling of the Senator from Nevada and the Senator from Montana that housing is an important element of maintaining a safe, secure, and contented military.

This year, as the distinguished chairman has pointed out, some 38 percent of the bill is for housing. The new initiative by Secretary for private sector participation in new housing is included in the bill. Indeed, the committee has included about $179 million above the President's request for this housing. All of it, and more if we could afford it, is needed to bridge the gap that must be overcome in order to be able to maintain a high quality All-Volunteer Force in the years ahead. The request by the administration could have been higher, and I will give you an example. There were zero dollars in the request for whole barracks renewal at one major western Army facility.

It is in Hawaii. The structures are some 50 years or more old. They have had it. The conference committee wisely included $30 million for this project, money which was in the 5-year defense program, but only in future years. When we asked the Army why the barracks had no funding at all in fiscal year 1996, there was no coherent answer. So the subcommittee took what I think was a prudent step in beginning this project. This is but one example of actions which we took that put our final bill above the budget request by about $480 million over the President's request.

Mr. President, a similar story can be told for the funding of the Reserve and Guard Forces of our country.

Mr. President, it is traditional that the Pentagon never asks for money for the Guard and Reserve. I repeat: It is traditional. When we have this bill before us, we have an obligation to our Guard and Reserve Forces to fund them. It really is unfair what this administration has done and past administrations have done in funding the Guard and Reserve.

If we are going to continue to be ready to deploy and fight in the Persian Gulf, or Korea, or elsewhere, and reduce the size of our Active Forces, we must maintain robust Reserve and Guard Forces. Unfortunately, the administration followed past practice this year and seriously underfunded these accounts.

I cannot understand why this administration and past administrations ignore the Guard and Reserve. I do not understand. Well, I do. They do it because they know that we are going to take care of it. And I say this, Mr. President, we are going to continue, as long as I am part of this committee, to try to take care of our Guard and Reserve Forces regardless of how the administration ignores them, because it is an important and it is becoming a more important part of the national security of this country.

Consider these figures—in fiscal year 1995 the Congress appropriated $574 million for the Reserves and Guard, while for fiscal year 1996 the administration requested only $182 million.

They did not even ask for a third of what was given last year to the Guard and Reserve.

So the committee had little choice but to dramatically increase the funding for projects in these accounts not requested for fiscal year 1995, and appropriated some $430 million. So on the one hand we ended up some 25 percent below fiscal year 1995, we were still $248 million above the President's request. If we had just met the President's request, we would soon have a Reserve Force not ready to fight. That is clearly the case.

Mr. President, the administration wrote to me and the chairman, providing its views on the bills passed by each Chamber and before we went to conference.

I ask unanimous consent that a copy of that letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, September 14, 1995.

Hon. HARRY REID,
Subcommittee on Military Construction Appropriations, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR SENATOR REID: The purpose of this letter is to provide the Administration's views on H.R. 1817, the Military Construction Appropriations Bill, FY 1996, as passed by the House and by the Senate. As you develop the conference version of the bill, your consideration of the Administration's views would be appreciated.

The Administration is committed to balancing the Federal budget by FY 2005. The President's budget proposes to reduce discretionary spending for FY 1996 by $5 billion in outlays below the FY 1995 enacted level. The Administration does not support the level of funding assumed by the House or Senate Committee 602(b) allocations. The Administration must evaluate each bill both in terms of funding levels provided and the share of total resources available for remaining priorities. Both the House and Senate versions of this bill exceed the President's request by over $450 million.

The Administration has recognized the need for significant funding increases for military construction programs by proposing an overall increase of 22 percent over the FY 1995 enacted level. However, the Administration believes that further increases, as provided by both the House and the Senate, are unwarranted, particularly when other legislation is drastically cutting programs that are vitally important to a higher standard of living for all Americans. Because the Administration has serious concerns about the overall priorities reflected in the appropriations process, we believe that it is essential to reduce the total funding level provided in this bill.

FUNDING PRIORITIES

The Administration appreciates the support of the House and Senate for funding the request for the base realignment and closure program, the family housing program, and requested construction projects. The Administration particularly appreciates the approval of funding for the family housing improvement program. The funding provided will enable the Department of Defense to improve the quality of life of our military members.

The Administration notes, however, that both the House and the Senate have provided approximately $650 million in funding for unrequested construction projects. Many of these projects are funded at the expense of high-priority requested projects, and a number of these unrequested projects are not included in the Defense Department's long-range plan. The Administration strongly urges the conferees to eliminate unrequested funding for low-priority programs.

OVERSEAS CONSTRUCTION

The House version of the bill provides $65 million, as requested, for high-priority prepositioning projects at classified locations overseas. The Senate has recommended eliminating funding for these projects. Failure to pursue these projects would increase military response time to areas of particular importance to the U.S. and discourage further cooperation by affected countries. Prepositioning on land is a cost-effective way to permit our armed forces to react to threats quickly and with the necessary military capability. The conferees are urged to adopt the House position and to provide the funding requested for these projects.

ENVIRONMENTAL CLEANUP

The Administration objects to the House and Senate language that would limit funding for environmental cleanup at base realignment and closure sites. The Base Realignment and Closure (BRAC) accounts were created with a great deal of flexibility to permit DOD to allocate BRAC funds to the programs and locations with the greatest need at the moment. Constraining DOD's ability to apply BRAC funds to environmental cleanup could, if estimated requirements change, delay the transfer of base property to local redevelopment authorities, worsening the economic impact on the affected communities. The Administration urges the conferees to uphold the flexibility of the BRAC accounts and to support the affected communities by removing these artificial ceilings.

CHEMICAL DEMILITARIZATION

The House version of the bill provides $95 million, as requested, for continued construction of two chemical demilitarization facilities at Pine Bluff, Arkansas, and Umatilla, Oregon. The Senate has recommended eliminating funding for these two projects in the belief that unobligated appropriations for construction of a chemical demilitarization facility at Anniston, Alabama, would be available for the projects. Contract award for the Anniston facility, however, is scheduled during FY 1996. To help maintain the construction schedule and prevent cost increases in the chemical demilitarization program, the conferees are urged to adopt the House position and to provide the funding requested for these two facilities.

The Administration believes that the suggested changes discussed above would result in a fiscally responsible bill that funds programs of national significance. We look forward to working with the conferees to address our mutual concerns.

Sincerely,

ALICE M. RIVLIN,
Director.

Mr. REID. Mr. President, the conference committee did make the serious effort to accommodate the administration on a number of items. We added some $65 million for an overseas construction item, in the Middle East, which the Senate had zeroed out in order to give the administration some incentive to secure matching funds of some kind from the recipient country.

We did not get those matching funds. But we acceded to the President's request, and the request of the House, and met that $65 million figure in conference. Such funds have not been secured, but we acceded to the administration's request in any event. Second, the administration asked to be relieved of a statutory ceiling on the amounts to be appropriated for environmental cleanup in the BRAC process. Here too we completely acceded to that request in the conference. Third, the administration wanted to reinstate funding for chemical demilitarization facilities which the Senate eliminated. In this case, the conference included planning and design funds for the projects. So I think it is fair to say we made a good faith effort to meet the administration's objections to the Senate bill.

I say to the administration that they are making a mistake even thinking about vetoing this bill. This bill passed the House 326 to 98. It does not take much math to understand that is not very good material for vetoing. I believe this bill will pass the Senate by the same large margins because it is a good bill. It meets the problems of this country.

Therefore, I think the administration should look hard and sympathetically at the committee's efforts to adequately fund the Guard and Reserve, and to adequately fund our housing needs in considering whether there was arguable justification for going above the President's request in its final appropriations recommendation. Nearly all the additional funds the committee added above the President's budget were dedicated to quality-of-life housing and Guard and Reserve projects. Therefore I strongly encourage the President to sign this bill and join with us in attacking the problems which the committee recognized as important to our Nation's national security.

Mr. President, every project in this bill is for the national security of this country. I believe if we look at the Guard and Reserve—and we had a caucus on the Guard and Reserve which was bipartisan and chaired by Senator

BOND and cochaired by Senator FORD. They support this legislation.

Mr. President, this is a good bill. It is a bill that meets the demands of our national security interests.

I would like to say it has been a pleasure to work closely with the distinguished chairman on this measure. We have had an open, bipartisan approach to the problems of base closure, family housing, Reserve and Guard forces, and the other matters in this bill. It could have been a difficult conference. I think the work we did in preconferencing made it a relatively easy conference. We have not had any significant disagreements.

I thank the chairman for his support and for the chairman's staff director, Jim Morhard, and his assistant, Warren Johnson, as well as Dick D'Amato assigned to me by the full committee leadership. I also appreciate the work of B.G. Wright, a congressional fellow working on this bill, and also Peter Arapis of my staff.

Mr. President, this legislation could never have been accomplished without the leadership of the chairman, the distinguished Senator from Oregon, Mr. HATFIELD, and the ranking member, the distinguished Senator from West Virginia, Senator BYRD. I extend to them also my appreciation.

Mr. BURNS. Mr. President, first of all, I want to thank the chairman of the Armed Services Committee, the distinguished Senator from South Carolina, for his comments, because all of these issues were talked about in the Armed Services Committee and have been authorized by that committee.

Mr. President, the ranking member, the Senator from Nevada, is exactly right on target. We worked very hard on this because we took a look at the inventory of housing that we had for our armed services. We found that half of that housing was substandard. It would not even be qualified to be inhabited under today's standards.

We have taken a giant step toward this with this piece of legislation. So I appreciate his cooperation and enjoyed working with Senator REID on this.

I appreciate the work of Dick D'Amato and his staff, and also Jim Morhard and Julie Lapeyre, who worked hard to make this a very good bill and a balanced bill.

GULFPORT AIR NATIONAL GUARD

Mr. LOTT. Mr. President, would the distinguished chairman and manager of the bill yield for a clarification?

Mr. BURNS. I would be pleased to yield to the assistant majority leader.

Mr. LOTT. I thank my friend from Montana. I note that the conference report includes funding for a road relocation project at the Gulfport Air National Guard base in Gulfport, MS. The funding level associated with this project in the conference report is half the amount required for the entire project.

The conference report, however, does not note that the funding provided for this important project is only half the total required. Is my understanding correct that the funds provided for this project in the conference report is specifically designated for phase 1 of this effort—and that next year phase 2 of this project will be addressed?

Mr. BURNS. I appreciate my friend from Mississippi raising this issue and I am pleased to clarify the scope of this project. The funds provided in this conference report for the road relocation project in Gulfport, MS, are intended to pay the first half of the cost for the total road relocation effort. This phase 1 effort is intended to begin the job of relocating the road. It is my hope that the second phase of this funding effort will be in the 1997 military construction appropriations request.

Mr. COCHRAN. Mr. President, if I could join my colleague, Senator LOTT, in this discussion, I would like to add that the full amount of the project was included in the Senate reported military construction appropriations bill. I know very well the difficult negotiations required to move this appropriation bill through the conference committee. I know that great effort was made to secure this funding for the road relocation project and I appreciate his diligence on this issue.

I would like to ask the chairman of the committee if this phase 1 funding will allow the Department of Defense to initiate actions, contractual or otherwise, to start this project in fiscal year 1996?

Mr. BURNS. Mr. President, the conference committee's decision to include funding for phase 1 of this project was intended to initiate actions to execute this project in fiscal year 1996, including contract award and initial construction. I would note that the project is in the Senate defense authorization bill currently in conference, and under the authority which will be provided by the adoption of that conference bill, the Department should proceed in due course to execute all actions required to perform this work. We hope to pay for this work in two phases—not just one.

Mr. LOTT. I appreciate the attention of the chairman to this important project, as well as the invaluable assistance of my colleague from Mississippi, Senator COCHRAN.

Mr. COCHRAN. I join Senator LOTT in expressing appreciation to the chairman for his diligent efforts on this issue and many others in this important bill. I yield the floor.

Mr. DOMENICI. Mr. President, the Senate is now considering the conference agreement accompanying H.R. 1817, the fiscal year 1996 military construction appropriations bill.

The bill provides a total of $11.2 billion in budget authority and $3.1 billion in new outlays for the military construction and family housing programs of the Department of Defense for fiscal year 1996.

When outlays from prior year budget authority and other completed actions are taken into account, the bill totals $11.2 billion in budget authority and $9.6 billion in outlays for fiscal year 1996.

Mr. President, the bill provides for readiness and quality of life programs for our service men and women. The bill is at the subcommittee's 602(b) allocation in budget authority and the bill is below the subcommittee's 602(b) allocation in outlays.

I wish to convey my thanks to the committee for the support given to several priority projects in New Mexico, including a learning center at Hollomon Air Force Base.

I commend the distinguished subcommittee chairman, the Senator from Montana, for his efforts on this bill.

I urge the adoption of this bill.

Mr. President, I ask unanimous consent that a Budget Committee table showing the final scoring of the bill be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

MILITARY CONSTRUCTION SUBCOMMITTEE

[Spending totals—Conference report (fiscal year 1996, in million of dollars)]

Category	Budget authority	Outlays
Defense discretionary:		
Outlays from prior-year BA and other actions completed		6,486
H.R. 1817, conference report	11,177	3,110
Scorekeeping adjustment		
Adjusted bill total	11,177	9,597
Senate Subcommittee 602(b) allocation:		
Defense discretionary	11,178	9,693
Adjusted bill total compared to Senate Subcommittee 602(b) allocation:		
Defense discretionary	−1	−96

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

Mr. BYRD. Mr. President, I ask unanimous consent that there be printed in the RECORD a communication to the distinguished chairman of the Subcommittee on Military Construction, the Committee on Appropriations, the Honorable CONRAD BURNS, signed by the Assistant Secretary of the Navy, explaining the need for housing at Sugar Grove, WV.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE NAVY,
Washington, DC, September 21, 1995.

HON. CONRAD BURNS,
Chairman, Subcommittee on Military Construction, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I am writing in response to your inquiry regarding the requirement for family housing at NSGA Sugar Grove, WV.

As you are aware, adequate housing is the top quality of life issue the Navy faces today. We currently have a deficit of 44 housing units at NSGA Sugar Grove. The remote location of this base makes it extremely difficult for the private sector to accommodate the housing needs of Navy personnel. The project added to this year's military construction appropriations bill will meet approximately half of our need.

With a total family housing deficit of 14,700 we were unable to program this project within the resources available. While this does not diminish the need for these units, they were not included in the President's budget.

I trust this answers your question. As always, if I may be of further assistance, please let me know.

Sincerely,

ROBERT B. PIRIE, Jr.

Mr. BURNS. Mr. President, I know of no other debate on this piece of legislation. I urge passage of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 86, nays 14, as follows:

[Rollcall Vote No. 459 Leg.]

YEAS—86

Abraham
Akaka
Ashcroft
Bennett
Biden
Bond
Boxer
Breaux
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Dole
Domenici
Dorgan
Exon
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Hatfield
Heflin
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McConnell
Mikulski
Moynihan
Murkowski
Murray
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Santorum
Sarbanes
Shelby
Simon
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—14

Baucus
Bingaman
Bradley
Brown
Faircloth
Feingold
Kerrey
Kerry
Kohl
Kyl
McCain
Moseley-Braun
Roth
Wellstone

So the conference report was agreed to.

Mr. BURNS. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BURNS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MACK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1996—CONFERENCE REPORT

Mr. MACK. Mr. President, I submit a report of the committee of conference on H.R. 1854 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1854) having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of July 28, 1995.)

Mr. MACK. Mr. President, I am pleased to bring the legislative conference report to the floor of the Senate this morning. I want to begin by expressing my appreciation to Senator MURRAY. While we did not agree on every issue as we worked our way through this, we did agree to work together to bring a bill to the floor that the Senate could support and, in fact, could be proud of.

We began this process early in the year with a resolution being passed in conference indicating we wanted to make substantial reductions in funding of the legislative branch.

We have, under this bill, reduced spending for legislative operations by almost 9 percent. That is a reduction in real terms from last year's level. Again, not some projected increase and a reduction from that but from actual levels from last year.

We, in fact, did take on some controversial issues, and they were debated in full on the floor of the Senate with respect to the Office of Technology Assessment. In conference, there was further debate on that issue and the House, in fact, receded to the Senate's position and agreement was reached that the Office of Technology Assessment should be eliminated.

In addition to that, the bill called for—well, I should back up. The resolution passed earlier in the year by the Republican conference called for a 25-percent reduction in the General Accounting Office. We have, in essence, reached that objective, but we are going to do it in a 2-year period.

Under this bill, or with this conference report, we will reach the objective of a 15-percent reduction in the General Accounting Office in 1996, with the remainder of those reductions to take place in the next fiscal year.

Again, we worked with Chuck Bowsher on this issue, and our feeling was that rather than for us to micromanage how these reductions would be made over this 2-year period, we concluded it would be best to work with the GAO and, in essence, ask them to devise a plan about how they would reach those objectives.

They came back to us with a proposal. We felt, again, listening to what they had proposed and asking us to give them some flexibility, which we have done in this conference report, there was general agreement that we should go forward with the effort to reach that goal. In fact, we have done that now, and I think that both the House and the Senate can be proud of the approach that we took with respect to the General Accounting Office.

In addition to that, we suggested that the Sergeant at Arms and other support agencies of the Congress should make reductions. There is a 15-percent reduction in committee staffs. We asked the Sergeant at Arms, the Secretary of the Senate, and others, to meet a goal of a 12.5-percent cut. Some of those agencies—in fact, the Sergeant at Arms came up with cuts of greater than 12.5 percent.

So all in all, Mr. President, I will say that we have reached our objective. We have done it in a manner the Senate can be proud. Therefore, I encourage my colleagues to support this conference report.

Mr. President, I ask unanimous consent that a table relating to the conference agreement be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

CONFERENCE AGREEMENT

		FY 1995 enacted	FY 1996 estimates	House	Senate	Conference	Conference compared with			
							Enacted	Estimates	House	Senate
300	Title I—Congressional operations									
400	Senate									
800	Mileage and Expense Allowance									
1300	Mileage of the Vice President and Senators	60,000	60,000				−60,000	−60,000		
1400	Expense allowances:									
1800	Vice President	10,000	10,000		10,000	10,000			+10,000	
1900	President Pro Tempore of the Senate	10,000	10,000		10,000	10,000			+10,000	
2000	Majority Leader of the Senate	10,000	10,000		10,000	10,000			+10,000	

CONFERENCE AGREEMENT—Continued

		FY 1995 enacted	FY 1996 estimates	House	Senate	Conference	Conference compared with			
							Enacted	Estimates	House	Senate
2100	Minority Leader of the Senate	10,000	10,000		10,000	10,000			+10,000	
2200	Majority Whip of the Senate	5,000	5,000		5,000	5,000			+5,000	
2300	Minority Whip of the Senate	5,000	5,000		5,000	5,000			+5,000	
2400	Chairman of the Majority Conference Committee	3,000	3,000		3,000	3,000			+3,000	
2500	Chairman of the Minority Conference Committee	3,000	3,000		3,000	3,000			+3,000	
2600	Subtotal, expense allowances	56,000	56,000		56,000	56,000			+56,000	
2700–2800	Representation allowances for the Majority and Minority Leaders	30,000	30,000		30,000	30,000			+30,000	
3100	Total, Mileage and expenses allowances	146,000	146,000		86,000	86,000	−60,000	−60,000	+86,000	
3200	Salaries, Officers and Employees									
3300	Office of the Vice President	1,513,000	1,549,000		1,513,000	1,513,000		−36,000	+1,513,000	
3400	Office of the President Pro Tempore	457,000	469,000		325,000	325,000	−132,000	−144,000	+325,000	
3500	Offices of the Majority and Minority Leaders	2,195,000	2,246,000		2,195,000	2,195,000		−51,000	+2,195,000	
3600	Offices of the Majority and Minority Whips	656,000	672,000		656,000	656,000		−16,000	+656,000	
3700	Conference committees	1,992,000	2,040,000		1,992,000	1,992,000		−48,000	+1,992,000	
3800–3900	Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority	384,000	394,000		360,000	360,000	−24,000	−34,000	+360,000	
3920	Policy Committees				1,930,000	1,930,000	+1,930,000	+1,930,000	+1,930,000	
4000	Office of the Chaplain	192,000	201,000		192,000	192,000		−9,000	+192,000	
4100	Office of the Secretary	12,961,000	13,260,000		12,128,000	12,128,000	−833,000	−1,132,000	+12,128,000	
4400	Office of the Sergeant at Arms and Doorkeeper	32,739,000	35,399,000		31,879,000	31,889,000	−850,000	−3,510,000	+31,889,000	+10,000
4500–4600	Offices of the Secretaries for the Majority and Minority	1,197,000	1,225,000		1,047,000	1,047,000	−150,000	−178,000	+1,047,000	
4700	Agency contributions and related expenses	17,052,000	18,386,000		15,500,000	15,500,000	−1,552,000	−2,886,000	+15,500,000	
5100	Total, salaries, officers and employees	71,338,000	75,841,000		69,717,000	69,727,000	−1,611,000	−6,114,000	+69,727,000	+10,000
5200	Office of the Legislative Counsel of the Senate									
5300	Salaries and expenses	3,381,000	3,543,500		3,381,000	3,381,000		−162,500	+3,381,000	
5400	Office of Senate Legal Counsel									
5500	Salaries and expenses	936,000	985,000		936,000	936,000		−49,000	+936,000	
5600–5900	Expense Allowances of the Secretary of the Senate, Sergeant at Arms and Doorkeeper of the Senate, and Secretaries for the Majority and Minority of the Senate: Expenses allowances	12,000	12,000		12,000	12,000			+12,000	
6000	Continent Expenses of the Senate									
6100	Senator policy committees	2,574,000	2,672,000				−2,574,000	−2,672,000		
6200	Inquiries and investigations	78,112,000	78,863,000		66,395,000	66,395,000	−11,717,000	−12,468,000	+66,395,000	
6300–6400	Expenses of United States Senate Caucus on International Narcotics Control	348,000	379,000		305,000	305,000	−43,000	−74,000	+305,000	
6500	Secretary of the Senate	1,966,500	1,966,500		1,266,000	1,266,000	−700,500	−700,500	+1,266,500	
6510	(By transfer)	(7,000,000)					(−7,000,000)			
6600	Sergeant at Arms and Doorkeeper of the Senate	74,894,000	72,234,000		61,347,000	61,347,000	−13,547,000	−10,887,000	+61,347,000	
6800	Miscellanous items	7,429,000	7,429,000		6,644,000	6,644,000	−785,000	−785,000	+6,644,000	
6850–6860	Senators Official Personnel and Office Expense Account	206,542,000	222,663,000		204,029,000	204,029,000	−2,513,000	−18,634,000	+204,029,000	
6870	Office of Senate Fair Employment Practices	889,000	889,000		778,000	778,000	−111,000	−112,000	+778,000	
6875	Settlements and Awards Reserve	1,000,000	1,000,000		1,000,000	1,000,000			+1,000,000	
6900	Stationary (revolving fund)	13,000	13,000		13,000	13,000			+13,000	
6950	Official Mail Costs									
6975	Expenses	11,000,000	36,300,000		11,000,000	11,000,000		−25,300,000	+11,000,000	
7000	Total, contingent expenses of the Senate	384,767,500	424,409,500		352,777,000	352,777,000	−31,632,500	−71,900,500	+352,777,000	
7005	Total, Senate	460,580,500	504,937,000		426,909,000	426,919,000	−33,661,500	−78,018,000	+426,919,000	+10,000
7300	House of Representatives									
7400–7500	Payments to Widows and Heirs of Deceased Members of Congress									
7600	Gratuities, deceased Members	267,200				−267,200				
7650	Salaries and Expenses									
7700	House Leadership Offices									
7750	Office of the Speaker	1,444,000	1,600,000	1,478,000	1,478,000	1,478,000	+34,000	−122,000		
7800	Office of the Majority Floor Leader	1,220,764	1,114,000	1,470,000	1,470,000	1,470,000	+249,236	+356,000		
7850	Office of the Minority Floor Leader	1,445,413	1,525,000	1,480,000	1,480,000	1,480,000	+34,587	−45,000		
7900	Office of the Majority Whip	1,121,649	1,357,000	928,000	928,000	928,000	−193,649	−429,000		
7950	Office of the Minority Whip	897,000	946,000	918,000	918,000	918,000	918,000	+21,000	−28,000	
8100	Speaker's Office for Legislative Floor Activity	277,000	376,000	376,000	376,000	376,000	+99,000			
8200	House Republican Conference	1,506,587	1,628,000	1,083,000	1,004,000	1,004,000	−502,587	−624,000	−79,000	
8250	House Republican Steering Committee	200,000	205,000	664,000	743,000	743,000	+543,000	+538,000	+79,000	
8300	Nine minority employees	1,024,000	1,144,000	1,127,000	1,127,000	1,127,000	+103,000	−17,000		
8350	House Democratic Steering and Policy Committee	1,153,587	1,226,000	1,181,000	1,181,000	1,181,000	+27,413	−45,000		
8400	House Democratic Caucus	553,000	607,000	566,000	566,000	566,000	+13,000	−41,000		
8450	Subtotal, House Leadership Offices	10,843,000	11,728,000	11,271,000	11,271,000	11,271,000	+428,000	−457,000		
8460–8470	Enacted and request reflect current organization of House funding.									
8475	Members' Representational Allowances									
8500	Expenses	351,217,000	389,100,000	360,503,000	360,503,000	360,503,000	+9,286,000	−28,597,000		
8750	Committee Employees									
8800–8850	Standing Committees, Special and Select (except Appropriations)	112,805,000	125,749,000	78,629,000	78,629,000	78,629,000	−34,176,000	−47,120,000		
8940–8950	Committee on Appropriations (including studies and investigations)	22,531,000	23,044,000	16,945,000	16,945,000	16,945,000	−5,586,000	−6,099,000		
9050	Subtotal, Committee employees	135,336,000	148,793,000	95,574,000	95,574,000	95,574,000	−39,762,000	−53,219,000		
9150	Salaries, Officers and Employees									
9200	Office of the Clerk	15,270,000	16,811,000	13,807,000	13,807,000	13,807,000	−1,463,000	−3,004,000		
9250	Office of the Sergeant at Arms	2,736,000	3,049,000	3,410,000	3,410,000	3,410,000	+674,000	+361,000		
9300	Office of the Chief Administrative Office	69,725,000	65,132,000	53,556,000	53,556,000	53,556,000	−16,169,000	−11,576,000		
9800	Office of Inspector General	295,000	7,125,000	3,954,000	3,954,000	3,954,000	+3,659,000	−3,171,000		
9900	Office of Compliance		2,130,000	858,000	858,000	858,000	+858,000	−1,272,000		
9910	Transfer to Joint Items, Office of Compliance					(−500,000)	(−500,000)	(−500,000)	(−500,000)	(−500,000)
9950	Office of the Chaplain	124,000	128,000	126,000	126,000	126,000	+2,000	−2,000		
10000	Office of the Parliamentarian	983,000	1,240,000	1,180,000	1,180,000	1,180,000	+197,000	−60,000		
10050	Office of the Parliamentarian	(669,000)	(835,000)	(775,000)	(775,000)	(775,000)	(+106,000)	−60,000)		

CONFERENCE AGREEMENT—Continued

		FY 1995 enacted	FY 1996 estimates	House	Senate	Conference	Conference compared with			
							Enacted	Estimates	House	Senate
10100–10150	Compilation of precedents of the House of Representatives	(314,000)	(405,000)	(405,000)	(405,000)	(405,000)	(+91,000)			
10250	Office of the Law Revision Counsel of the House	1,630,000	1,870,000	1,700,000	1,700,000	1,700,000	+70,000	−170,000		
10300	Office of the Legislative Counsel of the House	4,400,000	4,592,000	4,524,000	4,524,000	4,524,000	+124,000	−68,000		
10450	Other authorized employees	504,000	675,000	618,000	618,000	618,000	+114,000	−57,000		
10500	Former Speakers' staff	(290,000)	(447,000)	(447,000)	(447,000)	(447,000)	(+157,000)			
10550–10600	Technical assistant, Officer of the Attending Physician	(161,00)	(171,000)	(171,000)	(171,000)	(171,000)	(+10,000)			
10700	Drivers	(53,000)	(57,000)				(−53,00)	(−57,000)		
10750	Subtotal, Salaries, Officers and Employees	95,667,000	102,752,000	83,733,000	83,733,000	83,733,000	−11,934,000	−19,019,000		
10800	Allowances and Expenses									
10850–10900	Supplies, materials, administrative costs and Federal tort claims	3,453,000	2,695,000	1,213,000	1,213,000	1,213,000	−2,240,000	−1,482,000		
10925–10930	Official mail (committees, leadership, administrative and legislative offices)			1,000,000	1,000,000	1,000,000	+1,000,000	+1,000,000		
11150	Reemployed annuitants reimbursements	1,279,000	2,451,000	68,000	68,000	68,000	−1,211,000	−2,383,000		
11175	Government contributions	129,895,000	138,698,000	117,541,000	117,541,000	117,541,000	−12,354,000	−21,157,000		
11200	Miscellaneous items	778,000	778,000	658,000	658,000	658,000	−120,000	−120,000		
11250	Subtotal, Allowance and expenses	135,405,000	144,622,000	120,480,000	120,480,000	120,480,000	−14,925,000	−24,142,000		
11400	Total, salaries and expenses	728,468,000	796,995,000	671,561,000	671,561,000	671,561,000	−56,907,000	−125,434,000		
11450	Total, House of Representatives	728,735,200	796,995,000	671,561,000	671,561,000	671,561,000	−57,174,200	−125,434,000		
13900	JOINT ITEMS									
14100	Joint Economic Committee	4,090,000	4,265,000	3,000,000	3,000,000	3,000,000	−1,090,000	−1,265,000		
14100	Joint Committee on Printing	1,370,000	1,414,000		1,164,000	750,000	−620,000	−664,000	+750,000	−414,000
14300	Transfer to House Oversight Committee			375,000					−375,000	
14390–14400	Transfer to Senate Committee on Rules and Administration			375,000					−375,000	
14500	Join Committee on Taxation	6,019,000	6,460,000	6,019,000	5,116,000	5,116,000	−903,000	−1,344,000	−903,000	
14600	Office of the Attending Physician									
14700	Medical supplies, equipment, expenses, and allowances	1,335,000	1,260,000	1,260,000	1,260,000	1,260,000	−75,000			
14720	Capitol Police Board									
14800	Capitol Police									
14855	Salaries:									
14880	Sergeant at Arms of the House of Representatives	33,463,000	34,643,000	34,213,000	33,906,000	34,213,000	+750,000	−430,000		+307,000
14890	Sergeant at Arms and Doorkeeper of the Senate	35,919,000	37,381,000	35,919,000	35,919,000	35,919,000		−1,462,000		
14895	Subtotal, salaries	69,382,000	72,024,000	70,132,000	69,825,000	70,132,000	+750,000	−1,892,000		+307,000
14900	General expenses	2,000,000	2,190,000	2,560,000	2,190,000	2,560,000	+560,000	+370,000		+370,000
14950	Subtotal, Capitol Police	71,382,000	74,214,000	72,692,000	72,015,000	72,692,000	+1,310,000	−1,522,000		+677,000
15300	Capitol Guide and Special Services Office			1,991,000					−1,991,000	
15310	Capitol Guide Service	1,628,000	1,730,000		1,628,000	1,628,000		−102,000	+1,628,000	
15320	Special Services Office	363,000	363,000		363,000	363,000			+363,000	
15330	Subtotal	1,991,000	2,093,000	1,991,000	1,991,000	1,991,000		−102,000		
15400	Statements of Appropriations			30,000	30,000	30,000	+30,000	+30,000		
15410	Office of Compliance				2,500,000	2,000,000	+2,000,000	+2,000,000	+2,000,000	−500,000
15420	Transfer from House of Rep. Office of Compliance					(500,000)	(+500,000)	(+500,000)	(+500,000)	(+500,000)
15600	Total, Joint items	86,187,000	89,706,000	85,742,000	87,076,000	86,839,000	+652,000	−2,867,000	+1,097,000	−237,000
15700	OFFICE OF TECHNOLOGY ASSESSMENT									
15800	Salaries and expenses	21,970,000	23,195,000		3,615,000	3,615,000	−18,355,000	−19,580,000	+3,615,000	
16100	CONGRESSIONAL BUDGET OFFICE									
16200	Salaries and expenses	23,188,000	25,788,000	24,288,000	25,788,000	24,288,000	+1,100,000	−1,500,000		−1,500,000
16300	ARCHITECT OF THE CAPITOL									
16400	Office of the Architect of the Capitol									
16500	Salaries	9,103,000	9,823,000	8,569,000	8,876,000	8,569,000	−534,000	−1,254,000		−307,000
16550	Travel (limitation on official travel expenses)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)				
16600	Contingent expenses	100,000	100,000	100,000	100,000	100,000				
16700	Subtotal, Office of the Architect of the Capitol	9,203,000	9,923,000	8,669,000	8,967,000	8,669,000	−534,000	−1,254,000		−307,000
16800	Capitol Buildings and Grounds									
16900	Capitol buildings	22,797,000	28,085,000	22,832,000	23,132,000	22,882,000	+85,000	−5,203,000	+50,000	−250,000
16960	Sec. 310 (purchasing x-ray & metal detectors)	(2,015,000)					(−2,015,000)			
17000	Capitol grounds	5,270,000	6,084,000	5,143,000	5,143,000	5,143,000	−127,000	−941,000		
17100	Senate office buildings	47,619,000	52,537,000		41,757,000	41,757,000	−5,862,000	−10,780,000	+41,757,000	
17200	House office buildings	41,364,000	46,054,000	33,001,000	33,001,000	33,001,000	−8,363,000	−13,053,000		
17300	Capitol Power Plant	36,637,000	41,062,000	36,578,000	35,518,000	35,518,000	−1,119,000	−5,544,000	−1,060,000	
17400	Offsetting collections	−3,200,000	−3,200,000	−4,000,000	−4,000,000	−4,000,000	−800,000	−800,000		
17600	Net subtotal, Capitol Power Plant	33,437,000	37,862,000	32,578,000	31,518,000	31,518,000	−1,919,000	−6,344,000	−1,060,000	
17700	Subtotal, Capitol buildings and grounds	150,487,000	170,622,000	93,554,000	134,551,000	134,301,000	−16,186,000	−36,321,000	+40,747,000	−250,000
17900	Total, Architect of the Capitol	159,690,000	180,545,000	102,223,000	143,527,000	142,970,000	−16,720,000	−37,575,000	+40,747,000	−557,000
18000	LIBRARY OF CONGRESS									
18100	Congressional Research Service									
18200	Salaries and expenses	60,084,000	65,913,000	75,083,000	60,084,000	60,084,000		−5,829,000	−14,999,000	
18300	GOVERNMENT PRINTING OFFICE									
18400	Congressional printing and binding	89,724,000	91,624,000	88,281,000	85,500,000	83,770,000	−5,954,000	−7,854,000	−4,511,000	−1,730,000
18510	Total, title I, Congressional Operations	1,630,158,700	1,778,703,000	1,047,178,000	1,504,060,000	1,500,046,000	−130,112,700	−278,657,000	+452,868,000	−4,014,000
18600	TITLE II—OTHER AGENCIES									
18700	BOTANIC GARDEN									
18800	Salaries and expenses	3,230,000	10,370,000	3,053,000	3,053,000	3,053,000	−177,000	−7,317,000		
18810	Conservation renovation			7,000,000					−7,000,000	
18815	(By transfer)	(4,000,000)					(−4,000,000)			
18850	Subtotal	3,230,000	10,370,000	10,053,000	3,053,000	3,053,000	−177,000	−7,317,000	−7,000,000	
18900	LIBRARY OF CONGRESS									

CONFERENCE AGREEMENT—Continued

		FY 1995 enacted	FY 1996 estimates	House	Senate	Conference	Conference compared with			
							Enacted	Estimates	House	Senate
19000	Salaries and expenses	210,164,000	231,580,000	193,911,000	213,164,000	211,664,000	+1,500,000	−19,916,000	+17,753,000	−1,500,000
19100	Authority to spend receipts	−7,869,000	−7,869,000	−7,869,000	−7,869,000	−7,869,000				
19300	Net subtotal, Salaries and expenses	202,295,000	223,711,000	186,042,000	205,295,000	203,795,000	+1,500,000	−19,916,000	+17,753,000	−1,500,000
19400	Copyright Office, salaries and expenses	27,456,000	32,983,000	30,818,000	30,818,000	30,818,000	+3,362,000	−2,165,000		
19500	Authority to spend receipts	−17,411,000	−19,877,000	−19,830,000	−19,830,000	−19,830,000	−2,419,000	+47,000		
19700	Net subtotal, Copyright Office	10,045,000	13,106,000	10,988,000	10,988,000	10,988,000	+943,000	−2,118,000		
19800–19900	Books for the blind and physically handicapped, salaries and expenses	44,951,000	47,583,000	44,951,000	44,951,000	44,951,000		−2,632,000		
20700	Furniture and furnishings	5,825,000	5,825,000	4,882,000	4,882,000	4,882,000	−943,000	−943,000		
20900	Total, Library of Congress (except CRS)	263,116,000	290,225,000	246,863,000	266,116,000	264,616,000	+1,500,000	−25,609,000	+17,753,000	−1,500,000
21000	ARCHITECT OF THE CAPITOL									
21100	Library Buildings and Grounds									
21200	Structural and mechanical care	12,483,000	19,929,000	12,428,000	12,428,000	12,428,000	−55,000	−7,501,000		
21800	GOVERNMENT PRINTING OFFICE									
22000	Office of Superintendment of Documents									
22100	Salaries and expenses	32,207,000	30,307,000	16,312,000	30,307,000	30,307,000	−1,900,000		+13,995,000	
22200	Revolving fund		15,420,000					−15,420,000		
22300	Subtotal, Office of Superintendent of Documents	32,207,000	45,727,000	16,312,000	30,307,000	30,307,000	−1,900,000	−15,420,000	+13,995,000	
22500	GENERAL ACCOUNTING OFFICE									
22600	Salaries and expenses	450,360,000	481,060,000	401,264,000	382,806,000	382,806,000	−67,554,000	−98,254,000	−18,458,000	
22675	Offsetting collections	−7,000,000	−8,400,000	−8,400,000	−8,400,000	−8,400,000	−1,400,000			
22680	Subtotal	443,360,000	472,660,000	392,864,000	374,406,000	374,406,000	−68,954,000	−98,254,000	−18,458,000	
22690	GAO use of collections (formerly receipts)	6,000,000					−6,000,000			
22700	Total, General Accounting Office	449,360,000	472,660,000	392,864,000	374,406,000	374,406,000	−74,954,000	−98,254,000	−18,458,000	
22900	Total, title II, Other agencies	760,396,000	838,911,000	678,520,000	686,310,000	684,810,000	−75,586,000	−154,101,000	+6,290,000	−1,500,000
23100	Grand total	2,390,554,700	2,617,614,000	1,725,698,000	2,190,370,000	2,184,856,000	−205,698,700	−432,758,000	+459,158,000	−5,514,000
23500	TITLE I—CONGRESSIONAL OPERATIONS									
23600	Senate	460,580,500	504,937,000		426,909,000	426,919,000	−33,661,500	−78,018,000	+426,919,000	+10,000
23700	House of Representatives	728,735,200	796,995,000	671,561,000	671,561,000	671,561,000	−57,174,200	−125,434,000		
23800	Joint Items	86,187,000	89,706,000	85,742,000	87,076,000	86,839,000	+652,000	−2,867,000	+1,097,000	−237,000
23900	Office of Technology Assessment	21,970,000	23,195,000		3,615,000	3,615,000	−18,355,000	−19,580,000	+3,615,000	
24100	Congressional Budget Office	23,188,000	25,788,000	24,288,000	25,788,000	24,288,000	+1,100,000	−1,500,000		−1,500,000
24300	Architect of the Capitol	159,690,000	180,545,000	102,233,000	143,527,000	142,970,000	−16,720,000	−37,575,000	+40,747,000	−557,000
24400	Library of Congress: Congressional Research Service	60,084,000	65,913,000	75,083,000	60,084,000	60,084,000		−5,829,000	−14,999,000	
24500–24600	Congressional printing and binding, Government Printing Office	89,724,000	91,624,000	88,281,000	85,500,000	83,770,000	−5,954,000	−7,854,000	−4,511,000	−1,730,000
24700	Total, title I, Congressional operations	1,630,158,700	1,778,703,000	1,047,178,000	1,504,060,000	1,500,046,000	−130,112,700	−278,657,000	+452,868,000	−4,014,000
24800	TITLE II—OTHER AGENCIES									
24900	Botanic Garden	3,230,000	10,370,000	10,053,000	3,053,000	3,053,000	−177,000	−7,317,000	−7,000,000	
25100	Library of Congress (except CRS)	263,116,000	290,225,000	246,863,000	266,116,000	264,616,000	+1,500,000	−25,609,000	+17,753,000	−1,500,000
25200–25300	Architect of the Capitol (Library buildings and grounds)	12,483,000	19,929,000	12,428,000	12,428,000	12,428,000	−55,000	−7,501,000		
25500–25600	Government Printing Office (except congressional printing and binding)	32,207,000	45,727,000	16,312,000	30,307,000	30,307,000	−1,900,000	−15,420,000	+13,995,000	
25700	General Accounting Office	449,360,000	472,660,000	392,864,000	374,406,000	374,406,000	−74,954,000	−98,254,000	−18,458,000	
25900	Total, title II, Other agencies	760,396,000	838,911,000	678,520,000	686,310,000	684,810,000	−75,586,000	−154,101,000	+6,290,000	−1,500,000
26000	Grand total	2,390,554,700	2,617,614,000	1,725,698,000	2,190,370,000	2,184,856,000	−205,698,700	−432,758,000	+459,158,000	−5,514,000
26100	CONGRESSIONAL BUDGET RECAP									
26125	Scorekeeping adjustments:									
26150	Compensation of Members:									
26200	Senate	17,050,000	16,800,000		16,800,000	16,800,000	−250,000		+16,800,000	
26250	House (excluding Senate items)	74,900,000	75,500,000	75,500,000	75,500,000	75,500,000	+600,000			
26252	Rescission	−23,000,000			−63,544,723	−63,544,723	−40,544,723	−63,544,723	−63,544,723	
26255	Office of Technology Assessment (reappropriation).				2,500,000	2,500,000	+2,500,000	+2,500,000	+2,500,000	
26258	Settlements and awards (reappropriation)				1,000,000	1,000,000	+1,000,000	+1,000,000	+1,000,000	
26290	Effect on FY95 of rescission bill	+16,502,000					+16,502,000			
26410	Library of Congress (sec. 209)				1,000,000					−1,000,000
26420	Government Accounting Office (sec. 213)				1,000,000					−1,000,000
26430	Awards and settlements fund					500,000	+500,000	+500,000	+500,000	+500,000
26450	Total	52,448,000	92,300,000	75,500,000	34,255,277	32,755,277	−19,692,723	−59,544,723	−42,744,723	−1,500,000
26500	Total (including adjustments)	2,443,002,700	2,709,914,000	1,801,198,000	2,224,625,277	2,217,611,277	−225,391,423	−492,302,723	+416,413,277	−7,014,000
26600	Amounts in this bill	(2,390,554,700)	(2,617,614,000)	(1,725,698,000)	(2,190,370,000)	(2,184,856,000)	(−205,698,700)	(−432,758,000)	(+459,158,000)	(−5,514,000)
26700	Scorekeeping adjustments	(52,448,000)	(92,300,000)	(75,500,000)	(34,255,277)	(32,755,277)	(−19,692,723)	(−59,544,723)	(−42,744,723)	(−1,500,000)
27800	Total mandatory and discretionary	2,443,002,700	2,709,914,000	1,801,198,000	2,224,625,277	2,217,611,277	−225,391,423	−492,302,723	+416,413,277	−7,014,000
27810	Mandatory	92,217,200	92,300,000	75,500,000	92,300,000	92,300,000	+82,800		+16,800,000	
27950	Discretionary	2,350,785,500	2,617,614,000	1,725,698,000	2,132,325,277	2,125,311,277	−225,474,223	−492,302,723	+399,613,277	−7,014,000

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I rise today to support the conference agreement on H.R. 1854, the Legislative Branch Appropriations Act for fiscal year 1996. Compromises between the House and Senate version of this bill were necessary in order to reach this agreement, and I am pleased that we were able to work out our differences cooperatively.

The appropriations made in the conference report total $2,184,856,000. This is a $205,698,700 below the 1995 level, and roughly $5 million below the Senate-passed bill.

I want to at this time express my appreciation and respect for Senator MACK, the subcommittee chairman. He handled this bill in a very open, nonpartisan manner. He took his responsibility seriously and he did a very excellent job, and he was really good to work with. I thank him publicly for the hard work he has done on this bill.

We did not agree on every issue. I am particularly concerned about the elimination of the Office of Technology Assessment. However, Senator MACK made sure all views on this subject were fully aired in conference before we settled this issue.

In the end, we were able to get some protection for OTA workers to ensure that they are not thrown out on the street the moment this bill passes. I want to thank our chairman for his help with that matter, as well.

I also want to take a moment to express a few personal thoughts about this bill. This bill cuts over $200 million out of the congressional budget. That is about a 10-percent cut. In this time of fiscal deficits, and the need to reduce spending, I believe we did it the way it should be done—line by line, program by program, bill by bill. We thought this through and made tough, but sensible, decisions. Most importantly, we are showing we can lead by example in the battle to reduce Federal spending by cutting Congress first.

I strongly urge my colleagues to join me in supporting the conference report. It makes sense, and it sets the right tone in the broader effort to reduce spending.

(Mr. CAMPBELL assumed the Chair.)

Mr. DOMENICI. Mr. President, I rise in support of H.R. 1854, the legislative branch appropriations bill for fiscal year 1996.

The bill, as reported provides $2.1 billion in new budget authority and $2 billion in outlays for the congress and other legislative branch agencies, including the Library of Congress, the General Accounting Office, and the Government Printing Office, among others.

When outlays from prior year appropriations and other adjustments are taken into account, the bill totals $2.2 billion in budget authority and $2.3 billion in outlays. The bill is under the subcommittee's 602(b) allocation by $35 million in budget authority and $2 million in outlays.

I want to commend the distinguished chairman and ranking member of the Legislative Branch Subcommittee for producing a bill that is substantially within their 602(b) allocation.

I am pleased that this bill incorporates most of the changes endorsed by the Republican Conference last December and achieves the goal of reducing legislative branch spending by $200 million from the 1995 level. It is important that the Congress set an example for the rest of the country by cutting its own spending first.

Another important feature of this bill is that it provides an increase of $1.1 million over the 1995 level for the Congressional Budget Office to enable that agency to meet the new requirements that were created in the Unfunded Mandates Reform Act passed earlier this year.

I urge the Senate to adopt this conference report.

I ask unanimous consent that a Budget Committee table showing the final scoring of the bill be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

LEGISLATIVE BRANCH SUBCOMMITTEE

[Spending totals—conference report (fiscal year 1996, in millions of dollars)]

	Budget authority	Outlays
Nondefense discretionary:		
Outlays from prior-year BA and other actions completed	....	202
H.R. 1854, conference report	2,125	1,977
Scorekeeping adjustment	....	....
Subtotal nondefense discretionary	2,125	2,180
Mandatory:		
Outlays from prior-year BA and other actions completed	92	92
H.R. 1854, conference report	....	....
Adjustment to conform mandatory programs with Budget Resolution assumptions	−2	−2
Subtotal mandatory	90	90
Adjusted bill total	2,215	2,270
Senate Subcommittee 602(b) allocation:		
Defense discretionary	....	....
Nondefense discretionary	2,167	2,188
Violent crime reduction trust fund	....	....
Mandatory	90	90
Total allocation	2,257	2,278
Adjusted bill total compared to Senate Subcommittee 602(b) allocation:		
Defense discretionary	....	....
Nondefense discretionary	−42	−8
Violent crime reduction trust fund	....	....
Mandatory	....	....
Total allocation	−42	−8

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

Mr. MACK. Mr. President, I yield back the remainder of my time.

Mrs. MURRAY. Mr. President, I yield back the remainder of my time. And on behalf of Senator SIMON, I yield back his time as well.

Mr. MACK. Mr. President, I ask for the yeas and nays on adoption of the conference report.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MACK. Mr. President, I ask unanimous consent that the vote occur immediately following the first vote in connection with the D.C. appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MACK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk proceeded to call the roll.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISTRICT OF COLUMBIA APPROPRIATIONS FOR FISCAL YEAR 1996

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 1244.

The bill will be stated by title.

The bill clerk read as follows:

A bill (S. 1244) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1996, and for other purposes.

The Senate proceeded to consider the bill.

Mr. JEFFORDS. Mr. President, I am pleased to present the fiscal year 1996 District of Columbia appropriations bill to the Senate. The bill presented is within the subcommittee's allocation and contains a Federal payment of $660 million, which is the authorized amount and the same amount as last year.

I should make clear that the Federal payment is not a gift from the Federal Government to the local government, it is a payment in lieu of taxes. More than half of the District's property is untaxable to the local government. Of course all Federal property and buildings are exempt, but so are many other valuable properties in the city. In addition to foreign embassies and offices, also unavailable for tax purposes are facilities owned by entities with congressional charters. Properties such as the National Geographic Society, the International Bank for Reconstruction and Development, the International Monetary Fund, the Inter-American Development Bank, and all of the hospitals and universities in the city are also exempt. The properties I just listed account for more than $1 billion in value that is not taxable to the District.

In addition, the Congress restricts the city's taxing power in other ways. The District is prohibited by law from taxing income earned in the city by those who live in the suburbs. This is no small amount. The Census Bureau estimates that of the $33 billion earned annually by individuals in the District, $19 billion is earned by nonresidents—over half—and therefore completely escapes District taxes.

This past year many of the District's financial problems came to a head. Fiscal year 1994 ended with a record deficit of $335 million. In an unusually cooperative endeavor Members of the House and Senate worked together, along with the Office of Management and Budget, to craft legislation which established a five-member unpaid financial control board for the District. The board, formally known as the Financial Responsibility and Management Assistance Authority, has been working since June 1, and has made a significant contribution to the bill we are recommending to the Senate today.

The bill before us represents the recommendations of the authority of the District's fiscal year 1996 budget. The authority is a powerful new player in the District's budget process. This authority must approve annual budgets and multiyear financial plans developed by the Mayor.

This authority is designed to provide the kind of day-to-day and month-to-month oversight as well as fiscal expertise that the Congress is neither designed nor inclined to exercise. The authority has the power to require the city to change its budget estimates of both revenues and expenditures. If the estimates are unrealistic and the city does not make the necessary changes, the authority can implement those changes on its own.

Each year between now and fiscal year 1998, the District is permitted to submit and operate with an unbalanced budget, as long as it makes progress toward a balanced budget. This will give time to Congress and the local political leaders to address some of the issues concerning our relationship to the local government.

On July 15, the authority made recommendations to the City Council for changes in the budget that the District had adopted in May. On August 1, the council responded by adopting an amendment in their budget. Finally, on August 15, the authority submitted to Congress the District's response to their recommendations. The committee's bill is based upon these recommendations.

The District has a long way to go to be a well-run, efficient, and financially stable city. With the Control Board in place, we have made important first steps.

On September 14, the chairman of the Authority, Dr. Andrew Brimmer, testified before our subcommittee that the Authority is developing a positive, working relationship with city officials based on cooperation. At a recent budget summit, where authority representing the city officials questioned various agencies about their budget, Dr. Brimmer testified that the discussion focused on improving the city's services, accountability, and getting the information necessary for managers and decisionmakers.

Those inquiries came from both the Authority and the senior District officials. Of course, the proof will be in the doing, but the start is good. I am really pleased with the way they have been working.

While the Control Board will be charged with overseeing the restoration of the District's financial health and improving its management effectiveness, the Congress must review the complete relationship with the local government. Its fiscal problems are not caused by lack of revenue. The city elects and spends more than $3 billion of local revenue each year. That ought to be enough to operate this city.

In order for the city to maintain its long-term financial health, we, the Congress and the Federal Government, must reevaluate our relationship with the city in a dispassionate discussion with the District residents and their elected representatives. When we began drafting the Control Board legislation, we asked the General Accounting Office to talk to people in other cities that have had similar financial difficulties and established similar boards about their experiences.

One factor that everyone volunteered in our interviews was that the poor quality of public schools had exacerbated the middle-class flight from that city and was a major impediment in economic development. This is not just an economic development issue. Nationally, we are creating a generation of kids that cannot read or write properly.

This is not just bad educational policy; it is a devastating implication for unemployment, welfare, and crime policy in the near future, and especially in our cities like Washington. Each kid that we do not teach to read is a lost asset to this Nation, and we cannot afford to let our national assets decay. The District is no exception. We do not need to recite all the statistics.

Washington, DC, spends more per student than any other school district yet has the poorest student outcomes on standardized tests of any school district. We have old, high-maintenance school buildings and too many of them. The problems of the District schools have been studied over and over and proposal after proposal has been made, but something happens between the commitment to reform and the implementation of a plan. It is time that we stop studying, analyzing, and strategizing, and start implementing and holding accountable those who are responsible for realizing set goals.

Mr. President, the committee is recommending establishment of a commission to hold consensus around public school reform in the District. I emphasize consensus. The seven-member commission will be made up entirely of local citizens charged with working with the school board and the superintendent to develop and implement a reform plan. I emphasize working with the school board and the superintendent to develop and implement a reform plan.

What we are providing is the structure for effecting reform, not dictating what the details of that reform should be. I want to emphasize that again. It is a structure for effecting reform, not dictating what the details of that reform should be.

Some District leaders have reacted to this proposal with charges that it thwarts home rule and circumvents the citizens of the District, charges which I might add were made before having access to the entire proposal. Mr. President, to make these charges is to completely ignore and cast scorn on what Congress has been all about this last 9 months. The District of Columbia is in trouble fiscally, managerially, and I think most important, educationally in public schools.

In difficult times, the city of Washington has no one to turn to but the Federal Government. We, the Congress, and the citizens of the District are partners in whatever happens to this city. We are partners in finding solutions to all these difficulties that Congress specifically and the Federal Government generally must be careful not to dictate or impose solutions on the citizens of the city. We need consensus.

Another important charge to the commission and the board is to develop a capital investment plan for the needed school buildings and a separate funding mechanism to ensure that the work is done.

Mr. President, on August 14, 1995, the superintendent received the report of the task force on education infrastructure for the 21st century. This report is an excellent description of the fiscal state of the public schools and needed steps to remedy the deficiencies. It sets out in plain terms the current condition of the public schools in this city.

Mr. President, 62 percent of the District's public schools are over 45 years old but only 8 of the 163 operating schools have ever had total renovations.

There is an inability to accommodate educational programs and initiatives and technology in these buildings. Continuing from the report: "There is no school building able to support a comprehensive vocational or career focus to prepare students for work in the 21st century."

That is totally intolerable and unacceptable. Based on the current number of schools and administrative buildings, the task force estimates that it will cost $1.2 billion to restore these buildings to a state of good repair and to modernize the schools and provide infrastructure to support for technology that is available and will be available.

This price tag is overstated because the first priority is to determine how many school buildings will be needed for the future student enrollment. Once the decision is made on how many and in what locations school buildings are needed, a final cost estimate can be made.

I am not just calling for the wholesale closure of school buildings. We must take into consideration the fiscal condition of the current inventory as well as answer questions as, What effect will the success of economic development programs have on enrollment? Or, What effect will the success of drop-out prevention programs have on the number of high schools needed?

Currently, with the discussion on a number of needed school buildings, debate must begin on the funding mechanism. It is imperative that this mechanism be under the control of the District of Columbia financial responsibility authority and that any debt issue to outside the District's 14 percent of the local revenue cap on outstanding debt. We are right at that cap right now for all of the other infrastructure aspects of the city. There is no latitude in that, nor should it be used for the purposes of the school improvement program.

This latter point is necessary due to the extensive deferred maintenance that exists in the system because the school fiscal infrastructure has not been maintained routinely. The schools' normal capital program cannot be expected to handle the high annual expenditures that will be needed over the next 10 years.

In order for this new funding mechanism to be viable, it will require a separate revenue stream for debt service. All potential sources will be considered, including a small dedicated short-term reciprocal income tax to provide a stable and reliable source for debt service funds. Another obvious source is the cash flow generated by the sale of the surplus school property.

These options should be explored by the control board, the board of education, District council, and the Mayor along with all other regional and District groups of interest. Local or Federal legislation should be developed that would facilitate creation of an appropriate funding mechanism and source of income.

The bill also contains language that establishes a charter schools initiative for District public schools to improve and encourage community involvement. The subcommittee developed this initiative in cooperation with Senator SPECTER, who is very interested in this subject and his help was important to its inclusion.

Charter schools offer great promise in reforming public education because they link the important factors of school-site autonomy, parental choice, regulatory flexibility, private sector initiative, accountability for student outcomes, and community participation. The committee believes that the autonomy of individual charter schools from external controls, such as those of the school district and union requirements, is essential for their success.

To ensure charter schools' autonomy, the committee has defined them as public schools that operate with independence from the District of Columbia public schools as local education agencies. This definition in no way removes charter schools from the oversight of the District of Columbia public schools or other charter granting authorities. Unlike traditional public schools, these schools must meet the terms of their charters, including specified student outcomes. If not, their charters can be revoked or not renewed.

I want to note the efforts of the current superintendent who has established schools-within-schools charters and enterprise schools within the public schools. These schools-within-schools share some of the same attributes of our proposed charter schools but are chosen by only one entity and are not as independent as they ought to be. It is our intention to build upon this good start, not reinvent the wheel.

In closing, Mr. President, I thank my other colleagues on the subcommittee, our able ranking member, Senator KOHL, and my colleague on our side of the aisle, Senator BENNETT, who have attended our hearings and taken a genuine interest in the work of the subcommittee. Finally, I thank the chairman of the Committee on Appropriations, the Senator from Oregon, Senator HATFIELD, and our distinguished ranking member, the Senator from West Virginia, Senator BYRD, for the leadership and guidance we have received in bringing this bill before the Senate today.

Mr. President, that concludes my formal presentation, I will be happy to answer any questions or consider any amendments that Senators may have. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin [Mr. KOHL] is recognized.

Mr. KOHL. Mr. President, I commend the distinguished subcommittee chairman, Mr. JEFFORDS, for his hard work and dedication in bringing this measure to the Senate floor.

The fiscal year 1996 District of Columbia appropriations bill is the result of a bipartisan effort. It cleared the Senate Appropriations Committee by a vote of 28 yeas to 0 nays.

The bill includes a Federal payment of $660 million, which is the same as the President's budget request and the previous year's level.

The bill also provides the overall budget for the District of Columbia. That budget has been developed and presented to the Congress by city officials and the Financial Responsibility and Management Assistance Authority for the District of Columbia, otherwise known as the Control Board. The Control Board was created earlier this year by the District of Columbia Financial Responsibility and Management Act of 1995.

The bill recommends a balanced budget for the District government. The funding levels recommended in the budget are the same as those recommended by the Control Board. The Board is expected to work with the Mayor and City Council to oversee and make further reforms in the District's budget, finances, and operation.

The bill would also establish a seven-member Commission on Consensus Public School Reform. The Commission, which is strongly supported by the subcommittee chairman, will seek to develop reform goals and approve and oversee annual reform implementation plans for the school system.

The bill would also establish procedures for public charter schools to open in the District, which would offer innovative educational approaches and opportunities to District students. In addition, the bill calls for city officials and the Control Board to develop options for consolidating and modernizing the public school infrastructure.

Mr. President, I again commend the distinguished subcommittee chairman and urge the adoption of the bill.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia [Mr. BYRD] is recognized.

Mr. BYRD. Mr. President, is the bill open to amendment?

The PRESIDING OFFICER. The Senator is correct. The bill is open to amendment.

AMENDMENT NO. 2768

(Purpose: To improve order and discipline in District of Columbia Public Schools)

Mr. BYRD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from West Virginia [Mr. BYRD] proposes an amendment numbered 2768.

Mr. BYRD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 53, between lines 5 and 6, insert the following:

(H) The Chief of the National Guard Bureau who shall be an ex officio member.

On page 66, strike line 15 and insert the following:

SEC. 211. IMPROVING ORDER AND DISCIPLINE.

(a) DRESS CODE.—

(1) IN GENERAL.—Not later than the first day of the 1996–1997 school year, the Commission shall develop and implement, through the Board of Education and the Superintendent of Schools, a uniform dress code for the District of Columbia Public Schools.

(2) CONSIDERATIONS.—The dress code—

(A) shall include a prohibition of gang membership symbols;

(B) shall take into account the relative costs of any policy for each student; and

(C) may include a requirement that students wear uniforms.

(b) COMMUNITY SERVICE REQUIREMENT FOR SUSPENDED STUDENTS.—

(1) IN GENERAL.—Any student suspended from classes at a District of Columbia Public School who is required to serve the suspension outside the school shall perform community service for the period of suspension. The community service required by this subsection shall be subject to rules and regulations promulgated by the Mayor.

(2) EFFECTIVE DATE.—This subsection shall take effect beginning on the first day of the 1996–1997 school year.

SEC. 212. EXPIRATION DATE.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, it is no secret that over the years the District of Columbia Public School System has suffered from a lack of discipline in the classroom. It appears that the situation is not improving and is probably deteriorating. The lack of discipline in a public school classroom by even one student can thwart the education process for the teacher and the students who want to learn. Mr. President, it is time to reclaim the classroom—for the teachers and for the serious students—from the disruption caused by problem students lacking in self-discipline and a desire to learn.

I commend the distinguished Subcommittee Chairman, Mr. JEFFORDS. His is a thankless task. He has done a good job. One of his initiatives has been to propose the establishment of a seven-member Commission on Consensus Public School Reform. I will have more to say about that in a moment.

Mr. President, the thrust of the amendment I am proposing builds upon the initiative of the Subcommittee Chairman. In the first place, it proposes that any student suspended from classes at a District of Columbia Public School, who is required to serve the suspension outside the school, shall perform community service for the period of the suspension.

Mr. President, often the misbehavior detected in the public school system is punished by a suspension; however, this suspension is very often looked upon as a vacation by the individual suspended. The thrust of my amendment is to see that any student that finds himself or herself suspended shall use that time to perform a community service. A community service required by my amendment would be subject to rules and regulations promulgated by the Mayor. Thus, the individual under suspension would not be rewarded by a week off of idle time, but would be required to make some contribution to the community during that time.

Students who are expelled and then left to their own devices tend to become bored and then, as a result, may get into further trouble. Requiring them to perform service for the community benefits the community, provides supervision for the time the student is out of the classroom, and demonstrates to the student that job opportunities will likely be limited without the benefit of an education.

A second part of my amendment is related to a dress code. I am advised that in the year since Long Beach, California, made uniforms mandatory for all elementary and secondary school students, the Long Beach School district has seen a 36-percent drop in school crime and a 32-percent reduction in student suspensions. Many parents now spend a great deal of money on elaborate, fashion-conscious clothing ensembles, which cost far in excess of most uniforms. One reads newspaper articles about young people fighting and even murdering each other over articles of clothing, high-priced tennis shoes, and so forth. A dress code would keep obnoxious or inappropriate clothing out of the classroom, minimizing the differences between income levels among students, and removing the focus from clothes and gang symbols and placing it, instead, on scholarship and school activities.

The amendment I am proposing would implement through the Board of Education and the Superintendent of Schools a uniform dress code for the District of Columbia Public Schools. The dress code would include a prohibition of gang membership symbols; it should take into account the relative cost of any policy for each student; and, it may even include a requirement that students wear uniforms. It does not require that, but this would be up to the District authorities. This modest proposal has yielded improvements in discipline in some of the jurisdictions in which it has been employed, and it appears to be a worthwhile effort.

The third aspect of the amendment that I am proposing relates to the initiative of the Subcommittee Chairman to establish a Commission on Consensus Reform in the District of Columbia Public Schools, to create a consensus around reform goals and to oversee and monitor the implementation phase of the reforms. This Commission, according to the Subcommittee's legislative proposal, will consist of a member appointed by the Senate Majority Leader; a member appointed by the Speaker of the House; two members appointed by the President—one who should represent the local business community and one who is a teacher within the District of Columbia public schools. Also, the President of the District of Columbia Congress of Parents and Teachers and the President of the District of Columbia Board of Education, as well as the Superintendent of Public Schools of the District of Columbia would be members of the Commission. The Mayor and Council Chairman would each name one non-voting, ex-officio member. The amendment that I am proposing would add the Chief of the National Guard Bureau as an ex-officio member.

Mr. President, for the past two years, the National Guard has been directly involved in youth programs throughout the United States. During this time, the National Guard has had a direct and positive impact on "at-risk" youth in over thirty states and territories through its sponsorship of five separate youth programs. I am told that all of these programs have been a success. With this in mind, I am recommending that the Chief of the National Guard Bureau, Lieutenant General Edward D. Baca, be an ex-officio member. The purpose would be to increase National Guard participation in the District of Columbia Public Schools, so that a number of new and positive programs can be pursued, which will tend to promote discipline in the District's schools and which will assist "at-risk" youth. The National Guard is an organization comprised of the local interested citizenry. They have proven themselves to be dedicated professionals, who have displayed time and again their commitment not only to the national defense, but to the community as well.

In summary, Mr. President, I am proposing an amendment that would initiate a program of community service for suspended students. It would also propose a dress code and would strengthen the initiative of the Subcommittee Chairman, by making the Chief of the National Guard Bureau an ex-officio member of the Commission on consensus reform in the District of Columbia public schools.

Discipline is a problem in classrooms all across America. Students cannot learn and teachers cannot teach when the classroom is disrupted by disorder, and, in many cases, even by fear of violence.

Jurisdictions around the country are trying to craft new approaches to curb classroom violence and restore sanity to our institutions of learning. New approaches must be tried. I believe that the steps proposed in my amendment may enable the District's schools to get a handle on some of the violence and disruptive behavior which are all too common in our Nation's classrooms.

Mr. President, I urge the adoption of the amendment.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2769 TO AMENDMENT NO. 2768

(Purpose: To limit the amendment to 2 school years in order to evaluate the effectiveness of amendment)

Mr. BYRD. Mr. President, I send an amendment in the second degree to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD] proposes an amendment numbered 2769 to amendment No. 2768.

Mr. BYRD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, after line 25 insert the following:

(c) EXPIRATION DATE.—This section and the membership provided in section 202(a)(2)(H) shall expire on the last day of the 1997–1998 school year.

(d) REPORT.—The Commission shall study the effectiveness of the policies implemented pursuant to this section in improving order and discipline in schools and report its findings to the appropriate committees of Congress 60 days before the last day of the 1997–1998 school year.

Mr. BYRD. Mr. President, the second-degree amendment makes this a pilot program. It very well may be instructive and helpful for the rest of the country to have a pilot program here in the District of Columbia. This would be a 2-year pilot program and would require a report to the Committee of Congress after a 2-year period on the effected school discipline resulting from the initiatives embodied in the amendment.

Mr. President, I ask for the yeas and nays on the second-degree amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I thank both managers. I have discussed this measure with both the majority and minority managers. They have been very careful in their study of the amendment. They will speak for themselves in regard to it. But I do appreciate their cooperation and courtesy, which are characteristic of both of them.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont [Mr. JEFFORDS] is recognized.

Mr. JEFFORDS. Mr. President, I want to commend the senior Senator from West Virginia for what I think is an excellent suggestion as to how we can help the District of Columbia find some of the answers that have been lacking in our educational system in this country.

I think the pilot program to take care of those who get turned out of the school system is an excellent one. One of the greatest problems we have in the city of Washington and the cities throughout the country is kids that are dropping out and those that leave involuntarily. At the same time nationally, we are cutting back on the number of young people that are being brought into the military, and often those young people who have that problem have found that the military has helped them greatly in their ability to straighten their lives out and to get back into the school systems and get an education.

I, therefore, am willing to accept both the second-degree amendment and the original amendment on this side of the aisle.

Mr. BYRD. Mr. President, I thank the distinguished manager of the bill for his comments in support of the amendment and for his willingness to accept the amendment.

Mr. KOHL addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin [Mr. KOHL] is recognized.

Mr. KOHL. Mr. President, I must reluctantly object to the amendment offered by my distinguished colleague from West Virginia. While I believe this amendment has many fine parts to it, and it certainly is well-intentioned, I believe that it would interfere with the development of a cooperative relationship between the Congress and the District.

I have consistently supported the principle of home rule, and I continue to feel that it is a very important objective.

I do not intend to debate my distinguished colleague. But I do feel it necessary to lodge my objection. I hope at some point that we will have a rollcall vote.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. JEFFORDS. Mr. President, I know there is a desire to stack votes so that Members will not be interrupted in their committee meetings. I suggest at this time that this amendment be set aside so that the leaders can meet and give us a suggestion as to how we can proceed. I believe there may be one other vote on an amendment. The other amendments, I believe, will be accepted.

So, at this time, I ask unanimous consent that the amendment be set aside temporarily.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 2770

(Purpose: To express the sense of the Senate on tax cuts and Medicare)

Mr. DORGAN. Mr. President, I send an amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Dakota (Mr. DORGAN) proposes an amendment numbered 2770.

Mr. DORGAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Mr. President, I send an amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. Is there objection to the suspension of the reading of the amendment?

Mr. JEFFORDS. I object to suspending the reading.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk proceeded to read the amendment.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, add the following new section:

SEC. . SENSE OF THE SENATE ON BUDGET PRIORITIES.

(a) FINDINGS.—The Senate finds that—

(1) the concurrent resolution on the budget for fiscal year 1996 (H.Con.Res. 67) calls for $245 billion in tax reductions and $270 billion in projected spending reductions from Medicare;

(2) reducing projected Medicare spending by $270 billion could substantially increase out-of-pocket health care costs for senior citizens, reduce the quality of care available to Medicare beneficiaries and threaten the financial health of some health care providers, especially in rural areas;

(3) seventy-five percent of Medicare beneficiaries have annual incomes of less than $25,000;

(4) most of the tax cuts in the tax bill passed by the House of Representatives (H.R. 1215) go to families making over $100,000 per year, according to the office of Tax Analysis of the United States Department of the Treasury.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Committee on Finance and the Senate should approve no tax legislation which reduces taxes for those making over $101,000 per year; and

(2) the savings from limiting any tax reductions in this way should be used to reduce any cuts in projected Medicare spending.

Mr. JEFFORDS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the pending amendment be set aside for the sole purpose of considering the following amendments: An amendment by Senator INHOFE, an amendment by Senator DOLE and myself, an amendment by Senator BINGAMAN, and Senator BOXER.

The PRESIDING OFFICER. Is there objection?

Mr. JEFFORDS. After those are taken care of, we would return to the status quo.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

AMENDMENT NO. 2771

Mr. INHOFE. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. INHOFE] proposes an amendment numbered 2771:

The amendment is as follows:

At the appropriate place insert the following: "None of the funds provided in this Act may be used directly or indirectly for the renovation of the property located at 227 7th Street Southeast (commonly known as Eastern Market), except that funds provided in this Act may be used for the regular maintenance and upkeep of the current structure and grounds located at such property."

Mr. INHOFE. I asked the clerk to go ahead and read it in its entirety so people could understand that this is simply a one-sentence, very simple, straightforward amendment, one that I have had before this body, successfully passed by the other body, on numerous occasions.

We have a very unique institution not far from the Capitol known as the Eastern Market. The Eastern Market has a unique type of a character of its own. And for a number of years, there have been notions trotting around that it should be renovated and contracted out to various people, against the wishes certainly of everyone I have ever talked to. The neighborhood associations want to keep it as it is and the same vendors who have been in there, not for years, but for decades.

So, this would preclude, and it would be clearly the intent—I want the RECORD to reflect this—that no funds directly or indirectly could be used for renovation or for construction or for changing the character of this institution; in other words, not using local funds to be replaced with Federal funds. I think it is something we have dealt with every year.

I will respond to any questions.

Mr. DORGAN. Mr. President, I wonder if the Senator from Oklahoma would yield to me for a question.

Mr. INHOFE. Yes. I would be happy to.

Mr. DORGAN. My understanding is that—I ask if it is correct—the Senator from Oklahoma is attempting to prevent the use of funds to essentially come in and raze the Eastern Market and create a new gasoline station with 26 pumps and 1 person working there, or for that matter a motel or an office complex.

I very much support what the Senator is doing. I supported him when he did it in the House of Representatives. The Eastern Market, for those who have never seen it, is a very unique place. It is a market where individuals come and set up fruit stands and sell fruits and vegetables, and they sell fresh meats over there.

It is a wonderful neighborhood magnet, unique in character. It has been there for many, many years. And I know a lot of people think progress is knocking all those things down and paving it all over and building something bright and shiny. Boy, I will tell you, it would not be progress, in my judgment, to see the Eastern Market destroyed in this town. It is a wonderful, wonderful thing.

I think the Senator's amendment makes a great deal of sense, and I supported him previously on it. I compliment him on it.

Is it the case that the Senator is simply trying to prevent the razing of the Eastern Market in one form or another and trying to preserve it in this town?

Mr. INHOFE. Either razing it or transforming it. It would lose its character that it has had for the last 150 years. That is correct.

Mr. JEFFORDS. I am prepared to accept the amendment for this side.

Mr. KOHL. Mr. President, we are also prepared to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2771) was agreed to.

AMENDMENT NO. 2772

(Purpose: Making a technical correction to the bill)

Mr. JEFFORDS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Vermont [Mr. JEFFORDS] proposes an amendment numbered 2772.

The amendment is as follows:

On page 2 at line 17: Strike "$52,070,000" and insert "$52,000,000."

Mr. JEFFORDS. Mr. President, this is a technical amendment to bring the printed bill into compliance with the committee's recommendations and the tables in the back of the committee report. The amendment eliminates $70,000 that was not part of the committee's recommended amount.

I believe this amendment has the support of the Democratic floor manager.

I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. KOHL. We have no debate on the amendment. We are prepared to accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2772) was agreed to.

AMENDMENT NO. 2773

(Purpose: To make a technical change to the membership provisions of the Commission on Consensus Reform in the District of Columbia Public Schools)

Mr. KOHL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Wisconsin [Mr. KOHL], for himself and Mr. JEFFORDS, proposes an amendment numbered 2773.

Mr. KOHL. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 52, strike lines 13 through 16 and insert the following:

"(A) 1 member to be appointed by the President chosen from a list of 3 proposed members submitted by the Majority Leader of the Senate;

"(B) 1 member to be appointed by the President chosen from a list of 3 proposed members submitted by the Speaker of the House of Representatives;".

Mr. KOHL. Mr. President, this amendment is a technical amendment to remove a possible constitutional challenge to the Commission on Consensus Reform in the D.C. public schools. The amendment provides that the President shall appoint two of the commission members from a list provided by the majority leader of the Senate and the Speaker of the House.

There is a constitutional question whether these congressional leaders could directly appoint members of the commission. This amendment cures that potential problem.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. JEFFORDS. Mr. President, we have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2773) was agreed to.

AMENDMENT NO. 2774

(Purpose: To reduce the energy costs of Federal facilities for which funds are made available under this Act)

Mr. KOHL. Mr. President, I send an amendment to the desk on behalf of Senator BINGAMAN.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Wisconsin [Mr. KOHL], for Mr. BINGAMAN, proposes an amendment numbered 2774.

Mr. KOHL. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . ENERGY SAVINGS AT DISTRICT OF COLUMBIA FACILITIES.

(a) REDUCTION IN FACILITIES ENERGY COSTS.—

(1) IN GENERAL.—The head of each agency of the District of Columbia for which funds are made available under this Act shall—

(A) take all actions necessary to achieve during fiscal year 1996 a 5 percent reduction, from fiscal year 1995 levels, in the energy costs of the facilities used by the agency; or

(B) enter into a sufficient number of energy savings performance contracts with private sector energy service companies under title VIII of the National Energy Conservation Policy Act (42 U.S.C. 8287 et seq.) to achieve during fiscal year 1996 at least a 5 percent reduction, from fiscal year 1995 levels, in the energy use of the facilities used by the agency.

(2) GOAL.—The activities described in paragraph (1) should be a key component of agency programs that will by the year 2000 result

in a 20 percent reduction, from fiscal year 1985 levels, in the energy use of the facilities used by the agency, as required by section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253).

(b) Use of Cost Savings.—An amount equal to the amount of cost savings realized by an agency under subsection (a) shall remain available for obligation through the end of fiscal year 2000, without further authorization or appropriation, as follows:

(1) Conservation measures.—Fifty percent of the amount shall remain available for the implementation of additional energy conservation measures and for water conservation measures at such facilities used by the agency as are designated by the head of the agency.

(2) Other purposes.—Fifty percent of the amount shall remain available for use by the agency for such purposes as are designated by the head of the agency, consistent with applicable law.

(c) Reports.—

(1) By agency heads.—The head of each agency for which funds are made available under this Act shall include in each report of the agency to the Secretary of Energy under section 548(a) of the National Energy Conservation Policy Act (42 U.S.C. 8258(a)) a description of the results of the activities carried out under subsection (a) and recommendations concerning how to further reduce energy costs and energy consumption in the future.

(2) By secretary of energy.—The reports required under paragraph (1) shall be included in the annual reports required to be submitted to Congress by the Secretary of Energy under section 548(b) of the Act (42 U.S.C. 8258(b)).

(3) Contents.—With respect to the period since the date of the preceding report, a report under paragraph (1) or (2) shall—

(A) specify the total energy costs of the facilities used by the agency;

(B) identify the reductions achieved;

(C) specify the actions that resulted in the reductions;

(D) with respect to the procurement procedures of the agency, specify what actions have been taken to—

(i) implement the procurement authorities provided by subsections (a) and (c) of section 546 of the National Energy Conservation Policy Act (42 U.S.C. 8256); and

(ii) incorporate directly, or by reference, the requirements of the regulations issued by the Secretary of Energy under title VIII of the Act (42 U.S.C. 8287 et seq.); and

(E) specify—

(i) the actions taken by the agency to achieve the goal specified in subsection (a)(2);

(ii) the procurement procedures and methods used by the agency under section 546(a)(2) of the Act (42 U.S.C. 8256(a)(2)); and

(iii) the number of energy savings performance contracts entered into by the agency under title VIII of the Act (42 U.S.C. 8257 et seq.).

ENERGY EFFICIENCY

Mr. BINGAMAN. Mr. President, I rise today to commend the two floor managers of the bill, the distinguished Senator from Vermont, Senator Jeffords, and the distinguished Senator from Wisconsin, Senator Kohl, and their staff, for their excellent and efficient management of the Fiscal Year 1996 Appropriations Act for the District of Columbia.

I would like to take a few moments to discuss an amendment I am offering on this appropriations bill. My amendment encourages agencies funded under the bill to become more energy efficient and directs them to reduce facility energy costs by 5 percent. The agencies will report to the Congress at the end of the year on their efforts to conserve energy and will make recommendations for further conservation efforts. I have offered this amendment to every appropriations bill that has come before the Senate this year, and it has been accepted to each one.

I believe this is a commonsense amendment: the Federal Government spends nearly $4 billion annually to heat, cool, and power its 500,000 buildings. The office technology assistance and the alliance to save energy, a nonprofit group which I chair with Senator Jeffords, estimate that Federal agencies could save $1 billion annually if they would make an effort to become more energy efficient and conserve energy.

Mr. President, I hope this amendment will encourage agencies to use new energy savings technologies when making building improvements in insulation, building controls, lighting, heating, and air-conditioning. The Department of Energy has made available for Governmentwide agency use streamlined energy saving performance contracts procedures, modeled after private sector initiatives. Unfortunately, most agencies have made little progress in this area. This amendment is an attempt to get Federal agencies to devote more attention to energy efficiency, with the goal of lowering overall costs and conserving energy.

As I mentioned, Mr. President, this amendment has been accepted to every appropriations bill the Senate has passed this year. I ask that my colleagues support it.

Mr. KOHL. Mr. President, this amendment that I am offering on behalf of Senator Bingaman is intended to reduce the energy costs of the Federal facilities for which funds are made available under this act. This amendment has been attached to nearly all of the other appropriations bills and reemphasizes the energy conservation requirements mandated under the Energy Policy Act of 1992.

I understand that there is no objection on the other side of the aisle.

The PRESIDING OFFICER. Is there further debate?

Mr. JEFFORDS. Mr. President, we have no objection to the amendment. We believe it is a good amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2774) was agreed to.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I ask the managers if they have any further business pending, or may I at this time offer my amendment?

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, the unanimous-consent request that we have allows the Senator to offer her amendment at this time provided that she does not intend to require a vote.

Mrs. BOXER. That is correct.

AMENDMENT NO. 2775

(Purpose: To provide that Members of Congress and the President shall not be paid during Federal Government shutdowns)

Mrs. BOXER. I send an amendment to the desk and ask for its immediate consideration. I send it up on behalf of Mr. Daschle, Mr. Dole, Mr. Bumpers, Mr. Baucus, Mr. Feingold, and Mr. Bryan.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from California [Mrs. Boxer], for herself, Mr. Daschle, Mr. Dole, Mr. Bumpers, Mr. Baucus, Mr. Feingold, and Mr. Bryan, proposes an amendment numbered 2775.

Mrs. BOXER. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . PAY OF MEMBERS OF CONGRESS AND THE PRESIDENT DURING GOVERNMENT SHUTDOWNS.

(a) In General.—Members of Congress and the President shall not receive basic pay for any period in which—

(1) there is more than a 24 hour lapse in appropriations for any Federal agency or department as a result of a failure to enact a regular appropriations bill or continuing resolution; or

(2) the Federal Government is unable to make payments or meet obligations because the public debt limit under section 3101 of title 31, United States Code has been reached.

(b) Retroactive Pay Prohibited.—No pay forfeited in accordance with subsection (a) may be paid retroactively.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator is recognized.

Mrs. BOXER. Mr. President, the amendment I have just sent to the desk would stop the pay for Members of Congress and the President during any period in which the Government fails to meet its obligations because of our failure to enact a budget. President Clinton supports this amendment.

Americans are being warned every day that we may come to a train wreck over the budget. If we fail to enact appropriations bills by the end of the fiscal year or if the debt limit ceiling is reached, the Government will stop paying its bills and its debts. Small business people holding Government contracts, senior citizens with questions about their Medicare coverage, even major financial institutions holding Government securities would be severely impacted by that so-called train wreck.

Certainly there are major differences among Members of Congress and the President over what our national priorities should be. Yes, we have a Democratic President and a Republican Congress. But we were elected to work together, Mr. President. And I believe if we fail to do that, the most basic job we are sent here to do, then we should pay a price.

The way this amendment would work is simple. If any part of the Government shuts down because of a lapse in appropriations for any Federal department or agency, or there is a shutdown because the debt ceiling has been reached, Members of Congress and the President will not get paid.

Mr. President, some here have raised legitimate constitutional questions regarding this amendment. But I think the amendment is constitutional. I think it sends an important message to the people across the country that we understand that we are paid to do our jobs fully.

Today, the House Speaker threatened to take the Nation into default saying, and I quote him, "I do not care what the price is." Mr. President, this is the greatest country on Earth. We must not default on our financial obligations. I truly believe my amendment will help prevent a Government shutdown. I urge my colleagues to support this amendment, and I hope that we will do it right now very quickly without further debate.

The PRESIDING OFFICER. Does the Senator yield the floor?

Mrs. BOXER. I do yield the floor.

The PRESIDING OFFICER. Is there further debate?

Mr. JEFFORDS. This amendment is acceptable to us on this side.

Mr. KOHL. Mr. President, this side also accepts the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2775) was agreed to.

Mrs. BOXER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JEFFORDS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mrs. BOXER. Thank you very much, Mr. President, and I thank my colleagues.

Mr. JEFFORDS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THOMAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. DORGAN. Reserving the right to object.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Reserving the right to object.

The PRESIDING OFFICER. Under the rules, a Senator cannot reserve the right to object in calling off the quorum call.

Mr. DORGAN. I object.

The PRESIDING OFFICER. An objection is heard. The clerk will continue to call the roll.

The assistant legislative clerk continued to call the roll.

Mr. THOMAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there an objection? Without objection, it is so ordered.

Mr. THOMAS. Mr. President, I further ask unanimous consent that I be allowed to speak as in morning business for 5 minutes, and further, that the Senator from North Dakota be allowed 5 minutes as in morning business for debate only.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The Senator has 5 minutes and the Senator from North Dakota has 5 minutes.

Mr. THOMAS. I thank the Chair.

(The remarks of Mr. THOMAS pertaining to the introduction of S. 1268 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER (Mr. MCCAIN). The Senator from North Dakota is recognized for 5 minutes as in morning business.

EXPLANATION OF AMENDMENT NO. 2770

Mr. DORGAN. Mr. President, I want to tell my colleagues who may be watching these proceedings where we are and why we are where we are.

I offered an amendment some while ago, about half hour ago. We intended to offer a second-degree amendment to it to slightly modify it. We intended to get a vote on it. At that point, the Senate was put into a quorum call. Since that time, two noncontroversial amendments have been adopted. Except for this morning business, the Senate has been in a quorum call.

I wanted to use this 5 minutes to explain what this amendment was and why I am offering it and why there is no intent at all to delay the proceedings of the Senate today. I understand we want to finish this appropriations bill. I think we can do that quickly. On my amendment I would agree to a very short time limit. I told the chairman of the committee I would agree to a half hour time limit, if necessary. So we can finish this bill quickly.

My amendment does something very simple. Because the Finance Committee in the Senate next week will deal with Medicare and Medicaid, and because we have proposals on the table for substantial cuts in Medicare, proposals that were included in the budget that call for a very substantial tax cut, my amended is an amended amendment to try to send the sense of the Senate to the Finance Committee about priorities. I suggest if there is a tax cut coming out of the Senate Finance Committee —and I do not think we ought to cut taxes at this point; we ought to keep our eye on the goal of reducing the Federal deficit. Cutting taxes may be popular but, in my judgment, it ought to be discussed after we have managed to balance the Federal budget. My sense-of-the-Senate amendment is that if there is a tax cut that comes out of the Finance Committee, it be limited to those making $100,000 a year or less. And by limiting the tax cut to those making under $100,000 a year, the savings could be used to reduce the cut that is anticipated in Medicare. It is a very simple amendment with respect to priorities.

I know people here will grit their teeth because of this amendment. But the reason there is the requirement to offer it is that the minority will have very little opportunity in the Senate Finance Committee; they are not involved in writing the bill. I am not complaining about that. That is the way the system works. The majority won, they control, they write the legislation.

But we have an opportunity, it seems to me, to try to express ourselves on priorities. The priority here is the juxtaposition between tax cuts and the cut in Medicare. I hope very much that if there is to be a tax cut, it be a tax cut that is focused on those who earn less than $100,000 a year. I was on a television program two mornings ago with a member of the majority party. The member of the majority party said, "Look, our tax cut is a family tax cut. It is going to go to working families, modest-income families." I said, "Then we will give you chance to vote on it. As a matter of priorities, let us decide that is what we are going to do." That is what my amendment does. When we tried to second-degree it, of course, there was an objection to the amendment being considered as read and, therefore, we were not able to offer the second degree, and the Senate was put into a quorum call.

I say to the chair that I have no intention of holding this bill up. But this amendment is not going to go away either. You can second-degree this amendment and do it three or four times, and I will offer it again as a second degree to something else, because I believe we ought to have the right to vote on this. So it is not going to go away. We can dispose of it very quickly. I will agree to a time limit. I have no intention of impeding the working of the Senate this afternoon. I hope very much that you will allow us the opportunity at an early time here to vote on an amendment of this type.

Again, as I said, I think we should finish this bill this afternoon. The timeliness of this amendment is—the Senate Finance Committee begins work on this next week. I have no choice, really, but to offer this at this point. It is not a breach of any agreement or a breach of understanding by anybody. It is not an attempt to stretch out the time. It is about priorities in this country, and these are important priorities which I will speak on at a point in time when the opportunity exists for debate on the amendment itself.

DISTRICT OF COLUMBIA APPROPRIATIONS FOR FISCAL YEAR 1996

The Senate continued with the consideration of the bill.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

AMENDMENT NO. 2770

Mr. JEFFORDS. Mr. President, I understand the desires of the Senator from North Dakota, and this obviously is a very important amendment. However, we are dealing with the appropriations bill for the District of Columbia. It is my intention—after a brief period of time for the leader to debate—to move to table the Senator's amendment.

Mr. President, I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President we have already discussed the amendment. I wonder if we need anymore time. It has been explained two or three times by the Senator from North Dakota. If we can just have 1 minute on this side to explain our side, that would be sufficient. He has had 15 or 20 minutes. I do not see any reason for additional debate. A lot of colleagues on both sides of the aisle had hoped we might be finished with this bill and the other conference report by 12:30.

If the Senator from North Dakota could accommodate that, we will be prepared to table the amendment immediately.

Mr. DORGAN. I say to the majority leader that I have not had 10 or 15 minutes to debate this, but 5 minutes under morning business.

I have no intention of delaying. If the Senator wants to proceed and there will be a tabling motion, I accept that. I appreciate that.

I will ask for a couple more minutes, and if a colleague shows up who wants to speak, I hope we can accommodate a colleague, but I do not intend to string this out.

If your intention is to table this, we can move ahead quickly, but I want a couple of additional minutes to talk about the amendment.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senator from North Dakota be allowed to debate his amendment for an additional 4 minutes, and that the majority leader be given 1 minute, and after that I will move to table the amendment and ask for the yeas and nays on the motion.

Mr. DORGAN. Reserving the right to object, without a second-degree?

Mr. DOLE. No second-degree.

Mr. DORGAN. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from North Dakota is recognized for 4 minutes.

Mr. DORGAN. Mr. President, as I indicated to the majority leader, it is not my intention to delay this piece of legislation. It is my intention to try in whatever way I can before next week's markup begins in the Senate Finance Committee to have the Senate express itself on the issue of priorities.

Now, we will have, I am sure, a raucous debate around here for weeks on the issue of Medicare. I will not revisit that entire debate today.

The issue of Medicare is not unimportant. It is not just politics. It is about priorities. I imagine that those who will stand up on this amendment ultimately will say this is just politics, nothing but pure politics.

That is not what this is. It is about priorities and what is important. I happen to think that the Medicare Program is critically important. The $270 billion proposed to be cut from the baseline of Medicare is the $270 billion that is anticipated to be needed for the increasing cost of health care and for the number of new senior citizens becoming eligible in the 7-year period for the Medicare Program.

We have 200,000 new Americans becoming eligible for Medicare every month. A lot of people hear that and say that cannot be right. It is right. America is graying. Mr. President, 200,000 new people every single month become eligible for Medicare.

It does cost a lot. We ought to make changes. We ought to make sure it is fiscally solvent. We ought not under any condition in my judgment decide that we ought to cut Medicare so that we can accommodate a tax cut for the most affluent in this country.

People say, tax cut for the affluent? We are not proposing a tax cut for the affluent. Fifty percent of the tax cut, the one done in the House, goes to families making over $100,000 a year.

The priority side of this is to say we ought not do that. I am saying limit the tax cut, if there is one, to those with incomes of under $100,000, and to the extent that that limitation saves us some money, then use that money to reduce the needed cut in Medicare.

It is simple priorities. We have a series of charts, and a number of other people wanted to speak. I accept the notion it is not an easy job for the majority leader to run this place. I am not sure I would want that job. I guess I would want the majority title these days, as being in the minority is not easy.

It is one of the reasons we have to, from time to time, find a way on the floor of the Senate to make a point about priorities. We feel obligated to do that. The failure to do that means that we are not doing what the loyal opposition should and must do to represent their interests.

In the spirit of cooperation, I have no intention of holding up this bill. I appreciate the willingness of the majority leader to give us an opportunity to vote on this motion without a second degree.

I yield the floor.

Mr. DOLE. I thank the Senator from North Dakota. I do not have a quarrel with the Senator offering an amendment. That is how it works around here. I am certain we have done the same when we wanted to make a point when we were in the minority.

We have a provision in the budget that about 90 percent of any tax benefit would go to people making less than $100,000—in that range. I cannot remember the precise wording. So it seemed to me we pretty much are in compliance with what the Senator may suggest.

Having said that, we also have a real problem with Medicare. We are trying to address that problem. We have been working, members of the Finance Committee and others. Three of the President's Cabinet members who are trustees of the Medicare trust fund agree that it will go broke by the year 2002 if we do not fix it.

We are trying to preserve, strengthen, and protect Medicare. We believe we can do it without any serious impact on any beneficiary or any of the providers in the program.

We believe we have a good program. We have just left a press conference where the chairman of the Finance Committee, Senator ROTH, and others outlined precisely what the Republican Senate plan did with Medicare. We have not yet come to the tax cut portion.

That tax cut will go to families with children. They do not make over $100,000. Many in my State are making $20,000, $25,000, or $30,000. They will get the benefit.

For all the reasons I can think of—it does not belong to this bill, it is subject to a point of order, 60 votes if the tabling motion fails—I am pleased that the chairman of the committee will now move to table the amendment.

Mr. JEFFORDS. Mr. President, I move to table the Dorgan amendment No. 2770, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Texas [Mr. GRAMM], and the Senator from Pennsylvania [Mr. SANTORUM] are necessarily absent.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is necessarily absent.

The PRESIDING OFFICER (Mr. COVERDELL). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 54, nays 43, as follows:

[Rollcall Vote No. 460 Leg.]

YEAS—54

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Faircloth
Frist
Gorton
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hutchison
Inhofe
Jeffords
Kassebaum
Kempthorne
Kyl
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Moynihan
Murkowski
Nickles
Packwood
Pressler
Roth
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—43

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Mikulski
Moseley-Braun
Murray
Nunn
Pell
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone

NOT VOTING—3

Gramm
Pryor
Santorum

So the motion to lay on the table the amendment (No. 2770) was agreed to.

Mr. JEFFORDS. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2769

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the yeas and nays be vitiated on amendment No. 2769.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. JEFFORDS. Mr. President, I urge adoption of amendment No. 2769.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 2769) was agreed to.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that, immediately following the vote on the legislative branch appropriations conference report, there be 4 minutes of debate equally divided in the usual form, to be followed by a vote on the Byrd amendment No. 2768, as amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1996—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question, the yeas and nays have been ordered, and the clerk will call the role.

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from Texas [Mr. GRAMM] is necessarily absent.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is necessarily absent.

The PRESIDING OFFICER (Mr. GRAMS). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 94, nays 4, as follows:

[Rollcall Vote No. 461 Leg.]

YEAS—94

Abraham
Akaka
Ashcroft
Bennett
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Dole
Domenici
Dorgan
Exon
Faircloth
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Grams
Grassley
Gregg
Harkin
Hatch
Hatfield
Helms
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Nunn
Packwood
Pell
Pressler
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Simon
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone

NAYS—4

Baucus
Brown
Heflin
Hollings

NOT VOTING—2

Gramm
Pryor

So, the conference report was agreed to.

Mr. EXON. I move to reconsider the vote.

Mr. COVERDELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DISTRICT OF COLUMBIA APPROPRIATIONS FOR FISCAL YEAR 1996

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2768, AS AMENDED

The PRESIDING OFFICER. The Senator from West Virginia has 2 minutes.

Mr. BYRD. Mr. President, my amendment, as amended, specifies that any student suspended from classes at a DC public school must serve the suspension by performing community service for the period of suspension under regulations promulgated by the mayor.

It would require the Commission on Consensus Reform in the DC Public Schools to develop and implement a uniform dress code for the public schools.

It would become effective at the beginning of the 1996-1997 school year.

It would add the Chief of the National Guard Bureau as an ex officio member to the Commission on Consensus Reform in the DC Public Schools to facilitate the establishment of programs to assist at-risk youth.

It would require a report to Congress within 60 days at the end of the 1997-1998 school year on the improvements and discipline resulting from dress code policy and community service requirements.

It would limit the provisions to a 2-year pilot program which would expire at the end of the 1997-1998 school year.

Mr. President, this might help to point the way to other school districts throughout the country and enable them, on the basis of the results, to initiate such programs within their own districts.

I hope that the Members of the Senate will support the amendment.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I rise to speak in support of the amendment. It is an effort to try to end some of the problems we have with young people who get in trouble in school and need some guidance and support. It helps, I think, to maintain discipline. I think it is worth a demonstration project, as the amendment provides, to see if in the city we can demonstrate alternatives to kids just being put out of school for disciplinary reasons and then just walking the streets and getting into trouble.

So I think it is a good amendment.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

Mr. JEFFORDS. I see no other speakers, so I yield back the remainder of my time.

The PRESIDING OFFICER. The question occurs on agreeing to amendment No. 2678, as amended. The yeas and nays have been ordered. The clerk will call the roll.

Mr. JEFFORDS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I know Members are anxious to leave, and I know there will not be a vote on final passage. This will be the last vote of the day. There will be voice votes but no more rollcall votes.

On Monday, there will be no rollcall votes, but we do expect to take up VA-HUD. The managers will be here at 3 p.m. Senator BUMPERS will be here, I think, about 4 o'clock to offer an amendment on the space station, to add money to the space program. But probably not.

[Laughter.]

We will be in space here at 4 o'clock.

What we would like to do is accommodate everybody. We know it is a holiday for some. There will not be any votes until, let us say, after the policy luncheon on Tuesday, but we want to get some work done. Still, we will be down to three appropriations bills. If we can do those next week, we are out of here for 8 days. That ought to be an incentive for less talk, fewer amendments. If we can do it on each side, we can finish by late Thursday or Friday.

So I just hope, in accommodating everybody who wants to be accommodated, that they will accommodate us. So there are no further votes today, no votes on Monday, and any votes that are ordered will occur on Tuesday after the policy luncheons.

VOTE ON AMENDMENT NO. 2768, AS AMENDED

The PRESIDING OFFICER. The question occurs on agreeing to amendment No. 2768, as amended. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Texas [Mr. GRAMM] is necessarily absent.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 88, nays 10, as follows:

[Rollcall Vote No. 462 Leg.]

YEAS—88

Abraham
Akaka
Ashcroft
Baucus
Bennett
Biden
Bond
Boxer
Bradley
Brown
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Dole
Domenici
Dorgan
Exon
Faircloth
Feinstein
Ford
Frist
Gorton
Grams
Grassley
Gregg
Harkin
Hatch
Hatfield
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kyl
Lautenberg
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Reid
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Simon
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone

NAYS—10

Bingaman
Breaux
Feingold
Glenn
Graham
Heflin
Kohl
Leahy
Murray
Robb

NOT VOTING—2

Gramm
Pryor

So the amendment (No. 2768), as amended, was agreed to.

Mr. JEFFORDS. I move to reconsider the vote.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I rise in support of S. 1244, the fiscal year 1966 District of Columbia appropriations bill, as reported by the Senate Appropriations Committee.

The pending bill provides Federal payments to the District of Columbia totaling $712 million. The Senate bill provides $660 million for the Federal payment and $52 million as the Federal contribution to certain retirement funds.

The Senate bill is funded at the President's requested level.

It is at the subcommittee's 602(B) allocation for both BA and outlays.

I hope the Congress will work with the District of Columbia as it addresses its serious financial situation.

I urge my colleagues to support the bill.

Mr. President, I ask unanimous consent that a table displaying the Budget Committee scoring of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

D.C. SUBCOMMITTEE—SPENDING TOTALS—SENATE-REPORTED BILL

[Fiscal Year 1996, in millions of dollars]

Category	Budget authority	Outlays
Non-Defense discretionary:		
Outlays from prior-year BA and other actions completed	....	....
S. 1244, as reported to the Senate	712	712
Scorekeeping adjustment	....	....
Adjusted bill total	712	712
Senate subcommittee 602(b) allocation: Non-Defense discretionary	712	712
Adjusted bill total compared to Senate subcommittee 602(b) allocation: Non-Defense discretionary	0	0

Note.—Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

Mr. MCCAIN. Mr. President, I noted with interest a provision of the D.C. appropriations bill which earmarks money for police details in Georgetown, Adams Morgan, Capitol Hill, and East of the River. Georgetown is to receive the highest amount—$250,000.

Every day the Washington Post and the Washington Times remind us that the District of Columbia is wracked by crime. The citizens of this city, in every quarter, deserve the best possible police protection.

I hope my colleagues would agree, police resources should be allocated to the areas of highest and most serious crime. Those decisions, I would submit, are best made by police authorities, not Congress.

I know that Georgetown has a serious crime problem, but I'm not sure that the areas targeted for earmarks are the areas with the highest need. I'm troubled that Congress seems to be taking it upon themselves to make that determination and micromanage the allocation of law enforcement resources. I hope that the conferees will examine this issue and assess whether such earmarks are necessary or fair to all the residents of the District of Columbia and visitors to our Capital City.

The PRESIDING OFFICER. If there are no further amendments to the bill, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (S. 1244), as amended, passed, as follows:

[The text of the bill will appear in a future edition of the RECORD.]

Mr. JEFFORDS. I move to reconsider the vote.

Mr. KOHL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that when the Senate completes action on S. 1244 that it be held at the desk, and that when the Senate receives the House bill making appropriations for the District of Columbia for the fiscal year 1996, that all after the enacting clause be stricken and the text of S. 1244 as passed by the Senate be inserted in lieu thereof; I further ask consent that the House bill as thus amended be immediately passed without any further debate, amendment, motion, or action of any kind, and the motion to reconsider the vote by which the bill is passed be laid upon the table; I further ask consent that the Senate insist on its amendment and request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint the managers on that on the part of the Senate; finally, I ask unanimous consent that S. 1244 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. JEFFORDS. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak therein for up to 10 minutes each, not to extend beyond the hour of 2:20 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, as of the close of business yesterday, September 21, the Federal debt stood at $4,948,376,970,884.70. On a per capita basis, every man, woman, and child in America owes $18,784.12 as his or her share of that debt.

FOREIGN OPERATIONS APPROPRIATIONS—AMENDMENT NO. 2748

Mr. LEAHY. Mr. President, on September 20, I voted against an amendment offered by Senator BROWN to cap economic assistance to Turkey, because I believe the United States should strongly support economic development in that country.

Turkey is a NATO member and a close ally of the United States. Turkey has been instrumental in enabling the humanitarian program in Northern Iraq to proceed. Turkey is also struggling to become more closely tied to the European economic community, and to reform its constitution to strengthen democracy. I believe we should support that.

I also believe, however, that we have a responsibility to speak out about the mistreatment of the Kurdish minority in Turkey, which is primarily located in several southeastern provinces.

The undeniable fact is that the Kurds are second-class citizens in Turkey, where they are discriminated against in law and practice. In the southeast, where the PKK are waging a terrorist campaign against the Turkish Government, virtually any Kurd is branded with the "terrorist" label and considered by the Turkish military to be the enemy.

Thousands of Kurds, including innocent civilians, have been caught up in this struggle, and there are persistent reports of the excessive use of force by Turkish soldiers. There is also no denying that the PKK has used abominable tactics, resulting in many innocent deaths.

But according to a report requested by the Appropriations Committee last year and released by the State Department several months ago, and other reports by Turkish and international human rights organizations, United States military equipment, particularly fighter aircraft and helicopters, have been routinely used to strafe and destroy Kurdish villages.

The villages are targets because the Turkish Army regards them as havens for the PKK, which in some instances they may be. But the attacks have been indiscriminate, resulting in many civilian casualties. There has been a pattern of human rights violations against the Kurdish people, who have been dehumanized by Turkish society.

It recently came to my attention that the Turkish Government does not permit the International Committee of the Red Cross into Turkey. Frankly, it is inconceivable to me that a democracy, an important member of NATO, and a country that seeks closer ties to Europe, would deny the ICRC access when there is clearly a need for it. Any armed conflict involves abuses of human rights against civilians, and in Turkey the evidence of such abuses by both sides is overwhelming. In addition, the State Department has reported on the mistreatment and torture of prisoners in Turkish jails for many years.

The ICRC operates confidentially. It does not seek to embarrass governments. It does not discuss its findings with the press, or with the Congress, or anyone else. Its goal is to monitor human rights and provide objective advice to whoever is deemed to be violating them on how to improve respect for human rights.

I am told by administration officials that they have raised this issue with Turkish officials in the past, to no avail. That is discouraging, and it is for that reason that my amendment calls on the President of the United States to raise this himself with the Turkish Prime Minister. I believe this issue is that important. I also believe that Turkey's willingness to do this would be an important sign of its commitment to improve human rights.

It is for this reason that yesterday I offered an amendment, which was adopted, which aims to encourage the Turkish Government to permit unimpeded access to the ICRC, especially in the southeast where its presence is so urgently needed. I think this is the least that a civilized, democratic country should do.

I hope the administration understands the importance of this amendment, and will give it the urgency and serious attention that it deserves.

I also joined Senator PELL in an amendment, which was also adopted, which provides $5 million for nongovernmental organizations to carry out humanitarian and other activities on behalf of Kurds in southeastern Turkey. I think this is very important. It is consistent with United States policy of promoting economic development, cultural and ethnic tolerance, and human rights, and it makes clear that we want to see a portion of our assistance to Turkey used to directly further these goals. I trust the administration will make every effort to encourage the Turkish Government to permit the use of these funds as intended.

A TRIBUTE TO DOUGLASS CATER

Mr. MOYNIHAN. Mr. President, I rise today to mourn the death of a great friend and great American, S. Douglass Cater, Jr.

A native of Montgomery, AL, Douglass Cater traveled north to school at Exeter and Harvard, interrupting his education to serve as a Russian specialist in the Office of Strategic Services in World War II. After the war ended, he remained in Washington, writing eminent prose on Washington and national affairs for The Reporter. His articles, along with his first-rate books "The Fourth Branch of Government" and "Power in Washington" brought him to the attention of Lyndon Johnson. In 1964, he joined the Johnson White House as the President's education specialist, assisting in the development of programs that established Federal aid to education as the national policy. He also oversaw much of the work that went in to the creation of the Public Broadcasting System.

Always a dedicated educator, Douglass Cater became the President of Washington College after stints at the Aspen Institute and The Observer, the great English newspaper. As president of Washington College, Douglass moved to a new plateau above that of Chester Dana, the title character of his masterful 1970 fiction book, "Dana: The Irrelevant Man." I reviewed that book back when it was first published and wrote the foreword to an upcoming edition. That brilliant novel remains as true today as ever, even though the climate and culture of this city and government have drastically changed.

Douglass Cater gave new meaning to the terms "gentleman" and "scholar." He brought a thoughtfulness and intelligence to all his work, and continually preached the value of civilized discourse over political bickering. His faith in reason was much appreciated by all those who came to know him.

Douglass Cater was, in the words of Edwin Yoder, "one of the best of a fine generation." And so we will remember him, even as we offer our condolences to his beloved wife Libby, and all his children and grandchildren.

Mr. President, I ask unanimous consent that the full text of the articles from the New York Times and the Washington Post be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 16, 1995]

Douglass Cater Is Dead at 72; Educator and Presidential Aide

(By Robert McG. Thomas, Jr.)

Douglass Cater, a soft-spoken student and practitioner of government power who began his working life as a journalist and ended it as a college president—after a heady detour through Lyndon B. Johnson's White House—died yesterday at the guest house at Washington College in Chestertown, Md.

He was 72 and had lived in Montgomery, Ala., since his retirement as the president of the college in 1990.

His wife, Libby, said that her husband, who was stricken during a visit to the college six weeks ago, died of pulmonary fibrosis.

By the time he went to the White House in 1964 at age 40, Mr. Cater was already an old Washington hand. An original editor of The Reporter magazine, he had spent 14 years covering Washington and national affairs, with occasional time off to write books or serve as a Government consultant.

Indeed, he began his stint as a special assistant to President Johnson two months after the publication of his third book, "Power in Washington."

It was a measure of Mr. Cater's evenhandedness that five years before his journalist's examination of Government power, he had given his own profession the same treatment in "The Fourth Branch of Government."

Mr. Cater, who had written admiringly of Johnson's use of power as Senate majority leader, had been asked to join his Vice Presidential staff in 1963, but had demurred.

At the time, Mr. Cater was on a leave from his magazine working as associate director of the Center of Advanced Studies at Wesleyan University in Connecticut and wanted to finish his book.

The second call—this time from the White House—"got his attention," Mrs. Cater recalled yesterday.

Mr. Cater, who was given a vague mandate to "think ahead" and had been told by other Presidential assistants that they "made it up" as they went along, took a while to find his niche.

The breakthrough, his wife said, came when he noticed that Johnson's face lit up whenever he read a memorandum on education. Taking the Presidential visage as his guide, Mr. Cater became the resident education specialist, with far-reaching results, among them the first legislation establishing Federal aid to education as a national norm.

"It was one of his proudest achievements," his wife said, recalling that another was the spadework her husband did in creating the Public Broadcasting System.

Mr. Cater, who left the White House in 1968 to join Vice President Hubert H. Humphrey's Presidential campaign staff, later worked as an executive of The Observer and joined the Aspen Institute, which became his base as a freelance writer and political gadfly before taking the Washington College post in 1982.

A native of Montgomery, Mr. Cater, whose full name was Silas Douglass Cater Jr., came by his interest in government naturally. His father, Silas Cater, was a politically attuned lawyer who served in the Alabama Legislature and later became Montgomery City Clerk.

After attending Exeter, Mr. Cater went on to Harvard, interrupting his education during World War II to serve as a Russian specialist with the Office of Strategic Services in Washington, an experience he found so dull, his wife said, that he vowed never again to work as a specialist but to operate as a generalist.

By most accounts he did that brilliantly, earning a reputation as a civilizing influence who brought thoughtfulness to both his extensive writings and his other work.

Resorting to reason when others might rail, Mr. Cater was forever preaching the value of civilized discourse.

In 1984, for example, he persuaded two former Presidents and six former Secretaries of State to endorse a bipartisan statement urging Presidential candidates to moderate their comments on foreign affairs.

Mr. Cater, who wrote widely, including a number of Op-Ed articles for The New York Times, had less success a campaign to persuade the news media, particularly television, to moderate their voices in reporting on Government.

Although his published works on Government were widely praised, perhaps his greatest achievement as a writer was his lone and daring venture into fiction, his 1970 novel "Dana: The Irrelevant Man."

There have been many excellent factual accounts of Washington, of course, but in his review in The Times, Christopher Lehmann-Haupt suggested that Mr. Cater had pulled off something of a miracle in a well-abused genre, proving "That wise reporters can write fiction after all."

In addition to his wife, Mr. Cater is survived by two sons, Silas 3d, of San Rafael, Calif., and Ben, of Baltimore; two daughters, Sage, of Montgomery and Morrow Scheer, of San Rafael; a brother, William, of Millburn, N.J., and four grandchildren.

[From the Washington Post, September 16, 1995]

S. Douglass Cater Dies at 72; LBJ Aide, Writer, Educator

(By Bart Barnes)

S. Douglass Cater, 72, a top aide to President Lyndon B. Johnson, a Washington journalist and author and the former president of Washington College in Chestertown, Md., died Sept. 15 at his quarters on the college campus. He had pulmonary fibrosis.

Mr. Cater served as special assistant to Johnson from 1964 to 1968. In that period, he was a principal draftsman for much of the Great Society legislation, including programs on education, health and medical care, labor and welfare. He also wrote speeches for Johnson and was instrumental in the formation of the Public Broadcasting Corp. and the Teacher Corps.

As a journalist, he was Washington editor and national affairs editor for the Reporter magazine in the 1950s and early 1960s, then in the late 1979s was vice chairman of The Observer in London. He wrote occasional political commentary on the op-ed pages of The Washington Post.

From 1982 until 1990, Mr. Cater was president of Washington College, a small liberal arts institution on Maryland's Eastern Shore. He was said by friends to have had a deep and abiding belief in the value of education, and a conviction that an educated citizenry could be sensible and responsible in matters of public policy. He also was a senior fellow, funding member and trustee of the Aspen Institute for Humanistic Studies.

He was the author of "Power in Washington," a 1964 book that he described as an attempt "to define what was happening to the political process as America moved toward its bicentennial." In a 1958 book, "The Fourth Branch of Government," Mr. Cater criticized the media, observing that the presence of television cameras at White House press conferences "make unpaid actors of the entire Washington press corps."

He also wrote a political novel, "Dana, the Irrelevant Man," which was published in 1970.

After stepping down as president of Washington College, Mr. Cater returned to his native Montgomery, Ala. He died while on a visit back to the college.

During World War II, Mr. Cater served in the Office of Strategic Services. He graduated from Harvard University and came to Washington in 1950 as Washington editor for the Reporter.

Not until he retired from Washington College did Mr. Cater return to live in the South, but he retained his Southern identity all his life and sometimes came across as the epitome of the cultivated Southerner.

He was inventive—with a seemingly endless stream of ideas—humorous, warm and sometimes crotchety.

"He had an acute sense of history, a gift for clear prose and excellent contacts in the universities, medical schools, foundations and education associations. He helped to draw up and put through most of Johnson's programs for aid to education and better medical care," said Harry C. McPherson Jr., who also served in the Johnson White House, in his book, "A Political Education."

For 13 years, Mr. Cater was Washington editor of the Reporter. He then served two years as national affairs editor before joining the Johnson White House in the spring of 1964. On Election Day 1964, Mr. Cater wrote a one-page memorandum to the president suggesting that Johnson seize the opportunity in what was beginning to look like a major electoral victory to become the "education president." Among the measures stemming from this suggestion were the Elementary and Secondary Education Act, the Higher Education Act and the International Education Act.

Mr. Cater left the Johnson administration in October 1968 to work as a domestic adviser on the unsuccessful presidential campaign of Vice President Hubert H. Humphrey.

Later, he did writing and consulting and in 1970 became a founding fellow of the Aspen Institute for Humanistic Studies. He was a principal planner in designing the Institute's Center for Governance at Wye Plantation on the Eastern Shore.

In the late 1970s, he became vice chairman of the Observer, England's oldest weekly newspaper.

He took the job as president of Washington College in 1982, he said, "because I wanted to do something to make my own mark. In the White House, one could feel many heady things, but you were just part of a process. It didn't really matter if it was you or someone else. Although I was a high level staff man, I had never been in a job where the buck stopped with me."

During his years at the college, Mr. Cater raised more than $43 million to revitalize the academic program and add major new facilities. He also became a national champion of independent liberal arts colleges, waging a running verbal battle on the op ed pages of The Post and the New York Times with then-Education Secretary William J. Bennett, who had accused private colleges of being too greedy.

Mr. Cater's books also included "Ethics in a Business Society" (1953); "Politics of Health" (1972); and "TV Violence and the Child" (1975).

Survivors include his wife, Libby Anderson Cater of Montgomery; four children, S. Douglas Cater III and Libby Morrow Cater

Sheer, both of San Francisco, Rebecca Sage Cater of Montgomery, and Benjamin Winston Cater of Baltimore; a brother, William B. Cater of Milburn, N.J.; and four grandchildren.

[From the Washington Post, Sept. 20, 1995]

DOUGLASS CATER'S RULES OF JOURNALISM

(By Edwin M. Yoder, Jr.)

Even perceptive newspaper obituaries rarely capture the flavor of a man. The notices of Douglass Cater's death at 72 conveyed only a hint of what made him an original.

I knew of Cater, and had read a good bit of his writing (mainly in the old Reporter magazine), long before our paths crossed in the mid-1980s. By then, he was assailed by excruciating physical debilities, including chronic back pain that he managed by a curious regimen of flexing exercises, rhythmically twisting his torso in a way vaguely suggestive of an exotic dance. But far from complaining, he observed his frailties as a journalist and wrote about them—interestingly.

Meeting him one could see how he had by then accumulated a larger stock of interesting firsthand institutional memory than just about anyone you ever met, beginning with World War II service in the legendary Office of Strategic Services. That was just the beginning. When communists took control of the world student movement, he and others organized the U.S. National Student Association. Later, he was a Washington magazine correspondent and editor, a White House aide to Lyndon Johnson, the editor of a venerable English newspaper (the Observer of London, which with the help of Robert Anderson's philanthropy, he rescued from the brink of oblivion), a writer, philosopher of higher education, godfather to public broadcasting and president of an old liberal arts college on Maryland's eastern shore (Washington, in Chestertown), which he also helped rescue and was visiting when he died.

Cater's old friends knew him as a man of dramatic loyalties, reinforced by a sharp tongue.

After we had seen Cater take someone's hide off at a forum one summer night, an old friend told me a story. It happened when Cater was working for Lyndon Johnson in the White House, at the height of the national quarrel over Vietnam.

His friend had flown to Washington on business and planned to stay with the Caters. Cater picked him up at National Airport. As they drove south on the GW Parkway, Cater asked, in his Alabama drawl: "John, are you one of those goddam academics who're always carping at the president about the war?" His friend admitted that he was. "I'm sorry," Cater announced, "but we will have to stop speaking." Cater withdrew to this study, skipping dinner, and it was years before friendly relations were restored. He took his loyalties seriously.

Douglass Cater's monument, however, apart from many inventive good works, is a small book he wrote in the late 1950s called "The Fourth Branch of Government," one of those seminal books that say all that needs saying about a subject. Cater wrote the book when many journalists were uncomfortably reviewing the press's dubious performance in the rise and fall of the 20th century's most disruptive American demagogue, Sen. Joe McCarthy of Wisconsin.

McCarthy's dark ascendancy was in part an expression of the anxiety generated by the Cold War. Cater's analysis focused, however, on one of its proximate sustaining causes: the cult of reportorial "objectivity." By the rules of objectivity, if an official of note made a sensational charge, even one that seemed patently bizarre, the press's duty was to report it straight, put it out unspun for public consumption. If it proved to be a lie, it would presumably be answered; and the answer would be duly reported.

Cater demonstrated that this rosy theory took inadequate account of McCarthy's unscrupulousness, or of the speed with which a resounding lie tends to outrun humdrum truth. Whether as an original perception or as the articulation of a consensus, Cater's book helped kill the cult of journalistic "objectivity"; and it was good riddance. If, today, a U.S. senator asserts that the sky was blue on Labor Day, a diligent reporter will check the back weather reports. And if it was actually gray, you can bet that fact will be reported early in the story, under the convention that Stephen Hess of the Brookings Institution calls "corrective journalism." And even the excesses of corrective journalism are a vast improvement over the abuses of the rules of "objectivity."

In short, it was Douglass Cater, more than anyone else, who changed the rules of American journalism, and very much for the better. And that was only one of perhaps a dozen distinctions that made him one of the best of a fine generation.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Foreign Relations.

(The nominations received today are printed at the end of the Senate proceedings.)

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–1461. A communication from the Secretary of Labor, transmitting, pursuant to law, the report on the expenditure and need for worker adjustment assistance training funds for the period July 1 to September 30, 1995; to the Committee on Finance.

EC–1462. A communication from the Assistant Secretary of State for Legislative Affairs, transmitting, pursuant to law, notice of the intention of the President to provide economic support funds to El Salvador; to the Committee on Foreign Relations.

EC–1463. A communication from the Senior Deputy Assistant Administrator (Bureau for Legislative and Public Affairs), U.S. Agency for International Development, transmitting, pursuant to law, the Turkey Economic Report for calendar year 1994; the Committee on Foreign Relations.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–301. A resolution adopted by the Council of the City of North Wildwood, New Jersey relative to the Flood Rate Map; to the Committee on Banking, Housing, and Urban Affairs.

POM–302. A joint resolution adopted by the Legislature of the State of California; to the Committee on Banking, Housing, and Urban Affairs.

"SENATE JOINT RESOLUTION NO. 12

"Whereas, section 8 housing assistance is made available from the United States Department of Housing and Urban Development (HUD) through California local government housing agencies to assist in rental payments for persons of lower income; and

"Whereas, section 8 housing assistance has heretofore been made available to assist lower income families and individuals, including senior citizens and the disabled, in helping them pay part of manufactured home and mobilehome park space rent; and

"Whereas, HUD has proposed rule changes to the Section 8 housing assistance payments program for fiscal year 1995 for manufactured home spaces to be established at 30 percent of the applicable Section 8 Rental Certificate program two-bedroom fair market rent; and

"Whereas, the proposed HUD rule changes would establish a formula that would permit space rent in many counties to be not more than $207 in order for lower income persons to be eligible for the Section 8 assistance; and

"Whereas, in San Diego County alone, the current average mobilehome space rent of mobilehome applicants awaiting Section 8 assistance is more than $325; and

"Whereas, under the proposed rule changes many lower income senior citizens, families, and disabled persons living in mobilehome parks in a number of California counties will no longer qualify for assistance: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly*, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to support modification of the proposed rule changes to the proposed Section 8 formula relating to manufactured home and mobilehome space rent, or to enact urgency legislation to clarify that persons receiving Section 8 assistance for manufactured home and mobilehome space rent be treated no differently under the HUD rules than recipients of Section 8 assistance living in other types of rental housing, or to at least provide a more realistic formula in recognition of higher manufactured housing space rents in more populous California counties; and be it further

"*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States, and to the Secretary of Housing and Urban Development."

POM–303. A joint resolution adopted by the Legislature of the State of California; to the Committee on Banking, Housing, and Urban Affairs.

"ASSEMBLY JOINT RESOLUTION NO. 7

"Whereas, manufactured homes constructed pursuant to the National Manufactured Housing Construction and Safety Standards Act provide an important source of nonsubsidized affordable housing to Californians; and

"Whereas, the State of California is a national leader in efforts to encourage and expand the use of manufactured housing by eliminating unnecessary regulatory barriers and by developing and encouraging innovative land use and financing policies; and

"Whereas, the State of California has deemed manufactured homes a permitted use in all residential zoning districts, subject to the same development standards applicable to other dwellings in that zoning district; and

"Whereas, construction and safety standards for manufactured homes are established in federal law and regulation and all such standards preempt local and state codes; and

"Whereas, the federal Manufactured Home Construction and Safety Standards have been determined by the State of California to meet or exceed performance standards established for other dwellings; and

"Whereas, Federal law requires every federally certified manufactured home to be constructed on a chassis which must remain a permanent feature of the home's substructure; and

"Whereas, the chassis is not necessary for the home's structural integrity if the home is sited on a permanent foundation and the home's floor system is designed to accommodate appropriate design loads; and

"Whereas, this mandatory feature represents an unnecessary regulatory barrier to greater design flexibility for manufactured homes; and

"Whereas, this regulatory barrier prevents innovative uses of manufactured homes to meet the demand for affordable housing in California; and

"Whereas, this regulatory barrier prevents manufactured home producers from developing a recycling program for chassis systems which could save consumers between $1,000 and $2,000 per home; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly*, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to amend the definition of "manufactured home" in federal law to allow such homes to be designed to accommodate a removable chassis, so long as the home is intended to be permanently sited on a foundation and so long as the floor system is designed to accommodate appropriate design loads; and be it further

"*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to each member of the House Committee on Banking, Housing, and Financial Services, the Senate Committee on Banking and Urban Affairs, and the House and Senate appropriations subcommittees on HUD/VA and independent agencies."

POM-304. A resolution adopted by the Senate of the Legislature of the Commonwealth of Massachusetts; to the Committee on Banking, Housing, and Urban Affairs.

SENATE RESOLUTION

"Whereas, the Commonwealth of Massachusetts has produced the paper from which United States currency, including the one dollar bill, is made from over one hundred years and takes great pride in this product; and

"Whereas, the elimination of the one dollar bill would have a severe negative impact on the local economies of the western region of the Commonwealth, including job cutbacks and the state's economy in general; and

"Whereas, the economies of the western region have suffered greatly in past years due to manufacturing job reductions and attendant economic impacts; and

"Whereas, the benefits, so-called, claimed by proponents of the dollar coin are highly suspect and would come at the overall expense of the people of the Commonwealth; and

"Whereas, the paper for which currency is made is produced from renewable resources and recycled industrial products, while the metals to produce coins are obtained from environmentally damaging hardrock mining; and

"Whereas, the prices of coin operated machines will likely rise with the replacement of the dollar bill with a dollar coin, thereby negatively impacting those least able to afford such price increases; and

"Whereas, the overwhelming majority of Americans have consistently opposed replacing the dollar bill with the dollar coin; Now therefore be it

"*Resolved*, That the Commonwealth of Massachusetts is opposed to the replacement of the one dollar bill by a one dollar coin as contrary to its economic, historical, social and environmental interest and traditions; and be it further

"*Resolved*, That a copy of these resolutions be transmitted forthwith by the clerk of the Senate to the Members of the Congress from the Commonwealth."

REPORTS OF COMMITTEE

The following reports of committee were submitted:

By Mr. HATFIELD, from the Committee on Appropriations:

Special Report entitled "Revised Allocation to Subcommittees of Budget Totals from the Concurrent Resolution for Fiscal Year 1996" (Rept. No. 104–146).

By Mr. STEVENS (for Mr. ROTH), from the Committee on Governmental Affairs, without amendment:

S. 1267. An original bill to amend the Congressional Award Act to revise and extend authorities for the Congressional Award Board (Rept. No. 104–147).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MACK (for himself, Mr. DOLE, Mr. LOTT, Mr. D'AMATO, Mr. KYL, Mr. SHELBY, Mr. BENNETT, Mr. GRAMM, Mr. NICKLES, Mr. ROTH, Mr. FRIST, Mr. CRAIG, Mr. SANTORUM, Mr. BOND, Mr. FAIRCLOTH, and Mr. COCHRAN):

S. 1266. A bill to require the Board of Governors of the Federal Reserve System to focus on price stability in establishing monetary policy to ensure the stable, long-term purchasing power of the currency, to repeal the Full Employment and Balanced Growth Act of 1978, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. STEVENS (for Mr. ROTH):

S. 1267. An original bill to amend the Congressional Award Act to revise and extend authorities for the Congressional Award Board; from the Committee on Governmental Affairs; placed on the calendar.

By Mr. THOMAS (for himself, Mr. GRASSLEY, Mr. JEFFORDS, Mr. FRIST, Mr. SIMPSON, and Mr. BURNS):

S. 1268. A bill to provide assistance for the establishment of community rural health networks in chronically underserved areas, to provide incentives for providers of health care services to furnish services in such areas, and for other purposes; to the Committee on Finance.

By Mr. ROBB:

S. 1269. A bill to amend the Intermodal Surface Transportation Efficiency Act of 1991 to provide for the establishment of Internet, dial-in network, and telephone access to information on traffic conditions as part of the intelligent vehicle-highway systems program, and for other purposes; to the Committee on Environment and Public Works.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MACK (for himself, Mr. DOLE, Mr. LOTT, Mr. D'AMATO, Mr. KYL, Mr. SHELBY, Mr. BENNETT, Mr. GRAMM, Mr. NICKLES, Mr. ROTH, Mr. FRIST, Mr. CRAIG, Mr. SANTORUM, Mr. BOND, Mr. FAIRCLOTH, and Mr. COCHRAN):

S. 1266. A bill to require the Board of Governors of the Federal Reserve System to focus on price stability in establishing monetary policy to ensure the stable, long-term purchasing power of the currency, to repeal the Full Employment and Balanced Growth Act of 1978, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE ECONOMIC GROWTH AND PRICE STABILITY ACT OF 1995

• Mr. MACK. Mr. President, today I am introducing the Economic Growth and Price Stability Act of 1995. This legislation aims to accomplish two major goals. First, it focuses the Federal Reserve on achieving price stability. Second, it repeals the Full Employment and Balanced Growth Act of 1978—the Humphrey-Hawkins Act—which codified the Keynesian principles that advocate government fine-tuning of the economy.

Based on the fundamentally flawed premise that government can manage the economy, the Humphrey-Hawkins Act set targets for the economy to reach an unemployment rate of 3 percent for individuals over 20 and 4 percent for individuals over 16 and an inflation rate of 3 percent eventually moving to zero. Almost 20 years later, we know that this law has never achieved any of its intentions. This law proves that government cannot legislate prosperity—the reality is that individuals create jobs and free markets lead to prosperity.

By codifying unrealistic goals, the Humphrey-Hawkins Act gives the Fed an unachievable mission to artificially boost growth and employment while keeping inflation and interest rates low. This promotes fine-tuning of monetary policy by the Fed in response to current economic trends. While this may lead to short-term economic boosts, over the long term such intervention by the Fed leads to higher inflation, higher interest rates, and more frequent recessions. The Economic Growth and Price Stability Act corrects this problem by focusing the Fed on the only goal it can effectively achieve: price stability. Focusing the Fed on price stability will lead to a sounder dollar, more stable financial markets, increased employment, and greater long-term economic growth.

The Economic Growth and Price Stability Act gives the Fed the responsibilities of defining price stability, charting its own course toward achieving and maintaining it, and setting its own timeframe for accomplishing the price stability goal. By allowing the Fed to create its own timetable, we can rest assured that transitional effects on employment and output will not occur.

Under my legislation, the Fed will still be required to report to Congress on a semiannual basis, but it will additionally be required to explain, in verbal and numerical terms, its definition of and its methods for attaining price stability. By not mandating inflation targets, this legislation places the burden on the Fed to appropriately define price stability. As we all know, the market is a harsh task master, and I believe it will be the best judge of the Fed's progress.

The Fed will have a strong incentive to make correct decisions about its definition of price stability and its method for achieving it, because the markets will be quick to express their views. The Fed will pursue price stability honestly and openly, because if it does not, long term interest rates will rise.

Instead of countercyclical, command and control, government interventionist economics, the Economic Growth and Price Stability Act sets in place a free market paradigm. Under the Economic Growth and Price Stability Act the principal economic responsibilities of government are to establish and ensure an environment conducive to long-term economic growth and increases in living standards by maintaining free markets, low taxes, respect for private property, and the stable long-term purchasing power of the U.S. currency.

If the elections in November 1994 taught us anything, they taught us that the American people want less government, not more. The Economic Growth and Price Stability Act recognizes that the American people know what is best for them and directly responds to their demands. I hope you will join me in this vital effort to free our economy from government mishandling.•

• Mr. D'AMATO. Mr. President, I am proud to cosponsor with Senator MACK, the Economic Growth and Stability Act. As chairman of the Joint Economic Committee and a member of the Banking Committee, Senator MACK has studied economic issues studiously. I commend him for this initiative.

This bill would repeal the Humphrey-Hawkins Act, which sets the current guidelines for the Federal Reserve's conduct of monetary policy. The multiple goals of Humphrey-Hawkins, however laudable, are conflicting and unattainable. In the long term the Fed can only address inflation. Unemployment and other such matters are the responsibility of the administration and Congress—which we control through our spending and tax decisions. Under this bill, we could no longer lay the blame of failed fiscal policy at the foot of the Federal Reserve.

Senator MACK'S bill would recognize that the appropriate goal for the Federal Reserve is maintaining price stability in the long term. The Economic Growth and Price Stability Act recognizes that a key factor in encouraging growth is a stable environment in which to make decisions about the future. In an atmosphere of assured price stability, American families and corporations would be better able to budget and plan for the future. Assuring this steady level of capital investment and growth will create the jobs necessary to keep Americans' working.

The policies and school of thought behind this legislation are sound. Federal Reserve Board Chairman Alan Greenspan has testified that "a key ingredient in achieving the highest possible levels of productivity, real income, and living standards is the achievement of price stability." The Economic Growth and Stability Act is a critical step in this direction.

Working together, the Federal Reserve can tackle inflation while the Congress, with the right fiscal policy, can stimulate long-term growth. We must return to a period of strong growth for our country to prosper and remain globally competitive. We owe it to ourselves and our children.•

By Mr. THOMAS (for himself, Mr. GRASSLEY, Mr. JEFFORDS, Mr. FRIST, Mr. SIMPSON, and Mr. BURNS):

S. 1268. A bill to provide assistance for the establishment of community rural health networks in chronically undeserved areas, to provide incentives for providers of health care services to furnish services in such areas, and for other purposes; to the Committee on Finance.

THE RURAL HEALTH DEVELOPMENT ACT

Mr. THOMAS. Mr. President, I rise today to introduce the Rural Health Development Act, an act that I have worked on for some time, to help rural communities design a delivery system that fits their unique health care needs. It has been a project, in fact, that I have worked on since the day I arrived in the House, more than 5 years ago. This issue and these items continue to be a top priority for me here in the Senate. I am pleased that my colleagues, Senators GRASSLEY, JEFFORDS, SIMPSON, BURNS and FRIST, have joined me in this effort. They, too, have worked feverishly on behalf of the rural communities in their States.

Rural health care, Mr. President, as you know from your State, is at a crossroads. My bill provides for an infrastructure needed to create a system of quality health care for rural families. There are a number of problems that are unique to rural areas—the lack of physicians, nurses, health care extenders, nurse practitioners, and physician assistants. We are troubled by the closure of small hospitals where the utilization has been relatively low, and leaves a community without some kind of emergency medical service.

Inadequate and unequal Medicare reimbursement is a problem today. So we have what we think is a solution. It helps communities develop their own health care delivery system. It assists in recruiting and retaining physicians. It improves educational opportunities for nurses, physicians, physician extenders, and other kinds of health professionals. It allows hospitals to downsize without losing their emergency room capacity. In short, it is a long-term solution tailored to the needs of rural areas.

Specifically, it provides technical assistance. Small grant funds are provided to help communities to design their own network, not one designed by outside consultants who are only familiar with the characteristics of larger places. Second, these funds can be used for two purposes—to build telemedicine systems to assist rural areas, and coordinate arrangements between primary care clinics, emergency medical centers, and tertiary care facilities.

Finally, the result to rural individuals, families and employers is the ability to take advantage of cost savings that occur elsewhere, which has not been able to occur in rural America.

We equalize the Medicare reimbursement rates. Rural counties receive significantly less reimbursement from Medicare managed care programs. For example, Fall River County in South Dakota, receives $177 per month, per beneficiary versus $678 for Bronx County in New York—a 367 percent difference.

My bill reduces this variation and reimburses rural providers relative to their metropolitan counterparts. The result, of course, is that Medicare beneficiaries in rural areas will have the opportunity to participate in managed care plans.

Third, it improves the educational opportunities for nurses. Nurses are a critical component to rural health care. My bill guarantees that 20 percent of all scholarships offered through the National Health Service Corps go to nurses in rural areas. Since 1972, over 70 health care providers have served in Wyoming through the services of the National Health Service Corps Program. So we put greater emphasis there.

Regarding recruiting and retaining physicians, Medicare currently provides a 10 percent bonus in rural areas. Ten percent is not much of an incentive. So it is increased to 20. To compensate for the increase, the bonus is restricted to primary care physicians in rural areas.

In addition, the bill guarantees 24-hour emergency care. Medicare currently restricts States from establishing limited-service hospitals. As a result, many facilities either have to operate as full-service hospitals, with very low utilization, or close. We are suggesting they be recategorized as a rural emergency access care hospital so that indeed they can be reimbursed from HCFA for these emergency services.

In conclusion, Mr. President, as we search for solutions to deliver health care throughout the country, the Rural Development Health Care Act is one proposal that should be added to the list. Many of the provisions have received a favorable response—so much so that they are likely to be folded into the reconciliation package.

More important, the Rural Development Health Care Act provides the answer to rural communities that are looking to keep up with the rapidly changing health care environment.

ADDITIONAL COSPONSORS

S. 216

At the request of Mr. INOUYE, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 216, a bill to repeal the reduction in the deductible portion of expenses for business meals and entertainment.

S. 304

At the request of Mr. SANTORUM, the name of the Senator from Minnesota [Mr. GRAMS] was added as a cosponsor of S. 304, a bill to amend the Internal Revenue Code of 1986 to repeal the transportation fuels tax applicable to commercial aviation.

S. 910

At the request of Mr. CHAFEE, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 910, a bill to amend the Internal Revenue Code of 1986 to provide an election to exclude from the gross estate of a decedent the value of certain land subject to a qualified conservation easement, and to make technical changes to alternative valuation rules.

S. 1137

At the request of Mr. THOMAS, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 1137, a bill to amend title 17, United States Code, with respect to the licensing of music, and for other purposes.

AMENDMENT NO. 2711

At the request of Mr. REID the names of the Senator from Illinois [Ms. MOSELEY-BRAUN], the Senator from Minnesota [Mr. WELLSTONE], the Senator from Illinois [Mr. SIMON], and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of amendment No. 2711 proposed to H.R. 1868, a bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1996, and for other purposes.

AMENDMENTS SUBMITTED

THE DISTRICT OF COLUMBIA APPROPRIATIONS ACT FOR FISCAL YEAR 1996

BYRD AMENDMENT NO. 2768

Mr. BYRD proposed an amendment to the bill (S. 1244) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1996, and for other purposes; as follows:

On page 53, between lines 5 and 6, insert the following:

(H) The Chief of the National Guard Bureau who shall be an ex officio member.

On page 66, strike line 15 and insert the following:

SEC. 211. IMPROVING ORDER AND DISCIPLINE.

(a) DRESS CODE.—

(1) IN GENERAL.—Not later than the first day of the 1996–1997 school year, the Commission shall develop and implement, through the Board of Education and the Superintendent of Schools, a uniform dress code for the District of Columbia Public Schools.

(2) CONSIDERATIONS.—The dress code—

(A) shall include a prohibition of gang membership symbols;

(B) shall take into account the relative costs of any policy for each student; and

(C) may include a requirement that students wear uniforms.

(B) COMMUNITY SERVICE REQUIREMENT FOR SUSPENDED STUDENTS.—

(1) IN GENERAL.—Any student suspended from classes at a District of Columbia Public School who is required to serve the suspension outside the school shall perform community service for the period of suspension. The community service required by this subsection shall be subject to rules and regulations promulgated by the Mayor.

(2) EFFECTIVE DATE.—This subsection shall take effect beginning on the first day of the 1996–1997 school year.

SEC. 212. EXPIRATION DATE.

BYRD AMENDMENT NO. 2769

Mr. BYRD proposed an amendment to amendment No. 2768 proposed by him to the bill S. 1244, supra; as follows:

On page 2, after line 25 insert the following:

(c) EXPIRATION DATE.—This section and the membership provided in section 202(a)(2)(H) shall expire on the last day of the 1997–1998 school year.

(d) REPORT.—The Commission shall study the effectiveness of the policies implemented pursuant to this section in improving order and discipline in schools and report its findings to the appropriate committees of Congress 60 days before the last day of the 1997–1998 school year.

DORGAN AMENDMENT NO. 2770

Mr. DORGAN proposed an amendment to the bill S. 1244, supra; as follows:

At the appropriate place, add the following new section:

SEC. . SENSE OF THE SENATE ON BUDGET PRIORITIES.

(a) FINDINGS.—The Senate finds that—

(1) the concurrent resolution on the budget for fiscal year 1996 (H. Con. Res. 67) calls for $245 billion in tax reductions and $270 billion in projected spending reductions from Medicare;

(2) reducing projected Medicare spending by $270 billion could substantially increase out-of-pocket health care costs for senior citizens, reduce the quality of care available to Medicare beneficiaries and threaten the financial health of some health care providers, especially in rural areas;

(3) seventy-five percent of Medicare beneficiaries have annual incomes of less than $25,000;

(4) most of the tax cuts in the tax bill passed by the House of Representatives (H.R. 1215) go to families making over $100,000 per year, according to the Office of Tax Analysis of the United States Department of the Treasury.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Committee on Finance and the Senate should approve no tax legislation which reduces taxes for those making over $101,000 per year; and

(2) the savings from limiting any tax reductions in this way should be used to reduce any cuts in projected Medicare spending.

INHOFE AMENDMENT NO. 2771

Mr. INHOFE proposed an amendment to the bill S. 1244, supra; as follows:

At the appropriate place insert the following: "None of the funds provided in this Act may be used directly or indirectly for the renovation of the property located at 227 7th Street Southeast (commonly known as Eastern Market), except that funds provided in this Act may be used for the regular maintenance and upkeep of the current structure and grounds located at such property."

JEFFORDS AMENDMENT NO. 2772

Mr. JEFFORDS proposed an amendment to the bill S. 1244, supra; as follows:

On page 2 at line 17: Strike "$52,070,000" and insert "$52,000,000."

KOHL (AND JEFFORDS) AMENDMENT NO. 2773

Mr. KOHL (for himself and Mr. JEFFORDS) proposed an amendment to the bill S. 1244, supra; as follows:

On page 52, strike lines 13 through 16 and insert the following:

"(A) 1 member to be appointed by the President chosen from a list of 3 proposed members submitted by the Majority Leader of the Senate;

"(B) 1 member to be appointed by the President chosen from a list of 3 proposed members submitted by the Speaker of the House of Representatives".

BINGAMAN AMENDMENT NO. 2774

Mr. KOHL (for Mr. Bingaman) proposed an amendment to the bill S. 1244, supra; as follows:

At the appropriate place, insert the following:

SEC. . ENERGY SAVINGS AT DISTRICT OF COLUMBIA FACILITIES.

(a) Reduction in Facilities Energy Costs.—

(1) In general.—The head of each agency of the District of Columbia for which funds are made available under this Act shall—

(A) take all actions necessary to achieve during fiscal year 1996 a 5 percent reduction, from fiscal year 1995 levels, in the energy costs of the facilities used by the agency; or

(B) enter into a sufficient number of energy savings performance contracts with private sector energy service companies under title VIII of the National Energy Conservation Policy Act (42 U.S.C. 8287 et seq.) to achieve during fiscal year 1996 at least a 5 percent reduction, from fiscal year 1995 levels, in the energy use of the facilities used by the agency.

(2) Goal.—The activities described in paragraph (1) should be a key component of agency programs that will by the year 2000 result in a 20 percent reduction, from fiscal year 1985 levels, in the energy use of the facilities used by the agency, as required by section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253).

(b) Use of Cost Savings.—An amount equal to the amount of cost savings realized by an agency under subsection (a) shall remain available for obligation through the end of fiscal year 2000, without further authorization or appropriation, as follows:

(1) Conservation measures.—Fifty percent of the amount shall remain available for the implementation of additional energy conservation measures and for water conservation measures at such facilities used by the agency as are designated by the head of the agency.

(2) Other purposes.—Fifty percent of the amount shall remain available for use by the agency for such purposes as are designated by the head of the agency, consistent with applicable law.

(c) Reports.—

(1) By agency heads.—The head of each agency for which funds are made available under this Act shall include in each report of the agency to the Secretary of Energy under section 548(a) of the National Energy Conservation Policy Act (42 U.S.C. 8258(a)) a description of the result of the activities carried out under subsection (a) and recommendations concerning how to further reduce energy costs and energy consumption in the future.

(2) By secretary of energy.—The reports required under paragraph (1) shall be included in the annual reports required to be submitted to Congress by the Secretary of Energy under section 548(b) of the Act (42 U.S.C. 8258(b)).

(3) Contents.—With respect to the period since the date of the preceding report, a report under paragraph (1) or (2) shall—

(A) specify the total energy costs of the facilities used by the agency;

(B) identify the reductions achieved;

(C) specify the actions that resulted in the reductions;

(D) with respect to the procurement procedures of the agency, specify what actions have been taken to—

(i) implement the procurement authorities provided by subsections (a) and (c) of section 546 of the National Energy Conservation Policy Act (42 U.S.C. 8256); and

(ii) incorporate directly, or by reference, the requirements of the regulations issued by the Secretary of Energy under title VIII of the Act (42 U.S.C. 8287 et seq.); and

(E) specify—

(i) the actions taken by the agency to achieve the goal specified in subsection (a)(2);

(ii) the procurement procedures and methods used by the agency under section 546(a)(2) of the Act (42 U.S.C. 8256(a)(2)); and

(iii) the number of energy savings performance contracts entered into by the agency under title VIII of the Act (42 U.S.C. 8287 et seq.).

BOXER (AND OTHERS) AMENDMENT NO. 2775

Mrs. BOXER (for herself, Mr. Daschle, Mr. Dole, Mr. Bumpers, Mr. Baucus, Mr. Feingold, and Mr. Bryan) proposed an amendment to the bill S. 1244, supra; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . PAY OF MEMBERS OF CONGRESS AND THE PRESIDENT DURING GOVERNMENT SHUTDOWNS.

(a) In General.—Members of Congress and the President shall not receive basic pay for any period in which—

(1) there is more than a 24-hour lapse in appropriations for any Federal agency or department as a result of a failure to enact a regular appropriations bill or continuing resolution; or

(2) the Federal Government is unable to make payments or meet obligations because the public debt limit under section 3101 of title 31, United States Code has been reached.

(b) Retroactive Pay Prohibited.—No pay forfeited in accordance with subsection (a) may be paid retroactively.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Friday, September 22, 1995, to conduct a hearing on the Federal Reserve's semiannual report on monetary policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. JEFFORDS. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Friday, September 22 at 10 a.m. for a markup on reconciliation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for an executive session, until the close of business during the session of the Senate on Friday, September 22, 1995.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON THE CONSTITUTION, FEDERALISM, AND PROPERTY RIGHTS

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Subcommittee on the Constitution, Federalism, and Property Rights of the Committee on the Judiciary, be authorized to meet during the session of the Senate on Friday, September 22, 1995 at 10 a.m., in the Senate Dirksen Building, room 226 to hold a hearing on "Adarand versus Pena: a Review of Affirmative Action in Contracting."

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, TECHNOLOGY, AND GOVERNMENT INFORMATION

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Technology, and Government Information of the Senate Committee on the Judiciary, be authorized to meet during a session of the Senate on Friday, September 22, at 10 a.m., in Senate Hart Building, room 216, on the Ruby Ridge incident.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

RECONCILIATION SUBMISSIONS

• Mr. DOMENICI. Mr. President, pursuant to section 105(a) of the 1996 budget resolution, House Concurrent Resolution 67, Senate committees are to submit their reconciliation recommendations to the Senate Budget Committee no later than September 22. While the Budget Committee has the discretion to report the reconciliation bill at any time after that date, the Budget Committee's obligation to report the bill to the Senate arises upon receipt of all of the committee's submissions. In addition, under the reconciliation procedures applicable this year it is particularly important that as many submissions be included in the reconciliation package as possible.

It has come to my attention that the Senate Finance Committee cannot submit its recommendations to the Budget Committee prior to September 29. Because the Finance Committee's submission will carry a great portion of the outlays reductions necessary to achieve balance and to obtain certification by CBO, the Senate Budget Committee will exercise its discretion and wait to receive Finance's submissions on September 29 before initiating the certification process. Any submission under section 105(a) made after that date, however, may be received too late to be included.•

THE 21ST ANNUAL UKRAINIAN HERITAGE FESTIVAL

• Mr. BRADLEY. Mr. President, our country is a remarkable mosaic—a mixture of races, languages, ethnicities, and religions—that grows increasingly diverse with each passing year. Nowhere is this incredible diversity more evident than in the State of New Jersey. In New Jersey, schoolchildren come from families that speak 120 different languages at home. These different languages are used in over 1.4 million homes in my State. I have always believed that one of the United States greatest strengths is the diversity of the people that make up its citizenry and I am proud to call the attention of my colleagues to an event in New Jersey that celebrates the importance of the diversity that is a part of America's collective heritage.

On Saturday, September 23, 1995, the Garden State Arts Center in Holmdel, NJ, will celebrate the next in its series of 1995 Fall Heritage Festivals. The Heritage Festival Program salutes some of the different ethnic communities that contribute so greatly to New Jersey's diverse makeup. Highlighting old country customs and culture, the festival programs are an opportunity to express pride in the ethnic backgrounds that are a part of our collective heritage. Additionally, the Fall Heritage Festivals contribute proceeds from their programs to the Garden State Arts Center's Cultural Center Fund which presents theater productions free-of-charge to New Jersey's schoolchildren, seniors, and other deserving residents. The Heritage Festival thus not only pays tribute to the cultural influences from our past, it also makes a significant contribution to our present day cultural activities.

On Saturday, September 23, 1995, the Heritage Festival Series will celebrate the 21st Annual Ukrainian Heritage Festival. Chaired by Oksana Korduba, this year's event focuses on the road to democracy and economic reform for the Ukraine. It is fitting that the Ukrainian Heritage Festival follows so closely on the heels of the fourth anniversary of Ukrainian independence. Upon gaining independence, Ukraine has worked diligently for both economic reform and democracy. In particular, Ukraine has taken significant steps to reform its economy by working to stabilize inflation, liberalize prices, and privatize industries. Further, through the creation and continued improvement of a constitutional framework, Ukraine is developing its own strong democratic tradition.

I am delighted to have this opportunity to pay tribute to the Ukrainian-American community. During the long years when Ukraine suffered under foreign control, Ukrainian-Americans helped keep alive Ukraine's culture and traditions. The Garden State Arts Center's Ukrainian Heritage Festival, with its celebration of food, crafts, music, sports, and traditional folk dancing, preserves Ukrainian culture for all generations.

On behalf of all New Jerseyans of Ukrainian descent I offer my congratulations on the occasion of the 21st Ukrainian Heritage Festival.•

GRATITUDE TO ELLEN SHAFFER

• Mr. WELLSTONE. Mr. President, I ask to have printed in the RECORD the text of a letter to Ellen Shaffer expressing my gratitude for her service as a member of my staff since 1992.

The letter follows:

U.S. SENATE,
Washington, DC, September 20, 1995.

MS. ELLEN R. SHAFFER
807 Arrington Drive, Silver Spring, MD.

DEAR ELLEN: I want to express to you my deep gratitude and appreciation for your contributions to my overall efforts to improve health care for people, and in particular to national health care reform legislation, during your tenure with my office. As my principal legislative assistant for national health policy since January 1992, you have worked tirelessly on this subject with great knowledge and skill.

Because of your long experience in this area, you were able to craft the American Health Security Act, my legislative proposal for a national single payer health care system. You worked diligently with the organizations supporting the bill, and, as a result, they became important participants in advancing our proposal. As a result of your expertise and writing skills, we were able to propose and have published in the New England Journal of Medicine an outstanding piece on the merits of a single payer approach to national health care reform.

I, along with Senator Domenici, was able to lead effectively the Senate's Working Group on Mental Health as a direct result of your strategic skills and your ability to establish a coalition among those parties having diverse views. Similarly, you were instrumental in working with the American Medical Association to develop the legislation known as the Patient Protection Act, a measure which enabled me to fulfill my role as an advocate for health care consumers.

I greatly valued your skills at financial analysis and your ability to expand quickly those skills, which were so critical to our work on health care legislation, and your successful efforts to communicate the merits of our legislative work through the media to the public at large.

Ellen, I have often said in public that your brilliance and dedication led people to believe that I had a health care staff of ten. I consider myself enormously fortunate that you have been my health care staff of one—supplemented, certainly, by the excellent contributions of talented fellows with whom you collaborated in our office. I wish you well in your future endeavors, and I look forward to continuing to see the positive results of the work we have done together.

Sincerely,

PAUL WELLSTONE•

INTERNATIONAL CHILDREN'S WISH WEEK

• Mr. ABRAHAM. Mr. President, I rise in recognition of the week of November 26–December 2 as International Children's Wish Week.

Children's Wish Foundation International, a nonprofit organization headquartered in Atlanta, GA, has expressed as its mission to provide seriously ill children of every origin, race, creed, religion, or economic status the experience of a lifetime by fulfilling his or her favorite wish; and

Children's Wish Foundation International includes the immediate family in the wish experience in order to provide them with special memories to help counter the last images of doctors, hospitals, and suffering; and

Children's Wish Foundation International has provided invaluable wish experiences for seriously ill children of the State of Michigan; and

International Children's Wish Week will provide a forum to publicly acknowledge the courage of these children and their families while giving others the opportunity to become involved with this important cause. I cannot think of a more meritorious undertaking; this organization is focused on bringing the wonders of life to those whose daily living is in question. The efforts of the Children's Wish Foundation have well earned this special recognition.

Therefore, I hope the people of Michigan will join me in recognizing November 26-December 2, 1995 as International Children's Wish Week in our State.•

THE 20TH ANNUAL SLOVAK HERITAGE FESTIVAL

• Mr. BRADLEY. Mr. President, our country is a remarkable mosaic—a mixture of races, languages, ethnicities and religions—that grows increasingly diverse with each passing year. Nowhere is this incredible diversity more evident than in the State of New Jersey. In New Jersey, schoolchildren come from families that speak 120 different languages at home. These different languages are used in over 1.4 million homes in my State. I have always believed that one of the United States greatest strengths is the diversity of the people that make up its citizenry and I am proud to call the attention of my colleagues to an event in New Jersey that celebrates the importance of the diversity that is a part of America's collective heritage.

On September 24, 1995, the Garden State Arts Center in Holmdel, NJ will celebrate its 20th Annual Slovak Heritage Festival. The heritage festival program will salute one of the many different ethnic communities that contributes so greatly to New Jersey's diverse makeup. Highlighting old country customs and culture, the festival programs are an opportunity to express pride in the ethnic backgrounds that are a part of our collective heritage. The Slovak Heritage Festival will highlight many aspects of the Slovak culture ranging from business to religion. Additionally, the 20th Annual Slovak Heritage Festival will contribute proceeds from their programs to the Garden State Arts Center's cultural center fund which presents theater productions free-of-charge to New Jersey's school children, seniors, and other deserving residents. The Heritage Festival thus not only pays tribute to the cultural influences from our past, it also makes a significant contribution to our present day cultural activities.

The Slovak Heritage Festival will open with a business trade show with a number of different exhibits. Chaired by Joseph J. Talafous, this year's event will focus on free trade and economic development. At noon the festival will honor his excellency, the Most Reverend Michael J. Dudick, D.D., Bishop of Passaic, NJ, for his 15th anniversary of dedicated service to the Byzantine Catholic community. A mass will be performed by Bishop Frantisek Tondra, of Spis Kapitula, Slovakia. Following the Mass, the opening ceremony which includes the Slovak fashion show, will take place on the mall. The festival will also feature food, crafts, music, a soccer tournament, and traditional Slovak dancing.

Congratulations once again on the occasion of the 20th Annual Slovak Heritage Festival. I offer my best wishes to all who are celebrating a day of pride in their ethnicity by attending the festival.•

TRIBUTE TO MR. THOMAS L. AYRES ON HIS RETIREMENT FROM THE DEPARTMENT OF VETERANS AFFAIRS

• Mr. NUNN. Mr. President, I would like for the Senate to recognize the retirement of Thomas L. Ayres from the Department of Veterans Affairs after more than 41 years of exemplary service in providing health care to the armed service members and veterans of our Nation. On September 30, 1995, Mr. Ayres will retire from his position as the Director of the Department of Veterans Affairs Medical Center in Augusta, GA.

Tom began providing health care during his service with the United States Army from 1995 until 1959 at the 279th Station Hospital in Berlin. After his service in the Army, he started his career with the Veterans' Administration by becoming a nursing assistant at the Veterans Administration Hospital in Marion, IN. From 1962 until 1969, Tom worked as a supervisory recreation specialist at the Veterans Hospital in Brecksville, OH. From 1969 until 1972, he served as a voluntary services officer at Veterans Administration Hospitals in both Madison, WI and Gainesville, FL. In 1972, Tom Ayres became a medical administration assistant at the Veterans Hospital in Madison, WI.

Since 1972, Tom Ayres has earned appointments to positions of increased responsibility within the Department of Veterans Affairs. In 1976, he became a hospital administration specialist and soon thereafter was transferred to the Veterans Affairs central office and served as the executive assistant to the Associate Chief Medical Director for Operations.

Tom Ayres received an appointment to the position of Medical Center Director of the Veterans Administration Hospital in Salisbury, NC in 1981. Nine years later, he became the director of the two-division Veterans Administration Medical Center in Augusta, GA. He also serves as the associate administrator for Veterans Affairs at the Medical College of Georgia and as a member of the Medical College of Georgia's Clinical Enterprise Executive Committee.

Throughout his long and distinguished career in providing health services for U.S. veterans throughout our great Nation, Tom has received numerous awards based on the exemplary performance of his duties. His awards include the National Daughters of American Veterans Commander Award, the Award for Valor from the Secretary of Veterans Affairs, three Superior Performance Awards, and five consecutive Executive Performance awards. In 1990, he received the Presidential Rank Award from the President of the United States.

It is important to note that his compassion and sense of civic responsibility does not start and end with his job. Tom is an active participant with the local United Way, Kiwanis Club, American Legion, Senior Executive Association, and the American College of Hospital Administrators. In addition; he serves on the Administrative Board of Trinity on the Hill Church and is a life member of the Disabled American Veterans and the Veterans of Foreign Wars.

Mr. President, I ask my colleagues to join me in thanking Thomas L. Ayres for his outstanding career spent in service to our Nation's veterans. He is a model citizen in every sense of the term. We wish him, his wife Christa, and their children and grandchildren Godspeed and every success for the future.•

IN HONOR OF JOSEPH E. BUDD, GRAND MARSHALL OF THE MIDDLESEX COUNTY PULASKI DAY PARADE

• Mr. BRADLEY. Mr. President, on September 23, 1995, a distinguished New Jerseyan, Joseph E. Budd, will be appointed the grand marshall of the Middlesex County Pulaski Day Parade Committee. This appointment is based on Joseph Budd's lifelong commitment to his community and country.

Joseph Budd, born in Sayreville, NJ, has lived a life of exemplary citizenship. As a youth, he graduated from South River High School, where he was an all-State baseball player. He than went on to play semiprofessional baseball with Holy Trinity and Saint Mary's of South River, N.J.

After completing his education, Joseph joined the U.S. 77th Infantry Division in the Pacific theater. Joseph distinguished himself as a Sergeant of reconnaissance, receiving five battle stars and a Bronze Star in the Battle of Guam, for his outstanding bravery and superior leadership abilities.

After leaving the military, Joseph continued to play an active role in the veteran community by serving as the past commander of Veterans of Foreign War Post 8025 in Somerset, NJ, and as a member of the American Legion Post 478. In addition, Joseph is also a member of the Catholic War Veterans Post 405 in New Brunswick, NJ.

Employed by the Public Service and Gas Co. for 36 years, Joe retired as an office manager in the customer service center in 1987. Joseph Budd's strong work ethic carried over into his commitment to community service. Throughout his life, Joseph has been a committed member of a number of organizations. Joseph is the past president of the Kiwanis Club of New Brunswick, a member of the Bound Book chapter of Deborah Heart and Lung Hospital Foundation, past chairman of the Franklin Township Industrial Commission, noteworthy member of the Franklin Park Senior Citizen's Club and Retired Senior Volunteer Program of Somerset County, NJ.

Congratulations once again to Joseph Budd on his selection as the grand marshall of the Middlesex County Pulaski Day parade.•

ORDER OF BUSINESS

Mr. JEFFORDS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEDICARE, TAX CUTS, PRIORITIES

Mr. DORGAN. Mr. President, next week the Senate Finance Committee will begin to mark up a piece of legislation dealing with Medicare and Medicaid, essentially comporting to the budget that was enacted by the U.S. Senate. The issue, as anyone who has been watching television or reading the newspaper recently knows, is Medicare, tax cuts, priorities. I would like to talk about that a little bit today.

This morning I was watching a bit of the morning shows on television and I saw the Speaker of the House and a number of others engaging in a debate about what these issues mean. There are a substantial amount of charges and countercharges going back and forth on the issue of Medicare and the tax cuts. These are important issues, there is no question about that. I do not think anyone denies the consequences of what we do will have a substantial impact on people in this country. What I want to do today is discuss a little about the kinds of debate that we have heard in recent days on the effect or impact of both the Medicare Program and tax cuts. I thought I would do it by beginning with some comments, not from a Democrat, but from a Republican.

This is from Kevin Phillips, a Republican conservative political analyst. I want to go through some of the things he says, and the reason I do this is because the Speaker and others say this is all being distorted; it is a bunch of Democrats who want to distort what the Republicans are doing on Medicare and tax cuts. Here is what Kevin Phillips says. He says, speaking of the Republican approach, the budget, and so on:

> It is senior citizens, the poor, students, and ordinary Americans who will see programs they depend on gutted, while business, finance, and the richest 1 or 2 percent, far from making sacrifices, actually get new benefits and tax reductions.

That is an analysis by a Republican of the Republican plan.

Further, from Kevin Phillips, he says:

> If the U.S. budget deficit problem does represent the fiscal equivalent of war—and maybe it does—then what we are really looking at is one of the most flagrant examples of war profiteering this century has seen.

Again, talking about the budget initiative.

Further, Kevin Phillips, a Republican, says:

> . . . if the deficit is substantially reduced under a program like this, there'll be a second stage of further upward income redistribution from upper bracket profits in the stock and bond markets.

Two additional comments from, again, a Republican political analyst about this approach:

> Spending on Government programs from Medicare and education to home heating oil assistance is to be reduced in ways that principally burden the poor and the middle class while simultaneously taxes are to be cut in ways that predominantly benefit the top 1 or 2 percent of Americans.

This is not some wild-eyed radical liberal saying this. This is an observation from Kevin Phillips, a conservative Republican political analyst.

Finally, from Mr. Kevin Phillips, "In short," he says, again speaking of the Republican budget which is now in place:

> In short, aid to dependent grandmothers, children, college students, and city dwellers is to be slashed while aid to dependent corporations, stock brokers, generals, and assorted James Bond imitators survives or even grows worse.

Those are the comments, not from someone who is partisan on this side of the aisle. Those are comments I have read from a political analyst who is a Republican.

What of this debate about Medicare? The proposal in the budget to cut the Medicare Program $270 billion below what is needed to finance the Medicare Program is a proposal to cut $270 billion. The analysis is that $89 billion is needed for the trust fund. So the question is, if you are going to cut $181 billion more than is necessary in Medicare to make it solvent, where does that money go? How is that money used?

The answer to that is, of course, the extra money being cut in Medicare is to finance a tax cut. From the Department of Treasury, Office of Tax Analysis, this pie chart shows what Kevin Phillips said in the earlier comments.

Who is going to get the benefits of the tax cut? This says that the top 12 percent of the income earners in this country will get over 50 percent of the tax benefits. Families with over $100,000 of income will receive 51.5 percent of the tax benefits.

We just had a vote on an amendment I offered, a-sense-of-the Senate resolution saying let us limit the tax cut to those who earn less than $100,000 a year. To the extent we save money by limiting the tax cut to those who have $100,000 or less, let us then be able to use that savings to reduce the cut in Medicare.

The vote was, predictably I think, 43 to 54. The amendment was defeated.

The point is that over half the tax cut is going to go to families with over $100,000 in income. This at a time when we are up to our necks in debt, when we are told the deficit is such a serious problem that we have to take a big hunk out of Medicare, $270 billion.

It turns out we have to take a big hunk out of Medicare, according to some, in order to finance this half of the tax cut, and that is the dilemma and that is the political debate.

Is it just pure partisan politics? No. It is a debate about priorities. We only have the tax bill that the House of Representatives passed to go on, but if you take a look at what was passed by the House of Representatives, what you will see is that if you are a household between 0 and $30,000, or in other words a household with less than $30,000 in income, you will get a tax cut for the year of $124. If your income is $200,000 or more, you will get a tax cut of $11,200.

Whenever one points this out—this comes from the Department of Treasury information—whenever someone points this out someone else jumps up and says, "Class warfare. Class warfare. You are trying to divide people."

I am not trying to divide anybody. I am just trying to figure out who gets what from these proposals. This is a classic cake and crumbs approach to a legislative profile. You give the cake to the big shots—if you have a lot of money you get to eat a big piece of this cake—and if you do not have much, they will wipe a few crumbs off the table for you and say, "By the way, everybody gets something here. This is a wonderful deal for everybody."

Well, this graph shows it is not a wonderful deal for everybody. The fact is the bulk of the tax cut is going to inure to the benefit of the wealthiest Americans.

The interesting discussion about Medicare is this: Medicare was a very controversial program when first conceived. When first proposed in the U.S. Senate, 95 percent of the Republicans voted against the Medicare Program. "Socialism," they said. "We do not like it. We do not want anything to do with it. It is bad public policy." I understand that. The old definition of a conservative is someone who never wants to do anything for the first time. I understand all of that.

The fact is, despite the fact that most all in their party opposed it 30 years ago, I would guess, if you had a vote on the very simple proposition, "Is Medicare good and should we keep Medicare?" I would guess now 95 percent in the Republican Party would probably vote yes. They have changed their mind. I think most of them would say that they were wrong to oppose Medicare initially because Medicare has proven to be an enormously important program.

Over half of the senior citizens in this country had no health care coverage before we adopted Medicare. Then in the fifties, the forties, and in the thirties, back in the days when we had no Medicare coverage for senior citizens, when getting sick when you were a senior citizen was a circumstance where you feared that you would be held hostage by virtue of being unable to pay for a medical bill or get medical help when you were critically ill. Half of the senior citizens in this country had no health care coverage.

We passed Medicare, and I am proud that I am part of a group whose heritage is to fight for things that are progressive. Ninety-nine percent of the senior citizens in this country now no longer have to live in fear that they may not be able to get treatment for health care needs because they now have the Medicare Program.

Is it a perfect program? Gosh, no. We have lots of problems with it. We have had hearings about fraud. We have had hearings about waste. But the fact is that most senior citizens and others who have used Medicare would tell us that the Medicare Program has been a wonderful boon to them.

It has cost us a lot more than we expected, for a couple of reasons. Senior citizens are living a lot longer. Senior citizens are living an enormous amount of time. Prior to the 1960's they did not have that kind of lifespan. Now they do.

What happened in addition to the fact that people are living longer is that medical technology has made breathtaking breakthroughs. Now when someone's knee gives out, they can get a new knee. When their hip gives out and they need a new hip, or when they eat food that plugs up the heart muscle, somebody can open up their chest, give them an operation, unplug the heart muscle and the arteries, and they are back out.

So it is not unusual to run into a senior citizen that just had open heart surgery, or has a new knee, or has a new hip, or cataract surgery, is 75 years old, and feels like a million dollars. It is all very expensive, but it is wonderful. It is a condition of success in many respects. But it has been an expensive program, there is no question about that.

The question before the Congress is, What kind of adjustments are necessary to make it solvent? It is interesting that the trustees of the Medicare commission say, well, the Medicare Program is going to be insolvent by the year 2002 unless some adjustments are made.

The majority party wants to get some money out of Medicare. They called all of the trustees up to the Capitol Building and made a big show. And they said, "Medicare is going broke." In 23 of the last 25 years when the trustees made their report, they said, "Here is the date by which Medicare will be insolvent." This was not the first time that happened. This happens every year. But it is the first time that anybody has called the trustees up to make a big show out of it. In every year, 23 out of 25 years, what has happened is the trustees say, "Here is the date by which Medicare will be insolvent." Every year the Congress has made adjustments to make it solvent. This year we are going to do that. We are going to make an adjustment that deals with about $89 billion over a long period of time to make the Medicare system solvent.

But we are not going, on this side of the aisle at least, to agree with those who believe you ought to cut $270 billion rather than the $89 billion and take the extra $170 billion or so and use it to provide a tax cut, half of which will go to people or families with incomes over $100,000 a year. That is how this boils down.

When you finally condense all of the crowd noise and all of the bellicose debates, when you finally condense it down to the simple point, the point is this: We believe that adjustments to Medicare ought to be made to make the Medicare system solvent. That takes about $89 billion to do. We do not believe, we do not support, and we will not accept notions that we ought to cut the Medicare Program an extra $170 billion below what is necessary to serve the senior citizens who will be eligible in the next 7 years in order to provide a tax cut, the bulk of which will go to upper-income people.

There is ample room for disagreement on priorities and policies. The debate about priorities ought to be thoughtful, not thoughtless. It ought not be a circumstance whenever someone stands up to talk about this difference in priorities that someone says, "Well, this is just raw politics. It is all nonsense." It is not raw politics, and it is not nonsense. It is about priorities, what we believe in, what we fight for, and what we think is important for the future of this country. That is what this is all about.

I see the Senator from West Virginia just came to the floor. He has served in this Chamber for a good long while and in a very distinguished way. He has seen these policies and programs come and go. He, perhaps more than any other, understands that some programs are good and they make this country better. They make this a better place in which to live. Some were not so good and did not work out, and we have changed programs. We have repealed programs. But the Medicare Program, I think, has been an enormously beneficial program for this country. And those who had the courage to stand up when so many others said no, those who had the courage to do that and help develop this program for this country, have my unending gratitude.

There was an old saying around here a long time ago that, "Any jackass can kick a barn door down, but it takes a carpenter to build one." It may be even an old West Virginia saying. I do not know. But I understand what that difference is. The talent to build is a substantially different talent than the talent to destroy.

Someone asked a foreman of a crew that was putting up a building, "What kind of people do you have to hire to put up a building?" Well, "You have to hire skilled workers." "What kind of people would you hire if you were tearing down a building?" He said, "Oh, that is not a problem to get those kind of workers. That does not require any skill."

It is the builders, in my judgment, of this country, who have done the things to make this a better place in which to live that we must pay tribute to. One way to pay tribute to them is to take a look at a program like Medicare and say, "This is an enormous contribution to this country." Let us fix it. Let us make sure it works. But let us not do anything in any way that pulls out the foundation or the structure that supports this wonderful program.

That is what this debate is about. It is going to be a tough one. There are going to be a lot of charges flying back and forth. But when you condense it all down to its rudimentary elements, it is very simple: We support the $89 billion adjustment necessary to make this Medicare Program solvent for the long term. We do not support taking extra money out of Medicare to provide a very substantial tax cut, most of which will go to the affluent of this country. That is bad public policy, and it is a wrong priority for the future of this country.

Mr. President, I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia is recognized to speak for up to 10 minutes.

Mr. BYRD. Mr. President, I thank the Chair. I thank the distinguished Senator from North Dakota [Mr. DORGAN]. I thank him also for the consistency with which he is fighting this battle, for his support of the programs that are needed to help the elderly and, in helping the elderly, they help the young as well.

My thoughts go back to a time when the elderly did not have any safety net, nor did anyone else. There were no welfare checks, no Social Security checks, no Federal aid to education, no student loans. And when people became too old to work, they had nowhere else to go except over the hill to the poorhouse or stand at the gates of their children with their hats in their hands and hope to be taken in by their children.

Mr. President, the Senator is doing a great service to the country and for the Senate in calling attention to the arguments that are being made here and the threats that are directed toward the Medicare Program. And for what reason? To pay for a tax cut. It is folly, f-o-l-l-y, pure folly to talk about giving a tax cut, with the kind of deficits we now have in this country, and it is going to be a tax cut for the wealthy. I am opposed to that. I am opposed to any tax cut at this time for anybody—wealthy, middle class, or anybody else. That money ought to be applied against the deficit or applied against the cost of the Medicare Program.

It is easy to tear down, as the Senator very aptly said, easy to tear down. Anybody can tear down. It is hard to build. What he said brought to mind a bit of verse:

I saw them tearing a building down,
A group of men in a busy town;
With a ho-heave-ho and a lusty yell,
They swung a beam and a sidewall fell.

I asked the foreman, "Are these men skilled,
The type you would hire if you had to build?"
He laughed, and then he said, "No, indeed;
Just common labor is all you need.
I can easily wreck in a day or two,

That which takes builders years to do."
I thought to myself as I walked away,
Which of these roles am I trying to play?
Am I a builder who works with care,
Building my life by the rule and square?
Am I shaping my deeds by a well-laid plan,
Patiently building the best I can?
Or am I a wrecker who walks the town,
Content with the labor of tearing down?

I am afraid that is what we see at play here. The wreckers are busy.

It is late September and the Senate is entering the season of fiscal "sound and fury." Political leaders in Washington will have to come to grips with all of the rhetorical promises made to reduce the deficit to zero in 7 years, and actually legislate the details which will achieve that end. In this fiscal year, that means substantial savings will have to be made in many important domestic programs, but clearly the most sensitive of these are the third-rail issues of American politics—Social Security and Medicare.

Substantial savings must be found in Medicare in order to meet the deficit reduction targets called for in the budget resolution. The majority party has attempted to justify a very large cut in the medicare program—some $270 billion dollars, I believe—by claiming that the medicare trust fund is in danger of collapse.

In the first place, $270 billion is more than triple what is actually needed to stabilize the fund. In the second place, the savings will not be applied to the "trust fund" part of Medicare. The savings proposed to allegedly salvage the trust fund are actually going to be given away in the form of tax cuts—some $245 billion dollars worth of them—that mainly will benefit the well-to-do in our society.

It is true that steps will need to be taken to make sure that Medicare remains solvent for future generations. Both political parties need to explain that to the people. There is no getting around it. Medicare must undergo changes if it is to continue to be a viable public health care program. But, we poison the water for acceptance by the public of the changes that must come to make the Medicare system healthy if we obfuscate, hype, and over-simplify this issue. On the one hand, if we leave the impression with senior citizens that no changes are necessary, we close off the avenue for large-scale acceptance of reasonable change. In fact, the status quo cannot prevail. The program is growing too fast, and with the baby boomers headed for eligibility in the next decade, the Medicare Program has to be altered to accommodate larger numbers of recipients. We must not leave the impression that the status quo can be protected by any political party or any President. A reality check has to come.

On the other hand, to falsely claim that huge savings are needed right now, and then to further claim, falsely, that those savings will go toward the salvation of Medicare, when, in fact, those savings will only be used to hand out tax cuts to special interests and the most comfortable in our society is an outrage, a breaking of faith with the elderly, and a sure way to lay the groundwork for the utter failure of any reasonable and real fix of Medicare when it has to be enacted.

The $270 billion worth of cuts mandated by the writers of the budget resolution is a bogus number. It was picked for no other reason, I believe, than the convenience of allowing room for the promised tax cuts while making the budget arithmetic come out balanced.

That number is a fabrication by the "powers that be" in the current Congress. It reflects nothing more than a policy decision here in Washington to raise monthly premiums on seniors for Part B Medicare benefits so that there will be dollars enough to hand around in tax cuts. I deplore the hype and the scare tactics about collapsing funds and vanishing Medicare programs and the absolute necessity of making $270 billion dollars worth of cuts in Medicare. While it is true we will have to eventually make some savings in the fund, nothing but a political decision to make room for tax cuts, in my judgment, is driving cuts in the Medicare Program of this magnitude.

To make matters worse, the details of the plan to cut Medicare will be wrapped in a reconciliation bill, under a 20-hour time limit, with little opportunity to debate or amend the proposal. After weeks of misinformation, claims, counter claims, hype, scare tactics, media manipulation, general confusion, and false premises, this extremely sensitive and crucial program important to millions of our elderly population will be dispatched on the Senate floor under the tightest of time limits in a massive deficit reduction package.

Now, I turned down the President of the United States when he urged me to go along with putting health care reform into the reconciliation bill. I also turned down that request on the part of the then majority leader, Mr. Mitchell. I am opposed to putting huge Medicare cuts and tax cuts into the reconciliation bill for the same reason that I opposed including health care reform on that occasion. I said it was a matter so complex, so costly it ought to be debated fully by the Senate. That is why we are here—to debate such matters. To put massive bills of that nature into a reconciliation bill is to deny the American people the information and to deny Senators the information to which they are entitled if they are to make sound judgments. But apparently that is what is going to be done.

The details will be obscured by the smoke of the rhetoric and, in short the American people will never know what hit them until it is too late, as usual.

As if there has not already been enough confusion and misrepresentation over reforming medicare, now we hear reports of further chicanery in the budget wars over the issue.

Apparently some in the other body have gotten "cold feet" over trading cuts in medicare for cuts in taxes and have opted to play the "magic asterisk" game in the reconciliation process. The Congressional Budget Office apparently has told the Republican leadership that, even with a substantial rise in medicare payments by beneficiaries, the $270 billion in medicare budget savings the Republicans need to get from medicare in order to pay for their tax cut, has still not materialized. So, the Republicans are reviving an old canard called a "look-back" sequester in the House—the "look-back" sequester—in order to achieve the additional cuts needed.

Beware, America's seniors! Beware! A "look-back" sequester is the gimmick of all gimmicks in the arcane language of Federal Budgetese.

The "look-back" says in plain English—we need more of that these days, plain English. I am for making English the national language.

I realize I may be politically incorrect in making such a statement, but I studied Muzzey when I was in grade school. Muzzey's "History of the American People." And the very first sentence in Muzzey's history book said, "America is the child of Europe."

Mr. President, that is true. Muzzey did not care much about being politically correct. He would have been hooted out of town these days. But he believed in giving the historical facts. So do I. I do not give a hoot about political correctness. I will take my stand with Muzzey! America was the child of Europe. And I will take my stand with making English the national language.

The "look-back" says in plain English, if our savings plan does not achieve $270 billion in medicare savings, the Secretary of Health and Human Services is instructed to identify the shortfall each year and then to arbitrarily make sufficient cuts in the succeeding year to eliminate the previous year's shortfall. That is legislative and political "kick the can" at its worst.

Members of Congress were elected to make these choices and to make them in ways that are understandable and acceptable to the public they represent. Gimmicks like "look-back" sequesters deny the American public the opportunity to hear a reasoned debate and to weigh in on decisions they elected us to make. It is a totally spineless way to make cuts in vital programs and it is painless only for the shaky-kneed legislators who employ it.

I urge the Majority Party in the Senate to reject this return to budget gimmickry, David Stockman type magic asterisks, process fixes, and responsibility-shirking convolutions, and engage instead in an honest debate, utilizing plain English language, with the American people about what needs to be done to balance the budget and also assure the solvency of Medicare for future users.

I further urge the Senate Finance Committee not to unduly tax Medicare recipients in order to parcel out generous tax breaks for those who do not have to worry about how to pay their doctor bills and afford their medications.

We will never keep deficit reduction on track if we begin the effort by failing to come clean with the people about how hard it will be to carry out the plan. It really comes down, Mr. President, to a matter of trust. If we trust the intelligence and reasonableness of the American people by telling them the truth, they just may—they just may—begin to trust us and give us their support in crafting the hard solutions to our budget and deficit problems.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for an additional 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. My friend, who is presiding in the chair, the distinguished Senator from New Hampshire [Mr. SMITH], was interested in the remarks I made a few minutes earlier, and he asked me about Muzzey, whether or not he was the author of the book on American history. He was. He was the author. As I recall, the book was copyrighted, I believe, around 1927, 1928, 1929, or 1930.

I used to memorize the chapters in that history book at night by the light of a kerosene lamp. I told my fellow classmates in the early grades about Nathaniel Greene, Francis Marion the "Swamp Fox," Daniel Morgan, and about Nathan Hale.

I often carry on conversations with the young pages here. And as each new page group comes to the Senate, I generally ask them several questions. And I will stop to tell them stories. When I walk into that Cloakroam, they will gang up around me like a bunch of little birds with their mouths open wanting to be fed, and they ask, "Can you tell us a story today?"

Well, generally my first question of these new young pages is "Have you ever heard of Nathan Hale?" And normally they have never heard of Nathan Hale. I was pleased that this year—I believe there were as many as three in the group who had heard of Nathan Hale.

Mr. DODD. Would my friend and colleague yield?

Mr. BYRD. Of course. With great pleasure.

Mr. DODD. Mr. President, I walked on the floor here. Coincidentally, the distinguished former leader and senior Senator from West Virginia mentions Nathan Hale. I live in the town in the State of Connecticut where Nathan Hale taught in East Haddam, CT.

Coincidentally, in approximately 30 minutes the high school choral group from the Nathan Hale High School of East Haddam, CT, will be meeting with me on the steps of the Capitol here and later will be performing at the Kennedy Center.

I chose them as a choral group from my State. Each State gets to name a choral group. So it is serendipity that as I walked onto the floor, my wonderful friend of so many years mentions Nathan Hale.

In fact, I say to my colleague, I live in a renovated schoolhouse on the banks of the Connecticut River. It was the successor school to the one-room schoolhouse in which Nathan Hale taught in East Haddam, CT.

So I appreciate immensely my colleague's reference to a Connecticut son of whom we are deeply proud for his steadfastness, his loyalty, his patriotism, and his regret that he had but only one life to give to his country. I thank my colleague for referencing him.

Mr. BYRD. I thank my friend, Senator DODD. Plato thanked the gods for having been born a man, he thanked the gods for having been born a Greek, and he thanked the gods for having been born in the age of Sophocles.

Mr. President, I thank the benign hand of destiny for allowing me to live in an age in which the distinguished Senator from Connecticut, CHRISTOPHER DODD, is a Member of this body. I am glad that he chanced to come by the floor just as I was talking about the patriot Nathan Hale.

Nathan Hale was a young schoolteacher, 21 years of age, and when George Washington called for a volunteer to go behind the British lines to draw pictures of the British fortifications, Nathan Hale volunteered to go on this dangerous mission. He disguised himself as a Dutch schoolmaster.

He went behind the British lines. He was successful in drawing pictures of the fortifications and accumulating information that would be of benefit to General George Washington. But upon the evening before Hale was to return, he was discovered carrying the documents, and was arrested. The next morning, he was brought up before the scaffold. His request for a Bible was denied.

There he stood in full view of the stark, wooden coffin in which his body was soon to be placed. The British officer, whose name was Cunningham, said, "Have you anything to say?"

Hale, whose hands were tied behind him, said, "I only regret that I have but one life to lose for my country."

The British commander said, "String the rebel up."

I do not find that great story in history books anymore. What I used to call history is, I think, probably today more aptly designated "social studies." There is nothing wrong with social studies, of course, but we also need history. Young people need heroes to emulate, and we used to have such heroes in American history.

Well, I just tell that story for the benefit of those who may be a little startled at my looking askance at so-called "political correctness." Take it away. Give me history. Give me Muzzey!

I thank the Chair.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER (Mr. SMITH). The Senator from Connecticut.

Mr. DODD. Mr. President, first of all, let me commend our colleague from West Virginia, not only because he made reference to our favorite son of East Haddam, CT, a schoolteacher. In fact, the distinguished senior Senator from West Virginia has, over the years, enjoyed my Christmas greetings card which, on numerous occasions, has the schoolhouse in East Haddam as the cover.

I appreciate his reference to Nathan Hale, of whom we are very proud in Connecticut and the Nation. I also appreciate, once again, his reminding the Members of this body and the Nation at large of the importance of history and social studies and people who have sacrificed great things, who have given us the opportunity to enjoy this Nation today.

Too often, those stories are minimized or scorned or treated lightly. It is the lives of heroes, the lives of great individuals which have made the difference. Events do not happen without great individuals, and we do not pay enough attention to them.

MEDICARE

Mr. DODD. Mr. President, I want to take a few minutes today if I can, and talk about our upcoming proposal on Medicare, which is a subject of great interest, and ought to be, in the country. I think it is important to place into context this debate.

Regardless of where one stands on the specifics of these issues as they come out, it is important that we all understand that we are talking about the single largest transfer of wealth in the history of our country with this proposal, some $270 billion that will have to be moved from the Medicare

Program. We are talking simultaneously about a $245 billion tax cut. There is nothing quite like this in the annals of this country's history.

I say that, not to in any way suggest that in and of itself one ought to oppose this, but rather to raise what I hope will be the interests of the American public as we engage in this discussion, because they are the ones who will be affected. Not the Members of this body because, frankly, most of us have health care programs and have income levels which will basically make us immune from the kind of potential tragedies and difficulties that most Americans will face if they lose a safety net of health care.

It is in their interest, and it is certainly a program that has been tremendously successful in assisting millions of people over the last 30 years to avoid the catastrophic problems associated with the predictable health problems that people face.

What disturbs me is the fact that we are going to have almost no hearings on this at all. In fact, only 1 day of hearings have been scheduled in the entire Congress on an issue that I think is certainly as important as any that this body will debate or discuss this year, only 1 day of hearings on the single largest transfer of wealth in the history of the United States.

Mr. President, the world looks on this body, and we often refer to it ourselves, as the greatest deliberative body in the world. Yet, I say with all due respect to those in the majority that to hold only 1 day of discussions on legislation that will affect today 37 million direct beneficiaries of Medicare, not to mention the families of these Medicare recipients and, frankly, those who will move into the age categories that would allow them to receive some Medicare assistance, I find hard to justify, to put it mildly.

We are not talking about an Intelligence Committee issue here. We are not even talking about a defense issue in which the secrecy of our proceedings has legitimacy. But to come forward with an idea that only has 1 day of hearings and will affect many millions of people I find very, very disturbing.

I can only conclude, Mr. President, that some people are deeply worried that more people may find out about what we are likely to do. And so some think, do it fast, do it quickly, get it over with. Hopefully, they will not notice, and we can achieve the kind of results that some are seeking to adopt when it comes to this program.

Mr. President, this plan, as I mentioned at the outset of these remarks, will cut Medicare by $270 billion. Let me quickly point out that that number is three times what the Health Care Finance Administration says is necessary to extend the solvency of Medicare until the year 2006—three times, Mr. President.

I am not sure that the Health Care Finance Administration is absolutely correct. They are saying about $89 billion. There are those who would tell you that you could do this with $45 billion if you can deal with some of the waste and fraud, which CBO and others will not score. A GAO study that was done said you could basically achieve the savings if we would just make this program run more efficiently. Whether you believe the $45 billion or $60 billion or $89 billion, no one will tell you—no one—that $270 billion in cuts in the Medicare Program is necessary. Yet, that is exactly the plan being put together as we sit here. It is not a plan done in the light of day, but done with 1 day of hearings, with a bunch of people writing this gathered in rooms where you cannot find them. They are leaking this out bit by bit with vagaries and never getting into the details.

I do not think people ought to stand for that. Whether you agree or disagree, it is fundamental that we have a full-blown discussion of what we are likely to do here with a plan that is going to affect that many millions of people—people who are not in a great position to defend themselves.

Let me share with my colleagues what we are talking about here and who these beneficiaries are. The vast majority of our beneficiaries are not well-off people. I, for instance, have long supported the idea of means testing Medicare. I do not find that to be any great revolutionary idea. I am talking about incomes of $75,000 or $150,000.

I quickly point out, Mr. President, that the savings there are relatively modest when you look at the overall amount of cuts that are being talked about. Lest anyone thinks that the money could be saved by excluding the wealthy, let us take a quick look at the numbers. Ninety-seven percent of Medicare expenditures go to individuals with incomes of $50,000 or less; 97 percent go to people with $50,000 or less. Seventy-eight percent of Medicare beneficiaries have an income of less than $25,000 a year. The median income for a woman of 65 years of age or over is $8,500 a year. In fact, the median income is $17,000. And almost 9 million of the 37 million of Medicare recipients have incomes of less than $10,000 a year.

So when we start talking about $270 billion in cuts and premium increases, and the like, remember who we are talking about here. We are not talking about affluent Americans. We are talking about people who, in some cases, are in the most difficult positions, financially, in the country. If not just them, we are talking about their families, who will have to bear the burden of handling these costs.

It has been a very successful program. Yes, it has problems and you have to treat and work on some of the costs associated with it. But it has been a tremendously successful program. If you look here on the chart, Mr. President, in 1959, only 46 percent of our seniors have health care coverage. That was before Medicare. Since 1965, seniors with health care has now risen to 99 percent.

I do not think we can underestimate the value of that to people, not just in terms of their health—as everybody knows, when you get older, you will face medical problems—but financially what it means to people and their families as well.

There was significant opposition to this program. This did not go through like some of the issues around here. It was debated and voted on three different times in 1965 before it became the law of the land. And 93 percent of those now in the majority at that time voted against this program in 1965. I think most of those people today would agree that this has been a very good program, indeed, and it has made a substantial difference in people's lives.

So I think it is in our critical interest that we at least—when you are talking about a $270 billion cut in this program over 7 years—understand what the implications are, what happens—not those who make $75,000 for an individual or $125,000 a year for couples—but for the woman making $8,500 a year, as so many are, or the 9 million who make less than $10,000 a year, or 50 percent of the entire population of Medicare recipients who make less than $17,000 a year. Today, they are paying about $3,000 in out-of-pocket expenses. We are looking at a proposal—and, again, we do not have the details of all of this yet. But according to those who have seen the numbers, we are talking about an increase of maybe $2,700.

I ask unanimous consent to have 5 additional minutes on this. I see my colleague from Rhode Island here.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DODD. Mr. President, we are talking here about people in that income category. The estimates are that we could be looking at an increase in Medicare out-of-pocket costs of some $2,700. Now, you can cut that down on a daily figure, and so forth. But if you are in that $17,000 or $20,000 range, putting aside the $8,500, that is a tremendous additional cost to people in that particular income category.

Mr. CHAFEE. I wonder if the Senator will yield for a question.

Mr. DODD. Quickly, if I can. I only have 5 minutes.

Mr. CHAFEE. I am the only one here. If you want to have more time, as far as I am concerned, you can add my question time on. Where did you get this figure about a $1,700 increase?

Mr. DODD. Those are the figures that have been in the House proposals.

Mr. CHAFEE. Let us not talk about the House. We are in the Senate. The Senate bill was announced today. The part B premium of 31.5 percent is going to stay at 31.5 percent. Is it going to go up with inflation? Yes. Thirty-one and a half percent of the cost will remain at 31.5. Is it going to stay exactly the same dollar figure as last year or 2 years ago? No. But under any administration, Democrat or Republican, it will increase.

Now, the second part is about the deductible. There is no increase in the copayments. They remain exactly the same, at the 20 percent. On the increase in the deductibles, over the years with inflation, the deductibles have gone up. Under this program, they would go from $100 to $150. That is certainly no $1,700.

Mr. DODD. I say to my colleague, not $1,700, but $2,700, which in the House plan.

Mr. CHAFEE. Then that is even more inaccurate.

Mr. DODD. No; it is not.

Mr. CHAFEE. If you want to talk about the persons in the upper categories—

Mr. DODD. I am not the guy you want to ask. The person you want to ask the question to is the Speaker of the House and members of the Ways and Means Committee, who are putting the plan together. The Senate may decide it wants to go to something else. I have not seen the Senate proposals. I know what the Speaker and Ways and Means Committee are saying.

Mr. CHAFEE. We happen to be in the Senate, and they announced a plan today. We do not have to debate on the floor of the Senate what the House plan is. We have a Senate plan. I happen to know what the Senate plan is, and it is not $2,700. Now, if you are talking Jack Kent Cooke, one of the richest men in America, and if he continues taking the part B, yes, he will pay more and he jolly well ought to pay more; 75 percent of Jack Kent Cooke's medical bills are being paid by the taxpayer.

Mr. FORD. Mr. President, this is not a question and answer.

Mr. CHAFEE. It is not right.

The PRESIDING OFFICER. The Senator from Connecticut has the floor.

Mr. FORD. Mr. President, I ask unanimous consent that the Senator from Connecticut have another 5 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. FORD. Will the Senator from Connecticut yield?

Mr. DODD. Yes.

Mr. FORD. Mr. President, I am going through the Chair, as we should. Will the Senator yield for a question.

Mr. DODD. I am glad to yield to my friend.

Mr. FORD. Now, as I understand it, in the plan as we operate it today, the premium goes up only based on a COLA. So instead of being 31 percent, it is only at 28 percent. Therefore, as the COLA is increased, the other amount is increased, but it is basically at 28 percent instead of 31 percent, as our friend from Rhode Island has indicated.

Mr. DODD. Mr. President, I say to our colleague that he is absolutely correct. That is part of it.

We are talking about $270 billion in savings, Mr. President. And to suggest that somehow you can achieve that number, and not talk about the beneficiaries being affected, is exactly the kind of problem we get into here. Of course, it is going to cost. What I find even more disturbing about this, Mr. President, is the fact that we are looking here at a $245 billion tax break occurring simultaneously.

By the way, this tax break was higher originally. We were talking about $260 billion to $270 billion in a tax break earlier. They pared it back to $245 billion.

Is it not coincidental that the size of the Medicare cut and the size of the tax break almost match up dollar for dollar?

Now the tax break has been reduced a bit here, but nonetheless it seems quite obvious to this Senator how we pay for that tax break. That tax break is paid for, it seems to me, by the cut in Medicare.

In the cuts, and again watching this plan dribble out, not a single penny in the proposals being proposed in the House of Representatives actually go to the trust fund. Not a penny of it.

Here we are talking about this great problem with the trust fund and instead of dedicating the resources to the trust fund to put it in better shape we talk about dollars going here.

Mr. CHAFEE. I wonder if the Senator would yield?

Mr. DODD. I will complete my 5 minutes and my colleague can ask for 5 minutes to proceed.

Mr. President, 51.5 percent of the tax break proposed by the Republican plan goes to people making over $100,000 a year. Mr. President, that is a fact. Cut that any way you want, but that is the income level.

Watch down here in the zero to $30,000 category, they get 4.8 percent; people making 30,000 to $50,000, 11.6 percent; and it breaks down to 16 and 15 percent.

I am not objecting even to the idea of having some tax proposals. My view is to postpone these. I put them aside because I think deficit reduction is a completely legitimate issue and we ought to focus on it.

If you want a deficit reduction, take this idea, put it on the table for a couple of years and then look at the Medicare issue for really what it is, instead of coming up with a phony number here that basically in my view, and as it appears to those who have looked at this, satisfies the needs of a tax break proposal.

That is what this amounts to. There will be squawking, a lot of hemming and hawing, but if this were truly a decent and fair plan we would have more than 1 day of hearings. We would not try and have a stealth program that comes in and all of a sudden is sprung on this body.

I know what will happen. We will have one vote under the reconciliation that will be lumped together. We will have little or no chance to amend it, change it or offer different ideas, in the single largest transfer of wealth in the history of the United States.

Frankly, Mr. President, I do not think people will stand for it. I believe when people know more about this, and they will want to know more about it, they will not be satisfied with 1 day of hearings, with an idea of wrapping this all together, minimize the kind of political confrontation people will have to deal with here if they are going to address this issue.

As I said at the outset of these remarks, I am more than happy to take a look at what needs to be done with Medicare, more than happy. I have advocated means testing for more than a decade on this program. I will not take a back seat to anyone in that area.

The suggestion that $270 billion is necessary here when none of the resources go to that trust fund I find less than genuine when it comes to trying to deal with the issue of the Nation's health care needs.

Let me go back and remind our colleagues here. Consider where we were, and consider the history of this. In 1959 only 46 percent, less than half the population of seniors had health care. Today we are getting almost universal coverage.

There are those that have been hostile to this program from day one and have disagreed with it. I am not opposed to the idea of coming up with ways in which people can participate in their own financial and health security down the road. I think that is a good idea. That is not going to work for everyone.

To say you will have that as a substitute for Medicare is to be terribly naive, in my view, about what needs to be done to satisfy the needs of people in this category.

While we are talking about the 37 million who are the Medicare recipients, remember it is their children and their families who also are affected. There are people out there today who are trying to meet the needs of two generations, their own children as well as their parents, so this burden just does not fall on those in the category of retirement age. These people are trying to plan for educational needs, their children, their mortgages, rent, and food. While some say $1,700 or

$2,700 does not amount to much—$21 a week, that is part of the problem here. We are so out of touch in terms of the economic realities of what millions of Americans face every day, we do not think it is much anymore. Go home and listen to your people. They will tell you that it is. They ought to at least be given the common decency of a review of what is about to be done to them, more than 1 day of hearings. I hope that will be the case.

I yield the floor.

Mr. CHAFEE. Mr. President, I want to correct a few inaccuracies that were in the statement of the distinguished Senator from Connecticut. I am confident that these were unintentional, but they were delivered with considerable vigor so I think I might take this opportunity to rebut then.

The Senator from Connecticut said not one penny from these savings in Medicare go into the trust fund. That just plain is not so.

Every single nickel, every single penny saved under the part A, the reduction in the payments to the hospitals, the reductions in the payments to the other providers, the providers dealing with the hospitals' side, all go into what is known as the hospital insurance fund, or part A.

Every single penny—I am not sure of the exact amount in billions of dollars, but of the total $270 billion, a very substantial, I will not say half, but I suspect close to half will go into that part A hospital insurance trust fund.

When the Senator says with all the vigor he can muster that none of that is going into the trust fund, that just plain is not right.

Now, second, the Senator says 51 percent of the tax cuts are going to the rich. That is a very interesting statement because in the Senate we do not have any idea what the tax cuts are going to be.

All that we have done in the Senate is to say that up to $240 billion of tax cuts can take place. That means there could be zero, there could be $1 or there could be $240 billion. No one has said so far—the Finance Committee that deals with the tax cuts has not come up with any proposals dealing with what the tax cuts will be.

Some say they want $500 credit for every child. Now, if that is adopted, no one is suggesting that 51 percent of that is going to the rich people. Every taxpayer, even taxpayers who pay $501 will get a $500 credit, so they pay $1 in taxes.

Indeed, the person who pays less than that, I presume would not only get a refund but get some kind of an income tax credit in addition to the regular $500 credit.

Who knows what we will adopt? Knowing how legislative bodies are, I suspect that we will go right up to the $240 billion. No one has decided that yet. No meetings of the Finance Committee have taken place in connection with taxes. No decisions have been made. It is total nonsense to say that 51 percent of the tax cut is going to the rich under any Senate plan.

ORDERS FOR MONDAY, SEPTEMBER 25, 1995

Mr. CHAFEE. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 2 p.m. on Monday, September 25; that following the prayer, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and there then be a period for morning business until the hour of 3 p.m, with the Senators to speak for up to 5 minutes each with the exception of the following:

Senator BENNETT for up to 45 minutes; Senator DORGAN for up to 15 minutes.

I further ask that following morning business at 3 o'clock, the Senate begin consideration of H.R. 2099, the VA-HUD appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. CHAFEE. For the information of all Senators at 3 p.m. on Monday, the Senate will begin consideration of VA-HUD appropriations bill. The managers of that bill have indicated that Senator BUMPERS is prepared to offer his amendment on the space station on Monday. The majority leader has indicated that any other Member who is intending to offer an amendment to VA-HUD appropriations bill should be prepared to offer that amendment on Monday, so the Senate may complete action on the bill at the earliest possible time.

In addition, the majority leader has indicated there will be no rollcall votes on Monday, and any votes ordered in connection with the HUD-VA bill would be postponed until after the weekly party luncheons on Tuesday.

NATIONAL HIGHWAY SYSTEM DESIGNATION ACT OF 1995

Mr. CHAFEE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the House message to accompany S. 440, the national highway bill, that the Senate move to disagree with the House amendments and agree to a request for a conference, the Chair be authorized to appoint the conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The motion was agreed to, and the Presiding Officer appointed Mr. WARNER, Mr. CHAFEE, Mr. SMITH, Mr. KEMPTHORNE, Mr. BAUCUS, Mr. MOYNIHAN, Mr. REID and from the Committee on Commerce, Science, and Transportation, solely for matters within their jurisdiction, Mr. PRESSLER, Mr. LOTT, and Mr. HOLLINGS conferees on the part of the Senate.

ORDER FOR ADJOURNMENT

Mr. CHAFEE. Mr. President, if there is no further business to come before the Senate, I now ask the Senate stand in adjournment under the previous order, following the remarks of Senator BYRD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Now, Mr. President, we have the opportunity to hear the distinguished Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank my friend, the distinguished Senator from Rhode Island [Mr. CHAFEE] for his courtesy.

Mr. President, I want to be very observant of the rules of comity that exist between the Senate and the House. And, so, I seek never to call the name of a Member of the other body. I think the rules of comity are very important and I hope never to violate them.

However, Mr. President, I cannot allow the recent comments made by a Member of the other body, regarding a possible government-wide default, to go unanswered. Both the Washington Post and the New York Times today contain articles that suggest that a leading Member of the other body is willing to put the United States into default in order to coerce the President of the United States into swallowing a set of budget proposals that large segments of the public and the Congress consider to be extreme.

A Member of the other body has reportedly stated, "I don't care what the price is," and is also quoted as saying that he does "not care if we have no executive offices and no bonds for 60 days—not this time." He has further stated that he would use his office to prevent a vote to increase the debt limit until the President agrees to his proposals for balancing the budget.

That Member may not care, Mr. President, but I do. I care very deeply about the welfare of the United States and the people of the United States. This kind of arrogant brinkmanship can do irreparable damage to the United States, to its creditworthiness, and to its international standing. It could have long-lasting effects on the world stock and bond markets, with unseen ramifications for U.S. interests around the world. That is very careless—careless talk, Mr. President.

With each passing day, we climb ever closer to the $4.9 trillion ceiling on Federal debt imposed by Congress in 1993. We may hit that ceiling as early as the end of October, or as late as mid-November, but hit it we will, as sure as I am standing here today, unless action is taken soon to increase that limit. In the first 5 days of November, the Government must pay $50 billion in Social Security benefits, Medicare, and active-duty military pay. On November 15, some $25 billion in interest payments will be due on interest payments on the debt. Without an increase of the debt ceiling, the Government may be able to limp along until these payments are due, but no amount of accounting legerdemain will cover these large payments. Without an increase in the Government's ability to borrow, Government checks would not be honored. For the first time in history—we have been talking about history here today—the United States would default. It is almost inconceivable for me to imagine the Government of the United States bouncing a check, but that stark possibility looks us right in the face.

A Government default is not something to be taken lightly, as the author of the reported remarks seems to feel. This is a very, very serious issue. It does not just mean that "executive offices" might be shut for 60 days. It does not just mean that there will be "no bonds" for 60 days. It is far more devastating than that glib picture would imply. The Congressional Research Service paints a far darker scenario. Let me quote the CRS report:

> It is difficult to describe the extent of the problems the Government would face if the debt limit were not increased when needed. Under current Federal borrowing needs (for 1996), the effect would be similar to a 10 percent reduction in spending with no preplanning and uncertain authority to rank activities by importance. From past experience, most non-essential operations of the Government could be shut down. Most Federal employees might be sent home. National parks and monuments could close. Regulatory activities could cease. Discretionary Federal activities would probably be cut back as much as possible so that mandatory activities could be paid for. Depending on how long the situation lasted, employees, and eventually beneficiaries, could stop receiving checks from the Government. Government bondholders might not receive their interest payments. Federal construction projects could stop. Payments to State and local governments could stop. Federal contractors could find their payments delayed or missed. Through its reach into all parts of society, the disruption of Federal activities could spread over the entire country.

Mr. President, this comes from the CRS Issue Brief entitled "The Debt Limit," updated August 10, 1995, by Philip D. Winters, Economics Division.

So, Mr. President:

> Payments to State and local governments could stop. Federal contractors could find their payments delayed or missed. Through its reach into all parts of society—

Not just here within the beltway; but in all parts of society.

> the disruption of Federal activities could spread over the entire country.

Mr. President, if that is not enough to rattle your teeth and curl your hair, it will certainly send a shiver of fear down the spine of every single American.

But let us further consider the international consequences of a failure to increase the debt limit and subsequent default. Perhaps the distinguished—and he is a very distinguished Member of the other body for whom I have a great deal of respect—perhaps he does not care about the dire consequences that his words threaten for the individual American who helped to put him into office. After all, he will continue to be paid, as I will continue to be paid, and as every Member of this body and every Member of the other body, and the Chief Executive at the other end of the avenue will be paid, even if the Government shuts down—down, down.

A failure to raise the debt limit in a timely manner could turn the international economy into a sea of quicksand. The U.S. dollar has been the backbone of international trade for most of this century. A default by the United States, that solid pillar of fiscal sobriety, would cause investor confidence in the dollar and U.S. government securities to plummet—plummet like Lucifer's fall into the lake of fire—affecting both domestic and international stock markets.

But the glib threats made by that distinguished Member of the other body reportedly have already shaken the confidence of the investors that the United States depends upon to finance our debt, through Treasury bond sales. Already, in partial reaction to his words, the value of the dollar dropped by five percent before recovering somewhat. That drop in the value of the dollar will be insignificant in comparison to the effects of an actual default. Only 11 percent of the total value of publicly held U.S. Government debt securities are held directly by U.S. individuals. Some 22 percent are held by individuals and entities residing abroad. These foreign investors cannot be expected to understand the U.S. political system, and will simply invest elsewhere until this whole crisis blows over. But if the United States defaults, these investors will not be quick to come back. Indeed, domestic investors will be hard to win back, even if lured with higher interest rates, which cost the Government more. What used to be called "government securities" will become "government insecurities" for a long time to come. Is this what we want? Is this what you, the American people, want? I cannot believe that we do, or that you do. This is not in the best interests of the United States.

This political brinkmanship—that is precisely what it is, political brinkmanship—this political brinkmanship which could so easily backfire can only result in the United States being the loser in the long term.

A default would result in the United States facing permanently increased borrowing costs when the time comes to roll over our debt. Interest rates on those loans, which are secured with government bonds, would be raised, increasing the costs to the taxpayer. The Treasury Department estimates that every increase of one percentage point in interest rates would swell the deficit by $4.9 billion this year. So this political extortion game being perpetrated by a single Member of the other body on the President and the American people could cost a minimum of $4.9 billion this year alone. And those interest rates would not be lowered again for some time. Is this any way to balance the budget? I thought that was the point of this painful process that we have been engaged in this year, balancing the budget. But with a few foolish, ill-considered, and arrogant words, this whole painful year of cuts to one important program after another can be wiped out, erased in one fell swoop. This is an outrage being perpetrated on the long-suffering American public in order to satisfy the political ambitions and hubris of a single individual. For one party to put its own agenda ahead of the best interests of the American people is a complete abrogation of the trust of the American people.

Mr. President, the sooner we all stop playing this game of chicken, the better off we will be. The sooner we stop talking about a "train wreck" on both ends of the avenue, the better off we will all be.

I ask unanimous consent to have printed in the RECORD, Mr. President, articles from the New York Times and the Washington Post to which I have referred today.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 22, 1995]

GINGRICH THREATENS U.S. DEFAULT IF CLINTON WON'T BEND ON BUDGET

(By David E. Sanger)

WASHINGTON, Sept. 21.—House Speaker Newt Gingrich threatened today to send the United States into default on its debt for the first time in the nation's history, to force the Clinton Administration to balance the budget on Republican terms.

His comments, a more extreme version of the hardball stance frequently used in past budget showdowns, raised the specter that the looming standoff may begin to rattle financial markets around the world. Mr. Gingrich's remarks came in the middle of a day in which the dollar plunged as much as 5 percent against major currencies before recovering slightly, sending interest rates up sharply. [Page D13.] The Speaker's statement appeared to be one of several factors that added to the markets' unsettled condition.

More broadly, Mr. Gingrich's speech to the Public Securities Association, which represents traders in Government debt, underscored the growing agitation and sense of imminent collision in official Washington as both Democrats and Republicans move toward a confrontation that could shut the Government down this fall.

Throughout the capital, there was a sense that the current had quickened and the rumble of a great waterfall could be heard close ahead. Angry disputes broke out on wildly varying issues. Republicans threatened to block sending American ground troops to enforce the Bosnia peace plan, agreed to vast reductions in the protection for endangered species and Federal lands, and pushed ahead with plans for radical changes in Medicare and Medicaid. Democrats fumed and vowed to do what they could to slow the legislation's breakneck pace.

Clearly part of Mr. Gingrich's autumn endgame strategy is to force the White House to accept much of this agenda—many parts of which President Clinton has vowed to veto—by holding an increase in the Federal debt limit hostage. Without an increase in the limit, the Government will be unable to meet many of the payments due in November for Social Security, military pay and interest on the Federal Government's $4.9 trillion in debt.

Such confrontation techniques have been used in the past. But it was highly unusual for a high Government leader to suggest, as Mr. Gingrich did today, that default on Government payments was not beyond the pale.

"I don't care what the price is," he said in his speech. "I don't care if we have no executive offices and no bonds for 60 days—not this time."

Without concessions from the White House across the board, he said, there will not be any increase in the debt ceiling. "And we'll see how long they will last," he added.

Administration officials were still trying tonight to figure out how seriously to take Mr. Gingrich's comments. A few months ago, the Speaker was forced to back away from his off-the-cuff suggestions that the United States should recognize Taiwan as an independent country, a step that would lead to a breach with China.

But Congress has little direct influence over foreign policy. By contrast, its control of the Government's purse strings gave added force to Mr. Gingrich's remarks. Indeed, the Speaker's comments drew a quick and harshly worded response from Treasury Secretary Robert E. Rubin. "The President won't be blackmailed by the use of the debt limit as a negotiating lever," he said in a telephone interview from Miami, where he was giving a speech tonight.

"It would be unprecedented and unwise for anyone in a position of authority to dismiss the consequences of default on the debt of the United States of America for the first time in our history," he added. "Even the appearance of a risk of default can have adverse consequences, and a default itself would increase the cost of debt for the United States Government for many, many years to come. A sovereign country's credit-worthiness is a precious asset not to be sacrificed under any circumstances."

Mr. Rubin said he did not expect the United States to default on any debt payment, a step that he has repeatedly called "unthinkable." But even a serious threat of a disruption in payments can move the markets, and may send borrowing costs soaring for the United States.

The Treasury Department estimates that every increase of one percentage point in interest rates would swell the budget deficit by $4.9 billion this year. Republicans, however, argued that interest rates should decline if the ultimate outcome of the dispute between the parties is a big cut in spending. They contend that any short-term blips in the market—because of conflicts with the White House—would be washed away by long-term benefits.

Aside from all the Sturm und Drang in Washington, the debt limit debate has not yet had much effect, traders said. "The markets have not yet focused on it," said David M. Jones, vice chairman of Aubrey G. Lanston & Company, which trades Government bonds. "One of the risks is that foreign investors will not understand what is happening here. And if they get nervous, they will just flee until it all sorts out."

The issue will take on added urgency in the first five days of November, when the Government must pay $50 billion in Social Security benefits, Medicare and pay for active-duty members of the military. On Nov. 15, about $25 billion of interest payments are due.

As Treasury officials concede, a number of financial tricks are available to keep the Government afloat even if the ceiling on debt is not raised. There are temporary debt limits, emergency "cash management sales" to keep money flowing in the coffers as short-term loans, and borrowing against other Government reserves. But all of the steps come with a cost, and none can go on for too long. Though the overall Government debt is $4.9 trillion, the Treasury sells about $2 trillion of debt securities every year because so much of the Government's borrowings are "rolled over" into new bonds.

The debt limit exists as an institution in Washington because the Constitution mandates that only Congress can authorize borrowing. Before World War I, every bond issued by the United States required separate Congressional approval. Today, the raising of the debt ceiling essentially permits the Treasury Secretary to make the day-to-day decisions required to meet the Government's obligations.

From the Washington Post, Sept. 22, 1995)

Gingrich Vows No Retreat on Debt Ceiling Increase—I Don't Care What the Price Is, Speaker Says

(By Clay Chandler)

House Speaker Newt Gingrich (R-Ga.) threatened yesterday to take the government into default for the first time in history unless President Clinton bows to Republican demands for a balanced budget.

"I don't care what the price is," Gingrich declared in a speech to the Public Securities Association, which represents the nation's bond dealers. "I don't care if we have no executive offices and no bonds for 60 days—not this time."

Gingrich said that if Clinton refuses to sign a package of tax and spending proposals reflecting Republican priorities, he would block attempts to raise the government's credit limit.

"I, the speaker, will not schedule, a vote on an increase in the debt limit, it will not come to the floor until we have an agreement" on balancing the budget according to the Republican proposals, Gingrich told the securities group.

Gingrich's pledge provoked sharp criticism from Clinton administration officials. "It would be unprecedented and unwise for anyone in a position of authority to dismiss the consequences of default," Treasury Secretary Robert E. Rubin said last night. "Even the appearance of a default can have adverse consequences, and a default itself would increase the cost of debt to the U.S. government for many, many years to come."

"The U.S. has never defaulted on its obligations and it is extremely irresponsible to suggest that that might happen," said White House budget director Alice M. Rivlin.

The government is rapidly nearing the $4.9 trillion ceiling on federal debt imposed by Congress in 1993. The government will have difficulty paying $25 billion in interest obligations due Nov. 15 unless Congress agrees to raise the government's credit line so that it can borrow more money to pay the bill, financial analysts estimate. Treasury officials have warned that the government's cash crunch might come as early as the end of October.

The prospect that action to raise the debt limit could be held hostage while Clinton and Congress slug it out over the budget may have made some investors in global financial markets nervous. Some administration officials suggested that Gingrich's comments were responsible for yesterday's drop in the value of the dollar and declines in stock and bond prices, although Rubin would not draw that connection.

On Wall Street, though, some analysts questioned the significance of Gingrich's statements.

Allen Sinai, chief global economist at Lehman Brothers Inc, said the prospect of fiscal deadlock was cause for concern among foreign investors, who "don't completely understand our ways and the pressures of the election year." But he said U.S. analysts were likely to shrug off Gingrich's remarks as political posturing.

The prevailing view on Wall Street is that the two sides eventually will strike a deal, said Carl Steen, an analyst at the global economic consulting firm of Maria Fiorini Ramirez Inc.: "Somebody's going to blink. . . . They'll have to."

Steen said it is "much more likely that the Senate Republicans will say, 'Okay, look, we're winning anyway. Let's not push this thing too far.'"

Rubin also said, "I do not believe there will be a default."

But Gingrich warned against underestimating the commitment of House Republicans: "What we are saying to Clinton is; 'Do not assume that we will flinch, because we won't.'"

Gingrich's comments appeared to conflict with remarks made on Sunday by House Budget Committee Chairman John R. Kasich (R-Ohio). In an appearance on NBC's "Meet the Press," Kasich said House Republicans would not agree to a long-term extension of the debt limit "until we can show that there's light at the end of the tunnel.

But he also said, "What we want to do is avoid a default by the government of the United States. So if we can do a short-term, temporary raising of the debt ceiling, that's not inconsistent with the fact that on a long-term basis, we will not raise it."

The prospect of breaching the debt ceiling is distinct from a looming government shutdown, which could happen unless Clinton and Congress come to terms on 13 separate spending bills making their way through the legislature before Sept. 30, the end of this fiscal year. On Wednesday, Republican leaders offered a temporary spending plan to carry the government through until Nov. 13, but the White House said many aspects of the resolution were unacceptable.

Regarding the debt ceiling, Republicans argue that temporary disruption in financial markets is a small price to pay to ensure a balanced budget.

But Rubin warned that "a sovereign country's creditworthiness is a precious asset that should not be sacrificed under any circumstances." Clinton, he said, could not be "blackmailed" into signing a budget deal.

Mr. BYRD. Mr. President, I thank the Chair.

I yield the floor.

ADJOURNMENT UNTIL MONDAY, SEPTEMBER 25, 1995, AT 2 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate stands in adjournment until 2 p.m. on Monday, September 25, 1995.

Whereupon, the Senate, at 2:57 p.m. adjourned until Monday, September 25, 1995, at 2 p.m.

NOMINATIONS

Executive nominations received by the Senate September 22, 1995:

DEPARTMENT OF STATE

ERIC JAMES BOSWELL, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AN ASSISTANT SECRETARY OF STATE, VICE ANTHONY CECIL EDEN QUAINTON.

ANTHONY CECIL EDEN QUAINTON, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE DIRECTOR GENERAL OF THE FOREIGN SERVICE, VICE GENTA HAWKINS HOLMES.

FOREIGN SERVICE

THE FOLLOWING-NAMED CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT FOR PROMOTION IN THE SENIOR FOREIGN SERVICE TO THE CLASSES INDICATED:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF CAREER MINISTER:

CAROL A. PEASLEY, OF CALIFORNIA
CHARLES F. WEDEN, JR., OF VIRGINIA
JOHN R. WESTLEY, OF THE DISTRICT OF COLUMBIA
AARON S. WILLIAMS, OF VIRGINIA

CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF MINISTER-COUNSELOR:

KEITH E. BROWN, OF VIRGINIA
MYRON GOLDEN, OF OHIO
JOSEPH B. GOODWIN, OF MISSOURI
WILLIAM T. OLIVER, JR., OF VIRGINIA
CYNTHIA F. ROZELL, OF CALIFORNIA
BARBARA P. SANDOVAL, OF VIRGINIA
KENNETH G. SCHOFIELD, OF THE DISTRICT OF COLUMBIA
WILBUR G. THOMAS, OF OKLAHOMA

THE FOLLOWING-NAMED CAREER MEMBERS OF THE FOREIGN SERVICE OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE, AND FOR APPOINTMENT AS CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE, AS INDICATED:

CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

ANNE H. AARNES, OF WASHINGTON
GLENN E. ANDERS, OF FLORIDA
GRANT WILLIAM ANDERSON, OF THE DISTRICT OF COLUMBIA
LILIANA AYALDE, OF MARYLAND
PATRICIA K. BUCKLES, OF FLORIDA
JONATHAN M. CONLY, OF PENNSYLVANIA
J. MICHAEL DEAL, OF CALIFORNIA
DIRK WILLEM DIJKERMAN, OF NEW YORK
KENNETH C. ELLIS, OF VIRGINIA
PAULA FEENEY, OF WEST VIRGINIA
LINDA RAE GREGORY, OF FLORIDA
TOBY L. JARMAN, OF VIRGINIA
EDWARD L. KADUNC, OF FLORIDA
DONALD G. KEENE, OF CALIFORNIA
GAIL M. LECCE, OF VIRGINIA
MARY L. LEWELLEN, OF NEVADA
LEWIS W. LUCKE, OF TEXAS
DONALD R. MACKENZIE, OF FLORIDA
TIMOTHY M. MAHONEY, OF VIRGINIA
LAURIER D. MAILLOUX, OF THE DISTRICT OF COLUMBIA
DESAIX B. MYERS III, OF CALIFORNIA
WALTER E. NORTH, OF WASHINGTON
THOMAS E. PARK, OF THE DISTRICT OF COLUMBIA
DONALD L. PRESSLEY, OF VIRGINIA
EMMY B. SIMMONS, OF VIRGINIA
MARCUS L. STEVENSON, OF MARYLAND
KAREN D. TURNER, OF THE DISTRICT OF COLUMBIA
RONALD E. ULLRICH, OF VIRGINIA
ALAN E. VAN EGMOND, OF MARYLAND

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, AND CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

SARAH S. OLDS, OF PENNSYLVANIA

SENATE—*Monday, September 25, 1995*

The Senate met at 2 p.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, Creator of the world, Ruler over all life, our Adonai, Sovereign Lord of our life, we join with our Jewish friends in celebrating Rosh Hashanah, "the head of the year," the beginning of the days of awe and repentance, a time of reconciliation with You and one another. We thank You that we are all united in our need to repent, to return to our real selves for an honest inventory, and then to return to You with a humble and contrite heart. Forgive our sins of omission: The words and deeds You called us to do and we neglected, our bland condoning of prejudice and hatred, and our toleration of injustice in our society. Forgive our sins of commission: The times we turned away from Your clear and specific guidance, and the times we knowingly rebelled against Your management of our lives and Your righteousness in our Nation. O, God, sound the shofar in our souls, blow the trumpets, and wake our somnolent spirits. Arouse us and call us to spiritual regeneration. Awaken us to our accountability to You for our lives, and our leadership of this Nation. We thank You for Your atoning grace and for the opportunity for a new beginning.

Help the Jews and Christians called to serve in this Senate, the Senators' staffs, and the whole support team of the Senate to celebrate our unity under Your sovereignty and exemplify to our Nation the oneness of a shared commitment to You. In Your holy name. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader of the Senate, Senator DOLE, is recognized.

Mr. DOLE. I thank the President pro tempore.

SCHEDULE

Mr. DOLE. Mr. President, leader time is reserved, and there will be a period of morning business now until 3 p.m. There will be no rollcall votes today, and any votes ordered will be stacked to begin starting at 2:15 tomorrow.

At around 4 o'clock today, Senator BUMPERS of Arkansas will offer a space station amendment. We do hope to have amendments throughout the day, and votes on those amendments will be ordered and set aside until tomorrow, so that some of our colleagues who have a holiday today will not miss votes. We will have votes starting at 2:15 tomorrow.

Let me repeat as I did on Friday, if we are able to complete the three remaining appropriations bills this week: VA, HUD; Labor, HHS; Commerce, Justice, State, and the continuing resolution, then we would be in recess until Tuesday, October 10.

Now, it is going to be very difficult because these are rather major appropriations bills. As the distinguished Senator from West Virginia knows, these are the big ones, three of the biggest ones, and there are some contentious issues in each one. I believe, if we have cooperation on both sides of the aisle, we can accomplish this. I have been working with the Democratic leader, Senator DASCHLE. He certainly has been helpful, and I appreciate that very much.

So I say to my colleagues, if we can complete action on the three appropriations bills—not the conference reports but complete Senate action—and the continuing resolution, then there would be a period from this Friday until Tuesday, October 10, which again would accommodate many of our colleagues because of holidays again next week.

I reserve the remainder of my time and yield the floor.

MORNING BUSINESS

The PRESIDENT pro tempore. There will now be a period for morning business not to extend beyond the hour of 3 p.m. with Senators permitted to speak therein for not to exceed 5 minutes each.

Under the previous order, the Senator from Utah [Mr. BENNETT] is recognized to speak for up to 45 minutes.

The able Senator from Utah, Senator BENNETT.

(Mr. KEMPTHORNE assumed the chair.)

Mr. BENNETT. I thank the Chair.

I appreciate the opportunity to take some time now. I apologize in advance for the state of my voice. Like many of our colleagues, I have sustained something of a cold or perhaps worse over the weekend. I am delighted we had the weekend so I got some rest and was able to recuperate a little bit. But if my voice gets a little raspy, Mr. President, I assure you there is no intention to do anything but communicate.

TAX REFORM

Mr. BENNETT. When I recently congratulated our colleague from Delaware, Senator ROTH, on his ascension to the chairmanship of the Finance Committee, he was gracious enough to tell me that he would welcome my ideas as the committee begins to deal with tax reform. I do have some ideas I would like to share with Chairman ROTH, and I will take the opportunity within the morning business period this morning to share them with the Senate as a whole.

I say quickly that many of these ideas are similar to those that were expressed recently by Senator DOLE when he addressed this topic in Chicago.

First, Mr. President, we will start with a little history, and I call your attention to this chart.

We have learned from the 1992 campaign you cannot talk about taxes without a chart, so I decided to get with the program.

Here on the chart you have a red line, and that red line matches the left-hand side of the chart. It shows revenue to the Federal Government from the end of the Second World War until now. It is expressed as a percentage of the total economic output of the Nation, or what the economists call gross domestic product [GDP].

See how exciting that red line is, Mr. President. It is flat, unchanging, unwavering. Now let us look at the green line up here. This green line shows the top personal tax rates, and the chart showing that is on the right-hand side. Back here, at the end of the Second World War, the top marginal tax rate was 91 percent, and it has moved around in the time from then until now.

You will notice there was this one bump. You may remember that, Mr. President. That was the Lyndon Johnson surcharge for the Vietnam war, when everything was left as it was but there was to be a 10-percent increase added after you had fixed your tax return. Interestingly enough, that is the only time that you see any correlation between the top personal tax rate and the Federal receipts as a percentage of GDP. This has gone from 91 percent under Harry Truman down to 28 percent under Ronald Reagan and back up to 40 percent under Bill Clinton, but the impact on receipts has been negligible, if not zero.

That should put to rest the notion that it was the Reagan tax cuts which caused the deficit to soar. The Reagan tax cuts did not impact the percentage of GDP that came into the Government in that period of time.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

No, Mr. President, no matter how many tax reform bills were passed, no matter how much Congress tinkered with the tax rates, the amount of money the Federal Government received as a percentage of the economy did not move more than a point. Why? Because every time Congress reformed the system, taxpayers adjusted their behavior in response to that reform and the percentage of their aggregate income coming to the Federal Government stayed about the same. As I said, one exception is this 10-percent surcharge blip that happened before they had an opportunity to adjust.

Now, what did change—I will talk about this later on—is the rate at which the economy grew. In these years, the Reagan years, we had a period of high economic growth, indeed, the longest sustained period of high economic growth that we have had in this century.

Now, that is important to keep in mind because you look at this flat 19-percent result. Nineteen percent of a big economy produces more money for the Government than 19 percent of a small one. So what we really want most of all is growth. Now, as I said, I will get back to that later on.

As I reflect on all of the debates held over the years on tax policy, I realize that there is one word that comes up over and over again—fairness. Every time we make a change in the tax law, we are told that it is necessary to make things more fair. Franklin Roosevelt pushed for a 91-percent tax rate in the 1930's in the name of fairness. "Share the wealth." That was the cry. Sharing, means being fair. Well, 91 percent is by itself not fair. If it was fully enforced on everyone who had money to invest, it would shut down the economy. People would move out of the United States as they have moved out of the European countries that have tried these kinds of confiscatory rates. So to offset the impact of this confiscatory rate, Congress enacted a series of deductions and exceptions, each one with its own fairness rationale.

What we have done, Mr. President, is this: tip the Tax Code this way to encourage that activity or tip it that way to discourage the other one. And every time we do this, the code gets bigger and more complex. The rich hire more accountants and advisers to help them stay rich, or worse, they refrain from investments that create more jobs and more economic growth in order to avoid the impact of the latest reform.

Do you remember the windfall profits tax? With oil prices going through the roof and inflation gathering steam back in the 1970's, people decided that it was not fair that oil companies, by selling proven reserves already in the ground, would make more money than they had planned on—windfall profits. So in order to be fair about it, Congress put an extra tax on those profits. Well, new domestic oil drilling dropped off, jobs went overseas, and gaslines formed. Congress eventually had to repeal the windfall profits tax after it had done its damage. And at the time of the debate on the repeal, it was argued again that the tax was not fair.

During the recess, Mr. President, back home I sat down with my accountant. It was time to finally file my income tax. I had gotten an extension on the 15th of April. And that was up on the 15th of August.

As we went over the details of my tax return, we got into a discussion of this very issue. And my accountant, unprompted by me, made an interesting comment. He said, "Senator, the present system is not fair to anybody." I find that a great irony, Mr. President, that we have in the name of fairness for some created a system that is unfair to everybody.

So, I say to Senator ROTH, as he asked for my suggestions, I start with this one. Let us get out a clean sheet of paper and repeal the present Tax Code in its entirety. Let us abolish the IRS as it currently stands. Let us stop the tinkering and create a new system based on the principle that the purpose of taxes is to raise money to run the Government, not to set priorities in the economy. I will repeat that, Mr. President, because it is the heart of what has been wrong and what we must do to make things right. The purpose of taxes is to raise money to run the Government.

Now, the new word that we should enshrine in every tax debate is neutrality. Neutrality is easier to define than fairness because we can test in advance whether a tax system is neutral. We cannot test whether or not it is fair because fairness is in the eye of the beholder. Neutrality means that the Tax Code should not be used to punish the bad guys and reward the good guys. We have other laws for that. The Tax Code should be used to collect money for the Government in as neutral and nonintrusive a way as possible leaving the marketplace free to set economic priorities based on true economic demand.

Neutrality also means that payment for labor and capital would have the same tax rates. When you look at it this way, some interesting things start to happen. A tax code that is neutral can also be simple; anyone can figure it out, and the goal of a 1040 on a postcard becomes achievable. One that is neutral and simple is also one that can be stable; it need not change. We regress the way we do it now.

Now, there is great power in this idea. With a stable tax code, you will be able to start a business and know that the tax laws will not change on you midstream. You will be able to buy a house, take out a loan, put money aside in a savings account or make any other investment you want and know that there will not be a nasty surprise coming after the next election.

A tax code that is neutral, simple, and stable—that should be America's goal for the 21st century. And if we get it, I believe there will be an added bonus. A system that is neutral, simple, and stable will also be the system that comes the closest to being fair.

Now, I hear the question: "Does this mean, Senator BENNETT, that you are endorsing a flat tax?"

I want to see the recommendations that will be coming from the tax study commission that Senator DOLE and Speaker GINGRICH appointed, the one headed by Jack Kemp, before I lay out any specifics. But, yes, I do endorse the concept of a flat tax as one way to get a system that is neutral, simple, stable, and fair. There may well be others. I am a cosponsor of the Nunn-Domenici proposal, but I salute the Kemp commission for looking at all of them, as I know they are doing.

Now, the purists will say, to be completely neutral a flat tax should have no deductions. Theoretically they are right. However, I want to be sure that in making the transition from the present to a better tax system, we do not permit American homeowners to be adversely affected by higher mortgage interest burdens. Home mortgage interest rates currently reflect the value of the existing tax deduction. If we wipe out that single deduction in a single step and leave fixed interest rates where they are, we will penalize everyone who has a mortgage. The deduction should be phased out and only after homeowners can refinance their mortgages at rates that are more advantageous to them than are the existing rates with the tax deduction. And until that happens, I endorse leaving the home mortgage interest deduction as it is.

On the question of charitable contributions, I point out that we are constantly asked in this Chamber on the Federal level to take care of people who are in trouble, to support educational institutions, research projects, the arts, or all other kinds of good works in society. Right now much of the burden in these areas is being shouldered by good-hearted Americans who want to help through churches and other charities beyond just paying their taxes. These charities are usually better run and more efficient than the Government.

We should find a way to encourage those Americans who voluntarily give beyond their tax payments to engage in these kinds of activities and thus save the Government money. So I support a continuation of the charitable deduction. And I assume that at least Elizabeth Dole will agree with me on this one.

Now, the deductibility of State and local taxes in Federal income tax systems is, for me, an issue with constitutional overtones. I believe that States have an equal standing with the Federal Government under the Constitution and income should only be taxed once. That is a principle. As I have said, I will wait for the Kemp commission to report on specific rates and levels for a flat tax, but I do ask the Kemp Commission to consider fully the impact of any proposal on the deduction of mortgage interest, charitable contributions and State taxes.

I want the Commission to explore all approaches, just so long as they are neutral, simple, stable and fair.

Let me repeat my longstanding support for indexing the tax rate for capital gains as an immediate improvement in the present system. Taxes should be on real income, not paper income. Our present system of taxing paper profits as if they were real is not only a drag on the economy, but, in my view, it is contrary to the fifth amendment prohibition against taking.

In terms of purchasing power, many Americans have experienced such a loss of their property through the tax law; the Government has taken it. Here is an example.

Suppose, Mr. President, you invested $10,000 in a business in 1975, just before the great inflation of the 1970's. Say the business survived till now but has paid you no dividend and no interest, no return at all on your money. Your $10,000 has been locked up in that investment for over 20 years.

Finally, last year you found a buyer who paid you 20,000 1994 dollars. In purchasing power, you had a loss. To break even, you would have had to sell for $27,540 because your 10,000 1975 dollars lost more than half their value in that timeframe. But in tax terms, you owe Uncle Sam $2,800 for so-called capital gains.

You not only lost $7,540 in purchasing power on the principal, you lost an additional $2,800 in taxes. The unindexed capital gains tax confiscated a portion of your investment, not your gain. In real terms, there was no gain. As I said, Mr. President, to me, that constitutes a taking in violation of the spirit of the fifth amendment. It is time to stop it, stop taxing inflationary imaginary gains.

Our system of double taxation of corporate profits, if the profits are paid out as dividends, tilts the investment community away from equity investment and toward debt. A system that is truly neutral, simple, stable, and fair would avoid this tilt.

The taking on of huge debt by corporate America in the 1980's was not driven by the fabled greed of the Reagan years that some commentators talk so much about. It was driven by the nonneutrality of the Tax Code.

As I said at the beginning, the principal economic goal that we should have is growth. If the tax system produces—back to the chart—19 percent of GDP as revenue to the Government and the economy grows faster than Government spending does, it is clear we can do something positive about our national debt. An expanding GDP allows us to reduce the deficit with increased revenue and not depend on spending cuts alone.

Mind you, I am not saying we do not need to make the cuts, because clearly we do and for a whole series of reasons. However, if we try to solve the deficit problem entirely with spending cuts and ignore the growth side of the equation, we are turning our backs on our biggest opportunity for financial stability in the years to come.

I have seen economic studies that show that if we can increase the rate of growth by simply one-half of 1 percent per year—in other words, if we can grow at around 3 percent a year instead of 2.5 percent a year, the additional tax revenue that will come from that one-half percent, combined with the cuts we propose in Government spending, will allow us to balance the budget in less than 7 years. That is what Senator DOLE was talking about in Chicago a few weeks ago.

Some say the way to get this growth is to have the Federal Reserve devalue the currency. I disagree. We have seen the dollar drop significantly in recent years, reducing America's share of control of the world's goods, but it has not brought the growth we need. We cannot inflate our way to prosperity, nor can we devalue our way to prosperity, as we learned in the stagflation years of the seventies. We need sound money with price stability tied to a neutral, simple, stable, and fair Tax Code. That is the key to our achieving the higher rate of real growth, combined with discipline on the spending side, that will give us what we need in our fiscal future.

Those are the ideas I would share with the new chairman of the Finance Committee, Mr. President. I believe that the Senate author of the Kemp-Roth bill, who is that chairman, will be receptive to this recommendation.

If I can recap at this point, our financial future depends on the following principles:

First, we need a tax system that is neutral, simple, stable and fair, based on the concept that its purpose is to raise the money we need to run the Government and not to set economic and social priorities.

Second, income should only be taxed once.

Third, phantom income should not be taxed at all.

Fourth, our deficit problems should be attacked by both spending cuts and revenue growth, with the recognition that true revenue growth derives not from higher rates but from a stronger economy.

These are the principles that are the root to the solution of our economic ills. I salute Senator DOLE and Speaker GINGRICH for their leadership in creating a commission to focus on economic growth and intelligent tax policy for the next century, and I look forward to the commission's report with great anticipation.

Now, Mr. President, since I prepared these remarks, we have had a very busy schedule in the Senate, and I was unable to deliver them in the timeframe that I had anticipated. As often happens, events overtake you, and there are some other things that have occurred since I prepared this presentation that I would like to share with you at this time.

On September 13 in the Wall Street Journal, Robert L. Bartley, who is the editor of the editorial page of the Journal, produced a piece called "Giving up on Growth." I am dependent upon Mr. Bartley for the first recognition of this 19-percent reality, as he has highlighted that again and again on the pages of the Journal.

I will not take the time to read all of his editorial "Giving up on Growth," but he talks about many of the same things I talked about here. How, if we could only get the economy to grow at the same rate it did during the Reagan years, during the years, Mr. President, when the marginal tax rate was down here rather than up there, that we could solve most of our deficit problems, because the income would be so much higher in an economy growing at 3 percent plus than it will be at an economy growing at 2.5 percent that it tips the equation favorably in our balance.

He points out that the Clinton administration has resigned itself, if you will, to 2.5 percent as the highest possible growth we can achieve into the next century, turning their backs on the Reagan experience and the empirical evidence of the Reagan years.

However, whenever this is brought up, people immediately turn to the deficit issue, and we are confronted with the next chart, Mr. President, the chart showing the red ink, the sea of deficits, if you will. Here in nominal dollars is the record of the amount of deficits we had in the last century, so small at the beginning that you cannot even find them on this chart. This little bump is the First World War. We have the Second World War. But here we are, "You see, when Ronald Reagan is elected President, look at the deficits. How can you stand there, Senator BENNETT, and say that we must go back to the Reagan years of high growth when the price we paid for that growth was the tremendous explosion of deficits?"

Then to really scare us, we are shown the next chart, when all of these deficits are accumulated in the form of the national debt, and the national debt goes up to the point where it is projected by the year 2005 to be $9 trillion.

This is a chart that scares everybody today. Well, Mr. President, let me comment briefly on this chart, before I move to the others, and take an experience out of my own lifetime.

When I was hired as the chief executive officer of the company that I headed for half a dozen years, we had some debt. It was $75,000. Today, that company has debt in excess of $7.5 million. If you were to put that debt on a chart like this, it would be even more dramatic than that. Clearly, you need to do something, Senator, this company is headed for bankruptcy because the debt has soared from a mere $75,000 to $7.5 million. But, of course, that does not tell the story.

When we had a debt of $75,000, our total sales were $250,000. Our debt was more than 25 percent of our total sales. Today, a debt of $7.5 million on a company with sales of close to $300 million is an insignificant issue indeed. But while we happen to have debt on the balance sheet of about $7.5 million, we have cash on the balance sheet of close to $60 million. You may ask why do you not pay off the debt? Well, it is left over from mortgages on buildings that were built at the time when we did not have that much cash, and there is a prepayment penalty attached to it. That debt is in no way threatening the existence of the corporation; whereas, the $75,000 debt caused us some sleepless nights. So it is not the nominal amount of the debt that we should look at, but the debt in relation to something else.

Let us go, for a clearer picture, to the next chart. Here is the chart of deficits listed in dollars that are adjusted for purchasing power. What in the previous chart was a mere blip for the Second World War now, in purchasing power, makes it clear that the highest deficit we have ever had in our history was in the Second World War, and none of the subsequent deficits have come close to it. What has happened to the economy? How big was the economy during the Second World War compared to the economy now?

So on the next chart we have computed the debt not as a piling up of nominal dollars, but as a percentage of GDP, or a percentage of the economy. And now you see that in the Second World War, the debt was close to 130 percent of total output. That is, we were spending 30 percent more than the entire economy was producing in the days of the Second World War, as the debt soared. And as soon as the war ended, the debt, as a percentage of GDP, began to fall, and fall dramatically, all the way down to during the 1970's, at roughly 30 percent of the economy. From 130 down to 30—a very different picture than the skyrocketing red ink on the previous chart.

So if you look at it in historic terms, Mr. President, today the debt, as a percentage of the economy, is roughly what it was when Dwight Eisenhower was President of the United States. We did not feel that the economy was in danger of political collapse and financial collapse during the Eisenhower Presidency. But there are differences. Obviously, the major difference is this one. It is growing now. In the Eisenhower Presidency, it was shrinking.

Let us look at the nature of the budget. In the Eisenhower Presidency, roughly 50 percent of the budget was devoted to defense. Today, I wish I could ask the distinguished occupant of the chair to respond because he serves on the Armed Services Committee and could give us a more correct answer. But the defense budget is about 6 percent—no, it is less than that, of the GDP and falling. And it is a relatively small percent of the total budget. What happened here—referring to the chart—that did not happen here? Well, in Eisenhower's time, there was no Medicaid, there was no Medicare, there were no middle class entitlements. As I say, the defense spending constituted about 50 percent of the budget.

What has happened is that entitlement spending has taken hold, regardless of whatever else is happening in the economy, and entitlement spending, as we have seen from the Commission headed by the Senator from Nebraska [Mr. KERREY], is going to take us over the cliff.

Are we in danger of immediate financial distress? No. When you look at it in this historical context, no. Do we need to do something about our financial circumstance right now, however? Yes, because these lines are going up instead of down. This is the first time in our history, Mr. President, that the lines have been going up in peacetime. Always before, when the lines went up, it was because of a war, and then they came down. Well, the cold war is over and the lines are still going up.

Now, Mr. President, as I said earlier, there are two parts of this line. One has to do with the amount of debt, and the other, since it is a percentage, has to do with the size of the economy. You can start these yellow lines moving down if you cut spending. But you can also start them coming down if you increase the size of the economy. We are back to growth, as one of the major solutions—one of the ignored solutions—to our fiscal circumstance.

Robert Bartley asks the question in his editorial: "Have the Republicans given up on growth?"

He says, talking about the importance of growth:

> Such discussion ought to start with the heirs of Ronald Reagan, the President who presided over our last period of acceptable growth. But with the withdrawal of Jack Kemp, no strong growth message comes from any of the GOP Presidential contenders, and even the newly ascendant Republicans pitch their rhetoric toward sacrifice rather than hope.

I object to his characterization of the majority leader's position. I think his statement in Chicago, which is in concert with the statement I have just made here, makes it very clear that he at least is determined to support growth as a major goal should he accede to the Presidency. Steve Forbes has just entered the Presidential list, calling for growth as the major goal of the Forbes administration. So there are contenders who, contrary to Mr. Bartley's comment, are focusing on growth. But as a general rule, his criticism, I think, is well taken.

He goes on:

> Even Representative Dick Armey's flat tax, in fact an incentive-boosting and investment-oriented initiative, has been promoted so far with arguments about simplification. It is almost as if Republicans are ashamed to promise growth.
>
> Despite their congressional triumph, that is, Republicans are still spooked by rhetoric about "the rich" and a "decade of greed." In the off-year elections, President Clinton's every campaign appearance was marked by assaults against the 1980s; when votes were counted, the 1980s won. The Republicans could boost their own fortunes, and give the nation a badly needed psychological lift, if they started to claim their own birthright, to promise a return to the economic growth of the Reagan years.

I conclude, Mr. President, by going back to the original chart once again, which has been up for so much of my presentation but needs to be looked at again. We have been told ad nauseam that the reason we are in deficit now is because of the disastrous tax cuts of the Reagan years. The fact is, the tax cuts of the Reagan years have no impact on the percentage of the economy that came to the Federal Government.

As Mr. Bartley points out, they had a tremendous impact upon the rate at which that economy grew. Nineteen percent of a rapidly growing economy produces more money for the Government than 19 percent of a stagnant economy.

Mr. President, I certainly support spending cuts. We need to enforce spending cuts for a whole series of reasons.

I conclude by saying that the Republicans in this Senate need to recognize, as Senator DOLE called on us to recognize in his speech in Chicago, that our main goal for the economy should be long-term sustained growth in excess of the 2.5-percent rate for which the Clinton administration is prepared to settle.

If we can do that, Mr. President, if we can get the growth rate back up to where it was in the Ronald Reagan years and then with spending cuts get some control over the runaway entitlement pressures, we will see this line of yellow bars begin to move back down as it has done throughout our history.

We will leave to our children not only a Federal debt that is under control but an American economy that is growing rapidly enough to create the number of jobs and job opportunities that our children and grandchildren so richly deserve.

I apologize for the length of this presentation. As I say, we have opportunities only so often in morning business in which to give them, so I have combined several topics here in a single presentation on a Monday afternoon.

I thank the Chair for his attention. I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, I understand that the distinguished Senator from North Dakota [Mr. DORGAN], has the balance of the time of 15 minutes. I ask unanimous consent that I have a portion of his time, if not all of it.

The PRESIDING OFFICER. The Senator from North Dakota, by previous order, was to be recognized for up to 15 minutes.

Without objection, the Senator from Kentucky is recognized.

DOT INSPECTOR GENERAL REPORT CONCLUDES NO WRONGDOING

Mr. FORD. Mr. President, earlier this year newspaper reports detailed allegations that FAA personnel may have withheld or destroyed documents to avoid the public release of information embarrassing to our colleague and Democratic Leader Daschle and Deputy Administrator Linda Daschle, his wife.

Shortly after there appeared further allegations that Mrs. Daschle may have violated the terms of her recusal at the FAA by involving herself in the agency's consideration of certain policy proposals by the leader for the consolidation of air charter inspections.

The distinguished chairman of the Senate Subcommittee on Aviation, Senator MCCAIN, requested a full investigation of these allegations by the Department of Transportation office of inspector general.

Senator DASCHLE supported that request because he felt the allegations needed a thorough inquiry.

Last Thursday, after an exhaustive investigation of 7 months, the inspector general released his report finding no basis in fact for these allegations.

Mr. President, whenever allegations originally are carried in the press with great fanfare, are investigated and found to be groundless, fairness to all concerned requires that we take the same notice of the resolution as we did the original charge.

Mr. President, let me read just one paragraph from the inspector general's report as it relates to these allegations. I think it says it all.

> This investigation disclosed no evidence to substantiate that documents were destroyed as alleged. Nor did this investigation disclose evidence to substantiate that Deputy Administrator Daschle violated her recusal. Accordingly, it is recommended that this investigation be closed.

For the benefit of those who may have missed the stories in Saturday's newspapers, Mr. President, I ask unanimous consent that the report of the inspector general be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Department of Transportation, Office of Inspector General]

REPORT OF INVESTIGATION—ALLEGED DESTRUCTION OF FAA DOCUMENTS CONCERNING B&L AVIATION

I. PREDICATION

This investigation was predicated on a letter from Senator John McCAIN to Inspector General A. Mary SCHIAVO dated February 8, 1995, requesting an investigation into allegations raised by Gary M. BAXTER, Aviation Safety Inspector, Federal Aviation Administration (FAA), Great Lakes Regional Office, Des Plaines, Illinois. Senator McCAIN transmitted a letter which BAXTER wrote to Senator Larry PRESSLER dated January 3, 1995, containing four separate allegations, one of which alleged destruction of records. On February 3, 1995, FAA Administrator David HINSON also referred the allegation of record destruction to the OIG requesting an investigation.

BAXTER alleged that unspecified FAA documents were destroyed by FAA personnel during the processing of a request for documents under the Freedom of Information Act (FOIA). The FOIA request was made by Attorney Matthew MALONEY in April 1994, seeking records pertaining to B&L AVIATION (B&L) of Rapid City, South Dakota. MALONEY represents the families of two of the victims of a February 1994, crash of a B&L aircraft in North Dakota. Essentially, BAXTER alleged that documents were destroyed because the public release of those documents may be embarrassing to Senator Tom DASCHLE of South Dakota and his wife, Linda DASCHLE, who is Deputy Administrator of the FAA.

Linda DASCHLE was nominated FAA Deputy Administrator by the President on November 19, 1993, and confirmed by the Senate on November 20, 1993. At the outset of our investigation, Deputy Administrator DASCHLE disclosed to the OIG that in the summer of 1994, she had selected an FAA employee from Rapid City, South Dakota, to temporarily serve on her immediate staff. This disclosure raised issues concerning Deputy Administrator DASCHLE's recusal from matters involving her husband because the employee had been directly involved in working with Senator DASCHLE's staff during 1993 and 1994 on the issue of consolidated inspections.

II. BACKGROUND

On February 24, 1994, a plane owned and operated by B&L, crashed in Minot, North Dakota. The crash killed everyone on board, including a B&L pilot and three Indian Health Service doctors. The investigation by the National Transportation Safety Board (NTSB) cited both pilot error and poor weather conditions as factors contributing to the crash.

B&L was established in 1968 by Mr. Merl BELLEW and a former partner. The company consists of an air taxi operation, a repair station, and a pilot school. It employs approximately eight individuals and owns and operates approximately 20 small aircraft. B&L is an authorized FAA air taxi operation, in accordance with 14 CFR Part 135. As such, it is required to undergo bi-annual inspections by the FAA in order to ensure its compliance with Federal Aviation Regulations (FARS). Additionally, B&L contracts with certain government agencies to provide various services. These agencies include the Department of Agriculture (USDA), U.S. Forest Service (USFS) and the Department of Interior (DOI), Bureau of Indian Affairs (BIA).[1] Unlike the FAA which inspects for compliance with the FARS, these agencies inspect for compliance with contract specifications once a year.

Over the past 10 years, Senator DASCHLE has performed constituent services on behalf of B&L which involved contacts by Senator DASCHLE and his staff with officials of the FAA. The most significant area of constituent service involved the issue of consolidated inspections for aviation charter operations.

In 1992, BELLEW personally raised the issue of consolidating aviation inspections to Senator DASCHLE. B&L voiced concern over alleged redundant inspections conducted by the FAA and the USFS. This prompted the Senator to become involved on behalf of his constituent. Between June 1992, and April 1994, Senator DASCHLE and his staff pursued the issue of consolidating aviation inspections through meetings and correspondence with the FAA and the USFS.

Senator DASCHLE ultimately introduced an amendment to the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 transferring USDA aviation inspection authority to the FAA. The amendment was unanimously adopted by the Senate but resulted in compromise legislation based on questions raised by Congressman Charlie ROSE. The compromise legislation required a study be performed by a joint FAA/USDA review committee. In its report, dated May 1995, and signed by the Secretaries of Agriculture and Transportation on July 31, 1995, the committee concluded that "Alternate 1 [i.e., the current system] was the only alternative which fully satisfied the mission preparedness and safety oversight criteria contained in the Act."

By letter dated August 8, 1995, Senator DASCHLE requested that the Government Accounting Office (GAO) review the results of that study and address nine specific questions concerning the issue of consolidating inspections, leaving the issue unresolved. The merits of Senator DASCHLE's proposal were beyond the scope of this investigation.

Our investigation identified issues beyond the scope of the alleged destruction of documents and the related issue of Deputy Administrator DASCHLE's recusal. These issues are being resolved through a separate inquiry by the OIG.

III. JURISDICTION

The Office of Inspector General (OIG) for the Department of Transportation (DOT) was created under the Inspector General Act of 1978 (P.L. No. 95–452). Under the Act, the OIG has broad authority to conduct audits and investigations concerning the programs and operations of the DOT. The DOT is comprised of 10 Operating Adminsitrations including the FAA. In conducting investigations under the Act, determinations are made concerning investigative authority. The following jurisdictional determinations were made in this case:

Footnotes at end of article.

1. The allegation concerning the alleged destruction of FAA documents was made by an FAA employee and concerned several aspects of the programs and operations of the FAA including the FAA's regulatory oversight of B&L. OIG determined that investigative authority over alleged destruction of FAA documents, is within the jurisdiction of the OIG. OIG also determined that investigative authority over the FAA's regulatory oversight of B&L is within the jurisdiction of the OIG.

2. An issue was also presented concerning the recusal of FAA Deputy Administrator Linda DASHCLE. On February 6, 1995, Deputy Administrative DASCHLE disclosed to OIG that she had selected an FAA employee from Rapid City, South Dakota, to temporarily serve on her immediate staff. This employee had been directly involved in working with Senator DASHCLE's office on the proposal to consolidate aviation inspection. OIG determined that investigative authority over the Deputy Administrator's adherence to her recusal is within the jurisdiction of the OIG.

3. In many cases, issues are presented in which the investigative authority of the OIG overlaps with other investigative authority. For example, constituent service performed by a U.S. Senator and the programs and operations of the USFS are not within the jurisdiction of the DOT/OIG. The NTSB is independent of DOT and, therefore, is not subject to OIG audit or investigation. However, the Intersection between FAA employees and USFS personnel; the interaction between FAA employees and Senator DASCHLE and his staff; and the interaction between FAA and NTSB personnel were each relevant to the investigation of the alleged destruction of documents. Accordingly, OIG determined that investigative authority over these interactions is within the jurisdiction of the OIG.

IV. METHODOLOGY

The OIG staff conducted the following interviews: (1) Senator Tom DASCHLE; (2) Linda DASCHLE, the Deputy Administrator of the FAA; (3) A current and former member of Senator DASCHLE's staff; (4) FAA officials who interacted with the Deputy Administrator's office; (5) FAA officials involved in responding to the FOIA request; (6) FAA Aviation Safety Inspectors in Rapid City, South Dakota; (7) United States Forest Service personnel; and (8) Departmental and FAA ethics officials.

The OIG staff obtained and reviewed the following documents: (1) a copy of the documents submitted by the FAA to MALONEY in response to the FOIA request; (2) FAA files related to the FOIA request; (3) working files of those responsible to respond to the FOIA request; (4) documents requested from Senator DASCHLE's office; (5) Senator Hank BROWN's inquiry to the FAA pertaining to B&L, based on a letter from Bill DICKSON, Regional Aviation Officer, USFS, dated April 1984; and (6) documents pertaining to the recusal of the Deputy Administrator from FAA matters involving her husband and South Dakota.

The OIG staff obtained and reviewed the following reports: (1) the "Statement of the Office of Senator Tom Daschle Regarding Consolidated Federal Air Charter Safety Inspections and Related Matters," issued on February 17, 1995, in response to media attention given to Senator DASCHLE's relationship with B&L; (2) NTSB Factual Report on the B&L crash, NTSB ID: CHI94GA093; (3) "Boeing 757 Wake Turbulence, A Review of the Actions of the Federal Aviation Administration;" (4) "Interagency Aviation Inspections, A Joint USDA/DOT Study," Report to the United States Congress Pursuant to Section 306 of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994, P.L. 103-354.

V. INVESTIGATIVE RESULTS

A. Alleged destruction of documents

1. Synopsis

We investigated the alleged destruction of documents related to the April 1994, FOIA request pertaining to the February 1994, crash of an aircraft owned and operated by B&L. The crash, which resulted in the death of three U.S. Department of Health and Human Services, Indian Health Service (IHS) doctors, and a pilot employed by B&L, occurred while B&L was performing services under an IHS contract.

We concluded that no documents were destroyed. However, we confirmed that FAA withheld certain documents. The FAA transmittal of documents to MALONEY indicates that some documents were withheld "for legal review" but fails to appropriately cite applicable exemptions and fails to reference the scope of the documents withheld, thereby denying the requester the right to appeal under the FOIA. The documents withheld primarily consisted of B&L company manuals which may have been withheld under FOIA exemption four, Title 5 U.S.C. §552(b)(4). This exemption allows for the withholding of privileged or confidential commercial information. Nonetheless, the FAA was required to specify this in the response to MALONEY, which was not done. We attribute this to carelessness and a significant lack of procedures in the FAA for handling FOIA requests. We also identified three sets of circumstances which resulted in BAXTER's suspicions that documents were being destroyed. Details surrounding those circumstances are provided below.

Our conclusions regarding a lack of proper procedures for handling FOIA requests parallel the findings contained in a report by the Department of Transportation's General Counsel and the FAA Deputy Administrator in July 1994, concerning a FOIA request on the Boeing 757 Wake Turbulence issue. We confirmed that the FAA has taken corrective actions in response to that report, the report had not been issued and the corrective actions were not yet in place at the time of the MALONEY FOIA request.

2. Background

The statutes and regulations applicable to this matter include: Title 5 U.S.C., Section 552, the Freedom of Information Act; Title 49 C.F.R., Part 7; FAA Order 1200.3, Public Availability of Information; and Title 18 U.S.C. 2071, Concealment, removal, or mutilation of records and reports.

Gary M. BAXTER, Aviation Safety Inspector, FAA, Great Lakes Region (GLR), was the Staff Specialist assigned to handle B&L FOIA requests. By letter, dated January 3, 1995, to Senator Larry PRESSLER, BAXTER alleged that documents which were releasable under the FOIA were improperly withheld or destroyed. The FOIA request in question, dated April 27, 1994, was filed with the FAA by Matthew MALONEY, Attorney, SHERMAN, MEEHAN & CURTIN, P.C., Washington, D.C. The FOIA request was for documents in the custody of the FAA pertaining to B&L, an FAA certified air taxi operation. The request listed nine categories of documents including "all data or information in the custody of the FAA received from any government agency or official, including elected officials."

On May 5, 1994, BAXTER forwarded the FOIA request to Cathy JONES, Manager, FAA, Flight Standards District Office (FSDO), Rapid City, South Dakota, the office responsible for B&L's certification. JONES directed her staff in the FSDO to gather all B&L related documents and provide them to her. On May 12, 1994, BAXTER verbally advised JONES she did not have to provide: national database information; her notes notifying her employees of the B&L accident; her instructions to her employees about gathering information to assist the NTSB; and documents relating to B&L's pilot school and repair station. Nonetheless, JONES decided to only segregate her notes and the national database printout. Our inquiry disclosed that JONES sent all other documents, including the pilot school and repair station records, to BAXTER.

In his letter to Senator PRESSLER, BAXTER stated: "She [JONES] told me that the Division Manager of Flight Standards Division had told her to destroy some parts of B&L's Operator File because of Senator DASCHLE's intervention on behalf of his wifes [sic] (Linda DASCHLE #2 in the FAAs) friend Mr. Merl BELLEW, (Owner of B&L Aviation). She went on to say that she did get rid of some of the documents but forgot exactly what other parts she was told to destroy."

3. Circumstances which raised suspicions about documents

Our inquiry disclosed no evidence that David HANLEY, Division Manager, FAA GLR, or JONES, destroyed or withheld documents in response to the FOIA request. Additionally, HANLEY did not instruct JONES to destroy or withhold any documents pertaining to the FOIA request. JONES and HANLEY each provided sworn affidavits denying the allegations. However, the inquiry disclosed that three sets of circumstances involving the FAA's handling of documents contributed to the basis for questions raised by BAXTER concerning the response to the request.

a. The Bown memorandum

The first circumstances involves a misinterpretation of instructions from JONES to BAXTER. On May 13, 1994, JONES called BAXTER to advise she was sending the FOIA package to him. During that conversation, JONES suggested to BAXTER that HANLEY review the documents. JONES wanted the package of documents reviewed because it contained an unedited draft memorandum of a meeting between Richard BOWN, Operations Unit Supervisor, Rapid City FSDO, and William DICKSON, Regional Aviation Officer, United States Forest Service (USFS), Lakewood, Colorado. At the time of its original preparation, in December 1993, two paragraphs from the draft version were edited out before the memorandum was finalized. This editing was done at the direction of HANLEY because he viewed these paragraphs as containing BOWN's opinions. OIG's review of the draft memorandum disclosed that BOWN's opinion supported the consolidation of inspections. The final version of the memorandum was sent to Senator DASCHLE's staff by BOWN at the request of Senator DASCHLE. Because the draft memorandum differed from the final version, JONES was unsure whether the release of the document under the FOIA request was appropriate and wanted HANLEY to review the document.

Our inquiry disclosed JONES affixed a yellow post-it note to the package of documents which indicated HANLEY needed to review the package containing the draft memorandum described above. Despite written and verbal requests from JONES to BAXTER for HANLEY to review the documents, BAXTER did not follow through on JONES' request and HANLEY never saw the documents. The FOIA response was signed out by [deleted] Flight Standards Division, FAA GLR, for HANLEY on July 14, 1994.

b. The package of Forest Service documents

The second circumstance which contributed to BAXTER's suspicion involves a package of 61 pages of USFS documents pertaining to B&L, which were received by BAXTER from JONES in response to a subsequent B&L FOIA request in December 1994. During an interview, BAXTER told the OIG these documents raised concern on his part because he did not receive them from JONES during his processing of the earlier MALONEY request and because one document in particular was titled "Response to DASCHLE Squeeze."

We have reviewed the documents in question. They contain information pertaining to USFS inspections which were critical of B&L, and USFS opinions of the FAA which were also critical. The documents also detail efforts by Senator DASCHLE's office to have the USFS relinquish its inspection authority. However, our investigation disclosed that at the time the FAA responded to the MALONEY FOIA request in July 1994, the FAA was not in possession of these documents. The FAA did not receive these documents until September 1994, when they arrived in the Rapid City FSDO. The documents were sent to Rapid City by an air safety investigator, National Transportation Safety Board (NTSB). An interview of the NTSB investigator disclosed that the documents received were from an attorney (name unrecalled by the NTSB investigator). The investigator told the OIG that since the accident investigation of the B&L aircraft that crashed in February 1994, had been concluded, the documents were of no further use and were forwarded to the Rapid City FSDO.

c. Documents withheld for further legal review

The third circumstance involves 28 pages that were initially withheld in July 1994, under the MALONEY FOIA request. These documents contained, among other things, information relating to the FAA's interaction with Senator DASCHLE's office and USFS inspections of B&L. In November 1994, MALONEY inquired as to the disposition of the documents. BAXTER became suspicious of the way these documents were handled when he inquired with the Office of Assistant Chief Counsel (OACC), GLR, and learned they had misplaced the documents. Upon receipt of a second copy of the documents from BAXTER, OACC eventually approved their release.

In a cover letter sent with the initial release of documents to MALONEY, dated July 14, 1994, the FAA GLR indicated that they released 615 pages in response to the FOIA request. They advised MALONEY that "the Great Lakes Assistant Chief Counsel is currently reviewing a small number of pages. This office will respond to you regarding the additional information as soon as it has been cleared." Our interview with the GLR Assistant Chief Counsel's Office disclosed they misplaced the documents in question, and, therefore, forgot to review them. Our investigation disclosed OACC never located their original copy of the pages but obtained a second copy from BAXTER. Following a subsequent written request by MALONEY in December 1994, these additional pages were reviewed and released.

4. OIG's analysis of FAA's FOIA response

Our investigation disclosed that the FAA maintained no record of the documents released nor did they maintain an exact duplicate set of the documents produced in response to the MALONEY FOIA request. Instead the investigation disclosed the FAA lacked proper procedural guidelines in handling FOIA requests as described below. As part of our inquiry, we obtained from MALONEY a copy of all documents he received in response to his FOIA request. We also obtained a copy of the documents from the FAA, Office of Public Affairs (OPA), for comparison purposes.[4]

The documents sent to OPA were prepared by [deleted] FAA, GLR, on February 7, 1995. As part of that process, [deleted] told the OIG [deleted] created a handwritten index of items sent and withheld under the MALONEY FOIA request.[5]

The handwritten index reads as follows:

Items sent to APA [sic]

	616 Pages
1. Provided to RAP FSDO by USFS on 9-23-92	13
2. Letter from Sen. DASCHLE to Administrator	89
3. Follow up Action by PMI	32
4. Repair Station File	45
5. DME File	17
6. Current 135 File	276
7. Archived 135 File	144
Total	616
Items not sent	
1. Accident Prevention Counselor File	23
2. Written Test Examiner File	52
3. Pilot School File	93
4. IA File	18
Total	186

The index identified seven groups of records sent to MALONEY (616 pages) and four groups withheld (186 pages). Individual documents were not identified with either group.[6]

Our analysis determined the following discrepancies:

1. The items indicated on the index as "Items not sent" were, in fact, sent to MALONEY in July 1994.

2. The "Accident Prevention Counselor File" identified as Item (1) in the "Items not sent" section consisted of five pages, not 23 as indicated. We determined this through interviews and a review of the original file at GLR.

3. The "Repair Station File" identified as Item (4) in the "Items sent to APA" section was, in fact, not sent to MALONEY. The file consisted of the company manual and related documents.

4. The "Current 135 File" identified as Item (6) in the "Items sent to APA" section consisted of 275 pages. However, MALONEY only received 124 pages. The 151 pages not received were the "B&L Aviation Company Manual."[7]

5. The "Provided to RAP FSDO by USFS on 9-23-93" group of documents identified as Item (1) in the "Items sent to APA" section consisted of 23 pages. MALONEY received only nine of these pages. The remaining four pages, which were USFS documents, were not sent.

In addition, we compared the pages withheld for legal review by the OACC with the documents initially received by MALONEY. The comparison disclosed that in the original response to the FOIA request, MALONEY, in fact, received all of the substantive documents. Therefore, MALONEY received the documents twice, in July 1994, and December 1994. This contradicts FAA GLR's assertion that the documents were "withheld" by OACC.

5. Senator Daschle's interaction with the FAA

We examined the official activities of FAA personnel in connection with B&L during the period 1985 to 1995, including the issue of consolidating aviation inspections of air charter companies. This examination also included a review of documents provided by Senator Daschle's office in response to our request. We also interviewed Senator Daschle and current and former members of his staff. These investigative steps were necessary in order to identify documents generated in connection with Senator Daschle's interaction with the FAA and thus identify the universe of documents which may have been the subject of the alleged destruction.

The investigation disclosed three pertinent areas of constituent service performed by Senator Daschle involving B&L, during the period 1985 to 1995. In each case, Senator Daschle's efforts were in response to complaints about specific government aviation inspectors or inspection processes. The most significant area involves the issue of consolidating aviation inspections. Our examination of documents provided by Senator Daschle's office disclosed no documents which may have been the subject of destruction by FAA employees.

6. Conclusion

As stated above, our inquiry disclosed no evidence that David Hanley, Division Manager, FAA, GLR, or Jones, destroyed or withheld documents in response to the FOIA request. Additionally, Hanley did not instruct Jones to destroy or withhold any documents pertaining to the FOIA request. Jones and Hanley each provided sworn affidavits denying the allegations.

Our inquiry concluded that the FAA GLR's procedures for processing FOIA requests were careless and haphazard at best. The procedures followed by the GLR were vague and did not require accountability for what documents were sent, or not sent, to the requester. Because accountability records were not maintained, the FAA was unable to provide an accurate description of which documents had and had not been sent to Maloney. The FAA GLR was unable to recreate the B&L FOIA file as it existed at the time they responded to Maloney's request. In addition, the FAA GLR did not follow proper procedures by its failure to: (1) notify the requester in writing that documents were withheld; (2) cite a FOIA exemption which justifies the withholding of documents; and (3) set forth the names and titles of each person responsible for a denial of records.

A comparison of the records obtained by the OIG from OPA with the records obtained from Maloney disclosed the FAA GLR improperly withheld 200 pages of documents from Maloney. The FAA failed to notify Maloney that documents were withheld and, therefore, did not afford Maloney the opportunity to appeal the withholding. Of the 200 pages, 151 pages were composed of the "B&L Aviation Company Manual" and 45 pages were B&L's "Repair Station File", which consists of the repair station manual and related certifications. The remaining four pages were generated by the USFS and pertained to their inspections of B&L. The company manuals may be protected under exemption four of the FOIA, which protects "trade secrets and commercial or financial information obtained from a person and privileged or confidential" information.[8] No explanation can be given for the withholding of the remaining four pages.

Our inquiry disclosed that the cited deficiencies on the part of the FAA GLR in processing FOIA requests reflect an agency-wide lack of procedures in the FAA. Further evidence of the agency's lack of procedural safeguards for the processing of FOIA requests is included in a report, dated July 28, 1994, prepared by the General Counsel of the Department of Transportation and the FAA Deputy Administrator, submitted to Secretary Federico Pena and Administrator David Hinson, pertaining to the review of the FAA's response to a FOIA request regarding the B757 wake vortex. The report cited national problems including: a lack of sufficient resources and attention on the FOIA function; no restriction on who may be asked to process FOIA requests; and, inadequate searches for documents. Due to the inadequacies of the FAA in dealing with FOIA requests, the report recommended the following: "(1) The FAA Administrator should give consideration to enhancing organizational responsibility and accountability for FOIA responses. (2) The Administrator should give serious consideration to establishing an FOIA office within the FAA Office of Public Affairs. (3) There appears to be a real need for FOIA training that focuses on the procedural requirements of the FOIA as well as the substantive exemptions.[9]"

Our inquiry disclosed that the FOIA request regarding the B757 wake vortex was received by the FAA on December 27, 1993, and responded to on February 10, 1994, approximately three months before the MALONEY FOIA request was received by the FAA GLR. Additionally, our inquiry disclosed by the time the report regarding the FAA's response to the B757 wake vortex FOIA was issued on July 26, 1994, the FAA GLR had already submitted its first response to MALONEY on July 14, 1994. Therefore, the corrective action suggested in the report submitted by the General Counsel of the Department of Transportation and the FAA Deputy Administrator was not in place at the time the FAA was responding to the MALONEY request.

On July 17, 1995, Administrator HINSON forwarded to the OIG a summary of the FAA's "FOIA Activities and Improvements," for the period September 1994 through June 1995. Administrator HINSON cited a number of agency-wide improvements including: the establishment of a national FOIA office in OPA; the development of a FOIA checklist; and the installation of a new automated headquarters FOIA tracking system.

B. The recusal of Linda DASCHLE, Deputy Administrator

1. Synopsis

We investigated a number of issues concerning Deputy Administrator DASCHLE's recusal from participating in certain matters before the Department. The primary issue concerned her selection of an FAA Aviation Safety Inspector (ASI) from Rapid City, South Dakota, to temporarily serve on her immediate staff. The ASI was directly involved in the consolidation of inspection issue during 1993 and 1994, including direct contacts with Senate DASCHLE's staff. The ASI also has supervisory duties pertaining to FAA inspections of B&L, and had personally met Senator DASCHLE. Other issues concerned reports that Deputy Administrator DASCHLE and her staff had discussions and contacts concerning the issue of consolidated inspections. We also examined the failure of Deputy Administrator DASCHLE to document her recusal until a year after her appointment.

We concluded that Deputy Administrator DASCHLE did not violate her recusal. We found that Deputy Administrator DASCHLE refrained from discussing the consolidated inspection issue or otherwise participating in the issue of consolidated inspections. Deputy Administrator DASCHLE told the OIG that she had been unaware of the ASI's involvement in the consolidated inspection issue. She does not consider her selection of the ASI to contradict her recusal but told the OIG that had she known beforehand about the ASI's involvement she would not have made the selection. We find her position on this issue to be credible.

We confirmed that Deputy Administrator DASCHLE did not discuss the consolidated inspection issue with a USDA official who contacted her. We reviewed the federal regulations governing such matters. We also consulted with DOT and FAA ethics officials. We concluded that no requirement existed that Deputy Administrator DASCHLE file a written disqualification (i.e., recusal).

2. Background

As part of our inquiry, we examined the recusal of Linda DASCHLE from all FAA matters involving her husband. We examined this issue based on the self-disclosure made by Deputy Administrator DASCHLE to Inspector General A. Mary SCHIAVO and Deputy Inspector General Mario A. LAURO, Jr. on February 6, 1995. During that meeting, Deputy Administrator DASCHLE advised of her selection of Richard BOWN for a temporary detail as her special assistant in the Summer 1994. A controversy arose concerning BOWN's selection to work on Deputy Administrator DASCHLE's immediate staff because of his previous involvement with the USFA on the consolidated inspection issue. Deputy Administrator DASCHLE advised Inspector General SCHIAVO and Deputy Inspector General LAURO that during his detail to her immediate staff, BOWN had documents in his possession in FAA headquarters relating to the duplicate inspection issue which he offered to show her. She refused to review them and informed BOWN of her recusal.[10]

3. The selection of BOWN to the Deputy Administrator's staff

Our inquiry disclosed Deputy Administrator DASCHLE attempted to personally call BOWN to invite him to a breakfast meeting she was hosting in Sioux Falls, South Dakota, on June 25, 1994. Deputy Administrator DASCHLE was unable to reach BOWN and made the invitation through BOWN's supervisor, who also attended. The meeting consisted of FAA management employees from South Dakota. During this meeting, Deputy Administrator DASCHLE and BOWN met face to face for the first time. At the conclusion of the meeting, Deputy Administrator DASCHLE related to BOWN that she was interested in detailing a pilot/safety inspector to Washington for a temporary period in order to enhance her goal of bringing field experience to her staff.

Subsequent to this conversation, Deputy Administrator DASCHLE and BOWN engaged in approximately one to two telephone conversations during which she asked him to accept a temporary detail as her special assistant, and defined to BOWN what his responsibility would be. By August 1994, BOWN had agreed to accept a 90 day detail to Washington D.C. BOWN, a GS–14, was temporarily paid at the GS–15 level, which according to Deputy Administrator DASCHLE is standard pay for her special assistants.

Our interview of Deputy Administrator DASCHLE disclosed that she did not contact JONES, BOWN's supervisor, about his qualifications nor did she examine BOWN's personnel file for information about his employment history. Deputy Administrator DASCHLE indicated she selected BOWN for the following reasons: 1) she was impressed by BOWN because of his participation during the June 25, 1994, breakfast meeting; and, (2) her husband's statements to her regarding his knowledge of BOWN.

Deputy Administrator DASCHLE indicated BOWN was very vocal during the breakfast meeting as he was very willing to speak out candidly about his critical feelings involving FAA leadership in headquarters. Regarding Senator DASCHLE's comments about BOWN, Deputy Administrator DASCHLE stated her husband related to her he knew BOWN through his (the Senator's) involvement in the aviation community in South Dakota.[11] Deputy Administrator DASCHLE stated her husband never specifically recommended or suggested she select BOWN but only related he was impressed by BOWN and other employees in the Rapid City FSDO. According to Deputy Administrator DASCHLE, the Senator characterized the employees in that office as "good people."

During our interview of the Senator, he stated he advised Deputy Administrator DASCHLE that he had heard of BOWN. He disclosed to us he has met BOWN on three or four occasions, the first time occurring several years ago. Their contact has been very limited, and he does not believe he would recognize BOWN if he saw him. The Senator stated he did not connect BOWN with the consolidated inspection issue and was not sure at what point he knew of BOWN's involvement in the issue. The Senator was "almost positive" Deputy Administrator DASCHLE had no knowledge of BOWN's involvement.

[deleted] Assistant to Senator DASCHLE, told the OIG that [deleted] never discussed BOWN'S involvement in the consolidated inspection issue with Deputy Administrator DASCHLE. [deleted] communicated with BOWN several times each week while working on the issue, but [deleted] never suggested to Senator DASCHLE that BOWN be rewarded for his efforts. [deleted] did not know how BOWN was selected for the temporary position with Deputy Administrator DASCHLE, and [deleted] stated that [deleted] did not communicate with BOWN on the consolidated inspection issue while BOWN was assigned to Deputy Administrator DASCHLE's staff. [deleted] was aware of Deputy Administrator DASCHLE's recusal policy.

Deputy Administrator DASCHLE stated she did not become aware of BOWN's involvement with her husband in the consolidated inspection issue until September 1994, when BOWN arrived in Washington. She and Senator DASCHLE each told the OIG they never discussed BOWN's involvement in the consolidated inspection issue. In fact, Deputy Administrator DASCHLE stated she did not become aware of her husband's involvement in the issue until the Spring 1994, when she received a telephone call from James R. LYONS, Assistant Secretary, Natural Resources and Environment, USDA, soliciting her involvement in the consolidated inspection matter. Deputy Administrator DASCHLE stated that when informed during the telephone call of her husband's interest in the issue, she immediately informed LYONS of her recusal and terminated the conversation. We confirmed this with LYONS.

When BOWN began his detail in September of 1994, he advised Deputy Administrator DASCHLE he had brought with him a package of USFS documents relating to B&L.[12]

Many of these documents made reference to Senator DASCHLE and his involvement in the duplicate inspection issue. Deputy Administrator DASCHLE stated BOWN never showed her the documents but just wanted her to be aware that he had them. Due to the nature of the documents, Deputy Administrator DASCHLE advised BOWN he should not have the documents in the office due to her recusal from matters involving her husband. The Senator stated Deputy Administrator DASCHLE advised him of the incident involving the documents.

4. Deputy Administrator DASCHLE's recusal

The applicable regulations governing recusals is found at 5 CFR Part 2635, Standards of Ethical Conduct for Employees of the Executive Branch. Specifically, Subpart E, "Impartiality in Performing Official Duties," Section 2835.502 states, in part: "Where an employee knows that a particular matter involving specific parties in likely to have a direct and predictable effect on the financial interest of a member of his household, or knows that a person with whom he has a covered relationship is or represents a party to such matter, and where the employee determines that the circumstances would cause a reasonable person with knowledge of the relevant facts to question his impartiality in the matter, the employee should not participate in the matter. . ."

In addition to the regulation, [deleted] General Law Branch, FAA, advised the OIG that the FAA follows an unwritten policy that an employee must recuse himself or herself from all matters, not just financial matters, with which he or she has a conflict of interest.

Deputy Administrator DASCHLE stated that from the outset of her appointment in November 1993, she recused herself from all matters with which her husband has a specific interest. Our inquiry disclosed Deputy Administrator DASCHLE did not officially circulate anything in writing to her staff regarding her recusal although she indicated she verbally advised her staff of her recusal. Senator DASCHLE and Deputy Administrator DASCHLE told the OIG that her recusal policy does not prevent her from generally knowing about certain issues such as the consolidated inspection matter, but from acting on them. We confirmed this with the Department's ethics attorney.

In her first memorandum memorializing her recusal, dated November 18, 1994, (one year after her appointment) Deputy Administrator DASCHLE stated, in part, "As you are aware, upon assuming the position of Deputy Administrator, I recused myself from participation in all DOT/FAA matters in which my husband, Senator Thomas Daschle, has had a role." Then, on advice of FAA Counsel, she revised her recusal due to the election of her husband to Senate Minority Leader. Her revised recusal, dated January 19, 1995, states, in part, "Because my husband represents the State of South Dakota in the United States Senate, I have disqualified myself from participating in any [emphasis added] particular matter that would have a direct and predictable effect on that State. . ."

Deputy Administrator DASCHLE maintained she had no conversations with her staff members regarding the consolidated inspection issue nor did she discuss the issue during the June 1994, breakfast meeting she attended in Sioux Falls. However, during one interview of an FAA official, it was alleged to the OIG that [deleted] FAA, had conversations with Deputy Administrator DASCHLE about the consolidated inspection issue. Allegedly, [deleted] received a directive from Deputy Administrator DASCHLE to settle the USFS matter and subsequently conveyed this to a senior staff member. In a sworn statement, [deleted] indicated, ". . . I have made statements on DASCHLE wanting issues resolved. In such cases, I was making reference to Senator Tom DASCHLE."

5. Deputy Administrator DASCHLE and B&L

Deputy Administrator DASCHLE told the OIG she has taken flights on B&L aircraft since her appointment as Deputy Administrator. According to Deputy Administrator DASCHLE, these flights were with her husband on his official business and were either paid for out of personal funds or campaign funds. Deputy Administrator DASCHLE has not utilized B&L aircraft in her capacity as Deputy Administrator.

Deputy Administrator DASCHLE and BELLEW have known each other for approximately 14 years. She met BELLEW in 1981 while she was working for the Civil Aeronautics Board. Deputy Administrator DASCHLE stated she has never intervened on behalf of B&L in any FAA matter and, further, was never approached by BELLEW in an attempt to solicit her intervention. In addition, no documentation was discovered which suggested that Deputy Administrator DASCHLE intervened with respect to the consolidated inspection issue or with regard to B&L.

An additional allegation was raised during our inquiry that Deputy Administrator DASCHLE dispatched an accident investigation team from Washington D.C. to investigate the crash of a B&L aircraft that occurred on February 24, 1994. The dispatch of a headquarters team deviates from standard practice of local investigative teams conducting crash investigations in their immediate area. The allegation was not substantiated. Deputy Administrator DASCHLE and Senator DASCHLE both deny any involvement in sending an accident investigation team from FAA headquarters. An interview of an FAA official involved in the accident investigation disclosed that certain characteristics of the flight, the operator, and of those individuals killed in the crash prompted the FAA headquarters Accident Investigation Division's involvement.

VI. RECOMMENDATIONS

1. This investigation disclosed no evidence to substantiate that documents were destroyed as alleged. Nor did this investigation disclose evidence to substantiate that Deputy Administrator DASCHLE violated her recusal. Accordingly, it is recommended that this investigation be closed.

2. This investigation disclosed that at the time of the subject FOIA request, FAA lacked sufficient internal procedures and safeguards concerning the processing of FOIA requests. The investigation disclosed improvements have since been made in response to recommendations from a previous Departmental review. It is recommended that FAA Administrator HINSON continue to monitor the FAA's FOIA activities and improvements. In addition, the OIG will include in its FY 1997 annual planning, a Department-wide review of FOIA procedures.

FOOTNOTES

[1] In April 1995, press reports indicated the USFS no longer contracts with B&L. OIG confirmed with the USFS that all approvals of B&L have expired and a decision was made not to renew approvals at this time.

[2] The GLR received five FOIA requests pertaining to B&L.

[3] BAXTER informed JONES that the national database information would be obtained from the FAA, Mike Monroney Aeronautical Center in Oklahoma City, Oklahoma.

[4] On February 7, 1995, as a result of media interest in the case, the OPA requested from GLR a copy of all documents sent to MALONEY.

[5] The index, created months after the fact, is the only record we found which itemizes, in any way, the FAA's response to the MALONEY FOIA request.

[6] A review of the documents within each group disclosed that each index category was labeled according to the top document in that grouping and, according to [deleted] does not mean that all documents in that group are appropriately described. For example, Item 2 in "Items sent to APA" reflects 89 pages of a letter from Senator DASCHLE. The letter was actually one page. The other documents in this group were unrelated to this letter.

[7] The FAA did not create a record or otherwise justify withholding these documents or any other documents under a FOIA exemption in reference to the MALONEY request. The FOIA regulations require that the requester be notified of his right "to appeal to the head of the agency any adverse determination." The regulations further state that "any notification of denial of any request for records . . . shall set forth the names and titles or positions of each person responsible for the denial of such request."

[8] Reference The Freedom of Information Act, 5 U.S.C., Section 552(b)(4).

[9] See "Boeing 757 Wake Turbulence, A Review of the Actions of the Federal Aviation Administration" for more detailed information. The report also suggested preparing a FOIA Processing Checklist that could be attached to each FOIA request. Our inquiry disclosed that this recommendation has been implemented in the GLR.

[10] These documents are the same documents discussed in Section V(A)(3)(b) of this report, "Circumstances Which Raised Suspicions about Documents."

[11] Senator Tom DASCHLE is an FAA-certified pilot.

[12] During an interview of BOWN, he indicated he received the package of documents from an inspector in the Rapid City FSDO shortly after beginning his detail in Washington.

Mr. FORD. Mr. President, I have a footnote to these remarks. I have known TOM and Linda Daschle for a good many years now. In the position that Senator DASCHLE is in as leader of the Democratic minority here in the Senate, one of the attributes that Senator DASCHLE has is that he is straightforward, that he is honest, and he is of great character.

I have known his wife, Linda, now for a good many years, having dealt with her and the association she represented and now as Deputy Director of FAA. I do not think anyone that has known her would doubt her character. Being the daughter of a Baptist minister, the training that she received in her early years is still with her today.

Those who know them well believe that the allegations were not true, and I think our belief in this couple was vindicated by the report from the Inspector General of the Department of Transportation.

Mr. President, I felt it was incumbent upon me as a friend and as a part of this side of the aisle that these remarks be made for the record and the vindication of our good friends be noted in the RECORD.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURE PLACED ON CALENDAR—S. 1254

Mr. CRAIG. Mr. President, I understand there is a bill that is due for its second reading.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (S. 1254) to disapprove of amendments to the Federal Sentencing Guidelines related to lowering of crack sentences and sentences for money laundering and transactions in property derived from unlawful activity.

Mr. CRAIG. I would object to further consideration of the bill at this time.

The PRESIDING OFFICER. The bill will be placed on the calendar.

Mr. CRAIG. Mr. President, I ask unanimous consent to proceed as if in morning business.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CRAIG. Mr. President, I thank the Chair.

(The remarks of Mr. CRAIG pertaining to the introduction of S. 1271 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, the skyrocketing Federal debt, now soaring toward $5 trillion, has been fueled for a generation now by bureaucratic hot air—and it is sort of like the weather—everybody talks about it–but almost nobody did much about it until immediately after the elections in November 1994.

But when the new 104th Congress convened this past January, the U.S. House of Representatives quickly approved a balanced budget amendment to the U.S. Constitution. On the Senate side, all but 1 of the 54 Republicans supported the balanced budget amendment—that was the good news.

The bad news was that only 13 Democrats supported it—which killed hopes for a balanced budget amendment for the time being. Since a two-thirds vote—67 Senators, if all Senator's are present—is necessary to approve a constitutional amendment, the proposed Senate amendment failed by one vote. There will be another vote either this year or in 1996.

Here is today's bad debt boxscore:

As of the close of business Friday, September 22, the Federal debt—down to the penny—stood at exactly $4,949,192,404,249.15 or $18,787.22 for every man, woman, and child on a per capita basis.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. STEVENS). Morning business is now closed.

DEPARTMENT OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1996

The PRESIDING OFFICER. Under the previous order, the Senate will turn to the pending business.

The clerk will report.

The bill clerk read as follows:

A bill (H.R. 2099) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for fiscal year ending September 30, 1996, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

H.R. 2099

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1996, and for other purposes, namely:

TITLE I

DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

(INCLUDING TRANSFER OF FUNDS)

For the payment of compensation benefits to or on behalf of veterans as authorized by law (38 U.S.C. 107, chapters 11, 13, 51, 53, 55, and 61); pension benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 15, 51, 53, 55, and 61; 92 Stat. 2508); and burial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of Article IV of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, and for other benefits as authorized by law (38 U.S.C. 107, 1312, 1977, and 2106, chapters 23, 51, 53, 55, and 61; 50 U.S.C. App. 540–548; 43 Stat. 122, 123; 45 Stat. 735; 76 Stat. 1198); $17,649,972,000, to remain available until expended: *Provided*, That not to exceed **[**$25,180,000**]** *$27,431,000* of the amount appropriated shall be reimbursed to "General operating expenses" and "Medical care" for necessary expenses in implementing those provisions authorized in the Omnibus Budget Reconciliation Act of 1990, and in the Veterans' Benefits Act of 1992 (38 U.S.C. chapters 51, 53, and 55), the funding source for which is specifically provided as the "Compensation and pensions" appropriation: *Provided further*, That such sums as may be earned on an actual qualifying patient basis, shall be reimbursed to "Medical facilities revolving fund" to augment the funding of individual medical facilities for nursing home care provided to pensioners as authorized by the Veterans' Benefits Act of 1992 (38 U.S.C. chapter 55): *Provided further*, That $12,000,000 previously transferred from "Compensation and pensions" to "Medical facilities revolving fund" shall be transferred to this heading.

READJUSTMENT BENEFITS

For the payment of readjustment and rehabilitation benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 21, 30, 31, 34, 35, 36, 39, 51, 53, 55, and 61), $1,345,300,000, to remain available until expended: *Provided*, That funds shall be available to pay any court order, court award or any compromise settlement arising from litigation involving the vocational training program authorized by section 18 of Public Law 98–77, as amended.

VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance, national service life insurance, servicemen's indemnities, service-disabled veterans insurance, and veterans mortgage life insurance as authorized by law (38 U.S.C. chapter 19; 70 Stat. 887; 72 Stat. 487) $24,890,000, to remain available until expended.

GUARANTY AND INDEMNITY PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct and guaranteed loans, such sums as may be necessary to carry out the purpose of the program, as authorized by 38 U.S.C. chapter 37, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $65,226,000, which may be transferred to and merged with the appropriation for "General operating expenses".

LOAN GUARANTY PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct and guaranteed loans, such sums as may be necessary to carry out the purpose of the program, as authorized by 38 U.S.C. chapter 37, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $52,138,000, which may be transferred to and merged with the appropriation for "General operating expenses".

DIRECT LOAN PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, such sums as may be necessary to carry out the purpose of the program, as authorized by 38 U.S.C. chapter 37, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That during 1996, within the resources available, not to exceed $300,000 in gross obligations for direct loans are authorized for specially adapted housing loans (38 U.S.C. chapter 37).

In addition, for administrative expenses to carry out the direct loan program, $459,000, which may be transferred to and merged with the appropriation for "General operating expenses".

EDUCATION LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $1,000, as authorized by 38 U.S.C. 3698, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $4,000.

In addition, for administrative expenses necessary to carry out the direct loan program, $195,000, which may be transferred to and merged with the appropriation for "General operating expenses".

VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $54,000, as authorized by 38 U.S.C. chapter 31, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $1,964,000.

In addition, for administrative expenses necessary to carry out the direct loan program, $377,000, which may be transferred to and merged with the appropriation for "General operating expenses".

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For administrative expenses to carry out the direct loan program authorized by 38 U.S.C. chapter 37, subchapter V, as amended, $205,000, which may be transferred to and merged with the appropriation for "General operating expenses".

VETERANS HEALTH ADMINISTRATION

MEDICAL CARE

For necessary expenses for the maintenance and operation of hospitals, nursing homes, and domiciliary facilities; for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Department of Veterans Affairs, including care and treatment in facilities not under the jurisdiction of the Department of Veterans Affairs, and furnishing recreational facilities, supplies, and equipment; funeral, burial, and other expenses incidental thereto for beneficiaries receiving care in Department of Veterans Affairs facilities; administrative expenses in support of planning, design, project management, real property acquisition and disposition, construction and renovation of any facility under the jurisdiction or for the use of the Department of Veterans Affairs; oversight, engineering and architectural activities not charged to project cost; repairing, altering, improving or providing facilities in the several hospitals and homes under the jurisdiction of the Department of Veterans Affairs, not otherwise provided for, either by contract or by the hire of temporary employees and purchase of materials; uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901–5902); aid to State homes as authorized by law (38 U.S.C. 1741); and not to exceed $8,000,000 to fund cost comparison studies as referred to in 38 U.S.C. 8110(a)(5); [$16,777,474,000] *$16,450,000,000*, plus reimbursements: *Provided*, That of the funds made available under this heading, $789,000,000 is for the equipment and land and structures object classifications only, which amount shall not become available for obligation until August 1, 1996, and shall remain available for obligation until September 30, 1997: *Provided further, That notwithstanding any other provision of law, any veteran eligible for hospital care or medical services under section 1710 of title 38 may be treated in the most efficient manner.*

MEDICAL AND PROSTHETIC RESEARCH

For necessary expenses in carrying out programs of medical and prosthetic research and development as authorized by law (38 U.S.C. chapter 73), to remain available until September 30, 1997, [$251,743,000] *$257,000,000*, plus reimbursements.

[HEALTH PROFESSIONAL SCHOLARSHIP PROGRAM

[For payment of health professional scholarship program grants, as authorized by law, to students who agree to a service obligation with the Department of Veterans Affairs at one of its medical facilities, $10,386,000.]

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

For necessary expenses in the administration of the medical, hospital, nursing home, domiciliary, construction, supply, and research activities, as authorized by law; administrative expenses in support of planning, design, project management, architectural, engineering, real property acquisition and disposition, construction and renovation of any facility under the jurisdiction or for the use of the Department of Veterans Affairs, including site acquisition; engineering and architectural activities not charged to project cost; and research and development in building construction technology; $63,602,000, plus reimbursements.

TRANSITIONAL HOUSING LOAN PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $7,000, as authorized by Public Law 102–54, section 8, which shall be transferred from the "General post fund": *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $70,000. In addition, for administrative expenses to carry out the direct loan program, $54,000, which shall be transferred from the "General post fund", as authorized by Public Law 102–54, section 8.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

For necessary operating expenses of the Department of Veterans Affairs, not otherwise provided for, including uniforms or allowances therefor, as authorized by law; not to exceed $25,000 for official reception and representation expenses; hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services, and the Department of Defense for the cost of overseas employee mail; [$821,487,000] *$880,000,000*: *Provided*, That funds under this heading shall be available to administer the Service Members Occupational Conversion and Training Act: *Provided further*, That the $25,500,000 earmarked in Public Law 103–327 for the acquisition of automated data processing equipment and services to support the modernization program of the Veterans Benefits Administration is available for any expense authorized to be funded under this heading: *Provided further*, That none of the funds under this heading (including funds referred to in the preceding proviso) may be obligated or expended for the acquisition of automated data processing equipment and services for Department of Veterans Affairs regional offices to support Stage III of the automated data equipment modernization program of the Veterans Benefits Administration.

NATIONAL CEMETERY SYSTEM

For necessary expenses for the maintenance and operation of the National Cemetery System not otherwise provided for, including uniforms or allowances therefor, as authorized by law; cemeterial expenses as authorized by law; purchase of three passenger motor vehicles, for use in cemeterial operations; and hire of passenger motor vehicles, $72,604,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $30,900,000.

CONSTRUCTION, MAJOR PROJECTS

(INCLUDING TRANSFER OF FUNDS)

For constructing, altering, extending and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of title 38, United States Code, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, where the estimated cost of a project is $3,000,000 or more or where funds for a project were made available in a previous major project appropriation, [$183,455,000] *$35,785,000*, to remain available until expended: *Provided*, That except for advance planning of projects funded through the advance planning fund and the design of projects funded through the design fund, none of these funds shall be used for any project which has not been considered and approved by the Congress in the budgetary process: *Provided further*, That funds provided in this appropriation for fiscal year 1996, for each approved project shall be obligated (1) by the awarding of a construction documents contract by September 30, 1996, and (2) by the awarding of a construction contract by September 30, 1997: *Provided further*, That the Secretary shall promptly report in writing to the Comptroller General and to the Committees on Appropriations any approved major construction project in which obligations are not incurred within the time limitations established above; and the Comptroller General shall review the report in accordance with the procedures established by section 1015 of the Impoundment Control Act of 1974 (title X of Public Law 93–344): *Provided further*, That no funds from any other account except the "Parking revolving fund", may be obligated for constructing, altering, extending, or improving a project which was approved in the budget process and funded in this account until one year after substantial completion and beneficial occupancy by the Department of Veterans Affairs of the project or any part thereof with respect to that part only: *Provided further*, That of the funds made available under this heading in Public Law 103–327, $7,000,000 shall be transferred to the "Parking revolving fund".

CONSTRUCTION, MINOR PROJECTS

For constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the Department of

Veterans Affairs, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of title 38, United States Code, where the estimated cost of a project is less than $3,000,000, [$152,934,000] *$190,000,000*, to remain available until expended, along with unobligated balances of previous "Construction, minor projects" appropriations which are hereby made available for any project where the estimated cost is less than $3,000,000: *Provided*, That funds in this account shall be available for (1) repairs to any of the nonmedical facilities under the jurisdiction or for the use of the Department of Veterans Affairs which are necessary because of loss or damage caused by any natural disaster or catastrophe, and (2) temporary measures necessary to prevent or to minimize further loss by such causes.

PARKING REVOLVING FUND

For the parking revolving fund as authorized by law (38 U.S.C. 8109), income from fees collected, to remain available until expended. Resources of this fund shall be available for all expenses authorized by 38 U.S.C. 8109 except operations and maintenance costs which will be funded from "Medical care".

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

For grants to assist the several States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify or alter existing hospital, nursing home and domiciliary facilities in State homes, for furnishing care to veterans as authorized by law (38 U.S.C. 8131–8137), $47,397,000, to remain available until expended.

GRANTS FOR THE CONSTRUCTION OF STATE VETERANS CEMETERIES

For grants to aid States in establishing, expanding, or improving State veteran cemeteries as authorized by law (38 U.S.C. 2408), $1,000,000, to remain available until September 30, 1998.

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

SEC. 101. Any appropriation for 1996 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" may be transferred to any other of the mentioned appropriations.

SEC. 102. Appropriations available to the Department of Veterans Affairs for 1996 for salaries and expenses shall be available for services as authorized by 5 U.S.C. 3109.

SEC. 103. No part of the appropriations in this Act for the Department of Veterans Affairs (except the appropriations for "Construction, major projects", "Construction, minor projects", and the "Parking revolving fund") shall be available for the purchase of any site for or toward the construction of any new hospital or home.

SEC. 104. No part of the foregoing appropriations shall be available for hospitalization or examination of any persons except beneficiaries entitled under the laws bestowing such benefits to veterans, unless reimbursement of cost is made to the appropriation at such rates as may be fixed by the Secretary of Veterans Affairs.

SEC. 105. Appropriations available to the Department of Veterans Affairs for fiscal year 1996 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" shall be available for payment of prior year accrued obligations required to be recorded by law against the corresponding prior year accounts within the last quarter of fiscal year 1995.

SEC. 106. Appropriations accounts available to the Department of Veterans Affairs for fiscal year 1996 shall be available to pay prior year obligations of corresponding prior year appropriations accounts resulting from title X of the Competitive Equality Banking Act, Public Law 100–86, except that if such obligations are from trust fund accounts they shall be payable from "Compensation and pensions".

SEC. 107. (a) Effective October 1, 1995, section 5505 of title 38, United States Code, as in effect when repealed by section 1201(g)(4)(A) of Public Law 103–446 (108 Stat. 4687), is hereby reenacted and, as so reenacted, is amended by striking out "September 30, 1992" in subsection (c) and inserting in lieu thereof "September 30, 1996".

(b) The table of sections at the beginning of chapter 55 of such title is amended by adding at the end the following new item:

"5505. Limitation on compensation payments for certain incompetent veterans.".

SEC. 108. Chapter 19 of title 38, United States Code, is amended as follows:

(1) Section 1920 is amended—

(A) in subsection (a), by inserting ", and for the reimbursement of administrative costs under subsection (c)" before the period at the end of the second sentence; and

(B) by adding at the end the following new subsection:

"(c)(1) For each fiscal year for which this subsection is in effect, the Secretary shall, from the National Service Life Insurance Fund, reimburse the 'General operating expenses' account of the Department for the amount of administrative costs determined under paragraph (2) for that fiscal year. Such reimbursement shall be made from any surplus earnings for that fiscal year that are available for dividends on such insurance after claims have been paid and actuarially determined reserves have been set aside. However, if the amount of such administrative costs exceeds the amount of such surplus earnings, such reimbursement shall be made only to the extent of such surplus earnings.

"(2) The Secretary shall determine the administrative costs to the Department for a fiscal year for which this subsection is in effect which, in the judgment of the Secretary, are properly allocable to the provision of National Service Life Insurance (and to the provision of any total disability income insurance added to the provision of such insurance).

"(3) This subsection shall be in effect only with respect to fiscal year 1996.".

(2) Section 1923 is amended—

(A) in subsection (a), by inserting ", and for the reimbursement of administrative costs under subsection (d)" before the period at the end of the last sentence; and

(B) by adding at the end the following new subsection:

"(d)(1) For each fiscal year for which this subsection is in effect, the Secretary shall, from the Veterans' Special Life Insurance Fund, reimburse the 'General operating expenses' account of the Department for the amount of administrative costs determined under paragraph (2) for that fiscal year. Such reimbursement shall be made from any surplus earnings for that fiscal year that are available for dividends on such insurance after claims have been paid and actuarially determined reserves have been set aside. However, if the amount of such administrative costs exceeds the amount of such surplus earnings, such reimbursement shall be made only to the extent of such surplus earnings.

"(2) The Secretary shall determine the administrative costs to the Department for a fiscal year for which this subsection is in effect which, in the judgment of the Secretary, are properly allocable to the provision of Veterans' Special Life Insurance (and to the provision of any total disability income insurance added to the provision of such insurance).

"(3) This subsection shall be in effect only with respect to fiscal year 1996.".

(3) Section 1955 is amended—

(A) in subsection (a), by inserting ", and for the reimbursement of administrative costs under subsection (c)" before the period at the end of the first sentence; and

(B) by adding at the end the following new subsection:

"(c)(1) For each fiscal year for which this subsection is in effect, the Secretary shall, from the United States Government Life Insurance Fund, reimburse the 'General operating expenses' account of the Department for the amount of administrative costs determined under paragraph (2) for that fiscal year. Such reimbursement shall be made from any surplus earnings for that fiscal year that are available for dividends on such insurance after claims have been paid and actuarially determined reserves have been set aside. However, if the amount of such administrative costs exceeds the amount of such surplus earnings, such reimbursement shall be made only to the extent of such surplus earnings.

"(2) The Secretary shall determine the administrative costs to the Department for a fiscal year for which this subsection is in effect which, in the judgment of the Secretary, are properly allocable to the provision of United States Government Life Insurance (and to the provision of any total disability income insurance added to the provision of such insurance).

"(3) This subsection shall be in effect only with respect to fiscal year 1996.".

(4) Section 1982 is amended by striking out "The United States" and inserting in lieu thereof "Except as provided in sections 1920(c), 1923(d), and 1955(c) of this title, the United States".

SEC. 109. Notwithstanding any other provision of law, the Secretary of Veterans Affairs is authorized to transfer, without compensation or reimbursement, the jurisdiction and control of a parcel of land consisting of approximately 6.3 acres, located on the south edge of the Department of Veterans Affairs Medical and Regional Office Center, Wichita, Kansas, including buildings Nos. 8 and 30 and other improvements thereon, to the Secretary of Transportation for the purpose of expanding and modernizing United States Highway 54: Provided, That if necessary, the exact acreage and legal description of the real property transferred shall be determined by a survey satisfactory to the Secretary of Veterans Affairs and the Secretary of Transportation shall bear the cost of such survey: Provided further, That the Secretary of Transportation shall be responsible for all costs associated with the transferred land and improvements thereon, and compliance with all existing statutes and regulations: Provided further, That the Secretary of Veterans Affairs and the Secretary of Transportation may require such additional terms and conditions as each Secretary considers appropriate to effectuate this transfer of land.

SEC. 110. Funds available to the Department of Veterans Affairs Revolving Supply Fund shall be available until September 30, 1997, for expenses necessary to establish a Department wide program to develop and implement a Federal acquisition computer network required by section 9001 of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355).

TITLE II

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

[For assistance under the United States Housing Act of 1937, as amended ("the Act" herein) (42 U.S.C. 1437), not otherwise provided for, $10,182,359,000, to remain available until expended: *Provided*, That none of the funds made available under the head "Annual contributions for assisted housing" in this Act or any prior Act shall be expended if such expenditure would cause total fiscal year 1996 expenditures to exceed $19,939,311,000: *Provided further*, That the Secretary shall report to the Committees on Appropriations every 90 days on the implementation of the spending limitation in the preceding proviso: *Provided further*, That of the total amount provided under this head, $100,000,000 shall be for the development or acquisition cost of public housing for Indian families, including amounts for housing under the mutual help homeownership opportunity program under section 202 of the Act (42 U.S.C. 1437bb): *Provided further*, That of the total amount provided under this head, $2,500,000,000 shall be for modernization of existing public housing projects pursuant to section 14 of the Act (42 U.S.C. 1437l): *Provided further*, That during fiscal year 1996, the Secretary may direct any public housing agency that receives any part of the foregoing amount, to use such amount, or any other amount that has been made available in this or any other prior Act for public housing under this head or for the HOPE VI/ Urban Revitalization Demonstration Program, and that has not been obligated by the agency, to demolish, reconfigure, or reduce the density of any public housing project owned by the agency: *Provided further*, That of the amounts earmarked under this head for modernization of existing public housing projects, $15,000,000 shall be used for the Tenant Opportunity Program: *Provided further*, That of the total amount provided under this head, $862,125,000 shall be available for nonincremental rental assistance under the section 8 housing voucher program under section 8(o) of the Act (42 U.S.C. 1437f(o)): *Provided further*, That notwithstanding any other provision of law, voucher assistance provided under the preceding proviso may be used in connection with legislation enacted after the effective date of this Act that authorizes assistance for such purpose, as determined by the Secretary: *Provided further*, That of the total amount provided under this head, $1,440,770,000 shall be for special needs housing: *Provided further*, That the amount earmarked under the preceding proviso shall be for capital advances, including amendments to capital advance contracts, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance, and amendments to contracts for project rental assistance, for supportive housing for the elderly under section 202(c)(2) of the Housing Act of 1959, as amended; capital advances, including amendments to capital advance contracts, and project rental assistance, including amendments to contracts for project rental assistance, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act; and housing opportunities for persons with AIDS under title VIII, subtitle D of the Cranston-Gonzalez National Affordable Housing Act: *Provided further*, That of the funds earmarked in this appropriations Act for special needs housing, the Secretary may waive any provision of section 202 of the Housing Act of 1959 and section 811 of the National Affordable Housing Act (including the provisions governing the terms and conditions of project rental assistance) that the Secretary determines is not necessary to achieve the objectives of these programs, or that otherwise impedes the ability to develop, operate or administer projects assisted under these programs, and may make provision for alternative conditions or terms where appropriate: *Provided further*, That the Secretary may use up to $200,000,000 from unobligated carryover balances under this heading as of September 30, 1995, for assistance for State or local units of government, tenant and nonprofit organizations to purchase projects where owners have indicated an intention to prepay mortgages and for assistance to be used as an incentive to prevent prepayment or for vouchers to aid eligible tenants adversely affected by mortgage prepayment, as authorized under preservation legislation enacted subsequent to this Act: *Provided further*, That of the total amount provided under this head, $10,000,000 shall be for the lead-based paint hazard reduction program as authorized under section 1053 of the Residential Lead-Based Paint Hazard Reduction Act of 1992: *Provided further*, That of the total amount provided under this head, $17,300,000 shall be available for fees for coordinators under section 23(h)(1) for the Family Self-sufficiency Program (42 U.S.C. 1437u): *Provided further*, That of the total amount provided under this head, $4,641,589,000 shall be for assistance under the United States Housing Act of 1937 (42 U.S.C. 1437) for use in connection with expiring or terminating section 8 subsidy contracts: *Provided further*, That such amounts shall be merged with funds referenced in section 204 of this title: *Provided further*, That the Secretary of Housing and Urban Development may reserve amounts available for the renewal of assistance under section 8 of the United States Housing Act of 1937 and may use such amounts, upon the termination or expiration of a contract for assistance under section 8 of the United States Housing Act of 1937 (other than a contract for tenant-based assistance and notwithstanding section 8(v) of such Act for loan management assistance), to provide voucher assistance under section 8(o) of such Act in the market area for a number of eligible families equal to the number of units covered by the terminated or expired contract, which assistance shall be in accordance with terms and conditions prescribed by the Secretary: *Provided further*, That notwithstanding any other provision of law, assistance reserved under the preceding proviso may be used in connection with any provision of Federal law enacted after the enactment of this Act that authorizes the use of rental assistance amounts in connection with such terminated or expired contracts: *Provided further*, That of the total amount provided under this head, $610,575,000 shall be for amendments to section 8 contracts other than contracts for projects developed under section 202 of the Housing Act of 1959, as amended.**]**

For assistance under the United States Housing Act of 1937, as amended ("the Act" herein) (42 U.S.C. 1437), not otherwise provided for, $5,594,358,000, to remain available until expended: Provided, That of the total amount provided under this head, $200,000,000 shall be for the development or acquisition cost of public housing for Indian families, including amounts for housing under the mutual help homeownership opportunity program under section 202 of the Act (42 U.S.C. 1437bb): Provided further, That of the total amount provided under this head, $2,510,000,000 shall be for modernization of existing public housing projects pursuant to section 14 of the Act (42 U.S.C. 1437l), including up to $30,000,000 for the inspection of public housing units, contract expertise, and training and technical assistance, directly or indirectly, under grants, contracts, or cooperative agreements, to assist in the oversight and management of public and Indian housing (whether or not the housing is being modernized with assistance under this proviso) or tenant-based assistance, including, but not limited to, an annual resident survey, data collection and analysis training and technical assistance by or to officials and employees of the Department and of public housing agencies and to residents in connection with the public and Indian housing program and support of a public housing institution to provide such training, technical assistance, and education, and training and technical assistance to assist public housing agencies in avoiding designation as troubled agencies and in qualifying for removal of such designation: Provided further, That of the total amount provided under this head, $240,000,000 shall be for new incremental rental subsidy contracts under the section 8 existing housing certificate program and the housing voucher program under section 8 of the Act, except that such amounts shall be used only for units necessary to provide housing assistance for residents to be relocated from existing federally subsidized or assisted housing, for replacement housing for units demolished or disposed of (including units to be disposed of pursuant to a homeownership program under section 5(h) or title III of the United States Housing Act of 1937) from the public housing inventory, for funds related to litigation settlements or court orders, for the conversion of section 23 projects to assistance under section 8, and for public housing agencies to implement allocation plans approved by the Secretary for designated housing, and for funds to carry out the family unification program: Provided further, That of the total amount provided under this head, $500,000,000 shall be for amendments to section 8 contracts other than contracts for projects developed under section 202 of the Housing Act of 1959, as amended; $261,000,000 shall be for section 8 assistance and rehabilitation grants for property disposition; and $624,000,000 shall be for assistance for State or local units of government (including public housing authorities), tenant and nonprofit organizations to purchase projects where owners have indicated an intention to prepay mortgages and for assistance to be used as an incentive to prevent prepayment or for vouchers (not to exceed $74,000,000) to aid eligible tenants adversely affected by mortgage prepayment, as authorized in the Emergency Low-Income Housing Preservation Act of 1987, as amended: Provided further, That of the foregoing amount, up to $20,000,000 shall be available for preservation technical assistance grants pursuant to section 253 of the Housing and Community Development Act of 1987, as amended, and that the Secretary may designate funding to carry out plan of actions approved prior to October 1, 1995, to permit purchases of projects by non-profit organizations or tenant organizations, which are awaiting funding, and which, to the Secretary's satisfaction, will be unable to be closed without immediate obligation of funding heretofore applied *for and approved: Provided further, That with respect to the $624,000,000 appropriated in the preceding proviso, if the Secretary determines that the demand for funding may exceed amounts available for such funding, the Secretary (1) may determine priorities for distributing available funds, including the discretion to give priority funding to tenants displaced due to mortgage prepayment and to projects that have not yet been funded but to which funding has been committed; and (2) may impose a temporary moratorium on applications by potential recipients of such funding: Provided further, That during fiscal year 1996, the Secretary of Housing and Urban Development may manage and dispose of multifamily properties owned by the Secretary and multifamily mortgages held by the Secretary as of October 1, 1995 without regard to any other proviso of law: Provided further, That 50 per centum of the amounts of budget authority, or in lieu thereof 50 per centum of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (Public Law 100–628, 102 Stat. 3224, 3268) shall be rescinded, or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not rescinded or remitted to the Treasury shall be used by State housing finance agencies or local governments or local housing agencies with projects approved by the Secretary of Housing and Urban Development for which settlement occurred after January 1, 1992, in accordance with such section: Provided further, That of the total amount provided under this head, $171,000,000 shall be for housing opportunities for persons with AIDS under title VIII, subtitle D of the Cranston-Gonzalez National Affordable Housing Act; and $75,000,000 shall be for the lead-based paint hazard reduction program as authorized under sections 1011 and 1053 of the Residential Lead-Based Hazard Reduction Act of 1992.*

Of the total amount provided under this head, $780,190,000 shall be for capital advances, including amendments to capital advance contracts, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance, and amendments to contracts for project rental assistance, for supportive housing for the elderly under section 202(c)(2) of the Housing Act of 1959; and $233,168,000 shall be for capital advances, including amendments to capital advance contracts, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act; and for project rental assistance, and amendments to contracts for project rental assistance, for supportive housing for persons with disabilities as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act: Provided, That the Secretary may waive any provision of section 202 of the Housing Act of 1959 and section 811 of the National Affordable Housing Act (including the provisions governing the terms and conditions of project rental assistance) that the Secretary determines is not necessary to achieve the objectives of these programs, or that otherwise impedes the ability to develop, operate or administer projects assisted under these programs, and may make provision for alternative conditions or terms where appropriate.

PUBLIC HOUSING DEMOLITION, SITE REVITALIZATION, AND REPLACEMENT HOUSING GRANTS

For grants to public housing agencies for the purpose of enabling the demolition of obsolete public housing projects or portions thereof, the revitalization (where appropriate) of sites (including remaining public housing units) on which such projects are located, replacement housing which will avoid or lessen concentrations of very low-income families, and tenant-based assistance in accordance with section 8 of the United States Housing Act of 1937 for the purpose of providing replacement housing and assisting tenants to be displaced by the demolition, $500,000,000, to remain available until expended: Provided, That the Secretary shall award such funds to public housing agencies by a competition which includes among other relevant criteria the local and national impact of the proposed demolition and revitalization activities and the extent to which the public housing agency could undertake such activities without the additional assistance to be provided hereunder: Provided further, That eligible expenditures hereunder shall be those expenditures eligible under section 8 and section 14 of the United States Housing Act of 1937 (42 U.S.C. 1437f and l): Provided further, That the Secretary may impose such conditions and requirements as the Secretary deems appropriate to effectuate the purpose of this paragraph: Provided further, That the Secretary may require an agency selected to receive funding to make arrangements satisfactory to the Secretary for use of an entity other than the agency to carry out this program where the Secretary determined that such action will help to effectuate the purpose of this paragraph: Provided further, That in the event an agency selected to receive funding does not proceed expeditiously as determined by the Secretary, the Secretary shall withdraw any unobligated balances of funding made available pursuant to this paragraph and distribute such funds to one or more other eligible agencies: Provided further, That of the foregoing $500,000,000, the Secretary may use up to .67 per centum for technical assistance, to be provided directly or indirectly by grants, contracts or cooperative agreements, including training and cost of necessary travel for participants in such training, by or to officials and employees of the Department and of public housing agencies and residents: Provided further, That any replacement housing provided with assistance under this head shall be subject to section 18(f) of the United States Housing Act of 1937, as amended by section 201(b)(2) of this Act.

ASSISTANCE FOR THE RENEWAL OF EXPIRING SECTION 8 SUBSIDY CONTRACTS

(INCLUDING TRANSFER OF FUNDS)

For assistance under the United States Housing Act of 1937 (42 U.S.C. 1437) not otherwise provided for, for use in connection with expiring section 8 subsidy contracts, $4,350,862,000,,to remain available until expended: Provided, That to the extent the amount in this appropriation is insufficient to fund all expiring section 8 contracts, the Secretary may transfer to and merge with this appropriation such amounts from the "Annual contributions for assisted housing" appropriation as the Secretary shall determine, and amounts earmarked in the foregoing account may be reduced accordingly, at the Secretary's discretion: Provided further, That the Secretary may maintain consolidated accounting data for funds disbursed at the public housing agency or Indian housing authority or project level for subsidy assistance regardless of the source of the disbursement so as to minimize the administrative burden of multiple accounts: Provided further, That the Secretary may determine not to apply section 8(o)(6)(B) of the Act to renewals of housing vouchers during fiscal year 1996.

FLEXIBLE SUBSIDY FUND

(INCLUDING TRANSFER OF FUNDS)

From the fund established by section 236(g) of the National Housing Act, as amended, all uncommitted balances of excess rental charges as of September 30, 1995, and any collections during fiscal year 1996 shall be transferred, as authorized under such section, to the fund authorized under section 201 (j) of the Housing and Community Development Amendments of 1978, as amended.

RENTAL HOUSING ASSISTANCE

(RESCISSION)

The limitation otherwise applicable to the maximum payments that may be required in any fiscal year by all contracts entered into under section 236 of the National Housing Act (12 U.S.C. 1715z–1) is reduced in fiscal year 1996 by not more than $2,000,000 in uncommitted balances of authorizations provided for this purpose in appropriations Acts: *Provided*, That up to $163,000,000 of recaptured section 236 budget authority resulting from the prepayment of mortgages subsidized under section 236 of the National Housing Act (12 U.S.C. 1715z–1) shall be rescinded in fiscal year 1996.

PAYMENTS FOR OPERATION OF LOW-INCOME HOUSING PROJECTS

For payments to public housing agencies and Indian housing authorities for operating subsidies for low-income housing projects as authorized by section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), **[**$2,500,000,000**]** *$2,800,000,000.*

DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING

For grants to public and Indian housing agencies for use in eliminating crime in public housing projects authorized by 42 U.S.C. 11901–11908, and for drug information clearinghouse services authorized by 42 U.S.C. 11921–11925, $290,000,000, to remain available until expended, of which $10,000,000 shall be for grants, technical assistance, contracts and other assistance training, program assessment, and execution for or on behalf of public housing agencies and resident organizations (including the cost of necessary travel for participants in such training): Provided, That after setting aside amounts in 42 U.S.C. 11909(b) for grants for federally assisted low-income housing, the Secretary, notwithstanding 42 U.S.C. 11904, may provide grants through a formula taking into account the needs of public housing agencies for anti-crime funding, and the amount of funding public housing agencies have received under this heading during fiscal years 1993, 1994, and 1995, but which does not exclude an eligible agency that has not received funding during that period: Provided further, That the term "drug-related crime", as defined in 42 U.S.C. 11905(2), shall also include other types of crime as determined by the Secretary.

HOME INVESTMENT PARTNERSHIPS PROGRAM

For the HOME investment partnerships program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), as amended, $1,400,000,000, to remain available until expended.

[HOUSING COUNSELING ASSISTANCE

[For contracts, grants, and other assistance, other than loans, not otherwise provided for, for providing counseling and advice to tenants and homeowners—both current and prospective—with respect to property maintenance, financial management, and such other matters as may be appropriate to assist them in improving their housing conditions and meeting the responsibilities of tenancy or homeownership, including provisions for training and for support of voluntary agencies and services as authorized by section 106 of the Housing and Urban Development Act of 1968, as amended, $12,000,000, notwithstanding section 106(c)(9) and section 106(d)(13), of such Act.**]**

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

For the cost of guaranteed loans, $3,000,000, as authorized by section 184 of the Housing and Community Development Act of 1992 (106 Stat. 3739): *Provided*, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $36,900,000.

Homeless Assistance

HOMELESS ASSISTANCE GRANTS

For *grants awarded or allocated by the Secretary of Housing and Urban Development, through a competition or by formula, for the purpose of providing housing and services for homeless individuals and families to be delivered by entities eligible to receive assistance under, and to fund eligible activities described in*, the emergency shelter grants program (as authorized under subtitle B of title IV of the Stewart B. McKinney Homeless Assistance Act (Public Law 100–77), as amended); the supportive housing program (as authorized under subtitle C of title IV of such Act); the section 8 moderate rehabilitation single room occupancy program (as authorized under the United States Housing Act of 1937, as amended) to assist homeless individuals pursuant to section 441 of the Stewart B. McKinney Homeless Assistance Act; *and* the shelter plus care program (as authorized under subtitle F of title IV of such Act)[; and the innovative homeless initiatives demonstration program (as described in sections 2(a)–2(f) of the HUD Demonstration Act of 1993 (Public Law 103–120)), $676,000,000] *$760,000,000*, to remain available until expended. *To the extent the Secretary determines to use a formula under this heading, the Secretary shall use the existing formula as provided under the Emergency Shelter Grants program under section 413 of the Stewart B. McKinney Homeless Assistance Act and promulgate any rules under the rulemaking procedures under section 553 of title 5, United States Code. The Secretary shall report, within one year of the date of enactment, on ways to merge the homeless assistance programs under the Stewart B. McKinney Homeless Assistance Act with the HOME program under title II of the Cranston-Gonzalez National Affordable Housing Act.*

Community Planning and Development

COMMUNITY DEVELOPMENT GRANTS

(INCLUDING TRANSFER OF FUNDS)

For grants to States and units of general local government and for related expenses, not otherwise provided for, necessary for carrying out a community development grants program as authorized by title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), $4,600,000,000, to remain available until September 30, 1998: *Provided*, That [$46,000,000] *$60,000,000* shall be available for grants to Indian tribes pursuant to section 106(a)(1) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), *$2,000,000 shall be available as a grant to the Housing Assistance Council, $1,000,000 shall be available as a grant to the National American Indian Housing Council*, and [$19,500,000] *$27,000,000* shall be available for "special purpose grants" pursuant to section 107 of such Act: *Provided further*, That not to exceed 20 per centum of any grant made with funds appropriated herein (other than a grant using funds under section 107(b)(3) of such Act shall be expended for "Planning and Management Development" and "Administration" as defined in regulations promulgated by the Department of Housing and Urban Development: *Provided further, That section 105(a)(25) of such Act, as added by section 907(b)(1) of the Cranston-Gonzalez National Affordable Housing Act, shall continue to be effective after September 30, 1995, notwithstanding section 907(b)(2) of such Act.*

Of the amount provided under this heading, the Secretary of Housing and Urban Development may use up to $80,000,000 for grants to public and Indian housing agencies for a supportive services program to assist residents of public and assisted housing and former residents of such housing receiving tenant-based assistance under section 8 of such Act (42 U.S.C. 1437f) become self-sufficient: Provided, That the program shall provide supportive services to the elderly and the disabled and to families with children where the head of household would benefit from the receipt of supportive services and is working, seeking work, or is preparing for work by participating in job training or educational programs: Provided, That the supportive services shall include coordinated educational, training, and other supportive services, including academic skills training, job search assistance, assistance related to retaining employment, vocational and entrepreneurship development and support programs, transportation, and child care: Provided further, That the Secretary shall require applicants to demonstrate firm commitments of funding or services from other sources: Provided further, That the Secretary shall select public and Indian housing agencies to receive assistance under this head on a competitive basis, taking into account the quality of the proposed program (including any innovative approaches), the extent of the proposed coordination of supportive services, the extent of commitments of funding or services from other sources, the extent to which the proposed program includes reasonably achievable, quantifiable goals for measuring performance under the program over a three-year program, the extent of success an agency has had in carrying out other comparable initiatives, and other appropriate criteria established by the Secretary: Provided further, That of the amount made available under this paragraph, $12,000,000 shall be available for contracts, grants, and other assistance, other than loans, not otherwise provided for, for providing counseling and advice to tenants and homeowners both current and prospective, with respect to property maintenance, financial management, and such other matters as may be appropriate to assist them in improving their housing conditions and meeting the responsibilities of tenancy or homeownership, including provisions for training and for support of voluntary agencies and services as authorized by section 106 of the Housing and Urban Development Act of 1968, as amended, notwithstanding section 106(c)(9) and section 106(d)(13) of such Act. Of the amount provided under this heading, notwithstanding any other provision of law, $40,000,000 shall be available for youthbuild program activities authorized by subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, as amended, and shall be an eligible activity with respect to any funds made available under this heading. Of the amount provided under this heading, notwithstanding any other provision of law, $80,000,000 shall be available for Economic Development Initiative grants as authorized by section 232 of the Multifamily Housing Property Disposition Reform Act of 1994, Public Law 103–233, on a competitive basis as required by section 102 of the HUD Reform Act.

For the cost of guaranteed loans, [$10,500,000] *$15,750,000*, as authorized by section 108 of the Housing and Community Development Act of 1974: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed [$1,000,000,000] *$1,500,000,000*. In addition, for administrative expenses to carry out the guaranteed loan program, [$225,000] *$675,000* which shall be transferred to and merged with the appropriation for departmental salaries and expenses.

Policy Development and Research

RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970, as amended (12 U.S.C. 1701z–1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, $34,000,000, to remain available until September 30, 1997.

[Fair Housing and Equal Opportunity

FAIR HOUSING ACTIVITIES

[For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, $30,000,000, to remain available until September 30, 1997.]

Management and Administration

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary administrative and non-administrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including not to exceed $7,000 for official reception and representation expenses, [$951,988,000] *$980,777,000*, of which [$505,745,000] *$532,782,000* shall be provided from the various funds of the Federal Housing Administration, and [$8,824,000] *$9,101,000* shall be provided from funds of the Government National Mortgage Association, and [$225,000] *$675,000* shall be provided from the Community Development Grants Program account.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, [$47,388,000] *$48,251,000*, of which [$10,961,000] *$11,283,000* shall be transferred from the various funds of the Federal Housing Administration.

[Office of Federal Housing Enterprise Oversight

[SALARIES AND EXPENSES

[(INCLUDING TRANSFER OF FUNDS)

[For carrying out the Federal Housing Enterprise Financial Safety and Soundness Act of 1992, $14,895,000, to remain available until expended, from the Federal Housing Enterprise Oversight Fund: *Provided*, That such amounts shall be collected by the Director as authorized by section 1316 (a) and (b) of such Act, and deposited in the Fund under section 1316(f) of such Act.]

Federal Housing Administration

FHA—MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

During fiscal year 1996, commitments to guarantee loans to carry out the purposes of section 203(b) of the National Housing Act, as amended, shall not exceed a loan principal of $110,000,000,000: *Provided, That during fiscal year 1996, the Secretary shall sell assigned mortgage notes having an unpaid principal balance of up to $4,000,000,000, which notes were orginally insured under section 203(b) of the National Housing Act: Provided further, That an amount equal to any negative subsidies resulting from the sale of such assigned mortgage notes during fiscal year 1996 may be added to and merged with funds otherwise provided relating to the disposition of properties or notes under this heading, as may be allocated by the Secretary of Housing and Urban Development.*

During fiscal year 1996, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed $200,000,000: *Provided*, That the foregoing amount shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under section 203 of such Act.

For administrative expenses necessary to carry out the guaranteed and direct loan program, [$308,846,000] *$341,595,000*, to be derived from the FHA-mutual mortgage insurance guaranteed loans receipt account, of which not to exceed [$308,290,000] *$334,483,000* shall be transferred to the appropriation for departmental salaries and expenses; and of which not to exceed [$6,790,000] *$7,112,000* shall be transferred to the appropriation for the Office of Inspector General.

FHA—GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

[Total] *For the cost of guaranteed loans, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z–3 and 1735c), including the cost of modifying such loans, $100,000,000, to remain available until expended: Provided, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize total* loan principal any part of which is to be guaranteed [shall not] *of not to* exceed [$15,000,000,000] *$17,400,000,000*: [*Provided,*] *Provided further, That during fiscal year 1996, the Secretary shall sell assigned notes having an unpaid principal balance of up to $4,000,000,000, which notes were originally obligations of the funds established under sections 238 and 519 of the National Housing Act: Provided further, That an amount equal to any negative subsidies resulting from the sale of such assigned notes during fiscal year 1996 may be added to and merged with funds otherwise provided relating to the disposition of properties or notes under this heading, including the credit subsidies associated with the sale of such properties or notes with loan guarantees and amounts otherwise available for credit subsidies under this heading, as may be allocated by the Secretary of Housing and Urban Development: Provided further,* That any amounts made available in any prior appropriation Act for the cost (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guaranteed loans that are obligations of the funds established under section 238 or 519 of the National Housing Act that have not been [made available for obligation] *obligated* or that are deobligated shall be available to the Secretary of Housing and Urban Development in connection with the making of such guarantees and shall remain available until expended, notwithstanding the expiration of any period of availability otherwise applicable to such amounts[: *Provided further*, That any amounts of negative subsidy resulting in fiscal year 1996 from the sales of assigned mortgage notes or insurance actions that exceed the amounts of negative subsidy determined to be generated during such fiscal year, based on the assumptions specified in the President's Budget for such fiscal year, shall be available to the Secretary for the costs of any note sales or insurance actions, without regard to whether the source of the negative subsidy amount is a note sale or insurance action, and the last proviso of this paragraph shall not apply to such amounts so used in connection with insurance actions: *Provided further*, That during fiscal year 1996, the Secretary shall sell assigned mortgage notes having an unpaid principal balance of up to $2,600,000,000, which notes were originally obligations of the funds established under sections 238 and 519 of the National Housing Act: *Provided further*, That of the amount appropriated herein, an amount equal to the lesser of $52,000,000 or the excess of net proceeds above the value of holding the loans to maturity, such value established using assumptions specified in the President's fiscal year 1996 Budget adjusted for interest rates at the time of the sale, shall become available only after such sale has been completed.]

[In addition, for the cost of guarantees for loans, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z–3 and 1735c), $69,620,000, *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.]

Gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(l), 238(a), and 519(a) of the National Housing Act, shall not exceed $120,000,000; of which not to exceed $100,000,000 shall be for bridge financing in connection with the sale of multifamily real properties owned by the Secretary and formerly insured under such Act; and of which not to exceed $20,000,000 shall be for loans to nonprofit and governmental entities in connection with the sale of single-family real properties owned by the Secretary and formerly insured under such Act.

In addition, for administrative expenses necessary to carry out the guaranteed and direct loan programs, [$197,470,000] *$202,470,000*, of which [$197,455,000] *$198,299,000* shall be transferred to the appropriation for departmental salaries and expenses; and of which $4,171,000 shall be transferred to the appropriation for the Office of Inspector General.

Government National Mortgage Association

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

(INCLUDES TRANSFER OF FUNDS)

During fiscal year 1996, new commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed $110,000,000,000.

For administrative expenses necessary to carry out the guaranteed mortgage-backed securities program, [$8,824,000] *$9,101,000*, to be derived from the GNMA—guarantees of mortgage-backed securities guaranteed loan receipt account, of which not to exceed [$8,824,000] *$9,101,000* shall be transferred to the appropriation for departmental salaries and expenses.

ADMINISTRATIVE PROVISIONS

(INCLUDING TRENSFER OF FUNDS)

[Sec. 201. Public Housing. (a) Ceiling Rents.—Notwithstanding section 3(a) of the United States Housing Act of 1937, as amended, public housing agencies shall provide that the amount of rent paid by a family occupying a dwelling unit in public housing during fiscal year 1996 does not exceed the maximum monthly rental amount, which shall be established for the dwelling unit by the public housing agency that owns or administers the unit and may not exceed an amount determined by the agency based upon—

[(1) the average, for dwelling units of similar size in public housing developments owned and operated by such agency, of any monthly amount of debt service and operating expenses attributable to such units;

[(2) the reasonable rental value of the unit; or

[(3) the local market rent for comparable units of similar size.

[(b) Demolition and Disposition.—

[(1) Inapplicability of replacement rule.—With respect to any application under section 18 of the United States Housing Act of 1937, as amended, for the demolition or disposition of public housing, including an application submitted under paragraph (3), that is approved during fiscal year 1996, the provisions of subsection (b)(3) of such section shall not apply with respect to—

[(A) the approval of such application; or

[(B) the demolition or disposition of any public housing pursuant to such application.

[(2) Conforming provision.—The requirement under section 18(d) of such Act that a public housing agency satisfy the conditions specified in section 18(b)(3) of such Act as a condition of taking action to demolish or dispose of public housing shall not apply with respect to any application under such section 18 approved during such fiscal year.

[(3) Authority to resubmit applications.—Any public housing agency that, before fiscal year 1996, submitted to the Secretary an application under section 18 of such Act for demolition or disposition of public housing may (regardless of whether such application has been approved) at any time during fiscal year 1996 submit an application subject to the provisions of this subsection that covers some or all of the property covered by such previous application and, to the extent the same property is covered by both applications, the Secretary shall treat the latter application as replacing the previous application.

[(c) Applicability.—In accordance with section 201(b)(2) of the United States Housing Act of 1937, as amended, the provisions of this section shall apply to public housing developed or oterated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority.

[Sec. 202. Rental Assistance Under Section 8 of United States Housing Act of 1937. (a) Increase of Family Rental Payment.—Notwithstanding sections 3(a) and 8(o)(2) of the United States Housing Act of 1937, as amended, effective for fiscal year 1996—

[(1) public housing agencies shall increase to 32 percent the percentage of the family's monthly adjusted income used in determining—

[(A) the amount of monthly rent required to be paid by each family who is assisted under the certificate or moderate rehabilitation program under section 8 of such Act; and

[(B) the amount of the monthly assistance payment for each family who is assisted under the voucher program under section 8 of such Act; and

[(2) owners of housing assisted under other programs for rental assistance under section 8 of such Act shall increase to 32 percent the percentage of a family's adjusted monthly income used in determining the rent required to be paid by each family assisted under any such program.

[(b) Minimum Rents.—Notwithstanding subsection (a) of this section or sections 3(a) and 8(o)(2) of the United States Housing Act of 1937, as amended, effective for fiscal year 1996 and no later than October 30, 1995—

[(1) public housing agencies shall require each family who is assisted under the certificate or moderate rehabilitation program under section 8 of such Act to pay for monthly rent an amount that is not less than the sum of $50 for the unit;

[(2) public housing agencies shall reduce the monthly assistance payment on behalf of each family who is assisted under the voucher program under section 8 of such Act so that the family pays for monthly rent an amount that is not less than the sum of $50 for the unit; and

[(3) owners of housing assisted under other programs for rental assistance under section 8 of such Act shall require each family who is assisted under such program to pay for monthly rent an amount that is not less than the sum of $50 for the unit.

[(c) Fair Market Rentals.—The Secretary shall establish fair market rentals for purposes of section 8(c)(1) of the United States Housing Act of 1937, as amended, that shall be effective for fiscal year 1996 and shall be based on the 40th percentile rent of rental distributions of standard quality rental housing units. In establishing such fair market rentals, the Secretary shall consider only the rents for dwelling units occupied by recent movers and may not consider the rents for public housing dwelling units or newly constructed rental dwelling units.

[(d) Annual Adjustments.—Section 8(c)(2)(A) of the United States Housing Act of 1937, as amended (42 U.S.C. q437f(c)(2)(A)) is further amended—

[(1) in the third sentence by inserting "and fiscal year 1996" after "1995"; and

[(2) in the last sentence by inserting "and fiscal year 1996" after "1995".

[(e) Administrative Fees.—Notwithstanding the second sentence of section 8(q)(1) of the United States Housing Act of 1937, as amended, for fiscal year 1996, the portions of the fees for costs incurred by public housing agencies in administering the certificate, voucher, and moderate rehabilitation programs under section 8 shall not exceed 7.0 percent of the fair market rental established for a 2-bedroom existing rental dwelling unit in the market area of the public housing agency.

[(f) Delay of Issuance and Reissuance of Vouchers and Certificates.—Notwithstanding any other provision of law, a public housing agency administering certificate or voucher assistance provided under subsection (b) or (o) of section 8 of the United States Housing Act of 1937, as amended, shall delay—

[(1) until October 1, 1996, the initial issuance of any such tenant-based assistance representing incremental assistance allocated in fiscal year 1996; and

[(2) for 6 months, the use of any amounts of such assistance (or the certificate or voucher representing assistance amounts) made available by the termination during fiscal year 1996 of such assistance on behalf of any family for any reason, but not later than October 1, 1996.

[Sec. 203. Preferences for Housing Assistance. (a) Public Housing.—

[(1) In general.—During fiscal year 1996, dwelling units in public housing that are available for occupancy shall be made available—

[(A) without regard to the requirements regarding preferences set forth in section 6(c)(4)(A) of the United States Housing Act of 1937, as amended; and

[(B) subject to a system of preferences that the public housing agency for the public housing may establish, which shall be based upon local housing needs and priorities, as determined by the agency.

[(2) Applicability.—Paragraph (1)(B) shall not apply to projects or portions of projects designated for occupancy pursuant to section 7(a) of the United States Housing Act of 1937, as amended, for which the Secretary has determined that application of such paragraph would result in excessive delays in meeting the housing need of such families. In accordance with section 201(b)(2) of the United States Housing Act of 1937, as amended, the provisions of this subsection shall apply to public housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority.

[(b) Section 8 Assistance.—During fiscal year 1996, the selection of families for assistance under section 8 of the United States Housing Act of 1937, as amended—

[(1) shall not be subject to the requirements regarding preferences set forth in sections 8(d)(1)(A) and 8(o)(3)(B) of the United States Housing Act of 1937, as amended; and

[(2) shall be subject to a system of preferences that may be established by the public housing agency administering such assistance, which shall be based upon local housing needs and priorities, as determined by the agency.

[(c) Conforming Provisions.—Each reference in sections 6(o), 7(a)(2), 7(a)(3), 8(d)(2)(A), 8(d)(2)(H), 16(c), and 24(e)(2) of the United States Housing Act of 1937, as amended, sections 212(a)(3), 217(c)(2)(B), 225(d)(3), 455(a)(2)(D)(iii), 522(f)(6)(B), and 522(j)(2)(A) of the Cranston-Gonzalez National Affordable Housing Act, section 226(b)(6)(B) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990, section r03(g)(2) of the Housing and Community Development Amendments of 1978, and section 655 of the Housing and Community Development Act of 1992, to the preferences under section 6(c)(4)(A), 8(d)(1)(A), or 8(o)(3)(B) of the United States Housing Act of 1937, as amended, shall be considered, during fiscal year 1996, to refer to the applicable preferences established (if any) under the subsections (a)(1)(B) and (b)(2).

[(d) New Construction/Substantial Rehabilitation Housing.—During fiscal year 1996, dwelling units in housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of the United States Housing Act of 1937, as amended (as such section existed before October 1, 1983) and projects financed under section 202 of the Housing Act of 1959 (as such section existed before the enactment of the Cranston-Gonzalez National Affordable Housing Act) shall be made available for occupancy without regard to section 545(c) of the Cranston-Gonzalez National Affordable Housing Act and no other provision of law relating to Federal tenant selection preferences shall apply to such housing.

[(e) Rent Supplements.—During fiscal year 1996, section 101(k) of the Housing and Urban Development Act of 1965 shall not be effective.

[Sec. 204. Merger Language for Assistance for the Renewal of Expiring Section 8 of Subsidy Contracts and Annual Contributions for Assisted Housing.—All remaining obligated and unobligated balances in the Renewal of Expiring Section 8 Subsidy Contracts account on September 30, 1995, shall immediately thereafter be transferred to and merged with the obligated and unobligated balances, respectively, of the Annual Contributions for Assisted Housing account.

[Sec. 205. Extension of Home Equity Conversion Mortgage Program.—Section 255(g) of the National Housing Act (12 U.S.C. 1715z-20(g)) is amended—

[(1) in the first sentence, by striking "September 30, 1995" and inserting "September 30, 1996"; and

[(2) in the second sentence, by striking "25,000" and inserting "30,000".

[Sec. 206. Debt Forgiveness.—(a) The Secretary of Housing and Urban Development shall cancel the indebtedness of the Hubbard Hospital Authority of Hubbard, Texas, relating to the public facilities loan for Project Number PFL-TEX-215, issued under title II of the Housing Amendments of 1955. Such hospital authority is relieved of all liability to the Government for the outstanding principal balance on such loan, for the amount of accrued interest on such loan, and for any fees and charges payable in connection with such loan.

[(b) The Secretary of Housing and Urban Development shall cancel the indebtedness of the Groveton Texas Hospital Authority relating to the public facilities loan for Project Number TEX-41-PFL0162, issued under title II of the Housing Amendments of 1955. Such hospital authority is relieved of all liability to the Government for the outstanding principal balance on such loan, for the amount of accrued interest on such loan, and for any fees and charges payable in connection with such loan.

[Sec. 207. Delaying Outlays for Public Housing Development.—During fiscal year 1996, a public housing agency or Indian housing authority may slow the rate at which it develops a project that the Secretary has approved under 24 C.F.R. Part 941 in order to slow the rate at which such agency or authority takes actions resulting in outlays of amounts appropriated under the head "Annual contributions for assisted housing" in this title or any prior appropriation Act, and the Secretary may allow such agency or authority to develop a project at such a slow rate, notwithstanding 24 C.F.R. Sec. 941.405(d).

[Sec. 208. Assessment Collection Dates for Office of Federal Housing Enterprise Oversight.—Section 1316(b) of the Housing and Community Development Act of 1992 (12 U.S.C. 4516(b)) is amended by striking paragraph (2) and inserting the following new paragraph:

"(2) Timing of payment.—The annual assessment shall be payable semiannually for each fiscal year, on October 1st and April 1st.".

[Sec. 209. Spending Limitations.—(a) None of the funds provided in this Act may be used during fiscal year 1996 to sign, promulgate, implement, or enforce any requirement or regulation relating to the application of the Fair Housing Act (42 U.S.C. 3601, et seq.) to the business of property insurance, or for any activity pertaining to property insurance.

[(b) None of the funds appropriated by this Act may be expended by the Department for the purpose of finalizing the Department's proposed rule dated July 21, 1994 regarding amendments to Regulation X, the Real Estate Settlement Procedures Regulation, or for the purpose of developing or issuing any interpretive rule with respect to any of the four issues denominated in the preamble to the proposed rule.

[(c) None of the funds provided in this Act may be used in fiscal year 1996 for the remuneration of more than seven Assistant Secretaries at the Department of Housing and Urban Development, notwithstanding section 4(a) of the Department of Housing and Urban Development Act.

[(d) None of the funds provided in this Act may be used in fiscal year 1996 for the remuneration of more than 94 schedule C and noncareer senior executive service employees at the Department of Housing and Urban Development.

[(e) None of the funds made available in this Act may be used by the Secretary to take, impose, or enforce, or to investigate taking, imposing, or enforcing any action, sanction, or penalty against any State or unit of general local government (or any entity or agency thereof) because of the enactment, enforcement, or effectiveness of any State or local law or regulation requiring the spoken or written use of the English language or declaring English as the official language.

[(f) No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

[SEC. 210. CLARIFICATIONS.—For purposes of Federal law, the Paul Mirabile Center in San Diego, California, including areas within such Center that are devoted to the delivery of supportive services, has been determined to satisfy the "continuum of care" requirements of the Department of Housing and Urban Development, and shall be treated as:

[(a) consisting solely of residential units that (i) contain sleeping accommodations and kitchen and bathroom facilities, (ii) are located in a building that is used exclusively to facilitate the transition of homeless individuals (within the meaning of section 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.W.C. 11302)) to independent living within 24 months, (iii) are suitable for occupancy, with each cubicle constituting a separate bedroom and residential unit, (iv) are used on other than a transient basis, and (v) shall be originally placed in service on August 1, 1995; and

[(b) property that is entirely residential rental property, namely, a project for residential rental property.

[SEC. 211. EXTENSION OF MULTIFAMILY HOUSING FINANCE PROGRAMS.—(a) Section 542(b)(5) of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note) is amended by striking "on not more than 15,000 units over fiscal years 1993 and 1994" and inserting "on not more than 7,500 units during fiscal year 1996".

[(b) Section 542(c)(4) of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note) is amended by striking "on not to exceed 30,000 units over fiscal years 1993, 1994, and 1995" and inserting "on not more than 10,000 units during fiscal year 1996".

[SEC. 212. DOCUMENTATION OF MULTIFAMILY REFINANCINGS.—Notwithstanding the 16th paragraph under the item relating to "ADMINISTRATIVE PROVISIONS" in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995 (Public Law 103–327; 108 Stat. 2316), the amendments to section 223(a)(7) of the National Housing Act made by the 15th paragraph of such Act shall be effective during fiscal years 1996 and thereafter.]

SEC. 201. EXTEND ADMINISTRATIVE PROVISIONS FROM THE RESCISSION ACT.

(a) PUBLIC AND INDIAN HOUSING MODERNIZATION.—

(1) EXPANSION OF USE OF MODERNIZATION FUNDING.—Subsection 14(q) of the United States Housing Act of 1937 is amended to read as follows:

"(q)(1) In addition to the purposes enumerated in sections 14(a), 14(b), and 5(a), a public housing agency may use modernization assistance provided under section 14, and development assistance provided under section 5(a), for any eligible activity authorized by either of those sections or by applicable Appropriations Acts, including the demolition, rehabilitation, revitalization, and replacement of existing units and projects and, for up to 10 percent of its allocation of such funds in any fiscal year, for any operating subsidy purpose authorized in section 9. Units and projects assisted hereunder shall be for low-income families and shall be eligible for operating subsidies subject to the availability of appropriated funds.

"(2) A public housing agency may provide assistance to developments that include units for other than low-income families, hereinafter called "mixed income developments", in the form of a grant, loan, or other form of investment which may be made to: (A) the public housing agency or an affiliate controlled by it; (B) a partnership, a limited liability company, or other legal entity in which the public housing agency or its affiliate is a general partner, managing member, or otherwise significantly directs the activities of such entity; or (C) any entity which grants to the public housing agency the option to purchase the development within 20 years after initial occupancy in accordance with section 42(l)(7) of the Internal Revenue Code of 1986, as amended: Provided, That units shall be made available in such developments for periods of not less than 20 years, by master contract or by individual lease, for occupancy by low-income families referred from time to time by the public housing agency; the number of such units shall be either: (i) in the same proportion to the total number of units in such development that the financial assistance provided by the public housing agency bears to the total equity investment in the development, or (ii) not be less than the number of units that could have been developed under the conventional public housing program with the assistance involved, or (iii) as may otherwise be approved by the Secretary.

"(3) A mixed income development may elect to have all units subject only to the applicable local real estate taxes, notwithstanding that the low-income units assisted by public housing funds would otherwise be subject to section 6(d) of the Housing Act of 1937.".

(2) EXTENSION OF AUTHORITY.—Section 1001(b) of the Emergency Supplemental Appropriations for Additional Disaster Assistance, for Antiterrorism Initiatives, for Assistance in the Recovery from the Tragedy that Occurred at Oklahoma City, and Rescissions Act, 1995 (109 Stat. 235), is amended to read as follows:

"(b) APPLICABILITY.—Section 14(q) of the United States Housing Act of 1937, as added by subsection (a) of this section, shall be effective only with respect to assistance provided from funds made available for fiscal year 1996 or any preceding fiscal year.".

(3) APPLICABILITY.—In accordance with section 201(b)(2) of the United States Housing Act of 1937, the amendment made by subsection (a) shall apply to public housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority.".

(b) ONE-FOR-ONE REPLACEMENT OF PUBLIC AND INDIAN HOUSING.—

(1) PERMANENT AUTHORITY.—Section 1002 of Public Law 104–19 is amended to read as follows:

"(d) Subsections (a), (b), and (c) shall be effective for applications for the demolition, disposition, or conversion to homeownership of public housing approved by the Secretary, and other consolidation and relocation activities of public housing agencies undertaken on, before, or after September 30, 1995 and before September 30, 1996.".

(2) Section 18(f) of the United States Housing Act of 1937 is amended by adding at the end the following new sentence: "No one may rely on the preceding sentence as the basis for reconsidering a final order of a court issued, or a settlement approved by, a court.".

(3) APPLICABILITY.—In accordance with section 201(b)(2) of the United States Housing Act of 1937, the amendments made by this section and by sections 1002 (a), (b), and (c) of Public Law 104–19 shall apply to public housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority.

SEC. 202. PUBLIC HOUSING RENTS AND INCOME TARGETING.

(a) MINIMUM RENTS.—Section 3(a)(1) of the United States Housing Act of 1937 is amended by inserting at the end the following new sentence: "Notwithstanding the previous sentence, the Secretary shall permit a public housing agency to charge a family residing in public housing up to $25 as rent.".

(b) ESTABLISHMENT OF CEILING RENTS.—Section 3(a)(2) of the United States Housing Act of 1937 is amended to read as follows:

"(2) Notwithstanding paragraph (1), a public housing agency may—

"(A) adopt ceiling rents that reflect the reasonable market value of the housing, but that are not less than the monthly costs—

"(i) to operate the housing of the agency; and

"(ii) to make a deposit to a replacement reserve (in the sole discretion of the public housing agency); and

"(B) allow families to pay ceiling rents referred to in subparagraph (A), unless, with respect to any family, the ceiling rent established under this paragraph would exceed the amount payable as rent by that family under paragraph (1).".

(c) DEFINITION OF ADJUSTED INCOME.—Section 3(b)(5) of the United States Housing Act of 1937 is amended—

(1) at the end of subparagraph (F), by striking "and";

(2) at the end of subparagraph (G), by striking the period and inserting "; and "; and

(3) by inserting after subparagraph (G) the following:

"(H) for public housing, and other adjustments to earned income established by the public housing agency.

If a public housing agency adopts other adjustments to income pursuant to subparagraph (H), the Secretary (i) shall not take into account any reduction of or increase in the public housing agency's per unit dwelling rental income resulting from those adjustments when calculating the contributions under section 9 for the public housing agency for the operation of the public housing.".

(d) REPEAL OF FEDERAL PREFERENCES.—

(1) PUBLIC HOUSING.—

(A) IN GENERAL.—Section 6(c)(4)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)(4)(A)) is amended to read as follows:

"(A) the establishment, after public notice and an opportunity for public comment, of written system of preferences for admission to public housing, if any, that is not inconsistent with the comprehensive housing affordability strategy under title I of the Cranston-Gonzalez National Affordable Housing Act;".

(B) APPLICABILITY.—In accordance with section 201(b)(2) of the United States Housing Act of 1937, section 6(c)(4)(A) of the United States Housing Act of 1937, as amended by paragraph (1), shall apply to public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority.

(2) SECTION 8 EXISTING AND MODERATE REHABILITATION.—Section 8(d)(1)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(1)(A)) is amended to read as follows:

"(A) the selection of tenants shall be the function of the owner, subject to the provisions of the annual contributions contract between the Secretary and the agency, except that for the certificate and moderate rehabilitation programs

only, for the purpose of selecting families to be assisted, the public housing agency may establish, after public notice and an opportunity for public comment, written system of preferences for selection that are not inconsistent with the comprehensive housing affordability strategy under title I of the Cranston-Gonzalez National Affordable Housing Act;".

(3) SECTION 8 VOUCHER PROGRAM.—Section 8(o)(3)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(3)(B)) is amended to read as follows:

"(B) For the purpose of selecting families to be assisted under this subsection, the public housing agency may establish, after public notice and an opportunity for public comment, written system of preferences for selection that are not inconsistent with the comprehensive housing affordability strategy under title I of the Cranston-Gonzalez National Affordable Housing Act.".

(4) SECTION 8 NEW CONSTRUCTION AND SUBSTANTIAL REHABILITATION.—

(A) REPEAL.—Section 545(c) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is amended to read as follows:

"(c) [Reserved.]".

(B) PROHIBITION.—Notwithstanding any other provision of law, no Federal tenant selection preferences shall apply with respect to—

(i) housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of the United States Housing Act of 1937 (as such section existed on the day before October 1, 1983); or

(ii) projects financed under section 202 of the Housing Act of 1959 (as such section existed on the day before the date of enactment of the Cranston-Gonzalez National Affordable Housing Act).

(5) RENT SUPPLEMENTS.—Section 101(k) of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s(k)) is amended to read as follows:

"(k) [Reserved.]".

(6) CONFORMING AMENDMENTS.—

(A) UNITED STATES HOUSING ACT OF 1937.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(i) in section 6(o), by striking "preference rules specified in" and inserting "written selection criteria established pursuant to";

(ii) in section 7(a)(2), by striking "according to the preferences for occupancy under" and inserting "in accordance with the written selection criteria established pursuant to";

(iii) in section 7(a)(3), by striking "who qualify for preferences for occupancy under" and inserting "who meet the written selection criteria established pursuant to";

(iv) in section 8(d)(2)(A), by striking the last sentence;

(v) in section 8(d)(2)(H), by striking "notwithstanding subsection (d)(1)(A)(i), an" and inserting "An";

(vi) in section 16(c), in the second sentence, by striking "the system of preferences established by the agency pursuant to section 6(c)(4)(A)(ii)" and inserting "the written selection criteria established by the public housing agency pursuant to section 6(c)(4)(A)"; and

(vii) in section 24(e)—

(I) by striking "(e) EXCEPTIONS." and all that follows through "The Secretary may" and inserting the following:

"(e) EXCEPTION TO GENERAL PROGRAM REQUIREMENTS.—The Secretary may"; and

(II) by striking paragraph (2).

(B) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—The Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704 et seq.) is amended—

(i) in section 455(a)(2)(D)(iii), by striking "would qualify for a preference under" and inserting "meet the written selection criteria established pursuant to";

(ii) in section 522(f)(6)(B), by striking "any preferences for such assistance under section 8(d)(1)(A)(i)" and inserting "the written selection criteria established pursuant to section 8(d)(1)(A)"; and

(C) LOW-INCOME HOUSING PRESERVATION AND RESIDENT HOMEOWNERSHIP ACT OF 1990.—The second sentence of section 226(b)(6)(B) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4116(b)(6)(B)) is amended by striking "requirement for giving preferences to certain categories of eligible families under" and inserting "written selection criteria established pursuant to".

(D) HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking "preferences for occupancy" and all that follows through the period at the end and inserting "selection criteria established by the owner to elderly families according to such written selection criteria, and to near-elderly families according to such written selection criteria, respectively.".

(E) REFERENCES IN OTHER LAW.—Any reference in any Federal law other than any provision of any law amended by paragraphs (1) through (5) of this subsection to the preferences for assistance under section 6(c)(4)(A)(i), 8(d)(1)(A)(i), or 8(o)(3)(B) of the United States Housing Act of 1937 (as such sections existed on the day before the date of enactment of this Act) shall be considered to refer to the written selection criteria established pursuant to section 6(c)(4)(A), 8(d)(1)(A), or 8(o)(3)(B), respectively, of the United States Housing Act of 1937, as amended by this section.

(e) APPLICABILITY.—In accordance with section 201(b)(2) of the United States Housing Act of 1937, the amendments made by subsections (a), (b), (c), and (d) of this section shall also apply to public housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority.

SEC. 203. CONVERSION OF CERTAIN PUBLIC HOUSING TO VOUCHERS.

(a) IDENTIFICATION OF UNITS.—

(1) Each public housing agency shall identify any public housing developments—

(A) that are on the same or contiguous sites;

(B) that total more than—

(i) 600 dwelling units; or

(ii) in the case of high-rise family buildings or substantially vacant buildings, 300 dwelling units;

(C) that have a vacancy rate of at least 10 percent for dwelling units not in funded on-schedule modernization programs;

(D) identified as distressed housing that the public housing agency cannot assure the long-term viability as public housing through revitalization, density reduction, or achievement of a broader range of household income; and

(E) for which the estimated cost of continued operation and modernization of the developments as public housing exceeds the cost of providing tenant-based assistance under section 8 of the United States Housing Act of 1937 for all families in occupancy, based on appropriate indicators of cost (such as the percentage of total development cost required for modernization).

(b) IMPLEMENTATION AND ENFORCEMENT.—

(1) STANDARDS FOR IMPLEMENTATION.—The Secretary shall establish standards to permit implementation of this section in fiscal year 1996.

(2) CONSULTATION.—Each public housing agency shall consult with the applicable public housing tenants and the unit of general local government in identifying any public housing developments under subsection (a).

(3) FAILURE OF PHAS TO COMPLY WITH SUBSECTION (a).—Where the Secretary determines that—

(A) a public housing agency has failed under subsection (a) to identify public housing developments for removal from the inventory of the agency in a timely manner;

(B) a public housing agency has failed to identify one or more public housing developments which the Secretary determines should have been identified under subsection (a); or

(C) one or more of the developments identified by the public housing agency pursuant to subsection (a) should not, in the determination of the Secretary, have been identified under that subsection;

the Secretary may designate the developments to be removed from the inventory of the public housing agency pursuant to this section.

(c) REMOVAL OF UNITS FROM THE INVENTORIES OF PUBLIC HOUSING AGENCIES.—

(1) Each public housing agency shall develop and carry out a plan in conjunction with the Secretary for the removal of public housing units identified under subsection (a) or subsection (b)(3), over a period of up to five years, from the inventory of the public housing agency and the annual contributions contract. The plan shall be approved by the relevant local official as consistent with the Comprehensive Housing Affordability Strategy under title I of the Housing and Community Development Act of 1992, including a description of any disposition and demolition plan for the public housing units.

(2) The Secretary may extend the deadline in paragraph (1) for up to an additional five years where the Secretary makes a determination that the deadline is impracticable.

(3) The Secretary shall take appropriate actions to ensure removal of developments identified under subsection (a) from the inventory of a public housing agency, if the public housing agency fails to adequately develop a plan under paragraph (1), or fails to adequately implement such plan in accordance with the terms of the plan.

(4) To the extent approved in appropriations, the Secretary may establish requirements and provide funding under the Urban Revitalization Demonstration program for demolition and disposition of public housing under this section.

(5) Notwithstanding any other provision of law, if a development is removed from the inventory of a public housing agency and the annual contributions contract pursuant to paragraph (1), the Secretary may authorize or direct the transfer of—

(A) in the case of an agency receiving assistance under the comprehensive improvement assistance program, any amounts obligated by the Secretary for the modernization of such development pursuant to section 14 of the United States Housing Act of 1937;

(B) in the case of an agency receiving public and Indian housing modernization assistance by formula pursuant to section 14 of the United States Housing Act of 1937, any amounts provided to the agency which are attributable pursuant to the formula for allocating such assistance to the development removed from the inventory of that agency; and

(C) in the case of an agency receiving assistance for the major reconstruction of obsolete projects, any amounts obligated by the Secretary for the major reconstruction of the development pursuant to section 5 of such Act,

to the tenant-based assistance program of such agency.

(d) CONVERSION TO TENANT-BASED ASSISTANCE.—

(1) The Secretary shall make authority available to a public housing agency to provide tenant-based assistance pursuant to section 8 to families residing in any development that is removed from the inventory of the public housing agency and the annual contributions contract pursuant to subsection (b).

(2) Each conversion plan under subsection (c) shall—

(A) require the agency to notify families residing in the development, consistent with any guidelines issued by the Secretary governing such notifications, that the development shall be removed from the inventory of the public housing agency and the families shall receive tenant-based or project-based assistance, and to provide any necessary counseling for families; and

(B) ensure that all tenants affected by a determination under this section that a development shall be removed from the inventory of a public housing agency shall be offered tenant-based or project-based assistance and shall be relocated, as necessary, to other decent, safe, sanitary, and affordable housing which is, to the maximum extent practicable, housing of their choice.

(e) IN GENERAL.—

(1) The Secretary may require a public housing agency to provide such information as the Secretary considers necessary for the administration of this section.

(2) As used in this section, the term "development" shall refer to a project or projects, or to portions of a project or projects, as appropriate.

(3) Section 18 of the United States Housing Act of 1937 shall not apply to the demolition of developments removed from the inventory of the public housing agency under this section.

SEC. 204. STREAMLINING SECTION 8 TENANT-BASED ASSISTANCE.

(a) "TAKE-ONE, TAKE-ALL".—Section 8(t) of the United States Housing Act of 1937 is hereby repealed.

(b) EXEMPTION FROM NOTICE REQUIREMENTS FOR THE CERTIFICATE AND VOUCHER PROGRAMS.—Section 8(c) of such Act is amended—

(1) in paragraph (8), by inserting after "section" the following: "(other than a contract for assistance under the certificate or voucher program)"; and

(2) in the first sentence of paragraph (9), by striking "(but not less than 90 days in the case of housing certificates or vouchers under subsection (b) or (o))" and inserting ", other than a contract under the certificate or voucher program".

(c) ENDLESS LEASE.—Section 8(d)(1)(B) of such Act is amended—

(1) in clause (ii), by inserting "during the term of the lease," after "(ii)"; and

(2) in clause (iii), by striking "provide that" and inserting "during the term of the lease,".

SEC. 205. (a) FAIR MARKET RENTALS.—The Secretary shall establish fair market rentals for purposes of section 8(c)(1) of the United States Housing Act of 1937, as amended, that shall be effective for fiscal year 1996 and shall be based on the 40th percentile rent of rental distributions of standard quality rental housing units. In establishing such fair market rentals, the Secretary shall consider only the rents for dwelling units occupied by recent movers and may not consider the rents for public housing dwelling units or newly constructed rental dwelling units.

(b) ANNUAL ADJUSTMENTS.—Section 8(c)(2)(A) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437f(c)(2)(A)) is further amended—

(1) in the third sentence by inserting "and fiscal year 1996" after "1995";

(2) in the fourth sentence, strike "For" and insert: "Except for assistance under the certificate program, for";

(3) after the fourth sentence, insert:

"In the case of assistance under the certificate program, 0.01 shall be subtracted from the amount of the annual adjustment factor (except that the factor shall not be reduced to less than 1.0), and the adjusted rent shall not exceed the rent for a comparable unassisted unit of similar quality, type, and age in the same market area."; and

(4) in the last sentence, by

(A) striking "sentence" and inserting "two sentences" and

(B) inserting "and fiscal year 1996" after "1995".

(c) ADMINISTRATIVE FEES.—Notwithstanding the second sentence of section 8(q)(1) of the United States Housing Act of 1937, as amended, for fiscal year 1996, the portions of the fees for costs incurred by public housing agencies in administering the certificate, voucher, and moderate rehabilitation programs under section 8 shall not exceed 7.0 percent of the fair market rental established for a 2-bedroom existing rental dwelling unit in the market area of the public housing agency.

(d) DELAY OF ISSUANCE AND REISSUANCE OF VOUCHERS AND CERTIFICATES.—Notwithstanding any other provision of law, a public housing agency administering certificate or voucher assistance provided under subsection (b) or (o) of section 8 of the United States Housing Act of 1937, as amended, shall delay for 6 months, the use of any amounts of such assistance (or the certificate or voucher representing assistance amounts) made available by the termination during fiscal year 1996 of such assistance on behalf of any family for any reason, but not later than October 1, 1996; with the exception of any certificates assigned or committed to project based assistance as permitted otherwise by the Act, accomplished prior to the effective date of this Act.

SEC. 206. PUBLIC HOUSING/SECTION 8 MOVING TO WORK DEMONSTRATION.

(a) PURPOSE.—The purpose of this demonstration is to give public housing agencies and the Secretary of Housing and Urban Development the flexibility to design and test various approaches for providing and administering housing assistance that: reduce cost and achieve greater cost effectiveness in Federal expenditures; give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and increase housing choices for lower-income families.

(b) PROGRAM AUTHORITY.—The Secretary of Housing and Urban Development shall conduct a demonstration program under this section beginning in fiscal year 1996 under which up to 30 public housing agencies (including Indian housing authorities) administering the public or Indian housing program and the section 8 housing assistance payments program may be selected by the Secretary to participate. The Secretary shall provide training and technical assistance during the demonstration and conduct detailed evaluations of such agencies in an effort to identify replicable program models promoting the purpose of the demonstration. Under the demonstration, notwithstanding any provision of the United States Housing Act of 1937 except as provided in subsection (d), an agency may combine operating assistance provided under section 9 of the United States Housing Act of 1937, modernization assistance provided under section 14 of such Act, and assistance provided under section 8 of such Act for the certificate and voucher programs, to provide housing assistance for low-income families, as defined in section 3(b)(2) of the United States Housing Act of 1937, and services to facilitate the transition to work on such terms and conditions as the agency may propose and the Secretary may approve.

(c) APPLICATION.—An application to participate in the demonstration—

(1) shall request authority to combine assistance under sections 8, 9, and 14 of the United States Housing Act of 1937;

(2) shall be submitted only after the public housing agency provides for citizen participation through a public hearing and, if appropriate, other means;

(3) shall include a plan developed by the agency that takes into account comments from the public hearing and any other public comments on the proposed program, and comments from current and prospective residents who would be affected, and that includes criteria for—

(A) selecting families to be assisted, which shall require that at least 75 percent of the families selected to participate in the demonstration shall be very low-income families, as defined in section 3(b)(2) of the United States Housing Act of 1937, and at least 50 percent of the families selected shall have incomes that do not exceed 30 percent of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 30 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family income;

(B) setting reasonable rents payable by families, which shall be designed to encourage employment and self-sufficiency by participating families, consistent with the purpose of this demonstration, such as by excluding some or all of a family's earned income for purposes of determining rent;

(C) continuing to assist substantially the same total number of eligible low-income families as would have been served had the amounts not been combined;

(D) maintaining a comparable mix of families (by family size) as would have been provided had the amounts not been used under the demonstration;

(E) assuring that housing assisted under the demonstration program meets housing quality standards established or approved by the Secretary; and

(F) other program design features required by the Secretary.

(4) may request assistance for training and technical assistance to assist with design of the demonstration and to agree to cooperate with detailed evaluation.

(d) SELECTION.—In selecting among applications, the Secretary shall take into account the potential of each agency to plan and carry out a program under the demonstration, the relative performance by an agency under the public housing management assessment program under section 6(j) of the United States Housing Act of 1937, and other appropriate factors as determined by the Secretary.

(e) APPLICABILITY OF 1937 ACT PROVISIONS.—

(1) Section 18 of the United States Housing Act of 1937 shall continue to apply to public housing notwithstanding any use of the housing under this demonstration.

(2) Section 12 of such Act shall apply to housing assisted under the demonstration, other than housing occupied by families receiving tenant-based assistance.

(f) EFFECT ON SECTION 8, OPERATING SUBSIDIES, AND COMPREHENSIVE GRANT PROGRAM ALLOCATIONS.—The amount of assistance received under section 8, section 9, or pursuant to section 14 by a public housing agency participating in the demonstration under this part shall not be affected by its participation.

(g) RECORDS, REPORTS, AND AUDITS.—

(1) KEEPING OF RECORDS.—Each agency shall keep such records as the Secretary may prescribe as reasonably necessary to disclose the amounts and the disposition of amounts under this demonstration, to ensure compliance with the requirements of this section, and to measure performance.

(2) REPORTS.—Each agency shall submit to the Secretary a report, or series of reports, in a form and at a time specified by the Secretary. Each report shall—

(A) document the use of funds made available under this section;

(B) provide such data as the Secretary may request to assist the Secretary in assessing the demonstration; and

(C) describe and analyze the effect of assisted activities in addressing the objectives of this part.

(3) ACCESS TO DOCUMENTS BY THE SECRETARY.—The Secretary shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this section.

(4) ACCESS TO DOCUMENTS BY THE COMPTROLLER GENERAL.—The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller Genèral, shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this section.

(h) EVALUATION AND REPORT.—

(1) CONSULTATION WITH PHA AND FAMILY REPRESENTATIVES.—In making assessments throughout the demonstration, the Secretary shall consult with representatives of public housing agencies and residents.

(2) REPORT TO CONGRESS.—Not later than 180 days after the end of the third year of the demonstration, the Secretary shall submit to the Congress a final report evaluating the programs carried out under the demonstration. The report shall also include findings and recommendations for any appropriate legislative action.

(i) FUNDING FOR TECHNICAL ASSISTANCE AND EVALUATION.—From amounts appropriated for assistance under section 14 of the United States Housing Act of 1937 for fiscal years 1996, 1997, and 1998, the Secretary may use up to a total of $5,000,000—

(1) to provide, directly or by contract, training and technical assistance—

(A) to public housing agencies that express an interest to apply for training and technical assistance pursuant to subsection (c)(4), to assist them in designing programs to be proposed for the demonstration; and

(B) to up to 10 agencies selected to receive training and technical assistance pursuant to subsection (c)(4), to assist them in implementing the approved program; and

(2) to conduct detailed evaluations of the activities of the public housing agencies under paragraph (1)(B), directly or by contract.

SEC. 207. REPEAL OF PROVISIONS REGARDING INCOME DISREGARDS.

(a) MAXIMUM ANNUAL LIMITATION ON RENT INCREASES RESULTING FROM EMPLOYMENT.—Section 957 of the Cranston-Gonzalez National Affordable Housing Act is hereby repealed, retroactive to November 28, 1990, and shall be of no effect.

(b) ECONOMIC INDEPENDENCE.—Section 923 of the Housing and Community Development Act of 1992 is hereby repealed, retroactive to October 28, 1992, and shall be of no effect.

SEC. 208. EXTENSION OF MULTIFAMILY HOUSING FINANCE PROGRAMS.

(a) The first sentence of section 542(b)(5) of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note) is amended by striking "on not more than 15,000 units over fiscal years 1993 and 1994" and inserting "on not more than 7,500 units during fiscal year 1996".

(b) The first sentence of section 542(c)(4) of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note) is amended by striking "on not to exceed 30,000 units over fiscal years 1993, 1994, and 1995" and inserting "on not more than 10,000 units during fiscal year 1996".

SEC. 209. FORECLOSURE OF HUD-HELD MORTGAGES THROUGH THIRD PARTIES.

During fiscal year 1996, the Secretary of Housing and Urban Development may delegate to one or more entities the authority to carry out some or all of the functions and responsibilities of the Secretary in connection with the foreclosure of mortgages held by the Secretary under the National Housing Act.

SEC. 210. RESTRUCTURING OF THE HUD MULTIFAMILY MORTGAGE PORTFOLIO THROUGH STATE HOUSING FINANCE AGENCIES.

During fiscal year 1996, the Secretary of Housing and Urban Development may sell or otherwise transfer multifamily mortgages held by the Secretary under the National Housing Act to a State housing finance agency without regard to the unit limitations in section 542(b)(5) or 542(c)(4) of the Housing and Community Development Act of 1992.

SEC. 211. TRANSFER OF SECTION 8 AUTHORITY.

(a) Section 8 of the United States Housing Act of 1937 is amended by adding the following new subsection at the end:

"(bb) TRANSFER OF BUDGET AUTHORITY.—If a project-based assistance contract under this section is terminated or is not renewed, or if the contract expires, the Secretary shall, in order to provide continued assistance to eligible families, including eligible families receiving the benefit of the project-based assistance at the time of the termination, transfer any budget authority remaining in the contract to another contract. The transfer shall be under such terms as the Secretary may prescribe.".

SEC. 212. DOCUMENTATION OF MULTIFAMILY REFINANCINGS.

Notwithstanding the 16th paragraph under the item relating to "ADMINISTRATIVE PROVISIONS" in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995 (Public Law 103–327; 108 Stat. 2316), the amendments to section 223(a)(7) of the National Housing Act made by the 15th paragraph of such Act shall be effective during fiscal years 1996 and thereafter.

SEC. 213. DEMONSTRATION AUTHORITY.

(a) On and after October 1, 1995, the Secretary of Housing and Urban Development shall carry out a demonstration program with respect to multifamily projects whose mortgages are insured under the National Housing Act and that are assisted under section 8 of the United States Housing Act of 1937 and whose present section 8 rents are, in the aggregate, in excess of 110 percent of the fair market rent of the locality in which the project is located, including projects whose section 8 contracts expire on or after October 1, 1996. These programs shall be designed to test the feasibility and desirability of the goal of ensuring, to the maximum extent practicable, that the debt service and operating expenses, including adequate reserves, attributable to such multifamily projects whose mortgages are insured under the National Housing Act and that are assisted under section 8 of the United States Housing Act of 1937 and whose present section 8 contract rents are in excess of the fair market rent of the locality in which the project is located can be supported with and without mortgage insurance under the National Housing Act and with and without above-market rents and utilizing project based assistance or, with the consent of the property owner and the residents, tenant based assistance, while taking into account the need for assistance of low and very low income families in such projects. In carrying out this demonstration, the Secretary may use arrangements with third parties, under which the Secretary may provide for the assumption by the third parties (by delegation, contract, or otherwise) of some or all of the functions, obligations, and benefits of the Secretary.

(1) GOALS.—The Secretary of Housing and Urban Development shall carry out the demonstration programs under this section in a manner that—

(A) will protect the financial interests of the Federal Government;

(B) will result in significant discretionary cost savings through debt restructuring and subsidy reduction; and

(C) will, in the least costly fashion, address the goals of—

(i) maintaining existing housing stock in a decent, safe, and sanitary condition;

(ii) minimizing the involuntary displacement of tenants;

(iii) restructuring the mortgages of such projects in a manner that is consistent with local housing market conditions;

(iv) supporting fair housing strategies;

(v) minimizing any adverse income tax impact on property owners; and

(vi) minimizing any adverse impact on residential neighborhoods.

In determining the manner in which a mortgage is to be restructured or the subsidy reduced, the Secretary may balance competing goals relating to individual projects in a manner that will further the purposes of this section.

(2) DEMONSTRATION APPROACHES.—In carrying out the demonstration programs, the Secretary may use one or more of the following approaches:

(A) Joint venture arrangements with third parties, under which the Secretary may provide for the assumption by the third parties (by delegation, contract, or otherwise) of some or all of the functions, obligations, and benefits of the Secretary.

(B) Subsidization of the debt service of the project to a level that can be paid by an owner receiving an unsubsidized market rent.

(C) Renewal of existing project-based assistance contracts where the Secretary shall approve proposed initial rent levels that do not exceed the greater of 120 percent of fair market rents or comparable market rents for the relevant metropolitan market area or at rent levels under a budget-based approach.

(D) Nonrenewal of expiring existing project-based assistance contracts and providing tenant-based assistance to previously assisted households.

(b) For purposes of carrying out demonstration programs under subsection (a)—

(1) the Secretary may manage and dispose of multifamily properties owned by the Secretary as of October 1, 1995 and multifamily mortgages held by the Secretary as of October 1, 1995 for properties assisted under section 8 with rents above 110 percent of fair market rents without regard to any other provision of law; and

(2) the Secretary may delegate to one or more entities the authority to carry out some or all of the functions and responsibilities of the Secretary in connection with the foreclosure of mortgages held by the Secretary under the National Housing Act.

(c) For purposes of carrying out demonstration programs under subsection (a), subject to such third party consents (if any) as are necessary including but not limited to (i) consent by the Government National Mortgage Association where it owns a mortgage insured by the Secretary; (ii) consent by an issuer under the mortgage-backed securities program of the Association, subject to the responsibilities of the issuer to its security holders and the Association under such program; and (iii) parties to any contractual agreement which the Secretary proposes to modify or discontinue, the Secretary or one or

more third parties designated by the Secretary may take the following actions:

(1) Notwithstanding any other provision of law, the Secretary or third party may remove, relinquish, extinguish, modify, or agree to the removal of any mortgage, regulatory agreement, project-based assistance contract, use agreement, or restriction that had been imposed or required by the Secretary, including restrictions on distributions of income which the Secretary or third party determines would interfere with the ability of the project to operate without above market rents. The Secretary or third party may require an owner of a property assisted under the section 8 new construction/substantial rehabilitation program to apply any accumulated residual receipts toward effecting the purposes of this section.

(2) Notwithstanding any other provision of law, the Secretary of Housing and Urban Development may enter into contracts to purchase reinsurance, or enter into participations or otherwise transfer economic interest in contracts of insurance or in the premiums paid, or due to be paid, on such insurance to third parties, on such terms and conditions as the Secretary may determine.

(3) The Secretary may offer project-based assistance with rents at or below fair market rents for the locality in which the project is located and may negotiate such other terms as are acceptable to the Secretary and the project owner.

(4) If, after reducing rents as provided in subsection (3) hereof, the project would be unable to pay full operating costs (including normal operating expenses, reasonable reserves, full debt service, and reasonable allowances for vacancy losses and debt service coverage/owner return), the Secretary may offer to pay all or a portion of the project's debt service, and shall restrict the portion of debt service, if any, to be paid by the project to the amount consistent with payment of such full operating costs. The Secretary may offer to make such payments monthly from the appropriate Insurance Fund, for the full remaining term of the insured mortgage.

(5) Notwithstanding any other provision of law, the Secretary may forgive and cancel any FHA-insured mortgage debt that a demonstration program property cannot carry at market rents while bearing full operating costs.

(6) For demonstration program properties that cannot carry full operating costs (excluding debt service) at market rents, the Secretary shall approve project-based rents sufficient to carry such full operating costs and shall offer to pay the full debt service in the manner provided in section 216(c)(4) hereof.

(d) SELECTION.—The Secretary shall select multifamily projects whose mortgages are insured that are from different geographic areas of the nation, from States and localities of varying sizes, of different occupancy profiles by income, race, and age, of different financial and physical conditions, and other factors as determined by the Secretary.

(e) COMMUNITY AND TENANT INPUT.—In carrying out this section, the Secretary shall develop procedures to obtain appropriate and timely input from officials of the unit of general local government affected, the community in which the project is situated, and the tenant of the project.

(f) LIMITATION ON DEMONSTRATION AUTHORITY.—The Secretary may carry out demonstration programs under this section with respect to mortgages not to exceed 30,000 units over fiscal years 1996 and 1997: Provided, That not less than fifty percent of the units participating in the demonstration shall be in projects that are assisted under section 8 new construction/substantial rehabilitation contracts which expire after September 30, 1997. The demonstration authorized under this section shall not be expanded until the reports required under subsection (g) are submitted to the Congress.

(g) REPORT TO CONGRESS.—The Secretary shall submit to the Congress every three months after the date of enactment of this Act a report describing and assessing the programs carried out under the demonstrations. The Secretary shall also submit a final report to the Congress not later than six months after the end of the demonstrations. The final report shall include findings and recommendations for any legislative action appropriate to establish a permanent program based on the findings under the demonstrations. The final report shall also include a description of the status of each multifamily housing project selected for the demonstrations under this section. The final report shall include—

(1) the size of the projects;

(2) the geographic locations of the projects, by State and region;

(3) the physical and financial condition of the projects;

(4) the occupancy profile of the projects, including the income, family size, race, and ethnic origin of current tenants, and the rents paid by such tenants;

(5) a description of actions undertaken pursuant to this section, including a description of the effectiveness of such actions and any impediments to the transfer or sale of multifamily housing projects;

(6) a description of the extent to which the demonstrations under this section have displaced tenants of multifamily housings projects;

(7) a description of any of the functions performed in connection with this section that are transferred or contracted out to public or private entities or to States;

(8) a description of the impact to which the demonstrations under this section have affected the localities and communities where the selected multifamily housing projects are located; and

(9) a description of the extent to which the demonstrations under this section have affected the owners of multifamily housing projects.

(g) EFFECTIVE DATE.—The provisions of this section shall become effective on October 1, 1996.

SEC. 214. CONTRACT RENEWAL.—With respect to contracts for project based rental assistance under section 8 of the United States Housing Act of 1937 which contracts expire during fiscal year 1996, the Secretary shall take the following actions to renew such contracts:

(a) CONTRACT TERM.—All renewal contracts under this section shall have terms of one year.

(b) TENANT-BASED ASSISTANCE OPTIONAL.—Notwithstanding section 8(v) of the United States Housing Act of 1937, the Secretary may, with the consent of the owner, agree to provide tenant-based rental assistance under section 8(b) or 8(o) of the United States Housing Act of 1937 in lieu of providing project-based rental assistance under this section. The Secretary may offer incentives to project owners to accept tenant-based assistance.

(c) DEMONSTRATION PROGRAM.—If such expiring contracts are eligible for the demonstration program under section 213 hereof, such contracts shall be addressed under the terms of section 213.

(d) LOAN MANAGEMENT SET-ASIDE.—The Secretary shall offer to renew all Loan Management Set-Aside contracts expiring during fiscal year 1996 that are not subject to the demonstration program under section 213 hereof, on existing conditions and for the term provided in subsection (a) hereof.

(e) EXPIRING CONTRACTS FOR FHA-INSURED PROJECTS.—For multifamily projects whose mortgages are insured under the National Housing Act, that are assisted under (§8 NC/SR), and that are not subject to the demonstration program under section 213 hereof, the Secretary shall make two offers to renew such expiring contracts:

(1) Renewal of the current contract, with rents equal to the fair market rent of the locality in which the project is located.

(2) Under the Loan Management Set-Aside Program.

(f) OTHER EXPIRING CONTRACTS.—The Secretary shall offer to renew all remaining expiring project-based contracts, with rents equal to the fair market rent of the locality in which the project is located.

(g) EFFECTIVE DATE.—The provisions of this section shall become effective on October 1, 1996.

PRESERVATION REFORM

SEC. 217. Subtitle B of the Low-Income Housing Preservation and Resident Homeownership Act of 1990, is amended as follows:

(a) After section 201, insert the following new section:

"SEC. 202. APPLICABILITY.

"This subtitle shall be applicable to all eligible low-income housing which has not received funding for a plan of action before October 1, 1995. Eligible projects which have received funding before such effective date shall be governed by the Low Income Housing Preservation and Resident Homeownership Act of 1990 as was in effect before such effective date.".

(b) Section 211 is amended to read as follows:

"SEC. 211. PERMISSIBLE PREPAYMENT OR INCENTIVES NOT TO PREPAY.

"(a) PREPAYMENT AND TERMINATION.—An owner of eligible low income housing may prepay, and a mortgagee may accept prepayment, in accordance with the terms of the mortgage note, and regulations in effect when said note was signed.

"(b) PLAN OF ACTION.—An owner of eligible housing who does not exercise the right to prepay the mortgage may file a plan of action to receive incentives to extend low income use pursuant to section 219(b) or incentives for transfers to qualified purchasers pursuant to section 220.".

(c) Section 212(a) is amended by striking the words "as in accordance with section 218".

(d) Striking out section 214.

(e) Section 215 is amended as follows:

(1) Subsection (a) is amended to read as follows:

"(a) DETERMINATION OF RELATION TO FEDERAL COST LIMITS.—For each eligible low-income housing project appraised under section 213(a), the Secretary shall make an initial determination as to whether the estimated allowable equity loan pursuant to section 219(b)(8) or the estimated allowable grant pursuant to section 220(d)(3)(A) exceeds the amount equal to 60 times the most recently published fair market rent for the area in which the project is located and the appropriate unit size for all of the units in the eligible housing. The initial determination shall be used solely for the purpose of providing information to owners pursuant to section 216. Actual incentives available to an owner (or a qualified purchaser) shall be determined pursuant to an approved plan of action; provided however, that the Secretary may not approve incentives in an amount exceeding the federal cost limits as defined in this section, unless the Secretary determines that preservation for the eligible low income housing project is appropriate.".

(2) Subsection (b) is amended to read as follows:

"(b) HOUSING EXCEEDING FEDERAL COST LIMITS.—If the estimated allowable equity loan or grant for an eligible low income housing project exceeds the federal cost limit, the owner may:

"(1) file a plan of action under section 217 to receive incentives under section 219;

"(2) file a second notice of intent under section 216(d) indicating an intention to transfer

the housing under section 220 and take actions pursuant to such section;

"(3) file a second notice under section 216(d) indicating an intention to transfer the housing under section 220 so long as a qualified purchaser provides non-preservation resources sufficient to accommodate the difference between the incentives approved under the applicable plan of action and the actual purchase price; or

"(4) file a second notice of intent under section 216(d) indicating an intention to prepay the mortgage or voluntarily terminate the insurance.".

(f) Section 216 is amended as follows:

(1) Strike subsection (a).

(2) Subsection (b)(2) is amended to read as follows: "A statement of the required repairs and initial reserve deposits required by the Secretary, based on a capital needs assessment of the property.".

(3) Subsection (b)(4) is amended by striking the phrase, "aggregate preservation rents" and inserting in lieu thereof, "estimated allowable equity loan or grant, as applicable.".

(4) Subsection (d)(1) is amended by deleting the second and third sentences thereof.

(g) Section 217 is amended as follows:

(1) Subsection (a)(1) is amended by—

(A) striking out "terminate the low-income affordability restrictions through prepayment of the mortgage or voluntary termination under section 218, or to";

(B) striking out "or 221"; and

(C) striking the matter following "section 220(b)".

(2) Subsection (b) is amended by—

(A) striking out paragraph (1); and

(B) in paragraph (2) striking out "If the plan of action proposes to extend the low income affordability restrictions of the housing in accordance with section 219 or transfer the housing to a qualified purchaser in accordance with section 220, the plan" and inserting in lieu thereof, "The plan of action shall include—".

(f) Strike out section 218.

(g) Section 219 is amended as follows:

(1) Subsection (a) is amended by deleting from "for each year" to the end of the subsection and inserting in lieu thereof "the incentives provided in subsection (b) hereof."

(2) Subsection (b) is amended by—

(A) striking out subparagraphs 2 and 3, and renumbering the remaining subsections;

(B) amending paragraph 3 by deleting all that follows "improvements" and inserting in lieu thereof, "as provided in paragraph 8 hereof";

(C) amending paragraph 5 to read as follows: "Access by the owner to a portion of preservation equity in the housing as provided in paragraph (6) hereof.";

(D) by adding a new paragraph (8) as follows:

"(8) A non-interest-bearing direct loan by the Secretary equal in amount to the cost of rehabilitation approved in the plan of action plus 70 percent of the preservation equity.

"(i) Repayment of the loan provided under this paragraph shall commence when the first mortgage loan on the eligible low income housing is paid in full. The Secretary shall require the owner to make payments thereafter in an amount not greater than the amount that the owner had been paying on said first mortgage taking into account any interest reduction payments made pursuant to section 236 of the National Housing Act.

(ii) The Secretary shall permit an owner return equal to 8 percent of 30 percent of the preservation equity and shall permit the inclusion thereof in the budget for the eligible housing instead of the return permitted on the original equity of the eligible housing."; and

(E) by adding a new subsection (b)(9) as follows:

"(9) retention of rental income in excess of the basic rental charge in projects assisted under section 236 of the National Housing Act, to be used for the purposes of preserving the low/moderate income character of the eligible low income housing.".

(3) In final unnumbered paragraph, strike out the words "but the owner shall pay to the Secretary all rental charges in excess of the basic rental charges".

(h) Section 220 is amended as follows:

(1) Subsection (a) is amended by deleting the final sentence thereof.

(2) Subsection (b)(1) is amended by deleting the first sentence thereof and inserting in lieu thereof the following:

"(1) For the 6 month period beginning on the date of receipt by the Secretary of a second notice of intent under section 216(d) with respect to such housing, the owner may offer to sell and/or negotiate a sale of the housing only with—

"(i) a resident council or mutual housing association intending to purchase the project under section 226, which has the support of tenants representing at least 75 percent of the occupied units in the project and at least 50 percent of all of the units in the project.

"(ii) a resident council intending to purchase the project and retain it as rental housing, which has the support of the majority of the tenant households; or

"(iii) a community based nonprofit housing organization, which has the support of the majority of the tenant households.

"(2) If no bona fide offer to purchase the project is made and accepted during or at the end of the 6-month period specified in subparagraph (b)(1) of this section, the owner may offer to sell the project during the succeeding 6 months to any priority purchaser.".

(2) Subsections (d)(2) and (d)(3) are amended to read as follows:

"(d)(2) AMOUNT.—Subject to the availability of amounts approved in appropriations Acts, the Secretary shall, for approvable plans of action, provide assistance sufficient to enable qualified purchasers to—

"(A) acquire the eligible low-income housing from the current owner for a purchase price not greater than the preservation value of the housing. Such purchase price does not include the residual receipts account which shall be released to the owner, but shall include the replacement reserve account which shall be transferred to the purchaser;

"(B) rehabilitate the housing;

"(C) meet project operating expenses and establish adequate reserves for the housing, and in the case of a Priority Purchaser, meet project oversight costs;

"(D) receive a distribution equal to 8 percent annual return on any actual cash investment (from sources other than assistance provided under this title) made to acquire or rehabilitate the project;

"(E) in the case of a priority purchaser, receive a reimbursement of all reasonable transaction expenses associated with the acquisition, loan closing, and implementation of an approved plan of action; and

"(F) in the case of an approved resident homeownership program, cover the costs of training for the resident council, homeownership counseling and training, the fees for the nonprofit entity or public agency working with the resident council and costs related to relocation of tenants who elect to move.

"(d)(3) INCENTIVES.—

"(A) IN GENERAL.—For all qualified purchasers of housing under this subjection, the Secretary may provide assistance for an approved Plan of Action in the form of 1 or more of the incentives authorized under section 219(b), except in lieu of the incentives under section 219(b)(7) and 219(b)(8), the Secretary shall provide a grant equal in amount to 100 percent of the transfer preservation equity determined for the property plus the amount of rehabilitation costs required by the plan of action: Provided, That the grant may include, if the qualified purchaser is a priority purchaser, any expenses associated with the acquisition, loan closing and implementation of the plan of action, subject to approval by the Secretary. Expenses associated with implementation of the plan of action may include capital reserves, operating reserves, and escrows established to mitigate the burden of initial rent increases on tenants. At the purchaser's election, the grant shall be provided in the form of a loan in the same amount. If the purchaser makes such election, the interest rate on the loan shall be no less than the applicable Federal rate and repayment shall be deferred until sale of the housing or refinancing or repayment of the federally-assisted mortgage, whichever is earlier, or such later date as may be required to maintain low-income affordability restrictions for the remaining useful life of the housing.".

(i) Strike out section 221.

(j) Section 222 is amended as follows:

(1) Strike out subparagraphs (a)(2) (D), (E) and (F) and renumbering the remaining subsections.

(2) Amend subparagraph (a)(2)(G) to read as follows:

"(G) future rent adjustments shall be governed by the provisions of the regulatory agreement concerning rent adjustments now in effect for the eligible low-income housing except that priority purchasers shall receive project oversight costs. The Secretary shall process requests for rent adjustments during the pendency of the processing under this title.".

(3) Subsection (d)(2)(A)(i) is amended to read as follows:

"(i) declining to authorize the release of any escrowed loan proceeds and requiring that such amounts be used for repairs.".

(4) Subsection (d)(2)(C)(ii) is amended by striking out "an equity take-out loan has been made under section 241(f) of the National Housing Act" and inserting in lieu thereof, "a loan has been insured under the National Housing Act or made pursuant to section 219(b)(8) or 220(d)(3)".

(5) Strike out subsection (d)(2)(C)(iii).

(6) Insert a new subsection (e) as follows:

"(e) MIXED INCOME COMMUNITIES.—To the extent that federal assistance is provided for economic feasibility, units available to new tenants will be available and affordable to the same proportions of very-low income families or persons, low income families or persons, and moderate income families or persons (including families or persons whose incomes are 95 percent or more of area median income) as of the date of approval of the plan of action.".

(k) Section 223 is amended as follows:

(1) Subsection (a) is amended by striking out in the first sentence "low-income" and inserting in lieu thereof "very low-income".

(2) Strike out the last sentence of subsection (b), and inserting in lieu thereof "The Secretary shall pay the relocation expenses of each such low-income family—

"(i) that does not receive section 8 assistance pursuant to subsection (a);

"(ii) that is displaced within 180 days after such prepayment; and

"(iii) whose rent and utility cost immediately prior to displacement exceeded 30 percent of adjusted income. Provided, however, that such relocation payment shall not exceed $1,500 per family.".

(3) Strike out subsections (c), (d) and (e).

(l) Strike out section 224.

(m) Section 225(c) is amended by—

(1) striking out in the first sentence all that follows "shall" and inserting in lieu thereof

"provide the incentives, and, in addition, shall pay the owner of the eligible housing a return equal to 8 percent of the preservation equity from the date that the Secretary should have complied with such time limitation"; and

(2) striking out, in the last sentence thereof, "district".

(n) Section 226(b)(2) is amended by inserting "mutual housing association" between "limited equity cooperative ownership)" and "and fee simple ownership."

(o) Section 229 is amended as follows:

(1) Subsection (1)(B) is amended to read as follows:

"(B) that, under regulation or contract in effect before February 5, 1988, would have become eligible for prepayment without prior approval of the Secretary:

"(i) on or before December 31, 1996, and the owner of such housing filed a notice of intent on or before February 28, 1995 under title VI of the Low Income Housing Preservation and Resident Homeownership Act of 1990 or under title II of the Emergency Low Income Housing Preservation Act of 1987; or

"(ii) after December 31, 1996, and the owner of such housing files a notice of intent under this title on or before March 1, 1996.".

(2) Subsection (8) is amended by deleting in subparagraph (A) the words "determining the authorized return under section 219(b)(6)(ii)" and subparagraph (B) by deleting "and 221" and deleting the words "acquisition loans under the provisions of section 241(f)(3) of the National Housing Act and inserting in lieu thereof, "acquisition grant under the provisions of section 220(d)(2)".

(3) Subsection (11) is amended by inserting after "association": "(including such an organization or its affiliate that is a general partner in a limited partnership)".

(4) Insert a new definition (12) as follows:

"(12) The term 'Community Based Non-Profit Organization' is defined as set forth in 24 C.F.R. 248.101, except that a private nonprofit organization shall be deemed to include an organization or its affiliate that is a general partner in a limited partnership.".

(5) Insert a new definition (13) as follows:

"(13) Mutual Housing Association. A private entity organized under State law that has been determined to be a tax-exempt entity under section 501c of the Internal Revenue Code of 1986 (including such an entity or its affiliate that is a general partner in a limited partnership), and that owns, manages, and continuously develops affordable housing by providing long-term housing for low and moderate income individuals and families. The residents of mutual housing participate in the ongoing management of the housing, and through the purchase of membership interests in the associations have the right to continue residing in the housing as long as they own memberships in the associations.".

(6) Subsection (1) is amended by inserting new subparagraph (C) after subparagraph (B):

"(C) that has been determined to have preservation equity equivalent to the lesser of $5,000/unit or $500,000 per project or the equivalent of 8 times the most recently published fair market rent for the area in which the project is located and the appropriate unit size for all of the units in the eligible project.".

(p) Subsection 231(a) is amended by inserting before the period the following: "; and (C) any resident council, community-based non-profit organization, mutual housing association, or their affiliate that acts as a general partner in a limited partnership and agrees to maintain low-income affordability restrictions for the remaining useful life of the housing as determined under section 222(c).".

(q) Subsection 232(a)(2) is amended to read as follows:

"(2) restricts or inhibits an owner of such housing from receiving any benefit provided under this Act;".

(r) Inserting after section 235, the following new section:

"SEC. 236. IMPLEMENTING PROVISIONS FOR CAPITAL LOANS AND GRANTS.

"(a) SELF-IMPLEMENTATION.—The Secretary shall implement the incentives of capital loans or grants pursuant to section 219(b)(8) or 220(d)(2) upon the enactment of an appropriations Act for fiscal year 1996 providing funds for this purpose without issuing regulations and the processing of an eligible project and any approvals rendered by the Secretary under title VI of the Low Income Housing Preservation and Resident Homeownership Act of 1990 or title II of the Emergency Low Income Housing Preservation Act of 1987 shall be effective under this title and the Secretary shall not repeat any such processing.

"(b) PAYMENT OF EQUITY LOAN.—The Secretary shall fund the loan pursuant to section 219(b)(6) within 180 days after the approval of the plan of action, but shall pay an 8 percent return on preservation equity from 60 days after approval of the plan of action. The Secretary may provide funding for the capital loan provided under section 219(b)(8) equally over a five-year period, except that the rehabilitation portion of the loan shall be funded in the first installment. The Secretary shall pay the owner of the eligible housing interest on the unpaid portion of the loan at the applicable federal rate at the time that the plan of action is approved. If the Secretary fails to make the second or subsequent installment payments on said loan within 60 days of its due date, the owner may prepay the mortgage pursuant to section 211 and retain the amount of any installment previously paid.

"(c) PAYMENT OF GRANT OR LOAN.—The Secretary shall provide full funding for the capital grant or loan as provided under section 220(d)(3) within 180 days of approval of the plan of action. If the Secretary fails to make such payment, the owner may prepay the existing mortgage pursuant to section 224.

"(d) ELIHPA ELIGIBILITY.—An owner of eligible housing who is processing an application under title II of the Emergency Low Income Housing Preservation Act of 1987 on the effective date of this title may apply for the incentives provided in this title or exercise its right of prepayment pursuant to section 211.".

(s) EFFECTIVE DATE.—The provisions of this section shall become effective on October 1, 1996.

SEC. 216. EXTENSION OF HOME EQUITY CONVERSION MORTGAGE PROGRAM.—Section 255(g) of the National Housing Act (12 U.S.C. 1715z–20(g)) is amended—

(1) in the first sentence, by striking "September 30, 1995" and inserting "September 30, 1996"; and

(2) in the second sentence, by striking "25,000" and inserting "30,000".

SEC. 217. ASSESSMENT COLLECTION DATES FOR OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT.—Section 1316(b) of the Housing and Community Development Act of 1992 (12 U.S.C. 4516(b)) is amended by striking paragraph (2) and inserting the following new paragraph:

"(2) TIMING OF PAYMENT.—The annual assessment shall be payable semiannually for each fiscal year, on October 1st and April 1st.".

SEC. 218. SPENDING LIMITATIONS.—None of the funds provided in this Act may be used during fiscal year 1996 to sign, promulgate, implement, or enforce any requirement or regulation relating to the application of the Fair Housing Act (42 U.S.C. 3601, et seq.) to the business of property insurance.

SEC. 219. During fiscal year 1996, notwithstanding any other provision of law, the number of individuals employed by the Department of Housing and Urban Development in other than "career appointee" positions in the Senior Executive Service shall not exceed 20.

SEC. 220. Of the $93,400,000 earmarked in Public Law 101–144 (103 Stat 850), as amended by Public Law 101–302 (104 Stat 237), for special projects and purposes, any amounts remaining of the $500,000 made available to Bethlehem House in Highland, California, for site planning and land acquisition shall instead be made available to the County of San Bernardino in California to assist with the expansion of the Los Padrinos Gang Intervention Program and the Unity Home Domestic Violence Shelter.

SEC. 221. PERMISSIBLE ADJUSTMENT TO MODERNIZATION FORMULA.—Section 14(k) of the United States Housing Act of 1937 is amended—

(1) in paragraph (2)(B)—

(A) by striking "The Secretary" and inserting "Except as otherwise provided in this subparagraph, the Secretary"; and

(B) by inserting after the first sentence the following: "The Secretary may adjust the amount allocated under this subparagraph as necessary to provide additional weight for backlog needs.";

(2) in paragraph (2)(C), by striking "other half" and inserting "remainder"; and

(3) in paragraph (8)—

(A) by striking "half" the first time it appears and inserting "half, or such other amount as the Secretary determines to be necessary pursuant to paragraph (2)(B),"; and

(B) by striking "half" the second time it appears, and inserting "the remainder".

SEC. 222. (a) Section 1011 of Title X—Residential Lead-Based Paint Hazard Reduction Act of 1992 is amended as follows: Strike "priority housing" wherever it appears in said section and insert "housing".

(b) Section 1011(a) shall be amended as follows: At the end of the subsection after the period, insert "Grants shall only be made under this section to provide assistance for housing which meets the following criteria—

"(1) for grants made to assist rental housing, at least 50 percent of the units must be occupied by or made available to families with incomes at or below 50 percent of the area median income level and the remaining units shall be occupied or made available to families with incomes at or below 80 percent of the area median income level, and in all cases the landlord shall give priority in renting units assisted under this section, for not less than 3 years following the completion of lead abatement activities, to families with a child under the age of six years—

"(A) except that buildings with five or more units may have 20 percent of the units occupied by families with incomes above 80 percent of area median income level;

"(2) for grants made to assist housing owned by owner-occupants, all units assisted with grants under this section shall be the principal residence of families with incomes at or below 80 percent of the area median income level, and not less than 90 percent of the units assisted with grants under this section shall be occupied by a child under age of six years or shall be units where a child under the age of six years spends a significant amount of time visiting; and

"(3) notwithstanding paragraphs (1) and (2), Round II grantees who receive assistance under this section may use such assistance for priority housing.".

SEC. 223. EXTENSION PERIOD FOR SHARING UTILITY COST SAVINGS WITH PHAS.—Section 9(a)(3)(B)(i) is amended by striking "for a period not to exceed 6 years".

SEC. 224. The first sentence of section 221(g)(4)(C)(viii) of the National Housing Act is amended by striking "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

TITLE III

INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchases and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its territories and possessions; rent of office and garage space in foreign countries; purchase (one for replacement only) and hire of passenger motor vehicles; and insurance of official motor vehicles in foreign countries, when required by law of such countries; $20,265,000, to remain available until expended: *Provided*, That where station allowance has been authorized by the Department of the Army for officers of the Army serving the Army at certain foreign stations, the same allowance shall be authorized for officers of the Armed Forces assigned to the Commission while serving at the same foreign stations, and this appropriation is hereby made available for the payment of such allowance: *Provided further*, That when traveling on business of the Commission, officers of the Armed Forces serving as members or as Secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission: *Provided further*, That the Commission shall reimburse other Government agencies, including the Armed Forces, for salary, pay, and allowances of personnel assigned to it.

CONSUMER PRODUCT SAFETY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Consumer Product Safety Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18, purchase of nominal awards to recognize non-Federal officials' contributions to Commission activities, and not to exceed $500 for official reception and representation expenses, $40,000,000.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

NATIONAL AND COMMUNITY SERVICE PROGRAMS OPERATING EXPENSES

Of the funds appropriated under this heading in Public Law 103–327, the Corporation for National and Community Service shall use such amounts of such funds as may be necessary to carry out the orderly termination of (1) the programs, activities, and initiatives under the National and Community Service Act of 1990 (Public Law 103–82); (2) the Corporation; and (3) the Corporation's Office of Inspector General.

COURT OF VETERANS APPEALS

SALARIES AND EXPENSES

For necessary expenses for the operation of the United States Court of Veterans Appeals as authorized by 38 U.S.C. sections 7251–7292, $9,000,000, of which not to exceed $678,000, to remain available until September 30, 1997, shall be available for the purpose of providing financial assistance as described, and in accordance with the process and reporting procedures set forth, under this head in Public Law 102–229.

DEPARTMENT OF DEFENSE—CIVIL

CEMETERIAL EXPENSES, ARMY

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, for maintenance, operation, and improvement of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery, and not to exceed $1,000 for official reception and representation expenses; [$11,296,000] *$11,946,000*, to remain available until expended.

ENVIRONMENTAL PROTECTION AGENCY

[RESEARCH AND DEVELOPMENT

[For research and development activities, including procurement of laboratory equipment and supplies; other operating expenses in support of research and development; and construction, alteration, repair, rehabilitation and renovation of facilities, not to exceed $75,000 per project; $384,052,000, to remain available until September 30, 1997.]

SCIENCE AND TECHNOLOGY

For science and technology, including research and development activities; necessary expenses for personnel and related costs and travel expenses, including uniforms, or allowances therefore, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18; procurement of laboratory equipment and supplies; other operating expenses in support of research and development; construction, alteration, repair, rehabilitation and renovation of facilities, not to exceed $75,000 per project; $500,000,000, which shall remain available until September 30, 1997.

[ENVIRONMENTAL PROGRAMS AND COMPLIANCE

[For environmental programs and compliance activities, including hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchases of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; and not to exceed $6,000 for official reception and representation expenses; and for necessary expenses, not otherwise provided for, for personnel and related costs and for travel expenses, including uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; and for services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18; $1,881,614,000, to remain available until expended: *Provided*, That none of the funds appropriated under this heading shall be available to the National Oceanic and Atmospheric Administration pursuant to section 118(h)(3) of the Federal Water Pollution Control Act, as amended: *Provided further*, That from funds appropriated under this heading, the Administrator may make grants to federally recognized Indian governments for the development of multimedia environmental programs: *Provided further*, That for this fiscal year and thereafter, any industrial discharger to the Kalamazoo Water Reclamation Plant is exempt from categorical pretreatment standards under section 307(b) of the Federal Water Pollution Control Act, as amended, if the following conditions are met: (1) the Kalamazoo Water Reclamation Plant applies to the State of Michigan for an exemption for its industry and (2) the State or the Administrator, as applicable, approves such exemption request based upon a determination that there exists an operative financial contract between the City of Kalamazoo and the industrial user and an approved local pretreatment program, including a joint monitoring program and local controls to prevent against interference and pass through: *Provided further*, That none of the funds appropriated under this heading shall be obligated or expended to implement or enforce section 118(c)(2)(C) of the Federal Water Pollution Control Act, as amended: *Provided further*, That none of the funds appropriated under this heading may be made available for the implementation or enforcement of the stormwater permitting program under section 402(p) of the Federal Water Pollution Control Act, as amended: *Provided further*, That none of the funds appropriated under this heading shall be made available for the enforcement of permit limits or compliance schedules for combined sewer overflows or sanitary sewer overflows under section 402 of the Federal Water Pollution Control Act, as amended: *Provided further*, That none of the funds appropriated under this heading may be used to implement or enforce section 404 of the Federal Water Pollution Control Act, as amended: *Provided further*, That none of the funds appropriated under this heading may be made available for the development and implementation of new or revised effluent limitation guidelines and standards, pretreatment standards, or new source performance standards under the Federal Water Pollution Control Act, as amended: *Provided further*, That the limitations on the use of funds set forth in the previous five provisos shall have no force and effect upon enactment of legislation which further amends the named sections of the Federal Water Pollution Control Act, as amended, in each of the previous four provisos: *Provided further*, That none of the funds appropriated under this heading may be used by the Environmental Protection Agency to impose or enforce any requirement that a State implement trip reduction measures to reduce vehicular emissions. Section 304 of the Clean Air Act, as amended, shall not apply with respect to any such requirement: *Provided further*, That none of the funds appropriated under this heading may be used to assign less than full credit for automobile emissions inspections programs required under section 182 (c), (d), or (e) of the Clean Air Act, as amended, on the basis of network design equipment unless the Administrator determines, based on data collected from at least two full cycles of the program, that less than full credit is appropriate: *Provided further*, That beginning in fiscal year 1996 and each fiscal year thereafter, and notwithstanding any other provision of law, the Administrator is authorized to make grants annually from funds appropriated under this heading, subject to such terms and conditions as the Administrator shall establish, to any State or federally recognized Indian tribe for multimedia or single media pollution prevention, control and abatement and related environmental activities at the request of the Governor or other appropriate State official or the tribe: *Provided further*, That none of the funds appropriated under this heading may be used to develop, propose, promulgate, issue, enforce, or to set or enforce compliance deadlines or issuance schedules for maximum achievable control technology standards pursuant to section 112(d) of the Clean Air Act, as amended, for the category proposed to be regulated at Vol. 59, Federal Register, No. 135, page 36130, dated July 15, 1994, and for purposes of this provision, section 304 of the Clean Air Act shall not apply: *Provided further*, That none of the funds appropriated under this heading shall be obligated or expended to take any action to extend the risk management plan requirements under section 112(r) of the Clean Air Act, as amended, to the domestic oil and gas exploration and production and natural gas processing industry: *Provided further*, That none of the funds appropriated under this heading may be used by the Administrator or the Administrator's designee for signing and publishing a national primary drinking water regulation for radon and other radionuclei: *Provided further*, That none of the funds appropriated under this heading may be used by the Administrator or the Administrator's designee for signing and publishing any proposed national primary drinking water regulation for arsenic: *Provided further*, That none of the funds appropriated under this heading may be used to issue or enforce any requirement not otherwise authorized under existing law or regulation with respect to combustion of hazardous waste prior to promulgation of final regulations pursuant to a rulemaking proceeding under the Administrative Procedure Act or to impose or enforce any requirement or condition of a permit, including the use of an indirect risk assessment, or to deny a permit pursuant to section 3005(c)(3) of the Resource Conservation and Recovery Act, as amended, unless the Environmental Protection Agency follows the procedures governing the use of authority under such section which it has set forth at 56 Fed. Reg. 7145, note 8, February 21, 1991: *Provided further*, That none of the funds appropriated under this heading may be used to issue or enforce any regulatory standard for maximum achievable control technology (MACT) for hazardous waste combustion under any statute other than the Clean Air Act, as amended, issue any such standard without first determining that in calculating the MACT floor emission levels for existing sources under section 112(d)(3) of the Clean Air Act, as amended, one-half of the currently operating facilities in the group of sources that make up the floor pool for that category or subcategory actually achieve the MACT floor levels for all of the hazardous air pollutants to be regulated: *Provided further*, That none of the funds appropriated under this heading may be used to promulgate, implement, or enforce sections 502(d)(2), 502(d)(3), or 502(i)(4) of the Clean Air Act, as amended, against a State which is involved in litigation regarding provisions of title V of the Clean Air Act, as amended: *Provided further*, That none of the funds appropriated under this heading may be obligated or expended to require facilities to submit any data pursuant to section 313(a) of the Emergency Planning and Community Right-to-Know Act or section 8 of the Toxic Substances Control Act, as amended, that is not specifically enumerated in said sections, including mass balance, materials accounting, or other chemical use data: *Provided further*, That none of the funds appropriated under this heading may be used to revoke, or require the issuance of, a food additive regulation under section 409 of the Federal Food, Drug and Cosmetic Act for a pesticide in processed food where there is a tolerance established under section 408 of said Act for the pesticide on the raw commodity from which the processed food was made, and may not be used to revoke, or deny the issuance of, a section 408 tolerance for a pesticide on a raw agricultural commodity solely on the basis that a food additive regulation cannot be issued or maintained under section 409 of said Act for the pesticide in a processed form of the commodity: *Provided further*, That none of the funds appropriated under this heading may be used to exclusively regulate whole agricultural plants subject to regulation by another federal agency: *Provided further*, That none of the funds appropriated under this heading may be used to obtain a voluntary environmental audit report or to assess an administrative, civil or criminal negligence penalty, in any matter subject to a state law providing a privilege for voluntary environmental audit reports or protections or immunities for the voluntary disclosure of environmental concerns.]

PROGRAM ADMINISTRATION AND MANAGEMENT

For program administration and management activities, including necessary expenses for personnel and related costs and travel expenses, including uniforms, or allowances therefore, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18; hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; and not to exceed $6,000 for official reception and representation expenses; $1,670,000,000, which shall remain available until September 30, 1997.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, **[**$28,542,000**]** *$27,700,000*.

BUILDINGS AND FACILITIES

For construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of, or use by, the Environmental Protection Agency, **[**$28,820,000**]** *$60,000,000*, to remain available until expended.

HAZARDOUS SUBSTANCE SUPERFUND

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), as amended, including sections 111 (c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; not to exceed $1,003,400,000 to remain available until expended, **[**to be derived from general revenues**]** *consisting of $753,400,000 as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended by Public Law 101–508, and $250,000,000 as a payment from general revenues to the Hazardous Substance Superfund as authorized by section 517(b) of SARA, as amended by Public Law 101–508*: *Provided*, That funds appropriated under this heading may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA: *Provided further*, That **[**$5,000,000**]** *$11,700,000* of the funds appropriated under this heading shall be transferred to the Office of Inspector General appropriation to remain available until September 30, 1996: *Provided further*, That notwithstanding section 111(m) of CERCLA or any other provision of law, not to exceed **[**$62,000,000**]** *$55,000,000* of the funds appropriated under this heading shall be available to the Agency for Toxic Substances and Disease Registry to carry out activities described in sections 104(i), 111(c)(4), and 111(c)(14) of CERCLA and section 118(f) of the Superfund Amendments and Reauthorization Act of 1986: *Provided further*, That none of the funds appropriated under this heading shall be available for the Agency for Toxic Substances and Disease Registry to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA during fiscal year 1996**[**: *Provided further*, That no part of any appropriation made under this heading shall remain available for obligation beyond December 31, 1995, unless the Comprehensive Environmental Response Compensation, and Liability Act of 1980 has been reauthorized**]**: *Provided further, That none of the funds made available under this heading may be used by the Environmental Protection Agency to propose for listing or to list any additional facilities on the National Priorities List established by section 105 of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), as amended (42 U.S.C. 9605), unless the Administrator receives a written request to propose for listing or to list a facility from the Governor of the State in which the facility is located, or appropriate tribal leader, or unless legislation to reauthorize CERCLA is enacted.*

LEAKING UNDERGROUND STORAGE TANK TRUST FUND

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $45,827,000, to remain available until expended: *Provided*, That no more than **[**$5,285,000**]** *$8,000,000* shall be available for administrative expenses: *Provided further*, That **[**$426,000**]** *$600,000* shall be transferred to the Office of Inspector General appropriation to remain available until September 30, 1996.

OIL SPILL RESPONSE

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary to carry out the Environmental Protection Agency's responsibilities under the Oil Pollution Act of 1990, **[**$20,000,000**]** *$15,000,000*, to be derived from the Oil Spill Liability trust fund, and to remain available until expended: *Provided*, That not more than **[**$8,420,000**]** *$8,000,000* of these funds shall be available for administrative expenses.

[WATER INFRASTRUCTURE/STATE REVOLVING FUNDS

[For necessary expenses for capitalization grants for State Revolving Funds to support wastewater infrastructure financing, and to carry out the purposes of the Federal Water Pollution Control Act, as amended, the Water Quality Act of 1987, and section 1443(a) of the Public Health Service Act, $1,500,175,000, to remain available until expended, of which $1,000,000,000 shall be for capitalization grants for Clean Water State Revolving Funds under title VI of the Federal Water Pollution Control Act, as amended; $100,000,000 for architectural, engineering, design, construction, and related activities in connection with the construction of high priority wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commissions; $50,000,000 for grants to the State of Texas, which shall be matched by an equal amount of State funds from State sources, for the purpose of improving wastewater treatment for colonias; $15,000,000 for grants to the State of Alaska, subject to an appropriate cost share as determined by the Administrator, to address wastewater infrastructure needs of rural and Alaska Native Villages; $22,500,000 for making grants under section 104(b)(3) of the Federal Water Pollution Control Act, as amended; $100,000,000 for making grants under section 319 of the Federal Water Pollution Control Act, as amended; $75,000,000 for making grants under section 1443(a) of the Public Health Service Act; and, notwithstanding any other provision of law, $137,675,000 for making grants for the construction of wastewater treatment facilities and the development of groundwater in accordance with the terms and conditions set forth in the House Report accompanying this Act: *Provided*, That of the funds made available under this heading in Public Law 103–327 and in Public Law 103–124 for capitalization grants for State Revolving Funds to support water infrastructure financing, $225,000,000 shall be made available for capitalization grants for State Revolving Funds under title VI of the Federal Water Pollution Control Act, as amended: *Provided further*, That of the funds made available under this heading for capitalization grants for State Revolving Funds under title VI of the Federal Water Pollution Control Act, as amended, $50,000,000 shall be for wastewater treatment in impoverished communities pursuant to section 102(d) of H.R. 961 as approved by the United States House of Representatives on May 16, 1995: *Provided further*, That except for grants made under section 1443(a) of the Public Health Service Act, appropriations for programs and projects pursuant to the Federal Water Pollution Control Act made available under this heading shall be available only upon enactment of legislation reauthorizing such Act, and appropriations for programs and projects pursuant to other Acts made available under this heading shall be available only upon enactment of legislation specifically authorizing such appropriations.]

PROGRAM AND INFRASTRUCTURE ASSISTANCE

For environmental programs and infrastructure assistance, including capitalization grants for state revolving funds and performance partnership grants, $2,340,000,000, to remain available until expended, of which $1,500,000,000 shall be for making capitalization grants for State revolving funds to support water infrastructure financing; $100,000,000 for architectural, engineering, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission; $50,000,000 for grants to the State of Texas, which shall be matched by an equal amount of State funds from State resources, for the purpose of improving wastewater treatment for colonias; and $15,000,000 for grants to the State of Alaska, subject to an appropriate cost share as determined by the Administrator, to address wastewater infrastructure needs of Alaska Native villages: Provided, That beginning in fiscal year 1996 and each fiscal year thereafter, and notwithstanding any other provision of law, the Administrator is authorized to make grants annually from funds appropriated under this heading, subject to such terms and conditions as the Administrator shall establish, to any State or federally recognized Indian tribe for multimedia or single media pollution prevention, control and abatement and related environmental activities at the request of the Governor or other appropriate State official or the tribe: Provided further, That from funds appropriated under this heading, the Administrator may make grants to federally recognized Indian governments for the development of multimedia environmental programs: Provided further, That of the $1,500,000,000 for capitalization grants for State revolving funds to support water infrastructure financing, $500,000,000 shall be for drinking water State revolving funds, but if no drinking water State revolving fund legislation is enacted by December 31, 1995, these funds shall immediately be available for making capitalization grants under title VI of the Federal Water Pollution Control Act, as amended: Provided further, That of the funds made available under this heading in Public Law 103–327 and in Public Law 103–124 for capitalization grants for State revolving funds to support water infrastructure financing, $225,000,000 shall be made available for capitalization grants for State revolving funds under title VI of the Federal Water Pollution Control Act, as amended, if no drinking water State revolving fund legislation is enacted by December 31, 1995.

ADMINISTRATIVE PROVISIONS

SEC. 301. MORATORIUM ON CERTAIN EMISSIONS TESTING REQUIREMENTS.

(a) MORATORIUM.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency (referred to in this subsection as the "Administrator") shall not require adoption or implementation by a State of a test-only or I/M240 enhanced vehicle inspection and maintenance program as a means of compliance with section 182 of the Clean Air Act (42 U.S.C. 7511a), but the Administrator may approve such a program if a State chooses to adopt the program as a means of compliance.

(2) REPEAL.—Paragraph (1) is repealed effective as of the date that is 1 year after the date of enactment of this Act.

(b) PLAN APPROVAL.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency (referred to in this subsection as the "Administrator") shall not disapprove a State implementation plan revision under section 182 of the Clean Air Act (42 U.S.C. 7511a) on the basis of a regulation providing for a 50-percent discount for alternative test-and-repair inspection and maintenance programs.

(2) CREDIT.—If a State provides data for a proposed inspection and maintenance system for which credits are appropriate under section 182 of the Clean Air Act (42 U.S.C. 7511a), the Administrator shall allow the full amount of credit for the system that is appropriate without regard to any regulation that implements that section by requiring centralized emissions testing.

(3) DEADLINE.—The Administrator shall complete and present a technical assessment of data for a proposed inspection and maintenance system submitted by a State not later than 45 days after the date of submission.

SEC. 302. None of the funds made available in this Act may be used by the Environmental Protection Agency to impose or enforce any requirement that a State implement trip reduction measures to reduce vehicular emissions. Section 304 of the Clean Air Act (42 U.S.C. 7604) shall not apply with respect to any such requirement during the period beginning on the date of the enactment of this Act and ending September 30, 1996.

SEC. 303. None of the funds provided in this Act may be used within the Environmental Protection Agency for any final action by the Administrator or her delegate for signing and publishing for promulgation a rule concerning any new standard for arsenic, sulfates, radon, ground water disinfection, or the contaminants in phase IV B in drinking water, unless the Safe Drinking Water Act of 1986 has been reauthorized.

SEC. 304. None of the funds provided in this Act may be used during fiscal year 1996 to sign, promulgate, implement or enforce the requirement proposed as "Regulation of Fuels and Fuel Additives: Individual Foreign Refinery Baseline Requirements for Reformulated Gasoline" at volume 59 of the Federal Register at pages 22800 through 22814.

SEC. 305. None of the funds appropriated to the Environmental Protection Agency for fiscal year 1996 may be used to implement section 404(c) of the Federal Water Pollution Control Act, as amended. No pending action by the Environmental Protection Agency to implement section 404(c) with respect to an individual permit shall remain in effect after the date of enactment of this Act.

SEC. 306. Notwithstanding any other provision of law, for this fiscal year and hereafter, an industrial discharger to the Kalamazoo Water Reclamation Plant, an advanced wastewater treatment plant with activated carbon, may be exempted from categorical pretreatment standards under section 307(b) of the Federal Water Pollution Control Act, as amended, if the following conditions are met: (1) the Kalamazoo Water Reclamation Plant applies to the State of Michigan for an exemption for such industrial discharger and (2) the State or the Administrator, as applicable, approves such exemption request based upon a determination that the Kalamazoo Water Reclamation Plant will provide treatment consistent with or better than treatment requirements set forth by the EPA, and there exists an operative financial contract between the City of Kalamazoo and the industrial user and an approved local pretreatment program, including a joint monitoring program and local controls to prevent against interference and pass through.

SEC. 307. No funds appropriated by this Act may be used during fiscal year 1996 to enforce the requirements of section 211(m)(2) of the Clean Air Act that require fuel refiners, marketers, or persons who sell or dispense fuel to ultimate consumers in any carbon monoxide nonattainment area in Alaska to use methyl tertiary butyl ether (MTBE) to meet the oxygen requirements of that section.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

For necessary expenses of the Office of Science and Technology Policy, in carrying out the purposes of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 and 6671), hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, not to exceed $2,500 for official reception and representation expenses, and rental of conference rooms in the District of Columbia, $4,981,000: *Provided*, That the Office of Science and Technology Policy shall reimburse other agencies for not less than one-half of the personnel compensation costs of individuals detailed to it.

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

[To carry out the orderly termination of the programs and activities authorized by] *For necessary expenses to continue functions assigned to the Council on Environmental Quality and Office of Environmental Quality pursuant to* the National Environmental Policy Act of 1969, the Environmental Improvement Act of 1970 and Reorganization Plan No. 1 of 1977, $1,000,000.

FEDERAL EMERGENCY MANAGEMENT AGENCY

[DISASTER RELIEF

[For necessary expenses in carrying out the functions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), $235,500,000, to remain available until expended.]

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

For the cost of direct loans, $2,155,000, as authorized by section 319 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.): *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $25,000,000.

In addition, for administrative expenses to carry out the direct loan program, $95,000.

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, including hire and purchase of motor vehicles (31 U.S.C. 1343); uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18; expenses of attendance of cooperating officials and individuals at meetings concerned with the work of emergency preparedness; transportation in connection with the continuity of Government programs to the same extent and in the same manner as permitted the Secretary of a Military Department under 10 U.S.C. 2632; and not to exceed $2,500 for official reception and representation expenses; [$162,000,000] *$166,000,000*.

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $4,400,000.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

For necessary expenses, not otherwise provided for, to carry out activities under the National Flood Insurance Act of 1968, as amended, and the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977, as amended (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2201 et seq.), [the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App. 2251 et seq.),] the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061 et seq.), sections 107 and 303 of the National Security Act of 1947, as amended (50 U.S.C. 404–405), and Reorganization Plan No. 3 of 1978, $203,044,000.

EMERGENCY FOOD AND SHELTER PROGRAM

There is hereby appropriated $100,000,000 to the Federal Emergency Management Agency to carry out an emergency food and shelter program pursuant to title III of Public Law 100–77, as amended: *Provided*, That total administrative costs shall not exceed three and one-half per centum of the total appropriation.

NATIONAL FLOOD INSURANCE FUND

For activities under the National Flood Insurance Act of 1968, the Flood Disaster Protection Act of 1973, and the National Flood Insurance Reform Act of 1994, not to exceed $20,562,000 for salaries and expenses associated with flood mitigation and flood insurance operations, and not to exceed $70,464,000 for flood mitigation, including up to $12,000,000 for expenses under section 1366 of the National Flood Insurance Act of 1968, as amended, which amount shall be available until September 30, 1997. In fiscal year 1996, no funds in excess of (1) $47,000,000 for operating expenses, (2) $292,526,000 for agents' commissions and taxes, and (3) $3,500,000 for interest on Treasury borrowings shall be available from the National Flood Insurance Fund without prior notice to the Committees on Appropriations[: *Provided*, That none of the funds appropriated in this Act for the Federal Emergency Management Agency (FEMA) shall be available for any further work on effective Flood Insurance Rate Maps for the City of Stockton and San Joaquin County, California based on FEMA's restudy of flood hazards on South Paddy Creek, Middle Paddy Creek, Paddy Creek, Bear Creek, Mosher Slough, Calaveras River, Potter A Slough, Potter B Slough, Mormon Slough, and the Diversion Channel].

ADMINISTRATIVE PROVISION

The Director of the Federal Emergency Management Agency shall promulgate through rulemaking a methodology for assessment and collection of fees to be assessed and collected beginning in fiscal year 1996 applicable to persons subject to the Federal Emergency Management Agency's radiological emergency preparedness regulations. The aggregate charges assessed pursuant to this section during fiscal year 1996 shall approximate, but not be less than, 100 per centum of the amounts anticipated by the Federal Emergency Management Agency to be obligated for its radiological emergency preparedness program for such fiscal year. The methodology for assessment and collection of fees shall be fair and equitable, and shall reflect the full amount of costs of providing radiological emergency planning, preparedness, response and associated services. Such fees will be assessed in a manner that reflects the use of agency resources for classes of regulated persons and the administrative costs of collecting such fees. Fees received pursuant to this section shall be deposited in the general fund of the Treasury as offsetting receipts. Assessment and collection of such fees are only authorized during fiscal year 1996.

GENERAL SERVICES ADMINISTRATION

CONSUMER INFORMATION CENTER

For necessary expenses of the Consumer Information Center, including services authorized by 5 U.S.C. 3109, $2,061,000, to be deposited into the Consumer Information Center Fund: *Provided*, That the appropriations, revenues and collections deposited into the fund shall be available for necessary expenses of Consumer Information Center activities in the aggregate amount of $7,500,000. Administrative expenses of the Consumer Information Center in fiscal year 1996 shall not exceed [$2,502,000] *$2,602,000*. Appropriations, revenues, and collections accruing to this fund during fiscal year 1996 in excess of $7,500,000 shall remain in the fund and shall not be available for expenditure except as authorized in appropriations Acts.

[DEPARTMENT OF HEALTH AND HUMAN SERVICES

[OFFICE OF CONSUMER AFFAIRS

[For necessary expenses of the Office of Consumer Affairs, including services authorized by 5 U.S.C. 3109, $1,811,000: *Provided*, That notwithstanding any other provision of law, that Office may accept and deposit to this account, during fiscal year 1996, gifts for the purpose of defraying its costs of printing, publishing, and distributing consumer information and educational materials; may expend up to $1,110,000 of those gifts for those purposes, in addition to amounts otherwise appropriated; and the balance shall remain available for expenditure for such purposes to the extent authorized in subsequent appropriations Acts: *Provided further*, That none of the funds provided under this heading may be made available for any other activities within the Department of Health and Human Services.]

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

HUMAN SPACE FLIGHT

For necessary expenses, not otherwise provided for, in the conduct and support of human space flight research and development activities, including research; development; operations; services; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; and purchase, lease, charter, maintenance, and operation of mission and administrative aircraft; [$5,449,600,000] *$5,337,600,000*, to remain available until September 30, 1997[: Provided, That of the funds made available under this heading, $390,000,000 of funds provided for Space Station shall not become available for obligation until August 1, 1996 and shall remain available for obligation until September 30, 1997].

SCIENCE, AERONAUTICS AND TECHNOLOGY

For necessary expenses, not otherwise provided for, for the conduct and support of science, aeronautics, and technology research and development activities, including research; development; operations; services; maintenance; construction of facilities including repair, rehabilitation and modification of real and personal property, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; and purchase, lease, charter, maintenance, and operation of mission and administrative aircraft; [$5,588,000,000] *$5,960,700,000*, to remain available until September 30, 1997.

MISSION SUPPORT

For necessary expenses, not otherwise provided for, in carrying out mission support for human space flight programs and science, aeronautical, and technology programs, including research operations and support; space communications activities including operations, production, and services; maintenance; construction of facilities including repair, rehabilitation, and modification of facilities, minor construction of new facilities and additions to existing facilities, facility planning and design, environmental compliance and restoration, and acquisition or condemnation of real property, as authorized by law; program management; personnel and related costs, including uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901–5902); travel expenses; purchase, lease, charter, maintenance, and operation of mission and administrative aircraft; not to exceed $35,000 for official reception and representation expenses; and purchase (not to exceed thirty-three for replacement only) and hire of passenger motor vehicles; [$2,618,200,000] *$2,484,200,000*, to remain available until September 30, 1997.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $16,000,000.

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

Notwithstanding the limitation on the availability of funds appropriated for "Human space flight", "Science, aeronautics and technology", or "Mission support" by this appropriations Act, when any activity has been initiated by the incurrence of obligations for construction of facilities as authorized by law, the amount available for such activity shall remain available until expended. This provision does not apply to the amounts appropriated in "Mission support" pursuant to the authorization for repair, rehabilitation and modification of facilities, minor construction of new facilities and additions to existing facilities, and facility planning and design.

Notwithstanding the limitation on the availability of funds appropriated for "Human space flight", "Science, aeronautics and technology", or "Mission support" by this appropriations Act, the amounts appropriated for construction of facilities shall remain available until September 30, 1998.

Notwithstanding the limitation on the availability of funds appropriated for "Mission support" and "Office of Inspector General", amounts made available by this Act for personnel and related costs and travel expenses of the National Aeronautics and Space Administration shall remain available until September 30, 1996 and may be used to enter into contracts for training, investigations, cost associated with personnel relocation, and for other services, to be provided during the next fiscal year.

[No amount appropriated pursuant to this or any other Act may be used for the lease or construction of a new contractor funded facility for exclusive use in support of a contract or contracts with the National Aeronautics and Space Administration under which the Administration would be required to substantially amortize through payment or reimbursement such contractor in vestment, unless an appropirations Act specifies the lease or contract pursuant to which such facilities are to be constructed or leased or such facility is otherwise identified in such Act. The Administrator may authorize such facility lease or construction, if he determines, in consultation with the Committees on Appropriations, that deferral of such action until the enactment of the next appropriations Act would be inconsistent with the interest of the Nation in aeronautical and space activities.]

The unexpired balances of prior appropriations to NASA for activities for which funds are provided under this Act may be transferred to the new account established for the appropriation that provides funds for such activity under this Act. Balances so transferred may be merged with funds in the newly established account and thereafter may be accounted for as one fund to be available for the same purposes and under the same terms and conditions.

Notwithstanding any other provision of law or regulation, the National Aeronautics and Space Administration shall convey, without reimbursement, to the State of Mississippi, all rights, title and interest of the United States in the property known as the Yellow Creek Facility and consisting of approximately 1,200 acres near the city of Iuka, Mississippi, including all improvements thereon and also including any personal property owned by NASA that is currently located on-site and which the State of Mississippi requires to facilitate the transfer: *Provided*, That appropriated funds shall be used to effect this conveyance: *Provided further*, That $10,000,000 in appropriated funds otherwise available to the National Aeronautics and Space Administration shall be transferred to the State of Mississippi to be used in the transition of the facility: *Provided further, That each Federal agency with prior contact to the site shall remain responsible for any and all environmental remediation made necessary as a result of its activities on the site*: *Provided further*, That in consideration of this conveyance, the National Aeronautics and Space Administration may require such other terms and conditions as the Administrator deems appropriate to protect the interests of the United States: *Provided further*, That the conveyance of the site and the transfer of the funds to the State of Mississippi shall occur not later than thirty days from the date of enactment of this Act.

[The Administrator of the National Aeronautics and Space Administration shall conduct a study of the closing or re-structuring of Space Flight Centers and Research Centers. The study shall include an analysis of functions currently being performed at each Center, the cost of performing each function at its current location and at logical alternative Centers, the schedule for transitioning functions to alternative Centers, and the overall cost savings which will be derived from the closing or re-structuring of each Center. The findings of the study, including a detailed schedule for completion of the re-structuring, shall be submitted to the Congress no later than March 31, 1996. Closure or re-structuring of these Centers shall be completed no later than October 1, 1998.]

Of the funds made available by this Act under the heading "Human Space Flight", $390,000,000 of funds provided for Space Station shall not become available for obligation until August 1, 1996 and shall remain available for obligation until September 30, 1997.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

During fiscal year 1996, gross obligations of the Central Liquidity Facility for the principal amount of new direct loans to member credit unions as authorized by the National Credit Union Central Liquidity Facility Act (12 U.S.C. 1795) shall not exceed $600,000,000: *Provided*, That administrative expenses of the Central Liquidity Facility in fiscal year 1996 shall not exceed $560,000.

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

For necessary expenses in carrying out the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), and the Act to establish a National Medal of Science (42 U.S.C. 1880–1881); services as authorized by 5 U.S.C. 3109; maintenance and operation of aircraft and purchase of flight services for research support; acquisition of aircraft; *$2,294,000,000*, of which not to exceed $235,000,000 shall remain available until expended for Polar research and operations support, and for reimbursement to other Federal agencies for operational and science support and logistical and other related activities for the United States Antarctic program; the balance to remain available until September 30, 1997: *Provided*, That receipts for scientific support services and materials furnished by the National Research Centers and other National Science Foundation supported research facilities may be credited to this appropriation: *Provided further*, That to the extent that the amount appropriated is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally.

MAJOR RESEARCH EQUIPMENT

For necessary expenses in carrying out major construction projects, and related expenses, pursuant to the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), $70,000,000, to remain available until expended.

ACADEMIC RESEARCH INFRASTRUCTURE

For necessary expenses in carrying out an academic research infrastructure program pursuant to the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), including services as authorized by 5 U.S.C. 3109 and rental of conference rooms in the District of Columbia, $100,000,000, to remain available until September 30, 1997.

EDUCATION AND HUMAN RESOURCES

For necessary expenses in carrying out science and engineering education and human resources programs and activities pursuant to the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), including services as authorized by 5 U.S.C. 3109 and rental of conference rooms in the District of Columbia, $599,000,000, to remain available until September 30, 1997: *Provided*, That to the extent that the amount of this appropriation is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally.

SALARIES AND EXPENSES

For necessary salaries and expenses in carrying out the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875); services authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; not to exceed $9,000 for official reception and representation expenses; uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901–5902); rental of conference rooms in the District of Columbia; reimbursement of the General Services Administration for security guard services; $127,310,000: *Provided*, That contracts may be entered into under salaries and expenses in fiscal year 1996 for maintenance and operation of facilities, and for other services, to be provided during the next fiscal year.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $4,490,000, to remain available until September 30, 1997.

NATIONAL SCIENCE FOUNDATION HEADQUARTERS RELOCATION

For necessary support of the relocation of the National Science Foundation, $5,200,000: *Provided*, That these funds shall be used to reimburse the General Services Administration for services and related acquisitions in support of relocating the National Science Foundation.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

For payment to the Neighborhood Reinvestment Corporation for use in neighborhood reinvestment activities, as authorized by the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101–8107), $38,667,000.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For necessary expenses of the Selective Service System, including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by law (5 U.S.C. 4101–4118) for civilian employees; and not to exceed $1,000 for official reception and representation expenses; $22,930,000: *Provided*, That during the current fiscal year, the President may exempt this appropriation from the provisions of 31 U.S.C. 1341, whenever he deems such action to be necessary in the interest of national defense: *Provided further*, That none of the funds appropriated by the Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States.

DEPARTMENT OF JUSTICE

FAIR HOUSING AND EQUAL OPPORTUNITY

FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and for contracts with qualified fair housing enforcement organizations, as authorized by section 561 of the Housing and Community Development Act of 1987, as amended by the Housing and Community Development Act of 1992, $30,000,000, to remain available until September 30, 1997.

All functions, activities and responsibilities of the Secretary of Housing and Urban Development relating to title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and the Fair Housing Act, including any rights guaranteed under the Fair Housing Act (including any functions relating to the Fair Housing Initiatives program under section 561 of the Housing and Community Development Act of 1987), are hereby transferred to the Attorney General of the United States.

DEPARTMENT OF THE TREASURY

OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

For carrying out the Federal Housing Enterprise Financial Safety and Soundness Act of 1992, $14,895,000, to remain available until expended, for the Federal Housing Enterprise Oversight Fund: Provided, That such funds shall be collected as authorized by sections 1316(a) and (b) of such Act, and deposited in the Fund under section 1316(f) of such Act: Provided further, That notwithstanding any other provision of law, the Secretary of the Treasury shall have all powers and rights of the Director and the Fund shall be within the Department of the Treasury.

TITLE IV

CORPORATIONS

Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act, as amended, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Act as may be necessary in carrying out the programs set forth in the budget for 1996 for such corporation or agency except as hereinafter provided: *Provided*, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

RESOLUTION TRUST CORPORATION

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $11,400,000.

TITLE V

GENERAL PROVISIONS

SECTION 501. Where appropriations in titles I, II, and III of this Act are expendable for travel expenses and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amounts set forth therefor in the budget estimates submitted for the appropriations: *Provided*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Department of Veterans Affairs; to travel performed in connection with major disasters or emergencies declared or determined by the President under the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act; to travel performed by the Offices of Inspector General in connection with audits and investigations; or to payments to interagency motor pools where separately set forth in the budget schedules: *Provided further*, That if appropriations in titles I, II, and III exceed the amounts set forth in budget estimates initially submitted for such appropriations, the expenditures for travel may correspondingly exceed the amounts therefor set forth in the estimates in the same proportion.

SEC. 502. Appropriations and funds available for the administrative expenses of the Department of Housing and Urban Development and the Selective Service System shall be available in the current fiscal year for purchase of uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901–5902); hire of passenger motor vehicles; and services as authorized by 5 U.S.C. 3109.

SEC. 503. Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Resolution Trust Corporation, Federal Reserve banks or any member thereof, Federal Home Loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811–1831).

SEC. 504. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 505. No funds appropriated by this Act may be expended—

(1) pursuant to a certification of an officer or employee of the United States unless—

(A) such certification is accompanied by, or is part of, a voucher or abstract which describes the payee or payees and the items or services for which such expenditure is being made, or

(B) the expenditure of funds pursuant to such certification, and without such a voucher or abstract, is specifically authorized by law; and

(2) unless such expenditure is subject to audit by the General Accounting Office or is specifically exempt by law from such audit.

SEC. 506. None of the funds provided in this Act to any department or agency may be expended for the transportation of any officer or employee of such department or agency between his domicile and his place of employment, with the exception of any officer or employee authorized such transportation under title 31, United States Code, section 1344.

SEC. 507. None of the funds provided in this Act may be used for payment, through grants or contracts, to recipients that do not share in the cost of conducting research resulting from proposals not specifically solicited by the Government: *Provided*, That the extent of cost sharing by the recipient shall reflect the mutuality of interest of the grantee or contractor and the Government in the research.

SEC. 508. None of the funds provided in this Act may be used, directly or through grants, to pay or to provide reimbursement for payment of the salary of a consultant (whether retained by the Federal Government or a grantee) at more than the daily equivalent of the rate paid for Level IV of the Executive Schedule, unless specifically authorized by law.

SEC. 509. None of the funds in this Act shall be used to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings. Nothing herein affects the authority of the Consumer Product Safety Commission pursuant to section 7 of the Consumer Product Safety Act (15 U.S.C. 2056 et seq.).

SEC. 510. Except as otherwise provided under existing law or under an existing Executive order issued pursuant to an existing law, the obligation or expenditure of any appropriation under this Act for contracts for any consulting service shall be limited to contracts which are (1) a matter of public record and available for public inspection, and (2) thereafter included in a publicly available list of all contracts entered into within twenty-four months prior to the date on which the list is made available to the public and of all contracts on which performance has not been completed by such date. The list required by the preceding sentence shall be updated quarterly and shall include a narrative description of the work to be performed under each such contract.

SEC. 511. Except as otherwise provided by law, no part of any appropriation contained in this Act shall be obligated or expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) for a contract for services unless such executive agency (1) has awarded and entered into such contract in full compliance with such Act and the regulations promulgated thereunder, and (2) requires any report prepared pursuant to such contract, including plans, evaluations, studies, analyses and manuals, and any report prepared by the agency which is substantially derived from or substantially includes any report prepared pursuant to such contract, to contain information concerning (A) the contract pursuant to which the report was prepared, and (B) the contractor who prepared the report pursuant to such contract.

SEC. 512. Except as otherwise provided in section 506, none of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency.

SEC. 513. None of the funds provided in this Act to any department or agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than 22 miles per gallon.

SEC. 514. Such sums as may be necessary for fiscal year 1996 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 515. None of the funds appropriated in title I of this Act shall be used to enter into any new lease of real property if the estimated annual rental is more than $300,000 unless the Secretary submits, in writing, a report to the Committees on Appropriations of the Congress and a period of 30 days has expired following the date on which the report is received by the Committees on Appropriations.

SEC. 516. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 517. None of the funds appropriated in this Act may be used to implement any cap on reimbursements to grantees for indirect costs, except as published in Office of Management and Budget Circular A–21.

SEC. 518. None of the funds made available in this Act may be used for any program, project, or activity, when it is made known to the Federal entity or official to which the funds are made available that the program, project, or activity is not in compliance with any Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

[SEC. 519. (a) CONTRACTOR CONVERSION.—The Administrator of the Environmental Protection Agency shall cease any further hiring in the Agency's Office of Research and Development.

[(b) REPORT.—Not later than January 1, 1996, the head of the Office of Research and Development of the Environmental Protection Agency shall submit to the Congress a report on all staffing plans including the use of Federal and contract employees.]

SEC. 520. Such funds as may be necessary to carry out the orderly termination of the Office of Consumer Affairs shall be made available from funds appropriated to the Department of Health and Human Services for fiscal year 1996.

This Act may be cited as the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996".

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I thank the Chair.

The Departments of Veterans Affairs and Housing and Urban Development and independent agencies appropriations bill for fiscal year 1996 embodies a comprehensive and systematic restructuring of Federal programs and activities within its jurisdiction.

Critical activities are refocused and supported.

Reforms to begin the difficult process of restoring fiscal reality and improving efficiency are initiated.

Over $1 billion of obsolete and failed activities are terminated.

The proliferation of small, burdensome, categorical programs is cleared away and delegated in block grants to States and local governments.

Unsustainable policy mandates are repealed.

Now, Mr. President, there is no longer any dispute over the critical need to reduce excessive Federal spending and to bring the budget back into balance. It has been nearly 30 years since the Federal Government curbed its appetite for spending to match its income. Since that time, Federal outlays have increased from $184 billion to nearly $1.6 trillion. The gross Federal debt has soared from less than $370 billion to nearly $5 trillion. Interest on the Federal debt now exceeds the $260 billion annual expenditure for all domestic discretionary programs by over $100 billion.

Unless these alarming budgetary trends are reversed, resources available for discretionary programs such as those funded in this appropriations bill will soon shrink to negligible levels. The committee accepts measured reductions in discretionary spending as a necessary component of the multiyear budgetary plan to balance the Federal budget by the year 2002, if only because the consequences of failing to make such prudent reductions will be devastating, not only for ourselves, but our children, and their children. In addition, a balanced Federal budget will fuel new vitality in our Nation's economy which will provide the revenue necessary to sustain the priority programs which we propose to continue.

The artificial stimulus of runaway deficit spending has failed. It is collapsing under the weight of a massive Federal debt, and is being crowded out by the pressure to meet interest payments on the debt and other mandatory costs. The bitter medicine of the congressional budget resolution is the only antidote to this poisoning of our Nation's economic health. If we stay the course, and cure our addiction to deficit spending, we have our best chance of sustaining the truly critical programs included in this appropriations bill.

Finally, the budget crisis has created a rare opportunity to address long-festering problems and reexamining long-entrenched social dogma underpinning many failed governmental programs.

Welfare reform, in part, is being implemented in the restructuring of low-income housing assistance programs funded in this appropriations bill. The 1960's era strategy of building high-rise public housing for families has failed. There is broad acceptance that these drug-infested, crime-breeding blights must be demolished. This bill provides a targeted focus on such efforts, but it also examines the root causes of such horrendously expensive failures and recommends comprehensive reform proposals to prevent such conditions from reoccurring, including efforts to encourage employment by recipients.

The committee recommendation provides for the termination or consolidation of scores of duplicative, wasteful or otherwise unnecessary programs and activities. The bill terminates five agencies—the Corporation for National and Community Service, AmeriCorps, the Office of Consumer Affairs, the Chemical Safety and Hazard Board, the Community Development Financial Institutions Board, and the Office of Federal Housing Enterprise Oversight, whose functions are transferred to the Secretary of the Treasury. In addition, the bill reflects the previously mandated termination of the Resolution Trust Corporation.

Another aspect of this bill is the assessment of the value of services provided by agencies, such as the Department of Veterans Affairs. In some cases, existing delivery schemes and organizational structures have been found deficient. For example, while most veterans medical facilities deliver top quality health services, many instances of systemic inefficiencies and a number of cases of substandard care have been painfully documented.

The committee is recommending accelerated adoption of modern medical practices for health care delivery in the VA system. In addition, the committee has targeted budgetary reductions in the Washington, DC, headquarters bureaucracy which impede, rather than facilitate, innovation and initiative at the local hospital and clinic level.

Mr. President, in the short time since I have assumed the chairmanship of this subcommittee, I have appealed and appealed again to the Secretary of Veterans Affairs for his help and assistance. During consideration of the budget resolution, I expressed my concern over the potential impact of discretionary budget reductions on the Department of Veterans Affairs, and I specifically requested the advice and recommendations of the Secretary on how we could minimize the adverse effects of the constrained resources.

I wrote to the Secretary again after the House passed its appropriations bill in July and again in August. In each instance, the Secretary has not only failed to be responsive but has embarked instead on an concerted campaign to whip up opposition by veterans organizations and members of his own Department against any reforms or changes or improvements in the way the Department does business.

We can admire the Secretary for his tenacious advocacy of veterans service and benefits, but as the chief administrator of a $37 billion agency, he must also accept responsibility for working with the rest of the administration and the Congress in improving management of his Department to meet the challenges of a declining discretionary Federal budget.

Despite the $9 billion overall reduction in the bill for discretionary appropriations, we are recommending an increase of $235 million for VA medical care. In a few instances, the committee was able to recommend modest increases in other VA accounts over the levels contained in the House-passed bill, such as $5 million for medical research and $59 million to accelerate veterans claims processing. There should be no doubt our goal is to improve services and benefits for our Nation's veterans. What is more important, during these times of budgetary constraint, our goal can be accomplished with overall reductions in the rate of increase of funding for the Department if we insist that the VA modernize its operations and reduce administrative overhead.

With the cooperation and help of the veterans, their service organizations and the Secretary, we could achieve this goal that we all share.

Mr. President, the committee has also seized this opportunity to probe deeply into the structure and management of the Environmental Protection Agency. The critical mission served by the EPA requires substantial direct funding and, through its regulatory authorities, imposes a tremendous financial burden on the economy and on all Americans.

The committee has recommended a new focus in the agency on improving the quality of the scientific basis for its regulatory decisionmaking.

In addition, the committee reviewed the internal resource allocation management structure of EPA and is recommending a number of improvements to assure better cooperation with other levels of Government and to focus Federal expenditures on activities of greater environmental benefit.

The amount provided for EPA is $5.66 billion. While this represents a reduction of about $1 billion below the fiscal year 1995 level, it is an increase of $769 million, 16 percent over the House.

The cuts below last year come primarily from Superfund and sewer treatment earmarks. As to Superfund, it is my strong view that there is no need to throw more money at a program which does not work and which badly needs to be reauthorized, revamped, and modernized. There is overwhelming documentation of how lawyers and other administrative cost burdens are milking the lion's share of these funds. This allocation of resources serves neither the environment nor the taxpayers, nor those who are being assessed charges for these activities.

While the authorizing committee is preparing reform legislation, we propose a moratorium on low-priority Superfund work.

Last year's bill also included about $800 million in sewer construction earmarks for specific cities. All of that is eliminated in this year's bill. By eliminating these earmarks, the committee was able to increase to $1.5 billion the appropriation for the State revolving funds which are distributed on an equitable formula basis to finance wastewater treatment facilities across the Nation. This is a 21-percent increase in a critical form of assistance to States and localities in meeting Federal clean water mandates and safe drinking water mandates if the measure is authorized.

The recommendation provides close to current funding levels for EPA's core operating programs—research, standard setting, technical assistance activities—while eliminating programs which are not crucial to the agency's core mission or which duplicate private sector or other agencies or State activities.

The committee recommends providing full funding to the States for their critical environmental programs which they run. More than 40 percent of the appropriations, $2.34 billion, goes directly to the States for grants to meet environmental mandates. This is an increase of $310 million over last year, and by providing those funds in a separate account for the first time, we can be sure that EPA will not be dipping into State funds to fund its own activities.

A great deal of attention has been focused on the so-called legislative riders included in the House-passed bill. Although House floor action concerned 17 of these provisions, the House bill, as it was finally passed, contained a total of 23 of these riders.

As cochairman of the regulatory reform task force, as a member of the Senate Environment and Public Works Committee, I am well aware of the need to restructure and redirect many of the regulatory policies of EPA. Furthermore, many of us are concerned over how current environmental statutes have been broadly interpreted, indeed in some instances we could say misinterpreted, by some courts to mandate actions never contemplated by the Congress.

I have been working, in those capacities in which I serve, to seek the fundamental changes in our environmental laws which are long overdue and necessary to reduce regulatory burdens while protecting our citizens and the environment and ensuring that the vitally important work of improving the environment continues and that we not step backward. These are, however, very complex issues which demand close examination and careful consideration. That is why in formulating our recommendations, rather than using the House bill as a base, we did an independent assessment of those issues that could and should be addressed in this appropriations bill.

In drafting this bill, we set forth the standard that we would limit the so-called "riders," administrative provisions or legislative provisions, as they might be called, to matters which have previously been enacted into law in appropriations acts, or passed the Senate in other current legislation, are needed to eliminate duplication or unnecessary spending, or were narrowly drafted to meet a specific misapplication of law or policy.

Only one of the 23 House riders met this test: A limitation against EPA mandated car pooling. Two were modified to limit their application or clarify their intent—car inspection and maintenance and wetlands overfiling by EPA—and two others relating to drinking water were combined. The rest have been stricken.

The committee is recommending three additional provisions: One relating to MTBE use in Alaska, foreign refineries, and Superfund listings, all of which have been previously enacted. These are eight provisions that the committee believes are appropriate and necessary to warrant consideration. A list of these provisions are included in the agency summary attached to my statement.

Mr. President, one aspect of this bill which deserves special attention, however, is the committee's recommendations for the Department of Housing and Urban Development.

The committee's report contains an extensive analysis of the management and budgetary morass afflicting this Department along with an explanation of our proposed reforms. The committee's recommendations reflect many months of work on a focused and detailed examination of HUD and its housing programs. Beginning with a series of special hearings in January, and drawing upon the previous work of the HUD inspector general, the General Accounting Office, and the National Academy of Public Administration, the committee probed deeply into these complex issues. The committee's preliminary recommendations were reflected in the rescission bill enacted earlier this year which cut HUD funding by $6.3 billion and redirected housing budgetary resources toward the more critical concerns of demolishing failed and obsolete projects.

At that time the committee urged prompt action by the authorizing committees on urgently needed legislative reforms. These statutory changes are needed to curb the cost of these discretionary programs. Unfortunately, since this legislation has not yet moved, we have been compelled to include these reforms in the appropriations bill, because without these changes, the funds we appropriated would be wasted in perpetuating many of the inefficient, ineffective, counterproductive policies which created this mess in the first place. Our only alternative would have been to terminate funding, which would result in the displacement of thousands of families which depend on this assistance, and loss of desperately needed affordable housing opportunities.

Mr. President, that is the crux of the issues confronting us. We either take on this enormous task, not only of finding the substantial budgetary resources necessary to sustain these programs, but also of restructuring a host of very complex housing laws and programs, or, abdicate our responsibilities for providing housing assistance to needy families. We chose the more difficult and burdensome course.

Reforming these housing programs will take time, it will take discipline, it will take concerted effort, and it will entail sacrifice. If we fail, the consequences for families currently receiving or seeking assistance could be catastrophic, especially if we permit the current inventory of public and assisted housing stock to deteriorate further. The repercussions for our cities will be equally dire if these housing developments, rather than slowing or halting the decline of inner-city neighborhoods, merely become examples of further disinvestment.

Mr. President, I am pleased that this bill does stand for a commitment to the important goals of the Federal assisted housing program. It not only provides the funding necessary, but together with needed program reforms, it represents a coherent strategy for cleaning up the mess at HUD, and enabling us to place these programs on a sound footing to survive the further rounds of budget cuts which will follow over the next several years.

During committee markup of this bill, concern was expressed over the potential cost of the legislative provisions associated with the HUD multifamily inventory. The three provisions in question were proposed to reduce the ongoing subsidy cost of maintaining these 1.6 million units of privately owned apartments which are covered by an assistance contract or by an FHA mortgage guarantee. The first would permit HUD to conduct a limited demonstration of its mark-to-market initiative along with other multifamily project workout strategies. The second provides authority to maintain project-based assistance for expiring contracts under limited circumstances. The third reforms the Low-Income Housing Preservation and Resident Homeownership Act [LIHPRHA] by replacing expensive section 8 subsidies with one-time capital grants and loans as a lower cost incentive to preserve existing affordable housing stock.

The HUD multifamily portfolio costs taxpayers about $8 billion each year to subsidize, maintain, and pay-off loan losses, and these costs are rising because of inflationary factors and deterioration in this aging inventory of apartment buildings. The administrative provisions proposed by the committee are intended to enable HUD to reduce these costs by terminating subsidies for substandard or nonviable projects, and to squeeze out excessive subsidies from others. While these steps are necessary to substantially reduce the long-term cost of this inventory, when compared to the existing budgetary baseline, the measures recommended would cause a temporary increase in outlays. These costs in fiscal year 1996 result from recognition of mortgage guarantee losses, capital costs of preserving older assisted projects, and providing alternative subsidies to replace more costly section 8 contracts.

Unfortunately these costs cannot be accommodated within the subcommittee's very constrained budget allocation, even though they save money over the longer term.

I might add that we have worked with the Department of Housing and Urban Development, Office of Management Budget and Congressional Budget Office, and staffs on both sides of the aisle, to come to agreement on these very difficult problems. We have found that the solution to these problems is in no way simple and its complexities has forced us to postpone the implementation of these actions. We hope to continue to work with the Members on both sides, as well as the agency, OMB, and CBO, as we seek to unravel some very, very difficult problems which are facing us here.

The committee, therefore, was forced to insert language which would have the effect of delaying the effective date of these provisions until fiscal year 1997. This does not lessen the need to take immediate action on these issues, nor the committee's intent to seek alternatives which can be accommodated within this year's budget allocation.

I hope as this bill progresses, we will be able to come to better solutions which can begin the process of unraveling these difficult and costly problems earlier rather than later.

Failure by Congress to address this issue during this session will only exacerbate the budgetary shortfall threatening this large and critical inventory of assisted housing, and will lead to needless displacement of tens of thousands of low-income families, including the elderly and disabled, in fiscal year 1996 and beyond.

Mr. President, this appropriations bill reflects two principal concerns, both budgetary in nature. The first is the reversal in trend of annual increases in budgetary outlays for discretionary activities.

Over the past decade, discretionary outlays for programs funded in this bill have increased at an average annual rate approaching 15 percent per year, primarily driven by the cumulative growth in low-income housing assistance programs and inflationary costs related to veterans medical care. The congressional budget resolution for fiscal year 1996, H. Con. Res. 67, however, abruptly reverses this trend, halting further continued expenditure growth in these programs. To comply with this dramatic shift in spending policies, the recently enacted Rescission Act for fiscal year 1995, Public Law 104–19, canceled a total of $8,500,000,000 in previously appropriated funds for programs included in this bill.

The second, and perhaps more significant budgetary concern is the future year constraints reflected in the budget resolution 7-year projection toward eliminating the Federal deficit by the year 2002. While overall nondefense discretionary expenditures are required to drop by 2.9 percent in fiscal year 1996, the reduction proposed for fiscal year 1997 totals 4.4 percent, and approximately 2 percent per year thereafter.

The committee, therefore, is confronting a profound shift from year-to-year budgetary increases to a multi-year period of substantial declines in aggregate funding support, in addition to the erosion in program levels resulting from inflationary factors. This reversal in funding trends is especially substantial for activities and programs sustained by funding in this appropriations bill.

The bill as recommended appropriates a discretionary total of $61.6 billion in budget authority. While this is $1.3 billion more than the House-passed measure, it is nearly $9 billion less than the President's budget request and the originally enacted fiscal year 1995 level.

The White House, and some of my colleagues, have protested the overall size of these reductions. Frankly, when the committee originally established its subcommittee budget allocations, I also felt that programs funded in this bill should receive greater budgetary support. But to oppose this measure on the basis of its aggregate funding level fails to account for the necessary improvements and reforms we are proposing, and ignores the crisis of deficit spending which requires much more sacrifice and budgetary reductions in the years to come.

Mr. President, this is only a first step in a long difficult march toward a balanced budget.

The change in direction from the growing budgets of the past to this declining one was abrupt, and could be moderated to avoid some temporary disruption. There should be no confusion or doubt, however, that these reductions must be made, and will be made either in fiscal year 1996, or soon thereafter.

Mr. President, for the reasons I have set forth, I believe this is a responsible and necessary bill, one which the Senate should support and pass. It addresses our urgent need to rein in Federal spending. It does so in a manner that limits and targets these resources to the highest priority needs, and aggressively pursues improvements in program management to require increased effectiveness from these expenditures. Finally, where appropriate and necessary, the committee has recommended program and policy reforms which correct well documented deficiencies in current activities.

I urge all my colleagues will support this bill, and I hope it will be enacted into law soon.

I truly hope that my colleagues will support this bill and I hope that it will be enacted into law in the very near future.

Mr. President, before turning to my distinguished ranking member, I ask unanimous consent that a bill summary of H.R. 2099 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BILL SUMMARY—H.R. 2099

APPROPRIATIONS SUMMARY

F.Y. 1995 enacted—$89,920,161,061.
F.Y. 1996 request—89,899,762,093.
F.Y. 1996 House—79,697,360,000.
F.Y. 1996 Senate—80,983,986,000.
(Includes VA mandatory items).

AGENCY SUMMARY

Department of Housing and Urban Development

F.Y. 1995 enated—$25,453,518,000.
F.Y. 1996 request—24,340,032,000.
F.Y. 1996 House—19,391,383,000.
F.Y. 1996 Senate—20,329,167,000.

The Committee is proposing landmark changes in the structure and nature of housing policies to enable local housing agencies, community organizations, and the private housing industry to adjust to declining Federal subsidy levels which have sustained and expanded this enterprise over the past 30 years. These program and policy changes cannot be implemented without some hardships and dislocations. However, unless this process is immediately undertaken with focused deliberation and determination, the potential for devastating loss of affordable housing stock and homelessness will greatly increase.

In addition to these policy changes, the Committee is recommending major restructuring of the Department's programs to eliminate an unwieldy number of proliferating categorical activities, in favor of broad, multi-purpose, financial assistance grants to States and local units of government. This effort is designed to reduce the crushing weight of Federal administrative and regulatory burdens on local program managers, and to reduce sharply an agency which widely has been cited as among the most dysfunctional in the Government.

The Committee concurs with much of the criticism voiced of this Department, and agrees that this organization must be completely transformed if it is to survive under the budgetary pressures and popular demands for greater program accountability. It is clear, however, that irrespective of whether this Department continues to exist, there remains a substantial and growing need for housing and urban development in the Nation. Previous commitments by Congress to meet these housing needs make it incumbent on the Federal Government to continue a major role in this area. Moreover, the magnitude of previous appropriated budgetary commitments and financial obligations of the Department demand a substantial and effective entity to administer them. Fiscal prudence alone demands aggressive efforts to protect these financial interests.

The bill consolidates or eliminates a number of the 240 HUD categorical grants into block grants. This bill eliminates funding for the following separate HUD appropriations:

1. Flexible Subsidy Program.
2. HOPE I, II, III, and VI.
3. Congregate Services.*
4. Homeownership Trust.
5. Sec. 235 Homeownership Refinancing.
6. Housing Counseling Assistance.*
7. Service Coordinators.*
8. Public Housing development.
9. Public Housing amendments.
10. Tenant opportunity program.*
11. Pension Fund program.
12. New Initiatives.
13. Family Investment Centers.*
14. Family self-sufficiency coordinators.*
15. Loan Management.
16. Section 23 Conversions.
17. Foster child care.*
18. Special Purpose Grants.

*May be funded under supportive services block grant.

Department of Veterans Affairs

F.Y. 1995 enacted, $18,244,869,061.
F.Y. 1996 request, 19,245,000,093.
F.Y. 1996 House, 18,361,637,000.
F.Y. 1996 Senate, 17,976,943,000.
(Discretionary only).

The cost growth in medical services provided to veterans cannot be continued during this period of declining discretionary budgetary resources. It is imperative that the Department of Veterans Affairs aggressively pursue reforms in management and service delivery to utilize available funds more efficiently, to prevent reductions in assistance levels to eligible veterans.

The veteran population is declining, and its needs are changing as it ages. While the Veterans Health Administration historically has been a hospital-based health care delivery system primarily serving acute care needs, its population is demanding community-based, outpatient and preventive health care services. Far less is being demanded in the way of inpatient services.

It is clear that VA can do more with less—and can become a more efficient, customer-oriented, high-quality health-care delivery system. Numerous inefficiencies have been identified in the VA medical system, including an over-reliance on hospitalization rather than ambulatory care, excessive payments related to its affiliations with medical schools, poor management of its pharmaceutical procurement and delivery systems, its bureaucratic administration of ascertaining veterans eligibility for care, and its insistence on maintaining services in under utilized areas.

VA must become a more agile, efficient, and modern health care delivery system, transitioning away from the hospital-based health care delivery system of the past. While less than the amount requested, the Committee recommendation for VA medical care represents the largest dollar increase over current funding levels in the VA, HUD, and Independent Agencies Appropriations bill, and will enable the Department to begin to implement major, systemic changes to its health care delivery system to enable it to become a leaner, more efficient system.

In view of the pending reoganization of the Veterans Health Administration, and potential changes which may result, the Committee has put a moratorium on new major construction spending. However, the Department is to ensure that all critical code deficiencies and accreditation requirements are met through minor construction spending.

National Aeronautics and Space Administration

F.Y. 1995 enacted—$14,376,684,000.
F.Y. 1996 request—14,260,000,000.
F.Y. 1996 House—13,671,800,000.
F.Y. 1996 Senate—13,798,500,000.

NASA has been engaged in a comprehensive redirection of basic operating principles to promote greater efficiency and flexibility in pursuing major scientific and engineering development programs. The Committee recommendation leaves intact the Nation's commitment to deploy the International Space Station, while making significant reductions in lower priority activities of the agency.

Also included in the bill are funds to continue critical investments in aeronautical technologies which underpin the future competitiveness of our Nation's commercial aircraft manufacturing industry. These high value, high technology products are crucial to maintaining one of our most significant sources of export sales and domestic manufacturing employment.

The Committee also maintains adequate funding to pursue an effective global-climate-change research program, and to follow through on other on-going scientific mission developments.

Environmental Protection Agency

F.Y. 1995 enacted—$7,240,887,000.
F.Y. 1996 request—7,359,409,000.
F.Y. 1996 House—4,892,430,000.
F.Y. 1996 Senate—5,661,927,000.

The Committee of the Nation to securing improvements in the environment and to protect vital natural resources is reflected in the Committee's recommendation to continue substantial funding for this agency despite the overall constraints of discretionary budgetary limitations. The future year reduction in these funding levels will erode our ability to maintain current levels of environmental protection unless reforms are undertaken now to focus these resources on the most significant threats to our air, water, and land resources.

The Committee held a hearing earlier this year on the need to reform the Environmental Protection Agency, with a particular focus on a report compiled by the National Academy of Public Administration at this Committee's request. NAPA recommended major systemic changes to EPA, and identified numerous areas in which EPA is unnecessarily duplicating or micromanaging state and private sector environmental protection activities. NAPA recommended management and structural changes which could bring about significant efficiencies and improvements in the way EPA operates. In addition, NAPA agreed that EPA is not adequately prioritizing activities and resources based on risk to human health and the environment.

The Committee believes the NAPA recommendations should provide the basis for change at EPA. The Committee's recommendation for EPA is intended to begin to implement the NAPA's suggestions, streamline EPA activities, and focus its resources on high-risk areas.

The Subcommittee recommendation includes eight legislative provisions within EPA. All but one of the so-called riders in the House bill have been eliminated or modified. The Subcommittee limited most of the provisions to ones that have been included in previous VA-HUD bills or other legislation, or eliminate duplication or unnecessary spending. The provisions included are:

1. Prohibiting EPA from requiring centralized inspection/maintenance facilities in FY96. This is the same language as was included by the Senate in the National Highway System bill.

2. Prohibiting EPA from requiring employers to adopt car-pooling plans in FY96. This language is one of the House "riders" and is the same language as was included in the FY95 rescission bill.

3. Prohibiting EPA from regulating radon and several other drinking water contaminants in FY96 unless the drinking water law is reauthorized. This provision is fully consistent with EPA's own attempts to negotiate extensions to the Court-ordered deadlines for these low-priority contaminants. For each of the contaminants in question, the relative risk is low or the science is not fully developed to support science-based rulemakings.

4. Prohibiting EPA from requiring in FY96 the use of MTBE in Alaska where there have been health concerns raised associated with the use of MTBE in FY96. This provision was carried in the FY94 VA-HUD bill, and does not exempt Alaska from Clean Air requirements.

5. Prohibiting EPA from vetoing decisions made by the Corps of Engineers regarding wetlands permits in FY96. This provision is intended to prevent EPA from overfiling on the Corps, and will streamline the Corps permitting process.

6. Prohibiting EPA from adding any new sites to the Superfund National Priorities list in FY96 unless requested by the Governor or tribal leader, unless the Superfund law is reauthorized. This is the same language included in the FY95 rescissions bill, and is consistent with the Subcommittee's decision to limit Superfund spending to current health risks pending reauthorization.

7. Authorizing an exemption from water pretreatment standards for industrial dischargers to the Kalamazoo water plant if environmental standards are met through a local pretreatment program. This provision is narrowly crafted and will not result in any environmental degradation; it will prevent duplicative and unnecessary wastewater treatment construction.

8. Foreign refiner baseline: Prohibiting EPA from enforcing the foreign refiner baseline for reformulated gasoline. This same provision was included in the FY95 VA-HUD bill, and ensures that foreign refiners are held to the same environmental standards as domestic refiners.

National Science Foundation

F.Y. 1995 enacted—$3,360,520,000.
F.Y. 1996 request—3,360,000,000.
F.Y. 1996 House—3,160,000,000.
F.Y. 1996 Senate—3,200,000,000.

The Committee's recommendation continues current funding levels for the NSF which is responsible for most of the basic research grant funding provided by the Federal Government. Basic research, which seeks to improve our understanding of fundamental scientific principles and processes, provides the knowledge base which enriches our society and from which spring the development of applied technologies which drive our economy. Moreover, the Foundation is responsible for model educational and human resource developmental activities which seek to stimulate improvements in science and mathematics education. These goals of the agency remain a critical national priority which hopefully will be sustained despite the impending reductions in discretionary budgets.

Federal Emergency Management Agency

F.Y. 1995 enacted—$821,907,000.
F.Y. 1996 request—806,119,000.
F.Y. 1996 House—694,937,000.
F.Y. 1996 Senate—463,437,000.

The Committee's recommendation for the Federal Emergency Management Agency ensures an adequate level of resources for retaining a strong and capable national disaster management system. While no funds are provided for the disaster relief fund (a reduction of $320 million from the request and the F.Y. 95 level), approximately $7 billion currently is available for disaster relief owing to the recent supplemental appropriation in Public Law 104-19.

PRIVILEGES OF THE FLOOR

Mr. BOND. Mr. President, I ask unanimous consent that Steve Isakowitz, a staff member on temporary assignment to the committee, be permitted privileges of the floor during consideration of H.R. 2099.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, I ask unanimous consent that Andrew Wheeler, legislative fellow for Senator INHOFE, be permitted privileges of the floor for the duration of the VA-HUD bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, I thank the Chair.

Before yielding to my distinguished ranking member, I say to this body and to my colleague that it is a great honor and pleasure to be working with the Senator from Maryland on this bill.

I had the pleasure of serving in the minority when she chaired this committee, and I found that she has tremendous knowledge, understanding, and insight into these programs.

I have addressed in my remarks the need to begin to make some very significant reforms in the funding and in the operations of the agencies included within this appropriations bill.

For the most part, the reforms we are advocating are ones that she initiated when she chaired this committee. They understand the vitally important work of all the agencies. Yet, she is also dedicated to the necessary reforms to assure that they provide the services that they are expected to provide in the most efficient and effective manner.

While we do not agree on all issues in this bill, I say that it is with great appreciation that I have been able to work with my distinguished ranking member and her staff. I believe she has continued to supply very useful and helpful changes and recommendations.

I look forward to working with her on this and other measures, particularly as we seek to achieve a final product that will be signed into law by the budget and will carry on the funding of the agencies funded by this VA-HUD bill.

I thank the Chair. I yield the floor.

Ms. MIKULSKI. Mr. President, I wish to thank the chairman of the VA-HUD Subcommittee for his very cordial remarks to me. I must say I feel the same about him.

I think we have worked very hard on this bill. I thank both him and his staff for what we have been able to do. We worked hard under very difficult conditions to get this bill to the floor.

Mr. President, this is the toughest year that I have ever faced as a member of the Appropriations Committee. What made this year so tough? Our allocation, both the allocation to the full committee and then the allocation to this particular subcommittee.

The allocation, as the President knows, is the sum total that we have to fund over 25 different Federal agencies, 7 of which are Cabinet level.

Quite frankly, Mr. President, the VA-HUD Subcommittee's fiscal year 1996 allocation is, indeed, skimpy. It is $5 billion below the Budget Committee's assumption in budget authority and $500 million below the assumption in outlays.

What does that mean? It means that the bill before the Senate appropriates a total of $61 billion in discretionary budget authority which is, yes, $1.3 billion above the House, but almost $9 billion below President Clinton's fiscal year 1996 request and last year's funding level.

Our allocation gave us little to work with in dealing with a bill that came from the House of Representatives. Under these conditions, Senator BOND has done a commendable job.

I chaired this committee for 6 years. I brought six bills to the floor, so I know how much work it actually takes to do this. I want to thank Senator BOND for working so hard to maintain our cooperative working relationship.

I am particularly grateful to Senator BOND's efforts to continue many of the initiatives for reform developed by this subcommittee over the past several years. His efforts are clear. He has clearly left footprints in the sand in trying to move a reform agenda both in the areas of HUD and EPA. I want to thank him for this.

For example, this bill in reforming HUD puts into action the recommendations of the National Academy of Public Administration to reform the structure of HUD and consolidate its maze of programs.

When I chaired the committee, I saw that HUD had over 200 programs, some a line item, a lot of them not really getting a dollar's worth of services for home ownership for the poor, as it was, for a dollar's worth of taxes.

I know how it goes in Washington. If you propose any idea to change anything, somebody is going to come up with 12 ideas on why you will keep it.

That is why I turned to an independent group called the National Association of Public Administrators to really scrub down both HUD and EPA so that we would know from a management standpoint what we needed to do to get our hands on both of those agencies to make sure that we are getting a dollar's worth of service for a dollar's worth of taxes.

I believe in this legislation this bill does streamline EPA. It follows the NAPA recommendations to streamline EPA's management and it gets started on a strategy to put EPA's resources where they are needed most. We want EPA to be a risk-based agency in which they focus on risk to human health and the environment as their highest priorities.

Now, NAPA studied the need to reform both HUD and EPA. The studies were commissioned by this subcommittee more than 2 years ago in an effort to give the agencies what I call a navigational chart. Navigational charts are strategic plans to help the agencies do what they are most needed to do and in the most efficient way. This is where we have embarked upon reform, and I believe we have embarked upon it in HUD and EPA.

There are other things about this bill that I like, one of which is in the area of the space program, the fact that Mission to Planet Earth funding is almost fully restored. A House bill cut much of this crucial space science program and the House language to close NASA space centers has been removed from this bill. This is very important to helping NASA as it goes through budget cuts yet needs to keep America's space program flying high.

Because of the initiatives and framework put forth by Senator BOND, I believe we will be able to sustain what was badly being devastated.

Second, another area that is very much appreciated is that veterans medical research is fully funded at the President's request of $257 million.

VA medical research is absolutely crucial, not only to America's veterans, but it provides hands-on specific clinical research associated with patient care, and much of what comes out of VA medical research goes immediately into the civilian population. It is an excellent program. I am pleased it is funded at $257 million.

Third, this bill also will help those who want to help themselves. In the area of housing, it contains a moving to work demonstration for public housing residents, and Republican ceilings and income disregards to help support the working poor.

In other words, in HUD we want to focus on giving help to those who practice self-help, and to have coordination with welfare reform. Now, if you work, you are actually penalized and unable to get into public housing; and also in the area of rent.

I believe this reform begins to reward work which, Mr. President, is what we have to start doing in our public policy—rewarding work, promoting family stability, and particularly two-parent households.

Another thing that this bill does is removes something called Federal housing preference. I believe that these preferences that look only at rewarding the pathology involved with people are creating zip codes of poverty—and zip codes of pathology.

What we need in public housing is a mix among the poor—those who do not want to be poor and are working to get out of poverty and off of welfare, and also those who are now the working poor but whose incomes are so modest that a public housing subsidy actually would reward work; and I believe that is what we are going to do.

I am also pleased that in the area of the National Science Foundation the committee's recommendation continues to current funding levels for the National Science Foundation which is responsible for most of the basic research funding and research grant funding provided by the Federal Government, basic research which seems to improve our understanding of the fundamental scientific principles and processes, and provides the knowledge base which enriches our society. It also continues to look at the strategic interests of the United States and how we can promote those.

Moreover, the foundation is responsible also for model education and human resource development activities which seeks to stimulate improvement in science and math education. Boy, do we need it. I am glad that the funding will be there to continue to help the science foundation do that.

These goals of the agency remain of critical national priority, which hopefully will be sustained despite the impending reductions in discretionary budgets.

For FEMA, the Federal Emergency Management Agency, I ask unanimous consent that the figures related thereto be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Federal Emergency Management Agency

Fiscal year:	
1995 enacted	$821,907,000
1996 request	806,119,000
1996 House	694,937,000
1996 Senate	463,437,000

Let me say the committee's recommendation for FEMA ensures that adequate level of resources for retaining a strong and capable national disaster management system.

This is absolutely crucial as we see hurricanes, earthquakes, and other natural disasters affecting the American people. I am glad that FEMA—and which is now funding—is moving to a risk-based strategy which, of course, enables us to meet those concerns that will most likely affect American communities.

While no funds are provided for the disaster relief fund, approximately $7 billion is currently available, owing to the recent supplemental appropriations and Public Law 104-19.

However, Mr. President, this bill also has several warning lights for me. One is an absolute red light. That is the fact that this bill contains no funding for national service. National service creates an opportunity structure. It enables young people to earn credit for higher education while serving in their communities. What does that credit mean? It means that, if you work in a national service program, like AmeriCorps, you will earn a voucher that you can use to reduce your student debt. It gives help to those who practice self-help. It gives middle-class young people access to the American dream like their parents have, and it gives poor kids an access to the American dream by also working and working toward that.

This is very important because national service is exactly what we need. It fosters voluntarism. It rekindles the habits of heart. But it actually provides help to our young people with the biggest debt that they face when they graduate—their student loan debt which is their first mortgage. Without national service in this legislation, I cannot support the bill.

Also, another flashing light is in the area of veterans' medical care. This bill reduces veterans' medical care to $511 million below the President's request, and $327 million below the House level. This is another area that I cannot support.

This bill would also deny benefits to vets who become mentally and physically incapacitated. They served us during the wars, they served us unconditionally, and I oppose placing conditions on their earned benefits.

Our veterans did not hesitate to risk their lives for our freedom and independence. There should be no hesitation to fund their health. When they went to war we told them we would provide health care, and I believe promises made should be promises kept.

Another flashing light concerns EPA and the funding in this bill. EPA must be funded to protect environmental health and human safety. This bill funds EPA at $1.7 billion below the President's request. I believe it will hinder EPA's ability to do its job even though management reforms will be adopted and streamlined.

Finally, this bill removes HUD's authority to enforce the Fair Housing Act as it applies to the property insurance industry. This bill means that HUD will have difficulty in enforcing, investigating, and even hearing and referring complaints about property insurance discrimination.

I am opposed to this because removing this authority from HUD is really a step backward.

I will be offering amendments to address these concerns that I have just raised, and so will some of my colleagues.

In closing, I want to thank Senator BOND again for his hard work and his willingness. He wrestled with policy issues, and a very skimpy allocation. I again thank him for his cordiality in working with me, but also for his resourcefulness in trying to grapple with these fiscal and policy juggernauts that we are facing.

Mr. President, I look forward to the debate. I know that there will be debate this afternoon on some of the top issues facing us.

I now yield the floor.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

COMMITTEE AMENDMENTS AGREED TO EN BLOC WITH EXCEPTIONS

Mr. BOND. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc with the following exceptions, which I believe have been cleared on the other side. The exceptions are the amendments on page 8, lines 9 and 10, VA medical care; page 12, line 9, VA major construction; page 21, line 1 through page 22, line 4, VA administrative provisions relating to parcel of land in Wichita, KS, and VA supply fund; page 22, line 10 through page 34, line 24, HUD assisted housing, public housing demolition, and renewal accounts; page 38, line 24 through page 39, line 2, homeless assistance; page 44, lines 1–7 fair housing; page 45, lines 4–13, Office of Federal Housing Enterprise Oversight; page 51, line 3 through page 128, line 20, HUD administrative provisions; page 141, lines 5–12, Superfund general revenues; page 141, line 15 Superfund inspector general; page 141, line 20, Agency for Toxic Substances and Disease Registry; page 143, line 17 through page 151, line 10, water infrastructure/SRF; program and infrastructure assistance; and EPA administrative provisions; page 158, lines 13–14, human space flight and delayed availability of funding; page 168, line 12 through page 169 line 19, fair housing transfer to Department of Justice and Office of Federal Housing Enterprise Oversight transfer to Treasury; page 177, line 16 through page 178, line 5, EPA contractor conversion; Office of Consumer Affairs termination; and that the bill, as thus amended, be regarded for the purpose of amendment as original text, provided that no points of order shall be considered to have been waived with respect to the committee amendments adopted by this motion.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

So the committee amendments, with the noted exceptions, were agreed to.

Mr. BOND. Mr. President, I gather that Members seeking to amend those provisions which are excepted will have to seek the guidance of the Parliamentarian on asking that the other amendments be set aside. I leave that to their ingenuity, and yield the floor.

Mr. GLENN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER (Mr. CRAIG). The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2776 TO COMMITTEE AMENDMENT ON PAGE 158, LINES 13–14

(Purpose: To reduce the appropriation for the implementation of the space station program for the purpose of terminating the program)

Mr. BUMPERS. Mr. President, I ask unanimous consent that the pending amendment be set aside in order for me to offer an amendment dealing with the space station.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, there is no agreement on time. I discussed this with Senator MIKULSKI, and at some point, perhaps this afternoon, with the consent of the majority leader, we will be able to reach a unanimous-consent agreement. My preference would be to go for an hour or so this afternoon, but most of my colleagues who wish to speak on this side of this issue are out of town and will not return until the morning.

So I had hoped we could get an agreement to debate for 1 hour before the vote. I understand the majority leader wanted the vote immediately after the party caucuses tomorrow, and I have no objection to that. I would prefer the hour of debate take place after the caucuses, but I want to be cooperative with the majority leader, and I do not want to complicate his problem in scheduling the Senate.

Now, Mr. President, I call up my amendment on the space station.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS], for himself and Mr. WARNER, Mr. COHEN, Mr. KERRY, Mr. BRYAN, Mr. BRADLEY, Mr. FEINGOLD, Mr. LEAHY, Mr. KOHL, Mr. WELLSTONE, and Mr. SIMON, proposes an amendment numbered 2776 to committee amendment on page 158, lines 13–14.

Mr. BUMPERS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike lines 14 through 15 on page 158 and insert in lieu thereof the following: "$3,504,000,000, to remain available until September 30, 1996: *Provided*, That of the funds made available under this heading, no funds shall be expended on the Space Station program, except for termination costs."

Mr. BUMPERS. Now, just for opening, Mr. President, this amendment cuts $1,833,000,000 from the human space flight portion of the NASA budget, and it terminates the space station program.

Now, Mr. President, I guess this is about the sixth consecutive year I have stood here in an effort to kill this program. I do not do this every year because I enjoy it; I do it because I have a deep and abiding feeling, a passionate feeling that there is not anything wrong with this country except the priorities Congress has set for the Nation. When it comes to the space station, let me just begin by making a simple proposition for my colleagues.

If you think going to Mars is a highly desirable thing to do, even though in today's dollars it would cost $500 billion, then you should vote against this amendment. If you think determining how well the human body copes with long periods in space and that that is a sufficient justification for the space station, vote against our amendment. If you think the United States ought to equivalent of $25 million a day for the entire 10-year period the space station will be deployed—let me repeat that—if you think the benefits from the space station justify taking $25 million of taxpayers' money every single day for 10 years, vote "no" on this amendment.

If you think it is a wise use of the taxpayers' money to build something which indeed will be an engineering feat—not a scientific feat; please distinguish between the two; there is not any question, Mr. President, about our ability to throw this space station into space; we can do that; we may have a few calamities along the way, but we can do that—but if you think it is a wise use of the taxpayers' money to build something—you have heard that old expression, my mother used to say, "It is worth its weight in gold"? If you think that the space station is worth 25 times its weight in gold, vote "no" on our amendment.

If you think it is worth it to put this engineering feat in space with some idea of going to Mars and beyond—which I will prove to you categorically in a moment is the only justification for it—and that it is worth $12,880 of the taxpayers' money for every pound of water, chicken breast, supplies, or anything else we send up there—that is right. You can buy chicken at Giant for 59 to 69 cents a pound. For the space station, it is $12,880 per pound. If you believe all that, vote "no" on this amendment.

Now, Mr. President, Carl Sagan, is a well-known physicist and author, and I want to quote some of the things he says in a new book he has written.

Let me say at the outset that Carl Sagan favors the space station. I can understand why somebody of his stature and in his position would favor the space station. But a moment ago I told you the only justification for the space station is to explore Mars and beyond. And from Carl Sagan's new book, let me give you a few quotes:

> I would argue that if we are not eventually going to send people to worlds as far away as Mars, we have lost the chief reason for the space station.

If you want to argue with that, be my guest.

> A permanently occupied human outpost in Earth orbit, a space station, is far from an optimum platform for doing science, either looking down at the Earth or looking out into space or for utilizing microgravity. The very presence of astronauts messes things up.

Almost every physicist in the country, Mr. President, will tell you that doing research in microgravity with human beings on board is an oxymoron. You bump your head against the bulkhead, you take a step, you jar the space station and your experiment is lost.

Continuing to quote Dr. Sagan:

> A space station is also unnecessary for human exploration of the Moon. Apollo got there very well with no space station at all. . . . But the only substantive function of a space station, as far as I can see, is for long duration spaceflight.

Now, if this were country lawyer DALE BUMPERS, Charleston, AR, telling you this thing, I would not expect you to pay any attention to it. And Carl Sagan is not the only person I am going to quote. I am going to quote some of the most outstanding experts in America who agree with me.

Carl Sagan goes on:

> The only tangible and coherent goal of a space station is eventual human missions to near-Earth asteroids, Mars, and beyond.

And listen to this, I say to my colleagues:

> Historically, NASA has been cautious about stating this fact clearly, probably for fear that Members of Congress will throw up their hands in disgust, denounce the space station as the thin edge of an extremely expensive wedge and declare the country unready to commit to launching people to Mars.

Well, I would certainly hope Congress would do that.

In the past, the authorities at NASA have been very reluctant to talk about Mars, because when you talk about Mars, you have to talk about $500 billion in today's dollars. Is it not amazing our priorities around here? I do not want to get ahead of myself. I will come back to that in a moment.

Carl Sagan goes on, and I agree with him totally on this one and I think most people will, but they will not vote that way:

> There are other matters, clear crying national needs, that cannot be addressed without major expenditures; at the same time the Federal discretionary budget has become painfully constrained. Disposal of chemical and radioactive poisons, energy efficiency, alternatives to fossil fuels, declining rates of technological innovation, the collapsing urban infrastructure, the AIDS epidemic, a witches brew of cancer, homelessness, malnutrition, infant mortality, education, jobs, health care—there is a painfully long list. Ignoring them will endanger the well-being of the Nation.

I do not see how anybody could say that any better.

Mr. President, if you are one of these poor, innocent souls that has been deluded into believing that somehow or another we are going to do medical research in space, let me give you some more. This is Dr. Allan Bromley, Presidential science adviser, in a letter to the Vice President:

> The space station is needed to find means of maintaining human life during long space flights. This is the only scientific justification, in our view, and all future design efforts should be focused on this one purpose.

Further,

> The Federation of American Societies for Experimental Biology opposes using biological research as a major justification for the space station.

A quote from the American College of Physicians:

> We agree that much, if not all, of the money slated for the space station, the superconducting super collider—

This is before we killed that thing—

> SDI, defense intelligence, could be better spent on improving the health of our citizens, stimulating economic growth and reducing the deficit.

I could not have said it better.

And here is a statement by the American Physical Society from July 1994. The American Physical Society is 40,000 physicists. Virtually every physicist in America belongs to it:

> The principal scientific mission of the station is to study the effects on humans of prolonged exposure to a space environment. Medical researchers scoff at claims that these studies might lead to cures for diseases on Earth.

Dr. Rosenthal, Harvard Medical School, testifying for the American Cancer Society in 1994:

> Statements have been made and published to the effect that vital cancer research would be done in space, and that is cited as a reason for supporting space station funding. We cannot find valid scientific justification for these claims and believe it is unrealistic to base a decision on funding the space station on that information. Based on the information we have seen thus far, we do not agree that a strong case has been made for choosing to do cancer research in space over other critically needed research here on Earth.

Dr. Sean Rudy, Arthritis Foundation, before the Budget Committee of the House:

> Space station proponents have indicated that the space station will provide a first-class laboratory. We used to have first-class laboratories in universities and medical schools across this country. Reports by the NIH and National Science Foundation have indicated that over 51 percent of the biological laboratory research space is deemed inadequate for the conduct of research. Furthermore, the National Science Foundation report estimated that the capital construction backlog for laboratories on Earth is $12 billion. Should our priorities now be a first-class laboratory in space or correction of a longstanding deficiency in laboratories throughout the country?

James Van Allen, world-famous astrophysicist and discoverer of the Van Allen radiation belt around the Earth:

> There's been nothing that resulted from the manned space program, essentially nothing in the way of extraordinary pharmaceuticals or cures for disease or any extraordinary crystals which have revolutionized electronics. It's all false, it's not true.

That is not DALE BUMPERS talking, but Dr. James Van Allen, one of the premier astrophysicists of this century.

Mr. President, so much for life sciences. And then there is that thing about microgravity. Dr. Bloembergen of Harvard summed up, "microgravity is of microimportance." I am reluctant to continue reading what scientists say, but repeating Carl Sagan, "The very presence of astronauts messes things up." Dr. Allan Bromley again, Presidential science adviser, said,

> The human habitation of the space station is fundamentally incompatible with the requirement that microgravity experiments be unperturbed.

The Space Studies Board of the National Research Council:

> The Board believes specifically that more microgravity research progress could be achieved in a shorter period of time and at a fraction of the cost through an expanded program of Spacelab missions and of free flier experiments.

In short, you do not have to have a manned space craft to do microgravity research.

Mr. President, let us go to spinoffs. Everybody is always talking about what the spinoffs are going to be. I have yet to find anybody who says that the spinoffs are more than negligible. We have developed a space suit. There is no great demand for space suits in our Nation. There is, however, a great need to reduce crime, to feed the hungry, to educate our children, to house our people. But there is no demand for space suits.

As Carl Sagan said, "The spinoff justifications constitute an admission that the program cannot stand on its own two feet and cannot be justified by the purpose for which it was originally sold."

And listen to this one from the Wall Street Journal. I want all my opponents to scratch this subject out of their comments. They always make this point, and I want to kill it before it gets off the ground:

> Many widely believed origins of consumer products in the Apollo program are simply untrue. Tang, hyped by General Foods Corporation as a drink of astronauts, was first marketed in 1957. Velcro . . . was developed in the 1940's. And teflon . . . emerged from company labs in 1938, long before rockets cleared the Earth's atmosphere. So too, Corning Ware cookery hit the market several years before man reached space.

Now, Mr. President, there is an argument that we can grow protein crystals in space, or that we can do valuable research in physics by growing gallium arsenide metal crystals that could be used in manufacturing semiconductors. I am not going to continue reading to you, but I have quote after quote after quote saying: Totally false.

Just use your common sense, colleagues. I want you to get up in opposition to this amendment and tell me about all the medical advances we have gotten out of the billions and billions we have spent on the space program. Tell me what it has done for cancer, AIDS, multiple sclerosis, amyotrophic lateral sclerosis, arthritis. Tell me what single advance made in the last 30 years came out of space. The Russians have had space stations since the mid 1970's. They are lucky that one has not been knocked out of the sky by a piece of debris. Something could happen one of these days. We can only hope that, after spending $90 billion to deploy this thing, it will not be knocked out of the sky by a baseball-size piece of space debris.

When I talk about $94 billion for the cost of this thing, that is just this year's estimate. Last year, the estimate was $72 billion. It goes up monumentally every year. Do you know what it does not include? It does not include that 1-to 2-percent chance that one of the shuttles is going to meet with a major catastrophe. Do you know what else it does not include? It does not include the risk, as I said, of a baseball-size piece of debris hitting the space station, which is goodbye, adios, adieu, space station. No, the $94 billion figure assumes that everything is going to go perfectly. Who here believes that?

Carl Sagan wrote me a letter and told me—I think perhaps you all got the same letter—how excited the people were about "Apollo 13." I have not seen it. I understand it is a great movie, and I intend to see it. They were very brave men, but no braver than the one sitting near me right now, the first American to orbit the Earth. I consider JOHN GLENN one of the dearest friends I ever had, but he just happens to be wrong on this issue. Everybody is entitled to their own positions.

I will tell you all an interesting little anecdote. I was down at the Smithsonian one day and I saw that capsule JOHN GLENN orbited the Earth in, and I came back and I said to him, "JOHN, weren't you terrified? I would be scared to death to get in that thing." He said, "Well, to tell you the truth, I was sitting up their whistling. They had already scrubbed the flight a couple of times and I expected they would scrub it again. And then they said, 'You have 60 seconds,' and I did not have time to get scared."

I looked at that capsule with new admiration for my colleague, one of my dearest friends. When I saw those people retrieve the Hubble telescope, I was glued to my television set just as you were. And last week, the astronauts were out on the arm of the totem pole retrieving another satellite that had gone awry. These are magnificent, brave people. But, colleagues, that is not what this debate is about. We have a lot of brave people in the country who cannot find jobs.

But back to what you get out of it, I am just simply saying the American people have a right to expect us to do what is right for the future. The 1994 revolution, in my opinion, said: We do not believe your priorities are right. I can tell you, a lot of people who are on Medicare would not have voted the way they did if they had known Medicare was going to take a whopping $270 billion trouncing.

Carl Sagan said in his letter to me that he was for the space station because he believed in the exploration of space. So do I. He said he believed in it because it was a case of international cooperation with the Europeans, Russians, Canadians, and the Japanese. He thinks that is healthy. I think it is healthy for there to be international cooperation on anything, whether it is space, medicine, you name it. Let me tell you something, colleagues. In a perfect world, I would be for this. If we did not have a nearly $5 trillion debt and the threat of certain people in the U.S. Congress saying we are going to bring this country down—can you imagine somebody saying that? If the President does not do what we tell him to, this country is coming to a screeching halt.

Words should be measured very carefully because people pay attention and get justifiably frightened. It scares me to think that people in this body have the power to do that.

But let's look at the international cooperation on the space station: The Canadians and the Italians are cutting back; the Germans and the French are negotiating on what they want to do. The Russians, who intend to do a lot, will only do it if we give them the money. Russia does not have enough bread to feed its people so they are not going to be able to participate unless we give them the money.

I am not all that opposed to helping Russia. I want to do everything I can to help democracy work in Russia, and one of the best ways to make democracy work is to give people jobs and bread and something to eat. The reason they have the revolution is they did not have bread or food or anything to eat. I want to help them make it work.

Where is the Russian launch going to take place? It will take place in Kazakhstan. Kazakhstan is no longer a part of Russia. That is where their cosmodrome is. That is where their launch site is. It is not even in Russia. So talk about things that can go wrong, this one can go wrong.

I think about the problems here, and those that I mentioned a moment ago. It drives me crazy that Public Broadcasting is being cut dramatically. It drives me crazy that the National Endowment for the Arts and the National Endowment for the Humanities are being virtually eliminated, cut in half. Those are things that have a civilizing influence on our society, that would make us a little more cultured and therefore a little less likely to kill each other because somebody dented your fender at the stoplight.

The New York Times last week said that the demand for student loans is skyrocketing. Do you know why? Because tuition is skyrocketing. Everybody is saying how are these college kids who are getting out of school, how are they going to pay this debt back? They are loaded with big debt. So our answer is to cut student loans and that way they will not accumulate the debt in the first place. However, they will not get an education either.

Every one of the things I mentioned—from crime, to medical research, to education, to infant mortality rate, cutting health care for the elderly, cutting health care dramatically for the poorest of the poor, cutting money for the Environmental Protection Agency because they regulate things so we can drink clean water and breathe clean air—we are cutting. But we fund the space station.

Six Senators took a trip overseas about a month ago. We did not dare drink the water. We brushed our teeth with bottled water that we took with us. Fortunately, in this country we have made some progress in cleaning up our drinking water.

So what is our solution to the progress we have made? Two-thirds of the water is now swimmable, two-thirds of the water in the country is now fishable, whereas in 1971 only one-third was. So now the idea is to cut back on the regulation. So we, too, will have the opportunity to brush our teeth in bottled water until it runs out.

Just last Friday the House said we are going to cut the earned-income tax credit that poor working people use to stay off welfare, something the majority leader, President Bush, President Reagan, almost everybody, has applauded as the greatest program we have ever invented to keep people off welfare. What are they going to do with it? Whack it in half.

I talked to a woman the other day who works hard and does not make very much money. She told me how much money she made. I said, "How much do you pay for child care?" She said, "I pay $50 a week for one child," she is a single mother, "$50 for one child and $43 for one child." That is $93 a week. If you knew what she made, you would wonder how on Earth she is doing it.

Let me digress another moment to say we are not providing enough child care in the welfare bill to allow the people to go to work that we say have to go to work—50 percent by the year 2000. No woman is going to go to work and leave her children at home alone.

If you do not have child care, she will not go to work. She will sit home and starve. But the other thing, this woman gets no help. She works. She works 8 hours a day and sometimes longer and she works hard. She gets at the end of the year that earned-income tax credit which is oftentimes the difference between eating and not eating for families.

So what are we doing? We are dropping that program from a program that covers 20 million people to a program that covers 9 million in the House of Representatives and 11 million in the Senate. We will probably compromise at 10 million.

When it comes to cutting around here, if you are poor, it is easy to cut you because you do not have a PAC. You do not make campaign contributions and you do not provide jobs in your State. So it is easy to cut poor folks.

It is easy to cut the Environmental Protection Agency. It is obviously easy to cut student loans, though I thought that program was sacred. But we are cutting it.

We are cutting title 1, which is the program that is a remedial education program to give first graders a start in life—teaching them to read. We are cutting that.

But we are not cutting the *Seawolf*. We are not cutting the B-2 bomber. We are not cutting the space station. I know the Presiding Officer would be disappointed if I did not point out we are not going to stop giving away billions of dollars worth of gold underneath Federal land—the rankest form of corporate welfare.

I can say if you do not want to be cut around here, just make something that explodes and we will give you all the money that you want.

I give NASA credit for one thing. They took a leaf out of the Pentagon's book. They spread the contracts for the space station among 36 States. A person does not have to be a rocket scientist to know all you have to have around here are 26 States that have as many as 10 jobs, and you cannot kill it, because that is 52 votes.

So we have 36 States with a piece of the action. Do you know what is interesting? Eighty-three percent of this $94 billion goes to California, Alabama, Texas, and Florida. All the other 32 States are fighting for 17 percent of the money. But if there is $1 million in your State, that means you probably have 50 jobs.

People will come up on the floor and say, "I do not like the space station, and I would like to vote with you, but we have a few little jobs down in my State."

Mr. President, 44 States contribute more as a percentage of the tax burden for the space station—listen to this—44 States contribute more than they get back.

The thing that drove me nuts about the B-1 and the B-2 is they changed missions. When the cold war ended and we found out the B-2 was not as stealthy as we thought, we just said, "Well, we will make it a conventional bomber." All you have to do is change the mission to keep the money flowing. We also have now made a conventional bomber out of the B-1.

The space station had eight missions. Here they are. This is what we started out to do with the space station. Over a period of 10 years, we scrubbed it as a staging base; we scrubbed it as a manufacturing facility; we scrubbed it as a space-based observatory; we scrubbed it as a transportation node; we scrubbed making it a servicing facility; we scrubbed making it an assembly facility; we scrubbed making it a storage facility; and we are now down to the last possible mission, a research laboratory. And I just got through telling you that almost every physicist and physician in the country says that is palpable nonsense.

Let me show you some figures. Bear in mind that when Ronald Reagan made his great speech about how we were going to go build the space station, that was in 1984. Mr. President, just to remind you—and I know I do not need to; you were there. You heard President Reagan say we are going to build this space station, and it is going to cost $8 billion; 10, 11 years ago it was going to cost $8 billion. By 1994, we had already spent $11.2 billion. The construction of the project will cost $17.4 billion between 1995 and the year 2002, the magic year that we are going to balance the budget. But the money we have spent, the money we are going to spend in building it, you add to that the shuttle flights needed to launch it, service and use the station, $50 billion. And just to operate it for 10 years is $13 billion and station-related costs is $1.9 billion, for the total paltry sum of $94 billion.

What you get out of the eight missions is a space laboratory. The other seven are gone.

It is all a question of priorities and where your heart is, colleagues.

Here is what it is going to cost us over the next 7 years to build the space station and deploy it—$32 billion. Here is the tax cut we are going to give people who make $100,000 and more, $245 billion. A vast majority of these people are "them what has." We used to have an old expression in Charleston, AR: "Them that has gets." Two-hundred and forty-five billion dollars for that, and then a $58 billion increase over the next 7 years for defense.

What are we doing to accommodate all of this? We are going to cut Medicare by $270 billion and Medicaid by $182 billion. I promise you that I intend to vote against both, if those are the final figures.

We are cutting student loans by $10 billion at a time when the need for loans is soaring because tuition is soaring.

The earned income tax credit, which I mentioned a moment ago, we are cutting by $23 billion; other domestic programs by $188 billion, so that we can increase defense by $58 billion and fund the space station.

When are we going to learn that our national security does not just depend on how many tanks, planes and guns we have? It has nothing to do with the space station.

As an aside, I stood on this floor a few weeks ago and debated creating yet one more method of financing foreign arms sales. In the 1980's, Mr. President, we sold about 20 to 25 percent of all the arms sold in international commerce. In the 1990's, we have gotten up over 50 percent.

We already have four methods of financing foreign arms sales. And the Defense appropriations bill comes in here and approves yet a fifth method of financing foreign arms sales to some of the countries that are most likely to default. And, if that happens, the taxpayers will pick up the tab.

Mr. President, what does it take to kill a program? I do not know. I believed when I came here that one Senator could make a difference. There have been a few times that I have been able to make a difference. It was a very difficult thing for me coming from the Governor's mansion to the U.S. Senate where you have to introduce bills, hold hearings, finally get it passed through a subcommittee, get it passed through the full committee, and hope to get it on the floor and send it over to the House where it goes through the same procedure, and then the President may veto it. That takes about a year. But when you are a Governor, you can just sign your name occasionally and make something happen. I used to go home at night about 50 percent of the time immensely gratified for something which I had signed my name to that day that I knew was going to happen. Here it is totally different.

I am not going to belabor this any further. I have said about all I can say. There are a lot more quotes that I could use.

But I am asking you to search your own conscience. If you were debating this on national television, how do you think it would come out? If you were debating mining land reform on national television, how do you think it would come out? Everybody knows how it would come out—about 90-10 to fix mining law. The space station would be a little bit closer. But, you see, there will not be a national television debate. We will all go home and tell the chamber of commerce that the hardships they are enduring and all the cuts we had to make in their health care and education programs was to balance the budget by the year 2002. And they will never really know why their lives grow more precarious and why they are more unsettled, and why they think affirmative action, or gays in the military, or prayer in school, or term limits, or desecration of the flag are really their problems. As long as you can keep them talking about those things and divert their attention from the real problems in the country, you have a winner. So far it has worked magnificently.

The reason is because they work for a living. They do not have time to keep up with what we are doing.

So when you say, "We had to do this for you, we had to liberate you from welfare, we had to do all of these things to balance the budget," you have no choice but to believe it.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. NICKLES). The Senator from Ohio.

Mr. GLENN. Mr. President, probably about 90 or maybe even 95 percent of the time around here the Senator from Arkansas and I agree and agree wholeheartedly. He stated that correctly. We are friends. We are close friends. I do not know anyone here I consider more a friend than the Senator from Arkansas. If the Senate of the United States has anyone who deserves the title of being an accomplished orator, it certainly is the Senator from Arkansas.

So we do normally agree on things and we are close friends, but every year we seem to lock horns on this particular issue and we go at it on this because I am profoundly in disagreement with him on the amendment that he has put forward today.

I rose in the Senate in early August, and I made a statement that covered some of the benefits of NASA-funded research including the space station. I talked about the need for curiosity. All advancement in humankind, wherever it is, comes because someone is curious, someone is curious about how you can do things differently, how you can do things better. Can I invent something? Can I make an improvement in medical science? Can I do something in engineering? Can I do something in agriculture?

That curiosity is at the heart of all progress and at the heart of what makes this country great, because we throughout our history have invested more in basic research and technology than any nation. Out of that has come the technological leadership of the whole world.

In my August 1, 1995, statement I talked about advances in agriculture. When I was a kid back in Ohio, 48 to 50 bushels was a good corn crop. We had the record corn crop in Ohio, 239 bushels, last year in part because our country invested in basic research.

I talked then about metals and about aerodynamics. The Federal Government funded basic research in these areas which permitted the growth of the aviation industry in this country and our leadership in the world. And I spoke about research in medicine as well as research in space and telecommunications.

Mr. President, we have a very basic question, it seems to me, and that is, who is going to be responsible for the class of 2015 or 2025 or 2050? Any great nation invests in the future for its children. One organization we have in Government that is setting out to do the 10-, the 15-, the 25-year research more than any other agency really is NASA.

Twenty years ago, we invested in a number of different things—digital technology, a number of things that some people thought were foolish to put money into, but we went ahead with it. And now we have a number of advances relating directly from that investment, including better imaging for medicine. Let me explain. We were able to apply some of that digital technology to the Hubble telescope. Some digital technology was developed especially for the Hubble, to enable astronomers to distinguish very minute points of light. We applied this technology, and some associated computer enhancements to medical imaging. And it turns out that we are now able to detect breast cancer tumors five times better than we used to be able to do. This was an unexpected benefit from the much-maligned Hubble telescope. This shows the potential payoff from long-term research—from preliminary Federal investment in basic research on digital technology to application on the Hubble to application in breast cancer detection.

In this country, we have been fortunate to have a balance in research up until recent years. And that balance was between Government and private investment, where major American corporations put forward, sponsored their own research laboratories, and did fundamental basic research, the 8-, the 10-, the 12-, the 15-year projects that they did not expect to get immediate market-oriented payoffs from.

Now we find that going down. Businesses are not making as much investment in basic research. And the Federal Government too, if some have their way, will reduce its investment in basic research. The balance we had with private and Government basic research, where the Government would take on the more risky projects, those that were less guaranteed of immediate success that would benefit the marketplace, is now going down. In the past, the Government took on such things as the Manhattan project, things that moved us ahead in nuclear weaponry and our nuclear knowledge in general in this country. But there was that kind of balance back and forth between private and Government research projects. And now that has gone down.

I would like to quote liberally from a Wall Street Journal article written by Gautam Naik, a staff reporter to the Wall Street Journal, an article that was published in May of this year. He talks about:

> In the late 1980's, Bob Lucky had what he calls "a great fantasy." As a researcher at AT&T Corp.'s celebrated Bell Labs, he was designing a silicone robot the size of a grain of sand. Injected into the human body, it would act as a microsurgeon, traveling to specific locations to fix problems.

He goes on to say he was proud of that. "The benefits to society could be tremendous," but they scrapped that project "because it had no bearing on its main business." Mr. Lucky, who was a 31-year veteran, is now at a different company.

"Chasing far-out notions," the Journal goes on to say, "has been a hallmark of industrial research in America. But some of the biggest U.S. corporations have cut back sharply on research into 'basic science'—the exploration of how nature works at a fundamental level." And now they are pursuing "short-term goals to commercialize products more quickly."

The following quote from the article startled me: "Corporate labs, home to 75 percent of the Nation's scientists and researchers, are replacing a cherished culture of independence with a results-oriented approach."

"In past decades, the devotion of basic research without regard to boosting the bottom line spawned a steady stream of breakthroughs, including the transistor, the solar cell and the forerunner to today's laser—all at Bell Labs." Now they are cutting back. Cutbacks have taken a toll. "Some disillusioned scientists have fled to academia," and so on. And "already, U.S. companies are falling behind in advanced data-storage devices and technology for oil exploration," as one example. The short-term response, he says, has to keep the stockholders happy.

"The National Science Foundation," the article continues, "calculates that U.S. spending on basic research declined slightly to $9.7 billion in 1993 and didn't rise last year.

"In a survey by R&D Magazine, half of all companies with 'research and development' budgets of $50 million or more plan to cut spending this year, for a 3.5 percent decline overall. (About 10 percent of the R&D budget is typically devoted to basic research.)"

These are startling figures because the United States, instead of going ahead with the goose that has laid the golden egg in this country, basic research, that has given us the new handle on the future, is cutting back, cutting back in a tremendous way.

Mr. President, I ask unanimous consent that this entire article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, May 22, 1995]

Technology—Corporate Research: How Much Is It Worth?

(By Gautam Naik)

In the late 1980s, Bob Lucky had what he calls "a great fantasy."

As a researcher at AT&T Corp.'s celebrated Bell Laboratories, he was designing a silicon robot the size of a grain of sand. Injected into the human body, it would act as a microsurgeon, traveling to specific locations to fix problems.

"I was damn proud of the stuff we did. The benefits to society could be tremendous," Mr. Lucky says. But AT&T scrapped the RESEARCH because it had no bearing on its main business. Mr. Lucky, a 31-year veteran of Bell Labs, is now at Bellcore.

Chasing far-out notions has long been a hallmark of industrial RESEARCH in America. But some of the biggest U.S. corporations have cut back sharply on RESEARCH into "basic science"—the exploration of how nature works at a fundamental level—to pursue short-term goals and to commercialize products more quickly. Corporate labs, home to 75% of the nation's scientists and researchers, are replacing a cherished culture of independence with a results-oriented approach.

In past decades, the devotion to basic RESEARCH without regard to boosting the bottom line spawned a steady stream of breakthroughs, including the transistor, the solar cell and the forerunner to today's laser—all at Bell Labs. Now, in the 1990s, the cutbacks are taking a toll. Some disillusioned scientists have fled to academia. Already, U.S. companies are falling behind in advanced data-storage devices and technology for oil exploration.

Some experts worry the shift is an even greater threat to the future. "It's a shorterm response aimed at keeping stockholders happy. Without question this will hurt American competitiveness," warns Albert Link, an economics professor at the University of North Carolina at Greensboro.

Companies counter that as competition intensifies and technology accelerates, they must push harder to get more direct value out of their RESEARCH. "We need to focus on customers' needs," says Daniel Stanzione, who has hammered at that doctrine since becoming president of Bell Labs in March. A former president of AT&T's $6 billion public network equipment division, he is the first hard-core business manager to run the famed RESEARCH arm.

The National Science Foundation calculates that U.S. companies' spending on basic RESEARCH declined slightly to $9.7 billion in 1993 and didn't rise last year. In a survey by R&D magazine, half of all companies with "RESEARCH and development" budgets of $50 million or more plan to cut spending this year, for a 3.5% decline overall. (About 10% of the R&D budget is typically devoted to basic RESEARCH.)

Those figures mask far more significant cuts in some areas. Among U.S. makers of communications gear and electronics, spending on basic RESEARCH dropped 64% between 1988 and 1992 to $350 million. Even government-funded basic RESEARCH at universities and colleges, which has risen in the last five years, is expected to fall slightly in 1995, according to the National Science Foundation.

International Business Machines Corp. has chopped $1.7 billion from its annual R&D budget since 1992, a 33% reduction to $3.38 billion by last year. In the science-oriented RESEARCH division, annual spending has fallen to $450 million from $625 million in 1990. The staff of scientists has been cut nearly 20% to 2,600; the number pursuing basic RESEARCH is down by half to 200.

In the 1980s, IBM labs explored the subatomic mysteries of neutrino particles. In the 1990s, an IBM lab perfected the collapsible "butterfly" keyboard in just a year; it might have taken seven years in the old days. Impressive, but keyboards are hardly the stuff of high science.

Bernard Meyerson, an IBM fellow and senior manager at the IBM lab in Yorktown Heights, N.Y., says that despite the reductions, "core RESEARCH was preserved." But he concedes that cutting back is "a dicey process" because "you won't see the impact of funding cuts until it's too late."

Elsewhere the changes have been subtle but no less significant. Xerox Corp.'s PARC lab, which invented laser printing and on-screen icons, now gets detailed "contracts" from the company's product divisions directing its RESEARCH. At GENERAL Electric Co., the portion of R&D spending devoted to long-term projects is down to 15% from 30% in the 1980s.

Such changes are sweeping Bell Labs, perhaps the most famous lab in the world. AT&T still devotes 10% of its annual $3 billion R&D budget to basic RESEARCH, but ever bigger chunks will be shifted away from physical science—the lab's traditional strength—to information science, which is closely tied to AT&T's core business. Bell Labs managers used to be promoted solely on the basis of technical achievement. Now they must also display business acumen.

"That wonderful culture at Bell Labs" is disappearing, laments Phillip Griffiths, director of the Institute for Advanced Study in Princeton, N.J., one of the last strongholds of purely theoretical RESEARCH in the U.S.

It is difficult to quantify what may be lost because of such shifts. Fiber optics, for one, might have been delayed for decades if not for fundamental discoveries made at Bell Labs, GE and IBM. In the early 1960s, scientists stumbled on a curious find: Gallium arsenide was a natural laser. When they zapped an electrical current through it, it emitted an intense beam of light, thus making practical the laser that was first demonstrated by Hughes Aircraft in 1960. Scientists realized this "semiconductor injection laser" could be manipulated to transmit vast amounts of data at nearly the speed of light.

As many big U.S. companies are backing away, some foreign concerns are pushing on. Major high-tech companies overseas increased R&D spending 23% from 1988 to 1993, says Schonfeld & Associates of Lincolnshire, Ill.

At NEC Corp.'s RESEARCH Institute in Princeton, N.J., about 30 miles from Bell Labs' campus, scientists delve into condensed matter physics, quantum mechanics and biology. Joseph Giordmaine, a physicist, put in 28 years at Bell Labs but bolted for Japan's NEC in 1988.

Now, as a senior vice president, he presides over some truly far-out projects. In one, a fly, its limbs affixed in wax, is set before a TV screen flashing a series of images. A delicate probe connects a single neuron in the fly's brain to an instrument that measures how fast it registers the TV images.

The RESEARCH may one day yield insights into how to design a super-fast computer. "Basic RESEARCH means you have to be able to take risks and accept failure," says Mr. Giordmaine.

Greg Blonder, who invented the wristphone at Bell Labs, has spent most of his career studying physical sciences and their role in future technologies. In January, he switched to "human-centered engineering," aimed at making AT&T products more "customer friendly."

He admits to nostalgia for bygone days. "There's no thrill equivalent to the feeling when you discover something late at night, and you know that no one else in the universe knows it." he says. "I miss that."

Mr. GLENN. Mr. President, I will not go on to read all of this, but it goes on and gives examples of different companies, but it also indicates how foreign countries, foreign nations are putting more into research. And it indicates that NEC, a Japanese concern, has an institute now, an NEC Corp. research institute, in Princeton, NJ, about 30 miles from where Bell Labs' campus is located, and there the scientists are delving into condensed matter physics, quantum mechanics, and biology. And some of these scientists from some of the other laboratories that used to be our standard bearers in this country are now over there working for a Japanese corporation to continue basic fundamental research.

Well, I will not belabor the point any further except to say that I think it is a tragedy when we cut back in private investment also at the same time we hear proposals to cut back in what we spend on research at the Federal level. We have seen attacks in those areas all the way through the budget process this particular year.

There is another article. I would ask unanimous consent that the article by Brenda Forman called "High-Risk, Basic Research Is Critical" be printed in the Record, Mr. President.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From Space News, July 17–23, 1995]

High Risk, Basic Research Is Critical

(By Brenda Forman)

If Congress applied the same logic to families as it is applying to federally funded university research, it would decree that nobody have children.

Children and basic research both represent large, up-front investments over a protracted period of time with absolutely no guarantee of any return—although the payoffs, when (and if) they come, can be spectacular. A risky, dubious gamble, right? Obviously one that any savvy investor or deficit-minded congressman set on an early return and a dependable product should avoid at all costs.

But without children, there is no future. And without high-risk, basic research unrelated to specific products or bottom lines, the reservoir of technological advances on which the country's current prosperity and power is based will run dry in an alarmingly short time.

It is both ignorant and self-deluding to think that the United States can get better results from its research investment by insisting that research be focused on specific, practical, immediately identifiable applications. That is simply not how the big breakthroughs happen.

As little as human conceit might wish to admit it, the truly fundamental discoveries seldom occur where we have decided to look.

Instead, they have a curious habit of turning up on accidental bypaths when researchers were looking for something else entirely.

A long list of this century's major technological advances have been made this way and Americans are coasting on their momentum to this day—penicillin, X-rays, the enabling advances that made transistors and DNA fingerprinting possible, not to mention the ubiquitous Post-It.

Meanwhile, decades of research and uncounted millions of dollars determinedly focused on a cancer cure have failed utterly.

Reviewing the history of technological prediction should chasten those who would imagine that research can be consciously directed to produce breakthroughs. In retrospect, such predictions can border on the hilarious.

Remember how World War I commanders insisted there could never be a combat role for aircraft? Remember how IMB was once told it could only expect to sell about 30 computers? Remember how Arthur D. Little told the inventor of Xerox there was only a market for about 500 of his machines? Remember how the computer was going to create the paperless office? Then tell me how we expect politicians—or anybody for that matter—to predict where research should best be focused.

The hard truth is that major advances occur when somebody gets both curious and lucky—and also has the resources to pursue their hunch. Congress is now withdrawing that third essential factor. The result will be a classic case of penny wise, pound foolish: in return for a largely trivial budget reduction, the country will forfeit much of its potential future wealth.

Of course, the damage probably will not be all that apparent before the next re-election campaign and so possibly few members of Congress will care. But they should. Such effects are like termites: they undermine a structure for a long time before the house begins to buckle, and by then the damage is irreparable.

It is equally illusory to decree that universities should confine themselves to purely basic research, leaving such things as engineering research to unidentified others. There is no such thing as purely basic research—what is basic in one context can turn into applied in another. Trying to draw such artificial dividing lines between interrelated and intimately interwoven research areas sounds rather like establishing union-style rules and rigid job definitions for scientific research. Industry is increasingly moving to eliminate such obstacles to productivity and flexibility on the factory floor. It seems oddly retrogressive to try to institute them now in the world of research.

It is also purest fantasy—if indeed not just plain cynicism—to expect the private sector to fill the gap left by Congress' gutting of government investment in basic research. No corporation required to fulfill Wall Street's merciless insistence on continuous quarterly growth can afford to invest in such risky, speculative, long-term ventures with no immediate, identifiable positive impact on its bottom line.

When you get right down to it, this is the government's job, and Congress is shirking it.

Of course, Americans will probably persist in having children (people are buying junk bonds again, too) but if we pursue our present course in science and basic research, those kids will not live as well and will occupy a weaker and less confident position in the world of the coming century. That looks to me like a remarkably odd example of the current Congress' vaunted family values.

Mr. GLENN. Mr. President, what she points out in this article is much the same as what was pointed out in the Wall Street Journal article. It is a recounting of what is happening in American industry.

And she says in that, and starts off—I was rather taken by the analogy she makes. She says:

> If Congress applied the same logic to families as it is applying to the federally funded university research, it would decree that nobody have children.

Who knows what the outcome of a child being born is? You do not really know for sure.

> But without children, there is no future. And without high-risk, basic research unrelated to specific products or bottom lines, the reservoir of technological advances on which the current country's prosperity and power is based will run dry in an alarmingly short time . . . As little as human conceit might wish to admit it, the truly fundamental discoveries seldom occur where we decided to look. Instead, they have a curious habit of turning up on accidental bypaths when researchers were looking for something else entirely . . . [Things like] penicillin, X-rays, the enabling advances that made transistors and DNA fingerprinting possible.

Those things occurred when people were looking for something else when they were doing basic research.

Mr. President, at a time when both the private and Federal investment in science, research and development is declining, we truly do have to ask ourselves, Who is going to be responsible to the students graduating in the class of 2015? Quite simply, the international space station is the next logical step along with other efforts in our journey into space and our investment in the future, our investment in research for the future. Along with that, the station is also the largest international scientific cooperative effort ever undertaken.

The space station is being built right now. We have over 25 tons, 50,000 pounds of flight hardware has already been fabricated here in the United States. It is already built. The first launch is on schedule, still on schedule for late 1997, with the station permanently manned in 2002.

I would add that in addition to those 50,000 pounds of American equipment already fabricated, already built, we have over 60,000 pounds by our international partners. So, with the space station weighing over 400,000—just about 400,000 pounds—we have over one-fourth of the station already built, already prepared, more coming out every day.

Contrary to what was said earlier, the space station will provide a world-class, permanently occupied laboratory in Earth orbit. Research will be conducted on the station in a whole range of scientific disciplines, including biotechnology and biomedicine, material science, combustion science, and other areas.

This will truly be a science and technology institute in space. It is the promise of research on this international space station. The science and technology institute in space will have specialty areas of biotechnology, physiology, material science, combustion science, physics, and biology on the space station. And to carry that out there have been cooperative efforts between NASA and NIH. We have U.S. space station research facilities that will be used by other nations as well as ourselves.

You know, control over gravity is something we have not been able to have throughout the whole history of the world. I remember when I was a boy back in New Concord, OH. It was great to get up in a big oak tree down on a little cliff. I thought it was great. You were sort of almost going out of this world at that point, it seemed to me, you were so high up. Little did I know I would be able to fly later on, get farther off the ground and farther up in space. It has been a whole progression ever since the Wright brothers of how high we can go and use our new capabilities to do basic research.

But now, all at once, control over gravity will allow scientists to explore the natural world in unprecedented ways. All life on Earth, including human life, has evolved under the direct influence of gravity. The space station provides scientists the laboratory they need to explore the role that gravity plays in the cycle of life from conception through old age. On the space station scientists will explore the systems of the body ranging from muscle and bone to the immune system under low-gravity conditions that are unique, not only in the history of biomedical research, but also in the history of all life on Earth.

On Earth, gravity limits our ability to explore and understand the fundamental principles that govern basic physical processes. Even such things as burning of fuel, the solidification of metals, the growth of crystals, space station research promises to expand our understanding and control over these processes that are vital to the economic health of our country. Using just the 7- to 14-day low-gravity opportunities that have been afforded by space shuttle flights, orbital researchers have already begun to deliver a steady stream of scientific and technological insights that are strengthening the U.S. economy and improving the quality of life on Earth for generations yet to come.

The space station will allow researchers from the universities, industry, and Government to expand the promising research begun on the space shuttle by conducting high-quality science and technology experiments year round.

Space station will support global environmental observation, high-energy astrophysics research. The international space station represents only one-seventh of 1 percent of the Federal budget, about 15 percent of the NASA budget, but one-seventh of 1 percent of our national budget. I think that is a good investment.

Now, a little more detail. I mentioned biotechnology. By studying protein crystals and protein crystal growth, orbital research enhances our ability to accurately describe proteins and enzymes and viruses at the molecular level. This ability, coupled with research on these fundamental building blocks of life, will enable scientists to develop new drugs and vaccines more quickly and effectively.

Space station researchers will study the processes that control the growth of human tissues outside the body called tissue culture. Future research may lead to an improved understanding of normal and abnormal tissue, cancerous tissue, with important implications for the development of new drug therapies and applications for transplant research in the physiology.

Space research provides unique insights into how the heart and lungs function, the growth and maintenance of muscles and bone, perception, cognition, and balance in the neurosciences, and the regulation of the body's many systems in regulatory physiology.

In combustion science, scientists use low gravity to simplify the study of complex combustion processes. Because combustion is used to produce 85 percent of Earth's energy, even small improvements in efficiency will have large environmental and economic benefits.

In material science, researchers use low gravity to advance our understanding of the relationships among the structure, the processing, and properties of materials. Findings in material science have very broad applicability to industrial processes, including the production of semiconductors, glass, metals, alloys, polymers, and ceramics.

Fluid physics: Researchers use low gravity to study the properties and behavior of fluids, liquids, gases and mixtures.

Fundamental knowledge of fluid behavior is essential to industrial activities, ranging from energy production to materials engineering.

Microgravity physics: Scientists use low gravity to test fundamental theories of physics with degrees of accuracy that far exceed the capacity of Earth-bound science.

Physics in low gravity expands our understanding of changes in the state of matter, including those changes responsible for high-temperature superconductivity. If we make major breakthroughs in that area alone, it will likely be worth the expenditure on the space station in my opinion.

Gravitational biology: Scientists study gravity's influence on the development, growth and internal processes of plants and animals. Their results expand fundamental knowledge that would benefit medical, agricultural, and other industries.

I mentioned first in that list of things we are looking at biotechnology. Let me give more detail on that.

Protein crystal growth data from space that can revolutionize pharmaceuticals in the 21st century. Rapid advances in biotechnology, combined with enhanced data from protein structures, promise to revolutionize the pharmaceutical industry.

Researchers seek to design the structure of proteins and ultimately to design drugs that interact with them. Penicillin is a well-known example of a drug that works by blocking a protein's function. In order to define protein structure with precision, researchers analyze protein crystals. Unfortunately, many Earth-grown crystals have flaws that limit their usefulness as data sources, or they are just plain too small to provide adequate data.

Orbital experiments provide researchers with superior protein crystals for analysis and also help scientists understand the fundamental concepts about the crystallization process. These are things that they cannot do the same on Earth. This information can be used to improve crystallization techniques on Earth, in fact.

Researchers will soon use enhanced data on protein structure derived from space station research to design a new generation of drugs to target a long list of specific diseases. These drugs promise to revolutionize health care, and orbital research will feed this revolution with the protein structure data that it needs.

NASA researchers have already used space shuttle missions to produce protein crystals for a variety of clinical conditions, including cancer, diabetes, emphysema, and immune system disorders. These space-grown crystals were far superior to any crystals grown on Earth for revealing the structures of protein and supporting the development of drugs.

Examples: Recombinant DNA human insulin. The Hauptman Institute in Buffalo, in collaboration with Eli Lilly & Co., has obtained an improved description of human drug concept based on space-grown crystals. To those who say nothing has come out of the program, that is just not true. They are currently working on a design of a nontoxic drug that will bind insulin, thereby improving the treatment of diabetic patients.

Porcin elastase. Elastase is a protein which is involved in emphysema. The refined structure of this protein was obtained using space-grown crystals. Vertex Pharmaceuticals is designing drugs based on this data to improve treatment for emphysema.

HIV, the virus that causes AIDS. NASA is supporting the microgravity crystallization of HIV reverse transcriptase, a critical enzyme for viral replication, and it is believed that this research will better define the enzyme structure so that effective pharmaceuticals can be developed to inhibit the HIV virus.

The structural biology research group at Marshall Space Flight Center, NASA's center of excellence in biotechnology, was the first to publish the structure of a major human antibody that recognizes the AIDS virus.

Human serum albumin, HSA, is a primary binding protein in the blood and is responsible for distributing drugs throughout the body. Eli Lilly & Co., again, is using this structural information from space-grown crystals to design drugs that exhibit improved interactions with HSA, the human serum albumin. The potential impact of this HSA structure on drug design and delivery is enormous.

Protein crystal growth promises a pharmaceutical revolution. Biotechnology is broadly defined as a set of techniques for rearranging and manufacturing biological molecules, tissues and living organisms.

This field is one of the most dynamic segments of our high-technology economy. Armed with the advanced techniques of biotechnology and detailed data on the structure of key proteins, researchers are already creating new generations of drugs. Researchers use data on the structure of proteins to design drugs at the molecular level that will interact with specific proteins and treat specific diseases.

This approach promises to produce superior drugs for a wide range of conditions and may replace the trial-and-error approach to drug development that has been the rule for centuries.

The international space station will become one of the world's premier sources for critical data on protein structures needed for this new method of drug development. In addition, the space station will be used to study and understand the physics involved in protein crystals in order to overcome the difficulties which currently limit much of this research on Earth.

Let me list the companies that are involved with this. These are companies that not only interested, they are cooperating, they are putting their own money into this kind of research: Schering-Plough of New Jersey; Eli Lilly in New Jersey; Upjohn in Michigan; Bristol-Myers Squibb in New Jersey; SmithKline Beecham in Pennsylvania; BioCryst in Alabama; Du Pont Merck in Delaware; Eastman Kodak in New York; and Vertex in

Massachusetts are working with NASA's center for macromolecular chrystallography to produce high-quality protein crystals for new drug development.

Researchers have already used space shuttle missions to produce superior protein crystals for research on clinical conditions including cancer, diabetes, emphysema and immune system disorders.

Can I claim we have the answers in all those matters at this point? No, I cannot, but I certainly can claim that we are on the way with a whole new approach in research because of the protein crystal growth that has already occurred.

In collaboration with Eli Lilly & Co., the Hauptman Institute of Buffalo, NY, is using data from space on human insulin to design a drug that will bind insulin, thereby improving the treatment of diabetic patients. NASA is supporting space research on an enzyme that the HIV, the virus that causes AIDS, needs to reproduce. This research seeks to better design the enzyme structure so that effective pharmaceuticals can be developed to inhibit the HIV virus.

The pictures of some of the protein crystals that have been grown in space show that they come out several times larger than they do in similar growth attempted on Earth. It means they are easier to deal with, easier to define, easier to work with for the researchers on Earth.

Another area in which work is going on: I was at Houston not long ago, just before the flight of STS–70, the so-called "Ohio flight," where four out of the five members of the flight crew were from Ohio. One of the pieces of research equipment they were taking up was called a bioreactor. Let me talk about that for just a moment.

Growing tissue samples, tissue culturing is one of the fundamental goals of biomedical research. Scientists use laboratory containers called bioreactors to grow or culture samples of body tissues. Scientists could use cancer tumors and other tissues that are successfully grown outside the body to test and study treatments, like chemotherapy, without risking harm to patients.

These tissues from bioreactors will also offer important medical insights into how tissues grow and develop in the body. NASA engineers have already created breakthrough technologies for cell culture research on the ground and major breakthroughs can be expected once time on the space station becomes more available, and they have already done some of the first work on flights.

NASA-developed bioreactors have already produced the first 80-day lung culture, the first normal human intestine culture, and major breakthroughs in the quality of cancer tumor cultures. Those superior tissues may be grown in Earthbound bioreactors when compared with traditional cell culturing techniques. There are still limits on Earth to the size and quality of the tissue. What the scientists are doing on the space program, they believe that far superior tissues can be grown in the extended microgravity afforded on the space station, and preliminary tests on the space shuttle support this idea. They show that the theories appear to be correct.

In the long term, tissues cultured outside the body then may be used directly for replacing damaged tissues or treating diseases or eventually replacing organs.

Some of the highlights of recent research: Dr. Jeanne Becker of the University of South Florida has applied NASA technology to create a breakthrough in culturing ovarian cancer tumors for cancer research. Dr. Josh Zimmerberg of the NIH National Institute for Child Health and Development is using NASA developed bioreactors in NASA-funded resident technical staff to pursue the AIDS research goals under a 1994–98 NASA NIH joint venture.

Dr. Lisa Freed of the Massachusetts Institute of Technology is using a NASA bioreactor to grow cartilage cells on biodegradable scaffolds. Her work shows a clear prospect for using the space station to produce models and transplantable cartilage tissues that could revolutionize treatment for joint diseases and injuries.

I mentioned the flight of STS–70. I was there with the crew when they were building up for this flight in July of this year. In July of this year, a NASA bioreactor flew to orbit aboard the space shuttle *Discovery*. The primary purpose of this experiment was to test the performance of the bioreactor, which worked successfully. Poorly differentiated human colon carcinoma cells were grown in a bioreactor aboard *Discovery*. Their growth was compared with that of similar cells in a bioreactor in normal gravity, as well as in conventional, two-dimensional tissue cultures. The space-grown clusters of cells were approximately twice as large as the ground-based samples. But the significance of this must be determined by much study on the ground and many more data points from the space experiments. Ground-based analysis by Dr. J. Milburn Jessup of the Harvard Medical School will address the histology of the specimens and the production of specific protein such as CEA.

NASA and NIH have signed agreements on biomedical research. NASA and NIH have recently signed an agreement that will combine the unique talents and experience of both agencies in biomedical research and exploit NASA's bioreactor technology to produce three-dimensional tissue cultures for laboratory research. This agreement will increase the capabilities of biomedical researchers throughout NASA by transferring NASA technology to NIH and establishing a center within the National Institute of Child Health and Human Development.

The new center will teach this new technology to hundreds of neighboring NIH intramural laboratories that currently employ other tissue culture techniques as part of their ongoing research.

The initial goal of the agreement is to engineer a human lymph node model for AIDS research and then to extend the use of this technology to a broad spectrum of tissues available at NIH. This collaborative effort will enable researchers to culture tissues previously deemed too complex for current tissue culturing technology.

To accelerate the development of this critical tissue culturing, technology research grants were recently awarded under the NASA research announcement. Included in the selections are support for two research centers located at the Massachusetts Institute of Technology at Cambridge, and the Wooster Institute in Philadelphia, that will transfer the NASA bioreactor technology for culturing three-dimensional tissues to university researchers. These centers expand the pace of technology transfer in the biotechnology areas begun when NASA and NIH established a joint cooperative program within the NIH Institute for Child, Health and Human Development to exploit the NASA-developed bioreactor technology.

Dr. Jeanne Becker has pointed out that it has a potential particular benefit for cell culture research and breast cancer research. Techniques developed for use in space have advanced the state of the art for growing ovarian and breast cancer samples in the laboratory, leading to progress in women's health. Why is it important to focus on ovarian and breast cancer? Well, as a result of better forms of treatment and improved means of early diagnosis, overall survival rates from cancer have doubled since the early 1900's. However, breast cancer and ovarian cancer continue to be responsible for over one-third of all cancer in women.

Recent statistics indicate that one in nine women will be diagnosed with breast cancer during her lifetime. Although screening mammography has contributed significantly to the early detection of breast cancer, survival rates for this disease have remained relatively unchanged for over a decade. Equally discouraging is the fact that current survival for ovarian cancer is nearly the same as it was over 30 years ago, with a 5-year survival rate of 39 percent. These statistics underscore the need for more research in these areas and the use of improved technologies to better study these diseases which destroy the lives of so many women.

For more than three decades, humankind has benefited from new technologies derived from NASA-sponsored research, including studies focused on several areas pertinent to women's health. Now, through a joint collaboration between NASA and the University of South Florida, research focused on the development of three-dimensional tissue models of breast and ovarian cancer is being undertaken to gain a better understanding of breast and ovarian cancer.

Using a specialized tissue culture chamber designed by NASA, the bioreactor, scientists are able to generate three-dimensional cellular growth that forms tissue-like structures that are similar to tissues found in the human body. Using conventional culture techniques, breast and ovarian cancer cells do not grow to form a tumor. In the NASA bioreactor, cancer cells have grown into masses that resemble the original tumor.

So when opponents of the space station say what good has come out of it, I would suggest that new leads into ovarian and breast cancer may be worth the price that we pay. For the first time, these cancer cells have grown into masses that resemble the original tumor, and in their same three-dimensional orientation.

Through the benefits of NASA-developed technology, medical science now has a means to culture cancer tissue samples in the laboratory so that they closely resemble structures found in the human body. The ability to grow these particular types of tumors is a real advantage because they are extremely difficult to culture outside the body. In particular, cancer researchers continually strive toward the development of improved tissue models of human disease, and the ability to produce reliable tissue models of breast and ovarian cancer is critical for furthering our understanding of the factors important in the growth and spread of these devastating diseases.

The breast and ovarian cancer tissue samples cultured in NASA's bioreactor will be evaluated for usefulness in testing sensitivity, chemotherapeutic, and biological agents, including hormonal therapy, particularly important as a treatment for breast and ovarian cancer.

Because tumor cells can be grown in much the way they are arranged in the body, then a more authentic tumor specimen can be obtained to test the responsiveness of these cells to new types of agents.

Finally, the models will be instrumental in studying alterations in cancer-associated genes that occurred during tumor progression. Breast and ovarian cancer studies being undertaken at the University of South Florida demonstrate the type of biomedical research that is a direct offshoot of NASA's bioreactor technology. National tissue research has given the medical community a powerful new tool to study how these cancerous tissues form.

Mr. President, in particular, another example of this is cartilage development in NASA's bioreactor. Cartilage is the material that makes up the joints in the skeleton. The bioreactor reproducibly enables the growth of cartilage from a small type of cell, and this level of maturity is rarely achieved by any other culture method.

Mature cartilage is shown as the red-stained material here. Research conducted with Dr. Lisa Freed at MIT addresses the use of reactor technology and microgravity to engineer cartilage for replacement and transplantation.

In simpler terms cartilage grown in the bioreactor—in the middle picture here—resembles normal cartilage—in the top picture—much more closely than cartilage grown by standard methods in the bottom picture.

The same with colon cancer. Colon cancer manifests with polyp-like structures in the colon. The tumor-like structures are produced in the bioreactor by culturing normal fibroblast cells with colon cancer cells.

Standard culture techniques do not provide 3-D models of cancer. It makes it very difficult. The bioreactor not only grows 3-D tumors, but induces specialized structures called glands, akin to that in native tissue.

Dr. J.M. Jessup at Harvard University is molding human colon cancers for research, and therapeutic testing is facilitated by culturing the cancer cells in the NASA bioreactor. The explanation is that the ordinary culture on the far left is not developing a recognizable tumor-like structure. The two pictures on the right show the colon cancer cells in the NASA bioreactor do develop into tumor-like structures.

Physiology on the space station: A new window on the human body. Virtually every system in the body—from bones and muscles to the immune system—is tied to and affected by the force of gravity. When human and animal research subjects travel to the low-gravity environment of Earth orbit, each system is affected and can be studied under conditions that are unique not only in the history of biomedical research but also in the history of life on Earth.

The unique value of orbital research in physiology and biotechnology has led to a vigorous program of cooperation between NASA and the National Institutes of Health that includes 18 cooperative agreements and a series of flight experiments.

Focus: Brain and nervous system research. Because of the profound effects that the lack of gravity has on the sense of balance and orientation, basic neurosensory research conducted in space offers a unique opportunity for insights into the ways in which the brain and body interact. This research has great potential for helping researchers understand the basis of learning and memory.

Highlights of recent research: Space shuttle research on the body's balance system has resulted in new discoveries of sensory pathways and the nervous system's capacity to adapt. This fundamental advance in our understanding of the brain may aid in the development of improved treatments for nervous system disorders.

NASA research has produced computer techniques for creating three-dimensional maps of neurons within gravity-sensing tissues. This work has enormous potential both for advancing neuroscience and for enhancing rapid access to many other kinds of medical imaging data. Detailed information on the way neurons are organized in the nervous system (neural nets) may someday support the development of new computer architectures.

Focus: Musculoskeletal research. Osteoporosis affects some 25 million Americans, and it is estimated that this disease leads to 1.3 million bone fractures annually. Unless new preventive measures and treatments are found, associated costs are expected to rise to $30-$60 billion per year by the year 2020.

Exposure to low gravity causes otherwise healthy young astronauts to experience rapid loss of bone mass—bone demineralization—comparable to osteoporosis but progressing at a much faster rate. By studying bone and muscle mass reduction in astronauts, space station research may contribute to our understanding of the causes of osteoporosis and help researchers develop preventative or rehabilitative regimes for bedridden or elderly patients.

Highlights of recent research: In cooperation with investigators at Genentech, Inc., NASA researchers have demonstrated that muscle atrophy can be prevented using a combination of exercise and growth hormone. This approach opens new therapeutic avenues for rehabilitation, as well as for preventing some of the changes that accompany aging.

Orbital research has demonstrated that changes in hormones do not completely explain the rapid loss of bone calcium that accompanies spaceflight. These findings may lead to new developments in diagnosing and treating skeletal disorders such as osteoporisis.

NASA researchers have developed a new theory of remodeling in bone. In addition to stimulating new avenues of basic research, this new model has been applied by others to evaluate artificial joints, to study the influence of exercise on bone density, and to study age-associated bone loss.

NASA and the National Institute of Arthritis and Musculoskeletal and Skin Diseases [NIAMS] are cooperating to take full advantage of low gravity as a research tool. The NIAMS Osteoporosis Centers are expanding their participation in research related to spaceflight, and proceedings of a joint workshop were recently published in the Federation of American Societies of Experimental Biology Journal.

The bone loss observed in space crews bears strong similarities to osteoporosis associated with aging. Astronauts lose the same percentage of their bone mass over a period of 8 months in space as the average human loses between the ages of 50 and 60. Spaceflight offers an opportunity to study the process of bone loss (bone demineralization) at an accelerated rate and to evaluate strategies for treatment and prevention of osteoporosis in months instead of years.

Materials science on the space station: The scientific foundation for 21st century high-tech materials. The goal of materials science research is to study how materials form and how the forming process controls a material's properties. By carefully studying and controlling the processes by which materials are formed, materials scientists can design new alloys, ceramics, glasses, and polymers to improve the performance of products ranging from contact lenses to car engines.

The production process for most materials includes steps that are very heavily influenced by the force of gravity. The chance to observe these processes in low gravity promises to increase our fundamental understanding of production processes and of the materials produced. Scientists will use these insights from space research to improve the properties of materials ranging from glass and steel to semiconductors and plastics.

Highlights of recent research: The experiments of Dr. Martin Glicksman of the Rensselaer Polytechnic Institute flown aboard the space shuttle have produced groundbreaking new insights into how the structure of metal forms. Results of his experiment will aid in the development of stronger or more corrosion-resistant metal alloys.

Based on his orbital research, Dr. Julian Szekely of the Massachusetts Institute of Technology developed new mathematical techniques to model the behavior of molten metals. These techniques have been used by the metals and semiconductor industries to design assignment and to improve predictions of the behavior of metals during processing.

Space shuttle experiments have demonstrated that when gravity's effects are substantially reduced, other forces (such as surface tension) can predominate. These experiments have shown that secondary forces are more significant than previously thought, affecting many ground-based materials production techniques in unexpected ways. Results of this research open the door for further study and improved processes and materials for the future.

Combustion science on the space station: Fundamental research on the world's predominant source of energy. Combustion (burning) has been a subject of vigorous scientific research for over a century. By conducting research on the space station, scientists can study subtle aspects of combustion normally masked by fluid flows caused by Earth's gravity.

Combustion accounts for approximately 85 percent of the world's energy production—as well as a significant fraction of the world's atmospheric pollution. Breakthroughs in combustion science will have far-reaching effects for the economy and the environment. For example, a 2-percent increase in burner efficiency would save the United States $8 billion per year.

Low-gravity research may also produce breakthroughs in combustion synthesis, the process by which valuable materials are created as the products of fire. Examples include carbon fibers for high-strength, lightweight composite materials and fullerenes, a novel form of carbon.

Highlights of recent research: Combustion science researchers using NASA Lewis Research Center facilities have applied for a patent on a device that improves air quality by stabilizing fuel-lean flames and reducing NO_X (oxides of nitrogen), a major source of air pollution.

At the recent 25th International Symposium on Combustion, the most important meeting of combustion scientists in the world, nearly 10 percent of the papers presented involved low-gravity combustion research.

NASA investigators have used the space shuttle to obtain and analyze the first data on Burke-Schumann gas jet diffusion flames (a classical flame configuration treated in virtually all combustion textbooks). These data represent the first true verification of this theory available since its original development in 1928.

The spherical shape of candle flames in low-gravity illustrates the new perspective scientists will use to pursue research into subtle aspects of combustion impossible to study accurately on Earth.

By studying combustion on the space station, scientists can observe certain aspects of burning that are hidden by the effects of gravity on Earth and thus advance our fundamental understanding of this vitally important field. Combustion research could lead to enhanced energy efficiency, reduced pollution, and improved processes for producing high-technology materials such as carbon fibers.

Physics and biology on the space station: Fundamental research laying the foundation for future applications.

Fluid physics and transport phenomena: One of the most significant forces affecting fluids—liquids, gases and mixtures—on Earth is gravity. In orbiting spacecraft, where gravity's effects are reduced many times, scientists can observe aspects of fluid behavior that are difficult or impossible to see in normal gravity.

A deeper understanding of fluid behavior has broad applicability. Fluid flows play important roles in the production processes of our most important industries. For example, the performance of a powerplant depends on the flow characteristics of vapor-liquid mixtures, and oil recovery from partially depleted reservoirs depends on how liquids flow through porous rocks.

Low-gravity research has already played a central role in stimulating new understanding of the ways in which heat and materials are transported in semiconductor crystal growth, metals processing, separation of biological molecules, and protein crystal growth.

Microgravity physics: Research called microgravity physics uses the unique properties of space to test physics theories at levels of accuracy that are impossible on Earth. This fundamental research will advance our understanding of theories relevant to everything from high-temperature superconductivity to weather prediction. This research has the potential for redefining our most basic assumptions about the universe.

In 1992, an orbital research experiment produced observations that tested renormalization group theory with a degree of precision five times greater than any experiment conducted on Earth. Renormalization group theory is a Nobel Prize-winning physics theory with broad applicability to particle physics and high-temperature superconductivity.

Gravitational biology: The low-gravity conditions of spaceflight provide biologists with a unique research opportunity to answer fundamental questions about the basic functions of living organisms. Gravitational biologists study gravity's influence on the development, growth, and internal machinery of life, including individual cells as well as complete plants and animals. Expanding fundamental biological knowledge will provide broad long-term benefits in medicine, agriculture, and industry.

Under normal Earth gravity, the gas occupies the top of the pipe because it is lighter—less dense—than the liquid. When gravity is reduced, the gas forms a core down the middle of the pipe. Under low-gravity conditions, weight and density become less important and scientists can study other forces that dictate the behavior of the liquid-gas mixture.

Gravity exerts a strong influence on the properties and behavior of fluids—liquids and gases. Aboard the space station, researchers will study aspects of fluid behavior that are hidden by gravity on Earth. Increased knowledge of fluid physics is broadly applicable to a variety of industrial processes.

Technology development on the space station: Paving the way for humanity's future in space—and on Earth. The international space station will both foster the development of advanced commercial technologies and provide a test bed for engineering research on orbit.

Electric power: Power generation and storage systems research will produce long-term data on advanced materials, components, and electrical power systems, including flexible thin-film solar arrays and advanced power converters that will improve electrical systems on Earth.

Robotics and remote operations: Space station research will produce advanced, reliable robotic systems and systems for remote operations. These systems have enormous potential for improving productivity and safety in industry and agriculture.

Advanced life support technology: Space station research will develop advanced life-support technologies that combine physical, chemical, and biological processes to create highly efficient recycling systems. These technologies will have numerous applications to improving the quality of life on Earth, including: advanced waste processing and recycling techniques to reduce pollution; crop growth research capable of improving the efficiency of Earth-based hydroponics and other controlled crop production systems; vastly improved air and water quality sensors and analyzers and air revitalization systems; and automatic systems for identifying microbes to provide diagnostic support to detect a broad range of infectious diseases.

Telemedicine: Telemedicine is the ability to practice medicine through the exchange of data and images between geographically remote locations using telecommunications technologies. NASA is a pioneer in telemedicine techniques for maintaining the health of astronauts on orbit and will continue to develop telemedicine systems through space station development. Telemedicine has the potential to reduce health care costs while improving the quality of care, especially for underserved populations—such as rural America or inner-city areas—and the victims of disaster.

NASA-NIH cooperation: Conducting the world's best biomedical research.

As the world's premier organization in life and biomedical sciences, the National Institutes of Health [NIH] had access to the world's best biomedical scientists, who need a variety of laboratory resources. NASA's biomedical research program maintains and develops a rich supply of unique and specialized resources, including laboratories and access to the weightless environment of space. Thus, cooperation between the two agencies strengthens the performance of each and helps ensure the highest possible return on America's investment in biomedical research.

Cooperation between NASA and NIH has expanded rapidly as the research community's understanding of the value of orbital research has grown. This cooperation expands access to NASA facilities and resources to a broader community of the world's finest research scientists. Cooperation between these two premier Federal science agencies leverages NASA's unique facilities, including orbital facilities, to produce the maximum return on America's investment in biomedical research.

NASA and NIH have executed 18 cooperative agreements to date, and joint activities have included scientific workshops; ground-based and flight research; and other specialized activities, such as a "Spaceline" reference system developed with the National Library of Medicine.

Neurolab, NASA's next dedicated life sciences space shuttle mission, will carry investigations funded by five different institutes of NIH. NIH's Division of Research Grants will manage the scientific peer review for all Neurolab proposals. Neurolab will be launched on the space shuttle in March 1998.

NASA looks forward to an expanding level of cooperation with NIH as orbital research enters the space station era. NIH researchers are expected to use the space station's next generation life sciences facilities—including the Human Research Facility, the Gravitational Biology Facility, and the Centrifuge Facility—in pursuit of national biomedical research goals.

Mr. President, I ask unanimous consent to have a table printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

NASA-NIH COOPERATION: COOPERATIVE AGREEMENTS

Field of cooperation	NIH partner	Date of agreement
Biomedical/Behavioral Studies	NIH	July 1992.
Animal Science Research	NCRR	July 1992.
Research into Processes of Aging and Spaceflight.	NIH	Sept. 1992.
Neurologic Functions	NINDS	Oct. 1992.
Vestibular Research	NIDCD	Oct. 1992.
Medical Diagnostic Imaging	NCI	Dec. 1992.
Musculoskeletal Research	NIAMS	Dec. 1992.
Neurolab Review	NIH-DRG	Feb. 1993.
Cardiovascular, Pulmonary Hematologic Studies.	NHLBI	Sept.1993.
Human Brain Project	NIMH	Sept. 1993.
Developmental Biology	NICHHD	Jan. 1994.
Spaceline Bibliographic Database	NLM	Feb. 1994.
Human Brain Project	NIMH	Mar. 1994.
Cancer Research	NCI	July 1994.
Human Brain Project	NIMH	July 1994.
Biomedical Research	NCRR	Aug. 1994.
Biotechnology	NICHHD	Aug. 1994.
Human and Animal Research Education and Technology Development.	NCRR	Sept. 1994.

DRG: Division of Research Grants.
NCI: National Cancer Institute.
NCRR: National Center for Research Resources.
NHLBI: National Heart, Lung, and Blood institute.
NIA: National Institute on Aging.
NIAMS: National Institute of Arthritis and Musculoskeletal and Skin Diseases.
NIDCD: National Institute on Deafness and Other Communication Disorders.
NIH: National Institutes of Health.
NIMH: National Institute on Mental Health.
NINDS: National Institute on Neurological Disorders and Stroke.
NICHHD: National Institute on Child Health and Human Development.
NLM: National Library of Medicine.

Mr. GLENN. U.S. research facilities on the international space station—the United States and our international space station partners will equip the space station with state-of-the-art laboratory facilities. The space station will allow for continuous operation of multiple experiments. It will have highly advanced data down-link and up-link capabilities that will permit researchers to monitor and operate many aspects of space station experiments from terminals in laboratories on the ground.

With the exception of the centrifuge, all laboratory facilities will be designed to fit into standard payload racks. This modular approach will allow facilities to be upgraded and modified as needed and will allow facilities developed by one partner to fit into rack space supplied by another. The United States is developing six major facilities.

THE SIX MAJOR U.S. FACILITIES

Biotechnology facility: will fill one experiment rack and support investigations in protein crystal growth and cell culture research.

Fluids and combustion facility: consists of multiple modules: Combustion module: includes a combustion chamber to support hardware designed for specific investigations and several viewing ports for a variety of imaging systems to record flame characteristics.

Fluids module: includes several experiment-specific test chambers supplied with equipment such as laser optics, heaters, and etc.

Space station furnace facility: multiple module facility for materials science research comprising controls, diagnostics, and experiment hardware designed for specific research areas.

Gravitational biology facility: two-rack facility composed of modular specimen habitats for plants and animals, support systems, and equipment needed to conduct research in cell, and development biology.

Centrifuge facility: includes centrifuge rotor, gloveboxs, Habitat Holding Units (two racks—for plants and/or rodents), and a service rack; the centrifuge rotor will employ force from zero to twice the force of gravity on Earth to support research in all life science disciplines.

Human research facility: four-rack facility with equipment to assess crew health, conduct research on how the human body responds and adapts to weightlessness, develop countermeasures, and conduct basic human research aimed at advancing knowledge in areas relevant to human health. This facility supports the following disciplines: cardiopulmonary physiology, neuroscience, musculoskeletal research, regulatory physiology, environmental health, and human factors.

Facts on Life and Microgravity Researchers—Statistics. There were 654 total lead investigators in 1994. Investigators represent over 85 institutions of higher learning and 35 laboratories and other institutions in 40 States and the District of Columbia. More than 780 graduate students were supported through NASA research (1994). There were more than 820 journal articles (1994). There were more than 1,400 new research proposals in 1993 and 1994.

Background—Life and microgravity science research is solicited through an open, highly competitive, peer-review process to ensure that the most meritorious science gains access to orbit.

Historically, NASA's resources have allowed the agency to accept only about the top fifth of proposals it receives for life and microgravity research. This level of selectivity is comparable to that of other major U.S. science funders, such as the National Institutes of Health and the National Science Foundation. Only 10–20 percent of these accepted proposals lead to flight experiments, so selection for flight is even more competitive.

Because of the great demand for limited orbital research opportunities, NASA selects research for flight opportunities only if it cannot be conducted on Earth. Flight research is selected from and supported by a larger research effort on the ground.

NASA is fully committed to its close working relationship with the scientific community and to full access to NASA facilities for the most meritorious scientific research. NASA works with the scientific community through its advisory committees and subcommittees, the National Research Council, and working groups of distinguished scientists.

Mr. President, that is only some of the advantages. I just hit the highlights of some of these things today.

The experiments that can be run in the space station are a whole new window on the human body.

New work on the human body in some of the space research and the physiology of it applies to the body's balance system. New discoveries of the sensory pathways; nervous system capacity to adapt would have direct relationships here on Earth.

We have new windows on the human body muscular skeletal research. Osteoporosis affects 25 million Americans, and the disease leads to 1.3 million bone fractures annually. There is no place better to look into this type of thing because on the space station the astronauts' bodies immediately start adapting and throwing off calcium in the bones, which is basically what happens in osteoporosis.

In cooperation with investigators at Genentech, NASA research demonstrated new investigative techniques along that line as well as working with the National Institute of Arthritis and the musculoskeletal and skin diseases groups. All of these are things coming out of the space shuttle today and can be done better on the long-term space station.

I have page after page of different experiments being done by Rensselear Polytechnic Institute, MIT, and others in particular fields. I will not delay these into the evening here.

Another area being looked into that has an area of great interest is fundamental research on the world's predominant source of energy, combustion science. Combustion science is a very special one, and, for example, just a 2-percent increase in burner efficiency would save the United States some $8 billion a year. Very basic research has already taken place on some of the shuttle flights, and we would be able to do a lot more lengthy research on the space station.

I wanted to close with a remark about the future for the young people of our country. Traveling around this country as I do, I believe that there is no program that has given more to the young people of our country in the way of excitement about the future and encouragement to stay in math and science technology courses than have our activities in space. Space represents an exciting future for our young people.

Mr. President, a number of these things were said awhile ago here on the floor about what some of the researchers and scientists are saying about the international space station. I ask unanimous consent to have printed in the RECORD a listing of what other scientists and researchers are saying in support of the station. People are supporting some of these activities and are very major supporters of the space station. It is a long list of people and scientific groups that do support the space station.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WHAT THE NATION'S LEADING RESEARCHERS AND SCIENTISTS ARE SAYING ABOUT THE INTERNATIONAL SPACE STATION

Several years ago, Carl Sagan, Bruce Murray and I (the officers of The Planetary Society) . . . opposed the then-space station plan as serving no national purpose. . . . The present plan is serving national and international interests. For Congress to cancel the space station now . . . would end the rationale for America's manned space program, and with it would die the spirit of a great nation bold enough to seek great achievements.—Carl Sagan and Louis Friedman, The Planetary Society.

The program of protein crystal growth experiments sponsored by NASA has been one of the real success stories in microgravity sciences and applications. Protein crystal growth research has made much progress, but must now move to the next phase . . . which requires prolonged access to a microgravity environment with potential for human intervention on a continuing basis. This new phase will require an orbiting platform such as that provided by the International Space Station.—Howard M. Einspahr, Bristol-Myers-Squibb Pharmaceutical Research Institute.

The AMA supports the continuation of the NASA and other programs for conducting medical research and other research with potential health care benefits on manned space flights, including the continued development and subsequent operation of the international space station.—Policy Adopted by the American Medical Association.

Through the NASA-NIH linkage, the Space Station has become a vitally important and unique laboratory for biomedical research. In addition to its central role in aerospace engineering and space exploration, the Space Station is an investment in the future of biomedical research.—John W. Rowe, M.D., Mount Sinai Medical Center.

A commitment to conduct continuous research for longer periods of time in space is also essential. Ultimately, our hope is to be able to crystallize proteins in microgravity, conduct all x-ray data collection experiments in Space and transmit the data to earth for processing. This can only be done in a Space Station.—T.L. Nagabhushan, Ph.D., Schering-Plough Research Institute.

AMWA supports the continuation of funding for NASA's International Space Station because it provides one of the most promising new vistas for medical research on diseases that strike women and have unknown causes or cures.—Dianna L. Dell, M.D., American Medical Women's Association.

Space laboratories allow scientific experiments that simply cannot be duplicated on Earth. The space station offers the potential of long term studies that are expecially exciting to the biomedical researchers seeking to understand how cells grow, divide, and mutate to cause diseases such as cancer and immune deficiencies.—William T. Butler, M.D., Baylor College of Medicine.

My institute has worked closely with the Center for Macromolecular Crystallography at the University of Alabama at Birmingham to perform two space shuttle crystal growth experiments on the protein recombinant human insulin. It is clear that the additional capabilities that the Space Station will offer, * * * this type of research will progress at a much more rapid rate. It is also evident to me that the Space Station will offer similar advantages for the many other areas of science that have been proposed for this unique facility.—Herbert A. Hauptman, Ph.D., Nobel Laureate, Pres., Hauptman-Woodward Medical Research Institute.

NASA's "cool suit" literally has changed the lives of some of those suffering from MS. The MSAA is hopeful, as new findings continue to emerge from space-based research and the possibilities that the International Space Station holds. This research could be essential to MS patients.—John G. Hodson, Sr., Multiple Sclerosis Association of America.

Mr. GLENN. As I said, my good friend from Arkansas—Senator BUMPERS and I are good friends. We disagree annually on this particular subject.

Every year we see new and wonderful benefits derived from NASA research. The space station for the first time in the history of all mankind opens up our ability to truly make use of microgravity. For all these tens upon tens of thousands of years people have looked up and wondered what was up there and what we could do if we were up there. In our day, in our time, we finally can go up there and use this new research facility for the benefit of people all over this Earth.

That is a very not-so-brief rundown on some of these things. When you get into the outcome of NASA research, I could go on literally for several hours here this evening and just touch the surface on all of this.

Mr. BOND. Mr. President, first, I want to thank my friend from Ohio for his very informed and very compelling arguments. I have had the pleasure of traveling abroad with the Senator from Ohio, as my ranking member has. If there is one area where the exploits and the accomplishments of our colleague from Ohio is well known throughout this world, they know what he has done. They know of his leadership in space.

I think he makes a very, very compelling argument based on his firsthand knowledge and experience, and his commitment is second to none. We thank him for his very compelling arguments in favor of it.

I know the Senator from Texas, who also is an expert and has very strong views on the space station, is waiting to speak. But I do want to ask my colleagues if they could accommodate us by letting the ranking member or me know about any amendments that they have pending. There are so many issues in this bill that people would like to discuss, yet we have a very short timeline on which to work.

I believe the majority leader and the Democratic leader were both very clear. They want to complete action on three appropriations bills—the prior remaining appropriations bills—prior to the end of the fiscal year. I think that is something that every Member in this body can appreciate. We want at least to complete action in this body before the end of the fiscal year. They have suggested that we should finish this bill by Tuesday. If we are looking at late Tuesday night, I hope it is not sometime early Wednesday morning. But in order to do this, we need to have the amendments, and we hope to be able to accommodate the schedules of all Senators giving them some time but keeping it in a regular procedure so that we can complete this in a timely fashion. I hope they will come forward. For tomorrow, particularly people who want to debate for 2 hours, I urge them to make a compelling 5-minute argument and submit the rest of their statements for the RECORD. Because I promise we will read them, particularly if they do not give them.

I yield the floor.

Ms. MIKULSKI. Mr. President, I just want to echo the comments made by the chairman. We really need to know what amendments wish to be offered on the bill. We know of seven. We also need to know who would be available tomorrow morning to offer their amendments to the measure; people who are going to offer the amendments from the Finance Committee and the Labor Committee.

So, please. If you have amendments, let us know. Be prepared to debate them. We are ready to listen, and to move the bill.

I yield the floor.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I want to say how much I appreciate the distinguished chairman of the subcommittee and the ranking member for understanding the importance and the long-range importance of space research and NASA. They accompanied me to NASA in Houston. And we were able to sit in one of the modules. I am happy to say that we survived the distinguished chairman piloting the space module.

It was a very important trip because we saw what is on the cutting edge of the space station research. We saw how you cannot do certain things with gravity in the research that you can do if you are out in space where you do not have the pull of gravity.

So I appreciate the time and effort that Senator BOND and Senator MIKULSKI have put into understanding NASA, and the importance of this for those of us on Earth who are very committed to keeping the new technologies and the growth that are provided.

This country's venture into space has represented America at its best—forward-looking and inventive, committed to the advancement of mankind and of science, creator of technologies, applying them to products that to make life better, so much better that our grandparents and our great grandparents could never have really dreamed of; the differences that we have now because of the space research that we have done in the past 10 or 15 years.

The essence of what we are debating today when we take up funding for the space station is whether we will summon the vision to continue this quest in cooperation with other nations, or will we instead clip the wings of civilization and hunker down right here on Earth.

Mr. President, let us come back to Earth for a minute. NASA and the space station have not been exempt from budget cuts. It is not like there is a massive spending program out there that has been unfettered.

The space station has in fact offered up more than its fair share of budget reductions. In 1993, a reduction and redesign in the program resulted in the space station being $2 billion more cost efficient.

Unlike a number of other Government agencies, budget reduction has been addressed head on by NASA which recently put itself through a vigorous analysis called the zero-based review under which every mission, every element of its operation, was scrutinized for savings and efficiency.

I watched this process very closely and commend Dan Goldin for his bold approach. Every agency, including Congress, should benefit from the same kind of scorched-Earth review of its own operations. NASA was able to achieve a 35-percent budget reduction—saving the taxpayers a total of $40 billion over the future of NASA, and the space station—and continue with its mission.

Another important item to remember in this debate is that Congress and the administration in their long-term balanced budget plans both include the space station. In fact, the committees in both Houses of Congress have reported measures fully funding the space station for fiscal year 1996.

In light of this, I can only conclude that opponents who are playing the budget card are really just engaging in another attempt to derail the space program—a program that, since the Kennedy administration, has paid back an incalculable return on the American investor.

First among those returns are the advances in medicine that this program has brought right back here to Earth. As its predecessors did, the space station has the potential to provide us with powerful weapons in our ongoing battle against diseases, especially breast cancer and osteoporosis where we can only do the research in the nongravity situation.

A permanently manned space laboratory is critical to providing researchers with more extensive facilities in a controlled, microgravity environment.

Most significantly, extended human space flights will allow scientists to modify their experiments in orbit and take advantage of the unanticipated results. This is the kind of flexibility that has historically shown that we can get our greatest breakthroughs. The question we are asking today is, Are we going to pursue the knowledge?

The space station will allow us to continue to benefit from the multiple economic benefits space exploration has provided us to date. America and American jobs have grown because of space-based advances in transportation, data processing, communications, and countless other high-technology advances that have made our standard of living the envy of the world.

Laser surgery—if you have had the ability to have laser surgery, you know what a great benefit this has been in our medical development. Operations that used to take weeks to heal now are done in half a day in a doctor's office. That is because laser surgery has provided the opportunity to have safe, efficient surgery that heals almost instantly.

If you have ever used velcro—velcro closures, that came from space. If you have had the opportunity to have a hearing aid put in your ear, and if you remember what our grandparents used to use for hearing aids, they used to have big batteries in their pockets and wires that ran up to big ear plugs that you could see a mile away, and now you can put that device in your ear. And most people do not even know that you have a hearing aid.

That kind of technology was made possible by space research and our commitment to space research. Not only is it a quality of life issue, but think of all the jobs that have been created making the lasers that do the surgery, making the hearing aids that fit into your ears, the velcro lining, from coats to tennis shoes, to everything else that has made life so much easier. It also has created jobs because people are making those products.

I urge my colleagues to vote with me to keep fueling this kind of research. It benefits everyone on Earth, and it continues to bring those new technologies that create the new industries that keep our economy vibrant, that keep it growing, that allow us to continue to offer the people coming into our system the new jobs.

While the specter of war hovers over Eastern Europe and other parts of the globe, the space station is poised to serve as a catalyst for global cooperation on a scale previously unimagined.

As the largest, most ambitious international scientific and technological development project ever undertaken, the space station brings together resources and some of the best scientists from the United States, Russia, Japan, member nations of the European Space Station Agency, Canada, and Italy.

The Russians, who are old hands in space, have a wealth of experience and expertise to bring to the table in this cooperative endeavor. Having the Russians on board will provide the United States and our other partners a very valuable asset.

As an indicator of the level of commitment that Russia has given the space station, this year the Russian space agency was granted an increase in its budget, including its science budget. This represents the strong support that the space program receives from the Russian Government. And the Russian space program, like ours, has been a constant source of pride to the Russian people. It enjoys the broadest spectrum of political support in Russia.

Our venture into space is teaching us important lessons in how to live together through cooperation on Earth. However, our cooperative activities with Russia—encouraging democracy, supporting a market economy, nuclear arms dismantlement, scientific collaboration—also advance our own national interests. During this critical period of transformation in Russia, we should continue this cooperation, not undermine it.

Failure to fund the space station would break our partnership with Europe, Japan, and Canada. These countries have expended over half of their $9 billion commitment to the $15 billion space station program. It would cause them to conclude that they can no longer count on a United States commitment to build, launch and operate the space station.

Mr. President, it would be unthinkable for America to be a bad business partner. We have given our word to these other countries. They have invested based on our word. It is the word of Congress as well as past Presidents and the present President. We cannot walk away after they have relied on that. We cannot do that.

Congress has voted in support of the space station more than 20 times since 1987. This program is a reality. If we were to stop the program now, the cost of terminating the station would take out all the savings that would be projected in the 1996 budget. Our investment of $14.5 billion in the overall program would be thrown out the window. That would be a foolish thing for us to do.

None of us want to be in a Congress that is remembered for displaying the failure of will—good will—that abandoning the space station project would signify. Grounding the space station would be the moral equivalent of grounding the American dream.

The American people know and appreciate what the space station has done for the past 40 years to enhance our lives. They know the sacrifices that have been made by the early pioneers. Our national pride soared when our first manned spacecraft orbited the Earth. Who will ever forget watching the first man step on the Moon and plant the American flag in the Moon dust?

Mr. President, we have led this space race, but in the big picture we have really only taken the first small step for man. The giant leap can only come with the commitment over time. The giant leap of mankind must be pursued. We are the leaders, and we cannot let down our people who have invested so much, our partners who have invested so much. It would be unthinkable.

I urge my colleagues to support the space station and NASA once again, just as we have 20 times before. This is not the time to walk away from a commitment. I hope that we will do the right thing and hopefully we will put this issue to rest so that there will never be a question of our commitment to the future and the future jobs for our country.

I thank the Chair. I yield the floor.

Mr. PRESSLER. Mr. President, I rise in opposition to the Bumpers amendment and in support of the space station program.

I am a longstanding supporter of NASA's space station program. Undertaking technological challenges like the space station is why we have a NASA. I also believe the space station is the next logical step in our quest to extend human presence in our solar system. Space station will provide invaluable information to scientists and engineers on humans' ability to live and work in space. That information and experience will be critical if we undertake any future missions to the Moon or Mars.

The space station's greatest benefit may be in the area of spinoffs. Many technologies we take for granted today—such as microcomputers, pacemakers, artificial limbs, insulin pumps, and communications satellites—are byproducts of past space missions. If NASA's past is any indication, the space station will usher in a new generation of inventions and technological breakthroughs we cannot yet imagine.

Earlier this year, I attended the Oshkosh Air Show with NASA Administrator Dan Goldin. I was amazed at the number of NASA-related spinoffs on display. Many, if not most, of the advanced aircraft, engines, and other technologies we saw owed their development in some way to NASA's research. In fact, it has been estimated that for every dollar invested in the space program, the Nation gets a return of $2 in the form of related spinoff benefits.

In 1993, our trade surplus in aerospace technology was $39 billion—our strongest export sector. Without question, that positive balance of trade is due in large measure to the U.S. space program and the related technology transfer to U.S. industry. If this pattern continues, taxpayers can expect enormous returns on their investment in the international space station program.

It would be a sad waste of the time, effort, and money spent so far on the space station if we were to give up now. Since 1984, the United States has spent $12 billion on the space station. Equally important, 13,000 Americans in 38 States in space station-related jobs have been working hard to make this great dream become a reality. Now NASA is ready to go. Facilities have been built. Hardware has been constructed. Plans have been finalized. We are now only 2 years away from the launch of the first element of the station. It is time to finish what we started.

We also must not forget the United States is not the only investor in the space station. Indeed, the station is not only an international project, it is the largest international science project ever undertaken. Japan the European Space Agency are each developing a lab module for the space station and the Canadians are developing a robotic arm. Our newest partner, Russia, also is playing a key role by providing launches, a navigational system, and rescue vehicles. Together, our foreign space station partners have spent $4 billion on the project—with billions more budgeted. Increasingly, big science projects are becoming far too expensive and complex for any one country to undertake alone. If we do not honor our commitments to our foreign partners, we cannot expect them to participate in any future international space and science missions.

Mr. President, these are some of the reasons I endorse the space station program. In that connection, in July, as chairman of the Senate Committee on Commerce, Science, and Transportation, I introduced authorization legislation for NASA, which provides full funding for the space station, as well as for Mission to Planet Earth and other important space and aeronautics activities.

Mr. President, while I support the space station, my support is not unqualified. I do have some serious reservations about the program. None are so serious as to lead me to support killing the program. However, the Commerce Committee will be keeping a close eye on each.

First of all, I am concerned about the program's overreliance on the Russians. Until 1993, space station was largely a United States program, with substantial contributions by the European Space Agency, Japan, and Canada. However, late in 1993, the administration added Russia as a space station partner. Today, the program increasingly seems to be driven by the Russians, and not the United States. Under the current plan, 44 of the launches to assemble and supply the station are Russian launches compared to only 27 shuttle launches. Furthermore, Russian spacecraft will be used for both the navigation system for the space station and its crew rescue vehicles. If, for any reason, the Russians are forced to withdraw from the station, the program would be in peril.

Second, I am troubled by the sheer complexity of the space station effort. For instance, the assembly of the space station will require 77 launches over a 5-year period, each of which must occur within a tight window of time and in a proper sequence. Moreover, this assembly will require over 600 hours of space walking by astronaut crews. Traditionally, NASA has tried to minimize space walking because it places crews at risk, complicates the accomplishment of mission goals, and takes away from the astronauts' research time.

Finally, my biggest concern about the space station is its enormous cost. When it was first proposed in 1984, the space station was estimated to cost $8 billion. However, in a June 1995 report, the General Accounting Office [GAO] estimated that the total cost of the design, launch, and operation of the space station will be $94 billion. That is about seven times the entire annual budget for NASA. My fear is that, if the space station suffers substantial cost overruns, its budget may eventually crowd out every other NASA program and leave the space station as NASA's only mission. This result is clearly not in the public interest.

I am particularly concerned about the impact of space station funding on Mission to Planet Earth. I believe Mission to Planet Earth to be NASA's most important and relevant program. Using the latest satellite technology, Mission to Planet Earth will help scientists understand and predict the global climate trends that affect our lives. As a Senator representing a State whose economy is extremely dependent on agriculture, I have a keen interest in the program's potential to provide detailed data on soil conditions, topography, crops, and other information critical to the farming and ranching communities. I also take great pride in the important role the EROS Data Center in Sioux Falls, SD, will play in converting the huge volumes of satellite data into useful information for the entire Nation.

Accordingly, as much as I appreciate the scientific and economic benefits of the space station, I could not have supported it at the expense of Mission to Planet Earth. I am pleased that the authors of the underlying bill—H.R. 2099—did not place us in that dilemma, but managed to find a way in this tight budget climate to fund both space station and Mission to Planet Earth. This could not have been easy and I commend the managers of the bill on their wisdom and good judgment in addressing this issue.

Mr. President, let me be clear. The space station is a monumentally complex and costly undertaking. Some say it is an impossible dream. However, NASA's heritage and history is about doing the impossible. I am confident that, under Dan Goldin's leadership, NASA will bravely meet this challenge and finally build the orbital space laboratory we have been planning for two decades. In a world where economic growth increasingly depends on technological leadership, space station is the kind of bold step needed to increase our scientific knowledge and strengthen U.S. competitiveness.

So, Mr. President, despite my questions and reservations about the space station, I believe it is the Nation's interest to go forward and complete this important project. Accordingly, I urge my colleagues to vote "no" on the Bumpers amendment and vote "yes" for space station and the future of our space program and the future of our Nation.

Mr. FEINGOLD. Mr. President, I am pleased to once again be an original cosponsor of this effort to terminate funding for the space station, and I commend the senior Senator from Arkansas, Senator BUMPERS, for his continuing efforts in this area.

Every year, Mr. President, the Senator from Arkansas comes to the floor with amendment after amendment to cut Federal spending and to help us with our uphill efforts to balance the Federal budget. We need to closely scrutinize every program in the Federal budget, and quite simply, ask ourselves if, given our current financial constraints and given the immense sacrifices we have been asking Medicare recipients, college students, veterans, and many others to make, can we afford to continue this particular spending program?

This is the third consecutive year I have joined with the Senator from Arkansas, the Senator from Virginia, Senator WARNER, and others in this bipartisan effort to delete funding for the space station. Each year, the Senator from Arkansas has presented a number of strong arguments in support of terminating the space station. He has presented information about NASA's notorious cost-overruns. We have learned that a large part of the scientific community, including the American Physical Society and the American Cancer Society—two groups that have been alleged to potentially benefit from this space endeavor—actually oppose continued funding of this space station.

We have learned about a recent General Accounting Office report that found that the total amount of funding that will be required to build this space station is $78 billion. And of course, that is $78 billion that we are going to have to borrow and pay interest on for many years to come.

The construction of the space station is opposed by many of the leading groups supporting deficit reduction and a balanced budget, including the National Taxpayers Union, Citizens Against Government Waste, as well as Friends of the Earth.

Yet the Congress continues to write a $2 billion check to NASA every year to continue the construction of a space station. Mr. President, I have said before that I do not support shutting down our space program. Clearly, many of our space programs have proven to justify their costs. And it is my hope that when our fiscal house is in order that we can continue and enhance our space exploration initiatives.

But it is also clear that we cannot and will not become a financially responsible nation until every Federal program is put on the table, closely scrutinized, and determined to be either justified or not justified given our current fiscal constraints. Mr. President, the space station must be put on the table and we must have the political will and fiscal discipline to once and for all discontinue funding for this costly program.

Once again, I thank the distinguished senior Senator from Arkansas, Senator BUMPERS, and I yield the floor.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I rise this year in support of America's space program and in opposition to the Bumpers amendment which would strike funding for the space station.

I have said this before and I will say it again: This amendment is a choice between the future and the past. What kind of nation will we be in the 21st century? Will we be the one that uses technology to help people with their day-to-day lives and keep people employed in the field of manufacturing, or are we going to let America's best days be behind it? Will we use American ingenuity and know-how through the unique environment of space to tackle our understanding of disease or development of new technologies that can be used at home on the planet Earth? These are the questions that are at the heart of why America needs a space station and why we should, once again, defeat the Bumpers amendment.

Some will argue that science carried out on the space station can be accomplished more effectively on the planet Earth. This simply is not true. The science proposed for the station cannot be accomplished on Earth at any major price. Space station science requires sustained access to very low levels of gravitational force. It is technologically impossible to create a low-gravity environment for this type of research without going into orbit.

Some might say, "Well, if that's so, why not do this type of science on the space shuttle if you need to go into orbit?"

I bring this point to their attention: The shuttle can stay in orbit only for 2 weeks. We do not limit cancer researchers to 2 weeks in the lab to find a cure for that devastating disease. Why should we limit space science to only 2 weeks up in the air? Much of the proposed research will take months, if not years, to complete.

Another argument we hear every year is cost. Sure, the space station costs money. So does anything else worthwhile. We have heard that the GAO estimated that the station would cost $94 billion to fund over a period of years. This number is misleading. When tabulating the total cost, the Government Accounting Office included a large portion of NASA's human space flight budget in its analysis. The fact is that $51 billion of the $94 billion is for shuttle missions that were going to fly regardless of the fate of the space station.

The real cost of the station, which includes final development and construction and 10 years of operation is $26.2 billion. The remaining /balance of the erroneous $94 billion estimate is life science and microgravity research—life science and microgravity research—and that is the heart and soul of what is to be done on the space station—microgravity research and life science research.

We heard a few minutes ago a distinguished Senator and a former astronaut talk with eloquence in detail about the brilliant, needed research that is going on in the life science area and that it could only be done in space.

I will not repeat the many examples there, but I can tell you as a woman who fought to establish the Office of Women's Health at NIH, who joined with my colleagues to make sure we had funding for breast cancer and ovarian cancer research, it is important to me that we continue this work. And it was through my efforts working with then Dr. Bernadine Healy at the National Institutes of Health and Dr. Dan Goldin that we forged this unique partnership between space and NIH to deal with key life science issues and to coordinate all of that research.

This is what the U.S. Government is all about: Saving lives, saving jobs, saving communities and that is what the space station is all about. We go out there so that we can save lives, jobs in communities right here on the planet Earth.

What is the cost to America if we do not continue the space station? Well, the Federal Government has already invested $14.5 billion. If we do not fund the space station, 15,000 highly skilled engineering and production contract jobs, along with about a thousand civil service jobs, will be lost; the jobs of 35,000 contract workers and 5,000 civil servants who work on the shuttle will be at risk.

Long duration microgravity research in cell and developmental biology, human physiology, biotech, fluid physics—and if you think it is hard to say fluid physics, you ought to be out there trying to do it—fluid physics, combustion science, material science, benchmark physics, as well as the development of new pharmaceuticals and understanding of Earth-based diseases. We would lose that.

We would also lose our credibility with our international partners if we shut down the space station. Russia, Japan, Europe, and Canada have already invested more than $9 billion. Finally, the U.S. competitiveness could be maintained by continuing the long-term cutting edge high-risk R&D research that is integral to the space station development.

Japan, Europe, and Canada regard our agreement to pursue the space station as a treaty. To break this violates treaty-level negotiations.

Finally, one of the benefits of the end of the cold war is that rather than competing with the Russians in space, duplicating projects in science, we actually are working together to be best at what we each need in space station activity.

Mr. President, we could argue these points all night, but I will not put my friends and colleagues through that. This bill is going to take long enough to debate. When we vote on the Bumpers amendment, I am going to ask every Senator to think long and hard about what this amendment means. This vote is not about money or cutting spending. Sure, we all want to cut spending. But this is about investing in the future, it is about our kids and the kind of world we will live in and the kind of jobs we have. It is about the American spirit of new frontiers, the human exploration. The American character has always been about progress, moving ahead, using science and technology to advance an American agenda, but a global one also.

That is what I want to support. I want to see a bright new future with opportunities beyond our comprehension. I want to open doors that lead to new technologies and new challenges and new markets. This amendment leaves us standing in front of these new doors too paralyzed by fear with a green eyeshade clouding our vision of the future.

So I hope my colleagues will join me in voting "yes" for the future and "no" on the Bumpers amendment.

I yield the floor.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, as usual, my colleague from Maryland is extremely eloquent as she states the case for the space station. She has done it very well. She and the Senators from Texas and Ohio have made the case.

I ask unanimous consent to print in the RECORD some explanations and corrections for the committee report on this bill. Because of the time pressure, we did not have the chance to make all the corrections on the report. I ask they be printed in the RECORD for the information of those who may have questions about this report. It does not amend the report, but it will be in further explanation of the report.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

VA-HUD, INDEPENDENT AGENCIES APPROPRIATIONS BILL (H.R. 2099)—CORRECTIONS TO SENATE REPORT 104-140

Page and Comment:

P. 42—Starting with the last full paragraph on page 42 and replacing the text through the first full paragraph on page 44:

"In addition, the Committee is recommending the creation of a demonstration program for up to 30 PHAs to address the problem of dependency in the public housing population by encouraging employment and self-sufficiency for the very low and extremely low-income families who now live in public housing.

"Up to 30 PHAs would be permitted to use funding for Section 8 and public housing in a much more flexible way than under current program rules. Funding streams could be combined, so long as the PHA continued to assist essentially the same number of total families as would have been served had the funding streams for Section 8 and the two public housing formula-based programs remained separate. The amount of funding available to the PHA from public housing operating subsidies, modernization grants, and Section 8 annual contributions contracts would not be affected by participation in the demonstration.

"PHAs participating in the demonstration would have very broad flexibility to set rents and conditions of occupancy in ways that encourage work and upward mobility. These policies could include exclusions of earned income for purposes of determining rent, but they might also include more far-reaching changes that redefine the role of Federal housing activities to provide supplementary assistance to families on a temporary basis.

"In order to make sure that the models created by this demonstration are tested and replicable and that their long-term effect is well understood, HUD will provide training and technical assistance for the design and implementation of the programs of up to 10 PHAs, and will conduct detailed evaluations of those programs. The demonstration includes a set-aside for this purpose of $5,000,000 from amounts appropriated for the public housing modernization program."

P. 46—Second paragraph beginning with "irrespective" should strike the parenthetical referring to the $10 billion loss reserve, as this accounting figure is not related to the budget estimate for claims discussed previously, and is not "in addition" to them.

P. 48—The Report states that the funding for preservation includes $550 million for preservation incentives and $74 million for prepayment vouchers. It is clear that $74 million is not sufficient to cover the prepayment voucher need. Instead, as the Bill permits, the Department will have the discretion to stop funding incentives where needed to ensure that tenants will not be displaced by prepayment.

P. 49—The language recognizes that there is significantly less credit subsidy available for F.Y. 1996 than in past years, and that the deficiency will need to be offset. However, the report only refers to underwriting changes as the way to offset that deficiency. In addition, the report does not acknowledge that FHA will be allowed to use negative credit subsidy from its revenue producing products as well as other potential sources.

Program Accounts:

P. 55—Public Housing Demolition etc.—The description really is for the severely distressed program (HOPE VI) which is not continued under the Committee's recommendation. The Committee has proposed a successor program to the HOPE VI/URD program which targets funding to the actual demolition and replacement of failed housing developments in a manner which streamlines and facilitates such remedial activities.

P. 56—Description of the Demo/Disp Committee Recommendation should include use of the funds also for tenant-based assistance under Section 8 at the end of the first sentence. It should also say that this funding level is the same as FY 1995 "for the HOPE VI program".

P. 56—Drug Elimination: The Committee recommendation needs to include the following: 1) that the program can be distributed on a formula basis; 2) that there is a 6.25 percent setaside for drug elimination grants in connection with assisted housing projects, and 3) that grants are available to fight drug-related and other types of crime.

P. 61—Program Description of CDBG: In the second paragraph, the second sentence should be reordered to read as follows: "After deducting designated amounts for special purpose grants and Indian tribes, seventy percent of appropriated funds are distributed to entitlement communities and 30 percent are distributed through States to nonentitlement communities."

P. 62—Chart: Should reflect the Bill appropriation of $27 million (not 22.5) for special purpose grants under section 107. Should add Ntl. Am. Indian Council and HAC funds. The report does not note the setaside of $12 million for housing counseling services from the $80 million supportive services program.

P. 62—NAIHC should be written out as follows: "National American Indian Housing Council". This should be added to the Chart.

P. 62—CDBG Supportive Services Demo: The report does not track the legislative language which includes Indian housing agencies and other housing assistance entities to provide services to serve the elderly and the disabled as well as residents of public housing.

P. 63—CDBG setaside: There is no description of the counseling program as a setaside (or earmark, as the report describes Youthbuild) of the supportive services demo. The Report should say that this is an earmark of $12 million from the demo.

P. 66—Sec. 201(a)—Describes the Rescissions Act provision rather, but does not note modifications. The Report states that the fungibility does not extend to use of Op Subs; however, there is a 10 percent fungibility provision.

P. 67—3d full paragraph—Second sentence describes an amendment HUD proposed but was never accepted.

P. 68-69—Mandatory conversion: This does not reference the portion of this section which allows the Secretary to recapture and reuse unused mod, CIAP, or MROP Budget Authority.

P. 69—Explains that the Secretary has powers to require conversion only where a PHA has not expeditiously implemented the plan. However, the Secretary's powers are triggered by sheer "inadequacy" of plan or implementation, not just untimeliness.

P. 69-70—Section 204(b) [nondiscrimination] is not in the reported bill. The other subsections of 204 need to be redesignated, accordingly.

P. 70—FMRs: Second paragraph refers to FY 1995, instead of FY 1996.

P. 70—This section should read as follows: "Section 205(d) would delay reissuance of vouchers and certificates for 6 months (but not later than 10/1/96), with the exception of any certificates assigned or committed to project based assistance as permitted otherwise by the Act, accomplished prior to the effective date of this Act."

P. 71—Section 210: the last reference in this paragraph should be to section 208, not 202.

P. 71—Section 211, First paragraph, 4th line, strike "housing assistance". (contracts are both HAP and ACC contracts). First paragraph, second to last sentence, reference should be to project-based assistance. Third paragraph, last sentence, strike "tenants" and insert "eligible families, including those".

P. 72—First line, strike "mortgage" and insert "insurance contract".

P. 76—In the first sentence of the explanation of section 218, the word "pertaining" should be deleted. The bill "prohibits the use of any funds by HUD for any activity related to the enforcement of the Fair Housing Act for property insurance." The House provision barred not just enforcement but all spending related to property insurance, including research. The Senate bill does not.

P. 76—Section 221, should be divided into 2 sentences. The first should end with the word "formula". The second should read as follows: "Changes would continue to be subject to applicable rulemaking procedures."

P. 77—Heading should be "Extension Period for Sharing Utility Cost Savings with PHAs". Sec. 224 should have a separate heading.

Department of Justice:

The second paragraph of the Committee Recommendation says it "relocates all responsibilities for fair housing issues currently housed in the Department of Housing and Urban Development". This should be revised to "relocates all responsibilities of the Secretary under the Fair Housing Act". As written, the statement inaccurately describes the bill. The bill only pertains to Title VIII (the Fair Housing Act). The Secretary continues to have responsibility for fair housing under Title VI, the Rehab Act, etc.

Mr. BOND. Mr. President, in just a few minutes, I will be proposing a unanimous-consent request setting forth the time for debate on this tomorrow. We will have an opportunity to go through some of these debates and expand upon them.

I am not going to take much time tonight other than to say the proponent of this amendment is very eloquent. He has raised quite a few concerns that he has. I believe there are good answers for all of them. I was reminded, as he spoke, about all the things that could potentially go wrong, of a cartoon character many years ago who used to walk around with a metal shield over his head so he would not be hit by a meteorite if one came from space. Some of the arguments presented against the space station seem to have about as much likelihood of occurring as being struck by a meteorite.

I do want to point out that in this bill we do not, as the proponents suggest, cut back on regulation to endanger the drinking water of this country. In fact, we believe that with restructuring and refocusing the activities of the Environmental Protection Agency, we can continue to make the progress that we have made in these fields.

But to address the particular terms of this amendment, the argument has been made that we do not really need to go to a space shuttle, because everything we can do on a space shuttle can be accomplished much more effectively on Earth. But I say the facts are that the science proposed for the station cannot be accomplished on Earth at any price.

The space station science requires sustained access to very low levels of gravitational force. It is not technically feasible to create a low-gravity environment for research without going into orbit, and I believe the speakers opposing the amendment have made that point very well.

The space shuttle program has produced a number of very important findings and helped scientists to explore the possibilities of orbital research, but the space shuttle can only stay in orbit for 16 days at a time. Dr. Michael DeBakey, chancellor and chairman of the department of surgery at Baylor College of Medicine has said:

> Present technology of the shuttle allows for stays in space of only about 2 weeks. We do not limit medical researchers to only a few hours in the laboratory and expect cures for cancer. We need much longer missions in space, in months to years to obtain research results that may lead to the development of new knowledge and breakthroughs.

I might also add that the National Research Council, an arm of the National Academy of Sciences just released a report on microresearch opportunities for 1990 which states:

> The need for an extended duration orbiting platform has been identified as critical in many microgravity research experiments because of the time required for experimentation, the wide parametric ranges and the need to demonstrate the reproductability of results.

Another quote:

> The duration of experiments, the regime of parameters available to experimenters and the ability to demonstrate reproductability of results in microgravity experiments create the need for extended duration orbiting platforms.

There are many other authorities that we could cite for this proposition, but as my colleague from Maryland has said, this is a question of setting priorities. We have a tight budget, certainly, but we ought to be in the position where we make investments that are important for the future. I believe it would be a tragedy, a tremendous tragedy, were we tomorrow to vote to kill the space station. The space station is the most ambitious and exciting space program since the Apollo program of over 25 years ago.

I think it is time that we called an end to the incessant attempts to kill the space station. Over the last 4 years, there have been 13 attempts in the House and Senate to kill the program.

And fortunately, because of the knowledge and what the space station can and will do, these amendments have failed.

Last year, a resounding 64 Senators voted against this amendment. I was proud to be among them. The arguments used by station opponents this year are the same ones. We have seen the same charts. We have gone through the drill. These tired arguments have been used in the past. The claims were not true then; they are not true now.

Let me tick off a very few. The space station is no longer a dream. It is a reality. It is working. It is providing results.

Second, the space station is perfectly on schedule and on budget. As a matter of fact, through the leadership of the administration, the White House and NASA, we are going through the entire space budget and we have made significant savings. We can spend our scarce dollars on high-priority programs and that includes the space station.

Third, a streamlined management team is in place. NASA has reduced its in-house work force by 1,000, almost one half, and the program is being better managed than ever before. They made rescissions and reforms in having a prime contractor. The system is working.

Fourth, cooperation with Russia is working as planned. We are working with our former adversary and developing some very usable scientific information, and breaking new ground working with Russia.

Fifth, the program is not a budget buster. It has been included in the budget resolution that has been adopted because it is an investment.

Finally, the space station will not undermine the balance among NASA programs in human space flight, science, technology, and aeronautics. This is a program which deserves to stand on its own.

I think the amendment to terminate the space station threatens the existence of the U.S. human space flight program, and I urge my colleagues not support the amendment when it comes up for a vote tomorrow.

MORNING BUSINESS

Mr. BOND. Mr. President, I ask unanimous consent there now be a period for the transaction of routine morning business with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPUBLICAN CUTS IN STUDENT LOANS

Mr. KENNEDY. Mr. President, we have an extremely important measure that is before the Senate at the present time where we have had discussion. I would like to take just a few moments to talk about another extremely important measure that will be and is important to the Senate tomorrow when the Labor and Human Resources Committee meets its obligations under the budget recommendations and addresses how we are going to reach the instructions by the Budget Committee. I wish to take just a few moments of the Senate's time on this issue.

Mr. President, tomorrow, the Senate Labor and Human Resources Committee will be asked to take $10 billion out of the student loan accounts to help pay for a tax cut for the wealthiest Americans. That priority is wrong, and I oppose it.

Senator KASSEBAUM's reconciliation proposal strikes at the heart of the Federal commitment to higher education. It adds to the debt burden of students, increases the costs for working families struggling to pay for college, and penalizes colleges and universities for accepting needy students.

Tomorrow's markup marks the third time in a week we have been asked to meet to consider student loan cuts, and the proposal has not improved with time. Senator KASSEBAUM's proposal retains the unprecedented student loan tax on colleges and universities, it forces schools out of the direct lending program against their will, and it triples the cut imposed directly on students.

More than two-thirds of the proposed cut—$7.6 billion—fall on students and working families in the form of higher fees, increased interest rates, and an assault on the highly successful direct student loan program. Most surprising of all, this antitax Republican Congress is imposing an unprecedented new tax on Federal student loans.

If this student loan tax is enacted into law, colleges will be forced to pay the Federal Government nearly 1 percent of every dollar their students borrow for college—nearly $2 billion over the next 7 years. Universities facing tight funding will have no choice but to pass the tax on to students and parents in the form of higher tuition and fees or reduced student aid.

This tax falls especially hard on the vast majority of colleges with small or no endowments and large numbers of students on financial aid. Small liberal arts colleges, small religious colleges, many others, including Gordon College in Massachusetts, St. Mary's in Leavenworth, KS, Trinity College in Burlington, VT, Heritage College in Washington State, Ohio and Dominican College lack the resources to offset such blows to their budget.

At the University of Massachusetts, in Boston, a large urban university, with a diverse student body, half the students receive financial aid. This new tax would force the college to pay $174,000 a year to the Federal Government. If UMass-Boston wanted to shield its students from the cost, it would have no choice but to turn to the State for the money. Little wonder that the National Governors' Association has described this student loan tax as "yet another unfunded mandate that is passed on to the States."

I would point out that at the University of Massachusetts, in Boston, several years ago I had the opportunity to speak at the graduation. At that time, their tuition fees were $1,000; 85 percent of the students' parents never went to college; 85 percent of the students that were going to the University of Massachusetts, in Boston, were working 25 hours a week or more.

And the year or two after that, they raised the tuition another $100 and they lost about 10 percent of the new applicants. Just the $100 made a significant difference, the breaking point for many of these young men and women as well as those in their twenties and early thirties who were looking forward to going back to college to gain an excellent college education.

So, Mr. President, the National Governors' Association has described this student loan tax as yet another unfunded mandate that is passed on to the States.

We created the student loan program to make it easier for students from working families to attend college. If this provision stands, colleges will be penalized for admitting needy students.

And that's not all. Under the proposed legislation parents who take out PLUS loans to ease the financial burden on their children will have to pay higher interest rates for those loans. PLUS loans pay for college expenses, including tuition, room, board, and other fees. This provision falls hardest on the families who need the most help. PLUS loans are particularly crucial for working families who have not been able to save, or who do not own a home against which to take an equity loan.

The reconciliation package that Republicans unveiled at the beginning of the week cut back the interest-free grace period, during which students look for jobs after college, from 6 months to 4 months, imposing almost $1 billion in extra charges on students. This new proposal eliminates the grace period altogether, forcing students to pay almost $3 billion in additional interest over the next 7 years. A student who borrows the maximum over 4 years of college will be charged an extra $700 for the grace period alone.

That is if they borrow the money for college. If they borrow it for the graduate schools, it goes up to about $2,000 more.

Millions of students across the country will also lose the benefit of the direct student loan program. This proposal begins the process of dismantling direct lending. Direct lending will be capped at 20 percent of total student loan volume. Half of the 1,300 schools now in direct lending will be forced out of the program or forced to cut back on their direct lending volume by maintaining dual loan programs. This despite the fact that colleges in the program are overwhelming in their praise for direct lending, as we heard this spring at a hearing before this committee. Furthermore, even opponents of direct lending acknowledge that the program has brought healthy competition, lower costs, and better service to all students.

There is no justification for Congress to tilt the balance against direct lending in order to prop up the guaranteed loan program that fattens the profits of banks at the expenses of colleges and students. In addition, if honest accounting is used, it is clear that capping direct lending adds to the deficit instead of achieving savings. If the Republicans had inserted a fair scoring rule into the budget rather than one that favors the guaranteed loan program, CBO would be telling us today that capping direct lending at 20 percent would cost $1.8 billion over 7 years, instead of saving $600 million as Senator KASSEBAUM claims.

Common sense tells us that it is cheaper to loan money to students directly from the U.S. Treasury than to force students to go through banks as middlemen. In a letter to Senator ABRAHAM last June, Lawrence Lindsey, a Bush appointee to the Federal Reserve Board, said, "As long as it is necessary to provide a profit to induce lenders to guarantee student loans, direct lending will be cheaper."

We can meet our budget goals without cutting education, without burying college students under a higher mountain of debt. The Republican Congress has no business picking the pockets of students and working families to pay for tax cuts for the wealthy.

Mr. President, I will include in my statement an excellent letter that was sent to me, Senator KASSEBAUM, Congressman FORD, and Congressman GOODLING in May 1993. I ask unanimous consent that that and other material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CHARLES KOLB,
Alexandria, VA, May 25, 1993.

Hon. EDWARD M. KENNEDY,
Chair, Senate Labor and Human Resources Committee, Senate Russell Office Building, Washington, DC.

Hon. NANCY KASSEBAUM,
Ranking Minority Member, Senate Labor and Human Resources Committee, Dirksen Senate Office Building, Washington, DC.

Hon. WILLIAM FORD,
Chair, House Education and Labor Committee, Rayburn House Office Building, Washington, DC.

Hon. WILLIAM GOODLING,
Ranking Minority Member, House Education and Labor Committee, Rayburn House Office Building, Washington, DC.

DEAR MEMBERS OF CONGRESS: As Republicans who served under Presidents Ronald Reagan or George Bush, we believe that the time has come to restructure the federal guaranteed student loan ("GSL") program—a program that has become overly complex, lacks accountability, and wastes taxpayers' dollars through needlessly high loan default rates.

We are writing to express our support for reforming the GSL program by replacing the existing system with a new direct loan program.

According to estimates prepared by the Department of Education (under both Presidents Bush and Clinton), the Congressional Budget Office, and the General Accounting Office, the new direct loan program will also result in significant annual budget savings that could be used for deficit reduction. Direct borrowing by the federal government to capitalize the direct loan program as a revolving fund will save on the current interest and special allowance subsidies now paid to banks and others while ensuring a more streamlined, efficient, and workable program that meets the needs of America's students. As such, a direct loan program offers a more cost-effective delivery system for providing student financial assistance.

Over the years, the guaranted student loan program has developed a degree of regulatory and administrative complexity that now undermines its fundamental integrity and effectiveness. Replacing the GSL structure with a streamlined structure will mean not only enhanced accountability and budget savings, but also a more rational delivery system that will particularly benefit students and educational institutions. In particular, we believe direct loans will also ensure greater responsibility and accountability by participating educational institutions.

A direct loan program will mean replacing the role currently played by many banks, guarantee agencies, and secondary markets with a much more competitive approach. The intent is not to harm these participants in the existing program but rather to recognize that more competitive, efficient, and practical ways exist to provide student loans. We hope that as the Congress considers direct loans it will look beyond the misleading information that is being spread by representatives of those entities who have a direct financial stake in preserving the status quo.

We believe that the Clinton administration has taken the correct position on this issue and urge the Congress to consider this much-needed reform of the student loan program. In fact, much of the initial work that led to the direct loan program currently under consideration was undertaken during the Bush administration. While a valuable direct loan pilot program was authorized last year, we regret that this work was not pursued more seriously and vigorously during last year's reauthorization of the Higher Education Act. Nonetheless, we hope that the Congress will act in a true bipartisan fashion to approve direct loans in order to bring sweeping and needed reform to the student aid delivery system.

Should bipartisanship not be possible, we call upon our fellow Republicans to unite behind the direct loan proposal and to show leadership in this and other efforts to reform government. We favor reforms that will ensure real value for the taxpayers' dollar, with government activity targeted to ensure more effective efforts delivered in ways that are accountable to the American people.

Sincerely yours,

Rich Bond, Former Chairman, Republican National Committee; Diana Culp Borx, Former Deputy General Counsel, U.S. Department of Education; James P. Pinkerton, Former Deputy Assistant to the President for Policy Planning; Carolynn Reid-Wallace, Former Assistant Secretary for Postsecondary Education, U.S. Department of Education; Nancy Mohr Kennedy, Former Assistant Secretary for Legislation and Congressional Affairs, U.S. Department of Education; Michael J. Horowitz, Former General Counsel, Office of Management and Budget; Charles E.M. Kolb, Former Deputy Assistant to the President for Domestic Policy; George A. Pieler, Former Acting Deputy Under Secretary for Planning, Budget and Evaluation, U.S. Department of Education.

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
Washington, DC, June 9, 1995.
Hon. SPENCER ABRAHAM,
U.S. Senate,
Washington, DC.

DEAR SPENCE: I appreciate your kind note and understand the many conflicting and unexpected demands on your time. I hope we will have a chance to talk again soon. In the meantime, it was good to have an opportunity to meet with your staff.

I also wanted to take this opportunity to share with you my personal views about direct lending, largely from the perspective of an economist. First, the Bush Administration made credit reform a high priority and the Clinton Administration has since built upon that goal. Credit reform was designed, at the outset, to enable policymakers to look at the credit programs of the government in a defensible and comprehensive way. No particular program was singled out for special treatment. Embarking on policy changes that impact one program and do not apply the same requirements for all may not be consistent with sound public policy.

Second, a change in the credit reform treatment of student loans was included in the budget resolution in response to industry criticism regarding the calculation of administrative costs for student loans. Making the change the industry proposes without looking at other changes which might be necessary it problematic. For example, the use of the ten year treasury rate for estimating purposes when program costs are based on short term rates creates obvious inconsistencies. Further, the $2.3 billion in revenue loss that occurs through the use of tax exempt student loan bonds is not taken into account in estimating program costs.

To help clarify the effects of direct versus guaranteed lending, a couple of comparisons may be in order. The economic effect of both forms of loans is identical. They both divert private capital to carry out a government purpose. The aggregate amount of government borrowing is the same since student terms and conditions are identical. However, taxpayer cost is less for direct lending largely because the government can obtain capital less expensively through the sale of government securities than the market rates it must pay to support a system of loan guarantees. As long as it is necessary to provide a profit to induce lenders to guarantee student loans, direct lending will be cheaper.

Finally, direct lending may be the best way to involve the private sector in student loans. The loan capital for direct loans comes from the private sector and the administration of the program—servicing, computer support, etc.—is accomplished through competitive contracts with the private sector. This approach may be more accountable than the guarantee system which is based on government entitlement expenditures for guarantee agencies, secondary markets, and lenders.

Spence, I hope you find this helpful. I'd be glad to talk further with you about these issues. Good luck in the challenging days ahead.

Sincerely,

LARRY.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, September 19, 1995.
Hon. WILLIAM F. GOODLING,
Chairman, House Economic and Education Opportunities Committee, House of Representatives, Washington, DC.

DEAR CHAIRMAN GOODLING: The President asked me to respond to your September 12 letter, in which you objected to the way he had characterized Republican plans to make savings in the student loan programs. I am pleased to do so.

I believe that the President's statements were correct, based on oral and written statements that were made by Republican leaders, including yourself.

One of the savings proposed in your letter is to eliminate the Direct Student Loan program to save $1.5 billion. We strongly disagree with this policy. Direct lending works. Some 1,3000 schools are already in the program and hundreds more have already filed applications for the school year beginning July 1, 1996. Students and school administrators in the program are near-unanimous in their preference for direct lending.

The Education Department estimates that at least $1 billion of this $1.5 billion in savings that is attributable to direct lending comes not from repeal, but from simultaneously cutting funds available to monitor all student loan programs—a move that would put students at considerable risk in both loan programs. As the General Accounting Office has repeatedly observed, there are significant problems in the guaranteed loan program. This is due to its near-unmanageable statutory structure. Constant Federal oversight is essential.

The remainder of the $1.5 billion occurs under the special scoring rule for direct loans which the Budget Resolution directs the Congressional Budget Office (CBO) to use. This directive addressed the way the Federal Credit Reform Act (FCRA) requires the government to score the budgetary consequences of credit programs. That Act, which predated the enactment of direct lending, treats Federal administrative costs differently from other costs. Most, but not all, administrative costs in guaranteed lending are in the form of mandatory payments to banks, guaranty agencies and secondary markets. The FCRA includes these costs on a net present value basis in the guaranteed loan program subsidy.

In contrast, direct lending administration is primarily by Federal contract, so that taxpayers get the benefit of the lowest cost possible each year. The FCRA scores these costs outside of the direct lending subsidy. The combination of the structure of the two programs and the workings of the FCRA results in scoring direct lending as substantially less expensive than guaranteed lending.

The Budget Resolution instructed CBO to move scoring toward a more "level playing field" by scoring Federal administration in a manner similar to mandatory payments for administration in guaranteed lending. Unfortunately, the directive stopped there, and did not apply the same treatment to the remaining administrative costs of guaranteed lending. This results in artificially lower costs for guaranteed lending.

This Administration would be glad to join the Congress in a scoring rule change to level the playing field for student loan programs so that the administrative costs of both programs are treated in the identical manner. By doing this, we can take this technical scoring debate off the table, and debate the real benefits and costs of the two approaches to student loans.

When we look fairly at the two programs, we see that each provides loan capital to students, but the Direct Loan program does so with far greater ease of administration and far less complexity, and with additional benefits to students through flexible repayment options. Students get their funds with less government red tape, schools get simple administration and low administrative costs, students get better ways to pay their loans, and thousands of intermediaries and attendant complexities are eliminated. Under direct lending, banks, guaranty agencies, and secondary markets lose the billions they have been receiving from Federal subsidies and from excessive charges to students. Advances in technology have made direct lending the better deal for the taxpayer, without regard to technical scoring issues. That is what the public should hear in this debate.

In examining the remaining proposals you outlined, this Administration welcomes your willingness to take billions of dollars out of the excess profits of the guaranteed loan programs, and will support your efforts to reduce these federal costs. We further welcome your willingness to set aside most of your earlier plans to eliminate in-school interest subsidies for poor students. But we will oppose proposals that will eliminate or cap direct lending, or increase student costs.

With level playing field scoring, your proposals for eliminating profits from the guaranteed loan industry and a reasonable phase in path for direct lending, I can foresee the basis of an agreement that will result in reasonable levels of savings from the loan programs without hurting students.

The Administration looks forward to working with you in the weeks ahead.

Sincerely,

ALICE M. RIVLIN,
Director.

SENATE REPUBLICAN RECONCILIATION PROPOSAL: FACT SHEET, SEPTEMBER 21, 1995

Proposed cut or fee	Dollars	Percent of total proposal
Cuts or fees which fall on students		
Imposes .85 percent new student loan tax	2 billion	18
Institutions pay new fee equal to .85% of school's annual federal loan volume, and payment to direct lending schools zeroed		
Raises interest rate on working families	1.5 billion	14
Increases interest rate on PLUS (parent) loans from 3.1% to 4%, increases cap on interest rate from 9% to 10%, and requires lender rebate to government		
Rolls back Direct Student Loan Program and slashes management and oversight of all student loans	1.35 billion	13
Caps direct lending at 20% and forces ⅓ to ½ of current schools out of the program		
Cuts administrative budget of both direct and guaranteed loan programs by a total of $750 million over 7 years		
Eliminates interest-free grace period	2.7 billion	25
Adjustments to lenders and guaranty agencies in guaranteed loan program:		
Adjustments to guaranty agency entitlements	1.4 billion	13
Adjustments to lender entitlements	1.7 billion	16

SENATE REPUBLICAN RECONCILIATION PROPOSAL: FACT SHEET, SEPTEMBER 21, 1995—Continued

Proposed cut or fee	Dollars	Percent of total proposal
Cost sharing to states	100 million	1
Total costs imposed upon students	7.55 billion	70
Total costs imposed upon loan industry	3.1 billion	29

The Student Loan Tax Colleges Will Have to Pay

State and Institution	First year .85% tax
California:	
University of California System	$3,000,000
Scripps College	34,000
Colorado: University of Colorado at Boulder	578,000
Connecticut:	
Yale University	332,000
Univ. of Hartford	68,000
Univ. of Connecticut	170,000
Quinnipiac College	102,000
Florida: University of Florida	731,000
Georgia: University of Georgia at Athens	434,000
Illinois:	
University of Illinois	578,000
Southern Illinois University	510,000
Northwestern University	510,000
Chicago State	62,600
Greenville College	49,000
Rockford College	33,000
Iowa:	
Iowa State	553,000
William Penn College	20,000
University of Northern Iowa	172,000
Clarke College	19,000
Indiana:	
Indiana University	1,100,000
Notre Dame University	213,000
IUPUI	402,000
Martin College	8,900
Kansas:	
University of Kansas	297,000
Ottawa University	5,000
Bethel College	17,000
Univ. of Kansas	348,000
Maryland:	
University of Maryland	255,000
Johns Hopkins University	204,000
Western Maryland College	25,000
Univ. of MD, Baltimore	180,000
Massachusetts:	
Northeastern University	680,000
University of Massachusetts	531,000
Northeastern University	250,000
Simmons College	62,000
Western New England	66,000
Michigan:	
University of Michigan	723,000
Olivet College	17,000
Marygrove College	29,000
Wayne State Univ.	225,000
Minnesota:	
University of Minnesota	935,000
Univ. Saint Thomas	125,000
College of Saint Scholastica	
Missouri: University of Missouri at St. Louis	172,000
North Carolina: UNC-Chapel Hill	204,000
New Hampshire: University of New Hampshire	225,000
New Jersey: Rutgers University	706,000
New York:	
SUNNY Schools	4,000,000
New York University	1,300,000
CUNY Schools	510,000
Ohio:	
Ohio State University	850,000
Case Western Reserves University	289,000
Pennsylvania: University of Pittsburgh	230,000
Rhode Island:	
University of Rhode Island	255,000
Brown University	145,000
Tennessee: University of Tennessee	374,000
Texas: University of Texas at Austin	987,000
Vermont: University of Vermont	213,000
Virginia:	
James Madison University	153,000
Marymount	171,000
Washington: University of Washington	680, 000

Figures reflect total student loan volume for 1994–95 school year.

The .85% Student Loan Tax—What Massachusetts Schools Will Have to Pay

College	Tax amount
Westfield State College	$53,000
Worchester State College	39,000
Northeastern University	680,000
U. Mass—Boston	174,000
U. Mass—Amherst	531,000
U. Mass—Medical School (Worchester)	38,000
Brandeis	102,000
North Adams State College	35,000
Clark University	47,000
College of the Holy Cross	87,000
Bridgewater College	102,000
Tufts University (Somerville)	289,000
Radcliffe University (Cambridge)	123,000
Wellesley College (Wellesley)	34,000
Boston College	400,000

MASSACHUSETTS SCHOOLS PARTICIPATING IN DIRECT LENDING

Amherst College
Atlantic Union College
Bay State School of Appliances
Berklee College of Music
Blaine Hair School
Blaine The Hair & Beauty School-Waltham
Blaine The Hair & Beauty School-Boston
Boston University
Brandeis University
Bridgewater State University
Burdett School
Emerson College
Fitchburg State College
Franklin Institute of Boston
Greater Lowell Regional
Hallmark Institute of Photography
Hampshire College
Harvard University
Labaron Hairdressing Academy
Labaron Hairdressing Academy—Brockton
Labaron Hairdressing Academy—Springfield
Learning Institute for Beauty Sciences—Malden
Learning Institute for Beauty Sciences—Worcester
Mansfield Beauty Schools—Quincy
Mansfield Beauty Schools—Springfield
Massachusetts College of Art
Massachusetts Institute of Technology
Massachusetts Maritime Academy
Merrimack College
Mt. Holyoke College
Mt. Ida College
New England College of Optometry
Newbury College
North Adams State College
Quinsigamond Community Colleges
RETS Electronic Schools
Radcliffe College
Simons Rock of Bard College
Smith College
Springfield Technical Community College
Stonehill College
University of Massachusetts—Amherst
University of Massachusetts—Lowell
Wentworth Institute of Technology
Western New England College
Western State College
Williams College.

Mr. KENNEDY. Let me just mention these few sentences. It is signed by Rich Bond, who is the former chairman of the Republican National Committee; Diana Culp Borx, who is the former deputy general counsel, Department of Education; James Pinkerton, the former Deputy Assistant to the President for Policy Planning—this is under the previous administration—Carolynn Reid-Wallace, former Assistant Secretary for Postsecondary Education, Department of Education; Nancy Mohr Kennedy, former Assistant Secretary for Legislation and Congressional Affairs, Department of Education—that is under President Bush—Michael Horowitz, former general counsel, Office of Management and Budget, Charles Kolb, former Deputy Assistant to the President for Domestic Policy; George Pieler, former Acting Deputy Under Secretary for Planning, Budget and Evaluation.

These are all leaders in the field of education in the Bush administration. And this was their letter to us.

> As such, a direct loan program offers a more cost-effective delivery system for providing student financial assistance.
>
> Replacing the [guaranteed student loan] structure with a steamlined structure will mean not only enhanced accountability but budget savings, but also a more rational delivery system that will particularly benefit students and educational institutions. In particular, we believe direct loans will also ensure greater responsibility and accountability by participating educational institutions.
>
> A direct loan program will mean replacing the role currently played by many banks, guarantee agencies, and secondary markets with a much more competitive approach. The intent is not to harm these participants in the existing program but rather to recognize that more competitive, efficient, and practical ways exist to provide student loans. We hope that as the Congress considers direct loans it will look beyond the misleading information that is being spread by representatives of those entities who have a direct financial stake in preserving the status quo.

I say amen to that.

It continues:

> We believe that the Clinton administration has taken the correct position on this issue and urge the Congress to consider this much-needed reform of the student loan program. In fact, much of the initial work that led to the direct loan program currently under consideration was undertaken [by] the Bush administration.

They are taking credit for the direct loan program.

While a valuable direct loan pilot program—

I point out that was bipartisan, Senator SIMON, Senator DURENBERGER, Senator BRADLEY, I, and others were involved in that debate. But here we have leaders in the education program and in the budget items in the previous administration touting the direct loan program, and nonetheless we find our Republican friends in the Human Resource Committee attempting to eliminate it under the Coats amendment last week and severely reduce it even under the proposal by the majority of the Republicans in the committee.

The letter continues:

> While a valuable direct loan pilot program was authorized last year, we regret that this work was not pursued more seriously and vigorously during last year's reauthorization. . . . Nonetheless, we hope that the Congress will act in a true bipartisan fashion to approve direct loans in order to bring sweeping and needed reform to the student aid delivery system.

We say amen to that. That was a bipartisan effort.

Here were the leaders under President Bush who were supporting that concept.

> Should bipartisanship not be possible, we [will] call upon our fellow Republicans to unite behind the direct loan proposal and to show leadership in this and other efforts to reform government. We favor reforms that will ensure real value for the taxpayers' dollar, with government activity targeted to ensure more effective efforts delivered in ways that are accountable to the American people.

Mr. President, there is not a person on our committee on our side that could say it any better than that. And that is something that we hope will be understood and recognized. Mr. President, we look forward to this debate.

I want to just mention, finally, it is our intention to recognize there were 67 Members of this body, bipartisan, for the Simon-Snowe amendment when we debated education on the budget that restored funding for the higher education. And if that proposal had been accepted in the conference with the House—it was rejected out of hand, and we did not see much really of the struggle by our friends and colleagues to try to hold onto that proposal—but if that had been held onto, then our instruction would have been at $4.4 billion.

We will have a proposal tomorrow to address that $4.4 billion. It is our hope that, following the process and the budgetary consideration, that if it comes out of our committee and without complying with the larger instruction which will be devastating to the students and to student loans and to their parents, that it goes to the Budget Committee, that it is wrapped together with the other recommendations, and it then is scored by CBO, and CBO then makes a judgment as to what exactly the savings will be.

If the savings reach the $245 billion, then instructions go to the Finance Committee to have a tax cut for that particular amount. If it is $235 billion, then the recommendation will go to the Finance Committee for $235 billion. I think that is absolutely justified. But since two-thirds of the Members of the Senate went on record, Republicans and Democrats, saying it should only be $4.4 billion, we are going to recommend that we have $4.4 billion and that we will come back to the Senate when we have that opportunity and have a second vote on the Snowe-Simon amendment, because we believe that truly reflects the sentiment of this body with that overwhelming vote.

And that is the responsible way to go rather than to provide this very, very dangerous, unfair, unjustified, unwarranted slashing of the student loan program in order that we provide the tax cuts for the wealthy individuals and corporations.

I yield the floor.

MEASURES PLACED ON THE CALENDAR

The following measure was read the second time by unanimous consent and placed on the calendar.

S. 1254. An act to disapprove of amendments to the Federal Sentencing Guidelines relating to lowering of crack sentences and sentences for money laundering and transactions in property derived from unlawful activity.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–1464. A communication from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation entitled, "Department of Veterans Affairs Improvement and Reinvention Act of 1995"; the Committee on Veterans' Affairs.

EC–1465. A communication from the President of the Women's Army Corps Veterans Association, transmitting, pursuant to law, the annual audit for fiscal year 1995; the Committee on the Judiciary.

EC–1466. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "The Audit of the District of Columbia Lottery and Charitable Games Control Board for Fiscal Year 1994"; to the Committee on Governmental Affairs.

EC–1467. A communication from the Secretary of the Department of Housing and Urban Development, transmitting, pursuant to law, the Federal Housing Administration Management Report for fiscal year 1994; to the Committee on Governmental Affairs.

EC–1468. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the cumulative report on rescissions and deferrals, dated September 1, 1995; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, to the Committee on the Budget, to the Committee on Agriculture, Nutrition and Forestry, to the Committee on Banking, Housing and Urban Affairs, to the Committee on Commerce, Science and Transportation, to the Committee on the Environment and Public Works, to the Committee on Finance, to the Committee on Foreign Relations, to the Committee on the Judiciary, to the Committee on Labor and Human Resources, and to the Committee on Small Business.

EC–1469. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the National Center on Child Abuse and Neglect's Report for fiscal years 1991–1992; the Committee on Labor and Human Resources.

EC–1470. A communication from the members of the United States of America Railroad Retirement Board, transmitting, pursuant to law, a budget request for fiscal year 1997; to the Committee on Labor and Human Resources.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BENNETT:

S. 1270. A bill to exempt stored value cards from the Electronic Fund Transfer Act, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CRAIG (for himself, Mr. ABRAHAM, Mr. FAIRCLOTH, Mr. HOLLINGS, Mr. KEMPTHORNE, and Mr. KYL):

S. 1271. A bill to amend the Nuclear Waste Policy Act of 1982; to the Committee on Energy and Natural Resources.

By Mr. HOLLINGS:

S. 1272. A bill to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Billy Buck;* to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BENNETT:

S. 1270. A bill to exempt stored value cards from the Electronic Fund Transfer Act, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE EXEMPTION FOR STORED VALUE CARDS ACT OF 1995

Mr. BENNETT. Mr. President, I thank you for the opportunity to address this assembly today.

We live in a time of great progress; a time when technology is growing exponentially. Just a few years ago, it would take an ordinary citizen days to send a document from Utah to Washington; today, thanks to the fax machine and cyberspace, it takes a matter of seconds. Not that long ago, in order to speak with constituents face to face, we would have no choice but to travel back to our States; now, due to satellite technology, we can participate in electronic town meetings and interact with voters 2,500 miles away.

Technology also necessitates changes in society in order to deep up and reach maximum efficiency. For example, often when using the telephone today, you might run across an automated directory. If you are using a digital phone, there is no problem; you can conduct your business easily. If, however, you are using an analog line, you might meet with some difficulty in concluding your affairs.

So it is with Federal regulations. We find the need in today's world to guard society from potential abuses through the process of regulation. However, technology can make existing regulations obsolete, or at least uneconomical to enforce. As the world changes around us, we must be willing and able to adapt.

The Electronic Fund Transfer Act, or EFTA, to which I am proposing changes today, regulates the use of debit cards and other so-called access devices to initiate electronic transfers to or from a consumer's deposit or other asset account. The EFTA imposes significant burdens on financial institutions that hold such accounts. For example, financial institutions must provide extensive disclosures to consumers before initial electronic fund transfers involving the account are made; they must provide periodic statements to consumers each month which detail every transfer made to or from an account; and they must provide receipts at electronic terminals for electronic fund transfers made by consumers.

The EFTA is an important act, but one that requires change due to technological advancements. Therefore, I propose that we amend the EFTA to reflect the progress of the industry. This bill, entitled "Exemption for Stored Value Cards," modifies the definitions of "accepted card or other means of access" and "account" to clarify that the regulatory burdens imposed under the EFTA do not apply to so-called stored value cards. A stored value card is a card which can be used to pay for transactions by use of value which is stored on the card itself.

Good examples of stored value cards include the Washington, DC metro fare-cards or cards which contain value that can be used at such devices as vending machines, parking meters, or bridge toll booths. When a stored value or prepaid card is used to pay for a transaction with value stored on the card itself, it does not access the consumer's account and typically does not utilize the systems which are used by financial institutions to generate receipt information, and other information needed to comply with the EFTA. As a result, it would be inappropriate to apply all of the EFTA regulatory requirements to such stored value cards. It is intended, however, that the EFTA would apply to such a card when the card is used to access the consumer's deposit, savings, or similar asset account to load value onto the card for use at such vending and other machines.

In addition, application of the EFTA regulatory and procedural burdens to stored value cards would significantly impede the development of stored value programs, and in some instances may entirely preclude the development of such programs. Stored value card programs typically involve frequent, small dollar transactions with unsophisticated vending machines, parking meters, and similar equipment. Given the small dollar amount of these transactions, stored value card programs must be operated at a very low cost in order to be cost efficient for merchants, consumers, and card issuers alike. Applying the requirements of the EFTA to stored value card programs would significantly raise the cost of operating such programs and, in some instances, would make such programs economically unfeasible. This amendment also clarifies that the EFTA would not apply to value stored on other devices such as computers.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1270

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXEMPTION FOR STORED VALUE CARDS.

Section 903 of the Electronic Fund Transfer Act (15 U.S.C. 1693a) is amended—

(1) in paragraph (1)—

(A) by striking "(1) the term 'accepted card or other means of access' means a card" and inserting the following:

"(1) the term 'accepted card or other means of access' means—

"(A) a card";

(B) by adding "and" after the semicolon at the end; and

(C) by adding at the end the following new subparagraph:

"(B) does not include any card, device, or computer that may be used by a person to pay for a transaction through the use of value stored on, or assigned to, that card, device, or computer;" and

(2) in paragraph (2)—

(A) by striking "(2) the term 'account' means a demand" and inserting the following:

"(2) the term 'account' means—

"(A) a demand";

(B) by adding "and" after the semicolon at the end; and

(C) by adding at the end the following new subparagraph:

"(B) does not include any value that—

"(i) is stored on, or assigned to, a card, device, or computer; and

"(ii) enables a person to pay for a transaction through the use of that value;".

By Mr. CRAIG (for himself, Mr. ABRAHAM, Mr. FAIRCLOTH, Mr. HOLLINGS, Mr. KEMPTHORNE, and Mr. KYL):

S. 1271. A bill to amend the Nuclear Waste Policy Act of 1982; to the Committee on Energy and Natural Resources.

THE NUCLEAR WASTE POLICY ACT OF 1995

Mr. CRAIG. Mr. President, today I am joining with other Senators, and the Presiding Officer in introducing legislation that will, I hope—after many years of failure—finally provide for the timely storage and disposal of spent nuclear fuel and high-level nuclear waste from the Nation's defense program and commercial nuclear power plants.

The Nuclear Waste Policy Act of 1995 creates an integrated system that will ensure construction of an interim storage facility and permanent repository to manage the legacy of America's great defense force, including spent fuel from the Navy's nuclear-powered fleet of aircraft carriers and submarines, currently stored in my State of Idaho, as well as components from dismantled nuclear weapons and commercial spent fuel from about 73 sites in more than 34 States.

Mr. President, transferring nuclear waste from the many defense and commercial nuclear sites to a single Federal facility beginning in 1998 was the intent of Congress when it passed the Nuclear Waste Policy Act of 1982.

Unbelievably, we are only 3 years from the date when the Energy Department is obligated to begin accepting this radioactive waste, and the DOE is still studying a site in Nevada to determine if it is a suitable location for a deep geologic repository for high-level radioactive waste. Because of endless bureaucratic delays that have plunged the program into tremendous loss of time, the Federal Government now says it will not have a repository operating until 2010, at the earliest, and probably several years thereafter.

That is 12 years after the Federal Government is contractually obligated to take title to spent fuel from civilian power plants and more than 10 years after the people of Idaho were first promised that high-level waste stored at the Idaho National Engineering Laboratory would be moved to a permanent repository.

Mr. President, you and I know INEL has now managed spent nuclear fuel from Navy warships for more than 30 years. More recently, it has also become the resting place for spent fuel and other radioactive components from the Three Mile Island incident. Like many nuclear facilities across the country, INEL has served the Federal Government and the citizens of America well. But now, the Federal Government must accept its responsibility under law to take nuclear waste to a facility licensed by an independent regulator where it can be managed safely and economically.

Mr. President, the bill I am introducing with you authorizes construction of a federally-licensed facility on the Nevada test site near Yucca Mountain to store spent Navy fuel from Idaho National Engineering Laboratory and other defense facilities and spent fuel currently stored at commercial nuclear power plants from Maine to California. The bill instructs the Federal Government to begin operation of an interim storage facility in 1998 so that high-level radioactive materials can be transferred to the test site, where it can be more easily managed.

Transferring nuclear materials from sites around the country to a single facility holds several advantages over the current system. First, because the interim storage facility provided in my bill will be licensed by the Nuclear Regulatory Commission ensuring safe storage of all materials. Second, a single site will be far more economical to maintain and keep secure. Finally, the storage site designated in my bill is close to Yucca Mountain, the likely site of a permanent repository for high-level waste.

Mr. President, though some will surely disagree with our approach, I do not think it is unreasonable to assume that Yucca will eventually be judged as suitable for a permanent repository. Nor do I think that establishing a storage site near the mountain compromises the integrity of the scientific studies currently ongoing.

It is important to recall that scientists and engineers at Yucca Mountain have conducted the most thorough and comprehensive geological survey ever undertaken on any piece of earth. After $5 billion in expenditures, the scientists have found no reason why the site would not be suitable for a permanent nuclear waste repository. Moreover, the bill I am introducing today ensures that research at Yucca Mountain will continue during construction and operation of an interim storage facility.

Mr. President, the bill I introduce today is similar to legislation (H.R. 1020) that passed the House Commerce Committee 30-4 on August 2. My bill includes the following provisions that reform the Federal Government's spent fuel management program in these critical areas:

The bill reaffirms the Federal Government's responsibility to begin accepting waste from defense and commercial nuclear facilities in 1998.

It authorizes construction of an interim storage facility in two phases with date-certain schedules. Phase one will allow acceptance of up to 20,000 metric tons of uranium, including defense program waste, and phase two permits up to 100,000 metric tons.

It authorizes the Energy Department to develop a transportation system to safely move spent fuel from America's defense and commercial nuclear facilities to this single storage site.

It authorizes continued development of a permanent repository program according to DOE's 1994 program approach.

It requires the Energy Department to take title to spent nuclear fuel at plant sites and to operate a transportation system from a contract holder's designated site(s) to a Federal interim storage facility.

The Federal Department of Energy must purchase transportable storage containers, taking advantage of technologies available in the marketplace. Defense spent fuel must be transferred to containers that can be used at a storage facility licensed by the Nuclear Regulatory Commission.

Funding priorities for the Energy Department's program should be: First, interim storage and a related transportation system; second, construction of a railroad spur in Nevada from existing rail lines to the interim storage facility; and third, scientific study for a repository location.

Mr. President, the principle difference between the House bill and my bill revolves around future funding for civilian spent fuel management. The House committee voted to change current law which has resulted in the Federal Government collecting more than $11 billion from utilities and their ratepayers over the last 13 years, while spending less than half of that amount for the purpose it was intended to be spent for; that is, building a nuclear waste repository. The rest of the money, more than $5 billion, has been used to finance our deficit spending habit.

The House bill ensures that in future years appropriations in any given year will equal contributions from ratepayers. If Congress votes to reduce funding for the program, collections from utilities and ratepayers will be similarly reduced.

My bill retains the current funding mechanism for the DOE program. I hope as we proceed in the Senate, however, that we will take a close look at the House funding provision or something similar to help ensure that Congress once and for all moves toward ending the practice of collecting funds for specific purposes and then using them to help balance our out-of-balance budget.

Mr. President, this legislation will solve an important issue for the citizens of Idaho, and, frankly, for all Americans. The question of how best to manage spent nuclear fuel and other radioactive materials has been considered for most of my lifetime, certainly all of my career here in Washington. There is no question that centralized storage and disposal in a remote location is better than leaving nuclear waste scattered across the United States at multiple of sites. It is time to implement a centralized storage program and to develop the solution that protects public health and safety and the environment and future generations.

A dozen years ago, the Federal Government signed contracts with utilities and agreed to take title to and dispose of used nuclear fuel by 1998. Now it is time for the Federal Government to live up to its commitment to these consumers and to the residents of States like mine who have played an essential role in managing the waste from the Nation's nuclear defense program.

Mr. President, there is widespread support for these principles among State Governors, attorneys general, utility regulators, and more than 180 Members from both sides of the aisle in the House of Representatives, which is considering similar legislation. I urge my colleagues to support this legislation to manage the Nation's nuclear waste in an integrated, sensible fashion and to demonstrate to the American people that the Federal Government can honor its commitments.

The United States has benefited from the many uses of nuclear materials, whether as a deterrent to global conflict or nuclear fuel that is used to generate electricity in the manner that is environmentally sound and did not create air pollution.

Our generation has benefited enormously from these diverse uses. We have enjoyed peace, economic prosperity, and a cleaner environment. Now, our generation must finally take responsibility to properly manage spent fuel from the defense program and from more than 110 commercial nuclear powerplants.

I am pleased that Senators FAIRCLOTH, HOLLINGS, KEMPTHORNE—as I already mentioned—KYL and SMITH, are joining me as cosponsors. I will work to assure this bill moves through Congress in a timely fashion.

By Mr. HOLLINGS:

S. 1272. A bill to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Billy Buck*, to the Committee on Commerce, Science, and Transportation.

TRADING PRIVILEGES LEGISLATION

Mr. HOLLINGS. Mr. President, I am introducing a bill today to direct that the vessel *Billy Buck*, official No. 939064, be accorded coastwise trading privileges and be issued a certificate of documentation under section 12103 of title 46, United States Code.

The *Billy Buck* was constructed in Miami, FL, in 1980, and is a motor vessel presently used as a recreational vessel. It is 30.2 feet in length, 10.8 feet in breadth, has a depth of 4.8 feet, and is self-propelled.

The vessel is owned by William E. Walpole of Wadmalaw Island, SC. Mr. Walpole would like to utilize his vessel in the coastwise trade and fisheries of the United States. However, because the vessel was previously owned by a foreign interest and because the owner could not furnish a complete chain of title to the vessel, it did not meet the requirements for coastwise license endorsement in the United States. Such documentation is mandatory to enable the owner to use the vessel for its intended purpose.

The owner of the *Billy Buck* is seeking a waiver of the existing law because he wishes to use the vessel for charters. His desired intentions for the vessel's use will not adversely affect the coastwise trade in U.S. waters. If he is granted this waiver, it is his intention to comply fully with U.S. documentation and safety requirements. The purpose of the legislation I am introducing is to allow the *Billy Buck* to engage in the coastwise trade and the fisheries of the United States.

ADDITIONAL COSPONSORS

S. 356

At the request of Mr. SHELBY, the name of the Senator from Tennessee [Mr. FRIST] was added as a cosponsor of S. 356, a bill to amend title 4, United States Code, to declare English as the official language of the Government of the United States.

S. 722

At the request of Mr. DOMENICI, the name of the Senator from Utah [Mr. BENNETT] was added as a cosponsor of S. 722, a bill to amend the Internal Revenue Code of 1986 to restructure and replace the income tax system of the United States to meet national priorities, and for other purposes.

S. 847

At the request of Mr. GREGG, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 847, a bill to terminate the agricultural price support and production adjustment programs for sugar, and for other purposes.

S. 863

At the request of Mr. GRASSLEY, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 863, a bill to amend title XVIII of the Social Security Act to provide for increased medicare reimbursement for physician assistants, to increase the delivery of health services in health professional shortage areas, and for other purposes.

S. 969

At the request of Mrs. KASSEBAUM, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of S. 969, a bill to require that health plans provide coverage for a minimum hospital stay for a mother and child following the birth of the child, and for other purposes.

S. 978

At the request of Mrs. HUTCHISON, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 978, a bill to facilitate contributions to charitable organizations by codifying certain exemptions from the Federal securities laws, to clarify the inapplicability of antitrust laws to charitable gift annuities, and for other purposes.

S. 1130

At the request of Mr. BROWN, the names of the Senator from Mississippi [Mr. LOTT], the Senator from Oklahoma [Mr. NICKLES], the Senator from Washington [Mr. GORTON], and the Senator from North Carolina [Mr. FAIRCLOTH] were added as cosponsors of S. 1130, a bill to provide for the establishment of uniform accounting systems, standards, and reporting systems in the Federal Government, and for other purposes.

S. 1131

At the request of Mr. ROCKEFELLER, the name of the Senator from Minnesota [Mr. WELLSTONE] was added as a cosponsor of S. 1131, a bill to amend title 38, United States Code, to authorize the provision of financial assistance in order to ensure that financially needy veterans receive legal assistance in connection with proceedings before the United States Court of Veterans Appeals.

S. 1136

At the request of Mr. HATCH, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 1136, a bill to control and prevent commercial counterfeiting, and for other purposes.

S. 1138

At the request of Mr. GRASSLEY, the names of the Senator from Oklahoma [Mr. INHOFE], the Senator from Indiana [Mr. COATS], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from New Hampshire [Mr. GREGG] were added as cosponsors of S. 1138, a bill to amend title XVIII of the Social Security Act to provide that certain health insurance policies are not duplicative, and for other purposes.

S. 1266

At the request of Mr. MACK, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 1266, a bill to require the Board of Governors of the Federal Reserve System to focus on price stability in establishing monetary policy to ensure the stable, long-term purchasing power of the currency, to repeal the Full Employment and Balanced Growth Act of 1978, and for other purposes.

SENATE RESOLUTION 146

At the request of Mr. JOHNSTON, the names of the Senator from Minnesota [Mr. WELLSTONE], the Senator from Mississippi [Mr. LOTT], the Senator from Georgia [Mr. COVERDELL], and the Senator from South Dakota [Mr. DASCHLE] were added as cosponsors of Senate Resolution 146, a resolution designating the week beginning November 19, 1995, and the week beginning on November 24, 1996, as "National Family Week," and for other purposes.

AMENDMENTS SUBMITTED

VA-HUD APPROPRIATIONS ACT FOR FISCAL YEAR 1996

BUMPERS (AND OTHERS) AMENDMENT NO. 2776

Mr. BUMPERS (for himself, Mr. WARNER, Mr. COHEN, Mr. KERRY, Mr. BRYAN, Mr. BRADLEY, Mr. FEINGOLD, Mr. LEAHY, Mr. KOHL, Mr. WELLSTONE, and Mr. SIMON) proposed an amendment to the bill (H.R. 2099) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for fiscal year ending September 30, 1996, and for other purposes, as follows:

> Strike lines 14 through 15 on page 158 and insert in lieu thereof the following: "$3,504,000,000, to remain available until September 30, 1996. *Provided*, that of the funds made available under this heading, no funds shall be expended on the Space Station program, except for termination costs."

ADDITIONAL STATEMENTS

KENNETH B. SCHWARTZ

• Mr. KERRY. Mr. President, I want to take a moment today to remember Kenneth B. Schwartz of Brookline, MA. I first worked with Ken when I was Lieutenant Governor and he was general counsel to the executive office of human services. He had a brilliant analytical mind, a keen sense of humor, and most important, he was one of the purely nicest human beings ever to walk the face of the Earth. He cared deeply about the most vulnerable among us, the elderly, the poor, the mentally ill.

Tragically, he was diagnosed last November with cancer. Despite having the best medical care available, Ken died September 10, at age 40, leaving his wife, Ellen Cohen, and his 2-year-old son, Benjamin.

Despite pain, surgeries, the devastating effects of chemotherapy, and the mental anguish that knowledge of his condition brought, Ken turned his experience into something quite remarkable and enormously valuable for both those afflicted with cancer and those who treat them.

The son and brother of doctors, Ken wrote an article for the Boston Globe magazine on his experience as a patient, and his relationship with the caregivers at the teaching hospital where he was treated. Ken's article opened the eyes of the medical community in a way that rarely occurs even in the most sympathetic and responsive of hospitals. His article came to the attention of the "Good Morning America" show, which featured him in one of its segments. During this all-too-brief period of time, he also helped establish the Kenneth B. Schwartz Center for the Study of Caregiver-Patient Relationships at Massachusetts General Hospital, so that the lessons he learned from his illness might be studied and broadened to the benefit of future patients, their doctors and other caregivers.

As was said of Sir Thomas More, Ken was:

> A man of angel's wit and singular learning; I know not his fellow. For where is the man of that gentleness, lowliness and affability? And as time requireth, a man of marvelous mirth and pastimes; and sometimes of as sad a gravity; a man for all seasons.

I ask that his Boston Globe article be placed in the CONGRESSIONAL RECORD at this point, and I commend it to all my colleagues in the Congress.

The article follows:

[From The Boston Globe Magazine, Jul. 16, 1995]

A PATIENT'S STORY

(By Kenneth B. Schwartz)

Until last fall, I had spent a considerable part of my career as a health-care lawyer, first in state government and then in the private sector. I came to know a lot about health-care policy and management, government regulations and contracts. But I knew little about the delivery of care. All that changed on November 7, 1994, when at age 40 I was diagnosed with advanced lung cancer. In the months that followed, I was subjected to chemotherapy, radiation, surgery, and news of all kinds, most of it bad. It has been a harrowing experience for me and for my family. And yet, the ordeal has been punctuated by moments of exquisite compassion. I have been the recipient of an extraordinary array of human and humane responses to my plight. These acts of kindness—the simple human touch from my caregivers—have made the unbearable bearable.

During September and October of 1994, I made several visits to the outpatient clinic of a Boston teaching hospital for treatment of a persistent cough, low-grade fever, malaise, and weakness. The nurse practitioner diagnosed me as having atypical pneumonia and prescribed an antibiotic. Despite continued abnormal blood counts, she assured me that I had a post-viral infection and didn't need an appointment with my physician until mid-November, if then. By mid-October, I felt so bad that I decided I could not wait until November 11 to be seen. Disappointed with the inaccessibility of my physician, I decided to seek care elsewhere, with the hope that a new doctor might be more responsive.

My brother, a physician who had trained at Massachusetts General Hospital, arranged for an immediate appointment with Dr. Jose Vega, an experienced internist affiliated with MGH. Dr. Vega spent an hour with me and ordered tests, including a chest X-ray. He called within hours to say he was concerned by the results, which showed a "mass" in my right lung, and he ordered a computerized-topography scan for more detail. I remember leaving my office for home, saying quickly to my secretary, Sharyn Wallace, "I think I may have a serious medical problem." Indeed, the CT scan confirmed abnormal developments in my right lung and chest nodes.

The next day, Dr. Vega, assuring me that he would continue to be available to me whenever I needed him, referred me to Dr. Thomas Lynch, 34-year-old MGH oncologist specializing in lung cancer. Dr. Lynch, who seems driven by the ferocity of the disease he sees every day, told me that I had lung cancer, lymphoma, or some rare lung infection, although it was most likely lung cancer.

My family and I were terrified. For the next several months, my blood pressure, which used to be a normal 124 over 78, went to 150 over 100, and my heart rate, which used to be a low 48, ran around 100.

Within 72 hours of seeing Dr. Lynch, I was scheduled for a bronchoscopy and a mediastinoscopy, exploratory surgical procedures to confirm whether I indeed had lung cancer. Until this point, I had thought that I was at low risk for cancer: I was relatively young, I did not smoke (although I had smoked about a cigarette a day in college and in law school and for several years after that), I worked out every day, and I avoided fatty foods.

The day before surgery, I was scheduled to have a series of tests. The presurgery area of the hospital was mobbed, and the nurses seemed harried. Eventually, a nurse who was to conduct a presurgical interview called my name. Already apprehensive, I was breathing hard.

The nurse was cool and brusque, as if I were just another faceless patient. But once the interview began, and I told her that I had just learned that I probably had advanced lung cancer, she softened, took my hand, and asked how I was doing. We talked about my 2-year-old son, Ben, and she mentioned that her nephew was named Ben. By the end of our conversation, she was wiping tears from her eyes and saying that while she normally was not on the surgical floor, she would come see me before the surgery. Sure enough, the following day, while I was waiting to be wheeled into surgery, she came by, held my hand, and, with moist eyes, wished me luck.

This small gesture was powerful; my apprehension gave way to a much-needed moment of calm. Looking back, I realize that in a high-volume setting, the high-pressure atmosphere tends to stifle a caregiver's inherent compassion and humanity. But the briefest pause in the frentic pace can bring out the best in a caregiver and do much for a terrified patient.

The nurse left, and my apprehension mounted. An hour later, I was wheeled to surgery for a biopsy of the chest nodes and the mass in my lung. I was greeted by a resident in anesthesiology, Dr. Debra Reich, who took my pulse and blood pressure and said gently: "You're pretty nervous, huh?" She medicated me with tranquilizers, but that did not stop me from asking about where she lived, where she had trained, and whether she was married. I jokingly asked her how come she was the only Jewish doctor I had met during my time at MGH. When it turned out that she lived down the street from me and liked the sandwiches at the same corner shop, Virginia's, I felt comforted. She squeezed my shoulder, wished me luck, and wheeled me into surgery.

When I awoke, I was told that I had adenocarcinoma in my right lung and in several chest nodes—in other words, advanced lung cancer. I don't remember a lot about those hours, but I remember Dr. Vega's face, with tears in his eyes. I also remember feeling very sad and scared.

A few days later, I received a letter from Dr. Reich: "Remember me, your friendly anesthesiologist? I came by to see you this afternoon as my professional duty but also to express my sadness in hearing about your diagnosis. Your door was closed and there seemed to be a lot of activity, so I decided not to disturb you.

"As I'm sure you know, we as physicians are taught not to become emotionally involved in our patients because then we would be continually devastated. But I guess because we had such a nice interaction before your surgery and because your life was one which I could relate to so well—being Jewish, professional, renovating a house, sandwiches, at Virginia's, etc.—your situation really struck a chord in me. (Hey, maybe you can't even remember any of this because of the medicine I gave you, but hopefully you do . . .)

"I was very impressed that during the fear and anxiety you were experiencing, you still maintained your composure, your sense of humor, and even thought to ask me when I was getting married.

"So, anyway, as you told me, keeping your wife and son in mind will make you fight strong, and I know this to be true! I know that you have a very loving and supportive family who will help you through this as well.

"Best, wishes, and maybe I'll run into you sometime at Virginia's."

I had not forgotten Dr. Reich, nor will I ever forget her willingness to cross the professional barrier, hold my hand, and write those words.

It was clear that I would soon begin a new chapter in my illness and undergo the classic treatment for such advanced cancer, intensive chemotherapy and radiation, followed by surgery to remove the tumors, nodes, and entire lung, if necessary. Dr. Lynch told me that this option presented the real possibility of a cure.

Over the next week, I had a series of additional radiologic scans to determine if the cancer had spread beyond my chest. These scans are incredibly scary: You are placed in a tube resembling a sarcophagus, with only 6 inches between you and the walls, and you may spend several hours inside, deafened by the clanging machine. And the scans always raise fears about whether more bad news in around the corner.

Dr. Vega or Dr. Lynch always made it a point, though, to relay results within 24 hours so my family and I didn't have to endure the anxiety of uncertainty any longer than necessary.

The scans of my body, head, liver, bones, and back were clear. I was relieved.

The doctors soon began an intensive regimen of chemotherapy and radiation, with the goal of destroying the cancer and preparing for surgery to remove my lung.

Before being admitted for my first five-day course of chemotherapy. I had a radiation-simulation session. During such session, therapists meticulously map their targets by marking your skin where the radiation should be directed. I was asked to lie on a table in a large, cold chamber. The radiation therapist. Julie Sullivan, offered me a blanket and, mentioning that the staff had a tape deck asked if I had any request; I recalled my college days and asked for James Taylor. Listening to "Sweet Baby James" and "Fire and Rain" I though back to a time when the most serious problem I faced was being jilted by a girlfriend, and tears ran down my cheeks. As therapists came and went, Julie Sullivan held my hand and asked me if I was OK. I thanked her for her gentleness.

After having a Port-o-Cath implanted in my chest—a device that allows chemotherapy to be administered without constant needle sticks in the arm—I was admitted to MGH in mid-November. During that and other hospitalizations, either my mother or sister would stay overnight, often sleeping in cramped chairs. When I awoke at night in an anxious sweat or nauseated, I would see one of them and feel reassured.

While doctors managed my medical cure, my day-to-day quality of life and comfort were in the hands of two or three nurses. These nurses showed competence and pride in their work, but they also took a personal interest in me. It gave me an enormous boost, and while I do not believe that hope and comfort alone can overcome cancer, it certainly made a huge difference to me during my time in the hospital.

During the period between my two chemotherapies, when I also received high-dose radiation twice a day, I came to know a most exceptional caregiver, the outpatient oncology nurse Mimi Batholomay. An eight-year veteran who had experienced cancer in her own family, she was smart, upbeat, and compassionate I had to receive fluids intravenously every day at the clinic, and while there we talked regularly about life, cancer, marriage, and children. She, too, was willing to cross that professional Rubicon—to reach out and talk about my fear of dying or, even worse, my fear of not living out my life, of not biking through the hills of Concord and Weston on summer weekends with my brother, of not seeing my child grown up, of not holding my wife in my arms. And she took the risk of talking about her own father's recent bout with cancer. I cannot emphasize enough how meaningful it was to me when caregivers revealed something about themselves that made a personal connection to my plight. It made me feel much less lonely. The rule books, I'm sure, frown on such intimate engagement between caregiver and patient. But maybe it's time to rewrite them.

After my second round of chemotherapy, I was ready for the final stage of what we hoped would be a cure: surgery. Before this could happen, Dr. Lynch repeated my radiologic scans, to be sure that the cancer had not spread. He assured me that the chance of any such metastasis was remote—less than 5 percent—although it would be a disaster if it occurred.

The scans were endless, scary; and lonely. While members of my family stayed with me in the waiting rooms, they could not accompany me to the scanning rooms; the experience again was harrowing. But I felt my greatest fear while awaiting the results. After a week of tests, I had one last scan of my bones. I was concerned when the technologist asked to do a special scan of my back that had not been done before.

The next day, I called Dr. Lynch's office and asked his assistant, Mary Elen Rousell, when I could come in to find out the results. She said, "How about this afternoon?" and then added, "You might want to bring someone." My heart skipped. When my wife and I entered Dr. Lynch's office and saw his face, our hearts sank. He was ashen. He said that while all the other scans were clear, there appeared to be a metastatic tumor in my spine. He explained that this meant that lung surgery at this point would be futile, since other metastases were likely to surface.

Dr. Lynch said that he could not be 100 percent certain that this was a tumor and that, because so much was at stake, we should do a biopsy. My wife and I wept openly—in part because, looking at Dr. Lynch's face, we felt that he had lost hope.

I could not help but ask what treatment options were available, and he mentioned a drug called Taxol. Still being the lawyer, I quizzed him:

Me: What is the percentage of people who benefit from Taxol?

Dr. Lynch: Forty percent.

Me: How much do they benefit?

Dr. Lynch: They can get several years of life, although it is not a cure. And the median survival for patients on Taxol with your advanced state of disease is nine months.

Nine months! My wife and I cringed. I ended the session by asking Dr. Lynch, "How do you do this work?" And he answered, in genuine pain, "By praying that I don't have days like today."

I began to have trouble sleeping, and when I awoke, I was filled with dread and despair. I thought frequently of the observation of Richard Block, the founder of H&R Block, who had survived lung cancer after being told initially that he had only months to live: "I lived for five days without hope and . . . my life during those five days . . . was far worse than at any time during the 'horrible' ordeal of tests or treatments."

And when I contemplated not living to see my son grow up or not cherishing my wife for a lifetime, I thought of King Lear, who, at a low point, wailed:

I am bound
Upon a wheel of fire, that mine own tears
Do scald like molten lead.

I desperately needed to regain hope, and I needed Dr. Lynch to regain his sense of hope.

A few days later, I had the biopsy. Dr. Lynch met with my family to report that, indeed, after considerable searching, the pathologist had found small deposits of adenocarcinorea in my vertebra. It was now confirmed that I had metestatic lung cancer. Although my brother and my father, who is also a physician, raised the possibility of radical surgery on my back and lung to remove all the tumors, Dr. Lynch and the surgeons rejected this option because further metestates were likely to appear, and the surgery would be debilitating and reduce my quality of life at a time when my life could well be substantially shortened.

The clear treatment was more chemotherapy. Dr. Lynch again recommended the use of Taxol, with the hope of slowing the cancer's spread.

My wife and I were largely silent during the medical discussion. I asked my father and brother to leave so my wife and I could talk not facts and figures but matters of the heart. When they had left, I said to Dr. Lynch, "You told me two things all along: One, that you were aiming for a total cure, and if that were not feasible, you would tell me at that time. And two, you would never, ever give up on me, never stop trying to fight, to extend my life as long as possible. Am I no longer on the cure route?"

He looked somberly at us and explained that there were no known treatments to cure this stage of cancer.

"And will you stick by me and fight to the end?" I asked.

He nodded vigorously and then outlined a number of state-of-the-art, experimental protocols from which I might benefit after Taxol.

And, leaving statistics behind, he talked of several patients who had defied the odds and lived for years beyond expectations. He advised that my goal should be to be here the same time next year, and then the year after, and the year after—one day at a time, one month at a time, one year at a time. He mentioned several breast-cancer patients who had told him that they had relished their final years with their children in a way that they had never known before. It felt good to leave the medical talk and speak heart to heart, and it felt to me that he had regained a sense of hope—not for some magical cure but for the possibility of extending my life.

It was critical to my wife and to me that he not give up hope. I understood his surprise and disappointment at the metastasis; in fact as one friend suggested, his distress in that event was a sign of his caring about me and his involvement with my case. But we desperately needed him to give us a realistic basis for hope—and he had.

The next day, I began a new chapter in my fight. And once again, Mimi Bartholomay was by my side, monitoring my reaction and assuring me that most people tolerated Taxol very well. I had no allergic reactions, and I felt good that the battle was under way. I had hoped that maybe this would buy me time. Time was now my best friend, since it could allow medical research to advance and doctors to find new strategies and maybe even a cure for advanced lung cancer.

During this period, with help from my father, who has had a long and distinguished career in academic medicine, I began to explore potential cutting-edge protocols that could supplement or follow Taxol.

My father arranged a meeting for my wife and me with Dr. Knot J. Isselbacher, a distinguished researcher and director of the MGH Cancer Center. He is a small man with a large presence and piercing blue eyes, and he was surrounded by medical books, papers, and many pictures of his family. He was upbeat, telling us of protocols under way that showed promise in fighting metastatic tumors. Like several others, be told me a personal story that cut to the bone: A close family member, he said, had been diagnosed with advanced cancer, which the attending oncologist had said was "very, very bad." The family member had said to him: "Kurt you have helped so many people in your life, can you now help me!" He personally treated the family member in that person's home with chemotherapy, and, 21 years later, that person is thriving.

Dr. Isselbacher offered to serve as an advocate for me, to work with my father and Dr. Lynch to find the most promising protocols. I told him at the meeting that while I had no illusions, I was deeply moved by his refusal to give up and by his abiding hope; I was especially affected because such hopefulness was not coming from a faith healer but a distinguished researcher. He has strengthened our resolve to fight.

As I grappled to maintain my hope in the face of the advancing disease, I was referred to Dr. Ned Cassen, a senior MGH psychiatrist who not only had had vast experience with the seriously ill but was himself a Jesuit priest. I had met with him once during my second hospitalization, and my memory through the haze was that he was the first person with whom I had discussed death. I remembered that when I had asked him if, when, and how I should say goodbye to people, he said, "You know, you don't have to wait to say goodbye; you can express your love and appreciation for people right now, every day."

After the devastating news of the metastasis, I felt the urge to seek our Dr. Cassem again, in part to ask if there was anything more I should be doing to help my son, Ben, cope with my illness or the eventuality of my death. I mentioned that several people had suggested I make a videotape for Ben but that I thought I couldn't do that. Dr. Cassem replied that every time we played or laughed together, we were creating building blocks, precious memories that will be part of him forever.

I also asked him if he thought I should be doing more to prepare for the possibility of an early death. He looked perplexed and asked, "Have you prepared your will?" I said yes. "Are your affairs otherwise in order" I again said yes. "So it sounds like you are prepared. . . . Remember, death is a minor matter. Living . . . that's the challenge."

I then told him of the paradox that moments of great pleasure—playing with my son, snuggling with my wife, talking intensely with friends—also caused me great pain and tears. Was I depressed? Was this something to worry about? He looked at me thoughtfully and said: "When you cry about your son, it's because he has touched you deeply. It's an affirmation of your love for him. When you weep about the joy you experience with your wife or close friends that's an acknowledgment of your love for them. That's not a bad thing.... Maybe a day without tears has been a dull day." I nodded and then could not help but ask: "Do you believe in the power of prayer" Dr. Cassem nodded. "Absolutely," he said, "and your name is on my prayer list." I felt warmed in his presence, by his wisdom, his common sense, and his spirituality.

In recent months, I have had several setbacks: a bone scan that showed four to five additional tumors, and a CT scan that showed significant progression of the cancer in both lungs. The only good news was that it had not spread to my head or liver. I am pained, but not surprised, at the relentlessness of the disease, and I am straining to retain hope that one of the experimental treatments may succeed where chemotherapy has failed.

For the first time, I recently mentioned to Dr. Lynch the idea of a hospice service and wondered how I might reduce future pain as the cancer progresses. Dr. Lynch answered that we were still a long way from that discussion, that we still had many avenues to explore, and that he remained as committed as ever to doing whatever he could to extend my life in a quality way.

Around the time of the CT scan, when I was feeling particularly dejected, I had an appointment with Mimi Bartholomay for an injection. She was running late, and as she approached me in the clinic waiting room, she looked harried. But as she got closer, she could see how unhappy I was, and she put her arm around me and directed me to a private room. I began to cry, and she intuitively responded: "You know, scan days are the worst. But whatever the results, we are not going to give up on you. We're going to fight with you and for you all the way." I hugged her and thanked her for hanging in there with me.

If I have learned anything, it is that we never know when, how, or whom a serious illness will strike. If and when it does, each one of us wants not simply the best possible care for our body but for our whole being.

I still am bound upon Lear's wheel of fire, but the love and devotion of my family and friends, and the deep caring and engagement of my caregivers, have been a tonic for my soul and have helped to take some of the sting from my scalding tears.•

TRIBUTE TO THE MISSOURI MERCHANTS AND MANUFACTURERS ASSOCIATION

• Mr. BOND. Mr. President, I rise today to pay a special tribute to the Missouri Merchants and Manufacturers Association. I am very pleased to recognize this organization for its 15 years of superior service to the Missouri business community.

The Missouri Merchants and Manufacturers Association was formed in 1980. With hard work and untiring commitment, the MMMA has grown into a strong, well respected voice in the legislative process representing over 5,000 small and mid-sized businesses across the State of Missouri. It is actively involved in educating MMMA members and serving as an advocate on State legislative issues impacting businesses.

While Governor of Missouri, I found that the MMMA's active involvement in State legislative issues provided a vital resource. As chairman of the Committee on Small Business, I highly value the insights they have shared on numerous issues of great importance to America's business.

The quality individuals that comprise the MMMA epitomize the kind of dedication, work ethic and ideals necessary to meet the ongoing challenges and demands of the business community. Their leadership has influenced passage of important legislation and provided dependable resources in many court cases to benefit employers. The Missouri Merchants and Manufacturers Association will commemorate its 15th anniversary at an annual fall dinner on September 30, 1995. It is my great pleasure to congratulate the MMMA for this significant accomplishment.•

THE AMERICORPS PROGRAM

• Mr. LIEBERMAN. Mr. President, over the last few months, there have been a number of speeches in this Chamber and even more outside of it criticizing pointless partisanship. Although matters of philosophy and implementation do frequently divide Senators on this side of the aisle from those on the other side, the country has a right to expect that we will seize every chance to work together.

I would have thought that national service provided a perfect opportunity for that common ground. Republicans and Democrats alike have called for greater personal responsibility, for increased involvement of citizens in our communities, for people pitching in to do what needs to be done to make America as smart and safe and strong as we have dreamed it could be.

These are the very same goals of AmeriCorps, the new domestic Peace Corps established by Congress only 2 years ago. Just this past week, the first 20,000 AmeriCorps members completed their service in my State of Connecticut and all across the country. I know how much they have achieved in Connecticut.

Forty percent of the 300 students tutored by the University of Bridgeport AmeriCorps members have increased their levels of achievement in one or more areas. AmeriCorps members in the Leadership, Education and Athletics in Partnership [LEAP] program trained 600 children to volunteer at the Special Olympics when they were held in New Haven. Community Action for Greater Middlesex County was able to bring over 60 volunteers to Christmas in April, thanks to the presence of AmeriCorps members. They refurbished 15 bedrooms and 8 bathrooms at the Eddy Shelter and rehabilitated the home of 90-year-old Alice Taylor, who, in her own lifetime has taken care of over 1,000 foster children, as well as raised her own 8 children.

AmeriCorps offers an opportunity for young people and Americans of all ages. It makes the dream of a college education a reality for families who work hard and play by the rules—while meeting compelling human needs in our communities in a cost effective manner.

Independent analyses show just how cost-effective this initiative has been in its first year. The GAO said that the Corporation for National Service's resources total about $17,600 per member, which is not only in line with the Corporation's estimate of $18,800 per member but in line with what Congress authorized.

Mr. President, the only formal cost-benefit analysis of AmeriCorps, done by four conservative economists, estimated a return of $1.60 to $2.60 in direct benefits for every dollar AmeriCorps invests.

We need to build on this success, not walk away from it. The private sector poured $41 million in resources into local AmeriCorps programs this last year, a tremendous feat when you consider that Congress had called for $32 million in matching funds from all sources. We've got an impressive public/private partnership going here and we really need to nurture it.

We won't find common ground or reach higher ground if we turn national service into a partisan political football. We owe those 20,000 AmeriCorps members—and all Americans—better than that.

TRIBUTE TO JASON REESE

• Mr. FRIST. Mr. President, I would like to take the time today to commend a very special Tennessean who has shown tremendous strength of character and a will to succeed. Jason Reese is an 18-year-old from Morristown, TN, who has just been named the Boys & Girls Club of America's 1995–96 National Youth of the Year for his commitment to community service, scholastic achievement, and leadership skills.

Jason entered the competition for National Youth of the Year when he became the Morristown Boys & Girls Club's Youth of the Month and later their Youth of the Year. He was then chosen Youth of the Year by the State of Tennessee and the southeast regional representative for the national competition. The finalists traveled to Washington, D.C. and were judged on their activities in their local Boys & Girls Clubs, their values and integrity, their academic achievements, their service to their communities, and their commitment to their families.

As the National Youth of the Year, Jason will have the opportunity to meet with youth from Boys & Girls Clubs throughout the country and discuss the impact the programs can have on one individual. For years, Jason lived without a male role model. But through drive and determination, Jason Reese overcame those obstacles, and he has become a role model for other youths.

Jason was abandoned by his father when he was a baby, and later his stepfather abandoned him and his two younger stepbrothers. Jason grew up quickly, holding a part-time job, working hard in school, and caring for his brothers at home while his mother worked and attended school. He also joined the Boys & Girls Club in Morristown, where he grew up in other ways. There, he served as a junior staff member, a member of the Keystone Leadership Club, and as a delegate to the club's board of directors. He took part in most of the club's programs, and he learned the social and leadership skills that he says gave him the motivation and self-esteem he needed to succeed in his school, community, and family.

Outside of the Boys & Girls Club, Jason has volunteered in nursing homes, helped refurbish a local park, and tutored younger children. Throughout that time, he maintained a 3.83 cumulative grade point average in his advanced and college placement curriculum at Morristown-Hamblen School West, and he took on enough responsibilities at home to allow his mother to work and graduate from college with a degree in psychology.

After 8 years in the Boys & Girls Club and a lifetime of his own dedication, Jason Reese has entered the University of Tennessee at Knoxville as a freshman honors student in engineering. In addition to being a National Merit Scholar and a UT Centennial Scholar, Jason will receive a $10,000 scholarship from the Reader's Digest Association, which sponsored the National Youth of the Year Award. Those combined scholarships will cover the costs of Jason's tuition, books, and room and board for the next 4 years.

Mr. President, I had the pleasure to meet briefly with Jason at my constituent coffee last week when he was in Washington, D.C., with the other four finalists. Jason has the commitment and the integrity to lead the Nation's youth. And I have great confidence that his year as the National Youth will not only benefit him personally, but will have a positive impact on the millions of kids in Boys & Girls Clubs throughout the country.•

COMMEMORATING 1995 HEALTHY CHOICE AMERICAN HEART WALK

• Mr. BRADLEY. Mr. President, I rise today to call attention to a wonderful opportunity for my colleagues and their staff to do something good for both themselves and for America; to participate in the Healthy Choice American Heart Walk on September 28 at noon. America's national campaign to fight heart disease will start in the Nation's Capital with a walk on the National Mall involving thousands of our fellow Government and congressional leaders, celebrities, Federal workers, and others.

It is fitting to begin this event in our Nation's Capital because heart disease is a national problem. It is our Nation's No. 1 killer and disabler, and it exacts a devastating emotional and financial toll each year. Of the 10 leading causes of death in our country, heart disease leads the list, and kills more of us each year than the next 9 causes combined. And the financial impact of heart disease and stroke accounts for about one-seventh of our Nation's entire health care bill.

Local American Heart Association chapters have organized more than 800 walks involving thousands of people in cities and towns from coast-to-coast in late September and early October. The steps that will be taken on The Mall this Thursday begin a national round of Heart Walks in which over 400,000 Americans will participate. In the next few weeks, this army of walkers will cover more than 1.2 million miles and will raise more than $13 million for the American Heart Association.

With the Heart Walk, we can all—quite literally—take meaningful steps toward conquering this killer. We can also advance our cause in two critical ways—by taking steps toward a heart-smart lifestyle and helping others by raising funds to support the ongoing education and research efforts of the American Heart Association.

I urge my colleagues in the Senate to fit this into their schedules and to encourage their staff to participate as well.•

NOTE

In the RECORD of Friday, September 22, 1995, during the consideration of the message from the House on S. 440, at page S14144, the text of the House message was inadvertently omitted. The permanent RECORD will be corrected to reflect the following.

NATIONAL HIGHWAY SYSTEM DESIGNATION ACT OF 1995—MESSAGE FROM THE HOUSE

Mr. CHAFEE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 440, a bill to amend title 23, United States Code, to provide for the designation of the National Highway System, and for other purposes.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 440) entitled "An Act to amend title 23, United States Code, to provide for the designation of the National Highway System, and for other purposes", do pass with the following amendments:

Strike out all after the enacting clause, and insert:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "National Highway System Designation Act of 1995".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Secretary defined.

TITLE I—NATIONAL HIGHWAY SYSTEM

Sec. 101. National Highway System designation.

TITLE II—HIGHWAY FUNDING RESTORATION

Sec. 201. Short title.
Sec. 202. Findings and purposes.
Sec. 203. State high priority project restoration program.
Sec. 204. Rescissions.
Sec. 205. State unobligated balance flexibility.
Sec. 206. Minimum allocation.
Sec. 207. Relief from mandates.
Sec. 208. Definitions.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Distribution of transit operating assistance limitation.
Sec. 302. Accountability for high cost Federal-aid projects.
Sec. 303. Letters of intent and full financing grant and early systems work agreements.
Sec. 304. Report on capital projects.
Sec. 305. Repeal and modification of existing projects.
Sec. 306. Miscellaneous transit projects.
Sec. 307. Metropolitan planning for transit projects.
Sec. 308. Contracting for engineering and design services.
Sec. 309. Ferry boats and terminal facilities.
Sec. 310. Utilization of the private sector for surveying and mapping services.
Sec. 311. Formula grant program.
Sec. 312. Accessibility of over-the-road buses to individuals with disabilities.
Sec. 313. Alaska Railroad.
Sec. 314. Alcohol and controlled substances testing.
Sec. 315. Alcohol-impaired driving countermeasures.
Sec. 316. Safety research initiatives.
Sec. 317. Public transit vehicles exemption.
Sec. 318. Congestion mitigation and air quality improvement program.
Sec. 319. Quality improvement.
Sec. 320. Applicability of transportation conformity requirements.
Sec. 321. Quality through competition.
Sec. 322. Applicability of certain vehicle weight limitations in Wisconsin.
Sec. 323. Treatment of Centennial Bridge, Rock Island, Illinois, agreement.
Sec. 324. Metric requirements and signs.
Sec. 325. ISTEA technical clarification.
Sec. 326. Metropolitan planning for highway projects.
Sec. 327. Non-Federal share for certain toll bridge projects.
Sec. 328. Discovery and admission as evidence of certain reports and surveys.
Sec. 329. National recreational trails.
Sec. 330. Identification of high priority corridors.
Sec. 331. High priority corridor feasibility studies.
Sec. 332. High cost bridge projects.
Sec. 333. Congestion relief projects.
Sec. 334. High priority corridors on National Highway System.
Sec. 335. High priority corridor projects.
Sec. 336. Rural access projects.
Sec. 337. Urban access and mobility projects.
Sec. 338. Innovative projects.

Sec. 339. Intermodal projects.
Sec. 340. Miscellaneous revisions to Surface Transportation and Uniform Relocation Assistance Act of 1987.
Sec. 341. Eligibility.
Sec. 342. Orange County, California, toll roads.
Sec. 343. Miscellaneous studies.
Sec. 344. Collection of bridge tolls.
Sec. 345. National driver register.
Sec. 346. Roadside barrier technology.
Sec. 347. Motorist call boxes.
Sec. 348. Repeal of national maximum speed limit compliance program.
Sec. 349. Elimination of penalty for noncompliance for motorcycle helmets.
Sec. 350. Safety rest areas.
Sec. 351. Exemptions from requirements relating to commercial motor vehicles and their operators.
Sec. 352. Traffic control signs.
Sec. 353. Brightman Street Bridge, Fall River Harbor, Massachusetts.
Sec. 354. Motor carrier safety program.
Sec. 355. Technical amendment.
Sec. 356. Safety report.
Sec. 357. Operation of motor vehicles by intoxicated minors.
Sec. 358. Effectiveness of drunk driving laws.

SEC. 2. SECRETARY DEFINED.

In this Act, the term "Secretary" means the Secretary of Transportation.

TITLE I—NATIONAL HIGHWAY SYSTEM

SEC. 101. NATIONAL HIGHWAY SYSTEM DESIGNATION.

Section 103 of title 23, United States Code, is amended by inserting after subsection (b) the following:

"(c) INITIAL DESIGNATION OF NHS.—The National Highway System as submitted by the Secretary of Transportation on the map entitled 'Official Submission, National Highway System, Federal Highway Administration', and dated September 1, 1995, is hereby designated within the United States, including the District of Columbia and the Commonwealth of Puerto Rico.

"(d) MODIFICATIONS TO THE NHS.—

"(1) PROPOSED MODIFICATIONS.—The Secretary may submit for approval to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives proposed modifications to the National Highway System. The Secretary may only propose a modification under this subsection if the Secretary determines that such modification meets the criteria and requirements of subsection (b). Proposed modifications may include new segments and deletion of existing segments of the National Highway System.

"(2) APPROVAL OF CONGRESS REQUIRED.—A modification to the National Highway System may only take effect if a law has been enacted approving such modification.

"(3) REQUIRED SUBMISSIONS.—

"(A) INITIAL SUBMISSION.—Not later than 180 days after the date of the enactment of the National Highway System Designation Act of 1995, the Secretary shall submit under paragraph (1) proposed modifications to the National Highway System. Such modifications shall include a list and description of additions to the National Highway System consisting of connections to major ports, airports, international border crossings, public transportation and transit facilities, interstate bus terminals, and rail and other intermodal transportation facilities.

"(B) CONGRESSIONAL HIGH PRIORITY CORRIDORS.—Upon the completion of feasibility studies, the Secretary shall submit under paragraph (1) proposed modifications to the National Highway System consisting of any congressional high priority corridor or any segment thereof established by section 1105 of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2037) which was not identified on the National Highway System designated by subsection (c).

"(4) INTERIM ELIGIBILITY.—

"(A) IN GENERAL.—Notwithstanding paragraph (2), a modification to the National Highway System which adds to the National Highway System a connection to a major port, airport, international border crossing, public transportation or transit facility, interstate bus terminal, or rail or other intermodal transportation facility shall be eligible for funds apportioned under section 104(b)(1) for the National Highway System if the Secretary finds that such modification is consistent with criteria developed by the Secretary for such modifications to the National Highway System.

"(B) PERIOD OF ELIGIBILITY.—A modification to the National Highway System which is eligible under subparagraph (A) for funds apportioned under section 104(b)(1) may remain eligible for such funds only until the date on which a law has been enacted approving modifications to the National Highway System which connect the National Highway System to facilities referred to in subparagraph (A).".

TITLE II—HIGHWAY FUNDING RESTORATION

SEC. 201. SHORT TITLE.

This title may be cited as the "Highway Funding Restoration Act of 1995".

SEC. 202. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds and declares that—

(1) Federal infrastructure spending on highways is critical to the efficient movement of goods and people in the United States;

(2) section 1003(c) of the Intermodal Surface Transportation Efficiency Act of 1991 has been estimated to result in fiscal year 1996 highway spending being reduced by as much as $4,200,000,000;

(3) such section 1003(c) will cause every State to lose critical funds from the Highway Trust Fund that can never be recouped; and

(4) the funding reduction would have disastrous effects on the national economy, impede interstate commerce, and jeopardize the 40-year Federal investment in the Nation's highway system.

(b) PURPOSES.—The purposes of this Act are—

(1) to make the program categories in the current Federal-aid highway program more flexible so that States may fund current, high-priority projects in fiscal year 1996;

(2) to eliminate programs that are not critical during fiscal year 1996 and to reallocate funds so that the States will be able to continue their core transportation infrastructure programs;

(3) to restore funding for exempt highway programs;

(4) to ensure the equitable distribution of funds to urbanized areas with a population over 200,000 in a manner consistent with the Intermodal Surface Transportation Efficiency Act of 1991; and

(5) to suspend certain penalties that would be imposed on the States in fiscal year 1996.

SEC. 203. STATE HIGH PRIORITY PROJECT RESTORATION PROGRAM.

(a) IN GENERAL.—On October 1 of each of fiscal years 1996 and 1997, or as soon as possible thereafter, the Secretary shall allocate among the States the amounts made available to carry out this section for Interstate highway substitute, National Highway System, surface transportation program, Interstate, congestion mitigation and air quality improvement program, bridge, hazard elimination, and rail-highway crossings projects.

(b) ALLOCATION FORMULA.—Funds made available to carry out this section shall be allocated among the States in accordance with the following table:

States:	Allocation Percentages
Alabama	1.80
Alaska	1.20
Arizona	1.43
Arkansas	1.42
California	9.17
Colorado	1.27
Connecticut	1.74
Delaware	0.39
District of Columbia	0.52
Florida	4.04
Georgia	2.92
Hawaii	0.54
Idaho	0.70
Illinois	3.88
Indiana	2.18
Iowa	1.27
Kansas	1.13
Kentucky	1.53
Louisiana	1.52
Maine	0.65
Maryland	1.68
Massachusetts	4.11
Michigan	2.75
Minnesota	1.69
Mississippi	1.11
Missouri	2.28
Montana	0.93
Nebraska	0.79
Nevada	0.69
New Hampshire	0.48
New Jersey	2.86
New Mexico	1.02
New York	5.35
North Carolina	2.62
North Dakota	0.64
Ohio	3.64
Oklahoma	1.36
Oregon	1.23
Pennsylvania	4.93
Rhode Island	0.56
South Carolina	1.42
South Dakota	0.69
Tennessee	2.00
Texas	6.21
Utah	0.73
Vermont	0.43
Virginia	2.28
Washington	2.05
West Virginia	1.15
Wisconsin	1.90
Wyoming	0.65
Puerto Rico	0.46
Territories	0.01.

(c) EFFECT OF ALLOCATIONS.—Funds distributed to States under subsection (b) shall not affect calculations to determine allocations to States under section 157 of title 23, United States Code, and sections 1013(c), 1015(a), and 1015(b) of the Intermodal Surface Transportation Efficiency Act of 1991.

(d) PERIOD OF AVAILABILITY.—Notwithstanding any other provision of law, amounts made available to carry out this section shall be available for obligation for the fiscal year for which such amounts are made available plus the 3 succeeding fiscal years and shall be subject to the provisions of title 23, United States Code. Obligation limitations for Federal-aid highways and highway safety construction programs established by the Intermodal Surface Transportation Efficiency Act of 1991 and subsequent laws shall apply to obligations made under this section.

(e) SPECIAL RULE FOR URBANIZED AREAS OF OVER 200,000.—

(1) GENERAL RULE.—The percentage determined under paragraph (2) of funds allocated to a State under this section for a fiscal year shall be obligated in urbanized areas of the State with an urbanized population of over 200,000 under section 133(d)(3) of title 23, United States Code.

(2) PERCENTAGE.—The percentage referred to in paragraph (1) is the percentage determined by dividing—

(A) the total amount of the reduction in funds which would have been attributed under section 133(d)(3) of title 23, United States Code, to urbanized areas of the State with an urbanized population of over 200,000 for fiscal year 1996 as a result of the application of section 1003(c) of the Intermodal Surface Transportation Efficiency Act of 1991; by

(B) the total amount of the reduction in authorized funds for fiscal year 1996 that would have been allocated to the State, and that would have been apportioned to the State, as a result of the application of such section 1003(c).

(f) LIMITATION ON PLANNING EXPENDITURES.—One-half of 1 percent of amounts allocated to each State under this section in any fiscal year may be available for expenditure for the purpose of carrying out the requirements of section 134 of title 23, United States Code (relating to transportation planning). 1½ percent of the amounts allocated to each State under this section in any fiscal year may be available for expenditure for the purpose of carrying out activities referred to in subsection (c) of section 307 of such title (relating to transportation planning and research).

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated, out of the Highway Trust Fund (other than the Mass Transit Account), to carry out this section $321,420,595 for fiscal year 1996 and $155,000,000 for fiscal year 1997.

(h) APPLICABILITY OF CHAPTER 1 OF TITLE 23.—Except as otherwise provided in this section, funds allocated under this section shall be available for obligation in the same manner and for the same purposes as if such funds were apportioned under chapter 1 of title 23, United States Code.

(i) TERRITORIES DEFINED.—In this section, the term "territories" means the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

SEC. 204. RESCISSIONS.

(a) RESCISSIONS.—Effective October 1, 1995, and after any necessary reductions are made under section 1003(c) of the Intermodal Surface Transportation Efficiency Act of 1991, the following unobligated balances available on September 30, 1995, of funds made available for the following provisions are hereby rescinded:

(1) $78,993.92 made available by section 131(c) of the Surface Transportation Assistance Act of 1982.

(2) $798,701.04 made available by section 131(j) of the Surface Transportation Assistance Act of 1982.

(3) $942,249 made available for section 149(a)(66) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(4) $88,195 made available for section 149(a)(111)(C) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(5) $155,174.41 made available for section 149(a)(111)(E) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(6) $36,979.05 made available for section 149(a)(111)(J) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(7) $34,281.53 made available for section 149(a)(111)(K) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(8) $164,532 made available for section 149(a)(111)(L) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(9) $86,070.82 made available for section 149(a)(111)(M) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(10) $52,834 made available for section 149(a)(95) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(11) $909,131 made available for section 149(a)(99) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(12) $3,817,000 made available for section 149(a)(35) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(13) $797,800 made available for section 149(a)(100) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(14) $2 made available by section 149(c)(3) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(15) $44,706,878 made available by section 1012(b)(6) of the Intermodal Surface Transportation Efficiency Act of 1991.

(16) $15,401,107 made available by section 1003(a)(7) of the Intermodal Surface Transportation Efficiency Act of 1991.

(17) $1,000,000 made available by item number 38 of the table contained in section 1108(b) of the Intermodal Surface Transportation Efficiency Act of 1991.

(18) $150,000,000 deducted by the Secretary under section 104(a) of title 23, United States Code.

(19) $10,800,000 made available by section 5338(a)(1) of title 49, United States Code.

(b) REDUCTIONS IN AUTHORIZED AMOUNTS.—

(1) MAGNETIC LEVITATION.—Section 1036(d)(1) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 1986) is amended—

(A) in subparagraph (A) by inserting "and" after "1994,";

(B) in subparagraph (A) by striking ", $125,000,000" and all that follows through "1997"; and

(C) in subparagraph (B) by striking "1996, and 1997" and inserting "and 1996".

(2) HIGHWAY SAFETY PROGRAMS.—Section 2005(1) of such Act (105 Stat. 2079) is amended—

(A) by striking "and" the first place it appears and inserting a comma; and

(B) by striking "1996, and 1997" and inserting "and 1996, and $146,000,000 for 1997".

(3) EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) shall take effect on the day after the date on which authorized funds for fiscal year 1996 are reduced as a result of application of section 1003(c) of such Act.

(c) CONGESTION PRICING PILOT PROGRAM TRANSFERS.—After the date on which authorized funds for fiscal year 1996 are reduced as a result of application of section 1003(c) of the Intermodal Surface Transportation Efficiency Act of 1991, the amounts made available for fiscal years 1996 and 1997 to carry out section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 1938) shall be available to carry out section 203 of this Act, relating to the State high priority restoration program.

SEC. 205. STATE UNOBLIGATED BALANCE FLEXIBILITY.

(a) REDUCTION IN FEDERAL FUNDING.—

(1) NOTIFICATION OF STATES.—On October 1, 1995, or as soon as possible thereafter, the Secretary shall notify each State of the total amount of the reduction in authorized funds for fiscal year 1996 that would have been allocated to such State, and that would have been apportioned to such State, as a result of application of section 1003(c) of the Intermodal Surface Transportation Efficiency Act of 1991.

(2) EXCLUSION OF CERTAIN FUNDING.—In determining the amount of any reduction under paragraph (1), the Secretary shall deduct—

(A) the amount allocated to each State in fiscal year 1996 to carry out section 203 of this Act, relating to the State high priority project restoration program; and

(B) any amounts made available under section 157(a)(4)(B)(iii) of title 23, United States Code, for fiscal year 1996.

(b) UNOBLIGATED BALANCE FLEXIBILITY.—Upon request of a State, the Secretary shall make available to carry out projects described in section 203(a) of this Act in fiscal year 1996 an amount not to exceed the amount determined under subsection (a) for the State. Such funds shall be made available from authorized funds that were allocated or apportioned to such State and were not obligated as of September 30, 1995. The State shall designate on or before November 1, 1995, or as soon as possible thereafter which of such authorized funds are to be made available under this section to carry out such projects. The Secretary shall make available before November 15, 1995, or as soon as possible thereafter funds designated under the preceding sentence to the State.

(c) SPECIAL RULE FOR URBANIZED AREAS OF OVER 200,000.—Funds which were apportioned to the State under section 104(b)(3) of title 23, United States Code, and attributed to urbanized areas of a State with an urbanized population of over 200,000 under section 133(d)(3) of such title may only be designated by the State under subsection (b) if the metropolitan planning organization designated for such area concurs, in writing, with such designation.

(d) CONGESTION MITIGATION AND AIR QUALITY BALANCES.—States may designate under subsection (b) funds apportioned under section 104(b)(2) of title 23, United States Code, and not obligated as of September 30, 1995, to carry out projects described in section 203(a) of this Act only if such funds will be obligated in areas described in section 104(b)(2) of such title or, in the case of a State which does not include such an area, the funds may be obligated in any area of the State.

(e) INTERSTATE CONSTRUCTION BALANCES.—A State may not designate under subsection (b) any more than ⅓ of funds apportioned or allocated to the State for Interstate construction and not obligated as of September 30, 1995.

(f) PERIOD OF AVAILABILITY.—Notwithstanding any other provision of law, amounts designated under subsection (b) shall be available for obligation for the same period for which such amounts were originally made available for obligation and shall be subject to the provisions of title 23, United States Code. Obligation limitations for Federal-aid highways and highway safety construction programs established by the Intermodal Surface Transportation Efficiency Act of 1991 and subsequent laws shall apply to obligations made under this section.

(g) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section shall be construed to affect calculations to determine allocations to States under section 157 of title 23, United States Code, and sections 1013(c), 1015(a), and 1015(b) of the Intermodal Surface Transportation Efficiency Act of 1991.

(h) STATE.—In this section and section 203, the term "State" has the meaning such term has under section 401 of title 23, United States Code.

SEC. 206. MINIMUM ALLOCATION.

(a) FORMULA.—Section 157(a)(4) of title 23, United States Code, is amended—

(1) by striking "In fiscal" and inserting the following:

"(A) IN GENERAL.—In fiscal";

(2) by inserting "funds authorized to be appropriated by subsection (f)" after "shall allocate";

(3) by moving subparagraph (A), as designated by paragraph (1) of this subsection, 2 ems to the right; and

(4) by adding at the end the following:

"(B) ADDITIONAL ALLOCATION.—If the aggregate amount allocated to the States under subparagraph (A) after application of section 1003(c) the Intermodal Surface Transportation Efficiency Act of 1991 for any fiscal year beginning after September 30, 1995, is less than the amount authorized to be appropriated to carry out this section for such fiscal year, then the excess of such authorized amount shall be allocated as follows:

"(i) The Secretary shall first allocate to each State such amount as may be necessary to increase the allocation under subparagraph (A) to

the amount that would have been allocated to the State for such fiscal year if the full amount of the funds authorized to be appropriated for such fiscal year by such Act out of the Highway Trust Fund (other than the Mass Transit Account) were appropriated without regard to such section 1003(c).

"(ii) If any of such excess remains after the allocation under clause (i), the Secretary shall allocate to each State such amount as may be necessary so that the amount authorized to be appropriated for such fiscal year for each project to be carried out in such State under sections 1103 through 1108 of such Act without regard to section 1003(c) of such Act is available for the project.

"(iii) The Secretary shall allocate among the States any excess remaining after the allocations under clauses (i) and (ii) so that each State is allocated the following percentages of the remaining excess:

"States:	Percentages
Alabama	1.80
Alaska	1.20
Arizona	1.43
Arkansas	1.42
California	9.17
Colorado	1.27
Connecticut	1.74
Delaware	0.39
District of Columbia	0.52
Florida	4.04
Georgia	2.92
Hawaii	0.54
Idaho	0.70
Illinois	3.88
Indiana	2.18
Iowa	1.27
Kansas	1.13
Kentucky	1.53
Louisiana	1.52
Maine	0.65
Maryland	1.68
Massachusetts	4.11
Michigan	2.75
Minnesota	1.69
Mississippi	1.11
Missouri	2.28
Montana	0.93
Nebraska	0.79
Nevada	0.69
New Hampshire	0.48
New Jersey	2.86
New Mexico	1.02
New York	5.35
North Carolina	2.62
North Dakota	0.64
Ohio	3.64
Oklahoma	1.36
Oregon	1.23
Pennsylvania	4.93
Rhode Island	0.56
South Carolina	1.42
South Dakota	0.69
Tennessee	2.00
Texas	6.21
Utah	0.73
Vermont	0.43
Virginia	2.28
Washington	2.05
West Virginia	1.15
Wisconsin	1.90
Wyoming	0.65
Puerto Rico	0.46
Territories	0.01.

"(C) TERRITORIES DEFINED.—In this paragraph, the term 'territories' means the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.".

(b) SPECIAL RULE FOR URBANIZED AREAS OF OVER 200,000 IN FISCAL YEARS 1996 AND 1997.—Section 157 of such title is amended—

(1) by redesignating subsections (d) and (e) as subsection (e) and (f), respectively, and

(2) by inserting after subsection (c) the following:

"(d) SPECIAL RULE FOR URBANIZED AREAS OF OVER 200,000 IN FISCAL YEARS 1996 AND 1997.—

"(1) GENERAL RULE.—The percentage determined under paragraph (2) of funds allocated to a State under subsection (a)(4)(B)(iii) for each of fiscal years 1996 and 1997 shall be obligated in urbanized areas of the State with an urbanized population of over 200,000 under section 133(d)(3).

"(2) PERCENTAGE.—The percentage referred to in paragraph (1) is the percentage determined by dividing—

"(A) the total amount of the reduction in funds which would have been attributed under section 133(d)(3) to urbanized areas of the State with an urbanized population of over 200,000 for fiscal year 1996 as a result of the application of section 1003(c) of the Intermodal Surface Transportation Efficiency Act of 1991; by

"(B) the total amount of the reduction in authorized funds for fiscal year 1996 that would have been allocated to the State, and that would have been apportioned to the State, as a result of the application of such section 1003(c).".

(c) FUNDING.—Section 157(f) of such title, as redesignated by subsection (b), is amended by inserting before the period the following: "and before October 1, 1995, $1,101,000,000 for fiscal year 1996, $1,378,000,000 for fiscal year 1997".

SEC. 207. RELIEF FROM MANDATES.

(a) MANAGEMENT SYSTEMS.—The Secretary shall not take any action pursuant to or enforce the provisions of section 303(c) of title 23, United States Code, with respect to any State during fiscal year 1996.

(b) ASPHALT PAVEMENT CONTAINING RECYCLED RUBBER.—Section 1038 of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 1987–1990) is amended—

(1) by striking subsection (d); and

(2) by redesignating subsection (e) as subsection (d).

SEC. 208. DEFINITIONS.

In this title, the following definitions apply:

(1) AUTHORIZED FUNDS.—The term "authorized funds" means funds authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) to carry out title 23, United States Code (other than sections 402 and 410) and the Intermodal Surface Transportation Efficiency Act of 1991 and subject to an obligation limitation.

(2) URBANIZED AREA.—The term "urbanized area" has the meaning such term has under section 101(a) of title 23, United States Code.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. DISTRIBUTION OF TRANSIT OPERATING ASSISTANCE LIMITATION.

(a) IN GENERAL.—Notwithstanding section 5336(d) of title 49, United States Code, the Secretary shall distribute the limitation on operating assistance under such section—

(1) so that each urbanized area (as such term is defined under section 5302 of such title) that had a population under the 1990 decennial census of the United States of less than 200,000 will receive, under the distribution of such limitation for each of fiscal years 1996 and 1997, 75 percent of the amount the area received under the distribution of such limitation for fiscal year 1995; and

(2) so that an urbanized area that had a population under the 1980 decennial census of the United States of more than 1,000,000 and has a population under the 1990 decennial census of less than 1,000,000, will receive under the distribution of such limitation for each of fiscal years 1996 and 1997, 90 percent of the amount of funds apportioned in fiscal year 1982 under sections 5(a)(1)(A), 5(a)(2)(A), and 5(a)(3)(A) of the Urban Mass Transportation Act of 1964 to such area.

(b) CONSIDERATION.—In the distribution of the limitation referred to in subsection (a) to urbanized areas that had a population under the 1990 decennial census of 1,000,000 or more, the Secretary shall direct each such area to give priority consideration to the impact of reductions in operating assistance on smaller transit authorities operating within the area and to consider the needs and resources of such transit authorities when the limitation is distributed among all transit authorities operating in the area.

SEC. 302. ACCOUNTABILITY FOR HIGH COST FEDERAL-AID PROJECTS.

(a) REQUIREMENTS.—The Secretary shall require each recipient of Federal financial assistance for a highway or transit project with an estimated total cost of $1,000,000,000 or more to submit to the Secretary an annual financial plan. Such plan shall be based on detailed annual estimates of the cost to complete the remaining elements of the project and on reasonable assumptions, as determined by the Secretary, of future increases in the cost to complete the project.

(b) RECOMMENDATIONS ON WITHHOLDING OF ASSISTANCE.—As part of an annual report to be submitted under subsection (c), the Secretary shall make a recommendation to Congress on whether or not future Federal assistance should be withheld with respect to any project described in subsection (a) for which an annual financial plan is not submitted under subsection (a) or for which the Secretary determines that the estimates or assumptions referred to in subsection (a) are not reasonable.

(c) REPORT.—The Secretary shall submit to Congress an annual report on the financial plans submitted to the Secretary under this section, and any recommendation made by the Secretary under subsection (b), in the preceding fiscal year.

SEC. 303. LETTERS OF INTENT AND FULL FINANCING GRANT AND EARLY SYSTEMS WORK AGREEMENTS.

Section 5309(g) of title 49, United States Code, is amended—

(1) by indenting and dropping paragraph (1) down 1 line;

(2) by moving all the paragraphs, subparagraphs, and clauses of such section 2 ems to the right;

(3) by inserting after "(1)" the first place it appears the following: "LETTERS OF INTENT.—";

(4) in paragraph (1)(B) by striking "Public Works and Transportation" and inserting "Transportation and Infrastructure";

(5) by inserting after (2) the first place it appears "FULL FINANCING GRANT AGREEMENTS.—";

(6) by inserting after (3) the first place it appears "EARLY SYSTEM WORK AGREEMENTS.—";

(7) by inserting after (4) the first place it appears "TOTAL ESTIMATED FUTURE OBLIGATIONS AND CONTINGENT COMMITMENTS.—"; and

(8) by adding at the end the following:

"(5) PREAUTHORIZATION OF FULL FEDERAL FINANCIAL RESPONSIBILITY.—

"(A) IN GENERAL.—After the date of the enactment of this paragraph and before the date on which Federal-aid highway and transit programs are reauthorized, the Secretary of Transportation may not issue a letter of intent, or enter into a full financing grant agreement or early systems work agreement, under this section for a project or operable segment of a project unless the full amount of Federal financial responsibility for the project or operable segment of a project has been included in an authorization law.

"(B) LIMITATION.—The prohibition on entering into a full financing grant agreement under this paragraph shall not apply—

"(i) to any project for which a letter of intent was issued before the date of the enactment of this paragraph; and "(ii) to any project included as an element of an interrelated project which also includes another project for which a letter of intent was issued before such date of enactment.".

SEC. 304. REPORT ON CAPITAL PROJECTS FOR FIXED GUIDEWAY SYSTEMS AND EXTENSIONS TO EXISTING FIXED GUIDEWAY SYSTEMS.

Section 5309(m) of title 49, United States Code, is amended—

(1) by indenting and dropping paragraph (1) down 1 line;

(2) by moving all the paragraphs and subparagraphs of such section 2 ems to the right;

(3) by inserting "Percentages.—" after "(1)" the first place it appears;

(4) by inserting "Nonurbanized Area Allocation.—" after "(2)" the first place it appears;

(5) by inserting "Reports.—" after "(3)" the first place it appears;

(6) in paragraph (3) by striking "Public Works and Transportation" and inserting "Transportation and Infrastructure";

(7) in paragraph (3) by striking "a proposal on the allocation" and inserting "a report on the proposed allocation";

(8) in paragraph (3) by adding at the end the following:

"Such report shall include for each such capital project the following:

"(A) An analysis of the potential funding requirements of the project under paragraph (1)(B) in the succeeding 5 fiscal years.

"(B) A description of the planning and study process undertaken to select the locally preferred alternative for the project.

"(C) A description of efforts undertaken to seek alternative funding sources for the project."; and

(9) by inserting "Multiple Allocations.—" after "(4)" the first place it appears.

SEC. 305. REPEAL AND MODIFICATION OF EXISTING PROJECTS.

(a) Long Beach Metro Link Fixed Rail Project.—Section 3035(o) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2131) is repealed.

(b) Honolulu Rapid Transit Project.—Section 3035(ww) of such Act (105 Stat. 2136) is amended by striking "$618,000,000" and inserting "$541,100,000".

SEC. 306. MISCELLANEOUS TRANSIT PROJECTS.

(a) New Jersey Urban Core Project.—Section 3031(d) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2122-2123) is amended—

(1) by inserting after "Hudson River Waterfront Transportation System" the following: "(including corridor connections to and within the city of Bayonne)"; and

(2) by inserting after "Concourse," the following: "the West Shore Line,".

(b) North Bay Ferry Service.—Section 3035(c) of such Act (105 Stat. 2129) is amended by striking "$8,000,000" and all that follows through "1993" and inserting "$17,000,000".

(c) Staten Island-Midtown Manhattan Ferry Service.—Section 3035(d) of such Act is amended by striking "$1,000,000" and all that follows through "1993" and inserting "$12,000,000".

(d) Central Area Circulator Project.—Section 3035(e) of such Act is amended by striking the last sentence which begins "Such amount".

(e) Salt Lake City Light Rail Project.—Section 3035(f) of such Act is amended by inserting after "including" the following: "related high-occupancy vehicle lane, intermodal corridor design,".

(f) Los Angeles-San Diego Rail Corridor Improvement Project.—Section 3035(g) of such Act is amended by striking "not less than" the 1st place it appears and all that follows through "1994" and inserting "$20,000,000".

(g) San Jose-Gilroy-Hollister Commuter Rail Project.—Section 3035(h) of such Act is amended—

(1) by striking "July 1, 1994" and inserting "September 30, 1996"; and

(2) by striking "August 1, 1994," and inserting "October 31, 1996,".

(h) Dallas Light Rail Project.—

(1) Multiyear grant agreement.—Section 3035(i) of such Act is amended—

(A) by striking "6.4 miles" and inserting "9.6 miles";

(B) by striking "10 stations" and inserting "not to exceed 14 stations";

(C) by striking "such light rail line" and inserting "the program of interrelated projects identified in section 5328(c)(1)(G) of title 49, United States Code,"; and

(D) by striking "of such elements" and inserting "element of such program of interrelated projects".

(2) Program of interrelated projects.—Section 5328(c)(1)(G) of title 49, United States Code, is amended by striking "Camp Wisdom" and inserting "Interstate Route 20, L.B.J. Freeway".

(i) Kansas City Light Rail Line.—Section 3035(k) of such Act is amended by striking "$1,500,000 in fiscal year 1992, and $4,400,000 in fiscal year 1993" and inserting "$5,900,000".

(j) Downtown Orlando Circulator Project.—Section 3035(l) of such Act is amended—

(1) by striking the subsection heading and inserting "Downtown Orlando Circulator Project";

(2) by striking "No later than April 30, 1992, the" and inserting "The";

(3) by striking "for" the second place it appears and all that follows through the period at the end and inserting "and the completion of final design, construction, land and equipment acquisition, and related activities for the Downtown Orlando Circulator project.".

(k) Detroit Light Rail Project.—Section 3035(m) of such Act is amended by striking "not less than" the first place it appears and all that follows through "1993," and inserting "$20,000,000".

(l) Lakewood-Freehold-Matawan or Jamesburg Rail Project.—Section 3035(p) of such Act is amended by striking "$1,800,000" and all that follows through "1994" and inserting "$7,800,000".

(m) Charlotte Light Rail Study.—Section 3035(r) of such Act is amended by striking "$125,000" and all that follows through "1993" and inserting "$500,000".

(n) San Diego Mid Coast Fixed Guideway Project.—Section 3035(u) of such Act is amended—

(1) in the subsection heading by striking "Mid Coast Light Rail Project" and inserting "Metropolitan Transit Improvement Program";

(2) by striking "No later than April 30, 1992, the" and inserting "The"; and

(3) by striking ", $2,000,000" and all that follows through the period and inserting "$27,000,000 for the integrated project financing of the San Diego Mid Coast and Mission Valley East Corridor fixed guideway projects.".

(o) Eureka Springs, Arkansas.—Section 3035(z) of such Act is amended by striking the text and inserting the following: "From funds made available under section 5309(m)(1)(C) of title 49, United States Code, the Secretary shall make available $63,600 to Eureka Springs Transit for the purchase of an alternative fueled vehicle which is accessible to and usable by individuals with disabilities.".

(p) Baltimore-Washington Transportation Improvements Program.—Section 3035(nn) of such Act is amended—

(1) in paragraph (1) by striking "as follows:" and all that follows through "1994." and inserting "and shall not be less than $60,000,000.";

(2) in paragraph (2) by striking "as follows:" and all that follows through the period at the end of subparagraph (C) and inserting "and shall total $160,000,000."; and

(3) in paragraph (3) by striking "for fiscal year 1993".

(q) Dulles Corridor Rail Project.—Section 3035(aaa) of such Act is amended—

(1) by striking "No later than April 30, 1992, the" and inserting "The"; and

(2) by striking "the completion" and all that follows through "engineering for".

(r) Central Puget Sound Regional Transit Project.—Section 3035(bbb) of such Act is amended to read as follows:

"(bbb) Central Puget Sound Regional Transit Project.—From funds made available under section 5309(m)(1)(B) of title 49, United States Code, the Secretary shall make available $300,000,000 for the Central Puget Sound Regional Transit Project.".

(s) Canal Street Corridor Light Rail.—Section 3035(fff) of such Act is amended—

(1) by striking "No later than April 30, 1992, the" and inserting "The"; and

(2) by striking "negotiate" and all that follows through "includes" and inserting "make available".

(t) Suspended Light Rail System Technology Pilot Project.—Section 5320 of title 49, United States Code, is amended—

(1) in subsection (h)(1)(A) by striking "for the fiscal year ending September 30, 1992,";

(2) in subsection (h)(1)(B) by striking "for the fiscal year ending September 30, 1993,";

(3) in subsection (h)(1)(C) by striking "for the fiscal year ending September 30, 1994,"; and

(4) by adding at the end the following new subsection:

"(l) Deadline.—

"(1) Completion of competition.—Notwithstanding any other provision of this section, not later than 60 days after the date of the enactment of this subsection, the Secretary shall complete the national competition initiated under subsection (c) by selecting the public entity referred to in subsection (c)(3).

"(2) Thereafter.—Following selection of the public entity in accordance with paragraph (1)—

"(A) the Secretary shall make to such public entity the payments under subsections (h)(1)(B) and (h)(1)(C); except that such payments shall be made in the form of grants under section 5312(a); and

"(B) the Secretary, upon completion of preliminary engineering and design, shall negotiate and enter into a full financing grant agreement with such public entity under subsection (e), consistent with section 5309(g).".

(u) Additional Transit Projects.—

(1) Canton-Akron-Cleveland commuter rail.—From funds made available under section 5309(m)(1)(B) of title 49, United States Code, the Secretary shall make available $6,500,000 for the Canton-Akron-Cleveland Commuter Rail project.

(2) Cincinnati Northeast/Northern Kentucky rail.—From funds made available under such section, the Secretary shall make available $2,000,000 for the Cincinnati Northeast/Northern Kentucky Rail project.

(3) DART north central light rail extension.—From funds made available under such section, the Secretary shall make available $2,500,000 for the DART North Central Light Rail Extension project.

(4) Dallas-Fort Worth Railtran.—From funds made available under such section, the Secretary shall make available $5,000,000 for the Dallas-Fort Worth RAILTRAN project.

(5) FLORIDA TRI-COUNTY COMMUTER RAIL.—From funds made available under such section, the Secretary shall make available $10,000,000 for the Florida Tri-County Commuter Rail project.

(6) MIAMI-NORTH 27TH AVENUE.—From funds made available under such section, the Secretary shall make available $2,000,000 for the Miami-North 27th Avenue project.

(7) MEMPHIS, TENNESSEE, REGIONAL RAIL PLAN.—From funds made available under such section, the Secretary shall make available $2,500,000 for the Memphis, Tennessee, Regional Rail Plan project.

(8) NEW ORLEANS CANAL STREET CORRIDOR.—From funds made available under such section, the Secretary shall make available $10,000,000 for the New Orleans Canal Street Corridor project.

(9) ORANGE COUNTY TRANSITWAY.—From funds made available under such section, the Secretary shall make available $5,000,000 for the Orange County Transitway project.

(10) WHITEHALL FERRY TERMINAL, NEW YORK, NEW YORK.—From funds made available under such section, the Secretary shall make available $5,000,000 for the Whitehall Ferry Terminal project.

(11) WISCONSIN CENTRAL COMMUTER.—From funds made available under such section, the Secretary shall make available $14,400,000 for the Wisconsin Central Commuter project.

(12) SAN JUAN, PUERTO RICO, TREN URBANO.—From funds made available under such section, the Secretary shall make available $15,000,000 for the San Juan, Puerto Rico, Tren Urbano project.

(13) TAMPA TO LAKELAND COMMUTER RAIL.—From funds made available under such section, the Secretary shall make available $1,000,000 for the Tampa to Lakeland Commuter Rail project.

SEC. 307. METROPOLITAN PLANNING FOR TRANSIT PROJECTS.

Section 5303(b) of title 49, United States Code, is amended by adding at the end the following:

"(16) recreational travel and tourism.".

SEC. 308. CONTRACTING FOR ENGINEERING AND DESIGN SERVICES.

Section 5325 of title 49, United States Code, is amended by adding at the end the following:

"(e) SPECIAL RULES FOR ENGINEERING AND DESIGN CONTRACTS.—

"(1) PERFORMANCE AND AUDITS.—Any contract or subcontract awarded in accordance with subsection (d), whether funded in whole or in part with Federal transit funds, shall be performed and audited in compliance with cost principles contained in the Federal acquisition regulations of part 31 of title 48 of the Code of Federal Regulations.

"(2) INDIRECT COST RATES.—Instead of performing its own audits, a recipient of funds under a contract or subcontract awarded in accordance with subsection (d) shall accept indirect cost rates established in accordance with the Federal acquisition regulations for 1-year applicable accounting periods by a cognizant Federal or State government agency, if such rates are not currently under dispute. Once a firm's indirect cost rates are accepted, the recipient of such funds shall apply such rates for the purposes of contract estimation, negotiation, administration, reporting, and contract payment and shall not be limited by administrative or de facto ceilings of any kind. A recipient of such funds requesting or using the cost and rate data described in this paragraph shall notify any affected firm before such request or use. Such data shall be confidential and shall not be accessible or provided, in whole or in part, to another firm or to any government agency which is not part of the group of agencies sharing cost data under this paragraph, except by written permission of the audited firm. If prohibited by law, such cost and rate data shall not be disclosed under any circumstances.

"(3) STATE OPTION.—Paragraphs (1) and (2) shall take effect 2 years after the date of the enactment of this subsection with respect to all States; except that if a State, during such 2-year period, adopts by statute an alternative process intended to promote engineering and design quality and ensure maximum competition by professional companies of all sizes providing engineering and design services, such paragraphs shall not apply with respect to such State.".

SEC. 309. FERRY BOATS AND TERMINAL FACILITIES.

Section 129(c)(5) of title 23, United States Code, is amended—

(1) by inserting before the period at the end of the first sentence the following: "or between a point in a State and a point in the Dominion of Canada"; and

(2) in the second sentence by inserting after "Puerto Rico" the following: ", between a point in a State and a point in the Dominion of Canada,".

SEC. 310. UTILIZATION OF THE PRIVATE SECTOR FOR SURVEYING AND MAPPING SERVICES.

Section 306 of title 23, United States Code, is amended—

(1) by inserting "(a) IN GENERAL.—" before "In"; and

(2) by adding at the end the following:

"(b) GUIDANCE.—The Secretary shall issue guidance to encourage States to utilize, to the maximum extent practicable, private sector sources for surveying and mapping services for highway projects under this title. In carrying out this subsection, the Secretary shall determine appropriate roles for State and private mapping and surveying activities, including—

"(1) preparation of standards and specifications;

"(2) research in surveying and mapping instrumentation and procedures and technology transfer to the private sector;

"(3) providing technical guidance, coordination, and administration of State surveying and mapping activities; and

"(4) establishing a schedule with quantifiable goals for increasing the use by the States of private sector sources for surveying and mapping activities.".

SEC. 311. FORMULA GRANT PROGRAM.

(a) TRANSIT SECURITY SYSTEMS.—Section 5307(d)(1)(J)(i) of title 49, United States Code, is amended by inserting before "and any other" the following: "employing law enforcement or security personnel in areas within or adjacent to such systems,".

(b) FERRYBOAT OPERATIONS.—For purposes of calculating apportionments under section 5336 of title 49, United States Code, for fiscal years beginning after September 30, 1995, 50 percent of the ferryboat revenue vehicle miles and 50 percent of the ferryboat route miles attributable to service provided to the city of Avalon, California, for which the operator receives public assistance shall be included in the calculation of "fixed guideway vehicle revenue miles" and "fixed guideway route miles" attributable to the Los Angeles urbanized area under sections 5336(b)(2)(A) and 5335 of such title.

SEC. 312. ACCESSIBILITY OF OVER-THE-ROAD BUSES TO INDIVIDUALS WITH DISABILITIES.

Section 306(a)(2)(B)(iii) of the Americans With Disabilities Act of 1990 (42 U.S.C. 12186(a)(2)(B)(iii)) is amended—

(1) in subclause (I) by striking "7 years after the date of the enactment of this Act" and inserting "3 years after the date of issuance of final regulations under subparagraph (B)(ii)"; and

(2) in subclause (II) by striking "6 years after such date of enactment" and inserting "2 years after the date of issuance of such final regulations".

SEC. 313. ALASKA RAILROAD.

Section 5337(a)(3)(B) of title 49, United States Code, is amended by adding at the end the following: "The Alaska Railroad is eligible for assistance under this subparagraph with respect to improvements to its passenger operations.".

SEC. 314. ALCOHOL AND CONTROLLED SUBSTANCES TESTING.

(a) MASS TRANSIT TESTING.—Section 5331(b)(1)(A) of title 49, United States Code, is amended to read as follows:

"(b) TESTING PROGRAM FOR MASS TRANSPORTATION EMPLOYEES.—(1)(A) In the interest of mass transportation safety, the Secretary shall prescribe regulations that establish a program requiring mass transportation operations that receive financial assistance under section 5307, 5309, or 5311 of this title or section 103(e)(4) of title 23 to conduct preemployment, reasonable suspicion, random, and post-accident testing of mass transportation employees responsible for safety-sensitive functions (as decided by the Secretary) for the use of a controlled substance in violation of law or a United States Government regulation, and to conduct reasonable suspicion, random, and post-accident testing of such employees for the use of alcohol in violation of law or a United States Government regulation. The regulations shall permit such operations to conduct preemployment testing of such employees for the use of alcohol.".

(b) RAILROAD TESTING.—Section 20140(b)(1)(A) of title 49, United States Code, is amended to read as follows:

"(A) a railroad carrier to conduct preemployment, reasonable suspicion, random, and post-accident testing of all railroad employees responsible for safety-sensitive functions (as decided by the Secretary) for the use of a controlled substance in violation of law or a United States Government regulation, and to conduct reasonable suspicion, random, and post-accident testing of such employees for the use of alcohol in violation of law or a United States Government regulation; the regulations shall permit such railroad carriers to conduct preemployment testing of such employees for the use of alcohol; and".

(c) MOTOR CARRIER TESTING.—Section 31306(b)(1)(A) of such title is amended to read as follows:

"(b) TESTING PROGRAM FOR OPERATORS OF COMMERCIAL MOTOR VEHICLES.—(1)(A) In the interest of commercial motor vehicle safety, the Secretary of Transportation shall prescribe regulations that establish a program requiring motor carriers to conduct preemployment, reasonable suspicion, random, and post-accident testing of operators of commercial motor vehicles for the use of controlled substance in violation of law or a United States Government regulation and to conduct reasonable suspicion, random, and post-accident testing of such operators for the use of alcohol in violation of law or a United States Government regulation. The regulations shall permit such motor carriers to conduct preemployment testing of such employees for the use of alcohol.".

(d) AVIATION TESTING.—

(1) PROGRAM FOR EMPLOYEES OF AIR CARRIERS AND FOREIGN AIR CARRIERS.—Section 45102(a)(1) of title 49, United States Code, is amended to read as follows:

"(a) PROGRAM FOR EMPLOYEES OF AIR CARRIERS AND FOREIGN AIR CARRIERS.—(1) In the interest of aviation safety, the Administrator of the Federal Aviation Administration shall prescribe regulations that establish a program requiring air carriers and foreign air carriers to conduct preemployment, reasonable suspicion, random, and post-accident testing of airmen, crewmembers, airport security screening contract personnel, and other air carrier employees

responsible for safety-sensitive functions (as decided by the Administrator) for the use of a controlled substance in violation of law or a United States Government regulation; and to conduct reasonable suspicion, random, and post-accident testing of airmen, crewmembers, airport security screening contract personnel, and other air carrier employees responsible for safety-sensitive functions (as decided by the Administrator) for the use of alcohol in violation of law or a United States Government regulation. The regulations shall permit air carriers and foreign air carriers to conduct preemployment testing of airmen, crewmembers, airport security screening contract personnel, and other air carrier employees responsible for safety-sensitive functions (as decided by the Administrator) for the use of alcohol.".

(2) PROGRAM FOR EMPLOYEES OF THE FEDERAL AVIATION ADMINISTRATION.—Section 45102(b)(1) of title 49, United States Code, is amended to read as follows:

"(b) PROGRAM FOR EMPLOYEES OF THE FEDERAL AVIATION ADMINISTRATION.—(1) The Administrator shall establish a program of preemployment, reasonable suspicion, random, and post-accident testing for the use of a controlled substance in violation of law or a United States Government regulation for employees of the Administration whose duties include responsibility for safety-sensitive functions and shall establish a program of reasonable suspicion, random and post-accident testing for the use of alcohol in violation of law or a United States Government regulation for such employees. The Administrator may establish a program of preemployment testing for the use of alcohol for such employees.".

SEC. 315. ALCOHOL-IMPAIRED DRIVING COUNTERMEASURES.

(a) TECHNICAL AMENDMENT.—Section 410(d)(1)(E) of title 23, United States Code, is amended by striking "the date of enactment of this section" and inserting "December 18, 1991".

(b) BASIC GRANT ELIGIBILITY.—Section 410(d) of such title is further amended—

(1) in paragraph (3)—

(A) by inserting "(A)" after "(3)"; and

(B) by adding at the end the following:

"(B) A State shall be treated as having met the requirement of this paragraph if—

"(i) the State provides to the Secretary a written certification that the highest court of the State has issued a decision indicating that implementation of subparagraph (A) would constitute a violation of the constitution of the State; and

"(ii) the State demonstrates to the satisfaction of the Secretary—

"(I) that the alcohol fatal crash involvement rate in the State has decreased in each of the 3 most recent calendar years for which statistics for determining such rate are available; and

"(II) that the alcohol fatal crash involvement rate in the State has been lower than the average such rate for all States in each of such calendar years."; and

(2) by adding at the end the following:

"(7) Any individual under age 21 with a blood alcohol concentration of 0.02 percent or greater when driving a motor vehicle shall be deemed to be driving while intoxicated.".

(c) SUPPLEMENTAL GRANTS.—Section 410(f) of such title is amended by striking paragraph (1) and redesignating paragraphs (2) through (7) as paragraphs (1) through (6), respectively.

SEC. 316. SAFETY RESEARCH INITIATIVES.

(a) OLDER DRIVERS AND OTHER SPECIAL DRIVER GROUPS.—

(1) STUDY.—The Secretary shall conduct a study of technologies and practices to improve the driving performance of older drivers and other special driver groups.

(2) DEMONSTRATION ACTIVITIES.—In conducting the study under paragraph (1), the Secretary shall undertake demonstration activities which incorporate and build upon gerontology research related to the study of the normal aging process. The Secretary shall initially implement such activities in those States which have the highest population of aging citizens for whom driving a motor vehicle is their primary mobility mode.

(3) COOPERATIVE AGREEMENT.—The Secretary shall carry out the study under paragraph (1) by entering into a cooperative agreement with an institution that has demonstrated competencies in gerontological research, population demographics, human factors related to transportation, and advanced technology applied to transportation.

(b) WORK ZONE SAFETY.—In carrying out the work zone safety program under section 1051 of the Intermodal Surface Transportation Efficiency Act of 1991, the Secretary shall utilize a variety of methods to increase safety at highway construction sites, including each of the following:

(1) Conferences to explore new techniques and stimulate dialogue for improving work zone safety.

(2) Creation of a national clearinghouse to assemble and disseminate, by electronic and other means, information relating to the improvement of work zone safety.

(3) A national promotional campaign in cooperation with the States to provide timely, site-specific information to motorists when construction workers are actually present.

(c) RADIO AND MICROWAVE TECHNOLOGY FOR MOTOR VEHICLE SAFETY WARNING SYSTEM.—

(1) STUDY.—The Secretary, in consultation with the Federal Communications Commission and the National Telecommunications and Information Administration, shall conduct a study to develop and evaluate radio and microwave technology for a motor vehicle safety warning system in furtherance of safety in all types of motor vehicles.

(2) EQUIPMENT.—Equipment developed under the study to be conducted under subsection (a) shall be directed toward, but not limited to, advance warning to operators of all types of motor vehicles of—

(A) temporary obstructions in a highway;

(B) poor visibility and highway surface conditions caused by adverse weather; and

(C) movement of emergency vehicles.

(3) SAFETY APPLICATIONS.—In conducting the study under paragraph (1), the Secretary shall determine whether the technology described in this subsection has other appropriate safety applications.

SEC. 317. PUBLIC TRANSIT VEHICLES EXEMPTION.

Section 1023(h)(1) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 127 note) is amended—

(1) by striking "2-year" the first place it appears and all that follows through "Act," and inserting "period beginning on October 6, 1992, and ending on the date on which Federal-aid highway and transit programs are reauthorized after the date of the enactment of the National Highway System Designation Act of 1995,"; and

(2) by striking the second sentence.

SEC. 318. CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.

(a) AREAS ELIGIBLE FOR FUNDS.—

(1) IN GENERAL.—The first sentence of section 149(b) of title 23, United States Code, is amended—

(A) by inserting "if the project or program is for an area in the State that was designated as a nonattainment area under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)) during any part of fiscal year 1994 and" after "program" the 2nd place it appears; and

(B) in paragraph (1)(A) by striking "contribute" and all that follows through "; or" and inserting the following: "contribute to—

"(i) the attainment of a national ambient air quality standard; or

"(ii) the maintenance of a national ambient air quality standard in an area that was designated as a nonattainment area but that was later redesignated by the Administrator of the Environmental Protection Agency as an attainment area under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)); or".

(2) APPORTIONMENT.—Section 104(b)(2) of title 23, United States Code, is amended—

(A) in the second sentence, by striking "is a nonattainment area (as defined in the Clean Air Act) for ozone" and inserting "was a nonattainment area (as defined in section 171(2) of the Clean Air Act (42 U.S.C. 7501(2))) for ozone during any part of fiscal year 1994"; and

(B) in the third sentence—

(i) by striking "is also" and inserting "was also"; and

(ii) by inserting "during any part of fiscal year 1994" after "monoxide".

(b) EFFECT OF LIMITATION ON APPORTIONMENT.—Notwithstanding any other provision of law, for each of fiscal years 1996 and 1997, any limitation under an amendment made by this section on an apportionment of funds otherwise authorized under section 1003(a)(4) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 1919) shall not affect any hold harmless apportionment adjustment under section 1015(a) of such Act (105 Stat. 1943).

SEC. 319. QUALITY IMPROVEMENT.

(a) LIFE-CYCLE COST ANALYSIS.—Section 106 of title 23, United States Code, is amended by adding at the end the following:

"(e) LIFE-CYCLE COST ANALYSIS.—

"(1) ESTABLISHMENT.—The Secretary shall establish a program to require States to conduct an analysis of the life-cycle costs of all projects on the National Highway System with an estimated total cost of $25,000,000 or more.

"(2) ANALYSIS OF LIFE-CYCLE COSTS DEFINED.—In this subsection, the term 'analysis of life-cycle costs' means a process for evaluating the total economic worth of one or more projects by analyzing both initial costs as well as discounted future costs, such as maintenance, reconstruction, rehabilitation, restoring, and resurfacing costs, over the life of the project or projects.".

(b) VALUE ENGINEERING.—Such section is further amended by adding at the end the following:

"(f) VALUE ENGINEERING FOR NHS.—

"(1) REQUIREMENT.—The Secretary shall establish a program to require States to carry out a value engineering analysis for all projects on the National Highway System with an estimated total cost of $25,000,000 or more.

"(2) VALUE ENGINEERING DEFINED.—For purposes of this subsection, the term 'value engineering analysis' means a systematic process of review and analysis of a project or activity during its design phase by a multidisciplined team of persons not originally involved in the project or activity in order to provide suggestions for reducing the total cost of the project or activity and providing a project or activity of equal or better quality. Such suggestions may include a combination or elimination of inefficient or expensive parts of the original proposed design for the project or activity and total redesign of the proposed project or activity using different technologies, materials, or methods so as to accomplish the original purpose of the project or activity.".

SEC. 320. APPLICABILITY OF TRANSPORTATION CONFORMITY REQUIREMENTS.

(a) HIGHWAY CONSTRUCTION.—Section 109(j) of title 23, United States Code, is amended by striking "plan for the implementation of any ambient air quality standard for any air quality control region designated pursuant to the Clean Air

Act, as amended." and inserting the following: "plan for—

"(1) the implementation of a national ambient air quality standard for which an area is designated as a nonattainment area under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)); or

"(2) the maintenance of a national ambient air quality standard in an area that was designated as a nonattainment area but that was later redesignated by the Administrator as an attainment area for the standard and that is required to develop a maintenance plan under section 175A of the Clean Air Act (42 U.S.C. 7505a).".

(b) CLEAN AIR ACT REQUIREMENTS.—Section 176(c) of the Clean Air Act (42 U.S.C. 7506(c)) is amended by adding at the end the following:

"(5) APPLICABILITY.—This subsection shall apply only with respect to—

"(A) a nonattainment area and each specific pollutant for which the area is designated as a nonattainment area; and

"(B) an area that was designated as a nonattainment area but that was later redesignated by the Administrator as an attainment area and that is required to develop a maintenance plan under section 175A with respect to the specific pollutant for which the area was designated nonattainment.".

SEC. 321. QUALITY THROUGH COMPETITION.

(a) CONTRACTING FOR ENGINEERING AND DESIGN SERVICES.—Section 112(b)(2) of title 23, United States Code, is amended by adding at the end the following new subparagraphs:

"(C) PERFORMANCE AND AUDITS.—Any contract or subcontract awarded in accordance with subparagraph (A), whether funded in whole or in part with Federal-aid highway funds, shall be performed and audited in compliance with cost principles contained in the Federal acquisition regulations of part 31 of title 48 of the Code of Federal Regulations.

"(D) INDIRECT COST RATES.—Instead of performing its own audits, a recipient of funds under a contract or subcontract awarded in accordance with subparagraph (A) shall accept indirect cost rates established in accordance with the Federal acquisition regulations for 1-year applicable accounting periods by a cognizant Federal or State government agency, if such rates are not currently under dispute. Once a firm's indirect cost rates are accepted, the recipient of such funds shall apply such rates for the purposes of contract estimation, negotiation, administration, reporting, and contract payment and shall not be limited by administrative or de facto ceilings of any kind. A recipient of such funds requesting or using the cost and rate data described in this subparagraph shall notify any affected firm before such request or use. Such data shall be confidential and shall not be accessible or provided, in whole or in part, to another firm or to any government agency which is not part of the group of agencies sharing cost data under this subparagraph, except by written permission of the audited firm. If prohibited by law, such cost and rate data shall not be disclosed under any circumstances.

"(E) STATE OPTION.—Subparagraphs (C) and (D) shall take effect 2 years after the date of the enactment of this subparagraph with respect to all States; except that if a State, during such 2-year period, adopts by statute an alternative process intended to promote engineering and design quality and ensure maximum competition by professional companies of all sizes providing engineering and design services, such subparagraphs shall not apply with respect to such State.".

(b) REPEAL OF PILOT PROGRAM.—Section 1092 of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 112 note; 105 Stat. 2024) is repealed.

SEC. 322. APPLICABILITY OF CERTAIN VEHICLE WEIGHT LIMITATIONS IN WISCONSIN.

Section 127 of title 23, United States Code, is amended by adding at the end the following:

"(f) OPERATION OF CERTAIN SPECIALIZED HAULING VEHICLES ON CERTAIN WISCONSIN HIGHWAYS.—If the 104-mile portion of Wisconsin State Route 78 and United States Route 51 between Interstate Route 94 near Portage, Wisconsin, and Wisconsin State Route 29 south of Wausau, Wisconsin, is designated as part of the Interstate System under section 139(a), the single axle weight, tandem axle weight, gross vehicle weight, and bridge formula limits set forth in subsection (a) shall not apply to the 104-mile portion with respect to the operation of any vehicle that could legally operate on the 104-mile portion before the date of enactment of this subsection.".

SEC. 323. TREATMENT OF CENTENNIAL BRIDGE, ROCK ISLAND, ILLINOIS, AGREEMENT.

For purposes of section 129(a)(6) of title 23, United States Code, the agreement concerning the Centennial Bridge, Rock Island, Illinois, entered into under the Act entitled "An Act authorizing the city of Rock Island, Illinois, or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Rock Island, Illinois, and to a place at or near the city of Davenport, Iowa", approved March 18, 1938 (52 Stat. 110, chapter 48), shall be treated as if the agreement had been entered into under section 129 of title 23, United States Code, as in effect on December 17, 1991, and may be modified in accordance with section 129(a)(6) of the title.

SEC. 324. METRIC REQUIREMENTS AND SIGNS.

(a) PLACEMENT OF SIGNS.—Before September 30, 1997, the Secretary may not require the States to expend any Federal or State funds to construct, erect, or otherwise place any sign relating to any speed limit, distance, or other measurement on any highway for the purpose of having such sign establish such speed limit, distance, or other measurement using the metric system.

(b) MODIFICATION OF SIGNS.—Before September 30, 1997, the Secretary may not require the States to expend any Federal or State funds to modify any sign relating to any speed limit, any distance, or other measurement on any highway for the purpose of having such sign establish such speed limit, distance, or measurement using the metric system.

(c) DEFINITIONS.—In this section, the following definitions apply:

(1) HIGHWAY.—The term "highway" has the meaning such term has under section 101 of title 23, United States Code.

(2) METRIC SYSTEM.—The term "metric system" has the meaning the term "metric system of measurement" has under section 4 of the Metric Conversion Act of 1975 (15 U.S.C. 205c).

SEC. 325. ISTEA TECHNICAL CLARIFICATION.

Section 131(s) of title 23, United States Code, is amended by striking the period at the end of the first sentence and inserting the following: "; except that nothing in this subsection or section 1047 of the Intermodal Surface Transportation Efficiency Act of 1991 shall restrict, or otherwise be applied by the Secretary to affect, the authority of a State under subsection (d) of this section with respect to commercial or industrial areas or the authority of a State under subsection (k) of this section to establish standards imposing stricter limitations than those established in this subsection.".

SEC. 326. METROPOLITAN PLANNING FOR HIGHWAY PROJECTS.

Section 134(f) of title 23, United States Code, is amended by adding at the end the following:

"(16) Recreational travel and tourism.".

SEC. 327. NON-FEDERAL SHARE FOR CERTAIN TOLL BRIDGE PROJECTS.

Section 144(l) of title 23, United States Code, is amended by adding at the end the following: "Any non-Federal funds expended for the seismic retrofit of the bridge may be credited toward the non-Federal share required as a condition of receipt of any Federal funds for seismic retrofit of the bridge made available after the date of the expenditure.".

SEC. 328. DISCOVERY AND ADMISSION AS EVIDENCE OF CERTAIN REPORTS AND SURVEYS.

Section 409 of title 23, United States Code, is amended by inserting "or collected" after "compiled".

SEC. 329. NATIONAL RECREATIONAL TRAILS.

(a) STATE ELIGIBILITY.—Section 1302(c) of the Intermodal Surface Transportation Efficiency Act of 1991 (33 U.S.C. 1261(c)) is amended—

(1) by striking "Act" each place it appears and inserting "part";

(2) in paragraph (2) by striking subparagraph (B) and redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and

(3) by adding at the end the following:

"(3) SIXTH YEAR PROVISION.—On and after the date that is 5 years after the date of the enactment of this part, a State shall be eligible to receive moneys under this part in a fiscal year only if the State agrees to expend from non-Federal sources for carrying out projects under this part an amount equal to 20 percent of the amount received by the State under this part in such fiscal year.".

(b) ADMINISTRATIVE COSTS.—Section 1302(d)(1) of such Act (33 U.S.C. 1261(d)(1)) is amended—

(1) by striking "and" at the end of subparagraph (C);

(2) by redesignating subparagraph (D) as subparagraph (E); and

(3) by inserting after subparagraph (C) the following:

"(D) contracting for services with other land management agencies; and".

(c) ENVIRONMENTAL MITIGATION.—

(1) IN GENERAL.—Section 1302(e) of such Act (33 U.S.C. 1261(e)) is amended—

(A) by redesignating paragraphs (5), (6), (7), and (8) as paragraphs (6), (7), (8), and (9), respectively; and

(B) by inserting after paragraph (4) the following:

"(5) ENVIRONMENTAL MITIGATION.—

"(A) REQUIREMENT.—To the extent practicable and consistent with other requirements of this section, in complying with paragraph (4), a State shall give priority to project proposals which provide for the redesign, reconstruction, nonroutine maintenance, or relocation of trails in order to mitigate and minimize the impact to the natural environment.

"(B) COMPLIANCE.—The State shall receive guidance for determining compliance with subparagraph (A) from the recreational trail advisory board satisfying the requirements of subsection (c)(2)(A).".

(2) CONFORMING AMENDMENT.—Section 1302(e)(4) of such Act (33 U.S.C. 1261(e)(4)) is amended by striking "paragraphs (6) and (8)(B)" and inserting "paragraphs (7) and (9)(B)".

(d) EXCLUSIONS.—Section 1302(e)(7) of such Act, as redesignated by subsection (c), is amended—

(1) by striking "(7) SMALL STATE EXCLUSION.—" and inserting the following:

"(7) EXCLUSIONS.—

"(A) SMALL STATE.—";

(2) by moving the text of subparagraph (A), as designated by paragraph (1), 2 ems to the right; and

(3) by adding at the end the following:

"(B) BEST INTEREST OF A STATE.—Any State which determines based on trail needs identified in its State Comprehensive Outdoor Recreation Plan that it is in the best interest of the State to be exempt from the requirements of paragraph (4) may apply to the Secretary for such an exemption. Before approving or disapproving an application for such an exemption, the Secretary shall publish in the Federal Register notice of receipt of the application and provide an opportunity for public comment on the application.".

(e) RETURN OF MONEYS NOT EXPENDED.—Section 1302(e)(9) of such Act, as redesignated by subsection (c), is amended—

(1) by inserting "the State" before "may be exempted"; and

(2) by striking "and expended or committed" and all that follows before the period.

(f) ADVISORY COMMITTEE.—Section 1303(b) of such Act (16 U.S.C. 1262(b)) is amended—

(1) by striking "11 members" and inserting "12 members";

(2) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively; and

(3) by inserting after paragraph (1) the following:

"(2) 1 member appointed by the Secretary representing individuals with disabilities;".

SEC. 330. IDENTIFICATION OF HIGH PRIORITY CORRIDORS.

(a) IN GENERAL.—Section 1105(c) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2032) is amended—

(1) by striking paragraph (5) and inserting the following:

"(5)(A) I–73/74 North-South Corridor from Charleston, South Carolina, through Winston-Salem, North Carolina, to Portsmouth, Ohio, to Cincinnati, Ohio, to termini at Detroit, Michigan and Sault Ste. Marie, Michigan. The Sault Ste. Marie terminus shall be reached via a corridor connecting Adrian, Jackson, Lansing, Mount Pleasant, and Grayling, Michigan.

"(B)(i) In the Commonwealth of Virginia, the Corridor shall generally follow—

"(I) United States Route 220 from the Virginia-North Carolina border to I–581 south of Roanoke;

"(II) I–581 to I–81 in the vicinity of Roanoke;

"(III) I–81 to the proposed highway to demonstrate intelligent transportation systems authorized by item 29 of the table in section 1107(b) in the vicinity of Christiansburg to United States Route 460 in the vicinity of Blacksburg; and

"(IV) United States Route 460 to the West Virginia State line.

"(ii) In the States of West Virginia, Kentucky, and Ohio, the Corridor shall generally follow—

"(I) United States Route 460 from the West Virginia State line to United States Route 52 at Bluefield, West Virginia; and

"(II) United States Route 52 to United States Route 23 at Portsmouth, Ohio.

"(iii) In the States of North Carolina and South Carolina, the Corridor shall generally follow—

"(I) in the case of I–73—

"(aa) United States Route 220 from the Virginia State line to State Route 68 in the vicinity of Greensboro;

"(bb) State Route 68 to I–40;

"(cc) I–40 to United States Route 220 in Greensboro;

"(dd) United States Route 220 to United States Route 1 near Rockingham;

"(ee) United States Route 1 to the South Carolina State line; and

"(ff) South Carolina State line to Charleston, South Carolina; and

"(II) in the case of I–74—

"(aa) I–77 from Bluefield, West Virginia, to the junction of I–77 and the United States Route 52 connector in Surry County, North Carolina;

"(bb) the I–77/United States Route 52 connector to United States Route 52 south of Mount Airy, North Carolina;

"(cc) United States Route 52 to United States Route 311 in Winston-Salem, North Carolina;

"(dd) United States Route 311 to United States Route 220 in the vicinity of Randleman, North Carolina.

"(ee) United States Route 220 to United States Route 74 near Rockingham;

"(ff) United States Route 74 to United States Route 76 near Whiteville;

"(gg) United States Route 74/76 to the South Carolina State line in Brunswick County; and

"(hh) South Carolina State line to Charleston, South Carolina.";

(2) in paragraph (18)—

(A) by striking "and";

(B) by inserting "Mississippi, Arkansas," after "Tennessee,"; and

(C) by inserting before the period at the end the following: ", and to the Lower Rio Grande Valley at the border between the United States and Mexico";

(3) by inserting before the period at the end of paragraph (18) the following: ", and to include the Corpus Christi Northside Highway and Rail Corridor from the existing intersection of United States Route 77 and Interstate Route 37 to United States Route 181"; and

(4) by adding at the end the following:

"(22) The Alameda Transportation Corridor along Alameda Street from the entrance to the ports of Los Angeles and Long Beach to Interstate 10, Los Angeles, California.

"(23) The Interstate Route 35 Corridor from Laredo, Texas, through Oklahoma City, Oklahoma, to Wichita, Kansas, to Kansas City, Kansas/Missouri, to Des Moines, Iowa, to Minneapolis, Minnesota, to Duluth, Minnesota.

"(24) The Dalton Highway from Deadhorse, Alaska to Fairbanks, Alaska.

"(25) State Route 168 (South Battlefield Boulevard), Virginia, from the Great Bridge Bypass to the North Carolina State line.

"(26) The CANNAMEX CORRIDOR from Nogales, Arizona, through Las Vegas, Nevada, to Salt Lake City, Utah, to Idaho Falls, Idaho, to Great Falls, Montana, to the Canadian Border as follows:

"(A) In the State of Arizona, the CANAMEX CORRIDOR shall generally follow—

"(i) I–19 from Nogales to Tucson;

"(ii) I–10 from Tucson to Phoenix; and

"(iii) United States Route 93 from Phoenix to the Nevada Border.

"(B) In the State of Nevada, the CANAMEX CORRIDOR shall follow—

"(i) United States Route 93 from the Arizona Border to Las Vegas; and

"(ii) I–15 from Las Vegas to the Utah Border.

"(C) From the Utah Border to the Canadian Border, the CANAMEX CORRIDOR shall follow I–15.

"(27) The Camino Real Corridor from El Paso, Texas, to Denver, Colorado, as follows:

"(A) In the State of Texas, the Camino Real Corridor shall generally follow—

"(i) arterials from the international ports of entry to I–10 in El Paso County; and

"(ii) I–10 from El Paso County to the New Mexico border.

"(B) In the State of New Mexico, the Camino Real Corridor shall generally follow—

"(i) I–10 from the Texas Border to Las Cruces; and

"(ii) I–25 from Las Cruces to the Colorado Border.

"(C) In the State of Colorado, the Camino Real Corridor shall generally follow I–25 from the New Mexico Border to Denver.".

(b) INCLUSION OF CERTAIN ROUTE SEGMENTS ON INTERSTATE SYSTEM.—Section 1105(e) of such Act (105 Stat. 2033) is amended by adding at the end the following:

"(5) INCLUSION OF CERTAIN ROUTE SEGMENTS ON INTERSTATE SYSTEM.—Where not a part of the Interstate System, the routes referred to in clauses (i), (ii), and (iii) of subsection (c)(5)(B) (other than the portion located in the State of West Virginia), in subsection (c)(9), and in subsections (c)(18) and (c)(20) are hereby designated future parts of the Interstate System. Any segment of such routes shall become a part of the Interstate System at such time as the Secretary determines that the segment—

"(A) meets the Interstate System design standards approved by the Secretary under section 109(b) of title 23, United States Code; and

"(B) connects to an existing Interstate System segment and functions as a safe and usable segment.".

SEC. 331. HIGH PRIORITY CORRIDOR FEASIBILITY STUDIES.

(a) EVACUATION ROUTES FOR LOUISIANA COASTAL AREAS.—Section 1105(e)(2) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2033) is amended by adding at the end the following new sentence: "A feasibility study may be conducted under this subsection to identify routes that will expedite future emergency evacuations of coastal areas of Louisiana.".

(b) EAST-WEST TRANSAMERICA CORRIDOR.—With amounts available to the Secretary under section 1105(h) of the Intermodal Surface Transportation Efficiency Act of 1991, the Secretary in cooperation with the States of Virginia and West Virginia shall conduct a study to determine the feasibility of establishing a route for the East-West Transamerica Corridor (designated pursuant to section 1105(c)(3) of such Act) from Beckley, West Virginia, utilizing a corridor entering Virginia near the city of Covington then moving south from the Allegheny Highlands to serve Roanoke and continuing east to Lynchburg. From there such route would continue across Virginia to the Hampton Roads-Norfolk area.

SEC. 332. HIGH COST BRIDGE PROJECTS.

The table contained in section 1103(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2027–2028) is amended—

(1) in item number 5, relating to Gloucester Point, Virginia, by inserting after "York River" the following: "and for repair, strengthening, and rehabilitation of the existing bridge"; and

(2) in item number 10, relating to Shakopee, Minnesota, by inserting "project, including the bypass of" after "replacement".

SEC. 333. CONGESTION RELIEF PROJECTS.

The table contained in section 1104(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2029–2031) is amended—

(1) in item number 1, relating to Long Beach, California, by striking "HOV Lanes on" and inserting "downtown Long Beach access ramps into the southern terminus of";

(2) in item number 10, relating to San Diego, California, by striking "1 block of Cut and Cover Tunnel on Rt. 15" and inserting "bridge decking on Route 15";

(3) in item number 23, relating to Tucson, Arizona, by inserting ", of which a total of $3,609,620 shall be available for the project authorized by item number 74 of the table contained in section 1106(b)" after "in Tuscon, Arizona"; and

(4) in item number 43, relating to West Virginia, by striking "Coal Fields" and inserting "Coalfields".

SEC. 334. HIGH PRIORITY CORRIDORS ON NATIONAL HIGHWAY SYSTEM.

Section 1105(c)(3) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2032) is amended by inserting before the period at the end the following: "commencing on the Atlantic Coast in the Hampton Roads-Norfolk area going westward across Virginia to a West

Virginia corridor centered around Beckley to Welch as part of the Coalfields Expressway described in section 1069(v), then to Williamson sharing a common corridor with the I–73/74 Corridor (referred to in item 12 of the table contained in subsection (f)), then to a Kentucky Corridor centered on the cities of Pikeville, Jenkins, Hazard, London, Somerset, Columbia, Bowling Green, Hopkinsville, Benton, and Paducah, into Illinois, and into Missouri and exiting Western Missouri and entering the southeast corner of Kansas".

SEC. 335. HIGH PRIORITY CORRIDOR PROJECTS.

The table contained in section 1105(f) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2033–2035) is amended—

(1) in item 1, relating to Pennsylvania, by inserting after "For" the following: "the segment described in item 6 of this table and up to $11,000,000 for";

(2) in item 2, relating to Alabama, Georgia, Mississippi, Tennessee, by inserting after "Rt. 72" the following: "and up to $1,500,000 from the State of Alabama's share of the project for modification of the Keller Memorial Bridge in Decatur, Alabama, to a pedestrian structure"; and

(3) in item number 26, relating to Indiana, Kentucky, Tennessee, by striking "Newberry" and inserting "Evansville".

SEC. 336. RURAL ACCESS PROJECTS.

The table contained in section 1106(a)(2) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2037–2042) is amended—

(1) in item number 34, relating to Illinois, by striking "Resurfacing" and all that follows through "Omaha" and inserting "Bel-Air Road improvement from south of Carmi to State Route 141 in southeastern White County";

(2) in item number 52, relating to Bedford Springs, Pennsylvania, by striking "and Huntington" and inserting "Franklin, and Huntingdon";

(3) in item number 61, relating to Lubbock, Texas, by striking "with Interstate 20" and inserting "with Interstate 10 through Interstate 20 and Interstate 27 north of Amarillo to the Texas/Oklahoma border";

(4) in item number 71, relating to Chautauqua County, New York, by inserting "and other improvements" after "expressway lanes";

(5) in item number 75, relating to Pennsylvania, by striking "Widen" and all that follows through "lanes" and inserting "Road improvements on a 14-mile segment of U.S. Route 15 in Lycoming County, Pennsylvania";

(6) in item number 93, relating to New Mexico, by striking "Raton-Clayton Rd., Clayton, New Mexico" and inserting "U.S. Rt. 64/87 from Raton, New Mexico, through Clayton to the Texas-New Mexico State line"; and

(7) in item number 111, relating to Parker County, Texas (SH199)—

(A) by striking "Parker County" and inserting "Parker and Tarrant Counties"; and

(B) by striking "to four-" and inserting "in Tarrant County, to freeway standards and in Parker County to a 4-".

SEC. 337. URBAN ACCESS AND MOBILITY PROJECTS.

The table contained in section 1106(b)(2) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2043–2047) is amended—

(1) in item number (9), relating to New York, New York, by striking "Improvements" and all that follows through "NY" and inserting "Projects in New York City, New York (other than improvements to the Miller Highway)";

(2) in item number 13, relating to Joliet, Illinois, by striking "and construction and interchange at Houbolt Road and I–80";

(3) in item number 36, relating to Compton, California, by striking "For a grade" and all that follows through "Corridor" and inserting "For grade separations and other improvements in the city of Compton, California"; and

(4) in item number 52, relating to Chicago, Illinois, by striking "Right-of-way" and all that follows through "Connector)" and inserting "Reconstruct the Michigan Avenue viaduct".

SEC. 338. INNOVATIVE PROJECTS.

The table contained in section 1107(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2048–2059) is amended—

(1) in item 19, relating to Water Street, Pennsylvania—

(A) by striking "Water Street,"; and

(B) by inserting ", or other projects in the counties of Bedford, Blair, Centre, Franklin, and Huntingdon as selected by the State of Pennsylvania" after "Pennsylvania" the second place it appears;

(2) in item 20, relating to Holidaysburg, Pennsylvania—

(A) by striking "Holidaysburg," the first place it appears; and

(B) by inserting ", or other projects in the counties of Bedford, Blair, Centre, Franklin, and Huntingdon as selected by the State of Pennsylvania" after "Pennsylvania" the second place it appears;

(3) in item number 24, relating to Pennsylvania, by inserting after "line" the following: "and for the purchase, rehabilitation, and improvement of any similar existing facility within a 150-mile radius of such project, as selected by the State of Pennsylvania";

(4) in item number 29, relating to Blacksburg, Virginia, by inserting "methods of facilitating public and private participation in" after "demonstrate";

(5) in item number 35, relating to Alabama, by striking "to bypass" and all that follows through "I–85" and inserting "beginning on U.S. Route 80 west of Montgomery, Alabama, and connecting to I–65 south of Montgomery and I–85 east of Montgomery";

(6) in item 49, relating to Suffolk County, New York, by inserting after "perimeters" the following: "and provide funds to the towns of Brookhaven, Riverhead, Smithtown, East Hampton, Southold, Shelter Island, and Southampton for the purchase of vehicles to meet the transportation needs of the elderly and persons with disabilities";

(7) in item number 52, relating to Pennsylvania, by striking "2" and all that follows through "Pennsylvania" and inserting "or rehabilitate (or both) highway and transportation infrastructure projects within 30 miles of I–81 or I–80 in northeastern Pennsylvania";

(8) in item number 61, relating to Mojave, California, by striking "Mojave" and inserting "Victorville" and by inserting "Mojave" after "reconstruct";

(9) in item number 68, relating to Portland/S. Portland, Maine—

(A) by striking "Portland/S. Portland,"; and

(B) by inserting after "Bridge" the following: "and improvements to the Carlton Bridge in Bath-Woolworth";

(10) in item number 76, relating to Tennessee, by inserting "Improved access to" before "I–81" and striking "Interchange" and inserting after "Tennessee" the following: "via improvements at I–181/Eastern Star Road and I–81/Kendrick Creek Road";

(11) in item number 100, relating to Arkansas, by striking "Thornton" and inserting "Little Rock";

(12) in item number 113, relating to Durham County, North Carolina, by inserting after "Route 147" the following: ", including the interchange at I–85";

(13) in item number 114, relating to Corpus Christi to Angleton, Texas, by striking "Construct new multi-lane freeway" and inserting "Construct a 4-lane divided highway";

(14) in item number 193, relating to Corning, New York, by inserting "and other improvements" after "expressway lanes"; and

(15) in item 196, relating to Orlando, Florida—

(A) by striking "Orlando,"; and

(B) by striking "Land" and all that follows through "project" and inserting "One or more regionally significant, intercity ground transportation projects".

SEC. 339. INTERMODAL PROJECTS.

The table contained in section 1108(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2060–2063) is amended—

(1) in item number 12, relating to Buffalo, New York, by inserting after "Project" the following: "and the Crossroads Arena Project";

(2) in item number 31, relating to Los Angeles, California, by striking "To improve ground access from Sepulveda Blvd. to Los Angeles, California" and inserting the following: "For the Los Angeles International Airport central terminal ramp access project, $3,500,000; for the widening of Aviation Boulevard south of Imperial Highway, $3,500,000; for the widening of Aviation Boulevard north of Imperial Highway, $1,000,000; and for transportation systems management improvements in the vicinity of the Sepulveda Boulevard/Los Angeles International Airport tunnel, $950,000"; and

(3) in item 33, relating to Orange County, New York, strike "Stuart Airport Interchange Project" and insert "Stewart Airport interchange projects".

SEC. 340. MISCELLANEOUS REVISIONS TO SURFACE TRANSPORTATION AND UNIFORM RELOCATION ASSISTANCE ACT OF 1987.

(a) CALIFORNIA.—Section 149(a)(69) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 191), relating to Burbank-Glendale-Pasadena Airport, California, is amended—

(1) in the first sentence by striking "highway";

(2) in the first sentence by striking "and construction of terminal and parking facilities at such airport"; and

(3) by striking "by making" in the second sentence and all that follows through the period at the end of such sentence and inserting the following: "by preparing a feasibility study and conducting preliminary engineering, design, and construction of a link between such airport and the commuter rail system that is being developed by the Los Angeles County Metropolitan Transportation Authority.".

(b) LOUISIANA.—

(1) RURAL ACCESS PROJECT.—

(A) RESCISSION.—Effective October 1, 1995, the unobligated balances on September 30, 1995, of funds made available for section 149(a)(87) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 194; relating to West Calcasieu Parish, Louisiana) are hereby rescinded.

(B) FUNDING.—Item number 17 of the table contained in section 1106(a)(2) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2038), relating to Lake Charles, Louisiana, is amended by striking "4.1" and inserting "8.8".

(2) I–10 EXIT RAMP AND OTHER PROJECTS.—Section 149(a)(89) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 191) is amended—

(A) by inserting "AND LAKE CHARLES" after "LAFAYETTE" in the paragraph heading; and

(B) by inserting before the period at the end "and, of amounts made available to carry out this paragraph, may use up to $456,022 to carry out a comprehensive transportation and land use plan for Lafayette, Louisiana, $1,000,000 to carry out a project to construct an exit ramp from the eastbound side of Interstate Route I–10

to Ryan Street in Lake Charles, Louisiana, and $269,661 under this paragraph for projects described in section 149(a)(90)".

(3) CONTRABAND BRIDGE.—Section 149(a)(90) of such Act (101 Stat. 191) is amended—

(A) by inserting "AND LAKE CHARLES" after "LAFAYETTE" in the paragraph heading; and

(B) by inserting "and a project to construct the Contraband Bridge portion of the Nelson Access Road Project" before the period at the end.

(c) PENNSYLVANIA.—Section 149(a)(74) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 192) is amended by inserting before the period at the end the following: "and other projects in the counties of Bedford, Blair, Centre, Franklin, and Huntingdon, Pennsylvania".

(d) MARYLAND.—Section 149(a)(92) of such Act (101 Stat. 194) is amended—

(1) by striking "UNITED STATES ROUTE 48" and inserting "WASHINGTON AND FREDERICK COUNTIES"; and

(2) by inserting "and to construct an interchange between Interstate Route I–70 and Interstate Route I–270 in Frederick County, Maryland" after "Mountain Road".

(e) BUS TESTING FACILITY.—Section 5318 of title 49, United States Code, is amended—

(1) in subsection (b) by inserting "or cooperative agreement" after "contract" each place it appears; and

(2) by adding at the end the following:

"(f) CONVERSION OF CONTRACTS.—The Secretary may convert existing contracts entered into under this section into cooperative agreements.".

SEC. 341. ELIGIBILITY.

(a) EXISTING PROJECT.—Section 108(b) of the Federal-Aid Highway Act of 1956 (23 U.S.C. 101 note) is amended—

(1) by striking "(1)" before "such costs may be further"; and

(2) by striking ", and (2) the amount of such costs shall not include the portion of the project between High Street and Causeway Street".

(b) OTHER EXISTING PROJECTS.—

(1) RECONSTRUCTION AND WIDENING.—The project authorized by section 162 of the Surface Transportation Assistance Act of 1982 (96 Stat. 2136) shall include reconstruction and widening to 6 lanes of existing Interstate Route 95 and of the Pennsylvania Turnpike from United States Route 1 to the junction with the New Jersey Turnpike, including the structure over the Delaware River.

(2) FEDERAL SHARE.—Notwithstanding any other provision of law, the Federal share payable on account of the project referred to in paragraph (1), including the additional through roadway and bridge travel lanes, shall be 90 percent of the cost of the project.

(3) TOLLS.—Notwithstanding section 301 of title 23, United States Code, the project for construction of an interchange between the Pennsylvania Turnpike and Interstate Route 95, including the widening of the Pennsylvania Turnpike, shall be treated as a reconstruction project described in section 129(a)(1)(B) of such title and tolls may be continued on all traffic on the Pennsylvania Turnpike between United States Route 1 and the New Jersey Turnpike.

(c) TYPE II NOISE BARRIERS.—No funds made available out of the Highway Trust Fund may be used to construct Type II noise barriers (as defined by section 772.5(i) of title 23, Code of Federal Regulations) pursuant to sections 109 (h) and (i) of title 23, United States Code if such barriers were not part of a project approved by the Secretary before the date of the enactment of this Act.

SEC. 342. ORANGE COUNTY, CALIFORNIA, TOLL ROADS.

The Secretary shall enter into an agreement modifying the agreement entered into pursuant to section 339 of the Department of Transportation and Related Agencies Appropriations Act, 1993 (Public Law 102–338) to conform such agreement to the provisions of section 336 of the Department of Transportation and Related Agencies Appropriations Act, 1995 (Public Law 103–331). Nothing in this section shall be construed to change the amount of the previous appropriation in such section 339, and the line of credit provided for shall not exceed an amount supported by the previous appropriation. In implementing such sections 336 and 339, the Secretary may enter into an agreement requiring an interest rate that is higher than the rate specified in such sections.

SEC. 343. MISCELLANEOUS STUDIES.

(a) PAN AMERICAN HIGHWAY.—

(1) STUDY.—The Secretary shall conduct a study on the adequacy of and the need for improvements to the Pan American Highway.

(2) ELEMENTS.—The study to be conducted under paragraph (1) shall include, at a minimum, the following elements:

(A) Findings on the benefits of constructing a highway at Darien Gap, Panama and Colombia.

(B) Recommendations for a self-financing arrangement for completion and maintenance of the Pan American Highway.

(C) Recommendations for establishing a Pan American highway authority to monitor financing, construction, maintenance, and operations of the Pan American Highway.

(D) Findings on the benefits to trade and prosperity of a more efficient Pan American Highway.

(E) Findings on the benefits to United States industry through the use of United States technology and equipment in construction of improvements to the Pan American Highway.

(F) Findings on environmental considerations, including environmental considerations relating to the Darien Gap.

(3) REPORT.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study conducted under this subsection.

(b) HIGHWAY SIGNS FOR NATIONAL HIGHWAY SYSTEM.—The Secretary shall conduct a study to determine the cost, need, and efficacy of establishing a highway sign for identifying routes on the National Highway System. In conducting such study, the Secretary shall make a determination concerning whether to identify National Highway System route numbers.

(c) COMPLIANCE WITH BUY AMERICAN ACT.—

(1) STUDY.—The Secretary shall conduct a study on compliance with the provisions of the Buy American Act (41 U.S.C. 10a–10c) with respect to contracts entered into using amounts made available from the Highway Trust Fund.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study conducted under paragraph (1).

SEC. 344. COLLECTION OF BRIDGE TOLLS.

Notwithstanding any other provisions of law, tolls collected for motor vehicles on any bridge connecting the boroughs of Brooklyn, New York, and Staten Island, New York, shall continue to be collected for only those vehicles exiting from such bridge in Staten Island.

SEC. 345. NATIONAL DRIVER REGISTER.

Section 30308(a) of title 49, United States Code, is amended by striking "and $2,550,000 for fiscal year 1995" and inserting "and $2,550,000 for each of fiscal years 1995 and 1996".

SEC. 346. ROADSIDE BARRIER TECHNOLOGY.

Section 1058 of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 109 note; 105 Stat. 2003) is amended—

(1) in subsection (a) by striking "median" and inserting "or temporary crashworthy";

(2) in subsection (a) by inserting "crashworthy" after "innovative";

(3) in the heading of subsection (c) by inserting "CRASHWORTHY" after "INNOVATIVE";

(4) in subsection (c) by inserting "crashworthy" after "innovative";

(5) in subsection (c) by striking "median";

(6) by inserting "or guiderail" after "guardrail"; and

(7) by inserting before the period at the end of subsection (c) ", and meets or surpasses the requirements of the National Cooperative Highway Research Program 350 for longitudinal barriers".

SEC. 347. MOTORIST CALL BOXES.

(a) EFFECTIVE CONTROL.—Section 131(c) of title 23, United States Code, is amended—

(1) by striking "and (5)" and inserting the following: "(5) signs, displays, and devices identifying and announcing free motorist aid call boxes and advertising their sponsorship by corporations or other organizations, and (6)"; and

(2) by adding at the end the following new sentence: "The Secretary shall ensure that spacing of signs, displays, and devices announcing motorist aid call boxes is reasonable.".

(b) SPECIFIC SERVICE SIGNS.—Section 131(f) of title 23, United States Code, is amended by adding at the end the following: "For purposes of this subsection, the term 'specific information in the interest of the traveling public' includes identification, announcement, and sponsorship of motorist aid call boxes.".

SEC. 348. REPEAL OF NATIONAL MAXIMUM SPEED LIMIT COMPLIANCE PROGRAM.

Sections 141(a) and 154 of title 23, United States Code, and the item relating to section 154 in the analysis to chapter 1 of such title are repealed.

SEC. 349. ELIMINATION OF PENALTY FOR NONCOMPLIANCE FOR MOTORCYCLE HELMETS.

Subsection (h) of section 153 of title 23, United States Code, is amended by striking "a law described in subsection (a)(1) and" each place it appears.

SEC. 350. SAFETY REST AREAS.

Section 120(c) of title 23, United States Code, is amended by inserting "safety rest areas," after "signalization,".

SEC. 351. EXEMPTIONS FROM REQUIREMENTS RELATING TO COMMERCIAL MOTOR VEHICLES AND THEIR OPERATORS.

(a) EXEMPTIONS.—

(1) TRANSPORTATION OF AGRICULTURAL COMMODITIES AND FARM SUPPLIES.—Regulations prescribed by the Secretary under sections 31136 and 31502 of title 49, United States Code, regarding maximum driving and on-duty time for drivers used by motor carriers shall not apply to drivers transporting agricultural commodities or farm supplies for agricultural purposes in a State if such transportation is limited to an area within a 100 air mile radius from the source of the commodities or the distribution point for the farm supplies and is during the planting and harvesting seasons within such State, as determined by the State.

(2) TRANSPORTATION AND OPERATION OF GROUND WATER WELL DRILLING RIGS.—Such regulations shall, in the case of a driver of a commercial motor vehicle who is used primarily in the transportation and operation of a ground water well drilling rig, permit any period of 8 consecutive days to end with the beginning of an off-duty period of 24 or more consecutive hours for the purposes of determining maximum driving and on-duty time.

(3) TRANSPORTATION OF CONSTRUCTION MATERIALS AND EQUIPMENT.—Such regulations shall, in the case of a driver of a commercial motor vehicle who is used primarily in the transportation of construction materials and equipment, permit any period of 8 consecutive days to end

with the beginning of an off-duty period of 24 or more consecutive hours for the purposes of determining maximum driving and on-duty time.

(4) DRIVERS OF UTILITY SERVICE VEHICLES.—Such regulations shall, in the case of a driver of a utility service vehicle, permit any period of 8 consecutive days to end with the beginning of an off-duty period of 24 or more consecutive hours for the purposes of determining maximum driving and on-duty time.

(5) SNOW AND ICE REMOVAL.—A State may waive the requirements of chapter 313 of title 49, United States Code, with respect to a vehicle that is being operated within the boundaries of an eligible unit of local government by an employee of such unit for the purpose of removing snow or ice from a roadway by plowing, sanding, or salting. Such waiver authority shall only apply in a case where the employee is needed to operate the vehicle because the employee of the eligible unit of local government who ordinarily operates the vehicle and who has a commercial drivers license is unable to operate the vehicle or is in need of additional assistance due to a snow emergency.

(b) EFFECTIVE DATE.—The provisions of subsection (a) shall take effect 180 days after the date of the enactment of this Act.

(c) REVIEW BY THE SECRETARY.—The Secretary may conduct a rulemaking proceeding to determine whether granting any exemption provided by subsection (a) is not in the public interest and would have a significant adverse impact on the safety of commercial motor vehicles. If, at any time, the Secretary determines that granting such exemption would not be in the public interest and would have a significant adverse impact on the safety of commercial motor vehicles, then the Secretary may prevent the exemption from going into effect, modify the exemption, or revoke the exemption.

(d) DEFINITIONS.—In this section, the following definitions apply:

(1) 8 CONSECUTIVE DAYS.—The term "8 consecutive days" means the period of 8 consecutive days beginning on any day at the time designated by the motor carrier for a 24-hour period.

(2) 24-HOUR PERIOD.—The term "24-hour period" means any 24-consecutive hour period beginning at the time designated by the motor carrier for the terminal from which the driver is normally dispatched.

(3) GROUND WATER WELL DRILLING RIG.—The term "ground water well drilling rig" means any vehicle, machine, tractor, trailer, semi-trailer, or specialized mobile equipment propelled or drawn by mechanical power and used on highways to transport water well field operating equipment, including water well drilling and pump service rigs equipped to access ground water.

(4) TRANSPORTATION OF CONSTRUCTION MATERIALS AND EQUIPMENT.—The term "transportation of construction materials and equipment" means the transportation of construction materials, construction finished related products, construction personnel, and construction equipment by a driver within a 50 air mile radius of the normal work reporting location of the driver.

(5) ELIGIBLE UNIT OF LOCAL GOVERNMENT.—The term "eligible unit of local government" means a city, town, borough, county, parish, district, or other public body created by or pursuant to State law which has a total population of 3,000 individuals or less.

(6) UTILITY SERVICE VEHICLE.—The term "utility service vehicle" means any motor vehicle, regardless of gross weight—

(A) used on highways in interstate or intrastate commerce in the furtherance of building, repairing, expanding, improving, maintaining, or operating any structures, facilities, excavations, poles, lines, or any other physical feature necessary for the delivery of public utility services, including the furnishing of electric, water, sanitary sewer, telephone, and television cable or community antenna service;

(B) while engaged in any activity necessarily related to the ultimate delivery of such public utility services to consumers, including travel or movement to, from, upon, or between activity sites (including occasional travel or movement outside the service area necessitated by any utility emergency as determined by the utility provider); and

(C) except for any occasional emergency use, operated primarily within the service area of a utility's subscribers or consumers, without regard to whether the vehicle is owned, leased, or rented or otherwise contracted for by the utility.

SEC. 352. TRAFFIC CONTROL SIGNS.

Traffic control signs referred to in the experimental project conducted in the State of Oregon in December 1991 shall be deemed to comply with the requirements of section 2B–4 of the Manual on Uniform Traffic Control Devices of the Department of Transportation.

SEC. 353. BRIGHTMAN STREET BRIDGE, FALL RIVER HARBOR, MASSACHUSETTS.

Notwithstanding any other provision of law, the Brightman Street Bridge in Fall River Harbor, Massachusetts, may be reconstructed to result in a clear channel width of less than 300 feet.

SEC. 354. MOTOR CARRIER SAFETY PROGRAM.

Section 31136(e) of title 49, United States Code, is amended—

(1) by inserting "(1) IN GENERAL.—" before "After notice";

(2) by indenting paragraph (1), as designated by paragraph (1) of this section, and moving paragraph (1), as so redesignated, 2 ems to the right; and

(3) by adding the following at the end:

"(2) MOTOR CARRIER SAFETY PROGRAM.—

"(A) IN GENERAL.—The Secretary, within 180 days of the application of an operator of motor vehicles with a gross vehicle weight rating of at least 10,001 pounds but not more than 26,000 pounds, shall exempt some or all of such vehicles and drivers of such vehicles from some or all of the regulations prescribed under this section and sections 504 and 31502 of this title if the Secretary finds such applicant—

"(i) has a current satisfactory safety fitness rating issued by the Secretary; and

"(ii) will implement a program of safety management controls designed to achieve a level of operational safety equal to or greater than that resulting from compliance with the regulations prescribed under this section.

The Secretary shall modify the exemption if there is a material change in the regulations prescribed under such sections. In granting such exemptions, the Secretary shall ensure that approved participants in the motor carrier safety program are subject to a minimum of paperwork and regulatory burdens.

"(B) MONITORING; EXEMPTION PERIOD.—The Secretary and participants in the program established by this paragraph shall periodically monitor the safety of vehicles and drivers exempted from regulations under the program. An exemption approved under subparagraph (A) shall remain in effect until such time as the Secretary finds—

"(i) that the operator has exceeded the average ratio of preventable accidents to vehicle miles travelled for a period of 12 months for the class of vehicles with a gross vehicle weight of at least 10,001 pounds but not more than 26,000 pounds; or

"(ii) that such operator's exemption is not in the public interest and would result in a significant adverse impact on the safety of commercial motor vehicles.

"(C) FACTORS.—In approving applications under the program established by this paragraph, the Secretary shall—

"(i) ensure that applicants in the program represent a broad cross-section of fleet size and operators of vehicles between 10,000 and 26,000 pounds; and

"(ii) to the extent feasible, ensure participation by as many qualified applicants as possible.

"(D) LIMITATION.—The Secretary shall not grant the exemptions set forth in subparagraph (A) to vehicles—

"(i) designed to transport more than 15 passengers; including the driver; or

"(ii) used in transporting material found by the Secretary to be hazardous under section 5103 of this title and transported in a quantity requiring placarding under regulations prescribed by the Secretary under such section 5103.

"(E) EMERGENCIES.—The Secretary may revoke or modify the participation of an operator in the program established by this section in the case of an emergency.

"(3) REVIEW OF REGULATIONS.—The Secretary shall conduct a zero-based review of the need and the costs and benefits of all regulations issued under this section and sections 504 and 31502 of this title to determine whether such regulations should apply to vehicles weighing between 10,000 and 26,000 pounds. The review shall focus on the appropriate level of safety and the paperwork and regulatory burdens of such regulations as they apply to operators of vehicles weighing between 10,000 and 26,000 pounds. The Secretary shall complete the review within 18 months after the date of the enactment of this paragraph. Upon completion of the review, the Secretary shall grant such exemptions or modify or repeal existing regulations to the extent appropriate.".

SEC. 355. TECHNICAL AMENDMENT.

Notwithstanding section 101(a) of title 23, United States Code, the projects described in section 149(a)(62) of Public Law 100–17 and section 1 of Public Law 100–211 shall be eligible under section 204 of title 23, United States Code.

SEC. 356. SAFETY REPORT.

Not later than September 30, 1997, the Secretary of Transportation, in cooperation with any State which raises any speed limit in such State to a level above the level permitted under section 154 of title 23, United States Code, as such section was in effect on September 15, 1995, shall prepare and submit to the Congress a study of—

(1) the costs to such State of deaths and injuries resulting from motor vehicle crashes; and

(2) the benefits associated with the repeal of the national maximum speed limit.

SEC. 357. OPERATION OF MOTOR VEHICLES BY INTOXICATED MINORS.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code, is amended by adding at the end the following:

"§161. National standard to prohibit the operation of motor vehicles by intoxicated minors

"(a) WITHHOLDING OF APPORTIONMENTS FOR NONCOMPLIANCE.—

"(1) FISCAL YEAR 1999.—The Secretary shall withhold 5 percent of the amount required to be apportioned to any State under each of paragraphs (1), (3), and (5) of section 104(b) on October 1, 1998, if the State does not meet the requirement of paragraph (3) on such date.

"(2) THEREAFTER.—The Secretary shall withhold 10 percent (including any amounts withheld under paragraph (1)) of the amount required to be apportioned to any State under each of paragraphs (1), (3), and (5) of section 104(b) on October 1, 1999, and on October 1 of each fiscal year thereafter, if the State does not meet the requirement of paragraph (3) on such date.

"(3) REQUIREMENT.—A State meets the requirement of this paragraph if the State has enacted and is enforcing a law that makes unlawful throughout the State the operation of a motor vehicle by an individual under the age of 21 who has a blood alcohol concentration of 0.02 percent or greater.

"(b) PERIOD OF AVAILABILITY; EFFECT OF COMPLIANCE AND NONCOMPLIANCE.—

"(1) PERIOD OF AVAILABILITY OF WITHHELD FUNDS.—

"(A) FUNDS WITHHELD ON OR BEFORE SEPTEMBER 30, 2000.—Any funds withheld under subsection (a) from apportionment to any State on or before September 30, 2000, shall remain available until the end of the third fiscal year following the fiscal year for which such funds are authorized to be appropriated.

"(B) FUNDS WITHHELD AFTER SEPTEMBER 30, 2000.—No funds withheld under this section from apportionment to any State after September 30, 2000, shall be available for apportionment to such State.

"(2) APPORTIONMENT OF WITHHELD FUNDS AFTER COMPLIANCE.—If, before the last day of the period for which funds withheld under subsection (a) from apportionment are to remain available for apportionment to a State under paragraph (1), the State meets the requirement of subsection (a)(3), the Secretary shall, on the first day on which the State meets such requirement, apportion to the State the funds withheld under subsection (a) that remain available for apportionment to the State.

"(3) PERIOD OF AVAILABILITY OF SUBSEQUENTLY APPORTIONED FUNDS.—Any funds apportioned pursuant to paragraph (2) shall remain available for expenditure until the end of the third fiscal year following the fiscal year in which such funds are so apportioned. Sums not obligated at the end of such period shall lapse or, in the case of funds apportioned under section 104(b)(5), shall lapse and be made available by the Secretary for projects in accordance with section 118.

"(4) EFFECT OF NONCOMPLIANCE.—If, at the end of the period for which funds withheld under subsection (a) from apportionment are available for apportionment to a State under paragraph (1), the State does not meet the requirement of subsection (a)(3), such funds shall lapse or, in the case of funds withheld from apportionment under section 104(b)(5), such funds shall lapse and be made available by the Secretary for projects in accordance with section 118.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following:

"161. National standard to prohibit the operation of motor vehicles by intoxicated minors.".

SEC. 358. EFFECTIVENESS OF DRUNK DRIVING LAWS.

The Secretary shall conduct a study to evaluate the effectiveness on reducing drunk driving of laws enacted in the States which allow a health care provider who treats an individual involved in a vehicular accident to report the blood alcohol level, if known, of such individual to the local law enforcement agency which has jurisdiction over the accident site if the blood alcohol concentration level exceeds the maximum level permitted under State law.

Amend the title so as to read: "An Act to amend title 23, United States Code, to designate the National Highway System, and for other purposes.".

Mr. CHAFEE. Mr. President, I move that the Senate disagree with the House amendments and agree to a request for a conference, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. WARNER, Mr. CHAFEE, Mr. SMITH, Mr. KEMPTHORNE, Mr. BAUCUS, Mr. MOYNIHAN, Mr. REID and from the Committee on Commerce, Science, and Transportation, solely for matters within their jurisdiction, Mr. PRESSLER, Mr. LOTT, and Mr. HOLLINGS, conferees on the part of the Senate.

ORDERS FOR TUESDAY, SEPTEMBER 26, 1995

Mr. BOND. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9:30 a.m. on Tuesday, September 26, 1995; that following the prayer, the Journal of proceedings be deemed approved to date; the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of H.R. 2099, the VA–HUD appropriations bill. I further ask unanimous consent that the Senate resume consideration of the Bumpers amendment numbered 2776 regarding the space station at 11 a.m. on Tuesday, and there be 90 minutes of debate equally divided in the usual form, and following the debate the Senate stand in recess until the hour of 2:15 p.m. for the weekly policy conferences to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, I further ask unanimous consent that at 2:15 the Senate proceed to 4 minutes equally divided in the usual form to be followed by a vote on or in relation to the Bumpers amendment numbered 2776.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BOND. Mr. President, for the information of all Senators, the Senate will resume consideration of VA–HUD operations appropriations bill tomorrow morning at 9:30. Under the previous order, there will be a rollcall vote at approximately 2:20 on or in relation to the Bumpers space station amendment. Additional rollcall votes can be expected throughout Tuesday's session, day and night, in order to finish action on the VA–HUD appropriations bill.

As a reminder, the majority leader has announced once all the necessary appropriations items are completed the Senate would then stand in recess until Tuesday, October 10.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. BOND. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 6:38 p.m., recessed until Tuesday, September 26, 1995, at 9:30 a.m.

NOMINATION

Executive nomination received by the Secretary of the Senate September 22, 1995, under authority of the order of the Senate of January 4, 1995:

DEPARTMENT OF STATE

JIM SASSER, OF TENNESSEE, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE PEOPLE'S REPUBLIC OF CHINA.

HOUSE OF REPRESENTATIVES—*Monday, September 25, 1995*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. TATE].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 25, 1995.

I hereby designate the Honorable RANDY TATE to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

On this day and in this moment of prayer we remember those who have special need and who look to You, gracious God, for the spiritual and emotional support that You alone can give. May Your hand of healing, Your words of compassion and mercy, and Your heart of love comfort and sustain all who turn to You in faith and trust. May they sense Your presence in their lives and may the power You showed in healing and restoring renew them in mind, body, and spirit. And may Your peace, O God, that passes all human understanding, be with them and remain with them now and evermore. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Florida [Mr. YOUNG] come forward and lead the House in the Pledge of Allegiance.

Mr. YOUNG of Florida led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

CONFERENCE REPORT ON H.R. 2126, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1996

Mr. YOUNG of Florida submitted the following conference report and statement on the bill (H.R. 2126) making appropriations for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes:

CONFERENCE REPORT (H. REPT. 104–261)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2126) "making appropriations for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1996, for military functions administered by the Department of Defense and for other purposes, namely:*

TITLE I—MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For pay, allowances, individual clothing, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; $19,809,187,000.

MILITARY PERSONNEL, NAVY

For pay, allowances, individual clothing, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Navy on active duty (except members of the Reserve provided for elsewhere), midshipmen, and aviation cadets; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)) and to the Department of Defense Military Retirement Fund; $17,008,563,000.

MILITARY PERSONNEL, MARINE CORPS

For pay, allowances, individual clothing, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Marine Corps on active duty (except members of the Reserve provided for elsewhere); and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; $5,885,740,000.

MILITARY PERSONNEL, AIR FORCE

For pay, allowances, individual clothing, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Air Force on active duty (except members of reserve components provided for elsewhere, cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; $17,207,743,000.

RESERVE PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army Reserve on active duty under sections 10211, 10302, and 3038 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; $2,122,466,000.

RESERVE PERSONNEL, NAVY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Navy Reserve on active duty under section 10211 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; $1,355,523,000.

RESERVE PERSONNEL, MARINE CORPS

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Marine Corps Reserve on active duty under section 10211 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Marine Corps platoon leaders class, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; $378,151,000.

RESERVE PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air Force Reserve on active duty under sections 10211, 10305, and 8038 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Air Reserve Officers' Training Corps, and expenses

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; $784,586,000.

NATIONAL GUARD PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army National Guard while on duty under section 10211, 10302, or 12402 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 12301(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; $3,242,422,000.

NATIONAL GUARD PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air National Guard on duty under section 10211, 10305, or 12402 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 12301(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; $1,259,627,000.

TITLE II—OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, as authorized by law; and not to exceed $14,437,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes; $18,321,965,000 and, in addition, $50,000,000 shall be derived by transfer from the National Defense Stockpile Transaction Fund.

OPERATION AND MAINTENANCE, NAVY

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Navy and the Marine Corps, as authorized by law; and not to exceed $4,151,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Navy, and payments may be made on his certificate of necessity for confidential military purposes; $21,279,425,000 and, in addition, $50,000,000 shall be derived by transfer from the National Defense Stockpile Transaction Fund: Provided, That of the funds appropriated under this heading, $595,100,000 shall be available only for the liquidation of prior year accumulated operating losses of the Department of the Navy activities included in the Defense Business Operations Fund.

OPERATION AND MAINTENANCE, MARINE CORPS

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Marine Corps, as authorized by law; $2,392,522,000.

OPERATION AND MAINTENANCE, AIR FORCE

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Air Force, as authorized by law; and not to exceed $8,362,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes; $18,561,267,000 and, in addition, $50,000,000 shall be derived by transfer from the National Defense Stockpile Transaction Fund: Provided, That the Secretary of the Air Force may acquire all right, title, and interest of any party in and to parcels of real property, including improvements thereon, consisting of not more than 92 acres, located near King Salmon Air Force Station for the purpose of conducting a response action in accordance with the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601–9675) and the Air Force Installation Restoration Program.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments), as authorized by law; $10,388,595,000, of which not to exceed $25,000,000 may be available for the CINC initiative fund account; and of which not to exceed $28,588,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes: Provided, That of the funds appropriated under this heading, $20,000,000 shall be made available only for use in federally owned education facilities located on military installations for the purpose of transferring title of such facilities to the local education agency: Provided further, That of the funds available under this heading, $300,000,000 shall be available only for transfer to the Coast Guard in support of the national security functions of the Coast Guard, while operating in conjunction with and in support of the Navy: Provided further, That funds transferred pursuant to this section are in addition to transfer authority provided elsewhere in this Act.

OPERATION AND MAINTENANCE, ARMY RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Army Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $1,119,191,000.

OPERATION AND MAINTENANCE, NAVY RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Navy Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $859,542,000.

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Marine Corps Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $100,283,000.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Air Force Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $1,519,287,000.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For expenses of training, organizing, and administering the Army National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, and repairs to structures and facilities; hire of passenger motor vehicles; personnel services in the National Guard Bureau; travel expenses (other than mileage), as authorized by law for Army personnel on active duty, for Army National Guard division, regimental, and battalion commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; supplying and equipping the Army National Guard as authorized by law; and expenses of repair, modification, maintenance, and issue of supplies and equipment (including aircraft); $2,440,808,000.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

For operation and maintenance of the Air National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, repair, and other necessary expenses of facilities for the training and administration of the Air National Guard, including repair of facilities, maintenance, operation, and modification of aircraft; transportation of things; hire of passenger motor vehicles; supplies, materials, and equipment, as authorized by law for the Air National Guard; and expenses incident to the maintenance and use of supplies, materials, and equipment, including such as may be furnished from stocks under the control of agencies of the Department of Defense; travel expenses (other than mileage) on the same basis as authorized by law for Air National Guard personnel on active Federal duty, for Air National Guard commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; $2,776,121,000.

UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES

For salaries and expenses necessary for the United States Court of Appeals for the Armed Forces; $6,521,000, of which not to exceed $2,500 can be used for official representation purposes.

ENVIRONMENTAL RESTORATION, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For the Department of Defense; $1,422,200,000, to remain available until transferred: Provided, That the Secretary of Defense shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of Defense, or for similar purposes (including programs and operations at sites formerly used by the Department of Defense), transfer the funds made available by this appropriation to other appropriations made available to the Department of Defense, to be merged with and to be available for the same purposes and for the same time period as the appropriations of funds to which transferred, as follows:

Operation and Maintenance, Army, $631,900,000;

Operation and Maintenance, Navy, $365,300,000;

Operation and Maintenance, Air Force, $368,000,000; and

Operation and Maintenance, Defense-wide, $57,000,000: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

SUMMER OLYMPICS

For logistical support and personnel services (other than pay and non-travel-related allowances of members of the Armed Forces of the United States, except for members of the reserve components thereof called or ordered to active duty to provide support for the 1996 Games of the XXVI Olympiad to be held in Atlanta, Georgia) provided by any component of the Department of Defense to the 1996 Games of the XXVI Olympiad; $15,000,000: Provided, That funds appropriated under this heading shall remain available for obligation until September 30, 1997.

OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID

For expenses relating to the Overseas Humanitarian, Disaster, and Civic Aid programs of the Department of Defense (consisting of the programs provided under sections 401, 402, 404, 2547, and 2551 of title 10, United States Code); $50,000,000: Provided, That of the funds available under this heading, $20,000,000 shall be available for training and activities related to the clearing of landmines for humanitarian purposes.

FORMER SOVIET UNION THREAT REDUCTION

For assistance to the republics of the former Soviet Union, including assistance provided by contract or by grants, for facilitating the elimination and the safe and secure transportation and storage of nuclear, chemical and other weapons; for establishing programs to prevent the proliferation of weapons, weapons components, and weapon-related technology and expertise; for programs relating to the training and support of defense and military personnel for demilitarization and protection of weapons, weapons components and weapons technology and expertise; $300,000,000 to remain available until expended.

TITLE III—PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $1,558,805,000, to remain available for obligation until September 30, 1998: Provided, That not less than nine UH–60L helicopters shall be made available to the Army National Guard for the medical evacuation mission.

MISSILE PROCUREMENT, ARMY

For construction, procurement, production, modification, and modernization of missiles, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $865,555,000, to remain available for obligation until September 30, 1998.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

For construction, procurement, production, and modification of weapons and tracked combat vehicles, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $1,652,745,000, to remain available for obligation until September 30, 1998.

PROCUREMENT OF AMMUNITION, ARMY

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854, title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $1,110,685,000, to remain available for obligation until September 30, 1998.

OTHER PROCUREMENT, ARMY

For construction, procurement, production, and modification of vehicles, including tactical, support, and nontracked combat vehicles; the purchase of not to exceed 41 passenger motor vehicles for replacement only; communications and electronic equipment; other support equipment; spare parts, ordnance, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $2,769,443,000, to remain available for obligation until September 30, 1998.

AIRCRAFT PROCUREMENT, NAVY

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title: and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; $4,589,394,000, to remain available for obligation until September 30, 1998.

WEAPONS PROCUREMENT, NAVY

For construction, procurement, production, modification, and modernization of missiles, torpedoes, other weapons, and related support equipment including spare parts, and accessories therefor; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; $1,669,827,000, to remain available for obligation until September 30, 1998.

PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854, title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $430,053,000, to remain available for obligation until September 30, 1998.

SHIPBUILDING AND CONVERSION, NAVY

For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament thereof, plant equipment, appliances, and machine tools and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; procurement of critical, long leadtime components and designs for vessels to be constructed or converted in the future; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title, as follows:

For continuation of the SSN–21 attack submarine program, $700,000,000;

NSSN–1 (AP), $704,498,000;

NSSN–2 (AP), $100,000,000;

CVN Refuelings, $221,988,000;

DGS–51 destroyer program, $2,169,257,000, for the purchase of two destroyers and advance procurement: Provided, That the Secretary of the Navy shall award a contract, if successfully negotiated, for two additional DDG–51 destroyers on October 1, 1996;

LHD–1 amphibious assault ship program, $1,300,000,000;

LPD–17 amphibious transport dock ship, $974,000,000;

Fast patrol craft, $9,500,000;

T–AGS–64 multi-purpose oceanographic survey ship, $16,000,000;

LSD–52, $20,000,000;

For craft, outfitting, post delivery conversions, and first destination transportation, $428,715,000; In all: $6,643,958,000, to remain available for obligation until September 30, 2000: Provided, That additional obligations may be incurred after September 30, 2000, for engineering services, tests, evaluations, and other such budgeted work that must be performed in the final state of ship construction: Provided further, That none of the funds herein provided for the construction or conversion of any naval vessel to be constructed in shipyards in the United States shall be expended in foreign facilities for the construction of major components of such vessel: Provided further, That none of the funds herein provided shall be used for the construction of any naval vessel in foreign shipyards.

OTHER PROCUREMENT, NAVY

For procurement, production, and modernization of support equipment and materials not otherwise provided for, Navy ordnance (except ordnance for new aircraft, new ships, and ships authorized for conversion); the purchase of not *to exceed 252 passenger motor vehicles for replacement only; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; $2,503,581,000, to remain available for obligation until September 30, 1998.*

PROCUREMENT, MARINE CORPS

For expenses necessary for the procurement, manufacture, and modification of missiles, armament, military equipment, spare parts, and accessories therefor; plant equipment, appliances, and machine tools, and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; vehicles for the Marine Corps, including the purchase of not to exceed 194 passenger motor vehicles for replacement only; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired and construction prosecuted thereon prior to approval of title; $458,947,000, to remain available for obligation until September 30, 1998.

AIRCRAFT PROCUREMENT, AIR FORCE

For construction, procurement, and modification of aircraft and equipment, including armor and armament, specialized ground handling equipment, and training devices, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things; $7,367,983,000, to remain available for obligation until September 30, 1998.

MISSILE PROCUREMENT, AIR FORCE

For construction, procurement, and modification of missiles. spacecraft, rockets, and related equipment, including spare parts, and accessories therefor, ground handling equipment, and training devices; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things; $2,943,931,000, to remain available for obligation until September 30, 1998.

PROCUREMENT OF AMMUNITION, AIR FORCE

For construction, procurement, production, and modification of ammunition and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854, title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $338,800,000, to remain available for obligation until September 30, 1998.

OTHER PROCUREMENT, AIR FORCE

For procurement and modification of equipment (including ground guidance and electronic control equipment, and ground electronic and communication equipment), and supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of not to exceed 385 passenger motor vehicles for replacement only; the purchase of 1 vehicle required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $260,000 per vehicle; and expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon, prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; $6,284,230,000, to remain available for obligation until September 30, 1998.

PROCUREMENT, DEFENSE-WIDE

For expenses of activities and agencies of the Department of Defense (other than the military departments) necessary for procurement, production, and modification of equipment, supplies, materials and spare parts therefor, not otherwise provided for; the purchase of not to exceed 451 passenger motor vehicles, of which 447 shall be for replacement only; expansion of public and private plants, equipment, and installation thereof in such plants, erection of structures, and acquisition of land for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; $2,124,379,000, to remain available for obligation until September 30, 1998.

NATIONAL GUARD AND RESERVE EQUIPMENT

For procurement of aircraft, missiles, tracked combat vehicles, ammunition, other weapons, and other procurement for the reserve components of the Armed Forces; $777,000,000, to remain available for obligation until September 30, 1998: Provided, That the Chiefs of the Reserve and National Guard components shall, not later than November 1, 1995, individually submit to the congressional defense committees the modernization priority assessment for their respective Reserve or National Guard component.

TITLE IV—RESEARCH, DEVELOPMENT, TEST AND EVALUATION

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; $4,870,684,000, to remain available for obligation until September 30, 1997.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; $8,748,132,000, to remain available for obligation until September 30, 1997: Provided, That of the funds provided in Public Law 103–335, in title IV, under the heading "Research, Development, Test and Evaluation, Navy", $5,000,000 shall be made available as a grant only to the Marine and Environmental Research and Training Station (MERTS) for laboratory and other efforts associated with research, development, and other programs of major importance to the Department of Defense: Provided further, That funds appropriated in this paragraph which are available for the V–22 may be used to meet unique requirements of the Special Operations Forces.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; $13,126,567,000, to remain available for obligation until September 30, 1997: Provided, That of the funds made available in this paragraph, $25,000,000 shall be only for development of reusable launch vehicle technologies: Provided further, That not less than $9,500,000 of the funds appropriated in this paragraph shall be made available only for the Joint Seismic Program and the Global Seismographic Network.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

For expenses of activities and agencies of the Department of Defense (other than the military departments), necessary for basic and applied scientific research, development, test and evaluation; advanced research projects as may be designated and determined by the Secretary of Defense, pursuant to law; maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; $9,411,057,000, to remain available for obligation until September 30, 1997: Provided, That not less than $200,442,000 of the funds appropriated in this paragraph shall be made available only for the Sea-Based Wide Area Defense (Navy Upper-Tier) program: Provided further, That the funds made available under the second proviso under this heading in Public Law 103–335 (108 Stat. 2613) shall also be available to cover the reasonable costs of the administration of loan guarantees referred to in that proviso and shall be available to cover such costs of administration and the costs of such loan guarantees until September 30, 1998.

DEVELOPMENTAL TEST AND EVALUATION, DEFENSE

For expenses, not otherwise provided for, of independent activities of the Director, Test and Evaluation in the direction and supervision of developmental test and evaluation, including performance and joint developmental testing and evaluation; and administrative expenses in connection therewith; $251,082,000, to remain available for obligation until September 30, 1997.

OPERATIONAL TEST AND EVALUATION, DEFENSE

For expenses, not otherwise provided for, necessary for the independent activities of the Director, Operational Test and Evaluation in the direction and supervision of operational test and evaluation, including initial operational test and evaluation which is conducted prior to, and in support of, production decisions; joint operational testing and evaluation; and administrative expenses in connection therewith; $22,587,000 to remain available for obligation until September 30, 1997.

TITLE V—REVOLVING AND MANAGEMENT FUNDS

DEFENSE BUSINESS OPERATIONS FUND

For the Defense Business Operations Fund; $878,700,000.

NATIONAL DEFENSE SEALIFT FUND

For National Defense Sealift Fund programs, projects, and activities, and for expenses of the National Defense Reserve Fleet, as established by section 11 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App 1744); $1,024,220,000, to remain available until expended: Provided, That none of the funds provided in this paragraph shall be used to award a new contract hat provides for the acquisition of any of the following major components unless such components are *manufactured in the United States: auxiliary equipment, including pumps, for all ship-board services; propulsion system components (that is; engines, reduction gears, and propellers); shipboard cranes; and spreaders for shipboard cranes: Provided further, That the exercise of an option in a contract awarded through the obligation of previously appropriated funds shall not be considered to be the award of a new contract: Provided further, That the Secretary of the military department responsible for such procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate, that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes: Provided further, That the Secretary of the Navy may obligate not to exceed $110,000,000 from available appropriations to the Navy for the procurement of one additional MPS ship.*

TITLE VI—OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For expenses, not otherwise provided for, for medical and health care programs of the Department of Defense, as authorized by law; $10,226,358,000, of which $9,938,325,000 shall be for operation and maintenance, of which $288,033,000, to remain available for obligation until September 30, 1998, shall be for procurement: Provided, That of the funds appropriated under this heading, $14,500,000 shall be made available for obtaining emergency communications services for members of the Armed Forces and their families from the American National Red Cross as authorized by law: Provided further, That the date for implementation of the nationwide managed care military health services system shall be extended to September 30, 1997: Provided further, That of the funds provided under this heading, $3,400,000 is available only to permit private sector or non-federal physicians, who have used and will use the antibacterial treatment method based upon the excretion of dead decaying spherical bacteria, to work in conjunction with the Walter Reed Army Medical Center on a treatment protocol and related studies for Desert Storm syndrome-affected veterans.

CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE

For expenses, not otherwise provided for, necessary for the destruction of the United States stockpile of lethal chemical agents and munitions in accordance with the provisions of section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521), and for the destruction of other chemical warfare materials that are not in the chemical weapon stockpile, $672,250,000, of which $353,850,000 shall be for operation and maintenance, $265,000,000 shall be for procurement to remain available until September 30, 1998, and $53,400,000 shall be for research, development, test and evaluation to remain available until September 30, 1997.

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For drug interdiction and counter-drug activities of the Department of Defense, for transfer to appropriations available to the Department of Defense for military personnel of the reserve components serving under the provisions of title 10 and title 32, United States Code; for operation and maintenance; for procurement; and for research, development, test and evaluation; $688,432,000: Provided, That the funds appropriated by this paragraph shall be available for obligation for the same time period and for the same purpose as the appropriation to which transferred: Provided further, That the transfer authority provided in this paragraph is in addition to any transfer authority contained elsewhere in this Act.

OFFICE OF THE INSPECTOR GENERAL

For expenses and activities of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended; $178,226,000, of which $177,226,000 shall be for operation and maintenance, of which not to exceed $400,000 is available for emergencies and extraordinary expenses to be expended on the approval or authority of the Inspector General, and payments may be made on his certificate of necessity for confidential military purposes; and of which $1,000,000 to remain available until September 30, 1998, shall be for procurement.

TITLE VII—RELATED AGENCIES

CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM FUND

For payment to the Central Intelligence Agency Retirement and Disability System Fund, to maintain proper funding level for continuing the operation of the Central Intelligence Agency Retirement and Disability System; $213,900,000.

NATIONAL SECURITY EDUCATION TRUST FUND

For the purposes of title VIII of Public Law 102–183, $7,500,000, to be derived from the National Security Education Trust Fund, to remain available until expended: Provided, That any individual accepting a scholarship or fellowship from this program agrees to be employed by the Department of Defense or in the Intelligence Community in accordance with Federal employment standards.

INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT

For necessary expenses of the Intelligence Community Management Account; $90,683,000.

KAHO'OLAWE ISLAND CONVEYANCE, REMEDIATION, AND ENVIRONMENTAL RESTORATION TRUST FUND

For payment to the Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Trust Fund, as authorized by law, $25,000,000, to remain available until expended.

TITLE VIII—GENERAL PROVISIONS

SEC. 8001. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. 8002. During the current fiscal year, provisions of law prohibiting the payment of compensation to, or employment of, any person not a citizen of the United States shall not apply to personnel of the Department of Defense; Provided, That salary increases granted to direct and indirect hire foreign national employees of the Department of Defense funded by this Act shall not be at a rate in excess of the percentage increased authorized by law for civilian employees of the Department of Defense whose pay is computed under the provisions of section 5332 of title 5, United States Code, or at a rate in excess of the percentage increase provided by the appropriate host nation to its own employees, whichever is higher: Provided further, That this section shall not apply to Department of Defense foreign service national employees serving at United States diplomatic missions whose pay is set by the Department of State under the Foreign Service Act of 1980: Provided further, That the limitations of this provision shall not apply to foreign national employees of the Department of Defense in the Republic of Turkey.

SEC. 8003. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year, unless expressly so provided herein.

SEC. 8004. No more than 20 per centum of the appropriations in this Act which are limited for obligation during the current fiscal year shall be obligated during the last two months of the fiscal year: Provided, That this section shall not apply to obligations for support of active duty training of reserve components or summer camp training of the Reserve Officers' Training Corps.

(TRANSFER OF FUNDS)

SEC. 8005. Upon determination by the Secretary of Defense that such action is necessary in the national interest, he may, with the approval of the Office of Management and Budget, transfer not to exceed $2,400,000,000 of working capital funds of the Department of Defense or funds made available in this Act to the Department of Defense for military functions (except military construction) between such appropriations or funds or any subdivision thereof, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: Provided, That such authority to transfer may not be used unless for higher priority items, based on unforseen military requirements, than those for which originally appropriated and in no case where the item for which funds are requested has been denied by Congress: Provided further, That the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority or any other authority in this Act: Provided further, That no part of the funds in this Act shall be available to prepare or present a request to the Committees on Appropriations for reprogramming of funds, unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which reprogramming is requested has been denied by the Congress.

(TRANSFER OF FUNDS)

SEC. 8006. During the current fiscal year, cash balances in working capital funds of the Department of Defense established pursuant to section 2208 of title 10, United States Code, may be maintained in only such amounts as are necessary at any time for cash disbursements to be made from such funds: Provided, That transfers may be made between such funds and the "Foreign Currency Fluctuations, Defense" and "Operation and Maintenance" appropriation accounts in such amounts as may be determined by the Secretary of Defense, with the approval of the Office of Management and Budget, except that such transfers may not be made unless the Secretary of Defense has notified the Congress of the proposed transfer. Except in amounts equal to the amounts appropriated to working capital funds in this Act, no obligations may be made against a working capital fund to procure or increase the value of war reserve material inventory, unless the Secretary of Defense has notified the Congress prior to any such obligation.

SEC. 8007. Using funds available by this Act or any other Act, the Secretary of the Air Force, pursuant to a determination under section 2690 of title 10, United States Code, may implement cost-effective agreements for required heating facility modernization in the Kaiserslautern Military Community in the Federal Republic of Germany: Provided, That in the City of Kaiserslautern such agreements will include the use of United States anthracite as the base load energy for municipal district heat to the United States Defense installations: Provided further, That at Landstuhl Army Regional Medical Center and Ramstein Air Base, furnished heat may be obtained from private, regional or municipal services, if provisions are included for the consideration of United States coal as an energy source: Provided further, That none of the funds available to the Department of Defense in this Act shall be used by the Secretary of a military department to purchase coal or coke from *foreign nations for use at United States defense facilities in Europe when coal from the United States is available.*

SEC. 8008. Funds appropriated by this Act may not be used to initiate a special access program without prior notification 30 calendar days in session in advance to the congressional defense committees.

SEC. 8009. None of the funds contained in this Act available for the Civilian Health and Medical Program of the Uniformed Services shall be available for payments to physicians and other non-institutional health care providers in excess of the amounts allowed in fiscal year 1995 for similar services, except that: (a) for services for which the Secretary of Defense determines an increase is justified by economic circumstances, the allowable amounts may be increased in accordance with appropriate economic index data similar to that used pursuant to title XVIII of the Social Security Act; and (b) for services the Secretary determines are overpriced based on allowable payments under title XVIII of the Social Security Act, the allowable amounts shall be reduced by not more than 15 percent (except that the reduction may be waived if the Secretary determines that it would impair adequate access to health care services for beneficiaries). The Secretary shall solicit public comment prior to promulgating regulations to implement this section. Such regulations shall include a limitation, similar to that used under title XVIII of the Social Security Act, on the extent to which a provider may bill a beneficiary an actual charge in excess of the allowable amount.

SEC. 8010. None of the funds provided in this Act shall be available to initiate (1) a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any one year of the contract or that includes an unfunded contingent liability in excess of $20,000,000, or (2) a contract for advance procurement leading to a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any one year, unless the congressional defense committees have been notified at least thirty days in advance of the proposed contract award: Provided, That no part of any appropriation contained in this Act shall be available to initiate a multiyear contract for which the economic order quantity advance procurement is not funded at least to the limits of the Government's liability: Provided further, That no part of any appropriation contained in this Act shall be available to initiate multiyear procurement contracts for any systems or component thereof if the value of the multiyear contract would exceed $500,000,000 unless specifically provided in this Act: Provided further, That no multiyear procurement contract can be terminated without 10-day prior notification to the congressional defense committees: Provided further, That the execution of multiyear authority shall require the use of a present value analysis to determine lowest cost compared to an annual procurement.

Funds appropriated in title III of this Act may be used for multiyear procurement contracts as follows:

UH–60 Blackhawk helicopter;
Apache Longbow helicopter; and
M1A2 tank upgrade.

SEC. 8011. Within the funds appropriated for the operation and maintenance of the Armed Forces, funds are hereby appropriated pursuant to section 401 of title 10, United States Code, for humanitarian and civic assistance costs under chapter 20 of title 10, United States Code. Such funds may also be obligated for humanitarian and civic assistance costs incidental to authorized operations and pursuant to authority granted in section 401 of chapter 20 of title 10, United States Code, and these obligations shall be reported to Congress on September 30 of each year: Provided, That funds available for operation and maintenance shall be available for providing humanitarian and similar assistance by using Civic Action Teams in the Trust Territories of the Pacific Islands and freely associated states of Micronesia, pursuant to the Compact of Free Association as authorized by Public Law 99–239: Provided further, That upon a determination by the Secretary of the Army that such action is beneficial for graduate medical education programs conducted at Army medical facilities located in Hawaii, the Secretary of the Army may authorize the provision of medical services at such facilities and transportation to such facilities, on a nonreimbursable basis, for civilian patients from American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, Palau, and Guam.

SEC. 8012. (a) During fiscal year 1996, the civilian personnel of the Department of Defense may not be managed on the basis of any end-strength, and the management of such personnel during that fiscal year shall not be subject to any constraint or limitation (known as an end-strength) on the number of such personnel who may be employed on the last day of such fiscal year.

(b) The fiscal year 1997 budget request for the Department of Defense as well as all justification material and other documentation supporting the fiscal year 1997 Department of Defense budget request shall be prepared and submitted to the Congress as if subsections (a) and (b) of this provision were effective with regard to fiscal year 1997.

(c) Nothing in this section shall be construed to apply to military (civilian) technicians.

SEC. 8013. None of the funds provided in this Act shall be available either to return any IOWA Class Battleships to the Naval Register, or to retain the logistical support necessary for support of any IOWA Class Battleships in active service.

SEC. 8014. Notwithstanding any other provision of law, none of the funds made available by this Act shall be used by the Department of Defense to exceed, outside the fifty United States, its territories, and the District of Columbia, 125,000 civilian workyears: Provided, That workyears shall be applied as defined in the Federal Personnel Manual: Provided further, That workyears expended in dependent student hiring programs for disadvantaged youths shall not be included in this workyear limitation.

SEC. 8015. None of the funds made available by this Act shall be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before the Congress.

SEC. 8016. None of the funds appropriated for the Department of Defense during the current fiscal year and hereafter shall be obligated for the pay of any individual who is initially employed after the date of enactment of this Act as a technician in the administration and training of the Army Reserve and the maintenance and repair of supplies issued to the Army Reserve unless such individual is also a military member of the Army Reserve troop program unit that he or she is employed to support. Those technicians employed by the Army Reserve in areas other than Army Reserve troop program units need only be members of the Selected Reserve.

SEC. 8017. Notwithstanding any other provision of law, during the current fiscal year and hereafter, the Secretaries of the Army and Air Force may authorize the retention in an active status until age sixty of any person who would otherwise be removed from an active status and who is employed as a National Guard or Reserve technician in a position in which active status in a reserve component of the Army or Air Force is required as a condition of that employment.

SEC. 8018. (a) None of the funds appropriated by this Act shall be used to make contributions to the Department of Defense Education Benefits Fund pursuant to section 2006(g) of title 10, United States Code, representing the normal cost for future benefits under section 1415(c) of title 38, United States Code, for any member of the armed services who, on or after the date of enactment of this Act—

(1) enlists in the armed services for a period of active duty of less than three years; or

(2) receives an enlistment bonus under section 308a or 308f of title 37, United States Code,

nor shall any amounts representing the normal cost of such future benefits be transferred from the Fund by the Secretary of the Treasury to the Secretary of Veterans Affairs pursuant to section 2006(d) of title 10, United States Code; nor shall the Secretary of Veterans Affairs pay such benefits to any such member: Provided, That, in the case of a member covered by clause (1), these limitations shall not apply to members in combat arms skills or to members who enlist in the armed services on or after July 1, 1989, under a program continued or established by the Secretary of Defense in fiscal year 1991 to test the cost-effective use of special recruiting incentives involving not more than nineteen noncombat arms skills approved in advance by the Secretary of Defense: Provided further, That this subsection applies only to active components of the Army.

(b) None of the funds appropriated by this Act shall be available for the basic pay and allowances of any member of the Army participating as a full-time student and receiving benefits paid by the Secretary of Veterans Affairs from the Department of Defense Education Benefits Fund when time spent as a full-time student is credited toward completion of a service commitment: Provided, That this subsection shall not apply to those members who have reenlisted with this option prior to October 1, 1987: Provided further, That this subsection applies only to active components of the Army.

SEC. 8019. Funds appropriated for the Department of Defense during the current fiscal year and hereafter shall be available for the payment of not more than 75 percent of the changes of a postsecondary educational institution for the tuition or expenses of an officer in the Ready Reserve of the Army National Guard or Army Reserve for education or training during his off-duty periods, except that no part of the charges may be paid unless the officer agrees to remain a member of the Ready Reserve for at least four years after completion of such training or education.

SEC. 8020. None of the funds appropriated by this Act shall be available to convert to contractor performance an activity or function of the Department of Defense that, on or after the date of enactment of this Act, is performed by more than ten Department of Defense civilian employees until a most efficient and cost-effective organization analysis is completed on such activity or function and certification of the analysis is made to the Committees on Appropriations of the House of Representatives and the Senate: Provided, That this section shall not apply to a commercial or industrial type function of the Department of Defense that: (1) is included on the procurement list established pursuant to section 2 of the Act of June 25, 1938 (41 U.S.C. 47), popularly referred to as the Javits-Wagner-O'Day Act; (2) is planned to be converted to performance by a qualified nonprofit agency for the blind or by a qualified nonprofit agency for other severely handicapped individuals in accordance with that Act; or (3) is planned to be converted to performance by a qualified firm under 51 percent Native American ownership.

(TRANSFER OF FUNDS)

SEC. 8021. Funds appropriated in title III of this Act for the Department of Defense Pilot

Mentor-Protege Program may be transferred to any other appropriation contained in this Act solely for the purpose of implementing a Mentor-Protege Program developmental assistance agreement pursuant to section 831 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 2301 note), as amended, under the authority of this provision or any other transfer authority contained in this Act.

SEC. 8022. None of the funds in this Act may be available for the purchase by the Department of Defense (and its departments and agencies) of welded shipboard anchor and mooring chain 4 inches in diameter and under unless the anchor and mooring chain are manufactured in the United States from components which are substantially manufactured in the United States: Provided, That for the purpose of this section manufactured will include cutting, heat treating, quality control, testing of chain and welding (including the forging and shot blasting process): Provided further, That for the purpose of this section substantially all of the components of anchor and mooring chain shall be considered to be produced or manufactured in the United States if the aggregate cost of the components produced or manufactured in the United States exceeds the aggregate cost of the components produced or manufactured outside the United States: Provided further, That when adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis, the Secretary of the service responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations that such an acquisition must be made in order to acquire capability for national security purposes.

(TRANSFER OF FUNDS)

SEC. 8023. None of the funds appropriated by this Act available for the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) shall be available for the reimbursement of any health care provider for inpatient mental health service for care received when a patient is referred to a provider of inpatient mental health care or residential treatment care by a medical or health care professional having an economic interest in the facility to which the patient is referred: Provided, That this limitation does not apply in the case of inpatient mental health services provided under the program for the handicapped under subsection (d) of section 1079 of title 10, United States Code, provided as partial hospital care, or provided pursuant to a waiver authorized by the Secretary of Defense because of medical or psychological circumstances of the patient that are confirmed by a health professional who is not a Federal employee after a review, pursuant to rules prescribed by the Secretary, which takes into account the appropriate level of care for the patient, the intensity of services required by the patient, and the availability of that care.

SEC. 8024. Of the funds made available by this Act in title III, Procurement, $8,000,000, drawn pro rata from each appropriations account in title III, shall be available for incentive payments authorized by section 504 of the Indian Financing Act of 1974, 25 U.S.C. 1544. These payments shall be available only to contractors which have submitted subcontracting plans pursuant to 15 U.S.C. 637(d), and according to regulations which shall be promulgated by the Secretary of Defense within 90 days of the passage of this Act.

SEC. 8025. Funds available in this Act may be used to provide transportation for the next-of-kin of individuals who have been prisoners of war or missing in action from the Vietnam era to an annual meeting in the United States, under such regulations as the Secretary of Defense may prescribe.

SEC. 8026. During the current fiscal year, none of the funds available to the Department of Defense may be used to procure or acquire (1) defensive handguns unless such handguns are the M9 or M11 9mm Department of Defense standard handguns, or (2) offensive handguns except for the Special Operations Forces: Provided, That the foregoing shall not apply to handguns and ammunition for marksmanship competitions.

SEC. 8027. Notwithstanding any other provision of law, during the current fiscal year, the Secretary of Defense may, by Executive Agreement, establish with host nation governments in NATO member states a separate account into which such residual value amounts negotiated in the return of United States military installations in NATO member states may be deposited, in the currency of the host nation, in lieu of direct monetary transfers to the United States Treasury: Provided, That such credits may be utilized only for the construction of facilities to support United States military forces in that host nation, or such real property maintenance and base operating costs that are currently executed through monetary transfers to such host nations: Provided further, That the Department of Defense's budget submission for fiscal year 1997 shall identify such sums anticipated in residual value settlements, and identify such construction, real property maintenance or base operating costs that shall be funded by the host nation through such credits: Provided further, That all military construction projects to be executed from such accounts must be previously approved in a prior Act of Congress: Provided further, That each such Executive Agreement with a NATO member host nation shall be reported to the congressional defense committees, and the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate thirty days prior to the conclusion and endorsement of any such agreement established under this provision.

SEC. 8028. None of the funds available to the Department of Defense may be used to demilitarize or dispose of M–1 Carbines, M–1 Garand rifles, M–14 rifles, .22 caliber rifles, or M–1911 pistols.

SEC. 8029. None of the funds available to the Department of the Navy may be used to enter into any contract for the overhaul, repair, or maintenance of any naval vessel homeported on the West Coast of the United States which includes charges for interport differential as an evaluation factor for award.

SEC. 8030. Notwithstanding any other provision of law, none of the funds appropriated by this Act shall be available to pay more than 50 percent of an amount paid to any person under section 308 of title 37, United States Code, in a lump sum.

SEC. 8031. None of the funds appropriated during the current fiscal year and hereafter, may be used by the Department of Defense to assign a supervisor's title or grade when the number of people he or she supervises is considered as a basis for this determination: Provided, That savings that result from this provision are represented as such in future budget proposals.

SEC. 8032. None of the funds appropriated by this Act shall be available for payments under the Department of Defense contract with the Louisiana State University Medical Center involving the use of cats for Brain Missile Wound Research, and the Department of Defense shall not make payments under such contract from funds obligated prior to the date of the enactment of this Act, except as necessary for costs incurred by the contractor prior to the enactment of this Act: Provided, That funds necessary for the care of animals covered by this contract are allowed.

SEC. 8033. Notwithstanding any other provision of law, funds available to the Department of Defense shall be made available to provide transportation of medical supplies and equipment, on a nonreimbursable basis, to American Samoa: Provided, That notwithstanding any other provision of law, funds available to the Department of Defense shall be made available to provide transportation of medical supplies and equipment, on a nonreimbursable basis, to the Indian Health Service when it is in conjunction with a civil-military project.

SEC. 8034. None of the funds provided in this Act or any other Act shall be available to conduct bone trauma research at any Army Research Laboratory until the Secretary of the Army certifies that the synthetic compound to be used in the experiments is of such a type that its use will result in a significant medical finding, the research has military application, the research will be conducted in accordance with the standards set by an animal care and use committee, and the research does not duplicate research already conducted by a manufacturer or any other research organization.

SEC. 8035. No more than $50,000 of the funds appropriated or made available in this Act shall be used for any single relocation of an organization, unit, activity or function of the Department of Defense into or within the National Capital Region: Provided, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and Senate that such a relocation is required in the best interest of the Government.

SEC. 8036. During the current fiscal year, funds appropriated or otherwise available for any Federal agency, the Congress, the judicial branch, or the District of Columbia may be used for the pay, allowances, and benefits of an employee as defined by section 2105 of title 5 or an individual employed by the government of the District of Columbia, permanent or temporary indefinite, who—

(1) is a member of a Reserve component of the Armed Forces, as described in section 261 of title 10, or the National Guard, as described in section 101 of title 32;

(2) performs for the purpose of providing military aid to enforce the law or providing assistance to civil authorities in the protection or saving of life or property or prevention of injury—

(A) Federal service under section 331, 332, 333, 3500, or 8500 of title 10, or other provision of law, as applicable, or

(B) full-time military service for his State, the District of Columbia, the Commonwealth of Puerto Rico, or a territory of the United States; and

(3) requests and is granted—

(A) leave under the authority of this section; or

(B) annual leave, which may be granted without regard to the provisions of sections 5519 and 6323(b) of title 5, if such employee is otherwise entitled to such annual leave:

Provided, That any employee who requests leave under subsection (3)(A) for service described in subsection (2) of this section is entitled to such leave, subject to the provisions of this section and of the last sentence of section 6323(b) of title 5, and such leave shall be considered leave under section 6323(b) of title 5.

SEC. 8037. None of the funds appropriated by this Act shall be available to perform any cost study pursuant to the provisions of OMB Circular A–76 if the study being performed exceeds a period of twenty-four months after initiation of such study with respect to a single function activity or forty-eight months after initiation of such study for a multi-function activity.

SEC. 8038. Funds appropriated by this Act for the American Forces Information Service shall *not be used for any national or international political or psychological activities.*

SEC. 8039. Notwithstanding any other provision of law, each contract awarded by the Department of Defense in fiscal year 1996 for construction or service performed in whole or in part in a State which is not contiguous with another State and has an unemployment rate in excess of the national average rate of unemployment as determined by the Secretary of Labor shall include a provision requiring the contractor to employ, for the purpose of performing that portion of the contract in such State that is not contiguous with another State, individuals who are residents of such State and who, in the case of any craft or trade, possess or would be able to acquire promptly the necessary skills: Provided, That the Secretary of Defense may waive the requirements of this section in the interest of national security.

SEC. 8040. Notwithstanding any other provision of law or regulation, the Secretary of Defense may adjust wage rates for civilian employees hired for certain health care occupations as authorized for the Secretary of Veterans Affairs by section 7455 of title 38, United States Code.

SEC. 8041. None of the funds appropriated or made available in this Act shall be used to reduce or disestablish the operation of the 53rd Weather Reconnaissance Squadron of the Air Force Reserve, if such action would reduce the WC–130 Weather Reconnaissance mission below the levels funded in this Act.

SEC. 8042. (a) Of the funds for the procurement of supplies or services appropriated by this Act, qualified nonprofit agencies for the blind or other severely handicapped shall be afforded the maximum practicable opportunity to participate as subcontractors and suppliers in the performance of contracts let by the Department of Defense.

(b) During the current fiscal year, a business concern which has negotiated with a military service or defense agency a subcontracting plan for the participation by small business concerns pursuant to section 8(d) of the Small Business Act (15 U.S.C. 637(d)) shall be given credit toward meeting that subcontracting goal for any purchases made from qualified nonprofit agencies for the blind or other severely handicapped.

(c) For the purpose of this section, the phrase "qualified nonprofit agency for the blind or other severely handicapped" means a nonprofit agency for the blind or other severely handicapped that has been approved by the Committee for the Purchase from the Blind and Other Severely Handicapped under the Javits-Wagner-O'Day Act (41 U.S.C. 46–48).

SEC. 8043. During the current fiscal year, net receipts pursuant to collections from third party payers pursuant to section 1095 of title 10, United States Code, shall be made available to the local facility of the uniformed services responsible for the collections and shall be over and above the facility's direct budget amount.

SEC. 8044. During the current fiscal year, the Department of Defense is authorized to incur obligations of not to exceed $350,000,000 for purposes specified in section 2350j(c) of title 10, United States Code, in anticipation of receipt of contributions, only from the Government of Kuwait, under that section: Provided, That, upon receipt, such contributions from the Government of Kuwait shall be credited to the appropriation or fund which incurred such obligations.

SEC. 8045. Of the funds made available in this Act, not less than $25,144,000 shall be available for the Civil Air Patrol, of which $16,704,000 shall be available for Operations and Maintenance.

SEC. 8046. (a) None of the funds appropriated in this Act are available to establish a new FFRDC, either as a new entity, or as a separate entity administered by an organization managing another FFRDC, or as a nonprofit membership corporation consisting of a consortium of other FFRDCs and other nonprofit entities.

(b) LIMITATION ON COMPENSATION.—No member of a Board of Directors, Trustees, Overseers, Advisory Group, Special Issues Panel, Visiting Committee, or any similar entity of a defense FFRDC, and no paid consultant to any defense FFRDC, may be compensated for his or her services as a member of such entity, or as a paid consultant, except under the same conditions, and to the same extent, as members of the Defense Science Board: Provided, That a member of any such entity referred to previously in this subsection shall be allowed travel expenses and per diem as authorized under the Federal Joint Travel Regulations, when engaged in the performance of membership duties.

(c) Notwithstanding any other provision of law, none of the funds available to the Department of Defense from any source during fiscal year 1996 may be used by a defense FFRDC, through a fee or other payment mechanism, for charitable contributions, for construction of new buildings, for payment of cost sharing for projects funded by government grants, or for absorption of contract overruns.

(d) Notwithstanding any other provision of law, of the amounts available to the Department of Defense during fiscal year 1996, not more than $1,162,650,000 may be obligated for financing activities of defense FFRDCs: Provided, That the total amounts appropriated in titles II, III, and IV of this Act are hereby reduced by $90,000,000 to reflect the funding ceiling contained in this subsection.

SEC. 8047. None of the funds appropriated or made available on this Act shall be used to procure carbon, alloy or armor steel plate for use in any Government-owned facility or property under the control of the Department of Defense which were not melted and rolled in the United States or Canada: Provided, That these procurement restrictions shall apply to any and all Federal Supply Class 9515, American Society of Testing and Materials (ASTM) or American Iron and Steel Institute (AISI) specifications of carbon, alloy or armor steel plate: Provided further, That the Secretary of the military department responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes: Provided further, That these restrictions shall not apply to contracts which are in being as of the date of enactment of this Act.

SEC. 8048. None of the unobligated balances available in the National Defense Stockpile Transition Fund during the current fiscal year may be obligated or expended to finance any grant or contract to conduct research, development, test and evaluation activities for the development or production of advanced materials, unless amounts for such purposes are specifically appropriated in a subsequent appropriations Act.

SEC. 8049. For the purposes of this Act, the term "congressional defense committees" means the National Security Committee of the House of Representatives, the Armed Services Committee of the Senate, the subcommittee on Defense of the Committee on Appropriations of the Senate, and the Subcommittee on National Security of the Committee on Appropriations of the House of Representatives.

SEC. 8050. Notwithstanding any other provision of law, during the current fiscal year, the Department of Defense may acquire the modification, depot maintenance and repair of aircraft, vehicles and vessels as well as the production of components and other Defense-related articles, through competition between Department of Defense depot maintenance activities and private firms: Provided, That the Senior Acquisition Executive of the military department or defense agency concerned, with power of delegation, shall certify that successful bids include comparable estimates of all direct and indirect costs for both public and private bids: Provided further, That Office of Management and Budget Circular A–76 shall not apply to competitions conducted under this section.

SEC. 8051. (a)(1) If the Secretary of Defense, after consultation with the United States Trade Representative, determines that a foreign country which is party to an agreement described in paragraph (2) has violated the terms of the agreement by discriminating against certain types of products produced in the United States that are covered by the agreement, the Secretary of Defense shall rescind the Secretary's blanket waiver of the Buy American Act with respect to such types of products produced in that foreign country.

(2) An agreement referred to in paragraph (1) is any reciprocal defense procurement memorandum of understanding, between the United States and a foreign country pursuant to which the Secretary of Defense has prospectively waived the Buy American Act for certain products in that country.

(b) The Secretary of Defense shall submit to Congress a report on the amount of Department of Defense purchases from foreign entities in fiscal year 1996. Such report shall separately indicate the dollar value of items for which the Buy American Act was waived pursuant to any agreement described in subsection (a)(2), the Trade Agreement Act of 1970 (19 U.S.C. 2501 et seq.), or any international agreement to which the United States is a party.

(C) For purposes of this section, the term "Buy American Act" means title III of the Act entitled "An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes", approved March 3, 1933 (41 U.S.C. 10a et seq.).

SEC. 8052. Notwithstanding any other provision of law, the Secretary of Defense may, when he considers it in the best interest of the United States, cancel any part of an indebtedness, up to $2,500, that is or was owed to the United States by a member or former member of a uniformed service if such indebtedness, as determined by the Secretary, was incurred in connection with Operation Desert Shield/Storm: Provided, That the amount of an indebtedness previously paid by a member or former member and canceled under this section shall be refunded to the member.

SEC. 8053. Appropriations contained in this Act that remain available at the end of the current fiscal year as a result of energy cost savings realized by the Department of Defense shall remain available for obligation for the next fiscal year to the extent, and for the purposes, provided in section 2865 of title 10, United States Code.

SEC. 8054. During the current fiscal year, voluntary separation incentives payable under 10 U.S.C. 1175 may be paid in such amounts as are necessary from the assets of the Voluntary Separation Incentive Fund established by section 1175(h)(1).

SEC. 8055. None of the funds appropriated by this Act shall be used for the support of any nonappropriated funds activity of the Department of Defense that procures malt beverages and wine with nonappropriated funds for resale (including such alcoholic beverages sold by the drink) on a military installation located in the United States unless such malt beverages and *wine are procured within that State, or in the case of the District of Columbia, within the District of Columbia, in which the military installation is located: Provided, That in a case in which the military installation is located in more than one State, purchases may be made in any State in which the installation is located: Provided further, That such local procurement requirements for malt beverages and wine shall apply to all alcoholic beverages only for military installations in States which are not contiguous with another State: Provided further, That alcoholic beverages other than wine and malt beverages, in contiguous States and the District of Columbia shall be procured from the most competitive source, price and other factors considered.*

(INCLUDING TRANSFER OF FUNDS)

SEC. 8056. Amounts deposited during the current fiscal year to the special account established under 40 U.S.C. 485(h)(2) and to the special account established under 10 U.S.C. 2667(d)(1) are appropriated and shall be available until transferred by the Secretary of Defense to current applicable appropriations or funds of the Department of Defense under the terms and conditions specified by 40 U.S.C. 485(h)(2) (A) and (B) and 10 U.S.C. 2667(d)(1)(B), to be merged with and to be available for the same time period and the same purposes as the appropriation to which transferred.

SEC. 8057. During the current fiscal year, appropriations available to the Department of Defense may be used to reimburse a member of a reserve component of the Armed Forces who is not otherwise entitled to travel and transportation allowances and who occupies transient government housing while performing active duty for training or inactive duty training: Provided, That such members may be provided lodging in kind if transient government quarters are unavailable as if the member was entitled to such allowances under subsection (a) of section 404 of title 37, United States Code: Provided further, That if lodging in kind is provided, any authorized service charge or cost of such lodging may be paid directly from funds appropriated for operation and maintenance of the reserve component of the member concerned.

SEC. 8058. The President shall include with each budget for a fiscal year submitted to the Congress under section 1105 of title 31, United States Code, materials that shall identify clearly and separately the amounts requested in the budget for appropriation for that fiscal year for salaries and expenses related to administrative activities of the Department of Defense, the military departments, and the Defense Agencies.

SEC. 8059. None of the funds in this or any other Act shall be available for the preparation of studies on—

(a) the feasibility of removal and transportation of unitary chemical weapons from the eight chemical storage sites within the continental United States to Johnston Atoll: Provided, That this prohibition shall not apply to General Accounting Office studies requested by a Member of Congress or a Congressional Committee; and

(b) the potential future uses of the nine chemical disposal facilities other than for the destruction of stockpile chemical munitions and as limited by section 1412(c)(2), Public Law 99–145: Provided, That this prohibition does not apply to future use studies for the CAMDS facility at Tooele, Utah.

SEC. 8060. During the current fiscal year, amounts contained in the Department of Defense Overseas Military Facility Investment Recovery Account established by section 2921(c)(1) of the National Defense Authorization Act of 1991 (Public Law 101–510; 10 U.S.C. 2687 note) shall be available until expended for the payments specified by section 2921(c)(2) of that Act.

SEC. 8061. During the current fiscal year, annual payments granted under the provisions of section 4416 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–428; 106 Stat. 2714) shall be made from appropriations in this Act which are available for the pay of reserve component personnel.

SEC. 8062. For fiscal year 1996, the total amount appropriated in this Act to fund the Uniformed Services Treatment Facilities program, operated pursuant to section 911 of Public Law 97–99 (42 U.S.C. 248c), shall not exceed $315,000,000.

SEC. 8063. Of the funds appropriated or otherwise made available by this Act, not more than $119,200,000 shall be available for payment of the operating costs of NATO Headquarters: Provided, That the Secretary of Defense may waive this section for Department of Defense support provided to NATO forces in and around the former Yugoslavia.

SEC. 8064. Notwithstanding any other provision of law, the Naval shipyards of the United States shall be eligible to participate in any manufacturing extension program financed by funds appropriated in this or any other Act.

SEC. 8065. During the current fiscal year, appropriations which are available to the Department of Defense for operation and maintenance may be used to purchase items having an investment item until cost of not more than $100,000.

SEC. 8066. During the current fiscal year, appropriations available for the pay and allowances of active duty members of the Armed Forces shall be available to pay the retired pay which is payable pursuant to section 4403 of Public Law 102–484 (10 U.S.C. 1293 note) under the terms and conditions provided in section 4403.

SEC. 8067. (a) During the current fiscal year, none of the appropriations or funds available to the Defense Business Operations Fund shall be used for the purchase of an investment item for the purpose of acquiring a new inventory item for sale or anticipated sale during the current fiscal year or a subsequent fiscal year to customers of the Defense Business Operations Fund if such an item would not have been chargeable to the Defense Business Operations Fund during fiscal year 1994 and if the purchase of such an investment item would be chargeable during the current fiscal year to appropriations made to the Department of Defense for procurement.

(b) The fiscal year 1997 budget request for the Department of Defense as well as all justification material and other documentation supporting the fiscal year 1997 Department of Defense budget shall be prepared and submitted to the Congress on the basis that any equipment which was classified as an end item and funded in a procurement appropriation contained in this Act shall be budgeted for in a proposed fiscal year 1997 procurement appropriation and not in the supply management business area or any other area or category of the Defense Business Operations Fund.

SEC. 8068. None of the funds provided in this Act shall be available for use by a Military Department to modify an aircraft, weapon, ship or other item of equipment, that the Military Department concerned plans to retire or otherwise dispose of within five years after completion of the modification: Provided, That this prohibition shall not apply to safety modifications: Provided further, That this prohibition may be waived by the Secretary of a Military Department if the Secretary determines it is in the best national security interest of the United States to provide such waiver and so notifies the congressional defense committees in writing.

SEC. 8069. (a) None of the funds appropriated or otherwise made available in this Act may be used to transport or provide for the transportation of chemical munitions to the Johnston Atoll for the purpose of storing or demilitarizing such munitions.

(b) The prohibition in subsection (a) shall not apply to any obsolete World War II chemical munition of the United States found in the World War II Pacific Theater of Operations.

(c) The President may suspend the application of subsection (a) during a period of war in which the United States is a party.

SEC. 8070. None of the funds appropriated by this Act for programs of the Central Intelligence Agency shall remain available for obligation beyond the current fiscal year, except for funds appropriated for the Reserve for Contingencies, which shall remain available until September 30, 1997.

SEC. 8071. Notwithstanding any other provision of law, funds made available in this Act for the Defense Intelligence Agency may be used for the design, development, and deployment of General Defense Intelligence Program intelligence communications and intelligence information systems for the Services, the Unified and Specified Commands, and the component commands.

SEC. 8072. Of the funds appropriated to the Department of Defense under the heading "Operation and Maintenance, Defense-Wide", not less than $8,000,000 shall be made available only for the mitigation of environmental impacts, including training and technical assistance to tribes, related administrative support, the gathering of information, documenting of environmental damage, and developing a system for prioritization of mitigation, on Indian lands resulting from Department of Defense activities.

SEC. 8073. Notwithstanding any other provision of law, funds appropriated in this Act for the High Performance Computing Modernization Program shall be made available only for the acquisition and sustainment of operations, including maintenance of the supercomputing and related networking capability at (1) the DOD Science and Technology sites under the cognizance of the DDR&E, (2) the DOD Test and Evaluation centers under the Director, Test and Evaluation, OUSD (A&T), and (3) the Ballistic Missile Defense Organization: Provided, That the contracts, contract modifications, or contract options are awarded upon the requirements of the users.

SEC. 8074. Amounts collected for the use of the facilities of the National Science Center for Communications and Electronics during the current fiscal year pursuant to section 1459(g) of the Department of Defense Authorization Act, 1986 and deposited to the special account established under subsection 1459(g)(2) of that Act are appropriated and shall be available until expended for the operation and maintenance of the Center as provided for in subsection 1459(g)(2).

SEC. 8075. To the extent authorized in law, the Secretary of Defense shall issue loan guarantees in support of U.S. defense exports not otherwise provided for: Provided, That the total contingent liability of the United States for guarantees issued under the authority of this section may not exceed $15,000,000,000: Provided further, That the exposure fees charged and collected by the Secretary for each guarantee, shall be paid by the country involved and shall not be financed as part of a loan guarantee by the United States: Provided further, That the Secretary shall provide quarterly reports to the Committees on Appropriations, Armed Services and Foreign Relations of the Senate and the Committees of Appropriations, National Security and International Relations in the House of Representatives on the implementation of this program.

SEC. 8076. None of the funds appropriated in this Act may be used to fill the commander's position at any military medical facility with a health care professional unless the prospective candidate can demonstrate professional administrative skills.

SEC. 8077. (a) None of the funds appropriated in this Act may be expended by an entity of the Department of Defense unless the entity, in expending the funds, complies with the Buy American Act. For purposes of this subsection, the term "Buy American Act" means title III of the Act entitled "An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes", approved March 3, 1933 (41 U.S.C. 10a et seq.).

(b) If the Secretary of Defense determines that a person has been convicted of intentionally affixing a label bearing a "Made in America" inscription to any product sold in or shipped to the United States that is not made in America, the Secretary shall determine, in accordance with section 2410f of title 10, United States Code, whether the person should be debarred from contracting with the Department of Defense.

SEC. 8078. None of the funds provided in this Act may be obligated or expended for the sale of zinc in the National Defense Stockpile if zinc commodity prices decline more than five percent below the London Metals Exchange market price reported on the date of enactment of this Act.

SEC. 8079. None of the funds appropriated by this Act shall be available for a contract for studies, analyses, or consulting services entered into without competition on the basis of an unsolicited proposal unless the head of the activity responsible for the procurement determines—

(1) as a result of thorough technical evaluation, only one source is found fully qualified to perform the proposed work, or

(2) the purpose of the contract is to explore an unsolicited proposal which offers significant scientific or technological promise, represents the product of original thinking, and was submitted in confidence by one source, or

(3) the purpose of the contract is to take advantage of unique and significant industrial accomplishment by a specific concern, or to insure that a new product or idea of a specific concern is given financial support:

Provided, That this limitation shall not apply to contracts in an amount of less than $25,000, contracts related to improvements of equipment that is in development or production, or contracts as to which a civilian official of the Department of Defense, who has been confirmed in the Senate, determines that the award of such contract is in the interest of the national defense.

SEC. 8080. Funds appropriated by this Act for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414) during fiscal year 1996 until the enactment of the Intelligence Authorization Act for fiscal year 1996.

SEC. 8081. (a) None of the funds made available by this Act may be obligated for design, development, acquisition, or operation of more than 47 Titan IV expendable launch vehicles, or for satellite mission-model planning for a Titan IV requirement beyond 47 vehicles.

(b) $115,226,000 made available in this Act for Research, Development, Test and Evaluation, Air Force, may only be obligated for development of a new family of medium-lift and heavy-lift expendable launch vehicles evolved from existing technologies.

SEC. 8082. None of the funds available to the Department of Defense in this Act may be used to establish additional field operating agencies of any element of the Department during fiscal year 1996, except for field operating agencies funded within the National Foreign Intelligence Program: Provided, That the Secretary of Defense may waive this section by certifying to the House and Senate Committees on Appropriations that the creation of such field operating agencies will reduce either the personnel and/or financial requirements of the Department of Defense.

(RESCISSIONS)

SEC. 8083. Of the funds provided in Department of Defense Appropriations Acts, the following funds are hereby rescinded from the following accounts in the specified amounts:

"Aircraft Procurement, Air Force, 1994/1996", $53,654,000;

"Missile Procurement, Air Force, 1994/1996", $16,783,000;

"Weapons Procurement, Navy, 1995/1997", $14,600,000;

"Shipbuilding and Conversion, Navy, 1995/1999", $87,700,000;

"Other Procurement, Navy, 1995/1997", $8,600,000;

"Aircraft Procurement, Air Force, 1995/1997", $24,000,000;

"Missile Procurement, Air Force, 1995/1997", $140,978,000;

"Other Procurement, Air Force, 1995/1997", $180,000,000;

"Research, Development, Test and Evaluation, Army, 1995/1996", $9,000,000;

"Research, Development, Test and Evaluation, Navy, 1995/1996", $6,000,000;

"Research, Development, Test and Evaluation, Air Force, 1995/1996", $7,902,000;

"Research, Development, Test and Evaluation, Defense-Wide, 1995/1996", $12,000,000.

SEC. 8084. Notwithstanding any other provision of law, for resident classes entering the war colleges after September 30, 1996, the Department of Defense shall require that not less than 20 percent of the total of United States military students at each war college shall be from military departments other than the hosting military department: Provided, That each military department will recognize the attendance at a sister military department war college as the equivalent of attendance at it own war college for promotion and advancement of personnel.

SEC. 8085. None of the funds in this or any other Act may be used to implement the plan to reorganize the regional headquarters and basic camps structure of the Reserve Officer Training Corps program of the Army until the Comptroller General of the United States has certified to the congressional defense committees that the methodology and evaluation of the potential sites were consistent with the established criteria for the consolidation, that all data used by the Army in the evaluation was accurate and complete, and that the conclusions reached are based upon the total costs of the Army's final plan to establish the Eastern Reserve Officer Training Corps Headquarters at Fort Benning, Georgia: Provided, That all cost, including Military Construction, shall be considered as well as an analysis of the impact of the consolidation on the surrounding communities for all affected installations.

SEC. 8086. None of the funds provided in this Act may be obligated for payment on new contracts on which allowable costs charged to the government include payments for individual compensation at a rate in excess of $200,000 per year after July 1, 1996, unless the Office of Federal Procurement Policy establishes in the Federal Acquisition Regulations guidance governing the allowability of individual compensation.

SEC. 8087. None of the funds available in this Act may be used to reduce the authorized positions for military (civilian) technicians of the Army National Guard, the Air National Guard, Army Reserve and Air Force Reserve for the purpose of applying any administratively imposed civilian personnel ceiling, freeze, or reduction on military (civilian) technicians, unless such reductions are a direct result of a reduction in military force structure.

SEC. 8088. None of the funds appropriated or otherwise made available in this Act may be obligated or expended for assistance to the Democratic People's Republic of North Korea unless specifically appropriated for that purpose.

SEC. 8089. During the current fiscal year, funds appropriated in this Act are available to compensate members of the National Guard for duty performed pursuant to a plan submitted by a Governor of a State and approved by the Secretary of Defense under section 112 of title 32, United States Code: Provided, That during the performance of such duty, the members of the National Guard shall be under State command and control: Provided further, That such duty shall be treated as full-time National Guard duty for purposes of section 12602 (a)(2) and (b)(2) of title 10, United States Code.

SEC. 8090. Funds appropriated in this Act for operation and maintenance of the Military Departments, Unified and Specified Commands and Defense Agencies shall be available for reimbursement of pay, allowances and other expenses which would otherwise be incurred against appropriations for the National Guard and Reserve when members of the National Guard and Reserve provide intelligence support to Unified Commands, Defense Agencies and Joint Intelligence Activities, including the activities and programs included within the General Defense Intelligence Program and the Consolidated Cryptologic Program: Provided, That nothing in this section authorizes deviation from established Reserve and National Guard personnel and training procedures.

SEC. 8091. During the current fiscal year, none of the funds appropriated in this Act may be used to reduce the civilian medical and medical support personnel assigned to military treatment facilities below the September 30, 1995 level.

(TRANSFER OF FUNDS)

SEC. 8092. Upon enactment of this Act, the Secretary of Defense shall make the following transfers of funds: Provided, That the amounts transferred shall be available for the same purposes as the appropriations to which transferred, and for the same time period as the appropriation from which transferred: Provided further, That the amounts shall be transferred between the following appropriations in the amount specified:

From:

Under the heading, "Shipbuilding and Conversion, Navy, 1986/1990":

SSN–688 attack submarine program, $5,051,000;

CG–47 cruiser program, $2,500,000;

BB battleship reactivation, $4,400,000;

T–AGOS SURTASS ship program, $2,135,000;

LCAC landing craft air cushion program, $700,000;

For craft, outfitting, post delivery, and cost growth, $12,360,000;

Weapons Procurement, Navy, 1994/1996, $30,900,000;

Other Procurement, Navy, 1994/1996, $4,200,000;

Other Procurement, Navy, 1995/1997, $5,000,000;

Aircraft Procurement, Navy, 1994/1996, $2,056,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1986/1990":

MSH coastal mine hunter program, $69,302,000;

From:

Weapons Procurement, Navy, 1994/1996, $5,500,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1987/1991":

AOE combat support ship program, $5,500,000;

From:

Under the heading, "Shipbuilding and Conversion, Navy, 1988/1992":

SSN–688 attack submarine program, $1,500,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1988/1992":

T–ACS auxiliary crane ship program, $1,500,000;

From:

Under the heading, "Shipbuilding and Conversion, Navy, 1989/1993":

SSN–688 attack submarine program, $23,535,000;

DDG–51 destroyer program, $33,700,000;

T–AO fleet oiler program, $38,969,000;

Other Procurement, Navy, 1995/1997, $3,500,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1989/1993":

SSN–21 attack submarine program, $65,886,000;

MHC coastal mine hunter program, $30,318,000;

AOE combat support ship program, $3,500,000;

From:

Under the heading, "Shipbuilding and Conversion, Navy, 1990/1994":

SSN–688 attack submarine program, $1,907,000;

DDG–51 destroyer program, $22,669,000;

For craft, outfitting and post delivery, $3,900,000;

Aircraft Procurement, Navy, 1994/1996, $17,944,000;

Procurement of Ammunition, Navy and Marine Corps, 1995/1997, $5,116,000;

Weapons Procurement, Navy, 1995/1997, $2,000,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1990/1994":

MHC coastal mine hunter, $9,536,000;

T–AGOS surveillance ship program, $42,000,000;

AOE combat support ship program, $2,000,000;

From:

Under the heading, "Shipbuilding and Conversion, Navy, 1991/1995":

SSN–21 attack submarine program, $18,330,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1991/1995":

LHD–1 amphibious assault ship program, $6,178,000;

MHC coastal mine hunter program, $12,152,000;

From:

Under the heading, "Shipbuilding and Conversion, Navy, 1992/1996":

DDG–51 destroyer program, $5,315,000;

For craft, outfitting, post delivery, and DBOF transfer, $9,675,000;

For escalation, $3,347,000;

Weapons Procurement, Navy, 1995/1997, $7,500,000;

Procurement, Marine Corps, 1995/1997, $378,000;

Other Procurement, Navy, 1995/1997, $355,000;

Aircraft Procurement, Navy, 1995/1997, $3,600,000;

Research, Development, Test and Evaluation, Navy, 1995/1996, $5,600,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1992/1996":

MHC coastal mine hunter program, $35,770,000;

From:

Under the heading, "Shipbuilding and Conversion, Navy, 1993/1997":

LSD–41 cargo variant ship program, $1,600,000;

For craft, outfitting, post delivery, and first destination transportation, and inflation adjustments, $5,627,000;

Procurement of Ammunition, Navy and Marine Corps, 1995/1997, $1,784,000;

Other Procurement, Navy, 1995/1997, $645,000;

Weapons Procurement, Navy, 1994/1996, $1,963,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1993/1997":

DDG–51 destroyer program, $7,356,000;

AOE combat support ship program, $2,300,000;

MHC coastal mine hunter program, $1,963,000;

From:

Under the heading, "Shipbuilding and Conversion, Navy, 1994/1998":

MCS(C) program, $4,819,000;

Under the heading, "Shipbuilding and Conversion, Navy, 1995/1999":

Nuclear submarine main steam condensor industrial base, $900,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1994/1998":

LHD program, $5,719,000.

SEC. 8093. The Department shall include, in the operation of TRICARE Regions 7/8, a region-wide wraparound care package that requires providers of residential treatment services to share financial risk through case rate reimbursement, to include planning and individualized wraparound services to prevent recidivism.

SEC. 8094. All refunds or other amounts collected in the administration of the Civilian Health and Medical Program of the Uniformed Service (CHAMPUS) shall be credited to current year appropriations.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8095. None of the funds appropriated in the Act may be transferred to or obligated from the Pentagon Reservation Maintenance Revolving Fund, unless the Secretary of Defense certifies that the total cost for the planning design, construction and installation of equipment for the renovation of the Pentagon Reservation will not exceed $1,218,000,000.

SEC. 8096. (a) None of the funds available to the Department of Defense for any fiscal year for drug interdiction or counter-drug activities may be transferred to any other department or agency of the United States except as specifically provided in an appropriations law.

(b) None of the funds available to the Central Intelligence Agency for any fiscal year for drug interdiction and counter-drug activities may be transferred to any other department or agency of the United States except as specifically provided in an appropriations law.

(TRANSFER OF FUNDS)

SEC. 8097. Appropriations available in this Act under the heading "Operation and Maintenance, Defense-Wide" for increasing energy and water efficiency in Federal buildings may, during their period of availability, be transferred to other appropriations or funds of the Department of Defense for projects related to increasing energy and water efficiency, to be merged with and to be available for the same general purposes, and for the same time period, as the appropriation or fund to which transferred.

SEC. 8098. Funds in the amount of $61,300,000 received during fiscal year 1996 by the Department of the Air Force pursuant to the "Memorandum of Agreement between the National Aeronautics and Space Administration and the United States Air Force on Titan IV/Centaur Launch Support for the Cassini Mission," signed September 8, 1994, and September 23, 1994, and Attachments, A, B and C to the Memorandum, shall be merged with appropriations available for research, development, test and evaluation and procurement for fiscal year 1996, and shall be available for the same time period as the appropriation with which merged, and shall be available for obligation only for those Titan IV vehicles and Titan IV-related activities under contract as of the date of enactment of this Act, as well as on the follow-on launch services and program sustaining support contract to be awarded in fiscal year 1996.

SEC. 8099. None of the funds appropriated by this Act may be used for the procurement of ball and roller bearings other than those produced by a domestic source and of domestic origin: Provided, That the Secretary of the military department responsible for such procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committee on Appropriations of the House of Representatives and the Senate, that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes.

SEC. 8100. Not less than 30 percent of the total inventory, or 60,000 pounds, of the pentaborane currently stored in non-defective containers at Edwards Air Force Base, California, will be retained until the Secretary of Energy certified to the House and Senate Committees on Appropriations that the Secretary does not intend to use the pentaborane at the Idaho National Engineering Laboratory for: (a) a source of raw material for environmental remediation of high level, liquid radioactive waste, or (b) as a source of raw material for boron drug for the Boron Neutron Capture Therapy or other medical or industrial applications: Provided, That the Secretary of the Air Force is authorized to dispose of any materials that pose a significant health or safety hazard.

SEC. 8101. The total amount appropriated in title II, III, and IV of this Act is hereby reduced by $30,000,000 for savings through improved management of contractor automatic data processing costs charged through indirect rates on Department of Defense acquisition contracts.

SEC. 8102. (a) Not later than October 1, 1995, the Secretary of Defense shall require that each disbursement of the Department of Defense in an amount in excess of $5,000,000 be matched to a particular obligation before the disbursement is made.

(b) The Secretary shall ensure that a disbursement in excess of the threshold amount applicable under subsection (a) is not divided into multiple disbursements of less than that amount for the purpose of avoiding the applicability of such subsection to that disbursement.

(c) The Secretary of Defense may waive a requirement for advance matching of a disbursement of the Department of Defense with a particular obligation in the case of (1) a disbursement involving deployed forces, (2) a disbursement for an operation in a war declared by Congress or a national emergency declared by the President or Congress, or (3) a disbursement under any other circumstances for which the waiver is necessary in the national security interests of the United States, as determined by the Secretary and certified by the Secretary to the congressional defense committees.

(d) This section shall not be construed to limit the authority of the Secretary of Defense to require that a disbursement not in excess of the amount applicable under subsection (a) be matched to a particular obligation before the disbursement is made.

SEC. 8103. None of the funds in this Act may be used to purchase any supercomputer which is not manufactured in the United States, unless the Secretary of Defense certifies to the congressional defense committees that such an acquisition must be made in order to acquire capability for national security purposes that is not available from United States manufacturers.

SEC. 8104. None of the funds appropriated in this Act to the Department of the Army may be obligated for procurement of 120mm mortars or

120mm mortar ammunition manufactured outside of the United States: Provided, That the Secretary of the military department responsible for such procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate, that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes.

SEC. 8105. The Department of Defense shall release all funds appropriated and available for the HAVE GAZE program to the Department of the Air Force for obligation under existing contractual arrangements.

SEC. 8106. None of the funds available to the Department of Defense during fiscal year 1996 may be obligated or expended to support or finance the activities of the Defense Policy Advisory Committee on Trade.

SEC. 8107. Notwithstanding any other provision of law, (a) funds available to the Navy in the Operation and Maintenance appropriation for refueling overhauls and defueling inactivations of nuclear-powered warships are available to transport the shipments of naval spent nuclear fuel to the Idaho National Engineering Laboratory needed for examination and storage to avoid threats to the national security; and (b) the Secretary of the Navy is hereby authorized to immediately commence and accomplish such transportation: Provided, That the Secretary of Defense shall make the determination as to what shipments are required for that purpose and shall ensure that the shipments are made in accordance with the practices and requirements applied to previous container shipments of naval spent fuel to the Idaho National Engineering Laboratory: Provided further, That the authority in this section shall expire on September 30, 1996 or upon the vacation or stay of the current or any subsequent injunction issued by the United States District Court for the District of Idaho which enjoins such shipments, whichever occurs first: Provided further, That the authority in this section may not be used unless the Secretary of Defense certifies in writing to the congressional defense committees that a good-faith agreement between the State of Idaho and the United States Government was attempted but could not be reached concerning interim shipments of spent nuclear fuel enjoined by any such injunction based on national security reasons.

SEC. 8108. None of the funds appropriated by this Act shall be available to lease or charter a vessel in excess of seventeen months (inclusive of any option periods) to transport fuel or oil for the Department of Defense if the vessel was constructed after October 1, 1995 unless the Secretary of Defense requires that the vessel be constructed in the United States with a double hull under the long-term lease or charter authority provided in section 2401 note of title 10 United States Code: Provided, That this limitation shall not apply to contracts in force on the date of enactment of this Act: Provided further, That by 1997 at least 20 percent of new annual leases and charters must be for ships of double hull design constructed after October 1, 1995 if available in numbers sufficient to satisfy this requirement: Provided further, That the Military Sealift Command shall plan to achieve the goal of eliminating single hull ship leases by the year 2015.

SEC. 8109. None of the funds appropriated or made available in this Act to the Department of the Navy shall be used to develop or procure main propulsion engines for the LPD–17 class of ships unless such equipment is powered by a diesel engine manufactured in the United States by a domestically operated entity: Provided, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes or there exists a significant cost or quality difference.

SEC. 8110. None of the funds appropriated or made available in this Act to the Department of the Navy shall be used to develop or procure an emergency generator set for the New Attack Submarine unless such equipment is powered by a diesel engine manufactured in the United States by a domestically operated entity: Provided, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes or there exists a significant cost or quality difference.

SEC. 8111. None of the funds in this Act may be used to transport military personnel into Edwards Air Force Base for training rotations at the National Training Center after April 15, 1996: Provided, That the Department of Defense shall comply with the recommendations of the fiscal year 1996 Military Construction bill as it pertains to the interim and permanent National Training Center Airhead.

SEC. 8112. The Secretary of Defense and the Secretary of the Army shall reconsider the decision not to include the infantry military occupational specialty among the military skills and specialties for which special pays are provided under the Selected Reserve Incentive Program.

SEC. 8113. (a) The Secretary of Defense shall submit, on a quarterly basis, a report to the congressional defense committees, the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate setting forth all costs (including incremental costs) incurred by the Department of Defense during the preceding quarter in implementing or supporting resolutions of the United Nations Security Council, including any such resolution calling for international sanctions, international peacekeeping operations, and humanitarian missions undertaken by the Department of Defense. The quarterly report shall include an aggregate of all such Department of Defense costs by operation or mission.

(b) The Secretary of Defense shall detail in the quarterly reports all efforts made to seek credit against past United Nations expenditures and all efforts made to seek compensation from the United Nations for costs incurred by the Department of Defense in implementing and supporting United Nations activities.

SEC. 8114. (a) LIMITATION.—Of the funds available under title II under the heading "FORMER SOVIET UNION THREAT REDUCTION" for dismantlement and destruction of chemical weapons, not more than $52,000,000 may be obligated or expended for that purpose until the President certifies to Congress the following:

(1) That the United States and Russia have completed a joint laboratory study evaluating the proposal of Russia to neutralize its chemical weapons and the United States agrees with the proposal.

(2) That Russia is in the process of preparing, with the assistance of the United States as necessary, a comprehensive plan to manage the dismantlement and destruction of the Russia chemical weapons stockpile.

(3) That the United States and Russia are committed to resolving outstanding issues under the 1989 Wyoming Memorandum of Understanding and the 1990 Bilateral Destruction Agreement.

(b) DEFINITIONS.—In this section:

(1) The term "1989 Wyoming Memorandum of Understanding" means the Memorandum of Understanding between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics Regarding a Bilateral Verification Experiment and Data Exchange Related to Prohibition on Chemical Weapons, signed at Jackson Hole, Wyoming, on September 23, 1989.

(2) The term "1990 Bilateral Destruction Agreement" means the Agreement between the United States of America and the Union of Soviet Socialist Republics on destruction and nonproduction of chemical weapons and on measures to facilitate the multilateral convention on banning chemical weapons signed on June 1, 1990.

SEC. 8115. (a) INTERNATIONAL PEACEKEEPING, PEACE ENFORCEMENT, AND HUMANITARIAN ASSISTANCE OPERATIONS.—It is the sense of Congress that in the event of a deployment or participation of United States Armed Forces units in any international peacekeeping, peace enforcement, and humanitarian assistance operation, the President must engage in consultations with the bipartisan leadership of Congress and the congressional committees named in subsection (e) regarding such operation in accordance with subsection (c)(1).

(b) COVERED OPERATIONS.—(1) This section applies to the following:

(A) Any international peacekeeping or peace-enforcement operation that is not underway as of the date of the enactment of this Act and that is authorized by the Security Council of the United Nations under chapter VI or VII of the Charter of the United Nations.

(B) Any other international peacekeeping or peace-enforcement operation that is not underway as of the date of the enactment of this Act.

(C) Any deployment after the date of the enactment of this Act of United States ground forces in the territory of the former Yugoslavia above the level of such forces so deployed as of such date of enactment, other than a deployment involving fewer than 100 personnel.

(D) Except as provided in paragraph (2) any international humanitarian assistance operation.

(2) This section does not apply with respect to—

(A) an international humanitarian assistance operation carried out in response to a disaster; or

(B) any other international humanitarian assistance operation if the President reports to Congress that the estimated cost of such operation is less than $50,000,000.

(c) CONSULTATION WITH CONGRESS.—(1) Consultations under subsection (a) in the case of any operation shall be initiated before the initial deployment of United States Armed Forces units to participate in the operation and, whenever possible, at least 15 days before such deployment. However, if the President determines that the national security so requires, the President may delay the initiation of such consultations until after such initial deployment, but in no case may such consultations be initiated later than 48 hours after such deployment.

(2) Such consultations shall include discussion of all of the following:

(A) The goals of the operation and the mission of any United States Armed Forces units involved in the operation.

(B) The United States interests that will be served by the operation.

(C) The estimated cost of the operation.

(D) The strategy by which the President proposes to fund the operation, including possible

supplemental appropriations or payments from international organizations, foreign countries, or other donors.

(E) The extent of involvement of armed forces and other contributions of personnel from other nations.

(F) The anticipated duration and scope of the operation.

(3) Such consultations shall continue on a periodic basis throughout the period of the deployment.

(d) REQUESTS FOR EMERGENCY SUPPLEMENTAL APPROPRIATIONS.—Whenever there is a deployment of United States Armed Forces to perform an international humanitarian, peacekeeping, or peace-enforcement operation, the President should seek emergency supplemental appropriations to meet the incremental costs to the Department of Defense of that deployment not later than 90 days after the date on which such deployment commences.

(e) COMMITTEES TO BE INCLUDED IN CONSULTATIONS.—The committees referred to in subsection (a) are the following:

(1) The congressional defense committees.

(2) The Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

(3) The Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 8116. (a) FINDINGS.—The Senate makes the following findings:

(1) The President of France stated on June 13, 1995, that the Republic of France plans to conduct eight nuclear test explosions over the next several months.

(2) The People's Republic of China continues to conduct underground nuclear weapons tests.

(3) The United States, France, Russia, and Great Britain have observed a moratorium on nuclear testing since 1992.

(4) A resumption of testing by the Republic of France could result in the disintegration of the current testing moratorium and a renewal of underground testing by other nuclear weapon states.

(5) A resumption of nuclear testing by the Republic of France raises serious environmental and health concerns.

(6) The United Nations Conference on Disarmament presently is meeting in Geneva, Switzerland, for the purpose of negotiating a Comprehensive Nuclear Test Ban Treaty (CTBT), which would halt permanently the practice of conducting nuclear test explosions.

(7) Continued underground weapons testing by the Republic of France and the People's Republic of China undermines the efforts of the international community to conclude a CTBT by 1996, a goal endorsed by 175 nations, at the recently completed NPT Extension and Review Conference (the conference for the extension and review of the Nuclear Non-Proliferation Treaty).

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Republic of France and the People's Republic of China should abide by the current international moratorium on nuclear test explosions and refrain from conducting underground nuclear tests in advance of a Comprehensive Test Ban Treaty.

SEC. 8117. (a) LIMITATION ON TRANSFER OF DEFENSE ARTICLES AND SERVICES.—Notwithstanding any other provision of law, none of the funds available to the Department of Defense for the current fiscal year may be obligated or expended to transfer to another nation or an international organization any defense articles or services (other than intelligence services) for use in the activities described in subsection (b) unless the congressional defense committees, and the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate are notified 15 days in advance of such transfer.

(b) COVERED ACTIVITIES.—(1) This section applies to—

(A) any international peacekeeping or peace-enforcement operation under the authority of chapter VI or chapter VII of the United Nations Charter under the authority of a United Nations Security Council resolution; and

(B) any other international peacekeeping peace-enforcement, humanitarian, or disaster relief operation.

(c) REQUIRED NOTICE.—A notice under subsection (a) shall include the following:

(1) A description of the equipment, supplies, or services to be transferred.

(2) A statement of the value of the equipment, supplies, or services to be transferred.

(3) In the case of a proposed transfer of equipment or supplies—

(A) a statement of whether the inventory requirements of all elements of the Armed Forces (including the reserve components) for the type of equipment or supplies to be transferred have been met; and

(B) a statement of whether the items proposed to be transferred will have to be replaced and, if so, how the President proposes to provide funds for such replacement.

SEC. 8118. None of the funds available to the Department of Defense shall be obligated or expended to make a financial contribution to the United Nations for the cost of any United Nations peacekeeping activity (whether pursuant to assessment or a voluntary contribution) or for payment of any United States arrearage to the United Nations.

SEC. 8119. None of the funds made available in this Act may be used to administer any policy that permits the performance of abortions at medical treatment or other facilities of the Department of Defense, except when it is made known to the Federal official having authority to obligate or expend such funds that the life of the mother would be endangered if the fetus were carried to term: Provided, That the provisions of this section shall enter into force if specifically authorized in the National Defense Authorization Act for Fiscal Year 1996.

SEC. 8120. None of the funds made available in this Act under the heading "Procurement of Ammunition, Army" may be obligated or expended for the procurement of munitions unless such acquisition fully complies with the Competition in Contracting Act.

SEC. 8121. None of the funds in this Act may be used to implement any change to the computation of military retired pay as required by law in fiscal year 1995 for military personnel who entered the Service before September 8, 1980.

SEC. 8122. None of the funds available to the Department of Defense under this Act shall be obligated or expended to pay a contractor under a contract with the Department of Defense for costs of any amount paid by the contractor to an employee when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) such costs are for a bonus or otherwise in excess of the normal salary paid by the contractor to the employee; and

(2) such bonus is part of restructuring costs associated with a business combination.

SEC. 8123. None of the funds provided in title II of this Act for "FORMER SOVIET UNION THREAT REDUCTION" may be obligated or expended to finance housing for any individual when it is made known to the Federal official having authority to obligation or expend such funds that such individual was a member of the military forces of the Soviet Union or that such individual is or was a member of the military forces of the Russian Federation.

SEC. 8124. It is the sense of Congress that none of the funds available to the Department of Defense shall be obligated or expended for the deployment or participation of United States Armed Forces in any peacekeeping operation in Bosnia-Herzegovina, unless such deployment or participation is specifically authorized by a law enacted after the date of enactment of this Act: Provided, That this section shall not apply to operations of the nature and extent conducted by United States Armed Forces in Bosnia-Herzegovina during fiscal year 1995, emergency air rescue operations, the airborne delivery of humanitarian supplies, or the planning and execution of OPLAN 40104 or similar operations to extract UNPROFOR personnel.

SEC. 8125. Notwithstanding any other provision in this Act, the total amount appropriated in this Act is hereby reduced by $832,000,000 to reflect savings from revised economic assumptions, to be distributed as follows:

Operation and Maintenance, Army, $54,000,000;

Operation and Maintenance, Navy, $80,000,000;

Operation and Maintenance, Marine Corps, $9,000,000;

Operation and Maintenance, Air Force, $51,000,000;

Operation and Maintenance, Defense-Wide, $36,000,000;

Operation and Maintenance, Army Reserve, $4,000,000;

Operation and Maintenance, Navy Reserve, $4,000,000;

Operation and Maintenance, Marine Corps Reserve, $1,000,000;

Operation and Maintenance, Air Force Reserve, $3,000,000;

Operation and Maintenance, Army National Guard, $7,000,000;

Operation and Maintenance, Air National Guard, $7,000,000;

Drug Interdiction and Counter-Drug Activities, Defense, $5,000,000;

Environmental Restoration, Defense, $11,000,000;

Overseas Humanitarian, Disaster, and Civic Aid, $1,000,000;

Former Soviet Union Threat Reduction, $2,000,000;

Defense Health Program, $51,000,000;

Aircraft Procurement, Army, $9,000,000;

Missile Procurement, Army, $5,000,000;

Procurement of Weapons and Tracked Combat Vehicles, Army, $10,000,000;

Procurement of Ammunition, Army, $6,000,000;

Other Procurement, Army, $17,000,000;

Aircraft Procurement, Navy, $29,000,000;

Weapons Procurement, Navy, $13,000,000;

Shipbuilding and Conversion, Navy, $42,000,000;

Other Procurement, Navy, $18,000,000;

Procurement, Marine Corps, $4,000,000;

Aircraft Procurement, Air Force, $50,000,000;

Missile Procurement, Air Force, $29,000,000;

Other Procurement, Air Force, $45,000,000;

Procurement, Defense-Wide, $16,000,000;

Chemical Agents and Munitions Destruction, Defense, $5,000,000;

Research, Development, Test and Evaluation, Army, $20,000,000;

Research, Development, Test and Evaluation, Navy, $50,000,000;

Research, Development, Test and Evaluation, Air Force, $79,000,000;

Research, Development, Test and Evaluation, Defense-Wide, $57,000,000; and

Developmental Test and Evaluation, Defense, $2,000,000: Provided, That these reductions shall be applied proportionally to each budget activity, activity group and subactivity group and each program, project, and activity within each appropriation account.

SEC. 8126. Notwithstanding any other provision of law, of the revenue collected by the Defense Business Operations Fund, $117,000,000 shall be made available for obligation and expenditure for termination liability, lease and operational costs for aircraft to accomplish the VC–137 aircraft mission; Provided, That the funds made available pursuant to this section shall remain available until expended.

SEC. 8127. Funds appropriated by this and future Acts under the heading "Missile Procurement, Air Force" may be obligated for payment of satellite on-orbit incentives in the fiscal year in which an incentive payment is earned: Provided, That any obligation made pursuant to this section may not be entered into until 30 calendar days in session after the congressional defense committees have been notified that an on-orbit incentive payment has been earned.

SEC. 8128. (a) Not more than a total of $11,000,000 of the funds appropriated under the heading "Research, Development, Test and Evaluation, Army", in title IV of Public Law 103–335, and in title IV of this Act, may be made available for support of a NATO Alliance Ground Surveillance (AGS) program based on the Joint Surveillance/Target Attack Radar System (JSTARS).

(b) Not more than a total of $6,450,000 of the funds appropriated under the heading "Research, Development, Test and Evaluation, Air Force", in title IV of Public Law 103–335, and in title IV of this Act, may be made available for support of a NATO Alliance Ground Surveillance (AGS) program based on JSTARS.

SEC. 8129. (a) In addition to any other reductions required by this Act, the following funds are hereby reduced from the following accounts in title IV of this Act in the specified amounts:

"Research, Development, Test and Evaluation, Army", $47,852,000;

"Research, Development, Test and Evaluation, Navy", $85,947,000;

"Research, Development, Test and Evaluation, Air Force", $128,958,000; and

"Research, Development, Test and Evaluation, Defense-Wide", $62,243,000.

(b) The reductions taken pursuant to subsection (a) shall be applied on a pro-rata basis by subproject within each R–1 program element as modified by this Act, except that no reduction may be taken against the funds made available to the Department of Defense for Ballistic Missile Defense.

This Act may be cited as the "Department of Defense Appropriations Act, 1996".

And the Senate agree to the same.

BILL YOUNG,
JOSEPH M. MCDADE,
BOB LIVINGSTON,
JERRY LEWIS,
JOE SKEEN,
DAVID L. HOBSON,
HENRY BONILLA,
GEORGE R. NETHERCUTT, JR.,
MARK W. NEUMANN (except to the agreement regarding U.S. deployment in Bosnia),
JOHN P. MURTHA,
NORMAN D. DICKS,
CHARLES WILSON,
W.G. (BILL) HEFNER,
MARTIN OLAV SABO,

Managers on the Part of the House.

TED STEVENS,
THAD COCHRAN,
ARLEN SPECTER,
PETE V. DOMENICI,
PHIL GRAMM,
KIT BOND,
MITCH MCCONNELL,
CONNIE MACK,
RICHARD C. SHELBY,
MARK O. HATFIELD,
DANIEL K. INOUYE,
FRITZ HOLLINGS,
J. BENNETT JOHNSTON,
ROBERT C. BYRD,
PATRICK J. LEAHY,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2126), making appropriations for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The conference agreement on the Department of Defense Appropriations Act, 1996, incorporates some of the provisions of both the House and Senate versions of the bill. The language and allocations set forth in House Report 104–208 and Senate Report 104–124 should be complied with unless specifically addressed in the accompanying bill and statement of the managers to the contrary.

Senate Amendment: The Senate deleted the entire House bill after the enacting clause and inserted the Senate bill. The conference agreement includes a revised bill.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

The conferees agree that for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99–177) as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100–119) and by the Budget Enforcement Act of 1990 (Public Law 101–508), the term program, project, and activity for appropriations contained in this Act shall be defined as the most specific level of budget items identified in the Department of Defense Appropriations Act, 1996, the accompanying House and Senate Committee reports, the conference report and accompanying joint explanatory statement of the managers of the Committee of Conference, the related classified annexes and reports, and the P–1 and R–1 budget justification documents as subsequently modified by Congressional action. The following exception to the above definition shall apply:

For the Military Personnel and the Operation and Maintenance accounts, the term "program, project, and activity" is defined as the appropriations accounts contained in the Department of Defense Appropriations Act. At the time the President submits his budget for fiscal year 1997, the conferees direct the Department of Defense to transmit to the congressional defense committees a budget justification document to be known as the "0–1" which shall identify, at the budget activity, activity group, and subactivity group level, the amounts requested by the President to be appropriated to the Department of Defense for operation and maintenance in any budget request, or amended budget request, for fiscal year 1997.

TITLE I—MILITARY PERSONNEL

The conferees agree to the following amounts and end strength totals for the Military Personnel accounts as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Active personnel:				
Army	19,721,408	19,884,608	19,776,587	19,809,187
Navy	16,930,609	17,006,363	16,979,209	17,008,563
Marine Corps	5,877,740	5,928,340	5,886,540	5,885,740
Air Force	17,108,120	17,294,620	17,156,443	17,207,743
Reserve personnel:				
Army	2,101,366	2,122,566	2,102,466	2,122,466
Navy	1,348,223	1,350,023	1,349,323	1,355,523
Marine Corps	361,751	366,101	364,551	378,151
Air Force	782,761	783,586	783,861	784,586
National Guard personnel:				
Army	3,218,258	3,240,858	3,222,422	3,242,422
Air Force	1,246,427	1,254,827	1,259,627	1,259,627
Total, Military Personnel	68,696,663	69,231,892	68,881,029	69,054,008

OPERATIONS PROVIDE COMFORT/ENHANCED SOUTHERN WATCH

The conference agreement includes $647,100,000, as proposed by the House, for unbudgeted costs associated with Operations Provide Comfort and Enhanced Southern Watch. Of this amount, $77,500,000 is appropriated in Title I, Military Personnel, and $569,600,000 is appropriated in Title II, Operation and Maintenance. The conferees designate these funds as an item of Congressional interest, meaning they can only be used for additional incremental costs of Operations Provide Comfort and Enhances Southern Watch unless prior approval is granted by the House and Senate Committees on Appropriations through normal reprogramming procedures. In addition, the conferees direct that none of these funds may be obligated or expended unless the costs of these operations are fully submitted in the President's fiscal year 1997 budget request. The conferees direct that funds shall be available for obligation only after submission of the fiscal year 1997 budget request, and only if the request fully funds and details the estimated costs of these operations. The conferees direct the Secretary of Defense to provide a report to the House and Senate Committees on Appropriations by January 30, 1996, on planned obligations and expenditures of these funds.

FORCE STRUCTURE CHANGES

The conferees recommend an increase of $38,500,000 to maintain fiscal year 1995 Primary Authorized Aircraft (PAA) levels in Air National Guard general purpose fighter forces during fiscal year 1996.

The conferees recommend an increase of $34,200,000 to sustain the maritime patrol aircraft force structure at 13 active and 9 reserve squadrons in fiscal year 1996.

The conferees also recommend an increase of $9,600,000 for additional Marine Corps Reserve full-time support, in order to facilitate the Marine Corps Reserve's contingency role and operations.

MILITARY TECHNICIAN AND MEDICAL PERSONNEL REPROGRAMMING

The conferees direct that the Department of Defense, in the event of sequestration during fiscal year 1996, protect military (civilian) technicians and medical personnel necessary to maintain the current level of medical and Reserve Component operations, from any associated reduction of personnel pay medical programs (to include CHAMPUS).

BASIC ALLOWANCE FOR QUARTERS

The conferees agree to provide $72,366,000, as proposed by the Senate, for an increase in the Basic Allowance for Quarters, to be effective January 1, 1996.

ACTIVE END STRENGTH

[Fiscal year 1996]

	Budget	Conference	Conference vs. Budget
Army	495,000	495,000	
Navy	428,000	428,340	+340
Marine Corps	174,000	174,000	
Air Force	388,200	388,200	
Total	1,485,200	1,485,540	+340

MILITARY PERSONNEL, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Provide Comfort/Enhanced Southern Watch	3,600		3,600
Overseas Station Allowance	139,000	32,000	61,000
Selective Reenlistment Bonus	−1,200		
Basic Allowance for Quarters	12,000	23,179	23,179
Variable Housing Allowance	9,800		
Total, Military Personnel, Army	+163,200	+55,179	+87,779

MILITARY PERSONNEL, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Aviation Continuation Pay	−1,000		−1,000
Responsibility Pay	−1,146		−1,146
Provide Comfort/Enhanced Southern Watch	25,500		25,500
Overseas Station Allowance	45,000	32,000	24,000
Selective Reenlistment Bonus	−25,000		
Basic Allowance for Quarters	11,600	16,600	16,600
Variable Housing Allowance	20,800		
P–3 Squadron			14,000
Total, Military Personnel, Navy	+75,754	+48,600	+77,954

MILITARY PERSONNEL, MARINE CORPS

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Aviation Continuation Pay	−200		−200
Provide Comfort/Enhanced Southern Watch	3,400		3,400
Overseas Station Allowance	43,000	4,000	
Selective Reenlistment Bonus	−4,000		
Basic Allowance for Quarters	3,200	4,800	4,800
Variable Housing Allowance	5,200		
Total, Military Personnel, Marine Corps	+50,600	+8,800	+8,880

MILITARY PERSONNEL, AIR FORCE

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Aviation Continuation Pay	−4,400		−4,400
Aviation Career Incentive Pay	−800		−800
Flight Duty Pay	−500		−500
Provide Comfort/Enhanced Southern Watch	45,000		45,000
Overseas Station Allowance	73,000	32,000	44,000
Selective Reenlistment Bonus	−12,000		
Basic Allowance for Quarters	11,000	16,323	16,323
Variable Housing Allowance	10,200		
B–52 Force Structure	65,000		
Total, Military Personnel, Air Force	—186,500	+48,323	+99,323

NATIONAL GUARD AND RESERVE FORCES

The conferees agree to provide $9,142,775,000 in Reserve personnel appropriations, $8,815,232,000 in Operation and maintenance appropriations, and $777,000,000 in the National Guard and Reserve Equipment appropriation. These funds support a Selected Reserve strength of 930,342 as shown below.

RESERVE STRENGTHS

[Fiscal year 1995]

	Budget	Conference	Conference vs. Budget
Selected Reserve:			
Army Reserve	230,000	230,000	
Navy Reserve	98,608	98,877	+269
Marine Corps Reserve	42,000	42,000	
Air Force Reserve	73,969	74,007	+38
Army National Guard	373,000	373,000	
Air National Guard	109,458	112,458	+3,000
Total	927,035	930,342	+3,307
AGR/TARS:			
Army Reserve	11,575	11,575	
Navy Reserve	17,490	17,605	+115
Marine Corps Reserve	2,285	2,559	+274
Air Force Reserve	628	628	
Army National Guard	23,390	23,390	
Air National Guard	9,817	10,066	+249
Total	65,185	65,823	+638
Technicians:			
Army Reserve	6,409	6,630	+221
Air Force Reserve	9,467	9,802	+335
Army National Guard	25,094	25,500	+406
Air National Guard	22,558	23,399	+841
Total	63,528	65,331	+1,803

MILITARY (CIVILIAN) TECHNICIANS

The conferees recommend an increase of $40,500,000 in the Operation and Maintenance accounts of the Army Reserve, Air Force Reserve, Army National Guard, and Air National Guard for additional military (civilian) technicians. The conferees remain concerned about the significant reduction to military technicians contained in the President's budget request and expect these funds to not be used for any other purpose without a prior approval reprogramming being submitted through normal channels. Additionally, the conferees direct the Department to provide the required number of workyears needed to sustain the levels of military (civilian) technicians as provided in this Act. The conferees also include a general provision (Section 8087) which prohibits reducing the full-time support levels for technicians unless such technicians are a result of a reduction in military force structure. The conferees expect the Department to follow the intent of this provision.

RESERVE PERSONNEL, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Unit Readiness/Training	20,000		20,000
Basic Allowance for Quarters	500	1,100	1,100
Variable Housing Allowance	700		
Total, Reserve Personnel, Army	+21,200	+1,100	+21,100

RESERVE PERSONNEL, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Basic Allowance for Quarters	700	1,100	1,100
Variable Housing Allowance	1,100		
P–3 Squadron			6,200
Total, Reserve Personnel, Navy	+1,800	+1,100	+7,300

RESERVE PERSONNEL, MARINE CORPS

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Annual Training/School Tours	4,000		4,000
Basic Allowance for Quarters	150	2,800	2,800
Variable Housing Allowance	200		
Increase of Active Reservists			9,600
Total, Reserve Personnel, Marine Corps	+4,350	+2,800	+16,400

RESERVE PERSONNEL, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
WC–130 Weather Reconn	725		725
Basic Allowance for Quarters	100	1,100	1,100
Total, Reserve Personnel, Air Force	+825	+1,100	+1,825

NATIONAL GUARD PERSONNEL, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
School/Special Training	20,000		20,000
Basic Allowance for Quarters	1,300	4,164	4,164
Variable Housing Allowance	1,300		
Total, National Guard Personnel, Army	22,600	4,164	24,164

NATIONAL GUARD PERSONNEL, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Tanker Task Force/1st Air Force	7,200		
Basic Allowance for Quarters	500	1,200	1,200
Variable Housing Allowance	700		
Fighter Force Structure		12,000	12,000
Total, National Guard Personnel, Air Force	8,400	13,200	13,200

SUPPORT OF THE U.S. ANTARCTIC PROGRAM

The conferees agree to continue the Department of Defense support to the U.S. Antarctic Program. However, in light of the Congressional requirement for the National Science and Technology Council to undertake a Government-wide policy review of DoD's role in the Antarctic program no later than March 31, 1996, future Defense involvement in this mission will be reassessed after receipt of that report. The conferees believe that Air National Guard participation in this project is predicated only on full reimbursement by the National Science Foundation and shall not conflict with any other Air National Guard mission.

TITLE II—OPERATION AND MAINTENANCE

A summary of the conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
50000	RECAPITULATION				
50020	O & M, ARMY	18,134,736	18,996,131	17,947,229	18,321,965
50040	TRANSFER—STOCKPILE / DBOF	(50,000)	(50,000)	(50,000)	(50,000)
50060	O & M, NAVY	21,175,710	20,846,710	21,195,301	21,279,425
50080	TRANSFER—STOCKPILE / DBOF	(50,000)	(50,000)	(50,000)	(50,000)
50100	O & M, MARINE CORPS	2,269,722	2,508,822	2,341,737	2,392,522
50120	O & M, AIR FORCE	18,206,597	18,873,793	18,202,437	18,561,267
50140	TRANSFER—STOCKPILE / DBOF	(50,000)	(50,000)	(50,000)	(50,000)
50160	O & M, DEFENSEWIDE	10,366,782	9,908,810	9,904,068	10,388,595
50200	O & M, ARMY RESERVE	1,068,591	1,119,191	1,068,312	1,119,191
50220	O & M, NAVY RESERVE	826,042	841,565	826,042	859,542
50240	O & M, MARINE CORPS RESERVE	90,283	102,079	90,283	100,283
50260	O & M, AIR FORCE RESERVE	1,485,947	1,519,287	1,485,947	1,519,287
50280	O & M, ARMY NATIONAL GUARD	2,304,108	2,334,487	2,361,708	2,440,808
50300	O & M, AIR NATIONAL GUARD	2,712,221	2,737,221	2,724,021	2,776,121
50320	NATL BOARD FOR THE PROMOTON OF RIFLE PRACTICE, ARMY				
50340	COURT OF MILITARY APPEALS, DEFENSE	6,521	6,521	6,521	6,521
50360	ENVIRONMENTAL RESTORATION, DEFENSE	1,622,200	1,422,200	1,487,000	1,422,200
50380	SUMMER OLYMPICS	15,000	15,000	15,000	15,000
50420	SPECIAL OLYMPICS				
50460	HUMANITARIAN ASSISTANCE	79,790		60,000	
50480	FORMER SOVIET UNION THREAT REDUCTION	371,000	200,000	325,000	300,000
50490	CONTRIBUTIONS FOR INTERNATONAL PEACEKEEPING AND PEACE				
50500	ENFORCEMENT ACTIVITIES FUND	65,000			
50505	OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID		50,000		50,000
50560	GRAND TOTAL, O & M	80,800,250	81,483,817	79,940,606	81,552,727
50580	TRANSFER	(150,000)	(150,000)	(150,000)	(150,000)
50600	TOTAL FUNDS AVAILABLE, O & M	80,950,250	81,633,817	80,090,606	81,702,727

BUDGET JUSTIFICATION AND EXECUTION MATERIALS

The conferees are encouraged by the steps the Department has taken too improve the Operation and maintenance program justification materials submitted to the Congress. In order to further these efforts, the conferees direct the Department to:

provide the Committees on Appropriations quarterly budget execution reports for all Operation and maintenance accounts for fiscal year 1996. These reports should reflect the O–1 categories used in the budget justification materials. Reports should be submitted within 60 days of the end of the quarter to which they apply, concurrently to the Office of Management and Budget;

provide the Committees on Appropriations quarterly reports describing the execution of real property maintenance programs. These reports should describe those activities specifically and/or generally described by the Congress and should separately identify activity related to barracks renovation. Real Property Maintenance is designated an item of congressional interest; transfers from real property maintenance programs to other activities are subject to prior-notification reprogramming procedures.

The conferees agree that proposed transfers of funds between O–1 budget activity funding categories in excess of $20,000,000 are subject to normal reprogramming procedures. In addition, due to continuing concerns about force readiness and the possible diversion of Operation and maintenance funds, the conferees agree that the Department should provide written notification to the congressional defense committees prior to transfers in excess of $20,000,000 from the following subactivity group categories:

O&M, Army

Operating forces: Combat units; Tactical support; Force related training/special activities; Depot maintenance.

O&M, Navy

Operating forces: Mission and other flight operations; Aircraft depot maintenance; Mission and other ship operations; Ship depot maintenance.

O&M, Marine Corps

Operating forces: Operational forces

O&M, Air Force

Operating forces: Primary combat forces; Primary combat weapons; Air operations training. Mobilization: Airlift operations.

FINANCIAL MANAGEMENT

The conferees are concerned about the state of financial management in the Department of Defense and the measures that may be taken to improve upon past performance. Both the House and Senate reports on the fiscal year 1996 Department of Defense Appropriations Bill recommended several items for the Department's consideration. These items should be merged into a single report due to the Committees on Appropriations not later than May 31, 1996. The DoD report should address the following issues:

the state of Defense Finance and Accounting Service (DFAS) consolidation and future reorganization plans. Of specific interest are DoD plans concerning establishment of 20 DFAS operating locations;

opportunities for utilizing private sector financial services to meet non-unique departmental requirements such as travel processing, payroll and contract disbursements;

procedureal changes designed to improve DoD performance in the areas of unmatched disbursements and negative unliquidated obligations;

the estimated resource requirements to achieve long term improvements of DoD financial management procedures and systems.

REAL PROPERTY MAINTENANCE

The conferees agree with the Senate in providing an additional $322,000,000 for barracks renovation. The conferees have a provided a total increase of $700,000,000 to the Real Property Maintenance account.

[In thousand of dollars]

	Barracks renovation	Other RPM	Total additional RPM
Army	100,000	67,000	167,000
Navy	100,000	55,000	155,000
Air Force	100,000	51,000	151,000
Marine Corps	22,000	38,000	60,000
Army National Guard		100,000	100,000
Army Reserve		17,000	17,000
Navy Reserve		20,000	20,000
Marine Corps Reserve		1,500	1,500
Air National Guard		15,000	15,000
Air Force Reserve		13,500	13,500
Total	322,000	378,000	700,000

REAL PROPERTY MAINTENANCE

The conferees agree to reduce the military department's security program accounts and the On-Site Inspection Agency. In order to meet emergent requirements stemming from valid treaty obligations, the conferees expect the Department of Defense to submit a reprogramming request subject to normal, prior approval reprogramming procedures.

TRANSPORTATION IMPROVEMENTS

The conferees agree that the Department of Defense should be able to improve the efficiency of the transportation organizations and infrastructure under the control of the U.S. Transportation Command (USTRANSCOM). The conferees direct that the Department of Defense report to the congressional defense committees not later than March 31, 1996, on measure that will be taken to achieve improvements in this area.

INTERNATIONAL MILITARY TRAINING AND EDUCATION

The conferees express their continued support for the International Military Education and Training Program. The conferees note however that this program is funded within international affairs programs and is properly within the jurisdiction of the Subcommittees on Foreign Operations. Therefore, the conferees direct that no funds appropriated in this act be used for foreign operations costs associated with the International Military Education and Training program.

DEFENSE COMMISSARY ACCESS POLICY

The conferees direct a report be made by the General Accounting Office to the Committee on Appropriations of the Senate and the House of Representatives on any changes in DoD commissary access policy, including providing reservists new or additional privileges, and addressing any resulting financial impact on the commissaries.

MILITARY TRAFFIC MANAGEMENT COMMAND REENGINEERING PROGRAM

The conferees direct the Department of Defense to provide a report on its pilot program to implement commercial business practices and standards of service for its movement of military household goods, to the congressional defense committees by March 1, 1997. This report should fully assess how the pilot program impacts the government's transportation costs as compared to the current program. The conferees expect the Department to fairly evaluate the present program as modified by the removal of government unique terms, conditions and regulations and using simplified procedures. This analysis shall determine whether the proposed reengineering of the current program is economically justified, can achieve a higher level of service and lower claims frequency.

In addition, the conferees direct the Department to report by January 1, 1996, prior to the implementation of any element of the pilot program, on its impact on small businesses resulting from, but not limited to, the application of the Federal Acquisition Regulations, and the requirement of any program elements that are not standard commercial business practices.

TITLE II—OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
100	OPERATION AND MAINTENANCE, ARMY				
150	BUDGET ACTIVITY 1: OPERATING FORCES				
200	LAND FORCES				
250	COMBAT UNITS	1,882,069	1,882,069	1,882,069	1,882,069
300	TACTICAL SUPPORT	1,165,970	1,165,970	1,165,970	1,165,970
350	THEATER DEFENSE FORCES	178,670	178,670	178,670	178,670
400	FORCE RELATED TRAINING/SPECIAL ACTIVITIES	1,271,154	1,271,154	1,285,154	1,271,154
450	FORCE COMMUNICATIONS	73,584	73,584	73,584	73,584
500	DEPOT MAINTENANCE	861,426	1,065,426	890,426	950,696
550	JCS EXERCISES	54,467	54,467	54,467	54,467
600	BASE SUPPORT	3,582,306	3,612,306	3,618,129	3,612,306
700	LAND OPERATIONS SUPPORT				
750	COMBAT DEVELOPMENTS	214,364	214,364	214,364	214,364
800	UNIFIED COMMANDS	36,937	36,937	36,937	36,937
900	TOTAL, BUDGET ACTIVITY 1	9,320,947	9,554,947	9,399,770	9,440,217
950	BUDGET ACTIVITY 2: MOBILIZATION				
1000	MOBILITY OPERATIONS				
1050	POMCUS	86,830	86,830	86,830	86,830
1100	STRATEGIC MOBILIZATION	393,923	482,923	388,923	423,923
1150	WAR RESERVE ACTIVITIES	72,166	72,166	72,166	72,166
1200	INDUSTRIAL PREPAREDNESS	143,841	143,841	143,841	143,841
1300	TOTAL, BUDGET ACTIVITY 2	696,760	785,760	691,760	726,760
1350	BUDGET ACTIVITY 3: TRAINING AND RECRUITING				
1400	ACCESSION TRAINING				
1450	OFFICER ACQUISITION	58,328	58,328	58,328	58,328
1500	RECRUIT TRAINING	11,228	11,228	11,228	11,228
1550	ONE STATION UNIT TRAINING	17,008	17,008	17,008	17,008
1600	RESERVE OFFICER TRAINING CORPS (ROTC)	109,789	109,789	109,789	109,789
1650	BASE SUPPORT (ACADEMY ONLY)	118,445	118,445	118,445	118,445
1750	BASIC SKILL/ADVANCE TRAINING				
1800	SPECIALIZED SKILL TRAINING	236,760	302,760	260,760	281,760
1850	FLIGHT TRAINING	218,514	218,514	218,514	218,514
1900	PROFESSIONAL DEVELOPMENT EDUCATION	68,981	68,981	68,981	68,981
1950	TRAINING SUPPORT	375,528	375,528	375,528	375,528
2000	BASE SUPPORT (OTHER TRAINING)	1,160,360	1,160,360	1,171,960	1,160,360
2100	RECRUITING/OTHER TRAINING				
2150	RECRUITING AND ADVERTISING	211,375	217,875	216,375	216,375
2200	EXAMINING	64,333	64,333	64,333	64,333
2250	OFF-DUTY AND VOLUNTARY EDUCATION	103,812	103,812	103,812	103,812
2300	CIVILIAN EDUCATION AND TRAINING	81,108	81,108	81,108	81,108
2350	JUNIOR ROTC	74,506	74,506	74,506	74,506
2400	BASE SUPPORT (RECRUITING LEASES)	156,020	156,020	156,020	156,020
2500	TOTAL, BUDGET ACTIVITY 3	3,066,095	3,138,595	3,106,695	3,116,095
2550	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
2600	SECURITY PROGRAMS				
2650	SECURITY PROGRAMS	362,333	362,333	356,333	356,333
2700	LOGISTICS OPERATIONS				
2750	SERVICEWIDE TRANSPORTATION	542,910	542,910	542,910	542,910
2800	CENTRAL SUPPLY ACTIVITIES	487,281	475,281	487,281	491,031
2850	LOGISTIC SUPPORT ACTIVITIES	299,230	299,230	299,230	299,230
2900	AMMUNITION MANAGEMENT	300,853	300,853	300,853	300,853
3000	SERVICEWIDE SUPPORT				
3050	ADMINISTRATION	275,238	265,238	275,588	275,588
3100	SERVICEWIDE COMMUNICATIONS	686,446	686,446	686,446	686,446
3150	MANPOWER MANAGEMENT	124,676	124,676	124,676	124,676
3200	OTHER PERSONNEL SUPPORT	175,832	169,832	175,832	172,832
3250	OTHER SERVICE SUPPORT	568,225	568,225	571,225	571,225
3300	ARMY CLAIMS ACTIVITIES	173,290	173,290	173,290	173,290
3350	REAL ESTATE MANAGEMENT	86,930	86,930	86,930	86,930
3400	BASE SUPPORT	735,466	759,566	752,816	735,466
3500	PENTAGON RENOVATION TRANSFER			−44,130	−44,130
3550	SUPPORT OF OTHER NATIONS				
3600	INTERNATIONAL MILITARY HEADQUARTERS	252,778	252,778	252,778	252,778
3650	MISC SUPPORT OF OTHER NATIONS	29,446	29,446	29,446	29,446
3750	TOTAL, BUDGET ACTIVITY 4	5,100,934	5,097,034	5,071,504	5,054,904
3780	CLASSIFIED PROGRAMS UNDISTRIBUTED		3,589	−1,800	4,089
3810	CIVILIAN PERSONNEL UNDERSTRENGTH		−65,000	−67,000	−67,000
3830	FAMILY HOUSING SURVEY & DEFICIT REDUCTION PROGRAM			3,500	3,500
3850	GENERAL REDUCTION, NATIONAL DEFENSE STOCKPILE FUND	−50,000	−50,000	−50,000	−50,000
3870	REAL PROPERTY MAINTENANCE		350,000		167,000
3880	FOREIGN CURRENCY FLUCTUATION		173,300		59,300
3930	EDCARS/DSREDS		2,000		2,000
3960	PRINTING EFFICIENCIES		−3,000	−3,000	−3,000
3970	INSPECTOR GENERAL CONSOLIDATION		−12,500		−12,500
3975	REDUCED AUDITS		−10,000	−10,000	−10,000
3980	TRANSPORTATION IMPROVEMENTS		−26,200	−26,200	−26,200
3982	ADMINISTRATIVE TRAVEL SAVINGS			−17,500	−28,500
3983	BARRACKS RENOVATION INITIATIVES			100,000	

[In thousands of dollars]

		Budget	House	Senate	Conference
3995	AAFES 2ND DESTINATION TRANSPORTATION		−17,500	−17,500	−17,500
4000	PROVIDE COMFORT/ENHANCED SOUTHERN WATCH		87,300		87,300
4010	SUPPLY MANAGEMENT REFORMS		−8,500		−8,500
4040	CIVILIAN PAY			−233,000	−116,000
4050	OPERATIONAL SUPPORT AIRLIFT		−1,694		
4080	TOTAL, OPERATION AND MAINTENANCE, ARMY	18,134,736	18,998,131	17,947,229	18,321,965
4090	TRANSFER	(50,000)	(50,000)	(50,000)	(50,000)
4100	TOTAL FUNDING AVAILABLE	(18,184,736)	(19,048,131)	(17,997,229)	(18,371,965)

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
500 Communications/Electronics Maintenance	39,000
500 Other Depot Maintenance	66,000
500 Depot Maintenance Logistics Tail	(15,730)
600 NTC Interim Airhead	2,000
600 Base Operations Support	28,000
Budget Activity 2: Mobilization:	
1100 Prepositioning Ships	(5,000)
1100 Prepositioned Materiel, S.W. Asia	16,000
1100 Prepositioned Materiel, Korea	19,000
Budget Activity 3: Training and Recruiting:	
1800 TNET	4,000
1800 Chemical/Biological Defense Training	20,000
1800 Simulation Enhancements	21,000
2150 Recruiting and Advertising	5,000
Budget Activity 4: Administration and Servicewide Activities:	
2650 Security Programs (Arms Control)	(6,000)
2800 Acquisition Reform	(12,000)
2800 Depot Maintenance Logistics Tail	15,750
3050 Waste Water Treatment Planning	350
3200 Personnel Management Efficiencies	(3,000)
3250 Conservation and Ecosystem Management	3,000
3500 Pentagon Renovation Transfer	(44,130)
Other Adjustments:	
3810 Civilian Underexecution	(67,000)
3830 Family Housing Survey/Deficit Reduction Program	3,500
3880 Foreign Currency	59,300
3970 Inspector General Consolidation	(12,500)
3982 Administrative Travel Savings/Executive Transport	(28,500)
4000 Provide Comfort/Enhanced Southern Watch	87,300
4010 Supply Management Reform	(8,500)
4040 Civilian Personnel Pay	(116,000)

CONVENTIONAL AMMUNITION MAINTENANCE

The conferees direct that of the funds provided for conventional ammunition care and maintenance, the Army shall expend not less than $300,853,000 for this purpose.

NATIONAL PRESTO

The conferees direct that not less than $15,000,000 be made available in the "Operation and Maintenance, Army" account only for the remediation of environmental contamination at the National Presto Industries, Inc. site in Eau Claire, Wisconsin. These funds are to be made available only for the implementation and execution of the 1988 agreement between the Department of the Army and National Presto Industries, Inc., within sixty days of the enactment of this Act and without being made subject to any studies, reports or other pre-conditions that would in any way delay or obstruct the obligation and disbursal of the funds. The conferees are satisfied that sufficient studies of this matter already have been done.

LIFE SCIENCES EQUIPMENT LABORATORY

The conferees direct that the Army shall make available $500,000 to the Life Sciences Equipment Laboratory at Kelly AFB, Texas, for work in support of the Joint Task Force—Full Accounting.

FORT WAINWRIGHT EMERGENCY REPAIRS

The conferees agree to provide $8,000,000 of available funds, for emergency repairs for the Fort Wainwright Central Heat and Power Plant.

CONTRACTOR-OPERATED PARTS STORES (COPARS)

The conferees are concerned by the issues raised in a recent GAO study of the COPARS program questioning the methodology used by certain military commanders to justify the use of alternative approaches. The conferees direct the services to suspend all efforts directed toward the elimination of COPARS unless and until economic analyses are approved that clearly show other alternatives to be more cost-effective. Such economic analyses must compare like items of cost (including labor and overhead costs of any COPARS alternative) and must fully address the concerns about earlier analyses cited in the GAO report. To ensure the fairness and objectivity of any such analysis, the conferees direct the Secretary to designate a single point of contact within the Office of the Secretary of Defense for approval of study methodology and any final recommendations.

OPERATION AND MAINTENANCE, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
4150	Operation and maintenance, Navy.				
4200	Budget Activity 1: Operating forces.				
4250	Air operations.				
4300	Mission and other flight operations	1,788,301	1,788,301	1,788,301	1,796,301
4350	Fleet air training	627,871	627,871	642,166	642,166
4400	Intermediate maintenance	68,070	68,070	68,070	68,070
4450	Air operations and safety support	59,060	59,060	59,060	59,060
4500	Air depot maintenance	489,443	539,443	489,443	514,443
4550	Aircraft depot operations support	28,232	28,232	28,232	28,232
4600	Base support	1,205,651	1,233,151	1,217,651	1,205,651
4700	Ship operations.				
4750	Mission and other ship operations	1,885,234	1,885,234	1,885,234	1,885,234
4800	Ship operational support and training	462,396	462,396	462,396	462,396
4850	Intermediate maintenance	401,812	401,812	401,812	401,812
4900	Ship depot maintenance	2,261,190	2,331,190	2,411,190	2,411,190
4950	Ship depot operations support	758,320	758,320	758,320	758,320
5000	Base support	1,110,058	1,137,558	1,121,058	1,110,058
5100	Combat operations/support.				
5150	Combat communications	198,415	198,415	198,415	198,415
5200	Electronic warfare	7,396	7,396	7,396	7,396
5250	Space systems and surveillance	153,881	153,881	153,881	153,881
5300	Warfare tactics	138,256	138,256	138,256	138,256
5350	Operational meteorology and oceanography	198,719	198,719	198,719	198,719
5400	Combat support forces	339,888	339,888	339,888	339,888
5450	Equipment maintenance	145,820	145,820	145,820	145,820
5500	Depot operations support	1,127	1,127	1,127	1,127
5550	Base support	398,298	398,298	398,298	398,298
5650	Weapons support.				
5700	Cruise missile	96,656	96,656	96,656	96,656
5750	Fleet ballistic missile	788,463	788,463	788,463	788,463
5800	In-service weapons systems support	25,945	25,945	25,945	25,945
5850	Weapons maintenance	401,879	401,879	401,879	401,879
5900	Base support	111,176	111,176	111,286	111,176
6000	DBOF support	695,100		695,100	595,100
6100	Total, budget activity 1	14,846,657	14,336,557	15,039,042	14,948,952

[In thousands of dollars]

		Budget	House	Senate	Conference
6150	Budget activity 2: Mobilization.				
6200	Ready reserve and prepositioning forces.				
6250	Ship prepositioning and surge	511,034	511,034	511,034	511,034
6350	Activations/inactivations.				
6400	Aircraft activations/inactivations	7,215	7,215	7,215	7,215
6450	Ship activations/inactivations	472,386	472,386	472,386	472,386
6550	Mobilization preparedness.				
6600	Fleet hospital program	16,162	16,162	16,162	16,162
6650	Industrial readiness	1,917	1,917	1,917	1,917
6700	Coast Guard support	21,514	21,514	21,514	21,514
6800	Total, budget activity 2	1,030,228	1,030,228	1,030,228	1,030,228
6850	Budget activity 3: Training and recruiting.				
6900	Accession training.				
6950	Officer acquisition	66,755	66,755	66,755	66,755
7000	Recruit training	4,667	4,667	4,667	4,667
7050	Reserve Officers Training Corps (ROTC)	64,836	64,836	64,836	64,836
7100	Base support	112,811	112,811	112,811	112,811
7200	Basic skills and advanced training.				
7250	Specialized skill training	212,121	222,121	222,121	222,121
7300	Flight training	273,004	273,004	273,004	273,004
7350	Professional development education	61,214	61,214	61,214	61,214
7400	Training support	125,237	125,237	125,237	125,237
7450	Base support	415,830	415,830	419,980	415,830
7550	Recruiting, and other training and education.				
7600	Recruiting and advertising	122,820	128,820	127,820	127,820
7650	Off-duty and voluntary education	54,970	54,970	54,970	54,970
7700	Civilian education and training	22,223	22,223	22,223	22,223
7750	Junior ROTC	24,382	24,382	24,382	24,382
7800	Base support	822	822	822	822
7900	Total, budget activity 3	1,561,692	1,577,692	1,581,342	1,576,692
7950	Budget activity 4: Admin & servicewide activities.				
8000	Servicewide support.				
8050	Administration	605,287	605,287	605,287	605,287
8100	External relations	21,684	21,684	21,684	21,684
8150	Civilian manpower and person management	63,166	59,166	59,166	61,166
8200	Military manpower and person management	139,864	139,864	139,864	139,864
8250	Other personnel support	395,629	395,629	405,629	395,629
8300	Servicewide communications	261,463	261,463	288,463	288,463
8350	Base support	271,900	271,900	274,600	271,900
8500	Logistics operations and technical support.				
8550	Servicewide transportation	147,132	147,132	147,132	147,132
8600	Planning, engineering and design	249,620	249,620	249,620	249,620
8650	Acquisition and program management	426,404	409,404	426,404	412,904
8700	Air systems support	302,011	302,011	302,011	302,011
8750	Hull, mechanical and electrical support	60,022	60,022	60,022	60,022
8800	Combat/weapons systems	41,632	51,632	41,632	51,632
8850	Space and electronic warfare systems	68,111	68,111	68,111	68,111
8900	Base support	158,334	158,334	158,334	158,334
8950	Pentagon renovation transfer			−33,330	−33,330
9000	Security programs.				
9050	Security Programs	556,805	556,805	549,805	549,805
9100	Base support	10,674	10,674	10,674	10,674
9150	Support of other nations.				
9200	International headquarters and agencies	7,395	7,395	7,395	7,395
9250	Total, budget activity 4	3,787,133	3,784,733	3,784,189	3,768,303
9260	Classified programs undistributed		1,000	5,000	1,150
9280	Civilian pay			−12,800	
9310	NSIPS		9,000		9,000
9320	General reduction, national defense stockpile fund	−50,000	−50,000	−50,000	−50,000
9340	Real property maintenance		150,000		155,000
9350	Foreign currency fluctuation		31,900		5,000
9371	Barracks renovation initiative			100,000	
9372	Administrative travel savings			−17,500	−28,500
9400	Printing efficiencies		−4,000	−4,000	−4,000
9410	Inspector General consolidation		−20,000		−20,000
9420	Reduced audits		−10,000	−10,000	−10,000
9430	Transportation improvements		−7,200	−7,200	−7,200
9435	Bulk fuel requirements reduction			−200,000	−100,000
9460	Nexcom 2nd destination transportation		−7,500		−7,500
9470	Civilian understrength		−5,000	−33,000	−17,000
9480	Provide comfort/enhanced southern watch		75,300		75,300
9485	Tomahawk missile recertification		−9,000		−9,000
9490	Supply management reforms		−37,000		−37,000
9580	Total, operation and maintenance, Navy	21,175,710	20,846,710	21,195,301	21,279,425
9590	Transfer	(50,000)	(50,000)	(50,000)	(50,000)
9600	Total funding available	(21,225,710)	(20,896,710)	(21,245,301)	(21,329,425)

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
4300 P-3 Force Structure	8,000
4350 Pacific Missile Range Facility	14,295
4500 Aircraft Depot Maintenance	25,000
4900 Ship Maintenance Availabilities	150,000
5850 Other Weapon Systems Maintenance	5,000
6000 DBOF Support	(100,000)
Budget Activity 3: Training and Recruiting:	
7600 Recruiting and Advertising	5,000
Budget Activity 4: Administration and Servicewide Activities:	
8150 Personnel Management Efficiencies	(2,000)
8300 Challenge Athena	27,000
8650 Acquisition Reform	(17,000)
8650 Reverse Osmosis Desalinators	3,500
8800 AN-UYQ-70	10,000
8950 Pentagon Renovation Transfer	(33,330)
9050 Security Programs (Arms Control)	(7,000)
Other Adjustments:	
9350 Foreign Currency	5,000
9372 Administrative Travel Savings/Executive Transport	(28,500)
9410 Inspector General Consolidation	(20,000)
9435 Bulk Fuel Reduction	(100,000)
9460 NexCom Second Destination Transportation	(7,500)
9470 Civilian Underexecution	(17,000)
9480 Provide Comfort/Enhanced Southern Watch	75,300
9485 Tomahawk Missile Recertification	(9,000)

9490	Supply Management Reforms	(37,000)

REVERSE OSMOSIS DESALINATORS

The conferees agree to provide $3,500,000 under this heading for the purchase and repair and maintenance of reverse osmosis desalinators. Of this amount, $500,000 is directed to the repair and maintenance of existing Navy desalinators. $1,000,000 is directed for the procurement of new desalinators for the Navy, and the remaining $2,000,000 is directed to Navy procurement of desalinators in support of the Air Force.

ASIA-PACIFIC CENTER FOR SECURITY STUDIES

In their respective bills, the House and Senate have each approved the budget request for the Asia-Pacific Center for Security Studies. The conferees note that the Center was dedicated by the Secretary of Defense in August of this year and it continues to receive strong support from the civilian and military leadership of the Defense Department and other nations. The conferees want to express their support for fully funding the requirements of the Center in 1996 and the future.

CSS HUNLEY

The House recedes from its report language regarding the CSS Hunley.

OPERATION AND MAINTENANCE, MARINE CORPS

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
9650	OPERATION AND MAINTENANCE, MARINE CORPS				
9700	BUDGET ACTIVITY 1: OPERATING FORCES				
9750	EXPEDITIONARY FORCES				
9800	OPERATIONAL FORCES	334,133	344,133	334,133	344,133
9850	FIELD LOGISTICS	158,299	158,299	158,299	158,299
9900	DEPOT MAINTENANCE	148,574	173,574	148,574	158,574
9950	BASE SUPPORT	903,013	953,013	922,043	945,013
10050	USMC PREPOSITIONING				
10100	MARITIME PREPOSITIONING	77,416	77,416	96,416	77,416
10150	NORWAY PREPOSITIONING	8,019	8,019	4,019	5,919
10250	TOTAL, BUDGET ACTIVITY 1	1,629,454	1,714,454	1,663,484	1,689,354
10300	BUDGET ACTIVITY 3: TRAINING AND RECRUITING				
10350	ACCESSION TRAINING				
10400	RECRUIT TRAINING	7,343	7,343	7,343	7,343
10450	OFFICER ACQUISITION	268	268	268	268
10500	BASE SUPPORT	66,554	66,554	67,219	66,554
10600	BASIC SKILLS AND ADVANCED TRAINING				
10650	SPECIALIZED SKILLS TRAINING	25,057	35,057	35,057	35,057
10700	FLIGHT TRAINING	165	165	165	165
10750	PROFESSIONAL DEVELOPMENT EDUCATION	5,792	5,792	5,792	5,792
10800	TRAINING SUPPORT	74,964	74,964	74,964	74,964
10850	BASE SUPPORT	69,791	69,791	75,481	69,791
10950	RECRUITING AND OTHER TRAINING EDUCATION				
11000	RECRUITING AND ADVERTISING	61,037	66,037	65,037	65,037
11050	OFF-DUTY AND VOLUNTARY EDUCATION	11,055	11,055	11,055	11,055
11100	JUNIOR ROTC	7,588	7,588	7,588	7,588
11150	BASE SUPPORT	13,496	13,496	13,626	13,496
11250	TOTAL, BUDGET ACTIVITY 3	343,110	358,110	363,595	357,110
11300	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
11350	SERVICEWIDE SUPPORT				
11400	LOGISTICS SUPPORT	95,596	95,596	95,596	95,596
11450	SPECIAL SUPPORT	131,023	139,823	131,023	131,023
11500	SERVICEWIDE TRANSPORTATION	31,931	31,931	31,931	31,931
11550	ADMINISTRATION	28,523	28,523	29,523	28,523
11600	BASE SUPPORT	10,085	10,085	10,185	10,085
11700	TOTAL, BUDGET ACTIVITY 4	297,158	305,958	298,258	297,158
11720	CLASSIFIED PROGRAMS			1,000	500
11740	REAL PROPERTY MAINTENANCE		100,000		60,000
11750	FOREIGN CURRENCY FLUCTUATION		9,400		1,000
11800	INCLEMENT WEATHER GEAR		24,000		
11810	TRANSPORTATION IMPROVEMENTS		−3,100	−3,100	−3,100
11815	BARRACKS RENOVATION INITIATIVES			22,000	
11817	ADMINISTRATIVE TRAVEL SAVINGS			−3,500	−9,500
11950	TOTAL, O&M, MARINE CORPS	2,269,722	2,508,822	2,341,737	2,392,522

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:		
9800	Operating Tempo	10,000
9900	Depot maintenance	10,000
9950	Initial Issue Equipment	16,000
9950	Personnel Support Equipment	25,000
9950	Training Range Environmental Assessment	1,000
10150	Norway Prepositioning	(2,100)
Budget Activity 3: Training and Recruiting:		
11000	Recruiting and Advertising	4,000
Other Adjustments:		
11750	Foreign Currency	1,000
11817	Administrative Travel Savings/Executive Transport	(9,500)

[In thousands of dollars]

		Budget	House	Senate	Conference
12100	OPERATION AND MAINTENANCE, AIR FORCE				
12150	BUDGET ACTIVITY 1: OPERATING FORCES				
12200	AIR OPERATIONS				
12250	PRIMARY COMBAT FORCES	2,684,913	2,829,413	2,664,913	2,713,913
12300	PRIMARY COMBAT WEAPONS	409,701	389,701	389,701	389,701
12350	COMBAT ENHANCEMENT FORCES	257,139	257,139	257,139	257,139
12400	AIR OPERATIONS TRAINING	647,570	652,470	650,570	655,470
12450	COMBAT COMMUNICATIONS	854,442	854,442	846,542	846,542
12500	BASE SUPPORT	2,407,212	2,456,212	2,431,282	2,407,212
12600	COMBAT RELATED OPERATIONS				
12650	GLOBAL C31 AND EARLY WARNING	826,526	834,726	826,526	830,526
12700	NAVIGATION/WEATHER SUPPORT	128,374	128,374	128,374	128,374
12750	OTHER COMBAT OPS SUPPORT PROGRAMS	210,481	210,481	210,481	210,481
12800	JCS EXERCISES	41,793	41,793	41,793	41,793
12850	MANAGEMENT/OPERATIONAL HEADQUARTERS	111,914	111,914	111,914	111,914
12900	TACTICAL INTEL AND OTHER SPECIAL ACTIVITIES	190,613	190,613	190,613	190,613
12950	SPACE OPERATIONS				
13000	LAUNCH FACILITIES	254,590	254,590	254,590	254,590
13050	LAUNCH VEHICLES	117,482	117,482	117,482	117,482
13100	SPACE CONTROL SYSTEMS	341,862	341,862	341,862	341,862

[In thousands of dollars]

		Budget	House	Senate	Conference
13150	SATELLITE SYSTEMS	49,132	49,132	43,832	49,132
13200	OTHER SPACE OPERATIONS	79,989	79,989	79,989	79,989
13250	BASE SUPPORT	402,589	402,589	406,589	402,589
13300	TOTAL, BUDGET ACTIVITY 1	10,016,322	10,202,922	9,994,192	10,029,322
13350	BUDGET ACTIVITY 2: MOBILIZATION				
13400	MOBILITY OPERATIONS				
13450	AIRLIFT OPERATIONS	1,544,785	1,526,785	1,524,785	1,533,785
13500	AIRLIFT OPERATIONS C31	10,961	10,961	10,961	10,961
13550	MOBILIZATION PREPAREDNESS	160,110	160,110	160,110	160,110
13600	PAYMENTS TO TRANSPORTATION BUSINESS AREA	293,027	273,027	273,027	273,027
13650	BASE SUPPORT	514,490	514,490	519,590	514,490
13700	TOTAL, BUDGET ACTIVITY 2	2,523,373	2,485,373	2,488,473	2,492,373
13750	BUDGET ACTIVITY 3: TRAINING AND RECRUITING				
13800	ACCESSION TRAINING				
13850	OFFICER ACQUISITION	49,197	49,197	49,197	49,197
13900	RECRUIT TRAINING	3,881	3,881	3,881	3,881
13950	RESERVE OFFICER TRAINING CORPS (ROTC)	39,226	39,226	39,226	39,226
14000	BASE SUPPORT (ACADEMIES ONLY)	91,666	91,666	91,666	91,666
14100	BASIC SKILLS AND ADVANCED TRAINING				
14150	SPECIALIZED SKILL TRAINING	204,465	214,465	214,465	214,465
14200	FLIGHT TRAINING	336,956	276,956	309,556	326,956
14250	PROFESSIONAL DEVELOPMENT EDUCATION	78,688	78,688	78,688	78,688
14300	TRAINING SUPPORT	65,048	65,048	65,048	65,048
14350	BASE SUPPORT (OTHER TRAINING)	545,451	545,451	550,851	545,451
14450	RECRUITING, AND OTHER TRAINING AND EDUCATION				
14500	RECRUITING AND ADVERTISING	44,827	50,827	49,827	49,827
14550	EXAMINING	3,122	3,122	3,122	3,122
14600	OFF DUTY AND VOLUNTARY EDUCATION	75,537	86,237	75,537	79,537
14650	CIVILIAN EDUCATION AND TRAINING	77,304	77,304	77,304	77,304
14700	JUNIOR ROTC	25,392	25,392	25,392	25,392
14800	TOTAL, BUDGET ACTIVITY 3	1,640,760	1,607,460	1,633,760	1,649,760
14850	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
14900	LOGISTICS OPERATIONS				
14950	LOGISTICS OPERATIONS	790,324	754,324	794,224	754,324
15000	TECHNICAL SUPPORT ACTIVITIES	365,535	365,535	365,535	365,535
15050	SERVICEWIDE TRANSPORTATION	234,836	234,836	234,836	234,836
15100	BASE SUPPORT	889,348	889,348	913,648	889,448
15200	SERVICEWIDE ACTIVITIES				
15250	ADMINISTRATION	118,319	102,819	118,319	112,819
15300	SERVICEWIDE COMMUNICATIONS	318,240	318,240	318,240	318,240
15350	PERSONNEL PROGRAMS	84,766	79,066	84,766	81,766
15400	RESCUE AND RECOVERY SERVICES	40,426	44,826	40,426	44,826
15450	SUBSISTENCE-IN-KIND	48,429	48,429	48,429	48,429
15500	ARMS CONTROL	34,645	34,645	34,645	34,645
15550	OTHER SERVICEWIDE ACTIVITIES	396,155	396,155	396,155	396,155
15600	OTHER PERSONNEL SUPPORT	32,080	32,080	32,080	32,080
15650	CIVIL AIR PATROL CORPORATION	14,704	15,804	16,704	16,704
15700	BASE SUPPORT	248,095	270,295	254,595	248,095
15750	PENTAGON RENOVATION TRANSFER	....	....	–32,730	–32,730
15800	SECURITY PROGRAMS				
15850	SECURITY PROGRAMS	447,218	447,218	439,218	439,218
15900	SUPPORT TO OTHER NATIONS				
15950	INTERNATIONAL SUPPORT	13,022	13,022	13,022	13,022
16000	TOTAL, BUDGET ACTIVITY 4	4,076,142	4,046,642	4,072,112	3,997,412
16010	CLASSIFIED PROGRAMS UNDISTRIBUTED	....	2,000	12,700	15,400
16015	SR–71	....	....	30,000	30,000
16040	CIVILIAN PERSONNEL UNDERSTRENGTH	....	–80,000	–30,000	–72,000
16070	INFORMATION TECHNOLOGY	....	100	....	....
16080	GENERAL REDUCTION, NATIONAL DEFENSE STOCKPILE FUND	–50,000	–50,000	–50,000	–50,000
16100	REAL PROPERTY MAINTENANCE	....	320,000	....	151,000
16110	FOREIGN CURRENCY FLUCTUATION	....	20,600	....	7,200
16160	EDCARS/DSREDS	....	2,000	....	2,000
16170	INSPECTOR GENERAL CONSOLIDATION	....	–11,000	....	–11,000
16180	REDUCED AUDITS	....	–13,000	–13,000	–13,000
16190	PRINTING EFFICIENCIES	....	–3,000	–3,000	–3,000
16192	ADMINISTRATIVE TRAVEL SAVINGS	....	....	–17,500	–28,500
16195	BARRACKS RENOVATION INITIATIVES	....	....	100,000	....
16200	TRANSPORTATION IMPROVEMENTS	....	–15,300	–15,300	–15,300
16230	PROVIDE COMFORT/ENHANCED SOUTHERN WATCH	....	393,200	....	393,200
16235	SUPPLY MANAGEMENT REFORMS	....	–13,600	....	–13,600
16245	OPERATIONAL SUPPORT AIRLIFT	....	–20,604	....	....
16300	TOTAL, O&M, AIR FORCE	18,206,597	18,873,793	18,202,437	18,561,267
16310	TRANSFER	(50,000)	(50,000)	(50,000)	(50,000)
16350	TOTAL FUNDING AVAILABLE	(18,256,597)	(18,923,793)	(18,252,437)	(18,611,267)

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
12250 Air Guard Transfer	(6,200)
12250 Excess Funded Carryover	(27,000)
12250 Mission Readiness Training	25,200
12250 Precision Weapons	1,000
12250 Spares Funding	36,000
12400 Caribbean Basin Radars	3,000
12400 Simulation Enhancements	4,900
12450 Combat Communications Transfer to R&D	(7,900)
12650 Rivet Joint	4,000
Budget Activity 2: Mobilization:	
13450 KC–135s	2,000
13450 Excess Funded Carryover	(13,000)
Budget Activity 3: Training and Recruiting:	
14200 Undergraduate Pilot Training	(10,000)
14500 Recruiting and Advertising	5,000
14600 Tuition Assistance	4,000
Budget Activity 4: Administration and Servicewide Activities:	
14950 Acquisition Reform	(40,000)
14950 B-1 Maintenance	4,000
15100 CAMS/REMIS	100
15250 STRATCOM	2,500
15250 Administrative Efficiencies	(8,000)
15350 Personnel Management Efficiencies	(3,000)
15400 Rescue and Recovery Programs	4,400
15650 Civil Air Patrol	2,000

15750 Pentagon Renovation Transfer	(32,730)
15850 Security Programs (Arms Control)	(8,000)
Other Adjustments:	
16015 SR-71	30,000
16040 Civilian Underexecution	(72,000)
16110 Foreign Currency	7,200
16170 Inspector General Consolidation	(11,000)
16192 Administrative Travel Savings/Executive Transport	(28,500)
16230 Provide Comfort/Enhanced Southern Watch	393,200
16235 Supply Management Reforms	(13,600)

COUNTERDRUG OPERATIONS

The conferees direct that no more than $8,000,000 of available funds are to be used to relocate USSOUTHCOM radars. These funds are intended to augment counterdrug O&M funding and are not to be counted against the fiscal year 1996 appropriated level for counterdrug O&M activities.

ALTERNATIVE POWER DEMONSTRATION

The conferees agree that the report on the demonstration of alternative power sources for Burnt Mountain should be provided to the Committees on Appropriations by September 30, 1997.

OPERATION AND MAINTENANCE, DEFENSE WIDE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
16400	OPERATION AND MAINTENANCE, DEFENSE-WIDE				
16450	BUDGET ACTIVITY 1: OPERATING FORCES				
16500	JOINT CHIEFS OF STAFF	475,977	537,977	480,977	480,977
16550	SPECIAL OPERATIONS COMMAND	1,018,476	1,016,476	1,018,476	1,019,476
16560	PROVIDE COMFORT/ENHANCED SOUTHERN WATCH				10,100
16600	TOTAL, BUDGET ACTIVITY 1	1,494,453	1,566,553	1,499,453	1,510,553
16650	BUDGET ACTIVITY 2: MOBILIZATION				
16700	DEFENSE LOGISTICS AGENCY	26,000	26,000	26,000	26,000
16800	WASHINGTON HEADQUARTERS SERVICES	45,438			
16850	TOTAL, BUDGET ACTIVITY 2	71,438	26,000	26,000	26,000
16900	BUDGET ACTIVITY 3: TRAINING AND RECRUITING				
16950	DEFENSE ACQUISITION UNIVERSITY	112,991	93,991	112,991	101,491
17000	DEFENSE BUSINESS MANAGEMENT UNIVERSITY	19,669	3,969	19,669	19,669
17050	TOTAL, BUDGET ACTIVITY 3	132,660	97,960	132,660	121,160
17100	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
17150	AMERICAN FORCES INFORMATION SERVICE	90,892	90,892	90,892	90,892
17200	CORPORATE INFORMATION MANAGEMENT	127,967	127,967	127,967	127,967
17250	CLASSIFIED AND INTELLIGENCE	3,350,037	3,340,369	3,334,237	3,334,469
17300	DEFENSE CIVILIAN PERSONNEL MANAGEMENT SERVICE	45,631	40,831	45,631	43,231
17350	DEFENSE CONTRACT AUDIT AGENCY	342,926	332,126	342,926	332,126
17400	DEFENSE INVESTIGATIVE SERVICE	201,582	197,682	201,582	199,582
17450	DEFENSE LOGISTICS AGENCY	1,055,996	1,036,696	1,072,996	1,069,696
17455	PROCUREMENT TECHNICAL ASSISTANCE PROGRAM			12,000	
17500	DEFENSE LEGAL SERVICES AGENCY	6,540	6,540	6,540	6,540
17550	DEFENSE MAPPING AGENCY	734,438	695,338	734,438	714,538
17600	DEFENSE NUCLEAR AGENCY	96,105	96,105	96,105	96,105
17650	DEFENSE POW/MIA OFFICE	13,486	13,486	13,486	13,486
17700	FEDERAL ENERGY MANAGEMENT PROGRAM	234,682	120,000	50,000	50,000
17750	DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION	1,292,684	1,168,825	1,293,184	1,306,729
17800	DEFENSE SUPPORT ACTIVITIES	82,562	82,562	82,562	82,562
17850	DEFENSE TECHNOLOGY SECURITY ADMINISTRATION	10,858	10,858	10,858	10,858
17900	JOINT CHIEFS OF STAFF	97,873	97,873	97,873	97,873
17950	OFFICE OF ECONOMIC ADJUSTMENT	59,078	60,578	59,078	60,578
18000	OFFICE OF THE SECRETARY OF DEFENSE	349,291	267,761	324,622	323,922
18100	ON SITE INSPECTION AGENCY	97,987	97,987	85,987	85,987
18150	WASHINGTON HEADQUARTERS SERVICES	308,421	298,821	308,421	298,821
18155	PENTAGON RENOVATION TRANSFER			−50,830	108,020
18200	TOTAL, BUDGET ACTIVITY 4	8,599,036	8,183,297	8,340,555	8,453,982
18250	BUDGET ACTIVITY 5: INTEREST				
18400	BUDGET ACTIVITY 6: CAPITAL LEASE				
18450	DEFENSE BUSINESS MANAGEMENT UNIVERSITY	69,195			
18510	CIVILIAN PAY			−74,400	
18530	CIVILIAN PERSONNEL UNDERSTRENGTH		−60,000	−57,700	−45,000
18550	INFORMATION TECHNOLOGY		112,000		12,000
18570	JOINT MARKET RESEARCH PROGRAM		2,000		2,000
18590	FOREIGN CURRENCY FLUCTUATION		24,200		6,400
18610	IMPACT AID		35,000		35,000
18640	TRANSPORTATION IMPROVEMENTS		−18,200		
18650	TRAVEL RE-ENGINEERING		−10,000	−22,500	−33,500
18690	GENERAL REDUCTION			−40,000	
18700	TRAVEL REDUCTION		−50,000		
18710	COAST GUARD TRANSFER				300,000
18750	TOTAL, O&M, DEFENSE-WIDE	10,366,782	9,908,810	9,804,068	10,388,595

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
16500 Northern Edge	5,000
16550 Seal Delivery Vehicle Team One	1,000
16560 Provide Comfort/Enhanced Southern Watch	10,100
Budget Activity 3: Training and Recruiting:	
16950 DAU/Defense Systems Management College	(11,500)
Budget Activity 4: Administration and Servicewide Activities:	
17300 Defense Civilian Personnel Management Service	(2,400)
17350 Defense Contract Audit Agency	(10,800)
17400 Defense Investigative Service	(2,000)
17450 DLA, Acquisition Reform	(10,700)
17450 DLA, Security Locks	15,000
17450 DLA, Homeless Initiative	(2,600)
17450 DLA, Procurement Technical Assistance	12,000
17550 DMA, Minor Equipment	(13,800)
17550 DMA, Internet Access	(600)
17550 DMA, Productivity Improvements	(4,500)
17550 DMA, Personnel Regionalization	(1,000)
17700 Federal Energy Management Program	(184,682)
17750 DoDDS Administrative Overhead	(10,000)
17750 New Parent Support Program	25,600
17750 Relocation Assistance Program	(2,055)
17750 DoDDS Mathematics Teachers Leadership Project	500
17950 Office of Economic Adjustment	1,500
18000 OSD, Mobility Enhancements	41,000

18000 OSD, DFAS Efficiencies	(20,000)
18000 OSD, Management Efficiencies	(24,669)
18000 OSD, Acquisition Reform	(400)
18000 OSD, Staffing Reductions	(6,400)
18000 OSD, Acquisition Program Growth	(4,200)
18000 OSD, Consulting Services Growth	(20,700)
18000 OSD, Joint Recruiting and Advertising Program	10,000
18100 OSIA (Arms Control)	(12,000)
18150 WHS, Inventory Growth	(9,600)
18155 Pentagon Renovation Transfer	108,020
Other Adjustments:	
18530 Civilian Underexecution	(45,000)
18550 Information Technology	12,000
18570 Joint Market Research Program	2,000
18590 Foreign Currency	6,400
18610 Impact Aid	35,000
18650 Travel Efficiencies/Executive Transport	(33,500)
18710 Coast Guard Defense Missions	300,000

JOINT ANALYSIS MODEL IMPROVEMENT PROGRAM

The conferees agree that, of the funds provided, $11,200,000 shall be made available for the Joint Analysis Model Improvement Program.

PENTAGON RENOVATION

The conferees direct that the Pentagon renovation funding be consolidated in the Operation and Maintenance, Defense-wide account. The conferees have provided a total of $108,020,000 for the Pentagon renovation.

TROOPS TO COPS AND TEACHERS

The Senate included language providing $52,000,000 to continue the Troops to Cops and Troops to Teachers programs. The conferees have deleted this language. The conferees expect the Defense Department to consider using existing resources within this appropriation, if available, to continue these programs.

TRANSITION ASSISTANCE PROGRAM AND RELOCATION ASSISTANCE PROGRAM

The conferees agree to provide $49,300,000 for the Transition Assistance Program and $18,504,000 for the Relocation Assistance Program for fiscal year 1996. However, the conferees are concerned that these programs have become permanent entities, even though they were initiated to provide service members and their families with separation and relocation assistance resulting from the drawdown. At the end of fiscal year 1996, the Department of Defense will have largely completed its downsizing effort. Accordingly, the conferees direct the Department to report to the Defense Committees no later than March 1, 1996, on phasing out these programs, and what, if any residual level of continued resourcing is required.

OPERATION AND MAINTENANCE, ARMY RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
18900	OPERATION AND MAINTENANCE, ARMY RESERVE				
18950	BUDGET ACTIVITY 1: OPERATING FORCES				
19000	MISSION OPERATIONS				
19050	BASE SUPPORT	284,036	284,036	284,036	284,036
19100	DEPOT MAINTENANCE	57,377	57,377	57,377	57,377
19150	RECRUITING AND RETENTION	43,963	43,963	43,963	43,963
19200	TRAINING OPERATIONS	573,414	606,414	573,414	606,414
19250	TOTAL, BUDGET ACTIVITY 1	958,790	991,790	958,790	991,790
19300	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
19350	ADMINISTRATION AND SERVICEWIDE ACTIVITIES				
19400	INFORMATION MANAGEMENT	17,492	17,492	17,492	17,492
19450	PUBLIC AFFAIRS	423	423	423	423
19500	PERSONNEL ADMINISTRATION	61,941	61,941	61,941	61,941
19550	STAFF MANAGEMENT	29,945	29,945	29,945	29,945
19600	TOTAL, BUDGET ACTIVITY 4	109,801	109,801	109,801	109,801
19650	REAL PROPERTY MAINTENANCE		17,000		17,000
19660	MILITARY/CIVILIAN TECHNICIAN RESTORATION		5,000		5,000
19680	RESERVE COMPONENT AUTOMATION SYSTEM		−4,400		−4,400
19685	TRANSITION BENEFITS			−279	
19850	TOTAL, O&M, ARMY RESERVE	1,068,591	1,119,191	1,068,312	1,119,191

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
19200 Training operations	33,000
Other adjustments:	
19650 Real property maintenance	17,000
19660 Military/civilian technician restoration	5,000
19680 Reserve component automation system	−4,400
Total adjustments	+50,600

OPERATION AND MAINTENANCE, NAVY RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
20000	Operation and maintenance, Navy Reserve				
20050	Budget activity 1: Operating forces				
20100	Reserve air operations				
20150	Mission and other flight operations	291,673	291,673	291,673	291,673
20175	P–3 squadron operations				6,000
20200	Intermediate maintenance	17,813	17,813	17,813	17,813
20250	Air operation and safety support	1,915	1,915	1,915	1,915
20300	Aircraft depot maintenance	49,338	59,338	49,338	54,338
20350	Aircraft depot OPS support	356	356	356	356
20400	Base support	130,854	130,854	130,854	130,854
20450	Reserve Ship operations				
20500	Mission and other ship operations	60,895	60,895	60,895	60,895
20550	Ship operational support and training	658	658	658	658
20600	Intermediate maintenance	23,990	23,990	23,990	23,990
20650	Ship depot maintenance	70,930	70,930	70,930	70,930
20700	Ship depot operations support	1,467	1,467	1,467	1,467
20750	Reserve combat operations support				
20800	Combat communications	817	817	817	817
20850	Combat support forces	25,207	25,207	25,207	25,207
20900	Base support	52,410	52,410	52,410	52,410
20950	Reserve weapons support				
21000	Weapons maintenance	5,641	5,641	5,641	5,641
21050	Total, Budget Activity 1	733,964	743,964	733,964	744,964
21100	Budget Activity 4: Admin & servicewide activities				
21150	Administration and servicewide activities				
21200	Administration	8,029	8,029	8,029	8,029
21250	Civilian manpower and personnel management	3,222	3,222	3,222	3,222
21300	Military manpower and personnel management	31,209	31,209	31,209	31,209

[In thousands of dollars]

		Budget	House	Senate	Conference
21400	Servicewide communications	21,247	21,247	21,247	21,247
21450	Base support	25,723	25,723	25,723	25,723
21500	Combat/Weapons systems	2,648	2,648	2,648	2,648
21550	Total, Budget Activity 4	92,078	92,078	92,078	92,078
21580	Real property maintenance		12,000		20,000
21590	NSIPS		9,000		2,500
21600	Operational support airlift		−15,477		
21800	Total, O&M, Navy Reserve	826,042	841,565	826,042	859,542

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
20175 P-3 Squadrons	6,000
20300 Aircraft Depot Maintenance	5,000
Other Adjustments:	
21580 Real Property Maintenance	20,000
21590 NSIPS	2,500
Total Adjustments	+33,500

OPERATION AND MAINTENANCE MARINE CORPS RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
21950	OPERATION AND MAINTENANCE, MARINE CORPS RESERVE				
22000	BUDGET ACTIVITY 1: OPERATING FORCES				
22050	MISSION FORCES				
22100	TRAINING	13,617	14,517	13,617	14,517
22150	OPERATING FORCES	21,237	27,637	21,237	25,637
22200	BASE SUPPORT	18,059	18,059	18,059	18,059
22250	DEPOT MAINTENANCE	2,322	3,722	2,322	3,322
22350	TOTAL, BUDGET ACTIVITY 1	55,235	63,935	55,235	61,535
22400	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
22450	ADMINISTRATION AND SERVICEWIDE ACTIVITIES				
22500	RECRUITING AND ADVERTISING	7,609	7,609	7,609	7,609
22550	SPECIAL SUPPORT	9,064	9,064	9,064	9,064
22600	SERVICEWIDE TRANSPORTATION	5,381	5,381	5,381	5,381
22650	ADMINISTRATION	6,274	6,274	6,274	6,274
22700	BASE SUPPORT	6,720	11,020	6,720	8,920
22750	TOTAL, BUDGET ACTIVITY 4	35,048	39,348	35,048	37,248
22770	REAL PROPERTY MAINTENANCE		1,500		1,500
22780	OPERATIONAL SUPPORT AIRLIFT		−2,704		
23000	TOTAL, O&M, MARINE CORPS RESERVE	90,283	102,079	90,283	100,283

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
22100 Training	900
22150 Operating Forces	4,400
22250 Depot Maintenance	1,000
Budget Activity 4: Admin & Servicewide Activities:	
22700 Base Support	2,200
Other Adjustments:	
22770 Real Property Maintenance	1,500
Total Adjustments	+10,000

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
23150	OPERATION AND MAINTENANCE, AIR FORCE RESERVE				
23200	BUDGET ACTIVITY 1: OPERATING FORCES				
23250	AIR OPERATIONS				
23300	AIRCRAFT OPERATIONS	1,103,593	1,115,433	1,103,593	1,115,433
23350	MISSION SUPPORT OPERATIONS	35,073	35,073	35,073	35,073
23400	BASE SUPPORT	282,248	282,248	282,248	282,248
23550	TOTAL, BUDGET ACTIVITY 1	1,420,914	1,432,754	1,420,914	1,432,754
23600	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
23650	ADMINISTRATION AND SERVICEWIDE ACTIVITIES				
23700	ADMINISTRATION	33,107	33,107	33,107	33,107
23750	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	17,746	17,746	17,746	17,746
23800	RECRUITING AND ADVERTISING	7,743	7,743	7,743	7,743
23850	OTHER PERSONNEL SUPPORT	5,063	6,063	6,063	6,063
23900	AUDIOVISUAL	374	374	374	374
24000	TOTAL, BUDGET ACTIVITY 4	65,033	65,033	65,033	65,033
24030	REAL PROPERTY MAINTENANCE	—	13,500	—	13,500
24040	MILITARY/CIVILIAN TECHNICIAN RESTORATION	—	8,000	—	8,000
24250	TOTAL, O&M, AIR FORCE RESERVE	1,485,947	1,519,287	1,485,947	1,519,287

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
23300 Aircraft Operations	11,840
Other Adjustments:	
24030 Real Property Maintenance	13,500

24040 Military/Civilian Technician Restoration	8,000
Total Adjustments	+33,340

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
24400	OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD				
24450	BUDGET ACTIVITY 1: OPERATING FORCES				
24500	MISSION OPERATIONS				
24550	TRAINING OPERATIONS	1,720,134	1,760,134	1,720,134	1,760,134
24600	RECRUITING AND RETENTION	20,110	20,110	20,110	20,110
24650	MEDICAL SUPPORT	19,109	19,109	19,109	19,109
24700	DEPOT MAINTENANCE	100,687	100,687	100,687	100,687
24750	BASE SUPPORT	250,378	250,378	252,978	252,978
24800	TOTAL, BUDGET ACTIVITY 1	2,110,418	2,150,418	2,113,018	2,153,018
24850	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
24900	ADMINISTRATION AND SERVICEWIDE ACTIVITIES				
24950	INFORMATION MANAGEMENT	59,496	29,396	59,496	44,596
25000	PUBLIC AFFAIRS	1,461	1,461	1,461	1,461
25050	PERSONNEL ADMINISTRATION	89,665	89,665	89,665	89,665
25100	STAFF MANAGEMENT	43,068	43,068	43,068	43,068
25150	TOTAL, BUDGET ACTIVITY 4	193,690	163,590	193,690	178,790
25180	REAL PROPERTY MAINTENANCE		21,000	100,000	100,000
25190	MILITARY/CIVILIAN TECHNICIAN RESTORATION		9,000		9,000
25195	TRANSITION BENEFITS			−45,000	
25200	OPERATIONAL SUPPORT AIRLIFT		−9,521		
25400	TOTAL, O&M, ARMY NATIONAL GUARD	2,304,108	2,334,487	2,361,708	2,440,808

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
24550 Training Operations	40,000
24750 Base Support	2,600
Budget Activity 4: Admin & Servicewide Activities:	
24950 Information Management	−14,900
Other Adjustments:	
25180 Real Property Maintenance	100,000
25190 Military/Civilian Technician Restoration	9,000
Total Adjustments	+136,700

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
25550	OPERATION AND MAINTENANCE, AIR NATIONAL GUARD				
25600	BUDGET ACTIVITY 1: OPERATING FORCES				
25650	AIR OPERATIONS				
25700	AIRCRAFT OPERATIONS	1,977,786	1,979,286	2,005,186	2,006,686
25750	MISSION SUPPORT OPERATIONS	346,687	346,687	246,687	346,687
25800	BASE SUPPORT	361,224	361,224	361,224	361,224
25850	DEPOT MAINTENANCE	18,410	19,910	18,410	19,910
25950	TOTAL, BUDGET ACTIVITY 1	2,704,107	2,707,107	2,731,507	2,734,507
26000	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
26050	SERVICEWIDE ACTIVITIES				
26100	ADMINISTRATION	3,127	3,127	3,127	3,127
26150	RECRUITING AND ADVERTISING	4,987	4,987	4,987	4,987
26200	TOTAL, BUDGET ACTIVITY 4	8,114	8,114	8,114	8,114
26230	REAL PROPERTY MAINTENANCE		15,000		15,000
26240	MILITARY/CIVILIAN TECHNICIAN RESTORATION		7,000		18,500
26245	TRANSITION BENEFITS			−15,600	
26450	TOTAL, O&M, AIR NATIONAL GUARD	2,712,221	2,737,221	2,724,021	2,776,121

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
25700 Aircraft Operations	28,900
25850 Depot Maintenance	1,500
Other Adjustments:	
26230 Real Property Maintenance	15,000
26240 Military/Civilian Technician Restoration	18,500
Total Adjustments	+63,900

ENVIRONMENTAL RESTORATION, DEFENSE

The conferees agree to provide $1,422,200,000 for Environmental Restoration, Defense.

ENVIRONMENTAL REMEDIATION

The conferees support the "relative risk" approach to environmental remediation and expect the Department to make sure the most hazardous sites receive primary attention. While the conferees believe that all bases—those closing and those remaining open—must meet environmental standards the Department must not let ongoing environmental clean-up efforts preclude reuse opportunities at closing military installations. In these cases, the Department should work aggressively and innovatively with State and local officials to lower clean-up costs and to be sure environmental issues do not make it harder for affected communities to recover from losing a military installation.

SUMMER OLYMPICS

The conference agreement recommends an appropriation of $15,000,000 as proposed by the House and Senate for support of the 1996 Games of the XXVI Olympiad.

OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID

The conferees agree to provide $50,000,000 for these functions of which $20,000,000 is specifically earmarked for training and activities related to the clearing of landmines for humanitarian purposes.

The conferees also agree to the House recommendation to consolidate all funds for humanitarian, disaster, and civil aid into a single account.

FORMER SOVIET UNION THREAT REDUCTION

The conferees agree to provide $300,000,000 for the Former Soviet Union Threat Reduction program, a reduction of $71,000,000 from the budget request. Funding provided at the subprogram level appears in the following table:

[In millions of dollars]

Program	Budget	House	Senate	Conference
Nuclear Arms Reduction	$167.5	$167.5	$167.5	$167.5
Defense Enterprise Fund	40	0	0	0
Chemical Weapons Destruction	104	0	104	79
Fissile Material	29	6	29	29
Other	30.5	26.5	24.5	24.5

[In millions of dollars]

Program	Budget	House	Senate	Conference
Total	371	200	325	300

Although no new funds are provided for the Defense Enterprise Fund, the conferees agree that up to $200,000,000 of previously appropriated funds may be expended to administer the continued operation of the Defense Enterprise Fund program currently underway.

The conferees have included two general provisions regarding the Former Soviet Union Threat Reduction program involving the limitation on expenditures of funds for the Chemical Weapons Destruction program and a prohibition on providing funds for housing for current or former Soviet military officers.

TITLE III

PROCUREMENT

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
SUMMARY				
ARMY:				
AIRCRAFT	1,223,067	1,468,067	1,498,623	1,558,805
MISSILES	676,430	842,830	846,555	865,555
WEAPONS, TRACKED COMBAT VEHICLES	1,298,986	1,616,964	1,396,264	1,652,745
AMMUNITION	795,015	1,019,315	1,090,891	1,110,685
OTHER	2,256,601	2,570,125	2,760,002	2,769,443
TOTAL, ARMY	6,250,099	7,517,301	7,592,335	7,957,233
NAVY:				
AIRCRAFT	3,886,488	4,310,703	4,897,393	4,589,394
WEAPONS	1,787,121	1,736,211	1,771,421	1,669,827
AMMUNITION		483,779		430,053
SHIPS	5,051,935	5,577,958	7,062,001	6,643,958
OTHER	2,396,080	2,480,670	2,394,260	2,503,581
MARINE CORPS	474,116	480,852	597,139	458,947
TOTAL, NAVY	13,595,740	15,070,173	16,722,214	16,295,760
AIR FORCE:				
AIRCRAFT	6,183,886	7,140,703	7,163,258	7,367,983
MISSILES	3,647,711	3,223,265	3,550,192	2,943,931
AMMUNITION		321,328		338,800
OTHER	6,804,696	6,508,425	6,540,951	6,284,230
TOTAL, AIR FORCE	16,636,293	17,193,721	17,254,401	16,934,944
DEFENSE-WIDE	2,179,917	2,187,085	2,114,824	2,124,379
NATIONAL GUARD AND RESERVE EQUIPMENT		908,125	777,000	777,000
TOTAL PROCUREMENT	38,662,049	42,876,405	44,460,774	44,089,316

JOINT FORCES COMMAND, CONTROL AND COMMUNICATIONS

The conferees understand the importance of interoperability for joint forces in war and peacetime and have provided an additional $103,300,000 to correct critical deficiencies. However, through testimony from the Vice Chairman, Joint Chiefs of Staff, Service Chiefs and Commanders in Chief of the various Unified and Specified Commands, the conferees believe that deficiencies in command, control and communications still exist. The conferees encourage the Secretary of Defense to provide adequate resources for joint interoperability initiatives and will entertain reprogramming action that provides additional funds for this purpose.

AMMUNITION AND MISSILE QUANTITIES

The conferees agree the quantities of missiles and ammunition noted in the following tables are to be considered a floor and direct the Department to buy as many units as appropriated funds will allow. In no case shall the Department buy less than the quantities noted in the table unless the congressional defense committees are informed as to why these levels are unachievable.

AIRCRAFT PROCUREMENT, ARMY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Quantity	Conference
AIRCRAFT PROCUREMENT, ARMY					
C–XX (MEDIUM RANGE) AIRCRAFT			23,000	4	23,000
UH–60 BLACKHAWK (MYP)	334,880	334,880	302,962	60	334,880
UH–60 BLACKHAWK (MYP) (AP–CY)		75,000	70,000		70,000
GUARDRAIL MODS (TIARA)	48,969	57,969	48,969		57,969
AH–64 MODS	53,596	53,596	50,596		53,596
LONGBOW	341,968	341,968	418,168		418,168
KIOWA WARRIOR	71,334	211,334	196,334	20	211,334
SPARES AND REPAIR PARTS	49,177	49,177	33,351		34,615
AIRCRAFT SURVIVABILITY EQUIPMENT	22,304	43,304	54,404		54,404

AH–64 MODIFICATIONS

The conferees agree to provide the budget request of $53,596,000 for AH–64 modifications. Of this amount, $3,000,000 shall be used to procure additional embedded global positioning/inertial navigation systems for Apache helicopters.

UH–60

The conferees agree with the Senate language regarding enhanced protection systems. However, in view of the conference agreement to fund a multi-year procurement program for the UH–60, the conferees believe that the House-recommended report on helicopter production strategies is not required.

HIGH CAPACITY AIR AMBULANCE

The conferees are deeply concerned by the failure of the Army to address the need for a High Capacity Air Ambulance (HCAA). The Army Surgeon General has stated that this is one of his highest priorities. The conferees direct the Army to seek an appropriate solution and report the results of the planned joint exercise with the Air Force and National Guard by February 15, 1996. The report should include the feasibility of utilizing C–130s for the HCAA fixed wing requirement, the role of the Army and Air National Guard in this mission, and requirements for the UH–60L and or UH–60Q helicopters for the National Guard in order to accomplish the rotary wing portion of this mission. The conferees direct that, of the funds appropriated for UH–60Ls, the first 9 aircraft to be procured within the Aircraft Procurement, Army appropriation will be assigned to the National Guard.

MISSILE PROCUREMENT, ARMY

The conference agreement is as follows:

	Budget	House	Senate	Quantity	Conference
MISSILE PROCUREMENT, ARMY					
HELLFIRE SYS SUMMARY	209,460	249,460	246,685	750	246,685

	Budget	House	Senate	Quantity	Conference
JAVELIN (AAWS–M) SYSTEM SUMMARY	171,428	210,428	206,928	1,010	206,928
TOW 2 SYSTEM SUMMARY	7,378	7,378	27,378	1,000	12,378
LRS LAUNCHER SYSTEMS	48,158	64,558	64,558	29	98,558
STINGER MODS	10,095	20,095	10,095	—	10,095

TOW 2 MISSILES

The conferees agree to provide $12,378,000 for TOW 2 missiles, an increase of $5,000,000 to modify the capstan block of existing TOW 2 missiles.

MULTIPLE LAUNCH ROCKET SYSTEM LAUNCHERS

The conferees agree to provide $98,588,000 for multiple launch rocket system launchers, an increase of $50,400,000 only for the refurbishment of existing launchers which are to be transferred to the national guard.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Quantity	Conference
Procurement of W&TCV, Army					
Armored Gun System (AGS)	141,551	141,551	141,551	26	147,551
M1 Abrams Tank Series (MYP)			15,000		3,000
Carrier, MOD	48,067	49,667	48,067		49,667
BFVS Series (MOD)	74,336	74,336	88,336		88,336
Howitzer, MED SP FT 155MM M109A6 (MOD)	220,239	320,039	220,239		302,039
M1 Abrams Tank (MOD)	77,076	46,754	51,754		51754
Abrams Upgrade Program	340,911	340,911	340,911		450,911
Abrams Upgrade Program (MCP)		110,000			
Production Base Support (TCV-WTCV)	11,619	11,619	4,019		5,500
FAASV		44,000			44,000
Machine Gun, 5.56MM (SAW)		28,500	12,500		28,500
Grenade Launcher, Auto 40MM, MK19–3		20,000	33,900		33,900
M16 Rifle		13,500	6,500		13,500
Medium Machine Gun		6,500	5,900		6,500

TEST EQUIPMENT

The conferees agree to provide $15,000,000 for Direct Support Electronic System Test Sets (DSESTS). The funding is appropriated as follows:

	Conference
Armored Gun System	$6,000,000
Abrams Tank Series	3,000,000
Combat Vehicle Improvement Program (RDT&E,A)	6,000,000

PROCUREMENT OF AMMUNITION, ARMY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
PROCUREMENT OF AMMUNITION, ARMY					
CTG, 7.62MM, ALL TYPES	2,573	2,573	12,573		7,573
CTG, 25MM, ALL TYPES	35,139	45,139	70,139		70,139
SPECIAL PURPOSE AMMUNITION					6,000
CTG MORTAR 60MM 1/10 PRAC M766		3,600			3,600
CTG MORTAR 81MM PRAC 1/10 RANGE M880		6,600			6,600
CTG MORTAR 120MM SMOKE XM929 W/MO FUZE	47,704	69,704	67,704	44	67,704
CTG ARTY 75MM BLANK M337A1	3,749	3,749		102	1,500
PROJ ARTY 155MM SMOKE WP M825	10,607	10,607	5,132		5,132
PROJ ARTY 155MM SADARM XM898	24,284	24,284	42,284	77	42,284
MINE AT/AP M87 (VOLCANO)			30,000		30,000
DEMOLITION MUNITIONS, ALL TYPES	26,269	26,269	32,269		32,269
PROVISION OF INDUSTRIAL FACILITIES	41,906	66,906	41,906		44,000
LAYAWAY OF INDUSTRIAL FACILITIES	13,663	23,663	13,663		18,663
ARMAMENT RETOOLING & MANUFACTURING SUPPORT (ARMS)			45,000		45,000
CONVENTIONAL AMMO DEMILITARIZATION	96,280	106,280	100,280		100,280

SPECIAL PURPOSE AMMUNITION

The conferees agree to provide $6,000,000 for special purpose ammunition. The increase is to be allocated as follows:

	Conference
7.62MM (XM993)	$2,000,000
5.56MM (XM995)	2,000,000
.50 caliber (MK211)	2,000,000

CTG 120 MM HEAT M830A1

The conferees direct the Army to procure 120MM HEAT M830A1 tank rounds with the $15,000,000 appropriated in fiscal year 1994 for AT–4 modifications.

OTHER PROCUREMENT, ARMY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
OTHER PROCUREMENT, ARMY					
HI MOB MULTI-PURP WHLD VEH (HMMMV) (MYP)	57,690	109,690	129,690	546	129,690
FAMILY OF HEAVY TACTICAL VEHICLES (MYP)	596	100,596	125,596		125,596
MEDIUM TRUCK EXTENDED SVC PGM (ESP) (PREVS)			30,000		20,000
NAVSTAR GLOBAL POSITIONING SYSTEM	32,502	50,002	32,502	15,025	50,002
STD THEATER CMD & CONTROL SYS (STACCS)	14,526	14,526	17,826		14,526
SINCGARS FAMILY	310,620	310,620	364,720		364,720
EAC COMMUNICATIONS	5,896	5,896	45,896		45,896
INFORMATION SYSTEMS	64,142	40,142	64,142		52,142
DEFENSE MESSAGE SYSTEM (DMS)	7,963	7,963	10,763		7,963
LOCAL AREA NETWORK (LAN)	61,547	41,547	61,547		51,547
GENERAL DEFENSE INTELL PROG (GDIP)	29,409	24,188	29,409		24,188
ALL SOURCE ANALYSIS SYS (ASAS) (TIARA)	9,886	9,886	16,266		9,886
IEW—GND BASE COMMON SENSORS (TIARA)	46,937	46,937			46,937
JOINT STARS (ARMY) (TIARA)	82,984	99,484	82,984		82,984
NIGHT VISION DEVICES	77,132	77,132	85,132		85,132
ADV FIELD ARTILLERY TACT SYS (AFATDS)	30,897	29,397	30,897	221	29,397
FAAD C2	32,942	40,342	32,942	5	40,342
MANEUVER CONTROL SYSTEM (MCS)	13,808	13,808	18,808	152	18,808
AUTOMATED DATA PROCESSING EQUIP	132,751	130,351	132,751		138,751
RESERVE COMPONENT AUTOMATION SYS (RCAS)	83,174	113,174	83,174		83,174
INTEGRATED FAMILY OF TEST EQUIP (IFTE)	26,449	46,449	26,449		44,949
LAB PETROLEUM MODULAR BASE	2,786	2,786		1	2,786
ITEMS LESS THAN $2.0M (POL)	5,537	5,537	3,237		4,700
COMBAT SUPPORT MEDICAL	14,310	8,810	14,310		14,310

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
PUSHER TUG, SMALL	3,576	3,576		1	3,576
ITEMS LESS THAN $2.0M (FLOAT/RAIL)	3,602	2,602	3,602		2,602
GENERATORS AND ASSOCIATED EQUIP	13,761	8,761	48,761		13,761
TRAINING DEVICES, NONSYSTEM	71,561	71,561	76,061		76,061
SIMNET/CLOSE COMBAT TACTICAL TRAINER	30,655		30,655		30,655
MODIFICATION OF IN-SVC EQUIPMENT (OPA-3)	21,911	14,411	21,911		14,411

NAVSTAR GLOBAL POSITIONING SYSTEM

The conferees agree to provide $32,502,000 for the Navstar Global Positioning System, an increase of $17,500,000 to complete the installation of global positioning systems on all Army active and reserve aircraft. The conferees direct that priority installation be given to the 1/207th Aviation Regiment because of their unique search and rescue mission in remote areas.

JSTARS GROUND STATIONS

The conferees do not agree on the transfer language for JSTARS ground stations from the Army to the Marine Corps. The conferees have provided funds in the Procurement, Marine Corps appropriation for JSTARS ground stations.

Aircraft Procurement Navy

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
AIRCRAFT PROCUREMENT, NAVY					
EA–6B/REMFG (ELECTRONIC WARFARE) PROWLER			140,000		
AV–8B (V/STOL) HARRIER	148,163	308,163	229,414	8	229,414
F/A–18C/D (FIGHTER) HORNET	609,904	583,204	1,096,869	18	822,669
F/A–18C/D (FIGHTER) HORNET (AP–CY)			86,459		
AH–1W (HELICOPTER) SEA COBRA	10,385	75,000	10,385	6	75,000
T–39N			45,000	17	45,000
EA–6 SERIES			65,000		165,000
F–14 SERIES	59,047	59,047	76,147		107,522
H–1 SERIES	54,530	66,530	71,530		71,530
P–3 SERIES	178,557	217,857	182,557		217,357
TRAINER A/C SERIES	727	45,727	727		727
COMMON ECM EQUIPMENT	4,234	4,234	34,234		24,234
SPARES AND REPAIR PARTS	784,782	784,782	822,912		784,782
COMMON GROUND EQUIPMENT	367,017	397,017	367,017		367,017
AVIATION MULTIYEAR FUND		100,000			

F/A–18C/D HORNET

The conferees agree to provide $822,669,000 for the acquisition of eighteen F/A–18C/D aircraft. The conferees do not agree with the House reduction of funds for procurement of ALR–67(V)3 radar warning receivers.

T–39N

The conferees agree to provide $45,000,000 to purchase 17 T–39N aircraft. The conferees also agree with the House's direction for the Navy to transition to a competitive purchase of services contract for logistical support for the T–39N fleet after aircraft acquisition. However, the conferees direct that this transition should occur at the conclusion of the current T–39N contract, which is due to expire at the end of fiscal year 1998.

EA–6B

The conferees agree to provide $165,000,000 for modifications and improvements to the EA–6B electronic warfare aircraft. The funds are approved for the following purposes: $100,000,000 to modify 20 more aircraft to enable the Navy to support Air Force requirements; $40,000,000 to buy 60 shipsets of Band 9/10 jammer transmitters; and $25,000,000 to buy 30 USQ–113 radio countermeasures sets. The conferees further agree to modify the Senate's direction to use prior year funds for the acquisition of Band 9/10 jammers, which is now not necessary because they have provided sufficient fiscal year 1996 funds to procure these systems. The conferees urge the Navy to buy these systems expeditiously.

P–3 MODIFICATIONS

The conferees agree with the Senate's direction regarding acquisition of the AN/AAQ–22 thermal imaging system and incorporation of that system into the P–3 Antisurface Warfare Improvement Program (AIP).

COMMON ECM EQUIPMENT

The conferees support the use of the LAU–138/A launch rail chaff dispenser system on Navy tactical aircraft as a cost effective means for improving aircrew/aircraft survivability. The conferees direct that these systems be managed as fleet armament equipment pool assets to afford maximum flexibility and cost savings, and that all remaining prior year funds appropriated for these systems be expeditiously applied toward this purpose.

AVIATION MULTIYEAR FUND

The conferees do not agree to provide funds for an Aviation Multiyear Fund as proposed by the House. The Navy is therefore not required to solicit multiyear bids from E–2C, AV–8B, and T–45 manufacturers, although it may do so if circumstances warrant.

Weapons Procurement, Navy

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
WEAPONS PROCUREMENT, NAVY					
TOMAHAWK	161,727	201,727	120,027	164	120,027
AMRAAM	81,691	77,491	77,691	115	77,491
HARPOON	46,368	86,368	46,368	75	86,368
DRONES AND DECOYS			7,000		
TOMAHAWK MODS	684	60,684	684	220	50,000
WEAPONS INDUSTRIAL FACILITIES	13,094	13,094	43,094		43,094
VERTICAL LAUNCHED ASROC (VLA)		14,000			10,000
GENERAL PURPOSE BOMBS	46,142		39,142		
2.75 INCH ROCKETS	14,806		14,806		
MACHINE GUN AMMUNITION	11,469		11,469		
PRACTICE BOMBS	11,195		11,195		
CARTRIDGES & CART ACTUATED DEVICES	17,974		17,974		
AIRCRAFT ESCAPE ROCKETS	10,586		10,586		
AIR EXPENDABLE COUNTERMEASURES	22,828		22,828		
MARINE LOCATION MARKERS	871		871		
JATOS	4,940		4,940		
5 INCH/54 GUN AMMUNITION	21,501		21,501		
CIWS AMMUNITION	93		93		
76MM GUN AMMUNITION	6,432		6,432		
OTHER SHIP GUN AMMUNITION	5,148		5,148		
SMALL ARMS & LANDING PARTY AMMO	5,814		5,814		
PYROTECHNIC AND DEMOLITION	11,253		11,253		
MINE NEUTRALIZATION DEVICES	787		787		
SHIP EXPENDABLE COUNTERMEASURES	8,871		8,871		

Procurement of Ammunition, Navy and Marine Corps

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
PROCUREMENT OF AMMUNITION, NAVY & MARINE CORPS					
GENERAL PURPOSE BOMBS		46,142			43,000
2.75 INCH ROCKETS		14,806			14,806
MACHINE GUN AMMUNITION		11,469			11,469
PRACTICE BOMBS		26,195			19,000
CARTRIDGES & CART ACTUATED DEVICES		17,974			17,974
AIRCRAFT ESCAPE ROCKETS		10,586			10,586
AIR EXPENDABLE COUNTERMEASURES		24,828			24,828
MARINE LOCATION MARKERS		871			871
JATOS		4,940			4,940
5 INCH/54 GUN AMMUNITION		51,701			36,000
CIWS AMMUNITION		93			93
76 MM GUN AMMUNITION		6,432			6,432
OTHER SHIP GUN AMMUNITION		10,148			10,148
SMALL ARMS & LANDING PARTY AMMO		5,814			5,814
PYROTECHNIC AND DEMOLITION		11,253			11,253
MINE NEUTRALIZATION DEVICES		787			787
SHIP EXPENDABLE COUNTERMEASURES		8,871			8,871
5.56 MM, ALL TYPES		28,487			28,487
7.62 MM, ALL TYPES		12,082			12,082
.50 CALIBER		66,688			45,000
40 MM, ALL TYPES		3,939			3,939
60 MM HE M888		9,855			9,855
81 MM HE		4,724			4,724
81 MM, HE, M889A1					10,000
81 MM SMOKE SCREEN		5,445			5,445
81 MM ILLUMINATION (XM816)		6,700			6,700
120 MM TPCSDS–T M865		8,902			8,902
120 MM TP–T M831		3,314			3,314
155 MM CHG. PROP. RED BAG		32,00			16,000
FUZE, ET, XM762		10,000			10,000
CTG 25MM, ALL TYPES		6,724			6,724
9 MM ALL TYPES		2,979			2,979
ROCKETS, ALL TYPES		7,034			7,034
AMMO MODERNIZATION		9,611			9,611
GRENADES, ALL TYPES		1,174			1,174
ITEMS LESS THAN $2 MIL		11,211			11,211

5 INCH/54 GUN AMMUNITION

The conferees agree to provide $36,000,000, an increase of $14,499,000 only for 5 inch/54 gun ammunition. Despite Congressional direction to correct the requirements process and provide adequate funding for fleet training ammunition, the Navy has chosen once again to provide insufficient funding. The conferees direct the Secretary of Navy to ensure that adequate funding is provided in subsequent budget requests for fleet training ammunition.

SHIPBUILDING AND CONVERSION, NAVY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
SHIPBUILDING & CONVERSION, NAVY.					
SSN–21	1,507,477		700,000	1	700,000
NEW SSN (AP–CY) (NO. 2)			100,000		100,000
ENHANCED SSN CAPABILITY		1,000,000			
DDG–51	2,162,457	2,162,457	3,580,000	2	2,162,457
LHD–7 AMPHIBIOUS ASSAULT SHIP (MYP (AP–CY)			1,300,000		1,300,000
LPD–17		974,000		1	974,000
FAST PATROL CRAFT		9,500			9,500
T–AGS 64		70,000			16,000
LSD–52 SELF DEFENSE					20,000
OUTFITTING	144,791	134,791	144,791		134,791
POST DELIVERY	174,991	164,991	174,991		164,991

DDG–51

The conferees agree with the House recommendation of $2,162,457,000 for the DDG–51 program, which will procure two destroyers. The conferees further provide legislative authority for the Secretary of the Navy to negotiate contracts for two additional DDG–51 class destroyers, and to award the contracts for those vessels on October 1, 1996. The conferees believe this acquisition strategy will generate increased economies of scale and stability for the Navy and the shipbuilding industrial base.

LPD–17 RCS ENGINEERING SUPPORT

The conferees note that as a result of the Base Realignment and Closure decisions, the Navy has reorganized and consolidated its Radio Communications Systems (RCS) engineering, production, testing, integration and training support activities. In assigning RCS engineering support workload for the LPD–17 class of ships, the conferees expect that the Navy will assign such workload to the most appropriate facility.

T–AGS–64

The conferees agree to provide $16,000,000 for advance procurement for a T–AGS–64 multi-purpose oceanographic survey ship.

LSD–52

The conferees agree to provide $20,000,000 as recommended by the House for one additional SSDS MK–1 unit which the conferees direct be installed on LSD–52 during its construction prior to delivery of this vessel to the fleet.

SHIP COST ADJUSTMENT

The conferees do not agree to the House proposal to modify the ship cost adjustment process by eliminating specific designations in the bill, providing new transfer authority, and providing reprogramming limitations. The conferees also do not agree to the House requirement to include ship cost adjustments in the annual omnibus reprogramming process.

Within the ship cost adjustment implemented in section 8091 of the Act, the conferees have allocated funds for potential settlement of claims on the AOE class of ships. This action is taken solely to facilitate the Navy's ability to implement a settlement, should one be reached.

OTHER PROCUREMENT, NAVY:

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
OTHER PROCUREMENT, NAVY					
ELEC SUSPENDED GYRO NAVIGATOR	4,108		4,108		
OTHER NAVIGATION EQUIPMENT	17,688	27,688	14,119		27,688
MINESWEEPING EQUIPMENT	12,985	6,985	12,985		6,985
HM&E ITEMS UNDER $2 MILLION	43,389	33,389	39,629		33,389
FLEET MODERNIZATION PROGRAM		3,000			3,000
RADAR SUPPORT	466	14,466	466		14,466
SURFACE ELECTRO-OPTICAL SYSTEM	3,542	9,542	3,542		9,542
SURFACE SONAR SUPPORT EQUIPMENT	9,349	9,349	19,609		19,609

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
AN/SQQ–89 SURF ASW COMBAT SYSTEM	30,297	30,297	25,297		25,297
SSN ACOUSTICS	42,269	33,269	42,269		42,269
SSTD	13,751	11,051	13,751		13,751
C–3 COUNTERMEASURES	9,540	24,540	9,540		24,540
NAVY TACTICAL DATA SYSTEM	301	12,301	301		12,301
ID SYSTEMS	10,202	9,702	10,202		9,702
SHIPBOARD TACTICAL COMMUNICATIONS	6,635	12,935	6,635		12,935
SATCOM SHIP TERMINALS	98,099	98,099	112,499		112,499
SECURE DATA SYSTEM	8,636	8,636	6,037		6,037
AN/SSQ–36 (BT)		200			200
AN/SSQ–62 (DICASS)		4,090			4,090
AN/SSQ–110 (EER)		21,910			21,910
WEAPONS RANGE SUPPORT EQUIPMENT	40,280	38,080	50,030		48,830
LAMPS MK III SHIPBOARD EQUIPMENT	17,914	16,714	17,914		16,714
DARP			4,500		
RAM GMLS	50,037	39,337	72,937		50,037
SHIP SELF DEFENSE SYSTEM	15,643	35,643	15,643		35,643
SURFACE TOMAHAWK SUPPORT EQUIPMENT	71,293	71,293	51,293		61,293
ANTI-SHIP MISSILE DECOY SYSTEM	15,199	2,599	15,199		2,599
FLEET MINE SUPPORT EQUIPMENT	4,452	4,452	6,152		6,152
FORKLIFT TRUCKS	3,750	3,750	1,750		1,750
COMPUTER ACQUISITION PROGRAM (NSIPS)					13,000
SAFETY AND SURVIVABILITY ITEMS		20,000			10,000
SPARES AND REPAIR PARTS	210,213	210,213	170,713		190,213

HM&E ITEMS UNDER $2,000,000

The conferees agree to provide $33,389,000 for "HM&E Items Under $2,000,000", a reduction of $10,000,000. This decrease, which is applied against the Surface Ship Support Equipment portion, includes a reduction of $3,760,000 against the Gaseous Nitrogen Generator subproject.

FLEET MODERNIZATION

The conferees agree to provide $3,000,000 for procurement of propeller shaft composite fairwaters to be backfit on CG 47 class cruisers during overhaul.

RADAR SUPPORT

The conferees agree to provide $14,466,000 for the Radar Support program, an increase of $14,000,000. The increase includes $9,000,000 for the AN/BPS–16 submarine radar and $5,500,000 for the AN/SPA–25G Radar Display program.

SURFACE SONAR WINDOWS AND DOMES

The conferees agree to provide $6,000,000 for procurement of replacement sonar rubber domes and windows, provision of safety-related field service repair and change-out of this equipment, and product improvements to increase durability and service life.

WEAPONS RANGE SUPPORT EQUIPMENT

The conferees agree to provide $48,830,000, an increase of $8,550,000, for Weapons Range Support Equipment program. The net increase includes a decrease of $1,200,000 for the Electronic Warfare Response Monitor subprogram and an increase of $9,750,000 as proposed by the Senate.

SURFACE TOMAHAWK SUPPORT EQUIPMENT

The conferees agree to provide $61,293,000 for the Surface Tomahawk Support Equipment program, a reduction of $10,000,000. The reduction is against the Afloat Planning System (APS) subprogram. The conferees are concerned that the Navy does not currently have an operational doctrine for the tactical use of Tomahawk cruise missiles by ship commanders. Furthermore, the conferees question the need to deploy APS on all carriers in light of the Challenge Athena satellite communications project.

AN/SPS–48E RADAR

The conferees direct that the funds previously appropriated for Pulse Doppler Mod Kits for AN/SPS–48E radars be released to the Navy. The modification of the radar will significantly improve its operational effectiveness when operating in littoral waters and therefore will improve the entire surface fleet's tactical situation awareness when it is incorporated into the Cooperative Engagement Capability. Given the vital link between these two programs, the conferees further direct that management and execution of the upgrade to the AN/SPS–48E radar program be conducted by the Program Executive Officer for Theater Air Defense.

PROCUREMENT, MARINE CORPS

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
PROCUREMENT, MARINE CORPS:					
5.56 MM, ALL TYPES	28,487		28,487		
7.62 MM, ALL TYPES	2,082		12,082		
.50 CALIBER	8,588		19,060		
40 MM, ALL TYPES	3,939		3,939		
60 MM HE M888	9,855		9,855		
81 MM HE	4,724		11,724		
81 MM, HE, M–889A1			17,000		
81 MM SMOKE SCREEN	5,445		5,445		
120 MM TPCSDS–T M865	8,902		8,902		
120 MM TP–T M831	3,314		3,314		
CTG 25 MM, ALL TYPES	6,724		6,724		
9 MM ALL TYPES	2,979		2,979		
GRENADES, ALL TYPES	474		474		
ROCKETS, ALL TYPES	7,034		7,034		
AMMO MODERNIZATION	9,611		9,611		
ITEMS LESS THAN $2 MIL	8,711		17,262		
MODIFICATION KITS (TRKD VEH)	3,273	15,573	17,773		15,573
HAWK MOD	3,040	4,688	3,040		3,040
MANPACK RADIOS AND EQUIP	9,735	12,735	9,735		12,735
MULTI-SERV ADF FIELD ART TACTICAL DATA SYS	12,140	23,140	23,140	188	12,140
INTELLIGENCE SUPPORT EQUIPMENT	6,283	18,783	6,283		35,283
NIGHT VISION EQUIPMENT	2,283	2,283	4,283		4,283
LIGHT RECON VEHICLE		2,000			
TRAILERS	4,932	10,439	10,432		10,432
MODIFICATION KITS	6,496	7,496	6,496		7,496
ITEMS LESS THAN $2 MIL	75	1,975	75		75
PRECISION GUNNERY TRAINING SYSTEM		5,900			5,900
M240 MACHINE GUN MODS		2,200			
ASSET TRACKING LOGISTICS SYSTEM		17,850			
LIGHTWEIGHT COMPUTER UNITS		3,800			
F–15 POST PRODUCTION SUPPORT	13,955		13,955		6,978
F–16 POST PRODUCTION SUPPORT	194,672	94,672	158,572		126,622
OTHER PRODUCTION CHARGES	167,676	167,676	188,576		187,676
DARP SUPPORT EQUIPMENT	194,374	194,374	214,374		194,374

INTELLIGENCE SUPPORT EQUIPMENT

The conferees agree to provide $35,283,000 for intelligence support equipment, an increase of $29,000,000. Of the increase, $16,500,000 is only for two JSTARS ground stations and $12,500,000 is only for Commander's Tactical Terminals.

RIGHT HAND DRIVE VEHICLES

The conferees have reviewed the implementation of Public Law 100–370, which amended title 10 USC (2253) to limit the amount available for purchase of right hand drive vehicles to $12,000. The conferees agree that this limitation should only apply to the purchase of passenger sedans manufactured outside of the United States. Further, this limitation does not affect the use of any right hand drive vehicle provided as part of the local contribution towards the basing of U.S. forces in the Host Nation.

Aircraft Procurement, Air Force

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
AIRCRAFT PROCUREMENT, AIR FORCE:					
B–18 (MYP)	56,356	56,336	143,336		56,336
B–2A (MYP)	279,921	772,921	279,921		772,921
F–15E		250,000	311,210	6	311,210
F–15e ADV PROC			50,190		50,190
F–16 C/D (MYP)		50,000	159,400	6	159,400
F–16 C/D ADV PROC			15,400		
C–17 (MYP)	2,402,491	2,402,491	2,412,491	8	2,412,491
C–17 (MYP) (AP–CY)			180,000		
WC–130			221,167	3	132,700
STRATEGIC AIRLIFT	183,757	183,757	75,000		183,757
JPATS	54,968	44,968	54,968	3	54,968
E–8B	394,634	394,634	371,334	2	377,434
B—1B	75,383	82,593	76,283		58,483
B–52	4,908	24,908	4,908		4,908
F–117	47,660	47,660	44,060		47,660
A–10	79,424	79,424	33,324		41,024
F–15	79,488	78,288	63,688		78,288
F–16	118,606	118,606	118,606		120,606
C–5	45,431	51,631	45,431		51,631
C–130	84,399	94,399	88,399		94,399
C–135	142,764	334,764	251,264		238,764
DARP MODS		79,000	48,000		53,000
SPARES AND REPAIR PARTS	603,519	581,719	572,781		586,281
COMMON AGE	216,048	212,510	223,248		212,510

STRATEGIC AIRLIFT

The conferees agree to provide $183,757,000 for strategic airlift, the amount of the budget request. It is the conferees' belief that the Defense Acquisition Board's upcoming decision on the optimal composition of the airlift fleet will require the continued production of C–17 aircraft. The conferees therefore direct that from the amount of funding provided for strategic airlift the Department of Defense must give first priority to fully funding advance procurement for continued production of C–17 aircraft in fiscal year 1997.

B–1B MODIFICATIONS

The conferees agree to provide $68,483,000 for B–1B modifications, a decrease of $6,900,000 to the budget request. The amount provided by the conferees includes a decrease of $14,100,000 from cost savings for miscellaneous modifications and an increase of $7,200,000 for reliability and maintainability improvements identified during the B–1B operational readiness assessment. The conferees also agree with the Senate's reporting requirement about expanding the B–1B conventional mission upgrade program.

A–10

The conferees agree to provide $41,024,000, a decrease of $38,400,000 to the budget request for A–10 modifications. The deleted funds are excess to program requirements for fiscal year 1996.

F–15 MODIFICATIONS

The conferees agree to provide $78,288,000, a decrease of $1,200,000 to the budget request for F–15 modifications. The conferees agree with the House reduction of funds for installation of landing gear wiring switch kits. The conferees do not agree with the Senate reduction of funds for a fighter data link modification. In restoring the $15,800,000 deleted by the Senate, the conferees direct that $9,000,000 may only be used to acquire Joint Tactical Information Distribution System (JTIDS) class II terminals for one squadron of F–15 aircraft. The remaining $6,800,000 is available only for the Multifunctional Information Distribution System (MIDS) variant project.

The Under Secretary of Defense (Acquisition and Technology) has informed the conferees of the Defense Department's recent decision to meet the F–15 fighter data link (FDL) requirements through the MIDS program. The conferees understand that the Department intends full and open competition for FDL production. The conferees direct the Under Secretary to assure the congressional defense committees in writing that the use of MIDS architecture and software will not place U.S. companies at a competitive disadvantage. This assurance is required before release of the formal Request for Proposal for the F–15 fighter data link.

F–16 MODIFICATIONS

The conferees agree to provide $120,606,000 for F–16 modifications, an increase of $2,000,000 to the budget request. The additional funding provided is only for initial acquisition of 600 gallon fuel tanks for destructive testing, evaluation and limited operational use.

C–130 MODIFICATIONS

The conferees agree to provide $94,399,000 for C–130 modifications, an increase of $10,000,000 to the budget request. Of the additional funding provided by the conferees, $6,000,000 is only for threat defensive systems, and $4,000,000 is only for acquisition of AN/AAQ–22 thermal imaging systems for 10 Air Force Reserve HC–130 aircraft, as recommended by the Senate.

C–135 MODIFICATIONS

The conferees agree to provide $238,764,000, for C–135 modifications, an increase of $96,000,000 to the budget request. The additional funding provided by the conferees is only for continued reengining of the Air Guard and Reserve KC–135 tanker fleet. The conferees have provided sufficient funding for four reengining kits.

DARP MODIFICATIONS

The conferees agree to provide $53,000,000 for Defense Airborne Reconnaissance Program (DARP) modifications, an increase of $53,000,000 to the budget request. Of the additional funding provided by the conferees, $48,000,000 is only for the acquisition of two RC–135 reengining kits and $5,000,000 is only for costs associated with the refurbishment of the SR–71 aircraft.

AIRCRAFT SPARE AND REPAIR PARTS

The conferees agree to provide $586,281,000 for aircraft spare and repair parts, a decrease of $17,338,000 to the budget request. The amount of funding provided by the conferees includes a decrease of $21,900,000 for C–17 spares, a decrease of $8,938,000 for T–1 spares and an increase of $13,500,000 for F100–229 engine spares.

ELECTRONIC WARFARE FORCE STRUCTURE

The conferees strongly agree with Senate report language with respect to retaining at least 12 EF–111A Raven jammer aircraft in the primary aircraft inventory through fiscal year 1999, and with the Senate directed reporting requirements.

Missile Procurement, Air Force

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Quantity	Conference
MISSILE PROCUREMENT, AIR FORCE:					
HAVE NAP		39,000	38,000		38,000
AMRAAM	190,672	178,366	182,672	291	182,672
TARGET DRONES	39,150	36,150	39,150	88	36,150
CONVENTIONAL ALCM		27,200		100	15,000
GLOBAL POSITIONING (MYP)	136,060	136,060	118,660	4	126,060
GLOBAL POSITIONING (MYP) (AP–CY)	38,412		33,412		33,412
SPACE BOOSTERS	464,953	459,953	405,903		433,853
MEDIUM LAUNCH VEHICLE	150,929	150,929	147,765	4	150,929
DEF METEOROLOGICAL SAT PROG	29,265	29,265	26,876		29,265
DEFENSE SUPPORT PROGRAM (MYP)	102,911	67,011	61,375		67,011
SPECIAL PROGRAMS	1,605,765	1,483,565	1,573,765		1,210,765

[In thousands of dollars]

	Budget	House	Senate	Quantity	Conference
2.75 INCH ROCKET MOTOR	10,402		10,402		
2.75" ROCKET HEAD SIGNATURE	1,993		1,993		
ITEMS LESS THAN $2,000,000	950		950		
5.56 MM	5,534		5,534		
CARTRIDGE CHAFF RR–180	10,030		10,030		
CARTRIDGE CHAFF RR–188	1,192		1,192		
ITEMS LESS THAN $2,000,000	5,162		5,162		
MK–82 INERT/BDU–50	8,253		8,253		
TIMER ACTUATOR FIN FUZE	6,242		6,242		
BOMB PRACTICE 25 POUND	5,928		5,928		
MK–84 BOMB-EMPTY	9,261		9,261		
SENSOR FUZED WEAPON	165,447		165,447		
CBU–89 GATOR INERT	6,531		6,531		
ITEMS LESS THAN $2,000,000	1,500		1,500		
FLARE, IR MJU–7B	21,859		21,859		
MJU–23 FLARE	6,483		6,483		
MJU–10B	7,204		7,204		
M–206 CARTRIDGE FLARE	11,250		11,250		
INITIAL SPARES	621		621		
REPLENISHMENT SPARES	2,329		2,329		
MODIFICATIONS	2,340		2,340		
ITEMS LESS THAN $2,000,000	11,289		11,289		
M–16 A2 RIFLE	5,048		5,048		5,048

SPACE BOOSTERS

The conferees agree to provide $433,853,000 for the procurement of the Titan IV heavy lift space booster, a decrease of $31,100,000 to the budget request. The recommendation makes the following reduction: $20,000,000 for no longer needed relocation costs; $6,100,000 for unadjudicated claims; $5,000,000 from contractor consolidation savings.

PROCUREMENT OF AMMUNITION, AIR FORCE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Quantity	Conference
PROCUREMENT OF AMMUNITION, AIR FORCE:					
2.75 INCH ROCKET MOTOR		10,402		30,000	10,402
2.75" ROCKET HEAD SIGNATURE		1,993		24,320	1,993
ITEMS LESS THAN $2,000,000		950			950
5.56 MM		5,534		13,835	5,534
30 MM TRAINING		14,480		1,360	7,000
CARTRIDGE CHAFF RR–180		10,030		720	10,030
CARTRIDGE CHAFF RR–188		1,192		903	1,192
ITEMS LESS THAN $2,000,000		5,162			5,162
MK–82 INERT/BDU–50		8,253		12,586	8,253
TIMER ACTUATOR FIN FUZE		6,242		10,000	6,242
BOMB PRACTICE 25 POUND		5,928		400,000	5,926
MK–84 BOMB EMPTY		9,261		3,718	9,261
SENSOR FUZED WEAPON		165,447		500	165,447
CBU–89 GATOR INERT		6,531		236	6,531
CBU (COMBINED EFFECTS MUNITIONS)					30,000
ITEMS LESS THAN $2,000,000		1,500			1,500
FLARE, IR MJU–7B		21,859		945,049	21,859
MJU–23 FLARE		6,483		7,426	6,483
MJU–10B		7,204		110,436	7,204
M–206 CARTRIDGE FLARE		11,250		331,564	11,250
INITIAL SPARES		621			621
REPLENISHMENT SPARES		2,329			2,329
MODIFICATIONS		2,340			2,340
ITEMS LESS THAN $2,000,000		11,289			11,289
M–16 A2 RIFLE		5,048			

OTHER PROCUREMENT, AIR FORCE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Quantity	Conference
OTHER PROCUREMENT, AIR FORCE:					
CBU–87 (COMBINED EFFECTS MUNITION)			30,000		
ARMORED SEDAN	202	202	260	1	260
MODIFICATIONS	200	200	3,500		1,000
ITEMS LESS THAN $2,000,000	2,352	14,176	2,352		14,176
THEATER AIR CONTROL SYS IMPROVEMENT	32,345	32,345	27,745		27,745
WATER OBSERV/FORCAST	7,103	7,103	13,803		13,803
DEFENSE SUPPORT PROGRAM	36,909	36,909	11,909		36,909
STRATEGIC COMMAND AND CONTROL	67,596	67,596	58,095		58,095
AUTOMATIC DATA PROCESSING EQUIP	23,958	32,458	23,958		23,958
BASE LEVEL DATA AUTO PROGRAM	26,851	26,851	38,451		35,151
BASE INFORMATION INFRASTRUCTURE	73,138	56,538	56,385		56,385
MILSATCOM	43,362	43,362	13,207		43,362
COMM ELECT MODS	20,424	9,724	20,424		9,724
MOBILITY EQUIPMENT	17,670	31,770	29,570		29,570
WARTIME HOST NATION SUPPORT	1,699	1,699			
INTELLIGENCE PRODUCTION ACTIVITY	67,928	69,128	61,228		69,128
SELECTED ACTIVITIES	5,409,357	5,117,657	5,189,357		4,904,257

ITEMS LESS THAN $2,000,000

The conferees agree to provide $14,176,000 for "Items Less Than $2,000,000", an increase of $11,874,000. The increase is provided only for those items identified by the Air Force as shortfalls.

PROCUREMENT, DEFENSE-WIDE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
PROCUREMENT, DDEFENSE-WIDE					
DARP	179,307	161,975	179,307		161,575
DEFENSE INFORMATION INFRASTRUCTURE	54,234	58,734	54,234		58,734

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
CLASSIFIED PROGRAMS	844,903	858,903	766,403	....	763,190
SHIPBUILDING					
PC, CYCLONE CLASS	....	....	....	1	20,000
MK V SPECIAL OPERATIONS CRAFT (MK V SOC)	19,501	19,501	37,201	4	37,201
OTHER PROCUREMENT PROGRAMS					
SPECIAL WARFARE EQUIPMENT	11,776	11,776	7,483	....	7,483
LIGHT STRIKE VEHICLE	....	6,000	....	....	6,000

DEFENSE AIRBORNE RECONNAISSANCE PROGRAM

The conferees agree to provide $161,575,000 for procurement for the Defense Airborne Reconnaissance Program (DARP), a decrease of $17,732,000 to the budget request. The conferees support the Army's identified need for a short range unmanned air vehicle (UAV), but remain concerned with the continuing problems associated with the Hunter program. As a result, the conferees have denied funding for marinization of the Hunter UAV and direct that the remaining fiscal year 1996 funds provided for Hunter not be obligated until the Appropriations Committees receive the results of the Defense Acquisition Board's review of the program. This review should include all options for fulfilling the Army's UAV requirement. The conferees further direct that use of these funds for any other purpose is to be handled through normal reprogramming procedures.

PATROL CRAFT—CYCLONE CLASS

The conferees agree to provide $20,000,000 for the procurement of one additional PC–Cyclone class operations patrol craft/vessel to continue to meet force requirements.

NATURAL GAS VEHICLES

The conferees recommend the Department develop an implementation plan and a demonstration effort based on the 1993 Navy study which specified natural gas vehicles as the vehicle of choice for achieving significant emission reductions on military bases.

NATIONAL GUARD AND RESERVE EQUIPMENT

The conferees agree to provide $777,000,000 for National Guard and Reserve Equipment as proposed by the Senate instead of $980,125,000 as proposed by the House.

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Quantity	Conference
NATIONAL GUARD & RESERVE EQUIPMENT					
RESERVE EQUIPMENT:					
ARMY RESERVE.					
MISCELLANEOUS EQUIPMENT	....	....	90,000	....	90,000
TACTICAL VEHICLES	....	52,000	....	....	....
NIGHT VISION EQUIPMENT	....	2,500	....	....	....
ENGINEER EQUIPMENT	....	20,000	....	....	....
VARI-REACH LIFT TRUCKS	....	4,500	....	....	....
MK–19 GRENADE LAUNCHERS	....	2,000	....	....	....
MEDICAL EQUIPMENT	....	2,000	....	....	....
3000 GPH ROWPU	....	3,000	....	....	....
130T FLOATING CRANE	....	6,000	....	....	....
PUSHER BOAT	....	5,000	....	....	....
5 KW LIGHT TOWER	....	5,000	....	....	....
LASER LEVELING SYSTEMS	....	4,000	....	....	....
AUTOMATIC BUILDING MACHINES	....	3,000	....	....	....
NAVY RESERVE.					
MISCELLANEOUS EQUIPMENT	....	33,300	40,000	....	40,000
F/A–18 UPGRADES	....	48,000	....	....	....
MIUW TSQ–108	....	40,000	....	....	....
MARINE CORPS RESERVE.					
MISCELLANEOUS EQUIPMENT	....	30,525	50,000	....	50,000
CBT. VEHICLE TRAINER	....	3,800	....	....	....
CH–53 HELICOPTERS	....	50,000	....	....	....
DIGITAL COMMAND & CONTROL NETWORK	....	4,300	....	....	....
COMM COMPANY EQUIPMENT	....	5,000	....	....	....
UH–1N NAV/FLIR UPGRADES	....	5,000	....	....	....
AIR FORCE RESERVE.					
MISCELLANEOUS EQUIPMENT	....	30,300	40,000	....	40,000
C–130H	....	135,600	....	....	....
NATIONAL GUARD EQUIPMENT					
ARMY NATIONAL GUARD.					
MISCELLANEOUS EQUIPMENT	....	15,000	100,000	....	100,000
TACTICAL TRUCK NEW PROCUREMENT	....	10,000	....	....	....
TACTICAL TRUCK SLEP (5 TON)	....	10,000	....	....	....
TACTICAL TRUCK SLEP (2½ TON)	....	10,000	....	....	....
M109 ACE	....	10,000	....	....	....
IFTE	....	10,000	....	....	....
NIGHT VISION EQUIPMENT	....	10,000	....	....	....
CHEM/BIO EQUIPMENT	....	5,000	....	....	....
AH–1 (C-NITE)	....	10,000	....	....	....
FADEC	....	10,000	....	....	....
AH–64 COMBAT MISSION SIMULATOR	....	15,000	....	....	....
UH–1 SLEP	....	10,000	....	....	....
AH–1 BORE SIGHT EQUIPMENT	....	5,000	....	....	....
AIR NATIONAL GUARD.					
MISCELLANEOUS EQUIPMENT	....	57,000	....	....	57,000
F–16 220E ENGINES	....	10,000	....	....	....
C–130H	....	203,400	....	....	....
AIRLIFT DEFENSIVE SYSTEMS	....	10,000	....	....	....
AIRLIFT REPLACEMENT RADAR	....	6,800	....	....	....
C–130 MODS	....	15,000	....	....	....
AUTOMATIC BUILDING MACHINES	....	2,000	....	....	....
F–16 RADAR WARNING RECEIVERS	....	36,200	....	....	....
DOD.					
MISC EQUIPMENT (GUARD & RESERVE AIRCRAFT)	....	....	400,000	....	400,000

The conferees agree to the Senate provision which requires the Chiefs of the Reserve and National Guard components to prepare and submit a modernization priority assessment for their respective Reserve and National Guard components and have established November 1, 1995 as the deadline for this submission.

MISCELLANEOUS EQUIPMENT

The conferees concur with the Senate position that the Reserves and National Guard should exercise control of funds provided for their modernization in this account with priority consideration for miscellaneous equipment appropriations given to the following items:

Avenger, heavy truck modernization, radar warning receivers, laser leveling systems, AH–64 combat mission simulators, automatic building machines, HMMWVs, UH–60 Upgrades, F–18 upgrades, 2½ ton truck ESP, UH–1 Huey SLEP, AH–1 (C-NITE), M–9 ACE, night vision equipment, IFTE, external fuel tanks, AN/AQS–14 airborne mine countermeasures, MIUW vans, modular airborne fire fighting systems, AH–1 borsighting devices, FADEC for UH–1 and CH–47, C–9 upgrades, small arms simulators, HC–130N conversions, M-915/916 heavy dump trucks, 5-ton flatbed trailers, SQQ-T1 trainer, KC-135 re-engining, UH-60Q helicopter upgrades, driver's night viewers, unmanned aerial vehicles, heavy equipment transport system, C-12 and C-20 aircraft, CT-39 Navy/Marine Corps replacement aircraft, SINCGARS radios, and Medium Truck SLEP.

The conferees also agree that while they have established a separate aircraft account, other aircraft may be purchased from the miscellaneous equipment account at the discretion of the Reserve and National Guard component chiefs.

NATIONAL GUARD AND RESERVE AIRCRAFT

The conferees agree to provide $400,000,000 for the acquisition of aircraft to support Reserve and National Guard missions and agree that the following aircraft shall be purchased:

C-130 H for the Air Force Reserve and Air National Guard (10)	$339,000,000
CH-53E for the Marine Corps Reserve (2)	50,000,000
C-26 for the Air National Guard (2)	11,000,000

INFORMATION TECHNOLOGY RESOURCES

The conference agreement is as follows:

[In thousands of dollars]

Appropriations and Programs	House	Senate	Conference
Operation and Maintenance, Army:			
EDCARS/DSREDS	2,000	0	2,000
Operation and Maintenance, Navy:			
NSIPS	9,000	0	2,500
Operation and Maintenance, Air Force:			
Base Support	889,348	913,648	889,448
(CAMS)	(0)	(+500)	(+500)
(TICARRS)	(0)	(+10,000)	(+10,000)
(BLSM)	(0)	(0)	(−10,400)
Note: Conferees agree to House recommendations on CAMS, TICARRS, and BLSM but have made the funding adjustments in the Base Support line rather than in the line proposed by the House.			
Information Technology	0	100	0
EDCARS/DSREDS	2,000	0	2,000
Operation and Maintenance, Defensewide:			
Information Technology	112,000	0	12,000
(JLSC)	(+100,000)	(0)	(0)
(DISA COOP)	(+12,000)	(0)	(+12,000)
Operation and Maintenance, Army Reserve:			
RCAS	−4,000	0	−4,000
Operation and Maintenance, Navy Reserve:			
NSIPS	9,000	0	2,500
Operation and Maintenance, Army National Guard:			
Information Management	29,396	59,456	44,596
(RCAS)	(−33,500)	(0)	(−18,300)
(Distance Learning)	(+3,400)	(0)	(+3,400)
Other Procurement, Army:			
Automated Data Processing Equipment	130,151	132,751	138,751
(Distance Learning)	(+9,600)	(0)	(+6,000)
(general reduction)	(−12,000)	(0)	(0)
RCAS	113,134	83,174	108,174
Other Procurement, Navy:			
NSIPS	0	0	13,000
Other Procurement, Air Force:			
Automatic Data Processing Equipment	32,458	23,958	23,958
(CAMS)	(+4,000)	(0)	(0)
(Equipment Management System)	(+4,500)	(0)	(0)
Base Level Data Automation	26,851	38,451	35,151
(CMOS)	(0)	(+3,250)	(0)
(REMIS)	(0)	(+8,300)	(+8,300)
Operation and Maintenance, Defense Wide:			
Defense Information Infrastructure	58,734	54,234	58,734
(DISA COOP)	(+4,500)	(0)	(+4,500)
Research, Development, Test, and Evaluation, Air Force:			
Advanced Computing Technology	36,305	11,005	36,305
(BLSM transfer from O&M)	(+10,400)	(0)	(+10,400)
(IMDS)	(+15,200)	(0)	(+15,200)

JOINT LOGISTICS SYSTEMS CENTER

The conferees do not agree to the House proposal to provide an additional $100,000,000 in the Operation and Maintenance, Defensewide appropriation for the Joint Logistics Systems Center (JLSC). The conferees recognize that there is the potential for significant cost savings from effective logistics systems modernization, and believe that JLSC and its programs should remain a top priority. A September, 1995 report to the House Appropriations Committee by the Committee's Surveys and Investigations staff, however, indicates that the JLSC is not properly organized to accomplish the redesign of the Department of Defense's logistics systems. The conferees direct that not more than half of the funds requested in the budget and appropriated for JLSC may be obligated until the Secretary of Defense has taken appropriate action to correct JLSC's organizational deficiencies and has designated the Air Force as the executive agency for the JLSC, which will remain the responsibility of the Deputy Undersecretary of Defense (Logistics) and will remain located at Wright-Patterson Air Force Base. The conferees further direct that the Secretary of Defense provide a report to the congressional defense committees by February 1, 1996 which explains his plan for improving the management of the Joint Logistics Systems Center, including improved levels of management, technical, contracting, and acquisition support.

NAVY STANDARD INTEGRATED PERSONNEL SYSTEM

The conferees have provided $18,000,000 as recommended by the House for the Navy Standard Integrated Personnel System (NSIPS). The additional funding is only for NSIPS as directed in House Report 104-208, page 134, except that $13,000,000 is appropriated in Other Procurement, Navy; $2,500,000 in Operation and Maintenance, Navy Reserve; and $2,500,000 in Operation and maintenance, Navy. The conferees concur with the Department's plan to use a joint working group to define the functional and technical requirements for a standard military personnel management system. The conferees believe that parallel development of NSIPS is critical and direct the Navy, the Under Secretary of Defense for Personnel and Readiness, and the Assistant Secretary of Defense for C31 to continue NSIPS development and implementation as a joint Naval Reserve and active team project which will include the core capabilities required to support joint requirements for the objective DOD field level data collection personnel system. The conferees concur with the Department's decision to designate the Navy as executive agent for prototyping and testing these field level applications or core capabilities and the Air Force as the executive agent for the database.

The conferees are aware of Navy needs to also continue to consolidate and integrate its headquarters personnel systems. The House previously directed that the Navy Military Personnel Distribution System (NMPD) central design authority (CDA) be assigned to the Enlisted Personnel Management Center (EPMAC) to assure the most efficient and cost effective development and maintenance of this system. The conferees understand that the Military Assignment, Selection, and Transfer System (MAST) has been conceived to modernize Naval personnel management by combining legacy systems and allowing these systems to operate in a more cost effective and client friendly environment. EPMAC has been identified as the technical expert possessing the expertise required to meet the development demands of MAST and NMPD systems. The conferees direct the Navy to assign CDA responsibilities, implementation, and funding functions to EMPAC for the MAST and NMPD systems by January, 1996, and that the transfer of the NMPD system to EPMAC be completed by September, 1996. The conferees direct the Navy to allocate the required funding to EPMAs in support of the MAST and NMPD system development to include hardware, software, and personnel requirements.

The conferees concur with the House direction that the Department of the Navy place the collocated Naval Telecommunications and Communications Station (NTCS) functions and operations under the operational control and command of the Naval Reserve Information Systems Office, except that this direction shall only apply to the Central Design Agency functions and its related support functions and civilian personnel. The conferees direct that these functions continue to be supported through the Defense Business Operations Fund.

OTHER DEFENSE AGENCIES

The conferees concur with the House direction provided in House Report 104–208, pages 136–137 regarding DISA megacenter outsourcing. The conferees are adamant that the reporting requirements and directions provided in the House report be followed by the Department of Defense. While the conferees may be able to support outsourcing some non-essential military functions and services prior to the completion of recommended base closing and realignment consolidations, the conferees expect the reporting requirements contained in the House report to occur first along with proper Congressional committee oversight.

The conferees concur with the House National Security Committee efforts urging the Department of Defense to privatize or outsource non-essential military services such functions as civilian payroll and payroll-and-accounting for nonappropriated instrumentality functions. However, the conferees recommend the Department also look to franchising for these and other similar services from other Federal agencies that already provide similar, cost effective services. In this regard, the conferees urge the Department to proceed with the recommendation made in the statement of the managers accompanying the fiscal year 1995 Defense Appropriations Act to initiate a prototype for using the National Finance Center cross servicing functions, in conjunction with existing DFAS and private operations in the area, for some financial management and personnel services at DOD as recommended by Military Department Comptrollers in January, 1994.

RESERVE COMPONENT AUTOMATION SYSTEM

The Army has spent eighteen years and close to a billion dollars without successfully providing modern computer technology to its Reserve Component. For the first time in the RCAS program's history, there now appears to be general consensus between the active Army, the National Guard, the Army Reserve, the Office of the Secretary of Defense, and the Congress on its future direction based on the restructure proposed by the Chief of the National Guard Bureau. Given this apparent consensus, there is no longer the need for legislation to accomplish the goals set out by the Congress for this program. The conferees therefore do not agree to retain bill language as proposed by the House. This action should not be construed as a diminution of Congressional support for RCAS, a Congressional authorization to change the program responsibilities of the Chief of the National Guard Bureau, or an invitation to the Army to change the program architecture to parallel or merge with active Army computer modernization programs. The funding provided in this Act is available solely to implement the restructured RCAS program as proposed by the Chief of the National Guard Bureau, endorsed by the Office of the Secretary of Defense in a formal Major Automated Information Systems Review Council, and recently presented to the Congress. All RCAS funds are hereby designated to be of special Congressional interest, any other use of which would require approval by the Congress through the formal reprogramming process; this would include the use of RCAS funds to modernize active Army systems or to finance co-development of new systems. The conferees agree to the certification requirements by the Assistant Secretary of Defense for Reserve Affairs in the House report.

For many years, the Congress has denied the use of government furnished equipment and software in the RCAS system primarily because the Army would not identify it in advance to the Congress. The Chief of the National Guard Bureau has proposed the limited use of government furnished software in the restructured program. The Army has touted for many years the large amount of government furnished software that potentially could be used in RCAS. However, of the 16 existing Army information systems that will be examined for reuse in RCAS during fiscal year 1996, the Guard Bureau indicates that not even one is likely to have more than 14 percent of the software available for reuse. Many of these are also very old systems. The conferees wish to assure that software reuse is not done simply for its own sake or solely to satisfy the technical community. The conferees impose no restrictions on the use of government furnished software in the restructured program, but direct that the Program Executive Office for RCAS certify each time it tasks the RCAS contractor to use a significant amount of government furnished software that such action is the most cost-effective approach.

Finally, for many years the Congress had a very tight restriction in law prohibiting the purchase of interim equipment outside of the RCAS program. The Reserve Components have recently disclosed that there are 12,000 modern computers which are available for the restructured program. The conferees direct the Inspector General of the Defense Department to conduct an investigation on how the Reserve Component was able to obtain such a large number of computers, whether any of these acquisitions violated law, and/or if anti-deficiency violations occurred.

Title IV—Research, Development, Test and Evaluation

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
RECAPITULATION				
RDTE, ARMY	4,444,175	4,742,150	4,639,131	4,870,684
RDTE, NAVY	8,204,530	8,715,481	8,282,051	8,748,132
RDTE, AIR FORCE	12,598,439	13,110,335	13,087,389	13,126,567
RDTE, DEFENSE-WIDE	8,802,881	9,029,666	9,196,784	9,411,057
DEVELOPMENTAL TEST AND EVALUATION	259,341	259,341	246,082	251,082
OPERATIONAL TEST AND EVALUATION	22,587	22,587	22,587	22,587
GRAND TOTAL, RDTE	34,331,953	35,879,560	35,474,024	36,430,109
CATEGORY RECAP				
BASIC RESEARCH	974,025	953,625	916,592	935,964
EXPLORATORY DEVELOPMENT	2,722,753	2,855,416	2,836,736	2,907,381
ADVANCED DEVELOPMENT	3,693,547	3,318,907	3,370,626	3,624,055
DEMONSTRATION AND VALIDATION	2,664,245	3,018,253	2,780,156	2,983,101
ENGINEERING & MANUFACTURING DEVELOPMENT	8,239,924	8,602,411	8,599,378	8,579,080
RDT&E MANAGEMENT SUPPORT	3,119,546	3,103,818	3,112,963	3,130,779
OPERATIONAL SYSTEMS DEVELOPMENT	10,235,821	10,732,599	10,589,899	10,955,133
OTHER	2,682,092	3,294,531	3,267,674	3,314,616
TOTAL	34,331,953	35,879,560	35,474,024	36,430,109

SPECIAL INTEREST ITEMS

The conferees agree with the direction in the House report with respect to the identification and treatment of Congressional interest items and further direct that these requirements be imposed with respect to items so identified in the Senate report and in this Statement of the Managers.

Research, Development, Test and Evaluation, Army

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
RESEARCH DEVELOPMENT TEST & EVAL, ARMY:				
DEFENSE RESEARCH SCIENCES	127,565	127,565	128,240	128,240
UNIVERSITY AND INDUSTRY RESEARCH CENTERS	62,715	62,715	39,016	49,779
SENSORS AND ELECTRONIC SURVIVABILITY	21,918	27,918	21,918	27,918
AVIATION TECHNOLOGY	20,381	20,381	18,470	18,470
MISSILE TECHNOLOGY	17,985	17,985	12,740	17,965
MODELING AND SIMULATION	23,770	23,770	20,526	20,526
BALLISTICS TECHNOLOGY	28,126	39,126	25,976	33,976
ELECTRONICS AND ELECTRONIC DEVICES	17,525	19,025	20,525	22,025
HUMAN FACTORS ENGINEERING TECHNOLOGY	12,534	20,034	12,534	16,034

[In thousands of dollars]

	Budget	House	Senate	Conference
ENVIRONMENTAL QUALITY TECHNOLOGY	21,304	21,304	26,704	26,704
COMMAND, CONTROL, COMMUNICATIONS TECHNOLOGY	15,726	15,726	13,578	13,578
MEDICAL TECHNOLOGY	56,658	58,658	63,311	65,311
LOGISTICS ADVANCED TECHNOLOGY	10,569	13,669	5,607	8,707
MEDICAL ADVANCED TECHNOLOGY	11,760	88,760	18,535	95,535
AVIATION ADVANCED TECHNOLOGY	48,593	59,093	48,593	56,593
WEAPONS AND MUNITIONS ADVANCED TECHNOLOGY	18,518	21,518	21,649	27,518
COMBAT VEHICLE AND AUTOMOTIVE ADVANCED TECHNOLOGY	30,616	31,616	23,842	28,171
COMMAND, CONTROL, COMMUNICATIONS ADVANCED TECHNOLOGY	16,922	16,922	28,922	28,922
TRACTOR HIKE	14,588	31,588	14,588	24,588
GLOBAL SURVEILLANCE/AIR DEFENSE/PRECISION STRIKE TECHN	39,824	39,824	38,324	38,324
MISSILE AND ROCKET ADVANCED TECHNOLOGY	123,913	126,413	108,913	118,913
LANDMINE WARFARE AND BARRIER ADVANCED TECHNOLOGY	18,820	18,820	24,820	24,820
NIGHT VISION ADVANCED TECHNOLOGY	37,969	37,969	33,803	33,803
ADVANCED TACTICAL COMPUTER SCIENCE AND TECHNOLOGY	33,989	33,989	28,952	28,952
TRACTOR DUMP	15,025	15,025		
ARMY MISSILE DEFENSE SYSTEMS INTEGRATION (DEM/VAL)	2,985	30,785	2,985	23,985
ARTILLERY PROPELLANT DEVELOPMENT	10,946	30,546	21,646	21,946
ARMORED SYSTEM MODERNIZATION—ADV DEV	201,513	201,513	176,513	191,513
TACTICAL ELECTRONIC SUPPORT SYSTEMS—ADV DEV	2,937	5,937	2,937	5,937
SOLDIER SUPPORT AND SURVIVABILITY	33,848	33,848	7,913	7,913
AVIATION—ADV DEV	8,430	14,430	8,430	14,430
WEAPONS AND MUNITIONS—ADV DEV			1,000	1,000
COMANCHE	199,103	199,103	373,103	299,103
ADVANCED MISSILE SYSTEM-HEAVY	995	995		995
MEDIUM TACTICAL VEHICLES			1,500	1,500
JAVELIN		2,000		1,000
LANDMINE WARFARE	31,028	31,028	15,628	31,028
HEAVY TACTICAL VEHICLES		2,745		2,745
ADVANCED COMMAND AND CONTROL VEHICLE (AC2V)	18,238	18,238	13,776	18,238
LIGHT TACTICAL WHEELED VEHICLES	2,187	4,187	7,187	4,187
ARMORED SYSTEMS MODERNIZATION (ASM)-ENG, DEV	38,465	43,825	40,065	40,065
ENGINEER MOBILITY EQUIPMENT DEVELOPMENT	21,831	35,984	24,431	24,431
NON-SYSTEM TRAINING DEVICES—ENG DEV	55,303	55,303	50,703	52,303
TACTICAL SURVEILLANCE SYSTEM—ENG DEV		3,100	3,000	3,000
AIR DEFENSE COMMAND, CONTROL AND INTELLIGENCE—ENG DE	22,030	22,030	20,830	20,830
AUTOMATIC TEST EQUIPMENT DEVELOPMENT	5,437	15,437	5,437	15,437
TRACTOR BAT	193,303	200,303	193,303	200,303
JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM	18,771	18,771	28,271	28,271
WEAPONS AND MUNITIONS—ENG DEV	15,928	17,528	16,428	18,028
NON-COOPERATIVE TARGET RECOGNITION—ENG DEV	30,466	30,466	14,139	22,466
RAND ARROYO CENTER	21,872	21,872	16,872	18,872
DOD HIGH ENERGY LASER TEST FACILITY	3,000	24,808	35,000	35,000
PROGRAMWIDE ACTIVITIES	63,649	63,649	59,400	63,649
TECHNICAL INFORMATION ACTIVITIES	16,401	16,401	13,837	13,837
MUNITIONS STANDARDIZATION, EFFECTIVENESS AND SAFETY	6,903	6,903	18,103	18,103
ENVIRONMENTAL COMPLIANCE	66,101	66,101	68,101	68,101
BASE OPERATIONS—RDT&E	329,978	329,978	319,478	319,478
MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT)	8,766	8,766	15,766	15,766
MLRS PRODUCT IMPROVEMENT PROGRAM	68,786	68,786	72,586	72,586
ADV FIELD ARTILLERY TACTICAL DATA SYSTEM	39,422	39,422		36,422
COMBAT VEHICLE IMPROVEMENT PROGRAMS	197,669	198,978	202,694	215,003
MANEUVER CONTROL SYSTEM	38,327	51,327		51,327
AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	3,012	4,112	3,012	4,112
DIGITIZATION	88,567	88,567		100,867
MISSILE/AIR DEFENSE PRODUCT IMPROVEMENT PROGRAM	17,069	26,869	68,869	64,869
OTHER MISSILE PRODUCT IMPROVEMENT PROGRAMS	57,949	57,949	65,499	65,499
END ITEM INDUSTRIAL PREPAREDNESS ACTIVITIES		17,776	23,776	28,776
TASK FORCE XXI			184,456	
TASK FORCE XXI SOLDIER				30,000

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
University and Industry Research Centers	62,715	62,715	39,016	49,779
Electromechanics and hypervelocity physics			−1,390	
Automotive Technology				+2,000
Federated Labs			−22,309	−14,936
Ballistics Technology	28,126	39,316	25,976	33,976
Electric gun technology		+9,000		+7,000
Electrothermal-chemical tech (ETC)		+2,000		+1,000
Self Protection System			−2,150	−2,150
Electronics and Electronic Devices	17,525	19,025	20,525	22,025
Battery maintainer system		+1,500		+1,500
Adv nonmetallic rechargeable battery			+1,000	+1,000
Low cost reusable alkaline batteries for Sincgars			+1,000	+1,000
"AA" zinc air battery for military application			+1,000	+1,000
Human Factors Engineering Technology	12,534	20,034	12,534	16,034
Medteams		+4,000		
Rural Health		+3,500		+3,500
Medical Technology	56,658	58,658	63,311	65,311
Dengue fever			+1,000	+1,000
Nutrition Research			+1,775	+1,775
Medteams			+3,878	+3,878
Wound Healing		+2,000		+2,000
Logistics Advanced Technology	10,569	13,669	5,607	8,707
Soldier Survivability			−4,962	−4,962
Ammunition logistics		+3,100		+3,100
Medical Advanced Technology	11,760	88,760	18,535	95,535
Nutrition research			+1,775	+1,775
Tissue replacement			+5,000	+5,000
Breat cancer		+75,000		+75,000
Blood analyzer		+2,000		+2,000
Aviation Advanced Technology	48,593	59,093	48,593	56,593
Chinook helicopter SLEP		+4,000		+4,000
Starstreak evaluation [Note: The conferees agree to Senate language regarding the Starstreak funding strategy.]		+6,500		+4,000
Weapons and Munitions Advanced Tech	18,518	21,518	21,649	27,518
Precision guided mortar munition			+6,000	+6,000
Large footprint sensor evaluation			−2,869	
XM–982 [Note: The conferees direct the Army to assess the potential for accelerating the XM–982 program and report findings to the congressional defense committees no later than January 15, 1995.]		+2,000		+2,000
Electro-Rheological Fluid Recoil System		+1,000		+1,000
Combat Vehicle and Automotive Advanced Tech	30,616	31,616	23,842	28,171
Armored vehicle self protection program [Note: The conferees direct that the additional funds are only for the development of a tank system capable of close in detection and destruction of high velocity, low front-end radar cross-section threats such as KE rounds.]		+1,000		+1,000

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS—Continued

[In thousands of dollars]

	Budget	House	Senate	Conference
Active protection concept			−3,329	
Combat vehicle-composites-future vehicle			−3,445	−3,445
Missile and Rocket Advanced Technology	123,913	126,413	108,913	118,913
EFOG–M			−15,000	−7,500
Low cost autonomous attack submunition		+2,500		+2,500
Army Missile Defense Systems Integration	2,985	30,785	2,985	23,985
THEL		+5,000		
Nautilus laser		+5,000		
Battle integration center		+17,800		+21,000
Artillery Propellent Development	10,946	30,546	21,646	21,946
Unicharge		+19,600	+10,700	+11,000
Armored System Modernization—Adv Dev	201,513	201,513	176,513	191,513
FARV Adv development			−25,000	−10,000
Comanche [Note: The conferees do not agree to House language regarding testing at Patuxent River.]	199,103	199,103	373,103	299,103
Non-System Training Devices—Eng Dev	55,303	55,303	50,703	52,303
FSCATT phase 1			−3,000	−3,000
STRICOM and Naval air warfare ctr training			−1,600	
Weapons and Munitions—Eng Dev	15,928	17,528	16,428	18,028
XM 931 (120MM Practice)		+1,600		+1,600
Universal brackets or MK19 grenade launchers			+500	+500
Non-Cooperative Target Recognition—Eng Dev	30,466	30,466	14,139	22,466
Low cost BCIS study			−1,091	
BCIS hardware build			−15,236	−8,000
Base operations—RDT&E [Note: The conferees direct that no part of the reduction may be assessed against personnel.]	329,978	329,978	319,478	319,478
Combat Vehicle Improvement Program	197,669	198,978	202,694	215,003
Abrams Improvement system enhancement pack			−5,000	
Abrams Improvement GEN II FLIR/testing			−5,000	−5,000
Tractor Dump			+15,025	+15,025
Abrams transfer		+1,309		+1,309
Test equipment				+6,000
Digitization	88,567	88,567		100,867
EXFOR modernization			+4,000	+4,000
AWE—Warrior Focus			+500	+500
AWE—JWID			+1,500	+1,500
ASAS connectivity for TF XXI			+3,300	+3,300
TF XXI radios and displays			+5,000	+5,000
Prior year carryover			−2,000	−2,000
Missile/Air Defense Product Improvement	17,069	26,869	68,869	64,869
Stinger Block II		+9,800	+9,800	+9,800
Avenger PIP			+3,000	+3,000
Starstreak evaluation			+4,000	
Patriot anti-cruise missile upgrade			+35,000	+35,000
Other Missile Product Improvement Programs	57,949	57,949	65,499	65,499
Hydra-70 PIP [Note: The conferees direct increase is only for a competitive product improvement program for the Hydra-70 rocket.]			+10,000	+10,000
Support and Management costs			−2,450	−2,450
Industrial Preparedness Activities		17,776	23,776	28,776
Transfer		+17,776	+17,776	+17,776
PAN fibers			+4,000	+4,000
Non-metallic rechargeable battery			+2,000	+2,000
Instrumented Factory for Gears (INFAC)				+5,000

UNIVERSITY AND INDUSTRY RESEARCH CENTERS

The conferees have provided $49,779,000. Included in this amount is $22,847,000 for the Army's new federated labs program. The conferees direct that these funds may only be used to initiate the three federated lab programs which the Army determines are most important to its needs.

The conferees are concerned that the Army's plan to enter into long term agreements could limit its ability to respond to new ideas and changes in the defense industry. Therefore, the conferees direct that the Army shall not enter into any federated lab agreement or contract which provides for the non-competitive continuation of a federated lab for more than five years. The conferees further direct that the Assistant Secretary of the Army for Research, Development and Acquisition provide a report identifying the three fiscal year 1996 federated labs, the participants, the allocation of funds, the management structure, and the planned research program by March 1, 1996 to the congressional defense committees.

EW DEVELOPMENT

The conferees understand that funds are included in the budget request for the development of an electronic protection system and encourage the Army to obligate up to $10,300,000 in fiscal year 1996 for the SHORTSTOP project.

MEDICAL ADVANCED TECHNOLOGY

The conferees agree to provide $75,000,000 for the Army's peer reviewed breast cancer research program. The conferees expect the Army to provide special emphasis to research that addresses the specific needs of military beneficiaries.

AIR DEFENSE COMMAND, CONTROL AND INTELLIGENCE

The conferees provided $2,000,000 in fiscal year 1995 for the evaluation of the Air Defense Alerting Device (ADAD). The conferees direct the Department of Defense to release the fiscal year 1995 funds appropriated for ADAD and proceed with testing.

TASK FORCE XXI SOLDIER

The conferees agree to provide $30,000,000 for a new project, Task Force XXI Soldier, to accelerate the development of integrated, modular equipment designed for the individual soldier. The Army's strategy to develop and field the interim Land Warrior system and then immediately begin production of the objective GEN II Soldier system appears to be an inefficient allocation of resources. The conferees believe that accelerating the GEN II soldier program will eliminate the need for an interim system allowing the Army to field a more capable system at an earlier date. Therefore, the conferees have consolidated funds from the existing programs to accelerate the GEN II Soldier program and provided additional funds to continue only the Land Warrior efforts necessary to support the objective program. The conferees direct the Assistant Secretary of the Army for Research, Development and Acquisition to provide a report defining a revised acquisition strategy to the congressional defense committees by March 1, 1996.

AIRBORNE RECONNAISSANCE LOW

The conferees understand that upgrading the Airborne Reconnaissance Low (ARL) aircraft with the RAH-66 Comanche engine will significantly enhance operational capabilities and reduce support costs. Although no funds were requested in the fiscal year 1996 budget, the conferees encourage the Army to pursue upgrading the ARL engine in fiscal year 1997.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	Senate	Senate	Conference
RESEARCH DEVELOPMENT TEST & EVAL NAVY:				
DEFENSE RESEARCH SCIENCES	385,917	385,917	373,917	373,917
SURFACE/AEROSPACE SURVEILLANCE AND WEAPONS TECHNOLOGY	32,658	36,658	30,658	34,658
SURFACE SHIP TECHNOLOGY	36,786	46,786	37,860	62,860
AIRCRAFT TECHNOLOGY	22,238	24,738	28,238	30,738
READINESS, TRAINING, AND ENVIRONMENTAL QUALITY TECHNNOL	40,511	45,311	42,511	49,211

[In thousands of dollars]

	Budget	Senate	Senate	Conference
MATERIALS, ELECTRONICS AND COMPUTER TECHNOLOGY	74,849	77,849	71,849	78,349
UNDERSEA SURVEILLANCE WEAPON TECHNOLOGY	51,182	51,182	56,982	56,982
MINE COUNTERMEASURES, MINING AND SPECIAL WARFARE	43,384	51,384	43,384	48,384
OCEANOGRAPHIC AND ATMOSPHERIC TECHNOLOGY	45,526	60,526	49,476	58,376
AIR SYSTEMS AND WEAPONS ADVANCED TECHNOLOGY	17,082	71,082	26,082	71,082
MEDICAL DEVELOPMENT	27,754	62,754	27,754	65,754
ENVIRONMENTAL QUALITY AND LOGISTICS ADVANCED TECHNOLOGY	21,504	33,504	25,004	25,004
UNDERSEA WARFARE ADVANCED TECHNOLOGY	51,816	51,816	46,170	48,483
SHALLOW WATER MCM DEMOS	80,958	25,000	46,565	40,958
ADVANCED TECHNOLOGY TRANSITION	96,825	78,000	89,325	81,000
AIR/OCEAN TACTICAL APPLICATIONS	16,621	19,821	16,621	19,821
AVIATION SURVIVABILITY	7,477	16,377	7,477	16,377
SURFACE AND SHALLOW WATER MINE COUNTERMEASURES	54,527	56,177	54,527	56,177
ADVANCED SUBMARINE COMBAT SYSTEMS DEVELOPMENT	21,281	28,181	21,281	28,181
CARRIER SYSTEMS DEVELOPMENT	16,164	16,164	9,226	12,764
NON-ACCOUSTIC ANTI SUBMISSION WARFARE			10,000	10,000
ADVANCE SUBMARINE SYSTEM DEVELOPMENT	35,748	55,748	35,748	55,748
SUBMARINE TACTICAL WARFARE SYSTEM	5,070	8,570	5,070	8,570
SHIP CONCEPT ADVANCED DESIGN	16,736	53,736	16,736	53,736
ADVANCED SURFACE MACHINERY SYSTEMS	39,156	39,156	67,094	82,864
MARINE CORPS GROUND COMBAT/SUPPORT SYSTEM	46,733	46,733	46,733	50,933
RETRACT MAPLE	82,932	90,932	82,932	87,932
LINK PLUMERIA	17,879	21,579	17,879	21,579
RETRACT ELM	32,561	32,561	31,561	31,561
SHIP SELF DEFENSE	245,620	365,120	245,620	332,620
GUN WEAPON SYSTEM TECHNOLOGY	12,028	37,028	31,028	34,028
JOINT ADVANCED STRIKE TECHNOLOGY—DEM/VAL	149,295	143,795	123,272	83,795
ASW AND OTHER HELO DEVELOPMENT	91,803	80,175	99,636	89,636
AV–8B AIRCRAFT—ENG DEV	11,309	26,909	11,309	26,909
S–3 WEAPON SYSTEM IMPROVEMENT	12,872	27,872	12,872	12,872
P–3 MODERNIZATION PROGRAM	1,945	16,945	1,945	16,945
TACTICAL COMMAND SYSTEM	27,389	27,389	24,750	24,750
V–22A	762,548	762,548	757,548	757,548
AIR CREW SYSTEMS DEVELOPMENT	9,788	17,688	9,788	17,688
EW DEVELOPMENT	87,440	87,440	97,440	97,440
AEGIS COMBAT SYSTEM ENGINEERING	105,683	89,883	94,683	94,683
STANDARD MISSILE IMPROVEMENTS	8,572	2,572	18,572	18,572
AIRBORNE MCM	42,226	42,226	30,468	34,468
ENHANCED MODULAR SIGNAL PROCESSOR	8,342	14,842	8,342	14,842
SUBMARINE COMBAT SYSTEM	43,302	37,151	43,302	43,302
SUBMARINE TACTICAL WARFARE SYSTEM	38,479	20,487	38,479	38,479
NAVY TACTICAL COMPUTER RESOURCES	5,499	15,499	5,499	15,499
UNGUIDED CONVENTIONAL AIR—LAUNCHED WEAPONS	40,517	43,517	94,517	53,517
SHIP SELF DEFENSE	165,997	201,997	179,297	207,297
NAVIGATION/ID SYSTEM	56,472	56,472	51,104	54,104
DISTRIBUTED SURVEILLANCE SYSTEM	93,507	93,507	93,507	103,507
STUDIES AND ANALYSIS SUPPORT—NAVY	9,281	7,000	7,781	7,000
MANAGEMENT, TECHNICAL & INTERNATIONAL SUPPORT	20,371	12,000	18,422	18,422
STRATEGIC TECHNICAL SUPPORT	3,584	3,000	3,584	3,000
TEST AND EVALUATION SUPPORT	245,911	247,911	237,911	239,911
STRATEGIC SUB & WEAPONS SYSTEM SUPPORT	39,511	39,511	36,609	36,609
F/A–18 SQUADRONS	919,484	923,984	919,484	923,984
E–2 SQUADRONS	52,965	52,965	52,965	62,965
TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER (TMPC)	141,440	176,440	141,440	170,440
INTEGRATED SURVEILLANCE SYSTEM	16,440	32,640	16,440	32,640
CONSOLIDATED TRAINING SYSTEMS DEVELOPMENT	48,058	51,058	65,058	65,058
F14 UPGRADE	44,490	44,490	44,490	19,115
MARINE CORPS COMBAT SERVICES SUPPORT	3,915	6,915	3,915	7,415
SATELLITE COMMUNICATIONS	38,472	38,472	43,472	38,472
INDUSTRIAL PREPAREDNESS		88,000	41,251	88,000
CLASSIFIED PROGRAMS	539,680	579,680	545,480	585,480
GENERAL REDUCTION, UNIVERSITY LABS		−10,000		−10,000
FREE ELECTRON LASER PROGRAM		9,000		9,000

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
Surface/Aerospace Surveillance and Weapons Technology	32,658	36,658	30,658	34,658
Long Range Projectile		+2,000		+2,000
IPHTET/Rocket Propulsion		+2,000		+2,000
Theater Defense			−2,000	−2,000
Surface Ship Technology	36,786	46,786	37,860	62,860
Submarine Technology		+10,000		+10,000
Submarine Signature Control/ Structural Systems/ Power and Automation/ and Maneuvering and Seakeeping			−4,926	−4,926
Power Electronic Building Blocks			+6,000	+6,000
Curved Plate Technology				+15,000
ITEM for Embedded Test Procedures			(1,000)	(1,000)
ITEM for Prototype Advanced Maintenance			(1,000)	(1,000)
Aircraft Technology	22,238	24,738	28,238	30,738
Helmet mounted displays		+2,500		+2,500
Vectored thrust ducted propeller technology			+6,000	+6,000
Readiness, Training, and Environmental Quality Technology	40,511	45,311	42,511	49,211
Aircrew chemical-biological protection		+4,800		+4,800
MERTS			+2,000	+3,900
Materials, Electronic, and Computer Technology	74,849	77,849	71,849	78,349
Embedded sensors		+3,000		+3,000
C-band telemetry/data link systems			−3,000	−3,000
Distributed Manufacturing Demonstration Project				+3,500
Mine Countermeasures, Mining and Special Warfare	43,384	51,384	43,384	48,384
RAMICS		+8,000		+5,000
Oceanographic and Atmospheric Technology	45,526	60,526	49,476	58,376
Oceanographic research		+10,000		+10,100
Mapping, charting, geodesy			+3,700	+0
PM–10			+250	+250
POAM–11		+5,000		+2,500
Medical Development	27,754	62,754	27,754	65,754
Bone marrow		+24,000		+24,000
Prostate cancer		+7,500		+7,500
DOD head injury		+1,000		+1,000
Blood storage		+1,000		+1,000
Naval Biodynamics Laboratory [Note: The conferees agree to provide 3,000,000 only for the Naval Biodynamics Laboratory (NBDL). These funds are to maintain the level of effort at NBDL so that the lab, facilities, equipment, and records (including data bases) can be transferred, effective October, 1996, to a participating facility which is an integral part of the Gulf Coast Region Maritime Technology Center.]		+1,500		+3,000
Undersea Warfare Advanced Technology	51,816	51,816	45,170	48,493

[In thousands of dollars]

	Budget	House	Senate	Conference
Shallow water surveillance advanced technology—littoral warfare advanced development			−6,646	−3,323
Shallow Water MCM Demonstrations	50,958	25,000	46,565	40,958
Budget growth		−25,958		−10,000
Advanced airborne target designator			−1,400	
C4I technology			−1,468	
Surface surveillance, target acquisition and fire control			−1,525	
Advanced Technology Transition	96,825	78,000	89,325	81,000
Budget growth		−18,825		−18,825
Tactical aircraft directed IR countermeasures			−5,500	
Dual mission advanced missile airframe			−5,000	
SLICE			+3,000	+3,000
Carrier Systems Development	16,164	16,164	9,226	12,764
Zonal electric distribution system			−2,000	
Aviation weapons information systems			−1,538	
Multi-threat magazine protection system			−1,700	−1,700
Integrated catapult/ski-jump			−1,700	−1,700
Advanced Surface Machinery Systems	39,156	39,156	67,094	82,864
ICR			+27,938	+41,008
ICR statutory allocation			(45,458)	(0)
Standard monitoring control system [Note: Conferees agree to provide an additional $2.7 million, a total of $6.2 million, for the standard monitoring control system.]				+2,700
Marine Corps Ground Combat Support System	46,733	46,733	46,733	50,933
Light weight 155mm howitzer				+4,200
Ship Self Defense	245,620	365,120	245,620	332,620
NRL P–3		+26,500		+26,500
Fleet P–3		+11,500		+11,500
E–2 CEC		+8,000		+5,500
Patriot/THAAD/CORPSAM CEC		+20,000		+5,000
Hawk CEC		+15,000		+3,000
AWACS CEC		+10,000		+11,000
National sensors CEC		+4,000		+4,000
FACT high definition systems		+4,500		+4,500
Multisensor fusion (St. Inigoes)		+4,000		
AN/UYQ–70		+16,000		+16,000
Gun Weapon System Technology	12,028	37,028	31,028	34,028
Naval surface fire support		+25,000	+19,000	+22,000
Joint Advanced Strike Technology	149,295	143,795	123,272	83,795
General reduction		−25,500	−51,023	−65,500
Engine competition		+20,000		
A/F–117X [Note: Conferees direct that no reduction be made to the $7 million budgeted and appropriated for alternate engine activities.]			+25,000	
ASW and Other Helicopter Development	91,803	80,175	99,636	89,636
AH–1W		−11,628	−11,628	
ALFS			−2,167	−2,167
4BW/4BH			+21,628	+11,628
AV–8B	11,309	26,909	11,309	26,909
Engineering and manufacturing development		+15,600		+15,600
S–3 Weapon System Improvement Program	12,872	12,872	12,872	12,872
Gray Wolf		+15,000		
P–3 Modernization Program	1,945	16,945	1,945	16,945
AIP		+12,000		+12,000
Stores management		+3,000		+3,000
Airborne Mine Countermeasures	42,226	42,226	30,468	34,468
Airborne laser mine detection system [Note: $18,262,000 is available only for Magic Lantern.]			−11,758	−7,758
Unguided Conventional Air Launched Weapons	40,517	43,517	94,517	53,517
SLAM–ER		+3,000		+3,000
SLAM on Air Force platforms			+54,000	+10,000
Ship Self-Defense	165,997	201,997	179,297	207,297
Test ship		+7,900		+7,900
QRCC		+2,500		+2,500
ESM		+4,500		+4,500
IRST		+9,500	+9,500	+9,500
SPQ–9		+4,800		+4,800
ESSM		+6,800	−8,200	
Multi-sensor integration			+4,000	+4,100
NULKA			+8,000	+8,000
Distributed Surveillance System	93,507	93,507	93,507	103,507
FDS—Deployable [Note: Conferees agree to provide $10 million for refurbishment of an existing FDS–D and for procurement of additional spare clusters.]				+10,000
Studies and Analysis Support	9,281	7,000	7,781	7,000
Growth		−2,281		−781
CVLA			−1,500	−1,500
Test and Evaluation Support	245,911	247,911	237,911	239,911
NDI safety/survivability		+2,000		+2,000
Program reduction [Note: Conferees direct that no part of the general reduction shall be assessed against personnel.]			−8,000	−8,000
F/A–18 Squadrons	919,484	923,984	919,484	923,984
BOL chaff [Note: $4.5 million is only to integrate BOL chaff on F/A–18C/D series aircraft.		+4,500		+4,500
E–2 Squadrons	52,965	52,965	52,965	62,965
E–2 Radar Modernization Program				+10,000
Tomahawk and Tomahawk Mission Planning Center	141,440	176,440	141,440	170,440
Tomahawk Block IV		+25,000		+25,000
Joint targeting testbed [Note: $4 million for testbed is only for studies.]		+10,000		+4,000
Consolidated Training Systems Development	+48,058	+51,058	+65,058	+68,058
Outboard trainer		+3,000		+3,000
PMRF shallow water range			+17,000	+17,000
F–14 Upgrade	44,490	44,490	44,490	19,115
JDAM integration				−25,375
Marine Corps Combat Services Support	3,915	6,915	3,915	7,415
All terrain vehicle		+3,000		
Medium tactical vehicle replacement [Note: Conferees direct that funds for the medium tactical vehicle replacement may only be used for the cargo variant.]				+3,500
Satellite Communications	38,472	38,472	43,472	38,472
Commercial direct broadcast [Note: Conferees do not agree to the Senate language on the global broadcast service.]			+5,000	
Industrial Preparedness		88,000	41,251	88,000
Transfer		+41,251	+41,251	+41,251
Generic increase		+36,749		+36,749
Electro-optics [Note: The conference agreement includes $10 million to continue a multi-year effort in partnership with U.S. manufacturers to develop advanced electro-optic manufacturing technologies aimed at developing lower cost and technologically superior U.S. weaponry. This program was authorized in the 1996 House National Defense Authorization bill.]		+10,000		+10,000

SHIP SELF-DEFENSE

The conferees do not agree to the House bill language on ship self-defense programs, as there is now agreement between the Congress and the Defense Department on the direction of the affected programs. This action should not be construed as a diminution of Congressional support for achieving robust self-defense capabilities on Navy ships, particularly on the LPD-17 class, as soon as possible.

SURFACE SHIP TECHNOLOGY

The conferees believe recent efforts to develop state-of-the-art curved plate technology for constructing large double hull tankers hold promise to significantly reduce construction costs and provide an improved level of safety and performance for navy tanker vessels. The conference agreement includes $15,000,000 only to complete the development, design, construction and testing of full scale prototype equipment essential to evaluating and deploying this technology. Funds are to be used for detailed design and construction of full scale prototype equipment for curved plate panel forming, coating, subassembly and final welding.

OCEANOGRAPHIC AND ATMOSPHERIC TECHNOLOGY

The conferees agree to provide $10,000,000 for oceanographic research as recommended by the House. These funds are available only for collaborative research for the continued development, integration and application of cost-effective underwater multisensing systems (physical, chemical, optical, and acoustic) and unmanned underwater vehicles for continental shelf oceanographic measurements for mine countermeasures and other oceanographic applications, both fundamental and applied. These funds are to continue the project explained in House report 103-254, whose focus is on in-situ oceanographic sensors, fusion of multiple sensors, reconfigurability, interoperability to achieve low cost, reduced size and flexible payload/platform systems, adaptive capabilities for extended deployments, and navigation by self-convergent approaches using onboard sensors and intelligent control.

JOINT ADVANCED STRIKE TECHNOLOGY

Due to a recent restructure of the JAST program, there is now $131,000,000 in the fiscal year 1996 budget that is for work to be accomplished in fiscal year 1997. Such work should be budgeted in that year. The conferees agree to this reduction in the Navy and Air Force accounts, and direct that the Office of the Secretary of Defense ensure that the fiscal year 1997 budget to Congress includes a restoration of these funds.

F/A-18 SQUADRONS

The conferees agree to provide an additional $4,500,000 only for BOL chaff as recommended by the House. These funds are only to complete certification of the BOL chaff system on the F/A-18C/D series aircraft.

E-2 SQUADRONS

The conferees have provided an increase of $10,000,000 only to support evaluation of technologies for an E-2 radar modernization program (RMP). The conferees support an expansion of current development and test efforts at a site which permits elevated testing of an ADS-18S antenna and is involved with evaluation of space time adaptive processing (STAP) algorithms. Based on analysis and testing completed to date, the Navy has concluded that upgrades to the E-2 can provide substantial warfighting improvements in a littoral environment. The conferees direct that the additional funds shall only be available for radar development work, antenna testing and site enhancements in conjunction with ongoing efforts.

LCAC SERVICE LIFE EXTENSION PROGRAM

The conferees agree to provide $37,000,000 as recommended by the House for advanced planning and engineering of a Landing Craft Air Cushion (LCAC) service life extension program. The program will include component improvements and structural modifications to reduce maintenance costs, meet increased lift requirements, and restore growth margins. Modifications will be incorporated into the last craft during production and into existing fleet craft beginning in fiscal year 1996 as an expansion of the current corrosion control effort.

INTERCOOLED RECUPERATIVE GAS TURBINE ENGINE

The conferees agree to provide $41,008,000 for the continued development of the Intercooled Recuperative (ICR) gas turbine engine. This includes the amount requested in the budget and additional funds for the recuperator recovery plan and the U.S. test site.

NAVY RANGE SUPPORT SHIP

In the process of restructuring its fleet of oceanographic research vessels, the Navy recently decided that the Kaimalino would not be part of the future Navy oceanographic fleet. The conferees are aware of a plan for the Pacific Missile Range Facility (PMRF) to acquire the Kaimalino to support operational training needs as well as research and development programs, such as Navy Upper and Lower Tier Patriot, and THAAD. The conferees believe this would be an effective use of the Kaimalino. The conferees direct the Navy to review PMRF's request and to report to the Committees on Appropriations prior to taking any other action on the ship. The conferees further direct that the reuse of the Kaimalino shall have no effect on other ships in the Navy's oceanographic fleet.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
RESEARCH DEVELOPMENT TEST & EVAL AF				
DEFENSE RESEARCH SCIENCES	239,893	254,393	230,478	239,978
MATERIALS	74,534	71,000	74,534	74,534
AEROSPACE FLIGHT DYNAMICS	66,268	62,768	60,799	63,100
HUMAN SYSTEMS TECHNOLOGY	90,311	86,911	75,311	86,911
AEROSPACE PROPULSION	78,592	81,592	72,070	75,070
AEROSPACE AVIONICS	74,256	74,256	66,601	68,500
HYPERSONIC TECHNOLOGY PROGRAM	19,900	19,900	16,900	19,900
ADVANCED WEAPONS	124,446	130,446	130,746	136,746
COMMAND CONTROL AND COMMUNICATIONS	98,477	96,477	98,477	96,477
ADVANCED MATERIALS FOR WEAPON SYSTEMS	23,283	25,283	28,283	30,283
CREW SYSTEMS AND PERSONNEL PROTECTION TECHNOLOGY	18,953	21,953	18,953	21,953
ADVANCED AVIONICS INTEGRATION	20,421	17,621	20,421	17,621
EW TECHNOLOGY	25,079	20,079	25,079	22,579
SPACE AND MISSILE ROCKET PROPULSION	15,302	20,203	15,203	20,203
BALLISTIC MISSILE TECHNOLOGY	3,085	8,785	8,085	8,785
ADVANCED SPACECRAFT TECHNOLOGY	32,627	83,627	52,627	78,627
CONVENTIONAL WEAPONS TECHNOLOGY	31,637	34,137	31,637	34,137
ADVANCED RADIATION TECHNOLOGY	47,919	47,919	74,919	74,919
CIVIL AND ENVIRONMENTAL ENGINEERING TECHNOLOGY	9,835	7,835	9,835	8,835
ADVANCED COMPUTING TECHNOLOGY	11,005	36,605	11,005	36,605
POLAR SATCOM			68,331	58,000
NATIONAL POLAR-ORBITING OPERATIONAL ENVIRONMENTAL SATE	23,861	18,861	13,861	18,861
SPACE BASED INFRARED ARCHITECTURE (SBIR)—DEM/VAL	130,744	230,744	265,744	265,744
JOINT ADVANCED STRIKE TECHNOLOGY—DEM/VAL	151,186	125,686	85,258	85,686
INTERCONTINENTAL BALLISTIC MISSILE—DEM/VAL	20,265	20,265	31,765	31,765
B–1B	173,838	197,438	187,438	202,438
C–17 PROGRAM	85,753	85,753	42,353	73,803
F–22/EMD	2,138,718	2,338,718	2,338,718	2,238,718
NIGHT/PRECISION ATTACK	8,708	8,707	20,708	20,708
SPACE BASED INFRARED ARCHITECTURE (SBIR)—EMD	152,219	152,219	162,119	172,219
MILSTAR LDR/MDR SATELLITE COMMUNICATIONS	649,666	649,666	591,666	577,666
JOINT STANDOFF WEAPONS SYSTEMS	44,025	44,025	40,802	44,025
COMPUTER RESOURCE TECHNOLOGY TRANSITION (CRTT)	2,166	2,166	20,366	9,166
JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM (JSTARS)	169,702	189,702	162,202	182,202
SPACE TEST PROGRAM	57,710	57,710	39,572	47,000
THREAT SIMULATOR DEVELOPMENT	53,377	53,377	65,877	58,877
NAVIGATION/RADAR/SLED TRACK TEST SUPPORT		3,000		3,000
TEST AND EVALUATION SUPPORT	454,067	444,167	430,167	434,167
ENVIRONMENTAL CONSERVATION	14,169	4,169	14,169	4,169
ROCKET SYSTEMS LAUNCH PROGRAM (RSLP)	5,949	5,949	22,749	22,749
BASE OPERATIONS—RDT&E	117,083	120,683	126,983	123,983
AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	103,700	101,730	135,200	133,230
B–52 SQUADRONS	16,505	16,505	25,505	21,005
F–16 SQUADRONS	175,600	175,600	177,600	175,600
F–15E SQUADRONS	171,337	171,337	169,237	171,337
MANNED DESTRUCTIVE SUPPRESSION	2,908	2,908	10,908	10,908
JASSM			50,000	25,000
ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)	42,311	50,311	37,211	47,311
THEATER BATTLE MANAGEMENT (TBM) C4I	24,813	29,813	24,813	29,813
ADVANCED SYSTEMS IMPROVEMENTS	105,548	105,548	105,548	63,748
THEATER MISSILE DEFENSES	25,102	25,102	53,102	25,102

[In thousands of dollars]

	Budget	House	Senate	Conference
SATELLITE CONTROL NETWORK	89,717	82,717	84,617	84,617
TITAN SPACE LAUNCH VEHICLES	140,514	140,514	135,514	135,514
NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE AND CONTROL S)	26,921	26,921	25,921	25,921
NCMC—TW/AA SYSTEM	60,897	60,897	68,797	68,797
SPACETRACK	35,583	35,583	57,883	58,383
DEFENSE SUPPORT PROGRAM	43,672	43,672	37,441	37,441
NUDET DETECTION SYSTEM	16,227	13,277	16,277	13,277
INDUSTRIAL PREPAREDNESS		53,332	60,932	60,932
CLASSIFIED PROGRAMS	3,203,479	3,310,979	3,249,279	3,339,129

[In thousands of dollars]

	Budget	House	Senate	Conference
Defense Research Sciences	239,893	254,393	230,478	239,978
Center for Astronomical Adaptive Optics		+5,000	+5,000	+5,000
Joint Seismic Research		+9,500		+9,500
Program Reduction			−14,415	−14,415
Aerospace Flight Dynamics	66,268	62,768	60,799	63,100
Aeromechanics			−5,469	−3,168
Aerospace Propulsion	78,592	81,592	72,070	75,070
Thermally Stable Jet Fuels		+3,000		+3,000
Program Reduction			−6,522	−6,522
Advanced Weapons	124,446	130,446	130,746	136,746
Rocket Propulsion Technology		+6,000		+6,000
High Frequency Active Auroral Research			+5,000	+5,000
AEOS Spectrograph			+1,300	+1,300
Advanced Materials for Weapon Systems	22,283	25,283	28,283	30,283
Infrared Signature Control		+2,000		+2,000
Metal Fatigue Monitoring Technology			+5,000	+5,000
Advanced Spacecraft Technology	32,627	83,627	52,627	78,627
Reusable Launch Vehicle Technology		+50,000		+25,000
Miniature Threat Reporting System		+1,000		+1,000
Microsat			+20,000	+20,000
B–1B	173,838	197,438	187,438	202,438
JDAM Integration		+7,000	+7,000	+7,000
ECM Risk Reduction		+6,600	+6,600	+6,600
PGM		+10,000		+15,000
SBIR–EMD	152,219	152,219	162,119	172,219
Other Procurement Transfer			+9,900	+20,000
Computer Resource Tech Transition	2,166	2,166	20,366	9,166
Software Design for Reliability and Reuse			+3,000	+5,000
CARDS				+2,000
IMDS			+15,200	
Joint Surveillance/Target Attack Radar	169,702	189,702	162,202	182,202
REA			−12,000	−12,000
NATO JSTARS Project Office			+4,500	+4,500
Data Link/Dissemination Technologies		+20,000		+20,000
Aircraft Engine Component Improvement Program	103,700	101,730	135,200	133,200
B–2		−1,970		−1,970
RC–135 Re-engining NRE			+31,500	+31,500
Threat Simulator Development	53,377	53,377	65,877	58,877
ECIT Infrastructure			−3,100	−3,100
REDCAP			+15,600	+8,600
Test and Evaluation Support	454,067	444,167	430,167	434,167
AF T&E Transfer		−9,900	−9,900	−9,900
Program Reduction [Note: The conferees direct that no part of the reduction may be assessed against personnel.]			−14,000	−10,000
Base Operations—RDT&E	117,083	120,683	126,983	123,983
Test and Evaluation Transfer		+9,900	+9,900	+9,900
Growth Reduction		−6,300		−3,000
Satellite Control Network [Note: The conferees direct the Air Force to use unobligated fiscal year 1995 funds allocated for special projects to fund fiscal year 1996 general program requirements.]	89,717	82,717	84,617	84,617
Space Track	35,583	35,583	57,883	58,383
Air Force Maui Optical Station			+5,300	+5,300
Advanced Electro-Optical System (AEOS)			+17,000	+17,000
AEOS Site Characterization				+500
Defense Support Program [Note: The conferees direct that the reduction shall only be assessed against engineering change orders and management support.]	43,672	43,672	37,441	37,441

SPACE BASED INFRARED ARCHITECTURE—DEM/VAL

The conferees agree to provide $265,744,000 for the demonstration/validation stage of the space based infrared architecture program, an increase of $135,000,000 to the budget request. The conferees have agreed to provide the additional $135,000,000 to accelerate development of the space missile tracking system (SMTS), formerly known as Brilliant Eyes. The additional funds provided for the program shall be used only for efforts identified jointly by both the Ballistic Missile Defense Organization and the Air Force to accelerate the deployment of SMTS.

B–1B

The conferees agree to provide $202,438,000 for the B–1B upgrade program, an increase of $28,600,000 to the budget request. The additional funding includes an increase of $7,000,000 for B–1B JDAM integration, an increase of $6,600,000 for ECM risk reduction activities, and $15,000,000 for efforts to equip the bomber with precision guided munitions, including the B–1B virtual umbilical demonstration (BVUD). The conferees agree that none of the funding used for BVUD may be obligated until the Commander of the Air Combat Command and the Air Force Director of Operational Requirements certify to the appropriations committees that (a) a documented requirement for BVUD exists; and (b) that BVUD will be incorporated as part of the B–1B conventional upgrade program.

The conferees also direct that the Commander of the Air Force Operational Test and Evaluation Center provide a report no later than March 15, 1996 on the test and evaluation plan for BVUD and other precision guided munitions demonstrations. Finally the conferees direct the Department of the Air Force to consider other available alternatives to providing precision guided capability for the Mk–82 munition with the additional funding provided.

C–17

The conferees agree to provide $73,803,000 for continued development of the C–17 advanced transport aircraft, a decrease of $11,950,000 to the budget request. The conferees direct that these funds be allocated as follows: flight test support, $17,850,000; T–1 refurbishment, $11,700,000; aircraft structural integrity, $11,000,000; mission support, $10,900,000; aircraft armor, $5,000,000; flight test hours, $4,000,000; automatic communications processor; $4,000,000; station-keeping equipment, $1,300,000; passenger oxygen mask improvements, $1,000,000; enhanced aeromedical litters, $1,000,000; cargo compartment heating, $600,000; troop seats, $553,000; GPS integrity monitoring, $500,000; airlift defensive system survivability study, $400,000; signature reduction study, $400,000.

The conferees agree with Senate's direction regarding crew armor.

SENSOR FUZED WEAPON PRODUCT IMPROVEMENT

The House and Senate both included $10,000,000 in their respective bills to begin a product improvement program for the Sensor Fuzed Weapon (SFW). The conferees direct the Air Force to program those funds required in the outyears to complete development of these improvements. Currently programmed SFW production funds shall not be used as a source for the required development funds. The conferees strongly urge the Air Force to begin this development as soon as possible and to examine ways to streamline and shorten the effort.

The conferees also agree with the Senate requirement for a reevaluation, to be submitted no later than May 1, 1996, of total inventory needs for smart munitions.

JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM

The conferees agree with the Senate position regarding funds for both the Air Force and the Army to continue development and procurement of the Joint Surveillance/Target Attack Radar system, with the exception of restoring $6,100,000 of the Senate recommended reduction to the Air Forces procurement request. The conferees direct that the restored funds are available only to pay over and above expenses for repair actions during aircraft refurbishment. The reduction recommended by the conferees shall only be assessed against the funds originally identified in budget justification materials as allocated for engineering change orders.

In addition, the conferees direct that $12,000,000 in fiscal year 1995 research, development, test and evaluation funds allocated to an unadjudicated Request for Equitable Adjustment is only available to support fiscal year 1996 development requirements.

The conferees further agree with the Senate requirements regarding the NATO Alliance Ground Surveillance (AGS) program.

B-52 SQUADRONS

The conferees agree to provide $21,005,000 for B-52 development, an increase of $4,500,000 to the budget request. The additional funding is only for integration of the AGM-130 munition onto B-52 bombers. The conferees direct that not more than $1,000,000 may be obligated until the Secretary of the Air Force certifies that there is a validated operational requirement for the weapon and reports to the Committees on Appropriations about the annual and total costs, schedule, technical risks, and operational considerations of such integration.

JOINT-AIR-TO-SURFACE STANDOFF MISSILE

The conferees agree to provide $25,000,000 to initiate the Joint-Air-to-Surface Standoff Missile (JASSM) program. The conferees agree to the Senate requirements regarding a report and a cost and operational effectiveness analysis. However, the Senate proposed obligation restrictions are not required. The required report is due no later than June 1, 1996.

THREAT SIMULATOR DEVELOPMENT

The conferees direct that none of the funds available for the Real-Time Electromagnetic Digitally Controlled Analyzer and Processor (REDCAP) may be used to fund any activities which would produce permanent improvements which could not be relocated in accordance with the Base Realignment and Closure (BRAC) decision to move this facility.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
RESEARCH DEVELOPMENT TEST & EVAL DEFWIDE				
DEFENSE RESEARCH SCIENCES	89,732	84,732	86,332	81,332
UNIVERSITY RESEARCH INITIATIVES	236,165	221,165	231,165	231,165
FOCUSED RESEARCH INITIATIVES	14,009	9,009		9,009
CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	23,947	28,547	23,947	28,547
COUNTERPROLIFERATION SUPPORT	9,952	14,452	9,952	14,452
MEDICAL FREE ELECTION LASER	13,258	13,528	26,258	26,258
LINCOLN LABORATORY RESEARCH PROGRAM	19,903	10,000	19,903	12,903
COMPUTING SYSTEMS AND COMMUNICATIONS TECHNOLOGY	403,875	402,876	372,525	396,325
CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	60,665	84,165	58,515	68,515
TACTICAL TECHNOLOGY	113,168	132,168	117,718	130,718
INTEGRATED COMMAND AND CONTROL TECHNOLOGY	48,000	50,000	48,000	50,000
MATERIALS AND ELECTRONICS TECHNOLOGY	226,045	236,045	235,145	248,145
DEFENSE NUCLEAR AGENCY	219,003	231,703	237,003	237,703
DEFENSE HEALTH RESEARCH AND DEVELOPMENT			120,000	20,000
NATIONAL MISSILE DEFENSE—DEM/VAL	370,621	820,621	670,621	745,621
CORPS SURFACE-TO-AIR MISSILE—TMD—DEM/VAL	30,442	20,442		20,442
SUPPORT TECHNOLOGIES/FOLLOW-ON TECHNOLOGIES—ADVANCE	79,387	79,387	149,387	129,387
OTHER THEATER MISSILE DEFENSE/FOLLOW-ON TMD ACTIVITIES	460,470	423,470	475,470	438,470
BALLISTIC MISSILE DEFENSE RDT&E PROGRAM MANAGEMENT AND	185,542	165,542	155,542	155,542
PATRIOT PAC-3 THEATER MISSILE DEFENSE ACQUISITION—EM	247,921	247,921	352,421	352,421
THEATER HIGH-ALTITUDE AREA DEFENSE SYSTEM—TMD—EMD		50,000		
COUNTERTERROR TECHNICAL SUPPORT	12,044	24,044	12,044	18,244
COUNTERPROLIFERATION SUPPORT—ADV DEV	55,331	55,331	65,331	65,331
ASAT PROGRAM			30,000	30,000
JOINT DOD-DOE MUNITIONS TECHNOLOGY DEVELOPMENT	16,799	16,799	21,799	21,799
EXPERIMENTAL EVALUATION OF MAJOR INNOVATIVE TECHNOLOGIES	618,005	671,006	576,405	613,705
CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM—ADVANCED DEV	25,684	38,284	21,686	35,684
ADVANCED SUBMARINE TECHNOLOGY	7,473	30,473	13,973	30,473
DEFENSE REINVESTMENT	500,000		238,000	195,000
STRATEGIC ENVIRONMENTAL RESEARCH PROGRAM	58,435	58,155	58,435	58,156
JOINT TECHNOLOGY INSERTION PROGRAM	4,976	4,976		3,476
CALS INITIATIVE	6,545	6,545	25,745	25,745
COOPERATIVE DOD/VA MEDICAL RESEARCH			25,000	25,000
ADVANCED ELECTRONICS TECHNOLOGIES	419,863	434,863	388,718	409,018
SEMICONDUCTOR MANUFACTURING TECHNOLOGY	89,554		89,554	39,000
MARITIME TECHNOLOGY	49,657	63,957	49,657	49,657
ELECTRIC VEHICLES			15,000	15,000
ADVANCED CONCEPT TECHNOLOGY DEMONSTRATIONS	63,251	32,251	59,851	48,251
HIGH PERFORMANCE COMPUTING MODERNIZATION PROGRAM	89,682	89,682	119,682	119,682
INDUSTRIAL PREPAREDNESS MANUFACTURING TECHNOLOGY	7,007	7,007		
JOINT ADVANCED STRIKE TECHNOLOGY—DEM/VAL	30,675	30,675	18,775	30,678
JOINT ROBOTICS PROGRAM	17,382	22,382	23,115	22,382
ADVANCED SENSOR APPLICATIONS PROGRAM	25,923	35,923	25,923	25,923
NATO RESEARCH AND DEVELOPMENT	45,642		28,500	23,500
CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM—DEM/VAL	32,461	36,861	29,661	34,061
CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM—EMD	95,324	107,324	91,617	91,617
GENERIC LOGISTICS R&D TECHNOLOGY DEMONSTRATIONS	16,800	16,800	12,300	12,300
TECHNICAL STUDIES, SUPPORT AND ANALYSIS	39,302	24,302	24,372	34,302
TECHNICAL ASSISTANCE	4,927	4,927		
SMALL BUSINESS INNOVATIVE RESEARCH ADMINISTRATION	1,574	1,574		1,574
DEFENSE SUPPORT ACTIVITIES	14,752	14,752	17,752	17,752
COUNTERDRUG INTELLIGENCE SUPPORT			7,000	7,000
INDUSTRIAL PREPAREDNESS			7,007	7,007
INFORMATION SYSTEMS SECURITY PROGRAM	23,884	23,884	17,414	17,414
DMA MAPPING, CHARTING, AND GEODESY (MC&G) PRODUCTIONS	80,131	80,131	92,745	74,745
DEFENSE AIRBORNE RECONNAISSANCE PROGRAM	515,148	612,048	391,148	604,448
C3I INTELLIGENCE PROGRAMS	7,907	7,907	9,907	9,907
SPECIAL OPERATIONS ADVANCED TECHNOLOGY DEVELOPMENT	13,288	14,788	19,288	15,788
SPECIAL OPERATIONS TACTICAL SYSTEMS DEVELOPMENT	101,602	105,602	109,895	112,395
CLASSIFIED PROGRAMS	1,194,090	1,188,421	1,227,090	1,225,601

[In thousands of dollars]

	Budget	House	Senate	Conference
Defense Research Sciences	89,732	84,732	86,332	81,332
Authorization adjustments		−5,000		−5,000
Material Sciences—Bioremediation			−3,400	−3,400
University Research Initiatives	236,165	221,165	231,165	231,165
Authorization adjustment			−15,000	
Combat readiness research			+10,000	+10,000
DEPSCOR		+20,000	(20,000)	+20,000
Reduction		−35,000		−35,000
Focused Research Initiatives [Note: The conferees agree to provide $9,009,000 for Focused Research Initiatives. The conferees agree that priority should be given to new materials research and continuing programs already initiated in conjunction with the National Medical Technology Testbed.]	14,009	9,009		9,009

[In thousands of dollars]

	Budget	House	Senate	Conference
Program reduction or deferral			−14,009	
Computing Systems and Communications Technology	403,875	402,875	372,525	396,325
Planning and decision aids			−3,200	
Human computer interaction			−6,100	
Evoluntary design of complex software			−4,000	
High Performance Computing Defense Info enterprise			−24,800	
Defensive Information Warfare			−5,000	−5,000
Interoperative Intelligent Metacomputing Testbed			+8,000	+8,000
Asset Source for Software Engineering Technology			+3,750	+3,750
Nuclear Monitoring Technology		+11,000		+11,000
Software Managers Network		+10,000		+10,000
Natural Language Text		5,000		+5,000
Global Broadcast Service		+8,000		+8,000
Seismic Monitoring Research		+10,000		
High Performance Computing	−25,000			−35,000
Program Reduction				−13,300
Chemical and Biological Defense System	60,665	84,165	58,515	68,515
House Authorization Increase		+23,500		+10,000
Non medical chem/bio defense and gen/investment			−2,150	−2,150
Tactical Technology	113,168	132,168	117,718	130,718
Tactical Landing System		+7,000	+6,450	+6,450
Multiple Object Tracking Sensor System		+7,000		+7,000
Simulation Based Design		+5,000		+5,000
Naval Warfare Technology			−4,000	−3,000
Aglie Warrior			−4,900	−4,900
Center of Excellence for Research in Ocean Sciences			+7,000	+7,000
Integrated Command and Control Technology	48,000	50,000	48,000	50,000
Digital Camera		+2,000		+2,000
Field Emission Display [Note: The conferees agree that $5,000,000 is to be made available only for plasma enhanced chemical vapor deposition equipment and for development of manufacturing systems in a cluster tool format specifically tailored for field emission display (FED) production.]				(2,000)
Materials and electronics technology	226,045	236,045	235,145	248,145
High Temperature Superconducting Materials		+10,000		+10,000
LSTAT		(4,000)	(3,000)	(3,000)
Joint LSTAT requirement		(500)	(500)	(500)
Materials and Processing Technology			−8.900	−4,900
Military Medical/Trauma Care Technology				
2–D Ultrasound			−3,500	−1,000
Healthcare and Information infrastructure			−3,000	−3,000
Thermal Diamond Management			+14,500	+11,000
Cryogenic Electronics			+10,000	+10,000
Defense Nuclear Agency	219,003	231,703	237,003	237,703
High Power Microwave Technology		+4,700	+4,000	+4,700
Counterterrorist Explosive Research		+4,000		+4,000
Radiation Hardened Electronics		(15,000)		(15,000)
Environmental Pollutants			(5,000)	(5,000)
Thermionics			+10,000	+10,000
Defense Health Research and Development			120,000	20,000
Breast Cancer Research			+100,000	
AIDS Research			+20,000	+20,000
Other Theater Missile Defense	460,470	423,470	475,470	438,470
Reduction		−37,0000		−37,000
UAV/Boost Phase Interceptor			+15,000	+15,000
Kauai Test Facility			(3,000)	(3,000)
Counterterror Technical Support	12,044	24,044	12,044	18,244
Pulsed Fast Neutron Analysis		+12,000		+6,200
Experimental Evaluation of Major Innovative Tech	618,005	671,005	576,405	613,705
MOBA			−9,500	−9,500
Command and Control Info Systems			−11,100	−11,100
Guidance Tech—Sharpshooter			−13,700	−13,700
Advanced Simulation: Synthetic Theater of War			−3,000	−1,000
Advanced Simulator Technologies			−9,700	−5,000
Critical Mobile Targets			−10,000	−10,000
Pacific Disaster Center			+6,000	+6,000
Two Megawatt direct fuel cell powerplant			+9,400	+7,000
Shallow Water ASW		+5,000		+5,000
Classified Programs		+35,000		+10,000
Small Satellites		+1,000		+1,000
Safety and Survivability		+2,000		+2,000
GEOSAR		+10,000		+10,000
Crown Royal				+5,000
Strategic Packaging for Single Multi-Chip Modules [Note: The conferees agree to provide $2,000,000 only for Strategic Packaging for Single and Multi-chip Modules.]				(2,000)
Deep ocean relocation of coastal and harbor sediments [Note: The conferees agree to provide $2,500,000 only for the continuted study of deep ocean relocation of coastal and harbor sediments leading to a demonstration and validiation of viable relocation and environmental monitoring technology.]				(2,500)
Large Millimeter Wave (Telescope			(3,000)	(3,000)
Chemical and Biological Defense Program	25,684	38,284	21,688	35,684
House Increase		+12,600		+10,000
Chem/bio defense advanced tech demo			−3,998	
Advanceed Submarine Technology [Note: $7,000,000 of submarine technology is for project M.]	7,473	30,473	13,973	30,473
Submarine Technology		+23,000		+20,000
Active Structural Control			+3,000	+3,000
Integrated, passive, topographic navigation			+3,500	+0
Cooperative DoD/VA Medical Research			25,000	25,000
Core Program			+20,000	+20,000
Spinal/Brain research [Note: The conferees agree to provide $5,000,000 to complete the efforts initiated in 1992 for the Department of Defense Military Medical Personnel Collaborative Spinal Cord Injury, Paralysis, Neuroscience Research, Education and Training Center.]			+5,000	+5,000
Advanced Electronics Technologies	419,863	434,863	388,718	409,018
Focus Hope/U.S. Japan Management Training			−23,642	−13,642
CALS/Electronic Resource Centers			−6,000	
Manufacturing Technology Applications—Advanced Multimissile Manufacturing			−10,000	−10,000
Electronic Module Technology: Rapid acquisition of application specific signal processors technology base efforts			−3,100	−3,100
High Density Microwave Packaging			−9,100	−2,100
Microwave and Analog Front End Technology			−14,300	−7,000
Seamless High Off-Chip Conductivity			+10,000	+10,000
Institute for Advanced Flexible Manufacturing			+4,000	+4,000
Advanced Lithography			+20,997	+20,997
U.S. Japan—Management Training		−10,000		−10,000
Advanced Lithography		+25,000		
DMA mapping, charting, geodesy production	80,131	80,131	92,745	74,745
Support and management			−5,386	−5,386
Classified			+18,000	
Defense Airborne Reconnaissance Program	515,148	612,048	391,148	604,448
Tier II UAV	19,950	45,250	19,950	45,250
Tier III–UAV	48,000	83,000	48,000	66,000
Maneuver UAV	36,800	16,800	36,800	28,800
U–2 Sensor Upgrades		20,000		15,000
U–2 Defensive Systems		13,000		10,000
U–2 General Upgrades		15,000		

[In thousands of dollars]

	Budget	House	Senate	Conference
MSAG	....	12,000	....	8,000
E/O Framing Sensor	....	8,000	....	7,000
High Data Rate Laser Com	....	5,000	....	5,000
Cannon Imagery Ground System	33,833	49,833	38,833	44,833
Special Ops Advanced Technology Development	13,288	14,788	19,288	15,788
Integrated Bridge	....	+1,500	....	+1,500
Millimeter Wave	....	....	+1,000	+1,000
Crown Royal	....	....	+5,000	....
Special Operations Tactical Systems Development	101,602	105,602	109,895	112,395
Advanced Seal Delivery System	....	....	+4,000	+4,000
SOF surface craft—Navy Boat program	....	....	+4,293	+4,293
Lightweight Strike Vehicle	....	+1,500	....	....
Full Authority Digital Electronic Control	....	+2,500	....	+2,500

HISTORICALLY BLACK COLLEGES AND OTHER MINORITY INSTITUTIONS

The Department is encouraged to continue its support of minority institutions, including Hispanic serving institutions, through academic collaborations for research and education related to science and technology, relevant to the Department's mission.

COMPUTING SYSTEMS AND COMMUNICATIONS TECHNOLOGY

The conferees agree to provide $8,000,000 for a Global Broadcast Service (GBS) as recommended by the House. The conferees also agree to the House language directing that the GBS initiative is to be managed by the Under Secretary of Defense for Acquisition and Technology (USD (A&T)). The conferees do not agree to the House language directing that the $8,000,000 is to be released to the Navy for a near-term GBS pilot program. Instead, the conferees believe that the GBS program must address the needs of all of the services and direct the USD (A&T) to compete the acquisition of both the near-term and objective GBS. After the competition is completed, the Under Secretary of Defense (Comptroller) is to certify to the defense committees that $8,000,000 has been released to the service chosen as executive agent to conduct the near-term GBS pilot program. The conferees do agree to the House language directing the USD (A&T) to provide to the defense committees a long-term master architecture. Additionally, the conferees direct that the USD (A&T) provide a comparison of cost, schedule, technical risk and operational considerations for several potential GBS host spacecraft including UFO follow-on, Milstar, DSCS, classified, and commercial satellites with the master architecture.

ADVANCED ELECTRONIC TECHNOLOGY

The conferees agree with the House report concerning the ECRC program and also direct the Department to enter into a five-year contract with each of the two system integrators, the National ECRC and CAMP, who will continue to manage their respective sites.

The conferees commend ARPA for recent advancements in low-cost dense plasma focus x-ray source technology and 0.18 micron synchrotron-based x-ray technology. The conferees urge ARPA to continue efforts in the point source area and direct the Agency to allocate $11,000,000 to fund an integrated point source x-ray lithography system based on these latest x-ray source and stepper developments. This research should target defense related applications such as the production of Microwave Monolithic Integrated Circuit (MMIC) chips for military uses, including missile seekers, digital battlefield systems and F-22 radar modules.

ELECTRONIC COMBAT MASTER PLAN

The conferees direct the Secretary of Defense to develop and provide to the congressional defense committees, no later than March 31, 1996, an Electronic Combat Master Plan to establish an optimum infrastructure for electronic combat assets.

STRATEGIC TARGET SYSTEM (STARS)

The conferees agree to provide $10,000,000, the budget amount, only to continue planning, preparation and actual conduct of STARS flight tests. The conferees direct that BMDO take no actions to terminate or place the STARS program in a caretaker status.

NAVAL THEATER BALLISTIC MISSILE DEFENSE

The conferees believe that the Navy's area wide (Lower Tier) and theater wide (Upper Tier) programs should be deployed as rapidly as possible. The Navy's current plan to build on existing ship platforms, the Aegis system, proven launch systems, and the operational Standard missile family has resulted in a cost effective, technically capable and manageable program that is planned to produce a user operational capability (UOES) Upper Tier system not later than FY 1999 with an initial operational capability (IOC) by 2001. The conferees are committed to a rapid and actual deployment of an effective sea-based missile defense system. The conferees direct the Department to place highest priority on proceeding with a development program that achieves deployment of the Navy Upper Tier system by the planned 2001 IOC. The conferees endorse the Navy Theater Wide system as a core TMD program and endorse fully funding the core program in the five year defense plan. The conferees direct that not less than $200,442,000 shall be spent on Navy Upper Tier and not less than $282,473,000 Navy Lower Tier for research and development activities. Funding allocations through BMDO to the Navy for these programs should proceed expeditiously.

TIER II UNMANNED AIR VEHICLE

The conferees agree to provide $45,250,000 for the Tier II (Predator) unmanned air vehicle program, an increase of $25,300,000 to the budget request. The conferees also agree that the additional funding provided shall only be used for attrition replacement air vehicles and shall not be used to marinize the Predator air vehicle.

RIVET JOINT RE-ENGINING

The conferees have provided $79,000,000 solely for the purpose of initiation of reengining the Rivet Joint fleet. The conferees direct that future funding for this project be included in budget submissions for fiscal year 1997 and beyond, thus ensuring completion of this project in an expeditious and cost effective manner.

USH-42 MISSION RECORDER

The conferees agree that from funding provided in fiscal year 1996 for the Defense AirBorne Reconnaissance Program, $10,000,000 may be used for the planned product improvement that will result in a low cost, lightweight, high capacity, digital version of the Navy's USH-42 recorder/reproducer suitable for a wide range of applications in reconnaissance and surveillance platforms.

DEVELOPMENTAL TEST AND EVALUATION, DEFENSE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
DIRECTOR OF TEST & EVAL DEFENSE:				
CENTRAL TEST AND EVALUATION INVESTMENT DEVELOPMENT (CT	119,714	119,714	109,714	114,714
FOREIGN COMPARATIVE TESTING	34,062	34,062	32,453	32,453
DEVELOPMENT TEST AND EVALUATION	105,565	105,565	103,915	103,915

TITLE V—REVOLVING AND MANAGEMENT FUNDS

The conferees agree to the following amounts for Revolving and Management Funds program:

[In thousands of dollars]

	Budget	House	Senate	Conference
Defense Business Operations Fund	878,700	1,573,800	1,178,700	878,700
National Defense Sealift Fund	974,220	974,220	1,024,220	1,024,220

[In thousands of dollars]

	Budget	House	Senate	Conference
Total, Revolving and Management Funds	1,852,920	2,548,020	2,202,920	1,902,920

DEFENSE BUSINESS OPERATIONS FUND

The conferees agree to provide $878,700,000 for the Defense Business Operations Fund.

NATIONAL DEFENSE SEALIFT FUND

The conferees agree to provide $1,024,220,000 for the National Defense Sealift Fund.

MARITIME PREPOSITIONING SHIPS

The legislative authority in this Act to procure an additional Maritime Prepositioning Ship for up to $110,000,000 may not be used until a notification has been provided at least 30 days in advance of release of a RFP under this authority to the congressional defense committee on the Department of the Navy's intent to use the authority and on identification and justification of proposed financing sources.

TITLE VI—OTHER DEPARTMENT OF DEFENSE PROGRAMS

The conferees agree to the following amounts for Other Department of Defense programs:

[In thousands of dollars]

	Budget	House	Senate	Conference
Defense Health	10,153,558	10,205,158	10,196,558	10,226,358
Chemical Agents and Munitions Destruction	746,698	746,698	631,698	672,250
Drug Interdiction Defense	680,432	688,432	680,432	688,432
Office of the Inspector General	139,226	178,226	139,226	178,226
Total, Other Department of Defense Programs	11,719,914	11,818,514	11,647,914	11,765,266

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

DEFENSE HEALTH PROGRAM

[In thousands of dollars]

	Budget	House	Senate	Conference
Medical Programs, O&M	9,865,525	9,917,125	9,908,525	9,938,325
PACMEDNET		+16,000	+11,000	+11,000
Beaumont Army Medical Center Computer Support		+1,500		+1,500
Currency Fluctuation		+8,100		+6,900
Breast Cancer		+25,000		+25,000
American Red Cross		+1,000	+14,500	+14,500
Desert Storm Syndrome				+3,400
USTF			−15,900	
Telemedicine			+22,900	
Ongoing Initiatives:				
Brown Tree Snake			+1,000	+1,000
Military Nursing			+5,000	+5,000
Pacific Island Referral Project			+2,500	+2,500
USUHS Graduate School of Nursing			+2,000	+2,000

BREAST CANCER

The conferees have provided an increase of $100,000,000 only for breast cancer. The conferees have provided $75,000,000 to continue the Army's peer-reviewed research program. In addition, the conferees have provided $25,000,000 to the Department for: increased recruitment, training and education for military cancer specialists; diagnostic equipment and improved detection technologies, such as digital mammography; and prevention and education efforts for the military community.

TRICARE IMPLEMENTATION

The conferees commend the significant progress of the Department of Defense in moving toward a nation-wide managed health care system for the military, known as TRICARE. Existing law mandates that the TRICARE system be implemented by September 30, 1996, and the Department has attempted to meet this deadline. Unfortunately, complications with the issuance and implementation of these large, complex, competitively bid contracts, have caused significant problems and associated delays. The conferees are concerned that the Department has accelerated the process in order to meet this statutory deadline. The conferees understand the Department is fully committed to the full implementation of TRICARE, as well as a standard health benefit for all military beneficiaries, but believe that the Department, the offerors, and the beneficiaries would greatly benefit from additional time in meeting the complex requirements of TRICARE. Therefore, the conferees agree to extend the deadline for implementation of the TRICARE managed care system by one year.

UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES

The conferees remain committed to the continuation of the Uniformed Services University of the Health Sciences (USUHS) at its current level and direct that, within funds made available to the Defense Health program, the amount provided for USUHS shall fully fund the programs and functions of the University at existing levels.

CHEMICAL AGENTS AND MUNITIONS

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Quantity	Conference
CHEM AGENTS & MUNITIONS DESTRUCTION, DEF:					
CHEM DEMILITARIZATION—PROC	299,448	299,448	224,448		265,000
CHEM DEMILITARIZATION—O&MD	393,850	393,850	353,850		353,850

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES

The conferees agree to provide $688,432,000 as proposed by the House instead of $680,432,000 as proposed by the Senate. The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Military Personnel	152,787	152,787	152,787	152,787
O&M	422,633	441,633	442,633	440,088
South Com Radars	20,282	21,782	20,282	20,282
Community Outreach	8,236	0	8,236	0
CARIBROC Comms	206	1,356	206	206
Gulf States CI	2,059	3,900	2,059	6,059

[In thousands of dollars]

	Budget	House	Senate	Conference
Southwest Border Info System	4,000	5,545	4,000	4,000
Civil Air Patrol	2,224	3,424	2,224	3,424
Procurement	48,659	57,659	48,659	59,204
Southwest Border Info System	5,265	6,265	5,265	7,810
Classified Program		8,000		8,000
RDT&E	36,353	36,353	36,353	36,353
Total, Drug Interdiction	680,432	680,432	680,432	680,432

The conferees agree to provide $4,000,000 above the budget to the Gulf States Counterdrug Initiative, and direct that $2,000,000 be provided for the Command, Control, Communications and Computer Network and $2,000,000 for the Regional Counterdrug Training Academy.

The conferees have deleted bill language which provided $5,000,000 for the conversion of surplus Department of Defense helicopters by State and local governments for use in counterdrug activities and agree that funding may be requested in annual plans submitted by individual states.

The conferees agree that, if authorized, up to $3,000,000 in available funds may be used to continue the Community Outreach pilot program.

The conferees agree that, in accordance with normal reprogramming procedures, up to $25,000,000 in available funds may be used to procure low-energy/backscatter x-ray equipment.

OFFICE OF THE INSPECTOR GENERAL

The conferees agree to provide $178,226,000 for the Office of the Inspector General. Of this amount, $177,226,000 shall be for operation and maintenance activities and $1,000,000 for procurement.

TITLE VII—RELATED AGENCIES

[In Thousands of Dollars]

	Request	House	Senate	Conference
Central Intelligence Agency Retirement and Disability System Fund	213,900	213,900	213,900	213,900
Intelligence Community Management Account	93,283	75,683	93,283	90,683
National Security Education Trust Fund	15,000	15,000	7,500	7,500
Kaho'olawe Island Conveyance and Environmental Restoration Trust Fund			25,000	25,000

INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT

ENVIRONMENTAL TASK FORCE

The conferees have provided $15,000,000 to support the activities of the task force. Of this amount, $5,000,000 is to be used to continue joint United States/Russian efforts in this area.

NATIONAL SECURITY EDUCATION TRUST FUND

The conferees direct the Director of Central Intelligence, in coordination with the NSETF Board, to establish criteria and procedures to ensure that all individuals accepting fellowships or scholarships from this fund meet qualifications for employment by the Department of Defense or Intelligence Community. The conferees further direct that any recipient must be engaged in a course of study that is an identified critical shortage within the Department of Defense or the Intelligence Community. Upon meeting these requirements, the recipient must agree to serve at least two years with the Department of Defense or the Intelligence Community or reimburse the U.S. Treasury for the total costs of the scholarship or fellowship.

TITLE VIII—GENERAL PROVISIONS

The conference agreement incorporates general provisions of the House and Senate versions of the bill which were not amended. Those general provisions that were amended in conference follow:

The conferees included a general provision (Section 8005) which amends House language on transfer authority to $2.4 billion.

The conferees included a general provision (Section 8010) which amends Senate language that defines the congressional defense committees.

The conferees included a general provision (Section 8028) which amends House language to prohibit the demilitarization of certain types of surplus firearms.

The conferees included a general provision (Section 8045) which amends Senate language which earmarks funds for the Civil Air Patrol.

The conferees retained a Senate provision (Section 8046) concerning Federally Funded Research and Development Centers (FFRDCs). The conferees direct that the restrictions on consultants only shall apply to the use of consulting services for specific projects undertaken by an FFRDC as part of its core mission responsibilities to meet sponsor requirements. The restrictions do not apply to administration and management functions necessary to operate an FFRDC as an organizational entity.

The conferees included a general provision (Section 8062) which amends Senate language that limits payment to Uniformed Services Treatment Facilities to $315,000,000.

The conferees included a general provision (Section 8063) which amends House language concerning limitations on U.S. support for NATO headquarters operations.

The conferees included a general provision (Section 8065) which amends House language that maintains an expense/investment threshold of $100,000.

The conferees included a general provision (Section 8073) which amends House language concerning the supercomputing capability at various Department of Defense sites.

The conferees included a general provision (Section 8082) which amends House language concerning the establishment of field operating agencies.

The conferees included a general provision (Section 8083) which amends Senate language concerning rescission of funds from various Procurement and Research and Development programs.

RESCISSION OF FUNDS

The conferees agree to rescind excess prior year funds, as presented in the following table:

	House	Senate	Conference
FISCAL YEAR 1993			
PROCUREMENT OF AMMUNITION, ARMY			
Armament and retooling manufacturing support initiative	0	−15,000,000	0
Subtotal	0	−15,000,000	0
Total fiscal year 1993	0	−15,000,000	0
FISCAL YEAR 1994			
AIRCRAFT PROCUREMENT, AIR FORCE:			
F–16 production termination	0	−49,854,000	−49,854,000
F–111 claims	0	−3,800,000	−3,800,000
Subtotal	0	−53,654,000	−53,654,000
MISSILE PROCUREMENT, AIR FORCE:			
GPS on-orbit incentive	0	0	−16,783,000
Subtotal	0	0	−16,783,000
RESEARCH, DEVELOPMENT, TEST & EVALUATION, ARMY:			
Triservice standoff attack missile	0	−242,000	0
Subtotal	0	−242,000	0
RESEARCH, DEVELOPMENT, TEST & EVALUATION, NAVY:			
Triservice standoff attack missile	0	−4,416,000	0
Subtotal	0	−4,416,000	0
RESEARCH, DEVELOPMENT, TEST & EVALUATION, AIR FORCE			
Triservice standoff attack missile	0	−46,589,000	0
Subtotal	0	−46,589,000	0
Total fiscal year 1994	0	−104,901,000	−70,437,000
FISCAL YEAR 1995			
WEAPONS PROCUREMENT, NAVY:			
Tomahawk contract savings	0	0	−10,000,000
Harpoon contract savings	0	0	−2,400,000
Ordance support equipment	0	0	−2,200,000
Subtotal	0	0	−14,600,000
SHIPBUILDING AND CONVERSION, NAVY:			
Outfitting	0	0	−55,000,000
Post delivery (craft outfitting, post delivery)	0	0	−32,700,000
Subtotal	0	0	−87,700,000
OTHER PROCUREMENT, NAVY:			
Forklift trucks	0	−2,000,000	−2,000,000
Other supply support equipment	0	−1,500,000	−1,500,000
Secure data	0	−2,600,000	−2,600,000
Nucalts	0	−2,500,000	−2,500,000

	House	Senate	Conference
Subtotal	0	−8,600,000	−8,600,000
AIRCRAFT PROCUREMENT, AIR FORCE:			
A–10 modifications	0	−46,400,000	−17,500,000
F–111 claims	0	−6,700,000	−6,500,000
Subtotal	0	−53,100,000	−24,000,000
MISSILE PROCUREMENT, AIR FORCE:			
Classified programs	0	0	−120,000,000
GPS on-orbit incentive	0	0	−20,978,000
Subtotal	0	0	−140,978,000
OTHER PROCUREMENT, AIR FORCE:			
Classified programs	0	0	−180,000,000
Subtotal	0	0	−180,000,000
RESEARCH, DEVELOPMENT, TEST & EVALUATION, ARMY:			
Triservice standoff attack missile	0	−11,156,000	−9,000,000
Subtotal	0	−11,156,000	−9,000,000
RESEARCH, DEVELOPMENT, TEST & EVALUATION, NAVY:			
Triservice standoff attack missile	0	−10,150,000	0
F–14/JDAM	0	0	−6,000,000
Subtotal	0	−10,150,000	−6,000,000
RESEARCH, DEVELOPMENT, TEST & EVALUATION, AIR FORCE:			
Outboard electronic warfare simulator	0	−6,000,000	−6,000,000
Triservice standoff attack missile	0	−9,767,000	−1,902,000
Subtotal	0	−15,767,000	−7,902,000
RESEARCH, DEVELOPMENT, TEST & EVALUATION, DEFENSE-WIDE			
Maritime Technology Office (Ship Self Defense)	0	0	−12,000,000
Subtotal	0	0	−12,000,000
Total fiscal year 1995	0	−98,773,000	−490,780,000
Grand total	0	218,674,000	−561,217,000

The conferees included a general provision (Section 8086) which amends House language that limits executive compensation to $200,000 per year.

The conferees included a general provision (Section 8088) which amends Senate language prohibiting the obligation or expenditure of any funds provided in this Act for aid to the Government of North Korea.

The conferees included a general provision (Section 8092) which amends Senate language that reallocates funds to cover unanticipated shipbuilding cost increases.

The conferees included a general provision (Section 8099) which amends Senate language concerning ball and roller bearings manufactured in the United States.

The conferees included a general provision (Section 8100) which amends Senate language to allow for storage and disposal of pentaborane.

The conferees included a general provision (Section 8102) which amends Senate language that directs the Department of Defense to match disbursement to obligations before the disbursement is made.

The conferees included a general provision (Section 8104) which amends House language that prohibits procurement of 120mm mortars or mortar ammunition manufactured outside the United States.

The conferees included a general provision (Section 8108) which amends House language concerning the lease or charter of double hull ships by the Military Sealift Command.

The conferees included a general provision (Section 8111) which amends House language pertaining to the National Training Center, and the interim and permanent rotational airhead.

The conferees included a general provision (Section 8115) which amends House language concerning international peacekeeping, peace enforcement, and humanitarian assistance operations.

The conferees included a general provision (Section 8119) which amends House language concerning performing abortions in Department of Defense medical facilities.

The conferees included a new general provision (Section 8124) concerning the participation of U.S. forces in any operation in Bosnia-Herzegovina.

The conferees included a general provision (Section 8125) which reduces the appropriation accounts in the Act by $832,000,000 to reflect savings from revised economic assumptions.

The Executive Branch Mid Session Review of the budget revised the inflation estimate on which the fiscal year 1996 budget was based downward from its original assumptions. This downward revision results in overall savings to the Department of Defense and the reduction in this provision reflects those savings.

The conferees included a new general provision (Section 8126) which makes funds available from the Defense Business Operation Fund for termination liability for the VC–137 replacement aircraft.

The conferees included a new general provision (Section 8127) which allows funds to be obligated for payment of satellite on-orbit incentives.

The conferees included a new general provision (Section 8128) which makes funds available for support of a NATO Alliance Ground Surveillance program based on the Joint Surveillance/Target Attack Radar System.

The conferees included a new general provision (Section 8129) which reduces the funding provided in Title IV, Research, Development, Test and Evaluation, by $325,000,000, in order to achieve savings in overhead and improve management efficiencies. This reduction is to be applied on a pro-rata basis by subproject within each R–1 program element as modified by this Act, except no reduction may be taken against funds made available to the Department of Defense for Ballistic Missile Defense.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1996 recommended by the Committee of Conference, with comparisons to the fiscal year 1995 amount, the 1996 budget estimates, and the House and Senate bills for 1996 follow:

New budget (obligational) authority, fiscal year 1995	$241,553,071,000
Budget estimates of new (obligational) authority, fiscal year 1996	236,344,017,000
House bill, fiscal year 1996	243,997,500,000
Senate bill, fiscal year 1996	242,683,841,000
Conference agreement, fiscal year 1996	243,251,297,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1995	+1,698,226,000
Budget estimates of new (obligational) authority, fiscal year 1996	+6,907,280,000
House bill, fiscal year 1996	−746,203,000
Senate bill, fiscal year 1996	+567,456,000

BILL YOUNG,
JOSEPH M. MCDADE,
BOB LIVINGSTON,
JERRY LEWIS,
JOE SKEEN,
DAVID L. HOBSON,
HENRY BONILLA,
GEORGE R. NETHERCUTT, Jr.,
MARK W. NEUMANN (except to the agreement regarding U.S. deployment in Bosnia),
JOHN P. MURTHA,
NORMAN D. DICKS,
CHARLES WILSON,
W.G. (BILL) HEFNER,
MARTIN OLAV SABO,
Managers on the Part of the House.

TED STEVENS,
THAD COCHRAN,
ARLEN SPECTER,
PETE V. DOMENICI,
PHIL GRAMM,
KIT BOND,
MITCH MCCONNELL,
CONNIE MACK,
RICHARD C. SHELBY,
MARK O. HATFIELD,
DANIEL K. INOUYE,
FRITZ HOLLINGS,
J. BENNETT JOHNSTON,
ROBERT C. BYRD,
PATRICK J. LEAHY,
Managers on the Part of the Senate.

HIGH ONE

Mr. DOGGETT. Mr. Speaker, fair and equitable treatment of our military personnel and our veterans deserves greater attention in this Congress.

Dedicating one's self to our national security should at least result in some personal security at retirement time.

Unfortunately, the Republican leadership has approved a plan to refigure the retirement pay that our men and women in the military had figured on as being theirs at retirement time. They call it High One, but the Texans that I have been hearing from say it is little more than "hi and bye."

We have folks who have served in the military for 10 and 20 years, the whole time thinking that they had a fixed income when they retired. Then along comes this formula refiguring and all of a sudden some folks who calculated a particular retirement find out they have got to do some recalculating. This is all the more unfortunate given the inattention and inaction on some other issues like COLA inequity, Medicare subvention, and forgotten widows.

It is time to give our veterans and those who are in our military the attention they deserve. As the old saying goes, "It's not doing our veterans a favor, it's repaying one."

THE 1-YEAR ANNIVERSARY OF REPUBLICAN CONTRACT AND RELATED EVENTS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Texas [Mr. DOGGETT] is recognized for 60 minutes as the designee of the minority leader.

Mr. DOGGETT. Mr. Speaker, it is an appropriate time to focus America's attention on what occurred 1 year ago tomorrow, because we have come to the first anniversary, birthday party No. 1, so to speak, of the so-called Contract on America, announced on the Capitol steps with many smiles about this time last year.

Certainly if one is to assess and evaluate that contract based on hyperbole, based on rhetoric from the floor of this Congress, it has been a great success. It has been something that would give cause for great celebration, if we were to analyze what has been said about it in this Chamber rather than what is actually happening out in the real lives of real people across America.

If one is to evaluate this contract in terms of what legislation has been passed and signed into law in the law books of America that might have some impact on people across America, one gets a more modest evaluation, because in fact thus far we have had a bill passed and signed into law dealing with the question of unfunded mandates; a bill passed and signed into law that was really a Democratic idea that passed the last session of Congress, to require that the House and the Senate and all of our congressional institutions abide by and follow the same laws that we pass and apply to businesses across America and to people across America. A good idea, signed into law, should have been signed into law and would have been, had the will of this House last year been accomplished.

So that is two bills out of many proposed and discussed from this microphone, not exactly revolutionary, that have been placed into law.

There is a third measure that has passed both the House and the Senate, another Democratic idea. It is called the line-item veto. The line-item veto would be law now and would allow President Clinton to go in and pencil out, redline certain bits of pork barrel either in the Tax Code or in the appropriations bills, but for Republican objection.

Members will recall that last year when this great Contract on America was unfolded here on the steps of the Capitol, with all the smiles and the bright lights and cameras rolling, that it included a line-item veto that apply not only to pork barrel spending but to tax loopholes. But when the bill got here to the floor of the House, a little surgery was performed and the tax loophole part was kept out. They are protected. They are preserved.

The President, under the line-item veto as passed by the House and by the Senate, would be powerless to really get at the tax loopholes that protect the privileged few, that need attention in this country. But there is still some merit to the bill. We passed it in a way that the President would be able to do something about pork-barrel spending, and certainly there is too much of that.

But again, despite the hyperbole and the announcement of the great revolutionaries about all they were accomplishing in this bill, and how they wanted to rush it over to President Clinton so he would have a chance to either put up or shut up in terms of line iteming some of these items, they decided that they really did not want that to happen. So they have dillydallied around and delayed and just never gotten around to adjusting the differences between the House and the Senate.

In fact, we had to wait until just this past month for there even to be conferees appointed to adjust the differences between the House and the Senate, and some Members of the Senate were saying what is obviously true; that is, that the House leadership, which proclaimed itself to be so revolutionary from this and other microphones back in January, did not really want President Clinton to have the power to go in and line item out the pork barrel that they put in this set of appropriations bills, the few that they have gotten past the Congress, and those that will be dumped out in the President's lap within the next week or two.

So the line-item veto, which was one of the centerpieces of this contract that you would expect people to be celebrating today, is not law today, and it is not law today because the self-proclaimed revolutionaries did not want the revolution to occur so early that it might clip a little of their pork barrel out of the appropriations bills.

It is also appropriate, as we look at and evaluate what has happened with reference to this Contract on America, to look at what lies ahead in the next few days. We got an indication of how really extreme its proponents are in comments that were made over the last couple of days, the incredible declaration of Speaker GINGRICH, the contract's father, that, "I don't care what the price is. I don't care if we have no executive offices and no bonds for 60 days. Not this time," in indicating in a speech in front of the Public Securities Association that he is ready to shut down everything if he does not get it exactly his way.

Indeed, after those very inappropriate remarks, the dollar plunged as much as 5 percent in world markets, interest rates went up sharply, and we are already paying for this extremist zeal that says, "I don't care what the price is as long as I get it my way." That is the same kind of approach that is really what is the cause of not passing more items in the contract, some of which are decent principles and could have been shaped in a bipartisan fashion to a point of moderation.

But when you take such an extremist, such a zealous point of view that you are willing to shut down everything if you do not get it your way, then you often do not get it America's way. In fact, at the same time that this remark was being made, Americans were themselves speaking out.

The Wall Street Journal reported on Friday the latest results, that Americans by a vote in one poll of almost 2 to 1 disapprove of the job that this Contract-on-America Congress is doing. I think it is because much of the same sense of extremism that characterizes the Speaker's remarks on Friday, that are reflected in the remarks of one of the Nation's leading Republicans in commenting on his party. Former Governor Kean of New Jersey, saying this was not the year for him to run, declared this month: "I'm moderate. I'm in a party that's becoming radicalized. That creates a problem."

Indeed it is a problem, not just for Governor Kean. It is a problem for America.

You can thumb through the TV Guide where they printed that contract and you can look at it inside out, upside down, backward and forward, and one of the things that you will not find in there is the Republican Medicare plan. That is, the Republican "pay more, get less" Medicare plan.

You will not find, in your TV Guide or anywhere in the Contract on America, the claim that what we need to do is to cut the Medicare Program by $270 billion, that we need to raise the premiums for our seniors and our disabled people, that we need to raise the deductible and we need to find some way to have the largest cut in Medicare in our Nation's history.

Of course, you just saw a report presented by one of our committees. You will not find anywhere in the contract or in the report of this Congress's work a copy of the piece of legislation to implement that.

That is particularly unfortunate, because it was only a short time after the announcement of the contract that the Speaker was saying in November and actually reading from parts of the contract what seemed to me to be a very desirable reform.

He said,

> We will change the rules of the House to require that all documents and all conference reports and all committee reports be filed electronically as well as in writing, and that they cannot be filed unless they are available to any American citizen who wants to pull them up. Thus information will be available to any citizen in the country at the same moment it is available to the highest paid Washington lobbyist.

Well, the problem that we find ourselves in on this first anniversary of the contract, the Washington lobbyists, some of them have the Medicare cut, $270 billion. No Democratic Member of Congress has it. No citizen anywhere in this country can go to the Internet, can go to any kind of system and get a copy of this bill, because it is yet to be presented.

In fact, what occurred on Friday was a bit of a charade. It was a hearing of the Committee on Ways and Means, not on a bill the way that Congress would ordinarily operate, but indeed what is truly revolutionary. For the first time the Committee on Ways and Means designates one day of hearings on the future of all of our 37 million seniors, the cut of $270 billion, and what do they have a hearing on? Not a bill but a press release.

They call in their first witness, a Republican actuary who admits under questioning he has never seen the bill. All he has got is the press release. Yet he is an expert on that press release, and he is at least candid enough to indicate that the Medicare trust fund would be secure for 10 years in the future as long as the Republicans plan to secure it with a change of $160 billion. That leaves $110 billion out of this plan, 41 percent of the cuts that do not have anything to do with the Medicare trust fund.

If we Democrats and Republicans would come together and work together, we could resolve any of the issues concerning the Medicare trust fund. There is no crisis here that demands immediate cuts and immediate increases in the out-of-pocket cost to the Nation's seniors. No, as their own first witness commented, though all he had was a press release and not a bill, this does not have to be done.

My concern is about the 50 percent of retirees that I was hearing about. Since there was only 1 day of hearings, some of us organized hearings here on the lawn of the Capitol and listened to real people, seniors, come and tell us about the problems that they would face under this Republican Medicare plan. We heard that over 50 percent of our Nation's retirees received only Social Security; that is their sole means of support, and half of those receive only $7,000 a year.

When this Republican Medicare plan, pay more, get less, raise your premiums, raise your deductible, raise your out-of-pocket cost in order to cut Medicare by $270 billion, when that goes into effect, what will be the impact on that 50 percent of the senior retirees who get Social Security and only get $7,000 a year? They are going to face some tough choices, tough choices about health care versus food, health care versus heat, health care versus rent. They are choices that we ought not to impose on people that have helped to build this into the greatest country in the entire world.

But that is not all that was omitted from the Contract on America as we look back on it. Indeed, at the same time that the press release was the subject of a hearing in the Committee on Ways and Means, we find that the House Committee on Commerce was attacking America's seniors from another direction. That is what reference to Medicaid, which in my State of Texas provides the funding for 3 out of every 4 people that are in a nursing home. They get their funding through Medicaid.

In addition to terminating the Medicaid Program, last week the House Committee on Commerce, though you cannot find it anywhere in your own TV Guide, they came in and abolished all Federal nursing home standards that set the standards for nursing and nursing care for our Nation's seniors. That is right. They say it cannot happen but it has happened, that every nursing home standard is recommended for total elimination from the Federal level.

Moreover, the committee even went so far as to reject an amendment offered by one of my Democratic colleagues that would prohibit the States from requiring the spouses of nursing home residents to have to sell their home or car to pay for a husband's or wife's care. That means that under the Republican Medicaid plan, that those 3 out of 4 Texas seniors that rely on Medicaid for their nursing home care, a spouse, unless some other action is taken, could be compelled by a State to have to sell their car or their home in order to simply provide their spouse with long-term nursing home care when no other alternative is available. Omissions from the printed Contract on America, but what is happening in real life, not in the speeches, but what is happening in real life on the floors of this Congress.

When it comes to the way that the Congress actually operates, the way it conducts its business, my main concern with my Republican colleagues is not that they have changed things in this House too much but that they have not changed it enough.

In fact, we heard earlier in the year a good bit about the need to reform the operation of the Congress, the Congressional Accountability Act. But when it has come to real reform in the way the lobby influences the Congress, when it has come to real reform in terms of dealing with gifts, with free ski trips, with the golf caucus, with lavish lunches and dinners, nothing has been done in this Congress on the House side. All that we have heard is equivocation and procrastination.

As recently as August of this year, Speaker GINGRICH has said that the House Calendar is too full with other items to deal with lobby reform and gift reform, and proposed that perhaps they would prepare a paper on the subject. Recently there has been speculation that when they finish with the Medicare plan, maybe we would get to give some attention to these matters. Indeed, we should, because I sense that between the lines of that contract was basically a dissatisfaction with the way that this Congress has operated in the past.

It is time to get down to the real issues, the campaign finance issue on which Speaker GINGRICH shook hands with the President in New Hampshire, long forgotten. Hardly had the smile faded than that was forgotten, and nothing occurred with reference to campaign finance reform.

So on campaign finance reform, on lobby reform, on gift ban, these are issues that this Congress needs to address if we are to have a real revolution instead of a phony one. When we get down to that issue of lobby reform and gift ban reform, two issues that the Senate had failed to deal with are issues that my Democratic colleagues have been urging.

On the issue of lobby reform, the Honorable GEORGE MILLER of California has suggested that one of the most effective lobby reforms would be to simply require that any time an amendment or a bill is offered, you have to indicate any lobbyist who had a hand in writing it. I sat through a hearing where the committee counsel actually would turn around and talk to the lobbyist that helped write the bill on committee computers, in order to give the answers to questions that were being raised about the bill.

Do the American people, in a spirit of openness, not have a right to know who writes the legislation here and if it is one of these special interest lobbyists? Let us honor them and give them the attention that they deserve by actually putting their name down as a part of our rules, as the gentleman from California [Mr. MILLER] has suggested.

When it comes to gift ban, though I am encouraged by the progress that the Senate has made, as I have studied that measure, one of the unfortunate deficiencies in the bill is that, unlike what my Democratic colleagues passed before I reached the Congress during 1994, this gift ban legislation says absolutely nothing about books and book royalties and payments from the likes of Rupert Murdoch or anyone else to a Member of Congress in order to have a book.

I think the American people are concerned about that issue. I see no reason why our gift ban and lobby legislation ought not to address the issue of book royalties and book payments to Members, because that is a way to circumvent these matters. If you have someone who can come along and offer a $4.5 million book contract or can offer large royalties on a book, certainly that can influence the legislative process.

It is appropriate that this Congress provide meaningful gift ban and lobby reform, not just partial, by dealing with the gift ban issue, the book issue, and by dealing with the question of which lobbyists are writing which laws. Of course this Congress has additional need to approach these issues and deal with these concerns because of the ethical cloud that has hung over it.

Rather than deal with that, let me go back a few years and turn to the speech of Speaker GINGRICH when he was Congressman GINGRICH, discussing the issue of our ethics process here in the House, which I think is very important to the whole way that we review the Contract on America and the whole way that the Congress is viewed by the American people.

He said from this very place, in the well of the House, on July 27, 1988, and I am quoting from the CONGRESSIONAL RECORD from Speaker GINGRICH, :

> In order to conduct a thorough and credible investigation, the special counsel needs unlimited subpoena power. Both Common Cause and I insist that in order to carry out the responsibilities of an outside counsel effectively, it is necessary for the counsel's authority and independence to be clearly and publicly established. The special counsel must have the authority and independence necessary to conduct the inquiry in an effective and credible manner.

Speaker GINGRICH, then Congressman GINGRICH from Georgia, said:

> Clearly this investigation has to meet a higher standard of public accountability and integrity. I think it is vital that every Member reflect on the fact that the integrity of the House is at stake, and that all of us have a responsibility to ensure that the standards being set are those of an extraordinary investigation.

I could not have said it better. I do not know a Member of this House who could have spoken more eloquently on the subject of the authority and the direction of an independent counsel.

Why is it that those good words of Speaker GINGRICH in 1988 have been forgotten? It seems to me that we should, in the course of discussing the general issue of ethics in this House, consider having independent counsel available when there are questions raised about a Member's conduct that has this kind of broad authority. Certainly that is true with reference to an investigation of a Speaker.

Indeed, at the same time Speaker GINGRICH also said:

> It seems to me for this investigation to have any legitimacy, it has to be allowed to follow the leads wherever they lead, and it seems to me that it ought to be that the independent counsel has to be truly independent. He cannot be on a short leash held by the Democratic chairman of the committee.

There again is some very insightful comment that it does not pay to have an ethics investigation. If you are going to take your watchdog and you are going to keep him on such a short leash that they cannot watch anything, they do not have full authority, then what good is it to have a watchdog in the first place?

Fortunately, we know exactly what an independent counsel for the Ethics Committee ought to do because in addition to these comments, Mr. GINGRICH outlined in 1988, along with the outline from Common Cause, exactly what should occur.

He issued a press release insisting that the House Ethics Committee give the special counsel appointed to investigate the Speaker at that time the independence necessary to do a thorough and complete job. He said he was discouraged by several news reports that the special counsel, Richard Phelan, would be restricted in the scope of his investigation, and he proceeded to write the chairman of the Ethics Committee a letter identifying what the authority of the special counsel could be.

He was very proud of the fact that Archibald Cox, the then head of Common Cause, joined in the recommendations for what a special counsel should be permitted to do. He referenced the Common Cause letter that it "commit itself," the Ethics Committee, "to the following measures:"

> No. 1, the outside counsel should have full authority to investigate and present evidence and arguments before the Ethics Committee concerning questions about the Speaker;
>
> No. 2, the outside counsel shall have full authority to organize, select, and hire staff on a full- or part-time basis in such numbers as that counsel reasonably requires, and will be provided with such funds and facilities as the counsel reasonably requires;
>
> No. 3, the outside counsel shall have full authority to review all documentary evidence available from any source and full cooperation of the committee in obtaining such evidence;
>
> No. 4, the committee shall give the outside counsel full cooperation in the issuance of subpoenas;
>
> No. 5, the outside counsel shall be free, after discussion with the committee, to make such public statements and reports as the counsel deems appropriate;
>
> No. 6, the outside counsel shall have full authority to recommend that formal charges be brought before the Ethics Committee, shall be responsible for initiating and conducting proceedings if formal charges have been brought, and shall handle any aspects of the proceedings believed to be necessary for full inquiry.
>
> No. 7, the committee shall not countermand or interfere with the outside counsel's ability to take steps necessary to conduct a full and fair investigation.
>
> No. 8, the outside counsel will not be removed, except for good cause.

□ 1230

Those are the eight guidelines, not from me, but from Speaker GINGRICH, endorsing a position of Common Cause in 1988, concerning the way to structure an independent counsel. It is time that this Congress adopted the same kind of approach.

Indeed, Common Cause has not been silent to this Congress. In a communication this past week, the new head of Common Cause, Ann McBride, has said let us do the same things again. Just because it is 1995, instead of 1988, that is no reason to forget these eight principles, just because we might be dealing with a Republican Speaker instead of a Democratic Speaker. That is no reason to set up a separate standard of conduct.

Our laws are to be applied fairly, certainly our ethical precepts, without regard to whether we are dealing with Democrat, Republican, or independent, because it is the people's business we are doing. And an ethical cloud hangs over this House when there is no true independent investigation or when there is any attempt to muzzle the watchdog independent counsel that needs to be appointed to attend to these matters.

So it is that this past week the chairman of the House Committee on Standards of Official Conduct has received a communication from Ann McBride, the president of Common Cause, calling for exactly the same thing to occur. Referring to the 1988 letter concerning the Democratic Speaker at that time, and saying, as I have indicated, that at that time in the investigation of the Speaker it was Mr. GINGRICH himself who stated he agreed with the points made in Common Cause's letter, endorsed the above measures and called for providing the outside counsel with true independence and full leeway in pursuing the investigation.

She says:

> Common Cause has long supported an appropriate role for an independent voice in dealing with congressional ethics matters. Appointing an outside person with unquestioned integrity, with a nonpartisan background and experience in dealing with matters of this kind, will be a critical matter in obtaining a publicly credible result.

I could serve to repeat and to underline and to emphasize each of those phrases, because that is what we are looking for in an independent counsel; someone who has the power to get the job done and someone who has the independence, the unquestioned integrity, the nonpartisan background, the experience in dealing with matters of this kind, to achieve a publicly credible result. Not a result that helps Democrats; not a result that whitewashes Republicans; but a result that is fair and independent and thorough.

That is what Common Cause, as of last week, said is needed. The same thing, the same position that they took in 1988, when the shoe was on the other party, on the other foot.

> The process—

Common Cause says—

> that the Committee uses in looking into this matter involving Speaker GINGRICH, the most powerful Member of the House of Representatives, will directly reflect on the integrity of the institution. We urge the committee to retain an outside counsel and to

> clearly and publicly establish the counsel's authority and independence.

The Hartford Current has adopted the same call and with good reason. They say:

> An outside counsel should not be hamstrung by a narrow mandate. No questions should be left unanswered. If they are, Mr. GINGRICH would serve under a cloud.

And so, as we do a full and fair evaluation of this contract, we find that one of the biggest questions that remains unanswered is how the great proponent of this contract, the person who said as recently as Friday that he did not care what the price is, he did not care what the consequences were, if it caused interest rates to go up and the dollar to fall, he is willing to shut the Government down, whether we will have a full, fair, and thorough investigation by a nonpartisan person of unquestioned integrity into the charges that have been made.

Mr. Speaker, I think it is essential on this anniversary of the contract, that the Committee on Standards of Official Conduct, which has delayed and delayed and delayed, get about its job, complete this investigation, appoint someone with credibility, and restore the credibility which Americans are increasingly doubting about this institution. Restore that credibility with a full, thorough and fair, nonpartisan investigation of the charges that have been made about Speaker GINGRICH and the book deal, with GOPAC, about all these other ethical charges that raise such serious concerns. Let us finish this Contract on America anniversary party by celebrating with a fair and nonpartisan investigation of Speaker GINGRICH who gave it to us.

DISAGREEMENT WITH THE SENATE VERSION OF WELFARE REFORM

The SPEAKER pro tempore (Mr. TATE). Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Hawaii [Mrs. MINK] is recognized for 60 minutes as the designee of the minority leader.

Mrs. MINK of Hawaii. Mr. Speaker, thank you for allowing me this time to address the House.

Mr. Speaker, this afternoon I would like to provide some insights and comments about the welfare reform bill which we read passed the Senate last week by a very large vote.

Commentators on the welfare reform legislation have been forecasting, rather uniformly, that because of the Senate action and the very large vote that it received, that quite likely, a welfare reform bill will be enacted which parallels basically what the Senate did.

I rise today to take a great deal of disagreement with the Senate plan. I, of course, objected very strenuously to the House-passed bill, which we did some time in May of this year. I will not take the time to recount all of the various disagreements I had with the House plan, but for this afternoon I want to concentrate on the points in the Senate bill which I find still lacking. As a consequence, I hope that the President and his administration will look at it more carefully, and I hope that they will come to a decision to veto it.

As you know, when the House bill and the Senate bill are different, what happens is that both Houses designate a conference committee. Conferees of the majority party basically come together and try to iron out the differences. So the best that we could hope to achieve in the conference compromise, so to speak, would be the level of program as authorized by the Senate version.

Mr. Speaker, it is based upon that assumption that the Senate bill cannot be improved upon that I make my statement today in disagreement and in objection to the Senate-passed bill.

Recently, we have heard members of the majority party taking the well, particularly during our 1-minutes, to exclaim over the fact that the Washington Post has now seen fit to support the majority party with reference to its efforts to reform the Medicare plan, and denouncing the Democrats, on the other hand, for failing to come up with a proposal.

Given the sudden recognition and recognizance of the Washington Post as the critique of the day, I want to read for the RECORD what the Washington Post on September 20, said about the Senate-passed welfare reform bill.

In an editorial which is tagged "Big Majority, Bad Bill," the Washington Post on September 20, said:

> You might think from the overwhelming vote in the Senate in favor of the welfare bill yesterday, 87 votes for, 12 against, that this at long last is the sane, responsible approach to welfare reform. That is not the case.
>
> The fundamental flaw in this legislation is that it abandons the principle that the Federal Government will maintain at least some basic system of support for the Nation's poor, especially the poor children.
>
> Wiping out this core guarantee of the Social Security Act is mischievous and should not have been the solution of first resort on welfare. It is true that the Senate did make the deeply flawed welfare bill passed by the House better. The Senate does at least require States to keep up a certain level of spending on the poor in exchange for Federal dollars.
>
> It does not require the States, as the House bill does, to cut off certain classes of children from welfare; kids born of mothers on welfare and to teen mothers. It includes some money for day care, so that children of mothers required to work will have a modest chance of getting looked after, and at least a bit of the current system's flexibility in responding to economic downturns was preserved by the creation of a special fund for States in economic distress.
>
> But, the original idea of welfare reform—

The Washington Post editorial continues to say—

> that the system should be changed to do a better job of moving welfare recipients into work and caring for the children of single mothers, was given second place to the quest for turning welfare into block grants to the States.
>
> Of course, it is good for States to try to find better welfare systems, but Mr. Clinton made the best argument against the bill he now supports: That the Federal Government could continue to guarantee a certain minimum to the Nation's poor children and give States ample room to experiment through waivers.
>
> The President has yet to explain clearly why the argument was true some months ago, but is no longer true now. And what will the President and all those Senators who said the House bill was unacceptable do when a compromise is worked out that moves the legislation toward the House version?
>
> The import of much of the rhetoric from Mr. Clinton, from Democrats who supported this bill, and from many Republicans, is the House bill was awful and that this new Senate bill was about as far as they would go the House's way. Really?
>
> So many politicians have moved so far away from what they said their principles were on welfare even six months ago, that it is hard to have any confidence that even this line will hold. Do the Senators mean what they say? Does the President?

And that is precisely why I take the floor today, to express my deep regret that the Senate really, in fact, adopted the most egregious principle that was embodied in the House version, and that is to do away with what is referred to here in Washington, in the legalese of our vocabulary, as an entitlement program.

An entitlement program by definition is not something which is bad and ought to be gotten rid of. What it does, as does Social Security and Medicare and Medicaid, is to provide a guarantee of support for every child, no matter what State they are from, if they meet certain eligibility requirements. A State cannot decide whether children in their States should benefit from the AFDC Program or not, once they have decided to participate.

This concept of individual entitlement and eligibility is critical. It is the only way that we can provide a guarantee safety net for poor children across the country.

Once this entitlement safety net is broken, as in both the House and the Senate versions now, what will happen is that moneys will simply be granted to the States and the States will decide how to establish the criteria, what benefits ought to be allocated to the families, and so forth.

Mr. Speaker, I feel that this creation of 50 disparate benefits programs for people who are truly in need is not the right way to go. The Federal Government should have the right to establish eligibility so that the eligibility is uniform throughout the country. That is what the basic program is and has been over the 60 years that we have had this program entitled "Aid to Dependent Children."

Instead, this year when the welfare debate started, it became a contest of how much money could be saved under the program, rather than the bottom line of how to provide the services to the children which would best guarantee uniformity of application and uniformity of eligibility, no matter where that child lived in America. It seems to me that principle was very, very important.

That principle also is included in a similar editorial by the New York Times, entitled "A Stampede to Harsh Welfare," which I will not read at this time, but I urge you to look it up, because it really articulates the fundamental error in the policies adopted by the House and the Senate, and, if put into place, if not vetoed by President Clinton, I believe will truly be a step backward.

Over the past 60 years, we have established a fundamental principle of caring about our young children. AFDC is exactly what its title is: aid to dependent children. Somewhere along the line it has picked up this great opposition by the use of the word "welfare" and the depiction of adults being on welfare and receiving these moneys, without any justification, at the taxpayers' cost.

What is lost in the debate is that in this program are 9 million children. Young children, very poor, under circumstances beyond the control of most of these families. I feel that the removal of the entitlement guarantee safety net for these children is a tragic reversal of a policy that has worked well.

Now, there will be the naysayers who argue that welfare is not achieving its purpose because too many of the people remain on welfare for extended periods of time. Anybody who would take the time to study the statistics would realize that the average time that a welfare recipients adult spends on welfare is an average of 11 months. Typically, they are in and out of the system in 2 or 3 years.

Typically, what happens is someone finds themselves in a great predicament, comes to welfare, takes the support system that is available, in the meantime looks for a job that they can qualify for, and then goes off on to the job until another predicament such as illness or something confronts that family.

We do not have evidence to indicate that large blocs of people remain on welfare year after year after year. And, so, the hypothesis that this is what is being corrected under the new welfare reform bills, I think, really yields to the mythology that is out there about what is wrong with the welfare program.

What is wrong with the welfare program currently, which I would like to see fixed and which the Republicans did also a year ago, before they took over as the majority party, and which the Clinton administration also advocated before this year, and that was to try to make it possible for these individuals on welfare to find a job.

Mr. Speaker, I think the overwhelming majority of people on welfare would like to work if they could find a job that could support their families and provide adequate funds for child care.

It is the combination of job training, plus the funds for job placement and child care, which are the critical ingredients for success in this program. Heretofore, only a very, very modest portion of the funding by the Federal Government has been directed to so-called jobs programs for training and job placement and counseling, and very small amounts for the child care support.

So, the only way for the goals that have been established in the Senate bill, of finding jobs and getting the welfare recipients off of welfare, can be achieved is by a very strong program in job training and job location. Otherwise, all we are doing is coming up with a jobs program which replaces the funding with a make-work program which does not yield a long-term job prospect once the time limit is up.

So, cruelly, what will happen is that the 5-year time limit will come up. The person may have had the welfare assistance during that period in a make-work type program, and because the time has expired, there would be no further assistance available. I do not think that is the kind of reform that this Nation has been looking forward to.

So, the difficulty with the Senate bill is, again, it does not focus on the necessity for a strong job training program. Well, some of the individuals who have commented on this aspect of the legislation point to the myriad of job training programs that exist in other pieces of legislation and indicate that this would be sufficient to meet that requirement. I wish that were so, because right this very moment, legislation is working its way through Congress which will limit not only the availability of those job training programs, but also the funding has been very severely cut back.

So instead of even keeping an even amount of money going to the States for job training, there will be less. There is no targeting of that job training program to meet the needs of the very low-income person, nor certainly the person who is on welfare.

In order to have a jobs program really make a difference to the welfare family, we need to have a targeted approach which takes these individuals on welfare and guides them through job training programs which actually will yield a job in the end of that cycle of training which can, in fact, support that family.

This is very, very difficult to do, but that is what has been missing thus far and that is really, in my estimation, why so many welfare recipients continue to stay on welfare year after year, because they are not able to get out there and hold down a job and provide child care services to their youngsters, while at the same time earning support for their families.

Mr. Speaker, I certainly hope that there will be a hard look at the Senate version. I certainly hope that the Senate will not recede to some of the beneficial changes that they have made in their bill to the House version, but that remains to be seen.

The block grant approach, which has been adopted by both the House and the Senate, on the Senate side assumes the funding level of fiscal year 1994. That is 2 years past. So we know immediately that the funding will be cut back quite sizably from what the current needs might be, as compared to what they were 2 years ago.

The Senate block grant is roughly about $17 billion, and that amount of money will remain steady for over a 5-year period of the bill.

One virtue of the Senate bill is that it requires the States who qualify for the block grant to guarantee that they will spend at least 80 percent of the State funding for the program. The House bill was silent in the maintenance-of-effort requirement, which was a great tragedy. It appears from the House version that all that would be available for the welfare support program would be what was contained in the Senate block grant amounts.

On the Senate side, at least they have included a requirement of 80 percent support continuing from State funding.

The AFDC program has been unusual in that sense, that the level of welfare assistance is not identical throughout the 50 States. The eligibility and the program benefits are also not exactly identical. But the States can decide how much funding to place, for instance, in the welfare program.

States like mine have been quite generous at a level of around $600 per month for a family of three, whereas other States have come up with barely half of that amount, and some as low as $195 per month. So the level of State support varies very greatly, depending upon the willingness of the State to support the program.

So to that extent there has been State involvement, State decision-making, State policies have been articulated by the very fact that these amounts of monthly support are set at the local level by the States. And the States, then, have a guarantee once they have set that amount that the Federal Government will match that amount so that the welfare program can be funded by 50 percent State contribution and 50 percent Federal contribution.

I am not sure that the formula under the Senate version, even, adheres to that policy. It merely says that the State block grant will be as it was in fiscal year 1994, and that the State's contribution rate must not drop below 80 percent of what has been spent in the previous year.

So we see that there is a very great likelihood that the level of support for the welfare program will be severely taxed and that the contribution rates will be much lower.

The Senate has provided funds for child care and I commend them for it, because realistically speaking, if we expect these recipients to get out there and work and continue to have welfare support for their employment, this certainly is not possible unless there is adequate child care assistance, child care programs, either provided by Federal funds or by the State program.

The time limits of what a welfare recipient must face is the same in both the House and Senate, and so I assume that there will be no changes there. That is a 5-year lifetime limit of welfare support as provided under this program.

In the Senate bill, there is the potential of a 20-percent exemption from this hard-and-fast rule of a 5-year limit, so that the States may exercise some degree of flexibility in terms of deciding who would be cut off at the end of the 5-year period.

The Senate version also has a portion having to do with food stamps and reduces the overall appropriations for food stamps by over $17 billion over a 5-year period. It has cut the level of benefit for the families and has also prohibited able-bodied, childless adults between 18 years and 50 years of age from receiving food stamps beyond the first 6 months of their qualification for benefits, unless they work half-time or participate in a work-training program. So there have been changes in the food stamp program.

The Senate bill does not include any inclusion of the school lunch program. You will recall that there was strenuous debate and disagreement over on this side of the Congress with respect to the attempt to block grant school lunch programs, and the Senate has very judiciously decided to not include the child nutrition programs, and the school lunch program in particular, in their welfare proposal.

In the House side, also, we had a very negative, punitive proposal, provision in our welfare bill which said that children who are born to a parent receiving assistance could not qualify for additional payments to that family. The Senate decided not to include that as a Federal restriction. On the other hand, they provided it as a State option. So the States may do so with their own program if they deem it necessary.

With respect to teenage mothers, children born of teenage parents out of wedlock, the Senate provision requires that that teenage parent live with an adult and participate in educational and training activities.

Over on the House side, the House included a provision which prohibited cash benefits to teenage mothers of children born out of wedlock. So there are those two basic differences in that very contentious issue.

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There are large changes to the Supplemental Security Insurance Program which will in both drafts, the House and Senate draft, mean the exclusion of many children, disabled children, from benefits that they have been receiving up to the current time.

Effective January 1997, the Senate provision says that individuals with an addiction that has resulted in a disability which qualifies them for SSI will be eliminated from the SSI program and Medicaid. This is also one of those very controversial measures that came to the House, and the House version is similar to that.

Lastly, I would like to talk about a provision in the Senate bill which has to do with legal immigrants. I can understand the furor of the country, as reflected by their elected Representatives in Congress, on the numbers of illegal immigrants and the burdens that illegal immigrants place upon local communities and the States. And so much of the debate in the States and the local communities and here in Congress has evolved around illegal immigrants and how we must deal with this problem constructively.

In the welfare reform legislation, we do not deal with illegal immigrants, because illegal immigrants already are not eligible for most of these programs in the welfare, food stamps, Medicaid, and so forth and so on. The law specifically prohibits their participation in these programs.

Unfortunately, there has been now a determination by both the House and the Senate to set down very specific prohibitions of coverage for legal immigrants, people who have followed the process, who have submitted their applications, been deemed eligible and admitted to the United States from all parts of the world. These legal immigrants are now going to be subject to a wide variety of prohibitions and limitations.

For one thing, there will be in the Senate bill a prohibition on their receiving any needs-based assistance, no matter what the program is, for a period of 5 years. This is done on the assumption that legal immigrants come to the United States with sponsors who agree to be financially responsible for these individuals.

What is happening is that this statement of financial responsibility is being deemed to adhere to the immigrant and therefore barring them from being eligible for any needs-based assistance. So in many instances these noncitizens would be ineligible for almost all of these programs, whether it is welfare, SSI, or other types of programs.

The current immigrants would be subject to deeming for 5 years. Future immigrants coming into the United States after the enactment of these bills, for as long as they remain in the United States, would have to have worked for 40 qualifying quarters. In other words, they must work for 10 years, even if in the interim period they have become U.S. citizens, before they can be eligible for any of these needs-based assistance programs.

I doubt seriously that that provision will be upheld in any court. The courts have systematically over the years barred distinctions among citizens, whether a native-born citizen or a naturalized citizen.

But here in this legislation, something that we seldom see, at least I have not seen in the years that I have been here, a specific delineation of eligibility or ineligibility for benefits to a group of citizens of the United States merely because their status was initially that of a legal immigrant, subsequently becoming naturalized and still being barred from the rights and privileges of citizenship. I think that is fundamentally wrong and basically contrary to the Constitution that guarantees equal protection and due process.

I regret that the Senate bill makes that further distinction, not just categorizing the legal immigrants as the House bill does. The House bill has a series of prohibitions to the legal immigrants, but those prohibitions stop just as soon as that individual becomes a U.S. citizen. On the Senate side, those prohibitions continue irrespective of citizenship. I certainly think that that is a provision in the law which has gone too far.

For the reasons that I have stated thus far, I am hoping that the White House and the leaders in the administration that have been following this matter will take a hard look at the legislation that has just passed the Senate and review it carefully, and if it comes out of the conference committee in no better shape than the Senate version, I strongly urge that the White House veto that measure.

Again to reiterate, the most egregious change that has been accepted by both the House and the Senate versions on welfare reform is to repeal and nullify and rescind the most important aspect of the aid to dependent children program, and that is the concept of entitlement which guarantees to children, if they meet the eligibility standards, to have the support of the program.

That guarantee has been removed from the legislation in both the House and the Senate versions, and they have moved to a block grant which leaves to the 50 States the total authority to establish the criteria, the benefit package, and the eligibility. So we will have 50 different programs, 50 different standards, 50 different eligibilities.

I believe that that does ill service to this Nation that has committed over and over again its responsibilities to children. Aid to dependent children, that is, the welfare program, is a program for children. We cannot dismiss that. We cannot forget it. That is what the welfare program is. It is designed to provide care and support and sustenance for our children.

There are 9 million children currently on welfare. It is for these children that we have to assume our responsibility as a nation. I believe that the Senate version dismisses that responsibility without considering what the consequences might well be.

We have heard so much of late, as we arrive at the great national debates leading up to the Presidential elections, about the commitment of this Nation to family values. I stand very strongly on that commitment to family values.

That is what I base my whole approach on in analyzing the welfare reform bill. How closely does it adhere to my principles of family values? To what extent is protection of the child of paramount concern in the legislation that we vote for or we support? It seems to me it is that guiding principle of the family that has to motivate us in drafting legislation.

What is going to happen to thousands of these families that will not qualify for welfare assistance because they do not quite meet the local standards of eligibility is that they will be without funds. There will be charges made by the States of child neglect because the single parents will not be able to provide them with shelter.

We have read in the newspapers numerous accounts of this already occurring, where a single parent is found huddled in an automobile somewhere in the suburbs trying to keep their family together, and then being arrested by the State authorities for child neglect, and the children then being separated from the single parent and being made wards of the State and put into either orphanages or foster care homes. That is not the scene that I believe a nation committed to family values should support.

Our obligation is to try to continue to the largest extent possible the nurturing care that a parent has naturally for his or her children. I fear that this principle is being dismissed too cavalierly in favor of forcing single parents, most of whom on welfare being women, forcing them to work as the moral obligation which we are underwriting in this welfare legislation. The welfare legislation will be forcing them to work rather than staying at home and providing this family care for their children. I think that this is a very egregious mistake.

If the work ethic is so important and has now become paramount to nurturing of our children, then certainly we have to make it possible for these individuals to get the training they need, to get the job that allows them to support their families without government assistance, and the child care that goes along with it.

So the package of reforms that I see as being compatible with the argument of family values is one that is predicated upon our sense of responsibility to our children, making sure that if the parent must go out to work, that there is adequate child care, and that the breadwinner for that family has a job that can support that family without government assistance.

It seems to me that is where reform ought to take us. It seems to me that that is what has been wrong with the welfare program thus far. It has been lacking in the support elements to enable parents to go out to work.

I look forward to continued debate on this issue. I take great umbrage at the commentators who argue that the debate is over and that it is merely a matter of the two Houses coming together with their two versions and compromising, and the assumption is that the President will sign whatever bill comes out.

I hope that is not the case. I hope the White House reads the fine print, and that ultimately the principles of family values will prevail in the Congress of the United States for the sake of our children.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DOGGETT) and to include extraneous matter:)

Mrs. MEEK of Florida.

Mr. VENTO.

(The following Member (at the request of Mr. YOUNG of Florida) and to include extraneous matter:)

Mr. FORBES.

(The following Members (at the request of Mrs. MINK of Hawaii) and to include extraneous matter:)

Mrs. SEASTRAND.

Mr. HINCHEY.

ADJOURNMENT

Mrs. MINK of Hawaii. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 12 minutes p.m.), under its previous order, the House adjourned until Wednesday, September 27, 1995, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1456. A letter from the General Counsel, Department of the Treasury, transmitting a copy of a draft bill entitled the "Gold Bullion Coin Amendments of 1995"; to the Committee on Banking and Financial Services.

1457. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 95–43: Drawdown of Commodities and Services from the Department of the Treasury to support the continued presence and activities of United States members of the EU/OSCE Sanctions Assistance Missions on the borders of Serbia and Montenegro, pursuant to 22 U.S.C. 2348a; to the Committee on International Relations.

1458. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

1459. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination 95–38 regarding the eligibility for Mongolia to be furnished defense articles and services under the Foreign Assistance Act and the Arms Export Control Act, pursuant to 22 U.S.C. 2311; to the Committee on International Relations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Florida: Committee of conference. Conference report on H.R. 2126. A bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes (Rept. 104–261). Ordered to be printed.

TIME LIMITATION OF REFERRED BILL

[Submitted September 22, 1995]

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 1816. Referral to the Committee on Commerce extended for a period ending not later than September 29, 1995.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. STOCKMAN (for himself, Mr. FUNDERBURK, Mr. YOUNG of Alaska, Mrs. CHENOWETH, and Mr. HOSTETTLER):

H.R. 2393. A bill to restore the second amendment rights of all Americans; to the Committee on the Judiciary, and in addition to the Committees on Government Reform and Oversight, and Ways and Means, for a period to be subsequently determined by the

Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. EVERETT (for himself, Mr. STUMP, and Mr. MONTGOMERY):

H.R. 2394. A bill to increase, effective as of December 1, 1995, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans; to the Committee on Veterans' Affairs.

By Mr. GILLMOR:

H.R. 2395. A bill to amend title XIX of the Social Security Act to eliminate certain requirements on States under the Medicaid Program with respect to minimum reimbursement levels for hospitals, nursing facilities, and intermediate care facilities; to the Committee on Commerce.

By Mr. PAYNE of New Jersey (for himself and Mr. SCHAEFER):

H.R. 2396. A bill to amend the Congressional Award Act to revise and extend authorities for the Congressional Award Board; to the Committee on Economic and Educational Opportunities.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. LIVINGSTON introduced a bill (H.R. 2397) for the relief of Jacqueline Darby-Maltbie; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 390: Mrs. MYRICK.
H.R. 427: Mr. MARTINI.
H.R. 709: Mr. HOLDEN.
H.R. 852: Mr. OWENS.
H.R. 1024: Mr. MARTINI.
H.R. 1514: Mr. MARTINI, Mr. ZELIFF, Mrs. LOWEY, Mr. WILSON, Mr. ANDREWS, Mr. BAKER of Louisiana, Mr. GOODLATTE, Mr. CLAY, Ms. MCKINNEY, Mr. WELDON of Pennsylvania, Mr. KINGSTON, Mr. BARR, Mr. WATT of North Carolina, Mr. WATTS of Oklahoma, and Mr. LIGHTFOOT.
H.R. 1619: Mr. FOX and Mr. BILBRAY.
H.R. 1627: Mr. ANDREWS.
H.R. 1762: Mr. JACOBS.
H.R. 1802: Mr. CRAMER.
H.R. 1900: Mr. LUCAS and Ms. DANNER.
H.R. 1974: Mr. ROYCE.
H.R. 2137: Mr. BALLENGER.
H.R. 2333: Mr. JACOBS.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 743

OFFERED BY: MR. SANDERS

AMENDMENT NO. 1: Page 7, line 10, before "Section" insert "(a) MATTERS OF MUTUAL INTEREST.—".

Page 8, after line 2, insert the following:

(b) STRIKES, BOYCOTTS, AND HOT CARGO AGREEMENTS.—Section 8(b)(4) and subsection (e) of the National Labor Relations Act are repealed.

H.R. 743

OFFERED BY: MR. SANDERS

AMENDMENT NO. 2: Page 7, line 10, before "Section" insert "(a) MATTERS OF MUTUAL INTEREST.—".

Page 8, after line 2, insert the following:

(b) RIGHT TO FIRST CONTRACT.—Section 8(d) of the National Labor Relations Act is amended by inserting after "*Provided*," the following:

That, if a collective bargaining agreement has not been reached within 45 days after certification, the union shall have the option of sending the contract dispute to compulsory and binding arbitration: *Provided further*,".

H.R. 743

OFFERED BY: MR. SAWYER

AMENDMENT NO. 3: Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Teamwork for Employees and Managers Act of 1995".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the escalating demands of global competition have compelled an increasing number of employers in the United States to make dramatic changes in workplace and employer-employee relationships;

(2) such changes involve an enhanced role for the employee in workplace decisionmaking, often referred to as "Employee Involvement", which has taken many forms, including self-managed work teams, quality-of-worklife, quality circles, and joint labor-management committees;

(3) Employee Involvement programs, which operate successfully in both unionized and nonunionized settings, have been established by over 80 percent of the largest employers in the United States and exist in an estimated 30,000 workplaces;

(4) in addition to enhancing the productivity and competitiveness of businesses in the United States, Employee Involvement programs have had a positive impact on the lives of such employees, better enabling them to reach their potential in the workforce;

(5) recognizing that foreign competitors have successfully utilized Employee Involvement techniques, the Congress has consistently joined business, labor and academic leaders in encouraging and recognizing successful Employee Involvement programs in the workplace through such incentives as the Malcolm Baldrige National Quality Award;

(6) most employers who have instituted legitimate Employee Involvement programs have done so in order to enhance efficiency and quality rather than to interfere with the rights guaranteed to employees by the National Labor Relations Act; and

(7) the prohibition of the National Labor Relations Act against employer domination or interference with the formation or administration of a labor organization has produced some uncertainty and apprehension among employers regarding the continued development of Employee Involvement programs.

(b) PURPOSES.—The purpose of this Act is—

(1) to protect legitimate Employee Involvement programs against governmental interference;

(2) to preserve existing protections against deceptive, coercive employer practices; and

(3) to promote the enhanced competitiveness of American business by providing for the continued development of legitimate Employee Involvement programs.

SEC. 3. EMPLOYER EXCEPTION.

Section 8(a)(2) of the National Labor Relations Act is amended by striking the semicolon and inserting the following:

": *Provided further*, That it shall not constitute or be evidence of an unfair labor practice under this paragraph for an employer to establish, assist, maintain, or participate in—

"(i) a method of work organization based upon employee-managed work units, notwithstanding the fact that such work units may hold periodic meetings in which all employees assigned to the unit discuss and, subject to agreement with the exclusive bargaining representative, if any, decide upon conditions of work within the work unit;

"(ii) a method of work organization based upon supervisor-managed work units, notwithstanding the fact that such work units may hold periodic meetings of all employees and supervisors assigned to the unit to discuss the unit's work responsibilities and in the course of such meetings on occasion discuss conditions of work within the work unit; or

"(iii) committees created to recommend or to decide upon means of improving the design, quality, or method of producing, distributing, or selling the employer's product or service, notwithstanding the fact that such committees on isolated occasions, in considering design quality, or production issues, may discuss directly related issues concerning conditions of work: *Provided further*, That the preceding proviso shall not apply if—

"(A) a labor organization is the representative of such employees as provided in section 9(a);

"(B) the employer creates or alters the work unit or committee during organizational activity among the employer's employees or discourages employees from exercising their rights under section 7 of the Act;

"(C) the employer interferes with, restrains, or coerces any employee because of the employee's participation in or refusal to participate in discussions of conditions of work which otherwise would be permitted by subparagraph (i), (ii), or (iii); or

"(D) an employer establishes or maintains an entity authorized by subparagraph (i), (ii), or (iii) which discusses conditions of work of employees who are represented under section 9 of the Act without first engaging in the collective bargaining required by the Act: *Provided further*, That individuals who participate in an entity established pursuant to subparagraph (i), (ii), or (iii) shall not be deemed to be supervisors or managers by virtue of such participation.".

EXTENSIONS OF REMARKS

STUDENTS IN MICHIGAN NEED SCHOOL-TO-WORK AND JOB TRAINING OPPORTUNITIES

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 25, 1995

Mr. BONIOR. Mr. Speaker, the last thing we should be doing is eliminating economic opportunities for our young people. Yet, that's exactly what the Gingrich majority is attempting to do. The Consolidated and Reformed Education, Employment, and Rehabilitation Systems [CAREERS] Act, H.R. 1617, under the guise of reform, repeals the School-to-Work Opportunities Act of 1994, most of the Job Training Partnership Act, and the Carl D. Perkins Vocational and Applied Technology Act, among others.

In addition, the CAREERS Act cuts funding for youth career development by 20 percent. The 70 percent of students in Macomb and St. Clair Counties who don't go to college need the advanced technical training that will be threatened by this bill. Our students' earnings in the future will be based on what they learn today. We should be increasing the opportunities they will have in the future, not cutting the very educational tools that help them get ahead.

School-to-work and job-training programs are vital for preparing those who don't go to college for the highly skilled, good paying, technical jobs of the future. I believe the best investment this country can make is in the education and training of our next generation. We must be thoughtful in our approach, consolidate where needed and cut wasteful programs that don't work, but we must also ensure that we are providing our young people with the opportunity to earn and learn for the future. I don't believe the approach taken by this CAREERS Act guarantees those opportunities.

I believe we do need to reform, improve, and demand better performance from our employment training programs. The local school boards, elected officials, and business leaders must have the input to produce effective job-training programs, yet we all have a role to play. We ought to be building on the strong local, State, and Federal partnerships that we've established over the years to help our students, not destroying them.

While we need to fix education, employment, and job-training programs that don't work, we should not eliminate the ones that do. The blanket approach that starts from scratch and gives our Governors final authority over all school-to-work and job-training programs established by this bill is a serious error which will turn back the clock. For these reasons and others, I oppose this block grant approach.

TAIWAN'S SECURITY

HON. MAURICE D. HINCHEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 25, 1995

Mr. HINCHEY. Mr. Speaker, in July and August, the People's Republic of China conducted two guided missile tests north of Taiwan. Understandably, the reaction among Taiwan's people was fear and panic. The tests also struck a blow at Taiwan's economy, which may have been intended: Taiwan's stock market dropped immediately.

To date, the PRC has not ruled out any further military exercises near Taiwan. There is widespread concern in Taiwan, in South Asia, and here in the United States that the PRC will continue to intimidate Taiwan in an attempt to destabilize its healthy policy and economy, and that this may lead to Taiwan's abandonment of its policy of pragmatic diplomacy.

The Government of Taiwan, the Republic of China, wants to hold to its present course. Its foreign minister, Fredrick Chien, declared on September 4, that abandoning pragmatic diplomacy would seriously threaten Taiwan's future. Chien urged his fellow citizens not to bow to China's threats of military action.

Mr. Speaker, I believe Minister Chien is correct in recommending a steady course. Let us hope that this will discourage any further bullying by Beijing. Further military tests will only heighten tensions and promote instability. Instead, the goal of both governments should be increased dialog and a cooling of rhetoric. Fear and instability will not serve the people of either Taiwan or the PRC, and it certainly will not serve the interests of our own Nation.

HONORING THE CONTRIBUTIONS OF ARCHBISHOP JOHN R. ROACH TO THE TWIN CITIES OF MINNESOTA

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 25, 1995

Mr. VENTO. Mr. Speaker, I rise today to pay tribute to a fellow Minnesotan and a friend who has made momentous contributions to my home city of St. Paul, MN, and the entire Twin Cities area, Archbishop John R. Roach. On September 8, 1995, Archbishop Roach's retirement from the Archdiocese of Minneapolis-St. Paul became official and the Twin Cities noted the service and invaluable leadership of one of their most beloved citizens as he relinquished the post he has ably ministered for over 20 years.

Even before he took on this challenging role as archbishop, he was striving to strengthen the Twin Cities community by working to support our most valuable resource, our children. His years teaching at St. Thomas Academy and serving as headmaster of Mendota Heights Military School formed a solid foundation from which he later served as chair of the National Catholic Educational Association.

In addition to this role, Archbishop Roach led other groups which involved him in a variety of issues within and outside of the Twin Cities community. Archbishop Roach's leadership was especially significant in the past decade as he served as president of the National Conference of Catholic Bishops and the National Catholic Rural Life Conference, and he chaired the U.S. Bishops' Food and Agriculture Task Force. As the president of the National Conference during a key point in the 1980's, Bishop Roach took on the role of spokesman for strong statements concerning the curtailment of nuclear weapons and the global buildup of such weapons. His efforts involved the crucible of debate and moral teaching and renewed a successful effort, first among the people and the Congress and finally with the administration, to bring about massive reductions of nuclear weapons.

As chair of the International Policy Committee, Bishop Roach traveled to other nations including Ireland, Israel, and South American nations to promote peaceful solutions to the violence raging in these troubled lands. Where there was a problem, he rose as a voice for social justice and as a witness and teacher.

I have worked with Archbishop Roach and his administration on numerous issues during his service to the church in the Twin Cities area. His sincere effort and interest in education, nuclear disarmament, and especially the homeless and others in need in Minnesota, and people of other nations merits the highest recognition and gratitude. It is my honor to have worked with him and call him friend and bishop. I'm certain that I voice the sentiments of the entire Twin Cities community in wishing him a pleasant and healthy well-earned retirement and thanking him for his efforts to support our community. His presence at the helm of the Minneapolis-St. Paul Archdiocese has been cherished as extraordinary and will be deeply missed.

Mr. Speaker, I would also like to add to the RECORD an article from the Catholic Bulletin regarding Archbishop Roach.

[From the Catholic Bulletin]

THE ARCHBISHOP WE'LL MISS

(By Bob Zyskowski)

The Archbishop John R. Roach we will miss as the leader of the Archdiocese of St. Paul and Minneapolis is a brilliant man who understood that life's journey back to God includes ups and downs. But he refused to lose hope when he was in the valleys. He sought God's help, then tapped humankind's creative, God-given talents to climb the hills.

The Archbishop Roach we will miss as he begins his retirement years took a can-do attitude against the challenges of church and

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Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

society. Presented with difficulties, he took the view that God would not put any obstacles in our way if that same God did not give us the means to overcome them. Archbishop Roach's tools were intellect, imagination and organizing, always organizing. Got a need? Think about it, pray about it, get advice about it, then put a structure in place to meet it.

The Archbishop Roach we will miss was the consummate analyzer. Watching him at a council or commission or board meeting was like poetry. He would hear the varied concerns and opinions, then, like a poet, synthesize the data, condense it and express a consensus of the voices that focused on the vital points.

The Archbishop Roach we will miss had the critical concerns of the key issues of the day on the tip of his tongue. Ask a question and he would tick off the criteria Catholics need to use to make a sound, morally based judgment, and, with those principles as a base, he would explain why the church took the position it did. On any issue. On every issue.

The Archbishop Roach we will miss was at his best when he spoke or wrote from his gut. You could always tell when he had a personal interest in a subject, when it meant something more to him because he knew the impact or he knew the stakes involved or if people in the Upper Midwest were affected. Whether in a column for the Catholic Bulletin, in a homily from the Cathedral pulpit or from the microphone at a meeting of the National Conference of Catholic Bishops, John R. Roach was passionate when he believed in a course of action, in a way to meet a need, in a principle to uphold. He used down-to-earth language. He told the stories of how real-life people were impacted. He came at it from the heart.

The Archbishop John R. Roach who went into retirement Sept. 8 has been a source of pride for this archdiocese. We hope he will have many years in retirement to pass along his wisdom and his love of a very good local church.

DYSTONIA AWARENESS WEEK

HON. ANDREA H. SEASTRAND

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 25, 1995

Mr. SEASTRAND. Mr. Speaker, hundreds of thousands of people recognize the week of September 16 to 23 as Dystonia Awareness Week. I would like to join those who are dedicated to promoting greater awareness about this neurological disorder that affects more than 250,000 people in North America.

Dystonia is a powerful disorder causing involuntary muscle spasms that twist parts or all of the body. These spasms are often painful. Those who suffer from dystonia, their families, and their friends have formed the Dystonia Medical Research Foundation to help each other and to seek the cause and cure. Many citizens react to the physical manifestations of dystonia by avoiding those who have this disorder, causing the victims to experience isolationism, and suffer grave psychological harm. It is my hope and prayer that a cure for dystonia will be found and until then we will all do our part to help those with dystonia.

TRIBUTE TO HAZEL CRAWFORD, A GREAT COMMUNITY LEADER

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 25, 1995

Mrs. MEEK of Florida. Mr. Speaker, on October 22, 1995, friends and associates of Hazel Crawford will honor her many accomplishments. Eighty-seven years young, Hazel has spent her life exemplifying the best aspects of humanity as a pioneer in civil rights for women and minorities, and a champion of children's causes.

Undaunted after having to leave school in the fourth grade, Hazel went on to have a long career as a State-licensed cosmetologist. Believing that education is the key to improving life, she went back to school. At the age of 63, she received her high school diploma.

Hazel has long been very active in her community. She became the cofounder of the first State-licensed day care facility in northern Dade County. In recognition and tribute to her outstanding work, the city of North Miami Beach named their permanent day care facility in her honor.

Further demonstrating her political acumen, she founded the Voters Council of North Miami Beach. The group has registered more than 1,500 people to vote, and has encouraged citizen participation on local government committees and boards. This year, the voters council provided two students each with $500 college scholarships.

Hazel is a charter member of the Dade County Commission on the Status of Women and received the first local award presented by the Dade County Chapter of NOW. In addition, she volunteers with the League of Women Voters and the Orange Blossom Beautician Sorority.

I am sure that my colleagues will agree with me that Hazel's record of public service is unparalleled. A very dear and trusted friend, I wish for Hazel 87 more years of success.

END TURKEY'S OCCUPATION OF CYPRUS

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 25, 1995

Mr. BONIOR. Mr. Speaker, I rise in support of House Concurrent Resolution 42, a resolution calling for the demilitarization of Cyprus.

On July 20, 1974, Turkish troops invaded Cyprus and began a military occupation. Today, 35,000 Turkish troops still remain on Cyprus. They occupy one-third of the island. In a chilling reminder of the Berlin Wall, a barbed wire fence known as the Green Line cuts across Cyprus, separating thousands of Greek Cypriots from the towns and communities in which their families have lived for generations.

As a result of the invasion 21 years ago, thousands of people were killed, more than 200,000 people were expelled from their homes, and today, more than 1,600 remain missing—including 5 Americans.

Instead of helping us to locate the missing and enter negotiations aimed toward unity and freedom for Cypriots, Turkey today continues to keep troops on the island.

Mr. Speaker, this resolution calls for the troops to be withdrawn from Cyprus and urges compliance with U.N. resolutions on the issue, which Turkey has thus far refused to do. I am proud to join many of my colleagues as a cosponsor of the resolution and applaud its passage.

Over the past few years, we have witnessed tremendous changes around the world—the fall of the Berlin Wall, the beginning of reconciliation in the Middle East, and the end of apartheid. It is my sincere hope that soon we will be able to add Cyprus to that list of places where peace and freedom have triumphed.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, September 26, 1995, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 27

9:00 a.m.

Agriculture, Nutrition, and Forestry

Business meeting, to consider recommendations which it will make to the Committee on the Budget with respect to spending reductions and revenue increases to meet reconciliation expenditures as imposed by H. Con. Res. 67, setting forth the congressional budget for the United States Government for fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002.

SR-332

Finance

Business meeting, to continue to consider recommendations which it will make to the Committee on the Budget with respect to spending reductions and revenue increases to meet reconciliation expenditures as imposed by H. Con. Res. 67, setting forth the congressional budget for the United States Government for fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002.

SH-216

9:30 a.m.

Commerce, Science, and Transportation
Aviation Subcommittee

To hold hearings on S. 1239, to amend title 49, United States Code, with respect to the regulation of interstate transportation by common carriers engaged in civil aviation.

SR–253

Environment and Public Works

To hold hearings on the nomination of Kathleen A. McGinty, of Pennsylvania, to be a Member of the Council on Environmental Quality.

SD–406

Labor and Human Resources

Business meeting, to mark up S. 1180, to amend title XIX of the Public Health Service Act to provide for health performance partnerships, and S. 1221, to authorize appropriations for the Legal Services Corporation Act.

SD–430

10:00 a.m.

Banking, Housing, and Urban Affairs

Business meeting, to mark up S. 650, to increase the amount of credit available to fuel local, regional, and national economic growth by reducing the regulatory burden imposed upon financial institutions.

SD–538

2:00 p.m.

Select on Intelligence

To hold closed hearings on intelligence matters.

SH–219

SEPTEMBER 28

9:00 a.m.

Finance

Business meeting, to continue to consider recommendations which it will make to the Committee on the Budget with respect to spending reductions and revenue increases to meet reconciliation expenditures as imposed by H. Con. Res. 67, setting forth the congressional budget for the United States Government for fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002.

SH–216

9:30 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to examine the use of ethanol's impact on clean air and the farm economy.

SR–328A

Commerce, Science, and Transportation

Business meeting, to consider recommendations which it will make to the Committee on the Budget with respect to spending reductions and revenue increases to meet reconciliation expenditures as imposed by H. Con. Res. 67, setting forth the congressional budget for the United States Government for fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002.

SR–253

Energy and Natural Resources

To hold hearings on the nominations of Derrick L. Forrister, of Tennessee, to be an Assistant Secretary of Energy (Congressional and Intergovernmental Affairs), Patricia J. Beneke, of Iowa, to be Assistant Secretary for Water and Science, and Eluid Levi Martinez, of New Mexico, to be Commissioner of Reclamation, both of the Department of the Interior, and Charles William Burton, of Texas, to be a Member of the Board of Directors of the United States Enrichment Corporation.

SD–366

10:00 a.m.

Banking, Housing, and Urban Affairs

To hold hearings on proposed legislation to reform public housing and tenant based section 8 assistance.

SD–538

Governmental Affairs

To hold hearings on the nominations of Ned R. McWherter, of Tennessee, to be a Governor of the United States Postal Service, and Donald S. Wasserman, of the District of Columbia, to be a Member of the Federal Labor Relations Authority.

SD–342

Judiciary

Business meeting, to consider pending calendar business.

SD–226

1:30 p.m.

Judiciary

To hold hearings to examine non-immigrant immigration issues.

SD–106

2:00 p.m.

Judiciary

To hold hearings on pending nominations.

SD–226

2:30 p.m.

Foreign Relations

To hold hearings on the nominations of Joan M. Plaisted, of California, to be Ambassador to the Republic of the Marshall Islands and to serve concurrently and without additional compensation as Ambassador to the Republic of Kiribati, and Don Lee Gevirtz, of California, to be Ambassador to the Republic of Fiji, and to serve concurrently and without additional compensation as Ambassador to the Republic of Nauru, Ambassador to the Kingdom of Tonga, and Ambassador to Tuvalu.

SD–419

SEPTEMBER 29

10:00 a.m.

Judiciary

To resume hearings to examine the status of religious liberty in the United States.

SD–226

OCTOBER 25

10:00 a.m.

Veterans' Affairs

To hold hearings to examine veterans' employment issues.

SR–418

CANCELLATIONS

SEPTEMBER 27

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD–366

POSTPONEMENTS

SEPTEMBER 26

9:30 a.m.

Commerce, Science, and Transportation
Oceans and Fisheries Subcommittee

To hold oversight hearings on the science of slow management and hatchery supplementation, focusing on the recovery of Snake River anadromous species.

SR–253

10:00 a.m.

Judiciary

To hold hearings to review the incident which occurred in Waco, Texas.

SD–106

SEPTEMBER 27

10:00 a.m.

Judiciary

To continue hearings to review the incident which occurred in Waco, Texas.

SD–106

SENATE—*Tuesday, September 26, 1995*

(Legislative day of Monday, September 25, 1995)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Our Father, You have created us to glorify You and enjoy You forever. When we trust You, You turn our struggles into stepping stones. We know Your promise is true: You will never leave us or forsake us. You give us strength when we are weak, gracious correction when we fail, and undeserved grace when we need it most. You lift us up when we fall and give us new chances when we need hope. And just when we think there is no place to turn You meet us and help us return to You. We say with the psalmist, "Bless the Lord O my soul, and all that is within me bless His holy name! Bless the Lord, O my soul and forget not all of His benefits."—Psalm 103:1–2.

Lord, we want our work this day to be an expression of our grateful worship. You have called us to lead this Nation. Fill us with Your spirit. Infinite wisdom, we need Your perspective, plan, and purpose. We must make crucial evaluations and decisive decisions. The future of this Nation is dependent on Your guidance. Thank You for making us wise. In the name of our blessed Lord. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. THOMAS. Mr. President, this morning the leader time has been reserved.

The Senate will resume consideration of H.R. 2099, the VA–HUD appropriations bill. Under a previous consent agreement, at 11 o'clock today the Senate will resume debate on the Bumpers space station amendment with a vote to occur on or in relation to that amendment at approximately 2:15 p.m. today.

As a reminder to all Senators, the Senate will recess from the hours of 12:30 to 2:15 today for the weekly policy conference meetings.

Thank you, Mr. President.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1996

The PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of H.R. 2099, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2099) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1996, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Bumpers amendment No. 2776 (to committee amendment on page 158, lines 13–14), to reduce the appropriation for the implementation of the space station program for the purpose of terminating the program.

Mr. THOMAS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. THOMAS). Without objection, it is so ordered.

Ms. MIKULSKI. I ask unanimous consent that I may speak as if in morning business.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

DEATH OF BESSIE DELANY

Ms. MIKULSKI. Mr. President, I note that my colleague, who is managing the VA–HUD bill, which is before the Senate today, will speak on environmental matters in our legislation. But before he does, I wanted to bring to the Senate's attention the death of someone who really has been an outstanding American citizen.

Bessie Delany died Monday at the age of 104 in her home in Mount Vernon, NY. Many Americans know her as part of the Delany sisters. Dr. Bessie Delany and her sister, Sadie Delany, lived through the most remarkable period in American history, from about the 1880's all the way until now. They saw the end of slavery. They lived through the era where people moved from the South. Bessie Delany was one of the first African-American women to become a physician in the United States. She was the second African-American woman to practice dentistry in New York, having graduated from Columbia University in 1923.

About 5 years ago, she and her sister became famous when they wrote, coauthored with Amy Hill Hearth, a book called "Having Our Say: The Delany Sisters' First 100 Years." In April, a play opened on Broadway telling their story.

I read their great book called "Having Our Say," and it is a remarkable tribute of courage, character, and competency.

Both of these women overcame incredible odds to make a substantial contribution to the American community. And overcoming all of the bias related to racism, all the obstacles for which there were very skimpy opportunity structures available to them, both—one went on to be a teacher, and Bessie Delany became, as I said, a physician.

All of America is sorry to see Dr. Bessie Delany move on. We are very sorry about her death. We extend our sympathy to her family. But as a great tribute to her and her remarkable life, I really encourage all who are listening here to go to the library and get this remarkable book, "Having Our Say," because in listening to what the Delanys say, both this remarkable teacher and this remarkable physician have a lot of lessons to teach us and to give us, also, a navigational chart for the healing that needs to go on in our society.

So to Dr. Bessie Delany, wherever she is in God's great glory, we just thank her for what she has done for this country. We express our condolences to her sister Sadie. And as a tribute we urge you read this remarkable book about their lives.

Mr. President, I yield the floor.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, we are anxiously awaiting colleagues who want to come down and either offer amendments or debate the measures before us. Several of our colleagues have expressed an interest in speaking on the space station. We have a 1½-hour time agreement, equally divided. At least on our side, that time is almost completely used up.

So, if anybody feels the need to speak for the space station—it might also be true for those opposing it—this would be a good time to come. We would like to hear what they have to say. But as we indicated yesterday, the majority leader and the Democratic leader, as well as the rest of us, know we have to get these appropriations bills finished by September 30, and our ability to begin the recess on October 2 depends upon our completing this work. So we are pressed for time. We do invite anybody who has measures or has views on measures that will be on this bill to come down and address them now because this will be the best time to do so.

But since we do have some time, I thought it might be helpful for my colleagues who may be getting all kinds of calls from organizations that are opposed to measures that we put forth in the bill to explain a little bit about what we have done in the EPA section. The National Wildlife Federation has a hotline going out saying there are damaging riders; we are doing all kinds of terrible things to the Environmental Protection Agency. The National Audubon Society says we are crippling the Agency and there is a backdoor attempt to strike out provisions in the EPA laws.

Frankly, that is just not true. The environmental progress in this country has been significant. We have in the last 25 years come a long way toward cleaning up our environment. I am very proud of the progress we have made. I want to see that progress continue.

But I think we have come to the point now where we demand that the progress be on the basis of common sense, of justifiable actions, of using sound science, of not duplicating efforts, and making sure that the dollars we spend on the environment, whether they are appropriated dollars or whether they are dollars that others, State governments, local governments, not-for-profits businesses, and individuals have to pay to comply with the environmental laws are spent properly.

Now, let me go through, for the benefit of my colleagues and those who may be watching, the so-called riders or legislative provisions that are included in this bill. The recommendation of the Senate Appropriations Committee has seven legislative provisions within EPA. All but one of the so-called riders in the House bill have not been included in this measure. The committee in the Senate limited the provisions in our bills to ones that have been included in previous VA-HUD bills or other legislation or that eliminate duplication or unnecessary spending. Let me tell you about the provisions.

First, we would prohibit the EPA from requiring centralized inspection maintenance facilities in fiscal year 1996. This is the same language that was included in the National Highway System bill, supported by a large number of Senators. It is clear that the provisions for central inspection and maintenance are going to cause tremendous headaches without the benefits that are needed, and we can do it in a less intrusive, bureaucratic way.

Second, this measure, as reported out of the committee, would prohibit the EPA from requiring employers to adopt car-pooling plans in fiscal year 1996. This language is one of the House riders. It is the same language included in the fiscal year 1995 rescission bill. If workers in America want the Federal Government telling them how they can get to work and demanding putting restrictions and requirements on how they go to work, then they should not support this rider. I do not believe, talking to the people in my State, that they want the Federal Government telling them how they get to work in the morning and how they get home in the evening.

Third, we would in the committee recommendation prohibit EPA from regulating radon and several other drinking water contaminants in fiscal year 1996 unless the drinking water law is reauthorized. It is a very important measure pending before the Environment and Public Works Committee to reauthorize the safe drinking water law. I think the provision that we have in this measure is fully consistent with the attempts by the EPA, which itself has been trying to negotiate extensions to court-ordered deadlines for low-priority contaminants. For each of the contaminants in question, the risk is relatively low or the science is not fully supported by science-based rulemakings. This action has been requested by the National Governors' Association, the League of Cities, the Association of Metropolitan Water Agencies, the American Waterworks Association, the National Association of Water Companies, the National Rural Water Association, and the Natural Water Resources Association.

Frankly, there has been a lot of concern these days about E. coli and cryptosporidium, and these agencies want local water systems to devote their time and their resources to keeping those known, dangerous contaminants out of the water supply. To the extent that they are required to test for and develop means of dealing with other low-priority contaminants where the science may be uncertain, it will take away from their efforts to keep the water supply system clean from these dangerous, well-recognized, well-defined contaminants.

Fourth, we would prohibit EPA from requiring in fiscal year 1996 the use of MTBE in Alaska because of health concerns raised there associated with the use of MTBE. There have been serious instances where MTBE use has thought to cause very serious health effects. This provision was carried in the fiscal year 1994 VA-HUD bill and does not exempt Alaska from clean air requirements. It is saying, do not require something that appears to be causing very significant health problems in Alaska.

The next one would prohibit EPA from adding new sites to the Superfund national priorities list in fiscal year 1996 unless requested by the Governor or tribal leader unless or until the Superfund law is reauthorized. Everyone recognizes that the Superfund law badly needs revision. The Superfund law has generated a tremendous amount of resources going to lawyers and for administrative costs. A report done by the General Accounting Office at our request shows that only about 30 percent of the Superfund sites currently being worked by the EPA involve current risk to human health or even potential risk to human health under current usages.

We think the time has come to reauthorize the Superfund law to bring sound science and to target the resources. Therefore, we say do not move forward expanding the reach of Superfund until it is reauthorized and Congress has had an opportunity to act on the substantive requirements in the Superfund legislation.

This language was included in the fiscal year 1995 rescission, adopted, and signed into law by the President this summer. It is consistent with the committee's decision to limit Superfund spending to current health risks pending reauthorization.

The next measure in the bill authorizes an exemption from water pretreatment standards for industrial discharges to the Kalamazoo water plant if environmental standards are met through a local pretreatment plant. This provision has been narrowly crafted, and it will not result in any environmental degradation. It will prevent duplicative and unnecessary water treatment construction. Kalamazoo has already entered into a plan to be financed by the major industrial concerns in that city to deal with the effluent from their plants.

Since Kalamazoo is getting a water treatment plant financed by those who are making the discharges, it does not make any sense to go forward with an overlapping, a duplicating requirement to have another treatment plant to do exactly the same thing when one is already being financed.

Next, we would prohibit EPA from enforcing the foreign refiner baseline for reformulated gasoline. This is the same provision as included in the fiscal year 1995 VA-HUD bill, and it would ensure quite simply that foreign refiners are held to the same higher environmental standards as domestic refiners. If we do not do this, foreign refiners will be able to send in products that do not meet the environmental standards that we expect of our domestic refiners.

Mr. President, what sense does that make? Why should we give foreign refiners a free pass to send in products that have not met the same standards that we require of our domestic refiners? I think this is another sound environmental measure that is included in this bill. I urge my colleagues, and those who are interested, to look at the environmental impacts of these provisions.

The final one I want to talk about would eliminate duplicative and wasteful efforts by the EPA. This would prohibit the Environmental Protection Agency from vetoing decisions made by the Corps of Engineers regarding wetlands permits in fiscal year 1996.

The provision is intended to keep EPA from overfiling or second-guessing the Corps of Engineers. It will streamline the corps' permitting process. EPA still has a wide range of responsibilities dealing with wetlands. We are not changing those. We are only saying to the EPA and to all of the affected landowners that you have a right to get an answer, a final answer from one Federal agency.

The Corps of Engineers operates with EPA in the regulation of wetlands. Where does it make any sense to the landowner who goes to the Corps of Engineers and says, "OK, here is what I propose to do. Grant me a permit," and, as it stands now, the Corps of Engineers can say, "OK, you meet all our standards," and then the next day the EPA comes in and says, "Oh, but we don't like what the Corps of Engineers did"?

Frankly, this is a duplicative, wasteful, and, I think, unsatisfactory service to our citizens to say that you are going to have to take two chances to get the Federal Government to tell you they do not like what you are doing. We have standards, and the Corps of Engineers is to follow those standards. Why do we give the power to the EPA to come in and say, "Oh, well, you may have satisfied the Corps of Engineers, but you don't satisfy us"?

As Senators know, the corps has the authority and the expertise to administer the Wetlands Program, and it does not, in my view, make any sense to say that the same law can be administered by two separate agencies, particularly when we are in a time of strained budgets when a second agency should not be duplicating the efforts of the first one. That is why we say, "EPA, if the corps has already done it, go on and do the other work you are supposed to do; don't second-guess the corps."

The Senate should know this provision does not affect the multitude of other EPA authorities under the Clean Water Act. It in no way undermines wetlands protection. According to the Corps of Engineers, no other Federal regulatory program gives two agencies different authority over the same permit decisions. I understand there are some who believe this redundancy is defensible. During the committee markup, some Members suggested that they would offer an amendment to strike the provision on the floor. If so, we will be happy to discuss it.

As many of my colleagues know, the House did include a provision in the bill preventing funding for the entire 404 wetlands permit law, noting that it was necessary to provide Congress additional time to determine the proper management of the Nation's wetlands.

The Corps of Engineers, as we all know, has the responsibility of administering the day-to-day permitting. The States, EPA, the National Oceanographic and Atmospheric Agency, Fish and Wildlife, and Marine Service also have roles. There are pages and pages of regulations and memorandums of agreement governing the complex permitting process.

Under section 401 requirements, for a 404 permit to be issued, the corps must first obtain a certification from the applicable State—the State—that water quality standards will not be violated as a result of the discharge of fill material. This essentially gives the States veto authority over permit applications. It guarantees a State role in the process.

Of the additional resource agencies, EPA is perhaps the most influential. Besides having authority under section 404 to veto permit decisions, EPA is responsible for developing guidelines, known as 404(B)(1) guidelines, which are the substantive environmental criteria that are binding on the corps in the permitting process.

To me, it makes no sense to say that once you have laid out all those standards, once the Corps of Engineers has gone through the process, once they have gotten the approval of the State and they are following the EPA regulations, if they grant a permit, EPA should come in and say, "Oh, we don't agree with the corps' action." If there is one thing that constituents in my State are fed up with, it is being told two different things by two different Federal agencies. They expect the Federal agencies who serve them to give them one answer and to give them the right answer.

This measure would say, "Corps of Engineers, if you grant a permit, then we are not going to have the EPA using its time and resources to come in and change the direction given to the person, the individual or the organization, applying for that permit."

I hope that those who hear scare stories about the provisions in this bill will take a look at the substantive provisions and realize they are necessary to streamline and to ensure the effective administration of the Environmental Protection Agency, to ensure we continue the progress that we have made and must continue to make toward assuring a clean environment for ourselves and our children.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HEFLIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEFLIN. Mr. President, I rise in strong support of the international space station program. This program is out of the planning stages and is well underway. The space station is real. Space shuttle missions in support of phase one of the station program began in February 1994. The most recent phase one mission ended with the successful return of astronaut Norm Thagard from his record breaking stay in space. Over 48,000 pounds of station hardware have been manufactured and 75,000 pounds will be completed by the end of this year.

The space station is real to communities, students and teachers throughout the Nation. Teachers are already using space station concepts in the classroom. Students have participated in activities including living in a bus outfitted as a space station, complete with living facilities, experiments, and communication to Earth. Today the space station is capturing the imagination of the leaders of the future and encouraging students to study math, physics, chemistry, biology, geography, and Earth science.

When I grew up as a boy, we had tree houses, and you would have a lot of activity playing in tree houses. I think you will see space station houses in trees and other locations that kids will be playing in as we move forward and start moving toward the deployment of the space station.

Benefits of the station program are already being realized. Researchers seeking to develop a station bioreactor for cell cultures have developed a way to grow tumor tissues outside the body, so chemotherapy and other treatments can be tested without harm to the patient.

The space station will create a permanent orbiting science institute in space capable of performing long duration research in a nearly gravity-free environment. Research in medicine, materials and processes, engineering and technology will have immediate, practical application for life on Earth and will create jobs and economic opportunities today and in the decade to come. Information gathered about how humans react and adapt to weightlessness will allow scientists to further understand conditions such as balance disorders afflicting 90 million Americans, osteoporosis affecting 24 million Americans, and cardiovascular disease, the leading cause of death in the United States. Every dollar spent on the station is spent here on Earth and will provide an excellent return on investment. If planned orbital research in combustion science improves combustion processes only a modest 2 percent, then the annual savings would be approximately $8 billion a year in the cost of energy produced through combustion in the United States.

In June 1995, the General Accounting Office completed a review of the current estimated cost of the space station program. The GAO concluded that "the program has made major progress since last year in defining its requirements, meeting its schedule milestones, and remaining within its annual operation budgets. Nevertheless, the program faces formidable challenges in completing all its tasks on schedule and within its budget." Of course the station program faces challenges as does any new endeavor. However, we should judge the ability of NASA to meet these challenges on the performance of the station program since it was redesigned in 1993. As the GAO discovered, NASA is performing as promised and is successfully meeting the stated objectives of the station program.

It is unfortunate that the biggest challenge the station program faces appears to be the Congress of the United States, specifically a small handful of Members who continue to offer legislation aimed at terminating the station program. Since the inception of the program, votes have been held over 18 times on the station. We must continue to reject these attempts and continue our support of the space station program. We owe this to the future of the citizens of the United States and to all the people of Earth.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I ask unanimous consent that the pending amendment be temporarily society aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2777

(Purpose: To make available $38 million for construction at the Spark M. Matsunaga Department of Veterans Affairs Medical Center, Hawaii)

Mr. INOUYE. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE] proposes an amendment numbered 2777.

Mr. INOUYE. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 22, between lines 4 and 5, insert the following:

SEC. 111. (a) Notwithstanding any other provision of this title, the amount appropriated by this title under the heading "DEPARTMENTAL ADMINISTRATION" under the paragraph "CONSTRUCTION, MAJOR PROJECTS" is hereby increased by $38,000,000.

(b) Of the amount available under the paragraph referred to in subsection (a), as increased by such subsection, $38,000,000 shall be available for construction at the Spark M. Matsunaga Department of Veterans Affairs Medical Center, Honolulu, Hawaii.

(c) Notwithstanding any other provision of this title, the amount appropriated by this title under the heading "DEPARTMENTAL ADMINISTRATION" under the paragraph "GENERAL OPERATING EXPENSES" is hereby reduced by $38,000,000.

Mr. INOUYE. Mr. President, this is a very simple, forthright amendment. It calls for the completion of the Spark M. Matsunaga Medical Center in Honolulu. It provides for $38 million.

Mr. President, there are 127,600 veterans residing in the State of Hawaii. The State of Hawaii is one of only two States in our Union without a VA hospital. The other State is the State of Alaska. Per capita spending in the State of Hawaii is the lowest in the Nation.

At the same time, Hawaii has the highest ratio of veterans per capita and the highest proportion of disabled veterans over 65 years of age or older.

In World War II, the State of Hawaii, which was then a territory, 50 years ago, had more volunteers per capita than any other State or territory of our Union. While serving far fewer veterans, the State of Montana and the State of Wyoming have two VA hospitals apiece. We have more veterans, but we have none; they have less veterans, but they have two apiece.

In the case of Wyoming, the veteran population is less than half of the State of Hawaii. South Dakota, with 42,000 fewer veterans than Hawaii, has three VA hospitals. We are still waiting for our first VA hospital.

The current system in Hawaii is a fragmented one. It is costly. It is inefficient and places the quality of care rendered to veterans at a great risk.

We receive fine service from Tripler Army Hospital, our major military facility in Hawaii. Inpatient care at this great institution is dependent upon space availability. If there is no space, we are the lowest priority. The veterans are the lowest priority, and understandably so.

Mr. President, as we downsize our military, that downsizing will also affect Tripler Army Hospital.

What does that mean? Fewer beds, fewer nurses, fewer doctors, and with the veterans as the lowest priority, I do not think I need to draw a picture for my colleagues.

Today, many of the united hospital services such as cardiology, orthopedics, ophthalmology—severe limitations and restrictions are placed upon veterans in Hawaii. For example, at this moment, VA cardiology and orthopedic patients are evaluated by visiting Palo Alto, CA, VA physicians. They come around about twice a year. As a result of that evaluation, they are shipped to a facility on the west coast, usually in the State of California.

Mr. President, I think all fairness and equity would lead us to conclude that to ask our veterans to undergo long, long, separations from their families 2,500 miles from home is not acceptable. I think all physicians would suggest that from the standpoint of long-term care, that is not acceptable.

In 1993, 950 qualified veterans were denied service in Hawaii; in 1994, 1,300 qualified war veterans were denied inpatient service in Hawaii. This year, through the month of May, because of the lack of eligibility and lack of services, 582 war veterans were denied service.

Mr. President, as a member of the Appropriations Committee, I am fully aware of the problems we have. I am fully aware of the budgetary constrictions that we are required to live under. I know that my chairman, the Senator from Missouri and the ranking member, the Senator from Maryland, have done their utmost in their effort to accommodate the veterans of the State of Hawaii.

As it is commonly said, one cannot squeeze blood out of a turnip. It is not my desire to do that.

Reluctantly, I will be withdrawing this amendment with the hope that my colleagues from Missouri and Maryland will sit down and work together with the veterans of Hawaii to see if something can be done.

This can be a national disgrace. We have the highest per capita veteran population, the lowest per capita spending, the highest per capita disabled veterans, highest per capita volunteers, and no hospitals.

Other States with less than Hawaii have three or two. All we are asking for is one. And the one we are asking for is not a hospital. It is a medical center, which is one grade below a hospital.

Mr. President, I hope that my patient colleagues from this subcommittee will join with me in trying to work out a solution for this. I would be glad to do that.

Mr. President, I ask unanimous consent to be permitted to withdraw my amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Ms. MIKULSKI. Mr. President, first I would like to thank my colleague, Senator INOUYE, for his extraordinary advocacy in behalf of American veterans. As the ranking minority member on this bill, it pains me and grieves me that a Senator who bears the permanent wounds of war, who wears with pride the Congressional Medal of Honor, must come before the U.S. Senate and plead for a VA hospital; an American hero coming to speak in behalf of all other veterans of all other wars saying: Please give me a medical center to meet the needs of other men and women who served in the military, who themselves bear the permanent wounds of war.

What we face here is the fact that in Hawaii there is a unique situation because of its geographic location. They cannot go to the trauma centers. Everything has to be in Hawaii. Also, there has been a unique linkage between veterans and military hospitals.

So I want to acknowledge the validity of the Senator's plea. I want to acknowledge the validity of the plight of veterans in Hawaii. I pledge to him the desire, the deep desire, to work with him to ensure that the Hawaiian veterans have the medical care that they need and they deserve, and how we could do a linkage with perhaps the military hospitals and perhaps the private sector.

But I believe that if we are as creative in helping these veterans with their medical care as we have been in other areas of national defense and security, we will be able to do this.

I also thank the Senator for withdrawing the amendment, though I know it is deeply troubling to him to do so. But we have no money in this budget. The only way we could have funded it is if we had gone to the backlog claims. Right now there is a waiting list of over 6 months to 3 years for veterans trying to process their claims for their pensions and their disability benefits. American veterans should not have to stand in line for 6 months or more because of the sluggish nature of the bureaucracy with the way they have modernized, and so on.

So we have now put resources in to deal with the backlog of claims. I am glad we are going to let that stand.

Again, I would like to thank the Senator for his defense of America, for the worthy nature of the Congressional Medal of Honor which he wears and which I see on his lapel this morning, and for his defense of veterans who in many ways do not have a voice; and, of course, for his own constituents of Hawaii.

I also want to acknowledge the staunch defense of veterans and health care of my colleague, Senator AKAKA.

Mr. INOUYE. Mr. President, I wish to thank my colleague from Maryland for her very sensitive and generous concern. But much as I would be most proud to wear a Congressional Medal of Honor, my medal is one notch below, the Distinguished Service Cross. But I thank my colleague.

Ms. MIKULSKI. Well, if I had the opportunity to award the Senator a medal, I believe he deserves the highest recognition for his gallantry and his bravery.

Mr. INOUYE. I thank the Senator.

Mr. BOND. Mr. President, I echo the generous words of my good friend and colleague, the ranking member, the Senator from Maryland. I too appreciate the very strong advocacy of the very able senior Senator from Hawaii. He has met with us and talked from his very heartfelt commitment to the veterans of Hawaii, and he has talked about the difficult situation that the veterans there face. I know how long and hard he has worked on the project.

We were unable to put construction funding in fiscal year 1996 for any major new construction. As the Senator from Maryland pointed out, we fear that the offset would have taken away vitally needed funds for handling claims of veterans.

Second, the committee agreed to a moratorium on new medical construction projects, as recommended by the General Accounting Office and the Senate Veterans' Affairs Committee. The committee's decision was driven by budgetary concerns, as well as based on the fact that the VA is on the verge of a major reorganization which may result in significant changes to its facilities' needs, and we hope a better direction of care.

The Hawaii project would require an additional $60 million in construction costs in the future, and another $100 million to operate when it opens.

Having said that, we look forward to the Veterans' Administration reorganization plan. It is intended to change the VA into a managed care operation. As part of this reorganization, the VA must develop a long-term strategic plan for medical care, recognizing the change in demographics of veterans population, and a shrinking budget.

The General Accounting Office has found that there are additional unused facilities. In the 1993 report, the General Accounting Office found that the Tripler Army Hospital—with which the Veterans' Administration has a sharing arrangement—had capacity and "Demand for VA-sponsored care at Tripler has consistently been well below the 69-bed constructed capacity" at Tripler.

As a result of these things, I think the VA should look to increasing its sharing arrangement with Tripler and community facilities in order to meet the needs of Hawaii's veterans.

I fully understand and I am sensitive to the Senator's concern that the VA is sending veterans to the west coast for treatment at the Palo Alto VA Hospital. I agree with the Senator that this is an extraordinary inconvenience. VA has in the past sent cardiology patients to the west coast when services were not available to Tripler Army Hospital because VA says it is less expensive than treating the veterans in a community hospital.

I assure the Senator from Hawaii that I will work with him to see that the VA discontinues the practice and treats veterans in community facilities when services at Tripler are not available.

I pledge to work with the Senator from Hawaii to ensure that excess capacity at Tripler may be used by veterans.

I have offered an amendment, which I would like my distinguished colleague from Maryland to review to see if we may be able to agree on that amendment, and to see if this will meet the needs of the Senator from Hawaii.

Ms. MIKULSKI. Mr. President, I say to the Senator that this is very acceptable to me because it ensures that the veterans of the State of Hawaii are given appropriate equal access to veteran medical care commensurate with the medical care provided in the 48 contiguous States so that the veterans of Hawaii are not penalized for their geography.

I also want to acknowledge, with the Senator from the majority, that the VA is organizing and modernizing its delivery of care, moving from strictly and chiefly a trauma model to continuing care, emphasizing primary care, to decentralize the services.

So I think we are all in agreement with this. I think this is an excellent amendment. If it meets with the concurrence of the senior Senator and the junior Senator from Hawaii, it is fine with me. I think it is excellent.

Mr. INOUYE. Mr. President, I wish to thank the chairman of the subcommittee for his very understanding and sensitive response to our concerns. We look forward to working with him to someday come up with a solution that will be mutually acceptable for all of us.

But in the meantime, the amendment, I think, will serve our veterans very well.

Mr. BOND. Mr. President, I ask unanimous consent to temporarily set aside the pending committee amendments to offer an amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 2778

(Purpose: To ensure that veterans in the State of Hawaii are given appropriate and equal access to VA-funded medical care)

Mr. BOND. Mr. President, I send an amendment to the desk in behalf of myself, and Senators MIKULSKI, INOUYE, and AKAKA. We will leave it open for others to join as cosponsors, as well.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND], for himself, Ms. MIKULSKI, Mr. INOUYE, and Mr. AKAKA, proposes an amendment numbered 2778.

Mr. BOND. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 22, line 5, insert: "SEC. 111. The Department of Veterans Affairs shall provide hospital care and medical services to eligible veterans in the State of Hawaii at levels commensurate with levels of care provided in the forty-eight contiguous states. The Secretary shall utilize the contract authority prescribed in 38 U.S.C. Sec. 1703 to treat eligible veterans residing in the State of Hawaii wherever appropriate."

Mr. BOND. Mr. President, as I indicated, we do share the grave concern both Senators from Hawaii have for veterans care in the State of Hawaii.

I urge my colleagues to accept this amendment. I believe the junior Senator from Hawaii wishes to speak, after which, if there are no further discussions on it, I think we can proceed to a vote without a rollcall.

Mr. AKAKA addressed the Chair.

The PRESIDING OFFICER. The junior Senator from Hawaii is recognized.

Mr. AKAKA. Mr. President, I rise in support of the committee action. I commend my colleague for taking this issue forward, and I thank the committee for its considerations.

I stand today just to impress the Senate with the fact that the Aloha State, the State of Hawaii, has needed a veterans hospital for many years. Since 1987, our predecessor in the Senate tried to establish a veterans hospital in Hawaii.

Hawaii is one of two States that has no veterans hospital. Although the VA operates 172 medical centers throughout the Union, including a hospital in Puerto Rico, the Department has never established a medical center for veterans in the 50th State, and this is the reason why my colleague and I have been pressing for this.

Under the circumstances, we will certainly accept the committee's action. And again I wish to thank the committee for what they are doing. This is a step in that direction, and we will be back to ask for more help for our veterans. We have 130,000 veterans in the Pacific, 120,000 from Hawaii and another 10,000 in the Pacific from Guam and Samoa. We take care of these veterans, and we still do not have a hospital there.

So, Mr. President, I look forward to a day when we can come back and seek a full-blown hospital that will help the veterans of the Pacific. I thank my colleague and the committee for their efforts.

I yield back my time.

Mr. BOND. Mr. President, I do not believe there are any other Senators seeking to be heard on this amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to amendment 2778 by the Senator from Missouri [Mr. BOND].

The amendment (No. 2778) was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. Mr. President, I rise to make several comments about the underlying bill.

First, I have a comment I should like to direct to the managers of the bill. I am a member of the subcommittee, and I wish to congratulate the Senator from Missouri and the Senator from Maryland for the outstanding way in which they have handled this particular piece of legislation. It has been a difficult time, and they have been faced with difficult questions and challenges. So I am grateful for my first experience as a member of the Appropriations Committee to serve on this subcommittee and watch Senators BOND and MIKULSKI work through these very difficult issues.

There is one specific issue about which I have talked to Senator BOND that I would like to make mention of in the Chamber to make sure it does not get lost. This has to do with the expiring contracts under HUD housing programs. In the city of Salt Lake, where we are enjoying boom economic times, the vacancy rate for many of these houses is around 1 percent. If people who have contracts that expire are forced to leave their housing at the moment of that expiration, they will have a very difficult time finding additional housing.

I have talked to the chairman, Senator BOND, about this issue and asked him to please work with the authorizing committee to see if there can be an extension of those contracts under this circumstance so people who are in this kind of housing are not faced with the immediate challenge of finding housing in an extremely tight housing market. He has assured me of his willingness to work on this issue, and I publicly thank him for that assurance and tell him that I will be working with him in any way I can to see that this problem gets resolved.

The second issue I should like to discuss has to do with the space station, about which we have heard so much on this floor in the last 24 hours or so.

The Senator from Arkansas, with his traditional persistence, has once again challenged the wisdom of the space station and will once again bring the Senate to a vote on whether or not this should be continued. He does this in every session of Congress, as is his right. Many of us admire him for his tenacity on issues in which he believes strongly. Each time he has failed.

I rise to say that I think he should fail this time as well. In my opinion, the space station should go forward for a variety of reasons, many of which were outlined by our colleague from Ohio, Mr. GLENN, last night. I will not take the time to repeat all of the tangible benefits that the Senator from Ohio listed, but I will call the attention of the Senate to his presentation because it was an excellent one.

There is an interesting juxtaposition of events in this debate for me. Just last week, in Utah, we have had the fourth edition of Space Talk, a conference on space that I had the honor to originate back in 1992.

In 1992, there were not very many people who were interested in coming. I was then a candidate for the Senate, and they thought it was just an election year gimmick for me to get some out-of-State speakers to come to the State and, hopefully, get a little press and link that press to my name and thereby help me in the campaign. But I promised on that occasion that if I were elected, I would continue this annual conference on space and the issues of space that have grown into Space Talk.

I am delighted to be able to report to the Senate that Space Talk has grown every year, has been more and more successful every year, and that the centerpiece of Space Talk in terms of public awareness has been the exhibit at the Utah State Fair.

When we first put it on 3 years ago, NASA was a little nervous about bringing exhibits all the way to Utah, but they were willing to try it. We got the appropriate cooperation from the State fair board and the Utah National Guard and mounted the exhibit.

NASA was stunned at the response that came from the citizens of Utah in general and the schoolchildren of Utah in particular. Space Talk became the No. 1 attraction at the Utah State Fair, and fair officials said to us, "You must bring this book next year," which we did. And then again this year NASA brought a mockup of the space station to Space Talk, and once again this year it was the No. 1 attraction at the Utah State Fair. Many schoolteachers would plan field trips to the State fair just to come to Space Talk, so that the schoolchildren could get the educational experience of finding out about space.

The space station mockup this year made a strong point of outlining those portions of the space station that would be built by other countries.

"This would be the Japanese section of space station," we were told as we walked through the mockup. "This is where the Europeans will be working. This is where the Russians will be," and so on, demonstrating that the space station is not only a technological breakthrough for the United States, but it represents an international exercise in understanding and cooperation that can have fallout far beyond the technological areas, but in the diplomatic area as well.

So, coming off this successful and growing support for our Nation's space program in Utah, I come now to the floor of the Senate to find once again an effort to cut back our activity in space and particularly with respect to the space station.

Now, Mr. President, there is a quote that has been used many times. But I am going to repeat it. I have discovered since I have been in the Senate that there is no such thing as repetition. We go on again and again and again and always act as if it is new. I think my friend from Arkansas will understand that, because most of the arguments he is raising against the space station are repetitious of arguments he has raised before.

So I think this quote deserves repeating. It is by the historian Samuel Eliot Morison. He said, "America was discovered accidentally by a great seaman who was looking for something else. When discovered, it was not wanted, and most of the exploration for the next 50 years was done in the hope of getting through or around it. America was named after a man who discovered no part of it. History is like that. Very chancy."

We look back on Columbus and his activity here and Amerigo Vespucci, after whom it was named, and the lack of activity that he put forward here, and we see the truth of the historian's comment, "History is like that. Very chancy." But as we look at history as a whole, we realize that out of the chanciness of history comes a whole series of unexpected benefits or, in some cases, unexpected difficulties.

I was interested, Mr. President, at one of the Space Talk presentations to be told by one of our speakers that prior to the great European era of discovery in exploration when the Europeans ended up coming to these shores and for them discovering what is now called America, there was another nation that was a great explorer nation, sending out ships onto the uncharted seas for the sole purpose of seeing what they could find. The ships of this great nation ended up ultimately on the shores of what we now call Africa, a tremendously exotic discovery for those who sailed the ships. The great nation that sent those ships out on that discovery mission was China.

Now, whoever governed China in those years decided that they had budget problems at home and that it was time to cut back on the exploration, that they had more urgent budget pressures domestically, and so they stopped their exploration. They brought the ships back, and they became wholly insular in their administration.

I have stood upon the Great Wall of China, which I think stands in history as one of the prime examples of a public works project gone wrong. They started building it and they simply could not stop. And so in their budget priorities to do something for home, they built the Great Wall that stands in great disrepair, and it serves primarily now as a tourist attraction. They turned their back on the exploration that would have made the Chinese, and not the Europeans, ultimately the masters of the world, as the Europeans picked up the challenge of exploration, not knowing what they were going to find, not knowing what the return would be, but, in fact, laying the groundwork for the ability to govern the entire world.

Mr. President, history is like that. Things start out very small, with unintended consequences later on. We do not know who first thought of the notion of interchangeable parts, the idea that instead of building every carriage fresh and new as a single work of art, you would build a series of axles, every one exactly alike that would be interchangeable with each other so you could assemble a whole bunch of carriages. But upon the principle of interchangeable parts rests the concept of mass production and ultimately the entire industrial revolution, a simple little idea that somebody started somewhere, we do not know, upon which the entire world was changed.

Just when we get used to that concept, let us think then of the notion of digital code. Somewhere, somebody—probably the historians know this name, but I do not—came up with the idea that a switch is either on or off. And if you line up enough switches in a row, you can create a computer that by calculating whether this row of switches are either on or off, can do calculations beyond the human ability to do those calculations.

So early computers were built with the understanding that a transistor was either on or off. And those computers were created primarily to make calculations concerning ballistic projectiles for wartime. If we shoot this, what is the trajectory it will follow? We cannot figure it with pen and pencil or even slide rule. Let us get a bunch of switches lined up and put electricity through them; and through writing digital code, we figure that out.

From that, of course, has come the entire information revolution that has changed all of our lives, and an idea that someone who started out had no concept of. Now we come, of course, to the space station.

Can I tell the Senator from Arkansas what is going to happen in the space station? No; I can tell him the experiments that will be run. I can tell him the efforts that will be made. But I cannot tell whether or not some discovery as simple but as far reaching as the notion of interchangeable parts or the notion of digital code will come out of our activities on space station.

We do know the kinds of things that can happen on space station. It will serve as a laboratory for materials processing in zero gravity. We have never been able to do that before. There are a myriad of industrial and scientific research projects that can be run in that kind of an environment. It will provide a platform for astronomical observations, the study of our Earth's development and current conditions. Then it will provide a base to further the exploration of the solar system as the first component in a space-based international industrial park.

Well, maybe we cannot put a dollar value on this. And unable to put a dollar value on this, maybe we should do as the ancient Chinese mandarins did and say, "Bring the ships home. Let us spend our time taking care of our domestic priorities. Leave that for some future time."

I believe if we do that, the human spirit to explore is sufficiently strong elsewhere that we will see someone other than the Americans take over this lead. I think we will see Europeans or someone else, maybe not yet on the screen, some Asians, perhaps, as those economies become stronger, step into the void that we will create if we abandon this leadership challenge.

So, Mr. President, I rise once again in support of space station. I rise once again in support of the spirit of exploration. I rise once again in support of the great human spirit of adventure that has served us so well throughout the centuries. And I call upon us not to make the mistakes of others who have turned their back on this only to discover in subsequent years that other human beings have not lacked this spirit of exploration, and the torch is passed from American hands to those who might wish us ill.

For these reasons, Mr. President, I support the space station and urge the rest of the Senate to do likewise.

Mr. BOND addressed the Chair.

AMENDMENT NO. 2776

The PRESIDING OFFICER (Mr. CAMPBELL). Under the previous order, the hour of 11 a.m. having arrived, the Senate will resume consideration of the Bumpers amendment No. 2776, on which there will be 90 minutes of debate equally divided.

Who yields time?

Mr. BOND. Mr. President, I yield myself 1 minute just to thank the distinguished Senator from Utah for his very, very compelling arguments with respect to the space station. I think his historical perspective adds a great deal to this debate. I find it a very compelling argument.

I also want to say I appreciate his comments with respect to the problems faced with housing where housing is in short supply, as in his State. He has been a very forceful advocate for assuring that those people who depend upon assisted housing in Salt Lake City and other Utah communities not be thrown out. We are working with him and other Members to give HUD the opportunity to make sure that people do not lose very scarce public housing.

With that, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska. Does the Senator from Alaska wish time from the Senator from Missouri?

Mr. STEVENS. I did not know there was controlled time.

Mr. President, I would like 4 or 5 minutes to discuss a situation in my State and to ask a question of the managers of the bill.

The PRESIDING OFFICER. The Senator has 5 minutes.

TYPHOON OSCAR AND EMERGENCY RELIEF FUNDS

Mr. STEVENS. Mr. President, Typhoon Oscar, which came across the North Pacific, has wreaked havoc in the Kenai Peninsula of Alaska. I have been on the phone yesterday and today following reports we received over the weekend concerning the effect of this typhoon. It has caused flooding of many rivers, the Kenai River and the Skwentna River.

The damage runs from Seward, AK, over to Kenai. It is threatening the Alaska Railroad. As it goes down into Seward, they apparently lost part of that railroad bed already. The area has now been declared to be a disaster area under State law, and we are waiting to have the Federal Emergency Management Agency, FEMA, people come into the area to determine what is going to be available to assist in terms of recovery from this disaster.

The Kenai River is on a rampage. Unfortunately, it has destroyed a considerable amount of work we did to rehabilitate that river in the last 2 years in order to protect it. It is the greatest king salmon-producing river in the world. It is a substantial disaster for the area because of the loss of homes and really the loss particularly of recreation facilities along the river.

I have come to the floor because I am aware, as a member of the committee, of the report on the pending bill that indicates that there are no new funds provided for disaster relief in this bill. The report points out that the reason is that in the emergency funding bill of this year, 1995, Congress made available and the President approved $6.55 billion to be added to the disaster relief fund.

I am sorry I was not aware of the controlled time situation, and if I am taking time from my friend from Arkansas, I will be glad to try to work that out with him.

I would like to ask the managers of the bill about this disaster relief fund. The question has now been raised with me that the money in the fund has already been earmarked for previous disasters and whether there is going to be money available during this period.

Obviously, the final result of FEMA will not be known for a period of weeks. I am going to dispatch two of my assistants to go to the area this evening to make sure that we are getting all the coordination we can among the Federal and State and local people because, as I said, it is a very serious flood. It is already above the 100-year-flood mark on the Kenai River. That means we are going to have even more damage than was estimated.

The damage in the one area alone of the Kenai is somewhere between $6 million and $10 million in terms of just immediate damage. I do not know what it is going to be in terms of the loss of roads and railroad bed and tank farms and all the rest.

May I ask the chairman of the subcommittee, in terms of the report, it indicates there is currently a fund balance of approximately $8 billion in disaster relief. Has that been earmarked already? Is that available for disasters such as the aftermath of Typhoon Oscar?

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, first, let me thank the Senator from Alaska for bringing this to our attention. The areas of which he speaks I am very familiar with. The Senator has been a leader in restoring the habitat on one of the most pristine rivers in America, certainly a national treasure. We are deeply saddened by the damage and by the environmental destruction that is going on there.

I will say to the Senator from Alaska that we did not include funding in this bill for the disaster relief fund because there is currently an $8 billion balance, none of which is earmarked. So long as the President declares a disaster in Alaska, those funds are available to meet the needs.

I join with the Senator in urging the people of FEMA to respond to provide assistance and assess the damage to make the necessary steps to determine whether a Presidential disaster declaration is appropriate and to lend all appropriate assistance. We have great concern for the residents in that area and also for the tremendous natural resources, as well as the human infrastructure that has been built there.

We are very sorry to learn of this problem and assure the Senator from Alaska the funds are available should a Presidential disaster declaration be made, and we urge FEMA to respond to the Senator's concerns as quickly as possible.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I echo the chairman's comments, first to the people of Alaska, of our deep concern. As the Senator knows, I have visited Alaska. Though I do not have intimate knowledge with the specifics of the areas that he has talked about, I can only imagine the really sad impact. We believe in helping communities to be able to rebuild themselves and restore themselves. I hope that the President will declare this a disaster area.

How we ultimately fund the actual disaster account is a subject of which we have had extensive hearings for which we would require an authorizing solution. I know this is not the time or the place to debate that. I think that is a good topic for 1996.

Mr. STEVENS. I want to make certain it will not be incumbent upon me to offer an amendment at this point to put money into the disaster relief fund because of the feeling that there is a zero amount in this bill. The indication was there would be none available in fiscal year 1996. It is my understanding this $8 billion is available and carries over to the next year; is that correct?

Mr. BOND. That is correct.

Mr. STEVENS. Mr. President, I do thank the managers of the bill for their response. I am certain this will be welcome news to the people of south-central Alaska. In 1986, we had an epic flood in this region. It was declared to be the 100-year flood. As I said, this flood this year exceeds the limits of the 1986 flood, so we have really a new record in terms of flood in the area. It is going to involve a considerable amount of not only disaster assistance but work to try to find some way to handle these floods as they are coming into this area, because we are having really new stages on these two rivers as they reach flood stage.

I ask unanimous consent to have printed in the RECORD following my remarks the report on this flood that appeared in the Anchorage Daily News of Saturday.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. STEVENS. I will be sending two of my assistants up to look into this, including Mr. Staser, who is with me right now. He is formerly with the Corps of Engineers. We would like to do everything we can to assist in bringing this to a speedy conclusion. This is a tough time for Alaska, as I am sure everyone knows. We are near freeze-up now. This kind of disaster coming right at the tail of the fall period, which is not too long in this area, can mean real difficulty. If we do not get assistance in there this year in time to take care of these problems before the freeze-up there, we will be in real trouble. I appreciate the offer of assistance from my two friends. I appreciate the courtesy of the Senators. I will not offer the amendment under the circumstances.

EXHIBIT 1

[From the Anchorage Daily News, Sept. 25, 1995]

KENAI RUSHES INTO BIG EDDY

(By Tom Kizzia)

Rising flood waters hit homes along the Kenai and Skwentna Rivers on Friday, while residents of other Southcentral Alaska communities began repairing facilities damaged in flooding this week.

In Girdwood, city and state workers were moving heavy equipment to Glacier Creek in an effort to protect a bridge from the muddy torrent. Flood waters also damaged the road leading to the Crow Pass trail head, prompting the U.S. Forest Service to close the road.

An icy Kenai River current several feet deep pushed through the Big Eddy area in Soldotna Friday afternoon, shoving picnic tables and propane tanks downriver. Recreational trailers and camps were under water in the low area, which sits in an oxbow of the river.

"This is some serious stuff going on here," said fishing guide Joe Hanes, who had his boat tied off to the deck of his home at Big Eddy as water raced through his foundation pilings. He said the river was 3 feet over its banks at noon Friday.

Swollen by rain in the mountains of north of Seward, the Kenai River has risen more than 5 feet at Cooper Landing since Tuesday, putting it about 2 feet above flood stage, according to the National Weather Service. Roads in the Kenai Keys subdivision were under 3 feet of water.

Forecasters predicted the river would peak in Soldotna about midday today.

The Kenai flood appeared to be undoing some of the work done by landowners to halt erosion and improve fish habitat along the river's banks. Fragments of boardwalks and floating docks were mixed in the debris floating downriver Friday.

"I think this took people by surprise," said state park superintendent Chris Titus. "Everyone was focused on what was happening in Seward and the eastern Kenai Peninsula. We haven't gotten a lot of rain here."

State park officials closed the Kenai to boat traffic Friday afternoon because some fishermen continued to dodge floating oil drums and cottonwood logs in their pursuit of silver salmon. The boats also were creating wakes that in some cases sent water spilling into homes in low areas.

Three days of heavy rain in the western Susitna Valley brought heavy flooding Friday to Skwentna and the Lake Creek area. Residents gathered at the Skwentna Roadhouse, as 50 to 75 buildings had been hit by the flood, according to Matanuska-Susitna Borough officials.

Joe Delia, who runs the Skwentna post office, said at least six homes there were flooded and several boats had been swept away. Water lapped at the edge of the runway and had surrounded the school, he said. The river itself slowed as it spread across the flat land adjacent to its former banks, but the main channels remained turbulent and full of debris.

"It's pretty hairy in some places," he said. "There's cottonwoods, and big rafts of timbers and rollers 2, 3, 4 feet high in some places."

Gov. Tony Knowles on Friday declared the Kenai Peninsula Borough, Mat-Su Borough and the Municipality of Anchorage, which includes Girdwood, disaster areas. The proclamation qualifies the areas for emergency state funding. Knowles said the state was backing an application for federal disaster assistance for the Seward area, where officials are estimating $4 million to $6 million in damage from floods this week.

Flooding wiped out parts of several waterfront roads in Seward and poured silt into the city's harbor. The state ferry had to be diverted from Seward to Homer because officials thought the docking area had been filled in with silt from the Resurrection River. Railroad service has been suspended indefinitely.

City spokeswoman Linda Murphy said less rain fell this week than in the fall of 1986, during the last epic floods in Seward. But damage from the Resurrection River this time was worse, she said.

"When all this is over, we need to stop Band-Aiding (the Resurrection River) and fix it," Murphy said. "I'm not sure how. But we can't continue the way we've done."

Murphy said inmate volunteers wearing plastic trash bags for rain protection were filling sand bags at Spring Creek Correctional Center, the state maximum-security prison in Seward.

The Old Glenn Highway between Palmer and Anchorage was closed Friday morning at the Knik River bridge after water ran across the road north of the bridge, said Mat-Su Borough spokeswoman Pat Owens. Water from the Knik River covered roads in the nearby Windsong subdivision, but houses there were still above water, Owens said. Much of Knik River Road, which starts on the south of the bridge, was also closed after a creek near Mile 2 sent more than 2 feet over it.

Residents of low areas in Seward and along the Kenai and Knik Rivers were being warned about possible contamination of well water by the flooding. Residents should contact nearby offices of the Department of Environmental Conservation about testing their water, disaster officials said.

Borough officials were also worried by swollen creeks and rivers in the Lake Louise and Nelchina areas, where hunters of moose and caribou may find themselves trapped. Owens said airplanes are searching the area, and helicopters may be called in to lift out hunters who might otherwise try risky river crossings.

The week's heavy rains were the result of an unusually powerful low pressure system that move north of the Pacific, mixing with the remnants of Typhoon Oscar, said Richard Hanas, lead forecaster at the National Weather Service in Anchorage.

AMENDMENT NO. 2776

The PRESIDING OFFICER. Who yields time?

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 45 minutes.

Mr. BUMPERS. Mr. President, is the time just used by the Senator from Alaska charged against our time?

The PRESIDING OFFICER. The time has not been charged to either side. So the Senator from Arkansas has 45 minutes.

Mr. BUMPERS. I thank the Chair.

Mr. President, I said about all I know to say yesterday afternoon about this subject. I do not know that anybody listened, and I do not know that anybody is listening this morning. But when you are talking about $94 billion, somebody ought to be listening.

Just for openers this morning, I want to recommend to my colleagues an article that appeared last year in Newsweek magazine, which I will be delighted to furnish to anybody who is curious. It is called "NASA Space Station Zero Boondoggles; $11.9 Billion Has Been Spent So Far. Can Anybody Explain What it is Supposed To Do?" That is the headline. It is a very telling article. It does not answer the questions because NASA cannot answer the questions. Here is one paragraph in this article, and it is replete with similar paragraphs.

> Yet, with the silly problems of the space station corrected, the serious ones stand, in greater degree, still unanswered. What's it for? "It is primarily a research platform," said Randy Brinkley, manager of the space station office at the Johnson Space Center. "There will be life science, but we haven't finalized what. Really, it is hard to answer that question."

As for its prospects as a research platform, the National Research Council, a preeminent organization in this field, says the station "cannot be supported on scientific grounds." Many scientific organizations have announced opposition to the space station.

Mr. President, if you want to get up and argue or if any Senator wants to argue that the space station is going to cure cancer, AIDS, arthritis, or multiple sclerosis, be my guest, I will listen very intently. We have been in space for 30 years. The Russians have had space stations up since 1971—seven of them. I want the opponents of this amendment to tell the Senate what we have accomplished so far as life science is concerned. Name me the pharmaceutical companies who are contributing their own money to the space station. Name me one medical research organization in America that is contributing a thin dime to this gigantic research laboratory in space. Every single scientist worth his weight in the country, every single medical researcher in the country says you cannot justify this on the grounds that you are going to get some kind of lifesaving pharmaceuticals out of it.

As a matter of fact, the American Physical Society said, on January 20, 1991: "Scientific justification is lacking for a permanently manned space station."

Dr. Bloembergen and Dr. Rosenthal, both at Harvard, say you cannot justify this because, so far as we can tell, there is absolutely nothing to get out of it.

As for microgravity. Well, we can do research in almost zero gravity. So what. You can do that on Earth and in satellites. One semiconductor company president has said, "Do not build that thing because you think you are going to get gallium arsenide wafers out of it; we do not want the wafers." It is an utter, utter waste of money to try to grow crystals in space. You might grow some, but you can never make anything economically viable.

And then the spinoffs—if there are so many spinoffs, why is American industry not hot to contribute to this almost $100 billion project? It will certainly run well over $100 billion over the next 17 years; $94 billion is the present estimated cost of the space station. Bear in mind, that assumes everything is going to go split perfectly. No disasters on the launch pad, no malfunctions like on *Apollo 13*, no debris in space hitting the station or any of the shuttles, or anything else. No, you get it for $94 billion only if everything goes absolutely perfectly.

I heard the junior Senator from Texas last night talking about Velcro. I covered that as well as I could yesterday in talking about spinoffs, such as Tang, the orange juice substitute that the astronauts drink. It has been around for 35 years, long before we ever went to space. Then there is Velcro and magnetic resonance imaging. The space program had absolutely nothing to do with any of those things. Yet, people continue to talk about those spinoffs. I am willing to admit that we got one spinoff. We got a space suit. The demand for space suits is not just great enough in this country to warrant a $100 billion expenditure. I do not want one. I do not have a friend that wants one.

I will tell you what it is all about. Right here on this chart. Eighty-six percent of the money spent for 14,000 jobs goes to California, Texas, Alabama, and Florida. So the Senators, as far as I am concerned, from those States, get a pass. Go ahead and vote for it. For the other 46 States, who put more into the space station of their tax money than they get back, what is your excuse? Now, it is not unusual around here for people to vote for big expenditures because there are some jobs in their State. I have done it, and we all do it. It is not unusual to vote for big-ticket items that big corporations who have big PAC's and big contributors want. I want to tell you before you vote, remember that 86 percent of all the money is going to these four States.

Now, Mr. President, we had a revolution last fall. The Republicans wiped the Democrats out. Everybody has been analyzing it ever since. What happened? How did it happen? Why are the people so upset? Why are they mad?

I do not know the answer to it. I wish I did. I think it is a serious question. Certainly it is serious for my party.

Let me make a couple of observations. We are getting ready to spend $32.7 billion over the next 7 years on this space station.

Now, let me ask you, where is the money coming from? Take your choice. I want you to listen to this: $32.7 billion for the space station, which has absolutely no tangible payback to the American people.

Where do we find the money to do it in these budget constrained times? As I say, take your choice. We are cutting education over the next 7 years $40 billion. What do you get out of this? A lot of ignorance.

We are cutting the earned-income tax credit, according to the Senate version, $40 billion, which represents a $457 annual tax increase for the poorest 17 million people in America who work, that are not on welfare.

Ask yourself, is it fair to penalize the people who are working to feed, clothe, house, and educate their children and the lowest paid workers on Earth trying to stay off welfare? Is it fair to levy a $457 tax increase against them to pay for the space station? If you believe that, vote against my amendment. If you think this country will be better off when we cut education by $40 billion over the next 7 years in order to fund the space station, you vote against my amendment.

If you think it is right to cut Medicare by $270 billion—and I am willing to participate in some of that; not to provide this massive tax cut we are talking about, but simply because we do have to do something to salvage Medicare—do you think it is fair to cut Medicare by $40 billion of that $270 billion in order to pay for this?

Do you think it is fair to cut $180 billion in Medicaid which provides health care for the poorest of the poor—yes, working people, too—to pay for this? If that is what the revolution last fall was about, then God save America.

What else are we doing? We are spreading the already terrible disparity of income in this country. Everybody knows and they talk about it, but nobody wants to address it. The disparity between incomes in America is twice as great as any of the 18 developed nations on Earth. The only country even close is Britain and we have a 2-to-1 margin on Britain.

How do we rectify this? We raise taxes for the poor, we cut health care for the poor, and we provide $250 billion in tax relief—for the poor?; no—for people who make over $100,000 a year. That includes everybody in the U.S. Senate.

Yes, Senators, you will get a nice tax cut next year. So what happens to the working poor who have two or three children and because of the exemptions for those children do not make enough money to pay taxes? Do they get any of it? No.

When you read in the paper that the tax increase proposed by the Republicans provides $500 tax credit for each child, do not believe it. That sounds so good. Is that not wonderful? That is a family issue, is it not? We will give it to families.

One of the biggest hoaxes ever pulled off in this country—yesterday, I alluded to a woman I knew who is a waitress. She has two children. She has to keep both of them in day care in order to work and stay off welfare. The chances of her getting $1,000, $500 for each one of her children, is point blank zero. But Members of this body, Members of this body who have children will get it. All of this so we can pay for the space station?

I could go on and on. The list is endless.

I saw in the reconciliation bill passed out of the Senate Energy Committee big relief for the oil companies, the biggest corporations in America, if they drill below a certain depth in the Gulf of Mexico or off shore. It seems they they cannot take care of themselves. We have to give them a big tax royalty bonus to drill.

The Minerals Policy Association says there are 625 applications for lands that have billions and billions of dollars' worth of gold, platinum, palladium, silver underneath it, from the biggest mining companies in the world. What do we do? We mandate that the Secretary of Interior give them a deed as we have done on 3.2 million acres of lands in this country since 1872.

The 625 applications for deeds which Secretary Babbitt will have no choice but to deliver to the biggest mining companies on Earth for $2.50 to $5 an acre has over 15.5 billion dollars' worth of gold, silver, and hard-rock minerals under it.

How are we going to pay for that? You already heard me give speech after speech on that subject. We are going to cut $70 billion off of welfare—very popular in this country. Those worthless, no-good, shiftless people on welfare. Some of them are indeed no-good, shiftless people. But some of them simply did not happen to choose their parents as well as I did. That is their only sin. They did a lousy job of picking their parents.

What are we going to do? We are going to bless the poor unless they get pregnant at the age of 17. What are we going to do with food stamps? We are going to cut food stamps. Maybe we can get a few more homeless people on the streets. All so we can pay for the space station.

Mr. President, the National Institutes of Health, who do honest-to-God research—go out to the National Institutes of Health and ask what have they done. They have developed antibiotics; they have developed all kinds of drugs that give AIDS patients a little longer life; chemotherapy for cancer patients. They are doing honest-to-goodness research—a new chicken pox vaccine for our children, a new hepatitis vaccine for our children. Not one person in America quarrels with that priority.

I had pneumonia twice before I was 6 years old and all my mother and father could do was pray. There were no antibiotics, nothing. When I was in the Pacific in World War II, we took sulfur to keep from getting malaria, sulfur developed by the National Institutes of Health. You will not get sulfur, you will not get penicillin, you are not going to get anything out of this $100 billion expenditure.

I might just say here that the 40,000 physicists in this country belong to an organization called the American Physical Society. Do you know who one of the strongest opponents of the space station is? It is the American Physical Society. Do you know why? Because they know the benefits are very, very minimum and the costs of real research very, very great. They have a 50-percent backlog at NIH of applications for good research. And, yet, this space station is like Rasputin. You cannot kill it. There are too many big corporations, too many jobs—14,000 jobs at $147,000 each. I would like to go to General Motors and say, "You know I come from a poor State. We need jobs. We will give you $147,000 for every job you create in Arkansas." General Motors would say, "Where would you like for us to locate?" That is what these jobs cost, $147,000 each.

You can buy chicken downtown at the Giant grocery store for 69 cents a pound. But once you deploy this thing and you start sending chicken up to them to eat, it is $12,880 a pound. For 10 years of the operation of the space station, we will spend $25 million every day. Can you fathom such a thing?

For every pound of water we send to the astronauts to drink, $12,880 a pound. That is in today's dollars; it will be more by then.

Your mother used to tell you, "Oh. Such and such is worth its weight in gold." The space station cost 25 times its weight in gold. That is right. The weight of the space station is 25 times the cost of its weight in gold.

Carl Sagan says the only scientific reason in the world to build a space station—and he is not alone; every single physicist in the country says—the only justification for the space station is to explore Mars and beyond.

So when you vote against this amendment today—and a majority of Senators will. This is my sixth year, I guess, to try to kill it. When you vote no today, you are going to be voting to go to Mars. In today's dollars that is $500 billion. That is twice NASA's budget every year for 20 years to go to Mars. Why? Because it is there. It is like climbing a mountain.

Mr. President, Carl Sagan, as I was about to say, is a fine man, a good scientist, and he favors the space station because he says it will help us go to Mars. He says the only justification for this is to explore Mars and beyond. If you believe that, vote against this amendment. I would like to go to Mars. I would like to be able to fund this space station if we had a balanced budget and if we were not cutting every defenseless person in America.

So, Mr. President, I have other people who are here who wish to speak. I thank them for it. But one final point on international cooperation, which Carl Sagan says he thinks justifies this program, is that the Russians are going to participate. Do you know why? We are going to give them the money. We are going to give them the money. And, by the way, where are the launches in Russia going to come from? There will be no launches in Russia. The launches will come from Kazakhstan, not Russia, where the cosmonauts of Russia are located.

So I would like to say, for gosh sakes, colleagues, do your duty in the certain knowledge that my amendment will be defeated, and what a tragedy. Our priorities are so terribly skewed.

I yield the floor.

Mr. BOND. Mr. President, I yield 8 minutes to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. I thank the chairman, Mr. President.

Mr. President, I rise in opposition to the amendment proposed by Senator BUMPERS to shut down the space station. He is correct when he says every year for the last 6 years he has introduced this amendment to eliminate all funding for the space station, in effect killing the programs that have provided most of the technological advance and promises for many more, and, of course, it promises to have many more to come.

Mr. President this program is probably one of the most vital programs we have when we start talking about science and technology and research, and it is a catalyst that spurs the curiosity of all the young people going into those fields. The space station is the driving force for emerging science and technology and the inspiration for young people. It makes them want to excel in the sciences and, of course, in math. To dampen the spirit of our children to succeed in science and math, and that education, would be by dampening this space station and killing their hopes for the future. You cannot put a price tag on that. There is no way to measure that. But I know one thing; it is not measured in dollars and cents.

The international space station is the most important U.S. space effort since the Apollo program, and its foundation for the future in human space flight programs in the post-cold-war era. It combines America's technological mastery, the United States' international leadership, and the pioneering spirit from which Americans find themselves in the center of modern history.

Nobody supports reducing the Federal deficit or balancing the budget more than I do. But we also have to worry about the pioneering spirit that really is the foundation of building this great country. We cannot afford not to do that.

Let me make an analogy. Let us draw from another time. Maybe it is a pretty important time for the State from which Senator BUMPERS comes from. But let us compare this time to the time of President Thomas Jefferson when he requested support of the Lewis and Clark expedition that finally led to the Louisiana Purchase—or it was after the Louisiana Purchase. At the time of Jefferson's request, about half of the Federal budget was going toward debt retirement and interest on the national debt. He requested $2,500 for that expedition. We all know what that expedition did for our country. Personally, I know what it did for my State—not my home State of Missouri but of my home State now of Montana.

Today the interest on the national debt is around 14 percent of the Federal budget, and the space station request is one-seventh of 1 percent of the Federal budget.

So I would say that both the President and the Congress have the multiyear balanced budget plans, and the full funding of the space station which is included should stay there, and is a bold step. And another bold step would be making that investment in the future. It is the right way. It is the right thing to do.

America does have a role in shaping the future of humanity in the 21st century, and it should be no less than what it was. It has been great. But also it is our big step in space. There are many justifications that are cited for the program: It stimulates technology and provides commercial opportunities. And if we will look to see the direction in which we are going, we are going in that direction; more commercialization will be a part of NASA.

The fundamental reason though basically is it expands the frontier, the frontier of knowledge and understanding, a frontier where humans can live and work.

The space station is an international space station. It is a cooperative program. It draws the resources and the scientific expertise not of just the United States but 13 nations. So cancellation would severely undermine the credibility of this country with its international partners. International investments in the station are substantial and represent the centerpieces of the space program of our international partners.

I chair the authorizing committee of NASA. It has had its troubles in the past, but for the last 3 years it has been within, and sometimes under, cost and schedule, and that has been something unusual, because we have taken a personal interest in NASA to make sure it does what it is supposed to do, when it is supposed to do it, within budget.

We have tried to iron out its problems. We have a director who, before he was ever told there were going to be cuts, walked up to the bar and said, "I will take $1 billion out of my budget a year for the next 5 years if that will help you on the Hill to balance your budget and still keep this very vital, important program underway."

This Thursday, aboard the space shuttle, the United States will launch its second microgravity laboratory which will be in space for 16 days. The mission will be a precursor to the space station laboratory. We will try out a lot of things.

I held a hearing last May on the space station. From that hearing, the subcommittee determined that NASA has overcome some of those problems I was talking about earlier and they are ready to come up to the bar, deal with those, finish the development, and start using this unique laboratory that we will use for a long, long time.

By the way, Lewis and Clark had their problems getting started, too. They underestimated by a factor of three the number of people required to execute the expedition. So what else is new? Everything we have done always operated under Murphy's Law: Anything that can go wrong will.

But if you look at the history of our space program, from the day of inception, when we had a President stand up in this town and inspire this country to reach out into space, it has probably been one of the most successful that we have ever undertaken, especially going into the unknown, dealing with technologies that were unknown at the time.

Today, our manned flight program represents the pinnacle of human achievement and it transcends everybody in this country. It is a center of pride. It is that part of America that is the example of what we are as a people. We are a curious people. We are people who reach out. Only this country can do it. And some pride has to be taken for that.

I am committed to this project, not merely because of the high technology jobs it brings to 37 States, but because it is the right thing to do for America.

I noticed with interest the map of the Senator from Arkansas. I did not see Montana as one of those blackened in places that receives all the aid money. But I know the effect it has on our young people whenever a shot goes up, and as we perform some of the successful operations in research and development practices in space. We should not be so shortsighted to shackle ourselves to this planet. After all, space is the next frontier.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BURNS. That concludes my remarks. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DORGAN. Mr. President, by consent of the Senator from Arkansas, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from North Dakota [Mr. DORGAN] has 5 minutes.

Mr. DORGAN. Mr. President, this is not a debate between those who support a space program and those who do not. It is not a debate about whether there ought to be a pioneering spirit in this country. The question is, Should we build this space station? I have supported the space program. I think some of the things we have done in our space program have been breathtaking. I am enormously proud of our astronauts and the people who have developed this space program.

The question for this Congress is, should we build this space station? The point is that the purpose for which the space station was originally developed represents a purpose that the space station can no longer achieve. Most of the scientific data indicate to us that if we build this space station as it is now conceived, it will represent a giant funnel through which will go an enormous amount of research dollars, taking away from so many other important research projects—yes, space research projects —that there simply will not be enough money available for things we are doing because it will all be sunk into this space station.

So it is not about the space program. It is not about the pioneering spirit. It is about this space station. It is about choices, hard choices, tough choices. I suppose everyone here would say if we can do it all, let us do it all. Let us build the space station. But the forced choices as a result of the fiscal policy problems in our country need to make us look at all of these issues and say, are there ways for us to do this better, less expensively? Must this be a manned space flight in a space station? Can there be microgravity experiments and work done in space with automated space flights?

The answer is, of course, yes. It is less expensive to do it that way, in fact. So I am supporting the amendment offered by the Senator from Arkansas. He is correct about other choices, as well. He said this is a set of choices. If we do not build the space station, what else can we do? What else needs to be done in this country? I said a year or so ago, when I was in the Chamber, nobody is going to give a plaque to the Senator from Arkansas for coming here trying to kill something. There will be a banquet someplace tonight in town, I am sure, where someone is going to invite a Member of Congress and give him a plaque in recognition of his achievements.

What are his achievements? For helping that group or that industry or that organization build something or get something, the man of the year probably, or the woman of the year. That is the honor. Nobody is going to give a plaque to the Senator from Arkansas for trying to kill the space station. But he comes to the floor with an amendment which raises a critically important question for this Senate: Is this the way we should spend our money? Will this advance our interests? Will it advance our space program, in fact? That is the question he raises.

This is an interesting time. We have already been told just recently, a week or two ago, that we must now advance a program called star wars or the antiballistic missile system, and we must deploy it almost immediately—1999, the first deployment. We can afford that. We can afford trucks the Department of Defense did not order, jet airplanes they said they did not want. We say, well, we cannot afford, however, Head Start for 350,000 kids that are now getting Head Start. So we are going to take 350,000 kids and say, "We are sorry; we cannot afford you and the Head Start Program." We are going to say to 600,000 kids in inner cities, disadvantaged kids, "We are sorry. We do not have enough money for summer jobs for disadvantaged youth."

We are going to say to 170,000 veterans who are incapacitated, "We're sorry, we're cutting your benefits." We are saying, "We're not very interested in a real serious review of whether the space station makes good research and scientific sense in this country's future because this is our pioneering spirit and our international agreements and what we've been doing, so let's keep doing what we've been doing."

It seems to me if there is a status quo around here, it is the folks who every year trod over to the Chamber to vote no on an amendment that asks us to review whether this is something this country ought to continue to do.

Now, I stand here today with the Senator from Arkansas. And let me end where I began. I am not opposed to the space program. I have supported much of the space program. A young astronaut from North Dakota, Rick Hieb, has been on many space missions and was one of the fellows up in the space station *Endeavor* when they grabbed the Intelsat traveling 16,000 miles an hour with a 10,000 pound satellite in outer space. They worked for 4 days to try to fix this Intelsat. Many of us watched them working for 5 or 6 hours in space.

I am enormously proud of what they have done in the space program. This is the question: Is this in the advancement of the space station? I think not, and I support the amendment of the Senator from Arkansas.

Mr. BOND. I yield 5 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas [Mrs. HUTCHISON] is recognized for 5 minutes.

Mrs. HUTCHISON. I want to thank the chairman of the committee and the ranking member for leading in the effort once again for the 20th time to support the space station.

In fact, Congress has reaffirmed year after year that it is committed to the space station and the new endeavors that are being made every day because we are willing to take this chance to go out and look for new industries and look for new technologies.

I have two points, Mr. President. First, we are not doing the space station alone. This is not any longer just a U.S. mission. It is an international mission. We have international partners. Many countries in Europe, Japan, Canada, and Russia are putting money into this program because they know this joint effort is so very important. Are we going to be a bad business partner? That is the question here. Are we going to say, "Yes, put in $4.5 billion," which our international partners have done, "but we are not really committed. We are going to walk away from this project after we have told you that we are going to do it."

Mr. President, I do not think the United States is going to be a bad business partner. And, in fact, I think if we did the ethical thing, if we did decide to walk away from it, we would have to reimburse the $4.5 billion to the partners that have put up the money. That would be a terrible waste. It would be the wrong thing to do. That is on the business side. That is on just being a good partner. That is on ethics.

Let us talk about the merits, and that is my second point. Let us talk about the merits. You heard people say that the science is not there; this is going to crowd out other science projects. In fact, this is a science project that has cut its budget, that has streamlined, that has not put its head in the sand to say, "Oh, we are scientific, we cannot cut our budget." In fact, we have cut our budget $40 billion. We are cutting by streamlining the project.

But the point is, there are things being done in the space station that cannot be done in any other way. And that is because the microgravity conditions that we find in space are so important for cancer research, especially women's cancer research, such as breast cancer and osteoporosis, which hits women the hardest. Those can only be done in the microgravity conditions which cannot be duplicated on Earth. So we are looking at scientific advances that cannot be done in any other way but this one. And we are on the brink of making breakthroughs.

We also are on the brink of learning how we are going to be able to live better in space. And, Mr. President, we have to be looking to the future. We have to see what kind of environment there is, what we can get from the environment and the environmental lessons that we learn in space. So the science is good.

Mr. President, we have been able to grow in this country. We have been able to absorb the immigrants that come to our country, the new people that grow up in our country because we have been willing to do the basic research that may or may not produce something. We know it is always chance when you go out and you burst forward to do the new things that have not been done before. We have been willing to do that in America. We have been willing to spend that extra money to try to find out what the new technologies are and to grab those new technologies and turn them into new products, new technologies, and the new jobs that go right down to the grassroots of the success of our country and our economy.

We have been willing to do that. That has been the hallmark of our country. We have the can-do spirit. We are the leaders of the world in research and technology and development. We are acknowledged as that. Are we going to turn around and say, "No, let's be stagnant. Let's look back 200 years ago and see what was done then. We don't need to do any more. We have actually done everything that we need to do now." If we do that, Mr. President, that is the beginning of the end of this dynamic country that is the greatest superpower in the world.

That is not America, Mr. President. That is not the way we have built this country, and it is not the way we are going to keep this country strong, we are going to keep our economy vital, we are going to create the new jobs for the young people coming out of high school and college, the immigrants that come into our country looking for the opportunity that this country has always provided.

We are going to continue to have those opportunities and to make those opportunities by investing in research. Our research budget in this country used to be about 4 percent. Now it is below 2 percent. We must not walk away from that in the name of cutting spending. That is eating our seed corn. Our seed corn is what gives us the opportunity to create those new technologies that will absorb the new people in our system and keep us vibrant and robust.

I thank the Chair.

Ms. MIKULSKI. Will the Senator yield?

Mrs. HUTCHISON. I would be happy to.

Ms. MIKULSKI. Could the Senator elaborate on what the space station means to the women's health agenda? As the Senator knows, we worked on women's health on a bipartisan basis, particularly in the area of breast cancer and ovarian cancer and others. Could the Senator take a second or two to elaborate on that? And I would like to thank her for working on a bipartisan basis.

Mrs. HUTCHISON. I appreciate the question.

The PRESIDING OFFICER. The Chair informs the Senator, all time has expired.

Mrs. HUTCHISON. If I can have a minute to answer, I would be happy to. But I understand if others are seeking to speak, that——

Ms. MIKULSKI. I will elaborate.

Mrs. HUTCHISON. Because we have done it on a bipartisan basis.

Mr. BOND. I will yield 2 additional minutes to be shared by the three of us. In my comments, I want to express my thanks to the Senator from Texas, who led us on a tour of the Johnson Space Center in Houston and has been a strong proponent of space exploration. I thank her for her comments.

I now ask her to respond to the question raised by the ranking member.

Mrs. HUTCHISON. I thank the chairman for letting me have this minute to respond to my colleague, because her point is so very important. And that is, Senator MIKULSKI and I and the other women Senators have looked at the amount of money that has been spent on women's health in this country. It is appallingly small, Mr. President. The women's health issues have not been addressed to anywhere near the degree that would be required according to the number of people in our country who are stricken by these women's diseases.

In fact, we are on the cusp, because of the space station and because of the microgravity conditions, of being able to have breakthroughs both in breast cancer research and osteoporosis. That is why this is so very important for us to continue. I appreciate the emphasis of the Senator from Maryland on women's health care issues, and it is because of her leadership that we all know that women's health care research has not had the funding that we have needed through all these many years, and now is the time that we have the ability to do it. I appreciate her support in a bipartisan way for us to be able to continue the space station, which is going to give us the chance to have those breakthroughs that we hope will be able to cure breast cancer and stop osteoporosis, which is causing so much pain for the elderly people in our country. I thank Senator MIKULSKI.

Ms. MIKULSKI. Mr. President, I will use 1 minute of speaking on this and will speak again on my own time.

I believe the American people want us to work on a bipartisan basis to save lives and to save jobs in the United States of America and to develop those lifesaving techniques that we can export around the world. Working on a bipartisan basis, we have worked on saving lives, and the special emphasis on women's health care that we have done on a bipartisan basis has been extraordinary.

Let me tell you what working together has meant and working with NASA. It means that for the victims of osteoporosis, NASA has developed instruments to measure bone loss and bone density without penetrating the skin that is now being used in hospitals. It also means that in the absence, that research equipment developed by the space station is already paying dividends on the ground by growing ovarian tumor samples in NASA's new cell culturing device, called a bioreactor, so that tumors can be studied outside the body without harm to the patient and developing the technique to intervene.

This is an enormous breakthrough, and while we are concentrating using space science focusing on ovarian tumors, this will have incredible consequences also for brain tumors and other diseases that are terminal because of a tumor effect.

This is absolutely crucial. Working with the NIH on joint ventures, on hormonal disorders, immune system dysfunctions and also on heart disease, now the No. 1 killer of women in the United States of America, shows this. I know that the Senator from Texas is aware that because of our efforts, NASA and NIH have entered into a joint agreement on how we can do things in space that we could never do here. By doing things in space collaboratively, it will not only be in the laboratory, it will be in the doctor's office and in pharmaceutical devices we can sell around the world. I yield the floor.

The PRESIDING OFFICER (Mrs. HUTCHISON). Who yields time?

Mr. BUMPERS. Madam President, I yield 8 minutes to the Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine is recognized for 8 minutes.

Mr. COHEN. Madam President, I thank my friend.

Madam President, if this were construed to be an antiwomen's health issue vote, an anti-breast-cancer vote, an anti-ovarian-cancer vote, I would not be on the floor supporting the Senator from Arkansas. I have never known him to be antiwomen. I have never known him to cut back on funds for research, be it for osteoporosis or cancer of any form. In fact, he has probably been one of the leaders in favor of more research.

So the notion that somehow this vote, by failing to support the space station, is now going to be an antiwomen's health vote, is that what we have come to?

Madam President, I would like to support the space station, which will cost probably about $100 billion. I would even like to support the B–2 bomber, which the occupant of the chair also supports. That is another $30 billion. And we are probably going to get both. Probably when all is said and done, we are going to have another $130 billion just in these two programs.

By the same token, we stand over here on this side of the aisle and we talk day after day about budgets, about how we have to save money for our children, the crushing debt we are putting on their shoulders. We heard words quoted from Jefferson and the implication from President Kennedy. Maybe we should say we will pay any price, will bear any burden, will borrow any money in order to build a space station, whatever its costs, whatever the merit of the scientific experiments. Last year, we heard the debate on the NAFTA vote. Maybe the giant sucking sound we are going to hear will be all those dollars being drained into a large black hole.

Madam President, 2 years ago, this program was on the verge of being terminated, and at that time, in a desperate effort to save it, the Clinton administration brought Russia into the program and they asserted this was going to reduce the cost by nearly $2 billion, down from $19.4 billion to $17.4 billion, and that promise of $2 billion of savings was critical to saving this particular program.

I was suspicious at those claims. I asked the GAO to make an analysis of those claims, and they found that $2 billion savings to be about as thin as the space through which the space station is going to fly. As a matter of fact, the Russians, by coming into the program, are actually going to cost us almost $2 billion more. Contrary to the claim of saving $2 billion, it is going to be about $2 billion more.

NASA failed to take into account and to identify the additional costs of involving the Russians in our program. It reminds me somewhat of the Steve Martin routine where he says:

"I can tell you how to make a million dollars and pay no taxes. The first thing you do is make a million dollars. The second thing, you pay no taxes. Then when the IRS shows up, slap yourself on the forehead and say, 'I forgot, I forgot.' "

What NASA has forgotten to do is to identify the additional $1.4 billion in costs of bringing the Russians into the program by forcing us to have to accommodate their technologies with ours and match them up.

But beyond that, we have heard a lot of talk about being a good business partner, about this being an international project. Indeed, it is. Just yesterday, the trade press reported that officials at Russia's Mission Control Center at Kaliningrad said low salaries are making it difficult to prepare, with Johnson Space Center in Houston, to run the international space station.

And Russia is not the only international partner backing away from this program. Canada already reduced its commitment. Yesterday's press account indicated Italy is backing away from its contribution to the space station and wants other European countries to pick up the slack. According to the media reports again yesterday, German and French officials are calling Italy's action the death knell for European participation in the United States-led effort.

If any more of our partners decide to cut back, guess where the cost is going to come from? Good old Uncle Sam is going to have to cough up the money our international partners are starting to back away from.

NASA says this program is going to cost roughly $71 billion. Given the fact that the average cost overrun in NASA programs is about 77 percent, it should come as no surprise that this program will probably come nearer to $100 billion. But even if you assume it is going to come in right on target, $71 billion is something that we cannot afford for the Russian *Alpha* station any more than we could have afforded the $120 billion space station *Freedom* which the administration terminated back in 1993. Neither can our children, from whom this money is going to be coming. NASA cannot afford it. As the GAO and CBO both warned in several dire reports, NASA's budget over the next 5 years falls $10 billion short. They cannot account for how they are going to come up with another $10 billion to fund the programs already scheduled for their funding.

So we have so much money going into the space station now that they are not going to be able to carry on the kind of programs that are going to be necessary for them to carry out their mission.

Another disturbing discovery by GAO is that most of the research proposals submitted to NASA for funding were described as being rather mediocre or even worse. Nearly two-thirds—nearly two-thirds—according to the GAO, said they were not considered scientifically meritorious by scientific peer review panels. We heard a lot about all the experiments that are going to take place only in space, and yet two-thirds of the proposed experiments are not supported by scientific peers.

Madam President, the reason I rise in support of the amendment is that we cannot, on the one hand, continue to talk to our colleagues and our countrymen and women about the need to restrain spending, and then come up with B–2 bombers that we have to fund at $30 billion or come up with a space station that will cost another $100 billion. And there may be no end in sight, indeed, as far as infinity itself may carry us into space, as to how much this program is ultimately going to cost.

On the one hand, we are cutting back from major programs—from Medicare, from homeless, from Head Start and all those that have been articulated—and we are going to commit endless billions of dollars to this program with no end in sight. For that reason, Madam President, I rise in support of the Senator's amendment.

I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Madam President, I yield 8 minutes to the very distinguished Senator from Ohio who comes to this body with a great knowledge of space and speaks on the basis of his personal knowledge, as well as his legislative experience.

Mr. GLENN. I thank my distinguished colleague for his great, kind remarks.

Madam President, I think this country became what it is, largely because we were a research-oriented Nation.

We expressed our curiosity; curiosity became a way of life. We applied it to everything. We applied it to medicine, teaching, agriculture, government. How can we do things better? What new things can we learn and put to use? One thing we have learned, even though every time we set out for research it is not a 100 percent home run, the money spent on research seems to almost always have a way of coming back and giving us tremendous benefits not seen at the outset.

Here, for the first time in all the tens upon tens of thousands of years of human history, we have the chance to do research away from the confines of mother Earth. It is stimulating and interesting. I meet almost daily with young people in school groups, who want to talk about this. It has stimulated their curiosity, our work in space. I think it is much more than a childhood interest in wanting to fly. The space program is stimulating their interest in science, math, and exploration. Along with this interest, we are getting the benefits for future generations. Research in microgravity is in keeping with the long American tradition of research in medicine, teaching, agriculture, government, and continuing this curiosity that has been the hallmark of Americans since our founding days.

The space station is the greatest international scientific cooperative effort ever put together. In addition to the very real importance of international cooperation, there are very specific benefits which will accrue to each one of us here. Now these benefits are not in areas like Velcro and Tang and some of the things we were talking about on the floor here last night. All of those things were invented long before the space program. So those were not benefits that came out of this program.

But what we are talking about is very basic, fundamental research—research that may give us benefits in how we cope with osteoporosis, which causes hundreds of thousands of broken bones every year; it is a weakening of the human body. It may give us a new approach on colon cancer, breast cancer and ovarian cancer. This is not theoretical now. We are working with a bioreactor, which was mentioned by Senator MIKULSKI a few moments ago.

We actually have tested a bioreactor in space successfully. Why is that important? Because a bioreactor is capable of more accurately simulating how tissues grow in the body than any other way of tissue culturing. If you experiment in a lab here on Earth using traditional tissue culturing mechanishm, the usual outcome is that the tissue settles to the bottom of the test tube, or Petri dish, or whatever. In space using a bioreactor, tissues grow in three dimensions, much more similar to what you find in the human body. As we have shown on the last Space Shuttle flights that used the bioreactor, cultures can be grown at least twice as large as any in a similar situation here on Earth. This could give us a whole new approach to colon cancer, breast cancer, and ovarian cancer. When you culture things like this in space and they grow to a larger size and you learn how to work with them better there and bring them back to Earth, it could give a whole new approach. AIDS, osteoporosis, breast cancer, and ovarian cancer are the chief focus of attention so far.

I ask, what if we have a new breakthrough in just one of those areas? It may be worth everything spent on the whole space station program by itself if just one of these cultures coming back now—and we had pictures of them on the floor yesterday—gives us a clue as to how to take care of the problems of AIDS–HIV, ovarian cancer and breast cancer. Current digital technology gives us a 5 times more accurate diagnosis of breast cancer over previous technologies. This exists right now because of the space program. So when we say there has not been anything coming out of this program, it is just not true.

Osteoporosis is another one that is particularly amenable to the research in space because that occurs in the astronauts at an accelerated rate over and above anything that occurs here on Earth. One of the major areas of research in biotechnology is to provide research results that can revolutionize drug development. There are current projects for AIDS and emphysema by major pharmaceutical firms.

I add, when the Station opponents say nobody wants these programs and there is no basic support for the research here, that is just not true. Many companies and research laboratories —the National Research Council, Bristol-Myers Pharmaceutical Research Institute, and a policy adopted by the American Medical Association—support the space station. There are also different medical centers, a whole list of them here. I do not have time in my 8 minutes to go into them this morning.

In addition to biotechnology, biomedical, and biological research, muscle and bone growth, NASA is aiding in the development of techniques for counteracting the effects of aging, and on down the line—material science, combustion science. At the last international consortium on combustion, over 10 percent of the papers were given on findings out of the space station. If we make a small step forward in combustion research, who knows what energy savings we can make here on Earth.

Another area is low temperature microgravity physics. These are things that are of benefit right now, and they are not things that are just going to be looked at in the future. These things are in research and giving results right now.

As I said, I think money put into our research program in this country has paid off at the outset more than anything we have seen. Right now, our problem is that many of the companies that did basic research, and were willing to put money into the 5-, 10-, 15-, even the 20-year programs, are cutting back. They are cutting back on the money they are putting into research at the same time we are proposing that we cut back on Government research. This, at a time when we are moving into new international competition, where we need more research, more of the new, more curiosity in how we deal with these matters for the future, so that our children have the good jobs of the future right here. Nothing is as stimulating to our children right now as this interest in the space program and their interest in science and math and exploration. The space station literally has become symbolic of the United States and how we look at our future.

I will point out one other thing. There is about one-fourth of the space station already built. We do not talk about that much. We have put together 50,000 pounds of this 400,000-pound station; 60,000 pounds already has been put together by our allies that are working together on this project. So we have about a little over one-fourth of the project—the space station—that has already been built. So it is not just something that it theoretical out there, that if we chop the budget, we save all the money. We do not. That is not the main reason for going ahead with the program. The reason is the potential for research that we have for the future.

Madam President, how much time remains?

The PRESIDING OFFICER. The time of the Senator is up.

Mr. GLENN. I thank the Chair.

Mr. BOND. Madam President, how much time remains on each side?

The PRESIDING OFFICER. The Senator from Missouri has 14 minutes. The Senator from Arkansas has 7 minutes 52 seconds.

Mr. BOND. I thank the Chair.

I yield 5 minutes to my distinguished colleague from Maryland.

Ms. MIKULSKI. Madam President, I first would like to deal with a couple of rebuttals on issues that came up. The distinguished Senator from Arkansas talked about how Carl Sagan had opposed the space station. I would like to bring to the Senate's attention that Carl Sagan, since his book was published, has now endorsed the international space station. We now have the endorsement of the Planetary Society. He also talks about how the American Physical Society does not endorse the space station. I would like to bring out that the Institute for Electrical and Electronic Engineers does; the American Astronautical Society does; the AMA does; the American Women's Medical Association does.

Now, Madam President, I was once a skeptic of the space station. I, too, wonder if we were building this huge technological endeavor to be a condo in the sky for astronauts to be able to jump to Mars. I no longer share that belief. Why? First, on the drawing books is no plan or no budget for us to take manned space flights to Mars in this century. But there is a space station that is not going to be a condo for astronauts, but it is going to be a space lab for American scientists and ingenuity. That is why I support it.

Now, like you, Madam President, I am a hands-on, get-out-and-about type Senator. I did not want to make my mind up on the basis of memos and papers about pie-in-the-sky or space-station-in-the-sky activity. I went down to Houston. I went to where they are actually working on what the future of the space station is. I was impressed, and I came back a passionate supporter of the American space station because of its impact on saving lives, saving jobs, and making sure that we have lifesaving devices and pharmaceuticals, and once again America has jobs in the scientific area but in the blue-collar manufacturing area.

I saw what are the projected activities for being able to do life science and microgravity research.

Now critics could say, "Point to one thing that the space station has done in life science." We cannot because the space station is not yet flying. We can point to what NASA has already done in the area of medical research and life science.

The Senator from Ohio, an astronaut Senator, has said it. Who are you going to believe? Some wonky report from a critic? Or are you going to believe one of the most famous Senators in the world?

I put my belief in JOHN GLENN. I put my belief in what I saw at Houston. I put my belief in the fact that what NASA has already done is come up with a pacemaker that can be programmed outside of the body, a cold suit which has been developed to improve the quality of life of MS patients. I could go on about other activities. NASA has a clear, demonstrable record on what it has already done in life science. One can only estimate what it will mean in the future.

We also have an international impact. We are not in this by ourselves. We are in it with the Europeans, the Japanese, and the Canadians. We have a treaty relationship with them to build this space station. To abrogate that responsibility puts at risk the credibility of the United States with its international partners.

I believe that is a mistake. Yes, the Russians are in it. We used to compete with the Russians. Now we cooperate with the Russians to make sure that we make maximum use of our financial resources and maximum use of our scientific capability.

Is this not what we dreamed about when the cold war came down? That we would put our hand out with the Russians, and in the area of civilian research that in no way weakens our national security, we could put our best minds together? Is that not one of the dreams of the cold war, that by working in space out there we can further peace and scientific advancement here?

That is what America is all about. We are known for our social inventions, like our Constitution and our democratic framework, and our technological inventions. People come from around the world to do that.

Now, when we build the space station, we do not do it alone. We have international partners. We have the best minds here collaborating with the best minds over there, to go into space, to come back and save those jobs, save those lives, right here in the United States of America.

I am for the space station.

Mr. BUMPERS. Madam President, first of all, I ask unanimous consent that Senator DORGAN and Senator BAUCUS be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Madam President, I yield myself 3 minutes.

I tell you who I put my confidence in: Every physicist in America who said you cannot do one thing in space that you cannot do on Earth for a lot less money.

I put my faith in the guy who runs the Johnson Space Center. There will be life sciences here, but we have not finalized that. Really, it is hard to answer that question. This is the man who runs the program.

I intentionally did not bore the Senate today with the myriad of hundreds of quotes from every physicist, virtually every medical researcher in America, all of whom say that this is a terrible, terrible way to spend the taxpayers' money when it comes to research.

The Senator from Ohio, JOHN GLENN, and I came to the Senate at the same time. We have been close, steadfast friends ever since. There is not anybody in the body for whom I have greater respect.

It pains me when we disagree, which we do strongly on this issue. I know Senator GLENN's great talents. He is a genuine, certified America hero. But even Senator GLENN will only tell you what we hope to do.

I tell you, we have been hoping for 30 years. That is how long we have been in space—30 years—and I am still waiting for somebody in the Senate not to just talk about AIDS and cancer and multiple sclerosis, but to tell me what the space station has done. I can tell you—zip, zero, for AIDS and cancer.

When it comes to women's health issue, I thank the Senator from Maine very much for pointing out that nobody has been stronger for medical research in this country than I. I sit on the committee that appropriates money for the National Institutes of Health so I know how they are starved to death. They are located in Maryland. They cannot even begin to get the money they need to do the research that needs to be done.

When have you seen a story out of NIH on what we are doing on hepatitis? What we are doing on Lyme disease? Cancer? Chemotherapy? Almost daily there are reports from the National Institutes of Health on gigantic medical advancements.

I invite Members to tell me in 30 years when have you seen one single announcement come about as to what we have done for the welfare of our people from the space station.

I believe strongly in the space program. I will tell you that I believe strongly they are cutting back on space programs that I applaud and you applaud in order to make room for this thing which Newsweek called a boondoggle.

What is it for? Why, I have heard talk about children getting excited. It is a new frontier. It is all those things. I get excited about *Apollo 13*. I get excited when I see astronauts retrieving a satellite. But that does not mean I have to take leave of my senses and vote for $100 billion project—$100 billion.

Do you know what children in this country are entitled to? They are entitled to grow up secure from crime on the streets. They are entitled to grow up not hungry. They are entitled to grow up with an education so they can do honest-to-God research when they are adults. They are entitled to grow up in a decent home that does not leak, that is warm in the wintertime.

What is the U.S. Congress doing? We are assaulting the children of this Nation, cutting food stamps, cutting housing, cutting education. Educational loans will be cut $8 billion more over the next 7 years than this thing will cost.

I look at it and I cannot believe it. I wonder, what kind of values does this place have? I believe in research. I believe in women's health issues. I defy anybody to show me where I ever voted against it. I do everything I possibly can from my position on the Health and Human Resources Subcommittee on Appropriations.

Betty Bumpers has spent her entire public life taking advantage of the fact that her husband was Governor and Senator to bring immunization programs to every State in the Nation. The pharmaceutical companies of this country have been champs in the area. They have developed new vaccines—not on the space station; they did it in their laboratories.

I agree with Carl Sagan. I agree with every physicist in the country who says there is only one rationale for the space station—that is to go to Mars. If you want to go to Mars, fine. We went to the Moon.

I went down to the Johnson Space Center to see what we got. We got some drillings. It was exciting. I got as teary eyed as any Member of the Senate when Neil Armstrong stepped off, but I did not say I wanted to waste $100 billion because I am excited today, not at the expense of the tremendous needs of this Nation.

I yield the floor.

Mr. BOND. Madam President, I yield myself 6 minutes.

Madam President, we have had some very spirited debate. Let me address some of the points that have been raised by my good friend, the Senator from Arkansas.

He has made very compelling arguments about how we have not learned anything from the space station. Small wonder, when we have not built the space station. It is not up there yet. It has not done anything yet. We have had successes exploring in space but we have not built a space station.

The people would have been up there who are doing research said we need to have that permanent presence in space so we can find out over time how these experiments work. That is the whole purpose. If we applied that test to all basic research, that you cannot support basic research until you show what it has done, we would be shutting down federally funded facilities at universities and every other scientific organization because you do not know what you will get from basic research until you get there.

Certainly, I will go with the scientists who are planning on the experiments that will take the time that a space station can afford them to determine what the impact of microgravity and the other exigencies of space produce in scientific research.

Now, the question is raised about the National Institutes of Health. NASA and NIH have executed 18 cooperative agreements since 1992, and joint activities have included scientific workshops, ground-based and flight investigations, other specialized activities such as the space line reference system developed by the National Library of Medicine. NASA expects an expanding level of cooperation with NIH as research enters the space station era.

NIH researchers are expected to use the space station's next generation life-support sciences facilities, including the human research facility, the gravitational biology facility, and the centrifuge facility in pursuit of national biomedical research goals.

We have heard the figure bandied about that the space station costs $94 billion. More than half of that, to be quite frank with my colleagues, to set the record straight, comes from the shuttle. That is how we get up there. That is costing $50 billion. I hope the objective of this amendment is not to kill the space shuttle and kill all space research. I think that would be a double tragedy. Recall that the total $94 billion not only funds the shuttle, it funds the building and the operation of the space station. We do not justify other programs this way by saying the total cost of 20 years of operations is such. We talk about the yearly cost. We could have tremendous figures if you took any program and built the continuing costs over years. We judge them on an operational year-by-year cost.

This idea that we are going to make great savings overlooks the tremendous potential for great contributions to our scientific and engineering knowledge from the space station.

Yesterday, my good friend from Arkansas quoted extensively from Carl Sagan and quoted all the arguments that Carl Sagan had made to support the position of the Senator from Arkansas that we ought to cancel the space station. The Senator from Maryland said it very well. But let me just quote from a letter dated July 24, 1995, from the same Carl Sagan. He said:

> For Congress to cancel the space station now would cause huge disruptions in many local and regional economies, and, worse yet, it would scar our national psyche. It would end the rationale for America's manned space program, and with it would die some of the spirit of a great nation bold enough to seek great achievements.

Madam President, it would be a tragedy, an utter tragedy, to kill the space station. It is the most ambitious and exciting program since the Apollo program of over 25 years ago.

I, with my son, enjoyed the smashing success this year of the movie, "Apollo 13," that drew in millions of people—those who recall those glory days, a time when America set ambitious goals and moved to accomplish it; and those who are too young to have lived through those heydays yet are naturally drawn by its spirit of exploration, bravery, and discovery. That is the spirit that made America great.

The international space station will mark America's next great step in this endeavor. The station will become a visible symbol of our commitment to the future as our children will watch it move elegantly across the nightly sky.

Although the space station has many of the same characteristics as the Apollo program, it is also different in important ways. The Apollo program was motivated by the cold-war need to beat the Russians to the moon. Space station, in contrast, will involve the cooperation of 13 nations, making it the largest cooperative science program in history. The international partners have spend billions on the program to date. Instead of beating the Russians, we will be working closely with them to build a better, more robust orbital laboratory.

It is time to stop with these incessant attempts to kill the space station. Over the last 4 years, there have been 13 attempts in the House and Senate to kill the program and all have fortunately failed. Last year, a resounding 64 senators voted against this amendment and I among them. The arguments used by station opponents this year are the same old, tired arguments that have been used in years past—the claims were not true then, and they are not true now. Here are some of the facts:

First, the space station is no longer a dream but a reality. Thanks to prior year congressional commitments, the program has finally entered a period of stability. After a tumultuous decade, NASA has a design and schedule that work. There is not talk of redesigns or restructuring today, only building hardware. About 50,000 pounds of hardware have been built already. Some 75,000 pounds of hardware will be built by the end of 1995. The final contract has been signed between American and Russian companies for the first piece of the space station—the FGB module—scheduled for launch in November 1997. Construction is underway in Moscow.

Second, the space station is perfectly on schedule and on budget. NASA has kept its promise to maintain the first element launch in November 1997, and at a total cost of $17.4 billion through the end of construction in 2002. The space station has successfully gone through its first incremental design review. NASA has identified no technical show-stoppers to building this space station.

Third, a streamlined management team is in place. NASA has reduced its in-house work force on the program by 1,000 people—from 2,300 to 1,300—and is managing the program better than ever. NASA and the space station's prime contractor, Boeing, signed a $5.63 billion contract earlier this year to build the space station. This contract reflects NASA's new procurement philosophy of motivating contractors to avoid cost growth, and includes incentives for getting the job done for less than the target cost, and penalties if there are overruns. This is exactly the kind of procurement reform that's needed.

Fourth, cooperation with Russia is working as planned. NASA has made two space shuttle flights to Russia's *Mir* space station already this year. The first shuttle rendezvoused with *Mir*, and the second docked with it—the first United States-Russian docking in 20 years. These flights proved not only the technical feasibility of our two countries working together in space, but the political feasibility as well. With each of these flights—and another is scheduled in 6 weeks—we learn more about working together and overcoming technical and cultural barriers. The inclusion of Russia will enable space station to be completed 15 months earlier than the previous design and have more crew and more research volume—all at a savings of approximately $2 billion to United States taxpayers.

Fifth, this program is not a budget buster. It fits within the budget resolution. The House version of the budget resolution specifically included space station funding all the way to the end of construction in 2002, and the conference agreement with this body provides $2 billion more in function 250 than the House did. We can balance the budget and invest in the future.

Sixth, space station will not undermine the balance among NASA programs in human spaceflight, science, technology, and aeronautics. This very bill shows how NASA can afford space station, Mission to Planet Earth, new aircraft technology, a new reusable launch vehicle, and a host of other programs, while maintaining that balance—which is so crucial to NASA's future. With the zero-base review changes that NASA is now implementing, NASA can afford this program, and so can the Nation.

This country must continue to invest in the future. A research laboratory in space can provide unimaginable benefits to the American people. The space station is the only facility where research can be conducted for long durations in microgravity. This unique environment has only begun to be explored scientifically. American taxpayers are certain to benefit, just as they have from other basic research, and probably in ways we least expect.

This amendment to terminate the space station threatens the very existence of the U.S. human space flight program and would abdicate U.S. world leadership in the largest international science project in history. With only 2 years left before the first launch, I hope this will be the last of a long line of attempts to end this program and its defeat will send a strong message of commitment to finish the job we've started. I strongly oppose this amendment.

Mr. BUMPERS. Madam President, how much time do I have remaining?

The PRESIDING OFFICER. Two minutes.

Mr. BUMPERS. Madam President, I ask for an additional 2 minutes for a total of 4 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. BOND. Madam President, what is the time remaining on our side?

The PRESIDING OFFICER. Two minutes fifty-three seconds.

Mr. BOND. I ask for an additional 2 minutes on our side.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Arkansas will have 4 minutes, and 2 minutes will be added to the Senator from Missouri.

Mr. BUMPERS. Madam President, the Senator from Missouri, who is my good friend, says the Senator from Arkansas is making the same old tired arguments that he has made every year. He is absolutely right. A good argument against the space station is like a value. It does not lose its power just because time elapses. The same arguments that I made against the space station 6 years ago are just as compelling today as they were 6 years ago.

We talk about the Russians participating and how wonderful international cooperation is. You think about that. The reason the Russians are cooperating is because we are going to give them the money to cooperate. So much for their cooperation. The Italians and the Canadians are cutting their contributions, and Germany and France are discussing reformulating their contribution to the space station. Why not? They know the United States will pay the difference.

Madam President, here is a quote that says it all. James Van Allen, astrophysicist, discoverer of the Van Allen radiation belt, a premier physicist, said:

> With the benefit of over three decades of experience in space flight, it is now clear that the conduct of scientific and application missions in space by human crews is of very limited value.

That is echoed by every premier scientist and physicist in America.

Dr. Van Allen goes on to say:

> For almost all scientific and utilitarian purposes a human crew in space is neither necessary nor significantly useful.

Dr. Bloembergen says that human crews are inconsistent with most microgravity research. But I want my colleagues to answer this one question. What is it about space and no gravity that makes it so fascinating for medical research, or the development of new crystals for our computer industry? I do not know the answer. But I rely on those who do. They say there is none. Dr. Van Allen, and Dr. Park, who is a leader of the 40,000 physicists in the American Physical Society say none. Do you know what else they say? Much of the research for microgravity, if it has any beneficial value, can be done on Earth which brings me to my final point, and then I will yield the floor and I will not say another word about this.

You ask yourself. What do you think is more important? The planet Earth or going to the planet Mars? That is all this is about. Carl Sagan and all of them say that, if you want to go to Mars, then build a space station. If you do not, do not. You ask yourself about the needs of the children of America, about their food and their education and their clothing and their housing. They are crying on the streets. Ask yourself about the health care of our elderly. The needs are growing, but the funding is being cut. That is all happening on the planet Earth. The problems are not cosmic. The problems are here on Earth. You want to go to Mars? Be my guest. But for God sakes, do not do it when we have these unbelievable problems that are growing daily, that $94 billion would go an awful long way to cure.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BUMPERS. I thank the Chair, and I yield the floor.

Mr. BOND. Madam President, I yield myself 2 minutes.

Madam President, my good friend from Arkansas asked to know who, with any knowledge of research or interest in scientific exploration, would support this. I ask unanimous consent to include statements from the Planetary Society, Bristol Myers-Squibb Pharmaceutical Research Institute, the American Medical Association, Mount Sinai Medical Association, Schering-Plough Research Institute, American Medical Women's Association, Baylor College of Medicine, Hauptman-Woodward Medical Research Institute, and the Multiple Sclerosis Association of America in the RECORD to answer the concerns of my colleague from Arkansas.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WHAT THE NATION'S LEADING RESEARCHERS AND SCIENTISTS ARE SAYING ABOUT THE INTERNATIONAL SPACE STATION

Several years ago, Carl Sagan, Bruce Murray and I (the officers of The Planetary Society) opposed the then-space station plan as serving no national purpose. The present plan is serving national and international interests. For Congress to cancel the space station now would end the rationale for America's manned space program, and with it would die the spirit of a great nation bold enough to seek great achievements.—Carl Sagan and Louis Friedman, The Planetary Society.

The program of protein crystal growth experiments sponsored by NASA has been one of the real success stories in microgravity sciences and applications. Protein crystal growth research has made much progress, but must now move to the next phase, which requires prolonged access to a microgravity environment with potential for human intervention on a continuing basis. This new phase will require an orbiting platform such as that provided by the International Space Station.—Howard M. Einspahr, Bristol-Myers-Squibb Pharmaceutical Research Institute.

The AMA supports the continuation of the NASA and other programs for conducting medical research and other research with potential health care benefits on manned space flights, including the continued development and subsequent operation of the international space station.—Policy Adopted by the American Medical Association.

Through the NASA-NIH linkage, the Space Station has become a vitally important and unique laboratory for biomedical research. In addition to its central role in aerospace engineering and space exploration, the Space Station is an investment in the future of biomedical research.—John W. Rowe, M.D., Mount Sinai Medical Center.

A commitment to conduct continuous research for longer periods of time in space is also essential. Ultimately, our hope is to be able to crystallize proteins in microgravity, conduct all x-ray data collection experiments in Space and transmit the data to earth for processing. This can only be done in a Space Station.—T. L. Nagabhushan, Ph.D., Schering-Plough Research Institute.

AMWA supports the continuation of funding for NASA's International Space Station because it provides one of the most promising new vistas for medical research on diseases that strike women and have unknown causes or cures.—Dianna L. Dell, M.D., American Medical Women's Association.

Space laboratories allow scientific experiments that simply cannot be duplicated on Earth. The space station offers the potential of long term studies that are especially exciting to the biomedical researchers seeking to understand how cells grow, divide, and mutate to cause diseases such as cancer and immune deficiencies.—William T. Butler, M.D., Baylor College of Medicine.

My institute has worked closely with the Center for Macromolecular Crystallography at the University of Alabama at Birmingham to perform two space shuttle crystal growth experiments on the protein recombinant human insulin. It is clear that with the additional capabilities that the Space Station will offer, this type of research will progress at a much more rapid rate. It is also evident to me that the Space Station will offer similar advantages for the many other areas of science that have been proposed for this unique facility.—Herbert A. Hauptman, Ph.D., Nobel Laureate, Pres., Hauptman-Woodward Medical Research Institute.

NASA's "cool suit" literally has changed the lives of some of those suffering from MS. The MSAA is hopeful, as new findings continue to emerge from space-based research and the possibilities that the International Space Station holds. This research could be essential to MS patients.—John G. Hodson, Sr., Multiple Sclerosis Association of America.

Mr. BOND. I also note that our very distinguished physician Member is present. I yield to the Senator from Tennessee.

Mr. FRIST. Mr. President, I rise in support of the space station, and I hope to add to this debate with insights from what is a unique perspective in this body, that of physician and researcher. Until I was elected to represent the State of Tennessee in the Senate, I spent my adult life dealing with the daily reality of illness and the limitations of our ability, as humans, to diagnose and treat those illnesses and to save lives. The limitations I faced as a physician and surgeon were numerous: Limitations on the ability of the body to heal itself; limitations on the treatments and medicines to augment the body's immune system and healing process; limitations on the scope and effectiveness of biomedical technology in detecting, diagnosing, and treating an illness; and, finally, limitations in funding. It is this final limitation which now drives this current debate on the value of the space station.

My colleague from Arkansas has claimed many things in his introduction of his amendment, not the least of which is a consensus in the scientific community that the possible rewards of space-based research are minuscule and do not justify the costs incurred. The Senator says that, "every physicist and physician in the country says it is nonsense" to expect advances in medicine from space-based or microgravity research. I disagree. As one physician who believes we can reap great rewards from spaced-based research, I suggest that such a statement is untrue. As a member of the medical community, who is familiar with the opinions on research within that community, I can tell you that there are plenty of researchers and physicians who do not believe in the merits of microgravity research, and the Senator from Arkansas has quoted several of them. As a member of the medical community and of the Senate, I can tell you that it is, by no means, every one. I dare say that for as many reputable scientists in America that do not believe in the value of space-based medical research, we could easily find two who hold the opposite opinion, and many of them have contacted me.

I stated moments ago that this debate is about money. The Senator from Arkansas says the debate is about priorities. I believe that on this point, we are in agreement, and we are both correct. However, the conclusions we would draw are markedly different.

Funding for the space station is has been characterized as being based on skewed priorities: that this money is better spent on housing, law enforcement, and any other number of pressing domestic needs. The implication is that we are facing a zero-sum game where the space station is funded at the expense of the poor, of the elderly, or of the sick. That, too, is untrue. We in Congress are funding billions and billions of dollars worth of programs for the poor, sick, and elderly just this year—maybe even more than our constituents want us to spend—and we see only rare successes from these grandiose social programs.

I believe that, in fact, funding for the continuation of the space station is exactly where our priorities should be: trying to achieve a better quality of life for Americans and, potentially, for all humans.

I would also take a moment to address the question of what has been achieved on space platforms so far, and what the goal of establishing the space station would be. I am speaking almost solely in terms of medical research. The Soviets, and the Russians in turn, have taught us quite a bit so far in terms of achieving the engineering feat the space station will be. They have also collected massive amounts of information on the effects on the human body of the effects of extended weightlessness. Finally, they have saved us millions of dollars and years of research if, in fact, we would want to launch a mission to Mars from a semipermanent platform in space.

But what is more important to this debate is the fact that the Russians have, admittedly, taught us very little about medical research in space. Why? Not because they were not seeing the results they wanted to from their research in space, but because the medical research the Russians were conducting in space lacked the quality and priority our own space-based medical research would enjoy. The Russians simply do not have the medical infrastructure to support the type of research I am talking about, and they have not made such research a priority on the Mir space station. It is no wonder that some of the most enthusiastic supporters of the cooperative space station program are Russians—not because they see a cash cow in our ventures—rather, because they believe that, finally, the infrastructure and commitment to conduct medical research in space will finally be available.

Mr. President, the benefits and advancements in medical science and technology we can realize from long-term space-based research can be divided into three simple categories: First, that which we know is immediately or soon achievable; second, those which we can speculate about or make an educated guess as to the new possibilities of space-based research; and third, those achievements and advancements which we cannot even begin to assess.

I will first address the immediate and near term benefits the space station can provide in the field of biomedical and life science research.

Support for the space station and space-based research continues to grow throughout the medical and research community: the American Medical Association, Schering-Plough Research Institute, the Multiple Sclerosis Association of America, the American Medical Women's Association, Bristol-Myers Squibb, and Mount Sinai Medical Center, to name a few.

Space-based research provides unique insights to advance our understanding of the heart and lungs, cardiopulmonary research; the growth and maintenance of muscle and bone, musclo-skeletal research; the body's ability to sense position and maintain balance, neurovestibular research; and the regulation of the metabolism, regulatory physiology.

Space-based researchers can conduct basic and applied research to improve the efficiency and reliability of life support systems, such as artificial heart valves and pacemakers, or artificial kidneys.

Space-based research can provide knowledge of protein crystal growth physics and kinetics which may lead to improvements in Earth-based crystal growth technology and more effective pharmaceutical development.

Another benefit can be realized when using conventional bioreactors to culture human cells for cancer research and drug testing because cultured cells do not grow in ways representative of how cells develop in the human body. In the NASA bioreactor, cells taken from a cancer tumor grow and resemble the original tumor, making a much more accurate culture available for researchers.

Additionally, techniques developed for use aboard the space station could advance the state-of-the-art growth of tissue samples in the laboratory, thus leading to inestimable benefits for medical research.

Mr. President, this is only an abbreviated list of the immediate and near term benefits medicine will experience from space-based research.

Those benefits to medical research about which we can now only speculate are possibly the most exciting and promising of the space station's contributions. The benefits. of advanced crystal growth studies; the ability to observe cell mutation and behavior over the long term, without the effects of gravity; and the possibility of advanced artificial human tissue growth are extraordinary. The implications of the possibilities are nearly limitless: anything from cures for cancers and other deadly or debilitating disease, to the development of medicines that have crystallin structures which could not be achieved in gravity, to the growth of tissues to replace losses which would normally kill someone.

If need be, Mr. President, we can place an actual rough dollar value on such advancements by simply adding up the cost to our economy each year incurred by illnesses and loss of life. Personally, I think that is rather macabre and beside the point. I believe that the value we can place on the known benefits of space-based medical research clearly outweigh the costs we now will assume to make the space station a reality. If you were to apply a cost-benefit analysis to the space station—as we have rightly applied to many federally-funded programs—I believe it would yield a cost to benefit ratio which could end this debate for good.

Finally, Mr. President, there are advancements in space-based medical research which defy both quantification and even qualification in this debate. These are the advancements in medical science which we cannot even foresee—those which will become hints or reality only when we are allowed to explore them fully.

Some will say these yet-to-be-seen advancements are nothing more than fairy tales, or promises wildly beyond what we can possibly deliver, or even myths produced in an attempt to justify costs which those of us who back the space station cannot currently justify.

However, I will remind my colleagues that throughout history it has been the unforeseen, unplanned benefits of technological advancement that have most often proven to be our greatest rewards. I believe that even the possibilities of such watersheds in advancement of medical science and unforeseen benefits are compelling enough to pursue the program further. Just as the medieval scholars could not speculate on the profound changes and advancements of the upcoming Renaissance, we cannot even guess what we might soon discover.

Mr. President, I believe we truly are approaching a renaissance in medicine and technology with the advent of space-based research, and it is exciting as a physician, as well as simply on a human level, to know that much of these advancements could come within my lifetime or those of my children.

The bottom line, Mr. President, is that not only can we make a direct link between space-based research and improvements in the human condition and quality of life, but also, I feel, we can be confident that some of the greatest benefits and advancements have yet to be seen.

I believe that advancing the space station program is not pie in the sky, so to speak, but money very well spent. It represents the opportunity for great advancements in our quality of life and an unparalleled opportunity for international cooperation. I believe that we have made many difficult but correct decisions concerning the funding of the space program and space-based research specifically, and I urge my colleagues to continue that series of good decisions by defeating the Bumpers amendment.

Mr. WARNER. Mr. President, I rise today to join my colleague, Senator BUMPERS, in support of the amendment we have placed before the Senate and is the pending amendment.

Senator BUMPERS and I have collaborated in the past to eliminate Federal projects that the Federal taxpayers simply cannot afford in these tight budgetary constraints. We were successful in halting Federal funding for the super collider, a project whose astronomical expense made it a simply unfeasible program in this era of tight budgets.

Mr. President, at a time when Congress is struggling to balance the Federal budget, we think it is irresponsible to exempt from any cuts NASA's $90 billion-plus program to complete the building of a space station.

There are genuine questions about whether this space station can be built on the schedule and for the cost that NASA currently claims. Schedule and costs are inextricably connected. If the schedule is not met, then the costs will increase.

There is a major and fundamental question here. Can the timetable to build the station, with all of the spacewalks that will be needed to assemble the structure, be achieved on schedule?

Mr. President, NASA is expecting 73 launches to take place on time and in sequence over 55 months. Flexibility will not be possible because each flight will bring a specific piece of hardware that must be attached in a specific order. The assembly sequence cannot endure manufacturing delays, launch delays or launch failures.

I remind my colleagues, that delays mean more costs.

Mr. President, the number of spacewalks needed to assemble the space station has risen significantly in the past year. Reliance on these walks increases the risk that the timetable to build the structure will not be achieved. Thus, building the space station will be a very risky endeavor given the demanding schedule to complete the station and have it permanently occupied by 1998.

Mr. President, Russia and Canada are to have major roles in the timely development of the space station. Yet, the involvement of these two nations adds critical elements of risk.

NASA assumes that, with one exception Russia will provide its hardware and services as a partner, on a no-exchange-of-funds basis. At this time, it may be premature to assume that Russia will not charge for anything given the economic problems confronting the country.

Canada has cut back its contribution to the space station program and will not decide until 1997 whether to build the final portion of the robotic servicing system that will be used in assembling and maintaining the station. Canada is building the arm, but has not decided on whether to build the special purpose dextrous manipulator that fits at the end of the arm—the fingers. If Canada does not build the fingers, then NASA will have to find the funds to build this expensive piece of equipment.

Mr. President, the price tag today for this project is $93.9 billion. I have no doubt that this figure will be increasing dramatically once more hardware is built, space shuttle launches are delayed, spacewalks are increased, and the Russians and Canadians fail to live up to their commitments.

Total spending on the space station from 1985 to 1993 added up to about $11.2 billion, and all we have to show for this are diagrams and designs.

Mr. President, it is time for Congress to cancel funding of the space station. Let us not embark on an elaborate and expensive journey into space until we meet the challenges confronting American taxpayers on Earth.

Mr. DOLE. Mr. President, I rise in opposition to the Bumpers amendment to terminate funding for the space station. It seems to me that we have answered the question of whether or not to proceed with this historic endeavor. Year after year the Congress has endorsed the outreach to space. And we have done so for the right reasons—the space station represents the next logical step of man's exploration of the universe and it represents the next logical step for understanding our own world.

I will not try and reiterate the many sound reasons for continuing this important program. They have been presented in great and compelling detail. But I would offer another reason which was recently brought to my attention by Ambassador Pickering, our envoy to Russia. Clearly the Russians are in dire need of hard currency. Should the United States default on our commitment of cooperation with Russia on this project, Russia will necessarily look elsewhere—to Iran or Iraq—nations who have demonstrated a clear desire to possess and proliferate technology and weapons of mass destruction. Cooperation with the United States on space station is vital to Russian needs for hard currency. And the United States will get fare more in exchange—both in technology and in stability.

Again, I urge my colleagues to reject the Bumpers amendment, preserve our outreach to the stars, and keep a mindful eye on commitments made for the purpose of keeping peace and stability in these difficult times.

Mr. SHELBY. Mr. President, I rise to oppose the amendment offered by the senior Senator from Arkansas.

Mr. President, once again we find ourselves debating the merits of the space station. The distinguished Senator from Arkansas again tells us that America should abandon its commitment as the leader of this historic endeavor.

Supporters of this amendment say we simply cannot afford to continue funding the space station. Mr. President, I ask you, Can we afford not to?

History tells us that mankind is destined to explore beyond the bounds of this tiny planet. The question is not whether we should take the next logical step. The question is: "Will we lead or will we follow?" I believe the United States is destined to lead.

Leadership, Mr. President, requires commitment. America's relatively small investment in the space station demonstrates our commitment to the future of technology in space. It also demonstrates our commitment to our international partners who have joined with us to make this dream a reality.

Abandoning the space station at this late date not only squanders our initial investment, but it tells our partners that they can no longer depend on us to meet our commitment to international space exploration. Our credibility among the space faring nations depends on our actions today.

Mr. President, a leader must also have vision and vision is meaningless without the courage to fulfill its promise. When we began funding this project, we set out on a journey that held out great promise and it continues to do so. Again, we hear from those who do not share our vision and are content to quit.

Opponents suggest that the space station costs more than it is worth and that we should therefore stop funding it now and redistribute that money to more pressing social programs. Not only do they fail to recognize the enormous potential of space research and exploration, but they are content to sacrifice the promise of a better tomorrow for the failed programs of today.

Mr. President, one of the most important Federal priorities of any government is to create opportunities for a better life in the future. We can not effectively do that anymore by just pumping money into life on Earth today. We must look ahead. We must search for ways to sustain our society, our culture, our life into tomorrow. The space station holds that promise.

Mr. President, the space station has a legitimate mission, an impressive design and a plan to achieve its goals. Granted, it has had its difficulties, but all great endeavors will meet with obstacles. Although the space station faces more challenges, NASA is prepared now, more than ever, to meet those challenges. This unprecedented example of international cooperation is now on schedule, on budget and is worthy of our support.

So, I ask my colleagues that share the vision of space exploration to join me in reaffirming our country's commitment to our future by opposing this shortsighted attempt to strip funding from the space station.

Mr. President, I yield the floor.

Mrs. FEINSTEIN. Mr. President, I rise today in support of the international space station and in opposition to the amendment offered by my colleague, Senator BUMPERS. The space station is not only a valuable scientific program, but it is a symbol of our Nation's commitment to investing in the future.

More than a quarter of a century ago, the most awe-inspiring words were uttered by Neil Armstrong, "That's one small step for man, one giant leap for mankind." Those words, delivered from the Moon's surface when the *Apollo 11* lunar module landed in 1969, resounded around the globe. Each and every American whose ears were graced with that message, was filled with pride and honor.

That day in our past served as an inspiration. It showcased the technological leadership of the United States, the great will of the American people, and the courage of our space pioneers which combined to produce a defining moment in history. That mission set the stage for several other Apollo missions which sent astronauts to the Moon. It served as a precursor to Skylab, the first U.S. space station, launched in the early 1970's. And, it led the way for the space shuttle program.

With each mission, we learn more and more about life sciences, materials sciences, Earth sciences, engineering research and technology, and commercial development. Also with each new mission we explore the unknown and make discoveries that ultimately help improve life here on Earth.

The international space station will have a laboratory to conduct experiments and do research on a wide variety of subjects. Astronauts will be able to conduct long-duration microgravity investigations, which will allow scientists to look deeper into the mechanics of cell functions, combustion, liquid behavior, crystallization, and electromagnetics. In addition, research that would take place on the space station could lead to cures for life-threatening diseases, lower pharmaceutical costs, and better prepare astronauts for the rigors of space travel.

Opponents of the space station argue that these justifications for the space station cannot hold up to scrutiny. They suggest that economic and scientific spinoffs are not applicable for life here on Earth. In fact, the opposite is true. Scientific research and experiments conducted on the international space station do have real life applications here on Earth. Space-based research has led to a variety of innovations and technological advances that have, and continue to benefit people every day. Included among them are: Long-distance telephone networks; international TV broadcasts; car chassis and brake designs; heart monitors for ambulances; structural designs for bridges; laser surgery in hospitals; programmable pacemakers; navigational systems for airplanes; and long-range weather forecasting—just to name a few.

Research conducted on the space station will have other important applications in the lives of average Americans. In the biotechnology field, scientists on the international space station will conduct research on tissue culture studies to gain knowledge of normal and cancerous tissue development and to discover treatments and cures to diseases. They will also study protein crystal growth to design pharmaceuticals which block proteins which could lead to the development of an AIDS vaccine or cure. Additionally, research on droplet/pool burning will help improve understanding of fire propagation for improved fire safety.

The field of fluid physics will also benefit. Scientists will conduct research on interface dynamics to improve industrial films and coatings, oil spill recovery techniques, tracking of ground water contaminants, and processing of semiconductor crystals. At the same time, their research will cover cloud formation microphysics, which is useful to meteorologists for improved weather predictions.

Scientists will study electronic materials to investigate the vapor phase of crystal growth. This will help produce much higher efficiency and density optoelectronics for the communications industry. Also, epitaxy liquid phase molecular and beam vapor phase will be studied to evaluate high speed switching devices and high density memory. This will help to produce smaller, more affordable super computers.

Scientists will also study environmental health to develop improved air and water quality sensors, analyzers, and filtering devices. In addition, they will examine automated microbiology systems which enhance identification of bacteria population. They will conduct engineering research and technology development to support enhanced designs for firefighting suits, toxic waste cleanup suits, and deep sea divers equipment.

It is clear that scientific research and experiments like those listed above have real life applications here on Earth. At the same time, investments in space create valuable economic returns as well. Each dollar invested in space programs yields up to $9 in new products, technologies, and processes here at home.

The international space station program also generates more than 14,000 direct jobs—5,400 of them in my home State of California. Indirectly, 40,000 jobs nationwide have been created because of space station-related activities. At a time when the country—and California in particular—has been impacted by defense downsizing and base closures, the space station is an important source of economic activity. It is defense conversion at its best and creates new jobs for former defense and aerospace workers.

Aside from the enormous benefits to science, medical research, and technology, the space station helps to maintain U.S. leadership in space and enhances global competitiveness. It also serves as a source of inspiration and encouragement for our children, fostering the next generation of scientists, engineers, and entrepreneurs.

As a powerful symbol of U.S. leadership in a changing world, the space station represents an international commitment. Our original international partners—Japan, Canada, and Europe—have already committed $9 billion to the space station program, and are counting on America's continued leadership in space.

Moreover, with the Russians added to the international partnership, the space station has proven to be a test bed for scientific research and technological development, while uniting former adversaries in peaceful cooperation. Just 6 years ago, this would have been unthinkable.

By asking Russia to join the international space station, the United States can channel the Russian aerospace industry into nonmilitary pursuits. This gives us more leverage to reduce the risk of nuclear proliferation and enhances the United States goals of private sector development and demilitarization in Russia. In addition, an international space station will use existing Russian space technology, capability, expertise, and hardware to build a better space station for less money.

In closing, I would like for you to imagine, if you would, had the early pioneers not forged west to explore the frontier. If, for instance, in 1803 the Louisiana Purchase had not been completed for $15 million—which at that time was a large sum of money. The frontier purchased in that deal now includes 15 States and generates $200 billion in Federal taxes annually. The returns on that investment have more than paid for the original purchase.

Let us, for a moment, consider Alaska, which, in 1867, was purchased for $7.2 million. At the time it was purchased, Secretary of State Seward was derided and mocked for negotiating the terms with Russia. Now, we know that Alaska's oil reserves exceed $125 billion, and no one has stepped forward to suggest we reverse that transaction.

The United States must continue its exploration in space with the next logical step—a permanently staffed space station. The international space station will lead the world toward great advances in space exploration. At present, all of the returns on our investment in space have yet to reach fruition. We have yet to realize all the treasures that are held within the vast resources of space. We have learned, however, of its benefits to science and medical research. We know that it bolsters global competitiveness and U.S. leadership in space. We are also aware of its economic spinoffs, job creating capacity and source of inspiration to future generations. I am confident that this research will continue to exceed our imaginative grasp and reap real benefits that are applicable here on Earth.

For these reasons, I strongly support the international space station and urge my colleagues to oppose the Bumpers amendment.

Mr. GRAHAM. Mr. President, the space program is an investment in our Nation's future. A commitment to continued space exploration means a commitment to providing for the prosperity and wealth of future generations. No one can predict the exact outcome of our investment in the international space station, but I believe that the continued exploration of space will present many positive opportunities.

First, the space program will provide significant contributions to the well-being of mankind, both in America and around the world. We have already seen the results of space-related research in life sciences, and the potential for expansion and further development is virtually limitless.

Second, we must consider our Nation's leadership role in high-technology activities and international competitiveness. The areospace industry is a significant area of international competitiveness, and we should support our space program if we desire to maintain and enhance our position as a world leader in space science and exploration.

Third, the case today for such activities is even more compelling as we work on space projects in a collaborative and multinational manner, especially with the Europeans, Japanese, and Russians. International participation in the program contributes to increased cooperation and stability with participating partners, and the space station can be a constructive and tangible example of international cooperation at a new and more exciting level. We have the opportunity to accelerate the pace of our technological and space exploration as well as the strength of our good relations with our friendly competitors.

Mr. President, I believe that these are compelling reasons for the continued support of space exploration. The international space station is an integral part of our space program. We must invest in our future, and we must invest in ourselves.

Mr. GORTON. Mr. President, today, I lend my voice to the advocates of project space station. In order to frame this debate for my colleagues, I want to pose a few rhetorical questions. What are the critical issues surrounding space station on the Senate floor? Is it scientific worth? Is it an issue of foreign policy, or national priority? The answer to each is yes. But the underlying discontent that many of my colleagues harbor is not the scope or importance of space station—rather, it is the cost.

As a member of the Budget Committee, I fully and unequivocally support balancing the Federal budget by 2002. That task is not only a fiscal imperative, it is a moral one on which the future of this country depends. Ironically, that is where space station fits squarely in this debate. Balancing the budget is an imperative. Beginning the groundwork for America's future scientific operations may, in fact, help us do just that. Take, for example, research in cardiovascular disease. As my colleagues know, heart disease is the leading cause of death in both men and women in the United States. One in four Americans suffer from cardiovascular disease, costing this country an estimated $138 billion in medical expenses and lost productivity annually; $138 billion annually is not a small figure—it is, in fact, devastating. The conditions provided in space, and on space station in particular, will allow our doctors and scientists to see a heart functioning in microgravity. Conditions for an extended duration, something not replicable on Earth or the space shuttle. NASA's work on how space flight affects blood pressure is aiding scientists to understand the complex and sophisticated operations of the heart and circulatory system. As gravity lessens, the body's blood pressure controls are altered and change. High blood pressure is a major problem for the general population of the United States. The opportunities for long duration space flight on the space station will provide a laboratory for extensive and complex research on blood pressure control and how it is affected by the presence or absence of gravity.

What does this all mean? If 1 percent of that $138 billion can be reduced, or even one-tenth of 1 percent, we will have significantly reduced some of the massive costs incurred in our battle against this terrible, and prevalent, disease.

By January 1995, 25,000 pounds worth of space station was built. By the end of this year, that poundage strides to 100,000. Upon completion, the space station will stretch 361 across and 290 feet long, with a total weight of 925,000 pounds. Orbiting 230 nautical miles above the Earth, it will be accessible to the launch vehicles of all its international partners. And with Boeing as the new prime contractor, space station is on schedule, and meeting all of its critical milestones. Perhaps more importantly, its annual cost has been fixed at $2.1 billion—according to NASA that represents less than 15 percent of the organization's total budget.

That being said, $2.1 billion is still a significant amount of money to be spent, particularly with the Republican goal of bringing the country out of its current fiscal mess. Yet I fully support space station, and its mission, because I believe the benefits associated with this program will be important, numerous and hopefully more rewarding than we can predict. From crystalline proteins to the research in osteoporosis, space station has the potential, and I believe certainty, to deliver important scientific discoveries impossible to replicate or produce here on Earth. Does that justify the cost? Absolutely. If the cure for one disease—just one disease—is found, and that if may not be as big as some of my colleagues assert, we will have paid for space station and all its associated costs, fully.

Mr. BOND. I conclude my remarks by just saying that this country must invest in its future. A research laboratory in space can provide unimaginable benefits to the American people. The space station is the only facility where research can be conducted for long durations in microgravity. The unique environment has only begun to be explored scientifically. American taxpayers are certain to benefit just as they have from other basic research, probably in ways we can never expect.

With that, Madam President, I yield the remaining time to our very distinguished colleague from Ohio, the former astronaut.

Mr. GLENN. I thank the Senator.

The Senator from Arkansas is as accomplished an orator as we have I think in the whole Congress. He would come closer to equaling Daniel Webster, I think, than anyone around here in his ability to give an oration.

Back in 1852, when we were thinking of buying some territory out West from Mexico, Daniel Webster rose in the Senate—he was opposed to that—and said as follows:

> What do we want with this vast worthless area, this region of savages and wild beasts, of deserts of shifting sands and whirlwinds of dust and cactus and prairie dogs? To what use could we ever hope to put these great deserts or the mountains that are covered to their very base with eternal snow? What can we ever hope to do with the western coast, a coast of 3,000 miles rock-bound, cheerless, uninviting, and not a harbor on it? What use have we for this country? Mr. President, I will never vote one cent from the Public Treasury to place the Pacific coast one inch nearer to Boston than it is now.

Madam President, I think probably the view that Daniel Webster took of that acquisition of territory west of the Mississippi is a little bit like the Senator from Arkansas proposes now with regard to the station.

I wish to see something come out of the station. We already have things coming out of the preparation to even have a station. As the floor manager mentioned just a moment ago, we do not even have the station up yet. So to say that that is not producing is exactly right. It is true. It is in the process of being put up. Over one-fourth of it has already been built, 50,000 pounds by our country, 60,000 pounds by other people. Less than seven-tenths of 1 percent of our budget is the total cost of the space station project right now.

From what we can see from the space shuttle with the cultures of crystals and of the experiments that have already been done on growing culture, culturing colon cancer cells, breast cancer cells, ovarian cells, what can be done with regard to AIDS, the experiments with regard to osteoporosis, right now a solution to any one of those would be more than worth all of the money that we are putting into this. This is an investment for the future.

To say that every scientist and physicist is against it is just not true. My distinguished colleague read into the RECORD a few moments ago a partial list of those who are for it—the American Medical Association, the National Academy of Sciences, the National Research Council, and so on.

This is one country that should have learned throughout its whole history that money spent on space research usually has a way of paying off in advance—more than anything we ever see at the outset. And with this being the first time we have ever had the ability to do microgravity research, it has the greatest potential payoff also.

Madam President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Ohio has 10 seconds.

Mr. GLENN. I have 10 seconds remaining. I yield back the remainder of my time. I thank the Chair.

The PRESIDING OFFICER. All time has expired.

RECESS UNTIL 2:15 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2.15 p.m.

Thereupon, the Senate, at 12:46 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. COATS).

DEPARTMENT OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2776

The PRESIDING OFFICER. Under the previous order, the hour of 2:15 p.m.

having arrived, there will now be 4 minutes of debate equally divided in the usual form to be followed by a vote or in relation to the Bumpers amendment No. 2776.

Who yields time?

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, not seeing the proponent of the amendment on the floor, I suggest that the time be equally divided, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. MIKULSKI. I ask unanimous consent that the call of the quorum be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MIKULSKI. I ask for 1 minute on behalf of the opponents.

Mr. BOND. I yield 1 minute to the distinguished ranking member.

Ms. MIKULSKI. Mr. President, I absolutely oppose the amendment being offered by the Senator from Arkansas. I thank him for his support of the space program and also for research in the American life science community, but I want to make three points.

The Senator says this is a condo in the sky for going to Mars. We absolutely reject that. We go to Mars, and we are going by robots; we are not going by astronauts. This is to be a science lab, not a condo.

Second, the space station at one time was overweight and underpowered, not unlike the Federal bureaucracy. We streamlined the space station design to make sure that weight, power, and mission match.

And last, but not at all least, there was a question whether we could really assemble the space station in space. When we gave the Hubble space telescope a new contact lens and our astronauts showed the deftness with which they could do mechanical assembly in space, they showed that we could do it. So we now have designs to the mission. We can put it together in space. And it is a science lab, not a condo for astronauts.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas has 1 minute 30 seconds remaining.

Mr. BUMPERS. Let me just reiterate, No. 1, much has been made of the fact that the American Medical Association favors the space station. Let me point out that the American Physical Society—40,000 physicists in America—are adamantly opposed to the space station. Why? Because they say the benefits are going to be negligible. You cannot do anything in space with microgravity. Dr. Bloembergen at Harvard says, when you put men on the space station to do microgravity research, you just mess it up. The steps, a bump, destroys microgravity research.

And what is there about a lack of gravity that is going to cure cancer and AIDS and all the rest of it? The answer is nothing. Here are people who really are concerned about the deficit: The Cato Institute, the Concord Coalition, Council for Citizens Against Government Waste, the National Taxpayers Union, Progress in Freedom Foundation, Progressive Policy Institute. Not only do the American physicists oppose it, every one of those organizations strongly oppose it.

This bill, just this bill alone, ravages housing for the elderly, ravages sewer projects, and torpedoes the AmeriCorps Program to make room for this thing. We are going to cut $40 billion out of education in the next 7 years to pay for this?

The PRESIDING OFFICER. The time of the Senator from Arkansas has expired.

The Senator from Missouri has 25 seconds.

Mr. BOND. Mr. President, I think the argument made very compellingly by our good friend from Arkansas just shows that physicists do not know anything more about biomedical research in space than we do. I will take the word of the people who are at NIH and who are involved in biomedical research to say that it is important.

This country has an opportunity to invest in the future. A research laboratory in space can provide the benefits we need. I urge my colleagues to defeat this amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question now is on agreeing to the amendment offered by the Senator from Arkansas, No. 2776. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Texas [Mr. GRAMM] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 35, nays 64, as follows:

[Rollcall Vote No. 463 Leg.]

YEAS—35

Abraham
Ashcroft
Baucus
Bradley
Brown
Bryan
Bumpers
Byrd
Chafee
Cohen
Conrad
Dorgan
Exon
Faircloth
Feingold
Harkin
Hollings
Jeffords
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lugar
Moynihan
Nunn
Pryor
Simon
Snowe
Specter
Thomas
Warner
Wellstone

NAYS—64

Akaka
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Burns
Campbell
Coats
Cochran
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Dole
Domenici
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Grams
Grassley
Gregg
Hatch
Hatfield
Heflin
Helms
Hutchison
Inhofe
Inouye
Johnston
Kassebaum
Kempthorne
Kyl
Lieberman
Lott
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Murkowski
Murray
Nickles
Packwood
Pell
Pressler
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Simpson
Smith
Stevens
Thompson
Thurmond

NOT VOTING—1

Gramm

So the amendment (No. 2776) was rejected.

Mr. GLENN. Mr. President, I move to reconsider the vote.

Mr. BOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT AGREEMENT

Mr. BOND. Mr. President, in discussions with the distinguished ranking member, I think we have an order for the amendments that are coming up. I want to thank our colleagues for getting the amendments in order and getting time agreements.

I ask unanimous consent that Senator STEVENS, followed by Senator CHAFEE, be recognized for up to 10 minutes to present an amendment which I believe is acceptable on both sides. After action on that amendment is completed, we ask that Senator MIKULSKI and Senator KENNEDY be recognized to present an amendment on national service with a 2-hour time limit, with a vote on or in relation to that amendment to occur at that time; following disposition of that amendment, that Senator SARBANES be recognized to present an amendment on the homeless, that there be 1 hour divided in the usual form which would apply to both of those amendments; and upon the expiration or yielding back of the time, that a vote on or in relation to the Sarbanes amendment occur.

Mr. CHAFEE. Mr. President, I have an amendment which is acceptable by both sides dealing with arsenic in the safe drinking water. We have discussed this with the staffs.

What I want to do is present that right after the Stevens amendment, and if it is acceptable, if I had 4 minutes equally divided——

Ms. MIKULSKI. Reserving the right to object, on the arsenic, would the Senator go ahead with this? I need to be sure that the authorizer on our side, and Senator LAUTENBERG—not only do I wish to cooperate with the Senator from Rhode Island, but these got fairly prickly as we were moving into the full committee, so I just want to make sure we have one good thing done, and check in the meantime about the arsenic.

Mr. CHAFEE. Fine.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri?

Without objection, it is so ordered.

The PRESIDING OFFICER. Under the previous order, the Senator from Alaska is recognized to offer an amendment.

AMENDMENT NO. 2779

Mr. STEVENS. Mr. President, I have an amendment at the desk, and I ask the pending amendment be set aside.

The PRESIDING OFFICER. Without objection the pending committee amendment is set aside.

The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] for himself and Mr. MURKOWSKI, proposes an amendment numbered 2779.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

SEC. 308. None of the funds appropriated under this Act may be used to implement the requirements of section 186(b)(2), section 187(b) or section 211(m) of the Clean Air Act (42 U.S.C. 7512(b)(2), 7512a(b), or 7545(m)) with respect to any moderate nonattainment area in which the average daily winter temperature is below 0 degrees Fahrenheit. The preceding sentence shall not be interpreted to preclude assistance from the Environmental Protection Agency to the State of Alaska to make progress toward meeting the carbon monoxide standard in such areas and to resolve remaining issues regarding the use of oxygenated fuels in such areas.

Mr. STEVENS. Mr. President, this amendment that Senator MURKOWSKI and I have discussed with the managers of their staff and the chairman of the authorizing committee, I understand will be accepted.

It provides for a 1-year exemption from the oxygenated fuel requirements of the Clean Air Act for Fairbanks, AK. There are unique circumstances in Fairbanks that justify this limited exemption. I do thank the other Senators who have worked with us on this amendment.

Alaska exceeds the carbon monoxide requirements on the Clean Air Act only on days when there are temperature inversions caused by extreme cold, which really means when it is below 50 below zero.

When the oxygenated fuels requirement of the Clean Air Act was applied to Fairbanks to correct the carbon monoxide levels, serious health problems were reported. The MTBE additives developed for the area were simply never tested for use in the extreme cold of the Fairbanks area.

In addition to waiving the requirements to use the oxygenated fuels, this amendment would also prevent Fairbanks from unfairly being added to the list of cities with serious nonattainment problems.

Given the transitory nature of the oxygenated fuel requirements by Fairbanks with respect to carbon monoxide, other Senators have agreed additional measures coming from the declassification should not be required for Fairbanks.

Through negotiations with our staff and the staffs of the authorizing committee and this committee, Senator MURKOWSKI and I have agreed this is the last time we will seek a waiver of the oxygenated fuel requirement for Fairbanks using the appropriations process.

However, we do hope that the Senate will agree with us to fix the problem legislatively through an amendment to the Clean Air Act.

Again, I do thank my colleagues for their help in this matter.

Mr. CHAFEE. Mr. President, although I generally oppose legislative riders on appropriations bills, I want to say that I support this amendment by my colleagues from Alaska.

The city of Fairbanks has made extraordinary progress against the carbon monoxide nonattainment situation.

In 1977, Fairbanks experienced nearly 100 days—100 days—in 1 year when carbon monoxide levels exceeded the health standard. Last year, the city of Fairbanks only had 5 days when those standards were exceeded.

There is no question but what the city of Fairbanks has done an extraordinarily good job. It is a tribute to the city and I might say it is also attribute, Mr. President, to the efficacy of the Clean Air Act. The Clean Air Act is working.

Fairbanks is currently classified as a moderate nonattainment area. If it does not fully meet the standard by the end of this year, Fairbanks will be reclassified as a serious nonattainment area. Reclassification would trigger a series of additional requirements under the Clean Air Act—including transportation control measures—that may not be necessary to reach this standard.

Fairbanks believes that it can meet the standard without the imposition of these expensive additional measures. Because of the dramatic progress that has already been made, I think it is reasonable to extend the deadline in this case. The Senators from Alaska have stated that they will not seek another extension on an appropriation bill in the future.

As to oxygenated fuels, some States have experienced complaints in cities where MTBE has been used as an additive. But MTBE is not the only additive available. Ethanol, grain alcohol, can also be used as an oxygenate. Everything we know about air pollution tells us that burning alcohol presents less pollution concern than burning gasoline, the fuel the alcohol replaces.

So, there are alternatives for Fairbanks if it cannot reach attainment using existing measures. In fact, Anchorage, AK, used ethanol as a fuel additive last year and recorded its first year ever with no exceedances of the carbon monoxide standard. This experience has been repeated all across the country. When we passed the 1990 Clean Air Act Amendments more than 40 cities were in nonattainment for carbon monoxide. Today that number is less than 10 and much of the credit goes to the oxygenated fuels program in the Clean Air Act.

Mr. President, we all look forward to the day when every American city can boast of healthy air. Fairbanks has made great strides already and will reach that goal soon. In light of its accomplishments, I think we can provide the city with some flexibility.

Mr. President, I have the assurance of the two Senators from Alaska that this is the last time they will be in for this exception. I am supportive of it and commend them and commend the city of Fairbanks.

Mr. MURKOWSKI. The Stevens-Murkowski amendment relieves Fairbanks of oxygenated fuels requirement and transportation control measures under the Clean Air Act for upcoming winter because Fairbanks' carbon monoxide [CO] exceedances are a result of temperature inversions—not simply CO emissions, and Fairbanks' residents experienced negative health effects when they initially tried methyl tertiary butyl ether [MTBE] as an oxygenated fuel.

The oxygenated fuels program was instituted in Anchorage and Fairbanks on November 1, 1992, according to the law, using MTBE as the oxygenate additive. Fairbanks' and Anchorage residents began to experience unusual health problems—nausea, vomiting, dizziness, disorientation, headaches, and other symptoms.

Our Governor canceled the program in Fairbanks on December 11, 1992, due to these health problems. The EPA had not done any studies on MTBE in the Arctic conditions that exist in Alaska. So, many Alaskans justifiably fear the use of oxygenated fuels in their gasoline.

Let me also note that Alaska does not have a serious non-attainment problem. I ask unanimous consent to have printed in the RECORD a letter from the city of Fairbanks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FAIRBANKS NORTH STAR BOROUGH,
Fairbanks, AK, February 22, 1995.

HON. FRANK MURKOWSKI,
U.S. Senate, Hart Building, Washington, DC.

DEAR SENATOR MURKOWSKI: Thank you for taking the time to meet with me while I was recently in Washington, DC. I appreciate the time you took to talk with me about Fairbanks' concerns regarding federal Clean Air

Act requirements. We continue to have problems with certain requirements of the Act, due to a combination of extremely severe temperature inversions and high cold-start emissions caused by our cold temperatures. According to National Weather Service staff, Fairbanks has the strongest temperature inversions in North America.

As you can see from the enclosed chart, the number of days each year that Fairbanks exceeds the ambient carbon monoxide standard has dropped dramatically from previous levels to fewer than five per year. The decrease is largely a result of federal emissions controls on new cars, with some additional benefits due to the basic emissions inspection and maintenance (I/M) program the Borough implemented in 1985. Although substantial progress has been made in reducing emissions, several exceedances occurred recently during an extended period of extreme temperature inversions and calm winds. These conditions resulted in extremely stagnant air dispersion for several days.

As you know, our residents remain adamantly opposed to the use of oxygenated fuel in our community. Unfortunately, this program is mandated directly by the Clean Air Act, and not even EPA has the legal authority to exempt Fairbanks from this requirement. As a result of the nonattainment status, the Fairbanks North Star Borough may soon be subject to additional Clean Air Act mandates which would require the implementation of local transportation controls. None of these programs appear feasible or acceptable to our community, yet could be imposed upon us by a federal law that doesn't recognize the uniqueness of the Fairbanks North Star Borough.

When we spoke in Washington, you talked about current efforts in the Senate to address the costs versus benefits of federal mandates. The above Clean Air Act provisions are a good example of this issue. It makes no sense to impose federally mandated control strategies which may not provide significant benefits on a community where those strategies would cost millions of dollars, particularly when they aren't likely to eliminate a problem that is largely caused by Mother Nature. We are not asking to be completely exempted from Clean Air Act requirements. We'll do our part to ensure that the control measures we are responsible for (e.g., the current I/M program) are effectively implemented. We need your help in eliminating federal mandates that will not help our community attain the goals of the Act. We would also like some recognition in the Act that we shouldn't be penalized for Alaska's unique weather characteristics.

We will be providing your staff with several options that could possibly be pursued to provide Fairbanks with relief from the above Clean Air Act provisions. Thanks again for taking the time to talk with me on this subject. We truly appreciate the efforts you've made on behalf of Interior Alaska in the past regarding this issue, as well as any additional actions that you can take to assist us further in the future.

Sincerely,

JIM SAMPSON,
Borough Mayor.

Mr. MURKOWSKI. Mr. President, we have some of the cleanest air in the country. Fairbanks has made significant, dramatic reductions in CO violations. You will notice that most of these reductions occurred before the 1990 Clean Air Act Amendments; so, the Clean Air Act was effective in Fairbanks without the oxygenated fuels requirement. These reductions are clearly attributable to Fairbanks' inspection and maintenance program. Fairbanks has reduced their violations 43 percent—from 37 in 1985 to only 2 in 1992, and most recently we seem to be down to 5 or fewer violations a year.

Those exceedances that do occur are during thermal inversions. Typical automobile fleet turnover and the U.S. car fleet operating more efficiently at cold temperatures could also bring Fairbanks into compliance eventually.

I want to thank Senator CHAFEE and Senator BOND for accepting our amendment. Fairbanks air quality has improved significantly over the years. We want to continue to work with the EPA to improve our air quality by means that make sense in our Arctic climate and not be subject to a one-size-fits-all mandate that does not make sense in Alaska. We welcome the current political climate that recognizes the need for flexibility and common sense in our environmental regulatory policy.

Mr. STEVENS. Mr. President, I just ask the Senate to remember the extreme temperature conditions that exist in Fairbanks. I started my life in Alaska, in Fairbanks, and I can attest to temperatures below 65 degrees below zero myself.

These temperature inversions are the problem. They are not the normal problem that causes carbon monoxide limitations to be exceeded. The oxygenated fuels I think would have a minimal impact on that problem anyway because we are not certain they will even solve the problem when we are down below 60 below zero.

So I thank the Senate. I thank Senator CHAFEE for being willing to deal with this. Again, our commitment is, we will not raise this as an exception through the appropriations process. We are going to pursue the authorizing committee for a permanent solution to this problem as we deal with the Clean Air Act.

I thank the Senator from Missouri.

Am I correct that this amendment will be accepted?

Mr. CHAFEE. Mr. President, if I might add that when we passed the Clean Air Act amendments in 1990, more than 40 cities were in nonattainment for carbon monoxide. Today that number is less than 10. Much of the credit goes to the oxygenated fuels program as well as other steps taken by the various cities.

So I think we can look forward to the day when every American city can boast clean air. Fairbanks, as I mentioned, has made great progress and we believe will reach the goal of complete attainment soon. In light of those accomplishments, I think we should provide Fairbanks with some flexibility, and I am happy to support this amendment.

I yield the remainder of my time.

Mr. BOND. The amendment is acceptable on this side.

The PRESIDING OFFICER. Does the Senator from Alaska yield his remaining time?

Ms. MIKULSKI. Mr. President, we agree to the amendment. I have no other statement to make on it.

Mr. STEVENS. Mr. President, I agree with what the Senator from Rhode Island has said. I know what the situation here is. I am one who does not believe that MTPE will make a difference when there are temperature inversions that cause nonattainment. We will have to deal with that in the Clean Air Act, however, and we agree not to pursue it with the appropriations process again.

I thank the Senator. I yield the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment No. 2779 offered by the Senator from Alaska.

The amendment (No. 2779) was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOND. Mr. President, I believe that the Senator from Rhode Island has another amendment that will be acceptable on both sides. I modify the unanimous-consent agreement and ask unanimous consent that he be given 5 minutes to present the amendment with respect to arsenic in drinking water.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BOND. I further ask unanimous consent that on the Mikulski amendment on national service and on the Sarbanes amendment on homelessness, that no second-degree amendments be in order.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 2780 TO THE COMMITTEE AMENDMENT BEGINNING ON PAGE 143, LINE 17 THROUGH PAGE 151, LINE 10

(Purpose: To amend the provisions with respect to arsenic)

Mr. CHAFEE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Does the Senator seek to set aside the pending committee amendments?

Mr. CHAFEE. I do so ask.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the committee amendment beginning on page 143, line 17, be the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will now report the amendment.

The bill clerk read as follows:

The Senator from Rhode Island (Mr. CHAFEE) proposes an amendment numbered 2780 to the committee amendment beginning on page 143, line 17, through page 151, line 10.

On page 149, line 18, insert "(for its carcinogenic effects)" after "arsenic."

Mr. CHAFEE. Mr. President, this amendment would modify one of the environmental riders on this appropriations bill. The appropriations bill precludes the Environmental Protection Agency from taking final action to set a standard for arsenic under the Safe Drinking Water Act. This delay is presumably justified because some uncertainties in the science on the cancer-causing effects of arsenic.

My amendment would continue the delay imposed by the rider for a standard to deal with the cancer threat from arsenic, but it would allow EPA to go forward and revise the standard to protect against the other adverse health effects of arsenic.

Arsenic is a naturally occurring substance frequently found in drinking water, especially in water supplies from ground water sources.

Arsenic causes several adverse health effects, the most important of which are vascular diseases and skin cancer. Arsenic has been known to be a cause of cancer by ingestion since 1887 because it was sold in patent medicines. Ironically, many of these medicines were intended to treat skin diseases. Using arsenic as a medicine proved that arsenic itself causes skin cancer.

The other major health problem caused by arsenic is a weakening of the vascular system—the vessels that circulate blood in our bodies.

Arsenic is currently regulated under the Safe Drinking Water Act and has been regulated by the Federal Government beginning long before there was an EPA. The current drinking water standard, established by the Public Health Service after World War II, is 50 parts per billion. That standard was set to address the vascular diseases, but was not designed to address the cancer risk.

The 1986 amendments to the Safe Drinking Water Act required the arsenic standard to be rewritten and to address the cancer risk. EPA was directed to establish a new arsenic standard by 1989. For cancer-causing substances such as arsenic, the goal in the Safe Drinking Water Act is to eliminate all exposure—to reach zero, if we can. But most often that is not a practical reality. Instead, the standard is set based on the treatment technologies that large drinking water systems can afford. With technology available today, it is possible to reduce the concentration of arsenic in drinking water from the current 50 parts per billion to levels below 10 parts per billion.

However, some have argued that arsenic may not be a typical cancer-causing substance and ought not to be regulated in the typical way. According to this argument, there may be a safe threshold for arsenic. In other words, it may be that the first bit of arsenic one consumes will not increase a person's cancer risk. It may be that some higher concentration must be reached before the cancer effect takes hold. Drinking arsenic below this level would not increase risk because the body would slough it off before it reached the target organs. If there is such a threshold—and depending where it is—a standard at less than 10 parts per billion—even though we could achieve it—might not make sense, if our only concern is the cancer risk.

Unfortunately, there has not been sufficient study to answer this question about a threshold. Recent studies from Taiwan suggest that there is not a threshold and that the cancer risk from drinking water at the current 50 parts per billion standard is quite high. If those studies are correct 2 in each 100 people drinking arsenic-laden water at the current federal standard would be expected to develop skin cancer. On the other hand, many other scientists have attacked weaknesses in the Taiwan study and argued that it cannot be relied upon to determine whether there is a threshold or not.

Resolving this scientific dispute about the potential cancer-causing properties of arsenic can be done. A gathering of scientists that occurred last spring produced a research plan that would result in a definitive answer. The study would take a period of a few years to complete and would cost about $15 million.

Mr. President, I have brought this amendment to the floor of the Senate to make a simple point. We have a responsibility to the American people to make sure these studies get done and are completed as soon as possible. We have delayed too long.

There is a great deal of disagreement in this body and across the country today about the proper role of the Federal Government in ensuring that our drinking water is safe. But one thing everybody agrees on is that the Federal Government has a responsibility to conduct the research necessary to determine the potential adverse effects of the contaminants that occur in our drinking water. It would not make sense for every state or every city to conduct its own drinking water research program. That is a job for the Federal Government.

But we have not been doing it. We invest next to nothing in drinking water research in these appropriations bills each year. A recent briefing by EPA's Office of Research and Development indicated that less than $5 million per year is being spent to investigate the adverse health effects of drinking water contaminants.

Arsenic is a perfect example of this failing. It has been known to cause skin cancer in humans since before 1900. It has been regulated—but not to prevent cancer from drinking water—by the Federal Government for decades. In 1986, Congress passed a law requiring that the arsenic standard be revised and that the revision address the cancer risk. The new standard was due in 1989.

But nothing was done. EPA took no action to revise the standard. Finally, in 1993 EPA was sued by a public interest group to force the Agency to issue the cancer standard. In response to the suit, EPA appeared in court and asked for more time, because the research had not been done.

Now, this appropriations bill comes before us and provides EPA with the extension they have been seeking. This extension would not be necessary, if the appropriations bills adopted in previous years had provided the small amount of research money for the needed research. Tens of thousands of Americans are consuming arsenic in their drinking water at levels that may be a threat to their health. This is not new information. But we are not ready to take action to protect public health, because we have delayed and delayed and delayed in making the small investment in research that is necessary to arrive at a sound public policy regarding arsenic in drinking water.

Recent studies on the noncancer health effects of arsenic indicate that the current 50-part-per-billion standard may not even prevent the other arsenic-related diseases. One approach might be to immediately revise the arsenic standard for drinking water based on these other effects, press ahead full speed on the cancer research, and revise the standard—if needed—to reflect the cancer risk when that research is completed. That is an approach that we will consider when the Senate takes up the bill to reauthorize the Safe Drinking Water Act.

My amendment today sets the stage for this debate. Instead of prohibiting a revision of the standard for arsenic altogether, under my amendment EPA would just be prohibited from issuing a standard for the cancer effects. They might revise the standard based on the data for other health effects. My amendment does not require EPA to issue a standard. And it does not prejudge the issue of whether the standard should be tightened to prevent vascular diseases. We would want all the studies on those effects thoroughly reviewed by the Science Advisory Board and others before a standard-setting effort was begun. But it would not be blocked. That is the point.

Mr. President, I have discussed this amendment with the manager of the bill and believe that it is agreeable to him. I want to commend Senator BOND for including $1 million in this bill for research on the cancer-causing effects of arsenic. That is a start. And we appreciate it. I am sure that we can count on him to see this research program through to the end, now that it has been initiated.

So, Mr. President, my amendment lets the prohibition that is in the basic bill dealing with cancer-causing substances, cancer threats remain, but lets EPA go forward with revising the standards to protect against, as I say, other adverse health effects.

Mr. President, this has been cleared on both sides of the aisle.

I ask for its acceptance.

Mr. President, I would like to say that I have discussed this amendment with the managers of the bill and the ranking member. I believe it is agreeable to them.

I commend Senator BOND for including $1 million in this bill for research on the cancer-causing effects of arsenic. That is a start. We appreciate it. I hope we can count on him—and I know we can—to see this research program through to the end.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment of the Senator from Rhode Island.

The amendment (No. 2780) was agreed to.

Mr. CHAFEE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHAFEE. I thank the ranking member and the manager of the bill for their consideration.

The PRESIDING OFFICER. Under the previous unanimous-consent agreement, the Senate is to proceed to the National Service Program amendment.

AMENDMENT NO. 2781

(Purpose: To restore funding for national and community service programs)

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the amendments pending before the Senate be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MIKULSKI. Mr. President, I have an amendment that I would like to send to the desk in behalf of myself, Senator KENNEDY, Senator ROCKEFELLER, Senator DASCHLE, and Senator BREAUX.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Maryland (Ms. MIKULSKI), for herself, Mr. KENNEDY, Mr. ROCKEFELLER, Mr. DASCHLE, and Mr. BREAUX proposes an amendment No. 2781.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 27, line 5, strike "$5,594,358,000" and insert "$5,211,358,000".

On page 27, line 6, insert the following after "That": "in addition to the appropriation of $5,211,358,000 made available under this heading, in order to achieve an effective program level of $5,594,358,000 for the 'Annual Contributions for Assisted Housing' account for fiscal year 1996, in carrying out the programs and activities specified under this heading, the Secretary of Housing and Urban Development shall use $383,000,000 from any combination of unobligated balances or recaptures from prior year appropriations in the 'Annual Contributions for Assisted Housing' account, and from any reduction in amounts provided during fiscal year 1996 from the 'Annual Contributions for Assisted Housing' account (or from the 'Renewal of Expiring Section 8 Subsidies' account) to any public housing agency whose project reserve account is determined by the Secretary of Housing and Urban Development to contain funds in excess of the needs of that public housing agency: *Provided further*, That".

On page 30, line 5, strike "and".

On page 30, line 7, insert before the colon the following: "; and (3) shall give priority to projects designated for purchase by nonprofit organizations in allocating any funds for the sale of any projects in the preservation pipeline".

On page 128, after line 20, insert the following new section:

SEC. 225. INSURANCE OF MORTGAGES UNDER THE NATIONAL HOUSING ACT.

Section 203(b)(2)(A) of the National Housing Act (12 U.S.C. 1709(b)(2)(A)) is amended—

(1) in clause (ii), by striking "75 percent" and inserting "86 percent"; and

(2) by striking "38 percent" and inserting "50 percent".

Beginning on page 130, strike line 19 and all that follows through page 131, line 2, and insert the following:

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the Corporation for National and Community Service (referred to in the matter under this heading as the "Corporation") in carrying out programs, activities, and initiatives under the National and Community Service Act of 1990 (referred to in the matter under this heading as the "Act") (42 U.S.C. 12501 et seq.), $425,000,000, of which $335,000,000 shall be available for obligation from September 1, 1996, through August 21, 1997: *Provided*, That not more than $26,000,000 shall be available for administrative expenses authorized under section 501(a)(4) of the Act (42 U.S.C. 12681(a)(4)), of which not more than $12,000,000 shall be for administrative expenses for State commissions pursuant to section 126(a) of the Act (42 U.S.C. 12576(a)): *Provided further*, That not more than $2,500 shall be for official reception and representation expenses: *Provided further*, That not more than $93,000,000, to remain available without fiscal year limitation, shall be transferred to the National Service Trust account for educational awards authorized under subtitle D of title I of the Act (42 U.S.C. 12601 et seq): *Provided further*, That not more than $209,000,000 shall be available for grants under the National Service Trust program authorized under subtitle C of title I of the Act (42 U.S.C. 12571 et seq.) (relating to activities including the AmeriCorps program): *Provided further*, That not more than $5,000,000 shall be made available for the Points of Light Foundation for activities authorized under title III of the Act (42 U.S.C. 12661 et seq.): *Provided further*, That none of the funds made available under this heading may be used to administer, reimburse, or support any national service programs run by Federal agencies authorized under section 121(b) of the Act (42 U.S.C. 12571(b)): *Provided further*, That not more than $19,000,000 shall be available for the Civilian Community Corps authorized under subtitle E of title I of the Act (42 U.S.C. 12611 et seq.): *Provided further*, That not more than $43,000,000 shall be available for school-based and community-based service-learning programs authorized under subtitle B of title I of the Act (42 U.S.C. 12521 et seq.): *Provided further*, That not more than $25,000,000 shall be available for quality and innovation activities authorized under subtitle H of title I of the Act (42 U.S.C. 12653 et seq.): *Provided further*, That not more than $5,000,000 shall be available for audits and other evaluations authorized under section 179 of the Act (42 U.S.C. 12639): *Provided further*, That no funds from any other appropriation, or from funds otherwise made available to the Corporation, shall be used to pay for personnel compensation and benefits, travel, or any other administrative expense for the Board of Directors, the Office of the Chief Executive Officer, the Office of the Managing Director, the Office of the Chief Financial Officer, the Office of National and Community Service Programs, the Civilian Community Corps, or any field office or staff of the Corporation working on the National and Community Service or Civilian Community Corps programs: *Provided further*, that none of the funds made available under this heading may be obligated until the earlier of the date on which the Chief Executive Officer of the Corporation submits a plan to Congress to restructure the National Service Trust program authorized under subtitle C of title I of the Act (relating to activities including the Americorps program) in accordance with a budget smaller than the budget requested for the program in the President's fiscal year 1996 budget, or the date of enactment of an Act that reauthorizes the National and Community Service Act of 1990.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, $1,500,000.

The PRESIDING OFFICER. There will now be 2 hours of debate equally divided in the usual manner. The Senator from Maryland is recognized.

Ms. MIKULSKI. Thank you, Mr. President. At this time, I yield myself no more than 15 minutes, reserving the balance of my time to allocate to other Senators and also for summation argument.

Mr. President, I rise today to offer an amendment to the VA-HUD and independent agencies appropriations bill.

My amendment restores funding for the Corporation for National and Community Service. It is in the amount of $425 million. The offset necessary to do this is taken from inside HUD to cover the budget authority in outlays needed to restore funding for national service.

The amount of funding this amendment provides allows another year of operation at a level that is 48 percent below the President's 1996 request, and it is also 10 percent below the fiscal year 1995 rescinded level.

In addition, my amendment would prohibit direct grants to Federal agencies, generating an additional 11 percent of savings. And, finally, my amendment would fence all funds from obligation until the Corporation submits a plan that restructures the program operation to reflect its reduced budget or until national service is reauthorized, whichever comes first.

Mr. President, why do I do this? I do this because I so strongly and passionately believe in national service. This is not just yet another social program. It is a unique American social invention designed to help create the ethic of service in today's young people. It creates an opportunity structure under which young Americans receive a reduction in their student debt or a voucher to pay for their higher education in exchange for full- or part-time community service.

This is not another handout. This says to young people, we know that your first mortgage is your student debt, but we want to give you an opportunity to reduce that student debt by doing service in your community. And if you do that, you will earn a voucher to reduce that student debt to the tune of about $4,000 a year.

The projects themselves do not come from some Federal bureaucrat deciding what is best for local communities. It is driven by the choices of local organizations, primarily nonprofits, and organizing around four basic areas of activity: education, public health, the environment, and public safety. It gives these young men and women a chance to get a college education in exchange for community service. This is not a Gucci-styled, show-up-once-a-week concept. These community workers spend an average of 35 hours each week contributing to their communities. They get a modest monthly allowance, and they get other support.

Why is this important? We want to do three things with national service. We want to help students reduce their student debt. We want to also rekindle the habits of the heart that made America great with the spirit of voluntarism. And third but not at all least, we want to deal with the new volunteer deficit that is facing the United States of America when many of our nonprofits are withering on the vine for the lack of community participation.

What are some of the examples of what these volunteers do? In my own State, in Montgomery County, they operate a community assisting police program where volunteers engage in community education and outreach that addresses the need for crime control, prevention, and the reduction of fear in six underserved communities.

Some of the projects that they do are coordinating a school awareness crime program. They provide bilingual assistance and referrals to crime victims. They work actually in a community policing station side by side with the police officers. They are not new cops, but they are cop extenders because while the police officers are doing the policing, these volunteers are helping doing prevention, community education, and also providing much-needed bilingual assistance.

In Vermont, there is something called the Vermont Antihunger, Nutrition and Empowerment Corps. This group operates five sites in Vermont, developing a statewide approach to hunger to increase participation of low-income and rural residents in Federal food assistance programs and teaching them about nutrition and how to buy and plant food.

In Washington State, we have a conservation corps providing a 1-year program that combines fieldwork and on-the-job instruction for doing things like watershed restoration, reforestation, stream and salmon habitat rehabilitation, and forest fire and oil spill response. It takes hard-to-reach kids and puts them with other young people who have recently graduated from college, both doing hands-on work. I know that we have not only turned the environment around but we have turned around some at-risk kids.

YouthBuild Boston is a program that puts 18- to 24-year-old volunteers to work renovating buildings to provide low-income housing.

The program engages disenfranchised youth in rebuilding their communities and provides them with the education and skills to become self-reliant and responsible citizens.

The program has had such success that it has expanded its services from housing renovation to include environmental, public safety, and education projects.

There are over 1,000 programs operating nationwide which involve 20,000 volunteers.

These programs are doing exactly what Congress intended to do when we authorized this bill in 1993. In fact, many of the programs are operating with a larger degree of success than even we had hoped. National service was designed to address those two programs I talked about—student indebtedness as well as how to instill a sense of obligation and habits of the heart in young people.

There has been a sharp drop over the last 20 years in the number of Americans who volunteer in their communities. Harvard Prof. Bob Putnam has identified this trend and says that we need to promote more civic activity. Fewer people attend the PTA. But also what we know is that groups like the Red Cross, Meals on Wheels, Girl Scouts, and Boy Scouts face fewer and fewer volunteers. What we want to do is instill this sense of citizenship, this sense of obligation. And we also want to say, as part of an overall Government framework, now we have a clear message that for every right there is a responsibility, for every opportunity there should be an obligation. And this is what we are trying to create also through this legislation.

National service is the latest in a long series of social inventions designed by this country to create higher education. Earlier today we debated the space station. We are known worldwide for our scientific invention. But also we have been a genius in social inventions—those tools that enable people to pursue the American dream.

(Ms. SNOWE assumed the chair.)

Ms. MIKULSKI. Madam President, we are the country that invented night school so that immigrants, working in factories during the day, would have a chance to learn English, learn citizenship, learn the skills to move ahead in our society. That was a social invention. We created the GI bill for returning vets because we said that if you gave to this Nation, we will make sure you will be able to participate in the American dream.

National and community service is part of that framework. How can we make sure the access to higher education is not only for the wealthy? In my own home State of Maryland, to go to an independent college like Loyola or Notre Dame of Maryland, the kind of school I went to, it now costs anywhere from $12,000 to $18,000 a year. For most middle-income families, the whole idea of $72,000 for 4 years of education is beyond their dream. The same thing for our public schools. It still then would be about $8,000 or $9,000 a year—or $45,000.

In this country, we believed that intellectual ability and character was randomly distributed through the population, so that it was only an elite few that could have access to higher education and thus remain elite. We wanted to make sure it was available to others. So that is why national service is important.

There are many critics to national service, and Senator GRASSLEY, of Iowa, has rightfully raised many of those concerns.

I joined with him, asking GAO to evaluate the AmeriCorps Program. I felt if we could not stand to be evaluated, we could not stand to be authorized and we could not stand to be funded. In our quest, we asked them to identify the resources required to field an AmeriCorps participant, evaluate whether an AmeriCorps program was meeting its mission, and make recommendations on how the national service corps could be more efficient and effective.

Well, GAO answered two of the three questions we asked. GAO estimates that the amount of resources available from the Corporation to field a participant are in line with the Corporation's estimate. Most impressive in GAO's finding is that national service programs are meeting the objectives that

Congress set when we passed the bill in 1993.

Some will come to the floor and argue that the cost to the taxpayer of about $26,000 is excessive. Well, I want to point out that in the report it says, "It is important not to equate our funding information with cost data." Most AmeriCorps programs are still in their first year of operation.

Also, the $26,700 figure is misleading because it represents all resources from Federal, State, local, and private. It is not a total cost to the taxpayer. You know, in fact, we require matching funds. And Congress expects that the federally appropriated dollars would be used to leverage matching contributions. So we see that what they say it costs is really excessive.

Also, some have suggested in the tight budget times we cannot afford to continue this. Well, I do not think we can afford not to continue it. The GAO report goes on to recognize that these grants have really served communities. They have served rural communities and they have served urban communities. GAO said in the seven AmeriCorps programs in the four States it visited that "During our site visits we observed local programs helping communities." This one sentence makes it all worthwhile.

GAO says, "In our site visits, we observed that these communities are actually being helped." I could go on to talk about what they do, but what GAO says is, "We observed participants renovating inner-city housing, assisting teachers in elementary schools * * * analyzing neighborhood crime statistics to better target prevention measures * * *" working with the police, developing a community food bank for people with special dietary needs—and I could go on.

Others would say that is going to be done anyway. Well, I am not so sure it is going to be done anyway. You have the downsizing of State and local governments. They are shrinking funds available for nonprofits. And also there are few people to volunteer.

This bill rewards the kinds of values, like sweat equity and work, that are at the heart of the American family. It does not identify with victims. It does not whine. It is not morose about the issues facing our society. I think this goes right into the values of the Nation. These are not Democratic Party values; these are not Republican Party values. These are American values: Hard work, neighbor helping neighbor, making sure that the access to the American dream is there for all Americans.

So, Madam President, I hope we will support the appropriation of national service. I also hope that we support the reauthorization when it comes up. I really think this is very important legislation. I think it really warrants the Senate's attention and their vote.

I yield back such time as I might have left, reserving other time that has been allocated to me.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. There is 6 minutes and 46 seconds remaining.

Ms. MIKULSKI. I yield to the Senator from Massachusetts 15 minutes.

Mr. KENNEDY. Madam President, I welcome the opportunity to join with my friend and colleague, the Senator from Maryland, in urging the Senate to accept this particular amendment that will restore the national service program and the service learning programs and renewing this country's commitment to service. I think all of us in this body are very much aware of the strong commitment that the Senator from Maryland has had in terms of the voluntary service programs. As one who has been involved in this effort for some period of time, Senator MIKULSKI has really been the leader here in the Senate in the development of these important programs, and has given us the opportunity in our Human Resources Committee to hear the testimony of many of the young people in Maryland who have been involved in voluntary programs, and conservation programs, and many others.

We are very much aware of not only her strong commitment as a policy maker but also her strong personal interest in the national service program, community service program, and other volunteer efforts. I welcome the chance to join with her in what I consider to be an extremely important vote here this afternoon.

Madam President, I think, as Senator MIKULSKI has pointed out, the issue of voluntarism is really as old as the country. And I think many of us feel that the outlet for this voluntary spirit has not always been very evident. Only in very recent years did we see the development of a new major volunteer opportunity. That was in the early 1960's—we can go back to the period of the 1930's and cite some of the programs in the time of the Depression, but really the 1960's and the development of the Peace Corps Program marked the dramatic beginning of a national commitment to service programs.

I had an opportunity, recently, to visit with some of the volunteers at the 25th anniversary of the Peace Corps. At a luncheon that was held over in the other side of the Capitol building, I sat down with the first volunteers for the Peace Corps and I asked them about why they participated in the Peace Corps. Virtually, all of them gave—phrased somewhat differently, a uniform response. And that was: We were asked and it was the first time that we were ever asked to do anything for anybody else. The Peace Corps asked them to do something for their country and also for the communities that they would serve, and they responded.

I think all of us who have watched the program grow and develop, and have heard the various discussions and debates about its stability and about its future in recent years, have learned a very important lesson from the Peace Corps. We have seen a large number of Peace Corps volunteers working on Capitol Hill and in different agencies of Government. They are individuals who involve themselves voluntarily in service. They give something back to the community. And they have maintained this spirit of voluntarism and an interest in the broad public policy issues of our country.

That has been true of Peace Corps volunteers, and it has been true of the Vista volunteers as well. I think there are more than 1,250 Peace Corps volunteers who are somehow related to activities on the Hill. They are working for Members of the House, the Senate, extended staffs, an in other areas of service to the Congress. It is an extraordinary record. I think all of us have seen similar examples in our own States, through our visits and travels.

I think one of the most important purposes of this whole program is to try to reach out and bring the idea of service to young people. Service learning programs, involve children as young as kindergartners, and continue the effort through the 12 years of school, to reach out to those individuals in the 12th grade. The AmeriCorps Program provides another kind of opportunity. It allows individuals to offer full time voluntary service to their community and earn educational benefits through their service. Hopefully they then maintain that sense of voluntarism during the time they are in school and in college, and continue it through the rest of their lives. The precedent set by Peace Corps and VISTA volunteers indicates that they will.

The programs that involve our seniors—Foster Grandparents, Senior Companions, RSVP, provide great service to communities. These volunteers are elderly retirees, who in many instances, are living on just a few thousand dollars a year. They are providing service to their communities and receiving a very minimal amount of resources for the great value that they represent in their communities.

Two superb programs in my own State, in Bedford and Fall River, come to mind immediately. These communities have very high unemployment and face many different challenges. The service that these programs provide to those communities is extraordinary. Those of us who support this program, want to see that concept of voluntarism started in the early years and continued on for young people and adults through the AmeriCorps Program, continued into college, the workplace and on into retirement.

As part of the whole AmeriCorps Program, we have seen a great deal of commitment from the private sector. The challenge, when this program was established, was to try and ensure private participation and matching funds. The Senator from Maryland has talked about it, as well. We can, during the debate, go into greater detail on that part of the program. But it is already well documented that we have successfully involved the private sector in providing incentives and opportunities for service.

The fact remains, Madam President, that the concept of voluntarism exists not only for those individuals who have financial security. It will be said, in the course of this debate—it always is—it will be said that if we are going to talk about voluntary, why do we not talk about really voluntary. That is fine for those families, young and old alike, who have financial independence. But the idea of contribution of service back into community does not define itself by financial resources. The desire to serve exists among many people, young and old, those that have resources and those that do not.

We should not deny the opportunity for service to those individuals who come from humble beginnings and a family that does not have great resources. They know the concept of service and we should not deny them that. That is the point of the AmeriCorps Program: provide a small stipend and give them an opportunity to continue their education after they meet their service obligation. That is the AmeriCorps Program and it has been a great community resource.

We have seen the examples of real results where these programs have taken place. I ask unanimous consent that there be printed in the RECORD examples of the services provided in a number of different cities in my own State in projects that would never have been done unless AmeriCorps had been involved. The value of those projects far exceed the value of money paid to the individual AmeriCorps members. These are projects that generally would not be done without this program.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MASSACHUSETTS AMERICORPS PROGRAMS—1995-96 PROGRAM YEAR

PROGRAM AND COMMUNITY

YMCA Earth Service Corps—Becket, Fall River, Boston, Brockton.

Berkshire Conservation Team/Berkshire [1]—Pittsfield.

Boston University Health & Housing Fellows—Boston.

Academics for Changing times/Cambridge Community Services [1]—Cambridge.

City Pride/Old Colony Y Services Corp. [1]—Brockton.

City Year Boston [1]—Boston.

Linking Lifetimes AmeriCorps/Corporation for Public Management [1]—Springfield.

Greater Holyoke Youth Service Corps [1]—Holyoke.

City C.O.R.E./Lawrence Youth Commission [1]—Lawrence.

Local Initiatives Support Corporation—Boston.

Lowell Neighborhood Service Corps/Greater Lowell YWCA[1]—Lowell.

MAGIC ME/Boston—Boston.

National Alliance of Veteran Family Service Organizations—Roxbury.

National Council of Educational Opportunity Association—Northfield.

National Multiple Sclerosis Society—Waltham.

Neighborhood Green Corps—Boston, Worcester, Springfield.

Athletes in Service to America/Northeastern University—Boston.

Notre Dame Mission Volunteers—South Boston.

Action for Children Today—Boston, Worcester, Fitchburg.

Youth STAR/ROCA Revere Project [1]—Revere.

Summerbridge Cambridge—Cambridge.

Elder Leaders in Community Care/UMass Boston [1]—Greater Boston.

US Catholic Conference—Somerville.

United States Department of Agriculture/Public Lands and Environment Team—Dorchester.

National Service Legal Corps/Western Mass. Legal Services—Springfield.

Cityworks/Worcester Community Action Council [1]—Worcester.

YouthBuild Boston [1]—Roxbury.

YouthBuild USA [2]—Somerville.

I Have a Dream Foundation—Boston.

Youth Volunteer Corps—Boston, Lawrence.

PLANNING GRANTS AND COMMUNITY

Coalition for Asian Pacific American Youth/UMass Boston [1]—Boston.

New Bedford Youth Corps [1]—New Bedford.

FOOTNOTES

[1] Funded through the Massachusetts National and Community Service Commission.

[2] Parent organization in Massachusetts. Operating sites in other states.

Mr. KENNEDY. Madam President, service is of great value to the community, and also of value to the individual who participates in the program.

Madam President, the Mikulski amendment will allow the programs in schools across this country to continue to provide the opportunity of service to young children.

In Springfield, MA, we have kindergarten children who are involved in folding napkins and preparing centerpieces and involved in the feeding programs for the homeless people in that area. They are just small children, and they are finding out about what homelessness means. They are finding out about the joy that takes place when they are able to involve themselves, as kindergarten children, in the preparation of napkins and centerpieces for those homeless individuals.

We find sixth graders who go out and visit nursing homes and perform in pantomime the race between the rabbit and the turtle and they see the joy that they are giving to those seniors. They often receive requests for performances. They go out during study hall to do service to the community. They learn that good citizenship is an important value in our society. This is important.

We have 8th through 12th graders, under supervision, providing day care programs for the sons and daughters of working families. They are working and even providing some reading and tutoring for these young children.

These 8th and 12th graders write these extraordinary books. They write them themselves—and read them to the other children. They are more popular than the books that are bought or were already available at these centers. The impact of that on those students is significant and profound.

We have more than 30,000 of them involved in these programs now in my own State of Massachusetts and that number is expanding. They do not need extensive resources and training to be able to run these programs. They have to have a program developed by students that has an education function, service to the community, and make application to the State boards.

That is another very important underlying concept. These programs are basically structured and run by the States. The grant decisions are not Federal they are controlled by the States.

We have, in my own State of Massachusetts, a good program. The men and women who are part of it have all been individuals who have been very, very much involved in voluntary service over the period of their lives and have been involved in a wide range of different kinds of service activities. They review to make sure that these programs work and work effectively. Some programs, clearly, work better than others, and there is obviously a responsibility to ensure that those programs that do not work are halted or discontinued and others that do work should go forward.

I know there have been examples that have been raised during the course of the various discussions on this of programs engaging in improper advocacy activities. When the very few allegations, have been substantiated, the programs have been abandoned. I think that is important. I think those of us who are supporting the Mikulski amendment certainly support that concept. Overall, the service provided by this program has been extraordinary.

I mentioned, Madam President, one particular school in Springfield, MA, that had one of the highest incidences of trouble in terms of violence, one of the highest dropout rates and also one of the highest incidences of teenage pregnancy.

There was an introduction into that whole school system of a community service program. There was a good deal of effort by very enterprising students, members of the faculty and several of the parents. They really made an impact on this student body.

Now it is the second best high school in Springfield, MA. If you go up there and talk to the parents, if you go up there and talk to the students, if you go up there and talk to the teachers, if you talk to the local merchants, if you talk to the other people who have received the service and seen the difference—there is no question in any of their minds about the fact that the service opportunity that was available to these young people made the big difference. It reduced violence and increased the academic benefits to the students themselves and changed, in a very significant and important way, the attitudes of these students about their school, about themselves and about their community.

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[1] Footnotes at the end of article.

We all know about the challenges that we are facing in many of our urban areas and in many of our school systems about how we are going to enhance education, academic achievement; how we are going to do something about violence; how we are going to do something about teenage pregnancy; how we are going to do something to encourage our young people to move around and learn.

There are a lot of different ways of trying to do it, and we have tried to do it in a variety of ways. Do not discount service as also an important contribution to those effort. When service and service opportunities are done right, they teach excellent lessons. I think the record demonstrates that.

Madam President, I see others who want to speak to this issue.

I will just say I think this program is an extremely modest program. The basic concept is to give an opportunity to people to give something back to their community. Many of us have the opportunity to visit different service sites in our own States or communities. The number of volunteers that are out there to try and provide help and assist is absolutely extraordinary.

I visited recently a station that feeds those who are HIV positive, and I asked them about the volunteers that they get to assist in feeding. They said the number of volunteers is off the charts. People really care. They do not want to have their names listed. They are people you would consider to be successful in terms of financial standing in the community. People really care.

We, as a society, do not offer sufficient kinds of opportunities for that kind of voluntarism. We provide important opportunities in many different areas, and I certainly acknowledge the work that is done by many of the very nonprofit voluntary agencies. But this is special and unique, a school-based program.

I ask for 1 more minute.

The PRESIDING OFFICER. Does the Senator from Maryland yield?

Ms. MIKULSKI. I yield 1 more minute.

Mr. KENNEDY. It really provides a very, very important opportunity. I think our greatest hope is that that opportunity will be expanded on over the years in the future to make voluntarism something that is basically a part of the American ethic from the earliest part of our lives until the twilight years of our lives.

I thank the Chair and yield the floor.

Mr. BOND. Madam President, I yield myself 10 minutes.

Madam President, I regret having to rise to oppose the efforts of my good friends from Maryland and Massachusetts to restore funding for the Corporation for National Service. I know that the Senator from Maryland has been a champion of this and every other measure that contributes to community service, that motivates people of all ages to take an active part in their community, to be contributing members of the community, to do something with their lives that is more than just getting a paycheck, and I know how important this program is to her.

But as I weigh the priorities, Madam President, I cannot see how we would allocate the scarce resources to pay for a program which the Government Accounting Office has concluded costs, per participant, over $26,000 per year. That is a level of expenditure that I just do not believe can be sustained in our current budget.

As I indicated when we began consideration of this measure, we are trying to move from the present condition of deficit spending, where we are going $200 billion in the tank every year, to balancing our books and stopping or ending the deficit, stopping the addition of debt, almost $5 trillion worth, that is now on the backs and on the credit cards of our children and grandchildren.

Good intentions alone, unfortunately, are not enough. We must establish some priorities, and it is very difficult. But to me, I cannot see AmeriCorps ranking high enough on that priority level. I do not dispute that the program has provided some benefits to communities. I know that individuals have benefited from it. Yet, we have had to make tough choices.

I had leaders of the Nation's mayors and county officials come into my office to ask about what I was proposing in this VA-HUD bill for the communities. I discussed with them the choices that I had to make at the subcommittee level, and that the full committee had to make between the community development block grant and AmeriCorps. The local officials who judge what really makes a difference for their communities said, "Well, we like both of them, but there is no question that the community development block grant is more important in our community." That is a decision made at the local level by people elected by and responsible to the people in that community. And I cannot argue with that.

I wanted to accommodate my colleague from Maryland. I do know that there are some benefits to the AmeriCorps Program. But when the choice came to funding community development block grants or AmeriCorps, as a supporter of block grants, one who has worked with county and city officials throughout my years of service, I felt we must go with those elected by the people at the local level, who said this is their priority.

I note also that the distinguished Senator from Massachusetts said that this is a very worthwhile program and that the private sector matches it. Yet, I understand that only about 8 percent of the funds come from the private sector. This basically is a Federal Government program. We used to have a program called CETA, Comprehensive Employment and Training Act, way back many years ago when I was Governor. That program funded all kinds of jobs. After evaluation of Government-funded jobs, on a bipartisan basis, the leaders of this country, both at the State and national level, decided that Comprehensive Employment and Training Act funds were not the way to go.

We have seen in the Federal Government's use of the AmeriCorps jobs how expensive they can be. It will surprise some of my colleagues that $14 million out of AmeriCorps funds went to fund Federal agencies. I bet you thought that we were cutting employment in the Federal Government, because that is what we have heard. Guess what? We cut employment in the Federal Government on the one hand, and we come in through the other door, through AmeriCorps, and use AmeriCorps funds to hire people paid for by the Federal Government.

In some of those programs, the cost per participant was more expensive. For instance, one HHS program costs more than $45,000 per participant. The Navy has a wonderful Seaborne Conservation Corps. It costs $66,715 per participant. That, to me, is a pretty expensive volunteer program. AmeriCorps, across the board, costs $20 per hour. HHS projects cost $33 an hour. The Navy project costs $49 an hour. That, Madam President, is for a volunteer.

When the program was authorized 2 years ago, it was authorized as an expansion upon the concept of voluntarism. Certainly, I believe and support voluntarism in this country. It has made our country great. Most of us would not be elected to this body, or any other body, if we did not have voluntary support in our campaigns. Most good works in the community would not go forward without voluntarism. But it would be cheaper for the Federal Government to simply pay salaries for additional staff members for not-for-profit agencies than to continue this program.

We do have good programs that assist in voluntarism. The VISTA program in the Labor-HHS Subcommittee is one that I have seen work. You have to have some paid people to organize volunteers. Yes, that is one of the things you do have to have—somebody to help organize people to make sure the volunteer efforts are effective. I agree with that program. But this is different. This is paying people to be volunteers. To me, they are no longer volunteers.

The point was made very eloquently by the distinguished Senator from Massachusetts that voluntarism is only for the wealthy, unless you are paid. I do not agree with that. The figures are that over 80 million Americans are engaged in volunteer work. I know people from all parts of the economic scale, all up and down the spectrum of wealth, who volunteer. They volunteer in churches and schools and community organizations, community betterment projects, in programs that they think are important. And these people volunteer regardless of how much they have in the way of economic resources, or even paychecks.

Voluntarism is the spirit of America. But it is not paid voluntarism. Let me emphasize that under the proposal in this bill, no members of the National Service Corps that are currently serving will be cut off. The Corporation just announced the fiscal year 1995 awards in the last few weeks. These programs will run until September 1996. It gives us an opportunity to see one more year of the experiment and to allow the not-for-profit agencies one more year to prepare for a possible change in their Federal subsidies.

From my perspective, we have not seen the administration provide any kind of support or real push to get this program in a position where it can be saved. We have asked them for their input. We have told them of the problems. We have asked how they are going to reform it. And in our hearing, the ranking member asked Mr. Segal, the chief executive officer of the Corporation, to provide the subcommittee with workable options to save the Corporation because she suggested that perhaps the request for 1996 was unrealistic.

I do not know if Mr. Segal has responded but in the amendment that has been offered by the Senator from Maryland, I commend her because she has demanded they come up with a plan, they come up with a program, to show how they can be effective in a new, reconfigured, smaller, leaner process.

I can assure you that if the administration wants to save this program, it is going to have to be reconfigured. It will have to be slimmer. It will have to get rid of the abuses.

The champion of this effort to reform the program and make it more efficient and less abusive of the process has been the Senator from Iowa, who is prepared to speak. He has invited the Corporation, administration officials, to work with him and with me on restructuring the program to ensure its survival.

The latest I have heard, they simply responded that it was OK that Federal volunteers were paid $66,000 a year——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BOND. With that, Madam President, I yield to the Senator from Iowa 30 minutes, and ask the Senator to reserve such time as he does not use.

Mr. GRASSLEY. Madam President, first of all, the job that the Senator from Maryland and the Senator from Missouri have on this entire budget that is within the jurisdiction of their subcommittee is a very difficult process. They are fitting all the needs that come within those programs within the 602(b) allocation they have been given.

I commend the chairman for the fine work that he has done on this bill and how pleased I am to work with him in reforming the AmeriCorps Program. He has a tough budget problem.

We have a program here, AmeriCorps, that has not worked out the way the administration has said it would work out. I think that is why we are calling for either reinventing this program within the definition of the President's statements when it was first enunciated, when the program was inaugurated, or else lose the program.

That is what my letter to the President in late August said. This is the problem pointed out by the General Accounting Office. We feel that until the problems are corrected, either reinvent it, in other words, or lose it.

We have not had the cooperation of the White House on that point. That is why I think one of the reasons that the chairman felt necessary to zero out this program at this particular time and use the money someplace where there is a greater need for it.

In the process of stating my position in support of the chairman and against the amendment by the Senator from Maryland, I do not take exception to the rationale that the Senator from Maryland or the Senator from Massachusetts gave for the necessity of promoting a great American tradition of voluntarism. I do not take exception to their points that we need to promote a communitarian spirit within our American society. I do not find any fault with anyone who says that we ought to have as a characteristic Americans giving back to the community, because we receive a lot from the community.

I do not find any fault with helping people to get education. I do not find any fault with what I have seen on television for the most part, although lately there have been some stories that are real boondoggles within these programs. Over the vast amount of the TV coverage of this program, I do not find one program of voluntarism that I find fault with.

Compare what it costs with what the managers and the President said that it would cost. We have a program that, according to the General Accounting Office, is costing $26,650 per position. Now, the workers get about $13,000 plus.

We are in a position where the President said 1 Federal dollar would leverage 1 private-sector dollar. The General Accounting Office says that only 8 percent of the $26,650 comes from the private sector.

So we have a program that is 40 percent or more in overhead and administrative costs, bureaucratic costs, when that money could better be used going to the worker. If you want to compare this whole program with another use of the money that I do not think we would find any fault with, at $26,650 we can finance 18 Pell grants for one person being educated under the provisions of AmeriCorps.

This program is not coming out of the pipeline according to the rhetoric that it went into the pipeline. We need to refocus this program so that the money goes to those who are volunteering and that the programs are within the $13,000 of Federal costs that the President and the Director said they would.

This is a period of time when there is a great need to establish very stringent budget priorities. The middle-class American taxpayers are asking us to balance the budget. They want us to make sure that good use is made of their taxpayers' money. Hard-working taxpayers should not have to fund $18.26 for every hour of community service by Government-paid volunteers.

This Congress is committed to setting priorities that would say the money ought to be within the cost that the program was enunciated. These were programs that were going to cost much, much less than $18.26. These are good goals, but it is a high priced method to accomplish the goals of voluntarism when we have $26,650-a-year costs per position. If we keep the Federal costs within the $13,000, that means we are not going to have the high bureaucratic overhead that we have in this program that is pointed out by the General Accounting Office. That is the main reason for my letter to the President, that he needs to reinvent this program or face losing it.

I rise in strong opposition to this amendment. This is an amendment that, if passed, would undermine efforts to reform AmeriCorps and only ensure that the taxpayers' money continues to be wasted in this program.

I hope I come to the floor with some credibility on the issue of trying to consistently support the wise use of taxpayers' money. I hope, as has been said by some critics of our effort to reinvent this program, that it is not a political attack by Republicans on the President's most-favored program.

I remind my colleagues that I have fought for many years against waste of the taxpayers' money, particularly in the Reagan and Bush administration. I fought against waste in the Pentagon. I still continue my efforts to watchdog the taxpayers' money at the Department of Defense.

It was well over a year ago before there was such a political price on this program that I started looking into the AmeriCorps Program, this program that is administered by the Corporation for National Service.

Similar to the Department of Defense under Reagan, AmeriCorps is one of the fastest growing programs in the budget. The administration wants to spend billions over the next several years of taxpayer dollars on this program. Just as with the Pentagon, I found that there was a tremendous waste in the AmeriCorps Program. In many cases, AmeriCorps gives the Pentagon a run for its money in the boondoggle department. For example, while the Air Force paid $7,600, as this chart shows, for a coffee pot, the AmeriCorps Program managed to work with the Navy to produce a $66,715 volunteer.

As we remember from a few years ago, the Department of Defense bought a $600 toilet seat. But the AmeriCorps workers give us a $49,652 volunteer. The Department of Defense a few years ago paid $500 for a hammer. But AmeriCorps pays $42,758 for a volunteer in new England.

There is no disputing the fact that the coffeepots, the toilet seats, and the hammers at the Department of Defense actually work. They actually work. There is no doubt in my mind that the volunteers under AmeriCorps at the Seaborne Corp., or the Magic Me, or the Youth Conservation Corps will work. But what we in Government have to do is find a more wise way to use the taxpayer dollars, whether it is with the $7,600 coffeepot at the Department of Defense or whether it is the $66,000 volunteer in AmeriCorps.

My long experience is that when the Department of Defense and their supporters are confronted with a $500 hammer story, they at least claim that there will be an end to business as usual. They state that there are going to be reforms. Frankly, sometimes these reforms are real and sometimes they are not very real at the Pentagon.

Here with AmeriCorps, we have an amendment that says all is well—that there is nothing wrong with paying nearly $50 an hour for service to the community, nothing wrong with 50 percent cost overruns, and nothing wrong with the taxpayers footing 92 percent of the bill. When it comes to AmeriCorps, $1 of Federal money was going to leverage $1 of private sector contribution to the program. This amendment is the same as Congress saying $500 hammers are completely acceptable, and voting to increase the Pentagon's hardware budget.

I do not find such waste of taxpayers' money acceptable at the Pentagon, and I do not find it acceptable at the AmeriCorps Program.

So, as I said, I wrote to President Clinton last month offering to work with him to reinvent the AmeriCorps Program. I asked him to sit down with Congress and work cooperatively with us in finding ways to have the AmeriCorps Program meet original goals as defined by the President of the United States—not by anybody in this Congress—by the goals that he hoped to achieve and the costs of those programs, and the amount that would come from the private sector and the amount that would come from the taxpayers.

Unfortunately, while the President has found the time to give inspiring speeches in support of AmeriCorps, he has found no time to roll up his sleeves and find common ground with the Congress. It is unfortunate at a time when I asked for common ground with the President that he is giving speeches all over the country wanting to find common ground with the Republican Congress, but never does the common ground of the President ever seem to be the same common ground that we ask for from here.

It is unfortunate that many young people could be denied assistance to go to college because the administration has refused to sit down and talk with the Congress about reforming AmeriCorps and more efficiently using scarce tax dollars.

The administration, at the last hour, at least has responded to our letter today. My letter was sent on August 29. The administration has finally sent a letter in response. Frankly, the letter says nothing. The administration has wrapped up its same tired lines and excuses with a new ribbon. Sadly, it offers nothing new in the way of cooperating with Congress or finding the common ground that is the President's watchword of the last 2 months.

In sum, the administration's response says continue to waste the taxpayers' money on these $66,000 volunteers, continue to hire over 2,000 volunteers to work for the Federal Government, and continue to spend half of the money on overhead and administration instead of helping young people pay for college.

It reminds me of the story of the emperor's clothes. Everyone in the administration is just too afraid to tell the President that AmeriCorps has no clothes, that it is a boondoggle, at least from the standpoint of these high-paying jobs, at least from the standpoint that it is not fitting within the $13,000 of Federal costs that the President defined as what the programs would cost, at least from the standpoint of $1 of Federal money not leveraging $1 from the private sector.

The amendment that is before us, as well intended as it might be to continue the promotion of the communitarian spirit in America, is really just a continuation of the status quo of business as usual.

My colleagues should clearly understand though that this amendment is not the life or death of AmeriCorps. This is about whether there will be a reform of AmeriCorps to stop the waste of the taxpayers' money.

There will be long discussions with the administration regarding the VA-HUD appropriations bill. I am confident that there will be funding for AmeriCorps when the day is done. This amendment is about whether we will undercut efforts to reform this program.

So I strongly urge my colleagues to vote against this amendment. I want them to vote for protecting the taxpayers' money. I want them to be able to help more young people attend college. At the same time, I think we ought to take into consideration that while we are talking about preserving 20,000 AmeriCorps positions, for every one AmeriCorps position, you want to remember that there are 190 young Americans, totaling up I think to 3.9 million Americans, young Americans, I want to emphasize—that is by our Department of Commerce figures—who volunteer every year without getting paid for it.

We need to remind these volunteers who do not get paid that their work is worthy work, even though they do not get paid. The best way I know to do that is to make sure that the President's objective is met of having these positions paid relatively small amounts of money to earn a stipend to go to college, to leverage $1 of private sector money for every $1 of Federal money spent, and staying within those guidelines that the President set—not that we set—is the best way to show the 3.9 million young people who volunteer that their work is appreciated as well.

Perhaps we can accomplish the President's goals of young people being educated, promoting the communitarian spirit, helping people in need, without jeopardizing either the public sector attempt to do that or a gigantic private sector attempt that has been characteristic of American society for decades before there was ever a President Clinton.

I yield back my unused portion of the 30 minutes and yield the floor.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Madam President, I am about to yield 4 minutes to the Senator from Illinois, a staunch supporter of national service. He has been waiting patiently.

Before the Senator from Iowa leaves the floor, I would like to say three things. First, I know that the Senator is not out to torpedo the program but to reform the program. He was one of the first to raise concerns about the program, and as he recalls, I joined with him in the GAO report.

I also have in my possession the letters that he did send to the President asking for a reformed framework. I would like to recognize and acknowledge the validity of the Senator's concerns about that, and I think the Senator should have gotten a better response. I think I was owed a better response.

Third, I wish to say to the Senator, however, if this amendment goes down, national service is zeroed out. So it will not be about reforming national service; it will be about ending national service. So we will talk more.

But I would like to thank the Senator for his work on this issue. I think he raises important points. We disagree on the amendment.

I also thank the Senator for the tone in which he presented this argument. I think good people can engage in this kind of conversation with civility and keep the focus on the issues. So I would just like to thank him.

Having said that, I yield 4 minutes to the Senator from Illinois.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator from Illinois is recognized for 4 minutes.

Mr. SIMON. I thank my colleague from Maryland, Mr. President and Members of the Senate.

First, I wish to say Senator GRASSLEY has contributed in the area of waste in the area of defense, no question about it. And when he talks about waste, I think we have to take it seriously.

I should point out that the figure he uses of $27,000 is the total amount, including tools and equipment. For example, Judy Wagner of my staff just gave me a report where in one community they built a farmers' market. That includes all the aid equipment. In terms of Federal expenditures, it amounts to $17,600 per volunteer. That is a very different thing.

Second, I point out to both Senator GRASSLEY and my colleague from Missouri, Senator BOND, that some of the abuses they have cited are of people who have worked for the Federal Government. The Mikulski amendment knocks out service for Federal agencies, and I think properly so. So that moves us in the right direction.

Back when I was a Member of the House, I held hearings on this whole idea of service, and one of the people who testified was Harris Wofford, our former colleague, who then was President of Bryn Mawr College in Pennsylvania. I would, frankly, today vote for a 1-year requirement for everyone to serve this Nation in some capacity, and if you wanted to serve in the military, you got a little extra incentive of some kind or another, but you had to work for a mental hospital or park district or something. Frankly, it was good for me when I served in the Army for 2 years to come and be in a mix with a great many people, and I think it is good for others.

In terms of return on investment, I quote Stan Litow, an IBM executive, who reviewed the cost-benefit study and came to the conclusion that this program is sound. "This program works," he said.

Senator BOND made a reference to CETA. The CETA Program, frankly, was for unemployed people. This is a very different thing, and it brings in people to work together in areas where they have not often worked. This is different from the VISTA Program. There is obviously much cooperation.

I remember being in an impoverished area of Cincinnati. I walked into a little, one-person store, and there was a man explaining to this person who was running the store how to keep books. I walked out, and I thanked him for volunteering to do this. He told me at that point he was the treasurer of Procter & Gamble, and he said, "I should thank you." He said, "I didn't really understand our country until I volunteered."

I think we have to learn about one another more than we are. We are going to have to learn what it is like in another neighborhood. I think this is part of that. I read in—this may surprise the Presiding Officer—one of Rush Limbaugh's books—and I confess to having purchased two of his books and giving him a little bit of royalty—he said, "We are not being asked to sacrifice as Americans today." I think he is correct, and this is a way of bringing out the noble in people.

Government leaders can appeal to either the noble or the greed in all of us, and too often I think we pander to the greed. It is easy. But we should be appealing to the noble. And that is what this program does. I think it is a good program.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SIMON. If I may have 30 additional seconds.

Ms. MIKULSKI. I will be happy to yield the Senator an additional minute.

Mr. SIMON. I thank my colleague.

I remember—and I am sure Senator MIKULSKI will remember—that during the 1992 campaign when Bill Clinton was going around making speeches, the one line in his speech that got enthusiastic applause was when he said, "We are going to establish a volunteer service corps." I do not imagine the Presiding Officer was at any of those rallies and did not hear that line, but it was a response from the American people. They like the idea of appealing to people to volunteer for things.

Now, if there are improvements that should be made in the program—and there probably are—let us make the improvements. I think the Mikulski amendment makes some of those improvements. But let us not kill the program. That is what we do without an amendment. So I hope my colleagues will vote for the Mikulski amendment.

Mr. LEAHY. Mr. President, I support the mission of AmeriCorps. I have met the people, young and old, participating in Vermont's program, and I have seen the benefits in their faces and in the benefits in their faces and in the communities they serve.

Engaging Americans of all ages to help communities solve their own problems is a worthy goal. AmeriCorps builds a sense of community responsibility and is certainly a better investment than the $1 billion this Congress plans to spend for each B-2 bomber.

The greatest threat facing our cities and towns today is the loss of a sense of community responsibility. The best weapon against rising crime, hunger, and illegitimacy is for every American to take an active interest in their community.

AmeriCorps provides inspiration by inviting Americans to give something back—to reestablish the local ties that have been so important to this country. I cannot think of a better program to invest Federal dollars in.

Senator MIKULSKI has been a tireless advocate of the AmeriCorps Program, which now has 20,000 participants from all different backgrounds. The accomplishments of those participants are evident everywhere.

The 130 AmeriCorps members in Vermont are fighting hunger and malnutrition, improving trails and wildlife habitat in the Green Mountain National Forest, and helping rural communities develop fire protection plans. Others are helping troubled youths get back on their feet and aiding the blind.

AmeriCorps is an experiment that is working. The least we can do is to allow that experiment to continue.

I urge my colleagues to support Senator MIKULSKI's amendment providing funding for the Corporation for National Service in 1996.

Ms. MIKULSKI. Senator LEAHY has been a longstanding supporter of national service. I appreciate his remarks.

Mr. President, much has been raised about the concerns over the fiscal responsibility of national service, and the GAO report, I believe, shows that we are getting a dollar's worth of services for a dollar's worth of taxes. In the interest, also, of not running up the printing cost of the Federal Government, I would like to include only the executive summary of the GAO report in the CONGRESSIONAL RECORD.

I ask unanimous consent that the executive summary of the GAO report on the Corporation for National and Community Service be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

U.S. General Accounting Office,
Health, Education and Human
Services Division,
Washington, DC, September 7, 1995.
Hon. Christopher S. Bond,
Hon. Charles E. Grassley,
U.S. Senate.

The Corporation for National and Community Service (the Corporation) administers the AmeriCorps*USA program, the largest national service volunteer program since the 1930s. AmeriCorps*USA participants perform community services that match priorities established by the Corporation, such as addressing educational, environmental, and public safety needs. The Corporation provides grants to individual programs, which obtain additional resources from other federal agencies, state and local governments, and the private sector.

While there has been interest in assessing AmeriCorps*USA's cost-effectiveness, such an assessment is difficult because the program has operated for less than a year. We recently reported on total resources available to support AmeriCorps*USA programs in the 1994-95 program year and, to a lesser extent, on benefits of certain programs. We found that total resources available for AmeriCorps*USA participant equaled about $26,700 for program year 1994-95.[1] We also found that, at seven programs we visited, participants were providing benefits to their communities, but we did not attempt to quantify these benefits.

Recently, in an effort to provide perspective on the potential cost-effectiveness of AmeriCorps*USA programs, a benefit-cost study was conducted of three AmeriCorps*USA programs based on short-term and projected data.[2] The benefit-cost study was commissioned by financial sponsors of the three AmeriCorps*USA programs it examined. The sponsors wanted more information about benefits derived from the programs relative to program costs. These programs were AmeriCorps for Math and Literacy, which targets at-risk children from kindergarten through second grade in Ohio and Texas schools; East Bay Conservation Corps, which addresses environmental needs in California; and Project First, which provides access to computers for students in Georgia, New York, and North Carolina. The study analyzed each program separately, and it did not claim that the three were representative of all AmeriCorps*USA programs. The study estimated that these programs returned between $1.68 and $2.58 for each dollar invested.

Based on concerns you and others have raised about the study, you asked us to evaluate it. We agreed to provide an overview of benefit-cost analysis; evaluate how the study's specific methodology compares with that of other benefit-cost analyses, and assess the study's conclusions.

To develop this information, we reviewed the study, held extensive discussions with the authors and used some of the study's data to try to replicate its results. However, in most cases we accepted the study's calculations as given and did not verify them. We did our work in August 1995 in accordance with generally accepted government auditing standards.

BENEFIT-COST ANALYSIS: AN OVERVIEW

Economists typically use benefit-cost analysis to evaluate the worth of particular investment projects. Calculating the ratio of expected benefits to expected costs is one method analysts can use to provide policymakers with evidence as to whether a project is worth undertaking. The analysis results in a benefit-to-cost ratio that is either greater than 1 (meaning the project returns more than $1 per $1 invested) or less than 1 (meaning that less than $1 is returned per $1 invested). The analysis may also compare a variety of investments to see which one returns the greatest benefit per dollar of cost.

Office of Management and Budget (OMB) guidance on benefit-cost analysis of federal programs[3] focuses on the entire economy, thus including net social benefits and costs. Social benefits of federal programs are the value of the program's output to private citizens, and this value is typically difficult to measure. Both direct and indirect benefits are usually included in the analysis. A job-training program, for example, may have the direct benefit of preparing individuals for employment, thus raising their future earnings. It may also have an indirect benefit of reducing welfare payments or crime rates, assuming that, had the individuals not received training, some might have received welfare or committed crimes. Even when the social benefits of a project are clear, attaching a dollar value to them is often problematic.

Social costs of a federal program are opportunity costs—the value of the forgone benefits had the program's resources been allocated to their best alternative use. Producing an additional unit of the program's output requires the reallocation of resources away from other productive activity. The opportunity cost of an additional unit of the program's output equals the sacrificed amount of some other productive activity's output occasioned by the resource reallocation. For example, if money used for a federal job-training program were obtained by reallocating funds earmarked for a federal bridge-building program, the opportunity cost of the job-training program would be the value of the services that the new bridges would have provided.

Comparing social benefits with social costs allows policymakers to determine whether the value of the output or services gained from a program is greater than the benefits sacrificed elsewhere when resources are reallocated. When the social benefits of a program exceed the social costs, there is a net gain to society from taking resources from elsewhere in the economy and devoting them to the program.

The comparison of benefits to costs can be expressed as a benefit-cost ratio (that is, social benefits divided by social costs) or as net benefits (that is, social benefits less social costs). The expression of net benefits is more straightforward. When the comparison is expressed as a ratio, decision must be made about costs that can affect the ratio. For example, if building a bridge will result in time saved by commuters or delivery trucks, this can be seen as a benefit—time gained—or as a negative cost—reduced time lost. Whether it is included as a benefit or as a negative cost affects the magnitude of the ratio but not the underlying economic basis for any decision-making process.

Benefit-cost analysis results are typically very sensitive to the underlying assumptions. For example, a small change in the interest rate used to discount a stream of future benefits or costs can have a large impact on the outcome of such an analysis.[4] In addition, including or excluding certain items from either costs or benefits can greatly change the results.

OUR ANALYSIS OF THE KORMENDI GARDNER STUDY

The goal of the benefit-cost study was to calculate the ratio of social benefits, net of nonfederal costs, to federal costs. On the basis of our review of the study and conversations with the authors, we believe the overall approach of the study appears to be consistent with this goal. Rather than dividing gross social benefits by gross social costs, it subtracted all nonfederal costs from the benefits and then calculated the ratio of the resulting net benefits to federal costs. The choice of what costs to subtract from the numerator, instead of adding to the denominator, affects the magnitude of the ratio, but it cannot affect whether the ratio is above or below 1. Given the goal of the study, the costs that are netted with benefits in the numerator do not seem unreasonable.

In addition to decisions about the placement of costs in the numerator or denominator, specific assumptions and other methodological decisions used to calculate components of the ratio affected the results of the study. Further, as the study appropriately recognized, without full program data, comparisons had to be made with historical data for similar programs, and the outcome was influenced by the choice of comparisons.

The study's methodology

The study summed three types of benefits deriving from the AmeriCorps*USA programs: participant benefits, societal benefits, and net donor benefits. Participant benefits included wages, fringe benefits, a "citizenship" contribution,[5] an education award,[6] and the value of future education made possible by the award. Societal benefits, as defined in the study, included all benefits that accrued to nonparticipants, such as increased educational attainment or reduced crime and welfare incidence for children who were tutored by AmeriCorps*USA participants. Net donor benefits equaled 0, because donor benefits were assumed to equal donor costs. The study then compared this sum with federal costs. To illustrate, we present these components, along with their values for one of the programs, Project First, in table 1.

Table 1.—Benefits and Costs for Project First

Item	*Value*
Benefits	
Participant benefits	$25,976
Wages and fringe benefits	9,804
Federally paid	8,211
Donor-paid	1,593
Citizenship	8,195
Education award	4,725
Future education	3,252
Net societal benefits	26,330
Net donor benefits	0
Donor benefits	10,350
(Less) donor costs	−10,350
Total benefits	$52,306
Costs	
Federally paid participant costs	$12,396
Federally paid wages and fringe benefits	8,211
Education award (federally paid)	4,725
Federally paid overhead costs	7,789
Total costs	$20,725

To determine the benefit-cost ratio for Project First, the study netted nonfederal costs and benefits in the numerator rather than including gross benefits in the numerator and gross costs in the denominator. For

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Footnotes at end of article.

example, the benefits for donors of matching funds were assumed to equal the costs, and they were netted in the numerator.

A more complex example is the participant's "future education" component. According to our conversations with the authors, this component was the difference between (1) future earnings the participant will have with the additional education made possible by the education award and (2) future earnings he or she would have had in the absence of the award.[7] The authors also told us they calculated the difference between these earnings streams net of the participant's labor costs during the year in AmeriCorps*USA—that is, the future education benefit component was calculated subtracting out the participant's labor costs for the program year. The difference between the earnings streams did not include the benefits produced during the year; these were included as societal benefits. Because the costs that were subtracted were federal costs, they had to be added back into the numerator to calculate the desired ratio—social benefits, net of nonfederal costs, relative to federal costs. While the logic the authors described to us is understandable, we did not verify the details of all of the computations.

The choice of which costs to net out of benefits, in the numerator, and which to include as costs, in the denominator, is an important one. For example, according to the study, the net value of future education for a Project First participant was $3,252. This was approximately the difference, for the average participant, between a discounted lifetime income of $745,040 with the additional education and $741,790 in the absence of the additional education. One way to measure gross benefits and gross costs would be to include $745,040 as part of the benefit and $741,790 as the lifetime opportunity cost of producing that benefit. This methodology would probably not be an improvement over that of the study; these dollar figures would dominate the ratio relative to other benefits and costs, placing undue importance on this aspect of the entire study.

The valuation of benefits deriving from private donations would be optimistic if these donations were partly offset by federal tax deductions. For private sector donors, if part of the benefit were derived from tax deductions, the lost tax revenue should be counted as a cost if taxpayers ultimately have to make up for it. The authors told us that for the three programs analyzed in the study, this factor was not relevant because private donations came from tax-exempt foundations, but this point should be kept in mind for future analyses.[8] In addition, as with the value of future education discussed above; an alternative calculation could include only donor benefits in the numerator and include donor costs in the denominator, rather than netting them to 0 in the numerator. While this would reduce the measured benefit-cost ratio, it could not make it fall below 1, and the measure of net social benefits would be unaffected.

Other methodological decisions could affect benefit-cost ratios

The study made several other assumptions and methodological choices that affect the benefit-cost ratios. The study failed to recognize the costs associated with raising tax revenues to pay for new government spending programs. We also believe it may have made an optimistic assumption in one case about results of AmeriCorps*USA participants' work. In addition, as the study noted, benefit-cost ratios given in the study did not incorporate certain unquantifiable benefits, which would raise the reported ratios if they could be included.

Loss associated with generating tax revenues

Economists recognize that there are costs associated with raising tax revenues to pay for a new spending program. These costs can arise, for example, as some people change their behavior to avoid paying more taxes. OMB cites an estimated loss of 25 percent due to the process of generating the revenues, and it recommends calculating supplementary benefit-cost ratios including this adjustment to costs. Increasing the programs' cost by 25 percent would diminish the benefit-cost ratio.

Perry project comparison

As an estimate of future gains for preschool students whom AmeriCorps*USA participants tutored, the study used results from the Perry Preschool Project, an intensive intervention in a particular school in the 1960s on which much long-term research has been conducted. The intensity of effort in the Perry Project appeared to be much greater than in the AmeriCorps*USA programs. Comparison with some prior research is necessary, but it may have been optimistic to use the results from the Perry Project. This concern with the study has been raised previously in another assessment.[9]

Benefits that could not be quantified

As the study notes, some benefits of AmeriCorps*USA projects could not be quantified and thus were not accounted for in the benefit-cost ratios. During site visits we conducted as part of our earlier study, we observed benefits that may also apply to the three programs the study analyzed, including strengthening communities and fostering civic responsibility. Inclusion of an estimate for the value of these benefits would raise the reported benefit-cost ratios. One of the limitations of benefit-cost analysis is that intangible benefits such as these cannot easily be incorporated into the analysis.

ASSESSMENT OF STUDY'S CONCLUSIONS

The study concluded that programs such as the three AmeriCorps*USA programs it reviewed "generally can be an important societal investment" because the benefit-cost ratios exceeded 1 "by a substantial margin." As we pointed out earlier, the magnitude of the ratios depends in part on the assumptions and methodological choices that are made. Even if the three AmeriCorps*USA programs' benefit-cost ratios exceeded 1, in an era of constrained federal budgets, the ratios should be compared with those of other programs performing similar services, such as Volunteers in Service to America (VISTA), to see whether AmeriCorps*USA is a more efficient program. As the authors concluded, the three programs they analyzed would appear to be worthwhile federal investments. But until comparisons with other programs are done, decisionmakers will not know whether there are preferable uses of federal funds.

STUDY AUTHORS' COMMENTS

In commenting on a draft of this correspondence, the study's authors told us that they believed we had characterized the study fairly. They thought our breakdown of the benefit and cost components was helpful in illuminating their methodology. They agreed that their results were sensitive to methodological issues such as the choice of comparison groups. They emphasized, however, that a balanced view—which they believed was taken in this correspondence—recognizes that this sensitivity goes in both directions. They said that they stood by their overall conclusions that their results were reasonable and conservative. The authors believe that this type of study should be undertaken for other AmeriCorps*USA programs and for similar federal programs.

We are sending copies of this correspondence to the Chief Executive Officer of the Corporation for National and Community Service, the authors of the study, appropriate congressional committees, and other interested parties. If you have any questions or would like to discuss this material further, please call me or Cornelia M. Blanchette, Associate Director, at (202) 512–7014 or James R. White, Acting Chief Economist, at (202) 512–6209. Major contributors to this correspondence were Wayne B. Upshaw, Assistant Director; Harold J. Brumm, senior economist; and James W. Spaulding, senior evaluator, (202) 512–7035.

CORNELIA M. BLANCHETTE,
(For Linda G. Morra, Director,
Education and Employment Issues).

FOOTNOTES

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[1] *National Service Programs: AmeriCorps*USA—Early Program Resource and Benefit Information* (GAO/HEHS–95–222, Aug. 29, 1995). This figure excludes private in-kind contributions.

[2] George R. Neumann, Roger C. Kormendi, Robert A. Tamura, and Cyrus J. Gardner, *The Benefits and Costs of National Service: Methods for Benefit Assessment With Application to Three AmeriCorps Programs* (Washington, D.C.: Kormendi/Gardner Partners, 1995).

[3] OMB Circular A–94, Revised Transmittal Memorandum 64 (Oct. 29, 1992).

[4] The discount rate is used to compute the present value of future benefits or costs. Even in the absence of inflation, a dollar today is worth more than one receivable in the future. For example, if the appropriate discount rate is 4 percent, then a payment of $1 receivable in 10 years is worth only 68 cents today.

[5] The "citizenship" contribution was an estimate of the difference between what AmeriCorps*USA participants received as compensation for their service and the larger amount that they could receive if employed at their market wage. The study counted this as a participant benefit because participants were assumed to derive a benefit in order to be willing to accept the lower compensation level. The study noted that this could be considered a societal benefit instead, because it was in effect a donation from the participant to society.

[6] AmeriCorps*USA participants receive an education award, which can be used to pay future higher education expenses or to repay student loans, upon successful completion of their service. For a full-time participant, the value of the award is $4,725 per year of service, for a maximum of 2 years.

[7] The study assumed only a portion of the participants would actually attain more education because of the award—the results were for the average—and the income streams were discounted back to the current year.

[8] When matching donations come from the public sector, the issues are more complicated. According to the authors, no non-Corporation federal, state, or local government funds were involved for the programs in the study. However, one of the three was a program we sampled for our previous review, and much of the matching funds it reported to us came from local government sources. Our data were gathered more recently than the data the authors had, which may explain the discrepancy.

[9] David W. Murray and Thomas Riley, "Costs and Benefits of National Service: Unanswered Questions" (Washington, D.C.: Statistical Assessment Service, 1995). See also George R. Neumann, Roger C. Kormendi, Robert F. Tamura, and Cyrus J. Gardner, "Response to STATS' Unanswered Questions" (Washington, D.C.: Kormendi/Gardner Partners, 1995).

Mr. DODD. I am pleased to rise in strong support of the Mikulski amendment to restore funding for the Corporation for National and Community Service and for AmeriCorps.

Mr. President, given all of the attention focused on this issue, it is hard to believe that AmeriCorps is just 2 years old.

However, AmeriCorps has already created a lasting legacy in thousands of American communities. Through the work of over 20,000 full-time energetic and talented volunteers, needy children are receiving tutoring, mentoring and other assistance, our national parks are cleaner, streets are safer and thousand of homes have been rehabilitated for families in need.

The Corporation for National and Community Service has also harnessed the efforts of 500,000 senior volunteers and nearly 350,000 school-age students who are today working in their communities helping to meet critical needs in education, public safety, human service and the environment.

The Corporation's efforts are already making an incredible difference in America's communities. In my State of Connecticut, AmeriCorps sponsors 20 different programs. The largest, leadership, education and athletics in partnership in New Haven, has 164 members working with needy children providing tutoring and mentoring. During the summer months, many of the volunteers live in the community housing projects and work with the children throughout the summer months.

A recent study of the work of just 8 percent of AmeriCorps volunteers found the volunteers were having an extraordinary impact. Nearly 8,000 preschool and elementary students were tutored in basic education; 17,000 needy people were fed, and thousands of school hallways were made safer.

AmeriCorps has also made a significant difference in the lives of volunteers—who not only gain knowledge and satisfaction from their work but who also are able to pursue additional education and training and pay off student loans. After devoting their energies to rebuilding their communities, volunteers received a modest post-service educational benefit of $4,725.

This makes a substantial difference for today's students as student indebtedness rises to alarming levels. More than half of all AmeriCorps members come from families with household incomes between $15,000 and $50,000—the average family income was $33,500 overall—the very families who find the educational award so important in helping to manage the spiraling costs of college.

Mr. President, I know personally what a difference voluntary service can make in a young person's life. Over 30 years ago, hundreds of young Americans answered President Kennedy's call to service in the Peace Corps. I was one of them, and was sent to the Dominican Republic for 2 of the most rewarding years of my life. I would like to think that the maternity hospital I helped construct has made a lasting difference in that community. But I certainly know that the experience made an incredible difference in my life.

Mr. President, the benefits of national and community service may be lost here in Congress, but they are not lost on the American public. The vast majority of Americans support the AmeriCorps Program. A recent Gallop Poll showed that 91 percent of Americans supported national service. A Los Angeles Times poll indicated that 70 percent of Americans like this program—including 60 percent of Republicans and conservatives.

Mr. President, we cannot afford to lose this program to the pitfalls of partisan infighting. I would hope my colleagues would join me in voting for the Mikulski amendment.

Mr. CHAFEE. I want to offer my support for Senator MIKULSKI's amendment. I was a skeptic of this program when it was first proposed. It sounded too expensive, and the concept of stripended service seemed incongruous with voluntarism.

That was before I had a chance to see the positive impact of this program on the ground in my own State of Rhode Island. Young people from all walks of life have gone into a number of communities to help clean up neighborhoods, improve the literacy of inner city school children, and to improve public safety and the environment.

Let me give you an example of what we are finding in Rhode Island. Two years ago, Marilyn Concepcion was a high school dropout. Getting that far was an accmplisment; no one in her family had ever gone beyond the sixth grade. This 19-year-old woman joined Rhode Island City Year, an AmeriCorps program, to earn her GED certificate.

With training from the City Year staff, Concepcion began to tutor and mentor a group of first graders. She taught them to read, taught English as a second language, gave them insight into the value of learning, the importance of an education. Some of these children had never been given the type of encouragement that Marilyn Concepcion provided.

The short-term impact Marilyn Concepcion had on these children's lives has been measurable. They pay attention more in school, their self-esteem has been increased. But the real impact, the most concrete effect on their lives may not be felt for another 10 to 12 years, when these children become members of the work force or go onto college.

Spurred by the positive influence she'd had on her students, Marilyn Concepcion decided she wanted to go to college. She applied to, and was accepted by, Brown University. She became the first recipient of Brown's offer to match the $4,700 AmeriCorps educational award—a challenge grant program just announced by a number of universities and colleges in our State.

If this is the kind of results we are obtaining with only 1 year of experience, I think it is only fair that we let this program continue for some period of time to better evaluate its performance.

Mr. ROBB. Mr. President, I rise today in support of the amendment offered by my colleague from Maryland which restores $425 million to AmeriCorps.

Let me begin by saying that if the Senate is interested in engaging in a productive debate on the accomplishments of AmeriCorps—and on real suggestions for improving the program —I would welcome that debate. Very few programs managed by government at any level couldn't be made better, and wouldn't benefit from an ongoing public review. The amendment offered by the Senator from Maryland both saves AmeriCorps and, in my judgement, improves it.

And AmeriCorps is worth saving, Mr. President. It is worth saving because, as the General Accounting Office stated in its August 1995 report, "at the grantees' sites we visited, we found that the projects had been designed to strengthen communities, develop civic responsibility, and expand educational opportunities for program participants."

How do we identify the catalysts for vesting our people in our Nation? How can we encourage our children to feel an obligation and a responsibility to contribute to the strength and security of America throughout their lives?

Military service is one way. And civilian national service is another.

What does America get from a single individual's intense and all encompassing period of service?

Is it possible that those who work for a year to combat illiteracy will be forever committed to a good education for each child in the city or town in which they live?

Is it possible that those who work for a year to fight poverty will remember forever the importance of opportunity?

Is it possible that those who work for a year to hold together a crumbling neighborhood will never forget the responsibility of every man and woman to build and to sustain?

It is my hope that national service will be a catalyst for a lifetime of community service. It is my hope that experiencing the tangible results of strengthening and teaching will convince our people that citizenship has value, that individuals who roll up their sleeves and enter the fray can personally make something richer and stronger.

With every national service slot we fund, Mr. President, we give another American an intense, all encompassing, opportunity to serve. And by investing in them, we gamble that they will then invest in us.

I am willing to take that gamble, Mr. President. I am willing to reach for something to help fight this giant malaise that seems to permeate so many of our citizens. I am willing to grab a tiny particle of idealism and see how far we can take it.

I am willing to work to make AmeriCorps better, Mr. President. And I am willing to oppose any attempt to eliminate its funding.

Churchill once said, "We make a living by what we get, we make a life by what we give." In national service, Mr. President, we allow our citizens to give. I urge my colleagues to support this important amendment.

Mrs. MURRAY. Mr. President, I would like to take this opportunity to commend my friend, Senator SARBANES, for his leadership on this issue, and lend my support to his amendment which would restore funding for homeless assistance.

Mr. President, homelessness is a problem that the American people want solved. The number of homeless Americans has grown steadily over the last three decades and it will continue to grow until we responsibly address the issue of homelessness. Studies put the number of homeless at more than 600,000 people on any given night. It is even more shocking to find that children are now the fastest growing portion of this homeless population. As a caring Nation, we must no longer ignore this growing and often overlooked part of our population. I firmly believe that every citizen deserves not only a place to sleep at night, but a real opportunity to improve their lives. Our national efforts must focus on helping these families.

Senator SARBANES' amendment restores $360 million for homeless assistance funding to the fiscal year 1996 VA-HUD appropriations bill, bringing the funding level back up to fiscal year 1995 levels. These funds will enable local governments, communities, and nonprofits to form comprehensive, flexible and coordinated strategies for ending homelessness. These funds will help local agencies leverage additional money needed to aid homeless people with disabilities, create more housing and provide the services and facilities needed to move people into situations where they can live independently.

Restoring homeless assistance funding to 1995 levels is also an important part of the authorizing committee's effort to reform HUD in general and specifically to reform our delivery of homeless assistance. Last year's Senate Banking Committee bill created a single formula grant program which would replace the seven different categorical grant programs at HUD. This formula grant will allow better coordination of homeless services at the local level and facilitate better planning as funding levels become more predictable. The VA-HUD bill allows for this formula but does not provide adequate funding. The funds restored in this amendment will raise homeless assistance funding to a level that will allow a formula approach to make sense.

Unfortunately, no matter how we restructure HUD, during the transition some people are going to fall through the cracks. The homeless programs are the safety net that catches them.

Mr. President, earlier this year I had a chance to meet with Lucie McKinney and she reminded me of her late husband's tireless efforts and determination to end the cycle of homelessness. We must do all we can to continue Stewart McKinney's work.

Mr. ROCKEFELLER. Mr. President, I am proud to be a cosponsor of the amendment to ensure the survival of AmeriCorps, today's commitment to national service throughout the country and in my State of West Virginia. I was proud to be an original cosponsor of the legislation that created AmeriCorps.

I know something about the importance of public service because of the VISTA program back in 1964. After President Kennedy issued his famous call for serving our country, I went to West Virginia through the VISTA program and to a place called Emmon that changed the course of my life.

AmeriCorps is a wise and meaningful investment in our country's future. Whenever I am home talking to West Virginians of every age, I see heads nod when the idea of national service comes up. West Virginians and our fellow Americans believe in the values of service and responsibility, and AmeriCorps is a very exciting, important way for these values to have meaning. It is incredible to see this appropriations bill include a retreat from one of the most exciting initiatives taken in the recent years. We should be working together to renew and reinvigorate service, especially by our young people, and not retreat from it.

There is a great deal of talk about solving problems at the local level and working in communities. I agree and I believe that AmeriCorps is one Federal program that successfully delivers on this promise. For every Federal dollar invested in AmeriCorps, we reap as much as $2.60 in return.

While it is important to note that AmeriCorps is a cost-effective program, I know it is more compelling to talk about what AmeriCorps has done for communities.

In West Virginia, the AmeriCorps program places workers at seven domestic violence shelters to help battered women and children with a range of issues. I have visited a shelter in West Virginia and was deeply touched by the need to help women and their children caught in violent homes. This is important community work, and AmeriCorps is helping make a difference.

My State also sponsors Project HEALTH—Health Education Associates Learning to Teach Health—which places 20 AmeriCorps members in 15 sites that focus on promoting health care in rural areas. This is a unique partnership program with the Kellogg Foundation, my State, and AmeriCorps. AmeriCorps workers will be promoting child immunizations, working to reduce the prevalence of low birth weight, and promoting healthy behaviors.

AmeriCorps members are also involved in a West Virginia project called Energy Express. This is an innovative summer program for disadvantaged children that combines remedial education and child nutrition. Energy Express also works to promote parental involvement with a child's education which is a goal we all share.

I could go on and on about the extraordinary work by AmeriCorps and the other service programs sponsored in my State. We have more than 20,000 West Virginians participating in public service initiatives thanks to the leadership and encouragement of the Corporation for National and Community Service. There are 189 West Virginians in AmeriCorps, and others are involved in VISTA, RSVP, the Retired and Senior Volunteer Program, and "Learn and Service" in the schools. The Corporation for National and Community Service weaves all of these important incentives together.

As we talk about the need to strengthen our communities and to solve problems at the grassroots, we should continue our support for AmeriCorps, which reflects this basic goals.

Mr. President, I ask unanimous consent that two West Virginia articles be printed in the RECORD. These pieces tell the story of AmeriCorps in West Virginia more eloquently than I can.

There being on objection, the articles were ordered to be printed in the RECORD, as follows:

AMERICORPS COMES UNDER GOP SCRUTINY

(By Cheryl Caswell)

Americorps, President's Clinton's pet project for encouraging community service and education, is one the firing line as Republicans carry out their program to slash government spending.

But his first recruits may be too busy to pay much attention.

In West Virginia, nearly 60 Americorps workers are studying archaeological sites and inoculation records, building shelters, tutoring children, developing leadership clubs and drug prevention programs, housecleaning for the handicapped, studying stream erosion and assisting farmers and domestic violence victims.

"The great value I got in it is that they are not just doing work, but developing an emotional tie to the community," said Joan Ambratte, director of the state Commission for National and Community Service.

"They are getting a sense that they are responsible for the future," she said. "And these are the people who are going to take over as leaders in the next 30 years, the ones who will step forward and serve in the legislature and on boards."

Ambroge's commission came under direct assault by some state Republicans who hoped to end its funding and end AmeriCorps here, but the appropriations passed.

At the national level, many in the Republican party are calling for a $416 million cut to the AmeriCorps program. President Clinton has asked instead for a $300 million increase and hopes to extend the program to another 27,000 recruits.

"There are many critics of this," she admitted of the program labeled by Newt Gingrich as "coerced volunteerism."

"But few people can devote this much time to community service. * * * the local level, all non-profits are going to need more support. AmeriCorps in the perfect vehicle for that."

AmeriCorps recruits workers for 1,700 hours—about a year—earning $4.50 or more plus day care and medical benefits. At the end of their term, they get a credit of $4,725 to pay for education or existing college loans.

In Charleston, Sue Sayre, 50, is trading a year of serving battered women for that payback. She intends to return to college next fall.

"The money was an incentive," she said. "But these women needed help. It's a new experience every day for me."

There were more than 200 applicants for Sayre's position alone.

Hopeful recruits similarly stormed all of the AmeriCorps hiring sites statewide—some federal agencies and some non-profit organizations.

The federal directive for AmeriCorps did catch many of them short. It promised lots of money if they would use the government funded volunteers. The deadlines to submit requests for money and their plans to use it sent the hopefuls scrambling to make it work for them.

"Part of the plan was that they were not to do work that we were already doing with other personnel," said Pat Bowman, who works for the national resources conservation service. "It was like, 'Hey, it would be nice if we could have somebody to do this.'"

Bowen said his federal office greatly needed someone to travel the state evaluating potential archaeological sites that might be damaged by development, erosion or other means. When he secured funds and volunteers, he recruited a young man with a master's degree in archaeology from the University of Glasgow in Scotland.

In fact, three of his five volunteers have master's degrees, but Bowen doesn't see that as out of line with the AmeriCorps concept.

"If they could come out of school and get a job in their industry, they'd make a lot more pay than we're providing," Bowen said. "But they all have a desire to provide service while they gain experience. It's like a domestic Peace Corps."

Joetta Wright of Fairmont graduated from West Virginia University with a bachelor's degree in sociology. She began her graduate work and then quit for financial reasons.

Now she works as an AmeriCorps volunteer at a domestic violence shelter in her hometown, answering the hotline and helping victims.

Tommy Adkins, 21, is working with poor Lincoln County residents to establish a barter system with their local businesses. He also spends part of his time in Jackson County, trying to boost the business community there.

In Kanawha County, five AmeriCorps volunteers have helped to review more than 5,000 records of pre-schoolers at the Kanawha-Charleston Health Department in an attempt to catch them up on their inoculations.

Andy Johnston, coordinator of their work for the Regional Family Resource Network, said his agency got 18 volunteers altogether and hopes to see funding increased so they can add more.

"What AmeriCorps can do is be the pickup piece that encourages people to go get more education," he said.

Among Johnston's recruits, one had once been homeless. Three currently live in public housing, and two receive public assistance for their own children. Two are college graduates, and one is seeking a master's degree.

"In West Virginia, we're exceeding all our objectives," said Ambrose, state director.

"The volunteers have broken the belief that one person can't make a difference," she said. "They are doing real work and dealing with the real challenges of change."

AMERICORPS MEANS WIN, WIN, WIN

(By Rachel Tompkins)

Eric Stone, 22, thought he would never be able to save enough money to go to college. Many people told him he was bright, clearly college material, but no one in his family had gone, so he had no example of how to do it. Then he read about AmeriCorps.

Today, Eric works as an AmeriCorps member at Chandler School Family Resource Center and the Roger Switzer Community Center in Kanawha County. He's earning the minimum wage and at the end of his year of service, he will have an additional $4,725 in trust to spend on college. One more year of service and he will have enough to pay his tuition and fees at a West Virginia public college.

In the past six months since AmeriCorps began in West Virginia, 30 AmeriCorps members, like Eric, have been working in two community-based organizations: the Regional Family Resource Network in Kanawha County and the Coalition Against Domestic Violence based in Sutton, Braxton County. An additional 30 AmeriCorps members work in West Virginia for various U.S. Department of Agriculture agencies, the Children's Health Fund in Cabell and Wayne counties and the National Multiple Sclerosis Society.

West Virginia AmeriCorps members range in age from 19 to 55. Some have GEDs, or are just out of college, while others have been out of school many years. All are committed to obtaining more education. Some of those working for the Coalition Against Domestic Violence are victims of abuse themselves.

Some examples of AmeriCorps work in West Virginia include:

Reviewing 5,000 immunization records and scheduling 1,000 children for overdue immunizations.

Scheduling two community health clinics in underserved areas.

Expanding the Parents as Teachers program.

Creating two new after-school programs serving 84 children.

Helping 100 families use a common application for a variety of social, health and education services.

Expanding programs about domestic violence awareness in high schools in Southern West Virginia leading to four specific referrals.

Providing multiple assistance to victims of domestic violence on hot lines and in shelters in eight communities.

Unless the national budget cutters prevail, this program will expand in West Virginia during 1995 and serve twice as many AmeriCorps members. As a taxpayer, an educator and the parent of two college-age children, I'm convinced this program ought to be continued and indeed, ought to expand.

AmeriCorps is a win, win, win program. First, local community groups apply for AmeriCorps members to support local projects that need extra help. No one in the state or federal government tells communities what they need. Second, AmeriCorps members who go to work for local groups get things done. The jobs are real work that simply wouldn't get done without the time and talents of AmeriCorps members. AmeriCorps members also get important work experience that will help in future job searches. Finally, each AmeriCorps member puts away $4,725 toward post-secondary education or toward paying off college loans.

During the just concluded legislative session, Gov. Caperton proposed, and the Legislature enacted a bill continuing the West Virginia Commission for National and Community Service to oversee the implementation of AmeriCorps and to promote service and volunteering in West Virginia. Debate on that bill reported in this newspaper suggested that AmeriCorps members were merely overpaid baby sitters. That is simply not it.

I know it is fashionable today to be against government programs and especially fashionable for Republicans to oppose this program so closely identified with President Clinton. But AmeriCorps builds on America's tradition of volunteerism and community service, and adds a new program to the more than 30 years of positive experiences of the Peace Corps, VISTA, the National Senior Corps and Learn and Serve. All of these programs have had strong bipartisan support over the years.

My hope is that West Virginia's elected representatives state and federal, Republican and Democrat will visit these programs, talk with AmeriCorps members, and consider the value of the program to West Virginia citizens and communities. Eric Stone and his colleagues will be happy to share their stories.

Mrs. MURRAY. Mr. President, I rise today in strong support of my colleagues from Maryland's amendment that would restore funding to AmeriCorps.

I stand behind this program not from reading the glossy brochures that highlight its achievements. I believe in the work that AmeriCorps does from seeing young adults in my State coming together for a common goal. I have met these students and witnessed their accomplishments, and must tell you that communities throughout my State are praising their work.

From AmeriCorps members providing gang intervention in Olympia schools to rehabilitating damaged watersheds in Lacey to providing emergency assistance to disabled elderly in Pasco to delivering meals to HIV-positive patients in Tacoma, AmeriCorps is working across my State.

Let's put the partisan politics behind us. This is not anyone's program. It is America's program serving our Nation by making our streets safer, our environment cleaner, our children healthier, and our schools better.

Certainly, cries of deficit reduction have wrapped themselves around this debate. However, the return on America's Federal dollar has been proven to be quite substantial in recent studies.

A research report conducted last year by the Northwest Regional Educational Laboratory looked at two Washington State AmeriCorps projects in Hoquiam and Lake Chelan.

For every Federal dollar spent on these two AmeriCorps projects, a $2.40 return can be expected. Even beyond the many direct skills and experiences derived from AmeriCorps participants that cannot be measured in dollars and cents, monetary benefits were still found to substantially exceed costs.

Mr. President, I wonder how my colleagues can look these young people in the eye and tell them that Congress has pulled the plug on an opportunity that shapes their future while improving our communities. I strongly urge my fellow Members to think critically about what we fund that truly makes a difference in the lives of our next generation. AmeriCorps is the answer that provides a cost-effective solution to meeting many of our Nation's concerns.

Mr. SARBANES. Mr. President, I rise in strong support of the amendment offered by my colleague from Maryland, Senator MIKULSKI, to restore funding to the Corporation for National and Community Service. When the conference report on the National and Community Service Trust Act of 1993 came before the Senate for final approval, I was proud to cast my vote in favor of this important legislation and I am equally proud to stand before the Senate today to reaffirm my support for the Corporation and its mission.

Signed into law on September 21, 1993, the National Service Act has helped to renew the ethic of civic responsibility and the spirit of community service while also providing critical assistance to needy communities throughout the Nation. The measure has also encouraged and, more importantly, provided the opportunity for thousands of Americans to give of themselves for the greater good while earning money to further their education. In my view, the legislation effectively merges education and service, two critical components of a healthy society.

Now, several of my colleagues in stating their opposition to continued funding for the National Service Corporation have expressed the view that it is not the role of the Federal Government to subsidize community service; that to pay volunteers through a Federal program runs contrary to the spirit of local community-based service. I would urge those who hold this view to look to history. Our society and the unique form of government we enjoy was built on the strength of national service and, in my view, fostering the investment in and providing the leadership for increased opportunity to serve is a responsibility we all share.

Mr. President, AmeriCorps, the centerpiece of the national service program, is not one large Federal program, but a network of locally developed and locally managed service corps which gives thousands of young people the opportunity to serve their country while improving the lives of themselves and their neighbors. Moreover, the initial investment we have made has encouraged increased private sector involvement in community service programs, including AmeriCorps.

I encourage opponents of national service to look carefully at the success of many of the AmeriCorps programs operating in communities across the United States. Information gathered from site visits by the General Accounting Office (GAO) indicate that an overwhelming majority of the programs across the country serve their purpose. In my State of Maryland, the Montgomery County Police Department is operating a Community Assisting Policing program designed to engage volunteers in education and outreach efforts to control and prevent crime and to reduce fear in at-risk communities. The GAO found that participants were involved in such projects as organizing a school Crime Awareness Day, teaching senior citizens how to protect themselves from crime, and analyzing neighborhood crime statistics to identify problem areas.

The GAO also visited MAGIC ME America, a nonprofit organization founded in Baltimore in 1980. The central mission of the MAGIC ME organization, which operated three AmeriCorps programs nationwide, is to motivate and educate teens by involving them in local community service projects. The GAO reported that participants in the MAGIC ME Program in Baltimore found that the program helped them to build their self-esteem and confidence and that all three participants interviewed planned to use their education awards to start or return to college. Additionally, staff members at three of the area facilities served by AmeriCorps volunteers stated that their presence was a key ingredient to the program. With the help of the AmeriCorps Program, MAGIC ME estimates that they have been able to increase the number of people served by over 800 percent in their three AmeriCorps Program sites.

Mr. President, it is my view that national service, and those who participate in national service represent the best of our Nation. In the tradition of the Peace Corps and VISTA, AmeriCorps strengthens the beliefs and values that are at the very root of American citizenship—the tradition of serving others, the value of taking personal responsibility for ourselves and our communities, and the belief that to who much is given, much is expected. Through programs like AmeriCorps we provide our Nation with both an opportunity and an obligation. National service requests a contribution to the community while providing individuals with the opportunity to develop skills which will serve them well throughout their lives.

As I have indicated through examples in my own State, the national service program is effective; it does work. At a time when we as a society are searching for ways in which to strengthen our families and our communities it would be foolhardy to abandon this national service initiative. I urge my colleagues to join me in applauding those who have answered the call to service through AmeriCorps and other national service opportunities. These individuals are taking part in the oldest and best of America's traditions—the spirit of service—and they deserve our support.

Ms. MIKULSKI. Does the Senator from Massachusetts wish to speak?

I note the absence of a quorum, and ask that it be equally divided.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MIKULSKI. I ask the Presiding Officer, how much time does my side have left?

The PRESIDING OFFICER. The Senator has 20 minutes, 51 seconds.

Ms. MIKULSKI. I would like to yield 8 minutes to the Senator from Massachusetts. And I look forward to his discussions, as well as the chart.

Mr. KENNEDY. I thank the Senator from Maryland very much.

Mr. President, I welcome the opportunity to respond to some of the issues and questions that have been raised about the AmeriCorps and the costs for this program. And I listened, even though I was not on the floor, to both the response by the Senator from Maryland as well as the Senator from Illinois, Senator SIMON, about some of the points that have been raised about AmeriCorps working with governmental agencies and how that issue is addressed in the Senator's amendment.

That has been an issue that had been brought up and examined during the course of the review of the AmeriCorps. And I believe that the amendment that has now been before the Senate responds to that particular issue and question.

Second, I listened to those who have talked about AmeriCorps and the cost of the program, and also how much is expended in costs that are related to the AmeriCorps volunteer. I think it is important that we understand the terms that are being used and the costs that are being allocated to the different projects.

I have a chart here, Mr. President. I understand that this presents a breakdown of the total cost per member by category. I think there is some confusion about what the costs are in terms of the member. And I thought I would review this chart because I think it illustrates by this chart exactly what is being expended for the AmeriCorps and the costs which are related to the service of an AmeriCorps member. We are talking about two different items, and it has been very easy for those who have been opposed to this program to try to somehow lump all of those together and give a distorted view as to actually what is expended on behalf of the AmeriCorps volunteer.

For each AmeriCorps volunteer the Corporation spends $6,200 on the stipend over the course of the year. This represents 33 percent. We have the education award, which is $4,700. We have the health care, which is $1,200. Those all go into the costs. And then we have the AmeriCorps overhead at 7 percent.

I wonder how many of the governmental agencies are able to have an administrative cost at that figure—at some 7 percent—which is very impressive, and indicates that for every dollar that is actually expended, only a small amount of that dollar is used for program administration.

The State commissions that ensure that the programs are actually going to be a service in the State—really a State function for the AmeriCorps programs—is a small percentage, 2 percent.

Now, the other programs which are related in terms of the general costs are what are considered local program operations. This is the $4,300 over here. These are the tools by which the AmeriCorps volunteer is able to make the voluntary contribution. This is for projects like housing rehabilitation. These are the saws, the hammers, the nails, the equipment the AmeriCorps member is using.

There have been those on the floor of the Senate who have taken this figure, whether in this average figure where it is $4,300, 24 percent—or whether it would be even larger, depending on the particular program and have put it all in overhead to somehow say that the costs of the AmeriCorps Program is far in excess of what was estimated and far out of control.

That kind of confused calculation has been done with regard to the Navy's Seaborne Conservation Corps program. We have heard about the costs per participant being $66,000. I have the excellent response by Congressman GREEN that analyzes those figures to show that at the bottom line, the actual costs were $16,641.

Now, people can come on this floor and use this other figure which represents funding for the organization, so to speak, in which the AmeriCorps members are actually working. They can repeat it and repeat it and repeat it, but it does not make it any more accurate.

I think that it is important that we understand that.

Mr. President, earlier when I spoke about the participation of the private sector, there was a comment made about the contributions that were being made to match the AmeriCorps. I think it is important to have a complete response on that, as well.

We know that the 7 percent, which is actually the figure named in the legislation authorizing AmeriCorps, requiring leveraging of private support was far exceeded. In its first year, AmeriCorps raised $91 million in matching funds, nearly three times the amount required by law; $41 million came from the private sector, more than $32 million legally required from all sources. Over 600 businesses, from local concerns to national corporations like IBM and General Electric, have directly contributed money, uniforms, tools, equipment, and training.

And therefore, again, if you use selective figures to try to downplay the private sector's contribution, you can make a debater's point, but it is not an accurate reflection of reality. The figures I have given show the real participation and contributions that have been made. And I think, Mr. President, an even a greater indication of the value of AmeriCorps is not just what I say about this private-sector participation, but what the leaders of the various voluntary agencies and the other project leaders have said about AmeriCorps. There have been the most commendable and enthusiastic statements, across the board. In a number of instances these statements come from some by those who were skeptical about the whole program and ended up being enthusiastic about what these volunteers really mean.

Mr. President, both those who have supported AmeriCorps and those opposed to it have evaluated the service and the corps. You find out that even by the minimum evaluation, about two and a half times the benefit comes back from the expenditures. This is demonstrated by a cost analysis of the program.

So, Mr. President, I think the points that have been made earlier by the Senator from Maryland in terms of the costs of the program, in terms of the private participation, and responding to the criticisms that are made about involving the AmeriCorps with governmental agencies, all are extremely important issues that should be responded to. And I think we have tried to do that this afternoon.

I just say, finally, we want to keep our eyes on one important point, the $4,700, the educational award, is also eliminated in this appropriations bill. And this is at a time when we are cutting on student loan programs. We reported out of our committee earlier today what is effectively a tax on every college in this country, based upon the amount of the student loan programs.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. Can I have 2 or 3 more minutes?

Ms. MIKULSKI. I yield the Senator from Massachusetts 2 more minutes to conclude his remarks.

Mr. KENNEDY. Mr. President, at a time when we are cutting back on the student loan program, or at least making it much more expensive, this program is out there. These individuals, by and large, are involved because they want to give something back to the community. Their greatest reward is not only their personal satisfaction and service to the community, but an opportunity for education, which is certainly a matter of national interest.

Finally, I will include in the RECORD, Mr. President, the number of colleges that are matching these education awards. Hampshire College in my own State—and I will include in the RECORD a number of the schools and colleges that are matching these education awards two and three times in recognition of the service these young and old people are providing for the community. I thank the Senator from Maryland.

The PRESIDING OFFICER. Who yields time?

Mr. BOND. Mr. President, how much time is remaining on this side?

The PRESIDING OFFICER. Twenty-nine minutes, 43 seconds.

Mr. BOND. I am happy to yield the Senator from Arizona 8 minutes.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Thank you, Mr. President. I appreciate the Senator from Missouri yielding time.

I appreciate what both he and the Senator from Iowa have done in pointing out some of the problems with this new program that is called AmeriCorps. My position is that at this time of severe budgetary crisis in this country, at a time when we are trying to balance the Federal budget, it is not the time to be starting new Federal programs with substantial expenses which, frankly, are not cost beneficial in terms of the degree of support that it provides to the American people.

As a brand new program, AmeriCorps costs American taxpayers $367 million in 1994, and the GAO estimates that AmeriCorps costs nearly $27,000 for each volunteer. It is not an effective jobs or education program, and I submit, Mr. President, that it is not going to increase voluntarism in this country or in my home State of Arizona.

For example, the Arizona AmeriCorps Program, called the Border Volunteer Corps, was one of the largest programs. It received $2.6 million in the 1994 and 1995 service year. But it will not be federally funded this year through the Corporation for National Service. The reason is because the Arizona-Mexico Commission, the Arizona sponsor, pulled out because of alleged mismanagement of this program.

It seems to me that groups such as the Salvation Army, groups in Arizona like Arizona Clean and Beautiful, Crime Victim Foundation, St. Mary's and Andre House food bank, and others that provide volunteer service in the State commit millions of hours to voluntarism every year.

We know today, Americans 18 and up volunteer 19.5 billion hours of their time, which is a 50-percent increase in the number of hours since 1981. Turning voluntarism into a wide-scale public jobs project, it seems to me, will undermine public philanthropy. We are doing well in volunteering in this country, not paying people to be volunteers.

Moreover, as other speakers have pointed out, AmeriCorps is not based on need. Certainly, today in our effort to prioritize where Federal dollars are going, Federal higher education dollars, if that is what these are targeted to be, should be targeted toward those who are most in need of assistance. AmeriCorps does not promote voluntarism because it is not a volunteer program. Students are paid $7,400 for work and given $4,750 toward education costs for 2 years. In addition, recipients are guaranteed health and child care benefits.

For the average $20,000 to $30,000 cost per year per student in AmeriCorps, eight needy students could receive Pell grants at $2,400 each. Eight needy students—and that is the definition of the qualification for Pell grants—could be served with this same amount of money, in other words, that we pay for one AmeriCorps volunteer.

A $20,000 stipend is worth more than the individual income of nearly 40 million working Americans. That is what we are paying these AmeriCorps so-called volunteers.

Examples of AmeriCorps spending: The National Civilian Community Corps, funded through AmeriCorps, provides 1,000 AmeriCorps volunteers with meals, tuition stipend, health care, child care, and housing at four closed military bases in Maryland, South Carolina, Colorado, and California.

So this volunteer program will cost $26 million for these 1,000 participants. Of course, the taxpayers foot the bill for AmeriCorps and not just for the good work that they do, but also for everything else associated with their work, including their training and a lot of interesting kinds of seminars.

According to John Walters of the New Citizenship Project, AmeriCorps volunteers spend one-fifth of their time in training, education and other nondirect service activities. So the taxpayers pay for nonneedy students to participate in self-esteem and other government classes and seminars.

It is also, I think, a problem here because, Mr. President, at the time we are trying to reduce the Federal bureaucracy, AmeriCorps volunteers are becoming part of a Federal bureaucracy. Over 2,800, in other words, about 20 percent, of the 20,000 AmeriCorps volunteers are assigned to Federal agencies, including Agriculture, Interior, National Endowment for the Arts, and others.

The federally funded Legal Services Corporation, for example, has been awarded funding for 44 AmeriCorps volunteers, costing taxpayers $959,000.

I think the bottom line is that for fiscal reasons, we have to limit AmeriCorps spending, and that is why I support what the Senator from Missouri is trying to do today. It simply costs the American taxpayer too much for the benefits that it provides, and I suggest that it should be eliminated.

We ought to examine the intent and the costs of the program. For example, we should get answers to why the AmeriCorps program costs $42,000 per person per student in Alaska. More than 16 students in that State could participate in the Pell grant program for the same amount of money that is used to sponsor one AmeriCorps volunteer.

Or why $1.7 million of the AmeriCorps budget has been spent on an AmeriCorps advertisement campaign. This year alone, the Government will pay more than $3 billion in interest on our national debt. That is about $1,100 for every man, woman and child in the country, enough to pay a year's tuition for a young woman or young man, for example, to attend Arizona State University.

Reducing funding for AmeriCorps is one small but very important way that we can begin to prioritize how Washington spends the taxpayers' money. That is why, Mr. President, as I said, I support what the Senator from Missouri and the Senator from Iowa have been saying today. It is time to cut the AmeriCorps program down to size.

I appreciate the Senator from Missouri yielding me this time. I reserve the remainder of the time.

Ms. MIKULSKI. I yield 3 minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I rise today in strong support of the amendment offered by my colleague from Maryland, Senator MIKULSKI, which restores $425 million to the Corporation for National Service.

Two years ago, I was very proud to be a lead Republican sponsor of the National Community Service Trust Act. My support for this endeavor comes from a long-held belief that national and community service is essential in addressing many of our unmet social and educational needs. Community service is the cornerstone of democracy, where those who have much have a responsibility to help those who have little. Providing public service as a means of training individuals, while at the same time supplying benefits to a community, is a win-win initiative.

It is interesting to note that the critics of national service have never criticized the goals of the program. They focus their criticism on the cost of national service activities with figures which are highly debatable, but not the worthiness of the efforts.

I beg to differ with those who say we do not have the dollars for national service activities. We do have the resources to devote to this worthy effort. For example, since 1980, we have downsized our military enrollees by 184,790, representing 54 percent drop. The savings generated from curtailing new recruits by 184,000 is close to $2.7 billion per year, much more than we spend on this program. And yet we have reduced the opportunity to 184,790 individuals each year, who otherwise would get help from the Federal Government to assist them in learning skills and being able to participate in a more meaningful way in our society. All we are doing with this amendment is taking a small proportion of those who now no longer have that opportunity, approximately 20,000, and give them the chance to take part in this program.

Although we are downsizing our military, many young people still have the desire to become involved in public service. We are not providing them an opportunity to contribute if we do away with national service.

National service enables not only young people but schools, community organizations, towns and cities to develop programs that will meet their own unmet needs while giving invaluable education to generations of our future leaders.

I point out that those 184,000 no longer in the military would have had an opportunity to get the same kind of scholarship they could get with national service through the military. Now due to downsizing of our Armed Forces, that opportunity is no longer available to them. So the elimination of national service will effectively remove another avenue for a large number of young people to obtain educational opportunities.

Let us remember that national and community service is not a program that young people engage in because they are free for the summer or because they have nothing better to do. Participation in service requires true commitment. This is a program that demands that youth spend at least 1 year in full service, or 2 years in part-time service in an area of national need.

Although we all support spending cuts, this does not mean we should forsake our responsibility to develop necessary Government programs, especially those that help our young people.

We must commit ourselves to redirecting our priorities to make clear that unless we address the concerns of this Nation, our children will not have a future. National service is a cost-effective program that is meeting many urgent local and national needs not being met through traditional means.

An example of the program's cost-effectiveness is an AmeriCorps project in New York. For each hour that AmeriCorps members update computer equipment, they save the New York City Board of Education $100 in labor costs.

Through a combination of hard work and commitment, National service has surpassed the expectations we all had when this legislation was enacted almost 2 years ago. National service was not designed to result in miracles on a grand scale, but there are many examples of minor miracles occurring daily throughout the United States. Some of these examples include, Youth Conservation Corps participants who have assisted Midwestern families afflicted by this spring's floods, the Teach for America participant who not only taught children in Watts how to read, but also how to love, and the Battleboro, VT, Independent Living project participants who assist the elderly and individuals with disabilities so they can remain in their homes instead of being forced to live in an institutional setting.

National service is a program that has served our Nation well, and therefore I rise today to lend my voice in supporting the Mikulski amendment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BOND. Mr. President, I yield myself 10 minutes.

Mr. President, I was struck by the comment of my friend from Vermont that we do have the resources to fund AmeriCorps. I think this amendment, which I have now had an opportunity to study a bit more, reflects just how difficult these funding choices are. I said earlier that when I made my recommendations, I had to weigh AmeriCorps versus community development block grants. I was interested to see what the sponsors of this amendment show as their offsets because we have to keep this amendment budget neutral.

Well, this amendment uses two accounts for offsets, both of them from Housing and Urban Development. The first cuts the annual contributions for assisted housing accounts by an additional $383 million by taking an unspecified reduction. This could affect section 202 housing for the elderly, or the section 8(11) program for the disabled, or even housing for AIDS victims.

Other activities in this account include vouchers for displaced families. Incidentally, when we are looking at family vouchers, for each AmeriCorps volunteer, four low-income families could be given housing for a year. Is this truly our priority? Is it truly our priority to pay one young person what otherwise could go to providing assisted housing for four families needing housing? I do not think so. That is part of the problem I have with AmeriCorps in this budget.

In addition, in the rescissions bill which was adopted by this body and signed by the President earlier this summer, there was already a $1.12 billion reduction in this housing account. And the Department of HUD is telling us of their difficulty in identifying those reductions. To impose a further $383 million cut could impact real programs and real housing assistance for low-income families, the elderly and the disabled. One of the great complaints I have heard about this bill, as it has been submitted by the committee, is that it cuts HUD too much. This amendment would cut HUD further. Frankly, I was not willing to do that. I do not think it is a good idea.

The other offset proposed in this amendment is achieved by increasing the individual limit on mortgages for the FHA-guaranteed program. Now, this is a very controversial provision. Under this amendment, mortgages as large as $175,000 would be eligible for Government guarantees. That is raising from the current limit of about $152,000. These are not and should not be the sector of the housing market that the Government guarantees should cover. Moreover, private mortgage insurance is readily available in those mortgages. This proposal would expand the role and scope of Government. It is something that has been debated in the authorizing committees. I believe it is not wise because it would place the Government in greater competition with the private mortgage insurance market and likely increase FHA's market share in the area at a time when the private market is doing more and more.

President Clinton has talked about reinventing Government and bringing it under control. The Republicans who were elected in 1994 talked about limiting the scope and the role of Government. This amendment goes in the opposite direction from both of those objectives. To make the argument that we should increase the maximum allowable loan amount because it generates more money is to say that the best reason for a Government program is that it makes money. That is not the right approach.

I think the only valid justification for a program is a public purpose that can only be achieved by Government. There is no public purpose served by expanding Government's role into the already served private market. I believe this proposal is corporate welfare for lenders who currently receive servicing fees far higher than market levels for handling loans with no risk. Actually, it is a risk assumed by the taxpayers, not by the lenders.

I think there is real reform needed in the AmeriCorps, National Service Corps. I am very pleased that the sponsors of the amendment—and I congratulate the Senator from Maryland for putting in a proviso that none of the funds available shall be used to administer, reimburse, or support any national service programs run by Federal agencies. We were astounded earlier this year to learn, Mr. President, when we wanted to find out where the money was going at the national level, that AmeriCorps had been funding the Departments of Agriculture, Energy, Interior, Justice, Labor, Transportation, EPA, and the Department of Veterans Affairs.

Well, according to the letters that we have received from OMB Director Rivlin and from Mr. Segal, they are not willing to talk about any reforms. I strongly support and commend the Senator from Maryland for agreeing to take out all of these Government agencies. AmeriCorps was funding these governmental agencies, and they were passing over Future Farmers of America, National 4-H Council, Girl Scouts of America, American Red Cross, Big Brothers/Big Sisters, the Boys and Girls Clubs, National Audubon Society, United Negro College Fund, United Way of America, United Cerebral Palsy Association, Goodwill Industries International.

These are the traditional volunteer agencies that most people think of in America when you talk about volunteers. Yet, they were passing over those. They were passing over those, in some instances, to go to Federal Government agencies. I am glad and I congratulate the sponsor of this amendment for knocking out those Federal agencies. But I also want to point out that there was strange scoring done. When you look at the independent assessment made by an outside agency who ranked these applicants, they had to reach way down in the rankings—from an impartial ranking group—to find some of the organizations that were funded. They overlooked Big Brothers/Big Sisters, National Urban League and Student Conservation to provide funding for an ACORN project.

Well, as Senator GRASSLEY has learned—and I believe he may have a statement later on—the ACORN project was involved directly in political activity. They were soliciting votes, actually involved directly in a campaign against a city councilman in Denver.

I think it is time that we had a commitment from this administration for a thorough reform of AmeriCorps before we even consider putting funds that are badly needed in other agencies into that program. I received a letter from PETER HOEKSTRA on the House side, chairman of the Oversight and Investigation Subcommittee. He was an original supporter of the Corporation for National Service. He said, at the time, "I believed that this would be an efficient and effective use of taxpayer dollars. However, after conducting an independent evaluation of how money flows from the Corporation to AmeriCorps programs and how these funds are spent, I have grave concerns about the continuation of this program."

He states that he has begun a dialog but he finds that it is safe to say that AmeriCorps has been and likely continues to be an avenue for partisanship. "The recent move by the Corporation to defund ACORN and Cole Coalition only serves to highlight the seriousness of this problem. In the case of ACORN, AmeriCorps' IG has pointed out numerous cases of lobbying, fund raising, and even voter registration carried out by AmeriCorps members."

Congressman HOEKSTRA goes on to say, "Finally, our subcommittee is in the process of reviewing CNS' grantmaking procedures. Our preliminary findings reveal a less than comprehensible procedure, whereby grant scoring often has little to do with who receives the final grants."

I really believe that before we consider trying to take money away from HUD, from assisted housing for those who are in grave need, for the people who are elderly, who are disabled, or the people with AIDS, that the administration at least owes us a good-faith effort to make sure that the dollars that are spent in AmeriCorps are not being spent for political purposes, they are not being wasted on high-cost projects.

I reiterate my point that in these very tight budget times, I do not think that paying money to volunteers in this program is a higher priority than taking care of the needs of those who depend upon HUD for federally assisted housing. I reserve the balance of my time.

I yield the floor.

Ms. MIKULSKI. Mr. President, I yield the Senator from Delaware 3 minutes.

Mr. BIDEN. I thank the Senator from Maryland.

Mr. President, I will be necessarily brief.

There is very little the Federal Government can do about moral values. That is something that is shaped by families and communities and churches. One of the things we can do is the Government can help teach young people that they owe something to their country and to each other and that membership in the community conveys both rights and responsibilities.

The Senator from Georgia is on the floor. He had a national service piece of legislation which I and several others supported over the years. The notion that we are going to instill in our children that they have an obligation to their community and to their country—my own experience, we focus, I believe, too much on just what the benefit to the recipients of this service is.

I suggest one of the greatest benefits of AmeriCorps is what it teaches those who participate in AmeriCorps. My son was in the Jesuit Volunteer Corps. No relationship, no remuneration, but he spent a year in a community service project in a homeless shelter out in Portland, OR. I know he benefited more from that experience, quite frankly, than almost anybody he helped benefit.

That is one of the payoffs of this program. One of the payoffs is a generation of young people who, in fact, are instilled with a sense of obligation and responsibility to the community.

I heard my friend from Arizona stand up and talk about this as if it were need-based. There is nothing need-based about the military; the Peace Corps is not need-based. The point is to pass on these values to children or young people of all economic strata.

We need broad-based support from the next generation in terms of what their responsibility to the communities is. I think that is the most overlooked aspect of this program.

I also add, Mr. President, that I hear some of my friends—not the chairman of the subcommittee, but some of my friends on the floor—talking about the need for other programs. I notice they also cut those programs. I find it somewhat interesting the talk about this could pay for x amount of Pell grants or y amount of this. I notice from their records they do not vote for the Pell grants, they do not vote for the other things.

I find it somewhat interesting that they use as a straw man—I am not speaking about the Senator from Missouri but others who have spoken and talked about this off the floor—they use as a straw man the idea if we just were not spending the money on AmeriCorps, we would be spending it on other worthwhile programs that I note they also vote against and voted to cut.

Mr. President, I must admit that I find this debate—and the opposition to AmeriCorps—somewhat fascinating.

We have been hearing for about a year now—including the last few weeks during debate on the welfare reform bill—that we need to return power to States and local communities. That the Federal bureaucracy needs to get out of the way of local solutions to problems, that we need to make better use of nonprofit community organizations and church groups in addressing the problems this country faces. And that individuals helping each other, not the paternalism of big government, is the ultimate answer to our problems.

Fine and good, Mr. President. And, to an extent, I agree. But, that is exactly what AmeriCorps does.

AmeriCorps says to States and communities, you decide how to meet the needs of your people how to solve the problems you face. AmeriCorps says, private, nonprofit organizations should be the main focus of the program. And, AmeriCorps teaches young people about responsibility, opportunity, and citizenship.

The fact is, President Clinton's national service program is probably the most Republican program ever enacted by a Democratic President.

It is not the Federal bureaucracy trying to solve problems, it is State, local, and private organizations working together to solve problems.

It is not solutions conceived inside the Washington Beltway. It is solutions conceived where the problems are, at the local level.

It is not government taking over the role of charities. It is, as almost all local charities will tell you, a way to make volunteer efforts more useful and effective.

All the Federal Government does is to provide some money and some dedicated young people to help.

Let me tell you about some of those people from my State of Delaware—both those who help and those who are helped.

Tammy is a single parent who used to be on welfare. Today, Tammy is an AmeriCorps member who helps teenage mothers do what she did—move from welfare to work. Tammy says, "AmeriCorps gave me my voice back."

Dora is another woman supporting her two children. After leaving the military, she took a job waiting tables. But, this past year, she spent working for AmeriCorps, helping elderly public house residents get preventive health care.

Dora will be using her tuition voucher to go back to school, something she admits she never would have done without AmeriCorps. As she put it, "AmeriCorps gave me direction."

Jeff was a Maryland AmeriCorps member, but he did his service by tutoring at-risk elementary school children in the Colonial School District in Delaware. For many of the boys, Jeff was their only male role model.

And, the boys could hardly wait for Jeff to show up each day. After just 1 week, one of the teachers said, "There's already been a difference." Many teachers are now begging the principal to have an AmeriCorps member in their classroom.

And, finally, let me tell you about Camille, who is a homeless teenage mother who dropped out of high school. She met an AmeriCorps member named Chan. And, Chan gave her hope.

Chan got Camille to sign up for an adult education program. He supported her and tutored her. And, Camille will soon graduate from the adult education program and receive her GED.

Mr. President, there is very little the Federal Government can do about moral values. That is something that is shaped by families and churches and communities.

But, what each of the examples I just gave proves is that the Federal Government can do at least a little bit about this country's values. The Federal Government can help teach young people that they owe something to their country and to each other, that membership conveys both rights and responsibilities.

And, what these examples also show is something I have long believed about community service—and I saw it with my own son after he served a year with the Jesuit Volunteer Corps. Those who benefit from community service are not just those who are helped, but also those who do the helping.

AmeriCorps helps instill the values of responsibility and citizenship. It makes a difference in lives of thousands of Americans and makes our problems just a little bit smaller.

There are children who will walk through their neighborhoods today safer because of the AmeriCorps members who are helping the police in community policing.

There are neighborhoods tonight that are safer because AmeriCorps members closed down the crack houses.

There are children in school today because an AmeriCorps tutor gave them hope and they did not drop out of school.

There are families who have homes today because of houses built by AmeriCorps members.

There are senior citizens in nursing homes whose days are just a little bit brighter because of the work of an AmeriCorps member.

Mr. President, AmeriCorps is not the solution to all of our problems. And, it is not the entire answer. But, I dare say, it is making a difference. And, it would be truly regrettable if AmeriCorps was eliminated after just 1 year.

Ms. MIKULSKI. I yield 2 minutes to the Senator from Georgia. I wish to tell the Senate this is one of the founding fathers of national service.

Mr. NUNN. Mr. President, I urge support of the amendment of the Senator from Maryland, and I commend her for taking this leadership and also commend the Senator from Missouri for pointing out things that need to be corrected in this program.

That is what we ought to be doing. We ought to be correcting the faults, not killing the entire program.

Mr. President, we have heard comparisons of how many Pell grant programs we could fund, how many job training programs we could fund. These criticisms are valid as far as they go but what they forget is a very important point.

That is, we are requiring service, and service is being rendered. A good analogy is our Nation's Armed Forces. We do not maintain Armed Forces in order to provide valuable skill and help develop good character in young men and women. Rather, Armed Forces personnel develop skills and character in the military as they carry out their primary mission for providing for our Nation's security.

The same is true of national service. Would critics have us disregard the benefits to society of national service participants helping flood victims in Montezuma, GA, last year, a town completely overcome by the flood? Should we ignore the benefits of the first-time immunization program of 33,000 children in Fort Worth, TX, in 1 month?

Mr. President, independent studies verified by the GAO found recently that AmeriCorps returns between $1.68 and $2.58 for every $1 invested. I think it is important that we continue this program. National service says to the participants, along with society's opportunities come duties. If you will provide your honest sweat and elbow grease to improve society, we will help you attend college or acquire a skill.

This is a win-win-win situation. The question I have for my colleagues is what other program is aimed at accomplishing these social ends without a handout, without stifling bureaucracy, and with such enormous benefits to our communities?

As my colleagues know, the idea of national service is one in which I have been involved for several years. In 1989, I introduced with Senator ROBB, GLENN, BREAUX, and SASSER introduced legislation to demonstrate the concept of national service in a small number of programs nationwide. President Bush signed that legislation into law in 1990, and the effort yielded a number of highly-successful demonstration programs, including two in my State. In 1993, Congress passed President Clinton's National and Community Service Act to create thousands of young people serving their communities. While the scope of AmeriCorps is much larger than our original demonstration project, the philosophy behind it, supported by Democrats and Republicans, is the same—make plain the essential connection between rights and responsibility by putting Americans to work meeting the unmet needs in their communities.

At present this Congress is involved in a great debate over how to reverse the fraying of our Nation's moral fabric. The question which confronts us is how to stop the rising tide of crime, illegitimacy, falling test scores, and rising despair that plague our communities. I do not pretend that funding national service is the answer to all of these problems. What I can say with great conviction, however, is that national service is one of the few Government enterprises with the potential to inspire large numbers of young people against this tide.

In Georgia, success stories are not hard to find. In my State, AmeriCorps members alone have contributed more than 300,000 hours of service, and served more than 19,000 individuals. In addition to their required service, AmeriCorps members have volunteered 7,500 hours to community-wide philanthropic efforts and traditional volunteer programs. They have also recruited more than 2,500 community volunteers to help in their community service efforts. Members are working with the Macon police department to patrol communities and establish neighborhood watch programs. In Douglas, members are helping to erect road signs to ensure that emergency crews can respond quickly to calls on the newly-installed 911 telephone system. In Atlanta, members mentor and tutor low-achieving students in schools and recruit volunteers for further community service efforts. In Atlanta, the principal of Ralph McGill school in a low-income area of Atlanta informed me on a visit that since AmeriCorps young people started working as teacher's aides discipline problems have declined at his school by 70 percent. This list of accomplishments is mirrored in virtually every State in this Nation.

Critics have tried to attack national service in a number of different ways. With the recent release of the GAO report on the costs of national service we have heard cries of how expensive the program is. I would caution the program's critics to examine the benefits of the program as well as its costs before issuing such casual independent studies. The GAO study often quoted by critics found that AmeriCorps' per-member costs to the Federal Government are in fact lower than the estimates the Corporation set for itself. In addition, the benefits generated by the program, as reported by an independent accounting agency and verified by GAO, have yielded excellent ratings for cost-effectiveness. Most importantly, however, the program receives high marks from the beneficiaries of the service, like the teacher of Ralph McGill school, who is better able to teach his students through AmeriCorps' efforts. In this way AmeriCorps is living up to its slogan, "Getting Things Done." I hope that the program's critics, many of whom were singing the praises of cost-benefit analysis on this floor in a different debate on regulatory reform just a few weeks ago, will practice that preaching for this program as well.

Our Nation's Armed Forces provide another good historical analogy to national service—the GI bill. This program, which began in the mid-1940's as an effort to provide an education to those who fought for our Nation's survival in World War II, has been judged one of the most successful investments of public funds in our history. The program continues today as the Montgomery GI bill. The GI bill gives the participants an education benefit in exchange for their great service to this country. Like the GI bill, national service provides a triple payoff in terms of the service performed, the service experience, and the post-service benefit. Do my colleagues who criticize national service believe that the GI bill was a mistake? Here, Mr. President, is a program that has just as much potential to help our society.

Finally, Mr. President, I would point out that since its initial authorization in 1993, AmeriCorps has had only one full year of operation. As with any newly created enterprise, there are growing pains of varying degrees, and I am the first to express my willingness to search for ways to make the program more effective. The time for such debate and change, however, is during the program's scheduled reauthorization next year. That way we can have a systematic, rational consideration of whether this program has provided sufficient "bang" for the Government's buck, and whether structural changes are needed. To kill this program in this appropriations bill would be a costly mistake.

Mr. President, as our distinguished colleague Senator BYRD often points out, one of our primary duties as Senators is to exercise the "power of the purse" and be good stewards of the taxpayer's dollar. I have been watching AmeriCorps' work in my State, and I am pleased to inform my colleagues that AmeriCorps is achieving its goals. This is an innovative, nonbureaucratic, decentralized approach to one of our Nation's most important tasks—creating citizens who understand that responsibilities accompany rights and who provide real services to individuals and communities. I urge my colleagues to look at the benefits as well as the costs of this program, and to support the Mikulski amendment.

Mr. President, we are developing leadership and we are also serving communities and individual needs. I urge this program be retained.

Mr. NICKLES. Mr. President, acting on behalf of Senator BOND, I yield Senator SANTORUM 5 minutes.

Mr. SANTORUM. Thank you, Mr. President, and I thank the Senator from Oklahoma.

I rise, and I hesitate to come to the floor to talk about this issue although I have talked about it in the past. I wanted to make a statement because the former Senator from Pennsylvania, Senator Wofford, is in line to be the next head of the AmeriCorps Program.

I stand as someone who has been a critic of the program. I wanted to make it clear that I am critical of the program—not of Senator Wofford. In fact, I have said to the Senator that I will support him for that position and wish him well.

He has a big job ahead of him because I believe this program is a misguided program, is a program that is on a values level—the Senator from Delaware talked about values. I think it teaches the wrong values. I think it teaches the value of not voluntarism.

My definition from looking in the dictionary, voluntarism is unpaid labor. This is paid labor. That is not voluntarism. You can call it a lot of things, but not voluntarism, any more than me deciding to run for the U.S. Senate and therefore being elected, being a volunteer because that is what I decided I wanted to do.

You are compensated for your work and therefore you are not a volunteer. Call it what it is. It is a Federal paid taxpayers' position that you have, working many places in a government job, or through some government-sanctioned organization, or approved organization.

I do not see anything particularly noble about a job paid for by taxpayers' dollars, that is any more noble than someone who goes out and sells insurance or someone who works on Wall Street or someone who grows cotton.

Those are all noble jobs. They are providing valuable services to this country. To suggest that somehow we instill the value in people, working for the Federal Government for taxpayers' dollars is somehow noble, and that going out and trying to start a business or raise a crop is not noble, that those values are not important.

I think that is really what is fundamental. I think we are missing the point. Yes, there is a lot of good work being done by people, but they are being paid to do it by the Federal Government, and it is the Federal Government's design as to what role they should be filling.

I think that is a very dangerous value to somehow elevate Government service above all other aspects of our lives in our society. I think that is why you see so many people on our side of the aisle come up who feel this is a real hot button issue, because I think it is a distortion of the American value.

I would also add, having just been very actively involved in the welfare debate over the past few weeks, that there are a lot of people who are very strong supporters of AmeriCorps who are not supporters of requiring people on welfare to work. I find that incredible. Here we have people who desperately need work. You talk to employers. What do employers tell you they are looking for an employee? Are they looking for someone who has a lot of skills, someone who is exceptional in a particular area? No. What most employers look for in employees is someone with a good attitude and good work ethic. What people on welfare in most cases do not have as a result of having grown up on welfare—I am talking about the chronic welfare recipient—is instilled a good work ethic.

What we could provide instead of paying volunteers in AmeriCorps is we could be putting the people who are on welfare who need jobs the same things AmeriCorps people are doing. Remember, people on welfare are receiving the money. They are already getting the benefits. It does not cost any addition and gives the people who really need the work, not someone whose daddy is a CEO of some company who signed up for AmeriCorps because he wants to do the good thing and be a volunteer and get $27,000 a year, but someone who actually needs the work experience, needs to learn the skills.

Let us talk about what we can do to take this program and apply it in a sense in the welfare context. That makes a lot of sense. That is really a direction that I think the American public could support.

Mr. President, I want to read a quote from Father Robert A. Sirico, who is president of Action Institute for the Study of Religion and Liberty in Grand Rapids, who wrote an article on AmeriCorps and how it falsely teaches people what service is all about. His concluding paragraph is:

> Idealism led me to the priesthood. Another sort of idealism leads people to the business world. Here's some advice for young idealists. If you want to serve others, don't be bought off by a Government program. Try something voluntary that is personally challenging, socially beneficial, and doesn't cost the taxpayers one dime.

I think that sums up the mood of most of us on this side of the aisle. We want people to be challenged. We want young people to be involved in voluntarism. We want people to care about their community. But we want them to do it because they care about their community, not because they are getting paid $30,000 a year by Federal taxpayers.

Mr. NICKLES. Mr. President, I yield Senator ASHCROFT 3½ minutes.

How much time is remaining on our side?

The PRESIDING OFFICER. A total of 6½ minutes.

Mr. NICKLES. I yield 6½ minutes.

Mr. ASHCROFT. I thank the Senator from Oklahoma.

Mr. President, I am pleased to speak on AmeriCorps.

Before I begin, I would like to thank my colleague and my good friend, Senator BOND, for his management of this bill as well as his unending commitment to the taxpayers of Missouri. His opposition to the Corporation for National Service is another example of the fiscal integrity that has marked his career in the Senate, and I am honored to join him here.

Americans constitute a community of service. Last year 90 million Americans of all ages gave their time to civic and religious organizations. They cared for the poor, sick, the broken, and the lonely. They gave their time without regard to benefit or pay. They did it as a matter of personal devotion and out of their regard for each other as part of the way we live our lives as Americans. Their personal sacrifice is, in my opinion, mocked by a Government program with a catchy name like AmeriCorps.

Mr. President, we have for most of this Congress been debating Washington's legitimate role in our daily lives. Some cases are tough, tough debates—debates on welfare, crime, and education. Others are not. This is not a tough case. AmeriCorps is a $27,000 per participant boondoggle for kids trying to find themselves. AmeriCorps is welfare for the well-to-do.

Mr. President, for what AmeriCorps costs annually we could send two poor students to the University of Missouri for 4 years, all expenses paid, for everyone person we send through AmeriCorps. We could give 18 Pell grants to needy students for the annual cost of one AmeriCorps participant.

AmeriCorps is wasteful and bureaucratic. At least $15,000 per AmeriCorps participant goes into overhead and administration here in Washington. Only in Washington could $15,000 a year be paid for paper turning, and as a result that would be considered volunteer service.

Of the AmeriCorps participants, 1,200 serve—volunteer—at the U.S. Department of Agriculture; 525 volunteer at the Interior Department; and 60 serve at the National Endowment for the Arts. This is not in the spirit of volunteering. This is not in the spirit of service that we normally find for American communities.

I rise to oppose this because I believe that a volunteer program should be a volunteer program. It should not be a way to subsidies the Federal bureaucracy and send individuals into the bureaucracy at rates of pay that deprive other needy programs, that displace the ability to meet other needs in our culture.

So I am pleased to support my senior Senator's motion which would defund or otherwise take AmeriCorps out, because I do not believe we should be spending money at this level in an enterprise which masquerades as a volunteer program but is a very expensive program.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I yield 1 minute to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Thank you, Mr. President. I thank the Senator from Maryland.

I ask unanimous consent that I be added as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, I rise in support of the Mikulski amendment, and I ask to be added as a cosponsor.

As a former college professor and community organizer, I was proud to be a part of creating and now implementing the National Service Program. I was also proud to bring the vast experience of people and programs in my State to Washington as Congress was considering this original legislation.

People across my State of Minnesota and the rest of the country have worked in National Service programs which has helped our Nation and local communities solve social problems while at the same time strengthen democracy and citizenship.

From all I see, this is a program that works.

Over half of the AmeriCorp members in Minnesota signed up for another year of service.

This is not about paid service at all. Service in Minnesota is about citizenship, to be part of a community, stepping forward to serve. These people are not getting rich by any means. The participants are making $4.50 an hour. This is essentially minimum wage.

If you think today's youth are cynical; if you think they are disengaged and apathetic, you are wrong. I have met them. This program is all about participation and citizenship.

Listen to what some of these young people in Minnesota have said about the program:

David Jacobsma: "It has meant meeting new people with a wide variety of backgrounds. It has meant money for my education. It has meant new life experiences."

Holly Sirjord: "I feel I have contributed to my community. I not only worked with the personal aspects of the community, but I feel in return I have learned a lot by working with the natural aspects as well."

Katherine Musch: "AmeriCorps is a wonderful service organization that helps people help themselves build futures. This past year I have learned so much working with people and nature. It was great to feel a part of something so worthwhile. I am proud to be a member and would love to see AmeriCorps continued."

Aaron Neubert: "It has given me the opportunity to use my college degree. I am anxious to show future employers that I have experience."

Kelly Engen: "Being a member of the AmeriCorps program has meant a great deal to me. It has given me a sense of pride knowing that I am giving something back to the local communities that have given so much to me."

Tim Reese: "An opportunity to experience resource management on a watershed scale, frustration, a valuable experience, good training, an understanding of the workings of a Federal agency and a way to help pay for graduate school."

Russell Boheim: "AmeriCorps has given me the opportunity to use the knowledge and experience I've gained on a natural resources project benefitting the people in the region, where I was raised."

Tony Kroska: "AmeriCorps is, and has been, an excellent opportunity to use and test my skills to further the improvement of a region that I consider to be a valuable resource."

Shelly Eckblad: "AmeriCorps—group of Americans forming a body of persons, acting together in a common direction. That direction is to solve problems facing our country—the United States."

Tracy Guthmiller: "AmeriCorps to me means opportunity. AmeriCorps has given me the opportunity to assist others while at the same time gain valuable experience for myself."

Linda Dahl: "To me AmeriCorps has meant helping those who are willing to work toward improving their stewardship of the land. I believe this will lead to a better informed rural community and a healthier living environment."

DiAnn Koening: "Being an AmeriCorps member has given me the opportunity to serve local communities through individual and team efforts, acquire new skills, and become more knowledgeable of the local agencies and what services they provide."

Melissa Stommes: "Being an AmeriCorps member has given me a lot of opportunities to test my talents, explore more options, and meet new people."

Graeme Belcher: "AmeriCorps has given me the chance to make my community and myself better. The results of my actions will affect the environment so that everyone can live healthier and happier lives."

Joy Swenson: "I have learned many things in my AmeriCorps stint, so far. I have been trained in some things that will be a definite help to me in my future career—along with some things that will help out my life in general. Things such as team spirit and working with a range of attitudes and personalities. I cannot really say all I want to in 25 words or less, but I will end with this thought. I believe that being an AmeriCorps member will be an experience that I will always remember."

Dean Lutz: "The AmeriCorps program has been beneficial to me in helping me develop and achieve my goals. The NRCS and other surrounding people are fantastic to work along side."

Jeff York: "Being a AmeriCorps member has allowed me to return and serve the area I grew up in. As a member, I have enjoyed the responsibility and commitment it takes to serve others. I have also been introduced to a new, diverse group of Americans that, without this experience, I would not have been able to otherwise meet."

Brian Krzmarzick: "Being an AmeriCorps member is having a chance to learn new things and meet fun and exciting people while doing something that will help my community and country."

Michael Aho: "AmeriCorps has provided a way for me to face the challenges of the future by taking the first of many steps after college."

I think what some in Washington who are trying to dismantle this program because they are afraid that it makes people think. It makes people who are working with homeless people to ask why is there homelessness. People who are working in the inner city are asking why is there poverty? And those who are working to clean up our environment are asking why is there pollution?

Every program in Minnesota is in a partnership with either a State and/or private partners. All these new partnerships were spurred by this program. It has leveraged a lot of private funds.

Community service programs in Minnesota and across the Nation have offended hundreds of thousands of young people the opportunity to learn while serving their communities. Community service programs have provided important and necessary services to communities all over the country. Programs have empowered students to improve conditions in their own communities by encouraging them to become a part of their community.

Service-learning programs have taught young people about the skills of citizenships, responsibility, and democracy while teaching them math, science, civics, English, history at the same time. Students through these wonderful programs have had their eyes opened to new opportunities and to diversity and multiculturalism in society. They have taught people how to utilize community resources to improve their lives.

In Minnesota, we have combined State funding under the Youth Works Program and the Federal dollars in the AmeriCorps Program to create an excellent program.

People of all ages, but especially our young people, have been encouraged to help their communities and get involved in their communities. We created a program that empowers people to participate, to make changes in their communities, and a program that teaches the skills of citizenship, responsibility and democracy.

I urge my colleagues to support the AmeriCorps Program and service learning and support the Mikulski amendment.

Mr. President, I find the description of this program as kids trying to find out who they are insulting. I do not even recognize the program my colleagues are describing. In Minnesota, AmeriCorps is really an exceptional program. It is quite a wonderful thing to see the work done in a child care center, the work done in the environment, the work done for senior citizens, the work done for communities, combined with a whole lot of young people who are able then to begin to build the resources to attend higher education. Mr. President, I would call this a marriage. It is well worth it. It is the very best in this country.

As to deficit reduction, why do we not cut the subsidies for the oil companies, the coal companies, the tobacco companies and the pharmaceutical companies? Why do not we go after the military contractors, and what do we do when there is a $245 billion tax giveaway mainly to wealthy people? But instead, when it comes to community services, young people and higher education, and that kind of marriage, that is where we want to cut.

That is not a Minnesota standard of fairness, and I am proud to stand on the floor and speak for AmeriCorps.

Mr. BOND. Mr. President, I yield 3 minutes to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, first I would like to compliment my colleagues and friends from Missouri, Senator BOND and Senator ASHCROFT, for their statements, as well as Senators SANTORUM and GRASSLEY. I hope our colleagues had a chance to listen to them because they were right on target.

National service is basically paying volunteers. I find that to be a little bit of an oxymoron—paid volunteers. We have thousands, we have millions of volunteers who are doing great work, and they do it without the Federal Government saying, "Here, we are going to give you a check."

Many of us stated our opposition to this program at its inception because we said it would cost enormous sums. I looked at my notes, and I was computing, given the figures that we received from the Clinton administration, and estimated this program would cost $22,000. I remember debating Mr. Segal, and he said it would not cost that much; the cost would be something like $17,000 or $18,000. According to GAO, the cost is almost $27,000. I was talking about total cost, the cost to the Federal Government, the cost to State and local governments, and private.

It turns out to be, if you add the total cost, $17,000 from the AmeriCorps; other Federal support, $3,000; State and local contributions, governments, $4,000; and private, $1,800. So the private supports only 7 percent.

They stated that this was going to be largely privately funded. It has not been. It is largely Government funded at a cost of $27,000.

Mr. President, some people said, "Well, this is good so it will help people be educated." The average cost of a Pell grant is $1,300. It is about one-eighteenth the size of this program. And that is a grant. The average cost of a student loan is $416. That compares to this program's average cost of $27,000. There is no comparison.

Mr. President, in my opinion, this program is a failure as an education tool. It is a failure as a tool promoting service or volunteers. We do not need the Federal Government to micromanage a program. We see that all the Federal Departments—the Veterans Department, EPA, Department of Transportation, Labor, Justice, Interior—are receiving assistance and funds to train volunteers. We do not need that.

And then when you find out that Big Brothers and Big Sisters and Red Cross and Girl Scouts have been denied funds, this does not make sense. We cannot afford this program. Let us put the scarce resources that we have in the programs that will help thousands.

Actually, we have millions; we have 9 million students that benefited under the guaranteed student loan program or the Pell grant program. We can help millions in those programs, and we have been doing so. We are wasting millions of dollars under this program. It is a time to defund it, and I hope that this amendment by our friend from Maryland will be defeated. I thank my colleague from Missouri.

Mr. BOND. Mr. President, I thank my colleague from Oklahoma and the others who have spoken on this side so eloquently. I think we have had an excellent debate.

Because we have had so many people debating on this measure, we have used up all of the time. I would now ask unanimous consent that there be 3 minutes for the proponent of the amendment and 3 minutes for me as an opponent of the amendment to wrap it up, and then that I be recognized for a tabling motion.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Who yields time?

Mr. BOND. Mr. President, I yield myself 2 minutes.

Mr. President, we have heard I think some compelling arguments against the AmeriCorps Program. I think in this vote it is important for our colleagues to focus on the fact that everybody agrees this program is vitally in need of reform. This program has to be changed. There have been too many problems with it. Even if you accept the fact that paying for volunteers is a good idea, I think that taking the money from assisted housing or those who badly need assisted housing is unwarranted. I think that raising the FHA mortgage limits is an idea that should be left to the authorizing committees.

Serving on the authorizing committee, I can tell you that there are many good arguments against doing that. I recognize the difficulty that the proponents have had in finding funding for it. This was my problem when I chose to fund CDBG rather than this program.

I urge my colleagues to join with me to table this amendment. We will continue to discuss AmeriCorps in the conference and beyond. We are waiting for a response from the administration.

I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. DEWINE). The Senator from Maryland.

Ms. MIKULSKI. We have been through a lot of ups and downs already today, and I would like to thank all the Senators for offering their amendments.

Mr. President, I know I have 3 minutes for summing up. Let me just say this. There is much to be said in favor of national service and much criticism in terms I think of the need for a tighter ship. I think we would agree with the need for a tighter ship.

Let me just say in conclusion, my life has been devoted to creating an opportunity structure. I am absolutely committed to giving help to those who practice self-help. My great grandmother came to this country from Poland for a prearranged marriage with $16 and a feather bed mattress. She came with no guarantees. She came seeking opportunities. And she came because she believed in the United States of America there would be access to something called the American dream. The triad of the American dream was homeownership, access to education, and personal freedom.

The reason that I was one of the leaders in establishing national service was that we would have an opportunity structure for access to the American dream.

There were those who said these are not volunteers because they earn a voucher. They do not get paid. They get a living stipend and a voucher.

We use the term "volunteer" to mean that they are not drafted or coerced into it. Perhaps that is not the right language, but it is the right intent.

The important part of this is that we know for most Americans their access to higher education is closing. Student debt is increasing. What this bill essentially does is follow the framework of a principle I believe in, that if you are middle class the role of Government is to try to help you stay there or do better and, if you are not middle class, to be able to get there through hard work, effort, and merit.

That is what national service is all about. That is what its intent is, and that is why we have been advocating this bill.

I know that we are in a very skimpy budget time; that the chairman of this bill and I struggled over this. I know that originally as we looked at this bill the question was, How can we fund it?

The chairman felt we needed money to go into the community development block grant funds, and I could not fault him for that—empowering cities to make local decisions for economic development. Absolutely.

What we face here is not should we or should we not support national service. We have a very skimpy budget allocation. I know that there are those who say, "Well, we can do Pell grants; we can do four more housing subsidies." The fact is, I believe under the skimpy allocations we are now coping with there will not be the money to do these things. I hope we continue the support of national service.

I thank the chairman for the courtesies given to us on this and really the civility of the debate. I hope that my colleagues will vote to continue national service.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I have seen the wisdom and I shall not offer a tabling motion. I shall ask my colleagues to vote against this measure.

I could not agree more strongly with the goals and the views expressed by my ranking member about the American dream. But I do not believe it involves AmeriCorps or paid Federal Government volunteer service. I am very much concerned, and I think all my colleagues should be. I hope they would vote against this amendment, even if they support the concept of AmeriCorps, because it takes money from housing assistance, from the elderly, the disabled, those with AIDS, and it raises the FHA mortgage limit.

I do not believe it is the time or the amendment on which we should move forward with AmeriCorps. I ask for the support of my colleagues in opposing this amendment.

Now, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. I ask further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MIKULSKI. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The question is on agreeing to the amendment No. 2781 offered by the Senator from Maryland [Ms. MIKULSKI].

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Texas [Mr. GRAMM] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 47, nays 52, as follows:

[Rollcall Vote No. 464 Leg.]

YEAS—47

Akaka
Baucus
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Campbell
Chafee
Cohen
Conrad
Daschle
Dodd
Dorgan
Feinstein
Ford
Glenn
Graham
Harkin
Heflin
Inouye
Jeffords
Johnston
Kennedy
Kerrey
Kerry
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Snowe
Specter
Wellstone

NAYS—52

Abraham
Ashcroft
Bennett
Bond
Brown
Burns
Byrd
Coats
Cochran
Coverdell
Craig
D'Amato
DeWine
Dole
Domenici
Exon
Faircloth
Feingold
Frist
Gorton
Grams
Grassley
Gregg
Hatch
Hatfield
Helms
Hollings
Hutchison
Inhofe
Kassebaum
Kempthorne
Kohl
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Stevens
Thomas
Thompson
Thurmond
Warner

NOT VOTING—1

Gramm

So the amendment (No. 2781) was rejected.

Mr. BOND. I move to reconsider the vote.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, was leader's time reserved?

The PRESIDING OFFICER. It has been.

Mr. DOLE. I ask unanimous consent to use leader's time.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSULTING CONGRESS

Mr. DOLE. Mr. President, yesterday, together with some of my colleagues, I sent a letter to President Clinton urging him to consult with the Congress on the nature of the commitments his administration has made to our NATO allies and the Bosnians with respect to United States involvement in a potential peace enforcement operation in Bosnia. The letter included a number of specific questions about such an operation and the wisdom of the administration's present approach.

Much to my surprise, administration spokesmen protested this letter claiming that there have been numerous consultations on this matter.

Despite White House claims, the fact is that the Clinton administration has not consulted the Congress on sending United States ground forces to Bosnia since 1993—when consultations were held on possible enforcement of the Vance-Owen plan.

What was Congress' reaction then? As part of the fiscal year 1994 Defense Appropriations bill we passed an amendment, 99 to 1. The Mitchell-Dole amendment—which reads as follows, and I quote:

> It is the sense of the Congress that none of the funds appropriated or otherwise made available by this act should be available for the purposes of deploying United States Armed Forces to participate in the implementation of a peace settlement in Bosnia-Herzegovina, unless previously authorized by the Congress.

A subsequent provision addressed consultation on U.S. participation in any peacekeeping or peace-enforcement operations and opposed it unless, and I quote:

> The President initiates consultations with the bipartisan leadership of Congress...

This was followed by directions for such consultation, including discussion of the goals of the operation, U.S. interests, the costs, funding strategy, extent of U.S. involvement, and the expected duration and scope of the operation.

Well, it is more than 2 years later—more than 2 years later—and a great deal has changed. The situation on the ground is not what it was and the peace settlement being negotiated is also not what it was. While we are aware that the administration continues to repeat its commitment to send U.S. troops to participate in a settlement force, we in the Congress do not know what that means in concrete terms. And we believe we have a right to know.

About 2½ weeks ago, the administration sent a high level team, led by Deputy Secretary of Defense White, to brief Senators on the NATO air campaign. At that time, questions were raised about administration plans to participate in a peace enforcement operation. Unfortunately, these officials did not answer any of these questions, claiming that the planning process was not finished.

Mr. President, the point of consultations is to have input before there is a finished plan, before the Congress is handed a fait accompli. We do not want to be told after the fact that is a briefing, not a consultation. And we have had plenty of those where we are informed. We are not consulted; we are told. Lists of administration briefings and returned phone calls don't add up to consultation.

Today administration officials and members of the contact group concluded a second round of negotiations with the Bosnian, Croatian, and Serbian Foreign Ministers on principles for a peace settlement. There is little doubt in my mind that whether the Bosnian Government continues participating in these talks and finally agrees to sign a settlement will depend significantly on whether or not the United States sends troops to enforce it.

Let us face it, the so-called agreed principles are vague, except in that they partition Bosnia into two entities. As such, the Bosnians are bound to rely on United States guarantees where there are differences with the Serbs, which are inevitable on matters of Bosnia's sovereignty and territorial integrity. Because the administration and allied approach has left the Bosnians without the means to secure their own peace, they will depend on those troops sent to enforce a settlement to defend their sovereignty.

Mr. President, we are still waiting to hear the administration's plan on lifting the arms embargo on Bosnia, a question that remains relevant now, as well as central to any exit strategy for American forces. I cannot conceive of supporting a plan that sends United States troops into Bosnia, while leaving the Bosnians unable to defend against future aggression.

We must know what the administration is telling the Bosnians, the Serbs, and our NATO allies, what promises and what threats, are being made. We also need to know what commitments are being made to the Russians with respect to their participation. In particular what is the administration response to Russian demands to share command with NATO in an enforcement operation? Will U.S. forces be under unified NATO command at all times?

The bottom line is that U.S. credibility depends on the United States keeping its word, meaning what it says. NATO credibility is also on the line. Why has there been no response to Bosnian Serb violations of the NATO no-fly zone reported today and last week?

No doubt about it, there is a lot at stake here—United States and NATO credibility, as well as the future of Bosnia.

It cannot escape the administration that the Congress has repudiated its approach toward Bosnia for the past 2 years. An overwhelming bipartisan majority has opposed the arms embargo, and Congress has voiced concerns with respect to peace plans that would destroy the sovereignty and territorial integrity of Bosnia and Herzegovina. So, to operate under the assumption that Congress will approve administration plans to send thousands of Americans in harm's way to enforce a settlement is a major error. The fact is that the Clinton administration may be making promises it cannot or should not keep.

Therefore, I am writing today to the chairmen of the Appropriations, Armed Services and Foreign Relations Committees to request that they hold extensive hearings on this critical issue. I will request that the questions asked in the letter to President Clinton form the basis of their examination of this matter.

I ask unanimous consent that a copy of the letter we sent to the President today be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
OFFICE OF THE REPUBLICAN LEADER,
Washington, DC, September 25, 1995.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: It is our understanding that your administration, together with our NATO allies, is completing plans to enforce a potential settlement in Bosnia and Herzegovina—a settlement not yet finalized. Much to our dismay, what we have learned about possible U.S. troop obligations has been largely from press reports. To date, your administration has failed to consult with the Congress on the nature and extent of commitments made to our NATO allies and the Bosnian government regarding U.S. participation in a force to implement a settlement. We are especially concerned since those forces must consist primarily of ground troops. There should be no doubts that without the concurrence of the Congress these commitments will not be fulfilled.

In our view, your administration must answer the following questions as soon as possible in order that the Senate may begin to fulfill its responsibility to carefully evaluate this matter:

(1) What specific commitments regarding U.S. troop participation have been made by your administration to our NATO allies?

(2) What specific commitments regarding U.S. troop participation have been made by your administration to the Bosnian government?

(3) What is the range of total NATO ground force levels, related to enforcement of a Bosnian peace settlement, being considered in the administration and at NATO headquarters? What would the U.S. contribution of forces be? What is the estimate of the number of reservists that would need to be called up? What is the estimated impact of such a deployment on readiness?

(4) Would this be a NATO-only operation or would Russian troops and/or other troops, from Islamic countries for example, also be a part of that total force enforcing a settlement?

(5) Would NATO be in complete command of all forces involved in an enforcement operation? Or would Russian forces an non-NATO forces be under different command arrangements? If so, how would these varied command arrangements be ultimately integrated in order to achieve unity of command? Is there to be another dual-key command?

(6) When would NATO forces be deployed—immediately after an agreement is signed or after Bosnian government and Bosnian Serb forces withdraw to lines of demarcation? What if the fighting does not stop after an agreement is signed?

(7) Is there a time table for UNPROFOR withdrawal? Would some of these U.N. units, from NATO contributing countries, remain as part of the new force?

(8) When would the "dual key" be eliminated? Would there be any other U.N. input into the command arrangements?

(9) What would the rules of engagement for NATO forces be?

(10) Where would NATO troops be deployed? In Bosnian Serb controlled territory?

(11) Would Bosnian government forces be supplied with additional arms during this enforcement period so that Bosnia can better defend itself against aggression after NATO forces leave? If so, what types of weapons would be provided and by whom? Has a commitment to provide military assistance—to include arms and/or training—to the Bosnian government in a post-settlement period been made by Assistant Secretary Holbrooke, or any other administration officials to Bosnian government officials?

(12) How long would NATO troops be deployed? What is the exit strategy?

(13) What are the estimated costs of such a NATO deployment? What would the U.S. share be and how does the administration plan to pay for it?

Mr. President, these are not the only questions that will need to be answered, but they are essential to any Congressional debate and consideration of commitments made by you and your administration with respect to U.S. troops participating in an enforcement operation.

Thre are also matters of principle that will have to be carefully considered. First and foremost is a very fundamental question—whether United States forces should be deployed to partition a sovereign and independent country into two entities. Our men and women in the military have protected our freedom and our interests and defended our principles. Do we want to place our soldiers in harms' way to defend the compromise of our principles? We must also ask whether or not any settlement reached has been agreed to freely by the Bosnian government and without coercion. We are concerned about news reports that senior administration officials gained Bosnian government agreement on the first set of "Agreed Principles" by threatening a halt in NATO bombing. Finally, we must ask whether it would not be more just and more wise to lift the arms embargo on Bosnia and Herzegovina, and allow the Bosnians to fight until there is a stable military balance—the precondition for any settlement which would *not* require the deployment of thousands of American and NATO troops to police it.

Mr. President, we have serious concerns about the commitments you and your administration reportedly have made with respect to U.S. participation—to include thousands of ground forces—in enforcing a possible Bosnian peace settlement. We hope that you will begin to consult earnestly and forthrightly with the Congress in the very near future.

Sincerely,

ROBERT DOLE,
JOHN W. WARNER,
THAD COCHRAN,
BOB SMITH,
JESSE HELMS,
ARLEN SPECTER,
JAMES M. INHOFE,
DIRK KEMPTHORNE,
JON KYL,
KAY BAILEY HUTCHISON.

Mr. DOLE. I reserve the balance of my leader's time.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1966

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The previous order is the Senator from Maryland is to be recognized to offer an amendment.

Mr. DOLE. Mr. President, let me indicate to my colleagues what we hope to achieve here this evening.

The Senator from Maryland will be recognized. I understand there is a 1-hour time agreement. We are willing to accept a 1-hour time agreement on the amendment.

Mr. SARBANES. It has already been agreed to.

Mr. DOLE. We will do that amendment and then the amendment of the Senator from Vermont, Senator JEFFORDS. I understand there is a 30-minute time agreement agreed to or willing to be agreed to. We will have those two votes.

By that time, we hope to be in a position to announce what will happen to the remainder of the evening. I am hopeful that Members who still have amendments will be willing to debate those amendments tonight and we will start voting on the amendments tomorrow.

We are talking about the additional amendments. There are two Rockefeller amendments, a Baucus amendment, Moseley-Braun.

Ms. MIKULSKI. As you know, we have been moving along very well on this bill, and what we will endeavor to do, and I thought we had, is to see if Senators ROCKEFELLER and BAUCUS will offer their amendments tonight because they are on the Finance Committee. That would, I think, take us through a substantial part of the evening.

Mr. DOLE. I suggest after these two votes we will announce what agreement we have been able to reach. We may not be able to reach any agreement. I do not want to keep raising this, but whether or not we are in session next week depends on whether or not we finish this bill, Labor-HHS, and State, Justice, and Commerce.

Yesterday we did not do anything. We had debate on one amendment. The amendment was voted on at 2:15 today.

My view is it is our hope we can finish this bill tonight and finish Labor-HHS by Thursday and dispose of the other bills by Saturday. If we cannot do it, we cannot do it, and we will be here next week.

The PRESIDING OFFICER. The Senator from Maryland is recognized to offer an amendment.

AMENDMENT NO. 2782

(Purpose: To restore homeless assistance funding to fiscal year 1995 levels using excess public housing agency project reserves, and for other purposes)

Mr. SARBANES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maryland [Mr. SARBANES] for himself, Mr. SIMON, and Mr. DODD, proposes an amendment numbered 2782.

Mr. SARBANES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in title II of the bill, insert the following new section:

SEC. . HOMELESS ASSISTANCE FUNDING.

(a) ASSISTANCE FOR THE RENEWAL OF EXPIRING SECTION 8 SUBSIDY CONTRACTS.—

(1) REDUCED APPROPRIATION.—Notwithstanding any other provision of this Act, the amount made available under title II of this Act under the heading "HOUSING PROGRAMS" under the subheading "ASSISTANCE FOR THE RENEWAL OF EXPIRING SECTION 8 SUBSIDY CONTRACTS", is reduced from $4,350,862,000 to $3,990,862,000.

(2) USE OF ASSISTANCE.—Notwithstanding any other provision of this Act, in using amounts made available under title II of this Act under the heading "HOUSING PROGRAMS" under the subheading "ASSISTANCE FOR THE RENEWAL OF EXPIRING SECTION 8 SUBSIDY CONTRACTS" to renew an annual contributions contract with a public housing agency administering the tenant-based existing housing certificate program under section 8(d) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)) or the housing voucher program under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)), the Secretary of Housing and Urban Development shall take into account the amount in the project reserve under the contract being renewed in determining the amount of budget authority to obligate under the renewed contract.

(b) HOMELESS ASSISTANCE.—

(1) INCREASED APPROPRIATION.—Notwithstanding any other provision of this Act, the amount made available under title II of this Act under the heading "HOMELESS ASSISTANCE" under the subheading "HOMELESS ASSISTANCE GRANTS" is increased from $760,000,000 to $1,120,000,000.

(2) RESTRICTION.—Notwithstanding section 504 or any other provision of this Act, of the funds made available under title II of this Act under the heading "HOMELESS ASSISTANCE" under the subheading "HOMELESS ASSISTANCE GRANTS", $360,000,000 shall not become available for obligation until September 30, 1996, and shall remain available until expended.

Mr. SARBANES. Mr. President, am I correct that we have 30 minutes on this side and 30 minutes for the manager of the bill?

The PRESIDING OFFICER. The Senator is correct.

Mr. SARBANES. Mr. President, I yield myself 5 minutes and ask the Chair to inform me when that time has been utilized.

The PRESIDING OFFICER. The Senator from Maryland is recognized for 5 minutes.

Mr. SARBANES. Mr. President, I very much hope that Members will perceive this amendment in a way that will enable us to adopt it. In fact, I hope the manager of the bill will accept it, after we discuss it a bit.

What this amendment does is restore $360 million for homeless assistance funding. It brings the funding for the homeless back to the 1995 level of $1,120,000,000. The bill reported from the Appropriations Committee has a figure of $760,000,000. That is a cut of $360 million—a cut of 32 percent from the 1995 funding level—the largest percentage funding cut of any of HUD's formula-driven programs.

Homeless assistance programs are a critical part of the safety net.

The PRESIDING OFFICER. The Senator will suspend. Members who are having conversation in the aisles will please retire to the cloakroom.

The Senator from Maryland.

Mr. SARBANES. The homeless assistance programs are a critical part of the safety net. The safety net is being badly shredded. I certainly hope it would not happen to the programs that really deal with the people who are out on the street—people who are out on the street without a place to stay.

The offset for this additional money would take funds out of section 8 program reserves. Housing authorities that have expiring section 8 contracts have money available to them. In the past, the authorities have been able to roll the reserves over. This amendment would utilize those funds for section 8 renewals. In the past, the public housing authorities have used the reserves to augment the section 8 program. I regret using section 8 as an offset because I think the section 8 program is also very important. But, in deciding between these two choices, it seems to me we have to pay more attention to the pressing problem of the homeless.

The Secretary of HUD has sent a letter indicating that the expiring section 8 contracts could be renewed by the money provided in the bill—even after this offset—even after the utilization of the $360 million—in order to bring the funding for the homeless up to this year's level.

Let me very quickly cover the importance of passing this amendment. On September 11, there appeared an excellent article in the Washington Post by Lucie McKinney, the widow of Stewart McKinney, Republican Member of the House of Representatives from the State of Connecticut. Representative McKinney was a very able and distinguished Member of the Congress who took a very keen interest in the problems of the homeless. In fact, the McKinney Act programs are named after him. That act includes the range of homeless programs addressed by this amendment.

Ms. McKinney points out, "I'm stunned that Congress, which has proclaimed its commitment to finding and funding plans that actually work, would allow these cuts to stand." She is talking about the cuts to the homeless programs.

She goes on to cite two studies which conclusively demonstrate that the supportive housing dimension of the homeless program is working exceedingly well. As she notes, "* * * cuts, far from saving money, will waste it." She goes on to say, "Put simply, not housing our most vulnerable Americans costs millions more than housing them. It's just common sense."

And she concludes this article: "* * * we do know how to end homelessness. And while the cure is not cost-free, it costs a whole lot less than not facing—and solving—the problem. Saving lives and saving money—how can that be bad?"

Increasing the homeless funding back up to the 1995 levels will provide an opportunity to reform how the homeless assistance programs are administered. The most notable feature of the reform effort is the push to convert the existing collection of seven categorical grant programs at HUD into a single program delivered by formula to State and local governments.

The PRESIDING OFFICER. The Chair advises the Senator he has used 5 minutes.

Mr. SARBANES. I yield myself 3 additional minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. SARBANES. A formula grant will allow better organization at the local level and facilitate better planning as funding levels become more predictable. The VA-HUD bill allows a formula approach, but it does not provide adequate funding. This amendment would raise the total homeless funding to a level that would allow a formula approach to make sense. In fact, the Appropriations Committee recognized it in their report. The committee stated: "The committee is worried that the block grant approach with funds less than $1 billion may disadvantage some areas with significant homeless problems and homeless providers."

This amendment addresses that problem. It brings the homeless funding figure back up to this year's level and makes it possible to use the formula approach. Almost everyone is supportive of a formula approach. In fact, the Senate Banking Committee reported a bill that included such a program last year on a bipartisan, 15 to 3 vote.

I am not going to go through a litany of the numbers of people who are on the street. I do want to point out, however, how much of this is a veterans problem. Well over a third of the homeless have served in the Armed Forces. It is estimated that about 275,000 veterans are homeless on any given night. The single largest segment of homeless veterans—55 to 60 percent—are from the Vietnam era.

The demand for these funds is significant. Last year applications for funds for assistance to the homeless were 2½ times the amount which the Congress had appropriated.

Let me discuss the offset further. The offset for this amendment comes from section 8 contract renewal accounts. Currently, HUD is holding reserves in section 8 contracts on behalf of housing agencies that administer the section 8 program. The amendment would allow HUD to take into account the project reserves when considering the amount to provide housing agencies when contracts are to be renewed. Money would not be available to, in effect, uplift the section 8 program. The HUD Secretary has assured us, however, that enough money would remain to do the contract renewals.

I therefore suggest to my colleagues, in terms of priority, it makes eminent good sense to shift this money out of section 8 and put it into the homeless programs. The last thing we want to see is people wandering our streets, many of them suffering from mental and physical disabilities. It is a problem that cuts to the very heart of what we stand for as a society.

This amendment offers the opportunity to bring it back to this year's level and to enable us to move forward in partnership with State and local governments and with the private sector—churches, community groups and other similar action organizations—in order to address this very pressing problem.

I very strongly urge my colleagues to support this amendment.

I yield 5 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator yields 5 minutes to the Senator from Illinois.

Mr. SIMON. I thank my colleague from Maryland for offering this amendment.

Mr. President, I rise in support of this amendment. These subcommittees and committees have tough choices to make, but the reference has already been made to the op-ed piece by the widow of our former House colleague, Stewart McKinney. Senator SARBANES referred to two studies. Let me just read from that one study.

The first study found that formerly homeless people with severe mental illnesses achieved stability at a rate of 83.4 percent in supportive housing. Tenants also cut their hospital in patient use by 50 percent. The 4-year evaluation concluded that this unique housing "not only will alleviate human suffering, but also will reduce costs for institutionalization and hospitalization."

I ask unanimous consent that the entire op-ed piece be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 11, 1995]

DUMB MOVE ON HOUSING

(By Lucie C. McKinney)

Right before the summer break, the House approved drastic cuts to housing programs for the neediest Americans: homeless people who have chronic mental and medical illnesses. Four of these—the McKinney Programs, named after my late husband, Stewart B. McKinney, who was a Republican representative from Connecticut—face reductions of 40 percent or $444 million (as compared to the unasked-for $7 billion the House decided to give the Pentagon). Usually when I testify before Congress I talk about the people who have reclaimed their lives through the offer of housing and a helping hand. In keeping with the times, however, I'd like to reframe the debate—and talk about statistics and cold, hard cash.

I'm stunned that Congress, which has proclaimed its commitment to finding and funding plans that actually work, would allow these cuts to stand. The McKinney Programs provide funding from something called supportive housing—permanent housing linked to a safety net of support services that allow even chronically disabled people who are homeless to live autonomously in hope and dignity. And according to the evidence, including two separate government evaluations, supportive housing is our best bet for ending homelessness and doing so cost-effectively.

The first study found that formerly homeless people with severe mental illnesses achieved stability at a rate of 83.4 percent in supportive housing. Tenants also cut their hospital inpatient use by 50 percent, The four-year evaluation concluded that this unique housing "not only will alleviate human suffering, but also will reduce costs for institutionalization and hospitalization. The five projects [studied] offer proof that the face of homelessness in America can be changed dramatically."

The second evaluation found a success rate of 84.5 percent and concluded that supportive housing—"provided cost-effective assistance to help families and individuals escape from homelessness."

So. These programs actually end homelessness, which is one of those seemingly intractable social problems we thought would be a permanent part of the American urban landscape.

As to the cost, Congress doesn't seem to grasp the fact that cuts, far from saving money, will waste it. Put simply, not housing our most vulnerable Americans costs millions more than housing them. It's just common sense: People with mental illnesses end up using expensive hospital beds, state psychiatric institutions and even jails as de facto housing; people with AIDS end up in acute-care beds (at more than $1,000 a day); people with alcohol or drug dependencies stay too long in high-cost treatment programs. Meanwhile, they are still homeless, still dependent on crisis services and no closer to living independent productive lives. This is worse than penny-wise, pound-foolish—it's billions foolish.

The cost of providing housing linked to services, on the other hand, can be as little as $10,000 a year, an expenditure that actually ends that person's homelessness and allows him or her to use clinics instead of emergency rooms, counseling instead of psychiatric hospitalizations and drug counseling instead of treatment centers. Supportive housing also promotes self-sufficiency through employment and education linkages. Aren't these the very goals Congress is so anxious to advance?

My late husband was committed to ending the blight of widespread homelessness. Four months before he died, he even spent a night on the streets in 20-below weather to bring media attention to the plight of homeless people. Yes, he was deathly ill at the time, but so are more than 70 percent of homeless Americans.

We may not have a cure for AIDS, cancer or a way to provide health care to all Americans, but we do know how to end homelessness. And while the cure is not cost-free, it costs a whole lot less than not facing—and solving—the problem. Saving lives and saving money—how can that be bad?

Mr. SIMON. Mr. President, I ask unanimous consent that an editorial from the Chicago Sun Times entitled "Rush To Trim Budget Cuts Off Homeless" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Chicago Sun Times, Sept. 13, 1995]

RUSH TO TRIM BUDGET CUTS OFF HOMELESS

Once again, Congress is using a machete instead of a paring knife to cut the federal budget to help pay for an unaffordable tax cut.

The latest casualty is the McKinney Homeless Services Program. The House already voted to cut the program by 44 percent, to $676 million. Today, the Senate Appropriations Committee will consider a plan to reduce it by a third, to $760 million. The short-term savings ignore the long-term expense of their actions.

Housing providers use McKinney money to pay for supportive services to people who otherwise would be living on the streets. On the streets, homeless people spend their energy looking for food and a safe place to sleep. They can't waste time seeking treatment for substance abuse, mental illness or AIDS. They aren't enrolled in job training programs. They can't even get a bath and a change of clothes—the first step toward a job.

Formerly homeless people now living in Lakefront SRO (single room occupancy) apartment buildings can do all those things. Lakefront provides the services for $2,500 per person per year at six buildings in Chicago. Shelters—the primary housing option for most homeless people—cost as much as four times that and provide little more than a place to sleep. If the homeless person ends up in a hospital or prison, the taxpayers' burden skyrockets—without any hope of breaking the cycle of homelessness.

No doubt, senators will emerge from today's committee meeting patting themselves on the back for having restored some of the draconian cuts made by the House. But they still must answer tough questions about how much saving $440 million now will cost us later.

Mr. SIMON. Mr. President, on Sunday—I happened to spend a weekend in Washington—I was reading a little bit from a small book that I had not read for years. It was Will Durant's "The Lessons of History." What he says in this book—my colleague from Maryland who is a history buff will appreciate this also—is that there is, among other things, one consistent action in nations; that is, the struggle between those who are fortunate and those who are less fortunate. And those who are fortunate usually put the squeeze on those who are less fortunate, and ultimately it hurts those who are more fortunate.

I think we are going through that struggle in a variety of ways right here in this very Senate. I can remember—I see some of my colleagues on the floor who will remember this, also. Maybe the Presiding Officer is young enough not to remember this. But I can remember when we did not have anywhere near the number of homeless people on the streets of our Nation that we have today. In Chicago, on Madison Avenue, there was a place where we had what we used to call winos. I am afraid it was not a respectful term. But it was used commonly where the winos were. But we did not have homeless people as generally as we have today.

Then I look at this allocation within the subcommittee. I find that the largest percentage cut in any of HUD's formula-driven programs is 32 percent which is taken off of the programs for the homeless.

We are not going to have any homeless here lobbying us on this one. There are not any big campaign contributions from any homeless. But it sure says something about our priorities and where we are.

Let me just add, my friends, that I know it is tough for the chairman of this subcommittee and the members of the subcommittee to make these choices. It can get worse. I heard my colleague from Illinois, Senator CAROL MOSELEY-BRAUN, the other day refer to an article in a history magazine that I happened to read also which talked about homelessness in New York City back at the turn of the century when young people were dropped off at churches. And that is where we got the name "foundlings." People found them in churches, and they would take train loads of these young people from New York City and take them out to the West, to Wyoming, to California, to Oregon. People would show up at the train station and look around and find a child that they might want to adopt and take care of.

Can things get worse? You bet they can get worse.

This is a program that works. Yes. We have tough decisions to make. But before we take money and say we have to have a tax cut, we have tough decisions to make. But here is one. If you are to say who are the people who desperately need help in terms of public housing and in terms of health, it is these homeless people. I am sure none of them are registered to vote, or very few of them are. But some of them have mental illness. Some of them have alcohol and drug problems, a variety of problems. We ought to help them.

That is what the amendment offered by my colleague from Maryland is doing. I am proud to stand up and urge adoption of this amendment. This is one that ought to be an easy vote for Members of the Senate.

Mr. SARBANES. Mr. President, what is the time situation?

The PRESIDING OFFICER (Mr. ABRAHAM). At this point the Senator from Maryland has 16 minutes, and the Senator from Missouri has 30.

Mr. BOND. Mr. President, I yield myself such time as I may require.

Mr. President, I appreciate the good motives. I appreciate the concern of the Senator from Maryland, the leader of the authorizing committee on his side. I appreciate the thoughtful comments by the Senator from Illinois as well.

But unfortunately, this is an effort to take money from one pocket and put it in another pocket. It does so in a way that I do not think is particularly productive. I think it may even be counterproductive. While I commend them for their motives, I do not think it accomplishes anything.

This is in the arcane rule of scoring budgetary authority and outlays. I apologize in advance to my colleagues. But let me tell you what has happened.

The amendment proposes a budgetary offset from the HUD appropriations. It takes it out of the renewal of section 8 rental subsidy contracts. It takes out $360 million. The amendment is predicated on the reduction of project reserves. These are reserves held by local housing authorities for section 8 certificates and vouchers in use for low-income families to cover potential increases in rent or reductions in resident income during the remaining contract term. In other words, this is taking money away from one group of very poor who need housing to another group of very poor who need housing.

During the consideration of the recently enacted rescissions bill, we closely examined the funding needs of the existing section 8 contracts to remove any excess funds. Only 4 months ago, this body, along with the House and the President, after we carefully assessed the needs, determined that some $427 million could be rescinded from the section 8 reserves without, in our view, potentially jeopardizing the sound financing of these outstanding rental contracts. That rescission has already been enacted into law. We now find ourselves a few months later again attempting to raid these contract reserves to fund increased homeless activities.

There are two things I could say about the amendment. If we fail to adequately maintain reserves for the cost of section 8 contracts, we will surely need additional homeless funding to assist the families that get evicted when their rental contracts run out of money. So we could be pushing another group out into the street.

Mr. President, the pending amendment proposes to cut another $360 million from section 8 contract reserves. I should point out that more than half the current estimate of the total amount held in these reserves is by local housing authorities.

New York City, for example, stands to lose as much as $90 million if this reduction is taken proportionately. Such a large reduction could jeopardize the financial viability of the contracts issued and administered by that large housing authority.

I note that those who suggest this reduction in contract reserves claim that the section 8 amendment funding could be provided at a later point to make up any shortfalls. Unfortunately, this assumes there will be adequate funding within our budget allocation to accommodate such an appropriation request, in addition to meeting the growing renewal needs of these section 8 contracts, all in the face of further reductions in overall discretionary spending.

Mr. President, that is the fallacy behind this offset. I described earlier the difficulties in finding offsets. There are no easy places to find offsets.

In reality, this measure is no offset at all because the net effect of the amendment is to increase program funding levels. It simply proposes to borrow funds previously set aside for section 8 program costs to augment yet another activity, neither of which can be maintained in the future at the increased spending levels if we ever hope to balance the Federal budget.

I should add that the sponsors of this amendment have acknowledged the real programmatic effect of this budgetary shell game by delaying the availability of the $360 million added for homeless programs until the last day of the year.

I refer my colleagues who are interested to page 3 of the amendment. The last paragraph says "Restriction."

> Notwithstanding section 504, or any other provision of this act, the funds made available under title II of this act under the subheading "homeless assistance" grants, $360 million shall not become available for obligation until September 30, 1996, and shall remain available until expended.

In other words, to avoid the Budget Act point of order, they said they are appropriating it for the coming year, but you cannot spend it until the end of the next fiscal year, to avoid the Budget Act point of order for breaching the fiscal year 1996 allocation.

Mr. President, I merely point out that if the sponsors of the amendment are concerned about increasing fiscal year 1997 homeless program spending, then it would be wise simply to wait until next year's appropriations bill and offer an amendment to take funds from the 1997 appropriations. Maybe we can work with the sponsors and the proponents of the amendment to find funding in that year. But it looks like a difficult year. This is an effort to fund in 1997 some programs from the budget authority in 1996.

I urge my colleagues to reject this amendment. The best of motives but, unfortunately, will do nothing towards meeting the current need for homeless assistance activities. It does not even click in until September of next year. It undermines our budgetary and deficit control efforts, and it jeopardizes the viability of housing assistance contracts currently in use by thousands of families across the Nation.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. SARBANES. Mr. President, I yield myself 5 minutes.

First of all, the amendment does not jeopardize the contracts. We have a letter here from the Secretary of HUD. I ask unanimous consent to include it in the RECORD.

Mr. BOND. Could I see a copy of that? Will the Senator provide me a copy, please.

Mr. SARBANES. Certainly.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY, U.S. DEPARTMENT
OF HOUSING AND URBAN DEVELOPMENT,
Washington, DC, September 26, 1995.

Hon. PAUL SARBANES,
Senate Hart Office Building, Washington, DC.

DEAR PAUL: I am writing this letter to express my support for an amendment to the Senate Appropriations bill which would restore the level of funding for the homeless assistance programs to their FY 1995 level, or $1.12 billion. This amendment would offset the homeless funding level increase of $360 million with a concomitant reduction in the section 8 renewal account.

Funding for the renewal of expiring contracts can be reduced without any impact on existing recipients because many public housing agencies have sufficient reserves in their section 8 tenant-based contracts. These agencies can use these reserves to renew expiring contracts before receiving additional federal resources.

As you know, the FY 1995 Rescission law required the Department to use available PHA reserves in the same manner as this amendment would provide.

We therefore fully support the amendment that would offset the increased Homeless funding level with available PHA reserves for section 8 tenant-based contract renewals.

Thank for you your consideration.

Sincerely,

HENRY CISNEROS.

Mr. SARBANES. The Secretary says:

> I am writing this letter to express my support for an amendment to the Senate Appropriations bill which would restore the level of funding for the homeless assistance programs to the FY 1995 level of $1.12 billion. This amendment would offset the homeless funding level increase of $360 million with a concomitant reduction in the section 8 renewal account.
>
> Funding for the renewal of expiring contracts can be reduced without any impact on existing recipients—

I underscore that "existing recipients"—

> Because many public housing agencies have sufficient reserves in their section 8 tenant-based contracts. These agencies can use these reserves to renew expiring contracts before receiving additional Federal resources.
>
> As you know, the FY 1995 Rescission law required the Department to use available PHA reserves in the same manner as this amendment would provide.

The amendment uses these reserves. That means the reserves are not available if they want to upgrade the section 8 program. Public housing agencies would be less able to issue more contracts or cover rent increases. The amendment does leave enough money to fulfill existing contracts.

The real question then becomes: Is it a sufficiently higher priority to address the problem of the homeless, even though we have to move money out of another program? I think the problems of the homeless are a critical priority.

What the extra money for the homeless program would enable us to do is use a formula approach. Virtually everyone is in favor of a formula approach. The additional funds made available in this amendment would become part of a larger pool which would enable the Department to apply the formula to allocate the funds. We need enough funds to make the formula realistic.

The fact that the additional money in this amendment can not be committed in a contract with a State or local government until the end of the fiscal year does not affect then the ability of the States and the localities to prepare for the money on the basis of a formula allocation and to develop their programs accordingly. The committee report says that "funding for a formula below $1 billion will mean that many communities with significant homeless programs will not get adequate resources to design and maintain assistance programs to meet their needs." This amendment would provide enough money and make possible a major reform in the administration of HUD's homeless programs.

Ever since 1989, the Congress has repeatedly increased the amount of money available for homeless assistance. This amendment merely tries to keep the funding level from 1995 to 1996. And, in this amendment, we have an offset that comes out of another housing account. I am not happy about the offset. I think the housing accounts are being markedly shortchanged. But, when it comes to a judgment as to whether we ought to let the bill's drastic cut in the money for the homeless stand or draw some money off of the section 8 reserves, it seems to me that we ought to use the section 8 reserves in order to assure that the homeless program can continue at a reasonable level.

I again want to underscore that a significant number of Members are talking about are the needs of veterans in the context of the bill before us. The amendment raises a question of priorities. I say to my distinguished friend from Missouri, in the choice between leaving these funds in reserve accounts to be rolled over into section 8 versus providing shelter for homeless veterans, I have chosen to move the money to the homeless programs. The money left in the section 8 account after this amendment will cover existing contracts. What will be lost is the housing authorities' reserves that are there to cover increases the contract subsidy or to cover rent increases. I say to my colleague: Between those two alternatives it seems to me that raising the level of appropriations for the homeless ought to take precedent.

As Lucie McKinney said in this very strong and moving article, "We do know how to end homelessness."

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. SARBANES. I yield myself one minute. The article by Ms. McKinney continues: "And while the cure is not cost free, it costs a whole lot less than not facing and solving the problem. Saving lives and saving money, how can that be bad?"

Mr. President, I strongly urge my colleagues to support this amendment.

Mr. President, what is the time situation?

The PRESIDING OFFICER. At this point the Senator from Maryland has 10 minutes and 40 seconds and the Senator from Missouri 23 minutes.

Mr. SARBANES. I yield 5 minutes to the Senator from Maryland.

Ms. MIKULSKI. Mr. President, I rise today in strong support of the Sarbanes amendment which would restore funding for the homeless assistance program. But I also rise in strong support of the leadership and advocacy provided by the senior Senator from Maryland. I am not the kind of person who likes being No. 2, but I am more than satisfied to be No. 2 to this distinguished Member of the Senate, our senior Senator.

As we know, he is the ranking member on the Housing Committee. He has chaired the Subcommittee on Housing for a number of years, and his advocacy in promoting homeownership, opportunities for the poor in terms of shelter, and economic and community development as well as banking reform I think are to be acknowledged.

Senator SARBANES really wanted to offer many amendments to this bill because there are issues in this bill related to housing and their skimpy allocation that warrant both debate and additional amendments. He has chosen to focus his amendment on the poorest of the poor, that constituency in our society that has the least advocacy.

The bill before us provides $760 million for homeless assistance programs, a cut of $360 million under last year's appropriation and the President's request.

The Sarbanes amendment will restore this funding to the President's request of $1.12 billion.

Preliminary analysis of this cut is that HUD would serve a total of 93,000 fewer homeless Americans, including 11,000 people who would have received housing if funding had been continued at current levels; 23,000 Americans who would lose their homes by denying them homeless prevention assistance that provides short-term rental and utility subsidies in times of family or financial crisis; 11,000 day care slots which would force the working poor to choose between working full-time and caring for their kids; 16,000 disabled Americans would lose mental health counseling provided under current levels; 14,000 homeless persons would be denied substance abuse counseling; and 20,000 homeless families would lose opportunities for job placement through HUD and nonprofit agencies.

These numbers are staggering.

In fact, this cut represents the first reduction in the homeless program since 1989.

What bothers me most about this cut in homeless funding is the impact of this cut coupled with others that are coming down the pike.

Over the past 25 years the construction of the interstate highway system, immigration and migration trends, the shift from manufacturing to service and knowledge-based industries, and the flight of the middle class have weakened our cities.

Poverty is growing and becoming more concentrated.

Twenty-five years ago 3.8 million people lived in the poorest neighborhoods in our largest 94 cities.

Today, 10.8 million people live in those same areas.

In those same 94 cities, unemployment increased by 66 percent between 1970 and 1990.

The percentage of people employed in manufacturing jobs has dropped from 22.1 to 14 in the last 20 years.

The point is that as we look across the agenda that the new majority in this Congress is promoting, you can't help but notice the devastating cumulative impacts of these cuts.

The deep cuts being proposed by the majority in areas like job training programs, mass transit, and community reinvestment programs are drawing jobs, private investment, and income out of metropolitan areas.

Cuts in Medicaid and the earned income tax credit will impact the working poor.

And as the Federal Government continues to shift service costs to localities, metropolitan areas will be forced to choose between raising taxes and cutting services and capital budgets.

The result is that our larger cities are increasingly becoming less desirable places in which to live and work. They are becoming warehouses for the poor.

At a time when our cities need a helping hand, this Congress is instead adding to the burden. There is no better example than committee proposal that the pending amendment seeks to address.

Mr. President, we have a convergence of forces going on in America's cities and also in communities we call the "inner beltway communities." These were the first suburban communities after World War II where the infrastructure is now aging. And in our hometown of Baltimore, and in communities like Silver Spring and Oxon Hill, and some others, and in our own home State of Maryland, we see a rising number of homeless. And we see a new kind of homeless.

Sure, the homeless in the past have been romanticized. Lucy played a homeless lady befriended by a young woman. We saw "Down and Out in

LA," some cute, clever kind of story about a homeless guy who ends up in a Gucci household and transforms them in some kind of great metamorphosis.

But I will tell you, down and out in LA, down and out in Baltimore is increasing. And when we look at the homeless, we see what is the face of the homeless.

First of all, there are many people who get up and work every day but because they often work at the minimum wage, they cannot afford housing. We see where men, particularly single men, are in and out of the shelters but going to work. We also see an increased amount, in the homeless, of single mothers who have been abandoned, often with no recourse, who then are finding themselves and their children out on the street. And now what we are also seeing is the homeless vet population. And I know the Senator from Alaska, Senator MURKOWSKI, has been an outspoken advocate of that. So what we are seeing is an increase in homelessness because we are seeing an increase in poverty.

Mr. SARBANES. Will the Senator yield on that very point?

Ms. MIKULSKI. Yes.

Mr. SARBANES. The figures here in this report before me show that single men comprise 48 percent of the homeless population. Families with children now comprise 39 percent of the homeless population. The nature of the homeless population is changing.

Ms. MIKULSKI. The Senator knows where I live in Baltimore, not too far from him, in a neighborhood called Fells Point. It used to be an old Polish neighborhood. It has a little bit of an entertainment district. But now we are seeing every day the increase of homelessness and panhandling. Yet when you talk to the panhandlers, these are mothers with children trying to get a few pennies together to hold the body and soul together. I live eight blocks from public housing. I live around the corner from a shelter for battered women. Those battered women are one step from being homeless. Fortunately, we have public housing. But this increase in homelessness is due to a decline in wages. It is also due to the decline of opportunity. So I think, coupled with what is going on in our economy combined with other cuts that are going to hurt the poor, that we really do need this amendment. I am very much concerned about the growing number and the changing profile.

There is nothing romantic about the homeless. The homeless do not think they are romantic. The homeless think that they are homeless. And if you talk to people in our public schools or if you go to Mercy Hospital in downtown Baltimore, they are treating more and—what they are facing in the hospitals is more and more homeless families, particularly the children who have no home and no medical plan.

I thank the Senator for his advocacy. I look forward to his voting for the bill.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SARBANES. I very much appreciate the support of my colleague and her leadership on this bill. The appropriations subcommittee has been given an allocation which is completely inadequate to meet the funding needs of the programs under her jurisdiction. I know how hard she struggled with that.

Mr. President, let me make this point: State and local governments, nonprofit groups, church groups, and community groups have all joined in a network to try to address the problems of the homeless. They are working at the local level to create comprehensive systems on behalf of the homeless, systems that outreach and screening, emergency shelters, transitional facilities, and permanent housing with services where that is necessary. Supportive housing is the approach to meeting the needs of the homeless about which Mrs. McKinney wrote in her article.

Our approach to addressing the needs of the homeless is beginning to work. This is not the time for the Federal Government to back away from its commitment. I implore my colleague from Missouri to accept this amendment. This amendment makes good sense. We are weighing the decision between dealing with the homeless, as this amendment seeks to do, and leaving those moneys in a section 8 reserve account. I do not think that it is even a close call. We have to try to deal with the homeless problem. We ought not to recede from the fight when we are finally realizing some success.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BOND. Mr. President, how much time is left on both sides?

The PRESIDING OFFICER. The Senator from Missouri has 23 minutes; the Senator from Maryland has 4 minutes 16 seconds.

Mr. BOND. Mr. President, I am about ready to yield back my time. I have some very brief comments. I yield myself 3 minutes, and if the proponent of the amendment wishes to conclude, then I will respond briefly, and we can move on to the next amendment. While this is a very important amendment, we do not seem to have a great number of colleagues wishing to debate it. So, I yield myself 3 minutes.

Mr. President, I have already made the point that we are dealing with some very, very sensitive issues, and, unfortunately, I do not see this amendment as being any solution whatsoever because it takes money from an account designed to prevent homelessness in order to add money to those who are currently homeless.

Mr. SARBANES. Will the Senator yield?

Mr. BOND. We are dealing with the same population. Frankly, we are trying to make sure that the money available for section 8 grants does not run out next year.

Let me explain. There are a couple things that can happen. Not only if the rents go up, but if the income of the persons receiving the section 8 certificate or voucher goes down, more money is needed. And we are digging into the same pot and potentially causing the greater problem.

Mr. SARBANES. Will the Senator yield?

Mr. BOND. I will be happy to.

Mr. SARBANES. Would it not make more sense to take the chance that the section 8 contracts will be adequate funded? The reserves are there for when the rents go up or the income of the section-8-assisted people go down more than anticipated. Both of these outcomes are possibilities, but by no means certainties. Would it not make more sense to take the contingent money and use it to address the current needs of the homeless? Their needs are a certainty.

We are reducing our commitment to the fight against homelessness by 32 percent in this legislation. You have got State and local governments working with private groups to construct this network to try to deal with the homeless problem. They are relying on these resources and I think we should sustain our commitment. We know that the homeless problem is there. The section 8 problem you are talking about is only a possibility. I do not deny that using the reserves does raise the possibility of future section 8 needs.

Mr. BOND. Yes.

Mr. SARBANES. The section 8 offset is not money that appears out of nowhere.

Mr. BOND. If the Senator wishes to make an argument, he has 4 minutes left. To respond to the question, I would say that argument holds no water when he does not make any of the funds available—what is it—until September 30, 1996. This is a shell game.

Mr. SARBANES. No. Will the Senator yield on that point?

Mr. BOND. Yes.

Mr. SARBANES. The money in the amendment would become available for purposes of running the formula and for the purposes of HUD developing its regulations. With this amendment, the Senator has an opportunity now to make the formula approach—which he supports, as I understand it—work. The Senator has said himself in the committee report that he needs at least $1 billion in order to fund a formula adequately. This amendment would provide the Senator with that opportunity. The final commitment of funds would not come until the end of the fiscal year, but the whole process could be put in place. You could have a formula-based homeless program, which everyone says is the direction in which to move. My amendment would give HUD the opportunity to do it.

Mr. BOND. Well, Mr. President——

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. BOND. All right. Would the proponent of the amendment wish to pursue that? Does he wish to, on his time, state anything further? Because I am prepared to yield back all of the time as soon as I make some closing comments.

Mr. SARBANES. If the Senator wishes to respond, I will hear him out and then make my closing statement.

Mr. BOND. I will say, first, we are asking HUD to promulgate rules through negotiated rulemaking and include recommendations by State and localities, as well as homeless assistance providers.

This task is going to go forward in any event. A budget gimmick of making funds available on the last day of the fiscal year does not improve the situation. We are going to be facing a very tight budgetary situation in 1997. To attempt to move funds now and make them available September 30 next year, unfortunately, is not a realistic way of dealing with the problem of homelessness. I share the concern of the Senator from Maryland to make sure we get a new program. Frankly, this does not do anything for it.

I point out that when we rescinded slightly more than this in the rescissions bill, that rescission was more than three-quarters of the way through the fiscal year when we knew what was going to happen in the fiscal year. This is starting out the fiscal year by taking away from that reserve fund. I do not think that makes any sense, particularly when it is not going to be needed until the end of the fiscal year.

I ask this amendment be set aside for a vote to occur—I will, when the time arrives, ask that it be set aside. I yield the floor.

Mr. SARBANES. Mr. President, I have no objection to the vote being set aside. I gather the Senator from Vermont wishes to offer his amendment, and then we will vote on both of them at the same time seriatim.

Ms. MIKULSKI. Mr. President, let me bring to the attention of the other Senator from Maryland, the senior Senator from Maryland, that the leadership is going to try to do some other amendments after the Jeffords, of Vermont, amendment. There are Senators who need a window and both leaders are trying to accommodate that. I think they are looking for votes somewhere around 7:30, 8 o'clock, though it has not been agreed to. That is what is floating out there. So we are trying to get as many amendments in.

Mr. SARBANES. Is the parliamentary situation that a vote is to occur on this amendment at the conclusion of the use of our time?

The PRESIDING OFFICER. There is no order that the vote occur after this amendment, but if at the conclusion of this debate a motion to put it aside takes place, the normal procedure in regular procedure would be to vote at the conclusion of debate and expiration of time.

Mr. SARBANES. That would be the regular order. I do not mind accommodating, but I do not want to see the vote extended way into the evening, I say to my colleagues.

Ms. MIKULSKI. I do not believe it will be extended into the evening, if the Senator agrees to lay this aside so we can go to the Jeffords amendment.

The PRESIDING OFFICER. The Senator from Maryland has 3 minutes, 23 seconds.

Mr. SARBANES. Let me say to my colleague from Missouri, and I am on the housing committee, you say in your own report, on trying to go to a formula base:

> . . . the Committee is worried that a block grant approach with funds less than $1,000,000,000 may disadvantage some areas with significant homeless problems and some homeless providers.

That is on page 61.

What this transfer will do is it will enable HUD, in effect, to move to a formula grant program as it develops these negotiated regulations in the coming fiscal year. It is going to take time to develop those regulations, but they cannot structure a competition or an allocation of those moneys unless they are above $1 billion by your own statement in the report.

So this offers the opportunity to really move forward on the homeless issue, and the price we are paying for it is we are taking some moneys out of the section 8 program, which would not cover then the possibilities to which you have eluded, either that rents would rise or incomes of people getting section 8 would drop. Those are both possibilities, and I concede that.

But the homeless are a reality here and now, and the need to structure the homeless programs in partnership with State and local government and in partnership with the private sector must move forward. And the way to move it forward is to adopt this amendment, bringing the amount for the homeless back up to this year's level and thereby enabling HUD to structure a program which utilizes the formula-grant approach, which the committee on which the Senator and I serve reported out last year on a bipartisan vote, on a 15-to-3 vote.

A formula grant will provide State and local governments with a predictable stream of funding to support their efforts to create comprehensive systems: outreach and screening, emergency shelters, transitional facilities and permanent housing with supportive services.

Comprehensive, coordinated systems such as those are critical for addressing the needs of the homeless population. I urge the adoption of this amendment. It will actually be putting resources to work in their most important and critical need.

The PRESIDING OFFICER. Who yields time?

Mr. BOND. Mr. President, I yield myself 5 minutes.

Mr. President, I go back to the fact we have asked HUD to engage in negotiated rulemaking because HUD is unlikely to be able to put together a block grant during fiscal year 1996. Negotiated rulemaking will provide the homeless advocates with the ability to fashion a block grant to utilize these moneys, and, frankly, this amendment, although it looks good to have it in an appropriations bill in 1995 that I hope gets signed this year for 1996, will not make a single dollar available, cannot be allocated or obligated during fiscal year 1996.

Mr. SARBANES. If the Senator will—

Mr. BOND. This measure does not do anything except what I think is a shell game to make it look better when, in fact, there is not a dollar that can be allocated during the coming fiscal year because of the restriction put on saying it should be restricted until September 30, 1996.

While we both share the objective of taking care of the homeless, this amendment is less than it appears. It does not accomplish anything. I, therefore, move to table it. I ask for the yeas and nays.

Mr. SARBANES. Will the Senator withhold the tabling motion, because it is just not correct to say it cannot be allocated. It can be allocated.

The PRESIDING OFFICER. Is there a sufficient second?

At the moment, there is not.

Mr. BOND. I ask unanimous consent that the amendment be put aside until such time as the leaders, by agreement, can establish the vote.

The PRESIDING OFFICER. Is there objection?

Mr. SARBANES. I object. Is there time remaining on this side?

The PRESIDING OFFICER. There is no time remaining. The question is—

Mr. SARBANES. Will the Senator yield me 30 seconds?

The PRESIDING OFFICER. There is no time.

Mr. SARBANES. There is time on the other side.

The PRESIDING OFFICER. There is no debate on a motion to table.

Mr. SARBANES. Has the tabling motion been made?

The PRESIDING OFFICER. There is no time to be yielded, because we have a motion to table and it is not debatable.

Mr. BOND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SECRETARY CHRISTOPHER CALLS FOR U.N. REFORM

Mr. PELL. Mr. President, yesterday Secretary of State Warren Christopher delivered an important address to the U.N. General Assembly. Secretary Christopher's speech, which was made at the initiation of the 50th session of the General Assembly, was remarkable not only for the milestone it commemorated, but for the forward-thinking approach it took to the issue of U.N. reform.

Recent congressional debates have demonstrated that continued U.S. support for the United Nations hinges on the issue of reform. At a time when some members of Congress are questioning the fundamental utility of U.S. participation in the United Nations, it is imperative that the U.N. perform its duties effectively and in a cost-efficient manner. As Secretary Christopher said last night,

> It is time to recognize that the UN must direct its limited resources to the world's highest priorities, focusing on the tasks that it performs best. The UN's bureaucracy should be smaller, with a clear organizational structure and sharp lines of responsibility. Each program must be held to a simple standard—that is, it must make a tangible contribution to the freedom, security, and well-being of real people in the real world.

Mr. President, as one who was present at the creation of the United Nations, I have tried very hard to see the U.N. live up to its potential and have seen the good works of which it is capable. I underscore and applaud the Secretary of State's call for reform. His initiative has my full support, and I hope it will receive the support of the Congress as well. The very future of the United Nations, and the success of many of our own national security objectives, depend upon it.

Mr. President, I commend the Secretary's address to my colleagues and ask unanimous consent that the full text of his remarks be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF STATE,
OFFICE OF THE SPOKESMAN,
New York, NY, September 25, 1995.

REMARKS BY SECRETARY OF STATE WARREN CHRISTOPHER TO THE 50TH SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY

Mr. President, Mr. Secretary-General, Excellencies, Distinguished Guests: It is a privilege to speak to you today on behalf of the United States. A half-century ago, the General Assembly first met in New York—across the river in a converted skating rink at Flushing Meadows. In those modest surroundings, our predecessors began to put into place an ambitious framework they hoped would keep the peace as successfully as they had prosecuted the war.

In the years since, the United Nations has helped to bring peace, prosperity and hope to countless people around the world. Technological change has brought nations closer together than the UN's founders could possibly have foreseen. The United Nations itself has been challenged in unforeseen ways. It has had to manage complex humanitarian emergencies, from civil wars to the mass movement of refugees to health epidemics. This evolution has placed great strains on the organization, and revealed the necessity for far-reaching change in how it is run.

The Clinton Administration has vigorously made the case to our Congress and our people for continued American leadership at the UN. The United States made a commitment to the UN Charter 50 years ago. We are determined to keep our commitment, including our financial obligations.

We will always remember that for millions of people around the world, the UN is far from a faceless institution: It is, as Harry Truman once said, "a case of food or a box of school books; it is a doctor who vaccinates their children; it is an expert who shows them how to raise more rice, or more wheat." To millions more, it is the difference between peace and war.

Economic and social development, as well as protection of human rights, remain central to the UN's mission. But the UN must change to meet these needs more effectively. When money is wasted in New York, Geneva, or Vienna, and when time is lost to bureaucratic inertia, the people who pay the price are those most vulnerable to famine, disease and violence.

It is time to recognize that the UN must direct its limited resources to the world's highest priorities, focusing on the tasks that it performs best. The UN's bureaucracy should be smaller, with a clear organizational structure and sharp lines of responsibility. Each program must be held to a simple standard—that is, it must make a tangible contribution to the freedom, security, and well-being of real people in the real world.

In the last two years, under the leadership of Secretary-General Boutros-Ghali, the groundwork for substantial change has been laid. The UN has an office with the functions of an inspector general, and a mandate to crack down on waste and fraud. Under-Secretary-General Joe Connor has embarked on an aggressive campaign to improve the UN's management culture, and we fully support his work. The UN Secretariat has moved in the right direction by submitting a budget that begins to restrain spending.

Now the momentum for reform must accelerate. Let me propose a concrete agenda:

First, we must end UN programs that have achieved their purpose, and consolidate programs that overlap, especially in the economic and social agencies. The UN has more than a dozen organizations responsible for development, emergency response, and statistical reporting. We should consider establishing a single agency for each of these functions. We should downsize the UN's regional economic commissions. We should ensure that the functions of the UN Conference on Trade and Development do not duplicate the new WTO. And we should adopt a moratorium on big UN conferences once the present series is completed, concentrating instead on meeting the commitments of those we have held.

Second, we need to streamline the UN Secretariat to make it more efficient, accountable and transparent. Each part of the UN system should be subject to the scrutiny of an inspector general. The UN must not tolerate ethical or financial abuses and its managers should be appointed and promoted on the basis of merit.

Third, we should rigorously scrutinize proposals for new and extended peacekeeping missions, and we should improve the UN's ability to respond rapidly when new missions are approved. We must agree on an equitable scale of peacekeeping assessments that reflects today's economic realities. And we should have a unified budget for peacekeeping operations.

Finally, we must maintain the effectiveness of the Security Council. Germany and Japan should become permanent members. We should ensure that all the world's regions are fairly represented, without making the Council unwieldy.

We welcome the formation of the high-level group on reform, initiated under the leadership of outgoing General Assembly President Essy. Our goal must be that a practical blueprint for UN reform will be adopted before the General Assembly's 50th Session finishes work next fall. The way forward is clear: We have already seen countless studies and reports. The time has come to act on the best proposals.

As you know, in my country there have been serious efforts to curtail our support for the United Nations. The Clinton Administration believes it would be reckless to turn away from an organization that helps mobilize the support of other nations for goals that are consistent with American and global interests. But to sustain support for the UN among the American people and the people of other nations, it is not enough that we defend the institution. The best argument against retreat is further reform. Tangible progress will help us win the battle for UN support that we are waging in the United States.

The United Nations must emerge from the reform process better able to meet its fundamental goals, including the preservation of peace and security. From Korea, to the Persian Gulf, to Haiti, the UN has provided a mandate to its members as they carried out this responsibility. The UN's own blue helmets have helped nations create the basic conditions of peace in some of the most difficult situations imaginable, even though they have not always fully achieved their intended purpose.

Recently, a young Haitian father was asked what peacekeeping forces had achieved in his country. "We walk freely," he answered. "We sleep quietly. There are no men who come for us in the night." In Haiti, as for example in Cambodia, Mozambique and El Salvador, the UN has shown that peacekeeping, for all of its limitations, has been an enormously useful instrument.

Our region where UN forces and the international community have played a critical role is the Middle East. Another historic milestone will be marked this Thursday in Washington when Israel and the Palestinians sign their agreement to implement phase two of the Declaration of Principles. That agreement will bring to life a goal first set in the Camp David accords—that is, to protect Israel's security and to give Palestinians throughout the West Bank control over their daily lives. The international community and the UN must continue to support this process politically and economically.

Without a doubt, the UN has never undertaken a mission more difficult than the one in the former Yugoslavia. The limitations of that mission are well known. But we must also recognize that it has provided relief for hundreds of thousands of people and saved thousands of lives. Today, with diplomacy backed by force, the United States and the international community are moving forward on a track that is producing genuinely hopeful results. The United Nations and NATO are working together effectively to bring peace to the region. On September 8 in Geneva, the parties to the conflict accepted the fundamental goal the Security Council has often expressed—namely, the continuation of Bosnia-Herzegovina as a single state within its current internationally recognized borders. When I meet with the foreign ministers of Bosnia, Croatia, and Serbia later today, I will urge them to maintain momentum toward peace and to establish constitutional structures for Bosnia.

The framers of the UN Charter created this institution to meet threats to peace and security posed by aggression and armed conflict. These threats are still very much with us. But the world also faces a set of new security challenges, including proliferation, terrorism, international crime and narcotics, as well as the far-reaching consequences of damage to the environment. These have assumed a new and dangerous scope in a more interdependent world. As President Clinton said in San Francisco in June, the "new forces of integration carry within them the seeds of disintegration and destruction."

While new technologies have brought us closer together, they have also made it easier for terrorists, drug dealers, and other international criminals to acquire weapons of mass destruction, to set up cocaine cartels, and to hide their ill-gotten gains. The collapse of communism has shattered dictatorships. But it has also left the political and legal institutions of newly liberated nations even more vulnerable to those who seek to subvert them.

Although these threats are sometimes sponsored by states, they increasingly follow no flag. Each of us must vigorously fight these enemies on our own. But we will never be truly secure until we effectively fight them together. That is the new security challenge for the global community. It must be the new security mission of the UN.

There is no area where the UN can make a more significant contribution than in nonproliferation. Fifty years ago, the United States was the only country capable of making a nuclear bomb. Today, many countries have the technology that would enable them to turn a fist-sized chunk of plutonium into a bomb as small as a suitcase. That is one reason why more than 170 countries agreed to extend for all time the Nuclear Non-Proliferation Treaty last May, at the conference chaired here by Ambassador Dhanapala. We must build on that achievement.

First, we should have a Comprehensive Test Ban Treaty ready for signature by the time we meet here next year. As President Clinton announced last moth, the United States is committed to a true zero-yield test ban. We urge other nations to join us in that commitment.

Second, we should immediately start negotiations on a Fissile Material Cutoff Treaty. Those who have been most vocal in calling for nuclear disarmament should recognize that it is essential to ban future production of fissile material for nuclear weapons.

Third, we should push forward with the historic reductions of the nuclear arsenals of the United States and the countries of the former Soviet Union. I call on the U.S. Senate, as well as the Russian Duma, to approve the START II Treaty so that we can lock in deep cuts in our strategic nuclear arsenals. In addition, Presidents Clinton and Yeltsin are working together to ensure the safety, transparency and irreversibility of nuclear arms reductions.

As part of this process, President Yeltsin will host a Nuclear Safety and Security Summit in Moscow next spring. The Summit should have an ambitious agenda, including a declaration of principles on nuclear reactor safety. We look to the summit to address the worldwide problem of nuclear waste management, including ocean dumping. The Summit should also promote a plan of action to Safeguard nuclear materials. That plan should include new measures to prevent criminals and terrorists from acquiring nuclear material for use in weapons.

Finally, we should push for the earliest possible entry-into-force of the Chemical Weapons Convention. President Clinton has urged the U.S. Senate to act promptly on its ratification, and to stop holding it and the START II treaty hostage to unrelated issues. The world has witnessed the effect of poison gas too many times in this century—on European battlefields during World War I, in Ethiopia and Manchuria during the 1930s, and against Iranian soldiers and innocent Kurdish civilians in the 1980s. The Chemical Weapons Convention will make every nation safer, and we need it now.

The UN is also playing an invaluable role in focusing attention on pressing regional poliferation problems. In Iraq UNSCOM and its chairman Rolf Ekeus continue to uncover horrific details about Saddam Hussein's weapons of mass destruction.

Under Saddam Hussein, Iraq developed a deadly biological weapons capacity hidden from view. It was conducting research to turn some of the most toxic substances known to man into weapons of war. We know Saddam succeeded in putting anthrax and botulism in bombs and missile warheads. In December 1990, he deployed these with every intent to using them against the international coalition and innocent civilians. He was dissuaded only by the steadfast determination of the United States and the international community.

In light of what Ambassador Ekeus has uncovered, we can only conclude that for the last four and a half years Saddam Hussein has lied about the full scope of Iraq's weapons programs. There should be no easing of the sanctions regime until the Iraqi government complies with all the demands of the Security Council and demonstrates that it has changed its ways.

The UN should also promote responsibility and restraint in the transfer of conventional weapons. Last year at the General Assembly, President Clinton proposed, and the Assembly approved, the eventual elimination of antipersonnel landmines. On my recent trip to Cambodia, I saw the terrible damage these hidden killers can do. This year, we will again call on other countries to join us in ending the export of landmines.

Two years ago, President Clinton called on the international community to devise a true international system that governs transfers of conventional weapons and sensitive dual-use technologies. I am pleased that the Russian Federation has joined with the United States and 26 other countries to agree on common principles to control the build-up of dangerous conventional arms. We hope to activate this global regime, called the New Forum, by the end of this year.

The proliferation of weapons has added a disturbing dimension to another threat we all face: international terrorism. Indeed, this year's sarin gas attack in Tokyo is a grim warning of what can happen when terrorists acquire weapons of mass destruction.

More nations are joining the fight against those individuals and groups who attack civilians for political ends. The United Nations has supported this effort in important ways. The UN Security Council recognized the importance of countering state-sponsored terrorism by imposing sanctions against Libya for the bombing of Pan Am 103 and UTA 772.

Terrorists should be treated as criminals and there must be no place where they can hide from the consequences of their acts. States that sponsor terrorists should feel the full weight of sanctions that can be imposed by the international community. Let us not deceive ourselves: Every dollar that goes into the government coffers of a state sponsor of terrorism such as Iran helps pay for a terrorist's bullets or bombs. Iran's role as the foremost state sponsor of terrorism makes its secret quest for weapons of mass destruction even more alarming. We must stand together to prevent Iran from acquiring such threatening capabilities.

The United States has taken a leading role in meeting the international terrorist threat. We have intensified our sanctions against Iran. Last January, President Clinton also issued an Executive Order prohibiting financial transactions with terrorist groups and individuals who threaten the Middle East peace process. We are urging our Congress to tighten our immigration and criminal laws to keep terrorists on the run or put them behind bars.

The United States strongly supports the counter-terrorism measures the G–7 and Russia announced at the Halifax Summit, and we expect the P–8 Ministerial Meeting on Terrorism in Ottawa to produce a concrete action plan to implement these measures.

Other kinds of international crime also threaten the safety of our citizens and the fabric of our societies. And globalization brings new and frightening dimensions to crime. The threat of crime is a particular menace to young democracies. It weakens confidence in institutions, preys on the most vulnerable, and undermines free market reform.

Of course, every country must take its own measures to combat these threats. The Clinton Administration is now completing a review of our approach to transnational crime that will lead to a stronger, more coordinated attack on this problem.

To help other states deal with criminal threats, the United States and Hungary have created the International Law Enforcement Academy in Budapest to train police officers and law enforcement officials from Central Europe and the states of the former Soviet Union. We are providing similar help bilaterally and through the UN Drug Control Program to countries whose laws are challenged by drug cartels.

A particularly insidious form of crime and corruption is money laundering. All nations should implement recommendations by the OECD to attack money laundering. The nations of this hemisphere should also advance the anti-money laundering initiative introduced at last December's Summit of the Americas. Together, we must squeeze the dirty money out of our global financial system.

Through the UN's conventions on drugs and crime, the international community has set strong standards that we must now enforce. We call on UN member states who have not already joined the 1988 UN Drug Convention to do so. Those countries who have approved the convention should move quickly to implement its key provisions.

We are increasingly aware that damage to the environment and unsustainable population growth threaten the security of our nations and the well-being of our peoples. Their harmful effects are evident in famines, infant mortality rates, refugee crises, and ozone depletion. In places like Rwanda and Somalia, they contribute to civil wars and emergencies that can only be resolved by costly international intervention. We must carry out the commitments we made at last year's Cairo Conference, and the Rio Conference three years ago.

Never have our problems been more complex. It has never been more evident that these problems affect all nations, developed and developing, alike. Only by working together can we effectively deal with the new threats we all face.

That is why, on this 50th anniversary year, we must shape the UN's agenda as if we were creating the institution anew. Just as the UN's founders devised a new framework to deter aggression and armed conflict, the United Nations, in particular the Security Council, must now assign the same priority to combating the threat posed by proliferation, terrorism, international crime, narcotics, and environmental pollution. We should dedicate our efforts in the UN and elsewhere to turning our global consensus against these threats into concrete action. We must renew and reform the United Nations not for its sake, but for our own.

Thank you very much.

Mr. PELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2782

Mr. BOND. Mr. President, I ask unanimous consent that my previous tabling motion be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, I ask unanimous consent that the Senator from Maryland be recognized for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Maryland is recognized.

Mr. SARBANES. Mr. President, I simply want to address the argument by my colleague that passing this amendment will not serve a purpose. The amendment will, in effect, enable HUD to implement a formula approach with respect to the homeless problems in the coming year. HUD could structure the formula approach so that State and local governments, the homeless assistance providers, the church groups, and the community groups could come in and anticipate their expected level of funding off a $1.1 billion figure. The Appropriations Committee itself has said they have to have more than $1 billion in order to make the formula approach work.

They are going to negotiate regulations. That will take a good part of the fiscal year. The end result of all of this is a greater commitment to dealing with the homeless.

I concede that we are taking money from the section 8 program. I think in the order of priorities, addressing the homeless ought to come ahead of that.

Then people say, well, the following fiscal year the amount needed for section 8 is going to double from $4 billion to $8 billion. If it is that order of magnitude you will need an entirely new solution. You will not solve it by this $360 million here that is being held in the reserve.

This money, though, could make an enormous difference with respect to addressing the homeless problem.

Therefore, I very strongly renew my support of the amendment.

Mr. BOND. I yield myself 2 minutes.

Let me just conclude this discussion by saying that under the system that has been suggested by my colleague from Maryland, which is an effort to solve the homeless problem, we are still in a budgetary quandary. We have not solved the budgetary problem.

The Budget Committee will score the outlays during the year in which they occur no matter when they have been allocated. If, when the budget authority has been granted, if we move the funds to fiscal year 1997, as the amendment by my friend from Maryland would do, we will have that many fewer dollars to spend, that many fewer dollars in outlays to spend during fiscal year 1997.

That is why I say that we have asked HUD to enter into negotiated rulemaking to try to get these funds out to deal with not only the funds we have appropriated in this bill but the funds, $297 million, made available in the rescission bill for the coming year, and utilize those funds to deal with the homeless problem.

That is why again I regretfully say that moving money from one pocket to another does not overcome the appropriations and budgetary problems, and does not move us any further towards the goal of serving the homeless and those who need section 8 public housing assistance.

Mr. President, is all time expired?

The PRESIDING OFFICER. All time has expired.

Mr. BOND. Mr. President, I ask unanimous consent that this amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2783

(Purpose: To require EPA to give priority to small businesses in its "green programs" and to require EPA to perform a study to determine the feasibility of making these programs self-sufficient)

Mr. JEFFORDS. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Vermont [Mr. JEFFORDS], for himself and Mr. BINGAMAN, Mr. CHAFEE, Ms. SNOWE, Mr. DASCHLE, Mr. SIMON, Mr. BIDEN, Mr. LIEBERMAN, Mr. KOHL, Mr. KERRY, Mr. BUMPERS, and Mr. LEAHY, PROPOSES AN AMENDMENT NUMBERED 2783.

Mr. JEFFORDS. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 151, line 11, insert:

SEC. . ENERGY EFFICIENCY AND ENERGY SUPPLY PROGRAMS.

(a) PRIORITY FOR SMALL BUSINESSES.—During fiscal year 1996 the Administrator of the Environmental Protection Agency shall give priority in providing assistance in its Energy Efficiency and Energy Supply programs to organizations that are recognized as small business concerns under section 3(a) of the Small Business Act (15 U.S.C. 632(a)).

(b) STUDY.—The Administrator shall perform a study to determine the feasibility of establishing fees to recover all reasonable costs incurred by EPA for assistance rendered businesses in its Energy Efficiency and Energy Supply program. The study shall include, among other things, an evaluation of making the Energy Efficiency and Energy Supply Program self-sustaining, the value of the assistance rendered to businesses, providing exemptions for small businesses, and making the fees payable directly to a fund that would be available for use by EPA as needed for this program. The Administrator shall report to Congress by March 15, 1996 on the results of this study and EPA's plan for implementation.

(c) FUNDING.—For fiscal year 1996, up to $100 million of the funds appropriated to the Environmental Protection Agency may be used by the Administrator to support global participation in the Montreal Protocol facilitation fund and for the climate change action plan programs including the green programs.

Mr. JEFFORDS. Mr. President, I will not take very long, and I want to thank the managers of the bill for agreeing to an amendment to our original proposal, which makes good sense and which I think improves the amendment. I appreciate their cooperation.

I am offering this amendment on behalf of myself, Mr. BINGAMAN, Mr. CHAFEE, Ms. SNOWE, Mr. DASCHLE, Mr. SIMON, Mr. BIDEN, Mr. LIEBERMAN, Mr. KOHL, Mr. KERRY, Mr. BUMPERS, and Mr. LEAHY.

What this amendment does is to restore the EPA Administrator's ability to fulfill our obligations under the Montreal Protocol. In addition, it will authorize the EPA Administrator to fund the successful green programs, including Green Lights and Energy Stars Building Programs.

The net effect, actually, of this amendment as far as present spending will actually decrease because it will raise by fee some revenues to assist in the second program that I mentioned.

I need not go into detail on the importance of the Montreal Protocol. Last year, the Congress appropriated $119 million for these important programs—$101 million for the green programs and roughly $17 million for the Montreal Protocol multilateral fund. This amendment will allow the Administrator to spend up to $100 million on these programs, actually a 13 percent decrease from last year's levels.

Again, it is authorization to spend. It is not a specific authority for those programs. That will be up to the administrator.

I will not go into detail on this. I do not want to take the time of our Members here for this.

I will summarize now the green programs. There is no money for the green programs. I remember President Bush searching for alternatives to overregulation, command and control policies of the 1970's and 1985's. He longed to find a way to control production in a nonregulatory free market manner.

His legacy through the environment is his success in developing just such a program which we are referring to this evening. The Green Lights Program and Energy Stars Program are a testament to the type of innovative programs we must implement if we wish to reduce the regulatory burden faced by industry today. The programs are volunteer, reduce energy use, save business money, and stimulate markets for clean alternative energy technologies and services. What more could you ask for?

Green Lights is simple. EPA provides technical assistance to help a company survey its facilities and upgrade its lighting. Since its inception, Green Lights has saved companies hundreds of millions of dollars and dramatically reduced air pollution emissions, all without one regulation.

I have to my left here a chart which shows—how often do you get to the cover of Time Magazine? This is an important public-private partnership. Just ask companies in my own State like IBM, our largest utility—Green Mountain Power, Jay Peak Ski Area, and many others, including small businesses.

Now I had several Members that wanted to speak but due to the gracious acceptance of this amendment by the managers, I will yield the floor.

Mr. BINGAMAN. Mr. President, I rise today to speak in favor of the Jeffords-Bingaman amendment to the VA-HUD appropriations bill, which would restore authority to the EPA Administrator to expend funds on their atmospheric pollution prevention programs, and on the Montreal Protocol Multilateral Fund.

This amendment requires no new money of any offsets to H.R. 2099. It merely allows the administrator to use appropriated funds from the $1.6 billion program and administration fund to continue what we believe is essential work going on at EPA. It does not affect the overall budget cuts prescribed in the bill.

The Green Lights Program represents one of the best ideas of the past 20 years in the field of environmental protection. As our framework of environmental laws has evolved since 1970, we have been shown the positives and negatives of command and control regulation. While strict standards have been successful in many ways at reducing pollution, they have also proven costly and unwieldy for complying companies in some situations.

The Green Programs at EPA have done an exceptional job at saving energy and reducing pollution in a voluntary, flexible manner which should be emulated and expanded rather than zeroed out. In 1994 alone, Green Lights and Energy Star prevented $69 million metric tons of carbon equivalent, including 5.1 billion pounds of carbon monoxide, 14.1 million pounds of sulfur dioxide, and 6 million pounds of nitrogen oxides.

While these pollution reductions are a positive step, the more impressive fact is that these improvements are making money for State and local governments, companies, nonprofits and other organizations in almost every case. The Green Lights and Energy Star Programs saved $92 million in utility bills in 1994 alone.

Corporate welfare is a term one hears of often these days, both in and outside of this body. I am strongly supportive of reducing unnecessary subsidies to private industry wherever possible. However, labeling the EPA programs as corporate welfare is just plain wrong. No direct subsidies are given to corporations or any other participants. In fact, no direct marketing is done on behalf of any specific manufacturer or contractor. EPA merely alerts energy users to the financial savings and public relations benefits of the programs and gives them a long list of businesses that can do the work. All sales and contracting is the responsibility of the companies involved.

I have heard many statements in this Chamber railing against the evils of environmental regulation. If the majority also eliminates cooperative, voluntary, non-regulatory approaches to environmental protection, what alternatives remain?

Also restored in this amendment is the authority of the Administrator to expend Federal dollars on the Montreal Protocol Multilateral Fund. Stratospheric ozone depletion from manmade chlorofluorocarbons [CFC's] is a real and pressing problem. Due to prompt action on the part of the Congress to phase out production of CFC's in the Clean Air Act, ozone depletion will likely peak in the year 2000, and restore itself gradually during the following 3 to 5 decades.

The United States is enduring significant transition cost to accomplish the phase-out and must be assured that our progress is not undercut by rampant CFC use in developing countries. Our participation in the Montreal Protocol is essential for those recovery projections to be realized.

I understand that the subcommittee chairman would like to see the Montreal Protocol funded by the Subcommittee on Foreign Operations. It does not make a difference to me if the Senators from Missouri and Kentucky want to work out an arrangement. However, our treaty obligations to the Montreal Protocol are vital, and whether our commitments to it are met should not be subject to a squabble over what subcommittee should provide the funds.

I urge my colleagues to support the amendment.

Mr. BOND. Mr. President, these programs are programs that I think are vitally in need of restructuring and reoriented and bringing in to the modern day.

No question that Green Lights may have done some good for some big companies. This is really a distinguished group of companies. You can see Martin Marietta, General Dynamics, Warner Lambert, Phillips Petroleum, Whirlpool, Xerox, U.S. West, Trans-America, all these companies have saved millions of dollars through the Green Lights Program. Great.

What I think is that it is time to say enough corporate welfare. Start getting these people who are benefiting to pay for it. I have agreed with the sponsors of this amendment to accept their permissive language and to make some changes.

No. 1, we say that there ought to be a priority for small businesses. During fiscal year 1996, the Administrator of the EPA shall give priority to providing assistance in its energy efficiency and energy supply programs to organizations that are recognized as small business concerns under section 3(A) of the Small Business Act.

Get out of the business of providing very scarce taxpayer resources to help very large companies save money on energy. They ought to be saving it. We have started the program. We have shown how they can save money. Let them pay for it.

No. 2, we will include a study. The Administrator must determine the feasibility of establishing fees to recover all reasonable costs incurred by EPA for assistance rendered businesses in the energy efficiency and energy supply program. The study should include making the program self-sustaining, the value of the assistance rendered to businesses, providing exemptions for small businesses, making the fees payable directly to a fund that would be available for use by EPA as needed for this program.

Nobody here is challenging the need for energy efficiency. It is vitally important from the environment standpoint, from a cost standpoint. It makes good sense. I do not believe that we ought to continue to have the Federal Government paying out this high-class corporate welfare.

This is a significant step toward weaning those large companies away from that endeavor.

Now, let me address the Montreal Protocol, and let me state to my colleagues that both of these are permissive. EPA is going to have to eat into its own budget to the extent it wants to use up to $100 million to support the climate change program in the Green Lights program or the Montreal Protocol facilitation funds. I hope they will be careful in utilizing those funds because we need those funds to be used on cleaning up the environment here in this country, not providing foreign aid to other countries under the Montreal Protocol and not using up dollars in helping the largest corporations save money by instituting energy-efficiency programs.

Let me tell you briefly about the Montreal Protocol funds. The fund received $116 million from the U.S. Government over the past few years. It is an international fund, managed through the State Department, to support developing countries in their efforts to phase out ozone-depleting chemicals. It is a worthwhile goal, but I do not see why the EPA, which is strapped for funds, is going to want to spend much of its money on that. I think, if we really want to provide foreign aid for other countries to improve their environment, we ought to be looking at the State Department.

I understand the Senator from Vermont had expressed concern about cuts in the foreign operations appropriations bill, the account which provides funding for the Montreal Protocol funds. That, I believe, is where it should be funded in the future. This subcommittee is not able to make up for shortfalls in other appropriations bills. We will allow the EPA, as a transition, to utilize those funds to the extent necessary. But I really believe the funds are better spent on environmental protection activities at home. We have provided the funds as available for these activities. We provided the Montreal Protocol funds some $116 million. I think the EPA can determine how to utilize its scarce resources and phase out the funding of these programs.

The companies that have benefited from the Green Lights programs, we congratulate them and urge the EPA to move on to self-funding.

With that, Mr. President——

Mr. CHAFEE. Mr. President, if I might, I would just like to make a couple of comments on this. It is my understanding the distinguished floor manager is prepared to accept this?

Mr. BOND. We are prepared to accept the amendment, and we appreciate the support of our colleagues for the program.

Mr. CHAFEE. I commend the distinguished chairman of the subcommittee of the Appropriations Committee for accepting this. Let me just say a couple of words, if I might, about the Montreal Protocol.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, every single Member of this Senate, and indeed members of the Republican Party, should be extremely proud of the Montreal Protocol. Why? Because it was signed under the administration of Ronald Reagan. This is what President Reagan said on April 5, 1988, about the Montreal Protocol:

> The Montreal Protocol is a model of cooperation. It is a product of the recognition and international consensus that ozone depletion is a global problem.

I am going to come back to that in a minute, because often it is said, only spend your money on domestic problems. But ozone depletion cannot be solved just by the United States alone. "It is a global problem," as President Reagan said, "both in terms of its causes and its effects. The Protocol is a result of an extraordinary process of scientific study, negotiations among representatives of the business and environmental communities, and international diplomacy. It is a monumental achievement," said Ronald Reagan, and he was absolutely right.

With respect to the Montreal Protocol Multilateral Fund, how does the money come about and who contributes? Let us just take what is happening right now. The United States is supposed to contribute $38 million a year to this international fund. Where does it come from? Because of funding shortfalls in previous years, the State Department requested $27 million and the EPA requested $24 million. That is a total of $51 million for fiscal year 1996. The amounts in excess of the $38 million cap were requested to make up for past years. In other words, the request is up some. The point I am making is it is split between the State Department and the EPA.

Who else contributes? There are 40 other nations that are contributing. The United States puts in a total of $38 million. Japan puts in $22 million, Germany $16 million, United Kingdom $9 million, Canada $5 million, and so forth.

I am advised that the contributions to the multilateral fund have been at a higher rate—85 percent of the assessed amounts are contributed. This is the highest of any known U.N. trust funds. So it is working.

I would just like to point out a quote from the July 14, 1994, journal of Science. That is the name of the journal. It published the findings of an international group of scientists who concluded that "methyl chloroform, one of the chief threats to the Earth's protective ozone layer, has begun to diminish. Other researchers confirm the finding, first reported 2 years ago, that chlorofluorocarbons, CFC's, have almost stopped increasing in the atmosphere."

You might say why have they not stopped completely? You have had this Montreal Protocol since 1987. The facts are, it takes a significant amount of time for the CFC's to go from the Earth up into the stratosphere where they do their damage. So, if we can stabilize—if our reports show they are stabilizing in the atmosphere, that means the efforts we have made to reduce the emissions are working and pretty soon the destruction of the ozone layer will go into a rapid decline from the activities that are taking place now. So, we can congratulate ourselves. Here is something that has worked.

I want to just say how happy I am that we have worked out this agreement this evening; that both the distinguished ranking member and distinguished manager of the bill, the senior Senator from Missouri, have accepted these proposals. I am particularly interested in the Montreal Protocol side of it, having been connected with it for some years.

Again, it is my view that the Republicans can pat themselves on the back for this measure, because it occurred under a Republican administration with a Republican President leading the way.

I thank the distinguished Senator from Vermont for his efforts in connection with this this evening. I am glad we have reached a compromise and that the amendment of the Senator from Vermont has been accepted.

Mr. President, I ask unanimous consent a letter to me from the Alliance for Responsible Atmospheric Policy dated September 19, 1995, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ALLIANCE FOR RESPONSIBLE
ATMOSPHERIC POLICY,
Arlington, VA, September 19, 1995.
Hon. JOHN CHAFEE,
U.S. Senate, 506 Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR CHAFEE: On behalf of the Alliance for Responsible Atmospheric Policy, I urge you to support the appropriation of funds to fulfill the U.S. commitment to the Multilateral Fund for the Implementation of the Montreal Protocol. The Multilateral Fund provides resources for developing countries to comply with the Protocol's requirements to phase out of the production of ozone-depleting compounds such as chlorofluorocarbons (CFCs). Appropriation of moneys to the Fund have been eliminated in the EPA budget and substantially reduced in the State Department's budget.

The Alliance is the internationally recognized U.S. industry coalition which is composed of producers of CFCs and their alternatives; and several hundred manufacturers and organizations whose products and services rely on CFCs and their alternatives. The Alliance was organized in 1980 and continues to assist government in the development of reasonable international and U.S. government policies regarding ozone protection. A list of Alliance members is attached.

Industry has worked diligently over recent years with policymakers to seek sensible international requirements for the phaseout of ozone-depleting compounds. We have done so because the best scientific information has led us to conclude that the concern for human induced alternation of the ozone layer is a serious "global" environmental concern. Unilateral requirements imposed on U.S. industry alone would be neither fair nor environmentally beneficial in solving the overall global problem of ozone depletion. Therefore, the Montreal Protocol, ratified by 149 countries, provides an unprecedented forum for all nations to work together to solve this global environmental problem.

The United Nations Environment Programme Science Assessment Report shows that one of the few remaining obstacles to recovery of the ozone layer is the growth of CFCs in developing countries. Developing countries must be urged to continue their transition to alternatives and phase out of CFCs as soon as feasible. The Mulitlateral Fund helps to ensure the success of the Montreal Protocol by providing needed assistance to these developing countries. Without funding for the implementation of CFC alternatives in developing countries, these countries will continue to use ozone-depleting CFCs because they are the best option available to them as their economies grow to meet their society's needs. Developing countries need assistance through the Fund in phasing out of CFCs and utilizing new technologies.

Industry is proud of its accomplishments in ozone protection, by its efforts to phase out of CFCs ahead of schedule, and in its investment of several billion dollars to identify and introduce ozone-protecting alternative technologies. Therefore, it is critically important that Congress provide as much oversight as necessary of federal agencies, such as EPA, to ensure that U.S. interests and alternative technologies are not disadvantaged or prejudiced in the Multilateral Fund's CFC phaseout projects. In addition, the Fund should not be used to implement any acceleration of the phaseout of hydrochlorofluorocarbons (HCFCs) beyond the 1992 Copenhagen Amendments to the Montreal Protocol.

The Multilateral Fund is an integral part of the effort to ensure that alternative technologies are adopted globally. The U.S. contribution to the Fund is only a relatively small but important symbol of the U.S. commitment to this effort. The U.S. agreed to the Fund assistance as part of its treaty obligation; and it should not renege on this obligation. Government and industry in the United States have shown both strong leadership in ozone protection and a commitment to the success of the Montreal Protocol. In order to fulfill this commitment and continue U.S. leadership, we urge you to support the funding of the Multilateral Fund.

Sincerely,

DAVID STIRPE,
Executive Director.

1994/1995 MEMBERSHIP LIST ALLIANCE FOR RESPONSIBLE ATMOSPHERIC POLICY

3M Company.
A. Cook Associates, Inc.
Abbott Laboratories.
Abco Refrigeration Supply Corp.
Acme—Miami.
American Electronics Association (AEA).
Air Comfort Corporation.
Air Conditioning Contractors of America.
Air Conditioning & Refrigeration Institute.
Air Conditioning Suppliers, Inc.
Air Products.
Alliance Pharmaceutical Corporation.
AlliedSignal.
American Auto. Manufacturers Assoc.
American Frozen Food Institute.
American Pacific Corporation.
American Refrigerant Reclaim Corporation.
American Thermaflo Corp.
American Trucking Associations.
Amtrol, Inc.
Anderson Bros. Refrigeration Service, Inc.
Apex Ventilations.
ARCA/MCA.
Arizona Public Service Co.
Arjay Equipment Corporation.
Arrow Air Conditioning Service Company.
Arthur D. Little, Inc.
Ashland Inc.
Astro-Valcour Inc.
Association of Home Appliance Manufacturers.
AT&T.
Ausimont USA.
Automotive Consulting Group, Inc.
Bard Manufacturing Co.
Beltway Heating & Air Conditioning Co. Inc.
Beverage-Air.
Big Bear Stores Co.
Blue M Electric.
Building Owners and Managers Association (BOMA).
Booth Refrigeration Services Conditioning.
Bristol Compressors.
c/o Moog Training Center.
Carrier Corporation.
Celotex.
Center for Applied Engineering.
Central Coating Company, Inc.
Cetylite Industries, Inc.
Chemical Packaging Corp.
Chemtronics, Inc.
Clayton Auto Air, Inc.
Commercial Refrigerator Manufacturers Association.
Copeland Corporation.
Day Supply Company.
Dow Chemical U.S.A.
E.I. Dupont De Nemours and Company.
E.V. Dunbar CO.
Eastman Kodak.
Ebco Manufacturing.
Electrolux/White Consolidated.
Elf Atochem North America, Inc.
Elliott-Williams Company, Inc.
Engineering & Refigeration, Inc.
Falcon Safety Products, Inc.
FES Inc.
Flex-O-Lators, Inc.
Foam Enterprises, Inc.
Foamseal, Inc.
Food Marketing Institute.
Foodservice & Packaging Institute.
Ford Motor Company.
Forma Scientific.
Fox Appliance Parts of Augusta.
Franke Filling, Inc.
Fras-Air Contracting.
Free-Flow Packaging Corp.
Freightliner Corporation.
Gardner, Carton & Douglas.
Gebauer Company.
General Electric Company.
General Motors.
Graineer.
Gulfcoast Auto Air.
H.C. Duke & Son, Inc.
Hale and Dorr.
Halocarbon Products Corporation.
Halsey Supply Co., Inc.
Harold Electric Co.
Henry Valve Company.
Highside Chemicals.
Hill Refrigeration Corp.
Howard/McCray Refrigerator Co., Inc.
Hughes Aircraft Company.
Hussmann Corporation.
ICI Americas Inc.
IG-LO, Inc.
Illinois Supply Company.
IMI Cornelius Company.
Institute of Heating & Air Conditioning Industries.
Institute of International Container Lessors.
Integrated Device Technology Inc.
International Assoc. of Refrigerated Warehouses.
International Cold Storage Co., Inc.
International Mobile Air Conditioning Assoc.
International Pharmaceutical Aerosol Coalition.
Interstate Truckload Carriers Conference.
Johnson Controls.
Joseph Simons Co.
Keyes Refrigeration, Inc.
King-Weyler Equipment Co., Inc.
Kline & Company Inc.
Kraft General Foods.
KYSOR WARREN.
LaRoche Chemicals.
Lennox Industries.
Liggett Group Inc.
Lintern Corporation.
Lorillard.
Lowe Temperature Solutions.
Luce, Schwab & Kase, Inc.
Malone and Hyde Inc.
Manitowoc Equipment Works.
Marine Air Systems.
MARVCO Inc.
Maytag Corporation.
McGee Industries, Inc.
Mechanical Service Contractors of America.
Merck & Co., Inc.
Metl-Span Corporation.
Miles Inc.
Mobile Air Conditioning Society.
Monsen Engineering Co.
Montgomery County Public Schools.
Moog Automotive Inc.
Moran, Inc.
Nat. Assoc. of Plumbing-Heating-Cooling Contractors.
National Assn. of Food Equipment Manufacturers.
National; Automobile Dealers Association.
National Refrigerants, Inc.
National Training Centers, Inc.
NC State Board of Refrigeration.
Neaton Auto Products Mfg., Inc.
New Mexico Engineering Res. Instit.-U of NM.
North Colorado Medical Center.
Northern Illinois Gas.
Northern Research & Engineering Corporation.

Northland Corporation.
Norton Company-Sealants Division.
O'Brien Associates.
Omar A. Muhtadi, Inc.
Omega Refrigerant Reclamation.
Orb Industries, Inc.
Patterson Frozen Foods, Inc.
Peirce-Phelps, Inc.
Pennzoil Company.
Perlick Corporation.
Polyisocyanurate Insulation Manufacturers Association (PIMA).
Polycold Systems International.
Premier Brands Ltd.
Ralph Wright Refrigeration.
Rawn Company, Inc.
Reeves Refrigeration & Heating Supply, Inc.
Refrigeration Engineering, Inc.
Refrigerant Management Services.
Refrigeration Service Engineers Society.
Refron.
Revco Scientific.
Rhode Island Refrigeration Supply Comp, Inc.
Ritchie Engineering Co., Inc.
Rite Off.
RJR Nabisco.
Robinair Division, SPX Corp.
RSI Co.
Rule Industries, Inc.
SCM Gidco Organics.
Scott Polar Corporation.
Service Supply of Victoria, Inc.
Servidyne Inc.
Sexton Can Company.
Sheeting, Metal Air-Conditioning Contractors National Association (SMACNA).
South Central Co., Inc.
Southern Refrigeration Corp.
Society of the Plastics Industry (SPI).
Sporian Valve Company.
Spray, Inc.
Stoeiting, Inc.
Sub-Zero Freezer Company, Inc.
Superior Valve Company.
TAFCO Refrigeration Inc.
Tech Spray, Inc.
Tecumseh Products Company.
Tennessee Eastman.
Tesco Distributors, Inc.
Thermal Engineering Company.
Thermo-King Corporation.
Thompson Publishing Group.
Thompson Supply Co.
Thorpe Supply.
Tolin Mechanical Systems Co.
Tomen America Inc.
Trane Company.
Tropicana Products Inc.
Tu Electric.
Tyler Refrigeration Corp.
Union Chemical Lab. ITRI.
United Refrigeration, Inc.
Unitor Ships Service, Inc.
University of Maryland at Baltimore.
University of Wisconsin-Madison.
Valvoline Oil Company.
Venable, Baetjer, and Howard.
Vulcan Chemicals Co.
W.A. Roosevelt Company.
W.M. Barr and Company.
Wawa, Inc.
Weinberg and Green.
White & Shauger, Inc.
Willam F. Nye, Inc.
Wynns Climate Control.
York Division, Borg-Warner Corp.
York International Corporation.
Zero Zone Refrigeration MFG.
Zexel USA.

Mr. DASCHLE. Mr. President, I strongly support the amendment offered by Senator JEFFORDS, which would make $100 million available for participation by the United States in the Montreal Protocol Facilitation Fund and the Climate Change Action Plan green programs. This funding is critical if we are to protect the ozone layer from further erosion and continue our progress in helping American industry become more energy-efficient.

The Montreal Protocol Facilitation Fund helps implement the international phaseout of CFC's—chemicals that deplete the ozone layer. In turn, it helps make the lives of every American safer and healthier, protecting us from radiation that causes skin cancer.

To date, the Fund has provided over $300 million for almost 900 activities in 80 developing countries around the world. These projects have resulted in the elimination of over 55,000 tons of ozone-depleting chemicals—representing roughly 25 percent of the developing nation's ozone-depleting chemical use.

Why does this effort merit the Senate's support? Let me suggest two reasons.

First, developing countries are rapidly industrializing, making choices about the technologies they will employ to improve their standard of living. The choices they make will affect the health of everyone who inhabits this planet, and Americans are no exception.

Developing countries can profit from the lessons of more developed countries and avoid the environmentally damaging mistakes that have already been made. Or, they can follow the path of least short-term resistance and make the current ozone depletion problem even worse. If developing nations chose to industrialize using ozone-destroying CFC's, then all countries could suffer, since the ozone hole will continue to grow.

Second, American businesses benefit from the global market for ozone-friendly equipment created by this international effort. To date, U.S. companies have sold millions of dollars' worth of equipment designed to prevent the release of ozone-destroying compounds as a result of the program. Clearly, further investment by the United States in this program is very much in our interest.

In addition to eliminating funding for the Montreal Protocol Facilitation Fund, the VA-HUD appropriations bill cuts $90 million from the Climate Change Action Plan green programs. The Jeffords amendment would restore most of this funding.

The cuts in this account primarily affect EPA's green programs. The Green Lights Program, for example, provides information, training, technical reports, and other assistance, but not direct financial assistance, to companies to encourage them to invest in highly energy-efficient lighting, heating, and cooling technologies designed to save energy.

In my view, these programs represent the type of public/private initiative we should be encouraging—a government and industry partnership that protects the environment and reduces our consumption of energy, thereby making domestic industries more competitive.

Green Lights is so popular that businesses throughout the country have signed up. Nearly 2,000 businesses and other institutions participate in the program today.

In my home State of South Dakota, Gateway 2000 and the State government both are participating in the Green Lights Program. It has been a great success, saving energy, reducing costs, and cutting pollution.

Mr. President, I commend Senator JEFFORDS for offering this amendment and urge my colleagues to vote to restore the funding for the Montreal Protocol Facilitation Fund and the Climate Change Action Plan green programs.

Mr. BIDEN. Mr. President, I rise to join with my colleague from Vermont, Senator JEFFORDS, in support of the Montreal Protocol Fund—an extraordinarily successful multilateral agreement to phase out the use of ozone-depleting chemicals.

Since the early 1970's, scientists from both academia and the business community have warned us that the use of chlorofluorocarbons—commonly known as CFC's—as refrigerants and solvents damages the Earth's stratospheric ozone shell.

This ozone shield absorbs some of the sun's harmful ultraviolet, or UV radiation. Increased amounts of this radiation will raise the risk of skin cancer and cataracts, impair the functioning of human immune systems, and could adversely impact the global food supply.

As a direct consequence of CFC use, scientists identified literally a hole in the ozone layer over Antarctica, in 1985.

An intensive investigation concluded that this hole, which increased each consecutive year from 1990 to 1994, and which is expected to enlarge again this year to over 3.9 million square miles—roughly the size of Europe, was caused by chlorine from dissolved CFC compounds.

The ensuing inquiry also detected falling concentrations of ozone over the North and South Temperate Zones—the former includes the United States incidentally.

In response to this growing threat, 47 of the world's developed and developing countries joined together in September 1987, and formed the Montreal Protocol.

This agreement bound the leading ozone-using countries to first freeze, and later phaseout, the use of these chemicals.

At present, over 120 countries have voluntarily signed onto the Protocol, making it the broadest and most successful international collaboration in world history.

Protocol member nations have accelerated the CFC phaseout schedule twice, and have agreed upon a complete elimination of halons in 1994, and of CFC's by the end of this year.

Protocol member nations also recognized that the disproportionate reliance upon ozone-depleting substances by the developing world threatens to eliminate any progress.

Consequently, 30 developed nations formed the Montreal Protocol Fund in 1990, to provide technical assistance to developing nations, as they make the transition to less harmful technologies.

To date, roughly $350 million has been committed for 900 projects in more than 85 developing countries. When fully implemented, these projects are anticipated to cut the developing countries' use of ozone-depleting chemicals by almost one-third—55,000 tons.

A recent report produced under the auspices of the United Nations Environmental Program indicates we are making some headway—since 1989, the rate of growth of major ozone-depleting substances in the stratosphere has declined significantly.

Yet, further reducing CFC's remains critical. Earlier this year, the World Meteorological Organization reported that ozone levels were 10 to 15 percent below long-term averages, with a 35-percent depletion over Siberia. In fact, the past 3 months saw the most depletion ever.

Mr. President, the United States is responsible for a small portion of the Montreal Protocol Fund's resources. Yet, even though we have the most to gain, we are currently $28 million in arrears.

Shrinking away from our commitment, going back on our word as the committee has suggested by eliminating the account, will severely hamper developing countries' transition to non-CFC technologies.

Additionally, our industrial allies will likely refuse to adopt added measures to further reduce ozone-depleting chemicals which are not currently controlled.

Many American businesses, which are now world leaders in the manufacturing of non-CFC refrigerants and solvents, will also suffer.

Mr. President, regrettably, my home State of Delaware is one of the national leaders in terms of the incidence of cancer. Delaware ranks among the top 10 nationally in breast, lung, and bladder cancer.

We have put a lot of work into identifying the causes, but we don't yet know what in our environment, or what aspects of our behavior, are leading to these cancer cases.

For that reason alone, Mr. President—and perhaps it is a selfish reason and I make no apologies—I want to prevent the increase of cancer-causing UV radiation.

Delaware is a coastal State, and during the summer months hundreds of thousands of people flock to our shoreline to enjoy our beaches. I don't want these people or anyone in America, to unknowingly be exposed to harmful doses of UV radiation because this Nation walked away from its responsibility.

The Montreal Protocol is enormously successful, and we are making solid, substantial progress in decreasing the use of CFC's in the developing counties.

This success needs to be continued. I urge my colleagues—support this worthy program and send a signal to the world community that America remains a leader.

Mr. JEFFORDS. Mr. President, I ask unanimous consent to add as a cosponsor Senator COHEN, Senator LUGAR and Senator WELLSTONE.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JEFFORDS. Mr. President, I have no further requests to be heard from any of the Members I am aware of.

Mr. BOND. Mr. President, we are willing to accept the amendment on this side.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. I believe there is no objection on the other side. I think we are therefore ready to go to a vote.

THE PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 2783) was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote.

Mr. JEFFORDS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

AMENDMENT NO. 2784

(Purpose: To strike section 107 which limits compensation for mentally disabled veterans and offset the loss of revenues by ensuring that any tax cut benefits only those families with incomes less than $100,000)

Mr. ROCKEFELLER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Maryland will be set aside.

Mr. BOND. Mr. President, I believe that we have discussed previously the possibility of a time agreement on this amendment.

I understand the proponent of the amendment is willing to accept a 30-minute time agreement, equally divided in the usual form, provided there is no second-degree amendment. Is that the understanding?

Mr. ROCKEFELLER. The Senator is entirely correct.

Mr. BOND. May I ask which amendment he just sent forward?

Mr. ROCKEFELLER. I wanted to lead off with the amendment relating to the mentally disabled veterans.

Mr. BOND. And the second amendment?

Mr. ROCKEFELLER. Would have to do with veterans' health care.

Mr. BOND. Is the Senator agreeable to a 30-minute time agreement equally divided in the usual form for that amendment as well?

Mr. ROCKEFELLER. I am indeed.

Mr. BOND. Mr. President, I ask unanimous consent that on these two amendments the time be equally divided, 30 minutes in the normal form on both sides with no second-degree amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the amendment.

The bill clerk read as follows:

The Senator from West Virginia [Mr. ROCKEFELLER], for himself, Ms. MIKULSKI, Mr. LEAHY, Mr. WELLSTONE, and Mr. DORGAN, proposes an amendment numbered 2784.

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 16, beginning with line 20, strike all through page 17, line 5, and insert the following:

SEC. 107. Section 105(b) of House Concurrent Resolution 67 (104th Congress, 1st Session) is amended to read as follows:

"(b) RECONCILIATION OF REVENUE REDUCTIONS IN THE SENATE.—

"(1) CERTIFICATION.—(A) In the Senate, upon the certification pursuant to section 205(a) of this resolution, the Senate Committee on Finance shall submit its recommendations pursuant to paragraph (2) to the Senate Committee on the Budget. After receiving the recommendations, the Committee on the Budget shall add such recommendations to the recommendations submitted pursuant to subsection (a) and report a reconciliation bill carrying out all such recommendations without any substantive revision.

"(B) The Chair of the Committee on the Budget shall file with the Senate revised allocations, aggregates, and discretionary spending limits under section 201(a)(1)(B) increasing budget authority by $170,000,000 and outlays by $150,000,000.

"(2) COMMITTEE ON FINANCE.—Funding for this section shall be provided by limiting any tax cut provided in the reconciliation bill to families with incomes less than $100,000.".

Mr. ROCKEFELLER. Mr. President, my amendment is very simple. It would strike a provision of the appropriations bill which seeks to limit compensation benefits to certain veterans who are disabled by mental illness, and offset the savings that would result from the enactment by limiting any tax cut under the budget resolution to families earning less than $100,000.

Mr. President, the choice posed by my amendment is, again, simple and, I think, straightforward. Do we favor tax cuts for the wealthy or benefits for mentally disabled veterans? I trust the answer will be obvious.

The Appropriations Committee would reenact a 1990 provision which cut off VA compensation benefits to mentally incompetent veterans who have no spouse, children, nor dependent parents, when the veteran's savings reached $25,000. Payments were resumed when the savings fell to $10,000. This provision expired at the end of 1992. Attempts to reenact this provision were rejected by the House and Senate Veterans Affairs' Committees in both 1993 and again this year, 1995, in our reconciliation efforts. It is bad policy, and, in any event, it does not belong in an appropriations measure.

Mr. President, some may argue that suspending compensation to mentally disabled veterans when their savings reach $25,000 prevents uncaring heirs from acquiring funds amassed through the receipt of VA compensation benefits. Indeed, that is usually the argument which is used against this. While it is undoubtedly true that this will happen in a few cases—that is, that individuals truly remote from the mentally incompetent veteran will receive moneys on the death of that veteran—it is equally true that it does not happen in the great majority of cases in which a mentally incompetent veteran dies without a spouse, child, or dependent parent. In fact, to the contrary, in many cases there are other family members—nondependent parents, brothers, sisters, uncles, aunts, or cousins—who have been involved with the veteran and the care of the veteran.

Also—this is important to note—there is absolutely no reason to suppose that the situation of funds going to so-called remote heirs occurs any more frequently with mentally incompetent veterans than with other seriously disabled veterans who have acquired significant savings based upon their receipt of compensation.

If there is indeed some interest in ensuring that savings derived from VA compensation not go to remote heirs, then the law should be changed to provide that the cutoff in compensation apply across the board to everyone. I do not believe that this is something the Government should do only for those who are mentally incompetent, disabled veterans.

If we are to undertake this policy—and I would not favor that—it must be done in a fair, across-the-board fashion. Otherwise, we single out mentally disabled veterans and in that classic sense discriminate against them when, of course, they are unable to do anything about this themselves.

Mr. President, on its face this provision discriminates against one small group of veterans: those who are mentally disabled. There is no sound policy reason for allowing a competent disabled veteran to save money that could possibly go to remote heirs upon the veteran's death, while limiting savings of a mentally incompetent, disabled veteran. There is a rather important matter of fairness involved here.

This provision would do terrible harm to families who sacrificed to provide care for their mentally incompetent son or daughter. In many cases, parents who act in fiduciary roles build savings so that when the parents are deceased, there will be enough money to care for the disabled veteran. Under the proposal, families could not accomplish this goal.

Another outcome of the 1990 provision was that many veterans and their guardians did very creative things to circumvent the law. For example, mentally incompetent veterans arranged marriages in order to avoid losing their compensation. Others made large purchases of unneeded property or cars to lower their savings or otherwise disburse their savings. Guardians in these cases often consented because it was better to expend those savings than to lose VA compensation altogether. We can expect more of the same if this proposal becomes law. By cutting off payments, the provision punishes the veteran whose guardian conscientiously administers the veteran's funds, while it rewards the guardian who allows the veteran to spend frivolously everything that he gets.

Mr. President, I note that all of the major veterans service organizations oppose this provision, some of them very strongly. They generally believe, as I do, that there is no justifiable reason for singling out these veterans for discrimination solely because they are mentally disabled.

Also, as I noted briefly earlier in my remarks, this provision is a clear example of authorizing legislation on an appropriations bill. That is not considered lightly around here. The Veterans Affairs' Committee considered this provision as part of meeting our reconciliation mandate under the leadership of Chairman SIMPSON, and we rejected it. That is the business of an authorizing committee. It should not be resurrected in the guise of an appropriations issue.

Mr. President, for all of these reasons, I urge my colleagues to join me in supporting this amendment to remove this onerous provision from the appropriations bill.

I yield the floor and thank the Chair.

Mr. BOND. Mr. President, I yield myself such time as I may require.

Mr. President, this is an effort again to deal with some very, very tight funding problems. We recommended, and the committee accepted, that the incompetent veterans provision included in the House stay in the Senate bill. It limits the provision, as we said earlier, in order to save $172 million in budget authority and $157 million in outlays.

As a result of this provision, the subcommittee was able to provide an increase for VA medical care. It does say that where a mentally incompetent veteran has neither dependent children, dependent spouse, nor dependent parents, when the value of the veteran's estate exceeds $25,000, until the estate is reduced to $10,000, there will be no payments. These are for veterans whose needs are being fully cared for by the Veterans Administration. This is a veteran who has no dependents. This is the ultimate estate builder plan. These are veterans who are in very difficult circumstances. The people who will benefit from the payments made by the VA are heirs, not dependent heirs.

Frankly, the offset provision which purports to deal with tax cuts is thin air. It is absolute vapor. It proposes some budget gimmickry, but, frankly, what this amendment does by raising spending by the amount of $172 million in budget authority and $157 million in outlays is to say to our children "We've got you. We are going to put this estate builder program on your credit card."

This is a violation of the budget that is proposed and been adopted by Congress. If this provision were to succeed, it would have the impact of busting the agreement to achieve a zero deficit by the year 2002.

Imagine how difficult it would be to tell your children or your grandchildren, "I just decided that we don't need to stop spending on your credit card. We're going to provide an estate builder plan for incompetent veterans, people who served the country well but who are being fully cared for by the Veterans Administration so their nondependent heir, not their wife, not the dependent child, not the dependent parent, but some farther away heir will receive the bonus that has been built up by these payments."

In September 1980, the Comptroller General, as written by the former chairman of the House Veterans' Affairs Committee, said, "Congress intended distant relatives should not be enshrined to receive benefits of veterans or their immediate families. However, large estates consisting of VA benefits are evidently still enriching distant relatives who may have had very little to do with the veteran and were not affected by his service to the United States."

The VA inspector general conducted an audit of the VA's fiduciary program and recommended legislation to limit compensation payments. The IG found numerous instances of substantial estates being inherited by distant relatives.

An incompetent veteran of World War I emigrated from Lithuania in 1907 and died in 1978, leaving an estate of $87,900, of which $77,800 came from VA benefits. The estate went to six nieces and nephews living in the Soviet Union.

There are many other examples like that. But the basic argument is we have a very tight budget, and it was our decision in recommending to the subcommittee, which the subcommittee recommended to the full committee, which the committee recommended to this floor, we could better spend the $172 million in ensuring that current veterans receive medical care that they need. This was a very important part of the increase that we were able to give in veterans medical affairs.

When the time comes, I will raise a Budget Act point of order to this measure.

I yield the floor.

Mr. President, how many minutes would the Senator from Wyoming like?

Mr. SIMPSON. Seven minutes.

Mr. BOND. I yield 7 minutes to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, again, one of these difficult issues that are filled with emotion. I have chaired the Veterans Affairs' Committee for several years. Senator Cranston chaired the committee, Senator MURKOWSKI, Senator ROCKEFELLER. It is a remarkable committee that does tremendous things for veterans, and I very much enjoy having Senator JAY ROCKEFELLER as the ranking member. We work closely together. His staff and my staff work closely together.

This is an honest difference of opinion, but again it is one of those that have a ring—a tug at the heart—and I have been through a lot of these through the years, because if you resist this, then it will go out on the wavelength that somehow you do not care about veterans; you are cold and mean spirited and heartless.

This one you want to pay close attention to. This is a serious issue that is not leaving any single veteran unattended.

We are talking here about an incompetent veteran. We are talking about a person that cannot manage their assets. They have a conservator or a guardian.

What we are providing here, it seems to me to make eminent common sense. We are going to suspend the VA disability compensation payments in the case of an incompetent veteran with no dependents whatsoever.

If you really want to get a look at what we are talking about, we are talking about a person perhaps in a nursing home or some other institution who is totally incapable of functioning, with not a single person that comes to see them on Christmas or New Years or Easter, not a single dependent ever shows up at the door.

We are talking about not including the value of a home in computing the size of the estate, and we are talking about the fact that if a person in that status accumulates over $25,000, we stop. And the purpose of stopping is so that a nondependent heir does not inherit something which is totally a windfall—because the veteran did not need it at all. The veteran's necessities as an incompetent are totally taken care of—food, shelter, clothing. This is for expenses that he or she did not need. That is why it accumulated in a bank account, and that is why it should not go to a nondependent relative who had no desire to care for or even see the person.

So if you want to get into the emotion of it—and we always usually do—then remember this is a pretty tragic situation. So we are saying, I think in a very magnanimous way, if it gets above $25,000, we are going stop it so it will not get up to $100,000 and go to somebody who does not care about the veteran. The veteran will be totally taken care of; every single need will be taken care of. I know that and you know that. And then here is the key.

If this drops below $10,000, you start the money coming again. Now, that is what we have here, to save $170 million. If it drops below $10,000, it starts again. If it gets above $25,000, it stops.

And what is the money for? The veteran. And he is not using it, so why let it go to $60,000, $70,000, or $80,000. And it only affects veterans who are not competent in any way to handle their money. These payments are made to provide for the living expenses of disabled veterans. They are not being used for that purpose. The money is not paying for clothes or food or shelter. It is a accumulating, and it will be ultimately passed on to nondependent heirs.

This provision does not affect the standard of living or the condition of living of any veteran because the veterans involved are not now spending the money. If the benefit money is being expended to support the veteran, then the money would not be building up in the bank, and the provision in the bill would not kick in. It is that clear.

The amendment is actually an assault on the budget resolution. The cost of this amendment would be offset by reducing the amount available to the Finance Committee to reduce the tax burden imposed on the American people and the American economy. We will hear over and over and over in these next days that Senators must either vote for a tax cut for the rich or vote for disabled and helpless veterans, one or the other.

That is a sad choice and quite an extraordinary rigging of the amendment. But we will see a lot of those in the days to come, many, many of those. I personally do not favor a tax cut for the rich or the poor. So at least I am on record on that because we are going to deal with the $5 trillion debt limit in the next few days. And we will deal with Medicare and Medicaid and let that go up 6.4 percent, and that will be called a savage cut from coast to coast.

We do not do veterans any favor if we use them as a point man. I was in the infantry. I do not know where others served, but it was not fun to be a point man to begin to do any kind of military activity. And certainly you cannot use veterans as point men to begin dismantling the national effort to try to bring the deficit under control and provide some relief to Americans aged between 18 and 45 who will have nothing in 30 years. And nobody talks about them and that period of time.

We always talk about 1 year. We have a Secretary of Veterans Affairs, a Cabinet Member, who will not go past 1 year in his dealings with telling the American veterans what is going to happen to them.

And so these are the troublesome things. We do veterans no favor at all if we use them as point men for including spending for a program without at the same time reducing spending in another program. We do veterans no favor if we enact legislation that really has the effect of enriching only their nondependent relatives after their death, people who have not cared a whit about them.

I yield the floor.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. How much time do I have remaining?

The PRESIDING OFFICER. The Senator from West Virginia has 7 minutes 43 seconds.

Mr. ROCKEFELLER. Mr. President, I yield 2 minutes to the esteemed Senator from Maryland, Senator MIKULSKI.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. I thank the Senator for yielding.

I want to congratulate him on his advocacy for veterans. I thank him for coming here this evening to offer his amendment, the kind of cultured cooperation we have here in the U.S. Senate. And I particularly want to thank him for his advocacy for veterans health care.

I am proud to be a cosponsor of the Rockefeller amendment to strike the provision contained in the committee bill which would deny benefits to those veterans who have become mentally incapacitated.

The bill before us reinstates a provision of law that was expired in 1992.

The provision contained in this bill suspends benefits to veterans who are mentally incapacitated with no spouse or children when their estates reach $25,000. It would allow payments to be resumed when the value of the estate falls to $10,000.

Section 107 of the committee bill discriminates against a small group of veterans, those who have become incapacitated as a result of mental illness or disease.

There simply is no sound policy reason to single out these veterans and deny them their benefits.

The provision contained in the committee bill is an affront to veterans.

By including this provision, the committee is going after those veterans who have become completely incapable of defending themselves, taking their benefits, and then using their money to cover even deeper cuts in the VA medical care budget.

Aside from the fact that this provision discriminates against a small group of veterans, it also: denies parents who are caring for the disabled veteran the ability to accrue savings needed to care for their son when the parents dies; experience has shown that guardians and trust officers responsible for the care of these disabled veterans are unwilling to continue their responsibilities if benefits are interrupted; and the provision, when it was law under the 1990 Budget Reconciliation Act, led to a variety of unintended consequences that were destructive and demeaning to veterans such as arranged marriages to avoid the law, and the purchase of unneeded property or cars in order to keep the estate value down.

Mr. President, we've seen enough to know that this is bad policy and bad law.

If we don't stand up for these veterans, who will?

I urge my colleagues to support the Rockefeller amendment.

I want to make one point perhaps that has not been discussed in the debate, which is about the parents of the mentally incompetent veteran.

You see, parents are very much concerned about their—primarily their son, sometimes their daughter—who is disabled and the need to keep some type of saving to care for their son or daughter when these parents die. Experience has shown that guardians and trust officers responsible for the care of these disabled veterans are unwilling to care for them if benefits are interrupted.

The other thing that happens is that in order to keep some kind of asset base, they kind of get into phony, manipulatory things. They will want to try to buy a car or a new property and so on. This is not the veteran. This is not the people who fought at Iwo Jima or Pork Chop Hill or the Mekong Delta. These are honorable men and women who do that. And I think that what we need to do is make sure that we do not have bad policy become not good law. And I really support the Senator's amendment. These are people who have come to a point in their life where they are unable to think for themselves and in many instances unable to care for themselves. We are asking that a safety net be provided. And when they join the U.S. military, it is not an asset test.

So I hope that the Senator's amendment prevails, and I hope his advocacy continues.

Mr. ROCKEFELLER. This Senator thanks the distinguished colleague from Maryland.

Mr. President, I will use my remaining time to say the following. In 1992, Senators HATFIELD and DOMENICI and Kasten wrote to the President of the United States, President Bush, about precisely this subject. And they said in a letter, which I ask unanimous consent be printed in the RECORD, the following:

> . . . based on "irrational discrimination against the mentally disabled . . . the virtually exclusive, if unintended result is impermissible discrimination against mentally incompetent disabled veterans."

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, March 16, 1992.

DEAR MR. PRESIDENT: On February 3, 1992 the U.S. District Court for the Southern District of New York temporarily restored the right of mentally incompetent veterans to receive disability compensation. These benefits were being denied to this select group of veterans because of a provision in FY '90 OBRA.

We believe that the ruling of temporary injunction by Judge Shirley Wohl Kram should not be appealed. We agree with her statement that the current statute is based on "irrational discrimination against the mentally disabled. . . . the virtually exclusive, if unintended result is impermissible discrimination against mentally incompetent disabled veterans."

Mr. President, we ask that you recognize the harm caused by this discriminatory provision and urge you to withdraw your appeal of this temporary injunction.

Best regards,

ROBERT W. KASTEN, Jr.
MARK O. HATFIELD.
PETE V. DOMENICI.

Mr. ROCKEFELLER. Mr. President, people talk about people with remote heirs and people who may care for mentally disabled veterans as if they did not really care. They say, why would one care for a mentally incompetent veteran? Well, I am sorry, but there are people who do care. And there is nothing in the law which says that you have to care to 20 percent or 70 percent or 90 percent for this to be fair.

There is no justification for singling out mentally disabled people for discriminatory treatment. None. We have not said they are entitled to compensation only if they are poor. The law does not say that. We have not said they are entitled to compensation only if they have savings less than $25,000. And we have not said they are entitled to compensation only if they have no money from anywhere else, like so many Members of this body do who do not have to worry about things like this. These are people who have people who care about them. To assume they do not is not in line with thinking about family values.

We have said that they are entitled to compensation for their disability based on their disability. And that is what my amendment asks for.

Are we prepared to say now that for some reason the mentally disabled are somehow less entitled solely because they are mentally disabled? Is that what those who oppose this amendment would do? The Senator from West Virginia will not join such an effort.

I hope very much that my amendment will be accepted. I think it is right, fair, reasonable, just, and nondiscriminatory.

I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from West Virginia has yielded back his time.

Mr. ROCKEFELLER. I urge adoption of my amendment.

Mr. SIMPSON. How much time is remaining, Mr. President?

The PRESIDING OFFICER. There is 2 minutes 6 seconds left remaining of the time for the opponents of the amendment.

Mr. BOND. I yield the distinguished Senator from Wyoming 2 minutes.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I hope this debate does not come down to who cares more about disabled veterans or homeless people or the lesser in society. That is not what this amendment is about. That truly is a mind-boggling thing to think that there are some people in this Chamber who care less about other people in society. We all have the same level of care toward the lesser in society.

Since I have chaired this committee, we have doubled the veterans benefits. The veterans budget when I came to this Chamber 17 years ago was about $20 billion, and we are going to do something which puts it close to $40 billion. And the veterans population is declining. And if anyone can say that we do not take care of veterans, it is usually nonveterans or people who were never overseas or never involved with veterans who say that.

And I am not making a reflection on anyone. When I came to this Chamber, I heard the most stirring debate I ever heard about what we did not do for veterans by a person who had never been in the civil air patrol. I had to listen to one-half hour of unmitigated guff about what we were doing for veterans. Now, that is a tiresome argument, and I do not think it fits in any way of what we do for these fine people, now

26 million, now declining 2 percent per year, who have given much, and we have given them much. And we will continue to do so.

This is a very isolated incident. If we are talking about caregivers and the conflict of interest, is it a conflict of interest for a caregiver to put aside $100,000 if they know they are going to get it? Let us apply this to everybody, competent veterans and incompetent veterans. That will seem to cover it pretty well.

The PRESIDING OFFICER. All time has expired on the amendment.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. The adoption of the pending amendment would cause the Appropriations Committee to breach its discretionary allocation as well as breach revenue amounts established in the fiscal year 1996 budget resolution.

Pursuant to section 302(f) and 306 of the Congressional Budget Act, I raise a point of order against the amendment.

Mr. ROCKEFELLER. Mr. President, I move to waive the application of the Budget Act to the pending amendment.

Mr. BOND. I ask unanimous consent that the amendment and the motion to waive be set aside.

Mr. ROCKEFELLER. Objection is not heard.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2785 TO COMMITTEE AMENDMENT ON PAGE 8, LINES 9 AND 10

(Purpose: To increase funding for veterans' medical care and offset the increase in funds by ensuring that any tax cut benefits only those families with incomes less than $100,000)

Mr. ROCKEFELLER. Mr. President, the second amendment I propose is also very simple. It would provide funding for VA medical care at the level requested by the President—that is, $16.96 billion—and would offset the cost of this increase, approximately $511 million, by a reduction in the amount set aside in the budget resolution to cover the revenue loss from any tax cut.

The choice represented by the amendment is simple: Should VA health care be funded at a level which allows it to continue to meet health care needs and demands of those veterans who seek care from the Department of Veterans Affairs, or should medical care be cut so as to fund a tax cut?

The Senator from Wyoming indicated this comparison would be made on a number of occasions, and he is entirely correct. The values implicit in this argument, and how one comes down on this argument, are profound. Obviously, to me the answer is self-evident.

Mr. President, I want my colleagues to understand some of the ways that the level of funding included in the appropriations bill will affect the people who use the VA health care system.

The PRESIDING OFFICER. The Chair asks the Senator to withhold so that the clerk can report the amendment.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. ROCKEFELLER], for himself, Ms. MIKULSKI, Mr. LEAHY, and Mr. WELLSTONE, proposes an amendment numbered 2785.

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 8, line 10, strike "$16,450,000,000" and insert "$16,961,487,000".

On page 22, between lines 4 and 5, insert the following:

SEC. 111. Section 105(b) of House Concurrent Resolution 67 (104th Congress, 1st Session) is amended to read as follows:

"(b) RECONCILIATION OF REVENUE REDUCTIONS IN THE SENATE.—

"(1) CERTIFICATION.—(A) In the Senate, upon the certification pursuant to section 205(a) of this resolution, the Senate Committee on Finance shall submit its recommendations pursuant to paragraph (2) to the Senate Committee on the Budget. After receiving the recommendations, the Committee on the Budget shall add such recommendations to the recommendations submitted pursuant to subsection (a) and report a reconciliation bill carrying out all such recommendations without any substantive revision.

"(B) The Chair of the Committee on the Budget shall file with the Senate revised allocations, aggregates, and discretionary spending limits under section 201(a)(1)(B) increasing budget authority by $511,487,000 and outlays by $511,487,000.

"(2) COMMITTEE ON FINANCE.—Funding for this section shall be provided by limiting any tax cut provided in the reconciliation bill to families with incomes less than $100,000.".

Mr. ROCKEFELLER. The Senator asks permission to continue.

The PRESIDING OFFICER. The Senator is recognized.

Mr. ROCKEFELLER. Under the bill as reported, VA would be forced to operate at a level below current services. In human terms, 113,000 eligible veterans would be denied inpatient and outpatient care in 1996. In terms of VA's capacity to provide a full range of health care services nationwide, the equivalent of four VA hospitals would have to be shut down; 6,500 VA health care professionals would lose their jobs.

I spent most of the day in the Finance Committee, and people there say that a reduction in the increase in the amount of money put aside for health care is not a cut. They are, of course, entirely wrong. Health care is not like a loaf of bread. A loaf of bread is subject to normal inflation; it goes up a couple pennies a year, whatever. Health care is subject to entirely different influences. It is subject to technology. It is subject to the fact that veterans are aging.

The Senator from Wyoming made the point that there are fewer veterans, but he did not make the point that, in fact, demand for veterans' health care, even with fewer veterans, is increasing. Are we to deny them that? My amendment would seek to try to deny them less.

Mr. President, I ask my colleagues to focus on these repercussions in human terms. I fear too often we hear numbers and we become numb. We lose sight of the human element in what we are doing. If we do not appropriate funds for VA medical care at the level sought by the President, which is a modest level, in my estimation, and which only covers the cost of inflation—not medical inflation but inflation—real people, veterans who answered our country's call, will not receive the health care that they need, the health care that they deserve, the health care that they have been promised.

One can ridicule all one wants the commitment to our Nation's veterans, but it was made, and it is justified. This is not pulling on heart strings. This has to do with whether veterans get treatment for different kinds of conditions which might range all the way from prostate problems to Alzheimer's to other long-term care problems or immediate problems. They are real problems and real people.

I do not say that any person in this body cares for people less than any other person, but what they do about what is available to those people may differ substantially, and in what they do is the judgment about what they feel, in terms of their priorities.

Every VA medical center furnishes vital care to veterans in the geographic regions served. We know that. We stopped all new construction in the Veterans' Committee. We have stopped any major renovation of our current veterans hospitals, many of which were built 75 years ago. The Senator from Maryland mentioned a psychiatric hospital which is literally crumbling on its foundations, but are we doing anything to build that up, to restore it, to improve it? No. So we are not doing that. We are talking here about veterans health care as it exists, to be made available to veterans who need it.

We will deny service to my constituents who are veterans and to the constituents of others who are veterans. Some have disabilities from their service; others were able to complete their service without injuries but are now unable to afford the cost of health care. What do they do if they are unable to afford the cost of health care? We have 40 million, 50 million Americans who do not have health insurance. To deny veterans health care is wrongheaded. We must avoid it, and my amendment will help us to do so.

Mr. President, I find it very ironic that we are being asked to cut VA health care funding below current services, thereby turning veterans away from their health care, just as we conclude a great national celebration of the 50th anniversary of the end of the Second World War, an enormous emotional outpouring.

I remember staying up late one night a couple of weeks ago to watch President Clinton out in Hawaii. C-SPAN did something at 2 or 3 in the morning for an hour, or hour and a half. We have had people talk about it on the floor of the Senate, Senators discussing their service with each other. Powerful, powerful testimony. We have all agreed that these people saved the world.

One thing came through very loud and clear to me during those recent celebrations, and that is how the victory belonged to the GI's—not to me, I was 5 years old, but to the GI's—who fought the battles from Normandy to Iwo Jima. Oh, how we love to talk about that, and ought to and are inspired by it, made better by it.

Mr. President, these are the same GI's who are now veterans in their seventies seeking care from the VA. Not everybody is rich. They say a third of the Members of the Senate are millionaires. Well, we may be out of touch. A lot of those folks out there are not, and they are broke and they need VA, and that is what the VA is there for, to serve them. These same GI's could be turned away from the care they need if the cutback envisioned by the Appropriations Committee is enacted. That hardly seems like a fitting or worthy tribute after all the speeches that we have heard.

I also find it ironic that there are proposals to cut VA below current services at the very time that cutbacks are being proposed in Medicare and Medicaid. Now, why do I say that? There is every reason to suspect that as individuals are pushed out of those programs because of the changes that are being contemplated, the veterans who have relied on either Medicare, which is being diminished by $270 billion, or Medicaid, which is being diminished by $182 billion, will have to turn to VA for needed health care. I find that ironic.

Mr. President, VA health care is at a crossroads, and many innovative and dynamic changes are happening within the system. We have a lot of improvements that we can make, and they are being done—not all, but some.

Some, as I have indicated, suggest that the number of veterans is declining, and that that, therefore, justifies cutbacks in VA health care. People even laugh at that. Well, it is true that the overall veteran population is coming down. It is now just over 26 million. A few years ago, it was close to 27 million. It is also true the demand for VA health care continues to increase. The question is whether we will meet it under the obligations that we have.

This is a phenomenon—this demand for more health care—that is easy to understand once one realizes that as the population continues to age, the demand for health care services actually is on the rise.

As our veterans age, we must make sure that the promises a grateful nation has made will not be undone as we rush to balance the budget.

I urge my colleagues to adopt this amendment.

The PRESIDING OFFICER. Who will yield time?

Mr. BOND. Mr. President, I yield myself such time as I may require.

Mr. President, it is not hard to see how this Congress has gotten into the habit in the past of spending more money than we take in, of running deficits of $200 billion or more, putting burdens on our economy and terrible burdens on the backs of our children and grandchildren. When we talk about cuts, as my friend from West Virginia has—about draconian cuts in Medicare, when under the budget resolution Medicare will rise per recipient faster than the rate of inflation in coming years, only in Washington, DC, is that a cut.

My colleague from West Virginia is complaining about the draconian cuts in veterans medical care. Our increase in medical care for the VA is the largest in this bill. It will be an increase of $285 million above fiscal year 1995—that at a time when every other aspect of this budget is being cut.

Now, we have a clear choice. We have a clear choice on these two amendments. Neither one of them are offset. There is language in the amendment which purports to change the congressional budget resolution that has been adopted months ago. We cannot do that. This is simply a budget buster. It feels good. If you do not care about the fiscal impact of your irresponsibility, then you can move to waive the Budget Act so that we can go on spending like money is going out of style, because it will go out of style and this second amendment is just another in the same direction.

We have tried to work with the Veterans Administration for the past several months on ways to trim VA's budget, so that the budget of VA will be used to serve the veterans. Unfortunately, the secretary has completely stonewalled and refused to cooperate with it. The secretary of the VA has done everything in his power to torpedo efforts of the Congress to reform the VA medical system, to bring it into the 21st century, to get rid of fraud, waste, and abuse, and to make sure that we use modern techniques to serve our veterans with the high quality of care that this country is capable of providing, but I fear in too many instances does not provide through the VA.

The secretary has sent computer e-mail messages to every one of VA's 220,000 employees decrying the congressional budget resolution and its devastating impact on veterans health care. He has sent messages out to each employee on their pay stubs saying: "The administration's plan is much better for veterans and their families."

He has made speeches across the country, talking about bed closures and patients being denied air care. He has impugned the motives of Congress and the congressional budget resolution.

I think it is very, very disappointing that the secretary has chosen to use his efforts on politics rather than on finding ways to serve the veterans better.

He has cited statistics that are overstated, as the GAO has found, or need to be put into context. For example, the secretary said that this measure will result in hundreds of beds being closed. But what the secretary has not acknowledged is that the VA has been, and plans to continue absent any budgetary constraints, to close hospital beds because of the demand for care on an outpatient basis—rather than hospitalization. Since 1989, VA has closed almost 20,000 hospital beds—and the budget has increased each of the years since 1989.

In a September 12 letter to the House Veterans, Affairs Committee Chairman STUMP, GAO found serious flaws in VA's analysis of the possible impacts of the House budget resolution. VA overstated the funds it would need to maintain its current level of services because, according to GAO, it based its projected funding needs on assumptions that there will be an increase in VA workload in fiscal year 1996, and that it will be maintained for the outyears; it limited savings from increases in the efficiency with which services will be delivered, and steadily increasing costs, workload and staffing due to facility activations.

Frankly, the Veterans Administration stands for the status quo. Despite medical practices changing dramatically across this country, despite the declining veteran population, despite mismanagement, the secretary does not want the VA to change.

Mr. President, I am tired of the rhetoric. It is not serving anyone—particularly not our Nation's veterans.

There are few experts on VA who believe that the current quality of management of VA hospitals is adequate. GAO, the Congressional Budget Office, the VA Inspector General, and the veteran service organizations have advocated major changes to the way VA operates.

They have pointed out scores of opportunities for management improvements, which would result in hundreds of millions of dollars of savings—which would improve, rather than hinder quality of patient care.

You can save by shifting from inpatient to outpatient care. The veterans, in their independent budget, recommend shifting inpatient care to an outpatient basis for savings of up to $2 billion. VA estimates it could save $761 million.

The inspector general testified that "VA does not always receive the best price for pharmaceuticals, for which VA spent close to $1 billion in fiscal year 1994, and millions of dollars in annual cost savings are not realized."

VA is overpaying in its fee-basis program for outpatient care. Again, the IG audits say the VA could save $25 million.

All of these reforms, like not spending too much on affiliations with medical schools, not providing surgical services at every VA facility, when it is far safer for the veterans to be served in areas where surgical services are performed on a regular basis—all of these are savings that could go to the bottom line of better care for veterans.

Let us be clear. This bill provides an increase for VA medical care. It is an increase. It is $16.45 billion to care for fewer than 3 million veterans—about $5,500 per veteran. The bill seeks only to reduce the rate of increase in VA medical spending by forcing the VA to adopt modern health care delivery methods, reduce bureaucracy and improve management. There is adequate money in this budget—without busting the budget, without destroying the congressional agreement to achieve a zero deficit in 2002—to provide the quality of care that our veterans are entitled to.

Mr. President, I reserve the remainder of my time.

Mr. SIMPSON. Mr. President, how much time remains?

The PRESIDING OFFICER. Seven minutes twenty seconds are left on the opponents' side, and 6 minutes 12 seconds are left for the proponents.

Mr. ROCKEFELLER. Mr. President, I yield 3 minutes to the distinguished Senator from Maryland, Senator MIKULSKI.

Ms. MIKULSKI. I am proud to be a cosponsor of the Rockefeller amendment, which would restore funding to veterans medical care.

This amendment is about promises made, it's about keeping our commitments.

This amendment is for the GI Joe generation—the World War II generation—our fathers who fought on the battlefront overseas and our mothers who fought on the homefront here in our communities.

This amendment is for the men and women who fought in Korea in an undeclared war; the soldiers who served in Vietnam in an unpopular war; the veterans from the high-tech Gulf war; and, the new veterans from humanitarian missions in Somalia and Haiti.

I have always fought to get them the care they deserve—and they deserve the best.

Although this bill increases the funding level for veterans medical care by $235 million over last year, it is still $511 million below the President's request and $327 million below the House number.

When we compare this year's number to last year's it looks as if the vets are getting a deal. But that is not true. This increase does not keep up with the skyrocketing increase in the cost of health care delivery. The increase does not allow the VA to keep pace with the number of veterans needing treatment—particularly the long term care requirements for the aging veteran population.

It is inevitable that the quality of the health care we promised to our veterans will decrease.

IMPACT OF SENATE FY 1996 MARK

Medical care—Assuming an increase of only $285 million above the 1995 appropriation, the impact in 1996 would be the following.

A reduction of $511 million from VA's request:

A reduction of 6,500 FTE
113,000 fewer vets treated
46,000 less inpatients treated
1,000,000 less outpatient visits
Closing the equivalent of 4 medical centers with an average of 300 beds each.

Mr. President, I recognize the need to balance the budget. But it rubs against everything I believe in to do that on the backs of the GI Joe generation, especially while we pile money up in a slush fund so that we can dole out a tax break to people who are making 6 figure incomes.

So, I think it would be only fair to live up to the long-standing commitments we made with our veterans before we start making new commitments with the wealthiest of Americans.

I certainly hope this Senate will recognize the commitment our great nation has made to its veterans and stand by that commitment by supporting the Rockefeller-Mikulski amendment.

Mr. WELLSTONE. Mr. President, I am pleased and proud to be an original cosponsor of the two amendments to H.R. 2099, the VA-HUD appropriations bill for fiscal year 1996 that specifically concern our Nation's veterans. My distinguished colleagues who are cosponsoring this amendment are to be congratulated for their efforts to ensure veterans' access to quality VA health care is not seriously compromised and to protect some mentally incompetent veterans who are being targeted for discriminatory, arbitrary, and shameful cuts in VA compensation.

Mr. President, while these amendments address two different issues—veterans health care and compensation for the most vulnerable group of American veterans—they are prompted by one basic concern. Our pressing need to balance the budget. Unfortunately this pressing need is being used to justify unequal sacrifice. Veterans with service-connected disabilities and indigent veterans, many of whom earned their VA benefits at great cost on bloody battlefields are seeing those benefits whittled away, while the most affluent of our citizens are exempted from sacrifice. Instead of being asked to share the pain, the wealthy seemingly are supposed to contribute to balancing the budget by accepting substantial tax cuts. What kind of shared sacrifice is this?

I believe that one of the great strengths of these amendments is that they make a significant contribution to righting the balance. The $511 million that would be restored to the medical care account to enable the VA to meet veterans health care needs and the $170 million that is needed to ensure that all mentally ill veterans continue to receive unrestricted compensation are to be offset by limiting any tax cuts provided in the reconciliation bill to families with incomes of less than $100,000.

Our Nation's veterans are prepared to sacrifice for the good of this country as they have done so often in the past, but only if the sacrifices they are asked to make are: (1) equitable; (2) reasonable; and (3) essential. Clearly, these sacrifices that service-connected—particularly mentally incompetent veterans—and indigent veterans are being asked to make meet none of these essential criteria.

Mr. President, before I conclude I would like to discuss each of the amendments. Amendment No. 2785 would restore to the medical care account $511 million cut from the President's budget for fiscal year 1996. While there may be some doubt as to the validity of VA projections of the precise impact of such a cut on veterans health care, there is little doubt that it would result in some combination of substantial reductions in the number of veterans treated both as outpatients and inpatients as the number of VA health care personnel shrink. According to the VA, this cut could have an impact that is equivalent to closing some sizable VA medical facilities.

While not directly related to this amendment but related to the quality of VA health care generally, this bill also would eliminate all major medical construction projects requested by the President. In the process, some projects involving VA hospitals that do not meet community standards and are deteriorating would not be funded. How can we treat veterans in facilities that do not meet fire and other safety standards? In obsolete facilities that lack separate rest rooms and dressing room areas for men and women veterans? This is a travesty and no way to treat those who have defended our country. Our veterans don't deserve such shabby and undignified treatment and I will do all in my power to see that this shameful situation ends. I hope that all of my colleagues will join me in this long overdue effort.

Mr. President, as I pointed out at a Veterans Affairs Committee hearing a few months ago these cuts could not come at a worse time. We are now talking about cutting $270 billion over the next 7 years from Medicare and making deep cuts in Medicaid. This could lead to a much greater demand for VA services precisely at a time when VA health care capabilities are eroding. Would the VA be able to cope with an influx of elderly and indigent veterans eligible for health care, but currently covered by Medicare or Medicaid? There sometimes is much talk about a declining veterans' population, but much less about an aging veterans' population—one that disproportionately requires expensive and intensive care. What happens if this population grows even more as a result of Medicare and Medicaid cuts? Before veterans fall victim to the law of unintended consequences, I strongly urge my colleagues to give careful consideration to the cumulative impact on veterans' health care of such concurrent cuts in Federal health care funding.

Regarding amendment No. 2784, I was frankly appalled when I learned that both the House and Senate versions of H.R. 2099 include a provision that limits compensation benefits for mentally incompetent veterans without dependents but does not limit benefits for physically incapacitated veterans without dependents—or any other class of veterans for that matter. As I understand it, compensation for service-connected disabilities paid to mentally incompetent veterans without dependents would be terminated when the veteran's estate reached $25,000 and not reinstated until the veteran's estate fell to $10,000.

Such unequal treatment is outrageous and indefensible. How can we discriminate against veterans who became disabled while serving their country only because they are mentally ill. In eloquent and informative testimony before the Senate Veterans' Affairs Committee, Secretary of Veterans Affairs Jessie Brown, who I regard as an outstanding Cabinet officer and a singularly tenacious and effective advocate for veterans, pointed out that the only difference between veterans who have lost both arms and legs and those who have a mental condition as a result of combat fatigue, is that the latter group can't defend themselves. Moreover, the Secretary stressed, we are not only talking about veterans who seem to have no organic basis for their mental illness, but also veterans who were shot in the head on the battlefield and as a result of brain damage can't attend to their own affairs. And, I might add that to make matters worse, this provision amounts to means-tested compensation that applies to only one class of veterans—the mentally ill. I am aware that such a provision was enacted in OBRA 1990 and withstood court challenge, but the fact that it was held to be constitutional makes it no less abhorrent. Fortunately, Congress had the good sense to let this onerous provision expire in 1992.

Victimizing the most vulnerable of our veterans while providing tax cuts to our wealthiest citizens smacks of afflicting the afflicted while comforting the comfortable. I urge my colleagues from both sides of the aisle to support amendment No. 2784.

Finally, Mr. President, I am very proud to be a Member of the Senate, the oldest democratically elected deliberative body in the world. But I'm sure the last thing any of you would want is for this great deliberative body to merely rubberstamp ill-advised actions by the House and in the case of the VA Medical Account to make matters even worse by appropriating $327 million less than was appropriated by the House.

The veterans health care and compensation protected by these two amendments are by no means handouts, but entitlements earned by men and women who put their lives on the line to defend this great country. They are part and parcel of America's irrevocable contract with its veterans, a contract that long predates the Contract With America we've heard so much about recently.

I have a deep commitment to Minnesota veterans to protect the veterans benefits they have earned and are entitled to and in cosponsoring these amendments I am keeping my faith with them. I urge my colleagues to join me in supporting both amendments.

Mr. BOND. Mr. President, I yield the Senator from Wyoming 4 minutes.

Mr. SIMPSON. Mr. President, again, I speak as chairman of the Veterans' Affairs Committee. There are two facts, alleged to be facts, that are not so.

It has been said in the debate some veterans will be turned away. That may be so, but the care for those non-service connected is on a space-available basis anyway, and some veterans will not be cared for by the VA no matter what the funding level.

Please hear that. I hope that those who are debating it will hear it. Some veterans will not be cared for by the VA at any funding level you can put up, including the level proposed by my friend from West Virginia.

I commend Senator BOND. He is a fierce fighter for his causes. He had another one that has been erroneously presented. They said there would be no hospital refurbishment. That is wrong. Refurbishment can be funded by minor construction, which is increased by $37 million in this bill.

Let me review the bidding in my years here in the U.S. Senate with this remarkable series of charts. I have never done this, probably will never do it again. Here we are. Look here. When I came to the Senate in 1978 with my good colleague from Montana over there—I see him smiling—when I came here, there was the total VA budget of almost $20 billion. The total health care budget in 1978 was $5.1 billion and is $16.2 billion in 1995. Here is what it is today: Nearly double. The total VA budget is almost $40 billion now. It was $20 billion when I started here 17 years ago.

If you say it is all in paper or the vapors, here is the increase in VA staff by human beings. We are always talking about human beings here, so we want to talk about the human beings that are working for the VA. There are quite a number of them.

Physicians have gone up from 11,200 to 12,300; registered nurses from 26,000 to 37,000; and nonphysician providers FTE, a whole new category of those who serve veterans and who are paid for by the taxpayers were zero in 1975 and 3,079 in 1995. And we hear about veterans growing in number—they are not. We all know that. Here it is: There were 28.5 million veterans in 1978, and we are headed down to the year 2010 where there will be 20 million veterans. When we are finished with this budget exercise in 7 years, there will be 23 million veterans instead of the 26 million today.

If we cannot work through the cloud of vapors about what we do for veterans in this country, then look at this. Here is what we have done in 1978. Here is what we are doing now. Hospital admissions, down now. We are trying to do outpatient instead of inpatient. Look at the outpatient visits: 17.4 million in 1978, versus 25.9 million in 1995. It is tough enough to get things done around here using correct figures. It is impossible to get anything done when you use a combination of emotion, fear, guilt or whatever.

I am proud to be a veteran, very proud to be a veteran and a lifetime member of the VFW and a member of the American Legion and AMVETS, and we do our share. They know it. We know it.

There is not a person in this Chamber that can say in any conscientious way that we have not done yeoman work for our veterans. We will continue to do it for one reason. We will find out when we do this amendment. Mention the word "veteran" and hope to get everybody to the floor and vote for it regardless of its sense.

An amendment to increase funding for VA health care sure sounds attractive. Who can be against sick veterans?

We do have an obligation to care for those who are harmed as a result of their military service.

But remember that almost 90 percent of VA patients are being treated for non-service-connected conditions.

And, yes, we do have a policy to care for additional veterans to the extent that resources are available.

But, that does not mean that we have an obligation to make resources available without limit.

America's veterans served to preserve our Republic and to ensure a better future for their own children and grandchildren.

But, the Congress will throw away all that our veterans fought to preserve if we fail to stick to our plan to balance the budget.

The Rockefeller amendment is an assault on the budget resolution and the goal of a balanced budget.

It uses veterans as point men to break down the fire walls that constrain the natural desire of the Congress to spend money.

It will put Senators in the position of voting to fund a tax cut for the rich at the expense of sick veterans.

It does so by providing for $511 million increased spending for VA health care and offsetting the cost by limiting the benefits of a tax cut to families with incomes over $100,000.

Remember that VA health care actually INCREASES in this appropriation.

Remember that VA has never had to try to become more cost effective under the pressure of REAL cost constraints.

The Rockefeller amendment would have the effect of funding continued business as usual.

Mr. DORGAN. Mr. President, I strongly support and am pleased to cosponsor the amendment being offered by Senators ROCKEFELLER and MIKULSKI to add $511 million to the veterans health care component of this appropriations bill. This increase will bring funding in the bill to the level proposed by the President in his fiscal year 1996 budget request.

There is no more patriotic or generous group of Americans than our Nation's veterans. Not only do they care deeply about the national security of this country, they care about its economic health and social welfare as well. But we ought not ask of those who suffered physically or mentally from their military service to make additional sacrifices with regard to the future of their health care system.

Veterans have borne their fair share of budget cuts over the past decade. Their benefits and services over that period have been cut approximately $10 billion. Under the budget resolution passed earlier this year, they are slated to take additional cuts of $6.4 billion over the next 7 years. And in this bill, it's not just any cuts—it's cuts in their health care. Veterans have paid enough; their accounts should be free and clear.

In establishing priorities in this era of shrinking resources, it is my firm belief that veterans must remain at the top of the national agenda. That has not happened in this bill. The veterans have been short-changed in this legislation, but we have a chance to correct that mistake by passing the Rockefeller-Mikulski amendment. I don't know how in good conscience my colleagues can oppose it.

The $16.4 billion allocated for veterans health care in this bill is $327 million below the House-passed level, and more than half a million dollars below the President's request. That is unconscionable. Veterans, who put their lives on the line in service to their country, deserve better. The very least they deserve is a quality health care system on which they can rely.

The proposed appropriations level in this bill clearly undermines the VA's ability to fulfill its health care mission to those who have suffered injuries resulting from their military service. And it undermines Congress' longstanding commitment to care for the Nation's veterans. Mr. President, the pot of money available for VA health care in this bill is simply insufficient to maintain current services. That is just plain wrong, and I hope my colleagues will do the right thing today and vote for this amendment.

For those of you who believe that the proposed level of funding will not have an impact—that the VA will be able to absorb these cuts through efficiencies—let me tell you what the VA thinks. They estimate that the proposed funding level will result in 133,000 fewer veterans being treated in fiscal year 1996. They believe that they will be able to treat 46,000 fewer inpatient episodes of care and 1 million fewer outpatient visits. And they believe they will have to reduce employment levels by 6,500—the equivalent of closing four VA Medical Centers with an average of 300 beds each. While these estimates may not be 100 percent on target, I would guess they are pretty accurate. And no one can argue that the proposed reductions are not going to have a serious detrimental impact on the ability of the VA to provide high quality medical care to deserving veterans.

As a Member of the Senate Committee on Veterans' Affairs, I have to tell you that I don't believe our veterans are being treated fairly in this appropriations measure. They deserve better than they are getting in this bill. Therefore, I urge my colleagues to support the Rockefeller-Mikulski amendment to add $511 million for VA health care to this bill which will bring funding up to the level proposed by the President. It is the right thing to do.

Mr. ROCKEFELLER. Mr. President, how much time is remaining to the proponents?

The PRESIDING OFFICER (Mr. GRAMS). Two minutes and three seconds.

Mr. ROCKEFELLER. I ask unanimous consent to yield myself such time as I need.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROCKEFELLER. I simply conclude this argument by saying the Finance Committee has been meeting all day. They are meeting as we talk. The Senator from Wyoming and I are on that. They are going to pass out—without my vote, but it will happen—the Committee will pass out $450 billion of cuts in Medicare and Medicaid.

I repeat that one can say that there are fewer veterans, but it is also statistically true that the demands by veterans for health care, as the demand for other American citizens for health care, is increasing. It is larger than it was in the previous year.

As a result of what we are doing in the Finance Committee and the cutbacks in Medicare and Medicaid, I envision a substantially increased number of veterans who will not be able to avail themselves, for example, of that assistance to the extent that they could before, and who will, therefore, need to turn to the Department of Veterans Affairs.

To further cut veterans' health care is wrong. Is that emotional? Yes, partly. But mostly it is a promise. It is a commitment. It is a commitment that was made by this Nation and it is a commitment made to no other group in this Nation.

Interestingly, veterans groups are not, as a rule, as caught up in amendments like this as I think they ought to be. I cannot help that. I know what the commitment is. I know what my responsibility is. I know what my 202,200 veterans in West Virginia require. I do not want to let them down.

I hope that the amendment will be looked upon carefully by my colleagues. I yield the floor.

Mr. BOND. Mr. President, I yield myself the remaining time on this side.

The amendment by the Senator from West Virginia purports to deal with cuts in veterans' medical care.

How many times do we have to say it? Veterans' medical care will go up over $200 million from last year and this year's bill. There are reforms needed in the Veterans Administration. I hope that by having brought some light to these, we may encourage the authorizing committee to look at ways in which we can work together to see the quality of that care is increased.

But the amendment by the Senator from West Virginia is very simply a budget buster. There is not an offset. It is a clear-cut attempt to break the agreement, to get us back on the path of spending $200 billion a year in deficits. It is not designed to improve medical care for the veterans. It is designed to break the budget agreement. It cannot at this time amend the budget agreement.

Mr. President, I strongly urge my colleagues not to support the waiver of the Budget Act point of order.

Mr. President, is all time used up on both sides?

The PRESIDING OFFICER. The Senator from Missouri has about a minute and 45 remaining, the Senator from West Virginia has 17 seconds remaining.

Mr. BOND. Will the Senator care to use his 17 seconds?

Mr. ROCKEFELLER. Mr. President, three veterans organizations do support this amendment by their letters. I ask unanimous-consent letters be printed in the RECORD from the Veterans of Foreign Wars, Paralyzed Veterans of America, and Disabled Veterans.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Washington, DC, September 25, 1995.
Hon. JOHN D. ROCKEFELLER IV
U.S. Senate,
Washington, DC.

DEAR SENATOR ROCKEFELLER: It is my understanding that you intended to offer two amendments to H.R. 2099, the "FISCAL YEAR 1996 VA, HUD, and INDEPENDENT AGENCIES APPROPRIATIONS" bill. One amendment would restore VA medical funding to the level proposed in the Administration's request and the other would strike the provision terminating VA disability compensation to certain mentally incompetent veterans whose estates are greater than $25,000. The VFW strongly supports both amendments.

For years, the VFW has maintained that VA health care has been sorely under funded. The funding level contained in H.R. 2099 will not only contribute to delayed and denied care, but breaks a solemn promise to veterans that a grateful nation will care for those who have borne the battle.

The VFW also commends you for attempting to rectify a potential precedent setting provision that would deny disability compensation to what may be the most vulnerable of all veterans—those deemed incompetent. This is contrary to all sense of fairness.

Again, thank you for offering these two amendments on behalf of our nation's veterans.

Sincerely,
PAUL A. SPERA,
Commander-in-Chief.

PARALYZED VETERANS OF AMERICA,
Washington, DC, September 25, 1995.
Hon. JOHN D. ROCKEFELLER,
U.S. Senate,
Washington, DC.

DEAR SENATOR ROCKEFELLER: I am writing on behalf of the Paralyzed Veterans of America (PVA) to ask for your support for two amendments that Senator John D. (Jay) Rockefeller, IV, Ranking Member of the Senate Committee on Veterans' Affairs, plans to introduce during the floor debate on H.R. 2099, the VA, HUD, & Independent Agencies Fiscal Year 1996 appropriations bill. These two amendments would ameliorate some of the harshest provisions currently found in H.R. 2099.

The first amendment proposed by Senator Rockefeller would restore $511 million to VA Medical Care for Fiscal Year 1996. These monies are urgently needed by the VA in order to enable it to provide the bare minimum of care needed by veterans. PVA has long advocated the need for lasting and fundamental changes to the way the VA currently provides health care; in the absence of real eligibility reform simply providing the VA with fewer dollars would only exacerbate and deepen the critical situation faced by the VA, and all veterans that rely upon the VA to provide them with the medical care they so desperately need, and earned.

Senator Rockefeller's second amendment would reverse a provision in H.R. 2099 that would realize cost savings by limiting compensation to certain mentally incompetent veterans. PVA is shocked that this appropriations bill would seek to realize savings from a class of veterans who are incapable of defending themselves. This is truly a case of taking money from the weak and giving it to the strong. Furthermore, we are alarmed by the precedent that this sets: this provision was not recommended by the Senate Committee on Veterans' Affairs, but was rather added by the Appropriations Committee. PVA firmly believes that policy decisions should be made by the respective authorizing committees. Therefore, PVA strongly seeks your support of this amendment, an amendment that would strip this noxious provision from H.R. 2099.

PVA looks forward to your favorable support of these two amendments that Senator Rockefeller proposes to offer, and your continued support of America's veterans.

Sincerely,
GORDON H. MANSFIELD,
Executive Director.

DISABLED AMERICAN VETERANS,
Washington, DC, September 25, 1995.
Hon. JOHN D. (JAY) ROCKEFELLER IV,
U.S. Senate,
Washington, DC.

DEAR SENATOR ROCKEFELLER: On behalf of the more than one million members of the Disabled American Veterans (DAV), I wish to express DAV's deep appreciation for your efforts to amend H.R. 2099, the Fiscal Year 1996 VA, HUD and Independent Agencies Appropriation bill. As we understand them, your amendments will increase funding for VA health care and remove a provision which would means test the service-connected disability compensation payments made to certain mentally incompetent veterans in order to fund VA health care.

We in the DAV find it perplexing that Congress would divert compensation payments from service-connected disabled veterans to increase VA funding for health care, particularly in view of the fact that the veterans' service organizations (VSOs) had presented Congress with a plan to save taxpayer dollars while at the same time increasing access to VA health care.

As you may know, the DAV filed a class action law suit against a similar provision targeting mentally incompetent service-connected disabled veterans which was contained in the Omnibus Budget Reconciliation Act of 1990. In granting DAV's request for a temporary injunction, U.S. District Judge Shirley Wohl Kram found that withholding compensation payments to certain incompetent veterans was based on "irrational discrimination against the mentally disabled * * * the virtually exclusive, if unattended result, is impermissible discrimination against mentally incompetent disabled veterans." The DAV and the Department of Veterans Affairs (VA) ultimately settled this lawsuit resulting in the return of $100 million in compensation payments to these equally deserving service-connected disabled veterans.

Senator Rockefeller, we commend you for your efforts to ensure that Congress provides adequate funding for VA health care and for recognizing the basic unfairness of means testing the compensation paid to a most helpless category of service-connected disabled veterans—those whose service-connected disabilities render them mentally disabled.

Sincerely,
THOMAS A. MCMASTERS III,
National Commander.

The PRESIDING OFFICER. The time of the Senator from West Virginia has expired.

Mr. BOND. Mr. President, again I urge my colleagues not to support the Budget Act waiver. We have provided an increase. We are seeking to improve health care for the veterans. This measure simply is an attempt, on a very appealing case, to break the budget agreement. I trust that everybody in this country as well as in this body will understand what this means.

Mr. President, the adoption of the pending amendment would cause the Appropriations Committee to breach its discretionary allocation as well as breach revenue amounts established in the fiscal year 1996 budget resolution. Pursuant to section 302(f) and 306 of the Congressional Budget Act, I raise a point of order against the amendment.

Mr. ROCKEFELLER. Mr. President, I move to waive the application of the Budget Act to the pending amendment.

Mr. BOND. Mr. President, I ask unanimous consent the amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. BOND. Mr. President, I now ask unanimous consent the following amendments be the only remaining amendments in order to H.R. 2099, that they be offered in the first degree or second degree to an excepted committee amendment, and that those offered in the first degree be subject to relevant second-degree amendments: Baucus, EPA provision; Daschle, relevant; Bradley, budget process; Feingold, redlining; Feingold, CDBG; Simon-Moseley-Braun, strike transfer of HUD fair housing office to DOJ; Lautenberg, Superfund/CEQ increase; Chafee, Kalamazoo, MI; Bumpers, reactor sale; Harkin, EPA lead sinkers; Faircloth, occupancy standards; Faircloth, fair housing and free speech; Johnston, environmental technology; Feinstein, CDBG; Feinstein earthquake insurance; cleared managers amendments; and a Bingaman amendment dealing with colonias.

I further ask, following disposition of the listed amendments, the managers be recognized to offer their cleared amendments to be followed by adoption of any remaining committee amendments, third reading of H.R. 2099, as amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Now, Mr. President, in light of this agreement, the leader has authorized me to announce that there will be no further votes tonight. However, votes will be stacked to occur at approximately 9 a.m., Wednesday. Senators who have amendments are urged and begged to remain tonight to debate their amendments.

I now ask unanimous consent it be in order to proceed to the consideration of an amendment to be offered by the Senator from Montana, Senator BAUCUS, regarding EPA provisions, under time limit of 40 minutes equally divided in the usual form and that no second-degree amendments be in order to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Montana.

Mr. BAUCUS. Mr. President I ask unanimous consent Senator MIKULSKI, Senator LAUTENBERG, Senator BOXER and Senator REID be added as cosponsors to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2786

(Purpose: To provide that any provision that limits implementation or enforcement of any environmental law shall not apply if the Administrator of the Environmental Protection Agency determines that application of the prohibition or limitation would diminish the protection of human health or the environment otherwise provided by law)

Mr. BAUCUS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana [Mr. BAUCUS] for himself, Ms. MIKULSKI, Mr. LAUTENBERG, Mrs. BOXER and Mr. REID, proposes an amendment numbered 2786.

Mr. BAUCUS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in title III, insert the following:

SEC. 3—. APPLICATION OF LIMITATIONS ON IMPLEMENTATION OR ENFORCEMENT OF CERTAIN LAWS.

Any prohibition or limitation in this Act on the implementation or enforcement of any law administered by the Administrator of the Environmental Protection Agency shall not apply if the Administrator determines that application of the prohibition or limitation would diminish the protection of human health or the environment otherwise provided by law.

Mr. BAUCUS. Mr. President, this amendment is simple. It provides that no environmental rider in the appropriations bill will take effect if the rider would weaken protection of public health or the environment. The amendment sends a strong message: We should not use appropriations bills for back door attacks on environmental protection or the quality of life in America.

To explain why we need this amendment let me put it in perspective. During this Congress there has been a lot of debate about environmental laws. Some of the debate has been pretty heated. But when you strip away the rhetoric, two points become clear. First, the American people want a clean environment. I do not think there is much dispute about that. We want a clean environment because we want to protect the public health. We know that bad environment tends to degrade public health.

Because we want the high quality of life that comes with clean air and clean water and clean neighborhoods, we feel we need environmental protection laws. And because we feel a responsibility to hand America the beautiful down to our children, we also need environmental protection laws. To have a clean environment we need strong, fair environmental laws.

Second, we want environmental laws that are smart. Not only laws that are strong but that are smart, that make sense; laws that are less burdensome for landowners and for business, more capable of addressing the complex and subtle environmental problems we face today than are the laws America passed 25 years ago.

It is not easy to get such laws. If we want to do a good job, strike the right balance, we need to put in the time and the effort to get it right—roll up our sleeves, do the work, find the right balance between laws that on the one hand protect the environment and on the other hand are not too burdensome, do not require too much paperwork.

It takes work, a lot of hard work. And that is precisely what the House has failed to do. The House version of this bill contains 17 environmental riders designed to weaken environmental laws all across the country. These riders would jeopardize public health. They would jeopardize the quality of life for American families. In most cases, they respond to the demands of special interests rather than to the national interests of strong, efficient environmental protection. And they do the opposite of what the public wants. The riders would make our air and our water dirtier—not cleaner, dirtier. And the riders would make our air and water smellier, worsen threats to public health, and degrade the quality of life.

A few of them are relatively innocuous. For example, the House prevents EPA from implementing the centralized vehicle inspection maintenance program, a program which EPA has pretty much decided not to implement anyway. But most of the riders are anything but innocuous. For example, one would block—entirely block—implementation of the Great Lakes water quality initiative, stop it dead in its tracks. That would halt efforts to take a coordinated approach to pollution from dioxin, mercury, PCB's and other bioaccumulative pollutants in the Great Lakes. Another House rider would block new rules regulating toxic air emissions from hazardous waste incinerators or from oil refineries. That means more, not less but more, cancer-causing chemicals in the air. And, for Americans who live near refineries, it means further years of living in a place that just, simply, smells bad.

Another one—these are the House riders—would block EPA enforcement of the wetlands program under section 404 of the Clean Water Act. Though we all know that we need to reform the wetlands program. I do not think there is a Senator here who has not heard of the need to reform the wetlands program. In Montana, for example, my State, farmers are fed up with the confusion and paperwork over the 404 program.

But the House rider is not reform. It is a complete rollback. It stops the wetlands program dead in its tracks, period. Stops it. We lose thousands of acres of wetlands.

Another would prohibit the implementation of the Clean Water Act limitations on industrial and municipal stormwater runoff. Other riders would stop the implementation of rules for combined sewer overflows. And the list goes on and on.

In each case, Mr. President—this is an important point—there may be a legitimate underlying issue. There probably is a legitimate underlying issue in each case. Take combined sewer overflows, for example. What are combined sewer overflows? First of all, it is a pretty unpleasant situation. They are sewer systems that overflow during heavy rains, thereby pouring raw sewage directly into rivers and harbors and sometimes onto the shore. That is what combined sewer overflows are. There are a lot of them in our country.

Over 1,000 communities have combined sewer overflows. They are a very significant cause of pollution and can cause serious public health problems. It is a major problem in many cities in our country. However, they are difficult and they are expensive to control.

So the old command-and-control approach may not work best in dealing with the problem of combined sewer overflows.

A few years ago, cities and environmental groups negotiated a more flexible approach. That is, both sides, on opposite sides of the problem, got together and negotiated a solution. The Environment and Public Works Committee endorsed this approach in the clean water bill that it reported last year, and the full House did the same in the clean water bill that it reported earlier this year.

What does the House appropriations rider do about this? It is very simple. It prevents the EPA from doing anything to control these sewer overflows. It cannot even enforce the negotiated approach that everyone agreed to. Think of that. It cannot even enforce the negotiated approach that everyone agreed to. As a result, all across the country we will be doing less to reduce the overflow of raw sewage into public beaches.

Clearly, this is the wrong approach to reform. What is the right approach? The Environment and Public Works Committee is working to reauthorize several of the major environmental laws. We are taking fresh approaches. For example, the new version of the Safe Drinking Water Act will dramatically reduce the cost of rules and regulations without weakening the protection of our drinking water. We are doing that. We are reforming the Safe Drinking Water Act in a good, solid, and balanced way.

With some compromises by big business and insurers, we can also get a consensus reform of Superfund, a reform that cuts litigation costs for industry and speeds up cleanup of hazardous wastesites for local families.

Other efforts—some of them even more ambitious—are underway. For example, under the leadership of Senators MIKULSKI and BOND, Congress commissioned a study of EPA by the National Academy of Public Administration. What did that study say? It said essentially that EPA should develop a long-term mission. It said that EPA should delegate more authority to States. And it said we should replace our hodgepodge of environmental laws with an overarching, uniform environmental law.

If we can find consensus on turning these recommendations into law, EPA would be able to focus its efforts on the highest priority threats to public health and the quality of life rather than pursuing this hodgepodge of statutes which currently exists and which, I must say, these riders do not in the remote sense even begin to address. In fact, they go the opposite direction. We could make the environmental protection much more effective if we could adopt these recommendations. Businesses, farmers, and landowners would see paperwork dramatically cut back and compliance with laws made much more simple. The public would see the elimination of needless layers of bureaucracy.

The House riders do none of this. They will simply mean a less healthy, less pleasant life for Americans. It is that simple.

I am pleased to say that this Senate bill takes a much more moderate approach. It does not pursue the draconian riders to the same degree the House does. The Senate bill does contain some restrictions that, to my mind, do not belong. But there are fewer riders in the Senate bill, and several of those reflect previous Senate action and will not undermine environmental protection.

For this reason, it is important for the Senate to make a strong statement against loading this bill up with riders that will gut our environmental laws, degrade the air and water, threaten public health, and worsen the quality of life for hundreds of thousands of Montanans and millions of Americans.

My amendment makes just such a statement. It is very simple. Here is what it says.

> . . . any prohibition or limitation in this Act on the implementation or enforcement, or any law administered by the Administrator of the Environmental Protection Agency, shall not apply if the Administrator determines that the application of the prohibition or limitation would diminish protection of human health and the environment otherwise provided by law.

The amendment would act as kind of a circuit breaker. If the final version of the bill contains environmental riders, the amendment authorizes the EPA Administrator to review the implication of those riders.

If the Administrator finds that the rider threatens public health or the environment, she would invalidate the restriction. In that case, she would continue to apply current law.

As a result, the American people would know that their health, their air, and their rivers and streams are safe.

I ask the Senate to support this amendment, to support the thoughtful environmental reform and to stand up for the quality of life, the public health, and our responsibility to the next generation of Americans.

I reserve the remainder of my time.

Mr. BOND. Mr. President, before I begin, I need to ask unanimous consent to add to the list of amendments that we just adopted the following five amendments due to miscommunication on our side. These were left off.

They are, No. 1, Senator MCCAIN, VA medical care; No. 2, Senator WARNER, EPA contractors; No. 3, Senator SIMPSON, EPA Senior Employment Program; No. 4, Senator CHAFEE, EPA brown fields; No. 5, Senator THURMOND, VA programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. I thank the Chair. I thank my colleagues on the other side. I very much appreciate that. I hope we can get all of these amendments together. I believe after we have several of these on which we will have votes—they are very important votes—I believe and hope that we can work out many of these so that they will not require rollcall votes.

Let me address this amendment. Mr. President, maybe I have been on the floor too long today. But this one really amazed me. I listened to a description of the riders, and I soon realized that the riders that my friend from Montana was referring to were riders in the House bill. And we have heard lots of discussion about those riders.

We are talking about the Senate version. The Senate does not have those measures in it. We are not proposing to put those measures in it.

But to remedy those measures, the power that my colleague from Montana would give to the administrator of EPA is totally awesome. The Administrator of EPA under his amendment would be able to have a super veto, would be able to make her own judgment as to whether she wanted to follow a law passed by the House and the Senate and signed by the President. That is truly breathtaking. I do not know when we have ever set up a super-veto power to give the regulator a power to veto what Congress does and the President signs.

I have been around here working on regulatory reform. We have been very careful on regulatory reform to suggest procedures that an agency must go through to make sure they use common sense, to make sure that they have the cost and the benefits considered. If they cannot determine those with exactitude, they need to let us know what they do know. We ask that they use good, sound science. But we were very careful in drafting our regulatory reform bill not to have a supermandate, not to allow the Congress or anyone challenging regulations to go back wholesale and open up a whole series of regulations and overturn regulations.

Here in front of us is a provision giving a supermandate to the Administrator of the Environmental Protection Agency to say, "In my judgment, that particular statute might diminish the protection of human health or the environment. Therefore, it does not apply."

I am absolutely overwhelmed at the breathtaking simplicity, straightforwardness and unconstitutionality of the provision. And I am not going to bother to go into any great length discussing the riders. I would just ask my colleagues when they come in tomorrow to take a look at it and see if we want to set the Administrator up somewhere above the Supreme Court.

I appreciate the kind things the Senator from Montana has said about what we tried to craft in this bill. We do want to work with them. Certainly we have been very careful to try to keep the EPA legislative provisions to what we think are reasonable. We look forward to working with them. But I urge my colleagues not to give the EPA, the Administrator, power to veto laws enacted by Congress and signed by the President.

I reserve the remainder of my time.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator from Montana controls 8 minutes 40 seconds; the Senator from Missouri has 15 minutes 13 seconds.

Mr. LAUTENBERG. Mr. President, I rise in strong support of Mr. Baucus amendment and in strong opposition to the House riders that would substantially weaken environmental and health protections.

The riders approved by the other body are an example of special interest legislation at its worst.

Lobbyists for corporate polluters had a field day. They included a long list of anti-environmental provisions, with little opportunity for serious analysis, hearings or debate.

Unfortunately, these riders are part of a broad assault on our environment by corporate polluters and their Republican allies. These attacks are attempting to turn back the clock on critical environmental protections that have proven highly successful over the past 25 years.

Mr. President, since 1970, smog has decreased 70 percent. Acid rain has decreased 45 percent. Since 1973, the number of lakes and other water bodies that are swimmable and fishable has increased from 40 percent to 60 percent. Since 1988, toxic emissions have fallen by 42 percent.

In other words, we have been making tremendous progress. But unless we hold the line, that progress will unravel. And the end result will be disappearing wetlands, increasingly polluted air and water, and beaches strewn once again with waste.

There are so many problems with the riders in the House bill that I cannot list them all. But let me just review some of the more offensive provisions.

First, the House bill would punch a variety of special interest loopholes in the Clean Air Act. One rider would provide a special exemption for the oil industry, which no longer would have to comply with the Act's hazardous toxic air pollution standards.

Another rider would specifically lower the toxic air pollution standards for cement kilns. Not for any other type of incinerator, just cement kilns.

Then there is a provision that would exempt the oil and gas industry from risk management requirements. The result of that loophole would be to exclude 45,000 facilities from standards that are designed to protect workers from injuries and deaths resulting from accidental chemical releases.

That is a particularly offensive loophole to me because a recent explosion in a chemical factory in Lodi, NJ, could have been prevented if a risk management plan was in place.

Another rider would essentially make the Clean Air Act voluntary. This rider eliminates EPA's ability to impose sanctions, even if a State fails to submit a permit program or proves unable to implement its own permit program. This would rip the heart out of the Clean Air Act.

I am also concerned about a House rider that would badly weaken the so-called right to know law that sponsored.

The right to know law is arguably one of the most effective environmental laws on the books. It has no prescriptive requirements, yet it has led to more voluntary pollution prevention than any other step we have taken.

It imposes no regulatory controls, requires no permitting, sets no standards and requires no registration, labeling or reductions in emissions. It doesn't even require monitoring. All it requires are estimates of the amount of toxic chemicals the facilities release into our environment. This information is helpful for the city officials, for the fire and emergency personnel, and for those who live near the plants.

Despite its dearth of requirements, the Right to Know law has probably led to more voluntary pollution prevention efforts and environmental clean up than any other environmental law.

The Right to Know law requires companies to list the amount of certain chemicals that leave their facilities through air, water, or shipment to land disposal facilities.

Mr. President, the impact of the Toxic Release Inventory is impressive. Emissions from facilities have decreased 42 percent nationwide since 1989; a reduction of two billion pounds. Let me repeat that—a 42 percent reduction since 1989.

Despite the success, the authors of the House riders try to limit the type of information EPA can collect under that law. That is just wrong. And we should reject it.

These House riders do not limit their target to gutting air pollution programs. One rider would give a green light for destruction of our wetlands. Another would stop EPA from regulating the most significant source of water pollution in our urban areas, storm water and combined sewer overflows.

Yes, the House bill includes provisions allowing the discharge of untreated sewage into the water of the United States as well as our coastal beaches.

Forget about clean drinking water, forget about cleaning up toxic waste sites, forget about lakes you can swim in and streams you can fish in.

Overall, the 17 House riders would gut the national effort to protect the environment. And that was their intent.

I urge my colleagues to support the amendment to allow EPA to ignore those riders which place in jeopardy the health and safety of our citizens.

Let us stand up for ordinary Americans and for the environment. And let us stand up to the lobbyists for corporate polluters. It is the right thing to do. I am convinced that if we do the right thing, the American people will support us.

Mr. BAUCUS. Mr. President, I will be very brief. We do not have much remaining time anyway.

The Senator from Missouri made two points. The first is, gee, why are we doing this? Because of the onerous, objectionable, heinous riders that he by implication agreed are objectionable, heinous, bad provisions in the House bill, not the Senate bill.

That point is irrelevant because what we are saying here is the Administrator would have the discretion to not follow a rider whether it is in the House bill or Senate bill, if it is enacted into law, because obviously when the conference is completed probably in the spirit of compromise the Senate is going to agree to a few of these objectionable, heinous dastardly riders. So we are just saying that in the event the conference, in a spirit of compromise with the Senate, agrees to a certain rider, this provision is available to give the Administrator the authority to protect the public health by not implementing it. So the basic point that the Senator from Missouri made, the first point, is irrelevant.

The second point I think is really misconstrued. He said, gee, there is a supermandate.

Mr. President, when we were dealing with the supermandate issue in regulatory reform, the question was whether an administrator of an agency could override law as a general principle, override law in drafting regulations as a general principle. That is very broad.

This is much different, totally different. We are dealing here with approximately 17 specifically crafted House riders and a few specifically crafted Senate riders. Most of them would meet the test, but a few of them very specifically crafted would not.

In addition, if the Administrator found that this rider would cause harm to the environment or public health, she then would simply have to just follow current law. She would say she would not follow the rider but she would follow current law. If someone did not like her decision, that is reviewable under the Administrative Procedures Act and ultimately reviewable in the Federal courts.

It seems to me that our main goal, the main objective is to be sure that we do not pass laws, particularly riders in this case, which have the effect of causing more harm to public health. So I urge my colleagues to do something pretty reasonable, that is, adopt this amendment because it will better protect human health and the environment.

Mr. President, I yield 2 minutes to the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I rise in strong support of the Baucus amendment, and I would like to thank the Senator for coming and offering the amendment this evening. It is enormously appreciated. We know he has had a difficult day in the Finance Committee. We also thank him for his leadership in the authorizing committee.

Like Senator BAUCUS, I wish to compliment the chairman of the subcommittee on the effort that he has made in the area of EPA reform. Yet, at the same time, we also support the Baucus amendment because we believe it will help weed out those riders that have the serious and negative impact on public health or the environment.

Yes, it does give the Administrator flexibility, and it also will allow those who know the science the authority to help make the decisions.

Most importantly, I believe this amendment will act as a safety valve if the House insists on any of its riders when we get to the conference. I believe the Senate bill now has a moderate, clear framework on how to deal with these riders, and I believe the Senate framework should be the prevailing one. This country has entrusted EPA with the health and well-being of its citizens, and this is one Senator who wants to make sure this trust continues.

I urge my colleagues to stand firm on protecting the environment and public health by supporting the Baucus amendment, then supporting the Bond framework as we move through this legislation and into conference.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BOND. Mr. President, I yield myself such time as I may require.

I believe we are about finished with this amendment.

Mr. BAUCUS. I might say to the Senator I know of no other Senators who wish to speak.

Mr. BOND. All right. I know of no other Senators who wish to speak on this side.

I say once again, I very much appreciate the kind words of the Senator from Maryland and the Senator from Montana about our efforts to work on the riders. I assure them we will continue to work with them. We cannot control what the House will do. I do not think that even if we were to adopt this Baucus amendment, the House would accept it. I just believe, while I can appreciate the concern, it is unconstitutional, and I will urge my colleagues not to support it.

I want to speak briefly about the language in the committee report which calls for a report by the Environmental Protection Agency on the need for a second rule to establish emissions limits on small nonroad engines like lawnmowers and chainsaws. In response to questions by the Environmental Protection Agency as to the scope of the report, I want to ensure that it not become an undue burden on EPA, particularly in the event that the regulatory negotiation rule reaches consensus on the rule.

EPA has already issued one rule applicable to this industry pursuant to a schedule dictated by a consent degree, not the Clean Air Act. That schedule also applies to the second rule which is under development, through a negotiation process. The committee supports the continuation of efforts for a negotiated second rule that would achieve a cost effective consensus acceptable to the industry, EPA, and the other participants. If that consensus is reached later this year, we would expect the report to be merely a statement of the agreement, an explanation of the actions to carry out the agreement, and assurances that the rule as proposed will conform to the agreement in all detail.

If, however, the parties to the regulatory negotiation are unable to reach consensus, then the report should explain in reasonable detail the air quality need in ozone and carbon monoxide nonattainment areas for a second rule. The report should also explain what additional air quality benefits would be achieved, and in what time frame, by a nonconsensus second rule regulating these small engines beyond the requirements of the first rule.

Most importantly, we would expect that EPA would work with us and our staff over the next few months in fashioning a report, probably in letter form, that would not be a burden on the EPA staff, but would fully address the oversight needs of the committee. We do not wish to divert EPA from its efforts to reach the consensus or form implementing any consensus agreement.

Mr. President, I yield back the remaining time on my side on this issue.

Mr. BAUCUS addressed the Chair.

Mr. BOND. I believe that the Senator from——

Mr. BAUCUS. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

Mr. BOND. I move to table and ask for the yeas and nays.

The PRESIDING OFFICER. Does the Senator from Montana yield back his time?

Mr. BAUCUS. I do.

The PRESIDING OFFICER. Is there a sufficient second on the motion to table? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. BOND. Mr. President, I ask that that be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, I believe the Senator from Arizona is ready to present an amendment I believe will be found acceptable on both sides.

AMENDMENT NO. 2787

(Purpose: To require the Secretary of Veterans Affairs to develop a plan for the allocation of health care resources of the Department of Veterans Affairs)

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I thank the chairman, the distinguished subcommittee chairman, and the ranking member, Senator MIKULSKI, of Maryland, for allowing me to bring this amendment forward and agreeing with it.

I will not take much time. The hour is late. The amendment is at the desk. And I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN] proposes an amendment numbered 2787.

Mr. MCCAIN. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert:

SEC. . PLAN FOR ALLOCATION OF HEALTH CARE RESOURCES BY DEPARTMENT OF VETERANS AFFAIRS.

(a) PLAN.—(1) The Secretary of Veterans Affairs shall develop a plan for the allocation of health care resources (including personnel and funds) of the Department of Veterans Affairs among the health care facilities of the Department so as to ensure that veterans having similar economic status, eligibility priority and, or, similar medical conditions who are eligible for medical care in such facilities have similar access to such care in such facilities regardless of the region of the United States in which such veterans reside.

(2) The Plan shall reflect, to the maximum extent possible, the Veterans Integrated Service Network, as well as the Resource Planning and Management System developed by the Department of Veterans Affairs to account for forecasts in expected workload and to ensure fairness to facilities that provide cost-efficient health care, and shall include procedures to identify reasons for variations in operating costs among similar facilities and ways to improve the allocation of resources so as to promote efficient use of resources and provision of quality health care.

(3) The Secretary shall prepare the plan in consultation with the Under Secretary of Health of the Department of Veterans Affairs.

(b) PLAN ELEMENTS.—The plan under subsection (a) shall set forth—

(1) milestones for achieving the goal referred to in that subsection; and

(2) a means of evaluating the success of the Secretary in meeting the goals through the plan.

(c) SUBMITTAL TO CONGRESS.—The Secretary shall submit to Congress the plan developed under subsection (a) not later than 180 days after the date of the enactment of this Act.

(d) PLAN IMPLEMENTATION.—The Secretary shall implement the plan developed under subsection (a) within 60 days of submitting such plan to Congress under subsection (b).

unless within such period the Secretary notifies the appropriate Committees of Congress that such plan will not be implemented along with an explanation of why such plan will not be implemented.

Mr. McCAIN. Mr. President, this amendment is a simple one.

This amendment would require the Secretary of Veterans Affairs to develop and implement a plan to remedy serious and ongoing discrepancies in the allocation of funds to Veterans Health Care facilities across the country. The plan would require the Department to allocate funding to ensure that veterans have equal access to quality health care no matter what region they live in or which facility provides them services.

Mr. President, as we know, the pending appropriations bill would provide the Department of Veterans Affairs with approximately $17 billion to maintain and operate 173 hospitals, 376 outpatient clinics, 136 nursing homes, and 39 domiciliaries.

The other thing we know, Mr. President, is that the United States has become a very mobile nation. And there are significant demographic shifts that take place around the country. The Department of Veterans affairs has attempted in the past through a function known as RPM, which is the Resource Planning and Management system, to obtain better allocation of the funds, but they have not done a very good job in doing so.

Congress has a responsibility to ensure that these resources are distributed in a manner that will ensure our nation's veterans, whether they live in Maine or Arizona, have equal access to quality health care.

Unfortunately, the Department of Veterans Affairs has not traditionally allocated funding to provide equal access to or account for increasing workloads at its medical facilities.

Some months ago I asked the General Accounting Office to examine VA medical funding deficiencies. The GAO found that facility costs and their respective budgets vary widely, even after facilities of similar mission and size are grouped and adjustments are made to account for differences such as case mix, locality costs, salaries, training and research.

While, Veterans Hospital Administration officials have acknowledged budget allocation problems, GAO investigations found that the Department has failed to fully implement the new budgeting method known as the "Resource Planning and Management System" which the Department developed to remedy funding inequity.

Let me quote the GAO report:

> Because VHA lacked resources to fund all facilities' expected needs, it chose to limit the resources given to facilities with growing workloads. On the other hand, for facilities with decreasing workloads, VHA chose not to reduce their funding in proportion to the expected decreases in workload. These decisions led to only small adjustments in the funding for the projected cost of increased workload, while facilities with decreasing workloads received more resources than they were projected to need.

The GAO goes on to say:

> For example, VHA forecast that the Carl T. Hayden Medical Center needed an additional $2.3 million for fiscal year 1995 based on expected increases in workload. However, the Center actually received an additional $400,000 . . . By contrast, the San Juan facility had the greatest decline in workload within Carl T. Hayden's facility group. Its declining workload led to a projected $3 million decrease in budget needs, yet the facility's budget decreased only $500,000.

Mr. President, it's easy to see what's happening here. The Department of Veterans Affairs is reluctant to reallocate resources to meet shifting demand. Facilities which are accustomed to a certain level of funding refuse to do with less even though there case loads are shrinking. And, those with growing caseloads, like Carl T. Hayden, are simply expected to make do with what they have been getting.

This practice may serve the needs of bureaucrats, but it does not serve the veteran.

Mr. President, this problem hit very close to home. I've spent quite a bit of time at the Carl T. Hayden Medical Center. In the winter months and at many other times throughout the year, veterans wait in line for hours to conduct the most perfunctory administrative functions, much less to receive treatment. The facility is simply unundated.

Last year, the Veterans of Foreign Wars conducted a comprehensive study and found that the Carl T. Hayden Medical Center in Phoenix is "grossly underfunded," receiving twenty-five percent less funding than the average urban VA hospital.

In fiscal year 1994, the facility received $52 million less then the New York VA hospital, yet saw 15 percent more patients. This serious shortfall in funding is particularly serious for Phoenix which is one of only three areas in the country where the veteran population is on the rise, and which is inundated every winter with visitors who place even greater demand on the facility and its insufficient resources.

Passage of this amendment will ensure that we develop a plan to allocate resources in a manner that will assure equal access to service by veterans and which will take into account projected changes in the workload of each facility.

Mr. President, what this amendment does—and as I mentioned earlier it is a very simple one—it requires the Secretary of Veterans Affairs to develop a plan for the allocation of health care resources, including personnel and funds of the Department of Veterans Affairs, among the health care facilities of the Department so as to ensure that veterans having similar economic status, eligibility priority and/or similar medical conditions who are eligible for medical care in such facilities have similar access to such care in such facilities regardless of the region of the United States in which such veterans reside.

Mr. President, I will admit to a certain amount of parochialism in this amendment because I come from a State that is growing in population, especially as a retirement area, and there are insufficient funds. But by this amendment I do not mean to be imposing any penalties on any VA facility anywhere in our Nation. But I think we should appreciate the fact that we do have a mobile veterans population. In the summertime they may be visiting Minnesota, and in the wintertime they may be in Arizona, or they may be in Missouri or even in the summertime in the State of Maryland.

We want to make sure that there are facilities available on an equitable basis for all of our veterans. And I am sure that this will not result in a decrease in funding for much-needed facilities, but a better allocation of scarce resources.

I would like to thank and I do believe that the VHA will come up with a fair and equitable formula for the distribution of the all-too-scarce funds. We all know that as we face an aging veterans population, the needs become greater and greater. The medical challenges that we face have changed also significantly over the years. And I think we can, by adoption of this amendment, take a small step towards fulfilling our obligation and commitments that we made to the men and women who serve in our Nation's defense.

I thank my friends, and I will take no more time on the amendment. I yield the floor.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. I commend my friend and colleague from Arizona on the very thoughtful amendment. I have had the opportunity to discuss this amendment with my ranking member. It moves the Veterans Administration in the direction which we feel it is vitally important for the VA to move.

We have already addressed here on this floor many of the problems in the way the VA operates. We think it could be far more efficient, far more effective in the service it provides to the veterans. And I believe that my distinguished colleague from Arizona has outlined a plan for implementation of improvements that will be very good operating procedure for the Veterans Administration.

I am ready to accept the amendment on this side, and I ask if there are any other speakers or if my ranking member——

Ms. MIKULSKI. I am going to accept the amendment as well.

Mr. BOND. I do not see any—does the Senator from Arizona wish to add to his remarks?

Mr. McCAIN. I ask unanimous consent that a GAO study, plus a letter from the Veterans of Foreign Wars of the United States be printed in the RECORD.

There being no objection, the material is ordered to be printed in the RECORD, as follows:

U.S. GENERAL ACCOUNTING OFFICE,
Washington, DC, September 12, 1995.

Hon. JOHN MCCAIN,
U.S. Senate.

DEAR SENATOR MCCAIN: At your request, we are currently reviewing the Veterans Health Administration's (VHA) process for allocating the medical care appropriation to its medical facilities across the nation—the Resource Planning and Management System (RPM).[1] Historically, VHA allocated resources by making incremental changes to each facility's prior year budget. After recognizing the need to better link resources to each facility's actual workload, VHA in 1985 implemented the Resource Allocation Methodology (RAM). VHA officials indicated that because the RAM allocations were generally based upon workload as defined by clinical diagnoses, facilities soon recognized that their allocations would be increased as the number of procedures performed increased. This open-ended expansion of workload led to budgeting problems and concerns about inappropriate care being provided.

RPM—first used to allocate fiscal year 1994 facility budgets—was intended to improve upon past allocation systems. VHA's stated goals for RPM are to (1) improve VA's resource allocation methodology, (2) move from retrospective to prospective workload management, and (3) reform medical care budgeting. Accordingly, RPM was designed to be patient-based, forward-looking, and policy-driven. It defines workload as patients served, rather than procedures performed—hence, VHA's characterization of RPM as "capitation-based"—and it uses projections of future workload to determine what resources are needed. A VHA strategic plan was also intended to be the driving force behind RPM, giving it a set of goals, performance standards, and workload priorities.

You asked us to review VHA's allocation process, expressing a concern about the equity of the process in ensuring that facility funding meets the medical needs of a changing veteran population.[2] As part of our efforts to keep you informed about our ongoing review of RPM, we have regularly briefed your staff on our progress toward issuing a report later this year. As a result of our most recent briefing, you asked us to provide you with preliminary information on the way VHA is using RPM to better link resources to workload by examining the variations that RPM data show in facility operating costs to determine the reasons for those variations, and allocating resources among facilities so that veterans within the same priority categories have the same availability of care, to the extent practical, throughout the VA health care system.

In summary, RPM appears to be an improvement over VA's previous resource allocation systems. Specifically, it creates forecasts of expected workload and provides data, such as differences in operating costs, that VHA could use in better matching resources to anticipated workload. It also reduces the ability of facilities to "game" the system by providing or seeming to provide more or more costly procedures. However, our work to date suggests that VHA has made limited use of RPM in understanding the reasons for those differences and in changing allocations from what facilities received in the past. Furthermore, VHA has not used RPM to allocate resources in a way that considers differences in veterans' access to care throughout the system.

USE OF RPM TO EXPLORE WHY OPERATING COSTS VARY

Although the RPM data show significant differences in facility operating costs, VHA has not, as it originally planned, developed processes to allow a better understanding of potential reasons for those variations. Originally, VHA intended to assess reasons for variations in costs among facilities through a formal review and evaluation process, including structured site surveys of facilities with especially high and low operating costs. VHA had said that such a process would be useful to identify efficiencies that could be applied at other facilities and to identify potential quality problems caused by limited resources.[3] VHA hoped to further explore the impact of resources on quality by linking RPM cost data with quality indicators. Officials told us that without a better understanding of the reasons for the variations or a clear standard against which to measure the costs, they had little basis for determining which, if any, facilities were receiving too few or too many resources. We have had some difficulty finding out why VHA has not analyzed the variations as planned; the main reasons seem to be the generally lower priority attached to that effort and the uncertainty about who would conduct the analyses and how the analyses would be done. We hope to have more information about this matter in our detailed report.

Our initial assessment of RPM data shows that facility costs vary widely, even after facilities of similar mission and size are grouped and adjustments are made to account for differences such as case mix, locality costs, salaries, training, and research. For example, adjusted costs per standardized workload measure in one facility group ranged from $3,024 to $4,141 with the average cost being $3,635; facilities ranged from about 17 percent below average to about 14 percent above average in cost.

Nonetheless, VHA officials appear to have used RPM to change facilities' historical budgets only minimally during the two budget cycles in which RPM has been used. For example, we estimate that the maximum loss to any facility's historical budget in fiscal year 1995 was only about 1 percent and that the average gain was also about 1 percent.

While the optimal amount of resources that should be shifted is unclear, the facilities most disadvantaged by not shifting more resources are those that (1) historically have received less funding for comparable workload and (2) have a faster growing number of patients. For example, because VHA lacked resources to fund all facilities' expected needs, it chose to limit the resources given to facilities with growing workloads. On the other hand, for facilities with decreasing workloads, VHA chose not to reduce their funding in proportion to the expected decreases in workload. These decisions led to only small adjustments in the funding for the projected cost of increased workload, while facilities with decreasing workloads received more resources than they were projected to need. For example, VHA forecasted that the Carl T. Hayden Medical Center needed an additional $2.3 million for fiscal year 1995 based on expected increases in workload. However, the center actually received an additional $400,000 as a result of workload adjustments arising from RPM.[4] By contrast, the San Juan facility had the greatest decline in workload within Carl T. Hayden's facility group. Its declining workload led to a projected $3 million decrease in budget needs, yet the facility's budget decreased only $500,000.

USE OF RPM TO REDUCE INCONSISTENCIES IN AVAILABILITY OF CARE

We reported in 1993[5] that veterans' access to outpatient care at VHA facilities varied widely—veterans within the same priority categories received outpatient care at some facilities but not at others.[6] Using a questionnaire to medical centers, we found then that of 158 centers queried, 118 reported they rationed outpatient care for nonservice-connected conditions in fiscal year 1991 and 40 reported no rationing. This rationing generally occurred in fiscal year 1991 because resources did not always match veterans' demands for care. Medical centers rationed care by limiting the categories of veterans served,[7] the medical services offered, and the conditions for which they could receive care.

When we reported on these differences in 1993, VA officials responded that RPM—under development at the time—would help overcome these differences. Specifically, officials indicated that to address wide variations in veterans' access to health care systemwide, VA was designing a new resource planning and management process with several objectives, including the elimination of gaps in service for veterans systemwide. In February 1994 correspondence to the Congress, the Secretary of Veterans Affairs reiterated that RPM would begin to alleviate some of the inconsistencies in veterans' access to care noted in our report.

In our current review, however, we are finding that overcoming these kinds of inconsistencies in availability of care has not been incorporated as a specific goal of RPM.

Perhaps because reducing inconsistency has not been established as an RPM goal, the system does not use data on the eligibility category of veterans served at a facility. RPM predicts costs and workload without regard to facility differences in the provision of discretionary care, that is, without regard to the priority category of the veterans being served.

Although the lack of relevant data prevents us from confirming whether the kind of rationing reported in our 1993 report persists, we see indications that inconsistencies still exist. For example, fiscal year 1995 data showed a difference in the extent to which facilities treated nonservice-connected higher income veterans:[8] at some facilities 13 percent of veterans treated fell into that category, while other facilities provided no care to such veterans.

We discussed the draft of this letter with VA's Deputy Undersecretary for Health and other VA officials who generally agreed with its contents. These officials noted, however, that resource allocation is an inherently complex and difficult process, that VA's implementation of RPM is still evolving, and that they expect to use the process to make substantially increased budget adjustment for facilities in the next fiscal year. They indicated that VHA faces many challenges that make implementation of the process difficult, including complex eligibility requirements, mandates to care for certain specialized populations of veterans, and the inability of facilities to change personnel levels quickly. They also cited several current initiatives that they expect to help in the implementation of the resource allocation process, including the restructuring the VA health system into Veterans Integrated Service Networks, the implementation of VA's Decision Support System, and the linking of planning, policy and performance measurement responsibilities within one organizational office.

We are sending copies of this correspondence to the Secretary of Veterans Affairs and other interested parties. The information contained in it was developed by Frank Pasquier, Assistant Director; Linda Bade; Katherine Iritani; Douglas Sanner; and Evan Stoll. Please contact me at (202) 512–7101 or Mr. Pasquier at (206) 287–4861 if you or your staff have any questions.

Sincerely yours,

CARLOTTA C. JOYNER,
Associate Director, Health Care Delivery and Quality Issues.

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
April 7, 1994.

JOHN T. FARRAR, M.D.,
Acting Under Secretary for Health, Veterans Health Administration, Department of Veterans Affairs, Washington, DC.

DEAR DR. FARRAR: A member of my staff, Robert F. O'Toole, Senior Field Representative, conducted a survey of the Phoenix, Arizona, Department of Veterans Affairs Medical Center, on March 14–15, 1994. During his time at the medical center, he was able to talk with many patients, family members and staff. This enabled him to gather information concerning the quality of care being provided and the most pressing problems facing the facility.

While those receiving treatment in the clinics and wards felt that the quality was good, they almost all commented on the long waits in the clinics and the understaffing throughout the medical center. In discussing their problem with various staff members, it was noted that nurses were under extreme stress. More than one was observed by Mr. O'Toole in tears when completing their tour. The nursing staff on evening shifts must rush continually through their duties in an attempt to cover all their patients needs due to the shortage in staffing in both support and technical personnel.

In attempting to determine the reason for this problem, it became apparent that the station was grossly underfunded. Which means that the staff must either take unwanted shortcuts or continue to work beyond the point expected of staffs at the other medical centers. While it is well understood that the Veterans Health Administration is underfunded throughout the system, it is clear from the comparisons that this facility has not received a fair distribution of the available resources resulting in the deplorable situation now facing the health care team.

Another problem in Phoenix that must be addressed is the serious space deficiency, especially in the clinical areas. The ambulatory care area was designed to handle 60,000 annual visits. In fiscal year 1993, the station provided 218,000 annual visits, almost four times the design level. Many physicians are required to conduct exams and provide treatment from temporary cubicles set up inside the waiting rooms. This bandaid approach has added to the already overcrowding.

The other problem that we feel should be pointed out is that of the staffing ceiling assigned to the Carl T. Hayden Veterans Medical Center. Currently, the medical center has FTEE of 1530 which is over the target staffing level. Based on available reports, the medical center would need an additional 61 registered nurses just to reach the average Resource Program Management (RPM) within their group. This facility operates with the lowest employee level in their group when comparing facility work loads, and 158th overall. To reach the average productivity level of the Veterans Health Administration medical centers, they would need an additional 348 full-time employees. While it is realized that this station will never be permitted to enjoy that level of staffing, it is felt that they, at the least, should have been given some consideration for their staffing problems during the latest White House ordered employee reductions.

To assist the medial center to meet their mandatory work load, and the great influx of winter residents, it is recommended that the $11.4 million which was reported to the Arizona congressional delegation to have been given Phoenix in addition to their FY 94 budget be provided. To enable the station to handle the ever increasing ambulatory work load, the Veterans Health Administration must approve the pending request for leased clinic space in northwest Phoenix and, the implementation plan for the use of the Williams Air Force Base hospital as a satellite outpatient clinic, along with the necessary funding to adequately operate the facility. In addition, VHA should approve and fund, at a minimum, the expansion of the medical centers clinical space onto the Indian School land which was acquired for that purpose.

Approval of the above recommendations would make it much easier for this medical center to meet the needs of the ever increasing veteran population in the Phoenix area. There is no indication that the increasing population trends will change prior to the year 2020. This hospital cannot be allowed to continue the downhill slide. The veterans of Arizona deserve a fair deal and the medical staff should be given the opportunity to provide top quality health care in a much less stressful setting.

I would appreciate receiving your comments on the Phoenix VA Medical Center at your earliest opportunity.

Sincerely,

FREDERICO JUARBE Jr.,
Director, National Veterans Service.

Mr. McCAIN. I want to thank again the distinguished chairman and the ranking member.

I yield the floor.

Mr. BOND. Mr. President, again, I commend the Senator from Arizona. I believe we are ready to proceed to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

So the amendment (No. 2787) was agreed to.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOND. Mr. President, now I ask unanimous consent that added to the list of relevant amendments be an amendment by Senator BAUCUS entitled "Relevant."

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL HIGH MAGNETIC FIELD LABORATORY

Mr. MACK. I would like to engage the chairman and ranking member of the VA/HUD Appropriations Subcommittee in a colloquy relative to the National High Magnetic Field Laboratory in Tallahassee. Senators GRAHAM, DOMENICI, and BINGAMAN will also join with me in this. Let me begin by commending the chairman for putting forth a bill that balances the needs for fiscal restraint with necessary investment. An excellent example of necessary and productive investment is the National Science Foundation's decision 5 years ago to establish the principal facility in Florida and a component facility at Los Alamos. The proposal to embark on this important basic research was a vision of Dr. Jack

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[1] For fiscal year 1996, the Department of Veterans Affairs (VA) is seeking an appropriation of about $17 billion to maintain and operate 173 hospitals, 376 outpatient clinics, 136 nursing homes, and 39 domiciliaries.

[2] You also raised a specific concern about funding at the Carl T. Hayden Medical Center in Phoenix, which we have explored as part of our work.

[3] The closest VHA has come to conducting such a review was through one of the six Technical Advisory Groups (TAGs) it formed for its RPM patient categories, such as primary care or chronic mental illness. The Chronic Mental Illness TAG has done some limited data analysis (that is, length of stay, discharge cost, and costs/day differences) to develop further explanatory data on facility cost variations in the care of chronic mental illness patients. The directive establishing the TAGs' purpose, role, operation, and management within RPM, including their role in studying cost, practice, and quality variations among facilities, had not been formalized at the time of our review.

[4] Carl T. Hayden and other medical centers also received funds outside the RPM process. Carl T. Hayden received approximately $124 million in fiscal year 1995, of which about $90 million came through the RPM allocation process. In fiscal year 1994, it received approximately $117 million, of which $78 million came through RPM. The percentage of Carl T. Hayden's budget received outside the process was comparable to (within about 3 percent of) the national average.

[5] VA Health Care: Variabilities in Outpatient Care Eligibility and Rationing Decisions (GAO/HRD-93-106, July 16, 1993).

[6] As we reported in VA Health Care: Issues Affecting Eligibility Reform (GAO/T-HEHS-95-213, July 19, 1995), VA uses a complex priority system—based on such factors as the presence and extent of any service-connected disability, the incomes of veterans with nonservice-connected disabilities, and the type and purpose of care needed—to determine which eligible veterans receive care within available resources. (An eligible veteran is any person who served on active duty in the uniformed services for the minimum amount of time specified by law and who was discharged, released, or retired under other than dishonorable conditions.)

[7] When medical centers rationed care by veteran category, they generally followed the priorities set by the Congress: they limited care first to higher income veterans, then to lower income veterans, and finally to veterans with a service-connected disability.

[8] "higher income" veteran is one whose income was above the means test threshold, which as of January 1995 was $20,469 for a single veteran, $24,565 for a veteran with one dependent, plus $1,368 for each additional dependent.

Crow, the lab's director. The NSF agreed with this vision and made the crucial decision and investment. It was a very wise decision, and I commend them for it.

Mr. BOND. The subcommittee has heard of many of the NHMFL's accomplishments in its short 3-year history. New magnet development, at the cutting edge of technology, has created the finest array of the world's most powerful magnets. It has allowed the United States to reclaim world leadership in magnet science and technology.

Mr. GRAHAM. This laboratory is truly a partnership between Florida State University, the University of Florida and the Los Alamos National Laboratory in New Mexico. It is clearly a Federal/state/industrial partnership that works well and produces tremendous breakthoughs. Furthermore, industrial involvement and support is paving the way for future progress.

Ms. MIKULSKI. Senator GRAHAM, the NSF's interest in partnerships and their decision to locate the facility in Florida were key ingredients for its success. This partnership between two universities, a fine national laboratory, the State of Florida, and several industries has led to outstanding science and new technologies as well. And I'm told the lab has a world-class collection of scientists and engineers that will continue to lead the world for years to come.

Mr. DOMENICI, Mr. Chairman, let me underscore the importance of this partnership which includes Los Alamos National Laboratory working closely with Florida State University and the University of Florida. At last year's dedication in Tallahassee, Erich Bloch said, "Absent any one of the three partners, this important project would not have come to fruition." That is still true today. In these tight budget times, Los Alamos has committed precious resources to this endeavor because it is important to do so. And my friend Gov. Lawton Chiles of Florida has invested heavily and wisely with scarce State resources. I want to encourage the subcommittee to provide NSF the resources necessary to keep this laboratory world-class.

Mr. BINGAMAN. The research, the development, and the educational activities that come from this partnership between NSF and DOE, between universities and a national laboratory, and the facility that is state-of-the-art is truly a unique national resource that should make all who are involved proud of it. I commend the NSF for its efforts, and I commend this subcommittee for its diligence in providing the resources that will maintain world leadership.

Mr. BOND. I appreciate the comments. The subcommittee recognizes the importance of this partnership and the need to keep the United States at the forefront of this important scientific and technological area. We are confident NSF will continue to view this facility as one of its "crown jewels," and support it appropriately. I thank the Senators for their views.

PERMITS PROGRAM

Mr. NICKLES. Title V of the 1990 Amendments to the Clean Air Act requires EPA to issue a rule establishing the minimum elements of a permit program for sources regulated under the act. The act requires that this permit rule be issued within 1 year of enactment. The 1990 amendments further required States within 3 years to develop and submit to EPA for approval their own programs that comply with the Federal minimum elements as defined by the EPA permit rule. Even under the ambitious schedule of the 1990 amendments, Congress clearly provided that States were to have 2 full years to respond to EPA's rule establishing the minimum elements of a permit program.

Although EPA promulgated a final rule in 1992, the controversy that surrounded this rule prompted the agency to revisit many key issues in the rulemaking. Today, 3 years later, I am sorry to report that EPA has still been unable to resolve fundamental elements of the Federal program which States must comply with in establishing their own programs. As recently as this summer, EPA has issued a new proposal, despite having not relieved states of the requirement to comply with the 1992 rule.

The result, predictably, has been an untenable level of confusion and uncertainty. States are spending considerable resources in developing programs that may or may not comply with EPA's final permit program. Similarly, sources across the country are now submitting permit applications, despite the lack of clear Federal guidance.

Mr. BOND. My colleague from Oklahoma is correct in expressing misgivings over EPA's current implementation of the permit program. As the result of similar concerns, the Senate Appropriations Committee included language in the report accompanying this bill urging EPA to delay enforcement of the title V program for 1 year. This would give EPA the opportunity to resolve outstanding issues and reduce the likelihood that States and sources will adopt provisions that may ultimately conflict with EPA's final rule. The one-year delay would also give EPA and states sufficient time to develop more cost-effective approaches to permitting. Given the severity of the problems which have beset EPA's implementation of this program, I believe this provision is critical.

Mr. FAIRCLOTH. I would also like to thank the Senator from Oklahoma for raising this issue, which has been of significant concern to the subcommittee on Clean Air, Wetlands, Private Property and Nuclear Safety, which I chair. Over the course of this past year, our subcommittee has been closely monitoring EPA's implementation of the title V permit program. We conducted a hearing on title V on August 1, 1995. In addition we have raised several questions with the agency over its progress to date. Almost 4 years have passed since the deadline for promulgating a Federal permit rule, yet EPA has still not finalized the part 70 program. Additionally, EPA has been slow to issue long-needed permitting guidance, such as the "white paper" guidance on permit applications, and does not appear to be promoting the rapid implementation of such guidance. The lack of resolution of key elements of the permit program puts States in an enormous quandary in developing and seeking approval of their own programs. We are also concerned over the impact of this confusion on regulated "sources"—that is to say, the employers of this nation—which are required by law to submit permit applications within 12 months of the date that States receive approval for their programs. The application process alone has proven to be unnecessarily costly and time consuming for sources—problems that are clearly linked to EPA's inability to develop Federal minimum elements in a timely manner.

It is important to keep in mind that the title V program is extremely costly; even EPA has estimated that the program will cost taxpayers and businesses more than $2.5 billion in the first 5 years of the program. With this much money at stake, confusion is unacceptable. A 1-year delay could save significant resources and prevent many programmatic missteps.

Mr. NICKLES. I would like to thank my colleague from Missouri for including language in the Senate Committee Appropriations report on this important issue. My involvement with this difficult issue dates back to the debate held in this body over the 1990 amendments when many of us expressed concern over the complexity of the title and its potential for imposing unnecessary costs on sources and States. Given the severity of the problems which have beset this program, I hope the conferees to this bill will reflect on this debate and include statutory language requesting a 1-year delay in order to protect the vital interests of States and sources who are in the unfortunate position of having to comply with a regulatory moving target.

I also want to thank my colleague from North Carolina for his close scrutiny of this issue and his willingness to hold oversight hearings on the agency's implementation of the permit program.

Mr. BOND. Thank you for raising these important issues. Considering the potential for well-meaning States to be punished unfairly, I am sure my colleagues will consider your comments and those of the Senator from North Carolina most carefully.

REFINERY MACT

Mr. BUMPERS. Mr. President, I rise today to ask the distinguished chairman of the VA-HUD Appropriations Subcommittee, the gentleman from Missouri, to engage in a colloquy with me on an issue of importance to my constituents in Arkansas.

Mr. BOND. I would be pleased to discuss an issue with the Senator from Arkansas, a member of the full Appropriations Committee.

Mr. BUMPERS. I want to compliment the Senator from Missouri for addressing the issue of the Environmental Protection Agency's refinery MACT rule in the Appropriations Committee's report on H.R. 2099. In my opinion, if ever a set of regulations needed to be reformed, it is the refinery MACT rule.

Mr. BOND. The Senator from Arkansas is correct. In its report on the bill under consideration today, the Appropriations Committee expressed its dissatisfaction with the procedures EPA has employed in promulgating all MACT regulations, particularly the refinery MACT rule. The committee directed EPA to reevaluate the refinery MACT rule after applying principles of sound science.

Mr. BUMPERS. I, and many of my colleagues in the Senate, commend the chairman for including that directive in the committee report.

In addition, I would like to specifically address an issue which is of particular importance to both the Senator from Missouri and myself. That issue is the impact of the refinery MACT rule on smaller refiners around the Nation. The Senator from Missouri serves as the chairman of the Small Business Committee, and I am proud to serve as the senior Democrat on that committee.

In its refinery MACT rule, EPA made no provision for lessening the impact of its rule on small businesses. In many cases, these smaller refineries are located in attainment areas—areas in which the need for expensive emissions control devices are questionable at best. In fact, EPA estimated that seven of these refineries would be forced to close under the refinery MACT rule.

EPA's disregard for the impact of the refinery MACT rule on the small businesses of this Nation is disturbing to this Senator, as I am sure it is to the Senator from Missouri.

Mr. BOND. I share the Senator from Arkansas' concerns about the impact of the refinery MACT rule on small business. This is one of the reasons the committee has directed the EPA to reexamine the refinery MACT rule. Placing a disproportionate burden on the Nation's small businesses is not sound regulatory policy. It is my hope that EPA will address this issue, as well as the many other problems inherent in its current refinery MACT rule, when it reassesses the rule as a whole.

Mr. BUMPERS. I thank the Senator. I look forward to working with him on this issue as this bill moves to conference and as EPA carries out the committee's directive.

ENVIRONMENTAL TECHNOLOGY INITIATIVE

Mr. BENNETT. Mr. President, I wish to bring to Chairman BOND's attention a matter regarding the Environmental Technology Initiative [ETI] and the proposed reductions to its budget. The underlying bill will reduce funding for ETI by approximately $100 million. I do not take issue with the committee's actions to reduce this particular budget. I have every confidence that the remaining funds appropriated by the committee will be sufficient to fulfill the mission of this EPA initiative. My concern lies chiefly in a clarification of the objectives ETI should be pursuing with the resources that are being appropriated in this legislation.

On page 88 of the committee report, we state that the remaining funds—approximately $20 million—are to be directed toward technology verification activities and other continued efforts that do not duplicate private sector initiatives. Is it your understanding Mr. Chairman that the funds allocated by the committee to ETI are sufficient for, and ought to be used to complete EPA's multiprogram efforts to streamline the approval process for new analytical methods including the move toward performance-based standards?

Mr. BOND. That is correct. The committee would agree that allocating funds for completing efforts to encourage new performance-based analytical methods and other streamlining methods is entirely consistent with the stated purpose of targeting ETI funding for verification efforts.

Mr. BENNETT. I think the chairman for his clarification. I am sure that we both agree on the importance of analytical methods to ensure compliance with environmental laws. Without them, it would be impossible to determine whether industry was meeting the effluent standards established by law and through the permit process. Efficient analytical methods are also used to characterize hazardous waste and ensure that our drinking water is free of harmful concentrations of contaminants. Unfortunately, while methods to ensure compliance continue to improve and are more accurate, the current EPA process for approving the use of new methods keeps getting slower and more bogged down.

I understand that EPA recognizes this problem, and several program offices have been working to reduce the backlog of analytical method approval requests and to reduce the time it takes to review and approve these methods. Once a streamlined process is in place, these moneys will be needed for a limited time to educate States and supervise implementation. EPA has laid the foundation and the funds appropriated by the committee will be needed to put these procedures into practice.

Overall, this effort will decrease the time and resources that are needed to approve analytical methods, resulting in more and better methods. From the Agency perspective, this effort will provide a way to increase the number of methods that can be used to meet statutory requirements. In addition, EPA's efforts to streamline the approval process for new analytical methods will spur new technologies and create new jobs. The money allocated to this process will significantly lower the cost of environmental measurements, thereby reducing the cost of environmental compliance for industry and municipalities. I thank the chairman for his time and support in this matter.

Mr. BOND. I thank the Senator and agree that EPA's efforts to streamline its approval processes and move toward performance-based standards for analytical methods are a vital part of environmental compliance. Clearly, the completion of EPA's ongoing efforts in this regard is within the scope of funding provided in this bill for ETI.

Mr. BENNETT. I thank the chairman.

EPA ENERGY EFFICIENCY ACTIVITIES

Mr. JEFFORDS. Mr. President, may I engage in a colloquy with the chairman of the appropriations subcommittee and the distinguished Senator from Louisiana regarding programs at the Environmental Protection Agency that result in improved energy efficiency in the economy?

Mr. JOHNSTON. I proposed some report language on this topic that was accepted by the full Committee on Appropriations at its markup and would be happy to discuss it.

Mr. JEFFORDS. The report language states that:

> The Committee notes that these programs overlap and conflict with statutory authority provided to the Department of Energy in the Energy Policy Act of 1992. Therefore, EPA should transfer to DOE those energy efficiency and energy supply programs that DOE, not EPA, is authorized to carry out. Future appropriations for these programs should be requested as part of the DOE budget submission.

What is intended by this language?

Mr. JOHNSTON. The intention is very clear and specific. In the President's budget submission to Congress, funds were requested for EPA for a series of 21 activities, many of which clearly overlapped and duplicated specific statutory authority provided to the Secretary of Energy and others by the Congress through the Energy Policy Act of 1992 and the Energy Policy and Conservation Act. The Committee on Energy and Natural Resources, of which I am the ranking member, has jurisdiction under the Senate's rules for all aspects of energy policy, energy regulation, and conservation, energy research and development, and oil and gas production and distribution. Yet the committee has never been approached by the administration with a request to authorize any activities for EPA in this area. The committee, rather, has made some fairly clear assignments of responsibility to agencies other than EPA for topics such as product labeling for energy efficiency. I do not believe that it is acceptable for the administration to request funds in a manner that contravenes the clear intent of Congress with respect to statutory assignments of responsibility.

Mr. JEFFORDS. Of course, improving energy efficiency may be one way to prevent pollution, and Congress has authorized EPA to pursue pollution prevention activities in the Clean Air Act and the Pollution Prevention Act of 1990. Do you intend that any activity in the EPA that related to energy efficiency would, by that very fact, be transferred to the Department of Energy?

Mr. JOHNSTON. No; the report language that I proposed is very clear. If EPA lacks statutory authority for a particular activity that the Department of Energy or some other agency possesses, then EPA should not undertake that activity. The report language that I proposed would not preclude EPA from exercising its legitimate statutory authorities. For example, EPA is working with the gas industry in a program called Natural Gas Star to reduce losses of methane to the atmosphere from gas pipelines and other transmission equipment, under the aegis of the Pollution Prevention Act. My report language would not transfer this program to DOE.

Mr. JEFFORDS. Would the Senator be open to requesting a report from the EPA and from the Department of Energy to the Congress addressing how their programs that promote improved energy efficiency or that result in an energy supply that has less of a possibility of contributing to global climate change relate to one another and to the existing statutory authorities in the Energy Policy Act of 1992 and elsewhere?

Mr. JOHNSTON. Yes; I think that such a report would assist the Committee on Energy and Natural Resources in exercising its jurisdiction, under the rules of the Senate, over energy conservation and energy supply issues. As you know, the Committee on Energy and Natural Resources must reauthorize the Energy Policy and Conservation Act in this Congress, and if a majority of members of the committee were to believe that the EPA had a valuable role to exercise in this area that is not duplicative of what DOE or some other Federal agency is contributing or could contribute, such a role might be legitimately created in that context.

Mr. BOND. This has been a helpful and clarifying discussion. I support the suggestion of requiring a joint report to the appropriate congressional committees from the EPA and the Department of Energy on their activities related to improving the energy efficiency of energy supply and use, including a discussion of the statutory authorities under which they are conducted. I will ask that report language to this effect be inserted in the conference report on this bill.

Mr. JOHNSTON. I thank the Senator.

Mr. JEFFORDS. I thank the Senator.

TRAVIS VA HOSPITAL

Mrs. FEINSTEIN. I rise today in strong opposition to the VA, HUD and independent agencies appropriations bill for fiscal year 1996. I would like to focus on just one of the numerous reasons I will oppose this legislation—the lack of any funding for the Travis VA Hospital in northern California.

Let me briefly describe the current situation for northern California veterans seeking inpatient health services. A veteran in this service area must drive an average of 4 to 5 hours, sometimes as many as 8 hours, to get to a VA acute care facility. The veteran's family, because they are so far from home, generally must stay in a hotel for the duration of the veteran's hospital stay. Once the veteran is released from the hospital, he and his family must drive back and forth from home to the VA facility again for check-ups. This story could be repeated as many as 450,000 times. That's right, nearly half a million veterans who used to have complete access to inpatient health services are now without adequate care.

I am appalled that the members of the Senate Appropriations Committee turned their backs on nearly a half a million veterans by not continuing to fund the replacement VA Hospital at Travis Air Force Base. This facility is desperately needed to replace the VA Medical Center in Martinez, CA which was closed in 1991 because of earthquake damage.

While awaiting the replacement facility at Travis, the Veteran's Administration has been forced to piece together a patchwork healthcare system. They have had to borrow bed space at Travis AFB's David Grant Hospital, and have transferred patients to facilities hundreds of miles away. I commend the VA for doing an admirable job in such a bad situation. Unfortunately, since the closure of the Martinez Hospital, only 27 percent of that facility's inpatient services have been continued.

As bad as the situation has been, our veterans have been exceedingly patient. At the ground-breaking ceremony on June 2, 1994, attended by Vice President GORE, we all were optimistic that northern California's veterans would not have much longer to wait for quality healthcare. More than a year later, the plans are nearly complete and the land is ready to begin construction of the replacement hospital early next year. But instead, that land will stay empty, and nearly a half a million veterans will continue to be unserved.

The Travis VA Hospital is not a luxury to these veterans. They must drive between 4 and 8 hours to get inpatient healthcare. Should someone who served this country in war be required to drive from Washington, DC to New York City for healthcare? Now imagine that drive in order to obtain emergency medical care. That is correct. Veterans in northern California have no access to VA emergency services on evenings, weekends, or holidays. Currently, these veterans are forced to go to local health care facilities at either their own cost or at additional cost to the taxpayers. This situation is simply unacceptable, it is unnecessarily costly and is disrespectful of our veterans.

Please consider that this northern California area which would be serviced by Travis VA Hospital is one of the largest, most geographically dispersed, and highly populated veterans areas in the country. More veterans live in northern California than in 27 individual States and the District of Columbia. Would any Senator from those States allow the needs of every veteran in their State be ignored?

It is a sad day when the men and women who have served our country without question—and who have the right to expect their government to fulfill its promises—are now being told "tough luck." It is simply unconscionable.

I appeal to my colleagues to honor the commitment we as a Nation have made to our veterans, and join me in voting against this bill that so fundamentally fails to address the needs of so many veterans. I also hope that the President will veto this legislation which so flagrantly ignores the needs of America's veterans.

WATERTOWN, SD

Mr. DASCHLE. Mr. President, Senate consideration of the fiscal year 1996 VA, HUD, and independent agencies appropriations bill provides an appropriate opportunity to raise an issue involving the Environmental Protection Agency [EPA] and Watertown, SD, that merits our attention.

Fifteen years ago, acting upon the recommendation of the EPA, Watertown installed a infiltration/percolation [I/P] pond for the treatment of its wastewater. At the time, local officials were assured by the EPA that the community would be compensated for any future modification or repair of the system that might be needed for it to remain operational. That EPA pledge was a significant factor in the City's decision to install the I/P technology.

Unfortunately, the I/P system has not functioned as advertised. Since 1982, Watertown has invested more than $8 million in its wastewater treatment facility in an effort to make it work properly.

Despite these modifications, all of which were endorsed by the EPA, the system has never functioned to EPA's satisfaction. As a result, Watertown has failed to meet EPA regulations since 1988, and community officials continue to work with the EPA and the Justice Department to bring their wastewater treatment plant into compliance with the Clean Water Act and other regulations.

Watertown will need to make major capital investments to reach this end. I am informed that $15 million will be required for treatment plant improvements and an additional $10 million for sewer collection improvements.

While Watertown is one of the largest cities in my state, it has a population of less than 20,000. The scope of this problem greatly exceeds the availability of local resources to resolve it.

Nonetheless, the community is determined to be part of the solution. Watertown Mayor Brenda Barger and other local leaders have already pledged $3 million toward this project and will be exploring revenue bonds and other long-term debt financing mechanisms to secure additional revenues.

While the community's determination to participate in the solution of their wastewater treatment dilemma is commendable, the responsibility should not be theirs alone. The commitment that the federal government made to this community should not be ignored.

It bears emphasis that Watertown's decision to install its I/P system was based on assurances from EPA that the technology would work. Fifteen years ago, EPA provided what amounted to a guarantee of the technology.

Local and Federal officials shared in the genesis of this problem and, therefore, it deserves a joint local/federal solution. Last May, I wrote the Senate Appropriations Committee to request federal funding to help upgrade the Watertown wastewater treatment plant.

While the federal government could be held accountable for full funding of this project, it is worth noting that Watertown recognizes its responsibility in this matter and has worked hard to secure significant local funding sources.

It is a reasonable request that this appropriations bill include funding for the City of Watertown. The Federal government was part of the fateful decision to go the I/P route. Moreover, in past years this bill has included funding for communities that installed I/P systems at the recommendation of the EPA. Complicity and precedent argued for Federal participation in the search for a solution. Absent such assistance, Watertown will be unable to solve its wastewater treatment facility problems.

Mr. President, the final version of the fiscal year 1996 VA, HUD, and independent agencies appropriations bill should include a substantial level of federal funding for the replacement of Watertown, South Dakota's wastewater treatment facility. I will continue to work with the managers of this bill to seek a fair resolution to this issue and hope that before this process is completed, a solution can be worked out.

YELLOW CREEK

Mr. COCHRAN. Mr. President, I rise for the purpose of engaging in a short colloquy with the distinguished Senator from Missouri, the chairman of the VA, HUD, and Independent Agencies Appropriations Subcommittee.

Will the Senator assist me in clarifying an issue in the bill under consideration today?

Mr. BOND. I would be pleased to assist my colleague, the senior Senator from Mississippi.

Mr. COCHRAN. I thank the Senator from Missouri. The issue I wish to clarify is the Appropriation Committee's intent on the transfer of the National Aeronautics and Space Administration (NASA) Yellow Creek facility to the State of Mississippi.

As the Senator knows, the Federal Government has a long history of involvement in Yellow Creek, located near Iuka, Mississippi. The site, originally purchased by the Tennessee Valley Authority for use as a nuclear energy plant, was subsequently transferred to NASA after the nuclear energy plant's cancellation. NASA intended to use Yellow Creek to build the Advanced Solid Rocket Motor (ASRM) and, after its cancellation, instead committed to use the site to build nozzles for the Redesigned Solid Rocket Motor (RSRM). On May 2, 1995, due to its current budgetary constraints, NASA terminated the RSRM nozzle production effort at Yellow Creek.

Would the Senator agree that the bill language included by the Appropriations Committee on the transfer of the NASA Yellow Creek facility reflects the most recent commitment made by NASA Administrator Dan Goldin to the Governor of the State of Mississippi. The major investment by the State of Mississippi in facilities and infrastructure to support Yellow Creek, in excess of $100 million, is a key factor in NASA's agreement to turn the site over to the State of Mississippi.

Mr. BOND. I agree with the Senator's assertion.

Mr. COCHRAN. Would the Senator further stipulate that the main elements of the agreement reached between NASA and the State of Mississippi, which the conferees would expect to be adhered to by both parties, are as follows:

First, the Yellow Creek facility will be turned over to the appropriate agency of the State of Mississippi within 30 days of enactment of this legislation. All of the NASA property on Yellow Creek which the State of Mississippi requires to facilitate the transfer of the site transfers with the site to the State, subject to the following exceptions anticipated by the conferees:

> Any property assigned to a NASA facility other than Yellow Creek prior to May 2, 1995, but located at Yellow Creek will be returned to its assigned facility;
>
> Only those contracts for the sale of NASA property at Yellow Creek signed by both parties prior to May 2, 1995 shall be executed;
>
> Those items deemed to be in the "national security interest" of the federal government shall be retained by NASA. The national security clause shall be narrowly construed and shall apply only in a limited manner, consistent with established criteria relating to national security interests. This clause shall not be used to circumvent the intent of this legislation, which is to transfer the site and all of its property, except as otherwise noted, to the State of Mississippi.
>
> Other items of interest to NASA may be retained by NASA with the consent of the State of Mississippi.

Further, it is the expectation of the Appropriations Committee conferees that all other NASA personal property will transfer to the State of Mississippi. The Appropriations Committee also expects facilities on the site not subject to the above provisions, such as the environmental lab, to be left as is.

Second, any environmental remediation of Yellow Creek necessary as a result of the activities of governmental agencies, such as NASA, or quasi-governmental agencies, such as the Tennessee Valley Authority, will be the responsibility of the federal agency or quasi-federal agency, including any successors and interests.

Third, within 30 days of enactment of this legislation $10 million will be transferred from NASA to the appropriate agency of the State of Mississippi.

And lastly, the site's environmental permits will become the property of the State of Mississippi. NASA will provide all necessary assistance in transferring these permits to the State of Mississippi.

Mr. BOND. I would agree with the Senator's stipulations.

Mr. COCHRAN. I thank the chairman. I appreciate his willingness to address the Yellow Creek transfer in the committee report.

DRUG ELIMINATION GRANTS

Mr. LAUTENBERG. I would like to engage Senator BOND in a colloquy. It is my understanding that H.R. 2099 contains funding for the Department of Housing and Urban Development's drug elimination program. I would like to know if it is the Senator's understanding that this funding will be available to privately owned, assisted housing?

Mr. BOND. Yes, this funding will be available to public housing and privately owned, federally assisted housing.

Mr. LAUTENBERG. I thank the Senator for clarifying this. Drug elimination grants have been enormously helpful in my state in the battle against drugs and drug-related crimes at public and assisted housing projects. This program is a critically important tool for us to maintain this country's multi-year investment in decent, affordable housing. I would like to thank Senator BOND for his leadership in supporting this successful and worthwhile program.

THE CENTER FOR INTERNATIONAL EARTH SCIENCE INFORMATION NETWORKS

Mr. ABRAHAM. Mr. President, I would like to engage the distinguished chairman of the Senate Appropriations Subcommittee on Veterans Affairs, Housing and Urban Development, and Independent Agencies in a brief discussion regarding the impact of H.R. 2099 on this year and future year's Mission to Plant Earth projects. The Committee Report accompanying H.R. 2099 directs a $6 million deletion in the Mission to Planet Earth program for the Consortium for International Earth Science Information Networks [CIESIN] in Saginaw, Michigan. This center is one of NASA's nine Distributed Active Archive Centers [DAACs] supporting the Earth Observing System Data and Information System. CIESIN is the only one that provides integrated socioeconomic data access for the study of the effect society has upon the environment. Because of this unique capability, I understand CIESIN fielded more requests for data last year than all of the other eight DAACs combined. I also understand NASA officials have stated the product provided by CIESIN is vital to the Earth Observing System program. In light of these considerations, I would ask my distinguished colleague from Missouri why the Committee recommends deleting the CIESIN budget request from the 1996 appropriations?

Mr. BOND. I understand my colleague's concerns regarding the Mission to Planet Earth program, but I wish to assure him the deletion recommendation is not targeted against CIESIN as an institution, but instead towards ensuring the function of CIESIN is integrated within NASA's Earth Observing System program to bring it in line with the structure of the other DAACs. That is why the full Appropriations Committee changed the Subcommittee recommendation on integrating this program into the EOS plan from 1997 to 1996; with that provision, the socioeconomic data function can continue uninterrupted if so desired by NASA.

Mr. ABRAHAM. I thank the Senator for that clarification, and wish to follow-up regarding how that data will be provided. Given NASA itself made the recommendation for CIESIN funding, I believe it is apparent this is a valid program given the Committee's recommendation to continue significant funding for the Mission to Planet Earth program. If NASA wished to bring in an outside contractor to provide this socioeconomic data service, would the Committee report language prevent CIESIN from bidding upon, and potentially winning such a contract?

Mr. BOND. Absolutely not. Nothing in the Committee report would prevent NASA from participating in any funded activities with CIESIN, whether within the Mission to Planet Earth program, or some other federal program.

Mr. ABRAHAM. If the Senator would be so kind, I would just like to wrap up with one more question. Given the House Report on H.R. 2099 also deletes $6 million for CIESIN, would the Senator from Missouri speculate as to whether similar language in a Conference report would also allow for CIESIN to receive a NASA contract for these services?

Mr. BOND. I believe the Conference language likely on this issue, given the close similarity between House and Senate positions, would allow for CIESIN to compete and win a NASA contract to provide this socioeconomic data, or to participate in any other federal program. As my distinguished counterpart in the House of Representatives stated on the House floor July 27th, "* * * there is nothing in the [House NASA] appropriations bill that prejudices competitive success by CIESIN for NASA funding in future requests or for bids of proposal." I will pursue such an interpretation in Committee and oppose any measures to preclude CIESIN from competitively bidding for federal contracts.

Mr. ABRAHAM. Mr. President, I wish to thank the chairman of the Subcommittee for that explanation and for the kind assistance he has provided me and my staff in resolving this issue. Mr. President, I yield the floor.

Mr. DOMENICI. Mr. President, I rise in support of H.R. 2099, the Departments of Veterans Affairs and Housing and Urban Development and independent agencies appropriations bill for 1996.

This bill provides new budget authority of $81 billion and new outlays of $46.3 billion to finance the programs of the Departments of Veterans Affairs and Housing and Urban Development, the Environmental Protection Agency, NASA, and other independent agencies.

I congratulate the Chairman and Ranking Member for producing a bill that is within the Subcommittee's 602(b) allocation. When outlays from prior-year BA and other adjustments are taken into account, the bill totals $80.8 billion in BA and $92.5 billion in outlays. The total bill is under the Senate subcommittee's 602(b) nondefense allocation for budget authority by $36 million and under its allocation for outlays by $18 million. The subcommittee is also under its defense allocation by $18 million in BA and $20 million in outlays.

Although the bill is under the allocation for 1996, I would like to point out the budgetary effect that two of its provisions would have in 1997. The bill includes a demonstration program to start reducing the rental assistance subsidies to multifamily projects that are insured by FHA at above-market value, as well as a preservation grant program with a minimal paperwork process.

Both provisions, however, would not take effect until October 1, 1996—the beginning of fiscal year 1997. Because this provision would increase costs in the mandatory FHA program by $280 million in 1997, the discretionary cap for that year would be reduced by that amount.

In addition, because reducing the paperwork for the preservation grant program in 1997 is designed to increase the outflow of funds, 1997 outlays will be $400 million greater than they would be from that appropriation under the way the program currently works. This has the effect of a delayed obligation that will cost the committee $400 million against its allocation before it even starts marking up next year.

I ask Members of the Senate to refrain from offering amendments which would cause the subcommittee to exceed its budget allocation and urge the speedy adoption of this bill.

Mr. President, I ask unanimous consent that a table displaying the Budget Committee scoring of the bill be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

VA–HUD SUBCOMMITTEE—SPENDING TOTALS—SENATE-REPORTED BILL

[Fiscal year 1996, in millions of dollars]

	Budget authority	Outlays
Defense discretionary:		
Outlays from prior-year BA and other actions completed	....	78
H.R. 2099, as reported to the Senate	153	92
Scorekeeping adjustment	....	....
Subtotal defense discretionary	153	169
Nondefense discretionary:		
Outlays from prior-year BA and other actions completed	....	45,660
H.R. 2999, as reported to the Senate	61,464	28,963
Scorekeeping adjustment	....	....
Subtotal nondefense discretionary	61,464	74,624
Mandatory:		
Outlays from prior-year BA and other actions completed	....	133
H.R. 2099, as reported to the Senate	19,362	17,213
Adjustment to conform mandatory programs with Budget	....	....
Resolution assumptions	−224	341
Subtotal mandatory	19,138	17,688
Adjusted bill total	80,754	92,481
Senate Subcommittee 602(b) allocation:		
Defense discretionary	171	189
Nondefense discretionary	61,500	74,642
Violent crime reduction trust fund	....	....
Mandatory	19,138	17,688
Total allocation	80,809	92,519
Adjustment bill total compared to Senate Subcommittee 602(b) allocation:		
Defense discretionary	−18	−20
Nondefense discretionary	−36	−18
Violent crime reduction trust fund	....	....

VA–HUD SUBCOMMITTEE—SPENDING TOTALS—SENATE-REPORTED BILL—Continued

[Fiscal year 1996, in millions of dollars]

	Budget authority	Outlays
Mandatory		
Total allocation	−55	−38

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

Mr. SARBANES. Mr. President, the appropriations bill before us today represents a major step backward for the environment. While less extreme than the House-passed measure, it still proposes to cut EPA's budget by $1.7 billion—fully 23 percent below the levels enacted in fiscal 1995—and contains 11 so-called riders which would significantly undermine the Environmental Protection Agency's ability to administer and enforce environmental laws and perform its important mission of protecting public health and the environment.

Maryland alone would lose over $14 million in funding needed to upgrade outdated sewage treatment facilities—projects which have a direct impact on the water quality of the Chesapeake Bay, our coastal beaches and bays, and local waters. Legislative provisions in the underlying measure would prohibit EPA from implementing section 404(c) of the Clean Water Act which gives the agency authority to review U.S. Army Corps of Engineers wetlands permit decisions and provides another system of checks and balances in protecting the quality of our Nation's waters. In addition, the proposed cut of some $20 million in EPA's enforcement and compliance assurance program would severely impact upon the agency's ability to inspect industrial and Federal facilities in Maryland and prosecute violations.

Mr. President, this bill unfairly singles out EPA to bear a disproportionate share of the deficit reduction burden. It will not just decrease the rate of increases, but will severely cut EPA's funding. Its riders would undercut a number of our Nation's environmental statutes, without adequate hearings, public involvement or review. These actions are unjustified and unwarranted and for these and other reasons, I urge my colleagues to join me in rejecting this bill.

Mr. BOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BOND. Mr. President, I now ask unanimous consent that there be a period for the transaction of morning business, with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. SENTENCING COMMISSION RECOMMENDATIONS

Mr. HATCH. Mr. President, I rise today in support of S. 1254, a bill to block reductions in penalties for crack dealing proposed by the United States Sentencing Commission. If the Congress does not act, those changes will take effect this November 1.

According to the Department of Justice, which has also asked us to block implementation of the changes, the new penalty structure will make base sentences for crack anywhere from two to six times shorter than they are now.

That is simply irresponsible public policy. It would send a terrible message both to crack dealers and to communities trying to fight back against the crack trade.

No one, not even the Sentencing Commission, denies that the brunt of crack's social consequences have fallen on poor, urban, minority, residents. Given what crack has done to our cities, it frankly amazes me to hear people arguing for lower sentences. Especially from people who wouldn't for one moment tolerate an open-air crack market in their neighborhood in Scarsdale or Chevy Chase.

The Commission's own report, moreover, acknowledges that crack's psychoactive effects are far more intense than powder cocaine, which means that crack is far more addictive.

Members of the Sentencing Commission are concerned that the current sentencing structure creates a perception of unfairness because most convicted crack dealers are African-Americans, whereas a majority of convicted powder dealers are White or Hispanic. I am sensitive to these concerns. This Congress will deal severely and aggressively with any indication that prosecution or sentencing is being driven by racial considerations. We will not tolerate any racial discrimination in our criminal justice system.

But Mr. President, it is also important to remember that the number of people convicted for crack violations each year is just 3,430. I am more concerned, to be blunt, about the millions of people living in our cities whose quality of life is being ruined. These people have equal rights to safe neighborhoods.

To those who say the Federal Government is locking up tens of thousands of nonviolent, low-level offenders, let me say this: We studied that question. What we found was that out of the 3,430 crack defendants convicted in 1994, the number of youthful, small-time crack offenders with no prior criminal history and no weapons involvement, sentenced in Federal courts, was just 51. The median crack defendant was convicted of trafficking 109 grams—more than 2,000 rocks or doses. Only ten percent of crack defendants had trafficked less than 2–3 grams of crack—the equivalent of 40–60 doses.

And finally, on Tuesday, September 12, HHS released alarming figures showing drug use up sharply among our young people. Mr. President, this is not the time to be sending the message that we are weakening social sanctions against the drug trade.

I urge my colleagues to join me in supporting this legislation.

D.C. BOOTH HISTORIC FISH HATCHERY

Mr. PRESSLER. Mr. President, I rise today in honor of the rededication of the D.C. Booth Historic Fish Hatchery in Spearfish after extensive renovations. These developments represent exciting opportunities for learning and historic preservation.

It was Senator Pettigrew, one of South Dakota's earliest and most prominent Senators, who first appropriated funding for the hatchery in the 1890's. Originally called the Spearfish National Fish Hatchery, it was later renamed in honor of the original superintendent, D.C. Booth. The facility is now almost 100 years old and has been listed on the National Register of Historic Places. It is one of the oldest fisheries west of the Mississippi River and now plays a significant role in western South Dakota's tourism industry, bringing in over 200,000 visitors each year.

I worked closely with my colleagues on South Dakota's congressional delegation to authorize the renovation of the D.C. Booth Fish Hatchery. In 1991, Congress recognized the historic importance of this fish hatchery. Funding was subsequently provided to renovate the existing facilities. In addition, an underwater fish viewing area and a new historical fishery records and archive center were constructed. The archive center, which collects and preserves the national public historical fishery records and artifacts, is the only one of its kind in the country.

Over the years, the hatchery has also made strides towards improving fish population and diversity in western South Dakota. Interestingly enough, the trout which are raised at the D.C. Booth Fish Hatchery are not native to the Black Hills area. This hatchery originally was responsible for stocking not only the Black Hills, but also Yellowstone National Park.

One particularly interesting feature which will soon be available to tour is an old Federal Fishcar Service railroad car. At one time, trout eggs were transported to and from Spearfish in refrigerated rail cars. With the advent of faster transportation, this method has long since been abandoned. When the exhibit is finished, visitors will be able to walk through a renovated rail car, complete with original dishes and trout egg storage trays.

On Sunday, September 24, 1995, a ceremony was held in Spearfish, SD, to rededicate the renovated D.C. Booth Historic Fish Hatchery. This ceremony would not have been possible without the hard work and dedication of Mr. Arden Trandahl, director of the site for the Fish and Wildlife Service. During his tenure in Spearfish, he has been thoroughly committed to preserving the historic significance of the hatchery.

Thanks to the devotion of Arden Trandahl and the Fish and Wildlife Service, the State of South Dakota, and the community of Spearfish, this renovation project is now a reality. I would also like to thank Molly Salcone and the other members of the D.C. Booth Society. As president of this non-profit society, she has fostered a unique private-public partnership which provided valuable assistance in the restoration of the D.C. Booth Fish Hatchery. This project is a great example of how we can all work together to make things happen.

The renovated D.C. Booth Historic Fish Hatchery provides a unique educational experience, combining past and present fish management. I extend my congratulations and best wishes for the future success of the facility.

THE FOUR EAGLES MEMORIAL

Mr. PRESSLER. Mr. President, today I would like to call attention to a monument recently dedicated to the memory of four men who lost their lives in a catastrophic plane crash near Minot, ND. The crash occurred during a blizzard in February 1994, as the pilot and passengers—three Indian Health Service [IHS] doctors—were travelling to several IHS clinics in the area.

The West River Monument Co. of Rapid City, SD, constructed a monument made of Dakota mahogany granite as a tribute to the victims of the crash. This monument, entitled "Four Eagles Memorial," was dedicated on Saturday, September 16, 1995.

For years now, I have been a strong advocate for small aircraft safety. It saddens me each time I learn of aircraft-related fatalities. The men who lost their lives in the crash were dedicated to their work, their families, and their friends. Their loss continues to be felt.

Yet, tributes like the one made to these men are heartfelt. While a year and one-half have passed since this tragedy, we will not forget the victims of the crash. My thoughts continue to be with the families and friends of the men who perished in this unfortunate accident. The Four Eagles Memorial will serve to remind us always of these four admired and well-respected men.

A recent article appeared in the Rapid City Journal of Rapid City, SD, regarding the dedication of the memorial. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Rapid City Journal, Sept. 15, 1995]

MEMORIAL TO DOCTORS DEDICATED SATURDAY

(By Bill Harlan)

Granite monument will honor the three Indian Health Service doctors killed in 1994 plane crash.

Stone cutter Ken Krzyzanowski will etch the doctor's names into the monument. Brandon Zander, a Stevens High School senior who works part-time at West River Monument Co., helped create the design. He is the son of the manager of West River Monument.

John DuBray says many people helped create the monument to three Indian Health Service doctors who died in a plane crash last year.

But DuBray is especially grateful to LeRoy Zander, manager of West River Monument Co. of Rapid City, which is building the memorial.

"He didn't know us from Adam, and he went above and beyond. He really did his best," DuBray said.

The "Four Eagles Memorial" is a granite monument that will stand nearly four feet tall when placed on its round concrete base in front of the main building at Sioux San Hospital.

DuBray and other Sioux San personnel will dedicate the memorial in a ceremony at 11 a.m. Saturday at the hospital, where two of the three doctors worked. The public is invited.

This week, the doctors' names are being etched on three sides of the "Dakota mahogany" granite, along with brief professional and personal descriptions.

An inscription on the fourth side will describe the purpose of the monument, which is "in lasting memory of our courageous physicians."

The four-sided memorial will rest on a round base, and two granite benches will be installed nearby, inscribed with names of the members of the doctors' families.

DuBray is a public health nursing assistant at Sioux San, and he also is coordinating the memorial project. He also worked with two of the doctors.

The doctors' plane went down in a blizzard near Minot, N.D., on Feb. 24, 1994. IHS were visiting IHS clinics in the region.

DuBray said four eagles on the monument and four juniper trees that will be planted at the site will memorialize the three doctors and the pilot, who also was killed.

The memorial cost $6,500, all of it donated.

Funds came from Sen. Tom Daschle, D-S.D., Sen. Larry Pressler, R-S.D., doctors of the Black Hills Regional Eye Institute, families of the doctors who were killed and other donors.

The doctors killed were Arvo Oopik, 37, a cardiologist based in North Carolina; Christopher Krogh, 45, a maternity and infant-care specialist based at Sioux San, and Ruggles Stahn, 46, a diabetes specialist also based at Sioux San.

The pilot of the plane was Ed Mellen, 53, who also died in the crash, and flew for B&L Aviation.

U.S.-SINO RELATIONS

Mr. THOMAS. Mr. President, last Friday I had the opportunity to speak before the Washington chapter of the Asia Society on the subject of U.S.-Sino relations. I would like to share that speech with my colleagues, and ask unanimous consent that the text be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TOWARDS A NEW CHINA POLICY

I'm very pleased to be here this morning to inaugurate the Asia Society's new forum series featuring members of Congress with responsibility for Asian policy issues. I'm also pleased to see Ambassador Nathan of Singapore, the new Sri Lankan ambassador, and Minister Zhang Keyuan from the Chinese embassy are here with us today.

The Subcommittee on East Asian and Pacific Affairs of the Senate Foreign Relations Committee, which I chair, has jurisdiction over Asia from Burma and Mongolia east to the shores of California. As you are all well aware, this area is probably the most dynamic in the world right now. With China, Taiwan, Japan, Hong Kong, Singapore and Vietnam, it is the economic engine that will drive the world economy into the 21st Century and beyond.

Among all these established and developing economies, with 1.2 billion people, a GDP equivalent around $2.73 trillion, a national product real growth rate last year of 13.4 percent, it is clear that the chief economic and political "tiger" that will dominate Asia in the years to come is the People's Republic of China. As such, the dynamics of our bilateral relationship will become even more important—both for us and the other countries in the region—in the years ahead. The U.S.-Sino relationship is a major focus of the work of the subcommittee. Of the six substantive hearings the subcommittee has held this year, four have concerned the PRC; we are planning at least three more before the close of the year. It is that relationship which I have been asked to address this morning.

It will come as no surprise to those of you here this morning that the US-Sino relationship is not presently at its best. Since the administration's decision to admit Taiwan's President Lee for a private visit, we have seen the most serious deterioration of relations since the Tiananmen Massacre. I won't engage in a step-by-step analysis of each of the incidents which have afflicted our relationship in the past year for two main reasons. First, I believe that you are all intimately familiar with them and their recitation would be redundant. More importantly, however, I believe that the problem is much more fundamental than those issues.

The core problem in U.S.-Sino relations is that we lack a coherent and clearly articulated foreign policy. Unfortunately, the phrase "Clinton foreign policy" is an oxymoron. Instead, of having clear proactive policy goals, and making them and our strong commitment to them known to the countries concerned, this administration drifts from reaction to reaction. The pitfalls of this kind of reactive policy are clearly apparent in what's been going on in Bosnia; and they are clearly apparent in our relationship with the PRC.

In my view, for there to be a viable foreign policy between, say, country A and country B, you should be able to ask officials from A what its policy towards B is, ask B what A's policy towards B is, and get pretty close to the same answer from each. According to the Chinese, however, our policy towards them is one of containment. According to our State Department, it is one of "constructive engagement." You can see the problem here—there is a very large conceptual gap between these two.

"Constructive engagement" seems to me, and others I have spoken with, to be a bit vague. The administration describes it this way. Say there are 1,000 different individual issue strands that make up our over-all bilateral relationship. On some of the issues we're in complete agreement, others in partial agreement, and others in complete disagreement. So, we'll work on those areas where we might expect some progress, and not press those where we conflict. The administration calls this a policy. In my view, though, this is no policy at all, but 1,000 separate conflicting little policies. From what I hear from the Chinese, both officially and unofficially, they find it rather confusing as well.

This confusion is made worse by the domestic climate in each respective country. First, in the United States, there are the complications caused by the fact that nature, and the Congress, abhor a vacuum. When Congress perceives a lack of leadership on the foreign policy stage, it has traditionally been quick to step in and supply its own. This often leads to conflicting policies between the two branches and sends confusing signals abroad. A clear example is the visit of President Lee. The administration stated categorically that it would not issue a visa for Lee to pay a private visit to the United States. Both houses of Congress, on the other hand, made clear by overwhelming votes that he should be admitted.

In the P.R.C., the ongoing jockeying for power in the soon-to-be-post-Deng-Xiaoping era has also accentuated the problems in the bilateral relationship. In times of political flux in China, one of the tried and true ways of establishing one's conservative communist bona fides is to be stridently xenophobic. To be seen as coddling the United States, or giving in to its "demands," can thus be the functional equivalent of political suicide. As a result, during periods of transition such as this Chinese reaction to incidents it considers provocations is often overblown for domestic consumption. I hate to keep coming back to Taiwan as an example, but I strongly believe the PRC's overreaction to our admitting President Lee—for an unofficial visit well within the parameters of the three joint communiques—is a direct result of its leadership courting the political support of the conservatives in the PLA.

So, ladies and gentlemen, given all these problems I believe that the time has come to reevaluate and restructure our China policy, and that reevaluation needs to start with the very core premise upon which it is built. I'm sure if you've ever listened to administration or PRC officials, read the Congressional RECORD or the People's Daily, or spoken with a variety of public policy figures, you have heard the oft-repeated statement that our two countries need to be good friends, or need to return to being good friends, or shouldn't let present frictions stand in the way of what should be our close friendship.

I would love for the U.S. to be close friends with China, but expecting us to be close friends at this point in history overlooks a fundamental problem: the PRC is a totalitarian state, a communist dictatorship; the United States is a democracy. Almost by definition, a close friendship between two such diametrically opposed systems is impossible. Friendships are based on shared aspirations, shared goals, shared dreams; but our most fundamental views of politics and human freedoms are poles apart. This is not a pessimistic view, or the view based on some anti-China bias, or a Republican view, or a conservative view; it is a reality. The Chinese are rightly fond of their proverbs, and I would invoke one here to illustrate my point: "Hu lu bu tóng xóng"—"Tigers and deer do not walk together." To delude ourselves into thinking that as countries we will be anything near close friends is just that, a delusion.

I think both we and the Chinese government have to recognize that there are certain fundamental issues upon which, under our present political systems, we will never agree and which realistically preclude the kind of relationship we have with other countries in the region such as Japan. Having said that, however, I would note it does not mean that we can't establish a constructive working relationship with them based on areas where we have shared interests. I think that it's the difference between the friendship among close personal friends and a friendship based on, say, a business relationship. For example, it's the difference between my friendship with fellow Wyoming Senator Al SIMPSON and my friendship with Chinese Ambassador Li Daoyu. I grew up in Wyoming with Al, went to the same high school; the two of us have shared experiences and ideals that have made us the best of friends. Ambassador Li and I have a different friendship. I enjoy our meetings, I find our contacts helpful and informative, but our friendship is primarily business-based; there is not that closeness, nor would we either of us expect that there would be.

What our two countries need to do, then, is start over from that point, and work to reshape the very nature of our bilateral relationship. We need to build that relationship around a core of mutual respect and our shared goals. We need to state what the parameters of the policy are, and then we need to stick to them. In that way there are no surprises, no unmet expectations, no confusion on either side.

The most obvious area where we share interests is in the economic sphere. It is a symbiotic relationship; we have the technological know-how and the products, they have the desire to expand their economy and the almost unlimited market. This is probably our most stable and dependable commonality, problems with the rule of law and intellectual property rights aside. This stability is illustrated by the fact that during the recent downturn in our relationship, our economic ties remain relatively unscathed. Consequently, trade would probably be a good place to start to restructure the basis of the relationship. Secondly, we both have a general interest in maintaining a stable Asia. Instability endangers markets, endangers both our national security interests, and alienates and endangers our relationships with other countries in the region. This provides another base from which to build.

There will continue to be areas of real disagreement between us. But I believe that by mutually redefining our relationship (and I do not mean here, for the benefit of the Chinese government, in any way redefining our commitment to the three communiqúes or the "one China" policy) we can perhaps minimize the effect those disagreements have on our bilateral relationship. I think that by being a bit more realistic about what kind of friendship we can have, we will somewhat lower our mutual expectations. When expectations in a relationship are lowered, blows to that relationship tend to have less of a disruptive impact.

Let me note in closing that I am not an Asia expert. Many of you in this room this morning have been pursuing Asian affairs for decades. I do not pretend to know all the nuances and eddies and currents of this part of the world. But let me quote once again a Chinese proverb: "Dang ju zhe mi, pang guan zhe qing"— "Observers can see a chess game more clearly than the players." Perhaps it is time for a fresh approach.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, before discussing today's bad news about the Federal debt, how about "another go," as the British put it, with our pop quiz. Remember? One question, one answer.

The question: How many millions of dollars does it take to add up a trillion dollars? While you are thinking about it, bear in mind that it was the U.S. Congress that ran up the Federal debt that now exceeds $4.9 trillion.

To be exact, as of the close of business yesterday, September 25, the total Federal debt—down to the penny—stood at $4,949,968,824,497.45, of which, on a per capita basis, every man, woman and child in America owes $18,790.17.

Mr. President, back to our pop quiz, how many million in a trillion: There are a million million in a trillion.

MESSAGE FROM THE HOUSE

ENROLLED BILLS SIGNED

A message from the House of Representatives announced that the Speaker has signed the following enrolled bills:

H.R. 1817. An act making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes.

H.R. 1854. An act making appropriations for the Legislative Branch for the fiscal year ending September 30, 1996, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore (Mr. THURMOND).

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1471. A communication from the Director of the United States Arms Control and Disarmament Agency, transmitting, pursuant to law, a report entitled, "Arms Control, Nonproliferation and Disarmament Studies Completed in 1994"; to the Committee on Foreign Relations.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–305. A resolution adopted by the Senate of the Legislature of the State of Alaska; to the Committee on Armed Services.

"SENATE RESOLVE NO. 3

"Whereas the closure of the Naval Air Facility in Adak, Alaska, is anticipated to occur is 1995; and

"Whereas the land and existing infrastructure of the facility could be used after the closure to benefit people and businesses in the state, as well as to serve the long-term interests of the state and the federal government; and

"Whereas the closure of the facility presents a unique opportunity to develop a new community for the western Aleutians, to promote commercial ventures, and to use the existing land and infrastructure for community purposes; and

"Whereas, unless appropriate steps are taken immediately to preserve the buildings and other infrastructure from damage by wind and moisture, the future use of the existing infrastructure and the development of the Adak community will be jeopardized; be it

"*Resolved*, That the Senate supports the conversion of the Naval Air Facility in Adak, Alaska, into a facility that can be used beneficially by the citizens of the western Aleutians; and be it further

Resolved, That the Senate respectfully requests the United States Department of Defense to

(1) take effective and timely measures to preserve the infrastructure that constitutes the Naval Air Facility in Adak, Alaska;

(2) work closely with all federal and state agencies, the Department of the Navy, and the Aleut Corporation regarding the future use of the facility after its closure;

(3) designate in a timely manner an authority, preferably the Aleut Corporation, for developing the future use of the property constituting the facility; and

(4) arrange for the transfer of the property that constitutes the facility to the Aleut Corporation as part of the corporation's entitlement under 43 U.S.C. 1601–1641 (Alaska Native Claims Settlement Act)."

POM–306. A resolution adopted by the Cable Television Board of Campbell County, Kentucky relative to telecommunications; to the Committee on Commerce, Science, and Transportation.

POM–307. A resolution adopted by the Senate of the Legislature of the State of California to the Committee on Commerce, Science, and Transportation.

"SENATE RESOLUTION NO. 21

"Whereas, rail passenger service provided by the National Rail Passenger Corporation (Amtrak) is energy-efficient and environmentally beneficial, consuming less energy per passenger-mile than airlines and causing less air pollution; and

"Whereas, Amtrak provides mobility to citizens of many smaller communities poorly served by air and bus services, as well as to senior citizens, disabled people, students, and persons with medical conditions that prevent them from flying, who need trains as a travel option; and

"Whereas, travel by Amtrak is safer than driving, on a passenger-mile basis, and Amtrak operates even in severe weather conditions; and

"Whereas, Amtrak travel rose 48 percent from 1982 to 1993, and Amtrak dramatically increased the amount of its operating cost paid from revenues; and

"Whereas, the expansion of Amtrak service by using existing rail rights-of-way would cost less and use less land than the construction of new highways and airports, and would further Amtrak's energy-efficiency advantage; and

"Whereas, Federal investment in Amtrak has fallen in the last decade while it has risen for airports and highways; and

"Whereas, while states may use higheay trust fund money as an 80-percent federal match for a variety of nonhighway programs, they are prohibited from using those moneys for Amtrak projects; and

Whereas, Amtrak pays a fuel tax that airlines do not pay; Now, therefore, be it

"*Resolved by the Senate of the State of California*, That the President and the Congress of the United States are respectfully memorialized to do all of the following:

"(1) Maintain or increase federal funding for Amtrak.

"(2) Extend to Amtrak the same exemption from fuel taxes that is afforded airlines.

"(3) Allow states to use federal highway trust fund moneys for Amtrak projects if they so choose.

"(4) Include a strong Amtrak system in any plans for a National Transportation System; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM–308. A joint resolution adopted by the Legislature of the State of California; to the Committee on Commerce, Science, and Transportation.

"ASSEMBLY JOINT RESOLUTION NO. 28

"Whereas, the future success of California's economy and the future welfare of its citizens rests upon its ability to increase the employment skills and competitiveness of its people and to stimulate economic growth; and

"Whereas, the improvement of California's employment capabilities and competitiveness of its people requires high quality education supported by an advanced telecommunications and information infrastructure; and

"Whereas, increases in the productivity and competitiveness of California's education and public library system are essential to upgrading the quality of the existing education system; and

"Whereas, the development of an advanced state-of-the-art telecommunications and information infrastructure, utilizing modern information processing technology in California's education and library system, linked locally, nationally, and internationally to businesses, residences, and other public and private services, is essential for achieving a quality educational system in a cost-effective manner; and

"Whereas, the development of an advanced state-of-the-art telecommunications infrastructure in California is essential to promoting the economic competitiveness of the state, improving the literacy and employment skill level of its citizens, and ensuring the future vitality of its educational and library systems; and

"Whereas, California must ensure that the state benefits from telecommunications infrastructure advances and ensure universal access to information and education resources for all residents of the state; and

"Whereas, California must assume a position of economic leadership and national prominence in the information age by funding school and library information infrastructure in a manner which is technology and provider neutral; and

"Whereas, California will attain a superior technology and provider neutral school and public library information and telecommunications infrastructure by utilizing and integrating, on a nondiscriminatory basis, the technology and services of numerous state-of-the-art providers; and

"Whereas, current funding mechanisms may not provide California's schools and public libraries with the funds needed to construct the infrastructure necessary to take advantage of telecommunications technologies and services, to purchase those services, or to provide the education, training, and information needs they are intended to serve; and

"Whereas, the current Congress has expressed its belief in the concept that the individual states are better able to determine their individual needs and are better positioned to determine how moneys should be spent to address those needs; and

"Whereas, the Federal Communications Commission is charged with the responsibility of administering the radio frequency spectrum as a national asset for the benefit of the American public; and

"Whereas, the Federal Communications Commission is currently conducting an auction of radio spectrum that will be used by winners of that auction to provide personal communications services; and

"Whereas, the Federal Communications Commission auction has generated moneys in excess of seven billion dollars which is approximately three billion dollars more than the approximately four billion dollars that has been earmarked for budget deficit reduction, and that this approximately three billion dollars should be shared with the individual states so that they may accelerate development of their telecommunications infrastructure by using public institutions such as schools and public libraries as catalysts: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly*, That the Congress of the United States enact whatever laws are necessary to allow each state to share in the proceeds of the current Federal Communications Commission auction of radio spectrum for purposes of funding their schools' and public libraries' telecommunications and information infrastructure; and be it further

"*Resolved*, That revenues received as a result of this resolution be efficiently expended in a technology and provider neutral manner using California's schools and public libraries as catalysts to accelerate the development of the state's telecommunications and information infrastructure; and be it further

"*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM–309. A resolution adopted by the City Council of Puyallup, Washington relative to spent nuclear fuel; to the Committee on Environment and Public Works.

POM–310. A resolution adopted by the Assembly of Fairbanks North Star Borough, Alaska relative to the Arctic National Wildlife Refuge; to the Committee on Energy and Natural Resources.

POM-311. A resolution adopted by the Chamber of Commerce of Lake City, Minnesota relative to nuclear waste; to the Committee on Energy and Natural Resources.

POM-312. A resolution adopted by the California-Pacific Annual Conference of the United Methodist Church relative to the Ward Valley Dump Site; to the Committee on Energy and Natural Resources.

POM-313. A resolution adopted by the Midwestern Legislative Conference of the Council of State Governments relative to spent-fuel shipping casks; to the Committee on Energy and Natural Resources.

POM-314. A resolution adopted by the Midwestern Legislative Conference of the Council of State Governments relative to spent nuclear fuel shipments; to the Committee on Energy and Natural Resources.

POM-315. A joint resolution adopted by the Legislature of the State of California; to the Committee on Energy and Natural Resources.

"Assembly Joint Resolution No. 3

"Whereas, the internationally respected United States Geological Survey has been proposed for possible elimination; and

"Whereas, the United States Geological Survey traces its history back to 1879 when Congress created an agency to identify natural hazards and locate natural resources; and

"Whereas, the United States Geological Survey counts among its former directors John Wesley Powell, the explorer who made the first boat trip down the Colorado River through the Grand Canyon; and

"Whereas, the loss of the United States Geological Survey would seriously damage the nation's efforts to improve water quality, prevent landslides, locate minerals, and identify unsafe construction sites and suitable toxic waste disposal sites; and

"Whereas, geologists with the United States Geological Survey have contributed to efforts by engineers and urban planners to revise building codes to improve earthquake preparedness; and

"Whereas, the National Weather Service issues flood advisory warnings based on information from the United States Geological Survey; and

"Whereas, the volcanic activity monitoring of the United States Geological Survey resulted in, for example, the early warning of the impending eruption of Mount Pinatubo in the Philippines which caused the evacuation of Clark Air Force Base and saved thousands of lives; and

"Whereas, the United States Geological Survey provides approximately 1,500 jobs in California, primarily in Menlo Park, Pasadena, and Sacramento; and

"Whereas, the state's flood, earthquake, and volcanic monitoring programs all depend on information from the automated instrument networks maintained by the United States Geological Survey to protect the public's safety; and

"Whereas, the state's water agencies rely on the United States Geological Survey's water resources division—the agency's largest single program—to compile data that serve as the basis for flood forecasting and water distribution statewide; and

"Whereas, the budget of the United States Geological Survey has remained static for years and, was cut by $13.2 million this year, and the agency has already been ordered to cut its staff by 12 percent by 1999: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President and Congress to not eliminate the United States Geological Survey; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representatives from California in the Congress of the United States."

POM-316. A joint resolution adopted by the Legislature of the State of California; to the Committee on Energy and Natural Resources.

"Assembly Joint Resolution No. 33

"Whereas, Fredonyer Mountain and Fredonyer Pass are located 15 miles west of Susanville in the Lassen National Forest, and are named after an early resident of the area, Atlas Fredonyer, who is credited with discovery of the pass in 1850; and

"Whereas, in May 1862, Atlas Fredonyer was tried and convicted in Quincy for incestuous and criminal assault upon his 15-year old daughter Sally for which crime he was incarcerated in the State Prison at San Quentin; and

"Whereas, naming the mountain and pass after Atlas Fredonyer, given his crimes and subsequent conviction, seems improper, unacceptable, and undeserving to the residents of Lassen County and the state; and

"Whereas, on March 2, 1995, Lassen County Deputy Sheriff Larry Griffith became the first peace officer in the county to be killed in the line of duty in the last 25 years; and

"Whereas, Deputy Griffith was responding to a domestic dispute that day when he was mortally wounded while providing cover for fellow officers at the scene, which action saved the lives of two officers: Now, therefore be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the United States Board on Geographic Names, United States Geological Survey, to rename Fredonyer Mountain and Fredonyer Pass to Griffith Mountain and Griffith Pass in honor and recognition of the sacrifice made by Deputy Sheriff Larry Griffith on behalf of the residents of Lassen County; and be it further

"*Resolved,* That upon renaming the mountain and pass, a memorial plaque be erected, in a suitable location on the pass, to memorialize Deputy Sheriff Griffith and the courageous event that led to renaming the sites after him, and be it further

"*Resolved,* That the design, construction, and erection of the plaque be a cooperative effort of the federal government and the residents of the community; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of Interior, to the Director of the United States Geological Survey, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-317. A concurrent resolution adopted by the Legislature of the State of Oregon; to the Committee on Energy and Natural Resources.

"House Concurrent Resolution 14

"Whereas the Oregon and California Railroad Grant lands ("O & C Lands") were originally conveyed into private ownership the Act of July 25, 1866 (as amended by the Acts of June 25, 1868, and April 10, 1869), and the Act of May 4, 1870, to aid, in conjunction with construction of a railway, in the economic development of the State of Oregon and its communities; and

"Whereas the railway was built but the intent of the original grants to facilitate community development was not carried out and on February 14, 1907, the State of Oregon petitioned the Congress of the United States by legislative memorial to take steps necessary to compel action in furtherance of the original intent of the land grants; and

"Whereas the O & C Lands were revested to the United States by the Act of June 9, 1916, for the purpose of management and redisposition to achieve the original goal of economic development of local communities, particularly in the 18 Oregon counties within which the O & C Lands are situated ("O & C Counties"); and

"Whereas the United States ceased reconveying the grant lands back into private ownership and, instead, Congress placed them by the Act of August 28, 1937, into management for the sustained yield of timber with minimum harvest levels to provide for long-term community stability in the O & C Counties, conservation of watersheds and provision of recreational opportunities; and

"Whereas the State of Oregon by legislative memorial on April 27, 1951, petitioned Congress to transfer title to the lands to the State of Oregon to help achieve the efficient management of the lands for the benefit of the people of the State of Oregon; and

"Whereas approximately $1 billion in revenues that would, under the law, have gone to the O & C Counties since 1952 were instead retained by the Federal Government with the understanding that the revenue would be used to improve the sustained yield capacity of the O & C Lands and would increase the annual harvests and revenues from the O & C Lands; and

"Whereas the Federal Government is not now complying with its obligations under the Act of August 28, 1937, and has reduced the annual harvest below required minimum levels, thereby endangering the economic stability of the O & C Counties, their timber-dependent communities and the families dependent on timber jobs: Now, therefore, be it

"*Resolved by the Legislative Assembly of the State of Oregon:* That the Congress of the United States be and hereby is urged to pass such legislation as will result in the transfer of title to the O & C Lands to the State of Oregon, subject to such terms and conditions as are necessary to assure management in perpetuity for the sustained yield of timber to stabilize and support the O & C Counties, conserve watersheds and provide recreational opportunities to all citizens, as set forth in the Act of August 28, 1937, and to provide sound wildlife management and protect cultural resources; and be it further

"*Resolved,* That copies of this resolution shall be sent to the President, the Speaker of the House of Representatives and the President of the Senate of the United States and to each member of the Oregon Congressional Delegation."

POM-318. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on Energy and Natural Resources.

"Senate Concurrent Resolution No. 8

"Whereas, the United States Department of Interior, Bureau of Reclamation, in times past has assisted the people of the State of Texas by cooperating with state and local governments in development of the state's water resources for municipal and industrial purposes; and

"Whereas, the projects developed by the Bureau of Reclamation in Texas are complete and have been turned over to local sponsors of the projects for operation; and

"Whereas, the water made available by such projects is water of the State of Texas, managed under the laws of Texas by the Texas Natural Resource Conservation Commission and local governmental entities; and

"Whereas, Bureau of Reclamation projects in Texas were authorized by congress and constructed under contracts that require repayment of the local share of costs to the Bureau of Reclamation; and

"Whereas, the Bureau of Reclamation's current actual function is largely limited to supervision or repayment of the local share of costs; and

"Whereas, in recent years the Bureau of Reclamation's mission has shifted from water resource conservation and development to oversight and management of existing projects; and

"Whereas, the Bureau of Reclamation, in an effort to support extended oversight and management activities, has imposed fees and charges on local sponsors for services that are neither necessary nor desired; and

"Whereas, State and local governments can manage local water resource projects more economically and efficiently for the benefit of all citizens and the environment of the State of Texas without assistance from the Bureau of Reclamation; and

"Whereas, the Legislature of the State of Texas favors elimination of unfunded federal mandates, unnecessary federal bureaucracy, and elimination of federal debt; and

"Whereas, elimination of operational expenses for the Bureau of Reclamation and immediate repayment of project indebtedness due would assist in balancing the federal budget: Now, therefore, be it

Resolved, That the 74th Legislature of the State of Texas hereby endorse management of state water resource projects by state and local governmental entities created for that purpose without restraint, interference, or unsolicited assistance from the Bureau of Reclamation; and, be it further

"*Resolved*, That the Texas Water Development Board, as requested by those entities, is directed to assist local and regional entities in acquiring, either for the local entities or the state, the Bureau of Reclamation ownership interest in existing projects in Texas; and, be it further

"*Resolved*, That the Texas Legislature hereby encourage and urge congress to adopt legislation facilitating acquisition of the Bureau of Reclamation interests in existing projects in Texas by the state and local governments; and, be it further

"*Resolved*, That the Texas Secretary of State forward official copies of this resolution to the United States Department of Interior, Bureau of Reclamation, the President of the United States, the president of the senate and the speaker of the house of representatives of the United States, and all members of the Texas delegation to the congress with the request that it be officially entered in the Congressional Record as a memorial to the Congress of the United States."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mrs. KASSEBAUM, from the Committee on Labor and Human Resources:

Ernest W. DuBester, of New Jersey, to be a Member of the National Mediation Board for a term expiring July 1, 1998.

Daniel A. Mica, of Virginia, to be a Member of the Board of Directors of the United States Institute of Peace for a term expiring January 19, 1997.

Hughey Walker, of South Carolina, to be a Member of the National Council on Disability for a term expiring September 17, 1996.

Thomas R. Bloom, of Virginia, to be Inspector General, Department of Education.

Harris Wofford, of Pennsylvania, to be Chief Executive Officer of the Corporation for National and Community Service.

The following candidates for personnel action in the regular corps of the Public Health Service subject to qualifications therefore as provided by law and regulations:

To be assistant surgeon

Patricia A. Berry
Christine Casey
Stephanie E. Markman
Michael E. Toedt
Catherine L. Woodhouse

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. THURMOND, from the Committee on Armed Services:

The following named officer under the provisions of title 10, United States Code, section 152, for reappointment as Chairman of the Joint Chiefs of Staff and reappointment to the grade of general while serving in that position under the provisions of title 10, United States Code, section 601(a):

CHAIRMAN OF THE JOINT CHIEFS OF STAFF

To be general

Gen. John M. Shalikashvili, 331-30-8495, U.S. Army.

(The above nomination was reported with the recommendation that he be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GRASSLEY (for himself and Ms. MOSELEY-BRAUN):

S. 1273. A bill to amend the Internal Revenue Code of 1986 to allow a credit for interest paid on education loans; to the Committee on Finance.

By Mr. LOTT (for himself, Mr. SIMPSON, Mr. NICKLES, and Mr. INHOFE):

S. 1274. A bill to amend the Solid Waste Disposal Act to improve management of remediation waste, and for other purposes; to the Committee on Environment and Public Works.

By Mr. ABRAHAM (for himself, Mr. HATCH, Mr. SPECTER, Mr. KYL, and Mrs. HUTCHISON):

S. 1275. A bill to provide for appropriate remedies for prison condition lawsuits, to discourage frivolous and abusive prison lawsuits, and for other purposes; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY (for himself and Ms. MOSELEY-BRAUN):

S. 1273. A bill to amend the Internal Revenue Code of 1986 to allow a credit for interest paid on education loans; to the Committee on Finance.

THE HIGHER EDUCATION INVESTMENT ACT OF 1995

• Mr. GRASSLEY. Mr. President, today I am introducing legislation on behalf of myself and my able colleague from Illinois, Senator MOSELEY-BRAUN. We call it the Higher Education Investment Act of 1995. We hope that this bill will launch an individual income tax credit for interest paid by young people on their student loans.

Our own young people are the ones who truly must balance the Federal budget for the long run. I believe that if we on Capitol Hill want to do our part to balance the Federal budget for the long run, then we must aid human investment in one of its highest forms: knowledge gained through education. As the U.S. Senate, with an obligation toward the national economy, we must underwrite higher education as an economic investment toward future Federal tax revenues. This bill is the workable legislative vehicle.

As a practical matter of income tax credits, the Higher Education Investment Act of 1995 provides targeted taxpayers with a credit for up to 20 percent of the interest paid during the first 5 years in which payments are required on qualified educational loans. A student taxpayer may utilize both this credit and the standard deduction. Thus, a young person, or young married couple, can utilize this credit regardless of whether they are fortunate enough to have the money to begin buying a home and enjoying its related tax benefits. In fact, we intend this bill to aid young people, who are just starting out in life, in their effort to retain enough cash so that they too can have a chance at beginning the good life that many of us from older generations have enjoyed.

As a Congress, we have been decades in saddling the next generation with the burden of paying off our national debt. At a minimum, we should allow its members a mechanism to leverage themselves to accomplish their enormous task. To earn the necessary cash flow to succeed, and to not slip into a lower standard of living that we currently enjoy, the members of the next generation must arm themselves both with knowledge and income potential. During the past decade, tuition and fees at both public and private colleges and universities have increased at rates far exceeding inflation. During the same decade we in Congress eliminated the interest deduction for student loans. Thus, we require the next generation to not only borrow more than we borrowed, we force them pay more than we paid. All of us must find it ironic that, in their efforts to settle up on our open account, which is full of our excesses, we have denied them the same tax benefitted education that we enjoyed.

The social cost is enormous. Large volumes of student loan debt steer students away from socially useful though low paying careers such as teaching, research, or public service. It curbs entrepreneurial action because entrepreneurial ventures involve risk, and large, fixed, monthly student loan repayment obligations do not lend themselves to a young person's appetite for risk. Without this student loan interest credit, which is consistent with a progressive tax code, we will fail to invest in our most long lived and productive assets: the minds of our electorate.

Therefore, Mr. President, we challenge our colleagues to once again underwrite knowledge by first underwriting and co-sponsoring this bill.

Mr. President, I ask unanimous consent to include the bill in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1273

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Higher Education Investment Act of 1995".

SEC. 2. CREDIT FOR INTEREST ON EDUCATION LOANS.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 22 the following new section:

"SEC. 23. INTEREST ON EDUCATION LOANS.

"(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 20 percent of the interest paid by the taxpayer during the taxable year on any qualified education loan.

"(b) MAXIMUM CREDIT.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the credit allowed by subsection (a) for the taxable year shall not exceed $500 ($1,000 in the case of 2 or more individuals with qualified higher education expenses paid by any qualified education loan).

"(2) LIMITATION BASED ON MODIFIED ADJUSTED GROSS INCOME.—

"(A) IN GENERAL.—If the modified adjusted gross income of the taxpayer for the taxable year exceeds $40,000 ($60,000 in the case of a joint return), the amount which would (but for this paragraph) be allowable as a credit under this section shall be reduced (but not below zero) by the amount which bears the same ratio to the amount which would be so allowable as such excess bears to $15,000.

"(B) MODIFIED ADJUSTED GROSS INCOME.—The term 'modified adjusted gross income' means adjusted gross income determined—

"(i) without regard to sections 135, 911, 931, and 933, and

"(ii) after application of sections 86, 219, and 469.

"(C) INFLATION ADJUSTMENT.—In the case of any taxable year beginning after 1996, the $40,000 and $60,000 amounts referred to in subparagraph (A) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of-living adjustment determined under section (1)(f)(3) for the calendar year in which the taxable year begins, except that subparagraph (B) of subsection (1)(f)(3) shall be applied by substituting '1995' for '1992'.

"(D) ROUNDING.—If any amount as adjusted under subparagraph (C) is not a multiple of $50, such amount shall be rounded to the nearest multiple of $50 (or, if such amount is a multiple of $25, such amount shall be rounded to the next highest multiple of $50).

"(c) LIMITATION ON TAXPAYERS ELIGIBLE FOR CREDIT.—No credit shall be allowed by this section to an individual for the taxable year if a deduction under section 151 with respect to such individual is allowed to another taxpayer for the taxable year beginning in the calendar year in which such individual's taxable year begins.

"(d) LIMIT ON PERIOD CREDIT ALLOWED.—

"(1) TAXPAYER AND TAXPAYER'S SPOUSE.—Except as provided in paragraph (2), a credit shall be allowed under this section only with respect to interest paid on any qualified education loan during the first 60 months (whether or not consecutive) in which interest payments are required. For purposes of this paragraph, any loan and all refinancings of such loan shall be treated as 1 loan.

"(2) DEPENDENT.—If the qualified education loan was used to pay education expenses of an individual other than the taxpayer or the taxpayer's spouse, a credit shall be allowed under this section for any taxable year with respect to such loan only if—

"(A) a deduction under section 151 with respect to such individual is allowed to the taxpayer for such taxable year, and

"(B) such individual is at least a half-time student with respect to such taxable year.

"(e) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED EDUCATION LOAN.—The term 'qualified education loan' means any indebtedness incurred to pay qualified higher education expenses—

"(A) which are incurred on behalf of the taxpayer, the taxpayer's spouse, or a dependent of the taxpayer,

"(B) which are paid or incurred within a reasonable period of time before or after the indebtedness is incurred, and

"(C) which are attributable to education furnished during a period during which the recipient was at least a half-time student.

Such term includes indebtedness used to refinance indebtedness which qualifies as a qualified education loan. The term 'qualified education loan' shall not include any indebtedness owed to a person who is related (within the meaning of section 267(b) or 707(b)(1)) to the taxpayer.

"(2) QUALIFIED HIGHER EDUCATION EXPENSES.—The term 'qualified higher education expenses' means the cost of attendance (as defined in section 472 of the Higher Education Act of 1965, 20 U.S.C. 1087*ll*, as in effect on the day before the date of the enactment of this Act) of the taxpayer, the taxpayer's spouse, or a dependent of the taxpayer at an eligible educational institution. For purposes of the preceding sentence, the term 'eligible educational institution' has the same meaning given such term by section 135(c)(3), except that such term shall also include an institution conducting an internship or residency program leading to a degree or certificate awarded by an institution of higher education, a hospital, or a health care facility which offers postgraduate training.

"(3) HALF-TIME STUDENT.—The term 'half-time student' means any individual who would be a student as defined in section 151(c)(4) if 'half-time' were substituted for 'full-time' each place it appears in such section.

"(4) DEPENDENT.—The term 'dependent' has the meaning given such term by section 152.

"(f) SPECIAL RULES.—

"(1) DENIAL OF DOUBLE BENEFIT.—No credit shall be allowed under this section for any amount for which a deduction is allowable under any other provision of this chapter.

"(2) MARRIED COUPLES MUST FILE JOINT RETURN.—If the taxpayer is married at the close of the taxable year, the credit shall be allowed under subsection (a) only if the taxpayer and the taxpayer's spouse file a joint return for the taxable year.

"(3) MARITAL STATUS.—Marital status shall be determined in accordance with section 7703."

(b) REPORTING REQUIREMENT.—

(1) IN GENERAL.—Subpart B of part III of subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to information concerning transactions with other persons) is amended by inserting after section 6050P the following new section:

"SEC. 6050Q. RETURNS RELATING TO EDUCATION LOAN INTEREST RECEIVED IN TRADE OR BUSINESS FROM INDIVIDUALS.

"(a) EDUCATION LOAN INTEREST OF $600 OR MORE.—Any person—

"(1) who is engaged in a trade or business, and

"(2) who, in the course of such trade or business, receives from any individual interest aggregating $600 or more for any calendar year on any qualified education loan,

shall make the return described in subsection (b) with respect to each individual from whom such interest was received at such time as the Secretary may by regulations prescribe.

"(b) FORM AND MANNER OF RETURNS.—A return is described in this subsection if such return—

"(1) is in such form as the Secretary may prescribe,

"(2) contains—

"(A) the name and address of the individual from whom the interest described in subsection (a)(2) was received,

"(B) the amount of such interest received for the calendar year, and

"(C) such other information as the Secretary may prescribe.

"(c) APPLICATION TO GOVERNMENTAL UNITS.—For purposes of subsection (a):

"(1) TREATED AS PERSONS.—The term 'person' includes any governmental unit (and any agency or instrumentality thereof).

"(2) SPECIAL RULES.—In the case of a governmental unit or any agency or instrumentality thereof—

"(A) subsection (a) shall be applied without regard to the trade or business requirement contained therein, and

"(B) any return required under subsection (a) shall be made by the officer or employee appropriately designated for the purpose of making such return.

"(d) STATEMENTS TO BE FURNISHED TO INDIVIDUALS WITH RESPECT TO WHOM INFORMATION IS REQUIRED.—Every person required to make a return under subsection (a) shall furnish to each individual whose name is required to be set forth in such return a written statement showing—

"(1) the name and address of the person required to make such return, and

"(2) the aggregate amount of interest described in subsection (a)(2) received by the person required to make such return from the individual to whom the statement is required to be furnished.

The written statement required under the preceding sentence shall be furnished on or before January 31 of the year following the calendar year for which the return under subsection (a) was required to be made.

"(e) QUALIFIED EDUCATION LOAN DEFINED.—For purposes of this section, except as provided in regulations prescribed by the Secretary, the term 'qualified education loan' has the meaning given such term by section 23(e)(1).

"(f) RETURNS WHICH WOULD BE REQUIRED TO BE MADE BY 2 OR MORE PERSONS.—Except to the extent provided in regulations prescribed by the Secretary, in the case of interest received by any person on behalf of another person, only the person first receiving such interest shall be required to make the return under subsection (a)."

(c) CLERICAL AMENDMENTS.—

(1) The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 22 the following new item:

"Sec. 23. Interest on education loans."

(2) The table of sections for subpart B of part III of subchapter A of chapter 61 of such Code is amended by inserting after the item relating to section 6050P the following new item:

"Sec. 6050Q. Returns relating to education loan interest received in trade or business from individuals."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to any qualified education loan (as defined in section 23(e)(1) of the Internal Revenue Code of 1986, as added by this section) incurred on, before, or after the date of the enactment of this Act, but only with respect to any loan interest payment due after December 31, 1995, and before the termination of the period described in section 23(d)(1) of such Code.●

By Mr. LOTT (for himself, Mr. SIMPSON, Mr. NICKLES, and Mr. INHOFE):

S. 1274. A bill to amend the Solid Waste Disposal Act to improve management of remediation waste, and for other purposes; to the Committee on Environment and Public Works.

THE REMEDIATION WASTE MANAGEMENT IMPROVEMENT ACT OF 1995

Mr. LOTT. Mr. President, since the beginning of this year, administration officials have said they both need and want more regulatory flexibility to continue achieving environmental clean up goals through the Resource Conservation and Recovery Act [RCRA].

I want to share with my colleagues several quotes. They are useful to set the stage for my legislation.

President Clinton, this past January in his State of the Union Address, said that: "* * * we need common sense and fairness * * * and we [can] still clean up toxic waste dumps. And we ought to do it."

President Clinton even declared on March 16th that he needs legislative reforms to: "* * * fix provisions of RCRA * * * [to avoid] high costs and marginal environmental benefit."

Vice-President GORE, this spring, promised that: "* * * environmental protection * * * will protect more and cost less * * *" in his Reinventing Government brochure.

EPA Administrator Browner, this spring, testified to our Senate's Environment and Public Works Committee that: "* * * reform efforts are so crucial; we must meet these challenges with commonsense cost-effective measures."

EPA's Head of the Office of Solid Waste, Mr. Shapiro, this summer, testified to the House's Commerce Subcommittee that: "* * * we have learned [to] rely on * * * our State partners, and we have learned that flexibility is vital to our success."

EPA, this spring, reaffirmed its commitment to permanently implement the regulatory status of petroleum contaminated media under the Underground Storage Tank Program to avoid "* * * delays in remediation action and increases in remediation costs."

EPA's briefing document, this summer, reported that DOD wanted cost to be factored into level of cleanups, and even OMB advocated a one-regulator cleanup approach.

The Reinventing Government brochure went on to assure that by July 15 of this year a package of rifle shot reforms would be delivered to Congress.

The administration was sending out a loud and consistent theme:

First, RCRA reforms are desired;

Second, RCRA reforms are needed this year; and

Third, RCRA reforms must be legislative.

I heard the administration's message.

Let's also recognize that Americans clearly are fed up with ineffective environmental programs that do little for clean-up, but lots for lawyers. They do not want their hard-earned tax dollars being wasted.

Thoughtful citizens are exhausted by excessive, prescriptive regulations that exaggerate risks which too often are based upon emotion rather than scientific evidence. Buzzword phrases like "rational rules," "reasonably expected scenarios," "stop Federal mandates," and "one-size does not fit-all" are typical and part of everyday, commonplace dialogue from Hernando to Excatawpa, MS.

I heard the Public's message too.

Before I go any further, I want to be up-front about my goals for this legislation: First, make RCRA work faster and cheaper; Second, remove regulations that are counterproductive to cleanups; Third, streamline agency decisionmaking; and Fourth, give states authority to make decisions.

Now, I want to explain why my environmental policy reform bill just concentrates on RCRA:

True, it is a program that does not have an attention getting name, like Superfund. Some would even say it is a program with an unpronounceable name.

True, it is a program which perhaps many Americans are not aware of. But it is far more widespread then Superfund.

My colleagues need to hear a few numbers to understand why Congress needs to deal with RCRA:

There are five times as many RCRA sites as there are Superfund sites. In Mississippi there are just two Superfund sites, but there are over 40 RCRA Corrective Action Sites.

And, a respected study conducted 4 years ago reported that roughly $240 billion will be spent on RCRA remediation. As a reference point that is nearly $100 billion more than will be spent on the notorious Superfund.

RCRA is a big, albeit invisible, and expensive program that the administration wants to reform.

Well, so do I.

I have responded with a sensible, responsive and responsible legislative solution. It is not a comprehensive across-the-board reform, rather it is surgical approach which targets just a few specific problem areas. The administration calls it rifle-shot legislative fixes.

My legislative solution has two basic straight-forward features which will save billions and remediate quicker all without inhibiting or lessening environmental protection:

First, it replaces inappropriate RCRA requirements originally designed to minimize the amount of routinely generated hazardous waste with a remediation action plan concept which will maximize site cleanup by empowering state regulators to make common sense cleanup decisions, and to give them authority to enforce these decisions.

Second, it codifies the regulatory status of cleanup materials ensuring the continuation of the highly successful Underground Storage Tank Corrective Action Program.

I believe it makes sense to focus this environmental reform effort to an incremental method. We need to go step-by-step making directed changes and then pausing to examine the consequences before returning with additional legislation.

That is why my bill deals with only two issues. It avoids Washington's Christmas tree mentality of loading up on numerous disconnected changes. It also sidesteps policy matters which are more appropriately handled through the upcoming Superfund reauthorization.

My legislative solution will merely tailor RCRA's regulatory process to site-specific remediation to ensure common sense, enforceable cleanup occur. I urge my colleagues to examine my proposal.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1274

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REMEDIATION WASTE MANAGEMENT IMPROVEMENT.

(a) DEFINITIONS.—Section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903) is amended by adding at the end the following:

"(42) COMPLIANCE AUTHORITY.—The term 'compliance authority' means the authority to issue, enter into, approve, enforce, and ensure compliance with a remedial action plan.

"(43) NONPROGRAM STATE.—The term 'nonprogram State' means a State other than a program State.

"(44) ORIGINATING STATE.—The term 'originating State' means a State in which remediation waste is generated under a remedial action plan.

"(45) PROGRAM STATE.—The term 'program State' means a State that has a State remediation waste management program authorized under section 3006(i).

"(46) REMEDIAL ACTION PLAN.—The term 'remedial action plan' means a document or portion of a document (including but not limited to, an order, permit, or agreement) that—

"(A) is issued, entered into, or approved by the Administrator or a program State;

"(B) ensures that the management of the remediation waste is performed in a manner that is protective of human health and the environment by specifying—

"(i) the remediation waste that is the subject of the document;

"(ii) the manner in which the remediation waste will be managed;

"(iii) the methods of remediation; and

"(iv) the schedule for implementation; and

"(C) has been the subject of appropriate public notice and comment; and

"(D) provides for the exercise of compliance authority in accordance with section 3001(j)(1) and, in the case of a plan over any portion of which any other entity (a State or the Administrator) other than the entity that issued or entered into the plan is to exercise compliance authority, has the concurrence of the other entity for the portion of the plan for which the other entity has compliance authority, except that nothing in this subparagraph applies to remediation waste that is managed in accordance with subtitle C.

"(47) REMEDIATION WASTE.—The term 'remediation waste' means a solid waste or any medium (including ground water, surface water, soil, and sediment) generated during implementation of a remedial action plan that—

"(A) is, or is derived from, a listed hazardous waste;

"(B) contains or is mixed with a listed hazardous waste; or

"(C) exhibits a characteristic of a hazardous waste.".

(b) IDENTIFICATION AND LISTING.—Section 3001 of the Solid Waste Disposal Act (42 U.S.C. 6921) is amended by adding at the end the following:

"(j) REMEDIATION WASTE.—

"(1) COMPLIANCE AUTHORITY.—

"(A) PROGRAM STATES.—Except as provided in section 3008, a program State shall exercise compliance authority with respect to a remedial action plan insofar as the remedial action plan describes the management of remediation waste in the program State.

"(B) NONPROGRAM STATES.—The Administrator shall exercise compliance authority with respect to a remedial action plan insofar as the remedial action plan describes the management of remediation waste in a nonprogram State.

"(C) REMEDIATION WASTE MANAGED INTERSTATE.—With respect to the management of remediation waste under a remedial action plan that provides that part of the management will be performed in another State other than the originating State—

"(i) if the other State is a program State, the program State shall exercise compliance authority with respect to the portions of the remedial action plan describing the management of remediation waste in the other State; or

"(ii) if the other State is a nonprogram State, the Administrator shall exercise compliance authority with respect to the portions of the remedial action plan describing the management of remediation waste in the other State.

"(2) CONDITIONAL EXCLUSION.—Notwithstanding any other provision of this subtitle, remediation waste that is managed under a remedial action plan shall not to be a hazardous waste for purposes of this subtitle.".

(c) AUTHORIZED STATE HAZARDOUS WASTE REMEDIATION PROGRAMS.—Section 3006 of the Solid Waste Disposal Act (42 U.S.C. 6926) is amended by adding at the end the following:

"(i) AUTHORIZED STATE REMEDIATION WASTE MANAGEMENT PROGRAMS.—

"(1) STATES WITH AUTHORIZED HAZARDOUS WASTE PROGRAMS.—

"(A) CERTIFICATION.—A State that has a hazardous waste program authorized under subsection (b) may submit to the Administrator a certification, supported by such documentation as the State considers to be appropriate, demonstrating that the State has—

"(i) statutory and regulatory authority (including appropriate enforcement authority) to control the management of remediation waste from generation to final disposal in a manner that is protective of human health and the environment;

"(ii) resources in place to administer and enforce the authorities; and

"(iii) procedures to ensure public notice and opportunity for comment on remedial action plans submitted to the State.

"(B) INTERIM AUTHORIZATION.—Subject to subparagraph (C)(iii), beginning 60 days after submission of a certification under subparagraph (A), the State may proceed to carry out the remediation waste management program of the State until the Administrator issues a final determination under subparagraph (C).

"(C) DETERMINATION.—

"(i) IN GENERAL.—Not later than 18 months after the date on which a State submits to the Administrator a certification under subparagraph (A), after public notice and opportunity for comment, the Administrator shall issue to the State and publish in the Federal Register a determination that—

"(I) the certification meets all of the criteria stated in subparagraph (A), and the State has final authorization to carry out the remediation waste management program of the State; or

"(II) the certification fails to meet 1 or more of the criteria stated in subparagraph (A), stating with particularity the elements of the State program that are considered to be deficient, and that the deficiency would be likely to result in a State remediation waste management program that is not protective of human health and the environment.

"(ii) DEFAULT.—

"(I) IN GENERAL.—Except as provided in subclause (II), if the Administrator does not issue a determination under clause (i) within 18 months after the date on which a State submits to the Administrator a certification under subparagraph (A), the certification shall be considered to meet all of the criteria stated in subparagraph (A), and the State shall have final authorization to carry out the remediation waste management program of the State.

"(II) WITHDRAWAL OF AUTHORIZATION.—If the Administrator subsequently withdraws authorization for a State remediation waste program in accordance with subsection (e), the Administrator shall ensure completion of any ongoing remedial action plan.

"(iii) PRELIMINARY DETERMINATION.—If the Administrator determines that—

"(I) on preliminary review, it appears that it will likely be determined after notice and comment that a certification fails to meet 1 or more of the criteria stated in subparagraph (A); and

"(II) injury to human health or the environment would likely result from interim implementation of the State remediation waste management program under subparagraph (B),

the Administrator may issue a preliminary determination to the State, and the State shall not have interim authorization under subparagraph (B).

"(2) STATES WITHOUT AUTHORIZED HAZARDOUS WASTE PROGRAMS.—

"(A) CERTIFICATION.—A State that does not have a hazardous waste program authorized under subsection (b) may submit to the Administrator a certification, supported by such documentation as the State considers to be appropriate, demonstrating that the State has—

"(i) statutory and regulatory authority (including appropriate enforcement authority) to control the management of remediation waste from generation to final disposal in a manner that is protective of human health and the environment;

"(ii) resources in place to administer and enforce the authorities; and

"(iii) procedures to ensure public notice and opportunity for comment on remedial action plans submitted to the State.

"(B) INTERIM AUTHORIZATION.—Beginning 1 year after a certification under subparagraph (A), the State may proceed to carry out the remediation waste management program of the State until the Administrator issues a determination under subparagraph (C).

"(C) DETERMINATION.—

"(i) IN GENERAL.—Not later than 2 years after the date on which a State submits to the Administrator a certification under subparagraph (A), after public notice and opportunity for comment, the Administrator shall issue to the State and publish in the Federal Register a determination that—

"(I) the certification meets all of the criteria stated in subparagraph (A), and the State has final authorization to carry out the remediation waste management program of the State; or

"(II) the certification fails to meet 1 or more of the criteria stated in subparagraph (A), stating with particularity the elements of the State program that are considered to be deficient.

"(ii) DEFAULT.—

"(I) IN GENERAL.—Except as provided in subclause (II), if the Administrator does not issue a determination under clause (i) within 2 years after the date on which a State submits to the Administrator a certification under subparagraph (A), the certification shall be considered to meet all of the criteria stated in subparagraph (A), and the State shall have final authorization to carry out the remediation waste management program of the State.

"(II) WITHDRAWAL OF AUTHORITY.—If the Administrator subsequently withdraws authorization for a State remediation waste management program in accordance with subsection (e), the Administrator shall ensure completion of any ongoing remedial action plan.".

(d) ENFORCEMENT.—Section 3008(a) of the Solid Waste Disposal Act (42 U.S.C. 6928(a))) is amended—

(1) in paragraph (1)—

(A) by striking "paragraph (2)" and inserting "paragraphs (2) and (3)"; and

(B) by inserting after "subtitle" the following: "or any requirement contained in a remedial action plan issued or entered into by the Administrator or with respect to which the Administrator exercises compliance authority under section 3001(j)";

(2) by redesignating paragraph (3) as paragraph (4); and

(3) by inserting after paragraph (2) the following:

"(3) REMEDIATION WASTE.—

"(A) NOTICE OF VIOLATION.—Notwithstanding any other provision of this section, if, on the basis of any information, the Administrator determines that a person has violated or is in violation of any requirement for the management of remediation waste contained in a remedial action plan implemented under a State remediation waste management program authorized under section 3006(i), the Administrator shall provide notice to the State in which the violation occurred or is occurring prior to commencing any action to require compliance with the requirements of the remedial action plan.

"(B) COMPLIANCE ORDER.—If, after the 30th day after the Administrator issues a notice of violation under subparagraph (A), a State has not taken appropriate action to require compliance with requirements of the remedial action plan, the Administrator may issue an order or commence an action under paragraph (1) to enforce the remediation waste management requirements of the remedial action plan.".

(e) RELEASE, DETECTION, PREVENTION, AND CORRECTION.—Section 9003 of the Solid Waste Disposal Act (42 U.S.C. 6991b) is amended by adding at the end the following:

"(i) PETROLEUM-CONTAMINATED MEDIA AND DEBRIS.—Petroleum-contaminated media and debris that fail the test for toxicity characteristics due to organics issued by the Administrator under section 3001, and are subject to corrective action under this section, shall not be considered to be hazardous waste for purposes of subtitle C.".

By Mr. ABRAHAM (for himself, Mr. HATCH, Mr. SPECTER, Mr. KYL, and Mrs. HUTCHISON):

S. 1275. A bill to provide for appropriate remedies for prison condition lawsuits, to discourage frivolous and abusive prison lawsuits, and for other purposes; to the Committee on the Judiciary.

THE PRISON CONDITIONS LITIGATION REFORM ACT

• Mr. ABRAHAM. Mr. President, I introduce legislation that I believe is essential if we are to restore public confidence in government's ability to protect the public safety. Moreover, it will accomplish this purpose not by spending more taxpayer money but by saving it.

This legislation removes enormous obstacles the Federal Government has placed in the path of States' and localities' ability to protect their residents. I would like to highlight three of these obstacles and explain what we are going to do to remove them.

First, in many jurisdictions including my own State of Michigan, judicial orders entered under Federal law raise the costs of running prisons far beyond what is necessary. These orders also thereby undermine the legitimacy and punitive and deterrent effect of prison sentences.

Second, in other jurisdictions, judicial orders entered under Federal law actually result in the release of dangerous criminals from prisons.

Third, these orders are complemented by a veritable torrent of prisoner lawsuits. Although these suits are found non-meritorious the vast majority of the time (over 99 percent, for example, in the ninth circuit), they occupy an enormous amount of State and local time and resources; time and resources that would be better spent incarcerating more dangerous offenders.

Let me start with the problems in my own State of Michigan.

Under a series of judicial decrees resulting from Justice Department suits against the Michigan Department of Corrections, the Federal courts now monitor our State prisons to determine:

1. How warm the food is.
2. How bright the lights are.
3. Whether there are electrical outlets in each cell.
4. Whether windows are inspected and up to code.
5. Whether prisoners' hair is cut only by licensed barbers.
6. And whether air and water temperatures are comfortable.

Elsewhere, American citizens are put at risk every day by court decrees. I have in mind particularly decrees that cure prison crowding by declaring that we must free dangerous criminals before they have served their time, or not incarcerate certain criminals at all because prisons are too crowded.

The most egregious example is the city of Philadelphia. For the past 8 years, a Federal judge has been overseeing what has become a program of wholesale releases of up to 600 criminal defendants per week to keep the prison population down to what she considers an appropriate level.

Under this order, there are no individualized bail hearings on a defendant's criminal history before deciding whether to release the defendant before trial. Instead, the only consideration is what the defendant is charged with the day of his or her arrest.

No matter what the defendant has done before, even, for example, if he or she was previously convicted of murder, if the charge giving rise to the arrest is a non-violent crime, the defendant may not be held pretrial. Moreover, the so-called non-violent crimes include stalking, carjacking, robbery with a baseball bat, burglary, drug dealing, vehicular homicide, manslaughter, terroristic threats, and gun charges.

As a result Philadelphia, which before the cap had about 18,000 outstanding bench warrants, now has almost 50,000. In reality, though, no one is out looking for these fugitives. Why look? If they were found, they would just be released back onto the streets under the prison cap.

In the meantime thousands of defendants who were out on the streets because of the cap have been rearrested for new crimes, including 79 murders, 959 robberies, 2,215 drug dealing charges, 701 burglaries, 2,748 thefts, 90 rapes, and 1113 assaults.

Looking at the same material from another vantage point: In 1993 and 1994, over 27,000 new bench warrants for misdemeanor and felony charges were issued for defendants released under the cap. That's 63 percent of all new bench warrants in 1993 and 74 percent of all new bench warrants for the first 6 months of 1994.

Failure to appear rates for crimes covered by the cap are all around 70 percent, as opposed to, for example, non-covered crimes like aggravated assault, where the rate is just 3 percent. The Philadelphia fugitive rate for defendants charged with drug dealing is 76 percent, three times the national rate.

Over 100 persons in Philadelphia have been killed by criminals set free under the prison cap. Moreover, the citizenry has understandably lost confidence in the criminal justice system's ability to protect them. And the criminals, on the other hand, have every reason to believe that the system can't do anything about them.

All of this would be bad enough if it were the result of a court order to correct serious constitutional violations committed by the Philadelphia corrections system. But it is not.

Indeed, a different Federal judge recently found that conditions in Philadelphia's oldest and most decrepit facility—Holmesburg Prison—met constitutional standards.

These murderous early releases are the result of a consent decree entered into by the prior mayoral administration from which the current administration has been unable to extricate itself.

Finally, in addition to massive judicial interventions in State prison systems, we also have frivolous inmate litigation brought under Federal law; this litigation also ties up enormous resources. Thirty-three States have estimated that Federal inmate suits cost them at least $54.5 million annually. The National Association of Attorneys General have extrapolated that number to conclude that nationwide the costs are at least $81.3 million. Since, according to their information, more than 95 percent of these suits are dismissed without the inmate receiving anything, the vast majority of the $81.3 million being spent is attributable to non-meritorious cases.

Mr. President, in my opinion this is all wrong. People deserve to keep their tax dollars or have them spent on projects they approve. They deserve better than to have their money spent, on keeping prisoners in conditions some Federal judge feels are desirable (although not required by any provision of the Constitution or any law). And they certainly don't need it spent on defending against frivolous prisoner lawsuits.

And convicted criminals, while they must be accorded their constitution rights, deserve to be punished. I think virtually everybody believes that while these people are in jail they should not be tortured, but they also should not have all the rights and privileges the rest of us enjoy, and that their lives should, on the whole, be describable by the old concept known as hard time.

The legislation I am introducing today will return sanity and State control to our prison systems. It will do so by limiting judicial remedies in prison cases and by limiting frivolous prisoner litigation.

First, we must curtail interference by the Federal courts themselves in the orderly administration of our prisons. This is not to say that we will have no court relief available for prisoner suits, only that we will try to retain it for cases where it is needed while curtailing its destructive use.

Most fundamentally, the proposed bill forbids courts from entering orders for prospective relief (such as regulating food temperatures) unless the order is necessary to correct violations of individual plaintiffs' Federal rights.

It also requires that the relief be narrowly drawn and be the least intrusive means of protecting the federal rights. And it directs courts to give substantial weight to any adverse impact on public safety or the operation of the criminal justice system caused by the relief.

No longer will prison administration be turned over to Federal judges for the slightest reason. Instead, the States will be able to run prisons as they see fit unless there is a constitutional violation, in which case a narrowly tailored order to correct the violation may be entered.

The bill also will make it more difficult for judges to release dangerous criminals back into the population, or to prevent the authorities from incarcerating them in the first place.

To accomplish this, the legislation forbids courts from entering release orders except under very limited circumstances. The court first must have entered an order for less intrusive relief, which must be shown to have failed to cure the violation of Federal rights. If a Federal court reaches this conclusion, it must refer the question of whether or not to issue a release order to a three judge district court.

This court must find by clear and convincing evidence that crowding is the primary cause of the violation of a Federal right and that no other relief will remedy the violation of the Federal right. Then the court must find, by a preponderance of the evidence, that the crowding had deprived particular plaintiffs of at least one essential, identifiable human need, and that prison officials have either deliberately subjected the plaintiffs to this deprivation or have been deliberately indifferent to it.

As important, this legislation provides that any prospective relief order may be terminated on the motion of either party 2 years after the later of the grant of relief or the enactment of the bill. The court shall grant the termination unless it finds that the original prerequisites for granting it are present at that time.

No longer, then, will we have consent decrees, such as those in Michigan under which judges control the prisons literally for decades.

Finally, the bill contains several measures to reduce frivolous inmate litigation. The bill limits attorney's fee awards. In addition, prisoners no longer will be reimbursed for attorney's fees unless they prove an actual statutory violation.

No longer will courts award attorney's fees simply because the prison has changed pre-existing conditions. Only if those conditions violated a prisoner's rights will fees be awarded.

Prisoners who succeed in proving a statutory violation will be reimbursed only for fees directly and reasonably incurred in proving that violation.

In addition, attorney's fees must be proportionally related to the court ordered relief. No longer will attorneys be allowed to charge massive amounts to the State for the service of correcting minimal violations.

And no longer will attorneys be allowed to charge very high fees for their time. The fee must be calculated at an hourly rate no higher than that set for court appointed counsel. And up to 25 percent of any monetary award the court orders the plaintiff wins will go toward payment of the prisoner's attorney's fees.

The bill also prohibits prisoners who have filed three frivolous or obviously nonmeritorious in forma pauperis civil actions from filing any more unless they are in imminent danger of severe bodily harm.

Also, to keep prisoners from using lawsuits as an excuse to get out of jail for a time, pretrial hearings generally will be conducted by telephone, so that the prisoner stays in prison.

Mr. President, these reforms will decrease the number of frivolous claims filed by prisoners. They will decrease prisoners' incentives to file suits over how bright their lights are. At the same time, they will discourage judges from seeking to take control over our prison systems, and to micromanage them, right down to the brightness of their lights.

This is a far-reaching bill, Mr. President. One aimed at solving a complex, costly, and dangerous problem. Its several provisions will discourage frivolous lawsuits and promote State control over State prison systems. At the same time, this legislation will help protect convicted criminals' constitutional rights without releasing them to prey on an innocent public or keeping them in conditions so comfortable that they lose their deterrent effect.

I urge my colleagues to support this legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1275

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Prison Conditions Litigation Reform Act".

SEC. 2. APPROPRIATE REMEDIES FOR PRISON CONDITIONS.

(a) IN GENERAL.—Section 3626 of title 18, United States Code, is amended to read as follows:

"§ 3626. Appropriate remedies with respect to prison conditions

"(a) REQUIREMENTS FOR RELIEF.—

"(1) PROSPECTIVE RELIEF.—Prospective relief in any civil action with respect to prison conditions shall extend no further than necessary to correct the violation of the Federal right of a particular plaintiff or plaintiffs. The court shall not grant or approve any prospective relief unless the court finds that such relief is narrowly drawn, extends no further than necessary to correct the violation of the Federal right, and is the least intrusive means necessary to correct the violation. In determining the intrusiveness of the relief, the court shall give substantial weight to any adverse impact on public safety or the operation of a criminal justice system caused by the relief.

"(2) PRELIMINARY INJUNCTIVE RELIEF.—In any civil action with respect to prison conditions, to the extent otherwise authorized by law, the court may enter a temporary restraining order or an order for preliminary injunctive relief. Preliminary injunctive relief shall automatically expire on the date that is 90 days after its entry, unless the court makes the order final before the expiration of the 90-day period.

"(3) PRISONER RELEASE ORDER.—(A) In any civil action with respect to prison conditions, no prisoner release order shall be entered unless—

"(i) a court has previously entered an order for less intrusive relief that has failed to remedy the deprivation of the Federal right sought to be remedied through the prisoner release order; and

"(ii) the defendant has had a reasonable amount of time to comply with the previous court orders.

"(B) In any civil action in Federal court with respect to prison conditions, a prisoner release order shall be entered only by a three-judge court in accordance with section 2284 of title 28, if the requirements of subparagraph (E) have been met.

"(C) A party seeking a prisoner release order in Federal court shall file with any request for such relief, a request for a three-judge court and materials sufficient to demonstrate that the requirements of subparagraph (A) have been met.

"(D) If the requirements under subparagraph (A) have been met, a Federal judge before whom a civil action with respect to prison conditions is pending who believes that a prison release order should be considered may sua sponte request the convening of a three-judge court to determine whether a prisoner release order should be entered.

"(E) The court shall enter a prisoner release order only if the court finds—

"(i) by clear and convincing evidence—

"(I) that crowding is the primary cause of the violation of a Federal right; and

"(II) that no other relief will remedy the violation of the Federal right; and

"(ii) by a preponderance of the evidence—

"(I) that crowding has deprived a particular plaintiff or plaintiffs of at least one essential, identifiable human need; and

"(II) that prison officials have acted with obduracy and wantonness in depriving a particular plaintiff or plaintiffs of at least one essential, identifiable human need.

"(F) Any State or local official or unit of government whose jurisdiction or function includes the prosecution or custody of persons who may be released from, or not admitted to, a prison as a result of a prisoner release order shall have standing to oppose the imposition or continuation in effect of such relief, and shall have the right to intervene in any proceeding relating to such relief.

"(b) Termination of Relief.—

"(1) Termination of prospective relief.—(A) In any civil action with respect to prison conditions in which prospective relief is ordered, such relief shall be terminable upon the motion of any party—

"(i) 2 years after the date the court granted or approved the prospective relief;

"(ii) 1 year after the date the court has entered an order denying termination of prospective relief under this paragraph; or

"(iii) in the case of an order issued on or before the date of enactment of the Prison Litigation Reform Act, 2 years after such date of enactment.

"(B) Nothing in this section shall prevent the parties from agreeing to terminate or modify relief before the relief is terminated under subparagraph (A).

"(2) Immediate termination of prospective relief.—In any civil action with respect to prison conditions, a defendant or intervener shall be entitled to the immediate termination of any prospective relief if the relief was approved or granted in the absence of a finding by the court that the relief is narrowly drawn, extends no further than necessary to correct the violation of the Federal right, and is the least intrusive means necessary to correct the violation.

"(3) Limitation.—Prospective relief shall not terminate if the court makes written findings based on the record that prospective relief remains necessary to correct the violation of the Federal right, extends no further than necessary to correct the violation of the Federal right, and that the prospective relief is the least intrusive means to correct the violation.

"(4) Termination or modification.—Nothing in this section shall prevent any party from seeking modification or termination before the relief is terminable under paragraph (1) or (2), to the extent that modification or termination would otherwise be legally permissible.

"(c) Settlements.—

"(1) Consent decrees.—In any civil action with respect to prison conditions, the court shall not enter or approve a consent decree unless it complies with the limitations on relief set forth in subsection (a).

"(2) Private settlement agreements.—(A) Nothing in this section shall preclude parties from entering into a private settlement agreement that does not comply with the limitations on relief set forth in subsection (a), if the terms of that agreement are not subject to court enforcement other than the reinstatement of the civil proceeding that the agreement settled.

"(B) Nothing in this section shall preclude any party claiming that a private settlement agreement has been breached from seeking in State court any remedy for breach of contract available under State law.

"(d) State Law Remedies.—The limitations on remedies in this section shall not apply to relief entered by a State court based solely upon claims arising under State law.

"(e) Procedure for Motions Affecting Prospective Relief.—

"(1) Generally.—The court shall promptly rule on any motion to modify or terminate prospective relief in a civil action with respect to prison conditions.

"(2) Automatic stay.—Any prospective relief subject to a pending motion shall be automatically stayed during the period—

"(A)(i) beginning on the 30th day after such motion is filed, in the case of a motion made under paragraph (1) or (2) of subsection (b); or

"(ii) beginning on the 180th day after such motion is filed, in the case of a motion made under subsection (b)(3); and

"(B) ending on the date the court enters a final order ruling on the motion.

"(f) Definitions.—As used in this section—

"(1) the term 'consent decree' means any relief entered by the court that is based in whole or in part upon the consent or acquiescence of the parties;

"(2) the term 'civil action with respect to prison conditions' means any civil proceeding arising under Federal law with respect to the conditions of confinement or the effects of actions by government officials on the lives of persons confined in prison, but does not include habeas corpus proceedings challenging the fact or duration of confinement in prison;

"(3) the term 'prisoner' means any person incarcerated or detained in any facility who is accused of, convicted of, sentenced for, or adjudicated delinquent for, violations of criminal law or the terms and conditions of parole, probation, pretrial release, or diversionary program;

"(4) the term 'prisoner release order' includes any order, including a temporary restraining order or preliminary injunctive relief, that has the purpose or effect of reducing or limiting the prison population, or that directs the release from or nonadmission of prisoners to a prison;

"(5) the term 'prison' means any Federal, State, or local facility that incarcerates or detains juveniles or adults accused of, convicted of, sentenced for, or adjudicated delinquent for, violations of criminal law;

"(6) the term 'prospective relief' means all relief other than monetary damages; and

"(7) the term 'relief' means all relief in any form that may be granted or approved by the court, and includes consent decrees and settlement agreements (except a settlement agreement the breach of which is not subject to any court enforcement other than reinstatement of the civil proceeding that such agreement settled).".

(b) Application of Amendment.—

(1) In general.—Section 3626 of title 18, United States Code, as amended by this section, shall apply with respect to all relief (as defined in such section) whether such relief was originally granted or approved before, on, or after the date of the enactment of this Act.

(2) Technical amendment.—Subsections (b) and (d) of section 20409 of the Violent Crime Control and Law Enforcement Act of 1994 are repealed.

(c) Clerical Amendment.—The table of sections at the beginning of subchapter C of chapter 229 of title 18, United States Code, is amended to read as follows:

"3626. Appropriate remedies with respect to prison conditions.".

SEC. 3. AMENDMENTS TO CIVIL RIGHTS OF INSTITUTIONALIZED PERSONS ACT.

Section 7 of the Civil Rights of Institutionalized Persons Act (42 U.S.C. 1997e) is amended by adding at the end the following new subsections:

"(f) Attorney's Fees.—(1) In any action brought by a prisoner who is confined to any jail, prison, or other correctional facility, in which attorney's fees are authorized under section 2 of the Revised Statutes of the United States (42 U.S.C. 1988), such fees shall be awarded only if—

"(A) the fee was directly and reasonably incurred in proving an actual violation of the plaintiff's rights protected by a statute pursuant to which a fee may be awarded under section 2 of the Revised Statutes; and

"(B) the amount of the fee is proportionately related to the court ordered relief for the violation.

"(2) Whenever a monetary judgment is awarded in an action described in paragraph (1), a portion of the judgment (not to exceed 25 percent) shall be applied to satisfy the amount of attorney's fees awarded against the defendant. If the award of attorney's fees is greater than 25 percent of the judgment, the excess shall be paid by the defendant.

"(3) No award of attorney's fees in an action described in paragraph (1) shall be based on an hourly rate greater than the hourly rate established under section 3006A of title 18, United States Code, for payment of court-appointed counsel.

"(4) Nothing in this subsection shall prohibit a prisoner from entering into an agreement to pay an attorney's fee in an amount greater than the amount authorized under this subsection, if the fee is paid by the individual rather than by the defendant pursuant to section 2 of the Revised Statutes of the United States (42 U.S.C. 1988).

"(g) Telephone Hearings.—To the extent practicable, in any action brought in Federal court pursuant to section 1979 of the Revised Statutes of the United States (42 U.S.C. 1983) by a prisoner crime confined in any jail, prison, or other correctional facility, pretrial proceedings in which the prisoner's participation is required or permitted shall be conducted by telephone without removing the prisoner from the facility in which the prisoner is confined. Any State may adopt a similar requirement regarding hearings in such actions in that State's courts.

"(h) DEFINITION.—As used in this section, the term 'prisoner' means any person incarcerated or detained in any facility who is accused of, convicted of, sentenced for, or adjudicated delinquent for, violations of criminal law or the terms and conditions of parole, probation, pretrial release, or diversionary program.".

SEC. 4. SUCCESSIVE CLAIMS IN PROCEEDINGS IN FORMA PAUPERIS.

Section 1915 of title 28, United States Code, is amended by adding at the end the following new subsection:

"(f)(1) In no event shall a prisoner in any prison bring a civil action or appeal a judgment in a civil action or proceeding under this section if the prisoner has, on 3 or more prior occasions, brought an action or appeal in a court of the United States that was dismissed on the grounds that it is frivolous, malicious, or fails to state a claim upon which relief may be granted, unless the prisoner is under imminent danger of serious bodily harm.

"(2) As used in this subsection, the term 'prisoner' means any person incarcerated or detained in any facility who is accused of, convicted of, sentenced for, or adjudicated delinquent for, violations of criminal law or the terms and conditions of parole, probation, pretrial release, or diversionary program.".●

ADDITIONAL COSPONSORS

S. 581

At the request of Mr. FAIRCLOTH, the names of the Senator from Mississippi [Mr. LOTT] and the Senator from Arizona [Mr. MCCAIN] were added as cosponsors of S. 581, a bill to amend the National Labor Relations Act and the Railway Labor Act to repeal those provisions of Federal law that require employees to pay union dues or fees as a condition of employment, and for other purposes.

S. 949

At the request of Mr. GRAHAM, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 949, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 200th anniversary of the death of George Washington.

S. 1093

At the request of Mr. REID, the name of the Senator from Wyoming (Mr. SIMPSON) was added as a cosponsor of S. 1093, a bill to prohibit the application of the Religious Freedom Restoration Act of 1993, or any amendment made by such Act, to an individual who is incarcerated in a Federal, State, or local correctional, detention, or penal facility, and for other purposes.

S. 1108

At the request of Mr. SMITH, the names of the Senator from Texas (Mr. GRAMM) and the Senator from Wyoming (Mr. THOMAS) were added as cosponsors of S. 1108, a bill to amend the Internal Revenue Code of 1986 to allow individuals to designate that up to 10 percent of their income tax liability be used to reduce the national debt, and to require spending reductions equal to the amounts so designated.

S. 1181

At the request of Mr. STEVENS, the name of the Senator from Louisiana (Mr. BREAUX) was added as a cosponsor of S. 1181, a bill to provide cost savings in the medicare program through cost-effective coverage of positron emission tomography (PET).

S. 1219

At the request of Mr. MCCAIN, the name of the Senator from Wyoming (Mr. SIMPSON) was added as a cosponsor of S. 1219, a bill to reform the financing of Federal elections, and for other purposes.

S. 1228

At the request of Mr. D'AMATO, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 1228, a bill to impose sanctions on foreign persons exporting petroleum products, natural gas, or related technology to Iran.

S. 1237

At the request of Mr. HATCH, the name of the Senator from Wyoming (Mr. SIMPSON) was added as a cosponsor of S. 1237, a bill to amend certain provisions of law relating to child pornography, and for other purposes.

S. 1253

At the request of Mr. ABRAHAM, the name of the Senator from Colorado (Mr. BROWN) was added as a cosponsor of S. 1253, a bill to amend the Controlled Substances Act with respect to penalties for crimes involving cocaine, and for other purposes.

S. 1254

At the request of Mr. ABRAHAM, the names of the Senator from Colorado (Mr. BROWN) and the Senator from Wyoming (Mr. SIMPSON) were added as cosponsors of S. 1254, a bill to disapprove of amendments to the Federal Sentencing Guidelines relating to lowering of crack sentences and sentences for money laundering and transactions in property derived from unlawful activity.

S. 1266

At the request of Mr. MACK, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of S. 1266, a bill to require the Board of Governors of the Federal Reserve System to focus on price stability in establishing monetary policy to ensure the stable, long-term purchasing power of the currency, to repeal the Full Employment and Balanced Growth Act of 1978, and for other purposes.

AMENDMENT NO. 2776

At the request of Mr. BUMPERS the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of amendment No. 2776 proposed to H.R. 2099, a bill making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and office for fiscal year ending September 30, 1996, and for other purposes.

AMENDMENTS SUBMITTED

VA-HUD APPROPRIATIONS FOR FISCAL YEAR 1996

INOUYE AMENDMENT NO. 2777

Mr. INOUYE proposed an amendment to the bill (H.R. 2099) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for fiscal year ending September 30, 1996, and for other purposes, as follows:

On page 22, between lines 4 and 5, insert the following:

SEC. 111. (a) Notwithstanding any other provision of this title, the amount appropriated by this title under the heading "DEPARTMENTAL ADMINISTRATION" under the paragraph "CONSTRUCTION, MAJOR PROJECTS" is hereby increased by $38,000,000.

(b) Of the amount available under the paragraph referred to in subsection (a), as increased by such subsection, $38,000,000 shall be available for construction at the Spark M. Matsunaga Department of Veterans Affairs Medical Center, Honolulu, Hawaii.

(c) Notwithstanding any other provision of this title, the amount appropriated by this title under the heading "DEPARTMENTAL ADMINISTRATION" under the paragraph "GENERAL OPERATING EXPENSES" is hereby reduced by $38,000,000.

BOND (AND OTHERS) AMENDMENT NO. 2778

Mr. BOND (for himself, Ms. MIKULSKI, Mr. INOUYE, and Mr. AKAKA) proposed an amendment to the bill H.R. 2099, supra; as follows:

On page 22, line 5, insert: "SEC. 111. The Department of Veterans Affairs shall provide hospital care and medical services to eligible veterans in the State of Hawaii at levels commensurate with levels of care provided in the forty-eight contiguous states. The Secretary shall utilize the contract authority prescribed in 38 U.S.C. Sec. 1703 to treat eligible veterans residing in the State of Hawaii wherever appropriate."

STEVENS (AND MURKOWSKI) AMENDMENT NO. 2779

Mr. STEVENS (for himself and Mr. MURKOWSKI) proposed an amendment to the bill H.R. 2099, supra; as follows:

On page 151, after line 10, insert the following new section:

SEC. 308. None of the funds appropriated under this Act may be used to implement the requirement of section 186(b)(2), section 187(b) or section 211(m) of the Clean Air Act (42 U.S.C. 7512(b)(2), 7512a(b), or 7545(m)) with respect to any moderate nonattainment area in which the average daily winter temperature is below 0 degrees Fahrenheit. The preceding sentence shall not be interpreted to preclude assistance from the Environmental

Protection Agency to the State of Alaska to make progress toward meeting the carbon monoxide standard in such areas and to resolve remaining issues regarding the use of oxygenated fuels in such areas.

CHAFEE AMENDMENT NO. 2780

Mr. CHAFEE proposed an amendment to the bill H.R. 2099, supra; as follows:

On page 149, line 18, insert "(for is carcinogenic effects)" after "arsenic".

MIKULSKI (AND OTHERS) AMENDMENT NO. 2781

Ms. MIKULSKI (for herself, Mr. KENNEDY, Mr. DASCHLE, Mr. BREAUX, Mr. ROCKEFELLER, Mr. ROBB, and Mr. WELLSTONE) proposed an amendment to the bill HR 2099, supra; as follows:

On page 27, line 5, strike "$5,594,358,000" and insert "$5,211,358,000".

On page 27, line 6, insert the following after "That": "in addition to the appropriation of $5,211,358,000 made available under this heading, in order to achieve an effective program level of $5,594,358,000 for the 'Annual Contributions for Assisted Housing' account for fiscal year 1996, in carrying out the programs and activities specified under this heading, the Secretary of Housing and Urban Development shall use $383,000,000 from any combination of unobligated balances or recaptures from prior year appropriations in the 'Annual Contributions for Assisted Housing' account, and from any reduction in amounts provided during fiscal year 1996 from the 'Annual Contributions for Assisted Housing' account (or from the 'Renewal of Expiring Section 8 Subsidies' account) to any public housing agency whose project reserve account is determined by the Secretary of Housing and Urban Development to contain funds in excess of the needs of that public housing agency: *Provided further*, That".

On page 30, line 5, strike "and".

On page 30, line 7, insert before the colon the following: "; and (3) shall give priority to projects designated for purchase by nonprofit organizations in allocating any funds for the sale of any projects in the preservation pipeline".

On page 128, after line 20, insert the following new section:

SEC. 225. INSURANCE OF MORTGAGES UNDER THE NATIONAL HOUSING ACT.

Section 203(b)(2)(A) of the National Housing Act (12 U.S.C. 1709(b)(2)(A)) is amended—

(1) in clause (ii), by striking "75 percent" and inserting "86 percent"; and

(2) by striking "38 percent" and inserting "50 percent".

Beginning on page 130, strike line 19 and all that follows through page 131, line 2, and insert the following:

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the Corporation for National and Community Service (referred to in the matter under this heading as the "Corporation") in carrying out programs, activities, and initiatives under the National and Community Service Act of 1990 (referred to in the matter under this heading as the "Act") (42 U.S.C. 12501 et seq.), $425,000,000, of which $335,000,000 shall be available for obligation from September 1, 1996, through August 21, 1997: *Provided*, That not more than $26,000,000 shall be available for administrative expenses authorized under section 501(a)(4) of the Act (42 U.S.C. 12681(a)(4)), of which not more than $12,000,000 shall be for administrative expenses for State commissions pursuant to section 126(a) of the Act (42 U.S.C. 12576(a)): *Provided further*, That not more than $2,500 shall be for official reception and representation expenses: *Provided further*, That not more than $93,000,000, to remain available without fiscal year limitation, shall be transferred to the national Service Trust account for educational awards authorized under subtitle D of title I of the Act (42 U.S.C. 12601 et seq.): *Provided further*, That not more than $209,000,000 shall be available for grants under the National Service Trust program authorized under subtitle C of title I of the Act (42 U.S.C. 12571 et seq.) (relating to activities including the Americorps program): *Provided further*, That not more than $5,000,000 shall be made available for the Points of Light Foundation for activities authorized under title III of the Act (42 U.S.C. 12661 et seq.): *Provided further*, That none of the funds made available under this heading may be used to administer, reimburse, or support any national service programs run by Federal agencies authorized under section 121(b) of the Act (42 U.S.C. 12571(b)): *Provided further*, That not more than $19,000,000 shall be available for the Civilian Community Corps authorized under subtitle E of title I of the Act (42 U.S.C. 12611 et seq.): *Provided further*, That not more than $43,000,000 shall be available for school-based and community-based service-learning programs authorized under subtitle B of title I of the Act (42 U.S.C. 12521 et seq.): *Provided further*, That not more than $25,000,000 shall be available for quality and innovation activities authorized under subtitle H of title I of the Act (42 U.S.C. 12653 et seq.): *Provided further*, That not more than $5,000,000 shall be available for audits and other evaluations authorized under section 179 of the Act (42 U.S.C. 12639): *Provided further*, That no funds from any other appropriation, or from funds otherwise made available to the Corporation, shall be used to pay for personnel compensation and benefits, travel, or any other administrative expense for the Board of Directors, the Office of the Chief Executive Officer, the Office of the Managing Director, the Office of the Chief Financial Officer, the Office of National and Community Service Programs, the Civilian Community Corps, or any field office or staff of the Corporation working on the National and Community Service or Civilian Community Corps programs: *Provided further*, That none of the funds made available under this heading may be obligated until the earlier of the date on which the Chief Executive Officer of the Corporation submits a plan to Congress to restructure the National Service Trust program authorized under subtitle C of title I of the Act (relating to activities including the Americorps program) in accordance with a budget smaller than the budget requested for the program in the President's fiscal year 1996 budget, or the date of enactment of an Act that reauthorizes the National and Community Service Act of 1990.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, $1,500,000.

SARBANES (AND OTHERS) AMENDMENT NO. 2782

Mr. SARBANES (for himself, Mr. SIMON, and Mr. DODD) proposed an amendment to the bill H.R. 2099, supra; as follows:

At the appropriate place in title II of the bill, insert the following new section:

SEC. . HOMELESS ASSISTANCE FUNDING.

(a) ASSISTANCE FOR THE RENEWAL OF EXPIRING SECTION 8 SUBSIDY CONTRACTS.—

(1) REDUCED APPROPRIATION.—Notwithstanding any other provision of this Act, the amount made available under title II of this Act under the heading "HOUSING PROGRAMS" under the subheading "ASSISTANCE FOR THE RENEWAL OF EXPIRING SECTION 8 SUBSIDY CONTRACTS", is reduced from $4,350,862,000 to $3,990,862,000.

(2) USE OF ASSISTANCE.—Notwithstanding any other provision of this Act, in using amounts made available under title II of this Act under the heading "HOUSING PROGRAMS" under the subheading "ASSISTANCE FOR THE RENEWAL OF EXPIRING SECTION 8 SUBSIDY CONTRACTS" to renew an annual contributions contract with a public housing agency administering the tenant-based existing housing certificate program under section 8(d) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)) or the housing voucher program under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)), the Secretary of Housing and Urban Development shall take into account the amount in the project reserve under the contract being renewed in determining the amount of budget authority to obligate under the renewed contract.

(b) HOMELESS ASSISTANCE.—

(1) INCREASED APPROPRIATION.—Notwithstanding any other provision of this Act, the amount made available under title II of this Act under the heading "HOMELESS ASSISTANCE" under the subheading "HOMELESS ASSISTANCE GRANTS" is increased from $760,000,000 to $1,120,000,000.

(2) RESTRICTION.—Notwithstanding section 504 or any other provision of this Act, of the funds made available under title II of this Act under the heading "HOMELESS ASSISTANCE" UNDER THE SUBHEADING "HOMELESS ASSISTANCE GRANTS", $360,000,000 shall not become available for obligation until September 30, 1996, and shall remain available until expended.

JEFFORDS (AND OTHERS) AMENDMENT NO. 2783

Mr. JEFFORDS (for himself, Mr. BINGAMAN, Mr. CHAFEE, Ms. SNOWE, Mr. DASCHLE, Mr. SIMON, Mr. BIDEN, Mr. LIEBERMAN, Mr. KOHL, Mr. KERRY, Mr. BUMPERS, Mr. LEAHY, Mr. COHEN, Mr. LUGAR, Mr. WELLSTONE, and Mr. ROBB) proposed an amendment to the bill H.R. 2099, supra; as follows:

On page 151, line 11, insert:

SEC. . ENERGY EFFICIENCY AND ENERGY SUPPLY PROGRAMS.

(a) PRIORITY FOR SMALL BUSINESSES.—During fiscal year 1996 the Administrator of the Environmental Protection Agency shall give priority in providing assistance in its Energy Efficiency and Energy Supply programs to organizations that are recognized as small business concerns under section 3(a) of the Small Business Act (15 U.S.C. 632 (a)).

(b) STUDY.—The Administrator shall perform a study to determine the feasibility of establishing fees to recover all reasonable costs incurred by EPA for assistance rendered businesses in its Energy Efficiency and Energy Supply program. The study shall include, among other things, an evaluation of making the Energy Efficiency and Energy Supply program self-sustaining, the value of the assistance rendered to businesses, providing exemptions for small businesses, and making the fees payable directly to a fund that would be available for use by EPA as needed for this program. The Administrator shall report to Congress by March 15, 1996 on the results of this study and EPA's plan for implementation.

(c) FUNDING.—For fiscal year 1996, up to $100 million of the funds appropriated to the Environmental Protection Agency may be used by the Administrator to support global participation in the Montreal Protocol facilitation fund and for the climate change action plan programs including the green programs.

ROCKEFELLER AMENDMENT NO. 2784

Mr. ROCKEFELLER (for himself, Ms. MIKULSKI, Mr. LEAHY, Mr. WELLSTONE, Mr. DASCHLE, and Mr. DORGAN) proposed an amendment to the bill H.R. 2099, supra; as follows:

On page 16, beginning with line 20, strike all through page 17, line 5, and insert the following:

SEC. 107. Section 105(b) of House Concurrent Resolution 67 (104th Congress, 1st Session) is amended to read as follows:

"(b) RECONCILIATION OF REVENUE REDUCTIONS IN THE SENATE.—

"(1) CERTIFICATION.—(A) In the Senate, upon the certification pursuant to section 205(a) of this resolution, the Senate Committee on Finance shall submit its recommendations, the Committee on the Budget shall add such recommendations to the recommendations submitted pursuant to subsection (a) and report a reconciliation bill carrying out all such recommendations without any substantive revision.

"(B) The Chair of the Committee on the budget shall file with the Senate revised allocations, aggregates, and discretionary spending limits under section 201(a)(1)(B) increasing budget authority by $17,000,000,000 and outlays by $150,000,000.

"(2) COMMITTEE ON FINANCE.—Funding for this section shall be provided by limiting any tax cut provided in the reconciliation bill to families with incomes less than $100,000.".

ROCKEFELLER AMENDMENT NO. 2785

Mr. ROCKEFELLER (for himself, Ms. MIKULSKI, Mr. LEAHY, Mr. DASCHLE, and Mr. WELLSTONE) proposed an amendment to the bill H.R. 2099, supra; as follows:

On page 8, line 10, strike "$16,450,000,000" and insert "$16,961,487,000".

On page 22, between lines 4 and 5, insert the following:

SEC. 111. Section 105(b) of House Concurrent Resolution 67 (104th Congress, 1st Session) is amended to read as follows:

"(b) RECONCILIATION OF REVENUE REDUCTIONS IN THE SENATE.—

"(1) CERTIFICATION.—(A) In the Senate, upon the certification pursuant to section 205(a) of this resolution, the Senate Committee on Finance shall submit its recommendations pursuant to paragraph (2) to the Senate Committee on the Budget. After receiving the recommendations, the Committee on the Budget shall add such recommendations to the recommendations submitted pursuant to subsection (a) and report a reconciliation bill carrying out all such recommendations without any substantive revision.

"(B) The Chair of the Committee on the Budget shall file with the Senate revised allocations, aggregates, and discretionary spending limits under section 201(a)(1)(B) increasing budget authority by $511,487,000 and outlays by $511,487,000.

"(2) COMMITTEE ON FINANCE.—Funding for this section shall be provided by limiting any tax cut provided in the reconciliation bill to families with incomes less than $100,000.".

BAUCUS (AND OTHERS) AMENDMENT NO. 2786

Mr. BAUCUS (for himself, Ms. MIKULSKI, Mr. LAUTENBERG, Mrs. BOXER, Mr. LIEBERMAN, and Mr. REID) proposed an amendment to the bill H.R. 2099, supra; as follows:

At the appropriate place in title III, insert the following:

SEC. 3 . APPLICATION OF LIMITATIONS ON IMPLEMENTATION OR ENFORCEMENT OF CERTAIN LAWS.

Any prohibition or limitation in this Act on the implementation or enforcement of any law administered by the Administrator of the Environmental Protection Agency shall not apply if the Administrator determines that application of the prohibition or limitation would diminish the protection of human health or the environment otherwise provided by law.

McCAIN AMENDMENT NO. 2787

Mr. McCAIN proposed an amendment to the bill H.R. 2099, supra; as follows:

At the appropriate place; insert:

SEC. . PLAN FOR ALLOCATION OF HEALTH CARE RESOURCES BY DEPARTMENT OF VETERANS AFFAIRS.

(a) PLAN.—(1) The Secretary of Veterans Affairs shall develop a plan for the allocation of health care resources (including personnel and funds) of the Department of Veterans Affairs among the health care facilities of the Department so as to ensure that veterans having similar economic status, eligibility priority and, or, similar medical conditions who are eligible for medical care in such facilities have similar access to such care in such facilities regardless of the region of the United States in which such veterans reside.

(2) The Plan shall reflect, to the maximum extent possible, the Veterans integrated Service Network, as well as the Resource Planning and Management System developed by the Department of Veterans Affairs to account for forecasts in expected workload and to ensure fairness to facilities that provide cost-efficient health care, and shall include procedures to identify reasons for variations in operating costs among similar facilities and ways to improve the allocation of resources so as to promote efficient use of resources and provision of quality health care.

(3) The Secretary shall prepare the plan in consultation with the Under Secretary of Health of the Department of Veterans Affairs.

(b) PLAN ELEMENTS.—The plan under subsection (a) shall set forth—

(1) milestones for achieving the goal referred to in that subsection; and

(2) a means of evaluating the success of the Secretary in meeting the goals through the plan.

(c) SUBMITTAL TO CONGRESS.—The Secretary shall submit to Congress the plan developed under subsection (a) not later than 180 days after the date of the enactment of this Act.

(d) PLAN IMPLEMENTATION.—The Secretary shall implement the plan developed under subsection (a) within 60 days of submitting such plan to Congress under subsection (b), unless within such period the Secretary notifies the appropriate Committees of Congress that such plan will not be implemented along with an explanation of why such plan will not be implemented.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. BOND. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet Tuesday, September 26, 1995, beginning at 9 a.m. in room SH-216, to conduct a mark up of spending recommendations for the budget reconciliation legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BOND. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, September 26, 1995, at 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. BOND. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for an executive session, during the session of the Senate on Tuesday, September 26, 1995, at 9 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, TECHNOLOGY, AND GOVERNMENT INFORMATION

Mr. BOND. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Technology, and Government Information of the Senate Committee on the Judiciary, be authorized to meet during a session of the Senate on Tuesday, September 26, 1995, at 10 a.m., in Senate Dirksen room 106, on "Ruby Ridge Incident".

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, REGARDING EDUCATIONAL TRAVEL

• Mr. McCONNELL. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign

country paid for by that foreign government or organization.

The select committee received notification under rule 35 for Walter Lohman, a member of the staff of Senator McCAIN, to participate in a program in India sponsored by the Confederation of Indian Industry from August 26 to September 3, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Lohman in this program.

The select committee received notification under rule 35 for Sean O'Donnell, a member of the staff of Senator GORTON, to participate in a program in Hong Kong sponsored by the Hong Kong Chamber of Commerce from August 28 to September 4, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. O'Donnell in this program.

The select committee received notification under rule 35 for Steve Phillips, a member of the staff of Senator HELMS, to participate in a program in Korea sponsored by the Korean Government from August 19–25, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Philips in this program.

The select committee received notification under rule 35 for Russell Rockwell, a member of the staff of Senator SANTORUM, to participate in a program in Taiwan sponsored by the Tamkang University from August 16–23, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Rockwell in this program.

The select committee received notification under rule 35 for Holidae Hayes, a member of the staff of Senator D'AMATO, to participate in a program in Mexico sponsored by the Mexican Business Coordinating Council from August 22–25, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Ms. Hayes in this program.

The select committee received notification under rule 35 for Corbin Stone, a member of the staff of Senator SIMON, to participate in a program in Taiwan sponsored by the Chinese Culture University from August 17–24, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Stone in this program.

The select committee received notification under rule 35 for Mark Ashby, a member of the staff of Senator BREAUX, to participate in a program in China sponsored by the Chinese People's Institute of Foreign Affairs from August 14–27, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mark Ashby in this program.

The select committee received notification under rule 35 for Brent Franzel, a member of the staff of Senator D'AMATO, to participate in a program in Mexico sponsored by the Mexican Business Coordinating Council from August 22–25, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Franzel in this program.

The select committee received notification under rule 35 for Amy Dunathan, a member of the staff of Senator CHAFEE, to participate in a program in China sponsored by the Chinese People's Institute of Foreign Affairs from August 15–27, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Ms. Dunathan in this program.

The select committee received notification under rule 35 for Derek Schmidt, a member of the staff of Senator KASSEBAUM to participate in a program in China sponsored by the Chinese People's Institute of Foreign Affairs from August 15–27, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Schmidt in this program.

The select committee received notification under rule 35 for William Triplett, a member of the staff of Senator BENNETT, to participate in a program in Taiwan sponsored by the Tamkang University from August 16–23, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Triplett in this program.

The select committee received notification under rule 35 for Eric Silagy, a member of the staff of Senator JOHNSTON, to participate in a program in China sponsored by the Chinese People's Institute for Foreign Affairs from August 19–27, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Silagy in this program.

The select committee received notification under rule 35 for Randy Rydell, a member of the staff of Senator GLENN, to participate in a program in India sponsored by the Confederation of Indian Industry from August 26 to September 3, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Rydell in this program.

The select committee received notification under rule 35 for T. Scott Bunton, a member of the staff of Senator KERRY, to participate in a program in China sponsored by the Chinese Culture University from August 17–24, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Bunton in this program.

The select committee received notification under rule 35 for Chad Calvert, a member of the staff of Senator SIMPSON, to participate in a program in Hong Kong sponsored by the Hong Kong General Chamber of Commerce from August 28 to September 4, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Calvert in this program.

The select committee received notification under rule 35 for Daniel Bob, a member of the staff of Senator ROTH, to participate in a program in Japan sponsored by the Japanese Ministry of Foreign Affairs from September 11–17, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Bob in this program.

The select committee received notification under rule 35 for Andrew Brack, a member of the staff of Senator HOLLINGS, to participate in a program in Taiwan sponsored by Tamkang University from August 16–23, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Brack in this program.

The select committee received notification under rule 35 for Senators MURKOWSKI, SIMPSON, HEFLIN, LOTT, BRYAN, BURNS, and AKAKA, and their respective spouses; and Gregg Renkes, David Garman, Karen Hunsicker, David Fish, Bob Simon, members of the staff of Senator MURKOWSKI; and Jan Paulk, member of the staff of Senator DOLE, to participate in a program in Sweden sponsored by the United States and Swedish Governments from April 17–24, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Senators and staff in this program.

The select committee received notification under rule 35 for William Triplett, a member of the staff of Senator BENNETT, to participate in a program in India sponsored by the Confederation of Indian Industry from August 27 to September 3, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Triplett in this program.

The select committee received notification under rule 35 for Sharon Soderstrom, a member of the staff of Senator COATS, to participate in a program in China sponsored by the Chinese People's Institute for Foreign Affairs from August 15–29, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Ms. Soderstrom in this program.

The select committee received notification under rule 35 for Tamera Santon, a member of the staff of Senator ROCKEFELLER, to participate in a program in Taiwan sponsored by the Chinese Culture University from August 17–24, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Ms. Stanton in this program.

The select committee received notification under rule 35 for Lori Staley, a member of the staff of Senator BURNS, to participate in a program in China sponsored by the Chinese People's Institute for Foreign Affairs from August 13–19, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Ms. Staley in this program.

The select committee received notification under rule 35 for Paul Matulic, a member of the staff of Senator HATCH, to participate in a program in Taiwan sponsored by the Chinese Cultural University from August 17–24, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Matulic in this program.

The select committee received notification under rule 35 for Kraig Siracuse, a member of the staff of Senator D'AMATO, to participate in a program in Korean sponsored by the Ministry of Foreign Affairs from August 19–26, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Siracuse in this program.

The select committee received notification under rule 35 for Ellen Cahill, a member of the staff of Senator McCAIN, to participate in a program in Taiwan sponsored by the Soochow University from August 20–26, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Ms. Cahill in this program.

The select committee received notification under rule 35 for William Rosenau, a member of the staff of Senator SPECTER, to participate in a program in Taiwan sponsored by Tamkang University from August 20–26, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Rosenau in this program.

The select committee received notification under rule 35 for Robert Carey, a member of the staff of Senator ABRAHAM, to participate in a program in Taiwan sponsored by Tamkang University from August 23–30, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Carey in this program.

The select committee received notification under rule 35 for Kristin Peck, a member of the staff of Senator HELMS, to participate in a program in Taiwan sponsored by the Chinese Culture University from August 17–24, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Ms. Peck in this program.

The select committee received notification under rule 35 for John Mashburn, a member of the staff of Senator ASHCROFT to participate in a program in Mexico sponsored by the Mexican Business Coordinating Council from August 22-25, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Mashburn in this program.

The select committee received notification under rule 35 for Molly Dye, a member of the staff of Senator COVERDELL, to participate in a program in Taiwan sponsored by the Tamkang University from August 16-23, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Ms. Dye in this program.

The select committee received notification under rule 35 for Daniel Bob, a member of the staff of Senator ROTH, to participate in a program in Japan sponsored by the Japanese Ministry of Foreign Affairs from September 11-17, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Bob in this program.

The select committee received notification under rule 35 for Elizabeth Wilson, a member of the staff of Senator HELMS, to participate in a program in Germany sponsored by Friendship in Freedom from September 2-9, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Ms. Wilson in this program.

The select committee received notification under rule 35 for Senator and Mrs. BRADLEY to participate in a program in Italy sponsored by the Ambrosetti Group from September 1-5, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Senator and Mrs. Bradley in this program.

The select committee received notification under rule 35 for Elizabeth Lambird, a member of the staff of Senator HELMS, to participate in a program in Hong Kong sponsored by the Hong Kong General Chamber of Commerce from August 28 to September 4, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Ms. Lambird in this program.

The select committee received notification under rule 35 for Marc Thiessen, a member of the staff of Senator HELMS, to participate in a program in Hong Kong sponsored by the Hong Kong Chamber of Commerce from August 28 to September 4, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. Thiessen in this program.

The select committee received notification under rule 35 for Gregory McGinity, a member of the staff of Senator COCHRAN, to participate in a program in China sponsored by the Chinese Culture University from August 22-29, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. McGinity in this program.

The select committee received notification under rule 35 for Sean O'Donnell, a member of the staff of Senator GORTON, to participate in a program in Taiwan sponsored by the Soochow University from August 6-12, 1995.

The committee determined that no Federal statute or Senate rule would prohibit participation by Mr. O'Donnell in this program.•

JASON REESE—YOUTH OF THE YEAR

• Mr. THOMPSON. Mr. President, Jason Reese is a remarkable young man who is attending the University of Tennessee as a national merit scholar. He was named last week as the Boys and Girls Clubs of America "Youth of the Year." I join all my fellow Tennesseans in saluting Jason, and wishing him well as he enters college.

I ask that an article that appeared in the October 2, 1995, edition of U.S. News & World Report be printed in the RECORD.

The article follows:

[From the U.S. News & World Report, Oct. 2, 1995]

BOOTSTRAPS—TRYING IN TENNESSEE

(By Dorian Friedman)

As an introverted child from a troubled family, Jason Reese never imagined himself as a role model. So when a young neighbor saw him recently on TV and told him "he wanted to grow up to be like me, it just about made me cry." Jason wasn't alone: There were more than a few teary-eyed admirers in a Capitol Hill audience last week when the Boys & Girls Clubs of America named the 18-year-old its National Youth of the Year.

Abandoned by his father as an infant and shuttled between grandparents and a struggling single mother, Jason was raised in "the projects" of Morristown, Tenn, a neighborhood where drug dealing and gunfire were not uncommon. A haven where Jason found surrogate fathers and friends was the local Boys & Girls Club. There, he tutored the younger school kids, helped run park cleanups and food drives and pitched in at a nursing home. He also worked at a local auto-parts company, tended to his two little brothers so there mother could finish college and maintained nearly perfect grades in school. He graduated from Morristown High West this year as a National Merit scholar and drew a full scholarship to the University of Tennessee, where he will study biology and chemistry in hopes of becoming a doctor.

As Youth of the Year, he voiced a message to other teenagers: "Stay determined, pursue your dreams and never let anybody tell you that you can't get there." That approach was taken long ago by another Boys Club product—originally from a place called Hope—who told Jason and the other finalists how proud he was of them in the Oval Office.•

PROVISIONS OF THE FOREIGN OPERATIONS APPROPRIATIONS BILL PERTAINING TO TURKEY

• Mr. KERRY. Mr. President, the Senate recently adopted two amendments to the foreign operations appropriations bill which I think deserve further comment.

The first of these, an amendment offered by Senator DOLE, will prohibit U.S. assistance from going to any country that impedes the delivery of U.S. humanitarian assistance. I am a cosponsor of this amendment, as well as of the original legislation on the subject, the Humanitarian Aid Corridors Act, and I believe strongly in the principle which it reflects. Countries that block our humanitarian efforts should not be receiving our foreign aid. I wish that such legislation were not necessary, but unfortunately the third largest recipient of United States foreign aid, Turkey, continues to prevent the delivery of most humanitarian assistance to neighboring Armenia. We can no longer ignore this situation.

After enduring mass slaughter at the hands of the Ottoman Empire, and more than 60 years under the repressive rule of the Soviet Union, Armenia has been embroiled since achieving independence 4 years ago in a bloody dispute with Azerbaijan to its east and has been subjected to an economic blockade by Turkey on the west. The United States and the rest of the Western community have provided humanitarian aid to help reduce the severe shortages of fuel, food, and other essential supplies. Unfortunately, Turkey has maintained a blockade on the most efficient land routes, thereby greatly complicating this relief effort.

I had hoped that diplomacy alone could ensure the delivery of the much-needed assistance to Armenia. However, the lack of progress on the diplomatic front and my commitment to ensuring the unrestricted delivery of humanitarian assistance to Armenia—and my commitment to the important principle of permitting unrestricted humanitarian assistance to the civilian casualties of any nation—have convinced me that Senator DOLE's legislation is necessary. I believe it is the most effective avenue to bring pressure to bear on those hindering the delivery of humanitarian assistance to Armenia.

The second amendment I wish to discuss also affected Turkey and, had it been adopted, would have capped United States economic assistance to Turkey at $21 million. I also cosponsored this amendment, offered by Senator D'AMATO as a way of expressing to our Turkish allies our extreme disappointment with their continued intransigence in Cyprus, their deplorable human rights record in dealing with the Kurdish insurgency in southeastern Turkey, and their continuing land blockade of Armenia.

I am well aware of the important strategic role that Turkey played during the cold war and of its role in the international coalition during the Persian Gulf war. I appreciate the significant contributions Turkey has made to reasonable action and discourse in the Moslem world. I would like for Turkey and the United States to be close cooperating friendly allies. I do not relish the idea of taking punitive measures against a valued NATO ally, but we must look at the relationship across a spectrum of issues and in many areas Turkey comes up short. The Turkish occupation in Cyprus just entered its third decade and there seems to be little movement toward a settlement.

The United States State Department reported that, despite constant urgings from the Western community, human rights abuses in Turkey worsened last year. This behavior is incompatible with Turkey's drive for inclusion in the European Union. Because all other means of delivering the message and securing altered behavior have failed, I agree that we are reduced to using the few remaining vehicles available to deliver our message, a reduction of our assistance.

Like many of my colleagues, I want Turkey to continue as a trusted ally, but we cannot let our desire for good relations blind us to Turkey's flaws. I am pleased that Senator DOLE's amendment was adopted and I hope that the Turkish leadership receives the message sent by both amendments—our relationship since the cold war has changed and Turkey's strategic location is no longer enough to shield them from the bright light of international scrutiny. I also hope that Turkey's response will not be intransigence and obstinacy, but instead will be recognition that this message comes from a nation and a people that values our friendship and wants our future relations to be friendly and cooperative and will ensure they are friendly and cooperative if Turkey will comport itself in accord with established standards of behavior for sovereign states.•

MEMORIAL TO M. SGT. CARL BILLIG

• Mr. KEMPTHORNE. Mr. President, this morning, the family of retired M. Sgt. Carl Billig said their final farewells to this devoted husband, father, and war veteran who passed away on Friday, September 22, 1995.

Sergeant Billig's dying wish was to receive his long-sought military awards and medals. After more than a year of trying to track down those medals, they finally arrived 2 days before his death. In a touching ceremony, Sergeant Billig's family gathered at the home around his bed where he lie terminally ill with cancer. The family looked on as Maj. Martin Harris presented Sergeant Billig with 14 military medals and badges—including the Purple Heart and the Award of Meritorious Service in recognition of his 23 years of service spanning World War II through the Vietnam conflict.

In a final act of patriotism, Sergeant Billig mustered all of his strength to return Major Harris' salute. His eyes brightened as he recognized the great honors being paid to him by those gathered about him. Following that salute, his hand dropped to his side, still holding it in the salute position and soon his eyes closed, never to open again.

Sergeant Billig was discharged from the Army 25 years ago. He had been actively working to obtain his medals for the last 17 months, but to no avail. Letters were answered with form responses that they were working on it. Carl's body wasted and weakened with lung cancer and knowing his time was short, he chose to stay at home during his final days. But Carl continued to express his great desire to receive his military medals before his death. He told friends and family he wished to be buried in full military uniform, complete with all medals and ribbons.

Hospice nurse Lori Olsen Marks overheard him express this dying wish and on September 14 contacted my office to see if I could help in any way. She sensed the urgency of Carl's wish and said his physicians felt there might only be 3 to 4 weeks left to obtain his honors. My office immediately contacted the U.S. Army. In her typical, caring style, Margaret Tyler, Congressional Liaison for the Army, began work on the request. On September 19, Carl's son Tom called to say it appeared to be only a matter of hours. His father was in great pain and was having increasing difficulty breathing.

Another call was made to the Army. Margaret Tyler contacted Gail Goers-Wurmb and Vicki Ramoni in Philadelphia and St. Louis. Within the hour, these women had obtained all authorizations and worked into the night to locate all of the awards and thoughtfully had Carl Billig's name engraved on each medal. An overnight carrier was located, and almost in miracle fashion, the package arrived the next morning in Idaho Falls.

An awards ceremony was quickly scheduled. Major Harris of the Idaho National Guard, hospice administrator, Keith Hale, Ina Gillies of Veterans Affairs, and Dixie Richardson of my office prepared the presentation.

Carl Billig's family says he lived by his motto, "You do whatever must be done, in order to accomplish a task * * * especially when you have been given an assignment to do something for your country." Carl Billig lived doing whatever needed to be done, and in his final hours, many people pulled together to honor this fine man.

Carl Billig's family have expressed their deepest appreciation many times for the kindness and concern shown by all who answered a man's dying wish with such expediency. They say their faith in people, and in their government have been renewed.•

DISTRICT OF COLUMBIA APPROPRIATIONS FOR FISCAL YEAR 1996

The text of the bill (S. 1244) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1996, and for other purposes, as passed by the Senate on September 22, 1995, is as follows:

S. 1244

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 1996, and for other purposes, namely:

TITLE I

FISCAL YEAR 1996 APPROPRIATIONS

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

For payment to the District of Columbia for the fiscal year ending September 30, 1996, $660,000,000, as authorized by section 502(a) of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93-198, as amended (D.C. Code, sec. 47–3406.1).

FEDERAL CONTRIBUTION TO RETIREMENT FUNDS

For the Federal contribution to the Police Officers and Fire Fighters', Teachers', and Judges' Retirement Funds, as authorized by the District of Columbia Retirement Reform Act, approved November 17, 1979 (93 Stat. 866; Public Law 96–122), $52,000,000.

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

GOVERNMENTAL DIRECTION AND SUPPORT

Governmental direction and support, $150,721,000 and 1,465 full-time equivalent positions (end of year): *Provided*, That not to exceed $2,500 for the Mayor, $2,500 for the Chairman of the Council of the District of Columbia, and $2,500 for the City Administrator shall be available from this appropriation for expenditures for official purposes: *Provided further*, That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: *Provided further*, That no revenues from Federal sources shall be used to support the operations or activities of the Statehood Commission and Statehood Compact Commission: *Provided further*, That the District of Columbia shall identify the sources of funding for Admission to Statehood from its own locally-generated revenues: *Provided further*, That $29,500,000 is used for a pay-as-you-go capital project of which $28,000,000 is available to develop and implement a new financial management information system and $1,500,000 is available for a needs assessment study: *Provided further*, That the District of Columbia Financial Responsibility and Management Assistance Authority shall have given prior approval to the work plan and procurement documents for necessary hardware and software before work on phase 3, as described in the Authority's August 15, 1995 report, is begun.

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, $142,711,000 and 1,692 full-time equivalent positions (end-of-year): *Provided*, That the District of Columbia Housing Finance Agency, established by section 201 of the District of Columbia Housing Finance Agency Act, effective March 3, 1979 (D.C. Law 2–135; D.C. Code, sec. 45–2111), based upon its capability of repayments as determined each year by the Council of the District of Columbia from the Housing Finance Agency's annual audited financial statements to the Council of the District of Columbia, shall repay to the general fund an amount equal to the appropriated administrative costs plus interest at a rate of four percent per annum for a term of 15 years, with a deferral of payments for the first three years: *Provided further*, That notwithstanding the foregoing provision, the obligation to repay all or part of the amounts due shall be subject to the rights of the owners of any bonds or notes issued by the Housing Finance Agency and shall be repaid to the District of Columbia government only from available operating revenues of the Housing Finance Agency that are in excess of the amounts required for debt service, reserve funds, and operating expenses: *Provided further*, That upon commencement of the debt service payments, such payments shall be deposited into the general fund of the District of Columbia.

PUBLIC SAFETY AND JUSTICE

Public safety and justice, including purchase of 135 passenger-carrying vehicles for replacement only, including 130 for police-type use and five for fire-type use, without regard to the general purchase price limitation for the current fiscal year, $960,747,000 and 11,544 full-time equivalent positions (end-of-year): *Provided*, That the Metropolitan Police Department is authorized to replace not to exceed 25 passenger-carrying vehicles and the Fire Department of the District of Columbia is authorized to replace not to exceed five passenger-carrying vehicles annually whenever the cost of repair to any damaged vehicle exceeds three-fourths of the cost of the replacement: *Provided further*, That not to exceed $500,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: *Provided further*, That the Metropolitan Police Department shall provide quarterly reports to the Committees on Appropriations of the House and Senate on efforts to increase efficiency and improve the professionalism in the department: *Provided further*, That notwithstanding any other provision of law, or Mayor's Order 86-45, issued March 18, 1986, the Metropolitan Police Department's delegated small purchase authority shall be $500,000: *Provided further*, That the District of Columbia government may not require the Metropolitan Police Department to submit to any other procurement review process, or to obtain the approval of or be restricted in any manner by any official or employee of the District of Columbia government, for purchases that do not exceed $500,000: *Provided further*, That $250,000 is used for the Georgetown Summer Detail; $200,000 is used for East of the River Detail; $100,000 is used for Adams Morgan Detail; and $100,000 is used for the Capitol Hill Summer Detail: *Provided further*, That the Metropolitan Police Department shall employ an authorized level of sworn officers not to be less than 3,800 sworn officers for the fiscal year ending September 30, 1996: *Provided further*, That the District of Columbia shall house no more than 1,000 inmates in its community correctional centers, District operated or contracted, on any given date: *Provided further*, That funds appropriated for expenses under the District of Columbia Criminal Justice Act, approved September 3, 1974 (88 Stat. 1090; Public Law 93-412; D.C. Code, sec. 11-2601 et seq.), for the fiscal year ending September 30, 1996, shall be available for obligations incurred under the Act in each fiscal year since inception in the fiscal year 1975: *Provided further*, That funds appropriated for expenses under the District of Columbia Neglect Representation Equity Act of 1984, effective March 13, 1985 (D.C. Law 5-129; D.C. Code, sec. 16-2304), for the fiscal year ending September 30, 1996, shall be available for obligations incurred under the Act in each fiscal year since inception in the fiscal year 1985: *Provided further*, That funds appropriated for expenses under the District of Columbia Guardianship, Protective Proceedings, and Durable Power of Attorney Act of 1986, effective February 27, 1987 (D.C. Law 6-204; D. C. Code, sec. 21-2060), for the fiscal year ending September 30, 1996, shall be available for obligations incurred under the Act in each fiscal year since inception in fiscal year 1989: *Provided further*, That not to exceed $1,500 for the Chief Judge of the District of Columbia Court of Appeals, $1,500 for the Chief Judge of the Superior Court of the District of Columbia, and $1,500 for the Executive Officer of the District of Columbia Courts shall be available from this appropriation for official purposes: *Provided further*, That the District of Columbia shall operate and maintain a free, 24-hour telephone information service whereby residents of the area surrounding Lorton prison in Fairfax County, Virginia, can promptly obtain information from District of Columbia government officials on all disturbances at the prison, including escapes, fires, riots, and similar incidents: *Provided further*, That the District of Columbia government shall also take steps to publicize the availability of the 24-hour telephone information service among the residents of the area surrounding the Lorton prison: *Provided further*, That not to exceed $100,000 of this appropriation shall be used to reimburse Fairfax County, Virginia, and Prince William County, Virginia, for expenses incurred by the counties during the fiscal year ending September 30, 1996, in relation to the Lorton prison complex: *Provided further*, That such reimbursements shall be paid in all instances in which the District requests the counties to provide police, fire, rescue, and related services to help deal with escapes, riots, and similar disturbances involving the prison: *Provided further*, That the Mayor shall reimburse the District of Columbia National Guard for expenses incurred in connection with services that are performed in emergencies by the National Guard in a militia status and are requested by the Mayor, in amounts that shall be jointly determined and certified as due and payable for these services by the Mayor and the Commanding General of the District of Columbia National Guard: *Provided further*, That such sums as may be necessary for reimbursement to the District of Columbia National Guard under the preceding proviso shall be available from this appropriation, and the availability of the sums shall be deemed as constituting payment in advance for emergency services involved.

PUBLIC EDUCATION SYSTEM

Public education system, including the development of national defense education programs, $800,080,000 and 11,670 full-time equivalent positions (end-of-year), to be allocated as follows: $585,956,000 and 10,167 full-time equivalent positions for the public schools of the District of Columbia; $109,175,000 shall be allocated for the District of Columbia Teachers' Retirement Fund; $81,940,000 and 1,079 full-time equivalent positions for the University of the District of Columbia; $20,742,000 and 415 full-time equivalent positions for the Public Library; $2,267,000 and 9 full-time equivalent positions for the Commission on the Arts and Humanities: *Provided*, That the public schools of the District of Columbia are authorized to accept not to exceed 31 motor vehicles for exclusive use in the driver education program: *Provided further*, That not to exceed $2,500 for the Superintendent of Schools, $2,500 for the President of the University of the District of Columbia, and $2,000 for the Public Librarian shall be available from this appropriation for expenditures for official purposes: *Provided further*, That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 1996, a tuition rate schedule that will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area.

HUMAN SUPPORT SERVICES

Human support services, $1,859,622,000 and 6,469 full-time equivalent positions (end-of-year): *Provided*, That $26,000,000 of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation: *Provided further*, That the District shall not provide free government services such as water, sewer, solid waste disposal or collection, utilities, maintenance, repairs, or similar services to any legally constituted private nonprofit organization (as defined in section 411(5) of Public Law 100-77, approved July 22, 1987) providing emergency shelter services in the District, if the District would not be qualified to receive reimbursement pursuant to the Stewart B. McKinney Homeless Assistance Act, approved July 22, 1987 (101 Stat. 485; Public Law 100-77; 42 U.S.C. 11301 et seq.).

PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and purchase of passenger-carrying vehicles for replacement only, $297,568,000 and 1,914 full-time equivalent positions (end-of-year): *Provided*, That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business.

WASHINGTON CONVENTION CENTER TRANSFER PAYMENT

For the Washington Convention Center Fund, $5,400,000.

REPAYMENT OF LOANS AND INTEREST

For reimbursement to the United States of funds loaned in compliance with an Act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, approved August 7, 1946 (60 Stat. 896; Public Law 79-648); section 1 of an Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85-451; D.C. Code, sec. 9-219); section 4 of an Act to authorize the Commissioners of the District of Columbia to plan, construct, operate, and maintain a sanitary sewer to connect the Dulles International Airport with the District of Columbia system, approved June 12, 1960 (74 Stat. 211; Public Law 86-515); sections 723 and 743(f) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973, as amended (87 Stat. 821; Public Law 93-198; D.C. Code, sec. 47-321, note; 91 Stat. 1156; Public Law 95-131; D.C. Code, sec. 9-219, note), including interest as required thereby, $257,787,000.

Repayment of General Fund Recovery Debt

For the purpose of eliminating the $331,589,000 general fund accumulated deficit as of September 30, 1990, $38,678,000, as authorized by section 461(a) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973, as amended (105 Stat. 540; Public Law 102–106; D.C. Code, sec. 47–321(a)).

Repayment of Interest on Short-Term Borrowing

For repayment of interest on short-term borrowing, $9,698,000.

Pay Renegotiation or Reduction in Compensation

The Mayor shall reduce appropriations and expenditures for personal services in the amount of $46,409,000, by decreasing rates of compensation for District government employees; such decreased rates are to be realized for employees who are subject to collective bargaining agreements to the extent possible through the renegotiation of existing collective bargaining agreements.

Rainy Day Fund

For mandatory unavoidable expenditures within one or several of the various appropriation headings of this Act, to be allocated to the budgets for personal services and nonpersonal services as requested by the Mayor and approved by the Council pursuant to the procedures in section 4 of the Reprogramming Policy Act of 1980, effective September 16, 1980 (D.C. Law 3–100; D.C. Code, sec. 47–363), $4,563,000: *Provided*, That the District of Columbia shall provide to the Committees on Appropriations of the House of Representatives and the Senate quarterly reports by the 15th day of the month following the end of the quarter showing how monies provided under this fund are expended with a final report providing a full accounting of the fund due October 15, 1995 or not later than 15 days after the last amount remaining in the fund is disbursed.

Incentive Buyout Program

For the purpose of funding costs associated with the incentive buyout program, to be apportioned by the Mayor of the District of Columbia within the various appropriation headings in this Act from which costs are properly payable, $19,000,000.

Boards and Commissions

The Mayor shall reduce appropriations and expenditures for boards and commissions under the various headings in this Act in the amount of $500,000.

Government Re-Engineering Program

If a sufficient reduction from employees who are subject to collective bargaining agreements is not realized through renegotiating existing agreements, the Mayor shall decrease the rates of compensation for such employees, notwithstanding the provisions of any collective bargaining agreements: *Provided*, That the Mayor shall reduce appropriations and expenditures for personal and nonpersonal services in the amount of $16,000,000 within one or several of the various appropriation headings in this Act.

Outplacement

For outplacement $1,500,000.

Capital Outlay

For construction projects, $82,850,000, as authorized by an Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58–140; D.C. Code, secs. 43–1512 through 43–1519); the District of Columbia Public Works Act of 1954, approved May 18, 1954 (68 Stat. 101; Public Law 83–364); An Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85–451); including acquisition of sites, preparation of plans and specifications, conducting preliminary surveys, erection of structures, including building improvement and alteration and treatment of grounds, to remain available until expended: *Provided*, That $105,660,000 appropriated under this heading in prior fiscal years is rescinded.

Water and Sewer Enterprise Fund

For the Water and Sewer Enterprise Fund, $243,853,000 and 1,024 full-time equivalent positions (end of year), of which $41,036,000 shall be apportioned and payable to the debt service fund for repayment of loans and interest incurred for capital improvement projects.

Lottery and Charitable Games Enterprise Fund

For the Lottery and Charitable Games Enterprise Fund, established by the District of Columbia Appropriation Act for the Fiscal Year ending September 30, 1982, approved December 4, 1981 (95 Stat. 1174, 1175; Public Law 97–91), as amended, for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3–172; D.C. Code, secs. 2–2501 et seq. and 22–1516 et seq.), $229,950,000 and 88 full-time equivalent positions (end of year), to be derived from non-Federal District of Columbia revenues: *Provided*, That the District of Columbia shall identify the source of funding for this appropriation title from the District's own locally-generated revenues: *Provided further*, That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

Cable Television Enterprise Fund

For the Cable Television Enterprise Fund, established by the Cable Television Communications Act of 1981, effective October 22, 1983 (D.C. Law 5–36; D.C. Code, sec. 43–1801 et seq.), $2,351,000 and 8 full-time equivalent positions (end of year), of which $572,000 shall be transferred to the General Fund of the District of Columbia.

Starplex Fund

For the Starplex Fund, $6,580,000 for the expenses incurred by the Armory Board in the exercise of its powers granted by An Act To Establish a District of Columbia Armory Board, and for other purposes, approved June 4, 1948 (62 Stat. 339; D.C. Code, sec. 2–301 et seq.) and the District of Columbia Stadium Act of 1957, approved September 7, 1957 (71 Stat. 619; Public Law 85–300; D. C. Code, sec. 2–321 et seq.): *Provided*, That the Mayor shall submit a budget for the Armory Board for the forthcoming fiscal year as required by section 442(b) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 824; Public Law 93–198; D.C. Code, sec. 47–301(b)).

D.C. General Hospital

For the District of Columbia General Hospital, established by the Reorganization Order No. 57 of the Board of Commissioners, effective August 15, 1953, $115,034,000, of which $56,735,000 shall be derived by transfer from the general fund.

D.C. Retirement Board

For the D.C. Retirement Board, established by section 121 of the District of Columbia Comprehensive Retirement Reform Act of 1989, approved November 17, 1989 (93 Stat. 866; D.C. Code, sec. 1–711), $13,440,000 to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board and 11 full-time equivalent positions (end of year): *Provided*, That the District of Columbia Retirement Board shall provide to the Congress and to the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: *Provided further*, That the District of Columbia Retirement Board shall provide the Mayor, for transmittal to the Council of the District of Columbia, an item accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report.

Correctional Industries

For the Correctional Industries Fund, established by the District of Columbia Correctional Industries Establishment Act, approved October 3, 1964 (78 Stat. 1000; Public Law 88–622), $10,516,000 and 66 full-time equivalent positions (end of year).

District of Columbia Financial Responsibility and Management Assistance Authority

For the District of Columbia Financial Responsibility and Management Assistance Authority, established by section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995 (109 Stat. 97; Public Law 104–8), $3,500,000.

Washington Convention Center Enterprise Fund

For the Washington Convention Center Enterprise Fund, $37,957,000, of which $5,400,000 shall be derived by transfer from the general fund.

Personal Services Adjustment

The Mayor, in consultation with the Council and the District of Columbia Financial Responsibility and Management Assistance Authority, shall reduce appropriations and expenditures for personal services costs in the amount of $11,264,000 within one or several of the various appropriations headings in this Act.

General Provisions

Sec. 101. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

Sec. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

Sec. 103. Whenever in this Act, an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount that may be expended for said purpose or object rather than an amount set apart exclusively therefor.

Sec. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: *Provided*, That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101–7 (Federal Travel Regulations).

SEC. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: *Provided*, That the Council of the District of Columbia and the District of Columbia Courts may expend such funds without authorization by the Mayor.

SEC. 106. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: *Provided*, That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947, approved March 31, 1956 (70 Stat. 78; Public Law 84–460; D.C. Code, sec. 47–1812.11(c)(3)).

SEC. 107. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of section 544 of the District of Columbia Public Assistance Act of 1982, effective April 6, 1982 (D.C. Law 4–101; D.C. Code, sec. 3–205.44), and for the non-Federal share of funds necessary to qualify for Federal assistance under the Juvenile Delinquency Prevention and Control Act of 1968, approved July 31, 1968 (82 Stat. 462; Public Law 90–445; 42 U.S.C. 3801 et seq.).

SEC. 108. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 109. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

SEC. 110. The annual budget for the District of Columbia government for the fiscal year ending September 30, 1997, shall be transmitted to the Congress no later than April 15, 1996.

SEC. 111. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations, the House Committee on Government Reform and Oversight, District of Columbia Subcommittee, the Subcommittee on General Services, Federalism, and the District of Columbia, of the Senate Committee on Governmental Affairs, and the Council of the District of Columbia, or their duly authorized representative: *Provided*, That none of the funds contained in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name and salary are not available for public inspection.

SEC. 112. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977, effective September 23, 1977 (D.C. Law 2–20; D.C. Code, sec. 47–421 et seq.).

SEC. 113. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

SEC. 114. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: *Provided*, That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowing and spending progress compared with projections.

SEC. 115. The Mayor shall not borrow any funds for capital projects unless the Mayor has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

SEC. 116. The Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

SEC. 117. None of the funds appropriated by this Act may be obligated or expended by reprogramming except pursuant to advance approval of the reprogramming granted according to the procedure set forth in the Joint Explanatory Statement of the Committee of Conference (House Report No. 96–443), which accompanied the District of Columbia Appropriation Act, 1980, approved October 30, 1979 (93 Stat. 713; Public Law 96–93), as modified in House Report No. 98–265, and in accordance with the Reprogramming Policy Act of 1980, effective September 16, 1980 (D.C. Law 3–100; D.C. Code, sec. 47–361 et seq.): *Provided*, That for the fiscal year ending September 30, 1996 the above shall apply except as modified by Public Law 104–8.

SEC. 118. None of the Federal funds provided in this Act shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia.

SEC. 119. None of the Federal funds provided in this Act shall be obligated or expended to procure passenger automobiles as defined in the Automobile Fuel Efficiency Act of 1980, approved October 10, 1980 (94 Stat. 1824; Public Law 96–425; 15 U.S.C. 2001(2)), with an Environmental Protection Agency estimated miles per gallon average of less than 22 miles per gallon: *Provided*, That this section shall not apply to security, emergency rescue, or armored vehicles.

SEC. 120. (a) Notwithstanding section 422(7) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93–198; D.C. Code, sec. 1–242(7)), the City Administrator shall be paid, during any fiscal year, a salary at a rate established by the Mayor, not to exceed the rate established for level IV of the Executive Schedule under 5 U.S.C. 5315.

(b) For purposes of applying any provision of law limiting the availability of funds for payment of salary or pay in any fiscal year, the highest rate of pay established by the Mayor under subsection (a) of this section for any position for any period during the last quarter of calendar year 1995 shall be deemed to be the rate of pay payable for that position for September 30, 1995.

(c) Notwithstanding section 4(a) of the District of Columbia Redevelopment Act of 1945, approved August 2, 1946 (60 Stat. 793; Public Law 79–592; D.C. Code, sec. 5–803(a)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, per diem compensation at a rate established by the Mayor.

SEC. 121. Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2–139; D.C. Code, sec. 1–601.1 et seq.), enacted pursuant to section 422(3) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93–198; D.C. Code, sec. 1–242(3)), shall apply with respect to the compensation of District of Columbia employees: *Provided*, That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5 of the United States Code.

SEC. 122. The Director of the Department of Administrative Services may pay rentals and repair, alter, and improve rented premises, without regard to the provisions of section 322 of the Economy Act of 1932 (Public Law 72–212; 40 U.S.C. 278a), upon a determination by the Director, that by reason of circumstances set forth in such determination, the payment of these rents and the execution of this work, without reference to the limitations of section 322, is advantageous to the District in terms of economy, efficiency, and the District's best interest.

SEC. 123. No later than 30 days after the end of the first quarter of the fiscal year ending September 30, 1996, the Mayor of the District of Columbia shall submit to the Council of the District of Columbia the new fiscal year 1996 revenue estimates as of the end of the first quarter of fiscal year 1996. These estimates shall be used in the budget request for the fiscal year ending September 30, 1997. The officially revised estimates at midyear shall be used for the midyear report.

SEC. 124. Section 466(b) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 806; Public Law 93–198; D.C. Code, sec. 47–326), as amended, is amended by striking "sold before October 1, 1995" and inserting "sold before October 1, 1996".

SEC. 125. No sole source contract with the District of Columbia government or any agency thereof may be renewed or extended without opening that contract to the competitive bidding process as set forth in section 303 of the District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6–85; D.C. Code, sec. 1–1183.3), except that the District of Columbia Public Schools may renew or extend sole source contracts for which competition is not feasible or practical, provided that the determination as to whether to invoke the competitive bidding process has been made in accordance with duly promulgated Board of Education rules and procedures.

SEC. 126. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99–177), as amended, the term "program, project, and activity" shall be synonymous with and refer specifically to each account appropriating Federal funds in this Act, and any sequestration order shall be applied to each of the accounts rather than to the aggregate total of those accounts: *Provided*, That sequestration orders shall not be applied to any account that is specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99–177), as amended.

SEC. 127. In the event a sequestration order is issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99–177), as amended, after the amounts appropriated to the District of Columbia for the fiscal year involved have been paid to the District of Columbia, the Mayor of the District of Columbia shall pay to the Secretary of the Treasury, within 15 days after receipt of a request therefor from the Secretary of the Treasury, such amounts as are sequestered by the order: *Provided*, That the sequestration percentage specified in the order shall be applied proportionately to each of the Federal appropriation accounts in this Act that are not specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99–177), as amended.

SEC. 128. For the fiscal year ending September 30, 1996, the District of Columbia shall pay interest on its quarterly payments to the United States that are made more than 60 days from the date of receipt of an itemized statement from the Federal Bureau of Prisons of amounts due for housing District of Columbia convicts in Federal penitentiaries for the preceding quarter.

SEC. 129. Nothing in this Act shall be construed to authorize any office, agency or entity to expend funds for programs or functions for which a reorganization plan is required but has not been approved by the Council pursuant to section 422(12) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93–198; D.C. Code, sec. 1–242(12)) and the Governmental Reorganization Procedures Act of 1981, effective October 17, 1981 (D.C. Law 4–42; D.C. Code, secs. 1–299.1 to 1–299.7). Appropriations made by this Act for such programs or functions are conditioned on the approval by the Council, prior to October 1, 1995, of the required reorganization plans.

SEC 130. (a) An entity of the District of Columbia government may accept and use a gift or donation during fiscal year 1996 if—

(1) the Mayor approves the acceptance and use of the gift or donation: *Provided*, That the Council of the District of Columbia may accept and use gifts without prior approval by the Mayor; and

(2) the entity uses the gift or donation to carry out its authorized functions or duties.

(b) Each entity of the District of Columbia government shall keep accurate and detailed records of the acceptance and use of any gift or donation under subsection (a) of this section, and shall make such records available for audit and public inspection.

(c) For the purposes of this section, the term "entity of the District of Columbia government" includes an independent agency of the District of Columbia.

(d) This section shall not apply to the District of Columbia Board of Education, which may, pursuant to the laws and regulations of the District of Columbia, accept and use gifts to the public schools without prior approval by the Mayor.

SEC. 131. None of the Federal funds provided in this Act may be used by the District of Columbia to provide for salaries, expenses, or other costs associated with the offices of United States Senator or United States Representatives under section 4(d) of the District of Columbia Statehood Constitutional Convention Initiatives of 1979, effective March 10, 1981 (D.C. Law 3–171; D.C. Code, sec. 1–113(d)).

SEC. 132. None of the Federal funds appropriated under this Act shall be expended for any abortion except when it is made known to the entity or official to which funds are appropriated under this Act that such procedure is necessary to save the life of the mother or that the pregnancy is the result of an act of rape or incest.

COMPENSATION FOR THE COMMISSION ON JUDICIAL DISABILITIES AND TENURE AND FOR THE JUDICIAL NOMINATION COMMISSION

SEC. 133. Sections 431(f) and 433(b)(5) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 813; Public Law 93–198; D.C. Code, secs. 11–1524 and title II, App. 433), are amended to read as follows:

(a) Section 431(f) (D.C. Code, sec. 11–1524) is amended to read as follows:

"(f) Members of the Tenure Commission shall serve without compensation for services rendered in connection with their official duties on the Commission.".

(b) Section 433(b)(5) (title 11, App. 433) is amended to read as follows:

"(5) Member of the Commission shall serve without compensation for services rendered in connection with their official duties on the Commission.".

MULTIYEAR CONTRACTS

SEC. 134. Section 451 of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 803; Public Law 93–198; D.C. Code, sec. 1–1130), is amended by adding a new subsection (c) to read as follows:

"(c)(1) The District may enter into multiyear contracts to obtain goods and services for which funds would otherwise be available for obligation only within the fiscal year for which appropriated.

"(2) If the funds are not made available for the continuation of such a contract into a subsequent fiscal year, the contract shall be cancelled or terminated, and the cost of cancellation or termination may be paid from—

"(A) appropriations originally available for the performance of the contract concerned;

"(B) appropriations currently available for procurement of the type of acquisition covered by the contract, and not otherwise obligated; or

"(C) funds appropriated for those payments.

"(3) No contract entered into under this section shall be valid unless the Mayor submits the contract to the Council for its approval and the Council approves the contract (in accordance with criteria established by act of the Council). The Council shall be required to take affirmative action to approve the contract within 45 calendar days. If no action is taken to approve the contract within 45 calendar days, the contract shall be deemed disapproved.".

CALCULATED REAL PROPERTY TAX RATE RESCISSION AND REAL PROPERTY TAX FREEZE

SEC. 135. The District of Columbia Real Property Tax Revision Act of 1974, approved September 3, 1974 (88 Stat. 1051; D.C. Code, sec. 47–801 et seq.), is amended as follows:

(1) Section 412 (D.C. Code, sec. 47–812) is amended as follows:

(A) Subsection (a) is amended by striking the third and fourth sentences and inserting the following sentences in their place: "If the Council does extend the time for establishing the rates of taxation on real property, it must establish those rates for the tax year by permanent legislation. If the Council does not establish the rates of taxation of real property by October 15, and does not extend the time for establishing rates, the rates of taxation applied for the prior year shall be the rates of taxation applied during the tax year.".

(B) A new subsection (a–2) is added to read as follows:

"(a–2) Notwithstanding the provisions of subsection (a) of this section, the real property tax rates for taxable real property in the District of Columbia for the tax year beginning October 1, 1995, and ending September 30, 1996, shall be the same rates in effect for the tax year beginning October 1, 1993, and ending September 30, 1994.".

(2) Section 413(c) (D.C. Code, sec. 47–815(c)) is repealed.

PRISONS INDUSTRIES

SEC. 136. Title 18 U.S.C. 1761(b) is amended by striking the period at the end and inserting the phrase "or not for-profit organizations" in its place.

REPORTS ON REDUCTIONS

SEC. 137. Within 120 days of the effective date of this Act, the Mayor shall submit to the Council a report delineating the actions taken by the executive to effect the directives of the Council in this Act, including—

(1) negotiations with representatives of collective bargaining units to reduce employee compensation;

(2) actions to restructure existing long-term city debt;

(3) actions to apportion the spending reductions anticipated by the directives of this Act to the executive for unallocated reductions; and

(4) a list of any position that is backfilled including description, title, and salary of the position.

MONTHLY REPORTING REQUIREMENTS—BOARD OF EDUCATION

SEC. 138. The Board of Education shall submit to the Congress, Mayor, and Council of the District of Columbia no later than fifteen (15) calendar days after the end of each month a report that sets forth—

(1) current month expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections versus budget broken out on the basis of control center, responsibility center, ARC, and object class, and for appropriated funds, nonappropriated funds, and capital financing;

(2) a breakdown of FTE positions and staff for the most current pay period broken out on the basis of control center, responsibility center, and ARC within each responsibility center, for appropriated funds, nonappropriated funds, and capital funds;

(3) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and ARC, and for all funding sources;

(4) a list of all active contracts in excess of $10,000 annually, which contains; the name of each contractor; the budget to which the contract is charged broken out on the basis of control center, responsibility center, and ARC; and contract identifying codes used by the District of Columbia Public Schools; payments made in the last month and year-to-date, the total amount of the contract

and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(5) all reprogramming requests and reports that are required to be, and have been, submitted to the Board of Education; and

(6) changes made in the last month to the organizational structure of the District of Columbia Public Schools, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

MONTHLY REPORTING REQUIREMENT—UNIVERSITY OF THE DISTRICT OF COLUMBIA

SEC. 139. The University of the District of Columbia shall submit to the Congress, Mayor, and Council of the District of Columbia no later than fifteen (15) calendar days after the end of each month a report that sets forth—

(1) current month expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections versus budget broken out on the basis of control center, responsibility center, and object class, and for appropriated funds, nonappropriated funds, and capital financing;

(2) a breakdown of FTE positions and all employees for the most current pay period broken out on the basis of control center and responsibility center, for appropriated funds, nonappropriated funds, and capital funds.

(3) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and for all funding sources;

(4) a list of all active contracts in excess of $10,000 annually, which contains: the name of each contractor; the budget to which the contract is charged broken out on the basis of control center and responsibility center, and contract identifying codes used by the University of the District of Columbia; payments made in the last month and year-to-date, the total amount of the contract and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(5) all reprogramming requests and reports that have been made by the University of the District of Columbia within the last month in compliance with applicable law; and

(6) changes made in the last month to the organizational structure of the University of the District of Columbia, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

SEC. 140. None of the Federal funds appropriated under this Act shall be used to implement or enforce any system of registration of unmarried, cohabiting couples whether they are homosexual, lesbian, heterosexual, including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples; nor shall any funds made available pursuant to any provision of this Act otherwise be used to implement or enforce D.C. Act 9-188, signed by the Mayor of the District of Columbia on April 15, 1992.

ANNUAL REPORTING REQUIREMENTS

SEC. 141. (a) The Board of Education of the District of Columbia and the University of the District of Columbia shall annually compile an accurate and verifiable report on the positions and employees in the public school system and the university, respectively. The annual report shall set forth—

(1) the number of validated schedule A positions in the District of Columbia Public Schools and the University of the District of Columbia for fiscal year 1995, fiscal year 1996, and thereafter on full-time equivalent basis, including a compilation of all positions by control center, responsibility center, funding source, position type, position title, pay plan, grade, and annual salary; and

(2) a compilation of all employees in the District of Columbia Public Schools and the University of the District of Columbia as of the preceding December 31, verified as to its accuracy in accordance with the functions that each employee actually performs, by control center, responsibility center, agency reporting code, program (including funding source), activity, location for accounting purposes, job title, grade and classification, annual salary, and position control number.

(b) The annual report required by subsection (a) of this section shall be submitted to the Congress, the Mayor and Council of the District of Columbia, by not later than February 8 of each year.

ANNUAL BUDGETS AND BUDGET REVISIONS

SEC. 142. (a) Not later than October 1, 1995, or within 15 calendar days after the date of the enactment of the District of Columbia Appropriations Act, 1996, whichever occurs first, and each succeeding year, the Board of Education and the University of the District of Columbia shall submit to the Congress, the Mayor, and Council of the District of Columbia, a revised appropriated funds operating budget for the public school system and the University of the District of Columbia for such fiscal year that is in the total amount of the approved appropriation and that realigns budgeted data for personal services and other than personal services, respectively, with anticipated actual expenditures.

(b) The revised budget required by subsection (a) of this section shall be submitted in the format of the budget that the Board of Education and the University of the District of Columbia submit to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia pursuant to section 442 of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93-198, as amended (D.C. Code, sec. 47-301).

BUDGET APPROVAL

SEC. 143. The Board of Education, the Board of Trustees of the University of the District of Columbia, the Board of Library Trustees, and the Board of Governors of the D.C. School of Law shall vote on and approve their respective annual or revised budgets before submission to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia in accordance with section 442 of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93-198, as amended (D.C. Code, sec. 47-301), or before submitting their respective budgets directly to the Council.

PUBLIC SCHOOL EMPLOYEE EVALUATIONS

SEC. 144. Notwithstanding any other provision of law, rule, or regulation, the evaluation process and instruments for evaluating District of Columbia Public Schools employees shall be a non-negotiable item for collective bargaining purposes.

POSITION VACANCIES

SEC. 145. (a) No agency, including an independent agency, shall fill a position wholly funded by appropriations authorized by this Act, which is vacant on October 1, 1995, or becomes vacant between October 1, 1995, and September 30, 1996, unless the Mayor or independent agency submits a proposed resolution of intent to fill the vacant position to the Council. The Council shall be required to take affirmative action on the Mayor's resolution within 30 legislative days. If the Council does not affirmatively approve the resolution within 30 legislative days, the resolution shall be deemed disapproved.

(b) No reduction in the number of full-time equivalent positions or reduction-in-force due to privatization or contracting out shall occur if the District of Columbia Financial Responsibility and Management Assistance Authority, established by section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995 (109 Stat. 97; Public Law 104-8), disallows the full-time equivalent position reduction provided in this Act in meeting the maximum ceiling of 39,778 for the fiscal year ending September 30, 1996.

(c) This section shall not prohibit the appropriate personnel authority from filling a vacant position with a District government employee currently occupying a position that is funded with appropriated funds.

(d) This section shall not apply to local school-based teachers, school-based officers, or school-based teachers' aides.

CAPITAL PROJECT EMPLOYEES

SEC. 146. (a) Not later than 15 days after the end of every fiscal quarter (beginning October 1, 1995), the Mayor shall submit to the Council and the Committees on Appropriations of the Senate and House of Representatives a report with respect to the employees on the capital project budget for the previous quarter.

(b) Each report submitted pursuant to subsection (a) of this section shall include the following information—

(1) a list of all employees by position, title, grade and step;

(2) a job description, including the capital project for which each employee is working;

(3) the date that each employee began working on the capital project and the ending date that each employee completed or is projected to complete work on the capital project; and

(4) a detailed explanation justifying why each employee is being paid with capital funds.

MODIFICATIONS OF BOARD OF EDUCATION REDUCTION-IN-FORCE PROCEDURES

SEC. 147. The District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Code, sec. 1-601.1 et seq.), is amended as follows:

(a) Section 301 (D.C. Code, sec. 1.603.1) is amended as follows:

(1) A new paragraph (13A) is added to read as follows:

"(13A) 'Nonschool-based personnel' means any employee of the District of Columbia Public Schools who is not based at a local school or who does not provide direct services to individual students.".

(2) A new paragraph (15A) is added to read as follows:

"(15A) 'School administrators' means principals, assistant principals, school program directors, coordinators, instructional supervisors, and support personnel of the District of Columbia Public Schools.".

(b) Section 801A(b)(2) (D.C. Code, sec. 1-609.1(b) (2)) is amended as follows:

(1) By striking the semicolon at the end of subparagraph (L).

(2) By adding a new subparagraph (L-i) to read as follows:

"(L-i) Notwithstanding any other provision of law, the Board of Education shall not issue rules that require or permit nonschool-based personnel or school administrators to be assigned or reassigned to the same competitive level as classroom teachers;"

(c) Section 2402 (D.C. Code, sec. 1-625.2) is amended by adding a new subsection (f) to read as follows:

"(f) Notwithstanding any other provision of law, the Board of Education shall not require or permit non-school based personnel or school administrators to be assigned or reassigned to the same competitive level as classroom teachers.".

SEC. 148. (a) Notwithstanding any other provision of law, rule, or regulation, an employee of the District of Columbia Public Schools shall be—

(1) classified as an Educational Service employee;

(2) placed under the personnel authority of the Board of Education; and

(3) subject to all Board of Education rules.

(b) School-based personnel shall constitute a separate competitive area from non-school based personnel who shall not compete with school-based personnel for retention purposes.

MODIFICATION OF REDUCTION-IN-FORCE PROCEDURES

SEC. 149. The District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Code, sec. 1-601.1 et seq.), is amended as follows:

(a) Section 2401 (D.C. Code, sec. 1-625.1) is amended by amending the third sentence to read as follows: "A personnel authority may establish lesser competitive areas within an agency on the basis of all or a clearly identifiable segment of an agency's mission or a division or major subdivision of an agency.".

(b) A new section 2406 is added to read as follows:

"SEC. 2406. ABOLISHMENT OF POSITIONS FOR FISCAL YEAR 1996.

"(a) Notwithstanding any other provision of law, regulation, or collective bargaining agreement either in effect or to be negotiated while this legislation is in effect for the fiscal year ending September 30, 1996, each agency head is authorized, within the agency head's discretion, to identify positions for abolishment.

"(b) Prior to February 1, 1996, each personnel authority shall make a final determination that a position within the personnel authority is to be abolished.

"(c) Notwithstanding any rights or procedures established by any other provision of this title, any District government employee, regardless of date of hire, who encumbers a position identified for abolishment shall be separated without competition or assignment rights, except as provided in this section.

"(d) An employee effected by the abolishment of a position pursuant to this section who, but for this section would be entitled to compete for retention, shall be entitled to one round of lateral competition pursuant to Chapter 24 of the District of Columbia Personnel Manual, which shall be limited to positions in the employee's competitive level.

"(e) Each employee who is a bona fide resident of the District of Columbia shall have added 5 years to his or her creditable service for reduction-in-force purposes. For purposes of this subsection only, a nonresident District employee who was hired by the District government prior to January 1, 1980, and has not had a break in service since that date, or a former employee of the U.S. Department of Health and Human Services at Saint Elizabeths Hospital who accepted employment with the District government on October 1, 1987, and has not had a break in service since that date, shall be considered a District resident.

"(f) Each employee selected for separation pursuant to this section shall be given written notice of at least 30 days before the effective date of his or her separation.

"(g) Neither the establishment of a competitive area smaller than an agency, nor the determination that a specific position is to be abolished, nor separation pursuant to this section shall be subject to review except as follows:

"(1) An employee may file a complaint contesting a determination or a separation pursuant to title XV of this Act or section 303 of the Human Rights Act of 1977, effective December 13, 1977 (D.C. Law 2-38; D.C. Code, sec. 1-2543); and

"(2) An employee may file with the Office of Employee Appeals an appeal contesting that the separation procedures of subsections (d) and (f) of this section were not properly applied.

"(h) An employee separated pursuant to this section shall be entitled to severance pay in accordance with title XI of this Act, except that the following shall be included in computing creditable service for severance pay for employees separated pursuant to this section:

"(1) Four years for an employee who qualified for veteran's preference under this Act, and

"(2) Three years for an employee who qualified for residency preference under this Act.

"(i) Separation pursuant to this section shall not affect an employee's rights under either the Agency Reemployment Priority Program or the Displaced Employee Program established pursuant to Chapter 24 of the District Personnel Manual.

"(j) The Mayor shall submit to the Council a listing of all positions to be abolished by agency and responsibility center by March 1, 1996, or upon the delivery of termination notices to individual employees.

"(k) Notwithstanding the provisions of section 1708 or section 2402(d), the provisions of this act shall not be deemed negotiable.

"(l) A personnel authority shall cause a 30-day termination notice to be served, no later than September 1, 1996, on any incumbent employee remaining in any position identified to be abolished pursuant to subsection (b) of this section".

DELAY IN CONVEYANCE OF PROPERTY TO COLUMBIA HOSPITAL FOR WOMEN FOR NATIONAL WOMEN'S HEALTH RESOURCE CENTER

SEC. 150. Effective as if included in the enactment of Public Law 103-67, section 1(c)(1) of Public Law 103-67 (107 Stat. 687) is amended by striking "1 year" and inserting "3 years".

This title may be cited as the "District of Columbia Appropriations Act, 1996".

TITLE II—DISTRICT OF COLUMBIA SCHOOLS IMPROVEMENT ACT

Subtitle A—Establishment and Organization of Commission on Consensus Reform in the District of Columbia Public Schools

SEC. 201. DEFINITIONS.

For purposes of this subtitle—

(1) COMMISSION.—The term "Commission" means the Commission on Consensus Reform in the District of Columbia Public Schools.

(2) BOARD OF EDUCATION OR BOARD.—The term "Board of Education" or "Board" means the Board of Education of the District of Columbia.

(3) AUTHORITY.—The term "Authority" means the District of Columbia Financial Responsibility and Management Assistance Authority.

(4) EDUCATIONAL PLAN.—The term "Educational Plan" means the System-Wide Educational Reform Goals and Objectives Plan developed and implemented under this Act.

(5) MAYOR.—The term "Mayor" means the Mayor of the District of Columbia.

(6) COUNCIL.—The term "Council" means the Council of the District of Columbia.

SEC. 202. COMMISSION ON CONSENSUS REFORM IN THE DISTRICT OF COLUMBIA PUBLIC SCHOOLS.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is hereby established the Commission on Consensus Reform in the District of Columbia Public Schools, consisting of 7 members to be appointed in accordance with paragraph (2).

(2) MEMBERSHIP.—The Commission shall consist of the following members:

(A) 1 member to be appointed by the President chosen from a list of 3 proposed members submitted by the Majority Leader of the Senate;

(B) 1 member to be appointed by the President chosen from a list of 3 proposed members submitted by the Speaker of the House of Representatives;

(C) 2 members to be appointed by the President, 1 who shall represent the local business community and 1 who is a teacher in the District of Columbia public schools.

(D) The President of the District of Columbia Congress of Parents and Teachers.

(E) The President of the District of Columbia Board of Education.

(F) The Superintendent of Public Schools of the District of Columbia.

(G) The Mayor and Council Chairman shall each name one non-voting ex-officio member.

(H) The Chief of the National Guard Bureau who shall be an ex officio member.

(3) TERMS OF SERVICE.—The members of the Commission appointed under subparagraphs (A), (B), and (C) of paragraph (2) shall appointed for a term of 3 years.

(4) VACANCIES.—Any vacancy in the membership of the Commission shall be filled by the appointment of a new member in the same manner as provided for the vacated membership. A member appointed under this paragraph shall serve the remaining term of the vacated membership.

(5) QUALIFICATIONS.—Members of the Commission appointed under subparagraphs (A), (B), and (C) of paragraph (2) shall be city residents with a knowledge of education.

(6) CHAIR.—The chair of the Commission shall be chosen by the Commission from among its members, except that the President of the Board of Education and the Superintendent of Public Schools shall not be eligible to serve as chair.

(7) NO COMPENSATION FOR SERVICE.—Members of the Commission shall serve without pay, but may receive reimbursement for any

reasonable and necessary expenses incurred by reason of service on the Commission.

(b) Executive Director.—The Commission shall have an Executive Director who shall be appointed by the Chair with the consent of the Commission. The Executive Director shall be paid at a rate determined by the Commission, except that such rate may not exceed the highest rate of pay payable for level EG16 of the Educational Service.

(c) Staff.—With the approval of the Chair, the Executive Director may appoint and fix the pay of additional personnel as the Executive Director considers appropriate, except that no individual appointed by the Executive Director may be paid at a rate greater than the rate of pay for the Executive Director.

(d) The Board shall reprogram such funds, as the chairman of the Commission shall in writing request, from amounts available to the Board.

SEC. 203. GENERAL POWERS.

(a) In General.—The Commission shall have the following powers:

(1) Financial control over the District of Columbia public schools exercised through the Authority.

(2) To approve and monitor the development and implementation of the Board's Educational Plan.

(3) To exercise its authority, as provided in this subtitle, as necessary to facilitate implementation of the Board's Educational Plan.

(4) To promulgate rules concerning the management and direction of the Board, as deemed necessary, to address obstacles to the development or implementation of the Educational Plan.

(b) Limitation.—Except as otherwise provided in this subtitle, the Commission shall have no powers to involve itself in the management or operation of the Board in the implementation of the Educational Plan.

SEC. 204. SYSTEM-WIDE EDUCATIONAL REFORM GOALS AND OBJECTIVES PLAN.

(a) Board Plan.—The Board shall develop, adopt, and submit to the Commission on or before March 1, 1996, a System-Wide Educational Reform Goals and Objectives Plan with respect to the 1996–1997 school year. Thereafter, the Board shall develop, adopt and submit to the Commission on or before March 1 of each year an Educational Plan for the coming school year. The Board shall have an Educational Plan for every year.

(b) Commission Approval.—The Commission shall approve or reject, in whole or in part, the Educational Plan submitted to it by the Board within 30 days of its receipt. No Educational Plan shall have force or effect without approval of the Commission.

(c) Development and Centers for Approval Plan.—Each Educational Plan shall be developed, submitted, approved, and monitored in accordance with the following procedures:

(1) Each Educational Plan shall include specific provisions designed to accomplish the following objectives and reflect the cumulative effect of the Local School Restructuring Team (LSRT) in terms of student needs, financial requirements, and timeliness for implementation:

(A) To ensure, to the extent possible with available categorical funds designated for this purpose, the provision of education services to all eligible children for the 1997–1998 school year and thereafter.

(B) To increase the level of parental involvement in the education of their children.

(C) To enhance the range of authority, responsibility, and accountability of principals.

(D) To restructure the relationship of the Board and its administrative staff to local schools so that the relationship is characterized by less centralized control.

(E) To ensure that all personnel have access to appropriate training opportunities.

(F) To ensure the provision of sufficient staff and facility resources for compliance with court orders.

(G) To ensure the equitable distribution among the schools and programs of funds budgeted by the Board in accordance with applicable laws, rules and regulations.

(H) To ensure that more schools are given the opportunity to operate with more autonomy.

(I) To ensure a new, fair, demanding evaluation process and more and better opportunities for teacher preparation.

(J) To generate a sense of urgency in the business and philanthropic community and enlist them in targeted support for very particular, concrete school reform goals.

(K) To address the school governance issue, and to recommend, within 1 year from the date of the appointment of the members of the Commission constituting a quorum, to the Council, the Mayor, and the relevant committees of the Congress an alternative to the current structure that will eliminate the division of responsibility and accountability among the Board of Education, the District Council and the Mayor.

(2) Each Educational Plan shall include specific provisions to ensure the best possible utilization of public school space, including provisions—

(A) to prepare a plan for adaptive reuse of schools and consolidation;

(B) to develop a five-year capital improvement plan to carry out an approved facilities master plan which provides for a system-wide modernization of public schools;

(C) to institute management systems to support the implementation of the capital plan, in consultation and cooperation with the Mayor and Authority; and

(D) to identify and develop revenue sources for the approved capital improvement plan.

SEC. 205. ELEMENTS OF THE SYSTEM-WIDE EDUCATIONAL REFORM GOALS AND OBJECTIVES PLAN.

(a) Plan Goals.—Each Educational Plan shall contain a detailed description, including estimates of financial costs and expected dates of completion, of—

(1) the Board's school reform goals and objectives;

(2) the Board's strategy for implementing its school reform goals and objectives;

(3) the Board's plans and strategy for implementing applicable District laws enacted to affect school reform;

(4) the Board's strategy for developing and implementing district-wide guidelines, rules, and procedures with respect to local school decision making as provided by applicable District law enacted as part of any school reform legislation;

(5) the Board's goals and objectives for the 2-year period subsequent to the school year for which the Educational Plan applies, as prescribed by the Commission; and

(6) such other information and detail as may be prescribed by the Commission.

(b) Standards and Procedures.—The Commission may prescribe any reasonable time, standards, procedures, or forms for preparation and submission of the Educational Plan.

(c) Approval Criteria.—The Commission shall approve an Educational Plan submitted by the Board if, in the Commission's judgment, the Educational Plan is—

(1) complete;

(2) reasonably capable of being achieved;

(3) supported by demonstrably sufficient and available funding;

(4) responsive to any Commission directives or requirements;

(5) consistent with applicable District laws enacted to affect school reform; and

(6) reasonably capable of achieving substantial progress toward improving the educational achievement of the students and is consistent with the Bringing Educational Services to Students (BESST) agenda, the District of Columbia Reform Agenda, and the District of Columbia Public Schools Goals 2000 Plan.

(d) Rejection and Revision.—If the Commission rejects an Educational Plan submitted by the Board, the Commission may prescribe a procedure and standards for revision and resubmission of the Educational Plan by the Board. If, within 60 days after the Commission notifies the Board of the Commission's rejection of the Board's Educational Plan and of the procedures and standards for revision and resubmission, the Board fails to approve and resubmit a revised plan acceptable to the Commission, the Commission may make revisions and adopt a final Educational Plan and direct the Superintendent to implement.

(e) Reporting Requirements.—The Board shall report to the Commission, at such times and in such manner as the Commission may direct, concerning the Board's implementation of each approved Educational Plan. The Commission may review the Board's operations, obtain educational and financial data, require the Board to produce reports, and have access to any other information in the possession of the Board that it deems relevant. The Commission may issue recommendations or directives within its powers to the Board for the implementation of the approved Educational Plan. The Board shall produce such reports and other information and comply with such directives.

(f) Notice of Modification.—After approval of each Educational Plan, the Board shall promptly notify the Commission of any material change in any matter contained in the approved Educational Plan. The Board may submit to the Commission or the Commission may require the Board to submit, a modified Educational Plan based upon revised information. The Commission shall approve or reject each modified Educational Plan pursuant to subsection (c).

SEC. 206. CONSISTENCY WITH SYSTEM-WIDE EDUCATIONAL REFORM GOALS AND OBJECTIVES PLAN.

(a) Limits on Contracting.—The Board shall not enter into any contract, agreement, or other obligation unless it is consistent with the Educational Plan in effect.

(b) Commission Authority Over Contracting.—The Commission shall have no power to impair any existing contract or obligation of the Board; except, however, that the Commission may direct the Board to modify or amend the Board rules or policies that the Commission deems necessary to facilitate development or implementation of the Educational Plan.

(c) Review of Contracts.—The Commission may request that the Authority review proposed or existing contracts or leases pursuant to section 203(b) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (Public Law 104–8; 109 Stat. 118).

SEC. 207. EDUCATIONAL PERFORMANCE AUDITS.

The Commission may examine and audit records of the Board or require the Board to examine and audit its records at such time and in such manner as the Commission may prescribe to assure, monitor, and evaluate the performance of the Board with respect to compliance with an approved Educational Plan and its overall educational achievement. The Commission shall conduct an annual audit of the educational performance of the Board with respect to meeting the goals of the Educational Plan for such year. The audit technique, content, and procedures shall be determined by the Commission. The Board shall cooperate and assist in the audit as requested by the Commission.

SEC. 208. INVESTIGATIVE POWERS.

The Commission may investigate any action or activity which may hinder the progress of any part of an approved Educational Plan. The Board shall cooperate and assist the Commission in any investigation. Reports of the findings of any such investigation shall be provided to the Board, Superintendent of the District of Columbia Public Schools, the Mayor, the Council, the Authority, the Committees on Appropriations of the Senate and House of Representatives.

SEC. 209. RECOMMENDATIONS OF THE COMMISSION.

(a) IN GENERAL.—The Commission may at any time submit recommendations to the Board, Mayor, the Council, and the Congress on actions the District government or the Federal Government should take to ensure implementation of the approved Educational Plan.

(b) RESPONSE TO RECOMMENDATIONS FOR ACTIONS WITHIN AUTHORITY OF THE BOARD OF EDUCATION.—

(1) IN GENERAL.—In the case of any recommendations submitted under subsection (a) which are within the authority of the District of Columbia government to adopt, not later than 90 days after receiving the recommendations, the Board, shall submit a statement to the Commission which provides notice as to whether the Board will adopt the recommendations.

(2) IMPLEMENTATION PLAN REQUIRED FOR ADOPTED RECOMMENDATIONS.—If the Board notifies the Commission under paragraph (1) that the Board will adopt any of the recommendations submitted under subsection (a), the Board shall include in the statement a written plan to implement the recommendation which includes—

(A) specific performance measures to determine the extent to which the Board has adopted the recommendation; and

(B) a schedule for auditing the Board's compliance with the plan.

(3) EXPLANATIONS REQUIRED FOR RECOMMENDATIONS NOT ADOPTED.—If the Board notifies the Commission under paragraph (1) that the Board will not adopt any recommendation submitted under subsection (a) which the Board has authority to adopt, the Board shall include in the statement explanations for the rejection of the recommendations.

(4) COMMISSION REACTION TO NONRESPONSE FROM BOARD OR REJECTION OF RECOMMENDATION.—(A) In the instance where there is no response from the Board at the end of 90 days the Commission shall immediately notify, including the written recommendation submitted under subsection (a) to the Board, the other elements of the District of Columbia government and the Committee on Governmental Affairs of the Senate, the Committee on Government Reform and Oversight of the House of Representatives, and the Committees on Appropriations of the Senate and the House of Representatives.

(B) The Commission may then direct the Superintendent to carry out such recommendation.

SEC. 210. VACANCY IN SUPERINTENDENT OF PUBLIC SCHOOLS.

(a) Notwithstanding any other provision of law, the Board shall notify the Commission within 10 days of the occurrence of a vacancy in the Superintendent of Public Schools.

(b) Upon receipt of the notice described in (a) the Commission shall, as soon as is practicable, conduct a search for candidates for the office of Superintendent of Public Schools and submit the names of 3 candidates to the Board.

(c) Within 30 days of the receipt of the names described in (b) the Board shall choose one to be the Superintendent of the District of Columbia Public Schools.

SEC. 211. IMPROVING ORDER AND DISCIPLINE.

(a) DRESS CODE.—

(1) IN GENERAL.—Not later than the first day of the 1996-1997 school year, the Commission shall develop and implement, through the Board of Education and the Superintendent of Schools, a uniform dress code for the District of Columbia Public Schools.

(2) CONSIDERATIONS.—The dress code—

(A) shall include a prohibition of gang membership symbols;

(B) shall take into account the relative costs of any policy for each student; and

(C) may include a requirement that students wear uniforms.

(b) COMMUNITY SERVICE REQUIREMENT FOR SUSPENDED STUDENTS.—

(1) IN GENERAL.—Any student suspended from classes at a District of Columbia Public School who is required to serve the suspension outside the school shall perform community service for the period of suspension. The community service required by this subsection shall be subject to rules and regulations promulgated by the Mayor.

(2) EFFECTIVE DATE.—This subsection shall take effect beginning on the first day of the 1996-1997 school year.

(c) EXPIRATION DATE.—This section and the membership provided in section 202(a)(2)(H) shall expire on the last day of the 1997-1998 school year.

(d) REPORT.—The Commission shall study the effectiveness of the policies implemented pursuant to this section in improving order and discipline in schools and report its findings to the appropriate committees of Congress 60 days before the last day of the 1997-1998 school year.

SEC. 212. EXPIRATION DATE.

This subtitle shall expire on September 30, 2016.

Subtitle B—Charter Schools

SEC. 213. PURPOSE.

The purpose of this subtitle is to permit the District of Columbia to establish charter schools to improve the education of students and encourage community involvement in education.

SEC. 214. DEFINITIONS.

For purposes of this subtitle—

(1) CHARTER SCHOOL.—The term "charter school" means a public school that—

(A) operates under a charter granted for a period of 5 years by the Commission on Consensus Reform in the District of Columbia Public Schools or the Board of Education of the District of Columbia and functions independently of the D.C. Public Schools as a local education agency and is exempted from significant local rules that inhibit the flexible operation and management of public schools, but not from any rules relating to other requirements under this subtitle;

(B) is created by a developer as a public school, or is adapted by a developer from an existing public school, or an existing non-Public School, and is operated under public supervision and direction;

(C) operates in pursuit of a specific set of educational objectives determined by the school's developer and agreed to by the authorized public chartering agency;

(D) provides a program of elementary or secondary or both;

(E) is nonsectarian in its programs, admissions policies, employment practices, and all other operations, and is not affiliated with a sectarian school or religious institution;

(F) does not charge tuition;

(G) is governed by a Board of Trustees;

(H) complies with the Age Discrimination Act of 1975, title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, and part B of the Individuals With Disabilities Education Act;

(I) admits students on the basis of a lottery, if more students apply for admission than can be accommodated;

(J) agrees to comply with the same Federal and District of Columbia audit requirements as do other elementary and secondary schools in the District of Columbia, unless such requirements are specifically waived for the purpose of this program; and

(K) meets all applicable Federal and local health and safety requirements.

(2) DEVELOPER.—The term "developer" means an individual or group of individuals (including a public or private organization) which may include teachers, administrators and other school staff, parents, or other members of the local community in which a charter school project will be carried out.

(3) ELIGIBLE APPLICANT.—The term "eligible applicant" means an authorized public chartering agency participating in a partnership with a developer to establish a charter school.

(4) PUBLIC CHARTERING AGENCY.—The term "public chartering agency" means the Commission on Consensus Public School Reform and the District of Columbia Board of Education.

SEC. 215. APPLICATION.

(a) IN GENERAL.—A petition for a public school charter shall be a written proposed agreement between an eligible applicant seeking to establish a public charter school and an eligible chartering agency.

(b) CONTENTS OF APPLICATION.—The application shall contain—

(1) a description of the objectives of the Local Educational Agency's charter school grant program and a description of how such objectives will be fulfilled, including steps taken by the local educational agency to inform teachers, parents, and communities of the local educational agency's charter school grant program;

(2) a description of how the program will enable all students to meet challenging student performance standards as established by the local educational agency;

(3) the grade levels or ages of children to be served;

(4) the curriculum and instructional practices to be used;

(5) a description as to how the charter school will be managed;

(6) a description of the charter school's objectives and the methods by which the charter school will determine its progress toward achieving those objectives;

(7) a description of the administrative relationship between the charter school and the authorized public chartering agency;

(8) a description of how parents and other members of the community will be involved in the design and implementation of the charter school;

(9) a request and justification for waivers of any Federal statutory or regulatory provisions that the applicant believes are necessary for the successful operation of the charter school, and a description of any local rules, generally applicable to public schools, that will be waived for, or otherwise not apply, to the school;

(10) a description of how students in the community will be informed about the charter school and given an equal opportunity to attend the charter school; and

(11) an assurance that the eligible applicant will annually provide the Secretary of Education, the Congress, and the local educational agency such information as may be required to determine if the charter school is making satisfactory progress.

SEC. 216. SELECTION CRITERIA FOR ELIGIBLE APPLICANTS.

Charter schools shall be selected by the public chartering agency by taking the following factors into consideration:

(1) The quality of the proposed curriculum and instructional practices.

(2) The degree of flexibility afforded by the local educational agency.

(3) The extent of community support for the application.

(4) The ambitiousness of the objectives for the charter school.

(5) The quality of the strategy for assessing achievement of those objectives.

(6) The likelihood that the charter school will meet those objectives and improve educational results for students.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. None of the funds provided in this Act may be used directly or indirectly for the renovation of the property located at 227 7th Street Southeast (commonly known as Eastern Market), except that funds provided in this Act may be used for the regular maintenance and upkeep of the current structure and grounds located at such property.

SEC. 302. ENERGY SAVINGS AT DISTRICT OF COLUMBIA FACILITIES.

(a) REDUCTION IN FACILITIES ENERGY COSTS.—

(1) IN GENERAL.—The head of each agency of the District of Columbia for which funds are made available under this Act shall—

(A) take all actions necessary to achieve during fiscal year 1996 a 5 percent reduction, from fiscal year 1995 levels, in the energy costs of the facilities used by the agency; or

(B) enter into a sufficient number of energy savings performance contracts with private sector energy service companies under title VIII of the National Energy Conservation Policy Act (42 U.S.C. 8287 et seq.) to achieve during fiscal year 1996 at least a 5 percent reduction, from fiscal year 1995 levels, in the energy use of the facilities used by the agency.

(2) GOAL.—The activities described in paragraph (1) should be a key component of agency programs that will by the year 2000 result in a 20 percent reduction, from fiscal year 1985 levels, in the energy use of the facilities used by the agency, as required by section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253).

(b) USE OF COST SAVINGS.—An amount equal to the amount of cost savings realized by an agency under subsection (a) shall remain available for obligation through the end of fiscal year 2000, without further authorization or appropriation, as follows:

(1) CONSERVATION MEASURES.—Fifty percent of the amount shall remain available for the implementation of additional energy conservation measures and for water conservation measures at such facilities used by the agency as are designated by the head of the agency.

(2) OTHER PURPOSES.—Fifty percent of the amount shall remain available for use by the agency for such purposes as are designated by the head of the agency, consistent with applicable law.

(c) REPORTS.—

(1) BY AGENCY HEADS.—The head of each agency for which funds are made available under this Act shall include in each report of the agency to the Secretary of Energy under section 548(a) of the National Energy Conservation Policy Act (42 U.S.C. 8258(a)) a description of the results of the activities carried out under subsection (a) and recommendations concerning how to further reduce energy costs and energy consumption in the future.

(2) BY SECRETARY OF ENERGY.—The reports required under paragraph (1) shall be included in the annual reports required to be submitted to Congress by the Secretary of Energy under section 548(b) of the Act (42 U.S.C. 8258(b)).

(3) CONTENTS.—With respect to the period since the date of the preceding report, a report under paragraph (1) or (2) shall—

(A) specify the total energy costs of the facilities used by the agency;

(B) identify the reductions achieved;

(C) specify the actions that resulted in the reductions;

(D) with respect to the procurement procedures of the agency, specify what actions have been taken to—

(i) implement the procurement authorities provided by subsections (a) and (c) of section 546 of the National Energy Conservation Policy Act (42 U.S.C. 8256); and

(ii) incorporate directly, or by reference, the requirements of the regulations issued by the Secretary of Energy under title VIII of the Act (42 U.S.C. 8287 et seq.); and

(E) specify—

(i) the actions taken by the agency to achieve the goal specified in subsection (a)(2);

(ii) the procurement procedures and methods used by the agency under section 546(a)(2) of the Act (42 U.S.C. 8256(a)(2)); and

(iii) the number of energy savings performance contracts entered into by the agency under title VIII of the Act (42 U.S.C. 8287 et seq.).

SEC. 303. PAY OF MEMBERS OF CONGRESS AND THE PRESIDENT DURING GOVERNMENT SHUTDOWNS.

(a) IN GENERAL.—Members of Congress and the President shall not receive basic pay for any period in which—

(1) there is more than a 24 hour lapse in appropriations for any Federal agency or department as a result of a failure to enact a regular appropriations bill or continuing resolution; or

(2) the Federal Government is unable to make payments or meet obligations because the public debt limit under section 3101 of title 31, United States Code has been reached.

(b) RETROACTIVE PAY PROHIBITED.—No pay forfeited in accordance with subsection (a) may be paid retroactively.

SMALL BUSINESS LENDING ENHANCEMENT ACT OF 1995

Mr. BOND. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 895.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 895) entitled "An Act to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the Administration, and for other purposes", do pass with the following amendments:

Strike out all after the enacting clause, and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Business Credit Efficiency Act of 1995".

SEC. 2. FEE FOR LOAN GUARANTEES SOLD ON SECONDARY MARKET.

Section 5(g)(4)(A) of the Small Business Act (15 U.S.C. 634(g)(4)(A)) is amended by striking "4/10 of one percent" and inserting "one-half of 1 percent".

SEC. 3. GENERAL BUSINESS LOANS.

(a) REDUCED LEVEL OF PARTICIPATION IN GUARANTEED LOANS.—Section 7(a)(2) of the Small Business Act (15 U.S.C. 636(a)(2)) is amended to read as follows:

"(2) LEVEL OF PARTICIPATION IN GUARANTEED LOANS.—

"(A) IN GENERAL.—In agreements to participate in loans on a deferred basis under this subsection, such participation by the Administration shall be—

"(i) equal to 80 percent of the balance of the financing outstanding at the time of disbursement if such financing is less than or equal to $100,000; and

"(ii) equal to 75 percent of the balance of the financing outstanding at the time of disbursement if such financing is greater than $100,000.

"(B) REDUCED PARTICIPATION.—The guarantee percentage specified by subparagraph (A) for any loan may be reduced upon the request of the participating lender. The Administration shall not use the percent of guarantee requested as a criterion for establishing priorities in approving guarantee requests.

"(C) INTEREST RATE UNDER PREFERRED LENDERS PROGRAM.—The maximum interest rate for a loan guaranteed under the Preferred Lenders Program shall not exceed the maximum interest rate, as determined by the Administration, which is made applicable to other loan guarantees under this subsection.

"(D) PREFERRED LENDERS PROGRAM DEFINED.—In this paragraph, the term 'Preferred Lenders Program' means a program under which a written agreement between the lender and the Administration delegates to the lender—

"(i) complete authority to make and close loans with a guarantee from the Administration without obtaining the prior specific approval of the Administration; and

"(ii) authority to service and liquidate such loans.".

(b) GUARANTEE FEES.—Section 7(a)(18) of the Small Business Act (15 U.S.C. 636(a)(18)) is amended to read as follows:

"(18) GUARANTEE FEES.—

"(A) GENERAL FEE.—For any loan or financing made under this subsection other than a loan repayable in a period of one year or less, the Administration shall collect a guarantee fee equal to—

"(i) 2 percent of the gross amount of any loan guaranteed under this subsection of an amount less than $250,000;

"(ii) 2.5 percent of the gross amount of any loan guaranteed under this subsection of an amount equal to or greater than $250,000 and less than $500,000; or

"(iii) 3 percent of the gross amount of any loan guaranteed under this subsection of an amount equal to or greater than $500,000.

Such fee shall be payable by the participating lending institution and may be charged to the borrower.

"(B) ADDITIONAL FEE TO OFFSET COST.—

"(i) IN GENERAL.—In addition to the guarantee fee to be collected under subparagraph (A), the Administration shall collect a fee for loans guaranteed under this subsection (other than loans for which a guarantee fee may be collected under section 5(g)(4)(A)) in an amount equal to not more than four-tenths of 1 percent per year of the outstanding principal portion of such loan guaranteed by the Administration.

"(ii) USE.—Fees collected under clause (i) shall be used solely to offset the cost (as defined by section 502(5) of the Congressional Budget Act of 1974) of guaranteeing loans under this subsection.

"(iii) PAYMENT.—Fees collected under clause (i) shall be payable by the participating lending institution and shall not be charged to the borrower.".

(c) REPEAL OF PROVISIONS ALLOWING RETENTION OF GUARANTEE FEES BY LENDERS.—Section 7(a)(19) of the Small Business Act (15 U.S.C. 636(a)(19)) is amended—

(1) in subparagraph (B)—

(A) by striking "shall (i) develop" and inserting "shall develop"; and

(B) by striking ", and (ii)" and all that follows before the period at the end; and

(2) by striking subparagraph (C).

SEC. 4. MODIFICATIONS TO DEVELOPMENT COMPANY DEBENTURE PROGRAM.

(a) MAXIMUM LOAN AMOUNT.—Section 502(2) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)) is amended to read as follows:

"(2) Loans made by the Administration under this section shall be limited to $1,250,000 for each such identifiable small business concern.".

(b) FEE TO OFFSET COST.—Section 503(b)(3) of the Small Business Investment Act of 1958 (15 U.S.C. 697(b)(3)) is amended by inserting before the semicolon the following: "and includes a one-eighth of 1 percent fee which shall be paid to the Administration and which shall be used solely to offset the cost (as defined by section 502(5) of the Congressional Budget Act of 1974) of guaranteeing the debenture.".

Amend the title so as to read: "An Act to amend the Small Business Act and the Small Business Investment Act of 1958 to reduce the cost to the Federal Government of guaranteeing certain loans and debentures, and for other purposes.".

Mr. BOND. Mr. President, I ask unanimous consent that the Senate disagree to the House amendments, agree to a request for a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, the Presiding Officer (Mr. GRAMS) appointed Mr. BOND, Mr. BURNS, Mr. COVERDELL, Mr. BUMPERS, and Mr. NUNN conferees on the part of the Senate.

ORDERS FOR WEDNESDAY, SEPTEMBER 27, 1995

Mr. BOND. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9 a.m. on Wednesday, September 27, 1995; that following the prayer, the Journal of proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day; that the Senate immediately proceed to a 10-minute period for morning business under the control of Senator HEFLIN; and that the Senate then resume consideration of H.R. 2099, the VA-HUD appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2784

Mr. BOND. Mr. President, I further ask unanimous consent that when the Senate resumes the HUD-VA bill at approximately 9:15 a.m., that there be 4 minutes for debate on the Rockefeller amendment No. 2784, to be equally divided in the usual form, to be followed by a vote on a motion to waive the Budget Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2785

Mr. BOND. Mr. President, I further ask unanimous consent that following disposition of the Rockefeller amendment, there then be 4 minutes for debate, to be equally divided in the usual form, on the second Rockefeller amendment, to be followed by a vote on the motion to waive the Budget Act for consideration of the Rockefeller amendment No. 2785.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2786

Mr. BOND. Mr. President, I further ask unanimous consent that following the disposition of the second Rockefeller amendment, there be 4 minutes for debate, to be equally divided in the usual form, on the Baucus amendment No. 2786, to be followed by a vote on or in relation to the Baucus amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2782

Mr. BOND. Mr. President, finally, I ask unanimous consent that following the disposition of the Baucus amendment, there be 10 minutes for debate, to be equally divided in the usual form, on the Sarbanes amendment No. 2782, to be followed by a vote on or in relation to the Sarbanes amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BOND. Mr. President, on behalf of the leader, it is my pleasure to announce for the information of all Senators that the Senate will resume consideration of the VA-HUD appropriations bill tomorrow morning at 9:15. Under the previous order, there will be four rollcall votes at approximately 9:20 a.m., with a brief period of time between each vote. The leader has indicated the Senate will complete action on this appropriations bill hopefully by early afternoon. Therefore, additional rollcall votes can be expected throughout Wednesday's session in order to finish action on the VA-HUD appropriations bill and to make progress on the Labor-HHS appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9 A.M. TOMORROW

Mr. BOND. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 8:55 p.m., recessed until Wednesday, September 27, 1995, at 9 a.m.